

07

CORPORATE GOVERNANCE REPORT

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al-aqar
HEALTHCARE REIT



BOARD OF DIRECTORS

DATUK HASHIM BIN WAHIR

Chairman,
Independent
Non-Executive Director

**ABDULLAH BIN ABU SAMAH**

Independent
Non-Executive Director

**SHAMSUL ANUAR BIN**

ABDUL MAJID
Non-Independent
Non-Executive Director
(Resigned w.e.f. 31 March 2026)

**DATIN UNGKU SUSEELAWATI**

BINTI UNGKU OMAR
Independent
Non-Executive Director

**ONG LI LEE**

Independent
Non-Executive Director

**GOH TIAN SUI**

Independent
Non-Executive Director

BOARD OF DIRECTORS

DATUK Sr AKMAL BIN AHMAD

Non-Independent
Non-Executive Director
(Alternate Director:
Ahmad Fadzli bin Zainudin)



DATO' HAJI MOHAMMED RIDHA BIN DATO' HAJI ABD KADIR

Non-Independent
Non-Executive Director
(Resigned w.e.f. 31 March 2026)



LAILATUL AZMA BINTI ABDULLAH

Independent
Non-Executive Director
(Resigned w.e.f. 4 August 2025)



ABDUL AZIZ BIN ABDUL RASHEED

Non-Independent
Non-Executive Director

Company Secretaries



**NURALIZA BINTI
A. RAHMAN**
(MAICSA 7067934)



ROHAYA BINTI JAAFAR
(LS0008376)
(Retired w.e.f. 31 August 2025)

Notes: - None of the Board of Directors have:

- Any family relationship with any Director of Manager and/or major unitholder of Al-`Aqar;
- Any conflict of interest with Al-`Aqar;
- Any conviction of interest within the past 5 years (other than traffic offences); and
- Any public sanctions or penalties imposed by the relevant regulated bodies during the financial year ended 31 December 2025.

BOARD OF DIRECTORS



DATUK HASHIM BIN WAHIR

Chairman, Independent
Non-Executive Director

Gender: Male

Age: 68

Nationality: Malaysia

Date of Appointment:

- Appointment as Director on 24 January 2022
- Re-designation as Chairman on 31 December 2024

Board Memberships and Committees:

N/A

Number of Board Meeting Attended:
8/8

Academic and Professional Qualifications

- Bachelor of Engineering (Honours) in Mechanical Engineering, Universiti Teknologi Malaysia
- Executive Development Programme, Ashridge Management College, UK
- Executive Development Programme, Johnson School of Management, Cornell University, USA
- Capital Markets Services Representatives License Holder

Working Experience

Current Appointment

Nil

Past Appointment/Experiences

- Director, PETRONAS Hartabina Sdn Bhd (2013)
- Group Chief Executive Officer/ Executive Director, KLCC (Holdings) Sdn Bhd (2013)
- Chief Executive Officer, KLCC REIT Management Sdn Bhd - Manager of KLCCP Stapled Group (2013)
- KLCC Property Holdings Berhad (2007)
- Country Chairman, Petronas Sudan Operations, Khartoum (2004)
- Petronas Carigali Sdn Bhd (1981)

Other Directorship Listed Issuer

- Al-Salām REIT
- AWC Berhad

Public Companies

Nil

Courses Attended

- Balancing Judgement, Integrity and Foresight
- Strategic Oversight in Strategy Implementation: Getting Execution Right
- JCorp Future Forward Leadership Series 2025
- Excellence in Managing Board
- Training on Annual Risk & Compliance Awareness 2025

Membership of Board Committees



Board Audit and Risk Committee



Board Investment Committee



Board Nomination and Remuneration Committee

BOARD OF DIRECTORS



ABDULLAH BIN ABU SAMAH

Independent Non-Executive Director

Gender: Male

Age: 60

Nationality: Malaysia

Date of Appointment:
10 March 2021

Board Memberships and Committees:



Number of Board Meeting Attended:
8/8

Academic and Professional Qualifications

- Bachelor of Science in Business Administration, University of the Pacific, USA
- Master of Business Administration, University of Washington, USA
- Malaysian Institute of Accountants
- Malaysian Institute of Certified Public Accountants

Working Experience/Occupation

Current Appointment

Nil

Past Appointments/Experiences

- Licensed Partner for Audit of Financial Statements of Companies Listed and Non-Listed, KPMG Malaysia Partner (Audit) (1997)
- Managing the Audit and the Financial Statements of Companies, KPMG Malaysia Audit Manager (1993)
- Fieldwork of Audit of Financial Statements, KPMG Malaysia Audit Staff (1983)

Other Directorship Listed Issuer

- Al-Salām REIT
- Media Prima Berhad
- Johor Plantations Group Berhad

Public Companies

Nil

Course Attended

- MIA International Accountants Conference 2025

BOARD OF DIRECTORS



SHAMSUL ANUAR BIN ABDUL MAJID

Non-Independent Non-Executive Director
(Resigned w.e.f. 31 March 2026)

Gender: Male

Age: 54

Nationality: Malaysia

Date of Appointment:
24 August 2020

Board Memberships and Committees:



Number of Board Meeting Attended:
7/8

Academic and Professional Qualifications

- Bachelor of Science (Honours) Chemistry, Imperial College London, UK
- Master of Business Administration (MBA) Islamic Finance, International Islamic University Malaysia
- Member, Chartered Financial Analyst (CFA), CFA Institute, Charlottesville, Virginia, USA

Working Experience/Occupation Current Appointment

- Chief Investment Officer, Johor Corporation

Past Appointments/Experiences

- General Manager, Johor Corporation (2019)
- Director and Principal Partner, Fikiran Sepakat Sdn Bhd (2017)
- Special Officer to the Managing Director, Iskandar Waterfront Holdings (2014)
- Executive Vice President, Strategy & Feasibility, Iskandar Investment Berhad (2011)

Other Directorship Listed Issuer

- Al-Salām REIT
- KPJ Healthcare Berhad
- Johor Plantations Group Berhad

Public Companies

- QSR Brands (M) Holdings Berhad
- Kulim (M) Berhad

Courses Attended

- Malaysian International Healthcare Megatrends
- Fortune Innovation Forum 2025
- JCorp Future Forward Leadership Series
- Mandatory Accreditation Programme Part II: Leading for Impact

Membership of Board Committees



Board Audit and Risk Committee



Board Investment Committee



Board Nomination and Remuneration Committee

BOARD OF DIRECTORS



DATUK Sr AKMAL BIN AHMAD

Non-Independent Non-Executive Director
(Alternate Director:
Ahmad Fadzli bin Zainudin)

Gender: Male

Age: 59

Nationality: Malaysia

Date of Appointment:
21 January 2021

Board Memberships and Committees:

BARC

Number of Board Meeting Attended:
8/8

Academic and Professional Qualifications

- Diploma in Quantity Surveying, Universiti Teknologi MARA
- Bachelor of Science in Quantity Surveying, Universiti Teknologi MARA

Working Experience

Current Appointment

- Director, Real Estate & Infrastructure Division, Johor Corporation
- Group Managing Director, JLand Group Sdn Bhd

Past Appointments/Experiences

- Executive Director, JLand Group Sdn Bhd (2022)
- Group Managing Director, Johor Land Berhad (2022)
- Chief Operating Officer, Iskandar Investment Berhad (2020)
- Chief Executive Officer, Iskandar Development Management Services Sdn Bhd (IIB subsidiary) (2018)
- Chief Development Officer, Iskandar Investment Berhad (2016)

Other Directorship Listed Issuer

- Al-Salām REIT

Public Companies

- JLG Integra Berhad (Formerly known as Damansara Holdings Berhad)

Courses Attended

- Jcorp Group Finance Conference 2025
- IBTEC Circular Economy Blueprint Ideation Session
- JCorp Future Forward Leadership Series 2025
- Deloitte Connect 2025: The Future is Intelligent
- Directors' Responsibilities Program by Asia School of Business

BOARD OF DIRECTORS



DATO' HAJI MOHAMMED RIDHA BIN DATO' HAJI ABD KADIR

Independent Non-Executive Director
(Resigned w.e.f. 31 March 2026)

Gender: Male

Age: 55

Nationality: Malaysia

Date of Appointment:
22 August 2024

**Board Memberships and
Committees:**

N/A

Number of Board Meeting Attended:
2/8

Academic and Professional Qualifications

- Bachelor of Resource and Environmental Economics, Universiti Pertanian Malaysia
- Master of Technology Management, Universiti Teknologi Malaysia

Working Experience/Occupation Current Appointment

- State Secretary of Johor, Johor State Secretary's Office

Past Appointments/Experiences

- State Financial Officer of Johor, Johor State Treasury Office (2026)
- Deputy State Secretary of Johor (Development), Johor State Secretary's Office (2022)
- Director, Johor Land and Mines Office (2019)

Other Directorship Listed Issuer

- Al-Salām REIT

Public Companies
Nil

Courses Attended

- Mandatory Accreditation Programme Part II: Leading for Impact
- Program Kepimpinan Dinamik dan Pemantapan Sinergi Berpasukan Perbendaharaan Negeri Johor 2025

Membership of Board Committees



Board Audit and Risk
Committee



Board Investment
Committee



Board Nomination and
Remuneration Committee

BOARD OF DIRECTORS



LAILATUL AZMA BINTI ABDULLAH

Independent Non-Executive Director
(Resigned w.e.f. 4 August 2025)

Gender: Female

Age: 54

Nationality: Malaysia

Date of Appointment:
16 December 2022

**Board Memberships and
Committees:**



Number of Board Meeting Attended:
4/4

Academic and Professional Qualifications

- Bachelor of Science, (First Class Honours) Quantity Surveying, University of Reading, UK
- Master of Science, (Distinction) - IT Management in Construction, University of Salford, UK
- Master of Laws (LLM) Corporate Governance, The University of Law, UK

Working Experience/Occupation

Current Appointment

- Nil

Past Appointments/Experiences

- Head of Partnership, Specialised Sports Services Sdn Bhd (2022)
- Head of Branding and Advertising, Destination, Resorts and Hotels Sdn Bhd (Subsidiary of Khazanah) (2014)
- Director, Asset Management & Investment Committee for CIMB Trust-Capital Sdn Bhd, CIMB Group Berhad (2011)

- Senior Manager (Asset Management), CIMB Group Berhad (2010)
- Head of Property Development and Management, CIMB Group Berhad (2007)
- Head of Business Development, X-Txt Asia Sdn Bhd (2006)
- Chief of Operations, GCS Sdn Bhd (2004)
- Contracts Manager, GCS Sdn Bhd (1997)
- Quantity Surveyor, Project Executive, Davis, Langdon & Seah Malaysia (JUBM Sdn Bhd) (1995)

Other Directorship

Listed Issuer

- Al-Salām REIT
- Varia Berhad

Public Companies

Nil

BOARD OF DIRECTORS



DATIN UNGKU SUSEELAWATI BINTI UNGKU OMAR

Independent Non-Executive Director

Gender: Female

Age: 67

Nationality: Malaysia

Date of Appointment:
21 January 2025

**Board Memberships and
Committees:**

BIC

Number of Board Meeting Attended:
8/8

Academic and Professional Qualifications

- Bachelor Marketing, Lancaster University, UK

Working Experience/Occupation Current Appointment

- Executive Director & Regional Head of Retail, SEA, Nawawi Tie Leung

Past Appointments/Experiences

- General Manager (Retail Development KLCC Holdings) (2000)
- Project Manager, Metrojaya Berhad (1993)
- Head of Development Section Petronas Gas Sdn Bhd (1990)

Other Directorship Listed Issuer

- Al-Salām REIT

Public Companies

- PHB Property Ventures Berhad

Course Attended

- JCorp Future Forward Leadership Series 2025

Membership of Board Committees



Board Audit and Risk
Committee



Board Investment
Committee



Board Nomination and
Remuneration Committee

BOARD OF DIRECTORS



ONG LI LEE

Independent Non-Executive Director

Gender: Female

Age: 65

Nationality: Malaysia

Date of Appointment:
4 August 2025

Board Memberships and Committees:



Number of Board Meeting Attended:
5/5

Academic and Professional Qualifications

- Chartered Governance Institute (previously known as The Institute of Chartered Secretaries & Administrators) under London School of Accountancy.

Working Experience

Current Appointment

- Member of the Board of Governors, Yayasan Bursa Malaysia

Past Appointments/Experiences

- Executive Director, ET Smart Wealth Sdn Bhd (2024)
- Advisor, EquitiesTracker Holdings Bhd (ETH) (2024)
- Director of Securities Market, Bursa Malaysia (2018)
- Head, Information Services Division, Bursa Malaysia (2013)
- Head of Sales & Marketing, Information Services Division, Bursa Malaysia (2010)

- Head, Research & External Affairs, Finance & Strategy Division, Bursa Malaysia (2006)
- Head, Brand Management & Yayasan Bursa Malaysia, Group Business Development, Bursa Malaysia (2005)

Other Directorship

Listed Issuer

- Al-Salām REIT
- Johor Plantations Group Berhad

Public Companies

Nil

Courses Attended

- Audit Oversight Board: Conversation with Audit Committee
- Malaysia Carbon Market Forum 2025
- JCorp Future Forward Leadership Series 2025
- National Climate Governance Summit 2025
- Mandatory Accreditation Programme Part II: Leading for Impact

BOARD OF DIRECTORS



GOH TIAN SUI

Independent Non-Executive Director

Gender: Male

Age: 70

Nationality: Malaysia

Date of Appointment:
21 January 2025

Board Memberships and Committees:



Number of Board Meeting Attended:
8/8

Academic and Professional Qualifications

- Bachelor of Science University of Reading, UK

Working Experience

Current Appointment
Nil

Past Appointments/Experiences

- Independent Non-Executive, IJM Corporation Berhad (2024)
- Independent Non-Executive Director, IJM Land Berhad (2015)
- Independent Non-Executive Director, GLM REIT Management Sdn Bhd (2010)
- Managing Director, C H Williams Talhar & Wong Sdn Bhd (2010)
- Deputy Manager, C H Williams Talhar & Wong Sdn Bhd (2003)
- Director, C H Williams Talhar & Wong Sdn Bhd (2001)
- Associate Manager, C H Williams Talhar & Wong Sdn Bhd (1989)

Other Directorship Listed Issuer

- Al-Salām REIT

Public Companies

Nil

Courses Attended

- JCorp Future Forward Leadership Series
- 32nd National Real Estate Convention

Membership of Board Committees



Board Audit and Risk Committee



Board Investment Committee



Board Nomination and Remuneration Committee

BOARD OF DIRECTORS



ABDUL AZIZ BIN ABDUL RASHEED

Non-Independent Non-Executive Director

Gender: Male

Age: 49

Nationality: Malaysia

Date of Appointment:
4 August 2025

**Board Memberships and
Committees:**



Number of Board Meeting Attended:
4/5

Academic and Professional Qualifications

- Master of Business Administration, University of London, UK
- Bachelor of Engineering in Electrical and Electronic Engineering, University of Hertfordshire, UK
- Diploma in Management, Imperial College, UK

Working Experience

Current Appointment

- Managing Director, JLG Capital Sdn Bhd

Past Appointments/Experiences

- Head, Private Equity Real Estate (PERE), JLG Integra Berhad (Formerly known as Damansara Holdings Berhad) (2025)
- COO, Investment & Asset Management, Sime Darby Property Bhd (2023)

- CEO, Amanah Raya Kenedix REIT Manager Sdn Bhd (2021)
- Senior Manager - Investment Projects, AREA Group (2020)
- Head of Engineering, Axis REIT Managers Bhd (2017)

Other Directorship

Listed Issuer

- Al-Salām REIT

Public Companies

Nil

Courses Attended

- Mandatory Accreditation Programme Part II: Leading for Impact
- Leaders Solving for Tomorrow
- Integrity Awareness

SHARIAH COMMITTEE



DATO' (DR.) HAJI NOOH BIN GADOT

Chairman, Shariah Committee

Gender: Male

Date of Appointment:

22 June 2006

Age: 80

Nationality: Malaysia

Academic and Professional Qualifications

- **Bachelor Islamic Law and Syariah Islamiah**
Al-Azhar University, Egypt
- **Master of Arts**
Asia e University
- **Doctor of Philosophy (Human Development)**
Universiti Tun Hussein Onn Malaysia

Working Experience

He is a member of the Johor Royal Council and Islamic Religious Council (Johor). He retired as Mufti of Johor in November 2002 and continued his service until 13 November 2008 and now remains as the Advisor to the Islamic Religious Council (Johor). He was appointed as Federal Supreme Committee of Islamic Affairs Strengthening Management on 9 August 2018. His vast experience in Islamic practise and jurisprudence, juristic methodology, hadith and its sciences and spirituality were gained throughout his services as Acting Kadi, Syarie Lawyer Islamic Affair Officer Religious Department (Prime Minister Department), Acting Assistant Examination and Registrar Religious School of Johor State and Religious Teacher of Johor State.

Other Directorship

- Chairman of Yayasan Infaq Angkasa
- Shariah Adviser Member, Permodalan Nasional Berhad
- Director, Universiti Tun Hussein Onn Malaysia
- Director, Yayasan Wakaf Anak Yatim Malaysia
- Committee Member, Johor Islamic Council including Zakat, Wakaf, Baitulmal, Teaching Certification and Education
- Committee Member of various companies within the JCorp Group
- Committee Member of various councils including the Johor Royal Congregational Council, Johor Islamic Council's Finance and Investment, Planning and Development units



PROFESOR MADYA DR. ABDUL HALIM BIN MUHAMMAD *(Demised on 16 April 2026)*

Member, Shariah Committee

Gender: Male

Date of Appointment:

22 June 2006

Age: 79

Nationality: Malaysia

Academic and Professional Qualifications

- **Bachelor in Shariah**
Al-Azhar University, Egypt
- **Doctor of Philosophy (PhD) in Shariah**
University of St Andrews, Scotland

Working Experience

He began his career with Universiti Kebangsaan Malaysia as the Head of Department of Quran and Sunnah, Faculty of Islamic Studies and Lecturer at Faculty of Law Universiti Kebangsaan Malaysia

He has served as Shariah Advisor and Shariah committee member at several corporate organisation such as Tabung Haji, Bank Negara Malaysia, Dewan Bahasa dan Pustaka, Takaful Nasional and Terengganu Trust Fund as well as financial institutions namely, Bank Muamalat Malaysia Berhad, Bank Kerjasama Rakyat Malaysia Berhad, RHB Bank Berhad and Bank Pembangunan Malaysia Berhad.

SHARIAH COMMITTEE



ABOUT IBFIM

IBFIM is a registered Shariah Adviser under the Capital Market Services Act 2007 and has been providing a wide range of Shariah advisory and consultancy services for Islamic financial services industry since 2001. IBFIM is also a lifelong learning institution that specialises in technical certifications for Islamic financial services industry. As Shariah Adviser, IBFIM is providing necessary advice to ensure that AL-`Aqar business is Shariah compliant. IBFIM was appointed as the Shariah Adviser for the REIT effective 2 July 2020.

Profile of Designated Person responsible for Shariah matters relating to AL-`Aqar

In relation to Shariah matters, the designated persons responsible for overseeing the Shariah aspects of the fund's investment activities under AL-`Aqar is Irma Namira Binti Missnan.

Irma Namira is currently a Manager, Shariah Consultancy of IBFIM and a registered Shariah Officer with the Securities Commission of Malaysia for IBFIM in respect to the Islamic capital market-related product and services. She brings with her approximately 14 years of professional experience in Islamic finance and Shariah advisory.

At IBFIM, she is responsible for providing Shariah advisory, consultancy and research services covering Islamic banking, takaful, Islamic capital market, Islamic REITs and Islamic unit trust funds. Her responsibilities include advising on Shariah compliance, governance structures, and the application of Shariah principles in Islamic financial products and transactions.

Irma Namira commenced her career in 2012 as a Shariah executive in RHB Islamic Bank Berhad. Specialising in Shariah advisory, governance and management portfolios, she was then entrusted as a Section Head of the Shariah Secretariat of RHB Islamic Bank from May 2015 until March 2020 before joining IBFIM. She has extensive experience in the practical application of Shariah principles for Islamic financial products and services, encompassing retail banking, non-retail banking and Islamic capital markets.

Irma Namira graduated with Bachelor of Syariah and Laws (Hons) from Universiti Sains Islam Malaysia and obtained Certificate in Islamic Law of Banking & Finance from International Islamic University Malaysia. She also holds Certified Professional Shariah Auditor (CPSA) and Associate Qualification in Islamic Finance (AQIF) certifications from IBFIM. She is a fellow member of the Association of Shariah Advisors in Islamic Finance (ASAS).

Notes: - None of the Shariah Committee members have:

- Any family relationship with any Director of the Manager and/or major unitholder of AL-`Aqar;
- Any conflict of interest with AL-`Aqar;
- Any conviction of interest within the past 5 years (other than traffic offences); and
- Any public sanctions or penalties imposed by the relevant regulated bodies during the financial year ended 31 December 2025.

MANAGEMENT TEAM

ZULHILMY BIN KAMARUDDIN

Chief Executive Officer



Gender: Male

Age: 51

Nationality: Malaysian

Date of Appointment

4 November 2024

Academic and Professional Qualifications

- **Executive Development Programme**
Columbia Business School, New York, USA
- **Master of Accountancy**
Universiti Teknologi Mara, Shah Alam, Malaysia
- **BA (Hons) Accounting & Finance**
University of Kent, Canterbury, UK
- **Capital Market Service Representative's Licence (CMSRL) holder**

Directorship

- Fund Board Member Aman REIF, Muscat, Oman

Working Experience

- **Director, Group Client Coverage**
RHB Investment Bank Berhad (2011-2024)
- **Head, Investment Banking**
RHB Islamic Bank Bhd (2009-2011)
- **Assistant Vice President**
Corporate Finance, Maybank Investment Bank Bhd (2005-2009)

TAN JOON KAI

Chief Operating Officer



Gender: Male

Age: 54

Nationality: Malaysian

Date of Appointment

15 August 2024

Academic and Professional Qualifications

- **Bachelor of Commerce (Finance & Accounting)**
Flinders University of South Australia, Adelaide, Australia

Directorship

Nil

Working Experience

- **Senior Management Team (Pre & Post Opening Team)**
Pavilion Damansara Heights, Pavilion Bukit Jalil (2021-2024)
- **Head of Asset Management**
S P Setia Bhd (2019-2020)
- **Head of Property Management (Shopping Complexes, Condominiums, Commercials)**
Eng Lian Enterprise Sdn Bhd (1999-2015)

AHMAD NAZRI BIN MOHAMAD

Chief Financial Officer



Gender: Male

Age: 49

Nationality: Malaysian

Date of Appointment

17 February 2025

Academic and Professional Qualifications

- **Member**
Association of Chartered Certified Accountant (ACCA)
- **Member**
Malaysian Institute of Accountant
- **BA in Accounting and Finance (Hons)**
Lancaster University

Working Experience

- **Group Chief Financial Officer**
Theta Edge Berhad (2024)
- **Group Chief Financial Officer**
Ingress Corporation Berhad (2023)

MANAGEMENT TEAM

NOR SHAKIRA BINTI ZAINAL

Head, Governance & Legal



Gender: Female | **Age:** 41 | **Nationality:** Malaysian

Date of Appointment

7 April 2025

Academic and Professional Qualifications

- **Master of Criminal Justice**
University Malaya
- **Bachelor of Laws (Honours)**
International Islamic University Malaysia
- **Advocate & Solicitor (High Court of Malaya) 2014**

Directorship

Nil

Working Experience

- **Group Head Legal, Secretarial & Regulatory Management**
Theta Edge Berhad (2024-2025)
- **Senior Manager, Legal & Contract**
Malakoff Corporation Berhad (MMC Group) (2018-2024)
- **Legal Manager**
Pelabuhan Tanjung Pelepas Sdn Bhd (MMC Group) (2017-2018)
- **Legal Manager**
Zelan Berhad (MMC Group) (2016-2017)
- **Legal Associate**
Zul Rafique & Partners (2014- 2016)
- **Federal Counsel**
Attorney General's Chambers (2009-2014)

ROZIAH BINTI ABU BAKAR

Head, Corporate Services



Gender: Female | **Age:** 58 | **Nationality:** Malaysian

Date of Appointment

1 March 2016

Academic and Professional Qualifications

- **Enterprise Risk Advisor**
Institute of Enterprise Risk Practitioners
- **Master of Business Administration**
Henley Business School, University of Reading, UK
- **Bachelor of Arts, International Relations**
The University of British Columbia, Vancouver, Canada

Directorship

Nil

Working Experience

- **Senior Manager**
KFCH International College (2016)
- **Manager**
Akademi Johor Corporation (2013)
- **Deputy Manager**
Chief Operating Officer Office, Johor Corporation (2010)

Save as disclosed, none of the management team and key personnel have:

- Any family relationship with any Director of the Manager and/or any major unitholder of AL-`Aqar;
- Any conflict of interest with AL-`Aqar;
- Any convictions for offences within the past five (5) years (other than traffic offences); and
- Any public sanctions or penalties imposed by relevant regulatory bodies during the financial year ended 31 December 2025.

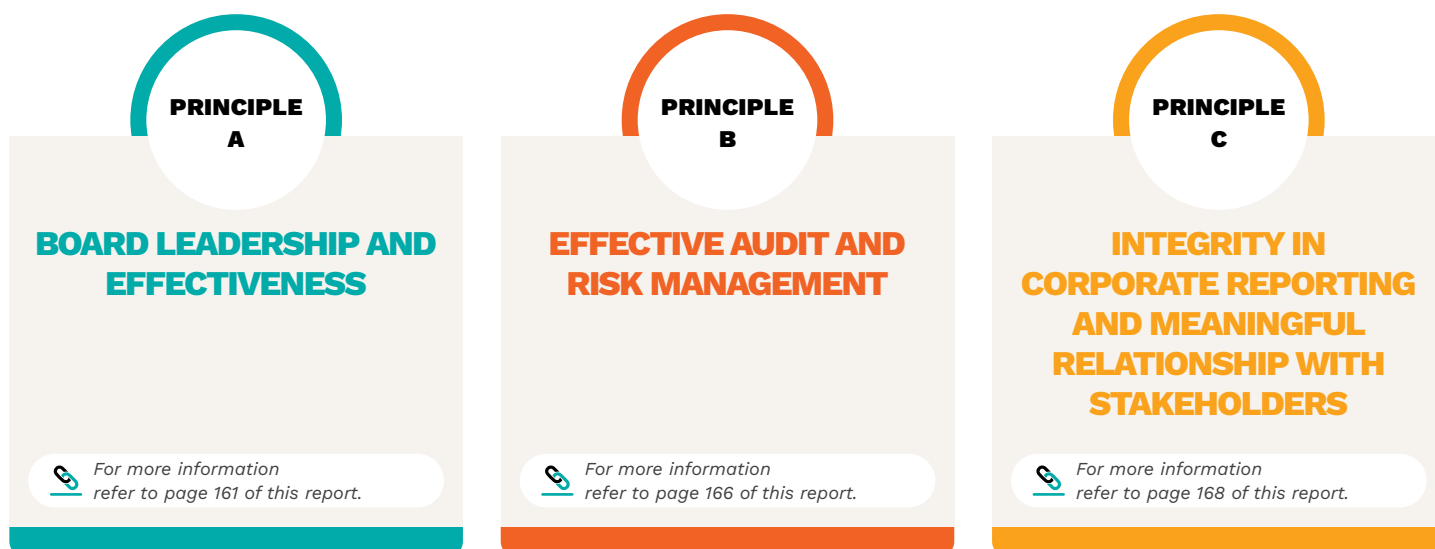
CORPORATE GOVERNANCE OVERVIEW STATEMENT

This Corporate Governance Overview Statement (“CG Statement”) outlines the key features of the REIT’s corporate governance framework, summarises the governance practices adopted during the financial year under review, and highlights the Board’s key focus areas and forward-looking priorities in strengthening governance standards.

The Board remains steadfast in its commitment to upholding a robust and effective governance framework across the REIT. The Board recognises that sound corporate governance is fundamental in supporting Management in achieving the REIT’s strategic objectives and ensuring the long-term sustainability of the business for the benefit of all stakeholders. The pursuit of high governance standards is a continuous and evolving process, taking into account changes in the REIT’s business environment, operational landscape, Board composition, and developments in governance practices and regulatory expectations.

In discharging its governance responsibilities, the Board has been guided by the Malaysian Code on Corporate Governance (“MCCG”) in implementing corporate governance practices, while ensuring full compliance with the MMLR of Bursa Malaysia, the Guidelines on Listed Real Estate Investment Trusts (“Listed REITs”), Bursa Malaysia Corporate Governance Guide (28 April 2021), and the Companies Act 2016.

This CG Overview Statement provides a summary of the REIT’s governance practices during the financial year, structured in reference to the three (3) key principles of the MCCG, together with their intended outcomes and recommended practices. In doing so, the Board has taken into consideration the REIT’s organisational structure, operational processes, business environment and industry-specific practices:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

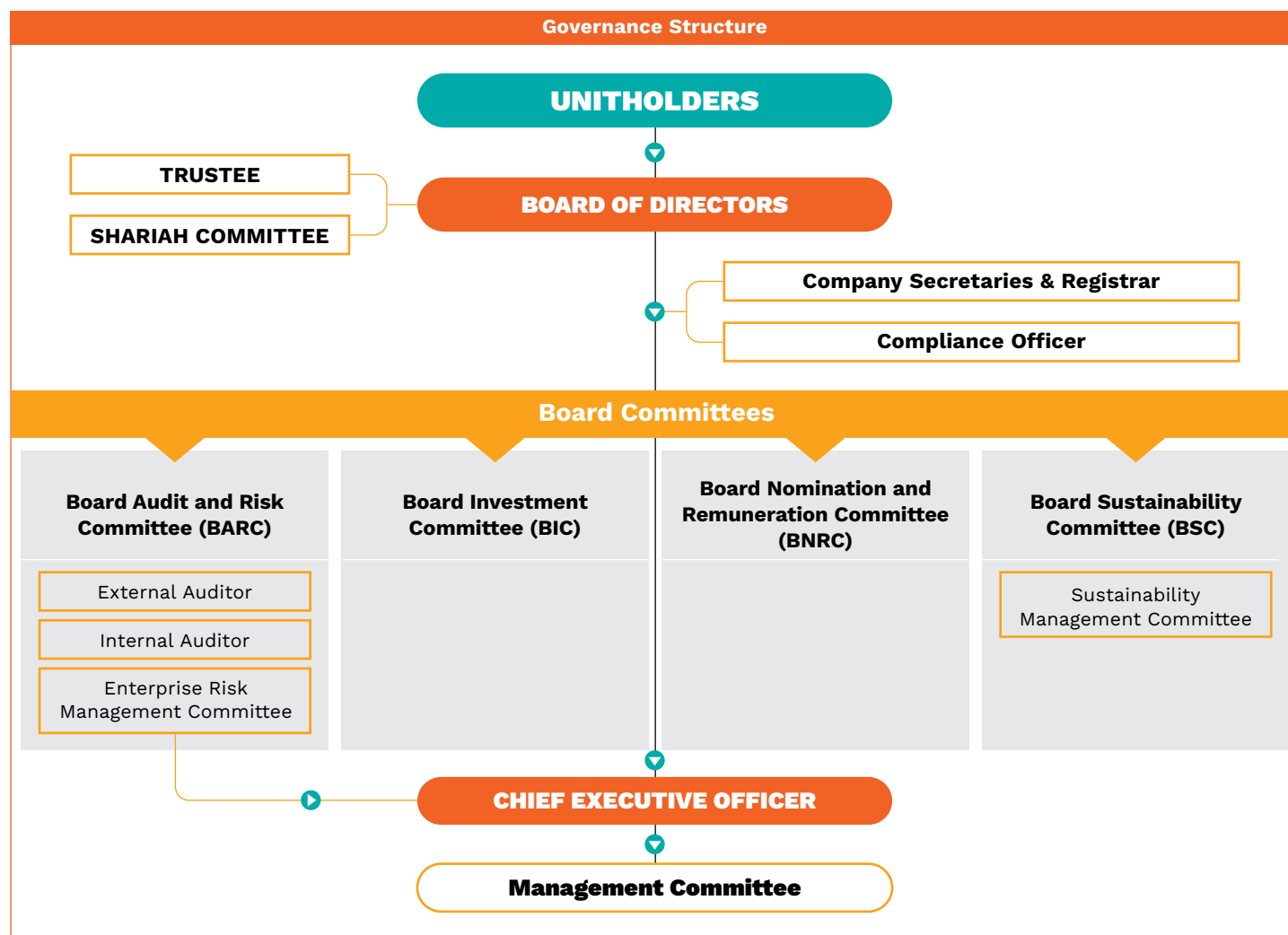
To ensure ongoing compliance with the latest corporate governance standards and regulatory requirements, the Board periodically reviews and enhances its governance policies, procedures and internal control mechanisms.

During the financial year under review, the Manager has applied all the applicable practices of the MCCG 2021, save for Practice 8.1 (detailed disclosure of individual directors' remuneration on a named basis, including a breakdown of fees, salary, bonus, benefits-in-kind and other emoluments) and Practice 8.2 (disclosure of senior management's remuneration).

The Corporate Governance Report, which provides detailed disclosures on the application of each practice under the MCCG, is available on the Fund's website at www.alaqar.com.my and via an announcement on the website of Bursa Malaysia Securities Berhad. This CG Overview Statement should be read in conjunction with other relevant sections of the IAR2025, including the Statement on Risk Management and Internal Control ("SORMIC"), the BARC Report, and the Sustainability Statement.

CORPORATE GOVERNANCE STRUCTURE

The governance structure of the REIT where the responsibilities of the Board are delegated to the relevant Board Committees and the Management is illustrated below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The main purpose of a governance structure is to address the central issues revolving the four components of the governance operating model summarised below:

COMPONENTS	SUBCOMPONENTS	DESCRIPTION
STRUCTURE	<ul style="list-style-type: none"> Committee structure and charters Organisational design and reporting lines Control and support function roles 	<ul style="list-style-type: none"> Outlines board and management committee structures, mandates, membership and charters Establishes design of governance framework Delineates organisational structure, reporting lines and relationships Highlights roles and independence of control and support functions from business owners
OVERSIGHT RESPONSIBILITIES	<ul style="list-style-type: none"> Committee (s) authorities and responsibilities Management accountability and authority Board oversight and responsibilities Reporting, escalation, and veto rights 	<ul style="list-style-type: none"> Outlines the type of committees (board and management) and associated responsibilities Specifies functional accountabilities for day-to-day management of business practices across the enterprise Delineates board and management approved policies supporting delegation of authority (decision rights) including reporting, escalation and veto rights
TALENT & CULTURE	<ul style="list-style-type: none"> Business and operating principles Core belief and risk culture Leadership development and talent programmes performance Management and incentives 	<ul style="list-style-type: none"> Aligns governance with operating and business principles Articulates core beliefs and foundation for culture Highlights characteristics of risk culture Outlines leadership succession, assessment, and development responsibilities Aligns performance management, approach, measures and responsibilities to compensation and incentive plans
INFRASTRUCTURE	<ul style="list-style-type: none"> Policies and Procedures 	<ul style="list-style-type: none"> Establishes design and content of policy manual and associated procedures Outlines type and frequency of internal reporting and communications Define scorecards, measures, and metrics to track performance Aligns technology and governance requirements

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD LEADERSHIP AND MANAGEMENT

The Board is chaired by an Independent Non-Executive Director and comprised of 4 other Independent Non-Executive Directors and 4 Non-Independent Non-Executive Directors. The Directors have a balance and depth of skills, experience, independence and knowledge of the Real Estate/ Property industry and the REIT business model, which enables them to discharge their respective duties and responsibilities effectively. Each Director and Senior Management were assessed for compliance with the Policy on Fit & Proper Criteria, their performance, and contribution to board effectiveness. Should any of them be found to be no longer fit and proper or is underperforming, the BNRC will take corrective measures to manage such events accordingly.

