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## 2026 Annual General Meeting



**Day and Date**  
Wednesday, 29 April 2026

**Time**  
2:30 p.m.



**Venue**  
The Gardens Ballroom,  
Level 5,  
St. Giles Mid Valley Kuala Lumpur,  
Mid Valley City,  
Lingkaran Syed Putra,  
59200 Kuala Lumpur, Malaysia

The 2025 Annual Report  
can be viewed and downloaded  
from the IGB REIT's website at  
<https://www.igbreit.com/annual-report>  
OR you may scan the QR code below



# ABOUT THIS REPORT

## INTRODUCTION

Established on 25 July 2012, IGB REIT is a Malaysian real estate investment trust. It was listed on Bursa Malaysia Securities Berhad's ("Bursa") Main Market on 21 September 2012, and owns income-producing retail properties in Malaysia. The portfolio comprises three shopping centres: Mid Valley Megamall ("MVM") and The Gardens Mall ("TGM") in Klang Valley, and The Mall, Mid Valley Southkey ("MVS Mall") in Johor Bahru. As of 31 December 2025, IGB REIT's portfolio has a total net lettable area ("NLA") of 4,185,035 square feet, a total investment property fair value of RM8.38 billion per the valuation report and a market capitalisation of RM11.8 billion.

## REPORTING PERIOD

IGB REIT's Annual Report 2025 covers the period from 1 January to 31 December 2025, unless stated otherwise.

## REPORTING FRAMEWORKS AND STANDARDS

IGB REIT's Annual Report 2025 complies with the following regulations, rules, and guidelines:

- Bursa Malaysia Corporate Governance Guide (4<sup>th</sup> Edition)
- Securities Commission Malaysia's ("SC") Malaysian Code on Corporate Governance ("MCCG") 2021
- Bursa's Main Market Listing Requirements
- SC's Guidelines on Listed Real Estate Investment Trusts ("REIT Guidelines")
- United Nations Sustainable Development Goals ("SDGs")
- Malaysian Financial Reporting Standards ("MFRS")
- International Financial Reporting Standards ("IFRS")
- IFRS Sustainability Disclosure Standards
- Companies Act 2016

## ASSURANCE

All data in the Annual Report 2025 comes from internal sources and has been confirmed by the relevant business units or data owners. IGB REIT's Financial Statements for the year ended 31 December 2025 were audited by PricewaterhouseCoopers PLT, covering pages 102 to 147 of this report.

## MATERIALITY

This Annual Report 2025 discloses information related to IGB REIT's material matters, identified through extensive stakeholder engagement and internal assessment. These issues include both current and emerging risks and opportunities that may impact our ability to create value for IGB REIT and its stakeholders.

## FORWARD LOOKING STATEMENT

This Annual Report 2025 contains forward-looking statements regarding IGB REIT's future plans, goals, strategies, operations, and performance. These statements outline current and anticipated market conditions but they are subject to change and do not assure specific future results because of inherent uncertainties. Unitholders should not place excessive reliance on these statements, as IGB REIT's business faces risks and uncertainties beyond its control.

## NAVIGATION ICONS

### Capitals



### Material Matters



## Adopted United Nations Sustainable Development Goals



## CORPORATE DIRECTORY

### MANAGER

#### IGB REIT Management Sdn Bhd

201201006785 (908168-A)

Capital Markets Services License : CMSL/A0305/2013

Registered Address : Level 32, The Gardens South Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Malaysia

Telephone : 603-2289 8989

Website : www.igbreit.com

Email : corporate-enquiry@igbreit.com

Investor Relations : investorrelations@igbreit.com

Feedback : feedback@igbreit.com

### BOARD OF DIRECTORS OF THE MANAGER

#### Dato' Seri Robert Tan Chung Meng

Non-Independent Executive Chairman

#### Tan Mei Sian

Non-Independent Executive Director

#### Raymond Yeoh Cheng Seong

Independent Non-Executive Director

#### Robert Ang Kim Pak

Independent Non-Executive Director

#### Datuk Richard Lee Say Tshin

Independent Non-Executive Director

#### Tan Lei Cheng

Non-Independent Non-Executive Director

#### Gabrielle Tan Hui Chween

Alternate to Dato' Seri Robert Tan Chung Meng

### CHIEF EXECUTIVE OFFICER OF THE MANAGER

#### Chai Lai Sim

### HEAD OF COMPLIANCE/ COMPANY SECRETARY OF THE MANAGER

#### Tina Chan Lai Yin

MAICSA 7001659/SSM PC No. 201908000014

### TRUSTEE

#### MTrustee Berhad

198701004362 (163032-V)

2<sup>nd</sup> Floor, Plaza Armada

Lot 6, Lorong Utara C, Section 52

46200 Petaling Jaya

Selangor Darul Ehsan

Malaysia

Telephone : 603-7931 1119

Telefax : 603-7931 1135

### PROPERTY MANAGER

#### Chartwell ITAC International Sdn Bhd

197901008026 (52312-H)

B-11-3A – B-11-05

Level 11, Gateway Corporate Suites

Gateway Kiaramas

No. 1, Jalan Desa Kiara, Mont Kiara

50480 Kuala Lumpur

Malaysia

Telephone : 603-6201 6288

Telefax : 603-6203 0088

### AUDITOR

#### PricewaterhouseCoopers PLT

(LLP0014401-LCA & AF 1146)

Level 10, Menara TH 1 Sentral

Jalan Rakyat

Kuala Lumpur Sentral

50706 Kuala Lumpur

Malaysia

Telephone : 603-2173 1188

Telefax : 603-2173 1288

### REGISTRAR

#### Tricor Investor & Issuing House Services Sdn Bhd

197101000970 (11324-H)

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Malaysia

Telephone : 603-2783 9299

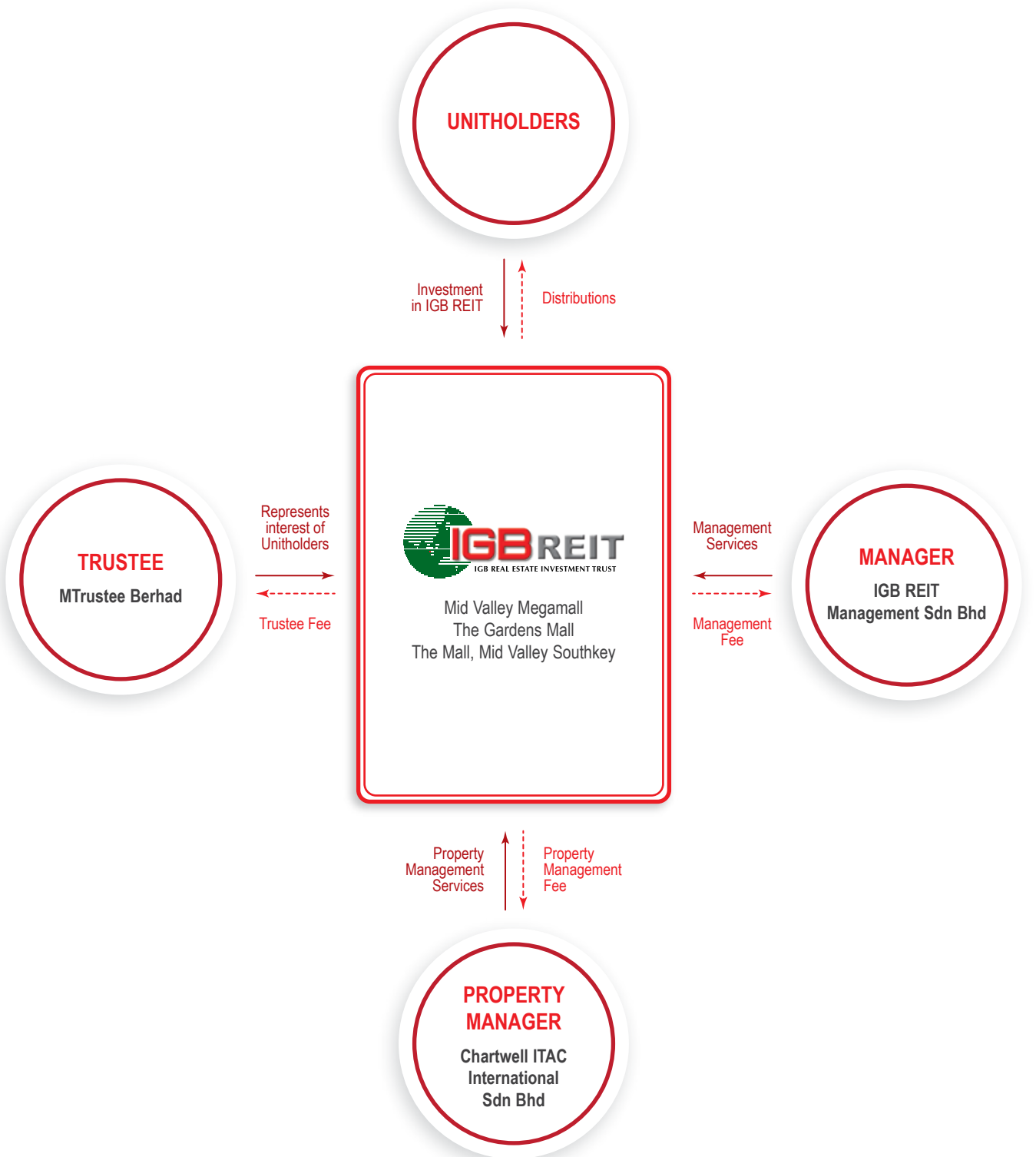
Telefax : 603-2783 9222

### PRINCIPAL BANKERS

Hong Leong Bank Berhad 193401000023 (97141-X)

Malayan Banking Berhad 196001000142 (3813-K)

# REIT STRUCTURE



## REIT SALIENT FEATURES

<b>Fund Category</b>	Real Estate Investment Trust
<b>Fund Type</b>	Income and Growth
<b>Fund Duration</b>	The earlier of: <ul style="list-style-type: none"> <li>the occurrence of any of events listed in Clause 27.2 of the Deed of Trust dated 18 July 2012 (as supplemented on 25 October 2018) ("Deed");</li> <li>the date 999 years after 25 July 2012 (the date of establishment of IGB REIT); or</li> <li>the date IGB REIT is terminated by the Manager under Clause 27.1(b) of the Deed</li> </ul>
<b>Investment Objective</b>	To provide the Unitholders with regular and stable distributions, sustainable long-term unit price and distributable income and capital growth, while maintaining an appropriate capital structure
<b>Authorised Investments</b>	(a) Real Estate; (b) Non-Real Estate Assets; (c) Cash, deposits and money market instruments; and (d) any other investments not covered by (a) to (c) but specified as a permissible investment in the REIT Guidelines or as may be permitted by the SC
<b>Investment Limits</b>	The investments of IGB REIT are subject to the following investment limits imposed by REIT Guidelines: <ul style="list-style-type: none"> <li>at least 75% of IGB REIT's total asset value ("TAV") must be invested in Real Estate that generates recurrent rental income at all times;</li> <li>the aggregate investments in Property Development Activities (Property Development Costs) and real estate under construction must not exceed 15% of IGB REIT's TAV; and</li> <li>such other investment or limits as may be permitted by the SC or the REIT Guidelines</li> </ul>
<b>Distribution Policy</b>	<ul style="list-style-type: none"> <li>At least 90% of IGB REIT's distributable income</li> <li>Quarterly distribution</li> </ul>
<b>Revaluation Policy</b>	Annually by an independent professional valuer
<b>Manager Fee</b>	The Manager may elect to receive its fees in cash or units or a combination of cash and units (as it may in its sole discretion determine): <ul style="list-style-type: none"> <li>Base Fee: up to 1% per annum ("p.a.") of IGB REIT's TAV (excluding cash and bank balances which are held in non-interest bearing accounts)</li> <li>Performance Fee: 5% p.a. of IGB REIT's net property income</li> <li>Acquisition Fee: 1% of the acquisition price</li> <li>Divestment Fee: 0.5% of the disposal price</li> </ul>
<b>Trustee Fee</b>	Up to 0.03% p.a. of IGB REIT's net asset value
<b>Financial Year End</b>	31 December
<b>Quotation</b>	Main Market of Bursa
<b>Listing Date</b>	21 September 2012
<b>Stock Name and Stock Code</b>	IGBREIT; 5227

## REIT PORTFOLIO

Properties	MVM	TGM	MVS Mall
<b>Address</b>	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	No.1, Persiaran Southkey 1, Kota Southkey, 80150 Johor Bahru
<b>Description</b>	5-level retail mall with a mezzanine floor, 2 levels of basement car parks and 4 levels of elevated car parks	8-level retail mall with 4 levels of basement car parks and 4 levels of elevated car parks	5-level retail mall with a mezzanine floor, 2 levels of basement car parks and 8 levels of split-level elevated car parks
<b>Age as at 31 December 2025</b>	26 years	18 years	6 years
<b>Land area of master title (sq ft)</b>	1,060,792	421,773	966,891
<b>Tenure</b>	Leasehold for 83 years expiring on 11 April 2104	Leasehold for 99 years expiring on 6 June 2103	Leasehold for 99 years expiring on 21 February 2100
<b>Master title particulars</b>	PN 54050, Lot 20013 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	PN 37073, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur#	HSD 589121, PTD 236228, Mukim Plentong, Daerah Johor Bahru, Johor
<b>Encumbrances/ material limitations in master title</b>	<ul style="list-style-type: none"> <li>Private caveat lodged by Hong Leong Bank Berhad vide Presentation No. PDB6233/2021 dated 9 July 2021</li> <li>Private caveat lodged by Malaysian Trustees Berhad vide Presentation No. PDB6763/2021 dated 27 July 2021</li> <li>Private caveat lodged by MTrustee Berhad on behalf of IGB Commercial REIT vide Presentation No. PDB7576/2021 dated 17 August 2021</li> <li>Private caveat lodged by MTrustee Berhad on behalf of IGB REIT vide Presentation No. PDB7577/2021 dated 17 August 2021</li> <li>Lease of part of the land to Tenaga Nasional Berhad vide Presentation No. PDSC84602/2024 dated 15 November 2024</li> <li>Private caveat lodged by Malaysian Trustees Berhad vide Presentation No. PDB22853/2025 dated 16 December 2025</li> </ul>	<ul style="list-style-type: none"> <li>Trust caveat lodged by MTrustee Berhad on behalf of IGB REIT vide Presentation No. PDB14472/2012 dated 30 August 2012</li> <li>Trust caveat lodged by MTrustee Berhad on behalf of IGB REIT vide Presentation No. PDB16049/2012 dated 26 September 2012</li> </ul>	<ul style="list-style-type: none"> <li>Registrar's caveat vide Presentation No. 10100/2019 dated 11 March 2019</li> <li>Private caveat lodged by MTrustee Berhad on behalf of IGB REIT vide Presentation No. 29917/2025 dated 18 July 2025</li> <li>Private caveat lodged by Malaysian Trustees Berhad vide Presentation No. 46688/2025 dated 30 October 2025</li> </ul>

## REIT PORTFOLIO

(continued)

Properties	MVM	TGM	MVS Mall
<b>Restrictions in interest in master title</b>	<p>This land shall not be transferred, leased or charged without the consent of the Federal Territory Land Executive Committee Secretariat (Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*</p>	<p>This land shall not be transferred, leased, secured or charged except with the consent of the Federal Territory Land Executive Committee Secretariat (Tanah ini tidak boleh dipindahmilik, dipajak, dicagar atau digadai melainkan dengan kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)</p>	<p>i. This land cannot be sold or transferred in any manner whatsoever to a non-citizen/foreign company without the approval of the State Authority (Tanah ini tidak boleh dijual atau dipindahmilik dengan apa cara sekalipun kepada Bukan Warganegara/Syarikat Asing tanpa persetujuan Pihak Berkuasa Negeri)</p> <p>ii. The development on the title that is registered as a hotel cannot be subdivided for the purposes of issuance of strata title for each unit/parcel/lot (Pembangunan pada hakmilik yang didaftarkan sebagai hotel tidak boleh dipecah bahagi bagi tujuan pengeluaran hakmilik strata pada setiap unit/parcel/petak)</p>
<b>Express conditions in master title</b>	<p>This land shall be used for commercial building for purpose of office towers, hotels, retail malls, office shops/lots and car park spaces only (Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan menara pejabat, hotel, pusat membeli-belah, kedai pejabat dan tempat letak kereta sahaja)</p>	<p>This land shall be used for commercial building for purpose of commercial spaces, offices, hotels and service apartments only (Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan ruang perniagaan, pejabat, hotel dan pangsapuri servis sahaja)</p>	<p>i. This land shall be used as multi-storey building for commercial purpose (shopping complex, office, hotel), built in accordance with the plans approved by the relevant Local Authority (Tanah ini hendaklah digunakan sebagai Bangunan Bertingkat untuk tujuan Perdagangan (Kompleks membeli belah, pejabat, hotel), dibina mengikut pelan yang diluluskan oleh Pihak Berkuasa Tempatan yang berkenaan)</p> <p>ii. All discharge and pollution as a result of this activity must be channeled to places as determined by the Relevant Authority (Segala kekotoran dan pencemaran akibat daripada aktiviti ini hendaklah disalurkan ke tempat-tempat yang telah ditentukan oleh Pihak Berkuasa Berkenaan)</p> <p>iii. All policies and conditions as stipulated and imposed from time to time by the Relevant Authority must be adhered to (Segala dasar dan syarat yang ditetapkan dan dikuatkuasakan dari semasa ke semasa oleh Pihak Berkuasa Berkenaan hendaklah dipatuhi)</p>

## REIT PORTFOLIO

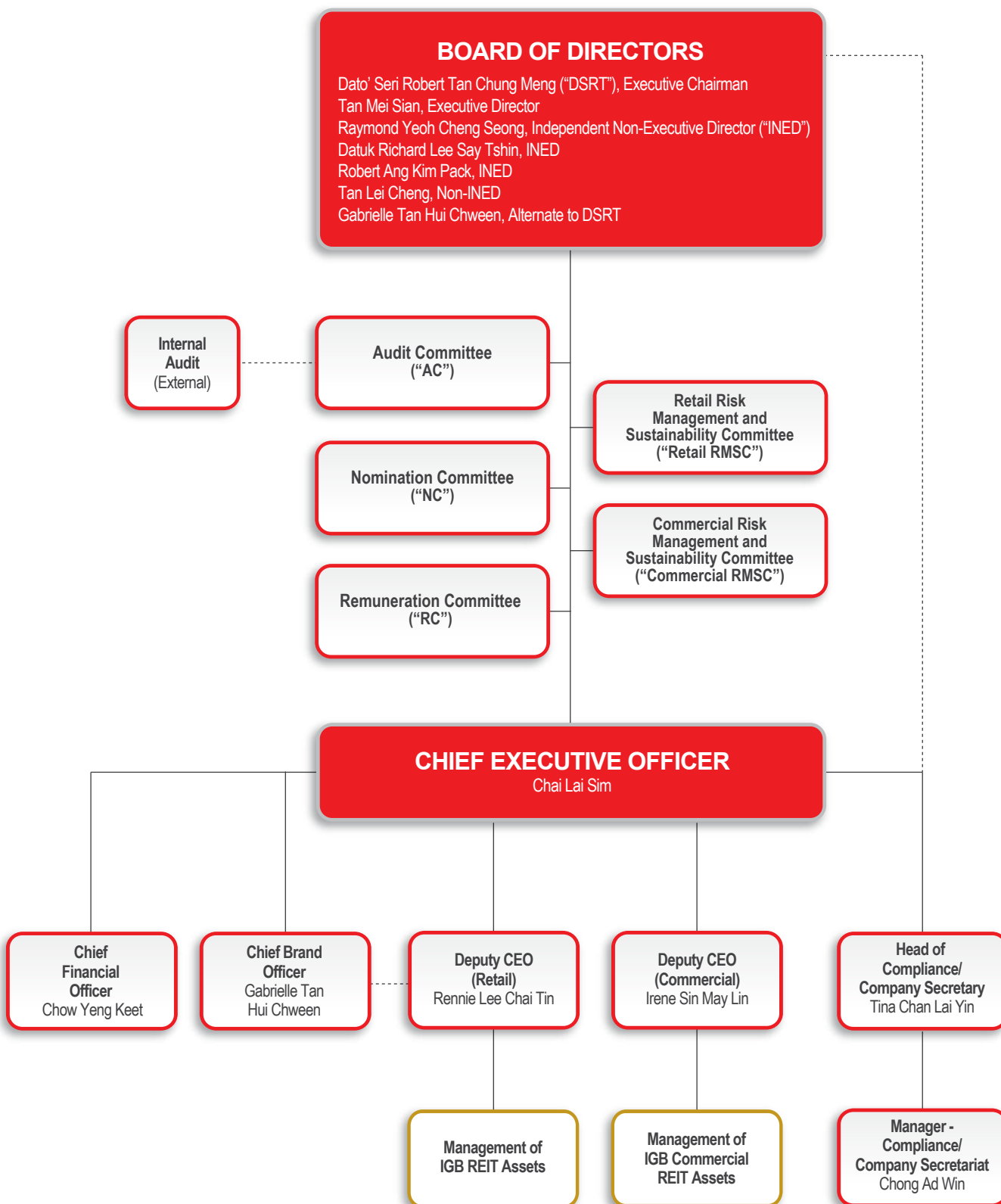
(continued)

Properties	MVM	TGM	MVS Mall
Appraised Value as at 31 December 2025 (RM'000)	4,080,000	1,500,000	2,800,000
Purchase consideration (RM'000)	3,440,000	1,160,000	2,650,000
Net Lettable Area (NLA) as at 31 December 2025 (sq ft)	1,801,114	841,053	1,542,868
Gross Floor Area as at 31 December 2025 (sq ft)	6,107,052	3,540,796	4,926,104
Number of tenancies as at 31 December 2025	556	244	381
Occupancy rate as at 31 December 2025 (%)	99.8	99.1	100
Number of car park bays as at 31 December 2025	6,127	3,957	5,617

# TGM is separately held under 3 issue documents of strata title. The transfer of these strata titles has been registered in favour of MTrustee Berhad (as trustee for IGB REIT).

\* The extended expiry date of the State Authority's consent for the transfer of MVM in favour of MTrustee Berhad (as trustee for IGB REIT) is 25 November 2026.

# ORGANISATION STRUCTURE OF THE MANAGER



# BUSINESS EVENTS and Highlights

## Milestones



IGB REIT completed the RM2.65 billion acquisition of The Mall, Mid Valley Southkey in Johor Bahru on 20 November 2025.

## Awards & Recognition



IGB REIT received two awards at The Edge Billion Ringgit Club 2025 event.

- ◆ Highest Return on Equity Over Three Years
- ◆ Highest Returns to Shareholders Over Three Years

◀ Ms. Chai Lai Sim, CEO of IGB REIT Management Sdn Bhd, accepting the awards for Highest Return on Equity Over Three Years and Highest Returns to Shareholders Over Three Years for IGB REIT

Mid Valley Megamall received the award for Excellence in Event Experiences from The Walt Disney Company (Southeast Asia) Pte Limited



Ms. Jesz Loo, Marketing representative for Mid Valley Megamall, accepting the award for Excellence in Event Experiences for Mid Valley Megamall ▶

# BUSINESS EVENTS and Highlights

(continued)

## The Gardens Mall

Rewards Rush Campaign



Shopper redemption: one RM100 Rewards Rush voucher for every purchase of RM2,000 and above

Green Moves 2.0 Campaign



Exhibition to raise awareness about food waste in Malaysia and explore ways to reduce it

Exploring Local Art 3.0 Campaign



"Kampung Cosmos", by local artist Jun Ong showcased at TGM

Celebrating Deepavali



Traditional Deepavali performances

## Mid Valley Megamall

Disney Pixar Summer Fest



Visitors enjoying Disney Pixar Summer Fest decorations

Treat Yo' Self Campaign



A shopper redeeming a voucher during the Treat Yo' Self Campaign

Fruits Escape Campaign



Children enjoying fun games during the Fruits Escape Campaign

# OUR APPROACH TO VALUE CREATION

## 1 STRATEGIC PRIORITIES/GOALS

- Generate long-term sustainable returns to unitholders
- Target high-quality asset acquisitions aimed at increasing unitholder value and expanding our market leadership
- Optimise capital allocation and risk management frameworks to drive sustainable growth and long-term value creation

## 2 BUSINESS STRENGTHS

- Resilient portfolio of prime retail assets
- Seamless synergies with Mid Valley City and Mid Valley Southkey
- Market-dominant expansion in Johor
- Institutional-grade sponsorship with proven track record
- High-quality, diversified tenant ecosystem
- Prudent capital and risk management
- Strong corporate governance

## 3 INPUTS by Capitals

### Financial

- Total Assets: **RM8.8 billion**
- Total Liabilities: **RM2.5 billion**
- Unitholders' fund: **RM6.3 billion**

### Manufactured

- 3 retail malls
- Total Property Value: **RM8.37 billion**

### Human

- Total employees: **521**
- Employee turnover: **6%**

### Natural

- Energy consumption: **60,230 MWh**
- Water consumption: **621 Megalitres**

### Social and Relationship

- **25** community initiatives
- **RM1.3 million** contributed towards community investment
- Regular stakeholder engagement
- Creating sustainable business opportunities with local suppliers

## 4 OUR BUSINESS MODEL & ACTIVITIES



\* All references to employees are in relation to employees of the Manager and Service Providers

# OUR APPROACH TO VALUE CREATION

(continued)

## 5 OUTPUTS by Capitals

### Financial

- Revenue: **RM705.1 million**
- Net Property Income: **533.6 million**
- Distribution per unit: **11.75 sen**

### Manufactured

- MVM: **1.8 million sq ft NLA**
- TGM: **0.84 million sq ft NLA**
- MVS Mall: **1.54 million sq ft NLA**
- Total **15,701 carpark bays**

### Human

- Employee retention: **94%**
- Total training hours: **10,586**
- Average training hours per employee: **20 hours**

### Natural

- Waste diversion rate: **9.6%**
- Rainwater harvested: **3,518 m<sup>3</sup>**
- **4,499 tCO<sub>2</sub>e** Scope 1 greenhouse gas ("GHG") emissions
- **66,433 tCO<sub>2</sub>e** Scope 2 GHG emissions
- **104,977 tCO<sub>2</sub>e** Scope 3 GHG emissions

### Social and Relationship

- **106,737** individuals benefitted from community initiatives inclusive of **25,494** bags of blood collected by Pusat Darah Negara ("PDN")

## 6 OUTCOME

- Led sustainable revenue growth by successfully executing strategic, market-responsive business plans.
- Maintained a robust balance sheet through disciplined capital allocation, rigorous cost oversight, and proactive liquidity management.

Occupancy rate as at 31 December 2025:

- MVM occupancy: **99.8%**
- TGM occupancy: **99.1%**
- MVS Mall occupancy: **100%**

- Improved retention and employer branding through targeted engagement initiatives and a steadfast commitment to workplace diversity.
- Enhanced technical and leadership capabilities through training, ensuring the workforce remains resilient and adaptable.

- Aligned core strategies with climate-resilient objectives to ensure long-term value for the environment and stakeholders.

- Strengthened community connections and customer loyalty by addressing local needs and fostering collaborative development to enhance Social and Relationship Capital.

## 7 TRADE-OFFS

We strategically deploy Financial Capital into asset enhancements and acquisitions. While this represents a short-term outflow, it serves to modernise our Manufactured Capital, ensuring the long-term appreciation and sustained performance of our portfolio.

Strategic reinvestment of Financial Capital enables us to adapt to market shifts by modernising our properties. While this entails short-term expenditure, it creates lasting value by enhancing our Manufactured Capital, elevating brand perception, and embedding sustainability across our portfolio.

Allocating funds to employee development is a purposeful investment in Human Capital. Although this reduces short-term liquidity, the outcome is a highly skilled and engaged team that maintains our competitive edge and enhances value creation across all other capitals.

Investing in ecological efficiency may incur initial costs, yet it is vital for future-proofing our operations. By prioritising Natural Capital, we enhance asset longevity and demonstrate a commitment to sustainability that strengthens our Social and Relationship Capital through increased stakeholder trust.

Investing financial resources in community development involves a short-term capital trade-off to build a more resilient social ecosystem. This investment creates invaluable Social and Relationship Capital and aligns our growth with the broader pursuit of a sustainable and prosperous future.

## CEO STATEMENT



*Dear Valued Stakeholders,*

*I am pleased to present IGB REIT's Annual Report 2025. Despite global economic uncertainties and geopolitical tensions, IGB REIT performed well amid a resilient Malaysian economy.*

*Acquiring The Mall, Mid Valley Southkey ("MVS Mall") in Johor last quarter marked a significant strategic milestone for us. This acquisition enhances our long-term growth prospects, provides vital regional diversification, and supports our expansion strategy. It also strengthens IGB REIT's ability to consistently deliver value to unitholders.*



**Chai Lai Sim**  
CEO

In 2025, IGB REIT achieved strong results, with increases in both revenue and net property income. I am pleased to share that we received two awards at The Edge Billion Ringgit Club Awards 2025: one for the Highest Return on Equity Over Three Years and another for the Highest Return to Shareholders Over Three Years. Additionally, Mid Valley Megamall was recognised with The Walt Disney Company (Southeast Asia) Pte Ltd's Excellence in Event Experiences award this year. I believe these accolades highlight our dedication to our unitholders and our ability for sustainable long-term growth. They also underscore our commitment to providing engaging, innovative experiences for visitors.

### CREATING HOLISTIC LIFESTYLE DESTINATIONS

We observe a trend in which malls are developing ecosystems that connect shoppers, retailers, and brands in innovative ways. Consumers now expect malls to function as community hubs that offer complete lifestyle experiences, using technology to improve the retail journey by making it more seamless and personalised.

IGB REIT has consistently adapted to changing consumer trends by creating engaging experiential retail destinations. We regularly update our tenant mix to reflect evolving preferences, including higher demand for essential items, authentic and personalised products, and a rising preference for unique concepts beyond major international brands.

Throughout the year, we ran engaging, interactive campaigns across several channels to connect with our communities, maintain visitors' interest, and encourage active participation. As sustainability became a central focus of our operations, we increased our efforts to raise public awareness and stimulate community interest through effective initiatives. For example, the Green Moves 2.0 Campaign demonstrated practical ways for the public to reduce food waste and highlighted our ongoing sustainability efforts. It also fostered collaboration among tenants, with three tenants sharing their eco-friendly products and initiatives.

### STRENGTHENING FOUNDATIONS: INFRASTRUCTURE AND TECHNOLOGY

A robust infrastructure is crucial for building integrated lifestyle destinations that foster repeat visits. Our Asset Enhancement Initiatives ("AEIs") are vital in this effort, creating inviting, future-oriented spaces that respond to evolving consumer needs. Executed in phases, our AEI programme aims to enhance the visitor experience, boost operational efficiency, and improve safety and resilience in our malls. Each update, whether enhancing indoor comfort, optimising parking systems, or replacing essential equipment such as chillers, ensures visitors enjoy a seamless, pleasant experience.

## CEO STATEMENT

(continued)

### Highlights for FY2025



Received **3** awards and **1** recognition:

- ◆ The Edge Billion Ringgit Club Awards 2025: Highest Return on Equity Over Three Years
- ◆ The Edge Billion Ringgit Club Awards 2025: Highest Return to Shareholders Over Three Years
- ◆ The Walt Disney Company (Southeast Asia) Pte Ltd's Excellence in Event Experiences award
- ◆ Second largest REIT in Malaysia based on market capitalisation

### Asset Enhancement Initiatives:



- ◆ Executed AEs in phases to enhance the visitor experience, boost operational efficiency, and improve safety and resilience in our malls

### Sustainability:



- ◆ Launched ecoHUB in February 2026 which includes an educational zone for upcycling workshops, promotes a circular economy with reusable bag donation station, and provides designated areas for e-waste and glass collection

### Portfolio Expansion:



- ◆ Acquisition of MVS Mall which yields immediate value with a 100% occupancy rate

Technology is essential in transforming retail by enabling seamless omnichannel experiences that merge digital and physical interactions to enhance customer service. Advanced tools such as artificial intelligence ("AI") enable retailers to deliver more personalised, data-driven interactions through tailored loyalty programs, targeted marketing, and dynamic pricing. Increasing secure digital payment options speeds up transactions and enhances convenience, offering a smooth shopping experience online and in-store. Building on the success of the MV Club app, we plan to incorporate new technologies to create a unified, modern retail experience.

### SUSTAINABILITY AND PEOPLE: PROMOTING RESPONSIBLE GROWTH

Sustainability underpins our operations, shaping every business decision we make. We recognise that strong Environmental, Social, and Governance ("ESG") practices are vital for responsible management and provide a competitive edge in retail. Over the years, IGB REIT has enhanced its sustainability initiatives, including our recycling programme, composting projects, and rainwater harvesting system.

This year, we proudly launched ecoHUB at Level P2 of The Gardens Mall in February 2026. This community centre highlights sustainability through features like a hydroponic urban farm with 48 pillars that supply fresh vegetables to local NGOs. It also includes an educational zone for upcycling workshops, promotes a circular economy with a reusable bag donation station, and provides designated areas for e-waste and glass collection.

As our business has grown, we have maintained a strong focus on operational efficiency, preventing resource usage from increasing in proportion. Through targeted initiatives, we have effectively reduced water and energy consumption, demonstrating that growth and sustainability can coexist. We are committed to expanding our ESG initiatives, as we believe these efforts will positively impact our business, communities, and the environment.

Our people remain central to our success. Supported by a skilled and resilient team, we have successfully navigated a complex, evolving operating environment while responding to changing consumer needs and preferences. We continue to invest in our team's professional and personal development, thereby strengthening our organisational capabilities and preparing our workforce for future challenges and opportunities.

### OUTLOOK

Analysts project steady growth for Malaysia's economy in 2026, but caution persists because of ongoing cost pressures and persistent global uncertainties that continue to negatively impact the outlook.

Our success hinges on blending experience, convenience, and emotion through innovative retail interactions tailored to customer needs and preferences. We support this with a carefully designed infrastructure that elevates the shopping centre experience by improving aesthetics, modernising equipment to prevent obsolescence, and establishing service touchpoints that make visitors feel comfortable. These elements work together to create vibrant, welcoming destinations that encourage meaningful engagement and foster long-term customer loyalty.

Our recent acquisition of MVS Mall is set to significantly support our expansion efforts by attracting new shoppers and visitors and strengthening our brand presence beyond the Klang Valley. We expect significant synergies from this acquisition that will benefit all of our malls. Moving forward, we will pursue more acquisitions and growth opportunities with a disciplined, strategic approach, ensuring a strong financial position and effective cost management.

We remain dedicated to delivering the highest distribution and yield to our unitholders and believe that our dynamic, forward-looking value-creation strategies will enable us to continue to achieve results despite a rapidly changing external environment.

### ACKNOWLEDGEMENTS

I sincerely thank the Board of Directors for their guidance and support during my first year as CEO. I also deeply appreciate outgoing CEO Elizabeth Tan for her outstanding leadership and lasting contributions, which have set IGB REIT on a path to continued success.

I also wish to thank our valued stakeholders for their trust and support, which enables us to strengthen our portfolio's resilience and deliver stable, long-term returns to our unitholders. Building on IGB REIT's proven success, I am committed to fostering sustainable growth, creating long-term value, and confidently guiding IGB REIT through its upcoming phases of development and achievement.

**Chai Lai Sim**

CEO, IGB REIT Management Sdn Bhd

## FINANCIAL HIGHLIGHTS

Statement of comprehensive income	FYE 2025	FYE 2024	FYE 2023	FYE 2022	FYE 2021
Total revenue (RM'000)	705,066	626,099	604,308	556,409	399,527
Net property income ("NPI") (RM'000)	533,583	455,713	447,882	420,249	275,101
Distributable income (RM'000)	457,401	395,938	385,764	361,945	220,583
Basic earnings per Unit ("EPU") (realised) (sen)	11.77	10.21	9.99	9.38	5.61
Basic EPU (realised + unrealised) (sen)	17.85	16.06	14.40	11.05	5.61
Distribution per Unit ("DPU") (sen)	11.75	10.70	10.47	9.86	6.03
Distribution yield (%)	4.31	5.00	6.09	5.98	3.65
Management expense ratio (%)	0.76	0.98	1.00	0.99	0.80

	FYE 2025	FYE 2024	FYE 2023	FYE 2022	FYE 2021
Total revenue	RM'000	RM'000	RM'000	RM'000	RM'000
MVM	460,586	435,287	416,921	386,632	281,143
TGM	203,748	190,812	187,387	169,777	118,384
MVS Mall	40,732	-	-	-	-
<b>Total</b>	<b>705,066</b>	<b>626,099</b>	<b>604,308</b>	<b>556,409</b>	<b>399,527</b>

	FYE 2025	FYE 2024	FYE 2023	FYE 2022	FYE 2021
NPI	RM'000	RM'000	RM'000	RM'000	RM'000
MVM	363,798	333,494	321,690	301,891	200,312
TGM	137,127	122,219	126,192	118,358	74,789
MVS Mall	32,658	-	-	-	-
<b>Total</b>	<b>533,583</b>	<b>455,713</b>	<b>447,882</b>	<b>420,249</b>	<b>275,101</b>

Statement of financial position	As at 31.12.2025	As at 31.12.2024	As at 31.12.2023	As at 31.12.2022	As at 31.12.2021
Investment properties (RM'000)	8,369,168	5,436,055	5,186,000	5,020,000	4,960,000
Total asset value (RM'000)	8,758,241	5,741,275	5,504,946	5,317,512	5,233,071
Total liabilities (RM'000)	2,490,020	1,485,832	1,468,372	1,446,730	1,428,524
Net asset value ("NAV") (RM'000)					
- before income distribution	6,586,405	4,642,133	4,413,346	4,224,308	4,019,847
- after income distribution	6,268,221	4,255,443	4,036,574	3,870,782	3,804,547
NAV per Unit (RM)					
- before income distribution	1.5235	1.2840	1.2254	1.1777	1.1254
- after income distribution	1.4499	1.1770	1.1208	1.0791	1.0651

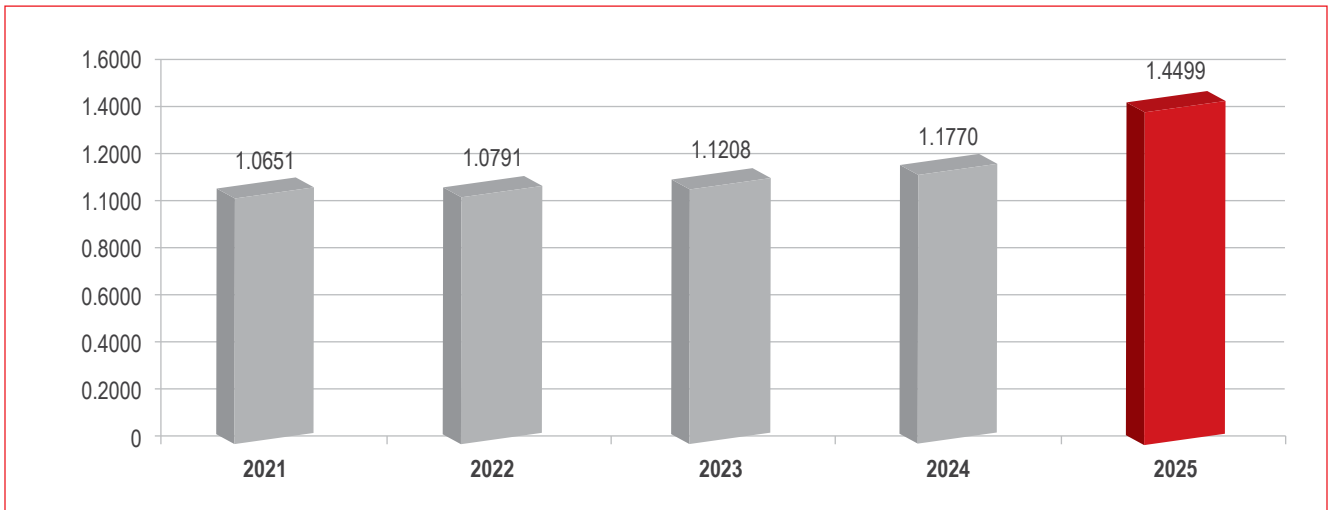
Note:-

FYE Financial Year Ended 31 December.

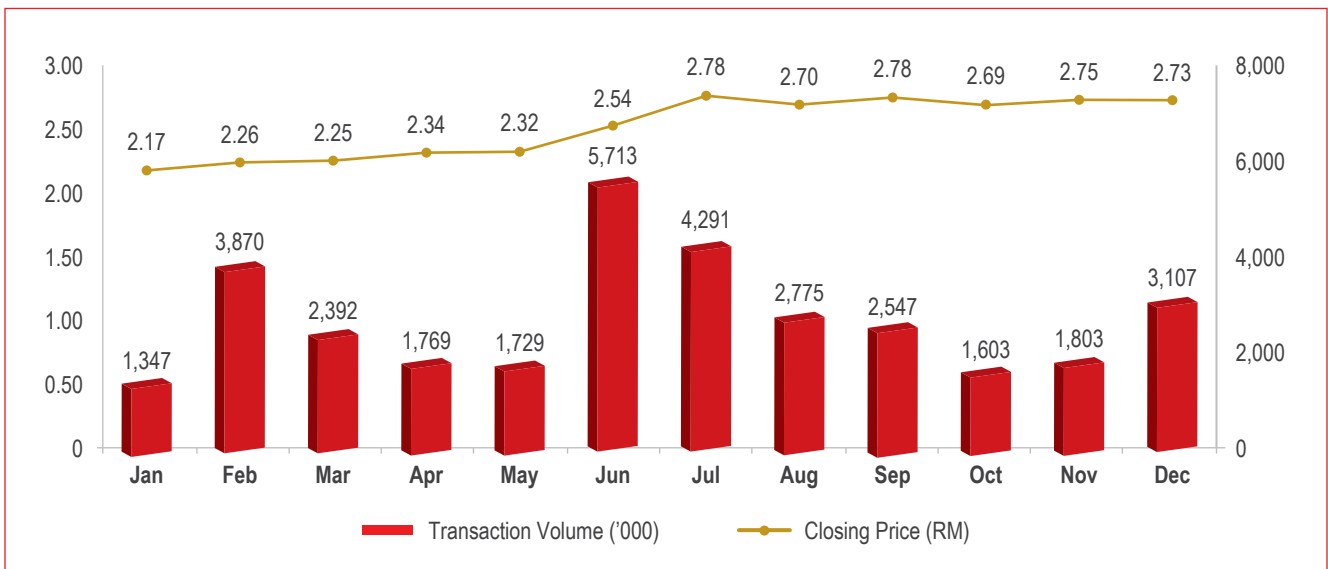
# FINANCIAL HIGHLIGHTS

(continued)

## NAV PER UNIT PERFORMANCE (RM)



## UNIT PRICE PERFORMANCE 2025



Trading performance	2025	2024	2023	2022	2021
Closing price as of 31 December (RM)	2.73	2.14	1.72	1.65	1.65
Highest traded price (RM)	2.86	2.25	1.78	1.69	1.79
Lowest traded price (RM)	2.13	1.70	1.57	1.36	1.57
Issued Units ('000)	4,323,119	3,615,387	3,601,639	3,586,907	3,571,851
Market capitalisation as of 31 December (RM'000)	11,802,115	7,736,928	6,194,819	5,918,397	5,893,554

## FINANCIAL HIGHLIGHTS

(continued)

### FINANCIAL REVIEW

#### a) 2025 highlights

<b>Total revenue (RM'million)</b>	<b>NPI (RM'million)</b>	<b>Net lettable area ("NLA") (million sq ft)</b>
<b>705.10</b>	<b>533.58</b>	<b>4.19</b>
<b>Occupancy rate (%)</b>	<b>DPU (sen)</b>	<b>Distribution yield (%)</b>
<b>MVM: 99.8%</b> <b>TGM: 99.1%</b> <b>MVS Mall: 100%</b>	<b>11.75</b>	<b>4.31%</b>
<b>Investment Properties (Fair value as per valuation report) (RM'billion)</b>	<b>NAV per unit (RM)</b>	<b>Market capitalisation (RM'billion)</b>
<b>8.38</b>	<b>1.4499</b>	<b>11.80</b>

IGB REIT reported strong financial results for FY2025, with total revenue increasing by 12.6% to RM705.1 million from RM626.1 million in FY2024. NPI also rose by 17.1% to RM533.6 million from RM455.7 million. The growth was primarily driven by higher rental income from MVM and TGM, as well as the strategic acquisition of MVS Mall.

The Group's portfolio expanded by 1.54 million sq ft with the addition of MVS Mall, bringing the total NLA to 4.19 million sq ft. Occupancy levels remained high: MVM at 99.8%, TGM at 99.1%, and MVS Mall fully occupied, demonstrating our ability to sustain steady income.

As of 31 December 2025, the fair value of IGB REIT's investment properties was RM8.38 billion as per valuation report, an increase from RM5.45 billion in FY2024. Including the RM2.65 billion acquisition of MVS Mall from Southkey Megamall Sdn Bhd, an indirect subsidiary of IGB Berhad, the portfolio's total value rose by an additional RM0.28 billion. This growth reflects the positive impact of our ongoing AEs and the steady performance of our retail assets.

#### b) Group Key Financial Highlights

	<b>FY2025 (RM'000)</b>	<b>FY2024 (RM'000)</b>	<b>Change (%)</b>
Total revenue	<b>705,066</b>	626,099	12.61%
• MVM	<b>460,586</b>	435,287	5.81%
• TGM	<b>203,748</b>	190,812	6.78%
• MVS Mall	<b>40,732</b>	-	N/A
NPI	<b>533,583</b>	455,713	17.09%
• MVM	<b>363,798</b>	333,494	9.09%
• TGM	<b>137,127</b>	122,219	12.20%
• MVS Mall	<b>32,658</b>	-	N/A
Net profit	<b>660,491</b>	579,763	13.92%
DPU (sen)	<b>11.75</b>	10.70	9.81%

## FINANCIAL HIGHLIGHTS

(continued)

### c) Statement of Financial Position

Group statement of financial position	As at 31.12.2025	As at 31.12.2024	Change (%)
Investment properties (RM'000)	8,369,168	5,436,055	53.96%
• MVM (RM'000)	4,080,000	4,000,000	2.00%
• TGM (RM'000)	1,500,000	1,450,000	3.45%
• MVS Mall (RM'000)	2,800,000	-	N/A
Fair value as per valuation report (RM'000)	8,380,000	5,450,000	53.76%
Deferred lease incentives (RM'000)	(10,832)	(13,945)	-22.32%
Carrying value of investment properties (RM'000)	8,369,168	5,436,055	53.96%
Total asset value (RM'000)	8,758,241	5,741,275	52.55%
Cash and bank balances (RM'000)	305,389	258,227	18.26%
Total liabilities (RM'000)	2,490,020	1,485,832	67.58%
NAV (RM'000)	6,268,221	4,255,443	47.30%

Cash and bank balances as of 31 December 2025 were RM305.4 million, up from RM258.2 million as of 31 December 2024.

NAV after income distribution as of 31 December 2025 was RM6.268 billion, up from RM4.255 billion the previous year, representing a growth of 47.3%.

### d) Income distribution

	FY2025	FY2024
Income distribution (RM'million)	446.6	386.7
• 1 <sup>st</sup> quarter	115.5	106.8
• 2 <sup>nd</sup> quarter	102.2	92.4
• 3 <sup>rd</sup> quarter	100.5	97.0
• 4 <sup>th</sup> quarter	128.4	90.5
Average payout ratio (%)	97.5%	97.5%

The income distributions declared by IGB REIT in FY2025:

First quarter ended 31 March 2025 ("1Q2025"), with a RM115.5 million distribution or 3.19 sen per Unit (taxable 3.14 sen and non-taxable 0.05 sen), paid on 29 May 2025.

Second quarter ended 30 June 2025 ("2Q2025"), with a RM102.2 million distribution or 2.82 sen per Unit (taxable 2.78 sen and non-taxable 0.04 sen), paid on 28 August 2025.

Third quarter ended 30 September 2025 ("3Q2025"), with a RM100.5 million distribution or 2.77 sen per Unit (taxable 2.72 sen taxable and non-taxable 0.05 sen), paid on 20 November 2025.

Fourth quarter ended 31 December 2025 ("4Q2025"), with a RM128.4 million or 2.97 sen per Unit (taxable 2.94 sen and non-taxable 0.03), paid on 27 February 2026.

The FY2025 distribution was 11.75 sen per Unit.

At least 90% of IGB REIT's distributable income will be paid out in FY2026, subject to IGB REIT's financial position, earnings, funding requirements, and capital management priorities. This aligns with the Manager's objective of delivering consistent and stable income to investors.

## MANAGEMENT DISCUSSION AND ANALYSIS

### MALAYSIA DEMONSTRATED RESILIENCE AMID GLOBAL HEADWINDS

The Department of Statistics Malaysia reported that Malaysia's gross domestic product ("GDP") increased by 5.2% in 2025, driven by higher domestic spending, increased investment, and improved export performance.

Strong domestic activity, coupled with a recovery in the external sector, has driven employment growth, maintaining stability in the labour market. In 4Q2025, employment increased by 3.3% year-on-year, adding 541,100 jobs and reaching a total of 17.1 million people. Quarter-on-quarter, employment grew by 0.8%, or 133,500 new jobs.

The Department of Statistics Malaysia reported that inflation stayed steady at 1.4% in FY2025, down from 1.8% in 2024. The Overnight Policy Rate ("OPR") started the year at 3.00% and was lowered by Bank Negara Malaysia ("BNM") to 2.75% in July as a proactive measure to support Malaysia's stable growth. The OPR remained unchanged for the rest of 2025.

In 2025, the Malaysian ringgit was among the top-performing currencies, with a 1.9% month-on-month increase in December, culminating in a 10.3% annual rise against the US dollar. It briefly hit RM4.03 in December before closing the year at RM4.06. The currency's strength was driven by a weaker US dollar and strong domestic momentum, supported by solid economic activity and Malaysia's resilient external trade performance.

Despite global challenges, investment inflows stayed resilient. In the first nine months of 2025, Malaysia attracted RM285.2 billion in approved investments, a 13.2% increase from the previous year. These investments are projected to create over 152,700 new jobs. Of these, 65.9%, or RM187.9 billion, were in the services sector, underscoring Malaysia's expanding role as a regional hub for data centres, digital infrastructure, corporate headquarters, financial services, and logistics.

### RETAIL SECTOR RESILIENT AMID TRANSFORMATION

2025 closed on a positive note. Malaysia's retail sector grew by 4.9% in 3Q2025, prompting Retail Group Malaysia to revise its full-year growth forecast from 2.7% to 3.6%. Despite rising retail prices, Malaysian consumers demonstrated resilience. This was supported by stable employment, the July cut in BNM's OPR, and government initiatives such as lowering RON95 fuel prices and distributing RM100 credits nationwide to Malaysians aged 18 and above through the Sumbangan Asas Rahmah ("SARA") scheme, among other measures.

