Understanding **Our Principal Risks**

Risk management at KLCCP Stapled Group is anchored on our Risk Policy which sets out the direction towards achieving robust risk management practices. In executing business objectives, risks can be framed as threats and/or opportunities with risk management integral to reducing the threats while maximising concurrent opportunities.

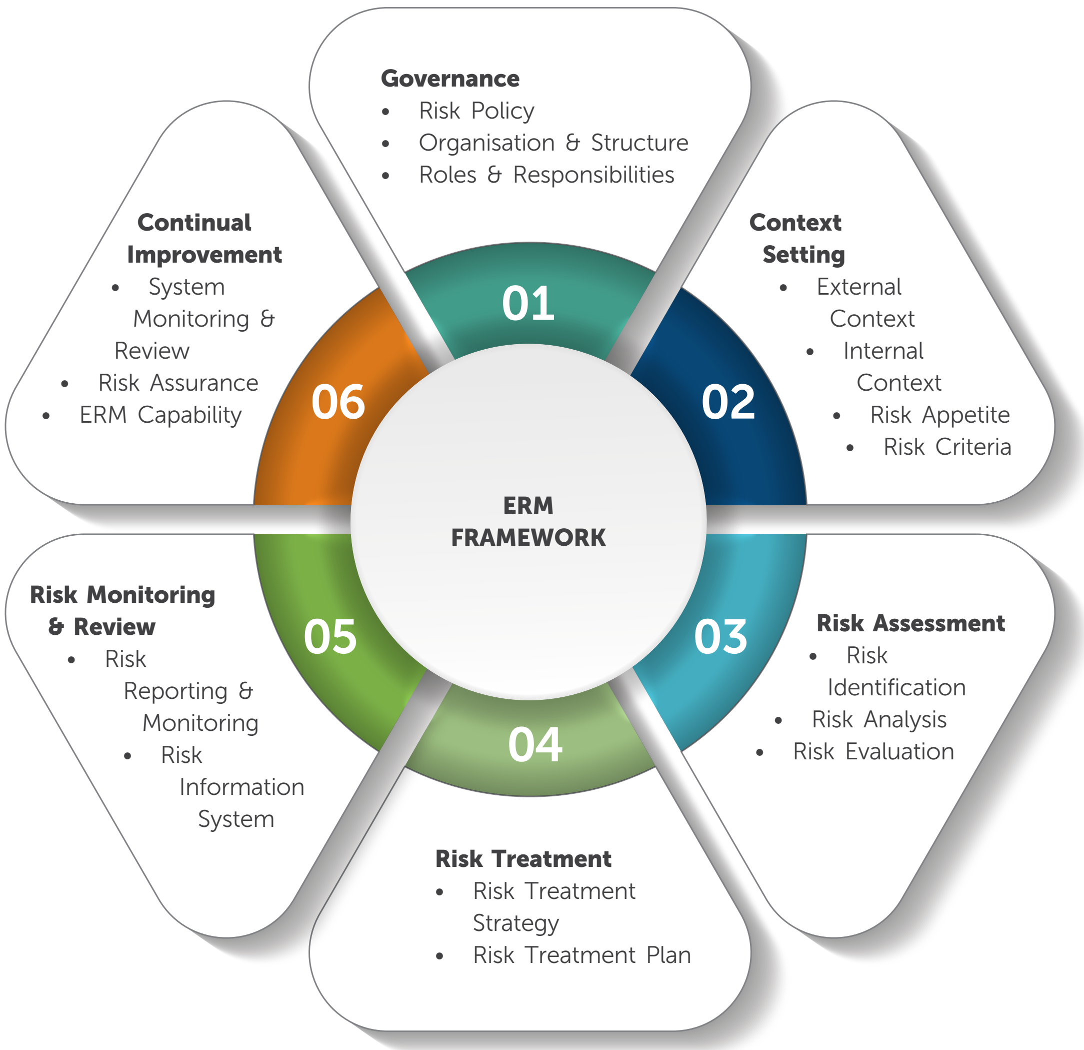
KEY MESSAGES IN RISK POLICY

- Risk management best practices protect and create value within set boundaries
- Risk based decision making provides a balanced and holistic view of exposure to achieve business objectives
- Risk is everyone's responsibility

The overall strategy in managing risk in KLCCP Stapled Group is based on the Resiliency Model which focuses on three areas, namely Enterprise Risk Management, Crisis Management and Business Continuity Management.

For Enterprise Risk Management, the establishment and annual revision of KLCCP Stapled Groups' principal risks have been guided by the KLCC Group ERM Framework, with reference to the ISO 31000: 2018 - Risk Management Guidelines and KLCC Group Risk Assessment Reference Centre for a comprehensive risk assessment.

KLCC GROUP ERM FRAMEWORK



Understanding Our Principal Risks

Risk Appetite

KLCCP Stapled Group's risk appetite reflects the nature and extent of risks the Group is willing to pursue to achieve our strategic objectives. The approved risk appetite covers five main areas across our business:

1 Strategic
Maximise capital efficiency through healthy portfolio distribution in pursuit of our business objectives.

2 Financial
Maintain strong capital and financial performance, profitability, liquidity and reputable credit rating to support sustainability as well as greater financial flexibility in pursuit of our business objectives.

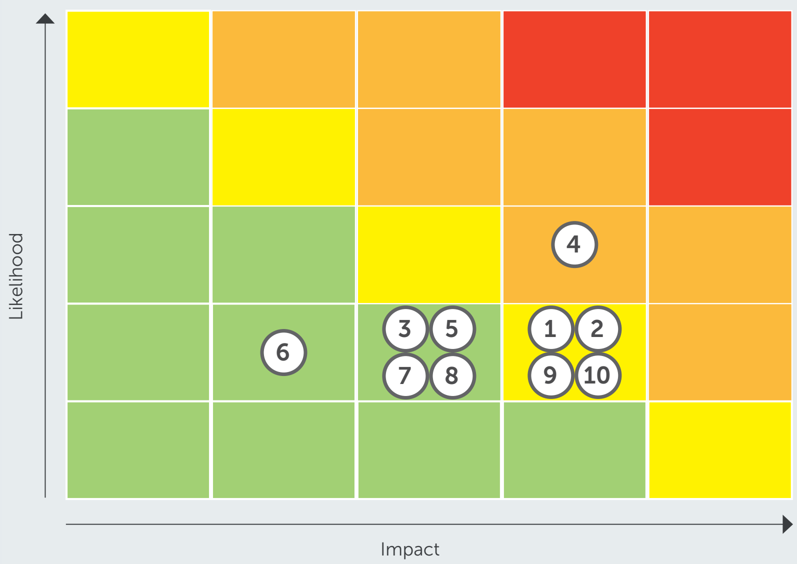
3 Operational
Control operational risks through appropriate risk management and minimise disruptions in pursuing strategic directions.

4 Reputational
Maintain our reputation via actions that are consistent with the Group's mission and shared values to protect our credibility and stakeholders' perception.

5 Legal and Regulatory Compliance
- Uphold and adhere to the principles of good corporate governance while ensuring full compliance with all applicable laws and regulations that govern our business operations.
- Maintain zero tolerance towards all forms of bribery and corruption, as outlined in our Code of Conduct and Business Ethics (CoBe), Anti-Bribery and Corruption Manual (ABC Manual) and Anti-Bribery Management System.

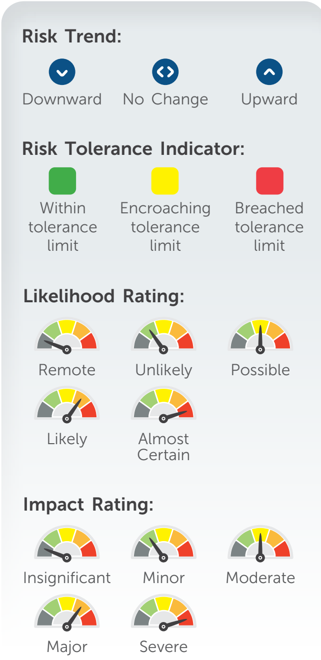
We review our risk appetite annually to ensure the Group's risk tolerance is aligned with our risk exposure to achieve our strategic objectives. Following the review, the Governance, Risk and Assurance Department (GRA) presents our risk appetite statement, risk tolerance and risk appetite threshold to the Risk Management Committee (RMC), Board Risk Committees (BRCs) and the Boards of KLCC Property Holdings Berhad and KLCC REIT Management Sdn Bhd.

KLCCP Stapled Group Risk Heat Map 2025



Principal Risks
1. Financial
2. Market
3. Human Capital
4. Health, Safety and Environment (HSE)
5. Security
6. Asset Management
7. Facility Management
8. Supplier
9. Cybersecurity
10. Sustainability

Risk Level
- Low
- Medium
- High
- Very High



Time horizon: ST Short-term (1 year) | MT Medium-term (2-5 years) | LT Long-term (>5 years)

R1 FINANCIAL RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Description

Failure to meet expected revenue targets from the assets may lead to inadequate cash for operational needs, creating liquidity pressure, affecting credit rating, increasing financing costs and causing reputational impact. If this pressure escalates to a point where the Group is unable to service its sukuk profit obligations, it will need to obtain additional borrowing to support these payments. This would increase gearing levels, although still within approved thresholds.

Implications On Value Creation

Strong financial risk management supports a stable balance sheet and helps maintain low gearing and a healthy credit standing. This provides borrowing flexibility, sustains investor confidence in sukuk issuances and supports the Group's ability to fund operations, refinance maturing sukuk and pursue growth opportunities without compromising financial resilience.

Response and Mitigating Actions

- Closely monitor cash flow, including monthly ageing statements and proactive follow-up on collections.
- Review Operating Units' (OPUs) collection through the Credit Committee.
- Manage liquidity buffers, sukuk maturity timelines and financing requirements to reduce repayment pressure.
- Maintain conservative gearing and disciplined cash planning to support profit servicing and future refinancing needs.

Opportunities Arising From This Risk

A strong capital position and low gearing enable the Group to refinance maturing sukuk competitively and pursue development or asset enhancement opportunities. Strong financial metrics help attract investors and support long-term strategic investments.

Outcomes In 2025

- Group successfully refinanced Asas Klasik Sdn Bhd's term loan into a fixed-rate sukuk at a lower borrowing cost compared to the previous facility, thereby strengthening our funding profile and reducing future financing expenses.
- This was complemented by continued close monitoring of the Group's financial position and cost structure to support long-term business sustainability, while surplus funds were prudently placed with financially sound institutions and diversified across several banks to mitigate concentration risk.

Outlook For 2026

KLCCP Stapled Group is expected to remain financially resilient, supported by low gearing, disciplined liquidity management and a stable sukuk structure. Fixed rate borrowings will provide rate stability, while the Group's strong financial position will support growth plans without weakening its balance sheet.

Links Capitals: ALL | Strategy: MC EB SO | Stakeholders: S1 S2 S3 S4 S5 S6 | Time horizon: ST – LT

R2 MARKET RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Description

Adverse impact on our revenue and asset value due to changes in market conditions, such as economic downturns, changes in interest rates, inflation and shifts in investor sentiments.

Implications On Value Creation

Market headwinds may reduce demand for office, hotel, and retail spaces, impacting occupancy, room rate and rental income. If not managed effectively, this could diminish asset value and profitability, weakening stakeholder confidence. Conversely, anticipating and adapting to market changes enables KLCCP Stapled Group to preserve financial resilience, maintain asset competitiveness, and continue to create value for stakeholders.

Response and Mitigating Actions

- Apply structured process for new investments and ventures encompassing feasibility studies, market analysis, etc.
- Identify yield accretive assets for opportunistic acquisitions.
- Strategic conversations with the Board on business strategy and direction.
- Initiate building audit towards ensuring the pristine condition of our asset.
- Complete the Asset Benchmarking Study.
- Monitor the market position on quarterly basis (macro-economic & portfolio level) and organise the Annual External Environment Analysis event involving internal stakeholders and external experts.
- Enhance collaboration among KLCC Precinct partners towards increased KLCC Precinct competitiveness and synergies.

Opportunities Arising From This Risk

Evolving investor expectations and capital market trends towards sustainability create an opportunity for KLCCP Stapled Group to reduce market risk exposure by differentiating our portfolio, safeguarding asset values, and attracting sustainability focused capital through certified green buildings and energy efficient, climate resilient assets.

Outcomes In 2025

- Continued to lead as Malaysia's largest REIT, anchored by a diversified portfolio of prime commercial and iconic assets within Kuala Lumpur's CBD.
- Recorded another strong financial year, supported by resilient occupancy, stable rental yields, and consistent Annual Recurring Revenue.

Outlook For 2026

Global economic uncertainty driven by geopolitical tensions, continual inflation and increasing commodity prices is likely to prompt prudent property investment decisions and consumer spending. Market volatility will require organisations to strengthen risk management, with outcomes dependent on the effectiveness of inflation control measures.

Links Capitals: FC MC HC | Strategy: MC EB SO | Stakeholders: ALL | Time horizon: ST – LT

Understanding Our Principal Risks

R3 HUMAN CAPITAL RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Description

Failure to develop and retain a sufficient pool of competent internal talent, supported by effective succession planning at KLCCP Stapled Group, resulting in partial business disruption and diminished organisational resilience, especially as regulatory and stakeholder expectations evolve.

Implications On Value Creation

Effective succession planning ensures leadership continuity and reduces turnover; training and development optimises workforce capability thus, driving productivity and engagement while enhancing operational efficiency and profitability. Both strengthen KLCCP Stapled Group's reputation as a sustainable and responsible organisation, safeguarding long-term value creation and maintaining investor confidence.

Response and Mitigating Actions

- Formulate a strategic workforce plan to acquire high-potential, competent talents.
- Maintain robust succession management to ensure a timely and competent leadership pipeline that enables operational continuity and supports future growth.
- Intensify capability-building via targeted development programmes.
- Foster a positive work culture that promotes engagement and employee well-being, including wellness programmes and strategies to elevate employee satisfaction.
- Conduct annual reviews of compensation and benefits to remain competitive, thus able to attract and retain the best talent.

Opportunities Arising From This Risk

- The creation of a sustainable pipeline of future-ready leaders strengthens organisational resilience across the KLCC Group, with enhanced capabilities driving greater innovation and performance.
- This focus on talent development is reflected in strong workforce stability, with talent attrition remaining low at 4.8% in 2025, of which resignations accounted for only 3.0%—well below the Malaysian industry average of 18.2%

Outcomes In 2025

- Top talent identification and talent reviews diligently conducted whereby 61 talents were assessed, as per plan to ascertain talent compatibility and development needs in preparing them to succeed the key and critical positions.
- Succession planning ratio for identified critical positions reflects effective talent development efforts and the Group's proactive approach in ensuring leadership readiness and continuity across key functions.

Outlook For 2026

Continue to enhance the execution of our talent development plan and closely monitor progress to effectively address and close skills gaps. This will lessen the reliance on PETRONAS talent for critical roles and strengthen our internal talent capability.

Links Capitals: FC HC IC SR | Strategy: SO | Stakeholders: S1 S2 S3 S5 S6 | Time horizon: ST – MT

R4 HEALTH, SAFETY AND ENVIRONMENT (HSE) RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Description

Major incidents or non-compliance with health, safety and environmental related legal requirements and standards within KLCCP Stapled Group's business operations. These include workplace accidents, contractor HSE breaches and environmental hazards that could lead to injury, loss of life, asset damage, regulatory penalties, reputational damage and operational disruptions.

Implications On Value Creation

Strong HSE standards position KLCCP Stapled Group as a responsible and sustainable organisation, which not only enhances stakeholder trust but also drives long-term value creation through improved operational efficiency, reduced incident-related costs, and compliance with evolving ESG requirements. This differentiates KLCCP Stapled Group in the market, attracts ESG-conscious investors, and strengthens our competitive advantage, ensuring resilience and profitability in a rapidly changing regulatory and sustainability landscape.

Response and Mitigating Actions

- Shape Generative HSE Culture via HSE programmes at all levels, complemented by periodic HSE assurance exercises.
- Maintain compliance with BOMBA and Energy Commission requirements; and conduct periodic inspections on critical safety elements fixtures and fittings such as the fire protection system.
- Incorporate adverse weather events e.g. floods, landslides and earthquakes into our risk assessment.

Opportunities Arising From This Risk

Demonstrating a commitment to health, safety and environmental stewardship positions KLCCP Stapled Group as a trusted and responsible property developer and manager.

Outcomes In 2025

Despite a major fire incident, the effectiveness of the fire protection system enabled early detection and localised containment, while a prompt and well-coordinated staff response prevented escalation and wider operational impact.

Outlook For 2026

HSE risks are ever-present, hence the need to keep enhancing knowledge, maintain operational discipline and the ability of employees, tenants and partners to keep safe. Following from the recent incident at Menara 3 PETRONAS, we will future proof our assets by ensuring that our fire protection systems remain effective, compliant, resilient and adaptable to evolving operational needs and risk. We are also preparing to strengthen our defences against emerging electrical vehicle (EV)-related fire risk.

Links Capitals: ALL | Strategy: MC EB SO | Stakeholders: S1 S2 S3 S4 S5 S6 | Time horizon: ST – MT

Time horizon: ST Short-term (1 year) | MT Medium-term (2-5 years) | LT Long-term (>5 years)

R5 SECURITY RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Description

Failure to maintain robust security measures may result in unauthorised access, criminal activities and/or security breaches within KLCCP Stapled Group's properties, facilities and operations, potentially leading to harm to people and assets, operational disruptions, reputational damage and legal liabilities.

Implications On Value Creation

Strengthening supplier governance and performance management, diversifying the supplier based, and leveraging a digital procurement platform enhance KLCCP Stapled Group's ability to preserve business continuity, optimise costs and uphold integrity. These measures reinforce long-term resilience, and sustain stakeholders' confidence as well as trust in the Group's operations.

Response and Mitigating Actions

- Leverage KLCC Precinct Security Management Centre and collaborate with Polis Diraja Malaysia (PDRM), precinct partners and local authorities.
- Safety and security measures to include:
  - Liaison with PDRM on threats to buildings
  - Audits on Security Management System, adapted from PETRONAS' Security Management System 3.0
  - Video surveillance system (VSS)
  - Joint on-site security operations
  - Overseeing public and visitor safety through continuous monitoring

Opportunities Arising From This Risk

- Implementing strong security measures positions KLCCP Stapled Group as a safe and trusted property manager, enhancing tenant and visitor confidence in KLCC Precinct and the Kompleks Dayabumi area while reinforcing investor trust.
- Strengthened ESG credentials and reputation create opportunities to attract premium tenants and improve occupancy rates.

Outcomes In 2025

No major security incidents at the iconic assets of KLCC Precinct and Kompleks Dayabumi pursuant to implementation of effective security coordination with security fraternities and authorities, efficient allocation of resources and strong security management.

Outlook For 2026

Security systems are becoming more advanced, especially with new digital technologies. We will continue to collaborate with our partners and the relevant authorities to look into increasingly effective security intelligence and management to maintain the tightest security in and around our properties.

Links — Capitals: FC MC HC IC | Strategy: MC EB SO | Stakeholders: ALL | Time horizon: ST – MT

R6 ASSET MANAGEMENT RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Description

Ineffective management, maintenance or optimisation of KLCCP Stapled Group's property assets could lead to reduced asset value, operational inefficiencies, and higher lifecycle costs. Poor asset management may also result in tenant dissatisfaction, increased vacancy rates, reputational damage and diminished long-term returns.

Implications On Value Creation

Proactive asset management enhances operational efficiency, supports ESG compliance through sustainable upgrades, and attracts premium tenants. These strengthen KLCCP Stapled Group's market position, improve occupancy rates, and ensure resilience, ultimately driving long-term value creation and investor confidence.

Response and Mitigating Actions

- Ensure all assets are maintained in compliance with contractual obligations, including:
  - Regular audits
  - Preventive maintenance
  - Adherence to sustainability standards to uphold building integrity, optimise operational efficiency, and extend asset lifespan
- Engage with stakeholders to understand their needs, enhance satisfaction and align asset upgrades with demand, thereby reducing vacancy and preserving asset value.

Opportunities Arising From This Risk

- Leveraging smart building technologies and predictive maintenance, KLCCP Stapled Group can reduce lifecycle costs and improve operational efficiency.
- Upgrading assets to meet green building standards strengthens ESG credentials and attracts sustainability-conscious tenants.
- Modernising facilities enhances tenant experience, improves occupancy rates and positions KLCCP Stapled Group as an innovative and responsible property manager in a competitive market.

Outcomes In 2025

The building audits undertaken at PETRONAS Twin Towers, Menara 3 PETRONAS, Menara ExxonMobil, Kompleks Dayabumi, Suria KLCC and Mandarin Oriental Kuala Lumpur identified improvement opportunities that support targeted measures to enhance building safety, operational reliability, and overall asset performance.

Outlook For 2026

KLCCP Stapled Group seeks to transition our asset management from routine maintenance to strategic lifecycle optimisation, leveraging smart building technologies, predictive analytics and sustainability-driven upgrades to enhance operational efficiency and reduce long-term costs.

Links — Capitals: ALL | Strategy: MC SO | Stakeholders: S1 S2 S3 S4 S5 S6 | Time horizon: ST – LT

Understanding Our Principal Risks

R7 FACILITY MANAGEMENT RISK

Risk Level: Risk Trend: Risk Tolerance Indicator: Likelihood Rating: Impact Rating:

Description

Failure to sustain asset performance at optimal levels, resulting in non-compliance with statutory requirements and Service Level Agreements (SLAs). At the same time, ageing assets, delayed upgrades or ineffective maintenance strategies may disrupt operations, increase lifecycle costs, and cause reputational damage.

Implications On Value Creation

Proactive maintenance and cost optimisation initiatives contribute towards stabilisation of financial performance despite rising costs, while modernisation of facilities enhances brand reputation and strengthens market positioning. These actions collectively support long-term returns, reinforce stakeholder confidence, and position KLCCP Stapled Group as a trusted and innovative property facility manager.

Response and Mitigating Actions

- Conduct building integrity audits every 10 years in accordance with Street, Drainage and Building Act 1974 (Act 133), Section 85A.
- Undertake preventive maintenance programme comprising regular inspections, timely servicing of mechanical and electrical systems, proactive replacement of critical components, and continuous monitoring of building safety systems.
- Evaluate contractors performance half yearly and assess Customer Satisfaction Index annually.

Opportunities Arising From This Risk

Moving beyond routine maintenance to focus on smart technologies, predictive analytics and sustainability-driven practices would optimise building performance, reduce lifecycle costs and create opportunities to elevate tenant experience, strengthen ESG leadership, and improve cost efficiencies.

Outcomes In 2025

Completed multiple upgrading works across the Group including refurbishment/upgrading of gondolas, precision air conditioning and fire pump system at PETRONAS Twin Towers and Menara 3 PETRONAS as well as façade refurbishment at Kompleks Dayabumi. These enhancements have contributed to improved asset reliability, reduced downtime risks and better overall operational performance.

Outlook For 2026

The continuous implementation of proactive maintenance across all managed properties will further enhance operational performance, ensure sustained compliance with statutory and regulatory requirements, and position our facilities as ongoing benchmarks of safety, efficiency and sustainability. Current and forward-looking maintenance plans are focused on enhancing the building's overall performance. Key initiatives include upgrading washroom facilities, safeguarding pipe integrity, modernising lift display systems, enhancing Variable Air Volume (VAV) systems, and upgrading the fire alarm system. These measures are designed to ensure uninterrupted facility operations while minimising disruption to daily activities.

Links Capitals: ALL Strategy: MC EB SO Stakeholders: S1 S2 S3 S4 S5 S6 Time horizon: ST – LT

R8 SUPPLIER RISK

Risk Level: Risk Trend: Risk Tolerance Indicator: Likelihood Rating: Impact Rating:

Failure in procurement and supply chain processes due to inadequate supplier performance, ineffective supplier selection or non-compliance with governance standards leading to operational delays, financial loss and reputational damage to KLCCP Stapled Group.

Implications On Value Creation

Strengthening supplier governance and performance management, diversifying the supplier base, and leveraging digital procurement platform enhance KLCCP Stapled Group's ability to preserve business continuity, optimise costs and uphold integrity. These measures reinforce long-term resilience, and sustain stakeholders' confidence as well as trust in the Group's operations.

Response and Mitigating Actions

Establish and utilise KLCC Supplier Registration System and online Contractors Performance Appraisal "CPA" system.

Opportunities Arising From This Risk

- By expanding and diversifying our supplier base, implementing robust evaluation frameworks, and adopting digital procurement platforms, KLCCP Stapled Group can create greater transparency and ensure the timely delivery of critical services.
- Effective procurement enhances efficiencies, preserves stakeholders' confidence and aligns with ESG principles.

Outcomes In 2025

Enhancement of the supplier registration system, resulting in a 90% increase in supplier registrations, strengthened the bidder selection process and supported the award of contracts in 2025 with an aggregate value of approximately RM200 million.

Outlook For 2026

Economic and regulatory changes in Malaysia may impact supplier stability, while stricter ESG and sustainability requirements will make full supply chain screening mandatory. Additionally, cybersecurity vulnerabilities and slow technology adoption among suppliers pose further challenges.

Links Capitals: FC MC HC IC SR Strategy: MC EB Stakeholders: S1 S2 S3 S4 S5 Time horizon: ST – LT

Time horizon ST Short-term (1 year) MT Medium-term (2-5 years) LT Long-term (>5 years)

R9 CYBERSECURITY RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Cyber infiltration that compromises KLCCP Stapled Group's systems and network security, potentially leading to data breaches, operational disruption and reputational damage arising from third-party managed IT and Operational Technology (OT) assets, ineffective threat monitoring, and non-compliance with cybersecurity governance requirements.

Implications On Value Creation

Effective cybersecurity management is critical to safeguarding KLCCP Stapled Group's digital infrastructure, averting financial loss, penalties under the Personal Data Protection Act (PDPA), General Data Protection Regulation (GDPR), and erosion of stakeholder trust. Strengthening governance, enhancing monitoring capabilities, and embedding resilience into IT systems will ensure business continuity and trust.

Response and Mitigating Actions

- Complete cybersecurity training and online/e-learning assessment for all employees.
- Carry out regular phishing tests across the Group.
- Implement PETRONAS Cyber Security Control Guidelines for all third-party service providers.

Opportunities Arising From This Risk

- By adopting advanced threat detection tools, strengthening governance frameworks, and collaborating with industry partners, the Group can mitigate risks while positioning itself as a secure and trusted property manager.
- Underlining our ESG commitments will reinforce stakeholder confidence.

Outcomes In 2025

The Group enhanced cyber resilience by strengthening governance, improving management of third-party cyber risks, increasing staff cyber awareness through training and phishing simulations, and improving business continuity through the implementation of disaster recovery measures, thereby reducing the likelihood and impact of cybersecurity incidents and associated reputational risks.

Outlook For 2026

Greater focus will be directed towards the Group's exposure to cybersecurity threats as well as to adherence to regulations, especially the Cyber Security Act and PDPA.

Links Capitals: HC IC SR | Strategy: MC EB | Stakeholders: S1 S2 S3 S4 S5 | Time horizon: ST – MT

R10 SUSTAINABILITY RISK

Risk Level: | Risk Trend: | Risk Tolerance Indicator: | Likelihood Rating: | Impact Rating:

Inability to fulfil environmental, social, and governance (ESG) commitments, including climate-related impacts, carbon reduction targets, energy efficiency, waste management, ethical sourcing and hiring, and maintaining transparency in sustainability reporting.

Implications On Value Creation

Sustainability performance is central to KLCCP Stapled Group's ability to create long-term value. Proactive sustainability initiatives enhance stakeholder confidence, attract ESG-conscious investors, and strengthen the Group's competitive advantage while failure to meet ESG commitments could lead to financial penalties, investor divestment and reputational damage.

Response and Mitigating Actions

- Implementation of comprehensive Sustainability Plan 2030 encompassing Planet, People, Peace and Prosperity initiatives.
- Implementation of PETRONAS Human Rights Standard for Supply Chain, including mandatory self-assessment.

Opportunities Arising From This Risk

- Early adoption of sustainability practices differentiates KLCCP Stapled Group from competitors and aligns with global trends in the property industry.
- Optimised management of energy, water and waste reduces long-term operational costs while meeting regulatory requirements thus avoiding penalties and disruptions.

Outcomes In 2025

- 2025 sustainability disclosures are aligned with the National Sustainability Reporting Framework (NSRF), International Financial Reporting Standards (IFRS) S1 and S2 requirements.
- 12% reduction in Scope 1 and 2 GHG emissions based on equity share against base year 2019.
- 100% of the Group's offices achieved an Energy Efficiency Rating (EER) of 3-Star, beyond the requirement of Energy Efficiency and Conservation Act (EECA) 2024.
- Advanced the Group's Sustainability Plan 2030 with 64% targets in progress and 36% targets on track in 2025.

Outlook For 2026

Sustainability risks such as those related to climate change are becoming more critical, with investors, regulators, customers and others increasing their expectations of corporations to demonstrate responsible actions. The Group will scale up our initiatives to strategically manage our material climate risks, besides meeting the requirements of the NSRF and EECA, among others.

Links Capitals: ALL | Strategy: MC EB SO | Stakeholders: S1 S2 S3 S4 S5 S6 | Time horizon: ST – LT

Our **Strategy**

STATEMENT OF PURPOSE

A Progressive Energy and Solutions Partner Enriching Lives for a Sustainable Future

3-PRONGED GROWTH STRATEGY

MC Maximising Cash Generator

Our high-quality, diversified portfolio underpins resilient, recurring profits. Protecting, strengthening and scaling these core earnings platforms provide a sustainable base for long-term profitability and future growth.

Investment is directed towards strengthening and expanding sustainable earnings platforms

EB Expanding Core Business

Property investment and development remain our core business. We are defining opportunities for further growth and value enhancement.

Invest to broaden the resource base and build the next line of cash generators

SO Stepping Out

Accelerated key global and industry trends are reshaping the real estate landscape, customer behaviour and expectations. We continue to build our capabilities in order to allocate resources to better position ourselves for the future.

Invest to future proof our overall portfolio

STRATEGIC FOUNDATION

Culture → Digital → Capability → HSE → Sustainability

NET ZERO CARBON EMISSIONS PATHWAY

2023 – 2029

- Decarbonisation:
  - Reduce energy consumption in assets
  - Energy-efficient equipment
  - Adopt renewable energy practices
- Green/low carbon investment portfolio
- Circular economy

2030

10% Reduction in Carbon Emissions

Note:
- *2019 as reference base year*
- *Targets are set on equity based approach for Scope 1 and 2 emissions aligning with the Group's Sustainability Plan 2030*

2030 – 2049

- Continue decarbonisation
- Circular economy
- Carbon offset

2050

Net Zero Carbon Emissions

MEASURING OUR STRATEGIC PROGRESS IN 2025

COMMERCIAL EXCELLENCE

KEY PRIORITIES

Increase value through:

- Reshaping the asset mix to lift returns while responding to shifting market realities.
- Seeking and unlocking new avenues for expansion on an ongoing basis.
- Investing in people, systems, and processes to elevate organisational effectiveness.

RESOURCE ALLOCATION

- **Financial:** Direct capital allocation towards priority initiatives that enhance commercial performance and value creation.
- **Manufactured:** Ownership and management of a broad mix of landmark office, retail, and hospitality properties, supported by integrated facilities and car park management services.
- **Intellectual:** Embedding ongoing knowledge development to ensure adaptability and competitiveness in an evolving market landscape.
- **Human Capital:** Uplifting commercial capabilities through targeted training frameworks and continuous professional development.

Initiatives

1. Extract greater financial returns by optimising how assets are utilised.
2. Drive organic growth by expanding facilities management and car park management services.
3. Enhance Commercial Excellence by strengthening organisational capabilities.

Achievements

- Advanced asset optimisation efforts by repositioning Suria KLCC as a lifestyle destination, anchored by a curated mix of international, local, and experiential tenants, which supported higher footfall.
- Completed targeted capital works to upgrade core infrastructure, supporting service quality and operational readiness for expanded facilities and car park management activities.
- MOKUL Hotel enhanced its organisational capabilities to strengthen service delivery and guest satisfaction, reinforcing brand experience and supporting sustained occupancy growth (2025: 59% vs 2024: 58%)

Headline KPIS

- Revenue
- Profit before tax
- Net yield
- Revenue growth
- % completion of capability assessment

2026 Priorities

- Cultivate lasting, mutually beneficial relationships with priority stakeholders to drive sustained business outcomes.
- Refresh and reposition physical assets through targeted design-led and operational enhancements.
- Leverage park-led programming as a platform for community connection, destination appeal, and precinct-wide economic momentum.
- Accelerate Group growth through the expansion of integrated management services within KLCC Group.
- Institutionalise deep expertise by cultivating a critical mass of specialist talent across the organisation.

Short to Medium-Term Priorities

- Maintain targeted capital allocation to optimise returns from existing high-performing assets.

Long-Term Priorities

- Build next line of cash generators.

Links

Capitals: ALL

Principal Risks: R1 R2 R3 R6 R7 R8 R9 R10

Material Sustainability Matters: M1 M10 M11 M12

Stakeholders: S1 S2 S3 S4 S5

Strategy: MC EB SO

Key Trends: ALL

Our Strategy

PROJECT EXCELLENCE

KEY PRIORITIES

Managing project deliverables through:

- 100% OTOBOS (On-Time, On-Budget, On-Scope) project delivery.
- Enhance client satisfaction through high-quality and timely execution of all projects.
- Performance and longevity of existing assets through continuous improvement and targeted enhancements.

RESOURCE ALLOCATION

- **Human Capital:** Optimise manpower deployment across all projects to ensure efficiency
- **Manufactured:** Sustain a balanced and diverse portfolio of key properties, including offices, retail, hotels, and support facilities.
- **Natural:** Champion responsible resource use and environmental stewardship.
- **Intellectual:** Embed continuous improvement practices to elevate project outcomes.
- **Social and Relationship:** Deepen collaboration and trust with contractors and clients.

Initiatives

- Align all projects with business goals, achieving 100% OTOBOS delivery while optimising value for customers.
- Elevate guest experience at MOKUL Hotel through strategic renovations, including the Grand Ballroom upgrade

Achievements

- Deliver 100% OTOBOS compliance on operational projects
- Improved occupancy and revenue per available room (RevPAR) through targeted marketing initiatives and disciplined operational excellence across yield management, service standards and cost optimisation.

Headline KPIS

- 100% OTOBOS compliance across all projects
- PBT
- Footfall
- RevPAR
- Occupancy

2026 Priorities

- Sustain 100% OTOBOS compliance for all projects under KLCCP and KLCC REIT Management Sdn Bhd
- Enhance PBT and footfall by driving tenant performance, curated events, and engaging shopper experiences
- Improve occupancy and RevPAR through targeted marketing and operational excellence

Short to Medium-Term Priorities

- **Streamlining Project Execution Processes:** Streamline operational processes and workflows to improve efficiency, minimise waste, and expedite project delivery.

Long-Term Priorities

- Strive to set the benchmark in sustainable and innovative project execution.

