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2025 ANNUAL GENERAL MEETING

Day and Date

Wednesday 23 April 2025

Time

4.00 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

IGB Commercial REIT (IGBCR) was listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa) on 20 September 2021. It was established with the principal investment policy of investing, directly and indirectly, in a portfolio of income producing real estate used primarily for commercial purposes in Malaysia and overseas.

IGBCR's investment objective is to provide unitholders with regular and stable distributions, a sustainable long-term unit price, distributable income, and capital growth, while maintaining an appropriate capital structure.

IGBCR's portfolio comprises 10 commercial buildings strategically located in the Klang Valley. These properties have a total net lettable area (NLA) of approximately 3.47 million square feet (sf). As at 31 December 2024, IGB Commercial REIT had a market capitalisation of RM1.36 billion. Its investment properties are independently valued at RM3.16 billion.

REPORTING PERIOD

IGBCR'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)
- 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

> 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 IGBCR's financial statements for the financial year ended 31 December 2024. The audit was limited to the financial statements on pages 93 to 132 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



- United Nations Sustainable Development Goals Adopted -



CORPORATE DIRECTORY

MANAGER

IGB REIT Management Sdn Bhd 201201006785 (908168-A) Capital Market Services License : CMSL/A0305/2013

Address	: Level 32, The Gardens South Tower Mid Valley City
	Lingkaran Syed Putra
	59200 Kuala Lumpur
	Malaysia
Telephone	: 603-2289 8989
Telefax	: 603-2289 8802
Website	: www.igbcomreit.com
Email	: corporate-enquiry@igbcomreit.com
Investor Relation	: investorrelations@igbcomreit.com
Feedback	: feedback@igbcomreit.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 & AF 1146) Level 10, 1 Sentral, Jalan Rakyat Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Telephone : 603-2173 1188 Telefax : 603-2173 1288

REGISTRAR

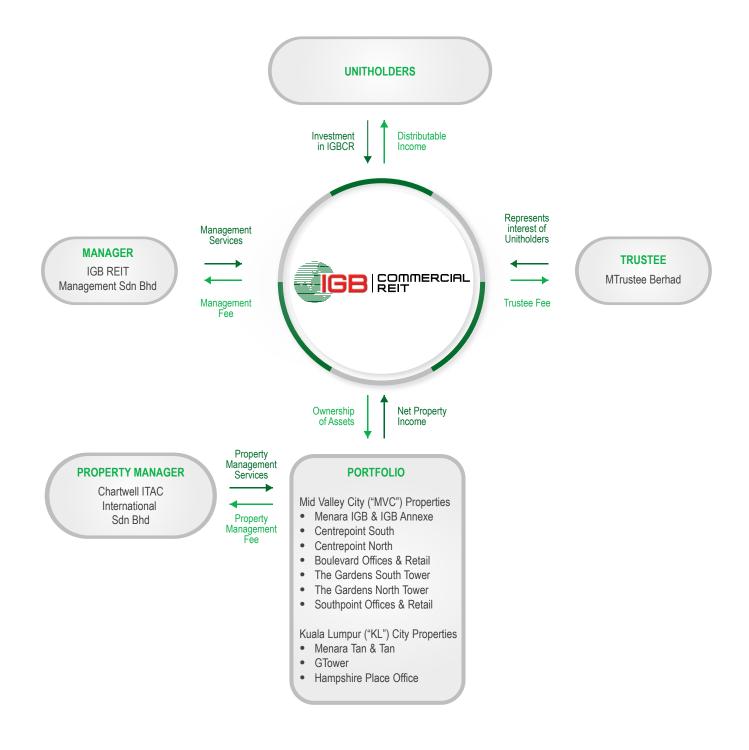
Boardroom Share Registrars Sdn Bhd

199601006647 (378993-D) 11th Floor Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone : 603-7890 4700 Telefax : 603-7890 4670

PRINCIPAL BANKER

Hong Leong Bank Berhad 193401000023 (97141-X) Mid Valley City Branch Ground & 1st Floor, Unit 25-G & 25-1 Signature Office, Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Malaysia Telephone : 603-2282 0462 Telefax : 603-2282 0143

REIT STRUCTURE



REIT SALIENT FEATURES

Fund Category	Real Estate Investment Trust
Fund Type	Income and Growth
Fund Duration	 The earlier of: the occurrence of any of events listed in Clause 27.2 of the Deed dated 31 March 2021 ("Deed"); the date 999 years after 20 September 2021 (the date of establishment of IGBCR); or the date IGBCR is terminated by the Manager under Clause 27.1(b) of the Deed
Investment Objective	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.
Authorised Investments	(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
Investment Limits	 The investments of IGBCR are subject to the following investment limits imposed by REIT Guidelines: at least 75% of IGBCR's total asset value ("TAV") must be invested in Real Estate that generates recurrent rental income at all times; the aggregate investments in Property Development Activities (Property Development Costs) and real estate under construction must not exceed 15% of IGBCR's TAV; and such other investment or limits as may be permitted by the SC or the REIT Guidelines
Distribution Policy	 At least 90% of IGBCR s distributable income Quarterly distribution effectively first quarter of 2024 (as announced on 30 January 2024)
Revaluation Policy	Annually by an independent professional valuer
Manager Fee	 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): Base Fee: up to 1% per annum ("p.a.") of IGBCR's TAV (excluding cash and bank balances which are held in non-interest bearing accounts) Performance Fee: 5% p.a. of IGBCR's net property income Acquisition Fee: 1% of the acquisition price Divestment Fee: 0.5% of the disposal price
Trustee Fee	Up to 0.03% per annum of IGBCR's net asset value
Financial Year End	31 December
Quotation	Main Market of Bursa
Listing Date	20 September 2021
Stock Name and Stock Code	IGBCR, 5299

REIT PORTFOLIO

MID VALLEY CITY PROPERTIES

Properties	Menara IGB & IGB Annexe	Centrepoint South	Centrepoint North	Boulevard Offices & Retail	The Gardens South Tower	The Gardens North Tower	Southpoint Offices & Retail
Address	Menara IGB and IGB Annexe, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Centrepoint South, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Centrepoint North, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Block No(s). 25 and 27, The Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur	Southpoint Offices and Retail, Menara Southpoint, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur
Description	18 storey office building annexed to a 2 storey office building, sited atop a 5 storey retail mall	19 storey office building with an annexed link bridge, sited atop a 5 storey retail mall	19 storey office building with an annexed link bridge, sited atop a 5 storey retail mall	11 storey intermediate terraced commercial building and 11 storey corner terraced commercial building	26 storey office building, sited atop an 8 storey retail mall	26 storey office building, sited atop an 8 storey retail mall	27 storey office building along with 2 retail levels together with 5 basement car park levels and 2 elevated car park levels
Age as at 31 December 2024	24 years	12 years	12 years	23 years	13 years	13 years	6 years
Type of title	Master		I		Strata	Strata	Master
Tenure	Leasehold of 83	years expiring or	n 11 April 2104		Leasehold of 99 years of June 2103		Leasehold of 99 years expiring on 21 March 2120
Land title particulars	PN 54050, Lot 20013 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur ⁽¹⁾			PN 37073/ M1/B3/5, No. Petak 5, No. Tingkat B3, No. Bangunan M1, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur ⁽²⁾	PN 37073/ M1/B3/6, No. Petak 6, No. Tingkat B3, No. Bangunan M1, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur ⁽³⁾	PN 54307, Lot 20018 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur ⁽⁴⁾	
Encumbrance and other material endorsements	presentation no. PDB6233/2021 dated 9 July, 2021			 Private caveat lodged by Malaysian Trustees Berhad vide presentation no. PDB6767/2021 dated 27 July, 2021 Charged to Malaysian Trustees Berhad, vide Presentation No. PDSC28617/2021, registered on 20 September 2021 	 Private caveat lodged by Malaysian Trustees Berhad vide presentation no. PDB6768/2021 dated 27 July, 2021 Charged to Malaysian Trustees Berhad, vide Presentation No. PDSC28612/2021, registered on 20 September 2021 	 Private caveat lodged by Malaysian Trustees Berhad vide presentation no. PDB6761/2021 dated 27 July, 2021 Private caveat lodged by MTrustee Berhad vide presentation no. PDB7579/2021 dated 17 August, 2021 	
Restrictions in interest	This land shall not be transferred, leased or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur (Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)			This land shall not be tr mortgaged or charged o of the Federal Territory Committee of Kuala Lu tidak boleh dipindahmili atau digadai melainkan Jawatankuasa Kerja Ta Persekutuan Kuala Lun	unless with the consent Land Executive mpur (<i>Tanah ini</i> <i>ik, dipajak, dicagar</i> <i>dengan kebenaran</i> <i>nah Wilayah</i>	This land shall not be transferred, leased or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur (Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)	

REIT PORTFOLIO

(continued)

MID VALLEY CITY PROPERTIES (continued)

Properties	Menara IGB & IGB Annexe	Centrepoint South	Centrepoint North	Boulevard Offices & Retail	The Gardens South Tower	The Gardens North Tower	Southpoint Offices & Retail
Express conditions	purposes of offic and car park (Ta perdagangan ba	e tower, hotel, sh nah ini hendakla gi tujuan menara	ommercial buildin opping mall, sho h digunakan untu pejabat, hotel, pu letak kereta sahaj	p offices k bangunan usat membeli-	Office (Pejabat)		This land shall only be used for commercial site for the purposes of serviced apartment, office, car park, and retail shops (<i>Tanah ini</i> hendaklah digunakan untuk tujuan tapak perdagangan bagi tujuan pangsapuri servis, pejabat, tempat letak kereta, dan kedai (retail) sahaja)
Appraised value as at 31 December 2024 (RM'000)	190,000	193,000	196,000	80,000	398,000	386,000	572,000
Purchase consideration (RM'000)	188,900	190,500	196,500	78,000	391,500	382,100	573,500
Net Lettable Area (NLA) as at 31 December 2024 (sq ft)	263,578	233,982	232,885	53,766	426,098	428,647	516,937
Number of tenancies as at 31 December 2024	31	34	28	18	45	29	17
Occupancy rate as at 31 December 2024	88%	100%	97%	95%	90%	87%	100%
Number of car park bays as at 31 December 2024	Nil	Nil	Nil	Nil	Nil	Nil	1,315

Notes:

- (1) Being the title of the land on which the MVC Phase 1 Properties are erected. Pejabat Pengarah Tanah dan Galian Wilayah Persekutuan (PTGWP) had issued the final title for the amalgamated lot known as Lot 20013. An application for subdivision into strata titles will be made to PTGWP. Upon issuance of the strata titles, the transfer of title for these properties in favour of MTrustee Berhad (acting in its capacity as trustee for IGBCR) ("Transfer") will be presented to PTGWP for registration. The extended validity period of PTGWP's consent for the Transfer expires on 26 June 2025.
- (2) Together with accessory parcels A2, A6, A7, A8, A9, A10, A25, A31 and A42.
- (3) Together with accessory parcels A5, A15, A16, A17, A18, A19, A20, A21, A22, A29, A35 and A45.
- (4) Being the title of the land on which Menara Southpoint is erected.

REIT PORTFOLIO

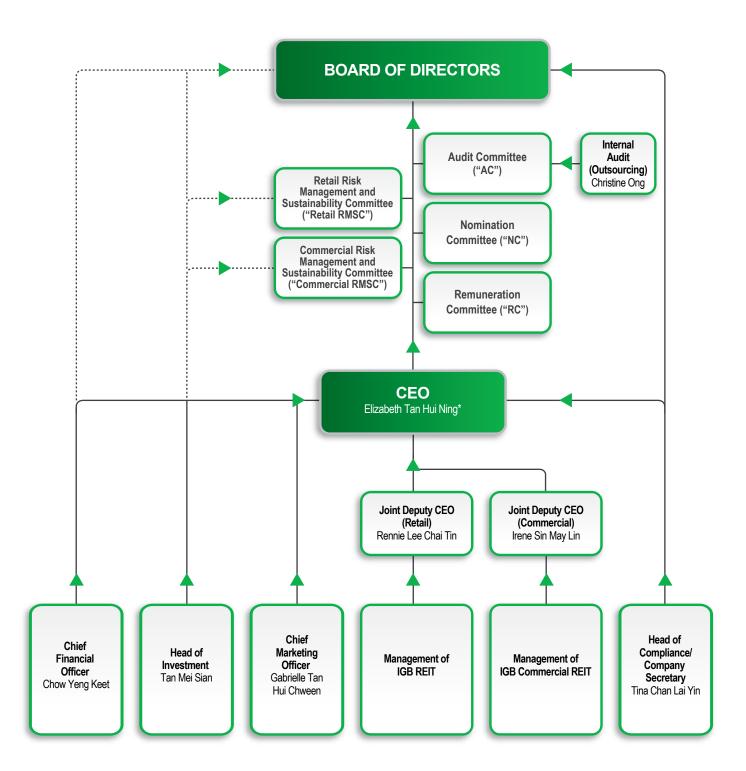
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KL CITY PROPERTIES

Properties	Menara Tan & Tan	GTower	Hampshire Place Office
Address	Menara Tan & Tan, No. 207, Jalan Tun Razak, 50400 Kuala Lumpur	GTower, No. 199, Jalan Tun Razak, 50400 Kuala Lumpur	Hampshire Place Office, 157 Hampshire, No. 1, Jalan Mayang Sari, 50450 Kuala Lumpur
Description	25 storey office building, 5 elevated car park levels and 18 levels of office together with 2 basement car park levels	32 storey office building together with 2 basement car park levels	28 storey stratified office building together with 284 basement car parking bays
Age as at 31 December 2024	27 years	14 years	14 years
Type of title	Individual	Individual	Strata
Tenure	Freehold	Freehold	Freehold
Land/Strata title particulars	Geran 26965, Lot 308 Seksyen 63, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Geran 53056, Lot 320 Seksyen 63, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Geran 42416/M1/B4/1, No. Petak 1, No. Tingkat B4, No. Bangunan M1, Lot 157 Seksyen 43, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur ⁽¹⁾
Encumbrance and other material endorsements	 Private caveat lodged by Malaysian Trustees Berhad vide presentation no. PDB6235/2021 dated 9 July, 2021 	 Private caveat lodged by Malaysian Trustees Berhad vide presentation no. PDB6764/2021 dated 27 July, 2021 	 Private caveat lodged by Malaysian Trustees Berhad vide presentation no. PDB6760/2021 dated 27 July, 2021
	 Part of the land leased to Tenaga National Berhad vide presentation no. PDSC24438/2023 dated 5 May, 2023 Charged to Malaysian Trustees Berhad, vide Presentation No. PDSC28620/2021, registered on 20 September 2021. 	 Charged to Malaysian Trustees Berhad, vide Presentation No. PDSC29973/2021, registered on 28 September 2021. 	 Charged to Malaysian Trustees Berhad, vide Presentation No. PDSC28615/2021, registered on 20 September 2021.
Restrictions in interest		Nil (Tiada)	
Express conditions	This land shall only be used for commercial building (Tanah ini hendaklah digunakan untuk bangunan perdagangan sahaja)	This land shall only be used for commercial building for the purposes of offices and petrol station (Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan pejabat dan stesyen minyak sahaja)	Office (Pejabat)
Appraised value as at 31 December 2024 (RM'000)	248,000	723,000	178,000
Purchase consideration (RM'000)	239,100	739,800	180,600
NLA as at 31 December 2024 (sq ft)	339,385	736,996	239,253
Number of tenancies as at 31 December 2024	30	119	31
Occupancy rate as at 31 December 2024	62%	86%	76%
Number of car park bays as at 31 December 2024	541	1,037	284

(1) Together with accessory parcels A109, A137 and A201 to A234.

ORGANISATION STRUCTURE OF THE MANAGER



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

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AWARDS & Recognition



 GTower's Gold GreenRE Certification was renewed, reaffirming its commitment to sustainable practices and recognising its continued impact on the greener built environment in Malaysia.

 The Gold GreenRE Certification was awarded to The Gardens North Tower (TGNT) and The Gardens South Tower (TGST) this year, underscoring IGB Commercial REIT's (IGBCR) commitment to sustainable practices and creating a greener future for our tenants and broader community.

GreenRE'	GreenRE ALLANG
The Gardens North Tower	The Gardens South Tower
GOLD	GOLD
GreenRE Certification	GreenRE Certification
A project by	A project by
IGB Property Management Sdn Bhd	IGB Property Management Sdn Bhd
on 26th December 2024 - 25th December 2027	n z6th December 2024 - 25th December 2027 December 2024 - 25th December 2027 December 2027 Decemb

BUSINESS EVENTS and Highlights

New Acquisition

IGBCR acquired two floors in Menara Southpoint from IGB Berhad (IGBB) for RM62.4 million. The acquisition was completed on 2 January 2025 and in line with our investment objectives and growth strategy to provide unitholders with a stable income distribution and achieve growth in our net asset value (NAV) per unit.

Active Capital Management

IGBCR works with a diversified pool of financial institutions. This year, we repriced our existing debt facilities programme, enhancing our financial flexibility and lowering overall funding costs.

Asset Enhancement Initiatives (AEI)

AEIs continued to be undertaken in the year to improve efficiency and functionality, while ensuring that our properties remain relevant, comfortable, and safe for everyone entering our buildings. For additional information on select AEIs, please refer to the Sustainability Statement.

Community Engagement

People lie at the heart of our business, and we remain committed to being a responsible partner within our community.

 Tenant Engagement: Events and activities to support tenant engagement and community-building were organised throughout the year.



Tenant networking event (3 October 2024)



Second Annual Staff Sports Day held at IGB International School (24 November 2024)



Deepavali tenant activity: Kolam making (7 to 15 October 2024)

 Staff Engagement: IGB Property Management Sdn Bhd (Service Provider) continued to actively engage employees, organising festive celebrations and running programmes focused on supporting their health and well-being. Corporate Social Responsibility (CSR): Various CSR initiatives were carried out in the year including blood donation drives and badminton coaching for underprivileged children. These initiatives not only allowed us to positively impact our local communities but also served as an opportunity to engage with our tenants.



Blood donation drive at GTower in collaboration with Subsea 7, a GTower tenant (7 May 2024)



Badminton clinic for underprivileged children in collaboration with the Badminton World Federation (22 June 2024)

For more information about our CSR and Staff Engagement initiatives, please refer to our Sustainability Statement in this annual report.



OUR APPROACH TO VALUE CREATION



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



BUSINESS STRENGTHS

- Prime commercial
 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
- Excellent customer service

3	INPUTS by Capitals	4 OUR BUSINESS MODEL & ACTIVITIES
SE SE	 Financial Total Assets: RM3.3 billion Total Liabilities: RM1.0 billion Unitholders' fund: RM2.3 billion 	
	Manufactured • 10 Commercial Properties • Investment Properties: RM3.2 billion	OUR STRATEGIC FRAMEWORK
	Human • Total employees: 252 • Employee turnover: 8.4%	Asset Management
, the second sec	Natural • Energy consumption: 36,023 MWh • Water consumption: 372,551 m ³	Asset Enhancement
	 Social and Relationship RM28k contributed towards community investment Regular stakeholder engagement Creating sustainable business opportunities with local supplier 	
-\content	Intellectual Data and Cybersecurity Polici Digitalisation Analytics 	ies

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

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OUR APPROACH TO VALUE CREATION

(continued)



- Revenue: RM231 million
- Net Property Income: RM131 million
- Distribution per Unit: 3.62 sen

Manufactured

- Mid Valley City: 2.15 million sq ft NLA
- KL City: 1.32 million sq ft NLA
- Human
- Employee retention: 91.6%
- Total training hours: 8,767
- Average training hours per employee: 34.9 hours

Natural

- Waste diversion rate: 7.9%
- Rainwater harvested: 4,237 m³
- 1,726 tCO₂e Scope 1 emissions
- 27,882 tCO₂e Scope 2 emissions
- **15,086** tCO₂e Scope 3 emissions

Social and Relationship

- 799 individuals benefitted from community initiatives inclusive of 410 bags of blood collected by Pusat Darah Negara (PDN)
- 99.97% 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



- OUTCOME
- Enhanced revenue through strategic business plans, driving sustainable financial growth.
- Ensured robust financial stability through disciplined capital allocation, cash flow optimisation, and rigorous cost management.

Average occupancy in:

- Mid Valley City: 94%
 KL City: 78%
- Enhanced organisational attractiveness and retention by implementing effective employee engagement platforms, fostering a diverse and positive workplace culture.
- Enhanced workforce agility and future-readiness through comprehensive training initiatives.
- 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. 14



Dear Valued Stakeholders,

It gives me great pleasure to present IGB Commercial REIT's (IGBCR) annual report for FY2024.

The Malaysian economy displayed resilience in 2024, driven by strong investment activity and continued improvements in exports. However, the year was not without its challenges, as we continued to be impacted by geopolitical tensions, global market volatility, and inflation concerns. Against this backdrop, I am delighted to share that IGBCR continued to deliver sustained financial performance.

Elizabeth Tan Hui Ning CEO

IGBCR recorded strong year-on-year revenue growth and saw an improvement in overall occupancy, growing 7% to reach 88% this year. Tenancy renewals were up at 81%, from 75% the year before, and across our portfolio of 10 commercial properties, we enjoyed growth in the renewal percentage with positive rental reversions. Notably this year, IGBCR acquired two office floors in Menara Southpoint from IGB Berhad (IGB) for RM62.4 million. This acquisition will be accretive to IGB Commercial REIT's distributable income and is in line with our investment objectives and growth strategy.

I am proud to share that GTower's GreenRE Gold Certification was renewed this year, and both The Gardens North Tower (TGNT) and The Gardens South Tower (TGST) were awarded the GreenRE Gold Certification as well. These certifications reflect our continued commitment to embedding sustainable practices across our business as we seek to positively impact our community, and work to create a sustainable future for all.

OFFICE SECTOR TRANSFORMATION

In the years following the pandemic, we have seen a marked change in office requirements from companies across the spectrum. Sustainability considerations have grown in importance; the remote, hybrid work model has stabilised and become widely accepted; and demand for co-working spaces has seen a steady increase. There has also been a heightened focus on employee well-being, and convenience together with access to amenities has become an important consideration. These changes have impacted the industry, and have necessitated changes in our priorities and how we approach and engage with tenants.

EVOLVING TO MEET CHANGING NEEDS

IGBCR has worked hard to adapt to the changing landscape. Our Buildto-Lease (BTL) programme for example, was introduced to cater to evolving needs, and has been tremendously successful, with 100% take up across our KL City properties. We have also offered flexible options to prospective and renewing tenants in terms of fit-out specifications and fitted floor units, and our co-working tenants have emerged as key business partners as we strive to meet the increasing demand for these spaces.

With the flight-to-quality, our focus on progressive asset enhancement initiatives (AEI) are a priority, particularly in some of our older properties. We have therefore continued to upgrade our buildings, not only to ensure that they remain modern, comfortable and safe, but also improve operational efficiencies and effectiveness. Many of our properties are conveniently located, with easy access to amenities and public transportation. However, with the increasing importance placed on convenience, we will continue to explore ways to increase connectivity. Next year for example, we will be partnering with Kumpool to provide our tenants in the KL City area with a ride-sharing service.

Tenant engagement continues to be crucial. The strong relationships we foster ensure that we keep up with market developments and undertake impactful strategic decisions for engagement and in prioritising AEIs. It is important to us that we also continue to foster a sense of community, and in addition to the ongoing initiatives that we have, we will be exploring the use of the Mid Valley Club (MV Club) app to connect commercial and retail tenants across the IGB family. We believe that there are tremendous synergies in doing so that are beneficial to all.

CEO ST	ATE	EM	EN'	1
(continued)				

Highlights for FY2024



EMBEDDING SUSTAINABILITY TO SUPPORT GROWTH

Sustainability has become a necessity as companies across industries around the world make it a priority and governments continue to push for ever higher standards of compliance. IGBCR continues to make strides in our sustainability journey, working to implement green building practices, achieving green certifications for more of our buildings, and upgrading the certifications that we currently hold. We understand that it takes more than just obtaining industry recognition to be sustainabile, and as such, will be taking steps to ensure that sustainability is embedded in our culture and taken into consideration in every decision we make. For example, we will be providing training and helping to raise awareness amongst employees to elevate their knowledge about sustainability and what it means for them, including how we can work to incorporate it in our day-to-day operations.

Another area that we will be looking to expand into is our adoption of technology to help support our sustainability efforts. Sustainable workplace technology covers a range of systems, applications, and platforms that allow organisations to operate more efficiently across a range of areas, including waste management, water conservation, energy efficiency, and employee engagement, amongst others. Through the use of technology, we will be able to access a greater depth of data which will allow us to better understand our operations, and make informed decisions, progressively improving our sustainability performance in an impactful and cost-effective way.

OUTLOOK

We are encouraged by the outlook for 2025, as economic indicators suggest that Malaysia will enjoy stable growth. However, given the persistence of global uncertainties and the ongoing transformation that the office sector is going through in Malaysia, we approach the year with caution.

2025 will be a busy year for IGBCR. We will maintain our tenant first approach and focus on carrying out progressive AEIs to upgrade our buildings. Additionally, we will be looking for assets to diversify our portfolio. As we continue to see strong growth in sectors like manufacturing, logistics and e-commerce, we believe the demand for industrial real estate is poised for strong growth and will explore opportunities in this space.

ACKNOWLEDGEMENTS

I would like to take this opportunity to thank Wong Khim Chon, Joint Deputy CEO (DCEO) who has grown IGBCR from strength to strength, and has been instrumental in forging strong relationships and building the foundation upon which we can continue to build further success.

I would also like to welcome Irene Sin May Lin, who was appointed as Joint DCEO on 2 May 2024. Irene brings with her immense experience, and I am confident that together, we will be able to bring IGBCR to greater heights.

Thank you also to the Board of Directors for their continued trust in me and for the opportunity to lead IGBCR. I remain committed to carrying out my responsibilities to the best of my abilities and am excited for the opportunities ahead. I would also like to express my gratitude to everyone in the team for their unwavering commitment and support, and for ensuring a seamless transition in the year as I have taken on this role, and we have welcomed a new Joint DCEO.

Finally, I would like to thank all our stakeholders for their ongoing trust and support. IGBCR looks forward building a long and enduring relationship with you as we continue to drive growth and deliver value for our community.

