

# **IGB REAL ESTATE INVESTMENT TRUST**

## **Interim Financial Report for the 3-month ended 31 March 2020**

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**IGB Real Estate Investment Trust**

**Condensed Consolidated Statement of Comprehensive Income**

*(The figures have not been audited)*

	Quarter		Period-To-Date	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Gross rental income	88,469	104,382	88,469	104,382
Revenue from contracts with customers	36,538	36,850	36,538	36,850
<b>Gross revenue</b>	<b>125,007</b>	<b>141,232</b>	<b>125,007</b>	<b>141,232</b>
Utilities expenses	(12,228)	(11,608)	(12,228)	(11,608)
Maintenance expenses	(5,886)	(5,296)	(5,886)	(5,296)
Quit rent and assessment	(3,828)	(3,749)	(3,828)	(3,749)
Reimbursement costs	(14,266)	(14,194)	(14,266)	(14,194)
Other operating expenses/upgrades	(407)	(2,909)	(407)	(2,909)
<b>Property operating expenses</b>	<b>(36,615)</b>	<b>(37,756)</b>	<b>(36,615)</b>	<b>(37,756)</b>
<b>Net property income</b>	<b>88,392</b>	<b>103,476</b>	<b>88,392</b>	<b>103,476</b>
Interest income	1,770	1,802	1,770	1,802
<b>Net investment income</b>	<b>90,162</b>	<b>105,278</b>	<b>90,162</b>	<b>105,278</b>
Manager fee	(8,299)	(9,002)	(8,299)	(9,002)
Trustees' fee	(79)	(79)	(79)	(79)
Other trust expenses	(200)	(236)	(200)	(236)
Finance costs	(13,229)	(13,084)	(13,229)	(13,084)
<b>Profit before taxation</b>	<b>68,355</b>	<b>82,877</b>	<b>68,355</b>	<b>82,877</b>
Taxation	-	-	-	-
<b>Profit after taxation</b>	<b>68,355</b>	<b>82,877</b>	<b>68,355</b>	<b>82,877</b>
Other comprehensive income, net of tax	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>68,355</b>	<b>82,877</b>	<b>68,355</b>	<b>82,877</b>
Distribution adjustments <sup>*1</sup>	6,127	6,578	6,127	6,578
<b>Distributable income</b>	<b>74,482</b>	<b>89,455</b>	<b>74,482</b>	<b>89,455</b>
<b>Profit for the period comprise the following:</b>				
- Realised	68,355	82,877	68,355	82,877
- Unrealised	-	-	-	-
	<b>68,355</b>	<b>82,877</b>	<b>68,355</b>	<b>82,877</b>
<b>Basic earnings per Unit (sen)</b>				
- before Manager fee	2.16	2.60	2.16	2.60
- after Manager fee	1.93	2.34	1.93	2.34

**IGB Real Estate Investment Trust**

**Condensed Consolidated Statement of Comprehensive Income (continued)**

*(The figures have not been audited)*

**Note:**

\*1 *The composition of distribution adjustments is as follows:-*

	Quarter		Period-To-Date	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Manager fee payable in Units	5,394	5,851	5,394	5,851
Amortisation of capitalised borrowing costs	65	65	65	65
Depreciation of plant & machinery	668	662	668	662
<b>Distribution Adjustments</b>	<b>6,127</b>	<b>6,578</b>	<b>6,127</b>	<b>6,578</b>

**Statement of Income Distribution:-**

	Quarter		Period-To-Date	
	31.03.2020 RM'000	31.03.2019 RM'000	31.03.2020 RM'000	31.03.2019 RM'000
Gross rental income	88,469	104,382	88,469	104,382
Revenue from contracts with customers	36,538	36,850	36,538	36,850
Interest income	1,770	1,802	1,770	1,802
	126,777	143,034	126,777	143,034
Less: Expenses	(58,422)	(60,157)	(58,422)	(60,157)
Total comprehensive income for the period	68,355	82,877	68,355	82,877
Distribution adjustment	6,127	6,578	6,127	6,578
Distributable income	74,482	89,455	74,482	89,455
Previous period undistributed realised income	-	-	-	-
Total realised income available for distribution	74,482	89,455	74,482	89,455
Less: Proposed/declared income distribution	(69,100)	(84,963)	(69,100)	(84,963)
Balance undistributed realised income	5,382	4,492	5,382	4,492
Distribution per Unit ("DPU") (sen)	1.94	2.40	1.94	2.40

