

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	As at 30.06.2020 RM (Unaudited)	As at 31.12.2019 RM (Audited)
<b><u>NON-CURRENT ASSETS</u></b>		
Investment properties	1,236,500,000	1,236,500,000
Plant & Equipment	101,839	113,099
Capital work in progress	5,459,278	1,157,929
Fixed deposits with a licensed bank	1,531,962	1,527,034
	<u>1,243,593,079</u>	<u>1,239,298,062</u>
<b><u>CURRENT ASSETS</u></b>		
Trade receivables	19,966,844	19,994,849
Other receivables, deposits and prepayments	8,027,229	6,316,665
Cash and bank balances	24,177,288	10,466,667
	<u>52,171,361</u>	<u>36,778,181</u>
<b>TOTAL ASSETS</b>	<b><u>1,295,764,440</u></b>	<b><u>1,276,076,243</u></b>
<b><u>NON-CURRENT LIABILITIES</u></b>		
Tenancy deposits	11,326,647	13,289,996
Deferred tax liability	28,171,132	28,171,132
Bank borrowings	566,090,863	548,090,863
	<u>605,588,642</u>	<u>589,551,991</u>
<b><u>CURRENT LIABILITIES</u></b>		
Trade payables	18,017,402	9,134,723
Other payables and accruals	27,577,934	31,336,495
Tenancy deposits	20,813,535	21,621,383
Bank borrowings	15,000,000	15,000,000
	<u>81,408,871</u>	<u>77,092,601</u>
<b>TOTAL LIABILITIES</b>	<b><u>686,997,513</u></b>	<b><u>666,644,592</u></b>
<b>NET ASSET VALUE</b>	<b><u>608,766,927</u></b>	<b><u>609,431,651</u></b>
<b><u>FINANCED BY:</u></b>		
Unitholders' capital	492,500,449	492,500,449
Undistributed income – realised	41,022,778	41,687,502
– unrealised	75,243,700	75,243,700
<b>TOTAL UNITHOLDERS' FUND</b>	<b><u>608,766,927</u></b>	<b><u>609,431,651</u></b>
<b>NET ASSET VALUE PER UNIT (RM)</b>		
-as at the date	1.3178	1.3192
-after distribution for the cumulative quarter	1.2978	1.2992
<b>NUMBER OF UNITS IN CIRCULATION</b>	461,960,178	461,960,178

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached.

## CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 JUNE 2020 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.06.2020 RM	Preceding Year Corresponding Quarter 30.06.2019 RM	Current YTD 30.06.2020 RM	Preceding YTD 30.06.2019 RM
Revenue	24,600,900	34,737,875	55,315,201	68,087,102
Property operating expenses	(12,627,732)	(16,489,978)	(27,627,460)	(31,263,978)
<b>Net property income</b>	<b>11,973,168</b>	<b>18,247,897</b>	<b>27,687,741</b>	<b>36,823,124</b>
Interest income	121,501	110,647	184,870	311,771
Other income	5,411	27,002	37,993	139,618
Trust expenses	(5,089,228)	(2,832,744)	(8,179,610)	(6,443,223)
Borrowing costs	(5,512,300)	(6,308,805)	(11,156,514)	(12,673,253)
<b>Realised income before taxation</b>	<b>1,498,552</b>	<b>9,243,997</b>	<b>8,574,480</b>	<b>18,158,037</b>
Change in fair value of investment property	-	-	-	-
<b>Income before taxation</b>	<b>1,498,552</b>	<b>9,243,997</b>	<b>8,574,480</b>	<b>18,158,037</b>
Taxation	-	-	-	-
<b>Net income</b>	<b>1,498,552</b>	<b>9,243,997</b>	<b>8,574,480</b>	<b>18,158,037</b>
Other comprehensive income after tax	-	-	-	-
<b>Total comprehensive income</b>	<b>1,498,552</b>	<b>9,243,997</b>	<b>8,574,480</b>	<b>18,158,037</b>
Earnings per unit (sen)	0.32	2.00	1.86	3.93
- realised (sen)	0.32	2.00	1.86	3.93
- unrealised (sen)	-	-	-	-
<b>Number of units</b>	<b>461,960,178</b>	<b>461,960,178</b>	<b>461,960,178</b>	<b>461,960,178</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 2019 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE  
FOR THE QUARTER ENDED 30 JUNE 2020 (UNAUDITED)**

