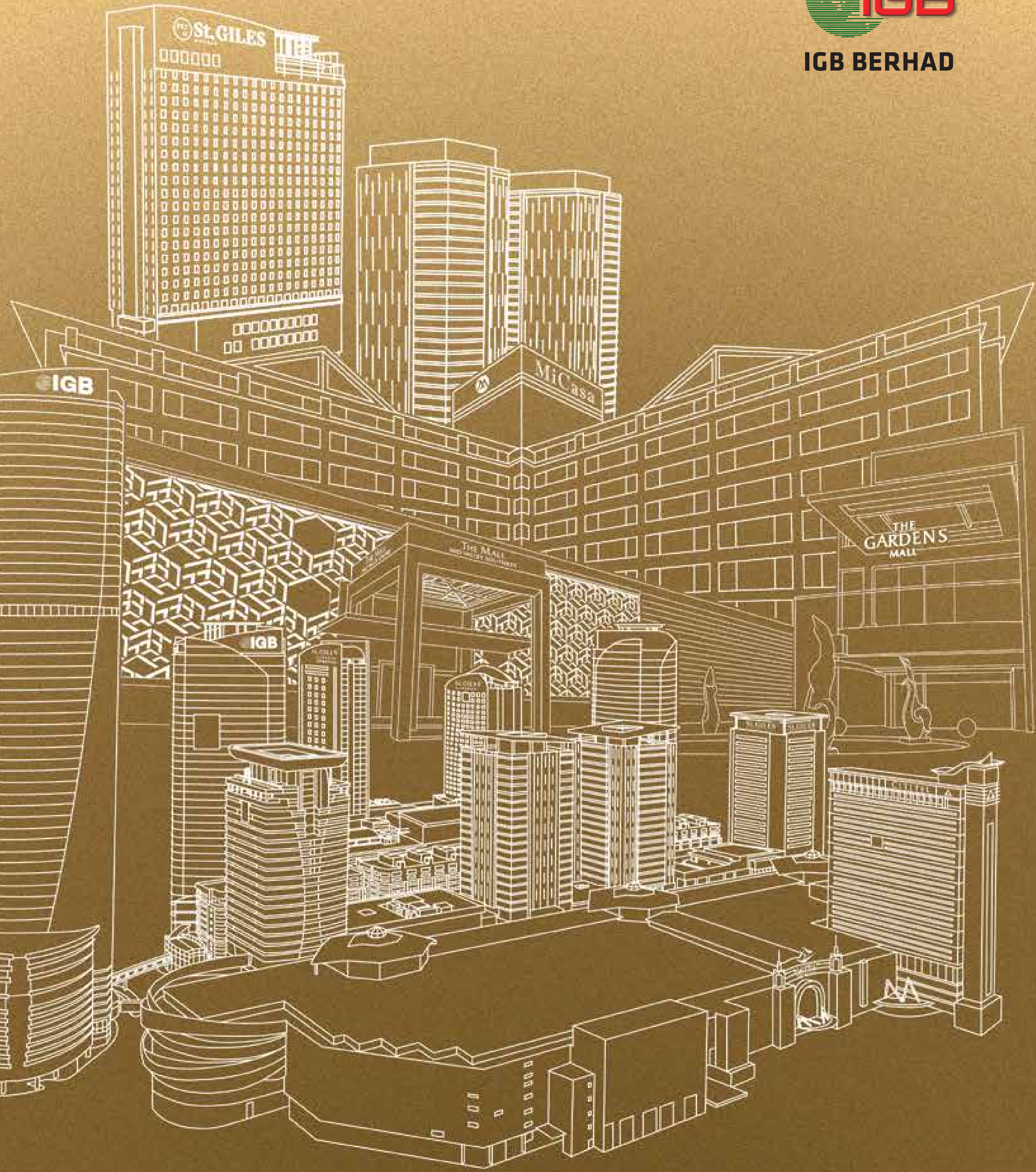
IGB BERHAD



ANNUAL REPORT **2025**

CONTENT

2026
Annual General Meeting

Day and Date
Monday, 8 June 2026

Time
9.30 a.m.

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

QR Code for 2025 Annual Report

ABOUT THIS REPORT

INTRODUCTION

Established in 1964, IGB Group is one of Malaysia's pioneering property development companies, with a diversified portfolio covering all facets of the property industry. Over the decades, IGB has delivered iconic and award-winning developments that have achieved industry firsts and enriched the lives of countless communities.

The Group comprises two listed REITs - IGB REIT and IGB Commercial REIT, and a listed holding company, IGB Berhad, with operations across Asia, Australia, the United States of America, and the United Kingdom.

IGB Group's core activities include property investment and management, investment holding, real estate investment trust management, as well as ownership and operation of retail malls, commercial buildings and hotels. The Group is also involved in property development, construction and engineering services. Beyond real estate, IGB has diversified investments in the sale of utilities, water treatment, education, assisted living and co-living spaces.

Visit our website, www.igbbhd.com for more information.

REPORTING PERIOD

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

REPORTING FRAMEWORKS AND STANDARDS

IGB Berhad's annual report 2025 complies with the following regulations, rules and guidelines:

- Bursa Malaysia Corporate Governance Guide (4th Edition)
- Securities Commission Malaysia's ("SC") Malaysian Code on Corporate Governance ("MCCG") 2021
- Bursa's Main Market Listing Requirements
- United Nations Sustainable Development Goals ("SDGs")
- Malaysian Financial Reporting Standards ("MFRS")
- International Financial Reporting Standards ("IFRS")
- IFRS Sustainability Disclosure Standards
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- 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 Berhad's Financial Statements for the year ended 31 December 2025 were audited by PricewaterhouseCoopers PLT, covering pages 131 to 231 of this report.

MATERIALITY

This Annual Report 2025 discloses information related to IGB Berhad'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 Berhad and its stakeholders.

FORWARD LOOKING STATEMENT

This Annual Report 2025 contains forward-looking statements regarding IGB Berhad'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. Shareholders should not place excessive reliance on these statements, as IGB Berhad's business faces risks and uncertainties beyond its control.

NAVIGATION ICONS

Capitals

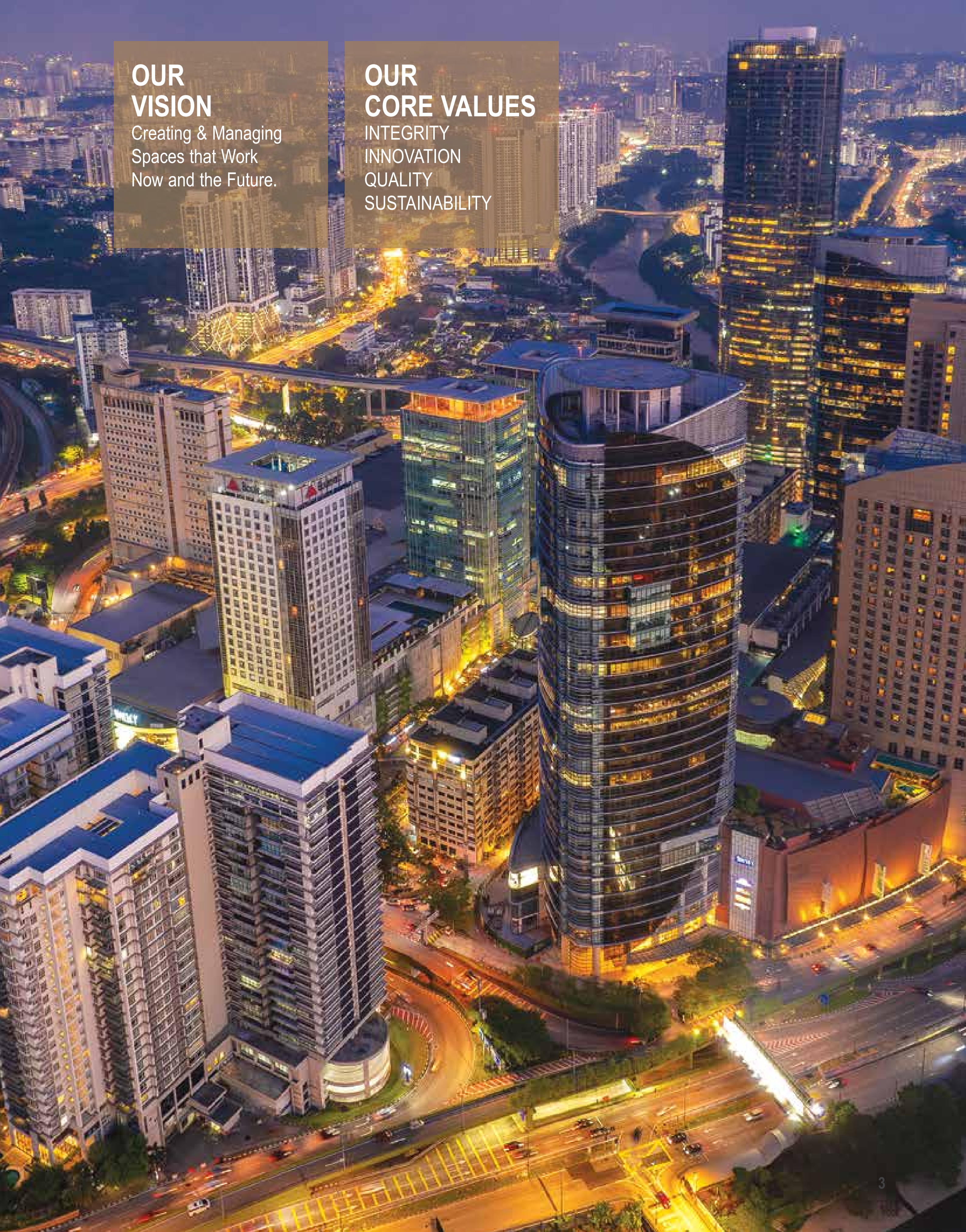
Financial | Manufactured | Human | Social | Natural

Material Matters

- Health & Safety
- Customer Satisfaction
- Anti-Corruption & Corporate Governance
- Human Capital Development
- Cybersecurity & Data Protection
- Water Management
- Climate Change
- Labour Practices
- Waste Management
- Community/ Society

Adopted United Nations Sustainable Development Goals

VISION AND CORE VALUES



OUR VISION

Creating & Managing Spaces that Work Now and the Future.

OUR CORE VALUES

INTEGRITY
INNOVATION
QUALITY
SUSTAINABILITY

KEY MILESTONES

1964	Ipoh Garden Berhad incorporated
1964-1993	Ipoh Garden township
1971	Tan & Tan Developments Berhad (“TTDB”) incorporated
1979	Malaysia’s first high end lifestyle condominium, Desa Kudalari
1981	IGB Corporation Berhad (“IGBC”) listed on Bursa Malaysia Securities Berhad (“Bursa”)
1984-1986	Restoration of Queen Victoria Building, Sydney
1988	Malaysia’s first hotel apartment, MiCasa All Suite Hotel
1993	Malaysia’s first gated community, Sierramas
1996	Renaissance Hotel completed
	Gleneagles Hospital completed
1999	Mid Valley Megamall (“MVM”) completed
2000	Dimensi Subuh Sdn Bhd was incorporated
	Converted to a public limited company
2001	Dimensi Subuh Sdn Bhd was renamed Gold IS Berhad
2002	TTDB and IGBC merged
	Gold IS Berhad assumed the listing status of TTDB
2005	Gold IS Berhad was renamed to Goldis Berhad
2007	The Gardens Mall (“TGM”) completed
2010	GTower, first green certified building was completed
2012	Listing of IGB REIT
2014	Launch of IGB International School
	Goldis Berhad made a voluntary general offer for the remaining shares of IGBC
2018	Goldis Berhad completed the acquisition of IGBC’s remaining shares resulting in 100% ownership. The company changed its name to IGB Berhad
2019	Launch of The Mall, Mid Valley Southkey ("MVS Mall")
	Launch of the first co-living space in Malaysia
2021	Listing of IGB Commercial REIT
2023	Southpoint Residences completed
	Mid Valley Southkey North Tower office completed
2024	Mid Valley Southkey South Tower office completed
2025	Incorporated The Mall, Mid Valley Southkey into IGB REIT
	IGB Commercial REIT: First REIT in Malaysia to achieve a 100% green-certified portfolio

BUSINESS DIVISIONS

Retail

Malls

Crafting exceptional retail experiences for our community.

The Group's retail business is primarily managed by IGB REIT, which was established on 25 July 2012 and listed on the Main Board of Bursa on 21 September 2012. IGB REIT is a market leader in Malaysia and consists of three iconic malls. IGB REIT owns MVM, TGM and MVS Mall.

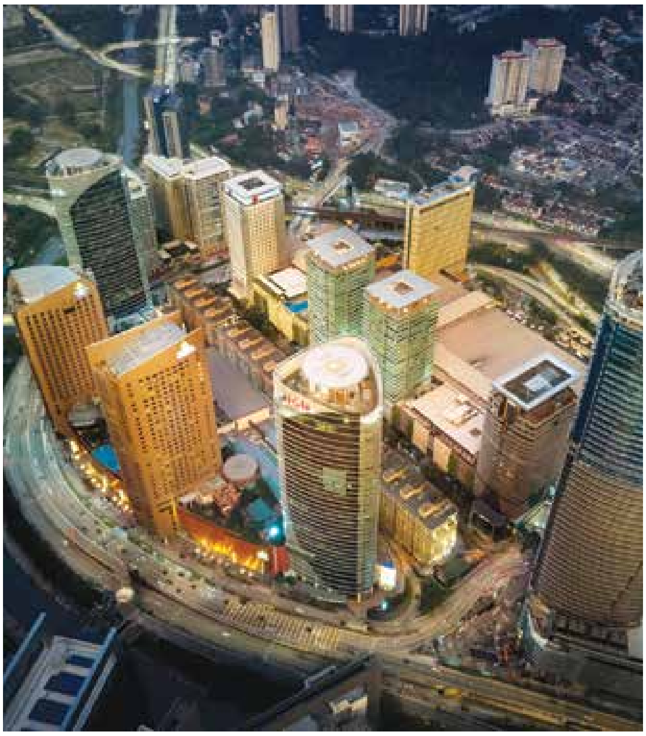
MVM opened its doors in 1999 and made history by being the first large-scale shopping mall in Malaysia and the region.

TGM opened its doors in 2007 and complemented MVM as a premium high-end mall.

MVS Mall opened its doors in 2019 as the first megamall in Johor. MVS Mall was incorporated into IGB REIT on 20 November 2025.

Commercial

Offices
Mixed-used Developments



The Group manages 12 commercial properties across Mid Valley City, Kuala Lumpur and Johor Bahru.

IGB Commercial REIT ("IGBCR") was listed on the Main Board of Bursa on 20 September 2021. 10 properties are held in IGBCR, the largest standalone office REIT in Malaysia, encompassing 7 properties in the prime location of Mid Valley City and 3 properties in Kuala Lumpur's Golden Triangle.

The remaining 2 properties are held through subsidiaries of the Group and located in Southkey, Johor Bahru.

The Group remains focused on proactive asset management, tenant engagement and sustainability initiatives to enhance asset value and secure long-term income stability.

BUSINESS DIVISIONS
(continued)

Property Development

Landed and Townships
Apartments and Condominiums

A pioneer in the industry with a proven track record in high-rise, gated and landed residential properties.

The Group's achievements include many firsts in Malaysia:

- First high-end lifestyle condominium, Desa Kudalari
- First hotel apartment, MiCasa All Suite Hotel
- First gated community, Sierramas

Other noteworthy properties:

- U-Thant Residence
- Hampshire Residences and Offices
- Stonor 3 KLCC
- Seri Maya
- Southpoint Residences

Hospitality

3-Star, 4-Star, 5-Star
Service Apartments

The Group remains focused on delivering exceptional value and seamless hospitality experiences across its key markets in Malaysia, the Philippines, and Australia.

Through its St Giles and Cititel brands, the Group has established a trusted presence, offering consistent quality, thoughtful service, and comfort for both business and leisure travelers.

Across its portfolio, the Group's hotels contribute meaningfully to the local tourism landscape, supporting destination growth while enhancing the overall guest experience within each market.

BUSINESS DIVISIONS
(continued)

Other Investments

China Water Group

The China Water Group is involved in the treatment of wastewater, providing clean, high-quality water in their respective industrial parks. It consists of 2 wastewater treatment plants in the cities of Yantai and Zoucheng, both located in Shandong province, China.

IGB International School

IGB International School ("IGBIS") is the only school in Malaysia offering all four International Baccalaureate ("IB") programmes: Primary Years, Middle Years, Diploma and Career-related Programmes. Since 2014, IGBIS has embraced the IB framework, fostering curiosity, open-mindedness, and critical thinking in students to tackle global challenges.

The school provides top-tier facilities, including spacious Early Years classrooms and a 534-seat auditorium, supported by internationally trained teachers. Its inclusive learning environment nurtures creativity, innovation, and academic excellence.

Grounded in IB values and the UN Sustainable Development Goals, IGBIS prepares graduates to be principled lifelong learners who drive positive change.

Coliv @ Damai Residence

Coliv @ Damai Residence stands as a beacon of innovation in the realm of co-living. Launched in 2019, this distinctive residence has emerged as a pioneer in the industry. It is a hub for connections, collaboration, co-working and co-living.

ReU Living

ReU Living is a vibrant community living that delivers healthcare integrated with hospitality services. Operating within two premier hospitality environments at two locations at ReU Living KL City Centre and ReU Living Mid Valley, our facilities are designed to support individuals during recovery as well as those seeking assisted living and retirement options. We offer specialised programmes such as post-surgical recovery care, restorative stays and senior day care in a supportive environment that bridges hospital care and home-based living.

For longer-term stays, ReU Living offers a maintenance-free retirement programme lifestyle with hotel-grade amenities that is supported by nursing and an integrated physiotherapy service. The facilities are designed to promote residents' comfort, independence and overall well-being, while providing peace of mind through the availability of professional care.

Construction

Building assets for the Group's business since 2001 (established in 1982 as IGB Industries Sdn Bhd) Ensignia specialises in Design, Documentation, and Construction Management. The company's portfolio includes premier integrated developments across the region, totaling RM4 billion in construction value.

Notable developments include The Gardens Mall, The Gardens North Office Tower, The Gardens South Office Tower, Southpoint Offices and Residences, St. Giles Mid Valley Kuala Lumpur and St Giles Gardens Residences. In Mid Valley Southkey (Johor Bahru), developments include MVS Mall, North Office Tower, South Office Tower and St. Giles Southkey. Residential and Education developments include G-Residence Condominium, U-Thant Residence and IGB International School.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Tan Lei Cheng
Chairman/Non-Independent Non-Executive Director

Tan Boon Lee
Executive Director/Group Chief Executive Officer

Tan Mei Sian
Alternate Director to Tan Lei Cheng/
Deputy Group Chief Executive Officer

Dato' Seri Robert Tan Chung Meng
Non-Independent Non-Executive Director

Lee Chaing Huat
Senior Independent Non-Executive Director

Dato' Dr. Zaha Rina binti Zahari
Independent Non-Executive Director

Dato' Lee Kok Kwan
Independent Non-Executive Director

Dato' Wong Lee Yun
Independent Non-Executive Director

COMPANY SECRETARY

Tan Lay Ling
MAICSA 7042375
SSM PC No. 201908000038

REGISTERED OFFICE

Level 32, The Gardens South Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia
Telephone : 603-2289 8989
Telefax : 603-2289 8802
E-mail : corporate-enquiry@igbbhd.com
Web : www.igbbhd.com

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
E-mail : is.enquiry@vistra.com
Web : www.vistra.com

AUDITORS

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
E-mail : my_info@pwc.com
Web : www.pwc.com/my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Date of Listing : 8 May 2002
Stock Name : IGBB
Stock Code : 5606

PRINCIPAL BANKERS

Hong Leong Bank Berhad
Hong Leong Investment Bank Berhad
Malayan Banking Berhad
Maybank Investment Bank Berhad
Public Bank Berhad
Public Investment Bank Berhad

GROUP CORPORATE STRUCTURE

IGB BERHAD

RETAIL

51.0% →

IGB Real Estate Investment Trust ^

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

100% →

- MVEC Exhibition & Event Services Sdn Bhd *(Mid Valley Exhibition Center)*
- Mid Valley City Developments Sdn Bhd
- G Village Retail Sdn Bhd

50% →

- Permata Alasan (M) Sdn Bhd* *(The Grange @ Ampwalk)*

COMMERCIAL

54.3% →

IGB Commercial Real Estate Investment Trust ^

- *Menara IGB & IGB Annexe*
- *Centrepoint South*
- *Centrepoint North*
- *Boulevard Offices & Retail*
- *The Gardens South Tower*
- *The Gardens North Tower*
- *Southpoint Offices & Retail*
- *Menara Tan & Tan*
- *GTower*
- *Hampshire Place Office*

100% →

- MVS North Tower Sdn Bhd *(Mid Valley Southkey North Tower)*
- MVS South Tower Sdn Bhd *(Mid Valley Southkey South Tower)*

HOSPITALITY

100% →

- Mid Valley City Enterprise Sdn Bhd *(St Giles Boulevard)*
- Salient Glory City Sdn Bhd *(St. Giles Wembley & Cititel Express Penang)*
- Mid Valley City Hotels Sdn Bhd *(St Giles Mid Valley Kuala Lumpur & St Giles Gardens Residences)*
- TTD Sdn Bhd *(MiCasa All Suite Hotel)*
- Tank Stream Holdings Pty Ltd *(Rydges Australia Square)*
- MVS Northpoint Hotel Sdn Bhd *(St Giles Southkey)*
- Tanah Permata Sdn Bhd *(Cititel Mid Valley)*
- Rapid Alpha Sdn Bhd *(Cititel Express Ipoh)*
- Lagenda Sutera (M) Sdn Bhd *(Cititel Express Kota Kinabalu)*

60% →

- Cititel Hotel Management Sdn Bhd

49.5% →

- Ravencroft Investment Incorporated*
- St Giles Hotel Limited* *(St Giles London)*
- St Giles Hotel (Manila), Inc.* *(St Giles Makati)*
- St Giles Hotel, LLC*

49.6% →

- New Commercial Investments Limited*
- St Giles Hotel (Heathrow) Limited* *(St Giles Heathrow)*

PROPERTY DEVELOPMENT

100% →

- IGB Corporation Berhad
- Tan & Tan Developments Berhad
- Mid Valley City Southpoint Sdn Bhd *(Southpoint Residences)*

50% →

- Kundang Properties Sdn Bhd* *(D'Laman Kundang)*

OTHERS

100% → **Wastewater Treatment**

- GoldChina Sdn Bhd *(and its subsidiaries)*
- Goldis Water Sdn Bhd *(and its subsidiaries)*

100% → **REIT Management**

- IGB REIT Management Sdn Bhd *(Manager of IGB REIT and IGBCR)*

100% → **Management Services/Service Provider**

- Mid Valley City Sdn Bhd
- Mid Valley City Gardens Sdn Bhd
- IGB Property Management Sdn Bhd
- Kondoservis Management Sdn Bhd

100% → **Co-living**

- Millenium Living Sdn Bhd *(Coliv)*

100% → **Selling and Distribution of Utilities**

- Mid Valley City Energy Sdn Bhd

100% → **Assisted living**

- ReU Living Sdn Bhd *(ReU Living KL City Centre and ReU Living Mid Valley)*

60% → **Education**

- Detik Harapan Sdn Bhd *(IGB International School)*

70% → **IGB Education Services Sdn Bhd** *(Pre-Primary Education)*

100% → **Ensignia Construction Sdn Bhd**

*^ Public listed company   * Joint venture/Associated companies*

** Holdings represent the Group's effective interest as at 31 December 2025. For further details on the full list of subsidiaries, joint ventures and associates, please refer to the notes to the financial statements.*

** The group corporate structure excludes dormant companies or those without major operations.*

AWARDS AND RECOGNITION

IGB Berhad ("IGB") was awarded 6th place at The Star Malaysia Developer Awards – Top-of-the-Charts Top 10 (For Market Capitalisation of RM1 billion above).

Tan Yee Seng, Chief Executive Officer of Tan & Tan Developments Berhad, receiving The Star Malaysia Developer Awards - Top-of-the-Charts Top 10 (For Market Capitalisation of RM1 billion above)

IGB Berhad was recognised as one of the Top 10 at The Edge Malaysia Top Property Developers Awards ("TPDA") 2025, securing eighth place.

Tan Boon Lee, IGB Group Chief Executive Officer (4th from left) together with members of the senior management team

IGB REIT received the following awards and recognitions in 2025:

- The Edge Billion Ringgit Club 2025: Highest Return on Equity Over Three Years.
- The Edge Billion Ringgit Club 2025: Highest Returns to Shareholders Over Three Years.

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

The Mall, Mid Valley Southkey's award for Excellence in Event Experiences

The Mall, Mid Valley Southkey received the award for Excellence in Event Experiences (Southkey Megamall Sdn Bhd), The Walt Disney Company (Southeast Asia) Pte Limited.

- Excellence in Event Experiences (IGB REIT – Mid Valley Megamall), The Walt Disney Company (Southeast Asia) Pte Limited.

Jesz Loo, Head of Marketing for Mid Valley Megamall, accepts the award for Excellence in Event Experiences for Mid Valley Megamall and The Mall, Mid Valley Southkey

AWARDS AND RECOGNITION
(continued)

IGBCR received the following awards and recognitions in 2025:

- The Edge Malaysia Best Managed & Sustainable Property Awards 2025:
  - o GTower was awarded the Gold Award in the 10 Years and Above – Non-Strata Office Category
  - o GTower also earned the Editor's Choice Award for Excellence in Agile Reinvention

Irene Sin, IGB REIT Management Sdn Bhd Deputy CEO (Commercial) and her team at The Edge Malaysia Best Managed & Sustainable Property Awards 2025

The Group has achieved a 100% green-certified portfolio for its Commercial Division. In 2025, six buildings within IGBCR obtained green certification, together with two commercial buildings in Southkey held through the Group's subsidiaries achieving GreenRE Gold, bringing the total number of green-certified buildings under the group to 12. Buildings certified in 2025:

IGBCR

- Menara Tan & Tan achieved the GreenRE Gold Certification on 16 July 2025
- Hampshire Place Office achieved the GreenRE Gold Certification on 28 November 2025
- Centrepoint North achieved the GreenRE Gold Certification on 8 December 2025
- Boulevard Offices & Retail achieved GreenRE Bronze Certification on 9 December 2025
- Centrepoint South achieved the GreenRE Gold Certification on 10 December 2025
- Menara IGB & Annexe Block achieved GreenRE Gold Certification on 12 December 2025

GreenRE Certification awarded to 6 buildings within IGBCR portfolio in 2025

North and South Towers @ Mid Valley Southkey

- North Tower @ Mid Valley Southkey achieved GreenRE GOLD Certification on 18 August 2025
- South Tower @ Mid Valley Southkey achieved GreenRE GOLD Certification on 29 September 2025

Our portfolio of hotels in Malaysia received the following awards and recognitions in 2025:

- The Agoda Gold Circle Award, awarded on 21 February 2025 to:
  - ○ Cititel Mid Valley
  - ○ Cititel Express Ipoh
  - ○ MiCasa All Suites Hotel

- The Agoda Customer Service Review Award, awarded on 20 February 2025:
  - ○ Cititel Mid Valley
  - ○ Cititel Express Penang
  - ○ St Giles Wembley Penang
  - ○ Cititel Express Ipoh
  - ○ MiCasa All Suites Hotel
  - ○ St Giles Boulevard Hotel
  - ○ St Giles Mid Valley Kuala Lumpur

AWARDS AND RECOGNITION
(continued)

- Klook: The Best Hotel 2024 awarded to St Giles Southkey Johor Bahru on 21 January 2025

- Trip.com: Chinese Friendly Hotel 2024 and 2025 awarded to St Giles Southkey Johor Bahru on 20 May 2025

- Trip.com: Top Engaged Hotel 2025 awarded to St Giles Southkey Johor Bahru on 28 October 2025

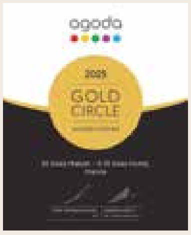
- Dida.com: Best Performance Hotel awarded to St Giles Boulevard Hotel

- Traveloka: Award of Collaboration awarded to St Giles Gardens Residences on 11 July 2025

Bryan Teo, Director of Sales and Marketing of St Giles Mid Valley Kuala Lumpur receiving the award from Traveloka

St Giles Makati, Manila received the following awards and recognition in 2025:

- Agoda Gold Circle Award



- Plaque of Recognition from the Department of Education in the Philippines for the invaluable support given to the Work Immersion Programme of the Schools Division Office – Mandaluyong for Calendar Year 2025

Don Lester Bautista Tuazon, Human Resources Manager of St Giles Makati receiving the Plaque of Recognition from the Department of Education

IGBIS Students, Faculty and Staff received the following awards and recognitions in 2025:

- Suparimau League Championship: The U8 Everton Team were Division Champions during their first term in the league

The IGBIS U8 Everton Team

AWARDS AND RECOGNITION
(continued)

KLSL/AIMS Championships: IGBIS student athletes won multiple titles across different age categories and sports.

The IGBIS girls U18 volleyball team

Global International Baccalaureate ("IB") Leadership: IGBIS staff were selected to lead the global development of IB Middle Years Programme ("MYP") Science guides and assessment structures.

The IGBIS Secondary Assistant Principal and IB Career-related Coordinator at the main IB office in The Hague

Highlights

Retail

IGB REIT who owns Mid Valley Megamall and The Gardens Mall in Klang Valley had finalised the RM2.65 billion acquisition of The Mall, Mid Valley Southkey in Johor Bahru from Southkey Megamall Sdn Bhd, an indirect subsidiary of IGB Berhad. The sale was completed on 20 November 2025.

APPROACH TO VALUE CREATION

1 STRATEGIC PRIORITIES/GOALS

- Deliver exceptional performance and sustainable returns to our diverse stakeholder groups
- Deliver value-accretive strategies across our diverse portfolio to drive long-term growth
- Drive portfolio diversification by pivoting towards high-growth sectors and emerging, future-oriented markets

2 BUSINESS STRENGTHS

- Extensive industry expertise
- Robust financial resilience
- High-quality strategic assets
- Diversified and resilient portfolio
- Strong corporate governance
- Future-ready workforce

3 INPUTS by Capitals

Financial

- Total Assets: **RM9.1 billion**
- Total Liabilities: **RM4.4 billion**
- Total Equity: **RM4.6 billion**

Manufactured

- **2** integrated developments:
  - Mid Valley City, Kuala Lumpur
  - Southkey, Johor Bahru
- Retail malls, commercial offices, hotels, residential buildings, water-treatment plants and a school

Human

- Total employees: **2,308**
- Employee turnover: **17.5%**

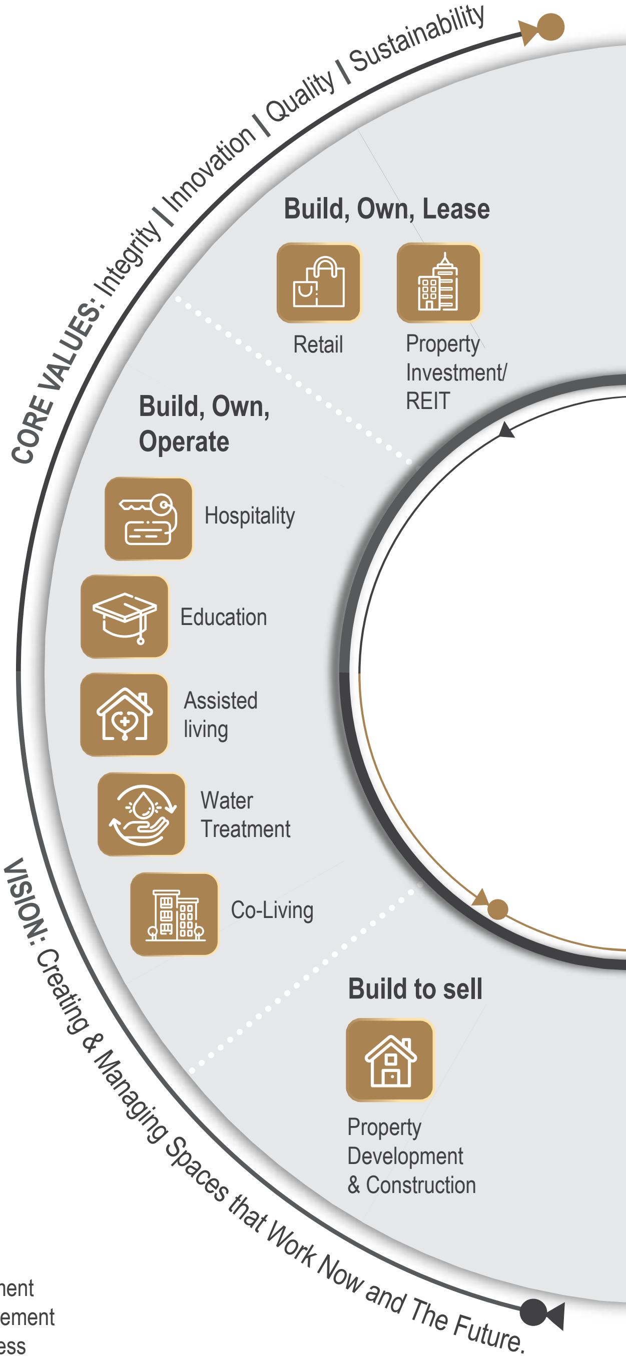
Natural

- Electricity consumption: **180,518 MWh**
- Water consumption: **1,893 Megalitres**

Social and Relationship

- **57** community initiatives
- **RM1.6 million** contributed towards community investment
- Regular stakeholder engagement
- Creating sustainable business opportunities with local suppliers

4 OUR BUSINESS MODEL & ACTIVITIES



APPROACH TO VALUE CREATION
(continued)

5 OUTPUTS by Capitals	6 OUTCOME	7 TRADE-OFFS
Financial • Revenue: **RM1,912 million** • PBT: **RM773 million** • Earnings per share: **18.13 sen**	• Strengthen our value proposition by consistently evaluating business plans and sales performance to secure our recurring income streams. • Maintained a strong financial position through effective management of capital, cash flows, and costs to ensure sustainable shareholder returns.	Strategic investment of Financial Capital fuels our growth and actively mitigates enterprise risks. While this requires short-term financial expenditure, it creates lasting value by strengthening all other capitals and driving the long-term performance, resiliency, and sustainability of our business operations.
Manufactured • Retail: **4.24 million sq ft NLA** • Commercial: **4.43 million sq ft NLA** • Hotel: **3,825 rooms**	• Retail occupancy: **99.6%** • Commercial occupancy: **83.5%** • Hotel occupancy: **63.1%**	Strategic reinvestment of Financial Capital enables us to adapt market shifts by modernising our properties. While this entails short-term expenditure, it creates lasting value by enhancing Manufactured Capital, elevating brand perception, and embedding sustainability across our portfolio.
Human • Employee Retention: **82.5%** • Total training hours: **49,041 hours** • Average training hours per employee: **21 hours**	• Expand engagement and wellbeing initiatives to attract diverse talent and cultivate a high-performance employee experience. • Scale up training hours across all categories to cultivate a highly skilled and adaptable workforce. • Driving local economic growth through job creation and skills empowerment.	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 advantages and enhances value creation across all other capitals.
Natural • Waste Diversion Rate: **18.2%** • Rainwater harvested: **11,256 m^3** • **5,151** tCO_2e Scope 1 emissions • **136,965** tCO_2e Scope 2 emissions • **138,795** tCO_2e Scope 3 emissions	• Secure a resilient future by embedding environmental and climate-change considerations into our business strategy.	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.
Social and Relationship • **165,337** beneficiaries from community initiatives • **42,277** bags of blood collected for Pusat Darah Negara ("PDN")	• Deliver targeted support to those in need through direct contributions and purposeful collaboration.	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.

GROUP CEO'S STATEMENT

Tan Boon Lee
Group Chief Executive Officer, IGB Berhad

Dear Valued Stakeholders,

IGB delivered a resilient performance in 2025 amidst ongoing geopolitical uncertainties, and an increasingly competitive landscape that has also seen a rapid change in consumer tastes and preferences across industries. On 20 November 2025, we successfully completed the injection of MVS Mall into IGB REIT, further strengthening the REIT's asset portfolio while unlocking value for the Group.

It is my pleasure to present IGB's Annual Report for the financial year ended 2025.

RESILIENT GROWTH AND FUTURE-READY STRATEGIES

IGB continued to demonstrate resilience in 2025, delivering steady growth. Group revenue rose by 14.4% to RM1.91 billion while profit before tax increased by 3.3% to RM0.77 billion. Growth was driven by stronger contribution across all business segments, particularly our retail and property development divisions.

Our resilience reflects our agility and ability to adapt amid an evolving operating landscape, supported by strong teams, and a leadership committed to growth. In 2025, we have continued to support our forward momentum through ongoing investments in our assets, operational capabilities, and people.

IGB was awarded 6th place at The Star Malaysia Developer Awards – Top-of-the-Charts Top 10 (for Market Capitalisation of RM1 billion above) and recognised as one of the Top 10 at The Edge Malaysia Top Property Developers Awards 2025, securing eighth place.

STRATEGIC EXPANSION AND PORTFOLIO DIVERSIFICATION

We continue to see compelling opportunities for growth in Malaysia, and have taken steps to strengthen our development pipeline through growing our landbank with strategic acquisitions. We have also continued to explore new growth areas.

During the year, the Group committed to acquire two parcels of leasehold land totaling 19.7 acres in Johor adjacent to our existing Mid Valley Southkey development. This strategic landbank complements our existing presence and enables new, integrated developments that will drive long-term value. We also entered into an agreement for the acquisition of two freehold land parcels totaling 24.3 acres in Bandar Meru Raya, Ipoh, Perak, further strengthening our landbank reserves.

In parallel, we are exploring opportunities in emerging sectors such as aged care, industrial development, co-living, student accommodation, and education, while leveraging our established strengths in integrated mixed-use developments.

Amid evolving consumer preferences, demand continues to rise for integrated community hubs that combine a diverse mix of services, accommodation, and commercial offerings. With our depth of experience, we believe the Group is well-positioned to capitalise on these opportunities and be recognised as a leading Malaysian developer in the mixed-use development sector.

SUSTAINABILITY

IGB has established a roadmap to achieve net zero greenhouse gas emissions by 2050 with this roadmap cascaded to both IGB REIT as well as IGBCR. To support this ambition, the Group has implemented a range of strategies focused on optimising building energy performance, transitioning towards emissions-free electricity, and strengthening value chain partnerships through initiatives such as green leases and sustainable procurement practices, amongst others.

GROUP CEO'S STATEMENT
(continued)

Highlights for FY2025

Received

2 awards

- 6th place at The Star Malaysia Developer Awards – Top-of-the-Charts Top 10 (for Market Capitalisation of RM1 billion above)
- 8th place at The Edge Malaysia Top 10 Top Property Developers Awards 2025

Unlocking Value

Successfully completed the injection of MVS Mall into IGB REIT, further strengthening the REIT's asset portfolio while unlocking value for the Group

Asset Enhancement Initiatives

- Enhanced market competitiveness through the expansion of fully fitted office offerings
- Deployed smart building tech to optimise space utilisation and operational efficiency.

Commitment to Sustainability

- First Malaysian REIT to achieve 100% Green-Certified Portfolio
- Installation of new solar photovoltaic ("PV") systems at The Gardens South Tower and The Gardens North Tower
- Launched our inaugural Run and Rise event as part of our community-focused initiatives

We are also working to accelerate the pace and scale of our asset enhancement initiatives across our existing portfolio, not only to align with evolving customer tastes and preferences, but also to enhance building efficiencies in reducing energy and water consumption while improving waste diversion and resource management. At the same time, we remain deeply committed to the safety and well-being of our employees, tenants, and customers, ensuring our move toward green building certifications also creates healthier and more secure environments for the communities we serve.

We are pleased to share that IGBCR achieved a 100% green-certified portfolio during the year, becoming the first REIT in Malaysia to reach this milestone.

LOOKING AHEAD

Looking ahead, we remain optimistic about our prospects, with the Group well-positioned in sectors supported by growth drivers including government initiatives to promote foreign direct investment and tourism. We will continue to undertake asset enhancement initiatives to ensure our properties remain contemporary and aligned with evolving preferences, while improving operational efficiency and reducing our environmental footprint.

We see continued opportunities for growth both domestically and across the region, and will actively pursue the expansion of our footprint and diversification towards a more balanced portfolio mix. In 2026, we expect our property development and hospitality businesses to contribute a larger proportion to our revenue mix, supported by continued sales in Southpoint Residences and the Government's Visit Malaysia 2026 Campaign. A new hotel is also being built as part of our mixed-used development in Southkey, Johor.

IGB remains aligned with shareholder interests and is committed to delivering sustainable long-term value through disciplined growth, strategic portfolio management, and the continued monetisation of mature assets to unlock value for shareholders.

THANK YOU

I would like to express my gratitude to the Board of Directors for their guidance, stewardship, and unwavering support. Their strategic oversight and counsel have been invaluable in shaping the Group's direction and ensuring that we remain well-positioned to navigate opportunities and challenges ahead.

I would also like to extend my sincere appreciation to all our stakeholders for their continued trust and support throughout the year, as well as recognise the dedication and resilience of our management team and employees, whose commitment to operational excellence and service quality has been instrumental in navigating a dynamic and evolving environment.

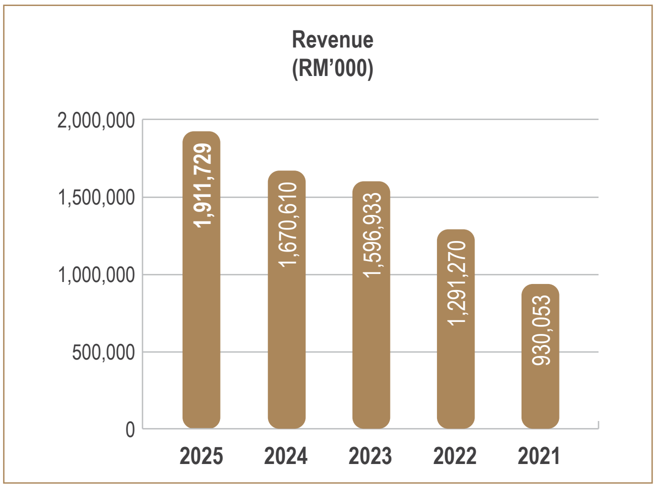
We remain committed to creating sustainable long-term value for all stakeholders and look forward to continuing our shared growth journey.

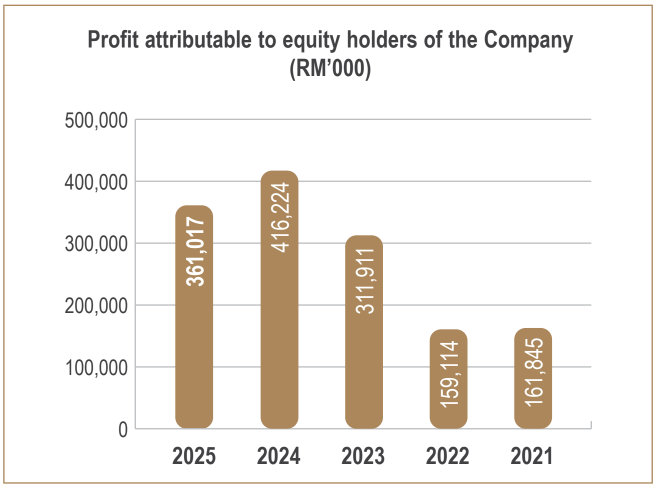
TAN BOON LEE
Group Chief Executive Officer, IGB Berhad

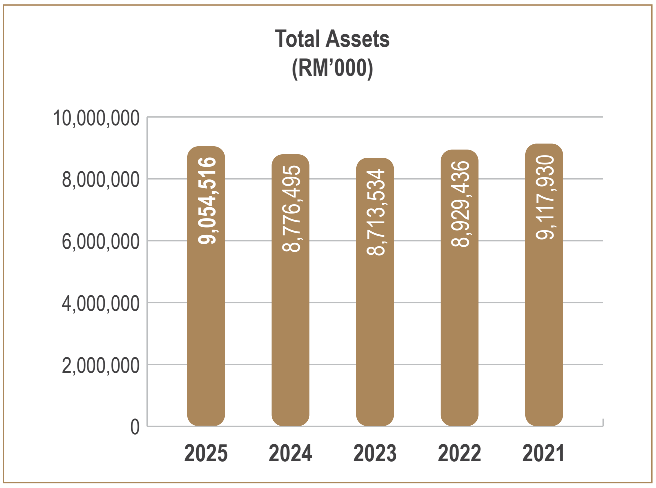
FINANCIAL HIGHLIGHTS

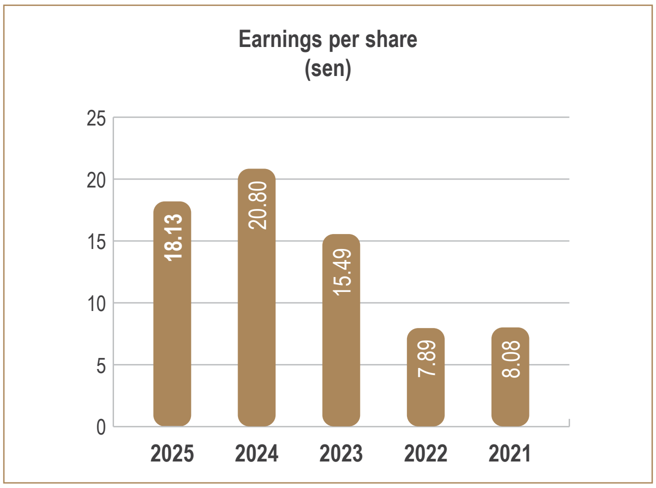
FINANCIAL YEAR ENDED 31 DECEMBER		2025	2024	2023	2022	2021
Revenue	RM '000	**1,911,729**	1,670,610	1,596,933	1,291,270	930,053
Profit before tax	RM '000	**772,533**	748,145	614,327	421,139	351,405
Profit attributable to equity holders of the Company	RM '000	**361,017**	416,224	311,911	159,114	161,845
Issued and paid-up share capital	RM '000	**1,394,110**	1,394,110	1,394,110	1,394,110	1,393,859
Capital and reserves attributable to equity holders of the Company	RM '000	**4,448,001**	4,154,986	4,019,619	3,759,486	3,840,996
Total Assets	RM '000	**9,054,516**	8,776,495	8,713,534	8,929,436	9,117,930
Earnings per share (basic)	sen	**18.13**	20.80*	15.49*	7.89*	8.08*
Net assets per share	RM	**2.23**	2.09*	2.00*	1.87*	1.90*
Gross dividend per ordinary share:						
- cash dividend	sen	**-**	12.0	7.0	5.0	15.0
- dividend-in-specie	sen	**47.9**	-	-	-	2.0
Share price as at 31 Dec	RM	**3.05**	2.68	2.20	2.32	1.96
Dividend yield	%	**15.70**	4.48	3.18	2.16	8.67
Total borrowings	RM '000	**3,548,940**	3,544,655	3,672,486	4,091,658	4,140,376
Net borrowings	RM '000	**1,796,617**	2,136,540	2,333,415	2,740,738	2,701,463
Net debt to Capital and Reserves attributable to equity holders of the Company	Times	**0.40**	0.51	0.58	0.73	0.70

* *The current financial year and comparative figures have been adjusted to reflect the impact of the Bonus Issue exercise which was completed on 16 March 2026.*









MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

Malaysia's economy remained resilient in 2025, recording full-year Gross Domestic Product ("GDP") growth of 5.2%. Economic expansion was primarily supported by sustained domestic spending, robust investment activity and improved export performance. Investment momentum was particularly strong, with approved investments reaching RM285.2 billion in the first nine months of 2025, representing a 13.2% year-on-year increase and marking a historic high. Meanwhile, inflationary pressures remained contained, averaging 1.4% for the year compared with 1.8% in 2024.

Looking ahead, Malaysia's growth momentum is expected to remain firm despite heightened global geopolitical tensions and economic volatility. Domestic consumption is anticipated to continue underpinning growth, supported by a healthy labour market and various government initiatives under Budget 2026 including aid from Sumbangan Tunai Rahmah ("STR") and Sumbangan Asas Rahmah ("SARA"). Investment activity is also expected to remain strong, driven by high-growth initiatives such as the Johor–Singapore Special Economic Zone ("JS-SEZ") and the National Semiconductor Strategy. In addition, the continued expansion of the digital economy and a recovery in tourism, supported by the Visit Malaysia 2026 campaign, are expected to further contribute to Malaysia's economic prospects.

BUSINESS SEGMENT REVIEW

Retail

Operating Environment

According to Retail Group Malaysia, the country's retail industry recorded a full year growth of 2.4% in 2025, coming in lower than expected from 2.5% in 4Q2025. Despite rising retail prices, Malaysian consumers have shown resilience. This has been supported by stable labour market conditions, a reduction in Bank Negara Malaysia's ("BNM") overnight policy rate ("OPR") in July, and the strategic rollout of Government support.

The retail sector continues to evolve, driven by innovation, technology and changing consumer expectations. Malls are increasingly positioned as holistic lifestyle hubs that integrate wellness, entertainment and community alongside engaging retail offerings.

Klang Valley

Despite intensified competition from new entrants, the Klang Valley retail market has continued to record steady growth. The sector is seeing a shift towards experience-driven retail, with malls now seen as community and lifestyle destinations. Occupancy rates have remained strong in the Klang Valley. Average occupancy in Kuala Lumpur ("KL") was 87.9% in 2025, compared with 86.8% in 2024. In Selangor, it slightly decreased to 80.3% from 80.6%.

The average rental rates for retail space in the Klang Valley have remained steady. In KL, super-regional malls saw rates rise from RM 29.84 per square foot ("sq ft") in 2024 to RM 29.87 per sq ft in 2025, while regional malls grew from RM 15.13 per sq ft to RM 15.16 per sq ft. In Selangor, rental rates in super-regional malls increased from RM14.26 per sq ft to RM 14.31 per sq ft, while rental rates for regional malls increased to RM10.37 per sq ft.

Johor Bahru

Johor Bahru is fast emerging as a prime retail hub. This steady resurgence is driven by the upcoming Johor Bahru-Singapore Rapid Transit System ("RTS") Link, the planned JS-SEZ, and continued spending by Singaporeans crossing the causeway. In response to this, major malls have been working to enhance their competitiveness through upgrading existing infrastructure, enhancing digital capabilities, and diversifying retail offerings to capitalise on rising cross-border traffic.

Cumulative retail supply in Johor has remained stable in recent years, reaching 25.6 million sq ft in 3Q2025. In Johor Bahru, occupancy has seen a steady increase, rising from 69.5% in 2023 to 72.4% in 2024, and reaching 73.3% in Q32025.

Additional information on the KL, Selangor and Johor Bahru retail operating environments can be found in the 2025 IGB REIT annual report.

IGB REIT

IGB REIT performed well in 2025. Growth was primarily driven by higher rental income and supported by disciplined cost management efforts. Occupancies across our malls have been robust, with Mid Valley Megamall ("MVM"), The Gardens Mall ("TGM") and The Mall, Mid Valley Southkey ("MVS Mall") closing the year at 99.8%, 99.1% and 100% respectively. Challenges remained including rising cost pressures, supply chain disruptions from tariff measures, and increased competition from new malls. Against this backdrop, we remained focused on delivering engaging retail experiences and meeting evolving consumer needs through targeted asset enhancement initiatives ("AEI"), a refreshed tenant mix and ongoing collaborative engagement with tenants to support their business requirements. These efforts have sustained shopper interest and reinforced our portfolio as leading retail destinations in Malaysia.

Additional information on IGB REIT's performance can be found in the 2025 IGB REIT annual report.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

The Mall, Mid Valley Southkey

The sale of MVS Mall to IGB REIT was completed on 20 November 2025. The information set out below covers its operations during the year prior to its disposal. For information on its operations from 20 November 2025 onwards, please refer to the 2025 IGB REIT Annual Report.

Operations Overview

MVS Mall delivered a resilient performance in 2025, underpinned by proactive asset management and a continued focus on curating a relevant and engaging tenant mix. This strategic approach successfully supported steady footfall, healthy tenant sales, and sustained leasing demand. MVS Mall continued to benefit from strong cross-border traffic, driven by a steady influx of Singaporeans visiting Johor for day trips and weekend getaways. Targeted marketing initiatives, experiential activations, and the digitalisation of the customer experience through the MVClub app ("MVClub") further enhanced shopper engagement, reinforcing our position as a preferred retail destination.

Amid ongoing cost pressures and intensifying competition from both new and existing players, MVS Mall's ability to swiftly adapt to evolving consumer preferences, while maintaining strong tenant partnerships, underpinned stable income growth and overall operational performance for the year.

Asset Enhancement Initiatives

To maintain MVS Mall's high operational standards and ensure optimal visitor comfort, we completed several targeted AEI during the year, including:

Centralised backup power capabilities by installing a 30kVA Uninterruptible Power Supply ("UPS") within the Fire Control Centre ("FCC"), enhancing MVS Mall's overall operational resilience and safety.

Enhanced visitor comfort and accessibility by converting the majority of MVS Mall washrooms from squatting to seated toilets, while thoughtfully retaining one squatting unit per washroom to cater to diverse patron preferences.

Replaced the existing fire safety system with the more sustainable beam detectors on the second floor and the third mezzanine level, which will allow for robust operation and maintenance.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Curated and Contemporary Tenant Mix

A well-curated and modern tenant mix is essential to ensuring that MVS Mall remain relevant and competitive in today's rapidly evolving retail landscape. As consumer expectations and lifestyle preferences continue to shift, it is increasingly important that our retail offerings reflect the brands, services and experiences that visitors actively seek. By thoughtfully aligning our tenant strategy with emerging consumer trends, we are able to create a vibrant and engaging environment that resonates with our customer base. This approach not only enhances the overall visitor experience but also strengthens customer engagement, encourages repeat visits, and supports sustained footfall and long-term loyalty, positioning our mall for continued resilience and growth in an increasingly competitive marketplace.

MVS Mall welcomed the following new tenants in 2025:

The Mall, Mid Valley Southkey			
Nyeon Nails	Signature Market	G2000	MyIPOH 怡保
Fix Shoe Spa	Elemis	Pho Vietz	Montigo
APOLLO Pick-A-LiciOus	Royal Selangor	Para Thai	Laifen
Kwan Kee Store	Giorgio Armani Beauty	FUIYOH! It's Uncle Roger	Honor
Krispy Kreme	Samsonite	Kedai Kopitiam Oriental Kopi	Hooga
Le Creuset	Monoloq	VERRONA HILLS	Chicco
Jungle House	Al-Ikhsan Sport Plus	CARHARTT WIP	Taro Yuan
KKV	LEE	Swatch	MX Clinic
Miniso	Paradise Dynasty/Beauty in the Pot	Swarovski	ECHOLAC
HABIB	BEGA	FILA	LOJEL
Maks Chee Authentic Wonton 麥氏西池港式雲吞麵	Renoma	Lucky Mala Noodle	Salomon
	Sasa	Sheldonet Toy Store	Toy World Amusement x PinkFong Bebefinn
我来也 OLOIYA	Di	Ke Ren Lai (expansion)	

Community Engagement

During the year, we rolled out a series of engaging campaigns designed to create vibrancy and foster a strong sense of community. These initiatives were thoughtfully curated to drive footfall, encourage longer dwell times, and enhance shopper engagement by offering memorable and immersive experiences. Our festive campaigns provided an opportunity for us to celebrate alongside our visitors, strengthening emotional connections with our community. At the same time, selected initiatives incorporated meaningful community outreach elements, enabling the MVS Mall to give back to local communities while reinforcing our role as more than just a retail destination, but a lively and inclusive social hub.

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

The Centre Court was transformed into a lush indoor garden, featuring enchanting backdrops for visitors to take photos as well as iconic Disney characters including Mickey Mouse and Friends, Winnie the Pooh, and Snow White and the Seven Dwarfs. Shoppers who met a minimum spending threshold were eligible to redeem exclusive gifts. Visitors were also able to enjoy a range of interactive activities and hands-on workshops that enhanced the overall experience. To further extend engagement beyond the physical space, a shopper interview video series was produced and shared across our digital platforms, strengthening our online presence and connection with the community.

Visitors at MVS Mall making their own layered-stamp postcards at the Disney Pixar Summer Fest

Children colouring at the Disney Pixar Summer Fest

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

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

Activation hubs at the Centre Courts were thoughtfully curated to encourage shoppers to pamper themselves with fashion, dining and entertainment treats. MVClub members were invited to an exclusive "Happy Hour" cart experience, featuring an interactive "Guess, Match and Win" game that offered opportunities to win shopping vouchers. Social media platforms were strategically leveraged to amplify the campaign, driving footfall and encouraging participation in the activation. During the campaign, shoppers who met a minimum spend threshold were eligible to redeem shopping vouchers, complemented by a tiered mechanism that rewarded every fifth redemption with bonus gifts or additional vouchers, further enhancing engagement and spend.

MVS Mall Visitors participating in the "Guess, Match and Win" Game

Treat Yo' Self Campaign marketed on MVClub

Fruits Escape (30 July to 7 September 2025)

This campaign provided visitors with a refreshing retreat from the tropical heat as the South and North Island were transformed into vibrant tropical oases adorned with bright, summer-themed décor and engaging photo opportunities. Visitors were invited to participate in the lively "Fruit Loops" ring toss game, while shoppers who met a minimum spend were rewarded with tokens for the Surprise Capsule Machine. Social media efforts helped create buzz, boosting interest and encouraging participation.

Visitors redeeming tokens for the Surprise Capsule Machine

Visitors participating in the "Fruit Loops" ring toss game

Surprise Capsule

VISA Tourist Privileges Programme (15 August to 14 November 2025)

We continued our partnership with VISA this year, running the VISA Tourist Privileges Programme to encourage high-value spending among international visitors to our mall. Tourists who participated in this campaign could redeem food and beverage vouchers or enjoy free parking for their first 3 hours.

Food and Beverage Vouchers that Tourists could redeem

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Chinese New Year (10 January to 9 February 2025)

MVS Mall celebrated Chinese New Year with an interactive calligraphy station where visitors could create and send auspicious greetings to friends and family. This initiative successfully drove online engagement, increasing the mall's visibility across social media platforms. MVClub members were invited to participate in a hands-on DIY Fan making workshop, which allowed them to take home a festive keepsake. We also ran a donation drive in support of the Kechara Soup Kitchen.

Visitors watching a festive Lion Dance performance

Visitors crafting their own auspicious greetings at the mall's interactive calligraphy station

Hari Raya (7 March to 6 April 2025)

We partnered with POS Malaysia during Hari Raya to set up an immersive "Kampung Ku" activation featuring a nostalgic market square and rustic shopfronts to evoke the warmth of a traditional Malaysian homecoming. A traditional post office was also set up. 5 educational workshops for children were organised, allowing them to learn about the postal service through a fun roleplaying activity.

Children roleplaying as postal workers and learning about the postal service

Hari Raya decorations that evoked the warmth of a traditional Malaysian homecoming

Market Outlook

The Malaysian retail sector is expected to remain resilient in 2026, supported by government initiatives and the Visit Malaysia 2026 campaign. The sector will face ongoing challenges however, such as rising operating costs, increased competition from new retail developments and upward pressure on retail prices that may dampen consumer sentiment.

Against this backdrop, we approach 2026 with cautious optimism, focusing on enhancing retail experiences, strengthening our tenant mix and advancing asset enhancements while upholding Environmental, Social and Governance ("ESG") commitments. Greater adoption of technology and artificial intelligence ("AI"), and continued community engagement will further strengthen our portfolio.

Commercial

The Malaysian office sector continued to evolve in 2025 as rising costs, shifting employee expectations and an increasing emphasis on sustainability prompted companies to reassess workspace strategies and leasing approaches. The "flight-to-quality" trend remained evident, with occupiers continuing to favour modern, well-located and ESG compliant buildings that support productivity, employee well-being and corporate sustainability goals.

Knight Frank reported that cumulative office supply in the Klang Valley reached 120.6 million sq ft in 2H2025, increasing by nearly 1.3 million sq ft during the period. Occupancy rates were mixed but broadly stable, with KL City recording a modest improvement to 70.4% (1H2025: 69.1%), while KL Fringe eased slightly to 88.3% (1H2025: 89.4%). Leasing activity remained steady, supported by sustained demand for quality office space, while average rents registered moderate increases across submarkets in 2H2025.

Additional information on the commercial operating environment in the Klang Valley can be found in the 2025 IGB Commercial REIT ("IGBCR") annual report.

MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

IGBCR

IGBCR delivered a strong performance in 2025. Overall occupancy rose to 92% from 88% in 2024. Renewal rates remained robust, with selected assets achieving retention of up to 99%. Rental reversions also strengthened during the year.

IGBCR has continued to adapt to the evolving workplace landscape while remaining guided by its core strategy. Central to this approach is our strong commitment to community engagement. The relationships we have built with our tenants continue to differentiate us in the market.

We have also prioritised high-impact AEI, particularly in our older buildings, to ensure that critical systems are modernised in a timely manner. These enhancements support our sustainability objectives, maintain the competitiveness of our assets and position our portfolio to attract and retain high-quality tenants while future-proofing our properties.

As workplace expectations continue to evolve, agility has become increasingly important. This year, we expanded our fully-fitted office offering by an additional 70,000 sq ft. We also introduced flexible, managed office solutions with scalable space options and adaptable lease structures. This tenant-centric approach has strengthened tenant retention and supported long-term leasing commitments.

Additional information about IGBCR's performance can be found in the 2025 IGBCR annual report.

Mid Valley Southkey

Operations Overview

The North Tower at Mid Valley Southkey in Johor performed well in 2025, closing the year with occupancy of 53.4%. This compares with an average of 48.1% for Johor Bahru City. The South Tower, which commenced operation in 2024, showed progressive take-up in occupancy.

The management has accelerated leasing momentum and established the towers as preferred Grade A office locations. To support this, several initiatives were undertaken during the year, including:

- **Increased Inventory of Fully-Fitted Office Suites**
  In line with evolving tenant preferences, demand has increased for fully fitted, move-in-ready office spaces that enable faster business commencement and lower upfront capital expenditure. In response, we expanded our inventory of fully fitted office suites, enhancing leasing flexibility, shortening decision timelines, and improving the overall attractiveness of our buildings to prospective tenants.
- **Strengthened Engagement of Agency Network**
  During the year, we strengthened our engagement with our agency network through the hosting of a dedicated agent event. This initiative aimed to increase awareness of available spaces and reinforce relationships with key leasing partners to support the introduction of quality tenants. These efforts contributed to sustained leasing interest across both towers and further enhanced the positioning of the North and South Towers as preferred Grade A office locations.
- **Enhanced Community Engagement**
  Strong tenant relationships remain central to our sustained success, enabling us to better understand their business needs, growth plans, and operational challenges. This insight allows us to provide more effective support while fostering long-term partnerships.

During the year, we organised a health and wellness programme in collaboration with AIA, Regency Medical Centre, Infinity8, and Pusat Darah Negara. The initiative featured basic health screenings, a blood donation drive, health talks, and fitness activities, including Zumba sessions. The programme was well received, and saw the participation of 288 tenants.

Market Outlook

Moving into 2026, we are cautiously optimistic amid continued demand for premium Grade A office buildings and evolving workplace expectations. In Johor, improving economic fundamentals, catalytic infrastructure developments such as the Johor Bahru–Singapore RTS Link, and ongoing government initiatives under the JS-SEZ are expected to support leasing performance and occupancy stability.

We will remain agile in responding to evolving business needs while continuing to prioritise our tenants through enhanced service delivery and a strengthened tenant management approach, as we progress towards becoming a more service-oriented landlord. At the same time, we will ensure our operations remain aligned with our core values, with sustainability embedded in decision-making, and continue to invest in employee engagement through training and transparent communication. Supported by strong fundamentals and strategic positioning, we are well placed to deliver a holistic office ecosystem that supports tenant success while generating sustainable growth and consistent returns to shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Property Development

Operating Environment

Malaysia

Building on the stability achieved in 2024, the Malaysian residential sector entered a more mature phase in 2025, supported by lower interest rates, expanding high-technology infrastructure, and a stronger policy emphasis on affordability under the 13th Malaysia Plan ("13MP").

In the first eight months of 2025, total loan approvals declined marginally by 2% year-on-year to RM129.2 billion, with the approval ratio stabilising at 41%. Data from BNM indicates that financing has become more challenging for buyers within the affordable housing segment. Borrowing conditions improved towards the end of the year however. In July 2025, the OPR was reduced to 2.75% from 3.0%, full stamp duty exemptions for first homes priced below RM500,000 have been extended until 2027, and a new tax relief of up to RM7,000 on housing loan interest for properties within this bracket has been introduced.

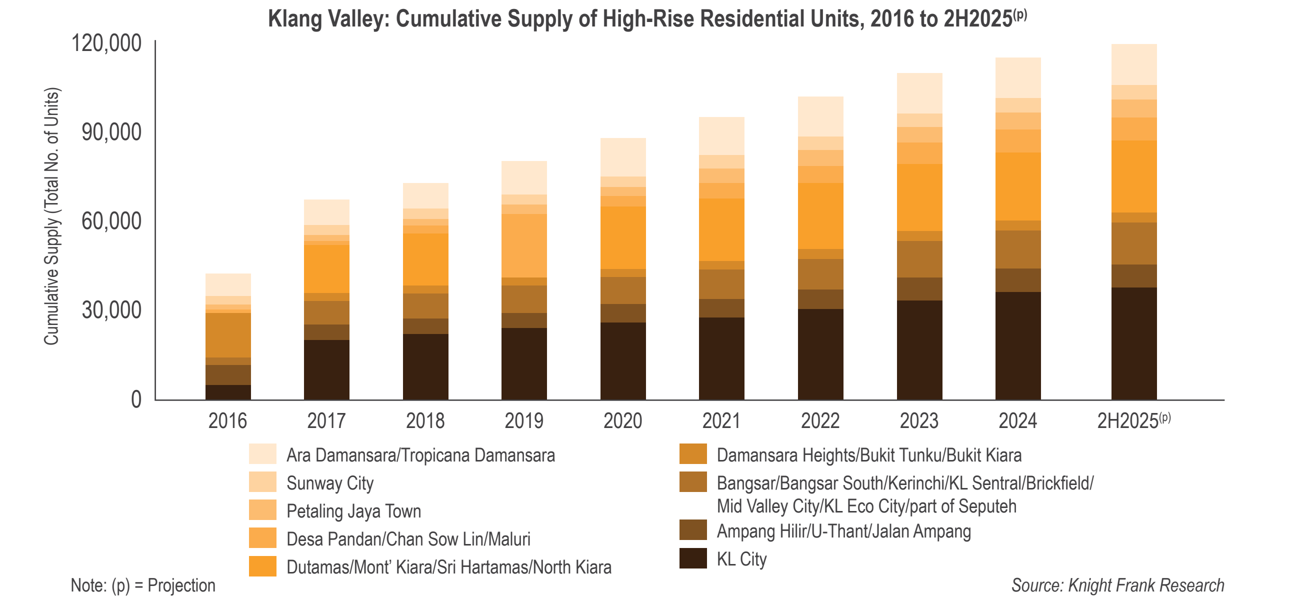
Notwithstanding these improvements, sector challenges persist. Construction costs remain elevated, compressing developer margins, while the continued shortage of skilled labour and reliance on foreign workers pose operational constraints. The year was also marked by a shift towards greater developer accountability, with the government advocating the adoption of the Build-Then-Sell ("BTS") model. This is expected to increase developer financing costs. A significant overhang of residential units priced above RM500,000, particularly in Johor and Selangor, have contributed to a moderation in new planned supply as developers focus on clearing existing inventory rather than launching new high-density developments.