The unaudited condensed consolidated statement of comprehensive income and statement of income distribution should be read in conjunction with the audited financial statements for the financial year ended 31 December 2019 ("AFS FY2019") and the accompanying notes attached to this Interim Financial Report.

**IGB Real Estate Investment Trust**

**Condensed Consolidated Statement of Financial Position**

*(The figures have not been audited)*

	As at 31.03.2020 RM'000	As at 31.12.2019 RM'000
<b>Non-current assets</b>		
Investment properties	4,960,000	4,960,000
Plant and equipment	5,060	5,655
	<b>4,965,060</b>	<b>4,965,655</b>
<b>Current assets</b>		
Trade and other receivables	35,155	29,787
Cash and bank balances	216,816	225,509
	<b>251,971</b>	<b>255,296</b>
<b>TOTAL ASSET VALUE</b>	<b>5,217,031</b>	<b>5,220,951</b>
<b>FINANCED BY:</b>		
<b>Unitholders' fund</b>		
Unitholders' capital	4,468,160	4,462,484
Accumulated losses	(678,521)	(669,675)
Current year profit	68,355	315,860
Income distribution	(69,100)	(324,706)
<b>Total unitholders' fund</b>	<b>3,788,894</b>	<b>3,783,963</b>
<b>Non-current liabilities</b>		
Borrowings	1,199,350	1,199,285
	<b>1,199,350</b>	<b>1,199,285</b>
<b>Current liabilities</b>		
Borrowings	1,736	14,900
Trade and other payables	227,051	222,803
	<b>228,787</b>	<b>237,703</b>
<b>Total liabilities</b>	<b>1,428,137</b>	<b>1,436,988</b>
<b>TOTAL UNITHOLDERS' FUND AND LIABILITIES</b>	<b>5,217,031</b>	<b>5,220,951</b>
Number of Units in circulation ('000 units)	<b>3,551,815</b>	<b>3,548,828</b>
<b>NET ASSET VALUE ("NAV") (RM'000)</b>		
- Before income distribution	<b>3,857,994</b>	<b>4,108,669</b>
- After income distribution	<b>3,788,894</b>	<b>3,783,963</b>
<b>NAV per Unit (RM)</b>		
- Before income distribution	<b>1.0862</b>	<b>1.1578</b>
- After income distribution	<b>1.0667</b>	<b>1.0663</b>

The unaudited condensed consolidated statement of financial position should be read in conjunction with the AFS FY2019 and the accompanying notes attached to this Interim Financial Report.

**IGB Real Estate Investment Trust**

**Condensed Consolidated Statement of Changes in Net Asset Value**

*(The figures have not been audited)*

	<b>Unitholders' Capital RM'000</b>	<b>Accumulated Losses RM'000</b>	<b>Total Unitholders' Fund RM'000</b>
<b>As at 1 January 2020</b>	4,462,484	(678,521)	3,783,963
Total comprehensive income for the year	-	68,355	68,355
Income distribution	-	(69,100)	(69,100)
Net total comprehensive loss for the year	-	(745)	(745)
<b>Unitholders' transactions</b>			
- Issue of new Units	5,676*	-	5,676
Manager fee paid in Units	-	-	-
Increase in net assets resulting from unitholders' transactions	5,676	-	5,676
<b>As at 31 March 2020</b>	<u>4,468,160</u>	<u>(679,266)</u>	<u>3,788,894</u>
<b>As at 1 January 2019</b>	4,436,366	(669,675)	3,766,691
Total comprehensive income for the year	-	82,877	82,877
Income distribution	-	(84,963)	(84,963)
Net total comprehensive loss for the year	-	(2,086)	(2,086)
<b>Unitholders' transactions</b>			
- Issue of new Units	8,720	-	8,720
Manager fee paid in Units	-	-	-
Increase in net assets resulting from unitholders' transactions	8,720	-	8,720
<b>As at 31 March 2019</b>	<u>4,445,086</u>	<u>(671,761)</u>	<u>3,773,325</u>