The Board is collectively responsible for the REIT and the Manager's long term business sustainability, strategic planning and long term targets. The annual budget and strategic planning report are developed by the Chief Executive Officer ("CEO") and the senior management team and approved by the Board. The management team, led by the CEO, is responsible for implementing the strategy and managing the business at an operational level, aimed at promoting a long-term value for the unitholders and stakeholders.

NUMBER OF MEETINGS AND BOARD ATTENDANCE IN 2025

 The number of meetings held during the year, and the attendance of each Director can be found at the Board Audit and Risk Committee, Board Investment Committee, Board Nomination and Remuneration Committee, and Board Sustainability Committee Report sections on pages 171, 177, 181 and 184, respectively.

Similarly, all highlights of matters reviewed, deliberated and approved by the Board and Board Committees during FY2025 can be found on the same section mentioned above.

NO	DIRECTOR	DATE OF MEETINGS							
		20 FEB 2025 (SPECIAL)	6 MAR 2025	26 MAY 2025 (SPECIAL)	12 JUN 2025	26 AUG 2025 (SPECIAL)	4 SEP 2025	27 NOV 2025 (SPECIAL)	4 DEC 2025
1	DATUK HASHIM BIN WAHIR	✓	✓	✓	✓	✓	✓	✓	✓
2	ABDULLAH BIN ABU SAMAH	✓	✓	✓	✓	✓	✓	✓	✓
3	DATUK Sr AKMAL BIN AHMAD	✓	✓	✓	✓	✓	✓	✓	✓
4	SHAMSUL ANUAR BIN ABDUL MAJID (Resigned w.e.f. 31 March 2026)	✓	✓	X	✓	✓	✓	✓	✓
5	DATO' HAJI MOHAMMED RIDHA BIN DATO' HAJI ABD KADIR (Resigned w.e.f. 31 March 2026)	X	X	X	X	X	X	✓	✓
6	GOH TIAN SUI	✓	✓	✓	✓	✓	✓	✓	✓
7	DATIN UNGKU SUSEELAWATI BINTI UNGKU OMAR	✓	✓	✓	✓	✓	✓	✓	✓
8	LAILATUL AZMA BINTI ABDULLAH	✓	✓	✓	✓	(Resigned w.e.f. 4 August 2025)			
9	ONG LI LEE	(Appointed w.e.f. 4 August 2025)			✓	✓	✓	✓	✓
10	ABDUL AZIZ BIN ABDUL RASHEED	(Appointed w.e.f. 4 August 2025)			✓	✓	X	✓	✓

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman is primarily responsible for providing leadership to the Board and ensuring its effective functioning. In this regard, the Chairman guides the Board in the discharge of its duties and responsibilities, promotes high standards of corporate governance, and oversees the development, adoption and communication of an effective governance framework for the REIT.

The Board, collectively, is responsible for setting the REIT's purpose, strategic direction and overall commercial objectives. The Board also ensures that appropriate policies and procedures are established, taking into consideration the size, nature and complexity of the REIT's operations.

The CEO is responsible for the day-to-day management of the REIT's operations. The CEO reports to and works closely with the Board in articulating, recommending and implementing strategic and operational plans. The CEO is accountable for executing approved policies and strategies and for managing the business with a view to delivering sustainable long-term value to unitholders and stakeholders.

The respective roles and responsibilities of the Chairman and the CEO are clearly defined in the Board Charter. The separation of these roles promotes accountability, ensures an appropriate balance of power and authority, and prevents any one individual from exercising unfettered decision-making powers.

COMPANY SECRETARIES

The Company Secretaries advise the Board on corporate governance and regulatory matters and report directly to the Chairman on such matters. They support the Chairman in ensuring the effective functioning of the Board and its Committees, and facilitate the timely dissemination of accurate and relevant information to the Board.

The Company Secretaries also advise the Board on compliance obligations and ensure that Board procedures are in accordance with applicable laws, regulatory requirements and internal governance policies. The performance of the Company Secretaries is subject to annual evaluation by the Board.

BOARD COMMITTEES

The Board has established the following Committees with clearly defined terms of reference and delegated authority to assist in the discharge of its responsibilities:

- Board Audit and Risk Committee
- Board Nomination and Remuneration Committee
- Board Investment Committee
- Board Sustainability Committee

Each Committee operates within its respective Terms of Reference, which are reviewed periodically to ensure continued relevance and effectiveness. The Terms of Reference of the respective Committees are available on the REIT's website.

BOARD EVALUATION

The Board undertakes a periodic Board Effectiveness Evaluation ("BEE") to assess the performance and effectiveness of the Board, Board Committees, individual Directors and the senior management team. The evaluation process reinforces the Board's commitment to maintaining high standards of governance and performance in the discharge of its fiduciary duties.

The BEE Report for the financial year under review was tabled at the Board Nomination and Remuneration Committee ("BNRC") meeting held on 13 February 2026. A summary of the evaluation findings is set out in the BNRC section of this IAR2025.

FIT AND PROPER ASSESSMENT

The Board, through the BNRC, undertakes an annual fit and proper assessment of the Directors, Company Secretaries, licence holders, Shariah Adviser, the CEO and members of senior management.

The assessment is conducted in accordance with the Manager's Fit and Proper Policy on Key Responsible Persons, as well as the annual declarations provided by Independent Directors, to ensure continued compliance with regulatory requirements and governance standards.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

CONTINUING EDUCATION AND DEVELOPMENT

The Board recognises that Directors play a pivotal role in setting the strategic direction and overseeing the operations of the REIT. In this regard, continuous education and professional development are essential to ensure that Directors remain abreast of emerging industry developments, evolving regulatory requirements and best governance practices.

Directors regularly participate in training programmes, briefings and seminars relevant to their roles and responsibilities.

COMPETENCIES AND SKILL SET

Members of the Board and Senior Management are expected to possess the requisite knowledge, skills, competencies, experience and professional attributes necessary to effectively discharge their duties and responsibilities. This includes relevant industry expertise, leadership capabilities, integrity and sound judgement, in line with the Fit and Proper Policy.

The Board maintains an appropriate mix of skills and experience to support effective oversight and decision-making. The key competencies expected of Directors are summarised as follows:

AREAS	COMPETENCIES
Knowledge and Understanding of the Business/ Industrial Strategies	<ul style="list-style-type: none"> • Experience in planning and developing corporate strategies for growth, assessing business performance, investment and financial decisions • Operates or has relevant industry experience in operating businesses • Competent and skillfull in financial aspects of running a business including the ability to read, analyse and interpret financial statements
Corporate Governance, Risk Management and Internal Controls	<ul style="list-style-type: none"> • Working knowledge on duties and responsibilities of the Board, Board Committees and Directors • Hands-on experience in the fields of governance, risks and controls • Ability to understand, interpret and effectively apply legislative and regulatory changes • Knowledge on legal, regulatory and business requirements in other countries/regions in which the REIT operates

MANAGING CONFLICT OF INTEREST

The Manager has established policies requiring Directors, officers and employees to avoid situations in which personal interests may conflict, or appear to conflict, with the interests of the REIT. This applies in dealings with suppliers, customers and other third parties, as well as in the conduct of personal affairs, including transactions in securities of the Manager and any affiliated or non-affiliated entities.

Any Director who has, whether directly or indirectly (including through his or her spouse or children), an interest in a matter being considered by the Board is required to disclose the nature and extent of such interest to the Board. Such disclosure shall be recorded in the minutes of the relevant Board meeting.

Upon such disclosure:

- I. the Director concerned shall abstain from participating in the deliberation and decision-making process in respect of the matter;
- II. the Director shall be disregarded for the purpose of constituting a quorum for that particular matter; and
- III. the validity of any act or proceeding of the Board shall not be affected by any inadvertent non-compliance with these provisions.

These measures are intended to ensure transparency, accountability and integrity in the Board's decision-making process.

BOARD REMUNERATION

The Board acknowledges that the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") emphasises the importance of a remuneration framework that is structured, transparent and aligned with the REIT's strategic objectives, and which supports long-term value creation.

The Manager has in place policies and procedures governing Directors' remuneration. The objective is to ensure that remuneration levels are sufficient to attract, retain and motivate Directors with the appropriate expertise and experience required to support the achievement of the REIT's long-term objectives. In determining the remuneration structure, due consideration is given to factors such as the complexity of the REIT's business, its financial performance, the scope of responsibilities undertaken by the Directors, their experience, commitment and contribution, as well as prevailing market benchmarks.

The remuneration framework is designed to reflect merit, qualifications and competencies, while taking into account the REIT's operating results, individual performance and comparable industry data.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

During the financial year under review, the BNRC reviewed and recommended revisions to the Directors' remuneration, which were subsequently approved by the Board and took effect in 2025. The revision was undertaken after considering the Board's overall performance, competencies and relevant market comparisons.

DISCLOSURE OF DIRECTORS' REMUNERATION

Practice 8.1 of the MCGG 2021 recommends detailed disclosure of individual Directors' remuneration on a named basis, including a breakdown of fees, salary, bonus, benefits-in-kind and other emoluments.

The Manager has clarified that the nomination, appointment and remuneration of Directors are undertaken at the Manager level, which is a private company within the JCorp Group, and not by the REIT itself. The appointment, re-appointment and remuneration of Directors of the Manager are therefore not subject to approval by the unitholders of the listed fund.

In view of the above, the detailed disclosure requirement under Practice 8.1 of the MCGG 2021 is not applicable to the REIT.

SENIOR MANAGEMENT REMUNERATION

The Manager adopts the JCorp Group's Employee Salary Scheme as a guiding framework in determining the remuneration of its employees. The objective is to provide a competitive total compensation structure that is capable of attracting and retaining suitably qualified and competent personnel. Remuneration is primarily performance-driven and aligned with the Manager's Performance Management Policy.

In relation to Practice 8.2 of the Malaysian Code on Corporate Governance 2021 ("MCGG 2021"), which recommends disclosure of the top five senior management's remuneration on a named basis, including a breakdown of salary, bonus, benefits-in-kind and other emoluments, the Board is of the view that such disclosure is not applicable. This is on the basis that the Manager is not a listed entity and the remuneration of senior management is paid by the Manager.

Notwithstanding the above, the Board affirms that the remuneration of Directors and Senior Management is commensurate with their respective responsibilities and individual performance, taking into consideration the overall performance of the REIT and prevailing market benchmarks. The remuneration packages of Senior Management are structured based on experience, expertise, competencies and industry comparatives to ensure competitiveness and fairness.

DRIVING SUSTAINABILITY

The BSC, together with Senior Management, is responsible for overseeing the governance of sustainability matters, including the formulation of sustainability strategies, priorities and targets for the REIT.

The Board recognises the emphasis placed by the MCGG 2021 on effective Board leadership in integrating sustainability considerations into corporate strategy, governance and decision-making processes. In light of the increasing importance of environmental, social and governance ("ESG") matters, the BSC has been entrusted with oversight responsibilities over ESG-related risks and opportunities, including climate-related risks.

In compliance with applicable financial reporting standards, including IFRS S1 and IFRS S2, the REIT's Sustainability Report addresses sustainability-related financial disclosures, as well as climate-related risks and opportunities relevant to the REIT.

At the management level, the Manager has established a Sustainability Management Committee ("SMC"), chaired by the CEO and comprising members of the Manager's management team, the Property Manager and relevant stakeholders. The SMC is responsible for implementing sustainability initiatives and embedding sustainability considerations into the REIT's operational activities.

In line with Practice 4.4 of the MCGG 2021, sustainability considerations have also been incorporated into the performance evaluation of the Board and Senior Management. The Board ensures that Directors remain informed and competent in sustainability matters, and all Directors are required to attend the Mandatory Accreditation Programme II: Leading for Impact for Directors of Public Listed Companies by the end of 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

GENDER DIVERSITY AND INCLUSION

The Manager is committed to promoting diversity, equity and inclusion within the organisation, and to fostering a culture where individuals are treated with fairness, respect and professionalism. The Board recognises that diversity enhances decision-making and contributes to effective governance and long-term value creation.

The Manager has established a Diversity, Equity and Inclusion framework which sets out its commitment and expectations in promoting an inclusive and equitable working environment.

In respect of Board appointments, candidates are evaluated based on objective and merit-based criteria. The selection process does not discriminate on the basis of gender, race or any personal or physical attributes unrelated to the performance of duties as a Director. Appointments to the Board are made on merit, taking into account the mix of skills, experience, knowledge and competencies required for the Board to function effectively as a whole.

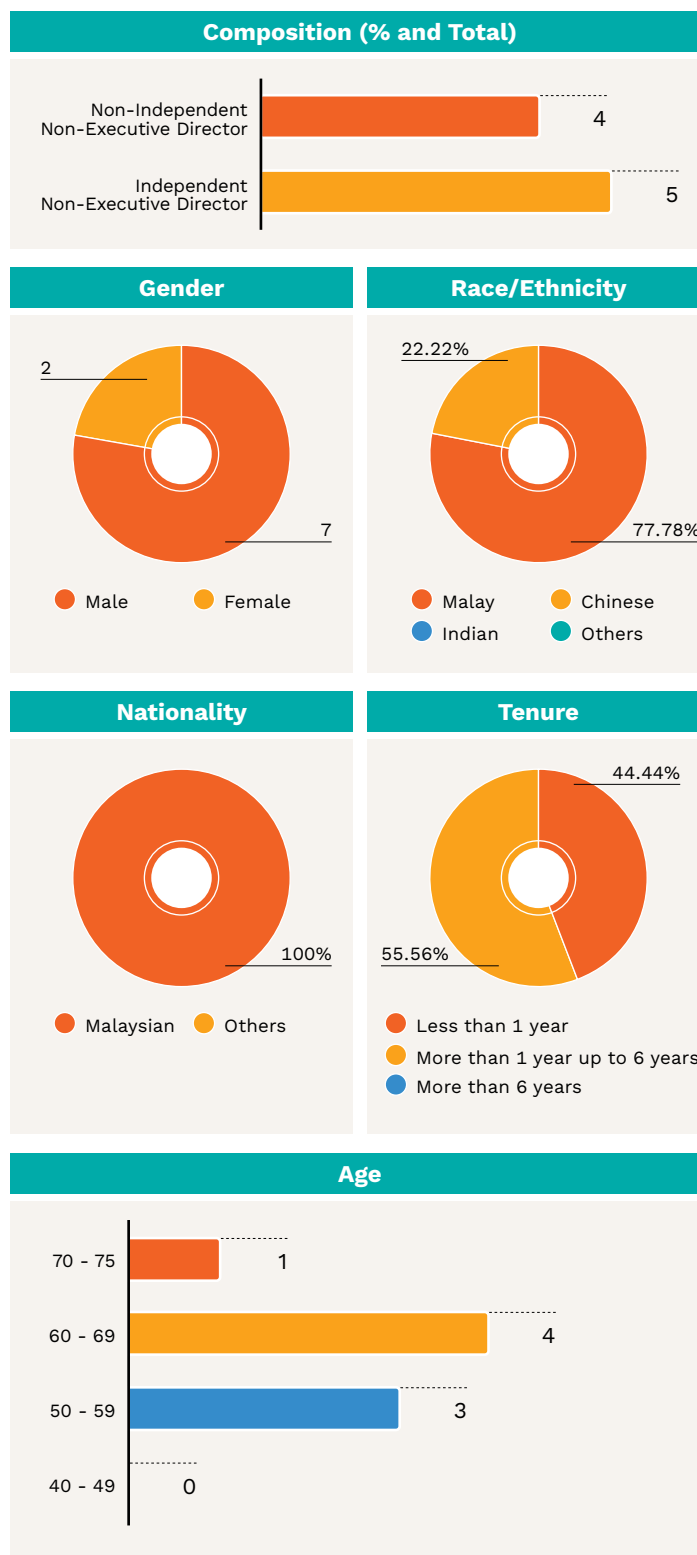
Importance of Female Representation:

- **Diversity in Decision-Making:** Gender-diverse boards bring varied perspectives and experiences, leading to more robust decision-making and innovation.
- **Ethical and Social Responsibility:** Companies with diverse boards demonstrate commitment to inclusivity, reflecting societal values and expectations.
- **Talent Utilisation:** Increased female participation ensures better use of the talent pool

The commitment to diversity is embedded in our Sustainability Policy that sets out the Manager's values.

As such, with respect to Practice 5.9 of the MCGG, the Manager departs from the Practice. The board will continue to scout for women directors to sit on board in the coming years, taking into account diverse perspectives and insights based on the candidate's integrity, independence, diversity in terms of age, gender, cultural background and experience, leadership, and ability to exercise sound judgment.

As at 31 December 2025, the Board composition and diversity is depicted below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE

B

EFFECTIVE AUDIT AND RISK MANAGEMENT

INDEPENDENCE OF EXTERNAL AUDITORS

The External Auditors play an essential role to the unitholders by enhancing the reliability of the financial statements and giving such reliability assurance to users of these financial statements. The BARC manages the relationship with the External Auditors on behalf of the Board. The BARC reviews and considers the re-appointment, remuneration and annually assessed the independence and objectivity of the external auditors during the year and before any appointment of the external auditors. The evaluation process involving the track record and prior performance of the external auditor's centres around the areas below:

- The competency, audit quality, and resource capacity of the external auditor in relation to the audit;
- Quality of the audit process, scope and planning
- Effectiveness of the audit communications
- Auditors' independence and objectivity
- The nature and extent of the non-audit services rendered and appropriateness of the level of fees;
- Written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement following the terms of all relevant professional and regulatory requirements.

The results of these assessments formed the basis of the BARC's appointment of External Auditors. The assessment takes into account the feedback from the Management, focusing on a range of factors that are considered relevant to audit quality.

The BARC meets with the External Auditors regularly to discuss their audit plans and audit findings in relation to the financial statements. Private sessions between the BARC and the External Auditors were held without the presence of Management at least twice a year to discuss any other matters the external auditors may wish to highlight and to ensure that there were no restrictions in the scope and performance of their audit activities.

In addition, the External Auditors are invited to attend the Annual General Meeting and be available to answer unitholders' inquiries on the conduct of the statutory audit and preparation of their audit report. The External Auditors have confirmed their independence and that no circumstances and relationship create threats to their independence and that the ethical requirements have been complied with. The BARC was satisfied with the independence of the present external auditor based on the quality of audit, performance, competency, and sufficiency of the resources that the Internal Auditor provided to the Fund.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

INTERNAL AUDIT FUNCTION

The Manager has entered into an outsourcing arrangement with PKF Risk Management Sdn Bhd (PKF) to carry out its internal audit function. To preserve the independence and objectivity of Internal Auditor, the PKF reports functionally to the BARC and administratively to the CEO and Compliance & Risk Department and is independent of the business activities or operations of the Manager.

PKF's authority, scope, and responsibilities are governed by its Audit Charter which is approved by the BARC and aligned with the International Professional Practice Framework on Internal Auditing issued by the Institute of Internal Auditors.

PKF serves as an important source of reasonable assurance and advice for the BARC concerning areas of weaknesses or deficiencies in internal control processes to facilitate appropriate remedial improvements by the Management. PKF also carries out investigative audits where required.

The appointed internal auditor independently and objectively reviews the effectiveness of the internal control structures over the REIT activities focusing on high-risk areas as determined using a risk-based approach. All high-risk activities in each auditable area are audited annually following the BARC-approved Internal Audit Plan.

The audit reports which provide the findings and results of the audit conducted are discussed with the Management and presented to the BARC for review and deliberation. Key control issues, significant risks, and recommendations are highlighted, along with Management's responses and action plans for improvement and/or rectification, where applicable.

The BARC executes its oversight function by reviewing and deliberating on the audit issues, audit recommendations as well as Management's responses to these recommendations. Where appropriate and applicable, the BARC directed the Management to take cognisance of the issues raised and established necessary steps to strengthen the system of internal control based on PKF's recommendations.

To ensure effective management and independence of BARC, the BARC is empowered by its TOR to:

- a) Convene meetings with the Internal Auditor without the attendance of any executive, whenever deemed necessary.
- b) Approve, then inform the Board of the appointment of the Internal Auditor; and
- c) Review and assess the performance of the Internal Auditor.

The BARC is satisfied that the PKF has been effective and able to discharge its duties and responsibilities.

RISK MANAGEMENT

Risk management remains the responsibility of the Board. The BARC has delegated responsibility to keep under review the adequacy and effectiveness of the REIT's internal financial controls and the internal control and risk management system. Risk management is reviewed at the BARC and the Board meetings as part of the formal Board process. The Board has identified and evaluated the significant risks faced by the REIT in delivering its strategy. Details of the principal risks identified are set out in the Risk Assessment & Identification on page 271 of the IAR2025. The BARC meets quarterly specifically to review the effectiveness of the REIT's risk management and internal control systems and to review the risks identified and the progress of actions taken to manage the risks. Following the review, progress and actions are reported to the Board.

The ERMC supports the BARC in implementing, monitoring, and assessing the mitigation actions of the identified risks.

The Board is satisfied that the BARC has demonstrated an appropriate level of vigilance and diligence towards, amongst others, the detection of any financial anomalies or irregularities in the financial statement.



The full details of the BARC activities in 2025 are elaborated in the IAR2025 on page 175.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

STAKEHOLDERS ENGAGEMENT

The Board seeks to engage with all stakeholders to maintain a mutual understanding of objectives and to effectively manage their expectations. Relations with unitholders and potential investors are managed principally by the CEO and the Management.

The REIT's business model also relies on developing and maintaining strong relationships with its unitholders, the Manager's shareholders, employees, third party service providers, contractors, suppliers and regulatory authorities.

The Board is conscious of its responsibility towards all stakeholders and believes this is an important consideration for the long-term growth of the business. Stakeholder engagement and feedback is taken seriously throughout the REIT. As such the AGM functions as the main platform for all stakeholders to interact and communicate effectively with respect to financial and operation performance, strategic direction of the REIT, and long-term strategies.

The AGM notice was dispatched to unitholders not less than twenty-eight (28) days before the AGM. Unitholders were given ample time to consider the resolutions that will be discussed at the AGM.

Open communication is maintained with all of the Manager's employees. The Manager places considerable value on open communication and the involvement of employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the REIT and the Manager. This is achieved through formal and informal meetings, as well as annual and semi-annual town halls held at fixed intervals.

The REIT also engages with stakeholders, such as engaging in consultations on proposals of new projects ventures. Examples of the engagement initiatives are shown in the table below:

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Stakeholders	Engagement and Initiatives
Investment Community (Unitholders, Analysts, Fund Managers)	<ul style="list-style-type: none"> • Statutory announcement • Annual General Meeting • Roadshow • Investors and analysts briefing • Corporate website • Social media
Media	<ul style="list-style-type: none"> • Media interview • Media release and press statements • Corporate website • Social media
Government, local authorities and regulators	<ul style="list-style-type: none"> • Engagement meeting • Consultation papers • Engagement through MRMA • Maintain rapport with local authorities
Tenants and lessees	<ul style="list-style-type: none"> • Periodic meetings • Surveys and feedbacks • Rental support programme • Marketing support and promotional activities
Suppliers and contractors	<ul style="list-style-type: none"> • Supplier ESG Assessments • Procurement Committee and Tender interview • Supplier evaluation and audit
Employees	<ul style="list-style-type: none"> • Townhalls • Employee engagement dialogue • Climate Surveys • 360 degrees performance appraisal • Flexible work arrangement • Upskilling and reskilling programmes
Communities	<ul style="list-style-type: none"> • Customers' surveys • CSR programme

The Manager is highly committed to ensuring that relevant and material corporate information is shared with the Fund's unitholders and investing community effectively. The Manager maintains the corporate website, www.alaqar.com.my to disseminate up-to-date and historical information and enhance its investor relations practices. The Investor Relations section on the website provides investor-related information such as financial information, announcements released to Bursa Malaysia, general meetings materials, circulars, and distribution information. Stakeholders will also have access to corporate governance information including but not limited to the Board Charter and Terms of Reference of Board Committees, Whistleblowing Policy, and Anti-Bribery & Corruption Policy, etc.

The Manager has in place the Investor Relations team to facilitate effective communication with unitholders, analysts, fund managers, and media. The email address, name, and contact number of the Manager's designated person are also available on the Fund's website to enable the public to forward queries relating to the Fund to the Manager.

The Manager has in place the Investor Relations team to facilitate effective communication with unitholders, analysts, and the broader investment community, ensuring timely, transparent, and consistent dissemination of information.

BOARD AUDIT AND RISK COMMITTEE REPORT

The BARC is established by the Board of Directors (“Board”) in accordance with the Bursa Malaysia Listing Requirements and applicable regulatory requirements to assist the Board in discharging its oversight responsibilities. The BARC supports the Board in ensuring the integrity of the REIT’s financial reporting, the effectiveness and independence of the external and internal audit functions, the adequacy and effectiveness of the risk management framework and internal control systems, and compliance with applicable laws, regulations and governance standards.

As a key component of the REIT’s corporate governance structure, the BARC also oversees the effectiveness of the compliance function and promotes a culture of integrity, ethical conduct and accountability across the organisation. In addition, the BARC provides oversight of related party transactions and conflict-of-interest matters to ensure that such transactions are conducted on fair, reasonable and normal commercial terms and are in the best interests of the REIT and its unitholders. The BARC also supports the Board in overseeing matters relating to compliance, including Shariah Compliance, to ensure that appropriate controls and governance processes are in place to uphold the REIT’s Shariah-compliant status.

Through these responsibilities, the BARC provides independent assurance to the Board and acts as a critical safeguard in promoting transparency, sound governance, protection of minority unitholder interests and adherence to Shariah principles.

COMPOSITION

In line with the requirements of Paragraph 15.09(1)(a), (b) and (c) of the MMLR of Bursa Malaysia, the composition of the BARC is as follows:

Members

- | | |
|--|--|
| <p>1. Abdullah bin Abu Samah
Chairman/Independent Non-Executive Director*</p> | <p>3. Ong Li Lee
Independent Non-Executive Director
(Appointed w.e.f. 4 August 2025)</p> |
| <p>2. Datuk Sr Akmal bin Ahmad
Non-Independent Non-Executive Director</p> | <p>4. Lailatul Azma binti Abdullah
Independent Non-Executive Director
(Resigned w.e.f. 4 August 2025)</p> |

* *Abdullah bin Abu Samah, is a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants.*

Secretaries

- | | |
|--|--|
| <p>1. Nuraliza binti A. Rahman
(MAICSA 7067934)</p> | <p>2. Rohaya binti Jaafar
(LS0008376)
(Retired w.e.f. 31 August 2025)</p> |
|--|--|

The BARC members are appointed by the Board and consist of not less than three members, all of whom shall be non-executive Directors with a majority of them being independent Directors. The Board elects a chairman who is an independent Director and who is not the chairman of the Board. The composition of the BARC shall fulfil the requirements as prescribed in the Listing Requirements.

The Board, via the BNRC, annually reviews the terms of office and performance of the BARC and its members through an effectiveness evaluation exercise. The BNRC assessed the BARC’s performance for the FY2025 and was satisfied that the BARC and its members have discharged their functions, duties, and responsibilities in accordance with the BARC’s Terms of Reference.

BOARD AUDIT AND RISK COMMITTEE REPORT

MEETINGS AND ATTENDANCE

The BARC meets at quarterly intervals or such other intervals as the Committee shall decide.

The BARC held six meetings during the FY2025, and the details of attendance are as follows:

NO	BARC MEMBERS	DATE OF MEETINGS					
		23 JAN 2025 (SPECIAL)	12 FEB 2025	9 MAY 2025 (SPECIAL)	15 MAY 2025	13 AUG 2025	12 NOV 2025
1	Abdullah bin Abu Samah	√	√	√	√	√	√
2	Datuk Sr Akmal bin Ahmad	√	√	X	√	X	√
3	Ong Li Lee (Appointed w.e.f. 4 August 2025)					√	√
4	Lailatul Azma binti Abdullah (Resigned w.e.f. 4 August 2025)	√	√	√	√		

SUMMARY OF WORK CARRIED OUT DURING THE FINANCIAL YEAR

The BARC shall meet at least four times annually and the Internal Auditor, the Chief Financial Officer and the Head of Compliance and Risk shall attend the meetings. Relevant members of Senior Management shall be invited to attend these meetings to assist to clarify matters raised at the meetings.

The BARC shall meet with the External Auditors without the executive Board members and Management being present at least twice a year. In 2025, the session was carried out on 12 February 2025 and 12 November 2025.

Meeting papers were circulated to all the BARC members prior to the meetings by way of electronic means. Minutes of each BARC Meeting was recorded and tabled for confirmation and adoption at the next BARC Meeting and subsequently presented to the Board for approval and notation. The Chairman of the BARC shall report on each meeting to the Board.

The BARC carried out the following work during the FY2025 in the discharge of its functions and duties:


Overseeing Financial Reporting

- Reviewed and deliberated the audited financial statements for the financial year ended 31 December 2024 ("FY2024") in terms of the key audit matters arising from the external auditor's review, prior to recommending to the Board for approval.
- Reviewed the quarterly financial statements in compliance with MFRS 134 and the MMLR of Bursa Malaysia before recommending the same to the Board for approval.
- Reviewed the draft announcements of the quarterly financial results to Bursa Malaysia, to ensure with the accounting standards in Malaysia and other legal and regulatory requirements prior to tabling to the Board for approval.
- Reviewed the income distributions of the Fund which were made in line with the Fund's distribution policy, prior to recommending the proposal to the Board.
- Reviewed the impact of changes in accounting policies and adoption of new accounting standards together with significant matters highlighted in the financial statements.

BOARD AUDIT AND RISK COMMITTEE REPORT

External Audit

- (a) Reviewed and discussed with External Auditors on 12 November 2025 the audit planning memorandum for 2025 covering the audit objectives and approach, audit plan, key audit areas and relevant technical pronouncements and accounting standards issued by Malaysian Accounting Standard Board (“MASB”), and regulating requirements applicable to the REIT; and the processes and controls in place to ensure effective and efficient financial reporting and disclosures under the financial reporting standards.
- (b) Reviewed and discussed with External Auditors the results of the audit and the audit report in particular, significant accounting matters arising from the external audit and their opinion on the financial statements.
- (c) Reviewed with External Auditors the memorandum of comments and recommendations arising from their study and evaluation of the system of internal and accounting controls together with Management’s response to the findings of the External Auditors and ensured where appropriate, that necessary corrective actions had been taken by Management.
- (d) Evaluated the performance and assessed the suitability, objectivity and independence of the External Auditors during the year in accordance with the policies and procedures in place, vide a set of questionnaires covering the calibre of the external audit firm; quality of processes and performance; skills and expertise including industrial knowledge; independence and objectivity; audit scope and planning; audit fees; and their communications with the BARC. The BARC had received from the External Auditors written confirmation on their independence and which disclosed their policies on independence, safeguards, and procedures to address threats or perceived threats to their independence and objectivity, and that they were in compliance with the independence requirements set out in the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.
- (e) Having satisfied with the performance and the assessment on the External Auditors’ suitability, objectivity and independence, recommended to the Board the re-appointment of the External Auditors and their remuneration.
- (f) Reviewed and approved the non-audit fees in respect of services rendered by the External Auditors. The non-audit fees for the FY2025 amounted to RM20,000.
- (g) Met with the External Auditors without executive Board members and Management on 12 February 2025 and 12 November 2025 to discuss matters in relation to their review.
- (h) Reviewed the SORMIC which provided an overview of the state of internal controls prior to the Board’s approval for inclusion in the IAR2025.

 The SORMIC which had been reviewed by the External Auditors is set out on pages 187 to 211 of this IAR2025.

Internal Audit

Internal audit activities for the FY2025 were conducted based on a risk-based internal audit plan approved by the BARC, focusing on higher-risk operational areas. The internal audit function of AL-`Aqar is outsourced to an independent external professional firm, Messrs. PKF Risk Management Sdn Bhd (“PKF”), which reports functionally to the BARC and is independent of the management and operations of the REIT.

During the financial year, internal audit reviews covered asset acquisition and disposal as well as property and facility management. A total of 6 audit issues were raised, comprising 3 low-risk issues, 2 moderate-risk issues and 1 high-risk issue was identified, however, no instances of fraud, material control breakdowns or systemic weaknesses were reported.

BOARD AUDIT AND RISK COMMITTEE REPORT

NO	DATE	PERIOD OF REVIEW	SCOPE	ISSUES RAISED/ RATING			TOTAL
				HIGH	MEDIUM	LOW	
1	11.8.2025	1 April 2024 – 31 March 2025	Asset Acquisition and Disposal	1	2	-	3
2	7.11.2025	1 September 2024 – 31 August 2025	IA Review Financial and Budgetary Controls Review	-	-	3	3
Total							6

A follow-up review on Asset Acquisition and Disposal was conducted by the Internal Auditor on 13 October 2025 which confirmed that all agreed corrective actions had been implemented satisfactorily and the issues were fully closed. The BARC was apprised of the outcome of the follow-up review and is satisfied with Management's actions in addressing the audit observations.

The Committee has also assessed the effectiveness of the internal audit function through evaluation of its performance and competency, and that is satisfied that with expertise and professionalism of the internal auditor in discharging its duties.

Risk Management and Internal Control

The BARC engaged with the Management team to obtain assurance on the adequacy and effectiveness of the internal control systems and activities of the REIT and the Manager.

The BARC was satisfied that the system of risk management and internal control as described in the SORMIC, was sound and effective, providing reasonable assurance that the structure and operation of controls were appropriate for the REIT's operations. The BARC also acknowledged that implementation measures were continuously taken to strengthen the system of risk management and internal control so as to safeguard the interests of stakeholders including unitholders' investments, and the REIT's assets.

The BARC reviewed the SORMIC on 12 February 2026 and recommended it to the Board for approval and inclusion in the IAR2025.

