



Creating The Places
People Love



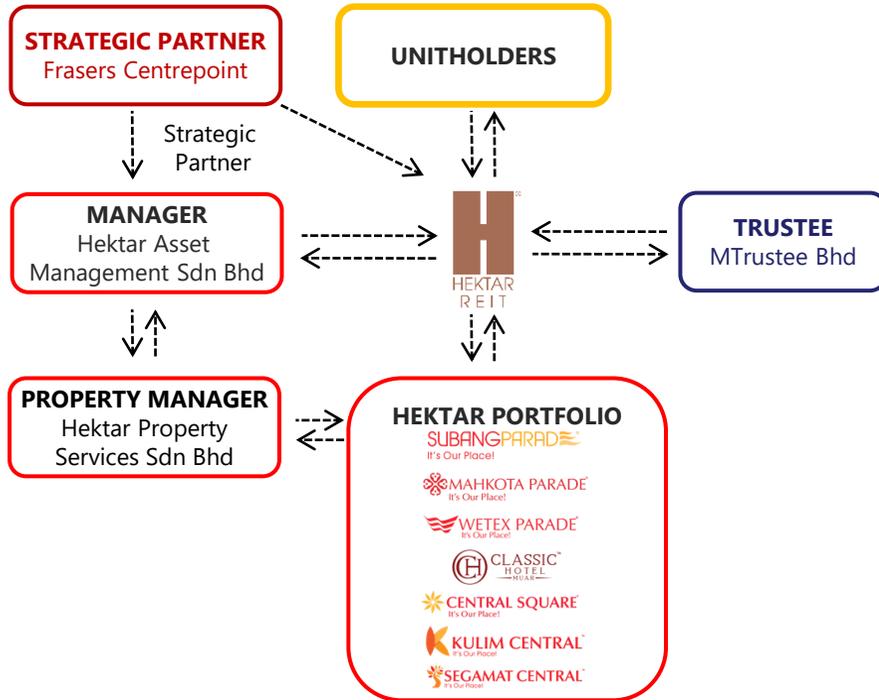
HEKTAR REAL ESTATE INVESTMENT TRUST

1Q 2021 RESULTS PRESENTATION

24 May 2021



Organisation



Diverse Portfolio



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Government Movement Control Order (MCO 2.0) Impact for 1Q2021

- MCO 2.0: 13 January to 4 March 2021
 - Mandatory movement control order designed to minimise spread of COVID-19

- Revenue Impact
 - Gross Revenue at RM26.8 million, lower by 12.8% vs. same period in 2020
 - Net Property Income at RM14.1 million, lower by 10.3% vs. same period in 2020

- Tenant Support Program: Hektar to offer support for tenants affected by MCO 2.0
 - Rent assistance applied selectively on a case-by-case basis

First Quarter 2021 (1Q 21)

