

**UOA REAL ESTATE INVESTMENT TRUST**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2024 (UNAUDITED)**

	<b>As at 30.06.2024 RM</b>	<b>As at 31.12.2023 RM</b>
<b>INVESTMENTS</b>		
Real estate properties	1,722,683,415	1,718,500,000
<b>PLANT &amp; EQUIPMENT</b>	1,974,483	1,341,615
<b>OTHER ASSETS</b>		
Trade receivables	2,768,215	5,059,904
Other receivables	8,532,659	8,517,480
Deposits with licensed financial institution	1,250,000	1,750,000
Cash and bank balances	4,602,708	2,548,772
Current tax asset	17,712	-
	17,171,294	17,876,156
<b>TOTAL ASSETS</b>	1,741,829,192	1,737,717,771
<b>LIABILITIES</b>		
Payables	5,093,497	6,239,962
Rental deposits	30,732,403	32,939,582
Amount due to Manager	607,335	600,469
Borrowings	698,500,000	684,700,000
Current tax liability	-	24,925
Deferred tax liabilities	19,640,000	19,640,000
<b>TOTAL LIABILITIES</b>	754,573,235	744,144,938
<b>NET ASSET VALUE</b>	987,255,957	993,572,833
<b>FINANCED BY:</b>		
<b>UNITHOLDERS' FUND</b>		
Unitholders' capital	750,555,165	750,555,165
Undistributed income	236,700,792	243,017,668
	987,255,957	993,572,833
<b>NUMBER OF UNITS IN CIRCULATION</b>	675,599,076	675,599,076
<b>Net asset value attributable to unitholders:</b>		
Before income distribution	987,255,957	993,572,833
After income distribution	967,663,584	967,494,709
<b>Net asset value per unit attributable to unitholders:</b>		
Before income distribution	1.4613	1.4707
After income distribution (Note 1)	1.4323	1.4321

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

**Note 1:**

After distribution income for the quarter of 2.90 sen per unit is assumed for income distribution (31.12.2023: final income distribution of 3.86 sen per unit).

**UOA REAL ESTATE INVESTMENT TRUST**

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 30 JUNE 2024 (UNAUDITED)**

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.6.2024 RM	30.6.2023 RM	30.6.2024 RM	30.6.2023 RM
<b>TOTAL INCOME</b>				
Gross rental	27,593,757	28,467,625	53,811,366	57,117,739
Property operating expenses	(11,111,773)	(7,321,365)	(18,850,246)	(14,801,609)
<b>Net rental income</b>	16,481,984	21,146,260	34,961,120	42,316,130
Interest income	37,190	25,303	66,045	45,237
Other income	122,780	173,029	276,126	273,207
	16,641,954	21,344,592	35,303,291	42,634,574
<b>TOTAL EXPENDITURE</b>				
Manager's fees	(1,650,579)	(1,659,917)	(3,298,029)	(3,313,635)
Trustee's fees	(73,907)	(74,325)	(147,674)	(148,372)
Borrowing costs	(5,695,212)	(5,335,930)	(11,216,488)	(10,559,818)
Auditors' remuneration	(20,085)	(16,920)	(34,660)	(30,420)
Tax agent's fees	(5,830)	(5,275)	(11,448)	(10,700)
Valuation fee	-	-	(20,408)	(800)
(Impairment losses)/ Reversal of impairment losses on financial assets	(193,441)	151,078	273,980	97,952
Administrative expenses	(106,106)	(259,295)	(275,935)	(337,552)
	(7,745,160)	(7,200,584)	(14,730,662)	(14,303,345)
Net changes on financial liabilities measured at amortised cost	(811,491)	(137,956)	(811,491)	311,337
<b>INCOME BEFORE TAX</b>	8,085,303	14,006,052	19,761,138	28,642,566
<b>TAX INCOME/(EXPENSE)</b>	11,000	(27,000)	-	(55,000)
<b>INCOME AFTER TAX</b>	8,096,303	13,979,052	19,761,138	28,587,566
<b>OTHER COMPREHENSIVE INCOME</b>	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	8,096,303	13,979,052	19,761,138	28,587,566
<b>INCOME AFTER TAX IS ANALYSED AS FOLLOWS:</b>				
- Realised	8,896,794	14,144,008	20,572,629	28,331,229
- Unrealised	(800,491)	(164,956)	(811,491)	256,337
<b>EARNINGS PER UNIT</b>				
- After manager's fees (sen)	1.20	2.07	2.92	4.23
- Before manager's fees (sen)	1.44	2.31	3.41	4.72

