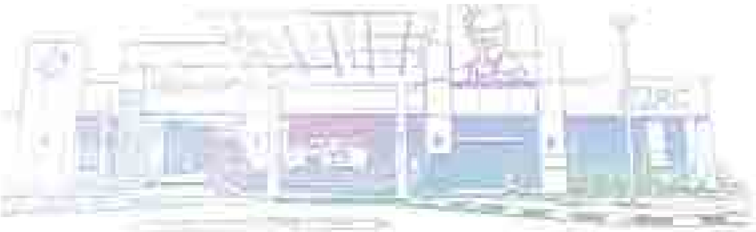
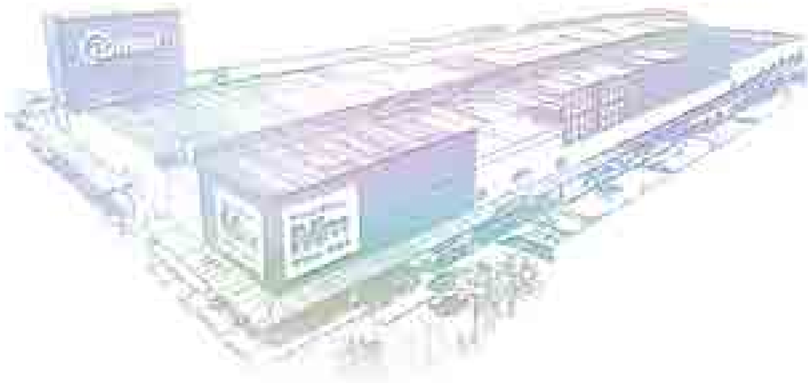
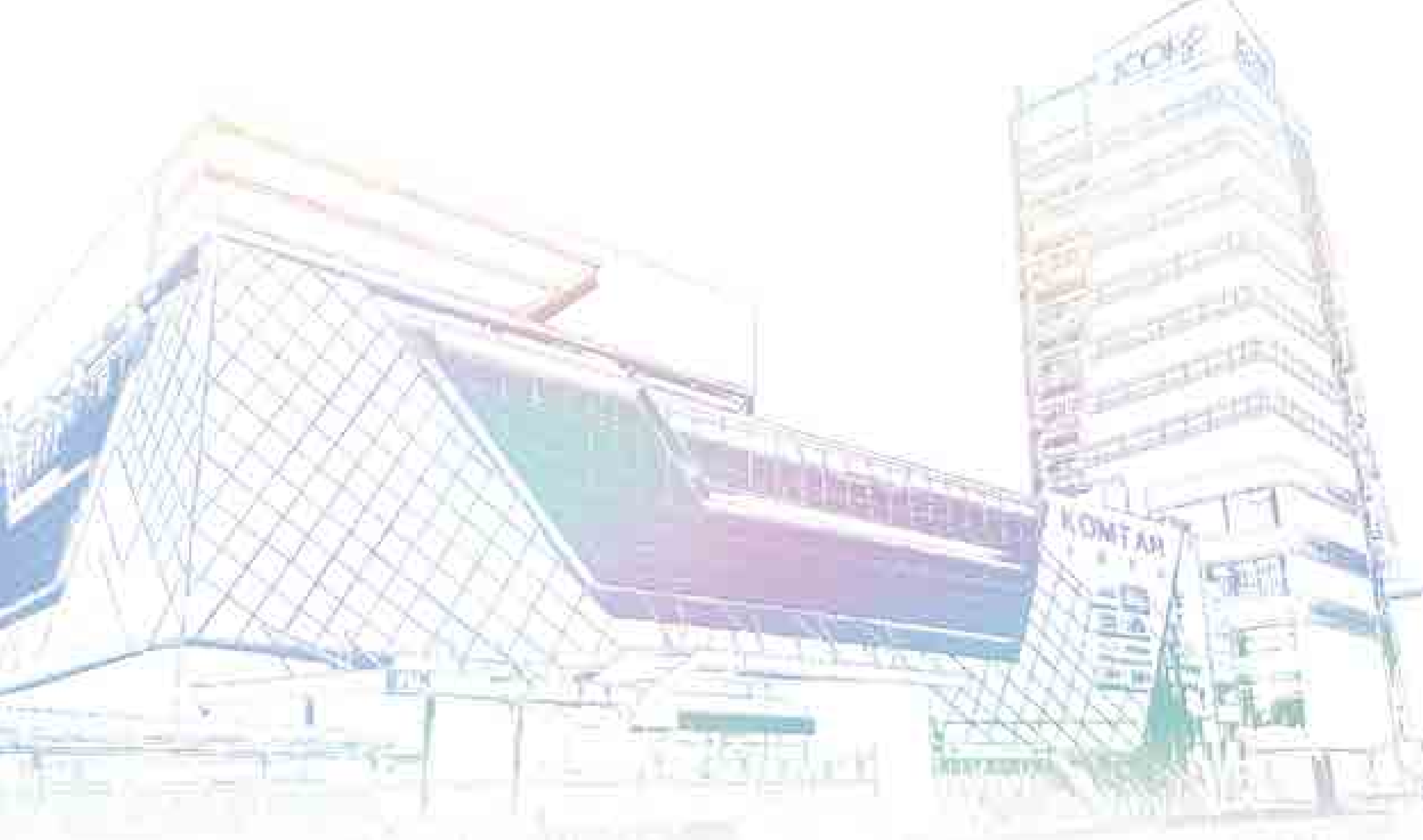


al-salām
REAL ESTATE INVESTMENT TRUST

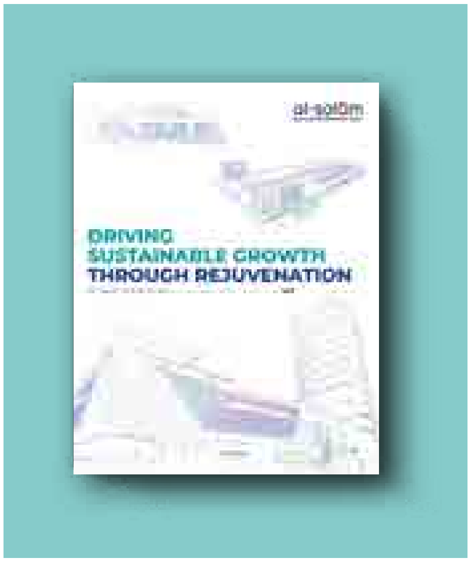


DRIVING SUSTAINABLE GROWTH THROUGH REJUVENATION

INTEGRATED ANNUAL REPORT **2025**



INSIDE THIS REPORT



COVER RATIONALE

DRIVING SUSTAINABLE GROWTH THROUGH REJUVENATION

As markets evolve and assets mature, Al-Salām REIT embraces rejuvenation as a catalyst to unlock renewed potential and strengthen its growth trajectory. “Driving Sustainable Growth Through Rejuvenation” reflects the REIT’s focused strategy to enhance asset performance and deliver sustainable value to unitholders. The properties are depicted in refined architectural line art to symbolise disciplined management and transformation, while the Rainbow Foil Effect adds vibrancy and renewed energy, representing value uplift through active rejuvenation. The interplay of teal and dark blue within the tagline reinforces a balance of progressive momentum and enduring stability, creating a cohesive narrative of revitalised assets and resilient, sustainable growth.

DIGITAL REPORT AVAILABLE

This report can be accessed online via our website:
www.alsalamreit.com.my

If you wish to obtain a printed copy of the Integrated Annual Report 2025, kindly email us at
jlgrm.investorrelations@jlandgroup.com.my

As part of our commitment to environmental stewardship, stakeholders are encouraged to access the digital version where practicable.

Section 1

ABOUT THIS REPORT

ABOUT THIS REPORT

Introduction

Al-Salām Real Estate Investment Trust ("Al-Salām REIT" or "the REIT") presents its Integrated Annual Report for the financial year ended 31 December 2025 ("IAR2025").

This IAR2025 document provides expanded disclosures on the financial, business, and operational performance of Al-Salām REIT, including its business model, value creation approach, risks and mitigation measures, and future estimates of the REIT's prospects and plans.

In essence, this IAR2025 document has been prepared to provide capital providers and stakeholders with a clear view of how Al-Salām REIT creates and sustains value.

Board Statement of Responsibility:

The Board of Directors ("Board") of Al-Salām REIT acknowledges its responsibility for ensuring the integrity, accuracy, and completeness of the data and disclosures contained in this IAR2025 document.

BASIS OF PREPARATION

This IAR2025 document has been developed based on the recommendations of the Integrated Reporting Framework of the International Financial Reporting Standards ("IFRS") through the International Sustainability Standards Board ("ISSB"). Overall, the report is structured around:

Six Capitals

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

Seven Guiding Principles

- Strategic focus and future orientation
- Connectivity of information
- Conciseness
- Reliability and completeness
- Consistency and comparability
- Materiality
- Stakeholder relationships

Eight Content Elements

- Organisational overview and external environment
- Governance
- Business model
- Risks and opportunities
- Strategy and resource allocation
- Performance
- Outlook
- Basis of preparation and presentation

All disclosures within this IAR2025 document have also been developed based on the disclosure requirements of the following reporting frameworks:

- Securities Commission Guidelines on Listed Real Estate Investment Trusts ("Listed REIT Guidelines")
- Malaysian Code on Corporate Governance ("MCCG")
- Bursa Malaysia Corporate Governance Guide (4th Edition)
- Malaysian Financial Reporting Standards ("MFRS")
- Bursa Malaysia Main Market Listing Requirements ("MMLR")
- Securities Commission Licensing Handbook
- Securities Commission Guidelines on Corporate Governance for Capital Market Intermediaries
- Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities (Amendment) Act 2025
- Capital Market and Services Act 2007
- Companies Act 2016
- National Sustainability Reporting Framework ("NSRF")
- Bursa Malaysia Sustainability Reporting Guidelines 3rd Edition ("SRG3")
- FTSE4Good Bursa Malaysia Index
- Sustainability Accounting Standards Board ("SASB") Standards
- Global Reporting Initiative ("GRI") Standards
- United Nations Sustainable Development Goals ("UN SDGs")

ABOUT THIS REPORT

REPORTING SCOPE AND BOUNDARY

The disclosures in this IAR2025 cover Al-Salām REIT's operations across the Retail, Office, Food and Beverage ("F&B"), and Industrial & Others sectors. All data and disclosures presented are derived from operations under the REIT's direct control, ensuring consistency with its financial statements, sustainability statements, and audited accounts. This includes assets directly managed and operated by the REIT, including common areas in leased facilities.

Operational boundaries are defined by the level of control Al-Salām REIT maintains over its assets and are disclosed within this IAR2025 as follows:

Entities and assets in the reporting entity	Information considered and included the reporting boundary
Assets owned and managed by the REIT	100% of operational data and disclosures investment properties under the REIT fund
Assets leased by the REIT	100% of operational data and disclosures from leased spaces, including administrative spaces the REIT Manager requires to function

As a REIT, Al-Salām REIT only retains operational control over common areas for non-master leased assets. The GHG emissions from assets or lots that are leased by the REIT to its tenants are not included in the IAR2025.

This reporting scope extends, where necessary, to Al-Salām REIT's value chain, which includes JLG REIT Managers Sdn Bhd, tenants, property managers, and third-party suppliers/vendors.

LIMITATIONS & EXCLUSIONS

Al-Salām REIT is committed to transparency and enhancing the comprehensiveness of its disclosures. The REIT acknowledges that certain gaps remain and shall continue to strengthen its data collection processes to refine future reporting.

All data and disclosures within this IAR2025 document are guided by the principles of proportionality, with limitations determined by the applicability, relevance, and accessibility of data available at the time of reporting. Material, accessible, and cost-effective disclosures are prioritised to ensure that the IAR2025 remains both meaningful and practical.

AUDIT & ASSURANCE

All financial information disclosed within this IAR2025 document has been audited in accordance with applicable auditing standards. Selected material non-financial disclosures, particularly those relating to sustainability performance, have also been subject to independent assurance to enhance credibility and data accuracy.

Al-Salām REIT maintains an internal review and data validation system. Data owners and the REIT's Senior Management actively verify the accuracy and completeness of all reported information.

FORWARD-LOOKING STATEMENTS

This IAR2025 document may contain forward-looking statements relating to Al-Salām REIT's operational and financial performance. These statements are based on reasonable assumptions and information available at the time of reporting.

While every effort has been made to ensure their accuracy, actual outcomes may differ due to changes beyond the REIT's control. As such, readers are advised to exercise discretion when interpreting any such future-oriented disclosures.

ABOUT THIS REPORT

NAVIGATION ICONS

The inclusion of navigation icons in IAR2025 serves to enhance readers' experience by providing a more intuitive approach to explore Al-Salām REIT's integrated reporting narrative. These icons are designed to highlight key areas of the business, illustrating the interconnectedness and interrelationship of various segments, capitals, strategies and stakeholders across the business.

Cross References

- This icon indicates where more detail can be accessed elsewhere in this report.
- This icon indicates where more detail can be accessed online.

Business Segments

- Retail Segment
- Office Segment
- F&B Segment
- Industrial & Others Segment

Capitals

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

Stakeholders

- Investors
- Regulatory Agencies and Statutory Bodies
- Employees
- Property, Services, Maintenance Managers
- Tenants
- Service Providers and Suppliers
- Customers and Communities

FEEDBACK

The Manager welcomes feedback from stakeholders as part of our ongoing efforts to enhance the quality and transparency of our reporting

For any enquiries, comments or suggestions, please contact us at jlgrm.investorrelations@jlandgroup.com.my

Section 2

ABOUT AL-SALĀM

2025 HIGHLIGHTS

Number of Properties
53
Units

Market Capitalisation
RM284.2
million

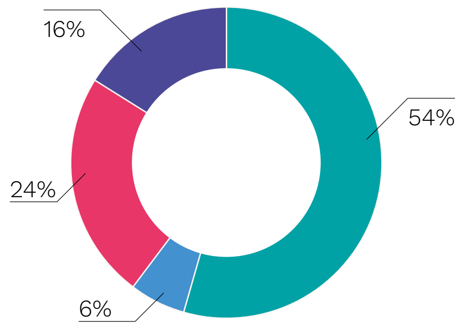
Distribution Per Unit
2.20
Sen

Distribution Yield
4.49%

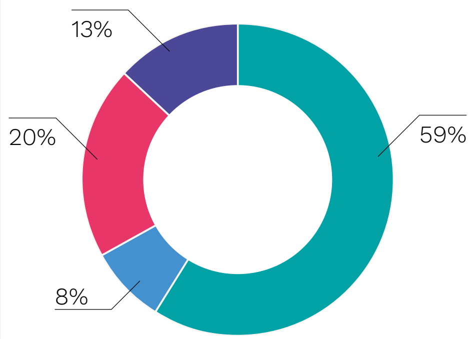
Net Lettable Area
2.4
million sq. ft.

Occupancy Rate
95%

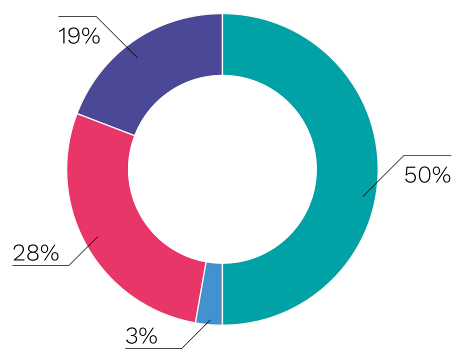
Retail | Office | F&B | Industrial & Others



Property Value
RM1.22
billion



Gross Revenue
RM88.8
million



Net Property Income
RM61.1
million

CORPORATE PROFILE

Al-Salām REIT was established in 2015 as a Shariah-compliant real estate investment trust listed on the Main Market of Bursa Malaysia Securities Berhad. Managed by JLG REIT Managers Sdn Bhd ("JRMSB" or "the Manager"), the REIT is committed to delivering stable returns and long-term capital growth through a diversified portfolio of income-generating properties across Malaysia.

Its unique position, supported by strong institutional sponsorship from Johor Corporation ("JCorp"), provides financial stability and access to potential future asset pipelines, while reinforcing its role in advancing Malaysia's Islamic capital market instruments.

The REITs portfolio benefits from high-traffic retail locations and an extensive network of F&B outlets, offering resilience and diversification across multiple industries. These assets are leased to tenants, with the REIT's operations centred on the acquisition, development, and management of properties that foster commercial activity and stimulate local economies.

With a total asset value of RM 1.32 billion, Al-Salām REIT owns 53 properties. These span the following:

Retail Properties

4

Office

1

F&B Properties

41

Industrial Properties

6

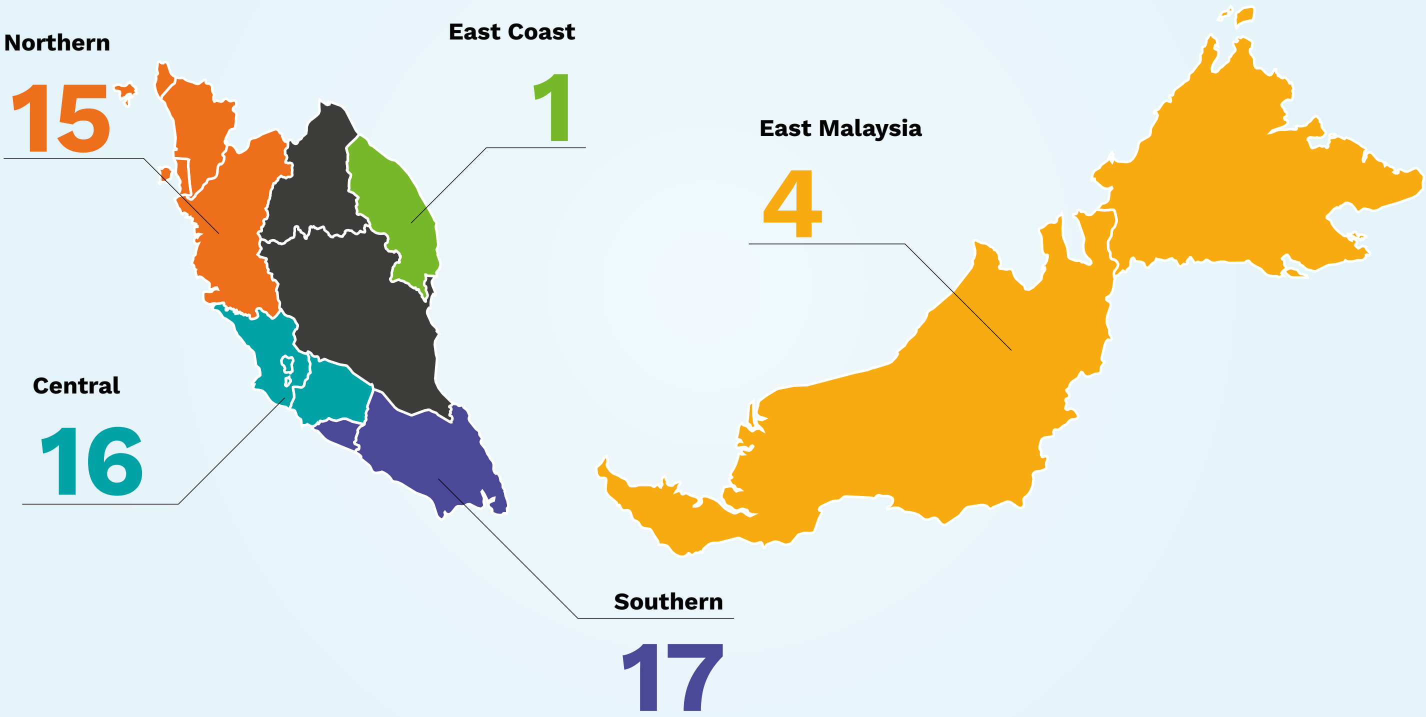
Education Property

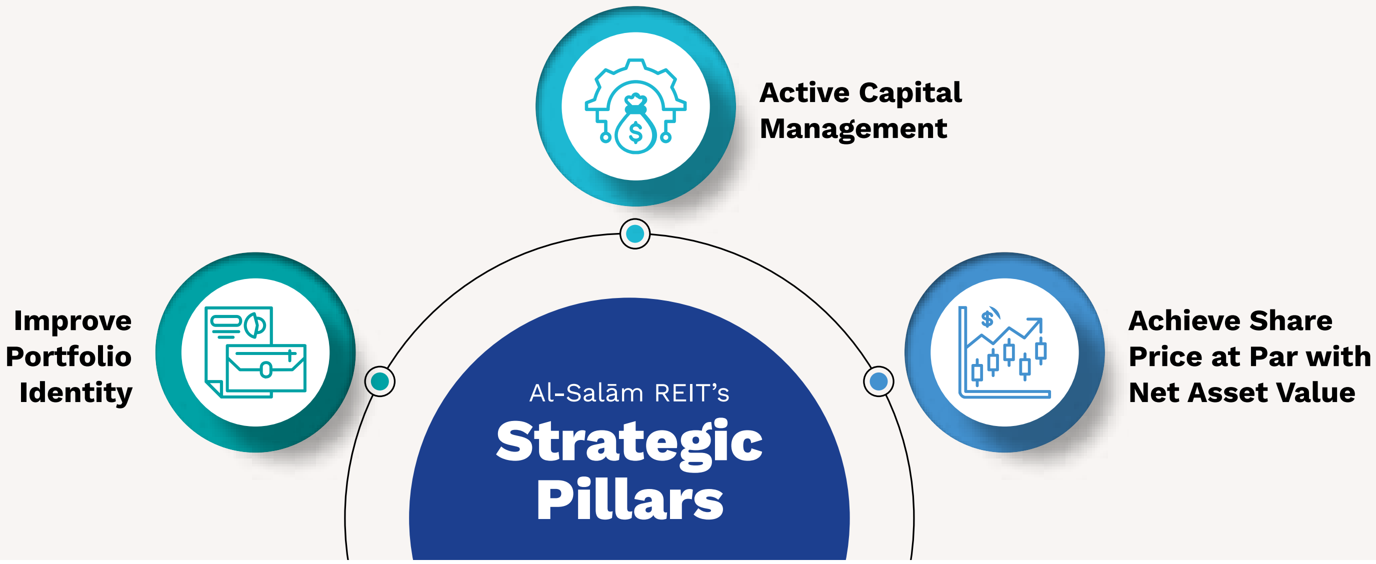
1

More detailed information on the REIT's assets can be found in the Portfolio Capital section.

