

AL-'AQAR HEALTHCARE REIT
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Third Quarter Ended 30 September 2020

	Note	Individual Quarter			Cumulative Quarter		
		Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year to date	Preceding Year corresponding period to date	Changes
		30-09-2020	30-09-2019		30-09-2020	30-09-2019	
		RM	RM	%	RM	RM	%
Gross rental income		25,335,559	26,717,831	(5.2)	74,660,205	79,431,980	(6.0)
Property expenses		(1,572,453)	(1,450,869)	8.4	(4,665,056)	(4,261,685)	9.5
Net rental income	B1	23,763,106	25,266,962	(6.0)	69,995,149	75,170,295	(6.9)
Investment income		250,576	389,392	(35.6)	812,720	1,268,364	(35.9)
Other income		133,000	133,139	(0.1)	446,750	584,196	(23.5)
Total income		24,146,682	25,789,493	(6.4)	71,254,619	77,022,855	(7.5)
Managers' fees		(463,182)	(427,592)	8.3	(1,376,810)	(1,280,588)	7.5
Trustees' fees		(97,071)	(70,920)	36.9	(296,783)	(212,681)	39.5
Accretion of long term borrowings		(55,043)	(55,043)	-	(165,130)	(165,130)	-
Annual financing fees		(326,796)	(326,796)	-	(983,388)	(1,040,788)	(5.5)
Maintenance of properties		(664,038)	(189,000)	> 100	(1,070,388)	(1,550,598)	(31.0)
Administrative expenses		(324,070)	(560,131)	(42.1)	(1,636,606)	(1,474,489)	11.0
Unrealised gain on foreign exchange		83,836	-	100.0	286,050	-	100.0
Professional fees		(72,880)	(77,500)	(6.0)	(254,045)	(325,900)	(22.0)
Withholding tax		(222,377)	(222,377)	-	(667,130)	(667,130)	-
Profit sharing expenses on financing		(8,370,572)	(7,731,750)	8.3	(25,394,455)	(22,991,737)	10.5
Total trust expenditure		(10,512,193)	(9,661,109)	8.8	(31,558,685)	(29,709,041)	6.2
Net income before taxation		13,634,489	16,128,384	(15.5)	39,695,934	47,313,814	(16.1)
Tax		-	-	-	-	-	-
Net income after taxation		13,634,489	16,128,384	(15.5)	39,695,934	47,313,814	(16.1)
Other comprehensive income/(expenses)							
Foreign currency translation differences for foreign operation		181,637	(380,085)	(> 100)	828,286	(481,122)	(> 100)
Total comprehensive income for the period		13,816,126	15,748,299	(12.3)	40,524,220	46,832,692	(13.5)
Net income after taxation is made up as follows:							
Realised		13,550,653	16,128,384	(16.0)	39,409,884	47,313,814	(16.7)
Unrealised		83,836	-	100.0	286,050	-	100.0
		13,634,489	16,128,384	(15.5)	39,695,934	47,313,814	(16.1)
Earnings per unit (sen) - Net		1.85	2.19	(15.5)	5.39	6.43	(16.2)

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the financial statements.

AL-'AQAR HEALTHCARE REIT
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 September 2020

	Note	Unaudited As At End Of Current Quarter 30-09-2020 RM	Audited As at preceding year ended 31-12-2019 RM
ASSETS			
Non-current assets			
Investment properties	A9	1,569,814,000	1,569,814,000
Current Assets			
Trade receivables	B9	27,489,728	13,267,472
Other receivables & prepayments		3,580,911	3,516,647
Cash and bank balances		52,608,739	43,470,684
Fixed deposits with licensed banks		44,188,679	44,283,132
		<u>127,868,057</u>	<u>104,537,935</u>
TOTAL ASSETS		<u>1,697,682,057</u>	<u>1,674,351,935</u>
LIABILITIES			
Non-current liabilities			
Islamic financing	B10	79,439,000	653,639,058
Other payables		10,353,946	6,907,481
Deferred tax		1,469,088	1,453,008
		<u>91,262,034</u>	<u>661,999,547</u>
Current Liabilities			
Islamic financing	B10	604,625,731	29,796,526
Other payables and accruals		17,623,621	9,617,214
Provision for income distribution		15,161,292	14,425,308
		<u>637,410,644</u>	<u>53,839,048</u>
TOTAL LIABILITIES		<u>728,672,678</u>	<u>715,838,595</u>
NET ASSETS VALUE		<u>969,009,379</u>	<u>958,513,340</u>
REPRESENTED BY:			
Unitholders' capital		731,398,126	731,398,126
Undistributed income		254,319,011	244,651,258
Foreign exchange translation reserve		(16,707,758)	(17,536,044)
TOTAL UNITHOLDERS' FUND		<u>969,009,379</u>	<u>958,513,340</u>
NUMBER OF UNITS IN CIRCULATION		<u>735,985,088</u>	<u>735,985,088</u>
NET ASSETS VALUE (NAV) PER UNIT (RM)		1.3166	1.3024

