

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	As At 31.03.2022 RM (Unaudited)	As At 31.12.2021 RM (Audited)
ASSETS		
Non-current assets		
Investment properties	1,369,500,000	1,369,500,000
Trade and other receivables	-	-
	1,369,500,000	1,369,500,000
Current assets		
Trade and other receivables	7,893,512	7,870,877
Security deposits in trust accounts	10,772,769	11,205,770
Cash and cash equivalents	39,818,415	33,767,740
Asset classified as held for sale	8,500,000	8,500,000
	66,984,696	61,344,387
TOTAL ASSETS	1,436,484,696	1,430,844,387
LIABILITIES		
Non-current liabilities		
Borrowings	643,918,432	643,845,642
Trade and other payables	17,761,907	14,644,410
	661,680,339	658,490,052
Current liabilities		
Borrowings	-	-
Trade and other payables	14,090,951	15,965,910
Deferred tax liabilities	10,783,000	10,783,000
	24,873,951	26,748,910
TOTAL LIABILITIES	686,554,290	685,238,962
NET ASSET VALUE ("NAV")	749,930,407	745,605,425
FINANCED BY:		
UNITHOLDERS' FUND		
Unitholders' capital	519,685,915	519,685,915
Distributed income - realised	46,766,039	42,441,057
Undistributed income - unrealised	183,478,453	183,478,453
TOTAL UNITHOLDERS' FUND	749,930,407	745,605,425
NUMBER OF UNITS IN CIRCULATIONS	573,219,858	573,219,858
NET ASSET VALUE ("NAV") PER UNIT (RM):		
- Before income distribution	1.3083	1.3007

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF PROFIT OF LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MARCH 2022
(UNAUDITED)**

	CURRENT		CUMULATIVE	
	Current Year Quarter 31.03.2022 RM	Preceding Year Corresponding Quarter 31.03.2021 RM	Current Year To-date 31.03.2022 RM	Preceding Corresponding Year To-date 31.03.2021 RM
Revenue	18,804,330	21,367,593	18,804,330	21,367,593
Unrealised (in relation to unbilled lease income receivable)	-	-	-	-
Properties expenses	(5,321,519)	(4,441,339)	(5,321,519)	(4,441,339)
Property operating expenses				
Net property income	13,482,812	16,926,255	13,482,812	16,926,255
Unbilled lease income receivable	-	-	-	-
Interest income	133,675	33,255	133,675	33,255
Other income	173,839	147,808	173,839	147,808
Gains from investment properties disposal	-	-	-	-
TOTAL TRUST INCOME	13,790,326	17,107,318	13,790,326	17,107,318
Trust expenses	(3,524,335)	(2,212,320)	(3,524,335)	(2,212,320)
Borrowing costs	(5,941,009)	(5,951,451)	(5,941,009)	(5,951,451)
TRUST EXPENSES	(9,465,344)	(8,163,771)	(9,465,344)	(8,163,771)
Realised income before taxation	4,324,982	8,943,547	4,324,982	8,943,547
Changes in fair value of investment properties	-	-	-	-
Income before taxation	4,324,982	8,943,547	4,324,982	8,943,547
Deferred tax expense	-	-	-	-
Total Income	4,324,982	8,943,547	4,324,982	8,943,547
Distribution to unitholders				
- from current period realised net income	-	-	-	-
- from previous period realised net income	-	-	-	-
Realised income retained	4,324,982	8,943,547	4,324,982	8,943,547
Unrealised income retained / (utilised)	-	-	-	-
Net income for the financial period is made up as follows:				
- realised	4,324,982	8,943,547	4,324,982	8,943,547
- unrealised				
Changes in fair value of investment properties	-	-	-	-
Deferred tax expense	-	-	-	-
	4,324,982	8,943,547	4,324,982	8,943,547
EARNINGS PER UNIT (SEN)				
- after manager fees (sen)	0.7545	1.5602	0.7545	1.5602
- before manager fees (sen)	1.0280	1.8446	1.0280	1.8445
EARNINGS PER UNIT (SEN)				
- realised	0.7545	1.5602	0.7545	1.5602
- unrealised	-	-	-	-
DISTRIBUTION PER UNIT (SEN)				
- realised from current period	-	-	-	-
- realised from previous period	-	-	-	-
	-	-	-	-

