

# Section 7

## CORPORATE GOVERNANCE REPORT

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# BOARD OF DIRECTORS



**DATUK HASHIM BIN WAHIR**

Chairman, Independent  
Non-Executive Director



**ABDULLAH BIN ABU SAMAH**

Independent  
Non-Executive Director



**SHAMSUL ANUAR  
BIN ABDUL MAJID**

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



**DATIN UNGKU SUSEELAWATI  
BINTI UNGKU OMAR**

Independent  
Non-Executive Director



**ONG LI LEE**

Independent  
Non-Executive Director



**GOH TIAN SUI**

Independent  
Non-Executive Director

# BOARD OF DIRECTORS



**DATUK Sr AKMAL  
BIN AHMAD**

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



**DATO' HAJI MOHAMMED RIDHA  
BIN DATO' HAJI ABD KADIR**

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



**LAILATUL AZMA BINTI  
ABDULLAH**

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

## Company Secretaries



**ABDUL AZIZ BIN ABDUL RASHEED**

Non-Independent  
Non-Executive Director



**NURALIZA BINTI  
A. RAHMAN**

(MAICSA 7067934)



**ROHAYA BINTI JAAFAR**

(LS0008376)

(Retired w.e.f. 31 August 2025)

**Notes:** - None of the Board of Directors have:

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

# BOARD OF DIRECTORS



## DATUK HASHIM BIN WAHIR

Chairman, Independent  
Non-Executive Director

Number of Board Meeting Attended	AGE <b>68</b>
<b>9</b>	GENDER <b>Male</b>
Date of Board Appointment <b>Appointment as director on 24 January 2022</b> <b>Resignation as Chairman on 31 December 2024</b>	NATIONALITY <b>Malaysia</b>

### Committee Member

N/A

### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

Nil

#### Past Appointment/Experiences

- Director, PETRONAS Hartabina Sdn Bhd (2013)
- Group Chief Executive Officer/Executive Director, KLCC (Holdings) Sdn Bhd (2013)

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

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT
- AWC Berhad

#### Public Companies

Nil

### Courses Attended

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

### Membership of Board Committees

**BARC** Board Audit and Risk Committee

**BIC** Board Investment Committee

**BNRC** Board Nomination and Remuneration Committee

# BOARD OF DIRECTORS



## ABDULLAH BIN ABU SAMAH

Independent  
Non-Executive Director

Number of Board Meeting Attended	AGE
<b>9</b>	<b>60</b>
GENDER	NATIONALITY
<b>Male</b>	<b>Malaysia</b>

Date of Board Appointment  
**10 March 2021**

### Committee Member



### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

Nil

### Past Appointment/Experiences

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

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT
- Media Prima Berhad
- Johor Plantations Group Berhad

### Public Companies

Nil

### Course Attended

- MIA International Accountants Conference 2025

# BOARD OF DIRECTORS



## SHAMSUL ANUAR BIN ABDUL MAJID

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

Number of Board Meeting Attended

8

9

AGE  
54

GENDER  
Male

NATIONALITY  
Malaysia

Date of Board Appointment  
24 August 2020

### Committee Member



### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

- Chief Investment Officer, Johor Corporation

#### Past Appointment/Experiences

- General Manager, Johor Corporation (2019)
- Director and Principal Partner, Fikiran Sepakat Sdn Bhd (2017)

- Special Officer to the Managing Director, Iskandar Waterfront Holdings (2014)
- Executive Vice President, Strategy & Feasibility, Iskandar Investment Berhad (2011)

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT
- KPJ Healthcare Berhad
- Johor Plantations Group Berhad

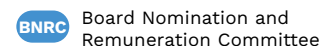
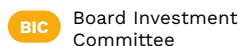
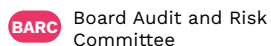
#### Public Companies

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

### Courses Attended

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

### Membership of Board Committees



# BOARD OF DIRECTORS



## DATUK Sr AKMAL BIN AHMAD

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

Number of Board Meeting Attended	AGE <b>59</b>
<b>8</b>	GENDER <b>Male</b>
<b>9</b>	NATIONALITY <b>Malaysia</b>
Date of Board Appointment <b>21 January 2021</b>	

### Committee Member



### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

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

#### Past Appointment/Experiences

- Executive Director, JLand Group Sdn Bhd (2022)
- Group Managing Director, Johor Land Berhad (2022)
- Chief Operating Officer, Iskandar Investment Berhad (2020)

- Chief Executive Officer, Iskandar Development Management Services Sdn Bhd (IIB subsidiary) (2018)
- Chief Development Officer, Iskandar Investment Berhad (2016)

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT

#### Public Companies

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

### Courses Attended

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

# BOARD OF DIRECTORS



## DATO' HAJI MOHAMMED RIDHA BIN DATO' HAJI ABD KADIR

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

Number of Board  
Meeting Attended

1

9

AGE  
55

GENDER  
Male

NATIONALITY  
Malaysia

Date of Board Appointment  
22 August 2024

### Committee Member

N/A

### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

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

### Past Appointment/Experiences

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

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT

### Public Companies

Nil

### Courses Attended

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

### Membership of Board Committees

**BARC** Board Audit and Risk Committee

**BIC** Board Investment Committee

**BNRC** Board Nomination and Remuneration Committee

# BOARD OF DIRECTORS



## LAILATUL AZMA BINTI ABDULLAH

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

<p>Number of Board Meeting Attended</p> <p style="text-align: center; border-bottom: 1px solid black; margin: 5px 0;">5</p> <p style="text-align: center; margin: 5px 0;">5</p>	<div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p style="margin: 0;">AGE</p> <p style="margin: 0; text-align: center;">54</p> </div> <div style="border: 1px solid #ccc; padding: 5px; margin-bottom: 10px;"> <p style="margin: 0;">GENDER</p> <p style="margin: 0; text-align: center;">Female</p> </div> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="margin: 0;">NATIONALITY</p> <p style="margin: 0; text-align: center;">Malaysia</p> </div>
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Date of Board Appointment  
**16 December 2022**

### Committee Member



### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

- Nil

#### Past Appointments/Experiences

- Head of Partnership, Specialised Sports Services Sdn Bhd (2022)
- Head of Branding and Advertising, Destination, Resorts and Hotels Sdn Bhd (Subsidiary of Khazanah) (2014)

- Director, Asset Management & Investment Committee for CIMB Trust-Capital Sdn Bhd, CIMB Group Berhad (2011)
- Senior Manager (Asset Management), CIMB Group Berhad (2010)
- Head of Property Development and Management, CIMB Group Berhad (2007)
- Head of Business Development, X-Txt Asia Sdn Bhd (2006)
- Chief of Operations, GCS Sdn Bhd (2004)
- Contracts Manager, GCS Sdn Bhd (1997)
- Quantity Surveyor, Project Executive, Davis, Langdon & Seah Malaysia (JUBM Sdn Bhd) (1995)

### Other Directorship


#### Listed Issuer

- Al-`Aqar Healthcare REIT
- Varia Berhad

#### Public Companies

Nil

# BOARD OF DIRECTORS



## DATIN UNGKU SUSEELAWATI BINTI UNGKU OMAR

Independent  
Non-Executive Director

Number of Board  
Meeting Attended

9

9

AGE  
67

GENDER  
Female

NATIONALITY  
Malaysia

Date of Board Appointment  
21 January 2025

### Committee Member

BIC

### Academic and Professional Qualifications

- Bachelor Marketing, Lancaster University, UK

### Working Experience

#### Current Appointment

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

### Past Appointment/Experiences

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

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT

### Public Companies

- PHB Property Ventures Berhad

### Course Attended

- JCorp Future Forward Leadership Series 2025


### Membership of Board Committees

**BARC** Board Audit and Risk Committee

**BIC** Board Investment Committee

**BNRC** Board Nomination and Remuneration Committee

# BOARD OF DIRECTORS



## ONG LI LEE

Independent  
Non-Executive Director

Number of Board Meeting Attended

4

AGE

65

Date of Board Appointment

4 August 2025

GENDER

Female

NATIONALITY

Malaysia

### Committee Member



### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

- Member of the Board of Governors, Yayasan Bursa Malaysia

#### Past Appointment/Experiences

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

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

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT
- Johor Plantations Group Berhad

#### Public Companies

Nil

### Courses Attended

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

# BOARD OF DIRECTORS



## GOH TIAN SUI

Independent  
Non-Executive Director

Number of Board  
Meeting Attended

9

9

AGE

70

GENDER

Male

NATIONALITY

Malaysia

Date of Board Appointment

21 January 2025

### Committee Member

BIC BSC

### Academic and Professional Qualifications

- Bachelor of Science University of Reading, UK

### Working Experience

#### Current Appointment

Nil

#### Past Appointment/Experiences

- Independent Non-Executive, IJM Corporation Berhad (2024)
- Independent Non-Executive Director, IJM Land Berhad (2015)
- Independent Non-Executive Director, GLM REIT Management Sdn Bhd (2010)

- Managing Director, C H Williams Talhar & Wong Sdn Bhd (2010)
- Deputy Manager, C H Williams Talhar & Wong Sdn Bhd (2003)
- Director, C H Williams Talhar & Wong Sdn Bhd (2001)
- Associate Manager, C H Williams Talhar & Wong Sdn Bhd (1989)

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT

#### Public Companies

Nil

### Courses Attended

- JCorp Future Forward Leadership Series
- 32<sup>nd</sup> National Real Estate Convention


### Membership of Board Committees

**BARC** Board Audit and Risk Committee

**BIC** Board Investment Committee

**BNRC** Board Nomination and Remuneration Committee

# BOARD OF DIRECTORS



## ABDUL AZIZ BIN ABDUL RASHEED

Non-Independent  
Non-Executive Director

Number of Board Meeting Attended

3

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4

AGE

49

GENDER

Male

NATIONALITY

Malaysia

Date of Board Appointment  
**4 August 2025**

### Committee Member

**BIC** **BSC**

### Academic and Professional Qualifications

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

### Working Experience

#### Current Appointment

- Managing Director, JLG Capital Sdn Bhd

### Past Appointment/Experiences

- Head, Private Equity Real Estate (PERE), JLG Integra Berhad (Formerly known as Damansara Holdings Berhad) (2025)
- COO, Investment & Asset Management, Sime Darby Property Bhd (2023)
- CEO, Amanah Raya Kenedix REIT Manager Sdn Bhd (2021)
- Senior Manager - Investment Projects, AREA Group (2020)
- Head of Engineering, Axis REIT Managers Bhd (2017)

### Other Directorship

#### Listed Issuer

- Al-`Aqar Healthcare REIT

### Public Companies

Nil

### Courses Attended

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

# SHARIAH COMMITTEE



## DATO' (DR.) HAJI NOOH BIN GADOT

Chairman, Shariah Committee

AGE  
80

GENDER  
Male

NATIONALITY  
Malaysia

Date of Appointment  
22 June 2006



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

Member, Shariah Committee

AGE  
79

GENDER  
Male

NATIONALITY  
Malaysia

Date of Appointment  
22 June 2006

### Academic and Professional Qualifications

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

### Working Experience

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

### Other Directorship

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

### Academic and Professional Qualifications

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

### Working Experience

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

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

# SHARIAH COMMITTEE



## ABOUT IBFIM

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

### Profile of Designated Person responsible for Shariah matters relating to Al-Salām REIT

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

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

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

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

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

**Notes:** - None of the Shariah Committee members have:

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

# THE MANAGEMENT TEAM



**ZULHILMY BIN KAMARUDDIN**  
Chief Executive Officer

AGE  
51

GENDER  
Male

NATIONALITY  
Malaysian

#### Date of Appointment

4 November 2024

#### Academic and Professional Qualifications

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

#### Directorship

- Fund Board Member Aman REIF, Muscat, Oman

#### Working Experience

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



**TAN JOON KAI**  
Chief Operating Officer

AGE  
54

GENDER  
Male

NATIONALITY  
Malaysian

#### Date of Appointment

15 August 2024

#### Academic and Professional Qualifications

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

#### Directorship

Nil

#### Working Experience

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



**AHMAD NAZRI BIN MOHAMAD**  
Chief Financial Officer

AGE  
49

GENDER  
Male

NATIONALITY  
Malaysian

#### Date of Appointment

17 February 2025

#### Academic and Professional Qualifications

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

#### Working Experience

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

# THE MANAGEMENT TEAM



**NOR SHAKIRA BINTI ZAINAL**  
Head, Governance & Legal

AGE  
41

GENDER  
Female

NATIONALITY  
Malaysian

**Date of Appointment**

7 April 2025

**Academic and Professional Qualifications**

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

**Directorship**

Nil

**Working Experience**

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



**ROZIAH BINTI ABU BAKAR**  
Head, Corporate Services

AGE  
58

GENDER  
Female

NATIONALITY  
Malaysian

**Date of Appointment**

1 March 2016

**Academic and Professional Qualifications**

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

**Directorship**

Nil

**Working Experience**

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

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

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT



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

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

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

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

## Principle A

### BOARD LEADERSHIP AND EFFECTIVENESS



For more information  
refer to page 167 of this report.

## Principle B

### EFFECTIVE AUDIT AND RISK MANAGEMENT



For more information  
refer to page 172 of this report.

## Principle C

### INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS



For more information  
refer to page 174 of this report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

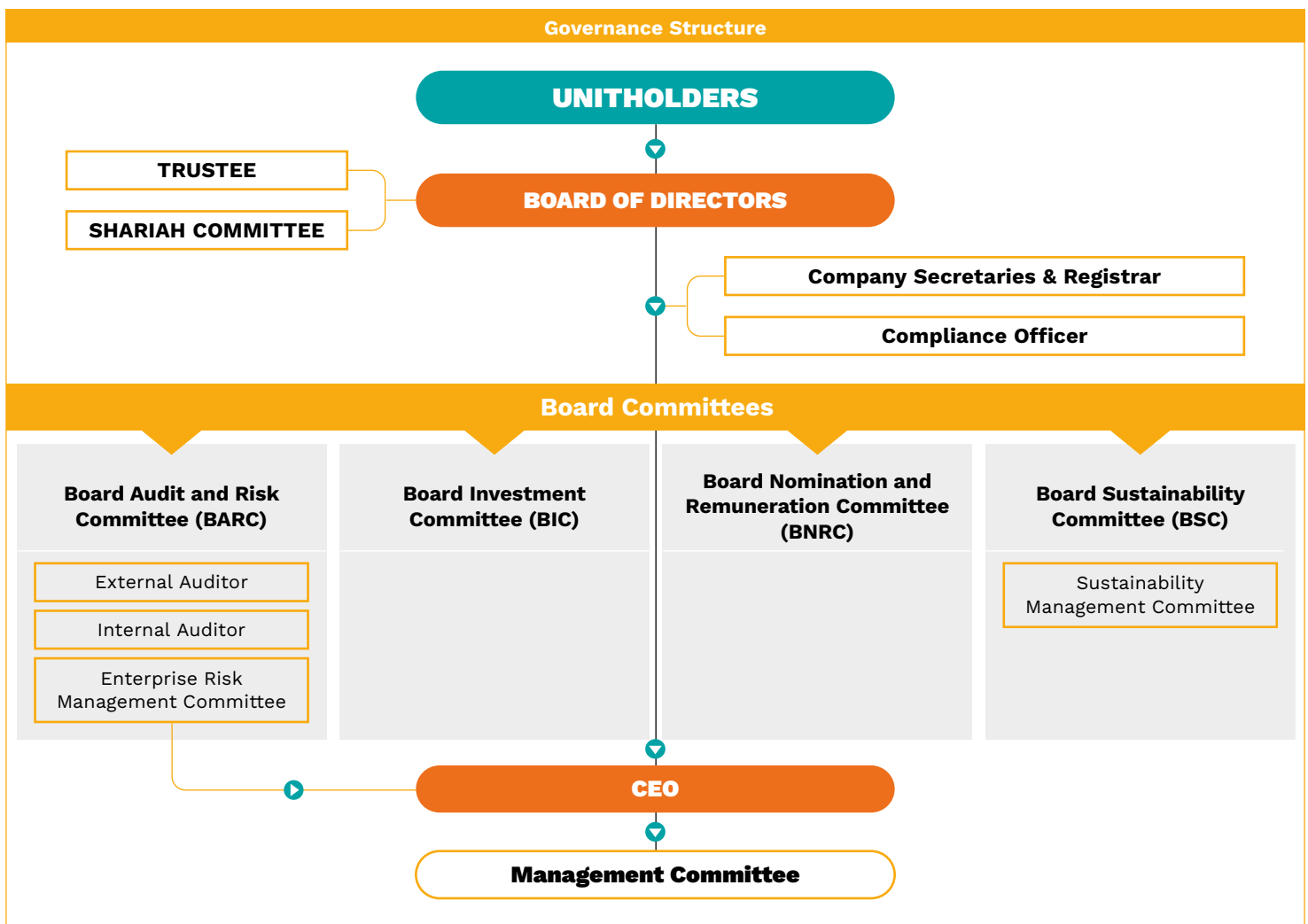
To ensure ongoing compliance with the latest corporate governance standards and regulatory requirements, the Board periodically reviews and enhances its governance policies, procedures and internal control mechanisms.

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

The Corporate Governance Report, which provides detailed disclosures on the application of each practice under the MCCG, is available on the REIT’s website at [www.alsalamreit.com.my](http://www.alsalamreit.com.my) and via an announcement on the website of Bursa Malaysia Securities Berhad. This CG Overview Statement should be read in conjunction with other relevant sections of the IAR2025, including the Statement on Risk Management and Internal Control (“SORMIC”), the Audit and Risk Committee Report, and the Sustainability Statement.

## CORPORATE GOVERNANCE STRUCTURE

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



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Principle A


### BOARD LEADERSHIP AND EFFECTIVENESS

#### BOARD LEADERSHIP AND MANAGEMENT

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

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

#### NUMBER OF MEETINGS AND BOARD ATTENDANCE IN 2025

 The number of meetings held during the year, and the attendance of each Director can be found at the Board Audit and Risk Committee, Board Investment Committee, Board Nomination and Remuneration Committee, and Board Sustainability Committee Report sections on pages 177, 183, 187 and 190, respectively.

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

NO	DIRECTOR	DATE OF MEETINGS								
		20 FEB 2025 (SPECIAL)	6 MAR 2025	30 APR 2025 (SPECIAL)	26 MAY 2025	12 JUN 2025 (SPECIAL)	26 AUG 2025	4 SEP 2025 (SPECIAL)	27 OCT 2025 (SPECIAL)	27 NOV 2025
1	DATUK HASHIM BIN WAHIR	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	ABDULLAH BIN ABU SAMAH	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	DATUK Sr AKMAL BIN AHMAD	✓	✓	✓	✓	✓	✓	✓	X	✓
4	SHAMSUL ANUAR BIN ABDUL MAJID (Resigned w.e.f. 31 March 2026)	✓	✓	✓	X	✓	✓	✓	✓	✓
5	DATO' HAJI MOHAMMED RIDHA BIN DATO' HAJI ABD KADIR (Resigned w.e.f. 31 March 2026)	X	X	X	X	X	X	X	X	✓
6	GOH TIAN SUI	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	DATIN UNGKU SUSELAWATI BINTI UNGKU OMAR	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	LAILATUL AZMA BINTI ABDULLAH	✓	✓	✓	✓	✓	(Resigned w.e.f. 4 August 2025)			
9	ONG LI LEE	(Appointed w.e.f. 4 August 2025)					✓	✓	✓	✓
10	ABDUL AZIZ BIN ABDUL RASHEED	(Appointed w.e.f. 4 August 2025)					✓	✓	X	✓

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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

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

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

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

## COMPANY SECRETARIES

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

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

## BOARD COMMITTEES

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

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

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

## BOARD EVALUATION

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

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

## FIT AND PROPER ASSESSMENT

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

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## CONTINUING EDUCATION AND DEVELOPMENT

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

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

## COMPETENCIES AND SKILL SET

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

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

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

## MANAGING CONFLICT OF INTEREST

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

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

Upon such disclosure:

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

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

## BOARD REMUNERATION

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

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

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

## DISCLOSURE OF DIRECTORS' REMUNERATION

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

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

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

## SENIOR MANAGEMENT REMUNERATION

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

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

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

## DRIVING SUSTAINABILITY

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

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

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

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

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## GENDER DIVERSITY AND INCLUSION

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

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

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

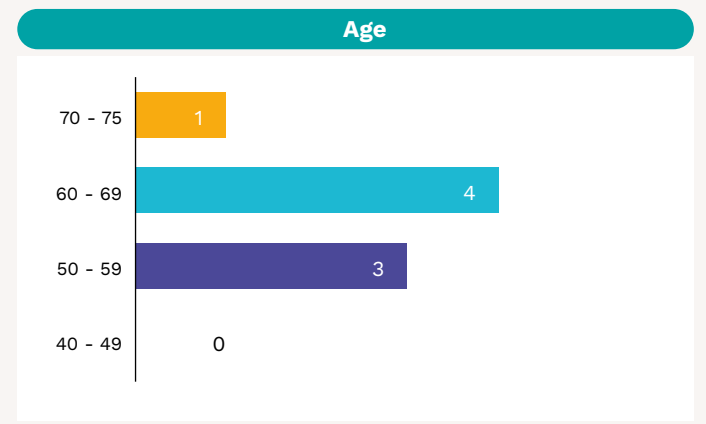
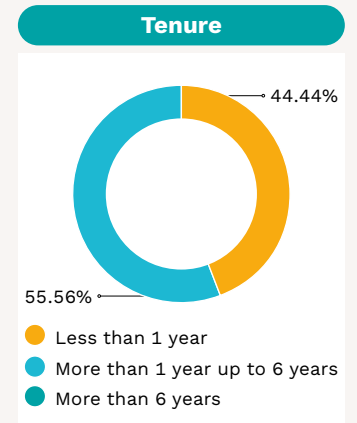
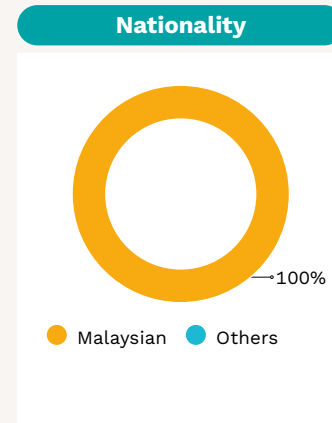
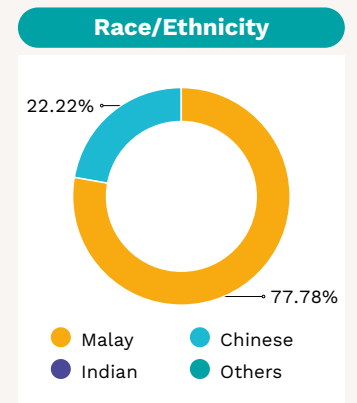
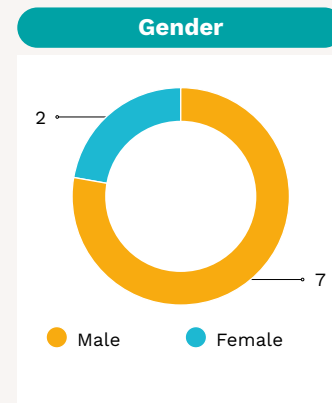
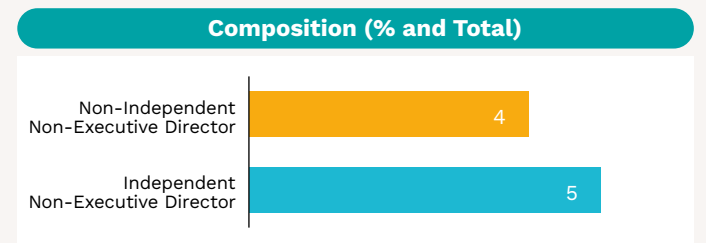
### Importance of Female Representation:

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

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

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

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



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Principle B

### EFFECTIVE AUDIT AND RISK MANAGEMENT

#### INDEPENDENCE OF EXTERNAL AUDITORS

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

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

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

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

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

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## INTERNAL AUDIT FUNCTION

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

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

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

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

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

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

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

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

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

## RISK MANAGEMENT

Risk management remains the responsibility of the Board. The BARC has delegated responsibility to keep under review the adequacy and effectiveness of the REIT's internal financial controls and the internal control and risk management system. Risk management is reviewed at the BARC and the Board meetings as part of the formal Board process. The Board has identified and evaluated the significant risks faced by the REIT in delivering its strategy. Details of the principal risks identified are set out in the Section 8 of the IAR. The BARC meets quarterly specifically to review the effectiveness of the REIT's risk management and internal control systems and to review the risks identified and the progress of actions taken to manage the risks. Following the review, progress and actions are reported to the Board.