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the financial statements.

AL-'AQAR HEALTHCARE REIT
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS VALUE
For the Third Quarter Ended 30 September 2020

	Unitholders' Capital	Undistributed Income	Foreign Exchange	Total Unitholders' Fund
	RM	RM	RM	RM
As at 1 January 2019	731,398,126	225,896,338	(9,496,498)	947,797,966
Operation for the period ended 30 September 2019				
Net income for the period	-	47,313,814	(481,122)	46,832,692
<i>Increase/(Decrease) in net assets resulting from operation</i>	-	47,313,814	(481,122)	46,832,692
Unitholders' transactions				
Placement of units	-	-	-	-
Distribution to unitholders	-	(42,981,517)	-	(42,981,517)
Issuing expenses	-	-	-	-
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(42,981,517)	-	(42,981,517)
Net assets as at 30 September 2019	731,398,126	230,228,635	(9,977,620)	951,649,141
As at 1 January 2020	731,398,126	244,651,258	(17,536,044)	958,513,340
Operation for the period ended 30 September 2020				
Net income for the period	-	39,695,934	828,286	40,524,220
<i>Increase in net assets resulting from operation</i>	-	39,695,934	828,286	40,524,220
Unitholders' transactions				
Placement of units	-	-	-	-
Distribution to unitholders #	-	(30,028,181)	-	(30,028,181)
Issuing expenses	-	-	-	-
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(30,028,181)	-	(30,028,181)
Net assets as at 30 September 2020	731,398,126	254,319,011	(16,707,758)	969,009,379

Include:

- i) Payment of the final income distribution for financial year 2019 of 2.02 sen per unit (of which 0.60 sen per unit is taxable and 1.42 sen per unit is non-taxable in the hands of unitholders) in respect of the period from 1 October to 31 December 2019 which was paid on 28 February 2020.
- ii) Provision of the first interim income distribution for the financial year ending 31 December 2020 of 2.06 sen per unit (of which 0.79 sen per unit is taxable and 1.27 sen per unit is non-taxable in the hands of unitholders) in respect of the period from 1 January to 31 March 2020 which was announced on 28 August 2020.

The Condensed Consolidated Statement of Changes In Net Assets Value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the financial statements.

AL-'AQAR HEALTHCARE REIT
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Third Quarter Ended 30 September 2020

	To Date	
	<u>30-09-2020</u>	<u>30-09-2019</u>
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	39,695,934	47,313,814
Adjustment for:		
Profit sharing expenses on Islamic financing	26,377,843	24,032,525
Accretion of long term Islamic financing	165,130	165,130
Unrealised gain on foreign exchange	(286,050)	-
Investment revenue	(812,720)	(1,268,364)
Operating profit before working capital changes	65,140,137	70,243,105
Changes in working capital:		
Increase in receivables and prepayments	(14,286,520)	(9,074,314)
Decrease in other payables and accruals	(10,275,060)	(12,928,495)
Cash generated from operations	40,578,557	48,240,296
Taxes	-	-
Net cash generated from operating activities	40,578,557	48,240,296
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to investment properties	-	(1,800,000)
Income received from investment	812,720	1,268,364
Net cash generated from/(used in) investing activities	812,720	(531,636)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distribution paid	(14,866,888)	(29,292,194)
Increase in restricted cash	(1,401,978)	(522,256)
Profit sharing expenses on Islamic financing	(18,595,121)	(15,719,428)
Net cash used in financing activities	(34,863,987)	(45,533,878)
NET INCREASE IN CASH AND CASH EQUIVALENTS	6,527,290	2,174,782
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,114,334	(481,122)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	67,475,106	72,733,063
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	75,116,730	74,426,723
DEPOSITS, CASH AND BANK BALANCES		
Cash and bank balances	52,608,739	50,914,112
Fixed deposits with licensed banks	44,188,679	42,650,798
	96,797,418	93,564,910
Less: Restricted cash	(21,680,688)	(19,138,187)
CASH AND CASH EQUIVALENTS	75,116,730	74,426,723