The retail sector is constantly evolving, driven by innovation, technology, and changing consumer expectations. Malls are shifting towards all-in-one lifestyle hubs that combine wellness, entertainment, and community events with shopping. Consumers now seek distinctive, authentic experiences that foster connection and engagement. Technological advances have made it essential to seamlessly connect online and offline channels, implement cashless payments, and leverage Artificial Intelligence ("AI") to increase sales, tailor services, and enhance operational efficiency. Traditional retail models and anchor tenants are also evolving, placing more emphasis on entertainment and lifestyle tenants.

#### Klang Valley

Despite increasing competition from new entrants, the retail market in Klang Valley continues to grow steadily. The industry is shifting towards experience-based retail, with malls transforming into community and lifestyle hubs. This trend is visible in new developments that incorporate more green spaces and well-designed features that blend art, leisure, and community interaction.

#### Notable Retail Completions and Incoming Supply in the Klang Valley

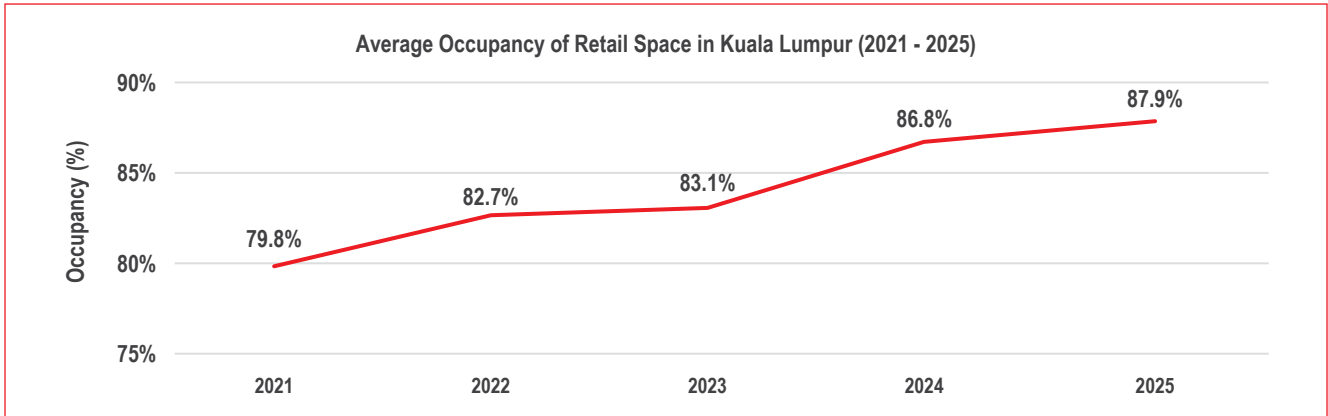
Retail Mall	Location	Area	Completion	NLA (sq ft)
KLGCC Mall	Bukit Kiara	KL City	2H2025	230,000
Sunway Square Mall	Bandar Sunway	Selangor	2H2025	300,000
Hextar World @ Empire City Damansara	Damansara Perdana	Selangor	2H2025	1,800,000
Pavillion Damansara Heights (Phase 2)	Pusat Bandar Damansara	KL City	1H2026	530,000
Ombak KLCC	KLCC	KL City	1H2026	420,000
118 Mall	Jalan Hang Jebat	KL City	2026	850,000
Coalfield Retail Park	Sg Buloh	Selangor	1H2026	460,000

Source: CBRE, Knight Frank

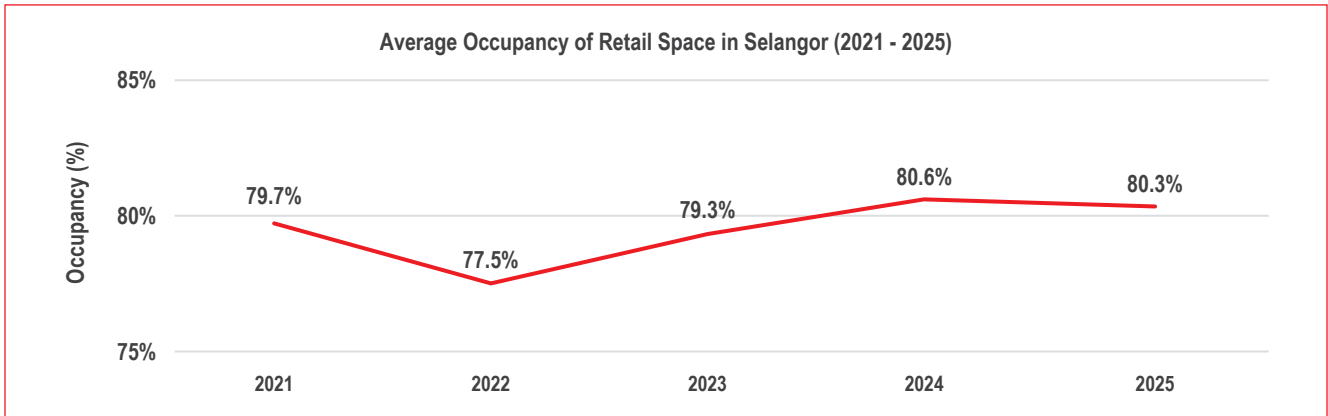
In the first half of 2025 ("1H2025"), no new malls opened. In 2H2025, market supply grew to 73.5 million sq ft from 70.9 million sq ft in 1H2025. This increase was primarily driven by the opening of 4 new malls: KLGCC Mall, Sunsuria Forum Mall, Sunway Square Mall, and Hextar World @ Empire City Damansara.

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

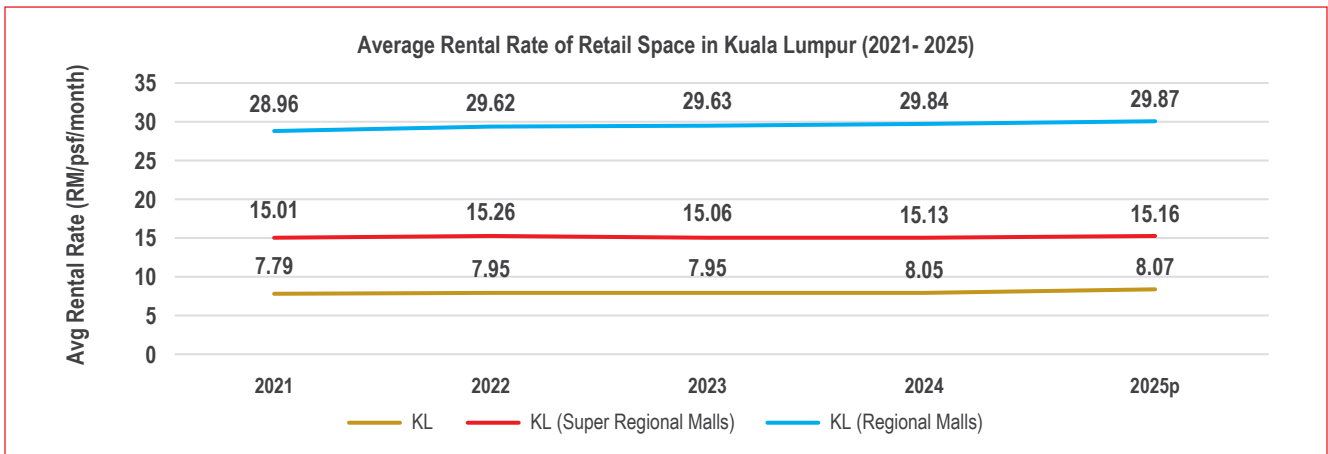


Source: National Property Information Centre ("NAPIC")



Source: NAPIC

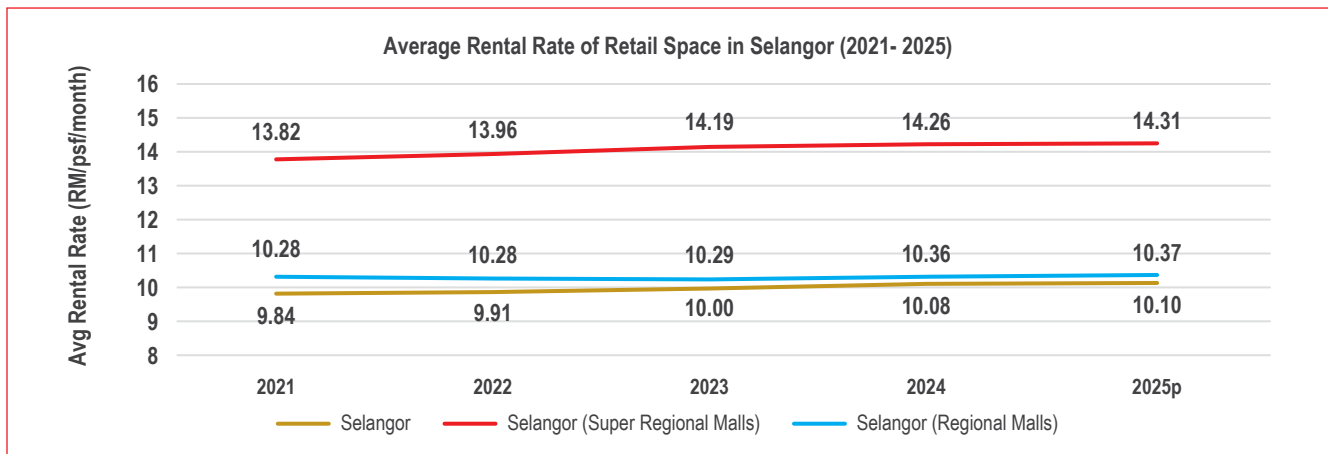
Overall, occupancy rates in the Klang Valley have remained robust, with megamalls and regional malls maintaining healthy occupancy levels. In Kuala Lumpur, the average occupancy was 87.9% in 2025, up from 86.8% in 2024. In Selangor, it slightly decreased to 80.3% from 80.6%.



Source: NAPIC  
p=preliminary

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)



Source: NAPIC  
p=preliminary

Rental rates for retail spaces in the Klang Valley have steadily increased, particularly in prime retail locations and suburban malls, demonstrating resilience. In Kuala Lumpur, super-regional malls saw a slight increase in rental rates from RM29.84 to RM29.87 per sq ft between 2024 and 2025, while regional malls rose from RM15.13 to RM15.16 per sq ft. In Selangor, rental rates in super-regional malls increased from RM14.26 to RM14.31 per sq ft, while regional mall rates rose to RM10.37 per sq ft.

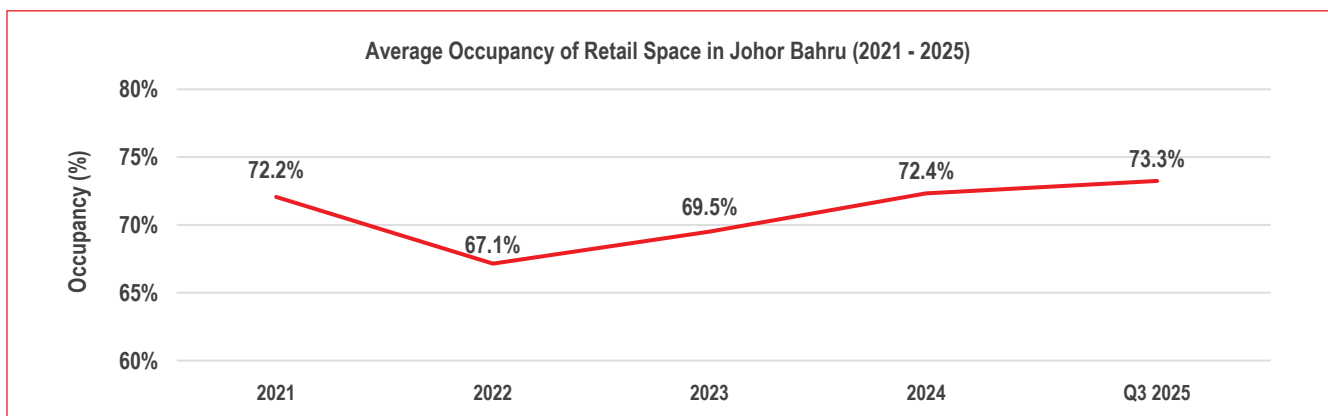
## Johor Bahru

### Notable Retail Completions and Incoming Supply in Johor

Retail Mall	Location	Area	Completion	NLA (sq ft)
Horizon Mall	Iskandar Puteri	Johor	2026	530,000
SKS City Mall JBCC	Johor Bahru	Johor	1Q2026	280,000
OBS Mall	Johor Bahru	Johor	2030	300,000

Source: CBRE, Knight Frank

Retail supply in Johor has remained stable over recent years, totalling 25.6 million sq ft by 3Q2025. Johor Bahru is still the dominant submarket, accounting for approximately 78.3% of the state's total retail space. Several new malls are scheduled to open in 2026 to draw more visitors from Singapore, particularly after the RTS Link starts operating in early 2027.



Source: NAPIC

In Johor Bahru, occupancy has steadily increased, rising from 69.5% in 2023 to 72.4% in 2024, and to 73.3% in 3Q2025.

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

## OPERATIONS OVERVIEW

IGB REIT performed well in 2025, driven mainly by increased rental income and sustained through diligent cost management. Our malls maintained high occupancy rates, with MVM, TGM and MVS Mall ending the year at 99.8%, 99.1% and 100%, respectively.

Despite resilience, the retail market faced challenges, including:

- ◆ Evolving consumer spending behaviour and preferences
- ◆ Rising cost pressures
- ◆ Supply chain disruptions from tariffs
- ◆ Gold price fluctuations
- ◆ Strengthening of the Malaysian ringgit
- ◆ Influx of new malls

Additionally specific to our malls, we have faced the following challenges:

- ◆ Influx of China-based brands necessitates active management to maintain a balanced tenant mix
- ◆ Short-notice franchise license withdrawals by principals
- ◆ Local brands lacking the scale and clout of international brands struggle to compete in the market, resulting in early lease terminations

Against this backdrop, IGB REIT has maintained its focus on delivering engaging retail experiences and adapting to evolving consumer needs through targeted AEs, a refreshed tenant mix, and continuous collaboration with tenants to support their business requirements. These initiatives have sustained shopper interest and enhanced our reputation as a leading retail destination in Malaysia.

In 2024, the MVClub app (“MVClub”) was launched in partnership with the IGB Group to provide users with access to events, updates, and promotions at our malls. By the end of 2025, MVClub had over 150,000 registered users, continuing to keep shoppers informed and increasing engagement with tenants for collaborations and promotions. Besides serving mall visitors, plans are in progress to introduce a loyalty programme through MVClub. To expand its reach, IGB REIT plans future collaborations with other IGB Group entities such as hotels, IGB Commercial REIT, and Group Human Capital to enhance its value in the digital age.

## STRATEGIC RESPONSE

### 1. Exceptional Visitor Experiences

As consumer expectations and the role of shopping malls continue to evolve, we remain committed to being agile and responsive in this dynamic market environment. We continually refine the layout, design, and tenant mix of our malls to better serve visitor needs, as more customers increasingly see malls as lifestyle destinations and community hubs that combine retail, culture, wellness, and entertainment. Furthermore, consumers have become more selective and value-conscious, seeking memorable experiences and meaningful engagement. By proactively understanding and responding to these trends, we aim to sustain and enhance the long-term competitiveness and value of our mall assets.

#### AEIs

AEIs are essential for ensuring our assets stay aligned with evolving market demands. They modernise outdated infrastructure and improve visual appeal, which helps reduce obsolescence, stay competitive with new developments, and preserve long-term value. These projects also enhance operational efficiency through energy-efficient building system upgrades and unlock underused spaces for additional revenue. Overall, AEIs create safer, more accessible, and contemporary environments that enhance user experience, support tenant retention, and boost visitor loyalty.

#### Major AEIs undertaken at TGM in 2025

- ◆ Ongoing reconfiguration of the rooftop space
- ◆ Reconfigured the South Entrance walkway
- ◆ Replaced one Air Handling Unit (“AHU”) at the Lower Ground Floor
- ◆ Replaced the West Deck canopy lighting for improved visibility and safety
- ◆ Refurbished 12 cooling towers to optimise energy efficiency
- ◆ Upgraded the Nursery Room located on the Second Floor South
- ◆ Integrated recessed carpets at lobby entrances to mitigate hazards and improve safety
- ◆ Upgraded refuse chambers at Loading Docks B2 and F2
- ◆ Modernised the West Deck pylon to improve visitor wayfinding and brand presence
- ◆ Repainted the Lower Ground Floor North perimeter walls and parapet walls across the Lower Ground Floor and Ground Floor.

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)



Upgraded the Nursery Room located on the Second Floor South



Replaced the West Deck canopy lighting for improved visibility and safety



Modernised the West Deck pylon to improve visitor wayfinding and brand presence

### Major AEs undertaken at MVM in 2025

- ◆ Installed automated sliding doors for Disabled-Accessible Toilets
- ◆ Upgraded the Second Floor South ceiling
- ◆ Upgraded the Ground Floor North and First Floor Information Counter
- ◆ Upgraded refuse chambers at Loading Docks A and G
- ◆ Upgraded the Ground Floor with new flooring finishes
- ◆ Replaced balustrades from the First to Third Floor at the Centre Court and from the First to Second Floor at the East Court
- ◆ Upgraded the East Facade External Billboard structure
- ◆ Reconfigured the South from the Lower Ground Floor to the Second Floor to maximise rental yield growth
- ◆ Replaced 15 transformers to enhance infrastructure resilience and electrical load management
- ◆ Replaced the North and South escalators connecting the Third Floor to the Third Floor Mezzanine
- ◆ Replaced the West escalator connecting the First Floor Mezzanine to the Second Floor
- ◆ Replaced four large and two small chillers to enhance cooling efficiency
- ◆ Upgraded the Ground Floor North Entrance ceiling
- ◆ Replaced the North travellers connecting the Lower Ground Floor to P2

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)



*Installed automated sliding doors for Disabled-Accessible Toilets*



*Upgraded the Ground Floor North Information Counter*



*Upgraded refuse chambers at Loading Docks A and G*



*Upgraded the Ground Floor with new flooring finishes  
Replaced balustrades from the First to Third Floor at the Centre Court and from the First to Second Floor at the East Court*



*Replaced the North and South escalators connecting the Third Floor to the Third Floor Mezzanine*

### Extraordinary Service Levels

We are committed to delivering a world-class shopping experience rooted in inclusivity and care. Adopting a hospitality-first approach, we have elevated service standards to ensure every customer feels welcome and comfortable.

For example, we recognise that families are central to our community and have invested in premium nursing rooms. We also offer stroller rentals to enhance convenience, allowing parents to move easily and comfortably across our spacious malls. We have also supported elderly visitors and those with limited mobility by maintaining a fleet of battery-operated scooters and wheelchairs. A decentralised network of service counters across our North, South and Centre Courts ensures friendly assistance is always nearby.

These initiatives enhance convenience and create a welcoming environment that encourages visitors to stay longer and return repeatedly.

### 2. Curated & Contemporary Tenant Mix

Offering a contemporary tenant mix that reflects changing consumer preferences is crucial for maintaining our malls' relevance and competitiveness. We actively analyse shopper preferences and market trends, using insights to curate a dynamic selection of retailers and experiences that are fresh and relevant. By aligning our tenant strategy with customer desires, we improve engagement, enrich the visitor experience, and sustainably increase foot traffic and loyalty.

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

The following tenants have been added to our malls this year:

Mid Valley Megamall			The Gardens Mall
Halla Holla	Focus Point Signature	MKB	Bodyfriend
Kids Monster	The Ordinary	Remax	Tommy Hilfiger
Kamakura	Swarovski	Honor	Tapestry
Happy Potato	Pandora	Roborock	Marimekko
Kwan Kee Store	Shiseido Ginza Tokyo	Horti Plant	Polo Ralph Lauren
Pobbyice	SHANTEA Dessert	DREAME	Signature Market
Cinnabon	Alphamax	APOLLO Pick-A-LiCloud	Kapten Batik
Max Money	Himalaya Herbal Healthcare	KIPIC by The Film	Vivaia
B.O.D 包棧	Nelissa Hilman	Pop Mart	CelcomDigi
Zwilling	Smart Master	DE FIGURELAB	Max Mara
One-Two-Boost	Sunnystep	Salomon	flying tiger copenhagen
The Founders Bakery	Batik & Co.	ButNotReally	Luk Fook Jewellery 六福珠宝
Shuyi Grass Jelly & Tea	GOAT Lab	Wilson	Sam Eldeman
Monoloq	The Colorist	The Nasi Lemak Shop	Kemsite
3CE Stylenanda	Sheshine		Rich Kopitiam
Yves Saint Laurent	Russell Taylors		Breitling
			Venchi

### 3. Community Engagement

Active and meaningful engagement promotes community, draws visitors, and benefits the local communities where we operate. Throughout the year, our malls organised various campaigns and festive events, featuring localised activations designed to transform our malls into vibrant community hubs. These initiatives drive emotional loyalty and encourage customers to return, reinforcing our position as key community destinations.

#### Thematic Campaigns

We continued delivering engaging, interactive campaigns focused on enhancing the shopper experience across our malls. By integrating physical and digital channels, we increased foot traffic and sales, while boosting brand awareness across our platforms.

#### TGM

*Green Moves 2.0 Campaign (9 June to 4 July 2025)*

To mark the second anniversary of IGB REIT’s food waste composting programme, Green Moves 2.0 was organised to raise public awareness about reducing food waste in daily life. The event featured an interactive exhibition, a simulated café and grocery store, and educational workshops to promote sustainable habits. Attendees received fresh vegetables, compost, and plant starter kits through curated giveaways. Additionally, three tenants showcased their sustainability efforts and eco-friendly products, highlighting their collective commitment to environmental responsibility.



Hydroponic towers were set up to showcase soilless farming systems.



Plant starter kits were handed out to the public

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

## Summer Grooves Campaign (14 July to 3 August 2025)

The Summer Grooves campaign encouraged the public to participate in enjoyable, vibrant, and groovy activities. Weekend workshops offered shoppers the chance to personalise bag charms, keychains, and phone accessories. Customers who met certain purchase thresholds received spending incentives. The campaign offered a total of RM48,000 worth of shopping vouchers and additional rewards, concluded with a grand finale event hosted at the concourse.



A classic Kombi Van was displayed for shoppers to take photos



Colourful set-up during Summer Grooves Campaign

## Exploring Local Art 3.0 Campaign (27 August to 21 September 2025)

To mark National Day and Malaysia Day, TGM launched its third annual Exploring Local Art Campaign. Local artist Jun Ong curated an exhibition called "Imaginarium," showcasing his perspective of iconic Malaysian sights and shapes. Shoppers enjoyed interactive workshops and a live Wau crafting demonstration by a renowned Kelantanese Wau maker during weekends. Shoppers who reached a spending threshold could redeem an exclusive 2-in-1 blanket pillow. Additionally, an online photo contest was organised to boost online engagement.



"Kampung Cosmos", by local artist Jun Ong on display at TGM



Batik bag charm workshop on weekends during Exploring Local Art 3.0

## MVM

### Disney Pixar Summer Fest (29 May to 15 June 2025)

MVM transformed into a whimsical garden celebration showcasing beloved Disney and Pixar characters like Winnie the Pooh, Mickey Mouse & Friends, and Snow White with the Seven Dwarfs. Shoppers who spent a minimum amount could redeem an exclusive tote bag, and those who spent more received a Disney-themed poncho or both items.

The campaign was enhanced with lively performances and various interactive workshops and activities. To broaden outreach and increase engagement on our digital channels, a video series was produced and shared on MVM's social media platforms, thereby boosting the campaign's visibility.



Visitors participating in the terrarium workshop



Whimsical garden celebration inspired by Disney & Pixar Characters

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### *Treat Yo' Self (2 to 20 July 2025)*

Activation hubs were set up to motivate visitors to treat themselves. Shoppers who spent a minimum amount received RM20 vouchers, while loyal shoppers could enhance their rewards with bonus gifts or additional vouchers. The campaign also promoted MVClub, encouraging more downloads and highlighting its benefits. MVClub members enjoyed exclusive access to a “Happy Hour” shopping event, with the app making redemption easier. A fun “Guess, Match, and Win” game was organised as part of the campaign. Online platforms were leveraged to further increase engagement, driving more foot traffic and participation.



Shoppers participating in the “Guess, Match, and Win” game



Shoppers redeeming vouchers during the Treat Yo' Self Campaign

### *Fruits Escape (30 July to 7 September 2025)*

The Fruits Escape campaign offered visitors a summer-themed retreat from Malaysia’s tropical heat. Visitors could join entertaining fruit-themed games, admire lively decorations, and earn tokens for the Surprise Capsule Machine with a minimum purchase. The excitement was heightened by regularly updating the grand prize pool every two weeks during the campaign. Social media efforts helped create buzz, boosting interest and encouraging participation.



Fun, fruit-themed decorations drew visitors and created a great photo backdrop



A shopper redeeming his token at the Surprise Capsule Machine

### **Festive Celebrations**

Festive celebrations remain a key aspect of our community involvement, allowing us to honor the diverse cultures in Malaysia and unite friends and families. They also serve as a chance to give back to local communities and support those in need.

More details on Corporate Social Responsibility (“CSR”) initiatives at our malls are in the Sustainability Statement in this annual report.

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

## TGM



Chinese New Year complimentary greeting card postings to drive donations for Beautiful Gate Foundation



Hari Raya Interactive Workshop with shoppers



Deepavali Decorations



Santa Meet and Greet

## MVM



Festive Chinese New Year Decorations



MVM collaborates with POS Malaysia to educate children about postal services



Stalls and decorations set up in celebration of the Mid-Autumn Festival



Christmas carolling and decorations to spread festive cheer

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### MVS Mall



*Santa Meet & Greet*



*Christmas Decorations*

#### 4. Regular Tenant Engagement

Maintaining strong tenant relationships is a strategic priority, and we regularly engage with tenants to understand their needs. This ongoing communication allows us to respond swiftly and support them effectively. For example, this year, supply chain disruptions and unforeseen tariffs resulted in higher costs and supply shortages, impacting tenant fit-outs. Recognising these challenges, we worked with tenants to reduce delays and improve planning by offering more lead time.

Gaining a deeper understanding of our tenants improves our engagement and operations. For example, we learned that some local brands terminate their leases early because they struggle to compete with international brands. In response, we have tailored our leasing strategy to attract and retain high-quality partners capable of supporting the long-term success of the mall.

Proactively engaging tenants is key to our strategy and essential for fostering community. We remain committed to deepening our relationships with tenants going forward.

### MARKET OUTLOOK

The Malaysian retail sector is expected to remain resilient through 2026, supported by government measures such as expanded cash assistance under Sumbangan Tunai Rahmah ("STR") and SARA, as well as the Visit Malaysia 2026 campaign. Nonetheless, the sector will face ongoing challenges, including intensified competition from new retail developments—particularly in key hubs such as Klang Valley and Johor—rising operating costs for retailers, and upward pressure on retail prices, which may dampen consumer sentiment.

IGB REIT approaches 2026 cautiously optimistic, prioritising the enhancement of retail experiences and adapting to changing consumer preferences. We will maintain a strong commitment to ESG principles by promoting eco-friendly and ethically sourced products, continuing AEs, and curating tenant mixes that align with consumer tastes. Additionally, increasing the use of technology and AI will play a key role in supporting our growth and sustainability.

Community engagement will remain a key strategic focus. We will continue collaborating with tenants to deliver distinctive experiential retail and support their business needs wherever possible. Digital engagement will be sustained across our channels, including MVClub, to drive excitement, encourage participation and foster customer loyalty.

We are confident that we can continue to grow and generate long-term value for stakeholders. Including MVS Mall enhances our portfolio by expanding our presence and revenue streams through diversification across locations and tenant categories, while also boosting operational efficiency. By remaining adaptable to market trends and prioritising operational resilience, we are ready to address challenges and capitalise on opportunities, ensuring consistent performance and returns for unitholders.

### RISK MANAGEMENT INTEGRAL TO SUSTAINED SUCCESS

IGB REIT employs a proactive risk management approach with its Strategy & Risk Framework ("Framework"), based on the 2017 Committee of Sponsoring Organisation of the Treadway Commission's Enterprise Risk Management, which emphasises integrating risk with strategy and performance.

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

The Framework establishes a robust risk management process that enables us to promptly identify, assess and address major business risks, while also supporting the achievement of our strategic objectives.

During the year, the following were identified as key risk areas to address in support of IGB REIT’s strategic objectives:



- (A)** Business/Market Risk
- (E)** Tenant Concentration Risk
- (I)** Climate Change Risk
- (M)** Interest Rate Risk
- (B)** Supply Chain Risk
- (F)** Health, Safety & Security Risk
- (J)** Credit Risk
- (N)** Capital Risk
- (C)** Information & Cyber Security Risk
- (G)** Infrastructure and Facilities Risk
- (K)** Talent & Resource Management Risk
- 
- (D)** Competition Risk
- (H)** Regulatory & Compliance Risk
- (L)** Liquidity & Cash Flow Risk

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<b>A Business/Market Risk</b> <ul style="list-style-type: none"> <li>Risks associated with macroeconomic factors and retail industry trends such as low business and consumer sentiment, changing consumer preferences, oversupply of retail space, and disruptions to the supply and demand of goods and services.</li> <li>Financial implications of investing in green technologies to meet sustainability goals.</li> </ul>	<ul style="list-style-type: none"> <li>Lower revenue and net property income due to poor economic conditions, reduced gross turnover for tenants, loss of tenants, and increasing operational costs.</li> </ul>	<ul style="list-style-type: none"> <li>Differentiation of our malls by optimising our tenancy mix, delivering operational excellence, and crafting engaging and memorable customer experiences.</li> <li>Strengthening relationships with our tenants through win-win negotiations in tenancy terms and conditions.</li> <li>Improvement of operational efficiencies to mitigate rising costs.</li> </ul>	<ul style="list-style-type: none"> <li>Continuous optimisation of tenancy mix, amenities, services, and events, along with strategic retail curation and tenant engagement, to enhance visitor attraction and sustain competitiveness.</li> <li>Collaboration with sister companies within the IGB Group to maximise operational synergies and streamline business processes, while rigorously monitoring operational costs for cost-effectiveness.</li> </ul>






# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<p><b>B Supply Chain Risk</b></p> <ul style="list-style-type: none"> <li>Risks arising from internal and external events, such as geopolitical conflicts, extreme weather, regulatory changes, energy price volatility, and disruptions in global supply chains, which may result in increased costs, delays or interruptions to procurement, maintenance and operational activities.</li> </ul>	<ul style="list-style-type: none"> <li>Disruptions to operational and maintenance activities, resulting in lower service levels to our tenants and customers.</li> <li>Increased operating costs due to the mismatch in the supply and demand of goods and services.</li> </ul>	<ul style="list-style-type: none"> <li>Diversification and expansion of the vendor management system database to allow for a wider selection of vendors.</li> <li>Improvement of inventory management systems and processes to account for unexpected supply chain disruptions.</li> <li>Transitioning to renewable energy sources to secure long-term energy cost stability.</li> </ul>	<ul style="list-style-type: none"> <li>Continuous monitoring and proactive management of operational costs to mitigate the impact of inflationary pressures and rising expenses across all sectors.</li> <li>Evaluation of renewable energy solutions, including planned solar panel installation at MVS Mall, to reduce long-term energy cost exposure. Maintain an adequate inventory surplus of critical operational equipment and components to mitigate long lead times in order fulfilment and other unexpected disruptions.</li> </ul>
<p><b>C Information &amp; Cyber Security Risk</b></p> <ul style="list-style-type: none"> <li>Risks related to information technology systems, including cybersecurity threats such as data breaches, ransomware, and other digital attacks, which could compromise system security, access, and data integrity, leading to the loss or exposure of confidential information.</li> </ul>	<ul style="list-style-type: none"> <li>Disruptions to operations from compromised information technology systems or loss of key operational data.</li> <li>Financial and reputational implications from the exposure of confidential company, tenant or customer data.</li> <li>Increased regulatory scrutiny regarding data privacy and data sovereignty across key markets.</li> <li>Erosion of trust among stakeholders, potentially damaging the Company's reputation and weakening its market position.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong cyber security policies and processes related to information technology management, with an emphasis on security protocols and operational resilience.</li> <li>Establishment of a business continuity plan ("BCP") as well as recovery plans that can be activated in the event of a cyber security incident.</li> </ul>	<ul style="list-style-type: none"> <li>Subscription to IGB Group's Cybersecurity Policy, IT Acceptable Use Policy and Data Governance and Data Privacy Policies.</li> <li>Implemented a comprehensive BCP for IGB REIT, supported by IGB Group's IT BCP, and deployed critical cybersecurity software across key IT systems to ensure resilience and safeguard data and operations.</li> <li>Conducted regular cybersecurity training via e-portals, including ad-hoc social engineering tests and ongoing awareness initiatives, with plans to integrate engaging short videos into the HR application for continuous employee education.</li> <li>Established the IGB REIT Technology Risk Management Framework to formalise and strengthen cybersecurity risk assessment and mitigation processes.</li> </ul>
<p><b>D Competition Risk</b></p> <ul style="list-style-type: none"> <li>Intensified competition for visitors and tenants as a result of new mall openings in the Klang Valley and the prevalence of online shopping platforms.</li> </ul>	<ul style="list-style-type: none"> <li>Loss of visitors to new malls in the surrounding areas and loss of in-store purchases to e-commerce platforms, resulting in reduced revenue from lower gross turnover from tenants as well as the exiting of tenants due to low sales.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening customer loyalty by improving the overall customer experience in our malls.</li> <li>Continuous AELs to ensure our malls remain relevant in the market.</li> </ul>	<ul style="list-style-type: none"> <li>Regular communication with tenants alongside timely retail curation to maintain high retention rates within the malls.</li> <li>Craft unique and memorable mall experiences to attract visitors throughout the year e.g. festive seasons, tenant roadshows, reward campaigns, MV Club app, etc.</li> <li>Completed AELs during the year in both malls for a refreshed look and feel, and to accommodate evolving trends and preferences (<i>Further details can be found in the Asset Enhancement Initiatives section of the MD&amp;A</i>).</li> </ul>
<p><b>E Tenant Concentration Risk</b></p> <ul style="list-style-type: none"> <li>Over-reliance on one tenant or a group of tenants for rental income or their ability to attract visitors.</li> </ul>	<ul style="list-style-type: none"> <li>Significant drop in mall occupancy due to the loss of a key tenant or group of tenants.</li> <li>Loss of customer interest due to a tenancy mix that lacks vibrancy and does not meet the needs and wants of consumers today.</li> </ul>	<ul style="list-style-type: none"> <li>Diversification of our tenant mix across business size, type and industry within our malls.</li> </ul>	<ul style="list-style-type: none"> <li>Employ proactive leasing strategies by closely engaging with tenants for forward renewals and to spread out the portfolio lease expiry profile.</li> <li>Continually assess our tenant mix and work to bring in fresh, new and exciting brands.</li> <li>Ensure no single tenant or group of tenants contribute more than 10% of IGB REIT's total gross rental income.</li> </ul>


# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<p><b>F Health, Safety &amp; Security Risk</b></p> <ul style="list-style-type: none"> <li>Risks related to health, safety, and security incidents, as well as operational hazards, environmental issues, and climate change challenges, which could result in significant adverse outcomes for individuals and communities.</li> </ul> 	<ul style="list-style-type: none"> <li>Loss of profitability and long-term sustainable performance due to reputational damage, including events that affect the health, safety of stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Embed strong health, safety &amp; security procedures and protocols, as well as recovery plans within our operations.</li> </ul>	<ul style="list-style-type: none"> <li>All health, safety &amp; security incidents occurring within our malls are tracked and investigated promptly, with appropriate follow-up actions taken.</li> <li>Regularly hold health, safety &amp; security briefings, trainings and inspections (including annual fire drills) to manage the risks within our malls and ensure compliance with the Occupational Safety and Health Act.</li> <li>Quarterly Safety, Health and Environment Committee meetings to review all matters pertaining to health and safety.</li> </ul>
<p><b>G Infrastructure &amp; Facilities Risk</b></p> <ul style="list-style-type: none"> <li>Risks relating to potential damage or disruption to physical assets, building systems and infrastructure arising from ageing assets, system failures or increasing exposure to climate-related physical stressors, which may affect operational continuity, cost efficiency and asset resilience.</li> </ul> 	<ul style="list-style-type: none"> <li>Failure of mechanical, electrical or plumbing (“MEP”) infrastructure, resulting in disruptions to service levels, higher operating costs and lower customer satisfaction.</li> <li>Loss of reputation from customer interactions with noticeably weathered or overused infrastructure or equipment.</li> <li>Reduction in infrastructure and equipment efficiency, leading to higher operating costs and lower service levels over time.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong policies and procedures related to preventative maintenance of infrastructure and equipment to drive long-term sustainable performance.</li> <li>Continuous AELs to ensure the upkeep of our malls.</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to strict maintenance policies and procedures, with preventative maintenance conducted regularly.</li> <li>Replace worn-out or underperforming infrastructure and equipment with modern, effective and efficient upgrades.</li> <li>Completed AELs during the year to not only improve performance but enhance safety (<i>Further details can be found in the Asset Enhancement Initiatives section of the MD&amp;A</i>).</li> </ul>
<p><b>H Regulatory &amp; Compliance Risk</b></p> <ul style="list-style-type: none"> <li>Compliance with evolving and increasingly stringent regulations across Malaysian markets, including those related to employment, health &amp; safety, data privacy, anti-corruption, anti-competition, data sovereignty, and sustainability-related disclosure requirements.</li> </ul> 	<ul style="list-style-type: none"> <li>Financial and reputational impact from failure to comply with applicable laws and/or regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong corporate governance policies and frameworks to ensure the highest level of operational, financial and legal compliance with all applicable laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Keep abreast with regulatory requirements and roll out updates to policies and frameworks in a timely manner.</li> <li>Subscription to IGB Group’s Anti-Bribery and Corruption Policy and Group Whistleblowing Policy.</li> </ul>

# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<p><b>I Climate Change Risk</b></p> <ul style="list-style-type: none"> <li>The physical and transitional risks of climate change, such as extreme weather events, disruptions to commodity and resource production, and the implementation of sustainability-related laws, regulations and financing.</li> </ul> 	<ul style="list-style-type: none"> <li>Increased maintenance costs and potential damage to our malls from the impact of physical risks such as extreme weather events, floods and extreme heat, etc.</li> <li>Taxation, penalties or restrictions imposed by authorities due to new regulations concerning carbon emissions, supply chains and sustainable financing.</li> <li>Heightened scrutiny of sustainability and climate-related disclosures, driving up compliance costs and regulatory burdens for corporations.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of sustainability policies and frameworks to build operational resilience against climate change risks.</li> <li>Improvement of energy, water, waste and material management practices to achieve higher levels of operational efficiency and lower operating costs.</li> <li>Pursuit of opportunities in clean energy ventures to drive sustainability and support long-term growth.</li> </ul>	<ul style="list-style-type: none"> <li>Set sustainability targets for energy usage intensity ("EUI") and waste diversion for IGB REIT.</li> <li>Subscription to IGB Group's Sustainability Policy and adoption of a Net Zero Plan.</li> <li>Conducted a Climate Physical Risk Assessment to identify vulnerabilities under different climate scenarios to inform long-term asset strategy. <i>(Further details can be found in the Sustainability Statement).</i></li> <li>Planned installation of renewable energy infrastructure ("Solar PV") at The Mall, Mid Valley Southkey.</li> <li>Ongoing efforts to improve energy and water usage efficiency within the malls' operations <i>(Further details can be found in the Sustainability Statement).</i></li> <li>Ongoing food composting and recycling initiatives to divert waste from landfills.</li> </ul>
<p><b>J Credit Risk</b></p> <ul style="list-style-type: none"> <li>Credit exposure to outstanding receivables from tenants, as well as cash, cash equivalents and deposits held with banks and financial institutions. Credit risk with respect to trade receivables is limited due to the nature of the business which is mainly rental related and cash-based.</li> </ul>	<ul style="list-style-type: none"> <li>Financial losses from the impairment of uncollectible receivables.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of stringent tenant due diligence and credit collection policies to maintain low exposure to outstanding receivables.</li> </ul>	<ul style="list-style-type: none"> <li>Employ strict tenant selection procedures, with close monitoring of credit balances.</li> <li>Ensure cash, cash equivalents and deposits are only held with financial institutions with high credit ratings assigned by reputable credit rating agencies. <i>(Further details can be found in the Notes to the Financial Statements).</i></li> </ul>
<p><b>K Talent &amp; Resource Management Risk</b></p> <ul style="list-style-type: none"> <li>The inability to attract, retain or effectively utilise talent. <i>Chartwell ITAC International Sdn Bhd ("Property Manager") engages Mid Valley City Sdn Bhd and Mid Valley City Gardens Sdn Bhd ("Service Providers") to employ and manage our people.</i></li> </ul> 	<ul style="list-style-type: none"> <li>Reduced operational and business capabilities, adversely impacting profitability and sustainable long-term performance.</li> </ul>	<ul style="list-style-type: none"> <li>Inclusion of talent development and succession plans as key strategies.</li> <li>Expansion and diversification of responsibilities for high potential talent to drive career development.</li> </ul>	<ul style="list-style-type: none"> <li>The Service Providers invest in talent development programmes and offer competitive employment packages to attract and retain talent.</li> <li>The Service Providers monitor and assess for potential skill gaps, redeployment needs, succession plans, and other beneficial career and employee-related initiatives.</li> <li>The Service Providers foster an inclusive and equitable work culture through regular engagement sessions and events with employees.</li> <li>The Service Providers ensure full compliance with all local labour and employment laws and regulations.</li> </ul>

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<p><b>L</b> <b>Liquidity &amp; Cash Flow Risk</b></p> <ul style="list-style-type: none"> <li>Arises when there are inadequate funds to meet financial obligations.</li> </ul>	<ul style="list-style-type: none"> <li>Significant impact to mall operations from inadequate funds.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong financial control policies to reduce the likelihood and impact of unexpected interruptions to business operations and new growth ventures.</li> </ul>	<ul style="list-style-type: none"> <li>Close monitoring and prudent maintenance of adequate cash, cash equivalents and bank facilities to finance operations, distribute income to unitholders, and mitigate the effects of fluctuations in cash flows.</li> <li>Adhere to the limits on total borrowings set by the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts ("REIT Guidelines"). <i>(Further details can be found in the Notes to the Financial Statements).</i></li> </ul>
<p><b>M</b> <b>Interest Rate Risk</b></p> <ul style="list-style-type: none"> <li>Exposure to changes in interest rates, which affect borrowing and loan obligations.</li> </ul>	<ul style="list-style-type: none"> <li>Inability to effectively manage interest rates, leading to fluctuations in interest payment obligations.</li> </ul>	<ul style="list-style-type: none"> <li>Management of interest rates to facilitate better financial planning and returns to unitholders and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>IGB REIT's borrowings are made up of AAA-rated Medium-Term Notes bearing a fixed coupon rate which locks in the interest rate allowing income and cash flows to be substantially independent from changes in market interest rates. <i>(Further details can be found in the Notes to the Financial Statements).</i></li> </ul>
<p><b>N</b> <b>Capital Risk</b></p> <ul style="list-style-type: none"> <li>The mismanagement of capital, which adversely impacts the ability to operate as a going concern or to provide returns for unitholders and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Inability to continue as a going concern, resulting in the reduction of value delivered to unitholders and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain an efficient capital structure to facilitate sustainable long-term performance and delivery of returns to unitholders and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain an appropriate gearing level and adopt an interest rate management strategy to manage the risks associated with refinancing and changes in interest rates.</li> <li>Diversify sources of debt funding as appropriate, secure favourable funding terms, and maintain a reasonable level of debt servicing capability.</li> <li>Manage financial obligations and exposures arising from adverse interest rate movements to improve the efficiency of the cost of capital. <i>(Further details can be found in the Notes to the Financial Statements).</i></li> </ul>

# SUSTAINABILITY STATEMENT



## BASIS OF PREPARATION

### Compliance with IFRS Sustainability Disclosure Standards

The sustainability statement of IGB REIT has been prepared in accordance with IFRS Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (“ISSB”), in line with Bursa Securities Main Market Listing Requirements (“MMLR”). Additional information required to be disclosed under the MMLR has been included in this report.

Disclosure topics in the Sustainability Accounting Standards Board (“SASB”) standards have been referred to and considered when preparing this report. Refer to **Page 42** for more information on how the SASB Standards disclosure topics have been considered in the materiality assessment process.

### Connectivity with financial statements

(reporting period, reporting entity, and presentation currency)

The sustainability statement has been prepared for IGB REIT and should be read in conjunction with the financial statements on pages 102 to 147 of this annual report. This statement covers the financial year 2025 and aligns with the reporting period of the financial statements.

IGB REIT defines the time horizons based on

when the sustainability-related risks and opportunities could reasonably be expected to occur. As of the end of the reporting period the following time horizons were identified, and these align with the timelines used for strategic decision-making:

- ➔ **short term (0 to 12 months);**
- ➔ **medium term (1 to 5 years); and**
- ➔ **long term (beyond 5 years).**

The sustainability-related financial disclosures cover the same reporting entity as the related financial statements. IGB REIT is the reporting entity. When preparing its sustainability-related financial disclosures, IGB REIT assessed its own operations and its value chain. Refer to **Page 38** for information on the value chain.

The presentation currency for the sustainability-related financial disclosures is the same as that disclosed in the financial statements.

### First-time adoption of IFRS Sustainability Disclosure Standards and transition reliefs

IGB REIT is reporting under IFRS Sustainability Disclosure Standards for the first time in its annual reporting period ending 31 December 2025. It has applied the following standards for its annual reporting period commencing 1 January 2025:

- IFRS S1 ‘General Requirements for Disclosure of Sustainability-related Financial Information’.

- IFRS S2 ‘Climate-related Disclosures’.

As of 31 December 2025, no other IFRS Sustainability Disclosure Standards issued by the ISSB.

IFRS Sustainability Disclosure Standards provide transition reliefs for the first annual reporting period in which an entity applies the standards. The MMLR provide additional transition reliefs for issuers listed on the Main Market of Bursa Malaysia. IGB REIT has applied the following transition reliefs:

- Relief from disclosing comparative information in first annual reporting period - unless such information has been disclosed in the previous year.
- Relief from reporting information about sustainability-related risks and opportunities beyond climate-related risks and opportunities.
- Relief from disclosing Scope 3 GHG Emissions – Scope 3 GHG Emissions are reported within the Statement with comparative information but do not cover all categories of Scope 3 GHG Emissions.
- Relief on disclosing only on principal business segments.

# SUSTAINABILITY STATEMENT

(continued)

## SUSTAINABILITY GOVERNANCE

IGB REIT Board of Directors (“Board”) oversees of the approach to sustainability issues, and it is supported by the Retail Risk Management & Sustainability Committee (“Retail RMSC”). An overview of IGB REIT’s sustainability governance structure is set out below:

1 Board of Directors (“Board”)	2 Retail Risk Management & Sustainability Committee (“Retail RMSC”)	3 IGB Group Strategy, Risk and Sustainability (“GSRS”)	4 Management
<ul style="list-style-type: none"> <li>• Holds ultimate responsibility overseeing of IGB REIT’s sustainability matters.</li> <li>• Approves sustainability strategies, targets, and policies that are set.</li> <li>• Reviews and approves the results of the materiality assessments conducted.</li> <li>• Approves the sustainability statement.</li> </ul>	<ul style="list-style-type: none"> <li>• Reviews and recommends sustainability strategies, targets, and policies.</li> <li>• Reviews the results of the materiality assessments conducted as well as the sustainability statement before obtaining Board approval.</li> <li>• Oversees the management of IGB REIT’s material sustainability matters, including climate-related risks and opportunities.</li> <li>• Monitors the implementation of approved strategies and policies, as well as the performance against set targets.</li> </ul>	<ul style="list-style-type: none"> <li>• Develops sustainability strategies and policies to be recommended to the Retail RMSC and Board.</li> <li>• Evaluates overall sustainability risks and opportunities.</li> <li>• Undertakes the materiality assessment process.</li> <li>• Consolidates the sustainability report and data for the Retail RMSC and Board.</li> <li>• Coordinates with and provides support to Business Units in relation to the implementation of sustainability initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Execution of sustainability actions and monitoring of performance against sustainability targets set.</li> <li>• Align operational procedures with IGB REIT’s sustainability strategies.</li> </ul>

The roles and responsibilities of the Board and management are set out below.

### Board Oversight

#### Board

The Board holds ultimate responsible for IGB REIT’s strategic approach to sustainability, including the oversight of IGB REIT’s sustainability-related risks and opportunities covering environmental, social and governance matters. The Board approves the resources necessary, for effectively managing sustainability-related initiatives.

The Board ensures that sustainability is integrated into IGB REIT’s overall corporate strategy. Specifically, the Board considers climate-related risks and opportunities when reviewing strategy, performance objectives and risk management processes and policies. The Board evaluates how these are designed to address sustainability-related risks and opportunities and how they align with IGB REIT’s business model, the long-term strategy, including IGB REIT’s net zero transition.

In its strategic decisions, such as major transactions, the Board assesses the impact on IGB REIT’s sustainability-related risks and opportunities.

To maintain IGB REIT’s necessary skills and competencies to oversee IGB REIT’s sustainability, the Board regularly updates itself with sustainability-related briefings and trainings on sustainability-related topics.

#### Retail RMSC, CEO

The Retail RMSC led by the CEO is responsible for reviewing and recommending sustainability strategies, targets and policies for the Board’s approval. It also provides the Board with guidance on emerging sustainability matters. It regularly informs the Board on sustainability-related risks and opportunities, which are discussed quarterly as part of the Board agenda.

The Retail RMSC is supported by the IGB GSRS team, which works closely with management to establish sustainability-related targets in line with IGB REIT’s overall strategy and risk management processes. It monitors IGB REIT’s climate transition plan and is updated annually on progress regarding climate metrics and targets.

The targets and related progress are reviewed annually by the Retail RMSC and the Board in line with IGB REIT’s internal budgeting and reporting schedules.

To ensure that the Retail RMSC and CEO have the necessary skills and competencies to review and recommend on IGB REIT’s sustainability matters, including sustainability-related risks and opportunities, they regularly stay informed through sustainability-related briefings and trainings.

# SUSTAINABILITY STATEMENT

(continued)

## Management’s Role in Governance

### GSRS and Business Units

The GSRS department supports the Retail RMSC and CEO by:

- Developing sustainability-related strategies, policies and targets together with the Business Units for recommendation to the Retail RMSC and CEO;
- Evaluating overall sustainability risks and opportunities with the Business Units, including their impact on business strategies;
- Undertaking the materiality assessment process;
- Consolidating sustainability reports and data for the CEO, Retail RMSC and Board;
- Coordinating and providing support to the Business Units in implementing strategies, including meeting sustainability targets.