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

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



*The full details of the BARC activities in 2025 are elaborated in the IAR2025 on page 181.*

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## Principle C

### INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### STAKEHOLDERS ENGAGEMENT

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

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

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

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

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

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

Stakeholders	Engagement and Initiatives
<b>Investment Community (Unitholders, Analysts, Fund Managers)</b>	<ul style="list-style-type: none"> <li>• Statutory announcement</li> <li>• Annual General Meeting</li> <li>• Roadshow</li> <li>• Investors and analysts briefing</li> <li>• Corporate website</li> <li>• Social media</li> </ul>
<b>Media</b>	<ul style="list-style-type: none"> <li>• Media interview</li> <li>• Media release and press statements</li> <li>• Corporate website</li> <li>• Social media</li> </ul>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

Stakeholders	Engagement and Initiatives
<b>Government, local authorities and regulators</b>	<ul style="list-style-type: none"> <li>• Engagement meeting</li> <li>• Consultation papers</li> <li>• Engagement through MRMA</li> <li>• Maintain rapport with local authorities</li> </ul>
<b>Tenants and lessees</b>	<ul style="list-style-type: none"> <li>• Periodic meetings</li> <li>• Surveys and feedbacks</li> <li>• Rental support programme</li> <li>• Marketing support and promotional activities</li> </ul>
<b>Suppliers and contractors</b>	<ul style="list-style-type: none"> <li>• Supplier ESG Assessments</li> <li>• Procurement Committee and Tender interview</li> <li>• Supplier evaluation and audit</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Townhalls</li> <li>• Employee engagement dialogue</li> <li>• Climate Surveys</li> <li>• 360 degrees performance appraisal</li> <li>• Flexible work arrangement</li> <li>• Upskilling and reskilling programmes</li> </ul>
<b>Communities</b>	<ul style="list-style-type: none"> <li>• Customers' surveys</li> <li>• CSR programme</li> </ul>

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

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

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

# BOARD AUDIT AND RISK COMMITTEE REPORT

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

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

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

## COMPOSITION

In line with the requirements of Paragraph 15.09(1)(a), (b) and (c) of the Main Market Listing Requirements of Bursa Securities (“MMLR”), the composition of the BARC is as follows:

### Members

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

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

### Secretaries

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

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

The Board, via the Board Remuneration and Nomination Committee (“BNRC”), annually reviews the terms of office and performance of the BARC and its members through an effectiveness evaluation exercise. The BNRC assessed the BARC’s performance for the financial year ended 31 December 2025 (“FY2025”) and was satisfied that the BARC and its members have discharged their functions, duties, and responsibilities in accordance with the BARC’s Terms of Reference.

# BOARD AUDIT AND RISK COMMITTEE REPORT

## MEETINGS AND ATTENDANCE

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

The BARC held seven meetings during the FY2025 which were attended by all members.

During the FY2025, the details of attendance are as follows:

NO	BARC MEMBERS	DATE OF MEETINGS						
		23 JAN 2025 (SPECIAL)	31 JAN 2025 (SPECIAL)	12 FEB 2025	9 MAY 2025 (SPECIAL)	15 MAY 2025	13 AUG 2025	12 NOV 2025
1	<b>Abdullah bin Abu Samah</b>	√	√	√	√	√	√	√
2	<b>Datuk Sr Akmal bin Ahmad</b>	√	√	√	X	√	X	√
3	<b>Ong Li Lee</b> (Appointed w.e.f. 4 August 2025)						√	√
4	<b>Lailatul Azma binti Abdullah</b> (Resigned w.e.f. 4 August 2025)	√	√	√	√	√		

## SUMMARY OF WORK CARRIED OUT DURING THE FINANCIAL YEAR

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

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

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

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

### Overseeing Financial Reporting

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

# BOARD AUDIT AND RISK COMMITTEE REPORT

## External Audit

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



*The SORMIC which had been reviewed by the External Auditors is set out on pages 193 to 218 of the IAR2025.*

## Internal Audit

Internal audit activities for the financial year ended 2025 were conducted based on a risk-based internal audit plan approved by the BARC, focusing on higher-risk operational areas. The internal audit function of Al-Salām REIT is outsourced to an independent external professional firm, Messrs. PKF Risk Management Sdn Bhd (“PKF”), which reports functionally to the BARC and is independent of the management and operations of the REIT.

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

# BOARD AUDIT AND RISK COMMITTEE REPORT

NO	DATE	PERIOD OF REVIEW	SCOPE	ISSUES RAISED/ RATING			
				HIGH	MEDIUM	LOW	TOTAL
1	11.8.2025	1 April 2024 – 31 March 2025	Asset Acquisition and Disposal 11 August 2025	1	2	-	<b>3</b>
2	7.11.2025	1 September 2024 – 31 August 2025	IA Review Financial and Budgetary Controls Review	-	-	3	<b>3</b>
<b>Total</b>							<b>6</b>

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

A follow-up review on the Financial and Budgetary Controls Review was conducted on 22 October 2025, which confirmed that all audit issues identified had been resolved and satisfactorily closed. The outcome of the follow-up review was reported to the BARC, and no further corrective actions were required.

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

## Risk Management and Internal Control


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


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

The Audit and Risk Committee reviewed the SORMIC on 10 February 2026 and recommended it to the Board for approval and inclusion in the IAR2025.

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

- (a) Reviewed quarterly top risk profiles which covers Strategic, Finance, Operational and Compliance Risks and ESG related risks especially with respect to environmental risks, deliberated on the significant threats and opportunities, including status and adequacy of mitigation strategies.
- (b) Discussed the improvements to the ERM Framework and process to ensure proactive and holistic risk identification, and monitoring of mitigation actions to reduce risk impact to an acceptable level. The 5<sup>th</sup> revision of the ERM framework will be submitted to the BARC for recommendation to the Board on 10 Feb 2026.
- (c) Evaluated the overall adequacy and effectiveness of internal controls through review of the work performed by both internal and external auditors, and through discussions with Management.
- (d) Ensures appropriate controls are in place in management of the REIT, that the Manager has a well-defined organisational structure with clear lines of responsibility and a comprehensive reporting system and adequate procedures in financial reporting, risk management, internal control and are in place.

 Further details in respect of risk management and internal controls are set out on pages 193 to 218 (SORMIC of this IAR2025).

 Details in respect of the principal risks and uncertainties are set out in Section 8 of the IAR.

# BOARD AUDIT AND RISK COMMITTEE REPORT

## Compliance

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

- (a) Monitored and reviewed the status and outcomes of the Quarterly Compliance Report which seek to identify gaps in compliance with regards to applicable laws, regulations, codes, standards, policies and procedures and discussed the adequacy of measures to address such gaps or non-compliance.
- (b) Deliberated on the results of compliance cases and directed Management to implement and/or enhance controls to prevent a recurrence, including conducting education programmes to increase awareness. For the year 2025, there is no non-compliance case under Al-Salām REIT. During the financial year 2025, there was one non-compliance case under Al-Salām REIT involving a breach of the Public Shareholding Spread requirement. Management implemented remedial actions and the breach was fully rectified in October 2025.
- (c) Received updates on the directorships and shareholdings held by the Directors of the REIT and persons connected with them in accordance with Section 221 of the Companies Act, 2016 on an annual basis. These disclosures enabled an assessment of the potential or actual conflicts of interest which may arise in relation to Related Party Transaction (“RPT”) or Recurrent Related Party Transaction (“RRPT”).
- (d) Monitored the status of internal whistleblowing, breach of PDPA and misconduct cases reported to Board and BARC on a quarterly basis, including ongoing investigations, in accordance with the Code of Conduct and Business Ethics (“CoBE”).

## Review of RPT And RRPT

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

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

- (b) Reviewed the annual Unitholders’ Mandate in relation to recurrent related party transactions of a revenue or trading nature for unitholders’ approval to undertake transactions that are recurrent, of a revenue or trading nature and which are necessary for the day-to-day operations of the REIT with related parties (“RRPTs”). The mandate was tabled and approved at the AGM on 25 June 2025.
- (c) Ensured that the RRPT Policy was sufficient to ensure that the RRPTs were not more favourable to the related parties and were not to the detriment of the minority unitholders and that the Manager had in place adequate procedures and processes to monitor, track and identify RRPTs in a timely and orderly manner, and such procedures and processes were reviewed on a yearly basis or whenever the need arose. The policy was approved by the BARC on 15 May 2025.
- (d) Review of RRPT on a quarterly basis. The Management had given assurance to the BARC that RPT and mandate for RRPT were in compliance with the Listing Requirements and policies and procedures.

## Other Activities

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

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

# BOARD AUDIT AND RISK COMMITTEE REPORT

## SUMMARY OF MEETINGS IN THE YEAR

	23 JAN 2025 (SPECIAL)	31 JAN 2025 (SPECIAL)	12 FEB 2025	9 MAY 2025 (SPECIAL)	15 MAY 2025	13 AUG 2025	12 NOV 2025
<b>FINANCIAL REPORTING</b>							
Audited Financial Statements			✓				
Interim results/Announcement	✓		✓		✓	✓	✓
Consideration of new accounting standards			✓				
<b>EXTERNAL AUDIT</b>							
External audit plan							✓
External audit reports			✓				
External audit effectiveness and independence			✓				✓
<b>INTERNAL AUDIT</b>							
Internal audit (reviews and follow-ups)			✓		✓	✓	✓
Internal audit plan			✓				
Internal audit effectiveness and independence			✓				
<b>RISK</b>							
Risk Profiles/ Registers			✓		✓	✓	✓
<b>COMPLIANCE</b>							
Quarterly Compliance Report			✓		✓	✓	✓
Regulatory Breach		✓	✓		✓	✓	✓
Non Bursa Malaysia/the SC Breach			✓		✓	✓	✓
<b>RRPT</b>							
Quarterly Review			✓		✓	✓	✓
RRPT Mandate				✓			
<b>ANNUAL REPORT 2024</b>							
Review of SORMIC and Audit and Risk Committee Report			✓				
<b>OTHER MATTERS</b>							
Review of Policies and Frameworks – RRPT Policy					✓		
Evaluation and Review of Outsourced Activities			✓		✓		
IT Security/Business Continuity Management/ Disaster Recovery Plan			✓		✓	✓	✓

# BOARD INVESTMENT COMMITTEE REPORT

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

## COMPOSITION

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

### Members

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

### Secretaries

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

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

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

# BOARD INVESTMENT COMMITTEE REPORT

## MEETINGS AND ATTENDANCE

### Number of Meetings Held and Details of Attendance

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

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

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

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

### Terms of Reference

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

#### Objectives

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

# BOARD INVESTMENT COMMITTEE REPORT

## Roles and Responsibilities

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

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

## MATTERS DISCUSSED BY THE BIC IN FY2025

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

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

### Investment (Acquisition & Disposal)

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

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

# BOARD INVESTMENT COMMITTEE REPORT

## Asset Management

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

## Capital Management

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

## Portfolio Monitoring

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

### SUMMARY OF MEETINGS IN THE YEAR

ITEMS DISCUSSED	4 MAR 2025	22 MAY 2025	15 AUG 2025	25 NOV 2025
<b>Investment</b>	✓	✓	✓	✓
<b>Asset Management</b>	✓	✓	✓	✓
<b>Capital Management</b>	✓	✓	✓	✓
<b>Portfolio Monitoring</b>	✓	✓	✓	✓

# BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

The establishment of the Board Nomination and Remuneration Committee (“BNRC”) is mandated for listed issuers under Bursa Malaysia’s Main Market Listing Requirements.

 The terms of reference can be found under Investor Relations section on the REIT’s website at [www.alsalamreit.com.my](http://www.alsalamreit.com.my).

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

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

## COMPOSITION OF THE BOARD NOMINATION AND REMUNERATION COMMITTEE

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

The composition of the BNRC is as follows:

### Members

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

### Secretaries

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

## MEETINGS HELD DURING FY2025

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

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

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

# BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

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

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

## Roles and Responsibilities

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

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

# BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

- **With Respect to Induction and Training**

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

- **With Respect to conflicts of interest**

The Committee shall:

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

- **With Respect to the Board Evaluation**

The Committee shall:

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

## **MATTERS DISCUSSED BY THE BNRC IN THE FY2025**

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

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

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

# BOARD NOMINATION AND REMUNERATION COMMITTEE REPORT

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

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

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

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

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

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

### CONCLUSION

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

# BOARD SUSTAINABILITY COMMITTEE REPORT

## OVERVIEW

The Board Sustainability Committee (“BSC”) is pleased to present its report on the sustainability governance, oversight and activities of Al-Salām REIT for the financial year ended 31 December 2025.

The BSC assists the Board in overseeing the sustainability agenda of the REIT, ensuring that environmental, social and governance (“ESG”) considerations are embedded into strategy, risk management and decision-making to support long-term value creation for unitholders.

The Committee’s oversight focuses on safeguarding and enhancing the value of the REIT’s capitals by promoting resilient assets, responsible operations, regulatory compliance and transparent disclosure, while balancing financial performance with sustainability outcomes.

## COMPOSITION

The Committee comprises members of the Board with appropriate experience in governance, sustainability, risk management and the REIT sector, ensuring effective oversight and independent judgment.

The terms of reference of the Committee is as stated in website [www.alsalamreit.com.my](http://www.alsalamreit.com.my). The Committee held two (2) meetings during the financial year:

- 25 August 2025 (1/2025)
- 26 November 2025 (2/2025)

The Committee works closely with Management, the BARC and other Board Committees to ensure coordinated oversight across governance, risk and sustainability matters.

All members were present at every meeting held during the financial year, reflecting strong commitment to sustainability oversight, as shown below. Attendance details are disclosed below.

NO	MEMBERS	DATE OF MEETINGS		ATTENDANCE
		25 AUG 2025 (1/2025)	26 NOV 2025 (2/2025)	
1	<b>Ong Li Lee</b> (Appointed w.e.f. 4 August 2025)	✓	✓	2/2
2	<b>Goh Tian Sui</b>	✓	✓	2/2
3	<b>Abdul Aziz bin Abdul Rasheed</b> (Appointed w.e.f. 4 August 2025)	✓	✓	2/2

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

# BOARD SUSTAINABILITY COMMITTEE REPORT

## KEY MATTERS REVIEWED IN 2025

### Alignment with ISSB Standards (IFRS S1 and IFRS S2)

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

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

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

#### 2 ESG Strategy and Roadmap

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

#### 3 Regulatory and Sustainability Reporting

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

#### 4 Review of Policies and Frameworks

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

#### 5 Sustainability Disclosures

The Committee reviewed the scope and structure of sustainability disclosures for inclusion in the IAR2025 at the 26 November 2025 meeting.

#### 6 Compliance, Benchmarking and Assurance

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

#### 7 Sustainability Governance and Climate Oversight

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

#### 8 ESG Strategic Planning – Property Investment Pillar

On 26 November 2025 meeting, the Committee reviewed ESG strategic planning in relation to the Property Investment Pillar, including the integration of ESG considerations into acquisition, asset enhancement and capital allocation decisions including setting of Objective Key Results (OKR).

### Sustainability Reporting

The Committee reviewed sustainability reporting matters at the 26 November 2025 meeting, including the content and structure of disclosures for the IAR2025 and consistency across governance, risk and performance narratives.

# BOARD SUSTAINABILITY COMMITTEE REPORT

## Compliance, Benchmarking and Assurance

At both meetings, the Committee considered compliance with sustainability requirements, peer benchmarking and the role of assurance in supporting credible and reliable sustainability disclosures.

## Sustainability Governance and Climate Oversight

The Committee continued to oversee sustainability governance arrangements and the integration of ESG considerations into strategy and risk management. Climate-related risks and asset resilience remained areas of ongoing focus.

Summary of key matters discussed at the BSC shown below:

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

## KEY SUSTAINABILITY FOCUS AREAS FOR FY2026

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

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

## CONCLUSION

The Committee is satisfied that sustainability matters were appropriately overseen during the financial year. The Committee remains committed to supporting the Board in advancing the sustainability agenda and long-term value creation of Al-Salām REIT.

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements (LR) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board of JLG REIT Managers Sdn Bhd (“the Manager”) as the manager of Al-Salām REIT is required to provide a statement on the adequacy and effectiveness of the REIT’s risk management and internal control system.

The REIT has aligned its risk management and internal control practices with the updated SORMIC Guide 2025, which introduces enhanced expectations compared to the earlier 2012 guidance. The revised guide places stronger emphasis on integrated risk management, Board accountability, and alignment with internationally recognised frameworks including COSO, ISO risk standards, and the Malaysian Code on Corporate Governance.

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

## EXECUTIVE SUMMARY

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

### 1. Strengthening Risk Governance & Board Oversight

#### Actions Taken / In Progress:

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

#### Outcome:

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

### 2. Integrating Risk Management with Strategic Planning

#### Actions Taken :

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

#### Outcome:

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

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

### Actions Taken / In Progress:

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

### Outcome:

Alignment with global risk management standards emphasised under SORMIC 2025.

## 4. Enhancing Internal Control Effectiveness

### Actions Taken / In Progress:

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

### Outcome:

Demonstrably improved internal control maturity and accountability.

## 5. Elevating Internal Audit's Role in Assurance

### Actions Taken / In Progress:

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

### Outcome:

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

## 6. Improving Transparency and Quality of SORMIC Disclosure

### Actions Taken / In Progress:

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

### Outcome:

Reflects the outcome-oriented, transparent disclosure approach

## 7. Embedding Risk Culture Across The Organisation

### Actions Taken / In Progress:

Conducted awareness sessions on the 2025 SORMIC requirements.

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

### Outcome:

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## RISK GOVERNANCE, ASSESSMENT AND MANAGEMENT PROCESSES

Al-Salām REIT operates a diversified property portfolio comprising of Retail outlets, Food & Beverage (F&B) restaurants, industrial assets and education/college asset.

In line with Bursa Malaysia’s SORMIC, the Board provides leadership and oversight of risk management and internal control, with BARC assisting the Board in monitoring risk exposures and control effectiveness.

Management is responsible for implementing risk management processes and internal controls, with a strong emphasis on integrity, ethical conduct, regulatory compliance, and transparency. This governance structure ensures that material risks are identified, assessed, mitigated, and monitored in a manner consistent with Al-Salām REIT’s risk appetite and strategic objectives.

## BOARD RESPONSIBILITY

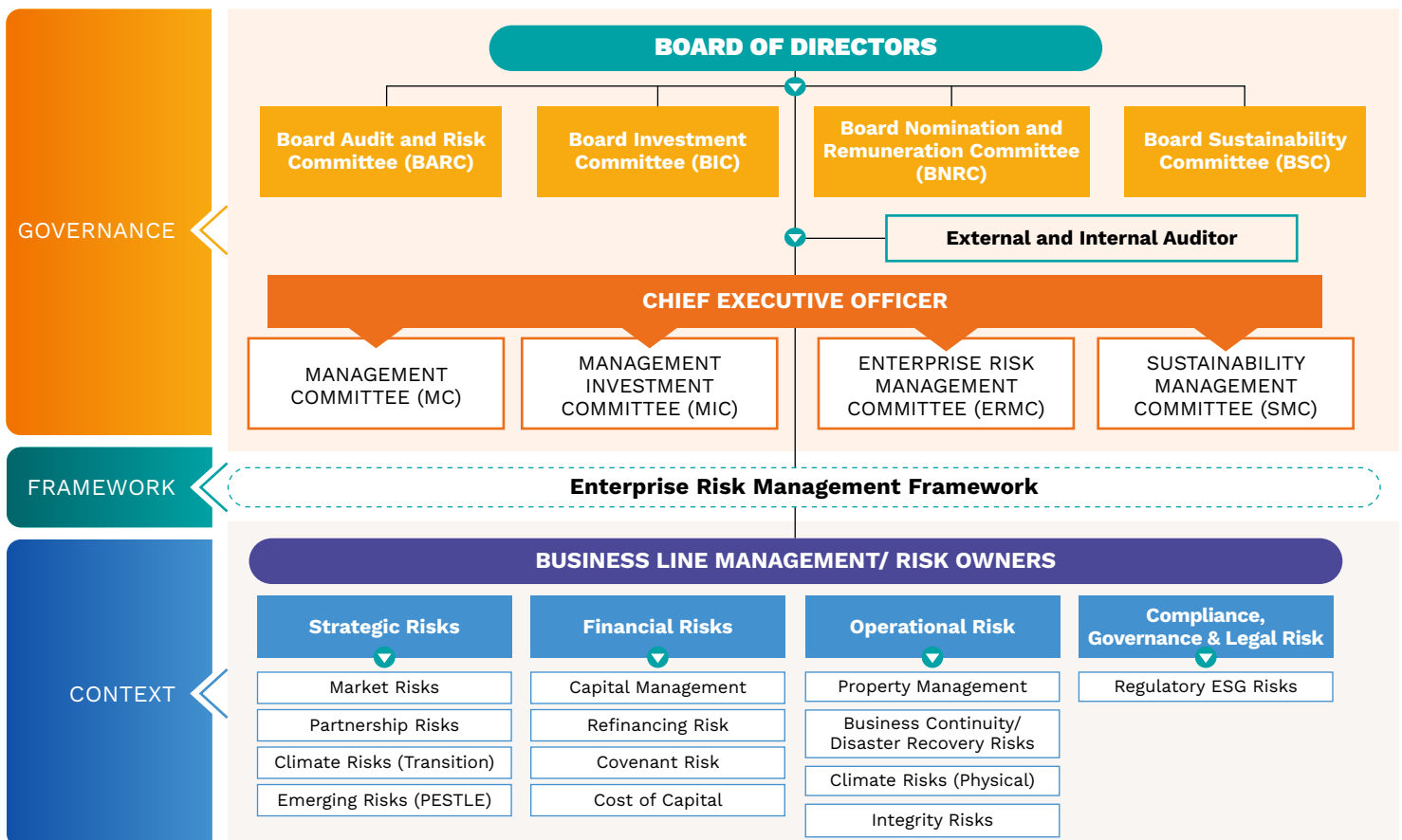
The Board affirms its responsibility for overseeing the REIT’s risk management and internal control system to safeguard unitholders’ interests and the REIT’s assets. The system is designed to provide reasonable, not absolute, assurance against material misstatement, operational disruption, financial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

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

## RISK GOVERNANCE STRUCTURE

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

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



# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Board Level

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

The BARC members are:

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

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

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

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

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

## MANAGEMENT-LEVEL GOVERNANCE AND OVERSIGHT COMMITTEES

### Segregation of Duties and Internal Controls:

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

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

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

## Management Committee

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

## Management Investment Committee

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

## Enterprise Risk Management Committee

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

## Sustainability Management Committee

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

## Effectiveness Statement

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## PROCESS FOR IDENTIFYING, ASSESSING AND PRIORITISING RISKS

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

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

### Risk Objectives and Risk Appetite

Category	Risk Appetite Statement	Tolerance Level
<b>Strategic</b>	Optimise long-term portfolio value and income sustainability through active management of retail malls and office towers, disciplined tenant mix optimisation and selective acquisitions or disposals aligned with market demand and Shariah principles.	<ul style="list-style-type: none"> <li>Moderate appetite for value-accretive growth, repositioning and asset-enhancement initiatives;</li> <li>Low tolerance for execution delays, prolonged vacancies, excessive concentration in any single asset class or tenant segment (including F&amp;B), or value-dilutive transactions.</li> </ul>
<b>Financial</b>	Maintain financial resilience and stable distributions through prudent capital management and proactive management of gearing, liquidity and refinancing risks, while ensuring income streams remain Shariah compliant.	<ul style="list-style-type: none"> <li>Prudent appetite;</li> <li>Low tolerance for refinancing uncertainty, covenant pressure, liquidity stress, material volatility in distributable income or financial exposure arising from Shariah non-compliance.</li> </ul>
<b>Operational / ESG</b>	Ensure safe, efficient and reliable operations across malls and office towers while enhancing ESG performance, including energy efficiency, waste and water management, operational oversight relating to F&B tenant activities and climate resilience.	<ul style="list-style-type: none"> <li>Moderate appetite for operational variability inherent in retail, F&amp;B and office operations;</li> <li>Minimal tolerance for safety incidents, critical building system failures (e.g. HVAC, lifts), food-related incidents, major service disruptions or delays in ESG and asset-improvement initiatives.</li> </ul>
<b>Market Risk</b>	Monitor and respond to macroeconomic conditions, consumer spending trends, office market dynamics, interest rate movements and regulatory changes affecting asset valuations, occupancy and funding costs.	<ul style="list-style-type: none"> <li>Moderate appetite for market-driven volatility;</li> <li>Low tolerance for unmanaged interest-rate exposure, structural decline in retail or office demand or adverse market cycles that materially impair income stability or asset values.</li> </ul>
<b>Business Partnership/ Strategic Alliances</b>	Maintain strong and reliable relationships with mall operators, office tenants, F&B operators and key service providers to support operational continuity, asset performance and rental sustainability.	<ul style="list-style-type: none"> <li>Low appetite for counterparty and partnership risk;</li> <li>Low tolerance for tenant distress, rental arrears, F&amp;B compliance failures, partnership disputes, contractor underperformance or service failures that disrupt operations or cash flows.</li> </ul>
<b>Reputational</b>	Preserve stakeholder confidence and safeguard Al-Salām REIT's reputation as a well-governed, Shariah-compliant retail and office REIT through transparent disclosures and consistent performance.	<ul style="list-style-type: none"> <li>Very Low appetite for reputational risk;</li> <li>Very Low tolerance for governance failures, Shariah breaches, health and safety incidents, adverse regulatory findings, negative media exposure or prolonged DPU underperformance.</li> </ul>

