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## 2025 ANNUAL GENERAL MEETING

#### Day and Date

Wednesday  
23 April 2025

#### Time

2.30 p.m.

#### Venue

Bintang Ballroom, Level 5,  
Cititel Mid Valley, Mid Valley City,  
Lingkaran Syed Putra,  
59200 Kuala Lumpur, Malaysia



QR Code for  
2024 Annual Report

## ABOUT THIS REPORT

### INTRODUCTION

Established on 25 July 2012, IGB REIT is a Malaysia-domiciled real estate investment trust. Listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa) on 21 September 2012, it owns income producing real estate that is used for retail purposes in Malaysia and overseas. Comprising two malls – Mid Valley Megamall (MVM) and The Gardens Mall (TGM) – located in the Klang Valley, IGB REIT's portfolio has a total net lettable area (NLA) of approximately 2.64 million square feet (sf), and as at 31 December 2024, had a market capitalisation of RM7.74 billion. Its investment properties are RM5.44 billion.

### REPORTING PERIOD

IGB REIT's 2024 Annual Report covers the reporting period from 1 January to 31 December 2024 unless stated otherwise.

### REPORTING FRAMEWORKS AND STANDARDS

This annual report has been developed in accordance with applicable regulations, rules, and established guidelines:

- Bursa Malaysia Corporate Governance Guide (4th Edition)
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- The Malaysian Code on Corporate Governance (MCCG) 2021 issued by Securities Commission Malaysia (SC)
- Main Market Listing Requirements (MMLR) issued by Bursa
- Guidelines on Listed Real Estate Investment Trusts issued by SC
- United Nations' Sustainable Development Goals (SDGs)
- Malaysian Financial Reporting Standards (MFRS)
- International Financial Reporting Standards (IFRS)
- Companies Act 2016
- Task Force on Climate-Related Financial Disclosures

### ASSURANCE

All data contained within this annual report has been sourced internally and has been verified by the respective business units or information owners. PricewaterhouseCoopers PLT is the statutory auditor appointed to audit IGB REIT's financial statements for the financial year ended 31 December 2024. The audit was limited to the financial statements on pages 89 to 131 of this annual report.

### MATERIALITY

Information disclosed in this annual report is relevant to our material matters, which have been determined by extensive stakeholder engagement, as well as internal evaluation. These material matters reflect existing and emerging risks and opportunities, which could affect our ability to create value for the organisation and stakeholders.

### FORWARD LOOKING STATEMENT

This annual report contains a range of forward-looking statements in relation to our plans, objectives, goals, strategies, future operations and performance of the organisation. Such statements are premised on forecast and present market conditions, which could change, and are not intended to guarantee future operating, financial or other results involving uncertainty. Unitholders are advised not to place undue reliance on such statements as our business is subject to risks and uncertainties beyond our control.

## NAVIGATION ICONS

### 6 Capitals



Financial



Manufactured



Intellectual



Human



Social



Natural

### Material Matters



Health, Safety & Security



Customer Satisfaction



Economic Performance



Human Capital Development



Cybersecurity & Data Protection



Anti-Corruption & Corporate Governance



Climate Change



Labour Practices



Water Management



Community/ Society



Waste Management



Supply Chain Management

### United Nations Sustainable Development Goals Adopted



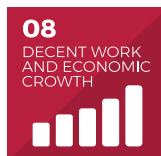
03  
GOOD HEALTH  
& WELL-BEING



05  
GENDER  
EQUALITY



06  
CLEAN WATER  
AND SANITATION



08  
DECENT WORK  
AND ECONOMIC  
GROWTH



09  
INDUSTRY, INNOVATION  
AND INFRASTRUCTURE



11  
SUSTAINABLE CITIES  
AND COMMUNITIES



12  
RESPONSIBLE  
CONSUMPTION AND  
PRODUCTION



13  
CLIMATE ACTION



16  
PEACE, JUSTICE AND  
STRONG INSTITUTION



## CORPORATE DIRECTORY

### MANAGER

**IGB REIT Management Sdn Bhd**

201201006785 (908168-A)

Capital Market Services License : CMSL/A0305/2013

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

Telephone : 603-2289 8989

Telefax : 603-2289 8802

Website : www.igbreit.com

Email : corporate-enquiry@igbreit.com

Investor Relation : investorrelations@igbreit.com

Feedback : feedback@igbreit.com

### BOARD OF DIRECTORS

**Dato' Seri Robert Tan Chung Meng**
*Non-Independent Executive Chairman*
**Tan Mei Sian**
*Non-Independent Executive Director*
**Raymond Yeoh Cheng Seong**
*Independent Non-Executive Director*
**Robert Ang Kim Pack**
*Independent Non-Executive Director*
**Datuk Richard Lee Say Tshin**
*Independent Non-Executive Director*
**Tan Lei Cheng**
*Non-Independent Non-Executive Director*

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

**Tina Chan Lai Yin**

MAICSA 7001659/SSM PC No. 201908000014

### TRUSTEE

**MTrustee Berhad**

198701004362 (163032-V)

2nd Floor, Plaza Armada

Lot 6, Lorong Utara C, Section 52

46200 Petaling Jaya

Selangor Darul Ehsan

Malaysia

Telephone : 603-7931 1119

Telefax : 603-7931 1135

### PROPERTY MANAGER

**Chartwell ITAC International Sdn Bhd**

197901008026 (52312-H)

B-11-3A – B-11-05

Level 11, Gateway Corporate Suites

Gateway Kiaramas

No. 1, Jalan Desa Kiara, Mont Kiara

50480 Kuala Lumpur

Malaysia

Telephone : 603-6201 6288

Telefax : 603-6203 0088

### AUDITOR

**PricewaterhouseCoopers PLT**

(LLP0014401-LCA &amp; AF 1146)

Level 10, 1 Sentral, Jalan Rakyat

Kuala Lumpur Sentral

50470 Kuala Lumpur

Malaysia

Telephone : 603-2173 1188

Telefax : 603-2173 1288

### REGISTRAR

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

197101000970 (11324-H)

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Malaysia

Telephone : 603-2783 9299

Telefax : 603-2783 9222

### PRINCIPAL BANKER

**Hong Leong Bank Berhad**

193401000023 (97141-X)

Level 1, Wisma Hong Leong

18 Jalan Perak

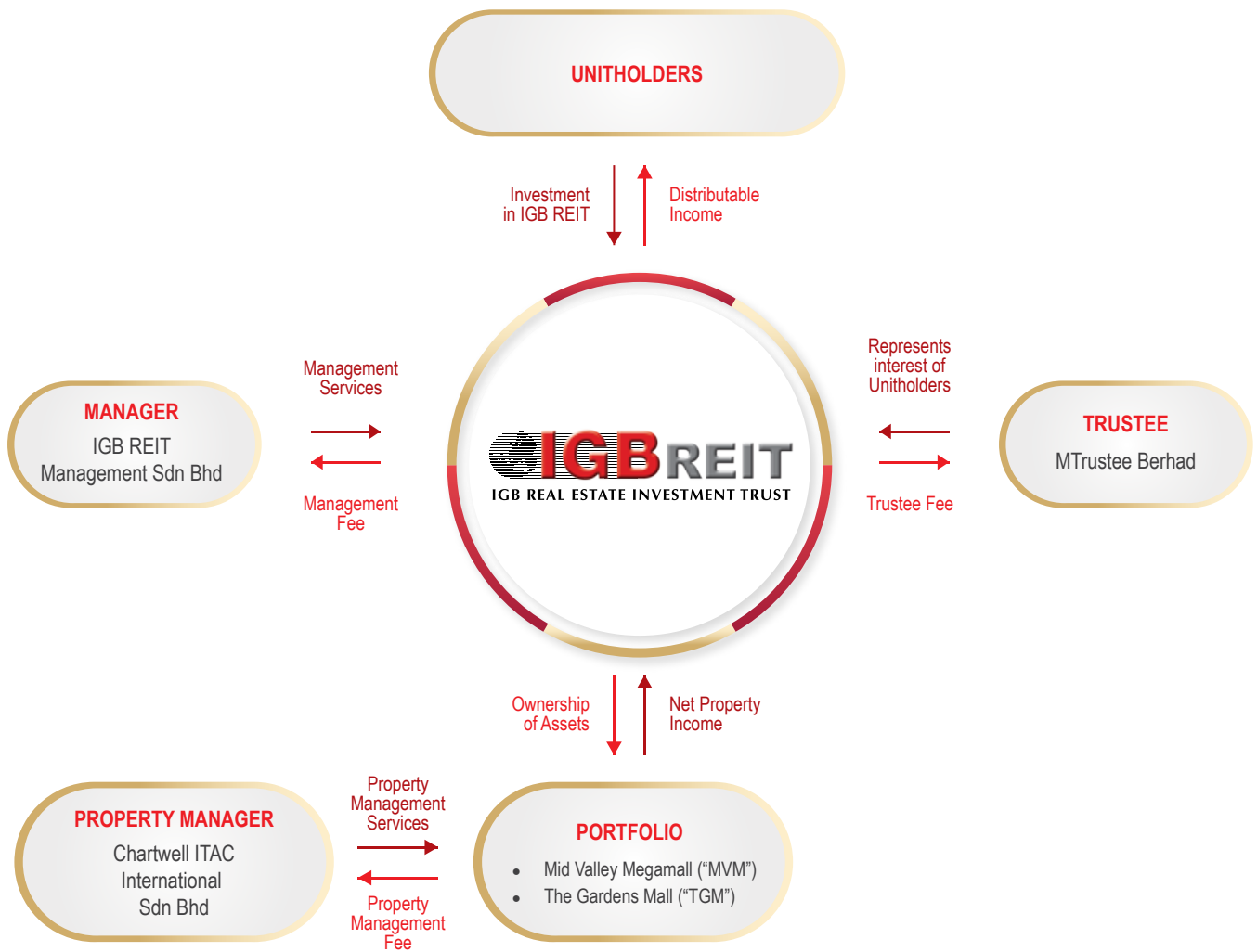
50450 Kuala Lumpur

Malaysia

Telephone : 603-2164 2525

Telefax : 603-2164 7922

## REIT STRUCTURE



## REIT SALIENT FEATURES

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

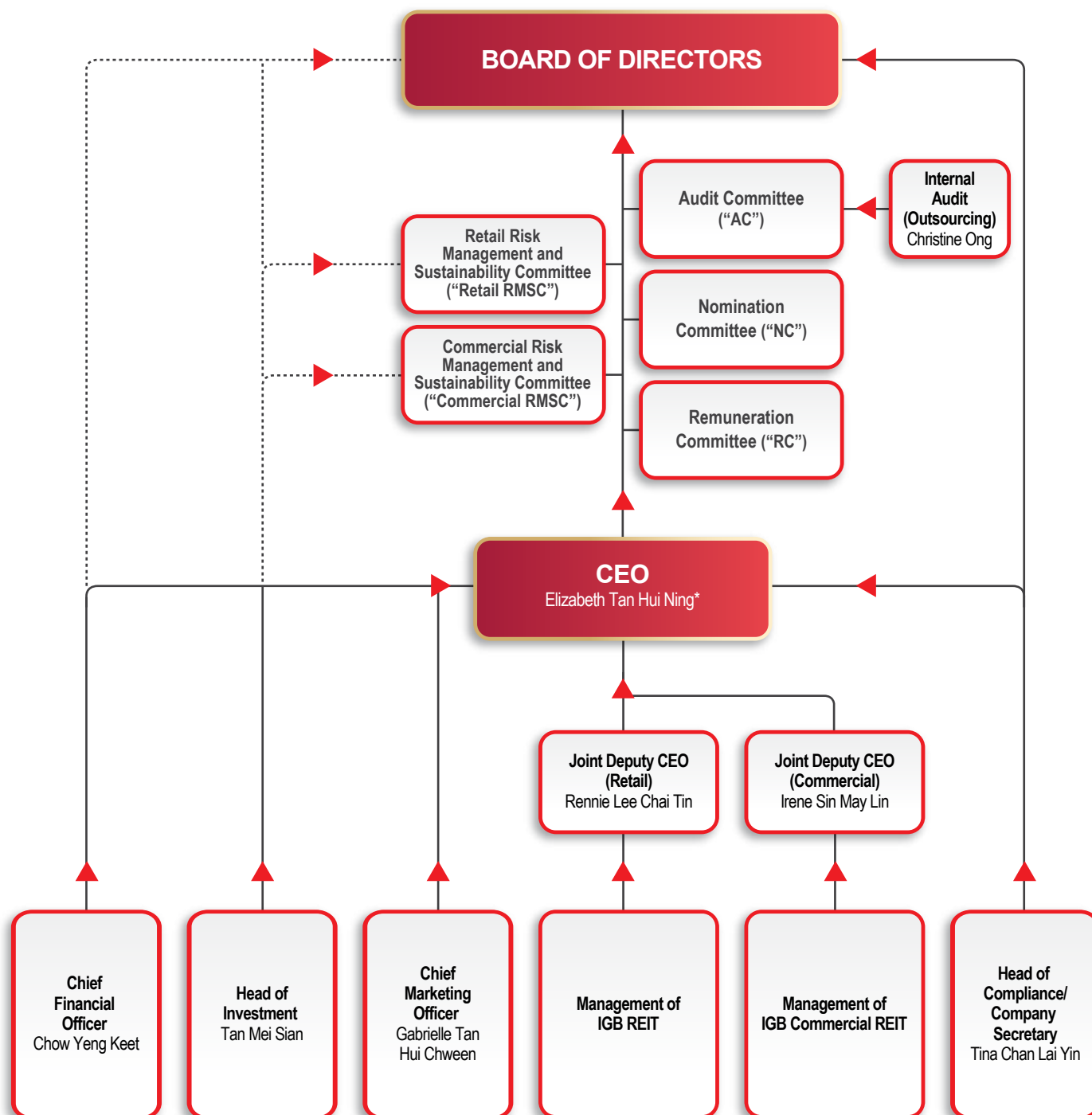
## REIT PORTFOLIO

Properties	Mid Valley Megamall	The Gardens Mall
Address	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur
Description	5-level retail mall with a mezzanine floor, 2 levels of basement car parks and 4 levels of elevated car parks	8-level retail mall with 4 levels of basement car parks and 4 levels of elevated car parks
Age as at 31 December 2024	25 years	17 years
Land area of master title (sq ft)	1,060,783	421,773
Tenure	Leasehold for 83 years expiring on 11 April 2104	Leasehold for 99 years expiring on 6 June 2103
Master title particulars	PN 54050, Lot 20013 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur	PN 37073, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur <sup>#</sup>
Encumbrances/material limitations in master title	<ul style="list-style-type: none"> <li>Private caveat lodged by Hong Leong Bank Berhad (Registration No. 193401000023 (97141-X)) vide Presentation No. PDB6233/2021 dated 9 July 2021</li> <li>Private caveat lodged by Malaysian Trustees Berhad (Registration No. 197501000080 (21666-V)) vide Presentation No. PDB6763/2021 dated 27 July 2021</li> <li>Private caveat lodged by the Trustee on behalf of IGB Commercial REIT vide Presentation No. PDB7576/2021 dated 17 August 2021</li> <li>Private caveat lodged by the Trustee on behalf of IGB REIT vide Presentation No. PDB7577/2021 dated 17 August 2021</li> <li>Private caveat lodged by Tenaga Nasional Berhad (Registration No. 199001009294 (200866-W)) vide Presentation No. PDB3740/2023 dated 16 March 2023</li> </ul>	<ul style="list-style-type: none"> <li>Trust caveat lodged by the Trustee on behalf of IGB REIT vide Presentation No. PDB14472/2012 dated 30 August 2012</li> <li>Trust caveat lodged by the Trustee on behalf of IGB REIT vide Presentation No. PDB16049/2012 dated 26 September 2012</li> </ul>
Restrictions in interest in master title	This land shall not be transferred, leased or charged without the consent of the Federal Territory Land Executive Committee Secretariat (Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*	This land shall not be transferred, leased, secured or charged except with the consent of the Federal Territory Land Executive Committee Secretariat (Tanah ini tidak boleh dipindahmilik, dipajak, dicagar atau digadai melainkan dengan kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)
Express conditions in master title	This land shall be used for commercial building for purpose of office towers, hotels, retail malls, office shops/lots and car park spaces only (Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan menara pejabat, hotel, pusat membeli-belah, kedai pejabat dan tempat letak kereta sahaja)	This land shall be used for commercial building for purpose of commercial spaces, offices, hotels and service apartments only (Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan ruang perniagaan, pejabat, hotel dan pangsapuri servis sahaja)
Appraised Value as at 31 December 2024 (RM'000)	4,000,000	1,450,000
Purchase consideration (RM'000)	3,440,000	1,160,000
Net Lettable Area (NLA) as at 31 December 2024 (sq ft)	1,798,148	839,118
Gross Floor Area as at 31 December 2024 (sq ft)	6,107,052	3,540,767
Number of tenancies as at 31 December 2024	556	235
Occupancy rate as at 31 December 2024 (%)	98.9	96.1
Number of car park bays as at 31 December 2024	6,127	3,957

<sup>#</sup> TGM is separately held under 3 issue documents of strata title. The transfer of these strata titles has been registered in favour of the Trustee.

\* The extended expiry date of the State Authority's consent for the transfer of MVM in favour of the Trustee is 26 June 2025.

## ORGANISATION STRUCTURE OF THE MANAGER



\* Resigned on 19 March 2025 and Antony Patrick Barragry was appointed as Acting CEO on 19 March 2025.



# AWARDS & Recognition

- ◆ IGB REIT closed the year as the second largest REIT in Malaysia based on market capitalisation.
- ◆ IGB REIT was added to the FTSE4Good Bursa Malaysia Index on 12 December 2024.
- ◆ The Edge Billion Ringgit Club: Highest Return on Equity Over Three Years.



*Ms. Elizabeth Tan, CEO of IGB REIT Management Sdn Bhd, and Ms. Rennie Lee, Joint Deputy CEO (Retail) of IGB Management Sdn Bhd, accepting the award (Highest Return on Equity Over Three Years) for IGB REIT*

# BUSINESS EVENTS and Highlights

## The Gardens Mall (TGM)



### Green Moves Campaign

TGM ran the Green Moves Campaign in August to raise awareness about food waste. The campaign also showcased TGM's food waste composting efforts.

◀ Plant starter kits to be redeemed by shoppers

Glamping with hot coffee on a cold night under the stars ▶

### TGM "Fun in the Sun"



## Mid Valley Megamall (MVM)

### MVM "Fun in the Sun"



▲ Shoppers enjoyed the park-like atmosphere during the campaign

### Meet Me at the Movies



▲ This campaign ran in conjunction with the release of the movie Despicable Me 4 where shoppers enjoyed a minion-themed experience and meet & greets with the characters

### Spend and Redeem



◀ Spend and Redeem promotion campaign from 1 September to 30 November 2024

## OUR APPROACH TO VALUE CREATION

1

### STRATEGIC PRIORITIES/GOALS

- Deliver long-term sustainable returns to unitholders
- Explore yield-accretive and business enhancing asset acquisition opportunities
- Efficiently manage capital and risks to support growth and value creation

2

### BUSINESS STRENGTHS

- Prime retail assets
- Synergistic integration with Mid Valley City
- Strong and reputable sponsor with a proven track record
- Diverse tenant base
- Prudent capital and risk management
- Strong corporate governance

3

### INPUTS by Capitals



#### Financial

- Total Assets: **RM5.7 billion**
- Total Liabilities: **RM1.5 billion**
- Unitholders' fund: **RM4.2 billion**



#### Manufactured

- 2 retail malls
- Investment properties: **RM5.44 billion**



#### Human

- Total employees: **361**
- Employee turnover: **12%**



#### Natural

- Energy consumption: **60,730 MWh**
- Water consumption: **659,633 m<sup>3</sup>**



#### Social and Relationship

- **RM1.1 million** contributed towards community investment
- Regular stakeholder engagement
- Creating sustainable business opportunities with local suppliers



#### Intellectual

- Data and Cybersecurity Policies
- Digitalisation
- Analytics

4

### OUR BUSINESS MODEL & ACTIVITIES

## OUR STRATEGIC FRAMEWORK

1

Asset Management

2

Asset Enhancement

3

Customer Experience

4

Operational Excellence

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

## OUR APPROACH TO VALUE CREATION

(continued)

### 5

#### OUTPUTS by Capitals

##### Financial

- Revenue: **RM626.1 million**
- Net Property Income: **RM455.7 million**
- Distribution per unit: **10.70 sen**

##### Manufactured

- MVM: **1.80 million sq ft NLA**
- TGM: **0.84 million sq ft NLA**
- Total **10,084** carpark bays

##### Human

- Employee retention: **88%**
- Total training hours: **11,790**
- Average training hours per employee: **33 hours**

##### Natural

- Waste diversion rate: **8.8%**
- Rainwater harvested: **3,120 m³**
- 5,515** tCO<sub>2</sub>e Scope 1 emissions
- 47,005** tCO<sub>2</sub>e Scope 2 emissions
- 63,548** tCO<sub>2</sub>e Scope 3 emissions

##### Social and Relationship

- 33,475** individuals benefitted from community initiatives inclusive of **23,470** bags of blood collected by Pusat Darah Negara (PDN)
- 99.83%** spending on local suppliers

##### Intellectual

- Zero** substantiated complaints concerning breaches of customer privacy and losses of customer data
- Cloud-based** IT infrastructure
- Improved workflow efficiency and business applications

### 6

#### OUTCOME

- Drove sustainable financial growth through strategic business plans and ensured financial stability via optimised capital allocation and cost management.

Occupancy rate as at 31 December 2024:

- MVM occupancy: **98.9%**
- TGM occupancy: **96.1%**

- Improved employee engagement, retention, and workforce agility through positive workplace culture initiatives and comprehensive training.

- Embedded environmental sustainability and climate resilience into core business strategies, ensuring long-term ecological and economic viability.

- Strengthened social bonds and customer connections by bridging access gaps, addressing community needs, and fostering collaborative development, resulting in enhanced social and relationship capital.

- Minimised reputational risk and ensured regulatory compliance, protecting the integrity of our intellectual assets.
- Reduced operational costs and enhanced data accessibility, driving increased efficiency and productivity.

### 7

#### TRADE-OFFS

Our financial resources fuel our growth, mitigate risks, and strengthen other capitals. Utilising financial capital for capital expenditure and investments allows for positive impact on the long-term performance of our manufactured assets.

Navigating market shifts requires adjustments. Utilising short-term financial capital to improve our assets presents an opportunity to unlock long-term value and enhance all our capitals, not just financially, but through improved brand perception and sustainability.

Empowering our people is key. Investing in training and engagement might impact short-term financials, but the long-term gain is undeniable: a skilled, engaged workforce driving growth and societal impact across all capitals.

Investing in efficient resource management has proven beneficial. While initial costs exist, preserving natural capital improves our manufactured assets' value, brand equity, and demonstrates our commitment to sustainability, ensuring a balanced future.

We leverage our financial resources to fuel impactful community programmes, empowering marginalised communities and contributing to a more sustainable future for all. This approach strengthens our social and relationship capital and ensures shared prosperity.

Investing in knowledge development might impact short-term financials, but the long-term benefits outweigh this. These investments empower our people, improve processes with digital technology, and enhance various capitals, driving sustainable growth and societal impact.



## CEO STATEMENT



### *Dear Valued Stakeholders,*

I am pleased to present IGB REIT's annual report for the FY2024. For the financial year under review, we enjoyed a healthy operational and financial performance, reflecting our strong fundamentals and quality retail assets.

The retail sector in Malaysia continues to evolve, as malls keep pace with rapidly changing consumer tastes and preferences. 2024 was not without its challenges. We continued to face increasing cost pressures and with the entry of new malls, competition for consumer spend has increased.

**Elizabeth Tan Hui Ning**  
CEO

IGB REIT performed well in 2024, achieving growth in revenue and net property income. This year, we achieved several milestones that I believe reaffirm our resilience and commitment to delivering value to our unitholders. IGB REIT closed the year as the second largest REIT in Malaysia based on market capitalisation and was added to the FTSE4Good Bursa Malaysia Index, reflecting the progress we have made in enhancing our sustainability disclosures and practices. We also won The Edge Billion Ringgit Club Award for Highest Return on Equity Over Three Years.

### RETAIL SECTOR EVOLUTION

The retail sector is ever evolving, and 2024 saw a culmination of rapid changing customer preferences and disposable income shifts. Malls are increasingly becoming a focal point for communities, with shoppers now expecting them to offer a more holistic experience that engages them throughout their time there. There is an increasing focus on experiences and sustainability, with shoppers placing greater value on engagement. How the market is adapting to these evolving demands must be seen in the elements that new and existing malls need to incorporate in their offerings. For example, greater open spaces, and common areas; and in the revamped experience that retail brands are introducing through merging retail and play. Established malls have to remain flexible and quick to adapt in order to remain competitive.

### KEEPING PACE WITH CHANGING MARKET DEMANDS

Keeping pace with the rapidly changing demands is challenging, but our teams have been quick to adapt so that our malls not only remain relevant but sought after retail destinations in the Klang Valley.

We have worked diligently to ensure that a positive visitor experience starts the moment they enter our malls. From the time they park their cars or step foot into our malls, each touch point needs to be seamless and accessible, so visitors feel comfortable as well as excited. Through creating a conducive environment, we elevate the retail experience, encouraging shoppers to stay longer and grow to become loyal customers. This in turn supports our tenants, and our business.

With a renewed demand for lifestyle offerings, we have worked collaboratively with lifestyle brands, increasing their presence in our malls to meet the demands of our visitors. We have also consciously increased the food and beverage (F&B) offerings across our malls and are excited to open a rooftop garden by the middle of 2025. The rooftop garden will add a new dimension to our spaces, offering a calming retreat with a farm-to-table café that will source its ingredients from the vegetable and herb garden onsite as well as a pilates studio.

Impactful asset enhancement initiatives (AEI) have also continued, with Mid Valley Megamall (MVM) undertaking a significant reconfiguration exercise in the year, affecting approximately 300,000 square feet (sq ft) of space. The exercise will create community-focused common spaces and better utilise the area to meet evolving demands. Replacement and upgrading of key M&E equipment in the malls remains a priority as well, to ensure safety and health, and operational efficiency is at the forefront.



## CEO STATEMENT

(continued)

### Highlights for FY2024



#### Received 1 award and 2 recognitions:

- ◆ The Edge Billion Ringgit Club: Highest Return on Equity Over Three Years
- ◆ Second largest REIT in Malaysia based on market capitalisation
- ◆ IGB REIT was added to the FTSE4Good Bursa Malaysia Index



#### Focused on positive visitor experience:

- ◆ MV Club app for visitors offering comprehensive updates on the latest events, promotions, parking availability, voucher redemptions, and more
- ◆ 300,000 square feet reconfiguration AEI in Mid Valley Megamall



#### Sustainability:

- ◆ Explore new avenues, as we seek to increase efficiency and reduce our carbon footprint



#### Our people:

- ◆ Motivate and nurture
- ◆ Avenues for upskilling
- ◆ Retreat for management team and executives to support engagement and alignment with company's vision

Technology has also emerged as a key tool, particularly in terms of analytics to better understand operational efficiencies, gain deeper insights into consumer preferences and emerging trends, and allow for a quicker more meaningful response to change. This year, in collaboration with IGB Berhad, we launched a loyalty programme called the MV Club app. It is envisioned that the app will be a comprehensive programme for everything that visitors need to know about our malls, providing updates on the latest events, promotions, parking availability, voucher redemptions, and more. Through the app, we will also be able to gather data that will give us valuable insights that will help support business decisions.

### IMPACTFUL STRIDES IN SUSTAINABILITY

Sustainability is not just a matter of compliance or corporate social responsibility for us, we believe that it is central to our ability as a business to create value. We will continue to build upon our existing sustainability initiatives and explore new avenues, as we seek to increase efficiency and reduce our carbon footprint. For example, we are looking into the viability of installing solar panels at our properties. We are also exploring certifying our malls to green building standards to ensure a high benchmark of sustainability performance.

Our people continue to remain our priority and the key driving force behind our success. We are fortunate to have a strong team in place but recognise that ongoing employee engagement and training is imperative for a sustained future. We will be working to enhance our approach to motivating and nurturing our teams, providing additional avenues for upskilling them and identifying and grooming the next generation of leaders. This year, we held our second retreat for our senior management team to help support engagement and alignment in our vision for our business. We will be extending this to our managers and executives in 2025. We want to empower our people, and communicate to them that they play a role in driving its continued success.

### OUTLOOK

The Malaysian economy looks set to enjoy steady growth in 2025. We are encouraged by this but remain cautious as downside risks remain especially in increased operating costs.

Tenant and customer engagement continue to be a key focus for us going into 2025. We will be adopting an aggressive marketing strategy to both engage visitors as well as keep our malls top of mind. We will be strategically collaborating with our tenants as well as international entertainment partners, bringing to market exclusive and large-scale events. We will also be exploring assets to enhance our REIT and will consider further expansions into technology to support our growth. We believe that IGB REIT's sound fundamentals and unwavering focus on creating value have helped us navigate different challenges over the years and will continue to do so moving forward.

### ACKNOWLEDGEMENTS

I would like to thank the Board of Directors for their counsel and support in navigating my first year as Chief Executive Officer (CEO). I am deeply appreciative of their trust in me. Thank you also to my team for their unwavering commitment and passion, which have been invaluable in enabling our consistent performance.

I would also like to extend my sincere thanks to all our stakeholders, your continued trust and partnership have allowed us to remain a top retail destination in the Klang Valley. I am excited to continue to have the opportunity to build upon IGB REIT's strong foundation and look forward to an even stronger future.

**ELIZABETH TAN HUI NING**

CEO

IGB REIT Management Sdn Bhd

7 March 2025

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

## FINANCIAL HIGHLIGHTS

Statement of comprehensive income	FYE 2024	FYE 2023	FYE 2022	FYE 2021	FYE 2020
Total revenue (RM'000)	626,099	604,308	556,409	399,527	465,239
Net property income ("NPI") (RM'000)	455,713	447,882	420,249	275,101	316,678
Distributable income (RM'000)	395,938	385,764	361,945	220,583	259,837
Basic earnings per Unit ("EPU") (realised) (sen)	10.21	9.99	9.38	5.61	6.65
Core basic EPU (sen)	16.06	14.40	11.05	5.61	6.65
Distribution per Unit (sen)	10.70	10.47	9.86	6.03	6.75
Distribution yield (%)	5.00	6.09	5.98	3.65	3.92
Management expense ratio (%)	0.98	1.00	0.99	0.80	0.86

	FYE 2024	FYE 2023	FYE 2022	FYE 2021	FYE 2020
Total revenue	RM'000	RM'000	RM'000	RM'000	RM'000
MVM	435,287	416,921	386,632	281,143	322,554
TGM	190,812	187,387	169,777	118,384	142,685
<b>Total</b>	<b>626,099</b>	<b>604,308</b>	<b>556,409</b>	<b>399,527</b>	<b>465,239</b>

	FYE 2024	FYE 2023	FYE 2022	FYE 2021	FYE 2020
NPI	RM'000	RM'000	RM'000	RM'000	RM'000
MVM	333,494	321,690	301,891	200,312	231,595
TGM	122,219	126,192	118,358	74,789	85,083
<b>Total</b>	<b>455,713</b>	<b>447,882</b>	<b>420,249</b>	<b>275,101</b>	<b>316,678</b>

Statement of financial position	As at 31.12.2024	As at 31.12.2023	As at 31.12.2022	As at 31.12.2021	As at 31.12.2020
Investment properties (RM'000)	5,436,055	5,186,000	5,020,000	4,960,000	4,960,000
Total asset value (RM'000)	5,741,275	5,504,946	5,317,512	5,233,071	5,220,926
Total liabilities (RM'000)	1,485,832	1,468,372	1,446,730	1,428,524	1,420,157
Net asset value ("NAV") (RM'000)					
- before income distribution	4,642,133	4,413,346	4,224,308	4,019,847	4,041,283
- after income distribution	4,255,443	4,036,574	3,870,782	3,804,547	3,800,769
NAV per Unit (RM)					
- before income distribution	1.2840	1.2254	1.1777	1.1254	1.1350
- after income distribution	1.1770	1.1208	1.0791	1.0651	1.0675

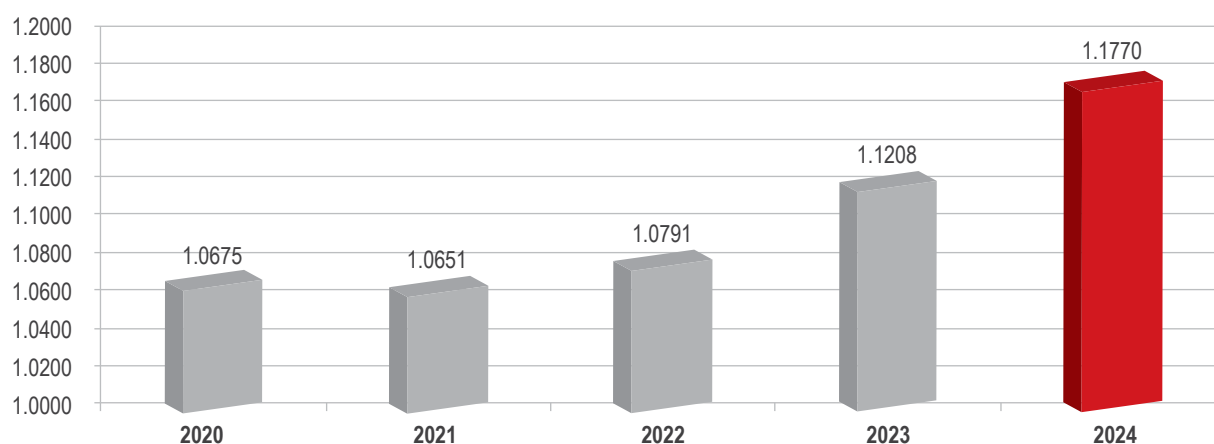
Note:-

FYE Financial year ended 31 December.

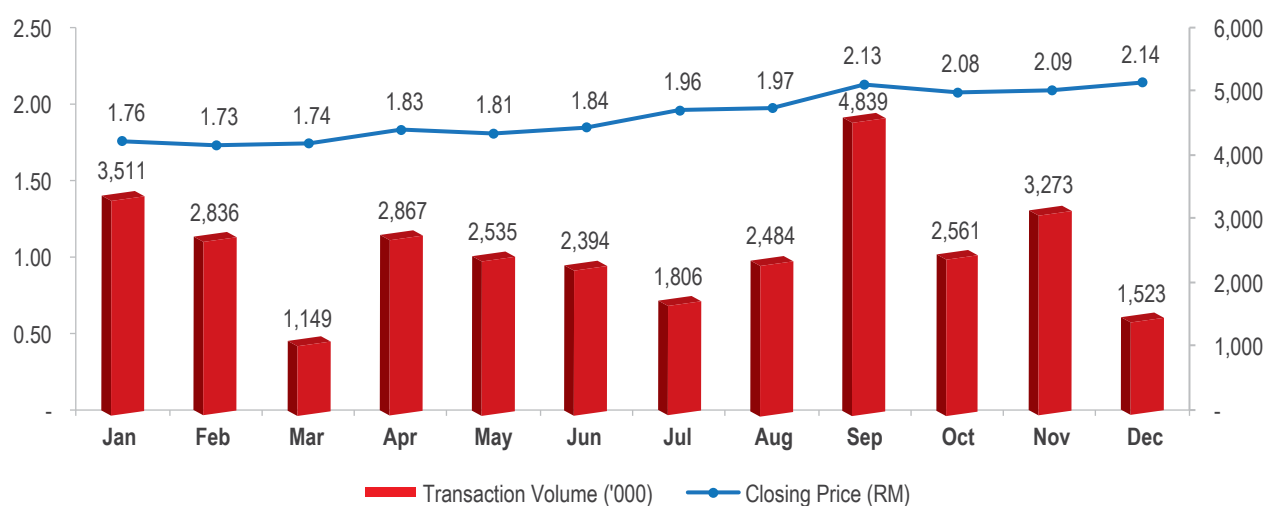
## FINANCIAL HIGHLIGHTS

(continued)

### NAV PER UNIT PERFORMANCE (RM)



### UNIT PRICE PERFORMANCE 2024



Trading performance	2024	2023	2022	2021	2020
Closing price as at 31 December (RM)	2.14	1.72	1.65	1.65	1.72
Highest traded price (RM)	2.25	1.78	1.69	1.79	2.00
Lowest traded price (RM)	1.70	1.57	1.36	1.57	1.53
Issued units ('000)	3,615,387	3,601,639	3,586,907	3,571,851	3,560,560
Market capitalisation as at 31 December (RM'000)	7,736,928	6,194,819	5,918,397	5,893,554	6,124,163

## FINANCIAL HIGHLIGHTS

(continued)

### FINANCIAL REVIEW

#### 2024 Highlights

Total revenue (RM'million)	Net property income (RM'million)	Net lettable area (million sf)
626.1	455.71	2.64
Distribution per unit (sen)	Occupancy rate (%)	Distribution yield (%)
10.70	MVM: 98.9% TGM: 96.1%	5.00%
Investment properties (RM'billion)	Net asset value per unit (RM)	Market capitalisation (RM'billion)
5.436	1.1770	7.74

Group key financial highlights	FY2024 RM'000	FY2023 RM'000	Change (%)
Total revenue	626,099	604,308	3.61%
• MVM	435,287	416,921	4.41%
• TGM	190,812	187,387	1.83%
Net property income	455,713	447,882	1.75%
• MVM	333,494	321,690	3.67%
• TGM	122,219	126,192	-3.15%
Net profit	579,763	517,629	12.00%
DPU (sen)	10.70	10.47	2.20%

For FY2024, IGB REIT posted a total revenue of RM626.1 million and a net property income of RM455.7 million for the year, which were respectively 3.61% and 1.75% higher than that recorded in FY2023.

Net profit was RM579.8 million for the year, representing 12.00% increase, compared with net profit in FY2023.

Group statement of financial position	As at 31.12.2024	As at 31.12.2023	Change (%)
Investment properties (RM'000)	5,436,055	5,186,000	4.82%
• MVM (RM'000)	4,000,000	3,790,000	5.54%
• TGM (RM'000)	1,450,000	1,396,000	3.87%
Fair value based on valuation reports (RM'000)	5,450,000	5,186,000	5.09%
Deferred lease incentives (RM'000)	(13,945)	-	0.00%
Carrying value of investment properties (RM'000)	5,436,055	5,186,000	4.82%
Total asset value (RM'000)	5,741,275	5,504,946	4.29%
Cash and bank balances (RM'000)	258,227	274,026	-5.77%
Total liabilities (RM'000)	1,485,832	1,468,372	1.19%
Net asset value ("NAV") (RM'000)	4,255,443	4,036,574	5.42%

## FINANCIAL HIGHLIGHTS

(continued)

Investment properties are stated at fair value based on valuations performed by an independent registered valuer, One Asia Property Consultants (KL) Sdn Bhd. The valuer holds recognised relevant professional qualification and has relevant experience in valuing investment properties. Based on the valuation reports dated 8 January 2025, the market values of MVM and TGM as at 31 December 2024 were RM4.00 billion and RM1.45 billion respectively.

Cash and bank balances as at 31 December 2024 was RM258.2 million, compared with RM274.0 million as at 31 December 2023.

NAV after income distribution as at 31 December 2024 was RM4.255 billion, compared with RM4.037 billion the year before, reflecting a growth of 5.42%.

Income distribution	FY2024	FY2023
Income distribution (RM'million)	386.7	376.7
• 1st quarter (RM'million)	106.8	100.5
• 2nd quarter (RM'million)	92.4	85.3
• 3rd quarter (RM'million)	97.0	93.6
• 4th quarter (RM'million)	90.5	97.3
Average payout ratio (%)	97.5%	97.5%

For the first quarter ended 31 March 2024, a distribution amounting to RM106.8 million or 2.96 sen per unit (@ 2.91 sen taxable and 0.05 sen non-taxable) was paid on 27 May 2024.

For the second quarter ended 30 June 2024, a distribution amounting to RM92.4 million or 2.56 sen per unit (@ 2.51 sen taxable and 0.05 sen non-taxable) was paid on 30 August 2024.

For the third quarter ended 30 September 2024, a distribution amounting to RM97.0 million or 2.68 sen per unit (@ 2.63 sen taxable and 0.05 sen non-taxable) was paid on 28 November 2024.

For the fourth quarter ended 31 December 2024, a distribution amounting to approximately RM90.5 million or 2.50 sen per Unit (@ 2.45 sen taxable and 0.05 sen non-taxable) was paid on 28 February 2025.

Distribution for FY2024 amounted to 10.70 sen per unit.

At least 90% of IGB REIT's distributable income will be paid for FY2025 subject to IGB REIT's financial position, earnings, funding and capital management requirements. This is in line with the Manager's objective of providing investors with regular and stable income distribution.



## MANAGEMENT DISCUSSION AND ANALYSIS

### MALAYSIA'S ECONOMY REMAINED RESILIENT

According to the Department of Statistics Malaysia, the Malaysian economy achieved a full year gross domestic product (GDP) growth of 5.1%. Domestic spending, heightened investment activities, and continued improvements in exports, were responsible for driving growth in the year.

Strong domestic demand and a recovery in the external sector has driven job creation, with the labour market experiencing steady improvement. Q3 2024 saw the number of employed persons continue on an upward trend, reaching a total of 16.72 million, an increase of 0.7% or 124.3 thousand (k) persons from the quarter before. Compared to Q3 2023, the number of employed persons strengthened by 2.9% or 464.6 k persons (Q3 2023: 16.25m persons).

On the whole, inflationary pressures in 2024 were well-contained according to Bank Negara Malaysia. Headline and core inflation remained steady at 1.9% in Q3 2024, with the moderation in food and beverage prices offsetting higher inflation for diesel and vehicle insurance. This has largely been the result of effective mitigation and enforcement measures undertaken.

