

**AL-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**For the Third Quarter Ended 30 September 2025**

Note	Individual Quarter			Cumulative Quarter		
	Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year	Preceding Year Corresponding Period to Date	Changes
	30-09-2025	30-09-2024		30-09-2025	30-09-2024	
	RM	RM	%	RM	RM	%
Gross rental income	29,248,595	28,921,739	1.1	87,274,614	88,159,530	(1.0)
Property expenses	(1,741,295)	(1,650,767)	5.5	(5,210,792)	(4,894,190)	6.5
Managers' fees	(1,389,845)	(1,163,777)	19.4	(4,153,257)	(3,485,435)	19.2
Professional fees	(410,487)	(906,406)	(54.7)	(444,705)	(2,334,427)	(81.0)
Valuation fees	(87,500)	(97,500)	(10.3)	(350,500)	(327,000)	7.2
Trustees' fees	(105,934)	(107,429)	(1.4)	(315,896)	(321,186)	(1.6)
Disposal fee	-	-	-	-	(65,000)	(100.0)
Maintenance of properties	-	(89,800)	(100.0)	(849,775)	(1,202,628)	(29.3)
Total property expenses	(3,735,061)	(4,015,679)	(7.0)	(11,324,925)	(12,629,866)	(10.3)
<b>Net rental income</b>	<b>25,513,534</b>	<b>24,906,060</b>	<b>2.4</b>	<b>75,949,689</b>	<b>75,529,664</b>	<b>0.6</b>
Investment income	434,017	525,691	(17.4)	1,336,070	1,308,535	2.1
Gain on disposal of investment property	-	-	-	-	1,000,000	(100.0)
Unrealised gain/(loss) on foreign exchange	10,399	(106,111)	>100	(76)	(104,745)	99.9
Other income	133,000	156,375	(14.9)	399,082	446,488	(10.6)
<b>Total income</b>	<b>26,090,950</b>	<b>25,482,015</b>	<b>2.4</b>	<b>77,684,765</b>	<b>78,179,942</b>	<b>(0.6)</b>
Islamic financing costs	(9,428,957)	(9,695,048)	(2.7)	(28,621,425)	(28,932,716)	(1.1)
Administrative expenses	(385,203)	(157,523)	>100	(1,016,306)	(783,745)	29.7
Withholding tax	(11,060)	3,464	(>100)	(33,181)	(66,621)	(50.2)
<b>Total trust expenditure</b>	<b>(9,825,220)</b>	<b>(9,849,107)</b>	<b>(0.2)</b>	<b>(29,670,912)</b>	<b>(29,783,082)</b>	<b>(0.4)</b>
<b>Net income before taxation</b>	<b>16,265,730</b>	<b>15,632,908</b>	<b>4.0</b>	<b>48,013,853</b>	<b>48,396,860</b>	<b>(0.8)</b>
Tax	-	-	-	-	-	-
<b>Net income after taxation</b>	<b>16,265,730</b>	<b>15,632,908</b>	<b>4.0</b>	<b>48,013,853</b>	<b>48,396,860</b>	<b>(0.8)</b>
<b>Other comprehensive income/ (expenses) for the period</b>						
Foreign currency translation differences for foreign operation	59,400	(4,266,972)	>100	(320,125)	(4,057,274)	92.1
<b>Total comprehensive income for the period</b>	<b>16,325,130</b>	<b>11,365,936</b>	<b>43.6</b>	<b>47,693,728</b>	<b>44,339,586</b>	<b>7.6</b>
Net income after taxation is made up as follows:						
Realised	15,664,121	15,147,809	3.4	46,240,300	46,727,976	(1.0)
Unrealised	601,609	485,099	24.0	1,773,553	1,668,884	6.3
	<b>16,265,730</b>	<b>15,632,908</b>	<b>4.0</b>	<b>48,013,853</b>	<b>48,396,860</b>	<b>(0.8)</b>
<b>Earnings per unit (sen) - Net</b>	<b>1.94</b>	<b>1.86</b>	<b>4.3</b>	<b>5.72</b>	<b>5.76</b>	<b>(0.7)</b>

The Condensed Consolidated Statement 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-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**as at 30 September 2025**