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

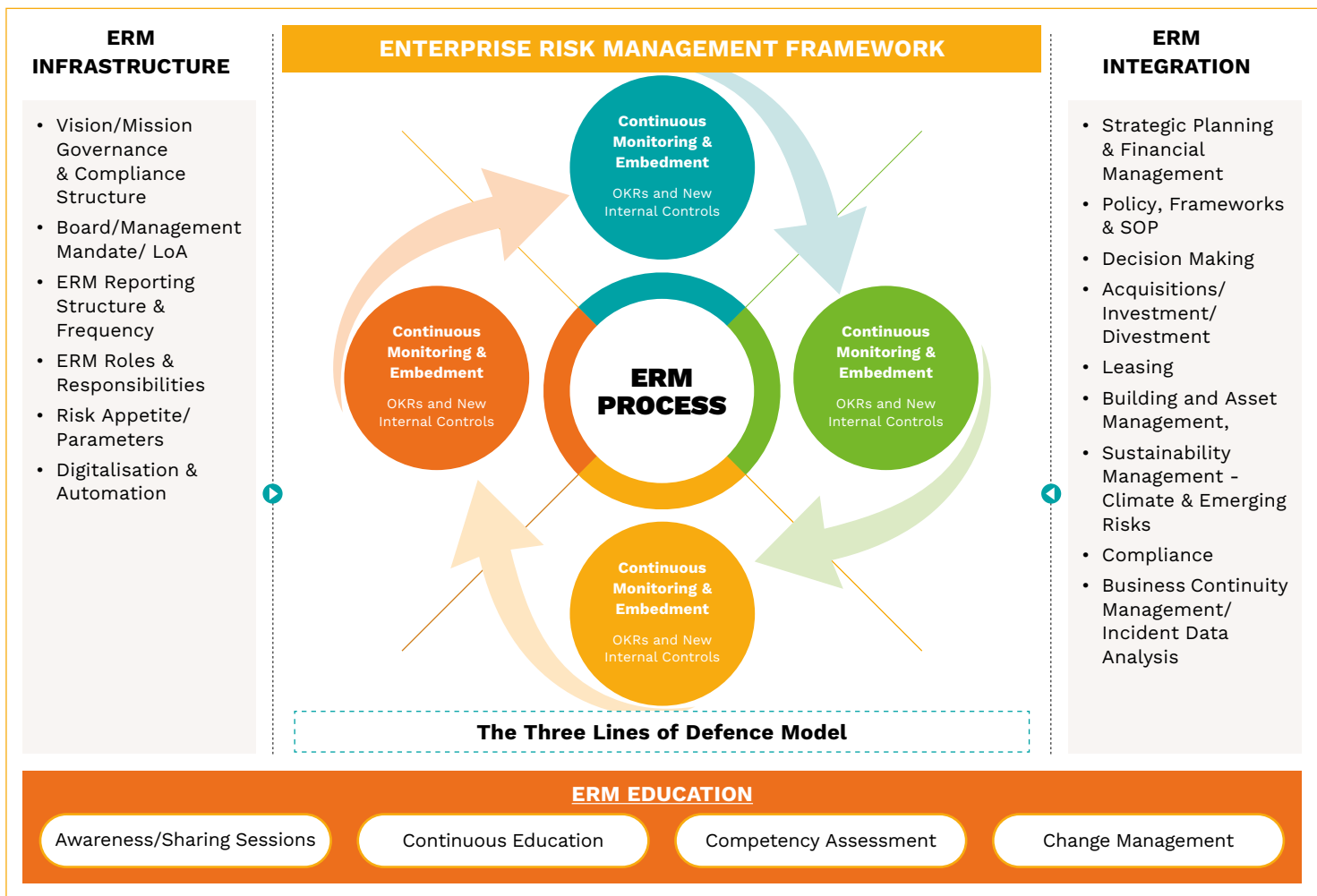
Category	Risk Appetite Statement	Tolerance Level
<b>Compliance/ Governance/ Legal</b>	<ul style="list-style-type: none"> <li>Ensure full compliance with regulatory, statutory, Shariah, reporting and Bursa Malaysia requirements, while upholding high standards of corporate governance, integrity and ethical conduct across all business activities.</li> </ul>	<ul style="list-style-type: none"> <li>Near-Zero tolerance for regulatory or Shariah non-compliance, late submissions or inaccurate disclosures;</li> <li>Zero tolerance for governance lapses, conflicts of interest or unethical conduct;</li> <li>Low tolerance for legal disputes, lease non-performance, unauthorised tenant activities or exposures arising from inadequate oversight.</li> </ul>

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

### The Enterprise Risk Management Framework

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

The framework is depicted as below:



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

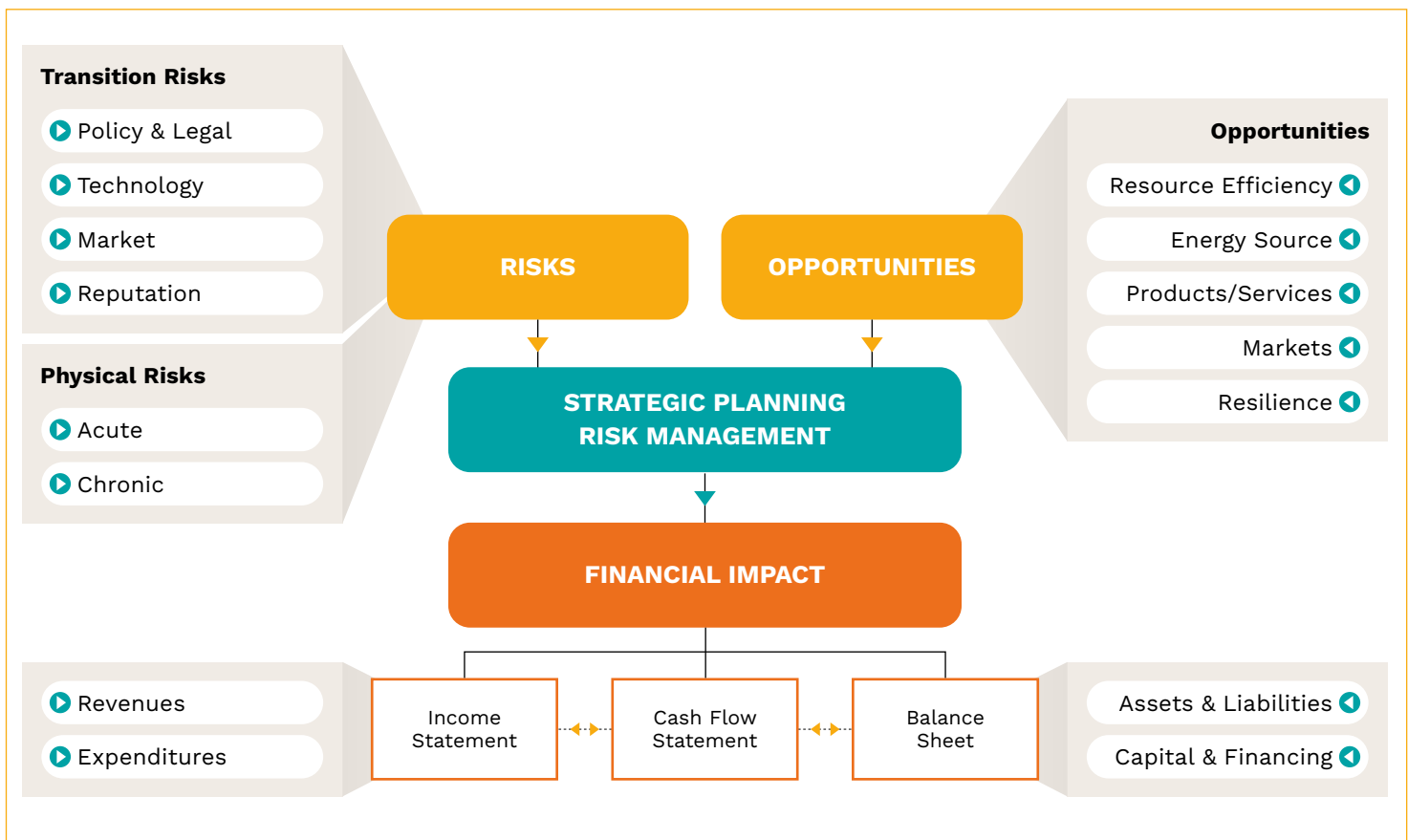
# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Integration into Strategic Planning

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

## Environmental and Climate Risks Alignment

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






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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL




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

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



## Physical Risks – Acute

Risk	Description	Risk Rating	Key Mitigation
<b>Flooding &amp; Stormwater Intrusion</b>	Urban flash flooding affecting basements, car parks, loading bays and access to malls (e.g. JBCC, neighbourhood retail).		Drainage upgrades, flood mapping, protection of M&E rooms, emergency response plans, insurance review.
<b>Extreme Heat &amp; Heatwaves</b>	Increased cooling demand in malls and offices; discomfort affecting footfall and occupier satisfaction.		HVAC optimisation, operating-hour controls, preventive maintenance, shading and reflective materials where feasible.
<b>Severe Weather Disruption</b>	Heavy rainfall and storms disrupting operations, access and tenant business continuity.		BCM plans, contractor readiness, tenant communication protocols.

## Physical Risks – Chronic

Risk	Description	Risk Rating	Key Mitigation
<b>Rising Temperatures (Cooling Load)</b>	Long-term increase in energy consumption and operating costs for common areas.		Progressive equipment replacement at end-of-life, energy efficiency embedded in capex planning.
<b>Water Stress &amp; Supply Disruptions</b>	Higher water demand for cooling and F&B tenants; potential supply interruptions.		Water efficiency measures, leak detection, tenant engagement, contingency planning.
<b>Asset Obsolescence</b>	Older retail and office assets becoming less competitive due to climate performance.		Capital planning, selective refurbishments, portfolio optimisation.

## Transition Risks – Regulatory & Policy

Risk	Description	Risk Rating	Key Mitigation
<b>Energy &amp; Environmental Regulations</b>	Tighter energy efficiency, reporting and compliance requirements under Bursa/ISSB.		Governance framework, REM oversight, audits, strengthened disclosures.
<b>Carbon Pricing / Cost Pass-Through</b>	Potential future cost increases indirectly affecting operating expenses.		Cost monitoring, efficiency measures, conservative decarbonisation targets.

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Transition Risks – Market & Tenant

Risk	Description	Risk Rating	Key Mitigation
<b>Tenant Climate Readiness (F&amp;B)</b>	F&B tenants' high energy use and waste practices affecting asset ESG performance.	●	Green lease clauses (data sharing), voluntary engagement, fit-out guidelines.
<b>Shifts in Retail &amp; Office Demand</b>	Preference for more efficient, resilient buildings.	●	Asset upgrades where viable, portfolio review, leasing strategy adjustments.

## Transition Risks – Reputational & Disclosure

Risk	Description	Risk Rating	Key Mitigation
<b>Greenwashing / Over-Commitment</b>	Risk of overstating decarbonisation ambition beyond operational control.	●	Conservative 3% target, clear Scope 1 & 2 boundaries, transparent disclosures.
<b>Data Quality &amp; Assurance</b>	Inaccurate or incomplete emissions and energy data.	●	Improved metering, data governance, periodic verification.

### Legend:

● Very High   ● High   ● Moderate   ● Low

The Board recognises that climate change presents physical and transition risks to Al-Salām REIT. Climate risk assessments were conducted and categorised into acute and chronic physical risks, as well as regulatory, market and reputational transition risks.

The assessment indicates that flooding and stormwater intrusion represent the highest physical risk exposure, while rising temperatures may increase long-term cooling demand and operating costs. Transition risks primarily relate to evolving energy efficiency, climate reporting and regulatory requirements, as well as tenant-driven energy use, particularly within F&B operations.

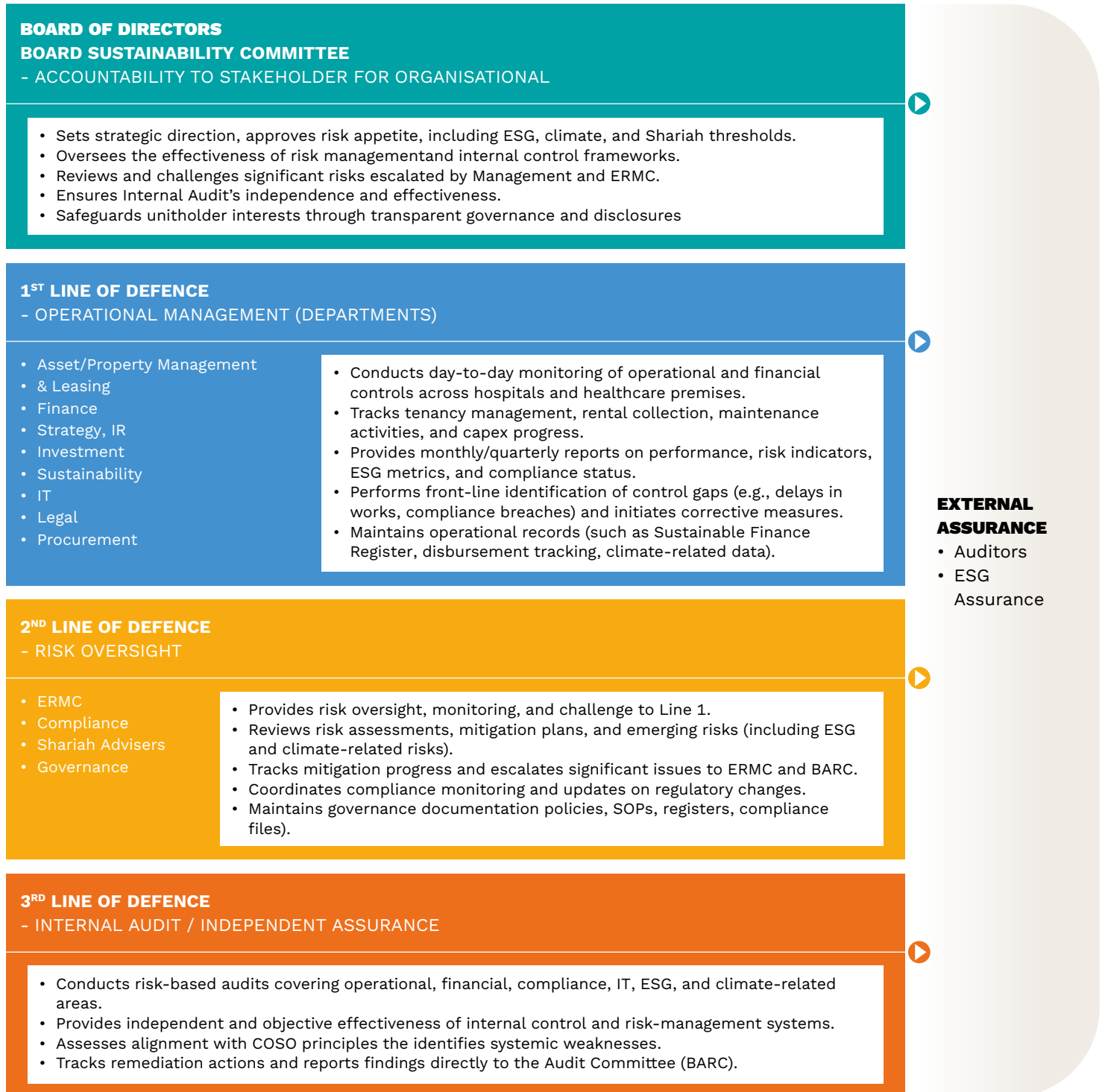
These risks are monitored through a climate risk heat map and managed through operational controls, preventive maintenance, energy optimisation and enhanced governance. The Board, through the BSC and BARC, provides oversight to ensure climate-related risks remain within the REIT's risk appetite and aligned with Bursa Malaysia's sustainability reporting expectations.

### The Three Lines of Defence Approach

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The application of the model is shown below:



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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Risk Identification

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

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

## Risk Assessment

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

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

## Risk Mitigation

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

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

## Risk Monitoring and Reporting

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

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

## Risk Culture and Awareness

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

Risk awareness and refresher programme were conducted on 11 December 2025 for all 7 Risk Owners at the management and head of departments' level.

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## ALIGNMENT OF SIGNIFICANT RISKS WITH MATERIALITY PRIORITIES

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

Key Business Risks (Al-Salām REIT)	Financial Performance & Stability	Business Performance (Mall & Office Assets)	Governance, Compliance & Shariah Integrity	Tenant Experience & Operational Reliability	Climate & Environmental Impact	ESG & Sustainability Performance	Health, Safety & Asset Integrity	Community & Shopper/ Occupier Wellbeing	Responsible Investment & Portfolio Strategy
Retail & office market / demand risk	●●	●●	●	●		●		●●	●●
Tenant performance risk (incl. F&B)	●●	●●	●	●●		●	●●	●●	●
Asset valuation & impairment risk	●●	●	●			●	●		●●
Tenancy renewal & concentration risk	●●	●●	●	●●		●	●	●	●
Mall & office operational management risk	●	●	●	●●		●	●●	●	
Health, safety & building integrity risk		●	●	●●		●	●●	●●	
Financing, interest rate & refinancing risk	●●	●	●						●
Liquidity & rental collection risk	●●	●	●	●		●	●	●	●
Regulatory compliance & Shariah non-compliance risk	●	●	●●	●		●	●	●	●
Climate & physical environmental risk		●	●	●	●●	●●	●		●
ESG disclosure & sustainability compliance risk		●	●		●	●●	●	●	●
Cybersecurity & IT system downtime risk		●	●	●		●	●	●	●
Procurement vendor	●	●	●●	●●		●	●●	●	●
Reputational & stakeholder confidence risk	●●	●●	●●	●●		●●	●●	●●	●
Acquisition / Asset Growth Risk	●●	●●	●●	●	●	●	●	●	●●

**Legend:**

- Strong Linkage
- High










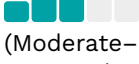

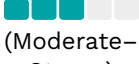


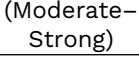
# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## KEY RISK PROFILES

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

- Top risks (Retail & Office Market Demand, Tenant Performance including F&B, Asset Valuation, and Acquisition / Asset Growth) represent the most significant drivers of income stability and portfolio performance and therefore require continued Board-level attention.
- Financial risks (financing, refinancing, liquidity and rental collection) remain sensitive to interest rate movements and market conditions and will continue to be closely monitored over the medium term.
- Operational risks (mall and office operations, health and safety, building integrity and vendor management) are generally well managed but require ongoing oversight and disciplined capital expenditure to sustain asset quality and tenant experience.
- Climate-related and ESG risks are emerging as increasingly important considerations, with potential implications for asset resilience, operating costs, regulatory compliance, disclosures and long-term valuation.
- Governance, regulatory and Shariah compliance risks remain stable, supported by established policies, oversight structures and control frameworks.

The table below presents the top ten risks for Al-Salām REIT, summarising their respective heat map positions, residual risk ratings and the effectiveness of current mitigation measures based on the latest risk assessment.

#	Risk	Risk Rating	Mitigation Effectiveness	Effectiveness Summary
1	Retail & Office Market Demand Risk		 (Moderate–Strong)	Active leasing and repositioning strategies are in place; however, exposure to macroeconomic conditions and changing consumer and office demand remains significant.
2	Tenant Performance Risk (including F&B)		 (Moderate–Strong)	Tenant screening, diversification and arrears management mitigate risk, but F&B exposure increases sensitivity to cost pressures and consumption trends.
3	Tenancy Renewal & Concentration Risk		 (Moderate–Strong)	Lease expiry profiling and proactive renewals reduce short-term risk; residual exposure remains for anchor tenants and concentrated income streams.
4	Asset Valuation & Impairment Risk		 (Moderate–Strong)	Independent valuations and oversight are robust, but asset values remain exposed to yield movements and retail/office sector sentiment.
5	Acquisition / Asset Growth Risk		 (Moderate–Strong)	Governance, due diligence and Shariah review processes are established; execution risk and market pricing remain key constraints.
6	Financing, Interest Rate & Refinancing Risk		 (Moderate–Strong)	Prudent gearing and established banking relationships support refinancing; residual risk remains from interest rate volatility and funding conditions.
7	Mall & Office Operational Management Risk		 (Strong)	Preventive maintenance, managing agent oversight and KPIs are effective; ageing assets require ongoing capex discipline.
8	Health, Safety & Building Integrity Risk		 (Moderate–Strong)	Safety procedures and statutory compliance are in place; residual risk relates to high-footfall areas and contractor dependency.

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

#	Risk	Risk Rating	Mitigation Effectiveness	Effectiveness Summary
9	Climate & Physical Environmental Risk		 (Moderate)	Baseline climate controls are implemented; physical adaptation and long-term resilience measures are progressively being enhanced.
10	Regulatory, Shariah & Compliance Risk		 (Strong)	Strong governance, compliance monitoring and Shariah oversight; minor residual exposure remains due to regulatory changes and tenant activities.

Al-Salām REIT’s Top 10 risks are largely driven by market demand, tenant performance and asset valuation, which remain sensitive to external conditions and require ongoing Board oversight. Financial risks are manageable but exposed to interest rate movements, while operational, regulatory and Shariah risks are generally well controlled. Climate-related risks, although currently moderate, are expected to become increasingly relevant and will continue to be monitored. Overall, the Board is satisfied that risks remain within the REIT’s approved risk appetite.

## Summary of Key Risk Movements (Q1 → Q4)

### Q1 → Q2 (Improvement Phase)

Residual impact reduced across several strategic and operational risks, reflecting early progress in yield enhancement initiatives, tighter execution oversight, and stable operating conditions. Certain legacy risks showed reduced likelihood following management intervention and clearer action plans.

Financial risks remained elevated but contained, largely driven by external capital market conditions rather than internal control gaps. Overall, the REIT recorded a more disciplined and improved risk posture compared with Q1.

### Q2 → Q3 (Stabilisation with Selective Re-Emergence)

Q3 marked a plateau in risk reduction, with most risks recording no material change, indicating that mitigation measures remained effective.

However, selective risks experienced upward movement from Low to Medium, driven by:

- execution timing dependencies,
- reliance on third parties and market conditions, and
- increasing complexity of asset and ESG-related initiatives.

Strategic and financial risks particularly those linked to capital access, transaction execution, and tenant concentration continued to anchor the overall residual risk profile at Medium to High, despite the absence of systemic deterioration.

### Q3 → Q4 (Consolidation & Risk Sustainability Phase)

In Q4, the risk profile demonstrated broad stabilisation, with no significant expansion of the risk universe. Several operational and ESG-related risks showed improved control effectiveness, reflecting progress in project governance, clearer timelines, and better coordination with stakeholders.

Notwithstanding these improvements, key strategic and financial risks remained structurally elevated, particularly:

- capital raising and refinancing sensitivity,
- acquisition and divestment execution risk,
- valuation and concentration exposure.

These risks did not materially worsen in Q4, but their persistence underscores continued dependence on external market conditions and transaction outcomes, rather than further internal mitigation alone.

### Overall Risk Posture (Q1 → Q4)

Across the four quarters, the REIT’s risk profile reflects a transition from risk reduction (Q1–Q2) to risk containment and sustainability (Q3–Q4). Early mitigation actions successfully arrested escalation and reduced selected exposures; however, residual strategic and financial risks remain elevated due to their inherent nature.

Importantly, Q4 confirms that:

- controls are operating as intended,
- risks are being monitored and reassessed conservatively, and
- no latent or emerging risks have crystallised unexpectedly.

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Mitigation Actions Undertaken and Planned

The Manager continues to implement mitigation measures aligned with the REIT's risk appetite, execution capacity, and long-term strategic objectives.

### Strategic Mitigation

- Continued management-level oversight of acquisition, divestment, and yield enhancement initiatives
- Strengthened internal challenge on execution assumptions and delivery timelines
- Ongoing development of a structured portfolio optimisation and rebalancing roadmap

### Financial Mitigation

- Proactive monitoring of refinancing timelines and capital market readiness
- Maintenance of liquidity buffers and covenant headroom
- Sustained engagement with lenders, advisers, and capital market participants
- Clear investor communication to manage expectations and sentiment

### Operational & ESG Mitigation

- Improved project governance for sustainability-related initiatives
- Progressive embedding of ESG considerations into asset management and leasing
- Monitoring of execution risks to prevent slippage in ESG and operational programmes

### Valuation & Asset Resilience Mitigation

- Regular asset health diagnostics to inform prioritised AEI and capex planning
- Alignment of asset enhancement initiatives with yield, resilience, and ESG outcomes
- Integration of ESG and resilience considerations into transaction assessments

### Market & Sentiment Mitigation

- Ongoing benchmarking against peer REITs and market indicators
- Consistent IR messaging on DPU outlook, execution progress, and sustainability initiatives
- Enhanced transparency to support investor confidence and trust

## SPECIAL ASSESSMENT MADE DURING THE YEAR

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

### Corruption Risk Assessment on Key Business Processes

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

The business processes assessed include:

## Key Corruption Risks Identified Across Selected Processes

### 1. Credit Card Management

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

### 2. Employee Expense Claims Process

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

### 3. Leasing Management & Tenant Selection Processes

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

### 4. Recruitment & Payroll Management Process

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

### 5. Vendor Selection, Procurement & Tender Process

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

### 6. Property Sourcing, Acquisition, Evaluation & Approval

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

The assessment started on 17 December 2025 and completed on 12 January 2025.

## Summary of the CRA

In line with MCCG Practice 3.1, the Board oversees the implementation of a robust governance and integrity framework, including the conduct of a CRA to identify and manage corruption risks across key business processes. The CRA indicates that the Manager has in place sound policies, controls and approval structures, supported by a positive ethical culture and a strong tone from the top. No evidence of systemic corruption or deliberate circumvention of controls was identified, and higher-risk areas such as procurement, property acquisition and payment approvals are governed by defined authority limits and review mechanisms under the Group's ABAC framework.

Consistent with MCCG Practice 11.1, the Board, through the BARC, is satisfied that the Manager's risk management and internal control systems remain adequate and effective in addressing corruption and integrity risks. The CRA identified opportunities for continuous improvement, including enhanced documentation, strengthened conflict-of-interest management and increased awareness of whistleblowing mechanisms. Overall, the Board is of the view that the REIT's corruption risk exposure remains low and manageable, with ongoing monitoring and assurance processes in place to further strengthen governance resilience.

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## IDENTIFYING AND ANALYSING SIGNIFICANT CHANGES

The Manager continuously monitors internal and external developments that may introduce new risks, influence the effectiveness of existing controls, or alter the operational, financial, or strategic risk profile of Al-Salām. In accordance with COSO requirements, significant changes trigger event-driven risk assessments to ensure that emerging risks are promptly identified, evaluated, and incorporated into the enterprise and departmental risk registers. This proactive approach ensures that the REITs remain resilient, compliant, and well-governed amidst a dynamic operating environment.

