



## CONDENSED FINANCIAL STATEMENTS

FOURTH QUARTER ENDED 31 MARCH 2024

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# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Current Year Quarter 31.03.2024 RM'000	Preceding Year Corresponding Quarter 31.03.2023 RM'000	Current Year To Date 31.03.2024 RM'000	Preceding Year To Date 31.03.2023 RM'000
<b>Gross revenue</b>				
- Realised	24,852	24,918	98,408	100,407
- Unrealised (in relation to unbilled lease rental receivable)	755	755	3,021	3,021
	25,607	25,673	101,429	103,428
Property expenses	(11,105)	(9,941)	(44,218)	(44,518)
<b>Net property income</b>	14,502	15,732	57,211	58,910
Interest income	10	9	42	76
Other income	34	12	68	38
Loss on disposal of investment property	-	-	-	(4,652)
Change in fair value of investment properties	11,857	(337)	9,591	(2,604)
Unrealised gain/(loss) on revaluation of derivative	335	345	(470)	603
Unrealised gain/(loss) on financial liabilities measured at amortised cost	(14)	(227)	(185)	329
	26,724	15,534	66,257	52,700
<b>Administrative expenses</b>				
Manager's fee	(1,640)	(1,676)	(6,521)	(6,688)
Trustee's fee	(80)	(80)	(320)	(321)
Valuation fee	11	(12)	(96)	(197)
Auditors' remuneration	(23)	(27)	(74)	(69)
Tax agent's fee	(4)	2	(12)	(11)
Reversal of ECL	331	351	120	1,178
Others expenses	(219)	(141)	(895)	(1,135)
Interest expense	(8,385)	(8,113)	(34,099)	(31,234)
	(10,009)	(9,696)	(41,897)	(38,477)
<b>Profit before taxation</b>	16,715	5,838	24,360	14,223
Taxation	1,261	(25)	1,261	(25)
<b>Profit for the financial period</b>	17,976	5,813	25,621	14,198
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	17,976	5,813	25,621	14,198
<b>Total comprehensive income for the period is made up as follows:</b>				
- Realised income	3,782	5,302	12,403	17,526
- Realised loss on disposal	-	-	-	(4,652)
- Unrealised	14,194	511	13,218	1,324
	17,976	5,813	25,621	14,198
<b>Number of units in circulation (Unit) ('000)</b>	686,402	686,402	686,402	686,402
<b>Basic Earnings Per Unit (EPU) (sen)</b>				
- Realised	0.55	0.77	1.81	1.88
- Unrealised	2.07	0.07	1.93	0.19
	2.62	0.84	3.74	2.07

The Condensed Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023 and the accompanying explanatory notes.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION

	As At 31.03.2024 (Unaudited) RM'000	As At 31.3.2023 (Audited) RM'000
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Investment properties	1,557,800	1,543,421
Right-of-use assets	857	669
Accrued unbilled lease receivables	32,800	29,779
Derivative	98	418
	1,591,555	1,574,287
<b>Current Assets</b>		
Receivables	3,643	8,528
Other receivables, deposits and prepayments	5,157	5,450
Derivative	35	185
Deposits with financial institution	1,584	1,551
Cash and bank balances	1,457	1,656
	11,876	17,370
<b>TOTAL ASSETS</b>	1,603,431	1,591,657
<b>LIABILITIES</b>		
<b>Non-Current Liabilities</b>		
Rental deposits	12,280	15,238
Borrowings	640,540	249,885
Deferred tax liability	-	1,261
Lease liabilities	604	585
	653,424	266,969
<b>Current Liabilities</b>		
Payables	7,159	7,199
Lease liabilities	282	91
Rental deposits	11,635	8,283
Borrowings	116,772	504,241
	135,848	519,814
<b>TOTAL LIABILITIES</b>	789,272	786,783
<b>NET ASSET VALUE</b>	<b>814,159</b>	<b>804,874</b>
<b>FINANCED BY:</b>		
<b>UNITHOLDERS' FUNDS</b>		
Unitholders' capital	636,625	636,625
Undistributed income - Realised	9,255	13,188
Undistributed income - Unrealised	168,279	155,061
	<b>814,159</b>	<b>804,874</b>
<b>Number of Units In Circulation (Unit) ('000)</b>	<b>686,402</b>	<b>686,402</b>
<b>Net Asset Value (NAV) per unit (RM)</b>		
- Before income distribution	1.1861	1.1726
- After income distribution	1.1743	1.1570

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023 and the accompanying explanatory notes.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE

	← Undistributed Income →			
	Unitholders' Capital RM'000	Realised Income RM'000	Unrealised Income RM'000	
<b><u>Current Year To Date</u></b>				
<b>As at 1 April 2023</b>	636,625	13,188	155,061	804,874
Total comprehensive income for the year	-	12,403	13,218	25,621
<u>Unitholders' transactions</u>				
Income distribution to Unitholders				
- FY2023 Final	-	(10,708)	-	(10,708)
- FY2024 Interim	-	(5,628)	-	(5,628)
<b>As at 31 March 2024</b>	<b>636,625</b>	<b>9,255</b>	<b>168,279</b>	<b>814,159</b>
<b><u>Preceding Year To Date</u></b>				
<b>As at 1 April 2022</b>	636,625	22,025	153,099	811,749
Total comprehensive income for the year	-	12,874	1,324	14,198
Realisation of unrealised loss	-	(638)	638	-
<u>Unitholders' transactions</u>				
Income distribution to Unitholders				
- FY2022 Final	-	(13,248)	-	(13,248)
- FY2023 Interim	-	(7,825)	-	(7,825)
<b>As at 31 March 2023</b>	<b>636,625</b>	<b>13,188</b>	<b>155,061</b>	<b>804,874</b>

