

HEKTAR REAL ESTATE INVESTMENT TRUST ("HEKTAR REIT")



REVALUATION OF PROPERTIES

1. INTRODUCTION

Hektar Asset Management Sdn Bhd, the Manager of Hektar REIT, wishes to announce that Hektar REIT had undertaken a revaluation exercise on the following investment properties which are being held by Hektar REIT for long term investment purposes:

- (i) **Name of Property** : **Subang Parade**
Address : No.5 Jalan SS 16/1, 47500 Subang Jaya, Selangor
- Description : A freehold land measuring approximately 460,734 square feet (10.577 acres) in area together with a free-standing three-storey shopping complex with two basement levels. The commercial/retail complex comprises three floors of shopping/commercial area on the ground, second and third floors, one level of basement car parks and another level of basement service tunnel.
- (ii) **Name of Property** : **Mahkota Parade**
Address : No.1, Jalan Merdeka, 75000 Melaka
- Description : A leasehold land measuring approximately 570,815 square feet (13.1 acres) in area together with a free-standing three-storey shopping complex with one level of basement car park. The commercial/retail complex comprises four floors of shopping/commercial area on the basement, ground, second and third floors.

- (iii) **Name of Property** : **Wetex Parade**
Address : 69, Jalan Ali, Off Jalan Sulaiman, 84000 Muar, Johor
- Description** : A freehold land measuring approximately 59,731 square feet (1.3712 acres) in area with 10-storey commercial complex comprising a five-storey shopping centre with a basement car park known as “Wetex Parade” and a 3 star category hotel with 156 rooms known as “Hotel Classic” occupying largely from the fifth to ninth floors as well as small sections of the ground to fourth floors.
- (iv) **Name of Property** : **Central Square**
Address : 23, Jalan Kampung Baru, Sungai Petani, Kedah Darul Aman
- Description** : 120 units of stratified retail space located within a 5.5 storey and three-storey basement car park shopping complex known as Central Square Shopping Centre
- (v) **Name of Property** : **Kulim Central**
Address : 1, Jalan KLC Satu (1), Kulim, Kedah Darul Aman
- Description** : A land measuring approximately 291,917 square feet (6.7 acres) in area with a three-storey retail mall and ground-floor car park.
- (vi) **Name of Property** : **Segamat Central**
Address : Jalan Kolam Air, 85000 Segamat, Johor
- Description** : A land measuring approximately 174,534.21 square feet (16,214.74 square meters) with a three-storey retail mall and a basement car park.
- (vii) **Name of Property** : **Kolej Yayasan Saad, Melaka (KYSM)**
Address : Jalan Kolej Yayasan Saad, 75670 Ayer Keroh, Melaka
- Description** : A land measuring approximately 3,746,639.16 square feet (348,074 square meters) with administration and academic blocks, staff and student accommodation blocks along with facilities ranging from cafeteria, dining hall, surau, multi-purpose hall, gymnasium, squash court and swimming pool complex.

The above is hereinafter collectively referred to as “Properties”.

2. PURPOSE OF REVALUATION

The purpose of the revaluation exercise was to ascertain the current market values of the Properties for accounting purposes pursuant to Malaysian Financial Reporting Standard (“MFRS”) 140: Investment Properties.

In addition, the revaluation exercise conducted for Hektar REIT is pursuant to Clause 10.02(b)(i) of the Securities Commission’s (“SC”) Guidelines on Listed Real Estate Investment Trusts (“REIT Guidelines”) whereby the revaluation of real estate in a REIT should be carried out at least once every financial year by an independent professional valuer.

3. REVALUATION SURPLUS/ DEFICIT

The details of the revaluation of the Properties are set out below.

Properties	Carrying Value as at 31 December 2024 (prior to revaluation) RM'000	Fair Value as of 31 December 2024 RM'000
Subang Parade	430,000	438,000
Mahkota Parade	338,500	343,000
Wetex Parade	161,700	153,000
Central Square	95,000	95,900
Kulim Central	142,500	144,600
Segamat Central	65,000	62,000
Kolej Yayasan Saad, Melaka	150,000*	150,000
Total	1,382,700	1,386,500

*Note: Includes KYSM previously recognized fair value gain upon completion of acquisition amounting to RM1,500,000 in July 2024

Taking into consideration the RM1,500,000 fair value gain upon completion of acquisition of Kolej Yayasan Saad, the total fair value gain to be recognized in the Statement of Comprehensive Income for the financial year ended 31 December 2024 shall amount to **RM5,300,000**.

The carrying value of the Investment Properties as of 31 December 2024 of RM1,386,500,000 is based on the market value as per the valuation reports.

4. EFFECTS ON THE NET ASSET VALUE

The Board of Directors of the Manager approved the fair valuation gain of the Properties on 17 February 2025. The fair value valuation gain of RM5,300,000 had increased the value of the investment properties of Hektar REIT. The impact of the fair value adjustment on the net assets value per Hektar REIT unit is as follows:

Based on the unaudited results as of 31 December 2024	RM
Net Assets per Unit- after revaluation	1.0463
Net Assets per Unit -before revaluation	1.0388
Effect of Fair Value: increase in Net Assets per Unit	0.0075

The Board of Directors of the Manager has also decided that unless there are any significant changes to these estimates, the new valuations would be reflected in the results of the fourth quarter for the financial year ended 31 December 2024.

5. NAME OF VALUER

The revaluation exercise was carried out by the following independent professional valuers:

Properties	Independent Valuer
Subang Parade	Messrs. First Pacific Valuers Property Consultants Sdn. Bhd.
Mahkota Parade	Messrs. Raine Horne International Zaki & Partners
Wetex Parade	Messrs. First Pacific Valuers Property Consultants Sdn. Bhd.
Central Square	Messrs. ExaStrata Solutions Sdn. Bhd.
Kulim Central	Messrs. ExaStrata Solutions Sdn. Bhd.
Segamat Central	Messrs. Raine Horne International Zaki & Partners
Kolej Yayasan Saad	Messrs. Jones Lang Wootton Sdn Bhd.

6. DATE OF VALUATION

The relevant date of valuation for the Properties is at 31 December 2024

7. DOCUMENTS AVAILABLE FOR INSPECTION

The valuation reports in relation to the Properties are available for inspection at the management office of Hektar Asset Management Sdn Bhd at D1-U3-10, Block D1, Solaris Dutamas, No.1, Jalan Dutamas 1, 50480 Kuala Lumpur during normal office hours from Monday to Friday (except public holidays) for a period of three (3) months from the date of this announcement.

This announcement is dated 17 February 2025.