ELIZABETH TAN HUI NING

CEO IGB REIT Management Sdn Bhd

7 March 2025

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

STATEMENT OF COMPREHENSIVE INCOME	Year Ended 31 December 2024	Year Ended 31 December 2023	Year Ended 31 December 2022	Financial Period* 31 December 2021
Total revenue (RM'000)	230,985	215,147	190,433	53,367
Net property income ("NPI") (RM'000)	130,528	127,801	113,621	36,595
Distributable income (RM'000)	88,153	84,305	79,466	26,483
Earning per Unit ("EPU") (realised) (sen)	2.99	2.87	2.72	0.93
Core EPU (sen)	2.63	2.77	2.72	0.95
Distribution per Unit ("DPU") (sen)	3.62	3.49	3.42	1.15
Annualised distribution yield (%)	6.41	7.20	6.28	6.22
Annualised management expense ratio (%)	0.78	0.76	0.72	0.86

	Year Ended 31 December 2024	Year Ended 31 December 2023	Year Ended 31 December 2022	Financial Period* 31 December 2021
TOTAL REVENUE	RM'000	RM'000	RM'000	RM'000
Mid Valley City Properties	159,236	146,860	129,932	35,411
KL City Properties	71,749	68,287	60,501	17,956
Total	230,985	215,147	190,433	53,367

NPI	Year Ended 31 December 2024 RM'000	Year Ended 31 December 2023 RM'000	Year Ended 31 December 2022 RM'000	Financial Period* 31 December 2021 RM'000
Mid Valley City Properties	98,449	93,323	82,934	25,512
KL City Properties	32,079	34,478	30,687	11,083
Total	130,528	127,801	113,621	36,595

* From 17 September 2021 to 31 December 2021

STATEMENT OF FINANCIAL POSITION	As at 31 December 2024	As at 31 December 2023	As at 31 December 2022	As at 31 December 2021
Investment properties (RM'000)	3,161,386	3,161,000	3,161,000	3,161,000
Total asset value (RM'000)	3,280,069	3,295,903	3,283,873	3,275,204
Total liabilities (RM'000)	991,240	999,841	986,210	976,659
Net asset value ("NAV") (RM'000)				
- before income distribution	2,375,492	2,378,837	2,377,337	2,325,028
- after income distribution	2,288,829	2,296,062	2,297,663	2,298,545
NAV per Unit (RM)				
- before income distribution	0.9901	1.0056	1.0182	1.0073
- after income distribution	0.9540	0.9707	0.9841	0.9958

Mid Valley City Properties

- Menara IGB & IGB Annexe 1
- Menara Tan & Tan 1

KL City Properties

Hampshire Place Office

2 GTower

3

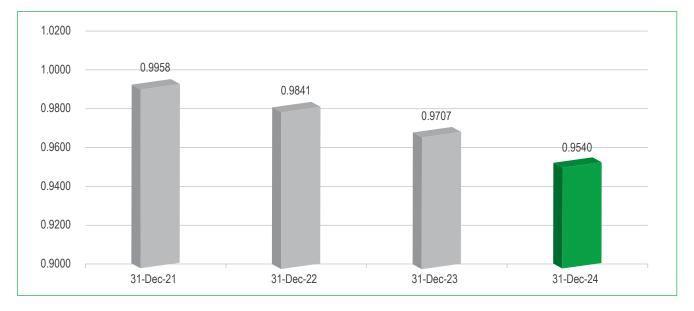
- 2 Centrepoint South 3
- Centrepoint North The Gardens South Tower 4
- 5 The Gardens North Tower

6 7 Southpoint Offices & Retail

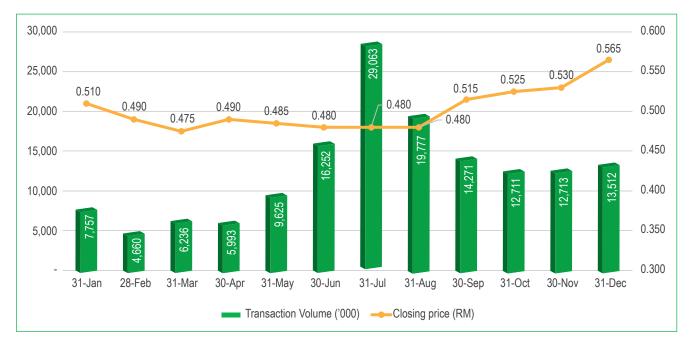
Boulevard Offices & Retail

(continued)

NAV PER UNIT PERFORMANCE (RM)



UNIT PRICE PERFORMANCE

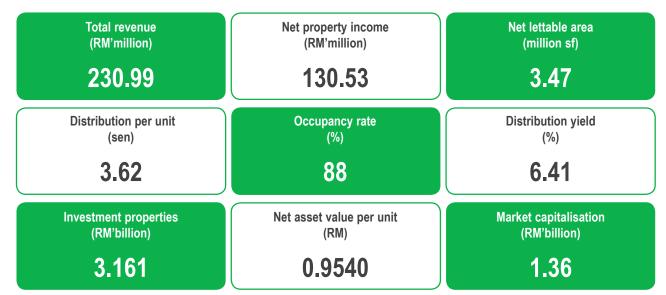


Trading performance for IGBCR	2024	2023	2022	2021
Closing price as at 31 December (RM)	0.565	0.485	0.545	0.635
Highest Trading price (RM)	0.570	0.580	0.635	0.740
Lowest Trading price (RM)	0.470	0.475	0.520	0.585
Issued units ('000)	2,399,270	2,365,488	2,334,867	2,308,198
Market capitalisation as at 31 December (RM'000)	1,355,588	1,147,262	1,272,503	1,465,705

(continued)

FINANCIAL REVIEW

a) 2024 highlights



b) Group Key Financial Highlights

Total revenue	FY2024 RM'000	FY2023 RM'000	Change (%)
Menara IGB & IGB Annexe	14,817	14,104	5.1%
Centrepoint South	16,586	16,288	1.8%
Centrepoint North	16,072	15,741	2.1%
The Gardens South Tower	30,866	29,304	5.3%
The Gardens North Tower	28,855	24,718	16.7%
Southpoint Offices & Retail	47,479	42,665	11.3%
Boulevard Offices & Retail	4,561	4,040	12.9%
MVC Properties	159,236	146,860	8.4%
Menara Tan & Tan	14,112	14,935	-5.5%
GTower	47,450	42,569	11.5%
Hampshire Place Office	10,187	10,783	-5.5%
KL City Properties	71,749	68,287	5.1%
Total	230,985	215,147	7.4%

Net Property Income	FY2024 RM'000	FY2023 RM'000	Change (%)
Menara IGB & IGB Annexe	8,454	7,828	8.0%
Centrepoint South	10,461	10,752	-2.7%
Centrepoint North	9,793	10,294	-4.9%
The Gardens South Tower	18,618	17,966	3.6%
The Gardens North Tower	15,864	14,111	12.4%
Southpoint Offices & Retail	31,638	29,242	8.2%
Boulevard Offices & Retail	3,621	3,130	15.7%
MVC Properties	98,449	93,323	5.5%

(continued)

b) Group Key Financial Highlights (continued)

Net Property Income (continued)	FY2024 RM'000	FY2023 RM'000	Change (%)
Menara Tan & Tan	5,610	7,834	-28.4%
GTower	23,621	21,862	8.0%
Hampshire Place Office	2,848	4,782	-40.4%
KL City Properties	32,079	34,478	-7.0%
Total	130,528	127,801	2.1%
DPU (sen)	3.62	3.49	3.7%
Distributable income (RM'000)	88,153	84,305	4.6%
· /	-	·	

c) Statement of Financial Position

Group Statement of Financial Position	As at 31.12.2024	As at 31.12.2023	Change (%)
Investment Properties (RM'000)	3,161,386	3,161,000	0.0%
Total Assets Value (RM'000)	3,280,069	3,295,903	-0.5%
Cash and bank balances (RM'000)	103,071	128,564	-19.8%
Total Liabilities (RM'000)	991,240	999,841	-0.9%
NAV (RM'000)	2,288,829	2,296,062	-0.3%
NAV per Unit (RM)	0.9540	0.9707	-1.7%
No. of Issued Units ('000)	2,399,270	2,365,488	1.4%

Investment properties are stated at fair value based on the valuations performed by an independent registered valuer, Knight Frank Malaysia Sdn Bhd ("Knight Frank") (2023: Henry Butcher Malaysia Sdn Bhd). The valuer holds a recognised and relevant professional qualification and has relevant experience in valuing properties. Based on the valuation reports dated 8 January 2025, the market values of 10 properties as at 31 December 2024 were RM3.164 billion.

Cash and bank balances as at 31 December 2024 was RM103.07 million, compared with RM128.56 million as at 31 December 2023.

NAV after income distribution as at 31 December 2024 was RM2.289 billion compared with RM2.296 billion the year before.

IGBCR's issued units increased from 2.365 billion as at 31 December 2023 to 2.399 billion as at 31 December 2024, due to the issuance of new units as payment for Manager fees.

d) Income Distribution

Income distribution	FY2024 (RM'000)	FY2023 (RM'000)
Total income distribution	86,663	82,563
For the period from 1 January 2024 to 31 March 2024	22,870	-
For the period from 1 April 2024 to 30 June 2024	23,195	-
For the period from 1 July 2024 to 30 September 2024	22,553	-
For the period from 1 October 2024 to 31 December 2024	18,045	-
For the period from 1 January 2023 to 30 June 2023	-	41,018
For the period from 1 July 2023 to 31 December 2023	-	41,545
Average Payout ratio (%)	98	98

IGBCR had declared distributions for the financial year ended 31 December 2024:-

For the period from 1 January 2024 to 31 March 2024, a distribution amounting to RM22.9 million or 0.96 sen per unit (@0.94 sen taxable and 0.02 sen non-taxable) was paid on 27 May 2024.

For the period from 1 April 2024 to 30 June 2024, a distribution amounting to RM23.2 million or 0.97 sen per unit (@0.94 sen taxable and 0.03 sen non-taxable) was paid on 30 August 2024.

For the period from 1 July 2024 to 30 September 2024, a distribution amounting to RM22.6 million or 0.94 sen per unit (@0.92 sen taxable and 0.02 sen non-taxable) was paid on 28 November 2024.

For the period from 1 October 2024 to 31 December 2024, a distribution amounting to RM18.0 million or 0.75 sen per unit (@0.73 sen taxable and 0.02 sen non-taxable) was paid on 28 February 2025.

MALAYSIA'S ECONOMY REMAINED RESILIENT

According 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 16.72m, 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.

OFFICE SECTOR IS UNDERGOING A TRANSFORMATION

The Kuala Lumpur office market is going through a transformation, driven by growing demand for quality, sustainable buildings, and an increasing preference for co-working spaces. This shift is led by a growing acceptance of remote and hybrid working models, as well as companies, particularly Multinational Corporations (MNC), who work to comply with internal sustainability guidelines and policies.

Malaysia, and in particular, Kuala Lumpur, has seen an influx of MNCs looking to set up or relocate existing offices in the region. Malaysia has emerged as an attractive destination due to its strategic location, skilled workforce, and conducive business environment. The market has also been bolstered by Government incentives and policies, for example, the KL20 Action paper.

Knight Frank reported that 2024 saw continued growth in available office space, reaching 118.3m square feet (sq ft) in the Klang Valley. Moving forward, new office developments will continue to be launched, with four office buildings set for completion in the first half of 2025. These buildings will add approximately 1.6m sq ft of space to the Klang Valley office market.

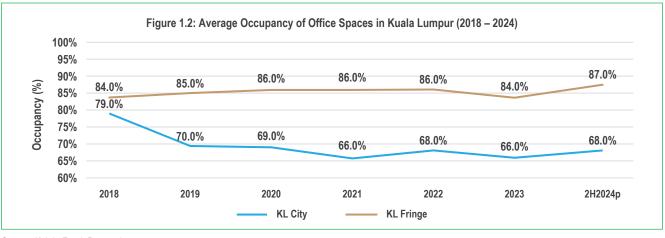
Figure 1.1 Notable Office Completions and Incoming Supply in the Klang Valley

Office	Location	Area	Completion	NLA (sq ft)
Menara Felcra @ Semarak20	Jalan Semarak	KL City	2024	213,000
Pavilion Damansara Heights Corporate Tower 1	Pusat Bandar Damansara	KL Fringe	2024	233,000
The Exchange TRX Office by Lendlease	Jalan Tun Razak	KL City	1H2025	200,000
Oxley Tower	Jalan Ampang	KL City	1H2025	346,000
TNB Gold	Bangsar	KL Fringe	1H2025	475,600
Sunway Square Corporate Tower 2	Bandar Sunway	Selangor	1H2025	537,786

Source: Knight Fank, www.lendlease.com, www.businesstimes.com.sg and www.myofficespace.cm.my

Incremental increases in occupancy rates were noted in 2024, driven by tenant relocations to prime spaces, renewed leasing activity, and business expansion supported by improving business sentiment and an increasing demand for buildings with high specifications. In 2H2024, KL City and KL Fringe saw occupancy rates of 68% and 87% respectively, this compared to 66% and 86% in 1H2024.

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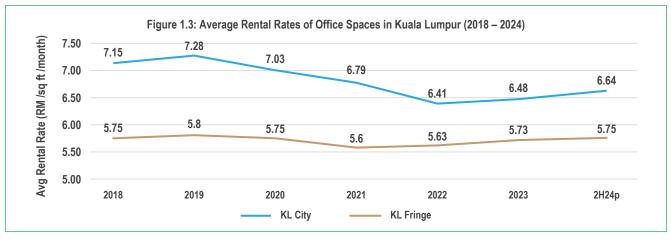


Source: Knight Frank Research

p = preliminary

Positive movements were also seen in overall rental rates in 2024. In KL City, the increase was driven by sustained demand for newer, well-located Grade A offices and a gradual recovery in leasing activity amongst multinational tenants. The average rental rate rose to RM6.64 per sq ft per month in 2H2024 from RM6.58 per sq ft in 1H2024. The increase in the KL Fringe submarket was modest, inching up to RM5.75 per sq ft per month in 2H2024 from RM5.73 per sq ft per month in 1H2024. This growth was supported by stable demand within established commercial hubs that continued to offer competitive rents and accessibility.

Looking at Prime A+ and Grade A office spaces, rental rates varied by location. In KL City, the New Central Business District (CBD) commanded higher rates, ranging from RM6.50 to RM15.00 per sq ft. Prime A+ buildings were priced between RM8.50 and RM15.00 per sq ft, while Grade A offices ranged from RM6.50 to RM7.80 per sq ft. The Old CBD offered more competitive rates, ranging from RM5.00 to RM7.00 per sq ft. In KL Fringe, monthly rentals for similar grade offices ranged from RM6.20 to RM9.00 per sq ft.



Source: Knight Frank Research

p = preliminary

OPERATIONS OVERVIEW

IGBCR performed well in 2024, with occupancy growing from 81% in 2023 to 88% in 2024. Additionally, across our portfolio of buildings, we saw growth in the renewal percentage as compared to 2023, with positive rental reversion.

Our performance in the year has been driven by:

- the success of our build-to-lease (BTL) strategy which was undertaken for office spaces located in the Kuala Lumpur City Centre.
- our focus on attracting and retaining high quality tenants through engagement and targeted AEIs, which have led to positive rental reversions.
- our ability to offer flexible options to both new and existing tenants in terms of fit-out specifications.

(continued)

Figure 2.1: IGBCR Year on Year Performance

YoY comparison between 2023 and 2024 (Overall)

	2023	2024
Occupancy (%)	81	88
Rental per sq. ft.	6.26	6.37
Renewal Percentage (%)	75	81

Our Mid Valley City (MVC) properties continued to enjoy strong demand, bolstered by the vibrant ecosystem and strategic location that the integrated development enjoys. Occupancy in the MVC properties increased by 4%, growing to 94% as compared to 90% in 2023. The occupied area as at 31 December 2024 was 2,015,960 sq ft, while the total net lettable area was 2,155,893 sq ft.

Figure 2.2: MVC Properties Year on Year Performance

YoY comparison between 2023 and 2024 (MVC Properties)

	2023	2024
Occupancy (%)	90	94
Rental per sq. ft.	6.61	6.74
Renewal Percentage (%)	82	85

Reflecting the success of our BTL units, occupancies in Kuala Lumpur City Centre portfolio enjoyed a significant increase, jumping 10% in the year from 68% to 78% at the close of 2024. BTL spaces in GTower, Hampshire Place and Menara Tan & Tan saw a 100% take-up upon completion. The occupied area as at 31 December 2024 was 1,027,912 sq ft, while the total net lettable area was 1,315,634 sq ft.

Figure 2.3: KL City Centre Year on Year Performance

YoY comparison between 2023 and 2024 (KL Properties)

	2023	2024
Occupancy (%)	68	78
Rental per sq. ft.	5.62	5.65
Renewal Percentage (%)	65	73

2024 was not without its challenges. The influx of new office developments continued to put downward pressure on rental rates, and players in the industry, including IGBCR, continued to grapple with evolving tenant requirements, including:

- Importance of Sustainability factors in decision making: MNCs in particular, are increasingly bound by company policies to operate in greener, more sustainable buildings.
- Flight-to-quality: Companies are looking to operate in high specification buildings, driving demand for Prime and Grade A buildings.
- Changing office space requirements: As companies accommodate hybrid working arrangements, there has been a shifting preference for smaller, lifestyle focused, and flexible working spaces.

Additionally, specific to IGBCR, we have also had to:

- Review the utilisation of office space in MVC due to its robust popularity amongst new and existing tenants. Increasing the efficiency on how space is utilised has allowed us to free up space for prospective tenants.
- Manage a fall in leasing enquiries for older buildings within our portfolio.

Despite these challenges, IGBCR has continued to perform well in the year. We have maintained our focus on building community through engagement and have worked to ensure that our properties remain relevant through progressive AEIs.

(continued)

Figure 2.4: Notable Changes in Occupancy in 2024

Property	Description
GTower	Occupancy increased to 86% in 2024 from 67% in 2023
The Gardens North Tower	Occupancy increased to 87% in 2024 from 76% in 2023
Hampshire Place Office	Occupancy increased to 76% in 2024 from 67% in 2023
Menara IGB & IGB Annexe	Occupancy increased to 88% in 2024 from 81% in 2023

STRATEGIC RESPONSE

As the workplace landscape evolves, IGBCR continues to adapt, ensuring we stay relevant in the market place. Our core strategy however, remains unchanged.

We continue to be committed to actively engage our community, and believe that the strong relationships formed and the subsequent service excellence that we are able to provide, set us apart from our competition. Through growing strong relationships with our tenants, we are able to anticipate evolving needs, address concerns, work collaboratively to provide office spaces that continue to meet the needs of businesses today, and embark on AEIs that are impactful.

Through the Service Provider, we also ensure that employees are engaged and supported. This allows us to continue to provide service levels that go above and beyond that offered in the market.

1. Community Engagement

Community engagement sits at the heart of our business as we recognise that it is people who make IGBCR. We continue to believe that the best strategy for growth is through collaborative efforts with employees, tenants, and the broader community.

Tenant Engagement

The relationships that we have with our tenants drive our success, and as such, we are committed to cultivating strong relationships with them built on trust and open communication.

Regular Tenant Engagement

Regular engagement with our tenants has allowed us to keep up with their changing business needs. This includes understanding if space or cost requirements have changed, giving us the opportunity to work collaboratively with them to find solutions that support their needs. Regular engagement also means that we know early on if a tenant will not be renewing their tenancy. This gives us time to see if there is anything that can be done to change their minds, and if not, to seek replacement tenants in a timely manner, mitigating the possibility of a rent gap.

Tenant Activities and Events

Throughout the year, we organised tenant activities and events that supported ongoing engagement and community-building efforts.

Tenant Networking Event: On 3 October 2024, IGBCR hosted a networking event which provided our tenants from across our portfolio an opportunity to network. In addition to networking opportunities, attendees enjoyed a comedy session by Gajen Nad, a Malaysian Netflix stand-up comedian, emcee, trainer, speaker, and content creator. Gajen also hosted some mini-games that saw winners taking home customised tumblers from IGB Property Management. The event also allowed the IGBCR team to get to know our tenants in a more casual setting, helping them strengthen their rapport and better understand tenant challenges and growth trajectories. The event was well attended.



Tenants attending the IGBCR Tenant Networking Event

Tenants Mingling and Enjoying the Networking Evening

(continued)

Festive Activities for Tenants: To support our efforts to build community, IGBCR organised festive activities for our tenants to take part in. During Christmas for example, we ran a Christmas Tree Photo Campaign, where tenants were encouraged to take photos with the Christmas trees in our buildings, tag us on social media and stand a chance to win customised corporate gifts like IGB branded notebooks, tumblers and tote bags. During Deepavali, tenants were invited to participate in a kolam making activity. This proved to be very popular, with many tenants taking part.



 Tenant Wellness Events: To promote a well-balanced, healthy lifestyle, we also organised a range of social and wellness events for our tenants.



Tenant Event in partnership with Peak Fitness to discuss workplace wellness

 Quarterly Newsletter: "Community Circles" is the quarterly newsletter that is shared with our tenant community. The newsletter provides tenants with a channel to share updates on their business, as well as offer exclusive promotions to others within IGBCR's broader property portfolio. It also gives us a channel to keep our tenants up to date on our latest happenings.



(continued)

Employee Engagement

Through the Service Provider, we prioritise employee well-being and professional development. We understand that employees drive our business and are the reason we are able to develop and grow the relationships that we have in our community.

Please refer to our Sustainability Statement for more on employee engagement and development.



Corporate Social Responsibility

As a responsible corporate citizen, we recognise the importance of creating positive change not only within our business, but for the broader community. One of the ways that we do this is through initiatives that impact our local communities, including the underprivileged and those in need.

For more information about our CSR efforts, please refer to our Sustainability Statement.



Distribution of Food to the local community during Ramadan

Blood donation drive at Menara Tan & Tan

2. Asset Enhancement Initiatives

As the demand for premium and sustainable office space grows, we continue to work to ensure that IGBCR's portfolio of buildings meet the evolving needs of companies. Through targeted AEIs, we are able to offer modern, safe, and comfortable spaces that are equipped with systems that support operational efficiency, maximise productivity, and minimise the risk of human error. These efforts allow us to maintain our competitive edge and continue to attract high quality tenants.

Listed below are some of the AEIs carried out in 2024. These initiatives help support our drive towards sustainability, address regular aging and obsolescence through use over the years, and enhance the overall aesthetic and efficiency of our buildings.

(continued)

Southpoint Offices and Retail

 Installed a bypass pipe between the flushing tank and drinking water tank.



Southpoint Offices & Retail also carried out upgrading works to allow for enhanced control over the building's temperature settings, leading to more efficient and optimised management of the buildings system.

Upgraded the chiller management system in October 2024.



The Gardens North Tower and The Gardens South Tower

Upgraded to a new Building Automation System (BAS) workstation. Controllers were replaced, and the following sensors were installed - water pressure sensors, water temperature sensors, and outdoor air temperature and humidity sensors.



AEI's undertaken have contributed to TGNT and TGST both achieving GreenRE Gold Certification this year. The following AEIs were undertaken in 2024:

 Upgraded the green wall in TGST with preserved hygromoss that not only provides a decorative element but also works to improve air quality and provide acoustic insulation.



- TGNT and TGST installed motion sensors to better manage energy use:
 - TGNT installed the LED light strips with sensors in the common lobby and in most floors.
 - TGST invested in a motion sensor lighting system for its common areas. Work on this initiative is targeted for completion in February 2025.



(continued)

Centrepoint North and Centrepoint South

- Upgraded the BAS for Centrepoint North (CPN) and Centrepoint South (CPS) to allow for more precise control over building systems. Work was completed in August 2024.
- Installed closed-circuit televisions (CCTV) in the lift car in both CPN and CPS. This was completed in September 2024.
- Carried out upgrading works on tenant lift lobbies across four levels at CPN and CPS. This was completed in November 2024.
- Upgraded the visitor management system for CPN and CPS to streamline the visitor check-in process, improve data accuracy and ensure better security protocols. This was completed in April 2024.
- Carried out upgrading works at CPN and CPS that introduced modern design elements in the lift car interiors. Works are expected to be completed by January 2025.
- Replaced the water tank tie rod to strengthen the integrity of the water tank and performed water tank cleaning procedure to remove harmful bacteria, algae, and contaminants as best practice in industry standards.





Menara IGB

Upgraded the BAS to increase precision. Work was completed in October 2024.



(continued)

- Replaced the water tank tie rod to strengthen the integrity of the water tank and performed water tank cleaning procedure to remove harmful bacteria, algae, and contaminants as best practice in industry standards.
- Level 25 of the building is being upgraded to create additional leasable spaces for multinational corporations and small to medium sized enterprises. Renovation works are expected to be completed by February 2025.

GTower

 Refurbished the outdoor area on level 7 to elevate the building's image and offer unique amenities through creating an outdoor event space.



Menara Tan & Tan

- Refurbished the ground floor toilets and surau.
- Improved the air conditioning system in the reception area, control room and the ground floor car park lift lobby by utilising a chilled water fan coil unit.
- Replaced the starter panel for the pressurisation fan on the rooftop.
- Replaced the starter panel for the sump pit located in basement 2.
- Replaced the cold-water main pipeline for the male toilet plumbing system.



 Refreshed the existing green wall on the ground floor, P6 and LG levels and upgraded the supporting structure and irrigation system.



Upgrading works have started on the lighting for the building's facade. Targeted completion

date is mid-January 2025.



(continued)

Hampshire Place Office

 Installed motion sensors in all common washrooms.



Installed LED lighting systems in all common lobbies.



 Replaced cold water plumbing systems for all riser pipes.



3. Customised Support for New and Renewing Tenants

Companies have continued to recalibrate their workplaces to align with the new ways of working. It is important that we remain flexible and evolve to meet these changing needs.

- Build-to-Lease Programme: IGBCR has continued to build upon the success of our BTL programme. This approach has allowed us to offer flexible solutions that accommodate evolving work models as well as upgraded features and amenities that meet business needs.
- Exclusive Privileges for New and Renewing Tenants: Partnering with existing tenants, we continue to adopt a collaborative approach to building a strong and supportive tenant community. One of the ways in which we do this is through providing existing tenants with priority access to new and renewing tenants. At the start of any tenancy, we send a welcome letter that includes a list of privileges offered by our existing tenants. Privileges have included the provision of a complimentary dedicated internet line, exclusive group workouts and body analysis, product and service vouchers and more. This not only provides a warm welcome to our community, but also helps support existing tenants through increasing brand recognition and allowing them to foster valuable connections within the tenant community.