January – March 2021 / 3 Months

Financial Performance vs. Previous Period

1Q 21 Gross Revenue: RM26.8 million, -12.8%

1Q 21 Net Property Income: RM14.1 million, -10.3%

1Q 21 Realised Income: RM6.5 million, -7.9%

Financing: 97% of Debt expiring in 2024-2026

Cost of Debt: 3.30%

Operational Performance as at 31 March 2021

Portfolio Occupancy: ~87.7%

Rent Reversions: -0.2%

Expiry Profile: 47% of Net Lettable Area

Portfolio Performance

Overall Occupancy at ~87.7% ▶

Rental Reversions -0.2% for 1Q21 ▶

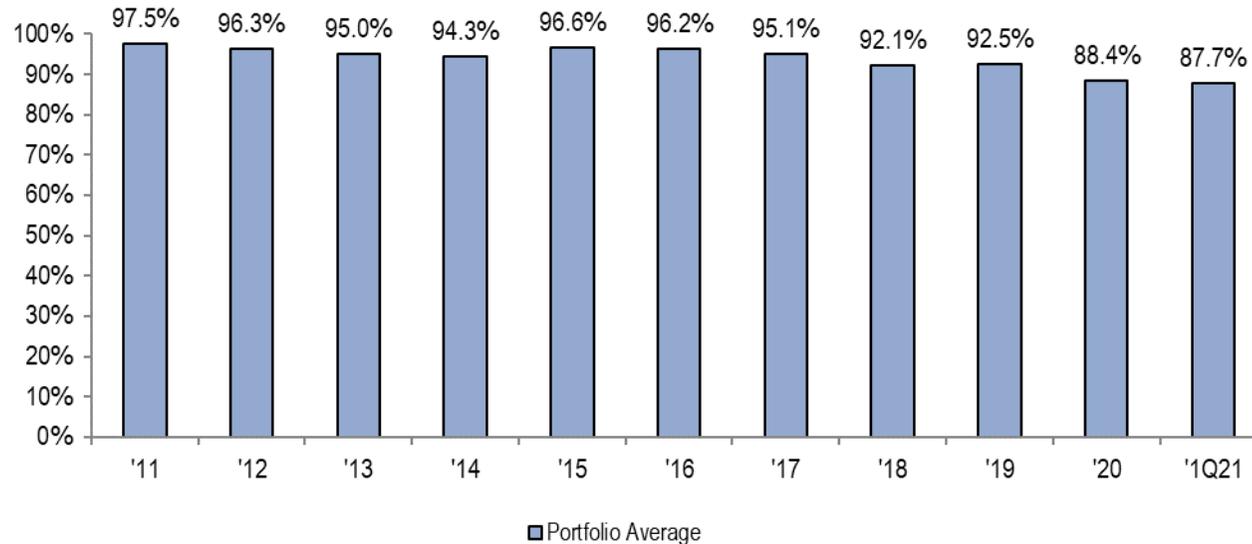
Expiry Profile: 47% NLA expires in 2021 ▶



Average portfolio occupancy stable at **87.7%**

Portfolio Occupancy 2011- 1Q 2021

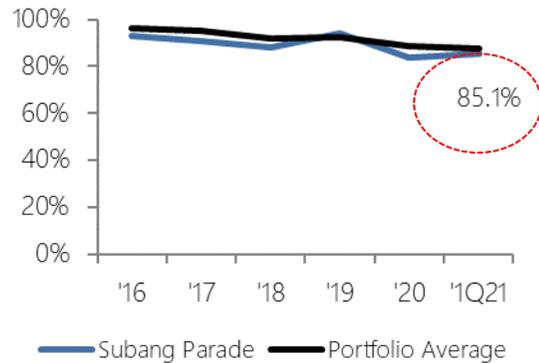
Property	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	'1Q21
Subang Parade	99.9%	99.8%	100.0%	99.3%	94.7%	93.0%	90.9%	88.2%	93.9%	83.7%	85.1%
Mahkota Parade	94.5%	96.1%	97.8%	94.5%	95.5%	96.4%	96.1%	96.0%	96.4%	92.5%	89.1%
Wetex Parade	98.6%	97.8%	96.8%	98.3%	98.7%	100.0%	100.0%	98.5%	96.2%	94.5%	93.7%
Central Square		89.8%	82.5%	80.5%	98.0%	96.6%	95.3%	96.9%	89.7%	87.9%	87.7%
Kulim Central		96.9%	93.7%	97.8%	99.3%	98.9%	98.2%	93.5%	95.0%	93.9%	93.5%
Segamat Central							94.7%	78.6%	77.1%	77.9%	77.2%
Portfolio Average	97.5%	96.3%	95.0%	94.3%	96.6%	96.2%	95.1%	92.1%	92.5%	88.4%	87.7%



Subang Parade's occupancy improved to 85% while Wetex Parade & Kulim Central's occupancies remain strong at above 90%

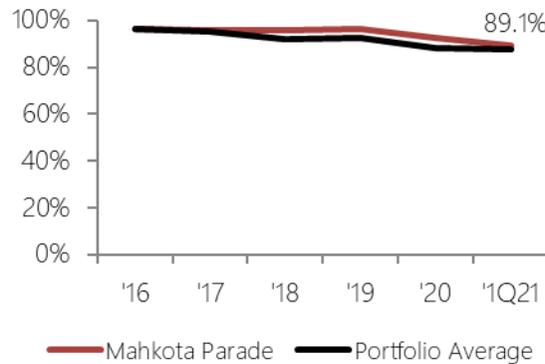
SUBANG PARADE

It's Our Place!



