

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	As At 30.06.2024 RM (Unaudited)	As At 31.12.2023 RM (Audited)
ASSETS		
Non-current assets		
Investment properties	1,226,284,958	1,242,250,000
	1,226,284,958	1,242,250,000
Current assets		
Trade and other receivables	13,229,796	5,073,630
Security deposits in trust accounts	-	9,683,565
Cash and cash equivalents	45,027,019	16,936,661
Asset classified as held for sale	42,500,000	125,000,000
	100,756,815	156,693,856
TOTAL ASSETS	1,327,041,773	1,398,943,856
LIABILITIES		
Non-current liabilities		
Borrowings	540,186,949	550,427,965
Trade and other payables	2,822,155	1,698,471
	543,009,104	552,126,436
Current liabilities		
Borrowings	17,920,000	8,000,000
Trade and other payables	25,327,787	99,425,657
Deferred tax liabilities	13,425,000	13,425,000
	56,672,787	120,850,657
TOTAL LIABILITIES	599,681,891	672,977,093
NET ASSET VALUE ("NAV")	727,359,882	725,966,763
FINANCED BY:		
UNITHOLDERS' FUND		
Unitholders' capital	519,685,915	519,685,915
Distributable income - Realised	36,172,224	34,779,105
Non-distributable income - Unrealised	171,501,743	171,501,743
TOTAL UNITHOLDERS' FUND	727,359,882	725,966,763
NUMBER OF UNITS IN CIRCULATION	573,219,858	573,219,858
NET ASSET VALUE ("NAV") PER UNIT (RM):		
- Before income distribution	1.2689	1.2665

The Condensed Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024 (UNAUDITED)

	CURRENT		CUMULATIVE	
	Current Year Quarter 30.06.2024 RM	Preceding Year Quarter 30.06.2023 RM	Current Year To Date 30.06.2024 RM	Preceding Year To Date 30.06.2023 RM
Rental income	16,761,470	18,475,039	34,005,415	37,009,378
Property operating expenses	(6,302,775)	(6,572,437)	(12,094,242)	(12,382,250)
Net property income	10,458,695	11,902,602	21,911,173	24,627,128
Interest income	227,375	126,603	397,282	323,462
Other income	93,807	140,510	552,581	292,860
Net property and investment income	10,779,878	12,169,716	22,861,036	25,243,451
Trust expenses	(2,679,059)	(2,421,965)	(5,124,039)	(4,581,434)
Borrowing costs	(7,062,204)	(7,769,768)	(14,248,729)	(15,359,569)
Total trust expenses	(9,741,263)	(10,191,732)	(19,372,768)	(19,941,002)
Realised income before taxation	1,038,615	1,977,983	3,488,269	5,302,448
Changes in fair value of investment properties	-	-	-	-
Expected cost of disposal of asset classified as held for sale	-	-	-	-
Net Income before taxation	1,038,615	1,977,983	3,488,269	5,302,448
Deferred tax expense	-	-	-	-
Net income for the year	1,038,615	1,977,983	3,488,269	5,302,448
Distribution to unitholders				
- from previous period realised net income	-	-	-	-
- from current period realised net income	-	-	-	-
	-	-	-	-
Realised income retained	1,038,615	1,977,983	3,488,269	5,302,448
Unrealised income retained / (utilised)	-	-	-	-
Net income for the financial period is made up as follows:				
- realised	1,038,615	1,977,983	3,488,269	1,977,983
	1,038,615	1,977,983	3,488,269	1,977,983
EARNINGS PER UNIT (SEN)				
- After Manager's fees	0.1812	0.3451	0.6085	0.3451
- Before Manager's fees	0.4978	0.6155	1.2106	0.8873
EARNINGS PER UNIT (SEN)				
- Realised	0.1812	0.3451	0.6085	0.3451
DISTRIBUTION PER UNIT (SEN)				
- realised from previous period	-	-	-	-
- realised from current 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 2023 and the accompanying explanatory notes attached.