In addition, the BARC has also carried out its duties in line with its ToR, listed as below:

- (a) Reviewed quarterly top risk profiles which covers Strategic, Finance, Operational and Compliance Risks and ESG related risks especially with respect to environmental risks, deliberated on the significant threats and opportunities, including status and adequacy of mitigation strategies.
- (b) Discussed the improvements to the ERM framework and process to ensure proactive and holistic risk identification, and monitoring of mitigation actions to reduce risk impact to an acceptable level. The 5th revision of the ERM framework will be submitted to the BARC for recommendation to the Board on 12 February 2026.
- (c) Evaluated the overall adequacy and effectiveness of internal controls through review of the work performed by both internal and external auditors, and through discussions with Management.
- (d) Ensures appropriate controls are in place in management of the Fund, that the Manager has a well-defined organisational structure with clear lines of responsibility and a comprehensive reporting system and adequate procedures in financial reporting, risk management, internal control and are in place.

[Further details in respect of risk management and internal controls are set out on pages 187 to 211 \(SORMIC of this IAR2025\).](#)

[Details in respect of the principal risks and uncertainties are set out on pages 218 to 220 under Risk Management](#)

BOARD AUDIT AND RISK COMMITTEE REPORT

Compliance

In discharging its oversight responsibilities over compliance matter, the Committee undertook the following:

- (a) Monitored and reviewed the status and outcomes of the Quarterly Compliance Report which seek to identify gaps in compliance with regards to applicable laws, regulations, codes, standards, policies and procedures and discussed the adequacy of measures to address such gaps or non-compliance.
- (b) Deliberated on the results of compliance cases and directed Management to implement and/or enhance controls to prevent a recurrence, including conducting education programmes to increase awareness. For the year 2025, there is no non-compliance case under Al-`Aqar.
- (c) Received updates on the directorships and shareholdings held by the Directors of the REIT and persons connected with them in accordance with Section 221 of the Companies Act, 2016 on an annual basis. These disclosures enabled an assessment of the potential or actual conflicts of interest which may arise in relation to Related Party Transaction (“RPT”) or Recurrent Related Party Transaction (“RRPT”).
- (d) Monitored the status of internal whistleblowing, breach of PDPA and misconduct cases reported to Board and BARC on a quarterly basis, including ongoing investigations, in accordance with the Code of Conduct and Business Ethics (“CoBE”).
- (b) Reviewed the annual Unitholders’ Mandate in relation to recurrent related party transactions of a revenue or trading nature for unitholders’ approval to undertake transactions that are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of the REIT with related parties (“RRPTs”). The mandate was tabled and approved at the AGM on 25 June 2025.
- (c) Ensured that the RRPT Policy was sufficient to ensure that the RRPTs were not more favourable to the related parties and were not to the detriment of the minority unitholders and that the Manager had in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and such procedures and processes were reviewed on a yearly basis or whenever the need arose. The policy was approved by the BARC on 15 May 2025.
- (d) Review of RRPT on a quarterly basis. The Management had given assurance to the BARC that RPT and mandate for RRPT were in compliance with the Listing Requirements and policies and procedures.

Other Activities

During the financial year, the BARC also reviewed and recommended to the Board, for inclusion in the IAR2025, the following key governance and compliance disclosures:

- The BARC Report, to ensure it accurately reflects the Committee’s roles, responsibilities and activities undertaken during the financial year.
- The Corporate Governance Overview Statement, to confirm alignment with the Malaysian Code on Corporate Governance and Bursa Malaysia Listing Requirements.
- The Corporate Governance Report, to ensure comprehensive and transparent disclosure of the REIT’s governance practices and compliance status.
- The SORMIC, to confirm the adequacy and effectiveness of the REIT’s risk management and internal control framework.

Review of RPT and RRPT

As part of its oversight of related party transactions and conflict-of-interest matters, the Committee undertook the following:

- (a) Reviewed related party transactions entered into by the REIT and ensured that such transactions were in the best interests of the REIT and its unitholders, conducted on fair, reasonable and normal commercial terms, and were not detrimental to the interests of minority unitholders. The Committee recommended the relevant transactions to the Board for approval. The Committee also ensured that Directors’ Declarations of Interests in Securities and disclosures of any conflict-of-interest situations at Board meetings were properly documented and minuted. The Committee further noted the confirmation by the CEO that there were no management conflict-of-interest situations for operational matters during the financial year.

BOARD AUDIT AND RISK COMMITTEE REPORT

SUMMARY OF MEETINGS IN THE YEAR

	23 JAN 2025 (SPECIAL)	12 FEB 2025	9 MAY 2025 (SPECIAL)	15 MAY 2025	13 AUG 2025	12 NOV 2025
FINANCIAL REPORTING						
Audited Financial Statements		√				
Interim results	√	√		√	√	√
Consideration of new accounting standards		√				
EXTERNAL AUDIT						
External audit plan						√
External audit reports		√				
External audit effectiveness and independence		√				√
INTERNAL AUDIT						
Internal audit (reviews and follow-ups)		√		√	√	√
Internal audit plan		√				
Internal audit effectiveness and independence		√				
RISK						
Risk Profiles/Registers		√		√	√	√
COMPLIANCE						
Quarterly Compliance Report		√		√	√	√
Regulatory Breach		√		√	√	√
Non Bursa Malaysia/the SC Breach		√		√	√	√
RRPT						
Quarterly Review		√		√	√	√
RRPT Mandate			√			
ANNUAL REPORT 2024						
Review of SORMIC and BARC Report		√				
OTHER MATTERS						
Review of Policies and Frameworks – RRPT Policy				√		
Evaluation and Review of Outsourced Activities		√		√		
IT Security/Business Continuity Management/ Disaster Recovery Plan		√		√	√	√

BOARD INVESTMENT COMMITTEE REPORT

The BIC plays a pivotal role in evaluating all investment opportunities and to make recommendations to the board with regard thereto. The responsibilities include reviewing, assessing and deciding on the escalation of proposals relating to asset investment (acquisition and disposal), asset management and fund-raising exercises to be undertaken by the REIT to the Board and Trustee for approval.

COMPOSITION

In line with the recommendation of Chapter 6 of the Guidelines on Real Estate Investment Trusts of Securities Commission Malaysia, the composition of the BIC is as follows:

Members

- | | |
|---|---|
| <p>1. Shamsul Anuar bin Abdul Majid
Chairman/Non-Independent Non-Executive Director
(Resigned w.e.f. 31 March 2026)</p> | <p>4. Goh Tian Sui
Independent Non-Executive Director
(Appointed w.e.f. 21 January 2025)</p> |
| <p>2. Abdullah bin Abu Samah
Independent Non-Executive Director
(Resigned w.e.f. 4 August 2025)</p> | <p>5. Abdul Aziz Bin Abdul Rasheed
Non-Independent Non-Executive Director
(Appointed w.e.f. 4 August 2025)</p> |
| <p>3. Datin Ungku Suseelawati binti Ungku Omar
Independent Non-Executive Director
(Appointed w.e.f. 21 January 2025)</p> | <p>6. Lailatul Azma binti Abdullah
Independent Non-Executive Director
(Resigned w.e.f. 4 August 2025)</p> |

Secretaries

- | | |
|--|--|
| <p>1. Nuraliza binti A. Rahman
(MAICSA 7067934)</p> | <p>2. Rohaya binti Jaafar
(LS0008376)
(Retired w.e.f. 31 August 2025)</p> |
|--|--|

The BIC members are appointed by the Board and consist of not less than 3 members, all of whom shall be non-executive directors with a majority of them being independent directors. The Board elects a chairman who is an independent director and who is not the Chairman of the Board. The composition of the BIC shall adhere to the recommendation as per the Chapter 6 of the Guideline on Real Estate Investment Trusts.

The Board, via the BNRC, annually reviews the terms of office and performance of the BIC and its members through an effectiveness evaluation exercise. The BNRC assessed the BIC's performance for FY2025 and was satisfied that the BIC and its members have discharged their functions, duties, and responsibilities in accordance with the BIC's Terms of Reference.

BOARD INVESTMENT COMMITTEE REPORT

MEETINGS AND ATTENDANCE

Number of Meetings Held and Details of Attendance

The BIC meets at quarterly intervals or such other intervals as the Committee shall decide.

The BIC held four (4) regular meetings during FY2025 which were attended by all members.

During the financial year, the details of attendance are as follows:

NO	BIC MEMBERS	DATE OF MEETINGS			
		4 MAR 2025	22 MAY 2025	15 AUG 2025	25 NOV 2025
1	Shamsul Anuar bin Abdul Majid (Resigned w.e.f. 31 March 2026)	✓	✓	✓	✓
2	Abdullah bin Abu Samah (Resigned w.e.f. 4 August 2025)	✓	✓		
3	Datin Ungku Suseelawati Binti Ungku Omar (Appointed w.e.f. 21 January 2025)	✓	✓	✓	✓
4	Goh Tian Sui (Appointed w.e.f. 21 January 2025)	✓	✓	✓	✓
5	Abdul Aziz bin Abdul Rasheed (Appointed w.e.f. 4 August 2025)			✓	✓
6	Lailatul Azma binti Abdullah (Resigned w.e.f. 4 August 2025)	✓	✓		

Terms of Reference

The BIC is responsible for fulfilling the duties ascribed to it in the BIC Term of Reference (“BIC TOR”), including those specifically delegated to it from time to time by the Board. The duties and responsibilities of the BIC are set out in its Terms of Reference as follows:

Objectives

- (a) Making recommendations to the Board on all acquisitions, investments and disposals;
- (b) Making recommendations to the Board on any financing offers, capital management proposals and additional banking facilities;
- (c) Reporting and recommending to the Board any corporate exercise, including the issuance of new REIT units; and
- (d) Making recommendations to the Board on financial budgets.

BOARD INVESTMENT COMMITTEE REPORT

Roles and Responsibilities

Subject at all times to the provisions of the Trust Deed, and to any other regulations or resolutions that may be adopted, the BIC is responsible for:

- (a) Reviewing all proposals regarding investments, dispositions, financings and other relevant transactions (strategic transactions)
- (b) To make recommendations on any other matters to the Board;
- (c) To review and monitor approved strategic transactions or other matters;
- (d) Ensuring that the REIT is managed in accordance with:
 - its investment objectives;
 - its Restated Deed;
 - its Prospectus;
 - the SC Guidelines and other securities laws; and
 - the internal investment restrictions and policies.
- (e) Carrying out other duties as may be determined from time to time by the Board.

MATTERS DISCUSSED BY THE BIC IN FY2025

The BIC has undertaken the role of reviewing, recommending and monitoring to the Board pertaining to all proposals including strategic transactions i.e., investments in ensuring that the Fund practises sound capital preservation and safety margin levels, maintains optimally measured risk-reward thresholds, adopts prudent but pragmatic management style and attain adequate earnings potential and competitive advantages as well as growth.

The following are key matters discussed by the BIC during the FY2025:

INVESTMENT (ACQUISITION & DISPOSAL)

The BIC has reviewed proposals of proposed acquisitions of shariah-compliant real estate to ensure these properties have good track record and/or good prospects of future net rental income of reasonable levels which have been shown by studies to be competitive and located within good catchment areas. Properties to be acquired are expected to at least maintain or enhance the earnings of the REIT fund.

The BIC has reviewed and monitor proposal of divested of properties, namely where the investments have achieved the set targets, or have been assessed as not being able to derive any further value and or when an opportunity to maximise its value arises before the predetermined investment time horizon or other reason that may warrant divestment. The divestment plan also has taken into consideration the transformation in the respective industry.

BOARD INVESTMENT COMMITTEE REPORT

ASSET MANAGEMENT

The BIC has deliberated on proposals for asset enhancement initiatives of current properties that has the potential to further increase its returns and expected to generate accretive returns upon further expansion. The BIC has also reviewed proposals for repositioning of current properties within the Fund's portfolio which do not meet certain criteria set beforehand and may require to be recapitalised to achieve portfolio optimisation goals.

CAPITAL MANAGEMENT

The BIC has reviewed funding proposals to ensure each investment made by the Fund shall have a funding structure appropriate to the investment profile. In general, the capital structure of REIT should be financed by a combination of equity, debt and other financing instruments.

PORTFOLIO MONITORING

The BIC also undertook periodic monitoring on all investments including reviewing performance of the investment portfolio to ensure consistency with Fund's objectives and direction and transformation in the respective relevant industries.

SUMMARY OF MEETINGS IN THE YEAR

ITEMS DISCUSSED	4 MAR 2025	22 MAY 2025	15 AUG 2025	25 NOV 2025
Investment	√	√	√	√
Asset Management	√	√	√	√
Capital Management	√	√	√	√
Portfolio Monitoring	√	√	√	√

BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

The establishment of the BNRC is mandated for listed issuers under Bursa Malaysia's Main Market Listing Requirements.



The terms of reference can be found under Investor Relations section on the REIT's website at www.alaqar.com.my.

The Malaysian Code on Corporate Governance 2021 ("MCCG 2021") indicates that the Board may establish and delegate part of its powers to one or more other committees, to conduct certain tasks and functions expressly delegated to such committees. The committees will examine specific topics chosen by the Board and report on them. Decision-making remains the collective responsibility of the Board and the committee may only make suggestions to the Board.

The main purpose of the BNRC is to assist the Board in carrying out its duties and responsibilities in fulfilling its responsibility for oversight with respect to board composition and performance, directors' performance and remuneration structure that drives behaviour within the REIT.

COMPOSITION OF THE BOARD NOMINATION AND REMUNERATION COMMITTEE

In accordance with the MCCG 2021, the BNRC is composed of a minimum of three, a majority of whom must be Independent Directors. The Committee shall appoint a Chairman amongst its members who must necessarily be an Independent Director.

The composition of the BNRC is as follows:

Members

- | | | |
|--|---|---|
| <p>1. Abdullah bin Abu Samah
Chairman/Independent
Non-Executive Director
(Redesignation w.e.f.
4 August 2025)</p> | <p>2. Ong Li Lee
Independent
Non-Executive Director
(Appointed w.e.f. 4 August 2025)</p> | <p>3. Shamsul Anuar bin Abdul Majid
Non-Independent
Non-Executive Director
(Resigned w.e.f. 31 March 2026)</p> |
|--|---|---|

Secretaries

- | | |
|--|--|
| <p>1. Nuraliza binti A. Rahman
(MAICSA 7067934)</p> | <p>2. Rohaya binti Jaafar
(LS0008376)
(Retired w.e.f. 31 August 2025)</p> |
|--|--|

MEETINGS HELD DURING FY2025

The BNRC, in accordance with its regulations, meet whenever it is convened by the Board, the Committee itself, or by its Chairman. The Committee shall meet at least two times per annum and at such other times as it sees fit.

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the CEO, representative from Human Resources, and external advisers may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

The Company Secretary keeps Minutes of all BNRC meetings, which are available to all members of the Board.

BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

During the financial year, the meetings held are as follows:

NO	BNRC MEMBERS	DATE OF MEETINGS		
		22 JUL 2025	15 AUG 2025	25 NOV 2025
1	Abdullah bin Abu Samah (Redesignation w.e.f. 4 August 2025)	✓	✓	✓
2	Ong Li Lee (Appointed w.e.f. 4 August 2025)		✓	✓
3	Shamsul Anuar bin Abdul Majid (Resigned w.e.f. 31 March 2026)	✓	✓	✓

Roles and Responsibilities

Notwithstanding the duties assigned to it by law and other duties which may be assigned thereto by the Board, the BNRC shall have the following basic responsibilities:

- **With respect to Remuneration**
 - a) Recommend to the Board the policy for the remuneration of the REIT's Directors.
 - b) Determine the total individual remuneration package of the CEO/ Executive Director, including bonuses, share-based incentive awards, and other elements of their remuneration.
 - c) Determine and recommend the Key Performance Indicators and/or performance scorecard for the CEO and the REIT.
 - d) Ensures compliance with the Remuneration package is competitive and complies with the remuneration Policy that was approved and ratified by the unitholders. The policy is available through the corporate web page of the REIT.
- **With respect to Nominations**
 - a) Regularly review the structure, size and composition (including the skills, experience, independence, knowledge, and diversity, including gender) of the Board and make recommendations to the Board regarding any changes that are deemed necessary.
 - b) Keep under review the leadership needs of the organisation, both executive and non-executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace.
- **With respect to Appointments to the Board**
 - a) Assess the qualifications, background knowledge, and experience necessary to sit on the Board, defining, accordingly, the duties and qualifications required of the candidates to fill each vacancy, according to the Fit and Proper Policy that is available through the corporate web page of the REIT.
 - b) Consider possible candidates to fill vacancies for the position of director, provided that the BNRC may as well independently search for and consider alternative candidates for such position. Such Directors are, for the avoidance of doubt, to be appointed upon a decision of the shareholder of the Manager.
 - c) Examine or organise, in the manner it deems appropriate, the succession of the Chairman and CEO and, if appropriate, make proposals to the Board for such succession to take place in an orderly and well-planned manner.
 - d) Ensure that due diligence is carried out on the candidate for directorship and CEO to ensure compliance with the regulatory requirements set by the Authorities.
 - e) Ensure compliance with Bursa Malaysia's requirement towards 30% female presence on the Board by the year 2027.

BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

- **With Respect to Induction and Training**

The Committee shall ensure that all new directors undertake an appropriate on-boarding Directors Programme and the Mandatory Accreditation Programme (Bursa Malaysia) to ensure that they are fully informed about strategic and commercial issues affecting the REIT and the markets in which it operates as well as their duties and responsibilities as a director and consider any training requirements for the Board as a whole.

- **With Respect to conflicts of interest**

The Committee shall:

- Before the appointment of a director, require the proposed appointee to disclose any other business interests that may result in a conflict of interest and to report any future business interests that could result in a conflict of interest.
- Consider and, if appropriate, authorise situational conflicts of interest of directors and potential directors.

- **With Respect to the Board Evaluation**

The Committee shall:

- Assist the Chairman of the Board with the implementation of an annual evaluation process.
- Review the results of the Board performance evaluation process that relate to the composition of the Board.

MATTERS DISCUSSED BY THE BNRC IN THE FY2025

In 2025, the BNRC, in the performance of its duties in accordance with the scope of responsibilities specified in the BNRC Charter as approved by the Board, convened its 5 meetings to consider the significant matters and report the results to the Board that can be summarized as follows:

- Establishment of Key Performance Indicators (“KPIs”) of the REIT as well as the CEO based on the approved strategic planning.
- Review of the REIT’s organisation structure that can support the growth and target of the Fund.
- Review of the Board/Board’s Committees composition and establishment of the BSC.
- Compliance with the requirement in relation to gender diversity (woman director) on the Board.
- Review of the performance evaluation on the Board.
- Succession planning of the company secretary; and
- Review of the Manager’s employees’ satisfaction survey.

In this regard, the BNRC has performed its duties independently in accordance with good corporate governance principles and ensuring transparency to build the confidence of unitholders and all stakeholders.

BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

EVALUATION OF THE FUNCTIONING AND PERFORMANCE OF THE BOARD OF DIRECTORS AND ITS COMMITTEES

It is a standard practice for the Board to distribute an annual questionnaire at the end of each financial year through the Secretariat of the Board which, amongst other sections, includes a self-assessment, with a series of questions that also enable compliance with the various annual reports of the Committee and the Board.

The Board performed the annual questionnaire and the self-assessment for this financial year 2025, to analyse the Board's effectiveness and composition and to identify opportunities for improvement to ensure proper compliance with the existing obligations or recommendations in this area.

The questionnaire used a self-assessment approach on subjective and objective information related to the functioning of the Board and its Committees, among others:

- a) Functioning of the Board, with questions related to the Board's effectiveness and internal functioning.
- b) Structure and composition of the Board, comprising questions to obtain the Directors' opinion on the Board's structure and composition, and the capacities, professional profile of its members, and areas of competencies to perform their duties on the Board.
- c) Board of Directors Committees, where the Directors are asked to evaluate the performance of the functions of the BARC, the BIC, and the BNRC.
- d) Board of Director's agenda, where Directors are asked about the Board's performance in areas or matters within its scope, such as the current corporate governance model, environmental, social, and corporate policy (ESG), involvement in the design and approval of strategy in financial and investment policies, monitoring of the risk map (in all its areas), dividend policy and capital structure and their participation in decision-making in significant transactions, among other matters.
- e) Chairman of the Board and CEO, where the Directors are asked for their views on the performance of these two positions and fulfilment of responsibilities.
- f) Other areas, with questions relating to the Board's response to the industry crisis and improvement opportunities or aspects to be developed in the future.

The responses are generally positive and supportive, without prejudice to the Chairman and the CEO, taking into consideration going forward some of the suggestions made regarding the functioning of the Board.

CONCLUSION

During FY2025, there have been no circumstances or situations in the areas of responsibility and competence of the Committee that required its intervention and/or report to the Board. The succession planning of the Board, senior management team as well as gender diversity are the two areas of relevance on which the Committee will continue to work throughout FY2025.

BOARD SUSTAINABILITY COMMITTEE REPORT

OVERVIEW

The BSC is pleased to present its report on the sustainability governance, oversight and activities of AL-`Aqar for the FY2025.

During the year, the Committee supported the Board in overseeing the integration of environmental, social and governance (“ESG”) considerations into the REIT’s strategy, enterprise risk management and operations, considering the healthcare-focused nature of the portfolio and the objective of long-term value creation for unitholders.

COMMITTEE COMPOSITION

During the financial year under review, the BSC comprised the following members:

Members		
1. Ong Li Lee Chairman/Independent Non-Executive Director <i>(Appointed w.e.f. 4 August 2025)</i>	2. Goh Tian Sui Independent Non-Executive Director <i>(Appointed w.e.f. 21 January 2025)</i>	3. Abdul Aziz bin Abdul Rasheed Non-Independent Non-Executive Director <i>(Appointed w.e.f. 4 August 2025)</i>
Secretaries		
1. Nuraliza binti A. Rahman (MAICSA 7067934)	2. Rohaya binti Jaafar (LS0008376) (Retired w.e.f. 31 August 2025)	

The composition of the Committee ensures an appropriate balance of independence, experience and sector-relevant expertise to effectively discharge its oversight responsibilities.

COMMITTEE MEETINGS AND ATTENDANCE

The Committee convened two (2) meetings during the financial year, held on 25 August 2025 and 26 November 2025.

The attendance record of the Committee members is as follows:

NO	BSC MEMBERS	DESIGNATION	DATE OF MEETINGS		ATTENDANCE
			25 AUG 2025 (1/2025)	26 NOV 2025 (2/2025)	
1	Ong Li Lee	Independent Non-Executive Director (Chairman)	✓	✓	2/2
2	Goh Tian Sui	Independent Non-Executive Director (Member)	✓	✓	2/2
3	Abdul Aziz bin Abdul Rasheed	Non-Independent Non-Executive Director (Member)	✓	✓	2/2

The BSC did not convene in Q1 and Q2 due to the absence of a quorum, arising from the restructuring of the Board composition following the appointment of Datuk Hashim as Chairman. During this period, the Committee underwent reconstitution, including the appointment of a new Chairman and confirmation of Committee membership. Upon completion of the reconstitution process, the Committee resumed meetings in the third and fourth quarters to ensure effective continuity of sustainability governance and to address key sustainability, regulatory and oversight matters for the financial year.

All members were present at every meeting held in quarter 3 and 4, during the financial year, reflecting strong commitment to sustainability oversight.

BOARD SUSTAINABILITY COMMITTEE REPORT

KEY MATTERS REVIEWED IN 2025

1. Alignment with ISSB Standards (IFRS S1 and IFRS S2)

At the meeting held on 25 August 2025, the Committee reviewed management's assessment of alignment with the International Sustainability Standards Board ("ISSB") Standards, namely IFRS S1 and IFRS S2, with particular emphasis on sustainability- and climate-related risks relevant to healthcare assets.

2. ESG Strategy and Roadmap

The Committee reviewed progress updates on the ESG Strategy and Roadmap at both meetings, focusing on initiatives relevant to healthcare facilities, including operational efficiency, safety, tenant engagement and governance enhancements.

3. Regulatory and Sustainability Reporting

At both meetings, the Committee reviewed regulatory and sustainability reporting matters, including disclosure of common material sustainability matters and healthcare REIT-specific considerations.

4. Review of Policies and Frameworks

The Committee reviewed sustainability-related policies and frameworks to ensure continued relevance, adequacy and alignment with evolving regulatory and best-practice expectations.

5. Sustainability Reporting

The Committee reviewed the scope and structure of sustainability disclosures for inclusion in the Annual Report at the 26 November 2025 meeting.

6. Compliance, Benchmarking and Assurance

At both meetings, the Committee considered compliance with sustainability-related requirements, benchmarking against peers and the role of internal controls and assurance.

7. Sustainability Governance and Climate Oversight

The Committee continued to oversee a structured sustainability governance framework and the integration of ESG considerations into strategic planning, risk management and operational decision-making. Climate-related risks affecting healthcare assets remained an area of ongoing oversight.

Summary of key matters discussed at the BSC shown below:

NO. AGENDA ITEM	25 AUG	26 NOV
	2025 (1/2025)	2025 (2/2025)
1 Alignment with ISSB: IFRS S1 and S2	√	√
2 ESG Strategy & Roadmap: Status Update on ESG Roadmaps & Initiatives	√	√
3 Regulatory & Reporting: Disclosure of Common Materiality & REIT Specific Matters	√	√
4 Review of Policies & Frameworks	√	√
5 ESG Strategic Planning: Property Investment Pillar		√
6 Sustainability Reporting		√
7 Compliance, Benchmarking, Assurance	√	√

BOARD SUSTAINABILITY COMMITTEE REPORT

KEY SUSTAINABILITY FOCUS AREAS FOR FY2026

For the forthcoming financial year, the BSC will continue to strengthen sustainability governance and implementation, with key areas of focus including:

- **ISSB (IFRS S1 and S2) Implementation Readiness** – Enhancing processes, controls and data frameworks to support alignment with the ISSB sustainability and climate-related disclosure standards.
- **Climate Risk Assessment and Scenario Analysis** – Advancing climate-related risk identification, scenario analysis and integration of climate risks into the ERM framework.
- **Energy Efficiency and Decarbonisation Initiatives (in collaboration with KPJ)** – Overseeing and monitoring energy efficiency and decarbonisation initiatives led by KPJ, including chiller replacement and Solar PV projects, to support emissions reduction, operational efficiency and hospital infrastructure sustainability.
- **ESG Data Quality, Controls and Assurance** – Strengthening ESG data governance, internal controls and validation processes, and assessing the use of internal or third-party assurance to enhance the reliability and credibility of sustainability reporting.

CONCLUSION

The BSC is satisfied that sustainability matters were appropriately identified, deliberated and addressed during the financial year and remains committed to supporting the Board in strengthening sustainability governance and long-term value creation for AL-`Aqar.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Pursuant to Paragraph 15.26(b) of the MMLR of Bursa Malaysia, the Board of Directors of JLG REIT Managers Sdn Bhd (“the Manager”) as the manager of AL-`Aqar is required to provide a statement on the adequacy and effectiveness of the REIT’s risk management and internal control system.

The REIT has aligned its risk management and internal control practices with the updated SORMIC Guide 2025, which introduces enhanced expectations compared to the earlier 2012 guidance. The revised guide places stronger emphasis on integrated risk management, Board accountability, and alignment with internationally recognised frameworks including COSO, ISO risk standards, and the Malaysian Code on Corporate Governance. The 2025 guide requires a more holistic and outcome-oriented approach that incorporates strategic risk alignment, emerging risk assessment, control effectiveness, and stronger internal audit assurance.

The REIT’s risk governance processes, policies and reporting have therefore been strengthened to reflect these updated expectations, ensuring that risk management is embedded across the organisation and remains responsive to evolving business, regulatory and sustainability requirements.

EXECUTIVE SUMMARY

AL-`Aqar has undertaken a structured transition plan to strengthen its risk governance, internal controls and reporting processes. The plan focuses on embedding integrated risk management practices, strengthening Board oversight, enhancing transparency, and aligning internal processes with internationally recognised risk frameworks.

1. Strengthening Risk Governance & Board Oversight

Actions Taken / In Progress:

- Updated Risk Appetite Statement to reflect strategic, financial, operational, compliance and ESG risk thresholds.
- Enhanced BARC reporting to include risk trends, emerging risks, results, and deviations from risk appetite.
- Established a clearer delineation of responsibilities between the Board, BARC, Management, and Internal Audit.
- Introduced structured escalation protocols for breaches of risk tolerance.

Outcome:

More explicit Board accountability and stronger governance alignment with SORMIC 2025.

2. Integrating Risk Management with Strategic Planning

Actions Taken :

- Incorporated risk assessment into strategic planning, acquisitions/disposals, and capital management decisions.
- Updated the risk register to ensure all strategic, market, ESG and financial risks reflect aligned scoring and residual impact.
- Introduced scenario and sensitivity analyses (e.g., DPU stress tests, valuation risks, interest rate scenarios).

Outcome:

A stronger link between strategy execution and risk governance, as required by the updated guide.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

3. Embedding International Frameworks (COSO, ISO31000, MCCG)

Actions Taken / In Progress:

- Mapped the REIT's Risk Management Framework to COSO ERM components.
- Embed ESG and climate risk considerations within the ERM Framework, aligned to strategic, operational and financial risk assessments, ensuring consistency with the updated SORMIC Guide 2025 expectations
- Updated policies and procedures to match the strengthened MCCG expectations.

Outcome:

Alignment with global risk management standards emphasised under SORMIC 2025.

4. Enhancing Internal Control Effectiveness

Actions Taken / In Progress:

- Updated operational SOPs to improve control ownership clarity, internal checks, and responsibility matrices.
- Improved documentation of key controls supporting strategic initiatives (e.g., acquisition governance, disposal paths, ESG projects).

Outcome:

Demonstrably improved internal control maturity and accountability.

5. Elevating Internal Audit's Role in Assurance

Actions Taken / In Progress:

- Expanded Internal Audit's scope to include risk management process audits, not only control audits.
- Enhanced IA reporting to highlight control weaknesses, risk level changes, and mitigation effectiveness.
- Implemented < 90-day resolution commitment for High-Risk audit findings.

Outcome:

Clear independent assurance on both risk management and internal control systems.

6. Improving Transparency and Quality of SORMIC Disclosure

Actions Taken / In Progress:

- Strengthened the SORMIC narrative to reflect effectiveness, limitations, and key improvements in risk systems.
- Expanded disclosure to cover emerging risks, ESG integration, and Board oversight processes.
- Adopted clearer presentation of risk impact changes, risk heatmaps, and control enhancements.

Outcome:

Reflects the outcome-oriented, transparent disclosure approach

7. Embedding Risk Culture Across The Organisation

Actions Taken / In Progress:

Conducted awareness sessions on the 2025 SORMIC requirements.

- Integrated risk responsibilities into OKRs and performance discussions for Management.
- Strengthened expectation for risk ownership and timely escalation.

Outcome:

A more risk-aware culture aligned with updated governance developments.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

RISK GOVERNANCE, ASSESSMENT AND MANAGEMENT PROCESSES

Al-`Aqar operates a diversified healthcare-focused portfolio including hospitals, nursing colleges, and healthcare-related facilities in Malaysia and Australia. The Board, BARC, and Management reinforce a strong tone at the top by promoting integrity, ethical conduct, compliance, and transparency across operations

BOARD RESPONSIBILITY

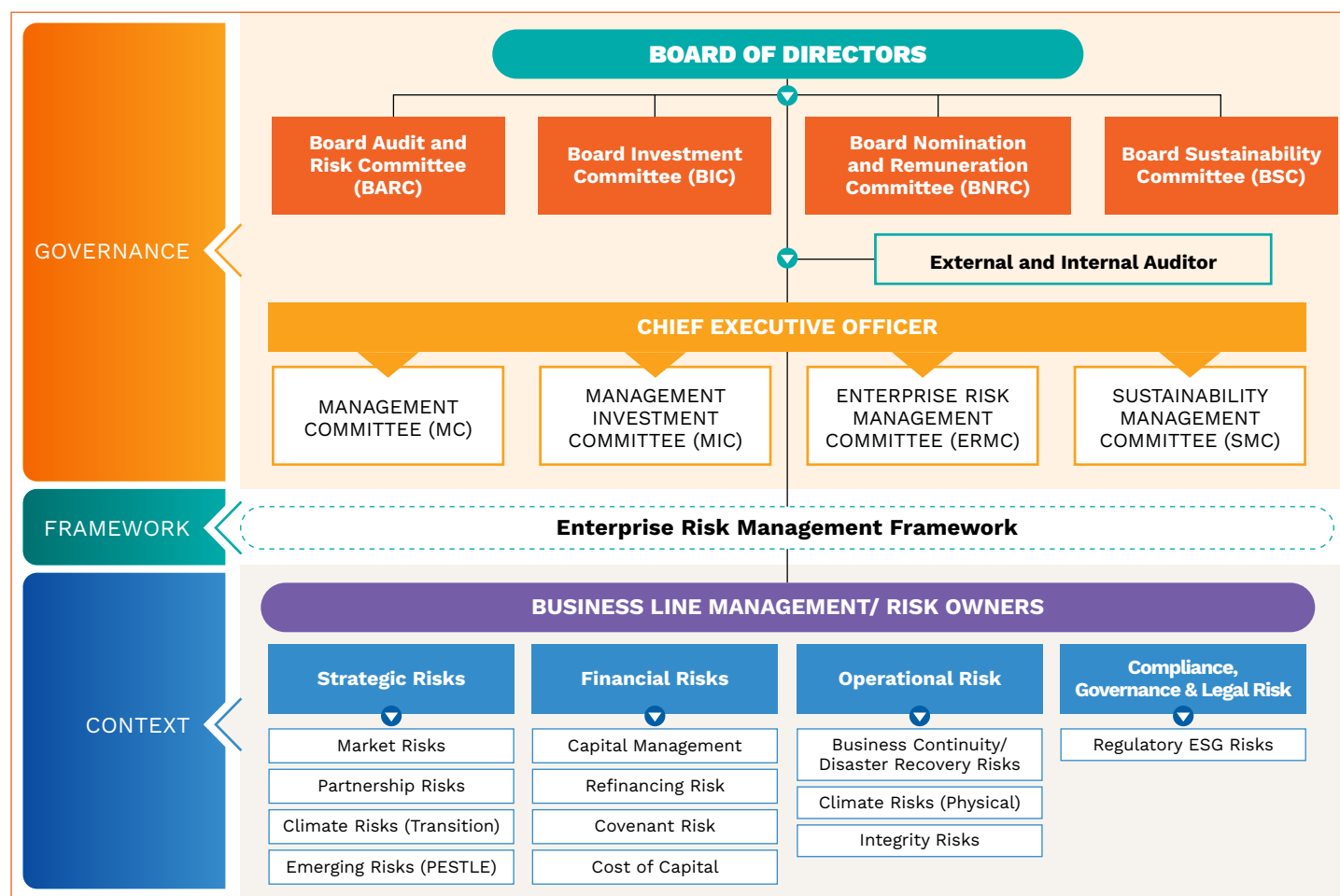
The Board affirms its responsibility for overseeing the REIT's risk management and internal control system to safeguard unitholders' interests and the REIT's assets. The system is designed to provide reasonable, not absolute, assurance against material misstatement, operational disruption, financial loss, or breach of regulatory obligations.