**Note:**

*Issue of new Units involves:*

	<b>Units '000</b>	<b>Amount RM'000</b>
<i>Manager fee paid in Units:</i>		
- for the financial quarter ended 31 December 2019	2,987	5,676
	<u>2,987</u>	<u>5,676*</u>

The unaudited condensed consolidated statement of changes in net asset value should be read in conjunction with the AFS FY2019 and the accompanying notes attached to this Interim Financial Report.

**IGB Real Estate Investment Trust**

**Condensed Consolidated Statement of Cash Flows**

*(The figures have not been audited)*

	<b>Period-To-Date 31.03.2020 RM'000</b>	<b>Period-To-Date 31.03.2019 RM'000</b>
<b>Operating activities</b>		
Profit before tax	<b>68,355</b>	82,877
Adjustment for:		
Non-cash items	<b>9,638</b>	10,453
Non-operating items	<b>11,459</b>	11,282
Operating profit before changes in working capital	<b>89,452</b>	104,612
Net change in current assets	<b>(6,336)</b>	(5,469)
Net change in current liabilities	<b>10,310</b>	(3,611)
<b>Net cash generated from operating activities</b>	<b>93,426</b>	95,532
<b>Investing activities</b>		
Purchase of plant and equipment	<b>(78)</b>	(58)
Interest received	<b>2,072</b>	1,784
Movement in fixed deposits with maturity of more than 3 months	<b>-</b>	30
Movement in pledged deposit	<b>(223)</b>	(254)
<b>Net cash generated from investing activities</b>	<b>1,771</b>	1,502
<b>Financing activities</b>		
Interest paid	<b>(26,328)</b>	(26,183)
Distribution paid to unitholders	<b>(77,785)</b>	(80,708)
<b>Net cash used in financing activities</b>	<b>(104,113)</b>	(106,891)
<b>Net decrease in cash and cash equivalents</b>	<b>(8,916)</b>	(9,857)
Cash and cash equivalents at beginning of period	<b>197,088</b>	179,632
<b>Cash and cash equivalents at end of period</b>	<b>188,172</b>	169,775
<i>Note:</i>		
<i>Cash and bank balances</i>	<b>216,816</b>	197,490
<i>Less:-</i>		
<i>Pledged deposit</i>	<b>(28,644)</b>	(27,715)
<i>Cash and cash equivalents</i>	<b>188,172</b>	169,775

The unaudited condensed consolidated statement of cash flows should be read in conjunction with the AFS FY2019 and the accompanying notes attached to this Interim Financial Report.

**Part A – Disclosure Requirements Pursuant to Malaysian Financial Reporting Standards (“MFRS”) 134**

**A1 Basis of preparation**

This Interim Financial Report is unaudited and has been prepared in accordance with MFRS 134 “Interim Financial Reporting” issued by Malaysian Accounting Standards Board, the MMLR and the Securities Commission’s Guidelines on Listed Real Estate Investment Trusts (“REIT Guidelines”). This Interim Financial Report should be read in conjunction with the AFS FY2019 and the accompanying notes attached to this Interim Financial Report. The accounting policies and methods of computation adopted in this Interim Financial Report are consistent with those disclosed in the AFS FY2019.

**A2 Auditors’ report of preceding financial statements**

The auditors’ report for FY2019 was not subject to any audit qualification.

**A3 Seasonal or cyclical factors**

IGB REIT’s operations were not significantly affected by seasonal or cyclical factors.

**A4 Significant unusual items**

Save and except for disclosure in Note A10, there were no significant unusual items that affect the assets, liabilities, equity, net property income or cash flow during the period-to-date under review.

**A5 Material changes in estimates**

Not applicable.

