

**AL-SALĀM REIT**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the First Quarter Ended 31 March 2025**

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter	Preceding Year Corresponding Quarter	Current Year to-date	Preceding Year Corresponding Period to-date
		31-03-2025	31-03-2024	31-03-2025	31-03-2024
		RM	RM	RM	RM
Gross rental income		18,335,606	17,147,662	18,335,606	17,147,662
Other income		3,046,517	2,752,137	3,046,517	2,752,137
Total revenue	B1	21,382,123	19,899,799	21,382,123	19,899,799
Utilities expenses		(2,098,560)	(2,312,345)	(2,098,560)	(2,312,345)
Maintenance expenses		(917,723)	(900,492)	(917,723)	(900,492)
Quit rent and assessment		(445,977)	(409,378)	(445,977)	(409,378)
Other property expenses		(2,894,527)	(2,463,037)	(2,894,527)	(2,463,037)
Property manager fee		(118,500)	(118,500)	(118,500)	(118,500)
Total property expenses		(6,475,287)	(6,203,752)	(6,475,287)	(6,203,752)
Net property income	B1	14,906,836	13,696,047	14,906,836	13,696,047
Investment income		232,283	224,979	232,283	224,979
Loss on fair value adjustment of investment properties		(665,726)	-	(665,726)	-
Net investment income		14,473,393	13,921,026	14,473,393	13,921,026
Manager's management fees		(652,837)	(653,144)	(652,837)	(653,144)
Trustee's fees		(32,333)	(32,449)	(32,333)	(32,449)
Shariah advisors' fee		(2,000)	(2,000)	(2,000)	(2,000)
Islamic financing costs		(10,054,742)	(10,133,795)	(10,054,742)	(10,133,795)
Other trust expenses		(452,132)	(365,784)	(452,132)	(365,784)
Net income before tax		3,279,349	2,733,854	3,279,349	2,733,854
Taxation		-	-	-	-
<b>Net income after tax</b>		<b>3,279,349</b>	<b>2,733,854</b>	<b>3,279,349</b>	<b>2,733,854</b>
Other comprehensive income, net of tax		-	-	-	-
<b>Total comprehensive income for the year</b>		<b>3,279,349</b>	<b>2,733,854</b>	<b>3,279,349</b>	<b>2,733,854</b>
Net income after tax is made up as follow:					
Realised		3,279,349	1,928,656	3,279,349	1,928,656
Unrealised		-	805,198	-	805,198
		<b>3,279,349</b>	<b>2,733,854</b>	<b>3,279,349</b>	<b>2,733,854</b>
Earnings per unit (sen)		0.57	0.47	0.57	0.47

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the financial statements.

**AL-SALĀM REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**as at 31 March 2025**

		Unaudited As at End Of Current Quarter 31-03-2025	Audited As at preceding year ended 31-12-2024
	Note	RM	RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties		1,201,723,255	1,201,723,255
Property, plant & equipment		877,618	861,140
Other receivables		805,867	805,867
		<u>1,203,406,740</u>	<u>1,203,390,262</u>
<b>Current Assets</b>			
Trade receivables	B11	29,988,863	34,675,674
Other receivables & prepayments		8,681,852	4,578,546
Cash and bank balances		10,808,555	4,691,360
Fixed deposits with licensed banks		30,066,000	31,053,000
Amount due from related companies		206,048	1,706,355
		<u>79,751,318</u>	<u>76,704,935</u>
Asset classified as held for sale		37,100,000	37,100,000
<b>TOTAL ASSETS</b>		<u>1,320,258,058</u>	<u>1,317,195,197</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Islamic financing	B12	594,790,920	594,278,034
Other payables and accruals		5,668,218	5,697,759
Deferred tax liability		2,242,953	2,242,953
		<u>602,702,091</u>	<u>602,218,746</u>
<b>Current Liabilities</b>			
Islamic financing	B12	45,500,000	45,500,000
Other payables and accruals		21,723,047	19,752,427
Provision for income distribution		-	-
Amount due to related companies		-	1,336,880
		<u>67,223,047</u>	<u>66,589,307</u>
<b>TOTAL LIABILITIES</b>		<u>669,925,138</u>	<u>668,808,053</u>
<b>NET ASSETS VALUE</b>		<u>650,332,920</u>	<u>648,387,144</u>
<b>REPRESENTED BY:</b>			
Unitholders' capital		572,545,319	572,545,319
Undistributed income		77,787,601	75,841,825
<b>TOTAL UNITHOLDERS' FUND</b>		<u>650,332,920</u>	<u>648,387,144</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>		<u>580,000,000</u>	<u>580,000,000</u>
<b>NET ASSETS VALUE (NAV) PER UNIT (RM)</b>			
- Before income distribution		1.1213	1.1179
- After income distribution*		1.1162	1.1156

