

**AL-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**For the Third Quarter Ended 30 September 2017**

	Note	Individual Quarter			Cumulative Quarter		
		Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year To Date	Preceding Year Corresponding To Date	Changes
		30-09-2017	30-09-2016		30-09-2017	30-09-2016	
		RM	RM	%	RM	RM	%
<b>Gross rental income</b>		25,023,209	25,774,689	(2.9)	74,870,850	78,741,908	(4.9)
Property expenses		(1,667,262)	(1,556,050)	7.2	(4,674,700)	(4,639,393)	0.8
<b>Net rental income</b>	<b>B1</b>	<b>23,355,947</b>	<b>24,218,639</b>	<b>(3.6)</b>	<b>70,196,150</b>	<b>74,102,515</b>	<b>(5.3)</b>
Investment income		829,648	472,814	75.5	1,680,947	1,160,858	44.8
Gain in fair value adjustment		-	-	-	257,083	-	100.0
Other income		1,557	12,000	(87.0)	1,557	27,233	(94.3)
<b>Total income</b>		<b>24,187,152</b>	<b>24,703,453</b>	<b>(2.1)</b>	<b>72,135,737</b>	<b>75,290,606</b>	<b>(4.2)</b>
Managers' fees		(414,114)	(438,900)	(5.7)	(1,782,889)	(1,304,337)	36.7
Trustees' fees		(66,451)	(66,158)	0.4	(198,673)	(197,824)	0.4
Accretion of long term borrowings		-	(118,685)	(100.0)	(39,562)	(356,054)	(88.9)
Annual financing fees		(77,373)	(173,875)	(55.5)	(195,091)	(521,625)	(62.6)
Maintenance of properties		(141,550)	(61,200)	131.3	(327,530)	(61,200)	435.2
Administrative expenses		(320,140)	(83,597)	283.0	(587,798)	(383,523)	53.3
Professional fees		(147,063)	(13,833)	963.1	(191,199)	(80,739)	136.8
Withholding tax		(222,377)	(222,377)	-	(667,130)	(667,130)	-
Profit sharing expenses on financing		(5,559,711)	(7,782,671)	(28.6)	(20,871,270)	(23,178,824)	(10.0)
<b>Total trust expenditure</b>		<b>(6,948,779)</b>	<b>(8,961,296)</b>	<b>(22.5)</b>	<b>(24,861,142)</b>	<b>(26,751,256)</b>	<b>(7.1)</b>
<b>Profit before taxation</b>		<b>17,238,373</b>	<b>15,742,157</b>	<b>9.5</b>	<b>47,274,595</b>	<b>48,539,350</b>	<b>(2.6)</b>
Tax expense		-	-	-	(608,822)	-	100.0
<b>Profit after taxation</b>		<b>17,238,373</b>	<b>15,742,157</b>	<b>9.5</b>	<b>46,665,773</b>	<b>48,539,350</b>	<b>(3.9)</b>
<b>Other comprehensive income/(expenses)</b>							
Foreign currency translation differences for foreign operation		(702,065)	214,399	(427.5)	(2,641,556)	(37,279)	6,985.9
<b>Total comprehensive income for the period/year</b>		<b>16,536,308</b>	<b>15,956,556</b>	<b>3.6</b>	<b>44,024,217</b>	<b>48,502,071</b>	<b>(9.2)</b>
Profit after taxation is made up as follows:							
Realised		17,238,373	15,742,157	9.5	46,408,690	48,539,350	(4.4)
Unrealised		-	-	-	257,083	-	100.0
		<b>17,238,373</b>	<b>15,742,157</b>	<b>9.5</b>	<b>46,665,773</b>	<b>48,539,350</b>	<b>(3.9)</b>
<b>Earnings per unit (sen) - Net</b>		<b>2.37</b>	<b>2.16</b>	<b>9.7</b>	<b>6.41</b>	<b>6.67</b>	<b>(3.9)</b>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements.