CORPORATE PROFILE

Regional Breakdown of the Properties





More information on the REIT's strategic pillar and the DISRUPT27 strategic framework can be found in the Business Review section.

TRUST STRUCTURE

ORGANISATIONAL STRUCTURE

BOARD OF DIRECTORS

For more information of Board of Directors please refer pages 148 to 159.

Our Board Committees:

BOARD AUDIT AND RISK COMMITTEE
BARC
For more information, please refer page 176.

BOARD INVESTMENT COMMITTEE
BIC
For more information, please refer page 182.

BOARD NOMINATION AND REMUNERATION COMMITTEE
BNRC
For more information, please refer page 186.

BOARD SUSTAINABILITY COMMITTEE
BSC
For more information, please refer page 190.

COMPANY SECRETARY

COMPLIANCE OFFICER

CHIEF EXECUTIVE OFFICER

HEAD, CEO'S OFFICE, INVESTOR RELATIONS & STRATEGY

- CHIEF OPERATING OFFICER
- CHIEF FINANCIAL OFFICER
- CHIEF INVESTMENT OFFICER
- HEAD, GOVERNANCE & LEGAL
- HEAD, CORPORATE SERVICES

For more information of The Management Team please refer pages 162 and 163.

SALIENT FEATURES

al-salām
REAL ESTATE INVESTMENT TRUST

Name of Fund	Al-Salām Real Estate Investment Trust
Type of Fund	Income and Growth
Category of Fund	Real Estate Investment Trust
Listing	Main Market of Bursa Malaysia Securities Berhad
Listing Date	29 September 2015
Stock Name and Code	ALSREIT (5269)
Fund Size	580,000,000 units
Initial Public Offering Price	RM1.00
Financial Year End	31 December
Trustee Fee	Up to 0.02% per annum of the Fund's Net Asset Value
Manager's Fee	Up to 1% per annum of the Fund's Total Asset Value
Distribution Policy	At least 90% of distributable income
Revaluation Policy	Annually by independent registered valuer
Gearing Policy	Not exceeding 50% of the REIT's Total Asset Value

OPERATING STRATEGY

The Manager will seek to optimise the rental rates, occupancy rates and net lettable area of the subject properties in order to improve the returns from Al-Salām REIT's property portfolio.

INVESTMENT OBJECTIVE

The Fund's key objective is to invest in Shariah-compliant properties, providing unitholders with regular and stable income distributions, sustainable long term unit prices and distributable income and capital growth, while maintaining an appropriate capital structure.

INVESTMENT POLICY

Al-Salām REIT is an Islamic REIT established with the principal investment policy of investing, directly and indirectly, in a diversified shariah-compliant portfolio with income producing real estate which are used primarily for commercial retails, office and industrial purposes in Malaysia as well as real estate-related assets.

INVESTMENT MANAGEMENT STRATEGY

The Manager will source for and acquire properties that fit within Al-Salām REIT's investment strategy to enhance return to the Unitholders and capitalise on opportunities for future income and Net Asset Value ("NAV") growth.

CAPITAL MANAGEMENT STRATEGY

The Manager will endeavour to employ an appropriate mix of debt and equity in financing acquisitions, seek to manage financing and refinancing risk to adopt an active financing rate management strategy to manage the risks associated with changes in financing rates.

al-salām
REAL ESTATE INVESTMENT TRUST

Section 3

BUSINESS OVERVIEW

LETTER TO STAKEHOLDERS

PERFORMANCE AT A GLANCE

Gross Revenue

RM88.8 million

Realised Profit

RM14.1 million

Market Capitalisation

RM284.2 million

For more information of Financial Review please refer page 38.

DATUK HASHIM BIN WAHIR
Chairman

Dear Valued Stakeholders,

It is my pleasure to present our first Integrated Annual Report for the financial year ended 31 December 2025 ("FY2025"), which also marks the REIT's 10th anniversary milestone.

In this period, the REIT has successfully delivered strong financial performance while advancing our sustainability commitments with greater disclosures and transparency, among other developed initiatives. Al-Salām REIT's progress is guided by our DISRUPT27 strategy, which guides us towards achieving several economic and sustainability milestones.

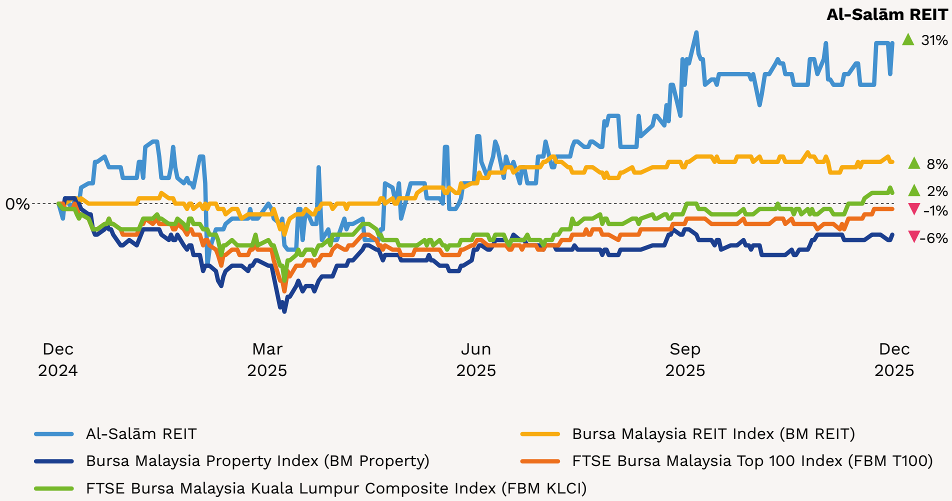
LETTER TO STAKEHOLDERS

OVERVIEW OF M-REITS

Total Return:
10.5%

Average Distribution Yield:
5.9%

Al-Salām REIT's FY2025 Unit Price Performance vs Benchmark Indices



The M-REIT sector in 2025 experienced strong growth, supported by resilient fundamentals and a stable interest-rate environment. The 25bps OPR cut in July boosted market sentiment, while the retail and hospitality segments drove growth, aided by strong consumer activity and tourism recovery. The 8% Sales and Services Tax on rental and leasing had minimal impact, as landlords maintained occupancy and achieved favourable rental reversions.

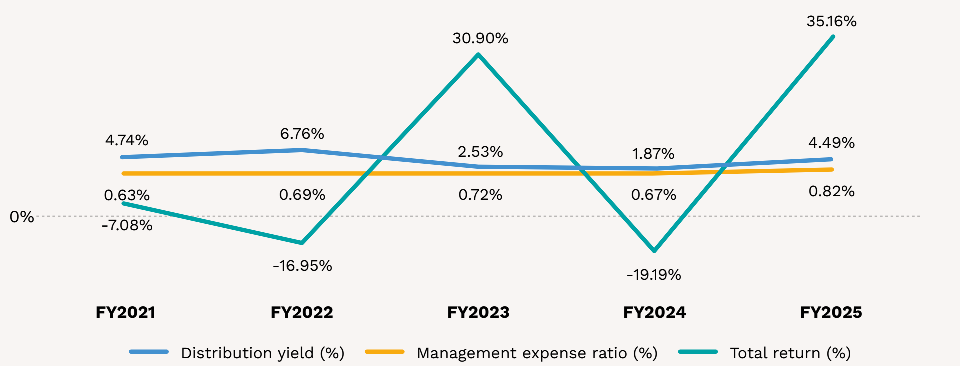
Following the expiry of the concessional 10% withholding tax rate on REIT distributions effective from Year of Assessment 2026, the tax treatment of REIT distributions will revert to prevailing tax rates applicable to different investor categories. This development may have implications for investor demand and market sentiment, particularly among affected investor groups.

AL-SALĀM REIT EXCEEDS M-REITS

Total Return:
35.2%

Distribution Yield:
4.5%

Al-Salām REIT Distribution Yield, Expense Ratio and Total Return



Al-Salām REIT exceeded M-REITs by 31%, surpassing the Bursa Malaysia REIT and Property Index and the FBM KLCI. Its total return reached 35%, reflecting the REIT's ability to generate substantial returns for investors. Despite global economic uncertainties, Al-Salām REIT capitalised on its defensive nature, offering stability amid volatility.

LETTER TO STAKEHOLDERS

KEY MILESTONES ACHIEVED

DISRUPT27

As we reflect on our past year, we are excited to share a positive turning point for Al-Salām REIT, firmly reflected in our FY2025 financial and operational performance, particularly in the retail sector, led by our flagship asset, KOMTAR JBCC.

A key driver of our performance this year has been the significant financial improvement of our strategic asset, KOMTAR JBCC, which saw its Net Property Income ("NPI") yield rise to 2.98% in FY2025. This turnaround was primarily propelled by the success of our first-phase rejuvenation efforts, which effectively boosted occupancy rates to 71% while simultaneously achieving favourable average rental reversions.

In 2025, our focus was on setting the DISRUPT27 business and investment strategy for the coming years, essentially laying the foundation for Al-Salām REIT's next phase of growth. We reviewed our portfolio against the global and domestic economic landscape, policy reforms, business environments, and internal operating factors, and the Board saw a need to establish a strong portfolio focus. With this focus in view, the management team can better execute and achieve strategic goals with clarity.

In reinforcing our commitment to enhance long-term value creation for our unitholders, it is worthwhile to note our key milestones in 2025:

1. Completed the issuance of a RM455 million Sukuk Wakalah Programme as part of a RM3.0 billion programme in November 2025, achieving an oversubscription of approximately five-fold despite a tight liquidity window, thereby reducing our borrowing costs;
2. 205% improvement in NPI yield of KOMTAR JBCC, directly impacting our profitability and Distribution Per Unit ("DPU");
3. Improvement in DPU of 214% to 2.20 sen from 0.70 sen in FY2024;
4. Successful first phase tenant and layout reconfiguration of KOMTAR JBCC, with G floor tenants near 100% secured.

SETTING THE STAGE FOR FUTURE GROWTH

Our near-term strategy is to optimise the positioning of our flagship assets, KOMTAR JBCC and Menara KOMTAR, which are strategically located within the Ibrahim International Business District ("IIBD") of Johor-Singapore Special Economic Zone ("JS-SEZ"). This provides us with a stellar opportunity to capitalise on the economic spillover from infrastructure catalysts, such as the cross-border Rail Transit System ("RTS"), slated for completion in 2027. The completion of the final phase of Electrified Double Track Project ("EDTP") are also expected to enhance accessibility, driving increased visitor inflows from the northern region and southern Thailand.

This underscores our confidence in the growth trajectory of our flagship assets, supported by rising tourism and cross-border business demand, as well as domestic retail resilience.

Apart from our sukuk issuance to reduce borrowing costs, we have also implemented a disciplined approach to capital management, allowing us to pursue opportunistic, highly synergistic, yield-accretive acquisitions for our portfolio. This is essential to be conducted in tandem with our portfolio review, where we intend to realise our investments in mature and/or non-core assets.

As part of our portfolio review, we have disposed of the KFC Kuchai Lama Drive Thru for RM14.7 million, with a gain on disposal of RM0.1 million in June 2025.

Looking ahead, we remain mindful of global trade restrictions and potential cost escalations that may impact consumer purchasing power. However, we view the upcoming years with confidence as Al-Salām REIT is strategically positioned to capitalise on major infrastructure catalysts like the RTS Link, projected for completion by 2027, and the JS-SEZ. These developments are expected to drive a significant and sustained increase in footfall to our flagship assets, Menara KOMTAR and KOMTAR JBCC, effectively offsetting external macroeconomic volatility.

By maintaining a disciplined approach to cost management and capital stewardship, we are setting the stage for sustainable margin protection and long-term growth as we transition into a premier transit-oriented retail destination.

LETTER TO STAKEHOLDERS

OPERATIONS ANCHORED IN SUSTAINABILITY

2025 represents a strategic inflection point for Al-Salām REIT as we undertake our first Integrated Annual Reporting exercise, reinforcing our commitment to disciplined governance, long-term value creation, and sustainable capital stewardship. This marks an important shift in how we articulate performance and moving beyond financial outcomes to a more holistic view that integrates sustainability considerations as a core driver of resilience and growth.

In response to the evolving global and national landscape, Al-Salām REIT has taken steps to align with the International Sustainability Standards Board ("ISSB") standards, specifically IFRS S1 and IFRS S2. As the REIT falls within the second phase of Malaysia's National Sustainability Reporting Framework ("NSRF"), our full adoption of these standards is scheduled to commence in the 2026 financial year.

We view this preparation not merely as a reporting exercise but as a strategic enabler that strengthens our data quality and demonstrates our commitment to institutional excellence. Sustainability is increasingly central to our business and investment strategy. In this context, we have prioritised the development of a comprehensive Environmental, Social, and Governance ("ESG") framework, aligned with the United Nations Sustainable Development Goals ("UN SDGs"), to guide our strategic direction. This framework enables a structured approach to identifying material sustainability risks and opportunities, strengthening risk management, informing capital allocation decisions, and supporting the long-term performance of our portfolio.

Looking ahead, our sustainability agenda will continue to evolve in tandem with our DISRUPT27 strategy, ensuring that ESG considerations are embedded across asset management, investment evaluation, and operational execution. While this first year of integrated reporting establishes a foundational baseline, our focus remains on continuous enhancement by deepening disclosures, strengthening data quality, and translating sustainability commitments into measurable outcomes. Through this approach, we aim to build a resilient REIT and deliver sustainable, long-term value to our unitholders and stakeholders.

ACKNOWLEDGEMENTS

On behalf of the Board of Directors, I am pleased to welcome Ong Li Lee as our new Independent Non-Executive Director and Abdul Aziz bin Abdul Rasheed as our new Non-Independent Non-Executive Director, effective August 2025, bringing with them extensive knowledge and experience in real estate asset management, which will further strengthen the Board's capabilities.

I would also like to record our sincere appreciation to Lailatul Azma binti Abdullah for her valuable contributions and dedicated service during her tenure as Independent Non-Executive Director. We also extend our appreciation to Dato' Haji Mohammed Ridha bin Dato' Haji Abd Kadir and Shamsul Anuar bin Abdul Majid, both Non-Independent Non-Executive Directors, for their continued guidance and contributions to the Board. We wish them all the very best in their future endeavours.

I express my heartfelt appreciation to our valued stakeholders, including unitholders, REIT manager, trustee, shariah advisor, property manager, management teams of various business units, our sponsor, business partners, government agencies, regulators, valued investment community, and the media. We sincerely thank you for your unwavering support and trust in the Board of Directors and management team of Al-Salām REIT in driving our business performance. Together, we are excited to scale new heights of success towards our next phase of growth.

Yours sincerely,
Datuk Hashim bin Wahir
Chairman
JLG REIT Managers Sdn Bhd
for and on behalf of Al-Salām REIT

BUSINESS REVIEW

OPERATIONAL OVERVIEW

FY2025 marked the start of a renewed strategy and a phase of recovery for Al-Salām REIT, as demonstrated by strong financial performance, with revenue of RM88.8 million, an improvement of 13.2% from FY2024. The delivery of Al-Salām REIT's strong financial performance was anchored in three strategic areas, covering operations, capital management, and overall portfolio management:

Improve Portfolio Identity	Active Capital Management	Achieve Share Price at Par with NAV

In FY2025, the REIT placed greater focus on its flagship assets, KOMTAR JBCC and Menara KOMTAR, which are strategically located within walking distance of the Customs, Immigration and Quarantine ("CIQ") complex. Al-Salām REIT's flagship assets benefit from this daily heavy traffic and footfall, driving vibrancy at the retail mall and increasing the appeal of Menara KOMTAR with excellent connectivity within the vicinity of the CIQ.

In other segments, the REIT's F&B and industrial portfolio provided income stability and earnings visibility through a master lease arrangement with QSR Brands, maintaining 100% occupancy in 2025.

Al-Salām REIT takes an active portfolio management approach in reviewing the portfolio mix in preparation for the next phase of growth. The REIT regularly reviews its portfolio to ensure the relevance of its asset class and returns in the current market conditions. As part of the REIT's realignment exercise, mature assets such as the Kuchai Lama KFC drive-thru were disposed of in June 2025 for RM14.7 million, alongside the ongoing disposal of the Sunway KFC shop lot, expected to be finalised in the first half of 2026.

In view of this, Al-Salām REIT will continue to strengthen its position as a retail REIT and gradually reduce exposure to non-core sectors, including the disposal of assets that have reached maturity within their investment horizons. Concurrently, the REIT will continue to actively explore acquisition opportunities for yield-accretive, core assets that align with Al-Salām REIT's identity and commitment to the continuous improvement of its portfolio quality.

Despite macroeconomic headwinds, Al-Salām REIT's portfolio demonstrated resilience across the office, F&B, and industrial sectors, while achieving exemplary financial performance driven by the retail sector, underpinned by the successful first-phase rejuvenation of KOMTAR JBCC.

More information on the REIT's financial performance and portfolio capital management can be found in the Financial Capital and Portfolio Capital sections, respectively.

BUSINESS REVIEW

DISRUPT27:
BUILDING A RESILIENT PORTFOLIO WITH A CLEAR FOCUS

Al-Salām REIT's DISRUPT27 strategic framework is an ongoing strategy that serves as a transformative business model, focused on enhancing human experience. This strategy aims to build a high-quality, yield-accretive, and resilient portfolio.

DISRUPT27

- Improving portfolio focus and identity in the retail segment by leveraging on the REIT's flagship assets
- Building in-house capabilities to strengthen operational efficiencies of flagship assets
- Improving asset quality and NPI yield
- Building long-term income resilience through economic cycles
- Growing portfolio size and distributable income

This strategic framework is further supported by Al-Salām REIT's growth and strategic pillars, as shown below:

GROWTH PILLARS

Total Asset Value ("TAV") Growth
- Acquisitions of core, quality assets
- Value creation through Asset Enhancement Initiatives ("AEIs")

DPU Growth
- Rejuvenation of KOMTAR JBCC, improve NPI yield
- Effective, value enhancement of AEIs
- Asset recycling and yield-accretive acquisitions

al-salām REAL ESTATE INVESTMENT TRUST

STRATEGIC PILLARS

Improve Portfolio Identity
- Review of asset class
- Establishment of flagship asset to anchor identity of the portfolio
- Acquisitions aligning with investment direction and portfolio identity
- Reduction of exposure to non-core segments and mature assets

Active Capital Management
- Managing gearing to create headroom for acquisitions
- Positioning improvement for speedy acquisitions

Achieve Share Price at Par with NAV
- Long-term value creation, DPU growth, TAV growth
- Clear portfolio identity and strategic goals
- Transparency to investors
- Improved share liquidity

BUSINESS REVIEW

ROADMAP TO A SUCCESSFUL TURNAROUND

2019

- Pre-pandemic occupancy stood at 60%.
- The mall recorded total revenue of RM38.1 million, translating into NPI of RM21.0 million.
- Tenant mix was primarily anchored by fashion retailers.

2020

- The onset of the pandemic in March 2020 significantly disrupted operations.
- Revenue declined to RM27.5 million, with NPI impacted at RM4.8 million.
- Occupancy moderated to 57%.

2021

- The mall was largely closed during the peak of the pandemic.
- Revenue fell further to RM12.8 million.
- A Net Property Loss of RM1.2 million was recorded for the year.

2022

- Performance stabilised, supported by tenants with established online retail presence.
- Revenue stood at RM12.1 million, with NPI recovering to RM0.4 million.
- Occupancy improved to 62%, reflecting gradual recovery in leasing activity.

2023

- Occupancy improved to 63% as operations recovered following post-pandemic reopening.
- Recorded a revenue of RM17.0 million, translating into NPI of RM1.8 million.
- Fashion tenants accounted for approximately 30% of occupancy, though performance remained subdued during the recovery phase.
- F&B and wellness segments demonstrated stronger resilience over the same period.