\*After reflecting the proposed first interim income distribution for financial year ending 31 December 2025 of 0.51 sen per unit (2024: final income distribution for financial year ended 31 December 2024 of 0.23 sen per unit)

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the financial statements.

**AL-SALĀM REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES**  
**IN NET ASSETS VALUE**  
**For the First Quarter Ended 31 March 2025**

	Unitholders' Capital RM	Undistributed income Realised RM	Unrealised RM	Total RM
<b>As at 1 January 2024</b>	572,545,319	9,976,547	63,885,991	646,407,857
<b>Total comprehensive income for the year</b>	-	1,928,656	805,198	2,733,854
<b>Unitholders' transactions</b>				
Issuance of new units	-	-	-	-
Distribution to unitholders	-	(579,950)	-	(579,950)
<i>Decrease in net assets resulting         from unitholders' transactions</i>	-	(579,950)	-	(579,950)
<b>As at 31 March 2024</b>	572,545,319	11,325,253	64,691,189	648,561,761
<b>As at 1 January 2025</b>	572,545,319	11,059,535	64,782,290	648,387,144
<b>Total comprehensive income for the year</b>	-	3,279,349	-	3,279,349
<b>Unitholders' transactions</b>				
Issuance of new units	-	-	-	-
Distribution to unitholders#	-	(1,333,573)	-	(1,333,573)
<i>Decrease in net assets resulting         from unitholders' transactions</i>	-	(1,333,573)	-	(1,333,573)
<b>As at 31 March 2025</b>	572,545,319	13,005,311	64,782,290	650,332,920

# Include :

- i) Payment of final income distribution of 0.23 sen per unit for the financial year ended 31 December 2024 (non-taxable in the hands of unitholders) which was paid on 28 February 2025.

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 2024 and the accompanying explanatory notes attached to the financial statements.

**AL-SALĀM REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the First Quarter Ended 31 March 2025**

	To Date	
	31-03-2025	31-03-2024
	<u>RM</u>	<u>RM</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income before tax	3,279,349	2,733,854
Adjustment for:		
Islamic financing costs	10,054,742	10,133,795
Depreciation	220,962	69,913
Fair value loss/(gain) on investment properties	665,726	-
Investment income	(232,283)	(224,979)
Unbilled rental income	(665,726)	(805,198)
Operating profit before working capital changes	<u>13,322,770</u>	<u>11,907,385</u>
Decrease/(increase) in:		
Trade receivables	5,352,537	287,933
Other receivables and prepaid expenses	(3,848,330)	(2,313,777)
Amount due from related companies	1,315,242	1,332,986
(Decrease)/increase in:		
Other payables and accrued expenses	2,000,556	27,227
Amount due to related companies	(1,406,791)	(2,693,853)
Net cash generated from operating activities	<u>16,735,984</u>	<u>8,547,901</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Additions to investment properties	(197,856)	(29,379)
Purchase of equipment	(705,310)	(122,210)
Income received from other investments	232,283	224,979
Net cash generated from/(used in) investing activities	<u>(670,883)</u>	<u>73,390</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in pledged deposits with licensed banks	(13,000)	(60,000)
Islamic financing costs paid	(9,601,333)	(9,832,706)
Income distributions paid	(1,333,573)	(579,976)
Net cash used in financing activities	<u>(10,947,906)</u>	<u>(10,472,682)</u>

