

# Hektar REIT's Q3 Revenue Increased By 7.1% to RM29.8 Million, Secured Occupancy Rate Across Portfolio Improves to 88.8%

KUALA LUMPUR, MALAYSIA, November 26, 2024 /EINPresswire.com/ -- Hektar Asset Management Sdn. Bhd., the Manager of [Hektar Real Estate Investment Trust](#) ("Hektar REIT") is pleased to announce the third quarter results for the financial year ending 30 September 2024 ("Q3 FY2024"). The quarter's results reflect Hektar REIT's steady growth, underscored by encouraging income contributed by the education segment and strategic asset management.

For Q3 FY2024, Hektar REIT reported a revenue of RM29.8 million, marking a notable 7.1% increase over RM27.8 million in the corresponding quarter of the previous year ("Q3 FY2023"). This growth is mainly attributable to the stable income generated from the education asset, Kolej Yayasan Saad ("KYS"), acquired as part of Hektar REIT's portfolio diversification strategy. Net Property Income ("NPI") stood at RM14.9 million, supporting the REIT's income stability. NPI margin remains healthy at 50.2%, illustrating Hektar REIT's continued operational efficiency and income resilience.

On the performance of Hektar REIT's retail assets in Q3 2024, Hektar REIT's portfolio occupancy rose to 88.8%



Zainal Iskandar, Chief Executive Officer of Hektar Asset Management



Oriental Parade at Subang Parade

while its rental reversion rate continues to be on upward trajectory at 7.2% compared to previous year. Significant improvements can be seen in Subang Parade, which has been the Manager's major focus for value enhancement. With strategic leasing approach, the REIT managed to signed up new and prominent tenants that are aligned with Subang Parade's overall repositioning. Several new names have already opened their doors to customers including Oriental Parade, Padi House, Game On entertainment hub, Camille and Swet Fitness Centre, with a few others including Mokky's Pizza and The Farm & Chan Rak BBQ on track for opening by end-2024.

Following the Manager's announcement last quarter on the appointment of Urban Agenda Design Sdn Bhd as the lead architect for Subang Parade's rejuvenation project, the Manager updated that the design stage is nearing completion with works on-site expected to be rolled out in Q1 2025. The first Phase of the project will cover the mall's interior including toilets, corridors and lift lobbies, the ceiling, flooring and other internal areas such as the columns, placemaking areas and the concourse. Finally, phase 3 will complete the upgrading with the external facelift and is expected to roll out by Q4 2025. Currently, the iconic bubble lift has been completed under phase 1.

In addition, the replacement of lift & escalators is proceeding according to schedule with phase 2 at Q4 2024. These enhancements are expected to improve mall ambience, attract higher foot traffic, improve tenant quality, support positive rental reversions and asset valuation, thereby strengthening Hektar REIT's long-term income stability and value creation for unitholders.

To further improve the overall efficiency of our portfolio, the manager has implemented License Plate Recognition (LPR) system for all car parks within Hektar REIT retail assets' portfolio. Moreover, in Subang Parade, the car park is getting an upgrade and will be completed by 2Q25.

Zainal Iskandar, Chief Executive Officer of Hektar Asset Management Sdn. Bhd. commented, "Q3 results demonstrate the strength of our strategic diversification, as we integrate stable, income-



Game On at Subang Parade



Padi House at Subang Parade



Q3 results demonstrate the strength of our strategic diversification, as we integrate stable, income-generating assets like Kolej Yayasan Saad into our portfolio”

*Zainal Iskandar, CEO of  
Hektar Asset Management  
Sdn. Bhd.*

generating assets like Kolej Yayasan Saad into our portfolio. This expansion not only enhances our revenue stability but also underscores our adaptability in capturing emerging opportunities within Malaysia’s evolving real estate landscape.”

Looking ahead, the manager of Hektar REIT is optimistic about the long-term growth potential of both the retail and non-retail sectors primarily industrial and education sectors in Malaysia. The Manager recently announced the intention to double Hektar REIT’s portfolio size to RM3 billion by 2027. Presented by various opportunities, the Manager is carefully appraising the prospects for their

financial feasibility, strength of income stream, growth potential and contribution to the portfolio’s blended returns. With a target of having a well-balanced portfolio, the Manager is focusing on its core which is underserved retail assets with value creation potential, while also eyeing for resilient assets such as education properties within the K-12 segment and light industrial properties.

Technology wise, the team is exploring new tenancy and property management software along with PropTech to allow seamless integration between landlord and tenant, and to optimise the overall process for decision makers.

Mandy Tan  
Swan Consultancy  
[email us here](#)

---

This press release can be viewed online at: <https://www.einpresswire.com/article/763940122>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.