**A6 Debt and equity securities**

Issue of new Units:-

	<b>Units ‘000</b>	<b>Amount RM’000</b>
Manager fee paid		
- for the financial quarter ended 31 December 2019	2,987	5,676
	<u>2,987</u>	<u>5,676</u>

Save for the issuance of new Units of IGB REIT as payment for Manager fee, there were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current period-to-date.

## **IGB Real Estate Investment Trust**

### **A7 Income distribution**

For the first quarter ended 31 March 2020, the Manager made a distribution of 92.5% of IGB REIT's quarterly distributable income amounting to RM69.1 million or 1.94 sen per Unit (@ 1.90 sen taxable and 0.04 sen non-taxable), to be payable on 29 May 2020 to every unitholder who is entitled to receive such distribution as at 4.00 p.m. on 8 May 2020.

Subject to IGB REIT's financial position, earnings, funding, capital management requirements and in keeping with the Manager's key objective of providing investors with regular and stable income distribution, the Board of Directors of the Manager has decided to make a distribution of at least 90% of IGB REIT's distributable income on a quarterly basis for the year ending 31 December 2020 (or such other intervals as the Manager may determine at its absolute discretion).

### **A8 Segmental reporting**

The segmental financial information by operating segments is not presented as IGB REIT is the owner of Mid Valley Megamall and The Gardens Mall both located in Kuala Lumpur, Malaysia, which is considered as one operating segment.

### **A9 Valuation of investment properties**

A valuation on Mid Valley Megamall and The Gardens Mall had been conducted by One Asia Property Consultants (KL) Sdn Bhd (as an independent registered valuer) and based on the valuation reports dated 1 April 2020, the market value of Mid Valley Megamall and The Gardens Mall as at 31 March 2020 remained at RM3.665 billion and RM1.295 billion respectively from previous quarter.

### **A10 Material events subsequent to the end of the financial year**

Malaysia is in lock-down following the Movement Control Order ("MCO") from 18 March 2020 to 28 April 2020 to contain the novel coronavirus Covid19 pandemic. As a result, all government and private premises are closed except those providing essential services. All other trades and businesses have since ceased trading. The MCO and the Covid19 pandemic have impacted business of shopping mall.

IGB REIT has adhered to the government and regulatory directives arising from the MCO during the Covid-19 pandemic. Both Mid Valley Megamall and The Gardens Mall remain accessible to the public in order to provide essential services to the community such as pharmacies, clinics, supermarkets, food & beverages with delivery and takeaway services (no dine-in), bakeries, convenience stores, optical stores, money changers, banks, ATMs and other essential services during the MCO period. The basement car park is open to public and parking fee is waived during the MCO period. Effective from 27 March 2020, both Mid Valley Megamall and The Gardens Mall revised the daily operation hours from 8.00am to 8.00pm for essential shopping.



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### **A10 Material events subsequent to the end of the financial year (continued)**

IGB REIT has also curated the appropriate and targeted action plans including rental support, on a case-to-case basis, after taking into consideration, inter-alia, business tolerance, tenant relationship, impact on different category of tenancies, variations in rent structures, risk of tenant sustainability and expected business recovery period, to mitigate the current challenges faced by tenants in Mid Valley Megamall and The Gardens Mall.

Based on preliminary assessment, it is expected that the current situation will have an impact on IGB REIT's financial results for the financial year ending 31 December 2020. This is mainly due to the rental support programme and potential increase in expected credit losses and possible impairment of fair value for investment properties arising from a prolong MCO period. The Directors of the Manager are monitoring the current situation closely and take appropriate and timely actions to mitigate the impact on IGB REIT's operations and financial performance.

### **A11 Changes in the composition of IGB REIT**

IGB REIT's fund size increased from 3,548.828 million Units as at 31 December 2019 to 3,551.815 million Units as at 31 March 2020 arising from the issuance of new Units as disclosed in Note A6.

### **A12 Contingent liabilities and contingent assets**

There were no material contingent liabilities or contingent assets as at 31 March 2020.