Links

Capitals: ALL

Principal Risks: R1 R3 R4 R8 R10

Material Sustainability Matters: M6 M10 M11 M12

Stakeholders: S1 S2 S3 S4 S5

Strategy: MC SO

Key Trends: MT3 MT4 MT5 MT6

OPERATIONAL EXCELLENCE

KEY PRIORITIES

Drive operational excellence by:
- Upholding the highest HSE standards and embedding ESG principles across all activities.
- Maximising resource productivity and efficiency.
- Leveraging advanced technologies and innovative solutions to optimise performance.

RESOURCE ALLOCATION

- **Financial:** Drive value through disciplined cost management and efficient allocation of resources.
- **Physical Assets:** Sustain a balanced portfolio of flagship properties spanning offices, retail, hotels, and supporting facilities.
- **Talent:** Equip operations teams with targeted learning and development initiatives.
- **Environment:** Champion responsible resource use and environmental stewardship
- **Knowledge:** Embed continuous improvement practices to boost operational performance.
- **Stakeholders:** Deepen engagement with clients, customers, and partners to strengthen business relationships.

Initiatives

1. Strengthened HSE oversight and compliance processes to maintain rigorous safety and environmental standards and ensure full regulatory compliance across the Group.
2. Progressed targeted cost efficiency and cost reduction measures during the year to optimise the Group's cost structure.
3. Progressed digital transformation initiatives to elevate operational performance and effectiveness across the Group.
4. Build organisational skills and capabilities to reinforce operational excellence.

Achievements

- Maintained established HSE standards, contributing to consistent safety performance and improved emergency response readiness.
- Optimised expenditure through disciplined cost management and targeted control initiatives, delivering improved cost efficiency.
- Consolidated Computerised Maintenance Management System (CMMS) services onto a single platform across KLCC Facilities Management, reducing costs through contract consolidation and streamlined maintenance operations.
- Implemented digital automation tools to streamline operational workflows, reducing manual processes and improving productivity and response times.
- Leveraged digital monitoring and analytics solutions to enhance operational visibility, enabling data-driven decision-making and proactive performance management.
- Enhanced workforce capabilities through structured training and development programmes, supporting improved operational performance and service delivery.

Headline KPIS

- Zero fatalities & zero major fires
- Realised defined cost savings targets
- 100% on-time execution of initiatives in line with planned milestones
- 100% completion of capability and competency assessments

2026 Priorities

- Foster a robust, proactive HSE culture across the organisation.
- Enhance operational efficiency through cost management and optimisation measures.
- Deliver all scheduled digital transformation initiatives for 2026.
- Develop and retain a strong pool of subject-matter experts to advance business excellence.

Short to Medium-Term Priorities
- Deploy digital technologies to enhance operational performance and streamline processes.

Long-Term Priorities
- Strengthen our operational sustainability by implementing energy-efficient measures that lower carbon emissions.

Links

Capitals: ALL

Principal Risks: R1 R3 R4 R5 R6 R7 R8 R9 R10

Material Sustainability Matters: M1 M4 M5 M6 M10 M11 M12

Stakeholders: S1 S2 S3 S4 S5

Strategy: MC EB SO

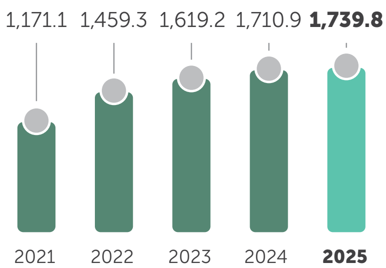
Key Trends: MT2 MT3 MT4 MT5 MT6

Key Performance **Indicators**

Our Key Performance Indicators provide a balanced and transparent assessment of our performance and strategic execution for the year under review. They reflect our commitment to financial discipline, operational excellence, stakeholder returns, talent development, safety, customer experience, and environmental responsibility.

Commercial Excellence

REVENUE (RM'mil)



Why is this important?

Annual revenue is an important measure of financial performance and indicates the organisation's sustainable growth trajectory.

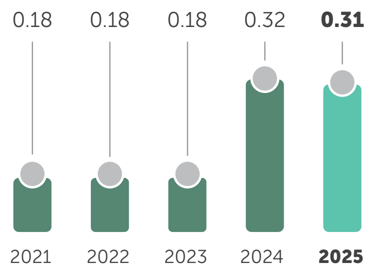
Objective

Enhance shareholder value by maintaining continued investment in existing income-generating assets and growing the core business.

Actual Achievement

Backed by resilient performance across all core business segments, the Group attained 1.7% year-on-year growth for 2025, demonstrating consistent revenue momentum and the effectiveness of strategic initiatives in driving sustainable financial performance.

GEARING (times)



Why is this important?

Gearing is a critical metric in evaluating the Group's debt position relative to equity. It enables financial flexibility for growth initiatives while maintaining prudent risk levels to support sustainable returns.

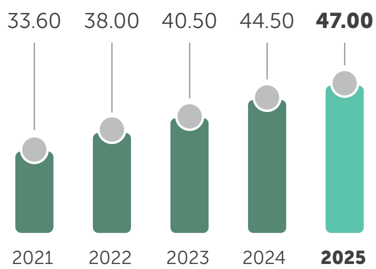
Objective

Ensure efficient use of debt financing to fund growth initiatives and investments.

Actual Achievement

The Group maintained a prudent debt-to-equity ratio of 30.5%, comfortably below the 50% limit prescribed by the Securities Commission, reflecting disciplined financial management and flexibility to support strategic growth initiatives.

DISTRIBUTION PER STAPLED SECURITY (sen)



Why is this important?

It represents a direct measure of total profits distributed to holders of Stapled Securities, which constitute their income.

Objective

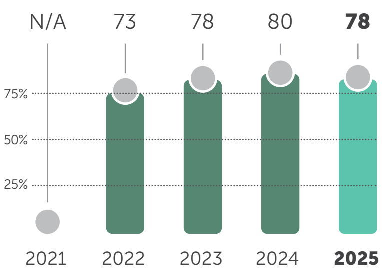
Provide long-term returns to holders of Stapled Securities supported by a stable dividend payout approach.

Actual Achievement

The Group achieved 5.6% year-on-year growth in distributions, reflecting its commitment to long-term value creation, and disciplined and sustainable payout policy.

Operational Excellence

ORGANISATIONAL CULTURE SURVEY INDEX SCORE



Why is this important?

Measures how satisfied employees are and their willingness to endorse the organisation, reflecting leadership, culture, and values, while promoting engagement toward organisational performance.

Objective

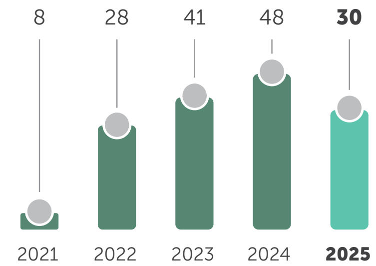
Aim to be recognised as an "Employer of Choice," with a positive workplace culture and fully engaged employees.

Actual Achievement

Achieved a score of 78 in 2025, at par with the industry average 79, reflecting a strong, cohesive culture and demonstrates the Group's continued success in fostering an environment where employees are highly engaged, motivated, and aligned with organisational objectives.

Note: New survey mechanism introduced in 2022

AVERAGE LEARNING HOURS



Why is this important?

It reflects the Group's commitment to developing employees, maintaining a skilled and future-ready workplace.

Objective

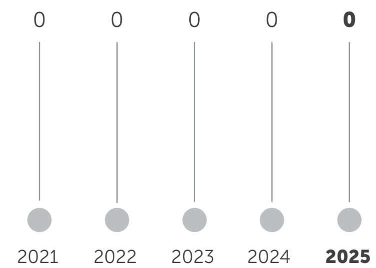
Promote an environment that encourages ongoing learning, innovation, and agility.

Actual Achievement

The Group invested RM2.6 million in professional training and structured development initiatives, providing employees with an average of 30 learning hours each, reflecting a strategic commitment to nurturing talent, fostering continuous learning, and ensuring a future-ready workforce.

Note: Calculation methodology refined during the year

ZERO FATALITIES



Why is this important?

Reflects the Group's commitment to prioritising the safety and well-being of employees and stakeholders, integrating safety into everyday operations and strengthening HSE leadership across all levels.

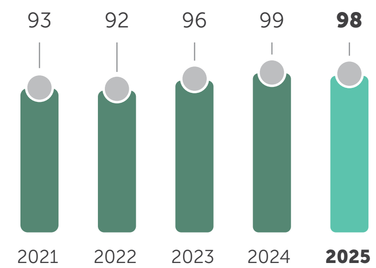
Objective

Institutionalise a strong safety culture and steer towards Generative HSE Culture within the Group, strengthening trust and reputation among clients, partners, and stakeholders.

Actual Achievement

For five consecutive years, the Group has maintained a remarkable zero-fatality rate, underscoring an unwavering commitment to workplace safety and health, and embedding a robust safety culture that protects employees and strengthens stakeholder confidence.

RETAIL OCCUPANCY (%)



Why is this important?

It supports revenue generation, strengthens asset value, influences customer footfall, improves tenant satisfaction and retention, and energises the retail destination.

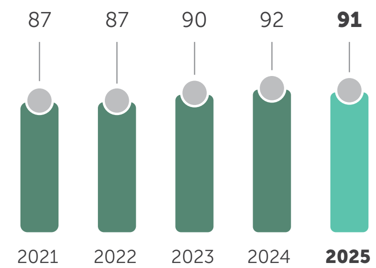
Objective

Sustain a thriving retail ecosystem through revenue growth, diverse tenant-mix, exceptional customer experiences, strong asset value, and overall operational excellence.

Actual Achievement

Focusing on expanded offerings and first-to-market brands, the Group achieved 98% occupancy, outperforming the 86% average in Central Kuala Lumpur's Golden Triangle, reflecting strong tenant demand, and retail execution.

HOTEL GUEST SATISFACTION SCORE (%)



Why is this important?

Customer reviews play a key role in guiding guests' hotel selection while offering valuable insights that help hotels improve services and facilities.

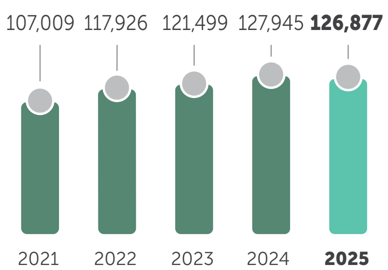
Objective

Delivering exceptional value and service to customers, overseeing satisfaction, addressing evolving needs, and creating seamless experiences.

Actual Achievement

Maintained an above 90% guest satisfaction score, reflecting continued focus on delivering high-quality guest experiences, underpinned by the dedication of MOKUL Hotel's teams and consistently strong service standards.

GHG EMISSIONS TREND (tCO_2e)



Why is this important?

Reducing greenhouse gas emissions is a strategic priority that mitigates climate risks, enhances operational efficiency, and supports the Group's sustainability commitments.

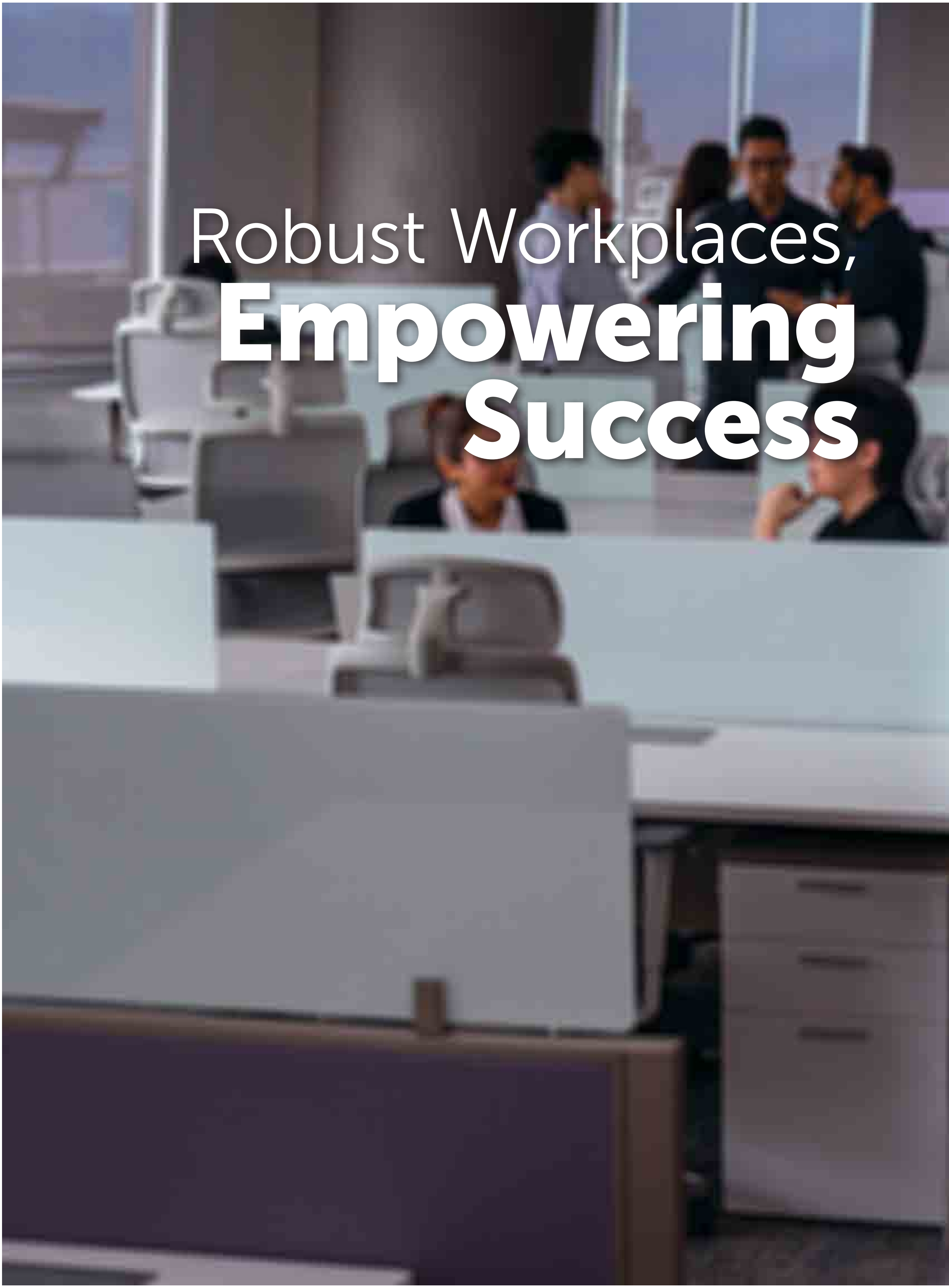
Objective

Drive measurable GHG reductions through energy efficiency, renewable energy adoption, and low-carbon operational practices.

Actual Achievement

Maintained a 12% reduction in Scope 1 and Scope 2 GHG emissions from the 2019 base year for the year under review.

Robust Workplaces, **Empowering Success**



Purpose built for performance, our workplaces combine resilience with intelligent design. From technology-enabled spaces to collaborative environments, they provide a future-ready platform where ambition advances and businesses lead with confidence.

Business **Review**

Office

No. of Assets
5
2024: 5

Net Lettable Area (sq. ft.)
5.6 mil
2024: 5.6 mil

Occupancy
100%
2024: 100%

WHO WE ARE AND WHAT WE DO

The Office segment comprises premium Grade A offices including PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS under KLCC REIT, all located within the Kuala Lumpur City Centre. Menara Dayabumi is held under KLCCP in the former Central Business District of Kuala Lumpur. The KLCCP Stapled Group also holds a 33% stake in Menara Maxis within the KLCC Precinct.

Three of our buildings hold Green Building Index (GBI) credentials, namely the PETRONAS Twin Towers (Gold), Menara 3 PETRONAS and Menara Maxis (Silver) with Menara Maxis further distinguished by the LEED 4.1 Platinum Certification. The PETRONAS Twin Towers and Menara ExxonMobil have also been recognised with Malaysia Digital Status, underscoring our commitment to embracing digital innovation and technology.

The strength of these premium assets, together with our defensive lease structure which affords future cashflow visibility and full occupancy in all the office buildings, anchors the Office segment as our secured income generator. The long-term Triple Net Lease (TNL) arrangement for PETRONAS Twin Towers, Menara 3 PETRONAS and Menara Dayabumi further shields us from soft market conditions, with minimal impact on earnings.

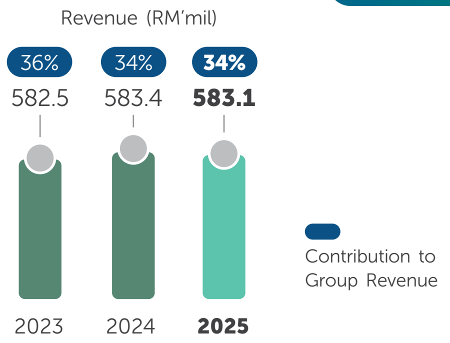
AWARDS & RECOGNITION

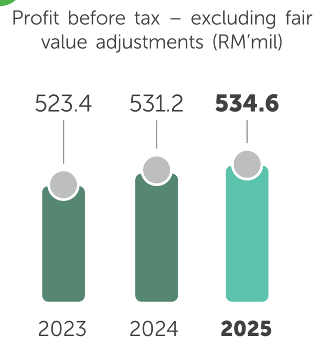
The Edge Malaysia Property Excellence Awards 2025
Malaysian Urban Transformation Icon (PETRONAS Twin Towers)

Anugerah Keselamatan Kebakaran Nasional (MAKKNa) 2025 by Jabatan Bomba dan Penyelamat Malaysia (JBPM)
PETRONAS Twin Towers

To read more, please refer to Awards and Recognition on pages 24 to 25

FINANCIAL HIGHLIGHTS





Office continued to anchor earnings, delivering full-year revenue of RM583.1 million and profit before tax (excluding fair value adjustments) of RM534.6 million. The segment's stability was underpinned by long-term leases and the TNL structure, which provides predictable income and steady cash flows.

OPERATING CONTEXT

The Kuala Lumpur office market in 2025 continued its gradual recovery, as businesses returned to physical workspaces, increasingly adopting hybrid models that balance flexibility with in-person collaboration. The "flight to quality" and demand for ESG-compliant buildings remained strong, especially in prime locations, as corporations seek flexible layouts and wellness-oriented features.

Older office towers faced mounting pressure to upgrade or reposition, with government incentives encouraging adaptive reuse for childcare, education and residential purposes. However, refurbishment projects remain operationally and financially complex, limiting how quickly the market's older inventory can be upgraded. The market remained tenant-led throughout the year, with incentives and value-driven offerings playing a key role in attracting occupiers.

Against this backdrop, KLCCP Stapled Group's office assets continued to demonstrate resilience, anchored by their prime location, institutional-grade specifications and strong ESG credentials. With technology-enabled spaces, wellness-oriented features and proactive asset management embedded into their operations, KLCC's offices are well-positioned to meet the evolving demands of today's discerning occupiers and to lead as the market's flight-to-quality trend deepens.

Looking ahead, sustainability credentials, digital integration and proactive asset management will increasingly determine which buildings remain competitive.

CHALLENGES

- Persistent oversupply continues to pressure rental yields and constrain pricing flexibility.
- Rising utility and maintenance costs alongside rising expectations for sustainable, technology-enabled buildings, increase operating complexity and capital demands.
- Intensifying competition from newer, ESG-compliant buildings heightens tenants expectations.

OPPORTUNITIES

- Portfolio-wide building condition assessments provide a structured roadmap to enhance asset performance and safeguard long-term value.
- Proactive tenant engagement strengthens retention, supports space optimisation and attracts quality occupiers.

RESPONSES

- Execute targeted asset enhancement and rejuvenation initiatives to sustain competitiveness and tenant appeal.
- Ongoing rejuvenation works include conference floors and washroom upgrades at PETRONAS Twin Towers, common area improvements and lift modernisation at Menara Dayabumi, and security access management system upgrades at Menara ExxonMobil.
- Accelerate energy efficiency and smart system adoption to optimise operating costs and environmental performance.
- Strengthen life cycle-based asset management and predictive maintenance to preserve asset integrity and mitigate risks.
- Enhance digital service platforms to improve tenant experience, and responsiveness.
- Execute phased upgrading of critical systems including lighting retrofits, lift modernisation, and Building Management System (BMS) optimisation to enhance reliability, safety and energy efficiency.
- Align operations with evolving ESG frameworks and regulatory requirements to maintain market relevance.

Business Review

KEY STRATEGIC INITIATIVES

Links
Strategy: MC
Stakeholders: S1 S2 S4

1. Securing recurring income and occupancy stability

Achievements

- Renewed the TNL agreement for Menara Dayabumi until 31 December 2031, with built-in rental growth to secure long-term income resilience.
- Secured new tenancy agreement with ExxonMobil Business Support Centre Malaysia Sdn Bhd for Menara Exxonmobil until 31 March 2028, strengthening the portfolio's income stability.

Stakeholder Value

- Extended lease tenures provide clearer visibility over future income.
- Strengthened long-term landlord–tenant partnership through extended lease commitments.

2026 Priorities

- Prioritise the renewal of TNL agreements for Menara 3 PETRONAS and PETRONAS Twin Towers, expiring on 14 December 2026 and 30 September 2027 respectively, ensuring continuity of the recurring income.

2. Preserving asset quality and lifecycle integrity

Achievements

- Completed portfolio-wide building condition assessments across all office assets.
- Established a prioritised roadmap for phased asset rejuvenation and capital investment over the next five years.

Stakeholder Value

- Greater capital discipline and reduced operational risk, supporting long-term asset value.
- Enhanced workplace comfort, safety and overall user experience.

2026 Priorities

- Execute targeted asset enhancement and rejuvenation across the office portfolio to improve efficiency, reduce operating costs and strengthen competitive positioning.
- Planned works include lift modernisation for PETRONAS Twin Towers, Menara ExxonMobil and Menara Dayabumi, CCTV and security upgrades at Menara ExxonMobil, air conditioning system upgrades for Menara 3 PETRONAS, and other facility improvements across the portfolio.

OUTLOOK AND PROSPECTS

- The Kuala Lumpur office market remains oversupplied, and demand is shifting towards newer buildings offering strong ESG credentials, digital capabilities and integrated connectivity. This continued flight to quality favours well-managed assets within established precincts, positioning KLCCP Stapled Group's portfolio competitively.
- Building on initiatives commenced in 2025, the Group will continue to implement targeted asset enhancement initiatives, including modernisation of common areas, digital workspace solutions and smart technology implementation. Proactive leasing strategies will support occupancy stability, particularly for assets with upcoming lease renewals including Menara 3 PETRONAS and PETRONAS Twin Towers.
- A key milestone will be the rejuvenation of City Point Dayabumi, strengthening connectivity under the Warisan KL initiative and restoring vibrancy to this heritage precinct.

Dynamic Spaces, **Lasting Impact**

Vibrant and adaptive, our retail destinations shape the rhythm of the city. Curated experiences and evolving concepts transform commerce into connection, creating places that remain relevant, resilient and deeply engaging.

Business Review

Retail

No. of Assets
2
2024: 2

Net Lettable Area (sq. ft.)
1.1 mil
2024: 1.1 mil

Occupancy
98%
2024: 99%

WHO WE ARE AND WHAT WE DO

Suria KLCC, together with the retail podium of Menara 3 PETRONAS, form the vibrant retail segment of KLCCP Stapled Group. As Malaysia's iconic experiential shopping destination, the malls continue to lead the retail landscape with a diverse tenant mix and immersive experiences. With over 360 specialty stores, we offer a blend of global flagship brands, local favourites and varied dining options, attracting more than 50 million visitors annually.

Guided by our tagline "Always Something New", we prioritise innovation and customer engagement, ensuring the mall remains a premier destination for shopping, dining and socialising.

AWARDS & RECOGNITION

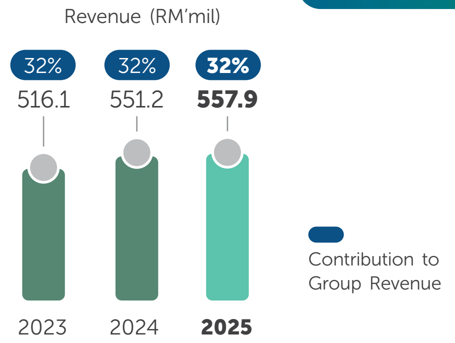
Best Experiential Marketing at PPK Malaysia Awards 2024-2025
Platinum Award for Kuala Lumpur Fashion Week 2025

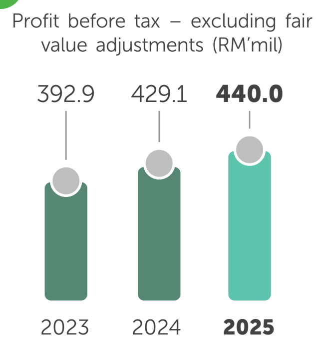
The Malaysia Book of Records
Malaysia's First Outdoor Skating Rink

Excellence in CSR/Cause Marketing at the Marketing Excellence Awards 2025
Bronze for #BeKindOnline campaign

To read more, please refer to Awards and Recognition on pages 24 to 25

FINANCIAL HIGHLIGHTS





Retail sustained its strong momentum, recording revenue of RM557.9 million and profit before tax (excluding fair value adjustments) of RM440.0 million. Performance was supported by a carefully curated tenant mix and consistent experiential activations that reinforced Suria KLCC's positioning as a leading lifestyle destination.

OPERATING CONTEXT

The retail landscape in 2025 was marked by a shift in visitor patterns, which guided a long-term strategy to strengthen Suria KLCC's dual persona: a social and business hub for office workers on weekdays and a leisure destination for families and local shoppers on weekends. Complementing this, the mall's landmark location, comprehensive F&B and shopping choices, as well as holistic sensory experiences attracted an influx of international and domestic tourists year-round.

Suria KLCC's proximity to the PETRONAS Twin Towers, KLCC Park and its musical Lake Symphony fountains, Kuala Lumpur Convention Centre, world-class hotels, Aquaria KLCC and Petrosains enhances its unique value proposition. The ability to leverage integration with the KLCC Precinct continues to attract a consistently high footfall despite the growing popularity of online shopping and the emergence of new malls. Accessibility is another key advantage, with seamless links to public transportation including the MRT, LRT, buses and e-hailing services.

CHALLENGES

- Structural shift in consumer behaviour, with increasing migration from physical to online channels.
- Intensifying competitive landscape as new retail supply enters the Klang Valley

OPPORTUNITIES

- Strategic collaborations with Visit Malaysia 2026 positioning the mall as a key platform for national festive and tourism-driven campaigns.
- Unique integration within the KLCC Precinct, enabling sustained domestic and international footfall throughout the year.
- Promote Muslim-friendly dining options as a unique selling point, providing differentiation for group and family gatherings.

RESPONSES

- Continued emphasis on 'retailtainment' and sensory experiences, including exclusive only-at-Suria KLCC events that cannot be replicated online.
- Leveraged the KLCC Precinct ecosystem as a green anchor.
- Proactive deep research and market surveys to understand and meet evolving shopper preferences.
- Introduced Suria VIPrivileges Programme to enhance customer stickiness and loyalty.

Business Review

KEY STRATEGIC INITIATIVES

Links
Strategy: MC EB
Stakeholders: S1 S4

1. Curating premium positioning and destination appeal

Achievements

- KL Fashion Week 2025 returned bigger and bolder, featuring more than 55 designer brands and reinforced KLCC's position as Malaysia's leading fashion hub.
- Picnic in the Park evolved into a full-scale festival in partnership with 16 tenants and precinct collaborators, driving approximately 40% growth in total receipts value.
- Christmas at KLCC introduced Malaysia's first outdoor festive skating rink, earning recognition in the Malaysia Book of Records 2025.
- Footfall exceeded 50 million visitors during the year, reflecting a 9.3% year-on-year increase.

Stakeholder Value

- Sustained footfall growth supporting tenant sales and rental resilience.
- Stronger positioning as a premium destination in a competitive market.
- Fresh, engaging experiences, enriching the shopping journey.

2026 Priorities

- Partner with Tourism Malaysia on Malaysia Year 2026 to amplify Malaysia's international profile and position KLCC as the premier destination for business, leisure and major gatherings.
- Deepen precinct-wide collaboration with Precint partners including Ombak KLCC to create a more integrated, connected urban experience that extends the reach and vibrancy of the ecosystem.

2. Strengthening tenant partnerships and brand leadership

Achievements

- Tenant mix strengthened with 30 new openings across retail and F&B, including eight first-to-market brands – Smith & Wollensky opened its first Malaysian outlet at Suria KLCC, reinforcing the mall's unique position where global dining meets halal accessibility.
- Zara reopened its flagship store spanning over 20,000 sq ft, setting a new benchmark for global retail standards in Malaysia.
- Louis Vuitton's Art of Gifting Pop-Up delivered an immersive installation exclusive to Suria KLCC in Southeast Asia.
- Victoria Secret transformed the centre court with its Pocket Pickle activation, blending fashion and lifestyle in a dynamic, interactive space.

Stakeholder Value

- A stronger tenant mix supporting rental stability and asset value.
- Attraction of exclusive and flagship concepts reinforcing competitiveness.

2026 Priorities

- Broaden the tenant mix beyond luxury into lifestyle and emerging categories.
- Deepen retailer collaborations to deliver activations that convert visits into sales performance.

3. Deepening customer loyalty and digital engagement

Achievements

- Launched the long-term Suria VIPrivileges Programme, featuring three high-value tiers: VIPrestige, VIPlatinum and VIPlatinum+.
- Leveraged "brand theatre" and shoppable content to build a loyal online community, ensuring the brand remains relevant even as consumer preferences shift towards experiential retail.

Stakeholder Value

- Higher repeat visitation driven by genuine loyalty.
- Better insight into customer behaviour, enabling smarter decisions.

2026 Priorities

- Strengthen emotional loyalty by expanding non-transactional benefits such as curated dining, exclusive gifts and invitations to exclusive events.
- Further integrate digital rewards and data-driven insights to refine the visitor experience and drive physical footfall.

OUTLOOK AND PROSPECTS

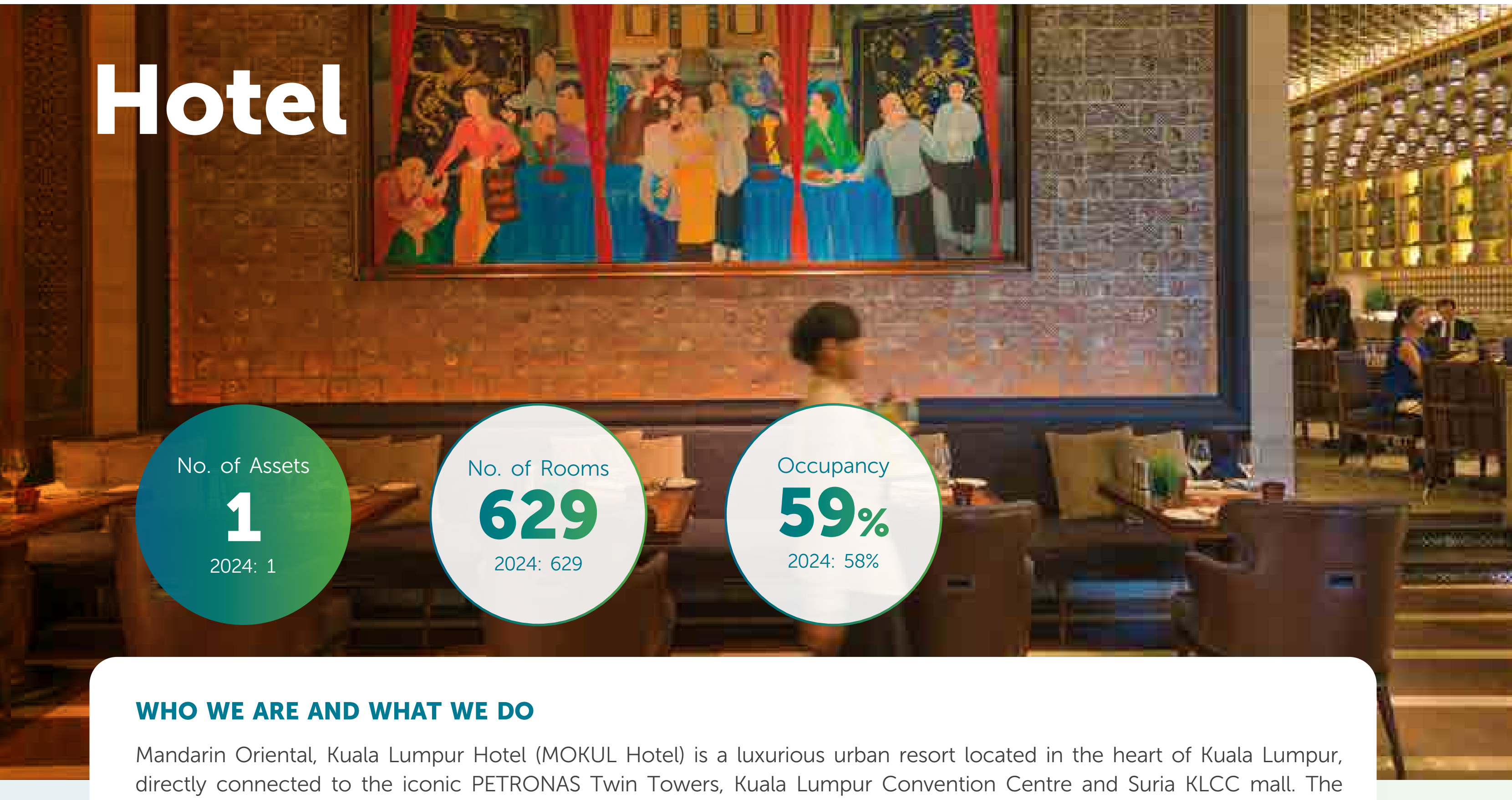
Visit Malaysia 2026 presents a clear opportunity to capture increased international visitor flows. As one of the country's most recognisable landmarks, KLCC is well-positioned to translate higher footfall into commercial performance across retail, hospitality and events.

For Suria KLCC, the opportunity is clear. We will leverage the influx by deepening our unique 'retailtainment', integrating the Park, PETRONAS Twin Towers and major cultural activations into a cohesive destination experience. Our "Always Something New" positioning ensures returning visitors find fresh reasons to engage, while our "Only at Suria KLCC" experiences, from exclusive brand activations to first-of-its-kind events, create moments visitors cannot find anywhere else. The objective is not just to attract visitors in 2026 but to encourage their return in the years that follow. Emotional connection drives repeat visitation, and we intend to build that deliberately.

Timeless Hospitality, **Unwavering Excellence**

Rooted in a passion for luxury, our hotel delivers time-enriching experiences that transform the ordinary into the exceptional, and every guest into a lifelong fan.

Business Review



Hotel

No. of Assets	No. of Rooms	Occupancy
1	**629**	**59%**
2024: 1	2024: 629	2024: 58%

WHO WE ARE AND WHAT WE DO

Mandarin Oriental, Kuala Lumpur Hotel (MOKUL Hotel) is a luxurious urban resort located in the heart of Kuala Lumpur, directly connected to the iconic PETRONAS Twin Towers, Kuala Lumpur Convention Centre and Suria KLCC mall. The hotel offers 629 well-appointed rooms, suites and executive apartments offering views of the city and park. Guided by a mission to deliver more than just a stay, Mandarin Oriental is committed to creating meaningful moments that leave a lasting impression, elevating every guest experience from the expected to the extraordinary.

