

# HEKTAR REAL ESTATE INVESTMENT TRUST

**Interim Financial Report  
for the period ended 30 September 2024**



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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

|  | <b>As at<br/>30.09.2024<br/>RM<br/>(Unaudited)</b> | <b>As at<br/>31.12.2023<br/>RM<br/>(Audited)</b> |
|--|--|--|
| <b><u>NON-CURRENT ASSETS</u></b>               |  |  |
| Investment properties                          | 1,232,700,000                                      | 1,232,700,000                                    |
| Property, plant & equipment ("PPE")            | 476,186  | 414,238  |
| Capital work in progress                       | 5,754,835  | -  |
|  | <b>1,238,931,021</b>                               | <b>1,233,114,238</b>                             |
| <b><u>CURRENT ASSETS</u></b>                   |  |  |
| Trade receivables                              | 4,454,419  | 3,510,934  |
| Other receivables, deposits and prepayments    | 159,673,265  | 14,917,200                                       |
| Cash and bank balances                         | 39,162,872   | 63,307,084                                       |
|  | <b>203,290,556</b>                                 | <b>81,735,218</b>                                |
|  |  |  |
| <b>TOTAL ASSETS</b>                            | <b>1,442,221,577</b>                               | <b>1,314,849,456</b>                             |
| <b><u>NON-CURRENT LIABILITIES</u></b>          |  |  |
| Tenancy deposits                               | 26,837,881   | 25,477,419                                       |
| Deferred tax liability                         | 30,877,532   | 30,877,532                                       |
| Bank borrowings                                | 588,296,503  | 559,228,255                                      |
|  | <b>646,011,916</b>                                 | <b>615,583,206</b>                               |
| <b><u>CURRENT LIABILITIES</u></b>              |  |  |
| Trade payables                                 | 8,156,559  | 7,348,647  |
| Other payables and accruals                    | 17,775,168   | 13,832,418                                       |
| Tenancy deposits                               | 2,097,346  | 2,355,549  |
| Bank borrowings                                | 19,200,000   | 3,000,000  |
|  | <b>47,229,073</b>                                  | <b>26,536,614</b>                                |
| <b>TOTAL LIABILITIES</b>                       | <b>693,240,989</b>                                 | <b>642,119,820</b>                               |
| <b>NET ASSET VALUE</b>                         | <b>748,980,588</b>                                 | <b>672,729,636</b>                               |
| <b><u>FINANCED BY:</u></b>                     |  |  |
| Unitholders' capital                           | 631,207,833  | 560,886,684                                      |
| Undistributed income – realised                | 59,557,463   | 53,627,660                                       |
| – unrealised                                   | 58,215,292   | 58,215,292                                       |
| <b>TOTAL UNITHOLDERS' FUND</b>                 | <b>748,980,588</b>                                 | <b>672,729,636</b>                               |
| <b><u>NET ASSET VALUE PER UNIT (RM)</u></b>    |  |  |
| -as at the date                                | 1.0597   | 1.1571   |
| -after distribution for the cumulative quarter | 1.0407   | 1.1341   |
| <b>NUMBER OF UNITS IN CIRCULATION</b>          | <b>706,812,657</b>                                 | <b>581,415,073</b>                               |

The Condensed 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.

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)