MARKET OUTLOOK

Global growth is expected to stabilise in 2025 with expansion moderating to 2.7%. Growth will be supported by real income growth as inflation continues to moderate, helped by lower commodity prices and the easing of policy rates across the world. The balance of risks continues to be tilted to the downside however, due to broad substantial uncertainty. Risks include the potential for adverse policy shifts, particularly relating to trade policies, escalating geopolitical tensions, supply chain disruptions, and volatility in the financial markets, amongst others.

The outlook for Malaysia in 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, civil service pay hikes, and the introduction of a flexible pension fund account. Private investment is expected to gain support from strong manufacturing interest and non-restrictive interest rates.

The Malaysian office market remains positive going into 2025, with occupancy rates expected to pick up as MNCs continue to expand and seek to set up regional headquarters in Malaysia, particularly in KL. The market will continue to face challenges, however, as new office spaces enter the market, and companies continue to prefer the newer Prime A+ and Grade A buildings, this will particularly be significant in Kuala Lumpur. IGBCR is prepared for the challenges ahead, and has in place strategies to mitigate their impact, as well as plans to leverage opportunities for growth.

IGBCR will continue to review our operational processes and resource levels, and identify areas for potential cost savings together with enhancing our existing debt facilities programme to achieve an optimal gearing level, lower the cost of funding, and have a well-diversified financing profile. Demand for premium office spaces remains strong, but increasing supply intensifies competition, especially for older building. IGBCR will focus on targeted AEIs to improve operational efficiency, and tenant experience to maintain competitiveness.

Sustainability considerations are increasingly becoming a key criterion in assessing the suitability of office spaces, especially for MNCs adhering to green policies. The Malaysian Government will also continue enforcing sustainability regulations. IGBCR remains committed to enhancing Sustainability standards by:

- implementing green building practices
- upgrading green certifications
- integrating sustainability principles across operations
- setting measurable sustainability goals

- employee training
- industry collaborations
- leveraging technology for sustainability improvements

(continued)

The shift towards flexible and hybrid work models is reshaping office space demand, with tenants prioritising collaboration, smaller high-density spaces, and proximity to amenities and public transport. To adapt, IGBCR will enhance connectivity, including a complimentary shuttle service between our buildings to central KLCC from January 2025. We will continue to offer BTL furnished offices, fitted units, and flexible leasing options while collaborating with co-working operators to drive occupancy and provide business solutions.

The rise of automation, Internet of Things (IoT), artificial intelligence (AI) and smart building technologies is transforming property management. IGBCR will invest in smart building solutions, automation platforms, and business software to enhance tenant experiences and optimise operations. These technologies will enable real-time simulations and analytics, improving decision-making and building management efficiency.

We will also continue to build community and will be exploring the use of the MV Club app to connect our commercial tenants with the retail tenants across IGB Group. We believe there are significant synergies to be gleaned through these efforts.

IGBCR is cautiously optimistic as we enter 2025 and remains committed to finding the right balance between cost, efficiency, and quality. We will continue to prioritise AEIs, tenant engagement, and the provision of quality services to ensure that we remain relevant and competitive in the market. We will also work to keep abreast of emerging market trends so that we are better placed to anticipate the evolving needs of businesses. Additionally, IGBCR will focus on strategic asset management, and work to optimise occupancy rates through targeted marketing.

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

RISK MANAGEMENT INTEGRAL TO SUSTAINED SUCCESS

IGB Commercial REIT adopts a proactive approach to risk management and has in place the IGB Commercial 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 helps us achieve our strategic objectives.

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



(continued)

Koy Dick Areas	Dotential Impact	Opportunities	Mitigating Actions
 Key Risk Areas Supply Chain Risk 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. 	 Potential Impact Disruptions to operational and maintenance activities, resulting in lower service levels to our tenants and customers. Increased operating costs due to the mismatch in the supply and demand of goods and services. 	 Opportunities Diversification and enlargement of the vendor management system database to allow for a wider selection of vendors. Improvement of inventory management systems and processes to account for unexpected supply chain disruptions. 	 Mitigating Actions Continuous monitoring and proactive management of operational costs to mitigate the impact of inflationary pressures and rising expenses. Exploring solar energy solutions for our properties to reduce energy costs and enhance sustainability. Maintain an adequate inventory surplus of critical operational equipment and components to mitigate long lead times in order fulfilment and other unexpected disruptions.
 B Competition Risk Launch of new office buildings exacerbates competition in an already crowded Kuala Lumpur office market. 	 Loss of tenants to new office buildings in the surrounding areas, resulting in lower occupancy and revenue. 	 Differentiation of our properties from those of our competitors through unique value propositions, driving long-term sustainable performance. 	 Employ tenant attraction and retention strategies such as embedding flexibility into tenancy terms, offering rebates for early renewals, and partnering with vendors to provide value-added benefits, in addition to high level services.
 C Business/Market Risk Risks associated with macroeconomic factors and commercial office market trends such as low business and consumer sentiment, changing work and tenant preferences, and imbalances between the supply and demand of office space. Financial implications of investing in green technologies to meet sustainability goals. 	 Lower revenue and net property income due to poor economic conditions, loss of tenants, and increasing operational costs. 	 Differentiation of our assets and services by delivering operational excellence and exceptional amenities to tenants. Strengthening relationships with our tenants through win-win negotiations in tenancy terms and conditions. Improvement of operational efficiencies to mitigate rising costs. 	 Continual improvement of our engagement, response, and overall customer service levels, to drive higher tenant satisfaction scores. Regular communication with tenants to identify red flags and opportunities within our tenancy terms to achieve mutually beneficial outcomes. Collaboration with sister companies within the IGB Group to maximise operational synergies and streamline business processes, while rigorously monitoring operational costs for cost- effectiveness.
 D Tenancy Concentration & Maturity Risk Risk of rental income being reliant on a limited number of tenants or industries which may lead to increased volatility. Risk of occupancy and income fluctuations due to a high volume of lease expirations occurring within a short period. 	 Loss of occupancy, leading to lower revenue and net property income. 	 Diversification of our tenant mix and lease renewal cycles. 	 Execute proactive leasing strategies by closely engaging with tenants for forward renewals, and spreading out the portfolio lease expiry profile. Closely monitor tenant business sectors for early identification of risks and provision of support where appropriate. Continually assess our tenant mix and work to diversify tenant concentration across business size, type and industry within all properties.

	Detertial lungest	Owners at some it is a	
 Key Risk Areas Regulatory & Compliance Risk Compliance with evolving and increasingly stringent regulations across Malaysian markets, including those related to employment, health & safety, data privacy, anti-corruption, anti-competition and data sovereignty, amongst others. 	 Potential Impact Financial and reputational impact from failure to comply with applicable laws and/or regulations. 	 Opportunities 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. 	 Mitigating Actions Keep abreast of regulatory requirements and roll out updates to policies and frameworks in a timely manner. Subscription to IGB Group's Anti-Bribery and Corruption Policy and Group Whistleblowing Policy.
 Mechanical, Electrical & Plumbing Risk Failure of mechanical, electrical and plumbing (MEP) infrastructure. 	 Disruptions to service levels, resulting in poor tenant satisfaction, lower occupancy and revenue. 	 Establishment of strong policies and procedures related to preventive maintenance of infrastructure to drive long-term sustainable performance. Continuous AEIs to ensure the upkeep of our properties. 	 Adhere to strict maintenance policies and procedures, with preventative maintenance conducted regularly. Replace worn-out or underperforming infrastructure with modern, effective and efficient upgrades. Completed AEIs during the year to improve operational efficiency and performance (<i>Further details can be found in the Asset Enhancement Initiatives section of the MD&A).</i>
 G Health, Safety & Security Risk Risks related to health, safety, and security incidents, as well as operational hazards, environmental issues, and climate change challenges, which could result in significant adverse outcomes for individuals and communities. 	 Loss of profitability and long-term sustainable performance due to reputational damage, including events that affect the health, safety and security of stakeholders. 	 Embed strong health, safety & security procedures and protocols, as well as recovery plans within our operations. 	 All health, safety & security incidents occurring within our properties are tracked and investigated promptly, with appropriate follow-up actions taken. Regularly hold health, safety & security briefings, trainings and inspections (including annual fire drills) to manage the risks within our properties and ensure compliance with the Occupational Safety and Health Act. Quarterly Safety and Health Committee meetings to review all matters pertaining to health and safety.

(continued)

Key Risk Areas

- H Information & Cyber Security Risk
- Risks related to information technology systems, including cybersecurity threats such as data breaches, ransomware, and other digital attacks, which could compromise system security, access, and data integrity, leading to the loss or exposure of confidential information.

Potential Impact

- Disruptions to operations from compromised information technology systems or loss of key operational data.
- Financial and reputational implications from the exposure of confidential company, tenant or customer data.
- Increased regulatory scrutiny regarding data privacy and data sovereignty across key markets.
- Erosion of trust among stakeholders, potentially damaging the Company's reputation and weakening its market position.

Opportunities

- Establishment of strong cyber security policies and processes related to information technology management, with an emphasis on security protocols.
- Establishment of a business continuity plan (BCP) and recovery plans that can be activated in the event of a cyber security incident.

Mitigating Actions

- Subscription to IGB Group's Cybersecurity Policy, IT Acceptable Use Policy and Data Governance and Data Privacy Policies.
- Implemented a comprehensive Business Continuity Plan (BCP) for IGBCR, supported by IGB Group's IT BCP, and deployed critical cybersecurity software across key IT systems (e.g., privilege access management, endpoint protection, and log management) to ensure resilience and safeguard data and operations.
- Conducted regular cybersecurity training via e-portals, including ad-hoc social engineering tests and ongoing awareness initiatives, with plans to integrate engaging short videos into the HR application for continuous employee education.
- Established the IGBCR Technology Risk Management Framework to formalise and strengthen cybersecurity risk assessment and mitigation processes.

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Climate Change Risk

The physical and transitional risks of climate change, such as extreme weather events, disruptions to commodity and resource production, and the implementation of sustainability-related laws, regulations and financing.

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- Increased maintenance costs and potential damage to our properties from the impact of extreme weather events such as floods, water seepages, extreme heat, etc.
- Taxation, penalties or restrictions imposed by authorities due to new regulations concerning carbon emissions, supply chains and sustainable financing.
- Heightened scrutiny of sustainability and climaterelated disclosures, driving up compliance costs and regulatory burdens for corporations.

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- Establishment of sustainability policies and frameworks to build operational resilience against climate change risks.
- Improvement of energy, water, waste and material management practices to achieve higher levels of operational efficiency and lower operating costs.
- Pursuit of opportunities in clean energy ventures to drive sustainability and support long-term growth.
- Set sustainability targets for energy usage intensity (EUI) and waste diversion for IGBCR.
- Subscription to IGB Group's Sustainability Policy.
- Maintain existing green building certifications and work on expanding certification across our properties.
- Ongoing efforts to improve energy and water usage efficiency within our properties.
- Ongoing recycling initiatives to divert waste from landfills.
- Completed AEIs during the year to improve energy consumption efficiency (Further details can be found in the Sustainability Statement).

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Key Risk Areas	Potential Impact	Opportunities	Mitigating Actions
 Credit Risk 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 cashbased. 	 Financial losses from the impairment of uncollectible receivables. 	 Establishment of stringent tenant due diligence and credit collection policies to maintain low exposure to outstanding receivables. 	 Employ strict tenant selection procedures, with close monitoring of credit balances. Ensure cash, cash equivalents and deposits are only held with financial institutions with high credit ratings assigned by reputable credit rating agencies. (Further details can be found in the Notes to the Financial Statements.)
 Talent & Resource Management Risk The inability to attract, retain or effectively utilise talent. Chartwell ITAC International Sdn Bhd (Property Manager) engages IGB Property Management Sdn Bhd (Service Provider) to employ and manage our employees. 	 Reduced operational and business capabilities, adversely impacting profitability and long-term sustainable performance. 	 Inclusion of talent development and succession plans as key strategies. Expansion and diversification of responsibilities for high potential talent to drive career development. 	 The Service Provider invests in talent development programmes and offers competitive employment packages to attract and retain talent. The Service Provider monitors and assesses for potential skill gaps, redeployment needs, succession plans, and other beneficial career and employee-related initiatives. The Service Provider fosters an inclusive and equitable work culture through regular engagement sessions and events with employees. The Service Provider ensures full compliance with all local labour and employment laws and regulations.
 Interest Rate Risk Exposure to changes in interest rates, which affect borrowing and loan obligations. 	 Inability to effectively manage interest rates, leading to fluctuations in interest payment obligations. 	 Management of interest rates to facilitate better financial planning and returns to unitholders and other stakeholders. 	 Actively monitor market trends and the sentiment and monetary decisions of the central bank to effectively manage interest rate changes and fluctuations in interest payments. Secure favourable interest rates for financing, reduce exposure to floating-rate bonds, and explore debt refinancing opportunities to enhance financial stability. (Further details can be found in the Notes to the Financial Statements.)

(continued)

Key Risk Areas	Potential Impact	Opportunities	Mitigating Actions
 Liquidity & Cash Flow Risk Arises when inadequate funds are available to meet financial obligations. 	 Significant impact on business operations from inadequate funds. 	 Establishment of strong financial control policies to reduce the likelihood and impact of unexpected interruptions to business operations and new growth ventures. 	 Close monitoring and prudent maintenance of adequate cash, cash equivalents and bank facilities to finance operations, distribute income to unitholders, and mitigate the effects of fluctuations in cash flows. Adhere to the limits on total borrowings set by the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts (REIT Guidelines). (Further details can be found in the Notes to the Financial Statements.)
 Capital Risk The mismanagement of capital, which adversely impacts the ability to operate as a going concern or to provide returns for unitholders and other stakeholders. 	 Inability to continue as a going concern, resulting in the reduction of value delivered to unitholders and other stakeholders. 	 Maintain an efficient capital structure to facilitate sustainable, long-term performance and delivery of returns to unitholders and other stakeholders. 	 Maintain an appropriate gearing level and adopt an interest rate management strategy to manage the risks associated with refinancing and changes in interest rates. Diversify sources of debt funding as appropriate, secure favourable funding terms, and maintain a reasonable level of debt servicing capability. Manage financial obligations and exposures arising from adverse interest rate movements to improve the efficiency of the cost of capital. (Further
			details can be found in the Notes to the Financial Statements.)

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

INTRODUCTION

OUR APPROACH TO SUSTAINABILITY

OUR SUSTAINABILITY GOVERNANCE STRUCTURE

Roles and responsibilities

IGB Commercial REIT (IGBCR) is committed to balancing our pursuit of growth with social and environment considerations, and has continued to do this through embedding sustainability across our operations. We have made strides in our sustainability journey this year and are pleased to present IGBCR's Sustainability Statement for the 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.

Sustainability today is part and parcel of doing business. It has become essential for companies to embrace and something that the public now expects. Governments around the world have also continued to set ever higher sustainability goals for companies to achieve. IGBCR has continued to develop our sustainability practices this year, in line with the IGB Group Sustainability Policy. We have also enhanced our sustainability disclosures as guided by Bursa Malaysia's Sustainability Guide.



- Holds ultimate responsibility for oversight of IGBCR's sustainability matters.
- Approves sustainability strategies, targets, and policies set.
- Reviews and approves the results of the materiality assessments conducted.
- Approves sustainability statement.
- Reviews and recommends sustainability strategies, targets, and policies.
- Reviews the results of the materiality assessments conducted as well as the sustainability statement before obtaining Board approval.
- Oversees the management of IGBCR's material sustainability matters, including climate-related risks and opportunities.
- Monitors the implementation of approved strategies and policies, as well as the performance against targets set.
- Assists management to develop sustainability strategies and policies to be recommended to the Commercial RMSC and Board.
- Evaluates overall sustainability risks and opportunities.
- → Undertakes the materiality assessment process.
- Consolidates the sustainability report and data for the Commercial RMSC and Board.
- Ocordinates with and provides support to Business Units in relation to the implementation of sustainability initiatives.
- Executes sustainability actions and monitors performance against sustainability targets set.
- Aligns operational procedures with IGBCR's sustainability strategies.

(continued)

STAKEHOLDER ENGAGEMENT

Feedback Channels

Regular stakeholder engagement remains a cornerstone of our business strategy. By actively listening to the needs and expectations of our stakeholders, 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

- To nurture strong and lasting relationships with business partners.
- To discover business
 opportunities.
- To share knowledge and best practices.
- To keep up to date with changes in the operating environment.

Engagement Approach

- Communication channels;
- Participation in industry
- associations. → Periodically
 - Forums & dialogue
- sessions. As required
 - As required
 - Formal engagement meetings.

Key Concerns

- · Business opportunities.
- Knowledge-sharing.
- · Collaboration to further shared goals.

- Contribution to industry advancement.
- Fair representation of the industry with authorities.

Our Responses

- Attend and participate in forums, dialogues, workshops, and other events.
- Collaborate with business partners to further shared goals.
- Contribute to industry advancement initiatives.
- · Hold memberships in industry associations.

Government & Authorities

Engagement Objective

- To fulfil legal and compliance requirements.
- To keep up to date with the regulatory landscape.
- To listen and respond to authorities concerns and interests.
- To seek clarification on applicable laws, guidelines and frameworks.
- To share industry-related issues and concerns.

Engagement Approach

- Communication channels.
- Periodically
- Forums & dialogue sessions.
- As required
 Formal engagement
 - meetings.

Key Concerns

- Regulatory and legal compliance.
- Corporate governance practices.
- · Health, safety and security management.
- · Fair and balanced view of key material topics.
- Contribution to economic growth.
- Contribution to industry advancement.

Our Responses

- · Ensure full compliance with all regulatory requirements.
- Establish policies to align to and ensure compliance with relevant legislation.
- Attend physical/virtual meetings to keep up with regulatory changes.
- Conduct briefings and inspections with the relevant authorities in their areas of interest.
- Timely communication with authorities to provide information.

(continued)

Employees*

Engagement Objective

- To support human capital development and talent retention.
- To communicate employee benefits and welfare matters.
- To ensure the overall welfare of employees are addressed.
- To support the creation of a safe and healthy work environment.
- To foster a culture of diversity, inclusivity and excellence.
- · To provide fair and equal opportunities that recognise the talent of individuals.

Engagement Approach

- Ongoing
 - Employee Communication platforms.
 - · Company websites.
- Periodically
 - Workshops, trainings & team building.
- → Annual/Bi-annual

Engagement Approach

Social media.

As required

O Quarterly

→ Annually

· Communication channels.

· Corporate announcements.

· Physical & virtual meetings.

Investor & analyst briefings.

Annual reports & General

· Quarterly results.

Meetings.

· Company websites.

Ongoing

- Employee satisfaction survey.
 - · Performance appraisals.

Key Concerns

- Career development and progression.
- Opportunities for upskilling and learning.
- Remuneration and benefits. •
- Job security. .
- Healthy, safe and inclusive work environment. .
- . Fair and ethical labour practices and standards.
- Non-discrimination and equal opportunity.
- Work-life balance. •
- Business strategy and future orientation.
- Opportunities to contribute to CSR programmes.

Our Responses

- Offer competitive benefits and remuneration packages. •
- Develop a high performing workforce through structured training programmes.
 - Provide enriching employee engagement activities on a regular basis.
- Communicate updates on company financial performance and • growth plans.
- Promote a culture of inclusivity, openness and collaboration.
- Provide equal employment opportunities without discrimination.
- Ensure compliance with all applicable health & safety and labour • laws
- Conduct fair and constructive employee appraisals.

Investment Community

Engagement Objective

- To communicate financial performance, key business activities and decisions.
- To listen and respond to unitholders' concerns and interests
- To nurture strong and lasting relationships with the investment community.
- To obtain access to capital and other financial resources.

Key Concerns

- · Economic and financial performance.
- Business strategy and future orientation. •
- Long-term sustainable value creation.
- Timely and accurate disclosure of information. .
- Return on investment/equity.
- Corporate governance practices.
- Sustainability initiatives and climate change strategies. .

Our Responses

- · Deliver operational excellence to our customers and tenants.
- Employ sound investment and capital management strategies.
- Ensure full compliance with all regulatory requirements.
- Establish policies to align to and ensure compliance with relevant • legislation.
- Timely communication and dissemination of information to . investors.
- Align reporting standards to international frameworks.
- Provide appropriate channels for investor engagement and communication.
- Integrate sustainability into business decisions and strategies.

- · Company newsletter. Townhalls & dialogue sessions

(continued)

Local Communities

Engagement Approach	Key Concerns
 Ongoing Social Media. Company websites. As required Communication platforms. Donation drives, sponsorships, volunteer work. Festive and cultural themed events. 	 Economic and financial aid. Sustained, long-term support. Social impact of business activities. Environmental impact of business activities. Job opportunities. Opportunities to collaborate. Opportunities for upskilling and learning. Our Responses Contribute to the economic well-being of our local communities. Contribute manpower and resources to support community initiatives. Communicate and engage with local communities to understand their needs. Collaborate with local authorities and NGOs to deliver positive social impact.
Engagement Approach	Key Concerns
 Ongoing Company websites; Social Media. As required Communication platforms. Press briefings, conferences and statements. Quarterly Investor & analyst briefings. Quarterly results. Annually Annual reports & General Meeting. 	 Economic and financial performance. Business strategy and future orientation. Timely and accurate disclosure of information. Timely and appropriate responses to queries. Events, advertisements and promotions. Engagement with media. Accessibility to corporate communications/investor relations. Our Responses Timely communication and dissemination of information to the media. Communicate market outlook and future orientation. Timely response to media queries. Organise press briefings and media interviews. Engage and nurture relationships with media organisations. Provide appropriate channels for media engagement and communication.
Engagement Approach	Key Concerns
 As required Communication platforms. Tender briefings and interviews. Occupational health & safety briefings and updates. Contract negotiations. Vendor/supplier feedback surveys. 	 Smooth and efficient procurement processes. Fair and transparent procurement processes. Regular and clear communication between parties. Fair compensation for the scope of work and deliverables. Timely and reasonable payment schedules. Occupational health and safety. Regulatory and legal compliance. Contract extensions or cancellations. Our Responses Conduct fair and thorough vendor evaluations and assessments.
	 Ongoing Social Media. Company websites. As required Communication platforms. Donation drives, sponsorships, volunteer work. Festive and cultural themed events. Engagement Approach Company websites; Social Media. Ongoing Communication platforms. Festive and cultural themed events. Engagement Approach Company websites; Social Media. As required Communication platforms. Press briefings, conferences and statements. Quarterly Investor & analyst briefings. Quarterly results. Annual reports & General Meeting. Annual reports & General Meeting. Communication platforms. Tender briefings and interviews. Occupational health & safety briefings and updates. Contract negotiations. Vendor/supplier feedback

→ Periodically

• Vendor evaluations and

assessments.

- · Conduct fair and thorough vendor evaluations and assessments.
- Regularly engage and communicate with vendors.
- Offer competitive rates and contract terms.
- Adhere to strict deliverable timelines and payment schedules.
- Require vendors to comply with the Group's business ethics and sustainability policies.
- Provide equal opportunities for vendors.
- Support local vendors and employment through our supply chain.

(continued)

Tenants

Engagement Objective	
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- · To facilitate operational practices and the maintenance of properties.
- To further improve our spaces and services to drive tenant satisfaction.
- To listen and respond to queries and/or complaints.
- To build market and brand . reputation.
- To nurture strong and lasting relationships with tenants.
- To communicate and support sustainability initiatives and awareness.

Engagement Approach Key Concerns

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- Ongoing
 - · Communication platforms;
 - Tenant feedback and enquiry.
- As required
 - Collaborative/joint events.
- → Annually
 - · Corporate meet and greet.
- Data privacy and security. Opportunities to collaborate. •

Good value for rental.

· High quality assets and amenities.

Excellent operational service and standards.

Safety and security of managed properties.

Fair and transparent lease/rental agreements.

Timely and appropriate responses to queries/issues.

Upgrading the quality of assets and amenities through AEIs. •

Our Responses

- Regular and thorough maintenance of assets. •
- Carry out infrastructure upgrades and AEIs to improve our assets. •
- Deliver operational excellence.
- Enforce health and safety standard operating procedures. •
- Timely response to tenant queries/issues. •
- Engage and communicate with tenants to gauge their satisfaction. •
- Offer competitive rental rates and packages. •
- Ensure compliance with all relevant data privacy and security laws. •
- Notify tenants of possible service disruptions in advance. •
- Craft engaging and enriching tenant experiences. •
- Collaborate with tenants on ESG initiatives and activities.

* Chartwell ITAC International Sdn Bhd (the Property Manager) have engaged IGB Property Management Sdn Bhd (the Service Provider) to manage the people who oversee the day to day running of our malls.

IGB COMMERCIAL REIT Sustainability Statement



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

- 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

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

- 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

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

2024 Material Matters

	10	HIGH
		Health, Safety & Security
		Customer Satisfaction
		Economic Performance
		Human Capital Development
		Cybersecurity & Data Protection
	Å	Anti-Corruption & Corporate Governance
	C I C	Climate Change
$\overline{\mathbf{z}}$		MEDIUM
	₽Î ₽	Labour Practices
		Water Management
		Community / Society
		Waste Management
	Ø,	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
- Orporate Governance
- Data Privacy & Security

Revised material matters

- Human Capital Development
- Labour Practices
- Anti-Corruption & Corporate Governance
- Over Security & Data Protection

(continued)

OUR FOCUS AREAS

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



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

	TARGETS	2024 STATUS
Climate Change	 Reduction in Energy Usage Intensity (EUI) of 18% by 2030 using 2019 as a baseline. 	 Average reduction of 17% from 2019 baselines.
Waste Management		
Cybersecurity & Data Protection	Zero substantiated complaints concerning breaches of customer privacy and loss of customer data.	 Zero substantiated complaints concerning breaches of customer privacy and loss of customer data.
Anti-Corruption & Corporate Governance		 Zero confirmed incidents of corruption.
Health, Safety & Security		
Labour Practices	 Women to hold 30% of board of directors' positions; 	
	 Zero substantiated complaints concerning human rights violations. 	 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.