Additionally, GSRS updates the CEO, Retail RMSC and Board annually on any potential financial impacts of sustainability-related risks and opportunities on IGB REIT’s consolidated financial statements that could be material, including targets and progress against non-financial metrics.

### Impact of sustainability on remuneration policies

While IGB REIT does not currently have explicit, non-financial performance indicators linked directly to its remuneration policies, a fundamental connection exists. The achievement of IGB REIT’s sustainability targets, particularly those related to climate risk and energy management, is essential for long-term operational resilience and directly supports the financial performance metrics used to determine senior management compensation.

### Risk Management

The processes and policies followed by IGB REIT to identify and assess sustainability-related risks and opportunities are set out in the Materiality Assessment section. The risk assessment process includes both qualitative and quantitative factors, considering the nature, likelihood and magnitude of potential risks.

Once the sustainability-related risks and opportunities are identified, IGB REIT follows a process to prioritise and monitor them. The Retail RMSC is responsible for identifying and managing the overall risks for IGB REIT with support from GSRS. Sustainability-related risks are integrated into IGB REIT’s overall risk management framework, overseen by the Retail RMSC. The Retail RMSC also reports to the Board.

The sustainability-related risks identified in the materiality assessment are combined with risks arising from other risk assessments within IGB REIT. Risks are prioritised based on severity and likelihood, considering potential financial impacts, operational disruptions, and regulatory changes. These risks are approved by the Board. Regarding opportunities, GSRS is responsible for reporting and collaborating with the Retail RMSC to ensure the prioritisation of identified sustainability opportunities alongside other opportunities recognised by IGB REIT.

Monitoring of sustainability-related risks and opportunities is conducted individually based on metrics and targets assigned to each Business Unit. These metrics and targets are reported to the CEO, Retail RMSC and Board quarterly or whenever significant changes occur.

# OVERVIEW OF IGB REIT AND VALUE CHAIN

## Our key business activities

The principal activity of IGB REIT is direct and indirect investment in a portfolio of income producing real estate primarily used for retail purposes as well as real estate related assets in Malaysia and overseas.

IGB REIT’s key market is **Malaysia**.

Its key business activities and contribution to revenue are summarised in the table:

### Other activities

Beyond the revenue classifications disclosed, IGB REIT also recognises income from promotional partnerships. These operations are not of a significant size to be considered core businesses of IGB REIT.

	% of total revenue
<b>Leasing of real estate space</b> Rental income and service charge from retail buildings.	<b>87%</b>
<b>Car park income</b> Income from services rendered for daily and seasonal parking.	<b>7%</b>
<b>Supply &amp; distribution of utilities</b> Recoveries from utilities.	<b>4%</b>

# SUSTAINABILITY STATEMENT

(continued)

## Our strategy and sustainability related goals

IGB REIT aims to continue providing Unitholders with regular and stable distributions, sustainable long-term unit prices distributable income, and growth in capital, while maintaining an appropriate capital structure. More details about the year's operations and strategies related to its business activity can be found in the Management Discussion and Analysis section of this Annual Report.

In addition to this, IGB REIT adopts the IGB Group Sustainability Policy which focuses on:

- **Ethics-Driven Performance**
- **Responsible Supply Chain**
- **Safeguarding the Environment**
- **Positive Community Impact**

IGB REIT has also set up sustainability targets which aligns with the Group's overall strategies.

Material Matters	Targets
Climate Change	Reduction in Energy Usage Intensity ("EUI") of <b>5.8%</b> by 2025 and <b>9.5%</b> by 2030 using 2019 as a baseline.
Waste Management	<b>17.5%</b> diversion rate by 2030.
Cyber Security	<b>Zero</b> substantiated complaints concerning breaches of customer privacy and losses of customer data.
Anti-Corruption	<b>Zero</b> confirmed incidents if corruption.
Health & Safety	<b>Zero</b> work-related fatalities.
Diversity	Women to hold <b>30%</b> of Board of Directors' positions.
Human Rights	<b>Zero</b> substantiated complaints concerning human rights violations.

IGB REIT's material matters are linked to the key focus areas with further information on strategies and initiatives provided in the Management Approach to Material Matters section.

## Our value chain

Throughout IGB REIT's operations, it depends on several external parties for its upstream value chain, including suppliers for repair and maintenance, outsourcing of manpower for cleaning and security services, utilities, and construction subcontractors. IGB REIT's downstream value chain comprises tenants of the retail properties.

Most of IGB REIT's upstream and downstream value chain are located in **Malaysia**.

# REPORTING BOUNDARY

### Reporting boundary (excluding GHG emissions) reporting entity

The entities, assets, and operations (referred to as the "reporting entity") included in IGB REIT's sustainability report are the same as those included in IGB REIT's financial statements for the financial year 2025.

IGB REIT's reporting entity and the extent of sustainability-related information considered and included in IGB REIT's consolidated sustainability report, are summarised below:

	<b>100%</b> Leased assets (IGB REIT is lessee)	<b>100%</b> Leased assets (IGB REIT is lessor)
<b>Information considered and included</b>	100% of the sustainability information related to the use of the leased assets during the lease term.	100% of the sustainability information related to the leased assets.
<b>Entities and assets in the reporting entity</b>	IGB REIT leases various office equipment. IGB REIT has the right to control the use of these assets owns to substantially all of the related economic benefits during the term of the lease.	IGB REIT owns properties leased to tenants under operating leases. The investment property remains recognised in the group's statement of financial position.

Note in financial statements : **Note 3(n)**

IGB REIT also has entities, activities, resources, and relationships that form part of its value chain. These have been considered in assessing the sustainability-related risks and opportunities of IGB REIT. In the current reporting period, all metrics reported (except for GHG emissions) relate to IGB REIT's own operations.

# SUSTAINABILITY STATEMENT

(continued)

## Reporting boundary for GHG emissions

IGB REIT applies the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the “GHG Protocol”) to measure its GHG emissions unless otherwise specified by IFRS S2. It also uses the GHG Protocol Corporate Value Chain Standard (“Scope 3 Standard”) to define the relevant Scope 3 categories as part of the requirement to disclose Scope 3 GHG emissions.

IGB REIT’s reporting boundary for GHG emissions includes its organisational boundary and operational boundary:

<h3>Organisational boundary</h3>	<p>IGB REIT adopts a financial control approach to establish its organisational boundary for reporting GHG emissions.</p> <p>IGB REIT has assessed that it maintains financial control in accordance with GHG Protocol over its subsidiaries and leased assets included in its consolidated financial statements, ensuring that IGB REIT’s boundaries align consistent with how assets and liabilities are reported to unitholders.</p> <p>For acquisitions and disposals, IGB REIT follows the general approach for current year GHG emissions and the comparative figures as described in page 56.</p>
<h3>Operational boundary</h3>	<p>Direct GHG emissions from sources owned or controlled by businesses and operations within IGB REIT’s organisational boundary are reported as Scope 1 GHG emissions of IGB REIT. GHG emissions from the generation of purchased electricity consumed by these businesses and operations are reported as Scope 2 GHG emissions of IGB REIT. IGB REIT’s relevant portion of other indirect emissions arising from its activities are reported as IGB REIT’s Scope 3 GHG emissions.</p>

## Judgement and measurement uncertainties

In preparing this sustainability statement, management has exercised judgement in several areas, including the process of identifying sustainability-related risks and opportunities and identifying material information to report. Additionally, the preparation of this report necessitates the use of estimates for certain amounts which cannot be measured directly. Estimates have been made where the sustainability information relates to an entity in the value chain and needs to be estimated, is related to forward-looking information, or involves data limitations.

This section outlines the most critical judgements made by management in preparing this sustainability report, as well as the amounts that are subject to a high degree of measurement uncertainty. The details of the judgement made, or the source of estimation uncertainty, is included in the referenced disclosure sections.

### Significant Judgement

<ul style="list-style-type: none"> <li>■ <b>Materiality process</b></li> </ul> <p>Section reference: <b>Materiality Assessment</b></p>	<p>Management applied significant judgement to identify the sustainability-related risks and opportunities that could reasonably be expected to IGB REIT’s prospects, with this material information those risks and opportunities. The process that IGB REIT followed in making the assessment of what information could reasonably impact its prospects and influence decisions of primary users is detailed in the Materiality Assessment section.</p> <p>Judgement was also used in determining which metrics included within the disclosure topics of the SASB standards were applicable to IGB REIT.</p>
<ul style="list-style-type: none"> <li>■ <b>Calculation methods for GHG emissions</b></li> </ul> <p>Section reference: <b>Climate Change</b></p>	<p>IGB REIT has employed a range combination of calculation methods to determine its Scope 3 GHG emissions. Management has used judgement in selecting the most suitable methods for each category depending on availability and quality of data, and it prioritises the use of supplier-specific data where available with sufficient quality.</p>

### Measurement Uncertainty

The following amounts have a high degree of measurement uncertainty:

<ul style="list-style-type: none"> <li>■ <b>GHG-related metrics</b></li> </ul> <p>Section reference: <b>Climate Change</b></p>	<p>IGB REIT measures its GHG emissions in accordance with the GHG Protocol unless otherwise stated as required by IFRS S2. The related disclosed metrics are subject to inherent high uncertainties reliance on activity data and emission factors obtained from third parties. When activity data and emission factors cannot be obtained on a timely basis, or are incomplete, estimation is used.</p>
<ul style="list-style-type: none"> <li>■ <b>Climate transition risks</b> <ul style="list-style-type: none"> <li>» Regulatory changes</li> <li>» Changes in customer behaviour</li> </ul> </li> </ul> <p>Section reference: <b>Climate-Related Risks &amp; Opportunities</b></p>	<p>There is currently limited data related to financial effects that may result from customer demand and carbon taxes to be implemented within local markets. As such, any assessment of expected financial effects on IGB REIT beyond the current planned capital expenditures remains highly uncertain in the short to long term.</p>

# SUSTAINABILITY STATEMENT

(continued)

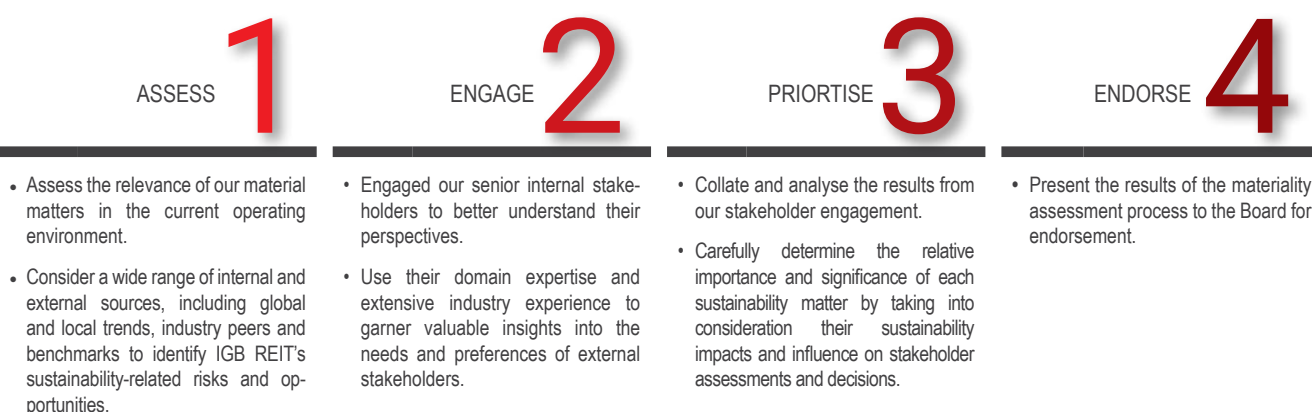
## Materiality Assessment

Our last comprehensive materiality assessment was conducted in 2023, with the next full-scale exercise scheduled for 2026. In the interim, we performed an annual review to ensure our material matters remain responsive to the evolving business landscape. As 2025 marks our inaugural reporting cycle under the IFRS Sustainability Disclosure Standards, this year’s review incorporated guidance from these new benchmarks.

In accordance with the transition reliefs adopted, detailed technical disclosures in this statement focus on climate-related disclosures. All other sustainability-related risks and opportunities, which remain integrated within IGB REIT’s regular risk management processes, are disclosed within the MD&A section of this Annual Report.

### Materiality assessment process

IGB REIT’s materiality assessment follows a 4-step process:



## OUR FOCUS AREAS

As a subsidiary of IGB Berhad, IGB REIT has adopted the IGB Group Sustainability Policy which was established in August 2023. The policy outlines the strategies below and how they align with our material matters. The policy outlines the key areas of focus and how they align with our material matters.

In 2025, we continued to monitor and work towards sustainability targets that were set in 2023.

Material Matters	Targets	2025 Status
Climate Change	Reduction in EUI of <b>5.8%</b> by 2025 and <b>9.5%</b> by 2030 using 2019 as a baseline.	Achieved combined EUI of <b>324.6 (2025)</b> vs <b>345.9 (2019)</b> amounting to a reduction of <b>6.2%</b> against 2019 baseline
Waste Management	<b>17.5%</b> diversion rate by 2030.	<b>9.6%</b> diversion rate.
Cyber Security	<b>Zero</b> substantiated complaints concerning breaches of customer privacy and losses of customer data.	<b>Zero</b>
Anti-Corruption	<b>Zero</b> confirmed incidents of corruption.	<b>Zero</b>
Health & Safety	<b>Zero</b> work-related fatalities.	<b>Zero</b>
Diversity	Women to hold <b>30%</b> of Board of Directors’ positions.	<b>Zero</b>
Human Rights	<b>Zero</b> substantiated complaints concerning human rights violations.	<b>Zero</b>

The following SDGs align with our sustainability strategies and focus areas:



# SUSTAINABILITY STATEMENT

(continued)

The determination of IGB REIT’s material matters requires significant professional judgement, and all identified risks and opportunities are presented to the Board for approval. The Board holds ultimate responsibility for incorporating sustainability considerations into strategic decisions, supported by the Retail RMSC.

Sustainability is not managed in isolation at IGB REIT. We identify material risks and opportunities by fully integrating our Materiality Assessment with the IGB REIT Strategy & Risk Framework. This alignment ensures that sustainability is a core component of our ERM system, allowing us to manage ESG-related impacts with the same rigour as financial and operational risks.

IGB REIT’s material matters are detailed below:



The risks and opportunities identified within our sustainability reporting scope are summarised in the following sections, categorised into climate-related disclosures and our management approach to broader material matters.

## Identifying IGB REIT’s climate-related risks and opportunities

To provide a transparent view of our operating landscape, IGB REIT discloses climate-related risks and opportunities on an inherent basis, which are assessed prior to the application of internal prevention and mitigation strategies.

As part of the current year’s materiality review, the following was considered for climate-related risks and opportunities of IGB REIT’s core businesses:

- **Key Locations** IGB REIT’s core businesses are fully located within **Malaysia**.

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- **Regulations** Regulatory requirements that are imposed on IGB REIT are mainly local as the IGB REIT operates in the real estate industry.

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- **Key resources** IGB REIT depends on several resources which includes the following:
  - utilities such as energy and water;
  - own employees, employees of outsourcing contractors and employees of key suppliers; and
  - funding from bank loans and other sources of financing to fund IGB REIT’s operations.

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- **Key customers** IGB REIT’s key customers are retail tenants.

Sources of information to identify climate-related risks and opportunities include:

- existing risk management processes within IGB REIT, including discussions with internal stakeholders;
- educational materials issued by the IFRS Foundation related to IFRS S1 and IFRS S2;
- disclosure topics in the SASB Standards for the following industries: **Real Estate**
- climate-related risks and opportunities identified by entities that operate within the same industries as IGB REIT; and
- climate-related risks and opportunities identified by certain external stakeholders (including lenders and analysts), if any.

# SUSTAINABILITY STATEMENT

(continued)

Only climate-related risks and opportunities that could reasonably be expected to affect IGB REIT’s cash flows, access to finance or cost of capital (that is expected to affect IGB REIT’s prospects) are disclosed in this statement. In making this assessment, IGB REIT considered a combination of:

- the likelihood of the event occurring; and
- the magnitude of the impact on IGB REIT’s financial prospects if the event did occur.

For risks and opportunities that relate to uncertain future events, IGB REIT considered a range of possible outcomes and assigned a likelihood to that range. Where an event had occurred in the past, a higher likelihood was assigned to a similar event occurring in the future.

The results of the assessment were plotted on a matrix to identify those risks and opportunities that could reasonably be expected to affect IGB REIT’s prospects. No definitive thresholds were applied but, typically, those with a higher likelihood and/or magnitude are disclosed.

For each climate-related risk and opportunity identified, IGB REIT considers if information is material in the context of the overall sustainability statement, taking into account qualitative and quantitative characteristics. The judgements applied around identification of material information for the climate-related risks and opportunities will be reassessed at each reporting date.

The following discusses the climate-related risks and opportunities identified as part of the materiality processes described:

## ENVIRONMENTAL

Affected component of the reporting boundary : Own operations and value chain

### Climate-related transition risk : Regulatory and Market Pressure for Decarbonisation

#### Risk & Opportunities Identified

The potential indirect increase in energy costs from the introduction of carbon taxation or more stringent energy efficiency compliance requirements, alongside potential pressure from the market to patronise properties that have demonstrated significant efforts to decarbonise their operations.

#### Summary of Management Approach

- Improve energy consumption efficiency of our properties through the upgrading of energy intensive equipment such as chillers.
- Further adopt and market sustainability initiatives of our properties to showcase IGB REIT’s commitment to sustainability.
- Established a Net Zero Plan with clear goals for decarbonisation.

### Climate-related physical risk : Chronic Heat Stress

Gradual increases in average temperatures will raise cooling load requirements and reduce efficiency of our equipment, leading to increased operating costs. Furthermore, extreme heat events may cause temperatures to exceed the maximum allowable operating temperature thresholds of our systems, resulting in failsafe shutdowns and business interruption.

- Improve energy consumption efficiency and capacity of our properties through the upgrading of our cooling equipment.
- Regular equipment maintenance to ensure sufficient tolerance of the maximum allowable operating temperature thresholds.

## Management approach to Material Matters

While IGB REIT’s primary sustainability-related risks and opportunities are integrated within the MD&A to reflect their impact on our financial position and business performance, this section details our corresponding Management Approach.

In line with the IFRS principle of connected information, the following subsections provide a deep dive into our strategic initiatives and performance outcomes for our non-climate material matters. By bridging the risk profiles outlined in the MD&A with the operational execution detailed here, we provide a holistic view of how IGB REIT manages its most significant impacts and protects long-term stakeholder value.



# SUSTAINABILITY STATEMENT

(continued)



## HEALTH, SAFETY & SECURITY

Related UNSDGs:



### Why this is important to us :

We remain steadfast in our commitment to the health, safety, and security of our stakeholders, including tenants, shoppers, employees, and suppliers. We believe that providing a secure and seamless environment is fundamental to our value proposition, fostering the consumer confidence necessary to drive footfall and extended dwell time across our malls. By maintaining rigorous safety protocols, we create premier destinations where visitors can engage with our tenants in a secure and comfortable setting, directly supporting repeat patronage. Prioritising the welfare of our workforce and partners minimises disruptions and enhances overall productivity. A safe workplace is a high-performing workplace, and our focus on health, safety & security is integral to the efficiency and continuity of our business operations.

### Our approach :

Our safety agenda is driven by the Safety & Health Committee, chaired by the CEO. Meeting on a quarterly basis, the Committee provides high-level oversight and ensures accountability across the following core areas:

- Comprehensive review of quarterly safety and health incidents, ensuring the timely implementation of corrective and preventive actions.
- Ensuring strict adherence to all prevailing safety and health legislation and industrial standards.
- Oversight of quarterly safety inspections (“safety walks”). To ensure operational integrity, the Committee conducts weekly progress reviews for rectification of identified defects.
- Coordination of annual, comprehensive fire drills across all mall precincts, with a specific focus on anchor tenant premises to ensure large-scale evacuation readiness.
- Investing in training programs to maintain competency levels in First Aid, Emergency Response, OSHA compliance, and hazardous operations (e.g. gas safety).

Our collaboration with Polis Diraja Malaysia (“PDRM”) ensures that we stay informed about potential threats, enhancing our preparedness and enabling us to implement necessary preventive measures. This focus on readiness drives our continuous efforts to improve the efficiency and effectiveness of our security services, with an emphasis on control, intelligence, and training. We also take preventive actions, strategically deploy personnel, conduct regular patrols to maintain a visible security presence, and have installed electronic security systems across our malls.

To safeguard our assets and stakeholders, we employ a multi-layered security framework:

- Utilising a combination of regular patrols and a visible security presence to deter potential risks.
- Extensive deployment of electronic security and surveillance systems across our portfolio.
- Ongoing communication with law enforcement to facilitate joint investigations, information sharing, and specialised tactical training.

Through these combined efforts in control, intelligence, and training, we continuously refine the effectiveness of our security services to ensure a resilient and safe environment.

Our malls are equipped with comprehensive life-safety systems designed to ensure a secure environment :

- High-visibility LED emergency lighting

across basement car parks and service corridors for safe navigation at all times.

- Dedicated backup power systems for fire control and server rooms to ensure 24/7 operational continuity.
- Integrated public announcement system for clear communication with visitors and tenants.
- Advanced Fire Detection featuring specialised alarm software and MIMIC panels for rapid, precise emergency localisation and response.

### Our performance :

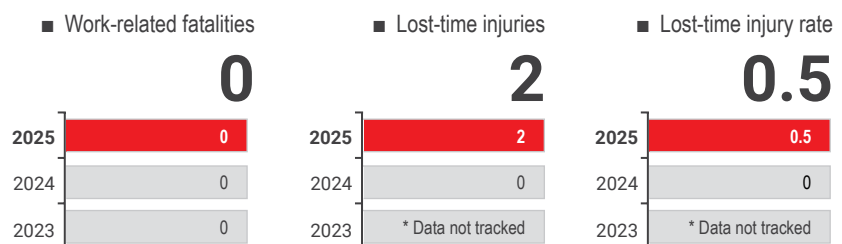
While we strive for zero accidents, two incidents that occurred during the year have highlighted areas for systemic improvement:

- An employee sustained a limb injury following a slip during loading operations. In response, we have implemented reinforced protocols, including the installation of high-traction surfaces in loading zones and comprehensive review of personal protective equipment.
- An employee suffered a shoulder injury following a motorcycle accident during off-site refuelling. Recognising that employee safety extends beyond our gates, we have since transitioned to EV bikes which helps to eliminate the travel risks as well as reducing our carbon footprint associated with fossil fuel powered motorcycles.

Through these mitigation steps, we aim to transform lessons learned into long-term operational resilience.

### Work-related fatalities and lost-time injuries

During the year, we achieved zero work related fatalities.



\* All references to employees are in relation to the employees of the Manager and Service Providers.

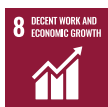
# SUSTAINABILITY STATEMENT

(continued)



## CUSTOMER SATISFACTION

Related UNSDGs:



### Why this is important to us :

Customer satisfaction is the engine of our long-term success. High shopper engagement translates into sustained loyalty and organic advocacy, while satisfied tenants become true strategic partners - renewing leases and co-creating the innovative concepts that keep our malls competitive. By putting the customer first, we strengthen our brand equity, drive consistent footfall, and ensure our properties remain premier retail destinations.

### Our approach :

We are committed to enhancing our tenant experience through the following:

#### SHOPPERS

##### Curating Dynamic Tenant Mix

- Continuously assessing and evolving the tenant mix, focusing on a diverse range of tenants and experiences to cater to the shopper preferences and market trends.

##### Elevating the Shopping Experience

- Creating memorable and engaging experiences through interactive activities, captivating marketing events, and festive attractions that encourages repeat visits and positive word-of-mouth.
- Integrating our malls into the MV Club app allows us to engage shoppers across both physical and digital touchpoints, creating a seamless and enhanced shopping experience.

##### Prioritising Customer Health and Safety

- Providing an environment that is clean and safe through proactive health and safety measures to ensure a comfortable and secure shopping experience.

##### Seamless Customer Communication

- Maintaining multiple communication channels, including websites, social media, hotlines, mobile text service and digital applications to provide timely updates on events, activities and promotions, offer convenient customer service assistance and gather valuable customer feedback.



### TENANTS

#### Strong Tenant Relationships

- Conducting regular and open communication with tenants to understand and address their needs, concerns and challenges.

#### Operational Excellence

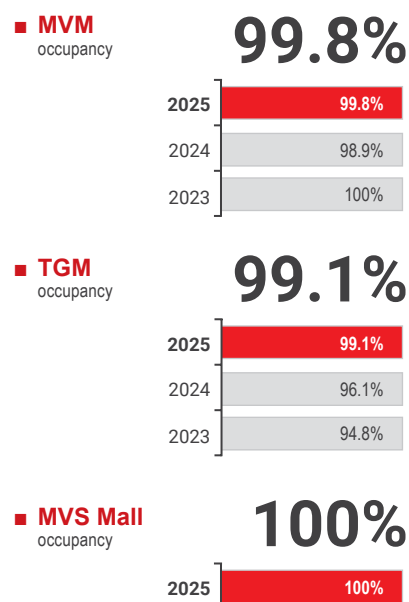
- Enhancing operational efficiency through streamlined processes and proactive maintenance to minimise disruptions and support tenant success.

#### Innovative Partnerships

- Collaborating closely with tenants to develop and introduce exciting retail concepts and experiences, driving mutual success through a culture of innovation and partnership.

#### Our performance :

Our high occupancy rates stand as a testament to our commitment to a safe, vibrant, and engaging customer experience.



\* As at 31 December 2025

# SUSTAINABILITY STATEMENT

(continued)



## HUMAN CAPITAL DEVELOPMENT

Related UNSDGs:



### Why this is important to us :

Our properties are defined by the people who manage them. Fostering a culture of excellence across every role supports our people in building deep, lasting connections with our tenants. Investing in our human capital goes beyond simple strategy because it ensures our workforce is equipped to embrace new trends and turn market shifts into competitive advantages.

### Our approach :

The Service Providers are guided by an 8 Wellness Framework which adopts a holistic approach to the wellbeing of our people with the focus being on aspects of Financial, Occupational, Environmental, Intellectual, Emotional, Physical, Social and Spiritual wellness. The 8 Wellness Framework guides the following strategic approach.

### Continuous Learning to Support Growth and Development

The Service Providers prioritise continuous employee development, offering targeted upskilling opportunities designed to enhance current performance and support future career aspirations. To achieve this, the following is offered to all employees:

- Access to regular internal and external training courses and workshops, including through the use of HRD Corp’s eLatih corporate platform.
- A tuition reimbursement scheme as well as scholarship programmes for employees pursuing long-term certifications.

### Effective recruitment and retention of talent

The Service Providers utilise a variety of platforms to recruit talent including employment websites, agencies, executive search consultants, and employee referrals. Candidates are rigorously vetted by both human capital teams and hiring managers, with final approval received from Business Unit Heads. This process ensures merit-based selections that align with role requirements and a cultural fit, fostering a diverse and high performing talent pool. New hires enrol in a formal onboarding programme to familiarise themselves with the organisation.

A probationary period is also required to allow both the new hire and business unit an opportunity to assess the fit. This period also provides time for the new hire to learn what is required on the job and adjust to the new work environment. This process allows for a better chance of achieving a successful long-term employment relationship.

Recognising individual growth and fostering talent development, the Service Providers also offer internal mobility opportunities through transfers or relocations where opportunities that align with employee skillsets become available. This not only empowers employees but also strengthens internal talent pipelines.

### Cultivating Connections through Employee Engagement

The Service Providers continue to prioritise social responsibility by cultivating a culture of transparent feedback through their annual employee engagement survey in 2025. The assessment highlighted a strong organisational foundation, as personnel demonstrated a clear understanding of the overarching vision and their individual roles. While healthy levels of collaboration and psychological safety were maintained across the workforce, these insights were used to shape management initiatives for the coming year. Specifically, there was a focus on improving operational support, enhancing transparent communication, and formalising career development pathways. By grounding talent strategy in the lived experiences of the workforce, the Service Providers remain committed to building a sustainable and growth-oriented workplace.

Employee engagement initiatives organised during the year to build relationships with employees include:

- Quarterly employee newsletters;
- Monthly Birthday Bash for employees;
- Festive celebrations;
- Employee sports month;
- Employee games month;
- Health month with events covering health and ergonomic screenings as well as professionally guided stretching sessions;
- Ergonomic month with a specific focus on

spine health covering spine health screenings and health talks on spine care;

- Focus on employee mental health through a Certified Mental Health First Aider Programme, the engagement of Lyra for a permanent Employee Assistance Programme and an interactive mental health month;
- Financial literacy day with presentations by financial institutions to enhance employee financial literacy, guide retirement planning, and provide access to valuable financial resources; and
- Corporate social responsibility through blood donation drives and support of charities in terms of financial donations and employee volunteerism.



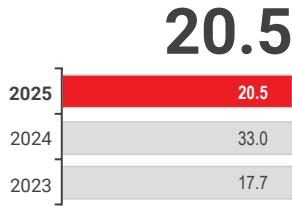
# SUSTAINABILITY STATEMENT

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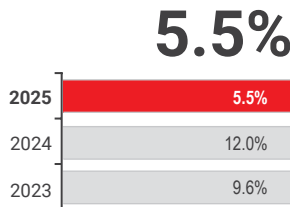
### Our performance :

This year, the Service Providers invested a total of 10,588 training hours across all employee categories representing an average of 20.5 training hours per employee.

#### ■ Average training hours per employee



#### ■ Employee turnover rate



■ Total hours of training	2023	2024	2025
Senior Management	203	262	515
Managers & Senior Managers	732	1,355	1,951
Senior Executives & Assistant Managers	1,333	1,866	2,074
Executives	1,763	3,327	2,289
Non-executives	2,262	4,980	3,757
<b>TOTAL</b>	<b>6,293</b>	<b>11,790</b>	<b>10,588</b>
■ Total number of employee turnover	2023	2024	2025
Senior Management	1	1	3
Managers & Senior Managers	3	1	2
Senior Executives & Assistant Managers	4	6	9
Executives	15	14	16
Non-executives	11	21	20
<b>TOTAL</b>	<b>34</b>	<b>43</b>	<b>50</b>

\* All references to employees are in relation to the employees of the Manager and Service Providers.

# SUSTAINABILITY STATEMENT

(continued)



## CYBERSECURITY & DATA PROTECTION

Related UNSDGs:



### Why this is important to us :

At IGB REIT, we recognise that data has emerged as a high-value asset that drives innovation, enhances customer experiences, and shapes our business strategies. Consequently, safeguarding this sensitive information is a core pillar of our organisational integrity.

Our commitment to data protection extends beyond mere regulatory compliance. We adopt a proactive posture aimed at preventing breaches and minimising potential impacts. This dedication is fundamental to maintaining the trust of our stakeholders including tenants, shoppers, employees, and investors within an increasingly digital economy.

### Our approach :

To translate our philosophy into action, we have established a comprehensive cybersecurity framework aligned with international and local standards, including ISO 27001:2013 and the Malaysian Personal Data Protection Act 2010 (“PDPA”).

### Core Policy Pillars

Our security environment is underpinned by four essential governing:

- **IGB Group Cybersecurity Policy**  
Establishes the management of digital assets, operational protocols, and incident management strategies.
- **IGB Group IT Acceptable Use Policy**  
Provides guidelines for the responsible use of technology resources, reducing legal liability and promoting employee awareness of cyber risks.
- **IGB Group Data Governance & Privacy Policies**  
Defines strict standards for the collection, storage, and utilisation of personal data in compliance with PDPA.
- **IGB REIT Technology Risk Management (“TRM”) Framework**  
Aligned with Securities Commission regulations, this framework allows us to identify, assess, and mitigate risks associated with evolving technologies.

Throughout 2025, IGB REIT transitioned from policy development to rigorous operational execution. Our progress was defined by three strategic pillars: Infrastructure Resilience, Systematic Vulnerability Management, and Human Capital Development.

### Infrastructure Resilience & Secure Cloud Migration

A primary milestone this year was the modernisation of our digital ecosystem to enhance operational continuity. This was anchored by the successful migration of core IT environments to a consolidated, enterprise-grade cloud platform, enabling the centralised enforcement of high-level security protocols. To further combat unauthorised access, we strengthened our identity and access management by mandating Two-Step Verification and Multi-Factor Authentication across key systems. These efforts were complemented by the implementation of robust system redundancies, including disaster recovery setups and network redundancy links for critical facility infrastructure such as surveillance and car park systems, ensuring resilient and uninterrupted service delivery.

### Systematic Vulnerability Management

We maintain a “Defence-in-Depth” strategy, leveraging advanced technical controls to safeguard our network. Notably, we achieved a 100% remediation rate for all high-priority vulnerabilities identified through our annual independent security assessments. Our proactive hardening efforts included a comprehensive refresh of perimeter defence hardware across key business units and the transition of public-facing digital forms to advanced bot-protection services to mitigate phishing and automated threats. To ensure rapid incident response, we further standardised system logging and audit retention protocols across all managed premises, providing our security teams with the visibility and data required for continuous, real-time oversight.

### Cultivating a Security-First Culture

Recognising that technology is only as effective as the people who operate it, we intensified our human-centric security initiatives. We launched mandatory Technology Risk Management

training for all employees at the Assistant Manager level and above to embed security awareness into the decision-making process. This was bolstered by our annual Cybersecurity Awareness Month, which engaged the workforce through hybrid learning, competency quizzes, and unannounced policy compliance audits. To validate employee readiness, we conducted regular internal social engineering and phishing simulations, using the insights gained to continuously refine our training programmes and strengthen our collective defence.

Given the dynamic nature of the cyber-risk landscape, we remain committed to evolving our strategies to ensure long-term operational resilience. Looking ahead to 2026, we aim to further mature our risk management by evaluating cyber insurance coverage to mitigate potential financial and regulatory liabilities. Simultaneously, we are advancing our governance framework by adopting the IGB Group Communications Policy and strengthening our Data Classification and Data Loss Prevention (“DLP”) protocols. These initiatives, supported by continuous auditing and rigorous testing of our technical controls, will ensure a secure and efficient technology environment that aligns with our organisational goals and upholds stakeholder confidence.

### Our approach :

In 2025, zero substantiated complaints concerning breaches in customer privacy or data loss have been received.

- Breaches in customer privacy or data loss

0



# SUSTAINABILITY STATEMENT

(continued)



## ANTI-CORRUPTION & CORPORATE GOVERNANCE

Related UNSDGs:



### Why this is important to us :

We view sound corporate governance and anti-corruption excellence as essential components of our success. These standards guide our focus on transparency and accountability, ensuring we continue to foster confidence among our stakeholders. By prioritising a culture of compliance and integrity, we are able to navigate an increasingly complex business landscape with a clear ethical perspective.

### Our approach :

We strive to maintain and uphold the highest standards of corporate conduct through a proactive approach that adopts the following:

- Directors Code of Business Conduct and Ethics with core concepts of conducting business that is premised on transparency, integrity and accountability
- IGB Group’s Anti-Bribery and Corruption (“ABC”) Policy which is wholly aligned with the Malaysian Anti-Corruption Commission Act 2009
- IGB Group’s Whistleblowing Policy and Procedures which provides a framework that allows employees and stakeholders to disclose or report serious or illegal acts in relation to our business activities in a safe and secure manner. The framework also sets out procedures for investigations into all disclosures or reports received.

We adopt a zero-tolerance approach towards any and all forms of bribery and corruption. Any employee found to have violated the ABC Policy, or who has been found to be involved in other stipulated acts of bribery and corruption, shall be subject to strict disciplinary procedures which may result in permanent work termination alongside other required legal proceedings.

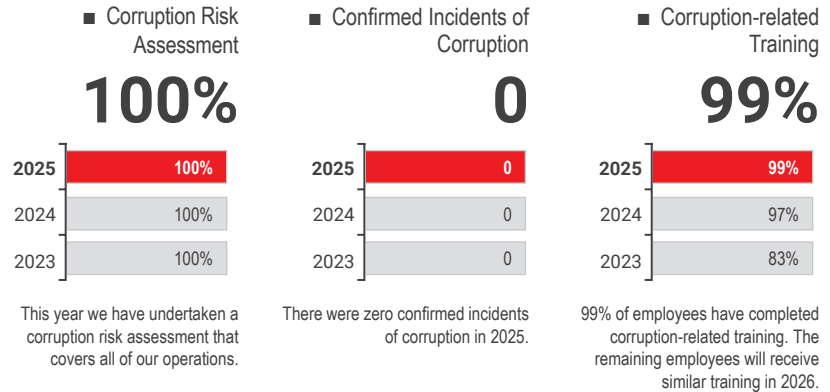
Tenancy agreements include a clause that tenants must observe and comply with the provisions of the of the Malaysian Anti-Corruption Act 2009.

All new employees undergo mandatory onboarding training that includes an introduction to the ABC Policy and its key requirements. Annual refresher training sessions are conducted for all employees to ensure ongoing awareness and understanding of the policy,

address any updates or changes, and reinforce ethical conduct across the organisation.

Further details of our corporate governance practices can be found in the Corporate Governance Overview Statement of this report.

### Our approach :



Corruption-related Training Completion Rate (%)	2023	2024	2025
Senior Management	100%	92%	100%
Managers & Senior Managers	100%	100%	100%
Senior Executives & Assistant Managers	89%	99%	100%
Executives	87%	94%	99%
Non-executives	71%	90%	98%
<b>TOTAL</b>	<b>83%</b>	<b>94%</b>	<b>99%</b>

\* All references to employees are in relation to the employees of the Manager and Service Providers.

# SUSTAINABILITY STATEMENT

(continued)

## CLIMATE CHANGE

Related UNSDGs:



### Why this is important to us :

The escalating impacts of climate change represent a material shift in the global business landscape, necessitating a proactive approach to risk management and value creation. As stewards of a significant real estate portfolio, we recognise that climate factors are now intrinsic to asset valuation, operational performance, and the long-term resilience of our communities. In response to heightened regulatory standards and stakeholder expectations, we are committed to accelerating our transition toward a low-carbon economy, ensuring our investments remain competitive and sustainable in a changing environment.

2025 marked a pivotal year for our climate strategy. We significantly strengthened our decarbonisation efforts and refined our reporting on climate related impacts. With the introduction of the National Sustainability Reporting Framework in September 2024, we are now actively transitioning our disclosures in alignment to IFRS S2 by utilising the RCP 2.6 and RCP 8.5 climate scenarios to identify and assess the climate related risks and opportunities within our portfolio.

This dual-scenario approach considers both the transition risks of a low-carbon economy and the physical risks of a high-warming environment. By embedding these findings into our long-term strategic planning, we are strengthening our organisational resilience and ensuring our assets remain competitive. This disciplined analysis reinforces our commitment to global climate goals and safeguards the interests of our stakeholders.

### Our approach :

The IGB Group Sustainability Policy serves as the cornerstone of our commitment to mitigating the environmental impact of our business operations. As our business continues to grow, the strategic focus remains steadfast on reducing carbon emissions and optimising energy efficiency while embedding sustainable practices across the entire real estate portfolio.

In 2025, we advanced our decarbonisation journey through targeted investments in energy-efficient technologies and building lifecycle upgrades. These initiatives are designed to enhance operational performance while ensuring alignment with global climate goals and evolving regulatory frameworks.

Initiatives implemented within our operations include:

- Tracking and monitoring of energy consumption to investigate and address unusual deviations in a timely manner.
- Regular assessments of mall mechanical & electrical (“M&E”) systems to ensure optimal energy efficiency.
- Use of energy-efficient escalators with standby modes that regulate speed based on shopper traffic.
- Deployment of electric vehicle (“EV”) charging infrastructure to support the transition to low-carbon transport and cater to the increasing eco-consciousness of consumers.
- Evaluation of renewable energy integration and sustainable building materials for renovation and development projects.

The integration of these practices allows us to effectively manage both physical and transition climate risks. This proactive approach to sustainability underpins our broader financial planning and corporate strategy, ensuring long-term resilience and value creation in an increasingly dynamic market.

The following measures were implemented in 2025 to enhance energy performance and reduce carbon intensity:

### MID VALLEY MEGAMALL

Key Initiatives	Description
➡ Chiller Replacement	Completed replacement of five 2,000 RT and two 600 RT chillers with high-efficiency units, achieving considerable system efficiency improvements. This initiative delivered annual savings of 8,618 MWh and an average maximum demand reduction of 1,418 kW compared to 2019 baselines.
➡ Escalator & Travelator	Installation of new escalators at the 3rd Floor North and South Courts and 1st Floor West, alongside new travelators for LG-P2 North.
➡ Service lift Modernisation	Modernised nine service lifts for improved lifting efficiency.
➡ Electrical System	Replaced 15 low-loss transformers to enhance power efficiency alongside the incorporation of a coupler system to provide short-term redundancy for emergency repairs. Additionally, implemented Main Switchboard (“MSB”) load shedding to ensure improved overall load management.

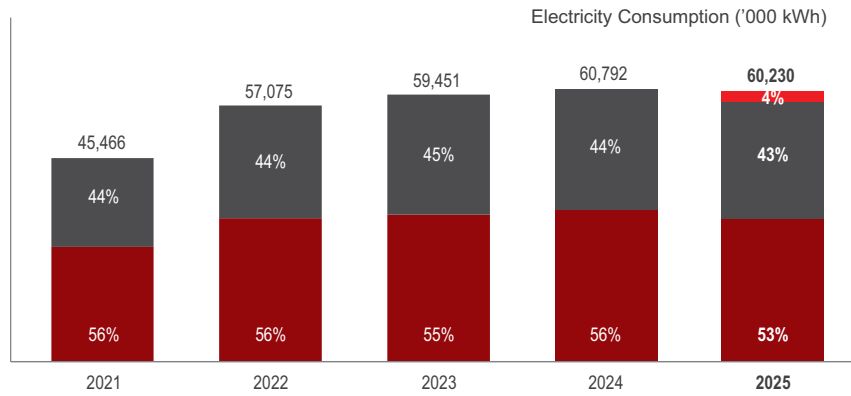
# SUSTAINABILITY STATEMENT

(continued)

Our Performance :

## Energy Consumption

- MVM
- TGM
- MVS Mall



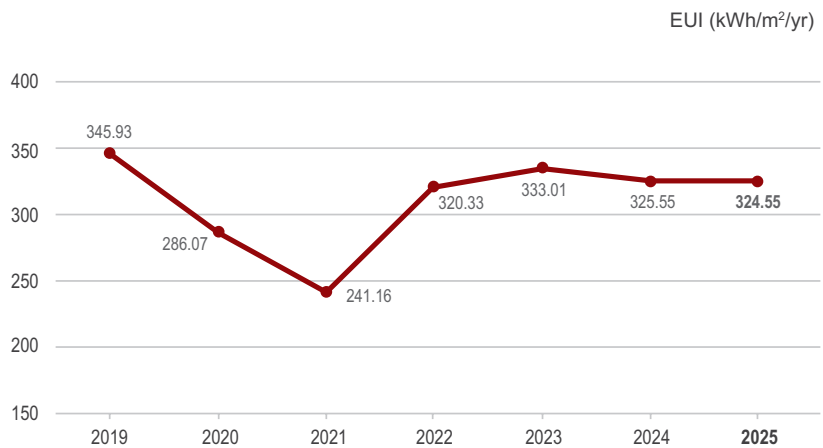
## Annual Electricity Consumption

We continued tracking our malls' Energy Usage Intensity (EUI) (kWh/m<sup>2</sup>/year) with a target EUI (kWh/m<sup>2</sup>/year) reduction of 5.8% by 2025 and 9.5% by 2030 from our 2019 baselines.

% of improvement

**6.2%**

We have seen a 6.2% improvement in our EUI for 2025 compared to our 2019 baselines thus achieving our target of 5.8% reduction by 2025.



\* EUI data calculated only for MVM and TGM.

## THE GARDENS MALL

Key Initiatives	Description
➡ Cooling Towers Enhancement	Completed refurbishment of 12 Cooling Tower cells
➡ Air Handling Unit ("AHU") Replacements	Replacement of Air Handling Unit for the Lower Ground (AHU-LG-07) for improved cooling performance.
➡ Central Plant Automation and Optimisation	Initiation of a project in Q4 2025 to enhance centralised cooling system efficiency through advanced automation.
➡ LED Lighting Upgrades	LED lighting upgrades for West deck canopy lightings, common area, basement P1 and P4 and below escalators for improved illumination and lighting efficiency.
➡ Escalator & Travelator	New escalators installed for Crystal bridge between MVM and TGM.

# SUSTAINABILITY STATEMENT

(continued)

## Climate-Related Risk & Opportunities

The climate risks and opportunities detailed below are prioritised by their inherent materiality to IGB REIT. These ratings reflect the baseline risk to our business operations prior to the implementation of any mitigation strategies.

**Physical Risk:**  
Chronic Heat Stress  
Unmitigated GHG emissions are expected to cause a long-term, persistent increase in average ambient temperatures and the frequency of prolonged hot periods. Unlike acute heatwaves, this represents a gradual but permanent shift in the climate baseline, which is particularly relevant for IGB REIT’s urban-concentrated assets within a tropical environment.

**Transition Risk:**  
Regulatory and Market Pressure for Decarbonisation  
The legal landscape and stakeholder expectations are expected to evolve as the global economy transitions towards low-carbon operations. Along with the tightening of national standards in Malaysia through the Energy Efficiency and Conservation Act 2024 (“EECA”) and the upcoming carbon tax, come the global sustainability mandates of our multinational corporations (“MNC”) tenants. Furthermore, consumer behaviour is expected to shift towards retail destinations that demonstrate environmental responsibility and provide healthy, sustainable environments.

IGB REIT views both these risks as two sides of the same coin. Because these risks are fundamentally linked, they share a common impact on the business. Higher ambient temperatures necessitate increased energy consumption for cooling, which in turn elevates our exposure to energy-related regulations and carbon-pricing mechanisms. This creates an inherent risk of rising operational costs, potential regulatory penalties, and a decline in asset attractiveness for both tenants and shoppers who prioritise energy-efficient and thermally comfortable spaces. Consequently, our disclosures and mitigating actions for these risks are integrated.

### Effects on strategy and decision making

The risk impacts on IGB REIT’s value chain are as follows:

**Physical Risk:**  
Chronic Heat Stress  
**Own Operations:** The primary impact is on our mall operations. As outdoor temperatures rise, our cooling systems must work harder and consume more power to maintain a comfortable environment for our shoppers and tenants. This naturally increases our electricity costs and puts more wear on our equipment.

**Downstream Impact:** This risk extends to our partners who purchase chilled water from us. As they face the same heat challenges, their demand for cooling increases. Meeting this intensified demand requires our central cooling plants to work more strenuously for longer periods, which can reduce the overall efficiency of our systems.

**Transition Risk:**  
Regulatory and Market Pressure for Decarbonisation  
**Upstream:** As regulators push for greater oversight of GHG emissions by businesses, our main energy provider is expected to be impacted by the upcoming carbon taxation that has been announced for Malaysia’s 2026 Budget. These additional costs may in turn be passed down through electricity tariffs to our operations. Costs for construction materials such as steel and cement may also be affected and would cause an increase in costs for our renovations and reconfigurations.

**Own Operations:** New regulations such as the EECA have also increased compliance requirements and may lead to increased future costs to meet energy intensity targets.

**Downstream:** As our malls include globally recognised MNCs, their tenancy requirements may have sustainability mandates such as green certifications or energy intensity requirements which we have to collaborate on to ensure their outlets are able to comply to. Shoppers and visitors are also shifting towards retail destinations that demonstrate environmental responsibility in their operations.

### Effects on strategy and decision making

To manage climate-related risks, Management has developed a clear strategy that focuses on adapting our buildings to a warmer climate and reducing our environmental impact.

We are well-prepared to handle these changes over the short, medium, and long term. This is supported by our strong financial position, which allows us to continue investing in energy-saving technology and renewable energy. Our climate initiatives are internally funded through operational cash flows, reflecting our commitment to integrating sustainability into our core financial model.

We will continue to invest in the following mitigating actions to strengthen our properties:

- **Investing in energy efficient equipment:**  
As cooling makes up a sizeable portion of our energy consumption, Management takes a proactive view towards ensuring these systems run at optimal efficiency. While preventive maintenance is a priority in keeping efficiency levels high, Management also considers upgrading machinery if technological advancements bring about new innovations that significantly boost efficiency.

- **Investing in renewable energy sources:**  
Alongside decarbonisation through efficient consumption, our properties are exploring the integration of on-site renewable energy through the installation of rooftop solar panels. Management has planned for an initial foray into solar energy on MVS Mall’s car park rooftops to generate energy for internal use.

Additionally, IGB REIT has adopted a Net Zero plan in alignment with the IGB Group, which is disclosed in further detail later in this statement.

### Overall decarbonisation targets and Net Zero Strategy & Pathway

IGB REIT is committed to building a sustainable future and aims to achieve net zero carbon emissions by 2050. This goal is part of a collective effort across all sectors to combat climate change globally. To ensure a unified approach, IGB REIT has aligned its climate strategy with the IGB Group, adopting the Group’s GHG reduction targets. In 2025, our Board committed to the following milestones:

- **By 2030 (Short-term):** A 12.5% reduction in Scope 1 and 2 GHG emissions from our 2023 baseline.
- **By 2050 (Long-term):** Remaining reduction in emissions to reach net zero GHG emissions across operations and supply chain emissions.

# SUSTAINABILITY STATEMENT

(continued)

The 2050 Net Zero Strategy & Pathway adopted outlines targets for net zero emissions in IGB REIT's operations and across the value chain. Recognising the challenges associated with decarbonisation, the focus will be initially on accelerating reductions across Scope 1 and Scope 2 GHG emissions by optimising building energy performance, upgrading cooling equipment to enhance energy efficiency, generation of renewable energy through solar panels, and focusing on obtaining green building certifications for our properties.

To reduce Scope 3 GHG emissions, IGB REIT acknowledges that it will need to work closely with its value chain. IGB REIT is gradually strengthening requirements for suppliers as part of our ambition to reduce our climate impact. Where necessary, alternative suppliers may be identified and used if existing suppliers are unable to achieve these sustainability targets.

The 2050 Net Zero Strategy & Pathway is supported by the following strategic pillars and goals:

## Optimising Building Energy Performance

### ■ Short Term (by 2030)

All existing owned and operated buildings targeted to be green certified (based on economic viability).

### ■ Long Term (by 2030-2050)

All existing owned and operated buildings targeted to be green certified (based on economic viability).

## Shift to Emissions-Free Electricity

### ■ Short Term (by 2030)

On-site roof top solar panels.

### ■ Long Term (by 2030-2050)

Off-site solar energy (based on economic viability), Green tariffs, Renewable Energy Certificates ("RECs").

## Partnership in Value Chain

### ■ Long Term (by 2030-2050)

Tenant engagement (Green Leases), Supply chain engagement (Green Procurement).

As we move forward, our priority is to accelerate our decarbonisation efforts to achieve these targets, while maintaining transparent communication with all our stakeholders.

### Internal carbon pricing

At present, IGB REIT does not apply internal carbon pricing within its strategic planning. We continue to monitor the evolving regulatory landscape and market practices regarding carbon valuation to determine if such a mechanism should be integrated into our financial frameworks in the future.

