

AMANAHRAYA REAL ESTATE INVESTMENT TRUST QUARTERLY REPORT

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	As At 30.06.2023 RM (Unaudited)	As At 31.12.2022 RM (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investment properties	1,240,300,000	1,240,300,000
Trade and other receivables	-	-
	<b>1,240,300,000</b>	<b>1,240,300,000</b>
<b>Current assets</b>		
Trade and other receivables	7,315,371	5,471,668
Security deposits in trust accounts	9,569,687	9,452,200
Cash and cash equivalents	27,455,237	32,069,563
Asset classified as held for sale	125,000,000	125,000,000
	<b>169,340,296</b>	<b>171,993,431</b>
<b>TOTAL ASSETS</b>	<b>1,409,640,296</b>	<b>1,412,293,431</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Borrowings	610,254,963	610,254,963
Trade and other payables	11,239,294	11,239,294
	<b>621,494,257</b>	<b>621,494,257</b>
<b>Current liabilities</b>		
Borrowings	25,282,383	25,881,840
Trade and other payables	18,148,278	15,415,171
Deferred tax liabilities	13,714,000	13,714,000
	<b>57,144,661</b>	<b>55,011,011</b>
<b>TOTAL LIABILITIES</b>	<b>678,638,918</b>	<b>676,505,268</b>
<b>NET ASSET VALUE ("NAV")</b>	<b>731,001,377</b>	<b>735,788,163</b>
<b>FINANCED BY:</b>		
<b>UNITHOLDERS' FUND</b>		
Unitholders' capital	519,685,915	519,685,915
Distributed income - realised	37,223,442	42,010,228
Undistributed income - unrealised	174,092,021	174,092,021
<b>TOTAL UNITHOLDERS' FUND</b>	<b>731,001,378</b>	<b>735,788,163</b>
<b>NUMBER OF UNITS IN CIRCULATIONS</b>	<b>573,219,858</b>	<b>573,219,858</b>
<b>NET ASSET VALUE ("NAV") PER UNIT (RM):</b>		
- Before income distribution	<b>1.2753</b>	<b>1.2836</b>

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022 and the accompanying explanatory notes attached.

CONDENSED STATEMENT OF PROFIT OF LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2023  
(UNAUDITED)

	CURRENT		CUMULATIVE	
	Current Year Quarter 30.06.2023 RM	Preceding Year Corresponding Quarter 30.06.2022 RM	Current Year To-date 30.06.2023 RM	Preceding Corresponding Year To-date 30.06.2022 RM
Revenue	18,475,039	19,502,431	37,009,378	38,306,762
Property operating expenses	(6,572,437)	(5,391,802)	(12,382,250)	(10,713,320)
<b>Net property income</b>	<b>11,902,602</b>	<b>14,110,629</b>	<b>24,627,128</b>	<b>27,593,441</b>
Unbilled lease income receivable	-	-	-	-
Interest income	126,603	125,297	323,462	258,973
Other income	140,510	845	292,860	174,684
-	-	-	-	-
<b>Total Trust Income</b>	<b>12,169,716</b>	<b>14,236,771</b>	<b>25,243,451</b>	<b>28,027,097</b>
Manager's fee	(1,550,000)	(1,573,375)	(3,108,117)	(3,141,285)
Trustee's fee	(65,215)	(67,610)	(130,600)	(134,960)
Other Trust Expenses	(797,228)	(316,568)	(1,342,717)	(2,205,643)
Borrowing costs	(7,789,893)	(6,127,536)	(15,359,569)	(12,068,545)
<b>Trust Expenses</b>	<b>(10,202,335)</b>	<b>(8,085,089)</b>	<b>(19,941,002)</b>	<b>(17,550,433)</b>
<b>Net income before tax</b>	<b>1,967,380</b>	<b>6,151,682</b>	<b>5,302,448</b>	<b>10,476,664</b>
Taxation	-	-	-	-
<b>Net income after tax</b>	<b>1,967,380</b>	<b>6,151,682</b>	<b>5,302,448</b>	<b>10,476,664</b>
<b>Net income for the financial period is made up as follows:</b>				
- realised	1,967,380	6,151,682	5,302,448	10,476,664
- unrealised	-	-	-	-
	<b>1,967,380</b>	<b>6,151,682</b>	<b>5,302,448</b>	<b>10,476,664</b>
<b>EARNINGS PER UNIT (SEN)</b>	<b>0.343</b>	<b>1.073</b>	<b>0.925</b>	<b>1.828</b>

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 2022 and the accompanying explanatory notes attached.

CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE CUMULATIVE QUARTER ENDED 30 JUNE 2023

	Unitholder's Capital RM	----- Undistributed Income -----		Total RM
		Realised RM	Unrealised RM	
<b>At 1 January 2023</b>	519,685,915	42,010,228	174,092,021	735,788,164
<b>Operation for the financial period ended 30 June 2023</b>				
Total comprehensive income for the financial period	-	5,302,448	-	5,302,448
Realisation of income from disposal of property	-	-	-	-
<i>Increase in net assets resulting from operations</i>	-	5,302,448	-	5,302,448
<b>Unitholders' transactions</b>				
Distribution to unitholders - 2022 2nd half	-	(10,089,235)	-	(10,089,235)
Distribution to unitholders - 2023	-	-	-	-
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(10,089,235)	-	(10,089,235)
<b>At 30 June 2023</b>	<b>519,685,915</b>	<b>37,223,442</b>	<b>174,092,021</b>	<b>731,001,378</b>

	Unitholder's Capital RM	----- Undistributed Income -----		Total RM
		Realised RM	Unrealised RM	
<b>At 1 January 2022</b>	519,685,915	42,441,057	183,478,453	745,605,425
<b>Operation for the financial period ended 31 December 2022</b>				
Total comprehensive income for the financial period	-	21,686,984	(9,386,432)	12,300,552
Realisation of income from disposal of property	-	-	-	-
<i>Increase in net assets resulting from operations</i>	-	21,686,984	(9,386,432)	12,300,552
<b>Unitholders' transactions</b>				
Distribution to unitholders - 2022 Interim	-	(9,429,088)	-	(9,429,088)
Distribution to unitholders - 2021 Final	-	(12,688,726)	-	(12,688,726)
<i>Increase in net assets resulting from unitholders' transactions</i>	-	(22,117,813)	-	(22,117,813)
<b>At 31 December 2022</b>	<b>519,685,915</b>	<b>42,010,228</b>	<b>174,092,021</b>	<b>735,788,164</b>

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 2022 and the accompanying explanatory notes attached.

**CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE SECOND QUARTER ENDED 30 JUNE 2023**

	Year To-date 30.06.2023 RM	Year To-date 30.06.2022 RM
<b>Cash Flows From Operating Activities</b>		
Net income before taxation	5,302,448	10,476,664
<i>Adjustments for:-</i>		
Finance costs	15,359,569	12,068,545
Finance income	(323,462)	(258,973)
Net impairment loss on financial instruments	-	-
Cost of disposal of investment properties	-	-
Change in the fair value of properties	-	-
<b>Operating income before changes in working capital</b>	<b>20,338,554</b>	<b>22,286,237</b>
Changes in working capital:-		
Trade and other receivables	(2,706,227)	2,772,978
Trade and other payables	2,733,107	(1,559,685)
Cash generated from operations		
Tax paid		-
<b>Net cash generated from operating activities</b>	<b>20,365,434</b>	<b>23,499,530</b>
<b>Cash Flows From Investing Activities</b>		
Interest received	323,462	258,973
Proceeds from disposal of investment properties	-	-
Acquisition of investment property	-	-
Deposit for acquisition of investment property	-	-
Improvement of properties	-	-
Gain on disposal of investment property	-	-
<b>Net cash used in investing activities</b>	<b>323,462</b>	<b>258,973</b>
<b>Cash Flows From Financing Activities</b>		
Distribution paid to unitholders	(10,089,235)	(12,688,726)
Drawdown of term loan	-	-
Repayment of term loan	-	-
Payment of financing expenses	-	-
Interest paid	(15,213,988)	(11,922,965)
<b>Net cash (used in)/ generated from financing activities</b>	<b>(25,303,222)</b>	<b>(24,611,690)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(4,614,326)</b>	<b>(853,188)</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>32,069,563</b>	<b>33,767,740</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>27,455,237</b>	<b>32,914,552</b>

The Condensed Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2022 and the accompanying explanatory notes attached.