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SUSTAINABILITY STATEMENT (continued)

MANAGEMENT APPROACH TO MATERIAL MATTERS

Related UNSDGs:



Our performance:

2024

2023

2024

2023

2022

2024

2023

2022

2024

2023

2022

Number of

safety standards.

Health and safety training

trained on health and

Work-related fatalities

and lost-time injuries

Work-related fatalities

Lost-time injuries

Lost-time injury rate

* Figures not tracked

Figures not tracked

* All references to employees are in relation to the employees of the

Manager and Service Provider.

112

employees

112

120

0

0

0

0

Health, Safety & Security

Why this is important to us:

Safeguarding the health and safety of our employees and all stakeholders at our buildings remain our highest priority. We are committed to ensuring that our communities feel safe by continually reviewing and improving our health, safety, and security policies and procedures. This commitment not only strengthens our relationships with existing tenants but also helps attract potential tenants and enhances our market reputation. Any incidents that negatively affect the health, safety, or security of our communities could damage our reputation, lead to legal liabilities, and disrupt our business continuity.

Our approach:

Our Safety & Health Committee, 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, including the implementation of Hazard Identification, Risk Assessment and Risk Control requirements.
- Following up on safety issues or defects identified during quarterly safety walks including conducting weekly follow-ups with respective departments, and targeting rectification within 14 days (excluding items requiring external contractors).
- Conducting annual fire drills covering entire building premises.
- Knowledge and competency training covering areas such as first aid, emergency response, Occupational Safety and Health Act (OSHA) requirements, gas operations and other relevant topics.

Continuous improvement remains our ethos, with dedicated teams constantly reviewing incidents to mitigate risks and enhance our response strategies. Regular safety audits, training sessions, and inspections are conducted to uphold compliance with the OSHA and manage safety risks within our assets. Annual fire drills are executed to familiarise all employees and tenants with evacuation procedures in emergencies.

We also prioritise the well-being of our communities through regular sanitisation of common areas, the use of UV disinfection and air purification systems, and the application of antimicrobial treatments.

To further ensure the safety of our communities, we work closely with local enforcement agencies, staying informed about potential threats. Our security teams receive ongoing training to ensure they are prepared to effectively address any safety concerns. Standardised security measures, including monitoring systems, physical controls, emergency plans, and administrative protocols, are consistently applied across all our buildings.







2024 Annual Report

(continued)

Related UNSDGs:



Our performance:



The positive results of our 2024 tenant satisfaction survey, with 1,478 tenant employee responses, validate our commitment to a safe, comfortable, and collaborative environment. Individual property scores ranged from 7.6 to 8.3 out of 10. We will leverage these insights to strategically target areas for improvement in our 2025 initiatives.

Tenant Satisfaction



Individual property scores ranged from 7.6 to 8.3 out of 10.



CUSTOMER SATISFACTION

Why this is important to us:

The success of our tenants is fundamental to IGBCR's long-term prosperity. By addressing their needs and providing the necessary resources, support, and opportunities, we empower them to achieve their goals, ultimately benefiting all stakeholders.

Our approach:

We are committed to enhancing our tenant experience through:

- Prioritising building health and safety guidelines and procedures.
- Proactive engagement and high-quality service for tenants to understand and meet their business needs.
- Enhancing operational efficiencies to minimise disruption to tenant operations.
- Oclaboration with tenants as a value-added service to their tenancies with us.
- Marketing newsletters and networking events for tenants to build their business across our properties.
- Tailored strategies for each property and their tenants to address specific market dynamics.









(continued)

Related UNSDGs:



Our performance:



Total Economic Value Generated



2024 (in RM'million)

Total Economic Value Distributed



2024 (in RM'million)



Why this is important to us:

Our strong financial foundation enables us to deliver sustainable returns for our unitholders while creating a positive impact across our stakeholder ecosystem. This includes fostering job creation to support local communities, supporting tenant success, contributing to the social and economic well-being of our communities, and prioritising investments in sustainable practices.

Our approach:

IGBCR'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 for our properties alongside proactive risk management.
- Asset enhancement to future-proof our properties to stay ahead of evolving trends, as well as to meet tenant demands.
- Prioritising the tenant experience through the provision of value-added services such as the organisation of networking events and activities, including tenant collaborations.
- Building operational excellence to maintain a high level of efficiency and effectiveness, keeping costs manageable and limiting disruptions.

2023

2022



Our performance:

This year, we achieved a total revenue of RM230.99 million and a net property income of RM130.53 million. We have also contributed to the wealth of our stakeholders.

2024

	RM'000	RM'000	RM'000
Economic Value Generated:			
	230,985	215,147	190,433
 Interest income 	3,205	3,204	2,159
Economic Value Distributed:			
 Operating costs 	101,405	88,068	77,316
 Manager's management fees 	16,367	16,246	15,484
	463	465	464
	44,764	46,108	36,259
 Distribution to unitholders 	86,663	82,563	79,607
Economic Value Retained*	(15,472)	(15,099)	(16,538)

* Mainly comprises unrealised income/loss and distribution adjustments.

Related UNSDGs:

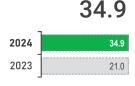


Our performance:

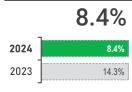


This year, the Service Provider invested a total of 8,767 training hours across all employee categories representing an average of 34.9 training hours per employee.

Average training hours per employee



Employee turnover rate



Total hours of training

Senior Management
 Managers & Senior Managers
 Senior Executives & Assistant Man
 Executives
 Non-Executives

Total number of employee turnover

Senior Management Managers & Senior Managers Senior Executives & Assistant Man

Executives
 Non-Executives
 Total

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

HUMAN CAPITAL DEVELOPMENT

Why this is important to us:

Our people are essential to our continued success. From support roles to frontline engagement with tenants, they collectively shape the distinctive customer experiences that define our properties. By investing in their skills, competencies, and relationships, we are building a future-ready workforce capable of navigating the dynamic office landscape, adapting to evolving trends, and overcoming challenges.

Our approach:

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

Continuous Learning to Support Growth and Development

The Service Provider prioritises continuous employee development through a focus on upskilling employees to empower them 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.

	2024	2023
	206	149
	1,168	551
agers	1,564	831
	2,619	1,236
	3,210	2,207
Total	8,767	4,974
	2024	2023
	2024 1	2023 1
•		
nagers	1	1
nagers	1 2	1 6
nagers	1 2 3	1 6 4
nagers Total	1 2 3 5	1 6 4 11

Effective recruitment and retention of talent

The Service Provider utilises a variety of platforms to recruit talent including employment websites, agencies, executive search consultants, and employee referrals. Candidates are rigorously vetted by both human capital teams and hiring managers, with final approval received from Business Unit Heads. This process ensures meritbased 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 Provider also offers internal mobility opportunities through transfers or relocations where opportunities that align with employee skillsets become available. This not only empowers employees but also strengthens internal talent pipelines.

Cultivating Connections through Employee Engagement

An annual employee engagement survey conducted this year revealed an employee satisfaction rate of **97.42%**. 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.
- Monthly Birthday Bash 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.
- Employee sports day.

(continued)

Related UNSDGs:

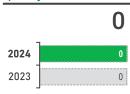


Our performance:



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.







CYBERSECURITY & DATA PROTECTION

Why this is important to us:

At IGBCR, we recognise the importance of data protection and the need to safeguard sensitive information. Data has emerged as an immensely valuable asset across diverse industries, it unlocks vital insights that drive innovation, enhances customer experiences, and shapes effective business strategies.

Our commitment to data protection is reflected in the comprehensive privacy and security practices we implement. We prioritise more than just regulatory compliance; our approach focuses on proactively preventing breaches and minimising their impact. This dedication upholds our organisational integrity and strengthens the trust among all 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 Commercial REIT Technology Risk Management Framework

Established during the year, the IGB Commercial REIT Technology Risk Management Framework is aligned with the updated regulations issued by the Securities Commission. 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.

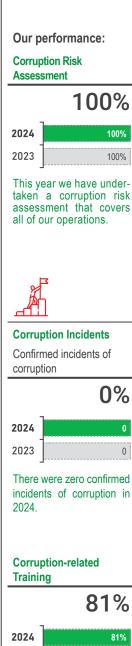
Moreover, we are actively working on upgrading our IT systems and streamlining how we develop, deliver, maintain, and test our software solutions. This initiative reflects our commitment to bolstering the Group's operational resilience, meeting stakeholder expectations, ensuring regulatory compliance,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

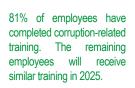
2024 Annual Report

(continued)

Related UNSDGs:







77%

2023

ANTI-CORRUPTION & CORPORATE GOVERNANCE

Why this is important to us:

Strong corporate governance, including robust anticorruption measures, is foundational to our longterm success. These principles underpin ethical, transparent, and accountable business practices, fostering trust with our stakeholders. By upholding the highest standards of integrity and compliance, we cultivate a culture of ethical conduct throughout our organisation, enabling us to confidently navigate the complexities of our business environment.

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.
- ④ 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	60%	100%
Managers & Senior Managers	96%	79%
Senior Executives & Assistant Managers	94%	94%
Executives	83%	80%
Non-Executives	76%	70%
Total	81%	77%

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

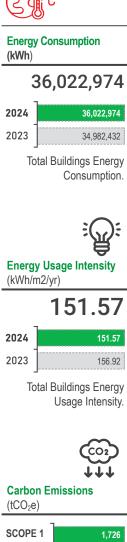
(continued)

Related UNSDGs:



Our performance:





SCOPE 2

SCOPE 3

27.882

15,086

in 2024.

Total Carbon Emissions

CLIMATE CHANGE

Why this is important to us:

Addressing climate change is an urgent priority. Its impact on our planet, way of life, and business operations is both irreversible and escalating in importance. As a responsible corporate entity, it is our duty to contribute to mitigating the effects of climate change, while aligning our business practices with society's evolving expectations for environmental stewardship. In doing so, we strengthen our resilience against regulatory changes and market demands, ensuring the long-term sustainability of our business.

Our approach:

IGBCR continued to monitor and track energy consumption across the buildings in our portfolio. As part of our energy management strategy, we consistently explore ways to reduce energy use while enhancing efficiency. This includes upgrading to more energy efficient equipment and systems and conducting energy audits to pinpoint inefficiencies and identify areas for improvement.

In 2024, we implemented the following initiatives to enhance our energy efficiency:

KEY INITIATIVES

Enhancement of Air Conditioning system for Menara Tan & Tan

Ochilled water Fan Coil Units (FCUs) for reception area, Control Room and Ground Floor Car Park Lift.

LED lightings replacement & motion sensor integration for Hampshire Place office, The **Gardens North & South Towers**

Energy efficient LED lights with motion sensor control integrated to further optimise savings for illumination.

Building Automation System (BAS) upgrades for **Centrepoint South & Centrepoint North**

() Upgraded the Building Automation System (BAS) with more features to integrate multiple systems and enhanced control.

Management of the emission of greenhouse gases (GHG) is a core component of addressing climate change. It is a crucial sustainability concern for IGBCR 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

SCOPE

combustion and fugitive emissions.

Emissions which primarily arise from fuel

Emissions which include purchased electricity.

SCOPE 03

02

Emissions, which includes employee commuting, business travel, waste generated in operations, and downstream leased assets.

In 2024, we underwent the prestigious GreenRE Real Estate (GreenRE) certification assessment for The Gardens North Tower & The Gardens South Tower. We are proud to share that we have obtained the Gold rating which reflects our ongoing commitment to sustainability in the built environment. IGBCR recognises the benefits of green buildings and diligently monitors and reviews green certification across our portfolio. We work to upgrade our buildings, reduce our carbon footprint and further entrench sustainable practices across our operations.

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.





(continued)

Our performance: Energy Consumption

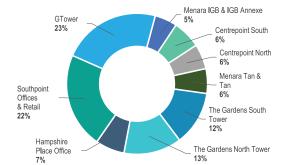
	2024 (kWh)	2023 (kWh)	2022 (kWh)
Menara IGB & IGB Annexe	1,861,762	1,796,843	1,847,908
Centrepoint South	2,330,037	2,329,856	2,200,177
Centrepoint North	2,066,730	2,011,288	1,919,912
Menara Tan & Tan	2,047,788	2,058,269	2,024,065
The Gardens South Tower	4,498,500	4,417,825	4,449,939
The Gardens North Tower	4,783,816	4,350,272	4,072,444
 Hampshire Place Office 	2,398,954	2,362,408	2,031,128
 Southpoint Offices & Retail 	7,901,797	7,964,007	6,902,479
GTower	8,133,590	7,691,664	6,569,705
Total	36,022,974	34,982,432	32,017,756

Energy Usage Intensity (EUI) (kWh/m₂/year)

In 2024, we continued to track the full efficiency of our assets by understanding our buildings' Energy Usage Intensity (EUI) (kWh/m₂/year) with a target of reducing EUI (kWh/m₂/year) by 18% by 2030 from our 2019 baselines.

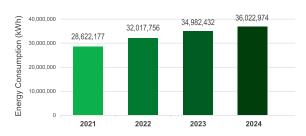
Overall electricity consumption has increased in the year but with a reduction in EUI. This is attributed to an overall increase in the occupancy of our buildings as occupancy rates have risen.

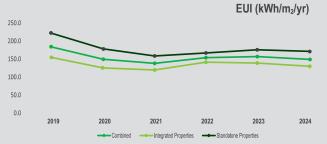
Looking ahead, we will be focusing on the strategic implementation of rooftop Solar Photovoltaic (PV) panels as a renewable energy source for our buildings where feasible.



Total Energy Consumption (kWh)

Breakdown of Energy Consumption





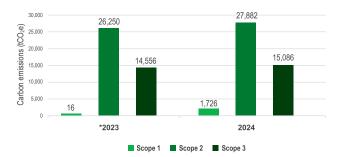
Note:

Integrated Properties: Menara IGB & IGB Annexe, Centrepoint South, Centrepoint North, The Gardens South Tower, The Gardens North Tower
 Standalone Properties: Menara Tan & Tan, Hampshire Place Office, Southpoint Offices & Retail, GTower

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").
- 3. 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.



(continued)

Related UNSDGs:



Our performance:

43%

Q

71%

age above 50

46%

Q

30%

age 30-40

20%

above age 50

19%

Q

30%

age 30-40

18%

above age 50

Board Diversity

57%

8

29%

age 30-50

Workforce Diversity

54%

8

18%

below age 30

32%

age 40- 50

Non-Executives

81%

30%

below age 30

22%

age 40- 50

Employee Composition

Total employees of the

Manager and Service

Provider of 252 in 2024.

Executives to Senior Management

LABOUR PRACTICES

Why this is important to us:

IGBCR is deeply committed to upholding strong labour practices that prioritise the well-being and fair treatment of all our employees. We believe that cultivating a positive, diverse, and equitable work environment is not only the right thing to do, but also a strategic imperative. It is essential for attracting and retaining the best talent, fostering high employee morale and engagement, and ultimately driving the success of our business.

Our approach:

Our commitment to fair labour practices include 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, IGBCR is committed to the following:

- Being an equal opportunity employer, which extends to the Service Provider.
- 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.
- PERMANENT
 99.6%

 TEMPORARY
 0.4%
- 0

HUMAN RIGHTS VIOLATIONS

Number of substantiated complaints concerning human rights violations in 2024.

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

- Ensuring that no children are employed directly by the Service Provider 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:

- Eave 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.

(continued)

Related UNSDGs:



Our performance:

Rainwater Collection

Water Security

(days)

4,237

1.6 - 2.7

Our existing water storage

systems can sustain our

operations in our integrated and standalone buildings

for an average of 1.6 and

2.7 days.

(m³)

WATER MANAGEMENT

Why this is important to us:

Water scarcity is being exacerbated by a range of factors, including climate change, making the effective management of this precious resource essential for businesses seeking sustainable growth. By implementing efficient water management strategies, organisations can optimise their water usage, reduce operational costs, and improve overall efficiency. Moreover, these practices help businesses build resilience against climate change and other uncertainties, while mitigating the risks associated with water scarcity. Through our efforts to conserve this vital resource, we aim to promote environmental stewardship, strengthen our operational resilience, and ensure the long-term sustainability of our business.

Our approach:

In line with the IGB Group Sustainability Policy, IGBCR is committed to adopting a practical and effective approach to water management. Our focus is on improving water efficiency and fostering conservation across all aspects of our operations.

We have implemented robust measures to enhance water security across our buildings, mitigating potential risks that could disrupt our operations. Such disruptions can negatively impact tenant satisfaction and the longterm sustainability of our business. Over the years, we have introduced several key initiatives to promote effective water management, including:

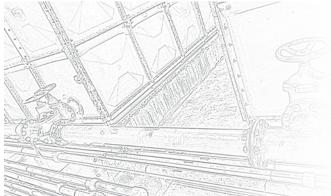
- The use of water-efficient fittings and flushing systems to reduce overall water consumption.
- Regular assessment of our piping systems to prevent leaks across our water networks.
- Installation of rainwater harvesting systems to capture and utilise rainfall.

In 2024, we invested in the major enhancement of the main cold water plumbing system for all riser pipes in Hampshire Place Offices and the toilet plumbing system in Menara Tan & Tan.

Currently, our water storage systems are designed to sustain operations in our integrated and standalone buildings for an average of 1.6 and 2.7 days, respectively, in the event of a disruption to the municipal water supply.

Looking ahead, we remain committed to exploring new approaches to further reduce our water usage. We will continue to implement more efficient water management fixtures and infrastructure, closely monitor our consumption, and investigate any significant increases in usage to ensure ongoing improvements.





Bypass pipe between the flushing tank and the drinking tank to cater for emergency situations such as water disruption at Southpoint Offices & Retail





Menara Ta

(continued)

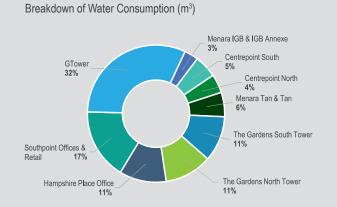
Our performance:

Water Consumption

2024 saw an increase in water consumption due to an increase in the occupancy rates within our buildings as well as an increase in the number of tenants returning to work in the office.

by buildings	2024 (m ³)	2023 (m ³)	2022 (m ³)
Menara IGB & IGB Annexe	12,174	11,510	8,606
 Centrepoint South 	19,640	18,468	13,781
 Centrepoint North 	16,205	12,111	9,802
Menara Tan & Tan	21,150	24,855	17,071
The Gardens South Tower	39,462	40,140	32,657
The Gardens North Tower	41,171	27,308	22,077
 Hampshire Place Office 	40,800	36,495	23,404
 Southpoint Offices & Retail* 	65,829	61,274	54,888
GTower	116,120	89,157	84,034
Total	372,551	321,318	266,320

* Data restated to reflect use of harvested rainwater.



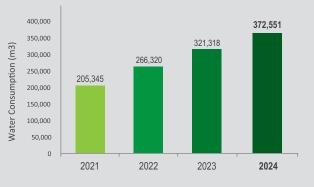
Total Water Consumption (m³)

0

1,000

2,000

3,000



Rainwater Collection (m³)





5,000

4,237

4,074

4,000

4,941

(continued)

Related UNSDGs:

Our performance:

In 2024,

RM

we

28,286

positively impacted 799

beneficiaries. Furthermore,

our collaborative efforts led

to the collection of 410 bags of blood, all of which

were directed to Pusat

28,286

Total amount invested

Total beneficiaries impacted.

Total bags of blood to be channeled to Pusat Darah

410

Negara (PDN).

Darah Negara (PDN).

Direct Contributions

(in RM)

invested

which



COMMUNITY AND SOCIETY

Why this is important to us:

IGBCR is dedicated to fostering community development, as we believe that by focusing on the needs of our local communities, we can pave the way for meaningful outcomes that benefit everyone. By actively engaging with the needs of our local communities, we enhance their resilience and create opportunities for sustainable growth. This commitment allows us to support one another effectively and cultivate a mutually beneficial relationship that positively influences the community while promoting a sustainable future for all.

Our approach:

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

- Direct contributions by IGBCR in the form of monetary and non-monetary donations, rental fee waivers and employee volunteerism.
- Collaborations with our tenants to promote local communities and charitable organisations.

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



Infaq & Iftar Ramadhan Food Distribution Beneficiaries: 200 patrons Contribution: -



During the holy month of Ramadhan, the KL Hub team joined forces for a charitable initiative, distributing 200 food packages to the communities surrounding GTower. The outreach extended along pedestrian pathways and towards the Ampang Park LRT, bringing support to those in need.

(continued)

Blood Donation Drives

Beneficiaries: A total of 410 bags of blood were collected, potentially saving up to 1,230 lives. **Contribution:** RM 2,029 in provisions and RM 4,500 in rental waiver.

The following blood donation drives were held in 2024:



GTower: Partnering with Subsea 7

On May 7, 2024, we teamed up with Subsea 7 to host a blood donation drive at GTower. The event attracted 149 volunteers, and approximately 106 pints of blood were collected.



Cititel, Mid Valley

On August 5th and 6th, 2024, a blood donation drive was held at Cititel Mid Valley. The drive was jointly organised by a group of companies including IGBCR, Cititel Mid Valley, IGB, Radius, Hytech, and Hoshino Coffee. The event was a great success, collecting an impressive 229 pints of blood.



Menara Tan & Tan

On September 9th, 2024, we proudly hosted another successful blood donation event at Menara Tan & Tan, where dedicated volunteers and generous donors came together to make a significant impact. The event saw an incredible turnout, resulting in the collection of 75 pints of life-saving blood.

Lunch & Learn event with Peak Fitness

Beneficiaries: 22 tenants Contribution: RM 4,000 in rental waivers



On May 14, 2024, an inspiring fitness talk took place during a lunch event with Peak Fitness. Attendees learnt practical techniques, such as simple stretches and effective stress-relief exercises, they were also educated on how to incorporate healthier habits into their daily routines to enhance their overall well-being.

(continued)

Hair Donation Campaign

Beneficiaries: 15 individuals who experience hair loss due to medical conditions or treatments. Contribution: RM 3,150 in gift sets.



In June 2024, we partnered with A Cut Above Hair Salon to launch the Cut for Cause initiative, a month-long hair donation campaign. During this event, we successfully gathered hair from 45 generous donors. The hair was donated to the Locks of Hope Association which creates wigs for those facing hair loss due to medical conditions or treatments.

Badminton Coaching Clinic with Badminton World Federation (BWF)

Beneficiaries: 152 underprivileged children. Contribution: RM14,607 in provisions.



IGBCR collaborated with the Badminton World Federation (BWF) to conduct a badminton coaching clinic for underprivileged children This initiative is part of an ongoing effort to support youths from various organisations, including Ti-Ratana, Yayasan Sunbeams Home, Mega Orang Asli Children's Home, and Rumah Kasih Harmoni Paya Jaras. The goal was to inspire the children to stay active and develop a passion for badminton in a fun and welcoming environment. Additionally, BWF offered IGB staff the opportunity to become certified coaches, thereby empowering them to share a positive experience in badminton.

(continued)

Related UNSDGs:



WASTE MANAGEMENT

Key Initiatives:



Key initiatives currently implemented across our buildings include:



Providing recycling and e-waste bins in every building to facilitate proper recycling and prevent harmful materials from polluting landfills.



Educating tenants on the importance of segregating recyclable and nonrecyclable waste at the source to improve the efficiency of our waste diversion efforts.



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

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 the long-term environmental well-being of our planet.

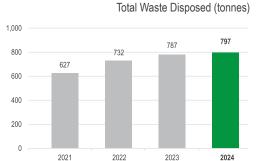
Our approach:

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

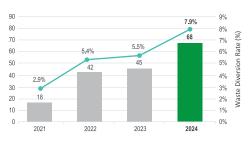


Similar to energy and water consumption, the total amount of waste disposed increased in 2024 as a result of higher occupancies in our properties and the return of tenants to the office. However, the overall waste diversion rate has improved to 7.9% as a result of our ongoing waste recycling initiatives.

Our performance:



Total Waste Diverted (tonnes)







(continued)

Related UNSDGs:



Our performance:



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

SUPPLY CHAIN MANAGEMENT

Why this is important to us:

IGBCR views its supply chain as a strategic asset that is integral to our operational success. We prioritise building strong, resilient partnerships with local businesses, recognising their importance for our operational efficiency, cost optimisation, and risk mitigation. Furthermore, we are committed to good corporate governance throughout our supply chain, ensuring compliance with all applicable regulations and ethical standards.

Our approach:

In ensuring a fair and transparent procurement

To ensure responsible business practices across our supply chains, we require our suppliers to comply with all relevant laws and regulations. These include, but are not limited to, those pertaining to health and safety, environmental control, human resource management, anti-corruption, anti-money laundering, and human rights.

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.



