

AL-SALĀM REIT
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the Fourth Quarter Ended 31 December 2025

	Note	Individual Quarter			Cumulative Quarter		
		Current Year Quarter	Preceding Year Corresponding Quarter	Changes	Current Year to-date	Preceding Year Corresponding Period to-date	Changes
		31-12-2025	31-12-2024		31-12-2025	31-12-2024	
		RM	RM	%	RM	RM	%
Gross rental income		20,293,409	17,372,513	16.8	77,561,732	68,501,447	13.2
Other income		2,851,524	2,526,097	12.9	11,263,228	9,951,801	13.2
Total revenue	B1	23,144,933	19,898,610	16.3	88,824,960	78,453,248	13.2
Utilities expenses		(1,792,705)	(2,432,268)	(26.3)	(8,427,346)	(9,322,555)	(9.6)
Maintenance expenses		(1,248,386)	(1,369,034)	(8.8)	(5,030,902)	(4,456,381)	12.9
Quit rent and assessment		(457,673)	(430,572)	6.3	(1,805,833)	(1,716,355)	5.2
Other property expenses		(3,141,692)	(2,959,111)	6.2	(11,988,493)	(11,069,071)	8.3
Property manager fee		(118,500)	(118,500)	-	(474,000)	(474,000)	-
Total property expenses		(6,758,956)	(7,309,485)	(7.5)	(27,726,574)	(27,038,362)	2.5
Net property income	B1	16,385,977	12,589,125	30.2	61,098,386	51,414,886	18.8
Investment income		294,408	217,532	35.3	1,131,910	897,996	26.0
Net fair value loss on investment properties		(1,158,848)	(1,946,592)	(40.5)	(3,078,218)	(1,946,592)	58.1
Gain on disposal of asset held for sale		100,000	-	100.0	100,000	-	100.0
Net investment income		15,621,537	10,860,065	43.8	59,252,078	50,366,290	17.6
Manager's management fees		(974,392)	(652,790)	49.3	(3,001,723)	(2,610,881)	15.0
Trustee's fees		(35,006)	(32,467)	7.8	(132,300)	(129,687)	2.0
Shariah advisors' fee		(6,000)	(2,000)	200.0	(12,000)	(8,000)	50.0
Islamic financing costs		(10,192,411)	(10,168,633)	0.2	(40,108,665)	(40,496,610)	(1.0)
Other trust expenses		(667,692)	(434,095)	53.8	(2,160,993)	(1,589,103)	36.0
Net income / (loss) before tax		3,746,036	(429,920)	(971.3)	13,836,397	5,532,009	150.1
Taxation		225,988	(247,559)	(191.3)	(215,012)	(247,559)	(13.1)
Net income / (loss) after tax		3,972,024	(677,479)	(686.3)	13,621,385	5,284,450	157.8
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income / (loss) for the year		3,972,024	(677,479)	(686.3)	13,621,385	5,284,450	157.8
Net income / (loss) after tax is made up as follow:							
Realised		4,485,364	836,152	436.4	14,134,725	4,388,151	222.1
Unrealised		(513,340)	(1,513,631)	(66.1)	(513,340)	896,299	(157.3)
		3,972,024	(677,479)	(686.3)	13,621,385	5,284,450	157.8
Earnings per unit (sen)		0.68	(0.12)	(686.3)	2.35	0.91	157.8

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the financial statements.

AL-SALĀM REIT
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2025

		Unaudited As at End Of Current Quarter 31-12-2025	Audited As at preceding year ended 31-12-2024
	Note	RM	RM
ASSETS			
Non-current assets			
Investment properties		1,213,433,365	1,201,723,255
Property, plant & equipment		706,373	861,140
Other receivables		683,467	805,867
		<u>1,214,823,205</u>	<u>1,203,390,262</u>
Current Assets			
Trade receivables	B11	31,848,153	34,675,674
Other receivables & prepayments		5,697,372	4,833,522
Cash and bank balances		14,943,195	4,691,360
Fixed deposits with licensed banks		36,360,000	31,053,000
Amount due from related companies		2,175,065	1,521,290
		<u>91,023,785</u>	<u>76,774,846</u>
Assets classified as held for sale		9,500,000	37,100,000
TOTAL ASSETS		<u>1,315,346,990</u>	<u>1,317,265,108</u>
LIABILITIES			
Non-current liabilities			
Islamic financing	B12	512,723,016	594,278,034
Other payables and accruals		5,677,759	5,697,759
Deferred tax liability		2,377,965	2,242,953
		<u>520,778,740</u>	<u>602,218,746</u>
Current Liabilities			
Islamic financing	B12	117,974,998	45,500,000
Other payables and accruals		22,607,782	19,752,427
Amount due to related companies		2,010,424	1,406,791
		<u>142,593,204</u>	<u>66,659,218</u>
TOTAL LIABILITIES		<u>663,371,944</u>	<u>668,877,964</u>
NET ASSETS VALUE		<u>651,975,046</u>	<u>648,387,144</u>
REPRESENTED BY:			
Unitholders' capital		572,545,319	572,545,319
Undistributed income		79,429,727	75,841,825
TOTAL UNITHOLDERS' FUND		<u>651,975,046</u>	<u>648,387,144</u>
NUMBER OF UNITS IN CIRCULATION		<u>580,000,000</u>	<u>580,000,000</u>
NET ASSETS VALUE (NAV) PER UNIT (RM)			
- Before income distribution		1.1241	1.1179
- After income distribution*		1.1171	1.1156

*After reflecting the proposed final income distribution for financial year ended 31 December 2025 of 0.70 sen per unit (2024: final income distribution for financial year ended 31 December 2024 of 0.23 sen per unit)

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the financial statements.