### **A13 Capital commitment**

There were no major capital commitments as at 31 March 2020.

**Part B – Additional Disclosures Pursuant to Paragraph 9.44 of the MMLR**

**B1 Review of performance**

	Quarter/Period-To-Date		
	31.03.2020 RM'000	31.03.2019 RM'000	Variance %
Gross revenue	125,007	141,232	-11.5%
Net property income	88,392	103,476	-14.6%
Profit before taxation	68,355	82,877	-17.5%
Profit after taxation	68,355	82,877	-17.5%
Total comprehensive income for the period	68,355	82,877	-17.5%

For the current quarter, IGB REIT's gross revenue was RM125.0 million, declined 11.5% against the corresponding quarter in 2019 of RM141.2 million. Net property income was RM88.4 million, decreased 14.6% compared with the corresponding quarter in 2019 of RM103.5 million. Profit after taxation was RM68.4 million, dropped 17.5% compared with the corresponding quarter in 2019 of RM82.9 million.

The lower gross revenue, net property income and profit after taxation are mainly due to the rental support provided to tenants and lower car park income arising from the Covid-19 pandemic and MCO since mid-March 2020.

The distributable income for the current quarter amounted to RM74.5 million, consisting of realised profit of RM68.4 million and the non-cash adjustments arising mainly from Manager fee payable in Units of RM5.4 million.

**B2 Material changes in quarterly results**

	Quarter		
	31.03.2020 RM'000	31.12.2019 RM'000	Variance %
Gross revenue	125,007	139,614	-10.5%
Net property income	88,392	96,089	-8.0%
Profit before taxation	68,355	75,257	-9.2%
Profit after taxation	68,355	75,257	-9.2%
Total comprehensive income for the period	68,355	75,257	-9.2%

For the current quarter, IGB REIT's gross revenue was RM125.0 million, 10.5% lower compared with the immediate preceding quarter of RM139.6 million. Net property income was RM88.4 million, 8.0% lower compared with net property income of RM96.1 million in the preceding quarter. Profit after taxation was RM68.4 million, 9.2% lower compared with the immediate preceding quarter of RM75.3 million.

The lower gross revenue, net property income and profit after taxation are mainly due to the rental support provided to tenants and lower car park income arising from the Covid-19 pandemic and MCO since mid-March 2020.

**B3 Prospects**

The world is in recession. Malaysia is in lock-down following the MCO from 18 March 2020 to 28 April 2020 to contain the novel coronavirus Covid19 pandemic. As a result, all government and private premises are closed except those providing essential services. All other trades and businesses have since ceased trading. The MCO and the Covid19 pandemic have a profound negative impact on the business of shopping mall. Most economists now expect Malaysia's real gross domestic product to contract in 2020, resulting in rising unemployment and lower incomes.

Retail Group Malaysia (“RGM”) has estimated that shopping traffic will decline by up to 50% and the retail industry is expected to post a 18.8% year-on-year contraction for the first quarter of 2020. RGM had projected the Malaysia retail industry to grow by 4.6% in 2020 at end-2019. However, the situation had since deteriorated significantly. As a result of the prolonged Covid19 pandemic and falling domestic demand, the retail industry will contract by 5.5% for the entire year 2020.

Despite the grim outlook and many challenges ahead, IGB REIT is determined to remain resilient throughout the Covid19 pandemic, and is committed to long-term value for stakeholders.

**B4 Investment objectives and strategies**

The Manager’s key objective for IGB REIT is to provide the unitholders with regular and stable distributions and achieve long term growth in NAV per Unit, while maintaining an appropriate capital structure. The Manager intends to increase the income and the value of the investment properties through active asset management, asset enhancement initiatives, acquisition growth as well as capital and risk management strategies.

**B5 Portfolio composition**

During the financial period under review, the portfolio of IGB REIT consists of two (2) investment properties, Mid Valley Megamall and The Gardens Mall.

**B6 Utilisation of proceeds raised from issuance of new Units**

A total of 2.99 million new Units were issued by IGB REIT as payment for Manager fee in the current period-to-date.

