

HEKTAR REAL ESTATE INVESTMENT TRUST

**Interim Financial Report
for the period ended 30 September 2023**



Contents

	Page
Condensed Statement of Financial Position	2
Condensed Statement of Profit or Loss and Other Comprehensive Income	3
Condensed Statement of Changes In Net Assets Value	4
Condensed Statement of Cash Flows	5
Part A- Disclosure requirements pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134	6-7
Part B- Additional disclosure pursuant to the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”)	8-14

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	As at 30.09.2023 RM (Unaudited)	As at 31.12.2022 RM (Audited)
<u>NON-CURRENT ASSETS</u>		
Investment properties	1,206,080,000	1,206,080,000
Plant & Equipment	438,814	45,538
	1,206,518,814	1,206,125,538
<u>CURRENT ASSETS</u>		
Trade receivables	3,553,121	4,491,594
Other receivables, deposits and prepayments	11,740,913	1,736,666
Cash and bank balances	18,707,296	23,152,897
	34,001,330	29,381,157
TOTAL ASSETS	1,240,520,144	1,235,506,695
<u>NON-CURRENT LIABILITIES</u>		
Tenancy deposits	25,112,509	25,581,891
Deferred tax liability	28,230,834	28,230,834
Bank borrowings	546,024,707	542,443,790
	599,368,050	596,256,515
<u>CURRENT LIABILITIES</u>		
Trade payables	7,806,714	5,652,838
Other payables and accruals	13,894,963	23,156,645
Tenancy deposits	2,587,066	3,479,129
Bank borrowings	3,000,000	9,000,000
	27,288,743	41,288,612
TOTAL LIABILITIES	626,656,793	637,545,127
NET ASSET VALUE	613,863,351	597,961,568
<u>FINANCED BY:</u>		
Unitholders' capital	514,625,014	496,731,949
Undistributed income – realised	64,976,347	66,967,629
– unrealised	34,261,990	34,261,990
TOTAL UNITHOLDERS' FUND	613,863,351	597,961,568
NET ASSET VALUE PER UNIT (RM)		
-as at the date	1.2307	1.2689
-after distribution for the cumulative quarter	1.2040	1.2159
NUMBER OF UNITS IN CIRCULATION	498,787,970	471,260,178

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2023 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.09.2023 RM	Preceding Year Corresponding Quarter 30.09.2022 RM	Current YTD 30.09.2023 RM	Preceding YTD 30.09.2022 RM
Revenue	27,811,195	31,065,525	83,962,834	89,553,889
Property operating expenses	(12,418,864)	(12,754,698)	(37,870,983)	(40,909,475)
Net property income	15,392,331	18,310,827	46,091,851	48,644,414
Interest income	-	127,249	214,580	264,942
Other income	113,307	211,709	1,346,332	2,334,075
Reversal of impairment loss	455,940	2,559,916	1,884,479	3,919,072
Trust expenses	(2,448,129)	(2,413,883)	(7,556,066)	(7,004,177)
Finance expenses	(6,690,705)	(5,291,990)	(18,995,667)	(14,336,522)
Realised income before taxation	6,822,744	13,503,828	22,985,509	33,821,804
Change in fair value of investment property	-	-	-	-
Income before taxation	6,822,744	13,503,828	22,985,509	33,821,804
Taxation	-	-	-	-
Net income	6,822,744	13,503,828	22,985,509	33,821,804
Other comprehensive income after tax	-	-	-	-
Total comprehensive income	6,822,744	13,503,828	22,985,509	33,821,804
Earnings per unit (sen)	1.37	2.87	4.71	7.18
- realised (sen)	1.37	2.87	4.71	7.18
- unrealised (sen)	-	-	-	-
Weighted average number of units	498,787,970	471,260,178	487,927,690	471,260,178

The Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE QUARTER ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