AL-SALĀM REIT
CONDENSED CONSOLIDATED STATEMENT OF CHANGES
IN NET ASSETS VALUE
For the Fourth Quarter Ended 31 December 2025

	Unitholders' Capital RM	Undistributed income		Total RM
		Realised RM	Unrealised RM	
As at 1 January 2024	572,545,319	9,976,547	63,885,991	646,407,857
Total comprehensive income for the year	-	4,388,151	896,299	5,284,450
Unitholders' transactions				
Issuance of new units	-	-	-	-
Distribution to unitholders	-	(3,305,163)	-	(3,305,163)
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(3,305,163)	-	(3,305,163)
As at 31 December 2024	572,545,319	11,059,535	64,782,290	648,387,144
As at 1 January 2025	572,545,319	11,059,535	64,782,290	648,387,144
Total comprehensive income for the year	-	14,134,725	(513,340)	13,621,385
Unitholders' transactions				
Issuance of new units	-	-	-	-
Distribution to unitholders#	-	(10,033,483)	-	(10,033,483)
<i>Decrease in net assets resulting from unitholders' transactions</i>	-	(10,033,483)	-	(10,033,483)
As at 31 December 2025	572,545,319	15,160,777	64,268,950	651,975,046

Include :

- i) Payment of final income distribution of 0.23 sen per unit for the financial year ended 31 December 2024 (non-taxable in the hands of unitholders) which was paid on 28 February 2025.
- ii) Payment of first interim income distribution of 0.51 sen per unit for the financial year ending 31 December 2025 (taxable in the hands of unitholders) which was paid on 30 June 2025.
- iii) Payment of second interim income distribution of 0.47 sen per unit for the financial year ending 31 December 2025 (taxable in the hands of unitholders) which was paid on 3 October 2025.
- iv) Payment of third interim income distribution of 0.52 sen per unit for the financial year ending 31 December 2025 (taxable in the hands of unitholders) which was paid on 31 December 2025.

The Condensed Consolidated Statement of Changes In Net Assets Value should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the financial statements.

AL-SALĀM REIT
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Fourth Quarter Ended 31 December 2025

	To Date	
	31-12-2025	31-12-2024
	<u>RM</u>	<u>RM</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before tax	13,836,397	5,532,009
Adjustment for:		
Finance cost on loan	40,108,665	40,496,610
Depreciation of equipment	175,600	175,989
Fair value loss on investment properties	3,078,218	1,946,592
Gain on disposal of asset held for sale	(100,000)	-
Investment income	(1,131,910)	(897,996)
Unbilled rental income	(2,699,890)	(3,090,450)
Operating profit before working capital changes	<u>53,267,080</u>	<u>44,162,754</u>
Decrease/(Increase) in:		
Trade receivables	5,527,411	(3,397,446)
Other receivables and prepaid expenses	(741,450)	1,974,021
Amount due from related companies	(653,775)	18,881
Increase/(Decrease) in:		
Other payables and accrued expenses	3,855,908	188,014
Amount due to related companies	603,633	(1,287,062)
Cash generated from operations	<u>61,858,807</u>	<u>41,659,162</u>
Taxes paid	-	-
Net cash generated from operating activities	<u>61,858,807</u>	<u>41,659,162</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Income received from other investments	1,131,910	897,996
Purchase of equipment	(20,833)	(168,565)
Additions to investment properties	(1,788,328)	(1,756,141)
Net proceed from disposal of investment property	14,700,000	-
Net cash generated from/(used in) investing activities	<u>14,022,749</u>	<u>(1,026,710)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in pledged deposits with licensed banks	(277,000)	(328,000)
Income distributions paid	(10,033,483)	(3,305,163)
Islamic financing costs paid	(37,562,738)	(38,493,409)
Transaction cost paid	(2,726,500)	(1,926,900)
Repayment of Islamic financing	(10,000,000)	-
Drawdown of Islamic financing	455,000,000	-
Redemption of Islamic financing	(455,000,000)	-
Net cash used in financing activities	<u>(60,599,721)</u>	<u>(44,053,472)</u>

AL-SALĀM REIT
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
For the Fourth Quarter Ended 31 December 2025

	To Date	
	31-12-2025	31-12-2024
	RM	RM
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	15,281,835	(3,421,020)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	25,991,360	29,412,380
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	41,273,195	25,991,360
 DEPOSITS, CASH AND BANK BALANCES		
Cash and bank balances	14,943,195	4,691,360
Fixed deposits with licensed banks	36,360,000	31,053,000
	51,303,195	35,744,360
Less : Pledged deposits with licensed banks	(10,030,000)	(9,753,000)
CASH AND CASH EQUIVALENTS	41,273,195	25,991,360

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2024 and the accompanying explanatory notes attached to the financial statements.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A1. BASIS OF PREPARATION

These condensed financial statements have been prepared in accordance with Listing Requirement of the Bursa Malaysia Securities Berhad, Malaysian Financial Reporting Standard (MFRS) 134 and International Financial Reporting Standards

The interim financial report should be read in conjunction with the Audited Financial Statements of the Group for the financial year ended 31 December 2024.

The accounting policies and methods of computation adopted by the Group in this financial report are consistent with those adopted in its most recent Audited Financial Statements for the financial year ended 31 December 2024.

The Group has applied the following standards and amendments for the first time for the financial period beginning 1 January 2025:

- Amendments to MFRS 121: Lack of Exchangeability

The standards and interpretations that are issued but not yet effective are disclosed below:

- Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments (1 January 2026)
- Amendments to MFRS 9 and MFRS 7: Contracts referencing nature-dependent electricity
- Annual Improvements to MFRSs - Volume 11 (1 January 2026)
- MFRS 18 Presentation and Disclosure in Financial Statements (1 January 2027)
- MFRS 19 Subsidiaries without Public Accountability: Disclosure (1 January 2027)
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Deferred)

The Group did not early adopt these new standards.