BUSINESS REVIEW

2024

- Recovery momentum strengthened, with revenue reaching RM20.7 million and NPI improving to RM4.2 million, alongside occupancy of 64%.
- New management was established, introducing stronger retail expertise and a transit-oriented strategy to capture demand from upcoming infrastructure developments.
- Tenant mix was actively curated to align with evolving market demand, including price-arbitrage, transit-driven and city-centre retail offerings.
- AEIs were initiated to enhance mall experience, aesthetics and overall configuration.
- The Pedestrian Overhead Bridge ("POB") connecting to the future RTS Link was announced, strengthening long-term connectivity.

Revenue:
RM20.7 million

NPI:
RM4.2 million

Occupancy:
64%

2025

- AEI initiatives continued, with new brands secured and progressive improvements in occupancy.
- The final phase of the EDTP commenced operations in 4Q2025, supporting increased footfall and tenant activity.

2026

- Completion of the POB and RTS Link, together with ongoing AEIs, is expected to strengthen asset positioning and enhance connectivity.
- Expected to drive sales uplift, support NPI growth and increase portfolio occupancy to above 80%.

2027

- Completion of the RTS Link is expected to drive increased footfall and activity.
- Portfolio occupancy is projected to exceed 90%.
- Higher traffic from the RTS, EDTP, Grab-and-Go and F&B offerings is expected to support stronger portfolio performance.
- Post-RTS, the REIT will undertake further AEIs to refine the portfolio and enhance the overall tenant and visitor experience.

This strategy also aligns with the six value creation capitals, focusing on improved transparency in business operations, governance, stakeholder engagement, and data integrity, in line with the REIT's efforts to promote investor confidence and stakeholder feedback.

Through this framework, the REIT aims to expand its investment property portfolio while narrowing the gap between its share price and NAV.

BUSINESS REVIEW

STRATEGY

Improve Portfolio Identity - Portfolio Review

Capitals Enhanced:

Results
- Successful first phase KOMTAR JBCC AEIs with improved tenant mix, higher occupancy and strengthened retail positioning.
- Completion of disposal of KFC Kuchai Lama
- Undergoing disposal of KFC Sunway

Financial Impact
- Revenue and NPI improved
- Disposal of KFC Kuchai Lama at RM14.7 million, with a gain on disposal of RM0.1 million in June 2025.

Non-Financial Impact
- Improved portfolio focus and identity

STRATEGY

Active Capital Management

Capitals Enhanced:

Results
- Completed the issuance of a RM455 million Sukuk Wakalah Programme as part of a RM3.0 billion programme in November 2025

Financial Impact
- Borrowing costs reduced by 1% in 2025.

Non-Financial Impact
- Improved investor confidence
- Enhances the REIT's capacity for future capital raising

STRATEGY

Achieve Share Price at Par with NAV - AEIs on KOMTAR JBCC

Capitals Enhanced:

Results
- NPI yield improved to 2.98% in 2025 vs 0.98% in 2024
- Occupancy improved to 71% in 2025 vs 64% in 2024

Financial Impact
- Revenue and NPI improved
- DPU improved by 214% to RM2.20 sen in 2025 from RM0.70 sen in 2024.

Non-Financial Impact
- Improved tenant demand and positioning of the portfolio as a whole

BUSINESS REVIEW

OPERATIONAL HIGHLIGHT:
STELLAR PERFORMANCE FROM THE RETAIL SEGMENT

Among Al-Salām REIT's portfolio, the retail segment achieved strong results throughout FY2025, supported by the success of asset enhancements at KOMTAR JBCC, which attracted strong tenant demand and improved rental reversion rates.

KOMTAR JBCC's NPI yield rose from 0.98% in FY2024 to 2.98% in FY2025, with AEIs successfully attracting tenant profiles intended for a transit-oriented mall, in anticipation of the completion of the RTS Link in 2027. These AEIs, developed to ensure the REIT is sufficiently prepared to capitalise on its cross-border shoppers and daily commuter demographic, primarily include upgrading of common areas to provide an updated look and feel to improve shopper and tenant appeal, alongside key reconfigurations of layout and tenant mix that are aligned with the position of KOMTAR JBCC as a transit-oriented mall.

As a result, KOMTAR JBCC achieved a strong occupancy of 71%, with a refreshed al-fresco dining area that enjoys high traffic exposure to Jalan Wong Ah Fook, successfully attracting cross-border F&B and medical services tenants. Common area upgrades were also completed on the first and second floors of KOMTAR JBCC.

A major tenant mix and layout reconfiguration was also completed on the second floor of KOMTAR JBCC, aimed at attracting grab-n-go and F&B tenants. The second floor now features an updated design, with improved footfall from pedestrians alighting from the Customs, Immigration and Quarantine ("CIQ") complex, which is connected via a POB to the second floor of KOMTAR JBCC.

The completion of the cross-border RTS will enhance KOMTAR JBCC's accessibility via a direct POB connection from the Bukit Chagar RTS station, positioning the asset to capture stronger pedestrian traffic flows.

This spillover is expected to enhance the appeal of Menara KOMTAR as one of the few office buildings with unparalleled connectivity to the Bukit Chagar RTS station, whilst also benefiting other developments situated strategically on the same integrated plot, creating a vibrant commercial space within the immediate area.

KOMTAR JBCC's

NPI Yield

2.98%

Occupancy Rate

71%

OPERATING ENVIRONMENT

Throughout FY2025, Al-Salām REIT faced key macroeconomic and external factors that affected its operations. Global output was estimated at 3.3% in 2025, with activity picking up in the second half of the year, compared with a bleaker outlook at the start of 2025. Looking forward, the International Monetary Fund ("IMF") projects global growth to remain steady at 3.3% in 2026 and moderate slightly to 3.2% in 2027. Trade tensions remain a risk and could weigh on global supply chain activities, potentially affecting the vibrancy of financial markets and global fiscal policies.

Global growth is expected to be largely supported by emerging economies at an estimated 4.0% for 2026 and 2027, while growth in advanced economies is projected at 1.8% in 2026 and 1.7% in 2027. Nonetheless, the US economy is expected to expand by 2.4% in 2026, supported by lower policy rates, fiscal policies, and the continued momentum from a better-than-expected second half of 2025. Subsequently, global headline inflation is projected to decline to 3.8% in 2026 and 3.4% in 2027 from 4.2% in 2025.

On the domestic front, Malaysia recorded stronger-than-expected Gross Domestic Product ("GDP") growth of 4.9% in 2025, surpassing various official estimates of 4.0% - 4.8%, including those from Bank Negara Malaysia, the International Monetary Fund, the World Bank, and other sources. Key economic metrics showed positive signs according to the Malaysian Department of Statistics, including a drop in unemployment rate to an 11-year low of 2.9% in November 2025, steady headline inflation at 1.4% and the Ringgit emerging as the best-performing Southeast Asian currency with gains of ~ 9.0% versus the greenback as of December 2025.

Continuing the positive momentum from 2025, growth in 2026 is expected to remain steady, with a slight moderation compared to 2025, primarily due to uncertainties arising from geopolitical tensions and tariff implementations. While these uncertainties pose downside risks to the economy, domestic growth is projected to remain resilient, with headline inflation expected to range between 1.3% and 2.0% in 2026, according to the Ministry of Finance's Outlook 2026.

Fiscal consolidation and structural reforms in policy also continue to drive investor sentiment and confidence, with Foreign Direct Investments ("FDI") expected to remain strong, especially in data centres, tech, and Electrical and Electronics ("E&E") related sectors. Export growth is expected to be supported by the resilience of the E&E sector and Malaysia's role in the global E&E value chain.

REAL ESTATE OUTLOOK

In view of the Malaysian government's structural reforms, growth in the real estate sector is expected to be defined by adaptation to policy and infrastructure changes, including the promotion of industrial sectors and tourism, sustainability-led policies, a proposed carbon tax, revisions to electricity tariffs, tax structures, and fiscal reforms.

With a focus on key topics in affordable housing, urban regeneration, and green building practices, the real estate sector is well-positioned for strategic growth in support of national development. Broad sector demand is also supported by policy promotion, attracting FDIs in the industrial, logistics, and E&E sectors, with expected spillover to the commercial and office sectors, while transportation line expansions and infrastructure catalysts are expected to improve cargo and commuter connectivity and uplift land values along these routes, even extending to cross-border linkages with the soon-to-be completed RTS link in 2027. Promotion of Visit Malaysia Year 2026 is also expected to boost tourism and the hospitality and retail sectors.

In terms of investments, real estate investors are increasingly cautious and are employing a disciplined approach to selecting assets for yield generation, aligning with structural reforms, long-term fundamentals for income resilience, and the flexibility of asset use.

OPERATING ENVIRONMENT

RESIDENTIAL

In the near term, the residential sector is expected to experience moderate buyer demand, with buyers being more selective in their criteria, including locations offering connectivity, products with optimised layouts suited to evolving home buyers' needs, and integrated developments with lifestyle appeal. The uptick in residential properties enhances communities, increasing local footfall and providing a consistent customer base and workforce that benefits both tenants and REITs.

Klang Valley:

Overall residential supply recorded a y-o-y 9M increase of 3.8% in the Klang Valley. While high-rise transaction volume decreased by 4.0%, transaction value increased by 4.7%; landed transaction volume and value decreased by 6.7% and 3.1%, respectively.

Overall, overhang levels decreased, driven by the high-rise segment, which saw improved absorption, while the landed segment saw a 28.2% y-o-y increase in overhang levels for the nine months ending September 2025. High-rise overhang is concentrated in Kuala Lumpur due to land scarcity, while landed overhang is concentrated in Selangor.

With an emphasis on housing affordability, mid-range properties under RM500,000 continue to receive steady interest from first-time homebuyers, young families, and urban professionals. Nonetheless, buyers are generally exhibiting a more cautious approach, carefully evaluating their choices in terms of location, convenience, the relevance of space use, lifestyle amenities, and security, among others, when making their purchase.

This is expected to continue into 2026, when developers will need to adopt layouts and create community and experiential spaces to meet buyer demand for space use and lifestyle, differentiating themselves from competitors. This is also expected to drive the development of integrated components, such as retail, commercial, and office areas around residential developments.

Johor:

The Johor residential market recorded a y-o-y increase of 2.9% in total supply for the 9M ending 2025, led by expansion of the high-rise segment of 4.5% and an increase of 2.3% in the landed segment.

In the near term, the Johor residential market is expected to be characterised by city-centre demand and demand arising from the RTS corridor, particularly from investor and cross-border commuter interests. With the completion of the RTS, the time taken for the cross-border journey will be reduced to approximately five (5) minutes, redefining cross-border connectivity between Johor Bahru and Singapore. The immediate vicinity surrounding the CIQ complex is already experiencing strong demand, with developers snapping up land for mixed development to capitalise on this infrastructure catalyst.

In Iskandar Malaysia, landed residential homes continue to perform well, where transaction values recording y-o-y 9M increases up to 22.0% in the cluster home segment. The residential segment in Johor is expected to sustain its performance. However, investment-led buyers may be wary of oversupply risks and overpricing in fringe areas with less cohesive last-mile connectivity.

For more information on the macroeconomic impacts and future outlooks of the REIT's portfolio segments, please refer to the respective segments in the Segmental Highlights of the Portfolio Capital section of this IAR2025.

OPERATING ENVIRONMENT

PESTLE ANALYSIS

To ensure the REIT remains abreast of all ongoing developments, a PESTLE analysis was employed, enabling the identification of significant external influences and opportunities shaping the REIT's performance and strategic direction.

These include:

Global Tariff Threats

Global tariff threats and trade restrictions have indirect consequences on the REIT's overall financial, business, and operational performance. With these uncertainties, global supply chains are being redefined, where suppliers and consumers alike are forced to adapt to this new order, taking into account cost escalations. Based on recent studies, 55% of Malaysian companies cited rising costs due to trade uncertainty, leading some to pass costs on to customers and other downstream consumers, ultimately impacting retail spending and consumer purchasing power.

Despite these risks, the Malaysian economy proved resilient, showing signs of growth throughout 2025, strengthening currency, and other positive economic indicators. Regardless, the REIT remains committed to implementing fail-safes, primarily through continued cost management at both the property and fund levels to ensure margins remain sustainable despite these external geopolitical developments.

Monetary Environment and Interest Rate Volatility

The monetary environment throughout FY2025 was characterised by interest rate volatility, even as Bank Negara Malaysia ("BNM") maintained the Overnight Policy Rate ("OPR") at 2.75%. While stable rates can support consumer discretionary spending, the REIT remains exposed to fluctuating financing costs due to the reliance on floating-rate debt. To safeguard unitholder value, the REIT prioritises prudent capital management, including active efforts to refinance existing facilities and restructure debt to secure more favourable and sustainable terms.

Tourism Policy and Campaign Developments

In addition to the positive national macroeconomic outlook, the REIT stands to gain by potential financial capitals provided through the 13th Malaysia Plan, offering RM430 billion between 2026 to 2030 in development expenditures, alongside the Visit Malaysia 2026 ("VM2026"), a government-led initiative targeted to attract 47 million foreign visitors and generate RM329 billion in tourism revenue, compounded with the Visit Johor 2026 campaign set to attract 12 million additional visitors, present a positive outlook Al-Salām REIT, particularly KOMTAR JBCC. In view of KOMTAR JBCC's proximity to the CIQ, KOMTAR JBCC is expected to benefit from the spillover of tourism campaigns and visitors from VM2026 and Visit Johor 2026 ("VJ2026"). The renewed tenant mix of KOMTAR JBCC is also expected to attract more visitors, in line with consumer preferences from the cross-border tourist demographic.

Catalytic Infrastructure Development and Connectivity

Al-Salām REIT is expected to experience a significant positive impact on foot traffic and revenue generation on KOMTAR JBCC due to the upcoming Johor Bahru-Singapore RTS Link, projected for completion by 2026 or 2027 with a capacity of 10,000 travellers per hour, alongside the Elevated Autonomous Rapid Transit ("E-ART") slated for completion in the coming years. This is further enhanced by the construction of a POB connecting the station directly to KOMTAR JBCC, positioning the REIT as an entry point for visitors arriving from and departing to Johor Bahru and Singapore.

These developments are expected to be a primary driver of a significant increase in footfall from Singaporean cross-border shoppers and local commuters. While short-term traffic congestion during construction remains a challenge, the REIT proactively responds through AEIs to improve e-hailing and public transport infrastructure and ensure flagship assets are positioned as premier transit-oriented retail destinations.

This is also expected to increase Menara KOMTAR's appeal as a choice office space, especially for cross-border businesses seeking to establish a presence in both Malaysia and Singapore requiring frequent travelling between both locations. With favourable economic policies such as the JS-SEZ, the demand for quality office space in the city centre is expected to remain strong, leading to rents holding stable in the coming years. The working crowd from Menara KOMTAR is also expected to translate to improved footfall in KOMTAR JBCC, reinforcing the synergies within the REIT's flagship assets.

OPERATING ENVIRONMENT

Operational Costs and Inflationary Pressures

Operational costs are facing significant upward pressure from national policy shifts, including reductions in fuel subsidies, higher sales and service taxes ("SST"), and the implementation of higher minimum wages. These inflationary factors put pressure on margins and affect tenants' overall affordability.

In view of this, the REIT is constantly monitoring operational efficiencies, including monitoring energy usage, taking long-term measures to manage utility costs, while balancing value-enhancing AEIs to common areas in KOMTAR JBCC and Menara KOMTAR to ensure shopper comfort, strong footfall and tenant satisfaction.

Economic Zones and Urban Rejuvenation

The momentum generated by the JS-SEZ and the Ibrahim International Business District ("IIBD") serves as a vital catalyst for Johor Bahru's urban and economic upgrade. This change has fuelled increased demand for office assets and commercial spaces in the central business district. Al-Salām REIT is strategically aligning its portfolio to capitalise on this opportunity by leveraging its flagship assets, KOMTAR JBCC and Menara KOMTAR, strategically located within the IIBD, to capture strong footfall and tenant demand. The REIT is also pursuing potential assets which are a strategic fit for the portfolio and reducing non-core segments in a focused approach to establish a clear identity as a diversified retail REIT.

ESG Integration and Energy Efficiency

Rising energy costs and increasingly stringent regulatory requirements have made ESG and energy efficiency a core business imperative. Electricity tariffs were raised by 13.6% in 2025 following the launch of Tenaga Nasional Berhad's ("TNB") Regulatory Period 4 ("RP4"), setting the price at 45.4 sen/kWh up to 31st December 2027. Fuel prices have also fluctuated, with fuel subsidy regulations becoming more stringent and RON97 prices increasing nationwide to RM3.28 per litre. Furthermore, there is a growing demand for sustainable operations that enhance long-term asset resilience, differentiate the REIT in a competitive market, and ensure continuous alignment with evolving sustainability standards and regulatory requirements.

Al-Salām REIT has integrated these initiatives by adopting Green Lease clauses in new agreements, installing solar photovoltaic ("PV") systems at @Mart Kempas, with plans to expand its implementation to the rest of the REIT's portfolio, and achieving Green Building Index ("GBI") certification for its primary urban assets. In tandem with green building initiatives, the REIT implemented various energy and water-efficiency measures, increased engagement with regulatory bodies, and consulted external experts to ensure continuous alignment of all operations with these standards.

Consumer Behaviour and Digitalisation

Consumer behaviour in the retail sector is rapidly shifting toward urbanisation and digitalisation, with a growing preference for experiential retail and omnichannel shopping. This is reflected in the 35% increase in e-commerce shoppers, representing 62% of the Malaysian population using online platforms in 2025, up from 46% the previous year. The ongoing global technology development also presents unique opportunities for the commercial and industrial segments. The REIT adapts to this trend by strengthening its tenant mix to include premium F&B brands and delivery services that cater to mobile, lifestyle-oriented consumers, while onboarding digitally equipped retailers to future-proof its mall offerings.

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Section 4

INVESTOR RELATIONS REPORT

FINANCIAL CALENDAR

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS

1st Quarter Ended
31 March 2025
26 May 2025

2nd Quarter Ended
30 June 2025
26 August 2025

3rd Quarter Ended
30 September 2025
27 November 2025

4th Quarter Ended
31 December 2025
25 February 2026

DIVIDEND

Quarter	Date of Entitlement	Date of Payment
1st Quarter	11 June 2025	30 June 2025
2nd Quarter	17 September 2025	3 October 2025
3rd Quarter	12 December 2025	31 December 2025
4th Quarter	11 February 2026	27 February 2026

10TH ANNUAL GENERAL MEETING

NOTICE DATE
27 May 2025

MEETING DATE
25 June 2025

INVESTOR RELATIONS REPORT

4	3	1 AGM for FY2025 held on	4	1
Analyst Briefings	Property Site Visits	25 June 2025	Roadshows	New Research House Coverage

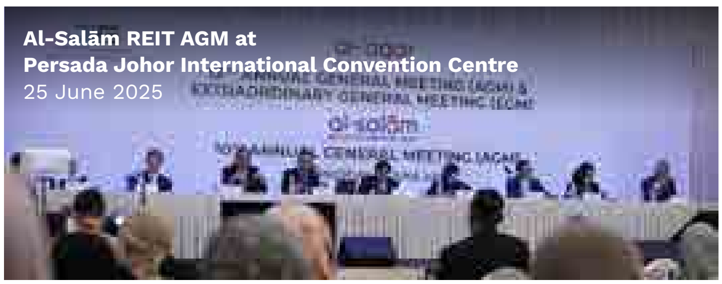
In Al-Salām REIT's journey towards increased transparency, the REIT held numerous stakeholder engagements throughout FY2025 with a heightened focus on investor relations. Through these engagements, investors receive an accurate representation of Al-Salām REIT, including past, present, and future estimates of its performance and plans.

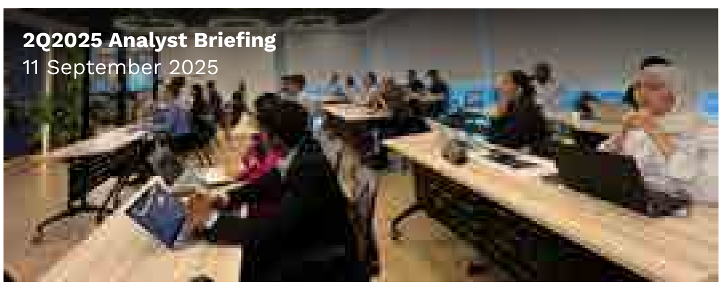
The REIT held 11 investor engagement sessions in FY2025, which included site visits, analyst briefings, and the Annual General Meeting ("AGM"), as detailed below:

Date	Event
12 January 2025	BIMB Securities Research Initiated Coverage in January 2025 with a Buy call
16 January 2025	Investor Site Visit (Maybank) JS-SEZ
21 February 2025	4Q2024 Analyst Briefing
26 May 2025	Maybank Investment Bank upgraded from Sell to Hold
09 June 2025	1Q2025 Analyst Briefing
25 June 2025	Al-Salām REIT AGM at Persada Johor International Convention Centre
11 September 2025	2Q2025 Analyst Briefing
29 September 2025	Investor Site Visit (Maybank) KOMTAR JBCC
30 September 2025	Investor Site Visit (BIMB) KOMTAR JBCC & @mart Kempas
10 December 2025	3Q2025 Analyst Briefing

More information on Al-Salām REIT's stakeholder policy and engagement initiatives can be found in the Sustainability Statement section.