	Unitholders' Capital RM	Undistributed income		Unitholders' Fund RM
		Realised RM	Unrealised RM	
<u>Balance at 1 January 2023</u>				
As previously reported	496,731,949	66,967,629	34,261,990	597,961,568
<u>Operation for quarter ended 30 September 2023</u>				
Total comprehensive income for The financial period	-	22,985,509	-	22,985,509
<u>Unitholders' transactions</u>				
Unitholders' capital	17,893,065	-	-	17,893,065
Distribution to unitholders	-	(24,976,790)	-	(24,976,790)
Balance at 30 September 2023	514,625,014	64,976,348	34,261,990	613,863,352

CUMULATIVE YEAR ENDED 31 DECEMBER 2022 (AUDITED)

	Unitholders' Capital RM	Undistributed income		Unitholders' Fund RM
		Realised RM	Unrealised RM	
<u>Balance at 1 January 2022</u>				
As previously reported	496,731,949	55,225,682	(3,994,810)	547,962,821
<u>Operation for year ended 31 December 2022</u>				
Total comprehensive income for the financial year	-	36,388,853	38,256,800	74,645,653
<u>Unitholders' transaction</u>				
Distribution to unitholders	-	(24,646,906)	-	(24,646,906)
Balance at 31 December 2022	496,731,949	66,967,629	34,261,990	597,961,568

The Condensed Statement of Changes in Net Asset Value should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2023 (UNAUDITED)**

	Current YTD 30.09.2023 RM	Preceding YTD 31.12.2022 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	22,985,509	77,994,803
Adjustments for :-		
Depreciation of PPE	31,892	22,521
Interest income	(214,580)	(1,609,111)
Finance Expenses	18,995,667	20,213,005
Reversal of impairment loss in trade receivables	(1,884,479)	(8,779,287)
Fair value adjustment in Investment Properties	-	(41,600,000)
Operating profit before working capital changes	39,914,009	46,241,931
Change in working capital :-		
Receivables	(7,181,295)	7,959,130
Payables	(8,469,252)	(18,818,912)
Net cash from operating activities	24,263,462	35,382,149
CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	214,580	1,609,111
Fixed deposit	-	1,583,933
Purchase of PPE	(425,168)	-
Net cash generated from investing activities	(210,588)	3,193,044
CASH FLOW FROM FINANCING ACTIVITIES		
Finance expense	(18,995,667)	(20,213,005)
Distribution to Unitholders	(7,083,725)	(24,646,906)
Repayment of borrowings	(2,419,083)	(29,647,073)
Net cash used in financing activities	(28,498,475)	(74,506,984)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,445,601)	(35,931,791)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	23,152,897	59,084,688
CASH AND CASH EQUIVALENTS AT END OF PERIOD	18,707,296	23,152,897
CASH AND BANK BALANCES	3,530,321	12,392,897
SHORT TERM FUNDS MORE THAN 3 MONTHS	15,176,975	10,760,000
CASH AND CASH EQUIVALENTS AT END OF PERIOD	18,707,296	23,152,897

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2022 and the accompanying explanatory notes attached.

A. EXPLANATORY NOTES FOR THE QUARTER ENDED 30 SEPTEMBER 2023 PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS") 134

A1 BASIS OF PREPARATION

The quarterly financial report is unaudited and has been prepared in compliance with MFRS 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board and Securities Commission's Guidelines on the Listed Real Estate Investment Trusts ("REIT Guidelines").

A2 AUDIT REPORT OF PRECEDING FINANCIAL YEAR

The auditors' report for the financial year ended 31 December 2022 was not subjected to any audit qualification.

A3 SEASONALITY OR CYCLICALITY OF OPERATIONS

Hektar REIT's operations were not significantly affected by material seasonal or cyclical factors.

A4 SIGNIFICANT UNUSUAL ITEMS

There were no significant unusual items that affect the assets, liabilities, equity, net property income or cash flows during the current quarter.

A5 CHANGES IN ESTIMATES

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

A6 DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

A7 INCOME DISTRIBUTION

No income distribution is proposed for the current quarter ended 30 September 2023 (Q3 2023). Subject to the financial performance of the REIT, the Manager intends to make distributions to the unitholders of Hektar REIT on a semi-annual basis for each six-month period ending 30 June and 31 December each year, unless otherwise determined and/or varied by the Manager at its sole discretion. The Manager intends to distribute at least 90% of Hektar REIT's distributable income for the financial year ending 31 December 2023.