The overnight policy rate (OPR) has remained at 3.0% throughout the year, supporting sustained economic momentum.

Key developments in the year have supported the performance of the ringgit, with the currency emerging as the best performing in Asia in 2024. By the end of the year, it had appreciated 2.73% to RM4.47 against the US dollar.

Investment activity remained strong, supported by both the private and public sectors. High-tech and knowledge-intensive subsectors saw increased activity in the private sector, while the public sector focused on construction activities related to large-scale infrastructure projects.

### RETAIL SECTOR UNDERGOING A TRANSFORMATION

Retail Group Malaysia has projected that the Malaysian retail sector will record growth of 3.9% for the full year 2024. The year got off to a challenging start, with consumer sentiment low and spending in the first half of the year falling below expectations. Rising costs also contributed to dampened spending. Consumer sentiment improved in the second half of the year however, positively impacting consumer spending.

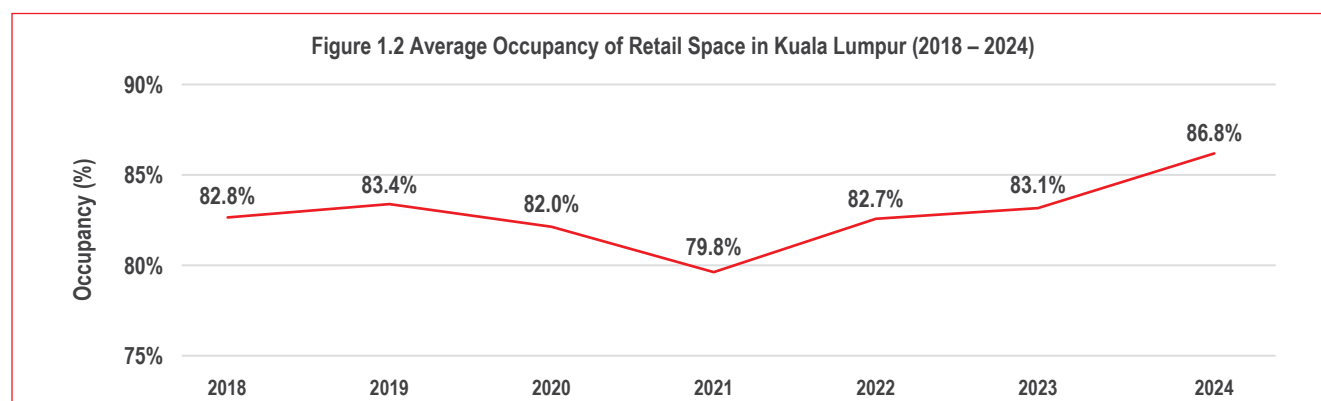
The retail sector is ever evolving, and 2024 saw a culmination of rapid changing customer preferences and disposable income shifts. Malls are increasingly becoming a focal point for communities, with shoppers now expecting them to offer a more holistic experience that engages them throughout their time there. There is an increasing focus on experiences and sustainability, with shoppers placing greater value on engagement. How the market is adapting to these evolving demands must be seen in the elements that new and existing malls need to incorporate in their offerings. For example, greater open spaces and common areas; and in the revamped experience that retail brands are introducing through merging retail and play. Established malls have to remain flexible and quick to adapt in order to remain competitive.

**Figure 1.1 Notable Retail Completions and Incoming Supply in KL**

Shopping Complex	Location	Completion	NLA (sq ft)
Bloomsdale Shopping Gallery	Jalan Puchong, KL	1H2024	230,000
Pavilion Damansara Heights (Phase 2)	Pusat Bandar Damansara	1H2025	530,000
Senada Shopping Centre	Bukit Kiara	1H2025	231,000

Source: Knight Frank

In 2024, we have continued to see the entry of new malls, with more anticipated to open in 2025. This year, for example, Bloomsdale Shopping Gallery opened, injecting 230k sq ft of net lettable space into the market.

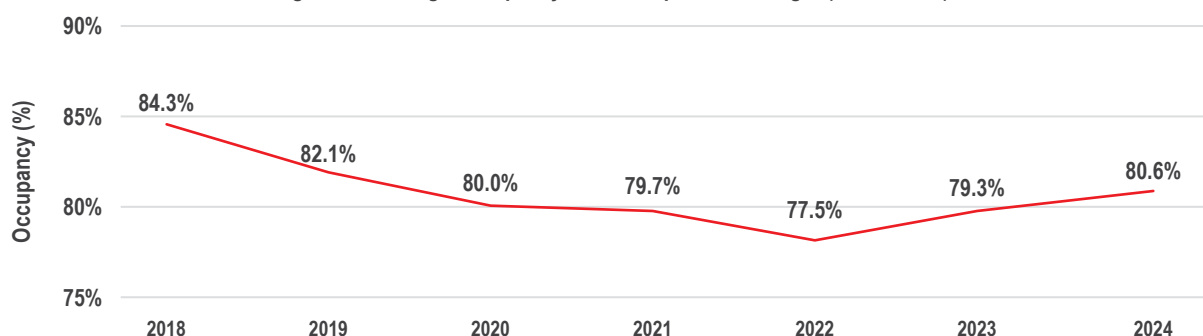


Source: National Property Information Centre (NAPIC)

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

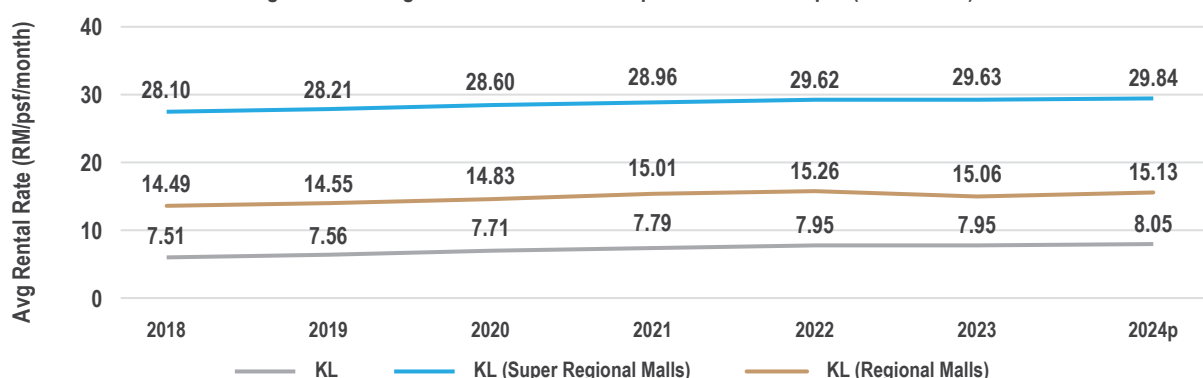
Figure 1.3 Average Occupancy of Retail Space in Selangor (2018 – 2024)



Source: National Property Information Centre (NAPIC)

Average occupancy has gradually recovered following the pandemic. In KL, average occupancy at Q4 2024 was 86.8%. This compared to 83.1% at the end of 2023. In Selangor, average occupancy at Q4 2024 was 80.6%. This compared to 79.3% at the end of 2023.

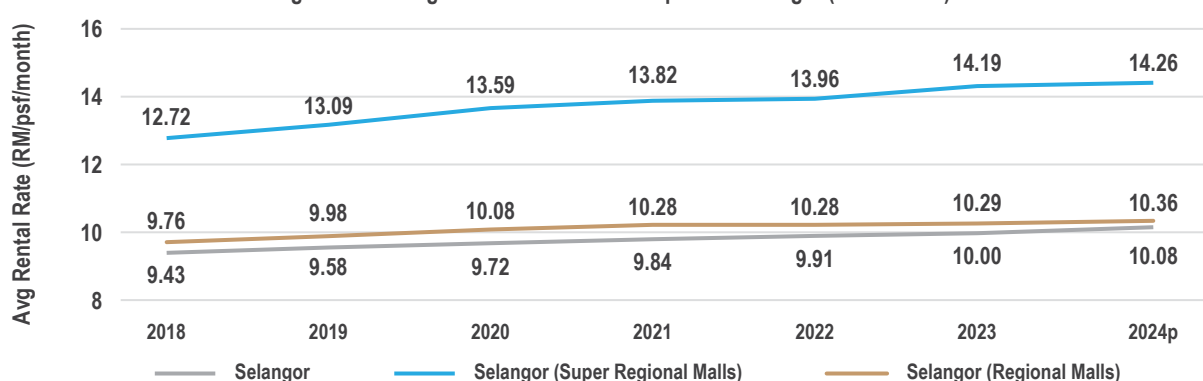
Figure 1.4 Average Rental Rate of Retail Space in Kuala Lumpur (2018 – 2024)



Source: National Property Information Centre (NAPIC)

p = preliminary

Figure 1.5 Average Rental Rate of Retail Space in Selangor (2018 – 2024)



Source: National Property Information Centre (NAPIC)

P = preliminary

The average rental rates for retail space in Kuala Lumpur and Selangor have steadily increased surpassing pre Covid-19 rates from 2018 to Q4 2024. In Kuala Lumpur, Super Regional malls saw rates rise from RM28.10 to RM29.84 per sq. ft. per month, while Regional Malls grew from RM14.49 to RM15.13. Selangor's Super Regional malls increased from RM12.72 to RM14.26, with Regional Malls rising from RM9.76 to RM10.36. This steady growth reflects the resilience and demand for retail spaces in both regions, particularly in well-established shopping destinations in prime locations in the Klang Valley as tenants continued to favour malls with robust foot traffic and strong branding.

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### OPERATIONS OVERVIEW

IGB REIT performed well in 2024, recording growth in revenue for the year despite the challenging landscape. Growth was driven by positive rental reversions, a concerted effort to control expenses, and an aggressive marketing strategy that sought to strengthen brand awareness and keep TGM and MVM top of mind.

We faced several challenges in the year, including rising costs such as the increase in the Sales and Service Tax (SST) by 2% from 6% to 8% on 1 March 2024, which has impacted disposable income. However we believe that our ability to adapt quickly, keep in tune with the rapidly changing demands of consumers, offer visitors an unparalleled retail experience, and focus on enhancing our malls, have ensured that we continue to be a top retail destination in Malaysia.

### STRATEGIC RESPONSE

#### 1. Unparalleled Visitor Experiences

The experiences that our visitors have at our malls are extremely important as they determine if they will come back again, how long they stay, and if they bring along friends and family. Working to create a warm, friendly, and welcoming environment is therefore a priority and requires us to constantly review and work to enhance our spaces, facilities, infrastructure, service levels, and visitor engagement.

##### Asset Enhancement Initiatives (AEI)

To meet the changing preferences of consumers and continue to provide them with unparalleled experiences, we need to ensure that the spaces, infrastructure and aesthetics of our malls evolve. We do this through carrying out AEIs that create an environment that is modern, welcoming, community-focused and able to support our tenants as they work to meet the demands of today's shoppers. Furthermore, we make significant and continual investments to ensure mall equipment are upgraded and efficient.

##### Major AEIs Undertaken at TGM in 2024

- ◆ Enhanced the north driveway
- ◆ Upgraded the backup power supply for the fire control room and server room
- ◆ Upgraded the LED emergency light (twin light) for the basement carpark and loading dock
- ◆ Enhanced the compactor room for waste disposal
- ◆ Enhanced the fire alarm system software
- ◆ Upgraded the toilets located on level 2 south side



*Enhanced north driveway*



*Upgraded toilets on level 2 south side*

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### Major AEs Undertaken at MVM in 2024

- ◆ Upgraded the basement car park emergency lights
- ◆ Reconfigured the lower ground space that used to house MPH
- ◆ Reconfigured the south side from lower ground to second floor Metrojaya space
- ◆ Upgraded 4 sets of toilets
- ◆ Upgraded the south drum façade
- ◆ Upgraded the dock A refuse chamber
- ◆ New surau located on the south-east side on second floor



*Upgraded south entrance*



*Reconfigured lower ground space that used to house MPH*



*South side reconfiguration*



*Upgraded north-east façade*

### Exceptional Service Levels

Consumers are increasingly seeking out community-focused retail spaces and want to patronise malls that offer more than just a place to shop. We believe that a large part of building community and a loyal customer base are the service standards that support the broader engagement strategies of our malls.

We work to ensure that all customer facing staff receive regular training so that they can continue to offer exceptional service to everyone visiting our malls. We also constantly enhance our customer service spaces to ensure that they offer a welcoming and friendly aesthetic for our visitors.

Moreover, we are fortunate that many of the service staff at our malls have been with us for many years. Our regular customers know them by name and have developed a friendly rapport. These personal experiences help build stickiness to our malls and elevate the overall customer experience, encouraging visitors to come again and again, and stay longer.

### Community Engagement

Active engagement of our community has become key as visitors increasingly demand more of the retail malls that they visit. Both TGM and MVM have run a series of engaging campaigns throughout the year.



## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### TGM: Engaging Campaigns

#### Green Moves campaign (5 to 18 August 2024)

To raise awareness and educate visitors about how much food is wasted daily, and what they can do to help reduce food waste. An interactive educational exhibit was set up and shoppers were able to pick up free packets of compost produced through TGM's composting efforts, as well as seeds that they could take home to grow themselves. On the weekends, shoppers could redeem a free edible plant starter kit.



Interactive exhibit during the Green Moves campaign



Compost and seeds given out during the Green Moves campaign

#### Fun in the Sun (20 May to 9 June 2024)

TGM's Fun in the Sun campaign brought the great outdoors inside. A luxurious campsite was set up in the mall where visitors could take photos, and two activities were organised that they could take part in. There was a paracord keychain workshop as well as a mini tent workshop.



A photo worthy campsite set up for visitors to snap photos



Visitors could decorate and take home a mini tent

#### On Your Mark (1 to 21 July 2024)

The On Your Mark campaign leveraged the excitement of the Olympic Games Paris 2024, with TGM organising a series of fun mini games on the weekends during the campaign. The initiative drew interest from a broad range of visitors, and saw children as well as seniors take part. Participants stood a chance to win some fun sports accessories.



Visitors participating in a fun mini basketball game



Visitors watching an ongoing football match



## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### *Festive Celebrations*

Festive celebrations in Malaysia are happy occasions that bring together friends and families. Every year, TGM puts together fun, interactive, and photo worthy campaigns during these festivities to engage visitors and draw the public to the mall.

TGM also continued to support the underprivileged during these events through corporate social responsibility (CSR) initiatives that raised money to support local organisations. More information about TGM's CSR initiatives can be found in our Sustainability Statement in this annual report.



Visitors hanging their wishes on the wishing tree during Chinese New Year



Supporting Pusat Kreatif Kanak-Kanak Tuanku Bainun (PKKTb) as part of TGM's Hari Raya celebration



Visitors to TGM decorating snowflake cards to put up on the Wishing Tree

### MVM: Engaging Campaigns

#### *Fun in the Sun (22 May to 9 June 2024)*

MVM transformed the ground floor north court into a green oasis, creating a park-like atmosphere where visitors could relax and enjoy live performances by buskers. There were also magic shows and face painting for children, and a giveaway of complimentary popcorn.



MVM Fun in the Sun campaign

#### *Meet Me at The Movies (26 June to 8 July 2024)*

Visitors to MVM were treated to a fun Minions-themed event in the run up to the release of the Despicable Me 4 movie. Members of the public could take part in interactive games and activities, purchase exclusive merchandise, and meet their favourite Minion characters.



Meet Me at The Movies campaign in conjunction with Despicable Me 4 movie

#### *Spend and Redeem (1 September to 30 November 2024)*

Shoppers spend mall-wide to redeem RM30 shopping vouchers that can be used at participating tenants located at the newly revamped south court.



## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### Festive Celebrations

MVM continued to excite visitors with vibrant and interactive displays, activities, and performances during the festive periods. During all festive campaigns, visitors could purchase decorations, apparel and gifts.

MVM also continued to support the underprivileged during these occasions. For more information about our CSR efforts, please refer to our Sustainability Statement in this annual report.



Visitors shopping for Mid-Autumn Festival treats



A vibrant kolam on display



Magical forest-themed set up for Christmas

## 2. Investment in Technology to Enhance Analytics & Engagement

This year, in collaboration with the IGB Group, we launched the MV Club app which is our push to provide an integrated platform with all the information that visitors need. From ongoing mall activities and promotions, available parking spaces, mall directories, exclusive e-vouchers, and mall campaign gifts, amongst others, the app is a one-stop shop for everything you need to know about our malls. The app is a channel for us to reach a wider customer base and provide them with exclusive benefits. We will continue to enhance the app, aiming to understand our customer preferences and customising it accordingly. By leveraging this customer data, we will continuously improve engagement, offer relevant amenities and services, strategically refine our tenant mix, and personalise marketing to better meet evolving needs and interests.

## 3. Fresh and Relevant Tenant Mix

Consumer tastes and preferences are rapidly evolving and if we are to remain relevant in the market, it is important that our tenant mix reflects the interests of consumers today. Given the pace at which this evolves, we must work to feel and understand the pulse of consumers, actively monitoring and interpreting consumer needs and behaviours to stay ahead of market trends. By doing so, we can curate a fresh and relevant mix of brands that continue to excite our visitors.

The following new tenants were added to our malls this year.

Mid Valley Megamall				The Gardens Mall
ChaTraMue	ITSU	atmos	Xixili	Monte Carlo by Real Hermanos
Lavender (additional area)	Shae.co	MUJI 無印良品	SHOPLOOH	Chloe
Lung Ngen Claypot Coffee	Frederique Constant	Urban Revivo	Sports Direct & USC	Metapark
樂天皇朝 Paradise Dynasty	Original Levi's Store	HLA	mothercare & The Entertainer	Club21
Omega 猪肉粉 Pork Noodle	EICHITOO	TRT	TIT TAR MAN Bone Setting	Flexform
Temple Street	Love & Co.	Onitsuka Tiger	Specialist 跌打	Red Kettle
Go Noodle House Plus	M.A.C.	Urban Revivo Mens	YES Experience Store	Lululemon
Eureka Snack Bar	Optical 88 Premier	The Body Shop	PopCorn Food Hall 4	Laderach
Ben's	National Geographic	Diptyque	Elements	Flaah The Bakery
Le Labo Fragrances	Tom Ford Beauty	Infinity by DeGem	Grandpa's HK Cart Noodle	A Store
Prada Beauty	SK-II	Beutea	Givenchy	Lacoste
MyIPOH 怡保	HEYTEA	eyecon	HeLo Moo!	Bruno
Paris Baguette	Naelofar	Air Space	Hat Attack	Chonky
TOMAZ CONCEPT STORE	Renoma	JESSANNE	Sonny Box Breaks	LOJEL
Bobbi Brown	Mine to Mine	Love, Bonito	TGI Friday's	Happy Potato
Laneige	Carlo Rino	Emerald Brilliant	Souper Tang	Simmons
Voir & Elle	Metrojaya	Icon Fashion	Shu Uemura	QOL Optometrist
RAEA	Nichii	Squeezby	glo LASER CENTRES	
KF Kiddy Circuit	Peng Chu 彭厨	Just Good Coffee	CeX	
New Era	GEB	HUNDRED%ZBL	My Tie Shop	
Beard Papa	Sulwhasoo	Undeafed & i.t red room	My Gadgets	
HAP&PI	KOLA	Dr Stretch	La' Mode	
Chloe Beauty	Tinoco	Juice Works	Udders	
OIYO	Diamond & Platinum	Tanba Japanese BBQ &	Toys 'R' Us	
LAPISAN patisserie	Laura Mercier	Hotpot		

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

### MARKET OUTLOOK

In Malaysia, the outlook for 2025 is optimistic, with growth projected to remain steady at 5%. This is expected to be driven by robust domestic demand and improving business sentiments. Private consumption is likely to benefit from a healthy labour market, and private investment is expected to gain support from strong manufacturing interest and non-restrictive interest rates.

The outlook for the retail sector remains cautiously optimistic, despite potential rising costs from an anticipated expansion of scope of Malaysia's SST, the rationalisation of RON95 fuel subsidies, increasing electricity rates, and the implementation of a higher minimum wage, amongst others.

Nevertheless, IGB REIT will remain flexible and continue to elevate the retail experiences for our visitors. We will continue to invest in technology to improve our operational efficiency and enhance our business analytics so that we are able to better anticipate and adapt to evolving trends. Both malls have a robust marketing strategy in 2025 and will work with tenants to create larger, more exclusive events, and incorporate greater sustainability across our marketing initiatives.

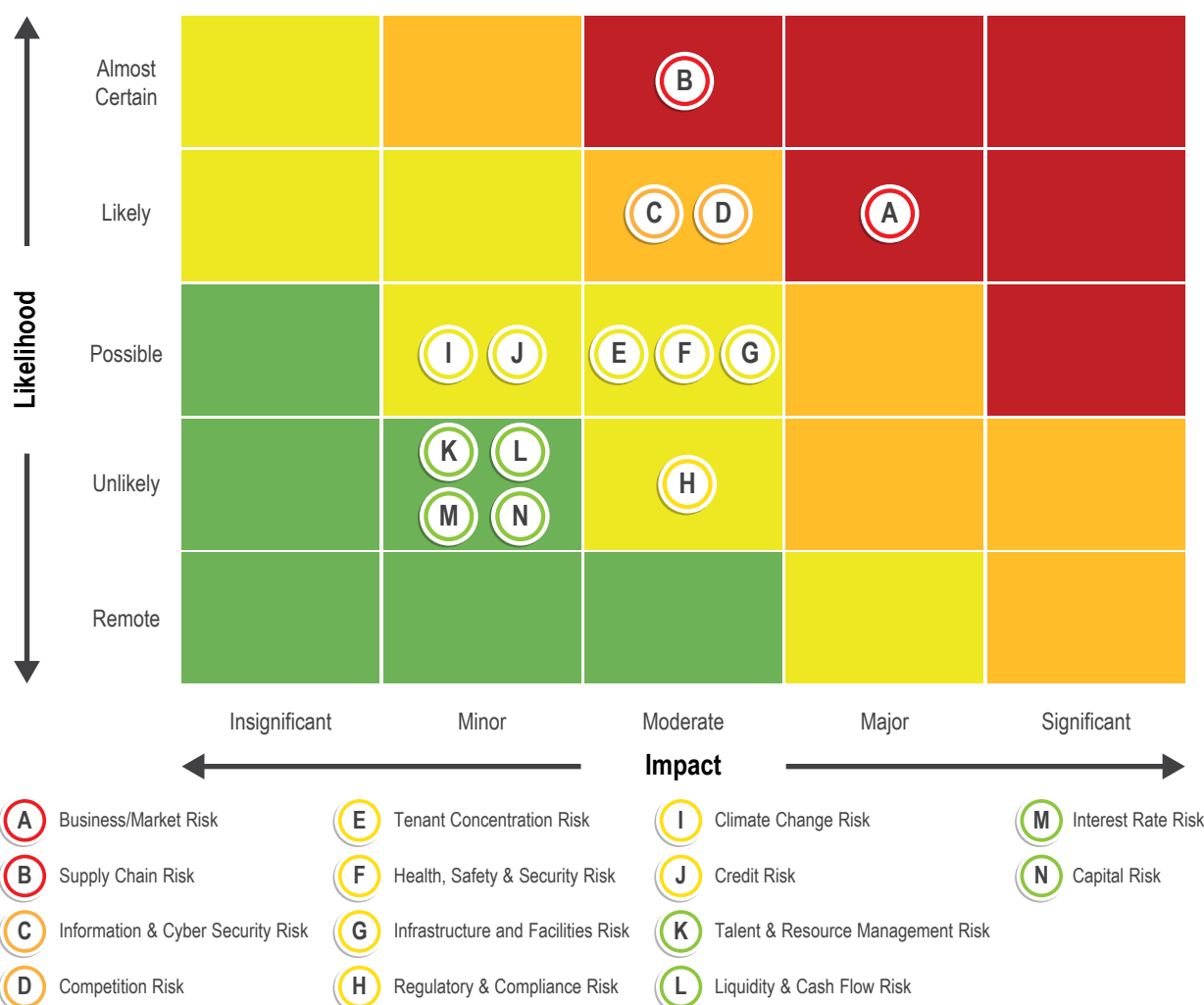
We are confident that our approach will continue to set us apart from our competitors and will allow us to both sustain our growth and ensure returns to our unitholders.

### RISK MANAGEMENT INTEGRAL TO SUSTAINED SUCCESS

IGB REIT adopts a proactive approach to risk management and has in place the IGB REIT Strategy & Risk Framework (Framework) which is based on the Committee of Sponsoring Organisations of the Treadway Commission's (COSO) Enterprise Risk Management (ERM) framework of 2017 – Integrating with Strategy and Performance, which focuses on integrating risk and strategy in the organisation.

The Framework puts in place a robust risk management process which allows us to identify, assess and manage significant business risks in a timely manner as well as achieve our strategic objectives.




During the year, the following were deemed key risk focus areas in working towards achieving IGB REIT's strategic objectives.









# MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<b>A Business/Market Risk</b> <ul style="list-style-type: none"> <li>Risks associated with macroeconomic factors and retail industry trends such as low business and consumer sentiment, changing consumer preferences, oversupply of retail space, and disruptions to the supply and demand of goods and services.</li> <li>Financial implications of investing in green technologies to meet sustainability goals.</li> </ul> 	<ul style="list-style-type: none"> <li>Lower revenue and net property income due to poor economic conditions, reduced gross turnover for tenants, loss of tenants, and increasing operational costs.</li> </ul>	<ul style="list-style-type: none"> <li>Differentiation of our malls by optimising our tenancy mix, delivering operational excellence, and crafting engaging and memorable customer experiences.</li> <li>Strengthening relationships with our tenants through win-win negotiations in tenancy terms and conditions.</li> <li>Improvement of operational efficiencies to mitigate rising costs.</li> </ul>	<ul style="list-style-type: none"> <li>Continuous optimisation of tenancy mix, amenities, services, and events, along with strategic retail curation and tenant engagement, to enhance visitor attraction and sustain competitiveness.</li> <li>Collaboration with sister companies within the IGB Group to maximise operational synergies and streamline business processes, while rigorously monitoring operational costs for cost-effectiveness.</li> </ul>
<b>B Supply Chain Risk</b> <ul style="list-style-type: none"> <li>Risks arising from internal and external events, such as geopolitical conflicts, outbreaks of infectious diseases, extreme weather, regulatory changes, increases in energy costs, and disruptions in global supply chains, which could lead to unforeseen interruptions in freight services and supply chain operations.</li> </ul> 	<ul style="list-style-type: none"> <li>Disruptions to operational and maintenance activities, resulting in lower service levels to our tenants and customers.</li> <li>Increased operating costs due to the mismatch in the supply and demand of goods and services.</li> </ul>	<ul style="list-style-type: none"> <li>Diversification and expansion of the vendor management system database to allow for a wider selection of vendors.</li> <li>Improvement of inventory management systems and processes to account for unexpected supply chain disruptions.</li> </ul>	<ul style="list-style-type: none"> <li>Continuous monitoring and proactive management of operational costs to mitigate the impact of inflationary pressures and rising expenses across all sectors.</li> <li>Exploring solar energy solutions for our properties to reduce energy costs and enhance sustainability.</li> <li>Maintain an adequate inventory surplus of critical operational equipment and components to mitigate long lead times in order fulfilment and other unexpected disruptions.</li> </ul>
<b>C Information &amp; Cyber Security Risk</b> <ul style="list-style-type: none"> <li>Risks related to information technology systems, including cybersecurity threats such as data breaches, ransomware, and other digital attacks, which could compromise system security, access, and data integrity, leading to the loss or exposure of confidential information.</li> </ul> 	<ul style="list-style-type: none"> <li>Disruptions to operations from compromised information technology systems or loss of key operational data.</li> <li>Financial and reputational implications from the exposure of confidential company, tenant or customer data.</li> <li>Increased regulatory scrutiny regarding data privacy and data sovereignty across key markets.</li> <li>Erosion of trust among stakeholders, potentially damaging the Company's reputation and weakening its market position.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong cyber security policies and processes related to information technology management, with an emphasis on security protocols.</li> <li>Establishment of a business continuity plan (BCP) as well as recovery plans that can be activated in the event of a cyber security incident.</li> </ul>	<ul style="list-style-type: none"> <li>Subscription to IGB Group's Cybersecurity Policy, IT Acceptable Use Policy and Data Governance and Data Privacy Policies.</li> <li>Implemented a comprehensive Business Continuity Plan (BCP) for IGB REIT, supported by IGB Group's IT BCP, and deployed critical cybersecurity software across key IT systems to ensure resilience and safeguard data and operations.</li> <li>Conducted regular cybersecurity training via e-portals, including ad-hoc social engineering tests and ongoing awareness initiatives, with plans for continuous employee education.</li> <li>Established the IGB REIT Technology Risk Management Framework to formalise and strengthen cybersecurity risk assessment and mitigation processes.</li> </ul>

## MANAGEMENT DISCUSSION AND ANALYSIS




(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<b>D Competition Risk</b> <ul style="list-style-type: none"> <li>Intensified competition for visitors and tenants as a result of new mall openings in the Klang Valley and the prevalence of online shopping platforms.</li> </ul> 	<ul style="list-style-type: none"> <li>Loss of visitors to new malls in the surrounding areas and loss of in-store purchases to e-commerce platforms, resulting in reduced revenue from lower gross turnover from tenants as well as the exiting of tenants due to low sales.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening customer loyalty by improving the overall customer experience in our malls.</li> <li>Continuous AELs to ensure our malls remain relevant in the market.</li> </ul>	<ul style="list-style-type: none"> <li>Regular communication with tenants alongside timely retail curation to maintain high retention rates within the malls.</li> <li>Craft unique and memorable mall experiences to attract visitors throughout the year e.g. festive seasons, tenant roadshows etc.</li> <li>Completed AELs during the year in both malls for a refreshed look and feel, and to accommodate evolving trends and preferences (<i>Further details can be found in the Asset Enhancement Initiatives section of the MD&amp;A</i>).</li> </ul>
<b>E Tenant Concentration Risk</b> <ul style="list-style-type: none"> <li>Over-reliance on one tenant or a group of tenants for rental income or their ability to attract visitors.</li> </ul> 	<ul style="list-style-type: none"> <li>Significant drop in mall occupancy due to the loss of a key tenant or group of tenants.</li> <li>Loss of customer interest due to a tenancy mix that lacks vibrancy and does not meet the needs and wants of consumers today.</li> </ul>	<ul style="list-style-type: none"> <li>Diversification of our tenant mix across business size, type and industry within our malls.</li> </ul>	<ul style="list-style-type: none"> <li>Employ proactive leasing strategies by closely engaging with tenants for forward renewals and to spread out the portfolio lease expiry profile.</li> <li>Continually assess our tenant mix and work to bring in fresh, new and exciting brands.</li> <li>Ensure no single tenant or group of tenants contribute more than 10% of IGB REIT's total gross rental income.</li> </ul>
<b>F Health, Safety &amp; Security Risk</b> <ul style="list-style-type: none"> <li>Risks related to health, safety, and security incidents, as well as operational hazards, environmental issues, and climate change challenges, which could result in significant adverse outcomes for individuals and communities.</li> </ul> 	<ul style="list-style-type: none"> <li>Loss of profitability and long-term sustainable performance due to reputational damage, including events that affect the health, safety and security of stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Embed strong health, safety &amp; security procedures and protocols, as well as recovery plans within our operations.</li> </ul>	<ul style="list-style-type: none"> <li>All health, safety &amp; security incidents occurring within our malls are tracked and investigated promptly, with appropriate follow-up actions taken.</li> <li>Regularly hold health, safety &amp; security briefings, trainings and inspections (including annual fire drills) to manage the risks within our malls and ensure compliance with the Occupational Safety and Health Act.</li> <li>Quarterly Safety and Health Committee meetings to review all matters pertaining to health and safety.</li> </ul>
<b>G Infrastructure &amp; Facilities Risk</b> <ul style="list-style-type: none"> <li>Risks relating to potential events or conditions that could damage or disrupt the physical structure, systems, and operations of our assets, leading to financial losses, safety hazards, and reputational damage.</li> </ul> 	<ul style="list-style-type: none"> <li>Failure of mechanical, electrical or plumbing (MEP) infrastructure, resulting in disruptions to service levels, higher operating costs and lower customer satisfaction.</li> <li>Loss of reputation from customer interactions with noticeably weathered or overused infrastructure or equipment.</li> <li>Reduction in infrastructure and equipment efficiency, leading to higher operating costs and lower service levels over time.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong policies and procedures related to preventive maintenance of infrastructure and equipment to drive long-term sustainable performance.</li> <li>Continuous AELs to ensure the upkeep of our malls.</li> </ul>	<ul style="list-style-type: none"> <li>Adhere to strict maintenance policies and procedures, with preventative maintenance conducted regularly.</li> <li>Replace worn-out or underperforming infrastructure and equipment with modern, effective and efficient upgrades.</li> <li>Completed AELs during the year to not only improve performance but enhance safety (<i>Further details can be found in the Asset Enhancement Initiatives section of the MD&amp;A</i>).</li> </ul>







## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<b>H Regulatory &amp; Compliance Risk</b> <ul style="list-style-type: none"> <li>Compliance with evolving and increasingly stringent regulations across Malaysian markets, including those related to employment, health &amp; safety, data privacy, anti-corruption, anti-competition and data sovereignty, amongst others.</li> </ul> 	<ul style="list-style-type: none"> <li>Financial and reputational impact from failure to comply with applicable laws and/or regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong corporate governance policies and frameworks to ensure the highest level of operational, financial and legal compliance with all applicable laws and regulations.</li> </ul>	<ul style="list-style-type: none"> <li>Keep abreast with regulatory requirements and roll out updates to policies and frameworks in a timely manner.</li> <li>Subscription to IGB Group's Anti-Bribery and Corruption Policy and Group Whistleblowing Policy.</li> </ul>
<b>I Climate Change Risk</b> <ul style="list-style-type: none"> <li>The physical and transitional risks of climate change, such as extreme weather events, disruptions to commodity and resource production, and the implementation of sustainability-related laws, regulations and financing.</li> </ul> 	<ul style="list-style-type: none"> <li>Increased maintenance costs and potential damage to our malls from the impact of extreme weather events such as floods, water seepages, extreme heat, etc.</li> <li>Taxation, penalties or restrictions imposed by authorities due to new regulations concerning carbon emissions, supply chains and sustainable financing.</li> <li>Heightened scrutiny of sustainability and climate-related disclosures, driving up compliance costs and regulatory burdens for corporations.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of sustainability policies and frameworks to build operational resilience against climate change risks.</li> <li>Improvement of energy, water, waste and material management practices to achieve higher levels of operational efficiency and lower operating costs.</li> <li>Pursuit of opportunities in clean energy ventures to drive sustainability and support long-term growth.</li> </ul>	<ul style="list-style-type: none"> <li>Set sustainability targets for energy usage intensity (EUI) and waste diversion for IGB REIT.</li> <li>Subscription to IGB Group's Sustainability Policy.</li> <li>Ongoing efforts to improve energy and water usage efficiency within the malls' operations.</li> <li>Ongoing food composting and recycling initiatives to divert waste from landfills.</li> <li>Completed AEs during the year to improve energy consumption efficiency (<i>Further details can be found in the Sustainability Statement</i>).</li> </ul>
<b>J Credit Risk</b> <ul style="list-style-type: none"> <li>Credit exposure to outstanding receivables from tenants, as well as cash, cash equivalents and deposits held with banks and financial institutions. Credit risk with respect to trade receivables is limited due to the nature of the business which is mainly rental related and cash-based.</li> </ul> 	<ul style="list-style-type: none"> <li>Financial losses from the impairment of uncollectible receivables.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of stringent tenant due diligence and credit collection policies to maintain low exposure to outstanding receivables.</li> </ul>	<ul style="list-style-type: none"> <li>Employ strict tenant selection procedures, with close monitoring of credit balances.</li> <li>Ensure cash, cash equivalents and deposits are only held with financial institutions with high credit ratings assigned by reputable credit rating agencies. (<i>Further details can be found in the Notes to the Financial Statements</i>).</li> </ul>

## MANAGEMENT DISCUSSION AND ANALYSIS

(continued)

Key Risk Areas	Potential Impacts	Opportunities	Mitigating Actions
<b>K Talent &amp; Resource Management Risk</b> <ul style="list-style-type: none"> <li>The inability to attract, retain or effectively utilise talent. <i>Chartwell ITAC International Sdn Bhd (Property Manager) engages Mid Valley City Sdn Bhd and Mid Valley City Gardens Sdn Bhd (Service Providers) to employ and manage our people.</i></li> </ul> 	<ul style="list-style-type: none"> <li>Reduced operational and business capabilities, adversely impacting profitability and sustainable long-term performance.</li> </ul>	<ul style="list-style-type: none"> <li>Inclusion of talent development and succession plans as key strategies.</li> <li>Expansion and diversification of responsibilities for high potential talent to drive career development.</li> </ul>	<ul style="list-style-type: none"> <li>The Service Providers invest in talent development programmes and offer competitive employment packages to attract and retain talent.</li> <li>The Service Providers monitor and assess for potential skill gaps, redeployment needs, succession plans, and other beneficial career and employee-related initiatives.</li> <li>The Service Providers foster an inclusive and equitable work culture through regular engagement sessions and events with employees.</li> <li>The Service Providers ensure full compliance with all local labour and employment laws and regulations.</li> </ul>
<b>L Liquidity &amp; Cash Flow Risk</b> <ul style="list-style-type: none"> <li>Arises when there are inadequate funds to meet financial obligations.</li> </ul> 	<ul style="list-style-type: none"> <li>Significant impact to mall operations from inadequate funds.</li> </ul>	<ul style="list-style-type: none"> <li>Establishment of strong financial control policies to reduce the likelihood and impact of unexpected interruptions to business operations and new growth ventures.</li> </ul>	<ul style="list-style-type: none"> <li>Close monitoring and prudent maintenance of adequate cash, cash equivalents and bank facilities to finance operations, distribute income to unitholders, and mitigate the effects of fluctuations in cash flows.</li> <li>Adhere to the limits on total borrowings set by the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts (REIT Guidelines). <i>(Further details can be found in the Notes to the Financial Statements).</i></li> </ul>
<b>M Interest Rate Risk</b> <ul style="list-style-type: none"> <li>Exposure to changes in interest rates, which affect borrowing and loan obligations.</li> </ul> 	<ul style="list-style-type: none"> <li>Inability to effectively manage interest rates, leading to fluctuations in interest payment obligations.</li> </ul>	<ul style="list-style-type: none"> <li>Management of interest rates to facilitate better financial planning and returns to unitholders and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>IGB REIT's borrowings are made up of AAA-rated Medium-Term Notes bearing a fixed coupon rate which locks in the interest rate allowing income and cash flows to be substantially independent from changes in market interest rates. <i>(Further details can be found in the Notes to the Financial Statements).</i></li> </ul>
<b>N Capital Risk</b> <ul style="list-style-type: none"> <li>The mismanagement of capital, which adversely impacts the ability to operate as a going concern or to provide returns for unitholders and other stakeholders.</li> </ul> 	<ul style="list-style-type: none"> <li>Inability to continue as a going concern, resulting in the reduction of value delivered to unitholders and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain an efficient capital structure to facilitate sustainable long-term performance and delivery of returns to unitholders and other stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain an appropriate gearing level and adopt an interest rate management strategy to manage the risks associated with refinancing and changes in interest rates.</li> <li>Diversify sources of debt funding as appropriate, secure favourable funding terms, and maintain a reasonable level of debt servicing capability.</li> <li>Manage financial obligations and exposures arising from adverse interest rate movements to improve the efficiency of the cost of capital. <i>(Further details can be found in the Notes to the Financial Statements).</i></li> </ul>

This Statement was approved by the Board of Directors on 13 March 2025.

# SUSTAINABILITY STATEMENT

## INTRODUCTION

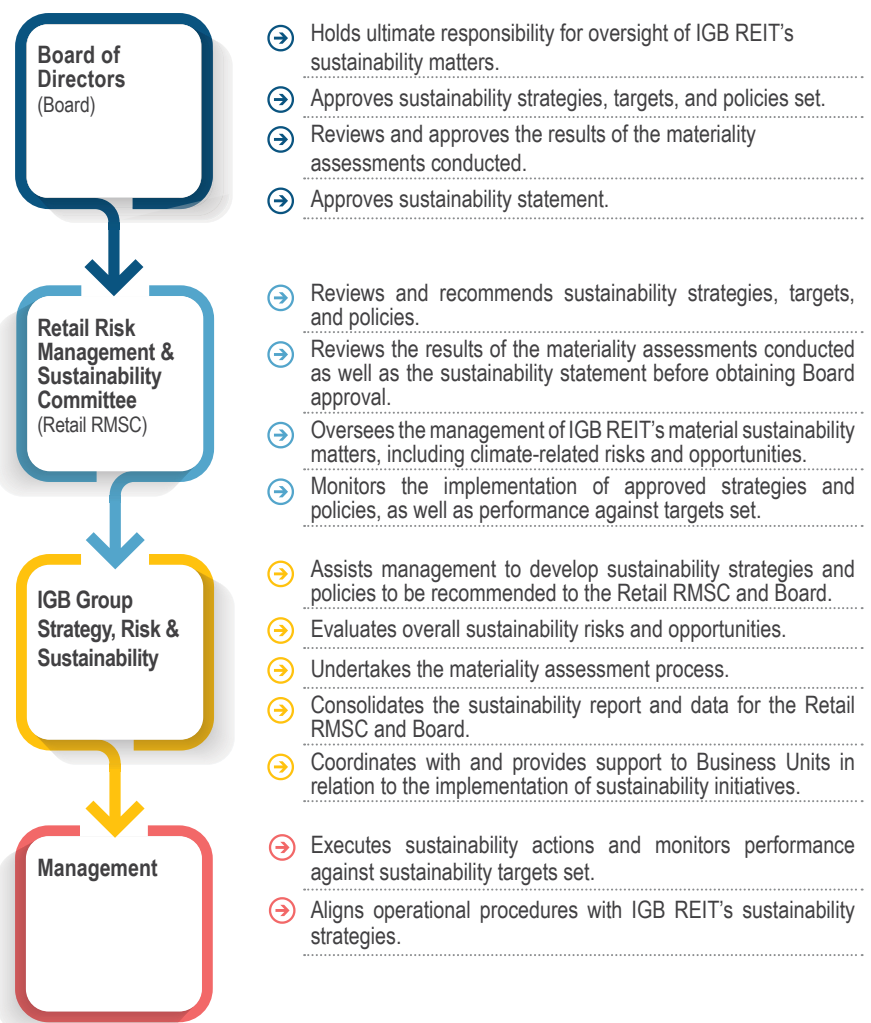
IGB REIT is committed to creating value and pursuing growth through embedding sustainability across our operations, and we have continued to make progress in our sustainability journey this year. We are unwavering in our promise to environmental stewardship, responsible business practices, and investing in people and communities where we operate. We are pleased to present IGB REIT's Sustainability Statement for the financial year ended 31 December 2024. This statement covers all properties in our portfolio and sets out the progress we have made in the year. It includes our strategies, implemented initiatives, as well as future goals and targets.