	<b>Unitholders' Capital RM</b>	<b>Undistributed income</b>		<b>Unitholders' Fund RM</b>
		<b>Realised RM</b>	<b>Unrealised RM</b>	
<u>Balance at 1 January 2020</u>				
As previously reported	492,500,449	41,687,502	75,243,700	609,431,651
<u>Operation for period ended 30 June 2020</u>				
Total comprehensive income for The financial quarter	-	8,574,480	-	8,574,480
<u>Unitholders' transaction</u>				
Distribution to unitholders	-	(9,239,204)	-	(9,239,204)
Balance at 30 June 2020	<u>492,500,449</u>	<u>41,022,778</u>	<u>75,243,700</u>	<u>608,766,927</u>

**CUMULATIVE YEAR ENDED 31 DECEMBER 2019 (AUDITED)**

	<b>Unitholders' Capital RM</b>	<b>Undistributed income</b>		<b>Unitholders' Fund RM</b>
		<b>Realised RM</b>	<b>Unrealised RM</b>	
<u>Balance at 1 January 2019</u>				
As previously reported	492,500,449	43,139,627	99,675,471	635,315,547
<u>Operation for year ended 31 December 2019</u>				
Total comprehensive income for the financial quarter	-	35,874,258	(24,431,771)	11,442,487
<u>Unitholders' transaction</u>				
Distribution to unitholders	-	(37,326,383)	-	(37,326,383)
Balance at 31 December 2019	<u>492,500,449</u>	<u>41,687,502</u>	<u>75,243,700</u>	<u>609,431,651</u>

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 2019 and the accompanying explanatory notes.

**CONDENSED STATEMENT OF CASH FLOWS  
FOR THE QUARTER ENDED 30 JUNE 2020 (UNAUDITED)**

	<b>Current YTD 30.06.2020 RM</b>	<b>Preceding YTD 31.12.2019 RM</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Income before taxation	8,574,480	39,613,619
Adjustments for :-		
Depreciation PPE	11,260	22,777
Interest income	(184,870)	(413,095)
Interest expense	11,156,514	26,165,840
Impairment loss on trade receivables	3,399,148	2,499,143
Fair value adjustment on Investment Properties	-	(3,739,361)
Operating profit before working capital changes	<u>22,956,532</u>	<u>64,148,923</u>
Change in working capital :-		
Receivables	(5,081,707)	(3,089,494)
Payables	<u>2,352,921</u>	<u>5,505,222</u>
Net cash from operating activities	<u>20,227,746</u>	<u>66,564,651</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Expenditure for refurbishment and enhancement of investment property incurred	(4,301,349)	(6,289,845)
Purchase of property, plant and equipment	-	(3,100)
Interest income	184,870	413,095
Fixed deposit	(4,928)	(79,600)
Net cash used in investing activities	<u>(4,121,407)</u>	<u>(5,959,450)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest expense	(11,156,514)	(26,165,840)
Distribution to Unitholders	(9,239,204)	(37,326,383)
Borrowings	18,000,000	18,980
Net cash used in financing activities	<u>(2,395,718)</u>	<u>(63,473,243)</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>13,710,621</b>	<b>(2,868,042)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>10,466,667</b>	<b>13,334,709</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>24,177,288</u></b>	<b><u>10,466,667</u></b>

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2019 and the accompanying explanatory notes attached.

**A. EXPLANATORY NOTES FOR THE QUARTER ENDED 30 JUNE 2020 PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS ("MFRS")**

**A1 BASIS OF PREPARATION**

The quarterly financial report is unaudited and has been prepared in compliance with MFRS 134: Interim Financial Reporting and Chapter 9, Paragraph 9.44 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). Hektar REIT had adopted Malaysian Financial Reporting Standards issued by Malaysian Accounting Standards Board for accounting period beginning 1 January 2012.

**A2 AUDIT REPORT OF PRECEDING FINANCIAL YEAR**

The auditors have expressed an unqualified opinion on Hektar REIT's financial statements for the year ended 31 December 2019 in their report dated 26 February 2020.

**A3 SEASONALITY OR CYCLICALITY OF OPERATIONS**

The business of Hektar REIT is not affected by material, seasonal or cyclical factors.

**A4 UNUSUAL ITEMS**

Except for disclosure in Note A10, there were no unusual items affecting assets, liabilities, equity, net 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 were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter.

**A7 INCOME DISTRIBUTION**

Due to the grant of a temporary deferment of all profit payments to our financiers, Malayan Banking Berhad and Maybank Islamic Berhad, from May 2020 to October 2020 ("Moratorium Period"), Hektar REIT is prohibited from paying out any dividends to its unitholders until full settlement of the deferred interest/profit payments on all financing facilities for the Moratorium Period.