The Board of Directors of Hektar Asset Management Sdn Bhd had on 29 August 2023 declared an income distribution of 2.70 sen (gross) per unit amounting to RM13.47 million for the second quarter ended 30 June 2023, the amount was subsequently paid on 16 October 2023.

A8 SEGMENT INFORMATION

The segmental financial information by operating segments is not presented as Hektar REIT is a retail focused REIT and the operations of its properties are located in Malaysia.

A9 VALUATION OF INVESTMENT PROPERTIES

The Investment Properties for Subang Parade, Mahkota Parade, Wetex Parade, Central Square, Kulim Central and Segamat Central were last valued on 31 December 2022.

A10 MATERIAL SUBSEQUENT EVENTS TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the current quarter under review up to the date of this Interim Financial Report.

A11 CHANGES IN THE COMPOSITION OF THE TRUST

The Unitholders had on 15 December 2022 approved Hektar REIT to establish an Income Distribution Reinvestment Plan (“IDRP”) that provides unitholders of Hektar REIT with an option to elect to reinvest, in whole or in part, their cash distribution declared by Hektar REIT (whether interim, final, special or any other types of cash distribution) in new units of Hektar REIT.

- Pursuant to the first IDRP, Hektar REIT’s Unitholders’ capital increased from RM496,731,949 to RM514,625,014.

Issued and fully paid	Number of Units	RM
Balance as at 1 January 2023	471,260,178	496,731,949
Addition arising from the first IDRP	27,527,792	17,893,065
Balance as at 30 September 2023	498,787,970	514,625,014

- A total new units of 6,791,103 units pursuant to the second IDRP were allotted and issued, the new units have been listed and quoted on the Main Market of Bursa Securities on 17 October 2023, making the completion of the second IDRP, the enlarged total units in issued as at the date of reporting is increased to 505,579,073 units, equivalent to Unitholders’ capital of RM518,418,524.

A12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets as at 30 September 2023.

A13 RENTAL INCOME FROM TENANCIES (MFRS 16)

Rental income receivable under tenancy agreements is recognised on a straight-line basis over the term of the lease.

A14 CAPITAL COMMITMENT (MFRS 134)

There were no major capital commitments as at 30 September 2023, other than an approved commitment of RM18.3 million for the replacement and modernisation of lifts and escalators at Subang Parade.

B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS**B1 REVIEW OF PERFORMANCE**

	Quarter		
	30.09.2023 RM	30.09.2022 RM	Variance %
Total Revenue	27,811,195	31,065,525	-10.5
Net Property Income ("NPI")	15,392,331	18,310,827	-15.9
Net Realised Income	6,822,744	13,503,828	-49.5
NPI Margin (%)	55.3	58.9	-3.6

Hektar REIT recorded a total revenue of RM27.81 million and RM31.07 million for Q3'2023 and Q3'2022 respectively. For the current quarter, NPI margin remains healthy at 55.3% or RM15.39 million. The Manager remains committed to the group-wide cost optimisation program initiated in the second half of 2022.

The performance of net realised income for the current quarter has been impacted by:

- lower revenue in current quarter of RM3.3 million;
- increase in finance costs totaling RM1.4 million. This increase is primarily due to the rise in the Overnight Policy Rate ("OPR") in the year 2022 and subsequently in May 2023.
- lesser amount of gain from the reversal of impairment loss in trade receivables of RM0.5 million recorded in current quarter as compared to RM2.6 million in Q3'2022.

In mitigating the impact of rising operational costs, the Manager is actively strengthening the REIT's financial position and enhancing profitability through prudent capital management initiatives :-

- The REIT has improved its gearing ratio to 44.3% in the current quarter from 44.6% as of 31 December 2022 through a debt reduction program;
- Adopting an aggressive and strategic leasing approach to increase the overall occupancy rate and enhance the tenancy mix of our retail assets. The overall occupancy rate for our portfolio of retail assets for the third quarter of 2023 has improved to 87.7%, and the REIT anticipates revenue growth in the coming quarters as a result;
- Actively pursuing overdue debts with an aging profile exceeding 90 days, categorised as doubtful or bad debts, to enhance net realised income.

