

## CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	As at 31.12.2020 RM (Unaudited)	As at 31.12.2019 RM (Audited)
<b><u>NON-CURRENT ASSETS</u></b>		
Investment properties	1,207,000,000	1,236,500,000
Plant & Equipment	90,579	113,099
Capital work in progress	1,379,757	1,157,929
Fixed deposits with a licensed bank	1,551,765	1,527,034
	<u>1,210,022,101</u>	<u>1,239,298,062</u>
<b><u>CURRENT ASSETS</u></b>		
Trade receivables	4,251,192	19,994,849
Other receivables, deposits and prepayments	17,356,146	6,316,665
Cash and bank balances	27,345,909	10,466,667
	<u>48,953,247</u>	<u>36,778,181</u>
<b>TOTAL ASSETS</b>	<b><u>1,258,975,348</u></b>	<b><u>1,276,076,243</u></b>
<b><u>NON-CURRENT LIABILITIES</u></b>		
Tenancy deposits	9,080,548	13,289,996
Deferred tax liability	27,922,384	28,171,132
Bank borrowings	536,090,863	548,090,863
	<u>573,093,795</u>	<u>589,551,991</u>
<b><u>CURRENT LIABILITIES</u></b>		
Trade payables	16,352,877	9,134,723
Other payables and accruals	25,671,535	31,336,495
Tenancy deposits	22,502,198	21,621,383
Bank borrowings	45,000,000	15,000,000
	<u>109,526,610</u>	<u>77,092,601</u>
<b>TOTAL LIABILITIES</b>	<b><u>682,620,405</u></b>	<b><u>666,644,592</u></b>
<b>NET ASSET VALUE</b>	<b><u>576,354,943</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	46,671,543	41,687,502
– unrealised	37,182,951	75,243,700
<b>TOTAL UNITHOLDERS' FUND</b>	<b><u>576,354,943</u></b>	<b><u>609,431,651</u></b>
<b>NET ASSET VALUE PER UNIT (RM)</b>		
-as at the date	1.2476	1.3192
-after distribution for the cumulative quarter	1.2386	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 31 DECEMBER 2020 (UNAUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.12.2020 RM	Preceding Year Corresponding Quarter 31.12.2019 RM	Current YTD 31.12.2020 RM	Preceding YTD 31.12.2019 RM
Revenue	29,818,889	34,865,735	111,138,638	137,089,483
Property operating expenses	(17,463,652)	(15,152,675)	(58,167,771)	(61,653,767)
<b>Net property income</b>	<b>12,355,237</b>	<b>19,713,060</b>	<b>52,970,867</b>	<b>75,435,716</b>
Interest income	190,955	7,257	524,767	413,095
Other income	33,980	46,583	114,345	240,940
Trust expenses	(6,705,314)	(3,554,132)	(18,490,331)	(14,049,653)
Borrowing costs	(4,750,019)	(6,996,388)	(20,896,403)	(26,165,840)
<b>Realised income before taxation</b>	<b>1,124,839</b>	<b>9,216,380</b>	<b>14,223,245</b>	<b>35,874,258</b>
Change in fair value of investment property	(38,309,497)	-	(38,309,497)	3,739,361
<b>(Loss)/Income before taxation</b>	<b>(37,184,658)</b>	<b>9,216,380</b>	<b>(24,086,252)</b>	<b>39,613,619</b>
Taxation	248,748	(28,171,132)	248,748	(28,171,132)
<b>Net (deficit)/ income</b>	<b>(36,935,910)</b>	<b>(18,954,752)</b>	<b>(23,837,504)</b>	<b>11,442,487</b>
Other comprehensive income after tax	-	-	-	-
<b>Total comprehensive (deficit)/income</b>	<b>(36,935,910)</b>	<b>(18,954,752)</b>	<b>(23,837,504)</b>	<b>11,442,487</b>
Earnings per unit (sen)	(8.00)	(4.10)	(5.16)	2.48
- realised (sen)	0.24	2.00	3.08	7.77
- unrealised (sen)	(8.24)	(6.10)	(8.24)	(5.29)
<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 YEAR ENDED 31 DECEMBER 2020 (UNAUDITED)**