**A8 SEGMENT INFORMATION**

The principal activity of Hektar REIT is to invest in properties in Malaysia with the primary objective to derive rental income and medium-to-long term growth. Hence, no segmental reporting is presented.

**A9 VALUATION OF INVESTMENT PROPERTIES**

The Investment Properties for Subang Parade, Mahkota Parade, Wetex Parade, Central Square, Kulim Central and Segamat Central were last valued on 30 September 2019.

**A10 MATERIAL SUBSEQUENT EVENTS TO THE END OF THE INTERIM PERIOD**

Hektar REIT's shopping malls have complied and continue to observe the government and regulatory directives during the Movement Control Order ("MCO") periods. Hektar REIT has continued to implement the formulated strategic plans to assist tenants during these challenging times. This includes rental assistance offered to all tenants that qualify, which is aimed at easing the cash flow position of retailers. The current passive economic and business conditions due to the pandemic is expected to have an adverse impact on the financial results due to assistance offered, increase in expected credit losses and impairment of fair value for investment properties for the financial year ending 31 December 2020.

Since the Recovery Movement Control Order ("RMCO") began on 10 June 2020, Hektar REIT's shopping malls have seen a gradual increase in visitor footfall together with vehicle traffic volume. We continue to stay vigilant to ensure a safe retail environment for our tenants, shoppers and employees.

Hektar REIT is deploying various cost saving measures to remain resilient. Management is also pursuing various avenues of fundraising to support the business, including the issuance of new units via private placement, which is still ongoing.

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

There were no changes to the composition of Hektar REIT during the current quarter and the fund size stands at 461,960,178 units.

**A12 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no contingent liabilities or contingent assets to be disclosed.

**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)**

Capital commitment in respect of the following has not been provided for in the financial statements:-

Authorised and contracted for:-	<b><u>RM</u></b>
Refurbishment of investment properties	<b><u>1,964,516</u></b>

**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS**

**B1 REVIEW OF PERFORMANCE**

For the cumulative period ended 30 June 2020, Hektar REIT generated total revenue of RM55,538,064 including interest and other income.

Revenue was lower than the preceding year by 19% and lower property operating expenses by 12% resulting in lower realised net income by 53%.

**B2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER**

	Current Quarter Ended 30.06.2020 RM	Preceding Quarter Ended 30.06.2019 RM
<b>Income before tax (RM)</b>	<b>1,498,552</b>	<b>9,243,997</b>
- Realised income before tax (RM)	1,498,552	9,243,997

**B3 PROSPECTS**

As mentioned in A10, Hektar's performance is impacted during this period and this is likely to continue until early next year. However, a gradual recovery in business activities through the Government's Economic stimulus package and lower interest rates has helped to cushion the negative impact.

Retail Group Malaysia (RGM) highlighted that for the second quarter, retail sales are expected to decline by 28.8%, worse than the projection made by RGM in April 2020 at negative 9.3%. For the third quarter, retail sales are expected to suffer a moderate decline of 3.5% as compared to last year. In the event MCO is lifted fully, Malaysian retailers should expect retail business to begin its recovery. For the fourth quarter, retail sales are expected to decrease slightly by 1.5%. With the evolving retail landscape, Hektar REIT is supporting its tenants with assistance and engaging with patrons through digital marketing promotions.

Management is closely monitoring the situation and remain focused on actively managing its portfolio by making timely decisions to mitigate any future risk that could impact Hektar REIT.

**B4 VARIANCE OF PROFIT FORECAST OR PROFIT GUARANTEE**

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

**B5 TAX EXPENSE**

Pursuant to the introduction of the new tax regime for Real Estate Investment Trust ("REIT"), a REIT will be fully exempted from income tax provided at least 90% of its income is distributed to unitholders with effect from the year of assessment 2007. 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 2020.

Generally, gains on disposal of investments by Hektar REIT are regarded as capital gains and 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 the gazette of the Finance Act 2019 on 31 December 2019, any gains on disposal of real properties or shares in real property companies held by a Trust would be subject to RPGT at the following rates:

<b>Date of Disposal</b>	<b>Rates (%)</b>
Within 3 years from date of acquisition	30
In the 4th year	20
In the 5th year	15
In the 6th year and subsequent years	10

Hektar REIT has provided Deferred Tax Liability of RM28.2 million calculated based on RPGT at a rate of 10% on the net fair value gain of five (5) investment properties which comprised of Subang Parade, Mahkota Parade, Wetex Parade along with Classic Hotel, Central Square and Kulim Central.