## OUR APPROACH TO SUSTAINABILITY

Sustainability today has become a necessity. As Governments across the world demand ever greater compliance by companies to sustainable practices, it has become an essential consideration across all areas of business. IGB REIT has continued to make strides in developing sustainability practices in line with the IGB Group Sustainability Policy. We have also worked to enhance our sustainability disclosures as guided by Bursa Malaysia's Sustainability Guide and EPF's Sustainable Investment Policy.

## OUR SUSTAINABILITY GOVERNANCE STRUCTURE

Roles and responsibilities





# SUSTAINABILITY STATEMENT

(continued)

## STAKEHOLDER ENGAGEMENT

Feedback Channels

Regular stakeholder engagement remains a cornerstone of our business strategy. By actively listening to our stakeholders' needs and expectations, we develop strategic roadmaps that align with their priorities, implement sustainability initiatives that exceed their requirements, and optimise our operations for maximum efficiency. This commitment to transparency and responsiveness fosters enduring relationships built on trust, mutual respect, and shared values. Through timely and responsive engagement, we strive to exceed stakeholder expectations and build lasting partnerships.

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

### Business Partners & Industry Associates

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To nurture strong and lasting relationships with business partners.</li> <li>To discover business opportunities.</li> <li>To share knowledge and best practices.</li> <li>To keep up to date with changes in the operating environment.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Digital communication channels.</li> <li>Participation in industry associations.</li> </ul> </li> <li>➔ <b>Periodically</b> <ul style="list-style-type: none"> <li>Forums &amp; dialogue sessions.</li> </ul> </li> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Formal engagement meetings.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Business opportunities.</li> <li>Knowledge-sharing.</li> <li>Collaboration to further shared goals.</li> <li>Contribution to industry advancement.</li> <li>Fair representation of the industry with authorities.</li> </ul>
		Our Responses
		<ul style="list-style-type: none"> <li>Participate in industry forums and events.</li> <li>Collaborate with business partners to further shared goals.</li> <li>Contribute to industry advancement initiatives.</li> <li>Hold memberships in industry associations.</li> </ul>

### Government & Authorities

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To fulfil legal and compliance requirements.</li> <li>To keep up to date with the regulatory landscape.</li> <li>To listen and respond to authorities concerns and interests.</li> <li>To seek clarification on applicable laws, guidelines and frameworks.</li> <li>To share industry-related issues and concerns.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Communication channels.</li> </ul> </li> <li>➔ <b>Periodically</b> <ul style="list-style-type: none"> <li>Forums &amp; dialogue sessions.</li> </ul> </li> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Formal engagement meetings.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Regulatory and legal compliance.</li> <li>Corporate governance practices.</li> <li>Health, safety and security management.</li> <li>Fair and balanced view of key material topics.</li> <li>Contribution to economic growth.</li> <li>Contribution to industry advancement.</li> </ul>
		Our Responses
		<ul style="list-style-type: none"> <li>Ensure full compliance with all regulatory requirements.</li> <li>Establish policies to align to and ensure compliance with relevant legislation.</li> <li>Attend physical/virtual meetings to keep up with regulatory changes.</li> <li>Conduct briefings and inspections with the relevant authorities in their areas of interest.</li> <li>Timely communication with authorities to provide information.</li> </ul>

# SUSTAINABILITY STATEMENT

(continued)

## Employees\*

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To support human capital development and talent retention.</li> <li>To communicate employee benefits and welfare matters.</li> <li>To ensure the overall welfare of employees are addressed.</li> <li>To support the creation of a safe and healthy work environment.</li> <li>To foster a culture of diversity, inclusivity and excellence.</li> <li>To provide fair and equal opportunities that recognise the talent of individuals.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Employee Communication platforms.</li> <li>Company websites.</li> </ul> </li> <li>➔ <b>Periodically</b> <ul style="list-style-type: none"> <li>Workshops, trainings &amp; team building.</li> </ul> </li> <li>➔ <b>Quarterly</b> <ul style="list-style-type: none"> <li>Company newsletter.</li> <li>Townhalls &amp; dialogue sessions.</li> </ul> </li> <li>➔ <b>Annual/Bi-annual</b> <ul style="list-style-type: none"> <li>Employee satisfaction survey.</li> <li>Performance appraisals.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Career development and progression.</li> <li>Opportunities for upskilling and learning.</li> <li>Remuneration and benefits.</li> <li>Job security.</li> <li>Healthy, safe and inclusive work environment.</li> <li>Fair and ethical labour practices and standard.</li> <li>Non-discrimination and equal opportunity.</li> <li>Work-life balance.</li> <li>Strategy and future orientation of the business.</li> <li>Opportunities to contribute to CSR programmes.</li> </ul>
		<b>Our Responses</b> <ul style="list-style-type: none"> <li>Offer competitive benefits and remuneration packages.</li> <li>Develop a high performing workforce through structured training programmes.</li> <li>Provide enriching employee engagement activities on a regular basis.</li> <li>Communicate updates on company financial performance and growth plans.</li> <li>Promote a culture of inclusivity, openness and collaboration.</li> <li>Provide equal employment opportunities without discrimination.</li> <li>Ensure compliance with all applicable health &amp; safety and labour laws.</li> <li>Conduct fair and constructive employee appraisals.</li> </ul>

## Investment Community

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To communicate financial performance, key business activities and decisions.</li> <li>To listen and respond to unitholders' concerns and interests.</li> <li>To nurture strong and lasting relationships with the investment community.</li> <li>To obtain access to capital and other financial resources.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Digital communication channels.</li> <li>Company websites.</li> <li>Social media.</li> </ul> </li> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Corporate announcements.</li> <li>Physical &amp; virtual meetings.</li> </ul> </li> <li>➔ <b>Quarterly</b> <ul style="list-style-type: none"> <li>Investor &amp; analyst briefings.</li> <li>Quarterly results.</li> </ul> </li> <li>➔ <b>Annually</b> <ul style="list-style-type: none"> <li>Annual reports &amp; General Meetings.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Economic and financial performance.</li> <li>Business strategy and future orientation.</li> <li>Long-term sustainable value creation.</li> <li>Timely and accurate disclosure of information.</li> <li>Return on investment/equity.</li> <li>Corporate governance practices.</li> <li>Sustainability initiatives and climate change strategies.</li> </ul>
		<b>Our Responses</b> <ul style="list-style-type: none"> <li>Deliver operational excellence to our customers and tenants.</li> <li>Employ sound investment and capital management strategies.</li> <li>Ensure full compliance with all regulatory requirements.</li> <li>Establish policies to align to and ensure compliance with relevant legislation.</li> <li>Timely communication and dissemination of information to investors.</li> <li>Provide appropriate channels for investor engagement and communication.</li> <li>Integrate sustainability into business decisions and strategies.</li> </ul>



# SUSTAINABILITY STATEMENT

(continued)

## Customers

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To keep abreast with changing customer needs and preferences.</li> <li>To further improve our spaces and services to drive customer satisfaction.</li> <li>To listen and respond to queries and/or complaints.</li> <li>To build market and brand reputation.</li> <li>To nurture strong and lasting relationships with customers.</li> <li>To communicate and raise awareness about events and happenings.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Customer service platforms.</li> <li>Company websites.</li> <li>Social Media.</li> </ul> </li> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Customer feedback &amp; satisfaction surveys.</li> <li>Marketing &amp; Promotional campaigns.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>High quality assets and amenities.</li> <li>Excellent operational service and standards.</li> <li>Timely and appropriate responses to queries/issues.</li> <li>Positive and convenient customer experience.</li> <li>Onsite safety and security.</li> <li>Data privacy and security.</li> <li>Attractive customer loyalty programme benefits.</li> <li>Engaging and memorable events and experiences.</li> <li>Clean and hygienic spaces.</li> </ul>
		<b>Our Responses</b> <ul style="list-style-type: none"> <li>Regular and thorough maintenance of assets.</li> <li>Deliver operational excellence.</li> <li>Timely response to customers queries/issues.</li> <li>Engage and communicate with customers to gauge their satisfaction.</li> <li>Maintain high health and safety operating standards.</li> <li>Ensure compliance with all relevant data privacy and security laws.</li> <li>Offer a diverse product range/retail mix.</li> <li>Craft engaging and enriching customer experiences.</li> <li>Provide a range of lifestyle amenities for customers.</li> </ul>

## Tenants

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To facilitate operational practices and the maintenance of properties.</li> <li>To further improve our spaces and services to drive tenant satisfaction.</li> <li>To listen and respond to queries and/or complaints.</li> <li>To build market and brand reputation.</li> <li>To nurture strong and lasting relationships with tenants.</li> <li>To communicate and support sustainability initiatives and awareness.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Digital communication channels.</li> <li>Company websites.</li> <li>Social Media.</li> <li>Tenant feedback and enquiry channels.</li> </ul> </li> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Collaborative/joint events.</li> <li>Physical and virtual meetings.</li> </ul> </li> <li>➔ <b>Annually</b> <ul style="list-style-type: none"> <li>Festive/corporate greetings and events.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>High quality assets and amenities.</li> <li>Excellent operational service and standards.</li> <li>Safety and security of managed properties.</li> <li>Timely and appropriate responses to queries/issues.</li> <li>Fair and transparent lease/rental agreements.</li> <li>Good value for rental.</li> <li>Data privacy and security.</li> <li>Opportunities to collaborate.</li> <li>Upgrading the quality of assets and amenities through AELs.</li> </ul>
		<b>Our Responses</b> <ul style="list-style-type: none"> <li>Regular and thorough maintenance of assets.</li> <li>Deliver operational excellence.</li> <li>Enforce health and safety standard operating procedures.</li> <li>Timely response to tenants queries/issues.</li> <li>Engage and communicate with tenants to gauge their satisfaction.</li> <li>Offer competitive rental rates and packages.</li> <li>Ensure compliance with all relevant data privacy and security laws.</li> <li>Notify tenants of possible service disruptions in advance.</li> <li>Craft engaging and enriching tenant experiences.</li> <li>Collaborate with tenants on ESG initiatives and activities.</li> </ul>

# SUSTAINABILITY STATEMENT

(continued)

## Local Communities

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To build strong and long-lasting relationships with our local communities.</li> <li>To contribute to the well-being of our local communities.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Company websites.</li> <li>Social Media.</li> </ul> </li> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Digital communication channels.</li> <li>Donation drives, sponsorships, volunteer work.</li> <li>Festive and cultural themed events.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Economic and financial aid.</li> <li>Sustained, long-term support.</li> <li>Social impact of business activities.</li> <li>Environmental impact of business activities.</li> <li>Job opportunities.</li> <li>Opportunities to collaborate.</li> <li>Opportunities for upskilling and learning.</li> </ul>
		<b>Our Responses</b> <ul style="list-style-type: none"> <li>Contribute to the economic well-being of our local communities.</li> <li>Contribute manpower and resources to support community initiatives.</li> <li>Communicate and engage with local communities to understand their needs.</li> <li>Collaborate with local authorities and NGOs to deliver positive social impact.</li> </ul>

## Media

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To communicate financial performance, key business activities and decision.</li> <li>To communicate and raise awareness on events and happenings.</li> <li>To listen and respond to queries.</li> <li>To build market visibility and brand recognition.</li> <li>To nurture trust and confidence with media organisations.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>Ongoing</b> <ul style="list-style-type: none"> <li>Company websites.</li> <li>Social Media.</li> </ul> </li> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Digital communication channels.</li> <li>Press briefings, conferences and statements.</li> </ul> </li> <li>➔ <b>Quarterly</b> <ul style="list-style-type: none"> <li>Investor &amp; analyst briefings.</li> <li>Quarterly results.</li> </ul> </li> <li>➔ <b>Annually</b> <ul style="list-style-type: none"> <li>Annual reports &amp; General Meeting.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Economic and financial performance.</li> <li>Business strategy and future orientation.</li> <li>Timely and accurate disclosure of information.</li> <li>Timely and accurate responses to queries.</li> <li>Events, advertisements and promotions.</li> <li>Engagement with media.</li> <li>Accessibility to corporate communications/investor relations.</li> </ul>
		<b>Our Responses</b> <ul style="list-style-type: none"> <li>Timely communication and dissemination of information to the media.</li> <li>Communicate market outlook and future orientation.</li> <li>Timely response to media queries.</li> <li>Organise press briefings and media interviews.</li> <li>Engage and nurture relationships with media organisations.</li> <li>Provide appropriate channels for media engagement and communication.</li> </ul>

## Vendors

Engagement Objective	Engagement Approach	Key Concerns
<ul style="list-style-type: none"> <li>To engage with reputable and reliable vendors for supplies and services.</li> <li>To ensure fair, ethical and transparent procurement of supplies and services.</li> <li>To mitigate supply chain risks.</li> </ul>	<ul style="list-style-type: none"> <li>➔ <b>As required</b> <ul style="list-style-type: none"> <li>Digital communication channels.</li> <li>Tender briefings and interviews.</li> <li>Occupational health &amp; safety briefings and updates.</li> <li>Contract negotiations.</li> <li>Vendor/supplier feedback surveys.</li> </ul> </li> <li>➔ <b>Periodically</b> <ul style="list-style-type: none"> <li>Vendor evaluations and assessments.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Smooth and efficient procurement processes.</li> <li>Regular and clear communication between parties.</li> <li>Fair compensation for scope of work and deliverables.</li> <li>Timely and reasonable payment schedules.</li> <li>Occupational health and safety.</li> <li>Regulatory and legal compliance.</li> <li>Contract extensions or cancellations.</li> </ul>
		<b>Our Responses</b> <ul style="list-style-type: none"> <li>Conduct fair and thorough vendor evaluations and assessments.</li> <li>Regularly engage and communicate with vendors.</li> <li>Offer competitive rates and contract terms.</li> <li>Adhere to strict deliverable timelines and payment schedules.</li> <li>Require vendors to comply with the Group's business ethics and sustainability policies.</li> <li>Provide equal opportunities for vendors.</li> <li>Support local vendors and employment through our supply chain.</li> </ul>

\* Chartwell ITAC International Sdn Bhd (the Property Manager) has engaged Mid Valley City Sdn Bhd and Mid Valley City Gardens Sdn Bhd (the Service Providers) to manage the people who oversee the day to day running of our malls.

# SUSTAINABILITY STATEMENT

(continued)

## MATERIAL MATTERS

Identifying material sustainability matters that are relevant to our business is important as it allows us to continue to meet the needs of our stakeholders as well as mitigate risks and identify opportunities. In addition to regularly engaging our stakeholders, we work to align our business with global developments, current trends, and industry peers at home and abroad.

We conducted a comprehensive materiality assessment in 2023 and the next comprehensive assessment is expected to be done in 3 years or when significant changes arise in our business environment. In between these years, an annual review of the material matters is done to ensure that our materiality is in line with the industry.

### 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, and business risks and opportunities.

### ENGAGE

2

- Engaged our senior internal stakeholders through group discussions and an online survey to better understand their perspectives;
- Use their domain expertise and extensive industry experience to provide valuable insight into the needs and preferences of external stakeholders.

### PRIORITISE

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 their influence on stakeholder assessments and decisions.

### ENDORSE

4

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

### 2024 Material Matters



HIGH



Health, Safety &amp; Security



Customer Satisfaction



Economic Performance



Human Capital Development



Cybersecurity &amp; Data Protection



Anti-Corruption &amp; Corporate Governance



Climate Change



MEDIUM



Labour Practices



Water Management



Community/Society



Waste Management



Supply Chain Management

In our 2024 annual review of our material matters based on industry peers and generally accepted sustainability reporting standards, we have identified the following revision to our material matters:

### Existing material matters

- ➔ Human Capital Management
- ➔ Diversity, Equity & Inclusion
- ➔ Corporate Governance
- ➔ Data Privacy & Security

### Revised material matters

- ➔ Human Capital Development
- ➔ Labour Practices
- ➔ Anti-Corruption & Corporate Governance
- ➔ Cybersecurity & Data Protection

# SUSTAINABILITY STATEMENT

(continued)

## OUR FOCUS AREAS







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

We continue to be guided by the IGB Group Sustainability Policy which outlines the following areas of focus 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
	Economic Performance	Climate Change	Labour Practices	
	Customer Satisfaction	Water Management	Human Capital Development	Supply Chain Management
	Cybersecurity & Data Protection	Waste Management	Health, Safety & Security	
	Anti-Corruption & Corporate Governance		Community/Society	

In 2024, we continue to monitor and work towards achieving our sustainability targets that were set in 2023.

	TARGETS	2024 STATUS
1  <b>Climate Change</b>	➔ Reduction in Energy Usage Intensity (EUI) of 5.8% by 2025 and 9.5% by 2030 using 2019 as a baseline.	➔ Average reduction of 5.9% from 2019 baselines.
2  <b>Waste Management</b>	➔ Diversion rate of 17.5% by 2030.	➔ Diversion rate of 8.8%.
3  <b>Cybersecurity &amp; Data Protection</b>	➔ To achieve zero substantiated complaints concerning breaches of customer privacy and loss of customer data annually.	➔ Zero substantiated complaints concerning breaches of customer privacy and loss of customer data.
4  <b>Anti-Corruption &amp; Corporate Governance</b>	➔ To achieve zero confirmed incidents of corruption annually.	➔ Zero confirmed incidents of corruption.
5  <b>Health, Safety &amp; Security</b>	➔ To achieve zero work-related fatalities annually.	➔ Zero work related fatalities.
6  <b>Labour Practices</b>	➔ A minimum of 30% of positions within the Board of Directors to be represented by women; ➔ To achieve zero substantiated complaints concerning human rights violations annually.	➔ Women representation on the Board at 42.9%; ➔ Zero substantiated complaints concerning human rights violations.

We have identified the following United Nations Sustainable Development Goals that align with our sustainability strategies and focus areas.





SUSTAINABILITY STATEMENT  
(continued)

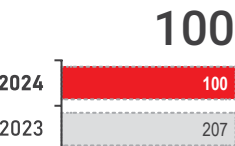
MANAGEMENT APPROACH  
TO MATERIAL MATTERS

Related UNSDGs:



Our performance:

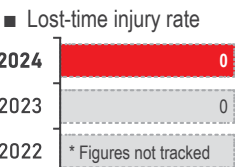
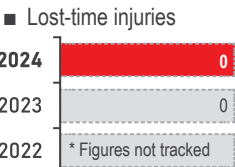
Health and safety training  
Employee Category



Number of employees  
trained on health and  
safety standards.



Work-related fatalities  
and lost-time injuries



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

Health, Safety &  
Security

Why this is important to us:

We are dedicated to prioritising the health, safety, and security of everyone who visits our malls, including tenants, shoppers, employees, and suppliers. Visitors should feel safe and at ease while on our premises, knowing that we are doing everything possible to protect their well-being. By creating such an environment, we encourage repeat visits and ensure that guests feel comfortable spending extended periods of time at our malls. By focusing on the health, safety, and security of those working within our malls, we also enhance the efficiency and productivity of our business operations.

Our approach:

Our Safety & Health Committee, chaired by the CEO, meets quarterly to thoroughly review key health and safety aspects such as:

- Review of quarterly safety & health incidents including the implementation of required mitigating actions.
- Ensuring adherence to all applicable safety and health regulations.
- Following up on safety issues or defects identified during quarterly safety walks including conducting weekly follow-ups with respective departments, targeting rectification within 14 days (excluding items requiring external contractors).
- Conducting annual fire drills covering the entire mall and in particular anchor tenant premises.
- Knowledge and competency training covering areas such as first aid, emergency response, OSHA requirements, gas operations and other relevant topics.

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

In addition to our work with PDRM, ongoing communication with various enforcement agencies allows us to collaborate on investigations, share valuable information, and organise training sessions to further enhance our preparedness and responsiveness.

This year, the following initiatives have been implemented to better enhance the safety and security of our malls:

- Upgraded emergency lighting in our basement car parks for enhanced visibility.
- Upgraded the backup power supply for the fire control and server rooms to ensure uninterrupted operation during power outages.
- Installed a new public announcement system for the Lower Ground Floor for improved communication to our tenants and shoppers.
- Installed twin LED emergency lights for the back of house corridor from Ground Floor to Level 3.
- Installed a Fire Alarm System software and MIMIC panel with LED indicators which will aid in quicker and more efficient responses to emergencies.





# SUSTAINABILITY STATEMENT

(continued)

## Related UNSDGs:



## Our performance:



Our unwavering commitment to delivering a safe, vibrant, and engaging customer experience has been instrumental in our sustained success, evidenced by our high occupancy rates.

## Occupancy Rate



98.9%



Mid Valley Megamall occupancy



96.1%



The Gardens Mall occupancy

# CUSTOMER SATISFACTION

## Why this is important to us:

Customer satisfaction remains a foundational cornerstone of our long-term success. Happy shoppers are loyal customers, returning frequently and advocating for our malls through positive word-of-mouth. Satisfied tenants are valuable partners, renewing leases and collaborating on innovative concepts that keeps the customer experience fresh. By prioritising customer satisfaction, we cultivate a strong brand reputation, drive footfall and sales, and ensure our properties remain vibrant and relevant retail destinations.

## Our approach:

We are committed to enhancing the experience of our customers through the following:

## SHOPPERS

### Curating Dynamic Tenant Mix

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

### Elevating the Shopping Experience

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

### Prioritising Customer Health and Safety

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

### Seamless Customer Communication

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

## TENANTS

### Strong Tenant Relationships

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

### Operational Excellence

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

### Innovative Partnerships

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



# SUSTAINABILITY STATEMENT

(continued)

## Related UNSDGs:



**Total Economic Value  
Generated**



**635**

2024 (in RM'million)

**Total Economic Value  
Distributed**



**660**

2024 (in RM'million)

## ECONOMIC PERFORMANCE

### Why this is important to us:

Our strong financial foundation enables us to generate sustainable returns for our unitholders while simultaneously making a positive impact on our stakeholders. This includes job creation for our employees, supporting the success of our tenants, contributing to the social and economic well-being of our communities, and investing in sustainable practices.

### Our approach:

IGB REIT's approach to economic performance centres around delivering sustainable recurring income in line with our value creation model through the following strategies:

- ➔ Active asset management to optimise rental and occupancy rates of our properties alongside proactive risk management.
- ➔ Asset enhancement through future proofing our properties to stay ahead of evolving trends and attract tomorrow's customers.
- ➔ Creating exciting and engaging retail experiences in collaboration with our tenants.
- ➔ Maintaining a vibrant tenant mix that meets the needs and wants of customers.
- ➔ Building operational excellence to maintain a high level of efficiency and effectiveness, keeping costs manageable and limiting disruption.



### Our performance:

This year, we achieved a total revenue of RM626.1 million and a net property income of RM455.7 million. We have also contributed to the wealth of our stakeholders.



#### Economic Value Generated:

➔ Total revenue

➔ Interest income

#### Economic Value Distributed:

➔ Operating costs

➔ Manager's management fees

➔ Trustee's fees

➔ Finance costs

➔ Distribution to unitholders

#### Economic Value Retained\*

	2024 RM'000	2023 RM'000	2022 RM'000
<b>Economic Value Generated:</b>			
➔ Total revenue	626,099	604,308	556,409
➔ Interest income	8,841	5,459	7,585
<b>Economic Value Distributed:</b>			
➔ Operating costs	171,731	157,496	137,010
➔ Manager's management fees	40,009	38,853	37,162
➔ Trustee's fees	320	320	320
➔ Finance costs	54,182	54,034	53,338
➔ Distribution to unitholders	393,549	367,876	353,526
<b>Economic Value Retained*</b>	<b>(24,851)</b>	<b>(8,812)</b>	<b>(17,362)</b>

\* Mainly comprises unrealised income/loss and distribution adjustments.

# SUSTAINABILITY STATEMENT

(continued)

## Related UNSDGs:



## Our performance:



This year, the Service Providers invested a total of 11,790 training hours across all employee categories representing an average of 33 training hours per employee.

### Average training hours per employee

**33**



### Employee turnover rate

**12%**



### Total hours of training

	2024	2023
■ Senior Management	262	203
■ Managers & Senior Managers	1,355	732
■ Senior Executives & Assistant Managers	1,866	1,333
■ Executives	3,327	1,763
■ Non-Executives	4,980	2,262
<b>Total</b>	<b>11,790</b>	<b>6,293</b>

### Total number of employee turnover

	2024	2023
■ Senior Management	1	1
■ Managers & Senior Managers	1	3
■ Senior Executives & Assistant Managers	6	4
■ Executives	14	15
■ Non-Executives	21	11
<b>Total</b>	<b>43</b>	<b>34</b>

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

# HUMAN CAPITAL DEVELOPMENT

## Why this is important to us:

Our people remain central to our continued success. From behind-the-scenes support to frontline interactions with our tenants and shoppers, they collectively shape the customer experiences that make our malls unique. By prioritising the development of our people's skills, competencies and relationships, we cultivate a future-ready workforce that enables us to navigate the dynamic retail landscape, adapt to evolving trends, and overcome unforeseen challenges.

## Our approach:

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

## Continuous Learning to Support Growth and Development

The Service Providers prioritise continuous employee development through a focus on upskilling empowers employees to excel in their current roles and achieve their career aspirations. To achieve this, the following is offered to all employees:

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

## Effective recruitment and retention of talent

The Service Providers utilise a variety of platforms to recruit talent including employment websites, agencies, executive search consultants, and employee referrals. Candidates are rigorously vetted by both human capital teams and hiring managers, with final approval received from Business Unit Heads. This process ensures merit-based selections that align with role requirements and a cultural fit, fostering a diverse and high performing talent pool. New hires enrol in a formal onboarding programme to familiarise themselves with the organisation. A probationary period is also required to allow both the new hire and business unit an opportunity to assess the fit. This period also provides time for the new hire to learn what is required on the job and adjust to the new work environment. This process allows for a better chance of achieving a successful long-term employment relationship.

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

## Cultivating Connections through Employee Engagement

An annual employee engagement survey conducted this year revealed an employee satisfaction rate of 96%. The insights gleaned from this survey have guided the development of our employee initiatives for the coming year.

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

- ➔ Quarterly employee newsletters.
- ➔ IGB REIT Monthly Birthday Bash for employees.
- ➔ Sports month covering competitive sports such as futsal, badminton, table tennis, archery & bowling with attractive cash prizes for employees.
- ➔ Health month with events covering health screenings, vaccinations, ergonomics, health talks and a health carnival.
- ➔ Financial wellness month with presentations, workshops and informational booths by financial institutions to enhance employee financial literacy, guide retirement planning, and provide access to valuable financial resources.
- ➔ Corporate social responsibility month with initiatives covering riverside cleaning and volunteer programmes in partnership with a youth-led nonprofit organisation.
- ➔ Employee-led activities including hiking, jungle trekking and beach cleaning.
- ➔ Festive celebrations.



SUSTAINABILITY STATEMENT  
(continued)

Related UNSDGs:

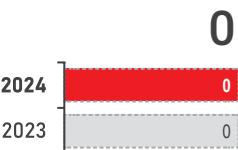


Our performance:



As at 31st December 2024, zero substantiated complaints concerning breaches in customer privacy or data loss have been received.

Breaches in customer privacy or data loss



Number of substantiated complaints concerning breaches in customer privacy or data loss.



Scam awareness talk



CYBERSECURITY & DATA PROTECTION

Why this is important to us:

In today's digital world, cybersecurity and data protection are paramount. IGB REIT recognises the strategic importance of data in driving innovation, enhancing customer engagement, and informing key decisions. We maintain a comprehensive approach to cybersecurity and data protection, implementing robust security measures in accordance with regulatory requirements. This commitment safeguards sensitive information, preserves our organisational integrity, and strengthens the trust we have earned with our stakeholders.

Our approach:

To strengthen our cybersecurity framework, we have adopted several essential policies, including:

IGB Group Cybersecurity Policy

Our Cybersecurity Policy is designed to align with international standards, specifically ISO 27001:2013, as well as the Malaysian standard MS ISO/IEC 27002:2013. This policy establishes a comprehensive framework that underpins our commitment to effective cybersecurity practices and create a robust security environment. It encompasses various critical aspects, including the management of our digital assets, the communication of sensitive information, operational protocols, access control mechanisms, the processes involved in acquiring and developing systems, and strategies for incident management.

IGB Group IT Acceptable Use Policy

Establishes a comprehensive guideline for the responsible and effective use of information technology assets and network resources by all employees. This policy aims to enhance awareness of cybersecurity risks and to promote best practices. By adhering to these guidelines, employees contribute to the safeguarding of sensitive information, mitigate potential cybersecurity threats, and reduce the risk of legal liability associated with the misuse of IT resources. Our objective is to cultivate a secure and efficient working environment while ensuring compliance with applicable regulations and standards.

IGB Group's Data Governance and Data Privacy Policies

Data governance and privacy policies are fundamental components of our organisation. They establish clear guidelines for the collection, storage, management, and utilisation of data. Our policies adhere to the Personal Data Protection Act 2010 (PDPA), ensuring compliance with strict standards for the handling of personal data. We prioritise robust security measures to safeguard sensitive information against unauthorised access, employing advanced technologies to protect data throughout its lifecycle.

IGB REIT Technology Risk Management Framework

Established during the year, the IGB REIT Technology Risk Management Framework is aligned with the updated regulations issued by 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 minimises disruptions caused by cybersecurity threats.

Recognising the evolving nature of cyberthreats, our cybersecurity strategy is continuously adapting to the dynamic risk landscape. Key measures implemented include:

- ➔ Cybersecurity Posture Assessments.
- ➔ Privilege Access Management software for our key systems.
- ➔ End point protection with data loss prevention.
- ➔ Web application firewalls.
- ➔ Log management systems.
- ➔ Disaster recovery cold-sites with regular backup of key data.
- ➔ Partitioned networks for key systems and closed-circuit televisions and cameras (CCTV).
- ➔ Regular cybersecurity education for employees through an in-house learning platform and email communications on cyber threats and best practices.
- ➔ Internal social engineering exercises to create awareness among employees.
- ➔ Policies, procedures and technical controls which are subject to ongoing testing, auditing and enhancements.

In 2024, we undertook a second penetration test to further enhance our security posture throughout the organisation. This proactive exercise remains crucial in validating our existing security measures and identifying areas of improvement against potential risks and vulnerabilities.

Moreover, we are actively working on upgrading our IT systems and streamlining how we develop, deliver, maintain, and test our software solutions. This initiative reflects our commitment to bolstering the Group's operational resilience, meeting stakeholder expectations, ensuring regulatory compliance, and effectively mitigate risks and uninterrupted services to all stakeholders.

# SUSTAINABILITY STATEMENT

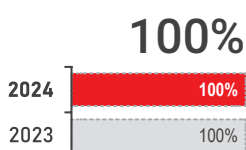
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## Related UNSDGs:



## Our performance:

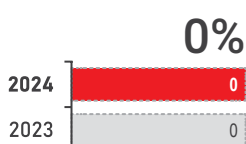
### Corruption Risk Assessment



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

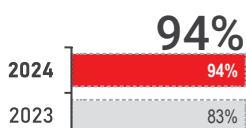


### Corruption Incidents Confirmed incidents of corruption



There were zero confirmed incidents of corruption in 2024.

### Corruption-related Training



94% of employees have completed corruption-related training. The remaining employees will receive similar training in 2025.

# ANTI-CORRUPTION & CORPORATE GOVERNANCE

## Why this is important to us:

Strong corporate governance, including robust anti-corruption measures, remains fundamental to our long-term success. These principles ensure ethical, transparent and accountable business practices, fostering trust with stakeholders. By upholding high standards of integrity and compliance, we create a culture of ethical conduct across all levels of our organisation, enabling us to navigate the complex challenges of our business environment with confidence.

## Our approach:

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

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

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

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

All new employees undergo mandatory onboarding training that includes an introduction to the ABC Policy and its key requirements. Annual refresher training sessions are conducted for all employees to ensure ongoing awareness and understanding of the policy, address any updates or changes, and reinforce ethical conduct across the organisation.

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



## Corruption-related training completion rate (%)

Employee Category	2024	2023
■ Senior Management	92%	100%
■ Managers & Senior Managers	100%	100%
■ Senior Executives & Assistant Managers	99%	89%
■ Executives	94%	87%
■ Non-Executives	90%	71%
<b>Total</b>	<b>94%</b>	<b>83%</b>

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



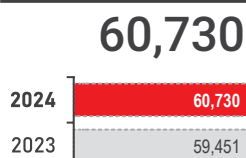
# SUSTAINABILITY STATEMENT

(continued)

## Related UNSDGs:



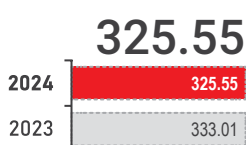
### Energy Consumption ('000 kWh)



Total Energy Consumption  
for MVM and TGM.



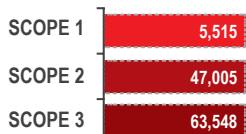
### Energy Usage Intensity (kWh/m<sup>2</sup>/yr)



Total Energy Usage  
Intensity.



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



Total Carbon Emissions  
for MVM and TGM.

## CLIMATE CHANGE

### Why this is important to us:

The impact of climate change is increasingly undeniable and irreversible, presenting both risks and opportunities for businesses across industries. As a responsible corporate entity, we recognise the vital role we play in mitigating our environmental footprint while fostering a sustainable future. This is especially crucial for our real estate investments, where climate-related factors directly affect asset value, operational efficiency, and community resilience. With societal expectations and regulatory pressures intensifying, it is imperative for businesses like ours to actively contribute to the transition to a low-carbon economy.

In FY2024, we remain committed to reducing our carbon footprint, enhancing energy efficiency, and implementing initiatives that benefit both our community and the environment. To ensure we are prepared for the evolving landscape, we are proactively identifying and assessing climate-related risks and opportunities using both low-carbon and high-emission futures. By doing so, we are better positioned to understand the potential impacts on our operations and assets, and to adapt our long-term strategy accordingly. This enables us to build resilience, address emerging opportunities, and align with global climate goals to secure long-term sustainability for our stakeholders.

### Our approach:

The IGB Group Sustainability Policy guides us in effectively managing and minimising the adverse environmental impacts arising from our business operations. As we continue to evolve, our approach remains focused on reducing carbon emissions, increasing energy efficiency, and integrating sustainability throughout our real estate portfolio.

In FY2024, we are committed to advancing our sustainability initiatives by investing in energy-efficient technologies and building upgrades that enhance operational efficiency. To ensure we meet regulatory requirements and global climate goals, we have implemented several key actions, including:

- ➔ Tracking and monitoring energy consumption. Any unusual deviations are promptly investigated and addressed.
- ➔ Regular engagement with external consultants to drive efficiency in our malls' M&E systems.
- ➔ The use of energy-efficient escalators that regulate speed based on shopper traffic. Additionally, standby modes further contribute to enhanced energy savings.
- ➔ Continuing to offer electric vehicle (EV) and hybrid vehicle parking and charging facilities to retail customers, supporting sustainable transportation and meeting growing consumer demand for eco-friendly amenities.

- ➔ Exploring renewable energy solutions and sustainable materials in our development and renovation projects, as well as seeking opportunities to reduce water usage and waste generation.

By integrating these sustainability practices, we aim to manage climate-related risks, both physical and transitional, while capitalising on opportunities that influence our strategy and financial planning. This commitment is reflected in our climate resilience strategy, which is essential for long-term value creation and navigating an evolving market landscape.

### Mid Valley Megamall key initiatives:

#### Chiller Replacement

- ➔ Replacement of a 2,000 RTon and a 600 RTon chiller brings considerable system efficiency improvements (annual savings of 2,423 MWh and average maximum demand reduction of 844 kW compared to 2019).

#### Cooling Tower and Piping Replacement

- ➔ Completed replacement of 6 Cooling Towers.

#### Air Handling Units (AHUs) and Fan Coil Units (FCUs) replacement

- ➔ Enhanced cooling comfort and improved energy efficiency of the air distribution units:
  - Complete replacements for 3 AHUs and 3 FCUs.
  - Coil replacements for 6 AHUs.
  - Additional cooling capacity of 2 AHUs and 1 FCU.

#### LED Lighting upgrades

- ➔ Enhancement of basement P1 and P2 lightings to LED to reduce energy consumption and improve illumination within the car park area.

#### EV charging facilities

- ➔ Installed 4 EV charging stations to promote sustainable transportation.

#### Electrical system

- ➔ Replaced 13 transformers and incorporated a coupler system to provide short-term redundancy for emergency repair.

# SUSTAINABILITY STATEMENT

(continued)



Chiller Replacement: 2,000 RTon at Mid Valley Megamall



Transformer replacement at Mid Valley Megamall



LED Tube replacement at The Gardens Mall, basement P1 and P2

## The Garden Mall key initiatives:

### Cooling towers enhancement

- ➔ Completed refurbishment of 8 Cooling Tower cells.
- ➔ Installed Variable Speed Drives (VSDs) with estimated 70,000kWh reduction within 15 days power consumption.
- ➔ Removal of adjacent wall to improve cooling towers air circulation.

### Air Handling Units (AHUs) enhancement

- ➔ Coil replacements for 3 AHUs.

### Lifts

- ➔ Modernisation of Service Lifts.

### LED Lighting upgrades

- ➔ LED tube replacement for basement P1 and P2 to reduce energy consumption and improve illumination within the car park area.

### EV charging facilities

- ➔ Installed 6 EV charging stations to promote sustainable transportation.

Management of the emission of greenhouse gases (GHG) is a core component of addressing climate change. It is a crucial sustainability concern for IGB REIT and one that we have taken steps to improve. In 2024, we continued tracking and monitoring carbon emissions generated by our business operations as follows:

## SCOPE 01

Emissions which primarily arise from company vehicles, fuel combustion and fugitive emissions.

## SCOPE 02

Emissions which comprise purchased electricity.

## SCOPE 03

Emissions, which includes employee commuting, business travel, waste generated as part of operations, district cooling and downstream leased assets.

Aligned with the nation's goal of achieving carbon neutrality by 2050, we are actively developing a net-zero plan to reduce our carbon emissions. This plan will be an integral part of the broader IGB Group decarbonisation strategy.

## CLIMATE-RELATED RISK AND OPPORTUNITIES

### Transition Risk

#### Policy and Legal Risk

- ➔ Stricter climate regulations could lead to legal risks particularly for failure to meet energy efficiency, carbon reduction, or waste management standards.
- ➔ Non-compliance may lead to fines, penalties, or lawsuits.

#### Risk Level



RCP 2.6  
(2°C by 2100)



RCP 8.5  
(4°C by 2100)

#### Opportunities

- ➔ Optimise operational efficiencies through adoption of renewable energy and implementing energy efficiency into equipment and processes.

#### Mitigating Actions

- ➔ Regular engagement with regulators, industry bodies and key stakeholders on expectations.
- ➔ Improve sustainability reporting to maintain compliance with evolving standards and ensure transparency in environmental performance.

#### Technological Risk

- ➔ Costs related to implement energy-efficient technologies to enhance efficiency, reduce environmental impact, and lower carbon footprint.
- ➔ Outdated technologies may become stranded assets, leading to inefficiencies, higher costs, and a decline in the malls' long-term value.

#### Risk Level



RCP 2.6  
(2°C by 2100)



RCP 8.5  
(4°C by 2100)

#### Opportunities

- ➔ Implement advanced energy-efficient technologies to optimise resources, cut emissions, and drive long-term sustainability.
- ➔ Implement rainwater harvesting and waste diversion to reduce environmental impact and advance the circular economy.

#### Mitigating Actions

- ➔ Adopt latest energy efficient technologies to reduce energy consumption.
- ➔ Improve waste recycling and composting capabilities to increase waste diversion rates.

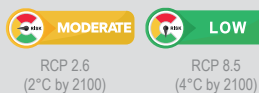
# SUSTAINABILITY STATEMENT

(continued)

## Market Risk

- ➔ Growing pressure on the retail sector to adopt sustainable practices, driven by rising expectations from customers, tenants, and investors for environmentally responsible businesses aligned with climate goals.
- ➔ Stakeholders are increasingly prioritising green-certified buildings and sustainable spaces, as properties meeting high environmental standards are seen as more valuable, ensuring regulatory compliance and long-term market competitiveness.

### Risk Level



### Opportunities

- ➔ Enhance sustainability innovation and drive collaboration with tenants, supply chain contractors, vendors, and suppliers to capitalise on emerging market opportunities.
- ➔ Improve sustainability by reducing carbon footprint, securing green building certifications, and enhancing environmental performance, positioning our malls as high-performance properties that attract ESG-focused tenants and investors, driving demand and long-term value.