**AL-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**as at 30 September 2017**

	Note	Unaudited As At End Of Current Quarter 30-09-2017 RM	Audited As at preceding year ended 31-12-2016 RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	A9	1,422,145,110	1,424,360,000
<b>Current Assets</b>			
Trade receivables	B9	7,104,076	11,249,567
Other receivables & prepayments		5,361,379	1,801,529
Cash and bank balances		33,658,926	26,451,032
Fixed deposits with licensed banks		77,926,117	47,350,853
		<u>124,050,498</u>	<u>86,852,981</u>
Asset classified as held for sale		-	100,000,000
<b>TOTAL ASSETS</b>		<u>1,546,195,608</u>	<u>1,611,212,981</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowing	B10	-	653,802,142
Deferred tax		3,902,440	3,750,228
		<u>3,902,440</u>	<u>657,552,370</u>
<b>Current Liabilities</b>			
Borrowing	B10	573,762,714	-
Other payables and accruals		56,101,315	57,583,091
Provision for Income Distribution		27,308,492	-
Taxation		9,144	9,144
		<u>657,181,665</u>	<u>57,592,235</u>
<b>TOTAL LIABILITIES</b>		<u>661,084,105</u>	<u>715,144,605</u>
<b>NET ASSETS VALUE</b>		<u>885,111,503</u>	<u>896,068,376</u>
<b>REPRESENTED BY:</b>			
Unitholders' capital		722,398,126	722,398,126
Undistributed income		166,456,939	174,772,256
Foreign exchange translation reserve		(3,743,562)	(1,102,006)
<b>TOTAL UNITHOLDERS' FUND</b>		<u>885,111,503</u>	<u>896,068,376</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>		<u>728,226,468</u>	<u>728,226,468</u>
<b>NET ASSETS VALUE (NAV) PER UNIT (RM)</b>		1.2154	1.2305

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements.

**AL-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES**  
**IN NET ASSETS VALUE**  
**For the Third Quarter Ended 30 September 2017**

	Unitholders' Capital RM	Undistributed Income RM	Foreign Exchange RM	Total Unitholders' Fund RM
<b>As at 1 January 2016</b>	722,398,126	158,156,897	(729,420)	879,825,603
<b>Operation for the period ended 30 September 2016</b>				
Net income for the period	-	48,539,350	(37,279)	48,502,071
<i>Increase/(Decrease) in net assets resulting from operation</i>	-	48,539,350	(37,279)	48,502,071
<b>Unitholders' transactions</b>				
Placement of units	-	-	-	-
Distribution to unitholders	-	(46,824,954)	-	(46,824,954)
Issuing expenses	-	-	-	-
<i>Increase/(Decrease) in net assets resulting from unitholders' transactions</i>	-	(46,824,954)	-	(46,824,954)
<b>Net assets as at 30 September 2016</b>	722,398,126	159,871,293	(766,699)	881,502,720
<b>As at 1 January 2017</b>	722,398,126	174,772,256	(1,102,006)	896,068,376
<b>Operation for the period ended 30 September 2017</b>				
Net income for the period	-	46,665,773	(2,641,556)	44,024,217
<i>Increase/(Decrease) in net assets resulting from operation</i>	-	46,665,773	(2,641,556)	44,024,217
<b>Unitholders' transactions</b>				
Placement of units	-	-	-	-
Distribution to unitholders #	-	(54,981,090)	-	(54,981,090)
Issuing expenses	-	-	-	-
<i>Increase/(Decrease) in net assets resulting from unitholders' transactions</i>	-	(54,981,090)	-	(54,981,090)
<b>Net assets as at 30 September 2017</b>	722,398,126	166,456,939	(3,743,562)	885,111,503

# Includes the payment of the final income distribution for financial year 2016 (of which 1.19 sen per unit is taxable and 2.61 sen per unit is non taxable in the hands of unitholders) in respect of the period from 1 July to 31 December 2016 of 3.80 sen per unit which was paid on 28 February 2017 and the provision of the interim income distribution for the financial year ended 31 December 2017 (taxable in the hands of unitholders) in respect of the period from 1 January to 30 June 2017 of 3.75 sen per unit which was announced on 24 August 2017.

The Condensed Consolidated Statement of Changes In Net Assets Value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements.

**AL-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Third Quarter Ended 30 September 2017**

	To Date	
	30-09-2017	30-09-2016
	RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	47,274,595	48,539,350
Adjustment for:		
Profit sharing expenses on Islamic financing	21,066,361	23,700,449
Accretion of long term Islamic financing	39,562	356,054
Gain on fair value adjustment of investment properties	(257,083)	-
Investment revenue	(1,680,947)	(1,160,858)
Operating profit before working capital changes	66,442,488	71,434,995
Decrease/(increase) in receivables and prepayments	585,641	(5,768,618)
Increase in other payables and accruals	69,055	407,253
Cash generated from operations	67,097,184	66,073,630
Taxes paid	(608,822)	-
Net cash generated from operating activities	66,488,362	66,073,630
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to investment properties	(112,710)	(1,327,612)
Income received from investment	1,680,947	1,160,858
Proceeds from disposal of investment property	100,000,000	-
Net cash generated from/(used in) investing activities	101,568,237	(166,754)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution paid	(27,672,598)	(18,424,122)
Profit sharing expenses on Islamic financing	(22,543,970)	(22,217,741)
Payment of borrowing	(80,000,000)	-
Net cash used in financing activities	(130,216,568)	(40,641,863)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	37,840,031	25,265,013
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	(56,873)	(37,279)
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	73,801,885	63,071,486
	111,585,043	88,299,220

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the financial statements.