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

### Organisational Restructuring & Leadership Transition

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

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

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Changes in Business Model

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

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

## Board Leadership and Board Composition Changes

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Regulatory and Compliance Requirement Changes

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

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

## Effectiveness of Risk Assessment

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## INTERNAL CONTROL SYSTEM, REVIEW AND ASSURANCE MECHANISMS

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

### Policies, Procedures and Standard Operating Controls

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

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

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

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

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

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

## Controls Over Key Business Processes

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

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

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

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

## Effective Information Flow and Communication of Controls

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

## INTERNAL REPORTING AND MANAGEMENT COMMUNICATION

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

## Communication with the Trustee and Unitholders

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

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

## External Communication and Stakeholder Engagement

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

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## Tenant and Operational Communication

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

The 2025 tenant satisfaction survey achieved an average of 77% satisfaction rate, demonstrating sustained confidence in the property's management and service delivery. The survey results also provide valuable insights into tenant expectations, enabling the Manager to identify areas for improvement and implement targeted initiatives to enhance the overall tenant experience. Continuous engagement with tenants, combined with responsive management practices, helps to build long-term relationships, encourage lease renewals, and support stable occupancy levels across the property.

Moving forward, the Manager will continue to strengthen communication channels, monitor tenant feedback, and implement service enhancements where necessary. These efforts aim to foster a collaborative landlord-tenant relationship, support tenants' operational needs, and sustain the asset's competitiveness and long-term performance.

## Monitoring, Review and Assurance of Internal Controls

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

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

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

actions within agreed timelines. The status of audit issue closure is monitored and reported until full resolution is achieved. External auditors, Shariah reviewers and other independent assessors further supplement assurance through financial, compliance and sustainability-related reviews.

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

## Strategic and Market Insights

The half-yearly budget review includes updates on market conditions and strategic initiatives. Management considers economic trends, rental benchmarks, and competitor movements that may affect asset performance. Progress on development or enhancement projects is reported, along with potential opportunities or risks that may influence the REIT's forward strategy. In 2025, the Strategic Plan was tabled and approved by the Board of Al-Salām on 30 April 2025, followed by a comprehensive budget review, which was subsequently presented and endorsed by the respective Boards on the same dates.

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

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

## Effectiveness of Monitoring Activities

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## ASSURANCE AND CONTINUOUS IMPROVEMENT

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

Internal Audit carried out two risk-based audits during the year, focusing on lease and tenant management and operations and facility management. The audits identified several improvement areas, all of which were addressed by Management.

### External Audits, Shariah and ESG Assurance

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

In addition, the Shariah Adviser conducted monthly Shariah reviews on the properties to assess ongoing compliance with Shariah requirements. The findings from these monthly reviews, covering lease arrangements, investment activities, financing structures, and compliance with Shariah principles, were tabled and deliberated at the Shariah Committee meetings held on 28 July 2025 and 24 October 2025, and were formally reported to Management and the Board, with a clean assurance outcome.

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

## CONTINUOUS IMPROVEMENT AND CONTROL ENHANCEMENT

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

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

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

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

### Effectiveness Statement

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

# STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

## BOARD COMMENTARY AND OPINION

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

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

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

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

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

## REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors have performed limited assurance procedures on the SORMIC in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, and AAPG 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control.

Based on the procedures performed, the External Auditors have reported to the Board 5 March 2026 that nothing has come to their attention that causes them to believe that this Statement, intended for inclusion in the IAR2025:

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

This Statement is made in accordance with a resolution of the Board of Directors dated 25 February 2026.

# ADDITIONAL COMPLIANCE INFORMATION

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


## 1. Sanctions of Penalties

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

## 2. Status of Utilisation Proceeds Raised from Corporate Proposal

There was no issuance of units during FY2025.

## 3. Audit and Non-Audit Fees

 For information, please refer to page 236.

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

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

In compliance with Paragraph 10.09(2)(b) and Paragraph 3.1.5 of Practice Note 12 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), such Unitholders' Mandate is subject to annual renewal and the disclosure in the annual report of RRPTs conducted pursuant to the mandate during the financial year ended 31 December 2024 where the aggregate value of such RRPTs is equal to or more than RM1 million or 1% of the relevant percentage ratio for such transactions, whichever is the higher.

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

Transacting Party	Nature of Transaction	Nature of Relationship	Value Incurred from 28 Feb 2025 (LPD) to 31 Dec 2025 (RM'000)	The aggregate value transactions during the financial year (RM'000)
JCorp Group	Registrar expenses	JCorp is a major unitholder of Al-Salām.	177	177
	Rental income for renting of office at Menara KOMTAR	The Manager is also indirectly wholly owned by JCorp.	2,308	2,779
	Building management and maintenance related costs at Menara KOMTAR, KOMTAR JBCC and @MART KEMPAS	The Interested Directors (save for Dato' Haji Mohd Redza Shah bin Abdul Wahid) are deemed interested by virtue of them being the Directors of JRMSB and being part of the Board and/or senior management of JCorp Group	2,292	2,749

## ADDITIONAL COMPLIANCE INFORMATION

Transacting Party	Nature of Transaction	Nature of Relationship	Value Incurred from 28 Feb 2025 (LPD) to 31 Dec 2025 (RM'000)	The aggregate value transactions during the financial year (RM'000)
<b>JLGPMBSB</b>	Property services fee which includes, inter-alia, building management and maintenance and lease and tenancy administration	<p>JLGPMBSB is an 82.67% owned subsidiary of DASB, the holding company of the Manager. DASB is a wholly-owned subsidiary of JCorp. DASB and JCorp are also the major unitholders of Al-Salām. The Manager is also indirectly wholly owned by JCorp.</p> <p>The Interested Directors (save for Dato' Haji Mohd Redza Shah bin Abdul Wahid) are deemed interested by virtue of them being the Directors of JRMSB and being part of the Board and/or senior management of JCorp Group.</p> <p>Datuk Sr Akmal bin Ahmad is the Director of JRMSB, Director of DASB and also part of the senior management of JCorp Group.</p>	3,732	4,402
<b>KPJ Group</b>	Rental income for renting of a college building at Bandar Dato' Onn, Johor	<p>JCorp has a direct and indirect interest of 35.9% and 9.1% respectively in KPJ. KPJ (through JCorp) and JCorp are also the major unitholders of Al-Salām. The Manager is also indirectly wholly-owned by JCorp.</p> <p>The Interested Directors (save for Dato' Haji Mohd Redza Shah bin Abdul Wahid) are deemed interested by virtue of them being the Directors of JRMSB and being part of the Board and/or senior management of JCorp Group.</p> <p>Shamsul Anuar bin Abdul Majid is a Director of JRMSB and also a Director of KPJ.</p> <p>Dato' Haji Mohd Redza Shah bin Abdul Wahid was the former Independent Non Executive Director of JRMSB who resigned on 31 December 2024, is also the Senior Independent Non-Executive Director of KPJ.</p>	1,956	2,340

## ADDITIONAL COMPLIANCE INFORMATION

Transacting Party	Nature of Transaction	Nature of Relationship	Value Incurred from 28 Feb 2025 (LPD) to 31 Dec 2025 (RM'000)	The aggregate value transactions during the financial year (RM'000)
<b>JLG Group</b>	Technical advisory in relation to the project management	JCorp (via indirect shareholdings) is a major unitholder of Al-Salām.	-	-
	Rental income for renting of offices and food court at Menara KOMTAR and KOMTAR JBCC	JLG is a wholly-owned subsidiary of JCorp.  The Manager, is also indirectly wholly owned by JCorp.	2,049	2,406
	Contractor services infrastructure works	The Interested Directors (save for Dato' Haji Mohd Redza Shah bin Abdul Wahid) are deemed interested by virtue of them being the Directors of JRMSB and being part of the Board and/or senior management of JCorp Group.	-	-
	Waste management	Shamsul Anuar bin Abdul Majid and Datuk Sr Akmal bin Ahmad are Directors of JRMSB and also Directors of JLG nominated by JCorp	-	-
<b>Aggregate Value of Transactions</b>			<b>12,514</b>	<b>14,853</b>

# SHARIAH ADVISER'S REPORT

To the Unitholders of AL-SALĀM REIT

We have acted as the Shariah Adviser of Al-Salām Real Estate Investment Trust (the “Fund”). Our responsibility is to ensure that the procedures and processes employed by JLG REIT Managers Sdn. Bhd. (formerly known as Damansara REIT Managers Sdn Berhad) (the “Manager”) are in compliance with Shariah principles.

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

In addition, we also confirm that:

1. The investment portfolio of the Fund is Shariah-compliant, which comprises:
  - (a) Rental income from investment properties which complied with the Securities Commission Malaysia’s Guidelines on Islamic Capital Market Products and Services. The percentage of Shariah non-compliant rental for the financial year ended 31 December 2025 is 3.81% which is below than the permissible 5% threshold; and
  - (b) Cash placement and liquid assets, which are placed in Shariah-compliant investments and/or instruments.
2. There was no acquisition of property that is Shariah non-compliant during the financial year.

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

For and on behalf of the Shariah Adviser,

**IBFIM**

**NOOR ZURAIDA MD NOOR**  
Director, Shariah Consultancy

**IRMA NAMIRA MISSNAN**  
Registered Shariah Officer

Kuala Lumpur

29 April 2026

# TRUSTEE'S REPORT

For the financial year ended 31 December 2025

To the unit holders of **AL-SALĀM REAL ESTATE INVESTMENT TRUST** ("Fund"),

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

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

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

Yours faithfully

**AMANAHRAYA TRUSTEES BERHAD**

**ZAINUDIN BIN SUHAIMI**

Chief Executive Officer

Kuala Lumpur, Malaysia

23 April 2026

# Section 8

## RISK MANAGEMENT

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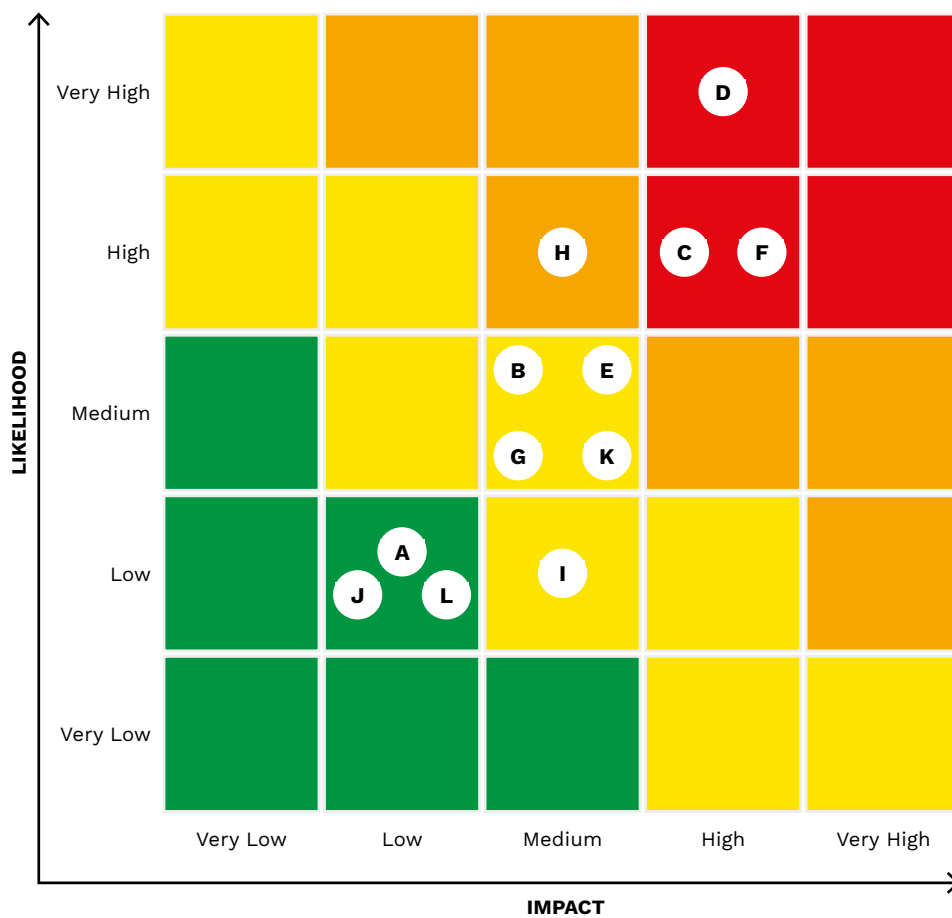


# RISK ASSESSMENT & IDENTIFICATION

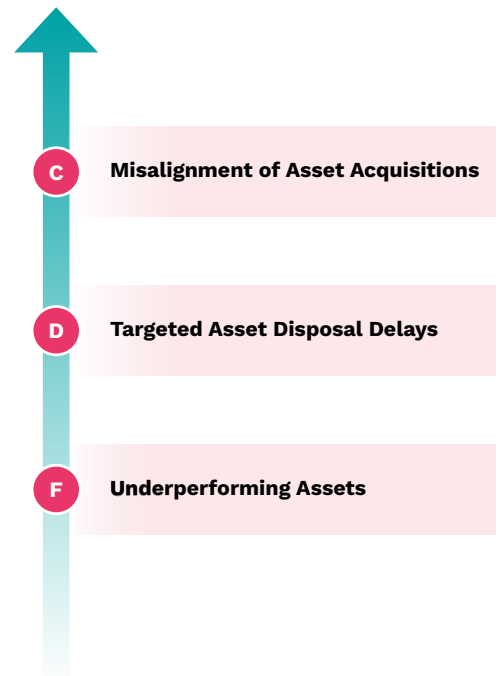
Al-Salām REIT provides enhanced disclosures and greater transparency in its identified business and sustainability risks, including plans to ensure mitigation measures remain effective. Through the REIT’s ERM Framework, material risks were identified, enabling prioritisation of resources and mitigation efforts, targeting the issues with the greatest impact or highest likelihood.

**📖** More information on the REIT’s risk management governance, ERM, and risk monitoring and control can be found within the Statement on Risk Management & Internal Control section.

In addition to the identified business risks, the REIT has begun integrating sustainability risks in the IAR2025, based on the identified ESG material matters (details on the identification of material matters can be found in the Sustainability Statement of this IAR2025). This ensures that the concerns and impacts on internal and external stakeholders are addressed.



Based on the risk matrix, the REIT’s highest risks are as follows. These risks are aligned with the REIT’s strategic direction, ensuring Al-Salām’s priorities and operations tackle and mitigate these risks.



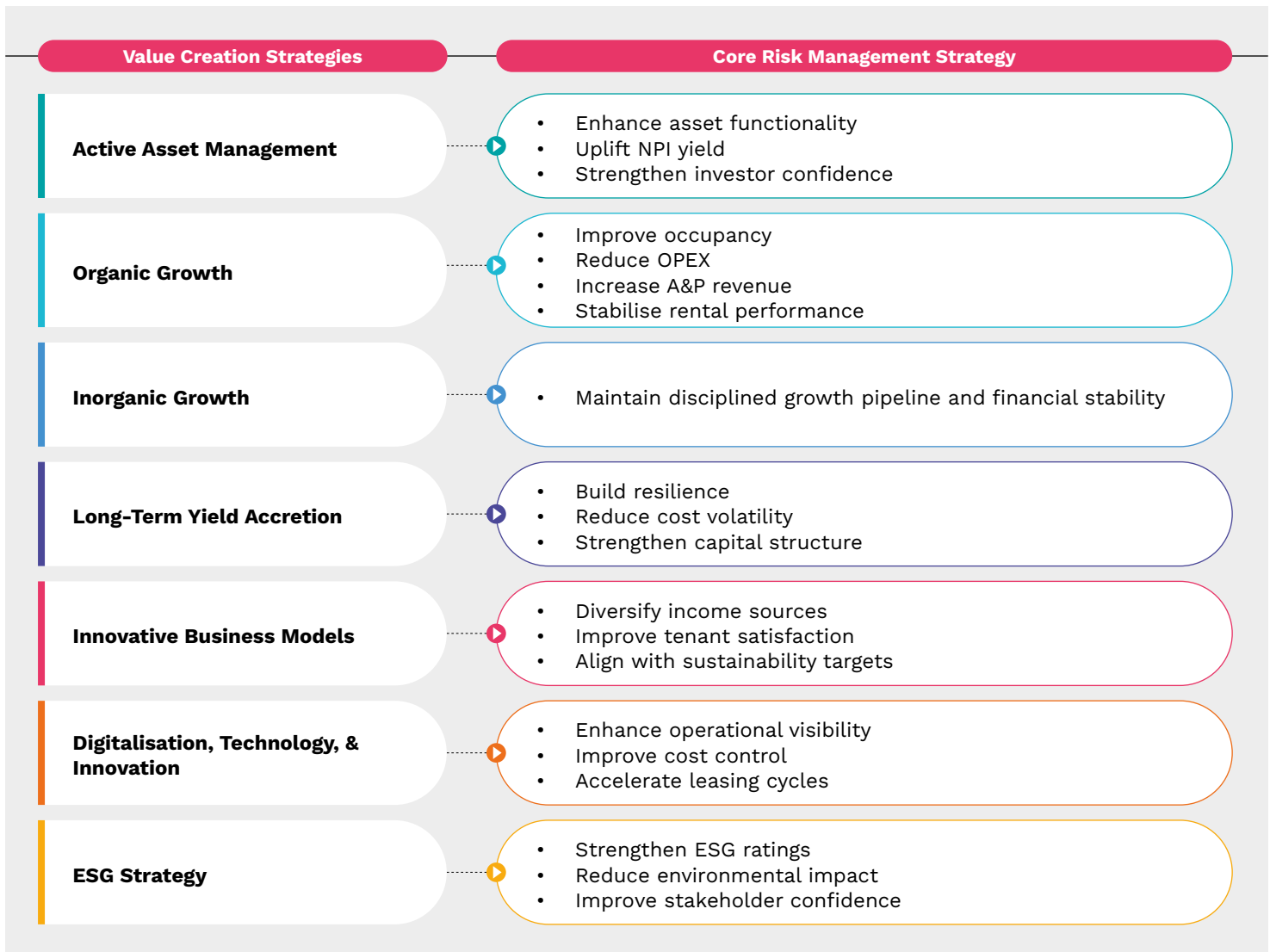
**Legend:**

- A** Misalignment with Shariah Requirements
- B** Overconcentration in a Single Sector
- C** Misalignment of Asset Acquisitions
- D** Targeted Asset Disposal Delays
- E** Asset Fair Value Sensitivity
- F** Underperforming Assets
- G** Sustainability Barriers
- H** Digital Property Management System Delays
- I** Strata Title Issuance Delays
- J** Underperforming Tenants
- K** Sukuk Capital Management Timeline
- L** Tenancy Agreement Misalignment

The short-, medium-, and long-term likelihood and severity of sustainability and climate risks are established following the determination of material matters, aligned with IFRS S1 and S2, and subsequent mitigation measures are prepared. The REIT plans to include financial disclosures of identified risk in the future.

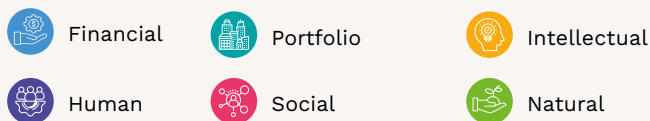
# RISK MANAGEMENT

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



## Legend:

### Capitals:



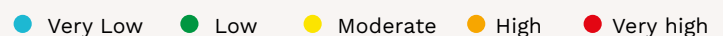
### Resources:



### Likelihood:



### Severity:



# RISK MANAGEMENT

## C MISALIGNMENT OF ASSET ACQUISITIONS

The ongoing calibration of the investment pipeline to ensure all new acquisitions strictly adhere to evolving regulatory clearances and yield requirements.



### Risk Management Initiative

- Ensure all acquisition activities undergo rigorous regulatory and compliance verification to preserve financial stability
- Prioritise high-resilience assets that mitigate cost volatility and support sustainable distribution targets

### Mitigation Measures

- Establishment of standardised project timelines
- Timely appointment of professional independent advisers
- Disciplined growth pipeline monitoring under the Investment Pillar

Resources:

## D TARGETED ASSET DISPOSAL DELAYS

The strategic management of divestment timelines to ensure capital recycling occurs at optimal market pricing and valuation levels.



### Risk Management Initiative

- Streamline the divestment of non-core properties to optimise the broader portfolio mix
- Align disposal timelines with strategic capital reallocation and disciplined growth objectives

### Mitigation Measures

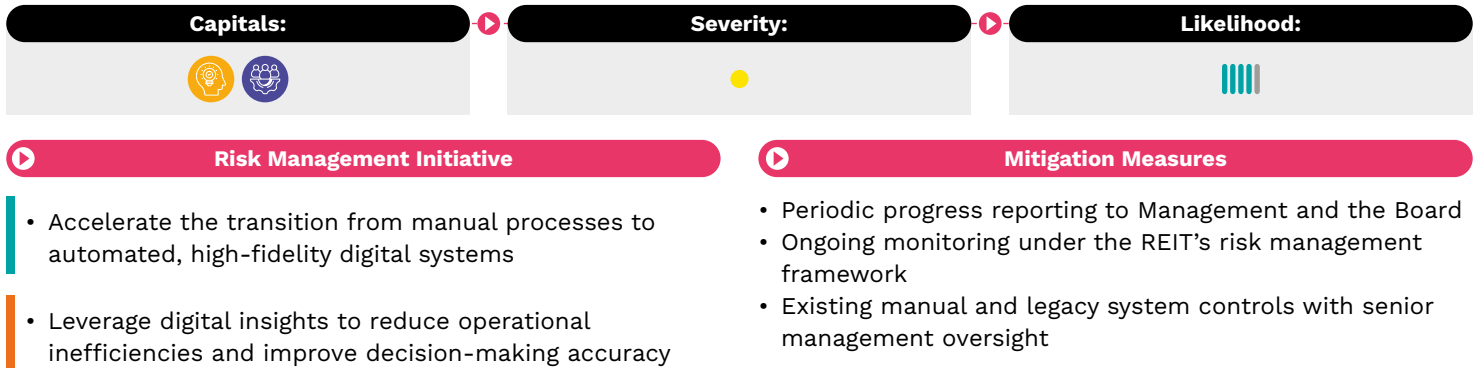
- Continuous market engagement with real estate agents and potential purchasers
- Strategic planning and alignment of disposal pricing with long-term portfolio goals

Resources:

# RISK MANAGEMENT

## F UNDERPERFORMING ASSETS

Underperforming assets may result in sustained income shortfalls, higher vacancies and costs, increased capex, and potential valuation impairments, adversely affecting NPI, distributions, and overall, portfolio performance.



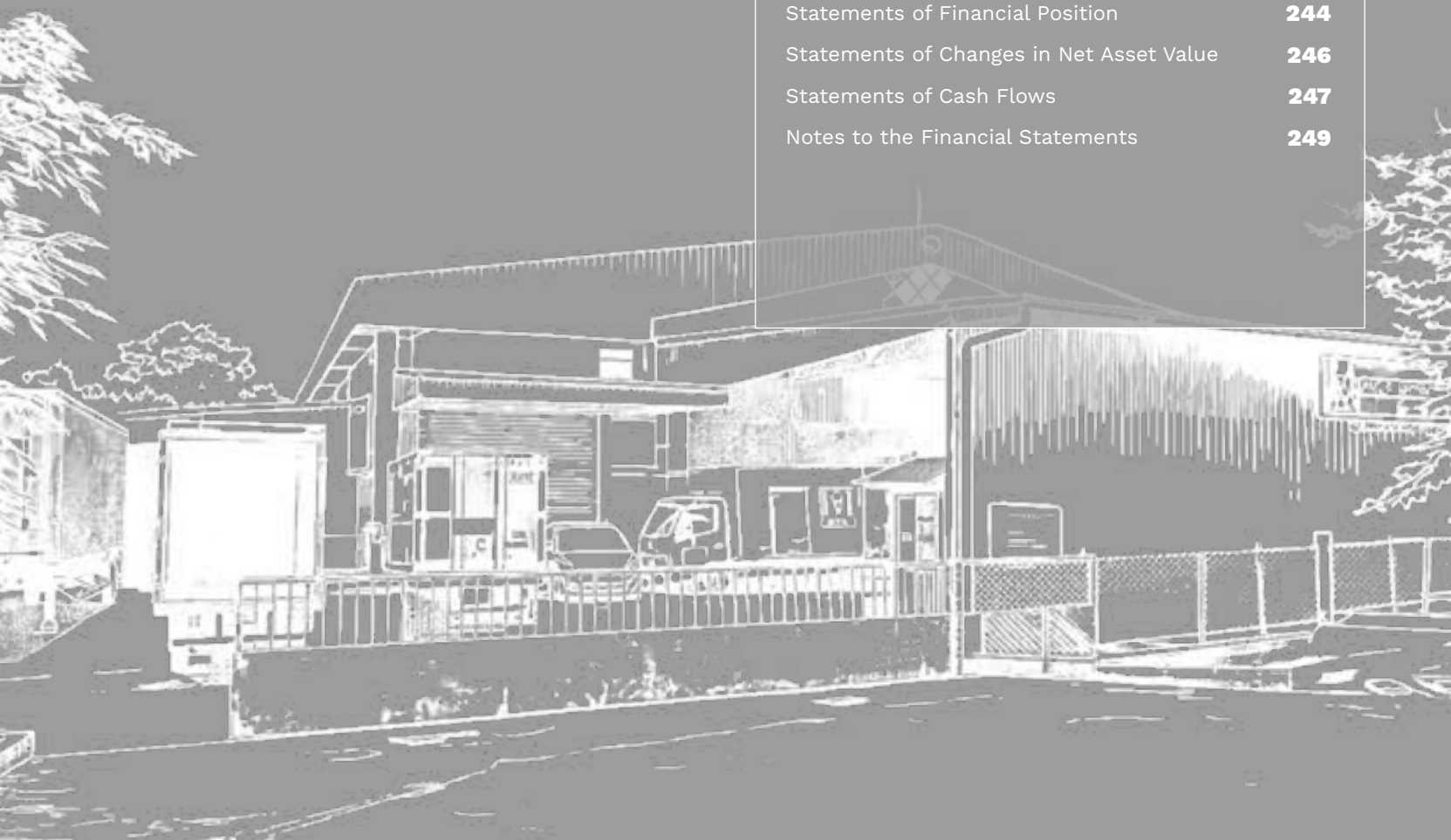
### Resources:



# Section 9

## FINANCIAL STATEMENTS

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# MANAGER'S REPORT

The Manager of Al-Salām Real Estate Investment Trust (the “Fund”), JLG REIT Managers Sdn Bhd (the “Manager”) have pleasure in presenting their report and the audited financial statements of the Group and of the Fund for the financial year ended 31 December 2025.