Klang Valley

In the first nine months of 2025, the Klang Valley residential sub-sector recorded 18,167 transactions with a combined value of approximately RM12.6 billion. This compared with 18,642 transactions valued at RM12.0 billion in the corresponding period the year before. While transaction volume declined marginally by 3.0%, the total value of sales increased by 5%, indicating a modest upward shift in transaction values during the period.

Supply of High-End High Rise Residential

For the full year 2025, the projected supply of condominiums and serviced apartments in KL prime areas totaled 118,791 units, with an additional 7,122 units set for completion in the first half of 2026.



Demand for Luxury Homes in KL

Looking ahead to 2026, the residential sector's value proposition is expected to evolve further with the growing convergence of transit-oriented connectivity, lifestyle-integrated amenities, and ESG aligned developments. This shift is reinforced by initiatives such as the Malaysia My Second Home ("MM2H") and Premium Visa Programme ("PVIP"), which are intended to attract international interest toward high-quality, long-term residential assets.

Within the market, the city centre is expected to remain the focal point for the ultra-luxury segment, with demand increasingly driven by ultra-high-net-worth individuals who regard prime urban addresses as both status symbols and resilient long-term investments. Buyers in this segment are gravitating toward developments that combine five-star hospitality-style services with efficient value per square foot and well-designed, functional layouts.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

At the same time, demand is also gradually extending to high-end suburban enclaves, where affluent purchasers are favouring integrated townships that offer a retreat-like living environment characterised by community-centric planning, expansive green spaces, and private lifestyle amenities.

Klang Valley: Average Transacted Prices of Selected Existing High-Rise Residential, 1H2025 and 2H2025(p)

Prime Area	1H2025 (RM per sq ft)	2H2025(p) (RM per sq ft)	Price Trend
KL City	1,350 - 1,470	1,350 - 1,460	◄►
Ampang Hilir/U-Thant	850 - 950	850 - 950	◄►
Bangsar/Bangsar South/Seputeh	970 - 1,100	980 - 1,080	◄►
Damansara Heights	1,260 - 1,410	1,260 - 1,400	◄►
Mont Kiara	780 - 970	800 - 970	▲
Desa ParkCity	1,010 - 1,280	1,040 - 1,280	▲
TTDI/KLGCC	1,130 - 1,200	1,130 - 1,200	◄►
Desa Pandan/Chan Sow Lin/Maluri	840 - 1,040	840 - 1,030	◄►
Petaling Jaya Town	860 - 990	890 - 970	▲
Sunway City	790 - 840	770 - 830	▼
Ara Damansara/Tropicana Damansara	740 - 830	770 - 830	▲

Sources: JPPH/Knight Frank Research

Notes:
(1) (p) = Preliminary
(2) TTDI/KLGCC = Taman Tun Dr Ismail/Kuala Lumpur Golf & Country Club.
(3) The price analysis is calculated by weighted average approach based on recorded transactions of selected sample size.
(4) The transacted prices for the review periods differ slightly from the previous publication due to changes in the sample size and composition of the basket.
(5) The sample size includes condominium and serviced apartment only.

Rentals

The rental market for premium high-rise residences in the Klang Valley remained broadly balanced in the second half of 2025, supported by steady demand from urban professionals and a growing expatriate community, particularly within transit-oriented and lifestyle-oriented developments.

Nevertheless, select submarkets, including Damansara Heights and Desa ParkCity, experienced a period of rental recalibration following the introduction of new supply. The additional inventory resulted in a temporary softening of asking rents as the market absorbed the new units. In response, landlords increasingly prioritised occupancy, adopting more flexible lease terms and offering incentives to secure longer-term tenancies in a more competitive environment.

Klang Valley: Average Asking Rentals of Selected High-Rise Residential, 1H2025 and 2H2025(p)

Prime Area	1H2025 (RM per sq ft)	2H2025(p) (RM per sq ft)	Price Trend
KL City	3.70 - 6.80	3.60 - 6.90	◄►
Ampang Hilir/U-Thant	2.30 - 4.60	2.60 - 4.90	▲
Bangsar/Bangsar South/Seputeh	2.30 - 5.20	2.30 - 5.50	◄►
Damansara Heights	3.30 - 6.90	3.10 - 6.80	▼
Mont Kiara	2.50 - 5.50	2.50 - 5.50	◄►
Desa ParkCity	4.51 - 6.70	4.10 - 6.40	▼
TTDI/KLGCC	3.70 - 4.70	3.70 - 4.30	◄►
Desa Pandan/Chan Sow Lin/Maluri	3.69 - 4.39	3.68 - 4.37	◄►
Petaling Jaya Town	3.10 - 4.29	3.09 - 4.28	◄►
Sunway City	3.42 - 5.74	3.43 - 5.74	◄►
Ara Damansara/Tropicana Damansara	2.23 – 4.90	2.24 – 4.92	◄►

Sources: JPPH/Knight Frank Research

Notes:
(1) (p) = Preliminary
(2) TTDI/KLGCC = Taman Tun Dr Ismail/Kuala Lumpur Golf & Country Club.
(3) The analysis is based on asking rentals due to limited concluded rental data.
(4) The rental prices for the review periods differ slightly from the previous publication due to changes in the sample size and composition of the basket.
(5) The sample size includes condominium and serviced apartment only.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Review of Operations

2025 was spent working on several projects that are targeted for launch in 2026, while continuing to explore opportunities to build our landbank in strategic areas across Malaysia. The year was not without its challenges however. Challenges this year have included:

- Increased construction and compliance costs along with supply chain disruptions, impacted margins.
- Evolving buyer expectations drove demand for greater integration between residential and lifestyle components, as well as quality sustainable design features.
- The increasing reliance on digital ecosystems heightened pricing transparency, as potential buyers spent more time conducting online research and sharing information.
- Increasing competition from large, established, and well-capitalised developers intensified overall market pressures.

Against this backdrop, we have adopted the following strategic response:

- **Invested in strategic marketing and engagement**
  We strengthened our brand positioning through targeted campaigns and an expanded digital presence. We also shifted our marketing approach to focus on storytelling, leveraging our past successes and corporate legacy.
- **Adapted to evolving buyer preferences**
  We integrated these changing expectations directly into the planning of our upcoming projects. This includes seamlessly blending residential and lifestyle components, focusing on placemaking, and incorporating sustainable design features to foster vibrant, long-lasting communities.
- **Strengthened financial resilience**
  To address rising cost pressures, we engaged contractors earlier and utilised strategic procurement to lock in pricing. We also implemented value engineering to optimise costs without compromising quality or performance. Concurrently, we pursued strategic joint ventures and diversified our portfolio beyond residential real estate by entering the industrial sector with the EKA Industrial Park development.

Ongoing projects and those currently in the development pipeline include:

Current

- **38 Kundang Jaya Retail Park**
  As at 31 December 2025, 31 units out of a total 38 lots have been sold.
- **Southpoint Residences**
  For the financial year end 2025, 62 residences were sold from a total of 172 units.

Upcoming

- **Merbau, South Bangsar**
  Located at South Bangsar in Kuala Lumpur, this development consists of 1,033 offices, SOHO and serviced residences ranging from 260 sq ft to 1,625 sq ft.
- **EKA Industrial Park, Labu**
  This industrial park consists of 3 phases with a total GDV of RM1 billion. Each customizable lot range from 1-4 acres.
- **The Batai, Bukit Damansara**
  Located on Bukit Damansara with only 48 strata villas and a built-up of 5,844 sq ft to 6,190 sq ft.

Market Outlook

Looking ahead to 2026, we remain optimistic about our prospects. With market demand shifting away from conventional residential projects, our focus will be on developing assets with strong connectivity value, offering superior access to infrastructure, employment hubs, transport nodes, and essential services. We will also continue to strengthen our brand by sharpening our focus on our core strengths in low-density, premium residential and mixed-use developments. In line with this, greater emphasis will be placed on environmentally responsible design, including features such as solar panels and electric vehicle charging facilities.

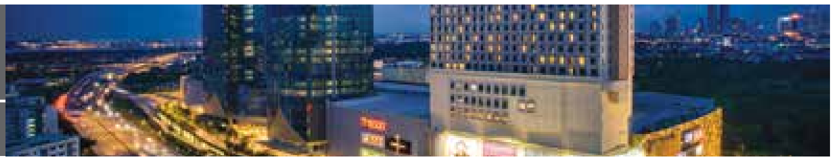
At the same time, we look to pursue strategic joint ventures and further diversify our product mix by advancing industrial projects alongside our premium residential portfolio. We also plan to expand our landbank in strategic locations across Malaysia to support our long-term growth. We are further encouraged by our healthy pipeline of new projects scheduled for launch in 2026.

Notwithstanding these opportunities, certain risks remain. Cost pressures are expected to persist, while the increase in foreign buyer stamp duty announced in Budget 2026 may temper speculative demand in the luxury segment. In response, we will continue to prioritise developments that appeal to owner-occupiers and domestic buyers, while applying value engineering to identify cost efficiencies without compromising quality.

Overall, we believe we are well-positioned to capture emerging opportunities while maintaining a disciplined approach that prioritises capital preservation and long-term value creation over short-term sales growth.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Hospitality



Operating Environment

The Malaysian hospitality sector enjoyed strong growth this year, supported by a strong rebound in international arrivals and booming domestic tourism. Growth has been supported by promotional campaigns as well as programmes such as the 30-day visa-free policy for China and India. The latter has boosted Chinese tourist arrivals by 21% and Indian tourist arrivals by 12% year-on-year as at November 2025.

Malaysia recorded an 11.2% increase in total visitor arrivals in 2025, reaching 42.2 million up from 38.0 million the year before. Domestic tourism also demonstrated strong momentum, increasing 11.5% year-on-year to 290.1 million as compared to 260.1 million in 2024. Correspondingly, domestic tourism expenditure grew by 13.3% to RM121.0 billion, reflecting improved consumer activity and travel demand.

Despite the positive trajectory, the sector continues to face operational challenges, including:

- Persistent labour shortages compelling industry players to rely on foreign labour to address critical gaps in the local workforce.
- Rising operating costs placing ongoing pressure on overall profitability and margin growth.
- Increasing competition from new entrants, particularly established international brands actively expanding in Malaysia, intensifying market pressures.
- Evolving traveler preferences drive demand for personalised offerings, seamless technological integration, and a demonstrated commitment to environmental responsibility.
- The dominance of Online Travel Agents ("OTAs") across booking channels creates sustained pressure on commission structures and pricing strategies.

Overall, the sector delivered a solid performance in 2025, with sustained growth reinforcing its strategic importance in supporting Malaysia's broader economic resilience.

Kuala Lumpur

KL's hospitality sector continued its strong recovery in 2025, with hotel occupancy rates and average daily rates ("ADR") surpassing pre-pandemic levels. The city remains Malaysia's largest hospitality market, with a total inventory of 51,293 rooms across 269 establishments.

The year was marked by a notable influx of high-profile hotel openings, predominantly concentrated within the KL City Centre. New supply has been largely positioned within the upper-upscale and luxury segments, with developments primarily led by established international hotel operators. Key additions include the debut of Park Hyatt Kuala Lumpur in August 2025, located within the Merdeka 118 tower, as well as the introduction of lifestyle-oriented brands such as Moxy Kuala Lumpur Chinatown.

These developments underscore KL's continued appeal as a key regional hospitality hub and reflect growing investor confidence in the city's long-term tourism and business travel prospects.

Notable Hotel Openings in KL in 2025

Development Name	Description	Star	Number of Rooms
Ibis Styles Kuala Lumpur Bukit Bintang	Opened in January 2025	3	168
Moxy Kuala Lumpur Chinatown	Opened in April 2025	4	320
Park Hyatt Kuala Lumpur	Opened in August 2025	5	252
Marriott Executive Apartments Kuala Lumpur	Opened in August 2025	4	353
Hyatt Regency Kuala Lumpur	Opened in August 2025	5	410
Grand Mercure Kuala Lumpur Bukit Bintang	Rebranded from Swiss-Garden Hotel Bukit Bintang Opened in October 2025	4	325
Kimpton Naluria Kuala Lumpur	Opened in December 2025	5	466
Petaling Jaya Marriott Hotel	Rebranded from Eastin Hotel Opened in December 2025	5	393

Source: Knight Frank Real Estate Highlights 2H2025

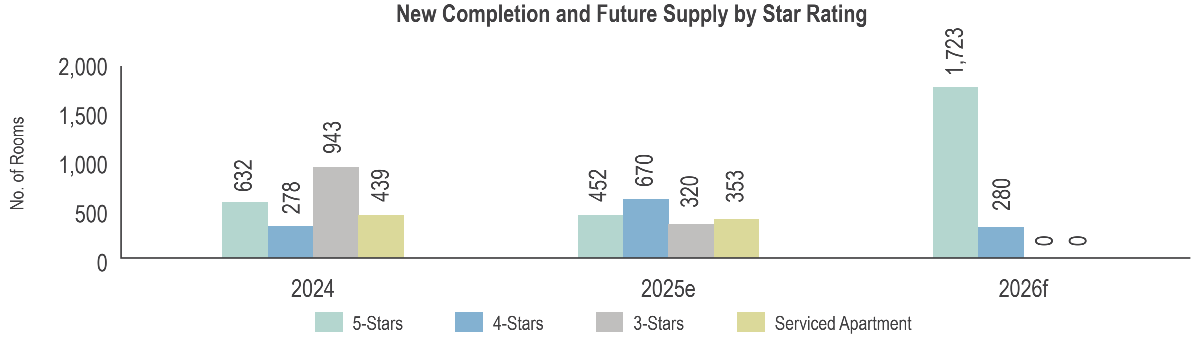
MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Notable Upcoming Hotel Openings in 2026

Development Name	Locality	Expected Star Rating	Number of Rooms
Irama Kuala Lumpur	KL City	5	766
Conrad Kuala Lumpur	KL City	5	488
Waldorf Astoria Kuala Lumpur	KL City	5	272
The Edition Kuala Lumpur	KL City	5	350
The Regent Kuala Lumpur	KL City	5	259
YOTEL Kuala Lumpur	KL City	4	290
Tryp by Wyndham @ Medan Tuanku	KL City	4	222
ASAI Gamuda Cove	Selangor	4	280
Courtyard by Marriott Subang	Selangor	4	280

Source: Knight Frank Real Estate Highlights 2H2025

New Completion and Future Supply by Star Rating

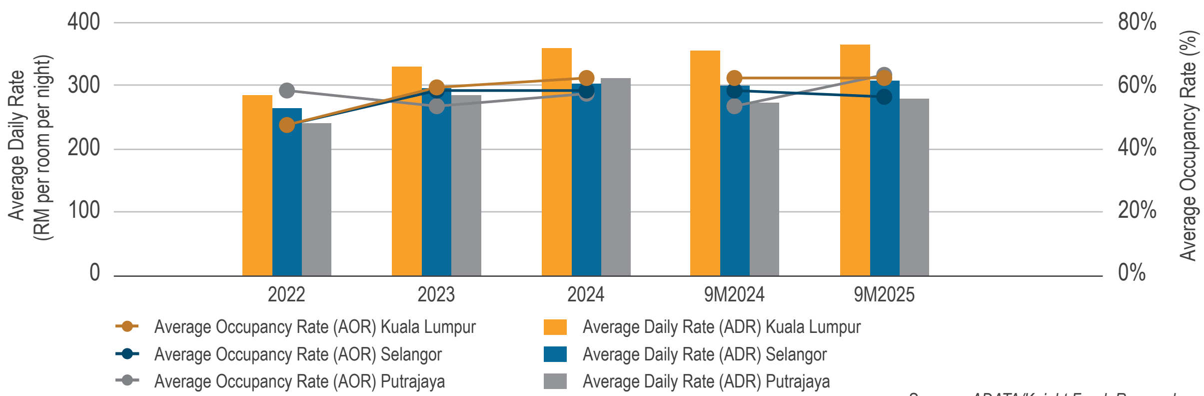


Abbreviations: 9M - January to September; e - estimate; f - forecast

Sources: CBRE | WTW Research & Consulting

The Klang Valley hospitality market remained stable, with ADR holding firm. KL continued to lead in ADR, while Selangor and Putrajaya maintained relatively consistent rate levels. Average occupancy rates ("AOR") moderated slightly between 2024 and 2025, while remaining within a healthy range.

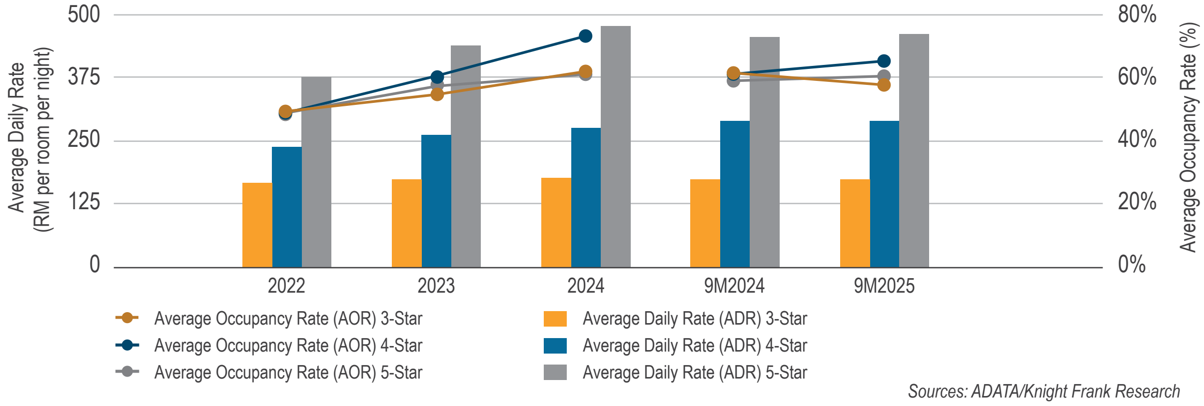
Klang Valley: AOR and ADR for All Star-Rated Hotels, 2022 to 9M2025



Sources: ADATA/Knight Frank Research

In 9M2025, 5-star hotels in KL recorded a healthy AOR of 62.3% and an ADR of RM512. This represents a modest year-on-year improvement from 9M2024, when AOR stood at 61.1% and ADR at RM505. This underscore continued resilience in both demand and pricing within the luxury segment.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)



Sources: ADATA/Knight Frank Research

Penang

Penang continues to strengthen its position as a key player in the country's hospitality sector, driven by robust tourism activity and international investments. The expansion of global hotel operators across the state reflects growing confidence in its tourism infrastructure and long-term market potential.

In 2025, the Penang International Airport ("PIA") recorded 8.31 million passenger movements, this was an increase of 11.25% from 7.47 million recorded in 2024. The anticipated growth in Penang's tourism is being supported by infrastructure upgrades, for example the Home Ministry's new National Integrated Immigration System ("NIISe") at the Penang Airport will streamline the immigration process for tourists. Additionally, the airport is undergoing an expansion exercise to increase its capacity to 12 million passengers.

As at 3Q2025, Penang's hotel supply stood at 252 establishments with 25,583 rooms, reflecting modest growth of 1.6% in the number of hotels and 2.0% in room inventory compared to 3Q2024.

Notable Hotel Openings in Penang in 2025

Development Name	Star Rating	Number of Rooms
Fifth Avenue Hotel	5	241
Landison Hotel Penang	4	100
The Millen Penang, Autograph Collection	5	146
Citadines Tanjung Tokong	3	143
Holiday Inn & Suites	4	332
M Social Resort Penang	4	318
Citadines Connect Bertam Georgetown Penang	n/a	70

Sources: CBRE|WTW Research & Consulting: 2026 Market Outlook

Upcoming Hotel Projects in Penang in 2026

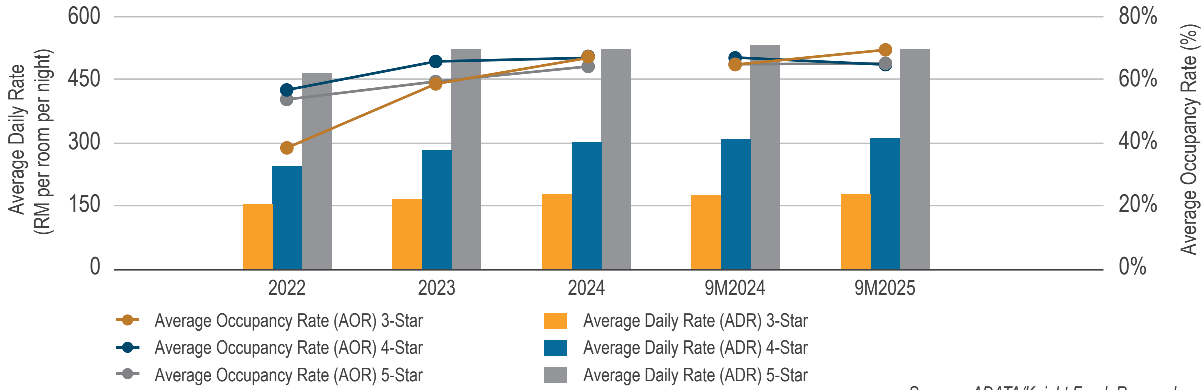
Development Name	Expected Opening	Number of Rooms
HARRIS Hotel & Conventions Sunshine Penang	2026	289
Hompton Air-Port @ Bayan Lepas	2026	293
Capri by Fraser, Penang	2026	248
JdV by Hyatt The Light City Hotel	2026	156
Galaxy Minyoun Penang The Light City Hotel	2026	303

Sources: CBRE|WTW Research & Consulting: 2026 Market Outlook

During 9M2025, AOR for 3- to 5-star hotels registered at 65.8%, while ADR stood at RM344 per night, both marginally declining by 0.3% year-on-year, indicating stable operating conditions.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Penang: AOR and ADR of Selected 3-star to 5-star Hotels, 2022 to 9M2025

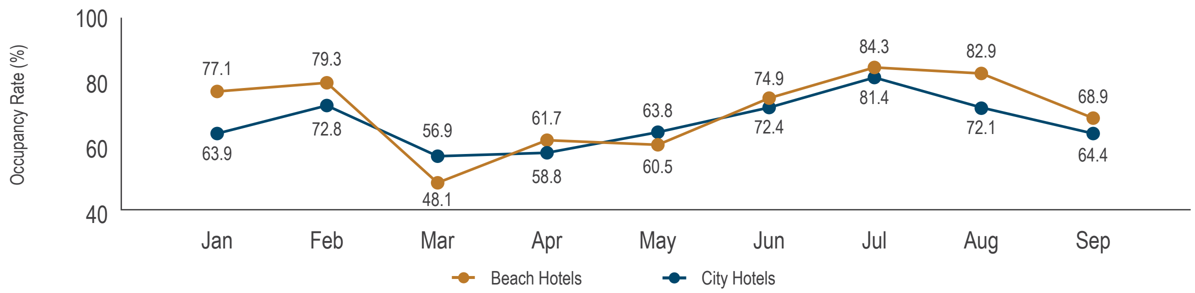


Sources: ADATA/Knight Frank Research

Segmentally, beach hotels on Penang Island outperformed, recording an AOR of 70.9% and an ADR of RM441 per night between January and September 2025. In comparison, city hotels achieved an occupancy rate of 67.1%, with an ADR of RM305 per night over the same period.

Occupancy Rates for Beach and City Hotel on Penang Island, January to September 2025

Average Occupancy Rate, 2025



Sources: CBRE | WTW Research & Consulting

Perak

Perak continued to record steady growth in tourism activity, with domestic arrivals reaching 27.4 million in 2Q2025, representing a 4.2% increase year-on-year. The number of international visitors also grew, with foreign hotel guests increasing by 2.5% to 406,929 in 1H2025. International tourism growth was primarily driven by visitors from Singapore, Thailand, China and Indonesia. This upward trend is expected to continue following the decision to grant visa-free entry to visitors from China and India.

Infrastructure enhancements are also underway to support long-term growth. The Perak state development agency - Perbadanan Kemajuan Negeri Perak has committed to investing RM5.5 million to upgrade key tourism assets under the Perak Sejatera 2030 plan. Projects under this include the restoration of the Casuarina Houseboat @ Temenggor which will support eco-tourism in Belum-Temenggor. Additionally, the Sultan Azlan Shah Airport has recently undergone an upgrade, increasing its annual passenger capacity by approximately 40%. Connectivity improvements are also in the pipeline, including the development of the West Coast Expressway and the West Ipoh Span Expressway. A new direct route between Singapore and Ipoh, operated by Batik Air, which commenced in December 2025 is also anticipated to further enhance connectivity, boosting visitor arrivals, particularly from regional markets.

Johor

The hospitality sector in Johor recorded robust growth in 2025, supported by the JS-SEZ agreement, ongoing infrastructure enhancements such as the RTS Link, and the lead-up to Visit Johor Year 2026.

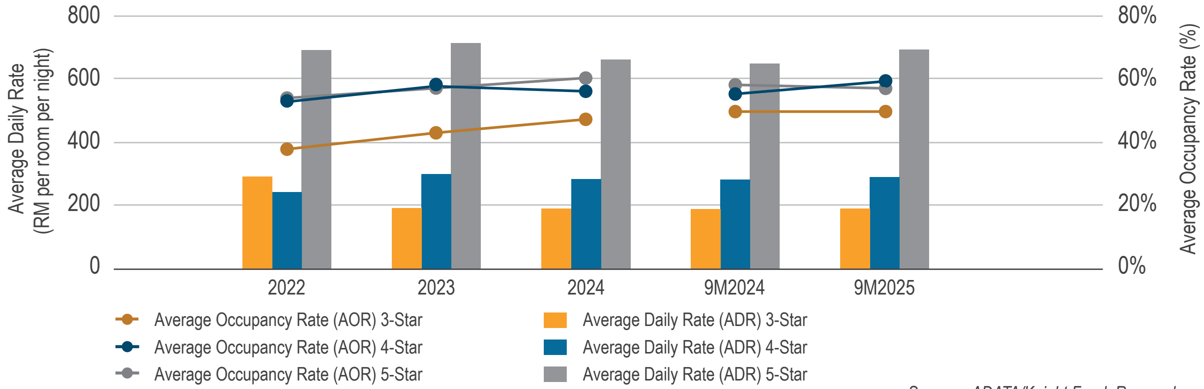
During the first nine months of 2025, Johor welcomed approximately 18.5 million visitors, representing a 16.3% year-on-year increase compared to the corresponding period the year before. Singapore remained the primary source market, contributing about 78.3% of total arrivals.

As at 3Q2025, Johor's hotel supply expanded to 495 establishments, offering a total of 34,062 rooms. This represents a 1.4% increase in the number of hotels and a 6.5% growth in room inventory compared to the corresponding period in the previous year, reflecting continued investment and capacity expansion in the sector.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

During 9M2025, selected 5-star hotels in Johor recorded an AOR of 55.7%, representing a decline from 58.6% in the corresponding period in 2024. ADR increased by 6.7% year-on-year however, to RM700 per night, indicating improved pricing resilience despite softer occupancy. In contrast, the 4-star segment demonstrated stronger overall performance, with AOR rising from 55.6% to 58.3%, while ADR increased by 2.6% to RM293 per night. Performance in the 3-star segment remained relatively stable, with AOR holding at 47.8% and ADR recorded at RM193 per night.

Johor: AOR and ADR of Selected 3-star to 5-star Hotels, 2022 to 9M2025



Sources: ADATA/Knight Frank Research

Sabah

The tourism sector in Sabah recorded strong growth in 2025, welcoming 3,793,709 visitors and generating approximately RM8.74 billion in tourism receipts. During the first nine months of 2025, international arrivals accounted for around 41% of total visitors, led by China (534,975 arrivals), Brunei (152,136 arrivals) and South Korea (136,919 arrivals). This growth was further supported by enhanced air connectivity, with 126 weekly direct international flights linking Sabah to 14 regional cities, alongside 472 domestic flights as at mid-October 2025.

Hotel supply within the Greater Kota Kinabalu area expanded during the period, with the number of 4- and 5-star hotel and resort rooms increasing by 4.9% from 6,309 to 6,616 rooms, reflecting continued investment in the upscale segment.

In 9M2025, 3- to 5-star hotels in Sabah recorded an AOR of 64.5% and an ADR of RM375 per night. The 5-star segment demonstrated notable improvement in tandem with the recovery of international arrivals, achieving an AOR of 70.8%, representing a year-on-year increase of approximately 3.7%, while ADR rose by circa 5.9%. In contrast, the 4-star segment experienced a decline in occupancy of approximately 8.4%, although ADR remained largely stable over the same period.

Review of Operations

Malaysia

Our portfolio of hotels in Malaysia performed well from a surge in tourism supported by the Government's initiatives including visa liberalisation programmes, Visit Malaysia Year 2026 promotions, and increased airline connectivity. However, challenges continued to persist. These include rising operating costs, labour shortages, increasing competition, and evolving traveler preferences.

In 2025, we adopted the following strategic response:

- Strategic Asset Enhancement Initiatives
  In March 2025, we closed St. Giles Gardens Hotel to facilitate a comprehensive refurbishment programme, which includes significant upgrades to rooms, public areas, and dining outlets, alongside enhancements to operational efficiency and guest services. The refurbishment aims to reposition the property as a full-fledged five-star hotel that is scheduled to reopen in April 2026 as St. Giles Mid Valley Kuala Lumpur. This strategic enhancement will not only elevate the overall guest experience but also strengthen the hotel's market positioning, enabling it to compete more effectively with established five-star properties in the surrounding area.

- Enhancing Guest Experience Through Digital Innovation and Sustainable Practices
  This year, we upgraded our websites with improved layouts, high-quality visuals, and dynamic links to deliver a more intuitive and seamless digital journey. In addition, the introduction of the CHM Club loyalty programme strengthened guest engagement by encouraging direct bookings and enabling the development of a robust guest database. Through the programme, members enjoy preferential rates and exclusive privileges, including dedicated check-in lanes, complimentary upgrades, and points redeemable for free stays.

  To further our commitment to sustainability, proactive steps taken this year include installing water purifiers and dispensers on each floor to eliminate single-use plastic bottles, transitioning to environmentally friendly in-room amenities, utilising large refillable dispensers for wet amenities, and implementing waste separation practices across all properties.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

- Driving Operational Efficiency and Revenue Optimisation
  To drive operational efficiency, we upgraded existing systems to cloud-based platforms this year, enhancing both performance and cybersecurity. Efforts were also intensified to monitor and manage utility consumption, including electricity and water usage, alongside improved waste management practices. For example, we progressively replaced common area lighting and external neon signage to more energy-efficient LED alternatives. Additionally, Building Management Systems ("BMS") were introduced to optimise the performance of our hotel plant and machinery.

  Alongside cost optimisation, we continue to prioritise revenue growth through enhanced commercial and revenue management strategies. This includes the implementation of effective revenue management practices. We implemented dynamic room pricing models that respond to customer demand patterns and booking timelines, and we actively monitor competitor rates daily to ensure our pricing remains competitive and supports our objective of increasing market share. We have also expanded our distribution channels. Furthermore, we expanded our distribution channels by partnering with a new OTA to access new market segments, particularly within China, and executed targeted social media campaigns to reach a broader demographic.

Market Outlook

The outlook for the Malaysian hospitality industry is optimistic, supported by Visit Malaysia 2026 campaign which is targeting to welcome 47 million visitors and record RM329 billion in receipts. Additionally, the Government has allocated RM500 million for promotions and infrastructure, as well as tax reliefs and incentives for tour operators.

We will leverage the surge in both international and domestic tourism expected in 2026 and will execute the following to sustain our performance:

- Reduce our reliance on the OTA market by strengthening our online booking engine and promoting direct bookings through CHM Club.
- Enhance operational efficiencies through:
  - o the adoption of sustainable initiatives that reduce utility costs.
  - o utilising technology to optimise staffing levels that will allow us to reduce labour costs while maintaining service standards, and
  - o employing aggressive yield management strategies, ensuring we maximise revenue per available room ("RevPAR").
- Elevate the guest experience to drive loyalty by:
  - o offering personalised services including special rates for CHM Club members, and offering dedicated check in lanes.
  - o refining our restaurants to attract domestic patrons through offering value-driven menus and festive offerings.
  - o streamlining the guest journey and introducing paperless check-in and check-out options that appeal to the tech-savvy traveler.
  - o continuing asset enhancements. For example, renovation works for the dining facilities at Cititel Mid Valley is scheduled to commence in April 2026.
- Build strategic partnerships with local businesses to drive ancillary revenue and support occupancy during slow periods.

By prioritising these initiatives, we are confident in our ability to sustain a healthy RevPAR index and strong financial performance despite prevailing market headwinds. We remain committed to maintaining our agility and will continue to closely monitor market trends to ensure our strategy remains responsive and effective.

Philippines

St. Giles Makati delivered a strong performance in 2025, with revenue and profitability growth driven by resilient demand and effective sales execution. Total revenue increased by 12.8% to Php296.3 million, while gross operating profit rose to Php92.3 million, representing 31.2% of gross operating revenue. Digital channels contributed significantly, and occupancy improved in the year, despite a competitive environment, evolving guest preferences, and aging infrastructure.

During the year, the hotel strengthened its market position through enhanced digital capabilities, asset upgrades, improved service delivery, and the introduction of sustainability initiatives to better meet evolving guest expectations.

Looking ahead to 2026, the hotel expects continued recovery in travel demand, with occupancy levels remaining resilient. Management will focus on sustaining competitiveness through property enhancements, staff development, and the adoption of technology and sustainable practices. Efforts will also target strengthening key partnerships and diversifying revenue streams, while maintaining agility to respond to evolving market conditions.

Australia

On 6 February 2025, The Tank Stream Hotel was rebranded as Rydges Australia Square, following the completion of an extensive refurbishment programme undertaken in 2024. The rebranding has repositioned the property as a vibrant four-star hotel within Sydney's Central Business District, enabling it to leverage the broad marketing network and customer base of EVT Group.

Rydges Australia Square delivered a strong operating performance in 2025, with occupancy increasing to 77.6% from 69.5% in the prior year. Gross revenue rose by 20% to AUD22.3 million, compared to AUD18.6 million in 2024, while gross operating profit increased to AUD11.8 million from AUD9.4 million the year before. RevPAR also exceeded budget expectations, reaching AUD198, up from AUD165 in the previous year.

EVT Group, a leading Australian hotel management company, was appointed to manage the former Tank Stream Hotel on 1 August 2023. The Rydges brand is a key offering within EVT's hotel portfolio, supporting the property's repositioning and ongoing performance growth.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Other Investments

Water Treatment

Review of Operations

The China Water Group performed well in the year, but was not without challenges which include:

- Tightening of the regulatory environment with increased regulatory and compliance pressures on our operations.
- Tightening fiscal pressures from the local authorities, impacting debtors outstanding.
- Increasing cost pressures.

Strategic Response

- Strengthening Engagement with Local Authorities
  To successfully navigate an evolving regulatory landscape, we maintained proactive collaboration with local authorities throughout the year. Beyond ensuring compliance, this close engagement was instrumental in addressing outstanding receivables. By working strategically with the authorities, we facilitated advance payment arrangements that successfully mitigated collection delays and improved our overall debtor management.

- Driving Operational Excellence through Innovation
  To remain competitive, we have continued to strengthen our operations through the strategic adoption of smart and emerging technologies, including AI, alongside targeted AEI. These efforts are aimed at improving operational efficiency, environmental performance, and long-term sustainability.

  During the year, we undertook several key initiatives. These includes:
  - Investments to enhance treatment efficiency, reduce chemical and energy consumption, and lower overall operating costs.
  - Investments to upgrade our facility to improve the odour removal system and process optimisation measures. These strengthen our environmental performance.
  - Optimising wastewater resource recovery processes and ensuring the reliability of our treatment facilities through regular maintenance and proactive asset management.
  - Deploying low-carbon wastewater treatment technologies to reduce emissions and support our sustainability targets.
  - Investments in research and development ("R&D") to advance innovative solutions that align with carbon neutrality goals and evolving environmental regulations.

Through these initiatives, we are strengthening the innovation-driven capabilities of our wastewater treatment plants and strengthening our competitive position within the industry.

Market Outlook

The industry outlook remains positive, driven by water scarcity, government mandates for carbon neutrality, and operational efficiency. As sector consolidation pressures smaller enterprises, we are strategically positioned to capture growth in two key areas: wastewater resource utilisation and smart treatment.

To capitalise on these opportunities and strengthen our competitive edge, we are:

- Advancing R&D in wastewater reuse by integrating membrane treatment and biological enhancements to improve regeneration rates.
- Investing in smart plant technologies and transitioning to a cloud-based platform to automate controls, enable remote monitoring, and reduce manual intervention.
- Driving sustainable solutions by assessing anaerobic digestion, sludge-to-brick recycling, and sludge carbonisation to lower our carbon footprint.

Through these targeted efforts, we aim to further differentiate our technical capabilities and strengthen our competitive position in an increasingly dynamic industry.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Education

Review of Operations

IGB International School ("IGBIS") has continued to make strides in the year, recording steady enrolment growth driven by strong demand for its International Baccalaureate ("IB") and Intensive English Academic Programme ("IEAP"). Student numbers at the beginning of the 2025/26 academic year grew to 598 from 501 in the previous year, further expanding to 620 students by the end of December 2025. Academically, we continued to achieve strong academic performance, with IB Diploma results consistently exceeding the global average. Furthermore, our graduating students continued to secure placements at leading universities worldwide, reflecting the high quality of teaching and learning within IGBIS's inclusive and supportive educational environment.

IGBIS Head of School, Dr. Gregory Brunton, celebrating the 600 milestone of enrolment

Challenges have continued in the year including:

- Increased competition in the international school sector, particularly from schools offering the British curriculum.
- Increased costs to families following the expansion of the Malaysian Government's sales and service tax ("SST"), impacting affordability.
- Evolving trend of parents looking beyond academic scores towards a more holistic education.

Strategic Response

Campus Enhancements to Support Sustained Growth

In order to support our expansion, we have utilised previously unused space to accommodate the growing number of students and staff, and ensure that our facilities continue to support our sustained growth. This year, AEIs were carried out, including:

7 new classrooms for students in the Diploma Programme ("DP") and the Career-related Programme ("CP")

A dining room for Grade 10 to 12 students

A dedicated study lounge for Grade 11 and 12 students, meaningfully named "The Nest" by students

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

The laboratories in the science wing on Level 6 underwent a complete modernisation to support the growing secondary enrolment

The elementary design technology space on level 2 was refurbished

Enhancements to Enrich the Learning Environment

Recognising that parents increasingly seek holistic educational experiences that extend past traditional academics, IGBIS remains committed to expanding opportunities both within and beyond the classroom. To differentiate our offerings and deliver unparalleled value, we undertook the following key initiatives this year:

Formally integrated Social Emotional Learning ("SEL") into our strategic plan and hosted a dedicated SEL professional development programme attended by all teachers at IGBIS and regional educators.

Teachers at the East Asia Regional Council of Overseas Schools ("EARCOS") Weekend Workshop: SEL & Belonging – Every Teacher, Every Student, Every Day

- Expanded the IB CP to include a 6th pathway in Medicine and Health through a partnership with the International Medical University in KL, with the first medical and health pathway in development specialising in bio-medicine.
- Expanded our IEAP programme to meet growing demand. The programme has become a key driver of growth as families from non-English speaking backgrounds seek high-tier IB education for their children.
- Forged strategic partnerships to enhance our learning programme including an exclusive partnership with Everton International Academy. This integration of a professional sports ecosystem within the school expands opportunities for students while differentiating our offering through pathways not commonly available at other schools.

Branding and Marketing

During the year, we continued to strengthen our brand and raise awareness about our school through a range of targeted initiatives. By leveraging multiple communication channels, we expanded our reach to a broader audience while deepening engagement with prospective families and the wider community. In an increasingly competitive landscape, these efforts have helped further differentiate our school in the market.

The following initiatives were undertaken during the year:

- Introduced a robust Summer School programme that addressed a gap in the market while providing prospective families with the opportunity to experience our world-class facilities and the warm, supportive learning environment at the school firsthand.
- Shifted our marketing narrative from showing what students learn to who they become. This allowed us to showcase the outcomes of an education at IGBIS, offering a compelling and engaging narrative to prospective families.
- Utilised our online platforms to showcase community events, offering viewers unique insights into life at IGBIS.
- Boosted our presence at overseas education fairs in key cities such as Tokyo, Seoul, and Beijing to capture increasing demand from East Asian families and strengthen our brand awareness across a broader demographic.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Community Engagement

Building strong relationships with our community remains central to our success. Our community members are ambassadors of the school, and it is important that we maintain open and transparent communication with them, build trust, and clearly share our strategic direction. Engagement also fosters a strong sense of belonging. During the year, we continued to strengthen these connections through a range of events and engagement initiatives, including:

Whole school meetings hosted by our Head of School with our faculty and staff.

Coffee mornings with families, providing an opportunity for parents to engage with our Senior Leadership Team ("SLT"), share feedback, ask questions and receive updates on school developments.

Parents at a Coffee Morning with the IGBIS SLT team

Community events, such as the annual Sundowner Picnic held at the start of the year, which brings together students, families and staff for an evening of performances, games, activities, and refreshments, fostering a strong sense of community.

Students enjoying the annual Sundowner Picnic Event

Market Outlook

IGBIS will continue to focus on sustainable growth, expanding our student body while further enhancing the learning opportunities and programmes available. We plan to broaden our scholarship programme to students from Grades 6 to 12, centred on four key pathways — academic, sports, arts and service — enabling us to attract high-performing students who exemplify the IB learner profile. We also see continued growth potential within the IB CP and will explore opportunities to further diversify our pathways.

As we look ahead to 2026, we anticipate potential challenges in staffing as enrolment continues to grow. However, we are confident that the strategic plan we have in place will enable us to effectively support this expansion.

IGBIS remains committed to providing a challenging and inclusive IB education. We will ensure that our continued growth does not compromise the quality of the student experience. Enrolment expansion will be supported by ongoing facility enhancements and a strong emphasis on high-quality teaching and learning, ensuring that we maintain our position as a leading international school of choice for families.

Assisted Living

Review of Operations

ReU Living continued to make strides in the retirement living and post-operative care industries in 2025, opening our second centre at the beginning of the year. Located at St Giles Gardens Residences in Mid Valley City, ReU Living Mid Valley focuses on post-hospitalisation care.

ReU Living has continued to receive positive feedback from residents which has supported a steady flow of new enquiries and referrals throughout the year. Our ability to deliver high quality care within hotel-grade facilities, while fostering a warm and engaging community, has contributed to sustained growth and strong resident retention. Average capacity utilisation rose to 70% over the course of the year, representing an increase from the 60% recorded in the previous year.

Despite this progress, we continued to face several challenges, including:

- Increasing competition from new market entrants, including established property developers expanding into the premium aged-care segment.
- Talent acquisition challenges, driven by an industry-wide shortage of caregivers and rising costs for qualified healthcare professionals. ReU Living's focus on recruiting individuals who combine clinical expertise with a strong hospitality service mindset has further heightened the challenge.
- Addressing market perceptions, particularly the lingering view of eldercare facilities as clinical nursing homes, which can affect seniors' willingness to consider such living options.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Strategic Response

Enhanced Digital Engagement

During the year, we continued to strengthen our digital presence and grow our online community by sharing authentic resident stories, wellness insights and event highlights across our digital channels. Several influencers also featured ReU Living in their content, offering first-hand perspectives on their experience with us.

These initiatives helped elevate brand awareness, deepen engagement and extend our reach to a broader demographic, including adult children who are often involved in care decisions for their elderly parents. Our enhanced digital engagement also supported a steady flow of new enquiries in the year.

Fostering a Vibrant Active Ageing Community

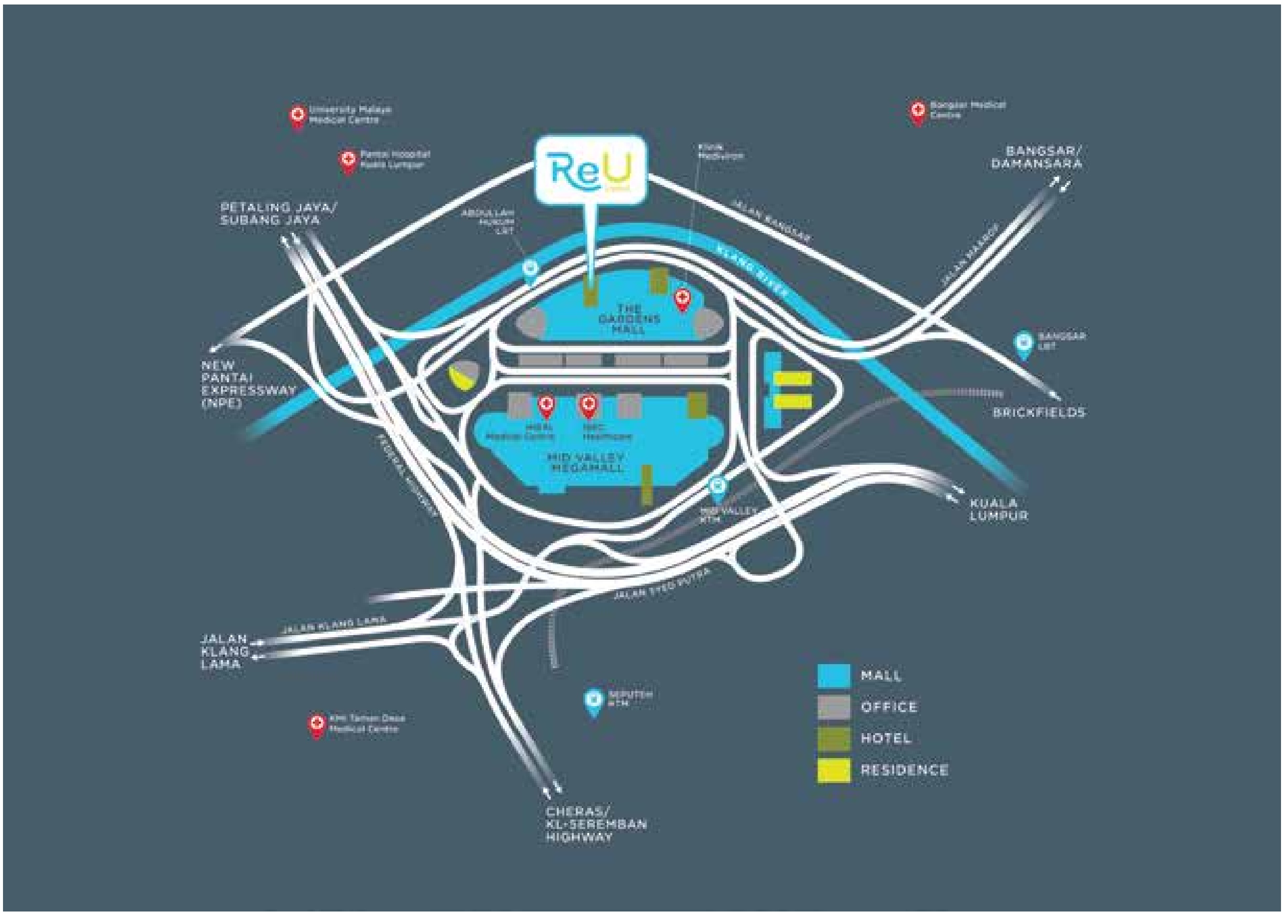
A key differentiator for ReU Living is the vibrant, community-centred approach to senior living that we have adopted. We have worked to transform our clubhouse into a thriving social hub where residents can participate in a wide range of activities, including flower arrangement, singing, cooking and baking, as well as arts and crafts classes. Throughout the year, we also organised regular birthday and festive celebrations.

These programmes create meaningful opportunities for residents to connect, build friendships and foster a strong sense of community. In addition to enriching residents' wellbeing, these initiatives support resident retention and generate referrals through positive word of mouth.

Strengthening Talent Pipelines through Strategic Partnerships

To address challenges in talent acquisition, we have taken proactive steps to build partnerships with training academies and local universities, enabling us to offer internship opportunities and recruit new graduates.

In 2025, we opened a second centre located at St Giles Gardens Residences in Mid Valley City.



MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Market Outlook

The outlook for the retirement living and post-operative care industries is positive, driven by trends including:

- Malaysia's ageing population. With projections indicating that by 2040, the number of individuals aged 60 and above will make up over 17% of Malaysia's population, up from 11.6% in 2024.
- An increase in demand for professional post-operative care as more people see the benefits of having short-term, professional "step-down" care that bridges the gap between the end of a hospital stay and returning home.
- A rise in medical tourism and expatriate retirees looking for quality healthcare in premium facilities that offer a high standard of care at a lower cost than their home countries.

Additionally, our operations are well-positioned to benefit from the stronger regulatory frameworks introduced under the 13th Malaysia Plan and the National Ageing Blueprint, both of which will support the continued development of the aged care sector.

To leverage these trends, we will:

- Continue to meet growing demand for advanced, holistic recovery through strategic partnerships that combine modern technology with wellness solutions.
- Provide end-to-end logistical support for international and out-of-state patients, including airport transfers, dedicated medical chaperones and convenient access to nearby medical centres.
- Develop flexible, needs-based service packages to support modern families, including post-surgery recovery, long-term assisted living, and short-term "senior staycation" options that provide safe, welcoming care for temporary stays.
- Develop ReU Living's first dedicated Memory Care Centre to address the rising prevalence of dementia and Alzheimer's disease within Malaysia's ageing population, with the facility targeted to commence operations in 2027.
- Implement the strategic integration of an AI-enabled Enterprise Resource Planning ("ERP") system as the digital backbone of our operations, seamlessly unifying resident records, personalised care plans, facility maintenance, advanced safety, and smart healthcare monitoring systems.

While we anticipate increasing competition from well-capitalised new entrants, we remain confident that our differentiated offering that combines quality care within hotel-grade facilities and a hospitality-driven service culture will continue to set us apart. At the same time, we will further enhance our specialised care packages and expand our post-surgery recovery channels.

Looking ahead, we aim to expand our footprint beyond KL, and see significant opportunities in specialised post-hospitalisation recovery and the broader ASEAN medical tourism market. We will continue to actively explore strategic partnerships across the region to strengthen ReU Living's position as a premier destination for holistic, luxury recovery in Asia.

Co-living

Review of Operations

Millenium Living Sdn Bhd enjoyed steady growth in the year, with Coliv @ Damai Residence seeing improved average occupancy rates in 2025. The average length of stay also increased, reflecting stronger tenant engagement and a deepening sense of community.

Demand for shared rental accommodation in city locations continued to expand this year, alongside intensifying competition. This has resulted in heightened pricing pressures and greater marketing intensity across the sector. Tenant preferences have also evolved, with more preferring greater flexibility, affordability and accommodation that offers community and opportunities for networking.

During the year, we also continued to navigate rising operating and maintenance costs, necessitating a continued focus on cost management and operational efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Strategic Response

Introduced Flexible Lease Options

In response to rising cost-of-living pressures and increasing price sensitivity among tenants, flexible stay options were introduced during the year. This initiative has proven effective in attracting new tenants and has contributed to an overall increase in the average length of stay.

Enhanced the Tenant Experience

We have worked to strengthen our tenant experience this year through a multi-faceted approach. We focused on the following to build a stronger community attachment and enhance the tenant experience:

- AEI to improve the overall aesthetic, functionality and comfort of our premises. For example, select common areas were refurbished, minor room upgrades were carried out, and preventative maintenance efforts were undertaken.
- Improved communication both to our tenants as well as with our online community.
- Faster issues resolution.
- Organised community events including:
    - Pickleball Night
    - Trip to a Ramadan Bazaar
    - Durian Evening
    - Year End Party
    - Deepavali Celebration
    - Chinese New Year Steamboat
    - Hari Raya Feast
    - Badminton Night
    - Bowling
    - Dessert Evening
    - Merdeka Feast

Coliv @ Damai Residence Badminton Games

Coliv @ Damai Residence Ramadan Bazaar

Coliv @ Damai Residence Deepavali Celebrations

Enhanced Operating Approach

In response to increasing competition and rising cost pressures, the business maintained a disciplined approach to cost management during the year. This included strengthening budgetary controls, enhancing operational efficiencies, and continuing with targeted cost optimisation initiatives.

At the same time, marketing efforts were further strengthened to enhance brand visibility across multiple communication platforms, including social media and tenant engagement channels. These initiatives have supported increased enquiries and reinforced brand credibility in the market.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Market Outlook

The co-living sector is expected to continue evolving in response to changing tenant preferences and lifestyle needs. While demand for flexible urban accommodation remains supportive, the sector is likely to face ongoing cost pressures and intensifying competition, underscoring the importance of prudent cost management and clear market differentiation.

We remain focused on meeting tenant needs through flexible accommodation offerings, enhanced community engagement, and continuous AEIs. We aim to differentiate ourselves by offering professionally managed properties with a strong community focus and transparent pricing, while continuously enhancing our operations and assets.

We believe that our tenant-centric approach, coupled with consistent service standards and well-maintained properties, will position the business well for sustained long-term growth. At the same time, we continue to explore growth opportunities through the optimisation of existing assets and selective expansion into new locations.

Construction

Review of Operations

Malaysia's construction sector closed the year recording a total contract value of RM202.5 billion. This represents a 12.6% year-on-year decline from 2024 which recorded RM231.6 billion. Despite this, the sector continued to be a key driver of the nation's economic growth in 2025. Challenges persisted, as geopolitical tensions, supply chain disruptions and increasing cost pressures continued to impact the industry.

The following are updates on projects carried out in 2025:

- Construction works commenced in Q1 2025 on the substructure and basement for the next hotel development in Mid Valley Southkey. Renovation works are targeted for completion in Q1 2026.
- Accounts and defect rectification works were completed for the following projects:
  - The Mall, Mid Valley Southkey
  - St Giles Southkey Johor Bahru
  - Mid Valley Southkey North Tower
  - Mid Valley Southkey South Tower
  - Southpoint Residences

Against a backdrop of external headwinds, including geopolitical uncertainties, evolving trade and tariff policies, and ongoing labour and cost pressures, Ensignia remains operationally robust and strategically positioned to support the Group's future project pipeline.

Corporate Developments

Current

18@Medini, Johor Bahru
We are in the process of assessing the product and concept.

Chao Phraya River, Bangkok
The stakeholders are finalising ways and means to unlock the value of the 6-acre parcel of land in Bangkok.

The Mall, Mid Valley Southkey
The sale of MVS Mall to IGB REIT was completed on 20 November 2025 for a consideration of RM2.65 billon.

St Giles London
The sale of St Giles hotel was completed on 9 January 2026 for a consideration of GBP220.0 million.

Land Acquisition in Johor Bahru
The acquisition of two parcels of land of approximately 859,897 sq ft located adjacent to The Mall, Mid Valley Southkey in Johor Bahru for RM214.97 million was approved by the Ministry of Economy on 10 March 2026, with the land sale and purchase agreement becoming unconditional on the same date.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

SUSTAINABILITY

IGB Berhad adopts a proactive and principled approach to being a responsible corporate citizen, going beyond baseline expectations to create meaningful value for our people, safeguard the environment, and contribute positively to the communities in which we operate. We invest in our workforce, strengthen digital capabilities, and uphold strong governance anchored in integrity and compliance. At the same time, we are strengthening our efforts to reduce our environmental footprint, ensure our investments remain viable over the long term, and promote responsible practices. We also remain committed to working collaboratively with our stakeholders to foster resilient communities and support enduring development.

Our roadmap to achieving these sustainability goals is supported by a comprehensive management approach for each of our material matters.

MATERIALITY ASSESSSMENT

Our last comprehensive materiality assessment was conducted in 2023, with the next full-scale exercise scheduled for 2026. In the interim, we perform 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.

IGB Group's materiality assessment follows a 4-step process

ASSESS 1

- Assess the relevance of our material matters in the current operating environment.
- Consider a wide range of internal and external sources, including global and local trends, industry peers and benchmarks.

ENGAGE 2

- Engaged our senior internal stakeholders to better understand their perspectives.
- Use their domain expertise and extensive industry experience to garner valuable insights into the needs and preferences of external stakeholders.

PRIORTISE 3

- Collate and analyse the results from our stakeholder engagement.
- Carefully determine the relative importance and significance of each sustainability matter by taking into consideration their sustainability impacts and influence on stakeholder assessments and decisions.

ENDORSE 4

- Present the results of the materiality assessment process to the Board for endorsement.

STAKEHOLDER ENGAGEMENT

We deeply value our stakeholder relationships, as consistent engagement is key to aligning our business with evolving expectations. Insights gained from these interactions help us shape our core strategies and refine our operations. By listening to our stakeholders, we ensure our sustainability efforts remain impactful and integral to our long-term success.

The cultivation of strong, trust-based partnerships is critical to our success. By utilising diverse engagement channels, we listen and respond to stakeholder feedback to maintain open communication. We remain committed to inclusive dialogue, providing every stakeholder with the opportunity to contribute to our collective sustainability journey.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

The channels used to engage our stakeholders are set out in the table below.

Stakeholder Group	Engagement Objectives	Engagement Approach	Key Concerns	Our Responses
Business Partners & Industry Associates	• To nurture strong and lasting relationships with business partners. • To discover business opportunities. • To share knowledge and best practices. • To keep up to date with changes in the operating environment.	**Ongoing** • Digital communication channels. • Participation in industry associations. **Periodically** • Forums & dialogue sessions. **As Required** • Formal engagement through meetings organised.	• Identify business opportunities and share knowledge. • To contribute to industry advancement. • To have fair representation of the industry with authorities.	• Attend and participate in forums, dialogues, workshops, and other events. • Collaborate with business partners to further shared goals. • Contribute to industry advancement initiatives. • Hold memberships in industry associations.
Government & Authorities	• To fulfil legal and compliance requirements. • To keep up to date with the regulatory landscape. • To listen and respond to concerns and interests of the authorities. • To seek clarification on applicable laws, guidelines and frameworks. • To share industry-related issues and concerns.	**Ongoing** • Digital communication channels. **Periodically** • Forums & dialogue sessions. **As Required** • Formal engagement through meetings organised.	• Regulatory and legal compliance. • Health, safety and security management. • Fair and balanced view of key material topics. • Contribution to economic growth. • Contribution to industry advancement.	• Establish policies to align to and ensure compliance with regulations. • Attend physical/virtual meetings to keep up with regulatory changes. • Conduct briefings and inspections with the relevant authorities in their areas of interest. • Timely communication with authorities to provide information.
Employees	• To support human capital development and talent retention. • To communicate employee benefits and welfare matters. • To ensure the overall welfare of employees is addressed. • To support the creation of a safe and healthy work environment. • To foster a culture of diversity, inclusivity and excellence. • To provide fair and equal opportunities that recognise the talent of individuals.	**Ongoing** • Employee Communication platforms. • Company websites. **Periodically** • Workshops, training & team building. **Quarterly** • Company newsletter. • Townhalls & dialogue sessions. **Annually/Bi-annual** • Employee satisfaction survey. • Performance appraisals.	• Career development and progression. • Opportunities for upskilling and learning. • Remuneration and benefits. • Job security. • Healthy, safe and inclusive work environment. • Fair and ethical labour practices and standard. • Non-discrimination and equal opportunity. • Work-life balance. • Strategy and future orientation of the business. • Opportunities to contribute to Corporate Social Responsibility ("CSR") programmes.	• Offer competitive benefits and remuneration packages. • Develop a high performing workforce through structured training programmes. • Provide enriching employee engagement activities on a regular basis. • Communicate updates on company financial performance and growth plans. • Promote a culture of inclusivity, openness and collaboration. • Provide equal employment opportunities without discrimination. • Ensure compliance with all applicable health & safety and labour laws. • Conduct fair and constructive employee appraisals.
Investment Communities	• To communicate financial performance, key business activities and decisions. • To listen and respond to shareholders concerns and interests. • To nurture strong and lasting relationships with the investment community. • To obtain access to capital and other financial resources.	**Ongoing** • Digital communication channels. • Company websites. • Social media. **As Required** • Corporate announcements. • Physical & virtual meetings. **Quarterly** • Quarterly results. **Annually** • Annual reports & General Meetings. • Investor & analyst briefings.	• Economic and financial performance. • Business strategy and future orientation. • Long-term sustainable value creation. • Timely and accurate disclosure of information. • Return on investment/equity. • Corporate governance practices. • Sustainability initiatives and climate change strategies.	• Deliver operational excellence to our customers and tenants. • Employ sound investment and capital management strategies. • Ensure full compliance with all regulatory requirements. • Establish policies to align to and ensure compliance with relevant legislation. • Timely communication and dissemination of information to investors. • Provide appropriate channels for investor engagement and communication. • Integrate sustainability into business decisions and strategies.

MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Stakeholder Group	Engagement Objectives	Engagement Approach	Key Concerns	Our Responses
Customers	• To keep abreast with changing customer needs and preferences. • To further improve our spaces and services to drive customer satisfaction. • To listen and respond to queries and/or complaints. • To build market and brand reputation. • To nurture strong and lasting relationships with customers. • To communicate and raise awareness about events and happenings.	**Ongoing** • Customer service platforms. • Company websites. • Social Media. **As Required** • Customer feedback & satisfaction surveys. • Marketing & Promotional campaigns.	• High quality assets and amenities. • Excellent operational service and standards. • Timely and appropriate responses to queries/issues. • Positive and convenient customer experience. • Onsite safety and security. • Data privacy and security. • Attractive customer loyalty programme benefits. • Engaging and memorable events and experiences. • Clean and hygienic spaces.	• Regular and thorough maintenance of assets. • Deliver operational excellence. • Timely response to customers queries/issues. • Engage and communicate with customers to gauge their satisfaction. • Maintain high health and safety operating standards. • Ensure compliance with all relevant data privacy and security laws. • Offer a diverse product range. • Craft engaging and enriching customer experiences. • Provide a range of lifestyle amenities for customers.
Tenants	• To facilitate operational practices and the maintenance of properties. • To further improve our spaces and services to drive tenant satisfaction. • To listen and respond to queries and/or complaints. • To build market and brand reputation. • To nurture strong and lasting relationships with tenants. • To communicate and support sustainability initiatives and awareness.	**Ongoing** • Digital communication channels. • Company websites. • Social Media. • Tenant feedback and enquiry channels. **As Required** • Collaborative/joint events. • Physical and virtual meetings. **Annually** • Festive/corporate greetings and events.	• High quality assets and amenities. • Excellent operational service and standards. • Safety and security of managed properties. • Timely and appropriate responses to queries/issues. • Fair and transparent lease/ rental agreements. • Good value for rental. • Data privacy and security. • Opportunities to collaborate. • Upgrading the quality of assets and amenities through AEIs.	• Regular and thorough maintenance of assets. • Deliver operational excellence. • Enforce health and safety standard operating procedures. • Timely response to tenants queries/issues. • Engage and communicate with tenants to gauge their satisfaction. • Offer competitive rental rates and packages. • Ensure compliance with all relevant data privacy and security laws. • Notify tenants of possible service disruptions in advance. • Craft engaging and enriching tenant experiences. • Collaborate with tenants on sustainability initiatives and activities.
Local Communities	• To build strong and long-lasting relationships with our local communities. • To contribute to the well-being of our local communities.	**Ongoing** • Company websites. • Social media. **As Required** • Digital communication channels. • Donation drives, sponsorships, volunteer work. • Festive and cultural theme events.	• Economic and financial aid. • Sustained, long-term support. • Social impact of business activities. • Environmental impact of business activities. • Job opportunities. • Opportunities to collaborate. • Opportunities for upskilling and learning.	• Contribute to the economic well-being of our local communities. • Contribute manpower and resources to support community initiatives. • Communicate and engage with local communities to understand their needs. • Collaborate with local authorities and Non-Governmental Organisations ("NGOs") to deliver positive social impact.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Stakeholder Group	Engagement Objectives	Engagement Approach	Key Concerns	Our Responses
Media	• To communicate financial performance, key business activities and decisions. • To communicate and raise awareness around events and happenings. • To listen and respond to queries. • To build market visibility and brand recognition. • To nurture trust and confidence with media organisations.	**Ongoing** • Company websites. • Social Media. **As Required** • Digital communication channels. • Press briefings, conferences and statements. **Quarterly** • Quarterly results. **Annually** • Annual reports & General Meeting. • Investor & analyst briefings.	• Economic and financial performance. • Business strategy and future orientation. • Timely and accurate disclosure of information. • Timely and accurate responses to queries. • Events, advertisements and promotions. • Engagement with media. • Accessibility to corporate communications/investor relations.	• Timely communication and dissemination of information to the media. • Communicate market outlook and future orientation. • Timely response to media queries. • Organise press briefings and media interviews. • Engage and nurture relationships with media organisations. • Provide appropriate channels for media engagement and communication.
Vendors	• To engage with reputable and reliable vendors for supplies and services. • To ensure fair, ethical and transparent procurement of supplies and services. • To mitigate supply chain risks.	**As Required** • Digital communication channels. • Tender briefings and interviews. • Occupational health & safety briefings and updates. • Contract negotiations. • Vendor/supplier feedback surveys. **Periodically** • Vendor evaluations and assessments.	• Smooth and efficient procurement processes. • Fair and transparent procurement processes. • Regular and clear communication between parties. • Fair compensation for scope of work and deliverables. • Timely and reasonable payment schedules. • Occupational health and safety. • Regulatory and legal compliance. • Contract extensions or cancellations.	• Conduct fair and thorough vendor evaluations and assessments. • Regularly engage and communicate with vendors. • Offer competitive rates and contract terms. • Adhere to strict deliverable timelines and payment schedules. • Require vendors to comply with the Group's business ethics and sustainability policies. • Provide equal opportunities for vendors. • Support local vendors and employment through our supply chain.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

OUR FOCUS AREAS

The IGB Group Sustainability Policy was established in August 2023, outlining the strategies below and how they align with our material matters.

