

PRESS RELEASE

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Hektar REIT launches pilot Medium-Term Notes Programme with CGIF's support

Manila, 15 February 2024 – Credit Guarantee and Investment Facility ("CGIF"), a trust fund of the Asian Development Bank ("ADB") has guaranteed Hektar Real Estate Investment Trust's ("Hektar REIT") five-year MYR215.0 million Medium-Term Note (the "Guaranteed Tranche"). Hektar REIT is a Malaysian-based diversified real estate investment trust which is listed on Bursa Malaysia.

This is Hektar REIT's maiden issuance under its ten-year MYR500.0 million Medium-Term Notes Programme ("MTN Programme"). The Guaranteed Tranche, rated AAA by Rating Agency Malaysia ("RAM Ratings"), attracted resounding demand from institutional investors, underscoring growing acceptance for CGIF's guarantee in the Malaysian bond market.

Issued under the ASEAN+3 Multi-Currency Bond Issuance Framework, the Guaranteed Tranche will supplement Hektar REIT's refinancing and capital expenditure exercises, lengthen debt profile, optimize capital structure via competitively priced fixed-rate bonds, and bolster competitiveness.

Affin Hwang Investment Bank Berhad acted as Sole Arranger and Lead Manager.

Mr. Hongwei Wang, Chief Executive Officer of CGIF said, "We are immensely pleased to collaborate with Hektar REIT and Affin Hwang Investment Bank Berhad to not only deliver a customized financing solution to the issuer but also provide investors with a highly rated investment opportunity at very competitive pricing. This transaction showcases CGIF's ability to provide Malaysian issuers with efficient access to its vibrant bond market whilst introducing multilateral-level international governance standards."

Mr. Johari Shukri bin Jamil, Executive Director and Chief Executive Officer of Hektar Asset Management Sdn. Bhd. stated "It is our privilege to collaborate alongside CGIF and Affin Hwang Investment Bank Berhad on our first ever bond issuance,

culminating in the successful issuance of the guaranteed portion of the MTN, which marks an important milestone for Hektar REIT. It is a testament to Hektar REIT's strong fundamentals and our track record in delivering sustainable returns to our investors and stakeholders. With the issuance proceeds, we look forward to enhancing our portfolio's value proposition as the preferred destination for social engagements, shopping and conducting business, to ensure our assets' continuous revenue growth and contribution to our portfolio. Our heartfelt gratitude goes to the transaction parties who worked tirelessly and expeditiously to achieve this success."

Encik Nurjesmi Mohd Nashir, Chief Executive Officer of Affin Hwang Investment Bank Berhad said "The successful issuance of MYR215.0 million of the Guaranteed Tranche by Hektar REIT's funding vehicle, Hektar MTN Satu Sdn Bhd, is a testament to our determination to continuously provide effective solutions to our clients. Backed by CGIF's guarantee and our marketing efforts, investors' demand has surpassed expectations, allowing the Guaranteed Tranche to be priced competitively for the issuer. The successful pricing and issuance of the Guaranteed Tranche within the designated timeline stands as evidence of the outstanding collaborative effort put forth by Affin Hwang Investment Bank Berhad, CGIF, and the involved transaction parties."

About CGIF

CGIF is a multilateral facility established by the Association of Southeast Asian Nations ("ASEAN") members, China, Japan, Korea ("ASEAN+3") and Asian Development Bank ("ADB"). It is established as a trust fund of ADB with paid-in capital of USD1,158 million from its Contributors. As a key component of the Asian Bond Markets Initiative ("ABMI"), CGIF was established to develop and strengthen local currency and regional bond markets in the ASEAN+3 region. CGIF commenced its guarantee operations on 1 May 2012 and seeks to provide credit enhancements, mainly in local currencies, issued by credit worthy ASEAN+3-domiciled bond issuers.

Also, as a contributor to CGIF, ADB acts as the Secretariat to ABMI, and has long worked with ASEAN+3 policymakers to establish the ASEAN+3 Multi-Currency Bond Issuance Framework ("AMBIF"). The ABMI, CGIF, and AMBIF were established to support development of active long-term local currency bond markets so borrowers can avoid the currency and maturity bond mismatches that caused the 1997-1998 Asian Financial Crisis.

About Hektar REIT

Listed on the Main Board of Bursa Malaysia since 2006, Hektar Real Estate Investment Trust is a Malaysia-based real estate investment trust, investing in income-producing real

estate properties primarily used for retail purposes, with the principal objective of providing its unitholders with a sustainable dividend income and long-term capital appreciation.

To date, its portfolio comprises six (6) malls including an adjoining hotel to one of the malls, with an aggregate value of these commercial properties is MYR1.23 billion (c\$267 million), consisting of two million sq. ft. of net lettable area.

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