The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the audited financial statements for the financial year ended 31 March 2023 and the accompanying explanatory notes.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	Current Period To Date 31.03.2024 RM'000	Preceding Period To Date 31.03.2023 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	24,360	14,223
<i>Adjustment for :-</i>		
Unbilled lease receivable	(3,021)	(3,021)
Interest income from placement with financial institution	(42)	(76)
Interest on lease liability	39	11
Interest expense	34,060	31,223
Depreciation of right-of-use assets	292	201
Reversal of ECL	(120)	(1,178)
Change in fair value of investment properties	(9,591)	2,604
Loss/(gain) on financial liabilities measured at amortised cost	185	(329)
Loss on disposal of investment property	-	4,652
Unrealised fair value gain loss/(gain) on derivatives	470	(603)
Operating profit before working capital changes	46,632	47,707
<b>Changes in working capital</b>		
Decrease in receivables	5,299	7,357
Increase in payables	(218)	(259)
Increase/(decrease) in rental deposits	209	(1,639)
<b>Net cash generated from operating activities</b>	51,922	53,166
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net proceeds from disposal of investment property	-	59,948
Enhancement of investment properties	(4,788)	(1,878)
Interest income	42	76
<b>Net cash (used in)/generated from investing activities</b>	(4,746)	58,146
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest paid	(33,882)	(31,163)
Distributions paid to Unitholders	(16,336)	(21,073)
Drawdown/(repayment) of borrowings (net)	3,185	(61,088)
Payment of lease liabilities	(309)	(212)
<b>Net cash used in from financing activities</b>	(47,342)	(113,536)
<b>Net decrease in cash and cash equivalents</b>	(166)	(2,224)
<b>Cash and cash equivalents at the beginning of the year</b>	3,207	5,431
<b>Cash and cash equivalents at the end of the period</b>	<b>3,041</b>	<b>3,207</b>
<b>Cash and cash equivalents included in the statement of cash flows comprise of the following:</b>		
Deposits with financial institution	1,584	1,551
Cash and bank balances	1,457	1,656
	<b>3,041</b>	<b>3,207</b>

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2024 and the accompanying explanatory notes.

## **AmFIRST REAL ESTATE INVESTMENT TRUST**

### **NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS**

**For the Fourth Quarter Ended 31 March 2024**

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#### **EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD (“MFRS”) 134**

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

The condensed financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 : Interim Financial Reporting issued by Malaysian Accounting Standard Board (“MASB”), Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), applicable provisions of the Third Restated Deed (the “Deed”) dated 12 June 2020 and the Securities Commission Malaysia’s (“SC”) Guidelines on Listed Real Estate Investment Trusts.

The condensed financial statements do not include all of the information required for a full financial statement and should be read in conjunction with the annual financial statements for the financial year ended 31 March 2023.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those adopted in the preparation of audited financial statements of AmFIRST Real Estate Investment Trust (“AmFIRST REIT” or the “Trust”) for the previous financial year except for the adoption of the relevant new MFRSs, amendments to MFRSs and IC Interpretations that are effective for annual period beginning on or after 1 April 2023.

The adoption of these new MFRSs, amendment to MFRSs and IC interpretations does not have any material impact on the financial results of the Trust.

##### **A2. DECLARATION OF AUDIT QUALIFICATION**

The audited financial statements of the Trust for the preceding financial year ended 31 March 2023 was not qualified.

##### **A3. SEASONALITY AND CYCLICALITY OF OPERATIONS**

The operations of the Trust are not affected by material seasonal or cyclical fluctuation.

##### **A4. UNUSUAL ITEMS**

There were no material unusual items affecting the amounts reported for the quarter under review.

##### **A5. CHANGES IN ESTIMATES**

There were no changes in estimates that have had a material effect for the quarter under review.

##### **A6. ISSUANCE, CANCELLATION, REPURCHASE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

There were no issuances, cancellation, repurchase, resale and repayment of debt and equity securities for the quarter under review.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

#### A7. SEGMENTAL INFORMATION

No segmental information was prepared as the Trust's activities are predominantly in one operating segment and its assets are located in Malaysia.

#### A8. SIGNIFICANT EVENT SUBSEQUENT TO THE END OF THE CURRENT QUARTER

There was no significant event subsequent to the current quarter under review.

#### A9. INCOME DISTRIBUTION PAID

There was no income distribution paid during the quarter under review.

The Board of Director of the Manager of AmFIRST REIT (the "Board") has declared a final income distribution of 1.18 sen per unit for the sixth-month financial period from 1 October 2023 to 31 March 2024, amounting to RM8,099,539 to be payable on 31 May 2024 as disclosed in Note B15 below.

#### A10. VALUATION OF INVESTMENT PROPERTIES

During the quarter under review, a revaluation exercise have been done for all investment properties pursuant to clause 10.02(b)(i) of Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts and MFRS 140 *Investment Property*.