The Board oversees risk management through its specialised committees, each providing focused oversight across key risk areas.

RISK GOVERNANCE STRUCTURE

A robust governance structure comprises the Board and its Committees; BARC, BIC, BNRC, and BSC. Each committee provides focused oversight over its respective risk domains including financial reporting, investment risks, people and succession risks, and climate/ESG related risks.

The Governance Structure for the Risk Management and Internal Control is depicted below:



STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Board Level

The BARC leads the review of the organisation's overall risk profile, internal control effectiveness, and audit findings to ensure that financial, operational, and compliance risks are adequately managed.

The BARC members are:

- Abdullah bin Abu Samah – Chairman (Independent Non-Executive)
- Datuk Sr Akmal Ahmad – Member (Non-Independent Non-Executive)
- Ong Li Lee – Member (Independent Non-Executive)

The BIC evaluates investment proposals and capital allocation decisions, ensuring that market, financial, and valuation risks are assessed and aligned with the organisation's risk appetite.

The BNRC manages leadership and people-related risks by ensuring board and management competency, effective succession planning, and remuneration structures that support sustainable, risk-aligned performance.

The BSC oversees climate, environmental, social, and governance risks, ensuring that sustainability considerations, including climate-related risks, are integrated into strategic decision-making and regulatory reporting. Collectively, these committees enable comprehensive and effective oversight of strategic, financial, operational, and sustainability-related risks across the organisation.

Together, these Board Committees ensure comprehensive oversight of strategic, financial, operational, sustainability, and governance risks, enabling a balanced and effective risk management ecosystem across the organisation.

MANAGEMENT-LEVEL GOVERNANCE AND OVERSIGHT COMMITTEES

Segregation of Duties and Internal Controls:

The CEO provides overall leadership, with distinct reporting lines to the COO, CFO, CIO, Head of Strategy, Compliance Officer, and Head of Governance & Legal, ensuring proper segregation of duties and effective oversight across all key functions. Governance controls including Fit & Proper assessments for Board members and key personnel reinforce integrity and competency requirements. Detailed SOPs define roles and responsibilities for finance, property management, and compliance processes, while independent internal audits periodically evaluate control effectiveness and adherence to segregation of duties. Collectively, these mechanisms strengthen accountability, minimise control override risks, and support transparent and well-governed operations.

The CEO is supported by four key Management Committees in ensuring that both risk management and internal control processes are consistently implemented and continuously improved

1. Management Committee
2. Management Investment Committee (MIC)
3. Enterprise Risk Management Committee (ERMC)
4. Sustainability Management Committee (SMC)

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

These committees operationalise governance, oversee internal controls, and coordinate risk and sustainability actions across the business:

Management Committee

Supports the CEO in overseeing day-to-day operational matters and strategic management issues to ensure effective execution of the REIT's business plan while maintaining adherence to internal controls, policies, and regulatory requirements. The Management Committee meets regularly to review performance, address emerging issues, and ensure timely decision-making and escalation. In 2025, the Committee met a total of 18 times, with meetings held every two weeks from January to June on 3 January, 17 January, 4 February, 25 February, 11 March, 27 March, 18 April, 25 April, 5 May, 16 May, 23 May, and 3 June, and monthly from July to December on 11 July, 5 August, 12 September, 10 October, 5 November, and 15 December.

Management Investment Committee

The establishment of the MIC was approved by the Board on 4 Dec 2025. It oversees investment proposals and associated financial risks, ensuring decisions align with risk appetite, capital management objectives, and internal control requirements. The MIC meets monthly to evaluate potential acquisitions, divestments, and asset enhancement initiatives, monitor the progress of approved projects, and provide informed recommendations for escalation to the BIC. In 2025, the Committee held its meetings on 8 January and 4 February.

Enterprise Risk Management Committee

The ERMC, chaired by the CEO and comprising the CFO, CIO, COO, Head of Strategy & IR, Head of Governance & Legal, and the Compliance Officer, oversees the identification, assessment, mitigation, and monitoring of risks across all functions. Its agenda covers significant risk exposures, BCM readiness, ESG and climate risks, and compliance and integrity matters. The Committee meets quarterly and reports key risks and mitigation progress to the BARC. In 2025, the ERMC convened on 2 May, 30 July, and 23 October to review key matters, assess risks, and ensure appropriate escalation to the Board.

Sustainability Management Committee

The Sustainability Management Committee (SMC), chaired by the CEO and comprising the CFO, CIO, COO, Head of Strategy & IR, Head of Governance & Legal, the Compliance Officer, and key ESG data owners, oversees sustainability and ESG-related matters across the REIT. The Committee ensures that climate, environmental, and social risks are integrated into the overall risk management and internal control processes. Its agenda includes reviewing ESG performance, progress against sustainability roadmaps and targets, regulatory developments, and climate-related risk updates. The SMC meets quarterly and reports its findings and recommendations to the BSC. In 2025, the Committee met on 21 August and 30 October to review key matters, monitor performance, and ensure timely decision-making and escalation.

Effectiveness Statement

Based on the quarterly reports and deliberations of the ERMC and BARC, the Board is satisfied that the REIT's risk governance structure operated effectively throughout the financial year. The governance roles, decision-making processes and oversight mechanisms functioned as intended, enabling timely escalation of significant risks, appropriate challenge from the Committees, and alignment of management actions with the Board-approved Risk Appetite. No gaps or deficiencies were noted that would materially impact the effectiveness of risk oversight.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

PROCESS FOR IDENTIFYING, ASSESSING AND PRIORITISING RISKS

The risk assessment process provides a structured approach for identifying, analysing and prioritising the risks that may affect AL-`Aqar's strategic, operational, financial, compliance and sustainability objectives.

AL-`Aqar adopts a disciplined risk appetite, accepting moderate strategic and financial risks that support long-term value creation while maintaining low tolerance for risks that could compromise income stability, financial integrity, regulatory compliance or reputation.

Risk Objectives and Risk Appetite

Category	Risk Appetite Statement	Tolerance Level
Strategic	Pursue value-accretive acquisitions and disposals that enhance long-term portfolio performance.	<ul style="list-style-type: none"> High appetite for growth initiatives; Low tolerance for execution delays or increased tenant concentration.
Financial	Maintain financial resilience and stable distributions while managing gearing, liquidity and refinancing exposures prudently.	<ul style="list-style-type: none"> Prudent appetite; Low tolerance for refinancing uncertainty, covenant pressure or restricted access to funding.
Operational / ESG	Ensure reliable operations, asset performance and ESG compliance across all properties.	<ul style="list-style-type: none"> Moderate appetite for operational variability; Minimal tolerance for delays in ESG or asset-improvement projects.
Reputational	Preserve stakeholder confidence and safeguard the REIT's market position and reputation in the healthcare real estate sector.	Very Low appetite for governance lapses, and prolonged DPU stagnation.
Market Risk	Monitor and respond to macroeconomic, interest rate, regulatory and competitive shifts affecting valuation, funding and tenant demand.	<ul style="list-style-type: none"> Moderate appetite; Low tolerance for unmanaged interest-rate volatility or adverse market cycles.
Business Partnership/ Strategic Alliances	Maintain strong and reliable relationships with tenants, operators and key service providers to support continuity and performance.	Low tolerance for partnership disputes, counterparty failures or contractor issues that may disrupt operations or rental stability.
Compliance/ Governance/ Legal	<ul style="list-style-type: none"> Ensure full adherence to regulatory, statutory, Shariah, reporting and Bursa Malaysia requirements. Uphold high standards of corporate governance, integrity and ethical conduct across all business activities. Manage legal exposures proactively to avoid disputes, breaches of contract and litigation that may impact the REIT. 	<ul style="list-style-type: none"> Zero tolerance for non-compliance, late submissions, inaccurate disclosures or breaches of regulatory obligations. Zero tolerance for governance lapses, conflict-of-interest breaches, unethical behaviour or improper business practices. Low tolerance for contractual non-performance, legal disputes, or exposures arising from inadequate documentation or oversight.

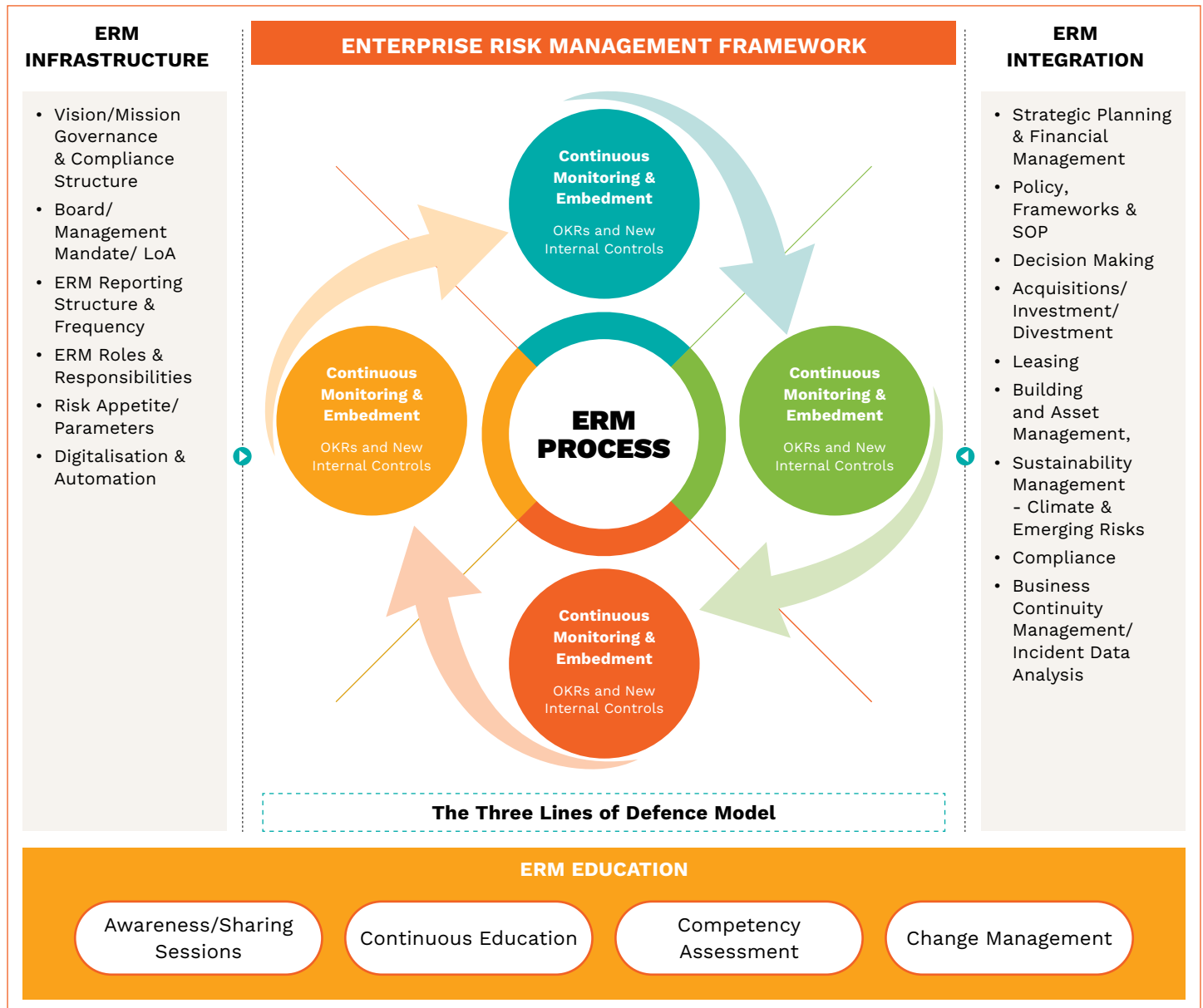
The REIT's Risk Appetite underpins the Risk Management Framework and is implemented through policies and internal controls that guide daily decision-making, assessments, escalation and compliance.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The Enterprise Risk Management Framework

The Manager applies a comprehensive ERM Framework to systematically identify, evaluate, and prioritise risks across the organisation.

The framework is depicted as below:



The ERM Framework combines governance, structured processes and integration with core activities to ensure consistent risk identification, assessment, mitigation and monitoring. Supported by clear roles, risk appetite, digital tools and alignment with strategy, budgeting, acquisitions, ESG and BCM, the framework emphasises continuous monitoring and competency-building to foster a strong risk culture.

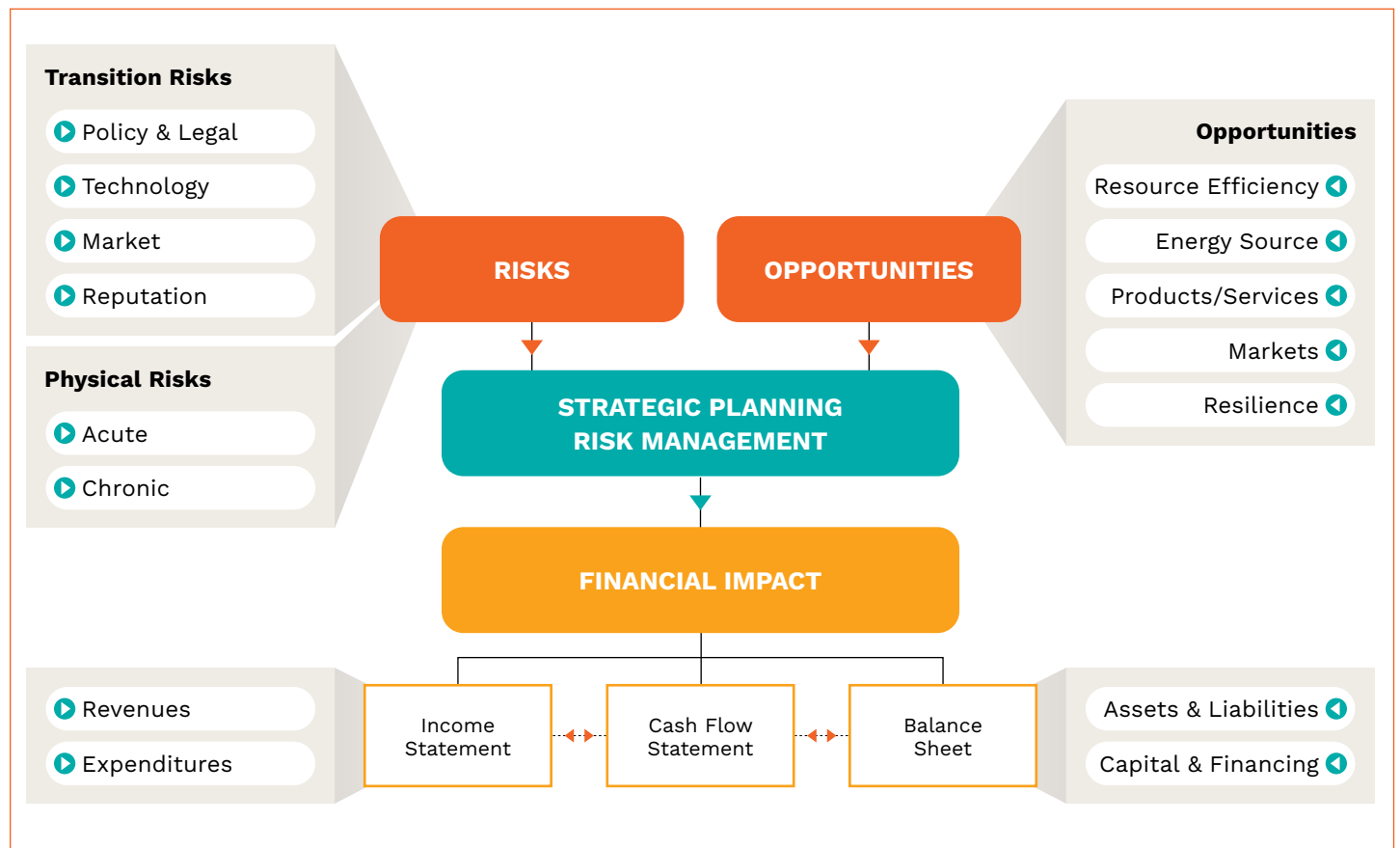
STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Integration into Strategic Planning

Risk management is not treated as a standalone function but is integrated into strategic planning, operational processes, and decision-making across the REIT. This ensures that the organisation balances opportunity with prudence, strengthens stakeholder confidence, and enhances the REIT's long-term resilience and sustainability.

Environmental and Climate Risks Alignment

ESG and climate-related risks are integrated into the ERM Framework. These include energy efficiency, carbon transition risks, climate adaptation, green building standards, regulatory changes and social stakeholder expectations. ESG and climate risks are assessed alongside traditional risk categories, ensuring alignment with long-term sustainability commitments and investor expectations.








AL-`Aqar's Climate Risk Management Framework, which forms a subset of the broader ERM Framework, provides a structured approach to identifying, assessing, and managing climate-related risks and opportunities across all healthcare and hospitality assets in Malaysia and Australia. The Framework was approved by the BSC on 26 November 2025 and subsequently endorsed by the Board on 4 December 2025. A Value-at Risk (VaR) climate-risk assessments is planned for 2026; whilst acquisition due diligence incorporate location-based exposure, climate-scenario analysis (1.5°C, 2°C, 4°C), and operational and financial impact evaluations are already underway.





STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

In line with IFRS S1/S2, risks are classified into physical (flooding, storms, heatwaves, power interruptions, temperature and humidity shifts) and transition risks (regulatory requirements, carbon reporting, low-carbon expectations, and technology changes), alongside opportunities such as energy-efficiency enhancements, solar PV, smart systems, and healthcare-complex resilience. Climate considerations are embedded into investment reviews, leasing decisions, preventive maintenance, asset readiness, and insurance pricing. Mitigation measures include flood-resilience works, HVAC efficiency upgrades, water-saving systems, indoor air-quality monitoring, and real-time building performance tracking. The Framework is reviewed annually to incorporate updated climate data, regulatory developments, and operational learnings.




Using the above model, the Climate Risk assessment of Al-`Aqar assets are as follows:

CLIMATE RISK	CLASSIFICATION	RESIDUAL RATING	MITIGATION PLAN	OPPORTUNITIES
Flooding & Stormwater Intrusion	Physical – Acute		<ul style="list-style-type: none"> Flood risk mapping & drainage upgrades Strengthen stormwater management & perimeter protection Reinforce M&E rooms and elevate sensitive equipment Review insurance adequacy & emergency response plans 	<ul style="list-style-type: none"> Enhance asset valuation through resilience upgrades Potential reduction in insurance premiums Higher tenant confidence from improved resilience Reduce business disruption → stronger retention
Extreme Heat & Heatwaves	Physical – Acute		<ul style="list-style-type: none"> Chiller upgrades under Zero CapEx model Energy efficiency retrofits & shading solutions Install/expand solar PV to reduce cooling load 	<ul style="list-style-type: none"> Energy cost savings from efficient chillers & solar PV Improved thermal comfort → tenant satisfaction Access to green financing Market differentiation as low-carbon REIT
Long-Term Temperature Increase (Cooling Load Rise)	Physical – Chronic		<ul style="list-style-type: none"> Long-term HVAC replacement programme Portfolio-wide energy performance planning Incorporate resilience criteria into AEI/CapEx plans 	<ul style="list-style-type: none"> Future-proofed assets with lower lifecycle cost Potential rental premium for climate-adapted buildings Achieve/upgrade green building ratings (GreenRE/MyCREST/GBI)
Water Scarcity / Supply Disruptions	Physical – Chronic		<ul style="list-style-type: none"> Conduct water efficiency audits Install low-flow fixtures & submeters Evaluate rainwater harvesting feasibility 	<ul style="list-style-type: none"> Lower water bills from reduced consumption Supports green building certification pathways Enhanced BCM attractiveness to tenants
Green Building / Energy Efficiency Standards	Transition – Regulatory		<ul style="list-style-type: none"> Conduct detailed energy audits Adopt green lease clauses Upgrade HVAC, insulation, lighting Align portfolio plans with regulatory thresholds 	<ul style="list-style-type: none"> Early compliance leadership → competitive advantage Increase asset valuation as green-certified buildings attract premium tenants Reduce operating expenses via efficiency upgrades Qualify for green tax incentives / grants

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

CLIMATE RISK	CLASSIFICATION	RESIDUAL RATING	MITIGATION PLAN	OPPORTUNITIES
Transition to New Technologies (Climate Tech)	Transition – Technology		<ul style="list-style-type: none"> • Lifecycle replacement planning • Evaluate new low-carbon technologies • Align asset strategy with emerging tech • Allocate CapEx for phased upgrades 	<ul style="list-style-type: none"> • Adoption of next-generation technologies • Lower long-term CapEx through strategic planning • Improved asset data and digitalisation • Future-ready asset positioning
Carbon Reporting & Disclosure (ISSB/TCFD)	Transition – Regulatory		<ul style="list-style-type: none"> • Establish ESG data governance structure • Implement digital ESG tracking tools • Strengthen sustainability disclosures • Build internal capacity for climate reporting 	<ul style="list-style-type: none"> • Stronger investor trust & better market visibility • Enhanced access to sustainability-linked financing
Carbon Tax / Carbon Pricing Exposure	Transition – Regulatory/ Financial		<ul style="list-style-type: none"> • Develop carbon inventory & baseline emissions • Conduct carbon pricing impact modelling • Implement EE & solar PV to reduce exposure • Explore green financing options 	<ul style="list-style-type: none"> • Cost avoidance by preempting carbon pricing increases • Unlock green financing for decarbonisation projects • Improve NPI through reduced energy use
Investor ESG Expectations & Capital Access	Transition – Market		<ul style="list-style-type: none"> • Develop REIT-level decarbonisation roadmap • Enhance transparency & TCFD-aligned reporting 	<ul style="list-style-type: none"> • Attract long-term ESG aligned institutional investors • Better access to capital from improved ESG scores • Strengthen brand reputation in sustainable real estate

Legend:

 Very High  High  Moderate  Low

The Three Lines of Defence Approach

AL-`Aqar adopts the Three Lines of Defence approach to ensure effective risk management and internal control. Under this model, operational teams act as the first line by managing risks within their day-to-day activities and ensuring compliance with policies and procedures. The second line provides oversight through specialised functions such as Risk Management, Compliance, Shariah, Sustainability, and Finance, which set frameworks, monitor adherence, and support the first line in managing risks. The third line, Internal Audit, provides independent assurance to the BARC on the adequacy and effectiveness of the overall system of internal control.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The application of the model is shown below:



Through these activities, Line 3 ensures independent oversight and promotes strong governance in the Manager. In parallel, the REIT undertakes the following activities to keep risk profiles updated in line with changes in the operating environment.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Risk Identification

The Risk Officer leads a structured and systematic process to identify risks across the organisation. This begins with the development and continuous refinement of a comprehensive risk universe covering strategic, business, market, operational, financial, asset management, compliance, ESG, business continuity, integrity and emerging risk categories. Emerging risks are identified using PESTEL factors, ensuring coverage of external drivers such as political, economic, social, technological, environmental and legal developments.

Risk identification is conducted in collaboration with departmental risk owners, who provide insights into key exposures within their respective areas. Significant risks arising from operational activities, strategic initiatives or market shifts are captured in the risk registers and updated quarterly.

Risk Assessment

All identified risks are evaluated using a standardised scoring methodology based on likelihood, impact, and the effectiveness of existing controls. Both inherent and residual risk ratings are assigned to provide a clear view of overall exposure. The residual risk rating is used to determine alignment with the Board-approved Risk Appetite and to identify risks that require heightened monitoring or mitigation.

Risks that exceed appetite thresholds, or those deemed significant due to their potential impact on the REIT's strategic, financial or operational performance, are escalated to the ERMC. The ERMC's recommendations are subsequently tabled for review by BARC and the Board. The assessment process is performed quarterly to ensure responsiveness to evolving risks and external conditions.

Risk Mitigation

For all significant risks, Management develops mitigation strategies aimed at reducing likelihood or impact to acceptable levels. These include control enhancements, process improvements, technology solutions, contractual safeguards, diversification strategies and compliance strengthening measures.

Risk owners are accountable for implementing mitigation plans, while the Risk Officer monitors progress and reports milestone updates to the ERMC. The effectiveness of mitigation actions is also assessed periodically to ensure that controls remain relevant and responsive to emerging risks.

Risk Monitoring and Reporting

The REIT maintains ongoing monitoring of key risks through periodic review of indicators, audit findings, compliance reports, operational updates and ESG monitoring activities. High or escalating risks are flagged for discussion at ERMC meetings, where Management deliberates mitigation adequacy and determines any further action required.

Quarterly, the consolidated risk profile including heatmaps, top risks, mitigation status, new risks and emerging trends is presented to BARC and subsequently to the Board. Significant developments, deviations from appetite, or material control weaknesses are escalated immediately outside the regular cycle, ensuring timely oversight.

Risk Culture and Awareness

The Manager ensures that staff possess the necessary knowledge, skills, and competencies to carry out their responsibilities effectively. This is achieved through targeted training programmes, continuous professional development, performance management, and mentorship initiatives. By equipping employees with the right expertise, the REIT maintains operational excellence while strengthening its risk management and compliance capabilities.

Risk awareness and refresher programme were conducted on 11 December 2025 for all Risk Owners at the management and head of departments.

A total of 1,541 hours of training were attended by employees in 2025, covering various programmes categorised as Professional and Technical, Governance, Risk, Compliance, and Integrity, Digital/IT, and Self-Development. The average training hours per staff stood at 53 hours.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

ALIGNMENT OF SIGNIFICANT RISKS WITH MATERIALITY PRIORITIES

Key business risks are mapped to prioritised materials issues to ensure stakeholders' concerns and interests are addressed, as illustrated in the diagram below:

Key Business Risks (Al - Aqar Healthcare REIT)	Business Performance (Operator & Asset Performance)		Governance, Compliance & Shariah Integrity		Tenant Experience & Operational Reliability		Climate & Environmental Impact		ESG & Sustainability Performance		Health, Safety & Asset Integrity		Community & Patient Wellbeing		Responsible Investment & Portfolio Strategy	
	Financial Performance & Stability	Operator & Asset Performance	Compliance & Shariah Integrity	Operational Reliability	Climate & Environmental Impact	ESG & Sustainability Performance	Health, Safety & Asset Integrity	Community & Patient Wellbeing	Responsible Investment & Portfolio Strategy							
Healthcare market / sector risk	●●	●●	●	●		●	●		●		●	●●	●●		●●	
Operator performance risk (hospital tenancy risk)	●●	●●	●	●●		●	●●		●		●●	●●	●●		●	
Asset valuation & impairment risk	●●	●	●			●	●		●		●	●	●		●●	
Tenancy renewal & concentration risk	●●	●●	●	●●		●	●●		●		●	●	●		●	
Operational & property management risk	●	●	●	●●		●	●●		●		●●	●	●		●	
Health, safety & clinical facility readiness risk		●	●	●●		●	●●		●		●●	●●	●●			
Financing, interest rate & refinancing risk	●●	●	●			●									●	
Liquidity & rental collection risk	●●	●	●	●		●	●		●		●	●	●		●	
Regulatory compliance & Shariah non-compliance risk	●	●	●●	●		●	●		●		●	●	●		●	
Climate & physical environmental risk		●	●	●	●●	●●			●●		●	●	●		●	
ESG disclosure & sustainability compliance risk		●	●		●	●●			●●		●	●	●		●	
Cybersecurity & IT system downtime risk		●	●	●		●	●		●		●	●	●		●	
Procurement vendor	●	●	●●	●●		●	●●		●		●●	●●	●		●	
Reputational & stakeholder confidence risk	●●	●●	●●	●●		●●	●●		●●		●●	●●	●●		●	

Legend:

- Strong Linkage
- High

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

KEY RISK PROFILES

The consolidated analysis of Al-`Aqar's risk landscape highlights several key themes that shape the REIT's overall risk posture and priorities for Board oversight.

- Top 3 risks (Tenant Concentration, Strategic Execution, Valuation Risk) represent the highest strategic vulnerability and require Board-level focus.
- Financial risks (refinancing, capital raising) remain sensitive to market conditions and must be monitored closely in 2025–2026.
- Operational risks are well controlled but require ongoing capex planning.
- ESG and climate impacts are growing and will increasingly influence valuation, financing, and regulatory expectations.
- Compliance and Integrity controls are strong and stable across the REIT

The table below presents the top ten risks for Al-`Aqar, summarising their heatmap positions, residual risk levels and the effectiveness of current mitigation measures based on the latest risk assessment.

#	Risk	Risk Rating	Mitigation Effectiveness	Effectiveness Summary
1	Tenant Concentration (KPJ dependency)	●		Long-term leases help, but structural concentration risk persists.
2	Strategic Execution Risk (Acquisitions/Disposals)	●		Governance exists but delays continue due to external factors
3	Asset Valuation & Revaluation Risk	●		Strong valuation controls but cannot offset market-driven cap-rate shifts.
4	Capital Raising & Refinancing Constraints	●		Strong banking relationships; equity market conditions remain challenging.
5	Healthcare Infrastructure Reliability	●		Preventive maintenance effective; ageing assets require capex upgrades.
6	ESG Project Execution (Solar PV, Chillers)	●		Plans in place but delays due to approvals, funding and ROI uncertainty.
7	Climate & Environmental Risk	●		Baseline climate compliance in place; adaptation measures developing.
8	Cybersecurity & Technology Risk	●		Basic IT controls effective; no advanced cybersecurity monitoring yet.
9	Regulatory & Compliance Risk	●		Good compliance discipline and oversight; minor residual exposure remains.
10	Integrity / ABAC Risk	●		Zero-tolerance policy, controls, training and monitoring highly effective.

During the year, the risk profile demonstrated dynamic movement caused by shifts in market conditions, financing environment, tenant concentration levels, asset valuation volatility, and execution progress of major strategic initiatives. Quarterly assessments informed updated mitigation actions and resource prioritisation.

Legend:

Risk Rating:

● Very High ● High ● Moderate ● Low

Mitigation Effectiveness:

Low Moderate Moderate-Strong Strong Very Strong

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Summary of Key Risk Movements (Q1 → Q4)

Q1 → Q2 (Improvement Phase)

Residual impact reduced across key investment and divestment risks, reflecting progress in activities and stable operational conditions. ESG-related risk increased modestly due to early-stage green energy initiatives. Overall, the REIT recorded an improved risk posture.

Q2 → Q3 (Deterioration & Expansion)

Q3 introduced significant new exposures, expanding the risk universe from 6 to 12 risks. These included:

- capital-raising challenges,
- failure to execute acquisitions/disposals,
- tenant concentration dependency,
- competitive REIT landscape pressures,
- solar PV and chiller project delays.

These new risks carried Moderate to Very High impact ratings, resulting in a higher overall risk baseline despite stability in some Q2 risks.

Q3 → Q4 (Stabilisation)

Operational risks improved due to progress in ESG project execution. However, strategic risks particularly transaction delays, concentration risk, valuation pressure and funding constraints remained High to Very High, anchoring the REIT's overall impact profile at an elevated level compared with Q1.

Mitigation Actions Undertaken and Planned

The Manager continuously implements mitigation measures aligned to the REIT's risk appetite and strategic priorities.

Strategic Mitigation

- Establishment of a MIC to monitor execution for key acquisitions/disposals
- Enhanced due diligence and technical advisory for complex transactions
- Development of a portfolio rebalancing roadmap – in progress

Financial Mitigation

- Strengthening capital readiness through proactive refinancing
- Maintenance of funding headroom dashboards and liquidity buffers
- Continued engagement with financial institutions and capital market stakeholders
- Investor communication to support sentiment and unit liquidity

Operational & ESG Mitigation

- Setting up Project Management Team with tenant to oversight Solar PV and chiller replacement projects
- Embedding Green Lease clauses and decarbonisation plan

Valuation & Asset Resilience Mitigation

- Asset health diagnostics across ageing assets
- Prioritised AEI planning aligned to yield, ESG and valuation uplift
- Integration of ESG considerations in acquisition/divestment analysis

Market & Sentiment Mitigation

- Quarterly benchmarking against peer REITs
- Clear IR positioning on DPU outlook and sustainability progress
- Publication of a REIT Strategy Outlook to strengthen transparency and investor trust

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

SPECIAL ASSESSMENT MADE DURING THE YEAR

Consistent with COSO, the Manager evaluates fraud exposure across selected business functions, including property management, leasing, procurement, asset enhancement, finance, and governance processes.

Corruption Risk Assessment on Key Business Processes

As part of the REIT's ongoing compliance and integrity enhancement efforts, a targeted Corruption Risk Assessment (CRA) was conducted on several high-risk business processes within the Manager. This assessment was led by the JLG Group Risk & Governance team and is aligned with the MACC Act Section 17A, Adequate Procedures (T.R.U.S.T.), and the Group's Anti-Bribery & Corruption (ABAC) Policy.

The CRA focused on identifying potential corruption, bribery, fraud, and abuse of authority risks embedded within core operational and financial processes. The assessment also evaluated whether existing controls were adequate, effective, and consistently implemented across functions.

The business processes assessed include:

Key Corruption Risks Identified Across Selected Processes

1. Credit Card Management

- Personal use of corporate cards disguised as business expenses
- Falsification of receipts or inflated claims
- Approving non-compliant transactions without proper review

2. Employee Expense Claims Process

- Submission of falsified or duplicate claims
- Manipulation of approvals for travel, entertainment, or operational claims
- Abuse of reimbursement policies

3. Leasing Management & Tenant Selection Processes

- Preferential treatment during tenant evaluation or renewal negotiations
- Improper inducements from prospective tenants
- Manipulation of tenant scoring or assessment criteria

4. Recruitment & Payroll Management Process

- Nepotism, cronyism, or appointments based on personal interest
- Bribes to secure employment or promotion
- Ghost employees or unauthorised salary adjustments

5. Vendor Selection, Procurement & Tender Process

- Kickbacks from vendors during selection or contract negotiation
- Manipulation of procurement or tender documents to favour specific vendors
- Collusion between staff and suppliers

6. Property Sourcing, Acquisition, Evaluation & Approval

- Undue influence or bribery to favour certain sellers or intermediaries
- Manipulation of valuation reports or technical assessments
- Conflicts of interest in acquisition due diligence

The assessment started on 17 December 2025 and completed on 12 January 2025. The final report was tabled to the BARC in February 2026.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

IDENTIFYING AND ANALYSING SIGNIFICANT CHANGES

The Manager continuously monitors internal and external developments that may introduce new risks, influence the effectiveness of existing controls, or alter the operational, financial, or strategic risk profile of AL-`Aqar.

In accordance with COSO requirements, significant changes trigger event-driven risk assessments to ensure that emerging risks are promptly identified, evaluated, and incorporated into the enterprise and departmental risk registers. This proactive approach ensures that the REITs remain resilient, compliant, and well-governed amidst a dynamic operating environment.