### Current financial effects

As part of IGB REIT's efforts to improve the energy efficiency of cooling equipment within our malls, we invested RM6.3 million during the year. This expenditure was dedicated to the replacement of chillers and AHUs, as well as an ongoing automation and optimisation project. This total amount was capitalised as part of the value of the properties within the financial statements.

### Anticipated financial effects

IGB REIT has budgeted RM19.1 million in asset enhancement initiatives covering the chiller plant automation and optimisation at TGM as well as a solar panel system at MVS Mall. These amounts are expected to be capitalised into the value of the respective properties.

Once implemented, these projects are anticipated to deliver cost savings that will improve IGB REIT's financial performance over the medium to long-term. However, the ability to quantify these financial impacts is subject to inherent limitation, primarily due to data availability, uncertainty of future scenarios, and the evolving nature of sustainability- and climate-related disclosures. As a result, estimation is applied using reasonable and supportable assumptions and information that is available to IGB REIT at the reporting date without undue cost or effort.

Based on our current assessment, we have identified no significant risks that would require material adjustments to the carrying amounts of our assets or liabilities within the forthcoming reporting period. Furthermore, we have determined that there are no immediate climate-related indicators or extreme weather vulnerabilities that would impair asset values or disrupt operations to a degree necessitating financial adjustments in the short term.

### Climate-related scenario analysis

A climate-related scenario analysis was



performed to understand and evaluate the potential impacts of climate-related physical and transition risks using 2 possible scenarios. The scenarios are based on publicly available data from authoritative sources, including regional and international climate projections.

The scenario analysis was carried out across all operating locations and business units as part of IGB REIT's strategic planning cycle in 2025. The scenario analysis is reviewed at least annually, to identify whether the estimated implications of climate-related uncertainties need to be updated, with a detailed analysis undertaken every five years. While IGB REIT's current strategies are designed to address high levels of climate-related physical risks, IGB REIT's mitigation and adaptation measures will be escalated if needed in response to the requirements of other scenarios. As set out under the 'Capacity to adjust or adapt strategy and business model' section below, IGB REIT has the capacity to escalate its response if needed.

Climate scenarios are usually considered as either 'high transition/low physical risk' or a 'low transition/high physical risk'. This is because the more acute the requirements to reduce GHG emissions, the less warming that will occur, and vice versa.

IGB REIT has performed its scenario analysis using the assumptions set out in the RCP5 8.5 (high physical risk) and RCP 2.6 (high transition risk) scenarios.

# SUSTAINABILITY STATEMENT

(continued)

## Scenario 1: RCP 8.5

(High physical risk)

Our Scenario 1 (high physical risk) assumes a future where global climate action is delayed, leading to a significant increase in global temperatures. Under these conditions, the focus shifts away from policy changes (transition risks) and toward the severe physical impacts of climate change. This scenario helps us assess how our assets would perform against more frequent and intense weather events. We recognise that such a high-warming outcome would have deep implications for both the global economy and the communities where we operate, making our long-term adaptation planning essential.

## Scenario 2: RCP 2.6

(High transition risk)

Our Scenario 2 (high transition risk), assumes a future where immediate and decisive global action limits warming to well below 2°C, in line with the Paris Agreement. Under these conditions, the focus shifts toward the rapid implementation of stringent climate policies and the move away from fossil fuels. This scenario helps us assess how our operations would perform against stricter environmental mandates, carbon pricing, and a fast-moving shift toward sustainable energy. We recognise that such an accelerated transition would reshape the retail and real estate landscape, making our focus on energy efficiency, green infrastructure, and strategic agility essential.

**Note:** Carbon taxation rates for the short-term are estimated at RM15 per tonne of CO<sub>2</sub>e and are considered best estimates as it is a new taxation regime with limited information about the mechanism and rates by the regulators.

### Impact on IGB REIT's strategy and business model

#### Short term (0 to 12 months)

- Ambient temperature is not expected to change significantly within the next 12 months.
- Limited regulatory and market expectations as authorities remain lax within the region.
- Under this scenario, IGB REIT's financial performance is not expected to have any impact.

#### Medium term (1 to 5 years)

- Ambient temperature slowly rises as GHG emissions remain unabated due to strong emphasis on pushing consumption and business output.
- Limited regulatory and market expectations as authorities remain lax within the region.
- Under this scenario, IGB REIT's financial performance may decrease by up to RM3.9 million per annum.

#### Long term (beyond 5 years)

- Ambient temperature increases by 2°C and may continue to rise if no further action is done by governments to reign in GHG emissions.
- Regulations start to be imposed, but may only be at minimal levels to limit operating pressures on the global economy.
- Under this scenario, IGB REIT's financial performance is expected to decrease by RM3.9 million or more per annum.

### Impact on IGB REIT's strategy and business model

#### Short term (0 to 12 months)

- Carbon regulation is expected to be introduced in Malaysia within the next 12 months. The government has indicated that the taxation will mainly target high emission sectors but has yet to release any information about the carbon tax rates or mechanism for taxation.
- Under this scenario, IGB REIT's financial performance may decrease by up to RM1 million per annum if costs are passed on entirely by the energy producer through increased electricity tariffs.

#### Medium term (1 to 5 years)

- More stringent carbon taxation regulations are expected to be applied over time as additional sectors are added to the regime and carbon pricing rates increase to align with neighbouring regions.
- Simultaneously, we anticipate a more pronounced shift in demand from tenants and customers, who will increasingly require retail destinations to demonstrate positive environmental initiatives or hold formal green certifications.
- Under this scenario, IGB REIT's financial performance may decrease by more than RM1 million per annum. We are unable to disclose a full estimation of financial impact due to the high degree of unpredictability within this scenario.

#### Long term (beyond 5 years)

- Strong momentum towards moving towards a full net zero economy. This is likely to involve very high carbon prices and regulated caps on operational GHG emissions by businesses.
- As the market matures, properties without strong environmental track records or green certifications may be hit with lower valuations and stricter oversight.
- The cost of carbon is expected to be priced into the entire value chain driving prices up for carbon intensive products.
- Under this scenario, IGB REIT's financial performance may decrease by more than RM1 million per annum. We are unable to disclose a full estimation of financial impact due to the high degree of unpredictability within this scenario.

# SUSTAINABILITY STATEMENT

(continued)

## Significant areas of uncertainty

The significant areas of uncertainty considered in IGB REIT's assessment of its climate change resilience are as follows:

**Future carbon taxation levels and timing of implementation:** Whilst a carbon tax was announced by the Malaysian government in Budget 2026, there is currently limited information regarding taxation rates and the specific mechanism for collection. As such, our estimates have been set at RM15 per tonne of CO<sub>2</sub>e for 2026, based on the assumption that the taxation will not be overly burdensome in its initial stages of implementation. The exact timing of the rollout across different sectors also remains an area of ongoing monitoring.

**Shifts in market demand for sustainable retail destination:** The retail market is currently in the early stages of awareness regarding environmental responsibility at retail destinations. Whilst our malls have begun to communicate our sustainability initiatives to the public, there is limited certainty regarding when and how the customer mindset may shift. The speed at which shoppers and tenants transition towards preferring low-carbon destinations remains a variable factor within the scenarios assessed.

## Capacity to adjust or adapt strategy and business model

IGB REIT's strategy and business model, including its mitigation plans, are periodically evaluated by the Retail RMSC. It allows IGB REIT to assess its capacity to adjust and adapt its strategy and business model to climate change as follows:

**Financial resources and flexibility:** IGB REIT maintains a strong financial position with access to additional financing through committed credit facilities should our response to climate-related risks need to accelerate. Our latest RM5 billion Medium-Term Notes ("MTN") programme features a perpetual tenure, providing the necessary liquidity to manage unforeseen supply chain impacts and mitigate immediate risks. This flexibility ensures that we can fund sustainability-led upgrades without compromising our operational stability.

**Redeploying, repurposing, and upgrading assets:** Through its innovation initiatives, IGB REIT proactively monitors its properties for technological obsolescence to ensure highly efficient and sustainable operations. Our year-end review identified no assets requiring immediate replacement. However, we will continuously evaluate our portfolio over the long term, committing to upgrade, replace, or repurpose any assets that no longer support our climate resilience strategy.

**Investment in climate-related mitigation, adaptation, and opportunities:** IGB REIT's primary focus is on immediate investments that enhance resilience against climate-related risks by improving consumption efficiency. In tandem with these operational improvements, obtaining Green Building certifications remains a key target within the medium-term. This will allow us to adapt our offerings to meet the evolving expectations of our stakeholders and further differentiate our properties in a competitive market.

## GHG emissions

The management of GHG emissions is a fundamental pillar of our climate resilience strategy and a key ESG priority. We are committed to the rigorous oversight of our carbon footprint to drive operational efficiency and stakeholder value. In 2025, we further enhanced our monitoring framework to track emissions across our operations with greater precision, as detailed below:

### Summary of gross GHG emissions

The table below summarises total GHG emissions for IGB REIT for the year:

## Absolute gross GHG emissions for the year

Metric tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e)

2025

■ Scope 1 GHG emissions	4,499
■ Scope 2 GHG emissions	66,433
■ Scope 3 GHG emissions	
➔ Category 1 Purchased goods and services	5,322
➔ Category 2 Capital goods	5,307
➔ Category 5 Waste generated in operations	4,567
➔ Category 6 Business travel	1
➔ Category 7 Employee commuting	598
➔ Category 11 Use of Sold Products	12,979
➔ Category 13 Downstream leased assets	74,285
➔ Others	1,918

# SUSTAINABILITY STATEMENT

(continued)

## Methology, Inputs and Assumptions

IGB REIT calculates its Scope 1, Scope 2 and Scope 3 GHG emissions using the indirect measurement method, because direct measurement is not available.

IGB REIT calculates its Scope 2 GHG emissions using the location-based method. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

IGB REIT calculates its Scope 3 GHG emissions using a combination of different calculation methods. Where allocations are necessary, value chain emissions are allocated using the physical allocation method, except for specific categories where the economic allocation method is used. The physical allocation method allocates the emissions of an activity based on an underlying physical relationship between the multiple inputs/outputs and the quantity of emissions generated. The economic allocation method allocates the emissions of an activity based on the market value of each output/

product. The economic allocation method is used when physical data is not available or does not reflect the causal relationship between the activity measured and the resulting emissions.

### Activity data

For the measurement of emissions, IGB REIT uses the following activity data:

**Scope 1 GHG emissions:** quantities of fuel, gases or materials consumed based on invoices received from IGB REIT's suppliers or specific measurement meters (such as fuel tank meters) where available or more appropriate.

**Scope 2 GHG emissions:** quantities of purchased electricity consumed based on invoices received from IGB REIT's utility provider where available.

**Scope 3 GHG emissions:** IGB REIT prioritises the use of supplier-specific data where available with sufficient quality.

For activity data that is not available on a timely basis, IGB REIT uses estimates based on historical data. For activity data that is missing, IGB REIT uses proxy data or the most recent industry-average data.

### Emission Factors

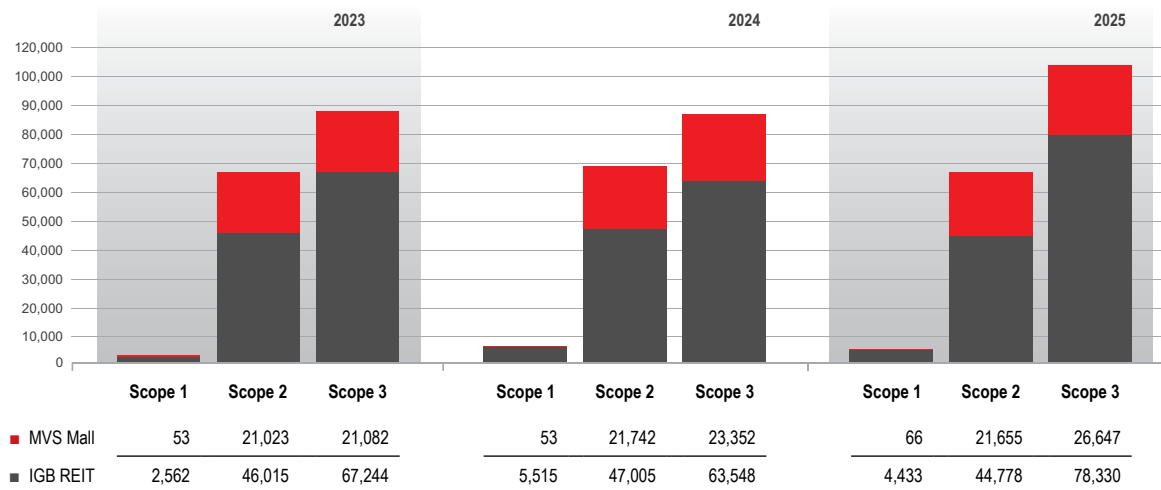
Our calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standard using the operational control consolidation approach.

Scope 1 and Scope 3 emissions factors are sourced from the GHG Conversion Factors for Company Reporting version 1.0 (2025), published by the UK Department for Environment, Food & Rural Affairs ("DEFRA").

The emission factor used for Scope 2 GHG emissions (purchased electricity) is sourced from the 2022 Grid Emission Factor from the Malaysia Energy Commission.

### Metrics and targets

Carbon Emissions (tCO<sub>2e</sub>)



In November 2025, IGB REIT successfully completed the acquisition of MVS Mall. In alignment with the GHG Protocol Corporate Accounting and Reporting Standard, IGB REIT has updated its organisational boundary to include 100% of the emissions from MVS Mall's operations using the Operational Control approach.

**Base Year Recalculation:** To ensure a consistent and meaningful comparison of emissions over time, IGB REIT has applied a 5% significance threshold according to industry standards. As the acquisition of MVS Mall exceeds this threshold, we have retroactively recalculated our 2023 base year emissions. This recalculation includes MVS Mall's historical emissions data, effectively creating a 'like-for-like' comparison between our baseline and current year performance.

**2025 Inventory Inclusion:** For the 2025 reporting period, IGB REIT has elected to report MVS Mall's emissions for the full 12-month period. This approach prevents the 'acquisition spike' in our data and provides a more accurate representation of our combined carbon footprint moving forward into 2026.

### Performance Against the GHG Emissions Targets

IGB REIT's total Scope 1 and Scope 2 GHG emissions has decreased year-on-year (2025 versus 2024: 4.5%) mainly driven by the upgrade of highly energy-efficient cooling systems for MVM which contributed to significant reduction in energy consumption by the mall.

Additionally, our Sustainable Commuting Programme has seen significant increase in participations which contributed to the reduction of CO<sub>2</sub> and signifying our commitment to a greener way of commuting.

# SUSTAINABILITY STATEMENT

(continued)

## Metrics and targets (non-GHG emissions)

Below are the metrics and activity metrics based on IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures (SASB Standards - Real Estate).

Category	2025
<b>Metrics from IFRS S2 Industry-based guidance (SASB Standards - Real Estate)</b>	
<b>Energy Management</b> Energy consumption data coverage as a percentage of total floor area, by property sector	<b>100%</b> Percentage (%) by floor area
(a) total energy consumed by portfolio area with data coverage;	<b>216,827</b> Gigajoules (GJ)
(b) percentage grid electricity; and	<b>100%</b> Percentage (%)
(c) percentage renewable, by property sector	<b>0%</b> Percentage (%)
Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	<b>0.8%</b> 2025 vs 2024 Percentage (%)
<b>Management of Tenant Sustainability Impacts</b> Percentage of tenants that are separately metered or sub metered for;	<b>100%</b> Percentage (%) by floor area
(a) grid electricity consumption and	
<b>Climate Change Adoption</b> Area of properties located in 100-year flood zones, by property sector	The Company has no properties in its portfolio located in 100-year flood zones
<b>Activity Metrics</b>	
1. Number of assets, by property sector	<b>3</b>
2. Leasable floor area, by property sector (Retail)	MVM <b>167,329</b> m <sup>2</sup> TGM <b>78,136</b> m <sup>2</sup> MVS MALL <b>143,337</b> m <sup>2</sup>
3. Percentage of indirectly managed assets, by property sector	<b>0%</b> Percentage (%) by floor area
4. Average occupancy rate, by property sector (Retail)	MVM <b>99.8%</b> Percentage (%) TGM <b>99.1%</b> Percentage (%) MVS MALL <b>100%</b> Percentage (%)

# SUSTAINABILITY STATEMENT

(continued)



## LABOUR PRACTICES

Related UNSDGs:



### Why this is important to us :

At IGB REIT, we truly value the people who make our work possible. We focus on strong labour practices that champion the well-being and fair treatment of our entire team. Building a positive, diverse, and equitable culture is central to how we work because it helps us attract and retain exceptional talent. By prioritising morale and engagement, we create a supportive environment that drives our long-term success.

### Our approach :

Our commitment to fair labour practices includes ensuring equal opportunities for all employees, regardless of their background, as well as providing a safe and healthy workplace in line with all applicable laws and regulations. Furthermore, our practices align with the International Labour Organisation's eleven fundamental conventions. These cover vital rights such as freedom of association, the elimination of forced and child labour, non-discrimination, and occupational health and safety. Through these standards, we strive to create a work environment where everyone feels valued, respected, and empowered to contribute their best.

Guided by the IGB Group Sustainability Policy, IGB REIT is committed to the following:

- Being an equal opportunity employer, which extends to the Service Providers.
- Ensuring no form of discrimination against

our employees on the basis of age, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, and other characteristics that make our employees unique.

- Operating in full compliance with applicable wage, work hours, overtime and benefits laws.
- Zero tolerance for any form of harassment and abuse including physical, sexual, psychological or verbal.
- Ensuring that no children are employed directly by the Service Providers or our contractors.
- Ensuring that all our operations are free of forced labour, human trafficking and modern slavery.
- Recognising and respecting the legal and customary rights of local communities and indigenous people, as well as the need to protect the basic human rights of marginalised groups, including refugees.

These commitments are also enshrined in the Service Providers' Professional Code of Conducts and Business Ethics which applies to all employees.

Our commitment towards diversity, equity and inclusion in the workplace is also evidenced by gender representation on our Board and

in leadership roles with women representing a minimum of 30% of positions on our Board and Management. We have further set a target to continue to maintain a minimum of 30% of women representation on our Board going forward.

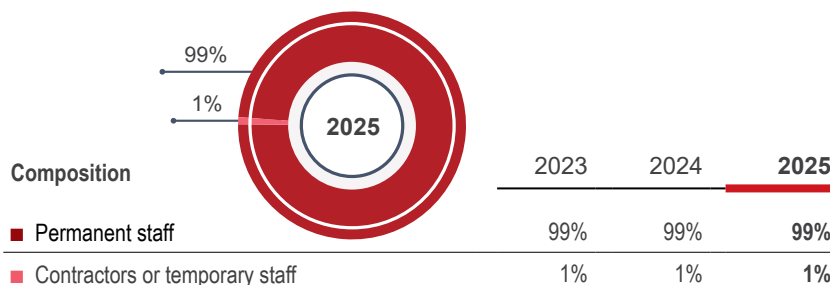
To ensure competitive and equitable employment packages, we benchmark our policies and strategies against industry standards, including strict compliance with Malaysia's minimum wage laws. Annual performance appraisals are conducted with additional bonuses, salary increments, and promotions awarded to employees who demonstrate exceptional performance and alignment with our organisational values. Our comprehensive benefits package includes:

- Leave entitlements in the form of annual leave, unpaid leave, marriage leave, maternity and paternity leave, compassionate leave, study and examination leave, sick / hospitalisation leave.
- Healthcare coverage encompassing medical outpatient coverage, medical specialist treatment, dental benefits, health check-ups, Group Hospitalisation & Surgical Insurance and Group Personal Accident Insurance.
- Employee well-being benefits including but not limited to flexible arrangements subject to business needs, general allowance, petrol card, business travel reimbursement, professional body membership subsidies, parking facilities, etc.

### Our performance :

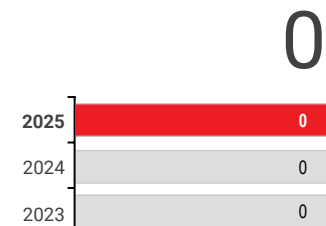
#### Employee composition

- The total number of employees for the Manager and Service Providers was 521 in 2025



#### Human rights violations

- Number of substantiated complaints concerning human rights violations



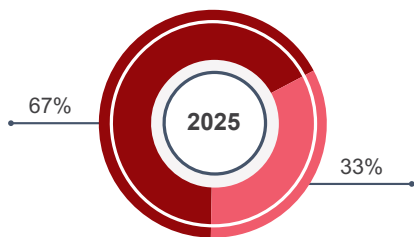
There were zero complaints concerning human rights violation in 2025.

\* All references to employees are in relation to the employees of the Manager and Service Providers.

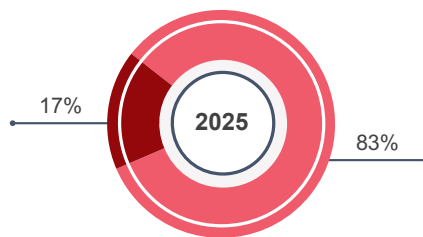
# SUSTAINABILITY STATEMENT

(continued)

## Board Diversity

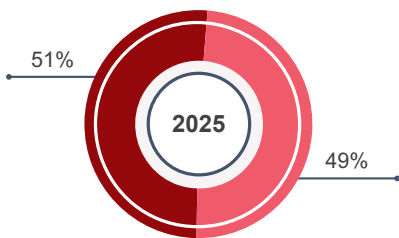


Gender	2023	2024	2025
Male	62%	57%	67%
Female	38%	43%	33%

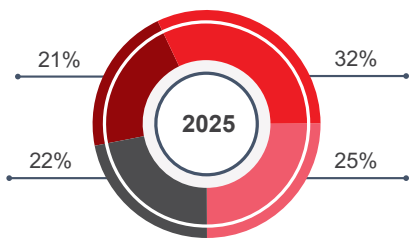


Age	2023	2024	2025
30 - 50	25%	29%	17%
above 50	75%	71%	83%

## Workforce Diversity Executives to Senior Management

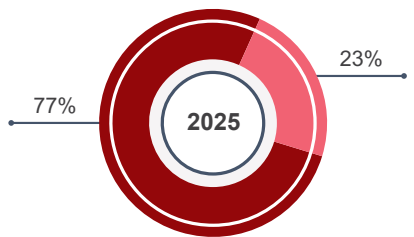


Gender	2023	2024	2025
Male	51%	51%	51%
Female	49%	49%	49%

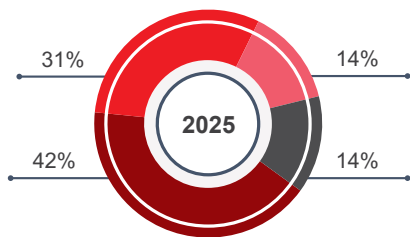


Age	2023	2024	2025
below 30	19%	16%	21%
30 - 40	28%	32%	32%
40 - 50	33%	27%	25%
above 50	20%	25%	22%

## Workforce Diversity Non-executives



Gender	2023	2024	2025
Male	76%	77%	77%
Female	24%	23%	23%



Age	2023	2024	2025
below 30	29%	30%	42%
30 - 40	31%	32%	31%
40 - 50	21%	18%	14%
above 50	19%	20%	14%

# SUSTAINABILITY STATEMENT

(continued)



## WATER MANAGEMENT

Related UNSDGs:



### Why this is important to us :

Water is a critical input for our operational continuity, and its increasing scarcity driven by climate change and environmental stressors presents a material risk to the global economy. Therefore, effective water management is not merely a matter of compliance, but a strategic imperative. By prioritising water stewardship, we mitigate physical and regulatory risks, optimise our cost structures through resource efficiency, and ensure our long-term viability. Our commitment to conservation reflects our understanding that the sustainability of our business is inextricably linked to the health of the ecosystems in which we operate.

### Our approach :

Aligned with the IGB Group Sustainability Policy, IGB REIT maintains a pragmatic and disciplined approach to water stewardship. We recognise that water is a vital resource, and its efficient management is central to our operational excellence and long-term value creation.

Our strategy focuses on enhancing water security across our retail assets to mitigate the risk of operational disruptions. Given that water-related outages directly impact tenant continuity and the shopper experience, we view

robust water management as a fundamental component of our business resilience.

To uphold these standards, we have implemented several high-impact initiatives designed to optimise consumption and safeguard our water network:

- Deployment of high-performance, water-efficient fixtures and flushing systems to systematically reduce baseline consumption.
- Rigorous inspection and preventive maintenance protocols for our piping networks to eliminate fugitive water loss and leaks.
- Integration of cooling tower blowdown recovery, repurposing recycled water from chillers for landscape irrigation and external cleaning.
- Implementation of rainwater harvesting systems to diversify our water supply and reduce reliance on municipal sources.
- Periodic comprehensive water audits to identify consumption anomalies and ensure accountability across all metered areas.

In 2025, our enhanced rainwater harvesting capacity has resulted in the collection of 3,158m<sup>3</sup> of rain water. By integrating this alternative source into our landscaping

operations, we have successfully reduced our dependency on potable municipal water, advancing our circularity objectives.

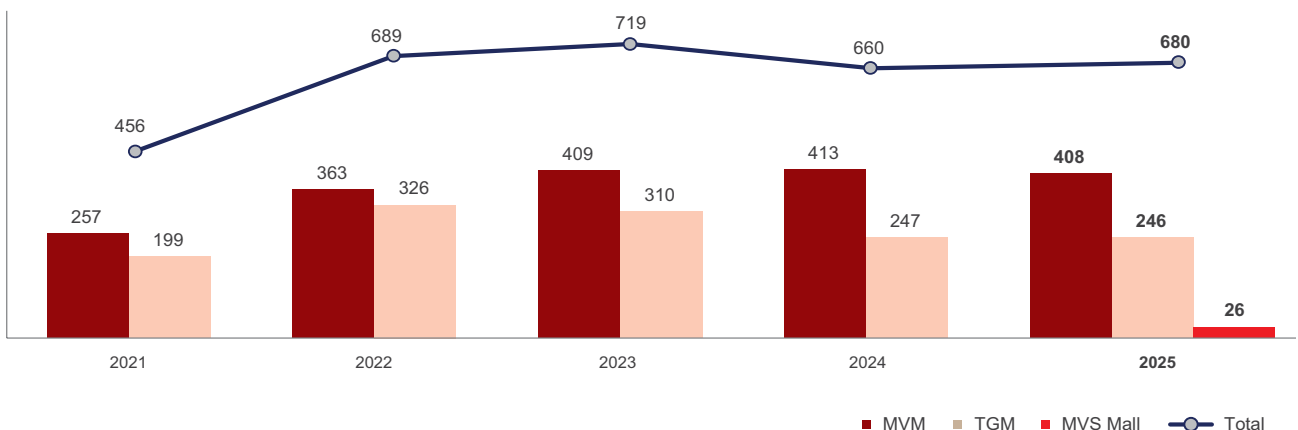
Recognising that water security is fundamental to our business continuity, we have fortified our assets against external supply volatility. Our current on-site storage infrastructure provides a 1.5-day operational buffer, ensuring minimal disruption to tenant services during municipal outages. This physical capacity is supported by a robust contingency framework, including pre-established agreements with third-party suppliers for emergency water procurement. This proactive strategy has historically enabled us to maintain seamless operations through periods of water stress.

We remain committed to further decoupling our growth from water consumption. Our roadmap for the coming year includes:

- Prioritising the installation of water-efficient infrastructure.
- Enhancing our monitoring systems to detect and investigate consumption variances ensuring immediate corrective action.
- Continuously identifying innovative technologies to optimise our total water intensity and enhance long-term asset value.

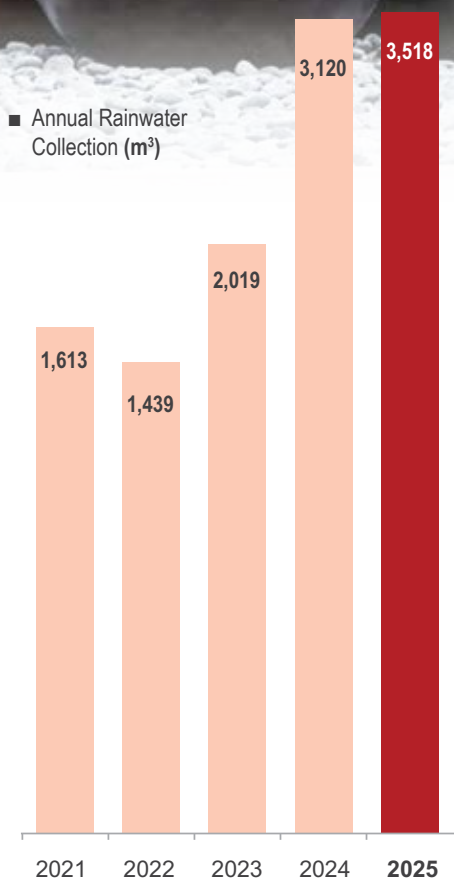
### Our performance :

■ Annual Water Consumption ('000 m<sup>3</sup>)



# SUSTAINABILITY STATEMENT

(continued)



## Metrics from IFRS S2 Industry-based guidance (SASB Standards - Real Estate)

Category	2025
----------	------

### Water Management

1. Water withdrawal data coverage as a percentage of (a) total floor area and	<b>100%</b> Percentage (%) by floor area
(b) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	All properties are situated in regions with Low Baseline Water Stress
(c) total water withdrawn by portfolio area with data coverage; and	<b>621</b> Thousand cubic metres ('000 m³)
(d) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	All properties are situated in regions with Low Baseline Water Stress
2. Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	<b>5.9%</b> 2025 vs 2024 Percentage (%)

### Management of Tenant Sustainability Impacts

(a) water withdrawals, by property sector	<b>100%</b> Percentage (%) by floor area
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### Activity Metrics

1. Number of assets, by property sector	<b>3</b>						
2. Leasable floor area, by property sector	<table border="0"> <tr> <td>MVM</td> <td><b>167,329</b> m²</td> </tr> <tr> <td>TGM</td> <td><b>78,136</b> m²</td> </tr> <tr> <td>MVS MALL</td> <td><b>143,337</b> m²</td> </tr> </table>	MVM	<b>167,329</b> m²	TGM	<b>78,136</b> m²	MVS MALL	<b>143,337</b> m²
MVM	<b>167,329</b> m²						
TGM	<b>78,136</b> m²						
MVS MALL	<b>143,337</b> m²						
3. Percentage of indirectly managed assets, by property sector	<b>0%</b> Percentage (%) by floor area						
4. Average occupancy rate, by property sector	<table border="0"> <tr> <td>MVM</td> <td><b>99.8%</b> Percentage (%)</td> </tr> <tr> <td>TGM</td> <td><b>99.1%</b> Percentage (%)</td> </tr> <tr> <td>MVS MALL</td> <td><b>100%</b> Percentage (%)</td> </tr> </table>	MVM	<b>99.8%</b> Percentage (%)	TGM	<b>99.1%</b> Percentage (%)	MVS MALL	<b>100%</b> Percentage (%)
MVM	<b>99.8%</b> Percentage (%)						
TGM	<b>99.1%</b> Percentage (%)						
MVS MALL	<b>100%</b> Percentage (%)						

# SUSTAINABILITY STATEMENT

(continued)



## COMMUNITY AND SOCIETY

Related UNSDGs:



### Why this is important to us :

IGB REIT is dedicated to fostering community development, as we believe that focusing on community needs paves the way for meaningful outcomes. Through several initiatives throughout the year, we help enhance local resilience and create opportunities for sustainable growth by providing effective support as well as cultivating mutually beneficial relationships that positively influence the communities.

### Our approach :

We take a proactive approach to engage and support our local communities and charitable organisations through a variety of programmes:

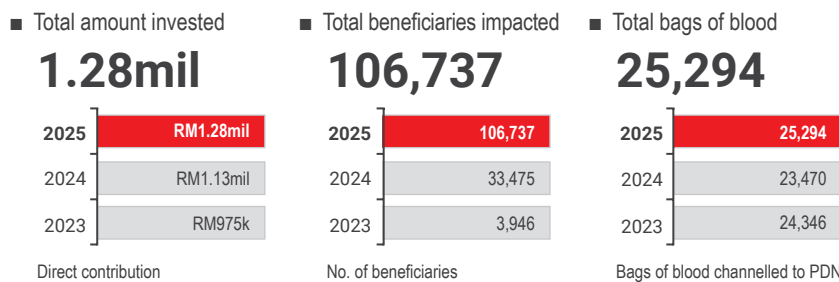
- We make direct contributions through monetary and non-monetary donations and encouraging employee volunteerism.
- We work with our tenants to promote local communities and charities.
- We provide opportunities for our shoppers to support these communities and charities through donation booths and special merchandise displays.

This approach effectively integrates community support into our core business operations.

Additionally, in working towards creating an inclusive and equitable environment for our shoppers, our malls provide:

- Dedicated ladies parking zones which are meant to ease the convenience and safety of female shoppers.
- Convenience and accessibility for shoppers with disabilities in the form of ramps at all entrances, accessible handicapped parking as well as mobility devices such as battery-operated scooters and wheelchairs at our information counters.

### Our performance :



Full year rental waived for the following tenants:	2023	2024	2025
Pusat Darah Negara – Donation Suite at MVM	RM192,156	RM195,999	<b>RM195,999</b>
Pusat Darah Negara – Donation Suite at MVS Mall	-	-	<b>RM17,820</b>
Kedai BLESS	RM160,380	RM175,973	<b>RM175,973</b>
OKU Dobi Sdn Bhd	RM93,108	RM101,761	<b>RM101,761</b>
MAB Shoppe	RM105,492	RM115,118	<b>RM15,118</b>
One-Two-Boost	-	-	<b>RM51,681</b>



### Teach for Malaysia

- Beneficiaries: 5,850 students
- Contribution: RM10,000 in contribution

The Gardens Mall contributed RM10,000.00 to Teach For Malaysia. This contribution supports the Fellowship Teaching Partner Pathway, an initiative dedicated to recruiting, training, and supporting young leaders as full-time co-teachers in high-need schools nationwide, which currently comprises 39 Fellows, each positively impacting approximately 150 students.



### World Sight Day with Focus Point

- Beneficiaries: 2,848
- Contribution: RM41,400 in rental waiver

To increase public awareness regarding the importance of ocular health and the promotion of a healthy lifestyle, we waived RM41,400 in promotional space rental to support this vital community cause. This strategic partnership facilitated a large-scale health screening event, successfully providing comprehensive free eye examinations and vision health education to over 2,848 patrons. It is a significant public health outreach that empowers the community with the resources and knowledge necessary for proactive eye care.

# SUSTAINABILITY STATEMENT

(continued)



### Green Moves Campaign and Nutrient-rich Compost Giveaway

- Beneficiaries: 21,315
- Contribution: RM296,440 in rental waivers and campaign

These initiatives aim to raise awareness about reducing wastage. We turned food scraps collected from F&B mall tenants into compost that can enrich shoppers' home gardens as well as reduce landfill waste. A compost collecting counter was set up at both MVM and MVS Mall's Information Counters to distribute complimentary bags of compost to a maximum of 80 shoppers each day. During the Green Moves 2025 campaign at TGM, 1,400 packs of composts from our in-house composting programme, 680 packs of plant seeds, and 210 sets of starter kits were given out.



### Breast Cancer Awareness Month with Estée Lauder

- Contribution: RM19,418 in rental waiver and RM7,500 in contribution

A 2-day breast cancer awareness event was held with Breast Cancer Welfare Association Malaysia ("BCWA") at Mid Valley Megamall. Additionally, a "Pinkieball" charity drive was organised to raise funds for cancer research. Funds raised are channelled to Cancer Research Malaysia ("CRMY"), National Cancer Society of Malaysia ("NCSM"), and BCWA.



### Food Aid Programme to Free Food Society

- Beneficiaries: 85
- Contribution: RM4,633 in contribution

In a strategic partnership with the Free Food Society, we supported the Food Aid Plan, a targeted initiative designed to provide essential nutrition to 85 families within the Desa Rejang PPR community. To ensure consistent food security, the programme delivers vital supplies twice monthly to households in need. As part of our sponsorship commitment, the Group contributes alternating essential goods, including cooking oil and high-protein canned foods, directly addressing the immediate dietary requirements of the community.



### Collaboration with One-Two-Boost

- Contribution: RM72,583 in rental waiver

In support of One-Two-Boost, a Malaysian social enterprise dedicated to empowering young adults with disabilities through vocational training, the Group provided full rental and operational waivers for their participation in our 2025 festive promotions. These sponsorships covered booth space, utilities, and essential equipment for both the Mid-Autumn and Christmas events, enabling the enterprise to focus entirely on its mission. This strategic support allowed One-Two-Boost to generate a combined total of RM118,840 in sales for the year, providing significant financial sustainability and meaningful employment opportunities for its members.



### Come Meet Santa

- Contribution: RM34,593 in contribution

Through the "Come Meet Santa" festive fundraiser, Mid Valley Megamall raised RM19,610 for the Ti-Ratana Welfare Home, supporting the installation of a hydroponics system that provides orphaned children and the elderly with a hands-on environment to learn sustainable gardening and self-sufficient food production. Similarly, The Mall, Mid Valley Southkey generated RM10,950.10 for SJK(C) Ming Chih to implement an on-campus hydroponics "living classroom," designed to foster environmental stewardship and provide students with a practical foundation in sustainable agricultural practices. Together, these initiatives transformed festive contributions into long-term educational tools that promote food security and ecological awareness within the community.



### Beautiful Gate Foundation

- Beneficiaries: 48
- Contribution: RM100,160 in rental waiver and RM10,000 in contribution

During the 2025 festive season, The Gardens Mall partnered with the Beautiful Gate Foundation ("BGF") for the "A Blossom for the Season" campaign. To facilitate this initiative, the mall provided a dedicated booth and an interactive "wishing tree," where shoppers contributed RM15 for a flower bauble ornament which they could decorate and customise before hanging onto the wishing tree. This collaborative effort raised RM25,160 in shopper donations on top of the RM10,000 donation from The Gardens Mall, and was utilised by BGF to provide two months of essential physiotherapy for 16 members and supply daily necessities for 32 individuals at their Petaling Jaya centre.

# SUSTAINABILITY STATEMENT

(continued)



## WASTE MANAGEMENT

Related UNSDGs:



### Why this is important to us :

The global acceleration of waste generation presents complex environmental challenge that demand a robust corporate response. Therefore, effective waste management is fundamental to both our environmental stewardship and our commercial success. Beyond mitigating the adverse impacts of waste on biodiversity and public health, our waste-reduction strategies are designed to drive operational excellence. Through systematic waste diversion and material recovery, we minimise disposal costs and improve process efficiencies. These initiatives reinforce our reputation as a sustainability leader, aligning our operations with the evolving expectations of investors and consumers alike, while safeguarding the environmental well-being of the communities we serve.



- Grease traps installation at designated drainage outlets to responsibly manage pollutants, preventing them from entering the sewer system.

In 2025, we significantly enhanced our waste management infrastructure by upgrading the refuse chambers at Mid Valley Megamall (Loading Docks A & G) and The Gardens Mall (B2 & F2). These upgrades were complemented by strategic investments in industrial waste compactors, which have streamlined our disposal processes, elevated onsite hygiene standards, and improved operational efficiency. These compacting systems also serve as a catalyst for circularity, facilitating more effective segregation and preparation of recyclable materials for downstream processing.

### Our approach :

Our approach to waste management is governed by the IGB Group Sustainability Policy, ensuring comprehensive alignment with regulatory requirements and our corporate environmental mandates. We are committed to practical, effective waste management across our malls by reducing, reusing, recycling, and disposing of waste in an environmentally responsible manner.

Our current efforts focus on making it easier for our team, tenants, and shoppers to reduce our environmental footprint together:

- Recycling bins are placed throughout our malls to encourage shoppers and visitors to dispose of waste responsibly.
- Composting program that collects food waste from our F&B tenants, turning it into useful compost instead of sending it to a landfill.
- Working closely with our tenants to teach them how to sort waste into the right categories (compost, recyclables, and general waste). Sorting waste correctly from the start is the best way to improve our recycling rates.

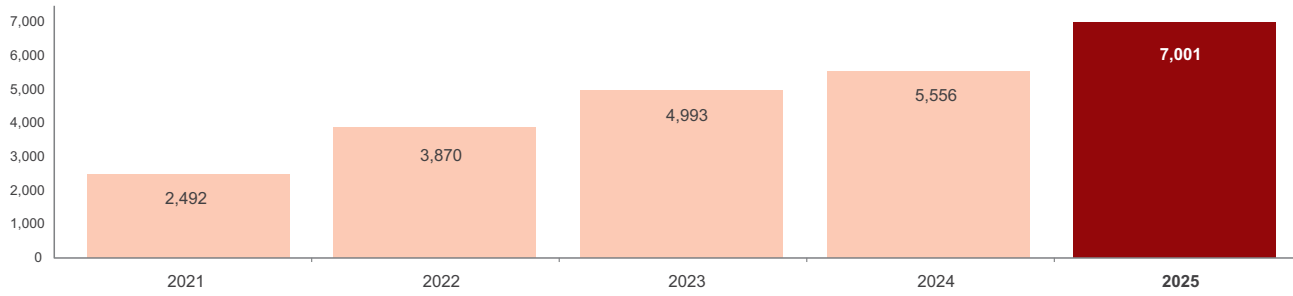


# SUSTAINABILITY STATEMENT

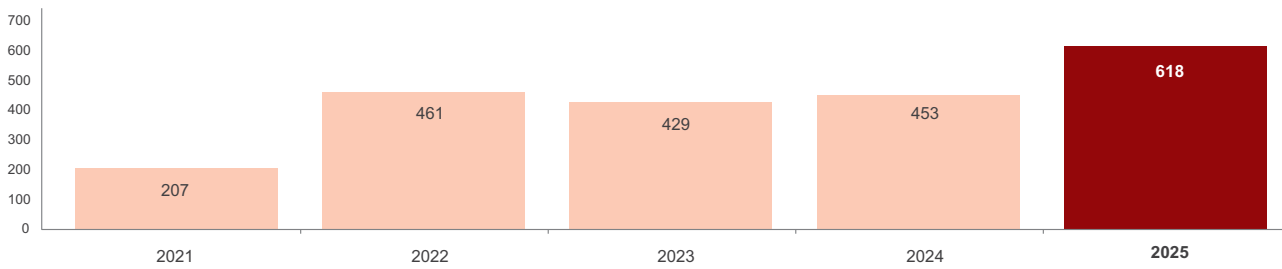
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**Our performance :**

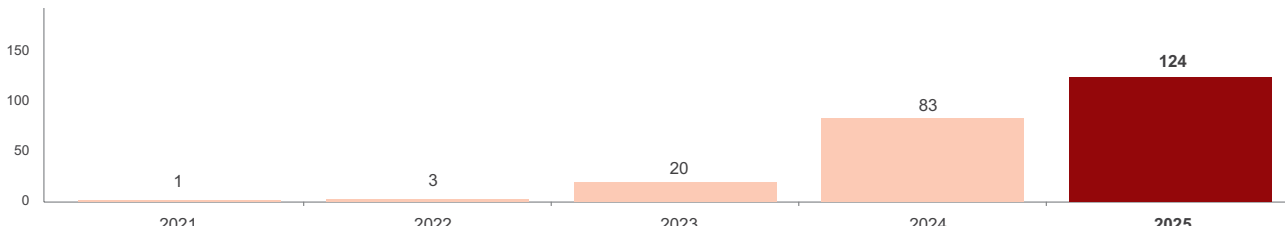
■ Total Waste Disposed (tonnes)



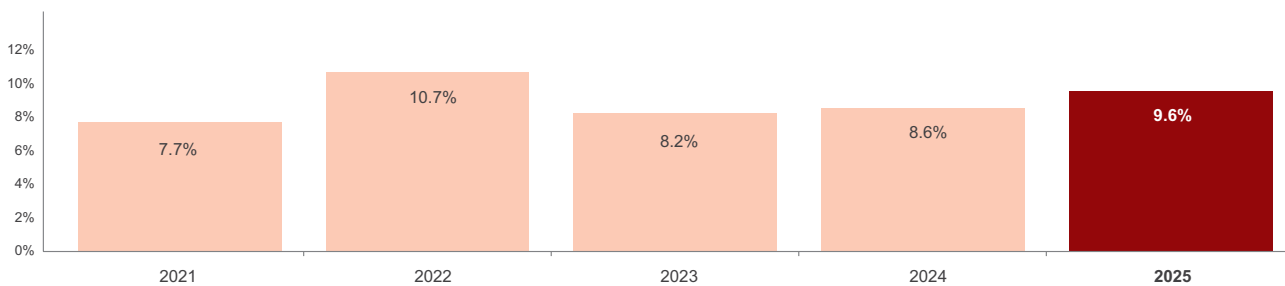
■ Total Recyclable Materials Collected (tonnes)



■ Total Food Waste Composted (tonnes)



■ Waste Diversion Rate (%)



# SUSTAINABILITY STATEMENT

(continued)

## IGB Real Estate Investment Trust BMLR Transition Period

Date & Time: 2026-03-16 13:54:22  
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Health, Safety & Security	Work-related fatalities	Number	0	Zero work-related fatalities	Internal
Health, Safety & Security	Lost-time injuries	Number	2	—	Internal
Health, Safety & Security	Lost-time injury rate	Rate	0.5	—	Internal
Human Capital Development	Total hours of training by employee category : 1) Senior Management 2) Managers & Senior Managers 3) Senior Executives & Assistant Managers 4) Executives 5) Non-Executives	Hours	1) 515 2) 1,951 3) 2,074 4) 2,289 5) 3,757	—	Internal
Human Capital Development	Total number of employee turnover : 1) Senior Management 2) Managers & Senior Managers 3) Senior Executives & Assistant Managers 4) Executives 5) Non-Executives	Number	1) 3 2) 2 3) 9 4) 16 5) 20	—	Internal
Human Capital Development	Average training hours per employee	Hours	20.5	—	Internal
Human Capital Development	Employee turnover rate	Rate	5.5%	—	Internal
Cybersecurity & Data Protection	Breaches in customer privacy or data loss	Number	0	Zero substantiated complaints concerning breaches of customer privacy and losses of customer data.	Internal
Anti-Corruption & Corporate Governance	Operations assessed for corruption-related risks	Percentage	100%	—	Internal
Anti-Corruption & Corporate Governance	Confirmed incidents of corruption	Number	0	Zero confirmed incidents of corruption.	Internal

## SUSTAINABILITY STATEMENT

(continued)

Date & Time: 2026-03-16 13:54:22  
FYE 31/12/2025IGB Real Estate Investment Trust  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption & Corporate Governance	Corruption-related Training Completion Rate : 1) Senior Management 2) Managers & Senior Managers 3) Senior Executives & Assistant Managers 4) Executives 5) Non-Executives	Percentage	1) 100% 2) 100% 3) 100% 4) 99% 5) 98%	—	Internal
Labour Practices	Percentage of directors by gender: 1) Male 2) Female	Percentage	1) 67% 2) 33%	Women to hold 30% of Directors' positions.	Internal
Labour Practices	Percentage of directors by age: 1) 30 - 50 2) Above 50	Percentage	1) 17% 2) 83%	—	Internal
Labour Practices	Percentage of employees by gender (Executives to Senior Management): 1) Male 2) Female	Percentage	1) 51% 2) 49%	—	Internal
Labour Practices	Percentage of employees by age (Executives to Senior Management): 1) Below 30 2) 30 - 40 3) 40 - 50 4) Above 50	Percentage	1) 21% 2) 32% 3) 25% 4) 22%	—	Internal
Labour Practices	Percentage of employees by gender (Non-executives): 1) Male 2) Female	Percentage	1) 77% 2) 23%	—	Internal
Labour Practices	Percentage of employees by age (Non-executives): 1) Below 30 2) 30 - 40 3) 40 - 50 4) Above 50	Percentage	1) 42% 2) 31% 3) 14% 4) 14%	—	Internal

# SUSTAINABILITY STATEMENT

(continued)

**IGB Real Estate Investment Trust**  
 BMLR Transition Period  
 Date & Time: 2026-03-16 13:54:22  
 FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour Practices	Percentage of employees that are contractors or temporary staff	Percentage	1%	—	Internal
Labour Practices	Number of substantiated complaints concerning human rights violations	Number	0	Zero substantiated complaints concerning human rights violations	Internal
Water Management	Total volume of water used	'000 m3	620.91	—	Internal
Water Management	Annual Rainwater Collection	m3	3,518	—	Internal
Community And Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,277,498	—	Internal
Community And Society	Total number of beneficiaries of the investment in communities	Number	106,737	—	Internal
Waste Management	Annual Volume of Waste Disposed	Tonnes	7001	—	No assurance
Waste Management	Annual Volume of Recyclable Materials Collected	Tonnes	618	—	No assurance
Waste Management	Annual Volume of Food Composted	Tonnes	124	—	No assurance
Waste Management	Annual Waste Diversion Rate	Percentage	9.6%	—	No assurance

## SUSTAINABILITY STATEMENT

(continued)

## IGB Real Estate Investment Trust

IFRS S2

Date & Time: 2026-03-16 13:54:22  
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate Change	Energy Consumption	kWh	60,230,000	—	Internal
Climate Change	Reduction in Energy Usage Intensity (EUI)	Percentage (%)	6.2%	2030: 9.5%	No assurance
Climate Change	Scope 1 GHG Emissions	tCO2e	4,499	2030: 12.5% of Scope 1 + Scope 2 from 2023 baseline	Internal
Climate Change	Scope 2 GHG Emissions	tCO2e	66,433	2030: 12.5% of Scope 1 + Scope 2 from 2023 baseline	Internal
Climate Change	Scope 3 GHG Emissions : Category 1 Purchased goods and services	tCO2e	5,322	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 2 Capital goods	tCO2e	5,307	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 5 Waste generated in operations	tCO2e	4,567	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 6 Business travel	tCO2e	1	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 7 Employee commuting	tCO2e	598	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 11 Use of Sold Products	tCO2e	12,979	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 13 Downstream leased assets	tCO2e	74,285	—	No assurance
Climate Change	Scope 3 GHG Emissions : Others	tCO2e	1,918	—	No assurance

This report was generated on the Bursa Malaysia CSI Platform on 2026-03-16 13:54:22

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# SUSTAINABILITY STATEMENT

(continued)

IGB Real Estate Investment Trust IFRS S2		Date & Time: 2026-03-16 13:54:22 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate Change	Energy Management : Energy consumption data coverage as a percentage of total floor area, by property sector	Percentage (%) by floor area	100%	—	Internal
Climate Change	Energy Management : (1) Total energy consumed by portfolio area with data coverage, (2) percentage grid electricity and (3) percentage renewable, by property sector	Gigajoules (GJ), Percentage (%)	1) 216,827 GJ 2) 100% 3) 0%	—	Internal
Climate Change	Energy Management : Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Percentage (%)	2025 vs 2024 0.8%	—	Internal
Climate Change	Energy Management : Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Narratives	Management prioritises operational efficiency by maintaining cooling systems at peak performance and upgrading to high-efficiency technology when innovations emerge. This proactive approach ensures a lean energy profile while reducing long-term costs.  Simultaneously, management is advancing its decarbonisation roadmap through on-site renewable energy promoting a strategic shift toward self-generated power, lowering grid reliance and reinforcing a commitment to sustainable environmental stewardship.	—	No assurance
Climate Change	Water Management : Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	Percentage (%) by floor area	1) 100% 2) All properties are situated in regions with Low Baseline Water Stress	—	Internal

# SUSTAINABILITY STATEMENT

(continued)

**IGB Real Estate Investment Trust**  
 IFRS S2

Date & Time: 2026-03-16 13:54:22  
 FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate Change	Water Management : (1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	Thousand cubic metres (m <sup>3</sup> ), Percentage (%)	1) 620,910 m <sup>3</sup> 2) All properties are situated in regions with Low Baseline Water Stress	—	Internal
Climate Change	Water Management : Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Percentage (%)	2025 vs 2024 5.9%	—	Internal
Climate Change	Water Management : Description of water management risks and discussion of strategies and practices to mitigate those risks	Narratives	To mitigate water security risks and ensure business continuity, we have fortified our assets with a 1.5-day on-site storage buffer.  This infrastructure shields tenant services from municipal supply volatility and outages. This physical capacity is integrated into a robust contingency framework, featuring pre-established emergency procurement agreements with third-party suppliers. By combining strategic storage with diversified sourcing, we proactively manage water stress to maintain seamless operational resilience.	—	No assurance
Climate Change	Management of Tenant Sustainability Impacts : Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2) water withdrawals, by property sector	Percentage (%) by floor area	1) 100% 2) 100%	—	Internal
Climate Change	Climate Change Adaptation : Area of properties located in 100-year flood zones, by property sector	Square metres (m <sup>2</sup> )	The Company has no properties in its portfolio located in 100-year flood zones.	—	Internal

# SUSTAINABILITY STATEMENT

(continued)

IGB Real Estate Investment Trust IFRS S2		Date & Time: 2026-03-16 13:54:22 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate Change	Climate Change Adaptation : Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Narratives	<p>IGB REIT utilises a data-driven framework to track Energy Usage Intensity (EUI) against reduction targets. Addressing its F&amp;B portfolio, the REIT has implemented waste diversion targets and composting infrastructure to support circular economy goals.</p> <p>As a strategic facilitator, IGB REIT provides the technical support necessary for tenants to achieve their own green certifications. This collaborative approach ensures tenant-led initiatives are optimised within a high-efficiency, landlord-managed environment.</p>	—	No assurance

# SUSTAINABILITY STATEMENT

(continued)

## Statement of Assurance on the Sustainability Statement 2025 to the Board of Directors (“Board”) of IGB REIT Management Sdn Bhd

The Audit Committee of IGB REIT Management Sdn. Bhd. requested Group Internal Audit of IGB Berhad, the outsourced internal audit function of IGB REIT, to conduct a limited assurance review of the Sustainability Statement (“SS2025”) published in IGB REIT’s Annual Report for the financial year ended 31 December 2025.