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The Audited Financial Statements of Al-Salām REIT for the financial year ended 31 December 2024 was not subject to any audit qualification.

A3. SEASONALITY AND CYCLICALITY OF OPERATIONS

Al-Salām REIT's operations are not significantly affected by seasonal or cyclical factors.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A4. UNUSUAL ITEMS AFFECTING THE FINANCIAL STATEMENTS

There were no unusual items affecting the financial statements of Al-Salām REIT for the current quarter.

A5. CHANGES IN ACCOUNTING ESTIMATES

There were no changes in accounting estimates arising from the adoption of the new and revised MFRSs, amendments to MFRS and IC Interpretation that have a material effect during the quarter.

A6. ISSUANCES, CANCELLATIONS, REPURCHASES AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases and repayment of debt and equity securities being made in the current quarter.

A7. INCOME DISTRIBUTION

On 27 November 2025, the Fund declared the third interim income distribution of 0.52 sen per unit for the financial year ending 31 December 2025 (taxable in the hand of unitholders) in respect of the period from 1 July 2025 to 30 September 2025. The said distribution has been paid on 31 December 2025.

A8. SEGMENT REPORTING

Segment information is presented in respect of the Group's business segments based on the nature of the industry of the Group's investment properties, which reflect the Group's internal reporting structure that are regularly reviewed by the Group's chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance.

For management purposes, the Group is organised into the following operating divisions:

- Retail outlets
- Office buildings
- Food and beverage ("F&B") properties comprising restaurant
- Industrial and others
- Others comprising Fund level operations

No information on geographical areas is presented as the Group operates solely in Malaysia.

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A8. SEGMENT REPORTING (cont'd.)

For period ended 31 December 2025

	Retail outlets RM'000	Office buildings RM'000	F&B Restaurants RM'000	Industrial & Others RM'000	Other- Fund level operations RM'000	Total RM'000
Total revenue	52,236	7,003	17,594	11,992	-	88,825
Total property expenses	(21,323)	(5,124)	(182)	(624)	(474)	(27,727)
Net property income	30,913	1,879	17,412	11,368	(474)	61,098
Fair value (loss)/gain on investment properties	(3,383)	(135)	(1,560)	2,000	-	(3,078)
Gain on disposal	-	-	100	-	-	100
Investment income	-	-	-	-	1,132	1,132
Net investment income	27,530	1,744	15,952	13,368	658	59,252
Total trust expenses	-	-	-	-	(5,307)	(5,307)
Islamic financing costs	-	-	-	-	(40,109)	(40,109)
Net income before tax	27,530	1,744	15,952	13,368	(44,758)	13,836
Income tax expenses	-	-	-	-	(215)	(215)
Net income / (loss) after tax	27,530	1,744	15,952	13,368	(44,973)	13,621
Total assets	696,086	71,069	299,005	196,759	52,428	1,315,347
Total liabilities	19,145	4,898	-	942	638,387	663,372

For period ended 31 December 2024

	Retail outlets RM'000	Office buildings RM'000	F&B Restaurants RM'000	Industrial & Others RM'000	Other- Fund level operations RM'000	Total RM'000
Total revenue	43,415	6,874	17,167	10,997	-	78,453
Total property expenses	(21,233)	(4,885)	(32)	(415)	(473)	(27,038)
Net property income	22,182	1,989	17,135	10,582	(473)	51,415
Fair value (loss)/gain on investment properties	(3,517)	(329)	300	1,600	-	(1,946)
Investment income	-	-	-	-	897	897
Net investment income	18,665	1,660	17,435	12,182	424	50,366
Total trust expenses	-	-	-	-	(4,337)	(4,337)
Islamic financing costs	-	-	-	-	(40,497)	(40,497)
Net income before tax	18,665	1,660	17,435	12,182	(44,410)	5,532
Income tax expenses	-	-	-	-	(248)	(248)
Net income / (loss) after tax	18,665	1,660	17,435	12,182	(44,658)	5,284
Total assets	693,305	71,177	314,630	195,511	42,572	1,317,195
Total liabilities	16,549	3,913	-	697	647,649	668,808

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A9. VALUATION OF INVESTMENT PROPERTIES

During the current quarter under review, a valuation exercise was undertaken for all fifty-four (54) properties of Al-Salām REIT pursuant to MFRS 140 and Clause 10.03 of the Securities Commission's REIT Guidelines. The revaluation has resulted in a loss of RM2.8 million and has been incorporated into the financial statements of Al-Salām REIT as at 31 December 2025. The details of the said valuation carried out are tabled as follows:

Description of Property	Date of Valuation	2025
		Fair Value RM'000
1. KOMTAR JBCC	31.12.2025	431,000
2. Menara KOMTAR	31.12.2025	70,000
3. @Mart Kempas Community Hypermarket	31.12.2025	79,000
4. Malaysian College of Hospitality and Management	31.12.2025	36,900
5. Mydin Hypermart Gong Badak	31.12.2025	173,000
6. Premises Nos. 18 & 20, Jalan Sulaiman, 43000 Kajang, Selangor Darul Ehsan	31.12.2025	11,000
7. Premises No. 5, Bangunan Joota Brothers, Jalan Sungai Korok, 06000 Jitra, Kedah Darul Aman	31.12.2025	580
8. Premises No. 1, Jalan Baru Bandar 1, Pusat Bandar Baru Ayer Hitam, 86100 Ayer Hitam, Johor	31.12.2025	2,500
9. Premises No. 34, Jalan Mahsuri, Bandar Bayan Baru, 11950 Bayan Lepas, Pulau Pinang	31.12.2025	4,900
10. Premises Nos. 60 & 62, Jalan PJS 11/28A, Bandar Sunway, 46150 Petaling Jaya, Selangor Darul Ehsan	31.12.2025	-
11. Premises No. 1, Jalan Mahajaya, Kawasan Penambakan Laut, Bandar Port Dickson, 71000 Port Dickson, Negeri Sembilan	31.12.2025	2,000
12. Premises No. 9, Persiaran Putra Timur 1, 02000 Kuala Perlis, Perlis Indera Kayangan	31.12.2025	590
13. Premises No. 3, 3A & 3B, Jalan Resam 13, Taman Bukit Tiram, 81800 Ulu Tiram, Johor Darul Takzim	31.12.2025	1,100
14. Premises No. 1 & 1-1, Jalan Niaga, 81900 Kota Tinggi, Johor Darul Takzim	31.12.2025	1,000
15. Unit No. GF-12A, Queensbay Mall, 100, Persiaran Bayan Indah, 11900 Bayan Lepas, Pulau Pinang	31.12.2025	15,200
16. Unit No. 3A-G-18, Kompleks Bukit Jambul, Jalan Rumbia, 11900 Bayan Lepas, Pulau Pinang	31.12.2025	3,500
17. Unit No. G-103, Megamall Pinang Shopping Complex, No. 2828, Jalan Baru, Bandar Perai Jaya, 13600 Perai, Pulau Pinang	31.12.2025	2,600