During the year, several notable changes were identified as having potential risk implications:

Organisational Restructuring & Leadership Transition

The Manager underwent a major leadership transition with the appointment of a new CEO and the senior management team. A refreshed organisational structure was introduced, establishing clearer lines of accountability, new sub-units, and refined roles and responsibilities across functions. New appointments of senior management team include:

- a) Chief Financial Officer: Ahmad Nazri bin Mohamad, appointed on 17 February 2025
- b) Chief Investment Officer: Mohd Adrian bin Abu, appointed on 7 July 2025
- c) Head of Strategy & IR: Ng Hui Mei, appointed on 7 April 2025
- d) Head of Governance & Legal: Nor Shakira binti Zainal, appointed on 7 April 2025

While these changes strengthen long-term strategic and operational oversight, they also introduce transitional risks such as potential disruptions to continuity, changes in decision-making patterns, competency gaps, onboarding challenges, and the need to realign internal controls with the new structure.

Significant Change	Risk Statement	Mitigation Measures
Leadership transition with new CEO, management team, and updated org structure	Leadership Transition Risk: New leadership structure may create temporary gaps in continuity, oversight, and decision-making.	<ul style="list-style-type: none"> • Event-driven risk assessment conducted. • Updated LoA and reporting lines. • Strengthened governance oversight during transition.
	Capability & Knowledge Transfer Risk: Loss of institutional knowledge due to staff or leadership changes.	<ul style="list-style-type: none"> • Structured handover plans and documentation. • Mandatory onboarding for new leaders. • Increased management supervision during transition phase.
	Role & Responsibility Misalignment: New sub-units may cause temporary ambiguity.	<ul style="list-style-type: none"> • Updated job descriptions, roles, and responsibilities clearly defined. • Communication of new structure across departments. • Controls realigned to new roles and approval flows via LoA

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Changes in Business Model

On 20 March 2025, the Manager introduced new outsourcing arrangements and transferred back-office functions to a shared services company within the JLG Group. These changes alter process ownership, introduce new reliance on external service providers, and affect the control environment for procurement, finance, company secretary and HR processes. Outsourcing also heightens risks related to service quality, SLA compliance, data integrity, confidentiality, segregation of duties, and dependency on third-party systems and personnel.

Significant Change	Risk Statement	Mitigation Measures
Outsourcing and transfer of functions to shared services	Outsourcing Risk: Inconsistent service delivery or control lapses due to reliance on shared services.	<ul style="list-style-type: none"> • SLA agreements established with KPIs. • Regular performance reviews with service provider. • Strengthened monitoring and escalation protocols.
	Data Integrity & Access Risk: Risk of incorrect, delayed or mishandled data.	<ul style="list-style-type: none"> • Tightened access controls and approvals. • Enhanced data validation & reconciliation steps. • Audit trail and system-level monitoring.
	Segregation of Duties (SoD) Risk: Role consolidation at shared services may weaken SoD.	<ul style="list-style-type: none"> • Revised SoD matrix. • Independent checks by Finance/ Compliance.

Board Leadership and Board Composition Changes

Several new Board members and Alternate Directors were appointed, bringing fresh perspectives and diverse expertise including ESG and regulatory knowledge, private equity management insight, strategic planning experience, and investment/finance expertise. While these additions enhance governance strength, they also necessitate updates to Board oversight processes, onboarding protocols, and committee responsibilities. Changes in Board composition may influence risk appetite, oversight focus areas, and strategic priorities for both REITs.

Significant Change	Risk Statement	Mitigation Measures
Appointment of new Board and Alternate Directors	Governance Realignment Risk: Governance processes may shift during onboarding.	<ul style="list-style-type: none"> • Board induction and governance training. • Updated Board Charter and Board Committee terms of reference.
	Shift in Oversight Priorities: New Directors may influence strategic direction.	<ul style="list-style-type: none"> • Alignment sessions with Management. • Clear documentation of updated risk appetite.
	Compliance Familiarisation Risk: New Directors may require time to familiarise themselves with regulatory reporting.	<ul style="list-style-type: none"> • Directors Mandatory Accreditation Programme (MAP) 1 and 2. • Regular compliance updates to Board & ERM. • Secretariat support for reporting processes.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Regulatory and Compliance Requirement Changes

The external regulatory landscape continues to evolve, with updates to the SC REIT Guidelines, Bursa Malaysia Listing Requirements, MCGG, tax regulations, Shariah standards, and the introduction of IFRS S1 and S2 for sustainability reporting. These developments require the Manager to reassess its compliance processes, disclosures, internal documentation, data collection systems, and governance frameworks. Non-compliance or delayed implementation may expose the Manager and the REIT to regulatory penalties, reputational risk, and inaccuracies in sustainability and financial reporting.

Significant Change	Risk Statement	Mitigation Measures
The SC has proposed a new fee structure for capital market intermediaries expected implementation on 1 January 2026	Higher licence and regulatory fees imposed by the SC and Bursa increase the Manager's compliance cost base, potentially impacting management fee margins and placing pressure on overall cost efficiency	The Manager monitors regulatory cost changes closely and incorporates them into annual budgeting, while pursuing cost optimisation measures to minimise impact on the REIT's net returns.
Enhanced SORMIC Guide 2025	The Enhanced SORMIC Guide 2025 introduces higher expectations on governance, risk management, and internal-control disclosures, increasing the compliance requirement and potentially exposing the Manager to regulatory gaps if processes are not updated in time.	<ul style="list-style-type: none"> • Review and update governance, risk management, and internal-control processes to align with new SORMIC requirements. • Strengthen documentation, evidence, and reporting practices. • Provide training and awareness sessions to ensure full compliance.
National Sustainability Reporting Framework (NSRF) requirement for Sustainability Statement aligned with IFRS S1 and IFRS S2	The introduction of the NSRF and mandatory IFRS S1/S2-aligned sustainability reporting increases the risk of non-compliance, incomplete disclosures, or data quality gaps if the Manager's systems, processes, and governance are not adequately prepared	<ul style="list-style-type: none"> • Strengthen ESG data governance and reporting processes. • Integrate sustainability and climate risks into ERM. • Conduct gap assessments and staff training on IFRS S1/S2. • Obtain internal or external assurance to validate compliance.

Effectiveness of Risk Assessment

The Board and BARC are satisfied that the risk assessment process remained effective in identifying, analysing and prioritising significant risks on a quarterly basis. The methodology was applied consistently across all risk categories, including strategic, financial, operational, ESG and emerging risks. The introduction of climate-related risk assessment further strengthened the REIT's overall risk evaluation capability. Risk ratings were updated promptly to reflect changing conditions, and no material weaknesses were observed in the design or execution of the risk assessment process.

The REIT's risk management processes and internal control system operate in an integrated manner to ensure risks are identified, assessed and managed within the Board-approved Risk Appetite. While the risk management framework provides the structure for recognising and evaluating significant risks, the internal control system comprises the policies, procedures and control activities that address those risks in day-to-day operations. Together, they form a continuous process in which risk evaluation informs the design of controls, and control performance provides feedback for ongoing risk monitoring and escalation.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

INTERNAL CONTROL SYSTEM, REVIEW AND ASSURANCE MECHANISMS

AL-`Aqar's control environment is built on strong governance practices, clear accountability and a culture of integrity that supports the management of healthcare real estate assets. The Board and the BARC set the tone at the top and oversee the effectiveness of internal controls across financial, operational, compliance and asset management activities. Documented policies, procedures and SOPs guide consistent execution of key processes, while the Code of Conduct, ABAC framework and whistleblowing arrangements reinforce ethical behaviour. Management ensures operational competency through ongoing training, particularly in areas relevant to healthcare facilities, tenancy management and regulatory compliance. Collectively, these measures underpin a robust control environment that supports sound stewardship of the REIT's assets.

Policies, Procedures and Standard Operating Controls

The Manager maintains a structured governance framework supported by clear authority limits, approval hierarchies, and segregation of duties across key functions such as leasing, property management, procurement, finance, ICT, and outsourced service oversight. These controls ensure transparent decision-making, prevent management override, and promote compliance with regulatory requirements. For example, leasing, procurement, and financial processes operate under distinct roles for initiation, review, and approval, supported by vendor due diligence and multi-tier approval thresholds.

This governance structure is reinforced by a suite of core policies including the Limit of Authority, Internal Control, Compliance Management, AMLA, PDP, ABAC, No-Gift, Whistleblowing, Outsourcing, Procurement, Fit & Proper, BCM, and Investment Policies which collectively promote integrity, accountability, regulatory compliance, and organisational resilience. Together, these policies underpin strong governance, effective risk management, and disciplined internal controls, ensuring that decisions across the REIT are made transparently and in the best interest of unitholders.

During the year 2025, the Manager has revised and introduced the following policies and frameworks:

No	Policy/Document	Description of Policy	G	R	I	C
1	Outsourcing Policy - New policy. Reviewed and approved by the Board on 4 December 2025.	Governs outsourcing arrangements, including due diligence, monitoring, and vendor controls.	-	√	√	√
2	Procurement Policy (with ESG Assessment) - Enhancement made during the year. Reviewed and approved by the Board on 4 December 2025.	Governs procurement conduct, vendor evaluation, ESG screening, and conflict checks.	-	√	√	√
3	Green Procurement Framework (Group) - New policy. Reviewed and approved by the Board on 25 August 2025.	Encourages environmentally responsible purchasing and sustainable vendor selection.	√	√	-	√
4	Sustainability Policy & Framework - Enhancement made during the year. Reviewed and approved by the Board on 26 November 2025.	Sets sustainability principles, governance, and reporting expectations across the REIT.	√	√	-	√
5	JLG Sustainability Finance Framework - New policy. Reviewed and approved by the Board on 15 July 2025.	Outlines which projects qualify, how the funds will be managed, and how progress will be reported to ensure transparency and accountability.	√	√	-	√

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

No	Policy/Document	Description of Policy	G	R	I	C
6	DEI Policy - Enhancement made during the year. Reviewed and approved by the Board on 25 August 2025.	Sets commitments to diversity, equity, inclusion, fair practices & equal opportunity.	√	-	-	√
7	Climate Risk Framework - New policy, which is a sub-set of ERM Framework. Reviewed and approved by the Board on 4 December 2025.	Outlines processes to identify, assess, manage & report climate-related risks.	√	√	-	√
8	Credit Card Management Policy - New policy. Reviewed and approved by the Board on 4 September 2025.	Defines governance & internal controls for corporate credit card usage, monitoring & compliance.	√	-	√	√
9	Stakeholder Management Policy - New policy. Reviewed and approved by the Board on 4 December 2025.	Identifies, engages, and manages key stakeholders to ensure transparent communication, sustained relationships, and alignment with regulatory and ESG expectations	√	√	-	√

- **G = Governance** (Board oversight, strategic direction, ethical tone)
- **R = Risk** (identification, mitigation, monitoring)
- **I = Internal Control** (process controls, procedures, authorisation limits)
- **C = Compliance** (laws, regulations, reporting obligations)

The REIT maintains a comprehensive set of documented policies, procedures and SOPs that guide business processes, ensure consistency of operations and support the effectiveness of internal controls. SOPs are reviewed periodically to reflect changes in regulatory requirements, business operations and industry practices. These documented controls form part of the first line of defence and ensure that day-to-day activities are carried out in accordance with approved policies and governance expectations.

Controls Over Key Business Processes

Control activities are embedded across Al-`Aqar's operations to ensure that key risks are mitigated and business processes are executed in a consistent and controlled manner. These activities include documented approval limits, segregation of duties, reconciliations, verification procedures and system-based controls that support the accuracy and integrity of financial reporting and operational outcomes.

In managing its healthcare real estate portfolio, the REIT implements structured tenancy controls such as tenant onboarding due diligence, verification of lease documentation, rental billing reconciliations, credit control monitoring and escalation procedures for arrears. Asset management controls include planned preventive maintenance (PPM) schedules, M&E inspections, facility condition assessments, statutory compliance checks and monitoring of essential building systems to ensure operational continuity for hospital tenants.

Procurement and contract management controls are supported by competitive quotation requirements, vendor due diligence including ESG compliance, approval thresholds, contract review processes and vendor performance monitoring. Capex projects are governed through feasibility assessments, budgeting controls, tender evaluations and post-implementation reviews to ensure accountability and value for money.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

ESG-related controls are incorporated through energy and water monitoring processes, documentation for green initiatives, periodic ESG data reviews and compliance with emerging sustainability reporting requirements.

IT and cybersecurity controls include user access management, password protocols, system authorisation controls, data protection measures and backup procedures to safeguard information integrity and minimise technology-related disruptions. Together, these control activities reinforce disciplined execution across all functions and support the REIT's ability to operate within its approved Risk Appetite.

Effective Information Flow and Communication of Controls

Effective information and communication processes form a core pillar of Al-`Aqar REIT's internal control and risk management framework. The Manager ensures that relevant, accurate, and timely information flows seamlessly across all levels of the organisation to support operational decision-making, risk oversight, and strategic governance.

INTERNAL REPORTING AND MANAGEMENT COMMUNICATION

The Manager maintains structured and transparent channels for communicating risk, operational, and performance information to Management, the ERM, the BARC, the Board, and the Trustee. Key reports including quarterly financial results, operational dashboards, tenant movement and occupancy updates, rental collection and arrears summaries, compliance tracking, and internal audit findings are presented to the relevant committees and the Board to support oversight of performance, emerging trends, risk exposures, and compliance with regulatory and Trust Deed requirements. During the financial year, the ERM convened on 2 May 2025, 30 July 2025, and 23 October 2025 to review these matters. The Board also reviewed the matters during its meetings held on 23 January 2025, 31 January 2025, 12 February 2025, 15 May 2025, 13 August 2025, and 12 November 2025.

Communication with the Trustee and Unitholders

The Manager maintains open and continuous communication with the Trustee to ensure Al-`Aqar's full compliance with the Trust Deed, SC REIT Guidelines, and regulatory requirements, providing timely updates on material transactions, operational developments across healthcare properties, regulatory changes, and risk matters requiring Trustee oversight. The Trustee also receives structured quarterly reporting on financial performance, asset conditions, governance matters, and compliance monitoring. During FY2025, four Quarterly Trustee Meetings were held, with meetings for Q1 and Q2 conducted on 29 October 2025, Q3 on 17 December 2025, and Q4 on 28 January 2026. Communication with unitholders is upheld through annual reports, sustainability statements, Bursa announcements, distribution notices, and investor briefings, ensuring transparency on Al-`Aqar REIT's performance, strategy, risks, and ESG initiatives. Unitholders are given opportunities to engage directly with the Board and Management during AGMs and other engagement platforms, reinforcing accountability and open dialogue.

In 2025, the AGM was held on 25 June 2025 and the EGMs on 25 June 2025.

External Communication and Stakeholder Engagement

Al-`Aqar communicates regularly with external stakeholders including regulators, analysts, rating agencies, and the broader market through corporate announcements, investor presentations, meetings, and media engagements. These channels support transparency and ensure that stakeholders receive reliable information on financial results, portfolio performance, leasing activities, market conditions, and capital management strategies.

For the year 2025, the REIT held a total of four analyst briefings and four investor engagement sessions, with analyst briefings conducted on 21 February 2025 (4Q2024), 9 June 2025 (1Q2025), 11 September 2025 (2Q2025), and 10 December 2025 (3Q2025), and investor site visits held on 16 January 2025 (Maybank), 11 August 2025 (PNB & EPF), 29 September 2025 (Maybank), and 30 September 2025 (BIMB).

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Tenant and Operational Communication

Proactive communication with tenants plays a key role in supporting stable operations and occupancy. The Manager engages with tenants to address operational issues, support licensing or compliance needs, manage facility-related matters, and negotiate renewals. Feedback from tenants is used to improve service delivery and strengthen asset performance.

The FY2025 Service Manager Evaluation achieved an average score of 80.38 across 21 hospitals, reflecting strong and sustained confidence in the Manager's oversight, responsiveness, and support for lessees' operational needs. The evaluation also offers valuable insights into hospitals' expectations and areas for continuous enhancement in asset management and service delivery. In line with these insights, the Manager collaborated closely with hospital teams throughout FY2025 to refine and standardise proposal-assessment processes, with enhanced SOPs to be implemented across all hospital groups this year. Going forward, the Manager remains committed to strengthening communication, improving transparency on technical justifications, and providing clearer governance information to further support operational clarity, reinforce strong working relationships, and uphold the long-term performance and sustainability of the asset portfolio.

Monitoring, Review and Assurance of Internal Controls

Monitoring activities are embedded across Al-`Aqar to ensure that internal controls and risk mitigation measures continue to operate effectively. Ongoing monitoring is carried out through supervisory reviews, performance tracking, exception reporting, and operational oversight of tenancy management, asset performance, procurement, financial controls and ESG compliance. These reviews enable Management to detect irregularities, verify control compliance and respond promptly to emerging issues.

Independent evaluations are undertaken through the ERM, which reviews key risks, mitigation effectiveness and control outcomes on a quarterly basis. Management reports significant developments, including changes in risk exposure, emerging risks, compliance matters and incident escalations, to the ERM and subsequently to the BARC, ensuring clear governance visibility and timely decision-making.

Separate assurance is provided by the internal audit function, which performs risk-based audits in accordance with the approved annual audit plan. Audit findings and recommendations are presented to the BARC, and Management is accountable for implementing corrective actions within agreed timelines. The status of audit issue

closure is monitored and reported until full resolution is achieved. External auditors, Shariah reviewers and other independent assessors further supplement assurance through financial, compliance and sustainability related reviews.

Collectively, these monitoring mechanisms provide continuous feedback on the adequacy and operating effectiveness of the REIT's internal control system and risk management practices. Issues identified through monitoring processes are addressed promptly, and insights gained are used to enhance controls and strengthen governance maturity across the organisation.

Strategic and Market Insights

The half-yearly budget review includes updates on market conditions and strategic initiatives. Management considers economic trends, rental benchmarks, and competitor movements that may affect asset performance. Progress on development or enhancement projects is reported, along with potential opportunities or risks that may influence the REIT's forward strategy. In 2025, the Strategic Plan was tabled and approved by the Board on 26 May 2025, followed by a comprehensive budget review, which was subsequently presented and endorsed by the respective Boards on the same dates.

Compliance with SC REIT Guidelines, Bursa Listing Requirements, MCG, Trust Deed provisions, and ESG-related regulatory obligations

Management conducts ongoing reviews to ensure full compliance with the SC REIT Guidelines, Bursa Listing Requirements, covering areas such as disclosures, governance practices, and fiduciary obligations. There were no compliance breaches during the year.

Effectiveness of Monitoring Activities

Monitoring activities were effective in providing timely visibility of control performance, risk exposures and compliance obligations. Ongoing supervisory reviews, exception reporting, asset inspections and tenancy controls operated as designed, while separate evaluations through ERM, internal audit and compliance reviews provided independent assurance over key processes. Corrective actions were tracked to closure, and no significant delays or unresolved issues were reported to the BARC. Overall, the monitoring processes provided sufficient assurance that the REIT's controls and risk treatments were functioning as intended.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

ASSURANCE AND CONTINUOUS IMPROVEMENT

For the financial year 2025, the Manager appointed PKF Malaysia as the independent internal auditor to conduct a risk-based internal audit in accordance with professional standards. The scope includes evaluating the effectiveness of internal controls, reviewing compliance with policies and procedures, and assessing the robustness of the REIT's risk management processes. Audit results, including identified gaps and recommended enhancements, are presented to the BARC for deliberation and follow-up action. This engagement strengthens assurance over governance, control effectiveness and alignment with the Risk Appetite.

Internal Audit carried out two risk-based audits during the year, focusing on lease and tenant management and facility management. The audits identified several improvement areas, all of which were addressed by Management. Follow-up reviews confirmed that the corrective actions were completed and verified as satisfactorily closed.

External Audits, Shariah and ESG Assurance

External assurance mechanisms provide an added layer of independence and credibility to the REIT's financial, operational, and Shariah-related controls. As part of the annual statutory audit, external auditors evaluated the adequacy and operating effectiveness of key financial reporting controls, focusing on areas such as revenue recognition, impairment assessment, capital expenditure, and compliance with accounting standards. Independent property valuers were also appointed to conduct professional valuations of the REIT's investment properties to ensure that fair values used in the financial statements are objective, reliable, and supported by market evidence.

In addition, Shariah advisers conducted monthly reviews covering lease arrangements, investment activities, financing structures, and compliance with Shariah principles. The findings were formally reported to Management and the Board.

ESG-related disclosures and sustainability data were subjected limited external assurance to ensure accuracy, consistency, and alignment with the NSRF, IFRS S1/S2, and Bursa's Sustainability Reporting requirements report on limited assurance can be found on sustainability statement section. This multi-layered assurance approach strengthens the reliability of the REIT's reporting and reinforces stakeholder confidence.

CONTINUOUS IMPROVEMENT AND CONTROL ENHANCEMENT

The REIT is committed to continuously strengthening its internal control system to ensure it remains effective, relevant and responsive to changes in the operating environment. Improvement initiatives are driven by insights from internal audits, management reviews, ERM deliberations, external assurance, regulatory developments and operational learnings.

During the year, the Manager enhanced key controls by updating operational SOPs, improving documentation of critical processes, and refining control ownership and accountability across functions. Improvements were also made to financial and operational controls supporting asset management, tenancy administration, procurement and ESG reporting. Corrective actions arising from audit findings and compliance reviews were implemented promptly and monitored to closure, with progress reported to the BARC.

The REIT also strengthened the integration of risk management and internal controls by refining its SORMIC narrative, enhancing risk reporting, and aligning internal control practices to the Board's approved Risk Appetite. These initiatives contribute to improved control maturity, clearer governance expectations and greater consistency in the application of controls across the organisation.

Continuous improvement remains an ongoing focus, and the Manager will continue to assess, enhance and digitalise internal controls to ensure they remain adequate and effective in safeguarding assets, supporting operational reliability and enabling sustainable long-term performance.

Effectiveness Statement

The continuous improvement initiatives implemented during the year were effective in strengthening the internal control environment and enhancing control maturity across the REIT. Management completed all planned enhancements, including SOP updates, process documentation improvements, control ownership clarification and corrective actions arising from internal audits and compliance reviews. These enhancements were verified through follow-up assessments and monitoring, with no material residual issues outstanding. The improvements contributed to more consistent control execution, better operational discipline and stronger alignment with the Board's Risk Appetite.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

BOARD COMMENTARY AND OPINION

For the financial year under review, the Board received written assurance from the CEO and the CFO confirming that Al-Aqar's enterprise risk management and internal control systems have operated adequately and effectively in all material respects. Based on these assurances, together with the results of management reviews and independent assessments, the Board notes that no material control failures, significant breakdowns, or adverse compliance events occurred that resulted in material financial loss or operational disruption to the REIT.

Taking into account the representations provided by Management, as well as the BARC's oversight throughout the year, the Board is satisfied that the risk management and internal control systems in place for the financial year 2025 under review and up to the date of approval of this Statement remain sound, effective, and sufficient to safeguard unitholders' interests, the REIT's assets, and the interests of other key stakeholders with no material control failures were reported.

To arrive at this conclusion, the Board considered the following oversight mechanisms, reports, and assurances received during the year:

- Periodic financial reviews, including assessments of financial performance, capital management, and quarterly financial results.
- BARC's oversight of the ERM framework, including updates on changes in risk magnitudes, mitigation progress, and Management's responses to emerging risks.
- Review of principal risks, ensuring appropriate systems, controls, and mitigation strategies are implemented and monitored.
- BARC's review and consultations with Management on the integrity, adequacy, and transparency of the financial statements and year-end audit results.
- Internal audit reports, including findings on governance, internal control effectiveness, and Management's progress in implementing audit recommendations.
- Management's assurance that the REIT's internal control, operational procedures, and compliance frameworks including compliance with applicable laws, regulations, Bursa Malaysia Listing Requirements, SC Guidelines, and internal policies operated adequately, effectively, and with integrity.

The Board remains committed to strengthening governance practices and will continue to monitor major risks affecting the REIT, take timely and necessary actions to mitigate them, and enhance the effectiveness and robustness of the REIT's risk management and internal control systems.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on this Statement on Risk Management and Internal Control ("Statement") in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, and AAPG 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control. Based on the procedures performed, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement, intended for inclusion in the IAR2025:

- is not prepared, in all material respects, in accordance with the disclosure requirements of Paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers; or
- is factually inaccurate in any material respect.

This Statement is made in accordance with a resolution of the Board of Directors dated 5 March 2026.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with the MMLR of Bursa Malaysia and Securities Commission's Guidelines on Listed Real Estate Investment Trusts.


1. Sanctions of Penalties

There was no public sanction or penalty imposed on the Manager during FY2025.

2. Status of Utilisation Proceeds Raised from Corporate Proposal

There was no issuance of new units during FY2025.

3. Audit and Non-Audit Fees

 For information, please refer to page 228.

4. Disclosure in Relation to the Unitholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

At an Annual General Meeting held on 25 June 2025, the REIT obtained a mandate from its unitholders ("Unitholders' Mandate") for recurrent related party transactions ("RRPTs") of a revenue or trading nature.

In compliance with Paragraph 10.09(2)(b) and Paragraph 3.1.5 of Practice Note 12 of the MMLR of Bursa Malaysia, such Unitholders' Mandate is subject to annual renewal and the disclosure in the IAR2025 of RRPTs conducted pursuant to the mandate during the FY2025 where the aggregate value of such RRPTs is equal to or more than RM1 million or 1% of the relevant percentage ratio for such transactions, whichever is the higher.

Set out below are the relevant RRPTs for which Unitholders' Mandate had been obtained together with a breakdown of the aggregate value of the RRPTs which had been conducted pursuant to the Unitholders' Mandate and had met the prescribed threshold.

ADDITIONAL COMPLIANCE INFORMATION

Transacting Party	Nature of Transaction	Nature of Relationship	Value Incurred from 28 Feb 2025 (LPD) to 31 Dec 2025 (RM'000)	The aggregate value transactions during the financial year (RM'000)
KPJ Group	Advisory for, inter-alia, renovation and/or upgrade of any refurbishment work to be undertaken at the hospitals; and property management fee	JCorp has a direct and indirect interest of 35.9% and 9.1% respectively in KPJ. KPJ and JCorp (via KPJ) are also the major unitholders of AL-`Aqar. The Manager is also indirectly wholly-owned by JCorp.	1,004	1,200
	Rental income for renting of, inter-alia, specialist hospitals, medical centres, aged care centre and college buildings	<p>The Interested Directors (save for Dato' Haji Mohd Redza Shah bin Abdul Wahid) are deemed interested by virtue of them being the Directors of JRMSB and being part of the Board and/or senior management of JCorp Group.</p> <p>Shamsul Anuar bin Abdul Majid is a Director of JRMSB and also a Director of KPJ nominated by JCorp.</p> <p>Dato' Haji Mohd Redza Shah bin Abdul Wahid was the former Independent Non-Executive Director of JRMSB who resigned on 31 December 2024 is also the Senior Independent Non-Executive Director of KPJ. As such, Dato' Haji Mohd Redza Shah bin Abdul Wahid is also deemed interested for the six (6) months period preceding his resignation date.</p>	19,722	24,846
JCorp Group	Registrar expenses	<p>JCorp (via KPJ) is the major unitholder of AL-`Aqar. The Manager is also indirectly wholly-owned by JCorp.</p> <p>The Interested Directors (save for Dato' Haji Mohd Redza Shah bin Abdul Wahid) are deemed interested by virtue of them being the Directors of JRMSB and being part of the Board and/or senior management of JCorp Group.</p>	157	157
JLG Group	Total replacement and disposal of main air conditioning system at the hospitals	<p>JCorp (via indirect shareholdings) is a major unitholder of AL-`Aqar.</p> <p>JLG is a wholly-owned subsidiary of JCorp.</p> <p>The Manager, is also indirectly wholly-owned by JCorp.</p> <p>The Interested Directors (save for Dato' Haji Mohd Redza Shah bin Abdul Wahid) are deemed interested by virtue of them being the Directors of JRMSB and being part of the Board and/or senior management of JCorp Group.</p> <p>Shamsul Anuar bin Abdul Majid and Datuk Sr Akmal bin Ahmad are Directors of JRMSB and also Directors of JLG nominated by JCorp.</p>	-	-
Aggregate Value of Transactions			20,883	26,203

SHARIAH ADVISER'S REPORT

To the Unitholders of AL-`AQAR HEALTHCARE REIT

We have acted as the Shariah Adviser of AL-`Aqar Healthcare REIT (the "Fund"). Our responsibility is to ensure that the procedures and processes employed by JLG REIT Managers Sdn. Bhd. (formerly known as Damansara REIT Managers Sdn Berhad) (the "Manager") are in compliance with Shariah principles.

In our opinion, based on our review of the documents and information made available to us, the Manager has operated and managed the Fund in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters for the financial year ended 31 December 2025.

In addition, we also confirm that:

1. The investment portfolio of the Fund is Shariah-compliant, which comprises:
 - (a) Rental income from investment properties which complied with the Securities Commission Malaysia's Guidelines on Islamic Capital Market Products and Services. There was no Shariah non-compliant rental for the financial year ended 31 December 2025; and
 - (b) Cash placement and liquid assets, which are placed in Shariah-compliant investments and/or instruments.
2. There was no acquisition of property that is Shariah non-compliant during the financial year.

Our review does not extend to providing Shariah confirmation on the audited financial statements of the Fund. However, we note that certain conventional terminologies are adopted in accordance with applicable financial reporting standards and established accounting conventions.

For and on behalf of the Shariah Adviser,

IBFIM

NOOR ZURAIDA MD NOOR
Director, Shariah Consultancy

IRMA NAMIRA MISSNAN
Registered Shariah Officer

Kuala Lumpur

24 April 2026

TRUSTEE'S REPORT

For the financial year ended 31 December 2025

To the unit holders of **AL-`AQAR HEALTHCARE REIT** ("Fund"),

We have acted as Trustee of the Fund for the financial year ended 31 December 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, JLG REIT MANAGERS SON BHD (formerly known as DAMANSARA REIT MANAGERS SDN BERHAD) has managed the Fund in accordance with the following:

- (a) Limitations imposed on the investment powers of the management company and the trustee under the deed, Guidelines on Real Estate Investment Trusts, the Capital Markets and Services Act, and other applicable laws; and
- (b) Valuation/pricing is carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of returns by the Fund is relevant and reflects the investment objective of the Fund.

Yours faithfully,

AMANAHRAYA TRUSTEES BERHAD

ZAINUDIN BIN SUHAIMI

Chief Executive Officer

Kuala Lumpur, Malaysia

23 April 2026

08

RISK MANAGEMENT


217 Risk Assessment & Identification

218 Risk Management

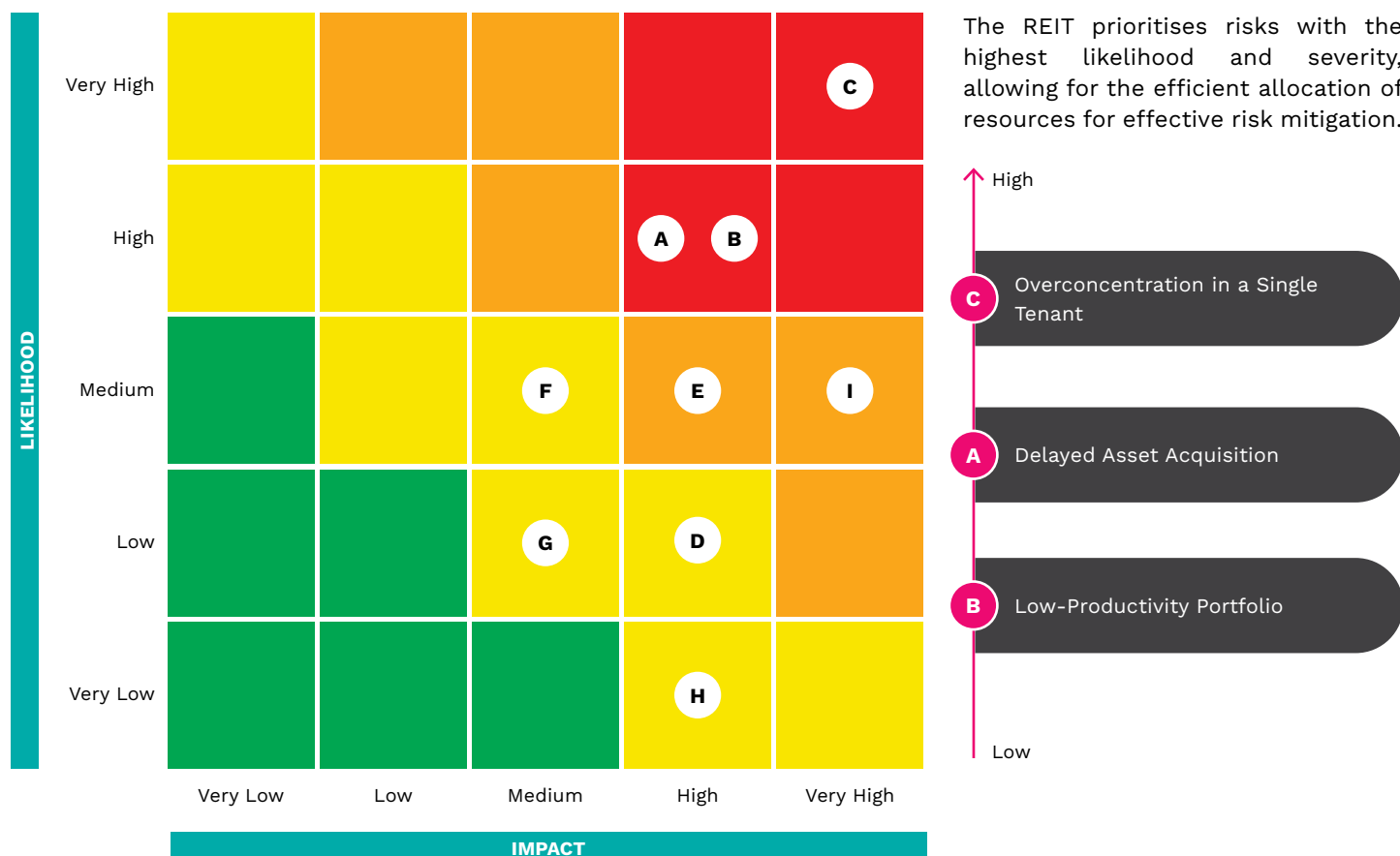


RISK ASSESSMENT & IDENTIFICATION

As part of Al-`Aqar’s effort to strengthen its operational resilience and foster trust with stakeholders, the REIT provides enhanced disclosures and greater transparency in its identified business and sustainability risks, including plans to ensure mitigation measures remain effective. The risk identification and mitigation planning was conducted through the REIT’s ERM framework, taking into account and prioritising key material risks.

 Readers may refer to the SORMIC for more details on Al-`Aqar’s risk management governance, ERM, monitoring, and controls.

The REIT further integrates climate and sustainability risks into its overarching risk management framework, ensuring the concerns of all relevant internal and external stakeholders are addressed. This initiative is aligned with the recommendations of the IFRS S1 and S2. To further align Al-`Aqar’s operations with best practice sustainability recommendations, the REIT plans on financially quantifying and disclosing identified risks in the future.