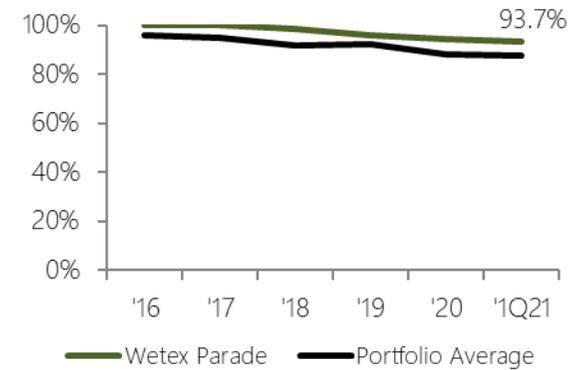
MAHKOTA PARADE

It's Our Place!



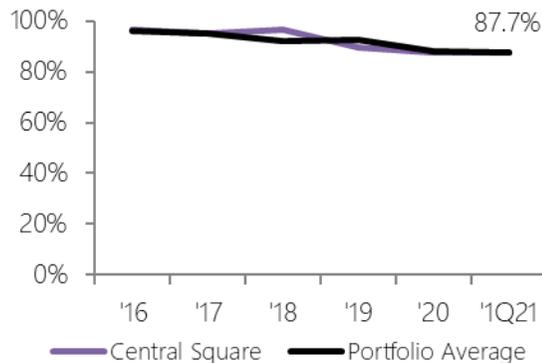
WETEX PARADE

It's Our Place!



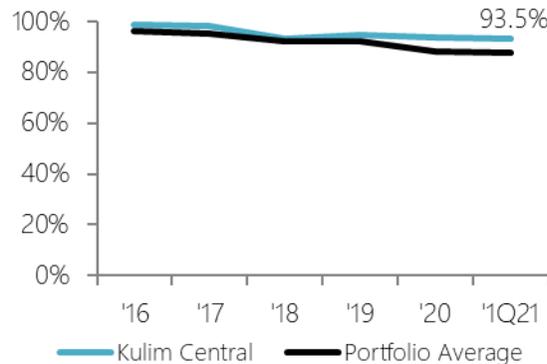
CENTRAL SQUARE

It's Our Place!



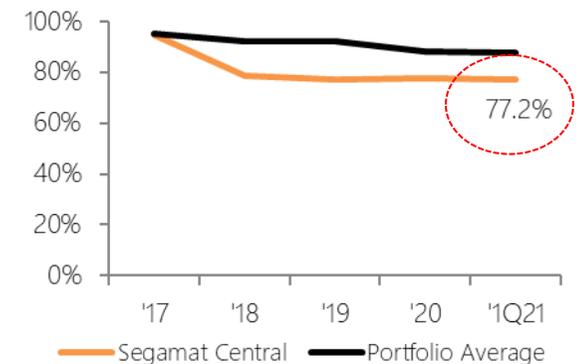
KULIM CENTRAL

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SEGAMAT CENTRAL

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First Quarter Rental Reversions negative (-0.2%)

- 31 new/renewed tenancies representing 16.1% of NLA
- Overall reversions marginally negative due to negative reversions at Subang Parade, Mahkota Parade & Segamat Central
- Long-term anchor tenant The Store renewed their tenancies at Wetex Parade, Central Square and Kulim Central at positive reversions

Portfolio Rental Reversions 1Q 2021

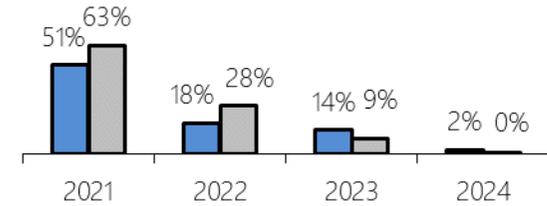
First Quarter (3 months) (Ended 31 March)	No. of New Tenancies / Renewals	NLA (sq ft)	% of Total NLA	+/- vs Previous Rent Rates
Subang Parade	4	4,104	0.8%	-23.3%
Mahkota Parade	9	28,730	5.5%	-16.9%
Wetex Parade	3	88,190	50.4%	17.4%
Central Square	5	134,928	43.4%	11.2%
Kulim Central	3	61,272	20.4%	9.7%
Segamat Central	7	10,784	5.1%	-28.2%
Total / Average*	31	328,008	16.1%	-0.2%