# AL-'AQAR HEALTHCARE REIT

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Third Quarter Ended 30 September 2017

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

#### A1. BASIS OF PREPARATION

These condensed financial statements have been prepared in accordance with Malaysian Financial Reporting Standard (MFRS) 134 and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in its most recent Audited Financial Statements for the financial year ended 31 December 2016.

#### A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The financial statements of Al-'Aqar Healthcare REIT for the financial year ended 31 December 2016 was not subject to any audit qualification.

#### A3. SEASONALITY AND CYCLICALITY OF OPERATIONS

The business operations of Al-'Aqar Healthcare REIT are not affected by any material seasonal or cyclical factors.

#### A4. UNUSUAL ITEMS AFFECTING THE FINANCIAL STATEMENTS

There were no unusual items affecting the financial statements of Al-'Aqar Healthcare REIT for the current quarter.

#### A5. CHANGES IN ACCOUNTING ESTIMATES

There were no changes in accounting estimates arising from the adoption of the new and revised MFRSs, that have had a material effect on the current quarter's results.

#### A6. ISSUANCES, CANCELLATIONS, REPURCHASES AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Except for those disclosed in Note B10, there were no other material transactions relating to debt and equity securities during the current quarter under review.

#### A7. INCOME DISTRIBUTION

During the quarter under review, the Manager, with the approval of the Trustee, has declared the following distributions:

	<b>Total RM</b>	<b>Distribution Per Unit (Sen)</b>
Interim income distribution	<u>27,308,492</u>	<u>3.75</u>

The interim income distribution has been paid to unitholders on 13 October 2017.

## A8. SEGMENTAL REPORTING

### a. Primary reporting segment - Geographical segments

Al-'Aqar Healthcare REIT operates in two principal geographical areas as follows:

	<b>Malaysian RM'000</b>	<b>Australian RM'000</b>	<b>Total RM'000</b>
<b>Year Ended 30 September 2017</b>			
Gross rental income	66,318	8,553	74,871
Property expenses	<u>(4,587)</u>	<u>(88)</u>	<u>(4,675)</u>
Net rental income	61,731	8,465	70,196
Investment income	1,681	-	1,681
Gain in fair value adjustment	-	257	257
Other income	<u>2</u>	<u>-</u>	<u>2</u>
Total income	63,414	8,722	72,136
Trust expenditure	<u>(24,609)</u>	<u>(252)</u>	<u>(24,861)</u>
Profit before taxation	38,805	8,470	47,275
Tax expense	<u>(609)</u>	<u>-</u>	<u>(609)</u>
Profit after taxation	<u>38,196</u>	<u>8,470</u>	<u>46,666</u>
Total assets	<u>1,391,168</u>	<u>155,027</u>	<u>1,546,195</u>
Total liabilities	<u>655,351</u>	<u>5,733</u>	<u>661,084</u>
	<b>Malaysian RM'000</b>	<b>Australian RM'000</b>	<b>Total RM'000</b>
<b>Year Ended 30 September 2016</b>			
Gross rental income	70,197	8,545	78,742
Property expenses	<u>(4,551)</u>	<u>(88)</u>	<u>(4,639)</u>
Net rental income	65,646	8,457	74,103
Investment income	1,160	-	1,160
Gain in fair value adjustment	-	-	-
Other income	<u>27</u>	<u>-</u>	<u>27</u>
Total income	66,833	8,457	75,290
Trust expenditure	<u>(26,639)</u>	<u>(112)</u>	<u>(26,751)</u>
Profit before taxation	40,194	8,345	48,539
Tax expense	<u>-</u>	<u>-</u>	<u>-</u>
Profit after taxation	<u>40,194</u>	<u>8,345</u>	<u>48,539</u>
Total assets	<u>1,475,388</u>	<u>151,318</u>	<u>1,626,706</u>
Total liabilities	<u>740,177</u>	<u>5,026</u>	<u>745,203</u>

### b. Secondary reporting segment - Business segments

Al-'Aqar Healthcare REIT operates within the healthcare industry and accordingly, the segmental reporting by business segment was not prepared.

**A9. VALUATION OF INVESTMENT PROPERTIES**

There was no valuation of property being made in the current quarter under review.

**A10. SUBSEQUENT MATERIAL EVENTS**

There was no material events from the date of this report.