**AL-SALĀM REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**For the First Quarter Ended 31 March 2025**

	31-03-2025	To Date 31-03-2024
	<u>RM</u>	<u>RM</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	5,117,195	(1,851,391)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	25,991,360	29,412,380
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u>31,108,555</u>	<u>27,560,989</u>
 <b>DEPOSITS, CASH AND BANK BALANCES</b>		
Cash and bank balances	10,808,555	7,436,989
Fixed deposits with licensed banks	<u>30,066,000</u>	<u>29,609,000</u>
	40,874,555	37,045,989
Less : Pledged deposits with licensed banks	<u>(9,766,000)</u>	<u>(9,485,000)</u>
<b>CASH AND CASH EQUIVALENTS</b>	<u>31,108,555</u>	<u>27,560,989</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the financial statements.

## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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#### 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 Requirement 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 2024.

The accounting policies and methods of computation adopted by the Group in this financial report are consistent with those adopted in its most recent Audited Financial Statements for the financial year ended 31 December 2023.

The Group has applied the following standards and amendments for the first time for the financial period beginning 1 January 2024:

- Amendments to MFRS 101: Classification of Liabilities as Current or Non Current
- Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
- Amendments to MFRS 101: Non-current Liabilities with Covenants
- Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The standards and interpretations that are issued but not yet effective are disclosed below:

- Amendments to MFRS 121: Lack of Exchangeability (1 January 2025)
- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (1 January 2026)
- Amendments to MFRS 7 Financial Instruments: Disclosures (1 January 2026)
- Amendments to MFRS 9 Financial Instruments (1 January 2026)
- Amendments to MFRS 10 Consolidated Financial Statements (1 January 2026)
- Amendments to MFRS 107 Statement of Cash Flows (1 January 2026)
- MFRS 18 Presentation and Disclosure in Financial Statements (1 January 2027)
- MFRS 19 Subsidiaries without Public Accountability: Disclosure (1 January 2027)
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)

The Group did not early adopt these new standards.

##### A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The Audited Financial Statements of Al-Salām REIT for the financial year ended 31 December 2024 was not subject to any audit qualification.

##### A3. SEASONALITY AND CYCLICALITY OF OPERATIONS

Al-Salām REIT's operations are not significantly affected by seasonal or cyclical factors.

## **AL-SALĀM REIT**

### **NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025**

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

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

There were no unusual items affecting the financial statements of Al-Salām 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, amendments to MFRS and IC Interpretation that have a material effect during the 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**

On 24 January 2025, the Fund declared the final income distribution of 0.23 sen per unit for the financial year ended 31 December 2024 (non-taxable in the hand of unitholders) in respect of the period from 1 July 2024 to 31 December 2024. The said distribution has been paid on 28 February 2025.

##### **A8. SEGMENT REPORTING**

Segment information is presented in respect of the Group's business segments based on the nature of the industry of the Group's investment properties, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- Retail outlets
- Office buildings
- Food and beverage ("F&B") properties comprising restaurant
- Industrial and others
- Others comprising Fund level operations

No information on geographical areas is presented as the Group operates solely in Malaysia.

**AL-SALĀM REIT****NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****For the First Quarter Ended 31 March 2025****A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")****A8. SEGMENT REPORTING (cont'd.)****For period ended 31 March 2025**

	<b>Retail outlets RM'000</b>	<b>Office buildings RM'000</b>	<b>F&amp;B Restaurants RM'000</b>	<b>Industrial &amp; Others RM'000</b>	<b>Other- Fund level operations RM'000</b>	<b>Total RM'000</b>
Total revenue	12,452	1,683	4,355	2,892	-	21,382
Total property expenses	(5,110)	(1,145)	(8)	(93)	(119)	(6,475)
Net property income	7,342	538	4,347	2,799	(119)	14,907
Fair value (loss)/gain on investment properties	-	-	-	-	(665)	(665)
Investment income	-	-	-	-	232	232
Net investment income	7,342	538	4,347	2,799	(552)	14,474
Total trust expenses	-	-	-	-	(1,140)	(1,140)
Islamic financing costs	-	-	-	-	(10,055)	(10,055)
Net income before tax	7,342	538	4,347	2,799	(11,747)	3,279
Income tax expenses	-	-	-	-	-	-
Net income / (loss) after tax	7,342	538	4,347	2,799	(11,747)	3,279
Total assets	696,401	71,431	314,030	195,778	42,618	1,320,258
Total liabilities	17,524	3,652	-	723	648,026	669,925