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A9. VALUATION OF INVESTMENT PROPERTIES (cont'd.)

Description of Property	Date of Valuation	2025 Fair Value RM'000
18. Unit No. G-104, Megamall Pinang Shopping Complex, No. 2828, Jalan Baru, Bandar Perai Jaya, 13600 Perai, Pulau Pinang	31.12.2025	1,100
19. PT No. 2281, Jalan Kuala Ketil, Bandar Puteri Jaya, 08000 Sungai Petani, Kedah Darul Aman	31.12.2025	6,200
20. PTD 103231, Taman Impian Senai, 81400 Senai, Johor Darul Takzim	31.12.2025	10,500
21. PTD 153154, Jalan Tampoi, Taman Damansara Aliff, 81200 Johor Bahru, Johor Darul Takzim	31.12.2025	13,600
22. PTD No. 171459, Jalan Persiaran Perling, Taman Perling, 81200 Johor Bahru, Johor Darul Takzim	31.12.2025	13,200
23. PT No. 217643, Jalan Kuala Kangsar, Taman Tasek Mutiara, 31400 Ipoh, Perak Darul Ridzuan	31.12.2025	9,400
24. Lot 59060, Jalan Prima 1, Metro Prima, Off Jalan Kepong, 52100 Kuala Lumpur	31.12.2025	18,700
25. PT No. 6878, Jalan 8/27A, Pusat Bandar Wangsa Maju, 53300 Kuala Lumpur	31.12.2025	31,000
26. PT No. 19503, Lebuhraya Ayer Keroh, 75450 Hang Tuah Jaya, Melaka	31.12.2025	10,800
27. Premises No. 31, Lorong IKS Juru 3, Taman IKS Juru, 14100 Simpang Ampat, Pulau Pinang	31.12.2025	1,500
28. Lot 5, Lorong Tembaga 3, Kawasan MIEL, KKIP Selatan, Kota Kinabalu Industrial Park, Menggatal, 88450 Kota Kinabalu, Sabah	31.12.2025	3,100
29. Premises No. 3, Lorong Gerudi 1, Off Jalan Pelabuhan Utara, 42000 Pelabuhan Klang, Selangor Darul Ehsan	31.12.2025	52,300
30. Premises No. 6, Jalan Gerudi, Off Jalan Pelabuhan Utara, 42000 Pelabuhan Klang	31.12.2025	31,200
31. Premises Nos. 17, 19 & 21, Jalan Pemaju U1/15, Sek U1, Hicom Glenmarie Indus	31.12.2025	66,900
32. Lot No. 2430 and 2429, Title No. PM12274 and PM12273, No. 23 & 24 Jalan 54, Desa Jaya Kepong, 52100 Kepong, Kuala Lumpur	31.12.2025	7,500
33. Lot No. 96, Title No. PN326743, 158 Jalan Idris, 31900 Kampar, Perak	31.12.2025	1,700
34. Lot No. 1417, 1419 and 1421, Title No. 59853, 59858 and 59862, 140 Jalan Raja Laut, 50350 Kuala Lumpur	31.12.2025	4,900
35. Lot No. 503, Title No. 10894, 437 Wisma Hualang, Jalan Ipoh, 51200 Kuala Lumpur	31.12.2025	10,300
36. Lot 48635, Title No. 8311, 79 Jalan Dato' Lau Pak Khuan, Ipoh Garden, 31400 Ipoh, Perak	31.12.2025	2,400
37. Lot 4111, PN18632, No.9 Jalan PPM 9, Plaza Pandan Malim, 75250 Melaka	31.12.2025	1,200

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NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A9. VALUATION OF INVESTMENT PROPERTIES (cont'd.)