	<b>Unitholders' Capital RM</b>	<b><u>Undistributed income</u></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 year ended 31 December 2020</u>				
Total comprehensive income for the financial quarter	-	14,223,245	(38,060,749)	(23,837,504)
<u>Unitholders' transaction</u>				
Distribution to unitholders	-	(9,239,204)	-	(9,239,204)
Balance at 31 December 2020	<u>492,500,449</u>	<u>46,671,543</u>	<u>37,182,951</u>	<u>576,354,943</u>

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

	<b>Unitholders' Capital RM</b>	<b><u>Undistributed income</u></b>		<b>Unitholders' Fund RM</b>
		<b>Realised RM</b>	<b>Unrealised RM</b>	
<b>As at 1 January 2019</b>	492,500,449	41,139,627	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 (UNAUDITED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Current YTD 31.12.2020 RM</b>	<b>Preceding YTD 31.12.2019 RM</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss)/Income before taxation	(24,086,252)	39,613,619
Adjustments for :-		
Depreciation PPE	22,520	22,777
Interest income	(524,767)	(413,095)
Interest expense	20,896,403	26,165,840
Impairment loss on trade receivables	7,777,708	2,499,143
Fair value adjustment on Investment Properties	38,309,497	(3,739,361)
Operating profit before working capital changes	<u>42,395,109</u>	<u>64,148,923</u>
Change in working capital :-		
Receivables	(3,073,532)	(3,089,494)
Payables	<u>(1,775,439)</u>	<u>5,505,222</u>
Net cash from operating activities	<u>37,546,138</u>	<u>66,564,651</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Expenditure for refurbishment and enhancement of investment property incurred	(9,031,325)	(6,289,845)
Purchase of property, plant and equipment	-	(3,100)
Interest income	524,767	413,095
Fixed deposit	<u>(24,731)</u>	<u>(79,600)</u>
Net cash used in investing activities	<u>(8,531,289)</u>	<u>(5,959,450)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest expense	(20,896,403)	(26,165,840)
Distribution to Unitholders	(9,239,204)	(37,326,383)
Borrowings	<u>18,000,000</u>	<u>18,980</u>
Net cash used in financing activities	<u>(12,135,607)</u>	<u>(63,473,243)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	16,879,242	(2,868,042)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u>10,466,667</u>	<u>13,334,709</u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>27,345,909</u>	<u>10,466,667</u>

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 31 DECEMBER 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**

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**

Based on the quarterly result ended 31 December 2020, there will be an Income Distribution of 0.90 sen per unit, amounting to RM4,157,642 to be made on 26 February 2021.

**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 31 December 2020.

**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. With the sudden rise in cases from the beginning of 2021, the Government had announced MCO 2.0 from 13 January 2021 and this is currently enforced across the country until 4 March 2021. The current passive economic and business conditions due to the pandemic are expected to have an adverse impact on the financial results for the financial year ending 31 December 2021.

**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	<u>512,165</u>

**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 31 December 2020, Hektar REIT generated total revenue of RM111,777,750 including interest and other income.

Revenue was lower than the preceding year by 19% and this has resulted in lower realised net income by 60% despite lower property operating expenses by 6%.

**B2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER**

	<b>Current Quarter Ended 31.12.2020</b>	<b>Current Quarter Ended 31.12.2019</b>
	<b>RM</b>	<b>RM</b>
<b>(Loss)/Income before tax (RM)</b>	<b>(37,184,658)</b>	<b>9,216,380</b>
- Realised income before tax (RM)	1,124,839	9,216,380

**B3 PROSPECTS**

As mentioned in A10, Hektar's performance was impacted during this period and this is likely to continue in 2021.