The Condensed Statement of Profit or Loss and Other Comprehensive Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE CUMULATIVE QUARTER ENDED 31 MARCH 2022**

	Unitholder's Capital RM	----- Undistributed Income -----		Total RM
		Realised RM	Unrealised RM	
At 1 January 2022	519,685,915	42,441,057	183,478,453	745,605,425
Operation for the financial period ended 31 March 2022				
Total comprehensive income for the financial period	-	4,324,982	-	4,324,982
Realisation of income from disposal of property	-	-	-	-
	-	-	-	-
<i>Increase in net assets resulting from operations</i>	-	4,324,982	-	4,324,982
Unitholders' transactions				
Distribution to unitholders - 2020 Second Half	-	-	-	-
Distribution to unitholders - 1st Half 2021	-	-	-	-
Distribution to unitholders - 2nd Half 2021	-	-	-	-
<i>Increase in net assets resulting from unitholders' transactions</i>	-	-	-	-
At 31 March 2022	519,685,915	46,766,039	183,478,453	749,930,407

	Unitholder's Capital RM	----- Undistributed Income -----		Total RM
		Realised RM	Unrealised RM	
At 1 January 2021	519,685,915	44,508,363	182,657,227	746,851,505
Operation for the financial period ended 31 December 2021				
Total comprehensive income for the financial period	-	30,604,012	821,226	31,425,238
Realisation of income from disposal of property	-	-	-	-
	-	-	-	-
<i>Increase in net assets resulting from operations</i>	-	30,604,012	821,226	31,425,238
Unitholders' transactions				
Distribution to unitholders - 2020 Second Half	-	(16,547,577)	-	(16,547,577)
Distribution to unitholders - 1st Half 2021	-	(16,123,741)	-	(16,123,741)
<i>Increase in net assets resulting from unitholders' transactions</i>	-	(32,671,319)	-	(32,671,319)
At 31 December 2020	519,685,915	42,441,057	183,478,453	745,605,425

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 2021 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE CUMULATIVE QUARTER ENDED 31 MARCH 2022**

	Current Year To-date 31.03.2022 RM	Preceding Year To-date 31.12.2021 RM
Cash Flows From Operating Activities		
Net income before taxation	4,324,982	31,585,238
Adjustments for:-		
Finance costs	5,941,009	24,024,911
Finance income	(133,675)	(308,025)
Net impairment loss on financial instruments	-	5,558,924
Change in the fair value of properties	-	(981,226)
Operating income before changes in working capital	10,132,315	59,879,822
Changes in working capital:-		
Trade and other receivables	410,366	(816,324)
Trade and other payables	1,242,538	(3,177,951)
Net cash generated from operating activities	11,785,219	55,885,547
Cash Flows From Investing Activities		
Interest received	133,675	272,651
Proceeds from disposal of investment properties	-	-
Improvement of properties	-	(3,532,981)
Net cash used in investing activities	133,675	(3,260,330)
Cash Flows From Financing Activities		
Distribution paid to unitholders	-	(32,671,417)
Drawdown of term loan	-	-
Repayment of term loan	-	-
Interest paid	(5,868,219)	(23,760,863)
Net cash (used in)/ generated from financing activities	(5,868,219)	(56,432,280)
Net (decrease)/ increase in cash and cash equivalents	6,050,676	(3,807,063)
Cash and cash equivalents at beginning of financial period	33,767,740	37,574,803
Cash and cash equivalents at end of financial period	39,818,415	33,767,740
	0	0

The Condensed Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2021 and the accompanying explanatory notes attached.

A. EXPLANATORY NOTES FOR THE QUARTER ENDED 31 MARCH 2022 PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD ("MFRS")

A1. BASIS OF PREPARATION

This quarterly financial report is unaudited and has been prepared in accordance with Malaysian Financial reporting Standards (MFRSs) where applicable to AmanahRaya Real Estate Investment Trust ("ARREIT" or "Trust") that are effective for annual periods beginning on or after 1 January 2022. In preparing this quarterly financial report MFRS 134: Interim Financial Reporting has been applied. In addition, this quarterly financial report has been prepared in accordance with Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. This financial report comprise ARREIT and its wholly-owned special purpose company, ARREIT MTN 1 Sdn Bhd, company incorporated in Malaysia, of which the principal activity is to raise financing and on behalf of ARREIT.