Description of Property	Tenure of Land	Location	Existing Use	Initial Acquisition Cost RM'000	Valuation As At 31.03.2024 RM'000	% Valuation to Net Asset Value As At 31.3.2024
Bangunan AmBank Group <sup>(i)</sup>	Leasehold	Kuala Lumpur	Office	180,152	266,600	32.7%
Menara AmBank <sup>(ii)</sup>	Freehold	Kuala Lumpur	Office	230,170	322,600	39.6%
Wisma AmFIRST <sup>(iii)</sup>	Leasehold	Kelana Jaya	Office	86,051	114,300	14.0%
The Summit Subang USJ <sup>(iv)</sup>	Freehold	Subang Jaya	Mixed Commercial Complex	280,091	375,000	46.1%
Prima 9 <sup>(v)</sup>	Freehold	Cyberjaya	Office	72,897	72,100	8.9%
Prima 10 <sup>(v)</sup>	Freehold	Cyberjaya	Office	61,747	61,800	7.6%
Kompleks Tun Sri Lanang <sup>(vi)</sup>	Leasehold	Melaka	Office	87,226	101,200	12.4%
Mydin HyperMall, Bukit Mertajam <sup>(iv)</sup>	Freehold	Penang	Retail	254,107	277,000	34.0%
				<b>1,252,441</b>	<b>1,590,600</b>	
Add : Accrued Unbilled Rental Income				-	(32,800)	
				<b>1,252,441</b>	<b>1,557,800</b>	

Note:

- (i) This property was revalued on 9 January 2024 by Cheston International (KL) Sdn Bhd ("Cheston"), an independent professional valuers. The leasehold land will be expire on 3 June 2084.
- (ii) This property was revalued on 10 January 2024 by Cheston, an independent professional valuers.
- (iii) This property was revalued on 11 January 2024 by Cheston, an independent professional valuers. The leasehold land will be expire on 19 February 2094.
- (iv) These properties were revalued on 3 January 2024 by VPC Alliance (PJ) Sdn Bhd ("VPC"), an independent professional valuers.
- (v) These properties were revalued on 9 January 2024 by Cheston, an independent professional valuers.
- (vi) This property was revalued on 10 January 2024 by Cheston, an independent professional valuers. The leasehold land will be expire on 7 October 2109.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

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

There were no changes in the composition of the Trust during the quarter under review and the fund size stands at 686,401,600 units as at 31 March 2024.

#### A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

#### A13. REALISED AND UNREALISED INCOME DISCLOSURE

The breakdown of undistributed income into realised and unrealised as at 31 March 2024 was summarised as below:

	As at 31.03.2024 RM'000	As at 31.3.2023 RM'000
<b><u>Realised</u></b>		
Distributable undistributed income	14,545	18,479
Capital loss from disposal of investment properties	(4,652)	(4,652)
Cumulative net change in fair value of investment property	(638)	(638)
	9,255	13,189
<b><u>Unrealised</u></b>		
Cumulative net change in fair value of investment properties	144,046	134,455
Unrealised gain on revaluation of derivatives	133	603
Unrealised gain on financial liabilities measured at amortized cost	1,367	1,552
Unrealised income - Unbilled lease receivable	22,733	19,711
Provision for deferred tax on change in fair value of investment properties	-	(1,261)
	168,279	155,060
<b>Total</b>	<b>177,534</b>	<b>168,249</b>



# AmFIRST REAL ESTATE INVESTMENT TRUST

## NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

### ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

#### B1. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE

##### Quarterly Results : 4Q FY2024 vs 4Q FY2023

	Current Year Quarter	Preceding Year Quarter	Changes	
	31.03.2024	31.03.2023	RM'000	%
<b>Gross revenue</b>				
Realised - Existing 8-Properties	24,852	25,045	(193)	-0.8%
Realised - Menara AmFIRST	-	(127)	127	100.0%
Unrealised (unbilled lease rental receivable)	755	755	-	0.0%
	<b>25,607</b>	<b>25,673</b>	<b>(66)</b>	<b>-0.3%</b>
Property expenses	(11,105)	(9,941)	(1,164)	-11.7%
<b>Net property income</b>	<b>14,502</b>	<b>15,732</b>	<b>(1,230)</b>	<b>-7.8%</b>
Interest and other income	44	20	24	120.0%
Change in fair value of investment properties	11,857	(337)	12,194	3618.4%
Unrealised loss on revaluation of derivatives	335	345	(10)	-2.9%
Unrealised loss on financial liabilities measured at amortised cost	(14)	(227)	213	93.8%
	26,724	15,533	11,191	72.0%
Non-property expenses	(1,955)	(1,933)	(22)	-1.1%
Reversal of ECL on trade receivables	331	351	(20)	-5.7%
Interest expense	(8,385)	(8,113)	(272)	-3.4%
<b>Profit before taxation</b>	<b>16,715</b>	<b>5,838</b>	<b>10,877</b>	<b>186.3%</b>
Taxation	1,261	(25)	1,286	5186.7%
<b>Profit after taxation</b>	<b>17,976</b>	<b>5,813</b>	<b>12,163</b>	<b>209.2%</b>
<b>Profit after taxation is made up as follow:</b>				
- Realised net income from operation	3,782	5,302	(1,520)	-28.7%
- Unrealised	14,194	511	13,683	2676.5%
	<b>17,976</b>	<b>5,813</b>	<b>12,163</b>	<b>209.2%</b>

For the current quarter under review, gross revenue generated from the existing 8 properties was marginally lower by 0.8% attributed by lower average occupancy at Bangunan AmBank Group, Menara AmBank, Wisma AmFIRST and The Summit Office due to non-renewal and downsizing of tenancies. However, the decrease in gross revenue was offset by increase in the occupancy rate from The Summit Retail Mall.