**For period ended 31 March 2024**

	<b>Retail outlets RM'000</b>	<b>Office buildings RM'000</b>	<b>F&amp;B Restaurants RM'000</b>	<b>Industrial &amp; Others RM'000</b>	<b>Other- Fund level operations RM'000</b>	<b>Total RM'000</b>
Total revenue	10,864	1,868	4,358	2,810	-	19,900
Total property expenses	(4,779)	(1,163)	(8)	(135)	(119)	(6,204)
Net property income	6,085	705	4,350	2,675	(119)	13,696
Fair value (loss)/gain on investment properties	-	-	-	-	-	-
Investment income	-	-	-	-	225	225
Net investment income	6,085	705	4,350	2,675	106	13,921
Total trust expenses	-	-	-	-	(1,053)	(1,053)
Islamic financing costs	-	-	-	-	(10,134)	(10,134)
Net income before tax	6,085	705	4,350	2,675	(11,081)	2,734
Income tax expenses	-	-	-	-	-	-
Net income / (loss) after tax	6,085	705	4,350	2,675	(11,081)	2,734
Total assets	696,013	71,666	313,730	194,763	39,677	1,315,849
Total liabilities	14,998	3,936	-	762	647,592	667,288



## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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

##### A9. VALUATION OF INVESTMENT PROPERTIES

There were no valuation of properties being made in the current quarter

##### 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.

##### A11. CHANGES IN THE COMPOSITION OF THE TRUST

There were no changes in the composition of Al-Salām REIT for the current quarter.

##### A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

##### A13. CAPITAL COMMITMENT

There were no major capital commitments to be disclosed in the current quarter.

##### A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related to the Group if the Group have 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 party are subject to common control or common significant influence. Related parties may be individuals or other entities.

	The Group		The Fund	
	31-03-2025 RM'000	31-03-2024 RM'000	31-03-2025 RM'000	31-03-2024 RM'000
Rental income received/receivable from related companies	8,467	6,499	8,467	6,499
Other property management and fees charged	1,699	1,512	1,699	1,512
Finance cost paid/payable to a subsidiary	-	-	7,037	7,017

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-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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

##### B1. REVIEW OF PERFORMANCE

	Quarter ended			Year ended		
	31-03-2025	31-03-2024	Change	31-03-2025	31-03-2024	Change
	RM'000	RM'000	%	RM'000	RM'000	%
<b>Total revenue</b>						
Retail outlets	12,452	10,864	14.6	12,452	10,864	14.6
Office building	1,683	1,868	(9.9)	1,683	1,868	(9.9)
F&B restaurants	4,355	4,358	(0.1)	4,355	4,358	(0.1)
Industrial & others	2,892	2,810	2.9	2,892	2,810	2.9
Total	21,382	19,900	7.4	21,382	19,900	7.4
<b>Net property income ("NPI")</b>						
Retail outlets	7,342	6,085	20.7	7,342	6,085	20.7
Office building	538	705	(23.7)	538	705	(23.7)
F&B restaurants	4,347	4,350	(0.1)	4,347	4,350	(0.1)
Industrial & others	2,799	2,675	4.6	2,799	2,675	4.6
Property manager fee	(119)	(119)	0.0	(119)	(119)	0.0
Total	14,907	13,696	8.8	14,907	13,696	8.8
Investment income	232	225	3.1	232	225	3.1
Fair value adjustment on investment properties	(665)	-	(100.0)	(665)	-	(100.0)
Trust expenses	(1,140)	(1,053)	8.3	(1,140)	(1,053)	8.3
Islamic financing costs	(10,055)	(10,134)	(0.8)	(10,055)	(10,134)	(0.8)
<b>Net income before tax</b>	3,279	2,734	19.9	3,279	2,734	19.9