### Mitigating Actions

- ➔ Explore recognised sustainability certifications, such as Green Building Certification, Green RE Accreditation, and Green Mark Gold, to validate and enhance the environmental performance of existing buildings, demonstrating a commitment to sustainability.
- ➔ Invest in retrofitting existing assets to improve energy efficiency and extend their lifespan, while enhancing the integration of green features in new developments to achieve higher GreenRE certification levels and support long-term sustainability objectives.
- ➔ Continue offering electric vehicle (EV) and hybrid vehicle parking and charging facilities to retail customers, supporting sustainable transportation and meeting growing consumer demand for eco-friendly amenities.
- ➔ Continuously assess shifts in consumer behavior and market trends to ensure the business remains ahead of sustainability demands and can adapt its offerings accordingly.

## Reputation Risk

- ➔ Growing public awareness of environmental issues is intensifying demand for businesses to adopt sustainable practices, influencing market expectations and consumer behavior.
- ➔ Negative media coverage or stakeholder criticism regarding sustainability practices could erode customer loyalty, damage brand reputation, and impact long-term business performance, highlighting the importance of transparent and effective sustainability strategies.

### Risk Level



### Opportunities

- ➔ Strengthen public image by attracting environmentally conscious tenants and consumers, leading to higher foot traffic and the ability to secure premium tenants.
- ➔ Enhance public recognition and corporate reputation, thereby facilitating potential partnerships with environmentally conscious brands and organisations, which will further strengthen business prospects.

### Mitigating Actions

- ➔ Adherence to recognised sustainability standards is upheld, with ongoing monitoring of evolving guidelines to ensure alignment with best practices in environmental responsibility. Climate-related risks and strategies are transparently disclosed in accordance with relevant standards and guidelines.
- ➔ Ensure proactive communication of sustainability initiatives through consistent and unified messaging across press release, websites, and social media platforms.
- ➔ Implementing the crisis communication plan ensures timely and transparent responses to emerging issues, while continuous monitoring and regular progress updates reinforce a steadfast commitment to sustainability objectives.

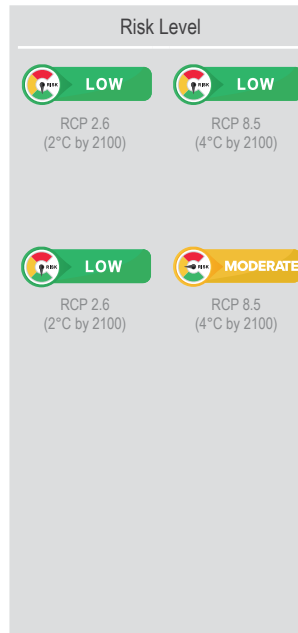
# SUSTAINABILITY STATEMENT

(continued)

## PHYSICAL RISK

### Acute Risk

- ➔ Fluvial flooding, resulting from heavy rainfall, presents a significant risk of property damage and operational disruption, which could adversely impact business continuity and long-term value creation.
- ➔ The rising frequency of heatwaves increases energy consumption for air conditioning and cooling systems, leading to higher operational costs.



### Opportunities

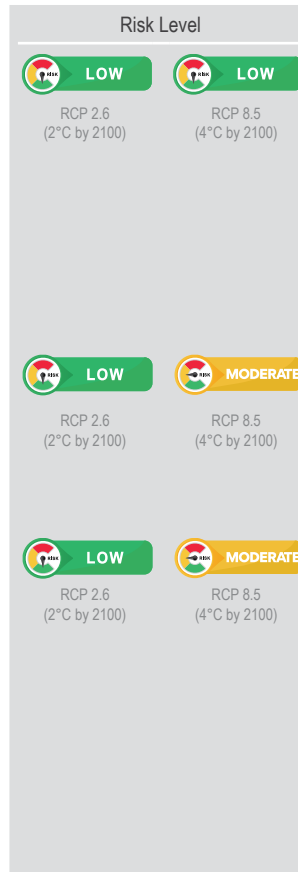
- ➔ Investing in robust flood mitigation systems can position the properties as resilient assets, enhancing long-term marketability, attracting environmentally-conscious tenants, and bolstering public reputation through proactive climate action.
- ➔ Installing energy-efficient cooling systems and solar panels can reduce dependency on grid energy, lower operational costs, and strengthen the sustainability profile of the properties, thereby attracting eco-conscious tenants and consumers.

### Mitigating Actions

- ➔ Conduct regular inspections of buildings in accordance with local regulatory requirements, ensuring compliance with established standards and maintaining the structural integrity of the properties, thereby mitigating potential risks related to building safety and performance.
- ➔ Implement contingency plans for operational continuity and emergency evacuation procedures, to ensure resilience and preparedness in the event of unforeseen disruptions.
- ➔ Invest in resilient energy systems, backup power supplies, and improved HVAC systems to accommodate changes in climate.
- ➔ Designing and retrofitting buildings, roads, pedestrian bridges, and utilities to enhance resilience against extreme weather events.

### Chronic Risk

- ➔ Shifting rainfall patterns, with increased intensity and droughts, elevate risks of property damage, operational disruptions, health hazards, flooding, and water scarcity.
- ➔ Rising temperatures and erratic weather patterns are expected to significantly increase cooling demands in the malls, leading to higher energy consumption, elevated energy costs, and an increase in carbon emissions.
- ➔ Increasing frequency and intensity of chronic storms, posing risks to infrastructure, including potential damage to roofing, drainage, and structural elements, as well as degradation of landscape areas.



### Opportunities

- ➔ Investing in robust flood mitigation systems can position the properties as resilient assets, enhancing long-term marketability, attracting environmentally-conscious tenants, and bolstering public reputation through proactive climate action.
- ➔ Explore and invest in alternative water sources through ongoing research, aiming to diversify water supply options, reduce dependency on conventional water sources, and support sustainable water use practices.
- ➔ Explore and invest in climate resilient urban landscaping, and energy-efficient building systems can mitigate heat island effects, reduce energy consumption, and position the properties as climate-resilient, thereby enhancing tenant retention and increasing foot traffic.

### Mitigating Actions

- ➔ Implement advanced water management systems, including rainwater harvesting, flood barriers, and regular maintenance of drainage solutions, to mitigate flooding risks, enhance resilience to climate-related events, and safeguard the long-term value and sustainability of the properties.
- ➔ Enhance health and safety measures for workers by providing climate-adapted facilities, ensuring protective equipment is in place for extreme weather, and creating emergency response plans for climate-related disruptions.
- ➔ Investing in renewable energy sources, such as solar power, aims to reduce reliance on fossil fuels, lower carbon emissions, and contribute to the broader goal of mitigating climate change impacts.
- ➔ Continuously implement, review, and update business continuity and emergency response plans to mitigate the impacts of severe storms, ensuring preparedness and resilience.
- ➔ Conduct regular inspections and maintenance of backup generation facilities to ensure operational reliability during extreme weather events.

SUSTAINABILITY STATEMENT  
(continued)

Note:

Climate-related risks and opportunities are assessed based on the Intergovernmental Panel on Climate Change's (IPCC) RCP 2.6 and RCP 8.5 scenario pathways.

Scenario

IPCC RCP 2.6/ 2°C

Description

A low emissions pathway scenario which assumes global emissions decline significantly leading to a lower increase in average global temperature. This would require greater policy reactions and a faster shift towards low emissions technology.

IPCC RCP 8.5/ 4°C

Description

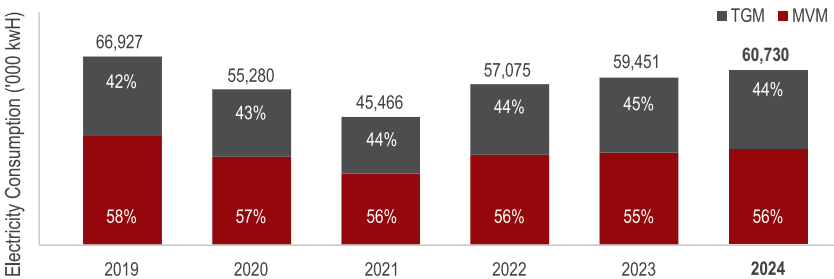
A high emissions pathway scenario which assumes global emissions continue to rise strongly leading to a higher increase in average global temperature. This would result in more severe climate change impacts, such as increased heatwaves, sea level rise, and extreme weather events.

Our performance:

ENERGY CONSUMPTION

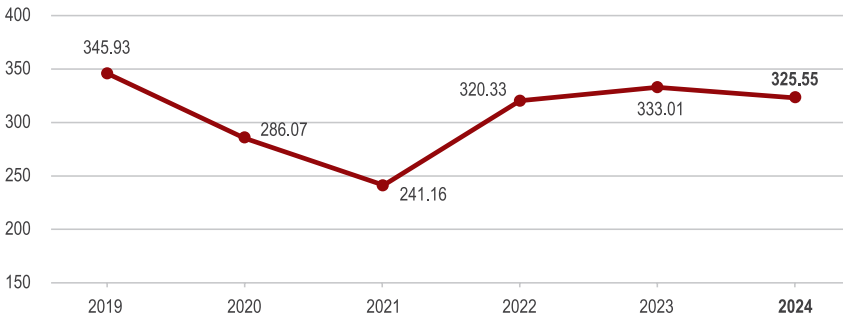
We continued tracking our malls' Energy Usage Intensity (EUI) (kWh/m<sup>2</sup>/year) with a target EUI reduction of 5.8% by 2025 and 9.5% by 2030 from our 2019 baselines.

Annual Electricity Consumption ('000 kWh)

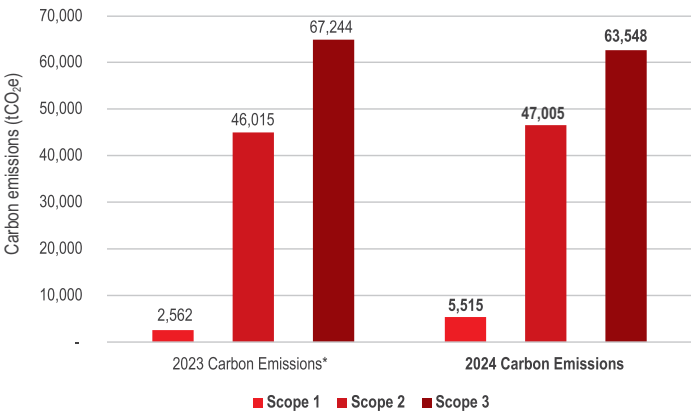


Energy Usage Intensity (EUI)

We have seen a 5.9% improvement in our EUI for 2024 compared to our 2019 baselines.



CARBON EMISSIONS



Note:

- Our calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standard using the operational control consolidation approach.
- Scope 1 and Scope 3 emissions factors are sourced from the GHG Conversion Factors for Company Reporting version 1.1 (2024), published by the UK Department for Environment, Food & Rural Affairs ("DEFRA")
- The 2023 emissions have been restated to reflect this update. The emission factor used for Scope 2 GHG emissions (purchased electricity) has been updated from 0.585 to 0.774. This change reflects a shift from using the 2017 CDM Electricity Baseline provided by Malaysia Green Technology Corporation (MGTC) to the more recent 2022 Grid Emission Factor from the Malaysia Energy Commission.

Increased participation in our Sustainable Commuting Programme this year led to a 35.7 tCO<sub>2</sub>e reduction, reflecting our commitment to green commuting.



# SUSTAINABILITY STATEMENT

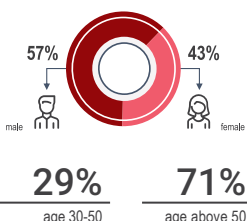
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## Related UNSDGs:



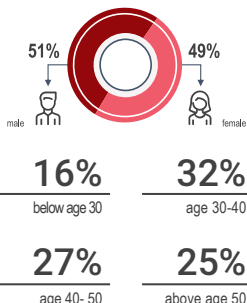
## Our performance:

### Board Diversity

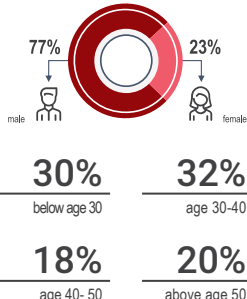


### Workforce Diversity

#### ■ Executives to Senior Management

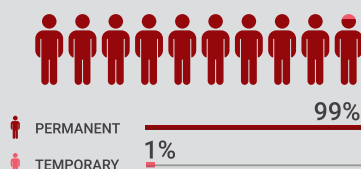


#### ■ Non-Executives



### Employee Composition

Total employees of the Manager and Service Providers of 361 in 2024.



## LABOUR PRACTICES

### Why this is important to us:

At IGB REIT, we are committed to upholding strong labour practices that prioritise the well-being and fair treatment of all employees. We believe that creating a positive, diverse and equitable work environment is essential for attracting and retaining top talent, fostering high employee morale, and driving business success.

### Our approach:

Our commitment to fair labour practices includes ensuring equal opportunities for all employees, regardless of their background, providing a safe and healthy workplace, and adhering to all applicable labour laws and regulations. Further to this, our labour practices are also aligned with the International Labour Organisation's eleven fundamental conventions which cover key labour rights and standards, including freedom of association, elimination of forced labour, abolition of child labour, non-discrimination in employment, and occupational safety and health. With this, we strive to create a work environment where all employees feel valued, respected, and empowered to contribute their best.

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

- ➔ Being an equal opportunity employer, which extends to the Service Providers.
- ➔ Ensuring no form of discrimination against our employees on the basis of age, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, and other characteristics that make our employees unique.
- ➔ Operating in full compliance with applicable wage, work hours, overtime and benefits laws.
- ➔ Zero tolerance for any form of harassment and abuse including physical, sexual, psychological or verbal.

- ➔ Ensuring that no children are employed directly by the Service Providers or our contractors.
- ➔ Ensuring that all our operations are free of forced labour, human trafficking and modern slavery.
- ➔ Recognising and respecting the legal and customary rights of local communities and indigenous people, as well as the need to protect the basic human rights of marginalised groups, including refugees.

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

Our commitment towards diversity, equity and inclusion in the workplace is also evidenced by gender representation on our Board and in leadership roles with women representing a minimum of 30% of positions on our Board and Management. We have further set a target to continue to maintain a minimum of 30% of women representation on our Board going forward.

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

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

# 0

### HUMAN RIGHTS VIOLATIONS

Number of substantiated complaints concerning human rights violations

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

SUSTAINABILITY STATEMENT

(continued)

Related UNSDGs:



Our performance:



Rainwater Harvesting  
(m<sup>3</sup>)



3,120

Water Security  
(days)



1.5

Our existing water storage systems can sustain our malls for up to 1.5 days in the event of a disruption to the municipal water supply.

WATER  
MANAGEMENT

Why this is important to us:

The increasing challenge of water scarcity is driven by several factors, including climate change, inadequate water management, and contamination. For businesses aiming for sustainable growth, managing this precious resource effectively has become essential. Well-designed water management strategies allow companies to optimise their water use, lower operational costs, and improve overall efficiency. Moreover, these practices help businesses build resilience against climate change and other uncertainties, while addressing the risks associated with water scarcity. By prioritising water conservation, we aim to promote environmental responsibility, strengthen operational resilience, and ensure long-term sustainability.

Our approach:

Aligned with the IGB Group Sustainability Policy, IGB REIT is dedicated to taking a pragmatic approach to water management. Our goal is to enhance water efficiency and promote conservation throughout our operations.

We have implemented strong measures to strengthen water security across our malls, reducing the risks associated with water-related disruptions that could affect our operations. Such disruptions could impact both tenant and shopper satisfaction, as well as the long-term sustainability of our business. Over the years, we have carried out various initiatives to support effective water management, with several key initiatives outlined below:

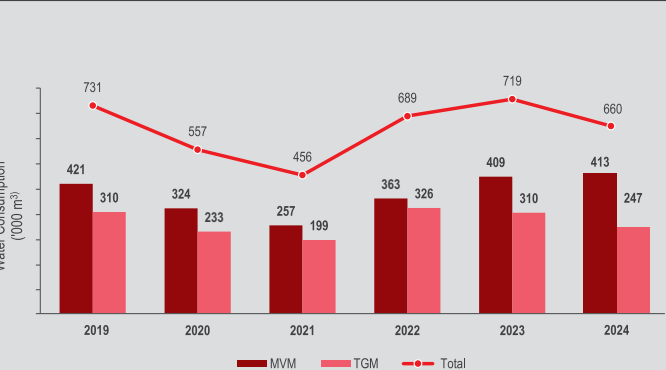
- ➔ Installation of water-efficient fixtures and flushing systems to minimise water consumption.
- ➔ Regular inspection and maintenance of piping systems to prevent leaks across our water network.
- ➔ Utilisation of recycled water from chillers for irrigating plants and cleaning common areas.
- ➔ Implementation of rainwater harvesting systems to capture and use rainfall.
- ➔ Conducting water audits to identify and address any unaccounted water usage.

In 2024, we have managed to harvest 3,120 m<sup>3</sup> of rainwater as a result of boosted capacity of our rainwater harvesting tanks. This effort has enabled us to naturally reduce our potable water usage for our landscaping needs.

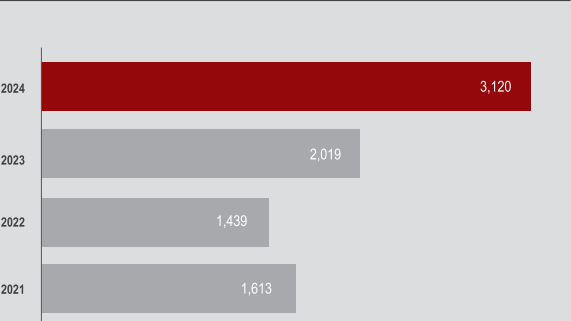
Our existing water storage systems can sustain our malls for up to 1.5 days in the event of a disruption to the municipal water supply. Additionally, we have agreements in place with suppliers to secure extra water if necessary. This approach has enabled us to effectively manage water disruptions in the past.

We are also committed to exploring new strategies to further reduce our overall water consumption. We will continue to install more efficient water management systems and infrastructure, while closely monitoring our water usage. Any significant increases in consumption will be thoroughly investigated to identify and address the causes.

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



Annual Rainwater Collection (m<sup>3</sup>)



# SUSTAINABILITY STATEMENT

(continued)

## Related UNSDGs:



## Our performance:



### Direct Contributions (RM'million)



# 1.13

Total amount invested



# 33,475

Total beneficiaries impacted



# 23,470

Total bags of blood collected  
by Pusat Darah Negara's  
(PDN) donation suite

### Full year rental waivers by Mid Valley Megamall (RM)

- Pusat Darah Negara – MVM Donation Suite  
RM195,999
- Kedai BLESS  
RM175,973
- OKU Dobi Sdn Bhd  
RM101,761
- MAB Shoppe  
RM115,118

## COMMUNITY AND SOCIETY

### Why this is important to us:

At IGB REIT, we firmly believe that by prioritising the needs of our local communities, we can bring about meaningful changes and opportunities for sustainable development through collaboration and growth. Our commitment lies in supporting one another throughout this journey, nurturing positive relationships that will not only enrich our community but also drive positive outcomes that resonate well towards a sustainable future.

### Our approach:

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

- ➔ We make direct contributions through monetary and non-monetary donations, waiving rental fees, and encouraging employee volunteerism.
- ➔ We work with our tenants to promote local communities and charities.

- ➔ We provide opportunities for our shoppers to support these communities and charities through donation booths and special merchandise displays.

This approach effectively integrates community support into our core business operations, laying the foundation for long-lasting relationships and positive growth within the communities we serve.

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

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



### MID VALLEY MEGAMALL

#### Chinese New Year with Persatuan Rumah Caring

Beneficiaries: 51 underprivileged individuals.

Contribution: RM13,684 in donations.



As part of our ongoing commitment to support vulnerable communities, we organised a charity visitation to Persatuan Rumah Caring, a home that provides care for 51 adults aged between 30 and 92. This Chinese New Year, we donated new clothing, shoes, personal care items, and groceries in support to their day-to-day lives. Additionally, Persatuan Rumah Caring also received two new water heaters to further improve the comfort and well-being of its residents.



# SUSTAINABILITY STATEMENT

(continued)

## Majlis Pelancaran Portal Semakmule 2.0

**Beneficiaries:** 1,000 patrons.

**Contribution:** RM5,495 in rental waivers.

The Royal Malaysia Police (JSJK PDRM) held an event about the newly improved SemakMule 2.0 at the South Court, Ground Floor. To raise awareness about the importance of protecting the digital landscape, PDRM partnered with the National Anti-Financial Crime Centre (NFCC), Shopee, Whoscall, and MoneyX. Around 1,000 shoppers attended the event, this collaboration aimed to promote proactive measures to combat cyber threats and online crimes within the community.



## Hari Raya with Rumah Titian Kasih

**Beneficiaries:** 58 children and young adults.

**Contribution:** RM7,685 in donations.

We visited Rumah Titian Kasih to celebrate Hari Raya and bring joy to the children and young adults living there. This home cares for 58 kids and young adults, ranging from 2 to 20 years old. Our visit is part of our ongoing efforts to support those in need. To add to the festive spirit, we donated new household items, groceries and gave duit raya to the children to celebrate the occasion.



## The Star Photo Exhibition

**Contribution:** RM100,600 in rental waivers.

This 14-day event was jointly organised by Star Media Group and Sin Chew Daily, with the support from the Ministry of Tourism, Arts, and Culture. Through this initiative, we aspired to enhance cultural ties within our community while celebrating the importance of mutual understanding, acceptance, and friendship. In collaboration with The Star, we honoured over 50 years of rich cultural and historical connections between Malaysia and China. A total of RM100,600 in promotional space rental fees was waived in support of this endeavour.



## Nutrient-rich Compost Giveaway

**Beneficiaries:** 3,795 patrons.

**Contribution:** RM16,533 in contribution.

This initiative is a proactive step toward minimising waste by converting food scraps collected from our food and beverage tenants into valuable compost. To support this effort, we have established a compost collection counter at the Information Counter on the 1st Floor, where we offer complimentary bags of compost to up to 30 shoppers each day. This ongoing programme encourages sustainable practices in our community and fosters a greener lifestyle. To date, a total of 3,795 bags of compost have been claimed by shoppers through the MV Club app at the Information Counter, showcasing the community's strong commitment to sustainability.



## Santa's Whimsical Visit

**Contribution:** RM18,304 in contributions and RM821 in donations.

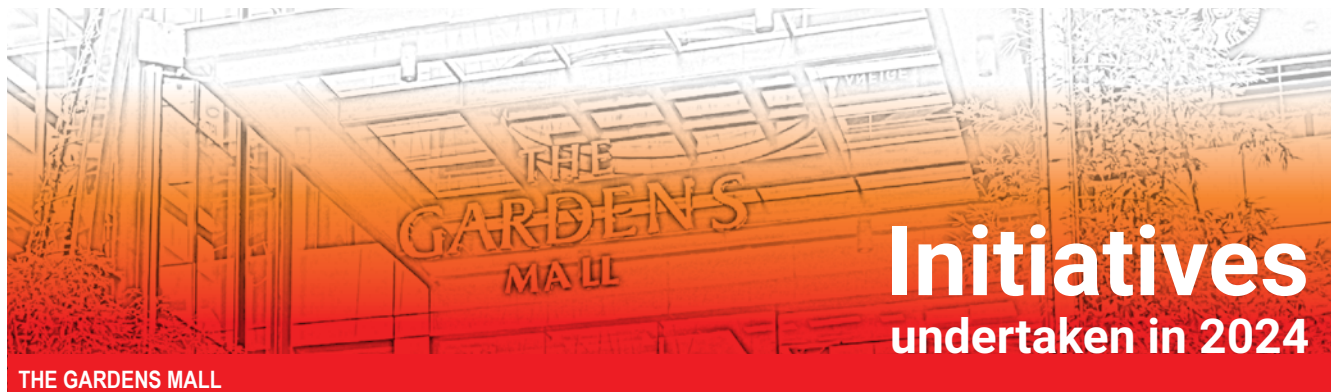
During the Christmas season, we spent RM18,304 to organise Santa's Whimsical Visit, an event that invited shoppers to contribute RM10 for a small gift and a cherished photo opportunity with Santa Claus. Proceeds of RM18,000 from this meaningful initiative (RM17,179 from shoppers and RM821 from MVM) were directly allocated to Kechara Soup Kitchen, a commendable Malaysian non-profit organisation dedicated to providing food and support to those in need. Through its soup kitchens and outreach programmes, Kechara Soup Kitchen not only alleviates hunger but also offers essential services, including medical care and counselling, fostering a more resilient and caring community.





## SUSTAINABILITY STATEMENT

(continued)



### “A Hometown Reunion” Chinese New Year event

**Beneficiaries:** 20 disabled individuals.

**Contribution:** RM10,000 in donations and RM43,200 in rental waivers.

TGM partnered with the Beautiful Gate Foundation for the Disabled (BGF) for our Chinese New Year campaign titled “A Hometown Reunion.” We set up a merchandise booth, a wishing tree, and a wishing well to encourage shoppers to donate. Thanks to the generous contributions and the mall’s RM10,000 contribution, BGF was able to provide two months of essential services, including physiotherapy, art classes, general education, transport services, and recycling activities, to 20 individuals with disabilities. Following the event, we also donated some of the campaign decorations to Fo Guang Shan, a non-profit organisation in an effort to reduce landfill waste.



### Hari Raya campaign with Pusat Kreatif Kanak-Kanak Tuanku Bainun (PKKTB)

**Beneficiaries:** 173 underprivileged children.

**Contribution:** RM10,000 in donations and RM53,600 in rental waivers.

For Hari Raya, we transformed the mall with beautiful decorations inspired by Islamic arts. We joined hands with PKKTB to empower young artists by setting up a booth for PKKTB where talented kids showcased their artwork, and shoppers had the chance to support them through a DuitNow QR code to make donations.



### Green moves campaign with Urban Hijau

**Beneficiaries:** 400 patrons.

**Contribution:** RM97,000 in purchase of goods and event setup.

To effectively address food waste in landfills, TGM partnered with Urban Hijau, a community farming organisation, and launched the Green Moves campaign which ran from August 5 to August 18, 2024. This campaign aimed to raise awareness among shoppers about food waste in Malaysia and inspire them to embrace home gardening. TGM procured 400 edible plant starter kits from Urban Hijau and offered 50g bags of compost to shoppers via the MV Club app. The campaign received positive feedback, with many shoppers showing interest in home composting, paving the way for future community-driven solutions to reduce food waste.



### “Wish Upon a Snowflake” Christmas campaign

**Beneficiaries:** 20 disabled individuals.

**Contribution:** RM10,000 in donations and RM81,000 in rental waiver.

TGM partnered with the Beautiful Gate Foundation (BGF) for its Christmas campaign, which took place from November 20 to December 29, 2024. During this campaign, TGM successfully set up a booth for BGF, which featured a snowflake wishing tree as part of the “Wish Upon a Snowflake” CSR initiative. This engaging activity encouraged shoppers to make a donation of RM10 in exchange for a snowflake card. Participants could also let their creativity shine by decorating the cards and sharing their Christmas wishes which were then hung on the wishing tree. This initiative not only brought the community together but also helped raise awareness and support for individuals with disabilities, spreading holiday cheer along the way.



SUSTAINABILITY STATEMENT  
(continued)

Related UNSDGs:



Key Initiatives:



Key initiatives currently implemented across our malls include:



Providing recycling bins throughout our malls.



A food composting programme that processes food waste collected from tenants.



Educating tenants on the importance of segregating waste into compostable, recyclable, and non-recyclable categories at the source to enhance the effectiveness of our waste diversion efforts.



Installing grease traps at designated drainage outlets to responsibly manage pollutants, preventing them from entering the sewer system.

WASTE MANAGEMENT

Why this is important to us:

Human activity continues to generate growing amounts of waste each year, exacerbating the climate crisis, harming wildlife, and threatening public health. Effective waste management is essential not only for environmental sustainability but also for business success. By adopting proper waste management strategies, companies can reduce costs, enhance operational efficiency, strengthen their reputation in an era where sustainability is increasingly valued by both businesses and consumers, and contribute to long-term environmental well-being.

Our approach:

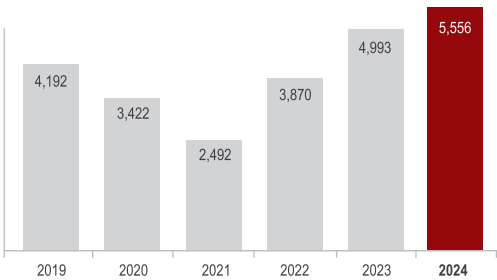
Our waste management practices are guided by the IGB Group Sustainability Policy, ensuring compliance with relevant regulations and the commitments outlined. We are dedicated to reducing, reusing, recycling, and disposing of waste in an environmentally responsible manner.



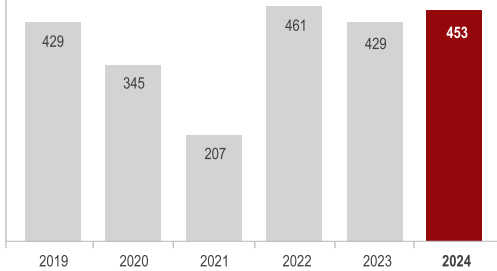
In 2024, we invested in waste compacting machines to optimise our waste management processes, improve cleanliness and hygiene, and foster more sustainable business operations. The waste compactors also further encourage recycling by making it easier for businesses to segregate recyclable materials more effectively.

Our performance:

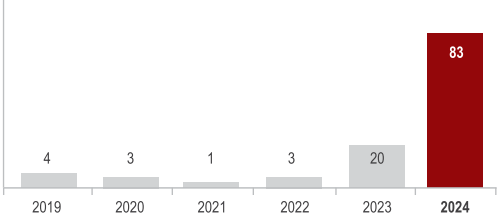
Annual Volume of Waste Disposed (tonnes)



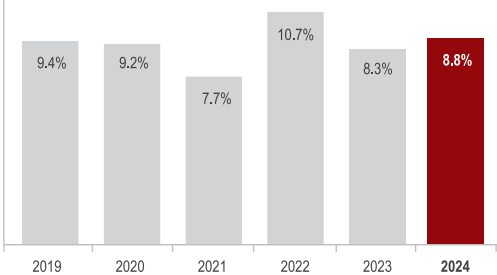
Annual Volume of Recycle Materials Collected (tonnes)



Annual Volume of Food Composted (tonnes)



Annual Waste Diversion Rate





# SUSTAINABILITY STATEMENT

(continued)

## Related UNSDGs:



## Our performance:



In 2024, 99.83% of our supplier procurement was spent on local suppliers, reinforcing our commitment to positively contributing to the local community.



99.83%



Proportion of spending on local suppliers.

## SUPPLY CHAIN MANAGEMENT

### Why this is important to us:

At IGB REIT, we recognise the strategic importance of our supply chain, viewing it as more than just logistics. Effective supply chain management is crucial for operational efficiency, cost optimisation, and risk mitigation. We prioritise building strong, resilient partnerships with local businesses and contributing to economic growth within our communities. Our commitment to good corporate governance extends to our entire supply chain, ensuring adherence to all relevant regulations and ethical business practices.

In ensuring responsible business practices across our supply chains, our suppliers are required to adhere to all laws and regulations. These include those relating to health and safety, environmental control, human resource management, corruption, money-laundering, and human rights, amongst others.

During the year, we continued with our implementation of a sustainability questionnaire for all new registrants and existing suppliers and are working towards integrating this into our supplier pre-qualification and evaluations.

### Our approach:

In ensuring a fair and transparent procurement practice, our procurement processes adhere to an open and accountable system as follows:

- 01 Supplier registration and pre-qualification eligibility
- 02 Supplier pricing and competency evaluation
- 03 Contract tender and award
- 04 Annual performance review (or at end-of-project/contract)



# SUSTAINABILITY STATEMENT

(continued)

## 2024 Performance Data Table for IGB REIT

Indicator		Measurement Unit	2022	2023	2024
<b>Health, Safety &amp; Security</b>					
Bursa C5(a)	Number of work-related fatalities	Number	0	0	0
Bursa C5(b)	Lost time incident rate ("LTIR")	Rate		0.00	0.00
Bursa C5(c)	Number of employees trained on health and safety standards	Number		207	100
<b>Human Capital Development</b>					
Bursa C6(a)	<b>Total hours of training by employee category</b>				
	Senior Management	Hours		203	262
	Managers & Senior Managers	Hours		732	1,355
	Senior Executives & Assistant Managers	Hours		1,333	1,866
	Executives	Hours		1,763	3,327
	Non-Executives	Hours		2,262	4,980
Bursa C6(c)	<b>Total number of employee turnover by employee category</b>				
	Senior Management	Number		1	1
	Managers & Senior Managers	Number		3	1
	Senior Executives & Assistant Managers	Number		4	6
	Executives	Number		15	14
	Non-Executives	Number		11	21
<b>Cybersecurity &amp; Data Protection</b>					
Bursa C8(a)	Number of substantiated complaints concerning breaches of customer privacy and loss of customer data	Number		0	0
<b>Anti-Corruption &amp; Corporate Governance</b>					
Bursa C1(a)	<b>Percentage of employees who have received training on anti-corruption by employee category</b>				
	Senior Management	Percentage		100.00	91.70
	Managers & Senior Managers	Percentage		100.00	100.00
	Senior Executives & Assistant Managers	Percentage		89.00	98.60
	Executives	Percentage		87.00	94.40
	Non-Executives	Percentage		71.00	90.30
Bursa C1(b)	Percentage of operations assessed for corruption-related risks	Percentage		100.00	100.00
Bursa C1(c)	Confirmed incidents of corruption and action taken	Number		0	0

Internal assurance

External assurance

No assurance

(\*) Restated



# SUSTAINABILITY STATEMENT

(continued)

Indicator		Measurement Unit	2022	2023	2024
<b>Climate Change</b>					
Bursa C4(a)	Total energy consumption	kWh	57,074.68	59,450.74	60,729.70
Bursa C11(a)	<b>SCOPE 1</b> emissions in tonnes of CO <sub>2</sub> e	Metric tonnes		2,562.00	5,515.00
Bursa C11(b)	<b>SCOPE 2</b> emissions in tonnes of CO <sub>2</sub> e	Metric tonnes		46,015.00*	47,005.00
Bursa C11(c)	<b>SCOPE 3</b> emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting)	Metric tonnes		67,244.00*	63,548.00
<b>Labour Practices</b>					
Bursa C3(a)	Percentage of employees by gender and age group, for each employee category				
	<b>Age Group</b> by Employee Category				
	Executives and Senior Management below 30	Percentage		18.70	16.02
	Executives and Senior Management 30-40	Percentage		28.10	32.04
	Executives and Senior Management 40-50	Percentage		33.50	26.70
	Executives and Senior Management above 50	Percentage		19.70	25.24
	Non-Executives below 30	Percentage		29.40	29.68
	Non-Executives 30-40	Percentage		30.70	32.26
	Non-Executives 40-50	Percentage		20.90	18.06
	Non-Executives above 50	Percentage		19.00	20.00
	<b>Gender Group</b> by Employee Category				
	Executives and Senior Managers Male	Percentage		51.20	51.46
	Executives and Senior Managers Female	Percentage		48.80	48.54
	Non-Executives Male	Percentage		75.80	76.77
	Non-Executives Female	Percentage		24.20	23.23
Bursa C3(b)	Percentage of directors by gender and age group				
	Male	Percentage		62.50	57.14
	Female	Percentage		37.50	42.86
	Age 30-50	Percentage		25.00	28.57
	Age above 50	Percentage		75.00	71.43
Bursa C6(b)	Percentage of employees that are contractors or temporary staff	Percentage		0.80	1.11
Bursa C6(d)	Number of substantiated complaints concerning human rights violations	Number		0	0

Internal assurance

External assurance

No assurance

(\*) Restated

# SUSTAINABILITY STATEMENT

(continued)

Indicator		Measurement Unit	2022	2023	2024
<b>Water Management</b>					
Bursa C9(a)	Total volume of water used	Megalitres	689.000000	718.973000	659.633000
<b>Community/Society</b>					
Bursa C2(a)	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	617,314.00	974,856.00	1,125,271.00
Bursa C2(b)	Total number of beneficiaries of the investment in communities	Number		3,946	33,475
<b>Waste Management</b>					
Bursa C10(a)	Total waste generated	Metrics tonnes	4,334.00	5,442.00	6,091.00
Bursa C2(a)i	Total waste diverted from disposal	Metrics tonnes	464.00	449.00	536.00
Bursa C2(a)ii	Total waste directed to disposal	Metrics tonnes	3,870.00	4,993.00	5,556.00
<b>Supply Chain Management</b>					
Bursa C7(a)	Proportion of spending on local suppliers	Percentage		99.91	99.83

Internal assurance

External assurance

No assurance

(\*) Restated

# SUSTAINABILITY STATEMENT

(continued)

## Statement of Assurance on the Sustainability Statement 2024 to the Board of Directors (“Board”) of IGB REIT Management Sdn Bhd

The Audit Committee of IGB REIT Management Sdn. Bhd. has requested Group Internal Audit of IGB Berhad, being the outsourced internal audit function of IGB REIT, to provide an Internal Assurance review on the Sustainability Statement (“SS2024”) of IGB REIT, as published in its annual report for the financial year ended 31 December 2024.

### Scope of Work

The scope of the internal review was limited to the Subject Matters presented in the SS2024 and did not include coverage of data sets nor information unrelated to the data and information underlying the Subject Matter and related disclosures; nor did it include information reported outside of the SS2024, comparisons against historical data, or management’s forward-looking statements.

The scope of work covered the data and information from the operations of:

- a) Mid Valley Megamall, and
- b) The Gardens Mall

### Subject Matters

The Internal Assurance review covered the following indicators:

Material Sustainability Matters	Indicators Reviewed
Health, Safety & Security	<ul style="list-style-type: none"> <li>Number of work-related fatalities;</li> <li>Lost time incident rate;</li> <li>Number of employees trained on health and safety standards.</li> </ul>
Human Capital Development	<ul style="list-style-type: none"> <li>Total hours of training by employee category;</li> <li>Total number of employee turnover by employee category.</li> </ul>
Cybersecurity & Data Protection	<ul style="list-style-type: none"> <li>Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.</li> </ul>
Anti-Corruption & Corporate Governance	<ul style="list-style-type: none"> <li>Percentage of employees who have received training on anti-corruption by employee category;</li> <li>Percentage of operations assessed for corruption-related risks;</li> <li>Confirmed incidents of corruption and action taken.</li> </ul>
Climate Change	<ul style="list-style-type: none"> <li>Total energy consumption;</li> <li>Scope 1 emission in tonnes of CO<sub>2</sub>e*;</li> <li>Scope 2 emission in tonnes of CO<sub>2</sub>e*;</li> <li>Scope 3 emission in tonnes of CO<sub>2</sub>e (for the categories of business travel, employees commuting, waste generated in operations and downstream leased assets)*.</li> </ul>
Labour Practices	<ul style="list-style-type: none"> <li>Percentage of employees by gender and age group, for each employee category;</li> <li>Percentage of directors by gender and age group;</li> <li>Percentage of employees that are contractors or temporary staff;</li> <li>Number of substantiated complaints concerning human rights violations.</li> </ul>
Water Management	<ul style="list-style-type: none"> <li>Total volume of water used.</li> </ul>
Community/Society	<ul style="list-style-type: none"> <li>Total amount invested in the community where the target beneficiaries are external to the listed issuer;</li> <li>Total number of beneficiaries of the investment in communities.</li> </ul>
Waste Management	<ul style="list-style-type: none"> <li>Total waste generated*</li> <li>Total waste diverted from disposal*</li> <li>Total waste directed to disposal*</li> </ul>

# SUSTAINABILITY STATEMENT

(continued)

Material Sustainability Matters	Indicators Reviewed
Supply Chain Management	<ul style="list-style-type: none"><li>Proportion of spending on local suppliers.</li></ul>

\* New indicators for FY2024

### Standards and Criteria

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

- ➡ Bursa Malaysia Sustainability Reporting Guide
- ➡ Greenhouse Gas Protocol
- ➡ IGB REIT's relevant policies and procedures

### Description of procedures performed

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Our procedures included:

- ➡ Gaining an understanding of IGB REIT's business, internal processes, and approach to sustainability;
- ➡ Conducting interviews with key personnel and collating evidence to understand IGB REIT's process for reporting of performance indicators;
- ➡ Conducting limited assurance procedures over the Subject Matter including:
  - Undertaking analytical procedures to support the reasonableness of the data
  - Verifying that the calculation methodologies for the Subject Matter have been applied consistently
  - Identifying and testing assumptions supporting calculations
  - Conducting sample-based testing of underlying source information to check the accuracy of the data
  - Performing recalculation of performance indicators using input data
  - Checking that measurements made at the end of the reporting period are entered in the records and in the sustainability statement in a timely manner

We also performed such other procedures as we considered necessary in the circumstances.

### Other Matters

Our limited review does not extend to any disclosures or assertions relating to future performance plans and strategies disclosed in the SS2024. Our Statement of Assurance is limited to the Subject Matter disclosed in the SS2024 as approved by the Board. We do not accept responsibility for any subsequent changes to the Subject Matter and related disclosures.

### Conclusion

Based on the procedures performed and the evidence obtained from the management of IGB REIT, nothing has come to our attention that causes us to believe that the Subject Matter as presented in the SS2024 have not been prepared nor presented fairly, in all material respects, in accordance with the defined Criteria.

### 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 on by any other party.

We agree to the publication of this Statement of Assurance in the SS2024, to assist the Board in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter. We will not accept any liability or responsibility to any other party to whom our report is shown.