Description of Property	Date of Valuation	2025 Fair Value RM'000
38. Lot 107788, Title No. 343902, No. 1 & 1A, Jalan Resam 13, Taman Bukit Tiram,	31.12.2025	2,100
39. Lot 1293 N, Title No. 40351, No. 65 Jalan Dato' Onn Jaafar, 30300 Ipoh, Perak	31.12.2025	4,100
40. Lot 4125 & 4126, Title No. 177945 & 108899, 24 & 26 Jalan Bunga Raya 7, Pusat Perniagaan Senawang, Taman Tasik Jaya, 70400 Senawang, Negeri Sembilan	31.12.2025	1,100
41. Lot 831 & 832, Title No. 50935 & 40542, 20 & 21 Jalan Dato' Sheikh Ahmad, 70000 Seremban, Negeri Sembilan	31.12.2025	4,500
42. Title No. Country Lease 015437948, Lot 25, Block 3, Jalan Kolam, 88300 Kota Kinabalu, Sabah	31.12.2025	3,100
43. Lot 182 Sublot No.104 & Lot 183 Sublot No.15, Section 65, Kuching Town Land District	31.12.2025	4,100
44. HS(D) No. 499885, PTD 210469, Jalan Suria 1, Bandar Seri Alam, Johor Bahru, J	31.12.2025	8,900
45. HS(D) No. 499524, PTD 181614, Taman Mutiara Rini, 81300 Skudai, Johor Darul Takzim	31.12.2025	9,000
46. Lot 599, Title No. 23532, D.T.L Section 5, Bandar Georgetown, Pulau Pinang	31.12.2025	23,900
47. HS(D) 33885, Lot 22529, Part Lot 20022, Jalan Bertam, Mukim 6, Kepala Batas, Seberang Perai Utara, Pulau Pinang	31.12.2025	7,900
48. Lease No. 015319892, Lot 43A, Karamunsing Warehouse, 88000 Kota Kinabalu, Sabah	31.12.2025	4,900
49. No 2105 Jalan 3/1, Bandar Baru Sungai Buloh, 47000 Sungai Buloh, Selangor	31.12.2025	1,800
50. 555 Plaza Melaka, Jalan Hang Tuah, 75300 Melaka	31.12.2025	2,400
51. Lot PT 15140, Persiaran Taman Tasik Prima, Puchong Perdana, Selangor	31.12.2025	15,900
52. Lot 33693, Mukim Rasah, District of Seremban, Negri Sembilan	31.12.2025	8,600
53. PT 4294 (Lot 6497), Mukim Merlimau, Daerah Jasin, Melaka	31.12.2025	4,600
Valuation per valuers' report		1,239,270
Less : Accrued rental income		(25,837)
		<u>1,213,433</u>

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 ("MFRS 134")

A10. SUBSEQUENT MATERIAL EVENTS

There were no material events subsequent to the current quarter under review up to the date of this Interim Financial Report

A11. CHANGES IN THE COMPOSITION OF THE TRUST

There were no changes in the composition of Al-Salām REIT for the current quarter.

A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no contingent liabilities or contingent assets to be disclosed in the current quarter.

A13. CAPITAL COMMITMENT

There were no major capital commitments to be disclosed in the current quarter.

A14. SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related to the Group if the Group have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

	The Group		The Fund	
	31-12-2025 RM'000	31-12-2024 RM'000	31-12-2025 RM'000	31-12-2024 RM'000
Rental income received/receivable from related companies	34,795	34,232	34,795	34,232
Other property management and fees charged	7,565	5,536	7,565	5,537
Finance cost paid/payable to a subsidiary	-	-	27,361	28,279

The related party transactions described above were entered into in the normal course of business and are based on negotiated and mutually agreed terms.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE

	Quarter ended			Year ended		
	31-12-2025 RM'000	31-12-2024 RM'000	Change %	31-12-2025 RM'000	31-12-2024 RM'000	Change %
Total revenue						
Retail outlets	13,475	11,462	17.6	52,236	43,415	20.3
Office building	1,787	1,580	13.1	7,003	6,874	1.9
F&B restaurants	4,568	4,288	6.5	17,594	17,167	2.5
Industrial & others	3,315	2,568	29.1	11,992	10,997	9.0
Total	<u>23,145</u>	<u>19,898</u>	16.3	<u>88,825</u>	<u>78,453</u>	13.2
Net property income ("NPI")						
Retail outlets	8,424	5,561	51.5	30,913	22,182	39.4
Office building	354	385	(8.1)	1,879	1,989	(5.5)
F&B restaurants	4,557	4,280	6.5	17,412	17,135	1.6
Industrial & others	3,169	2,480	27.8	11,368	10,582	7.4
Property manager fee	(118)	(117)	0.9	(474)	(473)	0.2
Total	<u>16,386</u>	<u>12,589</u>	30.2	<u>61,098</u>	<u>51,415</u>	18.8
Investment income	294	217	35.5	1,132	897	26.2
Fair value adjustment on investment properties	(1,159)	(1,946)	(40.4)	(3,078)	(1,946)	58.2
Gain on disposal	100	-	100.0	100	-	100.0
Trust expenses	(1,682)	(1,121)	50.0	(5,307)	(4,337)	22.4
Islamic financing costs	(10,193)	(10,169)	0.2	(40,109)	(40,497)	(1.0)
Net income before tax	<u>3,746</u>	<u>(430)</u>	(971.2)	<u>13,836</u>	<u>5,532</u>	150.1

Review of Individual/Cumulative Quarter Results

Retail outlets

The retail segment reported total revenue of RM13.5 million for 4Q2025, an increase of RM2.0 million compared to RM11.5 million in the corresponding quarter of 4Q2024. The improvement was driven by higher rental income of RM1.7 million, parking income of RM0.1 million, and promotional income of RM0.2 million. Correspondingly, NPI increased by RM2.8 million to RM8.4 million.

For the full year under review, the retail segment recorded total revenue of RM52.2 million, representing an increase of RM8.8 million compared to RM43.4 million in the preceding year. The growth was mainly attributable to higher rental income of RM7.5 million, parking income of RM0.1 million, and promotional income of RM1.2 million. NPI increased by RM8.7 million to RM30.9 million, partly moderated by higher operating expenses of RM0.1 million across all retail outlets.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B1. REVIEW OF PERFORMANCE (cont'd.)

Office building

The office segment reported total revenue of RM1.8 million for 4Q2025, an increase of RM0.2 million compared to RM1.6 million in 4Q2024, principally attributable to a higher occupancy rate of 90% (2024: 88%). NPI remained at RM0.4 million, unchanged from 4Q2024, as the increase in rental income was balanced by higher property operating expenses during the quarter.