CONDENSED STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE CUMULATIVE QUARTER ENDED 30 JUNE 2024

	Unitholder's capital RM	Distributable Realised income RM	Non- distributable Unrealised income RM	Total unitholder's funds RM
At 1 January 2024	519,685,915	34,779,105	171,501,743	725,966,763
Operation for the financial period ended 30 June 2024				
Net income for the year	-	3,488,269	-	3,488,269
Total comprehensive income for the year	-	3,488,269	-	3,488,269
Contributions by and distributions to unitholders:				
Distribution to unitholders - 2023 2nd half	-	(2,095,149)	-	(2,095,149)
Distribution to unitholders - 2024 1st half	-	-	-	-
Total transactions with unitholders	-	(2,095,149)	-	(2,095,149)
At 30 June 2024	519,685,915	36,172,224	171,501,743	727,359,882

	Unitholder's capital RM	Distributable Realised income RM	Non- distributable Unrealised income RM	Total unitholder's funds RM
At 1 January 2023	519,685,915	42,010,227	174,092,021	735,788,163
Operation for the financial period ended 31 December 2023				
Net income for the year	-	7,630,168	(2,590,278)	5,039,890
Total comprehensive income for the year	-	7,630,168	(2,590,278)	5,039,890
Contributions by and distributions to unitholders:				
Distribution to unitholders - 2023 interim	-	(4,772,002)	-	(4,772,002)
Distribution to unitholders - 2022 final	-	(10,089,288)	-	(10,089,288)
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(14,861,290)	-	(14,861,290)
At 31 December 2023	519,685,915	34,779,105	171,501,743	725,966,763

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 2023 and the accompanying explanatory notes attached.

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED) FOR THE PERIOD ENDED 30 JUNE 2024

	Year To-date 30.06.2024 RM	Year To-date 31.12.2023 RM
Cash flows from operating activities		
Net income before taxation	3,488,269	4,750,890
<i>Adjustments for:-</i>		
Finance costs	13,927,712	31,724,922
Finance income	(321,183)	(531,247)
Changes in fair value of investment properties		
- as per valuation	-	2,879,278
Reclassification of asset previously classified as asset held for sale	-	-
Operating income before changes in working capital	17,094,798	38,823,843
Change in trade and other receivables	1,527,399	166,673
Change in trade and other payables	(2,974,186)	4,469,663
Net cash from operating activities	15,648,012	43,460,179
Cash flows from investing activities		
Interest received	321,183	531,247
Proceeds from disposal of investment properties	100,000,000	-
Enhancement of investment properties	(1,534,958)	(4,829,278)
Net cash from/(used in) investing activities	98,786,225	(4,298,031)
Cash flows from financing activities		
Distribution paid to unitholders	(2,095,149)	(14,861,290)
Repayment of term loan	(70,000,000)	(8,000,000)
Interest paid	(14,248,729)	(31,433,760)
Net cash used in financing activities	(86,343,878)	(54,295,050)
Net increase/(decrease) in cash and cash equivalents	28,090,358	(15,132,902)
Cash and cash equivalents at beginning of financial period	16,936,661	32,069,563
Cash and cash equivalents at end of financial period	45,027,019	16,936,661

The Condensed Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2023 and the accompanying explanatory notes attached.

A. EXPLANATORY NOTES FOR THE QUARTER ENDED 30 JUNE 2024 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 2024. 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. AUDIT REPORT OF PRECEDING FINANCIAL YEAR ENDED 31 DECEMBER 2023

The audit report of the Trust's financial statements for the financial year ended 31 December 2023 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 28 February 2024, ARREIT declared the final income distribution of RM0.3655 per unit for the financial period ending 31 December 2023. The said income distribution was paid on 16 April 2024 amounting to RM2,095,149.