SUSTAINABILITY STRATEGIES & FOCUS AREAS

MATERIAL MATTERS	Ethics-Driven Performance	Safeguarding the Environment	Positive Community Impact	Responsible Supply Chain
	Customer Satisfaction	Climate Change	Human Capital Development	
	Cybersecurity & Data Protection	Water Management	Health & Safety	
	Anti-Corruption & Corporate Governance	Waste Management	Community/Society	
			Labour Practices	Labour Practices

In 2025, we successfully achieved all sustainability targets set in 2023 ahead of schedule.

Material Matters	Division	Targets	2025 Performance	Status
Climate Change	**Division**	**Targets** *(based on 2019 baselines)*		
	Retail	Reduction in Energy Usage Intensity ("EUI") of 9.5% by 2030 and 9.5% by 2050	6.2% reduction	Ongoing
	Commercial	Reduction in EUI of 18% by 2030	20.9% reduction	Achieved
	Hotel	Reduction in EUI of 10% by 2030	7.5% reduction	Ongoing
Waste Management	**Division**	**Targets**		
	Retail	17.5% diversion rate by 2030	9.2% diversion rate	Ongoing
	Commercial	10% diversion rate by 2030	11.4% diversion rate	Achieved
	Hotel	10% diversion rate by 2030	4.9% diversion rate	Ongoing
Cybersecurity & Data Protection		**Zero** substantiated complaints concerning breaches of customer privacy and losses of customer data	**Zero**	Achieved
Anti-Corruption & Corporate Governance		**Zero** confirmed incidents of corruption	**Zero**	Achieved
Health & Safety		**Zero** work-related fatalities annually	**Zero**	Achieved
Labour Practices		Women to hold **30%** of board of directors' positions	Women representation on the Board at 33.3%	Achieved
		Zero substantiated complaints concerning human rights violations annually	**Zero**	Achieved

Ongoing   Achieved

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

The following outlines our commitment to responsible corporate citizenship and the initiatives undertaken to advance our responsible business practices.

HEALTH & SAFETY

IGB remains dedicated to maintaining the highest standards of safety and health across our portfolio. By providing a secure and seamless environment, we enhance the experience for our visitors, tenants and guests, which directly supports our long-term commercial success. We view safety and health not just as a regulatory requirement, but as a vital investment in our people and the resilience of our business.



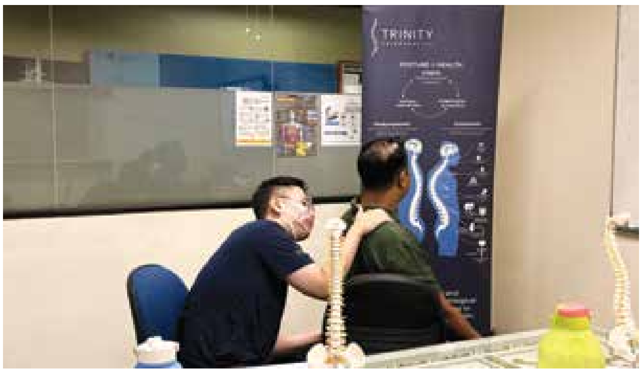
IGB Health Month

IGB GROUP SAFETY & HEALTH COUNCIL		
CHAIRPERSON Tan Boon Lee (GCEO)	**DEPUTY CHAIRPERSON** Tan Mei Sian (DGCEO)	**MEMBERS** Heads of Divisions & Technical Personnel
Safety & Health Committees (Managed Properties)	**Site Safety & Health Committees** (Project and Construction Sites)	**OSH Coordinators** (Other Businesses)

Our efforts are guided by a clear governance structure that ensures accountability at every level. Health and Safety Committees at each business unit meet quarterly to review operational risks. These are supported by a Group-wide Safety and Health Council, which meets regularly to provide strategic direction and ensure that safety standards are applied consistently across all our businesses. This coordinated approach ensures we remain prepared and responsive to any challenges.

To ensure full alignment with occupational safety and health regulations, IGB maintains a rigorous regime of regular safety audits, comprehensive training sessions, and detailed inspections. We investigate all safety-related incidents and grievances with absolute transparency, taking immediate corrective action to resolve issues and prevent them from recurring. We also conduct annual fire drills across our properties to ensure employees and tenants are familiar with emergency procedures and remain operationally ready.

Basic First Aid Training: Equipping Frontliners for Immediate Care



IGB Ergonomic Month

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)


Fire Drill

We continue to strengthen our security through a combination of advanced technology, rigorous training, and upgraded surveillance systems. A key part of our strategy is our long-standing collaboration with the Royal Malaysia Police ("PDRM") and other enforcement agencies. By sharing information and conducting joint training, we are better equipped to manage risks and prevent incidents. This proactive approach, supported by a visible security presence and routine patrols, ensures a high state of collective responsiveness to emerging threats across our portfolio.

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

- Implementation of reinforced protocols, including the installation of high-traction surfaces in loading zones and comprehensive review of personal protective equipment.
- Transitioned our patrol teams to Electric Vehicle ("EV") bikes which helps to eliminate the travel risks associated with the need to refuel outside of our premises as well as reducing exhaust fumes within our carparks.

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

Fire Drill

Employee Category	2025	2024	2023
Work-related fatalities	**-**	-	-
Lost-time injury rate	**0.4**	0.2	N/A

CUSTOMER SATISFACTION

IGB remains dedicated to ensuring the enduring satisfaction of our tenants, customers, and guests, as this is the cornerstone of our long-term success. We believe that delighted visitors do more than just return. Instead, they become brand advocates who introduce new audiences to our portfolio. Similarly, satisfied tenants are more likely to commit to long-term renewals and partner with us on innovative concepts. This focus on satisfaction bolsters our market reputation and ensures our properties remain premier destinations of choice.

Our approach to delivering these exceptional experiences is focused on three core pillars:

Creating a positive and engaging environment	Optimising operational efficiency	Delivering exceptional service
• Curating a diverse mix of offerings caters to a variety of needs and preferences. • Interactive activities, marketing events, and festive attractions enhance the overall experience. • Prioritising the maintenance of a safe and healthy environment.	• Continuous efforts minimise disruptions and enhance operational efficiency across all properties. • Close collaboration with tenants ensures their success within our spaces.	• High service standards are maintained, and technological innovations are embraced to meet evolving expectations. • Personalised touches and diverse amenities are provided to cater to individual needs and preferences. • Multiple communication channels facilitate convenient communication and efficient complaint resolution.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)


St Giles Mid Valley Lobby


Wau Lounge

Driven by our dedication to the customer experience, we have achieved the following:

Retail

Property	Retail Occupancy		
	2025	2024	2023
MVM	**99.8%**	98.9%	99.95%
TGM	**99.1%**	96.1%	99.95%
MVS Mall	**100%**	99.8%	97.00%

Hotel

2025 Hotel Ratings	
Booking.com	Agoda
7.1 – 8.2	8.2 – 8.7

Ratings are out of 10

Commercial

In 2025, tenant satisfaction assessment transitioned to the Net Promoter Score ("NPS") framework, focusing on feedback quality and tenant advocacy. The NPS score of 15%, set as the official performance benchmark, is within the good range and indicates positive overall tenant sentiment. Feedback insights will continue to inform service improvements and operational enhancements across the portfolio.

Overall NPS Score: 15%
Great: 1 property
Good: 7 properties
Needs Improvement: 1 property


Fully-Fitted Office Space at GTower


Refurbished the common toilets on levels 21-22 of Gardens South Tower, and on levels 31-32 of Gardens North Tower


Upgraded the Nursery Room located on the Second Floor South at TGM

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

HUMAN CAPITAL DEVELOPMENT

Recognising our people as vital to navigating a dynamic market, IGB invests in continuous learning to build a future-ready workforce. Through strategic development, we ensure the long-term sustainability of our business. Our people remain central to our success, adapting to evolving trends and elevating the experiences of our customers. By fostering a culture of professional growth, we empower our team to excel in a shifting landscape and drive the Group's continued progress.

To champion employee growth, we foster a healthy work environment by adhering to local labour regulations and focusing on these key areas:

Continuous Learning to Support Growth and Development

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

Group HR training

Effective recruitment and retention of talent

IGB utilises 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, IGB also offers 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

IGB continues 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, we remain committed to building a sustainable and growth-oriented workplace.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

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 IGB 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
- Corporate social responsibility through blood donation drives and support of charities in terms of financial donations and employee volunteerism

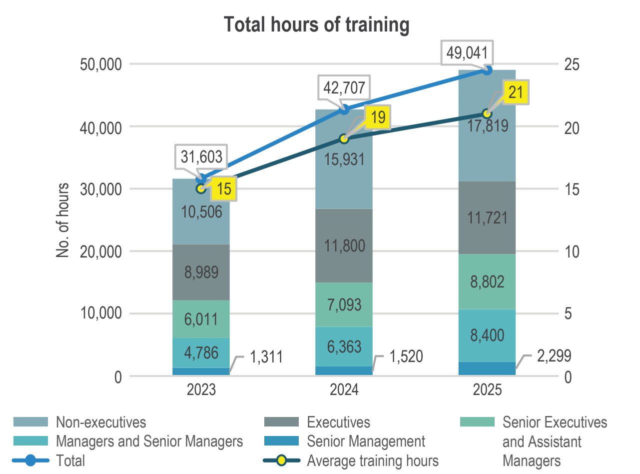
Deepavali Chill-Out

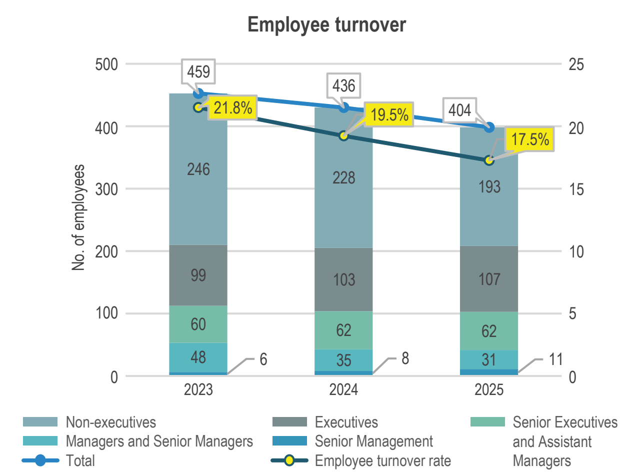
Merdeka Celebration

Staff blood donation

Sports month - Futsal

This year, the Group invested a total of 49,041 training hours across all employee categories representing an average of 21 training hours per employee.





MANAGEMENT DISCUSSION AND ANALYSIS
(continued)


IGB GHC Team Building


IGB Financial Literacy Day

CYBERSECURITY AND DATA PROTECTION

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.

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 documents, which underwent significant refinement and implementation in 2025. They are:

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 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 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 the company. 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.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

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 finalising a Group Communication Policy and strengthening our Data Classification and Data Loss Prevention 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.

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

	2025	2024	2023
Breaches in customer privacy or data loss	**0**	0	0

ANTI-BRIBERY & CORPORATE GOVERNANCE

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 can navigate an increasingly complex business landscape with a clear ethical perspective.

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. Furthermore, tenancy agreements include a clause that tenants must observe and comply with the provisions 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.

Driven by our commitment to sound corporate governance and anti-corruption, we have achieved the following:

Corruption Risk Assessment		
2025	2024	2023
100%	100%	100%

This year we have undertaken a corruption risk assessment that covers all of our operations.

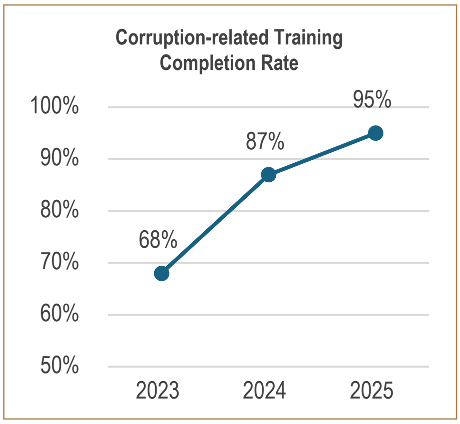
Confirmed incidents of corruption		
2025	2024	2023
100%	100%	100%

There were zero confirmed incidents of corruption in 2025.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Corruption-related Training Completion Rate (%)	2025	2024	2023
Senior Management	**98%**	90%	95%
Managers & Senior Managers	**96%**	98%	89%
Senior Executives & Assistant Managers	**97%**	85%	86%
Executives	**94%**	62%	68%
Non-executives	**93%**	97%	55%

95% of employees have completed corruption-related training. The remaining employees will receive similar training in 2026.



CLIMATE CHANGE

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 business, 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 the International Financial Reporting Standards ("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. For detailed information on our climate related risks and opportunities, please refer to the ISSB Sustainability Statement within of this report.

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 are advancing 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, allowing us to investigate and address unusual deviations in a timely manner.
- Regular assessments of mechanical & electrical ("M&E") systems in our malls to ensure optimal energy efficiency.
- Use of energy-efficient escalators with standby modes that regulate speed based on shopper traffic.
- Deployment of electric vehicle 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.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

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

Retail Properties

MVM

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	Modernisation of 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.

Replaced the North and South escalators connecting the Third Floor to the Third Floor Mezzanine at MVM

Chiller replacement at MVM

TGM

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.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)


Cooling Tower Refurbishment at TGM

Commercial Properties

Key Initiatives	Description
Building Automation System ("BAS") upgrades for Menara Tan & Tan	Upgraded the BAS with advanced features to integrate multiple systems and provide enhanced operational control across the building.
Variable Speed Drive ("VSD") Integration for Southpoint Offices and Retail	Implemented energy-efficient cooling upgrades with motor speeds modulated to align with real-time cooling demand. This initiative optimises HVAC performance and reduces energy consumption.
HVAC System Precision Upgrade (VAV Controllers) for Southpoint Offices and Retail	Implemented smart air-flow control upgrades that integrate seamlessly with the BAS to achieve superior energy efficiency.
LED lightings replacement & motion sensor integration for The Gardens North & South Tower	Installed energy-efficient LED lights with integrated motion sensor controls to further optimise savings for illumination across the towers.
Rooftop Solar Photovoltaic ("PV") systems for The Gardens South Tower & The Gardens South Tower	These systems are designed for 100% self-consumption. They generate clean energy to offset grid reliance and mitigate carbon emissions.

Solar panels installed at the Gardens South Tower and Gardens North Tower helipads

LED lighting replacement

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Hotel Properties

Key Initiatives	Description
Replacement of guest room FCUs to Direct Current ("DC") FCU's	Upgraded the guest room FCUs to highly efficient Direct Current ("DC") FCU's for St Giles Mid Valley.
High efficiency VRV cooling systems installation	Continuation of high efficiency VRV cooling systems installation from Basement to Level 5 for Cititel Express Kota Kinabalu.
Heat pump for hot water system	Upgraded the hot water systems in St Giles Mid Valley and Micasa All Suite Hotel with energy efficient heat pumps.
LED lightings replacement & motion sensor integration	Installed energy-efficient LED lights with integrated motion sensor controls to further optimise savings for illumination across the hotels.
EV Charging stations	Expansion of EV charging stations for St Giles Wembley, Micasa All Suite Hotel, St Giles Boulevard, St Giles Southkey and Cititel Mid Valley to promote sustainable transportation.

Green Certification for Commercial Properties

In 2025, IGB successfully transitioned to a fully green-certified commercial portfolio. This milestone reflects our proactive leadership in sustainability and ensures our assets deliver superior energy efficiency and resource management for our tenants.

Property	Green Certification
The Gardens South Tower	GreenRE - Gold
The Gardens North Tower	GreenRE - Gold
Centrepoint North	GreenRE - Gold
Centrepoint South	GreenRE - Gold
Menara IGB & IGB Annexe	GreenRE - Gold
GTower	GreenRE - Gold
Menara Tan & Tan	GreenRE - Gold
Hampshire Place Office	GreenRE - Gold
MVS South Tower	GreenRE - Gold
MVS North Tower	GreenRE - Gold
Southpoint Offices & Retail	Green Building Index - Silver
Boulevard Offices & Retail	GreenRE - Bronze

GreenRE Certification awarded to 6 buildings within IGBCR portfolio in 2025

IGB recognises the significant value of green-certified assets and the ways in which market demand is evolving to adopt these requirements. We diligently monitor our portfolio to identify opportunities for building upgrades that reduce our carbon footprint and further entrench sustainable practices across our operations.

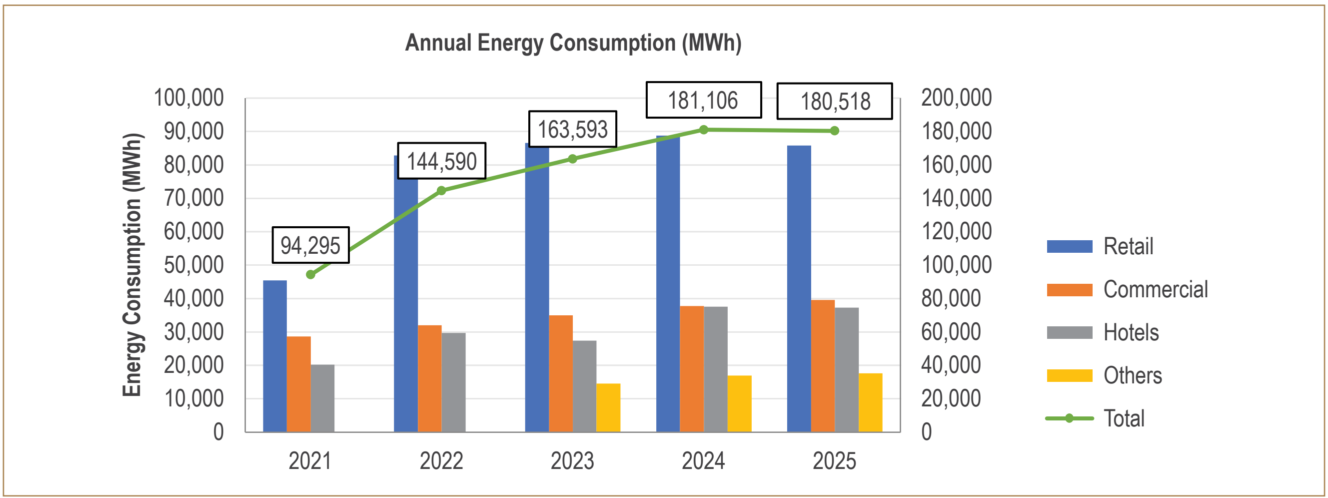
Menara Tan & Tan achieved GreenRE Gold Certification on 16 July 2025

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Our progress in reducing environmental impact and improving energy performance is reflected in the following performance metrics:.

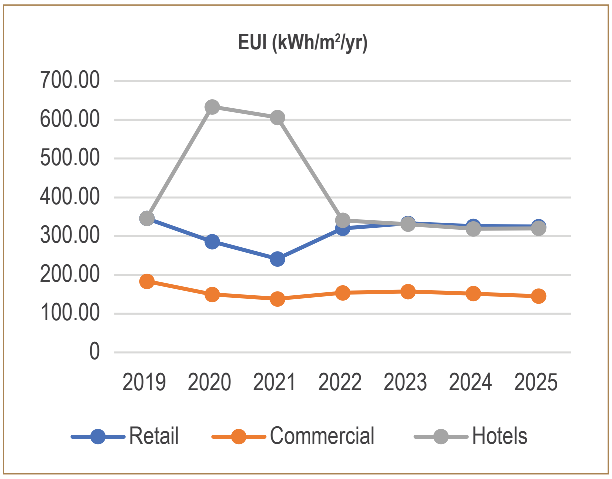
Energy consumption

Overall electricity consumption has increased compared to the previous year, primarily due to higher occupancy levels, more patrons visiting our malls and hotels, as well as the inclusion of our new commercial properties (Mid Valley Southkey North & South Towers) in our tracking.



Divisions	2019	2025	% reduction
Retail	345.9	324.6	-6.2%
Commercial	183.3	145.0	-20.9%
Hotels	346.1	320.2	-7.5%

* *Calculated EUI excludes Mid Valley Southkey properties, as targets will be established once the integrated development is fully completed.*



Our retail malls' EUI have seen a 6.2% improvement for 2025 compared to our 2019 baselines thus achieving our target of 5.8% reduction by 2025. Whereas, our commercial portfolio achieved an average EUI of 145.0 kWh/m^2/yr this year, representing a 20.9% decrease from our 2019 baseline of 183.3. This achievement marks a significant milestone as we have surpassed our 18% reduction target well ahead of the 2030 deadline. Moving forward, management will continue to monitor property performance to establish more ambitious future benchmarks.

In line with our commitment to enhancing operational efficiency and advancing our decarbonisation goals, we reached a significant milestone in 2025 through the expansion of our renewable energy footprint. We have successfully commissioned two solar photovoltaic (PV) systems at The Gardens South Tower and The Gardens North Tower. The implementation of these PV systems is designed for 100% self-consumption to ensure that all clean electricity generated is utilised directly within our buildings. These systems are estimated to generate approximately 184 MWh of clean electricity annually which will directly reduce our grid reliance and yield projected utility cost savings of RM98,400 per annum. This initiative is expected to offset approximately 117.6 tonnes of CO2 emissions yearly. Looking ahead, IGB remains committed to evaluating the feasibility of expanding solar installations across our remaining assets to reinforce our long-term environmental stewardship goals.

LABOUR PRACTICES

At IGB, 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 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.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Celebrating unity, culture and togetherness at IGB

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

- Being an equal opportunity employer
- 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 us 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 our Professional Code of Conduct and Business Ethics which applies to all employees throughout the Group.

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.

There were zero complaints concerning human rights violation in 2025.

Number of substantiated complaints concerning human rights violations		
2025	**2024**	**2023**
0	0	0

Ring Riuh Raya Chill Out

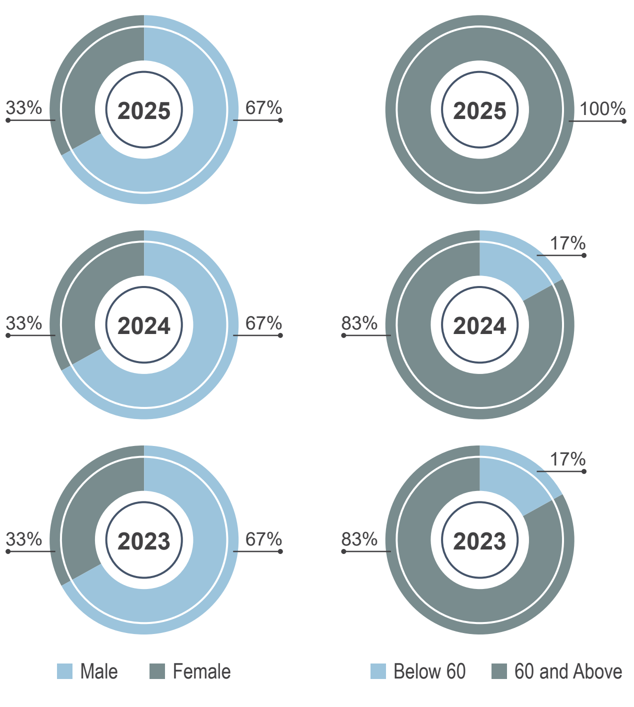
MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

The total number of employees was 2,308 in 2025.

The following metrics provide a detailed overview of our workforce demographics, diversity, and the impact of our employment policies:

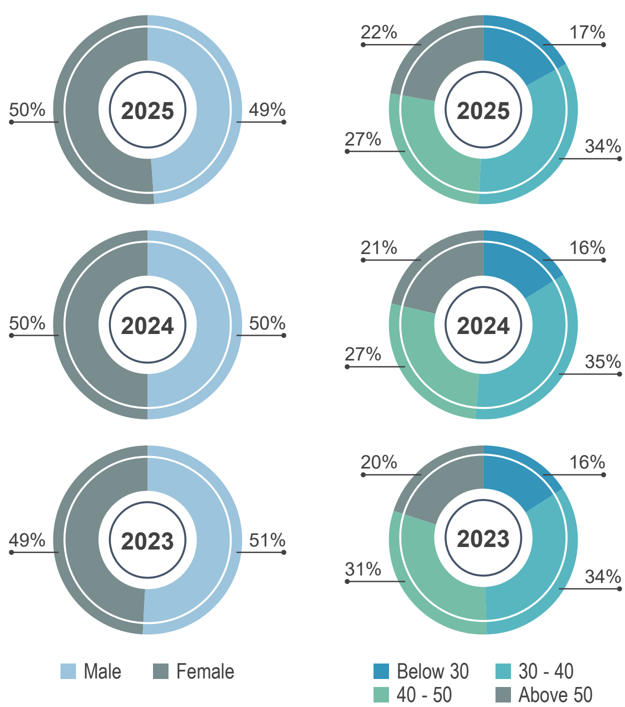
Board Diversity

Gender | Age

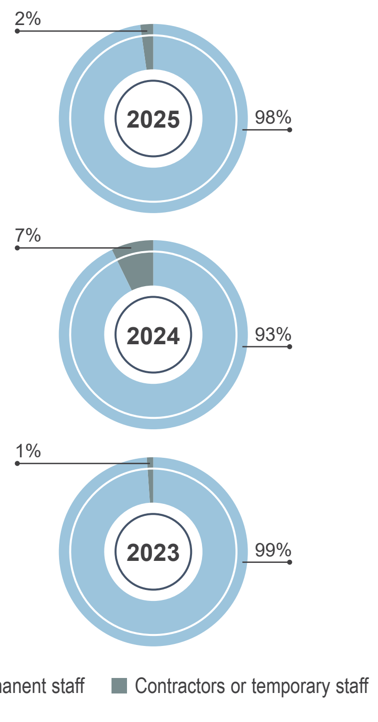


Workforce Diversity
Executives to Senior Management

Gender | Age

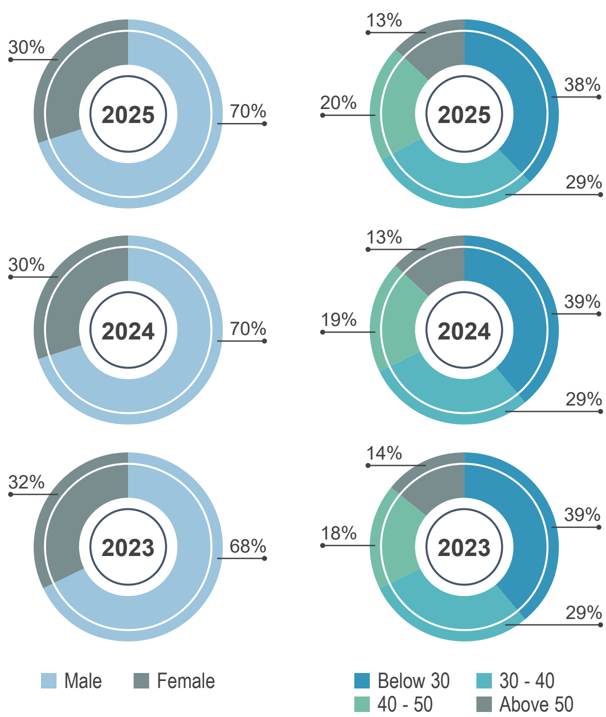


Employee Composition



Non-Executives

Gender | Age



MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

IGB Engineering Workshop 2025

WATER MANAGEMENT

Water resource management is integral to IGB's sustainability framework, ensuring the prudent utilisation of natural capital while mitigating systemic risks associated with water stress. By embedding robust management protocols across our portfolio, we strengthen corporate accountability and reinforce the Group's reputation for operational excellence. Our commitment to conserving this vital resource is a key driver of environmental stewardship, enhancing the resilience of our assets and ensuring that our business model remains aligned with long-term ethical standards and sustainable value creation.

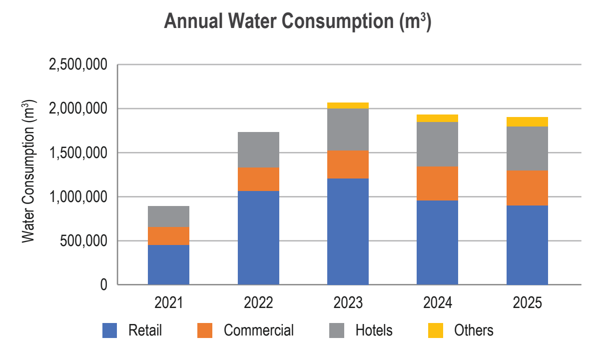
Aligned with the IGB Group Sustainability Policy, we maintain a pragmatic approach to water stewardship, prioritising efficiency and conservation across our operational footprint. By implementing robust infrastructure and monitoring protocols, we fortify water security and mitigate the systemic risks of supply volatility. Ensuring a resilient water supply is critical to maintaining uninterrupted operations, safeguarding the visitor experience, and protecting the long-term commercial viability of our assets.

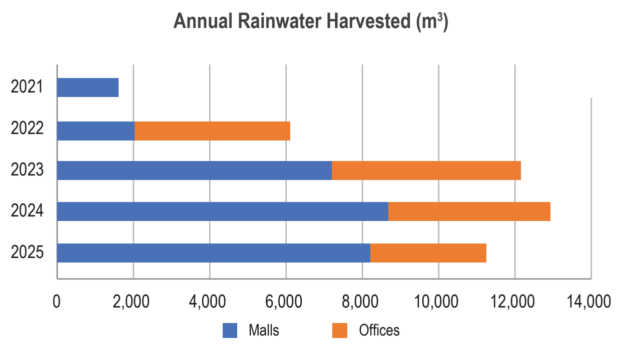
IGB continues to invest in innovative technologies and process improvements to optimise water consumption. Notable initiatives include:

- Deployment of high-performance, water-efficient fixtures and flushing systems to systematically reduce baseline consumption.
- Rigorous inspection and preventative 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.

Our properties maintain robust onsite water reserves to safeguard operations against municipal supply volatility. On average, our storage infrastructure provides an operational buffer of 1.5 days for retail malls, 1.6 days for integrated office developments, and 2.7 days for standalone office buildings. This internal capacity is further fortified by strategic service-level agreements with external vendors to secure supplementary water during prolonged disruptions. Historically, this dual-layered approach has ensured seamless business continuity. In 2025, we further enhanced our infrastructure at Menara IGB by installing an advanced water filtration system, ensuring a safe and reliable supply for all occupants. Moving forward, we remain committed to enhancing efficiency through advanced telemetry and real-time monitoring, ensuring that any consumption anomalies are immediately identified and remediated.

Overall water consumption increased in 2025 which is directly attributable to higher occupancy rates across our building portfolio, reflecting increased utilisation of our spaces as well as enhancement in tracking of water consumption for other segments.





In 2025, our rainwater harvesting capacity has resulted in the collection of 11,256 m³ 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.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

COMMUNITY AND SOCIETY

At IGB, we embrace the future by cultivating vibrant, resilient communities. By prioritising local needs, we drive meaningful change and sustainable development through purposeful collaboration. This shared commitment nurtures the relationships that enrich our society and pave the way for a brighter, more sustainable future.

We engage and support our local communities and charitable organisations through the following:

- Direct contributions by IGB in the form of monetary and non-monetary donations, rental fee waivers and employee volunteerism.
- Collaborations with our tenants to promote local communities and charitable organisations.
- Empowering shoppers to support vital causes through dedicated donation booths and curated merchandise displays.

This approach allows us to integrate community support in our business strategies thereby creating long-lasting relationships with our communities.

Our CSR initiatives for the year yielded the following results:

Total amount invested:

Direct contributions		
2025	2024	2023
RM1.6 million	RM1.6 million	RM1.3 million

Total beneficiaries impacted:

No. of beneficiaries		
2025	2024	2023
165,337	15,780	5,827

Total bags of blood channelled to Pusat Darah Negara ("PDN"):

No. of bags of blood		
2025	2024	2023
42,277	37,362	24,977

Blood Donation Drive

Full year rental waived for the following tenants:

Composition	2025	2024	2023
PDN – Donation Suit at MVM	**RM195,999**	RM195,999	RM192,156
PDN – Donation Suit at MVS Mall	**RM213,840**	RM213,840	RM204,936
Kedai BLESS	**RM175,973**	RM175,973	RM160,380
OKU Dobi Sdn Bhd	**RM101,761**	RM101,761	RM93,108
MAB Shoppe	**RM115,118**	RM115,118	RM105,492
One-Two-Boost	**RM51,681**		

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

CSR initiatives for the year included the following:

Pillar 1: Community Welfare & Food Security

Focusing on immediate aid and long-term nutrition for vulnerable groups.

Food Packing and Distribution in collaboration with HOPE Worldwide Malaysia

Beneficiaries: **177**
Contribution: **RM25,500**

Partnering with HOPE Worldwide Malaysia, we launched a Group-wide food security initiative driven by employee donations and volunteerism. IGB matched employee contributions of RM12,750, generating a total of RM25,500. Our team actively mobilised to pack and distribute these supplies, providing a month's worth of groceries to 177 underprivileged families in Sentul.

Food Aid Programme to Free Food Society

Beneficiaries: **85**
Contribution: **RM4,633**

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 essential goods, including cooking oil and high-protein canned foods, directly addressing the immediate dietary requirements of the community.

St Giles Southkey 2025 Ramadan CSR with Rumah Barkat

Beneficiaries: **50**
Contribution: **RM4,816**

In the spirit of sharing and reflection during the holy month of Ramadan, St. Giles Southkey hosted the residents of Rumah Barkat for a grand Berbuka Puasa session. The hotel focused on providing a high-quality, soulful meal to honour the significance of the fast. The evening was dedicated to the meal itself, allowing the children and staff to enjoy a peaceful and fulfilling 'buka puasa' experience together before returning home.

St Giles Southkey 2025 Christmas CSR with Rumah Kebajikan Care Heaven

Beneficiaries: **30**
Contribution: **RM3,112**

To spread holiday cheer, St. Giles Southkey welcomed the children of Rumah Kebajikan Care Heaven for a festive Christmas Luncheon. The event was designed to bring the magic of the season to life through hospitality and kindness. Each child received a festive goodie bag containing a selection of snacks and stationery, serving as a small token of encouragement and joy for the holiday season.

Donation for Flood Victim at Pusat Penempatan Sementara ("PPS"), Papar, Sabah

Beneficiaries: **262**
Contribution: **RM4,072**

Following the severe floods on September 13, 2025, Cititel Express Kota Kinabalu launched a relief initiative for affected communities. Employees donated clothing and dry food, while the company contributed RM4,072 for essentials like drinking water and instant noodles. These supplies were delivered to the PPS in Papar, providing immediate aid to 262 displaced victims.

St Giles Wembley Programme Pengagihan Bubur Lambuk

Beneficiaries: **250**
Contribution: **RM460**

During the month of Ramadan, St. Giles Wembley organised the Programme Pengagihan Bubur Lambuk to share the festive spirit with the local community. The hotel team carefully prepared and distributed 250 containers of bubur lambuk to the public at the hotel lobby entrance.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Food Distribution at Pusat Transit Gelandangan Pulau Pinang

Beneficiaries: **70**
Contribution: **RM1,165**


St. Giles Wembley conducted a meaningful outreach initiative at Pusat Transit Gelandangan Pulau Pinang (Homeless Transit Centre). To support the residents, our team visited the centre to distribute 70 bento meals alongside essential dry goods, including biscuits and coffee.

St Giles Mid Valley Donation to Malaysian Association for the Blind ("MAB")

Beneficiaries: **50**
Contribution: RM5,000

We donated 20 mattresses and 10 sofas to our CSR partner, MAB. These items were repurposed to furnish the Regional Training Centre in Temerloh, Pahang, providing improved living conditions and comfort for the trainees residing at the facility. By contributing these essential furnishings, we continue to support MAB in their mission to provide vocational training and empowerment for the visually impaired community.

Pillar 2: Education & Youth Empowerment

Investing in the leaders of tomorrow through vocational training and academic support

Artspeak Junior English Reading Programme by Hope Worldwide Malaysia

Beneficiaries:**100**

During IGB CSR Month, we partnered with HOPE worldwide Malaysia to support youth education through hands-on English workshops. Our volunteers facilitated various creative exercises including storytelling and craft-making to make language acquisition engaging and accessible. This initiative focused on building the students' self-assurance in verbal English, helping to bridge the educational gap for children from underserved communities.

St Giles Southkey 2025 CNY CSR Pertubuhan Kebajikan Shan De

Beneficiaries: **41**
Contribution: **RM10,691**

To usher in the Lunar New Year, St. Giles Southkey invited the children and caretakers of Pertubuhan Kebajikan Shan De for a festive dinner at the hotel. The evening was a celebration of new beginnings, offering the children a premium dining experience in a warm, welcoming environment. To support their education for the coming year, the hotel presented each child with a "Back-to-School" bag filled with essential stationery sets, ensuring they are well-equipped for their studies.

Pillar 3: Social Inclusion & Vocational Training

Creating sustainable income and awareness for the differently-abled community

Cititel Mid Valley partnership with Autism Malaysia

Beneficiaries: **178**
Contribution: **RM2,188**

Partnering with Autism Malaysia, we empowered individuals on the spectrum by hosting a lobby booth for their handcrafted goods and sourcing pastries for our Staff Annual Dinner. Expanding this impact, we joined the MAH Charity Cookies Bake 2025, an industry-wide initiative involving 21 hotels. We purchased the entire stock of cookies produced by Autism Malaysia, distributing them to our festive guests to raise vital funds for Home of Peace Kuala Lumpur and Pertubuhan Kebajikan Asnaf Al-Barakh.

St Giles Southkey 2025 Deepavali with Pertubuhan Kebajikan Pusat Jagaan Nesam

Beneficiaries: **31**
Contribution: **RM2,578**

Pertubuhan Kebajikan Pusat Jagaan Nesam is a charity home in Johor Bahru that supports orphaned and academically challenged children, providing training in skills like tailoring, beauty care, and cooking. In October, 20 staff members from the hotel organised a Deepavali luncheon for the children and caretakers.

CSR initiatives specifically by IGB REIT and IGB Commercial REIT are disclosed separately in their respective Annual Reports 2025.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

WASTE MANAGEMENT

A systematic approach to waste management is imperative for mitigating environmental impact, ensuring rigorous regulatory alignment and upholding our commitment to corporate accountability. By prioritising landfill diversion and fostering resource circularity, IGB enhances operational efficiency and secures long-term cost-optimisation. These sustainable waste frameworks are instrumental in strengthening our corporate reputation among institutional investors and stakeholders, while demonstrating a transparent commitment to environmental stewardship and the decarbonisation of our value chain.

Our waste management protocols are governed by the IGB Group Sustainability Policy, ensuring rigorous alignment with statutory requirements and the delivery of our long-term environmental objectives. We are committed to a circular resource model by prioritising reduction, repurposing and recycling to ensure all waste streams are managed with the highest level of environmental accountability.

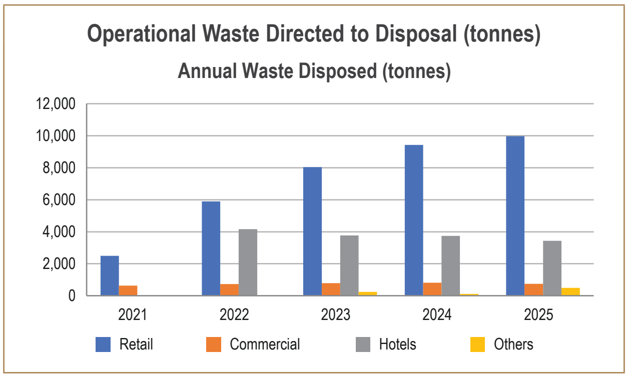
Across our diverse asset classes, we have integrated specialised systems to enhance waste diversion and minimise our landfill footprint:

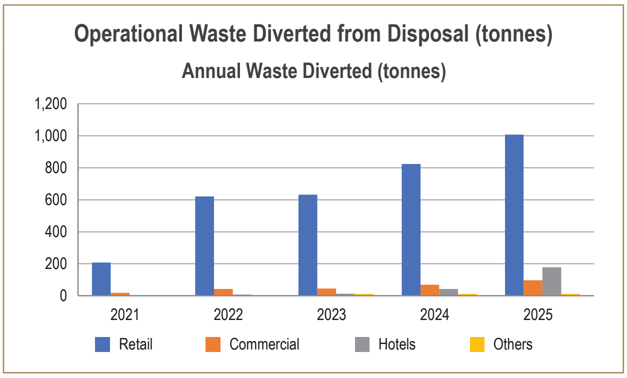
Material Recovery & Recycling	Organic Waste & Effluent Control	Waste Reduction & Stakeholder Education
• The strategic deployment of recycling bins within our retail and commercial properties to facilitate high-volume material recovery. • Dedicated collection systems for electronic waste and specialised materials to ensure compliant disposal and mitigate toxic landfill contamination.	• A food waste composting initiative at our malls that transforms tenant-generated organic waste into valuable resources, reducing what we send to landfills. • Installed advanced grease traps to prevent effluent contamination and ensure the integrity of the municipal sewerage network.	• Eliminating single-use plastics in hotels by switching to soap dispensers and centralised water refill stations. • Tenant education programmes designed to optimise waste stream integrity across compostable, recyclable and residual categories.

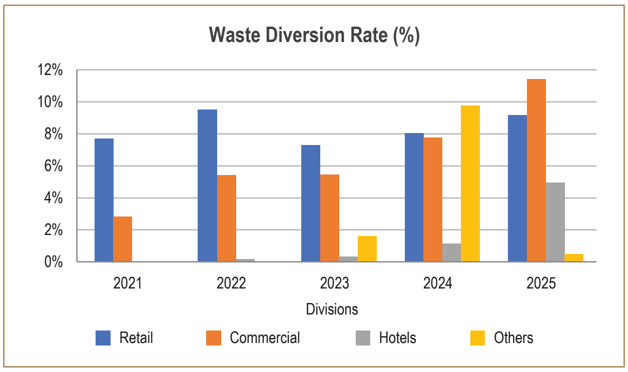
In 2025, we significantly enhanced our waste management infrastructure by upgrading the refuse chambers at Mid Valley Megamall (Loading Docks A & G) and The Gardens Mall (B2 & F2). These upgrades were complemented by strategic investments in industrial waste compactors, which have streamlined our disposal 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 waste data is categorised into two streams as below to ensure a more comprehensive overview and reporting:

1) Waste Generated from Operations



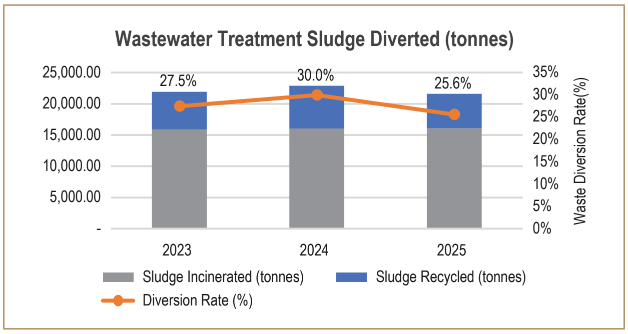




MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

2) Wastewater Treatment Sludge

In 2025, our water treatment operations in China treated 25.4 million m^3 of industrial wastewater which resulted in 16,065 tonnes of sludge which were incinerated at authorised sites and 5,534 tonnes recycled for brick production.

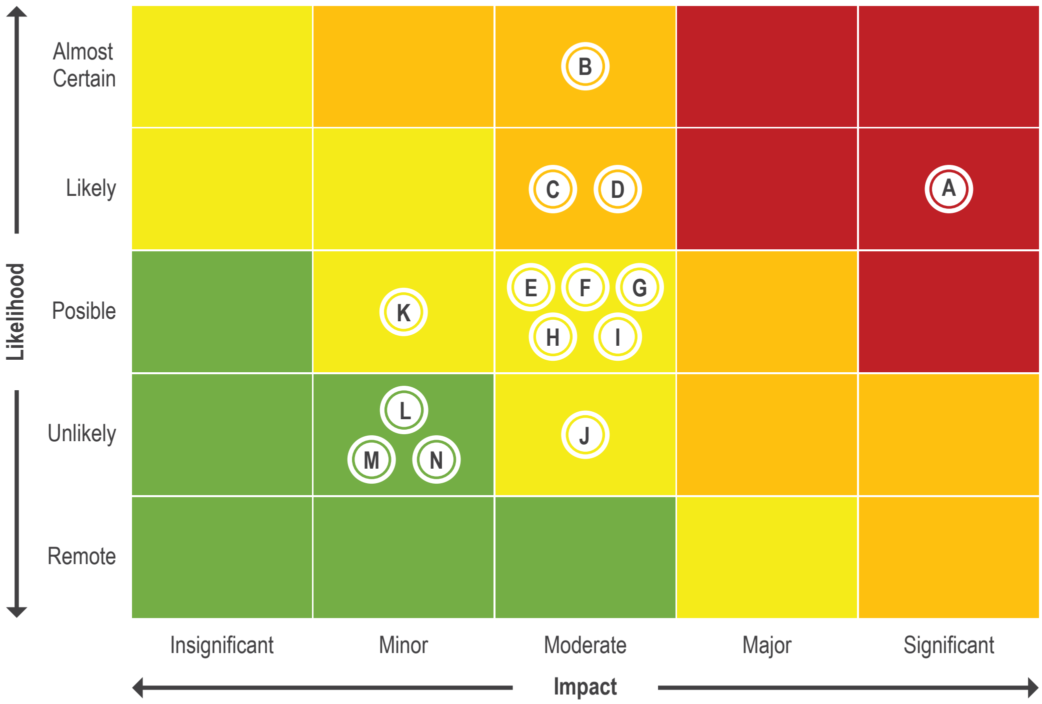


RISK MANAGEMENT INTEGRAL TO SUSTAINED SUCCESS

IGB employs a proactive risk management approach with its IGB Strategy & Risk Framework ("Framework"), based on the Committee of Sponsoring Organisations of the Treadway Commission's ("COSO") Enterprise Risk Management ("ERM") updated framework of 2017 – Integrating with Strategy and Performance, which emphasises integrating risk with strategy and performance.

The Framework establishes a robust risk management that enables us to promptly identify, assess and manage 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's strategic objectives.



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

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
A Business/Market Risk ▪ Risks associated with macroeconomic factors and real estate trends such as low business and consumer sentiment, changing customer preferences, and disruptions to the supply and demand of goods and services. ▪ Financial implications of investing in green technologies to meet sustainability goals.	▪ Lower revenue and profit due to poor economic conditions and increasing operational costs.	▪ Differentiation of our assets, products and services by delivering operational excellence, exceptional amenities, innovative solutions, and crafting engaging and memorable customer experiences. ▪ Leverage our 100% green-certified office portfolio in the Commercial REIT to attract high-quality tenants with their own ESG mandates. ▪ Strengthening the relationships with our business partners and tenants through win-win negotiations. ▪ Improvement of operational efficiencies to mitigate rising costs.	▪ Continual improvement of our offerings, and customer engagement practices to drive higher customer satisfaction. ▪ Achieved 100% green certification for all office buildings within the Commercial REIT portfolio. ▪ Maintain a diversified investment portfolio to mitigate the impacts of a slowdown within any particular sector. ▪ Cultivate collaboration between subsidiaries to maximise operational and business synergies. ▪ Strict monitoring of operational costs and regular reviews on process efficiencies.
B Supply Chain Risk ▪ 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 delays or interruptions to procurement, maintenance and operational activities.	▪ Disruptions to operational and maintenance activities, resulting in lower service levels to our customers and tenants. ▪ Increased operating costs due to the mismatch in the supply and demand of goods and services. ▪ Delays in project timelines due to supply chain disruptions for materials, manpower, and services.	▪ Diversification and enlargement of the vendor management system database to allow for a wider selection of vendors. ▪ Improvement of inventory management systems and processes to account for unexpected supply chain disruptions and labor shortages. ▪ Transitioning to renewable energy sources to secure long-term energy cost stability.	▪ Continuous monitoring and proactive management of operational costs to mitigate the impact of inflationary pressures and rising expenses across all sectors. ▪ Strengthened energy resilience by commissioning solar PV systems at commercial properties while exploring additional renewable energy integration across the Group's physical footprint. ▪ Maintain an adequate inventory surplus of critical operational equipment and components to mitigate long lead times in order fulfilment and other unexpected disruptions.
C Information & Cyber Security Risk ▪ 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.	▪ Disruptions to operations from compromised information technology systems or loss of key operational data. ▪ Financial and reputational implications from the exposure of confidential company, customer or tenant data. ▪ Increased regulatory scrutiny regarding data privacy and data sovereignty across key markets. ▪ Erosion of trust among stakeholders, potentially damaging the Group's reputation and weakening its market position.	▪ Establishment of strong cyber security policies and processes related to information technology management, with emphasis on security protocols and cloud resilience. ▪ Establishment of a business continuity plan (BCP) and recovery plans in the event of a cyber security incident.	▪ IGB Group's Cybersecurity Policy, IT Acceptable Use Policy and Data Governance and Data Privacy Policies in place. ▪ Established a comprehensive IT BCP for IGB Group and deployed critical cybersecurity software across key IT systems (e.g., privilege access management, endpoint protection, and log management) to ensure resilience and safeguard data and operations. ▪ Conducted regular cybersecurity training via e-portals, including ad-hoc social engineering tests and phishing simulations. ▪ Established the IGB Group Technology Risk Management Framework to formalise and strengthen cybersecurity risk assessment and mitigation processes.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
D Competition Risk ▪ New products and services introduced to the real estate landscape, including the entry of new high-specification and green-certified developments, intensifies competition for customers and tenants.	▪ Decline in market share, revenue and profit due to customer and tenant attrition.	▪ Differentiation of our assets, products and services from those of our competitors through exceptional customer experience, continuous asset enhancement initiatives, innovation of product offerings and harnessing the power of our real estate ecosystem synergies.	▪ Enhance the tenant and customer experience across all touch points by delivering operational excellence and meticulously crafting journeys and events. ▪ Monitor business trends and developments to seize new opportunities and retain competitiveness. ▪ Carried out AEIs throughout the year in the malls, offices and hotels to improve operational efficiencies and building aesthetics.
E Credit Risk ▪ Credit exposure to outstanding receivables from customers, tenants, or other business partners, as well as cash, cash equivalents and deposits held with banks and financial institutions. ▪ *For further information, please refer to the financial risk management objectives and policies section under the notes to the financial statements.*	▪ Financial losses from the impairment of uncollectible receivables.	▪ Establishment of procedures for differentiating various credit risks through an internal rating system. ▪ Establishment of stringent counterparty due diligence and credit collection policies to maintain low exposure to outstanding receivables.	▪ Employ strict counterparty selection procedures, with close monitoring of credit balances. ▪ Ensure cash, cash equivalents and deposits are only held with financial institutions with high credit ratings assigned by reputable credit rating agencies.
F Foreign Currency Exchange Risk ▪ Arises as a result of amounts owing to subsidiaries, advances to associates, advances to joint ventures, deposits with licensed banks, and borrowings, denominated in foreign currencies. ▪ *For further information, please refer to the financial risk management objectives and policies section under the notes to the financial statements.*	▪ Increased uncertainty and potential adverse impacts on expected future operating cash flows and financial statements in the reporting currency due to currency fluctuations.	▪ Implementation of foreign currency exchange risk management processes to effectively protect cash flows.	▪ Maintain foreign currency-denominated monetary assets in their respective currencies to fulfil obligations and to capitalise on potential investment opportunities available in those currencies. ▪ Closely monitor exchange rate movements and adjust our exposures accordingly.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
G Health, Safety & Security Risk ▪ 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.	▪ Loss of profitability and long-term sustainable performance due to reputational damage, including events that affect the health and safety of stakeholders.	▪ Embed strong health, safety & security procedures and protocols, as well as recovery plans within our operations.	▪ All health, safety & security incidents occurring within our properties are tracked and promptly investigated for implementation of corrective actions. ▪ Regularly hold health, safety & security briefings, trainings and inspections (including annual fire drills) to manage the risks within our properties and ensure compliance with the Occupational Safety and Health Act. ▪ Strengthened contractor management processes by standardising safety inductions, verifying contractor competency, and enforcing strict operational controls for high-risk activities. ▪ Quarterly Safety, Health and Environment Committee meetings to review all matters pertaining to health and safety.
H Talent & Resource Management Risk ▪ The inability to attract, retain or effectively utilise talent.	▪ Reduced operational and business capabilities, adversely impacting profitability and long-term sustainable performance.	▪ Inclusion of talent development and succession plans as key strategies. ▪ Expansion and diversification of responsibilities for high potential talent to drive career development.	▪ Invest in development programs, offer competitive packages, and monitor skills gaps. ▪ Implement workforce flexibility and cross-skilling initiatives to enhance manpower resilience and productivity. ▪ Adopt technology-enabled solutions to alleviate manpower constraints and support service continuity. ▪ Develop succession plans and employee-centric initiatives. ▪ Encourage inclusivity through regular engagement and events. ▪ Ensure adherence to all labor and employment regulations.
I Infrastructure & Facilities Risk ▪ 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.	▪ Failure of mechanical, electrical or plumbing (MEP) infrastructure, resulting in disruptions to service levels, higher operating costs and lower customer satisfaction. ▪ Loss of reputation from customer interactions with noticeably weathered or overused infrastructure or equipment. ▪ Reduction in infrastructure and equipment efficiency, leading to higher operating costs and lower service levels over time.	▪ Establishment of strong policies and procedures related to preventive maintenance of infrastructure and equipment to drive long-term sustainable performance. ▪ Continuous AEI across our assets to ensure their upkeep.	▪ Adhere to strict maintenance policies and procedures, with preventative maintenance conducted regularly. ▪ Replacement of ageing or underperforming infrastructure and equipment with modern, effective and efficient upgrades. ▪ Carried out AEIs throughout the year in the malls, offices and hotels.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

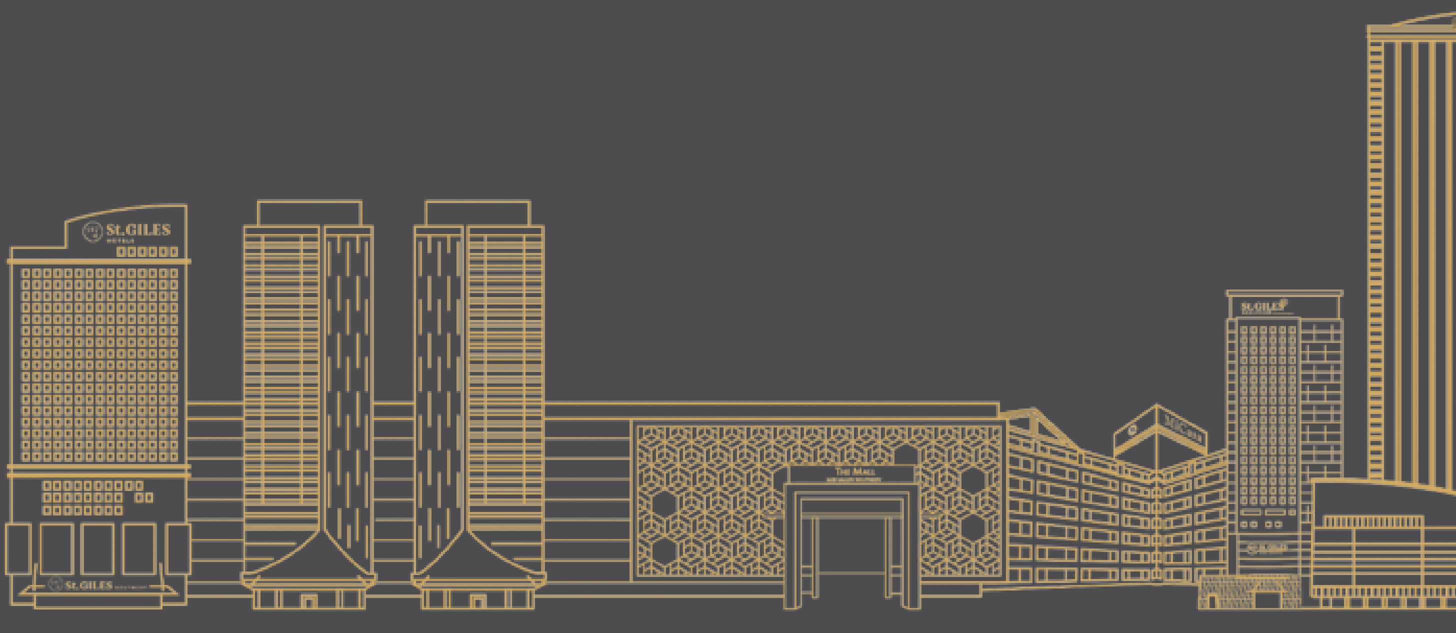
Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
J Regulatory & Compliance Risk ■ Compliance with evolving and increasingly stringent regulations across Malaysian markets, including those related to employment, health & safety, data privacy, anti-corruption, anti-competition, data sovereignty, and sustainability-related disclosure requirements.	■ Financial and reputational impact from failure to comply with applicable laws and/or regulations.	■ 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.	■ Keep abreast with regulatory requirements and roll out updates to policies and frameworks in a timely manner. ■ Implementation of system enhancements to ensure compliance with mandatory e-invoicing and tax reporting requirements. ■ Enhancing sustainability data collection and reporting frameworks to ensure continued readiness for evolving ESG disclosure standards and emerging regulatory requirements. ■ Proactive review of workforce remuneration structures and service provider contracts to ensure full compliance with revised minimum wage orders and labour laws. ■ IGB Group's Anti-Bribery and Corruption Policy, Group Whistleblowing Policy and Group Sustainability Policy in place.
K Climate Change Risk ■ 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.	■ Increased maintenance costs and potential damage to our properties from the impact of physical risks such as extreme weather events such as floods, extreme heat, etc. ■ Taxation, penalties or restrictions imposed by authorities due to new regulations concerning carbon emissions, supply chains and sustainable financing. ■ Heightened scrutiny of sustainability and climate-related disclosures, driving up compliance costs and regulatory burdens for corporations.	■ Establishment of sustainability policies and frameworks to build operational resilience towards climate change risks. ■ Improvement of energy, water, waste and material management practices to achieve higher levels of operational efficiency and lower operating costs. ■ Pursuit of opportunities in clean energy ventures to drive sustainability and support long-term growth.	■ IGB Group's Sustainability Policy in place alongside targets for EUI and waste diversion. ■ Achieved 100% green certification within our commercial buildings portfolio. ■ Conducted a Climate Physical Risk Assessment to identify vulnerabilities under different climate scenarios to inform long-term asset strategy. *(Further details can be found in the ISSB Sustainability Statement)*. ■ Implementation of renewable energy solutions and energy efficiency initiatives across selected assets to reduce operational emissions and manage utility cost exposure. ■ Ongoing efforts to improve energy and water usage efficiency, food composting and recycling initiatives across our operations. ■ Carried out AEIs throughout the year for malls, offices and hotels to improve consumption efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS
(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
L Interest Rate Risk ▪ Exposure to changes in interest rates, which affect borrowing and loan obligations. ▪ *For further information, please refer to the financial risk management objectives and policies section under the notes to the financial statements.*	▪ Inability to effectively manage interest rates, leading to fluctuations in interest payment obligations.	▪ Management of interest rates to facilitate better financial planning and returns.	▪ Actively monitor market trends and the sentiment and monetary decisions of the central bank to effectively manage interest rate changes and fluctuations in interest payments. ▪ Secure favorable interest rates for financing, reduce exposure to floating-rate bonds, and explore debt refinancing opportunities to enhance financial stability.
M Liquidity & Cash Flow Risk ▪ Arises when funds are inadequate to meet financial obligations. ▪ *For further information, please refer to the financial risk management objectives and policies section under the notes to the financial statements.*	▪ Significant impact to business operations from inadequate funds.	▪ Establishment of strong financial control policies to reduce the likelihood and impact of unexpected interruptions to business operations and new growth ventures.	▪ 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.
N Capital Risk ▪ The mismanagement of capital, which adversely impacts the ability to operate as a going concern or to provide returns for shareholders and benefits for other stakeholders. ▪ *For further information, please refer to the financial risk management objectives and policies section under the notes to the financial statements.*	▪ Inability to maintain a going concern, resulting in the reduction of value delivered to unitholders and other stakeholders.	▪ Maintain an efficient capital structure to facilitate long-term sustainable performance and delivery of returns to unitholders and other stakeholders.	▪ Maintain an appropriate gearing level and employing an interest rate management strategy. ▪ Diversifying our funding sources, securing favorable terms, and maintaining a strong debt servicing capacity. ▪ Manage financial obligations and exposures arising from adverse interest rate movements to improve the efficiency of the cost of capital. *(Further details can be found in the Notes to the Financial Statements)*.

ISSB SUSTAINABILITY STATEMENT

Contents



ISSB SUSTAINABILITY STATEMENT

1. BASIS OF PREPARATION

1.1 Compliance with the IFRS Sustainability Disclosure Standards

The sustainability-related financial disclosures ("ISSB Sustainability Statement") of IGB Berhad and its subsidiaries ("IGB" or "the Group") 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").

Disclosure topics in the Sustainability Accounting Standards Board ("SASB") standards have been referred to and considered when preparing this report. Refer to **Page 79** for more information on how the SASB Standards disclosure topics have been considered in the materiality assessment process.

1.2 Connectivity with Financial Statements

The ISSB Sustainability Statement has been prepared for the Group and should be read in conjunction with the financial statements on **Pages 131** to **231** of this annual report. This statement covers the financial year 2025 and is aligned with the reporting period of the financial statements.

The sustainability-related financial disclosures cover the same reporting entity as the related financial statements. The reporting entity includes the parent company IGB Berhad and its subsidiaries. In preparing these sustainability-related financial disclosures, the Group has assessed its own operations and its value chain which includes, amongst others, the joint ventures, and associates of the Trust. Refer to **Page 76** for information on the value chain.

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

The Group 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).**

1.3 First-time Adoption of IFRS Sustainability Disclosure Standards and Transition Reliefs

The Group is reporting under the IFRS Sustainability Disclosure Standards for the first time in its annual reporting period ended 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 S1")
- IFRS S2 'Climate-related Disclosures' ("IFRS S2")

As of 31 December 2025, no other IFRS Sustainability Disclosure Standards have been 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 provides additional transition reliefs for issuers listed on the Main Market of Bursa Malaysia. IGB has applied the following transition reliefs:

- Relief from disclosing comparative information in first annual reporting period unless such comparative 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 on principal business segments only.

ISSB SUSTAINABILITY STATEMENT
(continued)

2. REPORTING BOUNDARY

2.1 Reporting Boundary Excluding Greenhouse Gas ("GHG") Emissions

Reporting Entity

The entities, assets, and operations (referred to as the "reporting entity") included in the ISSB Sustainability Statement are the same as those included in the Group's 31 December 2025 financial statements. During the reporting period there were no significant changes to the group structure.

The Group's reporting entity and the extent of sustainability-related information considered and included in the ISSB Sustainability Statement, are summarised below:

Entities and assets in the reporting entity	Information considered and included	Note in financial statements
Parent and subsidiaries	100% of the sustainability information, including consolidated subsidiaries not fully owned	**Note 2(b)**
Leased assets (the Group is lessee) The Group leases various offices, equipment, and vehicles. The Group has the right to control the use of the assets as well as the right to substantially all related economic benefits during the term of the lease.	100% of the sustainability information related to the use of the leased assets during the lease term.	**Note 2(h)**
Leased assets (the Group is lessor) The Group has properties that it leases to tenants under operating leases. The investment property continues to be recognised in the Group's statement of financial position.	100% of the sustainability information related to the leased assets.	**Note 2(h)**

Value Chain

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

2.2 Reporting Boundary for GHG Emissions

The Group uses the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) ("GHG Protocol") to measure its GHG emissions unless otherwise stated by IFRS S2. The Group uses the GHG Protocol Corporate Value Chain Standard ("Scope 3 Standard") to define the fifteen Scope 3 categories as part of the requirement to disclose Scope 3 GHG emissions.

a. Organisational boundary

The Group applies the financial control approach to establish its organisational boundary for the reporting of GHG emissions.

The Group has assessed that it has financial control in accordance with GHG Protocol over the subsidiaries and leased assets included in its consolidated financial statements, to ensure the Group's boundaries are consistent with how assets and liabilities are reported to the shareholders in its financial statements. The Group does not have financial control over any of its investments in associates and joint ventures accounted for using the equity method.

b. Operational boundary

Direct GHG emissions from sources that are owned or controlled by businesses and operations within the Group's organisational boundary are reported as Scope 1 GHG emissions of the Group. GHG emissions from the generation of purchased electricity consumed by these businesses and operations are reported as Scope 2 GHG emissions of the Group. The Group's relevant portion of other indirect emissions arising from its activities are reported as the Group's Scope 3 GHG emissions.

ISSB SUSTAINABILITY STATEMENT
(continued)

3. SIGNIFICANT JUDGMENTS AND MEASUREMENT UNCERTAINTIES

In preparing this ISSB Sustainability Statement, management has exercised judgment in a number of areas, including the process of identifying sustainability-related risks and opportunities and identifying material information to report. Additionally, the preparation of this statement 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 judgments made by management in preparing this ISSB Sustainability Statement, as well as the amounts that are subject to a high degree of measurement uncertainty. The details of the judgment made, or the source of estimation uncertainty, is included in the referenced disclosure sections.

3.1 Significant Judgments

- **Materiality process**

  Management applied significant judgment to identify the sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, as well as the material information related to those risks and opportunities. The process that the Group followed in making the assessment of what information could reasonably impact the Group's prospects and influence decisions of primary users is detailed in **Note 5**.

  Judgment was also used in determining which metrics included within the disclosure topics of the SASB standards were applicable to the Group.

- **Calculation methods for GHG emissions**

  The Group has applied a combination of different calculation methods to determine its Scope 3 GHG emissions. IGB has applied judgment in determining the calculation methods that are most appropriate for each category depending on availability and quality of data, and it prioritises the use of supplier-specific data where available with sufficient quality.

3.2 Measurement Uncertainty

The following amounts have a high degree of measurement uncertainty:

- **GHG-related metrics**

  The Group 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 arising from reliance on activity data and emission factors obtained from third parties. Where activity data and emission factors cannot be obtained on a timely basis, or are incomplete, estimation is used.

- **Climate transition risks**
  - » Regulatory changes
  - » Changes in customer behaviour

  There is currently limited data related to financial effects that may result from customer demand and carbon taxes to be implemented within the local markets. As such, any measurement of expected financial effects on the Group beyond the current planned capital expenditures remains highly uncertain in the short to long term.

4. ASSURANCE

This ISSB Sustainability Statement has been subjected to an internal review by IGB's internal auditors.

