

SENTRAL REIT
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
	RM	RM	RM	RM
Total income				
Gross revenue				
-Realised gross revenue	48,116,643	37,714,420	48,116,643	37,714,420
-Unrealised rental income (unbilled lease income receivable) (a)	1,572,817	(237,507)	1,572,817	(237,507)
	49,689,460	37,476,913	49,689,460	37,476,913
Property operating expenses	(11,541,604)	(8,199,261)	(11,541,604)	(8,199,261)
Net property income	38,147,856	29,277,652	38,147,856	29,277,652
Finance income	732,892	618,767	732,892	618,767
Change in fair value of investment properties				
-Unbilled lease income receivable (a)	(1,572,817)	237,507	(1,572,817)	237,507
	37,307,931	30,133,926	37,307,931	30,133,926
Total expenditure				
Manager's fees	(3,722,957)	(3,044,065)	(3,722,957)	(3,044,065)
Trustee's fee	(193,013)	(161,027)	(193,013)	(161,027)
Finance costs	(13,354,468)	(9,114,391)	(13,354,468)	(9,114,391)
Valuation fees	(63,350)	(65,750)	(63,350)	(65,750)
Auditors' remuneration	(39,248)	(38,743)	(39,248)	(38,743)
Tax agent's fee	(13,922)	(6,609)	(13,922)	(6,609)
Administrative expenses	(26,459)	(38,978)	(26,459)	(38,978)
	(17,413,417)	(12,469,563)	(17,413,417)	(12,469,563)
Income before taxation	19,894,514	17,664,363	19,894,514	17,664,363
Income tax expense	-	-	-	-
Income net of taxation	19,894,514	17,664,363	19,894,514	17,664,363
Other comprehensive income	-	-	-	-
Total comprehensive income for the financial period	19,894,514	17,664,363	19,894,514	17,664,363
Income net of taxation for the period is made up as follows:				
Realised	19,894,514	17,664,363	19,894,514	17,664,363
Unrealised	-	-	-	-
EARNINGS PER UNIT (b)				
- after manager's fees (sen)	1.66	1.65	1.66	1.65
- before manager's fees (sen)	1.98	1.93	1.98	1.93
EARNINGS PER UNIT (REALISED) (c)				
- after manager's fees (sen)	1.66	1.65	1.66	1.65
- before manager's fees (sen)	1.98	1.93	1.98	1.93
Realised Net Income/ Distributable Income	19,894,514	17,664,363	19,894,514	17,664,363
No of Units in Circulation	1,195,503,000	1,071,783,000	1,195,503,000	1,071,783,000
DISTRIBUTABLE INCOME PER UNIT (d)	1.66	1.65	1.66	1.65

(a) Recognition of unrealised rental income-unbilled lease income receivable pursuant to requirements of MFRS 16 Leases, to recognize income from operating lease on a straight-line basis, including contractual increase rates over the fixed tenure of the agreement.

(b) Earnings Per Unit ("EPU") for the current quarter/ period is computed based on the net income for the quarter/ period divided by 1,195,503,000 units during the quarter/ period. EPU for the preceding year corresponding quarter/ period is based on the units in circulation of 1,071,783,000.

(c) Earnings Per Unit (Realised) for the current quarter/ period is computed based on the realised net income for the quarter/ period divided by 1,195,503,000 units during the quarter/ period. EPU (Realised) for the preceding year corresponding quarter/ period is based on the units in circulation of 1,071,783,000.

- (d) Distributable income per unit for the current quarter/ period is computed based on units in circulation of 1,195,503,000 units during the quarter/ period. Distributable income per unit for the preceding year corresponding quarter/ period is based on the units in circulation of 1,071,783,000.

The Condensed Consolidated Statement Of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes attached to the financial statements.

SENTRAL REIT
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024 (UNAUDITED)