Property expenses were higher by 11.7%, mainly driven by the absence of service charge rebate from The Summit Subang USJ Management Corporation ("Summit MC").

Interest expenses increased by 3.4% due to a higher cost of debts resulted from increase in OPR.

Overall, the Trust recorded a realised net income from operations of RM3.8 million for the current quarter under review, compared to RM5.3 million in the same period of last financial year.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

### B1. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE - CONTD.

#### Financial Year-to-Date Results (YTD) ended 31 March 2024 vs YTD ended 31 March 2023

	Current Year To Date	Preceding Year To Date	Changes	
	31.03.2024	31.03.2023	RM'000	%
<b>Gross revenue</b>				
Realised - Existing 8-Properties	98,408	97,798	609	0.6%
Realised - Menara AmFIRST	-	2,609	(2,609)	-100.0%
Unrealised (unbilled lease rental receivable)	3,021	3,021	-	0.0%
	<b>101,429</b>	<b>103,428</b>	<b>(1,999)</b>	<b>-1.9%</b>
Property expenses	(44,218)	(44,518)	300	0.7%
<b>Net property income</b>	<b>57,211</b>	<b>58,910</b>	<b>(1,699)</b>	<b>-2.9%</b>
Interest and other income	110	114	(4)	-3.5%
Loss on disposal of investment property	-	(4,652)	4,652	100.0%
Change in fair value of investment properties	9,591	(2,604)	12,195	468.3%
Unrealised (loss)/gain on revaluation of derivatives	(470)	603	(1,073)	-177.9%
Unrealised (loss)/gain on financial liabilities measured at amortised cost	(185)	329	(514)	-156.2%
	66,257	52,700	13,557	25.7%
Non-property expenses	(7,918)	(8,421)	503	6.0%
Reversal of ECL on trade receivables	120	1,178	(1,058)	-89.8%
Interest expense	(34,099)	(31,234)	(2,865)	-9.2%
<b>Profit before taxation</b>	<b>24,360</b>	<b>14,223</b>	<b>10,137</b>	<b>71.3%</b>
Taxation	1,261	(25)	1,286	5186.7%
<b>Profit after taxation</b>	<b>25,621</b>	<b>14,198</b>	<b>11,423</b>	<b>80.5%</b>
<b>Profit after taxation is made up as follow:</b>				
- Realised net income from operation	12,403	22,178	(9,775)	-44.1%
- Realised capital loss from disposal of investment properties	-	(4,652)	4,652	100.0%
- Unrealised	13,218	1,324	11,894	898.2%
	<b>25,621</b>	<b>14,198</b>	<b>6,771</b>	<b>47.7%</b>

The Trust registered higher realised gross revenue of RM98.4 million from the existing 8 properties, increase by 0.6% compared to RM97.8 million reported in the last financial year. The increase was contributed by higher gross revenue from The Summit Retail, The Summit Carpark and Jaya 99, driven by higher average occupancy. However, the increase was partly offset by the absence of gross revenue from Menara AmFIRST following its disposal and lower gross revenue from Wisma AmFIRST, Menara AmBank and Bangunan AmBank Group due to lower average occupancy resulted from non-renewal and downsizing of tenancies.

Property expenses were marginally lower by 0.7% mainly due to the exclusion of property expenses from Menara AmFIRST following its disposal on 15 November 2022 as well as lower repair and maintenance expenses. The aforementioned decrease was partially offset by higher electricity expenses resulted from higher electricity surcharge and absence of service charge rebate receive from the Summit MC.

Interest expense was higher by 9.2% mainly due to increase in cost of debts as a result of various hikes in OPR from May 2022 to May 2023. The weighted average interest cost as at 31 March 2024 was 4.38% against 4.22% as at 31 March 2023.

The Trust conducted revaluations of its investment properties and recorded a unrealised fair value gain (before the adjustment for accrued unbilled rental income of RM3.0 million) of RM12.6 million.

# AmFIRST REAL ESTATE INVESTMENT TRUST

## NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

### B1. FINANCIAL REVIEW FOR CURRENT QUARTER AND FINANCIAL YEAR-TO-DATE - CONTD.

#### Financial Year-to-Date Results (YTD) ended 31 March 2024 vs YTD ended 31 March 2023 – Cont'd

Overall, the Trust registered higher profit after taxation of RM25.6 million for financial year ended 31 March 2024, compared to RM14.2 million for last financial year.