|  | INDIVIDUAL QUARTER                          |  | CUMULATIVE QUARTER                 |                                      |
|--|---|--|------------------------------------|--------------------------------------|
|  | Current Year<br>Quarter<br>30.09.2024<br>RM | Preceding Year<br>Corresponding<br>Quarter<br>30.09.2023<br>RM | Current<br>YTD<br>30.09.2024<br>RM | Preceding<br>YTD<br>30.09.2023<br>RM |
| Revenue  | 29,799,061                                  | 27,811,195   | 94,762,452                         | 83,962,834                           |
| Property operating expenses                          | (14,853,179)                                | (12,418,864)   | (44,721,479)                       | (37,870,983)                         |
| <b>Net property income</b>                           | <b>14,945,882</b>                           | <b>15,392,331</b>  | <b>50,040,973</b>                  | <b>46,091,851</b>                    |
| Income from Fund Placement                           | 113,230                                     | -  | 983,543                            | 214,580                              |
| Other income   | 292,637                                     | 113,307  | 646,545                            | 1,346,332                            |
| Reversal Gain/(Impairment loss) on trade receivables | (142,644)                                   | 455,940  | (301,876)                          | 1,884,479                            |
| Trust expenses                                       | (3,444,412)                                 | (2,448,129)  | (11,400,812)                       | (7,556,066)                          |
| Finance expenses                                     | (7,477,844)                                 | (6,690,705)  | (22,166,023)                       | (18,995,667)                         |
| <b>Realised income before taxation</b>               | <b>4,286,850</b>                            | <b>6,822,744</b>   | <b>17,802,350</b>                  | <b>22,985,509</b>                    |
| Change in fair value of investment property          | -   | -  | 1,500,000                          | -                                    |
| <b>Income before taxation</b>                        | <b>4,286,850</b>                            | <b>6,822,744</b>   | <b>19,302,350</b>                  | <b>22,985,509</b>                    |
| Taxation   | -   | -  | -                                  | -                                    |
| <b>Net income</b>                                    | <b>4,286,850</b>                            | <b>6,822,744</b>   | <b>19,302,350</b>                  | <b>22,985,509</b>                    |
| Other comprehensive income after tax                 | -   | -  | -                                  | -                                    |
| <b>Total comprehensive income</b>                    | <b>4,286,850</b>                            | <b>6,822,744</b>   | <b>19,302,350</b>                  | <b>22,985,509</b>                    |
| Earnings per unit (sen)                              | 0.61  | 1.37   | 2.96                               | 4.71                                 |
| - realised (sen)                                     | 0.61  | 1.37   | 2.73                               | 4.71                                 |
| - unrealised (sen)                                   | -   | -  | 0.23                               | -                                    |
| <b>Weighted average number of units</b>              | <b>706,812,657</b>                          | <b>498,787,970</b>   | <b>652,708,098</b>                 | <b>487,927,690</b>                   |

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 2023 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

|  | Unitholders'<br>Capital<br>RM | Undistributed income |                  | Unitholders'<br>Fund<br>RM |
|--|-------------------------------|----------------------|------------------|----------------------------|
|  |                               | Realised<br>RM       | Unrealised<br>RM |                            |
| <u>Balance at 1 January 2024</u><br>As previously reported | 560,886,684                   | 53,627,660           | 58,215,292       | 672,729,636                |
| <u>Operation for quarter ended 30 September 2024</u>       |                               |                      |                  |                            |
| Total comprehensive income for the financial period        | -                             | 19,302,350           | -                | 19,302,350                 |
| <u>Unitholders' transactions</u>                           |                               |                      |                  |                            |
| Unitholders' capital                                       | 70,321,149                    | -                    | -                | 70,321,149                 |
| Distribution to unitholders                                | -                             | (13,372,547)         | -                | (13,372,547)               |
| Balance at 30 September 2024                               | 631,207,833                   | 59,557,463           | 58,215,292       | 748,980,588                |

**CUMULATIVE YEAR ENDED 31 DECEMBER 2023 (AUDITED)**

|  | Unitholders'<br>Capital<br>RM | Undistributed income |                  | Unitholders'<br>Fund<br>RM |
|--|-------------------------------|----------------------|------------------|----------------------------|
|  |                               | Realised<br>RM       | Unrealised<br>RM |                            |
| <u>Balance at 1 January 2023</u><br>As previously reported | 496,731,949                   | 66,967,629           | 34,261,990       | 597,961,568                |
| <u>Operation for year ended 31 December 2023</u>           |                               |                      |                  |                            |
| Total comprehensive income for the financial year          | -                             | 25,104,096           | 23,953,302       | 49,057,398                 |
| <u>Unitholders' transactions</u>                           |                               |                      |                  |                            |
| Unitholders' capital                                       | 64,154,735                    | -                    | -                | 64,154,735                 |
| Distribution to unitholders                                | -                             | (38,444,065)         | -                | (38,444,065)               |
| Balance at 31 December 2023                                | 560,886,684                   | 53,627,660           | 58,215,292       | 672,729,636                |