## Results

	<b>Group 2025 RM</b>	<b>Fund 2025 RM</b>
Profit for the year	<b>13,621,385</b>	<b>13,297,861</b>

## Income distributions

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

	<b>Fund 2025 RM</b>
<b>In respect of the financial year ended 31 December 2024 as reported in the directors' report of that year:</b>	
Final income distribution of 0.23 sen per unit on 580,000,000 units, paid on 28 February 2025	<b>1,333,573</b>
<b>In respect of the financial year ended 31 December 2025 as reported in the directors' report of current year:</b>	
First interim income distribution of 0.51 sen per unit on 580,000,000 units, paid on 30 June 2025	<b>2,957,970</b>
Second interim income distribution of 0.47 sen per unit on 580,000,000 units, paid on 3 October 2025	<b>2,725,971</b>
Third interim income distribution of 0.52 sen per unit on 580,000,000 units, paid on 31 December 2025	<b>3,015,969</b>
	<b>10,033,483</b>

A final income distribution in respect of the financial year ended 31 December 2025, of 0.70 sen per unit on 580,000,000 units amounting to an income distribution payable of RM4,060,000 will be payable on 27 February 2026.

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

# MANAGER'S REPORT

## The Fund and its investment objective

The Fund is a Malaysia-based real estate and investment trust established pursuant to the execution of a Trust Deed dated 26 March 2015 between the Fund, the Manager and AmanahRaya Trustees Berhad (the "Trustee"). The said Trust Deed was registered with the Securities Commission Malaysia on 30 March 2015 which is the Fund's establishment date. The Fund was listed on the Main Market of Bursa Malaysia Securities Berhad on 29 September 2015.

On 6 June 2019, at the Extraordinary General meeting the unitholders of the Fund has approved the proposed amendments and consolidation of the Trust Deed into Restated Trust Deed was executed and lodged on 25 November 2019 with the Securities Commission Malaysia. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provision of the Restated Trust Deed (the "Deed").

The Fund's key objective is to provide unitholders with regular and stable income distributions, sustainable long term unit prices and distributable income and capital growth, while maintaining an appropriate capital structure.

The principal activity of the subsidiary is as a special-purpose company for the purpose of raising Islamic financing for Al-Salām Real Estate Investment Trust.

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

## The Manager and its principal activity

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

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

## Manager's investment strategies and policies

The Fund is authorised to invest in real estate, special-purpose-vehicles ("SPVs"), real estate-related assets, non-real estate-related assets, cash, Shariah-compliant deposits, Islamic money market instruments and any other investments not specified above but specified as a permissible investment in the Guidelines on Real Estate Investment Trust (the "REIT Guidelines") and the Guidelines for Islamic Real Estate Investment Trust (the "Islamic REIT Guidelines") as issued by the Securities Commission Malaysia or as otherwise permitted by the Securities Commission Malaysia.

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

(a) Active asset management strategy

The Manager will seek to optimise the rental rates, occupancy rates and Net Lettable Area ("NLA") of the Fund's properties in order to improve the returns from the Fund's property portfolio.

(b) Acquisition growth strategy

The Manager will source for and acquire properties that fit within the Fund's investment strategy to enhance returns to unitholders and to capitalise on opportunities for future income and net asset value growth.

# MANAGER'S REPORT

## Manager's investment strategies and policies (Cont'd)

### (c) Capital and risk 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 and to adopt an active financing rate management strategy to manage the risks associated with changes in financing rates.

The investments of the Fund are subject to the following investment limits imposed by the REIT Guidelines:

- (a) at least 50% of the Fund's total asset value must be invested in real estate assets at all times; and
- (b) not more than 25% of the Fund's total asset value may be invested in non-real estate-related assets and/or cash, Shariah-compliant deposits and Islamic money market instruments.

The investments of the Fund are limited to instruments in both real estate-related assets and non-real estate-related assets as follows:

- (a) the value of the Fund's investments in securities issued by any single issuer must not exceed 5% of the Fund's total asset value;
- (b) the value of the Fund's investment in securities issued by any group of companies must not exceed 10% of the Fund's total asset value; and
- (c) the Fund's investment in any class of securities must not exceed 10% of the securities issued by any single issuer; or

Such other limits and investments as may be permitted by the Securities Commission Malaysia or the REIT Guidelines.

## Directors of the Manager

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

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

\* Appointed as Alternate Director to Datuk Sr Akmal bin Ahmad

# Appointed as Alternate Director to Shamsul Anuar bin Abdul Majid

# MANAGER'S REPORT

## Directors of the Manager's benefits

Since the end of the previous financial year, no director of the Manager has received or become entitled to receive any benefit (other than benefits which accrue from the fee paid to the Manager or from transactions made with companies related to the Manager) by reason of a contract made by the Manager or the Fund or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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

## Directors of the Manager's interests

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

	← Number of ordinary shares →			
	At 1.1.2025	Acquired	Sold	At 31.12.2025
<b>Al-Salām Real Estate Investment Trust</b>				
Dato' Haji Salehuddin bin Hassan	9,125	-	-	9,125
<b>Related company</b>				
<b>Johor Plantation Group Berhad</b>				
Abdullah bin Abu Samah	400,000	-	-	400,000
Datuk Sr Akmal bin Ahmad	403,000	-	-	403,000
Shamsul Anuar bin Abdul Majid	1,282,300	1,717,791	-	3,000,091

	← Number of ordinary shares →			
	At date of appointment	Acquired	Sold	At 31.12.2025
<b>Related company</b>				
<b>Johor Plantation Group Berhad</b>				
Ong Li Lee	300,000	-	-	300,000

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

# MANAGER'S REPORT

## Manager's remuneration

Pursuant to the Deed dated 25 November 2019, the Manager is entitled to receive from the Fund:

- (a) A base management fee of up to 1% per annum of total asset value (excluding cash and bank balances) of the Fund calculated on a monthly accrual basis;
- (b) An acquisition fee of 1% of the transaction value (being the total purchase price) of any investment property directly or indirectly acquired from time to time by the Trustee for and on behalf of the Fund pro-rated, if applicable, to the proportion of the Fund's interest and payable to the Manager upon completion of the acquisition of the investment property; and
- (c) A disposal fee of 0.5% of the transaction value (being the total sales price) of any investment property directly or indirectly sold from time to time by the Trustee for and on behalf of the Fund pro-rated, if applicable, to the proportion of the Fund's interest and payable to the Manager upon completion of the disposal of the investment property.

## Soft commission

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

## Reserves and provision

There was no material transfer to and from reserves or provisions during the year, other than those as disclosed in the statement of changes in net asset value.

## Holding company and corporation

The immediate holding company is Damansara Assets Sdn Bhd. The ultimate holding corporation is Johor Corporation, a body corporate established under the Johor Corporation Enactment No. 4, 1968 (as amended by the Enactment No. 5, 1995). Both holding company and corporation are incorporated in Malaysia.

## Other statutory information

- (a) Before the statements of comprehensive and statements of financial position of the Group and the Fund were made out, the Manager took reasonable steps:
  - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

# MANAGER'S REPORT

## Other statutory information (Cont'd)

- (b) At the date of this report, the Manager is not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts inadequate to any substantial extent; and
  - (ii) the values attributed to the current assets in the financial statements of the Group and of the Fund misleading.
- (c) At the date of this report, the Manager is not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Fund misleading or inappropriate.
- (d) At the date of this report, the Manager is not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Fund which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Fund which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability in respect of the Group and of the Fund which has arisen since the end of the financial year.
- (f) In the opinion of the Manager:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Fund to meet their obligations when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Fund for the financial year in which this report is made.
- (g) As of 31 December 2025, the current liabilities of the Group and the Fund have exceeded the current assets by RM42,069,419 and RM44,201,400 respectively. In the opinion of the Manager, the Group will be able to meet their obligations and liabilities as and when they fall due on the basis that the Group will be able to repay their borrowings when it matures.

As of 31 December 2025, the Group had borrowings of RM118,000,000 with contractual maturity dates in March 2026. Subsequent to year end, the Group obtained offer letter from the bank approving a one-year extension of the repayment tenure for the facilities. Accordingly, manager is of the view that the Group will be able to meet its repayment obligations as and when they fall due, and that the going concern basis of preparation remains appropriate.

# MANAGER'S REPORT

## Auditors

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

Auditors' remuneration is as follows:

	<b>Group RM</b>	<b>Fund RM</b>
Audit fees		
- Current year	220,000	195,000
- Other service	20,000	20,000
	<b>240,000</b>	<b>215,000</b>

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

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

Datuk Hashim bin Wahir

Abdullah bin Abu Samah

# STATEMENT BY THE DIRECTORS OF THE MANAGER

We, Datuk Hashim bin Wahir and Abdullah bin Abu Samah, being two of the directors of JLG REIT Managers Sdn Bhd (the “Manager”), do hereby state that, in the opinion of the Manager, the financial statements of Al-Salām Real Estate Investment Trust (the “Fund”) set out on pages 242 to 297 are drawn up in accordance with applicable provisions of the Deed dated 25 November 2019, MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of the Group and of the Fund as at 31 December 2025 and of their financial performance and cash flows for the year then ended.

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

Datuk Hashim bin Wahir

Abdullah bin Abu Samah

## STATUTORY DECLARATION

I, Zulhilmy bin Kamaruddin, being the officer of the Manager primarily responsible for the financial management of Al-Salām Real Estate Investment Trust, do solemnly and sincerely declare that the accompanying financial statements set out on pages 242 to 297 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

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

Zulhilmy bin Kamaruddin

Before me,

Commissioner for Oaths  
Kuala Lumpur

# INDEPENDENT AUDITORS' REPORT

to the Unitholders of Al-Salām Real Estate Investment Trust and its subsidiary  
(Incorporated in Malaysia)

## Report on the audit of the financial statements

### *Opinion*

We have audited the financial statements of Al-Salām Real Estate Investment Trust (the “Fund”), which comprise the statements of financial position as at 31 December 2025 of the Group and of the Fund, and statements of comprehensive income, statements of changes in net asset value and statements of cash flows of the Group and of the Fund for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 242 to 297.

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

### *Basis for opinion*

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Independence and other ethical responsibilities*

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

### *Key audit matters*

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

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

### *Valuation of investment properties*

The Group and the Fund adopt fair value model for their investment properties. As at 31 December 2025, the carrying amount of the Group's and the Fund's investment properties is RM1,213,433,365 which represents 92% of the Group's and 93% of the Fund's total assets.

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

# INDEPENDENT AUDITORS' REPORT

to the Unitholders of Al-Salām Real Estate Investment Trust and its subsidiary  
(Incorporated in Malaysia)

## Report on the audit of the financial statements (Cont'd)

### *Valuation of investment properties (Cont'd)*

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

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

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

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

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

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

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

When we read the Group's 2025 Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Managers of the Fund and take appropriate action.

# INDEPENDENT AUDITORS' REPORT

to the Unitholders of Al-Salām Real Estate Investment Trust and its subsidiary  
(Incorporated in Malaysia)

## Report on the audit of the financial statements (Cont'd)

### *Responsibilities of the Manager and Trustee for the financial statements*

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Fund to cease to continue as a going concern.

# INDEPENDENT AUDITORS' REPORT

to the Unitholders of Al-Salām Real Estate Investment Trust and its subsidiary  
(Incorporated in Malaysia)

## Report on the audit of the financial statements (Cont'd)

### *Auditors' responsibilities for the audit of the financial statements (Cont'd)*

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and the Fund, including the disclosures, and whether the financial statements of the Group and the Fund represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

## Other matters

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

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

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

Kuala Lumpur, Malaysia  
5 March 2026

# STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	Group		Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
Gross rental income	4	<b>77,561,732</b>	68,501,447	<b>77,561,732</b>	68,501,447
Other income	5	<b>11,263,228</b>	9,951,801	<b>11,263,228</b>	9,951,801
<b>Total revenue</b>		<b>88,824,960</b>	78,453,248	<b>88,824,960</b>	78,453,248
Utilities expenses		<b>(8,427,346)</b>	(9,322,555)	<b>(8,427,346)</b>	(9,322,555)
Maintenance expenses		<b>(5,030,902)</b>	(4,456,381)	<b>(5,030,902)</b>	(4,456,381)
Quit rent and assessment		<b>(1,805,833)</b>	(1,716,355)	<b>(1,805,833)</b>	(1,716,355)
Property manager fee		<b>(474,000)</b>	(474,000)	<b>(474,000)</b>	(474,000)
Other property expenses		<b>(11,988,493)</b>	(11,069,071)	<b>(11,988,493)</b>	(11,069,071)
<b>Total property expenses</b>		<b>(27,726,574)</b>	(27,038,362)	<b>(27,726,574)</b>	(27,038,362)
<b>Net property income</b>		<b>61,098,386</b>	51,414,886	<b>61,098,386</b>	51,414,886
Investment income	6	<b>1,131,910</b>	897,996	<b>1,131,910</b>	897,996
Net fair value loss on investment properties		<b>(3,078,218)</b>	(1,946,592)	<b>(3,078,218)</b>	(1,946,592)
Gain on disposal of asset held for sale		<b>100,000</b>	-	<b>100,000</b>	-
<b>Total investment loss</b>		<b>(1,846,308)</b>	(1,048,596)	<b>(1,846,308)</b>	(1,048,596)
<b>Net investment income</b>		<b>59,252,078</b>	50,366,290	<b>59,252,078</b>	50,366,290
Finance costs on loan:					
- Finance costs charged by financing institution		<b>(36,923,418)</b>	(38,407,075)	<b>(9,562,254)</b>	(10,128,404)
- Finance costs from a subsidiary		-	-	<b>(27,361,164)</b>	(28,278,671)
- Imputed finance costs		<b>(3,185,247)</b>	(2,089,535)	<b>(3,185,247)</b>	(2,089,535)
Allowance for expected credit loss on amount due from a subsidiary		-	-	<b>(363,637)</b>	(323,523)
Manager fees		<b>(3,001,723)</b>	(2,610,881)	<b>(3,001,723)</b>	(2,610,881)
Trustee fees		<b>(132,300)</b>	(129,687)	<b>(132,300)</b>	(129,687)
Audit fees					
- Current year		<b>(220,000)</b>	(210,000)	<b>(195,000)</b>	(185,000)
- Other services		<b>(20,000)</b>	(20,000)	<b>(20,000)</b>	(20,000)
Valuation fees		<b>(318,088)</b>	(398,889)	<b>(318,088)</b>	(398,889)
Other expenses		<b>(1,614,905)</b>	(968,214)	<b>(1,599,792)</b>	(942,807)
<b>Total fund expenses</b>		<b>(45,415,681)</b>	(44,834,281)	<b>(45,739,205)</b>	(45,107,397)
<b>Profit before tax</b>		<b>13,836,397</b>	5,532,009	<b>13,512,873</b>	5,258,893
Tax expense	7	<b>(215,012)</b>	(247,559)	<b>(215,012)</b>	(247,559)
<b>Profit for the year, representing total comprehensive income for the year</b>		<b>13,621,385</b>	5,284,450	<b>13,297,861</b>	5,011,334

# STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	Group		Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Total comprehensive income for the year</b>					
Realised		<b>14,134,725</b>	4,388,151	<b>14,174,838</b>	4,438,558
Unrealised:		<b>(513,340)</b>	896,299	<b>(876,977)</b>	572,776
		<b>13,621,385</b>	5,284,450	<b>13,297,861</b>	5,011,334
<b>Earnings per unit</b>	8				
Basic		<b>2.35</b>	0.91		

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

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Assets</b>					
<b>Non-current assets</b>					
Investment properties	10	<b>1,213,433,365</b>	1,201,723,255	<b>1,213,433,365</b>	1,201,723,255
Equipment	11	<b>706,373</b>	861,140	<b>706,373</b>	861,140
Investment in a subsidiary	12	-	-	<b>2</b>	2
Other receivables	13(b)	<b>683,467</b>	805,867	<b>683,467</b>	805,867
		<b>1,214,823,205</b>	1,203,390,262	<b>1,214,823,207</b>	1,203,390,264
<b>Current assets</b>					
Trade receivables	13(a)	<b>31,848,153</b>	34,675,674	<b>31,848,153</b>	34,675,674
Other receivables and prepaid expenses	13(b)	<b>5,697,372</b>	4,833,522	<b>5,696,007</b>	4,818,634
Amount due from an immediate holding company	13(c)	<b>19,937</b>	19,937	<b>19,937</b>	19,937
Amount due from related companies	13(d)	<b>2,155,128</b>	1,501,353	<b>2,155,128</b>	1,501,353
Amount due from a subsidiary	13(e)	-	-	<b>4,534,938</b>	1,864,219
Cash and bank balances	14	<b>51,303,195</b>	35,744,360	<b>42,814,929</b>	27,707,341
		<b>91,023,785</b>	76,774,846	<b>87,069,092</b>	70,587,158
Assets classified as held for sale	27	<b>9,500,000</b>	37,100,000	<b>9,500,000</b>	37,100,000
		<b>100,523,785</b>	113,874,846	<b>96,569,092</b>	107,687,158
<b>Total assets</b>		<b>1,315,346,990</b>	1,317,265,108	<b>1,311,392,299</b>	1,311,077,422
<b>Total unitholders' fund and liabilities</b>					
<b>Unitholders' fund</b>					
Unitholders' capital	18	<b>572,545,319</b>	572,545,319	<b>572,545,319</b>	572,545,319
Undistributed income		<b>79,429,727</b>	75,841,825	<b>77,400,595</b>	74,136,217
<b>Total unitholders' fund</b>		<b>651,975,046</b>	648,387,144	<b>649,945,914</b>	646,681,536

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Fund	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current liabilities</b>					
Deferred tax liability	15	<b>2,377,965</b>	2,242,953	<b>2,377,965</b>	2,242,953
Other payables	16	<b>5,677,759</b>	5,697,759	<b>5,677,759</b>	5,697,759
Islamic financing	17	<b>512,723,016</b>	594,278,034	<b>59,782,428</b>	187,526,884
Amount due to a subsidiary	16(c)	-	-	<b>452,837,741</b>	405,104,258
		<b>520,778,740</b>	602,218,746	<b>520,675,893</b>	600,571,854
<b>Current liabilities</b>					
Other payables and accrued expenses	16	<b>22,607,782</b>	19,752,427	<b>20,785,070</b>	16,917,241
Amount due to related companies	16(a)	<b>2,010,424</b>	1,406,791	<b>2,010,424</b>	1,406,791
Amount due to a subsidiary	16(b)	-	-	-	45,500,000
Islamic financing	17	<b>117,974,998</b>	45,500,000	<b>117,974,998</b>	-
		<b>142,593,204</b>	66,659,218	<b>140,770,492</b>	63,824,032
<b>Total liabilities</b>		<b>663,371,944</b>	668,877,964	<b>661,446,385</b>	664,395,886
<b>Total unitholders' fund and liabilities</b>		<b>1,315,346,990</b>	1,317,265,108	<b>1,311,392,299</b>	1,311,077,422
<b>Number of units in circulation</b>	18	<b>580,000,000</b>	580,000,000	<b>580,000,000</b>	580,000,000
<b>Net asset value ("NAV")</b>					
- before income distribution		<b>651,975,046</b>	648,387,144	<b>649,945,914</b>	646,681,536
- after income distribution		<b>647,915,046</b>	647,053,144	<b>645,885,914</b>	645,347,536
<b>NAV per unit</b>					
- before income distribution		<b>1.12</b>	1.12	<b>1.12</b>	1.11
- after income distribution		<b>1.12</b>	1.12	<b>1.11</b>	1.11

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

# STATEMENTS OF CHANGES IN NET ASSET VALUE

For the year ended 31 December 2025

## Group

	Unitholders' capital RM	Realised* RM	Unrealised RM	Total undistributed income RM	Total unitholders' fund RM
<b>At 1 January 2024</b>	572,545,319	9,976,547	63,885,991	73,862,538	646,407,857
Total comprehensive income	-	4,388,151	896,299	5,284,450	5,284,450
Transactions with unitholders:					
Income distributions (Note 9)	-	(3,305,163)	-	(3,305,163)	(3,305,163)
<b>At 31 December 2024</b>	572,545,319	11,059,535	64,782,290	75,841,825	648,387,144
<b>At 1 January 2025</b>	<b>572,545,319</b>	<b>11,059,535</b>	<b>64,782,290</b>	<b>75,841,825</b>	<b>648,387,144</b>
Total comprehensive income	-	14,134,725	(513,340)	13,621,385	13,621,385
Transactions with unitholders:					
Income distributions (Note 9)	-	(10,033,483)	-	(10,033,483)	(10,033,483)
<b>At 31 December 2025</b>	<b>572,545,319</b>	<b>15,160,777</b>	<b>64,268,950</b>	<b>79,429,727</b>	<b>651,975,046</b>

## Fund

	Unitholders' capital RM	Realised* RM	Unrealised RM	Total undistributed income RM	Total unitholders' fund RM
<b>At 1 January 2024</b>	572,545,319	10,249,792	62,180,254	72,430,046	644,975,365
Total comprehensive income	-	4,438,558	572,776	5,011,334	5,011,334
Transactions with unitholders:					
Income distributions (Note 9)	-	(3,305,163)	-	(3,305,163)	(3,305,163)
<b>At 31 December 2024</b>	572,545,319	11,383,187	62,753,030	74,136,217	646,681,536
<b>At 1 January 2025</b>	<b>572,545,319</b>	<b>11,383,187</b>	<b>62,753,030</b>	<b>74,136,217</b>	<b>646,681,536</b>
Total comprehensive income	-	14,174,838	(876,977)	13,297,861	13,297,861
Transactions with unitholders:					
Income distributions (Note 9)	-	(10,033,483)	-	(10,033,483)	(10,033,483)
<b>At 31 December 2025</b>	<b>572,545,319</b>	<b>15,524,542</b>	<b>61,876,053</b>	<b>77,400,595</b>	<b>649,945,914</b>

\* Distributable

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

# STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from operating activities</b>				
Profit before tax	<b>13,836,397</b>	5,532,009	<b>13,512,873</b>	5,258,893
Adjustments for:				
Finance costs on loan:				
- Finance costs charged by financing institution	<b>36,923,418</b>	38,407,075	<b>36,923,418</b>	38,407,075
- Imputed finance costs	<b>3,185,247</b>	2,089,535	<b>3,185,247</b>	2,089,535
Depreciation of equipment	<b>175,600</b>	175,989	<b>175,600</b>	175,989
Fair value loss on investment properties	<b>3,078,218</b>	1,946,592	<b>3,078,218</b>	1,946,592
Gain on disposal of asset held for sale	<b>(100,000)</b>	-	<b>(100,000)</b>	-
Investment income	<b>(1,131,910)</b>	(897,996)	<b>(1,131,910)</b>	(897,996)
Unbilled rental income	<b>(2,699,890)</b>	(3,090,450)	<b>(2,699,890)</b>	(3,090,450)
Operating profit before working capital changes	<b>53,267,080</b>	44,162,754	<b>52,943,556</b>	43,889,638
Decrease/(increase) in:				
Trade receivables	<b>5,527,411</b>	(3,397,446)	<b>5,527,411</b>	(3,397,446)
Other receivables and prepaid expenses	<b>(741,450)</b>	1,974,021	<b>(754,973)</b>	1,974,937
Amount due from an immediate holding company	-	-	-	-
Amount due from related companies	<b>(653,775)</b>	18,881	<b>(653,775)</b>	18,881
Amount due from a subsidiary	-	-	<b>(2,670,719)</b>	(1,702,943)
Increase/(decrease) in:				
Other payables and accrued expenses	<b>3,898,706</b>	188,014	<b>3,928,817</b>	157,774
Amount due to related companies	<b>603,633</b>	(1,287,062)	<b>603,633</b>	(1,287,062)
Net cash generated from operating activities	<b>61,901,605</b>	41,659,162	<b>58,923,950</b>	39,653,779
<b>Cash flows from investing activities</b>				
Income received from other investments	<b>1,131,910</b>	897,996	<b>1,131,910</b>	897,996
Purchase of equipment	<b>(20,833)</b>	(168,565)	<b>(20,833)</b>	(168,565)
Additions to investment properties	<b>(1,788,328)</b>	(1,756,141)	<b>(1,788,328)</b>	(1,756,141)
Disposal of investment properties	<b>14,700,000</b>	-	<b>14,700,000</b>	-
Net cash generated from/(used in) investing activities	<b>14,022,749</b>	(1,026,710)	<b>14,022,749</b>	(1,026,710)

# STATEMENTS OF CASH FLOWS

For the year ended 31 December 2025

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from financing activities</b>				
Increase in pledged deposits with licensed banks	<b>(277,000)</b>	(328,000)	<b>(54,000)</b>	(51,000)
Income distributions paid	<b>(10,033,483)</b>	(3,305,163)	<b>(10,033,483)</b>	(3,305,163)
Islamic financing costs paid	<b>(37,605,536)</b>	(38,493,409)	<b>(37,605,536)</b>	(38,441,459)
Transaction cost paid	<b>(2,726,500)</b>	(1,926,900)	<b>(2,726,500)</b>	(1,926,900)
Increase in amount due to a subsidiary	-	-	<b>(7,473,592)</b>	1,674,949
Repayment of long term financing	<b>(10,000,000)</b>	-	-	-
Drawdown of Islamic financing	<b>455,000,000</b>	-	-	-
Redemption of Islamic financing	<b>(455,000,000)</b>	-	-	-
Net cash used in financing activities	<b>(60,642,519)</b>	(44,053,472)	<b>(57,893,111)</b>	(42,049,573)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>15,281,835</b>	(3,421,020)	<b>15,053,588</b>	(3,422,504)
<b>Cash and cash equivalents at beginning of year</b>	<b>25,991,360</b>	29,412,380	<b>25,961,341</b>	29,383,845
<b>Cash and cash equivalents at end of year (Note 14)</b>	<b>41,273,195</b>	25,991,360	<b>41,014,929</b>	25,961,341

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 1. Corporate information

Al-Salām Real Estate Investment Trust (the “Fund”) is a Malaysian domiciled Islamic Real Estate Investment Trust constituted pursuant to a Trust Deed dated 26 March 2015 between the Fund, JLG REIT Managers Sdn Bhd (the “Manager”) and AmanahRaya Trustees Berhad (the “Trustee”). The Trust Deed was registered with the Securities Commission Malaysia (“SC Malaysia”) on 30 March 2015.