The hotel has six acclaimed restaurants and lounges, a refreshed pillarless Grand Ballroom and 2,025 sq. m. of indoor event spaces. It boasts an award-winning spa, wellness facilities including tennis and pickleball courts, a kids' club, and an infinity pool overlooking the 50-acre KLCC Park.

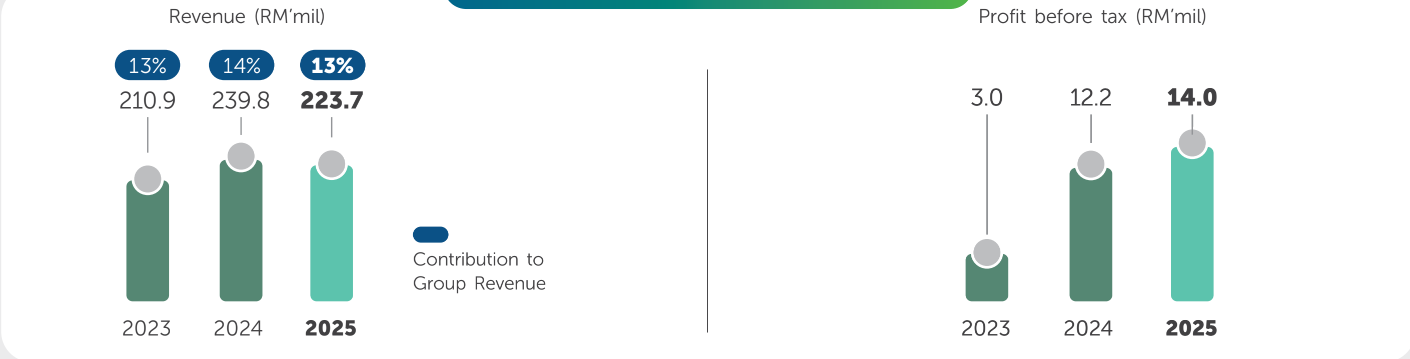
AWARDS & RECOGNITION

Global Sustainable Tourism Council (GSTC) Certification

ASEAN Tourism Standard 2025-2027
ASEAN Spa Services Standard

To read more, please refer to Awards and Recognition on pages 24 to 25

FINANCIAL HIGHLIGHTS



MOKUL Hotel held up well despite operational headwinds. Revenue was impacted by the temporary closure of the Grand Ballroom in the first quarter, which affected event-related income. Nevertheless, the segment achieved a record-high profit before tax of RM14.0 million, driven by lower profit rates and tighter repair and maintenance costs.

OPERATING CONTEXT

The hospitality industry in Kuala Lumpur is becoming more competitive with the continued opening of internationally renowned brands increasing the options available for guests. The restaurant scene continued to evolve, catering to diverse preferences with options for every palate and occasion. Amid this challenging landscape, MOKUL Hotel maintains a distinct positioning advantage through its integration with KLCC Precinct, drawing synergies from the Kuala Lumpur Convention Centre, PETRONAS Twin Towers and KLCC Park.

The hotel's proximity to Malaysia's premier convention and events venue proved instrumental throughout the year. Major events held at the Kuala Lumpur Convention Centre, including the ASEAN Summit 2025, ASEAN-GCC-China and ASEAN-GCC Economic Forums, as well as city-wide conferences such as Energy Asia, translated directly into elevated occupancy levels at the hotel, underscoring the value of its central location within the Precinct.

The temporary closure of the Grand Ballroom for renovation from January to April 2025 affected revenue in the first quarter. However, MICE activity rebounded strongly once the ballroom reopened in May, with the enhanced facility positioning the hotel to capture higher-value event business in the months that followed.

CHALLENGES

- Intensifying competition from new hotel openings, putting downward pressure on rates particularly for corporate and group bookings.
- Global loyalty programmes allow guests to redeem points across multiple properties, creating structural competition for direct bookings.
- Softer F&B spend amid shifting dining preferences and heightened price sensitivity, with standalone restaurants competing on lower price points.

OPPORTUNITIES

- Recovery momentum from high-potential outbound markets, notably China, ASEAN and the Middle East.
- Positioning Kuala Lumpur as a value-driven MICE hub relative to regional peers (Singapore, Bangkok, Hong Kong, Shanghai, Beijing), supported by favourable cost structures.

RESPONSES

- Enhanced value propositions via flexible packages with complimentary upgrades, enhanced amenities, and extended check-in/late check-out options
- Tactical yield management through targeted promotions during low-demand windows to defend occupancy while preserving rate discipline.
- Strengthened direct booking channels by leveraging "Fans of MO" to offer personalised, member-exclusive experiences beyond points-based incentives.
- Expanded signature dining propositions (chef's table, curated pairings) to reinforce premium positioning and defend F&B margins.
- Accelerated digital marketing and influencer engagement to elevate brand visibility and local relevance.

Business Review

KEY STRATEGIC INITIATIVES

Links
Strategy: MC EB
Stakeholders: S1 S4

1. Driving rate quality and revenue performance

Achievements

- Occupancy improved to 59% for the year (2024: 58%), peaking to 71% in August driven by strong MICE and leisure demand.
- Revenue per available room (RevPAR) exceeded RM2,000 on New Year's Eve, the highest on record.
- October delivered record monthly revenue of RM24.9 million, driven by the ASEAN Summit and other high-profile events.
- Transient demand accelerated in the last quarter, with festive packages in December up 26% year-on-year in booking.
- Mooncake sales increased 8.5% year-on-year in September, reflecting strong local demand.

Stakeholder Value

- More balanced mix of leisure, corporate and MICE segments supporting earnings stability.
- Elevated experiences through premium room categories and personalised service.

2026 Priorities

- Leverage the newly renovated Grand Ballroom, upgraded Diamond Ballroom, Level 2 Function Rooms and MO Club Lounge to strengthen the hotel's value proposition and drive increased demand from MICE segments.
- Enhance domestic engagement through MO Rewards, offering exclusive and elevated experiences to attract and retain guests.

2. Strengthening market penetration

Achievements

- Direct client engagement at trade shows translated into measurable business growth. Indian market share doubled to 6.4% from 3.4%, driven by increased group tours and MICE business.
- From July onwards, Indian MICE business alone generated RM7.9 million in combined rooms and events revenue, validating the strategy of face-to-face relationship building in priority source markets.

Stakeholder Value

- Diversified source markets reducing dependency on any single geography.
- Broader demand base improving resilience across cycles.

2026 Priorities

- Strengthen marketing alliances with KLCC and key stakeholders within KLCC Precinct to maximise event-driven opportunities and capture visitor flows from major conventions and tourism campaign.
- Strengthen online presence through strategic content and channel plan, designed to foster direct guest engagement.

3. Elevating product and facility standards

Achievements

- Major upgrades to the Grand Ballroom, Diamond Ballroom, MO Club Lounge and function spaces reinforce the hotel's competitive position within the KLCC Precinct.

Stakeholder Value

- Long-term protection of asset value through proactive reinvestment.
- Refreshed event and dining spaces that enhance comfort, ambience and deliver a more seamless, premium guest experience.

2026 Priorities

- Renovation of serviced apartments to transform them into contemporary living spaces that reflect modern lifestyle expectation and appeal to extended-stay guests and corporate travellers. The project will be executed in two phases, with the first phase commencing in February 2026 and the remaining units to follow in 2027.
- Modernisation of F&B operating equipment and expansion of breakfast seating capacity to enhance operational efficiency, elevate guest experiences and address growing demand during peak periods.

OUTLOOK AND PROSPECTS

Visit Malaysia 2026 is expected to lift international arrivals, creating further demand across corporate, leisure and MICE segments. Following the completion of major upgrades, the hotel enters the year with strengthened infrastructure and renewed positioning.

Further enhancements to the F&B outlets are underway to refine the ambience and encourage higher guest spend, while the serviced apartments will relaunch following a full transformation into contemporary living spaces suited to modern lifestyle needs. Together with the hotel's strategic location within the KLCC Precinct and improving tourism momentum, these upgrades position the hotel well for stronger performance in 2026.


Enduring Nature,
Thriving
Communities

Our park forms a vital green lung within the urban landscape, supporting biodiversity while giving the community space to gather and unwind. Through dedicated stewardship, they sustain connection between people and nature, strengthening the city for generations to come.

Business **Review**

Management Services

No. of Assets
25
2024: 25

Car Park Bays
19,838
2024: 17,421

WHO WE ARE AND WHAT WE DO

Management Services provides essential support services for assets in KLCCP Stapled Group's portfolio as well as those belonging to our holding company, KLCC Holdings. Comprising facilities management under KLCC Urusharta (KLCCUH) and car park management under KLCC Parking Management (KPM), we are committed to delivering world-class solutions that enhance asset value and the user experience.

With almost 30 years of expertise, KLCCUH delivers world-class facility management services across 25 commercial, public and infrastructure assets and facilities within the KLCC Precinct and in Putrajaya including two green-certified buildings, PETRONAS Twin Towers (Gold) and Menara 3 PETRONAS (Silver), as well as the 50-acre KLCC Park and various facilities across the KLCC ecosystem. Its strengths lie in sustainability, operational excellence and optimising asset performance across complex environments. KLCCUH's benchmark service delivery at PETRONAS Twin Towers serves as a reference model for skyscraper management worldwide.

KPM delivers integrated parking solutions tailored to the complexity of Malaysia's premier urban environments. It manages over 19,000 parking bays across Kuala Lumpur and Putrajaya, offering comprehensive parking management and advisory services. Committed to ESG principles, KPM actively optimises resource usage, reduces environmental impact and promotes sustainable practices, with several green initiatives implemented across the years.

Through innovative facilities and car park management solutions, KLCCP Stapled Group continues to set industry benchmarks in sustainability, efficiency and service quality, ensuring our assets thrive while enhancing the experience of businesses and visitors alike

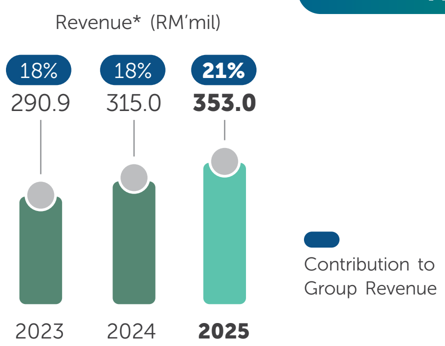
AWARDS & RECOGNITION

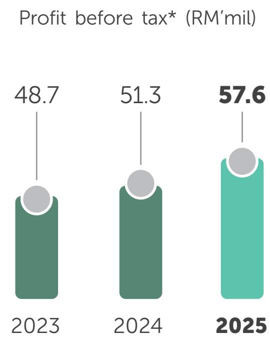
The Edge Malaysia – Best Managed & Sustainable Property Awards 2025
Gold – Menara Permata Sapura
Below 10 Years Mixed Development (Entire)

MIP MyPlace Awards 2025
Special Recognition – Game Changing Place Category (KLCC Park)

To read more, please refer to Awards and Recognition on pages 24 to 25

FINANCIAL HIGHLIGHTS





* Revenue and Profit before tax exclude Others

OPERATING CONTEXT

The facilities management and car park management landscape in 2025 continued to evolve, shaped by digitalisation, sustainability imperatives and rising stakeholder expectations. Adoption of IoT-enabled systems and AI-driven monitoring tools have improved operational visibility and asset performance, while the shift toward integrated payment platforms, cashless transactions, touchless solutions and electric vehicle charging infrastructure accelerated in response to changing user preferences.

At the same time, capital intensity remained elevated. Ageing infrastructure, stricter compliance standards and heightened cybersecurity considerations required continuous investment, with asset owners balancing reinvestment needs against cost efficiency and service continuity. While investment costs and data security challenges persisted, the sector progressed toward greater operational efficiency, resilience and value creation through sustained innovation.

The Group's Management Services segment remained well-positioned. With close to 30 years of operational experience across more than 25 assets in the KLCC Precinct and Putrajaya, the team's deep institutional knowledge, established systems and integrated approach to facilities management and car park management provided a stable foundation to navigate evolving requirements while maintaining high service standards and operational resilience.

CHALLENGES

- Increasing maintenance and lifecycle demands across mature buildings and car park infrastructure, exerting pressure on operating and capital expenditure.
- Ensuring consistent safety, uptime and service quality across a diversified asset base while minimising disruption during upgrade cycles.
- Adapting to evolving regulatory, environmental and sustainability standards, with stricter compliance requirements and heightened stakeholder scrutiny.

OPPORTUNITIES

- Targeted rejuvenation and lifecycle optimisation to enhance asset reliability, energy efficiency and user experience across mature assets.
- Expansion of integrated facilities management capabilities across office, retail and mixed-use developments.
- Deployment of sustainability-linked enhancements, including EV charging infrastructure, licence plate recognition (LPR), smart parking guidance and centralised control systems to improve cost efficiency and user convenience.

RESPONSES

- Implementation of structured asset rejuvenation and lifecycle management frameworks to proactively address critical ageing infrastructure.
- Strengthening preventive and condition-based maintenance regimes supported by improved cross-facility coordination to minimise service disruptions.
- Embedding regulatory compliance into upgrade planning and operational processes to mitigate disruption risk.
- Conduct regular HSE training, inspections and awareness programmes to uphold safety standards across all managed assets.

Business Review

KEY STRATEGIC INITIATIVES

Links
Strategy: MC EB
Stakeholders: S1 S2 S4 S6

1. Expanding and optimising integrated services and mobility solutions

Achievements

- Secured facilities management works for three new assets: Ombak KLCC, a new lifestyle destination; Terra Putrajaya; and Destina, Putrajaya's first transit-oriented mall.
- Secured two new parking locations in Putrajaya with a combined total of 2,695 bays.
- Achieved 22% growth year-on-year in car park space rentals, reflecting strong demand from large-scale regional and sporting events, such as the ASEAN Summit 2025, Score Marathon, Boom Run Putrajaya, Puma Nitro Night Run 2025, etc.

Stakeholder Value

- Strengthened long-term growth platform through ecosystem expansion.
- Professional facilities management backed by established operational expertise.

2026 Priorities

- Continuing to pursue strategic growth opportunities to expand the service portfolio.
- Commence operations at 11 new car park locations across KLCC and Putrajaya, adding more than approximately 3,000 bays to the portfolio.

2. Enhancing digital and sustainable mobility solutions

Achievements

- Implemented barrierless entry at car parks equipped with LPR cameras, contributing to an 18% increase in vehicle entries during peak hours.
- Expanded e-bike fleet to 20 units while phasing out conventional bikes to support greener mobility options.
- Installed 21 solar-powered lighting units in new open car parks at Putrajaya and replaced 19 conventional lighting units with solar powered alternatives at existing sites.

Stakeholder Value

- Future-ready infrastructure aligned with sustainability goals.
- A more seamless parking journey, with safer facilities and increasingly sustainable mobility choices.

2026 Priorities

- Expanding solar panel installations across selected open car parks.
- Further enhancing digital payment systems and green mobility infrastructure to meet evolving user expectations.

3. Customer-centric service excellence

Achievements

- Achieved customer satisfaction scores of 82% for office and 93% for car park, both reflecting improvements from the previous year and consistent service standards across managed assets.

Stakeholder Value

- Reinforced reputation as a trusted integrated property services provider.
- More responsive support and clearer communication channels.

2026 Priorities

- Strengthening service responsiveness through continued process improvements and deeper digital integration.
- Embedding a more proactive engagement model while enhancing staff capability and service culture across the portfolio.

OUTLOOK AND PROSPECTS

Demand for integrated facilities management services, including car park management, is expected to remain strong as property development continues and personal vehicle usage grows. To remain the preferred service provider, KLCCUH and KPM will continue enhancing service delivery through greater integration of digital technologies while meeting demand for low-carbon solutions with energy-efficient and green energy systems.

Both companies will continue to broaden their portfolios, exploring new asset classes and expanding beyond the KLCC and Putrajaya footprint. The focus remains on securing high-quality mandates that leverage their operational expertise and sustainability credentials to deliver long-term value.

CFO's Financial Performance Review

AHMAD HAKIMI MUHAMMAD RADZI
Chief Financial Officer

I joined the Group as Chief Financial Officer in November 2025, during the final stretch of a strong financial year. With just two months in the role during FY2025, it would be easy to view this year as a handover footnote. I see it differently. My first responsibility is stewardship, to honour the work done throughout the year, to understand the true drivers behind the numbers, and to be clear with stakeholders about how we will protect value and distributions going forward.

2025 was not a straightforward year financially. Global trade tensions and policy uncertainty kept capital markets on edge for much of the year, and investor sentiment faced real headwinds. Despite that, Malaysia held its ground well, recording GDP growth of 5.2%, ahead of the Government's forecast of 4.0% to 4.8%, with domestic demand and the labour market remaining stable throughout.

Nevertheless, the course of action for the Group was straightforward. Protect the balance sheet, manage liquidity carefully and ensure our financial position remained strong enough to weather uncertainty and deliver on our commitments to stakeholders. The approach proved its worth. We closed the year in a position of strength, and the numbers reflect it.

Revenue

RM1,739.8 million

(2024: RM1,710.9 million)

Profit before tax
(excluding fair value adjustments)

RM970.3 million

(2024: RM967.1 million)

TOP ACHIEVEMENTS FOR THE YEAR

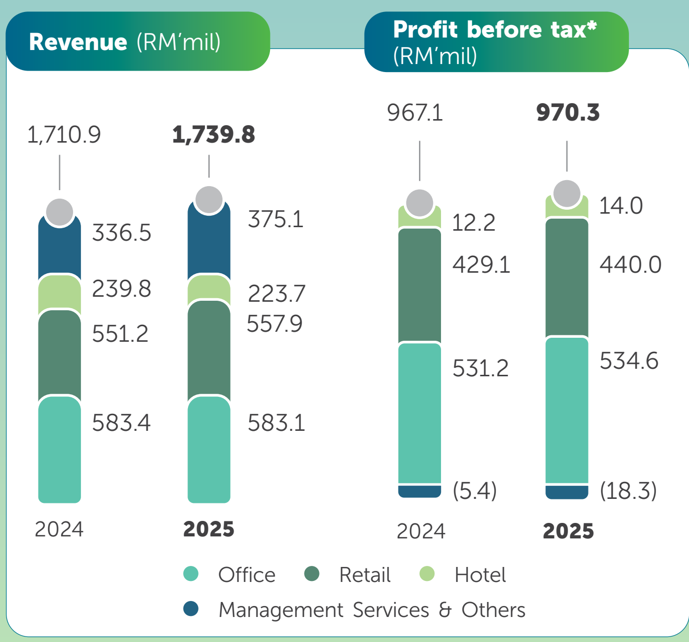
- Achieved an **all-time high revenue of RM1,739.8 million**, the strongest performance since listing in 2013, driven by resilient growth across all segments.
- Declared **a record Distribution per Stapled Security of 47.00 sen**, reflecting sustained value creation for unitholders.
- Delivered **record profit despite full-year Sukuk Wakalah impact**, underscoring disciplined execution and financial resilience.
- Property value increased to **RM16.7 billion**, reaffirming the strength and durability of the Group's asset portfolio.

	2024 RM'mil	2025 RM'mil	Variance %
Revenue	1,710.9	**1,739.8**	1.7
Operating profit	1,067.3	**1,076.8**	0.9
Profit before tax*	967.1	**970.3**	0.3
Profit for the year*	830.8	**833.8**	0.4
Profit attributable to equity holders*	790.1	**831.3**	5.2
Operating profit margin* (%)	62.4	**61.9**	(0.8)
Profit before tax margin* (%)	56.5	**55.8**	(1.3)
Earnings per stapled security* (sen)	43.33	**45.44**	4.9
Distribution per stapled security (sen)	44.50	**47.00**	5.6
Payout ratio (%)	92%	**90%**	(2.5)

* excluding fair value adjustments

Record-high financial performance

KLCCP Stapled Group delivered a record-high performance in 2025, demonstrating resilience amid a challenging operating environment. Revenue increased to RM1,739.8 million (2024: RM1,710.9 million), while profit before tax (PBT) excluding fair value adjustments remained robust at RM970.3 million (2024: RM967.1 million). This underscores the Group's ability to sustain earnings strength alongside topline growth.



This achievement was delivered despite the full-year impact of the sukuk issuance in April 2024 and refinancing matured borrowings during the year, demonstrating the resilience of the Group's financial performance. Results were underpinned by the inherent strength of our portfolio, disciplined cost management and continued focus on capital efficiency.

In addition, the Group recorded a 5.2% year-on-year increase in profit attributable to equity holders (excluding fair value adjustments) supported by growth across all segments and the full-year contribution from the acquisition of the remaining 40% stake in Suria KLCC in the previous financial year.

Reflecting on the strong performance and cash flow strength, the Group declared a total distribution of 47.00 sen per Stapled Security for the year representing a 90% payout of distributable profit and realised income. This marks the highest distribution since listing in 2013 and translates into a dividend yield of 5.4%, reflecting the resilience and sustainability of the Group's portfolio and cash flows.

CFO's Financial Performance Review

SEGMENTAL FINANCIAL PERFORMANCE

Performance across all four operating segments remained resilient during the year, reflecting disciplined execution and the underlying strength of the Group's diversified portfolio.

OFFICE

Property	REVENUE			PROFIT BEFORE TAX (excluding fair value adjustments)			PBT contribution
	2024 RM'mil	2025 RM'mil	Variance %	2024 RM'mil	2025 RM'mil	Variance %	2025 %
PETRONAS Twin Towers	401.5	**401.7**	0.0	357.0	**358.1**	0.3	**67**
Menara 3 PETRONAS	92.8	**92.8**	–	91.7	**91.8**	0.1	**17**
Menara ExxonMobil	47.7	**47.2**	(1.0)	31.8	**31.7**	(0.3)	**6**
Menara Dayabumi	41.4	**41.4**	–	35.9	**37.0**	3.1	**7**
Menara Maxis*	–	**–**	–	14.8	**16.0**	8.1	**3**
Sub–total	583.4	**583.1**	(1.0)	531.2	**534.6**	0.6	**100**
Citypoint Development	–	**–**	–	–	**–**	–	**–**
Total Office Segment	583.4	**583.1**	(1.0)	531.2	**534.6**	0.6	**100**

* share of profit of an associate

The Office segment remained the Group's largest revenue contributor generating RM583.1 million which accounted for 33.5% of total revenue. Performance was underpinned by the stability of the Triple Net Lease (TNL) for PETRONAS Twin Towers, Menara 3 PETRONAS, and Menara Dayabumi and further strengthened by the long-term leases in Menara ExxonMobil.

PETRONAS Twin Towers contributed the largest share at 68.9% (RM401.7 million), followed by Menara 3 PETRONAS at 15.9% (RM92.8 million). Backed by the Triple Net Lease (TNL) arrangement, under which the tenant bears all property outgoings, the Group is largely insulated from softer market conditions, resulting in minimal impact on earnings and safeguarding overall PBT.

RETAIL

Property	REVENUE			PROFIT BEFORE TAX (excluding fair value adjustments)			PBT contribution
	2024 RM'mil	2025 RM'mil	Variance %	2024 RM'mil	2025 RM'mil	Variance %	2025 %
Suria KLCC	515.1	**522.2**	1.4	409.8	**421.2**	2.8	**96**
Menara 3 PETRONAS (Retail Podium)	36.1	**35.7**	(1.1)	19.3	**18.8**	(2.6)	**4**
Total Retail Segment	551.2	**557.9**	1.2	429.1	**440.0**	2.5	**100**

The Retail segment accounted for 32.1% of the Group's total revenue. Revenue grew by 1.2% and PBT (excluding fair value adjustments) increased by 2.5%, supported by improved rental rates and sustained high occupancy of 98% throughout the year. This performance reflects the Group's continued focus on enhancing the retail experience while maintaining operational discipline and driving sustainable growth.

HOTEL

Property	REVENUE			PROFIT BEFORE TAX		
	2024 RM'mil	2025 RM'mil	Variance %	2024 RM'mil	2025 RM'mil	Variance %
Mandarin Oriental, Kuala Lumpur	239.8	**223.7**	(6.7)	12.2	**14.0**	14.8

The Hotel segment recorded revenue of RM223.7 million, representing a decline of 6.7% primarily due to lower banqueting income from the F&B segment during the refurbishment of the Grand Ballroom, which reopened in the second quarter of 2025. Despite this temporary impact, PBT increased by 14.8% to RM14.0 million, supported by lower financing cost during the year.

This strong performance reflects various progressive enhancements implemented to elevate the guest experience, successful group bookings, and effective room rate optimisation, which collectively contributed to improved overall yield.

MANAGEMENT SERVICES & OTHERS

Property	REVENUE			PROFIT BEFORE TAX (excluding fair value adjustments)			PBT contribution
	2024 RM'mil	2025 RM'mil	Variance %	2024 RM'mil	2025 RM'mil	Variance %	2025 %
Facilities Management	244.7	**277.7**	13.5	20.9	**23.5**	12.0	**41**
Car Park Management	70.3	**75.3**	7.1	30.4	**34.1**	12.4	**59**
Management Services Segment	315.0	**353.0**	12.1	51.3	**57.6**	12.3	**100**
Others	21.5	**22.1**	2.8	(56.7)	**(75.9)**	(33.9)	
Total Management Services & Others Segment	336.5	**375.1**	11.5	(5.4)	**(18.3)**	>100	

Management Services and Others generated a total revenue of RM375.1 million, an increase of 11.5% from 2024, and contributed 21.6% of the Group's total revenue.

Facilities Management recorded a 13.5% increase in revenue driven by expanded scope of services and additional works carried out during the year across managed facilities. This growth demonstrates the segment's strong operational discipline and its ability to scale services in line with customers' evolving requirements.

Car Park Management reported a revenue increase of 7.1%, attributed to additional car park locations, higher footfall, and as well as an increase in seasonal parking rates during the year.

Others mainly represents general management services provided by the Company to the entire KLCC Group of Companies, interest/profit income earned, and financing costs of Sukuk Wakalah. The decrease in PBT was due to the full-year impact of Sukuk Wakalah which was issued in the previous financial year.

The Group's Management Services segment includes providing management services to KLCC REIT under KLCC REIT Management Sdn Bhd. The stapled structure of the Group ensures no leakage of management fees, as all management fees charged as part of KLCC REIT's expenses are recycled back into the Group's income stream, hence not impacting profitability. Income earned by KLCC REIT Management continues to be directed towards dividends for holders of Stapled Securities.

CFO's Financial Performance Review

FINANCIAL POSITION

	2024 RM'mil	2025 RM'mil	Variance %
ASSETS			
Investment properties	16,200.5	**16,681.5**	3.0
Property, plant and equipment	542.4	**547.6**	1.0
Receivables	291.0	**225.8**	(22.4)
Cash and bank balances	1,360.9	**1,514.7**	11.3
Others	268.5	**268.2**	(0.1)
	18,663.3	**19,237.8**	3.1
LIABILITIES			
Payables	445.7	**537.3**	20.5
Financings	4,317.5	**4,318.0**	0.0
Others	195.5	**207.4**	6.1
	4,958.7	**5,062.7**	2.1
Total equity attributable to equity holders of KLCCP and KLCC REIT	13,671.6	**14,139.5**	3.4
Net asset value (NAV) per stapled security (RM)	7.57	**7.83**	3.4

The Group maintained a robust financial position during the year, supported by a well-balanced and prudent asset-based capital management and strong equity fundamentals. Total assets increased by 3.1% to RM19.2 billion (2024: RM18.7 billion), reflecting property value appreciation and disciplined balance sheet management.

Total equity attributable to equity holders of KLCCP and KLCC REIT strengthened by 3.4% to RM14.1 billion (2024: RM13.7 billion), supported by property value appreciation and retained earnings. Consequently, net asset value (NAV) per stapled security improved from RM7.57 to RM7.83, reflecting continued strengthening of the Group's balance sheet.

The Group's property, plant and equipment (PPE) mainly comprises book value of the MOKUL Hotel building. During the year, the Group recorded total additions of PPE amounting to RM31.5 million which was invested primarily in hotel asset enhancement initiatives, including refurbishment of the ballroom, upgrades to the Club floor, and improvements to guest rooms. This capital expenditure was partially offset by depreciation charges and write-offs on the disposals of assets that were no longer in use.

The Group's receivables decreased by 22.4% in 2025, amounting to RM225.8 million compared to RM291.0 million in 2024, mainly due to lower accrued rental revenue arising from the straight-lining impact of leases under MFRS 16 in KLCC REIT and Suria KLCC.

Total liabilities was marginally higher by 2.1% compared to last year, largely driven by higher trade and other payables. Payables rose by 20.5% to RM537.3 million, mainly reflecting timing differences in operational expenditures towards the end of the year.

Investment Properties and Fair Value Adjustments

Property	Market Value		Carrying Value	
	31 Dec 2024 RM'mil	31 Dec 2025 RM'mil	31 Dec 2024 RM'mil	31 Dec 2025 RM'mil
KLCC REIT Assets	9,530.0	**9,536.0**	9,353.7	**9,469.7**
Suria KLCC	5,800.0	**6,160.0**	5,780.1	**6,138.0**
Kompleks Dayabumi*	639.0	**644.0**	754.0	**759.0**
Lot D1*	290.0	**292.0**	312.7	**314.8**
Total	16,259.0	**16,632.0**	16,200.5	**16,681.5**

* The carrying value of Kompleks Dayabumi and Lot D1 includes the IPUC, which was valued at cost.

The Group's investment properties of KLCCP Stapled Group portfolio remains a key pillar of our balance sheet, accounting for 86.7% of total assets and comprising some of the most prestigious and premium assets in Kuala Lumpur. These assets encompass PETRONAS Twin Towers, Menara 3 PETRONAS, and Menara ExxonMobil within KLCC REIT, as well as Suria KLCC, Menara Dayabumi, City Point land, and the vacant land of Lot D1 owned by KLCCP.

As of 31 December 2025, the market value of these properties increased by 2.3% to RM16.6 billion, primarily driven by the retail segment's value appreciation. This growth underscores the robustness of the Group's assets despite competitive market conditions.

In accordance with MFRS 140 Investment Properties, accounting adjustments were made to exclude accrued operating lease income and capital expenditure incurred during the year to avoid double counting of assets. Consequently, a fair value adjustment amounting to RM463.9 million was recognised in 2025.

CASHFLOW REVIEW

	2024 RM'mil	2025 RM'mil
Operating activities	1,136.1	**1,171.5**
Investing activities	(2,001.3)	**(51.8)**
Financing activities	1,006.5	**(982.1)**
Change in cash and cash equivalent	141.3	**137.6**
Breakdown of Cash and Bank Balances		
Cash with PETRONAS IFSSC	924.4	**1,010.8**
Deposits with licensed banks	419.6	**492.9**
Cash and bank balances	16.9	**11.0**

Operating Activities

The Group generated strong net cash from operating activities of RM1,171.5 million in 2025 (2024: RM1,136.1 million), reflecting improved operating performance across all segments, coupled with higher interest and profit income received from fund placements.

CFO's Financial Performance Review

Investing Activities

In the previous financial year, higher spending was recorded due to cost of acquisition of the remaining shares in Suria KLCC. Investing activities during the year were largely related to asset enhancement initiatives, including ballroom refurbishment, building system improvements, and other enhancement works.

Financing Activities

The financing activities of the Group consist of servicing the interest/profit for the Sukuk programmes and the hotel's term loan.

In the previous financial year, higher cash generated mainly from the new issuance of Sukuk Wakalah for the acquisition of remaining shares in Suria KLCC Sdn Bhd and refinancing of existing Sukuk Murabahah for both KLCC REIT and Suria KLCC.

The Group continuously manages the available cash with prudence through placement in fixed deposits or with PETRONAS Integrated Financial Services Centre (IFSSC) whereby the balance is interest/profit bearing.

CAPITAL MANAGEMENT

HIGHLIGHTS

- Successfully refinanced **RM388.0 million** term loan into Sukuk Wakalah at a **fixed profit rate of 3.77%**
- The refinancing resulted in **100% fixed-rate financing**, strengthening cash flow stability
- Reduced the Group's **average cost of debt to 3.9%** (2024: 4.0%)
- Sukuk Murabahah of KLCC REIT & Suria KLCC and Sukuk Wakalah of KLCCP **rated AAA** by RAM Services Berhad

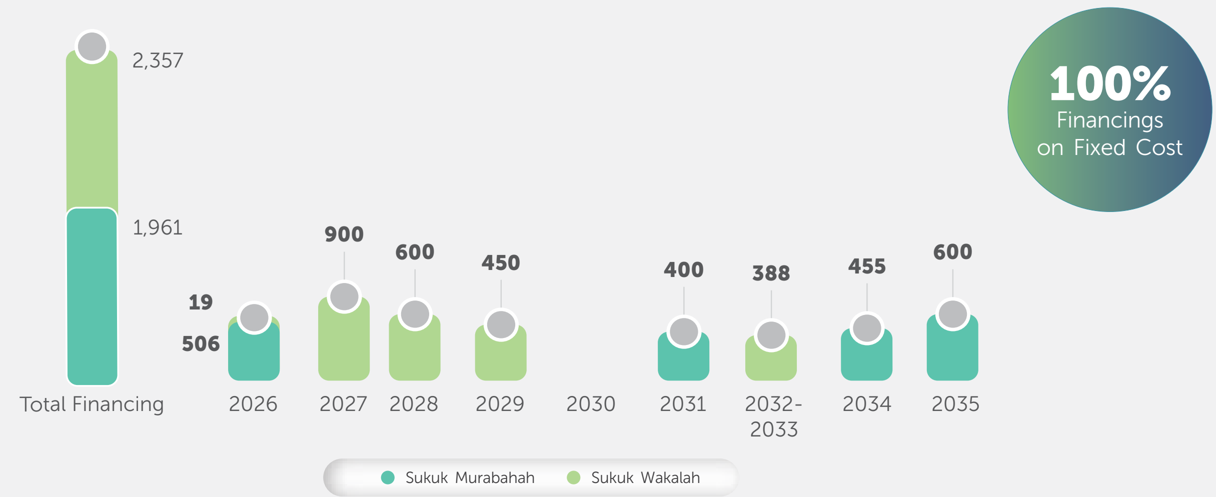
As set out in the KLCC Group Corporate Financial Policy, the Group's objective in managing capital is to maintain an optimal capital structure and ensure the availability of funds for businesses and operations whilst maximising shareholder value.

During the year, the Group remained disciplined in managing our capital structure to provide a solid foundation to withstand near-term uncertainties while preserving financial flexibility over the long term.

	2021	2022	2023	2024	2025
Total financing (RM million)	2,370	2,375	2,362	4,316	**4,317**
Average cost of debt (%)	4.3	4.6	4.6	4.0	**3.9**
Fixed: Floating ratio	83	83	83	91	**100**
Average maturity period (years)	4.3	3.3	2.3	4.6	**4.2**
Gearing ratio (%)					
– Gross	18.2	18.1	17.7	31.6	**30.5**
– Net	10.8	9.7	8.8	21.6	**19.8**

(Note: Total financing excludes arrangements accounted for as leases under MFRS 16)

Debt Maturity Profile as of 31 December 2025 (RM'mil)



To read more, please refer to Notes to the Financial Statements – Capital Management on page 322

Capital Expenditure

The Group's capital expenditure during the year totalled RM48.8 million, with a significant portion directed towards building improvement systems and hotel asset enhancement initiatives, including refurbishment works for ballroom and other enhancement projects. These investments support asset quality, operational efficiency and long-term value preservation across the portfolios.