#### Review of Individual/Cumulative Quarter Results

##### **Retail outlets**

The retail segment reported a total revenue of RM12.4 million for the current quarter and cumulative period ended 31 March 2025 (Q1 2025), an increase of RM1.5 million compared to the preceding year's corresponding quarter (Q1 2024) of RM10.9 million. This was mainly due to higher rental income of RM1.2 million and promotional income of RM0.3 million. Net property income (NPI) of RM7.3 million represented an increase of RM1.3 million due to the increase in total revenue as stated earlier offset by higher operating expenses of RM0.2 million from all retail outlets.

**B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS****B1. REVIEW OF PERFORMANCE (cont'd.)****Office building**

The office segment reported a total revenue of RM1.7 million for Q1 2025, a decrease of RM0.2 million as compared to Q1 2024. This was due to the lower occupancy rate of 85% (Q1 2024: 93%). NPI of the office segment in Q1 2025 was RM0.5 million, lower by RM0.2 million compared to the preceding year's corresponding quarter due to a decrease in total revenue as stated earlier.

**F&B restaurants**

For current quarter and the cumulative period ended 31 March 2025 (Q1 2025), no significant changes were noted for total revenue and NPI as compared to Q1 2024. The properties are on Triple Net arrangement with 100% occupancy rate (2024: 100%)

**Industrial & Others**

For current quarter and cumulative period ended 31 March 2025 (Q1 2025), total revenue and NPI recorded and increase of RM0.1 million as compared to Q1 2024. No significant changes were noted. The properties are on a Triple Net arrangement with 100% occupancy rate (2023: 100%)

**Overall**

For the first quarter of 2025, Al-Salām REIT recorded a total Net Property Income (NPI) of RM14.9 million, marking an increase of RM1.2 million or 9% compared to Q1 2024. This growth was mainly driven by higher performance in the retail segment, which saw an improvement of RM1.3 million, along with a slight increase of RM0.1 million in the industrial and others segment. However, the office segment experienced a decline of RM0.2 million. Additionally, the company reported a loss on fair value of investment properties amounting to RM0.6 million, while Islamic financing costs decreased by RM0.1 million due to lower profit rates. Investment income remained steady at RM0.2 million, unchanged from the previous year. Taking all these factors into account, Al-Salām REIT recorded a net income before tax of RM3.3 million, reflecting an improvement from RM2.7 million in the previous year.

## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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

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

	Quarter ended		
	31-03-2025	31-12-2024	Change
	RM'000	RM'000	%
<b>Total revenue</b>			
Retail outlets	12,452	11,462	8.6
Office buildings	1,683	1,580	6.5
F&B restaurants	4,355	4,288	1.6
F&B non-restaurants	2,892	2,568	12.6
	<b>21,382</b>	<b>19,898</b>	<b>7.5</b>
<b>Net property income ("NPI") :</b>			
Retail outlets	7,342	5,561	32.0
Office buildings	538	385	39.7
F&B restaurants	4,347	4,280	1.6
F&B non-restaurants	2,799	2,480	12.9
Property manager fee	(119)	(117)	1.7
	<b>14,907</b>	<b>12,589</b>	<b>18.4</b>
Investment income	232	217	6.9
Fair value adjustment on investment properties	(665)	(1,946)	(65.8)
Trust expenses	(1,140)	(1,121)	1.7
Islamic financing costs	(10,055)	(10,169)	(1.1)
<b>Net income/(loss) before tax</b>	<b>3,279</b>	<b>(430)</b>	<b>(862.6)</b>

For the current quarter, Al-Salām REIT recorded a higher net income before tax of RM3.7 million compared to the immediate preceding quarter. This increase was primarily driven by a higher Net Property Income (NPI) of RM2.3 million, a lower loss on fair value adjustment of investment properties amounting to RM1.3 million, and a reduction in Islamic financing costs of RM0.1 million.