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
	31.03.2024	31.12.2023
	UNAUDITED	AUDITED
	RM	RM
NON-CURRENT ASSETS		
Plant and equipment	8,537	11,877
Investment properties	2,505,757,353	2,507,020,275
Investment properties-accrued rental income	16,052,542	14,479,725
	<u>2,521,818,432</u>	<u>2,521,511,877</u>
CURRENT ASSETS		
Trade and other receivables	10,361,643	7,092,787
Deposits with licensed financial institution	59,513,639	53,710,756
Cash and cash equivalents	4,725,548	33,729,230
	<u>74,600,830</u>	<u>94,532,773</u>
TOTAL ASSETS	<u>2,596,419,262</u>	<u>2,616,044,650</u>
NON-CURRENT LIABILITIES		
Borrowings	1,165,392,855	1,165,131,596
Security deposits	28,354,684	31,096,778
Other payables	1,751,724	1,751,724
Deferred tax liability	10,073,703	10,073,703
	<u>1,205,572,966</u>	<u>1,208,053,801</u>
CURRENT LIABILITIES		
Trade and other payables	17,973,790	49,043,244
Security deposits	7,626,062	5,466,254
	<u>25,599,852</u>	<u>54,509,498</u>
TOTAL LIABILITIES	<u>1,231,172,818</u>	<u>1,262,563,299</u>
NET ASSETS VALUE ("NAV")	<u>1,365,246,444</u>	<u>1,353,481,351</u>
UNITHOLDERS' FUNDS		
Unitholders' funds attributable to unitholders of SENTRAL		
Unitholders' capital	1,326,569,811	1,326,569,811
Undistributed and non-distributable income	38,676,633	26,911,540
Total unitholders' funds	<u>1,365,246,444</u>	<u>1,353,481,351</u>
NUMBER OF UNITS IN CIRCULATION	1,195,503,000	1,195,503,000
NET ASSET VALUE PER UNIT		
- before income distribution	1.1420	1.1321
- after income distribution (i)	1.1253	1.1253

(i) Net Asset Value assuming 100% of realised net income for the current quarter of RM19,894,514 is provided for income distribution.

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

SENTRAL REIT
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED)

	Unitholders' Capital	Distributable		Total Undistributed and Non-Distributable Income	Unitholders' Funds
		Undistributed Income Realised	Undistributed Loss Unrealised		
	RM	RM	RM	RM	RM
As at 1 January 2024	1,326,569,811	33,469,838	(6,558,298)	26,911,540	1,353,481,351
Total Comprehensive Income for the financial period	-	19,894,514	-	19,894,514	19,894,514
	<u>1,326,569,811</u>	<u>53,364,352</u>	<u>(6,558,298)</u>	<u>46,806,054</u>	<u>1,373,375,865</u>
Unitholders' transactions					
Distribution to unitholders	-	(8,129,421)	-	(8,129,421)	(8,129,421)
As at 31 March 2024	<u>1,326,569,811</u>	<u>45,234,931</u>	<u>(6,558,298)</u>	<u>38,676,633</u>	<u>1,365,246,444</u>
As at 1 January 2023	1,235,876,768	60,210,314	(5,045,187)	55,165,127	1,291,041,895
Total Comprehensive Income for the financial period	-	17,664,363	-	17,664,363	17,664,363
	<u>1,235,876,768</u>	<u>77,874,677</u>	<u>(5,045,187)</u>	<u>72,829,490</u>	<u>1,308,706,258</u>
Unitholders' transactions					
Distribution to unitholders	-	(36,654,979)	-	(36,654,979)	(36,654,979)
As at 31 March 2023	<u>1,235,876,768</u>	<u>41,219,698</u>	<u>(5,045,187)</u>	<u>36,174,511</u>	<u>1,272,051,279</u>

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

SENTRAL REIT
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2024 (UNAUDITED)

	CURRENT YEAR TO DATE 31.03.2024 RM	PRECEDING YEAR TO DATE 31.03.2023 RM
OPERATING ACTIVITIES		
Income before tax	19,894,514	17,664,363
Adjustments for:		
Finance costs	13,354,468	9,114,391
Depreciation	3,340	7,719
Finance income	(732,892)	(618,767)
Operating cash flows before changes in working capital	<u>32,519,430</u>	<u>26,167,706</u>
Receivables	(3,111,282)	(2,072,483)
Payables	(1,710,488)	(3,762,643)
Cash flows from operations	<u>27,697,660</u>	<u>20,332,580</u>
Income tax paid	-	-
Net cash flows generated from operating activities	<u>27,697,660</u>	<u>20,332,580</u>
INVESTING ACTIVITIES		
Additions to investment properties	(309,895)	(2,990,819)
Changes in deposits in financial institution	(18,756,089)	29,288,033
Interest received	575,318	874,801
Net cash flow generated from investing activities	<u>(18,490,666)</u>	<u>27,172,015</u>
FINANCING ACTIVITIES		
Distribution to unitholders	(38,246,523)	(36,654,979)
Finance costs paid	(12,917,359)	(8,944,433)
Cash flows used in financing activities	<u>(51,163,882)</u>	<u>(45,599,412)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	(41,956,888)	1,905,183
CASH AND CASH EQUIVALENTS AT 1 JANUARY	<u>53,308,965</u>	<u>10,376,339</u>
CASH AND CASH EQUIVALENTS AT 31 MARCH	<u><u>11,352,077</u></u>	<u><u>12,281,522</u></u>
Cash and cash equivalents at end of the period comprises:		
Deposits with licensed financial institutions	59,513,639	47,775,748
Cash on hand and at banks	4,725,548	4,601,268
Total deposits, cash and bank balances	<u>64,239,187</u>	<u>52,377,016</u>
Less: Deposits with licensed financial institution with maturity of more than 3 months	(50,817,392)	(38,980,847)
Debt service reserves accounts pledged	(2,069,718)	(1,114,647)
Cash and cash equivalents	<u><u>11,352,077</u></u>	<u><u>12,281,522</u></u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2023 and the accompanying explanatory notes to the financial statements.