AMANAHRAYA REAL ESTATE INVESTMENT TRUST
SECOND QUARTER ENDED 30 JUNE 2024
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024 (UNAUDITED)

A. EXPLANATORY NOTES FOR THE QUARTER ENDED 30 JUNE 2024 PURSUANT TO MALAYSIA FINANCIAL REPORTING STANDARD ("MFRS") (cont'd)

A8. Segmental Reporting

Segmental profit or loss for the second quarter ended 30 June 2024 and 30 June 2023 are as follows:

Business segmets	Second Quarter ended 30.06.2024						Second Quarter ended 30.06.2023					
	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	7,362,123	3,917,892	5,055,450	6,900	419,104	16,761,470	7,166,789	3,738,140	6,150,683	1,000,323	419,104	18,475,039
Property operating expenses	(3,217,190)	(1,973,105)	(715,274)	(309,838)	(87,368)	(6,302,775)	(3,969,975)	(1,949,461)	(529,536)	(110,430)	(13,035)	(6,572,437)
Net property income	4,144,933	1,944,787	4,340,176	(302,938)	331,737	10,458,695	3,196,814	1,788,679	5,621,147	889,893	406,069	11,902,602
Interest income						227,375						126,603
Other income						93,807						140,510
Trust expenses						(2,679,059)						(2,421,965)
Finance costs						(7,062,204)						(7,769,768)
Profit before tax						1,038,615						1,977,983
Deferred tax expenses						-						-
Profit for the period						1,038,615						1,977,983

Segmental profit or loss for the cumulative period ended 30 June 2024 and 30 June 2023 are as follows:

Business segmets	Cumulative period ended 30.06.2024						Cumulative period ended 30.06.2023					
	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	14,485,505	7,840,235	10,834,567	6,900	838,209	34,005,415	14,545,236	7,323,921	12,301,366	2,000,646	838,209	37,009,378
Property operating expenses	(6,128,509)	(4,076,484)	(1,281,813)	(414,338)	(193,098)	(12,094,242)	(7,416,243)	(3,758,586)	(961,459)	(215,201)	(30,761)	(12,382,250)
Net property income	8,356,996	3,763,751	9,552,754	(407,438)	645,110	21,911,173	7,128,994	3,565,335	11,339,907	1,785,445	807,448	24,627,129
Interest income						397,282						323,462
Other income						552,581						292,860
Trust expenses						(5,124,039)						(4,581,434)
Finance costs						(14,248,729)						(15,359,569)
Profit before tax						3,488,269						5,302,448
Deferred tax expenses						-						-
Profit for the period						3,488,269						5,302,448

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 2023 and the accompanying explanatory notes attached.

A. EXPLANATORY NOTES FOR THE QUARTER ENDED 30 JUNE 2024 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 2023 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 EVENT

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

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 in 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.

	30.06.2024	30.06.2023
	RM	RM
Security deposits from lessees placed with the holding company of the Manager	-	9,683,565
Manager's fees	3,451,115	3,108,117

The related party transactions described above were entered into in the normal course of business and are based on negotiated and mutually agreed terms.

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 and loss in respect of revenue from investment properties.

	30.06.2024	30.06.2023
	RM	RM
Realised rental income	34,005,415	37,009,378

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 2024

Rental Revenue

For the period Q2 FY24 ending 30 June 2024, ARREIT experienced a revenue decline to RM16.8 million, a 9% drop or RM1.7 million compared to the previous quarter. This decrease was primarily due to two factors:

- i) Disposal of Holiday Villa Langkawi: This sale resulted in a RM1 million loss in revenue for Q2 FY24.
- ii) Early Lease Termination by SEGi College: SEGi College's lease ended in February 2024, causing a RM1.1 million revenue shortfall for the quarter. However, this loss was mitigated by the immediate leasing of the property to ALFA University College with 18-year lease agreement, which will provide stable income beginning in Q1 FY25.

Despite these setbacks, ARREIT saw an increase in rental income from Selayang Mall by RM403.2k, thanks to the addition of 6 new tenants and the renewal of 34 existing tenants with incremental rent reversion. Looking ahead, Integra Healthcare Technology is progressing well with renovations at the Shah Alam industrial property (formerly Toshiba TEC). This development is expected to enhance revenue and net income contributions starting in Q3 FY25.