B2 MATERIAL CHANGES IN QUARTERLY RESULTS

	Q3'2023 RM	Q2'2023 RM	Variance %
Total Revenue	27,811,195	27,206,593	2.2
Net Property Income ("NPI")	15,392,331	15,486,532	-0.6
Net Realised Income	6,822,744	6,955,771	-1.9
NPI Margin (%)	55.3	56.9	-1.6

In the current quarter, Hektar REIT's total revenue increased by 2.2%, equivalent to RM0.60 million. Despite the increase in revenue, the NPI was slightly reduced by 0.6% compared to Q2'2023 due to higher utilities expenses. The current quarter's net realised income was affected by the increase in finance costs of RM0.61 million.

B3 PROSPECTS

Retail Group Malaysia (RGM) has revised its 2023 projection for the annual growth rate of the Malaysian retail sector downward to 2.7%, a reduction from the previous forecast of 4.8% made in June. This adjustment is attributed to an unexpectedly negative growth rate of -4.0% in retail sales during the second quarter. Despite consumer footfall matching pre-pandemic levels, purchasing power has been affected. The Malaysian retail landscape continues to grapple with significant challenges for the remainder of the year. Notably, the costs of numerous essential items and consumer products remain elevated compared to the pre-lockdown period.

Hektar REIT continues to demonstrate optimism and resilience in its pursuit of growth, anchored by a vigorous and strategic leasing strategy. This is designed to augment occupancy rates and achieve favourable rental reversions, even in the face of a challenging retail climate. The Manager is acutely aware of rising interest rates and is steadfast in executing sound capital management tactics. There is a concerted effort to maximise the returns from the Assets Under Management by boosting revenue and refining operational processes.

B4 VARIANCE OF PROFIT FORECAST OR PROFIT GUARANTEE

Not applicable as there was no profit forecast or profit guarantee issued.

B5 TAX EXPENSE

Pursuant to Section 61A(1) of the Income Tax Act 1967, effective from the year of assessment 2017, a REIT is fully exempt from tax for a year of assessment if it distributes 90% or more of its total income to its Unitholders in the basis period for that year of assessment.

Barring unforeseen circumstances, there will be no tax payable as Hektar REIT intends to distribute at least 90% of the distributable income to unitholders for the year ending 31 December 2023.

B6 SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales of unquoted investments or properties during the quarter.

B7 QUOTED INVESTMENTS

There was no purchases or disposal of quoted investments during the quarter.

B8 CORPORATE PROPOSAL AND DEVELOPMENTS

There were no corporate proposals announced and pending completion as at the date of this report, other than those disclosed below:-

- on 11 September 2023 ("Conditional SPA"), MTrustee Berhad (in its capacity as the Trustee of Hektar REIT) had entered into a conditional sale and purchase agreement with KYS College Sdn Bhd for the proposed acquisition of land and single, 1 ½, 2 and 3-storey buildings that are categorised into administration, academic, residential and student facilities which form the fully residential and co-educational private school known as 'Kolej Yayasan Saad' located at Ayer Keroh, Melaka and erected on part of the leasehold land held under PN 62892, Lot 9808, Mukim of Durian Tunggal, District of Alor Gajah, State of Melaka ("KYS College") at the purchase consideration of RM150 million ("Proposed Acquisition"). Hektar REIT has made the relevant announcement in Bursa Securities on 12 September 2023.
- On behalf of the Board of Directors of Hektar Asset Management Sdn Bhd ("Board"), being the management company of Hektar REIT ("Manager"), UOB Kay Hian Securities (M) Sdn Bhd ("UOBKH") had on 7 November 2023 announced that Hektar REIT proposes to undertake a revised private placement of up to 15% of the total number of issued units of Hektar REIT ("Hektar REIT Unit(s)" or "Unit(s)") ("Placement Unit(s)") to third party investor(s) to be identified later, at an issue price to be determined later.