ISSB SUSTAINABILITY STATEMENT
(continued)

5. OVERVIEW OF THE GROUP AND VALUE CHAIN

The principal activities of the Group mainly consist of property investment and management, owner and operator of malls, hotel operations, property development, construction, selling and distribution of utilities, information and communication technology services, provision of engineering services for water treatment plants and related services, education, investment holding and management of real estate investment trusts.

The Group's key market is **Malaysia**.

Business Activity	Geographical Locations	% of Total Revenue
Property investment - Retail Rental income and service charge from retail malls	Malaysia	50%
Property investment - Commercial Rental income and service charge from office buildings	Malaysia	14%
Property Development Development and sale of condominiums, bungalows, linked houses, shop lots and office suites and project management services	Malaysia	8%
Hotel Income from hotel operations	Malaysia, Australia	19%

* The revenue disclosed is the percentage of revenue from external customers per business activity. Refer to Note 5 in the Financial Statements.

Beyond real estate, IGB has diversified investments in selling and distribution of utilities, provision of engineering services for water treatment and related services, education, assisted living and co-living spaces. These operations are not of a significant size to be considered core businesses of the Group.

Page 74 sets out how the Group's entities, assets, and operations have been included in the reporting boundary for sustainability reporting.

Throughout the Group's operations, the Group relies on a number of other parties for its upstream value chain, including suppliers for repair and maintenance, outsourcing of manpower for cleaning and security services, utilities, and construction subcontractors. The Group's downstream value chain includes tenants of the retail and commercial properties, mall visitors, hotel guests and property buyers.

The majority of the Group's upstream and downstream value chain are located in **Malaysia**.

The table below summarises the Group's key upstream and downstream value chain relationships:

UPSTREAM VALUE CHAIN (Key Suppliers)

Description	Geographical Locations
→ Repair & Maintenance	Malaysia
→ Utilities	Malaysia
→ Outsourced manpower for cleaning & security services	Malaysia
→ Construction subcontractors	Malaysia

DOWNSTREAM VALUE CHAIN (Customers)

Description	Geographical Locations
→ Tenants	Malaysia
→ Mall Visitors	Malaysia, Singapore and International
→ Hotel Guests	Malaysia and International
→ Property Buyers	Malaysia

The Group has other business relationships, primarily through its investments in associates and joint ventures, that are part of the Group's value chain.

ISSB SUSTAINABILITY STATEMENT
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6. DETERMINING OUR FINANCIALLY MATERIAL SROs

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 SROs, which remain integrated within IGB's regular risk management processes, are disclosed within the Management Discussion and Analysis ("MD&A") section of this Annual Report.

The purpose of this process was to identify information on SROs that could reasonably be expected to affect the Group's prospects as well as influence decisions made by primary users of general-purposed financial reports. The Group specifically focused on the information needs of existing and potential stakeholders.

Outcome of Materiality Assessment Process

Pursuant to the materiality assessment process and in accordance with the transition reliefs adopted, IGB has identified climate risk as the Group's SROs.

IGB's materiality assessment follows a 4-step process:

01 ASSESS	› Assess the relevance of our material matters in the current operating environment. › Consider a wide range of internal and external sources, including global and local trends, industry peers and benchmarks to identify IGB's sustainability-related risks and opportunities.
02 ENGAGE	› Engage our senior internal stakeholders to better understand their perspectives. › Use their domain expertise and extensive industry experience to garner valuable insights into the needs and preferences of external stakeholders.
03 PRIORTISE	› Collate and analyse the results from our stakeholder engagement. › Carefully determine the relative importance and significance of each sustainability matter by taking into consideration their sustainability impacts and influence on stakeholder assessments and decisions.
04 ENDORSE	› Present the results of the materiality assessment process to the Board for endorsement.

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7. OVERALL SUSTAINABILITY GOVERNANCE

IGB's Board of Directors ("Board") oversees of the approach to sustainability issues, and it is supported by the Investment & RIsk Committee ("IRC"), Group CEO ("GCEO") and Deputy Group CEO ("DGCEO"). An overview of IGB's sustainability governance structure is set out below:

1 Board	2 IRC, GCEO, and DGCEO	3 Group Strategy, Risk and Sustainability ("GSRS") and Sustainability Officer	4 Business Units
• Holds ultimate responsibility for oversight of IGB's sustainability matters. • Approves sustainability strategies, targets, and policies set. • Reviews and approves the results of the materiality assessments conducted. • Approves ISSB Sustainability Statement	• Reviews and recommends sustainability strategies, targets, and policies. • Reviews the results of the materiality assessments conducted as well as the sustainability statement before obtaining Board approval. • Oversees the management of IGB's material sustainability matters, including climate-related risks and opportunities. • Monitors the implementation of approved strategies and policies, as well as the performance against targets set.	• Develops sustainability strategies and policies to be recommended to the DGCEO, GCEO, IRC and Board. • Evaluates overall sustainability risks and opportunities. • Undertakes the materiality assessment process. • Consolidates the sustainability report and data for the DGCEO, GCEO, IRC and Board. • Coordinates with and provides support to Business Units in relation to the implementation of sustainability initiatives.	• Execution of sustainability actions and monitoring of performance against sustainability targets set. • Align operational procedures with IGB's sustainability strategies.

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

7.1 Board Oversight

Board	The Board holds ultimate responsibility for IGB's strategic approach to sustainability, including the oversight of IGB'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'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's business model, and the long-term strategy, including IGB's net zero transition. In its strategic decisions, such as major transactions, the Board assesses the effect that those transactions will have on IGB's sustainability-related risks and opportunities. To maintain IGB's necessary skills and competencies to oversee the Group's sustainability matters, the Board regularly updates itself with briefings and trainings on sustainability-related topics.
IRC, GCEO and DGCEO	The IRC led by the GCEO together with the DGCEO 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 IRC is supported by the GSRS team, which works closely with management to establish sustainability-related targets in line with IGB's overall strategy and risk management processes. It monitors IGB'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 IRC and the Board in line with IGB's internal budgeting and reporting schedules. To ensure that the IRC, GCEO and DGCEO have the necessary skills and competencies to review and recommend on IGB's sustainability matters, including sustainability-related risks and opportunities, they regularly stay informed through sustainability-related briefings and trainings.

ISSB SUSTAINABILITY STATEMENT
(continued)

7.2 Management's Role In Governance

GSRS, led by Sustainability Officer	GSRS, led by the Sustainability Officer ("SO"), supports the IRC, GCEO and DGCEO in the following: • Partner with Business Units to develop sustainability policies, evaluate risks and materiality, and provide support to execute targets. • Consolidate sustainability data and reports to provide clear, actionable insights to senior leadership, including the Board, IRC, GCEO, and DGCEO. Additionally, the SO updates the GDCEO, GCEO, IRC and Board on an annual basis on any potential financial effects of SRO's on IGB's consolidated financial statements that would provide material information, including targets and progress against non-financial metrics.

7.3 Impact Of Sustainability on Remuneration Policies

While the Group does not currently have explicit, non-financial performance indicators tied directly to its remuneration policies, a fundamental connection exists. The achievement of the Group'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.

7.4 Risk Management

The processes and policies followed by IGB to identify and assess SROs are set out in page 77. The risk assessment process incorporates both qualitative and quantitative factors, and it considers the nature, likelihood and magnitude of potential risks.

Once the SROs are identified, the Group follows a process to prioritise and monitor them. The IRC is responsible for identifying and managing the overall risks for the Group with the support of GSRS. Sustainability-related risks are integrated into the overall risk management framework of the Group, which is overseen by the IRC. The IRC also reports to the Board.

The sustainability-related risks identified in the materiality assessment are combined with risks arising from other risk assessments within the Group. 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 together with the IRC to ensure the prioritisation of the identified sustainability opportunities alongside other opportunities identified by the Business Units.

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 DGCEO, GCEO, IRC and Board quarterly basis or when significant changes occur.

8. CLIMATE-RELATED RISKS AND OPPORTUNITIES

8.1 Identifying IGB's Climate-Related Risks and Opportunities

To provide a transparent view of our operating landscape, IGB 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 the Group's core businesses:

■ **Key Locations**	The Group's core businesses are primarily located within **Malaysia**.
■ **Regulations**	Regulatory requirements that are imposed on the Group are mainly local as the Group operates in the real estate industry.
■ **Key resources**	The Group 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 the Group's operations;
■ **Key customers**	The Group's key customers include tenants, mall visitors, hotel guests and property buyers.

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

- existing risk management processes within the Group, 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**
  - » **Hotels and Lodging; and**
  - » **Home Builders.**
- climate-related risks and opportunities identified by entities that operate within the same industries as the Group; and
- climate-related risks and opportunities identified by certain external stakeholders (including lenders and analysts), if any.

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(continued)

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

- **the likelihood of the event occurring; and**
- **the magnitude of the impact on the Group's financial prospects if the event did occur.**

For risks and opportunities that relate to uncertain future events, the Group 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 the Group'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 opportunities identified, the Group 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 sustainability-related risks and opportunities will be reassessed at each reporting date.

The climate-related risks and opportunities outlined below are ranked according to their inherent materiality to IGB. These assessments represent our baseline exposure, reflecting the potential impact on operations before any mitigation measures are factored in.

RISK	
Physical Risk Chronic Heat Stress	Long-term GHG emission trends point toward a permanent escalation of mean temperatures rather than temporary heat events. This structural climate shift is especially relevant to IGB's tropical, urban-concentrated portfolio.
Transition Risk Regulatory and Market Pressure for Decarbonisation	As the global economy shifts toward low-carbon operations to combat climate change, both the legal framework and stakeholder expectations are set to undergo significant changes. In Malaysia, this evolution is driven by stricter national standards, such as the Energy Efficiency and Conservation Act 2024 ("EECA") and the introduction of a carbon tax, alongside the global sustainability requirements of MNC tenants. Additionally, a shift in consumer behaviour is anticipated, with increasing demand for retail, commercial and hospitality assets that prioritise environmental responsibility and offer healthy, sustainable environments.

IGB recognises these risks as two sides of the same coin, sharing a fundamental link to our operational performance. Rising ambient temperatures necessitate higher energy loads for climate control, which directly intensifies our exposure to evolving energy regulations and carbon-pricing mechanisms. This intersection presents a dual challenge: the potential for escalating operating overheads and a shift in market preference toward high-performance, sustainable workspaces. To ensure our portfolio remains resilient and attractive to premier corporate occupiers, we have fully integrated our disclosures and mitigation strategies for these interdependent risks.

8.2 Effects on Business Model And Value Chain

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

RISK	Value Chain Impact
Physical Risk Chronic Heat Stress	**Own Operations:** Rising baseline temperatures present a physical risk across our property portfolio. To maintain optimal indoor climates, our HVAC systems face sustained increases in cooling loads. This continuous strain leads to higher operational energy costs, accelerated equipment wear and depreciation, and increased maintenance requirements for our building infrastructure. **Downstream:** This climate risk extends to our partners who rely on our centralised cooling infrastructure. Heightened cooling demand during extreme heat events necessitates prolonged peak-load operation of our central plants, which can negatively affect system-wide energy efficiency.
Transition Risk Regulatory and Market Pressure for Decarbonisation	**Upstream:** Anticipated regulatory shifts, including the carbon tax announced in Malaysia's Budget 2026, are expected to impact our primary energy provider. These costs may be reflected in future electricity tariff adjustments. Furthermore, the embedded carbon in essential construction materials like steel and cement may lead to higher procurement costs for property development, asset enhancements, space reconfigurations. **Own Operations:** The introduction of the EECA has heightened our compliance obligations across our managed assets. Meeting these evolving energy intensity targets necessitates strategic capital expenditure in retrofitting and energy efficiency measures to mitigate potential increases in operational costs and avoid regulatory penalties. **Downstream:** Our commercial portfolio serves globally recognised multinational corporations with sophisticated sustainability mandates. We collaborate closely with these tenants to achieve stringent green building certifications and meet shared energy performance standards. Concurrently, we are experiencing a growing preference among mall visitors, hotel guests, and residential buyers for properties that demonstrate clear environmental stewardship.

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8.3 Effects on Strategy And Decision Making

To address climate-related risks, we have implemented a strategic framework centered on building resilience and minimising our environmental footprint. Our robust financial standing ensures we are well-equipped to navigate these transitions across short, medium, and long term horizons.

By leveraging operational cash flows to fund energy-saving technologies and renewable energy initiatives, we demonstrate a firm commitment to embedding sustainability directly into our core financial model. To further strengthen our portfolio, we are prioritising the following mitigating actions:

- **Investing in energy efficient equipment:** Recognising that cooling represents a significant portion of our energy usage, management takes a proactive approach to optimising system performance. While we maintain high levels of efficiency through regular maintenance, we also actively evaluate upgrades to leverage technological innovations that substantially improve operations.
- **Investing in renewable energy sources:** Alongside efforts to decarbonise through efficiency, our properties are integrating on-site renewables, specifically via rooftop solar installations. Following the successful implementation for The Gardens South Tower & The Gardens North Tower, management is planning for the expansion of the solar energy project for Menara IGB, Centrepoint South & Centrepoint North subject to the rooftop optimisation feasibility study. Management has also planned for an initial foray into solar energy for our retail malls on MVS Mall's car park rooftops to generate energy for internal use.

Additionally, IGB has adopted a Net Zero plan in alignment with the nation's commitment towards achieving net-zero GHG emissions by 2050.

8.4 Overall Decarbonisation Targets And Net Zero Strategy & Pathway

IGB 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. In 2024, the Board had committed to the following target for GHG emission reduction:

- **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.

The 2050 Net Zero Strategy & Pathway adopted outlines targets for net zero emissions in IGB'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 acknowledges that it will need to work closely with its value chain. IGB 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:

	Short Term (By 2030)	Long Term (2030 - 2050)
Pillar 1: Optimising Building Energy Performance	■ All existing owned and operated buildings targeted to be green certified (based on economic viability). ■ All new buildings to be built under the own & operate model to be green certified.	■ All owned and operated buildings under non-core businesses targeted to be green certified (based on economic viability). ■ New acquisitions to either be green certified on acquisition or 3 years from acquisition date.
Pillar 2: Shift to Emissions-Free Electricity	■ On-site roof top solar panels.	■ Off-site solar energy (based on economic viability), Green tariffs, Renewable Energy Certificates ("RECs").
Pillar 3: Partnership in Value Chain		■ 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.

8.5 Internal Carbon Pricing

At present, IGB 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.

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8.6 Financial Effects

(a) Current financial effects

As part of IGB's ongoing efforts to enhance environmental performance, we invested a total of RM25.1 million during the year in energy efficiency upgrades, renewable energy integration, and infrastructure refurbishment across our portfolio. These expenditures have been capitalised as part of the property values within our financial statements.

Key initiatives by asset class include:

Retail Division

- Replacing chillers and AHUs to improve the energy efficiency of cooling equipment within TGM and MVM.
- Advancing an ongoing building automation and optimisation project in TGM to further enhance operational efficiency.

Commercial Division

- Upgrading the building automation system at Menara Tan & Tan as part of a continuous optimisation initiative.
- Installing rooftop solar panels at The Gardens South Tower and The Gardens North Tower to integrate renewable energy into our operations.

Hotel Division

- Upgrading guest room Fan Coil Units ("FCUs") to highly efficient Direct Current ("DC") models, installing a heat pump hot water system, and replacing rooftop signage with energy-efficient LED alternatives at St Giles Mid Valley.
- Installing high-efficiency Variable Refrigerant Volume ("VRV") cooling systems from the basement through to Level 5 at Cititel Express Kota Kinabalu.
- Implementing a new heat pump hot water system at MiCasa All Suite Hotel ("MASH").
- Rolling out LED lighting integrated with motion sensors across multiple hotel properties to reduce baseline energy consumption.

(b) Anticipated financial effects

Looking ahead, we have budgeted a total of RM22.4 million over the next 12 months for targeted asset enhancement initiatives across our portfolio. These anticipated expenditures are expected to be capitalised into the value of the respective properties.

Key initiatives by asset class include:

Retail Division

- Implementing chiller plant automation and optimisation at TGM.
- Installing a new solar panel system at MVS Mall to increase renewable energy generation.

Commercial Division

- Executing targeted upgrades across both the KL and MVC hubs, including the integration of dimmable lighting with motion sensors, high-efficiency water pumps, and water-efficient toilet fittings.
- Establishing a dedicated food composting and recycling centre.
- Expanding rooftop solar panel capacity.

Hotel Division

- Upgrading the building management systems, installing Variable Frequency Drives ("VFD") for the chiller systems, and implementing a VRV monitoring system at St Giles Wembley and Cititel Express Penang.
- Installing a dedicated building monitoring system for the chiller plant room at MASH to optimise cooling efficiency

Once implemented, these projects are anticipated to deliver operational cost savings that will improve IGB's financial performance over the medium to long term. However, the ability to precisely quantify these financial impacts is subject to inherent limitations, arising primarily from data availability constraints, the uncertainty of future climate scenarios, and the evolving nature of sustainability and climate-related disclosures. Consequently, our financial estimations are applied using reasonable and supportable assumptions, based on the information available to IGB 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 there are no immediate climate-related indicators or acute weather vulnerabilities expected to impair asset values or disrupt operations to an extent that necessitates short-term financial adjustments.

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8.7 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'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's current strategies are designed to address high levels of climate-related physical risks, IGB'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 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 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.

Scenario 1: **RCP 8.5** (High physical risk)	This scenario 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. Under this scenario, IGB's financial performance is expected to be impacted by higher utility costs, as our properties must increase cooling loads to combat consistently higher ambient temperatures.
Scenario 2: **RCP 2.6** (High transition risk)	This scenario 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 commercial, retail, hospitality and real estate landscape, making our focus on energy efficiency, green infrastructure, and strategic agility essential. Under this scenario, IGB's financial performance is expected to be impacted by carbon taxation costs, whether passed down through tariff hikes from our main energy providers or imposed directly by regulators.

The outcomes of our scenario analysis indicate minimal direct financial exposure to both transition and physical risks at present. Nevertheless, we recognise the need for continuous refinement of our climate risk assessment methodologies. We are committed to enhancing our approach to quantifying these financial impacts as greater regulatory guidance and more granular climate data become available.

8.8 Significant Areas Of Uncertainty

The significant areas of uncertainty considered in IGB'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_2e 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 assets:

The pace at which stakeholders transition towards preferring low-carbon and environmentally resilient spaces remains a key variable in our long-term strategic modelling. This uncertainty presents differently across our operating divisions.

- **Commercial Offices:** The market is experiencing a decisive shift in demand for green-certified office buildings. Whilst the speed of this transition across the broader tenant base is variable, we have moved proactively to address the trend. Our commercial portfolio is now 100% green-certified, ensuring we are well positioned to meet the stringent mandates of premium tenants and protect our long-term occupancy levels.
- **Retail Malls:** The retail sector is in the early stages of awareness regarding environmental responsibility at shopping destinations. Whilst our malls have begun communicating our sustainability initiatives to the public, there is limited certainty regarding exactly when and how the broader customer mindset will shift. The speed at which shoppers and retail tenants begin prioritising low-carbon destinations remains a variable factor within our assessed scenarios.

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- **Hospitality:** Market sentiment within the hotel industry is undergoing a gradual transition towards environmental responsibility. While we have initiated proactive engagement with our guests regarding our sustainability efforts, the precise trajectory of this behavioural shift remains uncertain. The pace at which tourists and corporate travellers prioritise low-carbon destinations continues to be a key variable in our strategic planning.

8.9 Capacity To Adjust Or Adapt Strategy And Business Model

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

Financial resources and flexibility:

IGB maintains a strong financial position with access to additional financing through committed credit facilities should our response to climate-related risks need to accelerate. This flexibility ensures that we can fund sustainability-led upgrades without compromising our operational stability. More details on the Group's financial risk management can be found in **Note 3** of the financial statements.

Redeploying, repurposing, and upgrading assets:

As part of IGB's innovation initiatives to determine the most efficient and sustainable way to manage its properties, IGB is assessing whether any assets might become obsolete due to technological enhancement of the equipment used. As at the year end, no assets have been identified as obsolete or requiring immediate replacement. Over the longer term, IGB will evaluate and may potentially upgrade or replace outdated assets that no longer support IGB's strategy.

Investment in climate-related mitigation, adaptation, and opportunities:

IGB'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 certification for our remaining uncertified buildings 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.

8.10 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:

(a) Summary of gross GHG emissions

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

Metric tonnes of CO_2 equivalent ($MTCO_2e$)		2025
Scope 1 GHG emissions		5,151
Scope 2 GHG emissions		136,965
Scope 3 GHG emissions	Category 1 Purchased goods and services	4,356
	Category 2 Capital goods	11,032
	Category 5 Waste generated in operations	14,076
	Category 6 Business travel	60
	Category 7 Employee commuting	2,551
	Category 11 Use of Sold Products	13,482
	Category 13 Downstream leased assets	90,563
	Others	2,674

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(b) Methodology, inputs, and assumptions

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

IGB calculates its Scope 2 GHG emissions under 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 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.

(c) Activity data

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

Scope 1 GHG emissions:	Scope 2 GHG emissions:	Scope 3 GHG emissions:
Quantities of fuel, gases or materials consumed based on invoices received from IGB's suppliers or specific measurement meters (such as fuel tank meters) where available or more appropriate.	Quantities of purchased electricity consumed based on invoices received from IGB's utility providers where available.	IGB prioritises the use of supplier-specific data where available with sufficient quality.

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

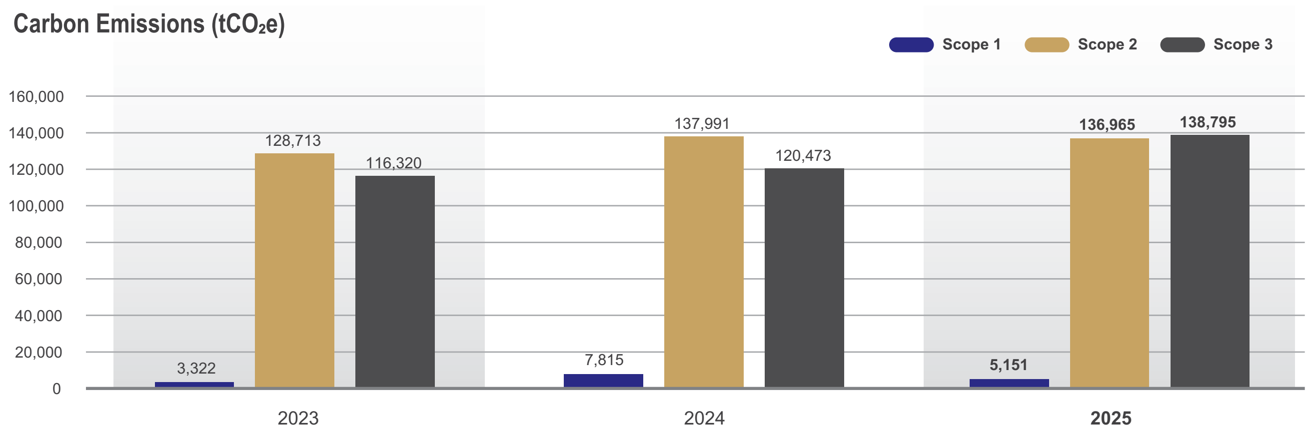
(d) Emission factors

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 GHG 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.

(e) Metrics and targets



IGB's total Scope 1 and Scope 2 GHG emissions has decreased year-on-year (2025 versus 2024: 2.5%) mainly driven by the completion of highly energy-efficient chiller installation for MVM which contributed to significant reduction in cooling energy use for the mall, optimised refrigerant management and reduced replenishments for our cooling plants of our commercial properties.

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8.11 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 (Real Estate, Hotels & Lodging and Home Builders).

Metrics from IFRS S2 Industry-based guidance (SASB Standards) (Real Estate, Hotels & Lodging)

Metrics (Real Estate, Hotels & Lodging)	2025		
	Retail	Commercial	Hotel
Energy Management			
Note: Energy consumption data covering the common areas of all multi-tenanted properties			
1. Energy consumption data coverage as a percentage (%) of total floor area, by property sector	100%	100%	100%
(a) total energy consumed in Gigajoules (GJ) by portfolio area with data coverage	308,989	142,613	134,390
(b) percentage (%) grid electricity and	100%	99.97%	100%
(c) percentage (%) renewable, by property sector	0%	0.03%	0%
2. Like-for-like percentage (%) change in energy consumption for the portfolio area with data coverage, by property sector **(2025 vs 2024)**	3.4%	4.9%	0.5%
Water Management			
Note: Water withdrawal data covering the common areas of all multi-tenanted properties			
1. Water withdrawal data coverage as a percentage (%) of (a) total floor area	100%	100%	100%
(b) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	No properties are situated in High or Extremely High Baseline Water Stress regions		
(c) total water withdrawn by portfolio area with data coverage in Thousand cubic metres ('000 m³), and	898	406	498
(d) percentage (%) in regions with High or Extremely High Baseline Water Stress, by property sector	No properties are situated in High or Extremely High Baseline Water Stress regions		
2. Like-for-like percentage (%) change in water withdrawn for portfolio area with data coverage, by property sector **(2025 vs 2024)**	6.6%	7.0%	1.2%
Management of Tenant Sustainability Impacts			
Percentage (%) of tenants that are separately metered or submetered by floor area for			
1. grid electricity consumption and	100%	100%	
2. water withdrawals in percentage (%) by floor area , by property sector	100%	100%	

ISSB SUSTAINABILITY STATEMENT
(continued)

Metrics from IFRS S2 Industry-based guidance (SASB Standards) (Real Estate, Hotels & Lodging)

Metrics (Real Estate, Hotels & Lodging)	2025		
	Retail	Commercial	Hotel
Climate Change Adaptation			
Area of properties located in 100-year flood zones, by property sector in Square metres (m²)	The Company has no properties in its portfolio located in 100-year flood zones		

Metrics from IFRS S2 Industry-based guidance (SASB Standards) (Home Builders)

Metrics (Home Builders)	2025
	Property Development
Land Use & Ecological Impacts	
1. Number of **(a)** lots and **(b)** homes delivered on redevelopment sites	Nil
2. Number of **(a)** lots and **(b)** homes delivered in regions with High or Extremely High Baseline Water Stress	Nil
3. Total amount (MYR) of monetary losses as a result of legal proceedings associated with environmental regulations	Nil
Design for Resource Efficiency	
1. Number of homes that obtained a certified residential energy efficiency rating	172, GreenRE Bronze
2. Average rating	N/A
3. Percentage (%) of installed water fixtures certified to a water efficiency standard	75%
4. Number of homes delivered certified to a third-party multi-attribute green building standard	56, GreenRE Bronze
Climate Change Adaptation	
Number of lots located in 100-year flood zones	The Company has no properties in its portfolio located in 100-year flood zones

ISSB SUSTAINABILITY STATEMENT
(continued)

Activity Metrics **(Real Estate)**	unit of measurement	2025	
		Retail	**Commercial**
1. Number of assets, by property sector	Number	3	12
2. Leasable floor area, by property sector	Square metres (m²)	388,802	389,314
3. Percentage of indirectly managed assets, by property sector	Percentage (%) by floor area	0%	0%
4. Average occupancy rate, by property sector	Percentage (%)	99.6%	83.5%

Activity Metrics **(Hotels & Lodging)**		
		Hotels
1. Number of available room-nights	Number	1,396,125
2. Average occupancy rate	Percentage (%)	63.1%
3. Total area of lodging facilities	Square metres (m²)	254,096

Activity Metrics **(Home Builders)**		
		Property Development
1. Number of controlled lots	Number	144
2. Number of homes delivered	Number	58
3. Number of active selling communities	Number	1

ISSB SUSTAINABILITY STATEMENT
(continued)

9. PRESCRIBED TABLE

IGB Berhad
IFRS S2

Date & Time: 2026-04-29_10:28:09
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate Change	Scope 1 GHG Emissions	tCO2e	5,151	2030: 12.5% of Scope 1 + Scope 2 from 2023 baseline	Internal
Climate Change	Scope 2 GHG Emissions	tCO2e	136,965	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	4,356	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 2 Capital goods	tCO2e	11,032	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 5 Waste generated in operations	tCO2e	14,076	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 6 Business travel	tCO2e	60	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 7 Employee commuting	tCO2e	2,551	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 11 Use of Sold Products	tCO2e	13,482	—	No assurance
Climate Change	Scope 3 GHG Emissions : Category 13 Downstream leased assets	tCO2e	90,563	—	No assurance
Climate Change	Scope 3 GHG Emissions : Others	tCO2e	2,674	—	No assurance
Climate Change	Energy Management : Energy consumption data coverage as a percentage of total floor area, by property sector	Percentage (%) by floor area	Retail: 100% Commercial: 100% Hotels: 100%	—	Internal

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ISSB SUSTAINABILITY STATEMENT
(continued)

IGB Berhad
IFRS S2

Date & Time: 2026-04-29_10:28:09

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
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 (%)	Retail: 1) 308,989 GJ, 2) 100%, 3) 0% Commercial: 1) 142,613 GJ 2) 99.97% 3) 0.03% Hotels: 1) 134,390 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 Retail: 3.4% Commercial: 4.9% Hotels: 0.5%	—	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

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ISSB SUSTAINABILITY STATEMENT
(continued)

IGB Berhad
IFRS S2

Date & Time: 2026-04-29_10:28:09
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	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	Retail: 1) 100% 2) No properties are situated in High or Extremely High Baseline Water Stress regions. Commercial: 1) 100% 2) No properties are situated in High or Extremely High Baseline Water Stress regions. Hotels: 1) 100% 2) No properties are situated in High or Extremely High Baseline Water Stress regions.	—	Internal
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 (m³), Percentage (%)	Retail: 1) 897,742 m3 2) No properties are situated in High or Extremely High Baseline Water Stress regions. Commercial: 1) 405,855m3 2) No properties are situated in High or Extremely High Baseline Water Stress regions. Hotels: 1) 498,275m3 2) No properties are situated in High or Extremely High Baseline Water Stress regions.	—	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 Retail: 6.6% Commercial: 7.0% Hotels: 1.2%	—	Internal

ISSB SUSTAINABILITY STATEMENT
(continued)

IGB Berhad
IFRS S2

Date & Time: 2026-04-29 10:28:09
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
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 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	Retail: 1) 100% 2) 100% Commercial: 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^2)	The Company has no properties in its portfolio located in 100-year flood zones.	—	Internal

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-29 10:28:09

ISSB SUSTAINABILITY STATEMENT
(continued)

IGB Berhad
IFRS S2

Date & Time: 2026-04-29_10:28:09

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	IGB Berhad uses a data-driven framework to track EUI and waste diversion as well as providing composting facilities in our effort to advance circular economy goals. As a strategic facilitator, we provide technical support to help tenants secure green certifications, optimising their initiatives within our high-efficiency environment. With a 100% green certified commercial portfolio, our infrastructure inherently reduces the carbon footprint and operational impact of every tenant's business.	—	No assurance
Climate Change	Land Use & Ecological Impacts: Number of (1) lots and (2) homes delivered on redevelopment sites	Number	Nil	—	Internal
Climate Change	Land Use & Ecological Impacts: Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress	Number	Nil	—	Internal
Climate Change	Land Use & Ecological Impacts: Total amount of monetary losses as a result of legal proceedings associated with environmental regulations	Presentation currency	Nil	—	Internal

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ISSB SUSTAINABILITY STATEMENT
(continued)

IGB Berhad
IFRS S2

Date & Time: 2026-04-29_10:28:09
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate Change	Land Use & Ecological Impacts: Discussion of process to integrate environmental considerations into site selection, site design and site development and construction	Narratives	We prioritise sustainability by using the Environmental Impact Assessment framework for site selection and design. By identifying ecological risks early, we integrate green buffers and mitigation measures into our master plans to minimise habitat loss. During construction, we strictly follow Environmental Management Plans and regulatory approvals, using robust pollution controls to manage land-disturbing activities and protect local biodiversity and the natural landscape.	—	No assurance
Climate Change	Design for Resource Efficiency: (1) Number of homes that obtained a certified residential energy efficiency rating and (2) average rating	Number, Rating	1) 172, GreenRE Bronze 2) N/A	—	Internal
Climate Change	Design for Resource Efficiency: Percentage of installed water fixtures certified to a water efficiency standard	Percentage (%)	75%	—	Internal
Climate Change	Design for Resource Efficiency: Number of homes delivered certified to a third-party multi-attribute green building standard	Number	56, GreenRE Bronze	—	Internal

ISSB SUSTAINABILITY STATEMENT
(continued)

IGB Berhad
IFRS S2

Date & Time: 2026-04-29_10:28:09
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate Change	Design for Resource Efficiency: Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	Narratives	Risks associated with resource-efficient design are not considered significant as our adherence to established green certifications ensures technical feasibility and robust cost management. This approach presents a strategic opportunity to future-proof assets against rising utility prices and regulatory shifts. We bridge the gap in market awareness by communicating tangible benefits to customers, such as reduced bills and enhanced comfort, ensuring our developments remain a high-value choice.	—	No assurance
Climate Change	Climate Change Adaptation : Number of lots located in 100-year flood zones	Number	The Company has no properties in its portfolio located in 100-year flood zones.	—	Internal
Climate Change	Climate Change Adaptation : Description of climate change risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Narratives	IGB Berhad has evaluated its climate change risk exposure and none of the properties in its portfolio are located within 100-year flood zones.	—	No assurance

ISSB SUSTAINABILITY STATEMENT
(continued)

Statement of Assurance on the ISSB Sustainability Statement to the Board of Directors ("Board") of IGB Berhad

The Audit Committee of IGB Berhad ("IGB") requested Group Internal Audit to provide a limited assurance review of the ISSB Sustainability Statement 2025 published in its Annual Report for the financial year ended 31 December 2025.

Scope of Work

The internal review was limited to the data associated with sustainability metrics disclosed in SS2025. It did not extend to historical comparison, forward-looking statements, or information outside this reporting period. The review 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 alignment 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 entities, assets, and operations within the Reporting Boundary defined in SS2025.

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 that projected outcomes will occur.
- ***External Data*** – Reliance is placed 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, but actual financial impacts may differ.
- ***Financial Data Verification*** – The review covered the FY 2025 Sustainability Statement and sustainability-related financial disclosures are not reconciled with IGB Berhad's financial records. All financial data is as represented by Management.

Sustainability Metrics Reviewed

The internal assurance review covered the following Material Matters and Industry-based metrics:

Material Matters	Metrics
Climate Change	Total energy consumption
	Scope 1 emission in tonnes of tCO_2e
	Scope 2 emission in tonnes of tCO_2e
Water Management	Total volume of water used

Industry-based: Real Estate, Hotel & Lodging	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 tenants' 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 floor zones by property sector
Activity metrics: Real estate	Number of assets, by property sector
	Leasable floor area, by property sector
	Percentage of indirectly managed assets, by property sector
	Average occupancy rate, by property sector

ISSB SUSTAINABILITY STATEMENT
(continued)

Industry-based: Real Estate, Hotel & Lodging	Metrics
Activity metrics: Hotel & lodging	Number of available room-nights
	Average occupancy rate
	Total are of lodging facilities

Industry-based: Home Builders	Metrics
Land use & ecological impacts	Number of lots and homes delivered on redevelopment sites
	Number of lots and homes delivered in regions with high or extremely high baseline water stress
	Total amount of monetary losses as a result of legal proceedings associated with environmental regulations
Design for resource efficiency	Number of homes that obtained a certified residential energy efficiency rating and average rating
	Percentage of installed water fixtures certified to a water efficiency standard
	Number of homes delivered certified to a third-party multi-attribute green building standard
Climate change adaptation	Number of lots located in 100-year flood zones
Activity metrics	Number of controlled lots
	Number of homes delivered
	Number of active selling communities

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 Berhad's relevant policies and procedures
- Bursa Malaysia Main Listing Requirements
- National Sustainability Reporting Framework

Procedures Performed

Our procedures were designed to obtain limited assurance and included:

- Understanding IGB Berhad's sustainability processes and governance
- Interviews with key personnel and review of reporting processes
- Analytical procedures and sample-based testing of data for sustainability metrics
- Verification of calculation methodologies and assumptions
- Recalculation of selected sustainability 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 sustainability-related metrics 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 disclosures required in the Sustainability Statement. We will not accept any liability or responsibility to any other party to whom our report is shown.

Group Internal Audit

IGB Berhad

22 April 2026

PROFILE **OF DIRECTORS**

TAN LEI CHENG

(Malaysian, female, age 68)

Chairman/Non-Independent Non-Executive Director

Date of Appointment	20 September 2000
Board Committee(s)	Investment and Risk Committee (Member)
Profile Summary	Tan Lei Cheng has more than 40 years of experience in the property industry and corporate sector. She was Chief Executive Officer ("CEO") of Tan & Tan Developments Berhad ("TTDB"), a property development company listed on Bursa Malaysia Securities Berhad ("Bursa Securities"), from March 1995. Following the completion of the merger between IGB Corporation Berhad ("IGBC") and TTDB on 8 May 2002, she assumed the role of Executive Chairman and CEO of Goldis Berhad ("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 is also a director of IGB REIT Management Sdn Bhd, the management company for IGB Real Estate Investment Trust ("IGB REIT") and IGB Commercial Real Estate Investment Trust ("IGB Commercial REIT"), both listed on the Main Market of Bursa Securities. 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.
Other Directorships	Listed Issuer IGB REIT Management Sdn Bhd (Manager of IGB REIT and IGB Commercial REIT) Public Company Dato' Tan Chin Nam Foundation

TAN BOON LEE

(Malaysian, male, age 62)

Executive Director/ Group Chief Executive Officer

Date of Appointment	29 August 2022
Board Committee(s)	Nil
Profile Summary	Tan Boon Lee was appointed as Group Chief Executive Officer ("GCEO") of IGB on 1 January 2023. He previously served as Deputy GCEO from 1 June 2018 to 31 December 2022. Prior to that, he was an Executive Director of IGB Corporation Berhad, which was privatised and delisted on 16 March 2018 by IGB (then known as Goldis Berhad). He also served as the Chief Executive Officer of Tan & Tan Developments Berhad, the property arm of IGB Corporation Berhad, from 2008 to 2019, and was a member of the board of IGB REIT Management Sdn Bhd from 2020 to 2023. With over 3 decades of experience in property development and hospitality industries, Tan Boon Lee has provided extensive management and technical expertise to various hotel and hospitality projects across Malaysia and Asia. Notably, he served as the President of the Malaysian Association of Hotel Owners from 2002 to 2004. Tan Boon Lee holds a Bachelor of Economics from Monash University, Australia, and a Master of Business Administration from Cranfield School of Management, United Kingdom.
Other Directorships	Listed Issuer Nil Public Companies IGB Corporation Berhad Dato' Tan Chin Nam Foundation

PROFILE OF DIRECTORS
(continued)

TAN MEI SIAN

(Malaysian, female, age 42)

Alternate Director to Tan Lei Cheng/ Deputy Group Chief Executive Officer

Date of Appointment	7 December 2020
Board Committee(s)	Nil
Profile Summary	Tan Mei Sian was appointed Deputy Group Chief Executive Officer on 1 January 2023. She currently chairs the Executive Committee for the Group's Investment division. Before that, she was the Head of Group Strategy & Risk until 31 December 2022. Prior to that, she served as Executive Director of Goldis Berhad (renamed IGB Berhad on 20 March 2018) from 18 May 2016 to 30 August 2018. Tan Mei Sian is an Executive Director of IGB REIT Management Sdn Bhd. Her previous leadership roles include Head of Investment (until 31 December 2025) and Head of Strategy & Risk (until 1 May 2024). Earlier in her career, she was an Engagement Manager at Oliver Wyman, specialising in strategy and risk management consulting for financial services. She has worked with major financial institutions across the United States, the United Kingdom, the Netherlands, China, Taiwan, Hong Kong, Singapore, Malaysia, Thailand, and Australia. Tan Mei Sian holds a Bachelor of Science degree in Economics from the London School of Economics and Political Science.
Other Directorships	Listed Issuer IGB REIT Management Sdn Bhd Public Companies Tan & Tan Developments Berhad IGB REIT MVS Capital Berhad

DATO' SERI ROBERT TAN CHUNG MENG

(Malaysian, male, age 73)

Non-Independent Non-Executive Director

Date of Appointment	8 December 2014 (redesignated as Non-Independent Non-Executive Director on 1 January 2023)
Board Committee(s)	Investment and Risk Committee (Chairperson)
Profile Summary	Dato' Seri Robert Tan has held various leadership roles during his 27 years in the IGB Group. He became Group Chief Executive Officer on 30 March 2018. He previously served as Joint Managing Director ("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 until it was delisted and privatised by IGB on 16 March 2018. Dato' Seri Robert Tan served as the MD of IGB REIT Management Sdn Bhd from March 2012 until December 2022. He was redesignated as a NINED on 1 January 2023, became Non-Independent Non-Executive Chairman on 1 January 2024, and assumed the role of Non-Independent Executive Chairman on 19 March 2025. 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, he spent a year with a chartered surveyor's 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, The Gardens Mall and The Mall, Mid Valley Southkey, he was involved at every stage, playing a vital role in their success. 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.
Other Directorships	Listed Issuers IGB REIT Management Sdn Bhd Wasco Berhad Public Company IGB Corporation Berhad

PROFILE OF DIRECTORS
(continued)

LEE CHAING HUAT

(Malaysian, male, age 72)

Senior Independent Non-Executive Director

Date of Appointment	8 December 2014 (redesignated as Senior Independent Non-Executive Director on 30 August 2018)
Board Committee(s)	Audit Committee (Chairperson) Nomination Committee (Member) Remuneration Committee (Member)
Profile Summary	Lee Chaing Huat embarked on his professional journey in 1971 as an auditor with Messrs. Hanafiah Raslan & Mohamad/Touche Ross, Malaysia, thereafter transitioning to the financial sector in 1980. With extensive banking expertise, he has held pivotal roles in prominent institutions such as The Chase Manhattan Bank (now JPMorgan Chase Bank), Kwong Yik Bank Berhad (now RHB Bank Berhad, following its merger with DCB Bank Berhad in 1997). In 2004, he joined Hong Leong Credit Berhad as Group Chief Financial Officer, subsequently transitioning to Hong Leong Bank Berhad as Chief Operating Officer and Head of the Business Banking Division. In December 2005, he established his own private management consulting firm. Lee Chaing Huat is a Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom, and a member of the Malaysian Institute of Accountants (MIA).
Other Directorships	Listed Issuer Nil Public Company Nil

DATO' DR. ZAHA RINA BINTI ZAHARI

(Malaysian, female, age 64)

Independent Non-Executive Director

Date of Appointment	1 June 2018
Board Committee(s)	Nomination Committee (Chairperson) Audit Committee (Member) Remuneration Committee (Member)
Profile Summary	Dato' Dr. Zaha Rina has over 30 years of extensive experience in the financial, commodities, and securities industries, with a particular focus on the development of the Malaysian capital market. Her expertise includes managing a futures broking company and demonstrating proficiency in global financial markets, encompassing both conventional and Islamic finance. She also possesses specialised knowledge in mergers and acquisitions within the insurance and Takaful sectors. Dato' Dr. Zaha Rina serves as an independent board member for various financial institutions and is licensed by the Securities Commission Malaysia to provide corporate advisory services. She is also a member of the Appeals Committee of Bursa Malaysia Berhad. Her career includes key positions such as Consultant to Financial Technologies Middle East in Bahrain, which she oversaw the establishment of the Bahrain Financial Exchange (launched in 2009), a role at Royal Bank of Scotland Coutts in Singapore (2007-2008), and as Chief Executive Officer of RHB Securities Sdn Bhd (2004-2006). Previously, as Head of Exchanges (2003-2004), she managed the operations of financial entities, including the Kuala Lumpur Stock Exchange ("KLSE"), the Malaysian Exchange of Securities Dealing and Automated Quotation, the Malaysia Derivatives Exchange, and the Labuan International Financial Exchange, leading them through the KLSE's demutualisation and renaming as Bursa Malaysia Berhad in 2004. Dato' Dr. Zaha Rina holds a Bachelor of Arts (Honours) degree in Accounting and Finance from Leeds Metropolitan University, United Kingdom, and a Master's in Business Administration and a Doctorate in Business Administration from the University of Hull, United Kingdom, where her doctoral research focused on capital markets, specialising in derivatives.
Other Directorships	Listed Issuers Hibiscus Petroleum Berhad Keck Seng (Malaysia) Berhad Pacific & Orient Berhad Public Companies Manulife Investment Management (M) Berhad Mizuho Bank (Malaysia) Berhad Pacific & Orient Insurance Co Berhad

PROFILE OF DIRECTORS
(continued)

DATO' LEE KOK KWAN

(Malaysian, male, age 60)

Independent Non-Executive Director

Date of Appointment	25 February 2022
Board Committee(s)	Remuneration Committee (Chairperson) Audit Committee (Member) Nomination Committee (Member)
Profile Summary	Dato' Lee was the Deputy Chief Executive Officer of CIMB Group prior to his appointment to the boards of CIMB Group Holdings Berhad and CIMB Bank Berhad. His areas of responsibility included Treasury and the Sales & Trading businesses of the CIMB Group across interest rates, credit, foreign exchange, bonds, equity, commodities, and their derivatives. He also oversaw investments, corporate and transaction banking, and debt capital markets— sectors he developed since joining CIMB in 1996, growing them into one of the largest financial markets operations in ASEAN. Prior to joining CIMB, Dato' Lee had more than eight years of market and banking experience in the Canadian banking industry. He was a Treasury Portfolio Manager responsible for interest rates and optionality risk and return for a leading Canadian bank and was a member of its Senior Asset-Liability Management Committee. Dato' Lee is the Chairperson of the Bond and Sukuk Information Platform (BIX Malaysia). He was a member of the Board of Trustees of the Capital Markets Development Fund (CMDF) (2017- 2024). He currently holds directorships in various other companies. Dato' Lee holds a Bachelor of Business of Administration (First Class Joint Honours in Economics) and a Master in Business Administration from Simon Fraser University, Canada.
Other Directorships	Listed Issuer CIMB Group Holdings Berhad Public Companies CIMB Bank Berhad CIMB Investment Bank Berhad Cagamas Holdings Berhad RAM Rating Services Berhad

PROFILE OF DIRECTORS
(continued)

DATO' WONG LEE YUN

(Malaysian, female, age 73)

Independent Non-Executive Director

Date of Appointment	1 January 2026
Board Committee(s)	Audit Committee (Member) Nomination Committee (Member) Remuneration Committee (Member)
Profile Summary	Dato' Wong possesses extensive experience in investment banking, project finance, and strategic planning, with a particular focus on large-scale investment ventures and strategic acquisitions. She began her career at Ernst & Young before moving into investment banking with Permata Chartered Merchant Bank and Standard Chartered Bank. She later led the investment banking division at Chase Manhattan Bank (now JPMorgan Chase Bank). Between 1991 and 1996, she served as Director of Finance and Strategy at the Renong Group, where she was a pioneer in introducing Islamic finance to infrastructure projects and developing innovative financing instruments. In her capacity as a director, she served as the Chief Executive of Jaya Tiasa Holdings Berhad ("Jaya Tiasa") from 1997 to 2000. Her previous board appointments include Sin Chew Media Corporation Bhd (2004–2008), the Kuala Lumpur Business Club (2008–2017), and Export-Import Bank of Malaysia Berhad ("EXIM"), where she served as an Independent Non-Executive Director ("INED") from July 2020 to July 2024. During her tenure at EXIM, she chaired the Audit, Nomination, and Remuneration Committees, and served on the Risk and Credit Committee. Currently, Dato' Wong is a Non-Independent Non-Executive Director of Jaya Tiasa, having been redesignated from her previous INED role (held since 2007) on 1 March 2023. She chairs the Remuneration Committee and serves as a member of the Audit Committee. On 6 February 2026, she was appointed as an INED of Carimin Petroleum Berhad, where she serves as the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committees. Dato' Wong is a Certified Public Accountant and a Life Member of the Malaysian Institute of Certified Public Accountants.
Other Directorships	Listed Issuers Carimin Petroleum Berhad Jaya Tiasa Holdings Berhad Public Company Nil

Other disclosures

- *Except for Tan Lei Cheng, Dato' Seri Robert Tan Chung Meng, Tan Boon Lee, and Tan Mei Sian, no Director has any family relationship with any other Director or major shareholder of IGB.*
- *Tan Lei Cheng, Dato' Seri Robert Tan Chung Meng, Tan Boon Lee, and Tan Mei Sian have deemed interests in recurrent related party transactions through their family companies' shareholdings in IGB. Details are provided in the Corporate Governance Overview Statement ("CGOS").*

  During the financial year ended 31 December 2025 ("FY25"), a conflict of interest was disclosed by Dato' Lee Kok Kwan, and the details are provided in the CGOS.

  Save as disclosed above, no other Directors have any actual or potential conflicts of interest with IGB or its subsidiaries.
- *No Director has been convicted of any offence within the past five years.*
- *No Director was subject to any public sanction or penalty by regulatory bodies during the FY25.*
- *Directors' attendance at Board and Board Committee meetings during FY25, as mentioned in the CGOS.*

PROFILE OF KEY MANAGEMENT

TAN BOON LEE

Group Chief Executive Officer

Academic/ Background/ Working Experience	Refer to the **Profile of Directors**.

TAN MEI SIAN

Deputy Group Chief Executive Officer

Academic/ Background/ Working Experience	Refer to the **Profile of Directors**.

KIONG WEI YANG

(Malaysian, male, age 35)

Chief Financial Officer

Academic/ Background/ Working Experience	Kiong Wei Yang was appointed as Chief Financial Officer on 1 January 2026. Prior to his redesignation, Wei Yang served as the Group Financial Controller, overseeing financial reporting, budgeting, and treasury management, while also participating in the Group's corporate exercises and financing activities. Wei Yang has nearly 15 years of extensive experience in financial management, corporate finance, and capital markets across both industry and professional services, with exposure to property development, investment, construction, and hospitality. Earlier in his career, he spent nearly a decade at PricewaterhouseCoopers PLT as a Senior Manager, leading engagements in capital markets transactions such as initial public offerings and mergers and acquisitions. Wei Yang holds a Master of Science in Accountancy and Finance from Birmingham City University and is a member of the Malaysian Institute of Accountants and the Association of Chartered Certified Accountants, United Kingdom.
Directorships in listed issuers and public companies	Nil

CHAI LAI SIM

(Malaysian, female, age 65)

Chief Executive Officer of IGB REIT Management Sdn Bhd (Manager of IGB REIT and IGB Commercial REIT)

Academic/ Background/ Working Experience	Chai Lai Sim was appointed Chief Executive Officer 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. She also holds directorships at IGB REIT Capital Sdn Bhd, IGB REIT MVS Capital Berhad, and IGBCR Capital Sdn Bhd, all of which are special purpose vehicles for IGB REIT and IGB Commercial REIT'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 PLT) and joined Tan & Tan Developments Berhad as Group Financial Controller in 1993. After Tan & Tan Developments Berhad 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 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 IGB Commercial REIT. She served as Chief Financial Officer of the REIT Manager from their respective listing dates—21 September 2012 for IGB REIT and 20 September 2021 for IGB Commercial REIT—until her retirement on 30 April 2024. Chai Lai Sim is a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants.
Directorships in listed issuers and public companies	IGB REIT MVS Capital Berhad (public company)

PROFILE OF KEY MANAGEMENT
(continued)

TAN YEE SENG

(Malaysian, male, age 46)

Chief Executive Officer of Tan & Tan Developments Berhad (Property Development Division)

Academic/ Background/ Working Experience	Tan Yee Seng was appointed Chief Executive Officer of Tan & Tan Developments Berhad on 1 January 2019. This appointment followed his successful tenure as Head of Property Development (2017-2018) and his earlier role as Senior General Manager of IGB Corporation Berhad (2010-2016). Yee Seng brings a unique technical perspective to property development. His experience includes being a key member of the pre-opening team for GTower - an award-winning integrated office, where he oversaw the coordination of base-building, fit-out and operations. Formerly a Design Architect with Ensignia Construction Sdn Bhd, he was instrumental in the architectural aesthetic of The Gardens Mall ("TGM"). In this capacity, he applied his architectural training to refine the facades and key elements of TGM and Mid Valley Megamall. His international experience includes serving as a Design Architect at Eric Kuhne Associates in London, where he contributed to several large-scale, mixed-use proposals. Yee Seng holds a professional Diploma of Architecture (Royal Institute of British Architects, Part 2) from the University of East London, United Kingdom.
Directorships in listed issuers and public companies	Tan & Tan Developments Berhad (public company)

JAMES LOO HOOI GUAN

(Malaysian, male, age 66)

Chief Executive Officer of Cititel Hotel Management Sdn Bhd ("CHM")

Academic/ Background/ Working Experience	James Loo was appointed Chief Executive Officer of CHM on 1 January 2020, marking a new phase of leadership in a career with the Group that began in 2000. Over the past two decades, he has been instrumental in expanding the Group's footprint, spearheading the successful launches of Cititel Mid Valley (Year 2000), St Giles Boulevard (Year 2005), MiCasa All Suite Hotel (Year 2010), and St Giles Southkey (Year 2022). With over 40 years of experience in the hospitality and tourism sector, James brings a wealth of global expertise to his role. His background includes 14 years with Shangri-La Hotels & Resorts and an extensive Sales and Marketing portfolios spanning East Asia, Europe, and North America. Prior to his current leadership at CHM, James served as Senior Vice President of Operations at Sutera Harbour Resort in Kota Kinabalu, Sabah. During this period, he also served as a member of the Sabah Tourism Board, where he played a key role in driving regional tourism initiatives. James is an alumnus of the Executive Programme in Hospitality Management, a collaborative certificate between Cornell University and the National University of Singapore.
Directorships in listed issuers and public companies	Nil

PROFILE OF KEY MANAGEMENT
(continued)

CHOW YENG KEET

(Malaysian, male, age 53)

Chief Financial Officer of IGB REIT Management Sdn Bhd

Academic/ Background/ Working Experience	Chow Yeng Keet was appointed as Chief Financial Officer of IGB REIT Management Sdn Bhd on 1 May 2024 and previously held the position of Head of Investment. He is a member of both the Retail-Risk Management and Sustainability Committee ("RMSC") of IGB REIT and the Commercial-RMSC of IGB Commercial REIT. 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 IGB Corporation Berhad ("IGBC") in 2004. He was appointed as Senior General Manager, Corporate Finance at IGBC on 1 January 2017. After IGB Berhad ("IGB") privatised IGBC on 16 March 2018, he continued in that role at IGB, was promoted to Deputy Group Chief Financial Officer on 1 January 2023, and then Group Chief Financial Officer on 1 May 2024. He resigned from the position of Group Chief Financial Officer on 31 December 2025, due to IGB's management restructuring. He also served as Director of Finance at Mid Valley City Sdn Bhd. 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 Malaysian Institute of Accountants.
Directorships in listed issuers and public companies	Nil

Other disclosures

- *Except for Tan Boon Lee, Tan Mei Sian and Tan Yee Seng, no Key Management has family ties with the Directors and major shareholders of IGB.*
- *Tan Boon Lee, Tan Mei Sian and Tan Yee Seng have conflicts of interest due to their family companies' shareholding in IGB related to the general mandate for recurrent related party transactions disclosed in the Corporate Governance Overview Statement.*
- *No Key Management has been convicted of any offence within the past 5 years.*
- *No Key Management was subject to any public sanction or penalty by regulatory bodies during the financial year ended 31 December 2025.*

TOP 10 PROPERTIES BY VALUE

held by IGB Berhad Group as at 31 December 2025

	Location/Address	Tenure	Age of Building (Years)	Description/Existing use	Date of Acquisition/ Revaluation	Group Net Book Value At 31 Dec 2025 RM'000
1	1, Persiaran Southkey 1, 80150 Johor Bahru	Leasehold expiring 2100	7	The Mall, Mid Valley Southkey, Johor Bahru	3-9-2013	1,069,132
2	Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur	Leasehold expiring 2120	8	27 office levels with 2 levels of retail within a 59-story building known as Menara Southpoint, Mid Valley City	28-12-2004	538,995
3	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Leasehold expiring 2103	19	The Gardens Mall, Mid Valley City	28-12-2004	410,809
4	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Leasehold expiring 2104	26	Mid Valley Megamall, Mid Valley City	17-12-1999	357,264
5	199, Jalan Tun Razak, 50400 Kuala Lumpur	Freehold	17	32-storey office building known as GTower	31-01-2002	253,724
6	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Leasehold expiring 2103	18	676-rooms St Giles Mid Valley Kuala Lumpur & St Giles Gardens Residences	27-12-2013	251,101
7	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Leasehold expiring 2104	26	646-rooms Cititel Hotel, Mid Valley City	31-12-2011	239,558
8	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Leasehold expiring 2120	3	111 units condominium known as Menara Southpoint	28-12-2004	194,676
9	Mid Valley Southkey, 1, Persiaran Southkey 1, Kota Southkey, 80150 Johor Bahru	Leasehold expiring 2100	4	575-rooms St Giles Southkey Hotel, Johor Bahru	31-08-2022	185,048
10	Mukim of Labu, District of Seremban, Negeri Sembilan	Freehold	-	312.07 hectares vacant land approved for mixed development	31-1-2002	179,886

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Governance at IGB Berhad

IGB Berhad ("IGB") remains steadfast in its commitment to the core principles of accountability, transparency, and sustainability. IGB's stewardship approach ensures that the Group effectively discharges its economic, ethical, legal, and social responsibilities, balancing the interests of all stakeholders.

The Board of Directors ("Board") views effective Corporate Governance ("CG") as the essential foundation for fostering long-term resilience and sustainable growth across the Group's diverse business portfolio, benefiting shareholders ("SHs") and other stakeholders.

This Corporate Governance Overview Statement ("CGOS") provides a comprehensive review of the IGB's key CG policies and practices implemented during the financial year ended 31 December 2025 ("FY25") and up to the date of this CGOS. These practices are benchmarked against the Malaysian Code of Corporate Governance ("MCCG"). IGB has complied with the MCCG principles in all significant respects. For any areas of departure, this CGOS provides explanations and insights into alternative practices adopted to achieve the intended governance outcomes.

Principle A: Board Leadership and Effectiveness

Governance Framework

Board Chairman
Tan Lei Cheng ("TLC")
Non-Independent Non-Executive Director ("NINED")

- Leads the Board in overseeing IGB, ensuring its effectiveness by facilitating productive and comprehensive discussions among members of the Board and executive management on the Group's strategies, business operations, sustainability-related risks and opportunities, and other business plans.
- Spearheads IGB initiatives to promote, attain, and maintain good governance standards.
- Presides over general meetings and fosters constructive dialogue between SHs, the Board, and the Group Chief Executive Officer ("GCEO").

Board

- 2 NINEDs
- 1 Senior Independent Non-Executive Director ("INED")
- 3 INEDs (1 INED appointed on 1 January 2026)
- 1 Executive Director ("ED")/GCEO
- 1 Alternate Director

- Promotes the long-term success of IGB in delivering sustainable value to SHs.
- Provides oversight of the Group's strategic vision, direction, performance, and overall affairs.
- Approve significant decisions such as material acquisitions and disposals of assets, major investments and funding proposals.
- Engages with stakeholders while prioritising sustainability and sound governance principles.
- Review policies and procedures to ensure compliance with relevant laws, legislative and regulatory requirements.
- Offers leadership to the GCEO and senior management (collectively referred to as "SM", with each individual called an "Officer").

Board Committees ("BCs")

1 INED appointed as a member of AC, RC, and NC on 1 January 2026

Audit Committee ("AC")
Chair: Lee Chaing Huat ("LCH")
4 INEDs

Nomination Committee ("NC")
Chair: Dato' Dr. Zaha Rina binti Zahari ("DDZR")
4 INEDs

Remuneration Committee ("RC")
Chair: Dato' Lee Kok Kwan ("DLKK")
4 INEDs

Investment and Risk Committee ("IRC")
Chair: Dato' Seri Robert Tan Chung Meng ("DSRT")
2 NINEDs and 1 external member

- The BCs' terms of reference ("ToR") are available at **www.igbbhd.com**.
- The Board Chairman is neither the AC, RC, nor NC member.

ED/GCEO
Tan Boon Lee ("TBL")

- Develop the Group's strategies for Board review and approval.
- Oversees the Group's operations and drives business performance to achieve its vision and goals.
- Makes significant corporate decisions that encompass daily operations and resource management.
- Leads the SM in addressing strategies, business operations, and sustainability risk management to achieve the Group's strategic, investment, and operational objectives.

Clear division of roles and responsibilities

Board Chairman: Leads and ensures the Board's effectiveness; establishes the agenda, character, and tone of Board meetings and discussions; maintains strong relationships and open communication between Non-Executive Directors ("NEDs") and SM, both inside and outside the boardroom; promotes standards of integrity, probity, and CG throughout the Group, particularly at the Board level; and ensures effective communication with SHs.

NEDs: Monitor and scrutinise the Group's performance against its strategic goals and financial plans; provide an objective perspective to the Board's deliberation and decision-making by drawing on their collective broad experience and individual expertise; take a leadership role in the functioning of BCs; and monitor and assess the effectiveness of, support, and constructively challenge the GCEO.

GCEO: Leads the SM in executing the Group's strategies and plans in alignment with the Board's direction; spearheads business direction and operational decisions for managing the Group; and communicates the Group's progress against its strategy and operational performance to investors and analysts. In executing these tasks, the GCEO is supported by the Deputy GCEO ("DGCEO"), Tan Mei Sian ("TMS"), and the divisional heads of relevant key businesses and function units.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

Aside from the GCEO, who is the only ED on the Board, the remaining members are NEDs.

The clear distinction between the roles and responsibilities of the Board Chairman, NEDs, and GCEO fosters a strong professional relationship between the Board and SM, ensuring clarity in their duties and facilitating practical discussion regarding the Group's business activities.

Board Framework

The Board has a Charter (available at **www.igbbhd.com**) that outlines the roles, responsibilities, and mandates of the Directors. This Charter serves as a guide for maintaining good governance and ethical decision-making. It will be reviewed and updated periodically to ensure its relevance and effectiveness in a changing business environment and to comply with new requirements and regulations.

The Board has a formal schedule outlining matters requiring its approval. These matters include the Group's sustainability and business strategies, business plans and budgets, major capital expenditures, acquisitions, divestitures, capital management, internal control and risk management systems, financial results, key corporate policies, and CG arrangements. The Board delegates other responsibilities and authorities to its standing BCs: AC, NC, RC, and IRC. Any issues not falling under the authority of the Board or its BCs are the responsibility of the GCEO, DGCEO, and/or Group Chief Financial Officer ("GCFO") (resigned on 1 January 2026 following the Group's management restructuring)/Chief Financial Officer ("CFO") (appointed on 1 January 2026). These matters are either reserved for them or further delegated to the executive team, according to an authority limit matrix that is also reviewed and approved by the Board.

Sustainability Governance

The Group's sustainability governance framework is led by the Board, which assumes ultimate responsibility for integrating environmental, social, and governance ("ESG") considerations into IGB's long-term strategic direction. This oversight is operationalised through a structured reporting with the Group Strategy, Risk & Sustainability ("GSRS") division, which serves as the central coordinating body. The GSRS is tasked with the collection, compilation, and analysis of ESG data across all business units, ensuring that material matters—such as carbon emissions and resource efficiency—are monitored against established targets. This data is regularly escalated to the IRC, which evaluates the Group's progress and refines sustainability policies to ensure continued alignment with IGB's commitment to value creation by integrating sustainability throughout its business processes.

IGB's initiatives reflect its continuous dedication to creating sustainable value. The Group strives to consistently improve its sustainability performance by engaging with stakeholders and staying informed about emerging sustainability issues that affect its operations.

IGB communicates its sustainability strategies, initiatives, and performance to both internal stakeholders through channels such as email, employee engagement, monthly management meetings, presentations to the leadership team, and quarterly reporting to the Board; and to external stakeholders via the corporate website, annual reports ("AR"), media releases, investor presentations, and analyst briefings.

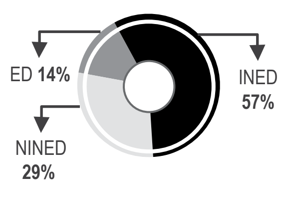
The Board recognises that sustainability issues are complex, evolve rapidly, and present significant risks and opportunities for the Group's businesses. Therefore, the Board aims to continuously enhance its knowledge and skills while staying informed about emerging sustainability regulations, standards, frameworks, and stakeholder expectations. In addition to discussing the Group's sustainability matters during Board meetings, Directors receive regular updates on critical sustainability issues, particularly new climate and sustainability financial reporting requirements to ensure alignment with the Group's strategy, risk oversight, and disclosure obligations.

The Board's performance assessment, led by the NC, included a section focused on sustainability. SM's evaluation adheres to the Remuneration Policies and Practices ("RPP") and measures value creation for IGB through financial benefits, cost savings, and contributions to its long-term sustainability goals.

In alignment with Practice 4.4 of the MCCG, the Board's performance management framework integrates the long-term viability of the Group's operations. Consequently, performance evaluations explicitly assess how the Board and SM manage material sustainability risks and opportunities. Furthermore, these evaluations align with the RPP overseen by the RC, ensuring executive accountability is anchored in long-term value creation and environmental stewardship.

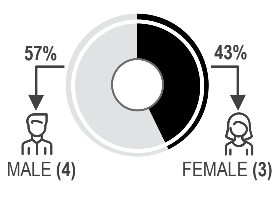
Board Diversity

Board Independence



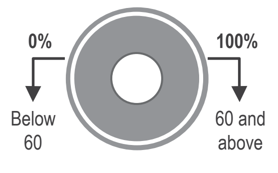
Unbiased decisions made in the best interests of IGB

Gender Diversity



Diversity and inclusion in the boardroom

Age Diversity



Stability and depth of experience

Expertise and Experience

- Real Estate & Property Management
- Management & Business Operations
- Accounting, Banking & Finance
- Risk Management & Sustainability

Diversity of thought enriches Board deliberations

IGB is dedicated to fostering a well-rounded, diverse Board and BCs possessing the skills and expertise essential for effective governance and oversight.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

As part of its responsibility for Board succession planning, the NC identifies qualified candidates to fill vacancies and seeks individuals to enhance the Board's existing expertise. When appointing new Directors, the NC ensures a balanced mix of skills, knowledge, experience, independence, and diversity.

The NC employs a rigorous process for selecting, nominating, and appointing directors. This evaluation includes a review of candidates' curricula vitae and biographical information to assess their career trajectories and personal or professional qualifications. Background checks are conducted to ensure candidates meet the standards of integrity and character, free from any disqualifying traits, in accordance with relevant laws and the Group Policy on Fit and Proper Criteria for Directors ("Group FAP Policy"). Additionally, formal or informal interviews may be conducted at the NC's discretion. Final selection of directors is merit-based, evaluated against objective criteria that enhance or complement the Board's existing skill sets. Potential candidates may be sourced through recommendations from current Directors or SM, as well as third-party referrals.