For the full year under review, the office segment recorded total revenue of RM7.0 million, a slight increase of RM0.1 million compared to RM6.9 million in the preceding year, mainly attributable to higher rental income. NPI decreased marginally by RM0.1 million to RM1.9 million, primarily due to higher property operating expenses, notwithstanding the increase in revenue.

F&B restaurants

The F&B segment reported total revenue of RM4.6 million for 4Q2025, an increase of RM0.3 million compared to RM4.3 million in 4Q2024. NPI was RM4.6 million, up RM0.3 million from RM4.3 million in the corresponding quarter, reflecting stable performance under the Triple Net arrangement with a 100% occupancy rate (2024: 100%).

For the full year under review, the F&B segment recorded total revenue of RM17.6 million, an increase of RM0.4 million compared to RM17.2 million in the preceding year. NPI rose marginally by RM0.3 million to RM17.4 million, consistent with the higher rental income. The properties continued to deliver steady contributions, with no material changes noted during the year.

Industrial & Others

The industrial & others segment reported total revenue of RM3.3 million for 4Q2025, an increase of RM0.7 million compared to RM2.6 million in 4Q2024. NPI rose to RM3.2 million, up RM0.7 million from RM2.5 million in the corresponding quarter, mainly reflecting the higher revenue contribution.

For the full year under review, the segment recorded total revenue of RM12.0 million, an increase of RM1.0 million compared to RM11.0 million in the preceding year. NPI increased by RM0.8 million to RM11.4 million, supported by higher rental income, though the improvement was partly moderated by one-off expenses of RM0.2 million incurred during the year.

Overall

Al-Salām REIT recorded a total NPI of RM16.4 million for 4Q2025, an increase of RM3.8 million compared to RM12.6 million in 4Q2024. The improvement was primarily supported by stronger contributions from retail outlets, F&B restaurants, and the industrial & others segment. Investment income rose by RM0.1 million, while the fair value loss on investment properties was lower compared to the corresponding quarter. Operating expenses increased by RM0.6 million, and Islamic financing costs remained stable. Consequently, Al-Salām REIT recorded a net income before tax of RM3.7 million, compared to a net loss of RM0.4 million in 4Q2024.

For the full year under review, Al-Salām REIT recorded a total NPI of RM61.1 million, an increase of RM9.7 million compared to RM51.4 million in the preceding year. The improvement was mainly driven by stronger contributions from retail outlets, F&B restaurants, and the industrial & others segment. Operating expenses increased by RM1.0 million, while Islamic financing costs decreased by RM0.4 million. Consequently, Al-Salām REIT recorded a net income before tax of RM13.8 million, representing a 150% increase compared to RM5.5 million in the corresponding period last year.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B2. MATERIAL CHANGES IN NET INCOME BEFORE TAXATION FOR THE QUARTER AS COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

	Quarter ended		Change %
	31-12-2025 RM'000	30-09-2025 RM'000	
Total revenue			
Retail outlets	13,475	13,279	1.5
Office buildings	1,787	1,760	1.5
F&B restaurants	4,568	4,298	6.3
Industrial & others	3,315	2,892	14.6
	23,145	22,229	4.1
Net property income ("NPI") :			
Retail outlets	8,424	7,955	5.9
Office buildings	354	435	(18.6)
F&B restaurants	4,557	4,147	9.9
Industrial & others	3,169	2,775	14.2
Property manager fee	(118)	(119)	(0.8)
	16,386	15,193	7.9
Investment income	294	332	(11.4)
Fair value adjustment on investment properties	(1,159)	(680)	70.4
Gain on disposal	100	-	
Trust expenses	(1,682)	(1,301)	29.3
Islamic financing costs	(10,193)	(9,768)	4.4
Net income/(loss) before tax	3,746	3,776	(0.8)

Al-Salām REIT posted a profit before tax of RM3.7 million in 4Q2025, a marginal decline of 0.8% compared to RM3.8 million in the preceding quarter. The weaker result was mainly due to higher fair value loss on investment properties of RM0.4 million, increased trust expenses RM0.4 million, and higher Islamic financing costs of RM0.5 million. These impacts were partly offset by stronger NPI growth of RM1.2 million, supported by improved contributions from retail, F&B, and industrial segments. After accounting for these factors, Al-Salām REIT delivered a slightly lower quarterly performance compared to 3Q2025.

B3. CHANGES IN NET ASSET VALUE

	As at	As at
	31-12-2025 RM'000	30-09-2025 RM'000
Net asset value ("NAV")	651,975	651,019
NAV per unit (RM)	1.1241	1.1224

As at 31 December 2025, the Net Asset Value (NAV) was higher by RM1.0 million compared to the immediate preceding quarter. This increase was mainly due to the recognition of comprehensive income amounting to RM3.7 million and taxation of RM0.2 million, which was offset by the payment of the third interim income distribution of RM3.0 million.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B4. PROSPECTS

Malaysia's economic outlook remains cautiously optimistic, supported by accommodative monetary policy and liquidity measures that are expected to sustain domestic demand. Nonetheless, higher costs arising from the expanded Sales and Service Tax (SST) and external trade uncertainties, particularly from U.S. tariff actions, may weigh on consumer spending and business sentiment.

Against this backdrop, Al-Salam REIT remains resilient, underpinned by stable inflation and government initiatives to spur domestic consumption. The rejuvenation of KOMTAR JBCC continues to strengthen the retail segment, while asset enhancement initiatives ("AEI") and ongoing maintenance works are expected to enhance asset offerings and position the trust for growth ahead of the Johor Bahru–Singapore RTS Link.

In 4Q2025, Al-Salam REIT delivered stronger performance, supported by higher contributions across retail, F&B, and industrial segments. Operating and maintenance expenses were well managed, while financing costs remained stable. These factors, together with proactive asset management, reinforce the trust's ability to sustain growth momentum.