**A. EXPLANATORY NOTES FOR THE QUARTER ENDED 31 MARCH 2023 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 2023. 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. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report of the Trust's financial statements for the financial year ended 31 December 2022 was not subject to any qualification.

**A3. SEASONALITY OR CYCLICALITY OF OPERATIONS**

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

**A4. SIGNIFICANT UNUSUAL ITEMS AFFECTING THE FINANCIAL STATEMENTS**

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.

**A5. CHANGES IN ACCOUNTING ESTIMATES**

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

**A6. 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.

**A7. INCOME DISTRIBUTION**

On 24th February 2023, ARREIT declared the final interim 2022 income distribution of RM1.7601 sen per unit for the financial period ending 31 December 2022. The said distribution has been paid on 11 April 2023.

AMANAHRAYA REAL ESTATE INVESTMENT TRUST  
PERIOD ENDED 30 JUNE 2023

A. EXPLANATORY NOTES FOR THE QUARTER ENDED 30 JUNE 2023 PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD ("MFRS") (cont'd)

A8. Segmental Reporting

Segmental profit or loss for the second quarter ended 30 June 2023 and 30 June 2022 are as follows

Business segments	Second Quarter ended 30.06.2023					Second Quarter ended 30.06.2022						
	Office RM	Retail RM	Education RM	Hotel RM	Industrial RM	Total RM	Office RM	Retail RM	Education RM	Hotel RM	Industrial RM	Total RM
Gross Revenue	7,166,789	3,738,140	6,150,683	1,000,323	419,104	18,475,039	8,354,671	3,576,754	6,150,683	1,000,323	420,000	19,502,431
Property operating expenses	(3,989,974)	(1,949,481)	(529,536)	(110,430)	(13,035)	(6,572,437)	(3,532,482)	(1,273,269)	(475,090)	(96,939)	(14,020)	(5,391,800)
<b>Net property income</b>	<b>3,196,815</b>	<b>1,788,679</b>	<b>5,621,147</b>	<b>889,893</b>	<b>406,069</b>	<b>11,902,602</b>	<b>4,822,190</b>	<b>2,303,485</b>	<b>5,675,593</b>	<b>903,384</b>	<b>405,980</b>	<b>14,110,631</b>
Interest income						126,603						125,297
Other income						140,510						845
Changes in fair value of investment properties						-						-
Expected cost of disposal of asset classified as held for sale						-						-
Trust expenses						(2,412,443)						(1,957,555)
Finance costs						(7,789,893)						(6,127,536)
<b>Profit before tax</b>						<b>1,967,380</b>						<b>6,151,682</b>
Deferred tax expenses						-						-
<b>Profit for the period</b>						<b>1,967,380</b>						<b>6,151,682</b>

Segmental profit or loss for the cumulative month ended 30 June 2023 and 30 June 2022 are as follows

Business segments	Cumulative year ended 30.06.2023					Cumulative year ended 30.06.2022						
	Office RM	Retail RM	Education RM	Hotel RM	Industrial RM	Total RM	Office RM	Retail RM	Education RM	Hotel RM	Industrial RM	Total RM
Gross Revenue	14,545,236	7,323,921	12,301,366	2,000,646	838,209	37,009,378	17,061,794	6,806,866	11,797,520	1,800,581	840,000	38,306,762
Property operating expenses	(7,416,242)	(3,758,586)	(981,459)	(215,201)	(30,761)	(12,382,250)	(6,768,394)	(2,729,004)	(984,579)	(211,352)	(39,988)	(10,713,318)
<b>Net property income</b>	<b>7,128,994</b>	<b>3,565,334</b>	<b>11,339,907</b>	<b>1,785,445</b>	<b>807,448</b>	<b>24,627,128</b>	<b>10,293,399</b>	<b>4,077,862</b>	<b>10,832,941</b>	<b>1,589,229</b>	<b>800,012</b>	<b>27,593,444</b>
Interest income						323,462						258,973
Other income						292,860						174,684
Changes in fair value of investment properties						-						-
Expected cost of disposal of asset classified as held for sale						-						-
Trust expenses						(4,581,434)						(5,481,891)
Finance costs						(15,359,569)						(12,068,545)
<b>Profit before tax</b>						<b>5,302,448</b>						<b>10,476,664</b>
Deferred tax expenses						-						-
<b>Profit for the period</b>						<b>5,302,448</b>						<b>10,476,664</b>

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 2022 and the accompanying explanatory notes attached.