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2019 and the accompanying explanatory notes attached to the financial statements.

AL-'AQAR HEALTHCARE REIT
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Third Quarter Ended 30 September 2020

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A1. BASIS OF PREPARATION

These condensed financial statements have been prepared in accordance with Listing Requirements of the Bursa Malaysia Securities Berhad, Malaysian Financial Reporting Standard (MFRS) 134 and International Financial Reporting Standards.

The interim financial report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2019.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent Audited Financial Statements for the financial year ended 31 December 2019.

Standards, amendments to published standards and interpretations that are effective

The Group has applied the following amendments for the financial year beginning 1 January 2020:

- Amendments to MFRS 3 'Definition of a Business'
- Amendments to MFRS 101 and MFRS 108 'Definition of Material'
- Amendments to MFRS 9, MFRS 139 and MFRS 7 'Interest Rate Benchmark Reform'
- MFRSs 'Amendments to References to the Conceptual Framework in MFRS Standards'

The adoption of these new standards and amendments did not have any material impact on the current financial year or prior year and is not likely to affect future years.

Standards that have been issued but not yet effective

- MFRS 17 'Insurance Contracts' (effective 1 January 2021)
- Amendments to MFRS 10 and MFRS 128 'Sale or Contribution of Assets between an Investor and its Associate or Joint Venture' (effective date deferred to a date to be determined and announced by MASB, with earlier application permitted)

The Group did not early adopt these new standards.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The financial statements of Al-'Aqar Healthcare REIT for the financial year ended 31 December 2019 was not subject to any audit qualification.

A3. SEASONALITY AND CYCLICALITY OF OPERATIONS

The business operations of Al-'Aqar Healthcare REIT are not affected by any material seasonal or cyclical factors.

A4. UNUSUAL ITEMS AFFECTING THE FINANCIAL STATEMENTS

There were no unusual items affecting the financial statements of Al-'Aqar Healthcare REIT for the current quarter.

A5. CHANGES IN ACCOUNTING ESTIMATES

There were no changes in accounting estimates arising from the adoption of the new and revised MFRSs, that have had a material effect in the current quarter.

A6. ISSUANCES, CANCELLATIONS, REPURCHASES AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases and repayment of debt and equity securities being made in the current quarter.

A7. INCOME DISTRIBUTION

The first interim income distribution for the financial year ending 31 December 2020 of 2.06 sen per unit (of which 0.79 sen per unit is taxable and 1.27 sen per unit is non-taxable in the hands of unitholders) in respect of the period from 1 January to 31 March 2020, which was announced on 28 August 2020 has been paid on 12 October 2020.

A8. SEGMENTAL REPORTING

a. Primary reporting segment - Geographical segments

Al-'Aqar Healthcare REIT operates in two principal geographical areas as follows:

	Malaysia RM'000	Australia RM'000	Total RM'000
Period Ended 30 September 2020			
Gross rental income	67,380	7,280	74,660
Property expenses	(4,555)	(110)	(4,665)
Net rental income	62,825	7,170	69,995
Investment income	813	-	813
Other income	447	-	447
Total income	64,085	7,170	71,255
Trust expenditure	(31,161)	(398)	(31,559)
Profit before taxation	32,924	6,772	39,696
Tax expense	-	-	-
Profit after taxation	32,924	6,772	39,696
Total assets	1,548,300	149,382	1,697,682
Total liabilities	726,899	1,774	728,673
	Malaysia RM'000	Australia RM'000	Total RM'000
Period Ended 30 September 2019			
Gross rental income	70,827	8,605	79,432
Property expenses	(4,152)	(110)	(4,262)
Net rental income	66,675	8,495	75,170
Investment income	1,269	-	1,269
Other income	584	-	584
Total income	68,528	8,495	77,023
Trust expenditure	(29,671)	(38)	(29,709)
Profit before taxation	38,857	8,457	47,314
Tax expense	-	-	-
Profit after taxation	38,857	8,457	47,314
Total assets	1,441,905	151,654	1,593,559
Total liabilities	639,680	2,230	641,910