2024 Annual Report

2024 Performance Data Table for IGB Commercial REIT

Indicator		Measurement Unit	2022	2023	2024
Health, Safety	∕ & Security				
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		120	112
Human Capita	al Development				
Bursa C6(a)	Total hours of training by employee category				
	Senior Management	Hours		149	206
	Managers & Senior Managers	Hours		551	1,168
	Senior Executives & Assistant Managers	Hours		831	1,564
	Executives	Hours		1,236	2,619
	Non-Executives	Hours		2,207	3,210
Bursa C6(c)	Total number of employee turnover by employee category				
	Senior Management	Number		1	1
	Managers & Senior Managers	Number		6	2
	Senior Executives & Assistant Managers	Number		4	3
	Executives	Number		11	5
	Non-Executives	Number		12	10
Cybersecurity	y & Data Protection				
Bursa C8(a)	Number of substantiated complaints concerning breaches of customer privacy and loss of customer data	Number		0	0
Anti-Corrupti	on & Corporate Governance				
Bursa C1(a)	Percentage of employees who have received training on anti-corruption by employee category				
	Senior Management	Percentage		100.00	60.00
	Managers & Senior Managers	Percentage		79.00	96.00
	Senior Executives & Assistant Managers	Percentage		94.00	94.00
	Executives	Percentage		80.00	83.00
	Non-Executives	Percentage		70.00	76.00
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

(*) Restated

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(continued)

Indicator		Measurement Unit	2022	2023	2024
Climate Chan	ge				
Bursa C4(a)	Total energy consumption	Megawatt	32,017.76	34,982.43	36,022.97
Bursa C11(a)	SCOPE 1 emission in tonnes of CO ₂ e	Metric tonnes		16.00	1,726.00
Bursa C11(b)	SCOPE 2 emission in tonnes of CO ₂ e	Metric tonnes		26,250.00*	27,882.00
Bursa C11(c)	SCOPE 3 emission in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes		14,556.00*	15,086.00
Labour Practi	ces				
Bursa C3(a)	Percentage of employees by gender and age group, for each employee category				
	Age Group by Employee Category				
	Executives and Senior Management below 30	Percentage		15.00	18.00
	Executives and Senior Management 30-40	Percentage		26.00	30.00
	Executives and Senior Management 40-50	Percentage		39.00	32.00
	Executives and Senior Management above 50	Percentage		20.00	20.00
	Non-Executives below 30	Percentage		27.00	30.00
	Non-Executives 30-40	Percentage		27.00	30.00
	Non-Executives 40-50	Percentage		27.00	22.00
	Non-Executives above 50	Percentage		19.00	18.00
	Gender Group by Employee Category				
	Executives and Senior Managers Male	Percentage		57.00	54.00
	Executives and Senior Managers Female	Percentage		43.00	46.00
	Non-Executives Male	Percentage		79.00	81.00
	Non-Executives Female	Percentage		21.00	19.00
Bursa C3(b)	Percentage of directors by gender and age group	-			
	Male	Percentage		62.00*	57.00
	Female	Percentage		38.00*	43.00
	Age 30-50	Percentage		25.00	29.00
	Age above 50	Percentage		75.00	71.00
Bursa C6(b)	Percentage of employees that are contractors or temporary staff	Percentage		0.80	0.40
Bursa C6(d)	Number of substantiated complaints concerning human rights violations	Number		0	0

Internal assurance

No assurance

(*) Restated

(continued)

Indicator		Measurement Unit	2022	2023	2024
Water Manage	ement				
Bursa C9(a)	Total volume of water used	Megalitres	266.320000*	321.318000*	372.551000
Community/S	ociety				
Bursa C2(a)	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	4,500.00	14,644.00	28,286.00
Bursa C2(b)	Total number of beneficiaries of the investment in communities	Number	250	392	799
Waste Manag	ement				
Bursa C10(a)	Total waste generated	Metrics tonnes	774.10	832.80	865.00
Bursa C2(a)i	Total waste diverted from disposal	Metrics tonnes	42.00	45.50	68.00
Bursa C2(a)ii	Total waste directed to disposal	Metrics tonnes	732.10	787.30	797.00
Supply Chain	Management				
Bursa C7(a)	Proportion of spending on local suppliers	Percentage		99.98	99.97

(*) Restated

(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 Commercial REIT ("IGBCR"), to provide an Internal Assurance review on the Sustainability Statement ("SS2024") of IGBCR, 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.

g) Menara Tan & Tan

Hampshire Place Office

h) GTower

i)

d) The Gardens South Tower

e) The Gardens North Tower

Southpoint Offices & Retail

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

f)

- a) Menara IGB & IGB Annexe
- b) Centrepoint South
- c) Centrepoint North

Subject Matters

The Internal Assurance review covered the following indicators:

Material Sustainability Matters	Indicators Reviewed
Health, Safety & Security	 Number of work-related fatalities; Lost time incident rate; Number of employees trained on health and safety standards.
Human Capital Development	 Total hours of training by employee category; Average training hours per employee; Total number of employee turnover by employee category; Turnover rate.
Cybersecurity & Data Protection	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data.
Anti-Corruption & Corporate Governance	 Percentage of employees who have received training on anti-corruption by employee category; Percentage of operations assessed for corruption-related risks; Confirmed incidents of corruption and action taken.
Climate Change	 Total energy consumption; Scope 1 emission in tonnes of CO₂e*; Scope 2 emission in tonnes of CO₂e; Scope 3 emission in tonnes of CO₂e (for the categories of business travel, employees commuting, waste generated in operations and downstream leased assets)*.
Labour Practices	 Percentage of employees by gender and age group, for each employee category; Percentage of directors by gender and age group; Percentage of employees that are contractors or temporary staff; Number of substantiated complaints concerning human rights violations.
Water Management	Total volume of water used.
Community/Society	 Total amount invested in the community where the target beneficiaries are external to the listed issuer; Total number of beneficiaries of the investment in communities.

(continued)

Material Sustainability Matters	Indicators Reviewed
Waste Management	 Total waste generated* Total waste diverted from disposal* Total waste directed to disposal*
Supply Chain Management	Proportion of spending on local suppliers.

* New indicators for FY2024

Standards and Criteria

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

- Bursa Malaysia Sustainability Reporting Guide
- Greenhouse Gas Protocol
- IGBCR'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 IGBCR's business, internal processes, and approach to sustainability;
- Onducting interviews with key personnel and collating evidence to understand IGBCR's process for reporting of performance indicators;

Oconducting 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 verify 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 IGBCR, 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

PROFILE OF DIRECTORS



DATO' SERI ROBERT TAN CHUNG MENG

(Malaysian, male, age 72) Non-Independent

Executive Chairman

Date of 21 M

Appointment

21 March 2012

Profile Summary 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.

> 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 27year 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.

> 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.

> 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.

External	IGB
Appointments	IGBC
	Wasco Berhad
	Yayasan Tan Kim Yeow



TAN LEI CHENG (Malaysian, female, age 67) *NINED*

Date of Appointment	27 April 2012
Board Committee(s)	Nomination and Remuneration Committees (Member)
Profile Summary	Tan Lei Cheng has more than 40 years' experience in the property industry and corporate sector. She was Chief Executive Officer ("CEO") of Tan & Tan Developments Berhad ("Tan & 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 & 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 & 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.
	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.
External Appointments	IGB Dato' Tan Chin Nam Foundation

(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")

Date of Appointment	11 June 2020	Date of Appointme
Board Committee(s)	Retail-RMSC (Member) Commercial-RMSC (Member)	Board Committee
Profile Summary	 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. 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 & 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. 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. Tan Mei Sian graduated with a 2.1 from the London 	Profile Summary
	School of Economics and Political Science with a Bachelor of Science in Economics.	
External Appointments	IGB (DGCEO/Alternate Director to Tan Lei Cheng) Tan & Tan Developments Berhad	

1 November 2023 nent Audit Committee (Chairperson) Remuneration and Nomination Committees (Member) e(s) Raymond Yeoh Cheng Seong ("Raymond Yeoh") began his career at Deloitte Haskins & 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. 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. Raymond Yeoh completed his Bachelor of Art's degree

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.

External	Ayer Holdings Berhad
Appointments	CIMB Investment Bank Berhad
	The Royal Selangor Golf Club

PROFILE OF DIRECTORS

26 August 2020

(continued)

Date of

Board

Profile

Appointment



ROBERT ANG KIM PACK

(Malaysian, male, age 67) INED



DATUK RICHARD LEE SAY TSHIN (Malaysian, male, age 71)

INED

Date of 1 November 2023 Appointment Board Nomination Committee (Chairperson) Committee(s) Audit and Remuneration Committees (Member) Profile Datuk Richard Lee Say Tshin ("Datuk Richard Lee") Summary 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. 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. External CJ Century Logistics Holdings Berhad **Appointments** Padini Holdings Berhad Alpha IVF Group Berhad Malaysia-China Business Council

Remuneration Committee (Chairperson) Committee(s) Audit and Nomination Committees (Member) Robert Ang Kim Pack ("Robert Ang") is a registered estate agent. He joined Rahim & Co in 1982 and has Summary extensive experience in the field. Robert Ang was the managing director of the agency in Rahim & Co. for 30 years prior to retiring in 2019. 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.

> Robert Ang graduated from the University of Waterloo (Canada) with a Bachelor's Degree in Mathematics.

External	Nil
Appointments	

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 Commercial REIT.
- Dato' Seri Robert Tan, Tan Lei Cheng, and Tan Mei Sian have conflicts of interest due to their family companies' unitholding in IGB Commercial 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 Commercial REIT are disclosed in the Unitholding Statistics.

PROFILE OF MANAGEMENT OF THE MANAGER

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).

IRENE SIN MAY LIN

Joint Deputy Chief Executive Officer ("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.

RENNIE LEE CHAI TIN

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.

2024 Annual Report

PROFILE OF MANAGEMENT OF THE MANAGER

(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 Head of Compliance and Company Secretary at IGB Commercial REIT since its listing in September 2021.

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

The Manager holds general management powers over IGBCR's assets. Its primary responsibility is to manage the assets and liabilities of IGBCR 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 IGBCR's strategic direction and business plans in alignment with its mandate. This includes recommending to MTrustee Berhad (in its role as trustee of IGBCR) regarding any investment or divestment opportunities consistent with IGBCR'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 IGBCR.

Governance at IGBCR

The Manager is committed to adopting sound corporate governance ("CG") principles, including accountability, transparency, and sustainability. The Manager's stewardship approach ensures that IGBCR 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 IGBCR's business to benefit UHs and other stakeholders.

While IGBCR 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 IGBCR and the Manager.

This Corporate Governance Overview Statement ("CGOS") outlines the Manager's key CG policies and practices related to IGBCR'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. IGBCR 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** Leads the Board in overseeing IGBCR, ensuring effectiveness by facilitating productive and comprehensive discussions on IGBCR's strategies, business operations, sustainability-related risks Dato' Seri Robert Tan Chung Meng and opportunities ("SROs"), and business plans. ("DSRT") Spearheads IGBCR initiatives to promote, attain, and maintain good governance standards. Non-Independent Non-Executive Presides over general meetings and fosters constructive dialogue between UHs, the Board, and the Director ("NINED") Chief Executive Officer ("CEO"). Board Promotes the long-term success of IGBCR in delivering sustainable value to UHs. Provides oversight of IGBCR's strategic vision, direction, performance, and overall affairs. 2 NINED Engages with stakeholders while prioritising sustainability and sound governance principles. 3 Independent Non-Executive Offers leadership to the CEO and senior management (collectively referred to as "SM", with each Directors ("INEDs") individual is called an "Officer"). 2 Executive Directors ("EDs"), one of whom is a CEO Board Committees ("BCs") Audit Committee ("AC") Nomination Committee ("NC") Chair: Raymond Yeoh Cheng Seong ("RYCS") Chair: Datuk Richard Lee Say Tshin ("DRL") 3 INEDs and 1 NINED Remuneration Committee ("RC") **Commercial Risk Management & Sustainability** Chair: Ang Kim Pack ("AKP") Committee ("Commercial-RMSC") Chair: Elizabeth Tan Hui Ning ("ETHN") SM team The BCs' terms of reference ("ToR") is available at www.igbcomreit.com. > The Board Chairman is not a member of any BCs. ED/CEO Develops IGBCR's strategies for the Board review and approval. > **ETHN** Oversees the business and day-to-day management of the Manager and IGBCR. \succ 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 IGBCR's strategic, investment, and operational objectives.

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CORPORATE GOVERNANCE OVERVIEW STATEMENT

(continued)

Clear division of roles and responsibilities

Board Chairman	Leads and ensures the Board's effectiveness; establishes the agenda, character, and tone of Board meetings and discussions; maintains strong relationships and open communication between Non-Executive Directors ("NEDs") and SM, both inside and outside the boardroom; promotes standards of integrity, probity, and CG throughout IGBCR, particularly at the Board level; and ensures effective communication with UHs.
NEDs	Monitor and scrutinise IGBCR'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.
CEO	Leads the SM in executing IGBCR's strategies and plans in alignment with the Board's direction; spearheads business direction and operational decisions for managing IGBCR; and communicates IGBCR'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 IGBCR.

Board Framework

The Board has a Charter (available at <u>www.igbcomreit.com</u>, 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 IGBCR'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 Commercial-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 IGBCR's operations. The Manager has implemented robust governance processes to ensure effective oversight of IGBCR's strategy and direction. In recent years, IGBCR has made significant strides in integrating sustainability into its business activities, including strategy, operations, risk management, and corporate culture. IGBCR is dedicated to further advancing its sustainability efforts in the future. To support these initiatives, IGBCR adheres to the IGB Group Sustainability Policy, which serves as a guiding framework for IGBCR's commitments to sustainability.

The Board recognises that sustainability is vital for good governance and acknowledges its stewardship responsibilities towards IGBCR. The Board is dedicated to building a sustainable and resilient IGBCR that creates value for UHs and stakeholders. The Board and the Commercial-RMSC, led by the CEO, are responsible for incorporating sustainability considerations into IGBCR's strategic decisions. The Commercial-RMSC, with support from the Head of Group Strategy, Risk, and Sustainability ("GSRS") of IGB, plays a central role in developing IGBCR'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 <u>Sustainability Statement</u> section of the Annual Report 2024 ("AR24"), IGBCR 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, IGBCR continually uncovers opportunities for improvement within its properties portfolio.

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

IGBCR 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).

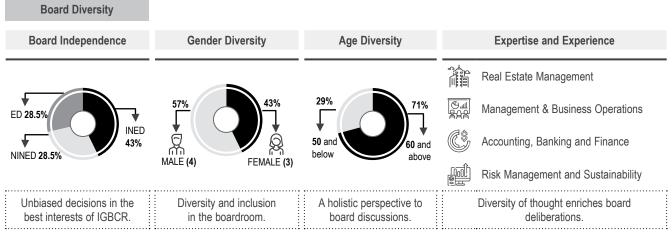
The Board recognises that sustainability issues are complex, evolve rapidly, and present significant risks and opportunities for IGBCR's business. Therefore, the Board aims to continuously enhance its knowledge and skills while staying informed about emerging sustainability regulations, standards, frameworks, and stakeholder expectations. In addition to discussing IGBCR'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 IGBCR'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 IGBCR 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 Commercial-RMSC and presided over by the CEO, who oversees sustainability matters of IGBCR—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 IGBCR'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 IGBCR 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 IGBCR 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 IGBCR 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.

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In each meeting, the Board reviews IGBCR'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 IGBCR in FY24 and to date include:

- IGBCR'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 IGBCR and the Manager.
- Quarterly income distributions of IGBCR.
- Quarterly reports on IGBCR's strategy, key risks, and sustainability initiatives. The Strategy and Risk Framework was updated in January 2024.
- Technology Risk Management Framework of IGBCR.
- Valuation of IGBCR'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 IGBCR Management Discussion and Analysis, Sustainability Statement, Statement on Risk Management and Internal Control ("SORMIC"), CGOS and Circular to UHs regarding the 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 IGBCR.

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 IGBCR'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 IGBCR.

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 IGBCR 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 IGBCR, 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 IGBCR'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 IGBCR'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 fulfil 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 fulfil their duties.

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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 <u>NC Report</u> 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 IGBCR 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 IGBCR and will continue to effectively carry out their independent roles, as further detailed in the <u>NC Report</u> section. Each NC member refrained from evaluating their own independence.

Continuing Professional Development

Directors must maintain the skills necessary to fulfil their obligations to IGBCR. They must remain informed about strategic issues and commercial changes that affect IGBCR 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
- HBSC 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 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: Techquard 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

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Board Committees ("BCs")

The Board has appointed 4 BCs to oversee specific operations: AC, NC, RC, and Commercial-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 invitation 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

Primary Role	Provides independent oversight of IGBCR'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 IGBCR with laws, regulations, and code of conduct.
	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.
Key Activities	The following key points were discussed and formed the basis for the decisions and recommendations presented to, and approved by, the Board:
	 Financial Reporting Quarterly results were reviewed to ensure that these reports are fair, balanced, and understandable, providing the necessary information for UHs to evaluate IGBCR's position and performance strategy.
	 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 IGBCR's year-end financial statements.
	AC has confirmed that the financial statements and accompanying notes comply with relevant laws and financial reporting standards. The Board's conclusion regarding IGBCR Financial Statements FY24 is outlined in the Directors' Report and the Statement by Directors.
	 Internal Controls and Compliance The annual review of IGBCR's internal processes assessed the adequacy and integrity of its internal control systems. This includes the evaluations of financial, operational, IT, sustainability, risk management, and the controls designed to detect material fraud.
	 AC found no significant irregularities or deficiencies in internal controls during FY24 and concluded that IGBCR's internal control and compliance measures were adequate and appropriate for its business operations. This opinion has been communicated to the Board.
	 AC Charter The AC Charter was adopted on 23 January 2025, to clarify the scope of AC's functions and responsibilities.
	 IA The updated IA Charter, aligned with the Global IA Standards, was approved on 23 January 2025.
	 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.
	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 22 audit reports, including progress reports and special reports, for the Manager's and IGBCR'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.
	 Coordination between IA and external auditor ("EA") to maximise the benefits of effective communication and coordinated activities.
	 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.
	 IA's assurance statement concerning the review of sustainability data is presented in the <u>Sustainability Statement</u>.
	 External Audit The audit plan for closing the year-end accounts of IGBCR outlines the EA's responsibilities, areas of emphasis, and the audit approach.

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Key Activities (continued)	 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 IGBCR's records.
	 Engaged PwC for the implementation of electronic invoicing.
	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.
	AC is satisfied with PwC's technical competencies, execution of audit plans and reporting, and overall effectiveness performance.
	 COI and RPT Directors and SM completed their annual COI declarations. For FY24, no actual or potential COI declarations were made.
	AC is satisfied with the clear disclosure requirements and self-declaration of interest, which addressed any actual, potential, or perceived COI arising from personal or familial relationships or obligations to other organisations.
	 The quarterly reports on RPT and RRPT enable effective monitoring and reporting in line with established RPT guidelines and approved mandates.
	In FY24, IA assessed the adequacy and effectiveness of RPT/RRPT reporting process. The assessment concluded tha appropriate governance and reporting practices are established, and the transactions conducted by the Group were undertaker at arm's length.
	 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.
	In FY24, AC reviewed the RPT related to the acquisition by MTrustee Berhad, on behalf of IGBCR, of the 2-floor levels a Menara Southpoint from Mid Valley City Southpoint Sdn Bhd, a wholly-owned subsidiary of IGB, for a total cash consideration o RM62.4 million. Following the review, AC recommended the proposal to the Board for approval. The announcement was made to Bursa on 29 November 2024, and the acquisition was completed on 2 January 2025.

NC Report

Primary Role	Reviews the structure, size, and composition of the Board and its BCs, including the balance of skills, experience, independence and diversity, oversees the development of a diverse pipeline for Board 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.
Key Activities	The following key points were discussed and formed the basis for the decisions and recommendations presented to and approved by the Board:
	Annual Board Evaluation 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 interna questionnaire. All Directors submitted their COI and FAP declaration forms, with no exceptions noted.
	NC determined that the Board members have highly relevant knowledge and experience, diverse skills, and a comprehensive understanding of IGBCR's business; therefore, the Board and its BCs functioned effectively, and each Director dedicated sufficien time to fulfil their duties and responsibilities.
	The Board has a balanced team with diverse skills that align with the strategic objectives of IGBCR. 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 IGBCR'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.
	Independence of INEDs INEDs have the necessary experience and business insight to influence Board decisions and act in the best interests of IGBCR and its UHs, facilitating balanced decision-making. None of the INEDs have financial, business, familial, or other significant relationships with the Manager, IGBCR, its major UHs, or its SM. NC confirmed that all INEDs maintained their independence throughout FY24.
	While less than half of the Board consists of INEDs, its decisions are made objectively in IGBCR's best interests, considering 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.
	Governance Policies and Practices Every year, NC reviews and assesses the adequacy of IGBCR's governance framework and practices, recommending improvements as needed to enhance the governance environment.
	The most recent assessment took place in January 2025, during which NC concluded that IGBCR 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 IGBCR's activities.
	1

(continued)

RC Report

Primary Role	Reviews the Manager's RPP and establishes the remuneration for Directors and SM, including terms of employment.
Key Activities	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. Remuneration for CEO and SM 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 IGBCR. RC also offered insights and recommendations to management on human capital management, aiming to boost morale and retain top talent within the Manager.
	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 IGBCR's overall business strategy and long-term objectives, which include growth, sustainability, and profitability.

Commercial-RMSC Report

Primary Role	Oversees IGBCR's strategic activities and sustainability management.					
Key Activities	The following issues were discussed, deliberated on, and addressed at Commercial-RMSC quarterly meetings: Key performance indicators of the offices.					
 Financial and non-financial commercial business risks and risk mitigation action plans. 						
 Sustainability objectives, strategies, targets, and effectiveness of sustainability policies and programs. 						
	 Benchmark sustainability-focused practices, risk oversight, and disclosure against peer practices, regulatory requirements, and institutional investor guidelines. 					

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	Commercial- RMSC	2024 AGM
Total meetings	4	4	1	3	4	•••••••
Chairman and NEDs						
DSRT	4	-	-	-	-	\checkmark
HHD (Retired on 1 March 2024)	1	1	1	1	-	-
AKP	4	4	1	3	-	√
DRL	4	4	1	3	-	\checkmark
RYCS (Appointed as AC Chairperson on 1 March 2024)	4	4	1	3	-	√
Tan Lei Cheng ("TLC")	4	2*	1	3	-	√
EDs						
ETHN	4	4*	-	-	3	\checkmark
Tan Mei Sian ("TMS")	4	3*	-	-	4	✓

* By invitation

Directors and SM Remuneration

The Manager also manages IGB REIT, which is listed on the Main Market of Bursa. IGBCR and IGB REIT (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.

(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 ^{(a)(b)} RM	Fee ^(a) RM	Meeting Allowance ^(c) RM	Benefits-in-kind ("BIK") ^{(a)(d)} RM	Total RM
Chairman and NEDs					
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
EDs					
ETHN	1,296,435	-	-	20,050	1,316,485
TMS	375,718	-	-	-	375,718
Total	1,672,153	884,000	225,000	31,390	2,812,543

(a) Managing 2 funds i.e., IGBCR and IGB REIT, subject to the approval of IGBC
 (b) Base salary and annual bonus (including EPF contributions)
 (c) Total meeting allowance for IGBCR and IGB REIT: 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 would be the Manager's best interest not to disclose the remuneration of its top 5 Officers (who are not Directors) on an individual basis. Instead, this information will be provided in bands of RM50,000. This approach ensures transparency for 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 ^(a)	BIK ^(b)	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., IGBCR and IGB REIT (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 IGBCR's purpose, values, and strategy. To promote the desired culture throughout the organisation, the Manager has implemented various policies and procedures.

(continued)

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

Below is a summary of the key governance policies and guidelines implemented by 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 IGBCR. Directors are expected to act in good faith and prioritise the best interests of IGBCR 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 gualifications 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 IGBCR's AR. The FAP assessments were conducted in January 2025 under this policy process.

Guidelines for dealing in units of IGBCR ("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 IGBCR 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 IGBCR's guarterly 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 IGBCR's business activities. The Manager is committed to upholding the values of transparency, integrity, impartiality, and accountability in IGBCR'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 IGBCR. Whistleblowing reports can be submitted through a dedicated email address at whistleblowing@igbbhd.com. Strict confidentiality standards are maintained to protect the identities of whistleblowers.

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 IGBCR's business practices and policies and ensures there is no detriment to IGBCR 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.

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All RPT/RRPT agreements made by IGBCR 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 Third Annual General Meeting of IGBCR on 17 April 2024 ("2024 AGM"), a general mandate was obtained from UHs under paragraph 10.09(2) of the MMLR, allowing IGBCR 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.

On 23 January 2025, IGBCR announced its intention to seek UH approval for the RRPT Mandate at its 2025 AGM. The RRPTs that have been and will be entered into by IGBCR 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 IGBCR'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 IGBCR'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.

Transacting Parties	RRPT Nature	Estimated Value RM'000	Actual Value FY24 RM'000	Interested RPs
IGB Group ^(a)	Receipt of rental, car parking & related services	12,000	7,657	IGBRM ^(e)
	Payment of Intellectual Property fee	12	4	IGBC ^(e) IGB ^(e)
	Payment of management fee	25,000	16,367	DSRT ^(f)
	Receipt of information systems & services	700	405	
	Receipt of maintenance, repairs & upgrades	500	36	TLC ^(h) Tan Boon Lee ("TBL") ⁽ⁱ⁾
	Receipt of tenant sales verification audit & special review	165	0	Pauline Tan Suat Ming ("PTSM") ^(j)
	Total	38,377	24,469	Tony Tan Choon Keat ("TTCK") ^(k) Tan Chin Nam Sdn Bhd ("TCN") ^(l)
IGB REIT ^(b)	Receipt of rental, car parking & related services	200	86	Tan Kim Yeow Sdn Bhd ("TKY") ^(m) WST ⁽ⁿ⁾
	Receipt of chilled water	20,000	7,571	ETHN ⁽⁰⁾
	Total	20,200	7,657	Gabrielle Tan Hui Chween ("GTHC") ^(p)
Wah Seong (M) Trading Co. Sdn Bhd	Receipt of rental, car parking & related services	1,200	760	
("WST") Group ^(c)	Total	1,200	760	
Wasco Berhad	Receipt of rental, car parking & related services	1,500	1,049	
("Wasco") Group ^(d)	Purchase of building materials & related services	50	3	
	Total	1,550	1,052	

The table below outlines the RRPTs entered into by IGBCR with RPs during FY24 as per the mandate:

(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 of autors mutator and communication commonly services, provision of The primary investment policy of IGB REIT is to invest, directly or indirectly, in a portfolio of income-producing retail real estate assets. The primary activities of WST Group include investment, trading in construction and building materials and other related products and services. The primary activities of WST Group include specialised pipe coating and corrosion protection services, engineering, procurement and construction (EPC) of gas

(d)

The primary activities of Wasco Group include specialised pipe coating and corrosion protection services, engineering, procurement and construction (EPC) or gas compressors and provision of bioenergy services. IGBRM is a wholly-owned subsidiary of IGBC, which is in turn, wholly-owned by IGB, a major UH of IGBCR and IGB REIT. DSRT is Chairman and NINED of IGBRM and Wasco; NINED of IGB and a director of certain subsidiaries of IGB Group; a major shareholder ("SH") of IGB and Wasco; a major UH of IGBCR and IGB REIT. DSRT is Chairman and NINED of IGBRM and Wasco; NINED of IGB and a director of certain subsidiaries of IGB Group; a major shareholder ("SH") of IGB and Wasco; a major UH of IGBCR and IGB REIT; 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. TMS is ED of IGBRM; Deputy Group CEO and alternate to TLC on the board of IGB and WST; and a director of certain subsidiaries of IGB Group and TCN. TLC is NINED of IGBRM; Chairman and NINED of IGB; a director of certain subsidiaries of TCN Group and WST; and a sister of TBL. TBL is the ED and Group CEO ond IGB; a director of certain subsidiaries of IGB Group, TCN Group and WST; and a brother of TLC. TTSL is the ED and Group CEO and IGE; a director of certain subsidiaries of IGB Group, TCN Group and WST; and a brother of TLC.