**A11. CHANGES IN THE COMPOSITION OF THE TRUST**

There were no changes in the composition of Al-'Aqar Healthcare REIT for the current quarter under review.

**A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

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

## AL-'AQAR HEALTHCARE REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Third Quarter Ended 30 September 2017

#### B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

##### B1. REVIEW OF PERFORMANCE

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30.09.2017 RM'000	Preceding Year Corresponding Quarter 30.09.2016 RM'000	Changes %	Current Year To Date 30.09.2017 RM'000	Preceding Year Corresponding To Date 30.09.2016 RM'000	Changes %
<b>Net rental income</b>						
Malaysian	20,546	21,508	(4.5)	61,731	65,646	(6.0)
Australian	2,810	2,711	3.7	8,465	8,457	0.1
Total net rental income	<u>23,356</u>	<u>24,219</u>	(3.6)	<u>70,196</u>	<u>74,103</u>	(5.3)
<b>Profit before taxation</b>						
Malaysian	14,628	13,049	12.1	38,805	40,194	(3.5)
Australian	2,610	2,693	(3.1)	8,470	8,345	1.5
Total profit before taxation	<u>17,238</u>	<u>15,742</u>	9.5	<u>47,275</u>	<u>48,539</u>	(2.6)
<b>Profit after taxation</b>						
Malaysian	14,628	13,049	12.1	38,196	40,194	(5.0)
Australian	2,610	2,693	(3.1)	8,470	8,345	1.5
Total profit after taxation	<u>17,238</u>	<u>15,742</u>	9.5	<u>46,666</u>	<u>48,539</u>	(3.9)

#### (a) Review of Current Quarter Results

##### Malaysian segment

The Malaysian segment contributed RM20.5 million of net rental income for the current quarter ended 30 September 2017, represented a decrease of RM0.9 million or 4.5% from RM21.5 million recorded in preceding year's quarter. The decrease was mainly due to disposal of Selesa Tower on 19 June 2017.

##### Australian segment

The Australian segment contributed RM2.8 million of net rental income for the current quarter ended 30 September 2017, represented an increase of RM0.1 million or 3.7% from RM2.7 million recorded in preceding year's quarter. The increase was due to rising exchange rate, whereby from January 2017 to September 2017, the average exchange rate for Australian dollar against Malaysian Ringgit was AUD/MYR 3.3296 (2016: AUD/MYR 3.0304).

##### Profit before taxation

Al-'Aqar Healthcare REIT's profit before taxation for the current quarter ended 30 September 2017 stood at RM17.2 million, which is RM1.5 million or 9.5% higher than preceding corresponding quarter's of RM15.7 million. The increase was mainly due to redemption of Sukuk of RM80.0 million in July 2017, which contributed in lower financing cost as compared to preceding corresponding quarter.



## B1. REVIEW OF PERFORMANCE (CONT'D)

### (b) Review of Cumulative Quarter Results

#### Malaysian segment

The Malaysian segment contributed RM61.7 million of net rental income for the 9 months period ended 30 September 2017 represented a decrease of RM3.9 million or 6% from RM65.6 million, recorded in the previous corresponding period. The decrease was mainly due to disposal of Selesa Tower but mitigated by annual increment on rental income.

#### Australian segment

The Australian segment contributed RM8.5 million of net rental income for the 9 months period ended 30 September 2017. This represented an increase of RM0.1 million or 0.1% from RM8.4 million, recorded in the previous corresponding period due to rising exchange rate as mentioned in Note B1 (a).

#### Profit before taxation

Al-'Aqar Healthcare REIT's profit before taxation for the 9 months period ended 30 September 2017 stood at RM47.3 million, which is RM1.3 million or 2.6% lower than previous corresponding period of RM48.5 million. The decrease was mainly due to disposal of Selesa Tower.

## B2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION FOR THE QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

	Current Quarter ended 30.09.2017 RM'000	Immediate Preceding Quarter ended 30.06.2017 RM'000	Changes %
Net rental income	23,356	23,457	(0.43)
Profit before taxation	17,238	15,011	14.84
Profit after taxation	17,238	14,402	19.69

Al-'Aqar Healthcare REIT recorded a higher profit before tax of RM17.2 million as compared to RM15.0 million in the preceding quarter. This was mainly due to redemption of Sukuk of RM80.0 million in July 2017, which contributed to lower financing cost as compared to preceding quarter.

## B3. PROSPECTS

The Malaysian healthcare industry has thus far performed well, amidst a moderate Malaysian economic growth given the higher cost of living and external economic uncertainties. With reference to the remaining quarter in 2017, the industry is expected to remain resilient, underpinned by growing demand and awareness for proper healthcare, rising size of middle income group and medical insurance coverage, rapid ageing population and medical tourism.

