
HEKTAR REIT 2Q/FY2022 RESULTS

HEKTAR REIT RECORDED SIGNIFICANT IMPROVEMENT

NPI GOES UP BY 34% IN 2Q 2022 & REALISED NET INCOME INCREASED BY 151% FOR 1H 2022

- For 2Q 2022 Revenue is higher by 14% and Realised Net Income goes up by 317%
- Occupancy rate remains stable at 84.8%
- Interim income distribution of 2.70 sen declared
- Awarded “Company of the Year for Stakeholder & Community Engagement”
- ESG Disclosures & Sustainability Initiatives remain our key focus areas

Kuala Lumpur, 26 August 2022 – Hektar Asset Management Sdn. Bhd., the Manager of Hektar Real Estate Investment Trust (“Hektar REIT”), today announced the second quarter results ended 30 June 2022 (“2Q 2022”). Hektar REIT recorded revenue of RM29.37 million, an increase of 14.2% compared to the RM25.71 million recorded in the corresponding quarter of the previous year. The higher revenue is attributed to increased rental & car park income and higher hotel occupancy. Hektar REIT registered a net property income of RM13.70 million, an increase of 34.3% compared to RM10.20 million in 2Q 2021, while the realised net income was RM6.57 million, a substantial increase of 317.3% compared to the same period in the preceding year.

Earnings per unit rose significantly by 311.8% to 1.40 sen for 2Q 2022 compared with the same quarter in the previous year. Based on the financial performance for the current quarter, Hektar REIT has declared an interim income distribution of 2.70 sen per unit, amounting to RM12.72 million, to be made on 26 September 2022.

Hektar REIT’s performance for the six months ended 30 June 2022 (“1H 2022”) showed an increase in revenue by 11.4% to RM58.49 million compared with RM52.49 million registered in the corresponding period of the previous year. The net property income of RM30.33 million exhibited an increase of 24.8% compared with RM24.30 million in 1H 2021, while the realised net income grew by 151.0% to RM20.32 million compared with RM8.10 million recorded in 1H 2021.

After two straight years of the Covid-19 pandemic, the retail landscape is currently going through normalization & early phases of recovery. The portfolio of malls under Hektar REIT has experienced a 58% year-on-year (“y-o-y”) increase in visitor footfall and a 50% higher vehicle count y-o-y. This is in tandem with the huge improvement in the tenant sales performance at our malls. Despite the improved performance, the Manager has adopted a cautious outlook for the coming quarters in light of inflationary pressure and uncertain global economic outlook that may

affect domestic economic activities. As part of our business sustainability measures to ensure that our malls have stable occupancy, we will continue to monitor and review our rental strategy.



En. Johari Shukri bin Jamil, Chief Executive Officer of Hektar Asset Management Sdn.

Bhd. said: “As part of our sustainable business strategy, we will continue adopting prudent financial management, cost optimization initiatives, and enhancing our asset efficiencies to help cushion the impact of increasing interest rates and rising cost of inflation. Furthermore, we continue to increase our engagement with all stakeholders, including tenants, to offer them competitive rental rates to facilitate their recovery.”

“At the same time, for our shoppers and loyal patrons, we are continuously working on enhancing our existing facilities at our shopping malls to provide a great retail experience. For our valued unitholders, we remain committed to distributing at least

90% of Hektar REIT’s realised net income for the financial year ending 31 December 2022.”

“Hektar REIT’s Assets Under Management (“AUM”) comprises five established neighbourhood-focused malls and one regional shopping mall, which play a key role in serving as a community hub. Recently, Hektar REIT’s Sustainability and CSR initiatives have been recognised and awarded with Company of the Year for Stakeholder & Community Engagement at the Sustainability & CSR Malaysia 2022 Awards. We are humbled to receive this award and will continue to play our role towards the betterment of our communities.”

“Similarly, our efforts towards Environment, Social & Governance (“ESG”) have been recognised and rewarded by the FTSE4Good Bursa Malaysia Index by FTSE Russell to an upgrade of 4-star rating in the latest June 2022 evaluation. These acknowledgements further affirmed our commitment to reducing our environmental footprint, enhancing our corporate governance, and increasing our responsibility towards our stakeholders.”

Hektar REIT Summary of Financial Results for 2Q22 (unaudited)	2Q 2022 (3 months) (RM 'million)	2Q 2021 (3 months) (RM 'million)	Variance (%)
Gross Revenue	29.37	25.71	14.2
Direct Cost & Property Expenses	(15.66)	(15.50)	(1.0)
Net Property Income	13.71	10.21	34.3
Net Income – Realised	6.57	1.57	317.3
Earnings Per Unit – Realised (sen)	1.40	0.34	311.8
Income Distribution Per Unit (sen)	2.70	NIL	-

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ABOUT HEKTAR REAL ESTATE INVESTMENT TRUST

Hektar Real Estate Investment Trust ("Hektar REIT") is Malaysia's first listed retail-focused REIT. The primary objectives of Hektar REIT are to provide unitholders with sustainable dividend income and to achieve a long-term capital appreciation of the REIT. Hektar REIT was listed on the Main Market of Bursa Malaysia Securities Berhad on 4 December 2006 and currently owns 2 million square feet of retail space in 4 states with assets valued at RM1.16 billion as at 30 June 2022. The REIT's strategic partner is Frasers Centrepoint Trust, part of Frasers Property Ltd, headquartered in Singapore. Hektar REIT is managed by Hektar Asset Management Sdn Bhd and the property manager is Hektar Property Services Sdn Bhd. Hektar REIT's portfolio of commercial properties includes Subang Parade in Subang Jaya, Selangor; Mahkota Parade in Melaka; Wetex Parade & Classic Hotel in Muar, Johor; Central Square in Sungai Petani, Kedah; Kulim Central in Kulim, Kedah and Segamat Central in Segamat, Johor. For more information, please visit www.HektarREIT.com



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