(g) (h)

TTSM is a major UH of IGBCR and IGB REIT; a major SH of IGB and Wasco; a substantial SH of TKY and WST Group; and a sister of DSRT and TTCK. TTCK is a director of TKY; major UH of IGBCR and IGB REIT; a major SH of IGB and Wasco; a substantial SH of TKY and WST Group; and a brother of DSRT and

(k) PTSM.

(I) TCN: a major UH of IGBCR and IGB REIT; a major SH of IGB and Wasco; a substantial SH of WST; and a person connected to TLC, TBL and TMS. (m) TKY is a major UH of IGBCR and IGB REIT; a major SH of IGB and Wasco; a substantial SH of WST; and a person connected to DSRT, PTSM, TTCK, ETHN and GTHC. WST is a major UH of IGBCR and IGB REIT; a major SH of IGB and Wasco; and a person connected to DSRT, PTSM, TTCK, TCN and TKY.

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.

(0) (p) 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.

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Principle B: Effective Audit and Risk Management

Audit Committee ("AC")

Risk Management

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 IGBCR'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 fulfil its responsibilities, AC has the necessary resources to perform its duties, with full and unrestricted access to any information and documents relevant to its activities.

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.

and Internal Control							
Board							
 → Oversight of risk management and internal controls. → Review the broader risk profile of IGBCR. 							
→ Oversee the implementa	tion of risk management policies, procedures, and s	iystems.					
AC	Commercial-RMSC	CEO/CFO					
→ Liaise with and review the activities of internal and external audit functions.	→ Monitor IGBCR's risk profile concerning its risk appetite and the Strategy & Risk Framework (encompassing both financial and non-financial risks).	→ Assess whether risk management procedures and systems operate efficiently and effectively in all significant contexts aspects.					
\rightarrow Review the adequacy of financial controls.	→ Oversee the identification, management, and reporting of business risks associated with functional units.	→ Provide internal sign-off to the Board on IGBCR's risk management system and internal processes control.					
→ Monitor regulatory requirements.	→ Oversight sustainability policies, targets, and management reporting and disclosures.						
A.	A						
GIA	Business/Fur	nctional Units					
→ Assess the adequacy and effectiveness of risk management, governance, and internal control processes and procedures.	\rightarrow Identify and manage risks, such as financial, operational, IT, and compliance risks.						
→ Provide assurance to AC regarding risk management processes, evaluate these risk processes, report key risk and review the management of significant risks.	e → Provide internal sign-offs and reporting to Commercial-RMSC regarding risk management						

IGBCR'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 IGBCR's assets, and manage risks effectively.

As described above, the IA function is outsourced and managed by IGB's GIAD. The GIAD is 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.

(continued)

The role of IA is to provide an independent assurance function for SM and AC through a systematic review and evaluation of IGBCR'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 formulates its plans, ensuring that its activities align with the Manager's and IGBCR'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 IGBCR'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 IGBCR. 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 IGBCR 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 Commercial-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@igbcomreit.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 IGBCR. 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 <u>AC Report</u> section and in the <u>SORMIC</u>.

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 IGBCR have paid RM186,500 for IA services in FY24.

Principle C: Integrity Corporate Reporting and Meaningful Relationship with Stakeholders

Engagement with Stakeholders

IGBCR 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 Transport Disclosures	Dreastive Investor Outreash	Breactive 2 way Communication with UU-
Timely and Transparent Disclosures	Proactive Investor Outreach	Proactive 2-way Communication with UHs
The Manager is dedicated to keeping UHs and the investment community well-informed about its financial and operational performance.	The Manager considers investors to be key stakeholders and believes that engaging with them is essential for building relationships	UHs can send and receive electronic communications to and from IGBCR and its unit registry.
IGBCR'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 IGBCR, including its financial position, operational performance, and governance.	and enhancing their understanding of IGBCR's financial performance, operations, and future growth strategies. To enhance communication, the Manager has established a dedicated channel at <u>investorrelations@igbcomreit.com</u> , allowing unit holders and, to a lesser	IGBCR 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
Material information affecting IGBCR is made public promptly and transparently through BursaLINK and simultaneously on IGBCR's website at <u>www.igbcomreit.com</u> . This includes an overview of quarterly results, the debt profile, and details about its investment and business portfolio.	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 IGBCR's financial and operational status. The Manager ensures that all institutional	minutes, voting results, and a transcript of questions and responses from the Board and SM were published on IGBCR's website on 22 April 2024. This year, IGBCR will hold its AGM as an in-person meeting. To ensure the Board can address as many UH questions as possible, IGBCR strongly
Through robust and continuous communication with the investment community, this strategy offers investors and the public easy access to IGBCR's latest material information and updates.	investors have equal access to information regarding IGBCR. 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.	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 IGBCR at corporate-enquiry@igbcomreit.com .

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 Commercial Risk Management and Sustainability Committee (Commercial 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 Commercial REIT (IGBCR) adopts the "IGB Commercial 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.
- 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.
- 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 Commercial RMSC to ensure its adequacy as more robust methodologies are introduced.

Risk Management

IGBCR'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 IGBCR 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 guarter to the Commercial RMSC.

The Commercial RMSC maintains the database for the IGBCR 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 Commercial 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 Commercial 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 IGBCR 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 Commercial 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

IGBCR has established the IGBCR 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 Commercial 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 IGBCR.

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 IGBCR.
- 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 IGBCR'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 IGBCR annual report.

The Board has received assurance from the CEO and CFO that IGBCR'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 IGBCR.

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 Commercial Real Estate Investment Trust ("IGBCR" or "Fund"), is pleased to present its report together with the audited financial statements of IGBCR and its wholly-owned subsidiary, IGB Commercial 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

IGBCR is a Malaysia-domiciled REIT established on 31 March 2021 pursuant to the deed of trust dated 31 March 2021, ("Deed") between the Manager and MTrustee Berhad ("Trustee").

IGBCR is listed on Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 20 September 2021 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. IGBCR 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 IGBCR is to invest, directly and indirectly, in a portfolio of income producing real estate used primarily for commercial purposes in Malaysia and overseas.

DISTRIBUTION OF INCOME

IGBCR had declared distributions for the financial year ended 31 December 2024:-

- 0.96 sen per unit (@0.94 sen taxable and 0.02 sen non-taxable) for the period from 1 January 2024 to 31 March 2024 amounted RM22.9 million which was paid on 27 May 2024
- 0.97 sen per unit (@0.94 sen taxable and 0.03 sen non-taxable) for the period from 1 April 2024 to 30 June 2024 amounted RM23.2 million which was paid on 30 August 2024
- 0.94 sen per unit (@0.92 sen taxable and 0.02 sen non-taxable) for the period from 1 July 2024 to 30 September 2024 amounted RM22.6 million which was paid on 28 November 2024
- 0.75 sen per unit (@0.73 sen taxable and 0.02 sen non-taxable) for the period from 1 October 2024 to 31 December 2024 amounted RM18.0 million 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 the end of the financial year to the date of this report are as follows:-

Dato' Seri Robert Tan Chung Meng Robert Ang Kim Pack Tan Lei Cheng Tan Mei Sian Datuk Richard Lee Say Tshin Raymond Yeoh Cheng Seong Halim bin Haji Din Elizabeth Tan Hui Ning

(Retired on 1 March 2024) (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 IGBCR 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).

DIRECTORS' INTEREST

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

	Number of units			
	Balance at 1.1.2024	Addition	Transferred	Balance at 31.12.2024
Dato' Seri Robert Tan Chung Meng				
Direct	15,330,424	-	-	15,330,424
Indirect	1,527,892,807	33,781,352	-	1,561,674,159
Tan Lei Cheng				
Direct	21,787,210	8,306,171	(5,434,764)	24,658,617
Elizabeth Tan Hui Ning				
Direct	836,200	300,000	-	1,136,200
Tan Mei Sian				
Direct	2,568,204	2,039,450	-	4,607,654

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 IGBCR.

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.

2024 Annual Report

MANAGER'S REPORT

(continued)

OTHER INFORMATION (continued)

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.

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 statement 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 Securities, 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:

ROSLI BIN SAAD (No. PJS : W904) COMMISSIONER FOR OATHS

TRUSTEE'S REPORT

To the Unitholders of IGB Commercial Real Estate Investment Trust (Established In Malaysia)

We have acted as Trustee of IGB Commercial Real Estate Investment Trust ("IGBCR") for the financial year ended 31 December 2024. In our opinion and to the best of our knowledge, the Manager has managed IGBCR 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 IGBCR 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 objectives of IGBCR. Income distributions have been declared for the financial year ended 31 December 2024 as follows:-

- 0.96 sen per unit (@0.94 sen taxable and 0.02 sen non-taxable) for the period from 1 January 2024 to 31 March 2024 amounted RM22.9 million which was paid on 27 May 2024
- 0.97 sen per unit (@0.94 sen taxable and 0.03 sen non-taxable) for the period from 1 April 2024 to 30 June 2024 amounted RM23.2 million which was paid on 30 August 2024
- 0.94 sen per unit (@0.92 sen taxable and 0.02 sen non-taxable) for the period from 1 July 2024 to 30 September 2024 amounted RM22.6 million which was paid on 28 November 2024
- 0.75 sen per unit (@0.73 sen taxable and 0.02 sen non-taxable) for the period from 1 October 2024 to 31 December 2024 amounted RM18.0 million 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 Commercial 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 Commercial 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 93 to 132.

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
1)	Fair value of investment properties	
	As at 31 December 2024, the Group's and the Fund's investment properties, carried at fair value, amounted to RM3.161 billion.	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.
	The fair value of the Group's and the Fund's investment properties was determined by an external valuer.	We met with the external valuer to discuss the methodology and assumptions used in the valuation.
	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	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.
	significant estimates and judgements.	We assessed the reasonableness of capitalisation rates, allowance of void, outgoing expenses, car park income and other income used by the external valuer, with references to comparable real estate investment trusts, and/or to historical trends.

INDEPENDENT AUDITORS' REPORT

To the Unitholders of IGB Commercial Real Estate Investment Trust (continued) (Established In Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Key audit matters (continued)

Key	y audit matter	How our audit addressed the key audit matter
1)	Fair value of investment properties (continued)	
	Refer to Note 3(b) (Material Accounting Policy Information - Investment Properties), Note 4 (Critical Accounting Estimates and Judgements) and Note 5 (Investment Properties).	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.
		We assessed the sensitivity analysis prepared by management on the capitalisation rates on term and reversionary periods, the outgoing expenses and the allowance for void, where applicable.
		We assessed the adequacy of the disclosure in the Group's and the Fund's financial statements.
		Based on the above procedures performed, we did not identify any material exceptions.

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 31 March 2021, 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.

INDEPENDENT AUDITORS' REPORT

To the Unitholders of IGB Commercial 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)

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Manager.
- (d) Conclude on the appropriateness of the Directors of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Fund, including the disclosures, and whether the financial statements of the Group and of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group'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 TAN CHIN YEE 03380/06/2026 J Chartered Accountant

Kuala Lumpur 19 March 2025

STATEMENTS OF FINANCIAL POSITION As at 31 December 2024

		G	Broup	I	und
	Note	2024 2023 RM'000 RM'000	2023	2024 RM'000	2023 RM'000
			RM'000		
Non-current assets					
Investment properties	5	3,161,386	3,161,000	3,161,386	3,161,000
Investment in a subsidiary	6	-	-	_*	_*
Trade and other receivables	7		-	25,062	24,247
Total non-current assets	_	3,161,386	3,161,000	3,186,448	3,185,247
Current assets					
Trade and other receivables	7	15,612	6,339	15,612	6,339
Cash and bank balances	8	103,071	128,564	78,009	104,317
Total current assets	_	118,683	134,903	93,621	110,656
Total assets	_	3,280,069	3,295,903	3,280,069	3,295,903
Financed by					
Unitholders' fund					
Unitholders' capital	9	2,351,410	2,334,673	2,351,410	2,334,673
Accumulated losses		(62,581)	(38,611)	(62,581)	(38,611)
Total unitholders' fund	_	2,288,829	2,296,062	2,288,829	2,296,062
Non-current liabilities					
Borrowings	10	848,982	848,387		-
Trade and other payables	11	-	-	848,982	848,387
Total non-current liabilities		848,982	848,387	848,982	848,387
Current liabilities					
Borrowings	10	1,513	5,046	-	3,243
Trade and other payables	11	140,745	146,408	142,258	148,211
Total current liabilities	_	142,258	151,454	142,258	151,454
Total liabilities	_	991,240	999,841	991,240	999,841
Total unitholders' fund and liabilities	_	3,280,069	3,295,903	3,280,069	3,295,903
Net asset value ("NAV")					
- before income distribution		2,375,492	2,378,837	2,375,492	2,378,837
- after income distribution	_	2,288,829	2,296,062	2,288,829	2,296,062
Number of units in circulation ('000 units)	9	2,399,270	2,365,488	2,399,270	2,365,488
NAV per unit (RM)					
- before income distribution		0.9901	1.0056	0.9901	1.0056
- after income distribution		0.9540	0.9707	0.9540	0.9707

* Denotes RM2 share capital in IGB Commercial 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		140,917	135,233
Revenue from contracts with customers		90,068	79,914
Revenue	12	230,985	215,147
Utilities expenses		(27,992)	(26,749)
Maintenance expenses		(28,492)	(19,802)
Quit rent and assessment		(13,320)	(14,091)
Reimbursement costs and other operating expenses	13	(30,653)	(26,704)
Property operating expenses		(100,457)	(87,346)
Net property income		130,528	127,801
Interest income		3,205	3,204
Net fair value changes on investment properties		(8,498)	(2,223)
Net investment income		125,235	128,782
Manager's management fees	14	(16,367)	(16,246)
Trustees' fees		(463)	(465)
Valuation fees		(290)	(180)
Other trust expenses		(658)	(542)
Finance costs	16	(44,764)	(46,108)
		(62,542)	(63,541)
Profit before taxation		62,693	65,241
Taxation	17	-	-
Profit after taxation		62,693	65,241
Other comprehensive income, net of tax		-	-
Total comprehensive income attributable to unitholders	_	62,693	65,241
Profit after taxation/Total comprehensive income is made up as follows:-			
Realised		71,191	67,464
Unrealised		(8,498)	(2,223)
	_	62,693	65,241
Basic earnings per Unit (sen)	18	2.63	2.77
Diluted earnings per Unit (sen)	18	2.62	2.76
Total comprehensive income		62,693	65,241
Distribution adjustments	19	25,460	19,064
Distributable income	_	88,153	84,305
Distribution per Unit (sen)	19	3.62	3.49

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

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STATEMENTS OF CHANGES IN NET ASSET VALUE For the Financial Year Ended 31 December 2024

		Unitholders' capital	Accumulated losses	Total unitholders' funds
	Note	RM'000	RM'000	RM'000
Group and Fund				
As at 1 January 2024		2,334,673	(38,611)	2,296,062
Profit after tax/Total comprehensive income for the year attributable to unitholders			62,693	62,693
Distribution to unitholders	19	-	(86,663)	(86,663)
Net total comprehensive loss for the year attributable to unitholders			(23,970)	(23,970)
Unitholders' transactions				
Manager's management fees paid in Units	9	16,737		16,737
Increase in net assets resulting from unitholders' transactions		16,737	-	16,737
As at 31 December 2024	-	2,351,410	(62,581)	2,288,829
As at 1 January 2023		2,318,740	(21,077)	2,297,663
Profit after tax/Total comprehensive income for the year attributable to unitholders		-	65,241	65,241
Distribution to unitholders	19	-	(82,775)	(82,775)
Net total comprehensive loss for the year attributable to unitholders	_	-	(17,534)	(17,534)
Unitholders' transactions				
Manager's management fees paid in Units	9	15,933	-	15,933
Increase in net assets resulting from unitholders' transactions	_	15,933	-	15,933
As at 31 December 2023	-	2,334,673	(38,611)	2,296,062

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

STATEMENTS OF CASH FLOWS For the Financial Year Ended 31 December 2024

		G	roup	F	und
		2024 2023		2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Profit before taxation		62,693	65,241	62,693	65,241
Adjustments for:-					
Manager's management fee payable in Units		16,367	16,246	16,367	16,246
Impairment of trade receivables		-	24	-	24
Fair value loss on investment properties		8,498	2,223	8,498	2,223
Finance costs		44,764	46,108	44,764	46,108
Interest income		(3,205)	(3,204)	(3,205)	(3,204)
Operating income before changes in working capital		129,117	126,638	129,117	126,638
Net change in trade and other receivables		(10,125)	(3,059)	(10,125)	(3,059)
Net change in trade and other payables		18,207	5,674	18,207	5,674
Net cash generated from operating activities		137,199	129,253	137,199	129,253
Cash flows from investing activities					
Addition of investment properties	5	(8,884)	(2,223)	(8,884)	(2,223)
Interest received		4,057	3,810	3,242	3,149
Advance to a subsidiary company		-	-	-	(1,400)
Net cash (used in)/generated from investing activities		(4,827)	1,587	(5,642)	(474)
Cash flows from financing activities					
Interest paid		(44,502)	(45,334)	(44,502)	(45,334)
Distribution paid to unitholders		(110,163)	(75,905)	(110,163)	(75,905)
Repayment of borrowings		(3,200)	-	(3,200)	-
Net cash used in financing activities		(157,865)	(121,239)	(157,865)	(121,239)
Net (decrease)/increase in cash and cash equivalents		(25,493)	9,601	(26,308)	7,540
Cash and cash equivalents at beginning of the		400 -04	110.000	404.047	~~
financial year	_	128,564	118,963	104,317	96,777
Cash and cash equivalents at end of the financial year	8	103,071	128,564	78,009	104,317

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Details of the reconciliation of liabilities arising from financing activities are disclosed in Note 8.

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

1 GENERAL

(A) Background

IGB Commercial Real Estate Investment Trust ("IGBCR" or "Fund") is a Malaysia-domiciled real estate investment trust established on 31 March 2021 pursuant to the deed of trust dated 31 March 2021 ("Deed") between the Manager and MTrustee Berhad ("Trustee").

IGBCR is listed on Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") since 20 September 2021 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. IGBCR 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	Principal place of business
Level 32, The Gardens South Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur	Menara IGB & IGB Annexe ("MIGB"), Centrepoint South ("CPS"), Centrepoint North ("CPN"), The Gardens South Tower ("TGST"), The Gardens North Tower ("TGNT"), Southpoint Offices & Retail ("SPOR") and Boulevard Offices & Retail ("BOR") Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur
	Menara Tan & Tan ("MTT"), GTower ("GT") and Hampshire Place Office ("HPO") Jalan Tun Razak 50450 Kuala Lumpur

The principal investment policy of IGBCR is to invest, directly and indirectly, in a portfolio of income producing real estate used primarily for commercial purposes in Malaysia and overseas. The principal activity of the subsidiary, incorporated in Malaysia, is disclosed in Note 6 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 IGBCR'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 Securities, 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

IGBCR has entered into service agreements in relation to the management of IGBCR 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 RM9,000 (2023: RM10,000) per month (excluding 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 IGBCR ("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 IGBCR, 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 IGBCR (excluding cash and bank balances which are held in non-interest bearing accounts).
- ii) a performance fee ("Performance Fee") of up to 5.0% per annum of net property income in the relevant financial year.

(continued)

- 1 **GENERAL** (continued)
 - (B) Fee Structure (continued)

(b) Manager's management fees (continued)

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

iii) an 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 IGBCR pro-rated, if applicable, to the proportion of IGBCR's interest.

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

For the avoidance of doubt, no acquisition fee is payable with respect to acquisition of the subject properties in connection with the listing of IGBCR 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 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 IGBCR pro-rated, if applicable, to the proportion of IGBCR'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 IGBCR) pro-rated, if applicable, to the proportion of IGBCR'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 IGBCR 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 IGBCR).

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:-

New Units to be issued as payment of the Manager's management fee =

Manager's management fee payable in Units

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 IGBCR 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 IGBCR (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.

(continued)

1 GENERAL (continued)

(B) Fee Structure (continued)

(b) Manager's management fees (continued)

Manager's management fees are recognised in statement 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.

(c) Trustee's fees

In accordance to the Deed, an annual trustee fee of up to 0.03% per annum of NAV of IGBCR is to be paid to 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 realized gains or realized 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 IGBCR. Liability is recognized for the amount of any distribution of income not distributed at the end of the reporting period.

Distribution adjustments are disclosed in Note 19.

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

In accordance with the REIT Guidelines, a charge or a credit to the statement 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 statement 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 material accounting policy information.

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

(b) Amendments to published standards that are effective

The 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 'Classification of Liabilities as Current or Non-current' and 'Non-current Liabilities with Covenants'
- Amendments to MFRS 107 and MFRS 7 'Supplier Finance Agreements'

(continued)

2 BASIS OF PREPARATION (continued)

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

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

(c) IFRS Interpretations Committee ("IFRIC") agenda decisions that are concluded and published

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

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

(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 July 2027) replaces MFRS 101 'Presentation of Financial Statements'
- Amendments to MFRS 9 and MFRS 7 'Amendments to the Classification and Measurement of Financial Instruments'
- MFRS 19 'Subsidiaries without Public Accountability: Disclosures'
- Annual Improvements to MFRS Accounting Standards for enhanced consistency

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 of statements of statements of comprehensive income, statements of financial positions, statements of changes in net asset value, statements of cash flows and notes to the financial statements.

(a) Consolidation

(i) 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. 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 Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

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

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

Acquisition-related costs are expensed as incurred.

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(a) Consolidation (continued)

(i) Subsidiary (continued)

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 statement 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 statement of comprehensive income. Contingent consideration that is classified as equity is not remeasured, 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.

(ii) 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 statement 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 gualifications 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 statement 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.

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

Incentives paid by a lessor to a lessee to enter into a lease are initially recognised as an asset and treated as a reduction of the lease payments over the lease term. The fair value of the 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 the incentive.

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 statement of comprehensive income as a net gain or loss from fair value adjustment on such investment property.

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 'Investment Property' is presented in the statement of financial position as investment property. Subsequent measurement of the right-of-use asset is consistent with those investment properties owned by the Group and the Fund.

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(c) Financial assets

(i) Classification

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

(ii) Recognition and derecognition

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

(iii) Initial measurement

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

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 statement of comprehensive income and presented in other gain or loss together with foreign exchange gain and loss. Impairment losses are presented as separate line item in the statement of comprehensive income.

(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

The Group and the Fund apply the MFRS 9 'Financial Instruments' simplified approach to measure ECL which uses a lifetime ECL for all trade. Note 23.1(b) sets out measurement details of ECL.

General 3-stage approach for other receivables, deposits and non-trade intercompany balances

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 23.1(b) sets out measurement details of ECL.

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(c) Financial assets (continued)

(v) Subsequent measurement – Impairment (continued)

Significant increase in credit risk

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

The following indicators are incorporated:-

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

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 unlikeliness to pay criteria, which indicates the debtor is in significant 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

Trade receivables 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 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 intercompany balances

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.

(d) Offsetting financial instruments

Financial assets and liabilities can be offset and the net amount presented in the statement 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.

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(e) Trade and other receivables

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

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

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

(f) 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.

(g) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash on 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 statement of financial position.

(h) 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.

(i) 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 initial recognised amount and the redemption value is recognised in the statement of comprehensive income over the period of borrowings. Borrowings are classified as current liabilities unless the Group and the Fund have an unconditional right to defer settlement of the liability for at least twelve (12) months after the reporting date.

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

All other borrowing costs are recognised in statement 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 services and amortised over the period of the borrowings.

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

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(i) Borrowings (continued)

Borrowings subject to IBOR reform

When the basis to determine the future contractual cash flows of the borrowings are modified entirely as a result of IBOR reform, the Group and the Fund apply the reliefs provided by the Phase 2 amendments related to IBOR reform to adjust the effective interest rate of the borrowings with no modification gain or loss is recognised.

In situations where some or all of a change in the basis for determining the contractual cash flows of the borrowings does not meet the criteria of the Phase 2 amendments, the Group and the Fund first apply the practical expedient to the changes required by IBOR reform, including updating the effective interest rate of the borrowings. Any additional changes are accounted for as modification of borrowings in accordance with the requirement in MFRS 9 (that is, assessed for modification or derecognition, with the resulting modification gain/loss recognised immediately in profit or loss where the borrowings are not derecognised).

(j) Revenue/income recognition

Lease revenue

Rental income is recognised in accordance with the accounting policy set out in Note 3(I)(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 agreements, is recognised upon services being rendered to the tenants over the lease term. Revenue is measured at the transaction price based on allocated transaction price. The accounting policy on separating lease and non-lease components is set out in Note 3(I)(b).

(ii) Car park income

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

(iii) Utilities recoverable

Utilities recoverable are measured at the transaction price recognised upon supply, distribution and billing of utilities to the customer and the customer receives and consumes the utilities. The rate for utilities recoverable is included in the tenancy agreement.

(iv) Other income

Other income is recognised upon services being rendered.

Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the statement 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 subsequently 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).

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(k) Income tax

Tax is recognised in statement 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.

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.

(I) 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 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.

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

(I) Leases (continued)

(a) Accounting by lessee (continued)

Lease liabilities (continued)

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 statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in the statement 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 statement of financial position. Interest expense on the lease liability is presented within the finance cost in the statement 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 statement 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 statement of financial position based on the nature of the asset.

Rental income on operating leases is recognised over the term of the lease on a straight-line basis. Rental income includes base rent, percentage rent and other rent related income from tenants. Base rent is recognised on a straight-line basis over the lease term. Percentage rent is recognised based on sales reported by tenants. When the Group 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.

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 offer rental rebates, which are not required by the existing contractual terms contained in the original tenancy agreements and applicable laws and regulations, to tenants on a case by case basis. Depending on the circumstances of the rental rebates granted, the rebates are recognised by the Group and the Fund in the following manner:-

- a) rebates granted on lease payments in advance of them being due are accounted for as a lease modification, as the rebate has changed the total lease consideration. The rebate granted is treated as a new operating lease at the effective date of modification, where lease income based on revised total lease consideration is recognised over the remaining lease term on a straight-line basis; and
- b) rebates 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 has been waived. The rebate is recognised as a loss in the same period in which the reduction is contractually agreed.