A2. METHOD OF COMPUTATION AND CHANGES IN ACCOUNTING POLICIES

The methods of computation used in the preparation of the quarterly financial report are consistent with those adopted in the preparation of the audited financial statements and audited information of ARREIT for the financial year ended 31 December 2021.

A3. AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2021

The audit report of the Trust's financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Trust are not affected by any material seasonal or cyclical factor.

A5. UNUSUAL ITEMS

There were no items of unusual nature that affect the assets, liabilities, equities, net income or cash flows to be disclosed for the quarter under review.

A6. CHANGES IN ESTIMATES

There were no changes in estimates that have had material effect in the current quarter.

A7. DEBTS AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial year-to-date.

A8. INCOME DISTRIBUTION

The Trust has paid its first interim income distribution on 2 October 2021 amounting to RM16,123,823. For the second interim income distribution, the management has proposed and provided RM12,688,651 to be distributed to the unitholders.

A9. SEGMENTAL REPORTING

No segmental information was prepared as the Trust's activities are predominantly in one segment of the industry and occur predominantly in Malaysia.

A10. VALUATION OF INVESTMENT PROPERTIES

The fair value of the investment properties as at 31 December 2021 were derived by the Directors of the Manager's assessment based on values obtained from latest valuations conducted by independent firms of professional valuers. The properties were valued by the appointed valuers adopting suitable valuation approaches depending on the type of properties.

A11. RENTAL INCOME FROM TENANCIES (MFRS 117)

Rental income receivable under tenancy agreement is recognised as straight-line basis over the term of the lease.

A12. MATERIAL AND SIGNIFICANT EVENT

There was no material event as at the latest practicable date from the date of this report.

A13. CHANGES IN THE COMPOSITION AND FUND SIZE OF THE TRUST

There were no changes in the composition of ARREIT for the current quarter and the total number of units issued stands at 573,219,858.

A14. CONTINGENT LIABILITIES OR CONTINGENT ASSETS

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

A. EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2019 PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD ("MFRS") - Cont'd**A15. TRADE AND OTHER PAYABLES**

Included in the Current and Non-Current Liabilities - Trade and Other Payables are tenant deposits of RM23.2 million received from lessees for tenancy contracts with tenure of one to twenty five years (Current; RM8.6 million and Non Current: RM14.6 million).

A16. TRADE AND OTHER RECEIVABLES

Included in the Current Assets - Trade and Other Receivables include outstanding rental of RM2.1 million and properties utilities deposit amounting to RM2.3 million.

B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES BERHAD**B1. REVIEW OF PERFORMANCE**

For the period ended 31 March 2022, the Trust recorded a cumulative rental income of RM18.8 million as against preceding corresponding period of RM21.4 million. The decrease was mainly contributed from the drop in occupancy rate of Vista Tower to 45%.

A total of RM5.3 million was incurred for property expenses during cumulative quarter, an increase from RM4.4 million as compared to the preceding corresponding period equivalent to 19.8% decrease. The increased are mainly contributed by utilities expenses in March 2022 amounted to RM1.5 million as compared to March 2021 RM1.0 million as well as building maintenance by RM0.3 million as compared to previous period.

In addition, non-property expenses recorded higher bad debt expenses amounted to RM1.1 million contribute to 59.0% increase to RM3.5 million in March 2022.

For the cumulative quarter under review, The realised income stood at RM4.3 million for the period under review. This amount is approximately 51.6% lower than the last corresponding period align with a drop in revenue.

Gearing ratio was 44.84%, increased from last quarter of 44.61% and well below the regulatory limit of 50.0%.