### Scope of Work

The internal review was limited to the metrics associated with Material Matters disclosed in SS2025. It did not extend to historical comparison, forward-looking statements, or information outside this reporting period. The review also covered the content of the Sustainability Statement to ensure the inclusion of all core disclosures including applied transition reliefs, as required by applicable standards, and aligned with Bursa Malaysia’s Main Market Listing Requirements and the National Sustainability Reporting Framework (“NSRF”), based on IFRS Sustainability Disclosure Standards.

The review covered the operations of:

- Mid Valley Megamall, and
- The Gardens Mall
- The Mall, Mid Valley Southkey

### Limitation of Scope

All verification was based on information available to Group Internal Audit at the time of review, and the review was subject to the following scope limitations:

- Future Estimates & Targets** – We reviewed the logic and assumptions used, but cannot verify whether projected outcomes will occur.
- External Data** – Reliance on third-party information (suppliers/customers), which is outside the management’s control.
- Technical Measurements** – Metrics are subject to scientific variability and evolving global conversion factors.
- Risk & Opportunity Disclosures** – We verified consistency of quantitative data with strategic analysis, though actual financial impacts may differ.
- Financial Data Verification** – The audit covered only the FY 2025 Sustainability Statement and did not reconcile sustainability-related financial disclosures with IGBREIT’s financial records; all financial data is as represented by Management.

### Material Matters Reviewed

The internal assurance review covered the following metrics:

Material Sustainability Matters	Metrics
Health, Safety & Security	Number of work-related fatalities
	Lost time incident rate
Human Capital Development	Total hours of training by employee category
	Total number of employee turnover by employee category
Data Privacy & Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data
Corporate Governance	Percentage of employees who have received training on anti-corruption by employee category
	Percentage of operations assessed for corruption-related risks
	Confirmed incidents of corruption
Climate Change	Total energy consumption
	Scope 1 emission in tonnes of tCO <sub>2</sub> e
	Scope 2 emission in tonnes of tCO <sub>2</sub> e
Labour Practices	Percentage of employees by gender and age group, for each employee category
	Percentage of directors by gender and age group
	Percentage of employees that are contractors or temporary staff
	Number of substantiated complaints concerning human rights violations
Water Management	Total volume of water used
Community / Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer
	Total number of beneficiaries of the investment in communities

# SUSTAINABILITY STATEMENT

(continued)

Industry-based: Real Estate	Metrics
Energy Management	Energy consumption data coverage as a percentage of total floor area by property sector
	(1) Total energy consumed by portfolio area with data coverage by property sector (2) Percentage grid electricity by property sector (3) Percentage renewable by property sector
	Like-for-like percentage change in energy consumption for the portfolio area with data coverage by property sector
Water Management	(1) Water withdrawal data coverage as a percentage of total floor area by property sector (2) Water withdrawal data coverage as a percentage of floor area in regions with High or Extremely High Baseline Water Stress by property sector
	(1) Total water withdrawn by portfolio area with data coverage by property sector (2) Percentage in regions with High or Extremely High Baseline Water Stress by property sector
	Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector
Management of Tenant Sustainability Impact	(1) Percentage of tenants that are separately metered or sub metered for grid electricity consumption by property sector (2) Percentage of tenants that are separately metered or sub metered for water withdrawals by property sector
Climate Change Adaptation	Area of properties located in 100-year flood zones by property sector

## Standards and Criteria

The Internal Review and Assurance engagement was conducted in accordance with the following standards and criteria:

- International Financial Reporting Standard (“IFRS”) S1 and S2
- Greenhouse Gas Protocol
- IGB REIT’s relevant policies and procedures

## Procedures Performed

Our procedures were designed to obtain limited assurance and included:

- Understanding IGB REIT’s sustainability processes and governance
- Interviews with key personnel and review of reporting processes
- Analytical procedures and sample-based testing of Material Matters data
- Verification of calculation methodologies and assumptions
- Recalculation of selected performance metrics
- Review of disclosures for compliance with required standards, integration of risks and opportunities into strategy, and support by adequate processes and internal coordination for reliable reporting.

## Conclusion

Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the Material Matters in SS2025 have not been prepared and presented fairly, in all material respects, in accordance with the defined criteria, or that the Sustainability Statement disclosures fail to comply with the required core content and applicable standards.

## Restriction of use

Our report has been prepared for the Board for the purpose as described in the first paragraph of this report and for no other purpose. Our report should also not be regarded as suitable to be used or relied upon by any other party.

We agree to the publication of this assurance statement in the SS2025, to assist the Board in responding to their governance responsibilities by obtaining an independent limited assurance report on the Material Matters and Sustainability Statement disclosure. We will not accept any liability or responsibility to any other party to whom our report is shown.

## Group Internal Audit

IGB Berhad  
16 March 2026

## PROFILE OF DIRECTORS



### DATO' SERI ROBERT TAN CHUNG MENG

(Malaysian, Male, age 73)

*Non-Independent*

*Executive Chairman ("NIEC")*

<b>Date of Appointment</b>	21 March 2012
<b>Profile Summary</b>	<p>Dato' Seri Robert Tan Chung Meng served as the Managing Director ("MD") of IGB REIT Management ("REIT Manager") from March 2012 until December 2022. He was redesignated as a Non-Independent Non-Executive Director on 1 January 2023, became Non-Independent Non-Executive Chairman on 1 January 2024, and assumed the role of NIEC on 19 March 2025.</p> <p>Dato' Seri Robert Tan has held various leadership roles during his 27 years at IGB Berhad ("IGB") Group. He became Group Chief Executive Officer ("GCEO") on 30 March 2018. He previously served as Joint MD (from 18 December 1995 to 29 May 2001), followed by his role as Group MD (from 30 May 2001 until 29 March 2018) at IGB Corporation Berhad ("IGBC") until it was delisted and privatised by IGB on 16 March 2018.</p> <p>With nearly 3 decades at the helm of IGB Group, Dato' Seri Robert Tan is highly regarded for his expertise in property development, hotel construction, retail design and development, and corporate management. After earning a Business Administration degree in the United Kingdom ("UK"), he spent a year with a chartered surveyors' firm, developed a housing project in Central London, and then returned to Malaysia. He contributed to IGB Group projects, including Mid Valley City and Mid Valley Southkey. From inception to completion of Mid Valley Megamall ("MVM"), The Gardens Mall ("TGM") and The Mall, Mid Valley Southkey ("MVS Mall"), he was involved at every stage, playing a vital role in their success.</p> <p>Dato' Seri Robert Tan has received notable awards for his achievements, including 'The Edge Malaysia Outstanding Property CEO Award 2019' and 'Personality of the Year' at the Des Prix Infinitus Media ASEAN Property Developer Awards 2021/2022.</p>
<b>External Appointments</b>	IGB, IGBC and Wasco Berhad



### TAN MEI SIAN

(Malaysian, Female, age 42)

*Non-Independent Executive Director*

<b>Date of Appointment</b>	11 June 2020
<b>Profile Summary</b>	<p>Tan Mei Sian holds a Bachelor of Science degree in Economics from the London School of Economics and Political Science.</p> <p>Tan Mei Sian served as Head of Strategy and Risk at the REIT Manager from 1 February 2020, and was later redesignated as Head of Investment on 1 May 2024 until her resignation on 31 December 2025, she remained the Executive Director ("ED").</p> <p>Tan Mei Sian is the Deputy GCEO ("DGCEO") of IGB and chairs the Executive Committee for IGB Group's Investment division. She also acts as an alternate to Tan Lei Cheng on the IGB board. Before her appointment as DGCEO on 1 January 2023, she was Head of Group Strategy &amp; Risk until 31 December 2022. Prior to that, she served as ED of Goldis Berhad ("Goldis") (renamed IGB on 20 March 2018) from 18 May 2016 to 30 August 2018.</p> <p>Earlier in her career, she was an Engagement Manager at Oliver Wyman, specialising in strategy and risk management consultancy for financial services. She had worked with major financial institutions across the United States, the UK, the Netherlands, China, Taiwan, Hong Kong, Singapore, Malaysia, Thailand, and Australia.</p>
<b>External Appointments</b>	IGB, Tan & Tan Developments Berhad ("TTDB") and IGB REIT MVS Capital Berhad

## PROFILE OF DIRECTORS

(continued)



### RAYMOND YEOH CHENG SEONG

(Malaysian, Male, age 63)

*Independent*

*Non-Executive Director ("INED")*

<b>Date of Appointment</b>	1 November 2023
<b>Board Committee(s)</b>	Audit Committee ("AC") – Chairperson Remuneration Committee ("RC") – Member Nomination Committee ("NC") – Member
<b>Profile Summary</b>	<p>Raymond Yeoh Cheng Seong obtained his Bachelor of Arts in Economics and Social Studies from the University of Manchester in the UK. He is a Fellow of the Institute of Chartered Accountants in England and Wales and a Chartered Banker.</p> <p>Raymond Yeoh began his career in 1984 at Deloitte Haskins &amp; Sells in London as an accountant. He then worked as a derivatives research analyst at Hoare Govett Securities Limited in London and Singapore during the early 1990s. Subsequently, he became an arbitrage trader at Bankers Trust Company in Singapore and later served as vice president and co-head of Asian currency and interest rate trading at Merrill Lynch International Bank Limited in Singapore. Before joining Banco Santander SA in Singapore as Head of Asian Markets Trading, he held various other roles there. He later moved to Hong Kong to serve as Banco Santander's Regional Treasurer for Asia. He returned to Malaysia to lead Hong Leong Bank Berhad's Treasury, Wealth Management, and Intra-Group Cross Selling. Afterwards, he joined ABN AMRO Bank Berhad, Malaysia, as ED and Head of Global Markets/Financial Markets. His career further advanced with roles as Head of Global Markets in Malaysia and Vietnam, and later as the Country CEO of Deutsche Bank (Malaysia) Berhad, including Principal Officer of its Labuan branch. He concluded his banking career after 10 more years at Bank of America Malaysia Berhad, where he served as Country Head, CEO, and Principal Officer of its Labuan branch, retiring in October 2023.</p>
<b>External Appointments</b>	Ayer Holdings Berhad, CIMB Investment Bank Berhad and The Royal Selangor Golf Club



### ROBERT ANG KIM PACK

(Malaysian, Male, age 68)

*INED*

<b>Date of Appointment</b>	26 August 2020
<b>Board Committee(s)</b>	RC – Chairperson AC and NC – Member
<b>Profile Summary</b>	<p>Robert Ang Kim Pack holds a Bachelor's Degree in Mathematics from the University of Waterloo in Canada and is a licensed estate agent.</p> <p>Robert Ang joined Rahim &amp; Co in 1982, bringing extensive industry experience. He served as MD for 30 years before retiring in 2019. Over his 38-year career, he has played a key role in the firm's growth by working closely with and advising local public-listed companies, foreign governments, multinationals, and high-net-worth individuals on their property needs. He also advised the UK and German governments on property transactions worth over RM750 million. In 2015, he led a team appointed by BlackRock to successfully sell the RM1 billion Integra Tower at Intermark, Kuala Lumpur. Beyond agency and consultancy work, he has strong expertise in valuation and property management.</p>
<b>External Appointments</b>	Nil

## PROFILE OF DIRECTORS

(continued)



### DATUK RICHARD LEE SAY TSHIN

(Malaysian, Male, age 72)

INED

<b>Date of Appointment</b>	1 November 2023
<b>Board Committee(s)</b>	NC – Chairperson AC and RC – Member
<b>Profile Summary</b>	Datuk Richard Lee Say Tshin obtained a Bachelor's Degree in Economics from the University of Malaya.  Datuk Richard Lee is an experienced banker with over 46 years in the banking industry. He held various roles at HSBC Bank Malaysia Berhad ("HSBC"), including as MD of Strategic Business Development, until his retirement in 2013. Currently, he is the Vice Chairman of Strategic Initiatives for HSBC.
<b>External Appointments</b>	CJ Century Logistics Holdings Berhad and Padini Holdings Berhad



### TAN LEI CHENG

(Malaysian, Female, age 68)

Non-INED

<b>Date of Appointment</b>	27 April 2012
<b>Board Committee(s)</b>	NC and RC – Member
<b>Profile Summary</b>	Tan Lei Cheng has more than 40 years of experience in the property industry and corporate sector. She was CEO of TTDB, a property development company listed on Bursa Malaysia Securities Berhad, from March 1995. Following the completion of the merger between IGBC and TTDB on 8 May 2002, she assumed the role of Executive Chairman and CEO of Goldis (now known as IGB), which took over TTDB's listing. Following her retirement on 31 December 2016, she assumed the role of Non-Independent Non-Executive Chairman ("NINEC") of Goldis. After IGB privatised IGBC on 16 March 2018, she remains as NINEC of IGB.  Tan Lei Cheng holds a Bachelor of Commerce from the University of Melbourne, Australia and a Bachelor of Law from King's College, London (LLB Hons), England. She was admitted to the English Bar in 1983. She is a member of Lincoln's Inn and the Young Presidents' Organisation (Gold), Malaysia Chapter.
<b>External Appointments</b>	IGB and Dato' Tan Chin Nam Foundation



### GABRIELLE TAN HUI CHWEEN

(Malaysian, Female, age 46)

Alternate to Dato' Seri Robert  
Tan Chung Meng

<b>Date of Appointment</b>	11 March 2026
<b>Profile Summary</b>	Gabrielle Tan Hui Chween is the Chief Brand Officer of the REIT Manager, having previously been the Chief Marketing Officer and Head of Marketing for TGM. She oversees leasing, fit-out, retail management, and development, as well as advertising and promotions for TGM. Her role also encompasses managing advertising, promotions, and public relations for MVM and MVS Mall. She started her career in 2008 as Head of Marketing at Mid Valley City Gardens Sdn Bhd, an IGB subsidiary, and was later promoted to Director of Marketing.  Gabrielle Tan holds a Bachelor of Arts in Business Economics from the University of Exeter, UK, and a Bachelor of Fine Arts in Fashion Design and Marketing from American Intercontinental University, London, UK.
<b>External Appointments</b>	Nil

## PROFILE OF MANAGEMENT

### CHAI LAI SIM

Chief Executive Officer (“CEO”)

#### Academic/ Background/ Working Experience

Chai Lai Sim was appointed CEO of IGB REIT Management Sdn Bhd (“REIT Manager”) on 2 May 2025 and chairs the Retail-Risk Management and Sustainability Committee (“RMSC”) of IGB REIT as well as the Commercial-RMSC of IGB Commercial REIT (“IGBCR”). She also holds directorships at IGB REIT Capital Sdn Bhd, IGB REIT MVS Capital Berhad, and IGB Commercial REIT Capital Sdn Bhd, all of which are special purpose vehicles for IGB REIT and IGBCR’s medium-term note programmes.

With over 30 years of experience, Chai Lai Sim specialises in auditing, corporate finance, and capital management strategies, including treasury, financial accounting, and taxation across the property development, commercial, retail property investment, and hospitality sectors. She began her career as an articled student at Coopers & Lybrand (now PricewaterhouseCoopers/PwC) and joined Tan & Tan Developments Berhad (“TTDB”) as Group Financial Controller in 1993. After TTDB merged with IGB Corporation Berhad (“IGBC”) in 2002, she was appointed as IGBC’s Group Chief Financial Officer (“GCFO”). Following IGBC’s privatisation on 16 March 2018, she served as GCFO of IGB Berhad (“IGB”) until her retirement on 30 April 2024.

Chai Lai Sim played a key role in guiding the team to secure approval for the listings of IGB REIT and IGBCR. She served as CFO of the REIT Manager from their respective listing dates—21 September 2012 for IGB REIT and 20 September 2021 for IGBCR—until her retirement on 30 April 2024.

Chai Lai Sim is a member of the Malaysian Institute of Accountants (“MIA”) and the Malaysian Institute of Certified Public Accountants.

### RENNIE LEE CHAI TIN

Deputy CEO (“DCEO”) (Retail)

#### Academic/ Background/ Working Experience

Rennie Lee Chai Tin was appointed as Joint DCEO (Retail) of the REIT Manager on 1 January 2024 and was redesignated as DCEO (Retail) on 1 January 2026. Before this, she served as Joint Chief Operating Officer and previously as Head of Operations/Leasing at Mid Valley Megamall (“MVM”), overseeing daily leasing and asset enhancement strategies. She holds a Capital Markets Services Representative’s Licence (“CMSRL”) and is a member of the Retail-RMSC.

Rennie Lee has over 30 years of expertise in retail management and operations. She was a vital member of the pre-opening teams for MVM and The Mall, Mid Valley Southkey (“MVS Mall”), where she played a key role in setting up both malls. Since 1995, she has been the General Manager at Mid Valley City Sdn Bhd (“MVCSB”), an IGB subsidiary, and was appointed CEO from 1 January 2024 to 31 December 2025. Her experience also includes leasing and marketing roles at shopping centres such as Mahkota Parade, Subang Parade, and IOI Mall.

### IRENE SIN MAY LIN

DCEO (Commercial)

#### Academic/ Background/ Working Experience

Irene Sin May Lin was appointed as Joint DCEO (Commercial) of the REIT Manager on 2 May 2024 and was redesignated as DCEO (Commercial) effective 1 January 2026. She holds a CMSRL and is a member of the Commercial-RMSC.

Irene Sin has over 25 years of experience in the property, real estate, and corporate sectors, specialising in strategic business and financial management roles across various industries both nationally and regionally, including REITs, asset management, retail, commercial office, hospitality, timber, and plantations.

Irene Sin began her career as an auditor with PwC Assurance Division; subsequently, she joined Sunway Group, where she last served as CFO of Sunway REIT until 2022. In addition to holding various corporate and financial roles at other organisations, she also served as CEO of the Asset Management Division for a local diversified group before joining the REIT Manager.

Irene Sin holds a Bachelor of Business from the University of Technology, Sydney. She is a Chartered Accountant of the MIA and a Fellow of Certified Professional Accountants Australia. She currently serves on the Committee of MIA’s Professional Accountants in Business.

## PROFILE OF MANAGEMENT

(continued)

### CHOW YENG KEET

Chief Financial Officer (“CFO”)

#### Academic/ Background/ Working Experience

Chow Yeng Keet was appointed as CFO of the REIT Manager on 1 May 2024 and previously held the position of Head of Investment. He is a member of both the Retail and the Commercial RMSCs.

Chow Yeng Keet has broad expertise in corporate finance and advisory services, including mergers and acquisitions, equity and debt financing, capital management, corporate restructuring, valuations, and takeovers. He started his career as a Corporate Finance Executive at Sime Merchant Bankers Berhad in 1997. Later, he became a Corporate Finance Manager at Commerce International Merchant Bankers Berhad (now CIMB Investment Bank Berhad) before joining IGBC in 2004. He was appointed as Senior General Manager, Corporate Finance at IGBC on 1 January 2017. After IGB privatised IGBC on 16 March 2018, he continued in that role at IGB, was promoted to Deputy GCFO on 1 January 2023, and then GCFO on 1 May 2024. He resigned from the position of GCFO on 31 December 2025, due to IGB’s management restructuring. He also served as Director of Finance at MVCSB.

Chow Yeng Keet holds a Bachelor of Economics (First Class Honours) from the University of Malaya, is a Fellow of the Association of Chartered Certified Accountants, and is a member of the MIA.

### GABRIELLE TAN HUI CHWEEN

Chief Brand Officer

#### Academic/ Background/ Working Experience

Refer to the [Profile of Directors](#).

### TINA CHAN LAI YIN

Head of Compliance/  
Company Secretary (“HOC/CS”)

#### Academic/ Background/ Working Experience

Tina Chan was appointed HOC/CS of the REIT Manager in September 2012 and has played a key role in the listings of IGB REIT and IGBCR.

Tina Chan has over 30 years of experience in corporate compliance and secretarial roles, managing various corporate exercises for the IGB Group, IGB REIT, and IGBCR. She began her career in 1990 at a law firm’s corporate secretarial department and later served as Joint Company Secretary at TTDB, assisting with its 1993 flotation on the Stock Exchange. In 1997, she joined IGBC as Senior General Manager (Corporate Secretarial), overseeing group secretarial and governance functions to ensure statutory and regulatory compliance. She was also the Group Company Secretary of IGB following the privatisation of IGBC in 2018, until her resignation on 31 December 2025, prompted by management restructuring.

Tina Chan is a Fellow of the Chartered Governance Institute.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## The Manager of IGB REIT

IGB REIT Management Sdn Bhd (“IGBRM” or “Manager”) oversees IGB REIT, guided by its Board of Directors (“Board” or “Directors”). The Manager manages IGB REIT’s assets for Unitholders (“UHs”) to generate rental income, enhance asset value, maximise returns, and improve distributions.

The Manager sets IGB REIT’s strategy and business plans in accordance with its mandate, including advising MTrustee Berhad, the trustee for IGB REIT, on investment or divestment opportunities that align with IGB REIT’s investment strategy.

The Manager is a wholly owned subsidiary of IGB Corporation Berhad (“IGBC”), which is itself wholly owned by IGB Berhad (“IGB”), the sponsor and controlling UH of IGB REIT.

## Governance at IGB REIT

The Manager upholds governance principles, including accountability, transparency, and sustainability, ensuring that IGB REIT meets its economic, ethical, legal, and social responsibilities. The Board promotes effective governance for long-term growth, benefiting UHs and stakeholders.

While IGB REIT must comply with the Securities Commission’s (“SC”) Guidelines on Listed Real Estate Investment Trusts (“REIT Guidelines”) and Bursa Malaysia Securities Berhad’s (“Bursa”) Main Market Listing Requirements (“MMLR”), the Manager commits to sound governance principles outlined in the Malaysian Code on Corporate Governance (“MCCG”) and strives to implement them where appropriate.

This Corporate Governance Overview Statement (“CGOS”) summarises the Manager’s key policies for IGB REIT’s operations during the financial year ended 31 December 2025 (“FY25”) and up to the report’s publication. IGB REIT follows MCCG’s core principles, clearly noting any deviations and explaining alternative approaches that align with the principles.

## Principle A: Board Leadership and Effectiveness

### The Manager Governance Framework

**Executive Chairman (“EC”)**  
**Dato’ Seri Robert Tan Chung Meng (“DSRT”)**

- Leads the Board in overseeing IGB REIT by steering discussions on strategies, operations, sustainability risks and opportunities (“SOR”), and business plans.
- Spearheads IGB REIT’s initiatives to promote and uphold good governance standards.
- Presides over general meetings and promotes effective communication among UHs, the Board, and the Chief Executive Officer (“CEO”).

**Board**

- 1 EC
- 1 Executive Director (“ED”)
- 3 Independent Non-Executive Directors (“INEDs”)
- 1 non-INED (“NINED”)
- 1 Alternate Director

- Supports IGB REIT’s continued success in delivering sustainable value to its UHs.
- Leads IGB REIT by setting its strategic vision and overseeing its direction, performance, and overall management.
- Engages stakeholders by emphasising sustainability and governance.
- Provides leadership to the CEO and management.

**Board Committees (“BCs”)**

- Audit Committee (“AC”)
- Remuneration Committee (“RC”)
- Nomination Committee (“NC”)
- Retail Risk Management & Sustainability Committee (“Retail-RMSC”)

<p><b>AC Chair: Raymond Yeoh Cheng Seong (“RYCS”)</b>                  ➤ 3 INEDs</p>	<p><b>RC Chair: Robert Ang Kim Pak (“RAKP”)</b>                  ➤ 3 INEDs and 1 NINED</p>
<p><b>NC Chair: Datuk Richard Lee Say Tshin (“DRL”)</b>                  ➤ 3 INEDs and 1 NINED</p>	<p><b>Retail-RMSC Chair: Chai Lai Sim (“CLS”)</b>                  ➤ CEO, ED and management</p>

- The BCs’ terms of reference (“ToR”) are at [www.igbreit.com](http://www.igbreit.com).
- The EC is not a member of any BCs.

**CEO**  
**CLS**

- Develops IGB REIT’s strategies for the Board’s approval.
- Oversees daily management of the Manager and IGB REIT.
- Makes key corporate decisions impacting daily operations and resource allocation.
- Leads the management in developing strategies, overseeing business operations, and managing SOR to achieve IGB REIT’s strategic, investment, and operational objectives.

### Clear division of roles and responsibilities

<b>EC</b>	Leads the Board’s effectiveness by setting agendas and tone, fostering strong relationships with Non-Executive Directors (“NEDs”) and management, promoting integrity and good governance at IGB REIT—particularly within the Board—and ensuring clear communication with UHs.
<b>NEDs</b>	Oversee and assess IGB REIT’s performance in relation to strategic goals and financial plans, provide objective insights to support Board decisions by leveraging both collective and individual expertise, lead BC operations, monitor the CEO’s performance, provide support, and give constructive feedback.
<b>CEO</b>	Leads the management in executing IGB REIT’s strategies and plans as directed by the Board, setting the business direction, making operational decisions, and reporting on strategic and operational performance to investors and analysts. The CEO’s duties are supported by the Deputy CEO (“DCEO”) (Retail) and management.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

Clear distinctions among the roles of EC, NEDs, and the CEO foster strong relationships and facilitate productive discussions on the Manager and IGB REIT operations. The EC and the CEO are not immediate family and are not related.

## Board Framework

The Board Charter, accessible at [www.igbreit.com](http://www.igbreit.com) and last updated on 10 December 2025, defines the roles, duties, and mandates of the Directors. It promotes good governance and ethical decision-making, and is regularly reviewed to stay aligned with evolving business requirements and regulations.

Matters requiring Board approval include investments, acquisitions, disposals, operating and capital expenditures, loans or debt financing and refinancing, annual budget, quarterly and full-year results, appointment of directors and the CEO, core policies, and material transactions. The Board assigns specific issues and functions to its standing committees: AC, NC, RC, and Retail-RMSC. Matters outside the scope of the Board and BC are overseen by the CEO, DCEO (Retail), or Chief Financial Officer (“CFO”), either as their direct responsibilities or through delegated authority within limits approved by the Board.

## Sustainability Governance

Sustainability is a fundamental aspect of IGB REIT’s operations. The Manager has established robust governance processes to effectively oversee IGB REIT’s strategy and overall direction. In recent years, IGB REIT has made significant progress in embedding sustainability into its business practices, including strategy, operations, risk management, and corporate culture. IGB REIT remains committed to advancing its sustainability initiatives. To support this, IGB REIT follows the IGB Group Sustainability Policy, which acts as the main framework for its sustainability commitments.

The Board recognises that sustainability is essential for effective governance and reaffirms its stewardship responsibilities towards IGB REIT. It aims to develop a sustainable and resilient IGB REIT that creates value for UHs and stakeholders. The Board, together with the Retail-RMSC led by the CEO, is responsible for integrating sustainability into IGB REIT’s strategic plans. Supported by the Head of IGB Group Strategy, Risk, and Sustainability (“GSRS”), the Retail-RMSC plays a vital role in setting sustainability targets, tracking progress, and fostering ethical business conduct. The Board reviews sustainability matters through quarterly reports from the GSRS Head, who assesses their effectiveness.

As described in the Sustainability Statement of the Annual Report 2025 (“AR25”), IGB REIT emphasises transparency in its approach to embedding sustainability into its operations and initiatives. By actively managing and monitoring business and sustainability metrics, IGB REIT consistently aims to enhance its investment property portfolio. IGB REIT’s efforts show its commitment to creating sustainable value by continually refining its initiatives through stakeholder collaboration and staying abreast of new issues affecting operations.

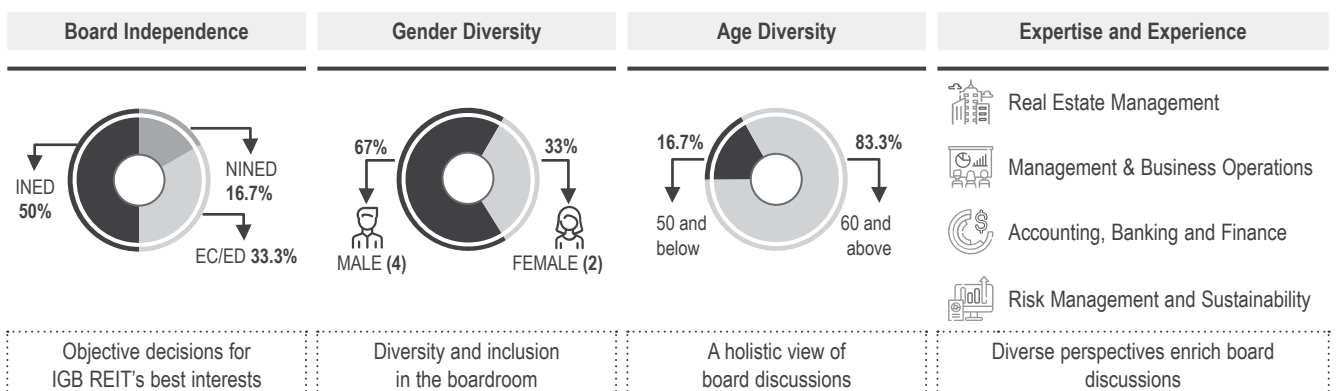
IGB REIT shares its sustainability strategies and performance internally through emails, engagement sessions, management meetings, leadership presentations, and quarterly reports to the Board. Externally, it communicates via its website, annual reports (“ARs”), media, investor briefings, newsletters, and analyst meetings.

The Board acknowledges the complexity and rapid evolution of sustainability issues, which pose both risks and opportunities for IGB REIT. To enhance its understanding, it monitors emerging regulations, standards, and stakeholder expectations. Beyond discussions during board meetings, Directors receive updates on key sustainability topics, particularly new climate and financial reporting requirements that support IGB REIT’s strategy, risk management, and disclosures.

The NC conducted the Board performance review, which covered a section on sustainability. Management’s assessment is consistent with the Manager’s Remuneration Policies and Practices (“RPP”) and considers value creation for IGB REIT through financial results, cost savings, and long-term growth and sustainability.

The Board oversees sustainability initiatives, supported by Retail-RMSC and guided by the CEO, who manages IGB REIT’s sustainability activities, including risk identification, assessment, and reporting. These insights are shared with the Board to assist their decision-making. The outsourced IGB Group Internal Audit (“GIA”) examines controls to ensure sustainability is embedded, while the external auditor (“EA”) focuses on financial disclosures. Retail-RMSC, with its ability to assess key risks, controls, and mitigation strategies for IGB REIT, should continue to oversee risk management, with the Board maintaining overall oversight. Therefore, the NC considers it unnecessary to appoint a specific individual to oversee sustainability.

## Board Diversity



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

The Manager is dedicated to establishing a balanced and diverse Board and BCs, ensuring they have the essential skills and expertise for effective governance and oversight.

The NC oversees board succession by identifying suitable candidates and improving the Board's diversity and skills. It ensures new directors have a wide range of expertise, knowledge, and independence. The NC uses a thorough process to select, nominate, and appoint directors, reviewing candidates' curricula vitae, career histories, and qualifications. Background checks are performed to ensure candidates do not possess any prohibited characteristics, in accordance with applicable laws and the Manager's Fit and Proper ("FAP") Guidelines. The NC may conduct interviews, formal or informal, at its discretion. Appointment decisions are made on merit, with clear criteria, aiming to enhance the Board's capabilities. Candidates can be recommended by Directors, management, or third parties. Since the Manager is not a listed company, Directors do not retire by rotation; instead, they undergo annual performance evaluations. No new directors were appointed in FY25. Gabrielle Tan Hui Chween ("GTHC") was appointed as an alternate director to DSRT on 11 March 2026.

Although the Board does not have a majority of INEDs, it makes impartial decisions, prioritising IGB REIT's best interests and considers diverse feedback. Oversight remains strong across the BCs, with the AC, RC, and NC, all led by INEDs. The INEDs uphold checks and balances. The Manager may add more INEDs if needed.

### Board Processes

#### Board/BC Schedules

The Board oversees IGB REIT and guides its strategic planning through at least 4 meetings each year, with extra sessions scheduled as necessary. The calendar for Board and BC meetings is planned ahead to encourage participation. Directors should attend UHs and Board/BC meetings in person or via audio or video, unless they need to recuse themselves.

FY25 attendance is outlined in the [Board and BC Meeting Attendance](#) section.

#### Provision of Information

Meeting materials are sent at least 5 working days before the meeting (unless urgent), allowing Board and BC members sufficient time to review and consider the agenda items. The CEO, CFO, Head of Compliance/Company Secretary ("HOC/CS"), GSRS Head, and GIA Head attend the meetings to provide insights and update Directors on key issues. Minutes record all actions from Board and BC meetings and are distributed to members for feedback before being approved at subsequent meetings.

#### Board Areas of Focus

The Board meets every quarter, with additional sessions scheduled as needed for major transactions or issues. During each quarterly meeting, the Board reviews IGB REIT's financial results, portfolio performance, and outlook discussed earlier in the AC meeting. It also evaluates sustainability risks, mitigation strategies, regulatory updates, and management's mandates, such as budgets and business plans. BC chairs present summaries of their findings, decisions, and recommendations.

In FY25, the Board held 7 meetings to discuss and approve key issues. The main focus areas reviewed and approved by the Board in FY25 include:

- IGB REIT's strategies, including SORs, budgets, plans, and policies.
- IGB REIT's quarterly report covers financial and portfolio performance, including asset enhancement projects.
- IGB REIT's quarterly results and year-end financial statements.
- IGB REIT's quarterly income distributions.
- IGB REIT's quarterly updates on strategy, risks, and sustainability.
- IGB REIT's property portfolio valuation.
- Acquisition of The Mall, Mid Valley Southkey in Johor Bahru for RM2.65 billion ("MVS Mall Acquisition"), which was approved at the UHs' meeting on 19 September 2025, and completed on 20 November 2025.
- Establishment of a medium-term notes programme of up to RM5.0 billion in nominal value by IGB REIT MVS Capital Berhad, a wholly owned subsidiary of IGB REIT, with the first RM1.03 billion tranche issued on 20 November 2025.
- Annual assessment of the Board's performance, emphasising each Director's skills and contributions.
- Annual review of remuneration for NEDs, EC, CEO, and management to ensure fair recognition of contributions and responsibilities.
- Policies, procedures, and practices associated with operations and governance.
- Reports and statements for IGB REIT's AR include the Management Discussion and Analysis, Sustainability Statement, Statement on Risk Management and Sustainability ("SORMIC"), CGOS, and Circular to UHs on the renewal of recurrent related party transactions ("Circular-RRPT Mandate").

#### Conflicts-of-Interest ("COI")

The Manager enforces a COI Policy to ensure fairness and good governance. All actual, potential, or perceived COI involving Directors and management are disclosed and kept under review. Directors with conflicts must inform the Board, step back from related discussions, abstain from voting, and be excluded from the quorum for that resolution. Management must escalate COI declarations to the CEO, emphasising professionalism and ethics in the operations of the Manager and IGB REIT. An annual COI declaration process is conducted for Directors and management to promote transparency and manage conflicts. All COI-related transactions, including details about involved individuals, relationships, reasons, and opinions, are documented in meeting minutes and recorded in the COI Register. After reviewing the COI procedures, the AC confirms that all Directors and management have complied with the policy.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## Board Access to Management and Independence Advice

The Board receives support from the HOC/CS, who provides advice on governance and compliance, ensuring the Manager and IGB REIT follow laws and guidelines.

Tina Chan Lai Yin, a Fellow of the Chartered Governance Institute and Chartered Secretary, is the HOC/CS with expertise in corporate compliance and governance. She ensures that the Manager and IGB REIT comply with all relevant guidelines, rules, and regulations, including the REIT Guidelines, MMLR, and Capital Markets and Services Act 2007 (“CMSA”). Below is an overview of her main roles and responsibilities.

- Oversees and advises on the Manager and IGB REIT’s compliance, ensuring their processes adhere to laws, policies, and reporting obligations.
- Reviews the Manager’s governance practices and develops internal compliance procedures to enhance IGB REIT’s governance.
- Provides guidance to directors on statutory duties related to disclosure, compliance, governance standards, and board procedures.
- Coordinates board activities and acts as a reference point for effective information flow among the Board, BCs, and management.
- Acts as IGB REIT’s primary communication channel with regulators.
- Organises, coordinates, and participates in Board and BC meetings, takes minutes, and ensures decisions are documented and acted upon.
- Prepares notices for UHs’ meetings, circulars to UHs, CGOS, and relevant AR information.

HOC/CS collaborates with the CEO and management to establish controls and procedures that ensure regulatory compliance. To provide reliable guidance to the Board, HOC/CS engages in ongoing training on regulatory updates, industry developments, and governance standards.

Directors have full access to HOC/CS and management and can request briefings on specific issues. They may also seek advice from independent professional advisers, individually or collectively, to perform their duties effectively.

## Board Performance Evaluation

The Board conducts an annual evaluation of its performance, each BC, and individual Directors using a structured self-assessment that collects feedback from Directors. This process evaluates effectiveness, structure, and composition, offering insights into strengths and areas for improvement to enhance overall efficiency.

The NC evaluates individual Directors, the Board and BCs, and then shares the results with the Board. In January 2026, their effectiveness was assessed via an internal questionnaire, aiming to evaluate the Board’s functionality and BCs’ effectiveness. This also provided Board members with insights into their contributions, supporting improvements in performance and overall effectiveness. More details are provided in the [NC Report](#) section.

## Director Independence

The Board enforces a policy capping INEDs’ tenure to 9 years. According to the Charter, independence means a director is free from interests, roles, or relationships that might affect their judgement. The Board, with advice from the NC, reviews this independence to ensure Directors act in IGB REIT’s best interests and stay impartial toward UHs or external parties.

The Board performs an annual review of INEDs’ independence. The NC evaluates each INED’s independence statements against the criteria of CMSA, REIT Guidelines, and MMLR. In January 2026, the NC confirmed that all INEDs had no relationships or circumstances that could compromise their independence. Using these confirmations and the established criteria, the NC concluded that RYCS, RAKP, and DRL are capable of acting in IGB REIT’s best interests and fulfilling their duties effectively. Each NC member abstained from this assessment. More details are provided in the [NC Report](#) section.

## Continuing Professional Development

Directors are required to maintain core skills and stay up to date on strategic matters and market trends affecting IGB REIT. During FY25, all Directors participated in continuous education, training, and development programmes outlined below:

- AYER Holdings Berhad (“AYER”)/ESGRight Sdn Bhd: ESG and Sustainability Training
- AYER/Deloitte Malaysia PLT (“Deloitte”): Directors’ Training on Risk Management and ESG/Sustainability
- AYER/Deloitte: Future Technology Emerging Risk
- AYER/PricewaterhouseCoopers PLT (“PwC”): Tax Update on Sales and Service Tax
- CIMB Group Holdings Berhad (“CIMB”)/Microsoft: Artificial Intelligence (“AI”) Development Session for the Board of Directors
- CIMB: AI Training Board of Directors
- CIMB: Climate Risk
- CIMB: Cloud Security Management and Regulatory Expectations
- CIMB: Enterprise Risk Management – Sustainability Insight Series: Key Trends for 2025
- Edelman Malaysia: Media Communication in Crisis Management
- FGV Holdings Berhad (“FGV”): Sustainability Insight Series – FGV’s Role in Advancing Biomass and Energy Transition
- Heidrick & Struggles: Embarking on the Board Development Journey
- HSBC Bank Malaysia Berhad (“HSBC”): Why Good Conduct Matters?
- Institute of Corporate Directors Malaysia: Power Talk – Board Leadership in Industry Disruption-Steering Companies Through Market Shifts
- International Conference & Exhibition Professionals: Energy Asia 2025 – Delivering Asia’s Energy Transition
- Malaysian Institute of Accountants and The Institute of Internal Auditors Malaysia: Audit Committee Conference 2025 – Navigating Risk, Driving Resilience
- Padini Holdings Berhad (“Padini”): Navigating International Financial Reporting Standards S1 and S2

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

- Padini: Smart AI – AI-Driven Innovation for Malaysian Fashion Brands
- PwC: Leadership Conference – Navigating Complexity and Building Trust in an AI-Driven World
- PwC: Unpacking the Key Tax Proposals from Budget 2026
- Securities Industry Development Corporation: Anti-Money Laundering Part 1 and Part 2
- The Edge-HSBC Johor-Singapore Special Economic Zone Forum 2025: Enabling the Next Leap Forward – Infrastructure Development in the Spotlight

## Board Committees (“BCs”)

The Board appointed 4 BCs—AC, NC, RC, and Retail-RMSC—to oversee specific functions, selecting members based on their expertise and experience. To maintain impartiality, the EC does not attend BC meetings, ensuring discussions remain objective. The Charter defines each BC’s objectives, scope, and authority, while their ToRs detail meeting topics and schedules. BCs may invite non-BC members, management, or independent advisors to report or provide advice. BC chairs will report on issues requiring the Board’s attention and approval.

In January 2026, the BCs underwent evaluation as part of the Manager’s governance procedures. The review was favourable, showing that the BCs were effective, well-led, actively engaged in meaningful discussions, and had the required skills and knowledge. The roles and key activities of the BCs for FY25 and up to the reports publication are summarised below:

## AC Report

<b>Primary Role</b>	<p>Provides independent oversight of IGB REIT’s financial reporting, internal controls, internal audit (“IA”) functions, external audits, related party transactions (“RPT”), COI, and compliance by the Manager and IGB REIT with laws, regulations, and the code of conduct.</p> <p>In FY25, the AC fulfilled its ToR responsibilities. A positive year-end review, including self-assessments, evaluated composition, qualifications, roles, responsibilities, tasks, meeting conduct, and effectiveness.</p>
<b>Key Activities</b>	<p>The key points formed the basis for the Board-endorsed decisions:</p> <p><b>Financial Reporting</b></p> <ul style="list-style-type: none"> <li>▪ The quarterly results were reviewed to confirm reports are accurate, balanced, and transparent, providing key information for UHs to evaluate IGB REIT’s financial health, strategy, and prospects.</li> <li>▪ The CFO completed the FY25 Financial Reporting Checklist, which the CEO reviewed to ensure the process’s effectiveness for IGB REIT’s year-end financial statements. AC confirmed that the financial statements comply with relevant laws and standards. The Board’s conclusion on the FY25 Financial Statements is noted under the heading of the <u>Statement by the Manager</u>.</li> </ul> <p><b>Internal Controls and Compliance</b></p> <p>The annual review of IGB REIT’s internal processes showed no significant irregularities or weaknesses in internal controls for FY25 across areas such as finance, operations, information technology, sustainability, risk management, and fraud detection. AC confirmed that the controls were adequate, and the conclusion was communicated to the Board.</p> <p><b>IA</b></p> <ul style="list-style-type: none"> <li>▪ The annual risk-based IA plan and assurance from the GIA Head that the GIA Department (“GIAD”) has the resources and competence to perform the IA function effectively and independently.</li> <li>▪ The quarterly IA reports present key findings and management responses. A total of 18 reports were issued, covering progress and special assignments of the Manager’s and IGB REIT’s governance, risk management, and operations. Most findings received a satisfactory rating; however, some areas—particularly controls, risk management, compliance, and documentation need enhancement. All identified gaps have been addressed.</li> <li>▪ Coordinate IA and EA to enhance communication and collaboration.</li> <li>▪ Met with the GIA Head to discuss audit concerns; IA found no major issues.</li> </ul> <p><b>EA</b></p> <ul style="list-style-type: none"> <li>▪ The audit plan for IGB REIT’s year-end accounts detailed the EA’s responsibilities, focus areas, and the overall audit scope approach.</li> <li>▪ Met with the EA twice without management to address audit concerns; no issues were identified. Management supported the EA and gave unrestricted access to IGB REIT’s records.</li> <li>▪ The EA annual review was conducted using a questionnaire completed by the AC and CFO, focusing on independence, objectivity, and audit effectiveness. The AC is satisfied with PwC’s expertise and performance efficiency.</li> </ul> <p><b>COI and RPT</b></p> <ul style="list-style-type: none"> <li>▪ Directors and management submitted annual COI declarations. For FY25, 3 disclosures identified conflicts involving interested Directors in the MVS Mall Acquisition, which were managed by excluding them from related discussions and approvals. The AC is satisfied with the transparent disclosure and self-declaration process, which effectively manages actual, potential, or perceived COI related to personal, family, or organisational relationships.</li> <li>▪ RPT and RRPT reports were reviewed quarterly to verify adherence to guidelines. For FY25, IA deemed governance satisfactory, noting that transactions were conducted at arm’s length.</li> <li>▪ The Circular-RRPT Mandate was reviewed, and AC confirmed that proper governance and reporting standards were maintained, with RRPTs conducted at arm’s length. IGB REIT has effective processes and controls to efficiently monitor, track, and identify RRPTs.</li> </ul>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## NC Report

<b>Primary Role</b>	Reviews the Board's structure, size, and composition, including skills, experience, independence, and diversity; manages the development of a diverse pipeline for Board and management succession; nominates candidates for Board vacancies; assesses the effectiveness of the Board, BCs, and Directors, including the independence of NEDs on an annual basis; and reviews corporate governance matters.
<b>Key Activities</b>	<p>The key points formed the basis for the Board-endorsed decisions:</p> <p><b>Annual Board Evaluation</b> The January 2026 annual board performance review employed an internal questionnaire to assess Board diversity and overall effectiveness, including BCs and individual Directors. All Directors provided their COI and FAP declarations with no exceptions reported. NC concluded that the Board members have relevant expertise, diverse skills, and a strong understanding of IGB REIT's operations, supporting effective governance. BCs performed their duties diligently and responsibly, upholding fairness, transparency, and objectivity in oversight. Each Director dedicated adequate time to their responsibilities.</p> <p>The Board confirms it has a balanced and diverse team aligned with IGB REIT's strategic objectives. BCs have been effective, and Directors have dedicated sufficient time to their roles. The Board met its FY25 performance targets. Given the Board's size and meeting frequency, appointing an independent expert for annual assessments was unnecessary.</p> <p><b>Appointments of the EC, CEO, and alternate Director</b></p> <ul style="list-style-type: none"> <li>▪ The redesignation of DSRT from NEC to EC, based on his extensive Managing Director experience before becoming NINED on 1 January 2023 and NEC on 1 January 2024, allows him to take a more active role in IGB REIT's operations, assume leadership, and support the CEO.</li> <li>▪ The appointment of CLS as CEO is based on her extensive experience, skills, and deep understanding of IGB REIT, having served as the Manager's CFO from its inception until her retirement on 30 April 2024, making her a suitable candidate for the position.</li> <li>▪ The appointment of GTHC as an alternate Director to DSRT.</li> </ul> <p><b>Independence of INEDs</b> NC established that INEDs can influence Board decisions and promote balanced judgment for IGB REIT and its UHs, as none are affiliated with the Manager, IGB REIT, major UHs, or management, maintaining independence throughout FY25. Even though INEDs made up only 50% of the Board, their decisions stayed impartial, focusing on IGB REIT's best interests and bringing diverse viewpoints. Oversight remained strong within the BCs-AC, RC, and NC—all led by INEDs.</p> <p>The Board, excluding INEDs, confirmed that INEDs remained appropriately independent. All INEDs showed strong independence in their judgment and are not involved in business or personal relationships that could impair their effectiveness; thus, they continue to maintain their independence.</p> <p><b>Governance Policies and Practices</b> Annually, the NC reviews IGB REIT's governance framework and recommends improvements as needed. The January 2026 review confirmed IGB REIT's dedication to sustainability and robust governance. Directors and management continued to adhere to the Manager's policies. The IGB Group's Anti-Bribery and Corruption Policy, adopted by the Manager, remains effective. The Board supports the Manager's dedication to good governance, integrity, and professionalism in IGB REIT's operations.</p>

## RC Report

<b>Primary Role</b>	Reviews the Manager's RPP and sets remuneration for Directors and management, including employment terms.
<b>Key Activities</b>	<p>The key points formed the basis for the Board-endorsed decisions:</p> <p><b>Remuneration for NEDs</b> NEDs are compensated for their time, expertise, and responsibilities. In October 2025, the RC recommended maintaining the current fees for FY25 annual payments and FY26 meeting fees.</p> <p><b>Remuneration for the EC, CEO and management</b> The 2026 increment and FY25 bonus were established considering market standards, peer comparisons, responsibilities, personal performance, and IGB REIT's results. The Board agreed with RC that the Manager's remuneration is fair and competitive, essential for attracting and retaining top talent, vital for supporting IGB REIT's growth, sustainability, profitability, and long-term UH growth value.</p>

## Retail-RMSC Report

<b>Primary Role</b>	Oversees IGB REIT's strategic initiatives and sustainability.
<b>Key Activities</b>	<p>Topics at the Retail-RMSC quarterly meetings:</p> <ul style="list-style-type: none"> <li>▪ Key performance indicators for retail mall management, encompassing financial, operational, and risk factors.</li> <li>▪ Retail marketing, strategies, customer engagement, and trends.</li> <li>▪ Retail sustainability strategies and metrics.</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

### Board and BC Meeting Attendance

The table shows Directors' and BC members' attendance at FY25 meetings.