#### B3. CHANGES IN NET ASSET VALUE

	As at 31-03-2025 RM'000	As at 31-12-2024 RM'000
Net asset value ("NAV")	650,333	648,387
NAV per unit (RM)	1.1213	1.1179

The NAV as at 31 March 2025 was higher by RM2.0 million as compared to the immediate preceding quarter, mainly due to comprehensive income of RM3.3 million recognised offset by payment of final income distribution of RM1.3 million paid.

**B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS****B4. PROSPECTS**

The latest indicators point towards continued global growth and trade, supported by domestic demand and front-loading activities. Global growth outlook would remain supported by positive labour market conditions, less restrictive monetary policy and fiscal stimulus. However, the tariff measures announced by the US and retaliations have weakened the outlook on global growth and trade. This outlook remains subject to considerable uncertainties, which include outcomes of trade negotiations and geopolitical tensions. Such uncertainties could also lead to greater volatility in the global financial markets.

For Malaysia, economic activity expanded further in the first quarter, driven by sustained domestic demand and continued export growth. Moving forward, the escalation in trade tensions and heightened global policy uncertainties will weigh on the external sector. The continued demand for electrical and electronic goods and higher tourist spending, however, will provide some cushion to exports. Overall, growth is expected to be anchored by resilient domestic demand. Employment and wage growth, particularly within domestic-oriented sectors, as well as income-related policy measures, will support household spending. The expansion in investment activity will be sustained by the progress of multi-year projects in both the private and public sectors, the continued high realisation of approved investments, as well as the ongoing implementation of catalytic initiatives under the national master plans.

The influx of Singaporean visitors continues to boost Iskandar Malaysia's (IM) retail sector. The strong Singapore dollar, coupled with active expansion of retail businesses, is making IM a significant shopping destination. The completion of the Johor Bahru-Singapore Rapid Transit System (RTS) is also expected to further boost the cross border interest of business players and consumer traffic, thereby fuelling the continued growth and vibrancy of the retail sector.

In Johor Bahru, the planned Johor-Singapore Special Economic Zone and the new Special Financial Zone in Forest City are anticipated to drive rapid economic growth through increased cross-border activities. This should benefit KOMTAR JBCC, as the mall caters to many patrons from across the strait. To address the expected rise in shoppers and changing consumer behaviors, the Manager is working with the property manager on repositioning the mall to include more experiential shopping options. The upcoming link bridge connecting the RTS to KOMTAR JBCC is also expected to be a key factor in improving the mall's performance.

Furthermore, the expected economic spillover from nearby developments is anticipated to positively impact Menara KOMTAR's performance. As the area develop, they are likely to increase demand for office space. In light of this scenario, the Manager is actively collaborating with the property manager to evaluate the current space offerings in Menara Komtar. This collaboration includes exploring potential enhancements, such as introducing customizable space designs to better align with current market demand.

## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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

##### **B4. PROSPECTS (cont'd.)**

@Mart Kempas and Mydin Hypermart continue to demonstrate resilience as community-focused hypermarkets, providing essential daily provisions. Furthermore, the Fund's substantial triple-net lease assets portfolio, including Mydin Hypermart Gong Badak and F&B-related properties, will continue to deliver steady contributions to Al-Salām REIT's core income.

The assets operated by QSR Brands (M) Holdings Bhd (QSR) continue to offer income stability, thanks to the triple net lease arrangement with Al-Salām REIT. Al-Salām REIT remains confident in QSR's resilience, bolstered by their long-standing operational excellence and sustained market share, even in a challenging business environment.

The Manager is confident that the fund's existing stable of assets are well maintained to ensure the stability of rental income, stable income distributions for Al-Salām REIT and create long-term value for its unitholders.

Source:

- 1) Bank Negara Monetary Policy Statement, 8 May 2025
- 2) CBRE WTW Market Outlook 2025 Report

##### **B5. UTILISATION OF PROCEEDS RAISED FROM ANY ISSUANCE OF NEW UNITS**

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

##### **B6. TAX**

	The Group		The Fund	
	31-03-2025	31-03-2024	31-03-2025	31-03-2024
	RM'000	RM'000	RM'000	RM'000
Tax expense				
- Income tax	-	-	-	-
	-	-	-	-

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 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.