<ul style="list-style-type: none"> ▪ Key Renewed/New Tenants: The Store 	17.4%
<ul style="list-style-type: none"> ▪ Key Renewed/New Tenants: The Store & KFC 	11.2%
<ul style="list-style-type: none"> ▪ Key Renewed/New Tenants: The Store 	9.7%
<ul style="list-style-type: none"> ▪ Renewed/New Tenants : Starbucks, Al-Ikhsan, Ogawa, KFC & Sushi King 	-16.9%
<ul style="list-style-type: none"> ▪ Renewed/New Tenants: Fashion and F&B 	-23.3%
<ul style="list-style-type: none"> ▪ Renewed/New Tenants: BS Gold, Oppo & Playspaces 	-28.2%

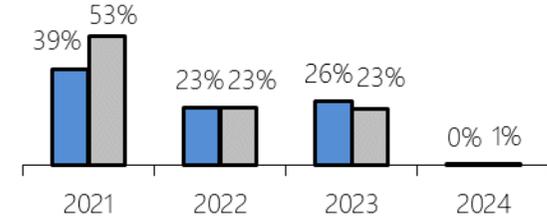
Tenancy Expiry by Property



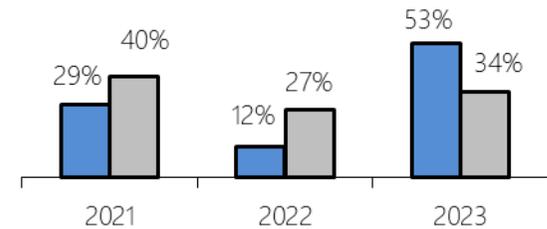
Period End	Tenancies Expiring	Expiring NLA (sq ft)	Expiring NLA as % of Total NLA	% of Monthly Rental Income*
Mar 2021	61	268,366	51%	63%
2022	32	93,003	18%	28%
2023	8	71,935	14%	9%
2024	1	12,440	2%	0%



Period End	Tenancies Expiring	Expiring NLA (sq ft)	Expiring NLA as % of Total NLA	% of Monthly Rental Income*
Mar 2021	66	205,140	39%	53%
2022	23	121,735	23%	23%
2023	10	136,377	26%	23%
2024	1	1,119	0%	1%



Period End	Tenancies Expiring	Expiring NLA (sq ft)	Expiring NLA as % of Total NLA	% of Monthly Rental Income*
Mar 2021	33	50,553	29%	40%
2022	21	21,452	12%	27%
2023	10	91,906	53%	34%

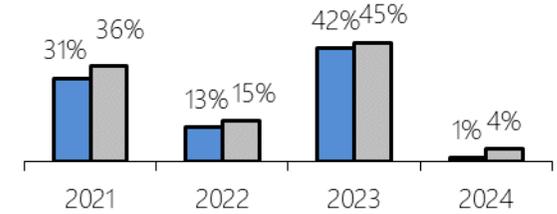


*Based on monthly rental income for Mar 2021. Figures may not round to 100% due to misc. items

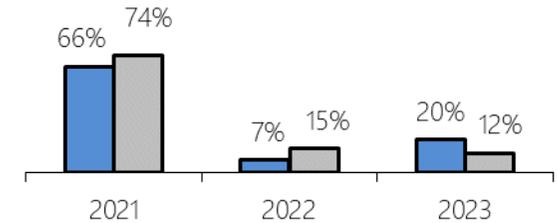
Tenancy Expiry by Property



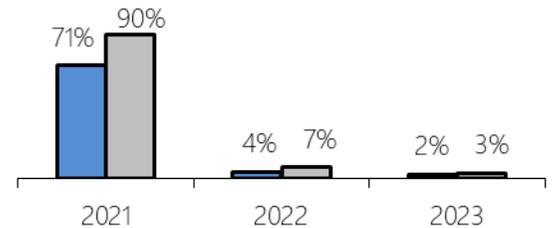
Period End	Tenancies	Expiring NLA	Expiring NLA as	% of Monthly
Mar	Expiring	(sq ft)	% of Total NLA	Rental Income*
2021	32	96,993	31%	36%
2022	8	39,740	13%	15%
2023	5	131,915	42%	45%
2024	1	3,619	1%	4%