Property Expenses

The property expenses were recorded at RM6.3 million, a 4% reduction or RM269.7k lower than the preceding quarter mainly due to less repair and maintenance work required on the assets under management as they are now in good condition as a result of extensive upkeep exercise performed in the previous year and in Q1 FY24.

Trust Expenses

The trust expenses were recorded at RM2.7 million, an 11% increment or RM257.1k higher than the preceding quarter mainly due to the increase in manager's fee from 0.85% to 1.00% effective Mar 2024.

Borrowing Costs

The borrowing costs were recorded at RM7.1 million, a 9% reduction or RM707.6k lower than the preceding quarter mainly due to redemption of RM78m of the term loan and MTN. In addition, the effective interest rates currently being charged has also reduced from 5.00% in Q1 FY24 to 4.90% in June 2024.

B2. COMPARISON OF INCOME BEFORE TAXATION

	Current Quarter 30.06.2024 RM	Preceding Corresponding Quarter 30.06.2023 RM
Revenue		
- Gross revenue (rental income)	16,761,470	18,475,039
- Interest and other income	321,183	267,113
Total	<u>17,082,653</u>	<u>18,742,152</u>
Expenses		
- Property expenses	(6,302,775)	(6,572,437)
- Non-property expenses	(9,741,263)	(10,191,732)
Total	<u>(16,044,038)</u>	<u>(16,764,169)</u>
Realised income before taxation	<u>1,038,615</u>	<u>1,977,983</u>

The net realised income before tax recorded at RM1.0 million, a decrease by RM0.9m or 47.5% compared to the corresponding preceding quarter mainly due to the drop in Net Property Income by RM1.4m as a result of the disposal of Holiday Villa Langkawi which previously generated quarterly revenue of RM1.0m in the preceding year to date. In addition, SEGi College ended their lease in early March 2024 which contributed to the decrease in revenue by RM1.1m.

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

B3. PROSPECTS

Strategic Overview for 2H FY2024:

Key Growth Areas

We are optimistic on the growth prospects in the near future. These initiatives are part of a broader cost optimisation strategy aimed at sustainable growth and improved profitability. Resources are optimised to concentrate on the following key growth areas:

- Net Property Income (NPI) Enhancement: Focus on increasing NPI through strategic improvements and efficient management.
- Tenant Retention: Implementing measures to retain existing tenants and reduce turnover.
- Positive Rent Reversion: Achieving rent increases and favourable lease terms.
- Strategic Collaboration: Working closely with tenants in providing strategic spaces or assets in order to achieve long term goal for both parties.

Asset Acquisition and Yield Enhancement

The Manager is actively acquiring high-quality assets, across the approved strategic sectors - education, industrial and wellness, with a focus on achieving yield accretive assets that will greatly improve the revenue and net income. This strategy is designed to secure reputable tenants with long-term leases and improve occupancy rates. These efforts are expected to significantly enhance the Distribution Per Unit (DPU) and contribute to the overall yield growth of the portfolio.

Asset Re-balancing Strategy

The Manager is divesting office buildings and acquiring long-leased assets under triple net lease arrangements. Several promising assets are in the pipeline, expected to bolster the Fund's income stream and contribute to financial stability. The Manager is in the midst of divesting Contraves for RM42.5 million. This four-story office building with one basement level was sold to enhance cash flow and reduce overall gearing. The disposal of medium-sized, underperforming office buildings is part of a broader strategy to divest non-core assets, streamline the portfolio, and improve focus and efficiency.

Acquisition and Disposal Strategy

Portfolio Diversification

The Manager is actively pursuing acquisitions within the education sector to strengthen its position as a leading player. In addition to educational assets, the Manager is diversifying the portfolio by exploring investments in the industrial, logistics, and wellness sectors. This diversification aims to reduce sector-specific risks.