SENTRAL REIT
EXPLANATORY NOTES FOR PERIOD ENDED 31 MARCH 2024

A1 BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention except for investment properties and derivative financial instruments which are stated at fair value and presented in Ringgit Malaysia ("RM").

The financial statements comply with the Malaysian Financial Reporting Standards ("MFRS") : 134 "Interim Financial Reporting", provisions of the Trust Deed and the Securities Commission's Guidelines on Real Estate Investment Trusts and should be read in conjunction with Sentral REIT's ("SENTRAL") audited financial statements for the financial year ended 31 December 2023 and the accompanying explanatory notes attached to these unaudited condensed consolidated financial statements.

A2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of SENTRAL and its special purpose entities ("SPEs"). The SPEs were established for the specific purpose of raising financing on behalf of SENTRAL. A SPE is consolidated if, based on an evaluation of the substance of its relationship with SENTRAL and the SPE's risks and rewards, SENTRAL concludes that it controls the SPE. SPEs controlled by SENTRAL were established under terms that impose strict limitations on the decision-making powers of the SPE's management resulting in SENTRAL receiving all of the benefits related to the SPE's operations and net assets.

A3 CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted in the interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2023.

A4 AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2023

The audit report of the financial statements for the preceding year ended 31 December 2023 was unqualified.

A5 SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of SENTRAL were not materially affected by seasonal or cyclical factors during the current quarter. Seasonal or cyclical factors include but are not limited to changes in rental demand and supply of properties which depend on market conditions, economic cycle, financial performance of its tenants, availability of credit facilities and interest rate environment.

A6 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

During the current quarter under review, there were no unusual items due to their nature, size or incidence that affects the assets, liabilities, equity, net income or cash flows of SENTRAL.

A7 CHANGES IN ESTIMATES OF AMOUNTS REPORTED

There were no changes in the estimates of amounts reported during the current quarter.

A8 CHANGES IN DEBT AND EQUITY

There were no repurchase, resale and repayment of debt and equity instruments in the current quarter.

A9 INCOME DISTRIBUTION POLICY

In line with the Restated Trust Deed dated 2 December 2019 and Supplemental Trust Deed dated 24 December 2020, SENTRAL intends to distribute at least 90% (or any other lower percentage at the discretion of the Manager) of its distributable income at least semi-annually, or at such other intervals as the Manager may determine.

A10 SEGMENT REPORTING

No segment information is prepared as SENTRAL's activities are predominantly in one industry segment and situated predominantly in Malaysia.

A11 VALUATION OF INVESTMENT PROPERTIES

The investment properties are valued by independent registered valuers and the differences between the valuations and the book values of the respective properties are charged or credited to the profit or loss in the statement of comprehensive income.

For the quarter ended 31 March 2024, there were no revaluation of investment properties.

A12 SIGNIFICANT EVENTS DURING THE QUARTER ENDED 31 MARCH 2024

There is no significant event during the quarter ended 31 March 2024.

A13 SIGNIFICANT EVENTS SUBSEQUENT TO THE QUARTER ENDED 31 MARCH 2024

There is no significant event subsequent to the quarter ended 31 March 2024.

A14 CHANGES IN CONTINGENT LIABILITIES

There are no contingent liabilities to be disclosed.

A15 CAPITAL COMMITMENTS

The amount of capital commitment not provided for in the condensed consolidated financial statements as at 31 March 2024 are as follows:

	RM
Approved and contracted for :	
Investment properties	<u><u>2,051,851</u></u>

B1 REVIEW OF PERFORMANCE

Quarter Results (1Q 2024 vs 1Q 2023)

SENTRAL recorded gross revenue of RM49.7 million in 1Q 2024, an increase of RM12.2 million or 32.6% compared to 1Q 2023. The increase was mainly due to higher revenue generated from Menara CelcomDigi, Sentral Building 4, Platinum Sentral and Sentral Building 3 - BMW; and impact of revenue straight-lining over the lease term pursuant to requirements of MFRS 16 Leases.