While no new Directors were appointed during FY25, the NC conducted an assessment of Dato' Wong Lee Yun ("DWLY") in August 2025. This assessment considered her experience and independence against the MCCG and Bursa Malaysia Securities Berhad's ("Bursa") Main Market Listing Requirements ("MMLR"), and the Board's current skill matrix. Following the NC's recommendation, the Board endorsed DWLY's appointment as an INED and a member of the AC, RC, and NC, effective 1 January 2026.

Board Processes

Board/BC Schedules

The Board oversees IGB and shapes the Group's strategic direction through a minimum of 4 regular meetings annually, with additional sessions convened as required to address specific matters. Meeting dates are pre-established to facilitate maximum attendance and active participation. Directors are expected to attend SHs and Board/BC meetings in person or via audio or video conference, unless a recusal is required due to a conflict of interest.

Attendance for FY25 is outlined in the **Board and BC Meeting Attendance** section.

Provision of Information

Meeting materials are circulated at least 5 business days before the meeting (except in cases of urgency) to provide Board/BC members sufficient time to read all the materials, consider the issues, and prepare for the meeting.

The GCEO, DGCEO, CFO, Head of GSRS, Head of Group Internal Audit ("GIA"), and Company Secretary ("CS") attend Board/BC meetings to offer insights and update Directors on pertinent matters.

The minutes record all proceedings of the Board and BC meetings. They are circulated to members for feedback before confirmation at the subsequent meeting.

Board Area of Focus

The Board meets quarterly, with additional meetings scheduled as needed to address specific issues. The Board convened 4 quarterly and 2 special meetings in FY25 to deliberate on significant matters requiring its strategic input and approval.

During quarterly meetings, the Board reviews the Group's financial performance, portfolio results, and business outlook, following initial reviews by the AC. The Board also addresses sustainability risks, mitigation strategies, and regulatory updates, while endorsing mandates from the IRC, including budgets and business plans. To facilitate informed decision-making, the Chairs of the BCs provide summaries of key findings and recommendations for the Board's final assessment and approval.

Key focus areas that have been reviewed and approved by the Board for the Group in FY25 and to date include:

- Corporate strategies, including sustainability risks and opportunities, budgets, plans, and policies.
- Significant capital investments, material acquisitions, divestiture of assets, and evaluation of tax-efficient money market instruments.
- Quarterly financial reports and business segment performance.
- Quarterly financial results and year-end financial statements.
- Quarterly reports on the Group's strategy, key risks, and sustainability initiatives. Endorsed a long-term plan targeting a reduction in Scope 1 and 2 emissions.
- Vulnerability assessment, penetration test, and Technology Risk Management assessment. Reviewed comprehensive security testing and adopted a group-wide framework to mitigate evolving cyber threats.
- Annual board performance evaluation focusing on the skills and competencies each Director contributes.
- Annual remuneration review for the Directors and SM to ensure they are fairly recognised for their contributions and responsibilities.
- Assessment of new INED appointment to ensure the candidate possesses the requisite skills and complies with the Group FAP Policy.
- Policies, procedures, and practices related to operational and CG. Formalised succession plans for key administrative roles to facilitate a seamless transition of corporate secretarial responsibilities to ensure governance continuity.
- Reports and statements for inclusion in the AR – Management Discussion and Analysis, Sustainability Statement, Statement on Risk Management and Internal Control ("SORMIC"), CGOS, and Statement/Circular to SHs regarding the renewals of share buyback ("SBB") and recurrent related party transactions ("RRPT").

Conflicts-of-interest ("COI")

Directors and SM should act with integrity, impartiality, honesty, and professionalism. They must avoid conflicts between their official roles and personal interests. Directors and SM are required to declare their interests in commercial agreements and contractual transactions with the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

IGB has a COI Policy for Directors and SM that outlines the identification of COI, disclosure requirements, recusal procedures, and resolution measures.

Directors and SM are responsible for identifying, reporting, monitoring, and managing COI. Directors must disclose any interests in agenda items at the start of each meeting and recuse themselves from related discussions and decisions. For SM, any COI declaration must be escalated to the GCEO for authorisation, emphasising the need to uphold professionalism and ethics in the Group's business activities. To assist the AC in discharging its oversight role on COI within the Group, IGB conducts an annual declaration exercise requiring Directors and SM to complete the COI declaration form. The annual COI declaration streamlines the disclosure process and ensures that IGB has the necessary information to address conflicts effectively. All COI transactions, including details about conflicted individuals, the nature of their relationships, the types of transactions involved, the rationale and necessity for each transaction, and the opinions rendered by the Board, AC, or GCEO, are documented in the meeting minutes and the Register of COI.

After reviewing the COI procedures, the AC acknowledges that all Directors and Officers adhered to the established policy.

Board Access to SM and Independence Advice

The Board members receive support from the CS, who provides advisory services to the Board, particularly concerning CG and compliance issues, including adherence to the relevant laws and guidelines applicable to IGB.

Tina Chan Lai Yin, a Fellow of the Chartered Governance Institute, was the Group Company Secretary who resigned on 1 January 2026 following the Group's management restructuring. Tina continues as Head of Compliance/Company Secretary of IGB's subsidiary, IGB REIT Management Sdn Bhd ("IGBRM"), which oversees IGB Real Estate Investment Trust ("IGB REIT") and IGB Commercial REIT ("IGBCR"). Tan Lay Ling has taken over her role as CS from 1 January 2026. She is a qualified Chartered Secretary with experience in corporate compliance and governance. The CS is essential for ensuring that IGB complies with all relevant rules and regulations, including the disclosure requirements outlined in the MMLR. Below is a summary of CS roles and responsibilities:

- Oversees, monitors, and advises on regulatory requirements and compliance obligations, ensuring all corporate processes and procedures adhere to laws, policies, and procedures while meeting all notification and reporting obligations.
- Conduct periodic reviews of IGB's CG practices and processes and formulate internal compliance procedures and guidelines to strengthen IGB's governance.
- Advises Directors on their statutory duties under the law, including disclosure obligations, regulatory requirements, CG standards, and effective board processes.
- Serves as IGB's main communication channel with regulatory authorities.
- Organises, coordinates, and attends Board and BC meetings, takes minutes, and ensures the decisions are implemented.
- Coordinates Board activities and serves as a reference point to ensure timely information flow within the Board, its BCs, and their communication with SM.
- Prepares the notice of the annual general meetings ("AGM")/extraordinary general meetings, circular/statement to SHs and CGOS for inclusion in the AR.

CS collaborates with the GCEO and SM to embed essential internal controls and procedures that track regulatory compliance. To fulfil her advisory role to the Board, CS undergoes continuous training to keep abreast of the latest regulatory changes, industry regulations, and best practices in CG.

Directors have unrestricted access to SM and can request briefings on specific issues as necessary.

When appropriate, Directors may seek independent professional advice to effectively fulfil their duties.

Board Performance Evaluation

The Board conducts an annual performance review for itself, each BC, and individual Directors. This review utilises a comprehensive and structured self-assessment method, incorporating feedback and responses from the Directors. The evaluation assesses the Board's effectiveness and examines its structure and composition. This process provides valuable insights into the Board's collective and individual strengths and areas requiring further development, thereby enhancing overall effectiveness.

NC is responsible for establishing processes to evaluate the performance of individual Directors, the entire Board, and its BCs. The outcomes of these performance evaluations will be reviewed with the full Board.

In February 2026, the effectiveness of the Board, its BCs, and individual Directors was assessed through an internal questionnaire evaluation. This evaluation aimed to measure how well the Board operates and the effectiveness of its BCs. Additionally, it aimed to provide individual Board members with insights into their contributions, allowing them to enhance their performance and, in turn, boost the overall effectiveness of both the Board and its BCs. More details are provided in the **NC Report** section.

Director Independence

The Board has a policy that limits the tenure of INEDs to 12 years. The criteria for independence are detailed in the Charter. To be considered independent, a director must be free, in the opinion of the Board (with the assistance of NC), from any interest, position, affiliation, or relationship that could influence, or be perceived as influencing, their ability to exercise independent judgement on issues presented to the Board and to act in the best interests of IGB as a whole, rather than in the interests of any individual SH or other parties.

The Board reviews the independence of INEDs annually. NC evaluates the yearly independence confirmations received from each INED, considering the criteria specified in the Charter and MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

In February 2026, NC assessed the independence of each INED and reviewed the overall composition of independent members on the Board. Special consideration was given to LCH, a Board member who has served for 11 years. All INEDs confirmed they have no relationships or circumstances that could compromise their independence. According to these confirmations and the independence criteria specified in the Charter and MMLR, NC, with the Board's agreement, has concluded that the 4 INEDs – LCH, DDZR, DLKK and DWLY remain objective and capable of acting in the IGB's best interests and will continue to effectively uphold their independent duties, as further detailed in the **NC Report** section. To maintain the integrity of the process, each NC member abstained from assessing their own independence.

Re-election of Directors

New Directors are appointed by the Board and stand for re-election at the next AGM (the "First-time Re-election rule") following their appointment. Accordingly, DWLY, appointed on 1 January 2026, will retire and has offered herself for re-election at the Twenty-Sixth AGM on 8 June 2026 ("2026 AGM").

At each AGM, one-third of the Directors retire by rotation (the "1/3-rotation rule") and seek re-election. Directors who seek re-election are considered, reviewed, and recommended by the NC based on fitness and propriety before being recommended for Board endorsement and SHs approval. DDZR and TBL will seek re-election at the 2026 AGM in accordance with the 1/3-rotation rule.

LCH, having served as an INED for 11 years, has expressed his intention not to seek retention and will retire at the conclusion of the 2026 AGM.

The Board, through NC, has endorsed the re-election of DDZR, TBL, and DWLY, citing favourable performance evaluation results along with their fitness and propriety assessments. Further details are available in the **NC Report** section.

Biographical details for DDZR, TBL, and DWLY are provided in the **Profile of Directors** section.

Continuing Professional Development

Directors must maintain the skills necessary to fulfil their obligations to IGB. They must remain informed about strategic issues and commercial changes that affect the Group and the markets in which it operates.

During FY25, all Directors fulfilled the requirement for continuing education, training, and development by attending the programmes outlined below:

- Anti-Money Laundering: Part 1 & Part 2 (Case Studies) – Securities Industry Development Corporation (SIDC)
- Artificial Intelligence ("AI") Development Session – CIMB Bank Berhad ("CIMB")
- Audit Committee Conference 2025: Navigating Risk, Driving Resilience – Malaysian Institute of Accountants
- Board Leadership in Industry Disruption: Steering Companies Through Market Shifts – Institute of Corporate Directors Malaysia
- Board Training: Cybersecurity – Mizuho Bank (Malaysia) Berhad
- Biodiversity for Business: Understanding Impacts and the Need for Action – Asia School of Business ("ASB")
- Climate Risk – CIMB & Microsoft Teams
- Climate Risk Management: What Bank Directors Need to Know – ASB
- Cloud Security Management and Regulatory Expectations – CIMB & Microsoft Teams
- Economic Outlook and Market Update/Treasury and Capital Market/Investment Update – Malayan Banking Berhad ("Maybank")
- E-Invoicing and Service Tax – Rating Agency Malaysia Berhad (RAM)
- Engagement Session with Chairpersons and CEOs (Annual Report 2024 & Financial Stability Review) – Bank Negara Malaysia
- International Petroleum Technology Conference 2025 (IPTC 2025) – Petronas & SLB
- Invest ASEAN-Malaysia Conference 2025 – Bursa Malaysia Berhad and Maybank
- Latest Update on Accounting Standards and Economic Outlook – Maybank
- Launch of the Board Culture and Leadership Report 2025 – Financial Institutions Directors' Education
- Malaysia's Investment Challenges: Volatility, Uncertainty, Complexity and Ambiguity – Kuala Lumpur Business Club
- Mandatory Training: Mobile Device Security and Smishing Frenzy – KnowBe4
- Media Communication Training – Edelman Malaysia
- Mizuho Investor Day and 2026 Outlook – Mizuho Bank (Malaysia) Berhad
- Navigating ASEAN's Economic Future: Leadership, Resilience & Strategy in an Era of Protectionism (Fireside Chat with Tan Sri Nazir Razak) – Kuala Lumpur Business Club
- Palm & Lauric Oils Price Outlook Conference 2025 (POC2025) – Bursa Malaysia Derivatives Berhad
- Sasana Symposium 2025: Building a Resilient Malaysia - Structural Reforms – Bank Negara Malaysia
- Sustainability Finance – ASB
- Sustainability Insights Series: Key Trends for 2025 – CIMB & Microsoft Teams
- The Chairpersons Circle – Bursa Malaysia Berhad
- The Future of ASEAN Economics: Digital Currencies, Green Growth, and Inequality – Sunway University
- Understanding the Basics of AI & Success Factors in Driving Data & AI Transformation in Financial Services – CIMB & Microsoft Teams
- Unpacking The Key Tax Proposals from Budget 2026 – PricewaterhouseCoopers PLT

Board Committees

The Board has appointed 4 BCs to oversee specific operations: AC, NC, RC, and IRC. BC members are chosen based on the skills and experience they bring to their respective BCs. The Board Chairman does not serve on any BCs to maintain the objectivity required during discussions concerning the recommendations made by the BCs.

The Charter defines the specific objectives, scope, and authority of each BC. The discussion topics and meeting frequency vary based on respective BC's ToR and portfolio complexity. BCs may invite non-BC and SM members to participate in meetings to provide specialised reports or guidance. Additionally, BCs are empowered to engage independent counsel, subject-matter experts, or professional advisors to support their oversight functions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
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The Board leverages its BCs to conduct a thorough analysis of various aspects of the businesses and receives reports from BC chairpersons highlighting issues that require the Board's further deliberation or formal approval.

As part of IGB's governance processes, the BCs underwent an internal evaluation in February 2026. The evaluation produced positive results, concluding that the BCs are effective, well-chaired, engage in robust discussions and debates, and possess the necessary skills and knowledge.

The roles and key activities of the BCs in FY25 and up to the date of this CGOS are outlined in the respective BC reports provided below:

AC Report

Primary Role	Provides independent oversight of IGB's financial accounting and reporting processes, internal control systems, GIA functions, external audits, related party transactions ("RPT"), COI situations, and the Group's compliance with laws, regulations, and code of conduct. In FY25, AC fulfilled its responsibilities as detailed in its Charter. A year-end performance review of AC collectively, along with individual self-assessments, was conducted, showing satisfactory outcomes. This review assessed various aspects, including AC's composition and qualifications, its roles and responsibilities, the execution of its tasks and meetings, and overall effectiveness.
Key Activities	The following key points were discussed and formed the basis for the decisions and recommendations presented to, and approved by, the Board: **Financial Reporting** ▪ Quarterly results were reviewed to ensure that these reports are fair, balanced, and understandable, providing the necessary information for SHs to evaluate the Group's position and performance strategy.
	▪ The Financial Reporting Checklist for FY25 was completed by CFO and reviewed by GCEO. Assurance was received that adequate processes and controls were effectively supported in the preparation of IGB's year-end financial statements. AC has confirmed that the financial statements and accompanying notes comply with relevant laws and financial reporting standards. The Board's conclusion regarding IGB Financial Statements FY25 is outlined in the Directors' Report and the Statement by Directors.
	Internal Controls and Compliance ▪ The annual review of the Group's internal processes assessed the adequacy and integrity of its internal control systems. This includes evaluations of financial, operational, information technology ("IT"), sustainability, risk management, and the controls designed to detect material fraud. AC found no significant irregularities or deficiencies in internal controls during FY25 and concluded that the Group's internal controls and compliance measures were adequate and appropriate for its business operations. This opinion has been communicated to the Board.
	AC Charter ▪ The AC Charter set out the scope of AC's functions and responsibilities.
	GIA ▪ GIA Department ("GIAD") provides independent, risk-based assurance and objective insights, designed to create sustainable value and cultivate organisational trust through innovation. Guided by the IA Strategic Plan 2025–2030, the function is currently undergoing a digital transformation to enhance audit agility and oversight. A key milestone of this strategy is the ongoing pledge to use data analytics in its audit engagements. ▪ To safeguard the integrity of its oversight, GIAD maintains strict independence from management, underpinned by annual mandatory declarations from all staff affirming their commitment to the Global Internal Audit Standards and professional ethics.
	▪ The quarterly reports on the delivery of the IA plan highlight key findings from GIA's work and management's actions to address identified issues. In FY25, the GIAD issued 56 audit reports, including progress reports and special reports, across IGB and its 2 listed subsidiaries: IGB REIT and IGBCR. The effectiveness of the function is highlighted by a high acceptance rate for recommendations, consistently tracking toward a 90% target. To ensure alignment with international benchmarks, GIAD undergoes an external Quality Assurance Review ("QAR") every five years – Crowe Governance Sdn Bhd was appointed to validate the 2025 self-assessment, ensuring the function remains compliant with Global Internal Audit Standards.
	▪ Coordination between GIA and external auditor ("EA") to maximise the benefits of effective communication and coordinated activities.
	▪ The IA Checklist for FY25 reviews its role and effectiveness in risk management, internal control, and governance. The AC expressed satisfaction with the current systems, which cover financial operations, IT, risk management, sustainability, and fraud detection. The GIA function remains effective and holds an appropriate status within the Group.
	▪ AC met twice with the Head of GIA, without the presence of management, to discuss audit issues and internal controls weaknesses. GIA confirmed there were no significant obstacles or shortcomings in executing their assignments.
	▪ IA's assurance statement concerning the review of sustainability data is presented in the **Sustainability Statement**.
	External Audit ▪ The audit plan for the audit of the year-end accounts of the Group outlined the EA's responsibilities, areas of emphasis, and the audit approach.
	▪ AC had two private sessions with the EA, without the presence of management, to discuss concerns arising from their audits. No significant issues were noted during these discussions. The EA received full cooperation from SM and was granted unrestricted access to the Group's records.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
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Key Activities (cont'd)	▪ The annual performance assessment of EA utilises an evaluation questionnaire completed by AC in consultation with CFO. This assessment encompasses a review of EA's professional expertise, objectivity, independence, and the effectiveness of the audit process. AC is satisfied with PwC's technical competencies, execution of audit plans and reporting, and overall effectiveness performance. AC recommended that the Board seek approval for PwC to be reappointed as EA for the fiscal year 2026 at the 2026 AGM.
	COI and RRPT ▪ Directors and SM submitted their annual COI declarations. For FY25, no actual or potential COI declarations were made to AC. However, a COI was disclosed to the Board by DLKK regarding the appointment of CIMB Investment Bank Berhad as the principal advisor for the disposal of The Mall, Mid Valley Southkey, as he holds a concurrent non-executive directorship at the firm. Accordingly, DLKK abstained from all Board discussions and decisions related to the appointment to ensure an objective and transparent process. AC is satisfied with the clear disclosure requirements and self-declaration of interest, which addressed any actual, potential, or perceived COI arising from personal or familial relationships or obligations to other organisations.
	▪ The quarterly reports on RPT and RRPT enable effective monitoring and reporting in line with established RPT guidelines and approved mandates. AC also performed ad-hoc reviews of RPT before the scheduled quarterly meeting.
	▪ Reviewed the Circular-RRPT Mandate, and AC is satisfied that adequate processes and controls are in place to effectively and promptly monitor, track, and identify RRPT.

NC Report

Primary Role	Reviews the structure, size, and composition of the Board and its BCs, including the balance of skills, experience, independence, and diversity, oversees the development of a diverse pipeline for Board, GCEO, and DGCEO succession, identifies and nominates candidates to fill Board vacancies as they arise, evaluates the effectiveness of the Board, BCs and individual Directors, including the independent status of INEDs on an annual basis, and reviews relevant compliance with MCCG.
Key Activities	The following key points were discussed and formed the basis for the decisions and recommendations presented to and approved by the Board: **Annual Board Evaluation** In February 2026, the annual performance assessment for FY25 was conducted via internal questionnaires. The evaluation focused on board diversity, the collective effectiveness of both the Board and its BCs, and individual Director contributions. All Directors submitted their COI declarations, while those seeking re-election provided FAP declarations. The assessment concluded with no exceptions noted. The NC is satisfied that the Board members possess highly relevant knowledge and experience, a diverse range of skills, and a comprehensive understanding of the Group's businesses. It was determined that the Board and its BCs functioned effectively, with each Director dedicating sufficient time to fulfil their duties and responsibilities. The Board has a balanced team with diverse skills that align with the strategic objectives of IGB. Each Director has dedicated sufficient time and attention to their responsibilities. BCs carried out their duties with due care and diligence, ensuring fairness, transparency, and objectivity in their decision-making processes. This has enhanced the Board's efficiency in guiding the Group's operations in accordance with the established strategies and objectives. The Board successfully achieved its performance objectives for FY25, and it was considered unnecessary to engage an independent expert, given the Board's size and composition and the regular meetings conducted by the Board and BCs.
	Independence of INEDs INEDs possess the necessary experience and business insight to influence Board decisions and act in the best interests of IGB and its SHs, facilitating balanced decision-making. None of the INEDs has financial, business, familial, or other significant relationships with IGB, its major SHs, or its SM. NC confirmed that all INEDs maintained their independence throughout FY25. With a majority of INEDs on the Board, decisions are made objectively in the best interests of IGB, drawing on the members' diverse perspectives and insights. This independence is further reinforced by the BCs – AC, RC, and NC – which are composed exclusively of and chaired by INEDs to ensure stringent oversight.
	New INED Appointment - DWLY In August 2025, NC recommended the appointment of DWLY as an INED, effective 1 January 2026. This appointment serves a dual strategic purpose: complying with the majority-independent board requirements and facilitating a seamless succession plan ahead of LCH's retirement in June 2026.
	Company Secretarial Succession NC recommended the appointment of TLL as Joint Secretary to facilitate a seamless leadership transition for the CS role. This ensures continuity as the Group Company Secretary transitions to a full-time position at IGBRM in 2026.
	Re-election of Directors The NC reviewed the performance evaluations, including the FAP declarations, and determined that DDZR, TBL, and DWLY possess the expertise, knowledge, talent, and deep understanding of the Group's businesses, and these individuals would continue to contribute positively to the work of the Board/BCs. The NC confirmed that these Directors will be able to make decisions objectively in the best interests of IGB. DDZR and DWLY, who are members of the NC, abstained from voting during the NC meeting when their nominations were considered. The Board concurred with NC's assessment that the Directors nominated for re-election at the 2026 AGM have extensive knowledge and diverse skills that significantly benefit the Board. They have been effective contributors and consistently demonstrate dedication to their roles. The Board recommends that SHs support the re-election of DDZR, TBL, and DWLY at the 2026 AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
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Key Activities (cont'd)	**Governance Policies and Practices** Every year, NC reviews and assesses the adequacy of IGB's governance framework and practices, recommending improvements as needed to enhance the governance environment. The most recent assessment took place in February 2026, during which NC concluded that the Group remains committed to sustainable development and high governance standards. Directors, SM, and employees strictly adhered to the Group's processes, procedures, and policies. The Group's Anti-Bribery and Corruption Policy ("Group ABC Policy") continues to be actively implemented.

RC Report

Primary Role	Reviews IGB's RPP and establishes the remuneration for Directors and SM, including terms of employment.
Key Activities	**Remuneration for NEDs** NEDs are compensated for their time commitment, skills, and level of responsibilities. In November 2025, RC assessed the NED remuneration against sector peers and recommended maintaining the annual NED fees for FY25, pending approval by SHs at the 2026 AGM.
	Remuneration for IRC The RC also considered and recommended maintaining the annual IRC fees for FY25.
	Remuneration for GCEO, DGCEO, and SM The annual increment for 2026 and the bonus for FY25 were determined by considering market practices, benchmarking against peer group companies of similar size and complexity, assigned responsibilities, individual work performance, and the operational results of IGB. RC also offered insights and recommendations to management on human capital management, aiming to boost morale and retain top talent within the Group. The IGB's remuneration structure aligns with its culture and values, emphasising the core principles of providing a competitive, fair, and well-balanced remuneration package. This strategy enables IGB to attract and retain top talent, supporting the Group's overall business strategy and long-term objectives, which include growth, sustainability, and profitability.
	GCEO Service Contract The GCEO's service contract has been extended for one year, with the contract remaining materially unchanged in terms.

IRC Report

Primary Role	Reviews and provides input on the Group's long-term investment objectives and risk appetite, monitors the performance of the Group's businesses and existing investments, evaluates or approves business opportunities, strategic acquisitions, divestments, major capital, and operating expenses (according to the Group's approval matrix); examines the Group's strategic plan to ensure that risks are effectively managed and remain within acceptable tolerance limits for both current and prospective investments; reviews risk management policies and assists the Board in overseeing, monitoring, and recommending the management of significant sustainability matters for the Group, including but not limited to addressing sustainability (including climate-related) risks and opportunities, and setting strategies, priorities, targets, and performance metrics, as well as tracking progress and scorecards. The functions and authority of the IRC extend to the Group and all its subsidiaries, as well as joint ventures and associate companies where the Group holds management responsibility.
Key Activities	At its quarterly meeting, the IRC discussed, deliberated, and updated the Board on its activities.

Board and BC Meeting Attendance

The table below sets out the attendance of Directors and BC members at meetings of the Board, BCs, EGM and AGM in FY25:

Attendance	Board	AC	NC	RC	IRC	2025 AGM	EGM
Total meetings	**6**	**4**	**2**	**1**	**4**		
TLC	6	-	-	-	4	✓	✓
DDZR	6	4	2	1	-	✓	✓
LCH	6	4	2	1	-	✓	✓
DLKK	6	4	2	1	-	✓	✓
DSRT	6	-	-	-	4	✓	✓
TBL	6	4*	2*	1*	4*	✓	✓
TMS (Alternate to TLC)	6	4*	2*	1*	4*	✓	✓

No attendance recorded for DWLY, as she was appointed on 1 January 2026.
** By invitation*

Directors and SM Remuneration

For the successful implementation of the Group's business strategies and the promotion of its long-term interests, including sustainability, IGB must recruit, incentivise, and retain individuals with the professional qualities essential for effectively pursuing the Group's objectives. The IGB's RPP framework aligns compensation with the achievement of the Group's long-term strategic and sustainability goals, thereby strengthening the connection between rewards and individual performance.

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The Board, as a whole, will determine the remuneration paid to the Directors and SM. NEDs receive an annual fee based on their specific roles related to Board and BC responsibilities. This fee is benchmarked against the compensation levels of directors from peer companies and industry standards, considering the expected time commitment from NEDs. The Board Chairman and the AC Chairman receive higher fees due to the additional responsibilities associated with those positions. NED fees are not performance-related and require SH's approval at the AGM. No other payments are made to NEDs, aside from meeting allowance and other benefits. GCEO does not receive fees or meeting allowances since he is a salaried executive of IGB. The remuneration of NEDs is reviewed annually to ensure it is reasonable and reflects their roles and responsibilities in fulfilling their fiduciary duties. No Director may participate in or vote on decisions regarding their remuneration.

SM personnel have employment contracts with IGB, and their remuneration includes basic salaries and performance bonuses aligned with industry benchmarks. Pay scales are determined based on each individual's skills, experience, responsibilities, performance, and market competitiveness. RC recommends the remuneration for GCEO and DGCEO, which the Board approves annually. Compensation for other executive management is approved by GCEO in consultation with RC Chairman and reported to the Board each year.

RC conducts an annual assessment of remuneration packages for Directors and SM. This evaluation will take into account individual contributions, responsibilities, and the organisation's overall performance. By analysing industry benchmarks, peer comparisons, and the specific impact of their leadership, IGB aims to ensure that their remuneration is fair and reflects their significant roles within the Group. This process acknowledges their hard work and dedication while fostering a culture of accountability and performance-driven rewards. The remuneration of the Directors and SM was reviewed in November 2025, as detailed in the **RC Report** section.

Below are the details of each Director's remuneration that has been paid and is payable for FY25:

IGB-level	Remuneration[(a)] RM	Fee RM	Meeting Allowance[(b)] RM	Benefits-in-kind[(c)] RM	Total RM
TLC	-	314,400	26,000	12,382	352,782
LCH	-	171,600	32,000	1,200	204,800
DDZR	-	156,000	30,500	1,200	187,700
DLKK	-	156,000	30,500	-	186,500
DSRT	397,677	300,000	27,000	16,438	741,115
TBL	4,935,717	-	-	28,193	4,963,910
TMS (Alternate to TLC)	1,651,658	-	-	20,707	1,672,365
ETHN (Alternate to DSRT) *(Resigned on 23 January 2026)*	-	-	-	-	-
Total	**6,985,052**	**1,098,000**	**146,000**	**80,120**	**8,309,172**

Group-level	Remuneration[(a)] RM	Fee RM	Meeting Allowance[(b)] RM	Benefits-in-kind[(c)] RM	Total RM
TLC	-	470,400	66,000	17,122	553,522
LCH	-	171,600	32,000	1,200	204,800
DDZR	-	156,000	30,500	1,200	187,700
DLKK	-	156,000	30,500	-	186,500
DSRT	981,162	346,672	36,000	23,169	1,387,003
TBL	4,935,717	-	-	28,193	4,963,910
TMS (Alternate to TLC)	2,217,911	-	-	20,707	2,238,618
ETHN (Alternate to DSRT) *(Resigned on 23 January 2026)*	1,390,354	-	-	3,305	1,393,659
Total	**9,525,144**	**1,300,672**	**195,000**	**94,896**	**11,115,712**

(a) Base salaries, bonuses, and fixed allowances (including EPF contributions)
(b) Number of Board and BC meetings attended by Directors
(c) Long service award, health screening subsidy, driver, parking, petrol allowance, recreational club membership, mobile phone and communication expenses

NC and the Board maintain that, due to the confidentiality and sensitivity surrounding staff remuneration, the competitive nature of talent in the Group industry, and the necessity of maintaining stability in business operations with a skilled and experienced management team, it will be IGB's best interest not to disclose the remuneration of its top 5 Officers (who are not Directors) on an individual basis. Instead, this information will be provided in bands of RM50,000. This approach ensures transparency for SHs without compromising their interests.

The remuneration for the top 5 Officers (who are not Directors) for FY25 is categorised in bands of RM50,000 rather than on a quantum basis, and is detailed as follows:

Remuneration Band	Number of Officers	Remuneration[(a)]	Benefits-in-kind[(b)]	Total
Between RM1,000,000 – RM1,050,000	2	99.06%	0.94%	100.00%
Between RM1,100,000 – RM1,150,000	3	98.03%	1.97%	100.00%

(a) Base salaries, bonuses, and fixed allowances (including EPF contributions)
(b) Long service awards, health screening and fitness club subsidies, driver, parking, petrol, hotel accommodation, and recreation club expenses

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Acting Ethically and Responsibly

The Board is committed to providing strong leadership and oversight to establish and monitor the IGB's culture. This commitment ensures that behaviours align with IGB's purpose, values, and strategy. To promote the desired culture throughout the organisation, IGB has implemented various policies and procedures.

A summary of the key corporate policies and guidelines outlined in this CGOS can be found on IGB's website at **www.igbbhd.com**. These documents are regularly reviewed and updated to reflect changes in legislative or regulatory requirements and governance practices, ensuring they remain relevant and effective.

Below is a summary of the key governance policies and guidelines implemented by IGB:

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

The Code guides the Board in fulfilling its oversight responsibilities effectively. It mandates that all Directors uphold high ethical standards, demonstrating honesty and integrity in all business and professional practices related to the Group. Directors are expected to act in good faith and prioritise the best interests of IGB and its SHs.

All employees must adhere to the Group Employee Code of Conduct, which outlines the expected behaviour and actions in accordance with the guiding principles.

Group FAP Policy

All members of the Board and subsidiaries' boards must meet the qualifications outlined in the Group FAP Policy. Compliance with these standards is a mandatory prerequisite prior to any initial appointment, and before seeking appointment or re-election as a director. The FAP criteria emphasise three core pillars:

- Integrity and Reputation: Demonstrating honesty, ethical behaviour, and a clean professional record.
- Competence and Capability: Possessing the necessary skills, experience, and commitment to fulfil the role effectively.
- Financial Soundness: Maintaining personal financial integrity and stability.

Furthermore, all individuals must remain free of any prohibited characteristics as defined by the MMLR and other relevant laws.

For the current cycle, the formal FAP assessments were conducted in February 2026, confirming that all relevant personnel continue to meet the Group's high standards of governance.

Guidelines for dealing in IGB shares ("Shares")

IGB's internal procedures regarding securities transactions emphasise the requirements specified in the Capital Markets and Services Act 2007, particularly concerning the prohibition of insider trading. Directors and SM in possession of material information about the Group must refrain from trading the Shares or sharing such information with others.

As a general practice, Directors and SM will receive notification of the closed trading period through an internal memorandum. This memorandum outlines the prohibition on trading the Shares during the period that begins one month before the announcement of IGB's quarterly financial results and at any time while in possession of price-sensitive information.

Each Director and Officer must provide written notice to IGB regarding any acquisition of Shares or changes in the number of Shares they hold or are interested in. This notice should be submitted within 3 market days following such acquisition or change. Directors are also required to update their disclosure of interests in Shares quarterly. Transactions involving Shares by Directors and SM will be announced through the regulatory information service ("BursaLINK").

The interests in Directors' Shares are presented in the **Shareholding Analysis** section.

Group ABC Policy

IGB recognises the importance of lawful and ethical behaviour in its business activities. The organisation is committed to upholding the values of transparency, integrity, impartiality, and accountability in all its operations.

This Group-wide policy clearly prohibits bribery and corruption in all of the Group's activities. It outlines the compliance requirements associated with these prohibitions and emphasises the Group's commitment to conducting business with the utmost honesty and integrity. As part of these guidelines, the Directors and SM of the Group are required to submit quarterly declarations regarding any gifts, entertainment, and hospitality given to or received from third parties to the Integrity Officer.

In FY25, no instances of bribery, corruption, or fraud were reported.

Group Whistleblowing Policies and Procedures ("GWPP")

GWPP provides a channel for employees and other stakeholders to report concerns about potential misconduct, including but not limited to suspected fraud, corruption, or any unlawful or dishonest conduct. All whistleblower reports are forwarded to the Whistleblowing Committee ("WBC"), which consists of the Heads of Group Legal, GIA, and Group Human Capital. The WBC addresses all complaints received regarding the Group. Whistleblowing reports can be submitted through a dedicated email address at **whistleblowing@igbbhd.com**. Strict confidentiality standards are maintained to protect the identities of whistleblowers.

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Guidelines for RPT and RRPT

IGB has implemented controls and reporting measures for RPT and RRPT to ensure that all transactions involving Directors, GCEO, major SHs, and persons connected to them are conducted on an arm's length basis and under normal commercial terms. This is in accordance with IGB's business practices and policies and ensures there is no detriment to IGB and its minority SHs. SM has been informed of the disclosure procedures related to RPT/RRPT, ensuring that transactions with related parties ("RPs") are evaluated based on pricing, contract rates, terms and conditions, service levels, required expertise, and the quality of goods and services. The evaluation compares these factors to prevailing market prices, industry standards, and general practices adopted by similar service providers in the open market.

All RPT/RRPT agreements made by the Group with RPs are documented by IGB and reviewed by AC during quarterly meetings. This review ensures that these transactions are conducted on an arm's length basis and do not compromise the interests of SHs. GIA also reviews RPT/RRPT to verify compliance with established guidelines and procedures, including the relevant provisions of the MMLR. This review assesses the nature of the transaction, supporting documents, and other necessary information.

At the Twenty-Fifth AGM on 27 May 2025 ("2025 AGM"), a general mandate was obtained from SHs under paragraph 10.09(2) of the MMLR, allowing the Group to enter into RRPT with RPs. From the date of the 2025 AGM up to the date of this CGOS, the actual value of RRPT has not exceeded the estimated value by more than 10% under the mandate.

On 27 February 2026, IGB announced its intention to seek SHs approval for the proposed renewal of RRPT ("RRPT Mandate") at its 2026 AGM. The RRPTs that have been and will be entered into by the Group with the RPs are essential for its business and aim to meet ordinary operational needs on the best possible terms. Directors with interests in the RRPT Mandate have abstained from board discussion and voting, and it will be ensured that they, along with any connected individuals, will also abstain from voting on the RRPT Mandate at the 2026 AGM. Further details are provided in the Circular-RRPT Mandate.

AC reviewed the Circular-RRPT Mandate in February 2026. After considering the nature of the RRPT that will be conducted, which is intended to meet the Group's ordinary and usual course of business needs and is likely to occur with some frequency, AC is satisfied that these transactions will be carried out at arm's length and under normal commercial terms consistent with IGB's usual practices and policies. AC also confirmed that adequate processes and controls are established for monitoring, tracking, and promptly identifying RRPT in an organised manner.

The table below outlines the RRPT entered into by the Group with RPs during FY25 as per the mandate:

Transacting Parties	RRPT Nature	Estimated Value RM'000	Actual value FY25 RM'000	Interested RPs
IGB REIT[(1)]	Payment for mall rental, parking and services	15,000	7,385	TLC[(a)] TBL[(b)] TMS[(c)] DSRT[(d)] Pauline Tan Suat Ming ("PTSM")[(e)] Tony Tan Choon Keat ("TTCK")[(f)] Tan Chin Nam Sdn Bhd ("TCN")[(g)] Tan Kim Yeow Sdn Bhd ("TKY")[(h)] Wah Seong (Malaya) Trading Co. Sdn Bhd ("WST")[(i)] Gabrielle Tan Hui Chween ("GTHC")[(j)] Tan Yee Seng ("TYS")[(k)] Tan Pei Lyn ("TPL")[(l)] Tan Ken Meng ("TKM")[(m)]
	Receipt of Intellectual Property fee	10	8	
	Receipt of chilled water & liquefied petroleum gas	15,000	7,055	
	Provision of maintenance, repairs, upgrades, and consultancy	10,000	545	
	Provision of information and communication technology systems, applications and services	2,000	1,406	
	Provision of tenant sales verification audit fees	200	1	
	Receipt of management fee	55,000	44,956	
	Total	**97,210**	**61,356**	
IGBCR[(2)]	Payment for commercial rentals and services	12,000	7,568	
	Receipt of Intellectual Property fee	10	4	
	Provision of maintenance, repairs, upgrades, and consultancy	500	52	
	Provision of information and communication technology systems, applications and services	1,000	531	
	Provision of tenant sales verification audit fees	100	-	
	Receipt of management fee	25,000	17,697	
	Total	**38,610**	**25,852**	
Wasco Berhad ("Wasco") Group[(3)]	Purchase of building materials and related services	50	-	
	Provision of information and communication technology systems, applications and services	10	-	
	Total	**60**	**-**	

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Transacting Parties	RRPT Nature	Estimated Value RM'000	Actual value FY25 RM'000	Interested RPs
WST Group[4]	Receipt of rental, parking and related services	1,000	398	TLC[a] TBL[b] TMS[c] DSRT[d] PTSM[e] TTCK[f] TCN[g] TKY[h] WST[i] GTHC[j] TYS[k] TPL[l] TKM[m]
	Purchase of building materials, electrical machinery and equipment	2,500	38	
	Receipt of installation, maintenance and services for billboard signage and security system	100	33	
	Total	**3,600**	**469**	
Subsidiaries of IGB ▪ Cititel Hotel Management Sdn Bhd ("CHM")[5] ▪ Tan & Tan Realty Sdn Bhd ("TTR")[6]	Provision of management consultancy and support services	700	407	
	Receipt of management consultancy and support services	11,000	9,241	
	Provision of information and communication technology systems, applications and services	100	*	
	Total	**11,800**	**9,648**	

**Less than RM100, negligible.*

Principal Activities of Transacting Parties
(1) *IGB REIT's investment policy is to invest directly or indirectly in income-generating retail real estate assets.*
(2) *IGBCR's investment policy is to invest directly or indirectly in income-generating commercial real estate assets.*
(3) *Wasco Group's principal activities are specialised pipe coating and corrosion protection services, engineering, procurement, and construction (EPC) of gas compressors and provision of bioenergy services.*
(4) *WST Group's principal activities are investment, trading in construction and building materials, and other related products and services.*
(5) *CHM's principal activity is hotel management services.*
(6) *TTR's principal activity is property investment.*

Interested RPs
(a) *TLC is the Chairman and NINED of IGB; NINED of IGBRM (the management company for IGB REIT and IGBCR); a director of certain subsidiaries of TCN Group and WST; and a sister of TBL.*
(b) *TBL is the GCEO and ED of IGB; a director of certain subsidiaries of IGB Group, TCN Group and WST Group; a brother of TLC; and the father of TPL and TKM.*
(c) *TMS is the DGCEO and alternate to TLC on the boards of IGB and WST; ED of IGBRM; a director of certain subsidiaries of IGB Group and TCN; and the sister of TYS.*
(d) *DSRT is NINED of IGB and serves as a director for certain subsidiaries of IGB Group; Executive Chairman of IGBRM; Chairman and NINED of Wasco; a major SH of IGB and Wasco; a major unitholder ("UH") of IGB REIT and IGBCR; a director/substantial SH of TKY and WST Group; a brother of PTSM and TTCK; and the father of GTHC.*
(e) *PTSM is a major SH of IGB and Wasco; a major UH of IGB REIT and IGBCR; a substantial SH of TKY and WST; and a sister of DSRT and TTCK.*
(f) *TTCK is a director of TKY; a major SH of IGB and Wasco; a major UH of IGB REIT and IGBCR; a substantial SH of TKY and WST Group; and a brother of DSRT and PTSM.*
(g) *TCN is a major SH of IGB and Wasco; a major UH of IGB REIT and IGBCR: a substantial SH of WST; and a person connected to TLC, TBL, TMS, TPL, and TKM.*
(h) *TKY is a major SH of IGB and Wasco; a major UH of IGB REIT and IGBCR; a substantial SH of WST; and a person connected to DSRT, PTSM, TTCK, and GTHC.*
(i) *WST is a major SH of IGB and Wasco; a major UH of IGB REIT and IGBCR; a substantial SH of CHM and TTR; and a person connected to DSRT, PTSM, TTCK, TCN and TKY.*
(j) *GTHC is alternate to DSRT on the board of IGBRM; a director of certain subsidiaries of IGB Group; and a daughter of DSRT.*
(k) *TYS is a director of certain subsidiaries of IGB Group and WST Group; alternate to TBL on the board of WST; and the brother of TMS.*
(l) *TPL is a director of certain subsidiaries of IGB Group; a daughter of TBL; and a sister of TKM.*
(m) *TKM is a director of certain subsidiaries of IGB Group; a son of TBL; and a brother of TPL.*

Except as disclosed herein, the Group has not entered into any material contracts involving the interests of its Directors and major shareholders that were still subsisting at the end of FY25 or entered into since the end of the previous financial year; notably, on 29 November 2024, Mid Valley City Southpoint Sdn Bhd, an indirect wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with IGBCR for the disposal of two floors at Menara Southpoint for a total cash consideration of RM62.4 million (completed on 2 January 2025). This transaction involves the interests of the Directors and major SHs as defined in the "Interested RPs" section above, particularly as IGBCR is managed by IGBRM (an indirect wholly-owned subsidiary of IGB), the common directorships held by TLC, DSRT, and TMS, and the common interests of major SHs and unitholders, namely TCN, TKY, WST, DSRT, PTSM, and TTCK.

Principle B: Effective Audit and Risk Management

Audit Committee

AC is chaired by LCH, a fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. As detailed in their biographies, AC members possess relevant financial experience and expertise in various fields, making them highly qualified to formulate and review the integrity and reliability of IGB's quarterly and full-year financial results. None of the AC members has had an employment relationship with the current EA, PwC.

AC is responsible for overseeing and monitoring the integrity of published financial information, evaluating the adequacy and robustness of internal control systems, and assessing the effectiveness of the GIA function and external audit. To fulfil its responsibilities, AC has the necessary resources to perform its duties, with full and unrestricted access to any information and documents relevant to its activities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

Meetings are held at least once per quarter or at a frequency determined by AC. Typically, GCEO, DGCEO, CFO, Head of GIA, CS, and EA are invited to attend AC meetings. Other key executives may also be invited to provide deeper insights on specific topics as needed by AC. The lead EA partner and Head of GIA have direct access to AC Chairman at all times and meet privately with AC at least twice each financial year to discuss any issues that require attention in the absence of SM.

AC conducts an annual review of EA's performance based on 3 key areas: quality of service, sufficiency of resources, independence, objectivity, and professional scepticism. During this review, AC gathers feedback from CFO regarding the audit services. Additionally, AC assesses the appropriateness of audit fees to ensure the quality of audit performance. In February 2026, AC completed its annual evaluation of the EA performance.

The **AC Report** section outlines the details of the issues discussed, deliberated, or approved during AC meetings.

Risk Management and Internal Control

Board

→ Oversight of risk management and internal controls.
→ Review the broader risk profile of the Group.
→ Oversee the implementation of risk management policies, procedures, and systems.

AC

→ Liaise with and review the activities of internal and external audit functions.
→ Review the adequacy of financial controls.
→ Monitor regulatory requirements.

IRC with the support of GSRS

→ Monitor the Group's risk profile concerning its risk appetite and the Strategy & Risk Framework (encompassing both financial and non-financial risks).
→ Oversee the identification, management, and reporting of business risks associated with functional units.
→ Oversight of sustainability policies, targets, and management reporting and disclosures.

GCEO/CFO

→ Assess whether risk management procedures and systems operate efficiently and effectively in significant contexts aspects.
→ Provide internal sign-off to the Board on IGB's risk management system and internal processes control.

GIA

→ Assess the adequacy and effectiveness of risk management, governance, and internal control processes and procedures.
→ Provide assurance to AC regarding risk management processes, evaluate these processes, report key risks, and review the management of significant risks.

Business/Functional Units

→ Identify and manage risks such as financial, operational, IT, and compliance risks.
→ Implement policies, procedures, and systems adopted by the Board.
→ Provide internal sign-offs and reporting to IRC regarding risk management procedures and systems.

IGB's approach to risk management and internal controls, as well as the management of key business risks, is detailed in the SORMIC.

GIA Function

IGB operates on the principle that a strong internal control system is essential to protect SHs' interests, safeguard the Group's assets, and manage risks effectively.

The GIAD consists of qualified professionals whose audit methodology adheres to the Global Internal Audit Standards ("Standards") as established by the Institute of Internal Auditors ("IIA"). The Head of GIA, Christine Ong May Ee, has several qualifications: Certified Internal Auditor (USA), Certified Risk Management Assurance (USA), Fellow of the Chartered Accountant Australia and New Zealand, Fellow of the IIA (Malaysia), Chartered Accountant (Malaysia), and a Bachelor of Accountancy (Hons.) from Singapore. She reports directly and functionally to AC. Each staff member annually declares their commitment to the principles of ethics, professionalism, and independence as promulgated by the Standards.

The role of IA is to provide an independent assurance function for SM and AC through a systematic review and evaluation of the Group's risk management, internal controls, and governance processes. The IA operates independently from the functions it audits and adheres to an audit charter (updated on 27 February 2026) mandated by AC, which grants it unrestricted access to documents, records, properties, and personnel, including direct access to the AC.

The IA utilises a risk-based audit methodology to formulate its plans, ensuring that its activities align with the Group's key risks and objectives. Based on risk assessments carried out by IA and key risks identified by management, greater emphasis and appropriate review intervals are established for higher-risk activities, critical internal controls, and compliance with IGB's policies, procedures, and regulatory requirements.

The scope of IA reviews is based on annual plans developed by GIA and approved by AC. IA reports typically outline audit findings related to the assessment of the control environment, the efficiency of internal controls, the effectiveness of the risk management process, compliance with internal and regulatory requirements, and the overall management of the Group. These reports highlight key control issues, significant risks, recommendations, and management's responses and action plans for improvement or correction, as appropriate. This process allows AC to effectively oversee and assess the adequacy of internal controls implemented by management within the Group operations.

In addition to the planned assurance engagements outlined in IA's annual plan, IA also conducts ad hoc special reviews as needed or when significant changes in risk are identified. The scope of these engagements is discussed with management and submitted to AC for approval. All reports from these engagements are shared with the relevant members of both SM and AC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(continued)

In addition to its regular function, the GIA also serves as the main contact point for stakeholder feedback and complaints through the email channel (**feedback@igbbhd.com**). The Head of GIA is also a member of the WBC for the Group.

During FY25, GIA conducted its audit reviews as outlined in the 2025 GIA plan and issued several reports covering all operational levels within the Group. It also monitored the status of management's action plans resulting from audit findings to ensure the implementation of audit recommendations, providing progress reports to AC each quarter. Detailed GIA activities are disclosed in the **AC Report** section and in the **SORMIC**.

According to the Standards, an external QAR of GIA must be conducted by an independent reviewer at least once every 5 years. Crowe Governance Sdn Bhd was engaged in November 2025 to conduct QAR of GIA for FY25. GIA also participates in ongoing quality improvement programs to ensure its activities align with the latest developments in internal auditing practices and Standards.

To maintain high technical proficiency, the Group invests in continuous professional development, funding certifications such as Certified Internal Auditor (CIA) and Certified Information Systems Auditor (CISA). In 2024, this human capital is augmented by the acquisition of specialised data analytics software, enabling efficient interrogation of digitised data. For highly technical domains, GIAD employs a co-sourcing model, partnering with external experts to conduct specialised IT audits and penetration testing.

The total cost incurred by GIAD for FY25 was RM1,923,732.

Principle C: Integrity Corporate Reporting and Meaningful Relationship with Stakeholders

Engagement with Stakeholders

IGB is committed to engaging positively and meaningfully with its stakeholders. IGB has established procedures to provide relevant and timely information to SHs and the broader investment community.

Effective investor relations management is essential for maintaining a high level of transparency and quality governance

Timely and Transparent Disclosures

Commitment to Transparency
- **Informed Community**: IGB is committed to maintaining high standards of transparency, ensuring SHs and the broader investment community are kept abreast of the Group's financial and operational health.
- **Equal Access**: The Group's disclosure protocol is designed to provide timely, fair, and equitable access to information, eliminating disparities in information access.

Market Disclosure Protocols
- **Timely Release**: All market-sensitive information is promptly disclosed to Bursa in accordance with MMLR.
- **Scope of Disclosure**: Announcements include comprehensive updates on financial position, operational performance, and CG frameworks.

Disclosure Platforms and Accessibility
- **BursaLINK**: Primary channel for the public release of material information to ensure regulatory compliance.
- **Corporate Website**: Simultaneous updates are posted to **www.igbbhd.com**, serving as a central hub for:
  - Quarterly financial results and analysis.
  - Detailed debt profiles and capital management updates.
  - In-depth overviews of the investment and business portfolios.

Stakeholder Engagement Strategy
- **Proactive Communication**: Maintained continuous engagement with the investment community to foster market confidence.
- **Public Accessibility**: Ensured that the public and potential investors have streamlined access to the latest material developments and corporate updates.

Proactive Investor Outreach

Engagement Philosophy and Objectives
- **Strategic Importance**: IGB recognises investors as primary stakeholders. Engagement is anchored on building long-term relationships and fostering a deep understanding of the Group's value proposition.
- **Information Transparency**: Focus remains on providing clear insights into the Group's financial performance, operational health, and long-term growth trajectories.

Structured Communication Channels
- **Dedicated Investor Relations Portal**: Maintained a direct communication line via **investorrelations@igbbhd.com**, ensuring SHs and institutional investors can effectively relay queries and receive timely responses.
- **Quarterly Result Briefings**: Facilitated interactive sessions for research analysts and institutional investors to scrutinise financial results and operational updates.
- **Equitable Disclosure**: Adhered to the principle of information parity, ensuring all institutional stakeholders receive simultaneous and equal access to material information.

FY25 Outreach Initiatives
During the financial year, IGB maintained a comprehensive engagement calendar through:
- **Hybrid Engagement**: A blend of in-person and virtual touchpoints to accommodate global and local stakeholders.
- **Targeted Sessions**: Conducted a series of one-on-one meetings, group discussions, and briefings to ensure continuous market updates.

Proactive 2-way Communication with SHs

IGB facilitates 2-way communication by enabling SHs to send and receive electronic communications directly with the Company and its share registry. To promote sustainability, while the AR25 is available digitally, SHs may request a printed copy by emailing **corporate-enquiry@igbbhd.com**.

2025 AGM
The 2025 AGM was conducted as a physical meeting, prioritising face-to-face engagement.
- **Notice Period**: The notice was published on 28 April 2025, more than 28 days before the meeting, providing SHs ample time to register and submit pre-meeting questions.
- **Transparency**: Detailed records of the meeting—including minutes, voting results, and a full transcript of Q&A sessions involving the Board and SM—were published on IGB's website on 4 June 2025.

Upcoming 2026 AGM
Building on the success of the previous year, the 2026 AGM will also be held in person.
- **Pre-Meeting Engagement**: To allow the Board to address queries effectively, IGB strongly encourages SHs to submit their questions in advance of the meeting.
- **Administrative Details**: Instructions on participation, voting procedures, and pre-meeting question submissions for the 2026 AGM are enclosed within this AR25.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") of IGB Berhad 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 ("SORMIC Guide 2025").

This Statement does not cover associates, joint ventures or listed subsidiary companies as the internal control systems of these companies are managed by the respective management teams.

The Board affirms 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 Investment and Risk Committee ("IRC") supports the Board's oversight of the Group's overall strategy and risk framework. The IRC ensures accountability for sustainability risk through relevant expertise and reporting structures, while managing risk within the Board-approved appetite. The IRC is supported by the Group Strategy, Risk & Sustainability ("GSRS") division of IGB, which monitors and evaluates the effectiveness of the framework on an on-going basis. The Board regularly reviews the adequacy and integrity of the framework.

Risk Management Framework

IGB Berhad adopts the IGB Berhad 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 and is designed to integrate risk and strategy within the operations of the organisation. This Framework is designed to facilitate the integration of risk, sustainability considerations and strategy within the operations of the Group.

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 GSRS and updates are presented to IRC and the Board to ensure its adequacy and continued relevance to the Group's risk profile.

Risk Management Process

IGB'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.

IGB adopts the three lines model for risk management. The IGB culture pertaining to strategy and risks is one of ownership, whereby the Business Units, being the 1st line of defence, 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. Business Units monitor and measure the performance of their strategic plans and mitigation actions before submitting strategy and risk reports every quarter to GSRS.

GSRS maintains the consolidated risk register for IGB Berhad and monitors updates. Business Units' escalation of risks of new and existing investments, strategies or opportunities are reviewed by GSRS and IRC, as the 2nd line of defence, to ensure that exposures are within the approved risk appetite. The Board receives regular updates on key risks, risk exposures and mitigation actions through reports tabled to the IRC. 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"), as the 3rd line of defence, reviews the risk management process for comprehensiveness and effectiveness.

During the financial year, GSRS 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 Business Units. The risks, impact and mitigating actions have also been reviewed by the IRC during their meetings held in the financial year. Highlights of the salient risks and corresponding mitigating actions by IGB have been further detailed in the Management Discussion & Analysis section of the Annual Report.

Further details on sustainability-related risks, including climate-related risks and scenario planning, are disclosed in the ISSB Sustainability Statement within this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(continued)

Anti-Bribery & Corruption Policy

IGB has established the IGB Group Anti Bribery and Corruption Policy ("ABC Policy") 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 Policy applies to all employees and directors of companies under the IGB Group.

The ABC Policy 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.

Risks in relation to bribery and corruption are assessed as part of the risk management process at each Business Unit and reviewed by the IRC.

The ABC Policy 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.

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 Policy whereby protection and confidentiality commitment of the WPP also applies to the ABC Policy.

Technology Risk Management

IGB has established the IGB 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 IRC.

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 Business Units in the Group.

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 Group.
- 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 Business 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 Group Chief Executive Officer ("GCEO") 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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(continued)

The GIA function 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 Audit Committee ("AC").

The Board, with the concurrence of AC, has reviewed the effectiveness of the Group's system of risk management and internal controls for the year under review, and is of the view that it is sound and sufficient up to the date of approval of this Statement. There were no significant internal control issues that would have resulted in any material losses, contingencies, or uncertainties that would require disclosure in the Group's annual report.

The Board has received assurance from the GCEO and the Group Chief Financial Officer ("GCFO") that the Group'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 ("AAPG") 3 issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

This Statement has been approved by the Board on 22 April 2026.

DIRECTORS' RESPONSIBILITY STATEMENT

for the Audited Financial Statements

In preparing the annual financial statements of the Group and of the Company, the Directors are responsible to ensure that these financial statements have been prepared to give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results and cash flows of the Group and of the Company for the financial year in accordance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards, and the requirements of the Companies Act 2016 in Malaysia.

In preparing the financial statements for the financial year ended 31 December 2025, the Directors ensured that Management has adopted appropriate accounting policies and applied them on a consistent basis, made judgments and estimates that are reasonable and prudent, and prepared the financial statements on a going concern basis. The Directors are responsible for ensuring that the Group and the Company maintain proper accounting records which disclose the financial information of the Group and of the Company with reasonable accuracy for the preparation of the financial statements.

The Directors have overall responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.

This statement is made in accordance with a resolution of the Board of Directors dated 28 April 2026.

FINANCIAL STATEMENTS

31 December 2025

DIRECTORS' REPORT

for the financial year ended 31 December 2025

The Directors are pleased to present their report to the members together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

DIRECTORS

The Directors who held office during the financial year and during the period from end of the financial year to the date of this report are as follows:

Tan Lei Cheng	
Dato' Seri Robert Tan Chung Meng	
Lee Chaing Huat	
Dato' Dr. Zaha Rina binti Zahari	
Dato' Lee Kok Kwan	
Tan Boon Lee	
Dato' Wong Lee Yun	(Appointed on 01/01/2026)
Tan Mei Sian	(Alternate Director to Tan Lei Cheng)
Elizabeth Tan Hui Ning	(Alternate Director to Dato' Seri Robert Tan Chung Meng) (Resigned on 23/01/2026)

PRINCIPAL ACTIVITIES AND CORPORATE INFORMATION

The principal activities of the Company during the financial year are investment holding and the provision of management services. The principal activities of the Group mainly consist of property investment and management, owner and operator of malls, hotel operations, property development, construction, selling and distribution of utilities, information and communication technology services, provision of engineering services for water treatment plants and related services, education, investment holding and management of real estate investment trusts.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities").

The address of both the principal place of business and registered office of the Company is at Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit for the financial year	**580,185**	**744,116**
Attributable to:		
Owners of the parent	**361,017**	**744,116**
Non-controlling interests	**219,168**	**-**
	580,185	**744,116**

DIVIDENDS

Dividends declared and paid since the end of the previous financial year are as follows:

	RM'000
A Distribution-in-Specie of 241,552,120 units of IGB Real Estate Investment Trust ("DIS Units"), was distributed to the entitled shareholders of the Company on the basis of 182 DIS Units for every 1,000 ordinary shares held pursuant to the disposal of The Mall, Mid Valley Southkey, Johor. The DIS Units were credited to the entitled shareholders' accounts on 12 December 2025.	**635,282**

DIRECTORS' REPORT
for the financial year ended 31 December 2025
(continued)

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year have been disclosed in the financial statements.

ISSUE OF SHARES

The Company did not issue any shares or debentures during the financial year.

On 16 March 2026, the number of ordinary shares ("OS") of the Company increased from 1,358,139,887 to 2,037,208,730 by way of bonus issue of 679,068,843 new OS, credited as fully paid-up share capital on the basis of one (1) new OS for every two (2) existing OS, at no consideration and without capitalisation of retained earnings and reserves.

TREASURY SHARES

During the financial year, the Company's treasury shares increased from 30,041,998 to 30,985,098 by way of the repurchase of 943,100 of its OS from the open market for RM2,586,291. The average price paid for the ordinary shares repurchased was RM2.74 per share.

On 16 March 2026, the Company's treasury shares further increased from 30,985,098 to 46,477,647 pursuant to a bonus issue of 15,492,549 shares.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the fees and other emoluments paid as disclosed in the Directors' remuneration section) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except as disclosed in Note 8.

Except as disclosed above, neither during nor at the end of the financial year was the Company a party to any arrangement whose object or objects were to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any shares and units in the Company or its subsidiaries during the financial year except as follows:

	Number of ordinary shares			
In the Company	**1.1.2025**	**Addition**	**Transfer**	**31.12.2025**
Tan Lei Cheng				
Direct	25,775,213	-	-	**25,775,213**
Dato' Seri Robert Tan Chung Meng				
Direct	7,926,919	-	-	**7,926,919**
Indirect *	399,538,468	-	-	**399,538,468**
Tan Boon Lee				
Direct	19,631,239	210,000	-	**19,841,239**
Indirect *	22,349,023	-	-	**22,349,023**
Tan Mei Sian				
Direct	1,369,957	-	-	**1,369,957**
Elizabeth Tan Hui Ning				
Direct	45,810	-	-	**45,810**

* *Deemed interest held by other corporations, by virtue of Section 8(4) of the Companies Act 2016.*

DIRECTORS' REPORT
for the financial year ended 31 December 2025
(continued)

DIRECTORS' INTERESTS (continued)

	Number of units			
In IGB Real Estate Investment Trust (subsidiary)	**1.1.2025**	**Addition**	**Transfer**	**31.12.2025**
Tan Lei Cheng				
Direct	2,005,944	4,691,087	-	**6,697,031**
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 Boon Lee				
Direct	2,325,714	7,978,627	-	**10,304,341**
Elizabeth Tan Hui Ning				
Direct	4,811,000	8,337	-	**4,819,337**
Dato' Lee Kok Kwan				
Direct	11,171	-	-	**11,171**
Tan Mei Sian				
Direct	300,000	249,332	-	**549,332**

	Number of units			
In IGB Commercial Real Estate Investment Trust (subsidiary)	**1.1.2025**	**Addition**	**Transfer**	**31.12.2025**
Tan Lei Cheng				
Direct	24,658,617	-	-	**24,658,617**
Dato' Seri Robert Tan Chung Meng				
Direct	15,330,424	-	-	**15,330,424**
Indirect *	1,561,674,159	130,709,569	(226,865,904)	**1,465,517,824**
Tan Boon Lee				
Direct	20,144,036	8	-	**20,144,044**
Tan Mei Sian				
Direct	4,607,654	-	-	**4,607,654**
Elizabeth Tan Hui Ning				
Direct	1,136,200	-	-	**1,136,200**

* *Deemed interest held by other corporations, by virtue of Section 8(4) of the Companies Act 2016.*

DIRECTORS' REPORT
for the financial year ended 31 December 2025
(continued)

DIRECTORS' REMUNERATION

	Group RM'000	Company RM'000
Fees	1,301	1,098
Salaries, bonus and allowances	8,752	6,383
Defined contribution plan	969	748
	11,022	8,229
Benefits-in-kind	95	80
	11,117	8,309

AUDITORS' REMUNERATION

Details of auditors' remuneration are as follows:

	Group RM'000	Company RM'000
Statutory audit fees and audit related services:		
- PricewaterhouseCoopers PLT		
• Statutory audit fees	1,799	309
• Audit related services	287	181

INDEMNITY AND INSURANCE COSTS

The Company maintained multiple corporate liability insurance policies for the Directors and principal officers of the Group throughout the financial year, providing appropriate insurance coverage. The amount of insurance premium paid for the financial year ended 31 December 2025 amounted to RM120,233 (2024: RM118,006).

OTHER STATUTORY INFORMATION

(a) Before the financial statements of the Group and the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowances for doubtful debts and to satisfy themselves that all known bad debts had been written off and that adequate allowances had been made for doubtful debts; and

(ii) to ensure that any current assets, which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and the Company were written down to an amount which the current assets might be expected to realise.

(b) At the date of this report, the Directors are not aware of any circumstances:

(i) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts inadequate to any substantial extent; or

(ii) which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; or

(iii) which have arisen, which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

(c) At the date of this report, there does not exist:

(i) any charge on the assets of the Group and the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(ii) any contingent liability of the Group and the Company which has arisen since the end of the financial year.

DIRECTORS' REPORT
for the financial year ended 31 December 2025
(continued)

OTHER STATUTORY INFORMATION (continued)

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

(e) At the date of this report, the Directors are 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.

(f) In the opinion of the Directors:

(i) the results of the Group's and the Company's operations during the financial year were not substantially affected by any item, transaction, or event of a material and unusual nature; and

(ii) 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 the Company for the financial year in which this report is made.

LIST OF DIRECTORS OF SUBSIDIARIES (EXEMPTED UNDER SECTION 253(2) OF THE COMPANIES ACT 2016)

By way of a relief order dated 6 February 2026, granted by the Companies Commission of Malaysia, the names of Directors of subsidiary companies as required under Section 253(2) of the Companies Act 2016 in Malaysia are not disclosed in this Report. Their names are set out in the respective subsidiaries Directors' reports for the financial year ended 31 December 2025 and the said information is deemed incorporated herein by such reference and shall form part hereof.

SUBSIDIARIES

Details of subsidiaries are set out in Note 15 to the financial statements.

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 in accordance with a resolution of the Directors dated 28 April 2026.

Tan Boon Lee
Group Chief Executive Officer

Lee Chaing Huat
Director

INCOME STATEMENTS

for the financial year ended 31 December 2025

	Note	Group		Company	
		2025	**2024**	**2025**	**2024**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Revenue	6	**1,911,729**	1,670,610	**856,193**	1,067,082
Cost of sales	7(a)	**(856,023)**	(735,953)	**-**	-
Gross profit		**1,055,706**	934,657	**856,193**	1,067,082
Other operating income	7(b)	**53,217**	25,642	**1,609**	11
Administrative expenses	7(c)	**(227,240)**	(225,304)	**(65,975)**	(54,642)
Other operating expenses	7(d)	**(13,952)**	(25,211)	**(6,631)**	(1,449)
Profit from operations		**867,731**	709,784	**785,196**	1,011,002
Finance income	9	**58,423**	51,362	**12,190**	6,639
Finance costs	9	**(159,944)**	(178,153)	**(8,648)**	(23,066)
Share of results of associates and joint ventures	16	**6,323**	165,152	**-**	-
Profit before taxation		**772,533**	748,145	**788,738**	994,575
Taxation	10	**(192,348)**	(134,203)	**(44,622)**	(51,986)
Profit for the financial year		**580,185**	613,942	**744,116**	942,589
Attributable to:					
Owners of the parent		**361,017**	416,224	**744,116**	942,589
Non-controlling interests		**219,168**	197,718	**-**	-
Profit for the financial year		**580,185**	613,942	**744,116**	942,589

		Group	
		2025	**2024**
			(restated)
Earnings per share (sen):			
Basic	11(a)	**18.13**	20.80
Diluted [Note 1]	11(b)	**18.13**	20.80

Note 1 : As at 31 December 2025, the Group's diluted earnings per share is the same as basic earnings per share as the Group does not have any dilutive potential ordinary shares in issue.