On 6 June 2019, at the Extraordinary General Meeting the unitholders of the Fund has approved the proposed amendments and consolidation of the Trust Deed into Restated Trust Deed was executed and lodged on 25 November 2019 with the Security Commission. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provision of the Restated Trust Deed.

The Fund is regulated by the Capital Markets and Services Act, 2007, SC Malaysia Guidelines on Real Estate Investment Trusts and Islamic Real Estate Investment Trusts (the “SC Guidelines”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), the Rules of the Depository, and taxation laws and rulings of Malaysia. The Fund will continue its operations until such time as determined by the Trustee and the Manager as provided under the provisions of the Deed.

The Fund commenced its business operations on 6 May 2015 and was listed on the Main Market of Bursa Malaysia on 29 September 2015.

The immediate holding company is Damansara Assets Sdn Bhd. The ultimate holding corporation is Johor Corporation, a body corporate established under the Johor Corporation Enactment No. 4, 1968 (as amended by the Enactment No. 5, 1995). Both holding company and corporation are incorporated in Malaysia.

The principal activity of the Fund is to invest in Shariah-compliant properties with the primary objective of 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.

The principal activity of the subsidiary is as a special-purpose company for the purpose of raising Islamic financing for Al-Salām Real Estate Investment Trust.

The registered office of the Manager is located at Level 14, Menara KOMTAR, Johor Bahru City Centre, 80000 Johor Bahru, Johor, Malaysia.

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

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

### (a) Property manager’s fees

Under a Property Management Agreement entered between the Fund, the Manager and Exastrata Solutions Sdn Bhd (the “Property Manager”), the Property Manager is entitled to receive property manager’s fees.

The property manager’s fee for the current financial year is RM474,000 (2024: RM474,000).

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 1. Corporate information (Cont'd)

### (b) Manager's fees

Pursuant to the Deed dated 25 November 2019, the Manager is entitled to receive the following fees from the Fund:

- (i) A base management fee of up to 1% per annum of total asset value (excluding cash and bank balances) of the Fund calculated on a monthly accrual basis. The Manager's base management fee for the current financial year is RM2,928,223 (2024: RM2,610,881).
- (ii) An acquisition fee of 1% of the transaction value (being the total purchase price) of any investment property directly or indirectly acquired from time to time by the Trustee for and on behalf of the Fund pro-rated, if applicable, to the proportion of the Fund's interest and payable to the Manager upon completion of the acquisition of the investment property. The Manager did not earn any acquisition fee for the current and previous financial year.
- (iii) A disposal fee of 0.5% of the transaction value (being the total sales price) of any investment property directly or indirectly sold from time to time by the Trustees for and on behalf of the Fund pro-rated, if applicable, to the proportion of the Fund's interest and payable to the Manager upon completion of the disposal of the investment property. The Manager's base disposal fee for the current financial year is RM73,500.

### (c) Trustee's fees

Pursuant to the Deed dated 25 November 2019, the Trustee is entitled to receive a fee of up to 0.02% per annum of the net asset value of the Fund, calculated based on the monthly accrual basis and payable monthly in arrears. The Trustee's fees for the current financial year is RM132,300 (2024: RM129,687).

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

## 2. Basis of preparation and material accounting policies

### 2.1 Basis of preparation

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

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

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

As of 31 December 2025, the current liabilities of the Group and the Fund have exceeded the current assets by RM42,069,419 and RM44,201,400 respectively. In the opinion of the Manager, the Group will be able to meet their obligations and liabilities as and when they fall due on the basis that the Group will be able to repay their borrowings when it matures.

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.1 Basis of preparation (Cont'd)

As of 31 December 2025, the Group had borrowings of RM118,000,000 with contractual maturity dates in March 2026. Subsequent to year end, the Group obtained offer letter from the bank approving a one-year extension of the repayment tenure for the facilities. Accordingly, manager is of the view that the Group will be able to meet its repayment obligations as and when they fall due, and that the going concern basis of preparation remains appropriate.

### 2.2 Changes in accounting policies

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

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

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

### 2.3 Standards and interpretations issued but not yet effective

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

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

The Company expects that the adoption of the above standards and interpretations will have no material impact on the financial statements in the period of application.

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies

#### (a) Basis of consolidation

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

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

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

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

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (a) Basis of consolidation (Cont'd)

##### **Business combination**

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

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

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

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

##### **Investment in subsidiary - separate financial statements**

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

#### (b) Revenue recognition

##### (i) Rental income

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

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

##### (a) Gross rental income

Revenue from rental of investment properties, including service charges, are recognised on a straight line basis over the period of the lease term in accordance with terms and conditions of the tenancy agreement between the Group and its tenants.

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (b) Revenue recognition (Cont'd)

##### (i) Rental income (Cont'd)

##### (b) Percentage rent

Rental income earned from certain tenants include percentage rent clauses whereby rent received and/or receivable is the higher of base rent and a percentage of sales earned by the tenant during the financial year. Percentage rent is recognised when it can be reliably measured by the Group.

##### (ii) Other income

Revenue is measured based on the consideration specified in a contract with a customer and exclude amounts collected on behalf of third parties. The Group and the Fund recognise revenue when or as it transfer control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

An entity transfer control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (i) The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs; or
- (ii) The entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (iii) The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for payment completed to date.

If a performance obligation is not satisfied over time, an entity satisfied the performance obligation at a point in time.

##### (a) Parking income and event and advertising income

Parking income and events and advertising income are recognised on an accruals basis in the accounting period in which the services are being rendered.

##### (b) Investment income

Investment income, which comprise income earned from Islamic fixed deposit placements, are recognised on an accrual basis.

#### (c) Income distribution

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (d) Taxation

##### (i) Current income tax

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

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

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

##### (ii) Deferred tax

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

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

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (d) Taxation (Cont'd)

##### (ii) Deferred tax (Cont'd)

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

#### (e) Investment properties

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

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

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (e) Investment properties (Cont'd)

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

#### (f) Equipment

Equipment are stated at cost less accumulated depreciation and any impairment losses.

Equipment are depreciated on the straight-line method at an annual rate of 10% based on its estimated useful lives.

The estimated useful lives, residual values and depreciation method of equipment are reviewed at the end of each reporting period, with the effect of any change in estimates accounted for prospectively.

Gain or loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

At the end of each reporting period, the Group and the Fund review the carrying amounts of their non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Fund estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### (g) Impairment of non financial assets

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (h) Leases

##### As a lessor

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

#### (i) Islamic Financing

Islamic financing are recognised initially at fair value, net of transaction costs incurred. Islamic financing are subsequently stated at amortised cost; any difference between the fair value (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the Islamic financing using the effective interest method.

Islamic financing are classified as current liabilities unless the Group and the Fund have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

Debt financing costs incurred arising from extinguishment of Islamic financing are accounted for in profit or loss in the period during which the extinguishment is concluded. Debt financing costs incurred on new Islamic financing are capitalised and amortised over the period of Islamic financing. All other Islamic financing costs are recognised in profit or loss in the period they are incurred. Islamic financing costs consist of financing costs and other costs that the Group and the Fund incurred in connection with the Islamic financing of funds.

#### (j) Provisions

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (k) Financial assets

##### Initial recognition and measurement

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

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

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

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

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

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

##### Subsequent measurement

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

The Group's and the Fund's financial assets at amortised cost includes trade receivables, other receivables (excluding prepaid expenses and unbilled rental income), amount due from related companies, fixed deposits with licensed banks, and cash and bank balances.

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (k) Financial assets (Cont'd)

##### Derecognition

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

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

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

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

#### (l) Impairment of financial assets

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (l) Impairment of financial assets (Cont'd)

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

#### (m) Financial liabilities

##### Recognition and measurement

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

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

The Group's and the Fund's other financial liabilities include total payables (non-current and current), Islamic financing, amount due to related companies and amount due to a subsidiary.

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

##### Derecognition

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

#### (n) Offsetting of financial instruments

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

#### (o) Cash and bank balances

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 2. Basis of preparation and material accounting policies (Cont'd)

### 2.4 Material accounting policies (Cont'd)

#### (p) Segment reporting

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

#### (q) Fair value measurement

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

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

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

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

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

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

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 3. Significant accounting judgements and estimates

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

### 3.1 Critical judgements made in applying accounting policies

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

#### Deferred taxation on investment properties

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

The carrying amount of deferred tax liabilities is disclosed in Note 15.

### 3.2 Key sources of estimation uncertainty

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

#### Fair value of investment properties

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 3. Significant accounting judgements and estimates (Cont'd)

### 3.2 Key sources of estimation uncertainty (Cont'd)

#### Fair value of investment properties (Cont'd)

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

	Fair value Increase/(decrease)	
	2025 RM	2024 RM
Yield rate		
- 0.25%	<b>(1,010,000)</b>	3,400,000
+ 0.25%	<b>(2,010,000)</b>	(5,100,000)
Discount rate		
- 0.25%	<b>31,630,000</b>	43,470,000
+ 0.25%	<b>(32,660,000)</b>	(42,970,000)

## 4. Gross rental income

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Rental income:</b>				
- Base rental income	<b>66,508,712</b>	59,918,955	<b>66,508,712</b>	59,918,955
- Unbilled rental income	<b>2,699,890</b>	3,090,450	<b>2,699,890</b>	3,090,450
Percentage rent	<b>4,459,614</b>	2,174,550	<b>4,459,614</b>	2,174,550
Service charges	<b>3,893,516</b>	3,317,492	<b>3,893,516</b>	3,317,492
	<b>77,561,732</b>	68,501,447	<b>77,561,732</b>	68,501,447

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 5. Other income

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Timing of revenue recognition:</b>				
<b>At a point in time</b>				
Parking income	<b>6,721,693</b>	6,554,789	<b>6,721,693</b>	6,554,789
Event and advertising income	<b>4,541,535</b>	3,397,012	<b>4,541,535</b>	3,397,012
	<b>11,263,228</b>	9,951,801	<b>11,263,228</b>	9,951,801

The sales of the company are made within Malaysia.

## 6. Investment income

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Income from Islamic deposit placements	<b>1,131,910</b>	897,996	<b>1,131,910</b>	897,996

## 7. Tax expense

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Real Property Gain Tax	<b>80,000</b>	-	<b>80,000</b>	-
Deferred tax relating to the origination and reversal of temporary differences (Note 15)	<b>135,012</b>	247,559	<b>135,012</b>	247,559
	<b>215,012</b>	247,559	<b>215,012</b>	247,559

Pursuant to Section 61A of the Malaysian Income Tax Act, 1967 (“Act”), income of the Fund will be exempted from tax provided that at least 90% of its total taxable income (as defined in the Act) is distributed to the unitholders’ in the basis period of the Fund for that year of assessment within two months after the close of the financial year. If the 90% distribution condition is not complied with or the 90% distribution is not made within two months after the close of the financial year which forms the basis period for a year of assessment, the Fund will be subject to income tax at the prevailing statutory rate on its total taxable income. Income which has been taxed at the Fund’s level will have tax credits attached when subsequently distributed to unitholders.

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 7. Tax expense (Cont'd)

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

Reconciliation of the tax expense is as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	<b>13,836,397</b>	5,532,009	<b>13,512,873</b>	5,258,893
Tax at the statutory tax rate of 24%	<b>3,320,735</b>	1,327,682	<b>3,243,090</b>	1,262,134
Expenses not deductible for tax purposes	<b>1,545,908</b>	981,755	<b>1,545,908</b>	981,755
Income not subject to tax	<b>(4,786,643)</b>	(2,309,437)	<b>(4,708,998)</b>	(2,243,889)
Deferred tax recognised at different tax rate	<b>135,012</b>	247,559	<b>135,012</b>	247,559
	<b>215,012</b>	247,559	<b>215,012</b>	247,559

### Taxation of the unitholders

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 8. Earnings per unit

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

	Group	
	2025 RM	2024 RM
Earnings attributable to unitholders:		
Profit for the year	13,621,385	5,284,450
Weighted average number of units	580,000,000	580,000,000
Earnings per unit (sen)	2.35	0.91

## 9. Income distribution

	Group and Fund	
	2025 RM	2024 RM
<b>Income distributions on ordinary shares in respect of the current financial year</b>		
First interim income distribution of 0.30 sen per unit declared on 24 May 2024 and paid on 28 June 2024	-	1,739,976
Second interim income distribution of 0.17 sen per unit declared on 29 August 2024 and paid on 3 October 2024	-	985,763
First interim income distribution of 0.51 sen per unit declared on 26 May 2025 and paid on 30 June 2025	2,957,970	-
Second interim income distribution of 0.17 sen per unit declared on 29 August 2025 and paid on 3 October 2025	2,725,971	-
Third interim income distribution of 0.30 sen per unit declared on 24 November 2025 and paid on 31 December 2025	3,015,969	-
	<b>8,699,910</b>	2,725,739
<b>Income distribution on ordinary shares in respect of the previous financial year</b>		
Final income distribution of 0.10 sen per unit declared on 24 January 2024 and paid on 29 February 2024	-	579,424
Final income distribution of 0.23 sen per unit declared on 24 January 2025 and paid on 28 February 2025	1,333,573	-
	<b>10,033,483</b>	3,305,163

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 9. Income distribution (Cont'd)

The Manager had declared a final income distribution of 0.70 (2024: 0.23) sen per unit totaling RM4,060,000 (2024: RM1,334,000) for the financial year ended 31 December 2025 on 27 January 2026 (2024: 24 January 2025).

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

The total distributions (including proposed final income distribution) for the financial year ended 31 December 2025 amounting to RM12,759,910 (2024: RM4,059,739). Total income distribution is 2.20 (2024: 0.70) sen per unit.

Distribution to unitholders is derived from the following sources:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Net property income	<b>61,098,386</b>	51,414,886	<b>61,098,386</b>	51,414,886
Investment income	<b>1,131,910</b>	897,996	<b>1,131,910</b>	897,996
Less: Unbilled rental income	<b>(2,699,890)</b>	(3,090,450)	<b>(2,699,890)</b>	(3,090,450)
Less: Gain on disposal	<b>100,000</b>	-	<b>100,000</b>	-
	<b>59,630,406</b>	49,222,432	<b>59,630,406</b>	49,222,432
Less: Fund expenses	<b>(45,495,681)</b>	(44,834,281)	<b>(45,455,568)</b>	(44,783,874)
Realised income	<b>14,134,725</b>	4,388,151	<b>14,174,838</b>	4,438,558
Undistributed income brought forward	<b>11,059,535</b>	9,976,547	<b>11,383,187</b>	10,249,792
Less: Undistributed income	<b>(15,160,777)</b>	(11,059,535)	<b>(15,524,542)</b>	(11,383,187)
	<b>10,033,483</b>	3,305,163	<b>10,033,483</b>	3,305,163

## 10. Investment properties

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 January	<b>1,201,723,255</b>	1,239,013,706	<b>1,201,723,255</b>	1,239,013,706
Enhancements	<b>1,788,328</b>	1,756,141	<b>1,788,328</b>	1,756,141
Fair value adjustment	<b>(3,078,218)</b>	(1,946,592)	<b>(3,078,218)</b>	(1,946,592)
Transfer from/(to) assets classified as held for sale	<b>13,000,000</b>	(37,100,000)	<b>13,000,000</b>	(37,100,000)
At 31 December	<b>1,213,433,365</b>	1,201,723,255	<b>1,213,433,365</b>	1,201,723,255

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 10. Investment properties (Cont'd)

### Fair value measurement of the Group's and the Fund's investment properties

The fair values of the Group's and the Fund's investment properties as of 31 December 2025 have been arrived at on the basis of valuation carried out by Rahim&Co. and Pursuit Property Advisory, independent valuer not related to the Group and the Fund. The valuer are registered members of the Board of Valuers, Appraisers and Estate Agents, Malaysia, and they have appropriate qualifications and recent experience in the valuation of the properties in the relevant locations. The valuation of the Fund's investment properties were performed in accordance with the Malaysian Valuation Standards issued by the Board of Valuers, Appraisers and Estate Agents, Malaysia.

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

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

The following table shows a reconciliation of Level 3 fair values:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Valuation per valuers' report	<b>1,239,270,000</b>	1,224,860,000	<b>1,239,270,000</b>	1,224,860,000
Less: Unbilled rental income	<b>(25,836,635)</b>	(23,136,745)	<b>(25,836,635)</b>	(23,136,745)
	<b>1,213,433,365</b>	1,201,723,255	<b>1,213,433,365</b>	1,201,723,255

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

Significant unobservable inputs	Inter-relationship between significant unobservable input and fair value measurement
Term yield ranging from 5.25% - 7.00% (2024: 5.50% - 6.75%)	Higher term yield rates, lower fair value
Reversionary yield ranging from 5.50% - 7.25% (2024: 5.75% - 7.25%)	Higher reversionary yield rates, lower fair value
Discount rate ranging from 5.00% to 7.50% (2024: 5.50% - 7.25%)	Higher discount rates, lower fair value
Allowance for void of 5.0% - 10.00% (2024: 3.0% - 10.00%)	Higher allowance for void rates, lower fair value

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 10. Investment properties (Cont'd)

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

Description of property	Location	Acquisition Cost RM	Date of valuation	2025 Carrying Value	2024 Carrying Value	2025 Fair value RM	2024 Fair value RM	2025	2024	Fair value hierarchy
								Percentage of fair value to NAV %	Percentage of fair value to NAV %	
1. KOMTAR JBCC ##	Johor Bahru, Johor	462,000,000	31/12/2025	<b>432,602,878</b>	432,335,825	<b>431,000,000</b>	431,000,000	<b>66</b>	66	3
2. Menara KOMTAR ##	Johor Bahru, Johor	70,000,000	31/12/2025	<b>70,135,450</b>	70,329,206	<b>70,000,000</b>	70,000,000	<b>11</b>	11	3
3. @Mart Kempas ##	Johor Bahru, Johor	65,000,000	31/12/2025	<b>78,050,000</b>	78,091,110	<b>79,000,000</b>	78,000,000	<b>12</b>	12	3
4. KPJ Healthcare College ##	Johor Bahru, Johor	28,200,000	31/12/2025	<b>36,200,000</b>	36,200,000	<b>36,900,000</b>	36,200,000	<b>6</b>	6	3
5. Mydin Hypermart Badak ##	Gong Badak, Terengganu	155,000,000	31/12/2025	<b>149,863,255</b>	151,953,706	<b>147,163,365</b>	149,863,255	<b>23</b>	23	3
6. Retail unit Megamall Pinang Shopping Complex #	Perai, Penang	1,900,000	31/12/2025	<b>1,130,000</b>	1,130,000	<b>1,100,000</b>	1,130,000	<b>0</b>	0	3
7. QSR Properties: Restaurant in shop lots										
a. KFC restaurant #	Kajang, Selangor	8,000,000	31/12/2025	<b>11,200,000</b>	11,000,000	<b>11,000,000</b>	11,200,000	<b>2</b>	2	3
b. KFC restaurant #	Jitra, Kedah	490,000	31/12/2025	<b>590,000</b>	590,000	<b>580,000</b>	590,000	<b>0</b>	0	3
c. KFC restaurant #	Ayer Hitam, Johor	1,900,000	31/12/2025	<b>2,500,000</b>	2,500,000	<b>2,500,000</b>	2,500,000	<b>0</b>	0	3
d. KFC restaurant #	Bayan Lepas, Penang	3,700,000	31/12/2025	<b>4,800,000</b>	4,800,000	<b>4,900,000</b>	4,800,000	<b>1</b>	1	3
e. KFC restaurant #	Port Dickson, Negeri Sembilan	1,600,000	31/12/2025	<b>2,000,000</b>	2,000,000	<b>2,000,000</b>	2,000,000	<b>0</b>	0	3
f. KFC restaurant #	Kuala Perlis, Perlis	450,000	31/12/2025	<b>590,000</b>	590,000	<b>590,000</b>	590,000	<b>0</b>	0	3
g. PHD restaurant ##	Ulu Tiram, Johor	820,000	31/12/2025	<b>1,100,000</b>	1,100,000	<b>1,100,000</b>	1,100,000	<b>0</b>	0	3
h. PHD restaurant ##	Kota Tinggi, Johor	800,000	31/12/2025	<b>1,000,000</b>	1,000,000	<b>1,000,000</b>	1,000,000	<b>0</b>	0	3

## NOTES TO THE FINANCIAL STATEMENTS

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## 10. Investment properties (Cont'd)

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

Description of property	Location	Acquisition Cost RM	Date of valuation	2025 Carrying Value	2024 Carrying Value	2025 Fair value RM	2024 Fair value RM	2025		Fair value hierarchy
								Percentage of fair value to NAV %	2024 Fair value RM	
7. QSR Properties (Cont'd):										
Restaurant in shop lots (Cont'd)										
i. KFC restaurant #	Kepong, Kuala Lumpur	6,230,000	31/12/2025	7,400,000	7,300,000	7,500,000	7,400,000	1	1	3
j. KFC restaurant #	Kampar, Perak	1,210,000	31/12/2025	1,700,000	1,700,000	1,700,000	1,700,000	0	0	3
k. KFC restaurant #	Jalan Raja Laut, Kuala Lumpur	3,800,000	31/12/2025	4,900,000	4,800,000	4,900,000	4,900,000	1	1	3
l. KFC restaurant #	Jalan Ipoh, Kuala Lumpur	8,600,000	31/12/2025	10,300,000	10,300,000	10,300,000	10,300,000	2	2	3
m. KFC restaurant #	Ipoh, Perak	1,750,000	31/12/2025	2,400,000	2,300,000	2,400,000	2,400,000	0	0	3
n. KFC restaurant #	Balai Panjang, Melaka	870,000	31/12/2025	1,200,000	1,200,000	1,200,000	1,200,000	0	0	3
o. KFC restaurant #	Ulu Tiram, Johor	1,600,000	31/12/2025	2,100,000	2,100,000	2,100,000	2,100,000	0	0	3
p. KFC restaurant #	Jalan Dato Onn Jaafar, Perak	3,000,000	31/12/2025	4,000,000	4,000,000	4,100,000	4,000,000	1	1	3
q. KFC restaurant #	Senawang, Negeri Sembilan	760,000	31/12/2025	1,100,000	1,100,000	1,100,000	1,100,000	0	0	3
r. KFC restaurant #	Seremban, Negeri Sembilan	3,900,000	31/12/2025	4,500,000	4,400,000	4,500,000	4,500,000	1	1	3
s. KFC restaurant #	Kota Kinabalu, Sabah	2,500,000	31/12/2025	3,100,000	3,100,000	3,100,000	3,100,000	0	0	3
t. Pizza Hut restaurant #	Kuching, Sarawak	3,510,000	31/12/2025	4,400,000	4,300,000	4,100,000	4,400,000	1	1	3

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 10. Investment properties (Cont'd)

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

Description of property	Location	Acquisition Cost RM	Date of valuation	2025 Carrying Value	2024 Carrying Value	2025 Fair value RM	2024 Fair value RM	2025	2024	Fair value hierarchy
								Percentage of fair value to NAV %	Percentage of fair value to NAV %	
7. QSR Properties (Cont'd):										
Restaurant in shop lots (Cont'd)										
u. KFC restaurant #	Sg Buloh, Selangor	1,460,000	31/12/2025	<b>1,900,000</b>	1,900,000	<b>1,800,000</b>	1,900,000	<b>0</b>	0	3
v. KFC restaurant #	Jalan Hang Tuah, Melaka	1,900,000	31/12/2025	<b>2,400,000</b>	2,400,000	<b>2,400,000</b>	2,400,000	<b>0</b>	0	3
Restaurants in shopping mall										
w. KFC Restaurant in Queensbay Mall #	Bayan Lepas, Penang	11,600,000	31/12/2025	<b>15,400,000</b>	15,300,000	<b>15,200,000</b>	15,400,000	<b>2</b>	2	3
x. KFC Restaurant Kompleks Bukit Jambul #	Bayan Lepas, Penang	2,650,000	31/12/2025	<b>3,600,000</b>	3,500,000	<b>3,500,000</b>	3,600,000	<b>1</b>	1	3
y. KFC Restaurant in Megamall Pinang Shopping Complex #	Perai, Penang	2,600,000	31/12/2025	<b>2,550,000</b>	2,550,000	<b>2,600,000</b>	2,550,000	<b>0</b>	0	3
Restaurants with drive-through facility										
z. Pizza Hut and KFC #	Sungai Petani, Kedah	5,000,000	31/12/2025	<b>6,300,000</b>	6,100,000	<b>6,200,000</b>	6,300,000	<b>1</b>	1	3
aa. Pizza Hut and KFC #	Senai, Johor	8,100,000	31/12/2025	<b>10,700,000</b>	10,600,000	<b>10,500,000</b>	10,700,000	<b>2</b>	2	3
bb. Pizza Hut and KFC #	Taman Damansara Aliff, Johor Bahru	11,600,000	31/12/2025	<b>13,500,000</b>	13,000,000	<b>13,600,000</b>	13,500,000	<b>2</b>	2	3
cc. Pizza Hut and KFC ###	Taman Perling, Johor Bahru	12,800,000	31/12/2025	<b>13,000,000</b>	-	<b>13,200,000</b>	-	<b>2</b>	-	3
dd. Pizza Hut and KFC #	Ipoh, Perak	8,100,000	31/12/2025	<b>9,500,000</b>	9,200,000	<b>9,400,000</b>	9,500,000	<b>1</b>	1	3