Property operating expenses for 1Q 2024 were RM11.5 million, higher by 40.8% compared to 1Q 2023, mainly due to the inclusion of operating expenses for newly acquired Menara CelcomDigi and higher utilities expenses for some of the properties under the portfolio.

Overall, these have resulted in higher net property income by RM8.9 million or 30.3% compared to 1Q 2023.

Higher manager's fees by approximately RM0.7 million or 22.3% was in line with the increased in total asset value and net investment income in 1Q 2024. Finance costs incurred for 1Q 2024 of RM13.4 million were higher by 46.5% compared to 1Q 2023, mainly due to drawdown on the RM362 million MTN programme to part finance the acquisition of Menara CelcomDigi on 11 Dec 2023 and higher KLIBOR rate in 1Q 2024 compared to 1Q 2023.

As a result of all the above, net income after taxation for the current quarter under review of RM19.9 million was higher by RM2.2 million or 12.6% compared to 1Q 2023.

Financial Year-To-Date Results (YTD 1Q 2024 vs YTD 1Q 2023)

Review of financial year-to-date results is the same as above.

Current Quarter vs Immediate Preceding Quarter (1Q 2024 vs 4Q 2023)

As compared with the immediate preceding quarter ("4Q 2023"), gross revenue in 1Q 2024 of RM49.7 million was higher by 6.5%, as compared to 4Q 2023 of RM46.7 million. The property operating expenses for 1Q 2024 increased by RM1.1 million or 10.9% as compared to 4Q 2023, mainly due to higher operating expenses incurred for some of the properties under the portfolio. These has resulted in net property income increased by 5.2%. Finance costs were higher in 1Q 2024 by 25.7% mainly due to drawdown on the RM362 million MTN programme on 11 December 2023 and higher KLIBOR rate in 1Q 2024. Overall, realised net income after taxation of RM19.9 million were lower by 4.0% compared to 4Q 2023.

B2 INVESTMENT OBJECTIVES AND STRATEGIES

The investment objective of SENTRAL is to acquire and invest in commercial properties primarily in Malaysia with a view to provide long-term growth and sustainable distribution of income to unitholders to achieve long-term growth in the net asset value per unit. There has been no change in the investment objective of SENTRAL since the date of the Annual Report for 2023.

The Manager will continue to focus on its portfolio management and acquisition growth strategy, active asset management strategy and capital management strategy to achieve the objective of SENTRAL. There has been no change in the strategies employed by the Manager since the date of the Annual Report for 2023 as they remain relevant in the current market conditions.

B3 REVIEW OF THE MARKETS IN WHICH SENTRAL INVESTS IN DURING THE PERIOD AND GENERAL ASSESSMENT OF THE FUTURE PROSPECTS OF THESE MARKETS

Review of office market - Klang Valley

Klang Valley's cumulative supply of office space stood at approximately 117.7 million sq. ft. as of 2H2023 following the completion of four purpose-built developments, contributing a combined leaseable space of 3.0 million sq. ft. In the first half of 2024, approximately 1.4 mil sq. ft. of new office space will be added to Klang Valley's existing cumulative office stock.

The overall occupancy rate of purpose built office space in KL City and KL Fringe moderated to 65.9% and 83.9% respectively during 2H2023 (1H2023: 67.7% and 85.4% respectively), attributed to the influx of new supply into the market. Meanwhile, the overall occupancy rate in Selangor improved modestly, averaging 74.3% (1H2023: 73.4%) during the review period.

The average rental rates in KL City were higher at RM6.48 per sq. ft. per month in 2H2023 (1H2023: RM6.40 per sq. ft. per month). In KL Fringe, the average rental rate continued to improve, recording at RM5.73 per sq. ft. per month (1H2023: RM5.67 per sq. ft. per month). Similarly in Selangor, the average rental rate rose to RM4.16 per sq. ft. per month (1H2023: RM4.14 per sq. ft. per month). Overall, leasing inquiry activities are observed to be on the rise, as growing companies seek to expand/ re-visit their current workspace strategies, leveraging on the tenant-led market to upgrade the quality of their existing office spaces.