STATEMENTS OF COMPREHENSIVE INCOME
for the financial year ended 31 December 2025

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Profit for the financial year		**580,185**	613,942	**744,116**	942,589
Other comprehensive (loss)/income:					
Items that may subsequently be reclassified to profit or loss:					
Currency translation differences:					
Equity holders		**(15,145)**	(33,679)	**-**	-
Non-controlling interests		**-**	(3)	**-**	-
Share of other comprehensive loss of associates and joint ventures	16	**(7,631)**	(17,727)	**-**	-
		(22,776)	(51,409)	**-**	-
Items that will not be subsequently reclassified to profit or loss:					
Changes in fair values of financial assets at fair value through other comprehensive income	25	**(9,912)**	(11,941)	**(9,912)**	(12,203)
Other comprehensive loss for the financial year, net of tax		**(32,688)**	(63,350)	**(9,912)**	(12,203)
Total comprehensive income for the financial year		**547,497**	550,592	**734,204**	930,386
Attributable to:					
Owners of the parent		**328,329**	352,877	**734,204**	930,386
Non-controlling interests		**219,168**	197,715	**-**	-
Total comprehensive income for the financial year		**547,497**	550,592	**734,204**	930,386

STATEMENTS OF FINANCIAL POSITION

as at 31 December 2025

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	12	**1,564,722**	1,555,034	**3,524**	6,402
Inventories	13	**461,447**	460,486	**-**	-
Investment properties	14	**3,752,594**	3,809,135	**-**	-
Subsidiaries	15	**-**	-	**7,692,937**	7,693,154
Associates and joint ventures	16	**537,720**	536,745	**-**	-
Concession receivables	17	**85,947**	96,269	**-**	-
Deferred tax assets	18	**32,062**	32,676	**-**	-
Financial assets at fair value through other comprehensive income	19(a)	**203**	224	**203**	224
Receivables	21	**26,906**	18,785	**-**	-
		6,461,601	6,509,354	**7,696,664**	7,699,780
CURRENT ASSETS					
Inventories	13	**582,088**	607,460	**-**	-
Concession receivables	17	**5,338**	5,631	**-**	-
Financial assets at fair value through other comprehensive income	19(a)	**-**	11,991	**-**	11,991
Financial assets at fair value through profit or loss	19(b)	**70,106**	-	**-**	-
Amounts owing from subsidiaries	28	**-**	-	**6,414**	81,367
Amounts owing from associates and joint ventures	20	**25,853**	11,261	**-**	-
Receivables	21	**154,294**	208,579	**4,658**	3,743
Tax recoverable		**2,913**	14,104	**-**	-
Cash held under Housing Development Accounts	22	**1,122**	1,109	**-**	-
Deposits, cash and bank balances	22	**1,751,201**	1,407,006	**413,897**	282,784
		2,592,915	2,267,141	**424,969**	379,885
TOTAL ASSETS		**9,054,516**	8,776,495	**8,121,633**	8,079,665

STATEMENTS OF FINANCIAL POSITION
as at 31 December 2025
(continued)

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT					
Share capital	23	**1,394,110**	1,394,110	**1,394,110**	1,394,110
Treasury shares	24	**(70,297)**	(67,710)	**(70,297)**	(67,710)
Other reserves	25	**(24,056)**	1,826	**(9)**	3,097
Retained earnings		**3,148,244**	2,826,760	**6,566,056**	6,464,028
		4,448,001	4,154,986	**7,889,860**	7,793,525
Non-controlling interests	15	**195,925**	151,885	**-**	-
TOTAL EQUITY		**4,643,926**	4,306,871	**7,889,860**	7,793,525
LIABILITIES					
NON-CURRENT LIABILITIES					
Payables and contract liabilities	26	**15,888**	16,351	**611**	-
Deferred tax liabilities	18	**128,519**	154,305	**245**	12,484
Borrowings	27	**3,426,496**	3,440,302	**199,277**	199,179
		3,570,903	3,610,958	**200,133**	211,663
CURRENT LIABILITIES					
Payables and contract liabilities	26	**646,424**	714,817	**15,230**	15,783
Amounts owing to subsidiaries	28	**-**	-	**2,583**	40,165
Amounts owing to associates	20	**-**	4	**-**	-
Current tax liabilities		**70,819**	39,492	**13,784**	18,483
Borrowings	27	**122,444**	104,353	**43**	46
		839,687	858,666	**31,640**	74,477
TOTAL LIABILITIES		**4,410,590**	4,469,624	**231,773**	286,140
TOTAL EQUITY AND LIABILITIES		**9,054,516**	8,776,495	**8,121,633**	8,079,665

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2025

Group	Note	Share capital (Note 23) RM'000	Treasury shares (Note 24) RM'000	Other reserves (Note 25) RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Attributable to owners of the parent						
2025								
At 1 January 2025		1,394,110	(67,710)	1,826	2,826,760	4,154,986	151,885	4,306,871
Comprehensive income								
Profit for the financial year		-	-	-	361,017	361,017	219,168	580,185
Other comprehensive income		-	-	(32,688)	-	(32,688)	-	(32,688)
Transfer upon disposal of financial assets at fair value through other comprehensive income		-	-	6,806	(6,806)	-	-	-
Total comprehensive income for the financial year		-	-	(25,882)	354,211	328,329	219,168	547,497
Transactions with owners								
Issuance of ordinary shares to non-controlling interests		-	-	-	-	-	2,770	2,770
Share buy-back	24	-	(2,587)	-	-	(2,587)	-	(2,587)
Dividends paid to non-controlling interests		-	-	-	-	-	(202,835)	(202,835)
Winding-up of a subsidiary	15	-	-	-	-	-	(872)	(872)
Changes in ownership interests in subsidiaries that do not result in a loss of control	15	-	-	-	(32,727)	(32,727)	25,809	(6,918)
Total transactions with owners		-	(2,587)	-	(32,727)	(35,314)	(175,128)	(210,442)
At 31 December 2025		1,394,110	(70,297)	(24,056)	3,148,244	4,448,001	195,925	4,643,926

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2025
(continued)

Group	Note	Share capital (Note 23) RM'000	Treasury shares (Note 24) RM'000	Other reserves (Note 25) RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Attributable to owners of the parent						
2024								
At 1 January 2024		1,394,110	(17,655)	65,173	2,577,991	4,019,619	180,094	4,199,713
Comprehensive income								
Profit for the financial year		-	-	-	416,224	416,224	197,718	613,942
Other comprehensive income		-	-	(63,347)	-	(63,347)	(3)	(63,350)
Total comprehensive income for the financial year		-	-	(63,347)	416,224	352,877	197,715	550,592
Transactions with owners								
Issuance of ordinary shares to non-controlling interests		-	-	-	-	-	377	377
Capital reduction by subsidiaries		-	-	-	-	-	(11,700)	(11,700)
Share buy-back	24	-	(50,055)	-	-	(50,055)	-	(50,055)
Dividends paid to ordinary shareholders	29	-	-	-	(159,380)	(159,380)	-	(159,380)
Dividends paid to non-controlling interests		-	-	-	-	-	(222,703)	(222,703)
Winding-up of a subsidiary	15	-	-	-	-	-	27	27
Changes in ownership interests in subsidiaries that do not result in a loss of control	15	-	-	-	(8,075)	(8,075)	8,075	-
Total transactions with owners		-	(50,055)	-	(167,455)	(217,510)	(225,924)	(443,434)
At 31 December 2024		1,394,110	(67,710)	1,826	2,826,760	4,154,986	151,885	4,306,871

COMPANY STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2025

Company	Note	Share capital (Note 23) RM'000	Treasury shares (Note 24) RM'000	Other reserves (Note 25) RM'000	Retained earnings RM'000	Total equity RM'000
2025						
At 1 January 2025		**1,394,110**	**(67,710)**	**3,097**	**6,464,028**	**7,793,525**
Comprehensive income						
Profit for the financial year		-	-	-	744,116	744,116
Other comprehensive income		-	-	(9,912)	-	(9,912)
Transfer upon disposal of financial assets at fair value through other comprehensive income		-	-	6,806	(6,806)	-
Total comprehensive income		-	-	(3,106)	737,310	734,204
Transactions with owners						
Shares buy-back	24	-	(2,587)	-	-	(2,587)
Dividends paid to ordinary shareholders	29	-	-	-	(635,282)	(635,282)
Total transactions with owners		-	(2,587)	-	(635,282)	(637,869)
At 31 December 2025		1,394,110	(70,297)	(9)	6,566,056	7,889,860

COMPANY STATEMENT OF CHANGES IN EQUITY

for the financial year ended 31 December 2025
(continued)

Company	Note	Share capital (Note 23) RM'000	Treasury shares (Note 24) RM'000	Other reserves (Note 25) RM'000	Retained earnings RM'000	Total equity RM'000
2024						
At 1 January 2024		1,394,110	(17,655)	15,300	5,680,819	7,072,574
Comprehensive income						
Profit for the financial year		-	-	-	942,589	942,589
Other comprehensive income		-	-	(12,203)	-	(12,203)
Total comprehensive income		-	-	(12,203)	942,589	930,386
Transactions with owners						
Shares buy-back	24	-	(50,055)	-	-	(50,055)
Dividends paid to ordinary shareholders	29	-	-	-	(159,380)	(159,380)
Total transactions with owners		-	(50,055)	-	(159,380)	(209,435)
At 31 December 2024		1,394,110	(67,710)	3,097	6,464,028	7,793,525

STATEMENTS OF CASH FLOWS
for the financial year ended 31 December 2025

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Operating activities				
Cash receipts from customers	**1,982,452**	1,800,948	**19,442**	13,553
Cash paid to suppliers and employees	**(883,153)**	(861,375)	**(54,603)**	(48,331)
Cash flows from/(used in) operations	**1,099,299**	939,573	**(35,161)**	(34,778)
Dividends received	**-**	-	**253,850**	448,178
Interests received	**-**	-	**11,859**	5,447
Interests paid	**(151,861)**	(177,795)	**(8,808)**	(23,505)
Income taxes refunded	**11,191**	-	**-**	-
Income taxes paid	**(186,803)**	(121,429)	**(61,560)**	(45,467)
Net cash generated from operating activities	**771,826**	640,349	**160,180**	349,875
Investing activities				
Additional investment in:				
Subsidiaries	**-**	-	**-**	(50)
Associates	**(197)**	-	**-**	-
Financial assets at fair value through profit or loss	**(70,100)**	-	**-**	-
Investment properties:				
Additions	**(55,422)**	(67,660)	**-**	-
Proceeds from disposal of:				
Financial assets at fair value through other comprehensive income	**2,100**	13,183	**2,100**	13,183
Property, plant and equipment:				
Additions	**(119,115)**	(112,592)	**(1,374)**	(1,525)
Disposals	**6,898**	804	**-**	-
(Advances to)/repayments from subsidiaries:				
Advances	**-**	-	**(5,685)**	(1,955)
Repayments	**-**	-	**29,130**	600
(Advances to)/repayments from associates and joint venture:				
Advances	**-**	(9,225)	**-**	-
Repayments	**200**	30,092	**-**	-
Interest received	**61,876**	49,129	**-**	-
Dividends received:				
- Associates and joint ventures	**11,672**	116,098	**-**	-
Proceeds from disposal of a joint venture	**-**	1,817	**-**	-
Movement of deposits with maturity period of more than 3 months:				
- Placement	**(498,603)**	(378,116)	**-**	(100)
- Uplift	**770,541**	142,181	**100**	12,875
Net cash generated/(used in) investing activities	**109,850**	(214,589)	**24,271**	23,028

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2025
(continued)

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Financing activities					
Dividends paid to:					
Ordinary shareholders	29	**-**	(159,380)	**-**	(159,380)
Non-controlling interests		**(252,837)**	(237,208)	**-**	-
Purchase of treasury shares	24	**(2,587)**	(50,055)	**(2,587)**	(50,055)
Repayments of borrowings		**(1,930,400)**	(1,324,700)	**-**	(228,000)
Drawdown from borrowings		**1,930,000**	1,199,179	**-**	199,179
Repayments of lease		**(462)**	(461)	**(4,309)**	(3,919)
Issuance of new ordinary shares to non-controlling interests		**-**	377	**-**	-
Payment to non-controlling interests as part of capital reduction		**-**	(11,700)	**-**	-
Advances from/(repayments to) subsidiaries:					
Advances		**-**	-	**-**	100,000
Repayments		**-**	-	**(40,000)**	(21,000)
Net cash used in financing activities		**(256,286)**	(583,948)	**(46,896)**	(163,175)
Net increase/(decrease) in cash and cash equivalents during the financial year		**625,390**	(158,188)	**137,555**	209,728
Currency translation differences		**(9,244)**	(8,703)	**(6,342)**	(2,050)
Cash and cash equivalents at 1 January		**1,035,536**	1,202,427	**282,684**	75,006
Cash and cash equivalents at 31 December	22	**1,651,682**	1,035,536	**413,897**	282,684

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2025
(continued)

The reconciliation of liabilities arising from financing activities is as follows:

Group	Borrowings RM'000	Lease liabilities RM'000	Total RM'000
At 1 January 2025	**3,544,655**	**16,813**	**3,561,468**
Cash flows:			
Interest paid	**(151,823)**	**(38)**	**(151,861)**
Drawdown from borrowings	**1,930,000**	**-**	**1,930,000**
Repayments of borrowings	**(1,930,400)**	**-**	**(1,930,400)**
Repayments of lease	**-**	**(462)**	**(462)**
Non-cash changes:			
Amortisation of transaction cost	**2,116**	**-**	**2,116**
Interest charged during the financial year	**155,708**	**38**	**155,746**
Transaction cost related to financing	**(1,316)**	**-**	**(1,316)**
At 31 December 2025	**3,548,940**	**16,351**	**3,565,291**
At 1 January 2024	3,672,486	17,274	3,689,760
Cash flows:			
Interest paid	(177,755)	(40)	(177,795)
Drawdown from borrowings	1,199,179	-	1,199,179
Repayments of borrowings	(1,324,700)	-	(1,324,700)
Repayments of lease	-	(461)	(461)
Non-cash changes:			
Amortisation of transaction cost	974	-	974
Interest charged during the financial year	174,471	40	174,511
At 31 December 2024	3,544,655	16,813	3,561,468

STATEMENTS OF CASH FLOWS

for the financial year ended 31 December 2025
(continued)

The reconciliation of liabilities arising from financing activities is as follows (continued):

Company	Borrowings RM'000	Amounts owing to subsidiaries RM'000	Lease liabilities RM'000	Total RM'000
At 1 January 2025	**199,225**	**40,165**	**3,785**	**243,175**
Cash flows:				
Interest paid	**(8,124)**	**(590)**	**(94)**	**(8,808)**
Repayments of advances received from subsidiaries	**-**	**(40,000)**	**-**	**(40,000)**
Repayment of lease	**-**	**-**	**(4,309)**	**(4,309)**
Non-cash changes:				
Interest charged during the financial year	**8,219**	**226**	**94**	**8,539**
Payment on behalf by subsidiaries	**-**	**2,782**	**-**	**2,782**
Lease modification	**-**	**-**	**1,561**	**1,561**
At 31 December 2025	**199,320**	**2,583**	**1,037**	**202,940**
At 1 January 2024	228,477	582,501	7,911	818,889
Cash flows:				
Interest paid	(8,614)	(14,711)	(180)	(23,505)
Drawdown from borrowings	199,179	-	-	199,179
Repayments of borrowings	(228,000)	-	-	(228,000)
Advances from subsidiaries	-	100,000	-	100,000
Repayments of advances received from subsidiaries	-	(21,000)	-	(21,000)
Repayment of lease	-	-	(3,919)	(3,919)
Non-cash changes:				
Interest charged during the financial year	8,183	14,226	180	22,589
Payment on behalf by subsidiaries	-	149	-	149
Lease modification	-	-	(207)	(207)
Repayments of advances received from subsidiaries which is set-off against dividends from subsidiaries	-	(621,000)	-	(621,000)
At 31 December 2024	199,225	40,165	3,785	243,175

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025

1 GENERAL INFORMATION

The principal activities of the Group mainly consist of property investment and management, owner and operator of malls, hotel operations, property development, construction, selling and distribution of utilities, information and communication technology services, provision of engineering services for water treatment plants and related services, education, investment holding and management of real estate investment trusts. The principal activities of the Company during the financial year are investment holding and the provision of management services.

2 MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information has been applied consistently to all the financial years presented in dealing with items that are considered material in relation to the financial statements.

(a) Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as disclosed in this 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 to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements are based on the Directors' 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.

(i) Amendments to published standards that are effective and are applicable to the Group and the Company

The Group and the Company have applied the following amendments to published standards for the first time for the financial year beginning on 1 January 2025:

- Amendments to MFRS 121 'Lack of Exchangeability'

The adoption of the above amendment did not have any material impact on the financial statements of the Group and of the Company in the year of the initial application and is not likely to affect future periods.

(ii) 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 Company consider all agenda decisions published by the IFRS Interpretations Committee.

There is no implication of the IFRIC agenda decision, which materially affects the financial statements of the Group and the Company during the current and previous financial year.

(iii) Standards and amendments that have been issued but not yet effective

New standards and amendments to standards applicable and effective for financial years beginning after 1 January 2025 have not been early adopted by the Group and the Company. None of these is expected to have a significant effect on the financial statements of the Group and the Company, 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 effect on the presentation and disclosure in financial statements, described below:
  - a) MFRS 18 introduces a new structure of profit and 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 the note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
  - c) Changes to the guidance on aggregation and disaggregation, which focus on grouping items based on shared characteristics.

  The Group and the Company will continue to assess the detailed impact of MFRS 18 on the financial statements and expect the assessment to be completed prior to the effective date of such standard.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(a) Basis of preparation (continued)

(iii) Standards and amendments that have been issued but not yet effective (continued)

The Group and the Company have completed the assessment on the effects of the below amendment to MFRS and concluded that the impact is not material in the year of initial application.

- Amendments to MFRS 9 and MFRS 7 'Classification and Measurement of Financial Instruments' (effective 1 January 2026)

The following applicable amendment is not expected to have a significant effect on the financial statements of the Group and the Company:

- Annual Improvements to MFRS Accounting Standards for enhanced consistency

The Group and the Company 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 the effective date of such standards.

(b) Consolidation

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

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 includes 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 value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the 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 interests 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 the acquiree's identifiable net assets.

The excess of the consideration transferred, the amount of any non-controlling interests 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 consideration transferred, non-controlling interests recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statements.

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 income statements or other comprehensive income as appropriate.

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 are recognised in accordance with MFRS 9 in the income statements. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Intercompany 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.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statements, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(b) Consolidation (continued)

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in equity attributable to owners of the Group.

(iii) Disposal of subsidiaries

When the Group ceases to consolidate because of a loss of control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the statement of comprehensive income. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statements.

Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries that ceased to be under control.

(iv) Joint arrangements

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities relating to the arrangement.

The Group's interest in a joint venture is accounted for in the financial statements by the equity method of accounting. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint venture, including any long-term interests that, in substance, form part of the Group's net investment in the joint ventures, the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. An impairment loss is recognised for the amount by which the carrying amount of the joint venture exceeds its recoverable amount. The Group presents the impairment loss as other operating expenses in the income statements.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the income statements. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statements.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the income statements where appropriate.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(b) Consolidation (continued)

(v) Associates

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions but not control over those policies.

Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in the statement of comprehensive income and the Group's share of movements in other comprehensive income of the associate in other comprehensive income. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interests in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The Group's investment in associates includes goodwill identified on acquisitions.

The Group determines at each reporting date whether there is any objective evidence that the investment is impaired. An impairment loss is recognised for the amount by which the carrying amount of the associate exceeds its recoverable amount. The Group presents the impairment loss as other operating expenses in the income statements.

Profits and losses resulting from upstream and downstream transactions between the Group and its associates are recognised in the Group's financial statements only to the extent of unrelated investors' interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Where the Group ceases to equity account its associate because of a loss of significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the income statements. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets and liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the income statements.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to the income statements where appropriate.

Dilution gains or losses arising in investments in associates are recognised in the income statements.

(vi) Investments in subsidiaries

In the Company's separate financial statements, investments in subsidiaries are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments is recognised in the income statements.

The advances to subsidiaries of which the Company does not expect repayment in the foreseeable future are presented as part of the Company's investments in the subsidiaries.

(c) Property, plant and equipment

Property, plant and equipment are initially stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (as disclosed in Note 2(o)).

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 cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in the income statements during the financial years in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(c) Property, plant and equipment (continued)

Freehold land is not depreciated as it has an infinite life. Other property, plant and equipment are depreciated on the straight-line method to allocate the cost to their residual values over their estimated useful lives, summarised as follows:

Buildings	25 to 50 years
Leasehold land	50 to 99 years
Plant and machinery	5 to 10 years
Furniture, fixtures, fittings and equipment	3 to 10 years
Motor vehicles	5 years

Depreciation on assets under construction commences when the assets are ready for their intended use.

Leased assets (including leasehold land) are presented as a separate category of assets in the property, plant and equipment (as disclosed in Note 2(h)).

Residual values and useful lives of assets are reviewed and adjusted if appropriate at the end of the reporting period. The Group carries out assessments on residual values and useful lives of assets on an annual basis. There was no adjustment arising from the assessment performed in the financial year.

At the end of the reporting period, the Group assesses 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 (see Note 2(e) on impairment of non-financial assets).

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amounts and are included in the income statements.

(d) Investment properties

Investment properties, comprising principally land, development rights and buildings are held for long-term rental yields or for capital appreciation or both and are not substantially occupied by the Group. Building fittings that are attached to the buildings are also classified as investment properties. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (as disclosed in Note 2(o)).

Investment property is measured initially at cost, including professional fees for legal services, property transfer taxes, other transaction costs and borrowing costs if the investment property meets the definition of a qualifying asset.

After initial recognition, investment property is stated at cost less any accumulated depreciation and impairment losses. At each reporting date, the Group assesses 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 (as disclosed in Note 2(e)).

Freehold land is not depreciated as it has an infinite life. Assets under construction and land held for future development, both held for long-term rental yields or for capital appreciation or both, are depreciated when the assets are ready for their intended use. Investment properties are depreciated on the straight-line basis to allocate the cost to their residual values over their estimated useful lives, summarised as follows:

Right-of-use assets	80 to 99 years
Property investment – Retail	10 to 99 years
Property investment – Commercial	10 to 99 years

Subsequent expenditure is capitalised 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 cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Transfer of a property to, or from, investment property is only made when there is a change of use.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains and losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are included in the profit and loss.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(d) Investment properties (continued)

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 statement of financial position as investment property. Subsequent measurement of the right-of-use asset is consistent with those investment properties owned by the Group.

(e) Impairment of non-financial assets

Non-financial assets 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 that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment is charged to the income statements unless it reverses a previous revaluation, in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in the income statements. Reversals of impairment loss are recognised immediately in the income statements and shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

(f) Financial instruments

(i) Financial assets

Classification

The Group and the Company classify their financial assets in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI") or through profit or loss); and
- those to be measured at amortised cost.

Recognition

Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group commits to purchase or sell the asset.

Measurement

At initial recognition, the Group measures 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 profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group reclassified debt investments when and only when its business model for managing those assets changed.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(f) Financial instruments (continued)

(i) Financial assets (continued)

Debt instruments (continued)

There are three measurement categories into which the Group classifies its debt instruments:

(i) Amortised cost

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 finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in the income statements and presented in other operating income/expenses together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the income statements.

(ii) Fair value through other comprehensive income ("FVOCI")

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in the income statements. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the income statements and recognised in other operating income/expenses. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other operating income/expenses, and impairment expenses are presented as a separate line item in the other comprehensive income.

(iii) Fair value through profit or loss ("FVTPL")

Investments with licensed financial institution are measured at FVTPL. The investments are recorded initially at fair value plus transaction cost and thereafter, they are measured at fair value. Changes in the fair value and dividend income from the investment are recognised in profit or loss.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the income statements following the derecognition of the investment. Dividends from such investments continue to be recognised in the income statements as revenue when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the income statements as applicable.

Subsequent measurement – Impairment

Impairment for debt instruments and financial guarantee contracts

The Group and the Company assess on a forward-looking basis the expected credit loss ("ECL") associated with its debt instruments carried at amortised cost and financial guarantee contracts issued. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group's and Company's trade and other receivables, accrued billings, amounts due from related companies (subsidiaries, associates and joint ventures), concession receivables and financial guarantee contracts are subject to the ECL model.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified ECL was immaterial.

ECL represents a probability-weighted estimate of the difference between the present value of cash flows according to the contract and the present value of cash flows the Group and the Company expect to receive over the remaining life of the financial instrument.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(f) Financial instruments (continued)

(i) Financial assets (continued)

Subsequent measurement – Impairment (continued)

Impairment for debt instruments and financial guarantee contracts (continued)

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.

(i) General 3-stage approach for other receivables and deposits, deposits with licensed banks, financial guarantee contracts issued, amounts owing from subsidiaries, associates and joint ventures

At each reporting date, the Group measures ECL through loss allowance at an amount equal to 12-month 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 3(b) sets out the measurement details of ECL.

(ii) Simplified approach for trade receivables, accrued billings and concession receivables

The Group applies the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables, accrued billings and concession receivables.

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of an 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 compares 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. It considers available, reasonable and supportable forward-looking information.

The following indicators are incorporated:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse 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
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of the debtor in the Group and changes in the operating results of the debtor.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Definition of default and credit-impaired financial assets

The Group defines a financial instrument as default which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:
The Group defines a financial instrument as default when the counterparty fails to make contractual payment within 90 days of when it falls due and/or when legal action is taken against the counterparty.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(f) Financial instruments (continued)

(i) Financial assets (continued)

Subsequent measurement – Impairment (continued)

Definition of default and credit-impaired financial assets (continued)

Qualitative criteria:
The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group considers the following instances:

- the debtor is in breach of financial covenants;
- concessions have been made by the lender relating to the debtor's financial difficulty;
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- the debtor is insolvent.

Financial instruments that are credit-impaired are assessed on an individual basis.

Groupings of instruments for ECL are measured on a collective basis.

(i) Collective assessment

Trade receivables arising from property development activities have been grouped based on shared credit risk characteristics and the days past due.

Trade receivables and accrued billings from other sources and concession receivables have been grouped based on shared credit risk characteristics and the days past due.

(ii) Individual assessment

Trade receivables that are in default or credit-impaired are assessed individually.

Amounts due from subsidiary companies are assessed on an individual basis for ECL measurement, as credit risk information is obtained and monitored for each entity.

Write-off

(i) Trade receivables, accrued billings and concession receivables

Trade receivables, accrued billings and concession receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and a failure to make contractual payments for a period of greater than 90 days past due and/or when legal action is taken against the counterparty.

(ii) Other receivables and deposits, amounts owing from subsidiaries, advances to subsidiaries and amounts owing from associates and joint ventures

The Group and the Company 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 the unavailability of the debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Group may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

(ii) Financial liabilities

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

Financial liabilities are recognised in the statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instrument.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(f) Financial instruments (continued)

(ii) Financial liabilities (continued)

When financial liabilities are recognised initially, they are measured at fair value, net, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

The Group classifies its financial liabilities in the following categories: other financial liabilities and financial guarantee contracts. The classification depends on the purpose for which the financial liabilities were issued. Management determines the classification of its financial liabilities at initial recognition.

(i) Other financial liabilities

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in the income statements when the other financial liabilities are derecognised and through the amortisation process.

(ii) Financial guarantee contracts

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the expected credit loss model under MFRS 9 'Financial Instruments' and the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of MFRS 15 'Revenue from Contracts with Customers', where appropriate.

(iii) De-recognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group and the Company have transferred substantially all risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired.

(iv) Financial instruments recognised in the statements of financial position

The particular recognition method adopted for financial instruments recognised in the statements of financial position is disclosed in the individual accounting policy statements associated with each item.

(v) Fair value estimation for disclosure purposes

The fair value of publicly traded securities is based on quoted market prices at the reporting date.

In assessing the fair value of non-traded financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

The fair value of financial assets and financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate for each type of the financial liabilities of the Group.

The fair values for financial assets (less any estimated credit adjustments) and financial liabilities with a maturity of less than one year are assumed to approximate their fair values.

(vi) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is 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)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(g) Service concession arrangement

A portion of the Group's assets is within the framework of concession contracts granted by the government ("the grantor"). In order to fall within the scope of a concession contract, a contract must satisfy the following two criteria:

- The grantor controls or regulates what services the operator must provide with the infrastructure assets, to whom it must provide them, and at what price; and
- The grantor controls the significant residual interest in the infrastructure assets at the end of the term of the arrangement.

Such infrastructure assets are not recognised by the Group as property, plant and equipment but as financial assets as described below.

The Group recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction and operating services. Financial assets are accounted for in accordance with the accounting policy set out in Note 2(f)(i).

The Group recognises revenue from construction and operation of infrastructure assets in accordance with its revenue recognition policy set out in Note 2(s).

(h) Leases

(a) Accounting by lessee

Leases are recognised as a 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 is reassessed upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the termination of the lease term or not to exercise an option previously included in the determination of the lease term. A revision in the lease term results in the measurement of these 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 assets' useful life and the lease term on a straight-line basis. If the Group is 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 measurements of the lease liabilities.

The Group presents ROU assets within 'Property, plant and equipment' and 'Investment properties' in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(h) Leases (continued)

(a) Accounting by lessee (continued)

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 option if it is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group 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, the lessee's incremental borrowing rate 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 terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the income statements 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 income statements in the period in which the condition that triggers those payments occurs.

The Group presents lease liabilities within 'Payables and contract liabilities' in the statement of financial position. Interest expenses on the lease liability are presented within the finance cost in the income statements.

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 leases are recognised on a straight-line basis as an expense in the income statements.

(b) Accounting by lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes 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 considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Operating leases

The Group classifies 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 recognises the 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 Group's statement 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 provides incentives to the tenants, the cost of incentives is capitalised as deferred lease incentive and is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

The initial direct cost incurred by the Group 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.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(h) Leases (continued)

(b) Accounting by lessor (continued)

Operating leases (continued)

The Group offers rental supports, which are not required by the existing contractual terms contained in the original 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 rental supports are recognised by the Group 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 rebate has changed the total lease consideration. The rebate granted is 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 income statements 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 contractual rights to these lease receivables have been waived. The rental support is recognised as a loss in the same period in which the reduction is contractually agreed.

Separating lease and non-lease components

As the tenancy agreements contain lease and non-lease components, the Group allocates the consideration in the contract to the lease and non-lease components based on the stand-alone selling prices. Where these selling prices are not directly observable, they are estimated based on expected cost plus margin. In the case of fixed price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payment exceeds the services rendered, a contract liability is recognised.

(i) Trade and other receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. If collection is expected in one 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 and other 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 cost. 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 loss allowance (see Note 2(f)(i) on impairment of financial assets).

(j) Inventories

Cost is stated at the lower of historical cost and net realisable value.

(i) Completed properties

Cost includes, where relevant, costs associated with the acquisition of land, including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects, direct building costs and other costs of bringing the inventories to their present location and condition.

(ii) Hotel operating supplies

Cost is determined using the first-in, first-out method and comprises food and beverage, printing and stationery and guestroom supplies.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(j) Inventories (continued)

(iii) Land held for property development

Land held for property development is stated at the lower of cost and net realisable value. The cost of land held for property development consists of the purchase price of the land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development costs incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle is classified as a non-current asset.

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and development activities can be completed within the Group's normal operating cycle.

(iv) Property development costs

Cost is determined based on a specific identification basis. Property development costs comprising costs of land, land enhancement costs, direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors that meet the definition of the property development costs are subsequently recognised as an expense in the income statements when or as the control of the asset is transferred to the customer.

Property development costs for which work has been undertaken and development activities are expected to be completed within the Group's normal operating cycle are classified as current assets.

Net realisable value is the estimated selling price in the ordinary course of business, less the cost of completion and applicable variable selling expenses.

(k) Cash and cash equivalents

For the purpose of the statements of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short-term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts, which are repayable on demand and form an integral part of the Group's cash management, are included as a component of cash and cash equivalents in the statement of cash flows.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(l) Share capital

(i) Classification

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument (see Note 2(o) on borrowings and borrowing costs).

(ii) Dividend distribution

Liability is recognised for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

Distributions to holders of an equity instrument are recognised directly in equity.

(iii) Purchase of own shares

Where any company within the Group purchases the Company's equity instruments as a result of a share buyback or a share-based payment plan, the consideration paid, including any directly attributable incremental costs, net of tax, is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled, reissued or disposed. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects, is included in equity attributable to the owners of the Company.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(m) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

(i) the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares; and

(ii) by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures in the determination of basic earnings per share to take into account:

(i) the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and

(ii) the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(n) Trade and other payables

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are classified as current liabilities unless payment is not due within 12 months after the reporting period. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(o) Borrowings and borrowing costs

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the initially recognised amount and the redemption value is recognised in the income statements over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility of which it relates.

Borrowings are removed from the statement 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 another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the income statements.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their 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. Qualifying assets of the Group include inventories and investment properties that take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are recognised in the income statements in the financial year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(p) Current and deferred income tax

Tax expense for the financial year comprises current and deferred income tax. The income tax expense or credit for the financial year is the tax payable on the current financial year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in the income statements, 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 in the countries where the Group's subsidiaries, associates and joint ventures operate and generate taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions 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.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference is the deferred income tax not recognised.

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or unused tax losses can be utilised.

Deferred tax is recognised in the income statements, except when it arises from a transaction that is recognised directly in the equity or other comprehensive income, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Tax benefit from the reinvestment allowance is recognised when the tax credit is utilised as a reduction of current tax and no deferred tax asset is recognised when the tax credit arises.

(q) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses, paid annual leave, sick leave and non-monetary benefits that are expected to be settled wholly within 12 months after the end of the financial year in which the employees render the related service are recognised in respect of employees' services up to the end of the financial year and are measured at amounts expected to be paid when the liabilities are settled. The liabilities are presented as other payables in the statement of financial position.

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(q) Employee benefits (continued)

(ii) Defined contribution plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The defined contribution plan of the Group relates to the contribution by the Group to various defined contribution plans in accordance with local conditions and practices in the countries in which it operates the national defined contribution plan.

The Group's contributions to defined contribution plans are charged to the income statements in the financial year to which they relate. Once the contributions have been paid, the Group has no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(r) Contingent assets and contingent liabilities

The Group does not recognise contingent assets and liabilities but discloses their existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses their existence where inflows of economic benefits are probable but not virtually certain.

(s) Revenue/Income recognition

(i) Revenue from contracts with customers

Revenue, which represents income arising in the course of the Group's ordinary activities, is recognised by reference to each distinct performance obligation promised in the contract with the customer when or as the Group transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with the customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with a customer exists when the contract has commercial substance, the Group and its customer have approved the contract and intend to perform their respective obligations, the Group'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 will collect the consideration to which it will be entitled in exchange for those goods or services.

When the Group has performed by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset. The Group's obligation to transfer goods or services to a customer for which the Group has received consideration in advance (or an amount of consideration is due) from the customer is presented as a contract liability. Contract liability is presented within payables and contract liabilities on statements of financial position.

The Group has applied the practical expedient not to disclose the information for a performance obligation if the performance obligation is part of a contract that has an original expected duration of one year or less or the entity recognises revenue from the satisfaction of the performance obligation.

Specific revenue recognition criteria for each of the Group's activities are as described below:

(i) <u>Revenue from hotel room and sale of food and beverages</u>

Hotel room revenue is accrued over time on customer-occupied rooms and the sales of food and beverages are recognised when the customer receives the food and beverages product. Hotel room and sale of food and beverages revenue are recorded based on the published rates, net of discounts and when the Group has the present right to payment.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(s) Revenue/Income recognition (continued)

(i) Revenue from contracts with customers (continued)

Specific revenue recognition criteria for each of the Group's activities are as described below (continued):

(ii) Revenue from property development, comprising residential and commercial properties and construction contracts

Property development, comprising residential and commercial properties is specifically identified by its plot, lot or parcel number as set out in the sale and purchase agreement.

A property development contract with customers may include multiple performance obligations, as the property development may not be highly integrated. Therefore, the transaction price will be allocated to each performance obligation based on the standalone selling price or based on the expected cost plus margin.

Revenue from property development, comprising residential and commercial properties, is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Revenue from property development is recognised over time when control of the asset is transferred over time when the Group's performance:

- creates and enhances an asset that the customer controls as the property development is being performed; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The Group recognises sales at a point in time for the sale of completed properties and inventory, when the control of the properties and inventory have been transferred to the purchasers, being when the properties and inventory have been completed and delivered to the customers and it is probable the Group will collect the considerations to which it would be entitled to in exchange for the assets sold. Excess of the progress billings made to date over the cumulative revenue earned will be recognised as contract liabilities.

Revenue from construction contracts, which are highly integrated, is recognised as a single performance obligation. Revenue is recognised progressively based on the progress towards complete satisfaction of the performance obligation based on the inputs to the satisfaction of the performance obligation.

(iii) Rendering of services and management fees

School fees generated from services rendered to students are recognised when or as the students consume the benefits of the services. Depending on the terms of the contract, the benefit may transfer over time. Contract liabilities represent the unearned revenue which considerations received in advance from students, which will be recognised in the income statements upon performance of services.

Management fees are recognised in the accounting period in which the services are rendered and the customer receives and consumes the benefits provided by the Company, and the Company has a present right to payment for the services.

(iv) Revenue from service concession arrangement

The revenue from the rendering of wastewater treatment services set out in the concession arrangement is recognised over the period in which the services are rendered and the customer receives and consumes the benefits provided by the Group and the Group has a present right to payment for the services.

The revenue from the construction of the wastewater treatment plant is recognised over the period of the construction as control of the asset transfers over time as the asset created has no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

(v) Car park revenue

Car park income is recognised upon services being rendered.

(vi) Utilities revenue

Revenue from utilities is recognised when customers receive and consume the energy that has been supplied and distributed to them. Revenue from utilities is derived from the property investment and other segments.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(s) Revenue/Income recognition (continued)

(i) Revenue from contracts with customers (continued)

Specific revenue recognition criteria for each of the Group's activities are as described below (continued):

(vii) 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 upon in the tenancy agreement. The accounting policy on separating lease and non-lease components is set out in Note 2(h)(b).

(viii) Others

Other revenue is recognised upon services being rendered.

Revenue is allocated to each performance obligation based upon the relative fair value of the various elements. The fair value of each element is determined based on the current market price of each of the elements when sold separately. The revenue relating to the goods is recognised when the customer accepts the goods, which occurs on delivery.

(ii) Lease income on operating leases

See Note 2(h)(b) on Leases – Accounting by lessor.

(iii) Interest income

Interest income on financial assets is carried at amortised cost calculated using the effective interest method and is recognised in the income statements 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).

(iv) Dividend income

Dividend income is recognised when the right to receive payment is established.

(t) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statements. However, exchange differences are deferred in other comprehensive income when they arise from qualifying cash flow or net investment hedges or are attributable to items that form part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statements within 'other operating income or expense'.

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through OCI are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in the income statements, and other changes in the carrying amount are recognised in other comprehensive income.

Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as at fair value through other comprehensive income, are included in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

2 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(t) Foreign currencies (continued)

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement or separate income statements presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings and other financial instruments designated as hedges of such investments are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rates. Exchange differences arising are recognised in other comprehensive income.

On the disposal of a foreign operation (that is, a disposal of the Group’s entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences relating to that foreign operation recognised in other comprehensive income and accumulated in the separate component of equity are reclassified to the income statements as part of the gain or loss on disposal. In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences is re-attributed to non-controlling interests and is not recognised in the income statements. For all other partial disposals (that is, reductions in the Group’s ownership interest in associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to the income statements.

Intercompany loans, where settlement is neither planned nor likely to occur in the foreseeable future, are treated as part of the parent’s net investment. Translation differences arising therefrom are recognised in other comprehensive income.

(u) Prepaid rental

Prepaid rental represents leasing operations that will be recognised in the income statements upon expiry, utilisation or performance of services.

(v) 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 maker, who is responsible for allocating resources and assessing the performance of the operating segment, has been identified as the Board of Directors that makes strategic decisions.

Segment reporting is presented for enhanced assessment of the Group’s risks and returns. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments.

Segment revenue, expenses, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process.

(w) Contract liabilities

Contract liability is the obligation to transfer goods or services to the customers for which the Group has received the consideration or an amount of consideration is due (whichever is earlier) from the customers. In the context of property development activities, educational services and property investment activities, contract liabilities are the excess of the billings to date over the cumulative revenue earned. Contract liabilities include advance consideration received from customers and unearned revenue from school fee where the Group has collected the payment or the payment is due (whichever is earlier) before the goods are delivered or services are provided to the customers.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency exchange risk and cash flow interest rate risk), credit risk, price risk and liquidity and cash flow risk. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders. The Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to group financial risk management policies. The management regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

(a) Market risk

(i) Foreign currency exchange risk

The Group and the Company are exposed to foreign currency exchange risk as a result of amounts owing from subsidiaries, amounts owing to/from associates and joint ventures and deposits with licensed banks denominated in Great Britain Pound ("GBP"), Australian Dollar ("AUD") and United States Dollar ("USD"). Management regularly monitors the foreign exchange currency fluctuations.

As defined by MFRS 7 'Financial Instruments: Disclosure', currency risks arise on account of monetary assets and liabilities being denominated in a currency that is not the functional currency.

As of 31 December 2025, the Group's and the Company's GBP and USD denominated net monetary assets are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Net monetary assets denominated in:				
GBP	**40,802**	27,355	**-**	-
AUD	**-**	8,187	**-**	-
USD	**66,783**	67,013	**64,294**	65,837

The effects to the Group's and the Company's profit after tax should these GBP, AUD and USD strengthened by 10% (2024: 10%) against Ringgit Malaysia ("RM") are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Increase to profit after tax if the currency had strengthened by 10% (2024: 10%)				
GBP	**3,101**	2,079	**-**	-
AUD	**-**	622	**-**	-
USD	**5,076**	5,093	**4,886**	5,004

A 10% (2024: 10%) weakening of the above currencies against RM as at 31 December 2025 would have an equal but opposite effect on the above currencies to the amount shown above, on the basis that all other variables remain constant.

Except as disclosed above, other foreign currency exchange risk exposures are not material and did not have any significant impact on the financial statements of the Group and of the Company at 31 December 2025.

(ii) Cash flow interest rate risk

The Group's and the Company's cash flow interest rate risk arises from floating rate term loans, Medium Term Notes ("MTN") and revolving credits.

The information on maturity dates and effective interest rates of these borrowings is disclosed in Note 27.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Market risk (continued)

(ii) Cash flow interest rate risk (continued)

The Group's and the Company's interest rate risk arises primarily from floating interest bearing borrowings. The Group closely monitors markets and output from various industry working groups on the transitions to new interest rate benchmarks arising from the respective interest rate benchmark reforms.

The impact on the Group's and the Company's profit after tax arising from changes in floating interest rates of the lenders by 25 (2024: 25) basis points arising from the Group's and the Company's floating rate term loans, MTN and revolving credits with all other variables being held constant would be as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Increase/(Decrease) to profit after tax if:				
Increase by 25 (2024: 25) basis points	**(1,233)**	(4,426)	**(380)**	(380)
Decrease by 25 (2024: 25) basis points	**1,233**	4,426	**380**	380

(b) Credit risk

Credit risk arising from trade receivables and accrued billing

Credit risk arises when sales are made on deferred credit terms. The Group and the Company control these risks by the application of credit approvals, limits and monitoring procedures.

Credit risks are minimised and monitored by strictly limiting the Group's and the Company's associations with business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's and the Company's management reporting procedures. The Group and the Company do not have any significant exposure to any individual customer or counterparty, nor do they have any major concentration of credit risk related to any financial instrument.

- Credit risk arising from property development activities

  The Group does not have any significant credit risk from their property development activities, as their products are predominantly rendered and sold to a large number of property purchasers using financing from reputable end-financiers.

  Credit risks with respect to trade receivables are limited as the legal title to the properties sold remains with the Group until the purchase consideration is fully paid.

- Credit risk arising from property investment – commercial and retail

  Credit risk with respect to rental receivables is limited due to the nature of the business, which is predominantly rental receivables in advance. Furthermore, the tenants have placed security deposits in the form of cash or bank guarantees with the Group which acts as collateral if receivables due from the tenant are not settled or in case of breaches of contract. Due to these factors, no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables.

The Group applies the simplified approach, which requires expected lifetime losses to be recognised from the initial recognition of trade receivables and accrued billing. To measure the expected credit loss, the expected loss rates are based on the historical payment profiles of the receivables and the corresponding historical credit losses experienced. The historical credit loss and default rates are adjusted to reflect current and forward-looking factors affecting the ability of the trade receivables to settle the receivables. The Group has identified the credit profile, cash flow sustainability, business outlook and performance of the 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.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit risk (continued)

Credit risk arising from trade receivables and accrued billing (continued)

The following table contains an analysis of the credit risk exposure of financial instruments for which an ECL allowance is recognised. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets:

Group

		Credit impaired balances			
	Not due RM'000	**1-90 days RM'000**	**91-120 days RM'000**	**>120 days RM'000**	**Total RM'000**
As at 31 December 2025					
Trade receivables (gross)	**15,631**	**33,016**	**8,522**	**48,577**	**105,746**
Accrued billing (gross)	**28,042**	**-**	**-**	**-**	**28,042**
Total	**43,673**	**33,016**	**8,522**	**48,577**	**133,788**
Expected credit loss*	**(43)**	**(446)**	**(337)**	**(15,447)**	**(16,273)**
Total (net)	**43,630**	**32,570**	**8,185**	**33,130**	**117,515**
As at 31 December 2024					
Trade receivables (gross)	25,239	61,862	2,582	48,861	138,544
Accrued billing (gross)	28,133	-	-	-	28,133
Total	53,372	61,862	2,582	48,861	166,677
Expected credit loss*	-	(935)	(29)	(15,296)	(16,260)
Total (net)	53,372	60,927	2,553	33,565	150,417

* For retail and commercial segments, the measurement of loss allowance takes 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.

Movement on the Group's provision for impairment of trade receivables was as follows:

	Group	
	2025 RM'000	**2024 RM'000**
At 1 January	**16,260**	14,873
Provision for impairment of receivables	**941**	2,548
Reversal of impairment loss	**(641)**	(859)
Uncollected receivables written off	**(287)**	(302)
At 31 December	**16,273**	16,260

The credit quality of trade receivables that are neither past due nor impaired is substantially amounts due from customers with good collection track records with the Group. Management will continuously monitor closely the trade receivables that are past due.

Credit risk arising from concession receivables

Concession receivables were recognised to the extent that the Group has an unconditional right to receive cash for the construction and operating service of the wastewater treatment plant. Credit risks are assessed to be low as the concession receivables are receivables from the respective province's local authorities and historically payments have been received within the expected periods. Hence, the ECL allowance is not material.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit risk (continued)

Credit risk arising from other receivables and deposits

The Group's remaining other receivables are not past due, are performing, and therefore the probability of default is low and the ECL allowance is not material.

The Group's deposits mainly comprise deposits placed with utility companies that are determined to have low credit risk, hence, the probability of default is low and the ECL allowance is not material.

The movement on the Group's and the Company's provision for impairment which has been identified for specific other receivables and deposits, is as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
At 1 January	**1,208**	21,293	**-**	-
Uncollected receivables written off	**-**	(20,085)	**-**	-
Reversal of impairment loss	**(396)**	-	**-**	-
At 31 December	**812**	1,208	**-**	-

Credit risk arising from amounts owing from associates

Credit risk with respect to amounts owing from associates is assessed to be low, as the significant amounts owing from associates are companies that have sufficient liquid assets to repay the amounts due if demanded. For other amounts owing from associates, the recovery strategies indicate that the associates would be able to repay the outstanding balance. Hence, the impact of ECL is not material. The accumulated ECL of the amounts owing from associates amounted to RM3.9 million (2024: RM3.9 million).

Credit risk arising from amounts owing from joint ventures

Credit risk with respect to amounts owing from joint ventures is assessed to be low, where the recovery strategies indicate that the joint ventures would be able to repay the outstanding balance. Hence, the impact of ECL is immaterial.

Credit risk arising from deposits with licensed banks

Credit risk also arises from deposits with licensed banks and financial institutions. The deposits are placed with credit-worthy financial institutions with high credit ratings. The Group and the Company consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely and hence, the ECL allowance is not material.

Credit risk arising from amounts owing from subsidiaries and advances to subsidiaries

The Company does not have any significant exposure to any individual customer or counterparty, nor does it have any major concentration of credit risk except for amounts owing from subsidiaries, which are repayable on demand. The Company has assessed that the subsidiaries have sufficient liquid assets to repay the loan if demanded. Therefore, there is no indication that the amounts are not collectible, hence the ECL allowance during the year is not material.

Movement of the Company's provision for impairment of amounts owing from subsidiaries is as follows:

	2025	**2024**
Company	**RM'000**	**RM'000**
At 1 January	**14,507**	14,507
Amount owing from a subsidiary written off	**(6,848)**	-
Reversal of impairment	**(1,590)**	-
At 31 December	**6,069**	14,507

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Credit risk (continued)

Credit risk arising from amounts owing from subsidiaries and advances to subsidiaries (continued)

Movement of the Company's provision for impairment of advances to subsidiaries is as follows:

Company	2025 RM'000	2024 RM'000
At 1 January	**37,438**	37,438
Provision of impairment	**233**	-
At 31 December	**37,671**	37,438

The Company is exposed to credit risk arising from financial guarantee contracts given to banks for subsidiaries' borrowings where the maximum credit risk exposure is the amount of borrowings utilised by the subsidiaries. Management is of the view that the financial guarantee contracts are unlikely to be called by the subsidiaries' banks. Balances as at financial year end are as follows:

Company	2025 RM'000	2024 RM'000
Corporate guarantees provided to banks on subsidiaries' facilities	**256,500**	299,500

Maximum exposure to credit risk

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the statement of financial position other than trade receivables, whereby the information on collateral is disclosed above.

(c) Price risk

The Group and the Company are exposed to debt and equity securities price risk because of investments held by the Group and the Company and classified on the statement of financial position as fair value through other comprehensive income and fair value through profit or loss. To manage its price risk arising from investment in debt and equity securities, the Group diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. Thus, the exposure of price risk of the Group and the Company is minimal.

(d) Liquidity and cash flow risks

The Group and the Company actively manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash or cash convertible investments to meet their working capital requirements. In addition, the Group and the Company strive to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group and the Company raise committed funding from both capital markets and financial institutions and prudently balance their portfolio with some short-term funding so as to achieve overall cost effectiveness.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Liquidity and cash flow risks (continued)

The table below analyses the Group's and the Company's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

	Less than 1 year RM'000	**Between 1 and 2 years RM'000**	**Between 2 and 3 years RM'000**	**Over 3 years RM'000**	**Total RM'000**
Group					
2025					
Payables and contract liabilities (excluding prepaid rental, lease liabilities and contract liabilities)	**581,403**	**-**	**-**	**-**	**581,403**
Lease liabilities	**500**	**500**	**500**	**15,450**	**16,950**
Borrowings	**241,308**	**1,371,124**	**101,132**	**2,493,633**	**4,207,197**
	823,211	**1,371,624**	**101,632**	**2,509,083**	**4,805,550**
2024					
Payables and contract liabilities (excluding prepaid rental, lease liabilities and contract liabilities)	611,435	-	-	-	611,435
Lease liabilities	500	500	500	15,950	17,450
Borrowings	243,597	721,530	2,486,191	574,304	4,025,622
Amounts owing to associates	4	-	-	-	4
	855,536	722,030	2,486,691	590,254	4,654,511
Company					
2025					
Payables and contract liabilities (excluding prepaid rental, lease liabilities and contract liabilities)	**14,804**	**-**	**-**	**-**	**14,804**
Borrowings	**7,843**	**7,800**	**7,800**	**235,089**	**258,532**
Lease liabilities	**444**	**444**	**185**	**-**	**1,073**
Amounts owing to subsidiaries	**2,583**	**-**	**-**	**-**	**2,583**
Corporate guarantees provided to banks on subsidiaries' facilities	**256,500**	**-**	**-**	**-**	**256,500**
	282,174	**8,244**	**7,985**	**235,089**	**533,492**
2024					
Payables and contract liabilities (excluding prepaid rental, lease liabilities and contract liabilities)	11,998	-	-	-	11,998
Borrowings	8,426	8,380	8,380	246,004	271,190
Lease liabilities	3,848	-	-	-	3,848
Amounts owing to subsidiaries	40,165	-	-	-	40,165
Corporate guarantees provided to banks on subsidiaries' facilities	299,500	-	-	-	299,500
	363,937	8,380	8,380	246,004	626,701

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group and the Company monitor capital on the basis of the gearing ratio. This ratio is calculated as interest bearing net debt divided by total equity. Interest bearing liabilities are calculated as total interest bearing bank borrowings (including short-term and long-term borrowings) less deposits, cash and bank balances. Total equity is as shown in the statement of financial position.

The gearing ratios were as follows:

	2025	2024
Group	**RM'000**	**RM'000**
Interest bearing liabilities	**3,548,940**	3,544,655
Less: Deposits, cash and bank balances (including cash held under Housing Development Accounts)	**(1,752,323)**	(1,408,115)
Interest bearing net debts	**1,796,617**	2,136,540
Total equity	**4,643,926**	4,306,871
Gearing ratio	**0.39:1.00**	0.50:1.00
Company		
Interest bearing liabilities	**199,320**	199,225
Less: Deposits, cash and bank balances	**(413,897)**	(282,784)
Interest bearing net debts	**(214,577)**	(83,559)
Total equity	**7,889,860**	7,793,525
Gearing ratio	**(0.03):1.00**	(0.01):1.00

The Group and the Company are subject to certain externally imposed requirements in the form of financial covenants. The Group and the Company are required to comply with the financial covenants on a semi-annual or annual basis based on the terms as disclosed in Note 27. The Group and the Company have complied with the financial covenants for the financial year ended 31 December 2025.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(f) Financial instruments by category

Group	Financial assets at fair value through other comprehensive income (Equity instruments)	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
2025	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Assets as per statement of financial position				
Non-current				
Financial assets at fair value through other comprehensive income	203	-	-	203
Concession receivables	-	-	85,947	85,947
Receivables	-	-	26,906	26,906
Amounts owing by associates after accumulated impairment losses (Note 16)	-	-	23,905	23,905
Current				
Financial assets at fair value through profit or loss	-	70,106	-	70,106
Concession receivables	-	-	5,338	5,338
Amounts owing from associates and joint ventures	-	-	25,853	25,853
Receivables (excluding deferred lease incentives and prepayments)	-	-	119,089	119,089
Cash held under Housing Development Accounts	-	-	1,122	1,122
Deposits, cash and bank balances	-	-	1,751,201	1,751,201
Total	203	70,106	2,039,361	2,109,670

Group	Financial liabilities at amortised cost	Total
2025	**RM'000**	**RM'000**
Liabilities as per statement of financial position		
Non-current		
Borrowings	3,426,496	3,426,496
Payables and contract liabilities	15,888	15,888
Current		
Payables and contract liabilities (excluding prepaid rental and contract liabilities)	581,866	581,866
Borrowings	122,444	122,444
Total	4,146,694	4,146,694

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(f) Financial instruments by category (continued)

Group 2024	Financial assets at fair value through other comprehensive income (Equity instruments) RM'000	Financial assets at amortised cost RM'000	Total RM'000
Assets as per statement of financial position			
Non-current			
Financial assets at fair value through other comprehensive income	224	-	224
Concession receivables	-	96,269	96,269
Receivables	-	18,785	18,785
Amounts owing by associates after accumulated impairment losses (Note 16)	-	24,474	24,474
Current			
Concession receivables	-	5,631	5,631
Financial assets at fair value through other comprehensive income	11,991	-	11,991
Amounts owing from associates and joint ventures	-	11,261	11,261
Receivables (excluding deferred lease incentives and prepayments)	-	171,883	171,883
Cash held under Housing Development Accounts	-	1,109	1,109
Deposits, cash and bank balances	-	1,407,006	1,407,006
Total	12,215	1,736,418	1,748,633

Group 2024	Financial liabilities at amortised cost RM'000	Total RM'000
Liabilities as per statement of financial position		
Non-current		
Borrowings	3,440,302	3,440,302
Payables and contract liabilities	16,351	16,351
Current		
Payables and contract liabilities (excluding prepaid rental and contract liabilities)	611,897	611,897
Borrowings	104,353	104,353
Amounts owing to associates	4	4
Total	4,172,907	4,172,907

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(f) Financial instruments by category (continued)

Company	Financial assets at fair value through other comprehensive income (Equity instruments)	Financial assets at amortised cost	Total
2025	**RM'000**	**RM'000**	**RM'000**
Assets as per statement of financial position			
Non-current			
Financial assets at fair value through other comprehensive income	203	-	203
Advances to subsidiaries after accumulated impairment losses	-	90,831	90,831
Current			
Amounts owing from subsidiaries	-	6,414	6,414
Receivables (excluding prepayments)	-	1,618	1,618
Deposits, cash and bank balances	-	413,897	413,897
Total	203	512,760	512,963

Company	Financial liabilities at amortised cost	Total
2025	**RM'000**	**RM'000**
Liabilities as per statement of financial position		
Non-current		
Borrowings	199,277	199,277
Current		
Payables and contract liabilities	15,230	15,230
Borrowings	43	43
Amounts owing to subsidiaries	2,583	2,583
Total	217,133	217,133

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(f) Financial instruments by category (continued)

Company	Financial assets at fair value through other comprehensive income (Equity instruments)	Financial assets at amortised cost	Total
2024	**RM'000**	**RM'000**	**RM'000**
Assets as per statement of financial position			
Non-current			
Financial assets at fair value through other comprehensive income	224	-	224
Advances to subsidiaries after accumulated impairment losses	-	91,048	91,048
Current			
Amounts owing from subsidiaries	-	81,367	81,367
Financial assets at fair value through other comprehensive income	11,991	-	11,991
Receivables (excluding prepayments)	-	2,308	2,308
Deposits, cash and bank balances	-	282,784	282,784
Total	12,215	457,507	469,722

Company	Financial liabilities at amortised cost	Total
2024	**RM'000**	**RM'000**
Liabilities as per statement of financial position		
Non-current		
Borrowings	199,179	199,179
Current		
Payables and contract liabilities	15,783	15,783
Borrowings	46	46
Amounts owing to subsidiaries	40,165	40,165
Total	255,173	255,173

(g) Fair values

Except for concession receivables and borrowings (as disclosed in Note 17 and Note 27), the carrying amounts of financial assets and liabilities such as deposits, cash and bank balances, current receivables and payables approximate their fair values due to the relatively short-term maturity of these financial instruments.

Fair value measurement disclosure of other assets that are recognised or measured at fair value is disclosed in Note 19.

Fair value estimation

The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors and management 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 makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Impairment assessment of non-financial assets

The Group assesses whether there is any indication that non-financial assets are impaired at the end of each reporting period and tests its non-financial assets for impairment if such indication exists. The carrying amount of the Group's material non-financial assets were assessed for impairment as the market capitalisation of the Group was below its net asset value as of 31 December 2025. Impairment is measured by comparing the carrying amount of a cash-generating unit with its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell ("FVLCTS") and value in use ("VIU"). An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount.

Fair value less costs to sell is estimated based on market approach by independent external valuers or management, which considers recent market transactions of similar assets, and adjustments made for the differences with the similar assets where relevant, or based on the income approach method which takes into account contractual rental, expected future market rentals, market data, allowance for void, and other factors. Significant estimates and judgements are necessary to estimate the assumptions applied.

VIU is the present value of the future cash flows expected to be derived from an asset or cash-generating unit, discounted at an appropriate discount rate. Estimating these future cash flows requires estimates and judgements, taking into account historical results and expected future performance of the assets. Any changes in these assumptions could impact the VIU calculations.

Detailed information on the impairment assessments where significant sources of estimation uncertainty, where relevant, has been identified by the Directors for specific non-financial assets. The details and sensitivity analysis are disclosed in Note 12 for property, plant and equipment.

5 SEGMENT REPORTING

Segment reporting is presented for enhanced assessment of the Group's risks and returns. Business segments provide products or services that are subject to risk and returns that are different from those of other business segments.

Management has determined the operating segments based on the various reports prepared for the Board of Directors that are used to make strategic decisions.

The Group is organised into four main business segments:

(a) Property investment – retail – rental income, service charge and utilities revenue from retail malls
(b) Property investment – commercial – rental income, service charge and utilities revenue from office buildings
(c) Property development – development and sale of condominiums, bungalows, linked houses, shop lots and office suites and project management services
(d) Hotel – income from hotel operations

Other operations of the Group mainly comprise investment holding, construction, sale of utilities, education services, wastewater treatment services, information and communication technology and other operations, none of which are of a significant size to be reported separately.

The revenue from the respective operating segments (property investment – retail, property investment – commercial, property development and hotel) includes incidental revenue generated within the respective segments that have been reclassified by their nature for presentation within the revenue note.

The amounts provided to the Board of Directors with respect to total assets and liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

The allocated assets include all non-current and current assets except for tax recoverable, deferred tax assets and cash and bank balances held by the respective investment holding companies, as they are managed centrally by the Group.

The allocated liabilities include all non-current and current liabilities except for provisions for tax and deferred tax liabilities and general borrowings, as the Group manages these funds through a centralised function.

Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

5 SEGMENT REPORTING (continued)

Analysis by business segment

Group	Property investment - retail	Property investment - commercial	Property development	Hotel	Others	Total
2025	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Segment revenue	1,130,235	269,388	151,858	370,379	304,799	2,226,659
Inter-segment revenue	(167,140)	(9,303)	(392)	(6,849)	(131,246)	(314,930)
Revenue from external customers	963,095	260,085	151,466	363,530	173,553	1,911,729
Segment results	676,119	81,798	38,434	121,664	23,411	941,426
Unallocated corporate expenses						(73,695)
Profit from operations						867,731
Finance income						58,423
Finance costs						(159,944)
Share of results of associates and joint ventures	(7,797)	-	(2,675)	11,449	5,346	6,323
Profit before taxation						772,533
Taxation						(192,348)
Profit for the financial year						580,185
The timing of revenue from contracts with customers						
- Point in time	-	-	145,931	61,547	-	207,478
- Over time	243,883	103,021	2,945	301,219	173,971	825,039
	243,883	103,021	148,876	362,766	173,971	1,032,517

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

5 SEGMENT REPORTING (continued)

Analysis by business segment (continued)

Group	Property investment - retail	Property investment - commercial	Property development	Hotel	Others	Total
2025	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Other information						
Assets						
Segment assets	2,849,589	1,823,520	1,252,411	1,577,925	518,252	8,021,697
Associates and joint ventures	12,220	-	81,986	421,174	22,340	537,720
						8,559,417
Unallocated assets						495,099
Total assets						9,054,516
Liabilities						
Segment liabilities	2,483,417	1,174,773	90,512	95,279	167,271	4,011,252
Unallocated liabilities						399,338
Total liabilities						4,410,590
Additions for the financial year:						
- Property, plant and equipment	1,407	2,186	14,862	115,871	4,797	139,123
- Investment properties	27,840	21,738	-	-	28	49,606
Depreciation:						
- Property, plant and equipment	2,036	2,502	403	46,971	6,028	57,940
- Investment properties	60,626	44,540	-	-	2,289	107,455
Write-off of:						
- Property, plant and equipment	15	-	14	504	20	553
Staff cost	62,268	27,548	9,313	83,708	92,838	275,675
Utilities expenses	73,661	29,533	291	18,637	55,929	178,051

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

5 **SEGMENT REPORTING (continued)**

Analysis by business segment (continued)

Group	**Property investment - retail**	**Property investment - commercial**	**Property development**	**Hotel**	**Construction**	**Others**	**Total**
2024	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Segment revenue	997,901	234,114	43,434	352,646	34,796	292,730	1,955,621
Inter-segment revenue	(105,456)	(10,914)	-	(6,761)	(34,796)	(127,084)	(285,011)
Revenue from external customers	892,445	223,200	43,434	345,885	-	165,646	1,670,610
Segment results	604,572	65,835	6,206	83,618	(3,268)	15,580	772,543
Unallocated corporate expenses							(62,759)
Profit from operations							709,784
Finance income							51,362
Finance costs							(178,153)
Share of results of associates and joint ventures	(930)	21	105,146	58,182	-	2,733	165,152
Profit before taxation							748,145
Taxation							(134,203)
Profit for the financial year							613,942
The timing of revenue from contracts with customers							
- Point in time	-	-	32,326	64,375	-	-	96,701
- Over time	225,556	86,526	6,635	280,892	-	166,311	765,920
	225,556	86,526	38,961	345,267	-	166,311	862,621

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

5 SEGMENT REPORTING (continued)

Analysis by business segment (continued)

Group 2024	Property investment - retail RM'000	Property investment - commercial RM'000	Property development RM'000	Hotel RM'000	Construction RM'000	Others RM'000	Total RM'000
Other information							
Assets							
Segment assets	2,822,983	1,804,479	1,272,839	1,474,337	11,312	486,773	7,872,723
Associates and joint ventures	20,018	1,393	89,856	400,618	-	24,860	536,745
							8,409,468
Unallocated assets							367,027
Total assets							8,776,495
Liabilities							
Segment liabilities	2,496,245	1,133,701	142,396	104,673	92,609	106,202	4,075,826
Unallocated liabilities							393,798
Total liabilities							4,469,624
Additions for the financial year:							
- Property, plant and equipment	1,944	707	330	95,272	25	11,175	109,453
- Investment properties	38,990	24,418	-	-	-	51	63,459
Depreciation:							
- Property, plant and equipment	2,287	2,383	593	40,708	92	5,087	51,150
- Investment properties	59,226	41,962	-	-	-	2,289	103,477
Write-off of:							
- Property, plant and equipment	49	-	407	94	-	-	550
Staff cost	59,599	23,870	4,188	79,792	2,873	84,847	255,169
Utilities expenses	82,922	29,560	1,681	20,390	-	59,674	194,227

The segmental financial information by geographical segment is not presented as the Group's activities are mainly carried out in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

6 REVENUE

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Lease income:				
Retail malls	**665,174**	616,355	**-**	-
Commercial office buildings	**159,664**	140,526	**-**	-
Rent related	**54,374**	51,108	**-**	-
	879,212	807,989	**-**	-
Revenue from contracts with customers:				
Hotel room revenue	**300,499**	279,617	**-**	-
Sale of food and beverages	**61,547**	64,375	**-**	-
Sale of properties	**145,931**	32,326	**-**	-
Car park	**73,996**	72,221	**-**	-
Service charges	**225,342**	207,822	**-**	-
Utilities	**105,563**	96,842	**-**	-
Service concession arrangement	**53,771**	60,942	**-**	-
Rendering of services	**48,557**	41,286	**-**	-
Management services	**-**	-	**19,401**	13,371
Others	**17,311**	7,190	**-**	-
	1,032,517	862,621	**19,401**	13,371
Dividend income (gross)	**-**	-	**836,792**	1,053,711
	1,911,729	1,670,610	**856,193**	1,067,082
Revenue from contracts with customers is recognised by:				
Point in time	**207,478**	96,701	**-**	-
Over time	**825,039**	765,920	**19,401**	13,371
	1,032,517	862,621	**19,401**	13,371

Lease income included variable lease payments related to sales generated by tenants which approximates to 17.6% (2024: 20.0%) of the total lease income. There are no variable lease payments that depend on an index or rate.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

7 PROFIT FROM OPERATIONS

(a) Cost of sales

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Inventories sold:				
- completed properties	**101,529**	21,679	**-**	-
Assessment and quit rent	**38,385**	35,421	**-**	-
Utilities	**178,051**	194,227	**-**	-
Repair and maintenance	**36,272**	35,003	**-**	-
Depreciation of investment properties	**107,455**	103,477	**-**	-
Depreciation of hotel properties	**44,674**	39,057	**-**	-
Depreciation of right-of-use assets	**988**	1,038	**-**	-
Property maintenance	**33,974**	30,178	**-**	-
Cleaning and security services	**30,466**	28,381	**-**	-
Food and beverages	**21,317**	20,878	**-**	-
Commission	**27,911**	23,033	**-**	-
Staff cost				
- salaries, wages and bonus	**144,198**	118,316	**-**	-
- defined contribution plan	**15,774**	12,498	**-**	-
- other staff related expenses	**19,085**	15,554	**-**	-
Chemical costs for water treatment	**18,931**	22,116	**-**	-
Others	**37,013**	35,097	**-**	-
	856,023	735,953	**-**	-

(b) Other operating income

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Unrealised foreign exchange gain	**1,478**	1,959	**-**	-
Realised foreign exchange gain	**35**	2,425	**-**	-
Reversal of impairment loss				
- amounts owing from subsidiaries (Note 3(b))	**-**	-	**1,590**	-
- investment in an associate (Note 16)	**16,300**	-	**-**	-
Gain on disposal of property, plant and equipment	**148**	478	**-**	-
Gain on disposal of a joint venture	**-**	1,431	**-**	-
Forfeited deposits	**-**	270	**-**	-
Gain on termination of concession agreement	**6,027**	-	**-**	-
Other miscellaneous income	**29,229**	19,079	**19**	11
	53,217	25,642	**1,609**	11

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

7 PROFIT FROM OPERATIONS (continued)

(c) Administrative expenses

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Depreciation of property, plant and equipment	**12,278**	11,055	**5,808**	4,956
(Reversal)/Provision for impairment (net):				
- trade and other receivables (Note 3(b))	**(96)**	1,689	**-**	-
Staff costs[1]				
- salaries, wages and bonus	**76,119**	85,036	**37,668**	29,672
- defined contribution plan	**7,983**	9,305	**4,408**	3,470
- other employee related expenses	**12,516**	14,460	**2,163**	4,170
Directors' remuneration (Note 8)	**11,022**	8,817	**8,229**	6,716
Auditors' remuneration				
- PricewaterhouseCoopers PLT				
● Statutory audit fees	**1,799**	1,688	**309**	274
● Audit related services	**287**	37	**181**	6
- Others	**232**	317	**-**	-
Non-audit fees:				
- PricewaterhouseCoopers Taxation Services Sdn Bhd	**467[2]**	1,077[2]	**14[3]**	14[3]
- Others	**69**	170	**-**	-
Legal and other professional fees	**7,418**	6,495	**825**	477
Repair and maintenance	**25,471**	24,258	**-**	-
Selling and marketing expenses	**20,135**	16,568	**-**	-
Low value/short-term leases				
- plant and equipment	**243**	211	**-**	-
- building	**744**	901	**-**	43
Commission	**8,930**	7,748	**-**	-
Assessment and quit rent	**3,684**	4,098	**-**	-
Other administrative expenses	**37,939**	31,374	**6,370**	4,844
	227,240	225,304	**65,975**	54,642

[1] Staff cost and defined contribution plan for the Group of RM4,378,768 (2024: RM4,645,177) and RM354,792 (2024: RM462,927), respectively, were capitalised into property, plant and equipment and investment property in progress.