Investor Site Visit (Maybank) JS-SEZ
16 January 2025


Al-Salām REIT AGM at Persada Johor International Convention Centre
25 June 2025


2Q2025 Analyst Briefing
11 September 2025


Investor Site Visit (BIMB) KOMTAR JBCC & @mart Kempas
30 September 2025

Section 5

APPROACH TO VALUE CREATION

VALUE CREATION MODEL

Al-Salām REIT utilises a variety of strategies and unique capital inputs to generate and provide value to its stakeholders while ensuring long-term business continuity. The chart below summarises the REIT's value creation process and how these capitals are transformed into financial and non-financial outputs throughout FY2025.

CAPITALS | INPUTS | OUR BUSINESS MODEL

Financial:
Funding and capital to conduct operations and initiate strategic implementations

- Unitholders' capital: **RM572.5 million**
- Retained profits: **RM75.8 million**
- Cash and cash equivalents: **RM26.0 million**
- Total assets: **RM1.317 billion**
- Total liabilities: **RM668.9 million**
- Total financings: **RM639.8 million**
- Unbilled rental income: **RM23.1 million**

Portfolio:
Objects or assets used to provide services, value-add, or generate revenue

- **54** properties managed under the REIT's portfolio
- Total asset valuation of **RM1.24 billion**
- Strategic property locations, including the Johor Bahru-Singapore RTS Link
- Continued deployment of green-certified buildings and energy-efficiency upgrades

Intellectual:
Organisational, knowledge-based intangibles, including intellectual property, systems, procedures, and branding

- Shariah-compliant REIT
- Active asset management strategy
- Digitalisation and Property Technology
- Access to sukuk funds and Islamic finance

Human:
Competencies, capabilities, and experience of employees, alongside their motivations to innovate and support strategic objectives

- **23** total employees
- **7** new hires
- **1,541** hours of training programmes
- **28** occupational safety and health ("OSH") briefings and training done

Social:
Institutions and relationships with various stakeholder groups that enhance individual and collective well-being

- **4** investor briefings

Natural:
Renewable and non-renewable resources are used to provide goods or services

- **36 MWh** of electricity
- **10,128 litres** of fuel

VALUE CHAIN

Capital Raising and Asset Acquisition
Secure capital and identify yield-accretive property acquisitions to determine the quality and income potential of the portfolio

Strategic Partnerships
Establish collaborations with property developers, facility managers, and technology vendors to support the operational framework

Strengthen Operational Efficiencies
- Centralise tenancy reporting
- Streamline maintenance contracts
- Ensure regulatory compliance

Leveraging ESG
- Energy-efficient retrofits
- Solar power
- Green leases
- Anti-corruption enforcement

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REAL ESTATE INVES

Digitalisation, Technology, and Innovation
- Smart leasing platforms
- Point of sale ("POS") system development for real-time sales data
- Predictive maintenance

Property Management
Conduct active operations, covering property maintenance, security, and more

Leasing and Active Marketing
Build tenant relationships by ensuring consistent quality and satisfied tenants, supporting occupancy stability, and executing strategic marketing

Active Asset Management
Conduct tenant mix optimisation alongside rental billing and collection

VALUE CREATION MODEL

Regulatory and Quality Control
Maintain alignment with Shariah, Bursa Malaysia, and legal standards that govern all downstream activities while setting quality assurance expectations

Portfolio growth
Ensure consistent portfolio growth and cultivation, while actively managing asset risk profiles

Active Asset Management
- Tenant engagement
- Floor reconfiguration
- Infrastructure upgrades

Portfolio Restrategisation and Adjustment
- Data-driven reviews of asset performance to pursue income-accretive acquisitions and selective disposals

Gearing Analysis and Capital Management
- Diversify debt through Islamic Sukuk
- Optimise interest rates
- Maintain gearing below 50%

Value Delivery and Distribution
Distribute consistent income to unitholders and provide safe environments for tenant business continuity

Integrated Functions
Monitor the operational performance of downstream processes, including maintaining an overview of financial, ESG, climate, and compliance concerns

OUTPUTS	OUTCOMES
• Revenue: **RM88.8 million** • Profit before tax: **RM13.8 million** • Profit after tax: **RM13.6 million** • Cash and cash equivalents: **RM41.3 million** • Total assets: **RM1.315 billion** • Total liabilities: **RM663.4 million** • Total financings: **RM630.7 million**	• Unbilled rental income: **RM2.7 million** • **RM10.0 million** dividend payout • **RM40.3 million** paid in finance costs • **RM284.2 million** worth of market capitalisation
• **53** properties managed under the REIT's portfolio • **10,440,000** footfall throughout portfolio • **95%** occupancy rate • Total property valuation of **RM1.22 billion**	• Extended lifespan of critical systems through digital building management systems
• Maintained Shariah-compliant operations • Established an active asset management strategy • Implemented digitalisation and Property Technology • Maintained access to sukuk funds and Islamic finance	• Centralised digital property management and smart leasing platforms • Enhanced use of advanced data analytics for strategic tenant mix decisions, dynamic leasing, and standardised tenancy reporting
• **26** total employees • **1,541** hours of training programmes	• LTIR of 0 • **43%** of women in senior management roles • Improved compliance with OSH standards and laws
• **4** investor briefings	• Enhanced tenant engagement, improved retention, and increased green lease participation • Better shopper and visitor experience • Improved brand image through local supplier procurement and compliance with labour standards • Stronger appeal to institutional investors through ESG transparency and disciplined growth
• **78.22** MWh of electricity in headquarters, shared with Al-`Aqar REIT • **19,189** MWh of electricity by tenants across the portfolio • **1,827** litres of fuel, shared with Al-`Aqar REIT	• **8,301** litres of fuel savings against FY2024, shared with Al-`Aqar REIT

FINANCIAL CAPITAL

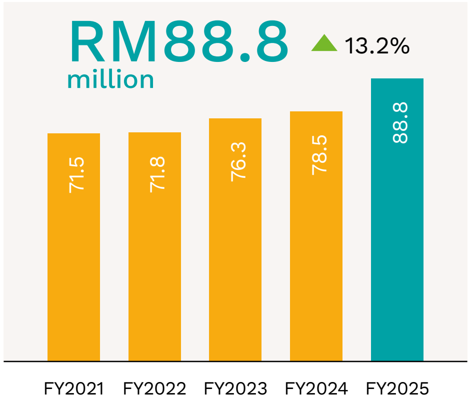
Financial Capital is a central component of Al-Salām REIT's value creation framework. It comprises funds generated from rental income, property revaluation gains, and financing activities through debt and equity. Effective management of this capital ensures operational resilience and supports portfolio growth, ultimately enabling the REIT to deliver sustainable returns to Unitholders.

Al-Salām REIT's capital management strategy emphasises a balance between growth initiatives and disciplined financial policies. By maintaining resilient cash flows and a strong balance sheet, the REIT is well-positioned to pursue opportunities while safeguarding long-term stability.

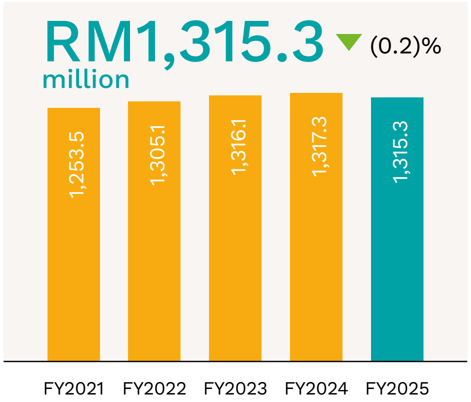
More importantly, Financial Capital also enables the growth of other Capitals utilised by the REIT. It provides the resources necessary to expand and maintain Portfolio Capital, invest in Human Capital, and drive innovation that strengthens Intellectual Capital. These investments reinforce Social Capital by building stakeholder confidence and contribute to Natural Capital through initiatives that mitigate sustainability-related risks.

FIVE-YEAR FINANCIAL PERFORMANCE

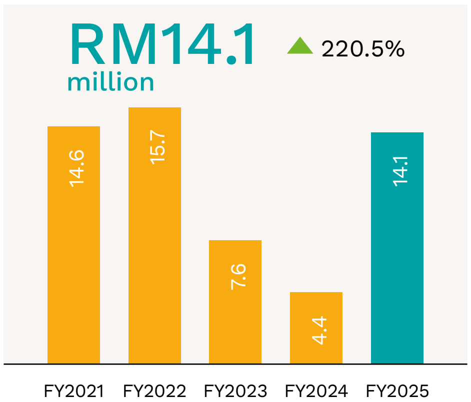
GROSS REVENUE
(RM MILLION)



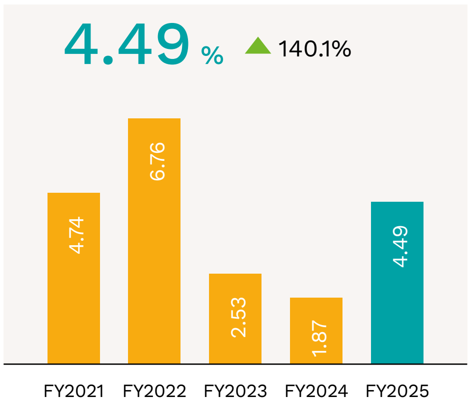
TOTAL ASSET VALUE
(RM MILLION)



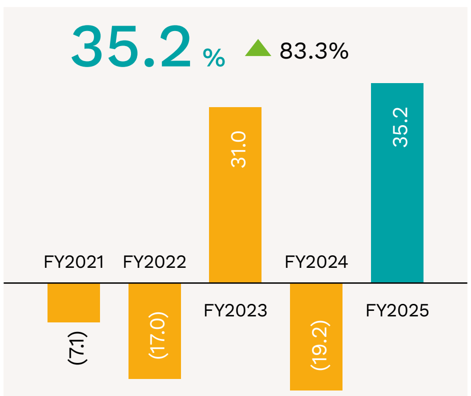
PROFIT FOR THE YEAR (REALISED)
(RM MILLION)



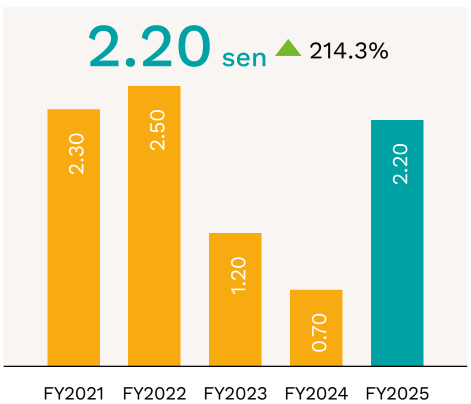
ANNUALISED DISTRIBUTION YIELD
(%)



ANNUAL TOTAL RETURN
(%)



DISTRIBUTION PER UNIT
(SEN)



FINANCIAL CAPITAL

Financial Highlights – Group	FY2021	FY2022	FY2023	FY2024	FY2025
Statement of Comprehensive Income - Key Data & Financial Ratios					
Gross Revenue (RM'000)	71,543	71,800	76,283	78,453	88,825
Net Property Income (RM'000)	54,994	51,439	50,908	51,415	61,098
Profit for the Year (Realised) (RM'000)	14,644	15,733	7,571	4,388	14,135
Earnings per Unit (Realised) (Sen)	2.52	2.71	1.31	0.76	2.44
Statement of Financial Position – Key Data & Financial Ratios					
Investment Properties (RM'000)	1,177,237	1,224,173	1,239,014	1,201,723	1,213,433
Other Non-current Assets (RM'000)	708	803	1,797	1,667	1,390
Current Assets (RM'000)	75,555	80,138	75,250	113,875	100,524
Total Asset Value (RM'000)	**1,253,500**	**1,305,114**	**1,316,061**	**1,317,265**	**1,315,347**
Current Liabilities (RM'000)	17,810	473,105	140,374	66,659	142,593
Non-current Liabilities (RM'000)	645,080	192,223	529,279	602,219	520,779
Total Liabilities (RM'000)	**662,890**	**665,328**	**669,653**	**668,878**	**663,372**
Net Asset Value (NAV) - Before Distribution (RM'000)	**590,609**	**639,786**	**646,408**	**648,387**	**651,975**
- After Distribution (RM'000)	**580,169**	**631,086**	**645,828**	**647,053**	**647,915**
Total Unitholders' Fund (RM'000)	**590,609**	**639,786**	**646,408**	**648,387**	**651,975**
NAV Per Unit (Before Income Distribution) (RM)	1.0183	1.1031	1.1145	1.1179	1.1241
NAV Per Unit (After Income Distribution) (RM)	1.0003	1.0881	1.1135	1.1156	1.1171

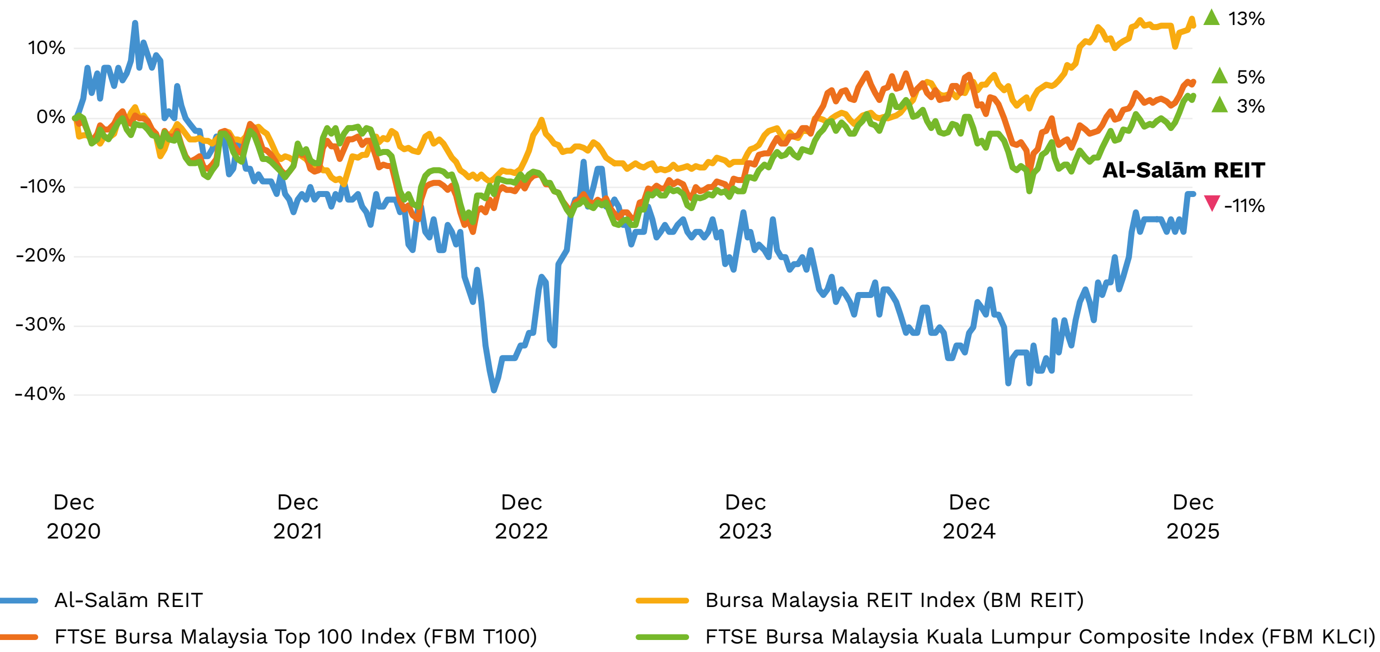
Financial Highlights – Fund	FY2021	FY2022	FY2023	FY2024	FY2025
Statement of Comprehensive Income – Key Data & Financial Ratios					
Gross Revenue (RM'000)	71,543	71,800	76,283	78,453	88,825
Net Property Income (RM'000)	54,994	51,439	50,908	51,415	61,098
Profit for the Year (Realised) (RM'000)	14,704	15,767	7,600	4,439	14,175
Income Available for Distribution (Realised) (RM'000)	14,704	15,767	7,600	4,439	14,175
Earnings per Unit (Realised) (Sen)	2.54	2.72	1.31	0.77	2.44
Distribution per Unit (Sen)	2.30	2.50	1.20	0.70	2.20
Annualised Distribution Yield (%)	4.74	6.76	2.53	1.87	4.49
Management Expenses Ratio (%)	0.63	0.69	0.72	0.67	0.82
Statement of Financial Position – Key Data & Financial Ratios					
Investment Properties (RM'000)	1,177,237	1,224,173	1,239,014	1,201,723	1,213,433
Other Non-current Assets (RM'000)	708	803	1,797	1,667	1,390
Current Assets (RM'000)	69,955	74,454	67,639	107,687	96,569
Total Asset Value (RM'000)	**1,247,900**	**1,299,430**	**1,308,450**	**1,311,077**	**1,311,392**
Current Liabilities (RM'000)	17,441	468,617	137,517	63,824	140,770
Non-current Liabilities (RM'000)	640,772	192,220	525,957	600,572	520,676
Total Liabilities (RM'000)	**658,213**	**660,837**	**663,474**	**664,396**	**661,446**
Net Asset Value (NAV) - Before Distribution	**589,687**	**638,593**	**644,975**	**646,681**	**649,946**
- After Distribution	**579,247**	**629,893**	**644,395**	**645,347**	**645,886**
Total Unitholders' Fund (RM'000)	**589,687**	**638,593**	**644,975**	**646,681**	**645,946**
NAV Per Unit (Before Income Distribution) (RM)	1.0167	1.1010	1.1120	1.1150	1.1206
NAV Per Unit (After Income Distribution) (RM)	0.9987	1.0860	1.1110	1.1127	1.1136
Unit Price as at 31 December (RM)	0.485	0.370	0.475	0.375	0.49

FINANCIAL CAPITAL

TRADING PERFORMANCE

Overall efforts made by the REIT are indirectly translated into its strong share price performance, which closed at RM0.49 on 31 December 2025, recording total unitholder returns of 35.16%, surpassing the M-REITs average of 10.5% and FBM KLCI returns of 2.3%. This has been the REIT's best year in terms of annual total returns since IPO.