B9 BORROWINGS AND DEBT SECURITIES

Hektar REIT's total borrowings of RM549,024,707 are secured and comprise the following:

- Current borrowings of RM3,000,000; and
- Non-current borrowings of RM546,024,707

B10 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off-balance sheet financial instruments as at the date of reporting.

B11 MATERIAL LITIGATION

The Board is not aware of any pending material litigation as at the date of this quarterly Financial Report other than that disclosed below:

- i) Writ of summons against 3 tenants & Tashima Development Sdn. Bhd (Civil Suit No. JD-B52NCVC-01-01/2019; JD-B52NCVC-02-01/2019 and JD-B52NCVC-03-01/2019) (Civil Appeal No. JB-12BNCVC-10-07/2020; JB-12BNCVC-11-7/2020; and JB-12BNCVC-12-7/2020)

Following our earlier announcements, on 4 September 2023, the Muar High Court had allowed Hektar REIT's appeals, and decided as follows:-

- a) the respective 1st respondents i.e. Dazzling Density Sdn Bhd, Tirai Prospektif Sdn Bhd and Agenda Fokus Sdn Bhd in the 3 appeals had occupied and possessed the Demised Premises for the period from August 2018 to December 2018 in which the Judge took cognisance that there had been no rental paid by the respective 1st respondents for such period and the rental for such period has not been ordered by the Sessions Court. On this note, the Judge held that Hektar REIT was entitled to normal rent for such period and the Court had granted further damages for such period with interests of 12% per annum from 1 January 2019 until full realization, in addition to the damages granted by the Sessions Court earlier;

- b) the Court had also set aside the Sessions Court order which refused to grant the declaratory relief that the Notices of Termination issued by the 1st respondents were invalid and unlawful. In this regard, the Court has further granted a declaration that the said Notices of Termination were invalid and unenforceable;
- c) with regard to the appeals against the 2nd respondent i.e. Tashima, the High Court had dismissed Tashima's arguments that the Letters of Undertaking were invalid for want of consideration and economic duress. In this regard, the High Court was satisfied that there were considerations given in exchange for the Letters of Undertaking in the form of 'Forbearance to Sue'. Further, the High Court held that Tashima's argument of economic duress had no merit and was an afterthought. Therefore, the Letters of Undertaking were valid and enforceable.
- d) consequently, the appeals against Tashima were allowed where it was ordered that Tashima was jointly and severally liable for the damages and interests payable by the respective tenants, i.e. the respective 1st respondents in the 3 appeals.
- e) the High Court had also dismissed the cross appeal by the respective 1st respondents.
- f) Tashima to pay cost of RM20,000.00 under the respective appeals to Hektar REIT.

Following the above decision by the Muar High Court, Hektar REIT had taken steps to commence enforcement proceedings against the respective respondents.

The Management will provide further updates on the matter in due course.

- ii) Writ of Summons by Eng Hiap Seng (Rengit) Sdn Bhd against Hektar REIT & Hektar Property Services Sdn Bhd (Civil Suit No. JB-22NCvC-15-03/2019)

As per our earlier announcements on this case, the matter is fixed for trial from 16 January 2024 to 18 January 2024.

The Management will continue to take all necessary action to fully defend Hektar REIT's rights and interest in this matter and will provide further updates on the matter in due course.

- iii) Writ of Summons against Mahkota Parade JMB & 5 Others (Civil Suit No. 22 NCvC-22-06/2020)

Further to our earlier announcements on this case, on 13 September 2023, the High Court had dismissed both Hektar REIT's claim and the counterclaim from the defendants and made no order as to costs. With the decision from the High Court, both parties have decided to accept the decision and not to file any appeals against the said decision and therefore the decision of the High Court is final and this case is now at an end.

B12 SOFT COMMISSION

For the quarter ended 30 September 2023, there was no soft commission received by the Manager, or its delegates, from its broker from any transactions conducted by the Trust.