FINANCIAL RISK MANAGEMENT

Guided by the PETRONAS Integrated Financial Risk Management (IFRM) Guideline, the Group is cognisant of the financial risk inherent in the course of its day-to-day business.

As part of prudent financial risks management, the Group has reviewed, appraised and deliberated identified financial risks to an acceptable level, taking into consideration the current economic factors. All identified risks will be continuously monitored and regulated with proper mitigation plans in accordance with the Group's view of the balance between risk and reward.

Credit Risk

Credit risk is the possibility of default in payments owing to us, which could adversely impact the Group's financial performance. Although the credit risk appetite differs from one business segment to another, the Group strives to minimise our overall credit risk by entering into contracts with high credit-rated counterparties also requiring collaterals or other forms of credit enhancements.

During the year, the Group reduced the allowance for impairment losses on trade receivables to RM3.4 million (2024: RM4.5 million), reflecting the current credit risk profile and prevailing economic conditions.

CFO's Financial Performance Review

The Group's Trade Receivables as of 31 December 2025 stood at RM7.0 million.

Trade Receivables' Ageing	RM'000
Not past due	3,950
Past due 1 to 30 days	1,071
Past due 31 to 60 days	855
Past due 61 to 90 days	158
Past due more than 90 days	4,336
	10,370
Less: Allowance for impairment losses	(3,386)
	6,984

To read more, please refer to Notes to the Financial Statements - Credit Risk on pages 318 to 319

Liquidity Risk

Liquidity risk is the possibility of the Group encountering difficulties in meeting financial commitments in a timely manner.

The Group maintains adequate cash and bank balances to meet its working capital requirement as part of its overall liquidity management. Periodic cash flow forecasts are undertaken to determine optimal cash requirements, taking into consideration all receivables, payment of suppliers and other capital and financial obligations.

To read more, please refer to Notes to the Financial Statements – Liquidity Risk on pages 315 to 317

Foreign Currency Risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of financial instruments because of changes in foreign exchange rates. As KLCCP Stapled Group operates predominantly in Malaysia and transacts mainly in Malaysian Ringgit, it is not exposed to any significant foreign currency risk.

OUTLOOK

Malaysia enters 2026 on a steady economic footing, with Visit Malaysia 2026 expected to drive higher international arrivals and boost tourism and retail activity nationwide. While the outlook is encouraging, the operating environment continues to evolve with new developments entering the Klang Valley, fiscal reforms and shifting consumer sentiment requiring continued vigilance. The Group is well-positioned to navigate these dynamics supported by the strength and resilience of our portfolio.

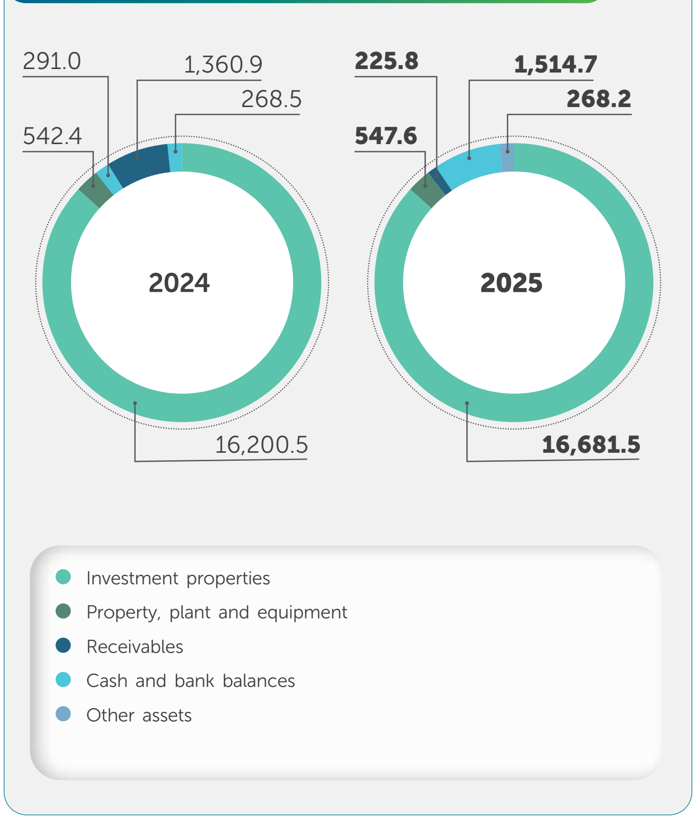
On the financial front, two matters warrant attention. The long-standing withholding tax concession on REIT distributions expired on 31 December 2025. As a result, effective Year of Assessment 2026, the impacted REIT unitholders will be subjected to tax at the prevailing rate on income distributions received from REITs. In addition, one of the financing programmes is due for refinancing in 2026. Our priority remains clear, namely to secure competitive funding terms while extending maturity profiles in a measured manner. The Group's financial foundations remain sound and we are well-placed to navigate any outcome.

Financial discipline continues to guide our decisions. We remain focused on protecting margins through cost optimisation, maintaining balance sheet strength and ensuring the flexibility to respond to opportunities and challenges alike. We are also progressing the digitalisation of our financial systems to enhance forecasting, improve cash flow visibility and sharpen our capital allocation decisions. These initiatives are already underway and form part of our ongoing commitment to prudent stewardship.

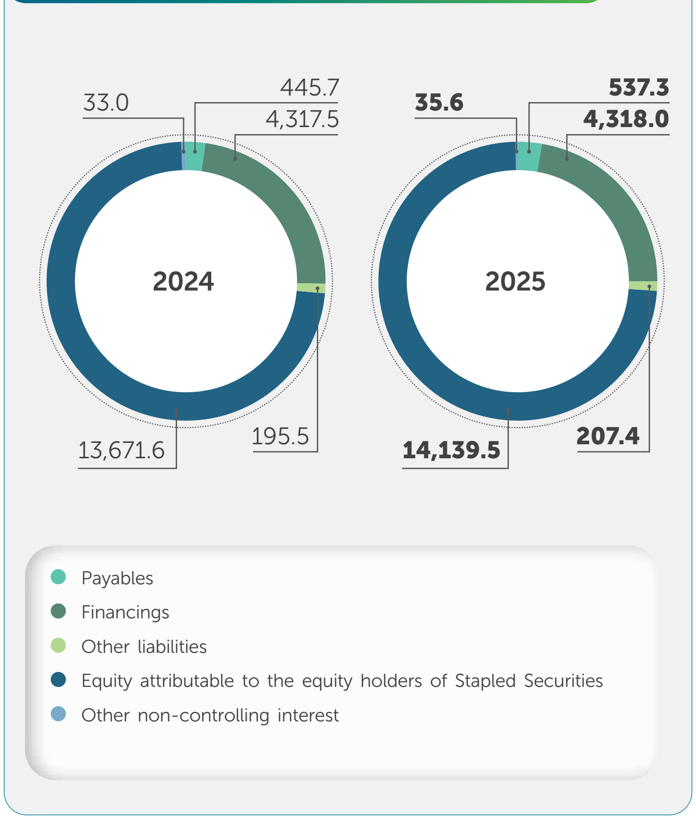
5-Year **Financial Summary**

	2021	2022	2023	2024	2025
Key Operating Results (RM'mil)					
Revenue	1,171.1	1,459.3	1,619.2	1,710.9	**1,739.8**
Operating profit	785.2	958.8	1,020.2	1,067.3	**1,076.8**
Profit before tax	565.8	1,018.9	1,187.4	1,201.4	**1,430.4**
Profit for the year	534.0	911.6	1,066.4	1,057.2	**1,282.9**
Key Statement of Financial Position (RM'mil)					
Investment properties	15,586.6	15,722.8	15,953.1	16,200.5	**16,681.5**
Total assets	17,937.1	18,109.5	18,333.6	18,663.3	**19,237.8**
Total financings	2,375.9	2,378.5	2,364.2	4,317.5	**4,318.0**
Total liabilities	2,897.6	2,942.2	2,944.1	4,958.7	**5,062.7**
Total equity attributable to the equity holders of Stapled Securities	13,009.8	13,131.7	13,339.1	13,671.6	**14,139.5**
Stapled Securities Information					
Earnings per stapled security – basic/diluted (sen)	27.47	43.35	51.59	56.31	**70.92**
Net asset value per stapled security (RM)	7.21	7.27	7.39	7.57	**7.83**
Distribution per stapled security (sen)	33.60	38.00	40.50	44.50	**47.00**
Stapled securities closing price as at 31 December (RM)	6.55	6.71	7.09	8.15	**8.72**
Number of stapled securities (mil)	1,805.3	1,805.3	1,805.3	1,805.3	**1,805.3**
Market capitalisation (RM'mil)	11,824.9	12,113.8	12,799.8	14,713.5	**15,742.5**
Financial Ratios					
PBT margin (including fair value adjustments)	48.3%	69.8%	73.3%	70.2%	**82.2%**
Dividend payout ratio	95%	92%	92%	92%	**90%**
Gearing (times)	0.18	0.18	0.18	0.32	**0.31**

Total Assets (RM'mil)

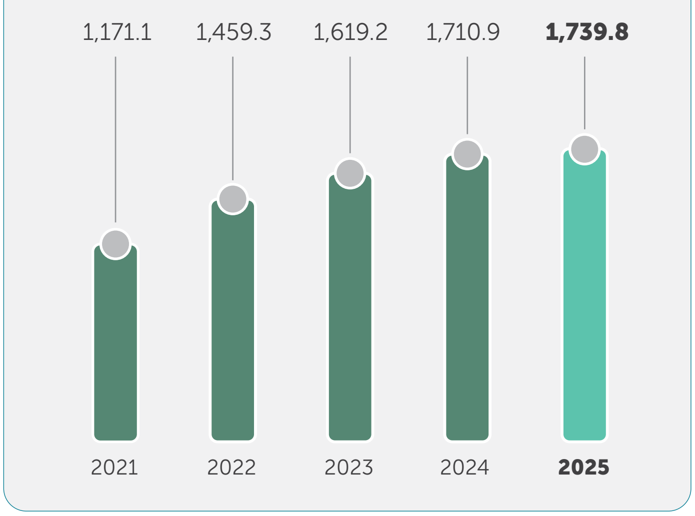


Total Equity and Liabilities (RM'mil)

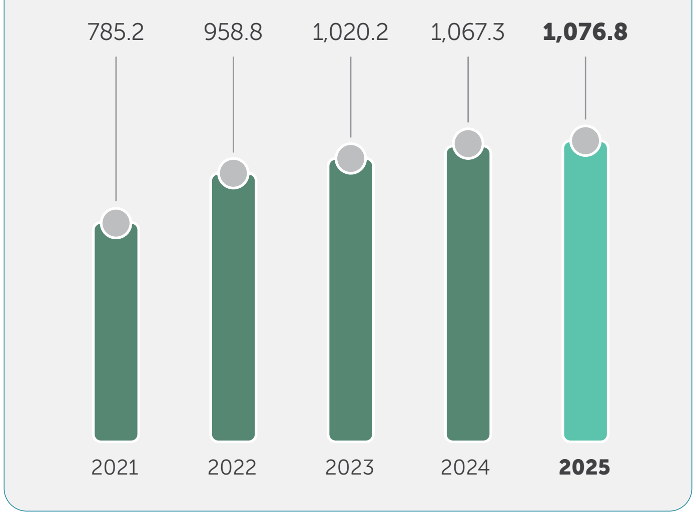


5-Year **Financial Highlights**

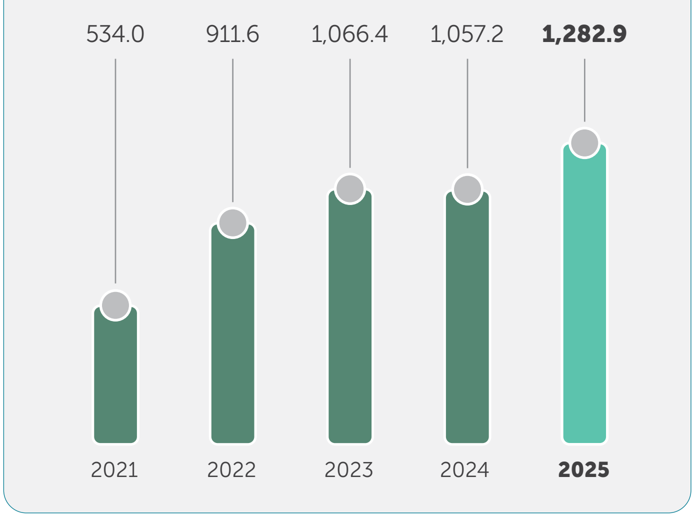
Revenue (RM'mil)



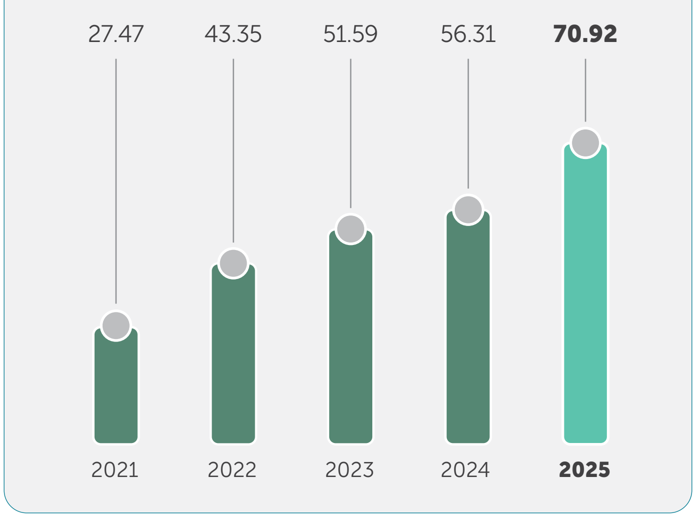
Operating Profit (RM'mil)



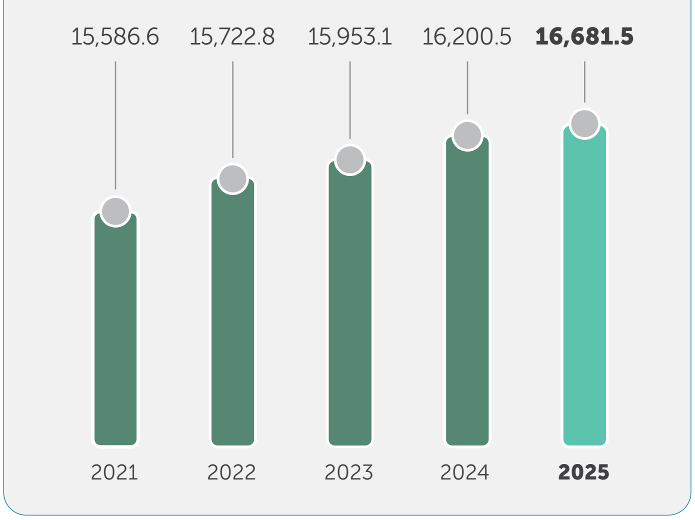
Profit for the Year (RM'mil)



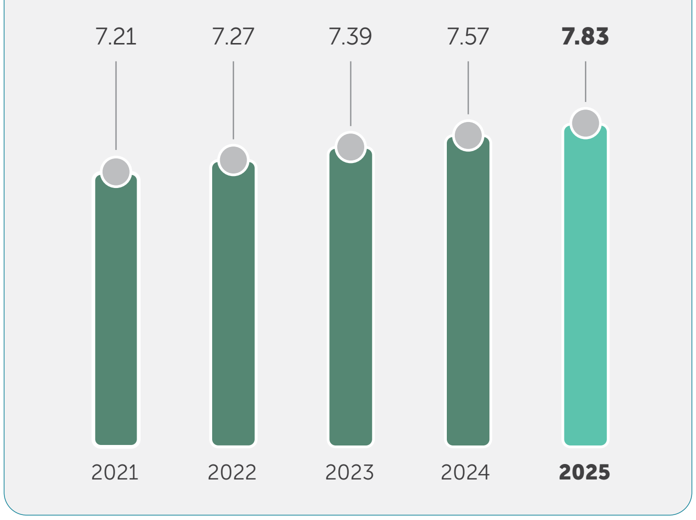
Earnings Per Stapled Security – Basic/Diluted (sen)



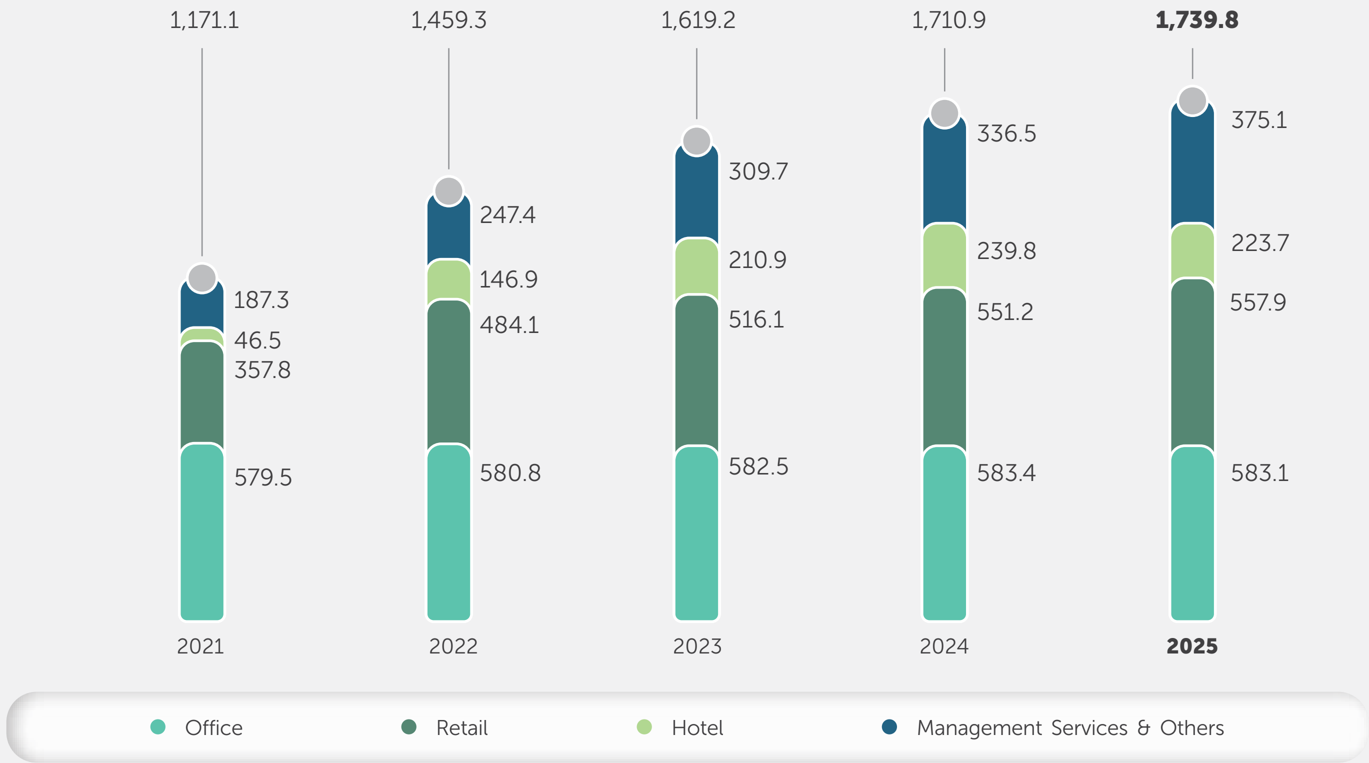
Property Value (RM'mil)



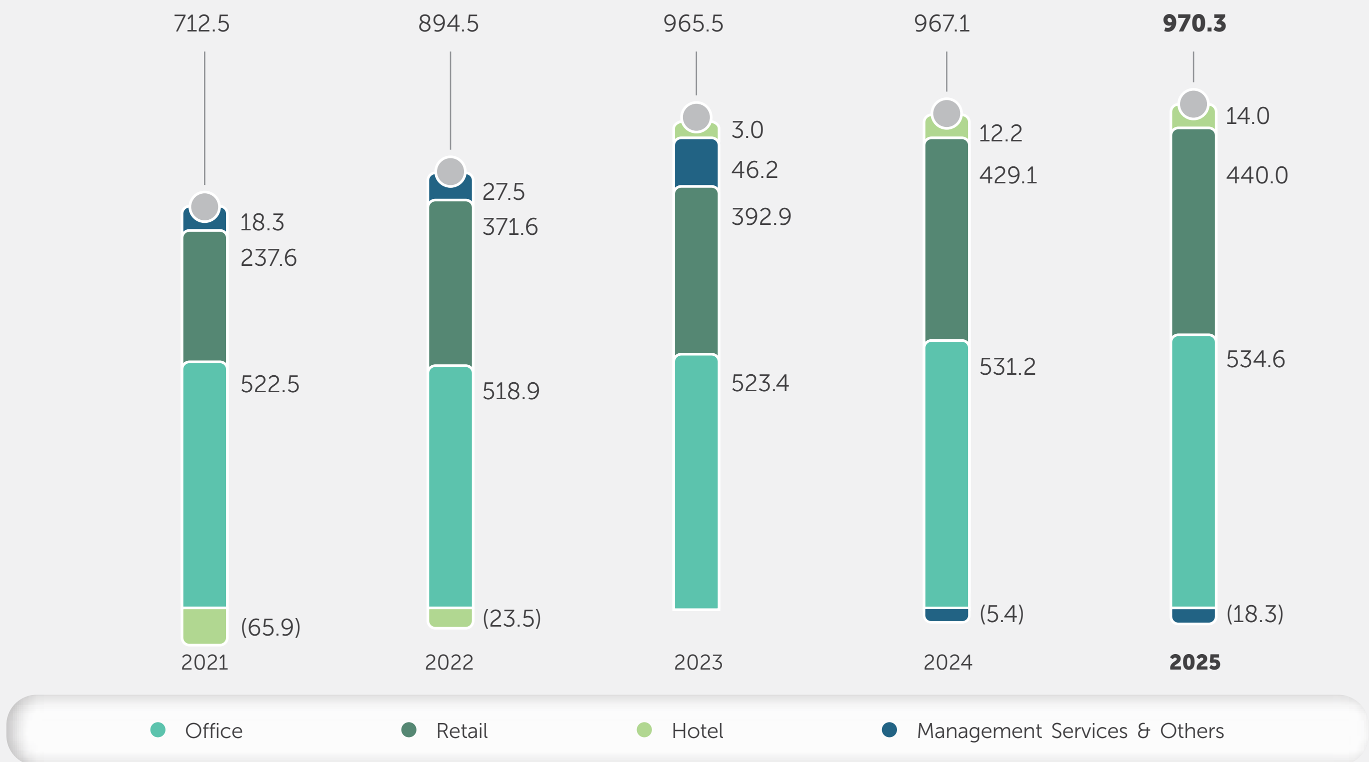
Net Asset Value Per Stapled Security (RM)



Segmental Revenue (RM'mil)

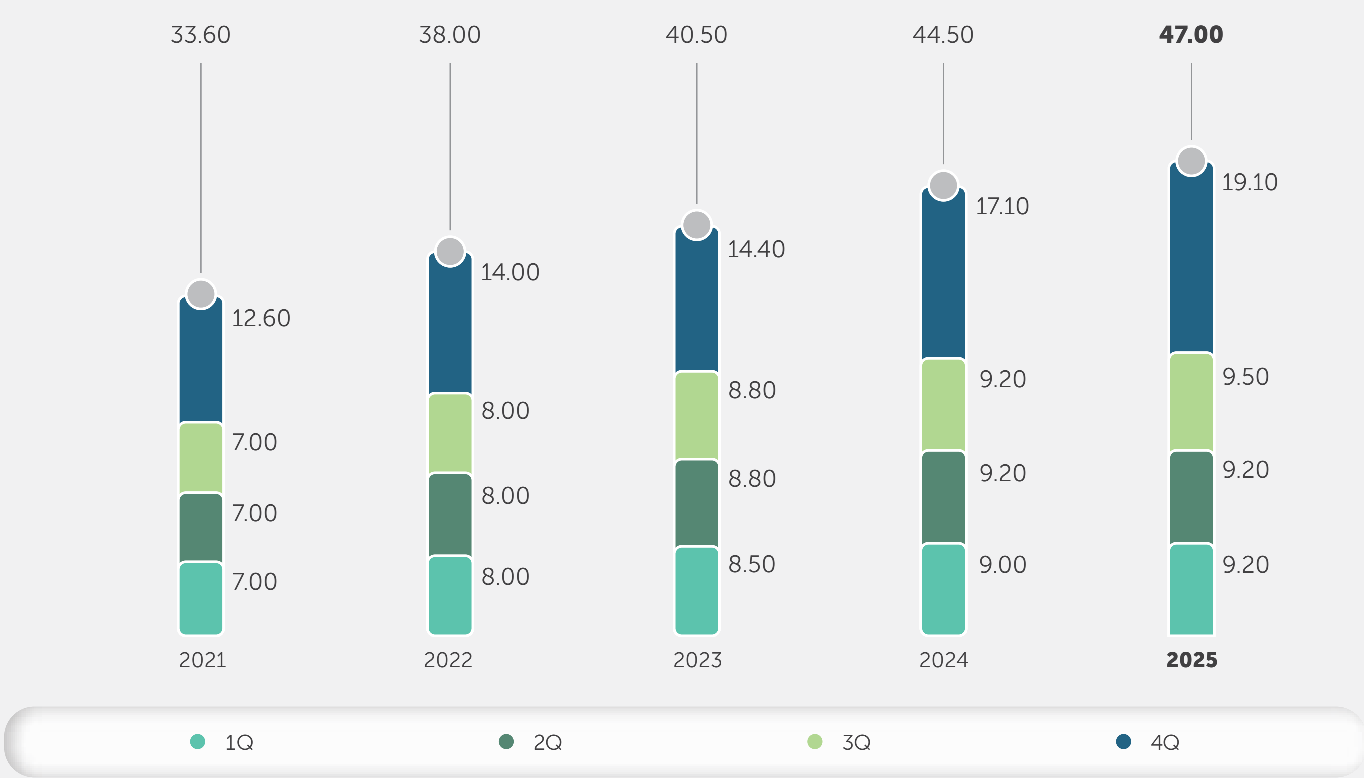


Segmental PBT Excluding Fair Value Adjustments (RM'mil)

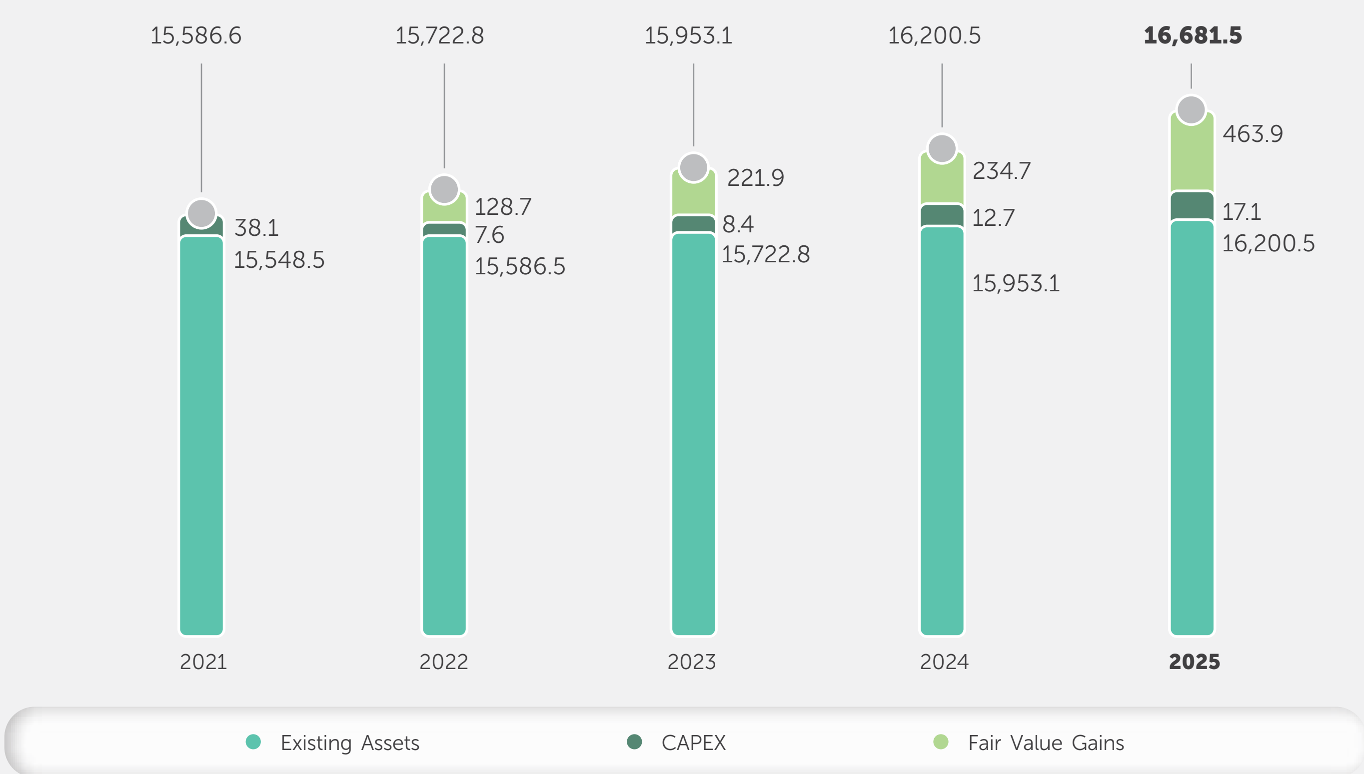


5-Year Financial Highlights

Distribution Per Stapled Security (sen)



Property Value (RM'mil)



Value Added **Statement**

	2024 RM'000	2025 RM'000
Revenue	1,710,860	**1,739,820**
Interest/profit income	52,313	**54,275**
Operating expenses	(457,750)	**(485,594)**
Value added by the KLCCP Stapled Group	1,305,423	**1,308,501**
Share of profit of an associate	14,290	**12,237**
Fair value adjustments of investment properties	234,731	**463,870**
	1,554,444	**1,784,608**
Reconciliation		
Profit attributable to holders of Stapled Securities	1,016,533	**1,280,366**
Add:		
Depreciation & amortisation	30,008	**26,206**
Financing costs	167,299	**176,753**
Staff costs	155,772	**151,226**
Tax expense	144,142	**147,525**
Other non-controlling interest	40,690	**2,532**
	1,554,444	**1,784,608**
Value distributed		
Employees		
Salaries and other staff costs	155,772	**151,226**
Government		
Corporate taxation	129,256	**132,324**
Providers of capital		
Dividends	754,629	**812,371**
Financing costs	167,299	**176,753**
Other non-controlling interest	40,690	**2,532**
Reinvestment and growth		
Depreciation & amortisation	30,008	**26,206**
Capital reserves*	155,870	**349,916**
Income retained by the Group	120,920	**133,280**
	1,554,444	**1,784,608**

* Capital reserves represents the fair valuation gain on properties which is only distributable upon disposal of investment property

Investor **Information**

The Group continues to strengthen our engagement with the investment community amid a more discerning and evolving market environment. Against the backdrop of shifting macroeconomic market conditions and heightened investor focus, we maintain proactive and transparent communication to articulate our defensive earnings structure, disciplined capital management and long-term strategic direction. Through consistent dialogue, we reinforce investor confidence in the resilience of our portfolio and our commitment to delivering sustainable returns.

HIGHLIGHTS OF THE YEAR

141

Engaged 141 institutional investors, analysts and fund managers

Q1

- **4Q FY2024 Analyst Briefing**
  5 February

Q2

- **Nomura Securities Malaysia – Initiation Coverage Meeting**
  18 April
- **UBS Securities Malaysia & clients – Investor Meeting**
  13 May
- **1Q FY2025 Analysts Briefing**
  23 May

INVESTOR RELATIONS ACTIVITIES IN 2025

Engagement With Investment Community

The Group maintained structured and consistent engagement with the investment community through analyst briefings and targeted meetings with institutional investors and fund managers. These interactions facilitated constructive dialogue on performance visibility, capital management and strategic direction, reinforcing transparency and strengthening long-term investor confidence.

Overview of Discussions

- Timely updates on financial performance, refinancing strategy and growth direction, with emphasis on capital management and dividend sustainability
- Operational performance across all business segments – office tenancy stability, retail tenant sales trends, and hotel performance trajectory
- Strategic growth visibility – asset enhancement initiatives, pipeline opportunities and long-term positioning within the KLCC Precinct
- Sustainability progress and energy management measures supporting efficiency and long-term value creation

Key Takeaways

Engagements reflected sustained investor **focus on earnings visibility, financial discipline and portfolio resilience**

The Group's **defensive income structure and prudent balance sheet management** were recognised as key strengths amid evolving market conditions

Additional coverage has **broadened our analyst reach and reaffirmed institutional interest** in the Group's fundamentals

13
Connected with 13 foreign investors, analysts and fund managers

2
Attended two investment & industry conferences

1
Secured one new research house coverage

Legend: Virtual | Physical | Hybrid

Q3

- **Maybank x Bursa Malaysia Invest ASEAN-Malaysia Conference 2025**
  2-3 July
- **CIMB & client – Investor Meeting**
  29 July
- **2Q FY2025 Analyst Briefing**
  27 August
- **JP Morgan and clients – Investor Meeting**
  28 August

Q4

- **Affin Hwang & Sumitomo Mitsui DSAM – Investor Meeting**
  4 September
- **Maybank Investment & Alquity Investment – Investor Meeting**
  24 September
- **Macquarie Capital Securities & Public Mutual – Investor Meeting**
  17 October
- **CIMB Securities & Employees Provident Fund (EPF) – Investor Meeting**
  22 October
- **3Q FY2025 Analysts Briefing**
  20 November

INVESTORS' AREAS OF INTEREST

Key Topics	Areas of Interest
Financial Highlights	• Impact of refinancing on cost of debt and cash flow flexibility • Dividend payout policy and quarterly distribution profile • Borrowing maturity profile and financing strategy
Office	• Tenancy expiry and renewal status for office buildings • Building modernisation and green certification plans for remaining office assets
Retail	• Contribution of base rent and percentage rent to overall revenue • Tenant mix evolution and first-to-market brand offerings • Luxury segment sales normalisation and impact on tenant performance • Guidance on rental reversion and competitive positioning to sustain footfall
Hotel	• Occupancy and RevPAR trends, and forward booking outlook • Room and non-room revenue, and performance during peak season • Asset enhancements, including Grand Ballroom refurbishment, and impact on performance • Impact of growing tourism and Visit Malaysia 2026 on current and future hotel performance
ESG	• Energy efficiency initiatives and green energy contribution • Alignment of sustainability practices with regulatory developments and market expectations
Looking Beyond	• Potential asset injection, acquisition opportunities and overall portfolio expansion visibility • Positioning of Ombak KLCC within the KLCC Precinct • Developments relating to new large-scale projects and potential implications for the Group

Investor Information

Industry Participation & Thought Leadership

The Group continued to participate in investor forums and key industry conferences to reinforce our market presence and contribute to broader industry discourse. These platforms enabled engagement with institutional stakeholders, facilitated the exchange of global best practices and showcased the Group's expertise in integrated urban development.