	Note	Unaudited As At End Of Current Quarter 30-09-2025 RM	Audited As At Preceding Year Ended 31-12-2024 RM
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment properties	A9	1,655,275,948	1,654,401,421
<b>Current Assets</b>			
Trade receivables	B11	55,232,644	50,679,308
Other receivables & prepayments		20,639,448	1,579,265
Cash and bank balances		30,628,807	33,894,960
Fixed deposits with licensed banks		44,121,777	53,418,702
		150,622,676	139,572,235
Assets classified as held for sale		41,963,781	41,963,781
		192,586,457	181,536,016
<b>TOTAL ASSETS</b>		<b>1,847,862,405</b>	<b>1,835,937,437</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Islamic financing	B12	370,436,684	649,221,513
Other payables		16,232,071	16,232,068
Deferred tax		1,322,541	1,322,541
		387,991,296	666,776,122
<b>Current Liabilities</b>			
Islamic financing	B12	391,617,794	109,920,153
Other payables and accruals		9,096,881	5,471,695
Provision for income distribution		235,363	226,419
		400,950,038	115,618,267
<b>TOTAL LIABILITIES</b>		<b>788,941,334</b>	<b>782,394,389</b>
<b>NET ASSETS VALUE</b>		<b>1,058,921,071</b>	<b>1,053,543,048</b>
<b>REPRESENTED BY:</b>			
Unitholders' capital		854,758,225	854,758,225
Undistributed income		220,615,975	214,917,827
Foreign exchange translation reserve		(16,453,129)	(16,133,004)
<b>TOTAL UNITHOLDERS' FUND</b>		<b>1,058,921,071</b>	<b>1,053,543,048</b>
<b>NUMBER OF UNITS IN CIRCULATION</b>		<b>839,597,757</b>	<b>839,597,757</b>
<b>NET ASSETS VALUE (NAV) PER UNIT (RM)</b>			
- Before income distribution		1.2612	1.2548
- After income distribution*		1.2439	1.2391

\*after reflecting the proposed third interim income distribution for financial year ending 31 December 2025 of 1.73 sen per unit (2024: final income distribution for financial year ended 31 December 2024 of 1.57 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-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS VALUE**  
**For the Third Quarter Ended 30 September 2025**

Note	Unitholders' Capital RM	Realised RM	Unrealised RM	Total Undistributed Income RM	Foreign Exchange RM	Total Unitholders' Fund RM
<b>As at 1 January 2024</b>	854,758,225	72,655,095	148,636,882	221,291,977	(3,752,745)	1,072,297,457
<b>Operation for the period ended 30 September 2024</b>						
Net income for the period	-	46,727,976	1,668,884	48,396,860	(4,057,274)	44,339,586
Realisation of loss from disposal of investment property	-	(1,471,410)	1,471,410	-	-	-
<i>Increase in net assets resulting from operation</i>	-	45,256,566	3,140,294	48,396,860	(4,057,274)	44,339,586
<b>Unitholders' transactions</b>						
Placement of units	-	-	-	-	-	-
Distribution to unitholders	-	(48,696,648)	-	(48,696,648)	-	(48,696,648)
Issuing expenses	-	-	-	-	-	-
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(48,696,648)	-	(48,696,648)	-	(48,696,648)
<b>Net assets as at 30 September 2024</b>	854,758,225	69,215,013	151,777,176	220,992,189	(7,810,019)	1,067,940,395
<b>As at 1 January 2025</b>	854,758,225	70,229,360	144,688,467	214,917,827	(16,133,004)	1,053,543,048
<b>Operation for the period ended 30 September 2025</b>						
Net income for the period	-	46,240,300	1,773,553	48,013,853	(320,125)	47,693,728
<i>Increase in net assets resulting from operation</i>	-	46,240,300	1,773,553	48,013,853	(320,125)	47,693,728
<b>Unitholders' transactions</b>						
Placement of units	-	-	-	-	-	-
Distribution to unitholders #	-	(42,315,705)	-	(42,315,705)	-	(42,315,705)
Issuing expenses	-	-	-	-	-	-
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(42,315,705)	-	(42,315,705)	-	(42,315,705)
<b>Net assets as at 30 September 2025</b>	854,758,225	74,153,955	146,462,020	220,615,975	(16,453,129)	1,058,921,071