**A. EXPLANATORY NOTES FOR THE QUARTER ENDED 31 DECEMBER 2022 PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD ("MFRS") (cont'd)**

**A9. VALUATION OF INVESTMENT PROPERTIES**

The fair value of the investment properties as at 31 December 2022 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. (Refer B5 for details)

**A10. SUBSEQUENT MATERIAL EVENTS**

There were no material events subsequent to the current quarter under review up to the date of this Interim Financial Report that required disclosure.

**A11. 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.

**A12. CONTINGENT LIABILITIES OR CONTINGENT ASSETS**

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

**A13. RELATED PARTY TRANSACTION**

Related party transactions have been entered into the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	Quarterly ended	
	30.06.2023	30.06.2022
	RM	RM
Security Deposits from leasees placed with the holding company of the Manager	9,569,687	10,337,516
Manager's fees	3,108,117	3,141,285
	<u>12,677,804</u>	<u>13,478,801</u>

**A14. RENTAL INCOME FROM TENANCIES (MFRS 117)**

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

The following are recognised in profit or loss in respect of revenue from investment properties

	Quarterly ended	
	30.06.2023	30.06.2022
	RM	RM
Rental Income		
- Realised	18,475,039	19,502,431
- Unrealised	-	-
	<u>18,475,039</u>	<u>19,502,431</u>



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

**B1. REVIEW OF PERFORMANCE**

**Review of second quarter ended 30 June 2023**

**Rental Revenue**

Rental revenue of RM18.5 million (Q2 FY2023) saw a drop by RM1.0 million (5.3%) as compared to the same period last year amounting to RM19.5 million. The decrease was mainly contributed by the loss of rental income from Vista Tower by RM0.82 million, Toshiba TEC by RM0.28 million and Dana 13 amounting to RM0.085 million. However, the decrease is mitigated by improved earnings from Selayang Mall amounting to RM0.161 million and Wisma Comcorp by RM0.154 million.

**Property Expenses**

A total of RM6.6 million property expenses were incurred during Q2 FY2023, an increase of RM1.2 million (15.6%) as compared to same period last year amounting to RM5.4 million. The increase was mainly attributed by the higher utility costs (RM0.740 million) as a result from the announcement by TNB on the increase in electricity tariff to 20sen/kWh from 3.7sen/kWh effective from 1 January 2023 up to 30 June 2023. This was due to the increase in the costs of energy. The balance increase in property expenses was due to the increase in the building maintenance at Selayang Mall and Vista Tower by RM0.310 million and RM0.10 million respectively. For your information, the government had on 23 June 2023 announced that non-domestic consumers, specifically medium-voltage (MV) and high-voltage (HV) users from the industrial and commercial sector, will enjoy a reduction in surcharge rates from 20 sen/kWh to 17 sen/kWh of which from July - December 2023. Hence, there is potential energy cost saving for the Trust.

The Manager is currently undertaking an Asset Enhancement Initiatives (AEI) to uplift the main services and appearance of Vista Tower. Concurrently, our leasing team is actively promoting and engaging with real estate agents to market the space. In addition, the Management of the Manager has been aggressively approaching direct contacts with corporate companies, public listed companies including the Government Link Companies (GLC) in offering space for Vista Tower. Our target occupancy rate will improve within the 2nd half year 2023.

**Trust Expenses**

The trust expenses of RM2.4 million in Q2 FY2023 were higher by RM0.5 million (24.3%) as compared to the previous year amounting to RM1.9 million. The increased was due to Property Agency Fees amounted to RM0.3 million and Valuation Fee of RM0.2 million incurred during the current year quarter.