### B2. FINANCIAL REVIEW FOR CURENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER

#### Quarterly Results : 4Q FY2024 vs 3Q FY2024

	Current Year Quarter	Immediate Preceding Quarter	Changes	
	31.03.2024	31.12.2023	RM'000	%
<b>Gross Revenue</b>				
Realised - Existing 8-Properties	24,852	24,575	277	1.1%
Unrealised (unbilled lease rental receivable)	755	755	-	0.0%
	<b>25,607</b>	<b>25,330</b>	<b>276</b>	<b>1.1%</b>
Property Expenses	(11,105)	(11,164)	59	0.5%
<b>Net Property Income</b>	<b>14,502</b>	<b>14,166</b>	<b>337</b>	<b>2.4%</b>
Interest and other income	44	26	18	69.2%
Change in fair value of investment properties	11,857	(755)	12,612	3742.4%
Unrealised gain/(loss) on revaluation of derivatives	335	(1,556)	1,890	121.5%
Unrealised loss on financial liabilities measured at amortised cost	(14)	(185)	171	92.4%
	26,724	11,696	15,028	<b>128.5%</b>
Non-property expenses	(1,955)	(1,871)	(83)	-4.4%
Reversal of ECL on trade receivables	331	33	298	903.0%
Interest expense	(8,385)	(8,632)	247	2.9%
<b>Profit before taxation</b>	<b>16,715</b>	<b>1,226</b>	<b>15,489</b>	<b>1263.4%</b>
Taxation	1,261	-	1,261	100.0%
<b>Profit after taxation</b>	<b>17,976</b>	<b>1,226</b>	<b>16,750</b>	<b>1366.2%</b>
<b>Profit after taxation is made up as follow:</b>				
- Realised net income from operation	3,782	2,967	814	27.4%
- Unrealised	14,194	(1,741)	15,936	-915.3%
	<b>17,976</b>	<b>1,226</b>	<b>16,750</b>	<b>1366.2%</b>

Realised gross revenue for the current quarter under review increased by 1.1% compared to the immediate preceding quarter mainly due to higher average occupancy rate at The Summit Retail.

Property expenses were lower by 0.5% mainly due to higher repair and maintenance expenses.

Interest expenses decreased by 2.9% due to the lower weighted average interest cost.

Overall, the Trust recorded a higher realised net income of RM3.8 million in the current quarter compared to RM3.0 million in immediate preceding quarter.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

#### B3. PROSPECTS

The office market remains challenging due to oversupply in the office market. Meanwhile, the retail sector is forecasted to grow at a moderate level amidst dampening in consumer demand brought about by review of government subsidies and increase in service tax.

The Manager will continue to adopt appropriate capital and asset management strategies that are centred on intensifying leasing effort, cost optimization and implementation of selective asset enhancement initiatives to improve the asset portfolio yield.

#### B4. CHANGES IN THE STATE OF AFFAIRS

There was no material change in the state of affairs of the Trust for the quarter under review.

#### B5. CHANGES IN PORTFOLIO COMPOSITION

As at 31 March 2024, the Trust's composition of investment portfolio was as follow:

	Cost of Investment <sup>1</sup> As At 31.03.2024 RM'000	Valuation As At 31.03.2024 RM'000	% Valuation to Net Asset Value As At 31.03.2024 %
Bangunan AmBank Group	201,706	266,600	32.7%
Menara AmBank	265,454	322,600	39.6%
Wisma AmFIRST	95,518	114,300	14.0%
The Summit Subang USJ	381,888	375,000	46.1%
Prima 9	73,652	72,100	8.9%
Prima 10	62,677	61,800	7.6%
Kompleks Tun Sri Lanang (Jaya 99)	88,802	101,200	12.4%
Mydin HyperMall, Bukit Mertajam	254,124	277,000	34.0%
	<b>1,423,822</b>	<b>1,590,600</b>	
Accrued unbilled rental income <sup>2</sup>	-	(32,800)	
	<b>1,423,822</b>	<b>1,557,800</b>	

<sup>1</sup> Cost of investment comprised purchase consideration paid, incidental cost of acquisition and capital expenditure incurred since acquisition.

<sup>2</sup> Accrued unbilled rental income refers to unbilled incremental lease rental receivable from Mydin Mohamed Holdings Berhad ("Mydin")'s 30 years' lease agreement commencing from 1 February 2016 and expiring 31 January 2046. Pursuant to the lease agreement dated 11 January 2016, the lease rental receivable from Mydin is incremental by 10% every 5 years from the commencement date of 1 February 2016 up to the term of 30 years. This operating lease rental income is recognised on straight-line basis over the lease term of 30 years.

#### B6. NUMBER OF UNIT LISTED AND ISSUANCE OF NEW UNITS

The total number of units in circulation as at 31 March 2024 was 686,401,600 units. There was no issuance of new units during the quarter under review.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

#### B7. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals previously announced but not completed as at the date of this report.

#### B8. CHANGES IN NET ASSET VALUE AND UNIT PRICE

	As at 31.03.2024	As at 31.3.2023
Net Asset Value ("NAV") (RM'000)	814,159	804,874
NAV Per Unit (RM)		
- Before income distribution	1.1861	1.1726
- After income distribution	1.1743	1.1570
Closing Unit Price Per Unit (RM)	0.320	0.330

The NAV per Unit after income distribution was calculated after taking into consideration the income distribution of the realised distributable income at the end of the current quarter.

#### B9. BORROWINGS AND DEBT SECURITIES

	Non-current RM'000	Current RM'000	Total RM'000
<b><u>As at 31 March 2024</u></b>			
<b>Secured</b>			
Term Loan	500,850	-	500,850
Revolving Credit	140,000	116,900	256,900
	640,850	116,900	757,750
<b>Unsecured</b>			
Overdraft	-	-	-
Loan transaction costs subject to amortisation	(310)	(128)	(438)
<b>Total Borrowings</b>	<b>640,540</b>	<b>116,772</b>	<b>757,312</b>
<b><u>As at 31 March 2023</u></b>			
<b>Secured</b>			
Term Loan	-	250,850	250,850
Revolving Credit	250,000	253,600	503,600
	250,000	504,450	754,450
<b>Unsecured</b>			
Loan transaction costs subject to amortisation	(115)	(209)	(323)
<b>Total Borrowings</b>	<b>249,885</b>	<b>504,241</b>	<b>754,127</b>

All the bank borrowings were denominated in Ringgit Malaysia.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

#### B9. BORROWINGS AND DEBT SECURITIES – CONT'D

The Trust's gearing ratio stood at 47.2% with total borrowings of RM757.3 million.