Period End	Tenancies	Expiring NLA	Expiring NLA as	% of Monthly
Mar	Expiring	(sq ft)	% of Total NLA	Rental Income*
2021	51	197,934	66%	74%
2022	13	22,069	7%	15%
2023	4	60,266	20%	12%



Period End	Tenancies	Expiring NLA	Expiring NLA as	% of Monthly
Mar	Expiring	(sq ft)	% of Total NLA	Rental Income*
2021	34	150,095	71%	90%
2022	6	8,685	4%	7%
2023	1	4,898	2%	3%



*Based on monthly rental income for Mar 2021. Figures may not round to 100% due to misc. items

Tenancy Expiry for Portfolio 2021-2024

- Total amount of tenancies due for expiry in FY 2021 is 277 which represents 969,081 sq. ft. or 47% of total NLA.
- Total of 31 tenancies covering 328,008 sq. ft. were renewed in 1Q 2021, representing 16.1% of total NLA

Portfolio Expiry Profile 2021-2024

Period End Mar	Tenancies Expiring	Expiring NLA (sq ft)	Expiring NLA as % of Total NLA	% of Monthly Rental Income*
2021	277	969,081	47%	58%
2022	103	306,684	15%	22%
2023	38	497,297	24%	19%
2024	3	17,178	1%	1%



*Based on monthly rental income for Mar 2021. Figures may not round to 100% due to misc. items

SUBANG
PARADE
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MAHKOTA
PARADE
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WETEX
PARADE
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CLASSIC
HOTEL
MUIAR

CENTRAL
SQUARE
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KULIM
CENTRAL
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SEGAMAT
CENTRAL
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Financial Results

WETEX PARADE

1Q 21 Revenue fell 12.8% from preceding period ▶

1Q 21 Net Property Income lower by 10.3% ▶

97% of Debt expires in 2024-2026 ▶

The Movement Control Order has impacted operations

- Revenue slightly down by 12.8%
- Net Property Income lower by 10.3%

Income Statement First Quarter 2021 (unaudited)	1Q21 (RM '000)	1Q20 (RM '000)	Variance (%)
Revenue	26,781	30,714	-12.8%
Direct Cost & Property Expenses	-12,683	-15,000	15.4%
Net Property Income (NPI)	14,098	15,714	-10.3%
Interest & Other Income	159	96	65.6%
Trust Fees & Expenses	-2,860	-3,090	7.5%
Interest Expense	-4,876	-5,644	13.6%
Realised Income Before Taxation	6,520	7,076	-7.9%
Fair Value Adjustment of Investment Properties	-	-	-
Fair Value Change on Derivatives	-	-	-
Taxation	-	-	-
Net Income Before Tax	6,520	7,076	-7.9%
Net Income per Unit (sen)	1.41	1.53	-7.9%
- realised	1.41	1.53	-7.9%

Please refer to the Quarterly Results Announcement for further details.

Balance Sheet (Unaudited)	As at 31.3.2021 (RM '000)	As at 31.12.2020 (RM '000)
Non-Current Assets		
Investment Properties	1,207,000	1,207,000
Plant & Equipment	85	91
Capital Work in Progress	1,423	1,380
Fixed Deposit with a licensed bank	1,552	1,552
	<u>1,210,060</u>	<u>1,210,022</u>
Current Assets		
Trade Receivables	6,375	4,251
Other Receivables, Deposits, Prepayments	12,607	17,356
Cash and Bank Balances	34,832	27,346
TOTAL ASSETS	<u>1,263,874</u>	<u>1,258,975</u>
Long Term Liabilities		
Tenancy Deposits	8,697	9,081
Deferred tax liability	27,922	27,922
Borrowings	566,091	536,091
	<u>602,711</u>	<u>573,094</u>
Current Liabilities		
Trade Payables	21,050	16,353
Other Payables and Accruals	23,649	25,672
Tenancy Deposits	22,746	22,502
Borrowings	15,000	45,000
TOTAL LIABILITIES	<u>685,156</u>	<u>682,620</u>
NET ASSET VALUE	578,718	576,355
Unitholders' Capital	492,500	492,500
Retained Earnings - realised	49,034	46,672
Retained Earnings – unrealised	37,183	37,183
TOTAL UNITHOLDERS' FUND	<u>578,718</u>	<u>576,355</u>