Invest ASEAN-Malaysia Conference 2025 jointly organised by Maybank Investment Banking Group and Bursa Malaysia

Council on Tall Buildings and Urban Habitat (CTBUH) International Conference 2025 in Toronto, Canada

Overview of Discussions

- At the Invest ASEAN–Malaysia Conference, the Group engaged with institutional investors during the company presentation sessions, with discussions centred around resilience of the Group's portfolio and our growth pipeline, supported by our parent company's broad asset base.
- At the CTBUH International Conference, our CEO presented "Beyond the Icon: The Evolution of KLCC as a Global Urban Model" highlighting KLCC's transformation into a benchmark for integrated, sustainable urban development through digital transformation, IoT integration, people-centric initiatives and sustainability alignment.

Key Takeaways

The Group's participation in the conferences **reinforced our positioning** within the regional investment community and provided **a platform to articulate our long-term strategic positioning** amid evolving global dynamics

The CEO's presentation at the CTBUH strengthened KLCC's international profile, underscoring our role as **a forward-looking, integrated urban precinct balancing sustainability, technology and liveability**

Shareholder Communication & Transparency

The Group upheld our commitment to transparent and accountable shareholder communication through the Annual General Meeting (AGM), which represented the first physical AGM following the virtual meetings organised since the pandemic. The AGM provided a direct platform for engagement between shareholders, the Board and Management, reinforcing accountability and constructive dialogue. Following the AGM, the Q&A and meeting minutes were made available on KLCCP Stapled Group's corporate website at **www.klcc.com.my**.

Overview of Discussions

- Our CEO presented a comprehensive review of key achievements in 2024 and strategic priorities for 2025.
- All pre-submitted and live questions from shareholders, Minority Shareholders Watch Group (MSWG), EPF Equity Research and Permodalan Nasional Berhad (PNB) were addressed, covering financial performance, capital management, dividend payout, retail and hotel operations, governance practices, risk management and the Group's growth outlook.

Key Takeaways

Strong shareholder participation and open dialogue during the AGM reinforced the Group's commitment to transparency and accountable governance

Strong media coverage across digital, print and social media platform from leading publications like The Edge, Bernama and New Straits Times

22nd
Annual General Meeting – KLCCP

12th
Annual General Meeting – KLCC REIT

Held physically at **Grand Ballroom, Mandarin Oriental, Kuala Lumpur**

Over 1,700 shareholders attended

41 questions submitted before and during the AGM

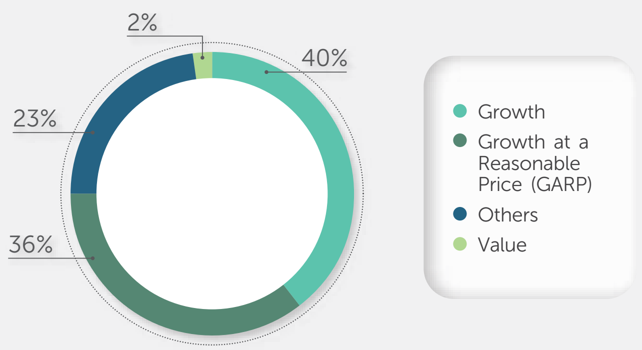
SHAREHOLDER VALUE CREATION

- Sustain resilient share price performance and competitive shareholder returns, underpinned by stable earnings and disciplined capital management
- Integrate investor insights into strategic priorities to reinforce long-term growth, asset optimisation and income sustainability
- Maintain proactive and transparent engagement with the investment community to strengthen confidence and support fair market valuation

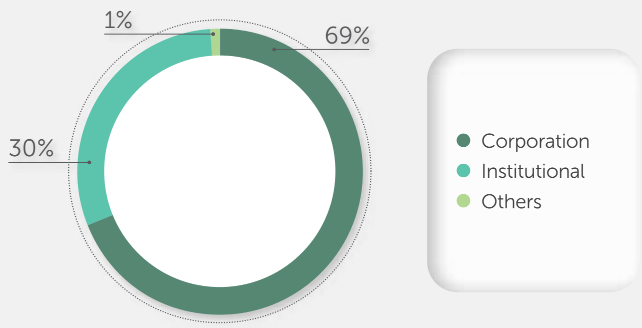
Shareholder Analysis

The composition of our shareholder base provides insight into investor confidence and our ownership structure. A clear understanding of this profile supports targeted engagement efforts and ensures alignment between shareholder expectations and the Group's strategic objectives.

Shareholding by Investment Styles



Shareholding by Type



Total Shareholders as at 31 December

2023	**8,779**
2024	**8,790**
2025	**9,477**

Source: Nasdaq

Top 3 Shareholders as at 31 December 2025

KLCC (Holdings) Sdn Bhd	**64.7%**
Employees Provident Fund (EPF) Board	**9.2%**
Permodalan Nasional Berhad (PNB)	**9.0%**

Source: Nasdaq

To read more on the Thirty Largest Stapled Securities Holders, please refer to pages 387 to 388

Investor Information

Share Price Performance

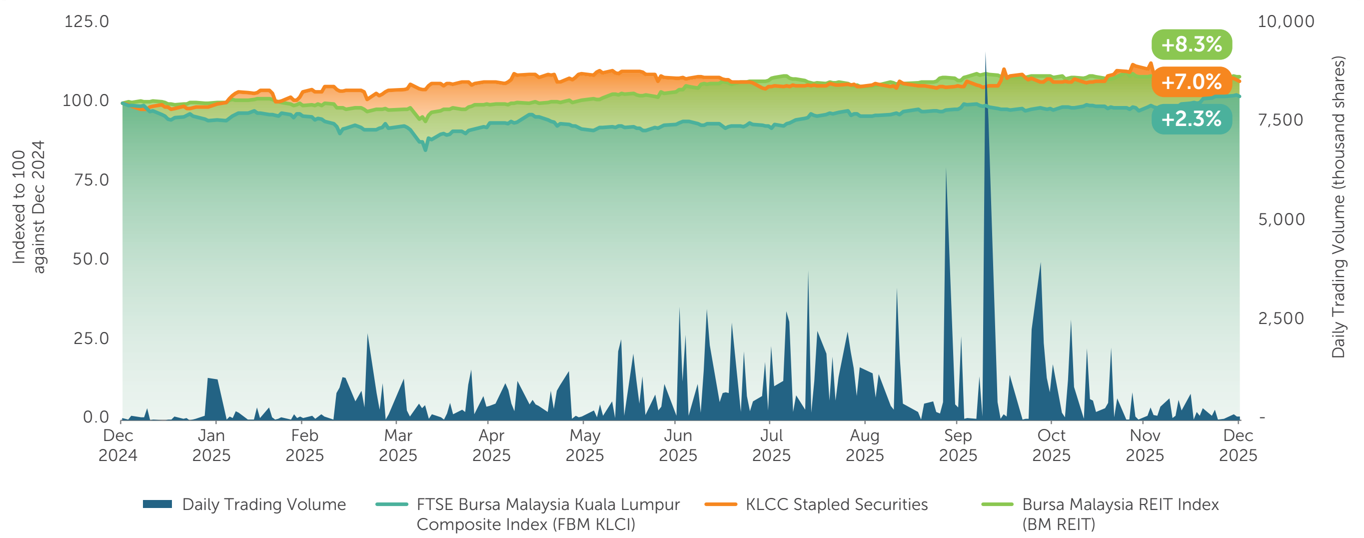
KLCC Stapled Securities Price and Volume vs Benchmark Indices in 2025

1Q		
High	RM8.59	7 Mar
Low	RM7.99	6 Jan
Close	RM8.49	28 Jan
Average trading volume	255,672	

2Q		
High	RM8.99	5 Jun
Low	RM8.50	2, 8 & 9 Apr
Close	RM8.80	30 Jun
Average trading volume	487,920	

3Q		
High	RM8.84	7 & 8 Jul
Low	RM8.53	29 Jul
Close	RM8.61	30 Sep
Average trading volume	1,152,987	

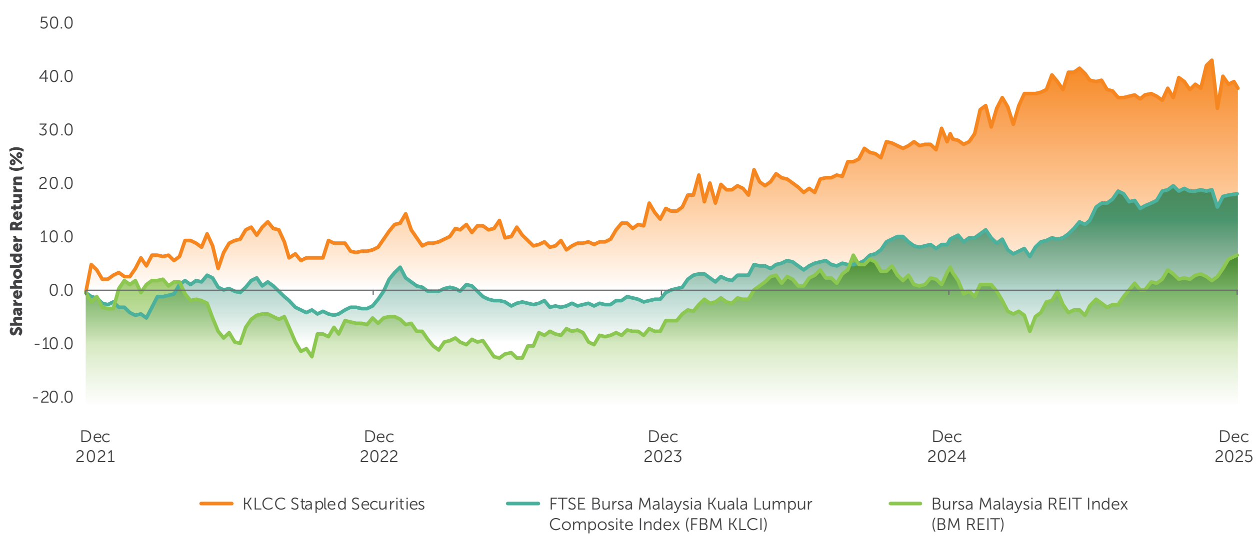
4Q		
High	RM9.18	2 Dec
Low	RM8.46	5 Dec
Close	RM8.72	31 Dec
Average trading volume	781,433	



Shareholder Return

KLCC Stapled Securities' Total Shareholder Return vs Benchmark Indices

	Dec 2021 - Dec 2025	Dec 2024 - Dec 2025
KLCCSS	38.4%	12.3%
FBMKLCI	7.2%	2.3%
KL REIT	19.2%	8.3%



Source: Nasdaq

Analyst Coverage and Recommendations

As of 31 December 2025, KLCC Stapled Securities is covered by 10 analysts representing both local and international research houses. Our stock's overall average target price stood at RM9.13, with one Buy and nine Hold recommendations. The analysts' optimistic outlook underscores confidence in the Group's performance, reflected by 4.7% upside in the share price as of 31 December 2025.

■ Target Price as at 31 Dec 2025 (RM) ■ Upside/Downside to Share Price as at 31 Dec 2025 (%)

KLCC Stapled Securities Share Price as at 31 Dec 2025: RM8.72

Source: Nasdaq

LOOKING BEYOND

- Strengthening investor engagement through timely and transparent communication, while adapting to evolving market expectations and integrating feedback from the investment community
- Positioning the Group to capture opportunities arising from tourism recovery and national growth initiatives such as Visit Malaysia 2026

Further Investor Information can be accessed on our corporate website at **www.klcc.com.my**

Financial Calendar

23 May 2025
1st quarter
ended 31 March 2025

30 Jun 2025
1st Interim
dividend payment

27 Aug 2025
2nd quarter
ended 30 June 2025

30 Dec 2025
3rd Interim
dividend payment

20 Nov 2025
3rd quarter
ended 30 September 2025

30 Sep 2025
2nd Interim
dividend payment

29 Jan 2026
4th quarter
ended 31 December 2025

17 Mar 2026
- Notice of KLCCP 23rd Annual General Meeting and KLCC REIT 13th Annual General Meeting
- Issuance of Integrated Report 2025

17 Mar 2026
4th Interim
dividend payment

28 Apr 2026
- **KLCC REIT 13th** Annual General Meeting
- **KLCCP 23rd** Annual General Meeting

● Announcement of Quarterly Results
● Date of Payment of the Interim Dividend
● Annual General Meetings

Manager's Financial and **Operational Review**

KLCC REIT Management Sdn Bhd (the Manager), the Manager of KLCC Real Estate Investment Trust (KLCC REIT or the Fund), is pleased to submit the Manager's financial and operational review for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITY AND INVESTMENT OBJECTIVES

KLCC REIT is an Islamic Real Estate Investment Trust established to own and invest primarily in Shariah-compliant office and retail real estate.

The Fund was constituted by the Trust Deed dated 2 April 2013 and an Amended and Restated Trust Deed dated 3 September 2019 entered into between the Manager and Maybank Trustees Berhad (the Trustee). The Amended and Restated Trust Deed was registered and lodged with the Securities Commission (SC) on 16 October 2019 and 17 October 2019 respectively. The Fund was listed on the Main Board of Bursa Malaysia Securities Berhad on 9 May 2013.

The key objective of the Fund is to provide unitholders with stable distribution of income supported by KLCC REIT's strategy of improving returns from its property portfolio and capital growth.

INVESTMENT STRATEGIES

The Manager is focused on active asset management and an acquisition growth strategy to provide regular and stable distributions to unitholders while ensuring capital growth and improved returns from its property portfolio.

Active asset management strategy

Continue to optimise rental and occupancy rates and the net lettable area (NLA) of the properties for enhanced returns from KLCC REIT's property portfolio.

Acquisition growth strategy

Acquire real estate that satisfy the requirements of KLCC REIT's investment policy and strategy to enhance returns to unitholders and capitalise on opportunities for future income and net asset value (NAV) growth.

OVERVIEW OF PROPERTY PORTFOLIO

KLCC REIT is an office-centric, diversified REIT comprising three prime commercial assets with strong and stable asset performance – the iconic PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS. The retail segment of KLCC REIT is represented by the retail podium of Menara 3 PETRONAS, which capitalises on Suria KLCC's reputation as a premier shopping destination in Malaysia.

The properties, with a combined NLA of over 4.6 million sq. ft., are located in the prime area of Kuala Lumpur City Centre (KLCC), within the 100-acre KLCC development. The internationally renowned integrated commercial development within the KLCC Precinct comprises prime Grade A offices, premier retail outlets, 4 and 5-star hotels, high-end residential towers, M.I.C.E (meeting, incentives, convention and exhibition) facilities and world-class entertainment fronting a lush KLCC Park.

Financial Review

Key Highlights

- Marked another year of record-high distribution per unit (DPU) of **29.32 sen**, supported by stable long-term leases
- Upward rental revision in **Menara ExxonMobil** supported an increase in the property's market value
- Occupancy at the retail podium of **Menara 3 PETRONAS** surged to 97% (2024: 88%), underscoring a strong recovery and disciplined leasing execution

	2024 RM'mil	2025 RM'mil	Variance (%)
Revenue	579.0	**578.0**	(0.2)
Net property income	546.0	**545.0**	(0.2)
Profit for the year*	447.8	**447.4**	(0.1)
Income available for distribution*	526.3	**556.9**	5.8
Income distribution*	500.1	**529.3**	5.8
Earnings per unit* (EPU) (sen)	24.80	**24.78**	(0.1)
Distribution per unit (DPU) (sen)	27.70	**29.32**	5.8

* Excluding fair value adjustments

For the year 2025, KLCC REIT reported a profit (excluding fair value adjustments) of RM447.4 million on the back of revenue of RM578.0 million. The marginal decline in revenue was mainly attributable to lower utility recovery following tariff restructuring as well as lower car park income. Despite these factors, profit recorded only a marginal decline, supported by higher profit income and resilient underlying performance.

KLCC REIT continued to account for a significant portion of KLCCP Stapled Group's revenue, contributing 33.2% of the total, with a net asset value of RM4.50 per unit as of 31 December 2025.

For the financial year, KLCC REIT distributed a total of RM529.3 million to unitholders, translating into a DPU of 29.32 sen, representing a 5.8% increase year-on-year. This reflects the REIT's continued focus on delivering sustainable and consistent returns to unitholders, amid a more demanding operating environment.

Manager's Financial and Operational Review

	Revenue			Net Property Income			Profit for the Year*		
	2024 RM'mil	2025 RM'mil	Variance %	2024 RM'mil	2025 RM'mil	Variance %	2024 RM'mil	2025 RM'mil	Variance %
PETRONAS Twin Towers	401.5	**401.7**	0.0	400.0	**400.5**	0.1	324.1	**325.2**	0.3
Menara ExxonMobil	48.6	**47.8**	(1.6)	29.2	**28.1**	(3.5)	24.0	**22.8**	(4.8)
Menara 3 PETRONAS	92.8	**92.8**	-	92.6	**92.6**	(0.0)	82.0	**82.2**	0.2
Office Segment Total	542.9	**542.3**	(0.1)	521.8	**521.2**	(0.1)	430.1	**430.2**	0.0
Menara 3 PETRONAS (Retail Podium)	36.1	**35.7**	(1.1)	24.2	**23.8**	(1.8)	17.7	**17.2**	(2.7)
Retail Segment Total	36.1	**35.7**	(1.1)	24.2	**23.8**	(1.8)	17.7	**17.2**	(2.7)
Total	579.0	**578.0**	(0.2)	546.0	**545.0**	(0.2)	447.8	**447.4**	(0.1)

* Excluding fair value adjustments

As an office-centric REIT, 93.8% of KLCC REIT's revenue is derived from PETRONAS Twin Towers, Menara ExxonMobil and Menara 3 PETRONAS. Collectively, these properties generated a profit for the year of RM430.2 million on the back of RM542.3 million in revenue, consistent with the previous financial year.

PETRONAS Twin Towers remained the key contributor, accounting for 69.5% of the total revenue and 73.5% of net property income (NPI). Meanwhile, revenue and NPI from Menara 3 PETRONAS declined marginally during the year, reflecting softer tenant sales performance. Nevertheless, the retail podium demonstrated underlying stability, underscoring the defensiveness nature of the assets amid a more measured consumer environment.

Office segment

The office portfolio continued to demonstrate resilience in 2025, supported by strong fundamentals of our landmark assets. PETRONAS Twin Towers and Menara 3 PETRONAS remained fully occupied under long-term leases, providing stable recurring income. Menara ExxonMobil faced margin pressures, as higher property maintenance expenses and reduced car park income weighed on profitability. While navigating these challenges, the asset remained resilient with stable occupancy and the Manager continued to focus on cost optimisation while enhancing the tenant experience to sustain long-term performance.

Looking ahead, the Manager remains focused on strengthening operational efficiency, embedding ESG practices, and driving long-term value creation for unitholders through sustained demand and strong tenant relationships.

Retail segment

The retail podium recorded a marginal decline in revenue to RM35.7 million as percentage rent eased in line with softer tenant sales. This was partially offset by higher base rent and significant uplift in occupancy to 97% from 88% in the previous year, reflecting strong leasing momentum in 2025. During the year, the retail podium welcomed several new tenants, including Sushiro, Adidas Originals, Benihana, RR by Rizman Ruzaini, Smith & Wollensky and Huawei, which strengthened the overall tenant mix and supported occupancy improvement.

Despite a challenging and increasingly competitive retail environment, performance was supported by proactive asset management, including a well-curated tenant mix aligned with market demand, and targeted promotional activities to drive footfall and shopper engagement. Backed by a strong brand presence and continued focus on experience-led offerings, the retail segment remains well-positioned to sustain footfall and tenant sales, even as new retail developments expand consumer choice across the Klang Valley.

Assets and Liabilities

KLCC REIT's balance sheet remained healthy with RM8.1 billion in unitholders' funds and net asset per unit of RM4.50.

	2024 RM'mil	2025 RM'mil	Variance (%)
ASSETS			
Investment Properties	9,353.7	**9,469.7**	1.2
Receivables	180.2	**78.6**	(56.4)
Cash and Bank Balances	191.9	**249.7**	30.1
Others	0.2	**0.1**	(50.0)
	9,726.0	**9,798.1**	0.7
LIABILITIES			
Financings	1,360.5	**1,361.1**	0.0
Others	258.8	**314.2**	21.4
	1,619.3	**1,675.3**	3.5
Unitholders' Fund	8,106.7	**8,122.8**	0.2
Net asset value (NAV) per unit (RM)	4.49	**4.50**	0.2

The receivables balance consists primarily of accrued lease income recognised and varies over the lease term. The accrued revenue results from the straight-lining effect in the recognition of the step-up rates in the TNL arrangements, whereby all future revenue of the tenancy locked-in period is accounted for in constant amounts across the entire lease period.

The RM101.6 million decrease in receivables from RM180.2 million in 2024 indicates that rentals received are now higher than the revenue recognised during the year, reflecting the unwinding of the accrued lease income accumulated in previous years.

Cash and bank balances increased to RM249.7 million compared to RM191.9 million, mainly due to the full-year impact of the step-up rental rate for PETRONAS Twin Towers in October 2024.

NAV per unit increased to RM4.50 during the year, supported by higher property value and increased cash and bank balances.

Manager's Financial and Operational Review

MARKET VALUE OF INVESTMENT PROPERTIES

KLCC REIT's portfolio of investment properties remained resilient throughout the year with the locked in, long-term tenancies. The portfolio's market value increased by RM6.0 million, driven by positive valuation of the office segment. This was attributed to the increase in term rental together with favourable rental reversion compared to the previous year.

The portfolio's market value as at 31 December 2025 of RM9.5 billion was adjusted under the requirements of MFRS 140 Investment Property to account for accrued lease income and additions during the year. The unwinding impact of accrued lease income on the market value led to an RM110.2 million gain on fair value adjustments recognised in the income statement.

The market value by property and the changes in value are detailed below:

	Market Value		Changes in Value	
Property	2024 RM'mil	2025 RM'mil	RM'mil	%
PETRONAS Twin Towers	6,950.0	**6,950.0**	–	–
Menara ExxonMobil	540.0	**546.0**	6.0	1.1
Menara 3 PETRONAS	2,040.0	**2,040.0**	–	–
Total	9,530.0	**9,536.0**	6.0	0.1
Add: Adjustments*			104.2	
Fair value gain in 2025			110.2	1.2

* Changes in accrued operating lease income and capital expenditure during the year

OPERATIONAL REVIEW

Asset Management

In 2025, the Manager's asset management efforts focused on strengthening asset resilience, improving operational efficiency and supporting income stability across the portfolio. Key priorities during the year included proactive asset assessments, targeted optimisation initiatives and disciplined execution to address cost pressures while maintaining asset performance.

Comprehensive building health and sustainability assessments were completed for all the office assets and the retail podium of Menara 3 PETRONAS, providing actionable insights to guide lifecycle planning, asset enhancement and cost optimisation initiatives. These were complemented by energy optimisation measures, smart building applications and analytics-driven maintenance practices, which enhanced asset reliability and reduced unplanned operational disruptions. In parallel, critical infrastructure upgrades progressed, including lift modernisation planning, fire alarm system upgrades and the replacement of translucent blinds in PETRONAS Twin Towers.

Beyond operational excellence, the Manager remained focused on enhancing the tenant experience. Digital services were upgraded to improve operational responsiveness alongside enhancements to shared spaces to better accommodate evolving workplace needs. Sustainability continued to be embedded within asset management practices through green building certification renewals and closer collaboration with tenants and service providers.

During the year, the Manager also demonstrated effective incident response capabilities when a fire broke out at a tenant space within Menara 3 PETRONAS. The fire was promptly contained through established emergency protocols with no disruption to overall operations. It was followed by a comprehensive review to further strengthen safety and operational controls.

The Manager's disciplined asset stewardship and operational excellence were recognised through industry awards in 2025, including the Malaysian Urban Transformation Icon and Anugerah Pencahayaan Bangunan for PETRONAS Twin Towers, marking the second consecutive year of recognition for excellence in urban placemaking and building management. The year also marked continued recognition for safety standards, with PETRONAS Twin Towers receiving the Anugerah Keselamatan Kebakaran Nasional (MAKKNa), reinforcing the Manager's strong focus on safety, reliability and asset quality.

Capital Management

As part of our vision to maximise the value of the investment and returns to our unitholders, the Manager maintains a strategy of actively monitoring and maintaining an optimal capital structure.

KLCC REIT's borrowing remained at RM1.4 billion, translating into a gearing ratio of 14.0%. This provides substantial debt headroom to support future growth initiatives and remains well below the 50.0% regulatory cap imposed by the Securities Commission.

	2024 RM'mil	2025 RM'mil
Total financings (RM'mil)	1,360.5	**1,361.1**
Average cost of debt (%)	4.14	**4.14**
Fixed to floating ratio	100:0	**100:0**
Average maturity period (years)	5.5	**4.5**
Debt service cover ratio (times)	10.0	**10.8**
Gearing ratio (%)	14.0	**14.0**
RAM rating of sukuk	AAA	**AAA**

Income Distribution

The Manager distributed 95.0% of its distributable income for the financial year 2025, demonstrating commitment to enhancing unitholder value.

Based on a total income available for distribution of RM556.9 million, the Manager recommended, and the Trustee approved, a total income distribution of 29.32 sen for the year ended 31 December 2025.

Income Distribution	Income Distribution per unit (sen)	Income Distribution (RM'000)	Remarks
First Interim Distribution	7.38	133,234	30 June 2025
Second Interim Distribution	7.24	130,706	30 September 2025
Third Interim Distribution	7.39	133,414	30 December 2025
Fourth Interim Distribution	7.31	131,970	to be paid on 27 February 2026
Total	29.32	529,324	

Manager's Financial and Operational Review

OUTLOOK

In 2025, the Bursa Malaysia REIT Index rose 8.3%, outperforming FTSE Bursa Malaysia KLCI's 2.7% gain, reflecting the sector's defensive appeal amid resilient domestic consumption and tourism-led demand. Looking ahead, the Malaysian REIT sector is expected to remain resilient, supported by a stable macroeconomic environment, a more supportive interest-rate outlook and catalysts such as Visit Malaysia 2026. Earnings growth will be driven by positive rental reversions and strong income visibility.

Within the sector, the office segment continues to face headwinds from elevated supply levels and cautious leasing conditions. The retail segment is expected to benefit from resilient consumer demand and tourism-related activity, supported by a strategic tenant mix and income stability. These dynamics reinforce the importance of asset quality, tenant profile and portfolio defensiveness in sustaining performance.

Against this backdrop, KLCC REIT is expected to remain resilient, underpinned by long-term Triple Net Leases with high-quality tenants and strategically located, iconic assets within the KLCC Precinct, supported by stable income contribution from the retail podium. These structural strengths continue to provide earnings visibility and income stability amid broader market uncertainty.

Looking ahead, the Manager will remain focused on disciplined asset stewardship, cost optimisation and proactive lease management to preserve asset performance and support income continuity. Priority will continue to be placed on enhancing and optimising existing assets, supported by prudent capital management and operational discipline, to sustain stable distributions and long-term value for unitholders.

Source:
1. The Malaysian Reserve, REITs seen as steady yield play in 2026 amid tourism, industrial tailwinds, 20 January 2026
2. Business Today, Visit Malaysia 2026 Boost for REIT, 14 January 2026
3. The Star, Stable prospects forecast for REITs, 23 December 2025
4. Maybank Investment Bank, Malaysia REITs Outlook 2026, 8 January 2026
5. Kenanga Research, REIT Sector Update, 22 January 2026

MATERIAL LITIGATION

The Manager is not aware of any material litigation since the balance sheet date of 31 December 2025 up to the date of this report.

CIRCUMSTANCES WHICH MATERIALLY AFFECT THE INTERESTS OF UNITHOLDERS

The Manager is not aware of any circumstances that materially affect the interests of unitholders.

DIRECTORS OF THE MANAGER'S BENEFITS

During and at the end of the financial period, no Director of the Manager received or became entitled to receive any benefit by reason of a contract made by the Fund or a related corporate with the Director or with a firm of which the Director is a member, or with a company in which the Director has substantial financial interest.

There were no arrangements during or at the end of the financial period that aimed to enable Directors of the Manager to acquire benefits by means of the acquisition of units in or debentures of the Fund or any other corporate body.

MANAGER'S FEE

For the financial year ended 31 December 2025, the Manager's fee comprised the following:

1. Base fee of RM28.7 million, calculated at 0.3% per annum of Total Asset Value.
2. Performance fee of RM16.3 million, calculated at 3.0% per annum of Net Property Income.

The Manager's total management fee of RM45.0 million represents 0.6% of KLCC REIT’s net asset value.

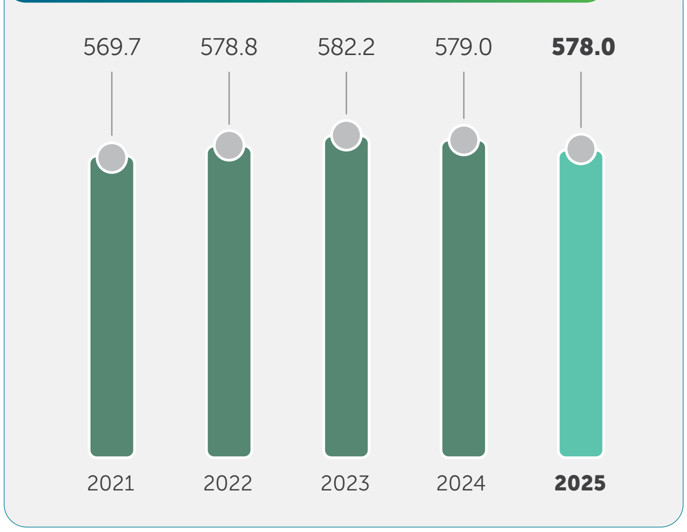
Except for expenses incurred for general overheads and services which the Manager is expected to provide, the Manager has the right to be reimbursed for any fees, costs, charges, expenses and outgoings incurred that are directly related and necessary to the business of KLCC REIT.

SOFT COMMISSION

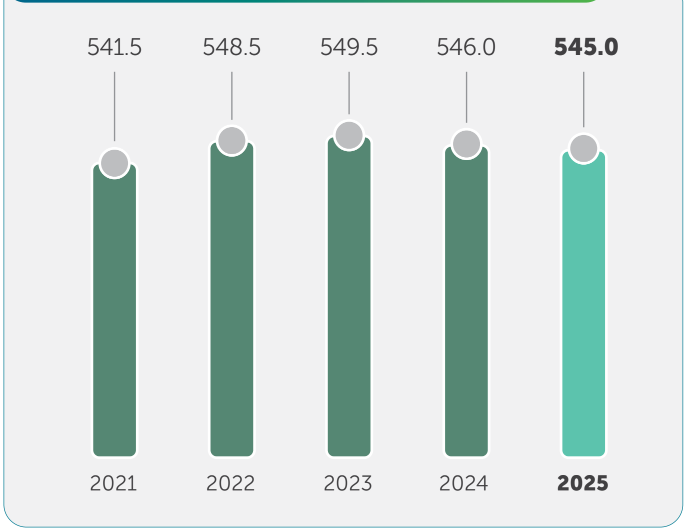
During the year, the Manager did not receive any soft commission from its broker by virtue of transactions conducted by the Fund.