The proceeds from these disposals will be directed towards acquiring triple net lease assets. This move is intended to generate a sustainable income stream and improve Net Property Income (NPI) and Distribution Per Unit (DPU). The strategy addresses the oversupply in the Klang Valley and enhances portfolio resilience by concentrating on assets with stable, long-term income streams.

Leasing Strategy and Performance

Focus on Increasing Occupancy

The Manager is dedicated to enhancing the occupancy rate of ARREIT properties by filling available office spaces. Aggressive marketing and leasing initiatives have been deployed for multi-tenanted properties such as Vista Tower, Dana 13, and Wisma Comcorp. A collaborative approach is utilised, involving both in-house leasing staff and external real estate agencies to maximize occupancy and drive revenue growth.

Occupancy Rate Projections

As of 30 June 2024, the average portfolio occupancy rate is 70.0%. Post-30 June 2024, occupancy is expected to improve significantly:

- Vista Tower and Dana 13: Projected to see a 10.0% increase in occupancy.
- ALFA University College (Previously known as SEGi College Campus): Expected to return to full occupancy (100%) in Q3 FY24.

By Q4 2024, the average portfolio occupancy rate is projected to rise to 80%.

Asset Valuation and Performance

A recent revaluation of ARREIT's assets has resulted in a valuation surplus of RM2.2 million. Notably, Selayang Mall contributed RM1.0 million to this surplus due to improved occupancy levels. These gains reflect the Manager's successful efforts in enhancing asset value and operational efficiency.

Sustainability Initiatives

These initiatives below reflect the Manager's commitment to ESG principles, reducing energy consumption, and mitigating operational risks:

- Lift enhancement project at Help University and Vista Tower incorporates energy-efficient systems and safety improvements for a better service.
- LED light replacement program at Vista Tower, Selayang Mall, Dana 13 and Wisma Comcorp to significantly reduce the energy consumption.
- Coordinating efforts to convert Vista Tower into an intelligent Grade A building to enhance its market positioning and energy efficiency.
- Introduction of ARRIET Touch (the Property Management System) to all tenants across all properties to provide better services to the tenants.
- Lift enhancement program at Vista Tower and HELP University will provide faster service to the tenant and improve customer satisfaction.

These initiatives are part of a broader cost optimisation strategy aimed at sustainable growth and improved profitability.

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

B3. PROSPECTS (Cont'd)

Financial Performance Outlook

Economic Outlook

The remainder of 2024 forecasts robust growth in the local economy, driven by sector-wide expansion and favourable developments. This positive economic environment is expected to benefit ARREIT significantly. Encouraging Q1 and Q2 GDP growth in Malaysia supports the optimistic outlook for improved financial performance throughout the year.

Strategic Initiatives and Cost Optimisation

The Manager is implementing several key initiatives to enhance the Fund's performance:

- Operating Cost Optimisation: Rigorous measures are in place to control and reduce operating costs.
- Financial Relationships: Strengthening and broadening relationships with financial institutions to secure favourable financing arrangements and reduce costs.
- Equity Funding Options: Exploring equity funding options to encourage investor participation and further improve the Fund's performance.

Capital Management Outlook and Future Growth

The Manager's strategic focus on asset enhancement, cost efficiency, and financial optimisation is designed to support sustainable growth and enhance the overall Fund performance through the following areas:

Prudent Capital Management

The Management follows a cautious capital management approach, with a strong focus on actively monitoring the gearing ratio. Compliance with the Trust Deed and Securities Commission regulations is strictly maintained to ensure proper financing practices.

Strategic Asset Disposal

The disposal of Holiday Villa Langkawi has enabled the Fund to redeem some of its financing, reducing the overall borrowing level. Similar result will be achieved upon completion of the disposal of Contraves by Q4 FY24. This strategic move has improved cash availability for future acquisitions and enhanced cash management.

Liquidity Position

As of 30 June 2024, the Fund holds a cash balance of RM45.0 million. Additionally, there is an undrawn financing facility of RM400.0 million. This strong liquidity position supports the Fund's ability to meet working capital and operational needs while positioning it well for portfolio growth.