[2] Non-audit fees for the Group were in respect of tax compliance services (2024: Non-audit fees for the Group were in respect of tax compliance services, one-off tax services relating to E-invoicing impact assessment and tax planning services).

[3] Non-audit fees for the Company were in respect of tax compliance services.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

7 PROFIT FROM OPERATIONS (continued)

(d) Other operating expenses

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Property, plant and equipment written off	**553**	550	**5**	2
Unrealised foreign exchange loss	**8,587**	4,299	**6,341**	1,446
Realised foreign exchange loss	**217**	202	**-**	1
Provision for impairment:				
- investment in an associate (Note 16(a))	**-**	16,601	**-**	-
- advances owing from subsidiaries (Note 3(b))	**-**	-	**233**	-
Other operating expenses	**4,595**	3,559	**52**	-
	13,952	25,211	**6,631**	1,449

8 DIRECTORS' REMUNERATION

The aggregate amount of emoluments received/receivable by the Directors of the Group and of the Company are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Fees	**1,301**	1,472	**1,098**	1,098
Salaries, bonus and allowances	**8,752**	6,577	**6,383**	5,030
Defined contribution plan	**969**	768	**748**	588
	11,022	8,817	**8,229**	6,716
Benefits-in-kind	**95**	102	**80**	78
	11,117	8,919	**8,309**	6,794

9 FINANCE INCOME AND FINANCE COSTS

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Interest income on:				
Deposits with licensed banks	**53,116**	45,794	**11,220**	5,343
Concession receivables	**4,260**	4,788	**-**	-
Penalty of late payments	**760**	418	**-**	-
Amounts owing from subsidiaries	**-**	-	**970**	1,296
Others	**287**	362	**-**	-
Total finance income	**58,423**	51,362	**12,190**	6,639
Interest expense on:				
Medium Term Notes, term loans and revolving credits	**157,807**	175,368	**8,219**	8,183
Amounts owing to subsidiaries	**-**	-	**226**	13,378
Lease liabilities	**38**	40	**94**	180
Others	**2,099**	2,745	**109**	1,325
Total finance costs	**159,944**	178,153	**8,648**	23,066
Net finance costs/(income)	**101,521**	126,791	**(3,542)**	16,427

The capitalisation rate used to determine the amount of finance costs to be capitalised is the weighted average interest rate applicable to the Group's general borrowings during the financial year, which is 4.31% (2024: 5.02%). The finance cost capitalised has been disclosed in Note 13(b).

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

10 TAXATION

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current tax:				
Malaysian tax	**206,121**	135,874	**56,861**	55,606
Foreign tax	**12,009**	5,599	**-**	-
	218,130	141,473	**56,861**	55,606
Deferred tax (Note 18)	**(25,782)**	(7,270)	**(12,239)**	(3,620)
	192,348	134,203	**44,622**	51,986
Current tax:				
Current financial year	**218,918**	139,011	**56,909**	56,273
(Over)/Under accrual in prior financial year	**(788)**	2,462	**(48)**	(667)
	218,130	141,473	**56,861**	55,606
Deferred tax: (Note 18)				
Origination and reversal of temporary differences	**(37,678)**	(3,281)	**(12,239)**	(3,620)
Under/(Over) accrual in prior financial year	**11,896**	(3,989)	**-**	-
Tax expense	**192,348**	134,203	**44,622**	51,986

The reconciliation between the effective tax rate and the Malaysian tax rate are as follows:

	Group		Company	
	2025	**2024**	**2025**	**2024**
	%	**%**	**%**	**%**
Malaysian tax rate	**24**	24	**24**	24
Tax effects of:				
Different tax rates	**-***	-*	**-**	-
Share of results of associates and joint ventures	**(-)***	(5)	**-**	-
Expenses not deductible for tax purposes	**9**	6	**2**	1
Income not subject to tax	**(11)**	(7)	**(20)**	(20)
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	**(1)**	(-)*	**-**	-
Current year tax losses and deductible temporary differences not recognised	**-***	-*	**-**	-
Under/(Over) accrual of tax in prior financial year	**1**	-*	**(-)***	(-)*
Clawback of capital allowance previously claimed	**3**	-	**-**	-
Effective tax rate	**25**	18	**6**	5

* *The tax effects of these reconciling items are less than 1%*

Taxation on the Real Estate Investment Trust ("REIT")

Pursuant to Section 61A of the Malaysia's Income Tax Act, 1967 ("Act"), the income of IGB Real Estate Investment Trust ("IGB REIT") and IGB Commercial Real Estate Investment Trust ("IGBCR") will be exempted from tax provided that at least 90% of its taxable income (as defined in the Act) is distributed to the investors in the basis period of IGB REIT and IGBCR for that year of assessment within two (2) months after the close of the financial year. As the distributions to IGB REIT and IGBCR unitholders for the financial year ended 31 December 2025 are more than 90% (2024: more than 90%) of the total taxable income, no provision for income taxation has been made by IGB REIT and IGBCR for the current and prior financial years.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

10 TAXATION (continued)

Taxation of the Unitholders

Pursuant to Section 109D(2) of the Malaysia's Income Tax Act 1967, where 90% or more of the REIT's total taxable income is distributed by the REIT, distributions to IGB Berhad as a unitholder of the REIT are not subject to withholding tax but at prevailing tax rate.

11 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share of the Group is calculated by dividing the profit attributable to equity holders of the Company for the financial year by the weighted average number of ordinary shares in issue during the financial year, excluding ordinary shares purchased by the Company and held as treasury shares (Note 24).

Group		2025	2024 (restated)
Profit attributable to equity holders of the Company	RM'000	**361,017**	416,224
Weighted average number of ordinary shares in issue	'000	**1,991,126**	2,001,413
Basic earnings per share	sen	**18.13**	20.80

The current financial year and comparative figures for the weighted average number of ordinary shares used in the calculation of basic earnings per share have been adjusted to reflect the increased number of shares arising from bonus issues, which were completed on 16 March 2026.

(b) Diluted earnings per share

For diluted earnings per share of the Group, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The Group's diluted earnings per share is the same as basic earnings per share, as the Group does not have any dilutive potential ordinary shares in issue.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

12 PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold land RM'000	ROU assets - Leasehold land (Note 12(c)) RM'000	Hotel properties (Note 12(a)) RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fixtures, fittings and equipment RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost									
At 1 January 2025	59,478	62,025	1,822,363	207,510	77,892	103,051	5,155	81,273	2,418,747
Additions	-	243	9,869	1,792	226	5,847	445	120,701	139,123
Written off	-	(73)	(1,297)	-	-	(633)	(177)	-	(2,180)
Disposals	-	(207)	(11,278)	-	-	(557)	(512)	-	(12,554)
Transfer to investment properties	-	-	-	-	-	(5,515)	-	-	(5,515)
Transfer to inventories	(28,667)	-	-	-	-	-	-	(30,175)	(58,842)
Reclassification	-	-	62,682	-	-	-	-	(62,682)	-
Currency translation differences	-	(42)	(5,996)	-	(40)	(63)	-	(32)	(6,173)
At 31 December 2025	30,811	61,946	1,876,343	209,302	78,078	102,130	4,911	109,085	2,472,606
Accumulated depreciation									
At 1 January 2025	-	5,437	640,215	57,692	75,470	80,478	4,421	-	863,713
Charge for the financial year	-	988	44,674	4,133	756	7,080	309	-	57,940
Written off	-	(46)	(820)	-	-	(584)	(177)	-	(1,627)
Disposals	-	-	(4,939)	-	-	(356)	(509)	-	(5,804)
Transfer to investment properties	-	-	-	-	-	(4,207)	-	-	(4,207)
Currency translation differences	-	(56)	(2,068)	-	-	(7)	-	-	(2,131)
At 31 December 2025	-	6,323	677,062	61,825	76,226	82,404	4,044	-	907,884
Carrying amount									
At 31 December 2025	30,811	55,623	1,199,281	147,477	1,852	19,726	867	109,085	1,564,722

Property, plant and equipment with a carrying amount of RM257.95 million (2024: RM263.15 million) have been charged as security for borrowings as disclosed in Note 27.

Included in ROU assets are hostel rented for staff accommodation and lands leased for hotel business operation as disclosed in Note 12(c)(i) amounting to RM36 million (2024: RM37 million). Included in capital work-in-progress are refurbishment costs in relation to hotel business operations amounting to RM87 million (2024: RM60 million).

Additions to property, plant and equipment that remain unpaid as at 31 December 2025 is RM24.1 million (2024: RM4.1 million).

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Group (continued)

	Freehold land RM'000	ROU assets - Leasehold land (Note 12(c)) RM'000	Hotel properties (Note 12(a)) RM'000	Buildings RM'000	Plant and machinery RM'000	Furniture, fixtures, fittings and equipment RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Cost									
At 1 January 2024	59,478	61,995	1,795,610	207,510	77,281	92,120	6,740	45,879	2,346,613
Additions	-	73	32,105	-	611	13,148	509	63,007	109,453
Written off	-	-	(2,174)	-	-	(1,337)	(340)	-	(3,851)
Disposals	-	-	(194)	-	-	(785)	(1,751)	-	(2,730)
Reclassification	-	-	27,264	-	-	-	-	(27,264)	-
Currency translation differences	-	(43)	(30,248)	-	-	(95)	(3)	(349)	(30,738)
At 31 December 2024	59,478	62,025	1,822,363	207,510	77,892	103,051	5,155	81,273	2,418,747
Accumulated depreciation									
At 1 January 2024	-	4,425	612,920	53,577	74,733	76,210	5,935	-	827,800
Charge for the financial year	-	1,038	39,057	4,115	737	5,917	286	-	51,150
Written off	-	-	(2,080)	-	-	(881)	(340)	-	(3,301)
Disposals	-	-	(185)	-	-	(762)	(1,457)	-	(2,404)
Currency translation differences	-	(26)	(9,497)	-	-	(6)	(3)	-	(9,532)
At 31 December 2024	-	5,437	640,215	57,692	75,470	80,478	4,421	-	863,713
Carrying amount									
At 31 December 2024	59,478	56,588	1,182,148	149,818	2,422	22,573	734	81,273	1,555,034

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Group (continued)

(a) Hotel properties

Group	Freehold land	Hotel buildings	Plant and machinery	Furniture, fittings and equipment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
At cost					
At 1 January 2025	**165,710**	**1,189,128**	**141,440**	**326,085**	**1,822,363**
Additions	**-**	**150**	**2,305**	**7,414**	**9,869**
Written off	**-**	**(543)**	**(700)**	**(54)**	**(1,297)**
Disposals	**-**	**(89)**	**(5,985)**	**(5,204)**	**(11,278)**
Reclassification	**(11,901)**	**29,857**	**24,995**	**19,731**	**62,682**
Currency translation differences	**(1,224)**	**(3,905)**	**(667)**	**(200)**	**(5,996)**
At 31 December 2025	**152,585**	**1,214,598**	**161,388**	**347,772**	**1,876,343**
Accumulated depreciation					
At 1 January 2025	**-**	**251,475**	**122,086**	**266,654**	**640,215**
Charge for the financial year	**-**	**22,748**	**6,527**	**15,399**	**44,674**
Written off	**-**	**(114)**	**(667)**	**(39)**	**(820)**
Disposals	**-**	**(25)**	**(429)**	**(4,485)**	**(4,939)**
Currency translation differences	**-**	**(1,552)**	**(369)**	**(147)**	**(2,068)**
At 31 December 2025	**-**	**272,532**	**127,148**	**277,382**	**677,062**
Carrying amount					
At 31 December 2025	**152,585**	**942,066**	**34,240**	**70,390**	**1,199,281**
At cost					
At 1 January 2024	157,573	1,193,432	133,870	310,735	1,795,610
Additions	14,401	511	8,533	8,660	32,105
Written off	-	-	(576)	(1,598)	(2,174)
Disposals	-	-	-	(194)	(194)
Reclassification	-	15,160	2,666	9,438	27,264
Currency translation differences	(6,264)	(19,975)	(3,053)	(956)	(30,248)
At 31 December 2024	165,710	1,189,128	141,440	326,085	1,822,363
Accumulated depreciation					
At 1 January 2024	-	233,727	122,411	256,782	612,920
Charge for the financial year	-	25,092	1,761	12,204	39,057
Written off	-	-	(576)	(1,504)	(2,080)
Disposals	-	-	-	(185)	(185)
Currency translation differences	-	(7,344)	(1,510)	(643)	(9,497)
At 31 December 2024	-	251,475	122,086	266,654	640,215
Carrying amount					
At 31 December 2024	165,710	937,653	19,354	59,431	1,182,148

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Group (continued)

(b) Assessment of recoverable amounts of hotel properties

The Group owns and operates hotel properties in Malaysia and overseas. Management considers each hotel as a separate cash-generating unit and has updated their impairment assessments on the carrying amounts of the hotel properties against their recoverable amounts. The recoverable amounts of the hotel properties are determined by the management based on the FVLCTS or VIU method. Management has applied probability weightage for multiple scenarios in certain value in use calculations.

The key assumptions used in determining the recoverable amounts of certain hotel properties in the VIU calculations are as follows:

i. Discount rates of 9.3% - 9.6%;
ii. Long term growth rate of 2%

Based on the above impairment assessments, as the recoverable amounts are higher than the carrying amounts, no impairment losses have been identified.

A reasonable possible change by an upward adjustment to the discount rate by 0.25% (2024: 0.25%) or a downward adjustment to the long-term growth rate by 0.25% (2024: 0.25%), with all other factors remaining unchanged, would result in the carrying amounts exceeding their recoverable amounts by RM2.4 million (2024: RM1.7 million) and RM0.2 million (2024: RM0.5 million), respectively for certain hotel properties.

(c) Right-of-use assets – Leasehold land

(i) The Group's leasing activities

The Group leases land for its business operations. The leases comprise the following:

A. A land used for hotel business operations was leased for a period of 25 years. Upon expiration of the initial 25 year term, the Group shall have the option to renew the lease for a further 25 years at an annual rent to be mutually agreed upon with the lessor, and the option is exercisable only by the Group. In the event that the lease is terminated before the expiration of the tenure, the Group shall be liable to pay the lessor a sum equal to the annual rent for the remaining unexpired period. The extension option is included in the lease term as the Group is reasonably certain to extend the term.

B. A land used for hotel business operations was leased for a period of 99 years. There are no lease liabilities associated with the leasehold land as the payment was prepaid at inception.

(ii) Lease liabilities (included in payables and contract liabilities)

	2025 RM'000	2024 RM'000
At 1 January	**16,813**	17,274
Add: Interest expense on discounting	**38**	40
Less: Lease payments	**(500)**	(501)
At 31 December	**16,351**	16,813
Represented by:		
Current	**463**	462
Non-current	**15,888**	16,351
At 31 December	**16,351**	16,813

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Group (continued)

(c) Right-of-use assets – Leasehold land (continued)

(iii) Amounts recognised in income statements

	2025 RM'000	2024 RM'000
Depreciation of right-of-use assets	**988**	1,038
Interest expense (included in finance cost)	**38**	40
Low value/short-term leases (Note 7(c))	**987**	1,112

(iv) Amounts recognised in statements of cash flows

	2025 RM'000	2024 RM'000
Cash used in financing activities		
- Repayment of lease	**462**	461
- Interest paid	**38**	40
Cash used in operating activities		
- Low value/short-term leases	**987**	1,112

Company

2025	ROU assets-Buildings RM'000	Furniture, fixtures, fittings and equipment RM'000	Total RM'000
Cost			
At 1 January	**11,825**	**8,609**	**20,434**
Additions	**-**	**1,374**	**1,374**
Lease modification	**1,561**	**-**	**1,561**
Written off	**-**	**(18)**	**(18)**
At 31 December	**13,386**	**9,965**	**23,351**
Accumulated depreciation			
At 1 January	**8,118**	**5,914**	**14,032**
Charge for the financial year	**4,239**	**1,569**	**5,808**
Written off	**-**	**(13)**	**(13)**
At 31 December	**12,357**	**7,470**	**19,827**
Carrying amount			
At 31 December	**1,029**	**2,495**	**3,524**

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Company (continued)

2024	ROU assets-Buildings RM'000	Furniture, fixtures, fittings and equipment RM'000	Total RM'000
Cost			
At 1 January	12,032	7,116	19,148
Additions	-	1,525	1,525
Lease modification	(207)	-	(207)
Written off	-	(32)	(32)
At 31 December	11,825	8,609	20,434
Accumulated depreciation			
At 1 January	4,246	4,859	9,105
Charge for the financial year	3,872	1,084	4,956
Written off	-	(29)	(29)
At 31 December	8,118	5,914	14,032
Carrying amount			
At 31 December	3,707	2,695	6,402

(a) Right-of-use asset – Buildings

(i) The Company's leasing activities

The Company has entered into lease agreement for the lease of office premises to facilitate business operations. These leases are for a fixed term of 3 years. During the financial year, the existing lease was extended for an additional period of 3 years, resulting in a lease modification.

(ii) Lease liabilities (included in payables and contract liabilities)

	2025 RM'000	2024 RM'000
At 1 January	**3,785**	7,911
Add: Interest expense on discounting	**94**	180
Add/(Less) : Lease modification	**1,561**	(207)
Less: Lease payments	**(4,403)**	(4,099)
At 31 December	**1,037**	3,785
Represented by:		
Current	**426**	3,785
Non-current	**611**	-
At 31 December	**1,037**	3,785

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

12 PROPERTY, PLANT AND EQUIPMENT (continued)

Company (continued)

(a) Right-of-use asset – Buildings (continued)

(iii) Amounts recognised in income statements

	2025 RM'000	2024 RM'000
Depreciation of right-of-use assets	**4,239**	3,872
Interest expense (included in finance cost)	**94**	180
Low value/short-term leases (Note 7(c))	**-**	43

(iv) Amounts recognised in statements of cash flows

	2025 RM'000	2024 RM'000
Cash used in financing activities		
- Repayment of lease	**4,309**	3,919
Cash used in operating activities		
- Low value/short-term leases	**-**	43
- Interest paid	**94**	180

13 INVENTORIES

Group	Note	2025 RM'000	2024 RM'000
Non-current			
Land held for property development	(a)	**461,447**	460,486
Current			
At cost:			
Property development costs	(b)	**279,365**	203,202
Completed properties	(c)	**301,065**	402,594
Hotel operating supplies and raw materials		**485**	976
Finished goods		**1,173**	688
		582,088	607,460

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

13 INVENTORIES (continued)

(a) Land held for property development

Group	2025 RM'000	2024 RM'000
At 1 January	**460,486**	456,342
Land and development costs		
Costs incurred during the financial year:		
- Development costs	**961**	4,144
At 31 December	**461,447**	460,486
At net realisable value	**76,405**	76,400

In the previous financial year, land held for property development at a cost of RM76.4 million has been charged as security for interest bearing bank borrowing.

(b) Property development costs

Group	2025 RM'000	2024 RM'000
At cost		
At 1 January		
Land and development costs	**203,202**	194,152
Add land and development costs:		
Cost incurred during the year	**17,321**	9,050
Transfer from property, plant and equipment	**58,842**	-
At 31 December	**279,365**	203,202
Land and development costs charged as security for borrowings	**-**	15,911
Interest costs capitalised as property development costs	**655**	271

(c) Completed properties

Group	Note	2025 RM'000	2024 RM'000
At cost			
At 1 January		**402,594**	407,760
Transfer from investment properties		**-**	16,513
Sold during the financial year	7(a)	**(101,529)**	(21,679)
At 31 December		**301,065**	402,594

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

14 INVESTMENT PROPERTIES

Group	Land[2]	Property investment -retail[1]	Property investment -commercial[1]	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Cost					
At 1 January 2025	**165,179**	**2,884,040**	**2,155,345**	**19,312**	**5,223,876**
Additions	**-**	**27,840**	**21,738**	**28**	**49,606**
Transfer from property, plant and equipment	**-**	**5,515**	**-**	**-**	**5,515**
Reclassification	**7,874**	**-**	**-**	**(7,874)**	**-**
At 31 December 2025	**173,053**	**2,917,395**	**2,177,083**	**11,466**	**5,278,997**
Accumulated depreciation					
At 1 January 2025	**11,446**	**872,520**	**530,775**	**-**	**1,414,741**
Charge for the financial year	**2,289**	**60,627**	**44,539**	**-**	**107,455**
Transfer from property, plant and equipment	**-**	**4,207**	**-**	**-**	**4,207**
At 31 December 2025	**13,735**	**937,354**	**575,314**	**-**	**1,526,403**
Carrying amount					
At 31 December 2025	**159,318**	**1,980,041**	**1,601,769**	**11,466**	**3,752,594**

[1] Included in property investment-retail and property investment-commercial are right-of-use assets (leasehold portion) of RM344.0 million (2024: RM348.7 million) and RM109.2 million (2024: RM110.6 million) respectively.

[2] Included freehold land and leasehold land. The leasehold lands are intended for long-term property investment, specifically to generate income through retail and commercial rental activities. The leases span periods of more than 50 years. There are no lease liabilities associated with the leasehold lands, as the payments were prepaid at inception.

Group	Land	Property investment -retail[1]	Property investment -commercial[1]	Capital work-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Cost					
At 1 January 2024	198,887	2,845,050	1,999,012	136,020	5,178,969
Additions	11	38,990	24,418	40	63,459
Transfer to inventories	-	-	(18,552)	-	(18,552)
Reclassifications	(33,719)	-	150,467	(116,748)	-
At 31 December 2024	165,179	2,884,040	2,155,345	19,312	5,223,876
Accumulated depreciation					
At 1 January 2024	10,308	813,294	489,701	-	1,313,303
Charge for the financial year	2,289	59,226	41,962	-	103,477
Transfer to inventories	-	-	(2,039)	-	(2,039)
Reclassifications	(1,151)	-	1,151	-	-
At 31 December 2024	11,446	872,520	530,775	-	1,414,741
Carrying amount					
At 31 December 2024	153,733	2,011,520	1,624,570	19,312	3,809,135

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

14 INVESTMENT PROPERTIES (continued)

Direct operating expenses from investment properties that generated rental income for the Group during the financial year were as follows:

Group	2025 RM'000	2024 RM'000
Depreciation of investment properties	**107,455**	103,477
Assessment and quit rent	**34,736**	32,170
Repair and maintenance	**51,009**	56,367
Staff costs	**89,816**	83,469
Utilities	**103,194**	113,905
Others	**54,305**	51,285
	440,515	440,673

Fair value

Group

2025	RM'000	Level	Valuation technique
Retail malls	**8,418,028**	3	Income approach & market approach
Commercial properties	**3,612,267**	3	Income approach & market approach
Others	**409,085**	3	Market approach
Total	**12,439,380**		

2024	RM'000	Level	Valuation technique
Retail malls	7,798,033	3	Income approach & market approach
Commercial properties	3,588,545	3	Income approach & market approach
Others	181,529	3	Market approach
Total	11,568,107		

The fair values of the investment properties above were estimated based on either valuation by independent external valuers or management's estimates.

The fair values of the investment properties above exclude investment properties amounting to RM11.5 million (2024: RM19.3 million) that are in the early stages of construction, as the fair values of these properties are not expected to be reliably measurable until construction is complete.

The fair values of the investment properties are determined based on the income approach and market approach using Level 3 inputs in the fair value hierarchy of MFRS 13 'Fair Value Measurement'. Under the income approach, the fair values of investment properties are derived from rental and estimates of rental, of which the investment properties are let for and can reasonably be let for, after deducting annual outgoing expenses. Therefore, the net annual rental income is recognised at an appropriate current market yield to arrive at its fair value. The fair values of investment properties based on the market approach are derived from market evidence of transacted prices per square feet for similar properties in which the values have been adjusted for key attributes such as property size, location and date of transaction.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

14 INVESTMENT PROPERTIES (continued)

The Level 3 inputs (unobservable inputs) include:

Income approach

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;
Reversionary rental	-	the expected rental that the investment properties are expected to achieve upon expiry of the term rental;
Car park income	-	refers to rental on car park bays;
Other income	-	comprising percentage rent, advertising income, utilities charges and others;
Outgoing expenses	-	comprising assessment and quit rent, utilities costs, manpower costs, repair and maintenance, insurance premium, asset enhancement initiatives/upgrades expense and management expenses;
Capitalisation rate	-	based on the 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 investment properties;
Allowance for void	-	refers to allowance provided for vacancy periods, marketing and rent free periods.

Market approach

Price per square foot ("psf")	-	estimated price psf for which a property should exchange on the date of valuation between a willing buyer and a willing seller.

Investment properties with a carrying amount of RM2.46 billion (2024: RM3.13 billion) have been charged as security for borrowings as disclosed in Note 27.

Additions to investment properties amounted RM10.6 million (2024: RM16.4 million) remain unpaid as at 31 December 2025.

The Directors has determined that no reasonable change in any of the Level 3 inputs would result in a material change in the carrying amount of the investment properties significantly exceeding its recoverable amounts.

15 SUBSIDIARIES

Company	2025 RM'000	2024 RM'000
Investment in subsidiaries, at cost		
Quoted ordinary shares	**3,964,642**	3,964,642
Unquoted ordinary shares	**3,659,300**	3,660,208
Less: Accumulated impairment losses	**(21,836)**	(22,744)
	7,602,106	7,602,106
Advances to subsidiaries	**128,502**	128,486
Less: Accumulated impairment losses	**(37,671)**	(37,438)
Total	**7,692,937**	7,693,154

The market values of the quoted ordinary shares for IGB Real Estate Investment Trust ("IGB REIT") and IGB Commercial Real Estate Investment Trust ("IGBCR") are RM4.73 billion (2024: RM3.71 billion) and RM0.76 billion (2024: RM0.68 billion), respectively, as at 31 December 2025.

Ordinary shares of subsidiary with a carrying value of RM0.26 billion (2024: RM0.26 billion) have been charged as security for borrowings as detailed in Note 27(c).

The changes of the Group's investment in subsidiaries during the financial year are as follows:

(i) Lautan Bumimas Sdn. Bhd., in which the Company held a 51% equity interest, was dissolved on 10 March 2025.

(ii) On 7 November 2025, the Group announced to Bursa Malaysia that its 96.67% owned inactive subsidiaries, OM3 Fish Development Sdn. Bhd., OM3 Fish (Asia) Sdn. Bhd. and OM3 Fish Services Sdn. Bhd., had been placed under Members' Voluntary Winding-up.

(iii) On 29 December 2025, the Group announced to Bursa Malaysia that its 65% owned subsidiary, Earning Edge Sdn. Bhd., together with its wholly-owned subsidiaries, Idaman Spektra Sdn. Bhd., Kemas Muhibbah Sdn. Bhd. and IGB International Ventures Sdn. Bhd. (all of which are inactive), had been placed under Members' Voluntary Winding-up.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

15 SUBSIDIARIES (continued)

The changes of the Group's investment in subsidiaries during the financial year are as follows: (continued)

(iv) The Group's interest in IGB REIT decreased from 53.92% to 51.03% following the distribution in specie of 241,552,120 units of IGB REIT to the Company's entitled shareholders in connection with the disposal of The Mall, Mid Valley Southkey ("MVS Mall").

(v) The Group's interest in IGBCR increased from 53.84% to 54.32% due to the receipt of IGBCR units by IGB REIT Management Sdn. Bhd. as consideration for management services rendered during the financial year.

Advances to subsidiaries are measured in accordance with MFRS 9 Financial Instruments. As the Company does not expect repayment in the foreseeable future, these amounts are presented as part of the investment in subsidiaries.

Set out below is the summarised financial information of Southkey Megamall Sdn. Bhd. ("SKM"), IGBCR and IGB REIT, that have material non-controlling interests and are based on amounts before intercompany eliminations with the Group.

	SKM 2025 RM'000	IGBCR 2025 RM'000	IGB REIT 2025 RM'000
Proportion of ordinary shares and voting rights held by non-controlling interests (%)	30.00	45.68	48.97
(a) Summarised income statements and statements of other comprehensive income:			
Net profit for the financial year	1,819,606	58,606	374,515
Total comprehensive income for the financial year	1,819,606	58,606	374,515
Total comprehensive income attributable to non-controlling interests	545,882	26,771	183,400
Dividends paid to non-controlling interests	13,800	34,578	146,260
Dividend-in-specie paid to non-controlling interests	568,411	-	-
(b) Summarised statements of financial position:			
Current assets	342,742	102,018	387,000
Current liabilities	(67,505)	(176,849)	(261,265)
Net current assets/(liabilities)	275,237	(74,831)	125,735
Non-current assets	125,704	1,453,638	1,883,245
Non-current liabilities	-	(849,683)	(2,228,755)
Net non-current assets/(liabilities)	125,704	603,955	(345,510)
Net assets/(liabilities)	400,941	529,124	(219,775)
Attributable to:			
Owners of the parent	280,659	287,420	(112,151)
Non-controlling interests	120,282	241,704	(107,624)
	400,941	529,124	(219,775)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

15 SUBSIDIARIES (continued)

Set out below is the summarised financial information of Southkey Megamall Sdn. Bhd. ("SKM"), IGBCR and IGB REIT, that have material non-controlling interests and are based on amounts before intercompany eliminations with the Group (continued).

	SKM 2025 RM'000	IGBCR 2025 RM'000	IGB REIT 2025 RM'000
(c) Summarised statements of cash flows:			
Net cash flows generated from operating activities	**17,752**	**166,445**	**536,239**
Net cash flows generated from/(used in) investing activities	**1,285,230**	**(91,080)**	**(1,056,344)**
Net cash flows (used in)/generated from financing activities	**(1,085,256)**	**(102,861)**	**565,632**
Net increase/(decrease) in cash and cash equivalents during the financial year	**217,726**	**(27,496)**	**45,527**
Cash and cash equivalents at 1 January	**81,960**	**103,071**	**226,355**
Cash and cash equivalents at 31 December	**299,686**	**75,575**	**271,882**

The non-controlling interests of the other subsidiaries, totalling a deficit of RM58.4 million (2024: RM63.0 million) is individually immaterial.

Set out below is the summarised financial information of Cipta Klasik (M) Sdn. Bhd. ("CKSB"), Southkey Megamall Sdn. Bhd. ("SKM"), IGBCR and IGB REIT, that have material non-controlling interests and are based on amounts before intercompany eliminations with the Group.

	CKSB 2024 RM'000	SKM 2024 RM'000	IGBCR 2024 RM'000	IGB REIT 2024 RM'000
Proportion of ordinary shares and voting rights held by non-controlling interests (%)	30.00	30.00	46.16	46.08
(a) Summarised income statements and statements of other comprehensive income:				
Net (loss)/profit for the financial year	(2,051)	76,721	35,786	345,202
Total comprehensive (loss)/income for the financial year	(2,051)	76,721	35,786	345,202
Total comprehensive (loss)/income attributable to non-controlling interests	(615)	23,016	16,519	159,069
Dividends paid to non-controlling interests	2,850	-	39,989	178,245
(b) Summarised statements of financial position:				
Current assets	26,343	443,380	118,683	303,257
Current liabilities	(4,671)	(162,947)	(142,258)	(286,255)
Net current assets/(liabilities)	21,672	280,433	(23,575)	17,002
Non-current assets	188	1,232,511	1,376,138	809,634
Non-current liabilities	-	(1,020,579)	(848,982)	(1,199,577)
Net non-current assets/(liabilities)	188	211,932	527,156	(389,943)
Net assets/(liabilities)	21,860	492,365	503,581	(372,941)
Attributable to:				
Owners of the parent	15,302	344,656	271,128	(201,090)
Non-controlling interests	6,558	147,709	232,453	(171,851)
	21,860	492,365	503,581	(372,941)

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

15 SUBSIDIARIES (continued)

Set out below is the summarised financial information of Cipta Klasik (M) Sdn. Bhd. ("CKSB"), Southkey Megamall Sdn. Bhd. ("SKM"), IGBCR and IGB REIT, that have material non-controlling interests and are based on amounts before intercompany eliminations with the Group (continued).

	CKSB 2024 RM'000	SKM 2024 RM'000	IGBCR 2024 RM'000	IGB REIT 2024 RM'000
(c) Summarised statements of cash flows:				
Net cash flows generated from operating activities	4,727	159,729	137,199	457,113
Net cash flows generated from/(used in) investing activities	1,067	(289,512)	(4,827)	(26,207)
Net cash flows used in financing activities	(48,500)	(52,868)	(157,865)	(447,577)
Net decrease in cash and cash equivalents during the financial year	(42,706)	(182,651)	(25,493)	(16,671)
Cash and cash equivalents at 1 January	64,456	264,611	128,564	243,026
Cash and cash equivalents at 31 December	21,750	81,960	103,071	226,355

Details of the subsidiaries are as follows:

	Name of company	Principal activities	Country of Incorporation^	Group's effective interest (%) 2025	2024
*	Elements Integrative Health Sdn. Bhd.	Integrated healthcare and wellness	Malaysia	**100.00**	100.00
	GoldChina Sdn. Bhd.	Investment holding	Malaysia	**100.00**	100.00
	Goldis Capital Sdn. Bhd.	Dormant	Malaysia	**100.00**	100.00
*	Goldis Water Sdn. Bhd.	Investment holding	Malaysia	**100.00**	100.00
*	Goldis Yu Sdn. Bhd.	Provision of money lending services to related companies	Malaysia	**100.00**	100.00
	GTower Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
*	G Fish (Asia) Sdn. Bhd. [1]	Aquaculture	Malaysia	**96.67**	96.67
	IGB Corporation Berhad	Investment holding and property development	Malaysia	**100.00**	100.00
*	IGB Digital Sdn. Bhd.	Research and development of automated facilities management solution system	Malaysia	**100.00**	100.00
	IGB Commercial Real Estate Investment Trust [2]	Real estate investment trust	Malaysia	**54.32**	53.84
	IGB Real Estate Investment Trust [3]	Real estate investment trust	Malaysia	**51.03**	53.92
*	Lautan Bumimas Sdn. Bhd. *(Dissolved on 10 March 2025)*	Dormant	Malaysia	**-**	51.00
	Steady Paramount Sdn. Bhd.	Property investment holding	Malaysia	**100.00**	100.00
*	Triple Hallmark Sdn. Bhd.	Investment holding	Malaysia	**100.00**	100.00
	<u>Held by GoldChina Sdn. Bhd.</u>				
*	Crest Spring Pte. Ltd.	Investment holding	Singapore	**100.00**	100.00
	<u>Held by Crest Spring Pte. Ltd.</u>				
*	Crest Spring (Shanghai) Co. Ltd.	Provision of engineering services for pure water and wastewater treatment plants and related services	The People's Republic of China	**100.00**	100.00
*	New Water Co. Ltd.	Concession for management, operations and maintenance of wastewater treatment plant	The People's Republic of China	**100.00**	100.00

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for the financial year ended 31 December 2025
(continued)

15 SUBSIDIARIES (continued)

Details of the subsidiaries are as follows (continued):

	Name of company	Principal activities	Country of Incorporation^	Group's effective interest (%) 2025	Group's effective interest (%) 2024
	Held by Crest Spring (Shanghai) Co. Ltd.				
*	Jiang Su Crest Spring Co. Ltd.	Investment holding and consultancy services in water treatment	The People's Republic of China	**100.00**	100.00
*	Lianyungang Ganyu Xin Cheng Sewage Treatment Co. Ltd.	Concession for management, operations and maintenance of wastewater treatment plant	The People's Republic of China	**100.00**	100.00
*	Yantai Xin Cheng Wastewater Treatment Co. Ltd.	Concession for management, operations and maintenance of wastewater treatment plant	The People's Republic of China	**100.00**	100.00
	Held by Goldis Water Sdn. Bhd.				
*	Goldis Water Pte. Ltd.	Investment holding	Singapore	**100.00**	100.00
	Held by Goldis Water Pte. Ltd.				
*	ZouCheng XinCheng Waste Water Co. Ltd.	Concession for management, operations and maintenance of wastewater treatment plant	The People's Republic of China	**100.00**	100.00
	Held by G Fish (Asia) Sdn. Bhd.				
*	OM3 Fish (Asia) Sdn. Bhd. *(Under members' voluntary winding-up)*	Dormant	Malaysia	**96.67**	96.67
*	OM3 Fish Development Sdn. Bhd. *(Under members' voluntary winding-up)*	Dormant	Malaysia	**96.67**	96.67
*	OM3 Fish Services Sdn. Bhd. *(Under members' voluntary winding-up)*	Dormant	Malaysia	**96.67**	96.67
	Held by IGB Commercial Real Estate Investment Trust				
	IGB Commercial REIT Capital Sdn. Bhd. [11]	Special purpose vehicle to raise financing	Malaysia	**54.32**	53.84
	Held by IGB Real Estate Investment Trust				
	IGB REIT Capital Sdn. Bhd. [12]	Special purpose vehicle to raise financing	Malaysia	**51.03**	53.92
	IGB REIT MVS Capital Berhad [12]	Special purpose vehicle to raise financing	Malaysia	**51.03**	-
	Held by Triple Hallmark Sdn. Bhd.				
*	G City Club Hotel Sdn. Bhd.	Hotel operations	Malaysia	**100.00**	100.00
*	Sonata Vision Sdn. Bhd.	Food and beverage operations	Malaysia	**100.00**	100.00
	Held by IGB Corporation Berhad and its subsidiaries				
	Angkasa Gagah Sdn. Bhd. [4]	Property development	Malaysia	**100.00**	100.00
	Arabayu Sepakat Sdn. Bhd. [4]	Property development	Malaysia	**100.00**	100.00
	Astana Sierramas Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	Atar Deras Sdn. Bhd. [4]	Property development	Malaysia	**100.00**	100.00
*	Belimbing Hills Sdn. Bhd. [4]	Property development	Malaysia	**100.00**	100.00
*	Beswell Limited [6]	Investment holding	Hong Kong	**100.00**	100.00
	Bintang Buana Sdn. Bhd. [4]	Property development	Malaysia	**90.00**	90.00
*	Bintang Sentral Sdn. Bhd.	General trading, real property holding & investment holding	Malaysia	**100.00**	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

15 SUBSIDIARIES (continued)

Details of the subsidiaries are as follows (continued):

	Name of company	Principal activities	Country of Incorporation^	Group's effective interest (%) 2025	2024
	Held by IGB Corporation Berhad and its subsidiaries (continued)				
*	Central Review (M) Sdn. Bhd. [4]	Property investment	Malaysia	**100.00**	100.00
	Cipta Klasik (M) Sdn. Bhd. [4]	Property development	Malaysia	**70.00**	70.00
	Cititel Hotel Management Sdn. Bhd.	Hotel management services	Malaysia	**60.00**	60.00
	Corpool Holdings Sdn. Bhd.	Property development	Malaysia	**100.00**	100.00
*	Danau Bidara (M) Sdn. Bhd. [4]	Property investment	Malaysia	**100.00**	100.00
	Detik Harapan Sdn. Bhd.	Educational institution	Malaysia	**60.00**	60.00
	Dimensi Magnitud Sdn. Bhd.	Property investment	Malaysia	**70.00**	70.00
	Distinctive Ace Sdn. Bhd. [7]	Property investment and property development	Malaysia	**50.12**	50.12
*	Earning Edge Sdn. Bhd. [8] *(Under members' voluntary winding-up)*	Investment holding	Malaysia	**65.00**	65.00
	Eastwind Alliance Sdn. Bhd. [4]	Property investment and property development	Malaysia	**100.00**	100.00
	Enrich Horizon Sdn. Bhd.	Property investment	Malaysia	**70.00**	-
	Ensignia Construction Sdn. Bhd.	Building construction	Malaysia	**100.00**	100.00
	Ensignia Southkey City Sdn. Bhd. [9]	Building construction	Malaysia	**70.00**	70.00
	Future Pinnacle Sdn. Bhd. [10]	Property development	Malaysia	**100.00**	100.00
*	Grapevine Investments Pte. Ltd.	Investment holding	Singapore	**100.00**	100.00
*	Great Union Properties Sdn. Bhd.	Dormant	Malaysia	**100.00**	100.00
	G Village Retail Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
*	Harta Villa Sdn. Bhd. [4]	Property development	Malaysia	**100.00**	100.00
*	Hyperleap Sdn. Bhd. [4]	Property development	Malaysia	**93.17**	100.00
*	ICDC Holdings Sdn. Bhd.	Investment holding	Malaysia	**100.00**	100.00
*	Idaman Spektra Sdn. Bhd. *(Under members' voluntary winding-up)*	Property investment	Malaysia	**100.00**	100.00
	IGB Education Services Sdn. Bhd. [18]	Educational Institution	Malaysia	**70.00**	70.00
	IGB International School Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
*	IGB International Ventures Sdn. Bhd. *(Under members' voluntary winding-up)*	Investment holding	Malaysia	**100.00**	100.00
*	IGB Project Management Services Sdn. Bhd.	Project management services	Malaysia	**100.00**	100.00
	IGB Properties Sdn. Bhd.	Property investment and management	Malaysia	**100.00**	100.00
	IGB Property Management Sdn. Bhd.	Property investment and management	Malaysia	**100.00**	100.00
	IGB REIT Management Sdn. Bhd.	Management of real estate investment trust	Malaysia	**100.00**	100.00
*	Innovation & Concept Development Co. Sdn. Bhd. [13]	Property development	Malaysia	**100.00**	100.00
*	IST Building Products Sdn. Bhd. *(Dissolved on 25 September 2025)*	Trading of building materials	Malaysia	**-**	100.00
*	IT&T Engineering & Construction Sdn. Bhd.	Investment holding	Malaysia	**100.00**	100.00
*	Kemas Muhibbah Sdn. Bhd. [14] *(Under members' voluntary winding-up)*	Property development	Malaysia	**100.00**	100.00
	Kondoservis Management Sdn. Bhd. [4]	Management services	Malaysia	**100.00**	100.00
	Lagenda Sutera (M) Sdn. Bhd. [6]	Hotelier	Malaysia	**100.00**	100.00
	Majestic Path Sdn. Bhd. [6]	Investment holding	Malaysia	**100.00**	100.00
	Megan Prestasi Sdn. Bhd.	Investment holding	Malaysia	**100.00**	100.00

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

15 SUBSIDIARIES (continued)

Details of the subsidiaries are as follows (continued):

	Name of company	Principal activities	Country of Incorporation^	Group's effective interest (%) 2025	2024
	Held by IGB Corporation Berhad and its subsidiaries (continued)				
	Mid Valley City Sdn. Bhd.	Management services/service provider	Malaysia	**100.00**	100.00
	Mid Valley City Developments Sdn. Bhd.	Property development	Malaysia	**100.00**	100.00
	Mid Valley City Energy Sdn. Bhd.	Selling and distribution of utilities	Malaysia	**100.00**	100.00
	Mid Valley City Enterprise Sdn. Bhd.	Hotelier	Malaysia	**100.00**	100.00
	Mid Valley City Gardens Sdn. Bhd.	Management services/service provider	Malaysia	**100.00**	100.00
	Mid Valley City Hotels Sdn. Bhd.	Hotelier	Malaysia	**100.00**	100.00
*	Mid Valley City North Tower Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	Mid Valley City Property Services Sdn. Bhd. [15]	Building and maintenance services	Malaysia	**100.00**	100.00
*	Mid Valley City South Tower Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	Mid Valley City Southpoint Sdn. Bhd.	Property investment and property development	Malaysia	**100.00**	100.00
	Millennium Living Sdn. Bhd. [4]	Managing and supplying accommodation	Malaysia	**100.00**	100.00
	MV Club App Sdn. Bhd.	Design, development, operation, ownership maintenance and management of mobile related applications	Malaysia	**100.00**	100.00
*	MVC Centrepoint North Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
*	MVC Centrepoint South Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	MVC CyberManager Sdn. Bhd.	MSC cybercentre at Mid Valley City	Malaysia	**100.00**	100.00
	MVEC Exhibition and Event Services Sdn. Bhd.	Exhibition services	Malaysia	**100.00**	100.00
	MVS Centrepoint North Tower Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	MVS Centrepoint South Tower Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	MVS North Tower Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	MVS Northpoint Hotel Sdn. Bhd.	Hotelier	Malaysia	**100.00**	100.00
	MVS South Tower Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
	MVS Southpoint Hotel Sdn. Bhd.	Hotelier	Malaysia	**100.00**	100.00
	Nova Pesona Sdn. Bhd. [4]	Property development	Malaysia	**100.00**	100.00
	OPT Ventures Sdn. Bhd. [4]	Property development and investment	Malaysia	**70.00**	70.00
*	Outline Avenue (M) Sdn. Bhd. [4]	Property development	Malaysia	**89.57**	89.57
	Pacific Land Sdn. Bhd.	Investment holding	Malaysia	**100.00**	100.00
*	Pacific Land Pte. Ltd. [6]	Investment holding	Singapore	**100.00**	100.00
	Pangkor Island Resort Sdn. Bhd.	Hotelier	Malaysia	**100.00**	100.00
*	Penang Garden Sdn. Bhd.	Property development and investment	Malaysia	**100.00**	100.00
	Permata Efektif (M) Sdn. Bhd. [4]	Property development	Malaysia	**100.00**	100.00
*	Plaza Permata Management Services Sdn. Bhd.	Property management services	Malaysia	**100.00**	100.00
*	Prima Condominium Sdn. Bhd. *(Dissolved on 18 May 2025)*	Investment holding	Malaysia	**-**	100.00
*	Primanah Property Sdn. Bhd.	Property development	Malaysia	**100.00**	100.00
	Rapid Alpha Sdn. Bhd.	Hotelier	Malaysia	**100.00**	100.00
*	Reka Handal Sdn. Bhd. [4]	Property development	Malaysia	**75.00**	75.00
	ReU Living Sdn. Bhd. [4]	Design, operate and provide senior living and care centre facilities and services	Malaysia	**100.00**	65.00

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

15 SUBSIDIARIES (continued)

Details of the subsidiaries are as follows (continued):

	Name of company	Principal activities	Country of Incorporation^	Group's effective interest (%) 2025	Group's effective interest (%) 2024
	Held by IGB Corporation Berhad and its subsidiaries (continued)				
	Salient Glory City Sdn. Bhd.	Hotelier	Malaysia	**100.00**	100.00
	Southkey Megamall Sdn. Bhd.	Retail business	Malaysia	**70.00**	70.00
*	St Giles Hotels (Asia) Limited [16] *(Dissolved on 10 March 2025)*	Hotel management services	Malaysia	**-**	60.00
	Tanah Permata Sdn. Bhd. [6]	Hotelier	Malaysia	**100.00**	100.00
	Tan & Tan Developments Berhad	Property development, project management services and investment holding	Malaysia	**100.00**	100.00
	Tan & Tan Realty Sdn. Bhd. [4]	Property investment	Malaysia	**80.00**	80.00
*	Tank Stream Holdings Pty. Ltd. [17]	Investment holding	Australia	**100.00**	100.00
*	The Gardens Theatre Sdn. Bhd.	Lease auditorium space for performing arts	Malaysia	**100.00**	100.00
	TTD Sdn. Bhd. [4]	Hotelier	Malaysia	**100.00**	100.00
	Verokey Sdn. Bhd.	Property investment	Malaysia	**100.00**	100.00
*	Wilmer Link Limited [5] *(Dissolved on 1 May 2025)*	Investment holding	British Virgin Islands	**-**	58.00

^ The principal place of business for each subsidiary is situated in its country of incorporation.

Notes:

1 - Held by IGB and Goldis Yu Sdn. Bhd., 74.17% and 22.5% respectively.
2 - Held by IGB, IGB REIT Management Sdn. Bhd., and Tan & Tan Developments Berhad, 49.63%, 4.56% and 0.13% respectively.
3 - Held by IGB, IGB REIT Management Sdn. Bhd., IGB Corporation Berhad, and Tan & Tan Developments Berhad, 40.10%, 5.18%, 5.74% and 0.01% respectively.
4 - Held by Tan & Tan Developments Berhad.
5 - Held by IGB International Ventures Sdn. Bhd.
6 - Held by Pacific Land Sdn. Bhd.
7 - Held by Megan Prestasi Sdn. Bhd.
8 - Held by Pacific Land Sdn. Bhd. and TTD Sdn. Bhd., 45.0% and 20.0% respectively.
9 - Held by Ensignia Construction Sdn. Bhd.
10 - Held by TTD Sdn. Bhd.
11 - Held by IGB Commercial Real Estate Investment Trust via MTrustee Berhad.
12 - Held by IGB Real Estate Investment Trust via MTrustee Berhad.
13 - Held by ICDC Holdings Sdn. Bhd.
14 - Held by IGB Project Management Services Sdn. Bhd.
15 - Held by Mid Valley City Developments Sdn. Bhd.
16 - Held by Cititel Hotel Management Sdn. Bhd.
17 - Held by Pacific Land Sdn. Bhd. and IGB Corporation Berhad, 19.64% and 80.36% respectively.
18 - Held by IGB International School Sdn. Bhd.

* *Companies audited by firms other than member firm PricewaterhouseCoopers International Limited and PricewaterhouseCoopers PLT.*

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES

Group	2025 RM'000	2024 RM'000
As at 31 December		
Investments in:		
Associates	**440,946**	424,415
Joint ventures	**96,774**	112,330
	537,720	536,745
Financial year ended 31 December		
Share of results of:		
Associates	**16,702**	60,889
Joint ventures	**(10,379)**	104,263
	6,323	165,152
Share of other comprehensive loss of:		
Associates	**(6,579)**	(15,766)
Joint ventures	**(1,052)**	(1,961)
	(7,631)	(17,727)
Share of total comprehensive (loss)/income of:		
Associates	**10,123**	45,123
Joint ventures	**(11,431)**	102,302
	(1,308)	147,425

(a) Associates

Group	2025 RM'000	2024 RM'000
At cost		
Unquoted shares in Malaysia	**15,061**	15,061
Unquoted shares outside Malaysia	**16,958**	16,761
Amounts owing by associates	**27,773**	28,411
	59,792	60,233
Group's share of post-acquisition results and reserves	**398,071**	397,399
	457,863	457,632
Less: Accumulated impairment losses	**(16,917)**	(33,217)
At 31 December	**440,946**	424,415

The carrying amount of investments in associates and joint ventures are compared to their recoverable amounts.

The amounts owing from associates, of which the Group does not expect repayment in the foreseeable future, are considered as part of the Group's investment in the associates.

During the financial year, the Group recognised a reversal of impairment loss of RM16.3 million in respect of an investment in an associate outside Malaysia within the hotel segment. The reversal arose from the higher recoverable amount determined based on cash flow projection prepared by the management under the VIU method.

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES (continued)

(a) Associates (continued)

There are no contingent liabilities relating to the Group's interest in associates.

Set out below is the summarised financial information of material associates of the Group as at financial year end. The associates as listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

- The Ravencroft Investments Incorporated Group ("RII Group") is an investment holding arm with direct and indirect interests in many countries, serving as a strategic vehicle for the Group's geographical diversification in the hospitality industry.
- New Commercial Investments Limited ("NCIL") owns a real estate property in the United Kingdom which is strategic to the Group's geographical diversification in the property investment and management sector.

	2025		2024	
	RII Group RM'000	NCIL RM'000	RII Group RM'000	NCIL RM'000
Summarised income statements and statements of comprehensive income				
Revenue	**47,435**	**25,062**	47,248	21,795
Other income	**536**	**-**	1,233	-
Total expense before interest and taxation	**(34,457)**	**(29,891)**	(26,228)	(1,739)
Interest income	**11,529**	**3,893**	11,300	4,181
Interest expense	**(1,140)**	**-**	(1,231)	-
Profit/(loss) before taxation	**23,903**	**(936)**	32,322	24,237
Income tax	**(7,574)**	**(6,199)**	(6,649)	(5,416)
Net profit/(loss) for the financial year	**16,329**	**(7,135)**	25,673	18,821
Other comprehensive loss	**(16,470)**	**(5,417)**	(21,774)	(7,834)
Total comprehensive (loss)/income	**(141)**	**(12,552)**	3,899	10,987
Summarised statements of financial position				
Cash and cash equivalents	**30,238**	**114,523**	150,809	101,884
Other current assets (excluding cash and cash equivalents)	**362,583**	**11,965**	232,211	13,225
Total current assets	**392,821**	**126,488**	383,020	115,109
Other current liabilities (including trade and other payables and provisions)	**(4,857)**	**(52,242)**	(8,394)	(27,921)
Total current liabilities	**(4,857)**	**(52,242)**	(8,394)	(27,921)
Non-current assets	**87,166**	**113,395**	101,056	113,005
Net assets	**475,130**	**187,641**	475,682	200,193

In the opinion of the Directors, all the other associates are immaterial to the Group.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES (continued)

(a) Associates (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates is set out below:

2025	RII Group RM'000	NCIL RM'000
Net assets as at 1 January	**475,682**	**200,193**
Net profit for the financial year	**16,329**	**(7,135)**
Dividend paid during the financial year	**(411)**	**-**
Other comprehensive loss	**(16,470)**	**(5,417)**
Net assets as at 31 December	**475,130**	**187,641**
Interest in associates (%)	**49.47**	**49.55**
Share of net assets	**235,047**	**92,976**
Amounts owing by associates	**-**	**22,027**
Carrying amount of interest in associates	**235,047**	**115,003**
2024		
Net assets as at 1 January	471,783	189,206
Net profit for the financial year	25,673	18,821
Other comprehensive loss	(21,774)	(7,834)
Net assets as at 31 December	475,682	200,193
Interest in associates (%)	49.47	49.55
Share of net assets	235,320	99,196
Amounts owing by associates	-	22,693
Carrying amount of interest in associates	235,320	121,889

Set out below are the financial information of all individual immaterial associates on an aggregate basis:

Group	2025 RM'000	2024 RM'000
Carrying amounts of interest in associates	**90,896**	67,206
Share of associates' profit	**12,159**	38,863
Share of associates' other comprehensive income/(loss)	**4,253**	(1,113)
Dividend received/receivable during the financial year	**9,270**	98

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES (continued)

(a) Associates (continued)

Details of the associates are as follows:

	Name of company	Principal activities	Country of incorporation^	Group's effective interest (%) 2025	2024
*	Cititel International Hospitality Limited [1]	Hotelier	England and Wales	**49.47**	49.47
*	DMV Sdn. Bhd. [2]	Property development	Malaysia	**38.45**	38.45
*	Hicom Tan & Tan Sdn. Bhd. [3]	Property development	Malaysia	**50.00**	50.00
	Jutanis Sdn. Bhd. [3]	Property development	Malaysia	**45.00**	45.00
*	Merchant Firm Ltd. [1]	Investment holding	British Virgin Islands	**49.47**	49.47
*	New Commercial Investments Limited [4]	Investment holding	British Virgin Islands	**49.55**	49.55
*	Pacific Land Co., Ltd [6]	Investment holding	Thailand	**48.90**	48.90
*	One WSM Property (KL) Sdn. Bhd. [3] *(Struck off on 28 January 2026)*	Real estate agents	Malaysia	**40.00**	40.00
*	Ravencroft Investments Incorporated [7]	Investment holding	British Virgin Islands	**49.47**	49.47
*	St Giles Hotel [5]	Construction and hotel management	Republic of Congo	**49.47**	49.47
*	St Giles Hotel, Inc [8]	Hotelier	United States of America	**49.47**	49.47
*	St Giles Hotel Limited [7]	Hotelier	United Kingdom	**49.47**	49.47
*	St Giles Hotel, LLC [9]	Hotelier	United States of America	**49.47**	49.47
*	St Giles Hotel (Heathrow) Limited [4]	Hotelier	United Kingdom	**49.55**	49.55
*	St Giles Hotel (Manila) Inc [5]	Hotelier	Philippines	**49.47**	49.47
*	Technoltic Engineering Sdn. Bhd. [10]	Servicing, maintenance and installation of elevators	Malaysia	**40.00**	40.00
*	Tentang Emas Sdn. Bhd. [3]	Investment holding	Malaysia	**49.00**	49.00
*	12 Bedford Avenue Ltd [7]	Investment holding	British Virgin Islands	**49.47**	-

^ The principal place of business for each associate is situated in its country of incorporation, except for Ravencroft Investments Incorporated and New Commercial Investments Limited, which are situated in the United Kingdom.

<u>Notes:</u>

1- Held by Ravencroft Investments Incorporated.
2- Held by Tan & Tan Developments Berhad and IGB Corporation Berhad, 25.63% and 12.82% respectively.
3- Held by Tan & Tan Developments Berhad.
4- Held by Pacific Land Sdn. Bhd. and TTD Sdn. Bhd., 31.53% and 18.02% respectively.
5- Held by Merchant Firm Ltd.
6- Held by Pacific Land Sdn. Bhd.
7- Held by Pacific Land Sdn. Bhd., Beswell Limited and TTD Sdn. Bhd., 27.71%, 7.65% and 14.11%.
8- Held by St Giles Hotel Limited.
9- Held by St Giles Hotel, Inc.
10- Held by IGB Corporation Berhad.

* *Companies audited by firms other than member firm PricewaterhouseCoopers International Limited and PricewaterhouseCoopers PLT.*

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES (continued)

(b) Joint ventures

Group	2025 RM'000	2024 RM'000
At cost		
Unquoted shares in Malaysia	**27,553**	27,553
Unquoted shares outside Malaysia	**72,543**	72,543
	100,096	100,096
Group's share of post-acquisition results and reserves	**(822)**	14,734
	99,274	114,830
Less: Accumulated impairment losses	**(2,500)**	(2,500)
At 31 December	**96,774**	112,330

There are no contingent liabilities relating to the Group's interest in joint ventures.

Set out below is the summarised financial information of material joint ventures of the Group as at financial year end. The investment in joint ventures listed below have share capital consisting solely of ordinary shares, which are held directly by the Group.

- Mahanathee Chao Phraya Co. Ltd. ("MCPC") is a joint venture company in Thailand to carry out a mixed-use development project fronting the Chao Phraya River.
- Kundang Properties Sdn. Bhd. ("KPSB") is a joint venture company between the Group and an experienced state development corporation in Malaysia to develop residential and commercial projects in Kundang, Selangor.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES (continued)

(b) Joint ventures (continued)

2025	**MCPC RM'000**	**KPSB RM'000**
Summarised income statements and statements of comprehensive income		
Revenue	**-**	**12,242**
Cost of sales	**-**	**(8,637)**
Gross profit	**-**	**3,605**
Other income	**7,106**	**1**
Administrative expenses	**(15,188)**	**(591)**
Selling and marketing expenses	**-**	**(15)**
(Loss)/Profit from operations	**(8,082)**	**3,000**
Finance income	**-**	**560**
(Loss)/Profit before taxation	**(8,082)**	**3,560**
Income tax	**-**	**(849)**
Net (loss)/profit for the financial year	**(8,082)**	**2,711**
Other comprehensive loss	**(2,146)**	**-**
Total comprehensive (loss)/profit	**(10,228)**	**2,711**
Summarised statements of financial position		
Cash and cash equivalents	**115,286**	**11,050**
Other current assets (excluding cash and cash equivalents)	**157,216**	**12,856**
Total current assets	**272,502**	**23,906**
Other current liabilities (including trade and other payables and provision)	**(129,301)**	**(5,564)**
Total current liabilities	**(129,301)**	**(5,564)**
Non-current assets	**-**	**287**
Net assets	**143,201**	**18,629**
2024		
Summarised income statements and statements of comprehensive income		
Revenue	-	366,367
Cost of sales	-	(69,801)
Gross profit	-	296,566
Other income	73	59
Administrative expenses	(8,817)	(652)
Selling and marketing expenses	-	(9,709)
(Loss)/Profit from operations	(8,744)	286,264
Finance income	-	2,071
(Loss)/Profit before taxation	(8,744)	288,335
Income tax	-	(69,206)
Net (loss)/profit for the financial year	(8,744)	219,129
Other comprehensive loss	(4,001)	-
Total comprehensive (loss)/profit	(12,745)	219,129

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES (continued)

(b) Joint ventures (continued)

2024	MCPC RM'000	KPSB RM'000
Summarised statements of financial position		
Cash and cash equivalents	20,814	21,220
Other current assets (excluding cash and cash equivalents)	198,732	8,190
Total current assets	219,546	29,410
Other current liabilities (including trade and other payables and provision)	(66,117)	(5,605)
Total current liabilities	(66,117)	(5,605)
Non-current assets	-	363
Net assets	153,429	24,168

In the opinion of the Directors, the other joint ventures are immaterial to the Group.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint ventures is set out below:

2025	MCPC RM'000	KPSB RM'000
Net assets as at 1 January	**153,429**	**24,168**
Net (loss)/profit for the financial year	**(8,082)**	**2,711**
Dividend paid	**-**	**(8,250)**
Other comprehensive loss	**(2,146)**	**-**
Net assets as at 31 December	**143,201**	**18,629**
Interest in joint ventures (%)	**49.0**	**50.0**
Carrying amount of interest in joint ventures	**70,168**	**9,315**
2024		
Net assets as at 1 January	166,174	36,039
Net (loss)/profit for the financial year	(8,744)	219,129
Dividend paid	-	(231,000)
Other comprehensive loss	(4,001)	-
Net assets as at 31 December	153,429	24,168
Interest in joint ventures (%)	49.0	50.0
Carrying amount of interest in joint ventures	75,180	12,084

Set out below are the financial information of all individual immaterial joint ventures on an aggregate basis.

Group	2025 RM'000	2024 RM'000
Carrying amounts of interest in joint ventures	**17,291**	25,066
Share of joint ventures' losses	**(7,775)**	(1,017)
Dividend received/receivable during the financial year	**-**	500

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

16 ASSOCIATES AND JOINT VENTURES (continued)

(b) Joint ventures (continued)

Details of the joint ventures are as follows:

	Name of company	Principal activities	Country of incorporation^	Group's effective interest (%) 2025	Group's effective interest (%) 2024
*	Blackfriars Limited [1]	Property investment	Guernsey	**50.00**	50.00
	Hampshire Properties Sdn. Bhd. [2]	Property development and property investment	Malaysia	**50.00**	50.00
*	Kumpulan Sierramas (M) Sdn. Bhd. [2]	Property development	Malaysia	**50.00**	50.00
	Kundang Properties Sdn. Bhd. [3]	Property development	Malaysia	**50.00**	50.00
*	Mahanathee Chao Phraya Co. Ltd. [4]	Property development and construction	Thailand	**49.00**	49.00
	Permata Alasan (M) Sdn. Bhd. [2]	Property investment	Malaysia	**50.00**	50.00

^ The principal place of business for each joint venture is situated in its country of incorporation.