5-Year **Financial Highlights**

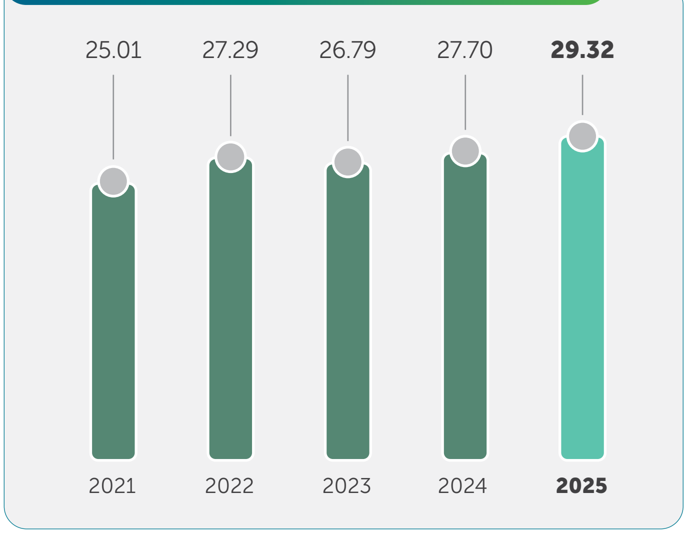
Total Portfolio Revenue (RM'mil)



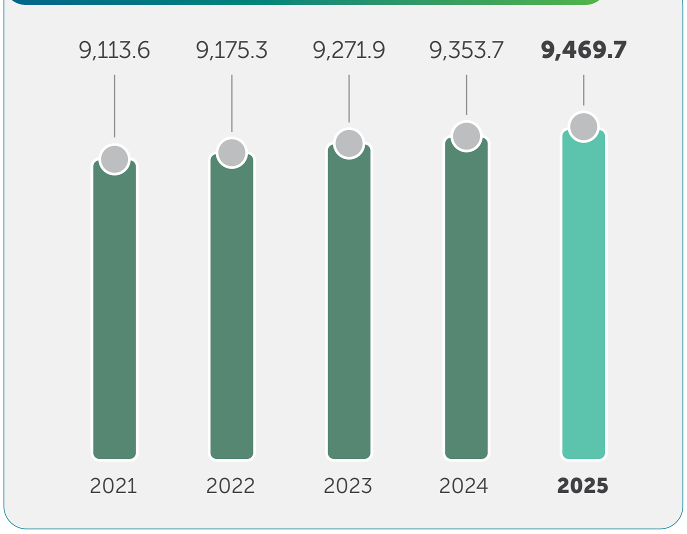
Total Portfolio Net Property Income (RM'mil)



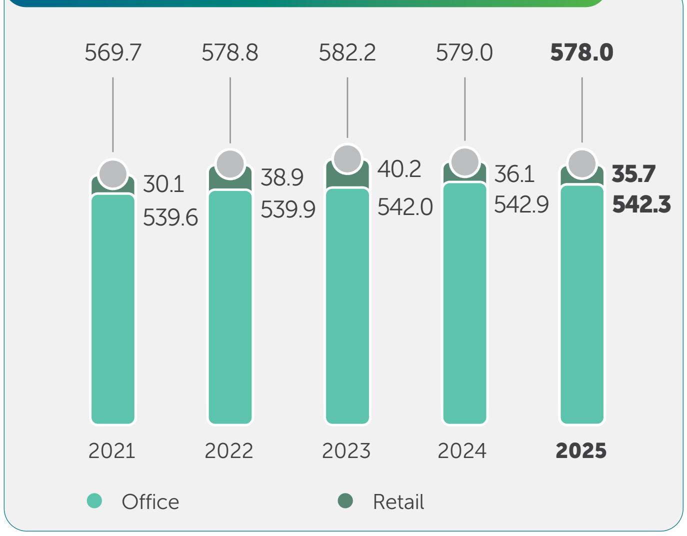
Distribution Per Unit (sen)



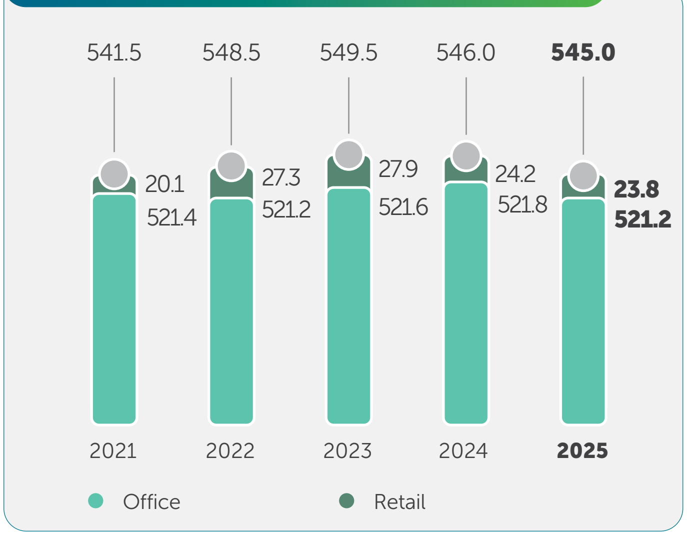
Investment Properties (RM'mil)



Revenue (RM'mil)



Net Property Income (RM'mil)



Value Added **Statement**

	2024 RM'000	2025 RM'000
Revenue	579,031	**578,037**
Profit income	7,291	**8,327**
Fair value adjustments of investment properties	78,359	**110,192**
Operating and tax expenses	(40,859)	**(44,091)**
	623,822	**652,465**
Reconciliation		
Profit for the year	518,319	**546,533**
Finance costs	59,920	**60,338**
Managers fees	44,983	**44,994**
Trustee fees	600	**600**
	623,822	**652,465**
Value distributed		
Trust expenses		
Managers fees	44,983	**44,994**
Trustee fees	600	**600**
Providers of capital		
Finance costs	59,920	**60,338**
Income distribution	482,565	**530,407**
Reinvestment and growth		
Undistributed income	(34,769)	**(83,047)**
Capital reserves	70,523	**99,173**
	623,822	**652,465**

* Capital reserves represent the fair valuation gain on properties which is only distributable upon disposal of investment property

Fund **Performance**

STATEMENT OF COMPREHENSIVE INCOME

Key Data & Financial Ratios	2021	2022	2023	2024	2025
Total portfolio revenue (RM'000)	569,728	578,843	582,169	579,031	**578,037**
Total portfolio net property income (RM'000)	541,475	548,460	549,547	546,008	**544,965**
Total comprehensive income: (RM'000)					
– Realised	438,677	447,827	450,752	447,796	**447,360**
– Unrealised	(69,281)	55,471	83,880	70,523	**99,173**
Income available for distribution (realised) (RM'000)	467,654	505,265	508,925	526,337	**556,914**
Income distribution[1]	451,515	492,676	483,648	500,077	**529,324**
Distribution per unit (DPU) (sen)	25.01	27.29	26.79	27.70	**29.32**
Distribution yield[2] (%)	5.1	5.7	5.7	5.5	**5.4**
Basic earnings per unit (sen)	20.46	27.88	29.61	28.71	**30.27**
Management expense ratio[3] (%)	0.6	0.6	0.6	0.6	**0.6**

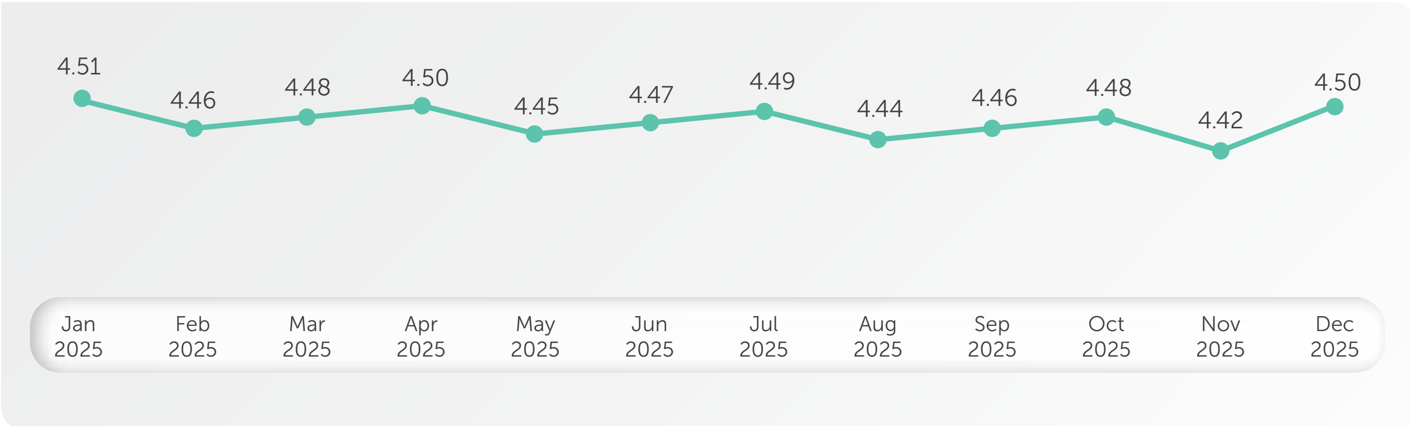
STATEMENT OF FINANCIAL POSITION

Key Data & Financial Ratios	2021	2022	2023	2024	2025
Investment properties (RM'000)	9,113,553	9,175,267	9,271,852	9,353,707	**9,469,696**
Total assets (RM'000)	9,604,975	9,608,338	9,674,577	9,726,067	**9,798,100**
Total financings (RM'000)	1,366,310	1,363,874	1,361,423	1,360,537	**1,361,053**
Total liabilities (RM'000)	1,587,849	1,589,977	1,603,608	1,619,344	**1,675,251**
Total unitholders' fund (RM'000)	8,017,126	8,018,361	8,070,969	8,106,723	**8,122,849**
Total net asset value (NAV) (RM'000)	8,017,126	8,018,361	8,070,969	8,106,723	**8,122,849**
NAV per unit:					
– before distribution (RM)	4.44	4.44	4.47	4.49	**4.50**
– after distribution (RM)	4.37	4.38	4.41	4.42	**4.43**
Highest NAV per unit (RM)	4.50	4.46	4.47	4.49	**4.51**
Lowest NAV per unit (RM)	4.44	4.39	4.40	4.43	**4.42**
Gearing ratio (%)	14.2	14.2	14.1	14.0	**14.0**
Average cost of debt (%)	4.3	4.3	4.3	4.1	**4.1**
Debt service cover ratio (times)	6.5	9.4	10.1	10.0	**10.8**

1 Includes the 2025 fourth income distribution payable on 27 February 2026.
2 Based on DPU of KLCCP Stapled Group of 47.00 sen (2024: 44.50 sen) and the closing price of KLCC Stapled Securities of RM8.72 (2024: RM8.15) as KLCC REIT units are stapled with KLCCP ordinary shares and traded as a single price quotation.
3 Ratio of total fees and expenses incurred in operating KLCC REIT including Manager's fee, Trustee's fee, auditor's remuneration, tax agent's fee, valuation fees and other trust expenses to the NAV of KLCC REIT.

Past performance is not necessarily an indication of future performance as market conditions may change over time.

NET ASSET VALUE PER UNIT (RM)



TRADING PRICE PERFORMANCE OF KLCC STAPLED SECURITIES[1]

Trading Summary	2021	2022	2023	2024	2025
Stapled Securities closing price at 31 December (RM)	6.55	6.71	7.09	8.15	**8.72**
Highest traded price for the year (RM)	7.17	7.10	7.30	8.21	**9.18**
Lowest traded price for the year (RM)	6.32	6.33	6.69	7.06	**7.99**
Capital appreciation (%)	(7.5)	2.4	5.7	15.0	**7.0**
Annual total return (%)[2]	(2.4)	8.1	11.4	20.4	**12.4**
Average total return (3 years) (%)	(0.2)	(0.1)	5.7	13.3	**14.7**
Average total return (5 years) (%)	0.2	0.2	3.8	6.3	**10.0**
Number of stapled securities ('000)	1,805,333	1,805,333	1,805,333	1,805,333	**1,805,333**
Market capitalisation (RM'000)	11,824,931	12,113,784	12,799,812	14,713,465	**15,742,504**

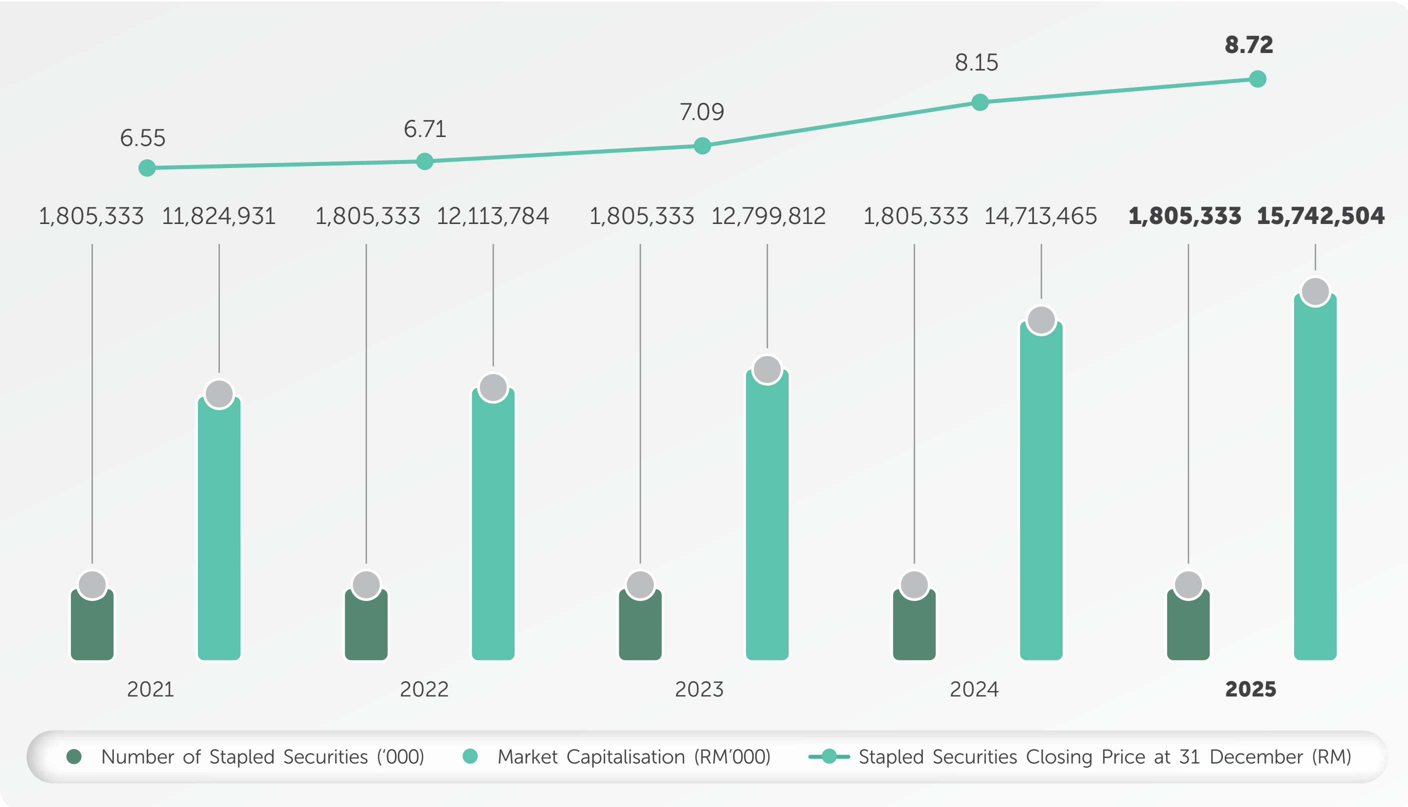
1 The trading price performance of KLCC REIT is based on the price performance of KLCC Stapled Securities as KLCC REIT units are stapled with KLCCP ordinary shares and traded as a single price quotation

2 Annual total return comprises capital appreciation from 1 January 2025 to 31 December 2025 of 7.0% (2024: 15.0%) and distribution yield of KLCCP Stapled Group of 5.4% (2024: 5.5%)

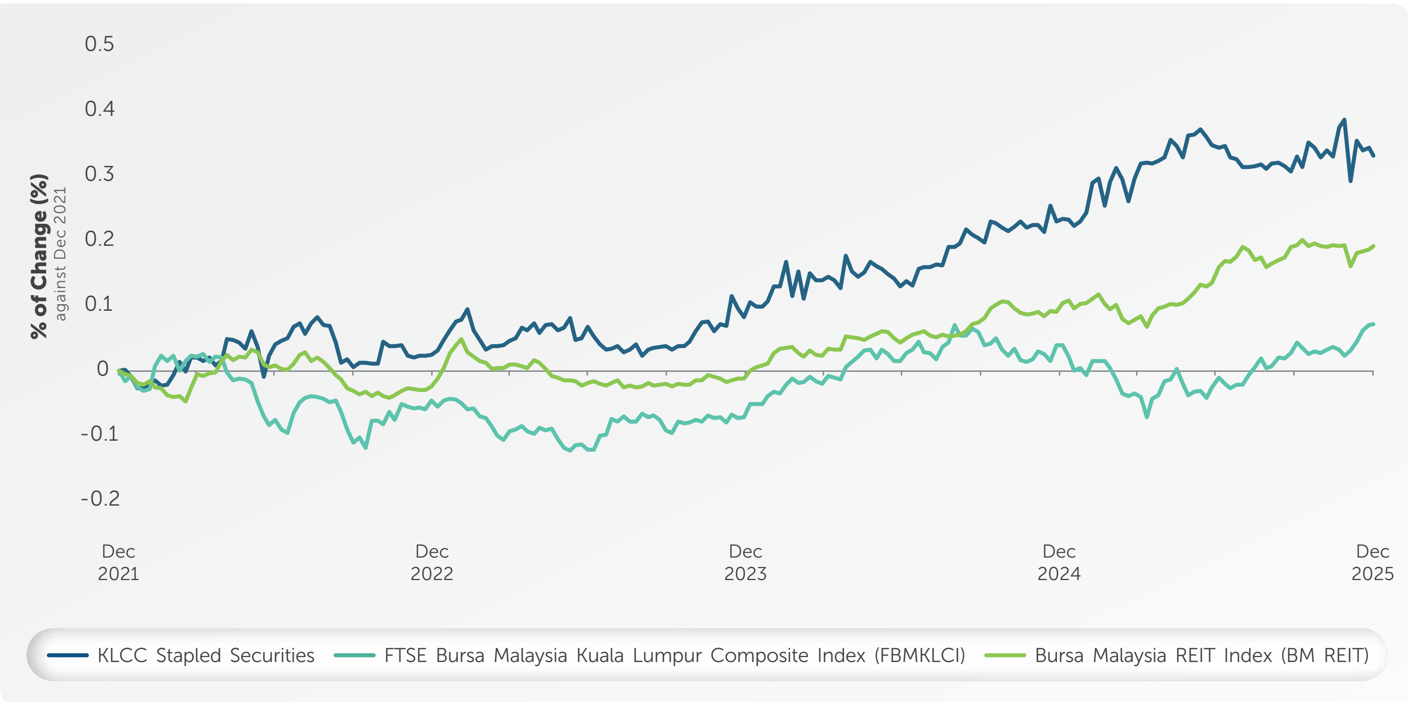
Past performance is not necessarily an indication of future performance as market conditions may change over time.

Fund Performance

MARKET CAPITALISATION, SHARE PRICE PERFORMANCE AND NUMBER OF STAPLED SECURITIES



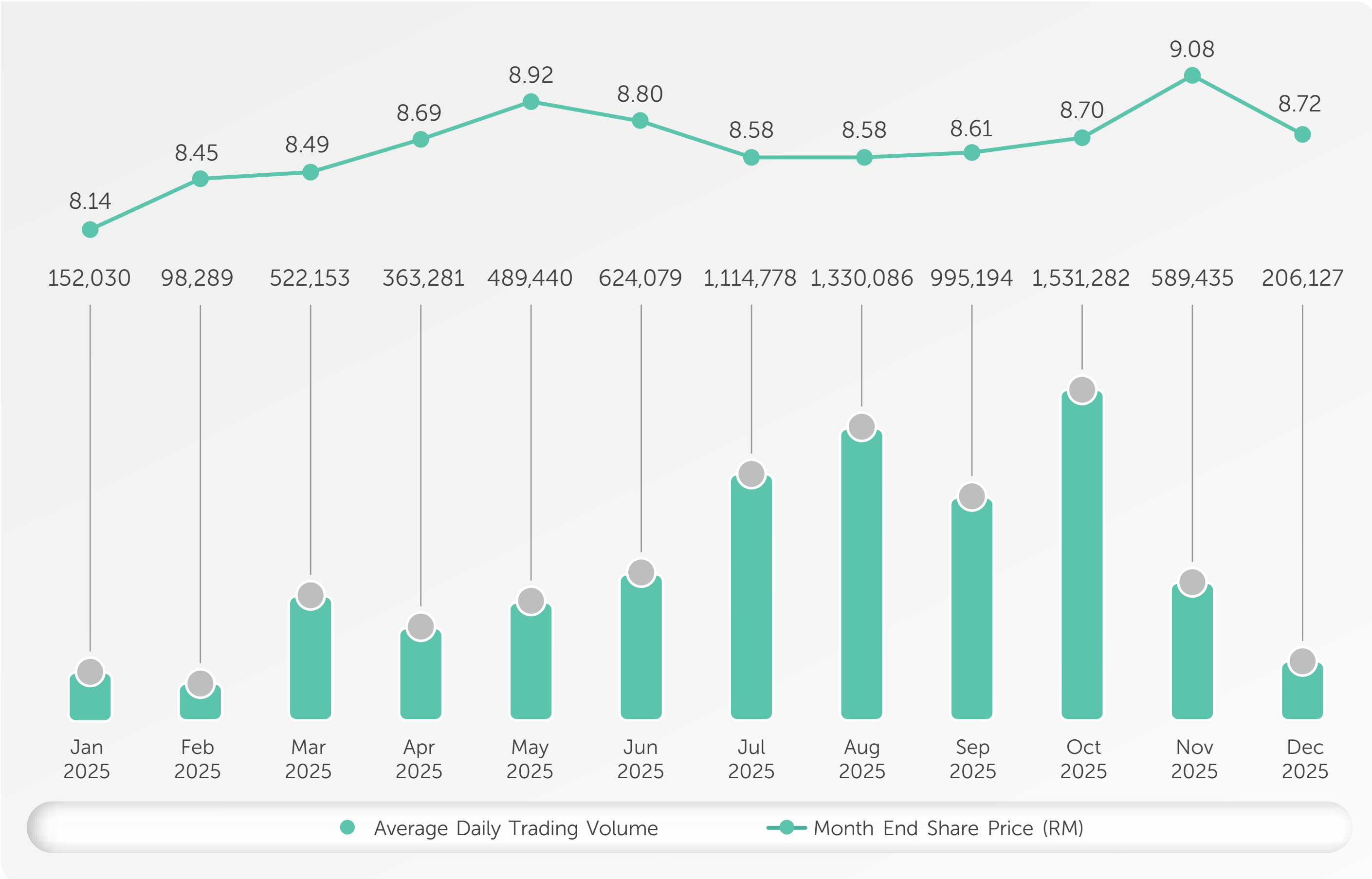
5-YEAR KLCC STAPLED SECURITIES PRICE VS BENCHMARK INDICES



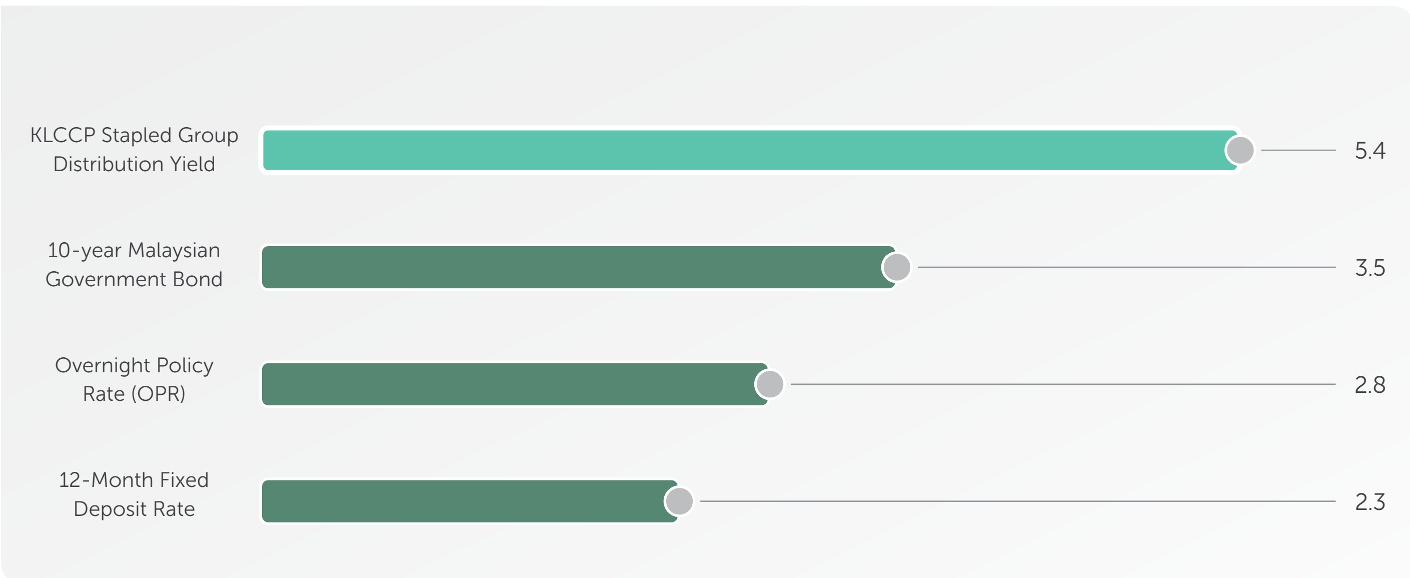
Source: Nasdaq

Past performance is not necessarily an indication of future performance as market conditions may change over time.

KLCC STAPLED SECURITIES MONTHLY TRADING PERFORMANCE



COMPARATIVE YIELDS AS AT 31 DECEMBER 2025 (%)



Source: Bank Negara Malaysia

Sustainability Steering Committee **Chairman's Message**

MOHAINEE TAHIR
Senior General Manager, Group Strategy and Sustainability

Dear Stakeholders

2025 has been another successful year for the Sustainability Steering Committee (SSC) as we continued to strengthen KLCCP Stapled Group's sustainability platform, putting into action the Sustainability Plan 2030. In the process, we are seeing more positive outcomes from our social and environmental endeavours.

At KLCCP Stapled Group, we have always recognised the need to operate sustainably in order to protect the interests of our stakeholders and society at large. This commitment is encompassed by four pillars that support our sustainability performance – Planet, People, Peace and Prosperity. In 2024, to further integrate the four Ps into our strategy and operations, we launched our Sustainability Plan 2030. In the second year of its implementation, we are making very good progress on various initiatives under the plan, achieving and in some cases exceeding targets set leading towards goals outlined for 2030.

Given the increasing urgency to manage climate change and mitigate its associated risks, this continued to be one of our topmost priorities. We have strengthened our climate governance and data management to measure our performance. We have also reinforced our climate resilience strategy by identifying our most pertinent climate-related risks namely flooding and increasing regulatory requirements while assessing their financial impact as well as the opportunities they present.

As a result, we have greater clarity on what our material climate risks are and how best to manage them. This progress also places us on a strong path towards compliance with the National Sustainability Reporting Framework (NSRF), which requires listed companies in Malaysia to align our sustainability disclosures with the International Financial Reporting Standards (IFRS) S1 and S2 as set by the International Sustainability Standards Board (ISSB).

In fact, through earlier adoption of Taskforce on Climate-related Financial Disclosures (TCFD) recommendations, we already have a robust foundation to report on climate governance, risk management and metrics. We are therefore quite confident of full compliance with the NSRF by the year 2027, meeting the deadline set for listed companies with more than RM2 billion in capitalisation.

Energy efficiency, climate risk management and the integration of sustainability considerations into investment and asset management decisions will drive our sustainability direction.

Operationally, concerted efforts to minimise our carbon footprint have led to a 12% reduction in our Scope 1 and 2 emissions from the 2019 baseline. Broadly, this has been achieved via improved controls and closer monitoring of our asset performance. Our Asset-by-Asset Decarbonisation Plan is progressing well across our Office, Retail and Hotel segments as we work on the decarbonisation levers identified for each asset. These include improved energy efficiency, optimised building systems, operational enhancements and the use of renewable energy where feasible. The plan also enables us to continuously refine our emissions forecasting for better alignment between operational planning, capital allocation and the Group's 2030 and 2050 climate commitments. To recap, these are to reduce our Scope 1 and 2 emissions by 10% from the base year 2019 by 2030; and to become a net zero carbon emissions organisation by 2050.

In terms of Scope 3 emissions, in 2024 we had identified four categories that are relevant to decarbonising our supply chain, namely Purchased Goods and Services, Business Travel, Employee Commuting, and Downstream Leased Assets. Following a comprehensive materiality assessment in 2025, we have added four more categories to our list: Capital Goods, Fuel and Energy-related Activities, Waste Generated in Operations, and Use of Sold Products. We have also established data collection methodologies for all categories. As Scope 3 emissions are largely from our suppliers, customers, tenants and partners, we are stepping up our engagement with them to encourage and support their energy transition.

Closer to home, we are deepening a sustainability culture in the KLCC Precinct via our flagship Sustainable September which brings together employees, tenants, customers and the wider community around various sustainability initiatives. This year, we extended our partnership to key collaborators beyond the Precinct, bringing on board Dewan Bandaraya Kuala Lumpur (DBKL) and the Forest Research Institute Malaysia (FRIM) to deepen our impact via various programmes. With FRIM, we planted 50 trees in KLCC Park. Meanwhile, our collaboration with DBKL drew city-wide attention and led to Sustainability September being featured at the ASEAN Sustainable Urbanisation Forum Business Assembly as a model that can be scaled for sustainable cities. To read more on Sustainable September's evolution, please refer to pages 156 to 159 of Integrated Report 2025.

Internally, SSC continues to review sustainability initiatives across the Group and engages with management to ensure that sustainability considerations remain integrated in business discussions and decision-making. We are also further enhancing awareness among employees and encouraging the adoption of a sustainable approach to everything we do. The idea is to shift mindsets through training, campaigns, knowledge-sharing and dialogue such that sustainability-consciousness permeates our day-to-day actions, at work and beyond.

While we are pleased with our achievements to date, we recognise there is no room for complacency. As sustainability issues become even more critical, we need to step up all efforts to address areas within our control. Going forward, we will focus on further advancing the execution of our Sustainability Plan 2030, placing greater emphasis on measurable outcomes and performance consistency. Our key priorities will be to further strengthen our alignment with IFRS S1 and S2 requirements, especially on broader sustainability risks and opportunities that are material to the Group. We also seek to enhance our Scope 3 data quality and to elevate our decarbonisation initiatives where operationally and commercially feasible.

Energy efficiency, climate risk management and the integration of sustainability considerations into investment and asset management decisions will drive our sustainability direction. At the same time, the Group will engage more effectively with our stakeholders to foster a shared deepening of our sustainability culture. In this manner, we look forward to creating better outcomes for the Planet and People, achieving Peace and Prosperity for everyone.

Sustainability at KLCC

As Malaysia's largest internally managed Stapled Security, we understand that leadership is demonstrated not only through the pursuit of business excellence but also through fostering a meaningful and enduring relationship with our environment, community, and stakeholders. Our purpose transcends operational success; it embodies a steadfast commitment to the sustainable growth of our organisation while delivering tangible, positive outcomes for the economy, society, and the nation.

Embarking on a journey toward sustainability is not just an initiative; it's a commitment to lasting impact. Recognising the imperative for progressive yet continuous action, we are seizing the opportunity to significantly influence the environmental and societal landscape while concurrently enhancing the future value of our business.

OUR VISION FOR SUSTAINABILITY

Sustainability is not a mere initiative for us, it is the principle that permeates every aspect of our business. Guided by the United Nations 2030 Agenda and relevant sustainability standards and approaches, we have adopted a holistic framework structured around the four interconnected pillars of Planet, People, Peace and Prosperity. This framework underscores our mission to harmonise economic growth with environmental stewardship and societal well-being.

OUR ORGANISATIONAL COMMITMENT ENCOMPASSES:

- Pragmatic management of material sustainability matters, encompassing a comprehensive assessment of risks and opportunities inherent in our industry.
- Reduction of environmental impacts and carbon emissions arising from our operations.
- Fostering lasting and sustainable business values that align with stakeholders, customers, and the wider community.
- Prioritisation of stakeholder well-being, safety, and security as a fundamental operational philosophy.
- Adherence to the highest standards of governance in all aspects of our business operations.

By integrating ESG considerations into our operations and decision-making, we continue to deliver long-term value while maintaining the resilience of our business. Our downstream value chains, including tenants, lessees, and customers, are integral to fostering sustainable partnerships and advancing shared ESG objectives, while our supply chain management ensures that all suppliers and contractors align with the Group's sustainability goals, promoting responsible practices throughout our value chain.

For the year under review, there were neither construction nor development projects within our portfolio nor were our assets operating within protected areas or areas of high risk to species biodiversity such as IUCN Red List or Natural Conservation List. Biodiversity therefore is deemed not material for the Group. Nonetheless, we have well-established processes and are well positioned to ensure compliance with biodiversity-related requirements should such projects arise in the future.

SUSTAINABILITY PLAN 2030: A STRATEGIC LEAP FORWARD

FY2025 marks a significant step forward in the implementation of KLCCP Stapled Group's Sustainability Plan 2030. With the plan now actively underway, sustainability has been further embedded across our business through structured execution, strengthened oversight, and clear accountability at every level.

During the year, key initiatives progressed steadily across our focus areas, guided by our material sustainability priorities and supported by consistent performance monitoring. This has enabled us to translate strategic intent into meaningful actions across our assets, operations, and stakeholder partnerships.

Key features of the Sustainability Plan 2030 include:

Strategic Alignment:
Goals and targets integrated with globally recognised standards, including the UN SDGs, national regulations, and market expectations.

Enhanced Measurement:
Precise tracking of performance across key sustainability indicators to ensure accountability and transparency.

Dedication to Decarbonisation:
Strengthening our efforts to combat climate change by reducing carbon emissions across our value chain.

Stakeholder-Centric Approach:
Prioritising the well-being, safety, and security of our stakeholders while fostering inclusive growth.

SR To read more, please refer to Sustainability Report 2025 on page 35

As we continue advancing our Sustainability Plan 2030, we remain committed to driving responsible growth, strengthening organisational resilience, and delivering long-term value for our stakeholders. Through disciplined implementation and continuous improvement, KLCCP Stapled Group is on track to play a meaningful role in supporting Malaysia's aspirations for a greener, more inclusive, and prosperous future.

From Activation to Ecosystem Resilience

KLCC Sustainable September

Why it matters

Sustainable September is our flagship platform for turning sustainability from a corporate commitment into a lived experience across the KLCC Precinct. Bringing together ESG initiatives under one roof, it anchors our ambition to establish KLCC as Malaysia's first SDG hub, aligned with the United Nations Sustainable Development Goals and the 13th Malaysia Plan. The goal is straightforward – make KLCC the Place where people don't just visit, meet and stay, but do so sustainably.

For the KLCCP Stapled Group, the real measure of resilience isn't the number of initiatives on the table. It's how deeply sustainability is woven into the fabric of the precinct itself, how assets are run, how partners contribute and how visitors and tenants experience the place.

As regulatory demands intensify and stakeholder expectations sharpen, that kind of embedded, coordinated approach is what separates lasting relevance from good intentions.

From initiatives to an integrated precinct

Sustainability efforts were already present across the KLCC ecosystem. However, these initiatives operated largely within organisational boundaries.

The shift came when sustainability stopped being a programme and started being the lens through which the entire precinct was designed to be experienced — from where people meet and stay, to how they shop and gather.

Sustainable September became the unifying platform

Not a standalone campaign.
Not a sponsorship initiative.
But a structured model of collaboration. Built on aligning partners around shared goals. Shared visibility and measurable outcomes.

A platform that has evolved with purpose

2023

The Foundation

Sustainable September was launched as a precinct-wide initiative focused on practical actions and habit-building across well-being, community engagement and responsible consumption.

It established a common platform for participation across the KLCC ecosystem..

2024

Deepening Engagement

Under the theme *"Healthy Planet, Healthy You"*, the focus expanded beyond awareness into lived experience. Shared spaces such as KLCC Park became activation points, reinforcing sustainability as visible and accessible across the precinct.

The programme strengthened cross-organisation coordination and broadened public participation.

From Activation to Ecosystem Resilience

"Resilience is not declared. It is built through coordinated action, sustained partnership and shared responsibility over time."

2025

Scaling Impact

Guided by the theme *"Liveable and Lovable KL"*, the platform stepped into a broader conversation about what a sustainable city actually looks like. The official launch by the Mayor of Kuala Lumpur signalled how an internal campaign had earned its place in Kuala Lumpur's wider sustainability story.

That recognition was carried further. At the ASEAN Sustainable Urbanisation Forum Business Assembly in August, the Sustainable September model was presented as a pioneering framework, scalable city-wide, adaptable for smaller communities, and proof that precinct-level collaboration can drive impact well beyond its boundaries.

COLLECTIVE IMPACT ACHIEVED

From Intent to Measurable Outcomes

KLCC Sustainability Plan 2030, operates across four themes – People, Planet, Peace and Prosperity, collectively contributing to 10 of the 17 UN Sustainable Development Goals.

But ambition only counts when it moves people. Through active collaboration across the KLCC ecosystem and partnerships with Dewan Bandaraya Kuala Lumpur (DBKL), the Forest Research Institute Malaysia (FRIM) and Urbanice Malaysia, Sustainable September turned shared intent into something tangible. Coordinated action with outcomes that could be seen, measured and built upon.

People & Participation

- **Over 1,000 participants** across the KLCC ecosystem and beyond
- **700 employee volunteering hours contributed**
- **4,400 beneficiaries** reached through community initiatives
- **134 blood bags** donated
- **Over 1 million steps** logged through KLCC Sustainability Explorace

Environment & Placemaking

- **50 trees planted** at KLCC Park in collaboration with FRIM

Community & Social Impact

- **RM41,000 raised** in a single day through a Charity Bazaar
- **200kg of used cooking oil** collected for responsible disposal
- **317kg of waste collected** during the International Coastal Cleanup

Partnerships

- Delivered through collaboration across the KLCC ecosystem, in partnership with DBKL, FRIM and Urbanice Malaysia

What it signals for the Group

Sustainable September reflects how KLCCP Stapled Group strengthens resilience through ecosystem integration.

