

UOA REAL ESTATE INVESTMENT TRUST
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 (UNAUDITED)

	As at 31.12.2024 RM	As at 31.12.2023 RM
INVESTMENTS		
Real estate properties	1,725,700,000	1,718,500,000
PLANT & EQUIPMENT	15,910,826	1,341,615
OTHER ASSETS		
Trade receivables	3,616,005	5,059,905
Other receivables	9,998,376	8,517,480
Deposits with licensed financial institution	2,000,000	1,750,000
Cash and bank balances	2,864,056	2,548,771
	18,478,437	17,876,156
TOTAL ASSETS	1,760,089,263	1,737,717,771
LIABILITIES		
Payables	7,444,992	6,239,962
Rental deposits	33,088,983	32,939,582
Amount due to Manager	-	600,469
Borrowings	718,500,000	684,700,000
Current tax liability	3,384	24,925
Deferred tax liabilities	17,670,000	19,640,000
TOTAL LIABILITIES	776,707,359	744,144,938
NET ASSET VALUE	983,381,904	993,572,833
FINANCED BY:		
UNITHOLDERS' FUND		
Unitholders' capital	750,555,165	750,555,165
Undistributed income	232,826,739	243,017,668
	983,381,904	993,572,833
NUMBER OF UNITS IN CIRCULATION	675,599,076	675,599,076
Net asset value attributable to unitholders:		
Before income distribution	983,381,904	993,572,833
After income distribution	961,492,494	967,494,709
Net asset value per unit attributable to unitholders:		
Before income distribution	1.4556	1.4707
After income distribution (Note 1)	1.4232	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 3.24 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 YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)**

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	RM	RM	RM	RM
TOTAL INCOME				
Gross rental	29,006,810	27,114,821	110,589,900	112,838,425
Property operating expenses	(8,648,316)	(8,359,166)	(36,609,869)	(30,678,244)
Net rental income	20,358,494	18,755,655	73,980,031	82,160,181
Interest income	18,909	22,842	194,649	95,705
Other income	189,836	160,531	584,566	572,755
	20,567,239	18,939,028	74,759,246	82,828,641
TOTAL EXPENDITURE				
Manager's fees	(1,649,180)	(1,659,173)	(6,592,033)	(6,626,207)
Trustee's fees	(73,844)	(74,291)	(295,166)	(296,696)
Borrowing costs	(5,839,226)	(5,570,309)	(22,866,194)	(21,624,966)
Auditors' remuneration	(16,470)	(17,500)	(67,600)	(61,420)
Tax agent's fees	(8,256)	(6,829)	(25,428)	(23,738)
Valuation fee	(48,600)	(220,000)	(69,008)	(220,800)
Reversal of/(Impairment losses) of financial assets	663,525	(412,364)	201,668	(432,060)
Administrative expenses	(447,765)	(156,160)	(846,706)	(346,427)
	(7,419,816)	(8,116,626)	(30,560,467)	(29,632,314)
Fair value adjustment on investment properties	(9,826,602)	(1,225,187)	(9,826,602)	(1,225,187)
Net changes on financial liabilities measured at amortised cost	-	253,377	(811,491)	426,759
INCOME BEFORE TAX	3,320,821	9,850,592	33,560,686	52,397,899
TAX EXPENSE	1,923,000	1,527,000	1,918,774	1,453,038
INCOME AFTER TAX	5,243,821	11,377,592	35,479,460	53,850,937
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME	5,243,821	11,377,592	35,479,460	53,850,937
INCOME/(LOSS) AFTER TAX IS ANALYSED AS FOLLOWS:				
- Realised	13,147,423	10,822,402	44,198,779	53,196,327
- Unrealised	(7,903,602)	555,190	(8,719,319)	654,610
EARNINGS PER UNIT				
- After manager's fees (sen)	0.78	1.68	5.25	7.97
- Before manager's fees (sen)	1.02	1.93	6.23	8.95

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 YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)

	Attributable to Unitholders' Funds			Total Unitholders' Funds	
	Unitholders' Capital RM	Distributable Undistributed Income		Current Year To Date 31.12.2024 RM	Preceding Year To Date 31.12.2023 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	-	44,198,779	(8,719,319)	35,479,460	53,850,937
Distribution to unitholders	-	(45,670,389)	-	(45,670,389)	(55,939,602)
Balance at 31 December	<u>750,555,165</u>	<u>85,567,607</u>	<u>147,259,132</u>	<u>983,381,904</u>	<u>993,572,833</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 YEAR ENDED 31 DECEMBER 2024 (UNAUDITED)