Retail Group Malaysia (RGM) highlighted that the majority of retailers had been badly impacted. RGM has also revised its retail growth projection for the year 2020 from a contraction of -9.3% to an estimate of -15.8%. The recent hike in COVID-19 cases globally and nationwide indicates that borders and inter-state travelling may remain closed for an extended period. The reimplementation of MCO 2.0 and a nationwide state of emergency may lead to a temporary or permanent closure of retail outlets that have been suffering from tight cash flow. In the event of a prolonged MCO 2.0, it will adversely affect the retail sector's financial performance and business confidence. The Government is finalising a national vaccination plan that is expected to commence from the first quarter of 2021. As the situation is still evolving and affected by uncertainties, the full impact of the COVID-19 pandemic cannot be ascertained at this stage. With the evolving retail landscape, Hektar REIT continues to support its tenants with assistance and engages with patrons through marketing promotions. Given the preference, the social and physical retail experience cannot be replicated by online shopping, there is bound to be pent-up demand for shopping, dining and entertainment once the situation improves.

Management is closely monitoring this situation and remain focused on ensuring the safety and well-being of shoppers, tenants, employees and communities at all its properties.

**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 ended 31 December 2020.

Under subsection 61A(1) of the Income Tax Act 1967, a REIT is fully exempt from tax for a year of assessment if it distributes 90% or more of its total income to its Unitholders in the basis period for that year of assessment.

To qualify for the tax exemption for YA 2020 under Section 61A(1) of the Act, Hektar REIT would be required to comply with the said requirement by 31 December 2020.

As a listed REIT on Bursa Malaysia, Hektar REIT is given a grace period of 2 months from the closing of its accounts to distribute the balance so as to qualify for tax exemption at the REIT level pursuant to paragraph 12.1 of the Public Ruling No.5/2017 dated 8 September 2017, issued by Inland Revenue Board of Malaysia.

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 represents 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 RM27.9 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 RM45,000,000; and
2. Non-current liabilities of RM 536,090,863

**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 14 December 2020, the High Court had fixed the Judicial Review Application for hearing on 5 March 2021.

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, due to the Movement Control Order 2.0 imposed by the Government from 13 January 2021 to 18 February 2021, the clarification and/or decision initially fixed on 8 February 2021 has been postponed and rescheduled to 5 March 2021.

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

**B12 MATERIAL LITIGATION (Continued)**

**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, due to the prolonged Conditional Movement Control Order imposed by the Government, the hearing of the application for leave to issue the Writ of Possession has been postponed and rescheduled to 27 January 2021. The parties had, on 27 January 2021 agreed to an amicable settlement and filed a consent judgment at the Kuala Lumpur High Court on the same date. As part of the amicable settlement, The Store had agreed to pay an agreed compensation sum to Hektar REIT and parties have also executed new Tenancy Agreements for the letting of The Store's business premises in both Central Square and Kulim Central for a 3 year term commencing from 1 January 2021, subject to options to renew for a further 4 terms, comprising 3 years each.

**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, due to the prolonged Conditional Movement Control Order imposed by the Government, the hearing of the application for leave to issue the Writ of Possession has been postponed and rescheduled to 15 January 2021. The parties had, on 15 January 2021 agreed to an amicable settlement and filed a consent judgment at the Shah Alam Sessions Court on the same date. As part of the amicable settlement, The Store had agreed to pay an agreed compensation sum to Hektar REIT and parties have also executed a new Tenancy Agreement for the letting of The Store's business premises in Wetex Parade for a 3 year term commencing from 1 January 2021, subject to options to renew for a further 4 terms, comprising 3 years each.

**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, on 13 January 2021, the Court had fixed the matter for further case management on 24 February 2021.

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.

**B12 MATERIAL LITIGATION (Continued)**

**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, attempts to mediate the matter has now been aborted and the High Court had fixed the matter for case management on 15 March 2021.

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 against Mahkota Parade JMB & 5 Others**

(Civil Suit No. 22 NCvC-22-06/2020)

On 2 March 2020, the Mahkota Parade JMB ("JMB") issued a Form 11 of the Strata Management (Maintenance and Management) Regulations 2015 ("Form 11") ("Regulations") to Hektar REIT, pursuant to Regulation 20 of the Regulations, which in essence was a notice to demand for payment of outstanding maintenance charges totalling RM37,431,084 which was allegedly owed by Hektar REIT to the JMB.