(extracted from the Real Estate Highlights 2H 2023 by Knight Frank Malaysia Sdn Bhd)

Review of retail market - Klang Valley

As at the end of 2023, the cumulative supply of retail space in Kuala Lumpur stands at circa 33.81 million sq ft. More than half (18.91 million sq ft or 55.9%) of the existing retail supply comes from KL Fringe while KL City accounts for the remaining 14.90 million sq ft (44.1%) of space. Meanwhile, the cumulative supply of retail space in Selangor stands at circa 36.40 million sq ft. Looking ahead, three more retail developments with total NLA of circa 1.74 million sq ft are anticipated to enter the Klang Valley retail market in 2024.

The average occupancy rate of shopping centres in Kuala Lumpur and Selangor has continued to hover close to the 80.0% threshold despite the high supply pipeline of retail space and the challenging business landscape. The normalisation of economic activities coupled with the full reopening of the country's international borders supported recovery of the retail sector, with the overall occupancy rate of shopping centres in Kuala Lumpur and Selangor improving to 79.3% and 83.1% in 3Q2023 respectively.

With the ever-evolving retail landscape, retailers and mall operators are increasingly re-configuring their spaces and embarking on asset enhancement initiatives. Many have also incorporated ESG principles in their business strategies. Besides promoting experiential retail, thematic stores and promotional events, these efforts aim to differentiate from a saturated market, while also distinguishing the shopping experience from online retail and lure consumers to physical stores.

(extracted from the Property Market Overview 2023 prepared by Knight Frank Malaysia Sdn Bhd for Sentral REIT)

B4 PROSPECTS

In 2024, approximately 282,000 sq. ft. or 14% of SENTRAL's total committed net lettable area ("NLA") are up for renewal with 46,000 sq. ft. of these leases expiring in 1Q 2024. The Manager is pleased to report that approximately 38,500 sq. ft. or 83% of committed NLA due in 1Q 2024 were successfully renewed. Correspondingly, SENTRAL's portfolio occupancy was stable at 88% as at 31 March 2024, compared to portfolio occupancy of 89% recorded in the previous quarter.

The Klang Valley office and retail markets are expected to remain challenging. SENTRAL will continue to focus on asset management and leasing strategies that are centred on cost optimisation and tenant retention in the current operating environment. Efforts will be intensified to market the available office spaces under the portfolio with the focus on bringing in new tenants from the IT, e-commerce, serviced office and shared services sectors.

B5 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to SENTRAL and the revenue can be reliably measured.

Revenues from the rental of investment properties, service charges, car park income and utilities recovery are recognised on an accrual basis.

B6 PROFIT FORECAST/ PROFIT GUARANTEE VARIANCE

(a) Profit forecast

There has been no profit forecast issued by SENTRAL for the financial year 2023.

(b) Profit guarantee

SENTRAL is not involved in any arrangement whereby it provides profit guarantee.

B7 TAXATION

Under Section 61A of the Income Tax Act 1967, the undistributed income of a REIT are exempted from income tax provided that the REIT distributes 90% or more of its total income for the year. If the REIT is unable to meet the 90% distribution criteria, the entire taxable income of the REIT for the year would be subject to income tax.

As SENTRAL intends to distribute at least 90% of its total income for the year to its unitholders, no provision for tax has been made in the current quarter.

B8 PROFIT ON SALE OF INVESTMENTS IN UNQUOTED SECURITIES/ PROPERTIES

There were no disposals of investments in unquoted securities/ properties during the current quarter.

B9 PARTICULARS OF PURCHASE OR DISPOSAL OF INVESTMENT IN QUOTED SECURITIES

There were no purchases or disposals of investments in quoted securities during the current quarter.

B10 STATUS OF CORPORATE PROPOSALS

There were no corporate proposals during the current quarter.

B11 UTILISATION OF PROCEEDS RAISED FROM ANY NEW ISSUANCE

There were no issuance of new units during the current quarter.

B12 CIRCUMSTANCES WHICH MATERIALLY AFFECT ANY INTEREST OF THE UNITHOLDERS

As at the date of this report, the directors of the Manager are not aware of any circumstances not otherwise disclosed in this report which would materially affect the interest of the unitholders.