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

**UOA REAL ESTATE INVESTMENT TRUST**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE**  
**FOR THE PERIOD ENDED 30 JUNE 2024 (UNAUDITED)**

	Attributable to Unitholders' Funds			Total Unitholders' Funds	
	Unitholders' Capital RM	Distributable Undistributed Income		Current Year To Date 30.6.2024 RM	Preceding Year To Date 30.6.2023 RM
	RM	Realised RM	Unrealised RM		
Balance at 1 January	750,555,165	87,039,217	155,978,451	993,572,833	995,661,498
Total comprehensive income for the period	-	20,572,629	(811,491)	19,761,138	28,587,566
Distribution to unitholders	-	(26,078,014)	-	(26,078,014)	(29,185,879)
Balance at 31 March	<u>750,555,165</u>	<u>81,533,832</u>	<u>155,166,960</u>	<u>987,255,957</u>	<u>995,063,185</u>

The condensed consolidated statement of changes in net asset value should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

**UOA REAL ESTATE INVESTMENT TRUST**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2024 (UNAUDITED)**

	<b>Current Year To Date 30.6.2024 RM</b>	<b>Preceding Year To Date 30.6.2023 RM</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income before tax	19,761,138	28,642,566
Adjustment for:		
Interest income	(66,045)	(45,237)
Interest expense	11,216,488	10,559,818
Depreciation	109,842	58,066
Net changes on financial liabilities measured at amortised cost	811,491	(311,337)
Bad and doubtful debts	<u>(222,099)</u>	<u>(97,952)</u>
Operating profit before changes in working capital	31,610,815	38,805,924
Net changes in receivables	2,498,609	(3,181,043)
Net changes in payables	<u>(4,190,547)</u>	<u>2,393,605</u>
Cash generated from operating activities	29,918,877	38,018,486
Tax paid	<u>(42,637)</u>	<u>(29,250)</u>
Net cash generated from operating activities	<u>29,876,240</u>	<u>37,989,236</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest income	66,045	45,237
Purchase of plant and equipment	(742,710)	(12,850)
Enhancements to investment properties	<u>(4,183,415)</u>	<u>(1,772,074)</u>
Net cash used in investing activities	<u>(4,860,080)</u>	<u>(1,739,687)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(11,184,210)	(10,619,920)
Distribution to unitholders	(26,078,014)	(29,185,879)
Net drawdown of borrowings	<u>13,800,000</u>	<u>3,800,000</u>
Net cash used in financing activities	<u>(23,462,224)</u>	<u>(36,005,799)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>1,553,936</b>	<b>243,750</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>4,298,772</b>	<b>3,912,804</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>5,852,708</u></b>	<b><u>4,156,554</u></b>
Cash and cash equivalents at end of period comprises:		
Deposits with licensed financial institution	1,250,000	1,700,000
Cash and bank balances	<u>4,602,708</u>	<u>2,456,554</u>
	<u>5,852,708</u>	<u>4,156,554</u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the interim financial statements.

## **UOA REAL ESTATE INVESTMENT TRUST**

### **EXPLANATORY NOTES TO THE QUARTERLY REPORT AS AT 30 JUNE 2024 (UNAUDITED)**

#### **A EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD ("MFRS") 134 INTERIM FINANCIAL REPORTING**

##### **A1 BASIS OF PREPARATION**

The quarterly financial report is unaudited and has been prepared in accordance with MFRS 134 Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2023. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of UOA Real Estate Investment Trust ("UOA REIT") since the year ended 31 December 2023.

##### **A2 CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements of UOA REIT for the year ended 31 December 2023.

##### **A3 QUALIFIED AUDIT REPORT**

The auditors' report on the financial statements for the year ended 31 December 2023 was not qualified.

##### **A4 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business operations of UOA REIT are not affected by material seasonal or cyclical factors.

##### **A5 UNUSUAL ITEMS**

There were no unusual items to be disclosed for the quarter under review.

##### **A6 CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect in the current quarter.

##### **A7 DEBT AND EQUITY SECURITIES**

Save as disclosed in B7, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and period-to-date.

## **A8 INCOME DISTRIBUTION**

The Trust had on 29 February 2024, paid a final income distribution of 3.86 sen per unit amounting to RM26,078,124 for the second half year ended 31 December 2023.