Following the receipt of the Form 11 and having consulted Hektar REIT's solicitors, the following applications were filed at the Melaka High Court by Hektar REIT on 19 June 2020:-

- (i) Writ of Summons against the JMB and committee members (collectively "Defendants") for, (amongst others):-
  - (a) a declaration that in issuing the Form 11, the Defendants have breached the Strata Management Act 2013 ("SMA") and/or the Regulations and the Form 11 is void and of no effect;
  - (b) a declaration that the Form 11 statutory procedure has been employed by the Defendants not to recover a debt that is lawfully or legitimately due but represents an attempt by the Defendants to employ the SMA and the Regulations as an engine of fraud to serve their ulterior and extraneous purposes;
  - (c) a declaration that the share unit computation performed by the JMB is in breach of, inter alia, paragraph 5(1) of the First Schedule to the SMA;
  - (d) a declaration that the committee members have conspired to damage the interests (proprietary and otherwise) of Hektar REIT;
  - (e) a declaration that the JMB has abused the process of court as evident in the findings of the High Court on 21 August 2017;
  - (f) an injunction to restrain the Defendants from taking out any proceedings against Hektar REIT premised on the Form 11; and

**B12 MATERIAL LITIGATION (Continued)**

- (g) damages for breach of statutory duty by the JMB, conspiracy, abuse of court process, abuse of statutory power and process.
- (ii) Notice of Application against the Defendants for an interim injunction to restrain the Defendants from taking out any proceedings or in any acting on or proceeding against Hektar REIT premised on the Form 11 and to restrain the Defendants from denying or refusing Hektar REIT's right to vote at a general meeting.

On 26 August 2020, the High Court granted an ad interim injunction in favour of Hektar REIT and subsequently extended the same until 17 December 2020.

On 17 December 2020, the High Court delivered its decision as follows:-

- i. In relation to the Notice of Application for an interim injunction

An injunction is granted to restrain the JMB and its committee members from taking out any proceedings or in any way acting on or proceeding against the Plaintiff premised on the Form 11 until the disposal of the writ of summons action.

- ii. In relation to the Writ of Summons

The High Court fixed the matter for trial on 29 March 2021, 31 March 2021 and 28 May 2021.

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

**B13 SOFT COMMISSION**

For the quarter ended 31 December 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**

The Board of Directors of Hektar Asset Management Sdn Bhd has recommended and the Trustee has approved an Income Distribution of 0.90 sen, amounting to RM4,157,642 for the Fourth Quarter ended 31 December 2020. 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 Quarter 31.12.2020 RM	Preceding Year Corresponding Quarter 31.12.2019 RM	Current YTD 31.12.2020 RM	Preceding YTD 31.12.2019 RM
<b>Net property income</b>	<b>12,355,237</b>	<b>19,713,060</b>	<b>52,970,867</b>	<b>75,435,716</b>
Interest income	190,955	7,257	524,767	413,095
Other income	33,980	46,583	114,345	240,940
Trust expenses	(6,705,314)	(3,554,132)	(18,490,331)	(14,049,653)
Borrowing costs	(4,750,019)	(6,996,388)	(20,896,403)	(26,165,840)
<b>Realised income before taxation</b>	<b>1,124,839</b>	<b>9,216,380</b>	<b>14,223,245</b>	<b>35,874,258</b>
Change in fair value of investment property	-	-	-	-
<b>Income before taxation</b>	<b>1,124,839</b>	<b>9,216,380</b>	<b>14,223,245</b>	<b>35,874,258</b>
Taxation	-	-	-	-
<b>Distribution income</b>	<b>1,124,839</b>	<b>9,216,380</b>	<b>14,223,245</b>	<b>35,874,258</b>
Less: Proposed/declared income distribution	(4,157,642)	(9,239,204)	(4,157,642)	(35,894,306)
<b>Balance undistributed realised income</b>	<b>-</b>	<b>-</b>	<b>10,065,603</b>	<b>-</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)	0.24	2.00	3.08	7.77
Distribution per unit (sen)	0.90	2.00	0.90	7.77
Market price (RM)	0.63	0.99	0.63	0.99
Distribution yield (%)	1.43	7.85	1.43	7.85

**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 31 December 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 25 February 2021.

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

25 February 2021