

# HEKTAR REAL ESTATE INVESTMENT TRUST ("HEKTAR REIT")



## REVALUATION OF PROPERTIES

### 1. INTRODUCTION

Hektar Asset Management Sdn Bhd, the Manager of Hektar REIT, wishes to announce that Hektar REIT had undertaken a revaluation exercise on the following investment properties which are being held by Hektar REIT for long term investment purposes:

- (i) **Name of Property** : **Subang Parade**  
**Address** : No.5 Jalan SS 16/1, 47500 Subang Jaya Selangor  
Geran 313558/Lot 72020, Bandar Subang Jaya,  
District of Petaling, Selangor
- Description** : A freehold land measuring approximately 460,734 square feet (10.577 acres) in area together with a free-standing three-storey shopping complex with two basement levels. The commercial/retail complex comprises three floors of shopping/commercial area on the ground, second and third floors, one level of basement car parks and another level of basement service tunnel.
- (ii) **Name of Property** : **Mahkota Parade**  
**Address** : No.1, Jalan Merdeka, 75000 Melaka PN 28957/Lot 1337, Kawasan Bandar XLII, District of Melaka Tengah, Melaka
- Description** : A leasehold land measuring approximately 570,815 square feet (13.1 acres) in area together with a free-standing three-storey shopping complex with one level of basement car park. The commercial/retail complex comprises four floors of shopping/commercial area on the basement, ground, second and third floors.

- (iii) **Name of Property** : **Wetex Parade**  
Address : 69, Jalan Ali, Off Jalan Sulaiman, 84000 Muar, Johor HS (D) 19633, No. Lot PTB 10586 & Geran 84560, Lot No. 3675, both located in Bandar Maharani, District of Muar, Johor
- Description : A freehold land measuring approximately 59,731 square feet (1.3712 acres) in area with 10-storey commercial complex comprising a five-storey shopping centre with a basement car park known as “Wetex Parade” and a 3 star category hotel with 156 rooms known as “Hotel Classic” occupying largely from the fifth to ninth floors as well as small sections of the ground to fourth floors.
- (iv) **Name of Property** : **Central Square**  
Address : 23, Jalan Kampung Baru, Sungai Petani, Kedah Darul Aman, Geran G 145068, Lot 134, Seksyen 56, Bandar Sungai Petani, District of Kuala Muda, Kedah
- Description : 120 units of stratified retail space located within a 5.5 storey shopping complex known as Central Square Shopping Centre identified as no. 23, Jalan Kampung Baru, 08000 Sungai Petani, Kedah Darul Aman.
- (v) **Name of Property** : **Kulim Central**  
Address : 1, Jalan KLC Satu (1), Kulim, Kedah Darul Aman, Geran GM 14677, Lot No 4015, Seksyen 44, Bandar Kulim, District of Kulim, Kedah
- Description : A land measuring approximately 291,917 square feet (6.7 acres) in area with a three-storey retail mall with a ground-floor car park
- (vi) **Name of Property** : **Segamat Central**  
Address : Jalan Kolam Air, 85000 Segamat, Johor  
Description : A land measuring approximately 174,534.21 square feet (16,214.74 square meters) with a three-storey retail mall with a basement car park

The above is hereinafter collectively referred to as “Properties”.

## 2. PURPOSE OF REVALUATION

The purpose of the revaluation exercise was to ascertain the current market values of the Properties for accounting purposes pursuant to Malaysian Financial Reporting Standard (“MFRS”) 140: Investment Properties.

In addition, the revaluation exercise conducted for Hektar REIT is pursuant to Clause 10.02(b)(i) of the Securities Commission’s (“SC”) Listed Real Estate Investment Trust Guidelines (“REIT Guidelines”), whereby the revaluation of real estate in a REIT should be carried out at least once every financial year by an independent professional valuer.

## 3. REVALUATION SURPLUS/ DEFICIT

The details of the revaluation of the Properties are set out below.

Properties	Carrying Value as at 31 December 2023 (prior to revaluation) RM’000	Fair Value as of 31 December 2023 RM’000	Surplus/ (Deficit) to be incorporated into Hektar REIT RM’000
Subang Parade	417,000	430,000	13,000
Mahkota Parade	338,500	338,500	0
Wetex Parade	156,600	161,700	5,100
Central Square	91,000	95,000	4,000
Kulim Central	138,000	142,500	4,500
Segamat Central	65,000	65,000	0
<b>Total</b>	<b>1,206,100</b>	<b>1,232,700</b>	<b>26,600</b>

The net fair valuation gain for Hektar REIT recognized in the Statement of Comprehensive Income amounted to RM26,600,000 before tax.

The carrying value of the Investment Properties as of 31 December 2023 of RM1,232,700,000 is based on the market value as per the valuation reports.

## 4. EFFECTS ON THE NET ASSET VALUE

The Board of Directors of the Manager approved the net fair valuation gain of the Properties on 23 January 2024. The net fair value valuation gains of RM26.6 million had increased the value of the investment properties of Hektar REIT. The impact of the fair value adjustment on the net assets value per Hektar REIT unit is as follows:

Based on the unaudited results as of 31 December 2023	RM
Net Assets per Unit- with Fair Value	<b>1.1616</b>
Net Assets per Unit -without Fair value	<b>1.1159</b>
Effect of Fair Value: Increase in Net Assets per Unit	<b>0.0457</b>

The Board of Directors of the Manager has also decided that unless there were any significant changes to these estimates, the new valuations would be reflected in the results of the fourth quarter for the financial year ended 31 December 2023.

**5. NAME OF VALUER**

The revaluation exercise was carried out by the following independent professional valuers:

<b>Properties</b>	<b>Independent Valuer</b>
Subang Parade	Messrs. First Pacific Valuers Property Consultants Sdn. Bhd.
Mahkota Parade	Messrs Raine Horne International Zaki & Partners
Wetex Parade	Messrs. First Pacific Valuers Property Consultants Sdn. Bhd.
Central Square	Messrs. ExaStrata Solutions Sdn. Bhd.
Kulim Central	Messrs. ExaStrata Solutions Sdn. Bhd.
Segamat Central	Messrs Raine Horne International Zaki & Partners

**6. DATE OF VALUATION**

The relevant date of valuation for the Properties is at 31 December 2023

**7. DOCUMENTS AVAILABLE FOR INSPECTION**

The valuation reports in relation to the Properties are available for inspection at the management office of HAMS B at D1-U3-10, Block D1, Solaris Dutamas, No.1, Jalan Dutamas 1, 50480 Kuala Lumpur during normal office hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 23 January 2024.