(continued)

3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

- (I) 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 allocate the consideration in the contract to the lease and non-lease components based on the stand-alone selling prices. Where these selling prices are not directly observable, they are estimated based on expected cost plus margin. In the case of fixed price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Group and the Fund exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

(m) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operate ("functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Fund's functional and presentation currency.

(n) Earnings per unit

Basic EPU is calculated by dividing the profit after taxation/total comprehensive income attributable to unitholders by the weighted average number of Units outstanding during the financial year.

Diluted EPU is determined by adjusting the profit after taxation/total comprehensive income attributable to unitholders against the weighted average number of Units outstanding adjusted for the effects of all dilutive potential units.

(o) 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 rates on term and reversionary, car park income and other income, the outgoing expenses and allowance for void. The valuations are compared with actual market yield data and those reported by the market, when available. Assumptions used are mainly based on market conditions existing at each reporting date. Sensitivity analysis on the fair values of the investment properties is disclosed in Note 5.

(continued)

5 INVESTMENT PROPERTIES

Grou	p and Fund
2024	2023
RM'000	RM'000
3,161,000	3,161,000
8,884	2,223
(8,498)	(2,223)
3,161,386	3,161,000
-	2024 RM'000 3,161,000 8,884 (8,498)

All of the properties are charged as security for borrowings as disclosed in Note 10.

Investment properties as at 31 December 2024 and 31 December 2023 are stated at fair value based on the valuations performed independent registered valuer, Knight Frank Malaysia Sdn Bhd ("Knight Frank") (2023: Henry Butcher Malaysia Sdn Bhd). Knight Frank holds 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 Knight Frank, the fair values for all of the properties as at 31 December 2024 amounted to RM3.164 billion (2023: RM3.161 billion).

Reconciliation of fair value measurement to valuation reports:-

	Group	and Fund
	2024	2023
	RM'000	RM'000
Fair value of investment properties based on valuation reports	3,164,000	3,161,000
Less: Deferred lease incentives (Notes 7 and 11)	(2,614)	-
Carrying amount of investment properties	3,161,386	3,161,000

Fair value is determined based on income approach method using Level 3 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 rent 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, upgrade expenses as well as management expenses, are then deducted from the rental income. Thereafter, the net annual rental income is recognised at an appropriate current market yield to arrive at its fair value. Changes in fair value are recognised in the statement 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 rent (including revision upon renewal of tenancies during the year which is part of contractual rent);
Reversionary rental	- the expected rental that the investment properties are expected to achieve upon expiry of term rental;
Car park income	- the rental on car park bays;
Other income	- utilities recoverable and other miscellaneous income;
Outgoings	- mainly quit rent and assessment, utilities costs, reimbursable manpower costs, repair and maintenance, insurance premium, upgrade expenses 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.

Percentage

NOTES TO THE FINANCIAL STATEMENTS

(continued)

INVESTMENT PROPERTIES (continued) 5

The investment properties are as follows:-

Group and Fund

	Date of acquisition	Date of valuation	Location	Tenure	Fair value as at 31.12.2024 RM'000	Fair value at acquisition RM'000	Percentage of fair value to NAV ⁴ as at 31.12.2024 %
							70
MIGB	17.09.2021	31.12.2024	Kuala Lumpur	Leasehold*1	190,000	188,900	8.3
CPS	17.09.2021	31.12.2024	Kuala Lumpur	Leasehold*1	193,000	190,500	8.4
CPN	17.09.2021	31.12.2024	Kuala Lumpur	Leasehold*1	196,000	196,500	8.6
BOR	17.09.2021	31.12.2024	Kuala Lumpur	Leasehold*1	80,000	78,000	3.5
TGST	17.09.2021	31.12.2024	Kuala Lumpur	Leasehold*2	398,000	391,500	17.4
TGNT	17.09.2021	31.12.2024	Kuala Lumpur	Leasehold*2	386,000	382,100	16.9
SPOR	17.09.2021	31.12.2024	Kuala Lumpur	Leasehold*3	572,000	573,500	25.0
MTT	17.09.2021	31.12.2024	Kuala Lumpur	Freehold	248,000	239,100	10.8
GT	17.09.2021	31.12.2024	Kuala Lumpur	Freehold	723,000	739,800	31.6
HPO	17.09.2021	31.12.2024	Kuala Lumpur	Freehold	178,000	180,600	7.8
					3,164,000	3,160,500	

	Date of acquisition	Date of valuation	Location	Tenure	Fair value as at 31.12.2023	Fair value at acquisition	of fair value to NAV ⁴ as at 31.12.2023
					RM'000	RM'000	%
MIGB	17.09.2021	31.12.2023	Kuala Lumpur	Leasehold*1	189,000	188,900	8.2
CPS	17.09.2021	31.12.2023	Kuala Lumpur	Leasehold ^{*1}	193,000	190,500	8.4
CPN	17.09.2021	31.12.2023	Kuala Lumpur	Leasehold*1	196,000	196,500	8.5
BOR	17.09.2021	31.12.2023	Kuala Lumpur	Leasehold*1	80,000	78,000	3.5
TGST	17.09.2021	31.12.2023	Kuala Lumpur	Leasehold*2	396,000	391,500	17.2
TGNT	17.09.2021	31.12.2023	Kuala Lumpur	Leasehold*2	386,000	382,100	16.8
SPOR	17.09.2021	31.12.2023	Kuala Lumpur	Leasehold*3	572,000	573,500	24.9
MTT	17.09.2021	31.12.2023	Kuala Lumpur	Freehold	248,000	239,100	10.8
GT	17.09.2021	31.12.2023	Kuala Lumpur	Freehold	723,000	739,800	31.5
HPO	17.09.2021	31.12.2023	Kuala Lumpur	Freehold	178,000	180,600	7.8
					3,161,000	3,160,500	

Notes:-

*1 The lease has a period of 83 years expiring on 11 April 2104 (remaining lease term of 81 years (2023: 82 years))

*2

The lease has a period of 99 years expiring on 6 June 2103 (remaining lease term of 80 years (2023: 81 years)) The lease has a period of 99 years expiring on 21 March 2120 (remaining lease term of 97 years (2023: 98 years)) *3

*4 Based on NAV after income distribution.

S

The fair value measurements using Level 3 inputs as at 31 December 2024 were as follows:-

Group and Fund

					Parameters	10		0)	Sensitivity analysis on fair value measurements $^{\prime 1}$	nalysis on fa	iir value mea	isurements⁺¹	
				Capitalisation rates	rates								
					Car park			Impact of Iower	Impact of higher	Impact	Impact		Impact of higher
	Valuation	Fair	Term	Reversionary	and other		Allowance	capitalisa-	capitalisa- capitalisa-	of lower		allowance	allowance
	technique	value	period	period	income	Outgoings	for void	tion rate	tion rate	outgoings	outgoings	for void	for void
		RM'000	%	%	%	RM psf	%	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Office buildings	Office buildings Income approach 3,164,000 4.75 - 6.25	3,164,000	4.75 - 6.25	5.00 - 6.00	5.00 - 6.00 5.75 - 8.00 1.30 - 2.10	1.30 - 2.10	5.0	134,000	134,000 (128,000) 140,000 (142,000)	140,000	(142,000)	110,000	110,000 (114,000)
	- 1	3,164,000						134,000	134,000 (128,000)	140,000	140,000 (142,000)	110,000	110,000 (114,000)
The foir violue and	The fair vehice measurements veries I and 2 increte as 24 December												

The fair value measurements using Level 3 inputs as at 31 December 2023 were as follows:-

Group and Fund

					Parameters			0)	sensitivity au	Sensitivity analysis on fair value measurements $'$	ir value mea	surements*1	
		• 1		Capitalisation rates	ates								
					Car park			Impact of Iower	Impact of Impact of Iower higher	Impact	Impact	Impact of Impact of Iower higher	Impact of higher
	Valuation technique	Fair value	Term period	Reversionary period	0	Outgoings	Allowance for void	capitalisa- tion rate	capitalisa- tion rate	of lower outgoings	of higher outgoings	allowance for void	allowance for void
		RM'000	%	%	%	RM psf	%	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Office buildings	Office buildings Income approach 3,161,000 4.00 - 5.75	3,161,000	4.00 - 5.75	4.25 - 6.00	5.75 - 6.00	4.25 - 6.00 5.75 - 6.00 1.30 - 1.82	5.0 - 15.0	5.0 - 15.0 137,700 (102,400) 153,200 (129,500) 119,000	(102,400)	153,200	(129,500)	119,000	(95,300)
	-	3,161,000						137,700	(102,400)	137,700 (102,400) 153,200 (129,500)	(129,500)	119,000	(95,300)
Notes:-													

Changes in capitalisation rates on term and reversionary periods by 25 basis points, outgoings per square feet by RM0.20 and allowance for void by 250 basis point on existing unexpired contractual terms are used as these are the key inputs subjected to changes in market conditions. ۲.

(continued)

NOTES TO THE FINANCIAL STATEMENTS

(continued)

5 INVESTMENT PROPERTIES (continued)

(i) Amounts recognised in profit or loss for investment properties

The lease revenue arising from investment properties during the financial year is RM140,917,000 (2023: RM135,233,000) (Note 12).

Direct operating expenses arising from investment properties during the financial year is RM100,457,000 (2023: RM87,346,000), as disclosed under property operating expenses in the 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.

There are no variable lease payments.

Where considered necessary to reduce credit risk, the Group and the Fund collected security deposits in the form of cash or bank guarantees with the Group and the Fund which act as collateral if receivables due from the tenant are not settled or in case of breaches of contract. 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 properties.

Undiscounted lease payments to be received on leases of investment properties are disclosed in Note 24.

6 INVESTMENT IN A SUBSIDIARY

* Denotes RM2

At cost Unquoted shares -*	
At cost	2023
	RM'000
Inducted charge	
-	_*

Group's effective interest (%) Place of **Principal activities** 2024 2023 Name of company incorporation **IGB** Commercial REIT A special purpose vehicle to raise financing via the issuance 100 100 Malaysia Capital Sdn Bhd of Medium Term Notes pursuant to a Medium Term Notes programme

(continued)

7 TRADE AND OTHER RECEIVABLES

	G	iroup	I	Fund
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Non-current				
Amount due from a subsidiary		-	25,062	24,247
Total – non-current		-	25,062	24,247
Current				
Trade receivables	1,467	1,982	1,467	1,982
Less: Loss allowance	(90)	(90)	(90)	(90)
Trade receivables – net	1,377	1,892	1,377	1,892
Deferred lease incentives	2,771	588	2,771	588
	4,148	2,480	4,148	2,480
Amounts due from related companies	174	50	174	50
Other receivables	1,458	1,802	1,458	1,802
Deposits	7,372	984	7,372	984
	9,004	2,836	9,004	2,836
Prepayments	1,504	324	1,504	324
Cost to lease	956	699	956	699
	11,464	3,859	11,464	3,859
Total – current	15,612	6,339	15,612	6,339
Total trade and other receivables	15,612	6,339	40,674	30,586

The credit terms of trade receivables were 7 days (2023: 7 days).

The amounts due from related companies are non-trade in nature, unsecured and repayable on demand.

The amount due from a subsidiary represents advances, mainly to comply with the minimum required balance in the Debt Service Reserve Account pursuant to Medium Term Notes (Note 10), which is unsecured, repayable on demand and bears an interest rate of 3.25% (2023: 3.25%) per annum as at reporting date. The Fund does not expect to realise this balance within twelve months after the reporting period, therefore it is classified as non-current asset as at 31 December 2024.

The deposits have included a deposit paid amounting to RM6,240,000 (2023: Nil) for the acquisition of property as disclosed in Note 28 to the financial statements.

8 CASH AND CASH EQUIVALENTS

	(Group		Fund
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash in hand	12	15	12	15
Bank balances	21,463	10,493	21,458	10,488
Deposits placed with licensed banks	81,596	118,056	56,539	93,814
Cash and cash equivalents	103,071	128,564	78,009	104,317

Bank balances are deposits held at call with banks.

(continued)

8 CASH AND CASH EQUIVALENTS (continued)

Included in the deposits placed with licensed banks of the Group is a pledged deposit of RM25.0 million (2023: RM24.1 million), which is maintained in a Debt Service Reserve Account to cover a minimum of six (6) months interest for Medium Term Notes (Note 10), which has an effective interest rate of 3.25% (2023: 3.25%) per annum as at reporting date. The amount has been presented as part of cash and cash equivalent as at 31 December 2024 in line with the IFRS Interpretations Committee ("IFRIC") agenda decision on demand deposits with restrictions on use arising from a contract with third party.

The weighted average effective interest rate of the remaining deposits with licensed banks of the Group and the Fund that were effective at the reporting date were 3.20% (2023: 3.17%) per annum and 3.18% (2023: 3.15%) per annum respectively.

Deposits with licensed banks of the Group and the Fund have a weighted average maturity of 32 days (2023: 49 days) and 32 days (2023: 54 days) respectively.

The reconciliation of liabilities arising from financing activities is as follows:-

Group	Borrowings	Distribution payable to unitholders	Total
	RM'000	RM'000	RM'000
As at 1 January 2024	853,433	41,545	894,978
Cash flows:-			
Interest paid	(44,378)	-	(44,378)
Repayment of borrowings	(3,200)	-	(3,200)
Distribution paid to unitholders	-	(110,163)	(110,163)
	(47,578)	(110,163)	(157,741)
Non-cash changes:-			
Interest charged during the financial year	44,045	-	44,045
Amortisation of transaction costs	595	-	595
Distribution to unitholders	-	86,663	86,663
	44,640	86,663	131,303
As at 31 December 2024	850,495	18,045	868,540
As at 1 January 2023	852,659	34,675	887,334
Cash flows:-			
Interest paid	(45,216)	-	(45,216)
Distribution paid to unitholders	-	(75,905)	(75,905)
	(45,216)	(75,905)	(121,121)
Non-cash changes:-			
Interest charged during the financial year	45,395	-	45,395
Amortisation of transaction costs	595	-	595
Distribution to unitholders	-	82,775	82,775
	45,990	82,775	128,765
As at 31 December 2023	853,433	41,545	894,978

(continued)

8 CASH AND CASH EQUIVALENTS (continued)

The reconciliation of liabilities arising from financing activities is as follows (continued):-

Fund	Amount due to subsidiary RM'000	Borrowings RM'000	Distribution payable to unitholders RM'000	Total RM'000
As at 1 January 2024	850,190	3,243	41,545	894,978
Cash flows:-				
Interest paid	(44,304)	(74)		(44,378)
Repayment of borrowings	-	(3,200)		(3,200)
Distribution paid to unitholders	-	-	(110,163)	(110,163)
	(44,304)	(3,274)	(110,163)	(157,741)
Non-cash changes:-				
Interest charged during the financial year	44,014	31		44,045
Amortisation of transaction costs	595	-		595
Distribution to unitholders	-	-	86,663	86,663
	44,609	31	86,663	131,303
As at 31 December 2024	850,495	-	18,045	868,540
As at 1 January 2023	849,420	3,239	34,675	887,334
Cash flows:-				
Interest paid	(45,075)	(141)	-	(45,216)
Distribution paid to unitholders	-	-	(75,905)	(75,905)
	(45,075)	(141)	(75,905)	(121,121)
Non-cash changes:-				
Interest charged during the financial year	45,250	145	-	45,395
Amortisation of transaction costs	595	-	-	595
Distribution to unitholders	-	-	82,775	82,775
	45,845	145	82,775	128,765
As at 31 December 2023	850,190	3,243	41,545	894,978

9 UNITHOLDERS' CAPITAL

			Group a	p and Fund			
	Note	20	24	20	23		
		Number of Units	Value	Number of Units	Value		
		'000	RM'000	'000	RM'000		
Issued and fully paid up:							
As at 1 January		2,365,488	2,334,673	2,334,867	2,318,740		
Issuance of new Units:							
- manager's management fees paid in Units	а	33,782	16,737	30,621	15,933		
As at 31 December		2,399,270	2,351,410	2,365,488	2,334,673		

(continued)

9 UNITHOLDERS' CAPITAL (continued)

Issuance of Units

(a) The Manager's management fees were paid/payable in Units. Total Manager's management fees paid/payable in Units are disclosed in Note 14.

Unitholdings of IGBCR's substantial unitholders, Manager and Manager's Directors are as follows:-

	2024		2	2023
	Number of Units '000	Market Value	Number of Units	Market Value
		RM'000	'000 '	RM'000
Direct unitholdings of IGBCR's substantial unitholders				
IGB Berhad	1,199,890	677,938	1,199,890	581,947
Dato' Seri Robert Tan Chung Meng	15,330	8,662	15,330	7,435
Tan Chin Nam Sendirian Berhad	99,942	56,467	130,616	63,349
Tan Kim Yeow Sendirian Berhad	67,735	38,271	67,735	32,852
Wah Seong (Malaya) Trading Co. Sdn Bhd	174,081	98,356	174,081	84,429
Pauline Tan Suat Ming	4,227	2,388	4,227	2,050
Indirect unitholdings of IGBCR's substantial unitholders				
IGB Berhad	91,970	51,963	58,189	28,222
Dato' Seri Robert Tan Chung Meng	1,561,674	882,346	1,527,893	741,028
Tan Chin Nam Sendirian Berhad	1,562,717	882,935	1,528,936	741,534
Tan Kim Yeow Sendirian Berhad	1,493,939	844,075	1,460,157	708,176
Wah Seong (Malaya) Trading Co. Sdn Bhd	1,319,858	745,720	1,286,077	623,747
Pauline Tan Suat Ming	1,561,674	882,346	1,527,893	741,028
Tony Tan Choon Keat	1,561,674	882,346	1,527,893	741,028
Direct unitholdings of the Manager in IGBCR				
IGB REIT Management Sdn Bhd	91,970	51,963	58,189	28,222
Direct unitholdings of the Manager's Directors in IGBCR				
Dato' Seri Robert Tan Chung Meng	15,330	8,662	15,330	7,435
Tan Lei Cheng	24,659	13,932	21,787	10,567
Elizabeth Tan Hui Ning	1,136	642	836	406
Tan Mei Sian	4,608	2,604	2,568	1,246
Indirect unitholdings of the Manager's Director in IGBCR				
Dato' Seri Robert Tan Chung Meng	1,561,674	882,346	1,527,893	741,028

The market value of the Units was computed based on the closing market price as at 31 December 2024 of RM0.565 (2023: RM0.485).

(continued)

10 BORROWINGS

		G	iroup	F	und
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Current (secured):					
Medium Term Notes	а	1,513	1,803	-	-
Revolving Credit	b	-	3,243	-	3,243
		1,513	5,046	•	3,243
Non-current (secured):					
Medium Term Notes	а	848,982	848,387	-	-
		848,982	848,387	-	-
Total		850,495	853,433	-	3,243

(a) Medium Term Notes ("MTN") Programme of up to RM5.0 billion in nominal value ("MTN Programme")

On 17 September 2021, IGB Commercial REIT Capital Sdn Bhd ("IGBCRC"), a special purpose vehicle wholly-owned by IGBCR via MTrustee Berhad (acting in its capacity as trustee for IGBCR) issued the first tranche unrated MTN ("Tranche 1, MTN") amounting to RM850.0 million which was advanced to the Fund to part finance the acquisitions of all of the properties. The MTN has been initially measured at its fair value of RM850.0 million less transaction costs of RM2.97 million that are directly attributable to the issuance of the MTN.

The Tranche 1, MTN has a tenure of 8.5 to 10.5 years ("Legal Maturity") effective from 17 September 2021 and it consists of 3 series. Series 1, Series 2 and Series 3 amounted to RM 544.0 million, RM136.0 million, RM170.0 million respectively with legal maturity date of 15 March 2030, 17 March 2031, 17 March 2032 respectively; and expected maturity date of 17 September 2026, 17 September 2027 and 18 September 2028 respectively.

For the first 5 to 7 years ("Expected Maturity"), the Tranche 1, MTN bears a floating coupon rate based on KLIBOR movement. The RM850.0 million has to be fully repaid on Expected Maturity. Otherwise it will cause a trigger event that will result in the coupon rate to be stepped up by 1% per annum from the Expected Maturity Date up to its Legal Maturity Date. In addition, the trigger event is required to be remedied by IGBCRC within 14 business days failing which the MTN's Security Trustee may exercise its relevant power under the programme to recover the sum due.

The Tranche 1, MTN is secured against, among others, the following:-

- (i) a third party legal assignment of the Trustee's present and future rights, titles, interests and benefits in MIGB, CPS, CPN, TGST, TGNT, SPOR, MTT, GT and HPO ("9 properties") and under the sale and purchase agreement in relation to 9 properties. In the event the subdivision of master title is completed and a separate strata title is issued for 9 properties ("9 properties Strata Title"), a third party first legal charge shall be created on 9 properties 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 9 properties;
- (iii) a third party legal assignment of the Trustee's present and future rights, titles, interests and benefits under all insurance policies in relation to 9 properties and the Security Trustee (acting for and on behalf of the MTN holders) being named as the co-insured and loss payee of the insurance policies;
- (iv) a third party first ranking legal assignment and charge over the revenue and operating accounts of the Tranche 1, MTN;
- (v) a first party first ranking legal assignment and charge over the Debt Service Reserve Account of the Tranche 1, 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 9 properties upon expiry of the remedy period under the terms of the Tranche 1, MTN;
- (vii) a letter of undertaking from the Trustee and the Manager:-
 - (a) to deposit all cash flows generated from 9 properties into the revenue account; and
 - (b) it shall not declare or make any distributions out of the cash flows from the revenue account to the unitholders if an event of default and/or a trigger event has occurred and is continuing or the financial covenants are not met; and
- (viii) a first party legal assignment over the Tranche 1, MTN's Trustee financing agreement.

(continued)

10 BORROWINGS (continued)

(b) <u>Revolving Credit</u>

IGBCR has obtained a Revolving Credit ("RC") facility of up to RM50.0 million for working capital and bears a floating interest rate based on KLIBOR movement. On 15 September 2021, IGBCR has drawn down RM3.2 million with 6-months KLIBOR tenor to part finance the acquisition of properties, which has been initially measured at its fair value less transaction costs of RM0.45 million that are directly attributable to the RC facility. The RC has been fully repaid during the financial year.

The RC is secured by way of charge on BOR.

The maturity profiles of the borrowings are as follows:-

	<1 year	1 to 2 years	2 to 3 years	>3 years	Total carrying amount
	RM'000	RM'000	RM'000	RM'000	RM'000
Group					
As at 31 December 2024					
Tranche 1, MTN	1,513	544,000	136,000	168,982	850,495
RC		-	-	-	
	1,513	544,000	136,000	168,982	850,495
As at 31 December 2023					
Tranche 1, MTN	1,803	-	544,000	304,387	850,190
RC	3,243	-	-	-	3,243
	5,046	-	544,000	304,387	853,433
Fund					
As at 31 December 2024					
RC	<u> </u>	<u> </u>	<u> </u>	<u> </u>	
As at 31 December 2023					
RC	3,243	-	-	-	3,243

The weighted average effective interest rates of the borrowings for the financial year are as follows:-

	Group		Fund	
	2024	2023	2024	2023
	per annum	per annum	per annum	per annum
Tranche 1, MTN	5.18%	5.53%		-
RC	4.62%	4.62%	4.62%	4.62%

The fair value of borrowings as at reporting date approximates the carrying amounts as the borrowings are subjected to variable market interest rates.

(continued)

11 TRADE AND OTHER PAYABLES

		G	iroup	F	und
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Non-current					
Amount due to a subsidiary	a	-	-	848,982	848,387
Current					
Tenants' deposits	b	90,040	80,082	90,040	80,082
Trade payables	С	5,700	4,082	5,700	4,082
		95,740	84,164	95,740	84,164
Other payables and accrued expenses		11,586	7,518	11,586	7,518
Indirect tax payable		49	34	49	34
Prepaid rental		5,494	4,692	5,494	4,692
Lease incentive liabilities		157	-	157	-
Amount due to a subsidiary	а	-	-	1,513	1,803
Amounts due to related companies	С	4,894	5,402	4,894	5,402
Distribution payable to unitholders		18,045	41,545	18,045	41,545
Contract liabilities	d	4,780	3,053	4,780	3,053
		45,005	62,244	46,518	64,047
Total current trade and other payables		140,745	146,408	142,258	148,211
Total trade and other payables		140,745	146,408	991,240	996,598

(a) The amount due to subsidiary mainly represents advances from the issuance of Tranche 1, MTN and its interest, which are secured and carries floating interest rate based on KLIBOR movement, in which the repayment terms mirror the terms stated in Note 10. The carrying value of amount due to subsidiary as at reporting date approximates the fair value as the amount due to subsidiary is subjected to variable market interest rates.

- (b) 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 deposits to the tenant at the end of the tenancy or transferred to profit or loss to the extent of rent owed when it has been established that a tenant commits a breach of any provisions in the tenancy agreement.
- (c) Credit terms for trade payables range from 30 days to 90 days (2023: 30 days to 90 days).
- (d) Contract liabilities consist of advance receipts from tenants for the payment of service charges, utilities and car park season pass. Contract liabilities are as follows:-

	Group and Fund	
	2024 RM'000	2023 RM'000
As at 1 January	3,053	1,888
Revenue recognised that was included in the balance at the beginning of the financial year	(3,053)	(1,888)
Revenue recognised during the financial year	(83,428)	(75,554)
Billings during the financial year	88,208	78,607
As at 31 December	4,780	3,053

(continued)

12 REVENUE

Group	and Fund
2024	2023
RM'000	RM'000
140,917	135,233
140,917	135,233
67,010	61,320
9,726	8,661
9,745	7,461
3,587	2,472
90,068	79,914
230,985	215,147
90,068	79,914
	2024 RM'000 140,917 140,917 67,010 9,726 9,745 3,587 90,068 230,985

There are no variable lease payments that depend on an index or rate.

13 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 Agreement, as well as insurance premiums which is reimbursed to the property manager.