**# Include :**

- (i) Payment of the final income distribution for the financial year ended 31 December 2024 of 1.57 sen per unit (of which 0.84 sen per unit is taxable and 0.73 sen per unit is non-taxable in the hands of unit holders) in respect of the period from 1 October to 31 December 2024 which was paid on 28 February 2025.
- (ii) Payment of the first interim income distribution for the financial year ending 31 December 2025 of 1.74 sen per unit (of which 0.91 sen per unit is taxable and 0.83 sen per unit is non-taxable in the hands of unit holders) in respect of the period from 1 January to 31 March 2025 which was paid on 30 June 2025.
- (iii) Payment of the second interim income distribution for the financial year ending 31 December 2025 of 1.73 sen per unit (of which 0.92 sen per unit is taxable and 0.81 sen per unit is non-taxable in the hands of unit holders) in respect of the period from 1 April to 30 June 2025 which was paid on 3 October 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-'AQAR HEALTHCARE REIT**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the Third Quarter Ended 30 September 2025**

	To Date	
	30-09-2025	30-09-2024
	RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	48,013,853	48,396,860
Adjustment for:		
Islamic financing costs	28,621,425	28,932,716
Unrealised loss on foreign exchange	76	104,745
Unbilled rental income	(1,773,629)	(1,773,629)
Gain on disposal of investment property	-	(1,000,000)
Investment revenue	(1,336,070)	(1,308,535)
Operating profit before working capital changes	73,525,655	73,352,157
Changes in working capital:		
Increase in receivables and prepayments	(21,839,890)	(752,206)
Increase/(Decrease) in other payables and accruals	3,569,804	(3,502,374)
Cash generated from operations	55,255,569	69,097,577
Taxes	-	-
Net cash generated from operating activities	55,255,569	69,097,577
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Income received on investment	1,336,070	1,308,535
Proceeds from disposal of investment property	-	13,000,000
Enhancement to investment properties	(874,527)	(1,252,260)
Net cash generated from investing activities	461,543	13,056,275
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distribution paid	(42,080,343)	(48,460,678)
Repayment of Islamic financing	(109,994,050)	-
Proceeds from Islamic financing	113,000,000	-
Islamic financing costs paid	(28,885,596)	(27,747,776)
Net cash used in financing activities	(67,959,989)	(76,208,454)
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(12,242,877)	5,945,398
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	(320,201)	(4,162,019)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	87,272,658	84,286,760
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	74,709,580	86,070,139
<b>DEPOSITS, CASH AND BANK BALANCES</b>		
Cash and bank balances	30,628,807	33,695,823
Fixed deposits with licensed banks	44,121,777	52,414,182
	74,750,584	86,110,005
Less: Islamic fixed deposits with licensed banks with maturity period of more than 3 months	(41,004)	(39,866)
<b>CASH AND CASH EQUIVALENTS</b>	74,709,580	86,070,139

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-'AQAR HEALTHCARE REIT

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Third Quarter Ended 30 September 2025

### 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 2024.

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 2024.

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 (effective 1 January 2025)
- Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards (effective 1 January 2026)
- Amendments to MFRS 7 Financial Instruments: Disclosures (effective 1 January 2026)
- Amendments to MFRS 9 Financial Instruments (effective 1 January 2026)
- Amendments to MFRS 10 Consolidated Financial Statements (effective 1 January 2026)
- Amendments to MFRS 107 Statement of Cash Flows (effective 1 January 2026)
- 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 financial statements of Al-'Aqar Healthcare REIT for the financial year ended 31 December 2024 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, repurchase and repayment of debt and equity securities being made in the current quarter.

#### A7. INCOME DISTRIBUTION

The second interim income distribution for the financial year ending 31 December 2025 of 1.73 sen per unit (of which 0.92 sen per unit is taxable and 0.81 sen per unit is non-taxable in the hands of unit holders) in respect of the period from 1 April to 30 June 2025, which was announced on 26 August 2025 has been paid on 3 October 2025.