### Group Internal Audit

IGB Berhad

13 March 2025

*This Statement was approved by the Board on 13 March 2025.*



## PROFILE OF DIRECTORS



### DATO' SERI ROBERT TAN CHUNG MENG

(Malaysian, male, age 72)

*Non-Independent Executive Chairman*



### TAN LEI CHENG

(Malaysian, female, age 67)

*NINED*

<b>Date of Appointment</b>	21 March 2012
<b>Profile Summary</b>	<p>Dato' Seri Robert Tan Chung Meng ("Dato' Seri Robert Tan") was redesignated from Non-Executive Chairman to Executive Chairman on 19 March 2025. He was appointed Managing Director ("MD") of IGB REIT Management Sdn Bhd upon its incorporation in March 2012, a position he held for 10 years before he transitioned to Non-Independent Non-Executive Director("NINED") on 1 January 2023, and subsequently to Non-Executive Chairman on 1 January 2024.</p> <p>Dato' Seri Robert Tan, who has been on the Board of IGB Berhad ("IGB") Group since 1995, was also redesignated as NINED on 1 January 2023 after he relinquished his position as Group Chief Executive Officer ("GCEO") on 31 December 2022. He has held various leadership positions over the course of his 27-year career in IGB Group. He was GCEO on 30 March 2018, and before that, Group MD of IGB Corporation Berhad ("IGBC") (delisted and privatised on 16 March 2018 by IGB, then known as Goldis Berhad ("Goldis")) from 30 May 2001 to 29 March 2018, and Joint MD from 18 December 1995 to 29 May 2001.</p> <p>With more than 30 years of operational and leadership experience as IGB's leader, Dato' Seri Robert Tan is well regarded for his expertise in property development, hotel construction, retail design and development as well as corporate management. After studying Business Administration in the United Kingdom, he was attached to a firm of chartered surveyor for a year. He has developed a housing project in Central London before returning to Malaysia. He was involved in various development projects carried out by IGB Group, notably the Mid Valley City. From inception to the realisation of Mid Valley Megamall and The Gardens Mall (collectively, the "MV Malls"), he was actively involved in every stage of their developments. He has been instrumental and crucial to the success of the MV Malls.</p> <p>Dato' Seri Robert Tan's achievements have been recognised by prestigious awards, namely 'The Edge Malaysia Outstanding Property CEO Award 2019' and 'Personality of the Year' in the Des Prix Infinitus Media ASEAN Property Developer Awards 2021/2022.</p>
<b>External Appointments</b>	IGB IGBC Wasco Berhad Yayasan Tan Kim Yeow

<b>Date of Appointment</b>	27 April 2012
<b>Board Committee(s)</b>	Nomination and Remuneration Committees (Member)
<b>Profile Summary</b>	<p>Tan Lei Cheng has more than 40 years' experience in the property industry and corporate sector. She was Chief Executive Officer ("CEO") of Tan &amp; Tan Developments Berhad ("Tan &amp; Tan") from March 1995, a property development company that was listed on Bursa Malaysia Securities Berhad. Following the completion of the merger between (IGB Corporation Berhad ("IGBC") and Tan &amp; Tan on 8 May 2002, she assumed the role of Executive Chairman and CEO of Goldis (now known as IGB Berhad ("IGB"), which took over the listing of Tan &amp; Tan). Following her retirement on 31 December 2016, she assumed the role as Non-Executive Chairman ("NEC") of Goldis. After the privatisation of IGBC by IGB on 16 March 2018, she remains as NEC of IGB.</p> <p>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 the Lincoln's Inn and the Young Presidents' Organisation (Gold), Malaysia Chapter.</p>
<b>External Appointments</b>	IGB Dato' Tan Chin Nam Foundation

## PROFILE OF DIRECTORS

(continued)



### TAN MEI SIAN

(Malaysian, female, age 41)

*NIED/Head of Investment ("HOI")*

### RAYMOND YEOH CHENG SEONG

(Malaysian, male, age 62)

*Independent Non-Executive  
Director ("INED")*

<b>Date of Appointment</b>	11 June 2020
<b>Board Committee(s)</b>	Retail-RMSC (Member) Commercial-RMSC (Member)
<b>Profile Summary</b>	<p>Tan Mei Sian was appointed Head of Strategy and Risk of the Manager on 1 February 2020, a position in which she has served for more than 4 years before being redesignated to HOI on 1 May 2024.</p> <p>Tan Mei Sian is Deputy GCEO ("DGCEO") of IGB Berhad ("IGB") and Exco chair of Group Property Investment (Commercial) and Other Investment divisions. She is an alternate to Tan Lei Cheng on the board of IGB. Prior to her appointment as DGCEO on 1 January 2023, she was the Head of Group Strategy &amp; Risk, a role she held until 31 December 2022. Preceding that, she was NIED of Goldis (renamed IGB on 20 March 2018) from 18 May 2016 to 30 August 2018.</p> <p>Earlier in her career, Tan Mei Sian was an Engagement Manager at Oliver Wyman, specialising in financial services strategy and risk management consulting, having worked with major financial institutions in the United States, United Kingdom, Netherlands, China, Taiwan, Hong Kong, Singapore, Malaysia, Thailand and Australia.</p> <p>Tan Mei Sian graduated with a 2.1 from the London School of Economics and Political Science with a Bachelor of Science in Economics.</p>
<b>External Appointments</b>	IGB (DGCEO/Alternate Director to Tan Lei Cheng) Tan & Tan Developments Berhad

<b>Date of Appointment</b>	1 November 2023
<b>Board Committee(s)</b>	Audit Committee (Chairperson) Remuneration and Nomination Committees (Member)
<b>Profile Summary</b>	<p>Raymond Yeoh Cheng Seong ("Raymond Yeoh") began his career at Deloitte Haskins &amp; Sells, London in 1984 as an Accountant prior to being employed as a Derivatives Research Analyst at Hoare Govett Securities Limited based in London and then in Singapore in the early 1990s. He then moved to become an Arbitrage Trader at Bankers Trust Company, Singapore and subsequently held the position of Vice-President/Joint Head of Asian Currency and Interest Rate Trading at Merrill Lynch International Bank Limited, Singapore before joining Banco Santander SA, Singapore as Head of Asian Markets Trading. After various other positions there, Raymond Yeoh then moved to Hong Kong to become Banco Santander's Regional Treasurer for Asia.</p> <p>Raymond Yeoh returned to Malaysia to join Hong Leong Bank Berhad as its Head of Treasury, Wealth Management and Intra Group Cross Selling prior to moving to ABN AMRO Bank Berhad, Malaysia as its Executive Director/Head of Global Markets/Financial Markets. His career continued with his appointment as the Head of Global Markets (Malaysia and Vietnam) and subsequently as the Country Chief Executive Officer of Deutsche Bank (Malaysia) Berhad and Principal Officer of its Labuan branch. Raymond Yeoh concluded his banking career with another 10 years at Bank of America Malaysia Berhad as Country Head and Chief Executive Officer and Principal Officer of its Labuan branch before finally retiring in October 2023.</p> <p>Raymond Yeoh completed his Bachelor of Art's degree in Economics and Social Studies at the University of Manchester, United Kingdom. He is a Fellow of the Institute of Chartered Accountants in England and Wales and a Chartered Banker.</p>
<b>External Appointments</b>	Ayer Holdings Berhad CIMB Investment Bank Berhad The Royal Selangor Golf Club

## PROFILE OF DIRECTORS

(continued)



### ROBERT ANG KIM PACK

(Malaysian, male, age 67)

INED



### DATUK RICHARD LEE SAY TSHIN

(Malaysian, male, age 71)

INED

<b>Date of Appointment</b>	26 August 2020
<b>Board Committee(s)</b>	Remuneration Committee (Chairperson) Audit and Nomination Committees (Member)
<b>Profile Summary</b>	<p>Robert Ang Kim Pack ("Robert Ang") is a registered estate agent. He joined Rahim &amp; Co in 1982 and has extensive experience in the field. Robert Ang was the managing director of the agency in Rahim &amp; Co. for 30 years prior to retiring in 2019.</p> <p>Over his 38-year career, he has been a key figure in developing the firm's business; working closely with and advising local public-listed companies, foreign governments, multinationals and high net worth individuals on all aspects of their property requirements. Over the last 15 years, Robert Ang has also advised the United Kingdom and German governments vis-à-vis the acquisition and disposal of properties worth more than RM750 million. In 2015, he headed the team appointed by Black Rock and successfully concluded the sale of the Integra Tower at Intermark, Kuala Lumpur for RM1 billion. In addition to agency and consultancy work, Robert Ang has considerable experience in valuation and property management.</p> <p>Robert Ang graduated from the University of Waterloo (Canada) with a Bachelor's Degree in Mathematics.</p>
<b>External Appointments</b>	Nil

<b>Date of Appointment</b>	1 November 2023
<b>Board Committee(s)</b>	Nomination Committee (Chairperson) Audit and Remuneration Committees (Member)
<b>Profile Summary</b>	<p>Datuk Richard Lee Say Tshin ("Datuk Richard Lee") is an accomplished banker with over 46 years of experience in the banking industry, having held various positions in HSBC Bank Malaysia Berhad ("HSBC"), including the position of managing director of Strategic Business Development prior to his retirement in 2013. He is currently the Vice Chairman, Strategic Initiatives for HSBC.</p> <p>Datuk Richard Lee graduated from the University of Malaya with a Bachelor's Degree in Economics. He is also a Council Member of the Malaysian-China Business Council.</p>
<b>External Appointments</b>	CJ Century Logistics Holdings Berhad Padini Holdings Berhad Alpha IVF Group Berhad Malaysia-China Business Council

### Other disclosures

- Except for Dato' Seri Robert Tan, Tan Lei Cheng and Tan Mei Sian, no Directors have family ties with other Directors, major shareholders of the Manager, or major unitholders of IGB REIT.
- Dato' Seri Robert Tan, Tan Lei Cheng, and Tan Mei Sian have conflicts of interest due to their family companies' unitholding in IGB REIT related to the general mandate for recurrent related party transactions disclosed in the Corporate Governance Overview Statement.
- No Directors have been convicted of any offence (except traffic offences) in the past 5 years.
- No Directors faced public sanctions or penalties from regulatory bodies during FY24.
- Directors' attendance at Board and Board Committee meetings during FY24, as mentioned in the Corporate Governance Overview Statement.
- Directors' unitholdings in IGB REIT are disclosed in the Unitholding Statistics.

## PROFILE OF MANAGEMENT

### ANTONY PATRICK BARRAGRY

*Acting Chief Executive Officer*

#### Academic/Background/Working Experience

Antony Patrick Barragry ("Antony Barragry") was appointed Acting Chief Executive Officer ("CEO"), on 19 March 2025.

Antony Barragry had previously served as CEO of the Manager since the listings of IGB REIT and IGB Commercial REIT on 21 September 2012 and 20 September 2021, respectively, until his retirement on 31 December 2023.

Antony Barragry is a qualified architect with more than 45 years of international experience in the design, development and operations of mixed-use developments. His prior work experience includes Jebel Ali Hotel development in Dubai, Putra World Trade Centre in Kuala Lumpur and Kempinski Ciragan Palace Hotel in Istanbul. His career with IGB group commenced with Renaissance Kuala Lumpur Hotel in 1993; then, as Project Director for phase 1 of Mid Valley City, including Mid Valley Megamall; and subsequent, appointed Executive Director of Mid Valley City Sdn Bhd, a wholly-owned subsidiary of IGB, in 2002, where he spearheaded the development of more than 6 million square feet of mixed retail / commercial / hospitality space in Mid Valley City's phase 2 (The Gardens Mall and The Gardens Hotel & Residences). He was CEO of Mid Valley City Gardens Sdn Bhd from January 2008 until he relinquished the post in August 2012. He was also Project Director for the design and construction of St Giles Hotel-Feltham, London, and Pangkor Island Beach Resort upgrade in 2002.

He holds a Bachelor of Arts (Hons) and Diploma in Architecture from the University of Sheffield, United Kingdom. He was a member of Real Estate And Housing Developers' Association Malaysia (REHDA) and The International Real-Estate Federation (FIABCI).

### RENNIE LEE CHAI TIN

*Joint Deputy Chief Executive Officer ("JDCEO") (Retail)*

#### Academic/Background/Working Experience

Rennie Lee Chai Tin ("Rennie Lee") was appointed JDCEO (Retail) of the Manager on 1 January 2024. Before being appointed JDCEO (Retail), she served as Joint Chief Operating Officer and, before that, as Head of Operations/Leasing (Mid Valley Megamall or MVM), where she oversaw the day-to-day leasing operations, including asset enhancement strategies. She is a member of the Retail Risk Management and Sustainability Committee.

Rennie Lee has over 30 years of experience in retail management and operations. Notably, she was a key member of the MVM pre-opening team and played a vital role in leasing retail spaces. Since 1995, Rennie Lee has served as the General Manager of Mid Valley City Sdn Bhd, a wholly-owned subsidiary of IGB Berhad, before being appointed Chief Executive Officer on 1 January 2024. Her past work experiences included leasing and marketing for shopping malls such as Mahkota Parade, Subang Parade, and IOI Mall.

### IRENE SIN MAY LIN

*JDCEO (Commercial)*

#### Academic/Background/Working Experience

Irene Sin May Lin ("Irene Sin") was appointed JDCEO (Commercial) of the Manager on 2 May 2024. She is a member of Commercial Risk Management and Sustainability Committee of the Manager and holds a CMSRL license attached with the Manager.

Irene Sin has over 25 years of experience in the property, real estate, and corporate sectors, focusing on strategic business and financial management roles across diversified industries domestically and regionally in areas of REIT, asset management, retail, commercial office, hospitality, timber and plantation.

Irene Sin began her career as an auditor with PwC Assurance Division; then, joined Sunway Group where she last served as the CFO of Sunway REIT in 2022. Besides helming various corporate and finance roles in other organisations, she also held the position as the CEO Asset Management Division for a local diversified group before subsequently joining the Manager.

Irene Sin holds a Bachelor of Business from University of Technology, Sydney. She is a Chartered Accountant of the Malaysian Institute of Accountants ("MIA"), and a Fellow of CPA Australia. She currently serves as a Committee Member of MIA's Professional Accountants in Business.



## PROFILE OF MANAGEMENT

(continued)

### CHOW YENG KEET

*Chief Financial Officer (“CFO”)*

#### Academic/Background/Working Experience

Chow Yeng Keet has been appointed as CFO on 1 May 2024. He is also a member of the Retail Risk Management and Sustainability Committee of the Manager. Prior to his appointment as CFO, he was Head of Investment of the Manager.

Chow Yeng Keet has working experience in corporate finance and advisory covering mergers and acquisitions, equity and debt fund raising, capital management and restructuring, valuations as well as take-over offers. He started his career as Corporate Finance Executive with the then Sime Merchant Bankers Berhad in 1997. Thereafter, he was with Commerce International Merchant Bankers Berhad (now known as CIMB Investment Bank Berhad) where his last position was Corporate Finance Manager prior to joining IGB Corporation Berhad (“IGBC”) in 2004. He was appointed as Senior General Manager, Corporate Finance of IGBC from 1 January 2017. After the privatisation of IGBC by IGB Berhad (“IGB”) on 16 March 2018, he resumed the same role at IGB and then appointed as Deputy GCFO on 1 January 2023. He is currently Director of Finance of MVC.

He holds a Bachelor of Economics (First Class Honours) from University of Malaya, is a Fellow of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants.

### GABRIELLE TAN HUI CHWEEN

*Chief Marketing Officer (“CMO”) of The Gardens Mall (“TGM”) and Mid Valley Megamall (“MVM”)*

#### Academic/Background/Working Experience

Gabrielle Tan is CMO (TGM & MVM) of the Manager since January 2025.

She joined Mid Valley City Gardens Sdn Bhd as Head of Marketing in 2008 and subsequently assumed the role of Director of Marketing. She oversees the advertising and promotions activities as well as the public relations initiatives at TGM and MVM.

Gabrielle Tan holds a Bachelor of Arts in Business Economics from the University of Exeter, United Kingdom and a Bachelor of Fine Arts in fashion design and marketing from American Intercontinental University, London, United Kingdom.

### TINA CHAN LAI YIN

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

#### Academic/Background/Working Experience

Tina Chan Lai Yin (“Tina Chan”) has been the HOC/CS of the Manager since IGB REIT was listed in September 2012.

Tina Chan has over 30 years of extensive experience in corporate secretarial work, handling various corporate matters exercises. She began her corporate secretarial career at a legal firm in 1990. She later assumed the role of Joint Company Secretary at Tan & Tan Developments Berhad (“Tan & Tan”), where she played a significant role in the floatation of Tan & Tan in 1993 (a property development company that was listed on Bursa Malaysia until Goldis Berhad, now known as IGB Berhad (“IGB”), assumed its listing on 8 May 2002 after the completion of the merger between IGB Corporation Berhad (“IGBC”) and Tan & Tan). She joined IGBC in 1997 and later assumed the position of Senior General Manager (Corporate Secretarial), overseeing the group's governance processes and company secretarial matters. She ensures the group companies comply with and operate according to statutory and regulatory requirements. She assumed the position of Group Company Secretary of IGB following the privatisation of IGBC. She was also involved in the listing exercises for IGB Commercial REIT, which was listed in September 2021.

She is a Fellow of the Chartered Governance Institute.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### The Manager

IGB REIT, established as a REIT, is externally managed by IGB REIT Management Sdn. Bhd. ("IGBRM") in its capacity as the manager of IGB REIT (the "Manager"). The business and affairs of IGB REIT are overseen by the Manager's Board of Directors (the "Board" or "Directors").

The Manager holds general management powers over IGB REIT's assets. Its primary responsibility is to manage the assets and liabilities of IGB REIT for the benefit of the unitholders ("UHs"), with a focus on generating rental income and enhancing asset value over time to maximise investment returns and, ultimately, the distributions to UHs.

The Manager's primary role is to establish IGB REIT's strategic direction and business plans in alignment with its mandate. This includes recommending to MTrustee Berhad (in its role as trustee of IGB REIT) regarding any investment or divestment opportunities consistent with IGB REIT's stated investment strategy.

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

### Governance at IGB REIT

The Manager is committed to adopting sound corporate governance ("CG") principles, including accountability, transparency, and sustainability. The Manager's stewardship approach ensures that IGB REIT meets its economic, ethical, legal, and social responsibilities to stakeholders.

The Board is dedicated to effective CG, which serves as a foundation for fostering the long-term growth and sustainability of IGB REIT's business to benefit UHs and other stakeholders.

While IGB REIT must adhere to the Securities Commission's ("SC") Guidelines on Listed Real Estate Investment Trusts ("REIT Guidelines") and the Bursa Malaysia Securities Berhad's ("Bursa") Main Market Listing Requirements ("MMLR"), the Manager continues to regard the principles of good governance outlined in the Malaysian Code on Corporate Governance ("MCCG") and seeks to comply with the MCCG wherever appropriate for IGB REIT and the Manager.

This Corporate Governance Overview Statement ("CGOS") outlines the Manager's key CG policies and practices related to IGB REIT's operations for the financial year ended 31 December 2024 ("FY24") and up to the date of this CGOS which has been approved by the Board on 28 January 2025. IGB REIT has complied with the key principles of the MCCG in all significant aspects. In instances where there are deviations from the MCCG principles, this CGOS provides explanations and insights into the alternative practices that have been adopted.

### Principle A: Board Leadership and Effectiveness

#### The Manager Governance Framework

##### Board Chairman

**Dato' Seri Robert Tan Chung Meng**  
("DSRT")  
Non-Independent Non-Executive  
Director ("NINED")

- Leads the Board in overseeing IGB REIT, ensuring effectiveness by facilitating productive and comprehensive discussions on IGB REIT strategies, business operations, sustainability-related risks and opportunities ("SROs"), and business plans.
- Spearheads IGB REIT's initiatives to promote, attain, and maintain good governance standards.
- Presides over general meetings and fosters constructive dialogue between UHs, the Board, and the Chief Executive Officer ("CEO").

##### Board

- 2 NINED
- 3 Independent Non-Executive Directors ("INEDs")
- 2 Executive Directors ("EDs"), one of whom is the CEO

- Promotes the long-term success of IGB REIT in delivering sustainable value to UHs.
- Provides oversight of IGB REIT's strategic vision, direction, performance, and overall affairs.
- Engages with stakeholders while prioritising sustainability and sound governance principles.
- Offers leadership to the CEO and senior management (collectively referred to as "SM", with each individual is called an "Officer").

##### Board Committees ("BCs")

###### Audit Committee ("AC")

**Chair: Raymond Yeoh Cheng Seong** ("RYCS")  
➔ 3 INEDs

###### Remuneration Committee ("RC")

**Chair: Ang Kim Pak** ("AKP")  
➔ 3 INEDs and 1 NINED

###### Nomination Committee ("NC")

**Chair: Datuk Richard Lee Say Tshin** ("DRL")  
➔ 3 INEDs and 1 NINED

###### Retail Risk Management & Sustainability Committee ("Retail-RMSC")

**Chair: Elizabeth Tan Hui Ning** ("ETHN")  
➔ SM team

- The BCs' terms of reference ("ToR") is available at [www.igbreit.com](http://www.igbreit.com).
- The Board Chairman is not a member of any BCs.

##### ED/CEO ETHN

- Develops IGB REIT's strategies for the Board review and approval.
- Oversees the business and day-to-day management of the Manager and IGB REIT.
- 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 IGB REIT's strategic, investment, and operational objectives

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## Clear division of roles and responsibilities

<b>Board Chairman</b>	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 IGB REIT, particularly at the Board level; and ensures effective communication with UHs.
<b>NEDs</b>	Monitor and scrutinise IGB REIT'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 EDs.
<b>CEO</b>	Leads the SM in executing IGB REIT's strategies and plans in alignment with the Board's direction; spearheads business direction and operational decisions for managing IGB REIT; and communicates IGB REIT's progress against its strategy and operational performance to investors and analysts. In executing these tasks, the CEO is supported by the Joint Deputy CEO ("JDCEO") and SM.

The clear distinction between the roles and responsibilities of the Board Chairman, NEDs, and CEO fosters a strong professional relationship between the Board and SM, ensuring clarity in their duties and facilitating practical discussion regarding the business activities of the Manager and IGB REIT.

## Board Framework

The Board has a Charter (available at [www.igbreit.com](http://www.igbreit.com), updated on 23 January 2025) 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 IGB REIT's sustainability and business strategy, 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 Retail-RMSC. Any issues not falling under the authority of the Board's or its BCs' authority are the responsibility of the CEO, JDCEO, and/or Chief Financial Officer ("CFO"). These matters are either reserved for them or further delegated to the executive team according to an authority limit matrix, which is also reviewed and approved by the Board.

## Sustainability Governance

Sustainability is a core element of IGB REIT's operations. The Manager has implemented robust governance processes to ensure effective oversight of IGB REIT's strategy and direction. In recent years, IGB REIT has made significant strides in integrating sustainability into its business activities, including strategy, operations, risk management, and corporate culture. IGB REIT is dedicated to further advancing its sustainability efforts in the future. To support these initiatives, IGB REIT adheres to the IGB Group Sustainability Policy, which serves as guiding framework for IGB REIT's commitments to sustainability.

The Board recognises that sustainability is vital for good governance and acknowledges its stewardship responsibilities towards IGB REIT. The Board is dedicated to building a sustainable and resilient IGB REIT that creates value for UHs and stakeholders. The Board and the Retail-RMSC, led by the CEO, are responsible for incorporating sustainability considerations into IGB REIT's strategic decisions. The Retail-RMSC, with support from by the Head of Group Strategy, Risk, and Sustainability ("GSRS") of IGB, plays a central role in developing IGB REIT's sustainability objectives and strategies, monitoring performance, and promoting responsible business practices. The Board oversees sustainability matters by reviewing quarterly reports from the Head of GSRS, who evaluates and monitors the effectiveness of sustainability efforts initiatives.

As outlined in the **Sustainability Statement** section of the Annual Report 2024 ("AR24"), IGB REIT is committed to transparency in integrating sustainability into its business practices and initiatives related to key sustainability issues. By identifying, managing, and monitoring both business and sustainability aspects, IGB REIT continually uncovers opportunities for improvement within its properties portfolio.

IGB REIT's initiatives reflect its continuous dedication to creating sustainable value. IGB REIT will consistently improve its sustainability performance by engaging with stakeholders and keeping informed about new sustainability issues that affect its operations.

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

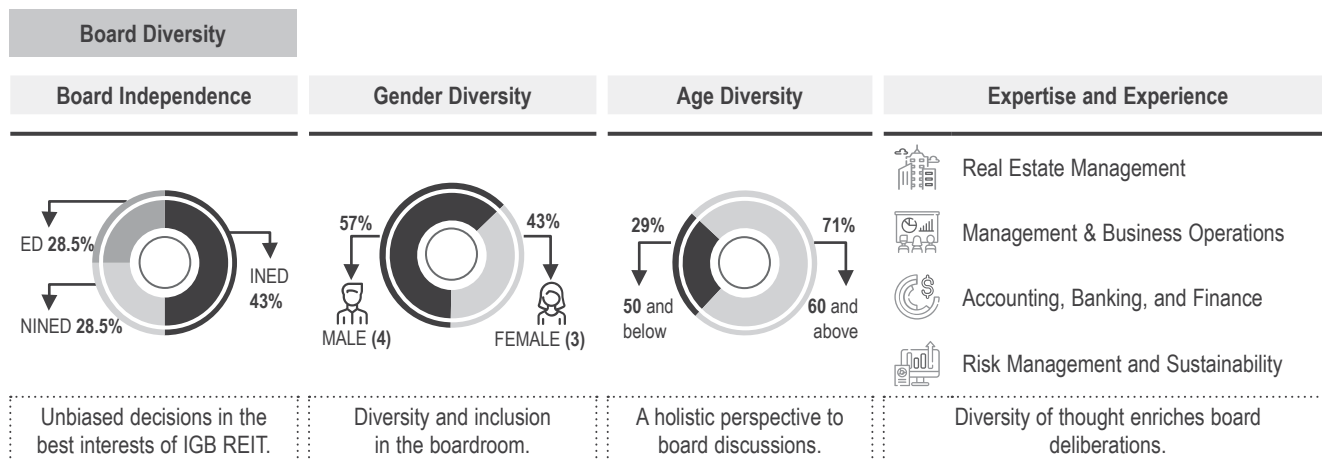
The Board recognises that sustainability issues are complex, evolve rapidly, and present significant risks and opportunities for IGB REIT's business. Therefore, the Board aims to continuously enhance its knowledge and skills while staying informed about emerging sustainability regulations, standards, frameworks, and stakeholder expectations. In addition to discussing IGB REIT's sustainability matters during Board meetings, Directors receive regular updates on critical sustainability issues, especially new climate and sustainability financial reporting requirements that align with IGB REIT'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 Manager's Remuneration Policies and Practices ("RPP") and measures value creation for IGB REIT through financial benefits, cost savings, and contributions to its long-term sustainability goals.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

As described above, sustainability management has board-level oversight, supported by Retail-RMSC and presided over by the CEO, who oversees sustainability matters of IGB REIT—identification, assessment, and disclosure of such risks. These data flows into the boardroom to ensure well-informed discussions. Additionally, the Group Internal Audit (“GIA”) of IGB, which provides IA outsourcing, will examine internal controls to ensure sustainability is integrated within IGB REIT’s decision-making process. Meanwhile, the external auditor (“EA”) will focus on disclosures in the financial statements. Therefore, the NC believes that a specific individual to manage the sustainability of IGB REIT is not necessarily required.



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

As part of its responsibility for overseeing Board succession planning, the NC identifies qualified candidates to fill vacancies and seeks individuals to enhance the current Board’s composition. When appointing new Directors, the NC ensures a suitable balance of skills, knowledge, experience, independence, and diversity.

The NC employs a rigorous process for selecting, nominating, and appointing directors. This process involves reviewing candidates’ curricula vitae and biographical information which includes their career paths and personal or professional qualifications. Background checks are conducted to ensure candidates do not have any prohibited characteristics, in accordance with relevant laws and the Manager’s Fit and Proper (“FAP”) Guidelines. Additionally, formal or informal interviews may be conducted at the NC’s discretion. The decision to select directors will be based on merit and evaluated against objective criteria that enhance the overall skills and experience of the Board. Current Directors, SM, or third-party referrals may propose potential candidates.

For FY24, there have been no new Directors appointed to the Board. Encik Halim bin Haji Din (“HHD”) resigned on 1 March 2024 to adhere to the mandatory 12-year tenure limit for independent directors, with RYCS assuming the role of Chairperson of the AC.

Since IGB REIT is an externally managed trust, UHs cannot legally vote for the Manager’s Directors. According to the Manager’s Constitution, directors are not subject to periodic retirement by rotation. However, each Director undergoes an annual performance review against established criteria to assess effectiveness.

### Board Processes

#### Board/BC Schedules

The Board oversees IGB REIT and shapes its strategic directions through at least 4 regular meetings each year, with additional sessions as necessary for specific issues. Meeting dates are pre-established to ensure active participation. Directors are required to attend UHs and Board/BC meetings in person or via audio or video conference unless recusal is necessary.

Attendance for FY24 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 materials, consider the issues, and prepare for the meeting.

The CEO, CFO, Head of Compliance/Company Secretary (“HOC/CS”), Head of GSRS, and Head of GIA 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 prior to confirming at the subsequent meeting.

#### Board Areas of Focus

The Board meets quarterly, with additional meetings scheduled to address specific issues. During FY24, the Board convened 4 times to discuss significant matters that needed its input and approval.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

In each meeting, the Board reviews IGB REIT's financial performance, portfolio results, and business outlook, which are typically discussed in advance during the AC meeting. The Board also addresses sustainability risks, mitigation strategies, regulatory updates, and SM mandates, including budgets and business plans—chairs of BCs present summaries of key decisions and recommendations from their meetings.

Key focus areas that have been reviewed and approved by the Board for the Manager and IGB REIT in FY24 and to date include:

- IGB REIT's strategies, including SROs, budgets, plans, and policies.
- Quarterly financial reports and property portfolio performance (including asset enhancement initiatives).
- Quarterly financial results and year-end financial statements of IGB REIT and the Manager.
- Quarterly income distributions of IGB REIT.
- Quarterly reports on IGB REIT's strategy, key risks, and sustainability initiatives. The Strategy and Risk Framework was updated in January 2024.
- Technology Risk Management Framework of IGB REIT.
- Valuation of IGB REIT's property portfolio.
- Annual board performance evaluation, focusing on the skills and competencies each Director contributes.
- Annual remuneration review for Directors, CEO, and SM to ensure they are fairly recognised for their contributions and responsibilities.
- Policies, procedures, and practices related to operational and CG. The Operations Manual was revised to incorporate more in-depth details on risk assessments of customers (tenants' profiling) to identify red flags associated with money laundering, terrorism financing, proliferation financing, or other illicit activities, the roles and responsibilities of the Directors and SM, and the IA's role in assessing compliance effectiveness.
- Reports and statements for inclusion in the AR of IGB REIT – Management Discussion and Analysis, Sustainability Statement, Statement on Risk Management and Internal Control ("SORMIC"), CGOS and Circular to UHs regarding the new and renewal of recurrent related party transactions ("RRPT Mandate").

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

Directors and SM should act with integrity, impartiality, honesty, and professionalism. They must avoid any 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 Manager and IGB REIT.

The Manager 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 CEO for authorisation, emphasising the need to uphold professionalism and ethics in the Manager's and IGB REIT's business activities. To assist the AC in fulfilling its responsibilities, the Manager conducts an annual declaration exercise requiring the Directors and SM to complete the COI declaration form. The annual COI declaration streamlines the disclosure process and ensures that the Manager 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 CEO, 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 HOC/CS, who provides advisory services to the Board, particularly concerning CG and compliance issues, including adherence to the relevant laws and guidelines applicable to the Manager and IGB REIT.

Tina Chan Lai Yin, a Fellow of the Chartered Governance Institute, is the HOC/CS. She is a qualified Chartered Secretary with experience in corporate compliance and governance. The HOC/CS is essential for ensuring that the Manager and IGB REIT comply with relevant guidelines, rules, and regulations, including the disclosure requirements specified in the REIT Guidelines, MMLR, and Capital Markets and Services Act 2007 ("CMSA"). A summary of roles and responsibilities is provided below:

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

HOC/CS collaborates with the CEO and SM to establish essential internal controls and procedures, facilitating effective measurement and monitoring of regulatory compliance. To fulfill her advisory role to the Board, HOC/CS undergoes continuous training to stay updated on the latest regulatory changes, industry developments, and CG best practices.

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

When appropriate, Directors may seek independent professional advice, individually or collectively, to effectively fulfill their duties.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## 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 January 2025, 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 9 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 assistance from NC), from any interest, position, affiliation, or relationship that could influence, or be perceived as influencing, their ability to exercise independent judgment on issues presented to the Board and act in the best interests of IGB REIT as a whole, rather than in the interests of any individual UH or other parties.

The Board reviews the independence of INEDs annually. NC evaluates the yearly independence confirmations received from each INED, considering the criteria set forth in the CMSA, REIT Guidelines, and MMLR.

In January 2025, NC evaluated the independence of each INED and the overall independence balance on the Board. All INEDs confirmed they have no relationships or situations that might compromise their independence. According to these confirmations and the independence criteria set forth in the Charter, REIT Guidelines, and MMLR, NC, with the Board's agreement, has concluded that the 3 INEDs – RYCS, AKP, and DRL – are capable of acting in the best interests of IGB REIT and will continue to effectively carry out their independent roles, as further detailed in the **NC Report** section. Each NC member refrained from evaluating their own independence.

## Continuing Professional Development

Directors must maintain the skills necessary to fulfill their obligations to IGB REIT. They must remain informed about strategic issues and retail changes that affect IGB REIT and the market in which it operates.

During FY24, all Directors engaged in continuing education, training, and development programmes, as outlined below:

- Asian Institute of Chartered Bankers - Banking Ethics
- CHK Consultancy Sdn Bhd ("CHK"): Investing in Tomorrow – Artificial Intelligence's ("AI") Impact on Wealth Management and Global Economy
- CHK: Malaysia's Economic and Financial Growth: Insights and Analysis
- CIMB Group Holdings Berhad ("CIMB") - Navigating the future with emerging technologies
- CIMB - Cyber threat landscape and why it matters
- CIMB - Embedding Business and Human Rights in Financial Institutions
- CIMB - Joint cyber Drill and Crisis Simulation Exercise
- CIMB - Cloud Services
- CIMB - Board ongoing education, Insider Threats
- De Marq Training & Development: Effective Ways to Control Energy Saving in Building
- HSBC Bank Malaysia Berhad ("HSBC") In-house Training: Cybersecurity – Spotting Fake Emails
- HSBC In-house Training: New Perspectives – Existing Employees
- HSBC In-house Training: Fighting Financial Crimes – Existing Employees
- Iclif Executive Education Centre: Bursa – COI and Governance of COI
- Institute of Corporate Directors Malaysia ("ICDM")/Bursa Malaysia: Business Continuity Plan is Out – Director Preparedness for AI-Powered Attacks on People, Tech and Governance
- ICDM/Bursa Malaysia: Building Sustainable Credibility – Assurance, Greenwashing and The Rise of Green-Hushing
- ICDM: Mandatory Accreditation Programme Part II – Leading for Impact
- International Centre for Education in Islamic Finance - Islamic Finance for Board of Directors
- Malaysia Institute of Accountants: AC Conference 2024 – Embracing Strategic Oversight - The Future of Audit Committees
- Malaysian REIT Managers Association (MRMA) Forum 2024: M-REITs Reconfigured – Growth Markets, Prospects and Alternative Asset Classes
- Malaysian Anti-Corruption Commission - Anti Bribery and Corruption
- Securities Commission's Audit Oversight Board: Preparing for International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards in Malaysia
- Securities Industry Development Industries ("SIDC"): Cybersecurity and Data Privacy – The Fight against Financial Crime
- SIDC: Techguard – Empowering Capital Markets with Resilient Technology Risk Framework
- SIDC - Capital Markets Directors Program modules A1, 2,3 & 4
- Young President's Organisation (YPO) Malaysia Chapter: GEDI Training @ David Roberts – Exponential Disruption, AI and Business Disruption and Global Impact
- Willis Towers Watson - Syndication Training

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## Board Committees (“BCs”)

The Board has appointed 4 BCs to oversee specific operations: AC, NC, RC, and Retail-RMSC. 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 objectives, scope, and authority of each BC. The discussion topics and meeting frequency vary based on each BC's ToR and the complexity of the portfolio. BCs may extend invitations to non-BC and SM members to participate in meetings for reports and guidance as necessary. Additionally, BCs are permitted to seek independent counsel, experts, or advisors they consider appropriate.

Through the BCs, the Board conducts a thorough analysis of the various aspects of the business and receives reports from BC chairpersons highlighting issues that require the Board's further attention or acknowledgment.

As part of the Manager's governance processes, the BCs underwent an internal evaluation in January 2025. 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 FY24 and up to the date of this CGOS are outlined in the respective BC reports provided below:

## AC Report

<b>Primary Role</b>	<p>Provides independent oversight of IGB REIT's financial accounting and reporting processes, internal control systems, IA functions, external audits, related party transactions (“RPT”), COI situations, and compliance of both the Manager and IGB REIT with laws, regulations, and code of conduct.</p> <p>In FY24, 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.</p>
<b>Key Activities</b>	<p>The following key points were discussed and formed the basis for the decisions and recommendations presented to, and approved by, the Board:</p> <p><b>Financial Reporting</b></p> <ul style="list-style-type: none"> <li>Quarterly results were reviewed to ensure that these reports are fair, balanced, and understandable, providing the necessary information for UHs to evaluate IGB REIT's position and performance strategy.</li> <li>The Financial Reporting Checklist FY24 was completed by CFO and reviewed by CEO. Assurance was received that adequate processes and controls effectively supported in the preparation of IGB REIT's year-end financial statements.</li> </ul> <p>AC has confirmed that the financial statements and accompanying notes comply with relevant laws and financial reporting standards. The Board's conclusion regarding IGB REIT Financial Statements FY24 is outlined in the Directors' Report and the Statement by Directors.</p> <p><b>Internal Controls and Compliance</b></p> <ul style="list-style-type: none"> <li>The annual review of IGB REIT's internal processes assessed the adequacy and integrity of its internal control systems. This includes evaluations of financial, operational, IT, sustainability, risk management, and the controls designed to detect material fraud.</li> <li>AC found no significant irregularities or deficiencies in internal controls during FY24 and concluded that IGB REIT's internal control and compliance measures were adequate and appropriate for its business operations. This opinion has been communicated to the Board.</li> </ul> <p><b>AC Charter</b></p> <ul style="list-style-type: none"> <li>The AC Charter was adopted on 23 January 2025, to clarify the scope of AC's functions and responsibilities.</li> </ul> <p><b>IA</b></p> <ul style="list-style-type: none"> <li>The updated IA Charter aligned with the Global IA Standards was approved on 23 January 2025.</li> <li>The annual risk-based IA plan, along with assurance from the Head of GIA that the GIA Department (“GIAD”) possesses the necessary resources and competence to carry out the IA function effectively and independently.</li> <li>The quarterly reports on the delivery of the IA plan highlight key findings from IA's work and management's actions to address identified issues. IA issued 15 audit reports, including progress reports and special reports, for the Manager's and IGB REIT's assignments. Most findings were rated as satisfactory; however, some areas required improvement, particularly regarding control weaknesses, risk management, compliance issues, and documentation errors. All identified gaps have since been addressed.</li> <li>Coordination between IA and external auditor (“EA”) to maximise the benefits of effective communication and coordinated activities.</li> <li>AC met with the Head of GIA twice without management to discuss audit issues and weaknesses in internal controls identified during their assessment audit. IA pointed out that there were no significant shortcomings or obstacles in executing their audit assignments.</li> <li>IA's assurance statement concerning the review of sustainability data is presented in the <a href="#">Sustainability Statement</a>.</li> </ul> <p><b>External Audit</b></p> <ul style="list-style-type: none"> <li>The audit plan for closing the year-end accounts of IGB REIT outlines the EA's responsibilities, areas of emphasis, and the audit approach.</li> </ul>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

<b>Key Activities</b> (continued)	<ul style="list-style-type: none"> <li>Met with the EA twice without management to discuss issues or concerns arising from their audit. No significant issues were raised. EA received full cooperation from SM and had unrestricted access to IGB REIT's records.</li> </ul>
	<ul style="list-style-type: none"> <li>Engaged PwC for the implementation of electronic invoicing.</li> </ul>
	<ul style="list-style-type: none"> <li>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 independence, objectivity, and the effectiveness of the audit process.</li> </ul> <p>AC is satisfied with PwC's technical competencies, execution of audit plans and reporting, and overall effectiveness performance.</p>
	<p><b>COI and RPT</b></p> <ul style="list-style-type: none"> <li>Directors and SM completed their annual COI declarations. For FY24, only 1 Officer declared COI. This conflict was effectively managed by excluding the involved individual from discussions, negotiations, and approvals related to the contract.</li> </ul> <p>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.</p> <ul style="list-style-type: none"> <li>The quarterly reports on RPT and RRPT enable effective monitoring and reporting in line with established RPT guidelines and approved mandates.</li> </ul> <p>In FY24, IA assessed the adequacy and effectiveness of RPT/RRPT reporting process. The assessment concluded that appropriate governance and reporting practices are established, and the transactions conducted by the Group were undertaken at arm's length.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

### NC Report

<b>Primary Role</b>	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 and SM 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 NEDs on an annual basis, and reviews CG matters.
<b>Key Activities</b>	<p>The following key points were discussed and formed the basis for the decisions and recommendations presented to and approved by the Board:</p> <p><b>Annual Board Evaluation</b></p> <p>The annual assessment of board performance, which focuses on the diversity of the board composition and the collective effectiveness of both the Board and its BCs, as well as individual Directors, was conducted in January 2025 using an internal questionnaire. All Directors submitted their COI and FAP declaration forms, with no exceptions noted.</p> <p>NC determined that the Board members have highly relevant knowledge and experience, diverse skills, and a comprehensive understanding of IGB REIT's business; therefore, the Board and its BCs functioned effectively, and each Director dedicated sufficient time to fulfill their duties and responsibilities.</p> <p>The Board has a balanced team with diverse skills that align with the strategic objectives of IGB REIT. Each Director has dedicated adequate 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 IGB REIT's operations in accordance with the established strategies and objectives. The Board successfully achieved its performance objectives for FY24, and it was deemed unnecessary to engage an independent expert, given the size and composition of the Board and the regular meetings conducted by both the Board and its BCs.</p> <p><b>Independence of INEDs</b></p> <p>INEDs have the necessary experience and business insight to influence Board decisions and act in the best interests of IGB REIT and its UHs, facilitating balanced decision-making. None of the INEDs have financial, business, familial, or other significant relationships with the Manager, IGB REIT, its major UHs, or its SM. NC confirmed that all INEDs maintained their independence throughout FY24.</p> <p>While there is no majority of INEDs on the Board, its decisions are made objectively in IGB REIT's best interests, taking into account its members' diverse perspectives and insights. There has been strong oversight in BCs – AC, RC, and NC – all chaired by INEDs. The Manager will assess the need to appoint an additional INED.</p> <p><b>Governance Policies and Practices</b></p> <p>Every year, NC reviews and assesses the adequacy of IGB REIT's governance framework and practices, recommending improvements as needed to enhance the governance environment.</p> <p>The most recent assessment took place in January 2025, during which NC concluded that IGB REIT remains committed to sustainable development and high governance standards. Directors and SM strictly adhered to the Manager's processes, procedures, and policies. The IGB Group's Anti-Bribery and Corruption Policy, which the Manager subscribes to, continues to be actively implemented. The Manager is dedicated to upholding good governance principles, business integrity, and professionalism in IGB REIT's activities.</p>



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## RC Report

<b>Primary Role</b>	Reviews the Manager's RPP and establishes the remuneration for Directors and SM including terms of employment.
<b>Key Activities</b>	<p><b>Remuneration for NEDs</b> NEDs are compensated for their time commitment, skills, and level of responsibilities. In 2024, RC assessed the NED remuneration against sector peers and recommended a 20% increase in the annual NED fees for FY24 pending approval by IGBC.</p> <p><b>Remuneration for CEO and SM</b> The annual increment for 2025 and the bonus for FY24 were determined by considering market practices, benchmarking against peer group companies of similar size and complexity, assigned responsibilities, individual work performance, and operational results of IGB REIT.</p> <p>RC also offered insights and recommendations to management on human capital management, aiming to boost morale and retain top talent within the Manager.</p> <p>The Manager'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 the Manager to attract and retain top talent, supporting IGB REIT's overall business strategy and long-term objectives, which include growth, sustainability, and profitability.</p>

## Retail-RMSC Report

<b>Primary Role</b>	Oversees IGB REIT's strategic activities and sustainability management.
<b>Key Activities</b>	<p>The following issues were discussed, deliberated on, and addressed at Retail-RMSC quarterly meetings:</p> <ul style="list-style-type: none"> <li>Key performance indicators of the retail mall businesses.</li> <li>Financial and non-financial business risks and risk mitigation action plans.</li> <li>Sustainability objectives, strategies, targets, and effectiveness of sustainability policies and programs.</li> <li>Benchmark sustainability-focused practices, risk oversight, and disclosure against peer practices, regulatory requirements, and institutional investor guidelines.</li> </ul>

## Board and BC Meeting Attendance

The table below sets out the attendance of Directors and BC members at meetings of the Board, BCs, and AGM in FY24:

Attendance of Meetings	Board	AC	NC	RC	Retail-RMSC	2024 AGM
Total meetings	4	4	1	3	4	
<b>Chairman and NEDs</b>						
DSRT	4	-	-	-	-	✓
HHD (Retired on 1 March 2024)	1	1	1	1	-	-
AKP	4	4	1	3	-	✓
DRL	4	4	1	3	-	✓
RYCS (Appointed as AC Chairperson on 1 March 2024)	4	4	1	3	-	✓
Tan Lei Cheng ("TLC")	4	2*	1	3	-	✓
<b>EDs</b>						
ETHN	4	4*	-	-	4	✓
Tan Mei Sian ("TMS")	4	2*	-	-	3	✓

\* By invitation

## Directors and SM Remuneration

The Manager also manages IGB Commercial REIT ("IGBCR"), which is listed on the Main Market of Bursa. IGB REIT and IGBCR (collectively, the "REITs") have different investment policies. Constituted as trusts, the REITs do not have personnel of their own. The remuneration of the Directors and SM is paid by the Manager, not by the REITs.