Attendance of Meetings	Board	AC	NC	RC	Retail-RMSC	2025 AGM
<b>Total meetings</b>	<b>7</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>4</b>	
DSRT	7	-	1*	-	-	✓
RAKP	7	6	2	3	-	✓
DRL	7	6	2	3	-	✓
RYCS	7	6	2	3	-	✓
Tan Lei Cheng ("TLC")	7	-	2	3	-	✓
Tan Mei Sian ("TMS")	7	4*	2*	3*	4	✓
Elizabeth Tan Hui Ning ("ETHN") (Resigned on 19.03.2025)	1	1*	1*	1*	1	-

\* By invitation

### Directors and Management Remuneration

The Manager also manages IGB Commercial REIT ("IGBCR"), which is listed on Bursa's Main Market. IGB REIT and IGBCR (the "REITs") have distinct investment policies. As trusts, REITs do not have their own staff; instead, the Directors and management are remunerated by the Manager.

To successfully execute the REITs' strategies and attain long-term goals, including sustainability, the Manager must attract, motivate, and retain talented staff. The Manager's RPP links remuneration with strategic and sustainability goals, ensuring that rewards are aligned with these performance targets.

The Board sets the remuneration for Directors and management. NEDs receive an annual fee based on their roles, time commitment, and peer benchmarks, with the AC Chair's fee being higher due to additional duties. NED fees are not performance-based and are approved by IGBC, the Manager's sole shareholder. NEDs also receive meeting allowances and benefits. The EC and CEO are salaried but do not get annual fees or meeting allowances. NED remuneration is reviewed annually to ensure fairness and reflect responsibilities. Directors cannot vote on their remuneration. Management has service or employment contracts with the Manager and receives salaries and bonuses aligned with industry standards. Remuneration depends on skills, experience, responsibilities, performance, and market factors. The RC recommends the remuneration for the EC and CEO, which the Board approves yearly. The CEO determines the remuneration for other senior executives, which is then reported to the RC.

The RC conducts an annual review of Directors' and management's remuneration, evaluating their contributions, responsibilities, and the REITs' performance. The Manager benchmarks against industry standards and peer groups to ensure fair and role-appropriate compensation. This process acknowledges dedication, encourages accountability, and ties rewards to performance. The review took place in October 2025, as outlined in the [RC Report](#) section.

Below are the FY25 remuneration details for each Director:

Directors	Remuneration <sup>(a)</sup> RM	Fee <sup>(b)</sup> RM	Meeting Allowance <sup>(b)(c)</sup> RM	Benefits-in-kind ("BIK") <sup>(b)(d)</sup> RM	Total RM
DSRT (appointed as EC on 19.03.2025)	583,485	46,672	9,000	6,731	645,888
RYCS	-	171,600	70,000	1,200	242,800
DRL	-	156,000	66,000	1,200	223,200
RAKP	-	156,000	66,500	3,700	226,200
TLC	-	156,000	40,000	4,740	200,740
TMS	566,253	-	-	-	566,253
ETHN (resigned as ED and CEO on 19.03.2025)	1,390,354	-	-	3,305	1,393,659
<b>Total</b>	<b>2,540,092</b>	<b>686,272</b>	<b>251,500</b>	<b>20,876</b>	<b>3,498,740</b>

<sup>(a)</sup> Salaries, fixed allowances, bonuses, gratuities, and EPF contributions.

<sup>(b)</sup> Managing the REITs, subject to IGBC's approval.

<sup>(c)</sup> Total meeting allowances for the REITs: Board (11) and BCs (27).

<sup>(d)</sup> Long service awards, subsidies for mobile phone and health screening, recreational and fitness memberships, driver services, and seasonal parking.

The NC and the Board agreed that, due to the confidentiality and sensitivity of staff remuneration, the competitive talent market in the REIT management sector, and the significance of operational stability with a skilled team, it is in the Manager's best interest not to disclose the names and exact remuneration of its top 5 management members. Instead, remuneration will be reported in RM50,000 bands, as shown below. This approach balances transparency for UHs while safeguarding management's privacy.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

Remuneration Band	Number of Officers	Remuneration <sup>(a)</sup>	BIK <sup>(b)</sup>	Total
Between RM250,000 – RM300,000	1	100.00%	-	100.00%
Between RM300,000 – RM350,000	1	100.00%	-	100.00%
Between RM900,000 – RM950,000	2	98.57%	1.43%	100.00%
Between RM950,000 – RM1,000,000	1	98.29%	1.71%	100.00%

<sup>(a)</sup> Salaries, fixed allowance, bonuses and EPF contributions to manage the REITs.

<sup>(b)</sup> Subsidies for mobile phone and health screening, recreational and fitness memberships, driver services, seasonal parking.

## Acting Ethically and Responsibly

The Board fosters a culture within the Manager that aligns with IGB REIT's purpose, values, and strategy. The Manager implements policies and procedures, summarised in the CGOS. These policies are regularly updated to ensure compliance with changes in legislation, regulations, and governance standards. Below is an overview of the key governance policies and guidelines:

### Directors' Code of Business Conduct & Ethics ("Code")

The Code guides the Board in its oversight duties, highlighting that Directors must uphold high ethical standards and act with integrity in their dealings with the Manager and IGB REIT. They should act in good faith, prioritising the interests of IGB REIT and UHs. Management must adhere to the IGB Group Employee Code of Conduct, which details expected behaviours.

### FAP Guidelines

All Board members and management must meet the qualifications outlined in the Manager's FAP Guidelines, including integrity, reputation, competence, capability, and financial integrity. They must also refrain from engaging in activities prohibited by CMSA, MMLR, and relevant laws. Directors and management must submit a FAP declaration twice annually: once before the Anniversary Reporting for Authorisation with the SC, and again before issuing IGB REIT's AR. The most recent FAP assessment was conducted in January 2026.

### Guidelines for dealing in units of IGB REIT ("Units")

The Manager's procedures for securities transactions emphasise the CMSA's requirements, particularly the restrictions on insider trading. Directors and management with material IGB REIT information must avoid trading in Units or sharing such information.

Directors and management receive an internal memorandum about the restricted trading period, which starts 1 month before IGB REIT's quarterly results or when they hold price-sensitive information. They must notify the Manager in writing within 3 market days of any Unit acquisition or change. Directors must also update their interest disclosures quarterly. Transactions by Directors and/or management will be publicly disclosed on BursaLINK, the regulatory platform.

The [Unitholding Statistics](#) section shows the interests in the Units held by Directors and the CEO.

### Anti-Bribery & Corruption ("ABC") Policy

The Manager emphasises IGB REIT's commitment to lawful and ethical practices, including transparency, integrity, impartiality, and accountability. The Manager adheres to the IGB Group ABC Policy, which prohibits bribery and corruption. Directors and management must submit quarterly declarations on gifts, entertainment, and hospitality involving third parties. In FY25, no reports of bribery, corruption, or fraud have been received.

### Whistleblowing Policies and Procedures ("WPP")

The Manager subscribes to the IGB Group WPP as a platform for employees and stakeholders to report misconduct, including fraud, corruption, and unlawful behaviour. All reports are submitted to the Whistleblowing Committee ("WBC"), which comprises the Heads of Group Legal, GIA, and Group Human Capital, responsible for investigating issues related to IGB REIT. Reports can be sent via [whistleblowing@igbbhd.com](mailto:whistleblowing@igbbhd.com), with confidentiality maintained to protect whistleblowers.

### Guidelines for RPTs and RRPTs

To effectively oversee COI related to IGB REIT, the Manager has controls and reporting procedures for RPTs and RRPTs, ensuring transactions with the Manager, Directors, the CEO, major UHs, and connected persons are at arm's length and on normal commercial terms. These procedures align with IGB REIT's business practices and policies, without causing detriment to IGB REIT or minority UHs. Management ensures that all RPTs and RRPTs are disclosed and assessed based on pricing, contractual terms, expertise, and product and service quality, and that these factors are compared with current market rates, industry standards, and comparable service providers. The Manager documents all RPTs and RRPTs, which the AC reviews quarterly to confirm they are at arm's length and do not prejudice UH interests. The IA evaluates RPT/RRPT compliance with MMLR and internal policies by analysing transaction details, supporting documents, and relevant information.

At the Annual General Meeting ("AGM") on 23 April 2025, UHs approved a mandate under paragraph 10.09(2) of the MMLR, authorising IGB REIT to conduct RRPTs with related parties ("RPs"). Since then, the actual RRPT amounts have remained within 10% of the estimates.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

On 28 January 2026, IGB REIT announced its intention to seek UH approval to renew the RRPTs at the 2026 AGM ("RRPT Mandate"). These RRPTs with RPs are crucial for IGB REIT's operations, fulfilling regular operational requirements on favourable terms. Directors with COI have recused from board discussions and will not vote at the 2026 AGM. The AC has confirmed that proper processes and controls are in place to monitor, track, and promptly identify RRPTs. More details are available in the Circular-RRPT Mandate.

The table summarises FY25 RRPTs between IGB REIT and RPs according to the mandate:

Transacting Parties	RRPT Nature from IGB REIT's perspective	Estimated Value RM'000	Actual value FY25 RM'000	Interested RPs
IGB Group <sup>(a)</sup>	Receipt of mall rentals, parking, and services	15,000	7,382	IGBRM <sup>(d)</sup> IGBC <sup>(d)</sup> IGB <sup>(d)</sup> DSRT <sup>(e)</sup> TMS <sup>(f)</sup> TLC <sup>(g)</sup> GTHC <sup>(h)</sup> Pauline Tan Suat Ming ("PTSM") <sup>(i)</sup> Tony Tan Choon Keat ("TTCK") <sup>(j)</sup> Tan Chin Nam Sdn Bhd ("TCN") <sup>(k)</sup> Tan Kim Yeow Sdn Bhd ("TKY") <sup>(l)</sup> Wah Seong (M) Trading Co. Sdn Bhd ("WST") <sup>(m)</sup> Tan Boon Lee ("TBL") <sup>(n)</sup>
	Payment for intellectual property fees	12	12	
	Receipt of chilled water and liquefied petroleum gas	15,000	7,183	
	Payment for maintenance, repairs, upgrades, and consultancy	8,000	438	
	Payment for information and communication technology systems, applications and services	3,000	779	
	Payment for tenant sales verification audit fees	250	54	
	Payment for Manager Fees	60,000	46,014	
	<b>Total</b>	<b>101,262</b>	<b>61,862</b>	
IGBCR <sup>(b)</sup>	Payment for commercial rentals and services	200	114	
	Receipt and payment for chilled water	20,000	7,435	
	<b>Total</b>	<b>20,200</b>	<b>7,549</b>	
WST Group <sup>(c)</sup>	Receipt of parking and services	25	19	
	Payment for building materials, electrical machinery, and equipment	50	0	
	Receipt and payment for billboard signage, security systems, and maintenance	2,000	1,412	
	<b>Total</b>	<b>2,075</b>	<b>1,431</b>	

<sup>(a)</sup> IGB Group engages in investment holding, management services, property and mall operations, hotel management, property development, utilities, ICT services, water treatment engineering, education, and REIT management.

<sup>(b)</sup> IGBCR's investment policy is to invest directly or indirectly in income-generating commercial real estate assets.

<sup>(c)</sup> WST Group's activities are investment, trading, construction, building materials, and related products and services.

<sup>(d)</sup> IGBRM is a wholly owned subsidiary of IGBC, which itself is wholly owned by IGB, a major UH of IGB REIT and IGBCR.

<sup>(e)</sup> DSRT is the EC of IGBRM, NINED of IGB, a director of some IGB subsidiaries, a major UH of IGB REIT and IGBCR, a major shareholder ("SH") of IGB, director/substantial SH of TKY and WST Group, brother of PTSM and TTCK, and the father of GTHC.

<sup>(f)</sup> TMS is the ED of IGBRM, Deputy Group CEO and alternate to TLC on the boards of IGB and WST, and a director of some IGB subsidiaries and TCN.

<sup>(g)</sup> TLC is NINED of IGBRM, Non-Independent Non-Executive Chairman of IGB, a director of TCN Group and WST, and a sister of TBL.

<sup>(h)</sup> GTHC is the Chief Brand Officer and alternate to DSRT on the board of IGBRM, a director of an IGB subsidiary, and a daughter of DSRT.

<sup>(i)</sup> PTSM is a major UH of IGB REIT and IGBCR, a major SH of IGB, a substantial SH of TKY and WST Group, and a sister of DSRT and TTCK.

<sup>(j)</sup> TTCK is a director of TKY, a major UH of IGB REIT and IGBCR, a major SH of IGB, a substantial SH of TKY and WST Group, and a brother of DSRT and PTSM.

<sup>(k)</sup> TCN is a major UH of IGB REIT and IGBCR, a major SH of IGB, a substantial SH of WST, and a person connected to TLC, TBL, and TMS.

<sup>(l)</sup> TKY is a major UH of IGB REIT and IGBCR, a major SH of IGB, a substantial SH of WST; and a person connected to DSRT, PTSM, TTCK and GTHC.

<sup>(m)</sup> WST is a major UH of IGB REIT and IGBCR, a major SH of IGB, and a person connected to TKY, TCN, DSRT, TTCK and PTSM.

<sup>(n)</sup> TBL is the Group CEO and ED of IGB, a director of WST and subsidiaries within IGB Group, TCN, and WST Group, and a brother of TLC.

### Principle B: Effective Audit and Risk Management

#### Audit Committee ("AC")

The AC ensures financial integrity, maintains internal controls, and oversees the effectiveness of IA and EA, with unrestricted access to information and resource documents. RYCS, a Fellow of the Institute of Chartered Accountants in England and Wales, chairs the AC, which includes members with relevant financial expertise to evaluate IGB REIT's results. None of these members has an employment relationship with the EA, PwC.

Meetings occur quarterly or as determined by the AC, usually involving the CEO, CFO, HOC/CS, and GIA Head. Other senior executives may be invited to share insights on particular topics as necessary. The lead EA partner and GIA Head maintain direct access to the AC Chair and meet privately with the AC at least twice a year to address issues without management.

The AC annually assesses the EA's performance, focusing on service quality, resource adequacy, and independence, including objectivity and professional scepticism. It gathers feedback from the CFO on audit services and reviews the reasonableness of audit fees. This review was completed in January 2026. The [AC Report](#) summarises issues discussed or approved during meetings.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## IA function

The Manager emphasises that a robust internal control system is essential to protect UHs' interests, safeguard IGB REIT's assets, and effectively manage risks.

The IA function is outsourced to IGB's GIAD, comprising qualified professionals whose audit approach follows the Global Internal Audit Standards ("Standards") established by the Institute of Internal Auditors ("IIA"). The GIA Head, Christine Ong May Ee, holds multiple certifications: Certified Internal Auditor (USA), Certified Risk Management Assurance (USA), Fellow of Chartered Accountants Australia and New Zealand, Fellow of IIA (Malaysia), Chartered Accountant (Malaysia), and a Bachelor of Accountancy (Hons.) (Singapore). She reports directly to the AC. The GIAD team reaffirms its commitment to ethics, professionalism, and independence annually, in line with the Standards.

The IA provides independent assurance to management and the AC by reviewing IGB REIT's and the Manager's risk management, internal controls, and governance. Operating independently in accordance with the AC-approved audit charter, it has unrestricted access to documents, records, property, personnel, and direct communication with the AC.

The IA adopts a risk-based audit approach aligned with the Manager and IGB REIT's key risks and objectives. Higher-risk activities, critical controls, and compliance receive more focus and review based on risk assessments.

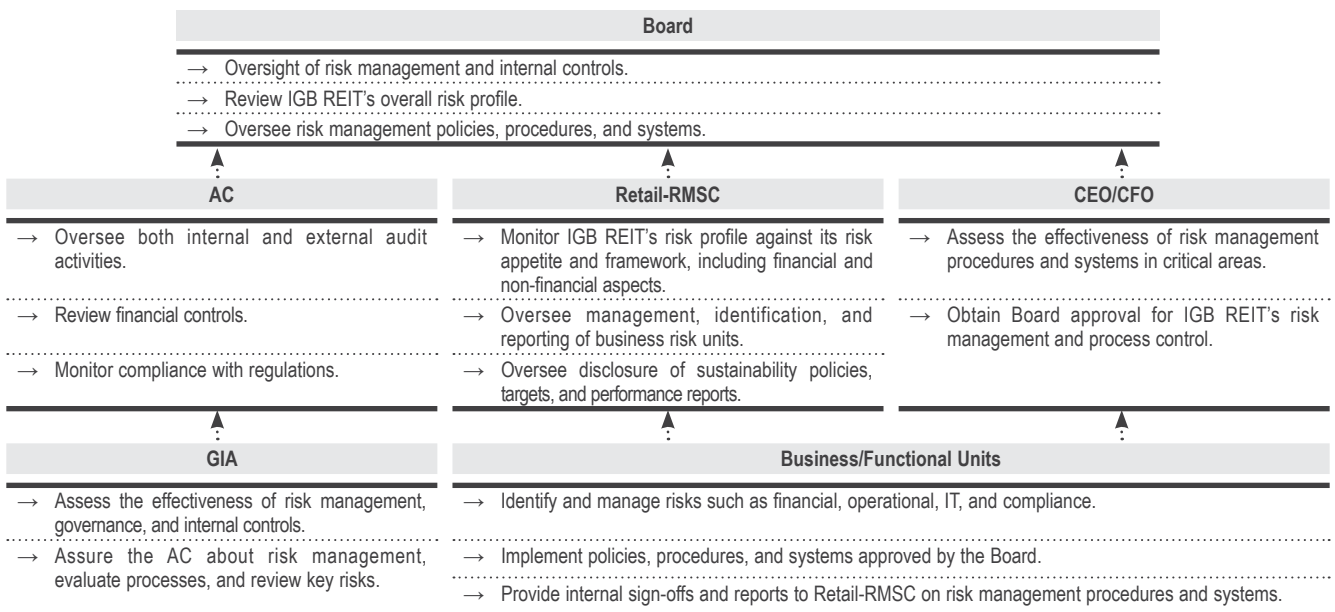
The scope of IA reviews is defined in annual plans approved by the AC. IA reports detail audit findings related to the control environment, risk management, internal control effectiveness, compliance with regulations, standard operating procedures, and overall management of IGB REIT. These reports emphasise key control issues, significant risks, recommendations, management responses, and action plans for necessary improvements or corrections. This process enables the AC to oversee and evaluate management's internal controls within IGB REIT operations. In addition to the annual plan, IA performs ad hoc reviews as needed or when major risks are identified, with scope discussions and approval from management and AC. Reports are shared with both management and AC. Additionally, IA provides advisory services to Retail-RMSC on risk management, sustainability, and business continuity. Beyond routine activities, IA serves as the primary contact for stakeholder feedback and complaints via [feedback@igbreit.com](mailto:feedback@igbreit.com). The GIA Head also participates as a member of the WBC and ABC for the IGB Group.

In FY25, the IA conducted audit reviews as outlined in the 2025 IA plan. IA issued reports at all operational and functional levels within the Manager and IGB REIT, monitored management's action plans based on audit findings, verified their implementation, and provided quarterly updates to the AC. These activities are detailed in the [AC Report](#) section and the [SORMIC](#).

GIA must undergo an external Quality Assessment Review ("QAR") by an independent reviewer every 5 years, as required by Standards. The previous QAR, completed in 2020, confirmed that GIA adheres to the International Professional Practices Framework for Internal Auditing. Crowe Governance Sdn Bhd was appointed in October 2025 to perform the next QAR in January 2026. They will assess GIA's compliance with the Global Internal Audit Standards and present the findings to the AC in April 2026.

The Manager and IGB REIT paid RM344,000 for IA services in FY25.

## Risk Management and Internal Control



IGB REIT's risk management, internal controls, and key risks are outlined in the [SORMIC](#).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## Principle C: Integrity Corporate Reporting and Meaningful Relationship with Stakeholders

### Engagement with Stakeholders

#### Effective investor relations management ensures transparency and governance

Timely and transparent disclosures	Proactive investor engagement	Proactive two-way communication with UHs
<p>The Manager regularly updates UHs and the investment community on IGB REIT’s financial and operational performance.</p> <p>IGB REIT’s disclosure protocol ensures market-sensitive information is shared promptly with Bursa, providing UHs prompt access to financial, operational, and governance information.</p> <p>Material information about IGB REIT is promptly disclosed via BursaLINK and IGB REIT’s website at <a href="http://www.igbreit.com">www.igbreit.com</a>, covering results, debt, and investments. This approach ensures that investors and the public have easy access to the latest updates through continuous communication.</p>	<p>The Manager views investors as important stakeholders and interacts with them to build relationships and improve understanding of IGB REIT’s finances, operations, and growth strategies.</p> <p>The Manager established a dedicated email channel at <a href="mailto:investorrelations@igbreit.com">investorrelations@igbreit.com</a> for UHs and investors to send queries and receive responses. Quarterly briefings are held for institutional investors, allowing analysts to ask questions about IGB REIT’s performance. The Manager ensures that all institutional investors have equal access to information.</p> <p>In FY25, the Manager kept investors engaged via meetings, group sessions, and quarterly updates.</p>	<p>UHs can electronically communicate with IGB REIT and its unit registry.</p> <p>IGB REIT engages UHs through AGM. The 2025 AGM was successfully held, with notice issued on 25 March 2025—more than 28 days in advance—allowing UHs sufficient time to register and submit questions. On 5 May 2025, minutes, voting results, and transcripts were uploaded to IGB REIT’s website.</p> <p>This year’s IGB REIT AGM will be held in person. UH questions should be sent in advance of the 2026 AGM to ensure a response. Details on participation, voting, and submitting questions are available in AR25. UHs can request a printed copy by emailing <a href="mailto:corporate-enquiry@igbreit.com">corporate-enquiry@igbreit.com</a>.</p>

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (“Board”) of IGB REIT Management Sdn Bhd is pleased to present the Statement on Risk Management and Internal Control (“Statement”). This Statement is prepared pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad’s Main Market Listing Requirements (“MMLR”) and in accordance with the guidelines as set out in the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

The Board maintains its overall responsibility to ensure a framework of risk management and internal controls is in place to maintain the continued high level of corporate governance. The Retail Risk Management and Sustainability Committee (“Retail RMSC”) assists the Board to oversee the overall strategy and risk framework with their expertise, experience and knowledge of the business.

### Risk Management Framework

IGB REIT adopts the “IGB REIT Strategy & Risk Framework” (“Framework”) which is based on the Committee of Sponsoring Organisations of the Treadway Commission’s (“COSO”) Enterprise Risk Management (“ERM”) – Integrating with Strategy and Performance framework. This Framework is designed to facilitate the integration of risk, sustainability considerations and strategy within the operations of the organisation.

The Framework itself is a set of principles organised into 5 interrelated components:

1. **Governance and Culture:** Governance sets the organisation’s tone, reinforcing the importance of, and establishing oversight responsibilities for ERM. Culture pertains to ethical values, desired behaviours, and understanding of risk in the entity.
2. **Strategy and Objective-Setting:** ERM, strategy, and objective-setting work together in the strategic-planning process. A risk appetite is established and aligned with strategy; business objectives put strategy into practice while serving as a basis for identifying, assessing, and responding to risk.
3. **Performance:** Risks that may impact the achievement of strategy and business objectives, including sustainability-related risks and other emerging non-financial risks relevant to the business, are identified and assessed. Risks are prioritised by severity in the context of risk appetite. The organisation then selects risk responses and takes a portfolio view of the amount of risk it has assumed. The results of this process are reported to key risk stakeholders.
4. **Review and Revision:** By reviewing entity performance, an organisation can consider how well the ERM components are functioning over time and in light of substantial changes, and what revisions are needed.
5. **Information, Communication, and Reporting:** ERM requires a continual process of obtaining and sharing necessary information, from both internal and external sources, which flows up, down, and across the organisation.

The Framework is reviewed annually by the Retail RMSC to ensure its adequacy and continued relevance to IGB REIT’s risk profile.

### Risk Management

IGB REIT’s robust risk management is not designed to eliminate risks but to mitigate unexpected operational surprises and losses, reduce performance variability, improve resource deployment, identify and manage entity wide risks while increasing the range of opportunities.

The IGB REIT culture pertaining to strategy and risks is one of ownership, whereby the functional units themselves take ownership of their strategies and risks. They identify and evaluate strategies and risks to ensure the implementation of strategic plans and mitigation actions are in place and aligned with the Framework. Functional units monitor and measure the performance of their strategic plans and mitigation actions before submitting strategy and risk reports every quarter to the Retail RMSC.

The Retail RMSC maintains the consolidated risk register for IGB REIT and monitors updates. Functional units’ escalation of risks of new and existing investments, strategies or opportunities are reviewed by the Retail RMSC to ensure that exposures are within the approved risk appetite in consultation with the Group Strategy, Risk & Sustainability (“GSRs”). The Board receives regular updates on key risks, risk exposures and mitigation actions through reports tabled to the Retail RMSC. The Board assesses the adequacy and effectiveness of internal controls on an annual basis. Management is responsible for ensuring that risk management activities are implemented effectively to manage significant business risks in a timely manner. Group Internal Audit (“GIA”) reviews the risk management process for comprehensiveness and effectiveness.

During the meetings held in the financial year, the Retail RMSC reviewed the quarterly strategy & risk reports which include key risks identified, ratings accorded to each risk as well as controls and mitigating actions implemented or to be implemented by the Manager. Highlights of the salient risks and corresponding mitigating actions by IGB REIT have been further detailed in the Management Discussion & Analysis section of the Annual Report.

### Anti-Bribery & Corruption Policy

IGB has established the IGB Group Anti Bribery and Corruption Policy (“ABC”) in line with the requirements of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 specifically regarding the corporate liability provision on commercial organisations for corruption committed by persons associated with it. The ABC applies to all employees and directors of companies under the IGB Group.

The ABC enshrines the principles of a zero-tolerance approach against any and all forms of bribery and corruption as well as provides guidance to employees on dealing with improper solicitation, bribery and other corrupt activities that may arise in the course of executing or undertaking their duties, obligations and responsibilities.

The Manager is a subsidiary of IGB and therefore subscribes to the ABC. Risks relating to bribery and corruption are assessed as part of the risk management process and reviewed by the Retail RMSC.

The ABC is reviewed at least once every three years for effectiveness by the Head of Group Legal of IGB who has been appointed as the Integrity Officer.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(continued)

### Whistleblowing Policy

IGB has implemented the IGB Group Whistleblowing Policy and Procedures (“WPP”). The WPP is intended to encourage and facilitate employees and stakeholders who have or may have genuine concerns in relation to any alleged, suspected or actual serious acts of misconduct or illegal activity to disclose or report such acts or activities.

The WPP addresses the commitment by IGB towards maintaining the highest standards of accountability, ethical conduct, fairness, integrity, probity, professionalism and transparency as well as the requirement for all IGB Group employees to conduct themselves with the highest level of accountability, integrity, impartiality, professionalism and transparency, at all times.

The WPP undertakes that all disclosures and reports by whistle-blowers will be treated with the strictest of confidence and promptly, professionally and fully investigated. The WPP also provides assurance that no action will be taken against any employee who discloses or reports any alleged, suspected or actual serious acts of misconduct or illegal activity in good faith. The WPP further complements the ABC whereby protection and confidentiality commitment of the WPP also applies to the ABC.

The Manager is a subsidiary of IGB and therefore subscribes to the WPP.

### Technology Risk Management

IGB REIT has established the IGB REIT Technology Risk Management Framework which is aligned with the updated regulations issued by the Securities Commission (“SC”). The technology risk management framework is designed to identify, assess, and mitigate risks associated with technology use within the organisation. By evaluating existing technologies and potential threats, this framework lays the foundation for various management strategies, including regular monitoring, employee training, and best practices. Our proactive approach aims to build operational resilience, enhance decision-making, and strengthen stakeholder confidence, all while creating a secure and efficient technology environment that aligns with the organisation’s goals and minimising disruptions caused by cybersecurity threats.

Risks in relation to cyber security are assessed as part of the risk management process and reviewed by the Retail RMSC.

### Internal Control Processes

The Board maintains full control and direction over appropriate strategic, financial, organisational and compliance issues. It has delegated to Management the implementation of internal controls in the operation of the functional units in IGB REIT.

The main pillars of the framework for internal controls include:

#### Organisation & Structure

- Continued maintenance of defined lines of reporting, responsibility and delegated authorities.
- Clear and structured boundaries of authority that form a framework of leadership and accountability within the IGB REIT.
- Instil control-conscious and risk management culture and ensure proper tone at the top for an effective control environment.

#### Anticipation & Accountability

- Regular consortium of all heads of functional units to raise and review any and all significant risks and opportunities related to known and emerging changes in the operational and regulatory landscape.
- Construction of annual operating budgets and capital expenditure plans by all functional units, reviewed and approved by the Chief Executive Officer (“CEO”), Deputy CEO (Retail) and the Board.
- Transparent assessment of performance against approved budgets, with reporting of discrepancies or variance to the Board.
- Regular reporting updates of all significant issues, financial accounting status and legal developments to the Board for up-to-date visibility.

#### Compliance & Training

- Standardisation and distribution of operating policies and procedures in line with internal controls, industry best practices and the relevant laws and regulations; to be reviewed regularly and approved by Management.
- Ongoing investment in training and guidance of staff to ensure they are competent and motivated to excel in their responsibilities, improving retention rate of strong talent.
- Maintenance of clear guidelines for conducting hiring, termination and annual performance appraisal processes that uphold a reputation of corporate integrity.

The GIA provides further independent assurance on the adequacy and effectiveness of the risk management and internal control systems as part of their audit review. All reports are brought to the attention of the Board through the AC.

The Board, with the concurrence of AC, has reviewed the effectiveness of IGB REIT’s system of risk management and internal controls. There were no significant internal control issues that would have resulted in any material losses, contingencies, or uncertainties that would require disclosure in the IGB REIT annual report.

The Board has received assurance from the CEO and CFO that IGB REIT’s risk management and internal control systems are operating adequately and effectively in all material aspects.

As required by paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement. Their limited assurance review was performed in accordance with Audit and Assurance Practice Guide 3 (“AAPG”) 3 (Revised) issued by the Malaysian Institute of Accountants. AAPG 3 (Revised) does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of IGB REIT.

*This Statement was approved by the Board on 16 March 2026.*

# FINANCIAL STATEMENTS

**31 December 2025**

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## MANAGER'S REPORT

IGB REIT Management Sdn Bhd, the Manager for IGB Real Estate Investment Trust ("IGB REIT" or "Fund"), is pleased to present its report together with the audited financial statements of IGB REIT and its wholly-owned subsidiaries ("Group") for the financial year ended 31 December 2025.

### PRINCIPAL ACTIVITY OF THE MANAGER

The principal activity of the Manager is the management of real estate investment trust ("REIT"). There has been no significant change in the nature of this activity during the financial year.

### THE FUND AND ITS INVESTMENT OBJECTIVE

IGB REIT is a Malaysia-domiciled REIT established on 25 July 2012 constituted under the deed of trust dated 18 July 2012, (amended and restated on 25 October 2018) ("Deed") between the Manager and MTrustee Berhad ("Trustee"), listed on Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 21 September 2012 and regulated by the Securities Commission Act 1993, the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts ("REIT Guidelines"), the Listing Requirements of Bursa Securities, the Rules of Bursa Malaysia Depository ("Depository") and taxation laws and rulings. IGB REIT will continue its operations until such time as determined by the Manager and the Trustee as provided under the provisions of Clause 27 of the Deed. The principal investment policy of IGB REIT is to invest, directly and indirectly, in a diversified portfolio of income producing real estate used primarily for retail purposes as well as real estate related assets. Real estate used primarily for retail purposes would include retail properties and mixed used development with a retail component.

### DISTRIBUTION OF INCOME

IGB REIT had declared distributions for the financial year as follows:-

- 3.19 sen per unit (@ 3.14 sen taxable and 0.05 sen non-taxable) for the period from 1 January 2025 to 31 March 2025, which was paid on 29 May 2025;
- 2.82 sen per unit (@ 2.78 sen taxable and 0.04 sen non-taxable) for the period from 1 April 2025 to 30 June 2025, which was paid on 28 August 2025;
- 2.77 sen per unit (@ 2.72 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2025 to 30 September 2025, which was paid on 20 November 2025; and
- 2.97 sen per unit (@ 2.94 sen taxable and 0.03 sen non-taxable) for the period from 1 October 2025 to 31 December 2025, which was paid on 27 February 2026.

### RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

### DIRECTORS

The Directors who have served on the Board of Directors of the Manager during the financial year and during the period from end of the financial year to the date of this report are as follows:-

Dato' Seri Robert Tan Chung Meng  
 Tan Lei Cheng  
 Tan Mei Sian  
 Robert Ang Kim Pak  
 Datuk Richard Lee Say Tshin  
 Raymond Yeoh Cheng Seong  
 Gabrielle Tan Hui Chween (alternate to Dato' Seri Robert Tan Chung Meng) (Appointed on 11 March 2026)  
 Elizabeth Tan Hui Ning (Resigned on 19 March 2025)

### DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Manager is a party, with the object or objects of enabling the Directors of the Manager to acquire benefits by means of the acquisition of units in or debentures of IGB REIT or any other body corporate, other than as disclosed in Directors' interest.

For the financial year ended 31 December 2025, no Director has received or become entitled to receive a benefit (other than certain Directors received remuneration as a result of their employment with the Manager or related corporations).

**MANAGER'S REPORT**

(continued)

**DIRECTORS' INTEREST**

The following Directors of the Manager who held office at the end of the financial year had, according to the register of unitholdings in IGB REIT, interests in the units of IGB REIT as follows:-

	Number of units			Balance at 31.12.2025
	Balance at 01.01.2025	Addition	Disposal/ Transferred/ Ceased	
Dato' Seri Robert Tan Chung Meng				
Direct	16,272,721	1,442,698	-	17,715,419
Indirect	1,964,640,573	497,985,758	(168,836,128)	2,293,790,203
Tan Lei Cheng				
Direct	2,005,944	4,691,087	-	6,697,031
Tan Mei Sian				
Direct	300,000	249,332	-	549,332

Other than as disclosed above, the other Directors who held office at the end of the financial year did not have interests in the units of IGB REIT.

**OTHER INFORMATION**

Before the financial statements of the Group and of the Fund were prepared, the Manager took reasonable steps:-

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, which were unlikely to realise in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Fund had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Manager is not aware of any circumstances:-

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Fund inadequate to any substantial extent;
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Fund misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Fund misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve (12) months after the end of the financial year which, in the opinion of the Manager, will or may affect the ability of the Group or of the Fund to meet its obligations when they fall due.

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group or of the Fund which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Group or of the Fund which has arisen since the end of the financial year.

At the date of this report, the Manager is not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

## MANAGER'S REPORT

(continued)

### OTHER INFORMATION (continued)

In the opinion of the Manager:-

- (a) the results of the operations of the Group and of the Fund during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Fund for the financial year in which this report is made.

### MATERIAL LITIGATION

The Manager is not aware of any pending material litigation as at the date of statements of financial position and up to the date of this report.

### SOFT COMMISSION

There was no soft commission received by the Manager and/or its delegates during the financial year.

### ULTIMATE HOLDING COMPANY

The Manager regards IGB Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, as the ultimate holding company.

### AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to accept re-appointment as auditors.

Signed on behalf of the Board of Directors of the Manager in accordance with a resolution of the Directors of the Manager dated 16 March 2026.

**RAYMOND YEOH CHENG SEONG**  
DIRECTOR

**TAN MEI SIAN**  
DIRECTOR

## STATEMENT BY THE MANAGER

In the opinion of the Directors of the Manager, the financial statements are drawn up in accordance with the provisions of the Deed, the REIT Guidelines, applicable securities laws, Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2025 and of their financial performance and cash flows for the financial year ended 31 December 2025.

Signed on behalf of the Board of Directors of the Manager in accordance with a resolution of the Directors of the Manager dated 16 March 2026.

**RAYMOND YEOH CHENG SEONG**  
DIRECTOR

**TAN MEI SIAN**  
DIRECTOR

## STATUTORY DECLARATION

I, Chow Yeng Keet, the Chief Financial Officer of the Manager primarily responsible for the financial management of the Group and of the Fund, do solemnly and sincerely declare that the financial statements are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

**CHOW YENG KEET**  
(MIA No. 48301)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 16 March 2026.

Before me:

COMMISSIONER FOR OATHS

## TRUSTEE'S REPORT

TO THE UNITHOLDERS OF IGB REAL ESTATE INVESTMENT TRUST  
(Established In Malaysia)

We have acted as Trustee of IGB Real Estate Investment Trust ("IGB REIT") for the financial year ended 31 December 2025. In our opinion and to the best of our knowledge, the Manager has managed IGB REIT in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the REIT Guidelines, applicable securities laws and other applicable laws during the financial year then ended.

We have ensured the procedures and processes employed by the Manager to value and price the units of IGB REIT are adequate and that such valuation/pricing is carried out in accordance with the Deed and other regulatory requirements.

We also confirm the income distributions declared during the financial year ended 31 December 2025 are in line with and are reflective of the investment objectives of IGB REIT. Income distributions have been declared for the financial year ended 31 December 2025 as follows:-

- 3.19 sen per unit (@ 3.14 sen taxable and 0.05 sen non-taxable) for the period from 1 January 2025 to 31 March 2025, which was paid on 29 May 2025;
- 2.82 sen per unit (@ 2.78 sen taxable and 0.04 sen non-taxable) for the period from 1 April 2025 to 30 June 2025, which was paid on 28 August 2025;
- 2.77 sen per unit (@ 2.72 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2025 to 30 September 2025, which was paid on 20 November 2025; and
- 2.97 sen per unit (@ 2.94 sen taxable and 0.03 sen non-taxable) for the period from 1 October 2025 to 31 December 2025, which was paid on 27 February 2026.

For and on behalf of the Trustee,  
**MTRUSTEE BERHAD**

**NURIZAN BINTI JALIL**  
CHIEF EXECUTIVE OFFICER

Selangor,  
16 March 2026

# INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS OF IGB REAL ESTATE INVESTMENT TRUST  
(Established In Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Our opinion

In our opinion, the financial statements of IGB Real Estate Investment Trust ("the Fund") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

### What we have audited

We have audited the financial statements of the Group and of the Fund, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Fund, and the statements of comprehensive income, statements of changes in net asset value and statements of cash flows of the Group and of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 102 to 147.

### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Independence and other ethical responsibilities*

We are independent of the Group and of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Fund. In particular, we considered where the Directors of the Manager made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Fund, the accounting processes and controls, and the industry in which the Group and the Fund operate.

### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Fund for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Fund as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>1) Fair value of investment properties</p> <p>As at 31 December 2025, the Group's and the Fund's investment properties, carried at fair value, amounted to RM8.37 billion.</p> <p>The fair value of the Group's and the Fund's investment properties was determined by external valuers.</p> <p>We focused on this area due to the magnitude of the balance and the complexities in determining the fair value of the investment properties, which involves significant estimates and judgements.</p>	<p>We evaluated the competency, capabilities and objectivity of the external valuers by considering their professional qualifications and recent experience in the location and segment of the investment properties being valued.</p> <p>We met with the external valuers to discuss the methodology and assumptions used in the valuation.</p> <p>We performed testing on the rental rates, rental periods and net lettable area used in the valuation, on a sample basis to the underlying lease agreements.</p> <p>We assessed the reasonableness of capitalisation rates, rental, outgoing expenses and allowance for void used by the external valuers, with references to market comparables, and/or to historical trends.</p>

## INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS OF IGB REAL ESTATE INVESTMENT TRUST (continued)  
(Established In Malaysia)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

#### Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>1) Fair value of investment properties (continued)</p> <p>Refer to Note 3(b) (Material Accounting Policy Information - Investment Properties), Note 4 (Critical Accounting Estimates and Judgements) and Note 6 (Investment Properties).</p>	<p>We discussed with the external valuers to understand the factors they have considered in adjusting the inputs, including consideration of current market conditions and long-term perspective. We discussed and challenged the external valuers on certain inputs and estimates with the involvement of auditors' experts.</p> <p>We assessed the sensitivity analysis prepared by management on the capitalisation rates on term and reversionary periods, rental rates and outgoing expenses where applicable.</p> <p>We assessed the adequacy of the disclosure in the Group's and the Fund's financial statements.</p> <p>Based on the above procedures performed, we did not identify any material exceptions.</p>

#### Information other than the financial statements and auditors' report thereon

The Directors of the Manager are responsible for the other information. The other information comprises all other information contained within the 2025 Annual Report, but does not include the financial statements of the Group and of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of the Directors of the Manager for the financial statements

The Directors of the Manager are responsible for the preparation of the financial statements of the Group and of the Fund that give a true and fair view in accordance with the provisions of the Deed of Trust dated 18 July 2012, as supplemented on 25 October 2018, the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts, applicable securities laws, Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Directors of the Manager are also responsible for such internal control as the Directors of the Manager determines is necessary to enable the preparation of financial statements of the Group and of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Fund, the Directors of the Manager are responsible for assessing the Group's and the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors of the Manager either intends to liquidate the Group or the Fund or to cease operations, or have no realistic alternative but to do so.

#### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS OF IGB REAL ESTATE INVESTMENT TRUST (continued)  
(Established In Malaysia)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Manager.
- (d) Conclude on the appropriateness of the Directors of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Fund, including the disclosures, and whether the financial statements of the Group and of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors of the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors of the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors of the Manager, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Fund for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## OTHER MATTERS

This report is made solely to the unitholders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**PRICEWATERHOUSECOOPERS PLT**  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
16 March 2026

**TAN CHIN YEE**  
03380/06/2026 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	Group		Fund	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current assets</b>					
Plant and equipment	5	2,073	1,963	2,073	1,963
Investment properties	6	8,369,168	5,436,055	8,369,168	5,436,055
Investment in subsidiaries	7	-	-	-*	-*
Trade and other receivables	8	-	-	33,914	32,582
<b>Total non-current assets</b>		<b>8,371,241</b>	<b>5,438,018</b>	<b>8,405,155</b>	<b>5,470,600</b>
<b>Current assets</b>					
Trade and other receivables	8	81,611	45,030	81,383	44,398
Cash and bank balances	9	305,389	258,227	271,704	226,278
<b>Total current assets</b>		<b>387,000</b>	<b>303,257</b>	<b>353,087</b>	<b>270,676</b>
<b>Total assets</b>		<b>8,758,241</b>	<b>5,741,275</b>	<b>8,758,242</b>	<b>5,741,276</b>
<b>Financed by</b>					
<b>Unitholders' fund</b>					
Unitholders' capital	10	6,246,740	4,576,269	6,246,740	4,576,269
Retained earnings/(Accumulated losses)		21,481	(320,826)	21,481	(320,826)
<b>Total unitholders' fund</b>		<b>6,268,221</b>	<b>4,255,443</b>	<b>6,268,221</b>	<b>4,255,443</b>
<b>Non-current liabilities</b>					
Borrowings	11	2,228,755	1,199,577	-	-
Trade and other payables	12	-	-	2,228,755	1,199,577
<b>Total non-current liabilities</b>		<b>2,228,755</b>	<b>1,199,577</b>	<b>2,228,755</b>	<b>1,199,577</b>
<b>Current liabilities</b>					
Borrowings	11	18,769	15,204	-	-
Trade and other payables	12	242,496	271,051	261,266	286,256
<b>Total current liabilities</b>		<b>261,265</b>	<b>286,255</b>	<b>261,266</b>	<b>286,256</b>
<b>Total liabilities</b>		<b>2,490,020</b>	<b>1,485,832</b>	<b>2,490,021</b>	<b>1,485,833</b>
<b>Total unitholders' fund and liabilities</b>		<b>8,758,241</b>	<b>5,741,275</b>	<b>8,758,242</b>	<b>5,741,276</b>
<b>Net asset value ("NAV")</b>					
- before income distribution		6,586,405	4,642,133	6,586,405	4,642,133
- after income distribution		6,268,221	4,255,443	6,268,221	4,255,443
<b>Number of units in circulation ('000 units)</b>	10	<b>4,323,119</b>	<b>3,615,387</b>	<b>4,323,119</b>	<b>3,615,387</b>
<b>NAV per unit (RM)</b>					
- before income distribution		1.5235	1.2840	1.5235	1.2840
- after income distribution		1.4499	1.1770	1.4499	1.1770

\* Denotes RM2 share capital in IGB REIT Capital Sdn Bhd and RM2 share capital in IGB REIT MVS Capital Berhad respectively (2024: Denotes RM2 share capital in IGB REIT Capital Sdn Bhd)

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group and Fund	
		2025 RM'000	2024 RM'000
Lease revenue		511,831	451,475
Revenue from contracts with customers		193,235	174,624
<b>Total revenue</b>	13	<b>705,066</b>	<b>626,099</b>
Utilities expenses		(52,206)	(57,837)
Maintenance expenses		(30,913)	(27,684)
Quit rent and assessment		(15,640)	(15,367)
Reimbursement costs and other operating expenses	14	(62,165)	(57,295)
Upgrading costs		(10,559)	(12,203)
<b>Property operating expenses</b>		<b>(171,483)</b>	<b>(170,386)</b>
<b>Net property income</b>		<b>533,583</b>	<b>455,713</b>
Net fair value changes on investment properties	6	225,034	211,065
Interest income		8,197	8,841
<b>Net investment income</b>		<b>766,814</b>	<b>675,619</b>
Manager's management fees	15	(46,014)	(40,009)
Trustees' fees		(332)	(320)
Valuation fees		(86)	(200)
Other trust expenses		(1,349)	(1,145)
Finance costs	17	(58,542)	(54,182)
<b>Profit before taxation</b>		<b>660,491</b>	<b>579,763</b>
Taxation	18	-	-
<b>Profit after taxation</b>		<b>660,491</b>	<b>579,763</b>
Other comprehensive income, net of tax		-	-
<b>Total comprehensive income attributable to unitholders</b>		<b>660,491</b>	<b>579,763</b>
<b>Profit after taxation/Total comprehensive income is made up as follows:-</b>			
Realised		435,457	368,698
Unrealised		225,034	211,065
		<b>660,491</b>	<b>579,763</b>
<b>Basic earnings per unit (sen)</b>	19	<b>17.85</b>	16.06
<b>Diluted earnings per unit (sen)</b>	19	<b>17.84</b>	16.05
Total comprehensive income		660,491	579,763
Distribution adjustments	20	(203,090)	(183,825)
Distributable income		<b>457,401</b>	<b>395,938</b>
<b>Distribution per unit (sen)</b>	20	<b>11.75</b>	10.70

The accompanying notes form an integral part of the financial statements.

# STATEMENTS OF CHANGES IN NET ASSET VALUE

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Unitholders' capital RM'000	Retained earnings/ (Accumulated losses)* RM'000	Total unitholders' funds RM'000
<b>Group and Fund</b>				
<b>As at 1 January 2025</b>		<b>4,576,269</b>	<b>(320,826)</b>	<b>4,255,443</b>
Profit after tax/Total comprehensive income for the financial year attributable to unitholders		-	660,491	660,491
Distribution to unitholders		-	(318,184)	(318,184)
Net total comprehensive income for the financial year attributable to unitholders		-	342,307	342,307
<b>Unitholders' transactions</b>				
Issue of new Units				
- Manager's management fees paid in Units	10	20,471	-	20,471
- Part settlement for the acquisition of investment property	10	1,650,000	-	1,650,000
Increase in net assets resulting from unitholders' transactions		1,670,471	-	1,670,471
<b>As at 31 December 2025</b>		<b>6,246,740</b>	<b>21,481</b>	<b>6,268,221</b>
As at 1 January 2024		4,550,473	(513,899)	4,036,574
Profit after tax/Total comprehensive income for the financial year attributable to unitholders		-	579,763	579,763
Distribution to unitholders		-	(386,690)	(386,690)
Net total comprehensive income for the financial year attributable to unitholders		-	193,073	193,073
Unitholders' transactions				
Issue of new Units				
- Manager's management fees paid in Units	10	25,796	-	25,796
Increase in net assets resulting from unitholders' transactions		25,796	-	25,796
As at 31 December 2024		4,576,269	(320,826)	4,255,443

\* IGB REIT adopted predecessor accounting as its accounting policy to account for business combinations under common control on 21 September 2012. In accordance with this policy, the difference between the fair value of the Units issued as consideration and the aggregate carrying amounts of the assets and liabilities acquired as of the date of the business combination is included in equity as accumulated losses.

The accompanying notes form an integral part of the financial statements.

**STATEMENTS OF CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Fund	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Cash flows from operating activities</b>					
Profit before taxation		660,491	579,763	660,491	579,763
<i>Adjustments for:-</i>					
Changes in fair value on investment properties		(225,034)	(211,065)	(225,034)	(211,065)
Manager's management fee payable in Units		20,928	26,006	20,928	26,006
Amortisation of fit-out incentives		250	250	250	250
Finance costs		58,542	54,182	58,542	54,182
Interest income		(8,197)	(8,841)	(8,197)	(8,841)
Movement of loss allowance of trade receivables		51	(474)	51	(474)
Depreciation of plant and equipment		595	830	595	830
Plant and equipment written-off		13	5	13	5
Gain on disposal of plant and equipment		-	(37)	-	(37)
Operating income before changes in working capital		507,639	440,619	507,639	440,619
Net change in trade and other receivables		(37,324)	(1,655)	(37,424)	(1,655)
Net change in trade and other payables		65,924	18,149	65,924	18,149
<b>Net cash generated from operating activities</b>		<b>536,239</b>	<b>457,113</b>	<b>536,139</b>	<b>457,113</b>
<b>Cash flows from investing activities</b>					
Acquisition of investment property*		(1,000,000)	-	(1,000,000)	-
Purchase of plant and equipment		(720)	(1,021)	(720)	(1,021)
Proceed from disposal of plant and equipment		2	333	2	333
Payment of subsequent capital expenditure		(32,392)	(33,184)	(32,392)	(33,184)
Payment of transaction costs incurred for acquisition of investment property		(30,239)	-	(30,239)	-
Interest received		8,640	8,537	7,004	7,664
Movement of fixed deposits with maturity period of more than 3 months		(1,635)	(872)	-	-
<b>Net cash used in investing activities</b>		<b>(1,056,344)</b>	<b>(26,207)</b>	<b>(1,056,345)</b>	<b>(26,208)</b>
<b>Cash flows from financing activities</b>					
Interest paid		(54,806)	(54,028)	(54,806)	(54,028)
Distribution paid to unitholders		(408,569)	(393,549)	(408,569)	(393,549)
Payment of financing expenses		(993)	-	(993)	-
Proceeds from borrowings		1,030,000	-	-	-
Advances from a subsidiary		-	-	1,030,000	-
<b>Net cash generated from/(used in) financing activities</b>		<b>565,632</b>	<b>(447,577)</b>	<b>565,632</b>	<b>(447,577)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>45,527</b>	<b>(16,671)</b>	<b>45,426</b>	<b>(16,672)</b>
Cash and cash equivalents at beginning of the financial year		226,355	243,026	226,278	242,950
<b>Cash and cash equivalents at end of the financial year</b>	9	<b>271,882</b>	<b>226,355</b>	<b>271,704</b>	<b>226,278</b>
<b>Note*:</b>					
<u>Acquisition of investment property</u>					
Cash consideration		1,000,000	-	1,000,000	-
Issuance of new Units		1,650,000	-	1,650,000	-
		<b>2,650,000</b>	<b>-</b>	<b>2,650,000</b>	<b>-</b>

Details of the reconciliation of liabilities arising from financing activities are disclosed in Note 9.