## 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
<b>Period Ended 30 September 2025</b>			
Gross rental income	86,848	427	87,275
Property expenses	(5,211)	-	(5,211)
Managers' fees	(4,153)	-	(4,153)
Professional fees	(371)	(74)	(445)
Valuation fees	(350)	-	(350)
Trustees' fees	(316)	-	(316)
Maintenance of properties	(850)	-	(850)
Net rental income	75,597	353	75,950
Investment income	1,336	-	1,336
Unrealised loss on foreign exchange	-	-	-
Other income	399	-	399
Total income	77,332	353	77,685
Trust expenditure	(29,525)	(146)	(29,671)
Net income before taxation	47,807	207	48,014
Tax	-	-	-
Net income after taxation	47,807	207	48,014
Total assets	1,754,144	93,718	1,847,862
Total liabilities	788,887	54	788,941

	Malaysia RM'000	Australia RM'000	Total RM'000
<b>Period Ended 30 September 2024</b>			
Gross rental income	87,330	829	88,159
Property expenses	(4,861)	(33)	(4,894)
Managers' fees	(3,485)	-	(3,485)
Professional fees	(421)	(1,913)	(2,334)
Valuation fees	(327)	-	(327)
Trustees' fees	(321)	-	(321)
Disposal fee	(65)	-	(65)
Maintenance of properties	(1,203)	-	(1,203)
Net rental income	76,647	(1,117)	75,530
Investment income	1,309	-	1,309
Gain on disposal of investment property	1,000	-	1,000
Unrealised loss on foreign exchange	(105)	-	(105)
Other income	446	-	446
Total income	79,297	(1,117)	78,180
Trust expenditure	(29,592)	(191)	(29,783)
Net income before taxation	49,705	(1,308)	48,397
Tax	-	-	-
Net income after taxation	49,705	(1,308)	48,397
Total assets	1,731,547	117,998	1,849,545
Total liabilities	781,561	44	781,605

### 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**

There were no subsequent material events 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-Aqar Healthcare 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. 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:

	<b>The Group</b>		<b>The Fund</b>	
	<b>30-09-2025</b>	<b>30-09-2024</b>	<b>30-09-2025</b>	<b>30-09-2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Manager's fee	4,153,257	3,485,435	4,153,257	3,485,435
Maintenance fee	900,360	898,880	900,360	898,880
Miscellaneous expenses	130,272	122,209	130,272	122,209
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 2025

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

#### B1. REVIEW OF PERFORMANCE

	Individual Quarter			Cumulative Quarter		
	Current Year Quarter 30.09.2025 RM'000	Preceding Year Corresponding Quarter 30.09.2024 RM'000	Changes %	Current Year To Date 30.09.2025 RM'000	Preceding Year Corresponding Period To Date 30.09.2024 RM'000	Changes %
<b>Net rental income</b>						
Malaysia	25,442	25,810	(1.4)	75,597	76,647	(1.4)
Australia	72	(904)	>100	353	(1,117)	>100
<b>Total</b>	<u>25,514</u>	<u>24,906</u>	2.4	<u>75,950</u>	<u>75,530</u>	0.6
<b>Net income before taxation</b>						
Malaysia	16,201	16,555	(2.1)	47,807	49,705	(3.8)
Australia	65	(922)	>100	207	(1,308)	>100
<b>Total</b>	<u>16,266</u>	<u>15,633</u>	4.0	<u>48,014</u>	<u>48,397</u>	(0.8)

#### (a) Review of Individual Quarter Results

##### Malaysia segment

The Malaysia segment contributed RM25.4 million in net rental income for the quarter ended 30 September 2025, represented a decrease of RM0.4 million from RM25.8 million, recorded in the preceding year's corresponding quarter. The decrease mainly due to lease renewal exercise during the current quarter.

The Malaysia segment also recorded net income before taxation of RM16.2 million for the quarter ended 30 September 2025, which is RM0.4 million lower than preceding year's corresponding quarter of RM16.6 million. The decrease was in line with the decrease in net rental income as mentioned above.