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

The Board, as a whole, will determine the remuneration for 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 compensation levels of directors from peer companies and industry standards, considering the expected time commitment from NEDs. The Board Chairman and AC Chairman receive higher fees due to the additional responsibilities associated with those positions. NED fees are not performance-related and require IGBC's approval. No other payments are made to NEDs, aside from meeting allowances and other benefits. EDs and CEO do not receive fees or meeting allowances since they are salaried executives. 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 concerning their remuneration.

SM personnel have service contracts with the Manager, and their remuneration includes basic salaries and performance bonuses aligned with industry benchmarks. Pay scales are determined based on individuals' skills, experience, responsibilities, performance, and market competitiveness. RC recommends the remuneration for CEO, which the Board approves annually. Compensation for other executive management is approved by CEO 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, the Manager aims to ensure that their remuneration is fair and reflects their significant roles within the Manager. This progress acknowledges their hard work and dedication while fostering a culture of accountability and performance-driven rewards. The remuneration of Directors and SM was reviewed in October 2024, as detailed in the **RC Report** section.

Below are the details of each Director's remuneration that has been paid and is payable for FY24:

Directors	Remuneration <sup>(a)(b)</sup> RM	Fee <sup>(a)</sup> RM	Meeting Allowance <sup>(c)</sup> RM	Benefits-in-kind ("BIK") <sup>(a)(d)</sup> RM	Total RM
<b>Chairman and NEDs</b>					
DSRT	-	218,400	24,000	-	242,400
HHD (Retired on 1 March 2024)	-	28,600	16,000	500	45,100
AKP	-	156,000	51,500	1,200	208,700
DRL	-	156,000	50,500	3,700	210,200
RYCS (Appointed as AC Chairperson on 1 March 2024)	-	169,000	53,000	1,200	223,200
TLC	-	156,000	30,000	4,740	190,740
<b>EDs</b>					
ETHN	1,296,435	-	-	20,050	1,316,485
TMS	375,718	-	-	-	375,718
<b>Total</b>	<b>1,672,153</b>	<b>884,000</b>	<b>225,000</b>	<b>31,390</b>	<b>2,812,543</b>

(a) Managing 2 funds i.e., IGB REIT and IGBCR, subject to the approval of IGBC

(b) Base salary and annual bonus (including EPF contributions)

(c) Total meeting allowance for IGB REIT and IGBCR: Board (8) and BCs (8)

(d) Long service award, mobile phone subsidy, health screening subsidy, recreational club, fitness club, driver and season pass parking

NC and the Board maintain that, given the confidentiality and sensitivity surrounding staff remuneration, the competitive nature of talent in the REIT management industry, and the necessity of maintaining stability in business operations with a skilled and experienced SM team, it is the Manager's best interests 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 UHs while safeguarding their interests.

The remuneration for the top 5 officers (who are not Directors) for FY24 is categorised in bands of RM50,000 rather than on a quantum basis, and is detailed as follows:

Remuneration Band	Number of Officers	Remuneration <sup>(a)</sup>	BIK <sup>(b)</sup>	Total
Between RM150,000 – RM200,000	1	100.00%	-	100.00%
Between RM200,000 – RM250,000	1	100.00%	-	100.00%
Between RM250,000 – RM300,000	2	99.32%	0.68%	100.00%
Between RM500,000 – RM550,000	1	98.73%	1.27%	100.00%

(a) Base salary, fixed allowance and annual bonus (including EPF contributions) are to manage 2 funds i.e., IGB REIT and IGBCR

(b) Recreational club, fitness club, driver and season pass parking

### Acting Ethically and Responsibly

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

A summary of the key corporate policies and guidelines outlined in this CGOS can be found on IGB REIT's website at [www.igbreit.com](http://www.igbreit.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.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

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

## 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 Manager and IGB REIT. Directors are expected to act in good faith and prioritise the best interests of IGB REIT and its UHs.

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

## FAP Guidelines

All members of the Board and SM must meet the qualifications outlined in the Manager's FAP Guidelines. This includes but is not limited to, standards of integrity and reputation, competence and capability, and financial soundness. Furthermore, they must not possess any prohibited characteristics as defined by the CMSA, MMLR, and other applicable laws and regulations.

According to this guideline, Directors and SM must submit a FAP declaration twice a year, specifically before filing the Anniversary Reporting for Authorisation of Activity to the SC and the issuance of IGB REIT's AR. The FAP assessments were conducted in January 2025 under this policy process.

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

The Manager's internal procedures regarding securities transactions emphasise the requirements specified in the CMSA, particularly concerning the prohibition of insider trading. Directors and SM in possession of material information about IGB REIT must refrain from trading the Units 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 Units during the period that begins one month before the announcement of IGB REIT's quarterly financial results and at any time while in possession of price-sensitive information.

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

The interests in Directors' Units are presented in the [Unitholding Statistics](#) section.

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

The Manager recognises the importance of lawful and ethical behaviour in IGB REIT's business activities. The Manager is committed to upholding the values of transparency, integrity, impartiality, and accountability in IGB REIT's operations.

The Manager subscribes to the IGB Group ABC Policy. 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 of IGB.

In FY24, no instances of bribery, corruption, or fraud were reported.

## Whistleblowing Policies and Procedures ("WPP")

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

## Guidelines for RPT and RRPT

The Manager has implemented controls and reporting measures for RPT and RRPT to ensure that all transactions involving Directors, CEO, major UHs, and persons connected to them are conducted on an arm's length basis and under normal commercial terms. This is in accordance with IGB REIT's business practices and policies and ensures there is no detriment to IGB REIT and its minority UHs. 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 IGB REIT with RPs are documented by the Manager 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 UHs. IA also reviews RPT/RRPT to verify compliance with established guidelines and procedures, including the relevant provisions of MMLR. The review assesses the nature of the transaction, supporting documents, and other necessary information data.

At the Twelfth Annual General Meeting of IGB REIT on 17 April 2024 ("2024 AGM"), a general mandate was obtained from UHs under paragraph 10.09(2) of the MMLR, allowing IGB REIT to enter into RRPT with RPs. From the date of the 2024 AGM up to the date of this CGOS, for RRPT carried out with each transacting party, the total actual value did not exceed the total estimated value.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

On 23 January 2025, IGB REIT announced its intention to seek UH approval for the proposed new and renewal of RRPT ("RRPT Mandate") at its 2025 AGM. The RRPTs that have been and will be entered into by IGB REIT 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 discussions 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 2025 AGM. Further details are provided in the Circular.

AC reviewed the Circular in January 2025. After considering the nature of the RRPT that will be conducted, which is intended to meet IGB REIT's ordinary and usual 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 REIT'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 RRPTs entered into by IGB REIT with RPs during FY24 as per the mandate:

Transacting Parties	RRPT nature	Estimated Value RM'000	Actual value FY24 RM'000	Interested RPs
IGB Group <sup>(a)</sup>	Receipt of rental, car parking & related services	15,000	6,940	IGBRM <sup>(c)</sup>
	Payment of Intellectual Property fee	12	4	IGBC <sup>(c)</sup>
	Provision of chilled water & liquefied petroleum gas	15,000	6,140	IGB <sup>(c)</sup>
	Receipt of maintenance, repairs & upgrades	5,000	10,759	DSRT <sup>(d)</sup>
	Receipt of information systems & services	1,500	804	TMS <sup>(e)</sup>
	Receipt of tenant sales verification audit & special review	250	51	TLC <sup>(f)</sup>
	Payment of management fee	45,000	40,009	Tan Boon Lee ("TBL") <sup>(g)</sup>
	<b>Total</b>	<b>81,762</b>	<b>64,707</b>	Pauline Tan Suat Ming ("PTSM") <sup>(h)</sup>
IGBCR <sup>(b)</sup>	Payment of rental, car parking & related services	200	83	Tony Tan Choon Keat ("TTCK") <sup>(i)</sup>
	Provision of chilled water	20,000	7,571	Tan Chin Nam Sdn Bhd ("TCN") <sup>(j)</sup>
	<b>Total</b>	<b>20,200</b>	<b>7,654</b>	Tan Kim Yeow Sdn Bhd ("TKY") <sup>(k)</sup>
				Wah Seong (M) Trading Co. Sdn Bhd ("WST") <sup>(l)</sup>
				ETHN <sup>(m)</sup>
				Gabrielle Tan Hui Chween ("GTHC") <sup>(n)</sup>

(a) The primary activities of IGB Group include investment holding, provision of management services, 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 REITs.

(b) The primary investment policy of IGBCR is to invest, directly or indirectly, in a portfolio of income-producing commercial real estate assets.

(c) IGBRM is a wholly-owned subsidiary of IGBC, which is in turn, wholly owned by IGB, a major UH of IGB REIT and IGBCR.

(d) DSRT is Chairman and NINED of IGBRM; NINED of IGB and a director of certain subsidiaries of IGB Group; a major shareholder ("SH") of IGB; a major UH of IGB REIT and IGBCR; a director and/or a substantial SH of TKY and WST Group; a brother to PTSM and TTCK, and the father of ETHN and GTHC.

(e) TMS is ED of IGBRM; Deputy Group CEO and alternate to TLC on the board of IGB and WST; a director of certain subsidiaries of IGB Group and TCN.

(f) TLC is NINED of IGBRM; Chairman and NINED of IGB; a director of certain subsidiaries of IGB Group and WST; and a sister of TBL.

(g) TBL is the ED and Group CEO of IGB; a director of certain subsidiaries of IGB Group, TCN Group and WST; and a brother of TLC.

(h) PTSM a major UH of IGB REIT and IGBCR; a major SH of IGB; a substantial SH of TKY and WST Group; and a sister of DSRT and TTCK.

(i) TTCK is a director of TKY; a major UH of IGB REIT and IGBCR; a major SH of IGB; a substantial SH of TKY and WST Group; and a brother of DSRT and PTSM.

(j) TCN is a major UH of IGB REIT and IGBCR; a major SH of IGB; a substantial SH of WST; and a person connected to TLC, TBL, and TMS.

(k) TKY is a major UH of IGB REIT and IGBCR; a major SH of IGB; a substantial SH of WST; and a person connected to DSRT, PTSM, TTCK, ETHN, and GTHC.

(l) WST is a major UH of IGB REIT and IGBCR; a major SH of IGB; and a person connected to DSRT, PTSM, TTCK, TCN and TKY.

(m) ETHN is ED and CEO of IGBRM; alternate to DSRT on the board of IGB and a director of certain subsidiaries of IGB Group; a daughter of DSRT; and a sister of GTHC.

(n) GTHC is the Chief Marketing Officer of IGBRM; a director of certain subsidiaries of IGB Group; a daughter of DSRT; and a sister of ETHN.

### Principle B: Effective Audit and Risk Management

#### Audit Committee ("AC")

AC is chaired by RYCS, a Fellow of the Institute of Chartered Accountants in England and Wales. 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 REIT's quarterly and full-year financial results. None of AC members have 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 IA function and external audit. To fulfill 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.

Meetings are held at least once per quarter or at a frequency determined by AC. Typically, CEO, CFO, HOC/CS, Head of GIA, 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 service. Additionally, AC assesses the appropriateness of audit fees to ensure the quality of audit performance. In January 2025, AC completed its annual evaluation of the EA's performance.

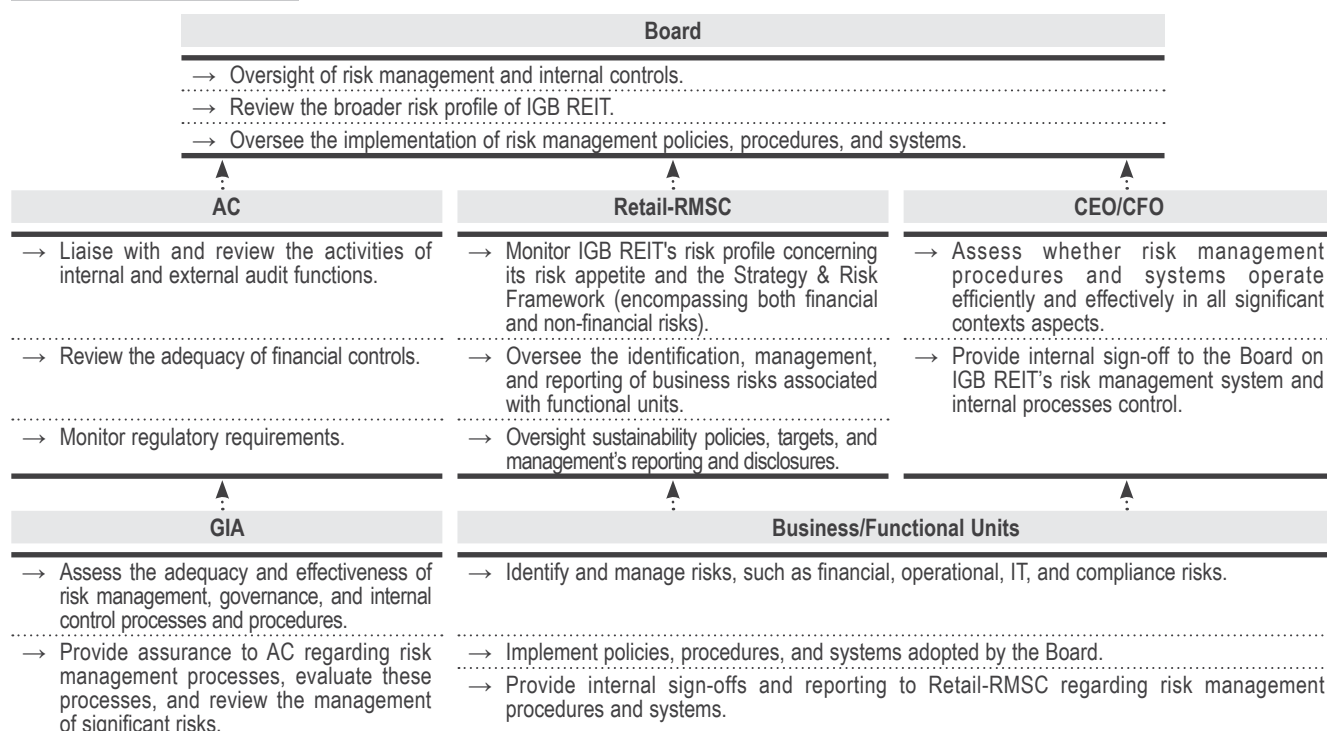
The AC Report section outlines the details of the issues discussed, deliberated, or approved during AC meetings.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

## Risk Management and Internal Control



IGB REIT's approach to risk management and internal controls, as well as the management of key business risks, is detailed in the SORMIC that PwC has reviewed, limited to the scope of work detailed in the Limited Assurance Report.

## IA function

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

As described above, the IA function is outsourced and managed by IGB's GIAD. 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 Accountants Australia and New Zealand, Fellow of the IIA (Malaysia), Chartered Accountant (Malaysia), and a Bachelor of Accountancy (Hons.) (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 IGB REIT's and the Manager's risk management, internal controls, and governance processes. The IA operates independently from the functions it audits and adheres to an audit charter (adopted in January 2025) 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 Manager's and IGB REIT's key risks and objectives. Based on risk assessments carried out by IA and the key risks identified by management, greater emphasis, and appropriate review intervals are established for higher-risk activities, critical internal controls, and compliance with the Manager's and IGB REIT's policies, procedures, and regulatory requirements.

The scope of IA reviews is based on annual plans developed by IA and approved by AC. IA reports typically outline audit findings related to the assessment of the control environment, the efficiency of internal controls, compliance with internal and regulatory standards, and the overall management of IGB REIT. 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 IGB REIT 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 risk changes 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.

The IA function also provides advisory services to the Retail-RMSC in risk management, sustainability, and business continuity.

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

During FY24, the IA conducted audit reviews as outlined in the 2024 IA plan and issued several reports covering all operational levels within the Manager and IGB REIT. 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 IA activities are disclosed in the **AC Report** section and in the **SORMIC**.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

According to the Standards, an external quality assessment review (“QAR”) of GIA must be conducted by an independent reviewer at least once every 5 years. Crowe Governance Sdn Bhd conducted a QAR of GIA in October 2020 and concluded that GIA complied with the International Professional Practices Framework for Internal Auditing. The next review is scheduled for 2025. GIA also participates in ongoing quality improvement programs to ensure its activities align with the latest developments in internal auditing practices and Standards.

The Manager and IGB REIT have paid RM219,500 for IA services in FY24.

Principle C: Integrity Corporate Reporting and Meaningful Relationship with Stakeholders

Engagement with Stakeholders

IGB REIT is committed to engaging positively and meaningfully with its stakeholders. The Manager has established procedures to provide relevant and timely information to the UHs 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	Proactive Investor Outreach	Proactive 2-way Communication with UHs
<p>The Manager is dedicated to keeping UHs and the investment community well-informed about its financial and operational performance.</p> <p>IGB REIT’s market disclosure protocol ensures that all market-sensitive information is promptly disclosed to Bursa, providing all UHs with timely and equal access to information affecting IGB REIT, including its financial position, operational performance, and governance.</p> <p>Material information affecting IGB REIT is made public promptly and transparently through BursaLINK and simultaneously on IGB REIT’s website at <a href="http://www.igbreit.com">www.igbreit.com</a>. This includes an overview of quarterly results, the debt profile, and details about its investment and business portfolio.</p> <p>Through robust and continuous communication with the investment community, this strategy offers investors and the public easy access to IGB REIT’s latest material information and updates.</p>	<p>The Manager considers investors to be key stakeholders and believes that engaging with them is essential for building relationships and enhancing their understanding of IGB REIT’s financial performance, operations, and future growth strategies.</p> <p>To enhance communication, the Manager has established a dedicated channel at <a href="mailto:investorrelations@igbreit.com">investorrelations@igbreit.com</a>, allowing unit holders and, to a lesser extent, institutional investors to submit their queries and receive responses. Additionally, the Manager conducts quarterly results briefings for institutional investors, enabling research analysts to pose questions about IGB REIT’s financial and operational status. The Manager ensures that all institutional investors have equal access to information regarding IGB REIT.</p> <p>In FY24, the Manager sustained its investor outreach efforts through regular in-person and virtual meetings, individual and group sessions, and quarterly results briefings for investors.</p>	<p>UHs can send and receive electronic communications to and from IGB REIT and its unit registry.</p> <p>IGB REIT also engages with UHs through yearly AGM. The virtual 2024 AGM was successfully organised, and the notice for the AGM was published on 28 February 2024, more than 28 days before the meeting. This advance notice provided UHs ample time to register and submit questions. Registered UHs were able to observe the AGM proceedings through a live audio-visual webcast. The meeting, voting results, and a transcript of questions and responses from the Board and SM were published on IGB REIT’s website on 22 April 2024.</p> <p>This year, IGB REIT will hold its AGM as an in-person meeting. To ensure the Board can address as many UH questions as possible, IGB REIT strongly encourages UHs to submit their questions before the 2025 AGM. Details on how UHs can join, vote, and submit questions prior to the 2025 AGM are included in this AR24. If UHs would like a printed copy of the AR24, they can request one via email to IGB REIT at <a href="mailto:corporate-enquiry@igbreit.com">corporate-enquiry@igbreit.com</a>.</p>

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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

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

### Risk Management Framework

IGB REIT adopts the "IGB REIT Strategy & Risk Framework" (Framework) which is based on the Committee of Sponsoring Organisations of the Treadway Commission's (COSO) Enterprise Risk Management (ERM) – Integrating with Strategy and Performance framework and is designed to integrate risk and strategy within the operations of the organisation.

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

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

The Framework is reviewed annually by the Retail RMSC to ensure its adequacy as more robust methodologies are introduced.

### Risk Management

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

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

The Retail RMSC maintains the database for the IGB REIT functional units' strategies and risks and monitors updates. Functional units' escalation of risks of new and existing investments, strategies or opportunities are reviewed by the Retail RMSC to ensure that exposures are within the approved risk appetite in consultation with the Group Strategy, Risk & Sustainability (GSRS). The Board 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 reviews the risk management process for comprehensiveness and effectiveness.

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

### Anti-Bribery & Corruption Policy

IGB has established the IGB Group Anti Bribery and Corruption (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.

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

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.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(continued)

## Whistleblowing Policy

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

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

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

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

## Technology Risk Management

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

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

## Internal Control Processes

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

The main pillars of the framework for internal controls include:

### Organisation & Structure

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

### Anticipation & Accountability

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

### Compliance & Training

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

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

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

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

As required by paragraph 15.23 of the MMLR, the external auditors have reviewed this Statement. Their limited assurance review was performed in accordance with Recommended Practice Guide (RPG) 5 (Revised) issued by the Malaysian Institute of Accountants. RPG 5 (Revised) does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the IGB REIT.

*This Statement was approved by the Board on 13 March 2025.*



## FINANCIAL STATEMENTS

### 31 December 2024

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## MANAGER'S REPORT

IGB REIT Management Sdn Bhd, the Manager for IGB Real Estate Investment Trust ("IGB REIT" or "Fund"), is pleased to present its report together with the audited financial statements of IGB REIT and its wholly-owned subsidiary, IGB REIT Capital Sdn Bhd ("Group") for the financial year ended 31 December 2024.

### PRINCIPAL ACTIVITY OF THE MANAGER

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

### THE FUND AND ITS INVESTMENT OBJECTIVE

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

### DISTRIBUTION OF INCOME

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

- 2.96 sen per unit (@ 2.91 sen taxable and 0.05 sen non-taxable) for the period from 1 January 2024 to 31 March 2024, which was paid on 27 May 2024;
- 2.56 sen per unit (@ 2.51 sen taxable and 0.05 sen non-taxable) for the period from 1 April 2024 to 30 June 2024, which was paid on 30 August 2024;
- 2.68 sen per unit (@ 2.63 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2024 to 30 September 2024, which was paid on 28 November 2024; and
- 2.50 sen per unit (@ 2.45 sen taxable and 0.05 sen non-taxable) for the period from 1 October 2024 to 31 December 2024, which was paid on 28 February 2025.

### RESERVES AND PROVISIONS

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

### DIRECTORS

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

Dato' Seri Robert Tan Chung Meng	
Tan Lei Cheng	
Tan Mei Sian	
Robert Ang Kim Pack	
Datuk Richard Lee Say Tshin	
Raymond Yeoh Cheng Seong	
Halim bin Haji Din	(Retired on 1 March 2024)
Elizabeth Tan Hui Ning	(Resigned on 19 March 2025)

### DIRECTORS' BENEFITS

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

For the financial year ended 31 December 2024, no Director has received or become entitled to receive a benefit (other than certain Directors received remuneration as a result of their employment with the Manager or related corporations).

## MANAGER'S REPORT

(continued)

### DIRECTORS' INTEREST

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

	Number of units			Balance at 31.12.2024
	Balance at 01.01.2024	Addition	Disposal/ Transferred/ Ceased	
Dato' Seri Robert Tan Chung Meng				
Direct	16,272,721	-	-	16,272,721
Indirect	1,950,892,427	13,748,146	-	1,964,640,573
Tan Lei Cheng				
Direct	2,005,944	-	-	2,005,944
Elizabeth Tan Hui Ning				
Direct	4,811,000	-	-	4,811,000
Tan Mei Sian				
Direct	-	300,000	-	300,000

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

### OTHER INFORMATION

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

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

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

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

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

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

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

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

## MANAGER'S REPORT

(continued)

### OTHER INFORMATION (continued)

In the opinion of the Manager:-

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

### MATERIAL LITIGATION

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

### SOFT COMMISSION

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

### ULTIMATE HOLDING COMPANY

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

### AUDITORS

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

Signed on behalf of the Board of Directors of the Manager in accordance with a resolution of the Directors of the Manager dated 19 March 2025.

**RAYMOND YEOH CHENG SEONG**  
DIRECTOR

**TAN MEI SIAN**  
DIRECTOR



## STATEMENT BY THE MANAGER

In the opinion of the Directors of the Manager, the financial statements are drawn up in accordance with the provisions of the Deed, the REIT Guidelines, applicable securities laws, Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2024 and of their financial performance and cash flows for the financial year ended 31 December 2024.

Signed on behalf of the Board of Directors of the Manager in accordance with a resolution of the Directors of the Manager dated 19 March 2025.

**RAYMOND YEOH CHENG SEONG**  
DIRECTOR

**TAN MEI SIAN**  
DIRECTOR

## STATUTORY DECLARATION

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

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

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 19 March 2025.

Before me:

COMMISSIONER FOR OATHS

## TRUSTEE'S REPORT

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

We have acted as Trustee of IGB Real Estate Investment Trust ("IGB REIT") for the financial year ended 31 December 2024. In our opinion and to the best of our knowledge, the Manager has managed IGB REIT in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the REIT Guidelines, applicable securities laws and other applicable laws during the financial year then ended.

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

We also confirm the income distributions declared during the financial year ended 31 December 2024 are in line with and are reflective of the investment objectives of IGB REIT. Income distributions have been declared for the financial year ended 31 December 2024 as follows:-

- 2.96 sen per unit (@ 2.91 sen taxable and 0.05 sen non-taxable) for the period from 1 January 2024 to 31 March 2024, which was paid on 27 May 2024;
- 2.56 sen per unit (@ 2.51 sen taxable and 0.05 sen non-taxable) for the period from 1 April 2024 to 30 June 2024, which was paid on 30 August 2024;
- 2.68 sen per unit (@ 2.63 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2024 to 30 September 2024, which was paid on 28 November 2024; and
- 2.50 sen per unit (@ 2.45 sen taxable and 0.05 sen non-taxable) for the period from 1 October 2024 to 31 December 2024, which was paid on 28 February 2025.

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

**NURIZAN BINTI JALIL**  
CHIEF EXECUTIVE OFFICER

Selangor,  
19 March 2025

# INDEPENDENT AUDITORS' REPORT

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

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Our opinion

In our opinion, the financial statements of IGB Real Estate Investment Trust ("the Fund") and its subsidiary ("the Group") give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

### What we have audited

We have audited the financial statements of the Group and of the Fund, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Fund, and the statements of comprehensive income, statements of changes in net asset value and statements of cash flows of the Group and of the Fund for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 89 to 131.

### Basis for opinion

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

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

### Independence and other ethical responsibilities

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

### Our audit approach

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

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

### Key audit matters

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

Key audit matter	How our audit addressed the key audit matter
<p>1) Fair value of investment properties</p> <p>As at 31 December 2024, the Group's and the Fund's investment properties, carried at fair value, amounted to RM5.44 billion.</p> <p>The fair value of the Group's and the Fund's investment properties was determined by an external valuer.</p> <p>We focused on this area due to the magnitude of the balance and the complexities in determining the fair value of the investment properties, which involves significant estimates and judgements.</p>	<p>We evaluated the competency, capabilities and objectivity of the external valuer by considering their professional qualifications and recent experience in the location and segment of the investment properties being valued.</p> <p>We met with the external valuer to discuss the methodology and assumptions used in the valuation.</p> <p>We performed testing on the rental rates, rental periods and net lettable area used in the valuation, on a sample basis to the underlying lease agreements.</p> <p>We assessed the reasonableness of capitalisation rates, allowance of void, outgoing expenses, car park income, percentage rent and other income used by the valuer, with references to comparable real estate investment trusts, and/or to historical trends.</p>

# INDEPENDENT AUDITORS' REPORT

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

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

### Key audit matters (continued)

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

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

The Directors of the Manager are responsible for the other information. The other information comprises all other information contained within the 2024 Annual Report, but does not include the financial statements of the Group and of the Fund and our auditors' report thereon.

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

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

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

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

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

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

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

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

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:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



# INDEPENDENT AUDITORS' REPORT

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

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

### Auditors' responsibilities for the audit of the financial statements (continued)

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

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

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

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

### OTHER MATTERS

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

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

Kuala Lumpur  
19 March 2025

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

# STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

		Group		Fund	
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
<b>Non-current assets</b>					
Plant and equipment	5	1,963	2,073	1,963	2,073
Investment properties	6	5,436,055	5,186,000	5,436,055	5,186,000
Investment in subsidiary	7	-	-	-*	-
Trade and other receivables	8	-	-	32,582	31,326
<b>Total non-current assets</b>		<b>5,438,018</b>	<b>5,188,073</b>	<b>5,470,600</b>	<b>5,219,399</b>
<b>Current assets</b>					
Trade and other receivables	8	45,030	42,847	44,398	42,598
Cash and bank balances	9	258,227	274,026	226,278	242,950
<b>Total current assets</b>		<b>303,257</b>	<b>316,873</b>	<b>270,676</b>	<b>285,548</b>
<b>Total assets</b>		<b>5,741,275</b>	<b>5,504,946</b>	<b>5,741,276</b>	<b>5,504,947</b>
<b>Financed by</b>					
<b>Unitholders' fund</b>					
Unitholders' capital	10	4,576,269	4,550,473	4,576,269	4,550,473
Accumulated losses		(320,826)	(513,899)	(320,826)	(513,899)
<b>Total unitholders' fund</b>		<b>4,255,443</b>	<b>4,036,574</b>	<b>4,255,443</b>	<b>4,036,574</b>
<b>Non-current liabilities</b>					
Borrowings	11	1,199,577	1,199,423	-	-
Trade and other payables	12	-	-	1,199,577	1,199,423
<b>Total non-current liabilities</b>		<b>1,199,577</b>	<b>1,199,423</b>	<b>1,199,577</b>	<b>1,199,423</b>
<b>Current liabilities</b>					
Borrowings	11	15,204	15,204	-	-
Trade and other payables	12	271,051	253,745	286,256	268,950
<b>Total current liabilities</b>		<b>286,255</b>	<b>268,949</b>	<b>286,256</b>	<b>268,950</b>
<b>Total liabilities</b>		<b>1,485,832</b>	<b>1,468,372</b>	<b>1,485,833</b>	<b>1,468,373</b>
<b>Total unitholders' fund and liabilities</b>		<b>5,741,275</b>	<b>5,504,946</b>	<b>5,741,276</b>	<b>5,504,947</b>
<b>Net asset value ("NAV")</b>					
- before income distribution		4,642,133	4,413,346	4,642,133	4,413,346
- after income distribution		4,255,443	4,036,574	4,255,443	4,036,574
<b>Number of units in circulation ('000 units)</b>	10	<b>3,615,387</b>	<b>3,601,639</b>	<b>3,615,387</b>	<b>3,601,639</b>
<b>NAV per unit (RM)</b>					
- before income distribution		1.2840	1.2254	1.2840	1.2254
- after income distribution		1.1770	1.1208	1.1770	1.1208

\* Denotes RM2 share capital in IGB REIT Capital Sdn Bhd

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

# STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		Group and Fund	
		2024	2023
	Note	RM'000	RM'000
Lease revenue		451,475	446,041
Revenue from contracts with customers		174,624	158,267
<b>Total revenue</b>	13	<b>626,099</b>	604,308
Utilities expenses		(57,837)	(55,744)
Maintenance expenses		(27,684)	(26,284)
Quit rent and assessment		(15,367)	(15,367)
Reimbursement costs and other operating expenses	14	(57,295)	(48,220)
Upgrading costs		(12,203)	(10,811)
<b>Property operating expenses</b>		<b>(170,386)</b>	(156,426)
<b>Net property income</b>		<b>455,713</b>	447,882
Net fair value changes on investment properties		211,065	158,565
Interest income		8,841	5,459
<b>Net investment income</b>		<b>675,619</b>	611,906
Manager's management fees	15	(40,009)	(38,853)
Trustees' fees		(320)	(320)
Valuation fees		(200)	(120)
Other trust expenses		(1,145)	(950)
Finance costs	17	(54,182)	(54,034)
<b>Profit before taxation</b>		<b>579,763</b>	517,629
Taxation	18	-	-
<b>Profit after taxation</b>		<b>579,763</b>	517,629
Other comprehensive income, net of tax		-	-
<b>Total comprehensive income attributable to unitholders</b>		<b>579,763</b>	517,629
<b>Profit after taxation/Total comprehensive income is made up as follows:-</b>			
Realised		368,698	359,064
Unrealised		211,065	158,565
		<b>579,763</b>	517,629
<b>Basic earnings per unit (sen)</b>	19	<b>16.06</b>	14.40
<b>Diluted earnings per unit (sen)</b>	19	<b>16.05</b>	14.38
Total comprehensive income		579,763	517,629
Distribution adjustments	20	(183,825)	(131,865)
Distributable income		<b>395,938</b>	385,764
<b>Distribution per unit (sen)</b>	20	<b>10.70</b>	10.47

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

# STATEMENTS OF CHANGES IN NET ASSET VALUE

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Unitholders' capital RM'000	Accumulated losses* RM'000	Total unitholders' funds RM'000
<b>Group and Fund</b>				
<b>As at 1 January 2024</b>		<b>4,550,473</b>	<b>(513,899)</b>	<b>4,036,574</b>
Profit after tax/Total comprehensive income for the financial year attributable to unitholders		-	579,763	579,763
Distribution to unitholders	20	-	(386,690)	(386,690)
Net total comprehensive income for the financial year attributable to unitholders		-	193,073	193,073
<b>Unitholders' transactions</b>				
Issue of new Units				
- Manager's management fees paid in Units	10	25,796	-	25,796
Increase in net assets resulting from unitholders' transactions		25,796	-	25,796
<b>As at 31 December 2024</b>		<b>4,576,269</b>	<b>(320,826)</b>	<b>4,255,443</b>
<b>As at 1 January 2023</b>		<b>4,525,538</b>	<b>(654,756)</b>	<b>3,870,782</b>
Profit after tax/Total comprehensive income for the financial year attributable to unitholders		-	517,629	517,629
Distribution to unitholders	20	-	(376,772)	(376,772)
Net total comprehensive income for the financial year attributable to unitholders		-	140,857	140,857
<b>Unitholders' transactions</b>				
Issue of new Units				
- Manager's management fees paid in Units	10	24,935	-	24,935
Increase in net assets resulting from unitholders' transactions		24,935	-	24,935
<b>As at 31 December 2023</b>		<b>4,550,473</b>	<b>(513,899)</b>	<b>4,036,574</b>

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

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



# STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Fund	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Cash flows from operating activities</b>					
Profit before taxation		579,763	517,629	579,763	517,629
<i>Adjustments for:-</i>					
Changes in fair value on investment properties		(211,065)	(158,565)	(211,065)	(158,565)
Manager's management fee payable in Units		26,006	25,254	26,006	25,254
Amortisation of fit-out incentives		250	250	250	250
Finance costs		54,182	54,034	54,182	54,034
Interest income		(8,841)	(5,459)	(8,841)	(5,459)
Movement of loss allowance of trade receivables		(474)	(9,664)	(474)	(9,664)
Depreciation of plant and equipment		830	1,042	830	1,042
Plant and equipment written-off		5	9	5	9
Gain on disposal of plant and equipment		(37)	-	(37)	-
Operating income before changes in working capital		440,619	424,530	440,619	424,530
Net change in trade and other receivables		(1,655)	4,114	(1,655)	4,224
Net change in trade and other payables		18,149	12,273	18,149	12,274
<b>Net cash generated from operating activities</b>		<b>457,113</b>	<b>440,917</b>	<b>457,113</b>	<b>441,028</b>
<b>Cash flows from investing activities</b>					
Purchase of plant and equipment		(1,021)	(1,434)	(1,021)	(1,434)
Proceed from disposal of plant and equipment		333	-	333	-
Payment of subsequent capital expenditure		(33,184)	(7,435)	(33,184)	(7,435)
Interest received		8,537	5,352	7,664	4,366
Movement of fixed deposits with maturity period of more than 3 months		(872)	(31,000)	-	-
<b>Net cash used in investing activities</b>		<b>(26,207)</b>	<b>(34,517)</b>	<b>(26,208)</b>	<b>(4,503)</b>
<b>Cash flows from financing activities</b>					
Interest paid		(54,028)	(53,880)	(54,028)	(53,880)
Distribution paid to unitholders		(393,549)	(367,876)	(393,549)	(367,876)
<b>Net cash used in financing activities</b>		<b>(447,577)</b>	<b>(421,756)</b>	<b>(447,577)</b>	<b>(421,756)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(16,671)</b>	<b>(15,356)</b>	<b>(16,672)</b>	<b>14,769</b>
Cash and cash equivalents at beginning of the financial year		243,026	258,382	242,950	228,181
<b>Cash and cash equivalents at end of the financial year</b>	9	<b>226,355</b>	<b>243,026</b>	<b>226,278</b>	<b>242,950</b>

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

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

# NOTES TO THE FINANCIAL STATEMENTS

## 1 GENERAL

### (A) Background

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

#### Registered office

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

#### Principal place of business

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

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

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

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

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

The financial statements for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution by the Directors of the Manager on 19 March 2025.

### (B) Fee Structure

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

#### (a) Property management fees

The property manager, Chartwell ITAC International Sdn Bhd, is entitled to property management fee of RM18,000 (2023: RM18,000) per month (excluding sales and service tax). In addition, the property manager is also entitled to full disbursement of costs and expenses properly incurred in the operation, maintenance, management and marketing of the properties held by IGB REIT ("Permitted Expenses") as well as fees and reimbursements for Permitted Expenses payable to its service providers.

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

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

- i) a base fee ("Base Fee") of up to 1.0% per annum of the total asset value of IGB REIT (excluding cash and bank balances which are held in non-interest bearing accounts).
- ii) a performance fee ("Performance Fee") of 5.0% per annum of net property income in the relevant financial year.
- iii) an acquisition fee ("Acquisition Fee") of 1.0% of the transaction value (being total purchase consideration) of any real estate and real estate-related assets directly or indirectly acquired from time to time by the Trustee or one or more special purpose vehicle ("SPV") on behalf of IGB REIT pro-rated, if applicable, to the proportion of IGB REIT's interest.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 1 GENERAL (continued)

### (B) Fee Structure (continued)

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

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

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

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

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

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

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

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

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

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

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

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

(each a "Trigger Event").