The weighted average interest cost (including the cost of hedging of the interest rate swap contract of RM150.0 million) was 4.38%.

The weighted average debt maturity was approximately 3.2 years.

#### B10. DERIVATIVE

	As at 31 March 2024		
	Notional Value	Fair Value	
	RM'000	Asset RM'000	Liability RM'000
<b><u>Maturity of Interest Rate Swap contract</u></b>			
- Current	-	35	-
- Non-current	150,000	98	-

- (i) On 19 July 2022, the Trust entered into a 5-year Interest Rate Swap ("IRS") forward contract with a notional amount of RM50.0 million to hedge the Trust's floating interest rate for fixed rate in order to mitigate the risk on fluctuating interest rate. In this IRS contract, the Trust pays a fixed rate of 3.62% per annum in exchange of the 3-month Kuala Lumpur Interbank Offered Rate (KLIBOR).
- (ii) On 7 February 2023, the Trust entered into a 5-year Interest Rate Swap ("IRS") forward contract with a notional amount of RM100.0 million to hedge the Trust's floating interest rate for fixed rate in order to mitigate the risk on fluctuating interest rate. In this IRS contract, the Trust pays a fixed rate of 3.57% per annum in exchange of the 3-month Kuala Lumpur Interbank Offered Rate (KLIBOR).

With the above two (2) IRS contracts in place, the Trust has effectively hedged 20% of its borrowings with a weighted average term of 3.7 years.

#### B11. MANAGER'S FEE

Pursuant to the Deed constituting AmFIRST REIT, the Manager's fee consists of a base fee up to 0.50% per annum of the total asset value of the Trust (excluding any taxes payable) and a performance fee of 3.0% per annum of net property income (excluding any taxes payable), accruing monthly but before deduction of property management fee.

For the current quarter ended 31 March 2024, the Manager's fee consists of a base fee of 0.3% per annum and performance fee of 3.0% per annum.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the Fourth Quarter Ended 31 March 2024

#### B12. TRUSTEE'S FEE

Pursuant to the Deed constituting AmFIRST REIT, the Trustee is entitled to receive a fee up to 0.10% per annum of the net asset value of the Trust.

For the current quarter ended 31 March 2024, the Trustee's fee was calculated based on 0.03% per annum of the net asset value.

#### B13. UNITS HELD BY RELATED PARTIES

As at 31 March 2024, the Manager and all the directors did not hold any units in AmFIRST REIT. Below were the parties related to the Manager who holds units in AmFIRST REIT:

	Number of Holdings (‘000)	Market Value RM'000
<b>Unitholdings of parties related to the Manager</b>		
AmBank (M) Berhad	183,489	58,717
Yayasan Azman Hashim	77,947	24,943
Azman bin Hashim	849	272
AmGroup Foundation	3	1

The market value was determined by multiplying the number of units with the closing unit price of RM0.32 per unit as at 31 March 2024.

#### B14. TAXATION

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 Unitholders, the total income of the Trust for that year of assessment shall be exempted from tax. There will be no tax payable for the Trust as the Trust intends to distribute at least 90% of the total income to Unitholders for the financial year ended 31 March 2024.

	Current Year 31.03.2024 RM'000	Preceding Corresponding Year 31.03.2023 RM'000
Income before taxation	24,360	14,223
Income tax using Malaysian tax rate of 24% (2023 : 24%)	5,846	3,414
Effects of non-deductible expenses	481	670
Effects of fair value adjustment on investment properties not subject to tax	(2,302)	625
Effects of income exempted from tax	(4,025)	(4,709)
	-	-
Deferred tax from origination of temporary difference	(1,261)	25
<b>Tax expense</b>	<b>(1,261)</b>	<b>25</b>

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 March 2024

#### B15. INCOME DISTRIBUTION

The Board has proposed a final income distribution of 1.18 sen per unit for the six-month financial period from 1 October 2023 to 31 March 2024 amounting to RM8,099,539, payable on 31 May 2024 to the Unitholders registered in the Record of Depositors on 9 May 2024. The final income distribution for the sixth-month financial period ended 31 March 2024 is from the following sources:

	<b>Current Year To Date 31.03.2024 RM'000</b>	<b>Preceding Year To Date 31.03.2023 RM'000</b>
Gross revenue		
- Realised	98,408	100,407
- Unrealised (in relation to accrued unbilled rental receivables)	3,021	3,021
	101,429	103,428
Interest income	42	76
Other income	68	38
Loss on disposal of investment property	-	(4,652)
Change in fair value of investment properties	9,591	(2,604)
Unrealised gain/(loss) on revaluation of derivatives	(470)	603
Unrealised gain/(loss) on financial liabilities measured at amortised cost	(185)	329
<b>Total income</b>	<b>110,475</b>	<b>97,218</b>
Less : Total expenses (before manager's fees)	(79,594)	(76,307)
<b>Net income before taxation (before manager's fees)</b>	<b>30,881</b>	<b>20,911</b>
Less : Manager's fees	(6,521)	(6,688)
<b>Net income before taxation</b>	<b>24,360</b>	<b>14,223</b>
Less : Taxation	1,261	(25)
<b>Net income after taxation</b>	<b>25,621</b>	<b>14,198</b>
Less : Distribution adjustment (unrealised)	(13,218)	3,328
<b>Total realised net income for the financial year</b>	<b>12,403</b>	<b>17,526</b>
Undistributed realised income brought forward, 1 April	7,771	8,778
<b>Total realised net income for the financial year</b>	<b>12,403</b>	<b>17,526</b>
<b>Total income available for distribution</b>	<b>20,174</b>	<b>26,304</b>
Less : Interim income distribution	(5,628)	(7,825)
<b>Total income available for distribution</b>	<b>14,546</b>	<b>18,479</b>
<b>Less : Proposed final income distribution</b>	<b>(8,100)</b>	<b>(10,708)</b>
<b>Undistributed realised income carried forward</b>	<b>6,446</b>	<b>7,771</b>
Number of unit in circulation ('000)	686,402	686,402
Interim income distribution per unit (Sen)	0.82	1.14
Final income distribution per unit (Sen)	1.18	1.56
<b>Total income distribution per unit (Sen)</b>	<b>2.00</b>	<b>2.70</b>



**B15. INCOME DISTRIBUTION (CONT'D)**

Pursuant to the amended Section 109D of the Income Tax Act, 1967, the following withholding tax rates will be deducted for distribution made to the following categories of Unitholders:

- Resident and non-resident individuals (withholding tax at 10%)
- Resident and non-resident institution investors (withholding tax at 10%)
- Resident companies (no withholding tax, to tax at prevailing corporate tax rate)
- Non-resident corporate (withholding tax at 24%)

**B16. MATERIAL LITIGATION**

**(i) Shah Alam High Court Originating Summons (“OS”) between Ho Phoy Kwang & Ho Phoy Chuin (“Plaintiffs”) and The Summit Subang USJ Management Corporation (“Defendant” or the “MC”)**

On 30 April 2021, the Plaintiffs filed the OS against the Defendant MC seeking inter alia the following reliefs:

- (a) A declaration that any proposed resolution determining different rates of maintenance charges for different parcels in the commercial building known as The Summit Subang USJ (“The Summit”) passed at any Annual General Meetings or Extraordinary General Meeting convened before the judgment of the Court, is ultra vires of the Strata Titles Act 1985 (“STA”) and Strata Management Act 2013 (“SMA”), unlawful, null and void ab initio.
- (b) A declaration that a single maintenance charge rate per share unit per month be imposed in proportion to the allocated share units for each parcel in The Summit for each respective management periods from 1 January 2013 to 31 August 2018, 1 September 2018 to 31 August 2019, 1 September 2019 to 30 September 2020, 1 October 2020 to 31 October 2020 and between 1 November 2020 until the date before the next management period commences; and
- (c) An order under Section 76 of the SMA that an administrator for the Defendant be appointed for a fixed period of time.

On 12 July 2021, the MC filed an application to convert the OS into a Writ action (“Conversion of OS to Writ”).

On 7 September 2021, Maybank Trustees Berhad (“MTB”) filed an application to intervene in the OS and be added as the 2nd Defendant.

On 17 September 2021, a group of owners in The Summit known as Swan Property Sdn Bhd & 13 others (“Swan Property Group”) filed an application to intervene in the OS and be added as Plaintiffs.

On 8 December 2021, the Shah Alam High Court allowed MTB’s application to intervene and be added as the 2nd Defendant in the OS and allowed the Swan Property Group to be added as Defendants.

On 21 December 2021, MTB filed an application to add itself as a party to the MC’s application to convert the OS into a Writ action (conversion application).

**B16. MATERIAL LITIGATION – CONTD.**

- (i) **Shah Alam High Court Originating Summons (“OS”) between Ho Phoy Kwang & Ho Phoy Chuin (“Plaintiffs”) and The Summit Subang USJ Management Corporation (“Defendant” or the “MC”) – contd.**

On 26 April 2022, the High Court dismissed the MC’s conversion application. However, the Court gave the MC liberty to cross examine the deponents of the affidavits.

On 9 May 2022, the MC filed a Notice of Appeal to the Court of Appeal against the dismissal of the conversion application.

On 18 May 2022, the MC filed a Notice of Application for Stay of Proceedings of the OS pending the full and final disposal of its appeal to the Court of Appeal. On 17 August 2022 the Court dismissed the MC’s stay application.

On 20 May 2023, the MC and MTB filed a Notice of Application for Intention to Cross-Examine Deponents of the Affidavits.

The 1<sup>st</sup> Plaintiff was cross examined on the averments in her Affidavits with regards to prayers of the OS and upon completion of the cross-examination, the Court gave the following directions :

- (i) Both parties are to file their main submissions by 28 July 2023;
- (ii) Both parties are to file their respective submissions in reply by 18 August 2023;
- (iii) The decision on prayers of the OS is on 23 August 2023 .

On 23 August 2023 prior to the learned High Court Judge delivering his decision, two (2) recent Court of Appeal cases namely “SCP Assets” and “Pearl Suria” were brought to the attention of the Learned High Court Judge. The High Court judge then proceeded to postpone the decision to 25 October 2023 pending written grounds of the Court of Appeal in the above 2 cases and the conversion appeal fixed for 18 September 2023.

On 18 September 2023, Court of Appeal decided as follows:

- (i) The appeal was dismissed;
- (ii) But parties are given liberty to cross examine all deponents of affidavits and on its full contents; and
- (iii) Court of Appeal fixed a case management date before the High Court of Shah Alam.