Notes:

1- Held by Verokey Sdn. Bhd.
2- Held by Tan & Tan Developments Berhad.
3- Held by IGB Corporation Berhad.
4- Held by Majestic Path Sdn. Bhd.

* *Companies audited by firms other than member firm PricewaterhouseCoopers International Limited and PricewaterhouseCoopers PLT.*

17 CONCESSION RECEIVABLES

Group	2025 RM'000	2024 RM'000
Non-current	**85,947**	96,269
Current	**5,338**	5,631
	91,285	101,900

The Group entered into service concession arrangements with the government of the People's Republic of China to construct and operate wastewater treatment plants for a period ranging from 22 to 25 years, with a remaining service period of 5 to 17 years (2024: 6 to 18 years).

The terms of the arrangement allow the Group to maintain and manage these treatment plants and receive consideration based on usage and rates as determined by the grantor for the entire duration of the concession subject to a minimum water volume calculated based on the wastewater treatment plant's normal capacity. The grantor will provide the Group a guaranteed minimum annual payment for each year that the wastewater treatment plants are in operation.

At the end of the concession period, the wastewater treatment plants become the property of the grantor and the Group will have no further involvement in its operation or maintenance requirements.

The service concession agreements do not contain a renewal option. The rights of the grantor to terminate the agreement include events such as the abandonment of the plants by the operators, the operators going into liquidation or bankruptcy and a material breach of the terms of the agreement. The rights of the operators to terminate the agreements include failure of the grantor to make payment under the agreement and a material breach in the terms of the agreement.

The Group recognises the consideration received or receivable as a financial asset to the extent that it has an unconditional right to receive cash or another financial asset for the construction and operating services.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

17 CONCESSION RECEIVABLES (continued)

Group	2025 RM'000	2024 RM'000
Fair value	**92,257**	102,820

The fair values are based on cash flows discounted based on the discount rate of 3.8% (2024: 3.9%). The fair values are within level 3 of the fair value hierarchy.

18 DEFERRED TAX

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Deferred tax assets	**32,062**	32,676	**-**	-
Deferred tax liabilities	**(128,519)**	(154,305)	**(245)**	(12,484)
Deferred tax liabilities (net)	**(96,457)**	(121,629)	**(245)**	(12,484)

The movements in deferred tax assets and liabilities of the Group and the Company during the financial year are as follows:

	Group		Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
At 1 January	**(121,629)**	(128,299)	**(12,484)**	(16,104)
Credited/(charged) to income statements:				
Property, plant and equipment and investment properties	**11,513**	6,569	**(57)**	24
Land revaluation	**5,085**	(247)	**-**	-
Unutilised tax losses	**(2,961)**	335	**-**	-
Prepaid rental	**(727)**	1,803	**-**	-
Provision and others	**12,872**	(1,190)	**12,296**	3,596
	25,782	7,270	**12,239**	3,620
Charged to equity:				
Currency translation difference	**(610)**	(600)	**-**	-
At 31 December	**(96,457)**	(121,629)	**(245)**	(12,484)
Subject to income tax				
Deferred tax assets (before offsetting)				
Property, plant and equipment and investment properties	**10,684**	6,418	**-**	-
Land revaluation	**10,282**	5,197	**-**	-
Provisions and others	**596**	1,907	**-**	-
Unutilised tax losses	**21,134**	24,095	**-**	-
Prepaid rental	**1,790**	2,517	**-**	-
	44,486	40,134	**-**	-
Offsetting	**(12,424)**	(7,458)	**-**	-
Deferred tax assets (after offsetting)	**32,062**	32,676	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

18 DEFERRED TAX (continued)

The movements in deferred tax assets and liabilities of the Group and the Company during the financial year are as follows: (continued)

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Deferred tax liabilities (before offsetting)				
Property, plant and equipment and investment properties	**(125,506)**	(132,753)	**(245)**	(188)
Others	**(15,437)**	(29,010)	**-**	(12,296)
	(140,943)	(161,763)	**(245)**	(12,484)
Offsetting	**12,424**	7,458	**-**	-
Deferred tax liabilities (after offsetting)	**(128,519)**	(154,305)	**(245)**	(12,484)

Deferred tax assets are recognised for deductible temporary differences and tax losses carried forward to the extent the realisation of related tax benefits through future taxable profit is probable.

The amounts of deductible temporary differences and unutilised tax losses for which no deferred tax asset is recognised in the statements of financial position are as follows:

	2025	2024
Group	RM'000	RM'000
Unutilised tax losses		
- expiry by year of assessment 2028	**173,317**	178,966
- expiry by year of assessment 2029	**6,327**	6,327
- expiry by year of assessment 2030	**8,473**	8,473
- expiry by year of assessment 2031	**7,906**	7,906
- expiry by year of assessment 2032	**4,301**	4,301
- expiry by year of assessment 2033	**106**	106
- expiry by year of assessment 2034	**1,492**	1,492
- expiry by year of assessment 2035	**942**	-
Deductible temporary differences with no expiry		
- unabsorbed capital allowance	**114,890**	112,053
- land revaluation	**62,815**	83,775
- investment tax allowance	**219,654**	257,864
	600,223	661,263
Deferred tax assets not recognised	**144,054**	158,703

NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2025
(continued)

19 FINANCIAL ASSETS AT FAIR VALUE

a) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income comprise equity securities that are not held for trading. The Group and the Company have irrevocably elected to reclassify the financial assets at initial recognition to present its fair value changes in other comprehensive income. These are strategic investments and the Group and the Company consider this classification to be more relevant.

Financial assets at fair value through other comprehensive income comprise the following individual investments:

Group and Company	2025 RM'000	2024 RM'000
Unquoted shares outside Malaysia		
Quadria Capital Fund L.P. ("Fund")	**-**	11,991
Rework Holdings Pte. Ltd.	**203**	224
	203	12,215

Level 3 instruments mentioned above are private equity securities and as there are no observable prices available for these securities, the fair value of the Fund is within level 3 of the fair value hierarchy.

There were no transfers between Level 1 and Level 2 fair value measurements. Movements on Level 3 fair value measurements through other comprehensive income are disclosed below:

Group and Company	2025 RM'000	2024 RM'000
At 1 January	**12,215**	36,998
Fair value loss	**(9,912)**	(12,203)
Disposal	**(2,100)**	(12,580)
At 31 December	**203**	12,215

Financial assets at fair value through other comprehensive income are denominated in the following currency:

Group and Company	2025 RM'000	2024 RM'000
USD	**203**	12,215

b) Financial assets at fair value through profit or loss

Group	2025 RM'000	2024 RM'000
Investments at fair value through profit or loss		
- Investments with licensed financial institution	**70,106**	-

Level 2 instruments mentioned above are investments with licensed financial institution and as the fair value is determined by reference to the Net Asset Value ("NAV") per unit derived from observable market data, the fair value of the Fund is within level 2 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

20 AMOUNTS OWING FROM/(TO) ASSOCIATES AND JOINT VENTURES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Amounts owing from associates	14,154	-	-	-
Amounts owing from joint ventures	11,699	11,261	-	-
	25,853	11,261	-	-
Amounts owing to associates	-	(4)	-	-

The amounts owing from associates and joint ventures represent advances that are unsecured and interest-free except for an amount of RM8.8 million (2024: RM9.0 million), which carries interest at a rate of 4.21% (2024: 5.15%) per annum and repayable on demand.

In the previous financial year, the amounts owing to associates were unsecured, interest-free and repayable on demand.

21 RECEIVABLES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Non-current				
Trade receivables	26,093	24,760	-	-
Less: Provision for impairment	-	(13,000)	-	-
	26,093	11,760	-	-
Other receivables	813	7,421	-	-
Less: Provision for impairment	-	(396)	-	-
	813	7,025	-	-
Total	26,906	18,785	-	-
Current				
Trade and other receivables				
Trade receivables	79,653	113,784	-	-
Accrued billing in relation to lease income	28,042	28,133	-	-
Less: Provision for impairment	(16,273)	(3,260)	-	-
	91,422	138,657	-	-
Other receivables	15,650	27,730	164	38
Deposits	12,829	6,308	1,454	2,270
Less: Provision for impairment	(812)	(812)	-	-
	27,667	33,226	1,618	2,308
Deferred lease incentives	15,749	22,495	-	-
Prepayments	19,456	14,201	3,040	1,435
Total	154,294	208,579	4,658	3,743

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

22 CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current				
Deposits with licensed banks (Note 22(b))	**985,954**	1,076,115	**372,448**	263,881
Cash and bank balances (Note 22(b))	**765,247**	330,891	**41,449**	18,903
	1,751,201	1,407,006	**413,897**	282,784
Deposits, cash and bank balances	**1,751,201**	1,407,006	**413,897**	282,784
Cash held under Housing Development Accounts (Note 22(a))	**1,122**	1,109	**-**	-
Less: Deposits with maturity of more than 3 months	**(100,641)**	(372,579)	**-**	(100)
Cash and cash equivalents	**1,651,682**	1,035,536	**413,897**	282,684

As at 31 December 2025, other than deposits with a maturity period of more than three (3) months, deposits with licensed banks of the Group and the Company have an average maturity period of 58 days (2024: 49 days) and 71 days (2024: 75 days), respectively.

The weighted average effective interest rates of deposits with licensed banks as at 31 December were as follows:

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Deposits with licensed banks:				
RM	**3.24**	3.56	**3.44**	3.77
GBP	**3.65**	5.00	**-**	-
USD	**3.54**	4.30	**3.54**	4.30
RMB	**-**	1.85	**-**	-
AUD	**3.94**	-	**-**	-

Bank balances are deposits held at call with licensed banks and earn no interest.

(a) Bank balances held under the Housing Development Accounts represent receipts from purchasers of residential properties less payments or withdrawals provided under Section 7A of the Housing Development (Control and Licensing) Amendment Act, 2002 held at call with banks and are denominated in Ringgit Malaysia.

The weighted average effective interest rates of bank balances under Housing Development Accounts were 0.70% (2024: 1.36%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

22 CASH AND CASH EQUIVALENTS (continued)

(b) Debt Service Reserve Account maintained by the Group are as follows:

Group	2025 RM'000	2024 RM'000
Deposits with licensed banks:		
IGB REIT Capital Sdn. Bhd.	**33,507**	31,872
IGB Commercial REIT Capital Sdn. Bhd.	**17,000**	25,000
Southkey Megamall Sdn. Bhd.	**-**	31,839
MVS North Tower Sdn. Bhd.	**1,051**	1,025
	51,558	89,736
Cash and bank balances:		
MVS South Tower Sdn. Bhd.	**1,545**	1,533
MVS Northpoint Hotel Sdn. Bhd.	**3,463**	3,364
	5,008	4,897
Total debt service reserve account	**56,566**	94,633

Included in the deposits placed with licensed banks and cash and bank balances of the Group are pledged deposits of RM51.6 million (2024: RM89.7 million) and RM5.0 million (2024: RM4.9 million), which are maintained in the Debt Service Reserve Accounts to cover the interest on borrowings (Note 27). As at 31 December 2025, the pledged deposits of RM51.6 million (2024: RM32.9 million) of the Group are being excluded from the cash and cash equivalents as they have a maturity period of more than three months.

23 SHARE CAPITAL

Group and Company	2025 Number of shares '000	2025 Value RM'000	2024 Number of shares '000	2024 Value RM'000
Issued and fully paid with no par value				
Ordinary shares:				
At 1 January/31 December	**1,358,139**	**1,394,110**	1,358,139	1,394,110

24 TREASURY SHARES

In the current financial year, shareholders of the Company, by an ordinary resolution passed at the Annual General Meeting on 27 May 2025, approved the Company's plan to purchase its own shares up to a maximum of 10% of the total number of issued shares of the Company. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interest of the Company and its shareholders.

During the financial year, the Company's treasury shares increased from 30,041,998 to 30,985,098 by way of a repurchase of 943,100 of its ordinary share capital from the open market for RM2,586,291. The average price paid for these shares repurchased was RM2.74 per share.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

24 TREASURY SHARES (continued)

As at 31 December 2025, a total of 30,985,098 (2024: 30,041,998) ordinary shares were held as treasury shares. The cost of treasury shares are summarised as follows:

			Cost per share		Average cost per
	No. of shares	Total cost	Low	High	share
2025		**RM**	**RM**	**RM**	**RM**
Group and Company					
At 1 January	**30,041,998**	**67,710,553**	**-**	**-**	**2.25**
Repurchased in 2025:					
March	**56,800**	**155,161**	**2.72**	**2.72**	**2.73**
April	**420,000**	**1,087,933**	**2.53**	**2.62**	**2.59**
May	**38,800**	**103,413**	**2.65**	**2.66**	**2.67**
June	**65,000**	**169,576**	**2.59**	**2.60**	**2.61**
July	**262,000**	**764,616**	**2.87**	**2.92**	**2.92**
October	**3,500**	**11,571**	**3.22**	**3.29**	**3.31**
November	**32,000**	**108,626**	**3.38**	**3.38**	**3.39**
December	**65,000**	**185,395**	**2.84**	**2.84**	**2.85**
	943,100	**2,586,291**			**2.74**
At 31 December	**30,985,098**	**70,296,844**	**-**	**-**	**2.27**
Group and Company					
At 1 January	10,326,198	17,655,101	-	-	1.71
Repurchased in 2024:					
January	390,200	876,653	2.20	2.27	2.25
March	172,300	419,749	2.38	2.46	2.44
April	2,974,500	7,394,402	2.43	2.49	2.49
May	2,076,800	5,190,762	2.48	2.49	2.50
June	4,876,000	12,328,648	2.41	2.53	2.53
July	3,818,200	9,699,698	2.50	2.54	2.54
August	258,200	650,500	2.48	2.54	2.52
September	4,305,700	11,226,272	2.58	2.60	2.61
October	411,800	1,109,201	2.61	2.70	2.69
November	295,400	783,903	2.61	2.67	2.65
December	136,700	375,664	2.67	2.79	2.75
	19,715,800	50,055,452			2.54
At 31 December	30,041,998	67,710,553	-	-	2.25

The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127 of the Companies Act 2016 and carried at the purchased cost. The Company has the right to distribute these shares as dividends to reward shareholders and/or resell the shares. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

25 OTHER RESERVES

Group	Fair value through other comprehensive income RM'000	Exchange fluctuation reserve RM'000	Total RM'000
2025			
At 1 January	**3,097**	**(1,271)**	**1,826**
Currency translation differences	**-**	**(22,776)**	**(22,776)**
Changes in fair values of financial assets at fair value through other comprehensive income	**(9,912)**	**-**	**(9,912)**
Transfer upon disposal of financial assets at fair value through comprehensive income	**6,806**	**-**	**6,806**
At 31 December	**(9)**	**(24,047)**	**(24,056)**
2024			
At 1 January	15,038	50,135	65,173
Currency translation differences	-	(51,406)	(51,406)
Changes in fair values of financial assets at fair value through other comprehensive income	(11,941)	-	(11,941)
At 31 December	3,097	(1,271)	1,826

Company	Fair value through other comprehensive income RM'000
2025	
At 1 January	**3,097**
Changes in fair values of financial assets at fair value through other comprehensive income	**(9,912)**
Transfer upon disposal of financial assets at fair value through comprehensive income	**6,806**
At 31 December	**(9)**
2024	
At 1 January	15,300
Changes in fair values of financial assets at fair value through other comprehensive income	(12,203)
At 31 December	3,097

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for the financial year ended 31 December 2025
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26 PAYABLES AND CONTRACT LIABILITIES

	Group		Company	
	2025	**2024**	**2025**	**2024**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Current				
Trade and other payables:				
Trade payables	**98,025**	101,740	**-**	-
Trade accruals	**2,500**	2,784	**-**	-
Other payables	**41,795**	79,479	**326**	209
Accruals in relation to construction activities	**29,085**	63,700	**-**	-
Other accruals	**89,817**	70,472	**14,459**	11,769
Deposits received from tenants and customers	**320,181**	293,260	**19**	20
Lease liabilities (Note 12(c)(ii))	**463**	462	**426**	3,785
Prepaid rental	**24,745**	20,574	**-**	-
Contract liabilities (Note 26(c))	**39,813**	82,346	**-**	-
	646,424	714,817	**15,230**	15,783
Non-current				
Lease liabilities (Note 12(c)(ii))	**15,888**	16,351	**611**	-
Total	**662,312**	731,168	**15,841**	15,783

(a) Included in the trade payables of the Group is a retention sum of RM24.0 million (2024: RM26.8 million).

(b) Deposits received from tenants and customers include refundable deposits received for tenancy and lease-related agreements. The liability is derecognised upon returning the deposits to the tenant at the end of the tenancy or transferred to profit or loss to the extent of rent owed when it has been established that a tenant commits a breach of any provisions in the tenancy agreement.

(c) **Contract liabilities**

The contract liabilities as at 31 December 2025 and 31 December 2024 were not impacted by significant changes in contract terms.

	2025	**2024**
Group	**RM'000**	**RM'000**
Net carrying amount of contract liabilities is analysed as follows:		
At 1 January	**82,346**	32,263
Revenue recognised that was included in the balance at the beginning of the financial year	**(82,346)**	(26,839)
Revenue recognised during the financial year	**(342,478)**	(260,387)
Billings during the financial year	**382,291**	337,309
At 31 December	**39,813**	82,346

The management expect the transaction prices allocated to the unsatisfied contracts from property development and school as at 31 December 2025 will be recognised as revenue during the next financial year. Remaining performance obligation from property investment that will be recognised as revenue was disclosed in Note 31.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS

	Note	Group 2025 RM'000	Group 2024 RM'000	Company 2025 RM'000	Company 2024 RM'000
Non-current					
Secured:					
Term loans	(b)	**148,781**	193,083	**-**	-
Medium Term Notes	(c)	**3,277,715**	3,247,219	**199,277**	199,179
		3,426,496	3,440,302	**199,277**	199,179
Current					
Secured:					
Revolving credits	(a)	**54,755**	57,169	**-**	-
Term loans	(b)	**29,803**	28,978	**-**	-
Medium Term Notes	(c)	**22,859**	18,206	**43**	46
		107,417	104,353	**43**	46
Unsecured:					
Revolving credits	(a)	**15,027**	-	**-**	-
		122,444	104,353	**43**	46
Total:					
Revolving credits	(a)	**69,782**	57,169	**-**	-
Term loans	(b)	**178,584**	222,061	**-**	-
Medium Term Notes	(c)	**3,300,574**	3,265,425	**199,320**	199,225
		3,548,940	3,544,655	**199,320**	199,225

The carrying amounts of the Group's and the Company's borrowings are denominated in Ringgit Malaysia and the weighted average effective interest rates of the borrowings are as follows:

	Group 2025 %	Group 2024 %	Company 2025 %	Company 2024 %
Revolving credits	**4.21**	4.73	**-**	-
Term loans	**4.69**	5.15	**-**	-
Medium Term Notes	**4.37**	4.86	**3.90**	4.19

The fair value of borrowings is estimated based on discounted cash flows using prevailing market rates for borrowings with similar risk profiles and within level 2 of the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS (continued)

The carrying amounts and fair values of the borrowings for the Group and the Company are as follows:

	2025		2024	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Revolving credits	**69,782**	**69,782**	57,169	57,169
Term loans	**178,584**	**178,584**	222,061	222,061
Medium Term Notes	**3,300,574**	**3,327,939**	3,265,425	3,286,261
	3,548,940	**3,576,305**	3,544,655	3,565,491
Company				
Medium Term Notes	**199,320**	**199,320**	199,225	199,225

The maturity profile of the borrowings are as follows:

	Maturity profile			Total carrying
	< 1 year	**1 - 2 years**	**> 2 years**	**amount**
Group	**RM'000**	**RM'000**	**RM'000**	**RM'000**
2025				
Revolving credits, secured:				
Floating interest rate	**54,755**	**-**	**-**	**54,755**
Revolving credits, unsecured:				
Floating interest rate	**15,027**	**-**	**-**	**15,027**
Term loans, secured:				
Floating interest rate	**29,803**	**30,350**	**118,431**	**178,584**
Medium Term Notes, secured:				
Floating interest rate	**240**	**-**	**399,277**	**399,517**
Fixed interest rate	**22,619**	**1,199,731**	**1,678,707**	**2,901,057**
	122,444	**1,230,081**	**2,196,415**	**3,548,940**
2024				
Revolving credits, secured:				
Floating interest rate	57,169	-	-	57,169
Term loans, secured:				
Floating interest rate	28,978	29,850	163,233	222,061
Medium Term Notes, secured:				
Floating interest rate	3,002	544,000	1,503,642	2,050,644
Fixed interest rate	15,204	-	1,199,577	1,214,781
	104,353	573,850	2,866,452	3,544,655

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS (continued)

The maturity profile of the borrowings are as follows: (continued)

	Maturity profile			Total carrying
	< 1 year	**1 - 2 years**	**> 2 years**	**amount**
Company	**RM'000**	**RM'000**	**RM'000**	**RM'000**
2025				
Medium Term Notes, secured:				
Floating interest rate	**43**	**-**	**199,277**	**199,320**
2024				
Medium Term Notes, secured:				
Floating interest rate	46	-	199,179	199,225

(a) Revolving credits

A. The revolving credits of the Group are secured by way of:

(i) Fixed charge on a 26-storey office tower commercial building of a subsidiary company (Note 14);

(ii) Memorandum of Deposit against the subsidiary's investment in IGB REIT units with a minimal security cover of at least 1.25 times at all times;

(iii) Corporate guarantee granted by the Company;

(iv) Placement of quarterly principal payment in Debt Service Reserve Account;

(v) Charge on a 11-storey intermediate terraced commercial building and 11-storey corner terraced commercial building of a subsidiary company (Note 14);

B. The financial covenants of the revolving credits of the Group are as follows:

(i) to maintain the Debt Service Cover Ratio ("DSCR") of not less than 1.5 times for Boulevard Properties, calculated on a yearly basis at the end of the financial year of IGBCR;

(ii) to ensure no further indebtedness in relation to IGBCR, save for the MTN programme of RM5.0 billion, without prior written consent of the bank;

(iii) to maintain Consolidated Debt to Equity Ratio of IGB Berhad not exceeding 1.25 times;

(iv) to maintain Consolidated Debt Service Cover Ratio of IGB Berhad of a minimum of 1.25 times;

(v) to maintain security cover of IGB REIT Management of a minimum of 1.25 times.

C. Undrawn revolving credits facilities of the Group amounted to RM120.4 million (2024: RM150.0 million). The revolving credits facilities are being classified as current liabilities as they are rolled over on a monthly basis.

(b) Term loans

Term loans facilities ("TL") obtained by the Group comprise the following:

A. A subsidiary has a TL of RM84 million with a tenure of seven (7) years with the following terms:

(a) the TL is repayable over 28 quarterly principal amounts, commencing on 1 July 2024;

(b) bears a floating interest rate;

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS (continued)

(b) Term loans (continued)

Term loans facilities ("TL") obtained by the Group comprise the following: (continued)

A. A subsidiary has a TL of RM84 million with a tenure of seven (7) years with the following terms: (continued)

(c) secured by:

(i) Corporate guarantee granted by the Company;

(ii) Fixed charge on a 26-storey office tower commercial building of a subsidiary company (Note 14);

(iii) Placement of quarterly principal payment in Debt Service Reserve Account.

(d) the financial covenants of the term loan are as follows:

(i) to ensure the Gearing Ratio not exceed 3 times from financial year 2020 to 2027 and 2.5 times from financial year 2028 onwards;

(ii) to ensure that the Consolidated Gearing Ratio of IGB Berhad shall not exceed 1.5 times at all times.

B. Another subsidiary has a TL of RM119 million with a tenure of seven (7) years from the date of the 1st drawdown with the following terms:

(a) the TL is repayable over 20 quarterly principal amounts, commencing on the 27th month from the date of the 1st drawdown;

(b) bears a floating interest rate;

(c) secured by:

(i) Corporate guarantee granted by the Company;

(ii) Legal charge over the Hotel erected thereon upon issuance of relevant strata titles. Pending the issuance of the strata titles, a deed of assignment with Power of Attorney over the rights, benefits, title and interests over the Hotel;

(iii) Charge over the Debt Service Reserve Account.

(d) the financial covenants of the term loan are as follows:

(i) to maintain a Group Net Gearing ratio of IGB Berhad not exceeding 1.50 times; and

(ii) to maintain the Loan-to-Value ratio of not more than 60%.

C. Another subsidiary has a TL of RM80 million with a tenure of eight and a half (8.5) years from the date of the 1st drawdown with the following terms:

(a) the TL is repayable over 28 quarterly principal amounts, commencing on 1 April 2024;

(b) bears a floating interest rate;

(c) secured by:

(i) Corporate guarantee granted by the Company;

(ii) Fixed charge on a 25-storey office tower commercial building of a subsidiary company (Note 14);

(iii) Placement of quarterly principal payment in Debt Service Reserve Account.

(d) the financial covenants of the term loan are as follows:

(i) to ensure the Gearing Ratio not exceed 3 times from financial year 2022 to 2027 and 2.5 times from financial year 2028 onwards; and

(ii) to ensure that the Consolidated Gearing Ratio of IGB Berhad shall not exceed 1.5 times at all times.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS (continued)

(c) Medium Term Notes ("MTN")

A. IGB REIT Capital Sdn. Bhd. ("IGBRC")

On 18 August 2017, IGBRC, a special purpose vehicle wholly-owned by IGB REIT via MTrustee Berhad ("MTrustee") (acting in its capacity as trustee for IGB REIT), had lodged a Medium Term Notes ("MTN") Programme with the Securities Commissions 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 its first issuance of MTN under the MTN Programme.

On 20 September 2022, IGBRC issued the second tranche AAA-rated MTN ("REIT Tranche 2, MTN") amounting to RM1.2 billion to fully redeem the REIT Tranche 1, MTN. The REIT Tranche 2, MTN has a tenure of 7.5 years ("Legal Maturity") effective from 20 September 2022. For the first 5 years ("Expected Maturity"), the REIT Tranche 2, 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 will result in a coupon step-up to 5.49% per annum for the subsequent 2.5 years.

The REIT Tranche 2, MTN is secured against, among others, the following:

(i) a third-party legal assignment of the MTrustee's present and future rights, titles, interests and benefits in Mid Valley Megamall ("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 MVM Strata Title;

(ii) a third-party legal assignment over all the MTrustee'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 MTrustee'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 REIT Tranche 2, MTN;

(v) a first-party first ranking legal assignment and charge over the Debt Service Reserve Account of the REIT Tranche 2, MTN;

(vi) an irrevocable power of attorney granted by the MTrustee in favour of the Security Trustee (acting for and on behalf of the MTN holders) to manage and dispose MVM upon expiry of remedy period under the terms of REIT Tranche 2, MTN;

(vii) a letter of undertaking from the MTrustee and the Manager, namely IGB REIT Management Sdn. Bhd.:

  (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 REIT Tranche 2, MTN's Trustee financing agreement.

The financial covenants of the MTN Programme are as follows:

(i) to ensure that the total amount raised by IGB REIT from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of IGB REIT; and

(ii) to maintain the Interest Service Cover Ratio ("ISCR") of not less than 1.5 times for IGB REIT, calculated on a yearly basis at the end of the financial year of IGB REIT.

The financial covenants of the REIT Tranche 2, 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 of IGB REIT; and

(iii) to ensure that the total amount raised by IGB REIT from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of IGB REIT.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS (continued)

(c) Medium Term Notes ("MTN") (continued)

B. Southkey Megamall Sdn. Bhd. ("SKM")

In November 2016, SKM entered into agreement for an unrated eight (8) years MTN Programme of up to RM1.0 billion in nominal value and it was revised to 20 years in 2024.

On 20 December 2016, SKM issued the first RM300 million nominal value of 8 years MTN Programme ("SKM Series 1, MTN") with maturity date on 20 December 2021. In financial years 2017, 2018 and 2019, SKM further issued RM300 million, RM280 million and RM120 million respectively of the nominal value of 8 years MTN Programme ("SKM Series 2 to 9, MTN), all with the same maturity date on 20 December 2021. The proceeds were utilised to part finance the development and construction of MVS Mall. In financial year 2021, SKM had obtained an approval for the extension of the maturity date of its MTN Programme for a further 36 months to mature on 20 December 2024.

On 20 December 2024, SKM issued RM1 billion ("SKM Series 10, MTN") to fully redeem the existing SKM Series 1, MTN to SKM Series 9, MTN under the 20 years MTN Programme. SKM Series 10, MTN has a tenure of 3 years with maturity date on 20 December 2027. The MTN bears a floating interest rate.

On 20 November 2025, SKM early redeemed the SKM Series 10, MTN of RM1.0 billion in full. The redemption was funded via proceeds from the disposal of the MVS Mall. Following the redemption, the MTN facility was formally cancelled, and the legal charge over the pledged property under the MTN facility was discharged.

C. IGB Commercial REIT Capital Sdn. Bhd. ("IGBCRC")

On 17 September 2021, IGBCRC, a special purpose vehicle wholly-owned by IGBCR via MTrustee Berhad (acting in its capacity as trustee for IGBCR) issued the first tranche unrated MTN ("IGBCRC Tranche 1, MTN") amounting to RM850.0 million which was advanced to IGBCR to part finance the acquisitions of the 10 properties. The MTN has been initially measured at its fair value of RM850.0 million less transaction costs of RM2.97 million that are directly attributable to the issuance of the MTN.

On 17 November 2025, IGBCRC issued the second tranche unrated MTN ("IGBCRC Tranche 2, MTN") of RM850.0 million to fully redeem the existing IGBCRC Tranche 1, MTN of RM850.0 million. The issuance comprises five (5) series with tenures ranging from 8.5 to 11.5 years, with expected maturity dates from 18 November 2030 to 17 November 2033 ("Expected Maturity Date"), and corresponding legal maturity dates from 17 May 2034 to 15 May 2037 ("Legal Maturity Date").

The IGBCRC Tranche 2, MTN bears a fixed coupon rate of 3.95% per annum for the first five (5) years, and a floating coupon rate based on the prevailing KLIBOR movement from the sixth year onwards until the legal maturity. In the event the IGBCRC Tranche 2, MTN is not redeemed by its respective Expected Maturity Dates, the coupon rate shall be stepped up by 1.0% per annum up to its Legal Maturity Date.

The IGBCRC Tranche 2, MTN is secured against, among others, the following:

(i) a third-party first legal charge under the provisions of the National Land Code over The Gardens South Tower and The Gardens North Tower; and third-party legal assignment of the Trustee's present and future rights, titles, interests and benefits in Menara IGB and IGB Annexe, Centrepoint South Tower, Centrepoint North Tower, and Southpoint Offices and under the respective sale and purchase agreements ("Second Tranche Secured Properties"). In the event the subdivision of master title is completed and a separate strata title is issued, a third-party first legal charge shall be created;

(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 the Second Tranche Secured Properties;

(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 the Second Tranche Secured Properties 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 IGBCRC Tranche 2, MTN;

(v) a first-party first ranking legal assignment and charge over the Debt Service Reserve Account of the IGBCRC Tranche 2, 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 the Second Tranche Secured Properties upon expiry of the remedy period under the terms of the IGBCRC Tranche 2, MTN;

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS (continued)

(c) Medium Term Notes ("MTN") (continued)

C. IGB Commercial REIT Capital Sdn. Bhd. ("IGBCRC") (continued)

The IGBCRC Tranche 2, MTN is secured against, among others, the following: (continued)

(vii) a letter of undertaking from the Trustee and the Manager, namely IGB REIT Management Sdn. Bhd.:

(a) to deposit all cash flows generated from the Second Tranche Secured Properties 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 IGBCRC Tranche 2, MTN's Trustee financing agreement.

The financial covenants of the MTN Programme are as follows:

(i) to ensure that the total amount raised by IGBCR from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of IGBCR; and

(ii) to maintain the ISCR of not less than 1.5 times for IGBCR, calculated on a yearly basis at the end of the financial year of IGBCR;

The financial covenants of the IGBCR Tranche 2, MTN are as follows:

(i) to maintain the ISCR of not less than 2.0 times for the Second Tranche Secured Properties, calculated on a yearly basis at the end of the financial year of IGBCR; and

(ii) to ensure that the total indebtedness secured by Second Tranche Secured Properties is not more than 60% of the then prevailing market value of the Second Tranche Secured Properties based on the latest valuation report.

D. IGB REIT MVS Capital Berhad ("IGBRMC")

On 23 September 2025, IGBRMC, a special purpose vehicle wholly-owned by IGB REIT via MTrustee (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, IGBRMC issued the first tranche AAA(s)-rated MTN pursuant to a Corporate Credit Rating ("IGBRMC Tranche 1, 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 IGBRMC Tranche 1, 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.

The IGBRMC Tranche 1, 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 covenant of the MTN Programme is as follows:

(i) to ensure that the total amount raised by IGB REIT from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of IGB REIT.

The financial covenant of the IGBRMC Tranche 1, 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 of IGB REIT.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

27 BORROWINGS (continued)

(c) Medium Term Notes ("MTN") (continued)

E. The Company

In October 2024, the Company 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 30 December 2024, the Company issued the first tranche unrated MTN ("The Company Tranche 1, MTN) amounting to RM200 million. The issuance comprises 4 series with tenures ranging from 7 to 10 years, with maturity dates from 30 December 2031 to 30 December 2034.

The MTN bears a floating interest rate. The Company Tranche 1, MTN is secured by way of the first party legal charge over IGB REIT units held by the Company with a security coverage of at least 1.50 times.

The financial covenants of the Company Tranche 1, MTN are as follows:

(i) to ensure that the Group maintains positive equity;

(ii) to ensure that the Group remains profitable after tax, excluding fair value gain/loss on asset revaluation and depreciation/amortisation;

(iii) ensure that the Group's ISCR is at least 1.00 time;

(iv) ensure that the Group maintains positive net cash generated from operating activities; and

(v) ensure that the Net Debt to Equity ratio of the Company does not exceed 1.50 times.

28 AMOUNTS OWING FROM/(TO) SUBSIDIARIES

	Company	
	2025	**2024**
	RM'000	**RM'000**
Amounts owing from subsidiaries	**12,483**	95,874
Less: Provision for impairment	**(6,069)**	(14,507)
	6,414	81,367
Amounts owing to subsidiaries	**(2,583)**	(40,165)

The amounts owing from subsidiaries are unsecured, repayable on demand and carry interest rates of 4.21% (2024: 5.15%) per annum.

The amounts owing to subsidiaries are unsecured, repayable on demand and interest free (2024: carried interest rates of 3.32% per annum).

29 DIVIDENDS

Dividend-in-specie and dividends on ordinary shares paid by the Company were as follows:

	2025		2024	
	Gross dividend per share	**Amount of dividend, net of tax**	**Gross dividend per share**	**Amount of dividend, net of tax**
		RM'000		**RM'000**
Dividend-in-specie	**47.9 sen**	**635,282**	-	-
Ordinary shares				
Interim single tier	**-**	**-**	7.0 sen	92,972
Special interim single tier	**-**	**-**	5.0 sen	66,408
	-	**-**	12.0 sen	159,380

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

29 DIVIDENDS (continued)

Dividends paid in 2025

A Distribution-in-Specie of 241,552,120 units of IGB Real Estate Investment Trust ("DIS Units"), was distributed to the entitled shareholders of the Company on the basis of 182 Units for every 1,000 ordinary shares held pursuant to the disposal of The Mall, Mid Valley Southkey, Johor. The DIS Units were credited to the entitled shareholders' accounts on 12 December 2025.

Dividends paid in 2024

On 29 November 2024, the Directors declared an Interim dividend of 7.0 sen per ordinary share and a Special dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2024, which was paid on 20 December 2024, amounting to RM159,380,000.

30 OPERATING LEASES (LEASE COMPONENT)

The Group leases out its properties 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 payments to be received, based on committed tenancies as at 31 December 2025, are as follows:

Rental income:

Group	2025 RM'000	2024 RM'000
Less than one (1) year	**678,864**	617,629
Between one (1) and two (2) years	**518,487**	511,986
Between two (2) and three (3) years	**233,780**	314,331
Between three (3) and four (4) years	**63,968**	85,583
Between four (4) and five (5) years	**4,340**	18,596
More than five (5) years	**29,943**	29,806
	1,529,382	1,577,931

31 REMAINING PERFORMANCE OBLIGATIONS

The following table shows remaining performance obligations resulting from non-lease components of the lease contracts:

Service charges:

Group	2025 RM'000	2024 RM'000
Less than one (1) year	**210,784**	196,324
Between one (1) and two (2) years	**156,562**	148,832
Between two (2) and three (3) years	**66,778**	92,759
Between three (3) and four (4) years	**14,176**	26,189
Between four (4) and five (5) years	**1,081**	6,096
More than five (5) years	**7,455**	7,417
	456,836	477,617

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for the financial year ended 31 December 2025
(continued)

32 CAPITAL COMMITMENTS

Group	2025 RM'000	2024 RM'000
Approved and contracted for:		
Property, plant and equipment	**59,054**	3,983
Investment properties	**272,249**	2,011
	331,303	5,994

33 SIGNIFICANT RELATED PARTY DISCLOSURES

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

Key management personnel of the Group and of the Company are the Executive Directors, Non-Executive Directors and senior management of the Group and of the Company.

Key management compensation is as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Fees	**1,784**	1,982	**1,098**	1,098
Salaries, bonus and allowances	**42,109**	38,112	**15,428**	13,214
Defined contribution plan	**4,566**	3,667	**1,834**	1,334
	48,459	43,761	**18,360**	15,646
Benefits-in-kind	**832**	754	**204**	204
	49,291	44,515	**18,564**	15,850

Included in the key management compensation is Executive Director's remuneration as disclosed in Note 8 to the financial statements.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions agreed with the related parties.

Related parties	Relationship
Wah Seong (Malaya) Trading Co. Sdn. Bhd.	A company in which Dato' Seri Robert Tan Chung Meng, a Director of the Company, has substantial financial interest.
Strass Media Sdn. Bhd.	A subsidiary of Wah Seong (Malaya) Trading Co. Sdn. Bhd.
Wasco Management Services Sdn. Bhd.	A wholly-owned subsidiary of Wasco Berhad, a company in which Dato' Seri Robert Tan Chung Meng, a Director of the Company, has substantial financial interest.

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

33 SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

The significant related party transactions during the financial year are as follows:

Group	**2025 RM'000**	**2024 RM'000**
Light boxes rental, pedestrian bridge and office rental:		
Strass Media Sdn. Bhd.	**1,335**	1,238
Lease of space and related facilities:		
Wasco Management Services Sdn. Bhd.	**1,078**	1,049
Purchase of building materials, electrical equipment and appliances and related services:		
Wah Seong (Malaya) Trading Co. Sdn. Bhd.	**584**	933
Company		
Dividend income from subsidiaries:		
IGB Corporation Berhad	**635,282**	815,598
GTower Sdn. Bhd.	**2,520**	-
IGB REIT	**152,212**	185,497
IGBCR	**37,556**	43,436
Mid Valley City Enterprise Sdn. Bhd.	**3,822**	-
Salient Glory City Sdn. Bhd.	**5,400**	9,180
Rental of premises payable to subsidiaries:		
Tan & Tan Developments Berhad	**-**	7
IGBCR	**-**	37
Fees from management services receivable from subsidiaries:		
Mid Valley City Sdn. Bhd.	**2,195**	1,808
IGB REIT Management Sdn. Bhd.	**3,490**	2,914
Tan & Tan Developments Berhad	**1,178**	924
IGB Property Management Sdn. Bhd.	**2,329**	1,614

The significant related party balances are as follows:

Group		
Amounts owing from associates:		
New Commercial Investments Limited	**36,181**	22,693
Pacific Land Thailand Co., Ltd	**1,877**	1,840
Company		
Amounts owing from subsidiaries:		
G Village Retail Sdn. Bhd.	**1,134**	24,770
IGB Digital Sdn. Bhd.	**1,154**	2,522
IGB Corporation Berhad	**930**	-
IGBCR	**-**	8,999
IGB REIT	**170**	43,547
Steady Paramount Sdn. Bhd.	**248**	-
GoldChina Sdn. Bhd.	**1,210**	-

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2025
(continued)

33 SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

The significant related party balances are as follows (continued):

Company	**2025 RM'000**	**2024 RM'000**
Amounts owing to subsidiaries:		
Verokey Sdn. Bhd.	**-**	(40,000)
IGB REIT Management Sdn. Bhd.	**(882)**	-
Mid Valley City Sdn. Bhd.	**(1,332)**	-

34 SUBSEQUENT EVENTS

A) Proposed bonus issue of up to 679,069,943 new ordinary shares in IGB Berhad on the basis of 1 bonus share for every 2 existing ordinary shares

On 6 January 2026, the Company proposed to undertake a bonus issue of up to 679,069,943 new ordinary shares in IGB on the basis of 1 bonus share for every 2 existing IGB ordinary shares.

On 16 March 2026, the bonus issue was completed and 679,068,843 bonus shares were issued and listed on the Main Market of Bursa Securities. Following the completion of the bonus issue, the enlarged issued share capital of the Company is RM1,394,110,268 comprising 2,037,208,730 shares.

B) Disposal of Ravencroft Investments Incorporated's shares and sale of the business and assets of St. Giles Hotel London

On 12 January 2026, the Company announced that its associates, 12 Bedford Avenue Limited and St Giles Hotel Limited, in which the Group holds a 49.47% interest each, had completed the disposal of Ravencroft Investments Incorporated and the sale of the business and assets of St. Giles Hotel London on 9 January 2026, for a total combined consideration of GBP220 million.

35 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors dated 28 April 2026.

STATEMENT BY DIRECTORS

pursuant to Section 251(2) of the Companies Act 2016

We, Tan Boon Lee and Lee Chaing Huat, being two of the Directors of IGB Berhad, state that, in the opinion of the Directors, the financial statements set out on pages 131 to 231 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of the financial performance of the Group and of the Company for the financial year ended 31 December 2025, in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 28 April 2026.

Tan Boon Lee
Group Chief Executive Officer

Lee Chaing Huat
Director

STATUTORY DECLARATION

pursuant to Section 251(1) of the Companies Act 2016

I, Kiong Wei Yang, the Officer primarily responsible for the financial management of IGB Berhad, do solemnly and sincerely declare that the financial statements set out on pages 131 to 231 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.

Kiong Wei Yang
(MIA No. 51346)

Subscribed and solemnly declared by the abovenamed Kiong Wei Yang at Kuala Lumpur in the Federal Territory on 28 April 2026.

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IGB BERHAD

(Incorporated in Malaysia)
Registration No. 200001013196 (515802-U)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of IGB Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company 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, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 131 to 231.

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 Company 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 Company. In particular, we considered where the Directors 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 Company, the accounting processes and controls, and the industry in which the Group and the Company 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 Company 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 Company 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
Group **Impairment assessment of non-financial assets** Refer to Note 2(b)(iv), Note 2(b)(v), Note 2(c), Note 2(d), Note 2(e) for the material accounting policy information, Note 4 Critical accounting estimates and judgements, Note 12 Property, plant and equipment, Note 14 Investment properties, Note 16 Associates and joint ventures to the financial statements. As at 31 December 2025, the Group reported property, plant and equipment, investment properties, and investments in associates and joint ventures; collectively referred to as "non-financial assets" with carrying amounts of RM1,565 million, RM3,753 million, and RM538 million respectively. These non-financial assets constitute 91% of the total non-current assets of the Group.	**Audit procedures performed over this key audit matter were as follows:** The following audit procedures were performed on fair value less costs to sell: (i) Evaluated the competency of independent external valuers which include consideration of their qualifications, expertise and objectivity; (ii) Assessed the appropriateness of valuation methodology used by the independent external valuers and management; (iii) Discussed with management to understand the adjustments made for the differences with the similar assets where relevant and costs of disposal;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IGB BERHAD

(Incorporated in Malaysia)
Registration No. 200001013196 (515802-U)

Key audit matter	How our audit addressed the key audit matter
As at the same date, the market capitalisation of the Group was less than the carrying amount of its net assets of RM4,644 million, indicating a need for impairment assessments on its non-financial assets. As a result, management performed impairment assessments for material non-financial assets of the Group. The recoverable amounts were estimated using the higher of the fair value less costs to sell or value in use. We focused on this area due to the magnitude of the carrying amounts of the respective non-financial assets where estimates and judgements are required in estimating the recoverable amounts of the non-financial assets.	(iv) Assessed the reasonableness of certain key assumptions used by the independent external valuers with references to comparable industry, and/or to historical trends; (v) Assessed the adequacy of the disclosures made in the financial statements. The following audit procedures were performed on value in use calculations: (i) Discussed with management and understand the basis of determining the probability weightage for multiple scenarios used in certain value in use calculations; (ii) Tested the mathematical accuracy of the value in use calculations; (iii) Assessed the reasonableness of the significant key assumptions underpinning the value in use calculations with reference to historical results; (iv) Assessed the appropriateness of discount rates used in the value in use calculations, with the involvement of our valuation expert where relevant by checking the key inputs to market data; (v) Assessed the adequacy of the disclosures made in the financial statements. Based on the procedures performed above, we did not find any material exceptions to the impairment assessments.

We have determined that there are no key audit matters to report for the Company.

Information other than the financial statements and auditors' report thereon

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

Our opinion on the financial statements of the Group and of the Company 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 Company, 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 Company 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 for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company'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 either intend to liquidate the Group or the Company 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 Company 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 MEMBERS OF IGB BERHAD

(Incorporated in Malaysia)
Registration No. 200001013196 (515802-U)

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 Company, 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 Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' 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 Company'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 Company 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 Company 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 Company, including the disclosures, and whether the financial statements of the Group and of the Company 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 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 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, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 15 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia 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

TAN CHIN YEE
03380/06/2026 J
Chartered Accountant

Kuala Lumpur
28 April 2026

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

	Group	
	2025	**2024**
Total Income	**RM'000**	**RM'000**
Revenue	1,911,729	1,670,610
Other income	53,217	25,642
Finance income	58,423	51,362
Share of results of associates	16,702	60,889
Share of results of joint ventures	(10,379)	104,263
Total	**2,029,692**	**1,912,766**
Total Assets	**9,054,516**	**8,776,495**

(B) Business Activities

		Group	
		2025	**2024**
Shariah Non-Compliant Activities	**Remarks**	**RM'000**	**RM'000**
Interest income		37,360	33,254
Non-halal food and beverages (F&B) including F&B without halal certification from JAKIM or any certification bodies recognised by JAKIM	Hotel operations	61,547	64,375
Rental income received from tenant involved in Shariah non-compliant activities	Lease income and service charges	266,367	282,003
Other Shariah non-compliant activities:	- Share of results in associates	16,702	60,889
	- Share of result of joint ventures	(7,775)	(1,017)
	- Miscellaneous income	31,272	20,629
Total		**405,473**	**460,133**

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING
(continued)

(C) Component of Financial Position

(i) Cash Component

	Group	
	2025	2024
Islamic Accounts/Instruments	RM'000	RM'000
Deposits with licensed banks	41,110	40,351
Cash at bank	279	196
Cash in hand	581	1,018
Total	**41,970**	**41,565**
Conventional Accounts/Instruments		
Deposits with licensed banks	944,844	1,035,764
Cash at bank	764,387	329,677
Cash held under Housing Development Accounts	1,122	1,109
Total	**1,710,353**	**1,366,550**

(ii) Debt Component

	Group	
	2025	2024
Conventional Borrowings	RM'000	RM'000
Current		
Revolving credit	69,782	57,169
Term loans	29,803	28,978
Medium Term Notes	22,859	18,206
Non-Current		
Term loans	148,781	193,083
Medium Term Notes	3,277,715	3,247,219
Total	**3,548,940**	**3,544,655**

SHAREHOLDING ANALYSIS

As at 31 March 2026

Issued Shares	:	2,037,208,730 Ordinary Shares
Number of Shareholders	:	4,617
Voting Rights	:	1 vote per Ordinary Share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	618	13.38	18,458	0.00
100 - 1,000	632	13.69	188,415	0.01
1,001 - 10,000	1,987	43.04	10,063,333	0.51
10,001 - 100,000	1,108	24.00	32,906,066	1.65
100,001 - less than 5% of Issued Shares	269	5.83	1,058,048,647	53.15
5% and above Issued Shares	3	0.06	889,506,164	44.68
Total	**4,617**	**100.00**	**1,990,731,083#**	**100.00**

Excluding 46,477,647 treasury shares retained by IGB as per Record of Depositors

SUBSTANTIAL SHAREHOLDERS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Direct		Indirect*	
Name of Shareholders	No. of Shares	% of Shares^	No. of Shares	% of Shares^
Tan Chin Nam Sendirian Berhad	625,138,282	31.40	425,432,069	21.37
Tan Kim Yeow Sendirian Berhad	200,316,792	10.06	398,990,906	20.04
Dato' Seri Robert Tan Chung Meng	11,890,378	0.60	599,307,698	30.11
Pauline Tan Suat Ming	807,448	0.04	599,307,698	30.11
Tony Tan Choon Keat	-	-	599,307,698	30.11
Wah Seong (Malaya) Trading Co. Sdn Bhd	320,526,687	16.10	78,464,219	3.94

** Deemed interest held by other corporations by virtue of Section 8(4) of the Companies Act 2016*
^ Calculated based on 1,990,731,083 issued ordinary shares (excluding 46,477,647 treasury shares)

DIRECTORS' INTERESTS IN IGB AND RELATED CORPORATIONS

	IGB				IGB REIT				IGB Commercial REIT			
	Shares				Units				Units			
	Direct		Indirect*		Direct		Indirect*		Direct		Indirect*	
Name of Directors	No.	%^	No.	%^	No.	%	No.	%	No.	%	No.	%
Tan Lei Cheng	38,662,819	1.94	-	-	6,697,031	0.16	-	-	24,658,617	1.02	-	-
Tan Boon Lee	29,836,858	1.50	27,223,534	1.37	6,236,819	0.14	-	-	20,144,044	0.83	-	-
Tan Mei Sian (Alternate Director to Tan Lei Cheng)	2,054,935	0.10	-	-	549,332	0.01	-	-	4,607,654	0.19	-	-
Dato' Lee Kok Kwan	-	-	-	-	11,171	0.00	-	-	-	-	-	-
Dato' Seri Robert Tan Chung Meng	11,890,378	0.60	599,307,698	30.11	17,715,419	0.41	2,296,210,613	53.08	15,330,424	0.63	1,469,275,309	60.68

** Deemed interest held by other corporations by virtue of Section 8(4) of the Companies Act 2016*
^ Calculated based on 1,990,731,083 issued ordinary shares (excluding 46,477,647 treasury shares)

SHAREHOLDING ANALYSIS

As at 31 March 2026
(continued)

30 LARGEST SHAREHOLDERS AS PER RECORD OF DEPOSITORS

	Name of Shareholders	No. of Shares	% of Shares
1	Tan Chin Nam Sendirian Berhad	512,817,994	25.76
2	Wah Seong (Malaya) Trading Co. Sdn Bhd	228,057,921	11.46
3	Tan Kim Yeow Sendirian Berhad	148,630,249	7.47
4	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Tan Chin Nam Sendirian Berhad (PB)	96,570,288	4.85
5	CIMB Group Nominees (Asing) Sdn Bhd Exempt An for DBS Bank Ltd (SFS-PB)	77,063,338	3.87
6	HSBC Nominees (Asing) Sdn Bhd Exempt An for The Hongkong and Shanghai Banking Corporation Limited (HBAP-SGDIV-ACCL)	73,787,815	3.71
7	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Wang Majujaya Sdn Bhd (PB)	48,773,978	2.45
8	DB (Malaysia) Nominee (Asing) Sdn Bhd Deutsche Bank AG Singapore for Pangolin Asia Fund	47,535,133	2.39
9	Wah Seong (Malaya) Trading Co. Sdn Bhd	42,219,294	2.12
10	Maybank Nominees (Tempatan) Sdn Bhd Maybank Trustees Berhad for Public Regular Savings Fund (N14011940100)	39,711,163	1.99
11	Maybank Securities Nominees (Tempatan) Sdn Bhd Maybank Securities Pte Ltd for Tan Kim Yeow Sendirian Berhad	37,612,000	1.89
12	Wah Seong Enterprises Sdn Bhd	34,595,892	1.74
13	Amanahraya Trustees Berhad Public Smallcap Fund	30,079,342	1.51
14	Tan Boon Lee	29,836,858	1.50
15	Tan Lei Cheng	28,044,609	1.41
16	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Tan Boon Lee (PB)	27,223,534	1.37
17	Scanstell Sdn Bhd	26,441,163	1.33
18	Wah Seong (Malaya) Trading Co. Sdn Bhd	22,383,463	1.12
19	Wah Seong Enterprises Sdn Bhd	21,718,701	1.09
20	HSBC Nominees (Asing) Sdn Bhd Exempt An for Bank Julius Baer & Co. Ltd. (Singapore BCH)	20,781,522	1.04
21	Choy Wor Lin	18,596,578	0.93
22	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	17,647,266	0.89
23	Citigroup Nominees (Asing) Sdn Bhd Exempt An For UBS AG Singapore (Foreign)	16,193,602	0.81
24	Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Kuan Gin	15,168,679	0.76
25	Tentang Emas Sdn Bhd	14,896,984	0.75
26	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Tan Boon Seng (PB)	14,490,388	0.73
27	Tan Kim Yeow Sendirian Berhad	14,074,543	0.71
28	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Kwong Joo (E-KLC)	13,643,600	0.68
29	Wah Seong (Malaya) Trading Co. Sdn Bhd	12,681,175	0.64
30	Dasar Mutiara (M) Sdn Bhd	11,759,212	0.59

NOTICE OF 2026 ANNUAL GENERAL MEETING

Notice convening the Twenty-Sixth Annual General Meeting of IGB Berhad ("IGB") ("2026 AGM")
To be held at **9:30 a.m.** on **Monday**, **8 June 2026**, at The Gardens Ballroom, Level 5, St. Giles Mid Valley Kuala Lumpur, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, to consider and pass the resolutions set out below.

Resolutions numbered 1 to 8 are being proposed as ordinary resolutions, requiring more than half of the votes cast in favour of the resolutions.

1. **Financial Statements and Reports**
   To receive IGB's Financial Statements and the Reports of Directors and Auditors for the financial year ended 31 December 2025 ("FY25").

2. **Resolution 1: Re-election of Tan Boon Lee as Non-Independent Executive Director** ("NIED")
   That Tan Boon Lee be re-elected as a NIED of IGB.

3. **Resolution 2: Re-election of Dato' Dr. Zaha Rina binti Zahari as Independent Non-Executive Director** ("INED")
   That Dato' Dr. Zaha Rina binti Zahari be re-elected as an INED of IGB.

4. **Resolution 3: Re-election of Dato' Wong Lee Yun as INED**
   That Dato' Wong Lee Yun be re-elected as an INED of IGB.

5. **Resolution 4: Remuneration of Non-Executive Directors** ("NEDs")
   That the remuneration for NEDs, totaling RM1,500,000 encompassing FY25 fees, meeting allowances, and benefits-in-kind, be approved.

6. **Resolution 5: Re-appointment and remuneration of Auditors**
   That PricewaterhouseCoopers PLT ("PwC") be reappointed as Auditors to hold office until the conclusion of IGB's AGM in 2027, and the Board be authorised to determine the Auditors' remuneration for the financial year ending 2026 ("FY26").

7. **Resolution 6: Authority to issue and allot ordinary shares in IGB** ("Share Issue Mandate")
   That, subject to the provisions of the Companies Act 2016 ("Act") and the Main Market Listing Requirements ("MMLR"), the Board is hereby generally and unconditionally authorised to issue and allot new shares, up to 10% of the total issued shares (excluding treasury shares), for purposes deemed fit and in the best interests of IGB by the Directors, and these shares shall be listed on Bursa Malaysia, and that the authority conferred by this resolution shall expire at the next AGM in 2027 unless varied or revoked at a general meeting, and that the Directors are hereby authorised to take the necessary actions to implement the Share Issue Mandate.

8. **Resolution 7: Renewal of shareholders' mandate for share buyback** ("SBB Mandate")
   That, subject to the provisions of the Act and the MMLR, IGB is hereby authorised to make market purchases of its shares, up to 10% of the total issued shares (excluding treasury shares), as deemed fit by the Directors in the best interests of shareholders generally, and that the Directors are hereby authorised to deal with the purchased shares at their absolute discretion, which may include distributing them as dividends, reselling, transferring, cancelling, or managing them in any manner prescribed by the Act, including rules and regulations made pursuant thereto, and that the authority conferred by this resolution shall expire at the next AGM in 2027 unless varied or revoked at a general meeting, and that the Directors are hereby authorised to take the necessary actions to implement the SBB Mandate.

9. **Resolution 8: Renewal of shareholders' mandate for recurrent related party transactions** ("RRPT Mandate")
   THAT, subject to the provisions of the MMLR, IGB and its subsidiaries (the "Group") are hereby authorised to enter into categories of RRPT with the Transacting Parties as outlined in the Statement/Circular to shareholders dated 30 April 2026, provided that these RRPTs are conducted at arm's length and on normal commercial terms that are not detrimental to the interests of IGB and its minority shareholders and that the authority conferred by this resolution shall expire at the next AGM in 2027 unless varied or revoked at a general meeting, and that the Directors are hereby authorised to take the necessary actions to implement the RRPT Mandate.

By Order of the Board

Tan Lay Ling
Company Secretary
MAICSA 7042375
SSM PC No. 201908000038

Kuala Lumpur
30 April 2026

Explanatory notes

1. **Financial Statements and Reports**
   The Financial Statements and Reports set out in IGB's Annual Report 2025 ("AR25") are for discussion only. Neither the Act nor the Constitution requires shareholders to approve the Financial Statements and Reports. The Auditors will be present to answer questions regarding the conduct of the audit and the preparation of the Reports.

2. **Re-elections of Tan Boon Lee and Dato' Dr. Zaha Rina binti Zahari**
   Clause 84 of IGB's Constitution provides that at every AGM, one-third of the Directors shall retire from office ("1/3-rotation rule") and seek re-election by shareholders. Tan Boon Lee and Dato' Dr. Zaha Rina binti Zahari are obliged to retire according to the 1/3-rotation rule.

NOTICE OF 2026 ANNUAL GENERAL MEETING
(continued)

3. **Re-election of Dato' Wong Lee Yun**
   Clause 90 of IGB's Constitution provides that newly appointed Directors shall hold office only until the next following AGM of IGB, and shall then be eligible for re-election ("First-time re-election rule"). Dato' Wong Lee Yun was appointed as a Board member on 1 January 2026, and shall stand for re-election under the First-time re-election rule, and being eligible, seeks re-election by shareholders.

Tan Boon Lee, Dato' Dr. Zaha Rina binti Zahari, and Dato' Wong Lee Yun have received performance evaluations (including review of their fitness and propriety declarations by the Nomination Committee and were considered effective in discharging their roles. Dato' Dr. Zaha Rina binti Zahari and Dato' Wong Lee Yun have also received independent assessments and were considered by the Board to be independent in character and judgement. More information is provided in the Corporate Governance Overview Statement ("CGOS") section of AR25. Summary biographies of the three Directors proposed in Resolutions 1, 2, and 3 are set out in the Profile of Directors section.

The Board has endorsed the Nomination Committee's recommendation to re-elect Tan Boon Lee, Dato' Dr. Zaha Rina binti Zahari, and Dato' Wong Lee Yun.

4. **Remuneration of NEDs**
   Resolution 4 will authorise the payment of remuneration to NEDs totaling RM1,500,000. This comprises: (i) FY25 Directors' fees (RM1,098,000); (ii) meeting allowances (RM282,000) covering the period from May 2026 until the conclusion of the 2027 AGM, based on the scheduled meetings and provision for additional meetings for the Board and Board Committees; and (iii) benefits-in-kind (RM120,000) from the 2026 AGM until the conclusion of the 2027 AGM.

   The Board, upon the recommendation of the Remuneration Committee and after considering external benchmarking reports, proposes that the fees and meeting allowances (per sitting) remain unchanged. The information on the NED remuneration assessment by the Remuneration Committee is provided in the CGOS section. The NEDs will abstain from voting on their shareholdings on Resolution 4.

5. **Re-appointment and remuneration of Auditors**
   Resolution 5 will authorise the Board to re-appoint PwC as IGB's Auditors for FY26 and to determine the Auditors' remuneration.

   The Board, upon the recommendation of the Audit Committee, proposes re-appointing PwC as IGB's Auditors for FY26. The information on the performance assessment of PwC by the Audit Committee is provided in the CGOS section.

6. **Share Issue Mandate**
   As of this Notice of 2026 AGM, IGB has not issued any new shares under the general mandate approved at the previous AGM.

   Resolution 6 seeks authorisation to renew the Share Issue Mandate in accordance with the Act and MMLR. This mandate will grant IGB the authority to issue and allot up to 10% of the total issued shares (excluding treasury shares). The Directors have no current intention to use this mandate; however, it gives the Directors flexibility to pursue strategic acquisition opportunities involving equity as they arise.

7. **SBB Mandate**
   Resolution 7 seeks authorisation to renew the SBB Mandate for IGB to purchase up to 10% of its total issued shares on the market as detailed in Part A of the Statement/Circular.

   IGB purchased 466,300 shares from the last AGM to 31 March 2026 (the latest practicable date before publication of this Notice of 2026 AGM), under the existing authority to make market purchases of shares. As of 31 March 2026, IGB held 46,477,647 shares in treasury.

8. **RRPT Mandate**
   Resolution 8 seeks authorisation to renew the RRPT Mandate for the Group to conduct specific types of RRPT with designated transacting parties involving related party interests from the 2026 AGM until IGB's AGM in 2027, as detailed in Part B of the Statement/Circular. The interested related parties and persons connected with them will abstain from voting on Resolution 8.

Attendance and appointment of proxy

1. Only members listed in the Record of Depositors as of 29 May 2026 will be entitled to attend and vote at the 2026 AGM, or to appoint proxy(ies) to attend and vote on their behalf.

2. Except for exempt authorised nominees, a member may appoint up to two proxies and specify the number of shares each proxy is authorised to act upon. A proxy may, but does not have to be a member.

3. If a member appoints the Chairman of the meeting as a proxy, such member must specify how they wish the Chairman to vote on the resolution; otherwise, the Chairman may vote or abstain as he/she deems appropriate.

4. The Proxy Form, including any power of attorney or other authority under which it is signed, must be sent to IGB's share registrar, Tricor Investor & Issuing House Services Sdn Bhd ("TIIH"), Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, either by post, or in person. Members may also submit an e-proxy online at **https://srmy.vistra.com** by 9:30 a.m. on Saturday, 6 June 2026. For assistance, contact TIIH at +603-2783 9299 or **is.enquiry@vistra.com**.

5. Members may submit questions before the 2026 AGM by emailing **investorrelations@igbbhd.com** or **corporate-enquiry@igbbhd.com** by 9:30 a.m. on Friday, 29 May 2026. Questions submitted in advance must relate to the business outlined in the Notice of 2026 AGM. All questions will be moderated to prevent repetition and ensure the smooth conduct of the meeting.

6. Registration for the 2026 AGM will start at 8:00 a.m. Members and proxies must present a valid identification card or driving licence for verification.

AR25, Statement/Circular, and Notice of 2026 AGM can be accessed at www.igbbhd.com.
To request a printed copy of these documents, please email corporate-enquiry@igbbhd.com.

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IGB BERHAD
200001013196 (515802-U)

PROXY FORM

CDS Account No.	
No. of Shares Held	

*I/We (Full name as per NRIC/Certificate of Incorporation) ____________________

NRIC No./Company No. ____________________ of (Full address) ____________________

____

being a member of IGB Berhad ("IGB") and entitled to attend and vote hereby appoint:

Name, NRIC No. and Email of proxy	No. of Shares to be represented by proxy
1. ____________________	____________________
2. ____________________	____________________

or, in the absence of the person named, or if no person is specified, the Chairman of the Twenty-Sixth Annual General Meeting ("2026 AGM") as my/our proxy to act on my/our behalf (including voting under the following directions or, if no directions have been provided, and to the extent permitted by the law, at the proxy discretion) at the 2026 AGM of IGB, to be held at 9:30 a.m. on Monday, 8 June 2026.

Ordinary Resolutions		First Proxy		Second Proxy	
		For	Against	For	Against
1.	Re-election of Tan Boon Lee as NIED				
2.	Re-election of Dato' Dr. Zaha Rina binti Zahari as INED				
3.	Re-election of Dato' Wong Lee Yun as INED				
4.	Remuneration of Non-Executive Directors				
5.	Re-appointment and remuneration of Auditors				
6.	Share Issue Mandate				
7.	SBB Mandate				
8.	RRPT Mandate				

Dated this ________ day of ____________________ 2026

____
Signature/Common Seal of Member

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4. The Proxy Form, including any power of attorney or other authority under which it is signed, must be sent to IGB's share registrar, Tricor Investor & Issuing House Services Sdn Bhd ("TIIH"), Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8 Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, either by post, or in person. Members may also submit an e-proxy online at **https://srmy.vistra.com** by 9:30 a.m. on Saturday, 6 June 2026. For assistance, contact TIIH at +603-2783 9299 or **is.enquiry@vistra.com**.
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6. Registration for the 2026 AGM will start at 8:00 a.m. Members and proxies must present a valid identity card or driving licence for verification.

Fold this flap for sealing

Fold along this line (2)

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200001013196 (515802-U)

PROXY FORM

Affix
RM0.80
stamp

The Share Registrar
Tricor Investor & Issuing House Services Sdn Bhd
Registration No. 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8 Jalan Kerinchi
59200 Kuala Lumpur

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2025 ANNUAL REPORT REQUEST FORM

Please select the documents you wish to receive by ticking (✓) the box provided:

☐ 2025 Annual Report

☐ Statement/Circular to Shareholders

For further information, please contact the Group Company Secretariat at 603-2289 8989 or corporate-enquiry@igbbhd.com.

Name of Shareholder : ______________________

NRIC No./Company No. : ______________________

Mailing Address : ______________________

____

Email Address : ______________________

Contact Number : ______________________

Signature : ______________________

Date : ______________________

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200001013196 (515802-U)

2025 ANNUAL REPORT REQUEST FORM

AFFIX STAMP
RM0.80

The Share Registrar
Tricor Investor & Issuing House Services Sdn Bhd
Registration No. 197101000970 (11324-H)
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3, Bangsar South
No. 8 Jalan Kerinchi
59200 Kuala Lumpur

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www.igbbhd.com

IGB BERHAD 200001013196 (515802-U)

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@igbbhd.com