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 1 GENERAL (continued)

### (B) Fee Structure (continued)

#### (c) Trustee's fees

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

### (C) Other information

#### (a) Net asset value

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

#### (b) Distribution of income

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

Distribution of income should be made after the Manager has taken into consideration the total returns for the period, cash flow for distribution, stability and sustainability of income and the investment objective and distribution policy of IGB REIT. Liability is recognised for the amount of any distribution of income not distributed at the end of the reporting period.

Distribution adjustments are disclosed in Note 20.

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

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

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

## 2 BASIS OF PREPARATION

### (a) Statement of compliance

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

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

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

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

The Group and the Fund have applied the following amendments for the first time for the financial year beginning on 1 January 2024:-

- Amendments to MFRS 16 'Lease Liability in a Sale and Leaseback'
- Amendments to MFRS 101 'Presentation of Financial Statements' which are 'Classification of liabilities as current or non-current' and 'Non-current Liabilities with Covenants'
- Amendments to MFRS 107 and MFRS 7 'Supplier Finance Arrangements'

The adoption of new amendments to published standards and interpretations above did not have any material impact on the financial statements of the Group and of the Fund in the current period or any prior period.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 2 BASIS OF PREPARATION (continued)

### (c) IFRIC agenda decisions that are concluded and published

In view that MFRS is fully converged with IFRS Accounting Standards, the Group considers all agenda decisions published by the IFRS Interpretations Committee.

During the year, there is no implication of the IFRIC agenda decision which materially affects the financial statements of the Group.

### (d) Standards and amendments that have been issued but not yet effective

The new standards and amendments to standards and interpretations that are effective for financial year beginning after 1 January 2024 and are applicable to the Group and the Fund are as follows:-

- MFRS 18 'Presentation and Disclosure in Financial Statements' (effective 1 January 2027) replaces MFRS 101 'Presentation of Financial Statements'
- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments' (effective 1 January 2026)
- Annual Improvement to MFRS Accounting Standards for enhanced consistency
- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'

The adoption of the above amendments will not have a material impact on the financial statements of the Group and of the Fund in the current period or any prior period. The Group and the Fund will continue to assess the potential impact, if any, of new standards and amendments on the financial statements and expect the assessment to be completed prior to effective date of such standards and amendments.

## 3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to the period presented in these financial statements. The financial statements consist of statements of financial position, statements of comprehensive income, statements of changes in net asset value, statements of cash flows and notes to the financial statements.

### (a) Consolidation

#### (i) Business combination under common control

IGB REIT applied predecessor accounting to account for business combinations under common control on 21 September 2012, i.e. combination involving entities or businesses under common control. Under the predecessor accounting, assets and liabilities acquired are not restated to their respective fair values but at the carrying amounts from the consolidated financial statements of the holding company. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (at the date of the transaction) of the acquired business is recorded as an adjustment to retained earnings. No additional goodwill is recognised. Acquisition-related costs are expensed as incurred. The acquired business' results and the related balance sheet items are recognised prospectively from the date on which the business combination between entities under common control occurred.

#### (ii) Subsidiary

Subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. It is deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations when the acquired sets of activities and assets meet the definition of a business. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Fund. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.



# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (a) Consolidation (continued)

#### (ii) Subsidiary (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and fair value of previous equity interest measured is less than the fair value of the identifiable net assets of the acquiree, the difference is recognised directly in the statements of comprehensive income.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date and any gains or losses arising from such re-measurement are recognised in the statements of comprehensive income.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 9 'Financial Instruments' in the statements of comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### (iii) Investment in subsidiary

In the Fund's separate financial statements, investment in subsidiary is carried at cost less accumulated impairment losses. On disposal of investment in subsidiary, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the statements of comprehensive income.

### (b) Investment properties

Investment properties are held for long term rental yields or for capital appreciation or both, and are not occupied by the Group and the Fund.

Investment properties are measured initially at cost, including related transaction costs and borrowing costs if the investment property meets the definition of qualifying asset.

After initial recognition, investment properties are carried at fair value. Fair value is based on valuation using an income approach, where cash flows projections are capitalised using a capitalisation rate and takes into account the unexpired period, yield and outgoings, where applicable. Valuations are performed as of the financial position date by registered valuers who hold recognised and relevant professional qualifications and have relevant experience in valuing the investment properties.

The fair value of investment properties reflects, among others, rental income from current leases and other assumptions that market participants would make when pricing the investment properties under current market conditions.

Subsequent expenditure is recognised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the Fund, and the cost of the item can be measured reliably. All other repair, maintenance and upgrade costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair value are recognised in the statements of comprehensive income. Investment properties are derecognised either when they have been disposed or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group and the Fund dispose of an investment property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the statements of comprehensive income as a net gain or loss from fair value adjustment on such investment property.

Prepaid or accrued operating lease income is excluded from the fair value of the related investment property. The prepaid or accrued operating lease income is a separate asset or liability.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (b) Investment properties (continued)

Incentives paid by a lessor to a lessee to enter into a lease are initially recognised as an asset and treated as a reduction of the lease payments over the lease term. The fair value of the investment property is based on the net rentals (after deducting the incentive). The fair value does not reflect the element of the gross rental that has effectively been subsidised by the lessor through giving such incentive.

#### Right-of-use assets that meet the definition of investment property

Right-of-use assets that meet the definition of investment property in accordance with MFRS 140 are presented in the statements of financial position as investment property. Subsequent measurement of the right-of-use assets is consistent with those investment properties owned by the Group and the Fund.

### (c) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

Cost of plant and equipment includes purchase price and any direct attributable costs. Cost includes the cost of replacing part of an existing plant and equipment at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of the plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Fund, and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statements of comprehensive income during the financial year in which they are incurred.

Depreciation on capital work-in-progress commences when the assets are ready for their intended use. Plant and equipment are depreciated on a straight-line basis to allocate the cost of the assets to their residual values over their estimated useful lives, summarised as follows:-

Motor vehicles	20%
Furniture and fittings	12.5%
Equipment	12.5%
Information technology equipment	33 1/3%
Plant and machinery	10%

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at the end of each reporting period. The assessment of expected residual values and estimated useful lives of assets is carried out on an annual basis.

At the end of the reporting period, the Group and the Fund assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write-down is made if the carrying amount exceeds the recoverable amount. Please refer to accounting policy on impairment of non-financial assets (Note 3(h)).

Gains and losses on disposals are determined by comparing net disposal proceeds with carrying amount and are included in the statements of comprehensive income.

### (d) Financial assets

#### (i) Classification

The Group and the Fund classify financial assets at amortised cost. The classification depends on the Group and the Fund business model for managing the financial assets and the contracted terms of the cash flows.

#### (ii) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group and the Fund commit to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Fund have transferred substantially all the risks and rewards of ownership.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (d) Financial assets (continued)

#### (iii) Initial measurement

At initial recognition, the Group and the Fund measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statements of comprehensive income.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

#### (iv) Subsequent measurement – gain or loss

Subsequent measurement of financial asset depends on the Group's and the Fund's business model for managing the asset and the cash flow characteristics of the asset.

The Group and the Fund classify financial assets at amortised cost.

Financial assets that are held for collection of contractual cash flows where those cash flows represent SPPI are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising from derecognition is recognised directly in the statements of comprehensive income and presented in reimbursement cost mainly due to the nature of the principal activity of the Fund.

#### (v) Subsequent measurement – impairment

The Group and the Fund assess on a forward-looking basis the expected credit loss ("ECL") associated with financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Trade and other receivables are subject to the ECL model.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9 'Financial Instruments', the impairment loss was immaterial.

ECL represents a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group and the Fund expect to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### Simplified approach for trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies

The Group and the Fund apply the MFRS 9 'Financial Instruments' simplified approach to measure ECL which uses a lifetime ECL for all trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies. Note 24.1(b) sets out measurement details of ECL.

#### General 3-stage approach for other receivables, deposits and non-trade balance of amount owing by subsidiary

The Group and the Fund measure ECL through loss allowance at an amount equal to twelve (12) months ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required. Note 24.1(b) sets out measurement details of ECL.

#### Significant increase in credit risk

The Group and the Fund consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Fund compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Fund take into account the available, reasonable and supportable forward-looking information in the measurement of ECL.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (d) Financial assets (continued)

#### (v) Subsequent measurement – impairment (continued)

##### Significant increase in credit risk (continued)

The following indicators are incorporated:-

- internal credit rating and/or external credit rating (if available);
- actual or expected significant changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; and/or
- significant changes in the expected credit performance and payment behaviour of the debtor, including changes in the payment status of debtor in the group.

##### Definition of default and credit-impaired financial assets

The Group and the Fund define a financial instrument as default, which is aligned with the definition of credit-impaired, when the financial asset meets one or more of the following criteria:-

##### Quantitative criteria

The Group and the Fund define a financial instrument as default, when the counterparty fails to make contractual payment within 90 days when fall due and/or when legal action is taken against the counterparty.

##### Qualitative criteria

The debtor meets unlikelihood to pay criteria, which indicates the debtor is in a financial difficulty or it is becoming probable that the debtor will enter bankruptcy, financial restructuring or will become insolvent.

Financial instruments that are credit-impaired were assessed on individual basis.

##### Write-off – trade receivables and trade balances of amount owing by ultimate holding company and related companies

Trade receivables and trade balances of amount owing by ultimate holding company and related companies are written off when there is no reasonable expectation of recovery. Indicators of no reasonable expectation of recovery include, amongst others, failure of a debtor to engage in a repayment or settlement plan with the Group and the Fund, and/or legal action is taken against the debtor.

Impairment losses on trade receivables and trade balances of amount owing by ultimate holding company and related companies are presented as net impairment losses within the net property income. Subsequent recoveries of amounts previously written off are credited within the net property income.

##### Write-off – other receivables, deposits and non-trade balance of amount owing by subsidiary

The Group and the Fund write off financial assets, in whole or in part, when they have exhausted all practical recovery efforts and have concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group and the Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

### (e) Offsetting financial instruments

Financial assets and liabilities can be offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

### (f) Trade and other receivables

Trade receivables are amounts owing from customers and tenants for services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group and the Fund. If collection is expected in one (1) year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (f) Trade and other receivables (continued)

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value plus transaction costs. Other receivables are recognised initially at fair value plus transaction costs. Transaction costs include transfer taxes and duties.

After recognition, trade and other receivables are subsequently measured at amortised cost using the effective interest method, less impairment allowance.

### (g) Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, vendors or contractors. Trade payables are classified as current liabilities if payment is due within one (1) year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities. Deposits received from tenants are classified as current liabilities.

Trade payables, deposits received from tenants and other payables are recognised initially at fair value, net of transaction costs incurred, which include transfer taxes and duties, if applicable, and subsequently measured at amortised cost using the effective interest method.

### (h) Impairment of non-financial assets

Plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The impairment loss is charged to the statements of comprehensive income during the period in which they are incurred and any subsequent increase in recoverable amount is recognised in the statements of comprehensive income during the period in which they are incurred.

### (i) Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents consist of cash in hand, deposits held at call with licensed financial institutions, other short term and highly liquid investments with original maturities of three (3) months or less, that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Bank overdrafts, if any, are included within borrowings in current liabilities in the statements of financial position.

### (j) Unitholders' capital

Unitholders' contributions are classified as equity when there is no obligation to transfer cash or other assets, nor they are redeemable at the unitholders' option. Any consideration received or distributions paid is added or deducted directly from equity. Incremental external costs directly attributable to the issue of new Units are shown in equity as a deduction, net of tax, from the proceeds.

### (k) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statements of comprehensive income over the period of borrowings. Borrowings are classified as current liabilities unless the Group and the Fund have an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting date.

Borrowings costs directly attributable to the acquisition, construction or production of any qualifying asset capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the statements of comprehensive income in the period in which they are incurred.

Fees paid on the establishment of borrowings are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the borrowings will be issued. In this case, the fees are deferred until the issuance occurs. To the extent there is no evidence that it is probable that some or all of the borrowings will be issued, the fees are capitalised as a prepayment for liquidity and amortised over the period of the borrowings.

Borrowings are removed from the statements of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to other party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statements of comprehensive income.



# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (l) Revenue/income recognition

#### Lease revenue

Rental income and rent from promotion and marketing activities are recognised in accordance with the accounting policy set out in Note 3(n)(b).

#### Revenue from contracts with customers

Revenue which represents income from the Group's and the Fund's principal activities within the ordinary course of business and is recognised by reference to each distinct performance obligation in the contract with customer when or as the Group and the Fund transfer the control of the goods or services in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and the Fund, and their customer have approved the contract and intend to perform their respective obligations, the Group's and the Fund's, and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group and the Fund, will collect the consideration to which they will be entitled to in exchange of such goods or services.

Specific revenue recognition criteria for each of the Group's and the Fund's principal business activities are as described below:-

#### (i) Service charge

Service charge, a non-lease component included in the tenancy agreement, is recognised upon services rendered over the lease term. Revenue is measured at the transaction price contractually agreed in the tenancy agreement. The accounting policy on separating lease and non-lease components is set out in Note 3(n)(b).

#### (ii) Car park income

Car park income is recognised upon collection for daily parking and over time when services are rendered for season parking measured at the transaction price.

#### (iii) Utilities recoveries

Recoveries from utilities are recognised upon supply, distribution and billing of utilities to the customers and the customers receive and/or consume the utilities based on the contractually agreed billing rate.

#### (iv) Promotion partnership income

Promotion partnership income is recognised upon collection of income.

#### (v) Other income

Other income is recognised upon services rendered.

#### Interest income

Interest income on financial assets is carried at amortised cost calculated using the effective interest method and is recognised in the statements of comprehensive income as part of interest income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### (m) Income tax

Tax is recognised in the statements of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (m) Income tax (continued)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 3(b), the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

### (n) Leases

#### (a) Accounting by lessee

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use (i.e. the commencement date).

Contracts may contain both lease and non-lease components. Consideration in the contract is allocated to the lease and non-lease components based on their relative standalone prices.

#### Lease term

In determining the lease term, facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option are considered. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The lease term is reassessed upon the occurrence of a significant event or change in circumstances that is within the control of the Group and the Fund and affect whether the Group and the Fund are reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

#### ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and the Fund are reasonably certain to exercise a purchase option, the ROU assets are depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

#### Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees;
- The exercise price of a purchase and extension options if it is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group and the Fund exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and the Fund, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statements of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (n) Leases (continued)

#### (a) Accounting by lessee (continued)

##### Lease liabilities (continued)

Variable lease payments that depend on sales are recognised in the statements of comprehensive income in the period in which the condition that triggers those payments occurs.

Lease liabilities are presented as a separate line item in the statements of financial position. Interest expense on the lease liability is presented within the finance cost in the statements of comprehensive income.

##### Short-term leases and leases of low value assets

Short-term leases are leases with a lease term of twelve (12) months or less. Payments associated with short-term leases and low-value assets are recognised on a straight-line basis as an expense in the statements of comprehensive income.

#### (b) Accounting by lessor

As a lessor, the Group and the Fund determine at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group and the Fund make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group and the Fund consider certain indicators such as whether the lease is for the major part of the economic life of the asset.

##### Operating leases

The Group and the Fund classify a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group and the Fund recognise lease payments received under operating lease as lease income on a straight-line basis over the lease term.

When assets are leased out under an operating lease, the asset is included in the lessor's statements of financial position based on the nature of the asset.

Rental income on operating leases is recognised over the term of the lease on a straight-line basis. Rental income includes base rent, percentage rent and other rent related income from tenants. Base rent is recognised on a straight-line basis over the lease term. Percentage rent is recognised based on sales reported by tenants. When the Group and the Fund provide incentives to the tenants, the cost of incentives is capitalised as deferred lease incentive and is recognised over the lease term, on a straight-line basis, as a reduction of rental income.

Rent from promotion and marketing activities are recognised over the term of the lease on a straight-line basis.

Initial direct cost incurred by the Group and the Fund in negotiating and arranging an operating lease is recognised as an asset and amortised over the lease term on the same basis as the rental income.

The Group and the Fund grant rental supports, which are not required by the existing contractual terms in the tenancy agreements and applicable laws and regulations, to eligible tenants on a case-by-case basis. Depending on the circumstances of the rental supports granted, the supports are recognised by the Group and the Fund in the following manner:

- a) Supports granted on lease payments in advance of them being due are accounted for as a lease modification, as the supports have changed the total lease consideration. The supports granted are treated as a new operating lease at the effective date of modification, where lease income based on revised total lease consideration as a reduction of rental income is recognised in the statements of comprehensive income over the remaining lease term on a straight-line basis; and
- b) supports granted on lease payments that are contractually past due are accounted for as partial extinguishment of lease payments as the Group's and the Fund's contractual rights to these lease receivables have been waived. The supports are recognised as a loss in the same period in which the reduction is contractually agreed.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

### (n) Leases (continued)

#### (b) Accounting by lessor (continued)

##### Separating lease and non-lease components

As the tenancy agreements contain lease and non-lease components, the Group and the Fund separate the lease and non-lease components based on the terms and conditions contractually agreed in the tenancy agreement. If the services rendered by the Group and the Fund exceed the payments, a contract asset is recognised for non-lease components. If the payments exceed the services rendered, a contract liability is recognised.

### (o) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Group and the Fund operates ("functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Group and the Fund's functional and presentation currency.

### (p) Earnings per unit

Basic earnings per Unit ("EPU") is calculated by dividing the profit after taxation or total comprehensive income attributable to unitholders by the weighted average number of Units outstanding during the financial year.

Diluted earnings per Unit ("EPU") is determined by adjusting the profit after taxation or total comprehensive income attributable to unitholders against the weighted average number of Units outstanding adjusted for the effects of all dilutive potential units.

### (q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The chief operating decision makers, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions for the Group and the Fund, have been identified as the Directors of the Manager.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors of the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group and the Fund make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's and the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

#### Significant assumptions for estimation of fair value of investment properties

The valuations of investment properties were carried out by an external valuer. There are complexities in determining the fair value of the investment properties which involves significant estimates and judgements in determining the appropriate valuation methodologies and estimating the underlying assumptions to be applied.

The significant assumptions underlying estimation of fair value of investment properties are those related to capitalisation rate on term and reversionary periods, car park income, percentage rent, other income, outgoings and allowance for void. The valuations are compared with actual market yield data and those reported by the market, when available. Assumptions used are mainly based on market conditions existing at each reporting date. Sensitivity analysis on fair value of investment properties is disclosed in Note 6.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 5 PLANT AND EQUIPMENT

<u>Group and Fund</u>	Motor vehicles RM'000	Furniture and fittings RM'000	Equipment RM'000	Information technology equipment RM'000	Plant and machinery RM'000	Capital work-in- progress RM'000	Total RM'000
<b>Cost</b>							
As at 1 January 2024	1,220	2,728	16,053	2,833	180	-	23,014
Additions	-	28	571	400	-	22	1,021
Disposals	(396)	-	-	(10)	-	-	(406)
Write-offs	-	(13)	(168)	(146)	-	-	(327)
As at 31 December 2024	824	2,743	16,456	3,077	180	22	23,302
<b>Accumulated depreciation</b>							
As at 1 January 2024	803	2,501	15,055	2,555	27	-	20,941
Depreciation charge for the financial year	57	61	454	242	16	-	830
Disposals	(105)	-	-	(5)	-	-	(110)
Write-offs	-	(12)	(164)	(146)	-	-	(322)
As at 31 December 2024	755	2,550	15,345	2,646	43	-	21,339
<b>Carrying amounts</b>							
As at 31 December 2024	69	193	1,111	431	137	22	1,963

<u>Group and Fund</u>	Motor vehicles RM'000	Furniture and fittings RM'000	Equipment RM'000	Information technology equipment RM'000	Plant and machinery RM'000	Total RM'000
<b>Cost</b>						
As at 1 January 2023	712	2,723	15,684	2,699	20	21,838
Additions	508	41	458	267	160	1,434
Write-offs	-	(36)	(89)	(133)	-	(258)
As at 31 December 2023	1,220	2,728	16,053	2,833	180	23,014
<b>Accumulated depreciation</b>						
As at 1 January 2023	702	2,470	14,443	2,513	20	20,148
Depreciation charge for the financial year	101	64	695	175	7	1,042
Write-offs	-	(33)	(83)	(133)	-	(249)
As at 31 December 2023	803	2,501	15,055	2,555	27	20,941
<b>Carrying amounts</b>						
As at 31 December 2023	417	227	998	278	153	2,073



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 6 INVESTMENT PROPERTIES

	Group and Fund	
	2024	2023
	RM'000	RM'000
As at 1 January	5,186,000	5,020,000
Addition from subsequent capital expenditure	38,990	7,435
Net fair value changes in statements of comprehensive income	211,065	158,565
As at 31 December	5,436,055	5,186,000

Addition from subsequent capital expenditure that remain unpaid as at 31 December 2024 is RM5.806 million.

On 20 September 2012, IGB REIT acquired the investment properties of which the consideration was settled in cash for RM1,200 million and issuance of 3,400 million units in IGB REIT.

MVM is charged as a security for borrowings as disclosed in Note 11.

Investment properties as at 31 December 2024 and 31 December 2023 are stated at fair value based on valuations performed by independent registered valuer, One Asia Property Consultants (KL) Sdn Bhd ("One Asia"). The independent registered valuer hold a recognised and relevant professional qualification and has relevant experience in the locations and segments of the investment properties being valued. These valuations were approved by the Board of Directors of the Manager.

Based on the valuation reports dated 8 January 2025 issued by One Asia, the fair values of MVM and TGM as at 31 December 2024 amounted to RM4.0 billion (2023: RM3.790 billion) and RM1.45 billion (2023: RM1.396 billion) respectively.

Reconciliation of fair value measurement to valuation report:-

	Group and Fund	
	2024	2023
	RM'000	RM'000
Fair value of investment properties based on valuation reports	5,450,000	5,186,000
Less: Deferred lease incentives (Note 8)	(13,945)	-
Carrying amount of investment properties	5,436,055	5,186,000

Fair value is determined based on income approach method using Level 3 inputs in the fair value hierarchy of MFRS 13 'Fair Value Measurement'. Under the income approach, the fair value of the investment properties is derived from an estimate of the market rental which the investment properties can reasonably be let for. Rental evidence may be obtained from contractual rents commanded by the investment properties if they are tenanted. Outgoings, such as quit rent and assessment, utilities costs, reimbursable manpower costs, repair and maintenance, insurance premium, asset enhancement initiatives, upgrades expenses as well as management expenses, are then deducted from the rental income. Thereafter, the net annual rental income capitalised at an appropriate prevailing market yield to arrive at its fair value. Changes in fair value are recognised in the statements of comprehensive income during the period in which they are reviewed.

The Level 3 inputs or unobservable inputs include:-

Term rental	- the expected rental that the investment properties are expected to achieve and is derived from the current contractual rental, (including revision upon renewal of tenancies during the year which is part of contractual rental);
Reversionary rental	- the expected rental that the investment properties are expected to achieve upon expiry of term rental;
Percentage rent	- the variable lease payment related to sales generated from tenants;
Car park income	- the rental on car park bays;
Other income	- mainly leasing and advertising income;
Outgoings	- mainly quit rent and assessment, utilities costs, reimbursable manpower costs, repair and maintenance, insurance premium, asset enhancement initiatives/upgrades expense and management expenses;
Capitalisation rate	- based on actual location, size and condition of the investment properties and taking into account market data at the valuation date based on the valuers' knowledge of the factors specific to the investment properties; and
Allowance for void	- allowance given for transition period for new tenants to start operation as well as vacancy periods.

There has been no change to the valuation techniques used during the financial year.

(continued)

## 9

The fair value measurements using Level 3 inputs as at 31 December 2024 were as follows:-

## Group and Fund

		Parameters							Sensitivity analysis on fair value measurements*1				
		Capitalisation rates											
		Valuation technique	Fair value RM'000	Term period %	Reversionary period %	Percentage rent %	Car park income %	Other income %	Outgoings RM psf	Allowance for void %	Impact of lower capitalisation rate RM'000	Impact of higher capitalisation rate RM'000	Impact of lower outgoings RM'000
MVM	Income approach	4,000,000	5.85-6.85	6.35-7.35	10.00	7.50	7.50	4.50	5.00	111,900	(98,500)	66,200	(59,600)
TGM	Income approach	1,450,000	5.85-6.85	6.35-7.35	10.00	7.50	7.50	5.00	5.00	24,900	(34,100)	23,400	(34,400)
		5,450,000								136,800	(132,600)	89,600	(94,000)

Notes:-

<sup>11</sup> Changes in capitalisation rates on term and reversionary periods by 25 basis points and outgoings by RM0.20 per square foot on existing unexpired contractual terms are used as these are the key inputs subjected to changes in market conditions.

The fair value measurements using Level 3 inputs as at 31 December 2023 were as follows:-

**Group and Fund**

Valuation technique		Parameters										Sensitivity analysis on fair value measurements*1			
		Capitalisation rates													
		Fair value RM'000	Term period %	Reversionary period %	Percentage rent %	Car park income %	Other income %	Outgoings RM psf	Allowance for void %	Impact of lower capitalisation rate RM'000	Impact of higher capitalisation rate RM'000	Impact of lower outgoings RM'000	Impact of higher outgoings RM'000		
MVM	Income approach	3,790,000	5.85-6.85	6.35-7.35	10.00	7.50	4.10	5.00	112,600	(91,100)	72,500	(57,600)			
TGM	Income approach	1,396,000	5.85-6.85	6.35-7.35	10.00	7.50	5.00	5.00	36,000	(23,600)	34,300	(23,800)			
		5,186,000							148,600	(114,700)	106,800	(81,400)			

Notes:-

<sup>1</sup> Changes in capitalisation rates on term and reversionary periods by 25 basis points and outgoings by RM0.20 per square foot on existing unexpired contractual terms are used as these are the key inputs subjected to changes in market conditions.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 6 INVESTMENT PROPERTIES (continued)

The investment properties are as follows:-

### Group and Fund

	Date of acquisition	Date of valuation	Location	Tenure	Occupancy rates as at 31.12.2024	Fair value as at 31.12.2024	Fair value at acquisition	Percentage of fair value to NAV*3 as at 31.12.2024
					%	RM'000	RM'000	%
MVM	20.09.2012	31.12.2024	Kuala Lumpur	Leasehold*1	98.9	4,000,000	3,440,000	94.0
TGM	20.09.2012	31.12.2024	Kuala Lumpur	Leasehold*2	96.1	1,450,000	1,160,000	34.1
						5,450,000	4,600,000	

	Date of acquisition	Date of valuation	Location	Tenure	Occupancy rates as at 31.12.2023	Fair value as at 31.12.2023	Fair value at acquisition	Percentage of fair value to NAV*3 as at 31.12.2023
					%	RM'000	RM'000	%
MVM	20.09.2012	31.12.2023	Kuala Lumpur	Leasehold*1	99.9	3,790,000	3,440,000	93.9
TGM	20.09.2012	31.12.2023	Kuala Lumpur	Leasehold*2	94.8	1,396,000	1,160,000	34.6
						5,186,000	4,600,000	

Notes:-

\*1 The expiry date of the lease has been extended from 6 June 2103 to 11 April 2104 (remaining term of lease of 80 years) (2023: 81 years).

\*2 The lease will be expiring on 6 June 2103 (remaining term of lease of 79 years) (2023: 80 years).

\*3 Based on consolidated NAV after income distribution.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 6 INVESTMENT PROPERTIES (continued)

- (i) Amounts recognised in statements of comprehensive income for investment properties

The lease revenue arising from investment properties during the financial year are RM451,475,000 (2023: RM446,041,000) (Note 13).

Direct operating expenses arising from investment properties during the financial year are RM170,386,000 (2023: RM156,426,000), as disclosed under property operating expenses in statements of comprehensive income.

- (ii) Leasing arrangement

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the Group and the Fund are a lessor is recognised as income on a straight-line basis over the lease term.

The security deposits in the form of cash or bank guarantees collected by the Group and the Fund act as collateral if receivables due from the tenant are not settled timely or in case of breaches of tenancy. Although the Group and the Fund are exposed to changes in the residual value at the end of the current leases, the Group and the Fund typically enter into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases. Expectations about the future residual values are reflected in the fair value of the investment properties.

Undiscounted lease payments to be received on leases of investment properties are disclosed in Note 25.

## 7 INVESTMENT IN SUBSIDIARY

	Fund	
	2024 RM'000	2023 RM'000
<b>At cost</b>		
Unquoted shares	..*	..*

\* Denotes RM2

Name of company	Principal activity	Place of incorporation	Group's effective interest (%)	
			2024	2023
IGB REIT Capital Sdn Bhd	A special purpose vehicle to raise financing via the issuance of medium term notes pursuant to a medium term notes programme	Malaysia	100	100

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 8 TRADE AND OTHER RECEIVABLES

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Non-current</b>				
Amount owing by subsidiary	-	-	32,582	31,326
<b>Current</b>				
Trade receivables	2,859	2,153	2,859	2,153
Accrued billings	16,317	17,563	16,317	17,563
Amount owing by ultimate holding company	30	16	30	16
Amounts owing by related companies	1,223	1,914	1,223	1,914
Less: Loss allowance	(736)	(1,210)	(736)	(1,210)
Trade receivables – net	19,693	20,436	19,693	20,436
Deferred lease incentives	13,945	11,532	13,945	11,532
	33,638	31,968	33,638	31,968
Other receivables	1,386	976	754	727
Deposits	8,839	8,270	8,839	8,270
	10,225	9,246	9,593	8,997
Prepayments	1,167	1,633	1,167	1,633
	11,392	10,879	10,760	10,630
Total current trade and other receivables	45,030	42,847	44,398	42,598
Total trade and other receivables	45,030	42,847	76,980	73,924

The credit terms of trade receivables were 7 days (2023: 7 days).

The amount owing by subsidiary represents advances, mainly to comply with the minimum required balance in Debt Service Reserve Account pursuant to Tranche 2, MTN (Note 11), which are unsecured, repayable on demand and carries interest rate at 3.80% (2023: 4.20%) per annum as at reporting date. The Fund does not expect to realise this balance within 12 months after the reporting period, therefore the amount owing by subsidiary is classified as non-current asset as at 31 December 2024.

The amounts owing by ultimate holding and related companies are trade in nature, unsecured and with credit terms of 7 days (2023: 7 days).

## 9 CASH AND CASH EQUIVALENTS

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash in hand	138	1,072	138	1,072
Bank balances	24,768	18,445	24,726	18,403
Deposits placed with licensed banks	233,321	254,509	201,414	223,475
Cash and bank balances	258,227	274,026	226,278	242,950
Less:-				
Deposits with maturity period of more than 3 months	(31,872)	(31,000)	-	-
Cash and cash equivalents	226,355	243,026	226,278	242,950

Bank balances are deposits held at call with banks.



# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 9 CASH AND CASH EQUIVALENTS (continued)

As at 31 December 2024, the maturity period of pledged deposit was more than three (3) months, therefore the pledged deposit of RM31.9 million (2023: RM31.0 million) was being excluded from the cash and cash equivalents. The pledged deposit had an effective interest rate of 3.80% (2023: 4.20%) per annum as at reporting date.

The weighted average effective interest rate of deposits with licensed banks of the Group and the Fund that were effective at the reporting date were 3.34% (2023: 3.39%) per annum and 3.27% (2023: 3.28%) per annum respectively.

Deposits placed with licensed banks of the Group and the Fund have a weighted average maturity of 58 days (2023: 57 days) and 29 days (2023: 31 days) respectively.

The reconciliation of liabilities arising from financing activities is as follows:-

Group	Non-current borrowings RM'000	Current borrowings RM'000	Distribution payable to unitholders RM'000	Total RM'000
<b>As at 1 January 2024</b>	<b>1,199,423</b>	<b>15,204</b>	<b>97,244</b>	<b>1,311,871</b>
Cash flows:-				
Interest paid	-	(54,028)	-	(54,028)
Distribution paid to unitholders	-	-	(393,549)	(393,549)
	-	(54,028)	(393,549)	(447,577)
Non-cash changes:-				
Amortisation of transaction costs	154	-	-	154
Interest charged during the financial year	-	54,028	-	54,028
Distribution to unitholders	-	-	386,690	386,690
	154	54,028	386,690	440,872
<b>As at 31 December 2024</b>	<b>1,199,577</b>	<b>15,204</b>	<b>90,385</b>	<b>1,305,166</b>
<b>As at 1 January 2023</b>	<b>1,199,269</b>	<b>15,204</b>	<b>88,348</b>	<b>1,302,821</b>
Cash flows:-				
Interest paid	-	(53,880)	-	(53,880)
Distribution paid to unitholders	-	-	(367,876)	(367,876)
	-	(53,880)	(367,876)	(421,756)
Non-cash changes:-				
Amortisation of transaction costs	154	-	-	154
Interest charged during the financial year	-	53,880	-	53,880
Distribution to unitholders	-	-	376,772	376,772
	154	53,880	376,772	430,806
<b>As at 31 December 2023</b>	<b>1,199,423</b>	<b>15,204</b>	<b>97,244</b>	<b>1,311,871</b>

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 9 CASH AND CASH EQUIVALENTS (continued)

The reconciliation of liabilities arising from financing activities is as follows:- (continued)

Fund	Non-current – amount due to subsidiary RM'000	Current – amount due to subsidiary RM'000	Distribution payable to unitholders RM'000	Total RM'000
<b>As at 1 January 2024</b>	<b>1,199,423</b>	<b>15,204</b>	<b>97,244</b>	<b>1,311,871</b>
Cash flows:-				
Interest paid	-	(54,028)	-	(54,028)
Distribution paid to unitholders	-	-	(393,549)	(393,549)
	-	(54,028)	(393,549)	(447,577)
Non-cash changes:-				
Amortisation of transaction costs	154	-	-	154
Interest charged during the financial year	-	54,028	-	54,028
Income distribution to unitholders	-	-	386,690	386,690
	154	54,028	386,690	440,872
<b>As at 31 December 2024</b>	<b>1,199,577</b>	<b>15,204</b>	<b>90,385</b>	<b>1,305,166</b>
<b>As at 1 January 2023</b>	<b>1,199,269</b>	<b>15,204</b>	<b>88,348</b>	<b>1,302,821</b>
Cash flows:-				
Interest paid	-	(53,880)	-	(53,880)
Distribution paid to unitholders	-	-	(367,876)	(367,876)
	-	(53,880)	(367,876)	(421,756)
Non-cash changes:-				
Amortisation of transaction costs	154	-	-	154
Interest charged during the financial year	-	53,880	-	53,880
Income distribution to unitholders	-	-	376,772	376,772
	154	53,880	376,772	430,806
<b>As at 31 December 2023</b>	<b>1,199,423</b>	<b>15,204</b>	<b>97,244</b>	<b>1,311,871</b>

## 10 UNITHOLDERS' CAPITAL

	Group and Fund			
	2024		2023	
	Number of Units '000	Value RM'000	Number of Units '000	Value RM'000
<b>Issued and fully paid up:</b>				
As at 1 January	3,601,639	4,550,473	3,586,907	4,525,538
Issue of new Units *	13,748	25,796	14,732	24,935
<b>As at 31 December</b>	<b>3,615,387</b>	<b>4,576,269</b>	<b>3,601,639</b>	<b>4,550,473</b>

\* During the financial year, a portion of the Manager's management fees was paid in Units. Total Manager's management fees paid/payable in Units are disclosed in Note 15.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 10 UNITHOLDERS' CAPITAL (continued)

Unitholdings of IGB REIT's substantial unitholders, Manager and Manager's Directors are as follows:

	Group and Fund			
	2024		2023	
	Number of Units '000	Market Value RM'000	Number of Units '000	Market Value RM'000
<b>Direct unitholdings of IGB REIT's substantial unitholders</b>				
IGB Berhad	1,733,618	3,709,943	1,733,618	2,981,823
Dato' Seri Robert Tan Chung Meng	16,273	34,824	16,273	27,989
Tan Kim Yeow Sendirian Berhad	14,765	31,597	14,765	25,395
Tony Tan Choon Keat	1,000	2,140	1,000	1,720
<b>Indirect unitholdings of IGB REIT's substantial unitholders</b>				
IGB Berhad	215,933	462,097	202,185	347,757
Dato' Seri Robert Tan Chung Meng	1,964,641	4,204,332	1,950,892	3,355,535
Pauline Tan Suat Ming	1,964,641	4,204,332	1,950,892	3,355,535
Tony Tan Choon Keat	1,964,641	4,204,332	1,950,892	3,355,535
Tan Chin Nam Sendirian Berhad	1,958,690	4,191,597	1,947,124	3,349,054
Tan Kim Yeow Sendirian Berhad	1,949,876	4,172,735	1,936,128	3,330,140
Wah Seong (Malaya) Trading Co. Sdn Bhd	1,949,550	4,172,037	1,935,802	3,329,580
<b>Direct unitholdings of the Manager in IGB REIT</b>				
IGB REIT Management Sdn Bhd	215,387	460,928	201,639	346,819
<b>Direct unitholdings of the Manager's Directors in IGB REIT</b>				
Dato' Seri Robert Tan Chung Meng	16,273	34,824	16,273	27,989
Tan Lei Cheng	2,006	4,293	2,006	3,450
Elizabeth Tan Hui Ning	4,811	10,296	4,811	8,275
Tan Mei Sian	300	642	-	-
<b>Indirect unitholdings of the Manager's Directors in IGB REIT</b>				
Dato' Seri Robert Tan Chung Meng	1,964,641	4,204,332	1,950,892	3,355,535

The market value of the units was computed based on the closing market price as at 31 December 2024 of RM2.14 (2023: RM1.72).

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 11 BORROWINGS

	Group	
	2024	2023
	RM'000	RM'000
<b>Current (secured):</b>		
Medium term notes	15,204	15,204
	<b>15,204</b>	<b>15,204</b>
<b>Non-current (secured):</b>		
Medium term notes	1,199,577	1,199,423
	<b>1,199,577</b>	<b>1,199,423</b>
<b>Total</b>	<b>1,214,781</b>	<b>1,214,627</b>

### Medium Term Notes ("MTN") Programme of up to RM5.0 billion in nominal value ("MTN Programme")

On 18 August 2017, the Manager announced on the Main Market of Bursa Malaysia Securities Berhad that IGB REIT Capital Sdn Bhd ("IGBRC"), a special purpose vehicle wholly-owned by IGB REIT via MTrustee Berhad (acting in its capacity as trustee for IGB REIT), had lodged a MTN Programme with the Securities Commission Malaysia ("SC") pursuant to the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the SC. The MTN Programme has a tenure of twenty (20) years from the date of first issuance of MTN under the MTN Programme.

On 20 September 2022, IGBRC issued the second tranche AAA-rated MTN ("Tranche 2, MTN") amounting to RM1.2 billion to fully redeem the Tranche 1, MTN. 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 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 would result in the coupon step up to 5.49% per annum for the subsequent 2.5 years.

The Tranche 2, MTN is secured against, among others, the following:-

- (i) a third party legal assignment of the Trustee's present and future rights, titles, interests and benefits in MVM and under the sale and purchase agreement in relation to MVM. In the event the subdivision of master title is completed and a separate strata title is issued for MVM ("MVM Strata Title"), a third party first legal charge shall be created on the MVM Strata Title;
- (ii) a third party legal assignment over all the Trustee's rights, titles, interests and benefits under the proceeds derived from the tenancy/lease agreements in relation to MVM;
- (iii) a third party legal assignment of the Trustee's present and future rights, titles, interests and benefits under all insurance policies in relation to MVM and the Security Trustee (acting for and on behalf of the MTN holders) being named as the co-insured and loss payee of the insurance policies;
- (iv) a third party first ranking legal assignment and charge over the revenue and operating accounts of the Tranche 2, MTN;
- (v) a first party first ranking legal assignment and charge over the debt service reserve account of the 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 MVM upon expiry of the remedy period under the terms of the Tranche 2, MTN;
- (vii) a letter of undertaking from the Trustee and the Manager:-
  - (a) to deposit all cash flows generated from MVM into the revenue account; and
  - (b) it shall not declare or make any distributions out of the cash flows from the revenue account to the unitholders if an event of default and/or a trigger event has occurred and is continuing or the financial covenants are not met; and
- (viii) a first party legal assignment over the Tranche 2, MTN's Trustee financing agreement.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 11 BORROWINGS (continued)

The maturity profiles of the borrowings are as follows:-

	<1 year RM'000	1 to 2 years RM'000	2 to 3 years RM'000	>3 years RM'000	Total carrying amount RM'000
<b>Group</b>					
<b>As at 31 December 2024</b>					
Tranche 2, MTN	15,204	-	1,199,577	-	1,214,781
	<u>15,204</u>	<u>-</u>	<u>1,199,577</u>	<u>-</u>	<u>1,214,781</u>
<b>As at 31 December 2023</b>					
Tranche 2, MTN	15,204	-	-	1,199,423	1,214,627
	<u>15,204</u>	<u>-</u>	<u>-</u>	<u>1,199,423</u>	<u>1,214,627</u>

The weighted average effective interest rates as at the reporting date are as follows:-

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>per annum</b>	<b>per annum</b>
Tranche 2, MTN	<u>4.46%</u>	<u>4.46%</u>

## 12 TRADE AND OTHER PAYABLES

		<b>Group</b>		<b>Fund</b>	
		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current</b>					
Amount owing to subsidiary	a	-	-	1,199,577	1,199,423
<b>Current</b>					
Trade payables	b	15,505	9,449	15,505	9,449
Tenants' deposits	c	114,195	100,907	114,195	100,907
		<u>129,700</u>	<u>110,356</u>	<u>129,700</u>	<u>110,356</u>
Other payables and accrued expenses		16,904	14,388	16,904	14,388
Indirect tax payable		367	346	367	346
Prepaid rental		11,034	12,838	11,034	12,838
Contract liabilities	e	3,970	4,314	3,970	4,314
Amount owing to subsidiary	a	-	-	15,205	15,204
Amounts owing to related companies	d	18,691	14,259	18,691	14,260
Distribution payable to unitholders		90,385	97,244	90,385	97,244
		<u>141,351</u>	<u>143,389</u>	<u>156,556</u>	<u>158,594</u>
Total current trade and other payables		<u>271,051</u>	<u>253,745</u>	<u>286,256</u>	<u>268,950</u>
Total trade and other payables		<u>271,051</u>	<u>253,745</u>	<u>1,485,833</u>	<u>1,468,373</u>



## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 12 TRADE AND OTHER PAYABLES (continued)

- (a) The amount owing to subsidiary represents advances from the issuance of Tranche 2, MTN, which are secured and carries fixed interest rate at 4.49% (2023: 4.49%) per annum, in which the repayment terms mirror the terms stated in Note 11.
- (b) Credit terms for trade payables range from 30 days to 90 days (2023: 30 days to 90 days).
- (c) Tenants' deposits include refundable deposits received from tenants for tenancy and lease related agreements. Tenancy and lease tenures are generally for a period of one (1) to three (3) years. The liability is derecognised upon returning the deposit to the tenant at the end or termination of the tenancy and lease or transferred to the statements of comprehensive income in accordance with the terms and conditions of the tenancy and lease agreements.
- (d) Amounts owing to related companies are unsecured, interest-free (2023: interest-free) and repayable on demand.
- (e) Contract liabilities mainly consist of advance receipts for the payment of service charges and car park season pass as follows:-

	Group and Fund	
	2024 RM'000	2023 RM'000
As at 1 January	4,314	4,165
Revenue recognised that was included in the balance at the beginning of the financial year	(4,314)	(4,165)
Revenue recognised during the financial year	(96,697)	(83,794)
Billings during the financial year	100,667	88,108
As at 31 December	3,970	4,314

### 13 TOTAL REVENUE

	Group and Fund	
	2024 RM'000	2023 RM'000
Lease revenue	451,475	446,041
<u>Revenue from contracts with customers</u>		
- Service charge	88,803	77,982
- Car park income	48,182	45,598
- Utilities recoveries	29,268	27,423
- Promotion partnership income and others	8,371	7,264
	174,624	158,267
Total revenue	626,099	604,308
Revenue from contracts with customers is recognised:-		
- Over time	174,624	158,267

Lease revenue included percentage rent related to sales generated from tenants which approximate to 16.6% (2023: 21.4%) of lease revenue.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 14 REIMBURSEMENT COSTS AND OTHER OPERATING EXPENSES

These are costs incurred in the operation, maintenance, management and marketing of the investment properties by the property manager pursuant to the Service Provider Agreements, as well as insurance premiums which is reimbursed to the property manager.