**Borrowing costs**

The borrowing costs of RM7.8 million in Q2 FY2023 were higher by 26.8% as compared to the previous year amounting to RM6.1 million. The increase was due to the increase in OPR rate in May, July, Sept, and Nov FY2022 by 1% from 1.75% to 2.75% as well as 0.25% in June 2023 directly contributing to the increase in borrowing rate from 3.75% to 5.00%.

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

	Current Quarter 30.06.2023 RM	Preceding Corresponding Quarter 30.06.2022 RM
Revenue		
- Gross revenue (rental income)	18,475,039	19,502,431
- Interest and other income	267,113	126,142
- Gains from investment property disposal	-	-
Total	<u>18,742,152</u>	<u>19,628,573</u>
Expenses		
Property expenses	(6,572,437)	(5,391,802)
Non-property expenses	(10,202,335)	(8,085,089)
Total	<u>(16,774,772)</u>	<u>(13,476,891)</u>
Realised Income before taxation	<u>1,967,380</u>	<u>6,151,682</u>

Net realised income before tax is recorded at RM1,967,380, a decrease of 68.0% compared to the preceding corresponding quarter (RM6,151,682) and it was due to the drop in Revenue by 4.5% (mainly because of the occupancy drop) and the increase in total expenses by 24.5% due to higher borrowing costs in the current period. (Q2 FYE 2023 RM16,774,772 vs Q2 FYE 2022 RM13,476,891).



**B. ADDITIONAL INFORMATION PURSUANT TO PARAGRAPH 9.44 OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD (cont'd)**

**B3. PROSPECTS**

The Manager has strategized its new direction towards educational sub-segment that offers resilient upside including but not limited to a committed long lease, operational efficiencies, consistent income streams with favorable rent reversion and finally its ability to sustain the Trust's DPU. We are also looking into new industries that provides better yields. Our global partner Kenedix will play a vital role for us to identify key industries locally and regionally.

By virtue of the operational strategies, the Trust is to continuously engage with Real Estate Agency Firms and also take a direct approach to Multi-National Companies (MNCs), Government Linked Companies (GLCs) and Government Linked Investment Companies (GLICs) to secure good tenant profile in enhancing the performance of the Trust. We currently in talks with various GLCs and private sectors to secure

A comprehensive ESG framework is being finalized at AmanahRaya Bhd (ARB). We will adopt the framework in due course for ESG compliance. In being environmentally friendly, the Trust will play a vital role in ensuring the elements are embedded in our respective assets i.e installation of Roof Solar Panel and EV Charger, running of Charity Events and inclusion of greater transparency in our internal processes.

**Acquisition**

The Manager will continue to focus on expanding its portfolio through acquisitions of quality properties to ensure growth in terms of dividend and capital values. As prices of properties for sale has turned quite competitive recently, the Manager will acquire yield accretive properties as and when the opportunities arise. The Manager's focus is to prioritize educational sub-segment due to its resilience asset class.

**Leasing**

The Manager will continue to focus its efforts on filling up the available spaces to improve the average occupancy rate of ARREIT properties. Marketing and leasing activities for ARREIT's multi-tenanted properties such Vista Tower and Dana 13 are ongoing. This is being undertaken by the Manager's in-house leasing staff and external real estate agencies. As of 30 June 2023, the average portfolio occupancy rate is at 74.3%.

The Manager is currently undertaking an Asset Enhancement Initiatives (AEI) to uplift the main services and appearance of Vista Tower. Concurrently, our leasing team is actively promoting and engaging with real estate agents to market the space. In addition, the Management of the Manager has been aggressively approaching direct contacts with corporate companies, public listed companies including the Government Link Companies (GLC) in offering space for Vista Tower. We anticipate to improve the occupancy rate within the 2nd half year 2023.

**Financial Performance**

As the overall property market has not shown any improvement in 2023, the future is likely to remain challenging for ARREIT. The Manager will ensure that the operating cost is kept to a minimum. Moving forward, the Manager will also explore the possibility of continuing to dispose of non-performing assets that are not in line with long term strategy of ARREIT portfolio.

The government had announced that non-domestic consumers, specifically medium-voltage (MV) and high-voltage (HV) users from the industrial and commercial sector, will enjoy a reduction in surcharge rates from 20 sen/kWh to 17 sen/kWh of which from July - December 2023. Hence, we expect the reduction in utilities costs in the 2nd half year 2023.