The accompanying notes form an integral part of the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

## 1 GENERAL

### (A) Background

IGB Real Estate Investment Trust ("IGB REIT" or "Fund") is a Malaysia-domiciled real estate investment trust established on 25 July 2012 pursuant to the deed of trust dated 18 July 2012, as supplemented on 25 October 2018 ("Deed") between the Manager and MTrustee Berhad ("Trustee"), listed on Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 21 September 2012 and regulated by the Securities Commission Act 1993, the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts ("REIT Guidelines"), the Listing Requirements of Bursa Securities, the Rules of Bursa Malaysia Depository ("Depository") and taxation laws and rulings. IGB REIT will continue its operations until such time as determined by the Manager and the Trustee as provided under the provisions of Clause 27 of the Deed. The addresses of the Manager's registered office and principal place of business are as follows:-

#### Registered office

Level 32, The Gardens South Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

#### Principal place of business

Mid Valley Megamall ("MVM") and The Gardens Mall ("TGM")  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

The Mall, Mid Valley Southkey ("MVS Mall")  
No.1, Persiaran Southkey 1, Kota Southkey  
80150 Johor Bahru  
Johor

The principal investment policy of IGB REIT is to invest, directly and indirectly, in a diversified portfolio of income producing real estate used primarily for retail purposes in Malaysia and overseas as well as real estate related assets. Real estate used primarily for retail purposes would include retail properties and mixed used development with a retail component. The principal activity of the subsidiaries, incorporated in Malaysia, is disclosed in Note 7 to the financial statements.

The consolidated financial statements comprise the Fund and its subsidiaries ("Group").

The Manager's key objective is to provide unitholders with regular and stable distributions, sustainable long term IGB REIT's units ("Unit") price and distributable income and capital growth, while maintaining an appropriate capital structure.

The Manager regards IGB Berhad, a company incorporated in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad, as the ultimate holding company.

The financial statements for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution by the Directors of the Manager on 16 March 2026.

### (B) Fee Structure

IGB REIT has entered into service agreements in relation to the management of IGB REIT and its property operations. The fee structures are as follows:-

#### (a) Property management fees

The property manager, Chartwell ITAC International Sdn Bhd, is entitled to property management fee of RM26,000 (2024: RM18,000) per month (excluding sales and service tax) after the acquisition of MVS Mall. In addition, the property manager is also entitled to full disbursement of costs and expenses properly incurred in the operation, maintenance, management and marketing of the properties held by IGB REIT ("Permitted Expenses") as well as fees and reimbursements for Permitted Expenses payable to its service providers.

#### (b) Manager's management fees

Pursuant to the Deed, the Manager is entitled to receive the following fees from IGB REIT, in the forms of cash, new Units or a combination thereof at the election of the Manager in its sole discretion:-

- i) a base fee ("Base Fee") of up to 1.0% per annum of the total asset value of IGB REIT (excluding cash and bank balances which are held in non-interest bearing accounts).
- ii) a performance fee ("Performance Fee") of 5.0% per annum of net property income in the relevant financial year.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 1 GENERAL (continued)

### (B) Fee Structure (continued)

#### (b) Manager's management fees (continued)

- iii) an acquisition fee ("Acquisition Fee") of 1.0% of the transaction value (being total purchase consideration) of any real estate and real estate-related assets directly or indirectly acquired from time to time by the Trustee or one or more special purpose vehicle ("SPV") on behalf of IGB REIT pro-rated, if applicable, to the proportion of IGB REIT's interest.

In the case of acquisition of SPVs or holding entities which holds real estate, 1.0% of the underlying value (as determined by an independent valuer appointed by the Trustee) of any Real Estate (which are directly or indirectly held through one or more SPVs of IGB REIT) pro-rated, if applicable, to the proportion of IGB REIT's interest.

Any payment to third party agents or brokers in connection with the acquisition of any real estate and real estate-related assets for IGB REIT shall not be paid by the Manager out of the acquisition fee received or to be received by the Manager (but shall be borne by IGB REIT).

For the avoidance of doubt, no Acquisition Fee is payable with respect to acquisition of the subject properties in connection with the listing of IGB REIT but Acquisition Fee is payable with respect to all other transactions (which includes related party and non-related party transactions), including acquisitions from the sponsor.

- iv) a divestment fee ("Divestment Fee") of 0.5% of the transaction value (being total sale consideration) of any real estate and real estate-related assets directly or indirectly sold or divested from time to time by the Trustee or one or more SPVs on behalf of IGB REIT pro-rated, if applicable, to the proportion of IGB REIT's interest.

In the case of divestment of SPVs or holding entities which holds real estate, 0.5% of the underlying value (as determined by an independent valuer appointed by the Trustee) of any real estate (which are directly or indirectly held through one or more SPVs of IGB REIT) pro-rated, if applicable, to the proportion of IGB REIT's interest.

Any payment to third party agents or brokers in connection with the sale or divestment of any real estate and real estate-related assets for IGB REIT shall not be paid by the Manager out of the Divestment Fee received or to be received by the Manager (but shall be borne by IGB REIT).

For the avoidance of doubt, the Divestment Fee is payable with respect to all transactions (which includes related party and non-related party transactions), including divestments to the sponsor, as well as for compulsory acquisitions.

The payment of the Manager's management fee in the form of new Units will be in accordance with the following formula:-

$$\text{New Units to be issued as payment of the Manager's management fee} = \frac{\text{Manager's management fee payable in Units}}{\text{Market Price}}$$

For this purpose, "Market Price" means the volume weighted average market price of the Units for the last 5 market days preceding the following events:-

- (i) in respect of the Base Fee and Performance Fee, the announcement of the relevant quarterly financial reports; or
- (ii) in respect of the Acquisition Fee and Divestment Fee, the completion of the relevant acquisition/divestment, (each a "Trigger Event").

With reference to any book closing date, where the Trigger Event is before but the issuance of the new Units relating to such Trigger Event is after the said book closing date, the Market Price will be further adjusted for the entitlement relating to such book closing date.

The Manager will make an immediate announcement to Bursa Securities disclosing the number of new Units to be issued and the issue price of the new Units when new Units are issued as payment for management fee. Payment of the management fees in Units shall also be subject to IGB REIT complying with the public spread requirements stated in the Listing Requirements of Bursa Securities and there being no adverse implications under Malaysian Code on Take-Overs and Mergers 2016.

During the financial year, the Manager received a base fee of 0.3% per annum of the total asset value of IGB REIT (excluding cash and bank balances which are held in non-interest bearing accounts) and a performance fee of 5.0% per annum of net property income.

Manager's management fees are recognised in statements of comprehensive income in the period in which they are incurred. If the payment of the Manager's management fees is in the form of new Units, such payment is determined by reference to the market price of the Units. Manager's management fees are disclosed in Note 15.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 1 GENERAL (continued)

### (B) Fee Structure (continued)

#### (c) Trustee's fees

In accordance to the Deed, an annual trustee fee of up to 0.03% per annum of NAV of IGB REIT is to be paid to the Trustee.

### (C) Other Information

#### (a) NAV

NAV is the value of the total assets less the value of total liabilities in accordance with the REIT Guidelines.

NAV is disclosed in the statements of financial position.

#### (b) Distribution of income

Distribution of income should only be made from realised gains or realised income in accordance with the REIT Guidelines.

Distribution of income should be made after the Manager has taken into consideration the total returns for the period, cash flow for distribution, stability and sustainability of income and the investment objective and distribution policy of IGB REIT. Liability is recognised for the amount of any distribution declared, appropriately authorised and no longer at the discretion of the Group and the Fund on or before the end of the reporting period but not distributed at the end of the reporting period.

Distribution of income is disclosed in Note 20.

#### (c) Realised and unrealised profit or loss analysis in statements of comprehensive income

In accordance with the REIT Guidelines, a charge or a credit to the statements of comprehensive income is deemed as realised when it is resulted from the consumption of resource of all types and form, regardless of whether it is consumed in the ordinary course of business or otherwise. A resource may be consumed through sale or use.

Where a credit or a charge to the statements of comprehensive income upon initial recognition or subsequent measurement of an asset or a liability is not attributed to consumption of resource, such credit or charge should be deemed as unrealised until the consumption of resource could be demonstrated. Unrealised profit or loss comprises mainly the changes in fair value on investment properties.

Realised and unrealised portion of the profit or loss is disclosed in statements of comprehensive income.

## 2 BASIS OF PREPARATION

### (a) Statement of compliance

The financial statements of the Group and the Fund have been prepared in accordance with the provisions of the Deed, the REIT Guidelines, applicable securities laws, Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The financial statements have been prepared under the historical cost convention except as disclosed in the summary of material accounting policy information.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors of the Manager to exercise their judgement in the process of applying accounting policies. Although these estimates and judgement are based on the Directors of the Manager's best knowledge of current events and actions, actual results could differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

### (b) Amendments to published standards that are effective

The new amendments to published standards and interpretations that are effective on 1 January 2025 did not have any impact on the financial statements of the Group and the Fund in the current period or any prior period.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 2 BASIS OF PREPARATION (continued)

### (c) IFRS Interpretations Committee (“IFRIC”) agenda decisions that are concluded and published

In view that MFRS is fully converged with IFRS Accounting Standards, the Group and the Fund considers all agenda decisions published by the IFRIC.

During the year, there is no implication of the IFRIC agenda decision which materially affects the financial statements of the Group and the Fund.

### (d) Standards and amendments that have been issued but not yet effective

New standards and amendments to standards that are applicable and effective for financial year beginning after 1 January 2025 have not been early adopted by the Group and the Fund. None of these are expected to have significant effect on the financial statements of the Group and the Fund, except for the following:-

- MFRS 18 ‘Presentation and Disclosure in Financial Statements’ (effective 1 January 2027) replaces MFRS 101 ‘Presentation of Financial Statements’ and is expected to have a significant impact on the presentation and disclosure in financial statements:
  - (a) MFRS 18 introduces a new structure of profit or loss statement.
    - (i) Income and expenses are classified into 3 new main categories: Operating, Investing and Financing.
    - (ii) Entities are required to present two new specified subtotals: ‘Operating profit or loss’ and ‘Profit or loss before financing and income taxes’.
  - (b) Management-defined performance measures (‘MPMs’) are disclosed in note and reconciled to the most similar subtotal prescribed/specified in MFRS Accounting Standards.
  - (c) Changes to the guidance on aggregation and disaggregation which focus on grouping items based on shared characteristics.

The following applicable amendments are not expected to have a significant effect on the financial statements of the Group and of the Fund:-

- Amendments to MFRS 9 and MFRS 7 ‘Classification and Measurement of Financial Instruments’ (effective 1 January 2026).
- Annual Improvements to MFRS Accounting Standards for enhanced consistency.

The Group and the Fund will continue to assess the detailed impact, if any, of new standards on the financial statements and expect the assessment to be completed prior to effective date of such standards.

## 3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information set out below have been applied consistently to the period presented in these financial statements. The financial statements consist of statements of financial position, statements of comprehensive income, statements of changes in net asset value, statements of cash flows and notes to the financial statements.

### (a) Consolidation

#### (i) Business combination under common control

IGB REIT applied predecessor accounting to account for business combinations under common control on 21 September 2012, i.e. combination involving entities or businesses under common control. Under the predecessor accounting, assets and liabilities acquired are not restated to their respective fair values but at the carrying amounts from the consolidated financial statements of the holding company. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (at the date of the transaction) of the acquired business is recorded as an adjustment to retained earnings. No additional goodwill is recognised. Acquisition-related costs are expensed as incurred. The acquired business’ results and the related balance sheet items are recognised prospectively from the date on which the business combination between entities under common control occurred.

#### (ii) Subsidiary

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date that control ceases.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (a) Consolidation (continued)

#### (ii) Subsidiary (continued)

The Group applies the acquisition method to account for business combinations when the acquired sets of activities and assets meet the definition of a business. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Fund. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and fair value of previous equity interest measured is less than the fair value of the identifiable net assets of the acquiree, the difference is recognised directly in the statements of comprehensive income.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date and any gains or losses arising from such re-measurement are recognised in the statements of comprehensive income.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 9 'Financial Instruments' in the statements of comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### (iii) Investment in subsidiary

In the Fund's separate financial statements, investment in subsidiary is carried at cost less accumulated impairment losses. On disposal of investment in subsidiary, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the statements of comprehensive income.

### (b) Investment properties

Investment properties are held for long term rental yields or for capital appreciation or both, and are not occupied by the Group and the Fund.

Investment properties are measured initially at cost, including related transaction costs and borrowing costs if the investment property meets the definition of qualifying asset.

After initial recognition, investment properties are carried at fair value. Fair value is based on valuation using an income approach, where cash flows projections are capitalised using a capitalisation rate and takes into account the unexpired period, yield and outgoings, where applicable. Valuations are performed as of the financial position date by registered valuers who hold recognised and relevant professional qualifications and have relevant experience in valuing the investment properties.

The fair value of investment properties reflects, among others, rental income from current leases and other assumptions that market participants would make when pricing the investment properties under current market conditions.

Subsequent expenditure is recognised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the Fund, and the cost of the item can be measured reliably. All other repair, maintenance and upgrade costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (b) Investment properties (continued)

Changes in fair value are recognised in the statements of comprehensive income. Investment properties are derecognised either when they have been disposed or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group and the Fund dispose of an investment property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the statements of comprehensive income as a net gain or loss from fair value adjustment on such investment property.

Prepaid or accrued operating lease income is excluded from the fair value of the related investment property. The prepaid or accrued operating lease income is a separate asset or liability.

Incentives paid by a lessor to a lessee to enter into a lease are initially recognised as an asset and treated as a reduction of the lease payments over the lease term. The fair value of the investment property is based on the net rentals (after deducting the incentive). The fair value does not reflect the element of the gross rental that has effectively been subsidised by the lessor through giving such incentive.

#### Right-of-use assets that meet the definition of investment property

Right-of-use assets that meet the definition of investment property in accordance with MFRS 140 are presented in the statements of financial position as investment property. Subsequent measurement of the right-of-use assets is consistent with those investment properties owned by the Group and the Fund.

### (c) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Cost of plant and equipment includes purchase price and any direct attributable costs. Cost includes the cost of replacing part of an existing plant and equipment at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of the plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Fund, and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statements of comprehensive income during the financial year in which they are incurred.

Depreciation on capital work-in-progress commences when the assets are ready for their intended use. Plant and equipment are depreciated on a straight-line basis to allocate the cost of the assets to their residual values over their estimated useful lives, summarised as follows:-

Motor vehicles	20%
Furniture and fittings	12.5%
Equipment	12.5%
Information technology equipment	33 1/3%
Plant and machinery	10%

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of each reporting period. The assessment of expected residual values and estimated useful lives of assets is carried out on an annual basis.

At the end of the reporting period, the Group and the Fund assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write-down is made if the carrying amount exceeds the recoverable amount. Please refer to accounting policy on impairment of non-financial assets (Note 3(h)).

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount and are included in the statements of comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (d) Financial assets

#### (i) Classification

The Group and the Fund classify financial assets at amortised cost. The classification depends on the Group and the Fund business model for managing the financial assets and the contracted terms of the cash flows.

#### (ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group and the Fund commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Fund have transferred substantially all the risks and rewards of ownership.

#### (iii) Initial measurement

At initial recognition, the Group and the Fund measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statements of comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

#### (iv) Subsequent measurement – gain or loss

Subsequent measurement of financial asset depends on the Group's and the Fund's business model for managing the asset and the cash flow characteristics of the asset.

The Group and the Fund classify financial assets at amortised cost.

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising from derecognition is recognised directly in the statements of comprehensive income and presented in reimbursement cost mainly due to the nature of the principal activity of the Fund.

#### (v) Subsequent measurement – impairment

The Group and the Fund assess on a forward-looking basis the expected credit loss ("ECL") associated with financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Trade and other receivables are subject to the ECL model.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9 'Financial Instruments', the impairment loss was immaterial.

ECL represents a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and the Fund expect to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Simplified approach for trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies

The Group and the Fund apply the MFRS 9 'Financial Instruments' simplified approach to measure ECL which uses a lifetime ECL for all trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies. Note 24.1(b) sets out measurement details of ECL.

General 3-stage approach for other receivables, deposits and non-trade balance of amount owing by subsidiaries

The Group and the Fund measure ECL through loss allowance at an amount equal to twelve (12) months ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required. Note 24.1(b) sets out measurement details of ECL.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (d) Financial assets (continued)

#### (v) Subsequent measurement – impairment (continued)

##### Significant increase in credit risk

The Group and the Fund consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Fund compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Fund take into account the available, reasonable and supportable forward-looking information in the measurement of ECL.

The following indicators are incorporated:-

- internal credit rating and/or external credit rating (if available);
- actual or expected significant changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and/or
- significant changes in the expected credit performance, operating results and payment behaviour of the debtor, including changes in the payment status of debtor in the Group.

##### Definition of default and credit-impaired financial assets

The Group and the Fund define a financial instrument as default, which is aligned with the definition of credit-impaired, when the financial asset meets one or more of the following criteria:-

##### Quantitative criteria

The Group and the Fund define a financial instrument as default, when the counterparty fails to make contractual payment within 90 days when fall due and/or when legal action is taken against the counterparty.

##### Qualitative criteria

The debtor meets unlikelihood to pay criteria, which indicates the debtor is in a financial difficulty or it is becoming probable that the debtor will enter bankruptcy, financial restructuring or will become insolvent.

Financial instruments that are credit-impaired were assessed on individual basis.

##### Write-off – trade receivables and trade balances of amount owing by ultimate holding company and related companies

Trade receivables and trade balances of amount owing by ultimate holding company and related companies are written off when there is no reasonable expectation of recovery. Indicators of no reasonable expectation of recovery include, amongst others, failure of a debtor to engage in a repayment or settlement plan with the Group and the Fund, and/or legal action is taken against the debtor.

Impairment losses on trade receivables and trade balances of amount owing by ultimate holding company and related companies are presented as net impairment losses within the net property income. Subsequent recoveries of amounts previously written off are credited within the net property income.

##### Write-off – other receivables, deposits and non-trade balance of amount owing by subsidiaries

The Group and the Fund write off financial assets, in whole or in part, when they have exhausted all practical recovery efforts and have concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and the Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

### (e) Offsetting financial instruments

Financial assets and liabilities can be offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (f) Trade and other receivables

Trade receivables are amounts owing from customers and tenants for services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and the Fund. If collection is expected in one (1) year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value plus transaction costs. Other receivables are recognised initially at fair value plus transaction costs. Transaction costs include transfer taxes and duties.

After recognition, trade and other receivables are subsequently measured at amortised cost using the effective interest method, less impairment allowance.

### (g) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, vendors or contractors. Trade payables are classified as current liabilities if payment is due within one (1) year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities. Deposits received from tenants are classified as current liabilities.

Trade payables, deposits received from tenants and other payables are recognised initially at fair value, net of transaction costs incurred, which include transfer taxes and duties, if applicable, and subsequently measured at amortised cost using the effective interest method.

### (h) Impairment of non-financial assets

Plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The impairment loss is charged to the statements of comprehensive income during the period in which they are incurred and any subsequent increase in recoverable amount is recognised in the statements of comprehensive income during the period in which they are incurred.

### (i) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash in hand, deposits held at call with licensed financial institutions, other short term and highly liquid investments with original maturities of three (3) months or less, that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Bank overdrafts, if any, are included within borrowings in current liabilities in the statements of financial position.

### (j) Unitholders' capital

Unitholders' contributions are classified as equity when there is no obligation to transfer cash or other assets, nor they are redeemable at the unitholders' option. Any consideration received or distributions paid is added or deducted directly from equity. Incremental external costs directly attributable to the issue of new Units are shown in equity as a deduction, net of tax, from the proceeds.

### (k) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statements of comprehensive income over the period of borrowings. Borrowings are classified as current liabilities unless the Group and the Fund have an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting date.

Borrowings costs directly attributable to the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statements of comprehensive income in the period in which they are incurred.

Fees paid on the establishment of borrowings are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the borrowings will be issued. In this case, the fees are deferred until the issuance occurs. To the extent there is no evidence that it is probable that some or all of the borrowings will be issued, the fees are capitalised as a prepayment for liquidity and amortised over the period of the borrowings.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (k) Borrowings (continued)

Borrowings are removed from the statements of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to other party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statements of comprehensive income.

### (l) Revenue/income recognition

#### Lease revenue

Rental income and rent from promotion and marketing activities are recognised in accordance with the accounting policy set out in Note 3(n) (b).

#### Revenue from contracts with customers

Revenue which represents income from the Group's and the Fund's principal activities within the ordinary course of business and is recognised by reference to each distinct performance obligation in the contract with customer when or as the Group and the Fund transfer the control of the goods or services in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and the Fund, and their customer have approved the contract and intend to perform their respective obligations, the Group's and the Fund's, and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group and the Fund, will collect the consideration to which they will be entitled to in exchange of such goods or services.

Specific revenue recognition criteria for each of the Group's and the Fund's principal business activities are as described below:-

#### (i) Service charge

Service charge, a non-lease component included in the tenancy agreement, is recognised upon services rendered over the lease term. Revenue is measured at the transaction price contractually agreed in the tenancy agreement. The accounting policy on separating lease and non-lease components is set out in Note 3(n)(b).

#### (ii) Car park income

Car park income is recognised upon collection for daily parking and over time when services are rendered for season parking measured at the transaction price.

#### (iii) Utilities recoveries

Recoveries from utilities are recognised at the transaction price upon supply, distribution and billing of utilities to the customers and the customers receive and/or consume.

#### (iv) Promotion partnership income

Promotion partnership income is recognised upon collection of income.

#### (v) Other income

Other income is recognised upon services rendered.

#### Interest income

Interest income on financial assets is carried at amortised cost calculated using the effective interest method and is recognised in the statements of comprehensive income as part of interest income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

#### (m) Income tax

Tax is recognised in the statements of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

#### (n) Leases

##### (a) Accounting by lessee

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use (i.e. the commencement date).

Contracts may contain both lease and non-lease components. Consideration in the contract is allocated to the lease and non-lease components based on their relative standalone prices.

##### Lease term

In determining the lease term, facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option are considered. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The lease term is reassessed upon the occurrence of a significant event or change in circumstances that is within the control of the Group and the Fund and affect whether the Group and the Fund are reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

##### ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Fund are reasonably certain to exercise a purchase option, the ROU assets are depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

##### Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase and extension options if it is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group and the Fund exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and the Fund, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (n) Leases (continued)

#### (a) Accounting by lessee (continued)

##### Lease liabilities (continued)

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statements of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in the statements of comprehensive income in the period in which the condition that triggers those payments occurs.

Lease liabilities are presented as a separate line item in the statements of financial position. Interest expense on the lease liability is presented within the finance cost in the statements of comprehensive income.

##### Short-term leases and leases of low value assets

Short-term leases are leases with a lease term of twelve (12) months or less. Payments associated with short-term leases and low-value assets are recognised on a straight-line basis as an expense in the statements of comprehensive income.

#### (b) Accounting by lessor

As a lessor, the Group and the Fund determine at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group and the Fund make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group and the Fund consider certain indicators such as whether the lease is for the major part of the economic life of the asset.

##### Operating leases

The Group and the Fund classify a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group and the Fund recognise lease payments received under operating lease as lease income on a straight-line basis over the lease term.

When assets are leased out under an operating lease, the asset is included in the lessor's statements of financial position based on the nature of the asset.

Rental income on operating leases is recognised over the term of the lease on a straight-line basis. Rental income includes base rent, percentage rent and other rent related income from tenants. Base rent is recognised on a straight-line basis over the lease term. Percentage rent is recognised based on sales reported by tenants. When the Group and the Fund provide incentives to the tenants, the cost of incentives is capitalised as deferred lease incentive and recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Rent from promotion and marketing activities are recognised over the term of the lease on a straight-line basis.

Initial direct cost incurred by the Group and the Fund in negotiating and arranging an operating lease is recognised as an asset and amortised over the lease term on the same basis as the rental income.

The Group and the Fund grant rental supports, which are not required by the existing contractual terms in the tenancy agreements and applicable laws and regulations, to eligible tenants on a case-by-case basis. Depending on the circumstances of the rental supports granted, the supports are recognised by the Group and the Fund in the following manner:

- a) Supports granted on lease payments in advance of them being due are accounted for as a lease modification, as the supports have changed the total lease consideration. The supports granted are treated as a new operating lease at the effective date of modification, where lease income based on revised total lease consideration as a reduction of rental income is recognised in the statements of comprehensive income over the remaining lease term on a straight-line basis; and
- b) supports granted on lease payments that are contractually past due are accounted for as partial extinguishment of lease payments as the Group's and the Fund's contractual rights to these lease receivables have been waived. The supports are recognised as a loss in the same period in which the reduction is contractually agreed.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

#### (n) Leases (continued)

##### (b) Accounting by lessor (continued)

##### Separating lease and non-lease components

As the tenancy agreements contain lease and non-lease components, the Group and the Fund separate the lease and non-lease components based on the terms and conditions contractually agreed in the tenancy agreement. If the services rendered by the Group and the Fund exceed the payments, a contract asset is recognised for the non-lease components. If the payments exceed the services rendered, a contract liability is recognised.

#### (o) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates ("functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Fund's functional and presentation currency.

#### (p) Earnings per unit ("EPU")

Basic EPU is calculated by dividing the profit after taxation or total comprehensive income attributable to unitholders by the weighted average number of Units outstanding during the financial year.

Diluted EPU is determined by adjusting the profit after taxation or total comprehensive income attributable to unitholders against the weighted average number of Units outstanding adjusted for the effects of all dilutive potential units.

#### (q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision makers, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions for the Group and the Fund, have been identified as the Directors of the Manager.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors of the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Fund make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's and the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

#### Significant assumptions for estimation of fair value of investment properties

The valuations of investment properties were carried out by external valuers. There are complexities in determining the fair value of the investment properties which involves significant estimates and judgements in determining the appropriate valuation methodologies and estimating the underlying assumptions to be applied.

The significant assumptions underlying estimation of fair value of investment properties are those related to capitalisation rates, rental, outgoing expenses and allowance for void. The valuations are compared with actual market yield data and those reported by the market, when available. Assumptions used are mainly based on market conditions existing at each reporting date. The key assumptions and sensitivity analysis on fair value of investment properties is disclosed in Note 6.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

**5 PLANT AND EQUIPMENT**

<b>Group and Fund</b>	<b>Motor vehicles</b>	<b>Furniture and fittings</b>	<b>Equipment</b>	<b>Information technology equipment</b>	<b>Plant and machinery</b>	<b>Capital work-in-progress</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cost</b>							
<b>As at 1 January 2025</b>	824	2,743	16,456	3,077	180	22	23,302
Additions	31	122	150	293	23	101	720
Disposals	-	-	-	(6)	-	-	(6)
Write-offs	-	(49)	(42)	(229)	-	-	(320)
<b>As at 31 December 2025</b>	<b>855</b>	<b>2,816</b>	<b>16,564</b>	<b>3,135</b>	<b>203</b>	<b>123</b>	<b>23,696</b>
<b>Accumulated depreciation</b>							
<b>As at 1 January 2025</b>	755	2,550	15,345	2,646	43	-	21,339
Depreciation charge for the financial year	23	58	201	295	18	-	595
Disposals	-	-	-	(4)	-	-	(4)
Write-offs	-	(40)	(38)	(229)	-	-	(307)
<b>As at 31 December 2025</b>	<b>778</b>	<b>2,568</b>	<b>15,508</b>	<b>2,708</b>	<b>61</b>	<b>-</b>	<b>21,623</b>
<b>Carrying amounts</b>							
<b>As at 31 December 2025</b>	<b>77</b>	<b>248</b>	<b>1,056</b>	<b>427</b>	<b>142</b>	<b>123</b>	<b>2,073</b>
<b>Cost</b>							
<b>As at 1 January 2024</b>	1,220	2,728	16,053	2,833	180	-	23,014
Additions	-	28	571	400	-	22	1,021
Disposals	(396)	-	-	(10)	-	-	(406)
Write-offs	-	(13)	(168)	(146)	-	-	(327)
<b>As at 31 December 2024</b>	<b>824</b>	<b>2,743</b>	<b>16,456</b>	<b>3,077</b>	<b>180</b>	<b>22</b>	<b>23,302</b>
<b>Accumulated depreciation</b>							
<b>As at 1 January 2024</b>	803	2,501	15,055	2,555	27	-	20,941
Depreciation charge for the financial year	57	61	454	242	16	-	830
Disposals	(105)	-	-	(5)	-	-	(110)
Write-offs	-	(12)	(164)	(146)	-	-	(322)
<b>As at 31 December 2024</b>	<b>755</b>	<b>2,550</b>	<b>15,345</b>	<b>2,646</b>	<b>43</b>	<b>-</b>	<b>21,339</b>
<b>Carrying amounts</b>							
<b>As at 31 December 2024</b>	<b>69</b>	<b>193</b>	<b>1,111</b>	<b>431</b>	<b>137</b>	<b>22</b>	<b>1,963</b>

**6 INVESTMENT PROPERTIES**

	<b>Group and Fund</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>
As at 1 January	5,436,055	5,186,000
Addition from acquisition	2,650,000	-
Addition from transaction costs incurred for acquisition <sup>1</sup>	30,239	-
Addition from subsequent capital expenditure <sup>2</sup>	27,840	38,990
Net fair value changes in statements of comprehensive income	225,034	211,065
<b>As at 31 December</b>	<b>8,369,168</b>	<b>5,436,055</b>

<sup>1</sup> Expenses incurred in relation to the acquisition of MVS Mall which were capitalised as part of the investment properties.<sup>2</sup> Addition from subsequent capital expenditure that remain unpaid as at 31 December 2025 is RM1.254 million (2024: RM5.806 million).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 6 INVESTMENT PROPERTIES (continued)

On 20 September 2012, IGB REIT acquired MVM and TGM of which the consideration was settled in cash for RM1.2 billion and issuance of 3.4 billion units in IGB REIT. On 24 June 2025, IGB REIT entered into a conditional sale and purchase agreement with Southkey Megamall Sdn Bhd for the acquisition of MVS Mall (together with tenancies, operational assets, essential contracts for its operation and maintenance, and other ancillary components) for a total purchase consideration of RM2.65 billion. The purchase consideration was funded through a combination of RM1.0 billion in cash and the balance of RM1.65 billion by way of issuance and allotment of 699,152,542 new units at RM2.36 per unit in IGB REIT. The cash consideration was raised via the issuance of MTN as disclosed in Note 11. The acquisition was completed on 20 November 2025.

MVM and MVS Mall are charged as a security for borrowings as disclosed in Note 11.

Investment properties are stated at fair value based on valuations performed by independent registered valuers. Valuations of MVM and TGM were conducted by One Asia Property Consultants (KL) Sdn Bhd ("One Asia") and valuation of MVS Mall was conducted by Henry Butcher Malaysia Sdn Bhd ("Henry Butcher"). The independent registered valuers hold recognised and relevant professional qualifications and have relevant experience in the locations and segments of the investment properties being valued. These valuations were approved by the Board of Directors of the Manager.

Based on the valuation reports dated 8 January 2026 issued by One Asia and Henry Butcher, the fair values of MVM, TGM and MVS Mall as at 31 December 2025 amounted to RM4.08 billion (2024: RM4.0 billion), RM1.5 billion (2024: RM1.45 billion) and RM2.8 billion (at acquisition date on 20 November 2025: RM2.65 billion) respectively.

Reconciliation of fair value measurement to valuation reports:-

	Group and Fund	
	2025	2024
	RM'000	RM'000
Fair value of investment properties based on valuation reports	8,380,000	5,450,000
Less: Deferred lease incentives (Note 8)	(10,832)	(13,945)
Carrying amount of investment properties	<b>8,369,168</b>	<b>5,436,055</b>

Fair value is determined based on income approach method using Level 3 inputs in the fair value hierarchy of MFRS 13 'Fair Value Measurement'. Under the income approach, the fair value of the investment properties is derived from rental and estimate of rental, of which the investment properties are let for and can be reasonably be let for, after deducting annual outgoing expenses. Thereafter, the net annual rental income is recognised at an appropriate current market yield to arrive at its fair value. Changes in fair value are recognised in the statements of comprehensive income during the period in which they are reviewed.

The Level 3 inputs or unobservable inputs include:-

Term rental	- the expected rental that the investment properties are expected to achieve and is derived from the current contractual rental (including revision upon renewal of tenancies during the year which is part of contractual rental);
Reversionary rental	- the expected rental that the investment properties are expected to achieve upon expiry of term rental;
Percentage rent	- the variable lease payment related to sales generated from tenants;
Car park income	- the rental on car park bays;
Other income	- mainly leasing and advertising income;
Outgoing expenses	- mainly quit rent and assessment, utilities costs, reimbursable manpower costs, repair and maintenance, insurance premium, asset enhancement initiatives/upgrades expense and management expenses;
Capitalisation rate	- based on actual location, size and condition of the investment properties and taking into account market data at the valuation date based on the valuers' knowledge of the factors specific to the investment properties; and
Allowance for void	- allowance given for transition period for new tenants to start operation as well as vacancy periods.

There has been no change to the valuation techniques used during the financial year.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

**6 INVESTMENT PROPERTIES** (continued)

The fair value measurements using Level 3 inputs as at 31 December 2025 were as follows:-

**Group and Fund**

Valuation technique	Parameters										
	Fair value RM'000	Term period %	Reversionary period %	Percentage rent %	Car park income %	Other income %	Term and reversionary rental rates RM psf	Outgoing expenses RM psf	Allowance for void %		
Income approach	8,380,000	5.85-6.85	6.35-7.35	9.00-10.00	7.50	7.50	10.59-17.08	3.50-5.20	5.00		
							Sensitivity analysis on fair value measurements*1				
							Impact of lower term and reversionary rental rates RM'000	Impact of higher term and reversionary rental rates RM'000	Impact of higher outgoing expenses RM'000	Impact of higher outgoing expenses RM'000	
Impact on the fair value of investment properties	190,000			(310,000)		260,000	140,000		(150,000)		

Note:-

\*1 Changes in capitalisation rates on term and reversionary periods by 25 basis points, term and reversionary rental rates by 2% to 7% and outgoing expenses by RM0.20 per square feet on existing unexpired contractual terms are used as these are the key inputs subjected to changes in market conditions.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 6 INVESTMENT PROPERTIES (continued)

The fair value measurements using Level 3 inputs as at 31 December 2024 were as follows:-

### Group and Fund

Valuation technique	Fair value RM'000	Parameters					Outgoing expenses RM psf	Allowance for void %
		Term period %	Reversionary period %	Capitalisation rates	Car park income %	Other income %		
Income approach	5,450,000	5.85-6.85	6.35-7.35	10.00	7.50	7.50	4.50-5.00	5.00
<b>Sensitivity analysis on fair value measurements*1</b>								
		Impact of lower capitalisation rate RM'000	Impact of higher capitalisation rate RM'000	Impact of lower outgoing expenses RM'000	Impact of higher outgoing expenses RM'000			
Impact on the fair value of investment properties		136,800	(132,600)	89,600	(94,000)			

Note:-

\*1 Changes in capitalisation rates on term and reversionary periods by 25 basis points and outgoing expenses by RM0.20 per square feet on existing unexpired contractual terms are used as these are the key inputs subjected to changes in market conditions.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

**6 INVESTMENT PROPERTIES** (continued)

The investment properties are as follows:-

**Group and Fund**

	Date of acquisition	Date of valuation	Location	Land tenure	Occupancy rates as at 31.12.2025	Fair value as at 31.12.2025	Fair value at acquisition	Percentage of fair value to NAV <sup>*4</sup> as at 31.12.2025
					%	RM'000	RM'000	%
MVM	20.09.2012	31.12.2025	Kuala Lumpur	Leasehold <sup>*1</sup>	99.8	4,080,000	3,440,000	65.1
TGM	20.09.2012	31.12.2025	Kuala Lumpur	Leasehold <sup>*2</sup>	99.1	1,500,000	1,160,000	23.9
MVS Mall	20.11.2025	31.12.2025	Johor Bahru	Leasehold <sup>*3</sup>	100.0	2,800,000	2,650,000	44.7
						<u>8,380,000</u>	<u>7,250,000</u>	
	Date of acquisition	Date of valuation	Location	Land tenure	Occupancy rates as at 31.12.2024	Fair value as at 31.12.2024	Fair value at acquisition	Percentage of fair value to NAV <sup>*4</sup> as at 31.12.2024
					%	RM'000	RM'000	%
MVM	20.09.2012	31.12.2024	Kuala Lumpur	Leasehold <sup>*1</sup>	98.9	4,000,000	3,440,000	94.0
TGM	20.09.2012	31.12.2024	Kuala Lumpur	Leasehold <sup>*2</sup>	96.1	1,450,000	1,160,000	34.1
						<u>5,450,000</u>	<u>4,600,000</u>	

Notes:

<sup>\*1</sup> The lease will expire on 11 April 2104 (remaining term of lease of 79 years) (2024: 80 years).<sup>\*2</sup> The lease will expire on 6 June 2103 (remaining term of lease of 78 years) (2024: 79 years).<sup>\*3</sup> The lease will expire on 21 February 2100 (remaining term of lease of 75 years).<sup>\*4</sup> Based on consolidated NAV after income distribution.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 6 INVESTMENT PROPERTIES (continued)

- (i) Amounts recognised in statements of comprehensive income for investment properties

The lease revenue arising from investment properties during the financial year are RM511,831,000 (2024: RM451,475,000) (Note 13).

Direct operating expenses arising from investment properties during the financial year are RM171,483,000 (2024: RM170,386,000), as disclosed under property operating expenses in statements of comprehensive income.

- (ii) Leasing arrangement

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the Group and the Fund are a lessor is recognised as income on a straight-line basis over the lease term.

The security deposits in the form of cash collected or bank guarantees given by the tenants to the Group and the Fund act as collateral if receivables due from the tenant are not settled timely or in case of breaches of tenancy. Although the Group and the Fund are exposed to changes in the residual value at the end of the current leases, the Group and the Fund typically enter into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the investment properties.

Undiscounted lease payments to be received on leases of investment properties are disclosed in Note 25.

### 7 INVESTMENT IN SUBSIDIARIES

	Fund	
	2025 RM'000	2024 RM'000
<b>At cost</b>		
Unquoted shares	_*	_*

\* Denotes RM4 (2024: Denotes RM2)

Name of company	Principal activity	Principal place of business	Group's effective interest (%)	
			2025	2024
IGB REIT Capital Sdn Bhd	A special purpose vehicle to raise financing via the issuance of medium term notes pursuant to a medium term notes programme	Malaysia	100	100
IGB REIT MVS Capital Berhad	A special purpose vehicle to raise financing via the issuance of medium term notes pursuant to a medium term notes programme	Malaysia	100	-

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 8 TRADE AND OTHER RECEIVABLES

	Group		Fund	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
Amount owing by subsidiaries	-	-	33,914	32,582
<b>Current</b>				
Trade receivables	6,069	2,859	6,069	2,859
Accrued billings	28,042	16,317	28,042	16,317
Amount owing by ultimate holding company	34	30	34	30
Amounts owing by related companies	21,235	1,223	21,235	1,223
Less: Loss allowance	(787)	(736)	(787)	(736)
Trade receivables – net	54,593	19,693	54,593	19,693
Deferred lease incentives	10,832	13,945	10,832	13,945
	<b>65,425</b>	<b>33,638</b>	<b>65,425</b>	<b>33,638</b>
Other receivables	1,209	1,386	981	754
Deposits	12,248	8,839	12,248	8,839
	<b>13,457</b>	<b>10,225</b>	<b>13,229</b>	<b>9,593</b>
Prepayments	2,729	1,167	2,729	1,167
	<b>16,186</b>	<b>11,392</b>	<b>15,958</b>	<b>10,760</b>
Total current trade and other receivables	<b>81,611</b>	<b>45,030</b>	<b>81,383</b>	<b>44,398</b>
Total trade and other receivables	<b>81,611</b>	<b>45,030</b>	<b>115,297</b>	<b>76,980</b>

The credit terms of trade receivables were 7 days (2024: 7 days).

The amount owing by subsidiaries represent advances, mainly to comply with the minimum required balance in Debt Service Reserve Account pursuant to Tranche 2, IGBRC MTN (Note 11), which are unsecured, repayable on demand and carries interest rate at 3.60% (2024: 3.80%) per annum as at reporting date. The Fund does not expect to realise this balance within 12 months after the reporting period, therefore the amount owing by subsidiaries are classified as non-current asset as at 31 December 2025.

The amounts owing by ultimate holding and related companies are trade in nature, unsecured and with credit terms of 7 days (2024: 7 days).

### 9 CASH AND CASH EQUIVALENTS

	Group		Fund	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cash in hand	89	138	89	138
Bank balances	76,918	24,768	76,777	24,726
Deposits placed with licensed banks	228,382	233,321	194,838	201,414
Cash and bank balances	305,389	258,227	271,704	226,278
Less:-				
Deposits with maturity period of more than 3 months	(33,507)	(31,872)	-	-
Cash and cash equivalents	<b>271,882</b>	<b>226,355</b>	<b>271,704</b>	<b>226,278</b>

Bank balances are deposits held at call with banks.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 9 CASH AND CASH EQUIVALENTS (continued)

As at 31 December 2025, the maturity period of pledged deposit of the Group was more than three (3) months, therefore the pledged deposit of RM33.5 million (2024: RM31.9 million) was being excluded from the cash and cash equivalents. The pledged deposit had an effective interest rate of 3.60% (2024: 3.80%) per annum as at reporting date. The maturity period of the pledged deposit was 243 days (2024: 245 days).

The weighted average effective interest rate of the remaining deposits with licensed banks of the Group and the Fund at the reporting date was 2.98% (2024: 3.27%) per annum.

The remaining deposits placed with licensed banks of the Group and the Fund had a weighted average maturity period of 29 days (2024: 29 days).

The reconciliation of liabilities arising from financing activities is as follows:-

Group	Non-current borrowings RM'000	Current borrowings RM'000	Total RM'000
<b>As at 1 January 2025</b>	<b>1,199,577</b>	<b>15,204</b>	<b>1,214,781</b>
Cash flows:-			
Interest paid	-	(54,806)	(54,806)
Proceeds from borrowing	1,030,000	-	1,030,000
Payment of financing expenses	(993)	-	(993)
	<b>1,029,007</b>	<b>(54,806)</b>	<b>974,201</b>
Non-cash changes:-			
Amortisation of transaction costs	171	-	171
Interest charged during the financial year	-	58,371	58,371
	<b>171</b>	<b>58,371</b>	<b>58,542</b>
<b>As at 31 December 2025</b>	<b>2,228,755</b>	<b>18,769</b>	<b>2,247,524</b>
<b>As at 1 January 2024</b>	<b>1,199,423</b>	<b>15,204</b>	<b>1,214,627</b>
Cash flows:-			
Interest paid	-	(54,028)	(54,028)
	-	(54,028)	(54,028)
Non-cash changes:-			
Amortisation of transaction costs	154	-	154
Interest charged during the financial year	-	54,028	54,028
	<b>154</b>	<b>54,028</b>	<b>54,182</b>
<b>As at 31 December 2024</b>	<b>1,199,577</b>	<b>15,204</b>	<b>1,214,781</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 9 CASH AND CASH EQUIVALENTS (continued)

The reconciliation of liabilities arising from financing activities is as follows:- (continued)

Fund	Non-current – amount due to subsidiary RM'000	Current – amount due to subsidiary RM'000	Total RM'000
<b>As at 1 January 2025</b>	<b>1,199,577</b>	<b>15,204</b>	<b>1,214,781</b>
Cash flows:-			
Interest paid	-	(54,806)	(54,806)
Advances received from a subsidiary	1,030,000	-	1,030,000
Payment of financing expenses	(993)	-	(993)
	<b>1,029,007</b>	<b>(54,806)</b>	<b>974,201</b>
Non-cash changes:-			
Amortisation of transaction costs	171	-	171
Interest charged during the financial year	-	58,371	58,371
	<b>171</b>	<b>58,371</b>	<b>58,542</b>
<b>As at 31 December 2025</b>	<b>2,228,755</b>	<b>18,769</b>	<b>2,247,524</b>
<b>As at 1 January 2024</b>	<b>1,199,423</b>	<b>15,204</b>	<b>1,214,627</b>
Cash flows:-			
Interest paid	-	(54,028)	(54,028)
	-	(54,028)	(54,028)
Non-cash changes:-			
Amortisation of transaction costs	154	-	154
Interest charged during the financial year	-	54,028	54,028
	<b>154</b>	<b>54,028</b>	<b>54,182</b>
<b>As at 31 December 2024</b>	<b>1,199,577</b>	<b>15,204</b>	<b>1,214,781</b>

### 10 UNITHOLDERS' CAPITAL

	Group and Fund			
	2025		2024	
	Number of Units '000	Value RM'000	Number of Units '000	Value RM'000
<b>Issued and fully paid up:</b>				
As at 1 January	3,615,387	4,576,269	3,601,639	4,550,473
Manager's fees paid in Units *	8,579	20,471	13,748	25,796
Units issued to fund the acquisition of investment property *	699,153	1,650,000	-	-
<b>As at 31 December</b>	<b>4,323,119</b>	<b>6,246,740</b>	<b>3,615,387</b>	<b>4,576,269</b>

Note:

\* During the financial year, a total of 8.579 million (2024: 13.748 million) new Units were issued as part settlement for Manager's management fees and 699.153 million new Units were issued as part settlement for the acquisition of MVS Mall. Total Manager's management fees paid/payable in Units are disclosed in Note 15.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 10 UNITHOLDERS' CAPITAL (continued)

As at reporting date, the unitholdings of the Manager and IGB REIT's substantial unitholders for related parties are as follows:-

	2025		2024	
	Number of Units '000	Market Value RM'000	Number of Units '000	Market Value RM'000
<b>Direct unitholdings of IGB REIT's substantial unitholders</b>				
IGB Berhad	1,733,618	4,732,777	1,733,618	3,709,943
IGB Corporation Berhad	247,855	676,644	-	-
Dato' Seri Robert Tan Chung Meng	17,715	48,362	16,273	34,824
Tan Chin Nam Sendirian Berhad	80,221	219,003	-	-
Tan Kim Yeow Sendirian Berhad	39,070	106,661	14,765	31,597
Tony Tan Choon Keat	1,000	2,730	1,000	2,140
Pauline Tan Suat Ming	98	268	-	-
Wah Seong (Malaya) Trading Co Sdn Bhd	38,891	106,172	-	-
<b>Indirect unitholdings of IGB REIT's substantial unitholders</b>				
IGB Berhad	472,366	1,289,559	215,933	462,097
IGB Corporation Berhad	224,512	612,918	-	-
Dato' Seri Robert Tan Chung Meng	2,293,790	6,262,047	1,964,641	4,204,332
Pauline Tan Suat Ming	2,293,790	6,262,047	1,964,641	4,204,332
Tony Tan Choon Keat	2,293,790	6,262,047	1,964,641	4,204,332
Tan Chin Nam Sendirian Berhad	2,257,603	6,163,256	1,958,690	4,191,597
Tan Kim Yeow Sendirian Berhad	2,254,720	6,155,386	1,949,876	4,172,735
Wah Seong (Malaya) Trading Co Sdn Bhd	2,215,504	6,048,326	1,949,550	4,172,037
<b>Direct unitholdings of the Manager in IGB REIT</b>				
IGB REIT Management Sdn Bhd	223,966	611,427	215,387	460,928

The market value of the units was computed based on the closing market price as at 31 December 2025 of RM2.73 (2024: RM2.14).

### 11 BORROWINGS

	Group	
	2025 RM'000	2024 RM'000
<b>Current (secured):</b>		
Medium term notes	18,769	15,204
<b>Non-current (secured):</b>		
Medium term notes	2,228,755	1,199,577
Total	2,247,524	1,214,781

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 11 BORROWINGS (continued)

### Medium Term Notes (“MTN”) Programme (“MTN Programme”)

#### (a) MTN Programme of up to RM5.0 billion in nominal value issued by IGB REIT Capital Sdn Bhd (“IGBRC”)

On 18 August 2017, the Manager announced on the Main Market of Bursa Securities that IGBRC, a special purpose vehicle wholly-owned by IGB REIT via MTrustee Berhad (acting in its capacity as trustee for IGB REIT), had lodged a MTN Programme with the Securities Commission Malaysia (“SC”) pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC. The MTN Programme has a tenure of twenty (20) years from the date of first issuance of MTN under the MTN Programme.

On 20 September 2022, IGBRC issued the second tranche AAA-rated MTN (“Tranche 2, IGBRC MTN”) amounting to RM1.2 billion to fully redeem the Tranche 1, IGBRC MTN. The Tranche 2, IGBRC MTN has a tenure of 7.5 years (“Legal Maturity”) effective from 20 September 2022. For the first 5 years (“Expected Maturity”), the Tranche 2, IGBRC MTN bears a fixed coupon rate of 4.49% per annum. The RM1.2 billion has to be fully repaid on Expected Maturity which is on 20 September 2027, otherwise it would constitute a trigger event that would result in the coupon step up to 5.49% per annum for the subsequent 2.5 years.