**B6 SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

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

**B7 QUOTED INVESTMENTS**

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

**B8 CORPORATE PROPOSAL AND DEVELOPMENTS**

There was no corporate proposal announced but not completed during the quarter.

**B9 BORROWINGS AND DEBT SECURITIES**

Hektar REIT's total borrowings of RM581,090,863 are secured and comprise of the following:

1. Current liabilities of RM15,000,000; and
2. Non-current liabilities of RM566,090,863.

**B10 UTILISATION OF PROCEEDS RAISED FROM ISSUANCE OF NEW UNITS**

There was no issuance of new units during the quarter under review.

**B11 OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

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

**B12 MATERIAL LITIGATION**

**Strata Management Tribunal Claim Against Mahkota Parade JMB**

(Judicial Review No: MA-25-3-01/2019)

(Originating Summons No: MA-24-1-01/2019)

(Strata Management Tribunal, Putrajaya Case No. TPS/M-2024-11/2016)

Further to our earlier announcements on this case, on 7 August 2020, the Melaka High Court fixed the Judicial Review Application for further case management on 12 October 2020 pending the disposal of an interlocutory application filed by the respondent (JMB members).

The Management will provide further updates on the matter in due course.

**Writ of Summons by Hektar REIT against Teo Lark Sye, Lee Won Fah, Lee Kim Fah and Tony Lee Kong Fah**

(Civil Suit No. B53F-05-11/2017)

(Civil Appeal No. MA-12BNCvC-7-03/2019)

Further to our earlier announcements on this case, on 19 June 2020, the High Court informed both parties that the judge who was assigned to hear the matter has been elevated to the Court of Appeal and as such the initial decision date fixed on 30 June 2020 has now been postponed to 19 October 2020.

The Management will provide further updates on the matter in due course.

**Writ of Summons against The Store (Central Square and Kulim Central)**

(Appeal No: W-02(NCVC)(W)-2230/11/2017)

(Civil Suit No: WA-22NCVC-394-07/2016)

Further to our earlier announcements on this case, on 22 June 2020, the Federal Court had dismissed The Store's leave application with cost of RM20,000 to be paid by The Store to Hektar REIT. With the dismissal of the leave application by the Federal Court, The Store has no further avenue to appeal on this matter.

Following the decision by the Federal Court, the stakeholder sum amounting to RM4,000,000.00 which was previously deposited by The Store into the joint-solicitors' stakeholder account has been released to Hektar REIT.

**B12 MATERIAL LITIGATIONS (Continued)**

**Writ of Summons against The Store (Central Square and Kulim Central) (Continued)**

(Appeal No: W-02(NCVC)(W)-2230/11/2017)

(Civil Suit No: WA-22NCVC-394-07/2016)

Meanwhile, applications for leave to issue a Writ of Possession and for assessment of damages have been filed by Hektar REIT on 27 July 2020. The High Court had subsequently fixed 18 September 2020 for hearing of the application for leave to issue the Writ of Possession while the application for assessment of damages has been stayed pending the disposal of the application for leave to issue the Writ of Possession.

The Management will provide further updates on the matter in due course.

**Writ of Summons against The Store (Wetex Parade)**

(Appeal No: BA-12NCvC-46-06/2018)

(Civil Suit No: BA-A52NCVC-45-02/2017 and WA-24NCvC-266-02/2017)

Further to our earlier announcements on this case, on 14 August 2020, the Court of Appeal had dismissed The Store's notice of appeal with cost of RM20,000 to be paid by The Store to Hektar REIT. In dismissing the appeal, the Court of Appeal made a further consequential order for the stakeholder sum amounting to RM5,518,811.88 which was previously deposited by The Store into the joint-solicitors' stakeholder account be released to Hektar REIT.

With the dismissal of the notice of appeal by the Court of Appeal, The Store has no further avenue to appeal on this matter.

Meanwhile, the Management will now take steps to issue a notice to The Store to demand that The Store reinstates and redelivers possession of the demised premises to Hektar REIT, failing which the Management will then file an application for leave to issue a Writ of Possession against The Store.

The Management will provide further updates on the matter in due course.