##### Australia segment

The Australia segment contributed RM0.1 million in net rental income for the quarter ended 30 September 2025, represented an increase of RM1.0 million from net loss rental income of RM0.9 million, recorded in the preceding year's corresponding quarter. The increase mainly due to lower professional fees incurred during the quarter.

The Australia segment also recorded net income before taxation of RM0.1 million for the quarter ended 30 September 2025, which is higher of RM1.0 million than preceding year's corresponding quarter of RM0.9 million. The increase was mainly in line with the increase in net rental income as mentioned above.



## **(b) Review of Cumulative Quarter Results**

### **Malaysia segment**

The Malaysia segment contributed RM75.6 million in net rental income for the nine-month period ended 30 September 2025, represented a decrease of RM1.0 million from RM76.6 million, recorded in the preceding period. The decrease was mainly due to revision in management fee of RM0.6 million, renewal exercise for Tawakkal Health Centre of RM0.5 million as well as the loss of income of RM0.4 million from the disposal of the Damai Wellness Centre completed in June 2024. The decrease offset against the annual increment on rental income of RM0.5 million.

The Malaysia segment also recorded net income before taxation of RM47.8 million for the nine-month period ended 30 September 2025, which is RM1.9 million lower than the preceding period of RM49.7 million. The decrease was mainly due to gain on the disposal of the Damai Wellness Centre recorded in the preceding year's corresponding quarter of RM1.0 million as well as a lower net rental income of RM1.0 million as mentioned above.

### **Australia segment**

The Australia segment contributed RM0.4 million in net rental income for the nine-month period ended 30 September 2025, represented an increase of RM1.5 million from the net loss rental income of RM1.1 million recorded in the preceding period. The increase is mainly due to lower professional fees recorded during the nine-month period.

The Australia segment also recorded net income before taxation of RM0.2 million for the nine-month period ended 30 September 2025, which is increase of RM1.5 million from the net loss before taxation of RM1.3 million. The increase was mainly due to the reasons mentioned above.

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

	<b>Current Quarter ended 30.09.2025 RM'000</b>	<b>Immediate Preceding Quarter ended 30.06.2025 RM'000</b>	<b>Changes %</b>
Net rental income	25,514	25,402	0.4
Net income before taxation	16,266	15,953	2.0

Al-'Aqar Healthcare REIT recorded a net income before taxation of RM16.3 million as compared to RM15.9 million in the preceding quarter. The improvement was primarily driven by lower financing costs, following a 25-basis-point reduction in Overnight Policy Rate from 3.00% to 2.75% in July 2025.

## **B3. CHANGES IN NET ASSET VALUE**

	<b>As at 30-09-2025 RM'000</b>	<b>As at 30-06-2025 RM'000</b>
Net asset value ("NAV")	1,058,921	1,057,354
NAV per unit (RM)	1.2612	1.2594

The NAV as at 30 September 2025 was higher by RM1.6 million as compared to the immediate preceding quarter, as a result of total comprehensive income of RM16.3 million and income distribution of RM14.7 million recognised during the current quarter.

## 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.

Health system leaders in various parts of the world intend to drive efficiencies, boost productivity, and improve patient engagement in 2025, according to the results of a survey conducted by the Deloitte US Center for Health Solutions. More than 70% of C-suite executives across five countries said that improving operational efficiencies and productivity gains will be priorities for their organizations this year. Accelerating digital transformation across health care organizations remains the top priority for health systems around the world. Regardless of geography, health care is poised for digital transformation, which can drive efficiencies by automating manual processes. This transformation can also augment staff productivity by taking over low-value administrative tasks, allowing more time for direct patient care.

KPJ Berhad's third quarter 2025 results, which highlighted increased bed capacity and patient visits, indicate a strong foundation for stable and potentially growing rental income for Al-'Aqar REIT's healthcare assets. As KPJ fills more beds and serves more patients, their revenue base becomes more solid, ensuring reliable and timely rental payments to Al-'Aqar. The rise in bed capacity and patient volume contributes to a steady stream of rental income over time, enhancing Al-'Aqar's financial stability. This consistent income from KPJ's improved operations supports Al-'Aqar's ability to maintain and potentially increase dividends to its shareholders. As KPJ continues to grow, Al-'Aqar is positioned to pass on this financial strength to investors through regular and reliable distributions.