The Tranche 2, IGBRC MTN is secured against, among others, the following:-

- (i) a third party legal assignment of the Trustee’s present and future rights, titles, interests and benefits in MVM and under the sale and purchase agreement in relation to MVM. In the event the subdivision of master title is completed and a separate strata title is issued for MVM (“MVM Strata Title”), a third party first legal charge shall be created on the MVM Strata Title;
- (ii) a third party legal assignment over all the Trustee’s rights, titles, interests and benefits under the proceeds derived from the tenancy/ lease agreements in relation to MVM;
- (iii) a third party legal assignment of the Trustee’s present and future rights, titles, interests and benefits under all insurance policies in relation to MVM and the Security Trustee (acting for and on behalf of the MTN holders) being named as the co-insured and loss payee of the insurance policies;
- (iv) a third party first ranking legal assignment and charge over the revenue and operating accounts of the Tranche 2, IGBRC MTN;
- (v) a first party first ranking legal assignment and charge over the debt service reserve account of the Tranche 2, IGBRC MTN;
- (vi) an irrevocable power of attorney granted by the Trustee in favour of the Security Trustee (acting for and on behalf of the MTN holders) to manage and dispose MVM upon expiry of the remedy period under the terms of the Tranche 2, IGBRC MTN;
- (vii) a letter of undertaking from the Trustee and the Manager:-
  - (a) to deposit all cash flows generated from MVM into the revenue account; and
  - (b) it shall not declare or make any distributions out of the cash flows from the revenue account to the unitholders if an event of default and/or a trigger event has occurred and is continuing or the financial covenants are not met; and
- (viii) a first party legal assignment over the Tranche 2, IGBRC MTN’s Trustee financing agreement.

#### (b) MTN Programme of up to RM5.0 billion in nominal value issued by IGB REIT MVS Capital Berhad (“IGBRMC”)

On 23 September 2025, the Manager announced on the Main Market of Bursa Securities that IGBRMC, a special purpose vehicle wholly-owned by IGB REIT via MTrustee Berhad (acting in its capacity as trustee for IGB REIT), had lodged a MTN Programme with the SC pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC.

On 20 November 2025, the IGBRMC issued the first tranche AAA(s)-rated MTN pursuant to a Corporate Credit Rating (“Tranche 1, IGBRMC MTN”) amounting to RM1.03 billion, which was advanced to IGB REIT as part settlement for the purchase consideration and the payment of transaction costs for acquisition of MVS Mall.

The Tranche 1, IGBRMC MTN has a tenure of 5 to 10 years, effective from 20 November 2025 and it consists of 4 series. Series 1, Series 2, Series 3 and Series 4 amounting to RM200 million, RM200 million, RM200 million and RM430 million respectively with maturity date of 20 November 2030, 20 November 2030, 19 November 2032 and 20 November 2035 respectively. The Series 1 MTN bears a floating coupon rate based on KLIBOR movement and Series 2 to 4 MTNs bear a fixed coupon rate. Tranche 1, IGBRMC MTN bears a blended coupon rate of approximately 3.80% per annum.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 11 BORROWINGS (continued)

#### Medium Term Notes ("MTN") Programme ("MTN Programme") (continued)

#### (b) MTN Programme of up to RM5.0 billion in nominal value issued by IGB REIT MVS Capital Berhad ("IGBRMC") (continued)

The Tranche 1, IGBRMC MTN is secured against, among others, the following:-

- (i) a third party legal assignment of the Trustee's present and future rights, titles, interests and benefits in MVS Mall and under the sale and purchase agreement in relation to the MVS Mall; and
- (ii) in the event the MVS Mall's title is issued, a third party first legal charge shall be created on the MVS Mall's title.

The financial covenants and the fair value of the MTNs issued by IGBRC and IGBRMC are disclosed in Note 24 to the financial statements.

The maturity profiles of the borrowings are as follows:-

	<1 year RM'000	1 to 2 years RM'000	2 to 3 years RM'000	>3 years RM'000	Total carrying amount RM'000
<b>Group</b>					
<b>As at 31 December 2025</b>					
Tranche 2, IGBRC MTN	14,909	1,199,731	-	-	1,214,640
Tranche 1, IGBRMC MTN	3,860	-	-	1,029,024	1,032,884
	<b>18,769</b>	<b>1,199,731</b>	<b>-</b>	<b>1,029,024</b>	<b>2,247,524</b>
<b>As at 31 December 2024</b>					
Tranche 2, IGBRC MTN	15,204	-	1,199,577	-	1,214,781
	<b>15,204</b>	<b>-</b>	<b>1,199,577</b>	<b>-</b>	<b>1,214,781</b>

The weighted average effective interest rates as at the reporting date are as follows:-

	Group	
	2025 per annum	2024 per annum
Tranche 2, IGBRC MTN	4.46%	4.46%
Tranche 1, IGBRMC MTN	3.80%	-

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

**12 TRADE AND OTHER PAYABLES**

	Note	Group		Fund	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current</b>					
Amount owing to subsidiaries	a	-	-	2,228,755	1,199,577
<b>Current</b>					
Trade payables	b	9,503	15,505	9,503	15,505
Tenants' deposits	c	167,909	114,195	167,909	114,195
		177,412	129,700	177,412	129,700
Other payables and accrued expenses		17,639	16,904	17,639	16,904
Indirect tax payable		4,978	367	4,978	367
Prepaid rental		12,766	11,034	12,766	11,034
Contract liabilities	e	4,328	3,970	4,328	3,970
Amount owing to subsidiaries	a	-	-	18,770	15,205
Amounts owing to related companies	d	25,373	18,691	25,373	18,691
Distribution payable to unitholders		-	90,385	-	90,385
		65,084	141,351	83,854	156,556
Total current trade and other payables		242,496	271,051	261,266	286,256
Total trade and other payables		242,496	271,051	2,490,021	1,485,833

- (a) The amount owing to subsidiaries represents advances from the issuance of Tranche 2, IGBRC MTN which are secured and carry fixed interest rate and advances from the issuance of Tranche 1, IGBRMC MTN which are secured and carry a mix of fixed and floating interest rates in which the repayment terms mirror the terms disclosed in Note 11.
- (b) Credit terms for trade payables range from 30 days to 90 days (2024: 30 days to 90 days).
- (c) Tenants' deposits include refundable deposits received from tenants for tenancy and lease related agreements. Tenancy and lease tenures are generally for a period of one (1) to three (3) years. The liability is derecognised upon returning the deposit to the tenant at the end or termination of the tenancy and lease or transferred to the statements of comprehensive income in accordance with the terms and conditions of the tenancy and lease agreements.
- (d) Amounts owing to related companies are trade in nature, unsecured, interest-free (2024: interest-free) and with credit terms range from 30 days to 90 days (2024: 30 days to 90 days).
- (e) Contract liabilities mainly consist of advance receipts for the payment of service charges and car park season pass as follows:-

	Group and Fund	
	2025 RM'000	2024 RM'000
As at 1 January	3,970	4,314
Revenue recognised that was included in the balance at the beginning of the financial year	(3,970)	(4,314)
Revenue recognised during the financial year	(110,335)	(96,697)
Billings during the financial year	114,663	100,667
As at 31 December	4,328	3,970

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 13 TOTAL REVENUE

	Group and Fund	
	2025	2024
	RM'000	RM'000
Lease revenue	511,831	451,475
<u>Revenue from contracts with customers</u>		
- Service charge	102,233	88,803
- Car park income	50,257	48,182
- Utilities recoveries	30,112	29,268
- Promotion partnership income and others	10,633	8,371
	<u>193,235</u>	<u>174,624</u>
Total revenue	<u>705,066</u>	<u>626,099</u>
Revenue from contracts with customers is recognised:-		
- Over time	<u>193,235</u>	<u>174,624</u>

Lease revenue included percentage rent related to sales generated from tenants which approximate to 16.7% (2024: 16.6%) of lease revenue.

### 14 REIMBURSEMENT COSTS AND OTHER OPERATING EXPENSES

These are costs incurred in the operation, maintenance, management and marketing of the investment properties by the property manager pursuant to the Service Provider Agreements, as well as insurance premiums which is reimbursed to the property manager.

	Group and Fund	
	2025	2024
	RM'000	RM'000
Manpower costs	39,442	38,822
Marketing expenses	9,763	7,334
Administration expenses	5,430	5,170
Management expenses	5,709	4,736
Insurance premium	1,770	1,543
Allowance/(Reversal) for impairment of trade receivables	51	(310)
	<u>62,165</u>	<u>57,295</u>

### 15 MANAGER'S MANAGEMENT FEES

	Group and Fund	
	2025	2024
	RM'000	RM'000
Base fee	18,712	17,224
Performance fee	27,302	22,785
	<u>46,014</u>	<u>40,009</u>
Acquisition fee	<u>28,620</u>	-

- For the first half of 2025, 65% of the Manager's management fees has been paid in Units (2024: 65%) and the remaining 35% in cash (2024: 35%);
- For the third quarter of 2025, 100% of the Manager's management fees has been paid in cash (2024: 65% in Units and 35% in cash);
- For the fourth quarter of 2025, 50% of the Manager's management fees are payable in Units (2024: 65%) and the remaining 50% in cash (2024: 35%);
- During the financial year ended 31 December 2025, approximately RM20,928,000 has been paid/payable in Units (2024: RM26,006,000) and RM25,086,000 in cash (2024: RM14,003,000) respectively; and
- Acquisition fee in relation to the acquisition of MVS Mall was paid 100% in cash and capitalised as part of the acquisition cost of investment properties as disclosed in Note 6.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 16 AUDITORS' REMUNERATION

	Group		Fund	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Statutory audit fees and audit related services:				
- PricewaterhouseCoopers PLT				
• Statutory audit fees	165	138	144	128
• Audit related services	82	6	82	6
Non-audit fees*:				
- PricewaterhouseCoopers Taxation Services Sdn Bhd	16	165	12	161

\* Non-audit fees were in respect of tax compliance services (2024: Non-audit fees were in respect of tax compliance and E-invoicing impact assessment services).

### 17 FINANCE COSTS

	Group		Fund	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
- Medium Term Notes	58,371	54,028	-	-
- Advances from subsidiaries	-	-	58,371	54,028
- Amortisation of transaction costs	171	154	171	154
	<b>58,542</b>	<b>54,182</b>	<b>58,542</b>	<b>54,182</b>

### 18 TAXATION

	Group and Fund	
	2025	2024
	RM'000	RM'000
<b>Reconciliation of tax expense</b>		
Profit before taxation	660,491	579,763
Income tax using Malaysian tax rate of 24% (2024: 24%)	158,518	139,143
Non-deductible expenses	4,348	5,240
Fair value gain on investment properties not subject to tax	(54,008)	(50,656)
Income exempted from tax	(108,858)	(93,727)
	<b>-</b>	<b>-</b>

Pursuant to Section 61A of the Malaysian Income Tax Act, 1967 ("Act"), income of IGB REIT will be exempted from tax provided that at least 90% of its total taxable income (as defined in the Act) is distributed to the investors in the basis period of IGB REIT for that year of assessment within two (2) months after the close of the financial year. If the 90% distribution condition is not complied with or the 90% distribution is not made within two (2) months after the close of IGB REIT financial year which forms the basis period for a year of assessment, IGB REIT will be subject to income tax at the prevailing rate on its total taxable income. Income which has been taxed at the IGB REIT level will have tax credits attached when subsequently distributed to unitholders.

As the distribution to unitholders for the financial year ended 31 December 2025 is approximately 97.5% (2024: 97.5%) of the total distributable income, no provision for income taxation has been made for the current and prior financial year.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 19 EARNINGS PER UNIT (“EPU”) – BASIC AND DILUTED

The calculation of EPU is based on profit after taxation or total comprehensive income attributable to unitholders divided by the weighted average number of Units.

	Note	Group and Fund	
		2025 RM'000	2024 RM'000
<b>Profit after taxation/total comprehensive income</b>			
- Realised		435,457	368,698
- Unrealised		225,034	211,065
Total		660,491	579,763
<b>Weighted average number of Units ('000)</b>			
Weighted average number of Units in issue		3,699,785	3,609,456
Adjustment for Manager's management fees payable in Units	a	2,420	3,038
Weighted average number of Units for diluted EPU		3,702,205	3,612,494
<b>Basic EPU (sen)</b>			
- Realised		11.77	10.21
- Unrealised		6.08	5.85
Total		17.85	16.06
<b>Diluted EPU (sen)</b>			
- Realised		11.76	10.21
- Unrealised		6.08	5.84
Total		17.84	16.05

Note (a):-

	Group and Fund			
	2025		2024	
	Number of units '000	Value RM'000	Number of units '000	Value RM'000
Manager's management fees payable in Units				
- from 1 October 2025 to 31 December 2025 at RM2.95 per Unit listed on 5 February 2026	2,420	7,139	-	-
- from 1 October 2024 to 31 December 2024 at RM2.20 per Unit listed on 3 February 2025	-	-	3,038	6,684
	2,420	7,139	3,038	6,684

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 20 DISTRIBUTION TO UNITHOLDERS

	Note	Group and Fund	
		2025 RM'000	2024 RM'000
Total comprehensive income		660,491	579,763
Distribution adjustments	a	(203,090)	(183,825)
Distributable income		457,401	395,938
Distribution per unit (sen)			
- for the period from 1 January 2025 to 31 March 2025		3.19	-
- for the period from 1 April 2025 to 30 June 2025		2.82	-
- for the period from 1 July 2025 to 30 September 2025		2.77	-
- for the period from 1 October 2025 to 31 December 2025	b	2.97	-
- for the period from 1 January 2024 to 31 March 2024		-	2.96
- for the period from 1 April 2024 to 30 June 2024		-	2.56
- for the period from 1 July 2024 to 30 September 2024		-	2.68
- for the period from 1 October 2024 to 31 December 2024		-	2.50
		11.75	10.70
<u>Sources of distribution</u>			
Lease revenue		511,831	451,475
Revenue from contracts with customers		193,235	174,624
Changes in fair value on investment properties		225,034	211,065
Interest income		8,197	8,841
		938,297	846,005
Less: Expenses		(277,806)	(266,242)
Total comprehensive income		660,491	579,763
Distribution adjustments	a	(203,090)	(183,825)
Distributable income		457,401	395,938
Income distribution of 3.19 sen per unit (@3.14 sen taxable and 0.05 sen non-taxable) for the period from 1 January 2025 to 31 March 2025, which was paid on 29 May 2025		(115,504)	-
Income distribution of 2.82 sen per unit (@ 2.78 sen taxable and 0.04 sen non-taxable) for the period from 1 April 2025 to 30 June 2025, which was paid on 28 August 2025		(102,228)	-
Income distribution of 2.77 sen per unit (@ 2.72 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2025 to 30 September 2025, which was paid on 20 November 2025		(100,452)	-
Income distribution of 2.97 sen per unit (@ 2.94 sen taxable and 0.03 sen non-taxable) for the period from 1 October 2025 to 31 December 2025, which was paid on 27 February 2026	b	(128,397)	-
Income distribution of 2.96 sen per unit (@ 2.91 sen taxable and 0.05 sen non-taxable) for the period from 1 January 2024 to 31 March 2024, which was paid on 27 May 2024		-	(106,821)
Income distribution of 2.56 sen per unit (@ 2.51 sen taxable and 0.05 sen non-taxable) for the period from 1 April 2024 to 30 June 2024, which was paid on 30 August 2024		-	(92,396)
Income distribution of 2.68 sen per unit (@ 2.63 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2024 to 30 September 2024, which was paid on 28 November 2024		-	(97,009)
Income distribution of 2.50 sen per unit (@ 2.45 sen taxable and 0.05 sen non-taxable) for the period from 1 October 2024 to 31 December 2024, which was paid on 28 February 2025		-	(90,464)
Income distributed/to be distributed		(446,581)	(386,690)
Income retained		10,820	9,248

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 20 DISTRIBUTION TO UNITHOLDERS (continued)

	Note	Group and Fund	
		2025 RM'000	2024 RM'000
<b>Note (a):</b>			
Distribution adjustments comprise:-			
Changes in fair value on investment properties	6	(225,034)	(211,065)
Manager's management fees paid/payable in Units	15	20,928	26,006
Amortisation of fit-out incentives		250	250
Amortisation of transaction costs	17	171	154
Depreciation of plant and equipment	5	595	830
		<b>(203,090)</b>	<b>(183,825)</b>

#### Note (b):

The income distribution for the period from 1 October 2025 to 31 December 2025 of 2.97 sen per unit declared on 28 January 2026 amounting to approximately RM128,397,000 was paid on 27 February 2026.

Pursuant to Section 109D(2) of the Malaysian Income Tax Act 1967, where 90% or more of the REIT's total taxable income is distributed by the REIT, distributions to unitholders have been subject to withholding tax at the following rates:-

	Withholding tax rate	
	2025	2024
Resident corporate	0%^	0%^
Resident non-corporate	10%	10%
Non-resident corporate	24%	24%
Non-resident non-corporate	10%	10%

^ Not subject to withholding tax, but to tax at prevailing tax rate.

With the concession of the withholding tax for distribution by Malaysian REITs ("M-REITs") lapsed on 31 December 2025, the tax treatments of the distribution by M-REITs from 1 January 2026 onwards are as follows :-

	Withholding tax rate (from 1 January 2026)
Resident corporate	0%^
Resident non-corporate	0%^
Non-resident corporate	24%
Non-resident non-corporate	0%^

^ Not subject to withholding tax, but to tax at prevailing tax rate.

The above tax treatments are based on the provisions of the Malaysian Income Tax Act 1967 as at the date of this report. It should be noted that the position is subject to any future directive, gazette order or announcement that may be issued by the Malaysian tax authorities or the Ministry of Finance.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 21 MANAGEMENT EXPENSE RATIO

	Group and Fund	
	2025	2024
Management expense ratio ("MER") (%)	0.76	0.98

The calculation of the MER is based on the total Manager's management fees, trustees' fees, valuation fees and other trust expenses, over the NAV (after income distribution) as at year end.

The calculation of the MER is required as the REIT Guidelines and the basis of calculating MER can vary among REITs. As such, there is no consistent or coherent basis for providing an accurate comparison of the Group's and of the Fund's MER against other REITs.

### 22 SEGMENT REPORTING

The segmental financial information by business or geographical segments is not presented as there is only one (1) business activity which is primarily generating rental income from the shopping malls' tenants within the investment properties portfolio of the Group and of the Fund, which comprises of MVM, TGM and MVS Mall.

The Manager assesses the financial performance of the operating segments based on, including but not limited to, net property income ("NPI"). The NPI enables financial performance benchmarking as such basis eliminates the effect of financing and investment decisions which may not be made at operating level.

### 23 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	Group		Fund	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Financial assets at amortised cost</u>					
Assets as per statements of financial position:-					
- Trade and other receivables (excluding prepayments and deferred lease incentives)	8	68,050	29,918	101,736	61,868
- Cash and bank balances	9	305,389	258,227	271,704	226,278
Total financial assets		373,439	288,145	373,440	288,146
<u>Financial liabilities at amortised cost</u>					
Liabilities as per statements of financial position:-					
- Borrowings	11	2,247,524	1,214,781	-	-
- Trade and other payables (excluding indirect tax payable, prepaid rental and contract liabilities)	12	220,424	255,680	2,467,949	1,470,462
Total financial liabilities		2,467,948	1,470,461	2,467,949	1,470,462

### 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

#### 24.1 Financial risk factors

The Group's and the Fund's activities expose it to a variety of financial risks: interest rate risk (including fair value interest rate risk), credit risk and liquidity and cash flow risk. The Group's and the Fund's overall financial risk management objective is to ensure that it creates value for its unitholders. The Group and the Fund focus on the unpredictability of financial markets and seeks to mitigate potential adverse effects on the financial performance of the Group and the Fund. Financial risk management is carried out through risk reviews, internal control systems and insurance programmes. The Manager regularly reviews the risk profile and ensure adherence to the Group's and the Fund's financial risk management policies.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 24.1 Financial risk factors (continued)

#### (a) Interest rate risk

The Group's and the Fund's income and cash flows are substantially independent of changes in market interest rates as the substantial portion of the total MTNs are at fixed interest rates which locks in the interest rate against fluctuation resulting in exposure to fair value and cash flow interest rate risks.

Sensitivity analysis for interest rate fluctuation is not applicable as the substantial portion of total MTNs are at fixed interest rates.

#### (b) Credit risk

Credit risk arises from credit exposures to outstanding receivables from the tenants, as well as cash, cash equivalents and deposits with banks and financial institutions.

Credit risk with respect to trade receivables is limited due to the nature of business which is mainly rental and security deposit receivable in advance. Credit risks arising from outstanding receivables from the tenants are monitored and managed on an on-going basis via compliance with credit control standard operating and reporting procedures.

Other than anchor tenants, namely Aeon, Isetan, GSC Aurum Theatre, Golden Screen Cinemas, Sogo, Village Grocer and MVEC which contribute 4.9% (2024: 5.1%) of the total revenue, the Group and the Fund do not have any significant exposure to any individual or group of tenants or counterparties.

Simplified approach for trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies

The Group and the Fund apply simplified approach which requires expected lifetime losses to be recognised from initial recognition of the trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies.

The expected credit loss and default rates are based on the historical payment profiles of tenants, the corresponding historical credit loss and default experienced. The historical credit loss and default rates are adjusted to reflect current and forward-looking factors affecting the ability of the tenants to settle the receivables. The Group and the Fund have identified the credit profile, sales performance, cash flow sustainability and business outlook of tenants to be the most relevant forward-looking factors, especially during the prevailing economic uncertainties and challenging operating environment, and adjusted the historical credit loss and default rates based on expected changes in these factors.

Furthermore, the tenants have placed security deposits in the form of cash collected or bank guarantees given by the tenants to the Group and the Fund act as collateral if receivables due from the tenants are not settled or in case of breaches of tenancy or lease agreements. As such, no additional credit risk beyond amounts allowed for expected credit losses is inherent in the Group's and the Fund's trade receivables.

Bank deposits are placed with licensed financial institutions with high credit ratings assigned by credit rating agencies. The Group considers the risk of material loss in the event of non-performance by a financial counterparty to be unlikely and hence, the expected credit loss is immaterial, if any.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### 24.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

Trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies

The analysis of credit risk exposure of trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies is as follows:-

##### Group and Fund

	Not due and 1-7 days RM'000	8-30 days RM'000	31-60 days RM'000	61-90 days RM'000	>90 days RM'000	Total RM'000
<u>As at 31 December 2025</u>						
Trade receivables	464	3,409	658	51	1,487	6,069
Accrued billings	28,042	-	-	-	-	28,042
Amount owing by ultimate holding company and related companies (trade)	21,137	127	4	1	-	21,269
<b>Total (gross)</b>	<b>49,643</b>	<b>3,536</b>	<b>662</b>	<b>52</b>	<b>1,487</b>	<b>55,380</b>
Loss allowance*	(43)	(149)	(96)	(33)	(466)	(787)
<b>Total (net)</b>	<b>49,600</b>	<b>3,387</b>	<b>566</b>	<b>19</b>	<b>1,021</b>	<b>54,593</b>
<u>As at 31 December 2024</u>						
Trade receivables	380	1,306	350	198	625	2,859
Accrued billings	16,317	-	-	-	-	16,317
Amount owing by ultimate holding company and related companies (trade)	1,226	11	16	-	-	1,253
<b>Total (gross)</b>	<b>17,923</b>	<b>1,317</b>	<b>366</b>	<b>198</b>	<b>625</b>	<b>20,429</b>
Loss allowance*	(29)	(405)	(148)	(112)	(42)	(736)
<b>Total (net)</b>	<b>17,894</b>	<b>912</b>	<b>218</b>	<b>86</b>	<b>583</b>	<b>19,693</b>

\* In measuring the loss allowance, the Group and the Fund take into account security deposits in determining the expected credit loss. After considering such security deposits, a 100% loss allowance is recognised for receivables due more than 90 days and tenants under litigation. As at financial year end, such security deposits are sufficient to cover any unrecognised expected credit loss.

General 3-stage approach for other receivables, deposits and non-trade balance of amount owing by subsidiaries

The other receivables, deposits and non-trade balance of amount owing by subsidiaries are assessed individually to determine whether there was objective evidence that an impairment had been incurred but not yet identified. Loss allowance is measured at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### 24.1 Financial risk factors (continued)

##### (b) Credit risk (continued)

##### Other receivables, deposits and non-trade balance of amount owing by subsidiaries

There is no impairment of other receivables, deposits and non-trade balance of amount owing by subsidiaries as the rate of default and expected credit loss rate are low.

The movement of loss allowance of trade receivables is as follows:-

	Group and Fund	
	2025	2024
	RM'000	RM'000
As at 1 January	736	1,210
Loss allowance	516	389
Reversal during the financial year	(465)	(699)
Net loss allowance/(reversal of impairment)	51	(310)
Bad debt written-off	-	(164)
As at 31 December	787	736

The increase in the loss allowance is arising from lower receipt and recovery from tenants. Net loss allowance approximately RM51,000 (2024: reversal of impairment of RM310,000) is included in "Reimbursement Costs and Other Operating Expenses" in Note 14.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables.

##### (c) Liquidity and cash flow risk

The forecasts of liquidity requirement are monitored through projected cash flows, to ensure there is sufficient cash to meet operating, investing and financing needs. The Directors of the Manager ensure that there are adequate cash, cash equivalents and bank facilities to mitigate the effects of fluctuations in cash flows, as well as to meet the Group and the Fund obligations as and when it falls due. In addition, the Manager also monitors and observes the limits on total borrowings of the investment trust pursuant to the REIT Guidelines.

The analysis of the non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date is as follows:-

	<1 year	1 to 2	2 to 3	>3 years	Total
	RM'000	years	years	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Group</b>					
<b><u>At 31 December 2025</u></b>					
Borrowings	92,893	1,293,068	38,905	1,207,004	2,631,870
Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)	220,424	-	-	-	220,424
<b><u>At 31 December 2024</u></b>					
Borrowings	53,880	53,880	1,253,880	-	1,361,640
Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)	255,680	-	-	-	255,680

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

## 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 24.1 Financial risk factors (continued)

#### (c) Liquidity and cash flow risk (continued)

The analysis of the non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date is as follows:- (continued)

	<b>&lt;1 year</b>	<b>1 to 2</b>	<b>2 to 3</b>	<b>&gt;3 years</b>	<b>Total</b>
	<b>RM'000</b>	<b>years</b>	<b>years</b>	<b>years</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Fund</b>					
<b>At 31 December 2025</b>					
<b>Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)</b>	<b>313,317</b>	<b>1,293,068</b>	<b>38,905</b>	<b>1,207,004</b>	<b>2,852,294</b>
<b>At 31 December 2024</b>					
Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)	309,560	53,880	1,253,880	-	1,617,320

Note:-

The amounts are contractual and undiscounted cash flows, including interest payable up to the expected maturity date for the borrowings.

### 24.2 Capital risk management

The Group's capital includes the unitholders' capital and borrowings. The Fund's capital includes unitholders' capital and intercompany borrowings.

The overall capital management objectives are to safeguard the ability to continue as a going concern in order to provide returns for unitholders and other stakeholders as well as to maintain a more efficient capital structure.

The Manager's on-going capital management strategy involves maintaining an appropriate gearing level and adopting an active interest rate management strategy to manage the risks associated with refinancing and changes in interest rates. The Manager intends to implement this strategy by (i) diversifying sources of debt funding to the extent appropriate, (ii) maintaining a reasonable level of debt service capability, (iii) securing favourable terms of funding, (iv) managing its financial obligations and (v) where appropriate, managing the exposures arising from adverse market interest rates, such as through fixed rate borrowings, to improve the efficiency for the cost of capital.

The total borrowings to total assets ratio is as follows:-

	<b>Group</b>		<b>Fund</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Total borrowings	<b>2,247,524</b>	1,214,781	-	-
Total intercompany borrowings	-	-	<b>2,247,524</b>	1,214,781
Total assets	<b>8,758,241</b>	5,741,275	<b>8,758,242</b>	5,741,276
Borrowings to total assets ratio (%)	<b>25.7</b>	21.2	<b>25.7</b>	21.2

The total borrowings should not exceed 50% of the total assets at the time the borrowings are incurred in accordance with the REIT Guidelines. The Group and the Fund complied with the borrowing limit in the current financial year.

The Group is subject to certain externally imposed requirements in the form of financial covenants. The Group is required to comply with financial covenants on a semi-annual or annual basis as disclosed below:

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### 24.2 Capital risk management (continued)

##### MTN issued by IGBRC

The financial covenants of the MTN Programme are as follows:-

- (i) to ensure that the total amount raised by the Group from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of the Group; and
- (ii) to maintain the interest service cover ratio ("ISCR") of not less than 1.5 times for the Group, calculated on a yearly basis at the end of the financial year.

The financial covenants of the Tranche 2, IGBRC MTN are as follows:-

- (i) to maintain a security cover ratio for MVM of not more than 60%;
- (ii) to maintain the ISCR of not less than 2.0 times for MVM, calculated on a yearly basis at the end of the financial year; and
- (iii) to ensure that the total amount raised by the Group from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of the Group.

##### MTN issued by IGBRMC

The financial covenant of the MTN Programme is as follows:-

- (i) to ensure that the total amount raised by the Group from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of the Group.

The financial covenant of the Tranche 1, IGBRMC MTN is as follows:-

- (i) to maintain a security cover ratio for MVS Mall of not less than 1.67 times, calculated on semi-annual basis and annual basis of the financial year.

The Group has complied with the financial covenants during and at the end of the financial year.

The Deed provides that the Manager shall, with the approval of the Trustee, for each distribution period, distribute all (or such other percentage as determined by the Manager at its absolute discretion) of the Fund's distributable income. It is the intention of the Manager to distribute at least 90% of the Fund's distributable income on a quarterly basis (or such other interval as determined by the Manager at its absolute discretion).

For the financial year ended 31 December 2025, the Group and the Fund distributed approximately 97.5% (2024: 97.5%) of the total distributable income.

#### 24.3 Fair value

The assets and liabilities measured at fair value and classified by level of the fair value measurement hierarchy are as follows:-

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data i.e. unobservable inputs (Level 3).

Level 3 fair values of the investment properties have been derived from the income approach method based on valuations performed by the independent registered valuers. The valuation techniques, significant parameters and movement in fair values are as disclosed in Note 6.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

#### 24.3 Fair value (continued)

##### Assets and liabilities not carried at fair value

Save as disclosed below, the carrying amounts of financial assets and liabilities as at reporting date approximated their fair values.

The Group's borrowings are not measured at fair value as at reporting date. The fair value of such borrowings is disclosed within the fair value hierarchy as follows:-

	Group			
	2025		2024	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
<b>Level 2</b>				
Borrowings	2,247,524	2,266,131	1,214,781	1,234,488
	Fund			
	2025		2024	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
<b>Level 2</b>				
Intercompany borrowings	2,247,524	2,266,131	1,214,781	1,234,488

### 25 OPERATING LEASES (LEASE COMPONENT)

##### Leases as lessor

The Group and the Fund lease out the investment properties (Note 6) under operating leases. Subject to full receipts and/or recoveries of all trade receivables, and assuming no existing tenancies are prematurely terminated, the undiscounted lease revenue, i.e. rental income, to be fully received, excluding any percentage rentals, based on committed tenancies as at 31 December 2025 are as follows:-

	Group and Fund	
	2025 RM'000	2024 RM'000
<b>Rental income:</b>		
Less than one (1) year	545,476	382,228
Between one (1) and two (2) years	425,869	318,617
Between two (2) and three (3) years	202,656	188,020
Between three (3) and four (4) years	63,807	54,925
Between four (4) and five (5) years	4,340	18,060
More than five (5) years	29,943	29,806
	<b>1,272,091</b>	<b>991,656</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 26 REMAINING PERFORMANCE OBLIGATIONS (NON-LEASE COMPONENTS)

The Group and the Fund lease out the investment properties (Note 6) under operating leases. Subject to full receipts and/or recoveries of all trade receivables, and assuming no existing tenancies are prematurely terminated, the yet to be satisfied performance obligation resulting from non-lease components, i.e. service charges, to be fully received, based on committed tenancies as at 31 December 2025 are as follows:-

	Group and Fund	
	2025	2024
	RM'000	RM'000
<b>Service charges:</b>		
Less than one (1) year	146,961	93,852
Between one (1) and two (2) years	116,093	71,266
Between two (2) and three (3) years	55,169	42,996
Between three (3) and four (4) years	14,326	12,043
Between four (4) and five (5) years	1,081	5,905
More than five (5) years	7,455	7,417
	<b>341,085</b>	<b>233,479</b>

### 27 CAPITAL COMMITMENTS

The capital expenditure which has not been provided for in the financial statements is as follows:-

	Group and Fund	
	2025	2024
	RM'000	RM'000
Authorised by Directors of the Manager and contracted		
- Investment properties*	13,297	1,808

Note:

\* mainly consist of replacement of transformers, modernisation of service lifts, optimisation of chiller plant (2024: reconfiguration of lease area).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 28 SIGNIFICANT RELATED PARTY TRANSACTIONS

The significant related party transactions are carried out in the normal course of business on terms and conditions negotiated between the contracting parties.

Related party	Relationship
IGB Berhad ("IGB")	Major unitholder of the Fund, the sponsor and ultimate holding company of the Fund
IGB Corporation Berhad ("IGBC")	A subsidiary of IGB
IGB REIT Management Sdn Bhd	The Manager of the Fund, a subsidiary of IGBC
IGB REIT Capital Sdn Bhd	A subsidiary of the Fund via MTrustee Berhad (acting in its capacity as trustee for the Fund)
IGB REIT MVS Capital Berhad	A subsidiary of the Fund via MTrustee Berhad (acting in its capacity as trustee for the Fund)
IGB Digital Sdn Bhd	A subsidiary of IGB
IGB Commercial Real Estate Investment Trust ("IGB Commercial REIT")	A subsidiary of IGB
Ensignia Construction Sdn Bhd	A subsidiary of IGBC
Mid Valley City Developments Sdn Bhd	A subsidiary of IGBC
Mid Valley City Energy Sdn Bhd	A subsidiary of IGBC
Mid Valley City Enterprise Sdn Bhd	A subsidiary of IGBC
Mid Valley City Hotels Sdn Bhd	A subsidiary of IGBC
MV Club App Sdn Bhd	A subsidiary of IGBC
MVEC Exhibition and Event Services Sdn Bhd	A subsidiary of IGBC
MVS North Tower Sdn Bhd	A subsidiary of IGBC
MVS Northpoint Hotel Sdn Bhd	A subsidiary of IGBC
Southkey Megamall Sdn Bhd	A subsidiary of IGBC
Tanah Permata Sdn Bhd	A subsidiary of IGBC
Wah Seong (Malaya) Trading Co. Sdn Bhd	Major unitholder of the Fund
Strass Media Sdn Bhd	A subsidiary of Wah Seong (Malaya) Trading Co. Sdn Bhd
Wasco Berhad	A person connected to a director of the Manager
Wasco Management Services Sdn Bhd	A subsidiary of Wasco Berhad
CPI Spicy Gardens Sdn Bhd	A person connected to a director of the Manager

	Group		Fund	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000

#### Significant related party transactions for the financial year:-

##### Receivables

1) Utilities charges				
- IGB Commercial REIT	7,616	7,763	7,616	7,763
- Mid Valley City Enterprise Sdn Bhd	1,674	1,803	1,674	1,803
- Mid Valley City Hotels Sdn Bhd	2,064	2,807	2,064	2,807
- Tanah Permata Sdn Bhd	2,497	740	2,497	740
- Mid Valley City Energy Sdn Bhd	966	1,101	966	1,101
- Mid Valley City Developments Sdn Bhd	115	94	115	94
- MVS North Tower Sdn Bhd	74	-	74	-
- MVS Northpoint Hotel Sdn Bhd	130	-	130	-
	<b>15,136</b>	<b>14,308</b>	<b>15,136</b>	<b>14,308</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

### 28 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

	Group		Fund	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<b>Significant related party transactions for the financial year:</b>				
(continued)				
<b>Receivables</b> (continued)				
2) Rental of premises				
- MVEC Exhibition and Event Services Sdn Bhd	6,676	6,257	6,676	6,257
- CPI Spicy Gardens Sdn Bhd	372	344	372	344
- IGB Digital Sdn Bhd	60	3	60	3
	<b>7,108</b>	<b>6,604</b>	<b>7,108</b>	<b>6,604</b>
3) Rental of light box				
- Strass Media Sdn Bhd	1,335	1,238	1,335	1,238
4) Rental of car park				
- IGB Berhad	368	364	368	364
- Mid Valley City Enterprise Sdn Bhd	54	54	54	54
- Mid Valley City Hotels Sdn Bhd	68	76	68	76
- Wasco Management Services Sdn Bhd	152	132	152	132
	<b>642</b>	<b>626</b>	<b>642</b>	<b>626</b>
5) Interest charges to				
- IGB REIT Capital Sdn Bhd	-	-	1,231	1,256
<b>Payables</b>				
1) Utilities charges				
- Mid Valley City Energy Sdn Bhd	47,440	53,402	47,440	53,402
- IGB Commercial REIT	56	24	56	24
	<b>47,496</b>	<b>53,426</b>	<b>47,496</b>	<b>53,426</b>
2) Manager's management fee				
- IGB REIT Management Sdn Bhd	46,014	40,009	46,014	40,009
3) Acquisition fee				
- IGB REIT Management Sdn Bhd	28,620	-	28,620	-
4) Advances from				
- IGB REIT MVS Capital Berhad	-	-	1,030,000	-
5) Repair and maintenance				
- Ensignia Construction Sdn Bhd	5,312	13,190	5,312	13,190
6) Support cost				
- IGB Digital Sdn Bhd	381	615	381	615
- IGB Berhad	433	51	433	51
- MV Club App Sdn Bhd	600	-	600	-
	<b>1,414</b>	<b>666</b>	<b>1,414</b>	<b>666</b>

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

(continued)

**28 SIGNIFICANT RELATED PARTY TRANSACTIONS** (continued)

	Group		Fund	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Significant related party transactions for the financial year:-</b> (continued)				
<b>Payables</b> (continued)				
7) Hotel facilities and services				
- Mid Valley City Hotels Sdn Bhd	62	33	62	33
8) Interest charged by				
- IGB REIT Capital Sdn Bhd	-	-	54,034	54,182
- IGB REIT MVS Capital Berhad	-	-	4,508	-
	-	-	58,542	54,182
9) Acquisition of investment property				
- Southkey Megamall Sdn Bhd	2,650,000	-	2,650,000	-
10) Signage cost				
- Strass Media Sdn Bhd	69	14	69	14
11) Storeroom cost				
- IGB Commercial REIT	92	-	92	-
<b>Significant related party balances as at reporting date:-</b>				
1) Deposits placed with				
- Mid Valley City Energy Sdn Bhd	11,182	7,817	11,182	7,817
2) Amount owing by				
- IGB REIT Capital Sdn Bhd	-	-	33,814	32,582
- IGB REIT MVS Capital Berhad	-	-	100	-
- Southkey Megamall Sdn Bhd	20,172	-	20,172	-
3) Amount owing to				
- IGB REIT Management Sdn Bhd	14,359	10,283	14,359	10,283
- IGB REIT Capital Sdn Bhd	-	-	1,214,641	1,214,781
- IGB REIT MVS Capital Berhad	-	-	1,032,884	-
- Mid Valley City Energy Sdn Bhd	4,340	4,302	4,340	4,302
- Ensignia Construction Sdn Bhd	-	3,762	-	3,762
- Southkey Megamall Sdn Bhd	6,382	-	6,382	-

## UNITHOLDING STATISTICS

As of 2 March 2026

### ISSUED UNITS

4,325,539,147 Units (voting right: 1 vote per Unit)

### PUBLIC SPREAD

43.42%

### ANALYSIS BY SIZE OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	% of Unitholders	No. of Units	% of Units
Less than 100	2,635	8.41	66,351	0.00
100 – 1,000	11,436	36.49	6,002,558	0.14
1,001 – 10,000	12,970	41.38	52,385,750	1.21
10,001 – 100,000	3,597	11.48	104,882,739	2.42
100,001 to less than 5% of Issued Units	700	2.23	2,026,503,723	46.85
5% and above of Issued Units	4	0.01	2,135,698,026	49.37
<b>Total</b>	<b>31,342</b>	<b>100.00</b>	<b>4,325,539,147</b>	<b>100.00</b>

### SUBSTANTIAL UNITHOLDERS

Name	Direct		Deemed*	
	No. of Units	% of Units	No. of Units	% of Units
IGB Berhad	1,733,617,754	40.08	474,786,750	10.98
IGB Corporation Berhad	247,854,659	5.73	226,932,091	5.25
IGB REIT Management Sdn. Bhd.	226,386,605	5.23	-	0.00
Dato' Seri Robert Tan Chung Meng	17,715,419	0.41	2,296,210,613	53.08
Tan Kim Yeow Sendirian Berhad	39,069,875	0.90	2,257,140,738	52.18
Tan Chin Nam Sendirian Berhad	77,920,883	1.80	2,260,023,587	52.25
Tony Tan Choon Keat	1,000,000	0.02	2,296,210,613	53.08
Pauline Tan Suat Ming	97,970	0.00	2,296,210,613	53.08
Wah Seong (Malaya) Trading Co. Sdn. Bhd.	38,890,567	0.90	2,217,924,826	51.28
Employees Provident Fund Board	410,623,113	9.49	-	0.00
Kumpulan Wang Persaraan (Diperbadankan)	196,694,300	4.55	31,301,900	0.72

### DIRECTORS'/CEO'S UNITHOLDINGS

Name	Direct		Deemed*	
	No. of Units	% of Units	No. of Units	% of Units
Dato' Seri Robert Tan Chung Meng ("DSRT")	17,715,419	0.41	2,296,210,613	53.08
Tan Lei Cheng	6,697,031	0.16	-	-
Tan Mei Sian	549,332	0.01	-	-
Gabrielle Tan Hui Chween (Alternate to DSRT)	3,283,000	0.08	-	-
Chai Lai Sim (CEO)	561,115	0.01	-	-

\* Deemed to have interests in Units held by other corporations by virtue of section 4 of the Capital Markets and Services Act 2007

## UNITHOLDING STATISTICS

As of 2 March 2026

(continued)

### TOP 30 UNITHOLDERS

No.	Name of Unitholders	No. of Units	% of Units
1	IGB Berhad	1,120,000,000	25.89
2	IGB Berhad	453,617,754	10.49
3	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	314,225,613	7.26
4	IGB Corporation Berhad	247,854,659	5.73
5	Southkey City Sdn Bhd	209,745,763	4.85
6	Kumpulan Wang Persaraan (Diperbadankan)	196,514,800	4.54
7	IGB REIT Management Sdn Bhd	171,386,605	3.96
8	Public Invest Nominees (Tempatan) Sdn Bhd For IGB Berhad	160,000,000	3.70
9	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Nomura)	63,813,100	1.48
10	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For IGB REIT Management Sdn Bhd (KLC)	55,000,000	1.27
11	Tan Chin Nam Sendirian Berhad	53,294,516	1.23
12	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	45,809,800	1.06
13	Amanahraya Trustees Berhad Public Smallcap Fund	36,784,242	0.85
14	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	27,804,968	0.64
15	Wah Seong (Malaya) Trading Co Sdn Bhd	27,671,027	0.64
16	HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Total International Stock Index Fund	26,151,700	0.60
17	Pertubuhan Keselamatan Sosial	25,718,700	0.59
18	HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Emerging Markets Stock Index Fund	24,470,600	0.57
19	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad For Public Regular Savings Fund (N14011940100)	24,000,087	0.55
20	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Zurich Life Insurance Malaysia Berhad (NP-Other-REITs)	23,696,600	0.55
21	Amanahraya Trustees Berhad Public Dividend Select Fund	22,334,509	0.52
22	Tan Kim Yeow Sendirian Berhad	20,124,214	0.47
23	Citigroup Nominees (Asing) Sdn Bhd CBNY For iShares Core MSCI Emerging Markets ETF	19,465,500	0.45
24	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad For PruLink Strategic Fund	16,877,500	0.39
25	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Zurich Life Insurance Malaysia Berhad (Life Par)	16,026,800	0.37
26	Robert Tan Chung Meng	14,431,212	0.33
27	Cartaban Nominees (Tempatan) Sdn Bhd PAMB For PruLink Equity Fund	14,198,292	0.33
28	Amanahraya Trustees Berhad Public Savings Fund	14,129,500	0.33
29	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad – Kenanga Growth Fund	14,092,200	0.33
30	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Kenanga)	14,019,900	0.32

## NOTICE OF 2026 ANNUAL GENERAL MEETING

**Notice** convening the Fourteenth Annual General Meeting of IGB REIT Unitholders (“UHs”) (“2026 AGM”)

To be held at **2:30 p.m. on Wednesday, 29 April 2026**, at The Gardens Ballroom, Level 5, St. Giles Mid Valley Kuala Lumpur, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

UHs will consider and pass the ordinary resolution below.

### 1. Financial Statements and Reports

To receive the IGB REIT’s Financial Statements and Reports from the Trustee, the Manager, and the Auditor for the year ended 31 December 2025.

### 2. Ordinary Resolution: Renewal of Recurrent Related Party Transactions (“RRPT Mandate”)

THAT, under paragraph 10.09 of Bursa Malaysia Securities Berhad’s Main Market Listing Requirements, IGB REIT is authorised to carry out transactions within the RRPT categories listed in the Circular to UHs dated 31 March 2026 (“Circular-RRPT Mandate”), with the specified Transacting Parties, provided such transactions are conducted in the ordinary course of business, at arm’s length, and on normal commercial terms, which are not detrimental to the interests of IGB REIT or its minority UHs, and that the authority conferred by this resolution shall expire (unless varied or revoked by IGB REIT in a general meeting) at the conclusion of IGB REIT’s AGM in 2027, and the Manager’s Directors are authorised to make decisions or take necessary actions to execute the RRPT Mandate.

By Order of the Board

Tina Chan  
Head of Compliance/Company Secretary  
MAICSA7001659/SSM PC No. 201908000014

Kuala Lumpur  
31 March 2026

### Explanatory Notes

#### 1. Financial Statements and Reports

IGB REIT’s Annual Report 2025 (“AR25”) contains the Financial Statements and Reports. UHs are not required to approve them. The Auditor will be on hand to address any questions regarding the Financial Statements and Reports.

#### 2. RRPT Mandate

The Ordinary Resolution seeks UH approval for the proposed RRPT Mandate, which would enable IGB REIT to engage in certain RRPTs with the Transacting Parties, provided that the transactions are conducted in the ordinary course of business, on terms no more favourable to the related parties than those offered to the public, and are not detrimental to the interests of IGB REIT and its minority UHs. More details are available in the Circular-RRPT Mandate. The interested Directors, major UHs, and their persons connected will abstain from voting on this resolution.

### Attendance and Appointment of Proxy

- Only members listed in the Record of Depositors as of 22 April 2026 are entitled to attend, vote, or appoint a proxy for the 2026 AGM.
- Except for exempt authorised nominees, a member may appoint 2 proxies and specify the number of units each is authorised to act on. A proxy may, but need not be, a UH.
- If a member appoints the Chair of the meeting as their proxy, they must specify how the Chair should vote; if not, the Chair may vote or abstain at their discretion.
- The Proxy Form, including any power of attorney or authority under which it is signed, must be sent to the Manager’s registered office at Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, either by post, in person, or via email at [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com). Members may also submit an e-proxy online at <https://srmy.vistra.com> by 2:30 p.m. on Tuesday, 28 April 2026. For assistance, contact IGB REIT’s Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at 603-2783 9299 or [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com).
- UHs may submit questions before the 2026 AGM by emailing [investorrelations@igbreit.com](mailto:investorrelations@igbreit.com) or [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com) by 2:30 p.m. on Wednesday, 22 April 2026. Questions should relate to the items listed in the Notice of 2026 AGM. All questions will be moderated to prevent duplicates and ensure smooth meeting proceedings.
- Registration for the 2026 AGM begins at 12:30 p.m. Members and proxies are required to show a valid identity card or driving licence for identification.

*The AR25, Circular-RRPT Mandate, and Notice of 2026 AGM are available at [www.igbreit.com](http://www.igbreit.com).  
UHs can request printed copies by emailing [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com).*



## PROXY FORM

CDS Account Number	
Number of Units Owned	

\*I/We (full name as per NRIC/Certificate of Incorporation) \_\_\_\_\_

NRIC No./Company No. \_\_\_\_\_ of (Full address) \_\_\_\_\_

being a Unitholder ("UH") of IGB REIT and entitled to attend and vote, hereby appoint the proxy(ies) listed below:

### Name, NRIC Number, and Email of the proxy

### Number of Units to be represented by proxy

- |    |       |       |
|----|-------|-------|
| 1. | _____ | _____ |
| 2. | _____ | _____ |

or, if no specific person is named, the Chairman of the 2026 AGM as my/our proxy to act on my/our behalf, including voting according to the instructions provided, or, if no instructions are given, at the proxy's discretion, within the limits of the law at the 2026 AGM of IGB REIT, scheduled for 2:30 p.m. on Wednesday, 29 April 2026.

Ordinary Resolution	First Proxy		Second Proxy	
	For	Against	For	Against
RRPT Mandate				

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature/Common Seal of Unitholder

### Attendance and Appointment of Proxy

- Only members listed in the Record of Depositors as of 22 April 2026 are entitled to attend, vote, or appoint a proxy for the 2026 AGM.
- Except for exempt authorised nominees, a member may appoint 2 proxies and specify the number of units each is authorised to act on. A proxy may, but need not be, a UH.
- If a member appoints the Chair of the meeting as their proxy, they must specify how the Chair should vote; if not, the Chair may vote or abstain at their discretion.
- The Proxy Form, including any power of attorney or authority under which it is signed, must be sent to the Manager's registered office at Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, either by post, in person, or via email at [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com). Members may also submit an e-proxy online at <https://srmy.vistra.com> by 2:30 p.m. on Tuesday, 28 April 2026. For assistance, contact IGB REIT's Registrar, Tricor Investor & Issuing House Services Sdn Bhd, at 603-2783 9299 or [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com).
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## PROXY FORM

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RM0.80  
stamp

Head of Compliance/Company Secretary

**IGB REIT Management Sdn Bhd** 201201006785 (908168-A)  
(Manager of IGB REIT)

Level 32, The Gardens South Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Malaysia

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## 2025 ANNUAL REPORT REQUEST FORM

Please select the documents you wish to receive by ticking (✓) within the box provided:

2025 Annual Report

Circular - RRPT Mandate

For further information, please contact Chong Ad Win or Alvin Lim at 603-2289 8989 or [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com).

---

Name of Unitholder : \_\_\_\_\_

NRIC/Company No. : \_\_\_\_\_

Mailing Address : \_\_\_\_\_

Email Address : \_\_\_\_\_

Contact Number : \_\_\_\_\_

Signature : \_\_\_\_\_

Date : \_\_\_\_\_



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## 2025 ANNUAL REPORT REQUEST FORM

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Head of Compliance/Company Secretary

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(Manager of IGB REIT)

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Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Malaysia

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[www.igbreit.com](http://www.igbreit.com)

**IGB REIT MANAGEMENT SDN BHD** 201201006785 (908168-A)  
(Manager of IGB REIT)

Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.  
**Tel:** +603-2289 8989 **Fax:** +603-2289 8802 **Email:** [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com)