**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)

Further to our earlier announcements on this case, the Sessions Court had, on 30 June 2020 allowed the following claims of Hektar REIT against the 3 tenants:-

- a. monthly rental of the remaining unexpired terms of tenancies amounting to a total of RM1,700,384.30 for all 3 cases;
- b. outstanding sum due and owing under the tenancies and/or tenancy renewal letters amounting to a total of RM1,973,086.29 for all 3 cases; and
- c. costs of RM18,000 for each case payable to Hektar REIT.

**B12 MATERIAL LITIGATIONS (Continued)**

**Writ of summons against 3 tenants & Tashima Development Sdn. Bhd. (Continued)**

(Civil Suit No. JD-B52NCVC-01-01/2019; JD-B52NCVC-02-01/2019 and JD-B52NCVC-03-01/2019)

At the same time, the Sessions Court allowed the following counter-claims by the 3 tenants and guarantor:-

- i. the declaration that the Letter of Undertaking dated 14 September 2017 issued by Tashima to Hektar REIT is void and unenforceable;
- ii. the declaration that the notice of termination issued by the 3 tenants were valid and enforceable.

Following the dissatisfaction over the decision of the Sessions Court in awarding the counter claims in favor of the 3 tenants and the guarantor, Hektar REIT had, on 13 July 2020, via its solicitors, filed the relevant notices of appeal to the High Court to appeal against the decision of the Sessions Court and is now fixed for case management on 27 September 2020.

The Management will 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.

**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)

Further to our earlier announcements on this case, the third party proceedings is now fixed for case management on 21 July 2020. Meanwhile, the matter has been referred to mediation in an attempt for all parties concerned to resolve the pending dispute in an amicable manner and the mediation session has been fixed on 3 September 2020.

The Management will 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.

**B13 SOFT COMMISSION**

For the quarter ended 30 June 2020, there was no soft commission received by the Manager, or its delegates, from its broker from any transactions conducted by the Trust.

**B14 INCOME DISTRIBUTION**

Due to the grant of a temporary deferment of all profit payments to our financiers, Malayan Banking Berhad and Maybank Islamic Berhad, from May 2020 to October 2020 (“Moratorium Period”), Hektar REIT is prohibited from paying out any dividends to its unitholders until full settlement of the deferred interest/profit payments on all financing facilities for the Moratorium Period.

The withholding tax rate imposed on the recipients of income distribution is as follows:

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%

**B15 DISTRIBUTION PER UNIT AND EARNINGS PER UNIT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current	Preceding
	Quarter	Corresponding	YTD	YTD
	30.06.2020	30.06.2019	30.06.2020	30.06.2019
	RM	RM	RM	RM
<b>Net property income</b>	<b>11,973,168</b>	<b>18,247,897</b>	<b>27,687,741</b>	<b>36,823,124</b>
Interest income	121,501	110,647	184,870	311,771
Other income	5,411	27,002	37,993	139,618
Trust expenses	(5,089,228)	(2,832,744)	(8,179,610)	(6,443,223)
Borrowing costs	(5,512,300)	(6,308,805)	(11,156,514)	(12,673,253)
<b>Realised income before taxation</b>	<b>1,498,552</b>	<b>9,243,997</b>	<b>8,574,480</b>	<b>18,158,037</b>
Change in fair value of investment property	-	-	-	-
<b>Income before taxation</b>	<b>1,498,552</b>	<b>9,243,997</b>	<b>8,574,480</b>	<b>18,158,037</b>
Taxation	-	-	-	-
<b>Distribution income</b>	<b>1,498,552</b>	<b>9,243,997</b>	<b>8,574,480</b>	<b>18,158,037</b>
Less:				
Proposed/declared income distribution	-	(9,239,204)	-	(18,155,035)
<b>Balance undistributed realised income</b>	<b>1,498,552</b>	<b>4,793</b>	<b>8,574,480</b>	<b>3,002</b>
<b>Number of units</b>	<b>461,960,178</b>	<b>461,960,178</b>	<b>461,960,178</b>	<b>461,960,178</b>
Earnings per unit (sen)				
- realised (sen)	0.32	2.00	1.86	3.93
Distribution per unit (sen)	-	2.00	-	3.93
Market price (RM)	0.65	1.03	0.65	1.03
Distribution yield (%)	-	7.63	-	7.63

**B16 RESPONSIBILITY STATEMENT**

In the opinion of the Directors of the Manager, the quarterly report has been prepared in accordance with MFRSs and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of Hektar REIT as at 30 June 2020 and of its financial performance and cash flows for the quarter/period ended on that date and duly authorised for release by the Board of the Manager on 26 August 2020.

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 August 2020