## NOTES TO THE FINANCIAL STATEMENTS

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## 10. Investment properties (Cont'd)

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

Description of property	Location	Acquisition Cost RM	Date of valuation	2025 Carrying Value RM	2024 Carrying Value RM	2025 Fair value RM	2024 Fair value RM	2025	2024	Fair value hierarchy
								Percentage of value to NAV %	Percentage of value to NAV %	
7. QSR Properties (Cont'd):										
Restaurants with drive-through facility (Cont'd)										
ee. Pizza Hut and KFC ###	Off Jalan Kepong, Kuala Lumpur	14,800,000	31/12/2025	18,700,000	18,300,000	18,700,000	18,700,000	3	3	3
ff. Pizza Hut and KFC ##	Pusat Bandar Wangsa Maju, Kuala Lumpur	24,200,000	31/12/2025	30,000,000	29,500,000	31,000,000	30,000,000	5	5	3
gg. Pizza Hut and KFC ##	Hang Tuah Jaya, Melaka	8,000,000	31/12/2025	10,700,000	10,700,000	10,800,000	10,700,000	2	2	3
hh. KFC #	Bandar Seri Alam, Johor Bahru	7,620,000	31/12/2025	8,900,000	8,900,000	8,900,000	8,900,000	1	1	3
ii. KFC #	Skudai, Johor	7,870,000	31/12/2025	9,400,000	9,400,000	9,000,000	9,400,000	1	1	3
jj. KFC #	Georgetown, Penang	23,360,000	31/12/2025	26,000,000	26,000,000	23,900,000	26,000,000	4	4	3
kk. Pizza Hut and KFC #	Kepala Batas, Penang	6,600,000	31/12/2025	7,900,000	7,900,000	7,900,000	7,900,000	1	1	3
ll. Pizza Hut and KFC #	Puchong Perdana, Selangor	13,500,000	31/12/2025	15,300,000	15,300,000	15,900,000	15,300,000	2	2	3
mm. Pizza Hut and KFC #	Seremban, Negeri Sembilan	7,570,000	31/12/2025	8,700,000	8,700,000	8,600,000	8,700,000	1	1	3
nn. KFC #	Jasin, Melaka	3,890,000	31/12/2025	4,600,000	4,600,000	4,600,000	4,600,000	1	1	3
8. Warehouse and factory										
oo. Warehouse #	Simpang Ampat Penang	1,130,000	31/12/2025	1,700,000	1,600,000	1,500,000	1,700,000	0	0	3
pp. Warehouse and factory #	Kota Kinabalu, Sabah	3,500,000	31/12/2025	3,000,000	3,000,000	3,100,000	3,000,000	0	0	3

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 10. Investment properties (Cont'd)

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

Description of property	Location	Acquisition Cost RM	Date of valuation	2025		2024		2025		Fair value hierarchy
				Carrying Value	2025 Fair value RM	Carrying Value	2024 Fair value RM	Percentage of fair value to NAV %	2024 Fair value RM	
8. Warehouse and factory (Cont'd)										
qq. Warehouse #	Pelabuhan Klang, Selangor	44,800,000	31/12/2025	52,000,000	52,300,000	51,500,000	52,000,000	8	8	3
rr. Warehouse and factory ##	Pelabuhan Klang, Selangor	25,500,000	31/12/2025	30,500,000	31,200,000	30,000,000	30,500,000	5	5	3
ss. Warehouse and factory ###	Shah Alam, Selangor	53,400,000	31/12/2025	66,600,000	66,900,000	66,100,000	66,600,000	10	10	3
tt. Warehouse #	Kota Kinabalu, Sabah	2,300,000	31/12/2025	4,800,000	4,900,000	4,800,000	4,800,000	1	1	3
		1,151,440,000		1,216,511,583	1,213,433,365	1,201,069,847	1,201,723,255			

# The investment properties amounting to RM167,300,000 (2024: RM169,480,000) are used to secure against Term Financing-I ("TF-I") issued by the Fund as disclosed in Note 17.

## The investment properties amounting to RM727,163,365 (2024: RM946,943,255) are used to secure against Islamic Medium Term Notes ("IMTNs") issued by the subsidiary as disclosed in Note 17.

### The investment properties amounting to RM66,900,000 (2024: RM66,600,000) are used to secure against Business Financing-I ("BF-I") issued by the Fund as disclosed in Note 17.

#### Restaurant with drive-through facility: Pizza Hut and KFC Off Jalan Kepong, Kuala Lumpur, amounting of RM18,700,000 (2024: RM18,700,000) are used to secure against Commodity Murabahah Revolving Credit ("CMRC").

\* Based on valuation carried out by independent professional valuer, Messrs. Rahim & Co.

## NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 11. Equipment

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cost</b>				
At 1 January	<b>1,988,373</b>	1,819,808	<b>1,988,373</b>	1,819,808
Additions	<b>20,833</b>	168,565	<b>20,833</b>	168,565
At 31 December	<b>2,009,206</b>	1,988,373	<b>2,009,206</b>	1,988,373
<b>Accumulated depreciation</b>				
At 1 January	<b>1,127,233</b>	951,244	<b>1,127,233</b>	951,244
Charge for the year	<b>175,600</b>	175,989	<b>175,600</b>	175,989
At 31 December	<b>1,302,833</b>	1,127,233	<b>1,302,833</b>	1,127,233
<b>Net carrying amount</b>				
At 31 December	<b>706,373</b>	861,140	<b>706,373</b>	861,140

## 12. Investment in a subsidiary

	Fund	
	2025 RM	2024 RM
Unquoted shares, at cost	<b>2</b>	2

Details of the subsidiary are as follows:

Name of subsidiary	Principal activities	Country of incorporation	Proportion of ownership interest	
			2025 %	2024 %
ALSREIT Capital Sdn Bhd	Special purpose company for the purpose of raising Islamic financing for the Fund	Malaysia	<b>100</b>	100

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 13. Trade receivables, other receivables and prepaid expenses

### (a) Trade receivables

	Group and Fund	
	2025 RM	2024 RM
<b>Current</b>		
Third parties	<b>7,385,202</b>	6,565,612
Amount due from related companies	<b>2,582,247</b>	8,929,248
	<b>9,967,449</b>	15,494,860
Less: Allowance for expected credit losses	<b>(3,955,931)</b>	(3,955,931)
	<b>6,011,518</b>	11,538,929
Unbilled rental income (Note (i))	<b>25,836,635</b>	23,136,745
	<b>31,848,153</b>	34,675,674

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 13. Trade receivables, other receivables and prepaid expenses (Cont'd)

### (a) Trade receivables (Cont'd)

The ageing analysis of the Group's and of the Fund's trade receivables is as follows:

	Total gross carrying amount at default RM	Allowance for expected credit losses RM	Total RM
<b>Group and Fund</b>			
<b>At 31 December 2025</b>			
1 to 30 days past due	3,306,555	(270,404)	3,036,151
31 to 60 days past due	789,641	(152,054)	637,587
61 to 90 days past due	176,080	(12,845)	163,235
90 to 120 days past due	348,091	(107,403)	240,688
More than 120 days past due	5,347,082	(3,413,225)	1,933,857
	<b>9,967,449</b>	<b>(3,955,931)</b>	<b>6,011,518</b>
<b>At 31 December 2024</b>			
1 to 30 days past due	3,632,556	(270,404)	3,362,152
31 to 60 days past due	1,852,167	(152,054)	1,700,113
61 to 90 days past due	1,508,634	(12,845)	1,495,789
90 to 120 days past due	1,364,062	(107,403)	1,256,659
More than 120 days past due	7,137,441	(3,413,225)	3,724,216
	15,494,860	(3,955,931)	11,538,929

Movement in allowance for expected credit losses of trade receivables:

	Group and Fund	
	2025 RM	2024 RM
At 1 January	3,955,931	3,980,471
Written off	-	(24,540)
At 31 December	3,955,931	3,955,931

### (i) Unbilled rental income

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

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 13. Trade receivables, other receivables and prepaid expenses (Cont'd)

### (b) Other receivables and prepaid expenses

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current</b>				
Deferred lease expenses	<b>683,467</b>	805,867	<b>683,467</b>	805,867
<b>Current</b>				
Other receivables	<b>5,574,972</b>	4,711,122	<b>5,573,607</b>	4,696,234
Deferred lease expenses	<b>122,400</b>	122,400	<b>122,400</b>	122,400
	<b>5,697,372</b>	4,833,522	<b>5,696,007</b>	4,818,634
<b>Total other receivables and prepaid expenses (non-current and current)</b>	<b>6,380,839</b>	5,639,389	<b>6,379,474</b>	5,624,501
<b>Total trade and non-trade receivables</b>	<b>38,228,992</b>	40,315,063	<b>38,227,627</b>	40,300,175
Add:				
Amount due from an immediate holding company (Note(c))	<b>19,937</b>	19,937	<b>19,937</b>	19,937
Amount due from related companies (Note (d))	<b>2,155,128</b>	1,501,353	<b>2,155,128</b>	1,501,353
Amount due from a subsidiary (Note (e))	-	-	<b>4,534,938</b>	1,864,219
Cash and bank balances	<b>51,303,195</b>	35,744,360	<b>42,814,929</b>	27,707,341
<b>Total financial assets carried at amortised cost (debt instruments)</b>	<b>91,707,252</b>	77,580,713	<b>87,752,559</b>	71,393,025

### (c) Amount due from an immediate holding company

Amount due from an immediate holding company is non-trade, unsecured, interest-free and repayable on demand.

### (d) Amount due from related companies

Amount due from related companies, which arose mainly from collections on behalf, is unsecured, interest-free and repayable on demand. Transactions with related parties are disclosed in Note 20.

### (e) Amount due from a subsidiary

Amount due from a subsidiary is non-trade, unsecured, bears interest of 5.82% to 6.35% (2024: 6.01% to 6.35%) per annum and repayable on demand.

# NOTES TO THE FINANCIAL STATEMENTS

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## 14. Cash and bank balances

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Islamic fixed deposits with licensed banks	<b>36,360,000</b>	31,053,000	<b>28,130,000</b>	23,046,000
Cash and bank balances	<b>14,943,195</b>	4,691,360	<b>14,684,929</b>	4,661,341
	<b>51,303,195</b>	35,744,360	<b>42,814,929</b>	27,707,341
Less: Islamic fixed deposits with licensed banks with maturity period of more than 3 months	<b>(10,030,000)</b>	(9,753,000)	<b>(1,800,000)</b>	(1,746,000)
Cash and cash equivalents	<b>41,273,195</b>	25,991,360	<b>41,014,929</b>	25,961,341

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

	Group		Fund	
	2025	2024	2025	2024
Weighted average deposit rate (%)	<b>3.33%</b>	2.91%	<b>3.37%</b>	2.67%
Average remaining maturity period	<b>33</b>	37	<b>28</b>	37

The deposits with licensed banks of the Group and of the Fund of RM10,030,000 and RM1,800,000 (2024: RM9,753,000 and RM1,746,000) respectively are placed as reserve for repayment of finance costs on long-term Islamic financing as mentioned in Note 17 and hence, are not available for general use.

## 15. Deferred tax liability

	Group and Fund	
	2025 RM	2024 RM
At 1 January	<b>2,242,953</b>	1,995,394
Recognised in profit or loss (Note 7)	<b>135,012</b>	247,559
At 31 December	<b>2,377,965</b>	2,242,953

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

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

# NOTES TO THE FINANCIAL STATEMENTS

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## 16. Other payables and accrued expenses

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Non current</b>				
Tenant deposit payables	<b>5,677,759</b>	5,697,759	<b>5,677,759</b>	5,697,759
<b>Current</b>				
Tenant deposit payables	<b>9,409,228</b>	8,598,205	<b>9,409,228</b>	8,598,205
Other payables	<b>3,835,215</b>	2,129,529	<b>3,835,215</b>	2,129,529
Accrued expenses	<b>6,608,624</b>	5,126,627	<b>6,608,495</b>	5,096,387
Accrued financing cost	<b>2,754,715</b>	3,898,066	<b>932,132</b>	1,093,120
	<b>22,607,782</b>	19,752,427	<b>20,785,070</b>	16,917,241
<b>Total payables (non-current and current)</b>	<b>28,285,541</b>	25,450,186	<b>26,462,829</b>	22,615,000
Add:				
Islamic financing (Note 17)	<b>630,698,014</b>	639,778,034	<b>177,757,426</b>	187,526,884
Amount due to related companies (Note (a))	<b>2,010,424</b>	1,406,791	<b>2,010,424</b>	1,406,791
Amount due to a subsidiary (Note (b))	-	-	<b>452,837,741</b>	450,604,258
<b>Total financial liabilities carried at amortised cost</b>	<b>660,993,979</b>	666,635,011	<b>659,068,420</b>	662,152,933

### (a) Amount due to related companies

Amount due to related companies are non-trade, unsecured, interest-free and repayable on demand.

### (b) Amount due to a subsidiary

Amount due to a subsidiary represents unsecured advances received from the proceeds raised from Islamic financing by the subsidiary. The finance costs and repayment terms of the unsecured advances mirror the finance costs and repayment terms of the Islamic financing of Sukuk Ijarah raised by the said subsidiary as disclosed in Note 17.

The amount due to a subsidiary is unsecured, repayable on demand and bears returns of 5.82% to 6.35% (2024: 6.03% to 6.35%) per annum, that are presented as net amount as there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## NOTES TO THE FINANCIAL STATEMENTS

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## 17. Islamic financing

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Non current</b>				
Term Financing-i (“TF-i”) (Note (a))	-	118,000,000	-	118,000,000
Business Financing-i (“BF-i”) (Note (b))	<b>60,000,000</b>	70,000,000	<b>60,000,000</b>	70,000,000
Sukuk Ijarah (Note (c))	-	409,500,000	-	-
Sukuk Wakalah (Note (d))	<b>455,000,000</b>	-	-	-
	<b>515,000,000</b>	597,500,000	<b>60,000,000</b>	188,000,000
Less: Transaction cost	<b>(2,276,984)</b>	(3,221,966)	<b>(217,572)</b>	(473,116)
	<b>512,723,016</b>	594,278,034	<b>59,782,428</b>	187,526,884
<b>Current</b>				
Sukuk Ijarah (Note (c))	-	45,500,000	-	-
Term Financing-i (“TF-i”) (Note (a))	<b>118,000,000</b>	-	<b>118,000,000</b>	-
	<b>118,000,000</b>	45,500,000	<b>118,000,000</b>	-
Less: Transaction cost	<b>(25,002)</b>	-	<b>(25,002)</b>	-
	<b>117,974,998</b>	45,500,000	<b>117,974,998</b>	-
Total Islamic financing	<b>630,698,014</b>	639,778,034	<b>177,757,426</b>	187,526,884

## (a) TF-i

The TF-i profit is payable over a period of 60 months from the date of first disbursement. The effective profit rate for the TF-i will be based on COF which is based on the Bank’s COF + 1.45% per annum for the duration of the TF-i.

The average effective profit rate for the TF-i is 5.27% (2024: 5.45%) per annum. The principal amount is to be expected to be paid in March 2024. The Bank, via letter dated 4 March 2024 agreed to extend the tenure for another 2 years to March 2026.

As of 31 December 2025, the current liabilities of the Group and the Fund have exceeded the current assets by RM42,069,419 and RM44,201,400 respectively. In the opinion of the Manager, the Group will be able to meet their obligations and liabilities as and when they fall due on the basis that the Group will be able to repay their borrowings when it matures. As of 31 December 2025, the Group had borrowings of RM118,000,000 with contractual maturity dates in March 2026. Subsequent to year end, the Group obtained offer letter from the bank approving a one-year extension of the repayment tenure for the facilities. Accordingly, manager is of the view that the Group will be able to meet its repayment obligations as and when they fall due, and that the going concern basis of preparation remains appropriate.

# NOTES TO THE FINANCIAL STATEMENTS

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## 17. Islamic financing (Cont'd)

### (a) TF-i (Cont'd)

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

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

The financing is secured by the investment properties amounting to RM167,300,000 (2024: RM169,480,000) as disclosed in Note 10.

### (b) BF-i

The BF-i profit is payable over a period of 72 months from the date of first disbursement. The effective profit rate for the BF-i will be based on COF which is based on the Bank's COF + 0.60% per annum for the duration of the BF-i.

The average effective profit rate for the BF-i is 5.30% (2024: 5.30%) per annum. The principal amount is to be expected to be paid in September 2027.

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

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

The financing is secured by the investment properties amounting to RM66,900,000 (2024: RM66,600,000) as disclosed in Note 10.

### (c) Sukuk Ijarah

The company established a Sukuk Ijarah comprising IMTN of up to RM1,500,000,000 in nominal value.

On 24 August 2020, the Company issued RM520,000,000 in nominal value of IMTNs ("Issue 2") which bear profit rate of 4.83% to 5.60% (2022: 3.75% to 5.09%) per annum. The Company redeemed RM69,000,000 and RM451,000,000 in nominal value of IMTNs ("Issue 2") on 24 September 2021 and 24 August 2023 respectively.

On 24 August 2023, the Company issued RM455,000,000 in nominal value of IMTNs ("Issue 3") which bears profit rate of 6.01% to 6.35% (2023: 6.03% to 6.25%) per annum. The principal amount is to be expected to be paid in 24 August 2026.

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

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

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

The financing is secured by the investment properties amounting to RM727,163,365 (2024: RM946,943,255) as disclosed in Note 10.

# NOTES TO THE FINANCIAL STATEMENTS

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## 17. Islamic financing (Cont'd)

### (d) Sukuk Wakalah

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

On 24 November 2025, ALSREIT Capital issued RM455,000,000 in nominal value of IMTNs pursuant to the Sukuk Wakalah Programme, bearing a profit rate of 3.95% per annum with a tenure of five (5) years. The proceeds were utilised to redeem Sukuk Ijarah Issue 3 amounting to RM455,000,000. The principal is payable on 24 November 2030.

The RM455,000,000 issuance (the “Guaranteed Sukuk Wakalah”) is guaranteed by Credit Guarantee and Investment Facility (“CGIF”) and contains financial covenants in which the subsidiary, Al-Salām REIT and its subsidiary shall at all times, maintain the following financial covenants:

- (i) Finance-to-Asset Ratio is not more than 0.50 times;
- (ii) FSCR of not less than 1.25 times; and
- (iii) Security Cover Ratio shall not be less than 1.40 times.

The financing is secured by investment properties amounting to RM727,163,365.

#### Revolving credit:

As of 31 December 2025, the Fund unutilised revolving credit facilities amounting to RM10,000,000 (2024: RM10,000,000) which is granted from a financial institution. The said facility of is secured by investment properties of the subsidiary amounting to RM18,700,000 (2024: RM18,700,000) as disclosed in Note 10.

Changes in liabilities arising from financing activities:

	Non-current RM	Current RM	Total RM
<b>Group</b>			
At 1 January 2025	594,278,034	45,500,000	639,778,034
Cash flows	(12,726,500)	-	(12,726,500)
Reclassification	(72,474,998)	72,474,998	-
Charged to profit or loss	3,646,480	-	3,646,480
At 31 December 2025	512,723,016	117,974,998	630,698,014
At 1 January 2024	521,681,074	117,934,325	639,615,399
Cash flows	(1,926,900)	-	(1,926,900)
Reclassification	72,434,325	(72,434,325)	-
Charged to profit or loss	2,089,535	-	2,089,535
At 31 December 2024	594,278,034	45,500,000	639,778,034

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 17. Islamic financing (Cont'd)

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

	Non-current RM	Current RM	Total RM
<b>Fund</b>			
At 1 January 2025	187,526,884	-	187,526,884
Cash flows	(10,162,702)	-	(10,162,702)
Reclassification	(117,974,998)	117,974,998	-
Charged to profit or loss	393,244	-	393,244
At 31 December 2025	59,782,428	117,974,998	177,757,426
At 1 January 2024	69,521,341	117,934,325	187,455,666
Reclassification	117,612,299	(117,934,325)	(322,026)
Charged to profit or loss	393,244	-	393,244
At 31 December 2024	187,526,884	-	187,526,884

## 18. Unitholders' capital

	No. of units		2025 RM	2024 RM
	2025	2024		
<b>Group and Fund</b>				
Unitholders' capital	580,000,000	580,000,000	572,545,319	572,545,319

The Fund issued 580,000,000 units of RM1 each in conjunction with the Fund's Initial Public Offering ("IPO") on the Main Market of Bursa Malaysia on 29 September 2015 of which 327,640,000 units of RM1 each were issued to vendors of the Fund's investment properties to partially finance the acquisition of the said investment properties. The remaining 252,360,000 units of RM1 each were issued as part of the IPO to institutional investors and the Malaysian public.

# NOTES TO THE FINANCIAL STATEMENTS

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## 18. Unitholders' capital (Cont'd)

Details of units held by the related companies of the Manager which comprise companies related to Johor Corporation, a body corporate established under the Johor Corporation Enactment No. 4, 1968 (as amended by the Enactment No. 5, 1995), and substantial unitholders of the Fund, and their market value as of 31 December 2025 based on the Record of Depositors are as follows:

	No. of units		RM	
	2025	2024	2025	2024
<b>Group and Fund</b>				
<b>Related companies:</b>				
Johor Corporation	<b>24,436,600</b>	24,436,600	<b>11,973,934</b>	9,163,725
Damansara Assets Sdn Bhd	<b>223,679,417</b>	278,539,417	<b>109,602,914</b>	104,452,281
Kulim (Malaysia) Berhad	<b>27,060,600</b>	27,060,600	<b>13,259,694</b>	10,147,725
Waqaf An-Nur Corporation Berhad	<b>57,529,401</b>	57,769,401	<b>28,189,406</b>	21,663,525
JLG Land Berhad	<b>1,499,500</b>	1,499,500	<b>734,755</b>	562,313
KPJ Healthcare Berhad	<b>2,000,000</b>	2,000,000	<b>980,000</b>	750,000
Kumpulan Bertam Plantations Berhad	<b>296,000</b>	296,000	<b>145,040</b>	111,000
Tenaga Utama (Johor) Berhad	<b>7,688</b>	7,688	<b>3,767</b>	2,883

Market value for purposes of disclosure above is based on the closing price of the Fund as shown on the board of the Main Market of Bursa Malaysia, which was RM0.49 per unit as at 31 December 2025 (2024: RM0.38 per unit).

## 19. Management Expense Ratio ('MER')

	Group/Fund	
	2025	2024
	%	%
MER	<b>0.82</b>	0.67

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

# NOTES TO THE FINANCIAL STATEMENTS

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## 20. Significant related party transactions

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

Significant related party transactions other than those separately disclosed elsewhere in the financial statements are as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental income received/receivable from related companies	<b>34,795,208</b>	34,232,335	<b>34,795,208</b>	34,232,335
Other property management fees charged by related companies of the Manager (included in other operating expenses)	<b>7,565,141</b>	5,536,916	<b>7,565,141</b>	5,536,916
Finance cost paid/payable to a subsidiary	-	-	<b>27,361,164</b>	28,278,671

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

## 21. Fair values of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The carrying amount of the various financial assets and financial liabilities reflected in the statements of financial position approximate their fair values other than as disclosed below:

	Carrying amount RM	Fair value RM
<b>Group</b>		
<b>At 31 December 2025</b>		
<b>Financial liability at amortised cost</b>		
Islamic financing - non-current	<b>512,723,016</b>	<b>431,222,407</b>
Islamic financing - current	<b>117,974,998</b>	<b>116,712,008</b>
	<b>630,698,014</b>	<b>547,934,415</b>

# NOTES TO THE FINANCIAL STATEMENTS

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## 21. Fair values of financial instruments (Cont'd)

The carrying amount of the various financial assets and financial liabilities reflected in the statements of financial position approximate their fair values other than as disclosed below (Cont'd):

	Carrying amount RM	Fair value RM
<b>Group (Cont'd)</b>		
<b>At 31 December 2024</b>		
<b>Financial liability at amortised cost</b>		
Islamic financing - non-current	594,278,034	542,215,995
Islamic financing - current	45,500,000	45,088,159
	639,778,034	587,304,154
<b>Fund</b>		
<b>At 31 December 2025</b>		
<b>Financial liability at amortised cost</b>		
Islamic financing - non-current	<b>59,782,428</b>	<b>54,910,179</b>
Islamic financing - current	<b>117,974,998</b>	<b>116,712,008</b>
Amount due to a subsidiary - non-current	<b>452,837,741</b>	<b>376,312,228</b>
	<b>630,595,167</b>	<b>547,934,415</b>
<b>At 31 December 2024</b>		
<b>Financial liability at amortised cost</b>		
Islamic financing - non-current	187,526,884	171,447,125
Amount due to a subsidiary - non-current	405,104,258	370,768,870
Amount due to a subsidiary - current	45,500,000	45,088,159
	638,131,142	587,304,154

The fair value of the non-current Islamic financing was estimated using discounted cash flow analysis based on market equivalent profit rate of 5.09% (2024: 5.54%) per annum for similar type of instruments of similar risk and cash flow profiles. The disclosure of the fair value of the non-current Islamic financing is considered a Level 2 fair value hierarchy disclosure.