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 2023 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED 30 SEPTEMBER 2024 (UNAUDITED)**

|  | <b>Current<br/>YTD<br/>30.09.2024<br/>RM</b> | <b>Preceding<br/>YTD<br/>31.12.2023<br/>RM</b> |
|--|--|--|
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>   |  |  |
| Profit before taxation   | 19,302,350                                   | 51,695,944                                     |
| Adjustments for :-   |  |  |
| Bad debts written off  | -  | 499,877  |
| Depreciation of PPE  | 48,455                                       | 56,468   |
| Income from Fund Placement   | (983,543)                                    | (1,459,462)                                    |
| Finance Expenses   | 22,166,023                                   | 26,203,217                                     |
| Impairment loss/ (reversal gain) in trade receivables                                | 301,876                                      | (2,352,829)                                    |
| Fair value adjustment in Investment Properties                                       | (1,500,000)                                  | (26,600,000)                                   |
| Operating profit before working capital changes                                      | 39,335,161                                   | 48,043,215                                     |
| Change in working capital:-  |  |  |
| Receivables  | (144,501,426)                                | (10,346,922)                                   |
| Payables   | 5,852,921                                    | (8,868,318)                                    |
| Net cash from operating activities   | (99,313,344)                                 | 28,827,975                                     |
| <b>CASH FLOW FROM INVESTING ACTIVITIES</b>   |  |  |
| Acquisition of investment properties   | -  | -  |
| Income from Fund Placement   | 983,543                                      | 1,459,462                                      |
| Purchase of PPE and Capital Work in Progress   | (5,865,238)                                  | (425,168)                                      |
| Withdrawal / (Placement) deposits with licensed Islamic banks more than three months | (8,381,871)                                  | 9,460,000                                      |
| Net cash generated from investing activities   | (13,263,566)                                 | 10,494,294                                     |
| <b>CASH FLOW FROM FINANCING ACTIVITIES</b>   |  |  |
| Finance expense paid   | (22,166,023)                                 | (26,203,217)                                   |
| Distribution to Unitholders  | (13,372,547)                                 | (38,444,065)                                   |
| Proceed from Issuance of new units   | 70,321,149                                   | 64,154,735                                     |
| Net drawdown of borrowings   | 45,268,248                                   | 10,784,465                                     |
| Net cash generated from financing activities   | 80,050,827                                   | 10,291,918                                     |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                        | (32,526,083)                                 | 49,614,187                                     |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>                              | 63,307,084                                   | 12,392,897                                     |
|  | 30,781,001                                   | 62,007,084                                     |
| Placement deposits with licensed Islamic banks more than three months                | 8,381,871                                    | 1,300,000                                      |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>                                | <b>39,162,872</b>                            | <b>63,307,084</b>                              |
| <b>RESTRICTED CASH AT END OF THE PERIOD</b>  | 5,674,055                                    | -  |
| <b>UNRESTRICTED CASH AT END OF THE PERIOD</b>  | 33,488,817                                   | 63,307,084                                     |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>                                | <b>39,162,872</b>                            | <b>63,307,084</b>                              |

The Condensed 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.

**A. EXPLANATORY NOTES FOR THE QUARTER ENDED 30 SEPTEMBER 2024 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 2023 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 was 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 2024 (Q3 2024). 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 2024.

The Board of Directors of Hektar Asset Management Sdn Bhd had on 22 August 2024 declared an income distribution of 1.90 sen (gross) per unit amounting to RM13.43 million for the second quarter ended 30 June 2024, the amount was subsequently paid on 18 October 2024.

**A8 SEGMENT INFORMATION**

The operations of Hektar REIT are in Malaysia, the segmental financial information by operating segments is presented as below:

|                 | Revenue    |       | Net Property Income |       |
|-----------------|------------|-------|---------------------|-------|
|                 | RM         | %     | RM                  | %     |
| Retail Assets   | 84,591,852 | 89.3  | 39,870,373          | 79.7  |
| Education Asset | 10,170,600 | 10.7  | 10,170,600          | 20.3  |
| Total           | 94,762,452 | 100.0 | 50,040,973          | 100.0 |

**A9 VALUATION OF INVESTMENT PROPERTIES**

The Investment Properties of Rental Assets such as Subang Parade, Mahkota Parade, Wetex Parade, Central Square, Kulim Central and Segamat Central were last valued on 31 December 2023.