b. Secondary reporting segment - Business segments

Al-'Aqar Healthcare REIT operates within the healthcare industry and accordingly, the segmental reporting by business segment was not prepared.

A9. VALUATION OF INVESTMENT PROPERTIES

There was no valuation of property being made in the current quarter.

A10. SUBSEQUENT MATERIAL EVENTS

On 23 October 2020, the Manager, after consultation with the Trustee had announced the second interim income distribution of 1.30 sen per unit (non-taxable in the hands of unitholders) in respect of the period from 1 April to 30 June 2020. The second interim income distribution will be paid on 4 December 2020.

A11. CHANGES IN THE COMPOSITION OF THE TRUST

Al-'Aqar Healthcare REIT was listed on 10 August 2006 with an initial fund size of 340 million units.

In the Annual General Meeting (AGM) held on 25 June 2020, the following resolutions have been passed by the unit holders of Al-'Aqar Healthcare REIT:

Ordinary Resolution 1

Proposed authority to allot and issue up to 147,197,017 new units of Al-'Aqar Healthcare REIT, representing 20% of the approved fund size of Al-'Aqar Healthcare REIT, pursuant to Clause 14.03 of the SC REIT Guidelines.

Ordinary Resolution 2

Proposed increase in existing approved fund size of Al-'Aqar Healthcare REIT from 735,985,088 units to a maximum of 883,182,105 units pursuant to Ordinary Resolution 1.

However, there were no issuances of new units for the current quarter under review.

A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets to be disclosed in the current quarter.

A13. SIGNIFICANT RELATED PARTY TRANSACTION

Parties are considered to be related to the Group and the Fund if the Group and the Fund has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Fund and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Fund derives all its rental income from related parties.

Significant related party transactions are as follows:

	The Group		The Fund	
	30-09-2020	30-09-2019	30-09-2020	30-09-2019
	RM	RM	RM	RM
Manager's fee	1,376,810	1,280,588	1,376,810	1,280,588
Maintenance fee	759,300	748,805	759,300	748,805
Registrar fee	-	83,545	-	83,545
Secretarial fee	-	2,130	-	-
Miscellaneous expenses	59,982	-	59,982	-
Other income	(399,000)	(399,000)	(399,000)	(399,000)

Other income relates to the compensation received from Selangor Medical Centre Sdn Bhd for loss of opportunity and annual loss of potential income due to the deferment for the transfer of a Physician Consultant Building to the Group and the Fund.

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

AL-'AQAR HEALTHCARE REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Third Quarter Ended 30 September 2020

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30.09.2020 RM'000	Preceding Year Corresponding Quarter 30.09.2019 RM'000	Changes %	Current Year To Date 30.09.2020 RM'000	Preceding Year Corresponding Period To Date 30.09.2019 RM'000	Changes %
Net rental income						
Malaysia	21,293	22,429	(5.1)	62,825	66,675	(5.8)
Australia	2,470	2,838	(13.0)	7,170	8,495	(15.6)
Total net rental income	23,763	25,267	(6.0)	69,995	75,170	(6.9)
Net income before taxation						
Malaysia	11,181	13,291	(15.9)	32,924	38,857	(15.3)
Australia	2,454	2,838	(13.5)	6,772	8,457	(19.9)
Total net income before taxation	13,635	16,129	(15.5)	39,696	47,314	(16.1)
Net income after taxation						
Malaysia	11,181	13,291	(15.9)	32,924	38,857	(15.3)
Australia	2,454	2,838	(13.5)	6,772	8,457	(19.9)
Total net income after taxation	13,635	16,129	(15.5)	39,696	47,314	(16.1)

(a) Review of Individual Quarter Results

Malaysia segment

The Malaysia segment contributed RM21.3 million of net rental income for the current quarter ended 30 September 2020, represented a decrease of RM1.1 million or 5.1% from RM22.4 million, recorded in the preceding year's corresponding quarter. The decrease was mainly due to provision for Covid-19 rental support given to assist tenants during the current quarter.