Therefore, the Manager expects no disruption to Al-'Aqar's earnings, as the Fund's income is secured through long-term lease agreements with the KPJ Group. To maintain positive distribution growth for unitholders and uphold these lease agreements, the Fund is actively involved in various corporate initiatives and exploring third-party acquisitions. The anticipated proceeds from the sale of Jeta Gardens Aged Care Facilities will be used to either distribute to unitholders, acquire local healthcare properties to boost the Fund's yield, or a combination of both. Barring any unforeseen circumstances, the Al-'Aqar maintains its expectation for a satisfactory overall performance in 2025.

Sources:

- 1 Bank Negara Monetary Policy Statement, 8 May 2025
- 2 Deloitte 2025 Global Health Care Outlook
- 3 KPJ Healthcare Berhad Quarter 3 result for 2025

## 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	
	30-09-2025	30-09-2024	30-09-2025	30-09-2024
	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 is required to be provided in the financial statements.

**B7. INCOME DISTRIBUTION**

Income distributions to unitholders is derived from the following sources:

	Current Year Quarter 30-09-2025 RM'000	Preceding Year Corresponding Quarter 30-09-2024 RM'000	Current Year To Date 30-09-2025 RM'000	Preceding Year Corresponding Period To Date 30-09-2024 RM'000
Net rental income	25,514	24,906	75,950	75,530
Investment income	434	526	1,336	1,309
Gain on disposal of investment property	-	-	-	1,000
Other income	133	156	399	446
Less: Unbilled rental income	(592)	(592)	(1,774)	(1,774)
	25,489	24,996	75,911	76,511
Less: Expenses	(9,825)	(9,849)	(29,671)	(29,783)
Realised/Distributable income for the period	15,664	15,147	46,240	46,728
Previous year's undistributed realised income	58,487	55,536	57,045	55,861
Total realised income available for distribution	74,151	70,683	103,285	102,589
Less: Income to be distributed for the quarter/period	(14,525)	(15,952)	(43,659)	(47,857)
Balance undistributed income realised income	59,626	54,731	59,626	54,732
Distribution per unit (sen)	1.73	1.90	5.20	5.70

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

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

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

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

**B10. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED****(1) Proposed Disposal**

On 13 December 2023, on behalf of the Manager, KAF Investment Bank Berhad announced that Al-Aqar entered into a land sale contract with Principal Healthcare Finance Pty Ltd to dispose of the lands and buildings of Jeta Gardens Aged Care Facility with the disposal consideration amounted to AUD24.4 million cash (equivalent to approximately RM74.9 million) ("Proposed Disposal").

**(2) Proposed Acquisitions and Leases**

On 27 March 2025 Al-Aqar had entered into the following agreements:

- (i) Conditional sale and purchase agreement ("SPA") with Ampang Puteri Specialist Hospital Sdn Bhd ("APSH"), a subsidiary of KPJ Healthcare Bhd ("KPJ"), in relation to the Proposed Acquisition of APSH New Building ("APSH SPA") and a conditional lease agreement with APSH in relation to the Proposed Lease of APSH New Building ("APSH Lease Agreement"); and
- (ii) Conditional sale and purchase agreement ("SPA") with Penang Specialist Hospital Sdn Bhd ("PNG"), a subsidiary of KPJ Healthcare Bhd ("KPJ"), in relation to the Proposed Acquisition of PNG New Building ("PNG SPA") and a conditional lease agreement with PNG in relation to the Proposed Lease of PNG New Building ("PNG Lease Agreement").

## B10. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED (CON'D)

### Proposed Lease Renewal

In addition, Al-`Aqar also proposes to enter into separate lease agreements with the companies of KPJ to renew the lease of the properties as follow:

- (i) KPJ Penang Specialist Hospital
- (ii) Taiping Medical Centre and TMC Health Centre
- (ii) KPJ Seremban Specialist Hospital (Old Building, New Building and Vacant Land)
- (iv) KPJ Healthcare University College
- (v) KPJ International College of Nursing and Health Sciences

The Proposed Acquisitions and Leases and the Proposed Lease Renewal are collectively referred to as the "Proposals". The Proposals are subject to the approvals to be obtained from the following:

- (i) the approval of the unitholders of Al-`Aqar at its EGM to be convened for the Proposed Acquisitions and Leases and the Proposed Lease Renewal;
- (ii) the approval of the shareholders of KPJ at an EGM to be convened for the Proposed Acquisitions and Leases and the Proposed Lease Renewal; and
- (ii) all such other consents and regulatory and/or governmental approvals required to be obtained by KPJ and Al-`Aqar in order to effect the completion of the Proposed Acquisitions and Leases, as the case may be.

