

PRESS RELEASE
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Hektar REIT Delivers Resilient Q1 FY2025 Performance with 8.9% Revenue Growth and Strong NPI Expansion

- Revenue enhanced by 8.9% year-on-year to RM30.9 million and Net Property Income (NPI) rose 4.4% year-on-year to RM15.0 million driven by income from education asset and improved retail performance.
- Advanced ESG agenda with rollout of rooftop solar panel projects across five malls, targeting long-term energy savings and carbon footprint reduction.
- Strengthened diversification with education asset contribution; progressing with proposed acquisition of 15-year master-leased industrial property in Penang.
- Asset Enhancement Initiatives and tenancy remixing remain a key focus to uplift performance and enhance value across core retail assets, especially at Subang Parade.

Kuala Lumpur, 28 May 2025 – Hektar Asset Management Sdn Bhd, the Manager of [Hektar Real Estate Investment Trust](#) ("Hektar REIT"), today announced its financial results for the first quarter ended 31 March 2025 ("Q1 FY2025"), demonstrating continued resilience across its asset portfolio and improved operational efficiency.

For Q1 FY2025, Hektar REIT recorded total revenue of RM30.9 million, an increase of 8.9% year-on-year (YoY) from RM28.4 million in Q1 FY2024, primarily supported by income contributions from the newly acquired Kolej Yayasan Saad ("KYS") education asset and improved performance from its retail properties. Net Property Income ("NPI") rose 4.4% YoY to RM15.0 million, while Net Realised Income stood at RM4.2 million, lower than the RM5.1 million in the same quarter last year due to the absence of one-off fund placement income recognized in prior period and slightly higher administrative and financing expenses.

In alignment with its ESG ambitions, Hektar REIT entered into a landmark partnership with Samaiden Group Berhad to implement solar project at five of its shopping centres. The initiative is projected to deliver long-term energy cost savings of approximately **RM2.05 million annually** or **RM41.3 million over 20 years** and reduce carbon emissions by an estimated **98,640 tonnes**, equivalent to planting over a total of 1,972,800 trees over 20 years. This initiative underscores Hektar REIT's commitment to sustainable operations and climate impact mitigation.

Furthermore, a comprehensive **Asset Enhancement Initiative (AEI)** is underway at Subang Parade, with Phase 1 interior upgrades targeted for completion by Q1 2026. These efforts aim to uplift tenant value, customer experience, and asset performance. The Manager reported positive improvements in visitor traffic and rental reversion, since the announcement and execution of the Asset Enhancement Initiative (AEI) for Subang Parade, showcasing enhanced Tenants and customers' confidence. The opening of new tenants such as Game on by Next Gen, Oriental Parade, Mokky's Pizza, The Farm & Chan Rak BBQ, Little Ninja Dojo, Padi House, Fly Cycle Project have certainly contributed

to higher footfall. The Manager looks forward to welcome more brands this year including CC Roasters, Paolo Paolo Gelato and Chagee among other tenants.



Zainal Iskandar, ED & CEO ([Link](#))

Zainal Iskandar, Executive Director and Chief Executive Officer of Hektar Asset Management, commented, “We are encouraged by the positive start to FY2025, supported by the strategic diversification of our portfolio and prudent cost management. Our retail assets are now consistently recording positive rental reversions, while our education asset continues to provide consistent income. These results reflect our continued discipline in maintaining stable returns and strengthening the resilience of our portfolio.”

Looking ahead, the Manager remains optimistic on the value enhancements to be generated by its retail assets upon completion of AEs and strategic leasing initiatives. Early gains are already seen in elevated occupancy rate which currently stands at 85.6%, positive rental reversions and higher footfall, boosting yields across Hektar Malls. Additionally, the proposed acquisition of a 15-year master-leased industrial asset in Bayan Lepas Free Industrial Zone is progressing as planned and is poised to further diversify and strengthen the REIT’s income profile.

Hektar REIT’s total assets stood at RM1.44 billion as at 31 March 2025, while the net asset value per unit was RM1.0396.

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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 December 4, 2006 and currently owns 2 million square feet of retail space and an education property across 4 states with total assets valued at RM1.39 billion. On 19 February 2025, The Manager has announced the proposed acquisition of an industrial property located in Bayan Lepas, Penang for RM30 million, marking Hektar REIT’s dedication to diversification for yield-accretive non-retail assets, being the first industrial asset in its portfolio. 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 diversified properties includes Subang Parade in Subang Jaya, Selangor; Mahkota Parade in Melaka; Kolej Yayasan Saad in Ayer Keroh, 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



For more information or inquiries, please contact:

Hektar Asset Management Sdn Bhd
D1-U3-10, Solaris Dutamas
No 1, Jalan Dutamas 1
50480 Kuala Lumpur
Malaysia



Investor Relations
Tel: +6 03 6205 5570
Fax: +6 03 6205 5571
Email: ir@HektarREIT.com
Web: www.HektarREIT.com

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For more information, please contact:

Jazzmin Wan

Tel: +60 17-289 4110

Emel: j.wan@swanconsultancy.biz

Renee Toh

Tel: +60 12-228 9621

Email: r.toh@swanconsultancy.biz

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