**Capital Management**

Currently the Management is aware of the OPR increase and will continue with its efforts to lower borrowing costs and gearing level.

**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 30.06.2023 RM	Preceding Corresponding Quarter 30.06.2022 RM	Current Year To-date 30.06.2023 RM	Preceding Year To-date 30.06.2022 RM
Earnings before taxation	1,967,380	6,151,682	5,302,448	10,476,664
Tax expenses	-	-	-	-

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967, under the Finance Act 2006 which was gazetted on 31 December 2006, where in the basis period for a year assessment, 90% or more of the total income of the trust is distributed to unitholders, the total income of the trust for that year of assessment shall be exempted from tax.

In accordance with the Deed, the Fund is required to distribute atleast 90% of its distributable income. The Manager also expects to distribute the net income within 2 months from the end of each financial year and accordingly, no estimated current tax payable or deferred tax is required to be provided in the financial statements.



AMANAHRAYA REAL ESTATE INVESTMENT TRUST QUARTERLY REPORT

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

B5. As at 30 June 2023 The Trust's composition of investment portfolio are as follows:

	Date of Valuation	Fair value as at 30.06.2023 RM
<b>Investment properties</b>		
<i>Office</i>		
* Vista Tower	31.12.2022	521,000,000
Dana 13	31.12.2022	111,000,000
* Contraves	31.12.2022	42,000,000
Wisma Comcorp	31.12.2022	36,500,000
Toshiba	31.12.2022	31,000,000
<i>Education</i>		
* SEGi University	31.12.2022	186,000,000
* Help University	31.12.2022	78,000,000
* SEGi College	31.12.2022	70,000,000
<i>Industrial</i>		
* Deluge Factory	31.12.2022	26,800,000
<i>Hospitality</i>		
* Holiday Villa Langkawi	31.12.2022	104,740,000
Holiday Villa Alor Setar	31.12.2022	25,000,000
<i>Retail</i>		
Selayang Mall	31.12.2022	138,000,000
		<u>1,370,040,000</u>
Investment properties classified as asset hel for sale		<u>(129,740,000)</u>
		<u>1,240,300,000</u>
* Charged to financial institution for credit facility		
<b>Others</b>		
Deposits placed with licensed financial institutions		<u>6,000,000</u>

**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**

On 28 June 2023, AmanahRaya REIT, has announce that Pacific Trustees Berhad ("Trustee"), acting solely in the capacity as trustee for and on behalf of AmanahRaya REIT, had entered into a Sale and Purchase Agreement ("SPA") with Plenitude Gateway Sdn. Bhd for the proposed disposal of Holiday Villa Langkawi.

**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 30.06.2023 RM	Preceding Year To-date 30.06.2022 RM
Long term borrowings		
- Term Loan 1,II,III and IV	25,920,000	33,920,000
- Unrated medium term notes	611,000,000	611,000,000
- Unamortised transaction costs	<u>(637,616)</u>	<u>(928,778)</u>
	<u>636,282,384</u>	<u>643,991,222</u>

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 5.00% (preceding correspondence quarter: 4.20%). The gearing ratio is currently 45.14%.

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

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

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

**B11. SOFT COMMISSION**

During the financial quarter ended 30 June 2023, the Manager or its delegates did not receive any soft commission from its broker, by virtue of transactions conducted by the Trust.

**B12. PURCHASE OR DISPOSAL OF INVESTMENT IN QUOTED SECURITIES**

During the financial quarter ended 30 June 2023, there was no purchase or disposal of investment in quoted securities.

**B13. 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.

**B14. MATERIAL LITIGATION**

During the financial quarter ended 30 June 2023, there was no material litigation.

**B15. 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 30.06.2023 RM	Preceding Corresponding Quarter 30.06.2022 RM
Earnings after taxation	1,967,380	6,151,682
Total number of units issued	573,219,858	573,219,858
Earnings per unit (sen)		
- realised	0.3432	1.0732
- unrealised	-	-
	0.3432	1.0732

**B16. 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 30 June 2023 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 28 August 2023.

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: 28 August 2023