B13 INCOME DISTRIBUTION

- I. Pursuant to Section 109D(2) of the Malaysian Income Tax Act 1967, where 90% or more of the REIT's total taxable income is distributed by the REIT, distributions to the unitholders will be subject to tax based on a withholding tax mechanism at the following rates:

Non-corporate investor	Withholding tax at 10%
Foreign institutional investors	Withholding tax at 10%
Resident companies	Subject to tax at the prevailing tax rate applicable to companies
Non-resident companies	Withholding tax at the prevailing tax rate of 24%

No income distribution is proposed for the current quarter ended 30 September 2023 (Q3 2023) as moving forward, subject to the financial performance of the REIT, the Manager intends to make distributions to the unitholders of Hektar REIT on a semi-annual basis for each six-month period ending 30 June and 31 December each year, unless otherwise determined and/or varied by the Manager at its sole discretion. The Manager intends to distribute at least 90% of Hektar REIT's distributable income for the financial year ending 31 December 2023.

- II. The Unitholders had on 15 December 2022 approved Hektar REIT to establish an IDRPs that provides unitholders of Hektar REIT with an option to elect to reinvest, in whole or in part, their cash distribution declared by Hektar REIT (whether interim, final, special or any other types of cash distribution) in new units of Hektar REIT.
- III. The Board of Directors of Hektar Asset Management Sdn Bhd had on 29 August 2023 declared an income distribution of 2.70 sen (gross) per unit amounting to RM13.47 million for the second quarter ended 30 June 2023, and was subsequently paid on 16 October 2023. A total new units of 6,791,103 units pursuant to the second IDRPs were allotted and issued. The new units have been listed and quoted on the Main Market of Bursa Securities on 17 October 2023, making the completion of the second IDRPs, and the enlarged total units issued as at the date of reporting has increased to 505,579,073 units, equivalent to Unitholders' capital of RM518,418,524.

B14 DISTRIBUTABLE INCOME AND EARNINGS PER UNIT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current YTD	Preceding YTD
	30.09.2023 RM	30.09.2022 RM	30.09.2023 RM	30.09.2022 RM
Net property income	15,392,331	18,310,827	46,091,851	48,644,414
Interest income	-	127,249	214,580	264,942
Other income	113,307	211,709	1,346,332	2,334,075
Reversal of impairment loss	455,940	2,559,916	1,884,479	3,919,072
Trust expenses	(2,448,129)	(2,413,883)	(7,556,066)	(7,004,177)
Finance Expenses	(6,690,705)	(5,291,990)	(18,995,667)	(14,336,522)
Realised income before taxation	6,822,744	13,503,828	22,985,509	33,821,804
Change in fair value of investment property	-	-	-	-
Income before taxation	6,822,744	13,503,828	22,985,509	33,821,804
Taxation	-	-	-	-
Distributable income	6,822,744	13,503,828	22,985,509	33,821,804
Less: Proposed/declared income distribution	-	-	(13,467,275)	(12,724,025)
Balance undistributed realized income	6,822,744	13,503,828	9,518,234	21,097,779
Weighted Average number of units	498,787,970	471,260,178	487,927,690	471,260,178
Earnings per unit (sen) - realised (sen)	1.37	2.87	4.71	7.18

B15 RESPONSIBILITY STATEMENT

In the opinion of the Directors of the Manager, this Interim Financial Report has been prepared in accordance with MFRS 134: Interim Financial Reporting, the MMLR and the REIT Guidelines so as to give a true and fair view of the financial position of Hektar REIT as at 30 September 2023 and of its financial performance and cash flows for the financial period ended on that date and duly authorised for release by the Board of the Manager on 22 November 2023.

By Order of the Board

HEKTAR ASSET MANAGEMENT SDN BHD

(as the Manager of Hektar Real Estate Investment Trust)

Dato' Muhammad Hafidz Nuruddin (MAICSA 7005820)

Lim Seck Wah (MAICSA 0799845)

Joint Company Secretaries

Kuala Lumpur

22 November 2023