Risk Legend:

- A** Delayed Asset Acquisition
- B** Low-Productivity Portfolio
- C** Overconcentration in a Single Tenant
- D** Underperforming Assets
- E** Asset Fair Value Sensitivity
- F** Equipment Retrofit Delays
- G** Renewable Energy Installation Delays
- H** Sukuk Alignment and Issuance Readiness
- I** Regulatory Documentation and Agreement Delays

RISK MANAGEMENT

Al-`Aqar adopts a risk management approach that is integrated with its value creation strategies. This is because risks do not occur in isolation but directly influence the REIT’s ability to achieve its long-term objectives. By embedding risk mitigation initiatives within the broader strategic framework, Al-`Aqar ensures that every response not only addresses vulnerabilities but also reinforces operational resilience and competitive strength. This alignment transforms risk management from a reactive safeguard into a proactive enabler of value creation.

STRATEGIC ALIGNMENT OF RISK MANAGEMENT

Value Creation Strategies	Core Risk Management Strategy
Tenant Base Expansion & Diversification	<ul style="list-style-type: none"> • Reduce concentration risk • Stabilise income • Future-proof tenant relationships
KPJ-Complementary Asset Growth	<ul style="list-style-type: none"> • Ensure regulatory compliance • Support healthcare tenants • Secure long-term growth
Healthcare Value Chain Diversification	<ul style="list-style-type: none"> • Enhance resilience • Reduce costs • Improve ESG ratings • Maintain competitiveness
Aged Market Capitalisation	<ul style="list-style-type: none"> • Maintain growth momentum • Avoid stagnation • Capture market opportunities

Based on the core risk management strategies, each risk faced by the REIT is efficiently managed as follows:

Legend:

Capitals:

- Financial Capital
- Portfolio Capital
- Natural Capital
- Intellectual Capital
- Human Capital
- Social Capital

Resources:

- Financial Capital
- Systems Implementation
- Equipment Acquisition
- Appointed Persons-in-Charge
- Technology Utilisation
- Manpower and Talent

Severity:

- Very Low
- Low
- Moderate
- High
- Very High

Likelihood:

- Very Low
- Low
- Moderate
- High
- Very High

RISK MANAGEMENT


C OVERCONCENTRATION IN A SINGLE TENANT


Related Capitals:   

Risk Description

Optimising portfolio resilience and negotiating capabilities by balancing long-term anchor partnerships with the cultivation of broader and independent sourcing opportunities and a more diverse tenant base

Risk Status

Likelihood: 

Severity: 

Resources:   

Risk Management Initiative

- Develop independent tenant relationships, reducing financial sensitivity to any single partner's performance
- Integrate a broader network of healthcare operators and service providers
- Actively source and grow a pipeline of third-party assets that meet independent valuation criteria

Mitigation Measures

- Independent valuation and related-party transaction governance
- Active development of alternative asset sourcing pipelines
- Engagement with a wider range of third-party market operators
- Broadening acquisition criteria to diversify tenant and sponsor exposure.

A DELAYED ASSET ACQUISITION

Related Capitals:   

Risk Description

Managing potential variances in the projected timeline for strategic portfolio expansion, primarily influenced by external regulatory pacing, multi-party negotiation progress, and capital structure alignment

Risk Status

Likelihood: 

Severity: 

Resources:   

Risk Management Initiative

- Expanding the portfolio through diverse, high-yield asset types
- Capture broader market opportunities when specific project timelines shift

Mitigation Measures

- Establishment of clear project governance and timelines
- Regular coordination calls with professional advisers
- Enhanced contingency planning for approval or completion delays
- Formalized internal reporting for committee and board oversight

RISK MANAGEMENT

B

LOW-PRODUCTIVITY PORTFOLIO

Related Capitals:



Risk Description

Managing natural lease expirations and the divestment of non-core assets to ensure continuous revenue performance and effective capital recycling amidst varying market appetite and specialised asset valuation gaps

Risk Status

Likelihood:

Severity:

Resources:

Risk Management Initiative

- Filling vacated spaces with a wider and more varied pool of high-quality occupants
- Enhance overall portfolio resilience, ensuring that the disposal of specialised assets does not compromise the fund's competitive positioning

Mitigation Measures

- Engagement with diverse purchaser groups and specialised agents
- Refreshing valuation and pricing strategies based on market feedback
- Prioritising completion of condition precedents to enable unconditional agreements
- Developing alternative or phased disposal contingency strategies

09

FINANCIAL STATEMENTS

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MANAGER'S REPORT

The Manager of AL-`Aqar Healthcare REIT (the "Fund"), JLG REIT Managers Sdn Bhd (the "Manager") have pleasure in presenting their report and the audited financial statements of the Group and of the Fund for the financial year ended 31 December 2025.

RESULTS

	Group 2025 RM	Fund 2025 RM
Profit for the year	55,717,385	58,448,626

INCOME DISTRIBUTIONS

Since the end of the previous financial year, the amounts of dividends paid by the Fund were as follows:

	Fund 2025 RM
In respect of the financial year ended 31 December 2024 as reported in the directors' report of that year:	
Final income distribution of 1.57 sen per unit on 839,597,757 units, paid on 25 February 2025	13,181,685
In respect of the financial year ended 31 December 2025 as reported in the directors' report of current year:	
First interim income distribution of 1.74 sen per unit on 839,597,757 units, paid on 25 June 2025	14,609,001
Second interim income distribution of 1.73 sen per unit on 839,597,757 units, paid on 30 September 2025	14,525,041
Third interim income distribution of 1.73 sen per unit on 839,597,757 units, paid on 29 December 2025	14,525,041
	56,840,768

A final interim income distribution in respect of the financial year ended 31 December 2025, of 1.86 sen per unit on 839,597,757 units amounting to an income distribution payable of RM15,616,518 will be payable on 27 February 2026.

The financial statements for the current year do not reflect this final interim income distribution. Such income distribution will be accounted for in equity as an appropriation of profits in the financial year ending 31 December 2026.

MANAGER'S REPORT

THE FUND AND ITS INVESTMENT OBJECTIVE

The Fund is a Malaysian-based real estate and investment trust, established on 28 June 2006 pursuant to the execution of a Trust Deed dated 27 June 2006 between the Manager and AmanahRaya Trustees Bhd (the "Trustee"). The Fund was listed on the Main Board of Bursa Malaysia Securities Berhad on 10 August 2006.

On 17 April 2019, at the Annual General Meeting, the unitholders of the Fund approved the proposed amendments of the Restated Trust Deed dated 31 July 2013. The Second Restated Trust Deed was executed and lodged with the Securities Commission on 25 November 2019.

On 13 December 2022, at the Extraordinary General Meeting, the unitholders of the Fund approved the proposed amendments to the Second Restated Trust Deed dated 25 November 2019. The Supplemental Deed to the Second Restated Trust Deed was executed on 29 December 2022. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provisions of the Second Supplemental Deed to the Second Restated Trust Deed.

The key objective of the Fund is to provide unitholders with stable distributions per unit and the potential for sustainable long-term growth of such distributions and net asset value per unit.

The objective is sought to be achieved by optimising the performance and enhancing the overall quality for a large and geographically diversified portfolio of Shariah-compliant real estate assets through various permissible investment and business strategies.

THE MANAGER AND ITS PRINCIPAL ACTIVITY

The Manager is a company incorporated in Malaysia and is a wholly-owned subsidiary of Damansara Assets Sdn Bhd, a company incorporated in Malaysia. The Directors of the Manager consider Johor Corporation as the ultimate holding corporation of the Manager, a body corporate established under the Johor Corporation Enactment No 4, 1968 (as amended by the Enactment No. 5, 1995).

The principal activity of the Manager is that of managing real estate investment trusts. There has been no significant change in the nature of the activity during the financial year.

MANAGER'S INVESTMENT STRATEGIES AND POLICIES

To achieve the Fund's primary objective, the Manager will seek to achieve the following strategies:

(i) Portfolio composition

The Fund's investments may be allocated in the following manner, as prescribed by the Guidelines on Real Estate Investment Trust ("Guidelines on REITs") and the Guidelines for Islamic Real Estate Investment Trust ("Guidelines on Islamic REITs"):

- (a) at least seventy-five percent (75%) of the total assets value must be invested in Real Estate that generates recurrent rental income at all times;
- (b) the Fund may invest in Real Estate where it does not have a majority ownership and control provided that the total value of these Real Estate does not exceed twenty-five percent (25%) of the total assets value at the point of acquisition, as the case may be; and

MANAGER'S REPORT

MANAGER'S INVESTMENT STRATEGIES AND POLICIES (CONT'D)

To achieve the Fund's primary objective, the Manager will seek to achieve the following strategies (cont'd):

(i) Portfolio composition (cont'd)

- (c) the aggregate investments in Property Development Activities (Property Development Costs) and Real Estate under construction must not exceed fifteen percent (15%) of the total assets value. For avoidance of doubt, such investments cannot be accounted towards meeting the requirement under Clause 6.3.1(a) of this Deed.

(ii) Diversification

The Fund will seek to diversify its Shariah-compliant real estate portfolio by property and location type. The Fund will primarily be focused on investing in real estates which are primarily used for healthcare purposes and will continue to look for opportunities that will provide attractive returns.

(iii) Leverage

The Fund will be able to leverage on its financing to make the permitted investments. Leveraging on its financing will enable the returns to unitholders to increase.

DIRECTORS OF THE MANAGER

The directors of the Manager in office since the beginning of the financial year and to the date of this report are:

Datuk Hashim bin Wahir	
Shamsul Anuar bin Abdul Majid	
Datuk Sr Akmal bin Ahmad	
Abdullah bin Abu Samah	
Lailatul Azma binti Abdullah	(Resigned on 4 August 2025)
Dato Haji Mohammed Ridha bin Abd Kadir	
Goh Tian Sui	(Appointed on 21 January 2025)
Datin Ungku Suseelawati binti Ungku Omar	(Appointed on 21 January 2025)
Ong Li Lee	(Appointed 4 August 2025)
Abdul Aziz bin Abdul Rasheed	(Appointed 4 August 2025)
Ahmad Fadzli bin Zainudin*	(Appointed 23 October 2025)
Tay Hui Ping#	(Appointed 23 October 2025)

* Appointed as Alternate Director to Datuk Sr Akmal bin Ahmad

Appointed as Alternate Director to Shamsul Anuar bin Abdul Majid

MANAGER'S REPORT

DIRECTORS OF THE MANAGER'S BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Manager of the Fund was a party, whereby the directors might acquire benefits by means of the acquisition of units in or debentures of the Fund or any other body corporate.

Since the end of the previous financial year, no Director of the Manager has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors of Manager or the fixed salary of a full time employee of the Fund or its related corporations as shown below) by reason of a contract made by the Fund or a related corporation with any director or with a firm of which the director is a member, or with a Fund in which the director has substantial financial interest.

The directors of the Manager's benefits are as follows:

	RM
Fees	873,140

DIRECTORS OF THE MANAGER'S INTERESTS

According to the Register of Directors' Unitholdings kept by the Manager under Section 59 of the Companies Act 2016, the interests of the Directors of the Manager in office at the end of the financial year in units of the Fund and its related corporations during the financial year were as follows:

	← Number of ordinary shares →			
	At 1.1.2025	Acquired	Sold	At 31.12.2025
Related companis				
Johor Plantation Group Berhad				
Abdullah bin Abu Samah	400,000	-	-	400,000
Datuk Sr Akmal bin Ahmad	403,000	-	-	403,000
Shamsul Anuar Bin Abdul Majid	1,282,300	1,717,791	-	3,000,091

	← Number of ordinary shares →			
	At Date of Appointment	Acquired	Sold	At 31.12.2025
Ong Li Lee	300,000	-	-	300,000

Other than as disclosed above, the other directors of the Manager in office at the end of the financial year had no interest in units of the Fund and of its related corporations during and at the end of the financial year.

MANAGER'S REPORT

MANAGER'S REMUNERATION

Pursuant to the Second Restated Trust Deed dated 25 November 2019 and the Supplemental Deed to the Second Restated Trust Deed dated 29 December 2022, the Manager is entitled to receive the following fees from the Fund:

- (a) Management fee of up to 0.3% per annum of the total assets value of the Fund calculated based on monthly accrual basis and payable monthly in arrears;
- (b) An acquisition fee of 1.0% of the acquisition price of any investment property purchased directly or indirectly by the Fund which is payable after the completion of the acquisition; and
- (c) A disposal fee of 0.5% of the disposal price of any investment property to be disposed directly or indirectly by the Fund which is payable upon completion of the disposal.

SOFT COMMISSION

During the year, the Manager did not receive any soft commission from its broker, by virtue of transactions conducted by the Fund.

RESERVES AND PROVISIONS

There was no material transfer to and from reserves or provisions during the financial year, other than those as disclosed in the financial statements.

ISSUE OF UNITHOLDERS' UNITS

There was no issuance of new units during the year.

HOLDING CORPORATION

The ultimate holding corporation of the Fund is Johor Corporation, a body corporate established under the Johor Corporation Enactment No. 4, 1968 (as amended by the Enactment No. 5, 1995).

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Fund were made out, the Manager took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

MANAGER'S REPORT

OTHER STATUTORY INFORMATION (CONT'D)

- (b) At the date of this report, the Manager is not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Fund misleading.
- (c) At the date of this report, the Manager is not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Fund misleading or inappropriate.
- (d) At the date of this report, the Manager is not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Fund which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Fund which has arisen since the end of the financial year which secures the liabilities of any other person; and
 - (ii) any contingent liability of the Group and of the Fund which has arisen since the end of the financial year.
- (f) In the opinion of the Manager:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Fund to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is 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.
- (g) As of 31 December 2025, the current liabilities of the Group has exceeded the current assets by RM437,468,822. The net current liabilities position are mainly derived from borrowings of RM280,000,000 and RM359,994,050 which will be due in May 2026 and September 2026.

The Manager believes that the Group will be able to meet its short-term obligations as and when they fall due on the basis that the Group has initiated the process to extend the maturities of these borrowings and has identified several refinancing plans to be undertaken thereafter.

As at the date of the financial statements, the Group has requested a one-year extension for the borrowings and is assessing the available refinancing options offered by financial institutions. Taking into consideration the viability of these options and the progress made to date, the Manager is confident that the extension and subsequent refinancing can be completed as planned. Accordingly, the Manager is of the opinion that the going concern basis used in the preparation of the financial statements remains appropriate.

MANAGER'S REPORT

SIGNIFICANT EVENTS

Details of the significant events are disclosed in Note 27 to the financial statements.

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM	Fund RM
Auditors' remuneration paid to Ernst & Young PLT		
- Statutory audit	210,000	190,000
- Others	20,000	20,000
	230,000	210,000
Auditors' remuneration paid to other firms		
- Statutory audit	98,213	-
Total remuneration paid to the external auditors	328,213	210,000

To the extent permitted by law, the Manager of the Fund has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board of the Manager in accordance with a resolution of the directors of the Manager dated 5 March 2026.

Datuk Hashim bin Wahir

Kuala Lumpur

Abdullah bin Abu Samah

STATEMENT BY THE DIRECTORS OF THE MANAGER AND STATUTORY DECLARATION

STATEMENT BY THE DIRECTORS OF THE MANAGER

We, Datuk Hashim bin Wahir and Abdullah bin Abu Samah, being two of the directors of JLG REIT Managers Sdn Bhd (the “Manager”), do hereby state that, in the opinion of the directors of the Manager, the accompanying financial statements of AL-`Aqar Healthcare REIT (the “Fund”) and its subsidiaries (the “Group”) set out on pages 234 to 290 are drawn up in accordance with applicable provisions of the Second Restated Trust Deed dated 25 November 2019, Supplemental Deed to the Second Restated Trust Deed dated 29 December 2022, MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2025 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board of the Manager in accordance with a resolution of the directors of the Manager dated 5 March 2026.

Datuk Hashim bin Wahir

Abdullah bin Abu Samah

STATUTORY DECLARATION

I, Zulhilmy bin Kamaruddin, being the officer of the Manager primarily responsible for the financial management of AL-`Aqar Healthcare REIT, do solemnly and sincerely declare that the accompanying financial statements set out on pages 234 to 290 are in my opinion 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.

Subscribed and solemnly declared
by the abovenamed Zulhilmy
bin Kamaruddin at Kuala Lumpur
in the Federal Territory on 5 March 2026.

Zulhilmy bin Kamaruddin

Before me,

Commissioner for Oaths

Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AL-`AQAR HEALTHCARE REIT AND ITS SUBSIDIARIES

(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of AL-`Aqar Healthcare REIT, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Fund, 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 234 to 290.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards and IFRS Accounting Standards.

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 audit 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 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.

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 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Valuation of investment properties

The Group and the Fund adopt fair value model for their investment properties. As at 31 December 2025, the carrying amount of the Group's and the Fund's investment properties is RM1,879,245,760 and RM1,872,477,823 respectively, which represents 90% and 89% of the Group's and the Fund's total assets respectively.

We have identified this as an important area of our audit given the significance of the investment properties and the complex valuation method which is based on assumptions that are highly judgemental.

INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS OF AL-`AQAR HEALTHCARE REIT AND ITS SUBSIDIARIES (CONT'D)

(Incorporated in Malaysia)

Valuation of investment properties (cont'd)

Our audit procedures focused on the valuations performed by independent professional valuers, which included, amongst others, the following procedures:

- We considered the objectivity, independence and expertise of the independent professional valuers;
- We obtained an understanding of the methodology adopted by the independent professional valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry;
- We had discussions with the independent professional valuers to obtain an understanding of the property related data used as input to the valuation models which included, amongst others, rental income data, yield rate and discount rate;
- We tested the accuracy of rental income data applied in the valuation by comparing them with lease agreements and challenged yield rate by comparing them with available industry data, taking into consideration comparability and market factors;
- We assessed whether the discount rate used to determine the present value of the cash flows reflects the estimated market rate of return for comparable assets with similar profile; and
- We also evaluated the Group's and the Fund's disclosures on those assumptions to which the outcome of the valuation is most sensitive. The disclosures on the valuation sensitivity and significant assumptions used are included in Notes 3.2(a) and 10 to the financial statements.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the annual report, but does not include the financial statements of the Group and of the Fund and our auditors' report thereon, which we not obtained prior to the date of this auditors' report. The Group's 2025 Annual Report is expected to be made available to us after the date of this auditors' report.

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 identified above 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 on other information that we have obtained after the date of this auditors' report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate action.

INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS OF AL-`AQAR HEALTHCARE REIT AND ITS SUBSIDIARIES (CONT'D)

(Incorporated in Malaysia)

Responsibilities of the Manager and Trustee for the financial statements

The Manager of the Fund is responsible for the preparation of financial statements of the Group and of the Fund that give a true and fair view in accordance with MFRS Accounting Standards and IFRS Accounting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Group and of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Fund, the Manager is 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 Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness 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 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.

INDEPENDENT AUDITORS' REPORT

TO THE UNITHOLDERS OF AL-`AQAR HEALTHCARE REIT AND ITS SUBSIDIARIES (CONT'D)

(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd)

- 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.
- 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 financial statements of the Group. 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 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 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, related safeguards.

From the matters communicated with 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 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, as a body, in accordance with the Securities Commission's Guidelines on Real Estate Investment Trusts in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Mimie Joanna Binti Johar
No. 03592/09/2027 J
Chartered Accountant

Kuala Lumpur, Malaysia
5 March 2026

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	The Group		The Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	4	119,957,300	117,215,932	119,390,396	116,248,674
Other income		532,082	636,093	532,082	612,971
Total revenue		120,489,382	117,852,025	119,922,478	116,861,645
Property expenses	5	(6,996,712)	(6,525,878)	(6,996,712)	(6,493,606)
Manager's fees		(5,729,463)	(4,651,967)	(5,729,463)	(4,651,967)
Professional fees		(1,055,639)	(2,498,731)	(780,978)	(606,696)
Valuation fees		(296,000)	(595,727)	(296,000)	(595,727)
Trustee's fees		(421,817)	(428,994)	(421,817)	(428,994)
Disposal fees		-	(65,000)	-	(65,000)
Maintenance of property		(1,089,878)	(1,542,427)	(1,089,878)	(1,542,427)
Total property expenses		(15,589,509)	(16,308,724)	(15,314,848)	(14,384,417)
Net property income		104,899,873	101,543,301	104,607,630	102,477,228
Investment revenue	6	1,847,769	1,885,072	2,290,187	2,661,888
Gain on disposal of investment property		-	1,000,000	-	1,000,000
Fair value written down of assets held for sale		(2,000,000)	(16,571,468)	(2,000,000)	-
Fair value adjustment of investment properties		(6,445,817)	10,134,121	(4,097,388)	10,134,121
Total investment (loss)/income		(6,598,048)	(3,552,275)	(3,807,201)	13,796,009
Net investment income		98,301,825	97,991,026	100,800,429	116,273,237
Finance costs:					
Islamic financing		(38,018,868)	(36,956,507)	(38,018,868)	(36,956,507)
Transaction cost	17	(2,852,925)	(1,652,481)	(2,852,925)	(1,652,481)
Directors fees		(21,012)	(22,592)	-	-
Printing expenses		(325,861)	(113,146)	(322,781)	(112,986)
Secretarial fee		(882)	(915)	-	-
Securities Commission's fees		(100)	(100)	(100)	(100)
Audit fees					
- Current year		(308,213)	(310,526)	(190,000)	(180,000)
- Other services		(20,000)	(20,000)	(20,000)	(20,000)

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2025 (cont'd)

	Note	The Group		The Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
Tax agent's fee		(17,500)	(12,500)	(15,500)	(10,500)
Unrealised loss on foreign exchange		(25,921)	(132,601)	(25,921)	(132,601)
Administration expenses		(933,916)	(604,122)	(846,466)	(523,056)
Allowance for expected credit loss on amount due from a subsidiary		-	-	-	(30,876,803)
Annual listing fees		(5,000)	(5,000)	(5,000)	(5,000)
Withholding tax		(44,242)	(77,682)	(44,242)	(77,682)
Shariah adviser's fee		(10,000)	(8,000)	(10,000)	(8,000)
Total fund expenses		(42,584,440)	(39,916,172)	(42,351,803)	(70,555,716)
Profit before tax		55,717,385	58,074,854	58,448,626	45,717,521
Tax credit	7	-	200,000	-	200,000
Profit for the year		55,717,385	58,274,854	58,448,626	45,917,521
Profit for the year					
Realised		61,981,540	62,223,269	62,364,352	64,171,271
Unrealised		(6,264,155)	(3,948,415)	(3,915,726)	(18,253,750)
		55,717,385	58,274,854	58,448,626	45,917,521
Earnings per unit (sen):	8				
Basic		6.64	6.94		
Other comprehensive loss for the year					
<i>Other comprehensive loss that may be reclassified to profit or loss in subsequent periods (net of tax):</i>					
Foreign currency translation, representing total other comprehensive loss for the year, net of tax		(2,615,970)	(12,380,259)	-	-
Total comprehensive income for the year, net of tax		53,101,415	45,894,595	58,448,626	45,917,521

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	The Group		The Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
Assets					
Non-current assets					
Investment properties	10	1,879,245,760	1,654,401,421	1,872,477,823	1,645,085,406
Investment in subsidiaries	11	-	-	3	3
Amount due from a subsidiary	13	-	-	93,700,372	93,700,372
		1,879,245,760	1,654,401,421	1,966,178,198	1,738,785,781
Current assets					
Trade receivables	12	52,704,020	50,679,308	22,127,138	19,963,896
Other receivables and prepaid expenses	12	1,225,275	1,579,265	1,122,271	1,432,752
Amount due from subsidiaries	13	-	-	621,462	69,018
Cash and bank balances	14	101,502,766	87,313,662	90,824,718	75,902,423
		155,432,061	139,572,235	114,695,589	97,368,089
Assets classified as held for sale	28	52,933,134	41,963,781	12,000,000	-
		208,365,195	181,536,016	126,695,589	97,368,089
Total assets		2,087,610,955	1,835,937,437	2,092,873,787	1,836,153,870
Total unitholders' fund and liabilities					
Unitholders' fund					
Unitholders' capital	18	854,758,225	854,758,225	854,758,225	854,758,225
Undistributed income		213,794,472	214,917,827	200,434,294	198,826,408
Foreign currency translation reserve		(18,748,974)	(16,133,004)	-	-
Total unitholders' fund		1,049,803,723	1,053,543,048	1,055,192,519	1,053,584,633

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025 (cont'd)

	Note	The Group		The Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current liabilities					
Deferred tax liability	16	1,322,541	1,322,541	1,322,541	1,322,541
Other payables	15	20,020,341	16,232,068	20,020,341	16,232,068
Islamic financing	17	370,630,333	649,221,513	370,630,333	649,221,513
		391,973,215	666,776,122	391,973,215	666,776,122
Current liabilities					
Other payables	15	7,408,084	5,698,114	7,282,120	5,872,962
Islamic financing	17	638,425,933	109,920,153	638,425,933	109,920,153
		645,834,017	115,618,267	645,708,053	115,793,115
Total liabilities		1,037,807,232	782,394,389	1,037,681,268	782,569,237
Total unitholders' fund and liabilities		2,087,610,955	1,835,937,437	2,092,873,787	1,836,153,870
Number of units in circulation	18	839,597,757	839,597,757	839,597,757	839,597,757
Net asset value ("NAV")					
- before income distribution		1,049,803,723	1,053,543,048	1,055,192,519	1,053,584,633
- after income distribution		1,034,187,205	1,040,361,363	1,039,576,001	1,040,402,948
NAV per unit					
- before income distribution		1.25	1.25	1.26	1.25
- after income distribution		1.23	1.24	1.24	1.24

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN NET ASSET VALUE

For the year ended 31 December 2025

	Note	Unitholders' capital RM	Realised* RM	Unrealised RM	Total undistributed income RM	Foreign currency translation reserve RM	Total unitholders' fund RM
The Group							
At 1 January 2024		854,758,225	72,655,095	148,636,882	221,291,977	(3,752,745)	1,072,297,457
Profit for the year		-	63,694,679	(5,419,825)	58,274,854	-	58,274,854
Realisation of loss from disposal of investment properties		-	(1,471,410)	1,471,410	-	-	-
Other comprehensive loss		-	-	-	-	(12,380,259)	(12,380,259)
Total comprehensive income/(loss)		-	62,223,269	(3,948,415)	58,274,854	(12,380,259)	45,894,595
Transactions with unitholders:							
Income distributions	9	-	(64,649,004)	-	(64,649,004)	-	(64,649,004)
At 31 December 2024		854,758,225	70,229,360	144,688,467	214,917,827	(16,133,004)	1,053,543,048

* Distributable

	Note	Unitholders' capital RM	Realised* RM	Unrealised RM	Total undistributed income RM	Foreign currency translation reserve RM	Total unitholders' fund RM
The Group							
At 1 January 2025		854,758,225	70,229,360	144,688,467	214,917,827	(16,133,004)	1,053,543,048
Profit for the year		-	61,981,540	(6,264,155)	55,717,385	-	55,717,385
Other comprehensive loss		-	-	-	-	(2,615,970)	(2,615,970)
Total comprehensive income/(loss)		-	61,981,540	(6,264,155)	55,717,385	(2,615,970)	53,101,415
Transactions with unitholders:							
Income distributions	9	-	(56,840,740)	-	(56,840,740)	-	(56,840,740)
At 31 December 2025		854,758,225	75,370,160	138,424,312	213,794,472	(18,748,974)	1,049,803,723

* Distributable

STATEMENTS OF CHANGES IN NET ASSET VALUE

For the year ended 31 December 2025 (cont'd)

	Note	Unitholders' capital RM	Realised* RM	Unrealised RM	Total undistributed income RM	Total unitholders' fund RM
The Fund						
At 1 January 2024		854,758,225	70,926,475	146,631,416	217,557,891	1,072,316,116
Issuance of unitholders' capital	18	-	-	-	-	-
Profit for the year		-	65,642,681	(19,725,160)	45,917,521	45,917,521
Realisation of loss from disposal of investment properties		-	(1,471,410)	1,471,410	-	-
Total comprehensive income/ (loss)		-	64,171,271	(18,253,750)	45,917,521	45,917,521
Transactions with unitholders:						
Income distributions	9	-	(64,649,004)	-	(64,649,004)	(64,649,004)
At 31 December 2024		854,758,225	70,448,742	128,377,666	198,826,408	1,053,584,633
At 1 January 2025		854,758,225	70,448,742	128,377,666	198,826,408	1,053,584,633
Profit for the year		-	62,364,352	(3,915,726)	58,448,626	58,448,626
Total comprehensive income/ (loss)		-	62,364,352	(3,915,726)	58,448,626	58,448,626
Transactions with unitholders:						
Income distributions	9	-	(56,840,740)	-	(56,840,740)	(56,840,740)
At 31 December 2025		854,758,225	75,972,354	124,461,940	200,434,294	1,055,192,519

* Distributable

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025

	The Group		The Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities				
Profit before tax	55,717,385	58,074,854	58,448,626	45,717,521
Adjustments for:				
Finance costs	40,871,793	38,608,988	40,871,793	38,608,988
Investment revenue	(1,847,769)	(1,885,072)	(2,290,187)	(2,661,888)
Interest accretion on tenant deposits	-	447,473	-	447,473
Amortisation of deferred income	-	(504,167)	-	(504,167)
Allowance for expected credit loss on amount due from a subsidiary	-	-	-	30,876,803
Gain on disposal of investment property	-	(1,000,000)	-	(1,000,000)
Fair value adjustment of investment properties	6,445,817	(10,134,121)	4,097,388	(10,134,121)
Fair value written down of asset held for sale	2,000,000	16,571,468	2,000,000	-
Unrealised loss on foreign exchange	25,921	132,601	25,921	132,601
Unbilled rental income	(2,207,583)	(2,364,839)	(2,207,583)	(2,364,839)
Operating profit before working capital changes	101,005,564	97,947,185	100,945,958	99,118,371
Changes in working capital:				
Decrease in trade receivables	182,871	3,053,600	44,341	374,576
Decrease/(Increase) in other receivables and prepaid expenses	353,990	(1,254,630)	310,481	(1,817,053)
Increase/(Decrease) in other payables and accrued expenses	5,638,779	(3,729,478)	5,337,967	(3,724,196)
Net changes in working capital	6,175,640	(1,930,508)	5,692,789	(5,166,673)
Net cash generated from operating activities	107,181,204	96,016,677	106,638,747	93,951,698

STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025 (cont'd)

	The Group		The Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from investing activities				
Income received on investment	1,847,769	1,929,220	1,847,769	2,569,699
Increase in deposits more than 3 months maturity	(1,065)	-	-	-
Profit sharing on advances from a subsidiary in Australia	-	-	(1,214,914)	28,143,226
Net proceed from disposal of investment property	-	13,000,000	-	13,000,000
Addition to investment properties	(241,000,000)	-	(241,000,000)	-
Enhancement to investment properties	(4,489,805)	(2,201,040)	(4,489,805)	(2,201,040)
Net cash (used in)/generated from investing activities	(243,643,101)	12,728,180	(244,856,950)	41,511,885
Cash flows from financing activities				
Finance costs paid on Islamic financing	(38,389,650)	(34,227,437)	(38,389,650)	(34,227,437)
Transaction costs paid	(2,938,325)	(259,999)	(2,938,325)	(259,999)
Increase/(Decrease) in amount due to a subsidiary	-	-	1,104,888	(28,536,541)
Income distributions	(56,610,494)	(66,076,382)	(56,610,494)	(64,773,002)
Payment of Islamic financing	(109,994,050)	-	(109,994,050)	-
Net proceeds from issuance of units	-	-	-	-
Net proceeds from Islamic financing	359,994,050	-	359,994,050	-
Net cash generated from/(used in) financing activities	152,061,531	(100,563,818)	153,166,419	(127,796,979)
Net increase in cash and cash equivalents	15,599,634	8,179,901	14,948,216	7,666,604
Effects of changes in exchange rates	(1,385,674)	(5,061,402)	-	-
Effects of foreign currency translation on cash and cash equivalents	(25,921)	(132,601)	(25,921)	(132,601)
Cash and cash equivalents at beginning of year	87,272,658	84,286,760	75,902,423	68,368,420
Cash and cash equivalents at end of year (Note 14)	101,460,697	87,272,658	90,824,718	75,902,423

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE INFORMATION

AL-`Aqar Healthcare REIT (the “Fund”) is a Malaysian domiciled Islamic Real Estate Investment Trust constituted pursuant to a Trust Deed (“Principal Trust Deed”) dated 27 June 2006 between JLG REIT Managers Sdn Bhd (the “Manager”) and Amanah Raya Berhad. Pursuant to the Principal Trust Deed, the Fund entered into a Supplemental Trust Deed dated 14 May 2010 with Amanah Raya Berhad and AmanahRaya Trustees Berhad (the “Trustee”) for the retirement of Amanah Raya Berhad from acting as a Trustee and for the appointment of AmanahRaya Trustees Berhad as the new Trustee for the Fund. The Fund is regulated by the Capital Markets and Services Act 2007, the Securities Commission’s Guidelines on Real Estate Investment Trusts and Islamic Real Estate Investment Trusts (“SC Guidelines”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), the Rules of the Depository, and taxation laws and rulings of Malaysia. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provisions of the Deed.

The Fund was listed on the Main Board of Bursa Malaysia on 10 August 2006 and commenced its business operations on 17 August 2006. Consequent to the new board structure implemented by Bursa Malaysia on 3 August 2010, the Fund is now listed on the Main Market of Bursa Malaysia.

On 26 April 2013, at the Extraordinary General Meeting, the unitholders of the Fund approved the proposed amendments and consolidation of the Trust Deed and Supplemental Trust Deed into a Restated Trust Deed. The Restated Trust Deed was executed on 31 July 2013 and was lodged with the Securities Commission on 11 November 2013. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provisions of the Restated Trust Deed.

On 17 April 2019, at the Annual General Meeting, the unitholders of The Fund approved the proposed amendments of the Restated Trust Deed dated 31 July 2013. The Second Restated Trust Deed was executed and lodged with the Securities Commission on 25 November 2019. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provisions of the Second Restated Trust Deed.

On 13 December 2022, at the Extraordinary General Meeting, the unitholders of The Fund approved the proposed amendments to the Second Restated Trust Deed dated 25 November 2019. The Supplemental Deed to the Second Restated Trust Deed was executed on 29 December 2022. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provisions of the Supplemental Deed to the Second Restated Trust Deed.

The Manager is a company incorporated in Malaysia and is a wholly-owned subsidiary of Damansara Assets Sdn Bhd, a company incorporated in Malaysia. The directors of the Manager consider Johor Corporation as the ultimate holding corporation of the Manager, a body corporate established under the Johor Corporation Enactment No 4, 1968 (as amended by the Enactment No. 5, 1995).