**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 that required disclosure.

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

There were no changes to the composition of Hektar REIT during the current quarter, other than the issuance of 2,474,027 new units for a total value of RM1,237,013.45 pursuant to the third Income Distribution Reinvestment Plan ("IDRP"). The new units have been listed and quoted on the Main Market of Bursa Securities on 21 October 2024. As of the reporting date, the total number of units in issuance has increased to 709,286,684, with a corresponding Unitholders' capital of RM632,444,846

| Issued and fully paid                 | Number of units    | RM                 |
|---------------------------------------|--------------------|--------------------|
| Balance as of 30 September 2024       | 706,812,657        | 631,207,833        |
| Third IDRP                            | 2,474,027          | 1,237,013          |
| <b>Balance as of 26 November 2024</b> | <b>709,286,684</b> | <b>632,444,846</b> |

**A12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets as at 30 September 2024.

**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 of 30 September 2024, other than an approved commitment of RM14.0 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**

|                             | Year-To-Date ("YTD")<br>Cumulative Quarter ended |                      |               |
|-----------------------------|--|----------------------|---------------|
|                             | 30.09.2024<br>RM'000                             | 30.09.2023<br>RM'000 | Variance<br>% |
| Total Revenue               | 94,762   | 83,963               | 12.9          |
| Net Property Income ("NPI") | 50,041   | 46,092               | 8.6           |
| Net Realised Income         | 17,802   | 22,986               | -22.5         |
| NPI Margin                  | 52.8%  | 54.9%                | -2.1          |

Hektar REIT recorded a positive improvement in the current quarter's revenue of RM94.76 million, compared to RM83.96 million in the same quarter of the previous year. This increase in revenue is primarily due to the recognition of income from its newly acquired education asset, Kolej Yayasan Saad (KYS). The NPI also increased by 8.6%, or RM3.95 million in Q3 2024 resulted from KYS acquisition.

The performance of net realised income for the current year to date was impacted by:

- the increase in finance costs by 16.7% or RM3.17 million resulting mainly from the increase in the Overnight Policy Rate (OPR) in the current year.
- A one-off acquisition fee amounting of RM1.48 million in relation to KYS acquisition.
- Included in the preceding year quarter was a reversal of doubtful debt provisions amounting to RM1.88 million.

|                             | Q3'2024<br>RM'000 | Q3'2023<br>RM'000 | Variance<br>% |
|-----------------------------|-------------------|-------------------|---------------|
| Total Revenue               | 29,799            | 27,811            | 7.1           |
| Net Property Income ("NPI") | 14,946            | 15,392            | -2.9          |
| Net Realised Income         | 4,287             | 6,822             | -37.2         |
| NPI Margin                  | 50.2%             | 55.3%             | -5.1          |

The increase in current quarter's revenue was mainly contributed by the revenue recognition of KYS College of RM2.08 million. Despite higher direct cost in property maintenance, the NPI margin remains at the healthy level of 50.2% in current quarter.

Lower net realised income was reported in the current quarter mainly driven by increase in the following expenses:

- Finance cost of RM0.8 million due to higher Overnight Policy Rate (OPR).
- One-off administrative expenses of RM0.9 million.
- One-off gain from the reversal of impairment loss trade receivable no longer required of RM0.6 million in Q3'2023.



**B2 PROSPECTS**

The Malaysian economy expanded by 5.3% in the third quarter of 2024 over the same quarter of the previous year (2Q 2024: 5.9%). The faster than expected expansion in economy prompted the Government to revise the growth forecast for 2024 to the range between 4.8% and 5.3%.