B2. COMPARISON OF INCOME BEFORE TAXATION BETWEEN CURRENT QUARTER AND PRECEDING QUARTER

	Current Quarter 31.03.2022 RM	Preceding Corresponding Quarter 31.03.2021 RM
Revenue		
- Gross revenue (rental income)	18,804,330	21,367,593
- Interest and other income	307,514	181,063
- Gains from investment property disposal	-	-
Total	19,111,844	21,548,656
Expenses		
Property expenses	(5,321,519)	(4,441,339)
Non-property expenses	(9,465,344)	(8,163,771)
Total	(14,786,863)	(12,605,110)
Realised Income before taxation	4,324,982	8,943,547

The Trust's rental income for the current quarter ended 31 March 2022 is lower by 12.0% mainly contributed by the drop in occupancy rate in Vista Tower.

The Trust's property expenses RM5.3 million was incurred during the current quarter ended 31 March 2022, an increase by 19.8% as compared to the last corresponding financial quarter 2021.

Net realised income before tax is recorded at RM4.3 million, a decrease of 51.6% compared to the preceding corresponding quarter.

B3. PROSPECTS

The Manager is continuously ensuring the existing assets within the portfolio are well maintained to ensure the stability of rental income and the Trust benefits from capital appreciations.

B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES BERHAD - Cont'd

B3. PROSPECTS - Cont'd

Apart from that, the Manager is actively identifying good assets for new acquisition to continuously improve the yield and further diversify the portfolio to minimise the sectoral risk.

The strategy of having assets with long-term leases by reputable lessees shall continue to be the focus of ARREIT to ensure sustainable return.

B4. TAXATION

Pursuant to Section 61A(1) of the Income Tax Act, 1967 under the Finance Act 2006, where in the basis period for a year of assessment, 90% or more of the total income of the Trust is distributed to its unitholders, the total income of the Trust for that year of assessment shall be exempted from tax.

Thus, based on the income distribution made for the current quarter, the Trust has not provided any tax expenses for the period. A numerical reconciliation between the applicable income tax expense and effective income tax expense on the Trust is as follows:

	Current Quarter 31.03.2022 RM	Preceding Corresponding Quarter 31.03.2021 RM	Current Year To-date 31.03.2022 RM	Preceding Year To-date 31.03.2021 RM
Earnings before taxation	4,324,982	8,943,547	4,324,982	8,943,547
Taxation at Malaysia Statutory tax rate @ 24%	1,037,996	2,146,451	1,037,996	2,146,451
Non-deductible expenses	177,140	131,480	177,140	131,480
Effect of interest income and other income not subject to tax	(32,083)	(7,982)	-	(7,982)
Effect of income distribution exempted from tax	(1,183,053)	(2,269,949)	(1,183,053)	(2,269,949)
Tax expenses	-	-	-	-

B5. As at 31 March 2022 The Trust's composition of investment portfolio are as follows:

	Acquisition cost (Asset & Enhancement) RM	Fair value as at 31.03.2022 RM	Percentage of fair value to Net Asset Value %	Percentage of fair value to Total Asset %
Investment properties				
<i>Office</i>				
* Vista Tower	456,193,730	523,000,000	69.74	36.41
* Dana 13	99,372,673	118,000,000	15.73	8.21
* Contraves	40,232,532	42,000,000	5.60	2.92
* Wisma Comcorp	30,000,000	36,500,000	4.87	2.54
Toshiba	32,142,972	32,000,000	4.27	2.23
<i>Education</i>				
* SEGi University	146,062,993	185,000,000	24.67	12.88
* Help University	53,946,379	74,000,000	9.87	5.15
SEGi College	52,500,000	70,000,000	9.33	4.87
<i>Industrial</i>				
* Deluge Factory	24,216,510	26,000,000	3.47	1.81
<i>Hospitality</i>				
* Holiday Villa Langkawi	59,536,443	100,000,000	13.33	6.96
Holiday Villa Alor Setar	31,000,000	26,000,000	3.47	1.81
<i>Retail</i>				
* Selayang Mall	132,608,183	137,000,000	18.27	9.54
	1,157,812,415	1,369,500,000	182.62	95.34

++ Asset held for sale

* Charged to financial institution for credit facility

B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES BERHAD - Cont'd**B5. As at 31 March 2022 The Trust's composition of investment portfolio are as follows: - Cont'd****Others**

Deposits placed with licensed financial institutions	35,500,000	4.73	2.47
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B6. VARIANCES OF PROFIT FORECAST OR PROFIT GUARANTEE

This is not applicable as no profit forecast or profit guarantee was issued for this financial quarter.