B13 COMPOSITION OF INVESTMENT PORTFOLIO AS AT 31 MARCH 2024

As at 31 March 2024, SENTRAL's portfolio comprises ten buildings as follows:

Investment properties	Cost of Investment	Market Value/ Net Carrying amount as at 31 March 2024	Market value/ Net Carrying amount as % of NAV
	RM	RM	
<u>Commercial buildings</u>			
1 Sentral Building 1 (fka QB1 - DHL 1) & Sentral Building 2 (fka QB4 - DHL 2)	109,100,000	135,000,000	9.89%
2 Sentral Building 4 (fka QB2)	107,500,000	108,000,000	7.91%
3 Sentral Building 3 (fka QB3 - BMW)	59,400,000	71,037,100	5.20%
4 Wisma Sentral Inai (fka Wisma Technip)	125,000,000	154,000,000	11.28%
5 Part of Plaza Mont' Kiara	90,000,000	113,000,000	8.28%
6 Tesco Building Penang	132,000,000	145,000,000	10.62%
7 Platinum Sentral	740,000,000	673,272,795	49.32%
8 Menara Shell	640,000,000	672,500,000	49.26%
9 Menara CelcomDigi	450,000,000	450,000,000	32.96%
	<u>2,453,000,000</u>	<u>2,521,809,895</u>	

Capital expenditure of RM309,895 were incurred during the quarter. The NAV as at 31 March 2024 is RM1,365,246,444.

B14 BORROWINGS AND DEBT SECURITIES

As at 31 March 2024

	RM
<u>NON-CURRENT LIABILITIES:</u>	
(a) CPs/ MTNs Programme of up to RM450 million	340,886,186
(b) CPs/ MTNs Programme of up to RM3,000 million *	490,234,558
(c) CPs/ MTNs Programme of up to RM3,000 million **	334,272,111
TOTAL BORROWINGS	<u><u>1,165,392,855</u></u>

* The programme established through its SPE, Kinabalu Capital Sdn. Bhd. ("Kinabalu")

** The programme established through its SPE, Trusmadi Capital Sdn. Bhd. ("Trusmadi")

(a) Commercial Papers ("CP")/ Medium Term Notes ("MTNs") (collectively the CP/ MTN) Programme ("CP/MTN Programme") of up to RM450 million in nominal value ("RM450 million Programme") under Murud Capital Sdn. Bhd.

	RM
<u>(i) RM341 million in nominal value of MTN</u>	
Face value of MTNs issued	341,000,000
Transaction costs b/f	(144,847)
Amortisation of transaction costs during the period	31,033
	<u><u>340,886,186</u></u>

On 30 March 2020, SENTRAL through its SPE, Murud Capital Sdn. Bhd. ("Murud") established a RM450 million nominal value of CP/ MTN Programme for a legal tenure of 7 years. On the same day, RM341 million nominal values of MTNs were issued at the blended interest rate of 3.99% per annum, the proceeds from the issuance were utilised to repay the existing RM244 million Senior CP and RM91 million Fixed Rate Subordinated Term Loan which due on 30 March 2020, and the balance is for working capital purposes.

The transaction costs relating to the programme are amortised to profit or loss over the tenure of the programme.

(b) Commercial Papers Programme ("CP Programme") and Medium Term Notes Programme ("MTN Programme") with aggregate combined limit of RM3,000 million in nominal value ("RM3,000 million Programme") under Kinabalu Capital Sdn. Bhd.

	RM
<u>(i) Issue 3 - RM130 million in nominal value of MTN (Issue 3") issued on 4 March 2022</u>	
Face value of MTNs	130,000,000
Transaction costs on MTN issued	(199,477)
Amortisation of transaction costs during the period	15,737
Total Issue 3	<u><u>129,816,260</u></u>

	RM
<u>(ii) Issue 4 - RM362 million in nominal value of MTN (Issue 4") issued on 11 December 2023</u>	
Face value of MTNs	362,000,000
Transaction costs on MTN issued	(1,666,241)
Amortisation of transaction costs during the period	84,539
Total Issue 4	<u><u>360,418,298</u></u>

Total Issue 3 and 4 under Kinabalu Capital Sdn Bhd	<u><u>490,234,558</u></u>
---	----------------------------------

B14 BORROWINGS AND DEBT SECURITIES (cont'd)**(b) Commercial Papers Programme ("CP Programme") and Medium Term Notes Programme ("MTN Programme") with aggregate combined limit of RM3,000 million in nominal value ("RM3,000 million Programme") under Kinabalu Capital Sdn. Bhd. (cont'd)**

On 6 March 2017, RM40 million in nominal value of CPs and RM130 million nominal value of MTNs from the CP/ MTN Programme were issued (Issue 2) at the interest rate of 4.14% per annum and 4.40% per annum respectively. The proceeds raised from this issuance were utilised to redeem the CPs/ MTNs under the RM270 million CP/ MTN Programme which matured on 6 March 2017.

On 17 December 2021, the Issue 2 of RM40 million in nominal value of CPs were early redeemed using the proceeds from the new issuance of MTNs of RM3,000 million in nominal value ("MTN Programme"), and the Commercial Papers ("CPs") Programme of RM300 million in nominal value issued by Trusmadi (as disclosed in Note B14(c) below).