With continued emphasis on rental growth, occupancy optimisation, and strategic asset rejuvenation, Al-Salam REIT is well-positioned to capture emerging opportunities in Johor Bahru's retail and commercial sectors despite prevailing economic uncertainties.

Based on the Manager's guidance in earlier quarter, Al-Salam REIT managed to deliver a satisfactory performance for the financial year ended 31 December 2025, supported by stable contributions from its diversified portfolio, ongoing asset enhancement initiatives, and the rejuvenation of KOMTAR JBCC. While external economic uncertainties and higher operating costs may pose challenges, the trust remains resilient with strong fundamentals and proactive strategies to sustain rental growth and occupancy levels. Barring any unforeseen circumstances, the Al-Salam maintains its expectation for a satisfactory overall performance in 2026.

B5. UTILISATION OF PROCEEDS RAISED FROM ANY ISSUANCE OF NEW UNITS

There was no issuance of new units during the current quarter.

B6. TAX

	The Group		The Fund	
	31-12-2025	31-12-2024	31-12-2025	31-12-2024
	RM'000	RM'000	RM'000	RM'000
Tax expense				
- Real Property Gain Tax	80	-	80	-
- Deferred tax	135	248	135	248
	215	248	215	248

Pursuant to the amendment of Section 61A of the Income Tax Act, 1967, under the Finance Act 2006 which was gazetted on 31 December 2006, where in the basis period for a year assessment, 90% or more of the total income of the trust is distributed to unitholders, the total income of the trust for that year of assessment shall be exempted from tax.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B6. TAX (cont'd.)

In accordance with the Deed, the Fund is required to distribute at least 90% of its distributable income. The Manager also expects to distribute the net income within 2 months from the end of each financial year and accordingly, no estimated current tax payable or deferred tax is required to be provided in the financial statements.

The deferred tax liability has been provided for the investment properties at 10% which reflects the expected manner of recovery of the investment properties i.e. recovered through sale.

B7. INCOME DISTRIBUTION

Income distributions to unitholders is derived from the following sources:

	Quarter ended		Year ended	
	31-12-2025 RM'000	31-12-2024 RM'000	31-12-2025 RM'000	31-12-2024 RM'000
Net rental income	23,145	19,898	88,825	78,453
Investment revenue	294	218	1,132	898
Less: Unbilled rental income	(681)	(680)	(2,700)	(3,090)
	22,758	19,436	87,257	76,261
Less: Expenses	(18,273)	(18,600)	(73,122)	(71,873)
Realised/distributable income for the quarter/period	4,485	836	14,135	4,388
Previous year's undistributed realised income	10,676	10,224	9,726	9,396
Total realised income available for distribution	15,161	11,060	23,861	13,784
Less: Income to be distributed for the quarter/period	(4,060)	(1,334)	(12,760)	(4,058)
Balance undistributed realised income	11,101	9,726	11,101	9,726
Distribution per unit (sen)	0.70	0.23	2.20	0.70

B8. GAIN OR LOSS ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no disposal of unquoted securities during the current quarter.

B9. PURCHASE AND DISPOSAL OF QUOTED SECURITIES

There were no purchase or disposal of quoted securities during the current quarter.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B10. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED

On 6 March 2025, on behalf of the Manager, KAF Investment Bank Berhad announced that Al-Salām REIT entered into a land sale and purchase agreement with Lagi Tegas Sdn. Bhd. to dispose of property located at Petaling Jaya, Selangor Darul Ehsan for a total cash consideration of RM10.0 mil ("Proposed Disposal"). The Proposed Disposal is expected to be completed in the fourth quarter of 2025.

B11. TRADE RECEIVABLES

	The Group	
	As at 31-12-2025 RM'000	As at 31-12-2024 RM'000
Current		
Third parties	7,294	6,566
Related companies	2,673	8,929
	9,967	15,495
Less: Allowance for expected credit loss	(3,956)	(3,956)
	6,011	11,539
Unbilled rental income	25,837	23,137
	31,848	34,676

Trade receivables comprise rental receivable from lessees. The credit period granted by the Group and the Fund on rental receivable from lessees generally ranges from 1 to 7 days (2024: 1 to 7 days).

Unbilled rental income

Unbilled rental income relate to the Group's rights to recognise revenue. Rental income is recognised on a straight line basis including rent free period. Rental will be billed in accordance with the billing terms as set out in the tenancy agreements.

The aging analysis of the Group's trade receivables is as follows:

	As at 31-12-2025 RM'000	As at 31-12-2024 RM'000
	1 - 30 days	2,300
31 - 60 days	779	1,852
61 - 90 days	161	1,509
91 - 120 days	348	1,364
More than 120 days	6,379	7,137
	9,967	15,495

During the financial year, the Group and the Fund derecognised past lease receivables of RMnil (2024: RMnil) in respect of waiver of lease receivables and rental concessions given to tenants.

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B12. ISLAMIC FINANCING

	The Group	
	As at 31-12-2025 RM'000	As at 31-12-2024 RM'000
<u>Non-current</u>		
Secured		
- Term Financing-i ("TF-i")	-	118,000
- Business Financing-i ("BF-i")	60,000	70,000
- Sukuk Ijarah	-	409,500
- Sukuk Wakalah	455,000	-
	515,000	597,500
Less: Transaction costs	(2,277)	(3,222)
	512,723	594,278
<u>Current</u>		
Secured		
- Term Financing-i ("TF-i")	118,000	-
- Sukuk Ijarah	-	45,500
	118,000	45,500
Less: Transaction costs	(25)	-
	117,975	45,500
Total Islamic Financing	630,698	639,778

Term Financing-i

The TF-i profit is payable over a period of 60 months from the date of first disbursement. The effective profit rate for the TF-i will be based on COF which is based on the Bank's COF + 1.45% per annum for the duration of the TF-i. The average effective profit rate for the TF-i is 5.27% (2024: 5.45%) per annum. The principal amount is expected to be paid in March 2024. The Bank, via letter dated 4 March 2024 agreed to extend the tenure for another 2 years to March 2026.