The performance of Al-'Aqar Healthcare REIT is expected to remain reasonable for the next quarter, with a positive outlook in the remaining quarter of 2017.

The strength of Al-'Aqar Healthcare REIT lies in the fact that its portfolio of assets has 100% rate of occupancy and the rental collection, as well as its niche in the healthcare industry. Accordingly, its business risks are minimised.

## B4. UTILISATION OF PROCEEDS RAISED FROM ANY ISSUANCE OF NEW UNITS

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

**B5. TAXATION**

	The Group		The Fund	
	30-09-2017	30-09-2016	30-09-2017	30-09-2016
	RM	RM	RM	RM
Tax expense				
- Income Tax	-	-	-	-
- Real Property Gains Tax ("RPGT")	608,822	-	608,822	-
	<u>608,822</u>	<u>-</u>	<u>608,822</u>	<u>-</u>

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967, under the Finance Act 2006 which was gazetted on 31 December 2006, where in the basis period for a year assessment, 90% or more of the total income of the trust is distributed to unitholders, the total income of the trust for that year of assessment shall be exempted from tax.

In accordance with the Deed, the Fund is required to distribute at least 95% of its net income. The Manager also expects to distribute the net income within two months from the end of each financial year and accordingly, no estimated current tax payable or deferred tax is required to be provided in the financial statements.

**B6. GAIN OR LOSS ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES**

There was no disposal of unquoted securities or investment properties during the current quarter under review.

**B7. PURCHASE AND DISPOSAL OF QUOTED SECURITIES**

There was no purchase or disposal of quoted securities during the current quarter.

**B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED**

There was no corporate proposal announced during the current quarter.

**B9. TRADE RECEIVABLES**

	The Group	
	As at 30-09-2017	As at 30-09-2016
	RM'000	RM'000
Trade receivables	7,104	12,456
	<u>7,104</u>	<u>12,456</u>

Trade receivables comprise rental receivable from lessees.

The credit period granted by the Group on rental receivable from lessees ranges from 30 to 60 days (2016: 30 to 60 days).

The ageing analysis of the Group's trade receivables is as follows:

	The Group	
	As at 30-09-2017	As at 30-09-2016
	RM'000	RM'000
0-30 days	1,655	850
31-60 days	1,027	1,499
61-90 days	1,022	1,033
More than 90 days	3,400	9,074
	<u>7,104</u>	<u>12,456</u>

The Group have not recognised any allowance for doubtful debts as the Group hold tenant deposits as credit encashment as the amounts are considered recoverable.

**B10. BORROWING**

	The Group	
	As at 30-09-2017 RM'000	As at 30-09-2016 RM'000
<b><u>Non-current</u></b>		
<b><u>Secured</u></b>		
Sukuk Ijarah - Islamic Medium Term Notes ('IMTN')	-	653,888
<b><u>Current</u></b>		
<b><u>Secured</u></b>		
Sukuk Ijarah - Islamic Medium Term Notes ('IMTN')	573,763	-

Al-'Aqar Healthcare REIT through its special-purpose company namely Al-'Aqar Capital Sdn Bhd has made the partial one-off early redemption of unrated Class C sukuk ijarah of RM80 million on 20 July 2017 by using proceeds from disposal of Selesa Tower.

The Issue 1 under the Sukuk Ijarah Programme will come due in May 2018. The Manager is undertaking steps to re-finance the said issuance.

**B11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

For the current quarter, the Group does not have any off balance sheet financial instruments.

**B12. MATERIAL LITIGATION**

There was no material litigation as at the date of the current quarterly report under review.

**B13. SOFT COMMISSION RECEIVED**

There was no soft commission received by the Manager during the quarter under review.

**B14. SUMMARY OF DPU, EPU AND NAV**

	Current Quarter ended 30-09-2017	Immediate Preceding Quarter ended 30-06-2017
Number of units in issue - units	728,226,468	728,226,468
Earning per unit (EPU) - sen	2.37	1.98
Net income distribution to unitholders - RM'000	27,308	-
Distribution per unit (DPU) - sen	3.75	-
Net Asset Value (NAV) - RM'000	885,112	895,884
NAV per unit - RM	1.2154	1.2302
Market Value Per Unit - RM	1.4500	1.5400

**B15. RESPONSIBILITY STATEMENT**

This quarterly report was 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 Al-'Aqar Healthcare REIT as at 30 September 2017 and of its financial performance and cash flows for the period then ended.