**B7 Taxation**

(i) Taxation of IGB REIT

IGB REIT is regarded as Malaysian resident for Malaysian income tax purpose since the Trustee is resident in Malaysia. The income of IGB REIT will be taxable at corporate tax rate.

The tax transparency system under Section 61A of the Malaysian Income Tax Act 1967 ('Act') however, exempts IGB REIT from such taxes in a year of assessment ("YA") if IGB REIT distributes at least 90% of its total taxable income in the same YA.

If less than 90% of its total taxable income is distributed in a YA, then the tax transparency system under Section 61A of the Act would not apply and total taxable income of IGB REIT would continue to be taxed. Income which has been taxed at IGB REIT level will have tax credits attached when subsequently distributed to unitholders.

As the Manager has decided to declare more than 90% of the total taxable income of IGB REIT to unitholders for the year ending 31 December 2020, no provision for taxation has been made for the current financial period ended 31 March 2020.

Generally, gains on disposal of investments by IGB REIT are regarded as capital gains and hence, will not be subject to income tax. However, where the investments represent real properties and shares in real property companies, such gains will be subject to real property gains tax ("RPGT").

With effect from 1 January 2019, any gains on disposal of real properties or shares in real property companies would be subject to RPGT at the following rates:-

<b>Disposal time frame</b>	<b>Rates</b>
Disposal within 3 years of acquisition	30%
Disposal in the 4th year of acquisition	20%
Disposal in the 5th year of acquisition	15%
Disposal after 5 years of acquisition	10%

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### B7 Taxation (continued)

#### (ii) Taxation of Unitholders

The tax treatment is dependent on whether IGB REIT has distributed 90% or more of its total taxable income.

##### (a) REIT distributes 90% or more of total taxable income

Where 90% or more of the total taxable income is distributed by IGB REIT, distributions to unitholders will be subject to tax based on a withholding tax mechanism. The current withholding tax rates are as follows:-

Unitholders	Withholding tax rate
Individuals & All Other Non-Corporate Investors such as institutional investors (resident and non-resident)	10%
Non-resident corporate investors	24%
Resident corporate investors	0%

##### (b) REIT distributes less than 90% of total taxable income

Where less than 90% of the total taxable income is distributed by IGB REIT, then exemption under Section 61A of the Act will not apply and IGB REIT would have to pay taxes on the taxable income for the year. The distributions made by IGB REIT of such taxed income will have tax credits attached. The tax treatment for unitholders would be as follows:-

- Resident individuals will be subject to tax at their own marginal rates on the distributions and be entitled to tax credits representing tax already paid by IGB REIT.
- Resident corporate investors are required to report the distributions from REITs in their normal corporate tax return and bring such income to tax at the normal corporate tax rate. Where tax has been levied at IGB REIT level, the resident corporate investors are entitled to tax credits.
- No further taxes or withholding tax would be applicable to foreign unitholders. Foreign unitholders may be subject to tax in their respective jurisdictions depending on the provisions of their country's tax legislation and the entitlement to any tax credits would be dependent on their home country's tax legislation.

Distributions representing specific exempt income or gains on disposal of investments at IGB REIT level will not be subjected to further income tax when distributed to all unitholders.

## IGB Real Estate Investment Trust

### B8 Status of corporate proposal

There were no corporate proposals announced but not completed as at the date of this Interim Financial Report.

For Mid Valley Megamall, the application for amalgamation of Lot 80 and Lot 20004 (formerly known as Lot 25), was approved by Pejabat Pengarah Tanah dan Galian Wilayah Persekutuan (“PTGWP”) on 27 June 2019 and pending for new title to be issued. The land premium for amalgamation is required to be settled prior to issuance of the new title.

The extended validity period of the consent of the State Authority for the transfer of Mid Valley Megamall in favour of MTrustee Berhad (acting in its capacity as trustee for IGB REIT) expires on 7 January 2021.