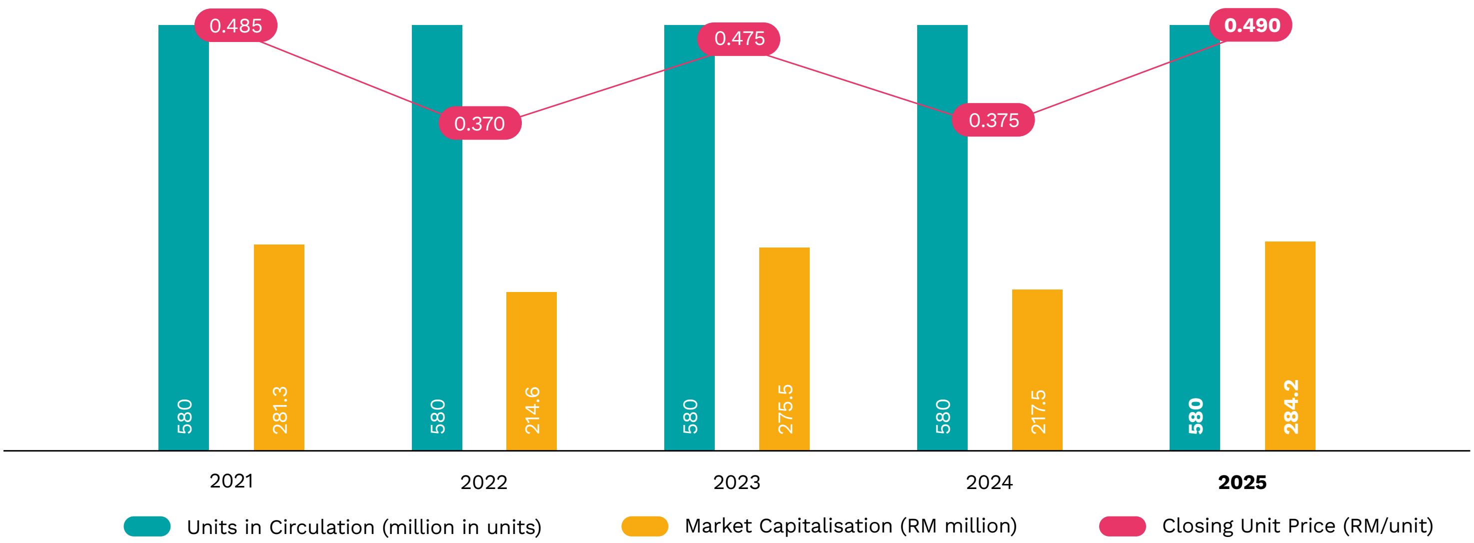
Al-Salām REIT's Five-year Unit Price Performance vs Benchmark Indices



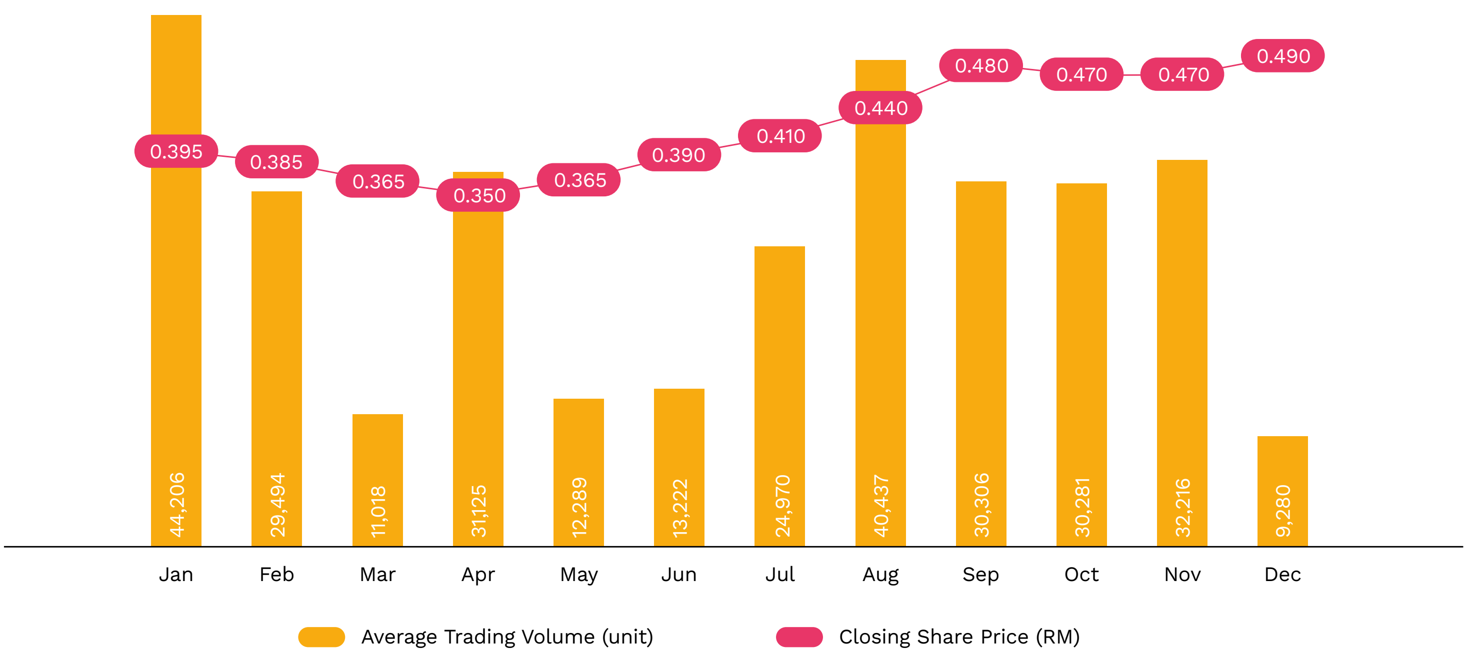
Trading Summary	FY2021 RM'000	FY2022 RM'000	FY2023 RM'000	FY2024 RM'000	FY2025 RM'000
Closing Unit Price (RM)	0.485	0.370	0.475	0.375	**0.49**
52-week Highest Traded Price (RM)	0.630	0.520	0.530	0.475	**0.50**
52-week Lowest Traded Price (RM)	0.475	0.330	0.370	0.355	**0.33**
Price Movement (%)	(11.8)	(23.7)	28.4	(21.1)	**30.7**
Annual Total Return (%)	(7.1)	(17.0)	30.9	(12.2)	**35.2**
Number of Units in Circulations (RM'000)	580,000	580,000	580,000	580,000	**580,000**
Market Capitalisation (RM'000)	281,300	214,600	275,500	217,500	**284,200**

FINANCIAL CAPITAL

Market Capitalisation, Unit Price and Units in Circulation



FY2025 Trading Performance



FINANCIAL CAPITAL

FINANCIAL REVIEW

Al-Salām REIT is pleased to report that the rejuvenation efforts at KOMTAR JBCC are showing results, directly translating into a strong NPI of RM61.1 million in FY2025 for the portfolio, an improvement of 18.8% from RM51.4 million in FY2024, supported by stable rental income from the office, F&B, industrial and other sectors, boosted by the strong performance of the retail segment. Profit before tax was recorded at RM13.8 million in FY2025, up 150% from FY2024, translating into a DPU performance of 2.20 sen in FY2025, an increase of 214% from 0.70 sen in FY2024.

	FY2025 RM'000	FY2024 RM'000	Variance %
Gross Revenue	**88,825**	78,453	13.2
Net Property Income	**61,098**	51,415	18.8
Trust Expenses	**45,416**	44,834	1.3
Profit for the Year (Realised)	**14,135**	4,388	222.1
Income Available for Distribution (Realised)	**14,135**	4,388	222.1
EPU (sen) - Realised	**2.44**	0.76	222.1
DPU (sen) – Realised	**2.20**	0.70	214.3

The retail segment was the largest contributor to the REIT's assets, accounting for 50% of total portfolio NPI, with segmental NPI yield rising to 4.75% in FY2025 from 3.90% in FY2024, underpinned by yield improvements at KOMTAR JBCC following the completion of the first phase of rejuvenation. KOMTAR JBCC showed improved NPI despite a marginal increase in occupancy from 0.98% in FY2024 to 2.98% in FY2025 due to ongoing layout and tenant mix reconfiguration works.

FY2025	Retail	Office	F&B	Industrial & Others
NPI (RM'000)	30,913	1,878	17,413	11,368
NPI Yield (%)	4.29	2.68	5.73	5.78
Occupancy (%)	85	90	100	100

Note:
i. Computed based on NPI (which excludes unbilled rental income)

FINANCIAL CAPITAL

PERFORMANCE BENCHMARK

Performance indicators	FY2025	FY2024	Commentary
Management Expense Ratio (MER) (%)	**0.82**	0.67	The Management Expense Ratio increased to 0.82% in FY2025, compared to 0.67% in FY2024, reflecting higher compliance, governance, and operational costs to support portfolio management.
Total Return (%)	**35.2**	(19.2)	Total return for FY2025 turned positive, reversing the -19.2% recorded in FY2024, reflecting higher market valuations and an increased unit price supported by stronger performance during the year.
Average Total Return (3 years) (%)	**15.6**	(1.7)	The 3-year Average Annual Total Return increased to 15.6% in FY2025, compared to -1.7% in FY2024, reflecting higher unit prices supported by stronger portfolio performance.
Average Total Return (5 years) (%)	**4.6**	(8.1)	The Average Annual Total Return over 5 years registered 4.6% in FY2025, compared to -8.1% in FY2024, reflecting higher unit prices and stronger portfolio performance
Distribution Yield (%)	**4.49**	1.87	Distribution Yield increased to 4.49% (FY2024: 1.87%), reflecting higher distributable income supported by stronger market conditions.
NAV per unit (after income distribution) (RM)	**1.1171**	1.1156	NAV per unit increased marginally to RM1.1171 in FY2025, compared to RM1.1156 in FY2024, supported by stable asset valuations and consistent income generation.

Notes:
i. The ratio of expenses incurred in operating Al-Salām REIT of RM5.3 million (FY2024: RM4.3 million) to the weighted average NAV of Al-Salām REIT of RM650.7 million (FY2024: RM648.9 million).
ii. Total return represents the change in unit price during the year plus distribution yield for the year.
iii. Average total return is the sum of the return rates of Al-Salām REIT over a given number of years divided by that number of years.
iv. Based on DPU of 2.20 sen (FY2024: 0.70 sen) divided by its closing price as at 31 December 2025 of RM0.49 (FY2024: RM0.375).
v. Net asset value per unit is determined by deducting the value of all Al-Salām REIT's liabilities from the total asset value divided by total issued units.

CAPITAL REVIEW

Al-Salām's primary objective centres on delivering risk-adjusted, long-term capital growth for its unitholders through strategic portfolio investments. Within a disciplined risk management framework, the Manager facilitates both operational and acquisition-driven expansion by implementing an efficient capital management strategy.

The Manager considers a robust capital management approach as essential for enhancing total returns and mitigating risks, primarily by ensuring the financial agility needed to fund capital expenditures. To remain responsive to the prevailing economic climate and evolving investment landscape, the Manager maintains a rigorous review process of its capital strategies to align with Al-Salām's specific growth requirements.

PORTFOLIO CAPITAL

PORTFOLIO OVERVIEW

Al-Salām REIT's Portfolio Capital comprises a diversified portfolio of quality assets, strategically distributed across four key segments: Retail, Office, Food and Beverage ("F&B"), and Industrial & Others. This diversified portfolio provides resilience against market fluctuations and supports the REIT's long-term value creation objectives.

The management of Portfolio Capital is guided by a dual focus on organic and inorganic growth. Organic strategies include asset enhancement initiatives, proactive leasing, and optimisation of tenancy mix to maximise rental yields and improve asset performance. Meanwhile, inorganic strategies typically include yield-accretive acquisitions and selective property developments that strengthen the portfolio and expand income streams. Together, these approaches ensure that Al-Salām REIT remains competitive and can deliver sustainable returns to Unitholders.

Portfolio Capital is closely interlinked with the other Capitals. The acquisition, management, and operation of assets draw on the Human Capital, Intellectual Capital, and Natural Capital. At the same time, Financial Capital provides the resources required to acquire and maintain said assets, while a well-managed portfolio generates stable rental income that replenishes Financial Capital.

Featured Assets

FLAGSHIP ASSET

KOMTAR JBCC

As Al-Salām REIT's flagship asset, KOMTAR JBCC is strategically situated in the heart of the Ibrahim International Business District ("IIBD"). This shopping mall is being transformed into a premier transit-oriented retail destination. Leveraging the upcoming RTS Link, the mall will feature a dedicated pedestrian bridge providing cross-border shoppers with direct, air-conditioned access to its premium dining and curated lifestyle offerings.

Menara KOMTAR

This 25-storey purpose-built tower serves as the prestigious corporate headquarters for JCorp and is a cornerstone of Johor Bahru's central business district. It offers international and domestic enterprises unparalleled connectivity, positioned within walking distance of the CIQ complex and the future Bukit Chagar RTS station.

@Mart Kempas

A model of consistent commercial success, this single-storey hypermarket serves as a vital community hub with a resilient occupancy rate of 97%. The asset is anchored by a curated tenant mix tailored to the daily needs of the surrounding residential population, supporting stable footfall and resilient occupancy levels driven by repeat patronage from the local community.

Furthermore, it distinguishes itself as a leader in sustainability within the portfolio, featuring a rooftop solar PV system that generated 441 MWh of clean energy in FY2024.

PORTFOLIO CAPITAL

As part of Al-Salām REIT's strategic goal to improve portfolio focus, the REIT has reviewed its portfolio mix and established a strategy to guide its shariah-compliant investment direction in the near-to medium-term. With the portfolio strongly anchored in its flagship assets, KOMTAR JBCC and Menara KOMTAR, the REIT has taken an approach to strengthen the retail segment, establishing a clear focus and identity as a diversified retail REIT. While placing focus on the retail segment, the REIT will continuously review other segments to reduce exposure to non-core or mature assets.

The REIT is actively sourcing acquisition opportunities in tandem with the capital management strategy to reduce financing costs and return the REIT's gearing to a healthy level, allowing for headroom to acquire quality assets and subsequently enhance portfolio yield.

Currently, the REIT is conducting a portfolio review to identify asset recycling opportunities that improve asset quality, optimise resources, enhance operational efficiency, and establish a clear identity for the REIT, providing investors with clarity on its strategic goals.

The general overview of all assets under the REIT is as follows:

SASB REAL ESTATE METRICS	FY2025
RETAIL	
Number of assets	**4**
Net Lettable Area (million sqft)	**0.72**
Percentage of indirectly managed assets (% by floor area)	**35**
Average occupancy rate (%)	**85**
OFFICE	
Number of assets	**1**
Net Lettable Area (million sqft)	**0.16**
Percentage of indirectly managed assets (% by floor area)	**100**
Average occupancy rate (%)	**90**
F&B	
Number of assets	**41**
Net Lettable Area (million sqft)	**0.38**
Percentage of indirectly managed assets (% by floor area)	**0**
Average occupancy rate (%)	**100**
INDUSTRIAL & OTHERS	
Number of assets	**7**
Net Lettable Area (million sqft)	**0.69**
Percentage of indirectly managed assets (% by floor area)	**87**
Average occupancy rate (%)	**100**

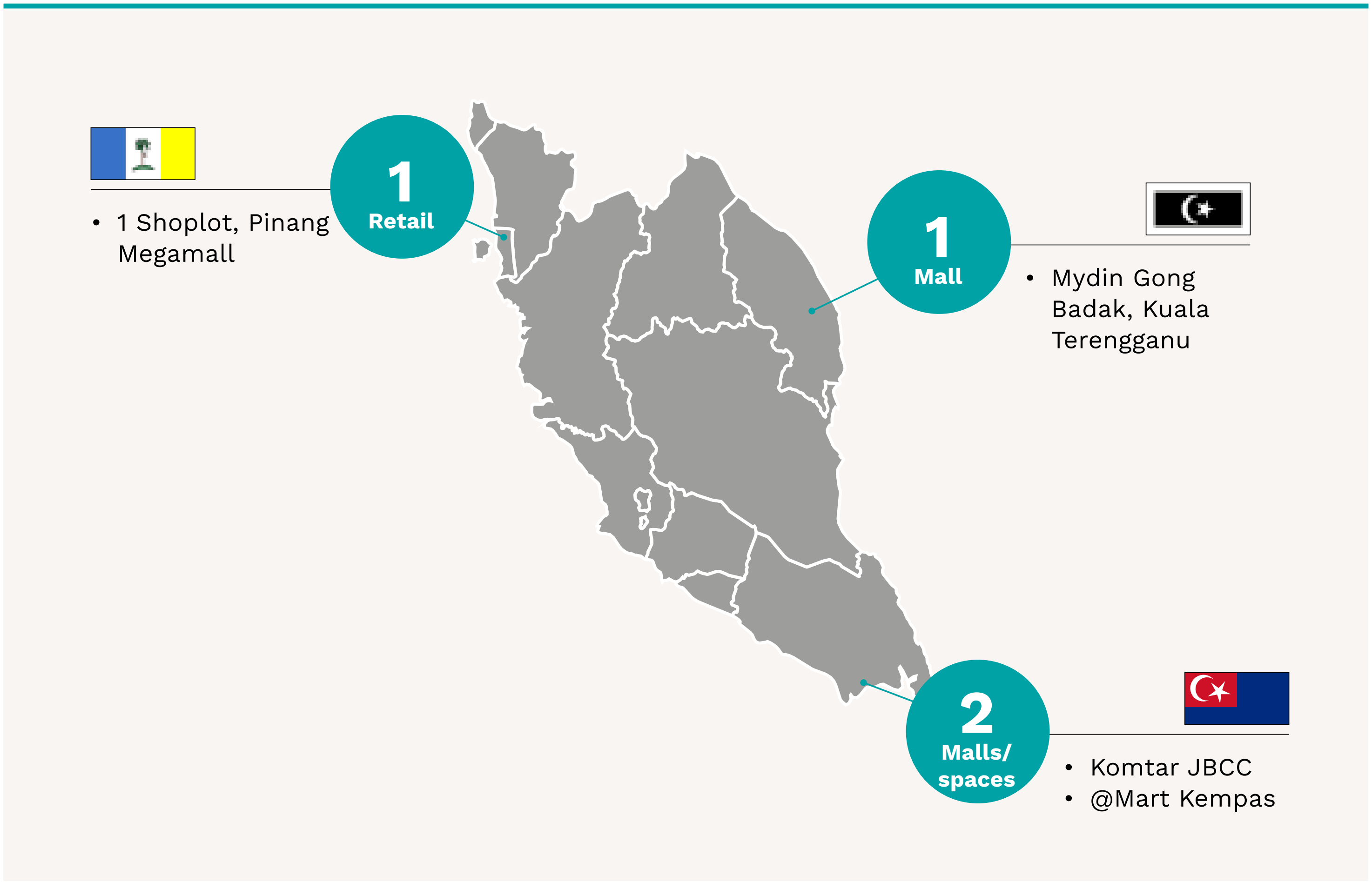
PORTFOLIO CAPITAL

SEGMENTAL HIGHLIGHTS

Retail Segment

The retail segment represents the most prominent component of Al-Salām REIT's portfolio, anchored by KOMTAR JBCC in Johor Bahru. As a premier shopping destination, this asset continues to be a key driver of revenue growth and NPI for the REIT.

Including KOMTAR JBCC, the REIT owns four retail assets across Peninsular Malaysia, as follows:



SEGMENT PERFORMANCE	FY2025
Property Value (RM million)	684.1
Gross Revenue (RM million)	52.2
Net Property Income (RM million)	30.9
Net Lettable Area (million sqft)	0.72
Average Occupancy Rate (%)	85
Annual Gross Yield (%)	7.53
Annual Net Yield (%)	4.75

PORTFOLIO CAPITAL

RETAIL SEGMENT

KOMTAR JBCC

Date of acquisition:
2015

Acquisition Cost:
RM462.0 million

Title:
GRN 44587

Tenure & Expiry Date:
Freehold

Encumbrance:
Nil

Year of Completion:
2014

Age of Building:
11 years

Appraised Value:
RM431.0 million
(Date of valuation 31 December 2025)

KOMTAR JBCC, Johor Bahru City Centre, Jalan Wong Ah Fook, Johor Bahru, Johor, Malaysia

T: +60 7-267 9900
Fx: +60 7-267 9968

https://komtarjbcc.com.my/

info@komtarjbcc.com.my

Land area (sqft)	**230,756**	No. of Tenancies	**105**
GFA (sqft)	**623,374**	Value per sqft (RM)	**1,159**
NLA (sqft)	**371,888**	Occupancy Rate	**71%**
No. of Parking Bays	**1,049**		

As Al-Salām REIT's flagship asset, KOMTAR JBCC offers a premier 4-storey retail experience strategically situated in the IIBD, the heart of Johor Bahru City Centre's central business district. This transit-oriented destination features a curated selection of F&B, convenience stores, grab-and-go kiosks, and beauty services expertly tailored to meet the needs of a diverse audience, including commuters, JB-Singapore workers, tourists, neighbourhood communities, and cross-border travellers.

Uniquely positioned for the future of regional travel, it provides the city's only pedestrian overhead bridge, offering a direct, seamless connection to the upcoming Bukit Chagar RTS station. Under the DISRUPT27 strategy, this landmark asset is undergoing a total rejuvenation to capitalise on its superior connectivity and establish itself as the premier lifestyle entryway for regional and local visitors alike.