	Current Year To Date 31.12.2024 RM	Preceding Year To Date 31.12.2023 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Income before tax	33,560,686	52,397,899
Adjustment for:		
Interest income	(194,649)	(95,705)
Interest expense	22,866,194	21,624,966
Depreciation	636,125	131,597
Plant and equipment written off	769	-
Fair value adjustment on investment properties	9,826,602	1,225,187
Net changes on financial liabilities measured at amortised cost	811,491	(426,759)
Bad and doubtful debts	(149,787)	472,997
Operating profit before changes in working capital	67,357,431	75,330,182
Net changes in receivables	112,791	(6,029,307)
Net changes in payables	(22,864)	3,310,126
Cash generated from operating activities	67,447,358	72,611,001
Tax paid	(72,767)	(90,453)
Net cash generated from operating activities	67,374,591	72,520,548
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	194,649	95,705
Purchase of plant and equipment	(15,206,105)	(563,272)
Enhancements to investment properties	(17,026,602)	(3,469,187)
Net cash used in investing activities	(32,038,058)	(3,936,754)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(22,900,859)	(21,558,225)
Distribution to unitholders	(45,670,389)	(55,939,602)
Net drawdown of borrowings	33,800,000	9,300,000
Net cash used in financing activities	(34,771,248)	(68,197,827)
NET INCREASE IN CASH AND CASH EQUIVALENTS	565,285	385,967
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	4,298,771	3,912,804
CASH AND CASH EQUIVALENTS AT END OF PERIOD	4,864,056	4,298,771
Cash and cash equivalents at end of period comprises:		
Deposits with licensed financial institution	2,000,000	1,750,000
Cash and bank balances	2,864,056	2,548,771
	4,864,056	4,298,771

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 31 DECEMBER 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 30 August 2024, paid a interim income distribution of 2.90 sen per unit amounting to RM19,592,372 for the six (6) months ended 30 June 2024.

For the period under review, UOA REIT is declaring approximately 94% distribution of the realised income before tax (unaudited) for the six (6) months ended 31 December 2024 amounting to RM21,889,410, to be distributed by end of February 2025 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

The amount of commitments for investment properties not provided for in the unaudited condensed consolidated statement of financial position were as follows:

	As at 31.12.2024 RM	As at 31.12.2023 RM
Approved and contracted for	5,969,233	902,893
Approved but not contracted for	-	13,500,000
	<u>5,969,233</u>	<u>14,402,893</u>

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 31 December 2024, UOA REIT recorded a total income of RM29,215,555 inclusive of interest income and other income of RM18,909 and RM189,836 respectively. Total expenditure amounted to RM16,068,132 with RM8,648,316 attributable to property operating expenses and RM7,419,816 attributable to non-property operating expenses.

Compared to the corresponding quarter last year, gross rental income increased by approximately 7%, driven by improved occupancies. Total expenditure decreased by approximately 2.5%, primarily due to the reversal of impairment losses on financial assets. However, this reduction was partially offset by an increase in property operating expenses and borrowing costs. Realised earnings per unit for the quarter under review rose from 1.60 sen to 1.95 sen.

As of 31 December 2024, the total net asset value was at RM961,492,494, with the decrease attributed to lower income generated during the year. Net asset value per unit, after income distribution, decreased from RM1.4321 as of 31 December 2023 to RM1.4232 as of 31 December 2024.

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

The demand for office space saw some improvement in FY2024 and the Manager maintains its expectation that gradual improvement will continue in FY2025. The Manager will carry on its efforts in improving old assets in the portfolio.

The Manager will continue to improve yields for unitholders and seek potential 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 31 December 2024, UOA REIT's composition of investment portfolio is as follows:

	Acquisition cost RM	Fair value as at 31.12.2024 RM	Percentage of fair value to Net Asset Value %
Real estate properties			
Commercial			
- UOA Centre parcels	55,981,272	79,000,000	8.03
- UOA II parcels	194,502,300	277,000,000	28.17
- UOA Damansara parcels	72,000,000	116,000,000	11.80
- UOA Damansara II	211,000,000	225,700,000	22.95
- Parcel B - Menara UOA Bangsar	287,760,483	303,000,000	30.81
- UOA Corporate Tower	701,653,564	725,000,000	73.73
	<u>1,522,897,619</u>	<u>1,725,700,000</u>	
Others			
Deposits with licensed financial institutions		<u>2,000,000</u>	0.20

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 31.12.2024 RM	As at 31.12.2023 RM
Revolving credit		
- Secured	<u>718,500,000</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 year ended 31 December 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 year ended 31 December 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):