### B9 Borrowings and debt securities

IGB REIT’s debts securities as at 31 March 2020 were as follows:-

	As at 31.03.2020 RM’000	As at 31.03.2019 RM’000
Non-current borrowings		
- secured medium term notes	1,199,350	1,199,090
Current borrowings		
- secured medium term notes	1,736	1,736
	<u>1,201,086</u>	<u>1,200,826</u>

All debt securities are denominated in Ringgit Malaysia.

### B10 Material litigation

The Board of Directors of the Manager is not aware of any pending material litigation as at the date of this Interim Financial Report.

### B11 Soft commission received

There was no soft commission received by the Manager and/or its delegates during the current period-to-date.

**IGB Real Estate Investment Trust**

**B12 Summary of NAV, EPU, DPU and market price**

	Unit of measurement	Current quarter ended 31.03.2020	Immediate preceding quarter ended 31.12.2019
Number of Units in issue	'000 units	3,551,815	3,548,828
NAV (after income distribution)	RM'000	3,788,894	3,783,963
NAV per Unit (after income distribution)	RM	1.0667	1.0663
Total comprehensive income	RM'000	68,355	75,257
Weighted average number of Units in issue	'000 units	3,550,863	3,543,283
Earnings per Unit after Manager fee	sen	1.93	2.12
Distributable income	RM'000	74,482	81,664
DPU	sen	1.94	2.19
Closing market price per Unit	RM	1.59	1.89

**B13 Manager fee**

Based on the Deed, the Manager is entitled to receive the following fees from IGB REIT:-

- (i) Base fee of up to 1.0% per annum of total asset value;
- (ii) Performance fee of 5.0% per annum of net property income;
- (iii) Acquisition fee of 1.0% of the transaction value of any real estate and real estate related assets directly or indirectly acquired from time to time by the Trustee; and
- (iv) Divestment fee of 0.5% of the transaction value of any real estate and real estate related assets directly or indirectly sold or divested from time to time by the Trustee.

Total Manager fee for the current period-to-date was RM8,299,000, as follows:-

Type	Quarter 31.03.2020 RM'000	Quarter 31.03.2019 RM'000	Period-To-Date 31.03.2020 RM'000	Period-To-Date 31.03.2019 RM'000
Base fee	3,879	3,828	3,879	3,828
Performance fee	4,420	5,174	4,420	5,174
Total	<u>8,299</u>	<u>9,002</u>	<u>8,299</u>	<u>9,002</u>

For the current period-to-date, 65% of the total Manager fee had been paid in Units.

## IGB Real Estate Investment Trust

### B14 Trustee fee

Based on the Deed, an annual trustee fee of up to 0.03% per annum of the NAV of IGB REIT would be paid to the Trustee.

### B15 Unitholdings of the Manager and parties related to the Manager

Based on the Register of Unitholders of IGB REIT as at 31 March 2020, the unitholdings of the Manager and parties related to the Manager were as follows:-

Unitholders of IGB REIT	Direct		Indirect	
	No. of Units	%	No. of Units	%
IGB REIT Management Sdn Bhd	151,815,047	4.274	-	-
IGB Berhad	1,733,617,754	48.809	152,360,533	4.290
Dato' Seri Robert Tan Chung Meng	14,939,081	0.421	1,901,068,404	53.524
Pauline Tan Suat Ming	-	-	1,901,068,404	53.524
Tony Tan Choon Keat	1,000,000	0.028	1,901,068,404	53.524
Tan Chin Nam Sendirian Berhad	9,663,531	0.272	1,887,636,687	53.146
Tan Kim Yeow Sendirian Berhad	14,764,772	0.416	1,886,303,632	53.108
Wah Seong (Malaya) Trading Co. Sdn Bhd	-	-	1,885,978,287	53.099

### B16 Notes to the Statement of Comprehensive Income

	Quarter 31.03.2020 RM'000	Quarter 31.03.2019 RM'000	Period-To- Date 31.03.2020 RM'000	Period-To- Date 31.03.2019 RM'000
Depreciation	668	662	668	662
Allowance for impairment on receivables	666	787	666	787

### B17 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 IGB REIT as at 31 March 2020 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 Directors of the Manager on 22 April 2020.