For the period under review, UOA REIT is declaring approximately 95% distribution of the realised income before tax (unaudited) for the six (6) months ended 30 June 2024 amounting to RM19,592,373, to be distributed by end of August 2024 as described under Section B17, Income Distribution.

## **A9 SEGMENTAL REPORTING**

No segmental information was prepared as UOA REIT's activities are predominantly in one industry segment and occur predominantly in Malaysia.

## **A10 VALUATION OF INVESTMENT PROPERTIES**

Based on the updated market values by an independent valuer and taking into consideration current market conditions, the Directors of the Manager have undertaken to assess the fair values of the investment properties in accordance with MFRS 140 Investment Property.

## **A11 MATERIAL EVENTS**

There was no material event as at the latest practicable date from the date of this report.

## **A12 EFFECT OF CHANGES IN THE COMPOSITION OF UOA REIT**

There were no changes in the composition of UOA REIT for the current quarter. The fund size stands at 675,599,076 units.

## **A13 CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets to be disclosed.

## **A14 CAPITAL COMMITMENTS**

There were no capital commitments to be disclosed.

**B EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1 REVIEW OF PERFORMANCE**

For the quarter ended 30 June 2024, UOA REIT registered a total income of RM27,753,727 inclusive of interest income and other income of RM37,190 and RM122,780 respectively. Total expenditure amounted to RM18,856,933 with RM11,111,779 attributable to property operating expenses and RM7,745,160 attributable to non-property operating expenses.

Against the corresponding quarter last year, gross rental has decreased by approximately 3.1% due to the departure of an anchor tenant in one of our properties. The same property is undergoing upgrading works which include replacement of chiller plants. As a result, there was an increase in our contribution to the sinking fund. The increase in sinking fund and borrowing costs were the main reasons for the 29.9% increase in the total expenditure for the quarter under review.

Realised earnings per unit for the quarter under review has decreased from 4.19 sen to 3.05 sen.

**B2 MATERIAL CHANGES IN INCOME BEFORE TAX FOR THE QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER**

There were no material changes in the income before taxation for the quarter under review.

**B3 PROSPECTS**

Economic conditions remain the primary factor influencing the occupancy and rental rates of our properties. While the property sector saw gradual improvement, the market and business sentiment remain subdued. The market continues to face uncertainty, particularly with the potential for elevated inflation.

The Manager will continue to manage the properties in the portfolio with prudent capital management to maximise yields for unitholders while seeking acquisition opportunities that aligns with the objectives of UOA REIT.

**B4 VARIANCES**

This is not applicable as there was no profit forecast or profit guarantee issued for this financial quarter.

**B5 UTILISATION OF PROCEEDS RAISED FROM ISSUANCE OF NEW UNITS**

There were no issuance of new units during the quarter under review.

## B6 COMPOSITION OF INVESTMENT PORTFOLIO

As at 30 June 2024, UOA REIT's composition of investment portfolio is as follows:

	Acquisition cost RM	Fair value as at 30.06.2024 RM	Percentage of fair value to Net Asset Value %
<b>Real estate properties</b>			
Commercial			
- UOA Centre parcels	55,981,272	78,000,000	7.90
- UOA II parcels	194,502,300	277,000,000	28.06
- UOA Damansara parcels	72,000,000	115,000,000	11.65
- UOA Damansara II	211,000,000	226,295,931	22.92
- Parcel B - Menara UOA Bangsar	287,760,483	302,665,660	30.66
- UOA Corporate Tower	701,653,564	723,721,824	73.31
	<u>1,522,897,619</u>	<u>1,722,683,415</u>	
<b>Others</b>			
Deposits with licensed financial institutions		<u>1,250,000</u>	0.13

There was no change to the total number of properties held by UOA REIT since the last reporting period.

## B7 BORROWINGS AND DEBT SECURITIES

	As at 30.06.2024 RM	As at 31.12.2023 RM
Revolving credit		
- Secured	<u>698,500,000</u>	<u>684,700,000</u>

The borrowings are denominated in Ringgit Malaysia.

## B8 INCOME RECOGNITION

- Rental income is recognised on a straight-line basis over the specific tenure of the respective leases. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.
- Interest income is recognised on a time proportion basis.