On 26 September 2023, during case management before Shah Alam High Court, following our update on the Court of Appeal’s decision, the Judge instructed parties to vary the Court of Appeal order dated 18 September 2023.

On 29 September 2023, during case management the learned High Court Judge once again instructed parties to vary the order of 18 September 2023.

On 12 October 2023, the MC filed the Application to the Court of Appeal to vary the order of 18 September 2023.

The hearing to vary the order of 18 September 2023 is fixed before The Court of Appeal on 30 November 2023 and the case management before the High Court of Shah Alam is fixed on 14 December 2023 to update on the outcome of the Court of appeal hearing.

**B16. MATERIAL LITIGATION – CONTD.**

- (i) **Shah Alam High Court Originating Summons (“OS”) between Ho Phoy Kwang & Ho Phoy Chuin (“Plaintiffs”) and The Summit Subang USJ Management Corporation (“Defendant” or the “MC”) – contd.**

On 30 November 2023, the Court of Appeal allowed the variation application and fixed a case management before the High Court on 14 December 2023. The court then fixed trial dates on 1 February 2024 and 19 February 2024.

At the trial on 1 February 2024 and 19 February 2024, the 1<sup>st</sup> Plaintiff and the 7<sup>th</sup> Defendant were respectively cross-examined.

The Court ordered for the main submissions to be filed on 30 April 2024, the submissions in reply on 17 May 2024 and fixed for oral submissions on 30 May 2024.

- (ii) **Material Litigation in the Kuala Lumpur High Court – Legal proceedings instituted by Looi Seow Leng vs. The Summit Subang USJ Management Corporation (“MC”) and Maybank Trustees Berhad (“MTB”) (as Trustee for AmFIRST Real Estate Investment Trust) (Writ of Summons No.: WA-22NCVC-217-03/2024)**

Further to our earlier quarterly announcement on 21 February 2024 under updates on material litigation with regard to the Writ of Summons No. WA-22NCC-82/2018 (“Suit 82”), on 11 January 2024, Looi Seow Leng (“Looi”), the 2nd Plaintiff in Suit 82 entered into a consent order with The Summit Subang USJ Management Corporation (MC), the 1st Defendant and Maybank Trustees Berhad (MTB), the 2nd Defendant respectively and discontinued the Civil Suit against the MC and MTB with liberty to file afresh. The MC and MTB were also given liberty to file fresh defences vide the consent order. The 1st, 3rd to 15th Plaintiffs in Suit 82 did not pursue their claims against the MC and MTB.

Subsequently on 31 March 2024, Looi filed afresh the Statement of Claim and Writ of Summons vide Civil Suit WA-22NCVC-217-03/2024 (Suit 217) against the MC and MTB and amongst other pleadings pleaded that the MC and MTB conspired to injure her by breaching the Strata Titles Act, 1985 and the Strata Management Act, 2013 (SMA) and seeks inter alia the following reliefs:

- (a) A declaration that the refurbishment of the Summit carried out by the MC under the resolutions passed at the 15 December 2012 and 15 March 2014 Annual General Meetings (AGM) are ultra vires the Strata Titles Act, 1985.
- (b) A declaration that Looi is not liable to pay the refurbishment costs, late payment interest and legal costs in the sum of RM 270,421.37 as at 22 September 2023 to the MC.
- (c) A declaration that the MC has breached its fiduciary duties to the proprietors.
- (d) A declaration that MTB is liable to contribute to the maintenance and sinking fund charges (charges) from the date MTB was registered as a proprietor of the basement car park, hotel block and their parcels at the office block.
- (e) An Order that the MC demands and claims all outstanding charges from MTB, costs, general and exemplary damages, interest and the resolutions passed at the 5th, 6th, 7th and 8th AGMs and 4 August 2018 EGM be declared null and void.

## AmFIRST REAL ESTATE INVESTMENT TRUST

### NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS

For the Fourth Quarter Ended 31 March 2024

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#### B16. MATERIAL LITIGATION – CONTD.

(ii) **Material Litigation in the Kuala Lumpur High Court – Legal proceedings instituted by Looi Seow Leng vs. The Summit Subang USJ Management Corporation (“MC”) and Maybank Trustees Berhad (“MTB”) (as Trustee for AmFIRST Real Estate Investment Trust) (Writ of Summons No.: WA-22NCVC-217-03/2024)**

(f) A declaration that the MC recalculates the charges in proportion with the share units assigned to each parcel past and future periods, charges the same recalculated rates on MTB and to collect the said recalculated charges from MTB within 14 days from the date of the Order of Court.

(g) An order that the MC distributes and credits the alleged over charged sum back to the proprietors and costs.

The Manager have consulted the solicitors who hold the view that there is a credible defence for MTB. The Manager have accordingly instructed the solicitors to defend the interests of MTB against Looi’s claims.

The Court has fixed for the case management to be held on 30 April 2024.

#### B17. STATEMENT BY THE DIRECTORS OF THE MANAGER

In the opinion of the Board of Directors of the Manager, this quarterly report has been prepared in accordance with MFRS 134: Interim Financial Reporting issued by Malaysian Accounting Standard Board (“MASB”), IAS 34: 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 AmFIRST REIT as at 31 March 2024 and of its financial performance and cash flows for the financial period ended 31 March 2024 and duly authorized for release by the Board of Directors of the Manager on 17 April 2024.