Subsequently, Al-`Aqar had obtained approval from the Unitholders at the Extraordinary General Meeting of Al-`Aqar held on 25 June 2025. The proposed lease renewals has been completed and the respective lease agreements have commenced on 1 August 2025, save for the lease in respect of KPJ Penang Specialist Hospital.

The Proposed Acquisitions and Leases has been completed on 7 October 2025. Concurrently, the lease renewal of KPJ Penang Specialist Hospital (Old Building) has also commenced on 7 October 2025.

## B11. TRADE RECEIVABLES

	The Group	
	As at 30-09-2025 RM'000	As at 30-09-2024 RM'000
<b><u>Current</u></b>		
Trade receivables	39,545	38,687
Unbilled rental income	15,688	13,323
	<u>55,233</u>	<u>52,010</u>

Trade receivables comprise rental receivable from lessees and unbilled rental income.

Unbilled rental income consist of unbilled incremental lease rental receivable from Pasir Gudang Specialist Hospital ("KPJ Batu Pahat Specialist Hospital"). The lease rental receivables from KPJ Batu Pahat is incremental by 10% every 3 years from the commencement date up to the term of 30 years. This rental income is recognised on straight-line basis over the lease term of 30 years.

The credit period granted by the Group on rental receivable from lessees ranges from 1 to 7 days.

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

	The Group	
	As at 30-09-2025 RM'000	As at 30-09-2024 RM'000
0-30 days	3,613	2,296
31-60 days	1,668	1,855
61-90 days	273	726
More than 90 days	33,991	33,810
	<u>39,545</u>	<u>38,687</u>

**B11. TRADE RECEIVABLES (Cont'd)**

Out of the total trade receivables of RM39.5 million, RM31.0 million is related to an Australian property and both parties are in the process of finalising on the settlement of the outstanding rental.

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.

**B12. ISLAMIC FINANCING**

	<b>The Group</b>	
	<b>As at</b>	<b>As at</b>
	<b>30-09-2025</b>	<b>30-09-2024</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Non-current</u></b>		
<b><u>Secured</u></b>		
Commodity Murabahah Term Financing ("CMTF 2")	-	29,900
Commodity Murabahah Term Financing ("CMTF 3 Tranche 1")	-	279,029
Commodity Murabahah Term Financing ("CMTF 3 Tranche 2")	298,795	298,344
Commodity Murabahah Term Financing ("CMTF 4 - Term Financing-i")	71,642	71,488
	<u>370,437</u>	<u>678,761</u>
<b><u>Current</u></b>		
<b><u>Secured</u></b>		
Commodity Murabahah Term Financing ("CMTF 1")	-	79,967
Commodity Murabahah Term Financing ("CMTF 3 Tranche 1")	279,605	-
<b><u>Non-Secured</u></b>		
Commodity Murabahah Term Financing ("CMTF 5")	112,013	-
	<u>391,618</u>	<u>79,967</u>

**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 during the current quarter.

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

	<b>Current Quarter ended 30-09-2025</b>	<b>Immediate Preceding Quarter ended 30-06-2025</b>
Number of units in issue - units	839,597,757	839,597,757
Earning per unit (EPU) - sen	1.94	1.90
Net income distribution to unitholders - RM'000	14,525	14,525
Distribution per unit (DPU) - sen	1.73	1.73
Net Asset Value (NAV) - RM'000	1,058,921	1,057,354
NAV per unit - RM	1.2612	1.2594
Market Value Per Unit - RM	1.2500	1.2500

**B17. 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 2025 and of its financial performance and cash flows for the period then ended.