The ultimate holding corporation of the Fund is Johor Corporation, a body corporate established under the Johor Corporation Enactment No. 4, 1968 (as amended by the Enactment No. 5, 1995).

The principal activity of the Group and the Fund is to invest in Shariah-compliant properties with the primary objective of providing unitholders with stable income distributions per unit and potential for sustainable long-term growth of such distributions and net asset value per unit.

The registered office of the Manager is located at Suite 1, Level 17, Menara KOMTAR, Johor Bahru City Centre, 80000 Johor Bahru, Johor.

The principal place of business of the Manager is located at Unit 1-19-02, Level 19, Block 1, V SQUARE, Jalan Utara, 46200 Petaling Jaya, Selangor, Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

1. CORPORATE INFORMATION (CONT'D)

The Fund has entered into several service agreements in relation to the management of the Fund and its property operations. The fees structure of these services is as follows:

(i) Maintenance and management fee

The maintenance manager, Healthcare Technical Services Sdn Bhd, is entitled to an annual maintenance and management fee of up to 0.08% of the gross value of the investment properties in respect of the management of the investment properties owned by the Fund in accordance with the Property Maintenance Agreement. The fee is calculated on a monthly accrual basis.

(ii) Manager's fee

Pursuant to the Second Restated Trust Deed dated 25 November 2019 and the Supplemental Deed to the Second Restated Trust Deed dated 29 December 2022, the Manager is entitled to receive the following fees from the Fund:

- (a) Management fee of up to 0.30% per annum of the total assets value of the Fund calculated based on monthly accrual basis and payable monthly in arrears;

The management fee for the current financial year is RM5,729,463 (2024: RM4,651,967). Prior to the execution of the Supplemental Deed to the Second Restated Trust Deed dated 29 December 2022, the Manager is entitled to receive management fee of 0.1% per annum of the total assets value of the Fund that is below RM1,000,000,000 and 0.125% of the total assets value of the Fund that exceeds RM1,000,000,000 calculated based on monthly accrual basis and payable monthly in arrears;

- (b) An acquisition fee of 1% of the acquisition price of any investment property purchased directly or indirectly by the Fund which is payable after the completion of the acquisition; and

The acquisition fee paid to the Manager during the current financial year is RM2,410,000 (2024: RMNil).

- (c) A disposal fee of 0.5% of the disposal price of any investment property to be disposed directly or indirectly by the Fund which is payable upon completion of the disposal.

The disposal fee to the Manager during the current financial year is RMNil (2024: RM65,000).

(iii) Trustee's fee

Pursuant to the Second Restated Trust Deed dated 25 November 2019, the Trustee is entitled to receive a fee of up to 0.04% per annum of the net asset value of the Fund, calculated based on the monthly accrual basis and payable monthly in arrears.

The Trustee's fees for the financial year ended 31 December 2025 of RM421,817 (2024: RM428,995).

The financial statements of the Group and of the Fund were authorised by the board of directors of the Manager for issuance on 5 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and of the Fund have been prepared in accordance with the applicable provisions of the Second Restated Trust Deed dated 25 November 2019, Supplemental Deed to the Second Restated Trust Deed dated 29 December 2022, MFRS Accounting Standards as issued by Malaysia Accounting Standards Board and IFRS Accounting Standards. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities.

The financial statements of the Group and the Fund are prepared under the historical cost basis except for investment properties and applicable financial instruments that have been measured at their fair values.

The financial statements are presented in Ringgit Malaysia (“RM”) except when otherwise stated.

As of 31 December 2025, the current liabilities of the Group has exceeded the current assets by RM437,468,822. The net current liabilities position are mainly derived from borrowings of RM280,000,000 and RM359,994,050 which will be due in May 2026 and September 2026.

The Manager believes that the Group will be able to meet its short-term obligations as and when they fall due on the basis that the Group has initiated the process to extend the maturities of these borrowings and has identified several refinancing plans to be undertaken thereafter.

As at the date of the financial statements, the Group has requested a one-year extension for the borrowings and is assessing the available refinancing options offered by financial institutions. Taking into consideration the viability of these options and the progress made to date, the Manager is confident that the extension and subsequent refinancing can be completed as planned. Accordingly, the Manager is of the opinion that the going concern basis used in the preparation of the financial statements remains appropriate.

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, except in the current period, the Group and the Fund adopted the following new and amended MFRS Accounting Standards mandatory for annual financial periods beginning on or after 1 January 2025:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025

The adoption of the above new and amended MFRS did not have any significant financial impact to the Company.

The adoption of the above new and amended MFRS Accounting Standards did not have any significant financial impact to the Group and the Fund.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.3 Standards and interpretations issued but not yet effective

The standards and interpretations that are issued but not yet effective are disclosed below. The Group and the Fund intend to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
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	1 January 2026
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 and the Fund expect that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of application.

2.4 Material accounting policies

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Fund and its subsidiaries as at the reporting date. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement(s) with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements; and
- (iii) The Group's voting rights and potential voting rights

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations

Acquisitions of subsidiaries are accounted for using the acquisition method of accounting. Under the acquisition method, the identifiable assets acquired and liabilities assumed are measured at their fair values at the acquisition date.

Acquisition costs incurred are expensed and included in administrative expenses. The difference between these fair values and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or discount on acquisition.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

In business combinations achieved in stages, previously held equity interest in the acquiree is re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Investment in subsidiaries – separate financial statements

In the Fund's separate financial statements, investments in subsidiaries are accounted for at cost less any impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(b) Functional currency

The Group's consolidated statements are presented in RM, which is also the functional currency of the Fund. All transactions are recorded in RM. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

(i) Transactions and balances

Transactions in foreign currencies are initially recorded by the entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of monetary items that are designated as part of the hedge of the Group's and the Fund's net investment in a foreign operation. These are recognised in other comprehensive income ("OCI") until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss. Tax charges and credits attributable to exchange differences on those monetary items are also recognised in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group and the Fund initially recognise the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group and the Fund determine the transaction date for each payment or receipt of advance consideration.

(ii) Consolidated financial statement

For consolidation purposes, the assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of OCI relating to that particular operation is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(c) Investment properties

Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

Investment property comprises principally hospitals and universities that are not occupied substantially for use by, or in the operations of the Group and the Fund, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

Investment property is measured initially at cost, including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and (only in case of investment property held under a lease) initial leasing commissions to bring the property to the condition necessary for it to be capable of operating.

Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. The fair values were determined based on the capitalisation of net income method ("investment method") and is premised on the principle that the value of an income-producing property is represented by the "present worth of future rights to income, or utility". The valuation is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. Gains or losses arising from changes in the fair values of investment property are included in profit or loss in the period in which they arise, including the corresponding tax effect.

For the purposes of these financial statements, in order to avoid double counting, the fair value reported in the financial statements is:

- (i) Reduced by the carrying amount of any accrued income resulting from the spreading of lease incentives and/or minimum lease payments;
- (ii) In the case of investment property held under a lease, increased by the carrying amount of any liability to the head lessor that has been recognised in the statement of financial position as a finance lease obligation.

Investment property is derecognised either when it has been disposed of (i.e. at the date the recipient obtains control of the investment property in accordance with the requirements for determining when a performance obligation is satisfied in MFRS 15) or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration to be included in the gain or loss arising from the derecognition of investment property, the Group and the Fund consider the effects of variable consideration, the existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any) in accordance with the requirements for determining the transaction price in MFRS 15.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(d) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and measured either at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Fund's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Fund have applied the practical expedient, the Group and the Fund initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component and therefore are measured at the transaction price determined under MFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's and the Fund's business model for managing financial assets refer to how they manage their financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group and the Fund commit to purchase or sell the asset.

The Group and the Fund determined the classification of their financial assets as financial assets (debt instruments) at amortised cost at its initial recognition.

Subsequent measurement

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Fund's financial assets at amortised cost includes trade receivables, other receivables and prepaid expenses (excluding prepayments and GST receivables), amount due from a subsidiary, Islamic fixed deposits with licensed banks, and cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(d) Financial assets (cont'd)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- (i) The rights to receive cash flows from the asset have expired; or
- (ii) The Group and the Fund have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either the Fund has transferred substantially all the risks and rewards of the asset, or the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group and the Fund have transferred their rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Fund continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Group and the Fund also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Fund have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Fund could be required to repay.

(e) Impairment of financial assets

The Group and the Fund recognise an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Fund expect to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Fund apply a simplified approach in calculating ECLs. Therefore, the Group and the Fund do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date. The Group and the Fund have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(e) Impairment of financial assets (cont'd)

The Group and the Fund consider factors if a financial asset in default such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments that indicate that the Group and the Fund are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Fund. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(f) Financial liabilities

Recognition and measurement

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities are recognised in the statements of financial position when, and only when, the Group and the Fund become a party to the contractual provisions of the financial instruments. Financial liabilities are classified as other financial liabilities.

Tenant deposits are initially recognised at fair value and subsequently measured at amortised cost. Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term.

The Group's and the Fund's other financial liabilities include total payables (non-current and current, excluding deferred lease payment) and Islamic financing.

Payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same financier on substantially different terms, or the terms of an existing liability are substantially modified, such as exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(g) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(h) Cash and bank balances

Cash and Islamic fixed deposits with licensed banks in the statement of financial position comprise cash at banks and on hand and Islamic short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and Islamic fixed deposits with licensed banks.

(i) Provisions

Provisions are recognised when the Group and the Fund have a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and a reliable estimate can be made.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(j) Leases

The Group and the Fund assess at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessor

Leases in which the Group and the Fund do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(k) Revenue

The Group's and the Fund's key sources of income include:

(i) Rental income

The Group and the Fund earn revenue from acting as a lessor in operating leases which do not transfer substantially all of the risks and rewards incidental to ownership of an investment property.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(k) Revenue (cont'd)

(i) Rental income (cont'd)

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

(ii) Investment revenue

Investment revenue, which comprise income earned from Islamic fixed deposits with licensed banks and profit-sharing on advances, are recognised using the effective profit method.

Profit income is calculated by applying the effective profit 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 profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

(l) Income distribution

Income distributions are recognised as a liability when they are approved by Trustee and the board of directors of the Manager. Interim distributions are deducted from unitholders' funds when they are paid.

Income distribution to unitholders that are declared after the reporting period are not recognised as a liability at the end of the reporting period.

(m) Taxation

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in OCI or in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

In accordance with Section 61A(1) of the Income Tax Act 1967, the total income of the Fund will be exempted from income tax provided that at least 90% of the total taxable income of the Fund is distributed to unitholders within two months from the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(m) Taxation (cont'd)

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- (a) When the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss.
- (b) In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- (a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (b) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(m) Taxation (cont'd)

(ii) Deferred tax (cont'd)

The Group and the Fund offset deferred tax assets and deferred tax liabilities if, and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(n) Segment reporting

For management purposes, the Group is organised into operating segments based on their geographical location which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Fund who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 23, including the factors used to identify the reportable segments and the measurement basis of segment information.

(o) Unitholders' capital and unit issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Fund are recorded at the proceeds received, net of direct issue costs.

Unitholders' capital are recorded at the proceeds received, net of direct attributable transactions costs and are classified as equity. Income distributions are recognised in equity in the period in which they are declared.

(p) Borrowing costs

Borrowing costs consists of interest and other costs that the Group and the Fund incurred in connection with the borrowing of funds. Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset.

Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditure and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period they are incurred.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONT'D)

2.4 Material accounting policies (cont'd)

(q) Fair value measurement

The Group and the Fund measure financial instruments such as Islamic derivatives and Shariah Compliant investment property at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability; or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Fund use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group and the Fund determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's and the Fund's financial statements requires management to make judgements, estimates and assumptions that effect the reported amounts of the revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1 Critical judgements made in applying accounting policies

There are no critical judgements made by management in the process of applying the Group's and the Fund's accounting policies that have a significant effect on the amounts recognised in the financial statements.

(a) Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured at fair value, the Group and the Fund have concluded that certain investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time while others are held for eventual sale. As a result, the Group and the Fund have measured deferred tax on changes in fair values of these investment properties using the corporate income tax rate or the real property gains tax (RPGT) rate, as appropriate.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Fair value of investment properties

The Group and the Fund carry their investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group and the Fund had engaged independent professional valuers to determine the fair value and there are no material events that affect the valuation between the valuation date and financial year end.

The determined fair value of the investment properties by the independent professional valuers is most sensitive to the yield rate and discount rate. The range of the yield rate and the discount rate used in the valuation is disclosed in Note 10.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONT'D)

3.2 Key sources of estimation uncertainty (cont'd)

(a) Fair value of investment properties (cont'd)

The following table demonstrates the sensitivity of the fair value measurement to changes in estimated term yield rate, discount rate and its corresponding sensitivity result in a higher or lower fair value measurement:

	Fair value Increase/(decrease) Group		Fair value Increase/(decrease) Fund	
	2025	2024	2025	2024
	RM	RM	RM	RM
Yield rate				
- 0.25%	60,462,337	61,478,090	60,200,000	61,200,000
+ 0.25%	(60,462,337)	(59,478,090)	(60,200,000)	(59,200,000)
Discount rate				
- 0.25%	60,462,337	61,478,090	60,200,000	61,200,000
+ 0.25%	(60,462,337)	(59,478,090)	(60,200,000)	(59,200,000)

4. REVENUE

Revenue from contract with customers comprises the following:

	Group		Fund	
	2025	2024	2025	2024
	RM	RM	RM	RM
Rental income				
Base rental income	117,749,717	114,851,093	117,182,813	113,883,835
Unbilled rental income	2,207,583	2,364,839	2,207,583	2,364,839
	119,957,300	117,215,932	119,390,396	116,248,674

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

4. REVENUE (CONT'D)

Revenue from contract with customers comprises the following (cont'd):

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental income from				
KPJ Ampang Puteri Specialist Hospital	11,207,330	9,295,573	11,207,330	9,295,573
KPJ Tawakkal KL Specialist Hospital	9,982,538	9,882,039	9,982,538	9,882,039
KPJ Damansara Specialist Hospital	8,130,947	8,062,980	8,130,947	8,062,980
KPJ Johor Specialist Hospital	8,711,729	8,709,021	8,711,729	8,709,021
KPJ Klang Specialist Hospital	7,764,256	7,612,016	7,764,256	7,612,016
KPJ Ipoh Specialist Hospital	7,259,774	7,242,645	7,259,774	7,242,645
KPJ Selangor Specialist Hospital	6,163,304	6,042,456	6,163,304	6,042,456
KPJ Penang Specialist Hospital	6,216,441	4,727,579	6,216,441	4,727,579
KPJ Seremban Specialist Hospital	10,364,787	10,402,134	10,364,787	10,402,134
KPJ Healthcare University College, Nilai	7,299,273	7,100,847	7,299,273	7,100,847
Kedah Medical Centre	4,484,812	4,396,875	4,484,812	4,396,875
KPJ Perdana Specialist Hospital	2,947,163	2,889,375	2,947,163	2,889,375
KPJ Kajang Specialist Hospital	4,100,400	4,020,000	4,100,400	4,020,000
Tawakkal Health Centre	2,843,750	3,545,683	2,843,750	3,545,683
KPJ Puteri Specialist Hospital	2,961,988	2,991,407	2,961,988	2,991,407
KPJ Sentosa KL Specialist Hospital	1,845,180	1,809,000	1,845,180	1,809,000
KPJ Kuantan Care & Wellness Centre	1,045,602	1,025,100	1,045,602	1,025,100
KPJ International College, Penang	1,007,307	1,041,545	1,007,307	1,041,545
Damai Care & Wellness Centre	-	425,728	-	425,728
Taiping Medical Centre	1,536,331	1,606,926	1,536,331	1,606,926
KPJ Haemodialysis Kluang	335,820	329,235	335,820	329,235
KPJ Batu Pahat Specialist Hospital	7,618,125	7,633,421	7,618,125	7,633,421
KPJ Pasir Gudang Specialist Hospital	5,563,539	5,457,089	5,563,539	5,457,089
Jeta Gardens Aged Care & Retirement Village	566,904	967,258	-	-
	119,957,300	117,215,932	119,390,396	116,248,674

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

5. PROPERTY EXPENSES

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Assessment	4,219,340	3,768,509	4,219,340	3,768,509
Takaful coverage	954,175	950,958	954,175	950,958
Maintenance fee	1,331,810	1,315,632	1,331,810	1,283,360
Quit rent	491,387	490,779	491,387	490,779
	6,996,712	6,525,878	6,996,712	6,493,606

6. INVESTMENT REVENUE

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Shariah Compliant income from Islamic fixed deposits with licensed banks	1,847,769	1,885,072	1,847,769	1,885,072
Profit sharing on advances from a subsidiary in Australia	-	-	442,418	776,816
	1,847,769	1,885,072	2,290,187	2,661,888

7. TAX CREDIT

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax relating to the origination and reversal of temporary differences (Note 16)	-	(200,000)	-	(200,000)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

7. TAX CREDIT (CONT'D)

Reconciliations of the tax credit applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Fund are as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	55,717,385	58,074,854	58,448,626	45,717,521
Tax at the statutory tax rate of 24%	13,372,172	13,937,965	14,027,670	10,972,205
Different tax rates in other country	(548,621)	(1,571,876)	-	-
Deferred tax recognised at different tax rate	-	(200,000)	-	(200,000)
Non-deductible expenses	4,444,107	6,452,357	3,054,961	8,923,953
Income not subject to tax	(1,073,244)	(10,014,122)	(1,073,244)	(12,163,388)
Income exempted from tax	(16,194,414)	(8,804,324)	(16,009,387)	(7,732,770)
Tax expense for the year	-	(200,000)	-	(200,000)

Pursuant to the Section 61A of the Income Tax Act 1967 (ITA), where 90% or more of the total income of the unit trust is distributed to the unitholders, the total income of the unit trust for that year of assessment shall be exempted from tax. The Manager also expects to distribute the net income within two months from the end of each financial year and accordingly, no estimated current tax payable is required to be provided in the financial statements.

As at the date of this financial statements, the Fund has declared more than 90% of its distributable income to unitholders for the financial year ended 31 December 2025 accordingly. No provision for income tax expense has been made for the year.

Deferred tax liability has been provided for the investment properties held by the Fund at 10% which reflects the expected manner of recovery of the investment properties, i.e. recovered through sale.

Taxation of the Unitholders

Pursuant to Section 109D(2) of the Malaysian Income Tax Act 1967, where 90% or more of the Real Estate Investment Trust's ("REIT") total taxable income is distributed by the REIT, income distributions (other than resident corporate investors) will be subject to tax based on a withholding tax mechanism at the following rates:

Unitholders	Tax rate
Individuals and all other non-corporate investors such as institutional investors	10%
Non-resident corporate investors	24%

Resident corporate investors are required to report the income distributions in their normal corporate tax return and subject to the normal corporate tax rate of 24% (2024: 24%).

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

8. EARNINGS PER UNIT

The earnings per unit which are calculated based on the profit for the year of the Group, divided by the weighted average number of units in circulation as of 31 December 2025 and 2024, are as follows:

	Group	
	2025 RM	2024 RM
Earnings attributable to unitholders:		
Profit for the year	55,717,385	58,274,854
Weighted average number of units	839,597,757	839,597,757
Earnings per unit (sen)	6.64	6.94

9. INCOME DISTRIBUTIONS

For the financial years ended 31 December 2025 and 2024, the Manager, with the approval of the Trustee, has declared the following income distributions:

	Group and Fund	
	2025 RM	2024 RM
Income distributions on ordinary shares in respect of the current financial year		
First interim income distribution of 1.74 (2024: 1.90) sen per unit declared on 26 May 2025 (2024: 25 April 2024 and paid on 25 June 2025 (2024: 25 June 2024)	14,608,993	15,952,352
Second interim income distribution of 1.73 (2024: 1.90) sen per unit declared on 26 August 2025 (2024: 29 August 2024) and paid on 30 September 2025 (2024: 30 September 2024)	14,525,034	15,952,352
Third interim income distribution of 1.73 (2024: 1.90) sen per unit declared on 27 November 2025 (2024: 28 November 2024) and paid on 29 December 2025 (2024: 24 December 2024)	14,525,036	15,952,352
	43,659,063	47,857,056
Income distribution on ordinary shares in respect of the previous financial year		
Final income distribution of 1.57 (2024: 2.00) sen per unit declared on 24 January 2025 (2024: 24 January 2024) and paid on 25 February 2025 (2024: 26 February 2024)	13,181,677	16,791,948
	56,840,740	64,649,004

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

9. INCOME DISTRIBUTIONS (CONT'D)

The Manager had declared a final income distribution of 1.86 (2024: 1.57) sen per unit totaling RM15,616,518 for the financial year ended 31 December 2025 payable on 27 February 2026 (2024: 28 February 2025).

The financial statements for the current year do not reflect this final income distribution. Such income distribution will be accounted for in equity as an appropriation of profits in the financial year ended 31 December 2026.

The total distributions (including proposed final income distribution) for the financial year ended 31 December 2025 amounting to RM59,275,581 (2024: RM61,038,756). Total income distribution is 7.06 (2024: 7.27) sen per unit.

Income distributions to unitholders is derived from the following sources:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Net rental income	112,960,588	110,690,054	112,393,684	109,755,068
Investment revenue	1,847,769	1,885,072	2,290,187	2,661,888
Other income	532,082	636,093	532,082	612,971
Gain on disposal of investment property	-	1,000,000	-	1,000,000
Interest accretion on tenant deposits	-	447,473	-	447,473
Less: Amortisation of deferred income	-	(504,167)	-	(504,167)
Less: Unbilled rental income	(2,207,583)	(2,364,839)	(2,207,583)	(2,364,839)
	113,132,856	111,789,686	113,008,370	111,608,394
Less: Expenses	(51,151,316)	(49,566,417)	(50,644,018)	(47,437,123)
Realised income for the year	61,981,540	62,223,269	62,364,352	64,171,271
Undistributed income brought forward	70,243,084	72,668,819	70,448,742	70,926,475
Less: Undistributed income	(75,383,884)	(70,243,084)	(75,972,354)	(70,448,742)
	56,840,740	64,649,004	56,840,740	64,649,004

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

10. INVESTMENT PROPERTIES

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	1,654,401,421	1,643,220,335	1,645,085,406	1,632,750,245
Additions	241,000,000	-	241,000,000	-
Enhancements	4,489,805	2,201,040	4,489,805	2,201,040
Fair value adjustment	(6,445,817)	10,134,121	(4,097,388)	10,134,121
Transfer to assets classified as held for sale	(14,000,000)	-	(14,000,000)	-
Foreign exchange differences	(199,649)	(1,154,075)	-	-
At 31 December	1,879,245,760	1,654,401,421	1,872,477,823	1,645,085,406
Land and buildings at fair value	1,879,245,760	1,654,401,421	1,872,477,823	1,645,085,406

The carrying amount of the investment properties for the financial years ended 31 December 2025 and 2024 is based on the market value determined based on valuations, adjusted with accrued unbilled rental income, as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Investment properties - based on valuation report	1,895,367,937	1,668,316,015	1,888,600,000	1,659,000,000
Investment properties -accrued unbilled rental income (Note 12)	(16,122,177)	(13,914,594)	(16,122,177)	(13,914,594)
	1,879,245,760	1,654,401,421	1,872,477,823	1,645,085,406

The investment properties are stated at fair value, which have been determined based on valuations performed by an independent professional valuer. The valuation method used in determining the valuations is the investment method.

As at 31 December 2025, the fair values of the properties are based on valuations performed by Rahim&Co. and Pursuit Property Advisory, independent valuers. Rahim&Co. and Pursuit Property Advisory are specialist in valuing these types of investment properties. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

There are no material events that affect the valuation between the valuation, data and financial year end.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the data of the event or change in circumstances that caused the transfer.

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical investment properties that the entity can assess at the measurement date.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

10. INVESTMENT PROPERTIES (CONT'D)

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the investment properties, either directly or indirectly.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment property.

Transfer between Level 1, 2 and 3 fair values

There is no transfer between level 1, 2 and 3 fair values during the financial year.

Fair value of investment properties is classified as Level 3.

The fair value of the investment properties are classified as Level 3 for fair value hierarchy disclosure purposes. The significant unobservable inputs applied by the independent valuers in applying the investment method above are as follows:

Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Term yield ranging from 5.75% - 7.00% (2024: 5.75% - 7.55%)	- Higher term yield rates, lower fair value
Reversionary yield ranging from 6.00% - 8.00% (2024: 6.00% - 8.00%)	- Higher reversionary yield rates, lower fair value
Void rate of 5.00% - 10.00% (2024: 5.00% - 10.00%)	- Higher void rate, lower fair value
Discount rate of 5.75% - 7.50% (2024: 5.50% - 9.25%)	- Higher discount rate, lower fair value

The fair values were determined based on the capitalisation of net income method (investment method) and is premised on the principle that the value of an income-producing property is represented by the “present worth of future rights to income, or utility”. The values estimated under this method are derived by ascertaining the market rent of the properties; deducting all reasonable annual operating expenses (as would be experienced under typical management) and then capitalising the resultant net operating income by an appropriate rate of capitalisation to obtain the present value of the income stream. In undertaking their assessment of the value using this approach, the market rental income and expected future rental income are taken into consideration. In arriving at the net income, the outgoings i.e. quit rent, assessment, takaful coverage and repairs and maintenance, are deducted from gross rental income together with allowance for void.

In estimating the fair values of the investment properties, the highest and best use of the investment properties is their current use.

The valuers had adopted market corroborated capitalisation rates, which is the most frequently adopted methodology by the property industry in Malaysia and in Australia, based on information pertaining to recent comparable sales which are publicly available, adjusted for the location, quality and characteristics of the investment properties.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

10. INVESTMENT PROPERTIES (CONT'D)

A summary of the investment properties of the Group and of the Fund, as required to be disclosed by the SC Guidelines, is as follows:

Description of property	Tenure of land	Term of lease Years	Remaining term of lease Years	Location	Acquisition Cost	Date of valuation
KPJ Ampang Puteri Specialist Hospital [#]	Leasehold	99	64	Ampang	251,000,000	31 December 2025
KPJ Damansara Specialist Hospital [#]	Freehold	-	-	Damansara	105,000,000	31 December 2025
KPJ Johor Specialist Hospital [#]	Leasehold	99	54	Johor Bahru	75,250,000	31 December 2025
KPJ Ipoh Specialist Hospital [#]	Freehold	-	-	Ipoh	66,000,000	31 December 2025
KPJ Puteri Specialist Hospital	Leasehold	99	29	Johor Bahru	37,000,000	31 December 2025
KPJ Selangor Specialist Hospital [#]	Leasehold	99	72	Shah Alam	71,000,000	31 December 2025
Kedah Medical Centre [#]	Freehold	-	-	Alor Setar	46,850,000	31 December 2025
KPJ Perdana Specialist Hospital [#]	Leasehold	66	39	Kota Bharu	40,700,000	31 December 2025
KPJ Kuantan Care & Wellness Centre	Freehold	-	-	Kuantan	19,250,000	31 December 2025
KPJ Sentosa KL Specialist Hospital [#]	Freehold	-	-	Kuala Lumpur	24,180,000	31 December 2025
KPJ Kajang Specialist Hospital [#]	Freehold	-	-	Kajang	39,060,000	31 December 2025
Taiping Medical Centre ^{##}	Leasehold	99	64	Taiping	23,100,000	31 December 2025
Tawakkal Health Centre [#]	Leasehold	99	53	Kuala Lumpur	37,000,000	31 December 2025
KPJ Healthcare University College, Nilai	Freehold	-	-	Seremban	94,300,000	31 December 2025
KPJ Seremban Specialist Hospital ^{##}	Freehold	-	-	Seremban	139,050,000	31 December 2025
KPJ Penang Specialist Hospital [#]	Freehold	-	-	Bukit Mertajam	163,600,000	31 December 2025
KPJ Tawakkal KL Specialist Hospital [#]	Freehold	-	-	Kuala Lumpur	103,000,000	31 December 2025
KPJ Haemodialysis Kluang	Leasehold	99	76	Kluang	3,500,000	31 December 2025
KPJ Klang Specialist Hospital [#]	Leasehold	99	68	Klang	93,000,000	31 December 2025
KPJ Batu Pahat Specialist Hospital [#]	Freehold	-	-	Batu Pahat	78,000,000	31 December 2025
KPJ Pasir Gudang Specialist Hospital ^{##}	Leasehold	99	84	Pasir Gudang	93,000,000	31 December 2025
KPJ International College Penang ^{###}	Freehold	-	-	Bukit Mertajam	14,100,000	31 December 2024
Total for the Fund					1,616,940,000	
Retirement Village	Freehold	-	-	Queensland	37,522,501	31 December 2025
Total for the Group					1,654,462,501	

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31 December 2025

	2025 Carrying value RM	2024 Carrying value RM	2025 Fair value RM	2024 Fair value RM	2025 Percentage of fair value to NAV %	2024 Percentage of fair value to NAV %	Fair value hierarchy
	272,961,538	137,000,000	274,000,000	140,000,000	26.1	13.3	3
	140,000,000	140,000,000	142,000,000	140,000,000	13.5	13.3	3
	124,000,000	122,000,000	125,000,000	124,000,000	11.9	11.8	3
	91,000,000	90,000,000	91,000,000	91,000,000	8.7	8.6	3
	40,000,000	40,000,000	40,000,000	40,000,000	3.8	3.8	3
	85,000,000	84,000,000	85,000,000	85,000,000	8.1	8.1	3
	61,874,526	61,252,260	61,000,000	61,000,000	5.8	5.8	3
	40,000,000	40,000,000	40,000,000	40,000,000	3.8	3.8	3
	16,000,000	16,000,000	15,000,000	16,000,000	1.4	1.5	3
	32,000,000	31,948,780	32,000,000	32,000,000	3.0	3.0	3
	58,000,000	57,000,000	58,000,000	58,000,000	5.5	5.5	3
	22,000,000	22,500,000	19,000,000	22,000,000	1.8	2.1	3
	44,000,000	46,000,000	44,000,000	44,000,000	4.2	4.2	3
	102,000,000	102,000,000	102,000,000	102,000,000	9.7	9.7	3
	160,000,000	160,000,000	160,000,000	160,000,000	15.2	15.2	3
	177,653,740	65,000,000	175,000,000	66,000,000	16.7	6.3	3
	141,000,000	139,000,000	141,000,000	141,000,000	13.4	13.4	3
	5,000,000	4,800,000	4,600,000	5,000,000	0.4	0.5	3
	106,000,000	104,000,000	106,000,000	106,000,000	10.1	10.1	3
	67,085,406	68,450,245	65,877,823	67,085,406	6.3	6.4	3
	91,000,000	90,000,000	92,000,000	91,000,000	8.8	8.6	3
	-	14,000,000	-	14,000,000	-	1.3	3
	1,876,575,210	1,634,951,285	1,872,477,823	1,645,085,406			
	9,316,015	10,470,090	6,767,937	9,316,015	0.6	0.9	3
	1,885,891,225	1,645,421,375	1,879,245,760	1,654,401,421			

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

10. INVESTMENT PROPERTIES (CONT'D)

A summary of the investment properties of the Group and of the Fund, as required to be disclosed by the SC Guidelines, is as follows (cont'd):

- # The investment properties amounting to RM107,185,406 (2024: RM107,185,406) are used to secure against Commodity Murabahah Term Financing-i ("CMTF-i") issued by the Fund as disclosed in Note 17. The amount of RM107,185,406 represents the fair value of KPJ Batu Pahat Specialist Hospital and KPJ Healthcare University College, Nilai New Building (residential) amounting to RM67,085,406 (2024: RM67,085,406) and RM40,100,000 (2024: RM40,100,000) respectively.
- ## The investment properties amounting to RM271,000,000 (2024: RM273,000,000) are used to secure against Revolving Credit-i ("RC - I") and Term Financing-i ("TF - I") issued by the Fund as disclosed in Note 17.
- ### The investment properties amounting to RM75,900,000 (2024: RM75,900,000) are used to secure against Commodity Murabahah Term Financing-II ("CMTF-ii") issued by the Fund as disclosed in Note 17. The amount of RM75,900,000 represents the fair value of KPJ International College, Penang and KPJ Healthcare University College, Nilai New Building (commercial) amounting to RM14,000,000 (2024: RM14,000,000) and RM61,900,000 (2024: RM61,900,000) respectively.
- * Based on valuation carried out by independent professional valuer, Rahim & Co.

11. INVESTMENT IN SUBSIDIARIES

	Fund	
	2025 RM	2024 RM
Unquoted shares, at cost	42,492,186	42,492,186
Less: Accumulated impairment losses	(42,492,183)	(42,492,183)
Net carrying amount	3	3

The movement in the accumulated impairment losses is as follows:

	2025 RM	2024 RM
At 1 January/31 December	42,492,183	42,492,183

During the financial year, the Fund conducted a review of the recoverable amount of its investment in a subsidiary and the review led to recognition of an impairment loss of RMNil (2024: RMNil), as the recoverable amount was higher than the carrying value. The recoverable amount was determined based on the Fund's share of net assets in its subsidiary, which represents the Fund's estimation of fair value less cost to sell of its subsidiary.

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11. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Proportion of ownership interest and voting power held by the Group	
			2025 %	2024 %
Al-`Aqar Capital Sdn Bhd ⁽ⁱ⁾	Malaysia	Special purpose company for the purpose of raising Islamic Financing for the Fund	100	100
Al-`Aqar Australia Pty Ltd ⁽ⁱⁱ⁾	Australia	Special purpose company for the purpose of acquisition of Australian property for the Fund	100	100

⁽ⁱ⁾ Audited by Ernst & Young PLT

⁽ⁱⁱ⁾ Audited by a firm other than Ernst & Young PLT

12. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Trade receivables				
Current				
Related companies	36,581,843	36,764,714	6,004,961	6,049,302
Unbilled rental income	16,122,177	13,914,594	16,122,177	13,914,594
	52,704,020	50,679,308	22,127,138	19,963,896
Other receivables and prepaid expenses				
Other receivables	116,570	252,488	103,911	198,595
Prepayments	1,108,705	1,326,777	1,018,360	1,234,157
	1,225,275	1,579,265	1,122,271	1,432,752
Total trade and non-trade receivables (non-current and current)	53,929,295	52,258,573	23,249,409	21,396,648
Add: Amount due from subsidiaries	-	-	94,321,834	93,769,390
Add: Islamic fixed deposits with licensed banks	62,830,347	53,418,702	62,788,278	53,377,698
Add: Cash and bank balances	38,672,419	33,894,960	28,036,440	22,524,725
Less: Prepayments	(1,108,705)	(1,326,777)	(1,018,360)	(1,234,157)
Total financial assets at amortised costs (debt instruments)	154,323,356	138,245,458	207,377,601	189,834,304

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12. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAID EXPENSES (CONT'D)

(a) Trade receivables

Trade receivables comprise rental receivable from lessees and unbilled rental income.

Unbilled rental income consist of unbilled incremental lease rental receivable from KPJ Batu Pahat. The lease rental receivables from KPJ Batu Pahat is incremental by 10% every 3 years from the commencement date up to the term of 30 years. This rental income is recognised on straight-line basis over the lease term of 30 years.