	Group and Fund	
	2024	2023
	RM'000	RM'000
Manpower costs	38,822	33,354
Marketing expenses	7,334	5,186
Administration expenses	5,170	5,462
Management expenses	4,736	4,586
Insurance premium	1,543	1,519
Reversal for impairment of trade receivables	(310)	(1,887)
	<b>57,295</b>	<b>48,220</b>

## 15 MANAGER'S MANAGEMENT FEES

	Group and Fund	
	2024	2023
	RM'000	RM'000
Base fee	17,224	16,459
Performance fee	22,785	22,394
	<b>40,009</b>	<b>38,853</b>

For the financial year ended 31 December 2024, 65% of the total Manager's management fees has been paid/payable in Units (2023: 65%) and the remaining 35% in cash (2023: 35%), amounting to approximately RM26,006,000 and RM14,003,000 (2023: RM25,254,000 and RM13,599,000) respectively.

## 16 AUDITORS' REMUNERATION

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Statutory audit fees and audit related services:				
- PricewaterhouseCoopers PLT	144	138	134	128
Non-audit fees*:				
- PricewaterhouseCoopers Taxation Services Sdn. Bhd.	165	12	161	9

\* Non-audit fees were in respect of tax compliance services and E-invoicing impact assessment services.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 17 FINANCE COSTS

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
- Medium Term Notes	54,182	54,034	-	-
- Advances from subsidiary	-	-	54,182	54,034
	<b>54,182</b>	<b>54,034</b>	<b>54,182</b>	<b>54,034</b>

### 18 TAXATION

	Group and Fund	
	2024	2023
	RM'000	RM'000
<b>Reconciliation of tax expense</b>		
Profit before taxation	<b>579,763</b>	517,629
Income tax using Malaysian tax rate of 24% (2023: 24%)	<b>139,143</b>	124,231
Non-deductible expenses	<b>5,240</b>	5,182
Fair value gain on investment properties not subject to tax	<b>(50,656)</b>	(38,056)
Income exempted from tax	<b>(93,727)</b>	(91,357)
	<b>-</b>	-

Pursuant to Section 61A of the Malaysian Income Tax Act, 1967 ("Act"), income of IGB REIT will be exempted from tax provided that at least 90% of its total taxable income (as defined in the Act) is distributed to the investors in the basis period of IGB REIT for that year of assessment within two (2) months after the close of the financial year. If the 90% distribution condition is not complied with or the 90% distribution is not made within two (2) months after the close of IGB REIT financial year which forms the basis period for a year of assessment, IGB REIT will be subject to income tax at the prevailing rate on its total taxable income. Income which has been taxed at the IGB REIT level will have tax credits attached when subsequently distributed to unitholders.

As the distribution to unitholders for the financial year ended 31 December 2024 is approximately 97.5% (2023: 97.5%) of the total distributable income, no provision for income taxation has been made for the current and prior financial year.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 19 EARNINGS PER UNIT ("EPU") – BASIC AND DILUTED

The calculation of EPU is based on profit after taxation or total comprehensive income attributable to unitholders divided by the weighted average number of Units.

	Note	Group and Fund	
		2024	2023
		RM'000	RM'000
<b>Profit after taxation/total comprehensive income</b>			
- Realised		368,698	359,064
- Unrealised		211,065	158,565
Total		579,763	517,629
<b>Weighted average number of Units ('000)</b>			
Weighted average number of Units in issue		3,609,456	3,594,885
Adjustment for Manager's management fees payable in Units	a	3,038	3,764
Weighted average number of Units for diluted EPU		3,612,494	3,598,649
<b>Basic EPU (sen)</b>			
- Realised		10.21	9.99
- Unrealised		5.85	4.41
Total		16.06	14.40
<b>Diluted EPU (sen)</b>			
- Realised		10.21	9.97
- Unrealised		5.84	4.41
Total		16.05	14.38

Note (a):-

	Group and Fund			
	2024		2023	
	Number of units '000	Value RM'000	Number of units '000	Value RM'000
Manager's management fees payable in Units				
- from 1 October 2024 to 31 December 2024 at RM2.20 per Unit listed on 3 February 2025	3,038	6,684	-	-
- from 1 October 2023 to 31 December 2023 at RM1.72 per Unit listed on 7 February 2024	-	-	3,764	6,474
	3,038	6,684	3,764	6,474

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 20 DISTRIBUTION TO UNITHOLDERS

	Note	Group and Fund	
		2024 RM'000	2023 RM'000
Total comprehensive income		579,763	517,629
Distribution adjustments	a	(183,825)	(131,865)
Distributable income		395,938	385,764
Distribution per unit (sen)			
- for the period from 1 January 2024 to 31 March 2024		2.96	-
- for the period from 1 April 2024 to 30 June 2024		2.56	-
- for the period from 1 July 2024 to 30 September 2024		2.68	-
- for the period from 1 October 2024 to 31 December 2024		2.50	-
- for the period from 1 January 2023 to 31 March 2023		-	2.80
- for the period from 1 April 2023 to 30 June 2023		-	2.37
- for the period from 1 July 2023 to 30 September 2023		-	2.60
- for the period from 1 October 2023 to 31 December 2023		-	2.70
		10.70	10.47
<u>Sources of distribution</u>			
Lease revenue		451,475	446,041
Revenue from contracts with customers		174,624	158,267
Changes in fair value on investment properties		211,065	158,565
Interest income		8,841	5,459
		846,005	768,332
Less: Expenses		(266,242)	(250,703)
Total comprehensive income		579,763	517,629
Distribution adjustments	a	(183,825)	(131,865)
Distributable income		395,938	385,764
Income distribution of 2.96 sen per unit (@ 2.91 sen taxable and 0.05 sen non-taxable) for the period from 1 January 2024 to 31 March 2024		(106,821)	-
Income distribution of 2.56 sen per unit (@ 2.51 sen taxable and 0.05 sen non-taxable) for the period from 1 April 2024 to 30 June 2024		(92,396)	-
Income distribution of 2.68 sen per unit (@ 2.63 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2024 to 30 September 2024		(97,009)	-
Income distribution of 2.50 sen per unit (@ 2.45 sen taxable and 0.05 sen non-taxable) for the period from 1 October 2024 to 31 December 2024		(90,464)	-
Income distribution of 2.80 sen per unit (@ 2.77 sen taxable and 0.03 sen non-taxable) for the period from 1 January 2023 to 31 March 2023		-	(100,512)
Income distribution of 2.37 sen per unit (@ 2.33 sen taxable and 0.04 sen non-taxable) for the period from 1 April 2023 to 30 June 2023		-	(85,289)
Income distribution of 2.60 sen per unit (@ 2.55 sen taxable and 0.05 sen non-taxable) for the period from 1 July 2023 to 30 September 2023		-	(93,627)
Income distribution of 2.70 sen per unit (@ 2.65 sen taxable and 0.05 sen non-taxable) for the period from 1 October 2023 to 31 December 2023		-	(97,344)
Income distributed		(386,690)	(376,772)
Income retained		9,248	8,992



# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 20 DISTRIBUTION TO UNITHOLDERS (continued)

		Group and Fund	
		2024	2023
	Note	RM'000	RM'000
<u>Note (a):-</u>			
Distribution adjustments comprise:-			
Changes in fair value on investment properties	6	(211,065)	(158,565)
Manager's management fees paid/payable in Units	15	26,006	25,254
Amortisation of fit-out incentives		250	250
Amortisation of transaction costs		154	154
Depreciation of plant and equipment	5	830	1,042
		<u>(183,825)</u>	<u>(131,865)</u>

Withholding tax has been deducted for distributions as follows:-

	Withholding tax rate	
	2024	2023
Resident corporate	N/A^	N/A^
Resident non-corporate	10%	10%
Non-resident individual	10%	10%
Non-resident corporate	24%	24%
Non-resident institutional	10%	10%

^ to tax at prevailing rate

## 21 MANAGEMENT EXPENSE RATIO

	Group and Fund	
	2024	2023
Management expense ratio ("MER") (%)	<u>0.98</u>	<u>1.00</u>

The calculation of the MER is based on the total fund operating fees of the Group and the Fund incurred for the financial year, including the Manager's management fees, trustees' fees, valuation fees and other trust expenses, to the NAV (after income distribution) as at year end.

The calculation of the MER is required as the REIT Guidelines and the basis of calculating MER can vary among REITs. As such, there is no consistent or coherent basis for providing an accurate comparison of the Group's and of the Fund's MER against other REITs.

## 22 SEGMENT REPORTING

The segmental financial information by business or geographical segments is not presented as there is only one (1) business activity which is primarily generating rental income from the shopping malls' tenants within the investment properties portfolio of the Group and of the Fund, which comprises of MVM and TGM and its entire business is conducted in Kuala Lumpur.

The Manager assesses the financial performance of the operating segments based on, including but not limited to, net property income ("NPI"). The NPI enables financial performance benchmarking as such basis eliminates the effect of financing and investment decisions which may not be made at operating level.

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 23 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	Group		Fund	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<u>Financial assets at amortised cost</u>					
Assets as per statements of financial position:-					
- Trade and other receivables (excluding prepayments and deferred lease incentives)	8	29,918	29,682	61,868	60,759
- Cash and bank balances	9	258,227	274,026	226,278	242,950
Total financial assets		288,145	303,708	288,146	303,709
<u>Financial liabilities at amortised cost</u>					
Liabilities as per statements of financial position:-					
- Borrowings	11	1,214,781	1,214,627	-	-
- Trade and other payables (excluding indirect tax payable, prepaid rental and contract liabilities)	12	255,680	236,247	1,470,462	1,450,875
Total financial liabilities		1,470,461	1,450,874	1,470,462	1,450,875

### 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

#### 24.1 Financial risk factors

The Group's and the Fund's activities expose it to a variety of financial risks: interest rate risk (including fair value interest rate risk), credit risk and liquidity and cash flow risk. The Group's and the Fund's overall financial risk management objective is to ensure that it creates value for its unitholders. The Group and the Fund focus on the unpredictability of financial markets and seeks to mitigate potential adverse effects on the financial performance of the Group and the Fund. Financial risk management is carried out through risk reviews, internal control systems and insurance programmes. The Manager regularly reviews the risk profile and ensure adherence to the Group's and the Fund's financial risk management policies.

##### (a) Interest rate risk

The Group's and the Fund's income and cash flows are substantially independent of changes in market interest rates as the interest rate of Tranche 2, MTN is fixed at 4.49% per annum which locks in the interest rate against any fluctuation resulting in exposure to fair value and cash flow interest rate risk.

Sensitivity analysis for interest rate fluctuation is irrelevant or not applicable as the Group and the Fund do not use variable rates in managing its cash flow interest rate risk.

##### (b) Credit risk

Credit risk arises from credit exposures to outstanding receivables from the tenants, as well as cash, cash equivalents and deposits with banks and financial institutions.

Credit risk with respect to trade receivables is limited due to the nature of business which is mainly rental and security deposit receivable in advance. Credit risks arising from outstanding receivables from the tenants are monitored and managed on an on-going basis via compliance with credit control standard operating and reporting procedures.

Other than anchor tenants, namely Aeon, Isetan and GSC Aurum Theatre, which contribute 5.1% (2023: 8.3%) of the total revenue, the Group and the Fund do not have any significant exposure to any individual or group of tenants or counterparties.

Simplified approach for trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies

The Group and the Fund apply simplified approach which requires expected lifetime losses to be recognised from initial recognition of the trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 24.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

Simplified approach for trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies (continued)

The expected credit loss and default rates are based on the historical payment profiles of tenants, the corresponding historical credit loss and default experienced. The historical credit loss and default rates are adjusted to reflect current and forward-looking factors affecting the ability of the tenants to settle the receivables. The Group and the Fund have identified the credit profile, sales performance, cash flow sustainability and business outlook of tenants to be the most relevant forward-looking factors, especially during the prevailing economic uncertainties and challenging operating environment, and adjusted the historical credit loss and default rates based on expected changes in these factors.

Furthermore, the tenants have placed security deposits in the form of cash or bank guarantees which act as collateral if receivables due from the tenants are not settled or in case of breaches of tenancy or lease agreements. As such, no additional credit risk beyond amounts allowed for expected credit losses is inherent in the Group's and the Fund's trade receivables.

Bank deposits are placed with licensed financial institutions with high credit ratings assigned by credit rating agencies. The Group considers the risk of material loss in the event of non-performance by a financial counterparty to be unlikely and hence, the expected credit loss is immaterial, if any.

The analysis of credit risk exposure of trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies is as follows:-

Trade receivables, accrued billings and trade balances of amount owing by ultimate holding company and related companies

#### Group and Fund

	Not due and 1-7 days RM'000	8-30 days RM'000	31-60 days RM'000	61-90 days RM'000	>90 days RM'000	Total RM'000
<u>As at 31 December 2024</u>						
Trade receivables	380	1,306	350	198	625	2,859
Accrued billings	16,317	-	-	-	-	16,317
Amount owing by ultimate holding company and related companies (trade)	1,226	11	16	-	-	1,253
<b>Total (gross)</b>	<b>17,923</b>	<b>1,317</b>	<b>366</b>	<b>198</b>	<b>625</b>	<b>20,429</b>
Loss allowance*	(29)	(405)	(148)	(112)	(42)	(736)
<b>Total (net)</b>	<b>17,894</b>	<b>912</b>	<b>218</b>	<b>86</b>	<b>583</b>	<b>19,693</b>
<u>As at 31 December 2023</u>						
Trade receivables	215	626	46	43	1,223	2,153
Accrued billings	17,563	-	-	-	-	17,563
Amount owing by ultimate holding company and related companies (trade)	1,349	545	36	-	-	1,930
<b>Total (gross)</b>	<b>19,127</b>	<b>1,171</b>	<b>82</b>	<b>43</b>	<b>1,223</b>	<b>21,646</b>
Loss allowance*	(152)	(304)	(31)	(42)	(681)	(1,210)
<b>Total (net)</b>	<b>18,975</b>	<b>867</b>	<b>51</b>	<b>1</b>	<b>542</b>	<b>20,436</b>

\* Expected loss rate for receivables due more than 90 days and tenants under legal actions are 100%. The Group and the Fund take into account security deposits and other factors in determining the expected credit loss.

General 3-stage approach for other receivables, deposits and non-trade balance of amount owing by subsidiary

The other receivables, deposits and non-trade balance of amount owing by subsidiary impairment are assessed individually to determine whether there was objective evidence that an impairment had been incurred but not yet identified. Loss allowance is measured at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 24.1 Financial risk factors (continued)

#### (b) Credit risk (continued)

##### Other receivables, deposits and non-trade balance of amount owing by subsidiary

There is no impairment of other receivables, deposits and non-trade balance of amount owing by subsidiary as the rate of default and expected credit loss rate are low.

The movement of loss allowance of trade receivables is as follows:-

	Group and Fund	
	2024 RM'000	2023 RM'000
As at 1 January	1,210	10,874
Loss allowance	389	517
Reversal during the financial year	(699)	(2,404)
Bad debt written-off	(164)	(7,777)
As at 31 December	736	1,210

The decrease in the loss allowance is arising from receipt and recovery from tenants. Loss allowance net of reversal of impairment approximately RM310,000 (2023: RM1,887,000) is included in "Reimbursement Costs and Other Operating Expenses" in Note 14.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables.

#### (c) Liquidity and cash flow risk

The forecasts of liquidity requirements are monitored through projected cash flows, to ensure there is sufficient cash to meet operational needs. The Directors of the Manages ensures that there are adequate cash, cash equivalents and bank facilities are maintained and monitored to finance the operations, to distribute income to unitholders, and to mitigate the effects of fluctuations in cash flows to meet the Group and the Fund Obligations as and when it falls due. In addition, the Manager also monitors and observes the REIT Guidelines concerning limits on total borrowings of the investment trust.

The fund is in net current liabilities position as at 31 December 2024. Notwithstanding the above, cash and bank balances as at 31 December 2024 of the Fund of RM226 million (2023: RM243 million) is expected to assist in the liquidity and cash flow risk management.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 24.1 Financial risk factors (continued)

#### (c) Liquidity and cash flow risk (continued)

The analysis of the non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date is as follows:-

	<1 year RM'000	1 to 2 years RM'000	2 to 3 years RM'000	>3 years RM'000	Total RM'000
<b>Group</b>					
<b>At 31 December 2024</b>					
Borrowings	53,880	53,880	1,240,410	-	1,348,170
Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)	255,680	-	-	-	255,680
<b>At 31 December 2023</b>					
Borrowings	54,028	53,880	53,880	1,253,880	1,415,668
Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)	236,247	-	-	-	236,247
<b>Fund</b>					
<b>At 31 December 2024</b>					
Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)	324,765	53,880	1,239,987	-	1,618,632
<b>At 31 December 2023</b>					
Trade and other payables and accruals (excluding indirect tax payable, prepaid rental and contract liabilities)	305,480	53,880	53,880	1,239,833	1,653,073

Note:-

The amounts are contractual and undiscounted cash flows, including interest payable up to the maturity date for the borrowings.

### 24.2 Capital risk management

The Group's capital includes the unitholders' capital and borrowings. The Fund's capital includes unitholders' capital and intercompany borrowings.

The overall capital management objectives are to safeguard the ability to continue as a going concern in order to provide returns for unitholders and other stakeholders as well as to maintain a more efficient capital structure.

The Manager's on-going capital management strategy involves maintaining an appropriate gearing level and adopting an active interest rate management strategy to manage the risks associated with refinancing and changes in interest rates. The Manager intends to implement this strategy by (i) diversifying sources of debt funding to the extent appropriate, (ii) maintaining a reasonable level of debt service capability, (iii) securing favourable terms of funding, (iv) managing its financial obligations and (v) where appropriate, managing the exposures arising from adverse market interest rates, such as through fixed rate borrowings, to improve the efficiency for the cost of capital.



# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 24.2 Capital risk management (continued)

The total borrowings to total assets ratio is as follows:-

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Total borrowings	1,214,781	1,214,627	-	-
Total intercompany borrowings	-	-	1,214,781	1,214,627
Total assets	5,741,275	5,504,946	5,741,276	5,504,947
Borrowings to total assets ratio (%)	21.2	22.1	21.2	22.1

The total borrowings should not exceed 50% of the total assets at the time the borrowings are incurred in accordance with the REIT Guidelines. The Group and the Fund complied with the borrowing limit in the current financial year.

The financial covenants of the MTN Programme are as follows:-

- (i) to ensure that the total amount raised by the Group from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of the Group; and
- (ii) to maintain the interest service cover ratio ("ISCR") of not less than 1.5 times for the Group, calculated on a yearly basis at the end of the financial year of the Group.

The financial covenants of the 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 the Group from issuance of debt securities and/or any other financing facilities shall not exceed 50% of the total asset value of the Group.

The Group and the Fund complied with the financial covenants for the financial year ended 31 December 2024.

The Deed provides that the Manager shall, with the approval of the Trustee, for each distribution period, distribute all (or such other percentage as determined by the Manager at its absolute discretion) of the Fund's distributable income. It is the intention of the Manager to distribute at least 90% of the Fund's distributable income on a quarterly basis (or such other interval as determined by the Manager at its absolute discretion).

For the financial year ended 31 December 2024, the Group and the Fund distributed approximately 97.5% (2023: 97.5%) of the total distributable income.

### 24.3 Fair value

The assets and liabilities measured at fair value and classified by level of the fair value measurement hierarchy are as follows:-

- (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and
- (c) inputs for the asset or liability that are not based on observable market data i.e. unobservable inputs (Level 3).

	Group and Fund	
	2024	2023
	RM'000	RM'000
<b>Level 3</b>		
Recurring fair value measurements:-		
Investment properties (as per valuer's report)	5,450,000	5,186,000

Level 3 fair values of the investment properties have been derived from the income approach method based on valuations performed by One Asia (2023: One Asia). The valuation techniques, significant parameters and movement in fair values are as disclosed in Note 6.

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 24 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

### 24.3 Fair value (continued)

#### Assets and liabilities not carried at fair value

Save as disclosed below, the carrying amounts of financial assets and liabilities as at reporting date approximated their fair values.

The Group's borrowings are not measured at fair value as at reporting date. The fair value of such borrowings is disclosed within the fair value hierarchy as follows:-

	Group			
	2024		2023	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
<b>Level 2</b>				
Borrowings	1,214,781	1,234,488	1,214,627	1,236,096
	Fund			
	2024		2023	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
<b>Level 2</b>				
Intercompany borrowings	1,214,781	1,234,488	1,214,627	1,236,096

## 25 OPERATING LEASES (LEASE COMPONENT)

#### Leases as lessor

The Group and the Fund lease out the investment properties (Note 6) under operating leases. Subject to full receipts and/or recoveries of all trade receivables, and assuming no existing tenancies are prematurely terminated, the undiscounted lease revenue, i.e. rental income, to be received, excluding any percentage rentals, based on committed tenancies as at 31 December 2024 are as follows:-

	Group and Fund	
	2024 RM'000	2023 RM'000
<b>Rental income:</b>		
Less than one (1) year	382,228	341,239
Between one (1) and two (2) years	318,617	273,454
Between two (2) and three (3) years	188,020	179,823
Between three (3) and four (4) years	54,925	84,835
Between four (4) and five (5) years	18,060	28,171
More than five (5) years	29,806	48,156
	<b>991,656</b>	<b>955,678</b>

## NOTES TO THE FINANCIAL STATEMENTS

(continued)

### 26 REMAINING PERFORMANCE OBLIGATIONS (NON-LEASE COMPONENTS)

The Group and the Fund lease out the investment properties (Note 6) under operating leases. Subject to full receipts and/or recoveries of all trade receivables, and assuming no existing tenancies are prematurely terminated, the yet to be satisfied performance obligation resulting from non-lease components, i.e. service charges, to be received, based on committed tenancies as at 31 December 2024 are as follows:-

	Group and Fund	
	2024	2023
	RM'000	RM'000
<b>Service charges:</b>		
Less than one (1) year	93,852	86,346
Between one (1) and two (2) years	71,266	70,619
Between two (2) and three (3) years	42,996	42,267
Between three (3) and four (4) years	12,043	20,231
Between four (4) and five (5) years	5,905	7,502
More than five (5) years	7,417	13,392
	<b>233,479</b>	<b>240,357</b>

### 27 CAPITAL COMMITMENTS

The capital expenditure which has not been provided for in the financial statements is as follows:-

	Group and Fund	
	2024	2023
	RM'000	RM'000
Authorised by Directors of the Manager and contracted		
- Investment properties	1,808	-
	<b>1,808</b>	<b>-</b>

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 28 SIGNIFICANT RELATED PARTY TRANSACTIONS

The significant related party transactions are carried out in the normal course of business on terms and conditions negotiated between the contracting parties.

Related party	Relationship
IGB Berhad ("IGB")	Major unitholder of the Fund, the sponsor and ultimate holding company of the Fund
IGB Corporation Berhad ("IGBC")	A subsidiary of IGB
IGB REIT Management Sdn Bhd	The Manager of the Fund, a subsidiary of IGBC
IGB REIT Capital Sdn Bhd	A subsidiary of the Fund via MTrustee Berhad (acting in its capacity as trustee for the Fund)
IGB Digital Sdn Bhd	A subsidiary of IGB
IGB Commercial Real Estate Investment Trust ("IGB Commercial REIT")	A subsidiary of IGB
Ensignia Construction Sdn Bhd	A subsidiary of IGBC
Mid Valley City Developments Sdn Bhd	A subsidiary of IGBC
Mid Valley City Energy Sdn Bhd	A subsidiary of IGBC
Mid Valley City Enterprise Sdn Bhd	A subsidiary of IGBC
Mid Valley City Hotels Sdn Bhd	A subsidiary of IGBC
MVC CyberManager Sdn Bhd	A subsidiary of IGBC
MVEC Exhibition and Event Services Sdn Bhd	A subsidiary of IGBC
Tanah Permata Sdn Bhd	A subsidiary of IGBC
Wah Seong (M) Trading Co Sdn Bhd	Major unitholder of the Fund
Strass Media Sdn Bhd	A subsidiary of Wah Seong (Malaya) Trading Co. Sdn Bhd
CPI Spicy Gardens Sdn Bhd	A person connected to a director of the Manager

Group		Fund	
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

### Significant related party transactions for the financial year:-

#### Receivables

1) Utilities charges				
- IGB Commercial REIT	7,763	7,495	7,763	7,495
- Mid Valley City Enterprise Sdn Bhd	1,803	718	1,803	718
- Mid Valley City Hotels Sdn Bhd	2,807	2,618	2,807	2,618
- Tanah Permata Sdn Bhd	740	1,158	740	1,158
- Mid Valley City Energy Sdn Bhd	1,101	1,004	1,101	1,004
- Mid Valley City Developments Sdn Bhd	94	100	94	100
	<b>14,308</b>	<b>13,093</b>	<b>14,308</b>	<b>13,093</b>
2) Rental of premises				
- MVEC Exhibition and Event Services Sdn Bhd	6,257	6,061	6,257	6,061
- MVC CyberManager Sdn Bhd	58	60	58	60
- CPI Spicy Gardens Sdn Bhd	344	302	344	302
	<b>6,659</b>	<b>6,423</b>	<b>6,659</b>	<b>6,423</b>
3) Rental of light box				
- Strass Media Sdn Bhd	1,238	532	1,238	532

# NOTES TO THE FINANCIAL STATEMENTS

(continued)

## 28 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

	Group		Fund	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Significant related party transactions for the financial year:-</b> (continued)				
<b>Receivables</b> (continued)				
4) Rental of car park - IGB Berhad	364	200	364	200
5) Interest charges to - IGB REIT Capital Sdn Bhd	-	-	1,256	985
<b>Payables</b>				
1) Utilities charges - Mid Valley City Energy Sdn Bhd	53,402	51,107	53,402	51,107
2) Manager's management fee - IGB REIT Management Sdn Bhd	40,009	38,853	40,009	38,853
3) Repair and maintenance - Ensignia Construction Sdn Bhd - Wah Seong (M) Trading Co Sdn Bhd	13,190 37	1,977 100	13,190 37	1,977 100
	13,227	2,077	13,227	2,077
4) Support cost - IGB Digital Sdn Bhd - IGB Berhad	615 51	439 167	615 51	439 167
	666	606	666	606
5) Hotel facilities and services - Mid Valley City Hotels Sdn Bhd	33	29	33	29
6) Interest charged by - IGB REIT Capital Sdn Bhd	-	-	54,182	54,034
<b>Significant related party balances as at reporting date:-</b>				
1) Deposits placed with - Mid Valley City Energy Sdn Bhd	7,817	7,422	7,817	7,422
2) Amount owing by - IGB REIT Capital Sdn Bhd	-	-	32,582	31,326
3) Amount owing to - IGB REIT Management Sdn Bhd - IGB REIT Capital Sdn Bhd - Mid Valley City Energy Sdn Bhd - Ensignia Construction Sdn Bhd	10,283 - 4,302 3,762	9,960 - 4,209 -	10,283 1,214,781 4,302 3,762	9,960 1,214,627 4,209 -



## UNITHOLDING STATISTICS

As at 28 February 2025

### ISSUED UNITS

3,618,425,370 Units (voting right : 1 vote per Unit)

### PUBLIC SPREAD

44.17

### ANALYSIS BY SIZE OF UNITHOLDINGS

Range of Unitholdings	No. of Unitholders	% of Unitholders	No. of Units	% of Units
Less than 100	1,947	6.77	52,485	0.00
100 – 1,000	9,991	34.74	5,236,953	0.15
1,001 – 10,000	12,411	43.16	52,268,131	1.44
10,001 – 100,000	3,737	13.00	111,755,183	3.09
100,001 to less than 5% of Issued Units	667	2.32	1,340,593,984	37.05
5% and above of Issued Units	4	0.01	2,108,518,634	58.27
<b>Total</b>	<b>28,757</b>	<b>100.00</b>	<b>3,618,425,370</b>	<b>100.00</b>

### SUBSTANTIAL UNITHOLDERS

Name	Direct		Deemed*	
	No. of Units	% of Units	No. of Units	% of Units
IGB Berhad	1,733,617,754	47.91	218,970,856	6.05
Dato' Seri Robert Tan Chung Meng	16,272,721	0.45	1,967,678,727	54.38
Pauline Tan Suat Ming	-	-	1,967,678,727	54.38
Tony Tan Choon Keat	1,000,000	0.03	1,967,678,727	54.38
Tan Chin Nam Sendirian Berhad	-	-	1,961,727,783	54.22
Tan Kim Yeow Sendirian Berhad	14,764,772	0.41	1,952,913,955	53.97
IGB REIT Management Sdn Bhd	218,425,370	6.04	-	-
Wah Seong (Malaya) Trading Co Sdn Bhd	-	-	1,952,588,610	53.96

### DIRECTORS' UNITHOLDINGS

Name	Direct		Deemed*	
	No. of Units	% of Units	No. of Units	% of Units
Dato' Seri Robert Tan Chung Meng	16,272,721	0.45	1,967,678,727	54.38
Tan Lei Cheng	2,005,944	0.06	-	-
Elizabeth Tan Hui Ning (Resigned on 19 March 2025)	4,811,000	0.13	-	-

\* Deemed to have interests in Units held by other corporations by virtue of section 4 of the Capital Markets and Services Act 2007

## UNITHOLDING STATISTICS

As at 28 February 2025

(continued)

### TOP 30 UNITHOLDERS

No.	Name of Unitholder	No. of Units	% of Units
1	IGB Berhad	1,120,000,000	30.95
2	IGB Berhad	453,617,754	12.54
3	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board	320,238,715	8.85
4	Kumpulan Wang Persaraan (Diperbadankan)	214,662,165	5.93
5	IGB REIT Management Sdn Bhd	163,425,370	4.52
6	Public Invest Nominees (Tempatan) Sdn Bhd For IGB Berhad	160,000,000	4.42
7	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account For IGB REIT Management Sdn Bhd (KLC)	55,000,000	1.52
8	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (Par 1)	45,809,800	1.27
9	Amanahraya Trustees Berhad Public Smallcap Fund	33,134,616	0.92
10	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aham Am)	29,285,200	0.81
11	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Zurich Life Insurance Malaysia Berhad (NP-Other-REITs)	27,428,900	0.76
12	Pertubuhan Keselamatan Sosial	26,000,000	0.72
13	HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Total International Stock Index Fund	22,569,900	0.62
14	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Nomura)	21,842,100	0.60
15	Amanahraya Trustees Berhad Public Dividend Select Fund	21,627,232	0.60
16	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (F Templeton)	21,039,800	0.58
17	Cartaban Nominees (Tempatan) Sdn Bhd PAMB For PruLink Equity Fund	20,247,792	0.56
18	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Zurich Life Insurance Malaysia Berhad (Life Par)	16,842,600	0.47
19	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (Non Par 16)	16,300,000	0.45
20	Cartaban Nominees (Tempatan) Sdn Bhd Prudential Assurance Malaysia Berhad For PruLink Strategic Fund	15,002,100	0.41
21	Amanahraya Trustees Berhad Public Savings Fund	14,129,500	0.39
22	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Commerce Trustee Berhad - Kenanga Growth Fund	13,545,700	0.37
23	Robert Tan Chung Meng	13,539,395	0.37
24	HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Emerging Markets Stock Index Fund	12,033,300	0.33
25	Tan Kim Yeow Sendirian Berhad	11,953,968	0.33
26	Hong Leong Assurance Berhad As Beneficial Owner (Life Par)	11,742,100	0.32
27	Citigroup Nominees (Tempatan) Sdn Bhd Great Eastern Life Assurance (Malaysia) Berhad (LSF)	11,017,000	0.30
28	Citigroup Nominees (Asing) Sdn Bhd CBNY For DFA International Real Estate Securities Portfolio Of DFA Investment Dimensions Group Inc	10,587,000	0.29
29	HSBC Nominees (Asing) Sdn Bhd JPMCB NA For Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II	10,383,000	0.29
30	HSBC Nominees (Tempatan) Sdn Bhd HSBC (M) Trustee Bhd For Zurich General Insurance Malaysia Berhad (GI-REITs)	10,319,400	0.29

## NOTICE OF 2025 ANNUAL GENERAL MEETING

**Notice** convening the Thirteenth Annual General Meeting of Unitholders ("UHs") of IGB REIT ("2025 AGM")

To be held at 2.30 p.m., on **Wednesday, 23 April 2025**, at the Bintang Ballroom, Level 5, Cititel Mid Valley, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

UHs will be requested to consider and pass the Ordinary Resolution below.

### 1. Financial Statements and Reports

To receive IGB REIT's Financial Statements and Reports of the Trustee, the Manager and the Auditor for the year ended 31 December 2024.

### 2. Ordinary Resolution: Proposed New and Renewal of UHs Mandate for Recurrent Related Party Transactions ("RRPT Mandate")

THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, IGB REIT is hereby authorised to enter into the categories of RRPT with the Transacting Parties as outlined in the Circular to UHs dated 25 March 2025 ("Circular"), provided that these RRPTs are carried out at arm's length and on normal commercial terms that are not detrimental to the interests of IGB REIT and its minority UHs, and that the authority conferred by this resolution shall expire at the next AGM in 2026 unless varied or revoked at a general meeting, and that the Directors of the Manager are hereby authorised to take the necessary actions to implement the RRPT Mandate.

By Order of the Board

Tina Chan  
Head of Compliance/Company Secretary  
MAICSA7001659/SSM PC No. 201908000014

Kuala Lumpur  
25 March 2025

### Explanatory notes

#### 1. Financial Statements and Reports

The Financial Statements and Reports are included in IGB REIT's Annual Report 2024 ("AR24"). There is no requirement for UHs to approve the Financial Statements and Reports. The Auditor will be available to answer questions regarding the conduct of the audit of the Financial Statements and Reports.

#### 2. RRPT Mandate

The Ordinary Resolution seeks UH approval of the proposed RRPT Mandate, which would empower IGB REIT to enter into certain types of RRPT with the Transacting Parties, provided that the transactions are in the ordinary course of business and on terms that are not more favourable to the related parties than those generally available to the public and are not detrimental to the interests of IGB REIT and its minority UHs. Further information is set out in the Circular. The interested Directors, major UHs, and their connected persons will abstain from voting on the resolution.

### Attendance and appointment of proxy

- Only members listed in the Record of Depositors as of 16 April 2025 will be entitled to attend and vote at the 2025 AGM, or to appoint a proxy to attend and vote on their behalf.
- Except for exempt authorised nominees, a member may appoint two proxies and specify the number of units each proxy is authorised to act upon. A proxy may, but does not have to, be a UH.
- If a member appoints the Chair of the meeting as a proxy, the member must specify how they wish the Chair to vote on the resolution; otherwise, the Chair may vote or abstain as he deems appropriate.
- The Proxy Form (and any power of attorney or other authority under which it is signed) must be delivered to the Manager's registered office at Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, either by post, in person, or via email at [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com). Alternatively, members may submit an e-proxy online at <https://tiih.online> by 2.30 p.m. on Tuesday, 22 April 2025. IGB REIT's Registrar, Tricor Investor & Issuing House Services Sdn Bhd, can be reached at 603-2783 9299 or by email at [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com).
- UHs may submit questions prior to the 2025 AGM by emailing [investorrelations@igbreit.com](mailto:investorrelations@igbreit.com) or [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com) by 2:30 p.m. on Wednesday, 16 April 2025. Questions submitted in advance must relate to the business outlined in the Notice of 2025 AGM. All questions will be moderated to prevent repetition and ensure the smooth running of the meeting.
- Registration for the 2025 AGM will commence at 12:30 p.m. Members and proxies will be required to identify themselves using a valid identity card or driving licence.

*The AR24, Circular, and Notice of 2025 AGM can be accessed at [www.igbreit.com](http://www.igbreit.com).  
If UHs would like to receive a printed copy of any of these documents, please send an email request to [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com).*

## PROXY FORM

CDS Account No.	
No. of Units Held	

\*I/We (full name as per NRIC/Certificate of Incorporation) \_\_\_\_\_

NRIC No./Company No. \_\_\_\_\_ of (Full address) \_\_\_\_\_

being a Unitholder ("UH") of IGB REIT and entitled to attend and vote hereby appoint:

**Name, NRIC No. and Email of proxy**

**No. of Units to be represented by proxy**

1. \_\_\_\_\_
2. \_\_\_\_\_

or, in the absence of the person named, or if no person is specified, the Chairman of 2025 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 law, at the proxy discretion) at the 2025 AGM of IGB REIT, to be held at 2.30 p.m. on Wednesday, 23 April 2025.

Ordinary Resolution	First Proxy		Second Proxy	
	For	Against	For	Against
RRPT Mandate				

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

\_\_\_\_\_  
Signature/Common Seal of Unitholder

### Proxy Attendance and Appointment

1. Only members listed in the Record of Depositors as of 16 April 2025 will be entitled to attend and vote at the 2025 AGM, or to appoint a proxy to attend and vote on their behalf.
2. Except for exempt authorised nominees, a member may appoint two proxies and specify the number of units each proxy is authorised to act upon. A proxy may, but does not have to, be a UH.
3. If a member appoints the Chair of the meeting as a proxy, the member must specify how they wish the Chair to vote on the resolution; otherwise, the Chair may vote or abstain as he deems appropriate.
4. The Proxy Form (and any power of attorney or other authority under which it is signed) must be delivered to the Manager's registered office at Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia, either by post, in person, or via email at [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com). Alternatively, members may submit an e-proxy online at <https://tjih.online> by 2.30 p.m. on Tuesday, 22 April 2025. IGB REIT's Registrar, Tricor Investor & Issuing House Services Sdn Bhd, can be reached at 603-2783 9299 or by email at [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com).
5. UHs may submit questions prior to the 2025 AGM by emailing [investorrelations@igbreit.com](mailto:investorrelations@igbreit.com) or [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com) by 2:30 p.m. on Wednesday, 16 April 2025. Questions submitted in advance must relate to the business outlined in the Notice of 2025 AGM. All questions will be moderated to prevent repetition and ensure the smooth running of the meeting.
6. Registration for the 2025 AGM will commence at 12:30 p.m. Members and proxies will be required to identify themselves using a valid identity card or driving licence.



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PROXY FORM

Affix  
RM0.80  
stamp

Head of Compliance/Company Secretary  
**IGB REIT Management Sdn Bhd** 201201006785 (908168-A)  
(Manager of IGB REIT)  
Level 32, The Gardens South Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Malaysia

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## 2024 ANNUAL REPORT REQUEST FORM

Please select the documents you wish to receive by ticking (✓) within the box provided:

☐ 2024 Annual Report

☐ Circular to Unitholders

For further information, please contact the Group Company Secretariat at 603-2289 8989 or [corporate-enquiry@igbreit.com](mailto:corporate-enquiry@igbreit.com).

Name of Unitholder : \_\_\_\_\_

NRIC/Company No. : \_\_\_\_\_

Mailing Address : \_\_\_\_\_

Email Address : \_\_\_\_\_

Contact Number : \_\_\_\_\_

Signature : \_\_\_\_\_

Date : \_\_\_\_\_



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2024 ANNUAL REPORT REQUEST FORM

Affix  
RM0.80  
stamp

Head of Compliance/Company Secretary  
**IGB REIT Management Sdn Bhd** 201201006785 (908168-A)  
(Manager of IGB REIT)  
Level 32, The Gardens South Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur  
Malaysia

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**IGB REIT MANAGEMENT SDN BHD** 201201006785 (908168-A)  
(Manager of IGB REIT)

Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.  
**Tel:** +603-2289 8989 **Fax:** +603-2289 8802 **Email:** corporate-enquiry@igbreit.com