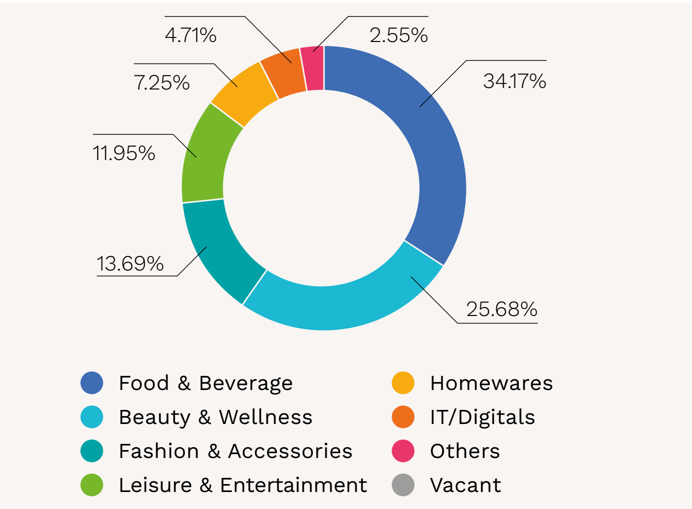
PORTFOLIO CAPITAL

RETAIL SEGMENT

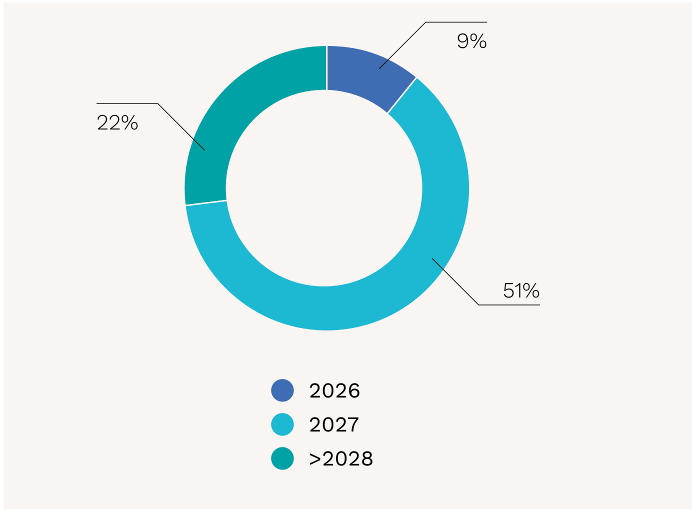
KOMTAR JBCC

Asset Performance (based on 31 December 2025)

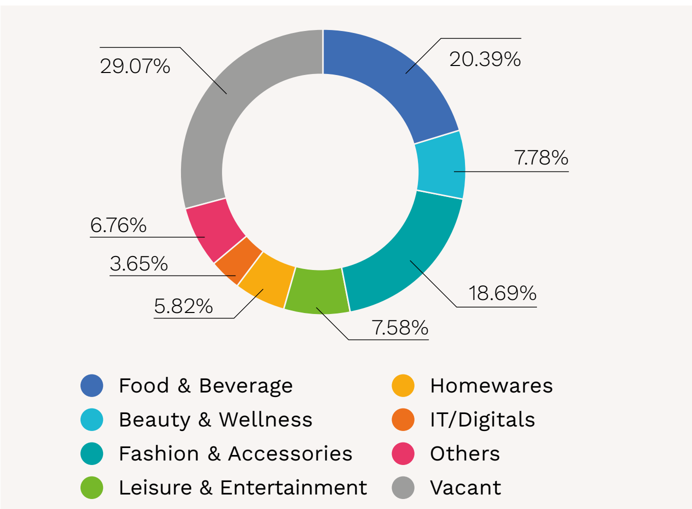
Tenant Mix by Trade Sector - Gross Rental Income (%)



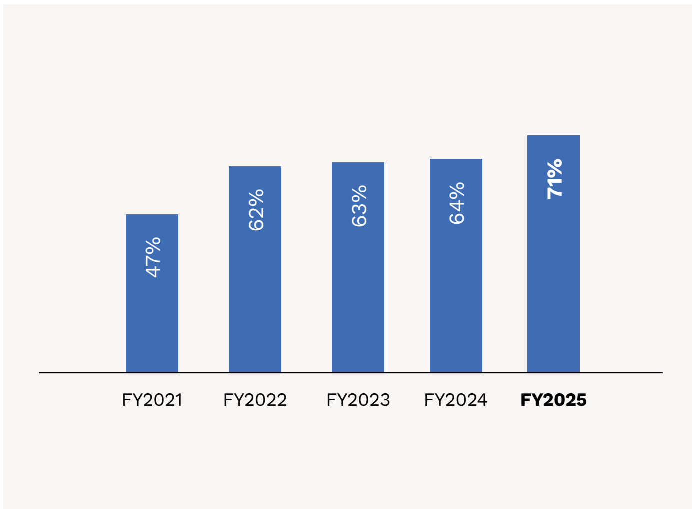
Lease Expiry Profile Based on Net Lettable Area (%)



Tenant Mix by Trade Sector - Net Lettable Area (%)



Average Occupancy Rate (%)



Top 10 Tenants

	Tenant	% GRI	% NLA
1.	RHB Bank	5.87%	3.15%
2.	Manzanita	4.14%	1.10%
3.	Caring Pharmacy	3.01%	0.78%
4.	Brands Outlet	2.70%	3.88%
5.	Tea Garden	2.53%	0.83%

	Tenant	% GRI	% NLA
6.	Watsons	2.40%	0.86%
7.	Kids Republic	2.37%	15.61%
8.	YFS Concept Store	2.30%	7.26%
9.	The Dim Sum Place	2.25%	1.62%
10.	Famous Amos Café	2.14%	0.26%

PORTFOLIO CAPITAL

RETAIL SEGMENT

@MART KEMPAS

Date of acquisition:
2015

Acquisition Cost:
RM65.0 million

Title:
HSD 510051

Tenure & Expiry Date:
Leasehold - 99 years,
expiring on 23rd January 2106

Encumbrance:
Charged to Malaysian Trustees Berhad

Year of Completion:
2010

Age of Building:
15 years

Appraised Value:
RM79.0 million
(Date of valuation 31 December 2025)

Management Office, Mezzanine Floor, No. 10, Jalan Persiaran Tanjung, Taman Cempaka, 81200 Johor Bahru, Johor

+60 7-232 8262 / +60 7-232 8260

Nil

dasbpmsb@dasb.com.my

Land area (sqft)	**501,961**	No. of Tenancies	**154**
GFA (sqft)	**164,625**	Value per sqft (RM)	**800**
NLA (sqft)	**98,808**	Occupancy Rate	**96%**
No. of Parking Bays	**478**		

Strategically situated in the heart of Kempas, Johor Bahru, @Mart Kempas has established itself as a premier community hub since its inception in March 2011. This purpose-built, single-storey hypermarket is designed for maximum accessibility and convenience, serving as a vital commercial anchor for the surrounding residential and business districts.

The facility offers a comprehensive and integrated shopping experience, featuring a diverse layout that includes a vibrant fresh market, dry retail lots, and dedicated promotion areas. Beyond traditional retail, the inclusion of a popular food court transforms the hypermarket into a versatile destination where commerce and community intersect. With its optimised single-level floor plan, @Mart Kempas ensures a seamless flow for shoppers seeking quality, variety, and convenience in one well-established location.

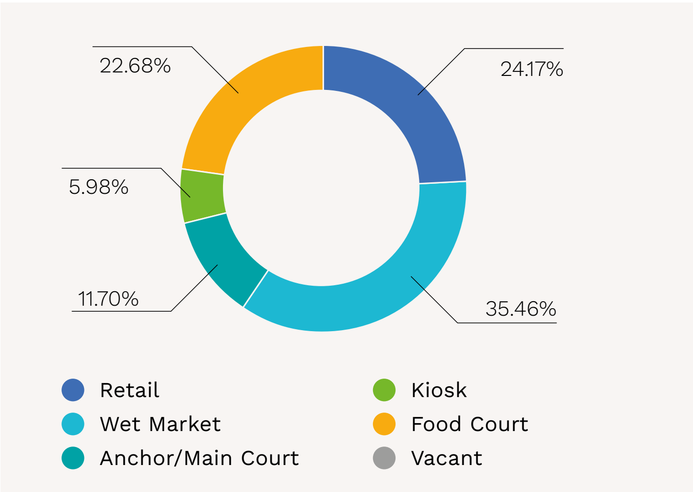
PORTFOLIO CAPITAL

RETAIL SEGMENT

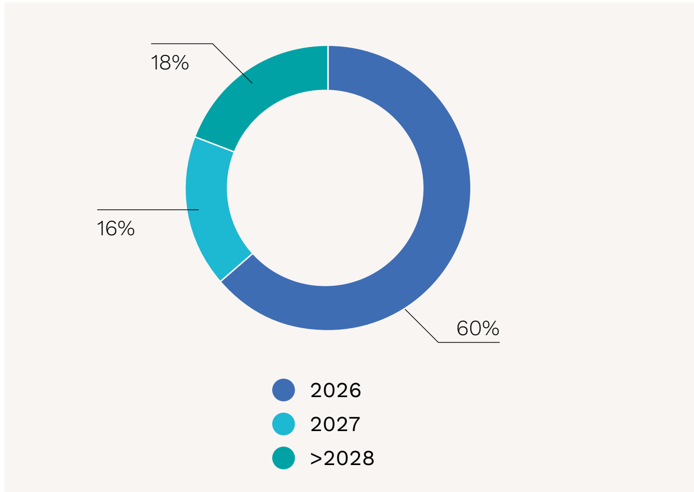
@MART KEMPAS

Asset Performance (based on 31 December 2025)

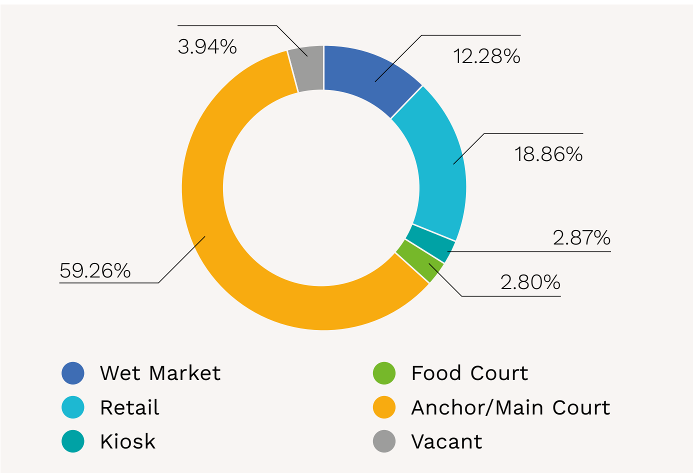
Tenant Mix by Trade Sector - Gross Rental Income (%)



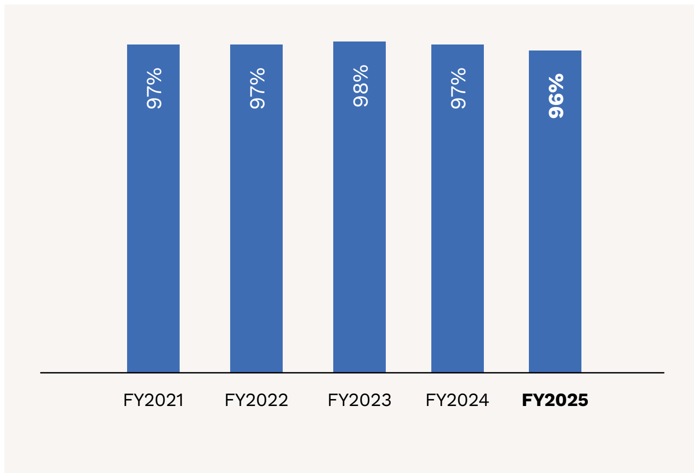
Lease Expiry Profile Based on Net Lettable Area (%)



Tenant Mix by Trade Sector - Net Lettable Area (%)



Average Occupancy Rate (%)



Top 10 Tenants

	Tenant	% GRI	% NLA
1.	Unified Vision Sdn Bhd	10.33	33.19
2.	Pasarayaku Trading	2.49	5.23
3.	LinkMe Trading Sdn Bhd	2.42	3.46
4.	Lionmas Furnishers (M) Sdn Bhd	2.09	5.23
5.	Kasut U Sdn Bhd	2.04	3.49
6.	Green Point Departmental Store Sdn Bhd	1.75	1.39
7.	Cosmo Restaurants Sdn Bhd	1.74	1.72
8.	Mr. D.I.Y (Johor) Sdn Bhd	1.57	5.23
9.	Raihana Cold Storage	1.40	0.65
10.	Family Jaya Enterprise	1.31	0.85

PORTFOLIO CAPITAL

RETAIL SEGMENT

MYDIN HYPERMARKET GONG BADAK

Date of acquisition:
2018

Acquisition Cost:
RM155.0 million

Title:
PN 10207

Tenure & Expiry Date:
Leasehold – 99 years,
expiring on 26th December 2109

Encumbrance:
Charged to Malaysian Trustees Berhad

Year of Completion:
2014

Age of Building:
11 years

Appraised Value:
RM173.0 million
(Date of valuation 31 December 2025)

Lot 52606 (Formerly PT No. 35511), Dataran Austin, Jalan Gong Pak Damat,
21200 Kuala Terengganu, Terengganu

T: +60 9-662 7509 | https://mydin.my/ | Nil

Land area (sqft)	**307,309**
GFA (sqft)	**360,628**
NLA (sqft)	**253,784**
No. of Parking Bays	**805**
No. of Tenancies	**Master leased to Mydin**
Value per sqft (RM)	**681.68**
Occupancy Rate	**100%**

Mydin Hypermarket Gong Badak stands as a prominent two-storey hypermarket strategically located in Kuala Terengganu. As a dedicated hub for commercial activity, it operates effectively within the robust retail and wholesaling market segments, serving as a central point for trade and consumer engagement. Notably, the master lease structure mitigates income volatility and benefits from Mydin's strong brand presence and consistent shopper traffic, reinforcing the asset's role as a defensive retail component within Al-Salām REIT's portfolio.

The mall features a comprehensive and diverse layout designed to meet a wide array of business and consumer needs. This extensive offering comprises conventional retail and F&B lots, complemented by versatile promotion areas, kiosks, and pushcarts. Additionally, the inclusion of ancillary lots, bazaar spaces, and a dedicated food court creates a vibrant, all-encompassing environment that supports a dynamic range of shopping and dining experiences under one roof.

PORTFOLIO CAPITAL

RETAIL SEGMENT

Date of acquisition:
2015

Acquisition Cost:
RM1.9 million

Title:
GRN 166213, Mukim 1, District of Seberang Perai Tengah, Pulau Pinang

Tenure & Expiry Date:
Freehold

Encumbrance:
Nil

Year of Completion:
1998

Age of Building:
27 years

Appraised Value:
RM1.1 million
(Date of valuation 31 December 2025)

Unit No. G-104, Megamall Pinang Shopping Complex, No. 2828, Jalan Baru, Bandar Perai Jaya, 13700 Perai, Pulau Pinang

+60 4-397 6688 / +60 4-399 1827   Nil   mobileoutlet96@gmail.com

Land area (sqft)	2,762	Value per sqft (RM)	398.26
GFA (sqft)	2,762	Occupancy Rate	100%
NLA (sqft)	2,762		

Unit No. G-104 is a prime ground-floor retail lot situated within the Megamall Pinang Shopping Complex, a premier retail destination in Perai, Pulau Pinang. The unit is currently tenanted by Talk Space Distribution Sdn Bhd, a comprehensive telecommunications provider specialising in mobile devices and accessories. As a budget-accessible destination for the latest flagship smartphones, the outlet contributes to the mall's diverse tenant mix and serves a broad consumer demographic.

PORTFOLIO CAPITAL

RETAIL SEGMENT OUTLOOK

The retail sector continues to see an increase in experiential-led retail, with the food and beverage sector dominating leasing activity, followed by the increasing momentum in the leisure, entertainment, and wellness sectors, with increasingly blurred boundaries across these sectors. Mall strategies continue to evolve, becoming more integrated with surrounding components to retain returning visitors in the immediate vicinity.

While the retail sector is expected to sustain its performance into 2026, there are risks of a slight moderation in consumer sentiment following the implementation of SST, while malls are also facing increased operational costs due to the adjustment in electricity tariffs.

Klang Valley:

The overall retail sector in the Klang Valley showed continued recovery post-pandemic, led by the strong performance of prime retail malls and destination malls, where tenant demand remains strong, attracting international and experiential retail brands.

Prime retail malls are expected to continue their outperformance, with mall managers regularly fine-tuning their curation of tenant mixes to stay ahead of the curve, investing in strategic placemaking and reconfiguring space use to serve both tenant and shopper preferences. Prime location is no longer a sole defining characteristic of guaranteed strong rental reversion, thus driving mall managers to be increasingly competitive in creating differentiation for their tenants and shoppers.

On the other hand, older, underperforming malls are increasingly struggling to remain relevant and adapt to tenant and shopper needs. Management of these older assets requires cost discipline and innovative leasing strategies to remain relevant as experiential-led retail is expected to continue appealing to younger consumers.

Johor:

Activity in Johor's retail sector is primarily centred around key locations such as the city centre, immediate areas surrounding the CIQ complex, and neighbourhoods like Skudai, Tebrau, and Iskandar Puteri. This trend is expected to continue, especially in city centre areas with pedestrian connectivity to the Bukit Chagar RTS Station slated for operations by 2027.

Several plots of land in the vicinity of the CIQ complex and RTS station are also currently being developed as mixed-use, commercial-centric projects, integrating office space, hotels, retail, residential, and transit-oriented uses.

Johor's retail market is expected to remain resilient despite an influx of retail spaces in the city centre, such as SKS City Mall, Gem @ Coronation Square, and Sunway's upcoming retail podium directly attached to the Bukit Chagar RTS Station. With the Visit Malaysia Year 2026 and Visit Johor Year 2026 campaigns, the retail sector in 2026 is expected to perform well, supported by tourist activities. Suburban and community malls are expected to remain resilient with a tenant mix focused on F&B and services to cater to the immediate neighbourhood.

In view of this, Al-Salām REIT expects its retail portfolio to continue to outperform in 2026, underpinned by stronger earnings expected for KOMTAR JBCC, given the nearing completion of infrastructure catalysts, which will directly benefit the mall. Furthermore, the REIT's community mall in Kempas is expected to maintain its strong occupancy levels, with some refinement of the tenant mix to cater to neighbourhood preferences.

PORTFOLIO CAPITAL

Office Segment

Al-Salām REIT's office segment represents a stable component of the REIT's portfolio. Menara Komtar being the sole asset within this segment continues to serve as a strategic office space in Johor Bahru's IIBD. Its prime location and stable occupancy underscore its significance in contributing to the REIT's income stability

There is one office asset under the REIT's office segment, as follows:

SEGMENT PERFORMANCE	FY2025
Property Value (RM million)	**70.0**
Gross Revenue (RM million)	**7.03**
Net Property Income (RM million)	**1.88**
Net Lettable Area (million sqft)	**0.16**
Average Occupancy Rate (%)	**90**
Annual Gross Yield (%)	**10.00**
Annual Net Yield (%)	**2.68**

PORTFOLIO CAPITAL

OFFICE SEGMENT

MENARA KOMTAR

Date of acquisition:
2015

Acquisition Cost:
RM70.0 million

Title:
GRN 44587

Tenure & Expiry Date:
Freehold

Encumbrance:
Nil

Year of Completion:
1979

Age of Building:
46 years

Appraised Value:
RM70.0 million
(Date of valuation 31 December 2025)

Menara KOMTAR, Johor Bahru City Centre, Jalan Wong Ah Fook, 80888 IIBD, Johor

T: +60 7-267 9900
Fx: +60 7-267 9968

https://komtarjbcc.com.my/

info@komtarjbcc.com.my

Land area (sqft)	**230,757**	Value per sqft (RM)	**445.53**
GFA (sqft)	**242,195**	Occupancy Rate	**90%**
NLA (sqft)	**157,117**		
No. of Parking Bays	**208**		

Menara KOMTAR is a 25-storey freehold office tower located within the Ibrahim International Business District and represents the sole office asset within Al-Salām REIT's diversified portfolio. The tower is integrated with KOMTAR JBCC, forming part of a mixed-use development in a prime central business district location.

The asset continues to demonstrate stable performance, underpinned by strong tenancy from the JCorp Group of Companies. Its consistent occupancy profile and strategic positioning reinforce its role as a key contributor to the REIT's recurring income stability, while supporting long-term capital appreciation. The upcoming Bukit Chagar RTS station is expected to enhance connectivity and further strengthen the asset's appeal, while supporting increased activity across the integrated development.