Australia segment

The Australia segment recorded RM2.5 million of net rental income for the current quarter ended 30 September 2020, represented a decrease of RM0.4 million or 13.0% from RM2.8 million, recorded in the preceding year's corresponding quarter. The decrease was mainly due to provision for Covid-19 rental support as described above.

Net income before taxation

Al-'Aqar Healthcare REIT's net rental income for the current quarter ended 30 September 2020, represented a decrease of RM1.5 million or 6.0% as compared to the preceding year's corresponding quarter. The decrease was mainly due to the reason as stated above.

Al-'Aqar Healthcare REIT's net income before taxation for the current quarter ended 30 September 2020, correspondingly drop by RM2.5 million or 15.5% lower than corresponding quarter's last year of RM16.1 million. The decrease was mainly due to provision for Covid-19 rental support as mentioned earlier.

B1. REVIEW OF PERFORMANCE (CONT'D)

(b) Review of Cumulative Quarter Results

Malaysia segment

The Malaysia segment contributed RM62.8 million of net rental income for the 9 months period ended 30 September 2020, represented a decrease of RM3.9 million or 5.8% from RM66.7 million, recorded in the preceding period. The decrease was mainly due to provision for Covid-19 rental support given to assist tenants during the year.

Australia segment

The Australia segment recorded RM7.2 million of net rental income for the 9 months period ended 30 September 2020, represented a decrease of RM1.3 million or 15.6% from RM8.5 million, recorded in the preceding period. The decrease was mainly due to provision for Covid-19 rental support as described above.

Net income before taxation

Al-'Aqar Healthcare REIT's net rental income for the 9 months period ended 30 September 2020, represented a decrease of RM5.2 million or 6.9% as compared to the preceding period. The decrease was mainly due to provision for Covid-19 rental support as mentioned above.

Al-'Aqar Healthcare REIT's net income before taxation for the period ended 30 September 2020 was RM39.7 million, which was RM7.6 million or 16.1% lower than preceding period of RM47.3 million. The decrease was mainly due to higher Islamic financing cost by RM2.5 million due to drawdown of additional Islamic financing in December 2019 set-off against reduction of RM0.5 million in maintenance of properties.

B2. MATERIAL CHANGES IN NET INCOME BEFORE TAXATION FOR THE QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

	Current Quarter ended 30.09.2020 RM'000	Immediate Preceding Quarter ended 30.06.2020 RM'000	Changes %
Net rental income	23,763	19,576	21.39
Net income before taxation	13,635	10,556	29.17
Net income after taxation	13,635	10,556	29.17

Al-'Aqar Healthcare REIT recorded a higher net income before taxation of RM13.6 million as compared to RM10.5 million in the preceding quarter. The variance was mainly due to lower provision for Covid-19 rental support given to assist tenants during the current quarter.

B3. PROSPECTS

The lockdowns or Movement Control Order (MCO) implemented by the government from 18 March 2020 has adversely impacted all businesses and healthcare industry was not spared too. During the lockdowns, the KPJ Group has reported a decline in their business activities and this was evidenced by lower patient episodes and lower daily Bed Occupancy Rate (BOR) between 27% and 31% in second half of March, April and May 2020.

The relaxation of the control under the MCO, through the implementation of the Recovery Movement Control Order (RMCO) on 10 June 2020, has encouraged the patient to seek treatment in hospitals. This, has improved the KPJ Group's business activities.

Covid-19 outbreak is likely to have minimal impact on the Malaysian healthcare sector in the near term and thus the Manager expects Al-'Aqar able to record stable and sturdy earning underpinned by long-term lease arrangements with KPJ Group. For the long term, the Manager believe rising healthcare awareness arising from the outbreak should be positive for the healthcare sector.