B4. TAXATION

Pursuant to Section 61A(1) of the Income Tax Act, 1967 under the Finance Act 2006, where 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.

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 Year To Date 30.06.2024 RM	Preceding Year To Date 30.06.2023 RM
Income before taxation	3,488,269	5,302,448
Income tax using Malaysian tax rate at 24%	837,184	1,272,588
Effect of income exempted from tax	(837,184)	(1,272,588)
Effect of changes in real property gains tax	-	-
Total tax benefit	-	-

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 2024 The Trust's composition of investment portfolio are as follows:

	Fair value as at 30.06.2024 RM	Cost as at 30.06.2024 RM	Percentage of fair value to Net Asset Value as at 30.06.2024 %
Investment properties			
<i>Office</i>			
* Vista Tower	521,000,000	457,715,633	71.63%
Dana 13	111,000,000	100,077,473	15.26%
* Wisma Comcorp	36,800,000	30,000,000	5.06%
Toshiba TEC	31,000,000	32,342,972	4.26%
<i>Education</i>			
* SEGi University	187,534,958	149,135,700	25.78%
* Help University	78,100,000	55,476,889	10.74%
* SEGi College	70,000,000	53,107,807	9.62%
<i>Industrial</i>			
* RHF Stone Factory	26,850,000	24,216,510	3.69%
<i>Hospitality</i>			
Ex-Holiday Villa Alor Setar	25,000,000	31,000,000	3.44%
<i>Retail</i>			
Selayang Mall	139,000,000	136,582,208	19.11%
Investment properties	<u>1,226,284,958</u>	<u>1,069,655,192</u>	
Net Asset Value ("NAV")	<u>727,359,882</u>		
* Charged to financial institution for credit facility			
Others			
Deposits placed with licensed financial institutions	<u>24,000,000</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 1 January 2024, ARREIT completed the disposal of Holiday Villa Langkawi which was held for sale as at 31 December 2023. The purchase consideration net of transaction costs was RM100,000,000, which was the same as its carrying amount as at 31 December 2023 and the asset has been derecognised accordingly.

On 26 June 2024, ARREIT entered into a conditional sale and purchase agreement for the proposed disposal of Contraves for a total lump sum cash consideration of RM42,500,000, which is the same as its carrying amount as at 31 December 2023. The asset is now recognised as held for sale as at 30 June 2024.

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 30.06.2024 RM	Preceding Year To-date 31.12.2023 RM
Long term borrowings		
- Term Loan PBB	17,920,000	17,920,000
- Unrated medium term notes	540,533,404	541,000,000
- Unamortised transaction costs	(346,455)	(492,035)

The borrowings are secured by way of first legal charge on investment properties. The weighted average effective interest rate (annualised) for these borrowings is 4.90% (preceding correspondence quarter: 5.00%). The gearing ratio is currently 42.10%.

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 2024, 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 2024, 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 of the business of the Trust.

B14. MATERIAL LITIGATION

No material litigation took place during the financial quarter ended 30 June 2024.

B15. EARNINGS PER UNIT

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

	CURRENT YEAR 30.06.2024 RM	CORRESPONDING PRECEDING YEAR 30.06.2023 RM
Earnings after taxation	3,488,269	5,302,448
Total number of units issued	573,219,858	573,219,858
Realised earnings per unit (sen)	0.6085	0.9250

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 and fair view of the financial position of ARREIT as of 30 June 2024 and of its financial performance and cash flows for the quarter and year ended on that date and duly authorised for the release by the Board of the Manager on 28 August 2024.

By Order of the Board
 JERRY JESUDIAN A/L JOSEPH ALEXANDER
 LEONG SHIAK WAN (f)
 RIZANA BINTIN AHMAD RITHAUDDEEN
 Joint Company Secretary
 AmanahRaya-KENEDIX REIT Manager Sdn Bhd (Company No. 856167-A)
 (As the Manager of AmanahRaya Real Estate Investment Trust)
 Kuala Lumpur
 Dated: 28 August 2024