## B9 MANAGER'S FEES

Pursuant to the Trust Deed constituting UOA REIT, the Manager is entitled to a fee of up to 1.00% per annum of the Net Asset Value ("NAV") of UOA REIT, calculated on a monthly accrual basis and payable monthly in arrears.

The manager's fees for the period ended 30 June 2024 was calculated based on 0.67% per annum of the NAV.

## B10 TRUSTEE'S FEES

Pursuant to the Trust Deed constituting UOA REIT, the Trustee is entitled to a fee of up to 0.05% per annum of the Net Asset Value ("NAV") of UOA REIT, calculated on a monthly accrual basis and payable monthly in arrears.

The trustee's fees for the period ended 30 June 2024 was calculated based on 0.03% per annum of the NAV.

## B11 SOFT COMMISSION

During the quarter under review, the Manager did not receive any soft commission from its broker, by virtue of transactions conducted by UOA REIT.



## B12 INCOME BEFORE TAX

Income before tax is stated after charging/(crediting):

	<b>Current Quarter 30.6.2024 RM</b>	<b>Preceding Corresponding Quarter 30.6.2023 RM</b>	<b>Current Year To Date 30.6.2024 RM</b>	<b>Preceding Year To Date 30.6.2023 RM</b>
Depreciation	109,842	58,066	109,842	58,066
Bad and doubtful debts	(222,099)	(97,952)	(222,099)	(97,952)
(Gain)/loss on disposal				
- quoted investments	-	-	-	-
- unquoted investments	-	-	-	-
- properties	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange (gain)/loss	-	-	-	-
Exceptional items	-	-	-	-

The following items are not applicable to UOA REIT:

- Gain or loss on derivatives; and
- Provision for and write off of inventories.

## B13 TAX EXPENSE

A reconciliation between the applicable income tax expense and the effective income tax expense of UOA REIT is as follows:

	<b>Current Quarter 30.6.2024 RM</b>	<b>Preceding Corresponding Quarter 30.6.2023 RM</b>	<b>Current Year To Date 30.6.2024 RM</b>	<b>Preceding Year To Date 30.6.2023 RM</b>
Income before tax	8,085,303	14,006,052	19,761,138	28,642,566
Taxation at statutory rate of 24%	1,940,473	3,361,452	4,742,673	6,874,216
Tax effects arising from				
- non-deductible expenses	470,175	196,283	606,462	273,509
- income exempted from tax	(2,383,425)	(3,520,523)	(5,273,147)	(6,947,882)
- net changes on financial liabilities measured at amortised cost	-	33,109	-	(74,721)
Utilisation of capital allowances/ balancing charge	(38,223)	(43,321)	(75,988)	(70,122)
Underestimated in prior years	-	-	-	-
Tax expense for the quarter/period	(11,000)	27,000	-	55,000

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967, where in the basis period for a year of assessment, 90% or more of the total income of the trust is distributed to its unitholders, the total income of the trust for that year of assessment shall be exempted from tax.

UOA REIT is expected to enjoy the tax exemption as it intends to distribute 95% of its total income to its unitholders for the year ending 31 December 2024. Therefore, no provision for income tax has been made for the current quarter.

## B14 UNITHOLDINGS BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

As at 30 June 2024, the Manager did not hold any units in UOA REIT.

<b>Direct holdings unless otherwise indicated</b>	<b>No. of units</b>	<b>Percentage of units in issue %</b>	<b>Market value as at 30.06.2024 RM</b>
<b>Directors of the Manager:</b>			
- Kong Sze Choon	69,000	0.01	77,280
- Karn Sau Meng	20,000	0.00	22,400
<b>Companies related to the Manager:</b>			
- Desa Bukit Pantai Sdn Bhd	102,261,538	15.14	114,532,923
- Wisma UOA Sdn Bhd	77,729,000	11.51	87,056,480
- Rich Accomplishment Sdn Bhd	74,661,538	11.05	83,620,923
- Dynasty Portfolio Sdn Bhd	63,326,600	9.37	70,925,792
- UOA Corporation Berhad	48,000,000	7.10	53,760,000
- LTG Development Sdn Bhd	5,600,700	0.83	6,272,784
<b>Persons related to the Manager via relationship with a Director of the Manager:</b>			
- Kong May Chee	15,900	0.00	17,808
- Kong Ai Chee	13,500	0.00	15,120
<b>Director of the Manager (indirect interest):</b>			
- Kong Sze Choon*	24,000	0.00	26,880
<b>Person related to the Manager via relationship with a Director of the Manager (indirect interest):</b>			
- Kong Chong Soon @ Chi Suim**	371,579,376	55.00	416,168,901

\* Deemed interest through his shareholding in Global Transact Sdn Bhd.