B4. UTILISATION OF PROCEEDS RAISED FROM ANY ISSUANCE OF NEW UNITS

There was no issuance of new units during the current quarter.

B5. TAX

	The Group		The Fund	
	30-09-2020	30-09-2019	30-09-2020	30-09-2019
	RM	RM	RM	RM
Tax expense				
- Income Tax	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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 at least 95% of its distributable income. The Manager also expects to distribute the net income within two 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.

B6. GAIN OR LOSS ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There was no disposal of unquoted securities or investment properties during the current quarter.

B7. PURCHASE AND DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities during the current quarter.

B8. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

On 27 October 2020, Al-'Aqar Healthcare REIT had announced its proposal to undertake a private placement to raise gross proceeds of up to RM50 million.

Subsequently on 5 November 2020, on behalf of the Manager, Aminvestment Bank Berhad announced that Bursa Securities has granted its approval for the listing of and quotation for 43,859,649 new units to be issued pursuant to the Proposed Private Placement on the Main Market of Bursa Securities via its letter dated 4 November 2020 ("Proposed Private Placement").

B9. TRADE RECEIVABLES

	The Group	
	As at	As at
	30-09-2020	30-09-2019
	RM'000	RM'000
Trade receivables	27,490	10,178

Trade receivables comprise rental receivable from lessees. The credit period granted by the Group on rental receivable from lessees ranges from 30 to 60 days.

The ageing analysis of the Group's trade receivables is as follows:

	The Group	
	As at	As at
	30-09-2020	30-09-2019
	RM'000	RM'000
0-30 days	4,061	2,880
31-60 days	1,707	1,929
61-90 days	1,757	1,960
More than 90 days	19,965	3,409
	<u>27,490</u>	<u>10,178</u>

B9. TRADE RECEIVABLES (CONT'D)

The Group has not recognised any allowance for estimated credit loss as the Group holds tenant deposits as credit enhancement and the amounts are considered recoverable.

Out of the total trade receivables of RM27.5 million, RM16.9 million is related to rental payable in relation to an Australian property. The parties are in the midst of entering into a settlement arrangement for settlement of the outstanding rental via instalments of 24 months. This arrangement will be in the form of settlement agreement to be entered between both parties.

B10. ISLAMIC FINANCING

	The Group	
	As at	As at
	30-09-2020	30-09-2019
	RM'000	RM'000
<u>Non-current</u>		
<u>Secured</u>		
Sukuk Ijarah - Islamic Medium Term Notes ('IMTN')	-	574,525
Commodity Murabahah Term Financing - i ("Commodity Murabahah")	79,439	-
<u>Non-Secured</u>		
Murabahah Tawarruq Term Financing - i ("Murabahah Tawarruq")	-	29,768
	79,439	604,293
<u>Current</u>		
<u>Secured</u>		
Sukuk Ijarah - Islamic Medium Term Notes ('IMTN')	574,745	-
<u>Non-Secured</u>		
Murabahah Tawarruq Term Financing - i ("Murabahah Tawarruq")	29,881	-
	604,626	-

The Sukuk Ijarah Programme will be due in May 2021. The Manager is in the midst of undertaking steps to refinance the said issuance.

B11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

For the current quarter, the Group does not have any off balance sheet financial instruments.

B12. MATERIAL LITIGATION

There was no material litigation as at the date of the current quarter.

B13. SOFT COMMISSION RECEIVED

There was no soft commission received by the Manager during the current quarter.

B14. SUMMARY OF DPU, EPU AND NAV

	Current Quarter ended 30-09-2020	Immediate Preceding Quarter ended 30-06-2020
Number of units in issue - units	735,985,088	735,985,088
Earning per unit (EPU) - sen	1.85	1.43
Net income distribution to unitholders - RM'000	15,161	-
Distribution per unit (DPU) - sen	2.06	-
Net Asset Value (NAV) - RM'000	969,009	970,355
NAV per unit - RM	1.3166	1.3184
Market Value Per Unit - RM	1.3500	1.3800

B15. RESPONSIBILITY STATEMENT

This quarterly report was prepared in accordance with MFRS 134 : Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of Al-'Aqar Healthcare REIT as at 30 September 2020 and of its financial performance and cash flows for the period then ended.