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

Ageing analysis of trade receivables

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
1 to 30 days past due	1,175,799	2,157,481	1,123,833	2,105,369
31 to 60 days past due	388,695	358,228	335,709	308,207
61 to 90 days past due	387,271	271,775	335,808	221,411
More than 90 days past due	34,630,078	33,977,230	4,209,611	3,414,315
	36,581,843	36,764,714	6,004,961	6,049,302

As at reporting date, the Group and the Company have no significant concentration of credit risk.

13. AMOUNT DUE FROM SUBSIDIARIES

	Fund	
	2025 RM	2024 RM
Non-current		
Amount due from a subsidiary	93,700,372	93,700,372
Current		
Amount due from subsidiaries	39,772,090	39,219,646
Less: Allowance for expected credit losses	(39,150,628)	(39,150,628)
	621,462	69,018
Total amount due from subsidiaries	94,321,834	93,769,390

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13. AMOUNT DUE FROM SUBSIDIARIES (CONT'D)

Movement in allowance for expected credit losses on amount due from a subsidiary:

	Fund	
	2025 RM	2024 RM
At 1 January/31 December	39,150,628	39,150,628

Amount due from a subsidiary represents unsecured advances given to a subsidiary from the proceeds raised from Islamic Financing and issuance of new units in previous years for the purpose of purchase of an investment property in Australia and profit sharing on the advances receivable from the subsidiary. It is non-trade, unsecured, non-interest bearing and repayable on demand.

14. CASH AND BANK BALANCES

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Islamic fixed deposits with licensed banks	62,830,347	53,418,702	62,788,278	53,377,698
Cash and bank balances	38,672,419	33,894,960	28,036,440	22,524,725
Total cash and bank balances	101,502,766	87,313,662	90,824,718	75,902,423
Less: Islamic fixed deposits with licensed banks with maturity period of more than 3 months	(42,069)	(41,004)	-	-
Cash and cash equivalents	101,460,697	87,272,658	90,824,718	75,902,423

At the reporting date, the weighted average deposit rate per annum and average remaining maturity period of Islamic fixed deposits with licensed banks are as follows:

	Group		Fund	
	2025	2024	2025	2024
Weighted average deposit rate (%)	3.04	3.34	3.04	3.34
Average remaining maturity period	42	52	35	49

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15. OTHER PAYABLES

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-current				
Tenant deposits	14,796,025	11,007,752	14,796,025	11,007,752
Deferred lease income	5,224,316	5,224,316	5,224,316	5,224,316
	20,020,341	16,232,068	20,020,341	16,232,068
Current				
Amount due to the Trustee	35,192	36,156	35,192	36,156
Amount due to the Manager	523,550	431,811	523,550	389,171
Amounts due to related companies	80,560	230,502	80,560	230,502
Other payables	1,757,445	42,359	1,757,445	42,359
Third interim income distribution payable	230,246	226,419	230,246	226,419
Other accrued expenses	4,781,091	4,730,867	4,655,127	4,948,355
	7,408,084	5,698,114	7,282,120	5,872,962
Total other payables (non-current and current)	27,428,425	21,930,182	27,302,461	22,105,030
Less: Deferred lease income	(5,224,316)	(5,224,316)	(5,224,316)	(5,224,316)
Add: Islamic financing (Note 17)	1,009,056,266	759,141,666	1,009,056,266	759,141,666
Total financial liabilities carried at amortised costs	1,031,260,375	775,847,532	1,031,134,411	776,022,380

(a) Deferred lease income

Deferred lease income relates to the excess of the principal amount of security deposits received over their fair value which is accounted for as prepaid lease income and amortised over the lease term on a straight line basis.

(b) Amount due to the Trustee, the Manager and related companies

Amount due to the Trustee, the Manager and related companies are non-trade, unsecured, non-interest bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

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16. DEFERRED TAX LIABILITY

	Group and Fund	
	2025 RM	2024 RM
At 1 January	1,322,541	1,522,541
Recognised in profit or loss (Note 7)	-	(200,000)
At 31 December	1,322,541	1,322,541

The components and movements of deferred tax liability during the financial year are as follows:

Deferred tax liability - Group and Fund

	Investment properties RM
At 1 January 2025/31 December 2025	1,322,541
At 1 January 2024	1,522,541
Recognised in profit or loss (Note 7)	(200,000)
At 31 December 2024	1,322,541

The deferred tax liability relates to fair value gain on investment properties which is expected to be recovered through sale. The amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying values at the reporting date unless the property is held with the objective to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

Based on the Finance Act 2019 which was gazetted in December 2019, it was clarified that the RPGT rate of 10% is prescribed for disposal of investment properties held for more than 5 years for a trustee of a trust.

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17. ISLAMIC FINANCING

	Group and Fund	
	2025 RM	2024 RM
Non-current		
Commodity Murabahah Term Financing-i II (“Commodity Murabahah - II”)	-	-
Commodity Murabahah Term Financing-i III (“Commodity Murabahah - III”)	300,000,000	580,000,000
Term Financing-i (“TF - I”)	72,000,000	72,000,000
	372,000,000	652,000,000
Less: Transaction costs	(1,369,667)	(2,852,384)
Total (non-current)	370,630,333	649,221,513
Current		
Commodity Murabahah - I	-	80,000,000
Commodity Murabahah - II	-	29,994,050
Commodity Murabahah Term Financing-i III (“Commodity Murabahah - III”)	280,000,000	-
Commodity Murabahah Term Financing-i IV (“Commodity Murabahah - IV”)	359,994,050	-
Less: Transaction costs	(1,568,117)	-
Total (current)	638,425,933	109,920,153
Total (non-current and current)	1,009,056,266	759,141,666

Commodity Murabahah - III

The Commodity Murabahah - III is payable over a period of 60 and 84 months for Tranche 1 and Tranche 2 respectively from the date of first disbursement with bullet repayment of the principal sum on the 60th and 84th months respectively.

The Commodity Murabahah - III bears a profit rate of 1.15% and 1.25% (2024: 1.15% and 1.25%) per annum for Tranche 1 and Tranche 2 respectively above the bank’s COF. As at reporting date, the profit rate for the Commodity Murabahah is 4.45% and 4.58% (2024: 4.72% and 4.86%) per annum for Tranche 1 and Tranche 2 respectively.

As at the reporting date, the Group had borrowings of RM280,000,000 and RM300,000,000 with contractual maturity dates in May 2026 and May 2028, respectively. Subsequent to the reporting date, the Group has initiated the process to extend the maturities of these borrowings and has identified several refinancing plans to be undertaken thereafter.

The Commodity Murabahah - III was secured against the investment properties which amounting to RM1,374,000,000 (2024: RM 1,128,000,000) as disclosed in Note 10.

NOTES TO THE FINANCIAL STATEMENTS

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17. ISLAMIC FINANCING (CONT'D)

Commodity Murabahah - IV

The Commodity Murabahah - IV is payable over a period of 18 months from the date of first disbursement with bullet repayment of the principal sum on the 18th month.

The Commodity Murabahah - IV bears a profit rate of 0.90% per annum above the bank's COF. As at reporting date, the profit rate for the Commodity Murabahah is 4.16% per annum.

As at the reporting date, the Group had borrowings of RM359,994,050 with contractual maturity dates in September 2026. Subsequent to the reporting date, the Group has initiated the process to extend the maturities of these borrowings and has identified several refinancing plans to be undertaken thereafter.

TF - I

TF - I are payable over a period of 60 months from the date of first disbursement with bullet repayment of the principal sum on the 60th month.

The TF - I bears a profit rate of 1.20% (2024: 1.20%) per annum above the bank's COF when Total Financing over Total Assets is greater than or equal to 40% and profit rate of 1.00% (2024: 1.00%) per annum above the bank's COF when Total Financing over Total Assets is less than 40%. As at reporting date, the profit rate for the TF - I is 4.80% (2024: 5.10%) per annum.

TF - I were secured against the investment properties which amounting to RM271,000,000 (2024: RM273,000,000) as disclosed in Note 10.

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17. ISLAMIC FINANCING (CONT'D)

Changes in liabilities arising from financing activities:

	At 1 January 2025 RM	Cash flows RM	Charged to profit or loss RM	Reclassification RM	At 31 December 2025 RM
Group and Fund					
Non-current					
Commodity Murabahah - III	580,000,000	-	-	(280,000,000)	300,000,000
TF - I	72,000,000	-	-	-	72,000,000
	652,000,000	-	-	(280,000,000)	372,000,000
Less: Transaction costs on Islamic financing	(2,852,384)	(260,000)	1,742,717	-	(1,369,667)
	649,147,616	(260,000)	1,742,717	(280,000,000)	370,630,333
Current					
Commodity Murabahah - I	80,000,000	(80,000,000)	-	-	-
Commodity Murabahah - II	29,994,050	(29,994,050)	-	-	-
Commodity Murabahah - III	-	-	-	280,000,000	280,000,000
Commodity Murabahah - IV	-	359,994,050	-	-	359,994,050
	109,994,050	250,000,000	-	280,000,000	639,994,050
Less: Transaction costs on Islamic financing	-	(2,678,325)	1,110,208	-	(1,568,117)
	109,994,050	247,321,675	1,110,208	280,000,000	638,425,933
	759,141,666	247,061,675	2,852,925	-	1,009,056,266

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17. ISLAMIC FINANCING (CONT'D)

Changes in liabilities arising from financing activities (cont'd):

	At 1 January 2024 RM	Cash flows RM	Charged to profit or loss RM	Reclassification RM	At 31 December 2024 RM
Group and Fund					
Non-current					
Commodity Murabahah - II	29,994,050	-	-	(29,994,050)	-
Commodity Murabahah - III	580,000,000	-	-	-	580,000,000
RC - I	-	-	-	-	-
TF - I	72,000,000	-	-	-	72,000,000
	681,994,050	-	-	(29,994,050)	652,000,000
Less: Transaction costs on Islamic financing	(4,112,866)	(259,999)	1,439,865	80,616	(2,852,384)
	677,881,184	(259,999)	1,439,865	(29,913,434)	649,147,616
Current					
Commodity Murabahah - I	80,000,000	-	-	-	80,000,000
Commodity Murabahah - II	-	-	-	29,994,050	29,994,050
	80,000,000	-	-	29,994,050	109,994,050
Less: Transaction costs on Islamic financing	(132,000)	-	212,616	(80,616)	-
	79,868,000	-	212,616	29,913,434	109,994,050
	757,749,184	(259,999)	1,652,481	-	759,141,666

NOTES TO THE FINANCIAL STATEMENTS

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18. UNITHOLDERS' CAPITAL

	2025		2024	
	No. of units	RM	No. of units	RM
Issued and fully paid-up:				
At 1 January/31 December	839,597,757	854,758,225	839,597,757	854,758,225

Details of units held by the Manager's directors and unitholders, and related parties which comprise companies related to Johor Corporation and KPJ Healthcare Berhad, substantial unitholders of the Fund, and their market value as of 31 December 2025 and 31 December 2024 respectively based on the Record of Depositors are as follows:

	2025		2024	
	No. of units	RM	No. of units	RM
Related parties:				
Pusat Pakar Tawakal Sdn Bhd	54,648,534	69,950,124	54,648,534	74,322,006
Bandar Baru Klang Specialist Hospital Sdn Bhd	36,115,266	46,227,540	36,115,266	49,116,762
Selangor Medical Centre Sdn Bhd	35,000,000	44,800,000	35,000,000	47,600,000
KPJ Healthcare Berhad	28,259,289	36,171,890	28,259,289	38,432,633
Seremban Specialist Hospital Sdn Bhd	23,731,000	30,375,680	23,731,000	32,274,160
Ampang Puteri Specialist Hospital Sdn Bhd	21,013,739	26,897,586	21,013,739	28,578,685
Medical Associates Sdn Bhd	19,055,000	24,390,400	19,055,000	25,914,800
Waqaf An-Nur Corporation Berhad	18,251,870	23,362,394	18,251,870	24,822,543
Sentosa Medical Centre Sdn Bhd	15,653,000	20,035,840	15,653,000	21,288,080
Kedah Medical Centre Sdn Bhd	15,000,000	19,200,000	15,000,000	20,400,000
Johor Specialist Hospital Sdn Bhd	12,203,000	15,619,840	12,203,000	16,596,080
Puteri Specialist Hospital Sdn Bhd	12,000,000	15,360,000	12,000,000	16,320,000
Perdana Specialist Hospital Sdn Bhd	11,789,000	15,089,920	11,789,000	16,033,040
Kuantan Specialist Hospital Sdn Bhd	5,000,000	6,400,000	5,000,000	6,800,000
Kajang Specialist Hospital Sdn Bhd	4,487,000	5,743,360	4,487,000	6,102,320
Jeta Gardens (Qld) Pty Ltd	3,786,924	4,847,263	3,786,924	5,150,217
Kota Kinabalu Specialist Hospital Sdn Bhd	3,500,000	4,480,000	3,500,000	4,760,000
Taiping Medical Centre Sdn Bhd	3,334,000	4,267,520	3,334,000	4,534,240
Johor Ventures Sdn Bhd	173,219	221,720	173,219	235,578

NOTES TO THE FINANCIAL STATEMENTS

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19. MANAGEMENT EXPENSE RATIO (“MER”)

	Fund	
	2025 %	2024 %
MER	0.50	0.54

The calculation of MER is based on the total fees of the Fund incurred for the year, including the Manager’s fees, Trustee’s fees, audit fee, tax agent’s fee and administration expenses, to the average net asset value of the Fund during the year calculated on a monthly basis. Since the average net asset value is calculated on a monthly basis, comparison of the MER of the Fund with other Real Estate Investment Trusts (“REITs”) which use a different basis of calculation may not be an accurate comparison.

20. SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related to the Group if the parties have the ability, directly or indirectly, to control the Group or exercise significant influence over the Group in making financial and operation 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 and the Fund derive all their rental income as disclosed in Note 4 from related parties.

Significant related party charges/(credits) other than those disclosed in Note 4 are as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Manager’s fee	5,729,463	4,651,967	5,729,463	4,651,967
Maintenance fee	1,200,480	1,197,120	1,200,480	1,197,120
Other income	(532,000)	(532,000)	(532,000)	(532,000)

Other income relates to the compensation received from Selangor Medical Centre Sdn Bhd for loss of opportunity and annual loss of potential income due to the deferment for the transfer of a Physician Consultant Building to the Fund.

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

NOTES TO THE FINANCIAL STATEMENTS

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21. OPERATING LEASES - GROUP AS LESSOR

The Group and the Fund lease out their investment properties under operating leases. The future minimum lease receivable under non-cancellable leases are as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Less than one year	127,899,598	102,653,826	127,330,775	101,636,834
Between one and five years	549,843,625	402,334,543	549,843,625	396,936,228
	677,743,223	504,988,369	677,174,400	498,573,062

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Fund are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, financing rate risk and foreign currency risk.

The Group and the Fund have taken measures to minimise their exposure to risks associated with their financing, investing and operating activities and operate within clearly defined guidelines as set out in the SC Guidelines.

The following sections provide details regarding the Group's and the Fund's exposure to the above-mentioned financial risks and the objectives, policies and procedures for the management of these risks:

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its contractual obligations. Credit risk arises from cash and cash equivalents, amount due from subsidiaries as well as credit exposures primarily from outstanding trade and other receivables.

The Group and the Fund adopt the policy of dealing with customers with an appropriate credit history, and obtaining sufficient security where appropriate, including tenancy deposits, security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement. For other financial assets (including cash and bank balances and Islamic fixed deposits with licensed banks), the Group and the Fund minimise credit risks by dealing exclusively with high credit rating counterparties.

The Group and the Fund seek to invest cash assets safely and profitably. The Group and the Fund have no significant concentration of credit risk and it is not the Group's and the Fund's policy to hedge their credit risks. The Group and the Fund have in place, for significant operating subsidiaries, policies to ensure that sales of products and services are made to customers with an appropriate credit history and sets limits on the amount of credit exposure to any one customer. For significant subsidiaries, there were no instances of credit limits being materially exceeded during the reporting periods and management does not expect any material losses from non-performance by counterparties.

NOTES TO THE FINANCIAL STATEMENTS

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22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Credit risk (cont'd)

Exposure to credit risk

At the end of the reporting period, the Group's and the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Information regarding credit enhancements for trade receivables is disclosed in Note 12.

Credit risk concentration profile

The Group and the Fund determine concentrations of credit risk by monitoring individual profile of their trade receivables on an ongoing basis.

At the end of the reporting period, approximately 84% (2024: 84%) of the Group's trade receivables is related to a related company for leasing of an Australian property. The Group believes the risk of default in payment on amount due from a related company is low and both parties are in the process of finalising on the settlement of outstanding rental. Based on the recent deliberation with the related company, the Group expects the full settlement within 12 months from the end of reporting date.

Amount due from a subsidiary

The Fund provides unsecured advances to the subsidiary. The Fund monitors the results of the subsidiary regularly. As at the end of the reporting period, the maximum exposure to credit risk was represented by their carrying amounts in the statements of financial position.

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Fund will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Fund's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Fund's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Group and the Fund manage their operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of their overall liquidity management, the Group and the Fund maintain sufficient levels of cash and bank balances to meet their working capital requirements.

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22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Fund's financial liabilities at the reporting date based on contractual undiscounted repayment obligations:

	On demand or within one year RM	One to five years RM	More than five years RM	Total RM
Group				
As at 31 December 2025				
Financial liabilities				
Other payables	9,139,432	1,388,650	17,079,017	27,607,099
Islamic financing	390,344,454	393,644,630	-	783,989,084
	399,483,886	395,033,280	17,079,017	811,596,183
As at 31 December 2024				
Financial liabilities				
Other payables	8,979,061	1,116,129	12,381,954	22,477,144
Islamic financing	143,038,713	697,609,436	-	840,648,149
	152,017,774	698,725,565	12,381,954	863,125,293

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22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	On demand or within one year RM	One to five years RM	More than five years RM	Total RM
Fund				
As at 31 December 2025				
Financial liabilities				
Other payables	9,139,432	1,388,650	17,079,017	27,607,099
Islamic financing	390,344,454	393,644,630	-	783,989,084
	399,483,886	395,033,280	17,079,017	811,596,183
As at 31 December 2024				
Financial liabilities				
Other payables	8,911,581	1,116,129	12,381,954	22,409,664
Islamic financing	143,038,713	697,609,436	-	840,648,149
	151,950,294	698,725,565	12,381,954	863,057,813

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Fund's financial instruments will fluctuate because of changes in the market interest rates.

The Group and the Fund manage their financing rate exposure by maintaining a prudent mix of fixed and floating rate of borrowings. The Group and the Fund place cash deposits on short-term basis and therefore this allows the Group and the Fund to respond to significant changes of financing rate promptly.

The interest rate mentioned below will have an impact on the management of the Group and the Fund, regardless of whether it is an Islamic fund or otherwise. It does not in any way suggest that the Group and the Fund will invest in conventional financial instruments. All the investments and placements carried out for the Group and the Fund are in accordance with Shariah requirements.

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22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Interest rate risk (cont'd)

Sensitivity analysis for profit rate risk

At the end of the reporting period, a change of 25 basis points (“bp”) in financing rates would have increased/ (decreased) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Financing rate				
- 25 bp decrease	2,522,641	1,764,307	2,522,641	1,760,929
- 25 bp increase	(2,522,641)	(1,764,307)	(2,522,641)	(1,760,929)

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. It is not the Group’s policy to hedge foreign currency translation risk. The Group and the Fund also maintain bank accounts denominated in foreign currencies, primarily in AUD, as a natural hedge against foreign currency risk.

The Group’s and the Fund’s exposure to foreign currency risk, based on carrying amounts of assets and liabilities as at the end of the reporting period was:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Denominated in AUD				
Trade receivables	30,576,882	30,715,412	-	-
Cash and cash equivalents	11,664,081	12,424,228	1,029,766	1,055,687
Net exposure in the statements of financial position	42,240,963	43,139,640	1,029,766	1,055,687

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22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Foreign currency risk (cont'd)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's and the Fund's profit net of tax to a reasonably possible change in the AUD exchange rates against the functional currency of the Group and the Fund, with all other variables held constant.

	Other comprehensive income			
	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
AUD				
Strengthened 5%	2,112,048	2,156,982	51,488	52,784
Weakened 5%	(2,112,048)	(2,156,982)	(51,488)	(52,784)

23. SEGMENT REPORTING

The Group has a single operating segment. For management purposes, the Group is organised into business units based on the geographical location of customers and assets, and has two reportable segments as follows:

- (i) Malaysia
- (ii) Australia

Management monitors the operating results of its business units separately for the purpose of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on operating profit.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

23. SEGMENT REPORTING (CONT'D)

The Group's segmental information is as follows:

	Malaysia RM	Australia RM	Total RM
31 December 2025			
Revenue	119,922,478	566,904	120,489,382
Total property expenses	(15,314,848)	(274,661)	(15,589,509)
Net property income	104,607,630	292,243	104,899,873
Investment revenue	1,847,769	-	1,847,769
Gain on disposal of investment property	-	-	-
Fair value written down of asset held for sale	(2,000,000)	-	(2,000,000)
Fair value adjustment on investment properties	(4,097,388)	(2,348,429)	(6,445,817)
Net investment income	100,358,011	(2,056,186)	98,301,825
Trust expenditure	(1,507,514)	(205,133)	(1,712,647)
Operating profit	98,850,497	(2,261,319)	96,589,178
Finance costs	(40,871,793)	-	(40,871,793)
Profit before tax	57,978,704	(2,261,319)	55,717,385
Tax	-	-	-
Profit after tax	57,978,704	(2,261,319)	55,717,385
Total assets	2,009,230,670	78,380,285	2,087,610,955
Total liabilities	1,037,706,108	101,124	1,037,807,232

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

23. SEGMENT REPORTING (CONT'D)

	Malaysia RM	Australia RM	Total RM
31 December 2024			
Revenue	116,861,645	990,380	117,852,025
Total property expenses	(14,384,417)	(1,924,307)	(16,308,724)
Net property income	102,477,228	(933,927)	101,543,301
Investment revenue	1,885,072	-	1,885,072
Gain on disposal of investment property	1,000,000	-	1,000,000
Fair value written down of asset held for sale	-	(16,571,468)	(16,571,468)
Fair value adjustment on investment properties	10,134,121	-	10,134,121
Net investment income	115,496,421	(17,505,395)	97,991,026
Trust expenditure	(1,098,173)	(209,011)	(1,307,184)
Operating profit	114,398,248	(17,714,406)	96,683,842
Financing costs	(38,608,988)	-	(38,608,988)
Profit before tax	75,789,260	(17,714,406)	58,074,854
Tax	200,000	-	200,000
Profit after tax	75,989,260	(17,714,406)	58,274,854
Total assets	1,711,388,697	124,548,740	1,835,937,437
Total liabilities	781,260,575	1,133,814	782,394,389

24. CAPITAL MANAGEMENT

The Group and the Fund manage their capital to ensure that entities in the Group and the Fund will be able to continue as going concerns while maximising the return to unitholders through the optimisation of the debt and equity balance.

The capital structure of the Group and of the Fund consists of net debt (borrowings as detailed in Note 17 offset by cash and cash equivalents and unitholders' fund of the Group and of the Fund (comprising unitholders' capital and undistributed income).

Gearing ratios are calculated based on the proportion of total borrowings to the total asset value in accordance with Securities Commission Malaysia ("SC") Guidelines. The SC Guidelines require that the total borrowings of a fund (including borrowings through issuance of debt securities) should not exceed 50% of the total asset value of the Fund at the time the borrowings are incurred. Notwithstanding, the Fund's total borrowings may exceed this limit with the sanction of the unitholders by way of an ordinary resolution.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

24. CAPITAL MANAGEMENT (CONT'D)

The Manager's risk management committee reviews the capital structure of the Group and of the Fund on a regular basis to ensure that the SC Guidelines are complied with.

Gearing ratio

The Group's and the Fund's gearing ratio are calculated based on the proportion of total borrowings to the total asset value. The gearing ratio at the end of the reporting period is as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Total borrowings	1,009,056,266	759,141,666	1,009,056,266	759,141,666
Total assets value	2,087,610,955	1,835,937,437	2,092,873,787	1,836,153,870
Total borrowings to total assets value ratio	48.34%	41.35%	48.21%	41.34%

25. PORTFOLIO TURNOVER RATIO ("PTR")

	Group and Fund	
	2025 RM	2024 RM
PTR (times)	0.23	0.01

The calculation of PTR is based on the average of total acquisitions and total disposals of investments in the Fund for the year to the average net asset value during the year calculated on a monthly basis.

26. SIGNIFICANT EVENTS

Disposal of KPJ Healthcare College, Penang

On 4 December 2025, the Group as represented by the Trustee, entered into a sale and purchase agreement ("SPA") with Icon Square Sdn Bhd ("Icon Square"), for a proposed disposal of KPJ Healthcare College, Penang ("KPJHC, Penang"), for a cash consideration of RM12.0 million. The Purchaser had paid a deposit of RM240,000 being 2% of the disposal consideration upon signing of the SPA. The completion of the SPA is conditional upon approval from the existing financiers of AL-`Aqar Healthcare REIT and issuance of the replacement of issue document of title by the relevant land registry. The proposed disposal is expected to complete by quarter 1 of FY2026.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

27. ASSETS CLASSIFIED AS HELD FOR SALE

On 12 December 2023, the Group entered into a Land Sale Agreement (“LSA”) with Principal Healthcare Finance Pty Ltd (“Principal Healthcare”), as trustee for the Principal Healthcare Finance Trust (“Land Buyer”) to dispose the lands and buildings of Jeta Gardens Aged Care Facility for a cash consideration of AUD24.4 million (equivalent to approximately RM67.9 million).

In 2024, the parties of the LSA has further negotiated on the proceeds of the sale and agreed the split of the sale proceeds via Owners’ Deed resulting written down of the fair value. Meanwhile, the other condition precedents in relation to the LSA is yet to be met as at year end and the disposal is expected to complete by Quarter 3 2026.

In 2025, the disposal remained outstanding due to restrictions imposed by Principal Healthcare Finance Pty Ltd, whereby the Land Buyer did not permit the Group to sell the Western portion of the property to JAPL (the adjoining owner). As a result, despite the Owner’s Deed remains in force, the Group issued a supplementary contractual notice with justification prior to the original sunset date, which was not rejected by the counterparty. Subsequently, development plans for Stage 1A and Stage 1B were submitted with the Land Buyer’s consent, and the relevant fees were duly paid. The council is currently in the process of finalising the development approvals, following which the issuance of titles is expected to proceed without issue. Upon approval of Stage 1A and the issuance of title to JPL, the LSA for the Western portion will be executed to facilitate completion of the disposal by the revised sunset date of 11 December 2026.

The movement of assets classified as held for sale is as follows:

	Jeta Gardens Aged Care Facility RM	KPJ Healthcare College Penang RM	Total RM
2025			
Group			
Assets classified as held for sale			
At 1 January	41,963,781	-	41,963,781
Disposal	-	14,000,000	14,000,000
Fair value written down (a)	-	(2,000,000)	(2,000,000)
Foreign exchange difference	(1,030,647)	-	(1,030,647)
	40,933,134	12,000,000	52,933,134

NOTES TO THE FINANCIAL STATEMENTS

31 December 2025

27. ASSETS CLASSIFIED AS HELD FOR SALE (CONT'D)

(a) Fair value written down

	KPJ Healthcare College Penang RM
2025	
Fund	
At 1 January	-
Disposal	14,000,000
Fair value written down	(2,000,000)
At 31 December	12,000,000

	Jeta Gardens Aged Care Facility RM	Total RM
2024		
Group		
Assets classified as held for sale		
Investment properties	41,963,781	41,963,781
		RM

2024	
Fund	
Investment properties	-

al-aqar
HEALTHCARE REIT

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OTHER INFORMATION

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KPJUC

ANALYSIS OF UNITHOLDINGS

Unitholdings Analysis as of 31 December 2025

AS PER RECORD OF DEPOSITOR

Unit Issued: 839,597,757

BREAKDOWN OF UNITHOLDINGS

Size of Unitholdings	Unitholders	%	Unit Holdings	%
Less than 100	385	6.44	15,009	-
100 - 1000	2,335	39.09	1,065,421	0.13
1,001 - 10,000	2,159	36.15	9,719,326	1.16
10,001 - 100,000	899	15.05	27,982,473	3.33
100,001 to less than 5% of issued capital	191	3.20	512,472,748	61.04
5% and above of issued capital	4	0.07	288,342,780	34.34
Total	5,973	100.00	839,597,757	100.00

TOP THIRTY SECURITIES ACCOUNT HOLDERS

(Without Aggregating the Securities from Different Securities Accounts Belonging to the Same Depositor)

No.	Name	Unit Holdings	%
1.	LEMBAGA TABUNG HAJI	112,098,656	13.35
2.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - A/C EMPLOYEES PROVIDENT FUND BOARD	67,016,124	7.98
3.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	63,228,000	7.53
4.	AMANAHRAYA TRUSTEES BERHAD - A/C AMANAH SAHAM BUMIPUTERA	46,000,000	5.48
5.	PUSAT PAKAR TAWAKAL SDN.BHD.	41,017,534	4.89
6.	BANDAR BARU KLANG SPECIALIST HOSPITAL SDN BHD	36,115,266	4.30
7.	HSBC NOMINEES (TEMPATAN) SDN BHD - A/C PLEDGED SECURITIES ACCOUNT FOR SELANGOR SPECIALIST HOSPITAL SDN. BHD. (355-300641-089)	35,000,000	4.17
8.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - A/C EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	30,264,711	3.60
9.	KPJ HEALTHCARE BERHAD	28,259,289	3.37
10.	SEREMBAN SPECIALIST HOSPITAL SDN. BHD.	23,731,000	2.83
11.	AMPANG PUTERI SPECIALIST HOSPITAL SDN. BHD.	21,013,739	2.50
12.	MEDICAL ASSOCIATES SDN.BHD.	19,055,000	2.27
13.	WAQAF AN-NUR CORPORATION BERHAD	18,251,870	2.17
14.	AMANAHRAYA TRUSTEES BERHAD - A/C AMANAH SAHAM MALAYSIA 3	16,857,430	2.01
15.	SENTOSA MEDICAL CENTRE SDN. BHD.	15,653,000	1.86
16.	KEDAH MEDICAL CENTRE SDN.BHD.	15,000,000	1.79
17.	PUSAT PAKAR TAWAKAL SDN.BHD.	13,631,000	1.62

ANALYSIS OF UNITHOLDINGS

Unitholdings Analysis as of 31 December 2025

TOP THIRTY SECURITIES ACCOUNT HOLDERS (CONT'D)

(Without Aggregating the Securities from Different Securities Accounts Belonging to the Same Depositor)

No.	Name	Unit Holdings	%
18.	AMANAHRAYA TRUSTEES BERHAD - A/C PUBLIC ISLAMIC OPPORTUNITIES FUND	13,496,300	1.61
19.	CARTABAN NOMINEES (TEMPATAN) SDN BHD - A/C PBTB FOR TAKAFULINK DANA EKUITI	12,600,000	1.50
20.	JOHOR SPECIALIST HOSPITAL SDN.BHD.	12,203,000	1.45
21.	PUTERI SPECIALIST HOSPITAL (JOHOR) SDN. BHD.	12,000,000	1.43
22.	PERDANA SPECIALIST HOSPITAL SDN BHD	11,789,000	1.40
23.	AMANAHRAYA TRUSTEES BERHAD - A/C AMANAH SAHAM BUMIPUTERA 3 - DIDIK	11,749,800	1.40
24.	AMANAHRAYA TRUSTEES BERHAD - A/C PUBLIC ISLAMIC SELECT TREASURES FUND	8,414,572	1.00
25.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - A/C LEMBAGA TABUNG HAJI (EASTSPRING)	7,186,000	0.86
26.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD - A/C EMPLOYEES PROVIDENT FUND BOARD (ASIANISLAMIC)	5,767,400	0.69
27.	CARTABAN NOMINEES (TEMPATAN) SDN BHD - A/C PAMB FOR PRULINK DANA UNGGUL	5,500,000	0.66
28.	KUANTAN SPECIALIST HOSPITAL SDN. BHD.	5,000,000	0.60
29.	CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD - A/C TABUNG WARISAN NEGERI SELANGOR (AL-WARA')	4,844,000	0.58
30.	KAJANG SPECIALIST HOSPITAL SDN. BHD.	4,487,000	0.53

SUBSTANTIAL UNITHOLDERS

No.	Name	DIRECT		INDIRECT	
		Unit Holdings	%	Unit Holdings	%
1.	JOHOR CORPORATION	-	-	289,748,971	34.51
2.	KPJ HEALTHCARE BERHAD	28,259,289	3.37	261,316,463	31.12
3.	LEMBAGA TABUNG HAJI	122,717,856	14.62	-	-
4.	EMPLOYEES PROVIDENT FUND BOARD - 4 A/Cs	107,245,235	12.77	-	-
5.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	65,296,400	7.78	-	-
6.	PUSAT PAKAR TAWAKKAL SDN. BHD. - 2 A/Cs	54,648,534	6.51	-	-
7.	AMANAHRAYA TRUSTEES BERHAD - A/C AMANAH SAHAM BUMIPUTERA	46,000,000	5.48	-	-

ANALYSIS OF UNITHOLDINGS

Unitholdings Analysis as of 31 December 2025

SUBSTANTIAL UNITHOLDERS

	Total		Bumiputra		Non-Bumiputra		Foreign	
	Holders	Holdings	Holders	Holdings	Holders	Holdings	Holders	Holdings
GOVERNMENT BODIES	2	1,279,000	2	1,279,000	-	-	-	-
FINANCE	17	277,166,482	13	188,240,686	3	85,138,872	1	3,786,924
INVESTMENT TRUST	6	204,500	4	16,500	2	188,000	-	-
NOMINEES	2,061	213,552,177	719	153,873,901	1,282	56,115,140	60	3,563,136
PRIVATE LIMITED COMPANY								
- RETAIL BODY CORPORATES	44	238,459,838	19	237,793,058	25	666,780	-	-
- INSTI-BODY CORPORATE LIMITED COMPANY	-	-	-	-	-	-	-	-
- RETAIL BODY CORPORATES	19	50,091,359	18	48,211,359	-	-	1	1,880,000
- INSTI-BODY CORPORATE	11	3,294,400	11	3,294,400	-	-	-	-
CLUBS/ASSOCIATION	2	898,400	1	895,400	1	3,000	-	-
CO-OPERATIVES	6	514,450	5	507,950	1	6,500	-	-
INDIVIDUAL	3,805	54,137,151	891	4,341,616	2,856	46,571,006	58	3,224,529
TOTAL	5,973	839,597,757	1,683	638,453,870	4,170	188,689,298	120	12,454,589
%	100	100	28.18	76.04	69.81	22.48	2.01	1.48

CORPORATE INFORMATION

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