B7. ACQUISITION OR DISPOSAL OF INVESTMENT PROPERTIES

There were no acquisition and disposal of investment properties announced during the year.

B8. CORPORATE PROPOSAL AND DEVELOPMENT

There were no new corporate proposal and development announced during the current quarter.

B9. BORROWINGS AND DEBT SECURITIES

	Current Year To-date 31.03.2022 RM	Preceding Year To-date 31.12.2020 RM
Long term borrowings		
- Term Loan 1,II,III and IV	33,920,000	33,920,000
- Unrated medium term notes	611,000,000	611,000,000
- Unamortised transaction costs	(1,001,568)	(1,356,406)

The borrowings are secured by way of legal charge on certain properties of the Trust. The weighted average effective interest rate (annualised) for these borrowings is 4.90% (preceding correspondence quarter: 4.90%). The gearing ratio is currently 44.84%.

B10. INCOME DISTRIBUTION

The following withholding tax rates would be applicable on distribution of income which is tax exempt at Trust level:-

Types of unit holdersRates of tax**Resident unitholders;**

- Resident company
- Unitholders other than a resident company

No withholding tax; tax at prevailing corporate tax rate
Withholding tax at 10%; effective from 1 January 2012 to 31 MARCH 2022

Non-resident unitholders;

- Non-resident company
- Non-resident institutional investor
- Non-resident other than company and institutional investors

Withholding tax at 24%; effective from 1 January 2012 to 31 MARCH 2022
Withholding tax at 10%; effective from 1 January 2012 to 31 MARCH 2022
Withholding tax at 10%; effective from 1 January 2012 to 31 MARCH 2022

B11. UTILISATION OF PROCEEDS RAISED FROM ISSUANCE OF NEW UNITS

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

B12. SOFT COMMISSION

During the financial quarter ended 31 MARCH 2022, the Manager or its delegates did not receive any soft commission from its broker, by virtue of transactions conducted by the Trust.

B13. PURCHASE OR DISPOSAL OF INVESTMENT IN QUOTED SECURITIES

During the financial quarter ended 31 March 2022, there was no purchase or disposal of investment in quoted securities.

B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA SECURITIES BERHAD - Cont'd**B14. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

The Trust has no financial instrument with off balance sheet risks as at the latest practicable date from the date of the issuance of this report that might materially affect the position or business of the Trust.

B15. MATERIAL LITIGATION

During the financial quarter ended 31 March 2022, there was no material litigation.

B16. EARNINGS PER UNIT

The earnings per unit of the Trust have been computed by dividing the income before taxation for the period by the total number of units issued during the period.

	Current Quarter 31.03.2022 RM	Preceding Corresponding Quarter 31.03.2021 RM
Earnings after taxation	4,324,982	8,943,547
Total number of units issued	573,219,858	573,219,858
Earnings per unit (sen)		
- realised	0.7545	1.5602
- unrealised	-	-
	0.7545	1.5602

B17. DISTRIBUTION PER UNIT

The distribution per unit of the Trust has been computed by dividing the distribution amount for the period by the total number of units issued.

	Current Quarter 31.03.2022 RM	Preceding Corresponding Quarter 31.03.2021 RM
Provision for income distribution	-	-
Total number of units issued	573,219,858	573,219,858
Distribution per unit (sen) (realised)	-	-

B18. STATEMENT BY THE DIRECTORS OF THE MANAGER

In the opinion of the Directors of the Manager, the quarterly report has been prepared in accordance with MFRS 134: Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of the Bursa Malaysia Securities Berhad so as to give a true fair view of the financial position of ARREIT as 31 March 2022 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 27 May 2022.

By Order of the Board
 JERRY JESUDIAN A/L JOSEPH ALEXANDER
 LEONG SHIAK WAN (f)
 RIZANA BINTI AHMAD RITHAUDDEEN
 Joint Company Secretaries
 AmanahRaya-KENEDIX REIT Manager Sdn Bhd (Company No. 856167-A)
 (As the Manager of AmanahRaya Real Estate Investment Trust)
 Kuala Lumpur
 Dated: 27 May 2022