As at 31 December 2025, the current liabilities have exceeded the current assets by RM42.1 million. The Manager has requested the extension and expects the refinancing via Sukuk Wakalah programme.

The TF-i has a significant covenant in which the subsidiary shall at all times, maintain the following criteria:

- The financing payment cover ratio ("FPCR") of not less than 1.25 times;
- Total debts and financing over total assets value of not more than 50%; and
- Minimum security cover of 1.25 times.

The financing is secured by the investment properties amounting to RM167.3 million (2024: RM169.5 million)

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B12. ISLAMIC FINANCING

Business Financing-i

The BF-i profit is payable over a period of 72 months from the date of first disbursement. The effective profit rate for the BF-i will be based on COF which is based on the Bank's COF + 0.60% per annum for the duration of the BF-i. The average effective profit rate for the BF-i is 5.30% (2024: 5.30%) per annum. The principal amount is to be expected to be paid in September 2027.

The BF-i has a significant covenant in which the subsidiary shall at all times, maintain the following criteria:

- (a) The financing payment cover ratio ("FSCR") of not less than 1.25 times;
- (b) Total debts and financing over total assets value of not more than 50%; and
- (b) Minimum security cover of 1.30 times.

The financing is secured by the investment properties amounting to RM66.9 million (2024: RM66.6 million)

Sukuk Ijarah

The Group established a Sukuk Ijarah Programme comprising IMTN of up to RM1.5 billion in nominal value.

On 24 August 2020, the Group issued RM520.0 million in nominal value of IMTNs ("Issue 2") which bears profit rate of 4.83% to 5.60% (2022: 3.75% to 5.09%) per annum. The Group redeemed RM69.0 million and RM451.0 million in nominal value of IMTNs ("Issue 2") on 24 September 2021 and 24 August 2023

On 24 August 2023, the Group issued RM455.0 million in nominal value of IMTNs ("Issue 3") which bears profit rate of 6.01% to 6.35% (2024: 6.03% to 6.25%) per annum. The principal amount is to be expected to be paid in 24 August 2026.

On November 2025, the Group paid the outstanding with issuance of Sukuk Wakalah.

The Sukuk Ijarah Programme has a significant covenant in which the subsidiary, Al-Salām REIT and its subsidiary shall at all times, maintain the following financial covenants:

- (a) Finance Service Cover Ratio ("FSCR") at Issuer level of not less than 1.5 times;
- (b) FSCR at Al-Salām REIT level of not less than 1.5 times;
- (c) Minimum Security Cover Ratio of at least 2.0; and
- (c) such other financial covenant(s) as may be determined by the Rating Agency and to be mutually agreed to by ALSREIT Capital Sdn Bhd.

The financing is secured by the investment properties amounting to RM727.2 million (2024: RM946.9 million)

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B12. ISLAMIC FINANCING (cont'd.)

Sukuk Wakalah

On 29 August 2025, Al-Salām REIT, through its wholly-owned special purpose vehicle, ALSREIT Capital Sdn Bhd (“ALSREIT Capital”), lodged a Sukuk Wakalah Programme of up to RM3.0 billion with the Securities Commission Malaysia.

On 24 November 2025, ALSREIT Capital issued RM455.0 million in nominal value of IMTNs pursuant to the Sukuk Wakalah Programme, bearing a profit rate of 3.95% per annum with a tenure of five (5) years. The proceeds were utilised to redeem Sukuk Ijarah Issue 3 amounting to RM455.0 million. The principal is payable on 24 November 2030.

The RM455.0 million issuance (the “Guaranteed Sukuk Wakalah”) is guaranteed by Credit Guarantee and Investment Facility (“CGIF”) and contains financial covenants in which the subsidiary, Al-Salām REIT and its subsidiary shall at all times, maintain the following financial covenants:

- (a) Finance-to-Asset Ratio is not more than 0.50 times;
- (b) Finance Service Cover Ratio ("FSCR") of not less than 1.25 times; and
- (c) Security Cover Ratio shall not be less than 1.40 times.

The financing is secured by investment properties amounting to RM753 million (2024: RM752 million).

Revolving Credit

As of 31 December 2025, the Fund had unutilised revolving credit facilities amounting to RM10.0 million (2024: RM10.0 million) granted by a financial institution. The said facility is secured by an investment property amounting to RM18.7 million (2024: RM18.7 million).

AL-SALĀM REIT

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the Fourth Quarter Ended 31 December 2025

B. ADDITIONAL INFORMATION PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD'S MAIN MARKET LISTING REQUIREMENTS

B13. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

For the current quarter, the Group does not have any off balance sheet financial instruments.

B14. MATERIAL LITIGATION

There was no material litigation as at the date of the current quarter.

B15. SOFT COMMISSION RECEIVED

There was no soft commission received by the Manager in the current quarter.

B16. SUMMARY OF DPU, EPU AND NAV

	Current Quarter ended 31-12-2025	Immediate Preceding Quarter ended 30-09-2025
Number of units in issue (units)	580,000,000	580,000,000
Earnings per unit (EPU) - sen	0.68	0.58
Net income distribution to unitholders (RM'000)	4,060	3,016
Distribution per unit (DPU) - sen	0.70	0.52
Net Asset Value (NAV) - RM'000	651,975	651,019
NAV per unit (RM)	1.1241	1.1224
Market Value Per Unit (RM)	0.4900	0.4800

B17. RESPONSIBILITY STATEMENT

This quarterly report has been prepared in accordance with MFRS 134 : Interim Financial Reporting and Paragraph 9.44 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to give a true and fair view of the financial position of Al-Salām REIT as at 31 December 2025 and of its financial performance and cash flows for the period then ended.