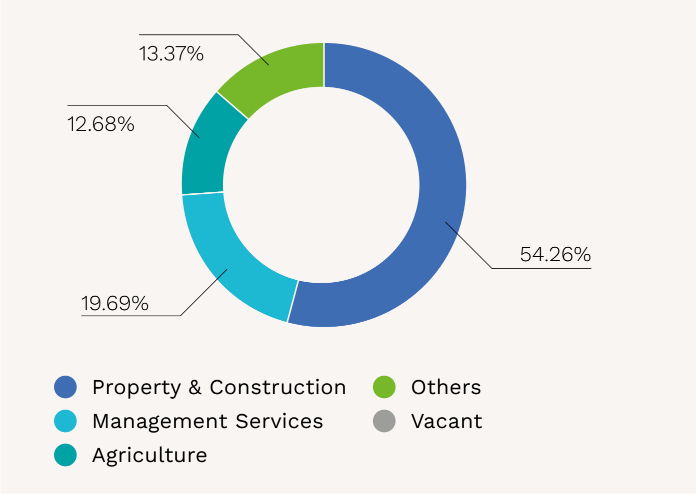
PORTFOLIO CAPITAL

OFFICE SEGMENT

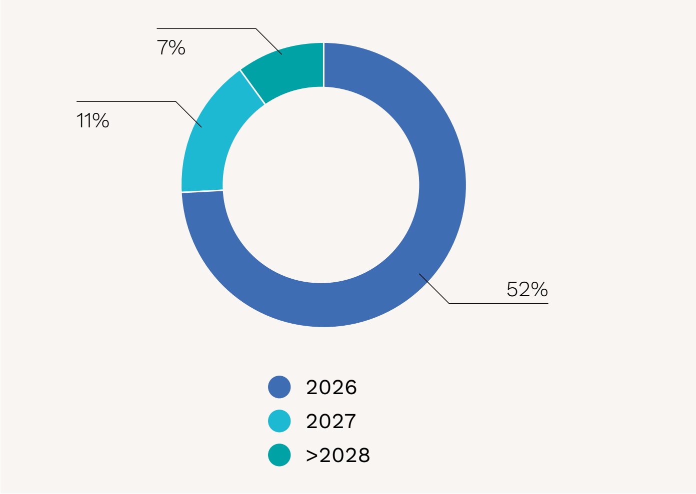
MENARA KOMTAR

Asset Performance (based on 31 December 2025)

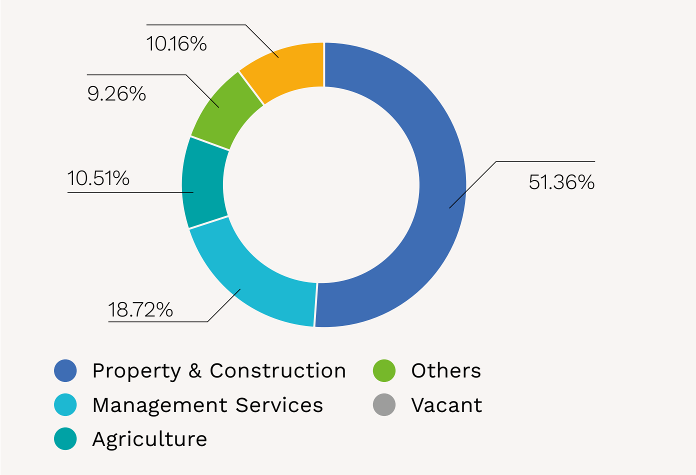
Tenant Mix by Trade Sector - Gross Rental Income (%)



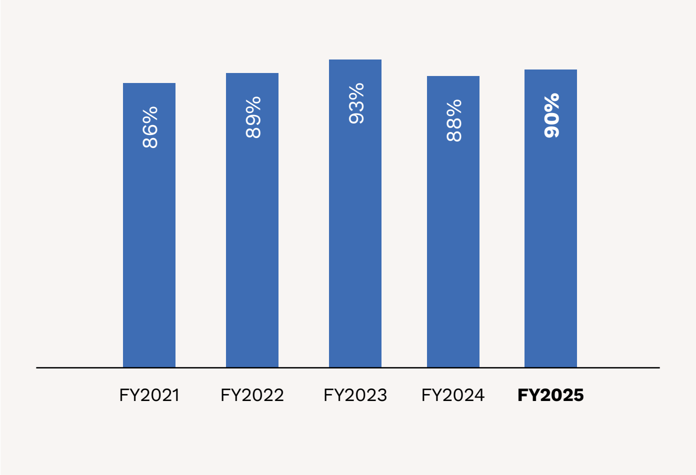
Lease Expiry Profile Based on Net Lettable Area (%)



Tenant Mix by Trade Sector - Net Lettable Area (%)



Average Occupancy Rate (%)



Top 10 Tenants

	Tenant	% GRI	% NLA
1.	Johor Corporation	31.61	27.86
2.	JLG Project Sdn Bhd	9.64	10.14
3.	JLG Services	9.18	8.94
4.	Johor Plantation Group	6.46	4.79
5.	JLG Investment	5.41	4.79

	Tenant	% GRI	% NLA
6.	JLG Buildworks Sdn Bhd	4.40	2.66
7.	Farmbyte Sdn Bhd	2.94	2.64
8.	Kulim (Malaysia) Berhad	2.78	2.58
9.	Jemaluang Dairy Valley	2.25	2.15
10.	Longevity Lifecare	1.98	1.89

PORTFOLIO CAPITAL

OFFICE SEGMENT OUTLOOK

Klang Valley:

In 2025, the office sector showed slight improvements in occupancy levels across the Klang Valley and Kuala Lumpur city centre, driven by the availability of new Grade A and green-certified buildings. The office sector movement was also marked by major movements in the banking and financial sector into the Tun Razak Exchange ("TRX") compound. While occupancy levels in prime offices continued to trend upwards, older non-prime offices recorded a steady decline as tenants shifted towards newer, prime-grade spaces. Newer office towers are increasingly adopting green practices and certifications, making them an appealing choice for multinationals and ESG-focused enterprises.

The flight to quality is expected to continue into 2026, where demand for prime-grade offices is anticipated to hold steady, while the gap widens between older, non-prime assets in fringe locations. This is further exacerbated by newer offices offering the latest lifestyle amenities to foster a collaborative work environment, catering to the preferences of a younger workforce and indirectly shaping tenant demand and leasing decisions. Older offices will face pressure to maintain occupancy levels amid rising rents.

Johor:

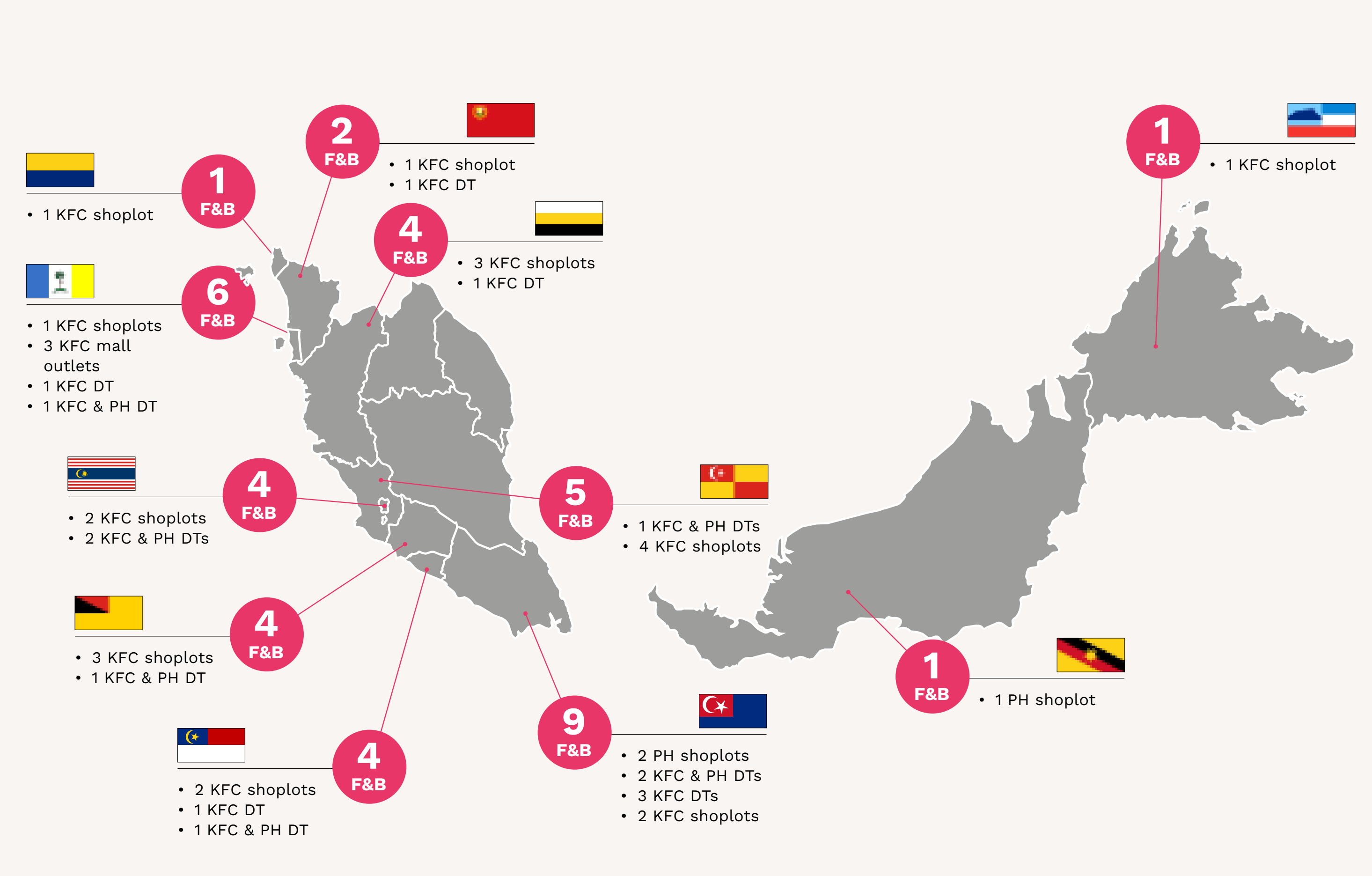
In 2025, Johor's office sector in the city centre and areas within the vicinity of the CIQ complex received steady demand, supported by the appeal of connectivity to the RTS Link for cross-border multinationals and regional businesses requiring frequent travel to and from Singapore. There was no new supply of offices in 2025, hence overall occupancy levels held steady at 55.0%, while gross rents increased from RM4.00 per sqft to RM4.50 per sqft in 2025.

Similarly, tenants in Johor are seeking modern office spaces integrated with lifestyle amenities, while also having excellent transit connectivity. A particular segment, such as co-working spaces, continues to expand its presence as Johor emerges as a cross-border service hub following the establishment of the JS-SEZ, with an increasing number of entrants taking up space in strategically located office spaces. Offices with transit connectivity in city-fringe areas are expected to see steady rental growth as incoming supply remains limited in 2026.

PORTFOLIO CAPITAL

F&B Segment

The F&B segment remains a cornerstone of Al-Salām REIT's diversified portfolio, comprising 41 strategically located properties across Malaysia, all fully leased to QSR Brands Group of Companies operating the fast-food chains KFC and Pizza Hut. These assets operate under a triple net lease arrangement, wherein QSR assumes responsibility for all property-related expenses, ensuring a stable and predictable income stream for the REIT.



SEGMENT PERFORMANCE	FY2025
Property Value (RM million)	297.87
Gross Revenue (RM million)	17.6
Net Property Income (RM million)	17.4
Net Lettable Area (million sqft)	0.38
Average Occupancy Rate (%)	100
Annual Gross Yield (%)	5.79
Annual Net Yield (%)	5.73

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant

Year of Completion:
1993

Title:
PN 2263

Tenure & Expiry Date:
Leasehold 99 years, expiring on 15^{th} May 2090

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
32 years

Appraised Value:
RM4.9 million
(Date of valuation
31 December 2025)

No. 34, Jalan Mahsuri, 11950, Bayan Lepas, Pulau Pinang

Description:
KFC Restaurant

Year of Completion:
1996

Title:
PN 72423, PN 72424, HSM 9319, HSM 9320

Tenure & Expiry Date:
Leasehold 99 years, expiring on 28^{th} December 2092 and 11^{th} March 2095

Encumbrance:
Charged to Bank Islam Malaysia Berhad

Age of Building:
29 years

Appraised Value:
RM9.7 million
(Date of valuation
31 December2025)

Nos. 60 & 62, Jalan PJS 11/28A Bandar Sunway, 46150 Petaling Jaya, Selangor

Description:
KFC Restaurant

Year of Completion:
1992

Title:
HSD17607

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
33 years

Appraised Value:
RM580,000
(Date of valuation
31 December 2025)

No. 5, Bangunan Joota Brothers, Jalan Sungai Korok, 06000, Jitra, Kedah

Description:
Pizza Hut Restaurant

Year of Completion:
2004

Title:
PN74196

Tenure & Expiry Date:
Leasehold 99 years, expiring on 14^{th} May 2085

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
21 years

Appraised Value:
RM1.0 million
(Date of valuation
31 December 2025)

Nos. 1 & 1-1, Jalan Niaga, 81900, Kota Tinggi, Johor

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
Pizza Hut Restaurant

Year of Completion:
2010

Title:
GRN 343903

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
15 years

Appraised Value:
RM1.1 million
(Date of valuation 31 December 2025)

No. 3, Jalan Resam 13, Taman Bukit Tiram, 81800, Ulu Tiram, Johor

Description:
KFC Restaurant

Year of Completion:
2011

Title:
PN69846

Tenure & Expiry Date:
Leasehold 93 years, expiring on 16th July 2101

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
14 years

Appraised Value:
RM2.5 million
(Date of valuation 31 December 2025)

No. 1, Jalan Bandar Baru 1, Bandar Baru Ayer Hitam, 86100, Ayer Hitam, Johor

Description:
KFC Restaurant

Year of Completion:
1997

Title:
PN48982

Tenure & Expiry Date:
Leasehold 74 years, expiring on 8th May 2085

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
28 years

Appraised Value:
RM2.0 million
(Date of valuation 31 December 2025)

No. 1, Jalan Mahajaya, Pekan Port Dickson, 71000, Port Dickson, Negeri Sembilan

Description:
KFC Restaurant

Year of Completion:
1996

Title:
PM1181

Tenure & Expiry Date:
Leasehold 99 years, expiring on 25th September 2092

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
29 years

Appraised Value:
RM590,000
(Date of valuation 31 December 2025)

No. 9, Persiaran Putra Timur 1, 02000, Kuala Perlis, Perlis

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant

Year of Completion:
1982

Title:
GRN 45688, GRN 45689

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
43 years

Appraised Value:
RM11.0 million
(Date of valuation 31 December 2025)

Nos. 18 & 20, Jalan Sulaiman, Bandar Kajang, 43000, Kajang, Selangor

Description:
Pizza Hut Restaurant

Year of Completion:
2015

Title:
Lot No 14079 & 14080 Section 65, Kuching Town Land District, Sarawak

Tenure & Expiry Date:
Leasehold 99 years, expiring on 11th August 2113

Encumbrance:
Nil

Age of Building:
10 years

Appraised Value:
RM4.1 million
(Date of valuation 31 December 2025)

Nos. 12C & 12D, Metrocity Commercial Precint, Jalan Metrocity Boulevard 3A, 93050 Kuching, Sarawak

Description:
KFC Restaurant

Year of Completion:
1982

Title:
GRN 50935 & 40542, Lots Nos. 831 & 832 situated in Bandar Seremban, District of Seremban, Negeri Sembilan

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
43 years

Appraised Value:
RM4.5 million
(Date of valuation 31 December 2025)

Nos. 20 - 21, Jalan Dato Sheikh Ahmad, 70000, Seremban, Negeri Sembilan

Description:
KFC Restaurant

Year of Completion:
2017

Title:
GRN 40351, Lot No. 1293 N, situated in Town of Ipoh, District of Kinta, Perak

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
8 years

Appraised Value:
RM4.1 million
(Date of valuation 31 December 2025)

Nos. 65, 65A-E, Jalan Dato Onn Jaafar, 30300, Ipoh, Perak

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant

Year of Completion:
1997

Title:
GRN 177945 & GRN 108899, Lot Nos. 4125 & 4126 situated in Pekan Senawang, District of Seremban, Negeri Sembilan

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad TNB lease

Age of Building:
28 years

Appraised Value:
RM1.1 million
(Date of valuation 31 December 2025)

Nos. 24 & 26, Jalan Bunga Raya 7, Pusat Perniagaan Senawang, Taman Tasik Jaya, 70400, Seremban, Negeri Sembilan

Description:
KFC Restaurant

Year of Completion:
2010

Title:
GRN 343902, Lot No. 107788, situated in Mukim Tebrau, District of Johor Bahru, Johor

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
15 years

Appraised Value:
RM2.1 million
(Date of valuation 31 December 2025)

No. 1, Jalan Resam 13, Taman Bukit Tiram, 81800, Ulu Tiram, Johor

Description:
KFC Restaurant

Year of Completion:
1990

Title:
CL 015437948, situated in District of Kota Kinabalu, Sabah

Tenure & Expiry Date:
Leasehold 999 years, expiring in 15th May 2915

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
35 years

Appraised Value:
RM3.1 million
(Date of valuation 31 December 2025)

Lot 25, Block 3, Bornion Centre, Jalan Kolam, 88300, Kota Kinabalu, Sabah

Description:
KFC Restaurant

Year of Completion:
2005

Title:
PN 326743, Lot No. 96, situated in District of Kampar, Perak

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
20 years

Appraised Value:
RM1.7 million
(Date of valuation 31 December 2025)

No. 158, Jalan Idris, 31900, Kampar, Perak

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant

Year of Completion:
1971

Title:
GRN 8311, Lot No 48635, situated in Mukim Hulu Kinta, District of Kinta, Perak

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
54 years

Appraised Value:
RM2.4 million
(Date of valuation 31 December 2025)

No. 79, Jalan Dato' Lau Pak Khuan, Taman Ipoh, 31400, Ipoh, Perak

Description:
KFC Restaurant

Year of Completion:
2017

Title:
PM 12273 & 12274, Lot Nos. 2429 & 2430, situated in Town of Kepong, District of Gombak, Selangor

Tenure & Expiry Date:
Leasehold 99 years, expiring on 8th March 2081

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
8 years

Appraised Value:
RM7.5 million
(Date of valuation 31 December 2025

Nos. 23 & 24, Jalan Desa Jaya 54 (Jalan 54), Desa Jaya, Kepong, 52100, Kuala Lumpur

Description:
KFC Restaurant

Year of Completion:
2014

Title:
GRN 59853, 59858 & 59862, Lot Nos. 1417, 1419 & 1421, situated in District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
11 years

Appraised Value:
RM4.9 million
(Date of valuation 31 December 2025)

No 140, Jalan Raja Laut, 50350, Kuala Lumpur

Description:
KFC Restaurant

Year of Completion:
2014

Title:
GRN 10894, Lot No. 503, Section 83, situated in District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
11 years

Appraised Value:
RM10.3 million
(Date of valuation 31 December 2025)

No 437, Wisma Hualang, Jalan Ipoh, 51200, Kuala Lumpur

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant

Year of Completion:
1997

Title & Expiry Date:
PN 18632, Lot No. 4111 situated in Mukim of Balai Panjang, District of Melaka Tengah, Melaka

Tenure:
Leasehold 99 years, expiring on 7th May 2099

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
28 years

Appraised Value:
RM1.2 million
(Date of valuation 31 December 2025)

No. 9, Jalan PPM 9, Plaza Pandan Malim, 75250, Melaka

Description:
KFC Restaurant

Year of Completion:
1989

Title:
HSM 5744, PT No. 7735, situated in Mukim of Sungai Buloh, District of Petaling, Selangor

Tenure & Expiry Date:
Leasehold 99 years, expiring on 13th March 2087

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
36 years

Appraised Value:
RM1.8 million
(Date of valuation 31 December 2025)

No. 2105, Jalan 3/1, Bandar Baru Sungai Buloh, 47000, Sungai Buloh, Selangor

Description:
KFC Restaurant

Year of Completion:
2015

Title:
Geran 8562, Lot No. 966, situated in Kawasan Bandar VII, District of Melaka Tengah, Melaka

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
10 years

Appraised Value:
RM2.4 million
(Date of valuation 31 December 2025)

No. 555, Plaza Melaka, Jalan Gajah Berang, 75000, Melaka

Description:
KFC Restaurant with drive through facility

Year of Completion:
2017

Title:
No. GRN 23532, situated in Town of Georgetown, North-East District, Pulau Pinang

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
8 years

Appraised Value:
RM23.9 million
(Date of valuation 31 December 2025)

No. 10A, Jalan Masjid Negeri, 11600, Jelutong, Pulau Pinang

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant with drive through facility

Year of Completion:
2015

Title:
No. PN 64752, Lot 150725, situated in Mukim of Pulai, District of Johor Bahru, Johor

Tenure & Expiry Date:
Leasehold 991 years, expiring on 4th September 2911

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
10 years

Appraised Value:
RM9.0 million
(Date of valuation 31 December 2025)

No. 5, Jalan Persiaran Jaya 1, Taman Mutiara Rini, 81300, Skudai, Johor

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2011

Title:
GRN 140646, situated in Mukim of Hulu Kinta, District of Kinta, Ipoh, Perak

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
14 years

Appraised Value:
RM9.4 million
(Date of valuation 31 December 2025)

Lot No. 383044, Jalan Kuala Kangsar, Taman Tasek Mutiara, 31400, Ipoh, Perak

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2005

Title
PN33135, situated in Mukim of Batu, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Tenure & Expiry Date::
Leasehold 99 years, expiring on 28th April 2096

Encumbrance:
Charged to RHB Islamic Bank Berhad

Age of Building:
20 years

Appraised Value:
RM18.7 million
(Date of valuation 31 December 2025)

Lot 59060, Jalan Prima 1, Metro Prima, Off Jalan Kepong, 52100, Kuala Lumpur

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2004

Title:
Lot No. PT 6878 (New Lot 28333), HSD 99750, situated in Mukim of Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur

Tenure & Expiry Date:
Leasehold 83 years, expiring on 19th April 2083

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
21 years

Appraised Value:
RM31.0 million
(Date of valuation 31 December 2025)

Lot PT 6878, Jalan 8/27A, Pusat Bandar Wangsa Maju, 53300, Kuala Lumpur

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2012

Title:
PM 4878, situated in Mukim of Bukit Katil, District of Melaka Tengah, Melaka

Tenure & Expiry Date:
Leasehold 99 years, expiring on 13th May 2108

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
13 years

Appraised Value:
RM10.8 million
(Date of valuation 31 December 2025)

Lot 19838, Located along Lebuh Ayer Keroh, Melaka

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2009

Title:
HSD 491589, PTD 153154 situated in Mukim Tebrau, District of Johor Bahru, Johor

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
16 years

Appraised Value:
RM13.6 million
(Date of valuation 31 December 2025)

PTD 153154, Jalan Tampoi, Taman Damansara Aliff, 81200, Johor Bahru

Description:
KFC Restaurant with Drive Through Facility

Year of Completion:
2014

Title:
HSD 58402, situated in Mukim of Senai, District of Kulai, Johor

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
11 years

Appraised Value:
RM10.5 million
(Date of valuation 31 December 2025)

PTD 103231, Jalan Impian Senai Utama 2, Taman Impian Senai, 81400, Senai, Johor

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2009

Title:
GM 2913 (formerly HSM 2181), situated in Mukim of Pulai, District of Johor Bahru, Johor

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Bank Islam Malaysia Berhad

Age of Building:
16 years

Appraised Value:
RM13.2 million
(Date of valuation 31 December 2025)