The platform:

- Aligns stakeholders and partners around shared sustainability objectives
- Enhances stakeholder engagement across the precinct
- Supports positive positioning within the city's sustainability agenda
- Reinforces the Group's commitment to long-term environmental and social stewardship

Importantly, the initiative establishes a collaborative operating model that extends beyond a single calendar month, embedding sustainability into how the KLCC ecosystem works together.

ISSB **Sustainability Statement**

ISSB **Sustainability Statement**

1.0 BASIS OF PREPARATION

1.1 Compliance with IFRS Sustainability Disclosure Standards

[IFRS S1.72, IFRS S1.55(a)]

The ISSB Sustainability Statement ("Statement") of KLCCP Stapled Group ("the Group") and its subsidiaries has been prepared in accordance with IFRS Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB).

In addition, when preparing this Statement, the disclosure topics in the Sustainability Accounting Standards Board (SASB) standards have been referred to and considered.

1.2 Connectivity with financial statements (reporting period, reporting entity, and presentation currency)

[IFRS S1.22, IFRS S1.64, IFRS S1.30(c), IFRS S2.10(d), IFRS S1.31, IFRS S1.20, IFRS S1.24]

This Statement has been prepared for the Group and should be read in conjunction with the consolidated financial statements prepared in accordance with IFRS Accounting Standards. It covers a 12-month period for the year ended 31 December 2025 which is aligned with the reporting period of the related consolidated financial statements.

The Group defines the time horizons based on when the sustainability- & climate-related risks and opportunities could reasonably be expected to occur. As of the end of the reporting period the following time horizons were identified, and these align with the timelines used for strategic decision-making:

Short-term	**FY2026**	Aligned with the Group's annual budgeting cycle
Medium-term	**FY2027-FY2030**	Aligned with the Group's rolling 1+4 business forecast
Long-term	**Beyond FY2030**	Period beyond the formal forecasting horizon, aligned with asset life and long-term climate objectives

The sustainability-related financial disclosures cover the same reporting entity presentation currency (RM) as the related consolidated financial statements of KLCCP Stapled Group. In preparing our sustainability-related financial disclosures, the Group has assessed our operations and value chain which includes, amongst others, the joint ventures and associates of the Group. Refer to note 2.0 for information on the value chain.

1.3 First-time adoption of IFRS Sustainability Disclosure Standards and transition reliefs

KLCCP Stapled Group is reporting under IFRS Sustainability Disclosure Standards for the first time for the annual reporting period ending 31 December 2025. We have applied the following standards for the annual reporting period commencing 1 January 2025:

- IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'
- IFRS S2 'Climate-related Disclosures'

As of 31 December 2025, there are no other IFRS Sustainability Disclosure Standards issued by the ISSB.

The National Sustainability Reporting Framework (NSRF) provides transition reliefs for the first annual reporting period in which an entity applies the ISSB standards. The Group has applied the following transition reliefs:

- Permissible to disclose information on only climate-related risks and opportunities (in accordance with IFRS S2)
- Relief from the requirement to disclose comparative information in the first annual reporting period; and
- Permissible to not disclose Scope 3 emissions, except for categories already required by respective regulators.

ISSB Sustainability Statement

2.0 OVERVIEW OF THE GROUP AND VALUE CHAIN

2.1 Overview of the Group

Key business activities

[IFRS S1.32]

KLCCP Stapled Group is an investment holding company with principal activities in property investment, property development, and the provision of management and support services to subsidiaries and joint arrangements.

The Group's core business activities comprise:

01 **Property investment**, primarily involving the ownership of prime commercial real estate assets held for long-term rental income and capital appreciation

02 **Property development,** including the planning and development of commercial and mixed-use properties

03 **Property and facilities management**, delivered through internal management subsidiaries that provide asset management, building operations, parking management, and related services

The Group's investment properties are predominantly located within the Kuala Lumpur City Centre (KLCC) precinct. These assets are largely leased to corporate tenants, including multinational corporations and government-linked entities. The Group also has interests in retail and hospitality assets.

The Group derives revenue from operations centred in Malaysia. The Group does not have significant operating activities outside Malaysia, although some procurement and professional services involve international suppliers.

The Group's business activities are managed and monitored on a consolidated basis, and sustainability- & climate-related risks and opportunities are assessed primarily in relation to property investment, development, and asset management activities.

For the year under review, there were no development projects within the Group's portfolio.

Strategy and sustainability-related goals

[IFRS S1.32]

The Group's strategy focuses on preserving and enhancing the long-term value of its property portfolio while ensuring operational resilience and financial stability. This includes:

- Maintaining high occupancy and asset quality within our investment properties
- Enhancing operational efficiency through asset management practices
- Managing long-term risks, including climate-related risks, that could affect asset value, operating costs, or tenant demand

In relation to climate matters, the Group has established a long-term aspiration to achieve net zero carbon emissions by 2050, with interim measures focused on improving energy efficiency, asset performance, and resilience of its properties. Climate considerations are integrated into capital planning, asset enhancement initiatives, and risk management processes.

2.2 Value Chain

[IFRS S1.32]

To deliver its business activities, the Group depends on a network of entities, people, and resources across our value chain. The Group's value chain reflects the lifecycle of property assets, from development and enhancement to long-term operation and leasing.

The Group's activities are predominantly located in Malaysia, with value creation closely tied to the performance, resilience, and reputation of the KLCC Precinct.

The table below summarises the Group's key upstream and downstream value chain relationships.

Value chain overview

Value chain segment	Description
Upstream value chain	
Construction and development partners	Contractors, consultants, and professional service providers engaged for property development, refurbishment, and asset enhancement works
Building materials and systems	Supply of construction materials, mechanical and electrical systems, lifts, HVAC systems, and building technologies
Utilities	Electricity and water supplied to support building operations
Workforce	Employees and outsourced service providers supporting property management, facilities management, security, and cleaning services
Downstream value chain	
Tenants	Corporate tenants leasing office, retail, and hospitality space within the Group's investment properties
Hotel guests and visitors	End users of hospitality assets of the company
Public and community	Users of shared public spaces and infrastructure managed by the Group, including landscaped areas and common facilities

The Group also maintains relationships with joint ventures and associates that form part of our broader value chain. These relationships are considered when assessing climate-related risks and impacts, particularly where asset performance or shared operations could be affected.

3.0 REPORTING BOUNDARY

3.1 Reporting boundary (excluding GHG emissions)

Reporting entity

[IFRS S1.20]

The reporting entity for the purposes of this Statement comprises KLCCP Stapled Group and its subsidiaries, consistent with the entities, assets, and operations included in the company's audited financial statements for the financial year ended 31 December 2025.

There were no material changes (including acquisition or disposal) to the Group's structure during the reporting period that would affect the reporting boundary.

Entities and assets included in the reporting entity

The scope of entities and assets included in the reporting boundary, and the extent of sustainability-related information considered, are summarised below.

Entities and assets in the reporting entity	Additional information	Reference to financial statements	Sustainability information included
Parent and subsidiaries	Includes KLCCP Stapled Group and all consolidated subsidiaries	Note 5 Note 32	100% of sustainability information relating to consolidated entities, including subsidiaries not wholly owned

ISSB Sustainability Statement

Entities and assets in the reporting entity	Additional information	Reference to financial statements	Sustainability information included
Leased assets (Group as lessee)	The Group or its subsidiaries' leased equipment, and vehicles. The Group controls the use of these assets and obtains substantially all economic benefits during the lease term	Note 3	100% of sustainability information relating to the use of leased assets during the lease period
Leased assets (Group as lessor)	The Group owns investment properties leased to tenants under operating leases. These assets remain recognised on the Group's statement of financial position	Note 4	100% of sustainability information relating to the owned leased assets

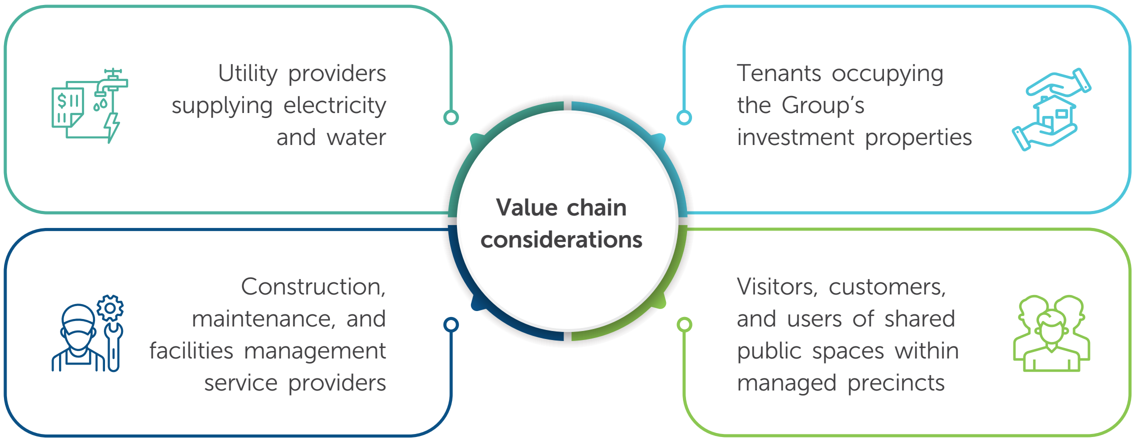
Joint arrangements and associates

Where the Group has investments in associates, which are accounted for using the equity method, sustainability information has been considered in a manner consistent with the Group's accounting treatment.

Entities and assets in the reporting entity	Additional information	Reference to financial statements	Sustainability information included
Associates	Entities over which the Group has significant influence but not control or joint control.	Note 6 Note 33	Sustainability information relating to associates is not included in the Group's reported quantitative metrics, unless otherwise stated.

Value chain considerations

The Group's value chain comprises entities, activities, resources, and relationships that extend beyond the reporting entity, including:



These value chain elements have been considered qualitatively in assessing climate-related risks and opportunities under IFRS S2, particularly in relation to transition and physical climate risks that may affect asset performance, operating costs, and long-term value.

For the current reporting period, all quantitative metrics disclosed (excluding GHG emissions) relate solely to the Group's own operations, consistent with the transition relief applied.

3.2 Reporting boundary for GHG emissions

[IFRS S2.29 (a)(iii)(1)]

The Group uses the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the "GHG Protocol") to measure our GHG emissions unless otherwise stated by IFRS S2. The Group applies the GHG Protocol Corporate Value Chain Standard 2011 ("Scope 3 Standard") to define the fifteen Scope 3 categories as part of the requirement to disclose Scope 3 GHG emissions.

The Group's reporting boundary for GHG emissions encompasses both our organisational boundary and operational boundary:

a. Organisational boundary

[IFRS S2.29 (a)(iii)(2)]

The Group applies the **equity-share approach** to establish our organisational boundary for the reporting of GHG emissions. The Group adopts the basis provided by our parent company, on using the equity-share approach, given that it provides a proportional reflection of the Group's financial and operational influence over our subsidiaries, joint ventures, and associates.

The Group includes the following entities, assets, and operations within our organisational boundary:

Entity/Asset	Additional information
Parent and consolidated subsidiaries	The Group accounts for our proportional equity-share of GHG emissions across our subsidiaries.
Associates and joint ventures	We include our share of GHG emissions from associates and joint ventures over which we hold an equity interest, proportional to our ownership percentage.
Leased assets	GHG emissions from leased buildings, equipment, and vehicles are included based on the Group's equity-share of the underlying legal entity. Assets leased from entities in which we have no equity interest are excluded.

Acquisitions and disposals are treated consistently with the Group's financial reporting. For acquisitions, emissions are included from the acquisition date, and for disposals, emissions are excluded from the disposal date.

b. Operational boundary

- **Scope 1 (Direct emissions):** Direct GHG emissions from sources proportionally owned or controlled by the Group under the equity-share approach are reported as Scope 1 emissions.
- **Scope 2 (Indirect emissions):** GHG emissions from the generation of purchased electricity or chilled water consumed by these operations are reported as Scope 2 emissions.
- **Scope 3 (Other indirect emissions):** Other indirect emissions arising from our activities, including upstream and downstream GHG emissions, proportionally to equity-share.

4.0 JUDGEMENT AND MEASUREMENT UNCERTAINTIES

[IFRS S1.79]

The preparation of this Statement for KLCCP Stapled Group requires management to apply judgement and make estimates in areas where direct measurement or full information is not available. These judgements and estimates are particularly relevant in identifying sustainability-related risks and opportunities, defining the reporting boundary for GHG emissions, and estimating the Group's emissions where complete data is unavailable.

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4.1 Significant Judgements

[IFRS S1.74, IFRS S1.75]

Description	Relevance/Notes
Materiality process	The Group applied judgement to determine which sustainability-related risks and opportunities could reasonably be expected to affect the Group's prospects. This includes assessing which information is material for primary users of the Statement, particularly investors and other stakeholders. For the year under review, the Group has made judgement to adopt the transition relief provided by the standards, to only disclose information related to climate-related risks and opportunities.
Organisational boundary for GHG emissions	The Group applies the **equity-share approach** to define our organisational boundary for GHG reporting. Management determined which subsidiaries, joint ventures, and associates are included proportionally based on ownership, including leased assets held through entities in which the Group has equity. The identification of entities and the selection of the equity-share method are key areas of judgement.
Calculation methods for GHG emissions	Scope 1, Scope 2, and Scope 3 emissions are calculated using a combination of entity-specific data, estimates, and emission factors from third-party sources. Management prioritises supplier-specific data where reliable, and applies estimation where data is incomplete, including for leased or equity-share-controlled assets and Scope 3 categories such as tenant energy use. The list of emission factors, calorific density values and Global Warming Potential (GWP) values utilised is detailed in note 7.5.
Scope 3 Assessment and Exclusion	Management applied judgement to assess the relevance and potential materiality of all Scope 3 categories based on the Group's business model and value chain activities. This assessment included consideration of upstream, operational, and downstream activities, and methodologies have been developed for the majority of relevant categories. For certain downstream service-related emissions, further refinement of data boundaries and estimation approaches is ongoing. Accordingly, the Group has elected to apply the transition relief from quantitative Scope 3 disclosure for the reporting period.

4.2 Measurement Uncertainty

[IFRS S1.78, IFRS S1.79, IFRS S1.81]

Description	Relevance/Notes
Tenant Data Estimation	Extrapolated energy consumption for assets without complete tenant-level data may vary due to assumptions about occupancy and energy distribution.
Climate Transition Risks	The timing and magnitude of regulatory and reputational impacts from climate change are uncertain and may vary as policies, markets, and stakeholder expectations evolve.
Physical Climate Risks	The potential impact of flooding is subject to uncertainty due to variability in extreme weather events and modelled predictions.
Emission Factors and Activity Data	Scope 1 and Scope 2 emissions rely on activity data and emission factors obtained from third-party sources. Scope 3 emissions involve additional uncertainty due to dependence on supplier, tenant, and downstream operational data, which may not be consistently accessible. As methodologies and data governance processes continue to mature, estimation uncertainty remains inherent.

4.3 First-Year Reporting Considerations

[IFRS S1.84, IFRS S1.85]

This is the first year KLCCP Stapled Group is reporting under IFRS Sustainability Disclosure Standards. As such, the following areas are not applicable or not illustrated:

- **Changes in estimates** – There are no comparative prior-year sustainability metrics to adjust.
- **Revisions to targets** – The Group has set net zero GHG targets by 2050; no target revisions occurred during the reporting period.
- **Reassessment of the scope of climate-related risks** – The Group has not redefined the scope of climate risks within the value chain during this reporting period.
- **Material errors** – There are no prior-period sustainability disclosures for this reporting entity, hence there are no material errors to be reported.

5.0 MATERIALITY ASSESSMENTS

[IFRS S1.44(a)(VI)(b), IFRS S1.44(a), (b)]

The Group performed a robust materiality assessment to identify sustainability- & climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects, considering the Group's material sustainability matters identification and assessment process and Enterprise Risk Management framework.

While this is the first year of formal ISSB-aligned reporting, the Group has historically considered sustainability-related risks and opportunities as part of ongoing risk management and operational planning processes.

The materiality process was conducted by the Sustainability Steering Committee, with input from senior management, head of operating units, and external advisors. The outcome of the process was validated and approved by the Chief Executive Officer and updated to the Board of Directors. Refer note 6.0.

Step 1: Identification of Sustainability- & Climate-related Risks and Opportunities

A systematic approach was followed to identify sustainability- & climate-related risks and opportunities, considering both the Group's operations and its value chain, including tenants, suppliers, and partners.

Sub-step	Details
Understand the Group's operations, resources, and relationships	Understanding the context in which KLCCP Stapled Group operates was the first step of the process. The Group considered our business activities, including property investment, management of office towers, retail malls, hotels, and precincts, as well as the geographical, legal, and regulatory landscape of our operations in Malaysia. The Group also considered the resources we depend on and the relationships we have along our value chain. This includes tenants, service providers, suppliers, and financiers. Of note, tenant energy consumption data is collected for most assets, except for Suria KLCC and retail podium of Menara 3 PETRONAS, where common area consumption is extrapolated using occupancy-weighted net lettable area. Key resources considered include the operational performance of the properties, energy and water usage, capital financing, and human resources. Distribution of services to tenants and management of retail, office, and hotel operations through third-party providers were also assessed.

Identify risks and opportunities *[IFRS S1.44(a)(i), IFRS S1.59, IFRS S1.58, IFRS S2.25(a)(i),]*	The Group identified sustainability- & climate-related risks and opportunities primarily by considering the operations and value chain described above. Management assessed whether critical inputs, dependencies, and tenant interactions are subject to sustainability- & climate-related risks or create opportunities that could impact the Group's ability to generate cash flows. Material climate-related risks include physical flooding risk affecting property assets and transition risks from evolving climate regulations or reputational impacts from perceived climate inaction. Opportunities include energy efficiency improvements, green building certification, and resilience planning. The assessment also considered internal sources such as enterprise risk management outputs and external stakeholder perspectives, including tenants, investors, and regulators.
	
	The Group also considered other internal and external sources of information to identify whether there were any additional risks and opportunities. The sources consulted included the following:
	• Existing risk management and due diligence processes performed Group
	• Educational materials issued by the IFRS Foundation related to IFRS S1 and IFRS S2
	• Disclosure topics in the SASB standards for the following industries:
	  – Real Estate
	  – Real Estate Services
	• Sustainability- & climate-related risks and opportunities identified by entities that operate in the same industries
	• Engagement with the following stakeholders: employees, management, BRC and Board
	
	The Group also consulted with an independent sustainability advisor and third-party experts as part of this process.

Assess whether risks and opportunities could reasonably affect the Group's prospects *IFRS S1.44(a)(iii), IFRS S2.25(a)(iii)]*	Only sustainability- & climate-related risks and opportunities expected to affect KLCCP Stapled Group's cash flows, cost of capital, or access to finance were considered material for disclosure. Management considered both the likelihood of an event occurring and the potential magnitude of its impact on financial performance. For risks or opportunities relating to uncertain future events, a range of possible outcomes was considered, and likelihoods assigned accordingly. Results were mapped on a matrix to identify those most likely to affect the Group's prospects. No additional material risks or opportunities were identified by stakeholders beyond those already assessed.

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Sub-step	Details
Mitigation actions and plans to remediate *[IFRS S1.30(a)]*	The Group disclosed risks and opportunities prior to any mitigation actions, in line with IFRS S1 guidance, to ensure material information about potential impacts on prospects is communicated. Specific mitigation measures, such as flood resilience planning, energy efficiency upgrades, and tenant engagement initiatives, are reported in the relevant disclosure sections.
Final consolidation and approval	The determination of sustainability-related risks and opportunities required significant judgement. The final list of identified risks and opportunities was presented to and approved by the Group CEO. The result was also presented to the Board Risk Committee and Board of Directors in November 2025. These form the basis of the disclosures included in this Statement.

Step 2: Identification of material information
[IFRS S1.30(a), IFRS S2.10(a)]

Once sustainability- & climate-related risks and opportunities had been identified, the second step of the materiality assessment was to determine the material information that should be disclosed in relation to each identified risk or opportunity. The objective of this step was to identify information that could reasonably be expected to influence the decisions of primary users of general-purpose financial reports, particularly investors and lenders.

In determining material information, management considered both qualitative and quantitative factors and assessed whether the omission, misstatement, or obscuring of information could reasonably be expected to affect assessments of the Group's prospects. Judgement was applied in determining the appropriate level of disaggregation, the relevance of forward-looking information, and the extent to which value chain impacts should be reflected in the disclosures.

The table below includes the climate-related risks identified as material for the Group. Further information can be found in the note referenced in the table.

Risks/ opportunities identified	Risks/opportunities description	Summary of management approach	Affected component of the reporting boundary	Note
Climate-related physical risk: Flooding	Increased frequency and intensity of extreme rainfall events could result in surface water or river flooding, disruption to building access, damage to critical building systems, and higher operating and capital expenditure.	The Group assesses asset-level exposure to flood risk, integrates climate considerations into asset resilience planning, and incorporates physical climate risk into maintenance, capital planning, and insurance reviews.	Own operations; downstream impacts through tenant operations	Note 7.1
Climate transition risk – Exposure to evolving climate regulations and loss of reputation from climate inaction	Changes in climate-related policies, regulations, disclosure requirements and market expectations could increase compliance costs, affect asset operating costs, influence access to capital, and impact the Group's reputation and attractiveness to investors and tenants if climate action is perceived as insufficient.	The Group monitors developments in climate-related regulation, disclosure standards and investor expectations, and integrates climate considerations into sustainability governance, reporting practices and asset management initiatives. Management focuses on maintaining regulatory readiness, strengthening climate-related disclosures, and implementing energy efficiency and emissions reduction measures across the portfolio to mitigate regulatory and reputational exposure.	Risk identified for own operations	Note 7.2

There were no climate-related opportunities identified as material to the Group in FY2025. Sustainability-related risks and opportunities are not disclosed in this Statement, leveraging on the permitted reliefs.

6.0 SUSTAINABILITY GOVERNANCE

6.1 Governance approach

The Board of Directors of KLCCP Stapled Group has oversight of sustainability- & climate-related risks and opportunities across the Group. This oversight is embedded within the Group's overall corporate governance and enterprise risk management framework to ensure that sustainability considerations are integrated into strategic decision-making, risk management and capital allocation.

The Group's sustainability governance structure, which can be referred to on pages 16 to 17 of KLCCP Stapled Group's Sustainability Report 2025, is designed to support the identification, assessment, monitoring and management of sustainability- & climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects, in accordance with IFRS Sustainability Disclosure Standards.

6.2 Board oversight

[IFRS S1.27(a)(i), IFRS S1.27(a)(ii), IFRS S1.27(a)(iii), IFRS S1.27(a)(iv), IFRS S2.6(a)(i), IFRS S2.6(a)(ii), IFRS S2.6(a)(iii),]

The Board of Directors has ultimate oversight over sustainability- & climate-related risks and opportunities across the KLCCP Stapled Group. This oversight forms part of the Group's broader corporate governance and enterprise risk management framework. It is designed to ensure that sustainability considerations are integrated into strategic decision-making, capital allocation and financial reporting.

The Board approves the Group's long-term sustainability and climate strategy, including strategic direction, resilience considerations and material long-term targets. The Board also ensures that these are aligned with the Group's business model and long-term value creation objectives.

The Board is also responsible for approving sustainability- & climate-related financial disclosures, including the ISSB Sustainability Statement, prior to publication alongside the Group's financial statements. In doing so, the Board considers whether the disclosures fairly reflect the Group's exposure to sustainability- & climate-related risks and opportunities. The Board also considers the potential financial effects of those risks and opportunities, and the adequacy of related governance, strategy and risk management processes.

Oversight of sustainability- & climate-related risks and opportunities is supported by the Board Risk Committees (BRC), which provide focused oversight on such risks, regulatory compliance and the effectiveness of management processes and controls. Sustainability- & climate-related matters, including updates on risk assessments, targets, performance metrics and emerging issues, are tabled to the Board and the BRC on a quarterly basis as part of the Group's governance cycle as reflected in the Terms of Reference of the BRC.

The Group ensures that its Board and committees include members with relevant experience and expertise in sustainability- & climate-related matters. To maintain oversight of these areas, the Group periodically reviews and updates the Board's skills matrix. This helps make sure the Board's expertise matches the Group's evolving risk profile, regulatory requirements, and strategic priorities. The Board's skills matrix is being enhanced to more explicitly reflect sustainability- & climate-related expertise that aligns with the Group's risk profile and objectives. The enhanced skills matrix will be used in Board Competency Assessments to guide targeted skills development, keeping pace with developing sustainability- & climate-related risks and opportunities. In addition to leveraging existing expertise, the Group strengthens capabilities through targeted training, briefings, and in-depth sessions, including working with external experts, when needed.

As part of strategic decision-making, including decisions involving major capital allocation or resource deployment, the Board and its committees consider sustainability- & climate-related implications to ensure consistency with the approved sustainability and climate strategy.

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6.3 Management's role in governance

[IFRS S1.27(b)(i), IFRS S1.27(b)(ii), IFRS S1.27(a)(v), IFRS S2.6(b)(i), IFRS S2.6(b)(ii), IFRS S2.6(a)(v)]

Management is responsible for the execution of the Group's sustainability and climate strategy and for the day-to-day management of sustainability- & climate-related risks and opportunities.

The Chief Executive Officer (CEO) has primary accountability for implementing the Group's sustainability and climate strategies and transition plans. The CEO establishes and oversees processes to manage sustainability- & climate-related risks and opportunities, including climate-related physical & transition risks, and ensures that relevant information is reported to the Board and the BRC in a timely and reliable manner.

To support effective execution, management has established a Sustainability Steering Committee (SSC), which operates as a cross-functional management committee. The SSC is chaired by the Senior General Manager of Group Strategy and Sustainability and comprises representatives from relevant divisions and operating units. The SSC supports management in coordinating sustainability implementation across the Group and in integrating sustainability considerations into operational decision-making.

The SSC is responsible for monitoring performance against approved sustainability- & climate-related metrics and targets, including greenhouse gas emissions metrics. It is also responsible for reviewing the outcomes of sustainability materiality assessments and climate-related scenario analyses prior to disclosure preparation. The SSC also supports management in ensuring that adequate resources, systems and organisational capabilities are in place to manage sustainability- & climate-related risks and opportunities.

To effectively monitor and manage the sustainability- & climate-related risks and opportunities, the SSC whose members consist of critical positions, manage such matters and meets on a quarterly basis.

Matters approved or endorsed by management or the SSC are reported to the BRC and the Board as part of the Group's regular sustainability compliance and risk reporting agenda, ensuring transparency and appropriate escalation of material sustainability- & climate-related matters.

6.4 Impact of sustainability on remuneration policies

[IFRS S1.27(a)(v), IFRS S2.6(a)(v), IFRS S2.29(g)]

The KLCCP Stapled Group has a Board-level Nomination and Remuneration Committee (NRC), which is responsible for the development, implementation and oversight of the Group's remuneration framework for the Board, Board Committees and senior management. The NRC ensures that remuneration outcomes are aligned with the Group's strategic priorities, long-term value creation objectives and risk management considerations, including sustainability- & climate-related matters.

The Group's remuneration philosophy is anchored on fair, competitive and merit-based rewards that support organisational resilience and sustainable performance. In line with this philosophy, sustainability- & climate-related considerations are incorporated into senior management performance assessment as part of the Group's reward determination process. These considerations are designed to reinforce management accountability for delivering the Group's sustainability strategy and managing material sustainability- & climate-related risks and opportunities.

Sustainability- & climate-related key performance indicators (KPIs), currently focused on alignment with national sustainability frameworks, are embedded within senior management scorecards. Performance against these KPIs is assessed as part of the annual performance review process and influences variable remuneration outcomes for relevant senior management personnel. The selection and weighting of the KPIs are determined by the NRC, considering the nature of management roles, the relevance of sustainability- & climate-related risks and opportunities to business operations, and the Group's strategic priorities for the reporting period. For the year under review, the Group allocates a weightage of 10% for sustainability- & climate-related KPIs for executive and senior management remuneration. However, the KPIs are tied to the alignment with IFRS S1 and S2 and are not related to specific climate-related targets.

As the Group advances its climate transition agenda, sustainability- & climate-related remuneration linkages are expected to evolve. The Group intends to progressively strengthen the integration of climate-related metrics, including greenhouse gas (GHG) emissions indicators over the short-term, into executive and senior management's KPIs, subject to the maturity of data, internal controls and target-setting processes.

Remuneration outcomes for employees below senior management are not directly linked to sustainability- & climate-related targets.

6.5 Risk Management

[IFRS S1.44(b)(c), IFRS S2.25(c), IFRS S1.44(a)(iv), IFRS S2.25(a)(iv), IFRS S1.44(a)(v), IFRS S2.25(a)(iv)]

The KLCCP Stapled Group integrates sustainability- & climate-related risks and opportunities into its enterprise risk management framework, which is overseen by the Board Risk Committees (BRC). The BRC focuses on the Group's overall corporate risk profile. Sustainability- & climate-related risks are considered as part of this profile only if they are identified as material within the broader risk assessment process. The prioritisation of overall risks for the Group is done by the Board Risk Committee. The sustainability- & climate-related risks identified in the materiality assessment are combined with risks arising from other risk assessments in the Group.

The risks and opportunities are assessed using both qualitative and quantitative factors, considering their likelihood and potential impact on the Group's financial performance, operational continuity, and regulatory compliance.

The Group's climate-related risks include physical risk of flooding and transition risk of evolving regulations and reputational impacts from climate inaction. The evaluation of these risks follows the Group's materiality assessment process in note 5.0.

Where sustainability- & climate-related risks are not deemed as material for the corporate risk profile, responsibility for oversight and monitoring rests with the Chief Executive Officer (CEO) and the Sustainability Steering Committee (SSC). The SSC is responsible for prioritising identified sustainability- & climate-related risk and opportunities, monitoring progress against defined targets, and reporting outcomes to the BRC, which ensures alignment with the Group's strategy and risk management processes.

Sustainability- & climate-related risks and opportunities are tracked against specific metrics and targets, with accountability assigned to designated head of operating units. Progress is reported regularly to the SSC and escalated to the BRC and Board as appropriate. For climate-related matters, monitoring includes energy consumption, GHG emissions, and performance against the Group's sustainability goals and targets.

Through this approach, the KLCCP Stapled Group ensures sustainability- & climate-related risks and opportunities are effectively managed within the appropriate governance structures, supporting informed decision-making and long-term value creation.

7.0 CLIMATE-RELATED RISKS AND OPPORTUNITIES

7.1 Climate-Related Physical Risk: Flooding

a. Description

[IFRS S2.10(a)(b)(c), IFRS S2.13(b)]

KLCCP Stapled Group is exposed to physical risks from flooding driven by climate change, including increased frequency and intensity of extreme rainfall. Urbanisation and drainage infrastructure designed for historical rainfall patterns increase asset vulnerability. Flooding could affect the Group's operations across short, medium, and long-term horizons.

Flood risk could disrupt day-to-day operations, including property accessibility and car park operations in the KLCC Precinct, potentially affecting revenue and tenant satisfaction. Past assessments indicate that while current flood mitigation measures reduce immediate impacts, extreme events could still pose operational and reputational challenges.

b. Effects on Business Model and Value Chain

[IFRS S2.13(a)]

The current and anticipated effects of flooding include potential interruption of the Group's operations, reduced operational revenue, and increased operational expenditure for maintenance and mitigation measures. Indirect effects could include reputational damage impacting tenant retention and leasing, and potential long-term effects on asset valuation if risks are not managed.

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c. Effects on Strategy and Decision-Making/Mitigation and Adaptation Actions

[IFRS S2.14(a)(i)-(iii),(v), IFRS S2.14(b), (c)]

To manage flood risk, the Group has implemented the following measures:

- Drainage and Pump Systems – General pumping and drainage systems efficiently manage rainwater and surface runoff to minimise operational disruption.
- Monitoring and Maintenance – Regular maintenance ensures systems remain effective during heavy rainfall.
- Risk Assessment and Response – Climate and hazard risk assessments are conducted to map vulnerabilities, supporting rapid response and disaster recovery planning.
- Strategic Investments – Investments in resilience measures, such as improved drainage or flood mitigation infrastructure, aim to reduce long-term repair costs, stabilise operations, and protect cash flows.

The Group plans to use self-funding and existing human resources to implement these strategies.

The plans and actions to manage the risk of flooding described above have not been extensively monitored before the requirement is made apparent by the Statement. Therefore, additional quantitative and qualitative information about the progress of these plans and actions as compared to previous reporting periods is not yet available to be disclosed.

d. Financial Effects

The Group has assessed the potential financial effects of flood-related physical risks across our asset portfolio. One asset has been assessed as at-risk, with moderate exposure to river flooding and low exposure to extreme rainfall flooding, while other assets are assessed to have minimal exposure and are not expected to experience material financial effects. The following table shows the description of each exposure rating for our flood-related physical risks.

Exposure Rating	Potential Impacts Are Likely to
Very High	• Be long-term (possibly permanent), severe and financially significant • Have extensive social and heath implications with national or international reputational impacts • Affect large areas of the environment over a period of months, impacting high biodiversity areas • Likely impact the entirety of the overall asset
High	• Be long-term (months) and financially significant to operations • Have extensive social and health implications with national or international reputational impacts • Affect large areas of the environment over a period of months, impacting high biodiversity areas • Impact a large proportion of the overall asset
Moderate	• Be medium-term (weeks) and moderately financially significant to operations • Have minor/medium social and health implications with local reputational impacts • Affect moderate areas of the environment over a period of weeks, impacting low biodiversity areas • Impact a moderate proportion of the overall asset
Low	• Be short-term (days) and not financially significant to operations • Have minimal social and health implications with limited reputational impacts • Affect small areas of the environment over a short period • Impact a small proportion of the overall asset
Minimal	• Be minimal in terms of risk exposure with limited potential impact on assets
N/A	• Be irrelevant in terms of risk exposure with no potential impact on assets

Current financial effects

[IFRS S2.16 (a)]

No material flood-related financial impacts were recognised in the current reporting period, as the exposed asset did not experience any significant flood incidents during the year. Accordingly, there were no material impacts on the Group's revenue, operating costs, asset carrying values or cash flows attributable to flood events in the current period.

Anticipated financial effects

[IFRS S2.16(c), (d), IFRS S2.29(e), IFRS S2.16(a), (c), (d)]

The anticipated financial effects of flooding for the exposed asset primarily relate to:

- Temporary disruption to non-core income-generating areas
- Clean-up and restoration activities following a flood event
- Repair of physical damage to affected areas
- Ongoing maintenance costs associated with existing flood mitigation infrastructure, including pumps and drainage systems

The Group does not currently expect material rental revenue losses from office tenants in the short term, as the majority of leases are structured under Triple Net Lease (TNL) arrangements, which limit direct exposure to tenant rental interruption. However, the Group notes that the lease profile for the exposed asset includes expiries around 2030, which may increase sensitivity to physical climate risk considerations in future leasing and asset positioning.