On 4 March 2022, the proceed from the new issuance of RM130 million MTN issued by Kinabalu under Issue 3 was utilised to fully redeem the Issue 2 of RM130 million in nominal value of MTN matured on the same day.

On 11 December 2023, RM362 million in nominal value of MTNs from the CP/ MTN Programme were issued under Issue 4 at the interest rate of 4.35% per annum, to part finance the acquisition of Menara CelcomDigi.

The transaction costs relating to the programme are amortised over the tenure of the programme and are charged to profit or loss.

(c) Medium Term Notes ("MTNs") Programme of RM3,000 million in nominal value ("MTN Programme"), and the Commercial Papers ("CPs") Programme of RM300.0 million in nominal value ("CP Programme"), subject to a combined limit of up to RM3,000 million in aggregate in nominal value (collectively the "Programmes") under Trusmadi Capital Sdn. Bhd.**(i) RM20 million in nominal value of MTN ("Issue 1") issued on 17 December 2021**

	RM
Face value of MTNs	20,000,000
Transaction costs b/f	(25,343)
Amortisation of transaction costs during the period	2,171
	<u>19,976,828</u>

(ii) RM240 million in nominal value of CP ("Issue 1") issued on 17 December 2021

	RM
Face value of CPs	240,000,000
Discount	(2,570,812)
Cash proceeds	237,429,188
Accretion of interest expenses	480,262
	<u>237,909,450</u>
Transaction costs b/f	(304,123)
Amortisation of transaction costs during the period	26,052
	<u>237,631,379</u>

(iii) RM77 million in nominal value of MTN issued on 14 March 2022

	RM
Face value of MTNs issued	77,000,000
Transaction costs on MTN issued	(364,836)
Amortisation of transaction costs during the period	28,740
	<u>76,663,904</u>
Total Issue 1	<u>334,272,111</u>

B14 BORROWINGS AND DEBT SECURITIES (cont'd)

- (c) **Medium Term Notes (“MTNs”) Programme of RM3,000 million in nominal value (“MTN Programme”), and the Commercial Papers (“CPs”) Programme of RM300.0 million in nominal value (“CP Programme”), subject to a combined limit of up to RM3,000 million in aggregate in nominal value (collectively the “Programmes”) under Trusmadi Capital Sdn.Bhd. (cont'd)**
-

On 17 December 2021, SENTRAL through its SPE, Trusmadi Capital Sdn. Bhd. ("Trusmadi") established a CP programme of up to RM300 million in nominal value ("CP Programme"); and MTN perpetual programme of up to RM3,000 million ("MTN Perpetual Programme").

On 17 December 2021, RM240 million in nominal value of CPs and RM20 million in nominal value of MTNs out of each respective programme were issued, where the proceeds from the issuance were utilised to repay the RM20 million MTN and RM200 million CPs under Kinabalu Capital CPMTN-Issue 1 and RM40 million CP under Kinabalu Capital CPMTN-Issue 2, which was due on 22 December 2021.

On 14 March 2022, RM77 million in nominal value of MTNs were issued to repay the Trusmadi outstanding RM77 million term loan which was due on the same day.

The transaction costs relating to the programme are amortised over the tenure of the programme and are charged to profit or loss.

B15 CHANGES IN MATERIAL LITIGATION

The Manager is not aware of any pending material litigation as at the date of issuance of this report.

B16 INCOME DISTRIBUTION

SENTRAL intends to distribute at least 90% of its distributable income at least semi-annually, or at such other intervals as the Manager may determine.

An advance income distribution of RM30,117,102 or 2.81 sen per unit, being the income distribution for the period from 1 July 2023 to 6 December 2023 was made on 4 January 2024 to all 1,071,783,000 unitholders at book closure date on 6 December 2023.

A final income distribution of RM8,129,421 or 0.68 sen per unit, being the income distribution for the period 7 December 2023 to 31 December 2023 was made on 29 February 2024 to all existing 1,195,503,000 unitholders as at book closure date on 9 February 2024.

No income distribution was proposed for the current quarter as SENTRAL's distribution of income is paid on a half-yearly basis.