The deferred tax liability has been provided for the investment properties at 10% which reflects the expected manner of recovery of the investment properties i.e. recovered through sale.

**AL-SALĀM REIT****NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the First Quarter Ended 31 March 2025****B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS****B7. INCOME DISTRIBUTION**

Income distributions to unitholders is derived from the following sources:

	<b>Quarter ended</b>		<b>Year ended</b>	
	<b>31-03-2025</b>	<b>31-03-2024</b>	<b>31-03-2025</b>	<b>31-03-2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net rental income	21,382	19,900	21,382	19,900
Investment revenue	232	225	232	225
Less: Unbilled rental income	(666)	(805)	(666)	(805)
	20,948	19,320	20,948	19,320
Less: Expenses	(17,669)	(17,391)	(17,669)	(17,391)
Realised/distributable income for the quarter/period	3,279	1,929	3,279	1,929
Previous year's undistributed realised income	9,726	9,396	9,726	9,396
Total realised income available for distribution	13,005	11,325	13,005	11,325
Less: Income to be distributed for the quarter/period	(2,958)	(1,740)	(2,958)	(1,740)
Balance undistributed realised income	10,047	9,585	10,047	9,585
Distribution per unit (sen)	0.51	0.30	0.51	0.30

**B8. GAIN OR LOSS ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES**

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

**B9. PURCHASE AND DISPOSAL OF QUOTED SECURITIES**

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

**B10. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED**

There were no corporate proposals announced but not completed during the current quarter.

## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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

##### B11. TRADE RECEIVABLES

	The Group	
	As at 31-03-2025 RM'000	As at 31-03-2024 RM'000
Current		
Third parties	5,622	6,668
Related companies	3,695	5,149
	9,317	11,817
Less: Allowance for expected credit loss	(3,130)	(3,963)
	6,187	7,854
Unbilled rental income	23,802	20,851
	29,989	28,705

Trade receivables comprise rental receivable from lessees. The credit period granted by the Group and the Fund on rental receivable from lessees generally ranges from 1 to 7 days (2024: 1 to 7 days).

##### **Unbilled rental income**

Unbilled rental income relate to the Group's rights to recognise revenue. Rental income is recognised on a straight line basis including rent free period. Rental will be billed in accordance with the billing terms as set out in the tenancy agreements.

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

	As at 31-03-2025 RM'000	As at 31-03-2024 RM'000
1 - 30 days	2,645	3,902
31 - 60 days	957	959
61 - 90 days	441	425
91 - 120 days	369	231
More than 120 days	4,905	6,300
	9,317	11,817

During the financial year, the Group and the Fund derecognised past lease receivables of RMnil (2024: RMnil) in respect of waiver of lease receivables and rental concessions given to tenants.



## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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

##### B12. ISLAMIC FINANCING

	The Group	
	As at 31-03-2025 RM'000	As at 31-03-2024 RM'000
<b><u>Non-current</u></b>		
<b><u>Secured</u></b>		
- Term Financing-i ("TF-i")	118,000	118,000
- Business Financing-i ("BF-i")	70,000	70,000
- Sukuk Ijarah	409,500	409,500
	597,500	597,500
Less: Transaction costs	(2,709)	(2,832)
	594,791	594,668
<b><u>Current</u></b>		
<b><u>Secured</u></b>		
- Sukuk Ijarah	45,500	45,500
	45,500	45,500
<b>Total Islamic Financing</b>	640,291	640,168

##### Term Financing-i

The TF-i profit is payable over a period of 60 months from the date of first disbursement. The effective profit rate for the TF-i will be based on COF which is based on the Bank's COF + 1.45% per annum for the duration of the TF-i. The average effective profit rate for the TF-i is 5.41% (2024: 5.45%) per annum. The principal amount is expected to be paid in March 2024. The Bank, via letter dated 4 March 2024 agreed to extend the tenure for another 2 years to March 2026.