# NOTES TO THE FINANCIAL STATEMENTS

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## 22. Financial risk management objectives and policies

The Group's and the Fund's financial risk management policies seek to ensure that adequate financial resources are available for the development of the Group's and Fund's portfolios whilst managing their credit risks, liquidity risks and financing rate risks. The Group and the Fund have taken measures to minimise their exposure to the risks associated with its financing, investing and operating activities and operates within clearly defined guidelines as set out in the SC Guidelines and the Fund's Trust Deed.

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

### (a) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to the Group and the Fund. Credit risk with respect to trade and other receivables is managed through the application of credit approvals, credit limits and monitoring procedures. Credit is extended to the customers based upon careful evaluation of the customers' financial condition and credit history.

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

Information regarding credit enhancements for trade receivables, other receivables and amount due from related companies is disclosed in Note 13.

#### Credit risk concentration profile

The Group and the Fund determine concentrations of credit risk by monitoring individual profile of their trade receivables on an ongoing basis. At the end of the reporting period, approximately 71% (2024: 61%) of the Group's and Fund's trade receivables was due from third party. The risk of default arising from non-performance by this party is low.

### (b) Liquidity risk

Liquidity risk is the risk that the Group and the Fund may encounter difficulty in meeting financial obligations on time due to shortage of funds. The Group's and the Fund's exposure to liquidity risk arises from mismatches of the maturities of financial assets and liabilities. The Group's and the Fund's approach are to maintain a balance between continuity of funding and flexibility through the use of their credit and financing facilities.

The Group and the Fund manage liquidity risk by maintaining adequate reserves, banking facilities and financing facilities, by continuously monitoring forecast and actual cash flow from their portfolios, and by matching the maturity profiles of financial assets and liabilities.

## NOTES TO THE FINANCIAL STATEMENTS

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**22. Financial risk management objectives and policies (Cont'd)****(b) Liquidity risk (Cont'd)**Maturity analysis

The table below summarises the maturity profile of the Group's and the Fund's financial liabilities as at the reporting date based on undiscounted contractual payments:

	Weighted average effective profit rate %	Carrying amount RM	Contractual cash flows RM	On demand or within 1 year RM	Within 2 to 5 years RM
<b>Group</b>					
<b>31 December 2025</b>					
Non-profit bearing financial liabilities:					
Other payables and accrued expenses	-	28,285,541	28,285,541	22,607,782	5,677,759
Profit bearing financial liabilities:					
Variable profit rate instruments - Islamic financing	5.09	630,698,014	735,405,100	124,218,600	611,186,500
<b>Fund</b>					
<b>31 December 2025</b>					
Non-profit bearing financial liabilities:					
Other payables and accrued expenses	-	26,462,829	26,462,829	20,785,070	5,677,759
Profit bearing financial liabilities:					
Variable profit rate instruments - Islamic financing	5.27	177,757,426	190,542,600	124,218,600	66,324,000
Amount owing to a subsidiary	3.95	452,837,741	544,862,500	-	544,862,500

# NOTES TO THE FINANCIAL STATEMENTS

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## 22. Financial risk management objectives and policies (Cont'd)

### (b) Liquidity risk (Cont'd)

	Weighted average effective profit rate %	Carrying amount RM	Contractual cash flows RM	On demand or within 1 year RM	Within 2 to 5 years RM
<b>Group</b>					
<b>31 December 2024</b>					
Non-profit bearing financial liabilities:					
Other payables and accrued expenses	-	25,450,186	25,450,186	19,752,427	5,697,759
Profit bearing financial liabilities:					
Variable profit rate instruments - Islamic financing	5.09	639,778,034	735,405,100	124,218,600	611,186,500
<b>Fund</b>					
<b>31 December 2024</b>					
Non-profit bearing financial liabilities:					
Other payables and accrued expenses	-	22,615,000	22,615,000	16,917,241	5,697,759
Profit bearing financial liabilities:					
Variable profit rate instruments - Islamic financing	5.27	187,526,884	190,542,600	124,218,600	66,324,000
Amount owing to a subsidiary	3.95	450,604,258	544,862,500	-	544,862,500

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 22. Financial risk management objectives and policies (Cont'd)

### (c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Fund's financial instruments will fluctuate because of changes in the market interest rates.

The Group and the Fund manage their interest rate exposure by maintaining matching their cash flows from rental income and fixed rate profit bearing deposits with the Group's and the Fund's variable rate profit bearing Islamic financing. The Group and the Fund place cash deposits on a short-term basis and therefore allows the Group and the Fund to respond to significant changes of interest rate promptly.

#### Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's and Fund's profit before tax would have been:

	Group Increase/(Decrease)		Fund Increase/(Decrease)	
	Effect on profit before tax 2025 RM	Effect on profit before tax 2024 RM	Effect on profit before tax 2025 RM	Effect on profit before tax 2024 RM
Interest rate decreased by 25 basis points	<b>1,491,600</b>	1,523,888	<b>368,696</b>	406,406
Interest rate increased by 25 basis points	<b>(1,491,600)</b>	(1,523,888)	<b>(368,696)</b>	(406,406)

The assumed movement in basis points for interest rate sensitivity analysis is based on a prudent estimate of the current market environment.

The interest rate mentioned above will have an impact on the management of the Group and the Fund, regardless of whether it is an Islamic fund or otherwise. It does not in any way suggest that the Group and the Fund will invest in conventional financial instruments. All the investments and placements carried out for the Group and the Fund are in accordance with the Shariah requirements.

## 23. Segment reporting

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

For management purposes, the Group and the Fund are organised into the following operating divisions:

- Retail outlets
- Office buildings
- Food and beverage ('F&B') properties comprising restaurant
- Industrial and others
- Other comprising fund level operations

No information on geographical areas is presented as the Group and the Fund operate solely in Malaysia.

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- 31 December 2025

## 23. Segment reporting (Cont'd)

The accounting policies of the reportable segments below are the same as the Group's and the Fund's accounting policies described in Note 2.

	Retail outlets RM	Office buildings RM	F&B restaurants RM	Industrial & Others RM	Other - Fund level operations RM	Total RM
<b>Group</b>						
<b>For the year ended 31 December 2025</b>						
Total revenue	52,235,669	7,002,549	17,594,472	11,992,270	-	88,824,960
Total property expenses	(21,322,731)	(5,124,122)	(181,733)	(623,988)	(474,000)	(27,726,574)
Net property income/ (loss)	30,912,938	1,878,427	17,412,739	11,368,282	(474,000)	61,098,386
Fair value (loss)/ gain on investment properties	(3,382,768)	(135,450)	(1,560,000)	2,000,000	-	(3,078,218)
Gain on disposal	-	-	100,000	-	-	100,000
Investment income	-	-	-	-	1,131,910	1,131,910
Total income	27,530,170	1,742,977	15,952,739	13,368,282	657,910	59,252,078
Total fund expenditure	-	-	-	-	(8,492,263)	(8,492,263)
Operating profit/ (loss)	27,530,170	1,742,977	15,952,739	13,368,282	(7,834,353)	50,759,815
Islamic financing costs	-	-	-	-	(36,923,418)	(36,923,418)
Income tax expense	-	-	-	-	(215,012)	(215,012)
Profit/(loss) for the year	27,530,170	1,742,977	15,952,739	13,368,282	(44,972,783)	13,621,385
Total assets	696,085,699	71,069,516	299,004,839	196,759,020	52,427,916	1,315,346,990
Total liabilities	19,144,885	4,898,157	-	941,426	638,387,476	663,371,944

## NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 23. Segment reporting (Cont'd)

	Retail outlets RM	Office buildings RM	F&B restaurants RM	Industrial & Others RM	Other - Fund level operations RM	Total RM
<b>Fund</b>						
<b>For the year ended 31 December 2025</b>						
Total revenue	52,235,669	7,002,549	17,594,472	11,992,270	-	88,824,960
Total property expenses	(21,322,731)	(5,124,122)	(181,733)	(623,988)	(474,000)	(27,726,574)
Net property income/ (loss)	30,912,938	1,878,427	17,412,739	11,368,282	(474,000)	61,098,386
Fair value (loss)/ gain on investment properties	(3,382,768)	(135,450)	(1,560,000)	2,000,000	-	(3,078,218)
Gain on disposal	-	-	100,000	-	-	100,000
Investment income	-	-	-	-	1,131,910	1,131,910
Total income	27,530,170	1,742,977	15,952,739	13,368,282	657,910	59,252,078
Total fund expenditure	-	-	-	-	(8,815,787)	(8,815,787)
Operating profit/ (loss)	27,530,170	1,742,977	15,952,739	13,368,282	(8,157,877)	50,436,291
Islamic financing costs	-	-	-	-	(36,923,418)	(36,923,418)
Income tax expense	-	-	-	-	(215,012)	(215,012)
Profit/(loss) for the year	27,530,170	1,742,977	15,952,739	13,368,282	(45,296,307)	13,297,861
Total assets	696,085,699	71,069,516	298,964,725	196,759,020	48,513,339	1,311,392,299
Total liabilities	19,144,885	4,873,158	-	941,426	636,486,916	661,446,385

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 23. Segment reporting (Cont'd)

The accounting policies of the reportable segments below are the same as the Group's and the Fund's accounting policies described in Note 2.

	<b>Retail outlets RM</b>	<b>Office buildings RM</b>	<b>F&amp;B restaurants RM</b>	<b>Industrial &amp; Others RM</b>	<b>Other - Fund level operations RM</b>	<b>Total RM</b>
<b>Group</b>						
<b>For the year ended 31 December 2024</b>						
Total revenue	43,414,988	6,874,669	17,166,974	10,996,617	-	78,453,248
Total property expenses	(21,232,928)	(4,885,169)	(31,701)	(415,464)	(473,100)	(27,038,362)
Net property income/ (loss)	22,182,060	1,989,500	17,135,273	10,581,153	(473,100)	51,414,886
Fair value (loss)/ income on investment properties	(3,517,386)	(329,206)	300,000	1,600,000	-	(1,946,592)
Investment income	-	-	-	-	897,996	897,996
Total income	18,664,674	1,660,294	17,435,273	12,181,153	424,896	50,366,290
Total fund expenditure	-	-	-	-	(6,427,206)	(6,427,206)
Operating profit/ (loss)	18,664,674	1,660,294	17,435,273	12,181,153	(6,002,310)	43,939,084
Islamic financing costs	-	-	-	-	(38,407,075)	(38,407,075)
Income tax expense	-	-	-	-	(247,559)	(247,559)
Profit/(Loss) for the year	18,664,674	1,660,294	17,435,273	12,181,153	(44,656,944)	5,284,450
Total assets	693,374,604	71,177,316	314,630,000	195,510,707	42,572,481	1,317,265,108
Total liabilities	16,619,302	3,912,754	-	697,434	647,648,474	668,877,964

## NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 23. Segment reporting (Cont'd)

	Retail outlets RM	Office buildings RM	F&B restaurants RM	Industrial & Others RM	Other - Fund level operations RM	Total RM
<b>Fund</b>						
<b>For the year ended 31 December 2024</b>						
Total revenue	43,414,988	6,874,669	17,166,974	10,996,617	-	78,453,248
Total property expenses	(21,232,928)	(4,885,169)	(31,701)	(415,464)	(473,100)	(27,038,362)
Net property income/ (loss)	22,182,060	1,989,500	17,135,273	10,581,153	(473,100)	51,414,886
Fair value (loss)/ gain on investment properties	(3,517,386)	(329,206)	300,000	1,600,000	-	(1,946,592)
Investment income	-	-	-	-	897,996	897,996
Total income	18,664,674	1,660,294	17,435,273	12,181,153	424,896	50,366,290
Total fund expenditure	-	-	-	-	(6,700,322)	(6,700,322)
Operating profit/ (loss)	18,664,674	1,660,294	17,435,273	12,181,153	(6,275,426)	43,665,968
Islamic financing costs	-	-	-	-	(38,407,075)	(38,407,075)
Income tax expense	-	-	-	-	(247,559)	(247,559)
Profit/(loss) for the year	18,664,674	1,660,294	17,435,273	12,181,153	(44,930,060)	5,011,334
Total assets	691,345,471	71,177,316	314,630,000	195,510,707	38,413,928	1,311,077,422
Total liabilities	14,906,325	3,912,754	-	697,434	644,879,373	664,395,886

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 24. Capital management

The Group and the Fund manage their capital to ensure that the Group and the Fund will be able to continue as going concern while maximising the return to unitholders through the optimisation of the debt and equity balance. The Group's and the Fund's overall strategy remain unchanged from 2018.

The capital structure of the Group and the Fund consist of net debt (Islamic financing as detailed in Note 17) offset by cash and bank balances in Note 14 and unitholders' capital of the Fund (Note 18) (comprising unitholders' capital and undistributed income).

The Group and the Fund are not subject to any externally imposed capital requirements. However, the Group and the Fund are required to comply with the SC Guidelines on borrowings.

The SC Guidelines requires that the total borrowings of the Group and the Fund (including Islamic financing through issuance of debt securities) should not exceed 50% of the total asset value of the Group and the Fund at the time the borrowings are incurred. Notwithstanding, the Group's and the Fund's total borrowings may exceed this limit with the sanction of the unitholders by way of an ordinary resolution.

The Manager's risk management committee reviews the capital structure of the Group and of the Fund on a regular basis to ensure that the SC Guidelines are complied with.

### Gearing ratios

The Group's and the Fund's gearing ratios are calculated based on the proportion of total Islamic financing to the total asset value. The gearing ratios at the end of the reporting period is as follows:

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Islamic financing (Note 17)	<b>630,698,014</b>	639,778,034	<b>177,757,426</b>	187,526,884
Amount due to a subsidiary	-	-	<b>452,837,741</b>	450,604,258
	<b>630,698,014</b>	639,778,034	<b>630,595,167</b>	638,131,142
Total assets value as per statements of financial position	<b>1,315,346,990</b>	1,317,265,108	<b>1,311,392,299</b>	1,311,077,422
Total Islamic financing total assets value ratio	<b>47.9%</b>	48.6%	<b>48.1%</b>	48.7%

# NOTES TO THE FINANCIAL STATEMENTS

- 31 December 2025

## 25. Commitments

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

	Group		Fund	
	2025 RM	2024 RM	2025 RM	2024 RM
Less than one year	<b>38,143,203</b>	37,988,692	<b>38,143,203</b>	37,988,692
Between one and five years	<b>166,828,766</b>	184,885,050	<b>166,828,766</b>	184,885,050
More than five years	<b>285,903,898</b>	305,990,817	<b>285,903,898</b>	305,990,817
	<b>490,875,867</b>	528,864,559	<b>490,875,867</b>	528,864,559

## 26. Significant events

### (i) Proposed disposal of property located at Jalan Kuchai Lama

On 3 December 2024, Al-Salām Group entered into SPA with Winfar Builders Sdn Bhd (“WBSB”) to dispose QSR Property - Kuchai Lama for a cash consideration of RM14,700,000. The disposal of Kuchai Lama to WBSB was completed on 4 June 2025 with a gain on disposal of RM100,000.

### (ii) Proposed disposal of property located at Bandar Sunway

On 6 March 2025, Al-Salām Group entered into SPA with Lagi Tegas Sdn Bhd (“LTSB”) to dispose QSR Property – Bandar Sunway for a cash consideration of RM10,000,000. The proposed disposal is expected to be completed by quarter 2 of FY2026.

### (ii) Proposed disposal of property located at Taman Perling

As at 31 December 2025, the property has no potential buyer. Accordingly, the asset is reclassified back to investment property.

## 27. Assets classified as held for sale

Details on the proposed disposal of properties of the Group are disclosed in Note 26.

The assets to be disposed are as follows:

	Jalan Kuchai Lama Note 26(i) RM	Bandar Sunway Note 26(ii) RM	Taman Perling Note 26(iii) RM	Total RM
<b>2025</b>				
<b>Group and Fund</b>				
<b>Assets classified as held for sale</b>				
Investment properties	-	<b>9,500,000</b>	-	<b>9,500,000</b>

# Section 10

## OTHER INFORMATION

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# ANALYSIS OF UNITHOLDING

Unitholdings Analysis as of 31 December 2025

## AS PER RECORD OF DEPOSITOR

Unit Issued: 580,000,000

## BREAKDOWN OF UNITHOLDINGS

Size of Unitholdings	Unitholders	%	Unit Holdings	%
Less than 100	338	4.50	13,687	0.00
100 - 1000	3,559	47.37	1,915,770	0.33
1,001 - 10,000	3,077	40.96	9,434,671	1.63
10,001 - 100,000	470	6.26	12,477,054	2.15
100,001 to less than 5% of issued capital	66	0.88	178,796,100	30.83
5% and above of issued capital	3	0.04	377,362,718	65.06
<b>Total</b>	<b>7,513</b>	<b>100.00</b>	<b>580,000,000</b>	<b>100.00</b>

## TOP THIRTY SECURITIES ACCOUNT HOLDERS

(Without Aggregating the Securities from Different Securities Accounts Belonging to the Same Depositor)

No.	Name	Unit Holdings	%
1.	DAMANSARA ASSETS SDN. BHD.	223,679,417	38.57
2.	TABUNG AMANAH WARISAN NEGERI JOHOR	96,153,900	16.58
3.	WAQAF AN-NUR CORPORATION BERHAD	57,529,401	9.92
4.	RHB INVESTMENT BANK BERHAD - A/C IVT (SHQ-SW BOOK 1) EQD TEAM	28,420,000	4.90
5.	KULIM (MALAYSIA) BERHAD	27,060,600	4.67
6.	MAYBANK INVESTMENT BANK BERHAD - A/C IVT (13) ECD OTCSP-H	26,440,000	4.56
7.	JOHOR CORPORATION	24,436,600	4.21
8.	PELABURAN HARTANAH BERHAD	20,000,000	3.45
9.	LEMBAGA TABUNG HAJI	16,859,100	2.91
10.	CARTABAN NOMINEES (TEMPATAN) SDN BHD - A/C STANDARD CHARTERED SAADIQ BHD SCBMB TRUSTEE FOR MUAMALAT 1	13,293,400	2.29
11.	KPJ HEALTHCARE BERHAD	2,000,000	0.34
12.	MAYBANK NOMINEES (TEMPATAN) SDN BHD - A/C KONG YEE WONG	1,914,000	0.33
13.	JLG LAND BERHAD	1,499,500	0.26
14.	PHILLIP NOMINEES (ASING) SDN BHD - A/C EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENT ACCOUNT)	1,300,000	0.22
15.	CHU LEONG LAM	1,000,000	0.17
16.	ABDUL RAHIM BIN BIDIN	895,900	0.15
17.	KENANGA NOMINEES (TEMPATAN) SDN BHD - A/C RAKUTEN TRADE SDN BHD FOR OOI BENG HOOI	775,900	0.13
18.	CHONG TECK SENG	657,400	0.11

# ANALYSIS OF UNITHOLDING

Unitholdings Analysis as of 31 December 2025

## TOP THIRTY SECURITIES ACCOUNT HOLDERS (CONT'D)

(Without Aggregating the Securities from Different Securities Accounts Belonging to the Same Depositor)

No.	Name	Unit Holdings	%
19.	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD - A/C EXEMPT AN FOR CIMB BANK BHD (DANA JOHOR)	604,311	0.10
20.	PUBLIC NOMINEES (TEMPATAN) SDN BHD - A/C PLEDGED SECURITIES ACCOUNT FOR TAY CHUN GEE (E-KLC)	600,000	0.10
21.	TENH HONG WAY	600,000	0.10
22.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD - A/C MALAYAN BANKING BERHAD FOR PELABURAN JOHOR BERHAD (MBB DANA JOHOR)	520,501	0.09
23.	TAN GENG	485,800	0.08
24.	YONG CHEANG YEE	480,000	0.08
25.	LIM YAW YEU	455,800	0.08
26.	WENG HUA MACHINERY HARDWARE SDN. BHD.	430,000	0.07
27.	ONG AH HOW @ ONG BENG HWA	416,000	0.07
28.	OOI YEW CHYE	413,400	0.07
29.	NG KIM YUEN	408,100	0.07
30.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD - A/C MAYBANK SECURITIES PTE LTD FOR R RAHUL RAJ	345,900	0.06

## SUBSTANTIAL UNITHOLDERS

No.		DIRECT		INDIRECT	
		Unit Holdings	%	Unit Holdings	%
1.	JOHOR CORPORATION	24,436,600	4.21	312,072,606	53.81
2.	DAMANSARA ASSETS SDN. BHD.	223,679,417	38.57	-	-
3.	TABUNG AMANAH WARISAN NEGERI JOHOR	96,153,900	16.58	-	-
4.	WAQAF AN-NUR CORPORATION BERHAD	57,529,401	9.92	-	-

## ANALYSIS OF UNITHOLDING

Unitholdings Analysis as of 31 December 2025

## SUBSTANTIAL UNITHOLDERS

	Total		Bumiputra		Non-Bumiputra		Foreign	
	Holders	Holdings	Holders	Holdings	Holders	Holdings	Holders	Holdings
GOVERNMENT BODIES	2	120,590,500	2	120,590,500	-	-	-	-
FINANCE	3	71,719,100	3	71,719,100	-	-	-	-
INVESTMENT TRUST	2	8,140	1	740	1	7,400	-	-
NOMINEES	603	23,814,596	210	15,553,243	375	6,172,753	18	2,088,600
PRIVATE LIMITED COMPANY								
- RETAIL BODY CORPORATES	12	224,263,872	4	223,727,352	8	536,520	-	-
- INSTI-BODY CORPORATE	-	-	-	-	-	-	-	-
LIMITED COMPANY								
- RETAIL BODY CORPORATES	8	108,524,251	7	108,403,751	1	120,500	-	-
- INSTI-BODY CORPORATE	-	-	-	-	-	-	-	-
CLUBS / ASSOCIATION	3	23,686	2	20,726	1	2,960	-	-
CO-OPERATIVES	13	312,169	11	302,275	2	9,894	-	-
OTHERS	1	9	-	-	1	9	-	-
INDIVIDUAL	6,866	30,743,677	1,501	5,988,264	5,333	24,337,839	32	417,574
<b>TOTAL</b>	<b>7,513</b>	<b>580,000,000</b>	<b>1,741</b>	<b>546,305,951</b>	<b>5,722</b>	<b>31,187,875</b>	<b>50</b>	<b>2,506,174</b>
<b>%</b>	<b>100</b>	<b>100</b>	<b>23.17</b>	<b>94.19</b>	<b>76.16</b>	<b>5.38</b>	<b>0.67</b>	<b>0.43</b>

# CORPORATE INFORMATION

## MANAGER

**JLG REIT MANAGERS SDN BHD**  
(200501035558)

### Registered Office:

Suite 1, Level 17, Menara KOMTAR,  
Johor Bahru City Centre,  
80888 IIBD, Johor.

### Principal Place of Business:

Unit 1-19-02, Level 19, Block 1,  
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46200 Petaling Jaya, Selangor.  
Tel : (+603) 7932 1692 / 7932 3692  
Fax : (+603) 7932 0692

## LISTING

**MAIN MARKET OF BURSA MALAYSIA  
SECURITIES BERHAD**

Stock Name: ALSREIT  
Stock Code: 5269

## WEBSITE

www.alsalamreit.com.my

## TRUSTEE

**AMANAHRAYA TRUSTEES BERHAD**  
(200701008892)

Level 30 & 31,  
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50400 Kuala Lumpur.  
Tel : (+603) 2036 5129  
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Website : www.artrustees.my

## REGISTRAR

**LARKIN SENTRAL PROPERTY BERHAD**  
(200701008892)

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80000 Johor Bahru, Johor.  
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## SHARIAH COMMITTEE

- Dato' (Dr) Haji Nooh bin Gadot**
- Professor Madya Dr Abdul Halim bin Muhammad**
- IBFIM**  
(200701005076)  
Level 5, Bangunan AICB,  
No. 10, Jalan Dato' Onn,  
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Email : shariah.consultancy@ibfim.com  
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## AUDITOR

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Fax : (+603) 2095 5332  
Website : www.ey.com

## SOLICITORS

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Suite A-38-8, Level 38,  
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Fax : (+603) 2780 2833  
Email : partner@kaapl原因.com  
Website : www.kaapl原因.com

**ABDUL RAMAN SAAD & ASSOCIATES**  
C-2-1, Pacific Place Commercial Centre,  
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47301 Petaling Jaya, Selangor.  
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Fax : (+603) 7734 5777  
Email : arsakl@arsa.com.my  
Website : www.arsa.com.my

**SHEARN DELAMORE & CO.**  
7<sup>th</sup> Floor, Wisma Hamzah-Kwong Hing  
No 1 Leboh Ampang  
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Tel : (+603) 20272727  
Fax : (+603) 20704445  
Website : www.shearnanddelamore.com

## PROPERTY MANAGER

**EXASTRATA SOLUTIONS SDN BHD**  
(201001042323)  
W-10-4, 4<sup>th</sup> Floor,  
West Wing Subang Square, Jalan SS  
15/4G, 47500 Subang Jaya, Selangor.  
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Fax : (+603) 5613 1686  
Email : admin@exastrata.net  
Website : www.exastrata.net

## SERVICE PROVIDER

**JLG PROPERTY MANAGEMENT  
SDN BHD**  
(201001022192)  
*Formerly known as DASB Property  
Management Sdn Bhd*

Level 5, Menara KOMTAR,  
Johor Bahru City Centre,  
80888 IIBD, Johor.  
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## INDEPENDENT PROPERTY VALUER

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SDN BHD**  
(201501001265)  
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No. 24, Jalan Perak,  
50450 Kuala Lumpur.  
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Website : www.rahim-co.com/



**[www.alsalamreit.com.my](http://www.alsalamreit.com.my)**



**REIT MANAGERS**

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