Income distribution to resident individuals, non-resident individuals, resident institutional investors, non-resident institutional investors and non-resident companies are subject to withholding tax as follows:

Resident and non-resident individuals	10%
Resident and non-resident institutional investors	10%
Resident companies (flow through)	0%
Non-resident companies	24%

B17 CHANGES IN NAV AND MARKET PRICE SINCE THE LAST REPORTING DATE

	As at 31 March 2024	As at 31 December 2023
	RM	RM
NAV before provision for income distribution	1,365,246,444	1,353,481,351
Provision for income distribution	(19,894,514)	(8,129,421)
NAV after provision for income distribution	1,345,351,930	1,345,351,930
Number of units in circulation (units)	1,195,503,000	1,195,503,000
NAV per unit (RM) (after provision for distribution)	1.1253	1.1253
Market price (RM)	0.790	0.785

NAV per unit is arrived at by dividing the NAV with the number of units in circulation as at the date of reporting.

The Manager believes that the movement in market price is due mainly to changes in market sentiment.

B18 MANAGER'S FEE AND SOFT COMMISSION

Pursuant to the Trust Deed, the Manager is entitled to receive from SENTRAL the following fees:

- (i) Base fee of 0.4% per annum of the gross asset value, payable monthly in arrears;
- (ii) Performance fee of 3% per annum on the net investment income, payable semi-annually in arrears;
- (iii) Acquisition fee of 1% of the acquisition value of any asset, being authorised investments, acquired by SENTRAL; and
- (iv) Divestment fee of 0.5% of the disposal value of any asset divested by SENTRAL.

Total fees accrued to the Manager for the quarter ended 31 March 2024 are :

	RM
Base fee	2,603,719
Performance fee	1,119,238
	<u>3,722,957</u>

During the quarter, the Manager did not receive any soft commission from its brokers/dealers, by virtue of transaction conducted for SENTRAL.

B19 TRUSTEE'S FEE

Trustee's fee is payable to Maybank Trustees Berhad ("Trustee"), which is computed at 0.03% per annum on the first RM2.5 billion gross asset value and 0.02% per annum on the gross asset value in excess of RM2.5 billion, payable monthly in arrears.

Trustee's fee accrued to the Trustee for the quarter ended 31 March 2024 amounted to RM193,013.

B20 UNITHOLDINGS BY THE MANAGER

As at 31 March 2024, the Manager does not have any unitholdings in SENTRAL.

B21 UNITHOLDINGS BY PARTIES RELATED TO THE MANAGER

	No. of units	Percentage of total units	Market Value as at 31 March 2024 RM
Malaysian Resources Corporation Berhad	334,036,700	27.94%	263,888,993
Global Jejaka Sdn. Bhd.	757,000	0.06%	598,030
	334,793,700	28.00%	264,487,023

The Manager's directors' direct unitholding in SENTRAL:

	No. of units	Percentage of total units	Market Value as at 31 March 2024 RM
Kwan Joon Hoe	450,000	0.038%	355,500
Po Yih Ming	20,000	0.002%	15,800

The Manager's directors' indirect unitholding in SENTRAL:

	No. of units	Percentage of total units	Market Value as at 31 March 2024 RM
Tan Sri Saw Choo Boon	757,000 (a)	0.06%	598,030

(a) Deemed interest by way of his substantial shareholding in Jendela Elit Sdn. Bhd., which in turn are substantial shareholders of Global Jejaka Sdn. Bhd.

The market value of the units is computed based on the closing price as of 31 March 2024 of RM0.79 per unit.

B22 UNITHOLDERS CAPITAL

	No. of units	RM
Issued and fully paid	1,195,503,000	1,326,569,811

B23 FINANCE COSTS INCURRED DURING THE QUARTER

	Current Quarter RM	Cumulative Quarter RM
Interest expenses on CPMTN	12,990,346	12,990,346
Amortisation of transaction costs	214,237	214,237
Credit facility costs	149,885	149,885
Total finance costs	13,354,468	13,354,468

B24 RESPONSIBILITY STATEMENT AND STATEMENT BY THE DIRECTORS OF THE MANAGER

The Manager is responsible for the preparation of the quarterly report.

In the opinion of the directors of the Manager, the quarterly report has been prepared in accordance with MFRS 134: Interim Financial reporting and Paragraph 9.44 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of SENTRAL as at 31 March 2024 and of its financial performance and cash flows for the quarter ended on that date and duly authorised for release by the Board of Directors of the Manager on 8 May 2024.

BY ORDER OF THE BOARD

MOHAMED NOOR RAHIM YAHAYA
COMPANY SECRETARY (MAICSA No. 0866820)
HO NGAN CHUI
COMPANY SECRETARY (MAICSA No. 7014785)
SENTRAL REIT MANAGEMENT SDN. BHD.
(Company No: 200601017500 (737252-X))
As the Manager of SENTRAL REIT
Kuala Lumpur

Date : 8 May 2024