\*\* Deemed interest through his shareholdings in United Overseas Australia Limited (the ultimate holding company of Desa Bukit Pantai Sdn Bhd, Wisma UOA Sdn Bhd, Rich Accomplishment Sdn Bhd, Damai Positif Sdn Bhd, Dynasty Portfolio Sdn Bhd and LTG Development Sdn Bhd).

The market value of the units held by unitholders related to the Manager is determined by using the closing market value of RM1.12 as at 30 June 2024.

## B15 MATERIAL LITIGATION

There was no pending material litigation as at the latest practicable date from the date of issuance of this report.

## B16 STATUS OF CORPORATE PROPOSAL

There were no corporate proposals announced but not completed at the latest practicable date.

## B17 INCOME DISTRIBUTION

Pursuant to the amended Section 6(1)(i) of the Income Tax Act, 1967, the following withholding tax rates as stipulated in Part X, Schedule 1 of the Income Tax Act, 1967 will be deducted for distribution of income by the Trust to the following categories of unitholders:

	<b>Withholding tax rate</b>
Resident corporate	Nil*
Resident non-corporate	10%
Non-resident individual	10%
Non-resident corporate	24%
Non-resident institutional	10%

\* No withholding tax; to tax at prevailing tax rate

The distribution to the unitholders is from the following sources:

	<b>Current Quarter 30.6.2024 RM</b>	<b>Preceding Corresponding Quarter 30.6.2023 RM</b>	<b>Current Year To Date 30.6.2024 RM</b>	<b>Preceding Year To Date 30.6.2023 RM</b>
Gross rental	27,593,757	28,467,625	53,811,366	57,117,739
Interest income	37,190	25,303	66,045	45,237
Other income	122,780	173,029	276,126	273,207
	<u>27,753,727</u>	<u>28,665,957</u>	<u>54,153,537</u>	<u>57,436,183</u>
<u>Less:</u>				
Expenses	<u>(18,856,933)</u>	<u>(14,521,949)</u>	<u>(33,580,908)</u>	<u>(29,104,954)</u>
Realised income for the period	8,896,794	14,144,008	20,572,629	28,331,229
Previous year's undistributed realised income	72,637,038	74,783,834	60,961,203	60,596,613
<u>Less:</u>				
Proposed/declared income distribution	<u>(19,592,373)</u>	<u>(26,753,722)</u>	<u>(19,592,373)</u>	<u>(26,753,722)</u>
Balance undistributed realised income	<u>61,941,459</u>	<u>62,174,120</u>	<u>61,941,459</u>	<u>62,174,120</u>
Distribution per unit (sen)	<u>2.90</u>	<u>3.96</u>	<u>2.90</u>	<u>3.96</u>

## B18 EARNINGS PER UNIT

Basic earnings per unit are calculated by dividing income for the quarter/period attributable to unitholders by the weighted average number of units in issue during the quarter/period.

	<b>Current Quarter 30.6.2024 RM</b>	<b>Preceding Corresponding Quarter 30.6.2023 RM</b>	<b>Current Year To Date 30.6.2024 RM</b>	<b>Preceding Year To Date 30.6.2023 RM</b>
Income after tax	8,096,303	13,979,052	19,761,138	28,587,566
Weighted average number of units in issue	675,599,076	675,599,076	675,599,076	675,599,076
Basic earnings per unit (after manager's fee) (sen)	<u>1.20</u>	<u>2.07</u>	<u>2.92</u>	<u>4.23</u>

## B19 STATEMENT BY THE DIRECTORS OF THE MANAGER

In the opinion of the Directors of the Manager, this quarterly report has been prepared in accordance with MFRS 134 Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of UOA REIT as at 30 June 2024 and of its financial performance and cash flows for the quarter/period ended on that date and duly authorised for release by the Board of Directors of the Manager on 25 July 2024.

BY ORDER OF THE BOARD

YAP KAI WENG

Company Secretary

UOA ASSET MANAGEMENT SDN BHD (Company No. 200501015592 (692639-U))

(As the Manager of UOA REAL ESTATE INVESTMENT TRUST)

Kuala Lumpur

25 JULY 2024