Despite strong recovery of the country's economy, Hektar REIT remains vigilant of the retail industry outlook for the remaining of 2024 given the rising living cost and inflationary pressures which could affect consumer sentiment and spending trends. The inclusion of an education asset to the portfolio strengthens the portfolio's resilience to any market uncertainties whilst generating stable income for the REIT.

The Manager anticipates higher occupancy levels, positive rental reversions and increase in footfall to be recorded across Hektar Malls in coming quarters from several Asset Enhancement Initiatives. At the same time, the Manager will continue adopting prudent financial management and implement cost optimisation activities to further improve Hektar REIT's Net Property Income.

**B3 VARIANCE OF PROFIT FORECAST OR PROFIT GUARANTEE**

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

**B4 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 2024.

**B5 SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

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

**B6 QUOTED INVESTMENTS**

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

**B7 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: -

During the Extraordinary General Meeting (“EGM”) held on 15 January 2024, the Unitholders had granted their approval on the proposed Private Placement of up to 25% of the total number of issued units of Hektar REIT to third party investor(s). The new units, totalling 125,397,584 with the total gross proceeds of RM73.36 million have been listed on the Main Market of Bursa Malaysia Securities on 5<sup>th</sup> March 2024 and 15<sup>th</sup> March 2024 respectively.

Unless extended, the time frame to implement the private placement for the remaining available units will lapse on 17<sup>th</sup> December 2024.

**B8 BORROWINGS AND DEBT SECURITIES**

Hektar REIT’s total borrowings of RM607,496,503 are secured and comprise the following:

- Current borrowings of RM19,200,000; and
- Non-current borrowings of RM588,296,503

**B9 OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

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

**B10 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, the hearing of the appeals proceeded on 7 November 2024 and thereafter, the High Court had fixed 10 January 2025 to deliver its decision on the matter

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 now fixed for clarification and/or decision on 10 February 2025.

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.

**B11 SOFT COMMISSION**

For the quarter ended 30 September 2024, there was no soft commission received by the Manager, or its delegates, from its broker from any transactions conducted by the Trust.

**B12 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 2024 (Q3 2024) 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 2024.

- ii) The Board of Directors of Hektar Asset Management Sdn Bhd had on 22 August 2024 declared an income distribution of 1.90 sen (gross) per unit amounting to RM13.43 million for the second quarter ended 30 June 2024. A total new unit of 2,474,027 units pursuant to the third IDRPs were allotted and issued. The new units have been listed and quoted on the Main Market of Bursa Securities on 21 October 2024. For non-electable and balance of electable fraction of income distribution was paid by cash amounting of RM11,527,955.17 on 18 October 2024.

**B13 DISTRIBUTABLE INCOME AND EARNINGS PER UNIT**

|  | CUMULATIVE QUARTER                 |                                   |
|--|------------------------------------|-----------------------------------|
|  | Current<br>YTD<br>30.09.2024<br>RM | Preceding YTD<br>30.09.2023<br>RM |
| <b>Net property income</b>                           | <b>50,040,973</b>                  | <b>46,091,851</b>                 |
| Income from Fund Placement                           | 983,543                            | 214,580                           |
| Other income   | 646,545                            | 1,346,332                         |
| Reversal Gain/(Impairment loss) on trade receivables | (301,876)                          | 1,884,479                         |
| Trust expenses                                       | (11,400,812)                       | (7,556,066)                       |
| Finance Expenses                                     | (22,166,023)                       | (18,995,667)                      |
| Income before Taxation                               | 17,802,350                         | 22,985,509                        |
| Taxation   | -                                  | -                                 |
| <b>Realised Income</b>                               | <b>17,802,350</b>                  | <b>22,985,509</b>                 |
| Distribution   | -                                  | -                                 |
| Less : Proposed / declared income distribution       | -                                  | -                                 |
| <b>Undistributed realised income</b>                 | <b>17,802,350</b>                  | <b>22,985,509</b>                 |
| <b>Weighted Average number of units</b>              | <b>652,708,098</b>                 | <b>487,927,690</b>                |
| Realised/ Earnings per unit (sen)                    | 2.73                               | 4.71                              |

**B14 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 2024 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 26 November 2024.

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

26 November 2024