	Current Quarter 31.12.2024 RM	Preceding Corresponding Quarter 31.12.2023 RM	Current Year To Date 31.12.2024 RM	Preceding Year To Date 31.12.2023 RM
Depreciation	438,756	41,308	636,125	131,597
Bad and doubtful debts	(149,787)	412,364	(149,787)	472,997
(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:

- a) Gain or loss on derivatives; and
- b) 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:

	Current Quarter 31.12.2024 RM	Preceding Corresponding Quarter 31.12.2023 RM	Current Year To Date 31.12.2024 RM	Preceding Year To Date 31.12.2023 RM
Income before tax	3,320,821	9,850,592	33,560,686	52,397,899
Taxation at statutory rate of 24%	796,997	2,364,142	8,054,565	12,575,496
Tax effects arising from				
- non-deductible expenses	486,788	149,852	750,735	548,750
- income exempted from tax	(3,526,771)	(2,566,949)	(11,137,525)	(12,982,253)
- net changes on financial liabilities measured at amortised cost	-	(60,810)	194,758	(102,422)
Utilisation of capital allowances	(68,398)	(159,280)	(171,917)	(236,616)
Different between income tax rate and RPGT rate applicable on fair value on investment properties	(1,017,000)	381,045	(1,017,000)	381,045
Change in RPGT rate on investment properties	1,405,384	(1,635,000)	1,405,384	(1,635,000)
Underestimated in prior years	-	-	2,226	(2,038)
Tax expense for the quarter/period	<u>(1,923,000)</u>	<u>(1,527,000)</u>	<u>(1,918,774)</u>	<u>(1,453,038)</u>

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 ended 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 31 December 2024, the Manager did not hold any units in UOA REIT.

Direct holdings unless otherwise indicated	No. of units	Percentage of units in issue %	Market value as at 31.12.2024 RM
Directors of the Manager:			
- Kong Sze Choon	79,000	0.01	73,470
- Karn Sau Meng	20,000	0.00	18,600
Companies related to the Manager:			
- Desa Bukit Pantai Sdn Bhd	102,261,538	15.14	95,103,230
- Wisma UOA Sdn Bhd	77,729,000	11.51	72,287,970
- Rich Accomplishment Sdn Bhd	74,661,538	11.05	69,435,230
- Dynasty Portfolio Sdn Bhd	63,326,600	9.37	58,893,738
- UOA Corporation Berhad	48,000,000	7.10	44,640,000
- LTG Development Sdn Bhd	5,600,700	0.83	5,208,651
Persons related to the Manager via relationship with a Director of the Manager:			
- Kong May Chee	15,900	0.00	14,787
- Kong Ai Chee	13,500	0.00	12,555
Director of the Manager (indirect interest):			
- Kong Sze Choon*	24,000	0.00	22,320
Person related to the Manager via relationship with a Director of the Manager (indirect interest):			
- Kong Chong Soon @ Chi Suim**	371,579,376	55.00	345,568,820

* 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 RM0.93 as at 31 December 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:

	Withholding tax rate
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:

	Current Quarter 31.12.2024 RM	Preceding Corresponding Quarter 31.12.2023 RM	Current Year To Date 31.12.2024 RM	Preceding Year To Date 31.12.2023 RM
Gross rental	29,006,810	27,114,821	110,589,900	112,838,425
Interest income	18,909	22,842	194,649	95,705
Other income	189,836	160,531	584,566	572,755
	<u>29,215,555</u>	<u>27,298,194</u>	<u>111,369,115</u>	<u>113,506,885</u>
<u>Less:</u>				
Expenses	<u>(16,068,132)</u>	<u>(16,475,792)</u>	<u>(67,170,336)</u>	<u>(60,310,558)</u>
Realised income for the period	13,147,423	10,822,402	44,198,779	53,196,327
Previous period's/year's undistributed realised income	72,420,184	76,216,815	60,961,201	60,596,612
<u>Less:</u>				
Proposed/declared income distribution	<u>(21,889,410)</u>	<u>(26,078,016)</u>	<u>(41,481,783)</u>	<u>(52,831,738)</u>
Balance undistributed realised income	<u>63,678,197</u>	<u>60,961,201</u>	<u>63,678,197</u>	<u>60,961,201</u>
Distribution per unit (sen)	<u>3.24</u>	<u>3.86</u>	<u>6.14</u>	<u>7.82</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.

	Current Quarter 31.12.2024 RM	Preceding Corresponding Quarter 31.12.2023 RM	Current Year To Date 31.12.2024 RM	Preceding Year To Date 31.12.2023 RM
Income after tax	5,243,821	11,377,592	35,479,460	53,850,937
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>0.78</u>	<u>1.68</u>	<u>5.25</u>	<u>7.97</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 31 December 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 21 January 2025.

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

21 JANUARY 2025