The TF-i has a significant covenant in which the subsidiary shall at all times, maintain the following criteria:

- (a) The financing payment cover ratio ("FPCR") of not less than 1.25 times;
- (b) Total debts and financing over total assets value of not more than 50%; and
- (c) Minimum security cover of 1.25 times.

The financing is secured by the investment properties amounting to RM169.5 million (2024: RM169.5 million)

##### Business Financing-i

The BF-i profit is payable over a period of 72 months from the date of first disbursement. The effective profit rate for the BF-i will be based on COF which is based on the Bank's COF + 0.60% per annum for the duration of the BF-i. The average effective profit rate for the BF-i is 5.51% (2024: 5.30%) per annum. The principal amount is to be expected to be paid in September 2026.

The BF-i has a significant covenant in which the subsidiary shall at all times, maintain the following criteria:

- (a) The financing payment cover ratio ("FSCR") of not less than 1.25 times;
- (b) Total debts and financing over total assets value of not more than 50%; and
- (b) Minimum security cover of 1.30 times.

The financing is secured by the investment properties amounting to RM103.7 million (2024: RM103.7 million)

## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the First Quarter Ended 31 March 2025

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

##### **B12. ISLAMIC FINANCING (cont'd.)**

###### Sukuk Ijarah

The Group established a Sukuk Ijarah Programme comprising IMTN of up to RM1.5 billion in nominal value.

On 24 August 2020, the Group issued RM520.0 million in nominal value of IMTNs ("Issue 2") which bears profit rate of 4.83% to 5.60% (2022: 3.75% to 5.09%) per annum. The Group redeemed RM69.0 million and RM451.0 million in nominal value of IMTNs ("Issue 2") on 24 September 2021 and 24 August 2023 respectively.

On 24 August 2023, the Group issued RM455.0 million in nominal value of IMTNs ("Issue 3") which bears profit rate of 6.01% to 6.41% (2024: 6.01% to 6.35%) per annum. The principal amount is to be expected to be paid in 24 August 2026.

The Sukuk Ijarah Programme has a significant covenant in which the subsidiary, Al-Salām REIT and its subsidiary shall at all times, maintain the following financial covenants:

- (a) Finance Service Cover Ratio ("FSCR") at Issuer level of not less than 1.5 times;
- (b) FSCR at Al-Salām REIT level of not less than 1.5 times;
- (c) Minimum Security Cover Ratio of at least 2.0; and
- (c) such other financial covenant(s) as may be determined by the Rating Agency and to be mutually agreed to by ALSREIT Capital Sdn Bhd.

The financing is secured by investment properties amounting to RM946.9 million (2024: RM946.9 million).

###### Revolving Credit

As of 31 March 2025, the Fund unutilised revolving credit facilities amounting to RM10.0 million (2024: RM10.0 million) which is granted from a financial institution. The said facility of is secured by investment properties of the subsidiary amounting to RM18.7 million (2024: RM18.7 million).

##### **B13. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

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

##### **B14. MATERIAL LITIGATION**

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

##### **B15. SOFT COMMISSION RECEIVED**

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

## AL-SALĀM REIT

### NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the First Quarter Ended 31 March 2025

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

**B16. SUMMARY OF DPU, EPU AND NAV**

	<b>Current Quarter ended 31-03-2025</b>	<b>Immediate Preceding Quarter ended 31-12-2024</b>
Number of units in issue (units)	580,000,000	580,000,000
Earnings per unit (EPU) - sen	0.57	(0.12)
Net income distribution to unitholders (RM'000)	2,958	1,334
Distribution per unit (DPU) - sen	0.51	0.23
Net Asset Value (NAV) - RM'000	650,333	648,387
NAV per unit (RM)	1.1213	1.1179
Market Value Per Unit (RM)	0.3650	0.3750

**B17. RESPONSIBILITY STATEMENT**

This quarterly report has been 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-Salām REIT as at 31 March 2025 and of its financial performance and cash flows for the period then ended.