	Grou	ip and Fund
	2024	2023
	RM'000	RM'000
Manpower costs	21,769	18,716
Marketing expenses	2,421	1,966
Administration expenses	2,216	2,027
Management expenses	3,121	2,893
Insurance premium	1,126	1,102
	30,653	26,704

14 MANAGER'S MANAGEMENT FEES

	Grou	p and Fund
	2024	2023
	RM'000	RM'000
Base fee	9,841	9,856
Performance fee	6,526	6,390
	16,367	16,246

The Manager's management fees for the financial year ended 31 December 2024 amounting to RM12,587,000 (2023: RM12,095,000) has been paid in Units and the remaining amount of RM3,780,000 (2023: RM4,150,000) was payable in Units.

(continued)

15 AUDITORS' REMUNERATION

	Group		Fund	
	2024	4 2023	2024	2023 RM'000
	RM'000	RM'000	RM'000	
Statutory audit fees and audit related services:-				
- PricewaterhouseCoopers PLT	247	238	236	227
Non-audit fees*:				
- PricewaterhouseCoopers Taxation Services Sdn Bhd	75		75	-

* Non-audit fees were in respect of E-invoicing impact assessment services.

16 FINANCE COSTS

	(Group		Fund	
	2024	2023	2024	2023 RM'000	
	RM'000	RM'000	RM'000		
Interest expense on:					
- MTN and RC	44,640	45,990	31	145	
- advances from a subsidiary		-	44,609	45,845	
- others	124	118	124	118	
	44,764	46,108	44,764	46,108	

17 TAXATION

	Group	and Fund
	2024	2023
	RM'000	RM'000
Reconciliation of tax expense		
Profit before taxation	62,693	65,241
Income tax using Malaysian tax rate of 24% (2023: 24%)	15,046	15,658
Non-deductible expenses	2,672	1,188
Income exempted from tax	(17,718)	(16,846)
	-	-

Pursuant to Section 61A of the Malaysian Income Tax Act, 1967 ("Act"), income of IGBCR 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 IGBCR 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 IGBCR financial year which forms the basis period for a year of assessment, IGBCR will be subject to income tax at the prevailing rate on its total taxable income. Income which has been taxed at the IGBCR 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.

(continued)

18 EARNINGS PER UNIT ("EPU") – BASIC AND DILUTED

The calculation of EPU is based on profit attributable to unitholders divided by the weighted average number of Units.

		Group and Fund	
		2024	2023
	Note	RM'000	RM'000
Profit Attributable to Unitholders			
- Realised		71,191	67,464
- Unrealised		(8,498)	(2,223)
Total	_	62,693	65,241
Weighted average number of Units ('000)			
Weighted average number of Units in issue		2,384,132	2,351,251
Adjustment for Manager's management fees payable in Units	а	6,678	8,419
Weighted average number of Units for diluted EPU	_	2,390,810	2,359,670
Basic EPU (sen)			
- Realised		2.99	2.87
- Unrealised		(0.36)	(0.10)
Total	_	2.63	2.77
Diluted EPU (sen)			
- Realised		2.98	2.86
- Unrealised		(0.36)	(0.10)
Total		2.62	2.76

Note (a):-

	Group and Fund										
	2	2024		2023							
	Number of units										Value
	'000	RM'000	'000	RM'000							
Manager's management fees payable in Units											
 from 1 October 2024 to 31 December 2024 at RM0.566 per Unit listed on 3 February 2025 	6,678	3,780	-								
- from 1 October 2023 to 31 December 2023 at RM0.493 per Unit listed on 7 February 2024		-	8,419	4,150							

19 DISTRIBUTION TO UNITHOLDERS

		Group	and Fund
		2024	2023
	Note	RM'000	RM'000
Total comprehensive income		62,693	65,241
Distribution adjustments	а	25,460	19,064
Distributable income	_	88,153	84,305
Distribution per unit (sen)			
- for the period from 1 January 2024 to 31 March 2024		0.96	-
- for the period from 1 April 2024 to 30 June 2024		0.97	-
- for the period from 1 July 2024 to 30 September 2024		0.94	-
- for the period from 1 October 2024 to 31 December 2024		0.75	-
- for the period from 1 January 2023 to 30 June 2023		-	1.74
- for the period from 1 July 2023 to 31 December 2023		-	1.75
		3.62	3.49
Sources of distribution			
Lease revenue		140,917	135,233
Revenue from contracts with customers		90,068	79,914
Interest income		3,205	3,204
		234,190	218,351
Net fair value changes on investment properties		(8,498)	(2,223)
Less: Expenses		(162,999)	(150,887)
Total comprehensive income		62,693	65,241
Distribution adjustments	а	25,460	19,064
Distributable income		88,153	84,305
Income distribution of 0.96 sen per unit (@0.94 sen taxable and 0.02 sen non-taxable) for the period from 1 January 2024 to 31 March 2024		(22,870)	-
Income distribution of 0.97 sen per unit (@0.94 sen taxable and 0.03 sen non-taxable) for the period from 1 April 2024 to 30 June 2024		(23,195)	-
Income distribution of 0.94 sen per unit (@0.92 sen taxable and 0.02 sen non-taxable) for the period from 1 July 2024 to 30 September 2024		(22,553)	-
Income distribution of 0.75 sen per unit (@0.73 sen taxable and 0.02 sen non-taxable) for the period from 1 October 2024 to 31 December 2024		(18,045)	-
Income distribution of 1.74 sen per unit (@1.70 sen taxable and 0.04 sen non-taxable) for the period from 1 January 2023 to 30 June 2023			(41,018)
Income distribution of 1.75 sen per unit (@1.69 sen taxable and 0.06 sen non-taxable) for the period from 1 July 2023 to 31 December 2023			(41,545)
Income retained		1,490	1,742

(continued)

19 DISTRIBUTION TO UNITHOLDERS (continued)

	Group	and Fund
Note	2024	2023
	RM'000	RM'000
14	16,367	16,246
	595	595
	8,498	2,223
	25,460	19,064
		2024 Note RM'000 14 16,367 595 8,498

Withholding tax will be deducted for distributions as follows:-

	Withhold	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%	
Non-resident institutional	1	0%	

^ to tax at prevailing rate

20 MANAGEMENT EXPENSE RATIO

	Gi	oup and Fund
	2024	2023
Management expense ratio ("MER") (%)	0.78	0.76

The calculation of the MER is based on the annualised 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).

The calculation of the MER is required as per 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.

21 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 office tower tenants within the investment properties portfolio of the Group and of the Fund, which comprises all of the properties 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.

(continued)

22 FINANCIAL INSTRUMENTS BY CATEGORY

		G	iroup	I	Fund
		2024	2023	2024	2023
	Note	RM'000	RM'000	RM'000	RM'000
Financial assets at amortised cost					
Assets as per statement of financial position:-					
 Trade and other receivables excluding prepayments, deferred lease incentives and cost to lease 	7	10,381	4,728	35,443	28,975
- Cash and bank balances	8	103,071	128,564	78,009	104,317
Total financial assets	0	113,452	133,292	113,452	133,292
Financial liabilities at amortised cost Liabilities as per statement of financial position:-	_				
- Borrowings	10	850,495	853,433	-	3,243
 Trade and other payables excluding indirect tax payable, lease incentives liabilities, prepaid rental and contract liabilities 	11	130,265	138,629	980,760	988.819
Total financial liabilities		980,760	992,062	980,760	992,062

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

23.1 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 cash flow interest rate risk arises from floating rates MTN and RC, and the Fund's cash flow interest rate risk arises from floating rate RC and amount due to a subsidiary.

The information on maturity dates and effective interest rates of these borrowings and amount due to a subsidiary is disclosed in Note 10 and Note 11.

The Group's and Fund's interest rate exposure is co-related with changes in KLIBOR of the lenders. The impact on the Group's and Fund's profit after tax and equity arising from changes in KLIBOR of the lenders by 10 basis points arising from the Group's and the Fund's floating rates borrowings with all other variables being held constant, would be as follows:

		Group	F	und				
_	2024	2024	2023	2024 2023 2024	2024 2023 2024	2024 2023 2	2024	2023
	RM'000	RM'000	RM'000	RM'000				
(Decrease)/Increase to profit after tax and equity if:								
KLIBOR increase by 10 basis points	(850)	(853)	(850)	(853)				
KLIBOR decrease by 10 basis points	850	853	850	853				

(continued)

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

23.1 Financial risk factors (continued)

(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.

Simplified approach for trade receivables

The Group and the Fund apply simplified approach which requires expected lifetime losses to be recognised from initial recognition of the trade receivables.

Credit risk with respect to rental receivables is limited due to the nature of business which is predominantly rental receivable in advance. Furthermore, the tenants have placed security deposits in the form of cash or bank guarantees with the Group which acts as collateral if receivables due from the tenant are not settled or in case of breaches of contract. Due to these factors, no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's 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 and the Fund consider the risk of material loss in the event of non-performance by a financial counterparty to be unlikely and hence, the ECL allowance is not material.

General 3-stage approach for other receivables, deposits and non-trade intercompany balances

The other receivables, deposits and non-trade intercompany balances 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.

The analysis of credit risk exposure of trade receivables is as follows:-

Trade receivables

Group and Fund	Not due	1-7 days	8-30 days	31-60 days	61-90 days	>90 days	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 31 December 2024							
Trade receivables (gross)	-		672	262	25	508	1,467
Loss allowance	-		-	-	-	(90)	(90)
Trade receivables (net)		-	672	262	25	418	1,377
Expected credit loss rate*	0%	0%	0%	0%	0%	100%	
As at 31 December 2023							
Trade receivables (gross)	-	-	1,358	168	6	450	1,982
Loss allowance	-	-	-	-	-	(90)	(90)
Trade receivables (net)	-	-	1,358	168	6	360	1,892
Expected credit loss rate*	0%	0%	0%	0%	0%	100%	

* Expected loss rate for receivables due more than 90 days and tenants under litigation are 100%. The Group and Fund take into account security deposits and other collaterals in determining the expected credit loss. As at financial year end, such collaterals are sufficient to cover any unrecognised expected credit loss.

(continued)

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

23.1 Financial risk factors (continued)

(b) Credit risk (continued)

Other receivables, deposits and non-trade intercompany balances

There is no impairment of other receivables, deposits and non-trade intercompany balances as the rate of default and expected credit loss rate is low.

The movement of loss allowance of trade receivables is as follows:-

	Gr	Group and Fund		
	2024	2023		
	RM'000	RM'000		
As at 1 January	90	66		
Loss allowance	-	24		
As at 31 December	90	90		

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 Manager ensure 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 obligations of the Group and the Fund 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 Group and the Fund are in net current liabilities position as at 31 December 2024. Notwithstanding the above, cash and bank balances as at 31 December 2024 of the Group and of the Fund of RM103.1 million and RM78.0 million (2023: RM128.6 million and RM104.3 million) respectively are expected to assist in the liquidity and cash flow management.

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:-

Group	<1 year RM'000	1 to 2 years RM'000	2 to 3 years RM'000	>3 years RM'000	Total RM'000
As at 31 December 2024					
Borrowings	39,440	576,110	148,366	175,619	939,535
Trade and other payables and accruals excluding indirect tax payable, lease incentives liabilities, prepaid rental and contract liabilities	130,265	<u> </u>	<u> </u>		130,265
As at 31 December 2023					
Borrowings	50,235	47,005	582,269	327,434	1,006,943
Trade and other payables and accruals excluding indirect tax payable, lease incentives liabilities, prepaid rental and contract liabilities	138,629				138,629

(continued)

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

23.1 Financial risk factors (continued)

(c) Liquidity and cash flow risk (continued)

Fund	<1 year RM'000	1 to 2 years RM'000	2 to 3 years RM'000	>3 years RM'000	Total RM'000
As at 31 December 2024					
Borrowings			-		-
Trade and other payables and accruals excluding indirect tax payable, lease incentives liabilities, prepaid rental and contract liabilities	169,705	576,110	148,366	175,619	1,069,800
As at 31 December 2023					
Borrowings	3,230	-	-	-	3,230
Trade and other payables and accruals excluding indirect tax payable, lease incentives liabilities, prepaid rental and contract liabilities	187,437	47,005	582,268	327,434	1,144,144

Note:-

The amounts are contractual and undiscounted cash flows.

23.2 Capital risk management

The Group's capital is the unitholders' capital and borrowings. The Fund's capital is the unitholders' capital, bank borrowing and intercompany borrowings as shown in the Statements of Financial Position.

The overall capital management objectives are to safeguard the ability to continue as a going concern in order to provide returns for unitholders and other stakeholders as well as to maintain a more efficient capital structure.

The Manager's on-going capital management strategy involves maintaining an appropriate gearing level and adopting an active interest rate management strategy to manage the risks associated with refinancing and changes in interest rates. The Manager intends to implement this strategy by (i) diversifying sources of debt funding to the extent appropriate, (ii) maintaining a reasonable level of debt service capability, (iii) securing favourable terms of funding, (iv) managing its financial obligations and (v) where appropriate, managing the exposures arising from adverse market interest rates, such as through fixed rate borrowings, to improve the efficiency for the cost of capital.

The total borrowings to total assets ratio is as follows:-

	Group		Fund			
	2024 RM'000		2024 2023 2024	2024 2023 2024	2024	2023
			RM'000	RM'000		
Total borrowings	850,495	853,433		3,243		
Total borrowings from subsidiary		-	850,495	850,190		
Total assets	3,280,069	3,295,903	3,280,069	3,295,903		
Borrowings to total assets ratio (%)	26%	26%	26%	26%		

The total borrowings should not exceed 50% of the total assets at the time the borrowings are incurred in accordance with the REIT Guideline. The Group and the Fund complied with the borrowing limit for the financial year ended 31 December 2024.

(continued)

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

23.2 Capital risk management (continued)

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; and
- (iii) to ensure that the total indebtedness secured by First Tranche Secured Properties is not more than 60% of the then prevailing market value of the First Tranche Secured Properties based on the latest valuation report; and
- (iv) to maintain the ISCR of not less than 2.0 times for the First Tranche Secured Properties, calculated on a yearly basis at the end of the financial year of the Group.

The financial covenants of the Revolving Credit are as follows:-

- to maintain the Debt Service Coverage Ratio ("DSCR") of not less than 1.5 times for BOR, calculated on a yearly basis at the end of the financial year of IGBCR;
- (ii) to ensure no further indebtedness in relations to IGBCR, save for the MTN programme of RM850.0 million, without prior written consent of the bank; and
- (iii) to ensure IGBCR remain as subsidiary of IGB Berhad.

The Group and the Fund complied with the financial covenants.

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 half yearly 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% of its distributable income.

23.3 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	o and Fund
2024	2023 RM'000
RM'000	
3,161,386	3,161,000
	2024 RM'000

Level 3 fair values of the investment properties have been derived from the income approach method based on valuations performed by independent registered valuer. The valuation techniques, significant parameters and movement in fair values are as disclosed in Note 5.

Assets and liabilities not carried at fair value

The carrying amounts of financial assets and liabilities as at reporting date approximated their fair values.

(continued)

24 OPERATING LEASES (LEASE COMPONENT)

Leases as lessor

The Group and the Fund lease out the investment properties (Note 5) under operating leases. Subject to full receipts and/or recoveries of all trade receivables, and assuming no existing tenancies are prematurely terminated, and no rent support, incentive or waiver will be given to tenants, the undiscounted lease payments based on committed tenancies are as follows:-

	Group	and Fund
	2024	2023
	RM'000	RM'000
Less than one (1) year	119,633	125,969
Between one (1) and two (2) years	68,101	76,110
Between two (2) and three (3) years	25,820	21,624
Between three (3) and four (4) years	232	249
Between four (4) and five (5) years		-
	213,786	223,952

25 REMAINING PERFORMANCE OBLIGATIONS

The following table shows remaining performance obligation resulting from non-lease components of the lease contracts:-

	Group	and Fund
	2024	2023 RM'000
	RM'000	
Service charges:		
- Less than one (1) year	57,925	55,715
- Between one (1) and two (2) years	32,245	32,811
- Between two (2) and three (3) years	12,269	8,823
- Between three (3) and four (4) years	107	97
- Between four (4) and five (5) years		-
	102,546	97,446

26 CAPITAL COMMITMENTS

The capital expenditure which has not been provided for in the financial statements is as follows:-

	Grou	up and Fund
	2024	2023
	RM'000	RM'000
Authorised by Directors of the Manager and contracted		
- Investment property	62,400	-
	62,400	-

(continued)

27 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, the sponsor and holding company of the Fund
IGB REIT Management Sdn Bhd	The Manager of the Fund, a subsidiary of IGBC
IGB Commercial REIT Capital Sdn Bhd	A subsidiary of the Fund via MTrustee Berhad (acting in its capacity as trustee for IGBCR)
IGB Digital Sdn Bhd	A subsidiary of IGB
IGB Real Estate Investment Trust	A subsidiary of IGB
Ensignia Construction Sdn Bhd	A subsidiary of IGBC
Idaman Spektra Sdn Bhd	A subsidiary of IGBC
IGB Property Management Sdn Bhd	A subsidiary of IGBC
Mid Valley City Sdn Bhd	A subsidiary of IGBC
Mid Valley City Energy Sdn Bhd	A subsidiary of IGBC
Mid Valley City Southpoint Sdn Bhd	A subsidiary of IGBC
Tan & Tan Developments Berhad	A subsidiary of IGBC
Wasco Management Services Sdn Bhd	A company in which a Director of the holding company of the Fund has substantial financial interest

	Group		Fund	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Significant related party transactions for the financial year:-				
Receivables				
1) Rental of premises				
- IGB Berhad	4,136	4,258	4,136	4,258
- IGB Digital Sdn Bhd	217	244	217	244
- IGB Property Management Sdn Bhd	274	274	274	274
- Ensignia Construction Sdn Bhd	389	554	389	554
- Tan & Tan Developments Berhad	487	739	487	739
- Mid Valley City Sdn Bhd	1,424	1,424	1,424	1,424
- Wasco Management Services Sdn Bhd	1,049	898	1,049	898
Payables				
1) Utilities and waste disposal charges				
- Mid Valley City Energy Sdn Bhd	4,950	4,980	4,950	4,980
- IGB Real Estate Investment Trust	8,166	7,735	8,166	7,735
- Mid Valley City Southpoint Sdn Bhd	5,526	4,949	5,526	4,949
2) Manager's management fees				
- IGB REIT Management Sdn Bhd	16,367	16,246	16,367	16,246
3) Interest charged by				
- IGB Commercial REIT Capital Sdn Bhd			44,014	45,250

(continued)

27 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

	Group		Fund	
	2024	2024 2023 2024	2024	2023
	RM'000	RM'000	RM'000	RM'000
Significant related party balances as at reporting date:-				
1) Amount due from				
- IGB Commercial REIT Capital Sdn Bhd		-	25,062	24,247
- Idaman Spektra Sdn Bhd	-	31	-	31
- Mid Valley City Southpoint Sdn Bhd	154	-	154	-
2) Amount due to				
- IGB Commercial REIT Capital Sdn Bhd		-	850,495	850,190
- IGB REIT Management Sdn Bhd	3,780	4,150	3,780	4,150
- IGB Real Estate Investment Trust	606	835	606	835
- Mid Valley City Southpoint Sdn Bhd	508	417	508	417

28 SUBSEQUENT EVENT

A sale and purchase agreement was signed on 29 November 2024 for the acquisition of two office-suite parcels at Levels 8 & 9 of Menara Southpoint for a total cash purchase consideration of RM62.4 million ("Acquisition"). The Acquisition was completed on 2 January 2025.

ISSUED UNITS

2,405,948,053 Units (voting right: 1 vote per Unit)

PUBLIC SPREAD

20.63%

ANALYSIS BY SIZE OF UNITHOLDINGS

Size of Unitholdings	No. of Unitholders	% of Unitholders	No. of Units	% of Units
Less than 100	141	2.85	4,973	0.00
100 – 1,000	612	12.35	346,458	0.01
1,001 – 10,000	2,305	46.52	11,085,455	0.46
10,001 – 100,000	1,512	30.51	53,149,222	2.21
100,001 to less than 5% of Issued Units	384	7.75	1,141,471,923	47.45
5% and above of Issued Units	1	0.02	1,199,890,022	49.87
Total	4,955	100.00	2,405,948,053	100.00

SUBSTANTIAL UNITHOLDERS

	Direct		Deemed*	
Name	No. of Units	% of Units	No. of Units	% of Units
IGB Berhad	1,199,890,022	49.87	98,648,053	4.10
Wah Seong (Malaya) Trading Co. Sdn. Bhd.	174,080,712	7.24	1,326,536,162	55.14
Tan Chin Nam Sendirian Berhad	99,941,523	4.15	1,569,395,394	65.23
Tan Kim Yeow Sendirian Berhad	67,735,407	2.82	1,500,616,874	62.37
Pauline Tan Suat Ming	4,227,385	0.18	1,568,352,281	65.19
Dato' Seri Robert Tan Chung Meng	15,330,424	0.64	1,568,352,281	65.19
Tony Tan Choon Keat	-	-	1,568,352,281	65.19

DIRECTORS' UNITHOLDINGS

	Direct		Deemed*	
Name	No. of Units	% of Units	No. of Units	% of Units
Dato' Seri Robert Tan Chung Meng	15,330,424	0.64	1,568,352,281	65.19
Tan Lei Cheng	24,658,617	1.03	-	-
Tan Mei Sian	4,607,654	0.19	-	-
Elizabeth Tan Hui Ning (Resigned on 19 March 2025)	1,136,200	0.05	-	-

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	1,199,890,022	49.87
2	Wah Seong (Malaya) Trading Co. Sdn Bhd	100,218,340	4.17
3	IGB REIT Management Sdn Bhd	98,648,053	4.10
4	Tan Chin Nam Sendirian Berhad	93,579,261	3.89
5	CIMB Group Nominees (Tempatan) Sdn Bhd CIMB Bank Berhad (EDP 2)	68,778,520	2.86
6	Hampshire Park Sdn Berhad	65,750,000	2.73
7	Wah Seong (Malaya) Trading Co. Sdn Bhd	56,090,247	2.33
8	Tan Kim Yeow Sendirian Berhad	51,190,370	2.13
9	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Cheah Chin Heng (PB)	51,000,000	2.12
10	HSBC Nominees (Asing) Sdn Bhd Exempt AN for Bank Julius Baer & Co. Ltd. (Singapore Bch)	37,135,590	1.54
11	CIMB Group Nominees (Asing) Sdn Bhd Exempt AN for DBS Bank Ltd (SFS-PB)	33,899,177	1.41
12	HSBC Nominees (Asing) Sdn Bhd Exempt AN for The HongKong and Shanghai Banking Corporation Limited (HBAP-SGDIV-ACCL)	32,458,315	1.35
13	Micasa Investments (S) Pte Ltd	30,357,600	1.26
14	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (Aberdeen)	23,954,100	1.00
15	Tan Boon Lee	20,144,036	0.84
16	Tan Lei Cheng	19,987,802	0.83
17	Wah Seong (Malaya) Trading Co. Sdn Bhd	17,772,125	0.74
18	Maybank Securities Nominees (Tempatan) Sdn Bhd Maybank Securities Pte Ltd for Tan Kim Yeow Sendirian Berhad	16,545,037	0.69
19	Robert Tan Chung Meng	13,333,232	0.55
20	Wah Seong Enterprises Sdn Bhd	12,681,825	0.53
21	Choy Wor Lin	12,141,323	0.51
22	Khoo Chai Pek	10,988,100	0.46
23	Tan Lei Teng	9,043,572	0.38
24	Maybank Nominees (Tempatan) Sdn Bhd Credit Guarantee Corporation Malaysia Berhad (416581)	8,151,500	0.34
25	Chin Yoke Lee	8,000,000	0.33
26	Dasar Mutiara (M) Sdn Bhd	6,691,027	0.28
27	Tentang Emas Sdn Bhd	6,552,992	0.27
28	CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Tan Chin Nam Sendirian Berhad (PB)	6,362,262	0.26
29	Citigroup Nominees (Asing) Sdn Bhd Exempt AN for UBS AG Singapore (Foreign)	6,245,500	0.26
30	Wah Seong Enterprises Sdn Bhd	6,165,640	0.26

NOTICE OF 2025 ANNUAL GENERAL MEETING

Notice convening the Fourth Annual General Meeting of Unitholders ("UHs") of IGB Commercial REIT ("2025 AGM") To be held at 4.00 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 Commercial 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 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 Commercial 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 Commercial 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 Commercial 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 Commercial 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 Commercial 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

- 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 <u>corporate-enquiry@igbcomreit.com</u>. Alternatively, members may submit an e-proxy online at <u>https://investor.boardroomlimited.com</u> by 4.00 p.m. on Monday, 21 April 2025. IGB Commercial REIT's Registrar, Boardroom Share Registrars Sdn Bhd, can be reached at 603-7890 4700 or by email at <u>bsr.helpdesk@boardroomlimited.com</u>.
- 5. UHs may submit questions prior to the 2025 AGM by emailing <u>investorrelations@igbcomreit.com</u> or <u>corporate-enquiry@igbcomreit.com</u> by 4.00 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 2:00 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 <u>www.igbcomreit.com</u>. If UHs would like to receive a printed copy of any of these documents, please send an email request to <u>corporate-enquiry@igbcomreit.com</u>.

. The near and to receive a printed copy of any of mose documents, prease send an email request to <u>corporate-enquiry@igbcomment.com</u>.

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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 Commercial REIT and entitled to attend and vote hereby appoint:

Name, NRIC No. and Email of proxy

No. o	f Units	to b	e repr	resented	by	proxy
-------	---------	------	--------	----------	----	-------

2.

1.

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 Commercial REIT, to be held at 4.00 p.m. on Wednesday, 23 April 2025.

	First Proxy		Second Proxy	
Ordinary Resolution	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 <u>corporate-enquiry@igbcomreit.com</u>. Alternatively, members may submit an e-proxy online at <u>https://investor.boardroomlimited.com</u> by 4.00 p.m. on Monday, 21 April 2025. IGB Commercial REIT's Registrar, Boardroom Share Registrars Sdn Bhd, can be reached at 603-7890 4700 or by email at <u>bsr.helpdesk@boardroomlimited.com</u>.
- 5. UHs may submit questions prior to the 2025 AGM by emailing <u>investorrelations@igbcomreit.com</u> or <u>corporate-enquiry@igbcomreit.com</u> by 4.00 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 2:00 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 Commercial 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 (\checkmark) within the box provided:

20
С

2024 Annual Report

Circular to Unitholders

For further information, please contact the Group Company Secretariat at 603-2289 8989 or corporate-enquiry@igbcomreit.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 Commercial 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 Commercial REIT)

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