Lot 148224 (formerly PTD 171459), Jalan Persisiran Perling, Taman Perling, 81200, Johor Bahru, Johor

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant with drive through facility

Year of Completion:
2012

Title:
HSD 125211, situated in Town of Sungai Petani, District of Kuala Muda, Kedah

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Age of Building:
13 years

Appraised Value:
RM6.2 million
(Date of valuation 31 December 2025)

PT No. 2281, Jalan Kuala Ketil, Bandar Puteri Jaya, 08000, Sungai Petani, Kedah

Description:
KFC Restaurant with drive through facility

Year of Completion:
2016

Title & Expiry Date:
GRN 542913, situated in Mukim Plentong, District of Johor Bahru, Johor

Tenure:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
9 years

Appraised Value:
RM8.9 million
(Date of valuation 31 December 2025)

Lot 207318, Jalan Suria 1, Bandar Seri Alam, 81750, Masai, Johor

Description:
Pizza Hut Restaurant and KFC Restaurant with drive through facility

Year of Completion:
2017

Title:
GRN 181184, Lot No. 22529, situated in Mukim 6, District of Seberang Perai Utara, Pulau Pinang

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
8 years

Appraised Value:
RM7.9 million
(Date of valuation 31 December 2025)

No. 2263, Jalan Dagangan 1/1, Pusat Bandar Bertam Perdana, 13200, Kepala Batas, Pulau Pinang

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2016

Title:
HSD 256439, situated in Pekan Puchong Perdana, District of Petaling, Selangor

Tenure & Expiry Date:
Leasehold 99 years, expiring on 28th May 2108

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
9 years

Appraised Value:
RM15.9 million
(Date of valuation 31 December 2025)

No. 5665, Persiaran Taman Tasik Prima 3, Taman Tasik Prima, 47150, Puchong, Selangor

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
Pizza Hut Restaurant and KFC Restaurant with Drive Through Facility

Year of Completion:
2014

Title:
Geran 175308, Lot 33693, situated in Bandar Seremban Utama, District of Seremban, Negeri Sembilan

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
11 years

Appraised Value:
RM8.6 million
(Date of valuation 31 December 2025)

Lot 33693, KFC Drive Through & Pizza Hut, Central Business District, Seremban 2, 70300, Negeri Sembilan

Description:
KFC Restaurant with drive through facility

Year of Completion:
2019

Title:
PM 1917, situated in Mukim of Merlimau District of Jasin, Melaka

Tenure & Expiry Date:
Leasehold 99 years, expiring on 1st April 2111

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
6 years

Appraised Value:
RM4.6 million
(Date of valuation 31 December 2025)

Lot 6497, located along Jalan Jasin – Merlimau, Bandar Baru Merlimau Utara, 77300, Merlimau, Melaka

Description:
KFC Restaurant with drive through facility

Year of Completion:
2008

Title:
GRN 97433/M1/1/126, Lot No. 15736, situated in Mukim 12, South-West District, Pulau Pinang

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
17 years

Appraised Value:
RM15.2 million
(Date of valuation 31 December 2025)

Unit No. GF-12A, Queensbay Mall, 100, Persiaran Bayan Indah, 11900, Bayan Lepas, Pulau Pinang

Description:
KFC Restaurant

Year of Completion:
1997

Title:
Parent Title No. GRN 166071, Lot 20306, situated in Mukim 13, North-East District, Pulau Pinang

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Age of Building:
28 years

Appraised Value:
RM3.5 million
(Date of valuation 31 December 2025)

Unit No. 3A-G-18, Kompleks Bukit Jambul, Jalan Rumbia, 11900, Bayan Lepas, Pulau Pinang

PORTFOLIO CAPITAL

F&B SEGMENT

Description:
KFC Restaurant

Year of Completion:
1998

Title:
Parent Tittle No. GRN 166213, situated in Mukim 1, District of Seberang Perai Tengah, Pulau Pinang

Tenure & Expiry Date:
Freehold

Encumbrance:
Nil

Age of Building:
27 years

Appraised Value:
RM2.6 million
(Date of valuation
31 December 2025)

Unit No. G-103, Megamal Pinang, 2828, Jalan Baru, Bandar Perai Jaya, 13600, Perai, Pulau Pinang

F&B SEGMENT OUTLOOK

Al-Salām REIT's F&B portfolio remained stable in 2025 due to the nature of the portfolio under a master lease with QSR Brands. From a business perspective, QSR Brands (M) Holdings Bhd posted a stronger financial year in 2025, recording a 31% revenue growth from KFC Malaysia and Pizza Hut Malaysia, driven by new growth opportunities, including a strategic partnership for its upstream poultry business and temporarily closing its loss-making outlets in April 2024 following careful planning and analysis to prioritise stores with higher returns. QSR has reported that all affected outlets have since been reopened.

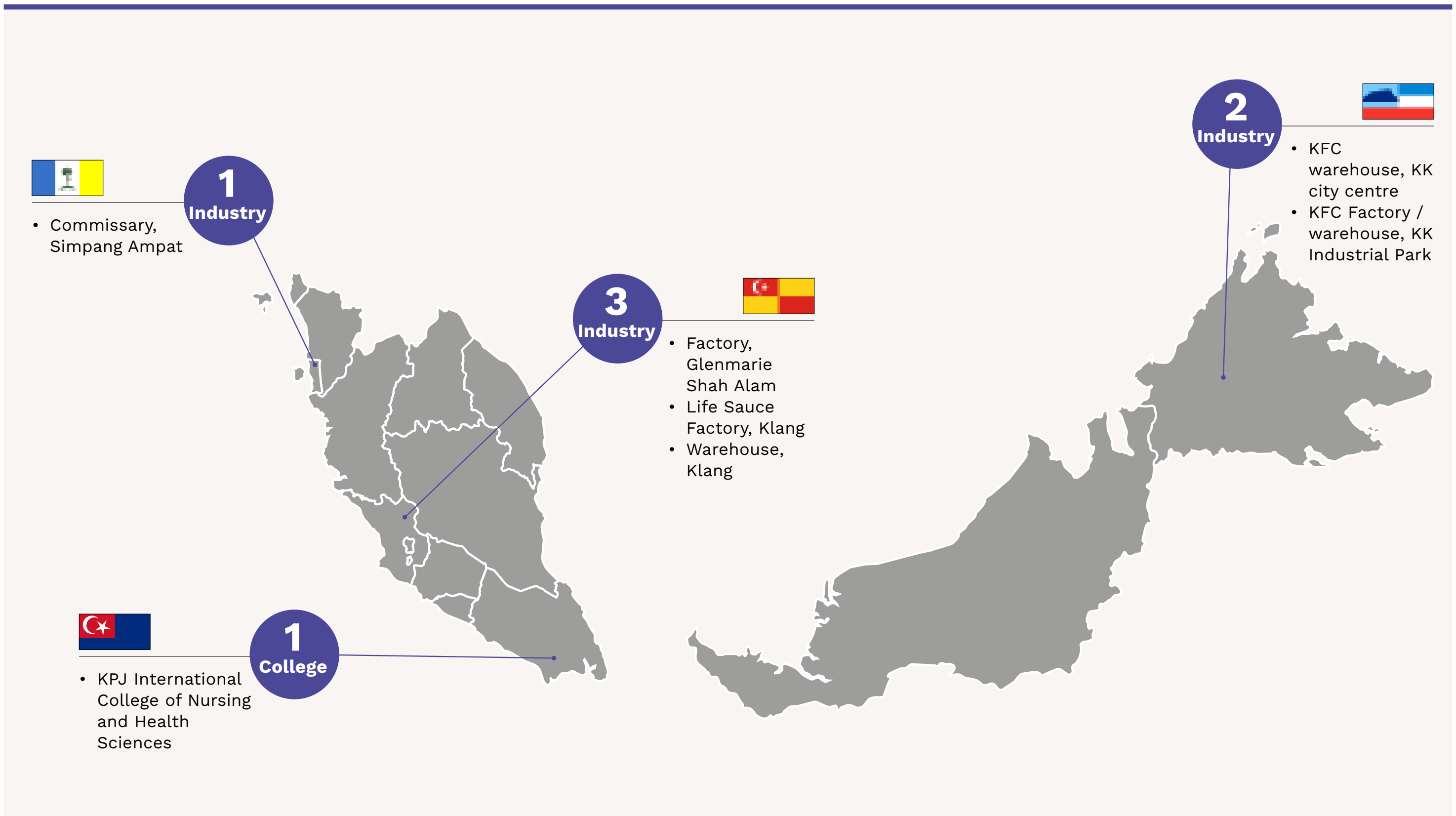
Going forward, the REIT expects the portfolio to remain stable in terms of earnings as the master lease continues to be in effect, notwithstanding a necessary review of the portfolio to assess the suitability and exposure of this segment in alignment with the identity of Al-Salām REIT as a diversified retail REIT. The REIT will continue to reassess the F&B segment for opportunities to unlock value and shift towards a more focused approach in acquiring assets aligning with a better strategic fit for its portfolio.

PORTFOLIO CAPITAL

Industrial & Others Segment

Al-Salām's industrial portfolio comprises 7 strategically located properties across Malaysia, integral to our diversified investment strategy. Leased to QSR under the triple net arrangement, these properties provide stable and long-term rental income streams. Positioned in key industrial hubs, these properties meet the demands of logistics and warehousing needs of our F&B operations supply chain of KFC and Pizza Hut.

The education portfolio, anchored by KPJ International College Johor Bahru continues to deliver stable and resilient income for Al-Salām REIT under a master lease agreement with KPJ Healthcare University College Sdn Bhd. Strategically located in Bandar Dato' Onn, a rapidly developing township in Johor Bahru, KPJIC JB benefits from strong demographic growth and enhanced accessibility, reinforcing its position as a premier institution for healthcare education.



SEGMENT PERFORMANCE	FY2025
Property Value (RM million)	196.80
Gross Revenue (RM million)	12.0
Net Property Income (RM million)	11.4
Net Lettable Area (million sqft)	0.69
Average Occupancy Rate (%)	100
Annual Gross Yield (%)	6.09
Annual Net Yield (%)	5.78

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT

Date of acquisition:
2015

Acquisition Cost:
RM53.4 million

Title:
GRN 215115

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Bank Islam Malaysia Berhad

Year of Completion:
1998

Age of Building:
27 years

Appraised Value:
RM66.9 million
(Date of valuation 31 December 2025)

No. 17, 19 & 21, Jalan Pemaju U1/15, Hicom Glenmarie Industrial Park. Section U1, 40150, Shah Alam, Selangor

Land area (sqft)	**202,265**	Value per sqft (RM)	**449.52**
GFA (sqft)	**148,827**	Occupancy Rate	**100%**
NLA (sqft)	**148,827**		

This industrial facility features a sophisticated double-storey factory integrated with a two-level office and an annexed single-storey warehouse. Located within the well-established HICOM Glenmarie Industrial Park, the property sits in one of the Klang Valley's most prominent corridors of growth. Its strategic positioning is bolstered by a mature landscape of surrounding amenities and robust infrastructure, ensuring optimal connectivity for logistics and workforce access. As a prime industrial asset, it offers a prestigious address in a high-demand area known for its sustained economic development.

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT

Date of acquisition:
2015

Acquisition Cost:
RM44.8 million

Title:
PN 11243, situated in Town of Port Swettenham, District of Klang, Selangor

Tenure & Expiry Date:
Leasehold 99 years, expiring on 15th March 2087

Encumbrance:
Charged to Malaysian Trustees Berhad

Year of Completion:
1996

Age of Building:
29 years

Appraised Value:
RM52.3 million
(Date of valuation 31 December 2025)

No. 3, Lorong Gerudi 1, Off Jalan Pelabuhan Utara, 42000, Pelabuhan Klang, Selangor

Land area (sqft)	**304,158**	Value per sqft (RM)	**170.65**
GFA (sqft)	**306,476**	Occupancy Rate	**100%**
NLA (sqft)	**306,476**		

This industrial asset features a double-storey detached warehouse integrated with a functional three-storey office building. Located in Port Klang, the facility is positioned at Malaysia's principal port and serves as the nation's primary maritime gateway. Its strategic value is further enhanced by exceptional connectivity to major industrial arteries, including the NKVE, Federal Highway, Shapadu Highway, and the New North Klang Straits Bypass. This prime location ensures efficient transit and logistical fluidity, placing the facility at the epicentre of Malaysia's most vital trade and distribution network.

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT

Date of acquisition:
2015

Acquisition Cost:
RM25.5 million

Title:
PN 8616, situated in Section 21, Town of Port Swettenham, District of Klang, Selangor

Tenure & Expiry Date:
Leasehold 99 years, expiring on 15th March 2087

Encumbrance:
Charged to Malaysian Trustees Berhad

Year of Completion:
2011

Age of Building:
14 years

Appraised Value:
RM31.2 million
(Date of valuation 31 December 2025)

No. 6, Jalan Gerudi, Off Jalan Pelabuhan Utara, 42000, Pelabuhan Klang, Selangor

Land area (sqft)	**220,133**	Value per sqft (RM)	**264.25**
GFA (sqft)	**118,068**	Occupancy Rate	**100%**
NLA (sqft)	**118,068**		

This industrial complex features a specialised layout comprising a single-storey detached factory, a single-storey detached warehouse, and a dedicated three-storey office building. Situated in Port Klang, the facility is anchored at Malaysia's principal port and serves as the primary maritime gateway into the country. Its strategic value is reinforced by its proximity to a robust transportation network, offering direct access from major industrial arteries including the NKVE, Federal Highway, Shapadu Highway, and the New North Klang Straits Bypass. This location is ideal for businesses requiring high-volume logistics and rapid connectivity to Malaysia's most critical trade infrastructure.

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT

Date of acquisition:
2015

Acquisition Cost:
RM1.13 million

Title:
GRN 149808, situated in Mukim 13, District of Seberang Perai Tengah, Pulau Pinang

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Year of Completion:
1997

Age of Building:
28 years

Appraised Value:
RM1.5 million
(Date of valuation 31 December 2025)

No. 31, Lorong IKS Juru 3, Taman Industri Ringan Juru, 14100, Simpang Ampat, Pulau Pinang

Land area (sqft)	**11,926**	Value per sqft (RM)	**486.70**
GFA (sqft)	**3,082**	Occupancy Rate	**100%**
NLA (sqft)	**3,082**		

This one-and-a-half-storey corner semi-detached factory offers a versatile industrial space designed for specialised business operations. Located within Taman IKS Juru, the property is situated in a renowned hub for small and medium-sized industries, including automotive services, metal fabrication, furniture making, and food processing. Its strategic proximity to major highways and key industrial zones ensures cost-effective operations and streamlined supply chain support.

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT

Date of acquisition:
2015

Acquisition Cost:
RM2.3 million

Title:
County Lease 015680663, situated in District of Kota Kinabalu, Sabah

Tenure & Expiry Date:
Leasehold 99 years, expiring on 31st December 2096

Encumbrance:
Not verified

Year of Completion:
1999

Age of Building:
26 years

Appraised Value:
RM3.1 million
(Date of valuation 31 December 2025)

Lot 5, Lorong Tembaga 3, Kawasan MIEL, Kota Kinabalu Industrial Park, 88450, Kota Kinabalu, Sabah

Land area (sqft)	**21,979**	Value per sqft (RM)	**238.79**
GFA (sqft)	**12,982**	Occupancy Rate	**100%**
NLA (sqft)	**12,982**		

This one-and-a-half-storey semi-detached factory offers a versatile industrial footprint designed to accommodate both production and administrative functions. The property is strategically located within Kawasan MIEL, KKIP Selatan, situated along the eastern side of the Jalan Sepanggar main road in the Kota Kinabalu Industrial Park. This prime location is part of a sophisticated zone designated for general light and medium industry, alongside commercial, residential, and institutional uses. Furthermore, the surrounding area incorporates tourism, recreational spaces, and a nature park, providing a unique and diverse environment that supports a wide range of economic and community-focused activities.

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT

Date of acquisition:
2019

Acquisition Cost:
RM3.5 million

Title:
CL 015319892, situated in District of Kota Kinabalu, Sabah

Tenure & Expiry Date:
Leasehold 999 years, expiring on 22nd January 2901

Encumbrance:
Charged to CIMB Islamic Bank Berhad

Year of Completion:
1989

Age of Building:
36 years

Appraised Value:
RM4.9 million
(Date of valuation 31 December 2025)

Lot 43A, Lorong Karamunsing C, Wisma KFC Sabah, Karamunsing Warehouse, 88100 Kota Kinabalu, Sabah

Land area (sqft)	**6,360**	Value per sqft (RM)	**361.17**
GFA (sqft)	**15,112**	Occupancy Rate	**100%**
NLA (sqft)	**13,567**		

This three-storey corner terraced shop and office building currently accommodates a prominent KFC warehouse. The facility is strategically located within the Karamunsing commercial area, which serves as one of the major business thoroughfares in Kota Kinabalu, Sabah. The surrounding environment is predominantly commercial, characterised by a dense concentration of shop-offices, residential units, modern office buildings, and hotels.

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT

KPJ INTERNATIONAL COLLEGE OF NURSING AND HEALTH SCIENCES

Date of acquisition:
2015

Acquisition Cost:
RM28.2 million

Title:
HSD 539995, situated in Mukim Tebrau, District of Johor Bahru, Johor

Tenure & Expiry Date:
Freehold

Encumbrance:
Charged to Malaysian Trustees Berhad

Year of Completion:
2010

Age of Building:
15 years

Appraised Value:
RM36.9 million
(Date of valuation 31 December 2025)

No 1, Jalan Dato' Onn 1, Bandar Dato' Onn, 81100, Johor Bahru, Johor

+60 7-360 1907 https://kpju.edu.my/ infojb@kpju.edu.my

Land area (sqft)	**87,123**	Value per sqft (RM)	**423.27**
GFA (sqft)	**92,157**	Occupancy Rate	**100%**
NLA (sqft)	**87,178**		

KPJ International College of Nursing and Health Sciences is a specialised four-storey academic building dedicated to nursing and health sciences. This purpose-built facility serves as a critical infrastructure asset for professional medical education, designed to support high-level clinical training and academic excellence.

Strategically located in Johor Bahru, the college has consistently delivered stable earnings through a master lease arrangement with the education arm of the KPJ Group. By leveraging the robust reputation of KPJ as a preeminent leader in the healthcare industry, the property is positioned to maintain its strong track record of offering sustainable yields for Al-Salām REIT. This established partnership ensures long-term operational stability and reinforces the facility's value as a premier institutional asset within a growing healthcare landscape.

PORTFOLIO CAPITAL

INDUSTRIAL & OTHERS SEGMENT OUTLOOK

Klang Valley:

The industrial sector remained stable across the Klang Valley in 2025, driven by e-commerce, logistics and light manufacturing, particularly in areas with proximity to ports and along the logistics corridor such as Shah Alam, Bukit Raja and Port Klang or Pulau Indah. With structural support such as promotion of policy and clarity in focus sectors, the industrial sector showed resilience in rentals and occupancy despite macroeconomic headwinds affecting the global supply chain.

Going forward, the Klang Valley industrial sector is expected to sustain its momentum, continued to be driven by e-commerce, logistics and manufacturing. As new supply comes online, the sophistication of warehouses is also improving to allow logistics and e-commerce players achieve operational efficiencies in an increasingly competitive market. Nonetheless, industrial demand is expected to remain robust in line with the expected expansion of national trade and FDI targets in 2026 and beyond.

Besides industrial properties along the supply chain corridor, older and underutilised industrial locations such as Petaling Jaya are increasingly experiencing an adaptive reuse of space into commercial and lifestyle hubs due to their prime locations in mature neighbourhoods, bringing vibrancy back to these industrial hubs. This trend is expected to continue into the near future to cater to the lifestyle needs of the younger generation.

The REIT also expects data centre demand to remain strong in the Klang Valley despite tighter approval processes and sustained land prices, as infrastructure readiness remains a key investment factor for hyperscalers.

Johor:

The Johor industrial sector recorded strong growth in 2025, underpinned by FDIs in high-value sectors such as E&E, renewable energy, and logistics, reflecting a strong investor sentiment. Johor's committed investments surged to RM91.1 billion by the third quarter of 2025 from only RM18.1 billion in 2024, surpassing all other states, driven by its positioning as a regional data centre and advanced manufacturing hub. In particular, free trade zones and locations with proximity to ports, such as Senai Airport City, Tanjung Pelepas and Pasir Gudang experienced active transactions in line with expansion of warehousing and logistics facilities. Rentals also held stable as supply of new space was modest in 2025.

Looking ahead, Johor's industrial sector is expected to continue its expansion, supported by continued investment into logistics and high-value manufacturing. While growth could moderate due to the exceptionally strong performance in 2025, policy promotions and infrastructure catalysts such as the RTS Link, ART and EDTP are expected to drive investment activity beyond 2026.

As Johor continues to strengthen its position as a regional data centre hub, infrastructure readiness and capacity, particularly power and water, remain an overshadowing concern despite strong demand fundamentals. Committed investments and sustained growth in the data centre segment will largely depend on clarity of infrastructure availability.

In general, the REIT is optimistic that the Johor industrial market is expected to sustain its momentum into 2026.