Unit Price Statistics As at 31 March 2021

No. of Units
461,960,178

Net Asset Value Per Unit
RM 1.25

Unit Price
RM 0.60

Market Capitalisation
RM277,176,107

Premium / Discount to NAV
-52%

Please refer to the Quarterly Results
Announcement for further details.

Debt Summary March 2021

- Facilities: Al-Murabahah, Term Financing (TF), Short-Term Revolving Credit (STRC)
- Financiers: [Maybank](#), [CIMB](#)
- Total Debt: **RM581.1 million**
- Cost Structure: [Cost of Funds + \(1.00%-1.25%\)](#)
- Weighted Cost: **3.30%**
- Gearing Ratio¹: **46.0%**
- Interest Cover²: **2.34**

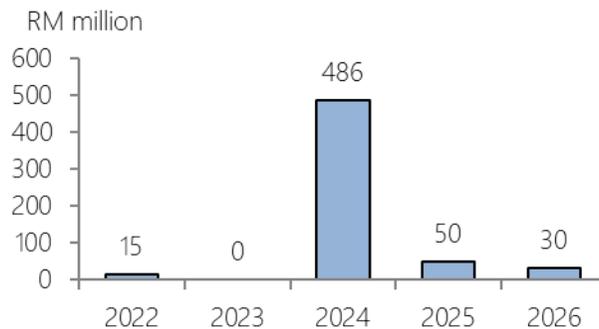
¹ Gearing ratio calculated by financing liabilities over Gross Asset Value (GAV). ² Based on 3 months ended 31 Mar 2021

Facilities

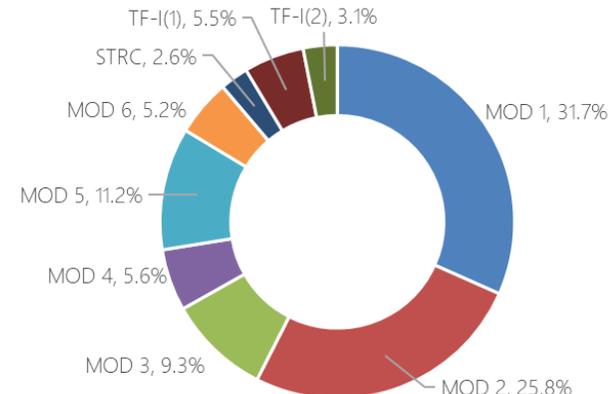
#	Facility	Amount (RM'000)	% Total Debt	Expiry
1	MOD 1	184,000	31.7%	Feb-24
2	MOD 2	150,000	25.8%	Feb-24
3	MOD 3	54,300	9.3%	Feb-24
4	MOD 4	32,800	5.6%	Feb-24
5	MOD 5	64,991	11.2%	Feb-24
6	MOD6	30,000	5.2%	Mar-26
7	STRC	15,000	2.6%	Apr-22
8	TF-I(1)	32,000	5.5%	Jan-25
9	TF-1(2)	18,000	3.1%	Jun-25
Total		581,091	100.0%	

Expiry Profile 2022-2026

Year	% Debt
2022	2.6%
2023	0.0%
2024	83.7%
2025	8.6%
2026	5.2%



Funding Composition



Portfolio Updates



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CLASSIC HOTEL MUAR

CENTRAL SQUARE
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KULIM CENTRAL
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SEGAMAT CENTRAL
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Warung Nasi Mee opened on 19th February 2021 and Marina Nail Spa opened on 26th February 2021



Llao Llao opened on 2nd January 2021 and Skechers opened on 1st March 2021



EEK Mart opened on 6th March 2021



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