Due to the absence of historical flood incidents affecting this asset during the reporting period, the Group has used proxy cost information derived from a comparable flood event affecting a similar asset outside the reporting boundary. The proxy event has been used to estimate indicative financial effects on a per-event basis, adjusted for the expected duration of disruption and the proportion of the asset affected.

Based on the Group's scenario analysis, the severity of flood-related impacts is not expected to materially change across the short, medium and long-term. Accordingly, the per-event financial effects are expected to remain broadly consistent across time horizons. The differentiation across time horizons reflects the persistence and potential recurrence of exposure rather than an escalation in the magnitude of impact per event.

Item	Current financial effects	Short-term	Medium-term	Long-term
Office rental revenue loss	Nil	Nil	Nil to low[1]	Nil to low[1]
Car park and ancillary income disruption	Nil	RM0.003 mil per day of downtime[2]	RM0.003 mil per day of downtime[2]	RM0.003 mil per day of downtime[2]
Clean-up and physical damage restoration costs[3]	Nil	RM1.8 mil – RM2.4 mil per event[2]	RM1.8 mil – RM2.4 mil per event[2]	RM1.8 mil – RM2.4 mil per event[2]

[1] Quantification is subject to lease renewal sensitivity post-2030, which may include other factors beyond flood risk effect. Hence quantification at this moment is highly uncertain and could not be determined.

[2] Total number of days that may arise from single flood event follows the basis set in the Group's TCFD aligned disclosure in FY2024. Refer note 7.1 (d).

[3] Quantification involves proxy cost information derived from a comparable flood event affecting a similar asset outside the reporting boundary.

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7.2 Climate-Related Transition Risk: Exposure to Evolving Climate Regulations and Reputational Risk

a. Description

[IFRS S2.10 (a), (b), IFRS S2.10(c), IFRS S2.13(b)]

KLCCP Stapled Group is exposed to transition risks arising from evolving climate policies, regulations, and market expectations. Key drivers include mandatory requirements under the Energy Efficiency and Conservation Act (EECA), the National Climate Change Policy 2.0, the anticipated Climate Change Act, potential carbon taxation, and growing stakeholder expectations for low-carbon operations.

This risk encompasses both regulatory compliance and reputational dimensions: failure to act on climate change may affect ESG ratings, tenant retention, and access to sustainable financing across all assets under the Group. The risk horizon is considered across short-, medium-, and long-term periods, reflecting evolving legislation, market adoption of low-carbon practices, and long-term net-zero commitments.

b. Effects on Business Model and Value Chain

[IFRS S2.13(a)]

Current and anticipated effects of the transition risks may affect KLCCP Stapled Group's operations and value chain in several ways:

- Tenant engagement and retention: Medium- to long-term tenant preferences for sustainable, energy-efficient spaces may influence occupancy and leasing terms.
- Operational costs: Anticipated increases in energy tariffs, water costs, and potential carbon taxes could raise operating costs indirectly through adjustments to utility pricing.
- Reputational impacts: Downgrades in ESG ratings or perceived inaction may influence stakeholder trust, investor sentiment, and access to green financing instruments.
- Asset-level transition requirements: Gradual decarbonisation may be needed for certain assets, affecting long-term CAPEX planning and operations.

Overall, transition risks may result in both incremental costs and opportunities, particularly in demonstrating leadership in sustainable property management and energy efficiency.

c. Effects on Strategy and Decision-Making / Mitigation and Adaptation Actions

[IFRS S2.14(a)(i)-(v), IFRS S2.14(b)(c)]

The Group's approach to managing climate transition risk focuses on compliance, operational efficiency, and long-term resilience:

- Compliance and governance: Implementation of an Energy Management System (ELMS) covering all EECA requirements, including energy audits, reporting, and appointment of a Registered Energy Manager.
- Operational efficiency initiatives: Progressive retrofitting of assets with energy-efficient lighting, chillers, and other infrastructure to reduce energy intensity.
- Renewable energy deployment: Installation of solar panels, EV chargers, and other renewable systems at selected assets in line with planned feasibility studies and budgets.
- Asset decarbonisation planning: Development of asset-level decarbonisation roadmaps aligned with interim 2030 targets and long-term 2050 net-zero objectives, focusing on electrification and energy efficiency as primary levers.
- Monitoring and reporting: Ongoing tracking of compliance, energy intensity, and performance metrics to ensure alignment with regulatory and stakeholder expectations.

The Group plans to use self-funding and existing human resources to implement these strategies.

The plans and actions to manage the transition risk described above have not been extensively monitored before the requirement is made apparent by the Statement. Therefore, additional quantitative and qualitative information about the progress of these plans and actions as compared to previous reporting periods is not yet available to be disclosed.

Overall Decarbonisation Targets and Climate Transition Strategy

[IFRS S2.14(a)(iv)]

The KLCCP Stapled Group is committed to achieving net zero emissions by 2050. As part of this commitment, the Group has established an interim target of reducing Scope 1 and Scope 2 equity-share emissions by 10% against the base year 2019 by 2030, reflecting the Group's strategic ambition to progressively decarbonise its operations. To support this commitment, the Group has developed an asset-by-asset decarbonisation plan, which identifies operational levers and strategic actions tailored to each asset. These measures include improvements in energy efficiency, transition to lower-carbon energy sources, and optimisation of operational processes to reduce emissions intensity. The current and anticipated financial effects resulting from this plan are explained in note 7.2d.

Scope 1 and 2 Emission Reduction Measures

Key measures currently implemented to reduce operational emissions include upgrading facilities and operational equipment to improve energy efficiency, transitioning selected fleet and operational vehicles to lower-carbon alternatives including electrification where feasible, and implementing renewable energy initiatives where applicable, including the deployment of solar energy systems at operational sites.

Progress in Addressing Scope 3 Emissions

The Group recognises the importance of addressing Scope 3 emissions, particularly from purchased goods, upstream activities, and other value chain sources. For the current reporting period, the Group has initiated a materiality assessment to identify the most significant Scope 3 emission categories and initiated emission calculations to quantify these sources. Scope 3 quantitative information is not disclosed in this Statement, leveraging permitted reliefs. This is to ensure the Group's Scope 3 inventory is complete and accurate before any data-related disclosures are made. There were also no Scope 3 decarbonisation or adaptation measures implemented for the same period. These will be developed in the future once the materiality and baseline emissions are fully established. The Group intends to progressively plan and implement Scope 3 initiatives in alignment with our broader net zero strategy.

Key Assumptions

The transition plan incorporates several key assumptions. Regulatory developments are considered, including anticipated carbon tax, energy-related regulations, and government incentives for renewable energy. There are high uncertainties on the impact of carbon tax on the Group's business and the market we operate in. Hence, there is no quantification for the year under review. The Group will monitor the progression of these regulatory developments closely to ensure any potential effects can be planned for and addressed. Technological progress is also assumed, covering advancements in energy efficiency, renewable energy, energy storage, and other low-carbon technologies. Economic considerations include projected costs of renewable energy, fossil fuels, and other key commodities. Stakeholder expectations are also considered, including shifts in consumer behaviour, market demand for sustainable products, and public attitudes toward climate change.

Dependencies

Successful implementation of the Climate Transition Plan relies on continued collaboration with operating units and key business partners. Engagement and alignment with suppliers to manage their emissions and implement reduction plans are also critical, as is regulatory support and clarity regarding climate-related policies and incentives. The availability and scalability of low-carbon technologies and renewable energy solutions further underpin the plan's successful execution.

Oversight and Governance

The asset-by-asset decarbonisation plan is approved by the CEO, and the resulting carbon performance is regularly updated to the Board and Sustainability Committee, ensuring alignment with the Group's strategic objectives and net zero commitment.

Future Plans

The Group will continue to refine asset-level decarbonisation actions and progressively plan for Scope 3 emission reduction initiatives. The integration of additional climate-related metrics into operational and financial decision-making is anticipated as data, internal controls, and targets mature.

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Internal Carbon Pricing

[IFRS S2.29(f)]

The Group has access to an internal carbon pricing framework, established by the parent company, which provides a mechanism to assess potential carbon-related costs across business units and projects. At the KLCCP Stapled Group level, this mechanism has not yet been applied, given the current uncertainty surrounding regulatory requirements and potential financial impacts. The framework remains available and will be considered in the future as part of strategic decision-making, particularly when regulatory obligations or market signals become sufficiently clear to warrant targeted action.

d. Financial Effects

Current financial effects

[IFRS S2.16(a), IFRS S2.16(a), (c), (d), IFRS S2.29(e)]

For FY2025, transition risks have had limited direct financial impact. Expenditures are primarily related to ongoing compliance, monitoring, and minor operational enhancements, including EECA reporting and submissions, energy audits, certification and verification (GreenRE/GBI/LEED), compliance systems, and training of personnel. The total current financial effect is recorded at a range of RM0.06 million to RM0.07 million, representing routine operational costs. Capital expenditures allocation is limited to initiatives identified within the asset-by-asset decarbonisation plan of KLCCP Stapled Group, amounting to RM1.5 million for FY2025.

Anticipated financial effects

[IFRS S2.16(a), (c), (d)]

Short-term (FY2026): The Group anticipates incremental compliance and operational costs associated with IFRS S2, including reporting, audits, and minor energy efficiency enhancements. Indicative expenditure is expected to range between RM0.23 million and RM0.39 million, primarily covering governance, data collection, assurance readiness, and related operational activities. Actual allocation of capital to address evolving climate regulations will be determined once regulatory clarity and operational priorities are confirmed. Capital allocation for asset-by-asset decarbonisation plan for the short-term is estimated to be at RM2.4 million based on identified decarbonisation initiatives for the Group.

Medium-term (FY2027-FY2030): Costs over the medium-term are primarily an aggregation of four years of short-term-type expenditures, reflecting ongoing compliance, monitoring, and reporting requirements. Scenario-based estimates range from RM0.55 million to RM0.60 million across the four-year period. While there is no capital allocation for evolving climate regulation yet for the medium-term, the Group has estimated an amount of RM11.1 million between FY2027-FY2030 for decarbonisation initiatives.

Long-term (post-2030): Given the current 1+4 year business planning cycle, long-term costs have not been explicitly quantified. Any projections beyond FY2030 are high-level and indicative, reflecting potential CAPEX for electrification, comprehensive energy efficiency upgrades, and other decarbonisation initiatives, alongside ongoing compliance and monitoring. The Group will continue to assess and prioritise investments as certainty improves, maintaining a prudent approach to resource allocation.

The Group's assets are predominantly leased under TNL arrangements, under which certain operating expenditures and compliance-related costs may be recoverable from tenants on a cost pass-through basis across all time horizons. However, the Group does not view transition risk management as solely tenant-driven. The Group remains accountable for driving portfolio-level decarbonisation outcomes, supporting tenant engagement, and ensuring that assets continue to meet market and regulatory expectations over time.

Item	Current (FY2025)	Short-term (FY2026)	Medium-term (FY2027-2030)	Long-term (post-2030)	Notes
Evolving legislation Compliance & Governance costs	RM0.06 – RM0.07 mil	RM0.23 – RM0.39 mil	RM0.55 – RM0.60 mil	Refer note 7.2d	Costs reflect governance, reporting, audits, and monitoring; medium-term is aggregated over four years.
Pledged Decarbonisation Plan (CAPEX)	RM1.5 mil	RM2.4 mil	RM11.1 mil	Refer note 7.2d	Consolidated CAPEX for decarbonisation projects pledged by the Group across respective time horizons, aggregated to the number of years in each horizon where applicable.

7.3 Resilience of the Group's strategy and business model in relation to climate-related risks

[IFRS S2.22(b)(iii), IFRS S2.22(b)(i),(ii), IFRS S2.22(a)(i)]

KLCCP Stapled Group uses an integrated scenario analysis to assess the resilience of our strategy and business model under climate-related physical and transition risks. The analysis builds on the climate scenario work published in the Group's TCFD-aligned Sustainability Report 2024 and applies the same scenarios and underlying assumptions for FY2025 disclosure to preserve continuity and comparability.

The Group considers two interrelated dimensions of climate risk:

- Physical risk, with emphasis on flooding arising from (i) river inundation, and (ii) extreme rainfall-driven surface water flooding, assessed using IPCC reference pathways (very-high carbon and low-carbon end points); and
- Transition risk, including evolving regulation, carbon pricing and reputational expectations, assessed using IEA reference scenarios (Business-as-Usual and Low Carbon).

This combined approach recognises that real-world outcomes will reflect both direct physical impacts and the pace of policy, market and stakeholder transition.

Scenario analysis is conducted as a portfolio-wide screening exercise across operating units and assets, with more detailed assessment applied to assets identified as being materially exposed. The Group's 2024 assessment identified one asset with moderate exposure to river flooding, while exposure to extreme rainfall-driven flooding is assessed as low, and the remaining portfolio is assessed as minimally affected.

The assessment indicates that the level of river flood exposure for the identified at-risk asset remains moderate, while extreme rainfall flooding remains low, and these are broadly consistent across the short, medium and long term. Accordingly, differences across time horizons reflect the persistence and potential recurrence of impacts rather than a material escalation in severity. Scenario assumptions and results are reviewed annually, with a detailed reassessment at least every three years or sooner if material new evidence emerges, including regulatory developments such as the Climate Change Act, EECA implementation requirements, or carbon taxation mechanisms.

The Group retains flexibility to scale mitigation, adaptation and transition responses as scenario indicators crystallise.

Below we summarise the integrated scenario analysis results in two combined reference scenarios. Each scenario outlines the Group's exposure, the potential operational and strategic implications across time horizons, and the nature of the Group's response.

Scenario 1 — IPCC very-high carbon/IEA BAU

This scenario assumes limited global mitigation, higher temperature pathways and continued exposure to localised flooding risk, while transition policy evolves only gradually.

Horizon	Physical exposure	Transition exposure	Expected impacts and resilience response
Short–term	Localised flood events remain possible at the identified asset. Existing drainage and pumping systems (sump pumps, manhole pumps) moderate disruption. Impacts are expected to be concentrated in ancillary areas such as car parks rather than office tenant spaces.	Emerging regulatory signals with limited immediate compliance cost impact.	Maintain operational readiness through monitoring, routine testing of pumps and backup systems, and targeted preventive maintenance. No material capital deployment planned in the near term.
Medium–term	River flood exposure remains moderate and persistent for the identified asset. Temporary disruption may require clean-up and repair activities affecting a moderate proportion of the site. Extreme rainfall flooding remains low.	Gradual tightening of reporting and compliance expectations (EECA, energy audits), with increasing stakeholder scrutiny.	Continue scalable adaptation measures where cost-effective, strengthen business continuity planning, and incorporate resilience considerations into asset-level budgeting cycles. Lease expiries around 2030 may increase sensitivity to physical risk considerations in future leasing strategy.
Long–term	Flood exposure remains broadly consistent. Without further resilience enhancement, recurring events could result in cumulative operating and maintenance costs over time.	Transition pressures remain moderate but reputational expectations may rise if visible adaptation measures are not demonstrated.	Integrate flood resilience into long-term asset management planning and continue enhancing mitigation infrastructure where cost-effective. Maintain stakeholder confidence through transparent communication of adaptation progress.

Note:
Current technical mitigations (redundant pump architecture, routine maintenance) reduce short-term impacts. The Group's 2024 TCFD assessment identified only one asset with moderate river flood risk; remaining assets are assessed as minimal or low risk.

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Scenario 2 — IPCC low carbon / IEA low carbon

This scenario assumes early and stringent policy action, rapid market shifts toward low-carbon pathways, and lower long-term physical flood outcomes due to successful global mitigation.

Horizon	Physical exposure	Transition exposure	Expected impacts and resilience response
Short–term	Flood risk remains limited, with existing drainage and pumping systems reducing the likelihood of disruption.	Rapid emergence of mandatory reporting, energy intensity requirements and stakeholder expectations.	Prioritise compliance readiness by accelerating ELMS implementation, preparing for energy audits, and strengthening sustainability governance and communications. Apply internal carbon pricing frameworks in project screening where relevant.
Medium–term	Flood exposure remains moderate at the identified asset but monitoring and mitigation reduce operational disruption.	Earlier retrofits, reporting obligations and reputational scrutiny drive investment prioritisation.	Scale low-carbon investments where cost-effective, enhance tenant value propositions for low-carbon spaces, and strengthen certification and disclosure practices. Capital deployment will follow prioritisation and regulatory clarity.
Long–term	Flood exposure remains manageable with sustained resilience planning; no major interruptions expected across the portfolio.	Transition obligations stabilise as pathways mature; long-term compliance and stakeholder expectations continue shaping asset strategy.	Embed transition costs into long-term asset management and pursue opportunities for green financing and sustainable asset repositioning. Continued enhancement of sustainability credentials supports tenant retention and investor confidence.

Significant areas of uncertainty

[IFRS S2.22(a)(ii)]

There are a range of uncertainties and judgements involved when modelling the potential impacts of climate-related risks for the KLCCP Stapled Group. These uncertainties relate both to physical risks, particularly flooding, and to transition risks arising from evolving climate policies and market expectations. Key areas of uncertainty include:

- Future flood frequency and intensity: While current drainage and pump infrastructure (including redundant pump architecture and routine maintenance) reduces immediate operational impacts, there remains uncertainty regarding how climate change will affect the frequency and severity of extreme rainfall events across the Group's asset portfolio. Urbanisation trends and the historical design of drainage infrastructure further contribute to variability in local flood outcomes, particularly for at-risk assets.
- Evolution of climate-related regulations and market expectations: Transition risks depend on both regulatory developments (e.g., mandatory reporting under EECA, potential carbon pricing, anticipated Climate Change Act) and stakeholder pressures related to sustainability performance. The timing, stringency, and geographic scope of regulations remain uncertain, affecting the Group's strategic and operational decisions, investment prioritisation, and reputational exposure.
- Tenant preferences and reputational impact: Changes in tenant and consumer expectations for low-carbon and sustainable spaces are uncertain and scenario-dependent. The pace of adoption of sustainable practices in the real estate sector may influence occupancy, leasing terms, and the Group's market positioning.

These uncertainties are incorporated into scenario analyses to capture a range of plausible outcomes, including the IPCC very high and low-carbon physical risk scenarios, and the IEA BAU and low-carbon transition scenarios. The outputs guide both strategic planning and risk mitigation priorities.

Capacity to adjust or adapt strategy and business model

[IFRS S2.22(a)(iii), IFRS S1.21(b)(ii)]

The KLCCP Stapled Group's strategy and business model, including our mitigation and adaptation measures, are designed to maintain resilience under the baseline and more extreme climate scenarios. The Group's capacity to respond and adapt is supported through the following mechanisms:

- Financial resources and flexibility: The Group has allocated a multi-year budget to support climate mitigation and adaptation measures, including operational enhancements to manage flood risk and initiatives to align with evolving low-carbon requirements. Existing financial flexibility is reinforced by access to committed credit facilities, which can be deployed if scenario-based assessments indicate a need for rapid intervention. This ensures liquidity is available to respond to unanticipated operational disruptions or regulatory requirements.

- Asset management and operational flexibility: Over the next five years, no significant redeployment, repurposing, or decommissioning of assets is anticipated. The Group continuously monitors asset-level vulnerabilities, assessing whether future changes in production processes, materials, or operational requirements could render certain assets less effective. Longer-term planning includes the possibility of targeted upgrades, repurposing, or selective asset relocation in response to extreme flood events or to meet low-carbon operational requirements.
- Investment in climate-related mitigation, adaptation, and opportunities: Immediate investments focus on enhancing resilience to flooding (through improved drainage, pumping systems, and monitoring) and preparing for transition-related obligations (energy efficiency retrofits, renewable energy feasibility studies, and ELMS implementation). These initiatives also provide opportunities to differentiate the Group in the market and strengthen its profile, supporting tenant retention and investor confidence. Ongoing scenario analysis informs the timing and scale of capital deployment, ensuring that resources are allocated prudently.

By integrating scenario analysis into strategic planning, KLCCP Stapled Group can evaluate the potential operational and financial impacts of both physical and transition risks, enabling adaptive decision-making while maintaining flexibility to respond to emerging climate-related challenges.

7.4 Processes, Controls, and Policies to Manage Climate-Related Risks and Opportunities

[IFRS S2.25(a)(ii), (b)]

KLCCP Stapled Group integrates climate-related considerations, including physical risks such as flooding and transition risks from evolving regulations and reputational expectations, into broader risk management and operational planning processes, in line with our enterprise risk management framework described in note 6.5.

The Group follows a structured approach in managing climate-related risks and opportunities, leveraging existing operational controls and strategic planning mechanisms. Key inputs include historical climate and hydrological data, flood risk modelling, predictive climate scenarios, and market research on tenant preferences, regulatory developments, and sustainability expectations. Management uses climate-related scenario analysis, as described in note 7.3, to evaluate both physical and transition risks and inform operational and strategic decision-making.

Opportunities related to climate change, such as energy efficiency improvements, renewable energy deployment, and low-carbon property offerings, are assessed alongside risks through existing business planning processes. Scenario-based analysis helps management consider potential benefits and operational adjustments, including asset-level interventions and investment prioritisation.

Governance and oversight are provided through existing committees and reporting structures:

- Governance: Sustainability Steering Committee periodically reviews climate-related insights from scenario analysis, monitors progress against energy and decarbonisation initiatives, and evaluates emerging regulatory and market trends.
- Operational integration: Climate-related insights are considered in operational planning, capital allocation, and tenant engagement activities, alongside other risk factors.
- Monitoring: The Group tracks relevant indicators, such as energy intensity and progress on decarbonisation initiatives, to support informed decision-making and disclosure.

By embedding climate considerations into established risk management, operational processes, and strategic planning, KLCCP Stapled Group ensures that our approach supports long-term resilience, operational continuity, and alignment with stakeholder expectations, without implying the existence of formal standalone policies specific to climate risk or opportunity management.

7.5 Metrics and targets (non-GHG emissions)

[IFRS S2.33(a),(d),(f),(g), 34(c)]

The Group discloses climate-related metrics to monitor exposure to physical flood risk and climate transition risk, consistent with IFRS S2 and relevant SASB real estate and real estate services standards. The SASB standards have been reviewed, and the metrics disclosed focus on those that are material, measurable, and supported by available data. Except for energy intensity targets established under the Sustainability Plan 2030 (refer page 35 of KLCCP Stapled Group's Sustainability Report 2025), all other metrics are currently used as monitoring indicators rather than formal targets. These metrics support risk identification, asset-level oversight, regulatory readiness, and internal decision-making.

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Included metrics focus on energy management, energy ratings, sustainability services, and flood exposure, reflecting the Group's material climate-related risks and opportunities. Metrics that are operational in nature, or are not yet underpinned by mandatory processes, such as certain activity counts, audits, or resilience compliance, have been excluded from disclosure. Their exclusion ensures that the disclosures remain focused on climate-related performance, in line with IFRS S2 and SASB qualitative indicators.

The Group has not yet established short-, medium-, or long-term quantitative targets for certain physical and transition-related metrics, pending further baselining, methodological refinement, and governance approvals. Management looks to study on baseline establishment for selected indicators starting FY2026. This is to ensure prudence in setting formal targets given regulatory uncertainty, evolving data quality, and the Group's asset profile. Metrics disclosed for FY2025 provide a foundation for future tracking and performance evaluation.

Table 7.5(a) — Physical Risk: Flooding Metrics

Metric	Reference	Methodology	Unit	FY2025
Area and percentage of properties located in 100-year flood zones, by property sector[1]	IF-RE-450a.1	GIS-based flood mapping over total asset area	%	0
Number of lodging facilities in 100-year flood zones[1]	SV-HL-450a.1	Count of hotel assets within mapped flood zones	Number	0
Flood-related incidents	Entity-developed	Recorded river or extreme rainfall flood events	Number	0
Total leasable floor area in 100-year flood zones[1]	IF-RE-450a.1	Leasable area intersecting flood maps	sqm	0
Assets covered by climate-risk assessment	Entity-developed	Assets assessed/total assets	%	100%

[1] Addresses the amount and percentage of assets or business activities vulnerable to climate-related physical risks metric

Table 7.5 (b): Transition Risk – Energy & Operational Readiness

Metric	Reference	Methodology	Unit	FY2025
The amount and percentage of properties[1] vulnerable to climate-related transition risks	Entity-developed	Vulnerable assets/Total assets	No. %	6 86%
Total energy consumed by portfolio area with data coverage	IF-RE-130a.2(1)	Aggregate fuel, purchased electricity and cooling energy consumption	Mwh GJ	313,734 1,129,443
Percentage of eligible portfolio that has an energy rating[2]	IF-RE-130a.4	Rated assets/eligible assets	%	0
Floor area and number of buildings under management provided with energy and sustainability services[3]	IF-RS-410a.2	Managed buildings receiving services	sqm No.	799,193 4
Penalties issued for EECA non-compliance	Entity-developed	Recorded penalties issued	Number	0

[1] Properties under the KLCCP Stapled Group are aligned with the list of properties disclosed within the Group's Integrated Report 2025.

[2] Energy rating defined as energy intensity label issued by the Energy Commission of Malaysia. There was no official issuance of the label by the EC during the reporting period.

[3] Sustainability service provided where facility management is concerned include resource efficiency (including energy, water and waste), utility data management, energy procurement, obtaining and retaining sustainability and resource-related certifications, and environmental reporting. The provision only applies to buildings with service provision by KLCC Urusharta Sdn. Bhd. and does not include owner-operator or associate companies.

Table 7.5 (c): Transition Risk – Sustainability Plan 2030 Goals and Targets

Metric	Reference	Methodology	Unit	FY2025	Target Year	Target
Energy Efficiency Rating (EER) of Office Building	Entity-developed	Percentage of buildings meeting 3-star and above EER rating	%	100%	2030	100%
Energy intensity (Retail)	Entity-developed	Internal metering & monitoring	kWh/ Footfall	1.38 kWh/ Footfall	2030	1.21 kWh/ Footfall
Energy intensity (Hotel)	Entity-developed	Internal metering & monitoring	kWh/ Footfall	72.6 kWh/ Footfall	2030	65.6 kWh/ Footfall

Table 7.5 (d): List of office buildings and their Energy Efficiency Rating

Building	Type	Energy Efficiency Rating	Star Rating
PETRONAS Twin Towers 1	Office building with chilled water supply	195	4 Star
PETRONAS Twin Towers 2		135	5 Star
Menara 3 PETRONAS		179	5 Star
Menara ExxonMobil		261	3 Star
Kompleks Dayabumi	Office building without chilled water supply	110	4 Star

The following metrics within IFRS S2 standard reference have been disclosed in the corresponding notes listed below:

Metric	Note Reference
Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities	Note 5.0
Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities	Note 7.1d Note 7.2d
Metric: Carbon Tax	Note 7.2c
Internal carbon prices	Note 7.2c
Remuneration	Note 6.4

Long-term considerations beyond 2030 are assessed through climate-related scenario analysis rather than quantified targets at this stage, given uncertainties relating to future regulation, technology pathways, and market conditions. The Group may establish long-term targets as methodologies, data quality, and governance arrangements mature.

The SSC monitors performance towards achieving the targets and reviews their relevance and validity every quarter.

As the targets are intensity based, there is no specific base year to compare against. However, the trend is measured against the same base year for GHG emissions, 2019, as a benchmark. The targets are also not influenced by the latest international agreements on climate change, including jurisdictional commitments that arise from such agreements, as they adhere to specific Malaysian legislations.

7.6 Metrics and targets (GHG emissions)

7.6.1 Summary of gross GHG emissions

[IFRS S2.29 (a)(i)(1), (iv), IFRS S2.29(a)(i)(2), (iv), (v), IFRS S2.29(a)(i)(3), (vi)(1)]

The table below summarises the Group's absolute gross GHG emissions for the reporting year, calculated on an equity-share basis for assets within the Group's organisational boundary (refer note 3.2).

ISSB Sustainability Statement

GHG Emissions	FY2025
Scope 1 GHG emissions	
– The consolidated accounting group	3,145.90
– Other investees within the organisation boundaries	1.80
Total Scope 1 emissions in tonnes of CO_2e	**3,147.70**
Scope 2 (location-based) GHG emissions	
– The consolidated accounting group	121,331.99
– Other investees within the organisation boundaries	2,397.55
Total Scope 2 emissions (location-based) in tonnes of CO_2e	**123,729.54**

The Group has applied the transition relief available under IFRS S2 and has not disclosed quantitative Scope 3 emissions for the reporting year. A comprehensive Scope 3 assessment has been performed and methodology development is ongoing.

Emissions from assets leased by the Group as a lessee are included within Scope 1 and Scope 2, where applicable. The Group does not manufacture products, does not operate franchises, and does not undertake downstream processing activities.

(i) Contractual instruments

[IFRS S2.29(a)(v)]

The Group does not currently hold contractual instruments such as power purchase agreements or unbundled renewable energy certificates (RECs). Accordingly, Scope 2 GHG emissions are disclosed using only the location-based method for the reporting year.

(ii) Methodology, inputs and assumptions

[IFRS S2.29(a)(iii)(1), (2)]

The Group calculates Scope 1 and 2 GHG emissions primarily using indirect measurement approach, based on activity data and appropriate emission factors, or based on aggregated amounts from bills, allocated by floor area or timeframe of purchase. These approaches are in line with the GHG Protocol Corporate Accounting and Reporting Standard.

Scope 2 emissions are calculated using the location-based method, reflecting Peninsular Malaysia grid emission factors by TNB for electricity, and internal benchmark from district cooling plants for chilled water.

Activity data

The Group uses the following activity data for emissions measurement:

Scope 1 GHG emissions

- Fuel and natural gas consumption from stationary combustion, based on utility invoices or metered data where available. Emissions from generator sets are estimated through purchase invoices and manufacturer's specifications where activity data is not available.
- Mobile combustion fuel use for owned or controlled vehicles, based on fuel purchase records.
- Fugitive emissions from use of waste digester operations, based on weight of waste digested.

Scope 2 GHG emissions

- Purchased electricity and chilled water consumption, based on utility invoices and sub-metering data where available.

Emission factors

For the measurement of Scope 1 and Scope 2 (location-based) GHG emissions, the Group applies:

- US EPA emission factors for natural gas (2025)
- UK DEFRA emission factors for diesel and petrol (2025)
- Chilled water emission factor based on historical performance benchmark provided by Gas District Cooling plants
- Grid Emission Factor (GEF) in Malaysia by Suruhanjaya Tenaga, 2024
- Emissions from biological treatment of waste, from waste digester based on 2006 IPCC Guidelines for National Greenhouse Gas Inventories

Calorific value for natural gas, diesel and petrol, is derived from IPCC (2006), with density based on CDP Technical Note (2025).

Global warming potential (GWP) values

The Group applies 100-year Global Warming Potential (GWP) values from the IPCC Sixth Assessment Report (AR6) to convert greenhouse gases into carbon dioxide equivalent (CO_2e).

7.5.2 Metrics and targets

[IFRS S2.14(a)(iv),33,36(a)-(c), IFRS S2.34(a), 36(d), IFRS S2.36(e), IFRS S2.34(b)]

The Group has established medium-term emissions reduction targets aligned with our Sustainability Plan 2030, with longer-term aspirations extending to 2050. These targets focus on emissions sources within the Group's operational influence as a real estate owner and manager.

The targets set by the Group are as follows:

- Medium-term target:
  - Reduce combined Scope 1 and Scope 2 GHG emissions by 10% by 2030, relative to the 2019 baseline, on an equity-share basis.
- Long-term ambition:
  - Achieve net zero GHG emissions by 2050, in alignment with national and enterprise-level decarbonisation pathways.

At this stage, the Group has not set quantitative Scope 3 reduction targets, as Scope 3 emissions identification, data quality enhancement and boundary refinement are ongoing. Targets for material Scope 3 categories will be considered following completion of baselining and governance review.

The targets and the methodology for setting the target has not been validated by a third party; nor was it derived using a sectoral decarbonisation approach.

The Group does not currently implement carbon offsetting or carbon credit procurement at the entity level. Any use of offsets or credits is managed at the parent company's discretion where applicable.

Targets are reviewed periodically, including upon significant changes in organisational boundaries, asset portfolio composition, or regulatory requirements.

ISSB Sustainability Statement

Monitoring metrics

[IFRS S2.34(c)]

The Group monitors progress against emissions targets using the following indicators:

- Absolute Scope 1 GHG emissions (tCO_2e)
- Absolute Scope 2 (location-based) GHG emissions (tCO_2e)

The methodologies used to calculate these monitoring metrics have been externally validated.

Performance against GHG emissions targets

[IFRS S2.35]

The Group has defined **2019 as the baseline year** for emissions reduction targets. Performance against targets is monitored annually and disclosed to support transparency and internal decision-making.

Quantitative year-on-year performance data will continue to be enhanced as data completeness and Scope 3 measurement maturity improve.

8.0 EVENTS AFTER THE REPORTING PERIOD

[IFRS S1.68]

No transactions, other events or conditions occurring after the end of the reporting period and before the date of authorisation of issue of this document have taken place that need to be disclosed in this sustainability statement.

9.0 STATEMENT OF ASSURANCE

The Group has obtained independent limited assurance over selected GHG emissions disclosures within this ISSB Sustainability Statement.

Scope and Subject Matter of Assurance

Independent limited assurance has been performed by Ernst & Young (EY) in accordance with International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 (Revised)") and International Standard for Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410").
The assurance engagement covered the following subject matters for the reporting period 1 January 2025 to 31 December 2025:

- Scope 1 emissions in tonnes of CO_2e
- Scope 2 emissions in tonnes of CO_2e

Type of Assurance

The engagement was performed as a limited assurance engagement.

Summary of Conclusions

Based on the procedures performed, EY has expressed a conclusion stating they are not aware of any material modifications that should be made to Scope 1 and Scope 2 GHG emissions, in order for it to be in accordance with the Criteria.

SR To read more on Independent Limited Assurance Statement, please refer to Sustainability Report 2025 on pages 94 to 97

Bursa Malaysia Prescribed Table

KLCC Property Holdings Bhd

IFRS S2

Date & Time: 2026-03-05_11:44:05

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Climate Change & Energy Management	Area and percentage of properties located in 100-year flood zones, by property sector	Area	0	—	No assurance	Addresses the amount and percentage of assets or business activities vulnerable to climate-related physical risks metric
Climate Change & Energy Management	Area and percentage of properties located in 100-year flood zones, by property sector	%	0	—	No assurance	Addresses the amount and percentage of assets or business activities vulnerable to climate-related physical risks metric
Climate Change & Energy Management	Number of lodging facilities in 100-year flood zones	Number	0	—	No assurance	Addresses the amount and percentage of assets or business activities vulnerable to climate-related physical risks metric
Climate Change & Energy Management	Flood-related incidents	Number	0	—	No assurance	
Climate Change & Energy Management	Total leasable floor area in 100-year flood zones	sqm	0	—	No assurance	Addresses the amount and percentage of assets or business activities vulnerable to climate-related physical risks metric
Climate Change & Energy Management	Assets covered by climate-risk assessment	%	100	—	No assurance	
Climate Change & Energy Management	The amount and percentage of properties vulnerable to climate-related transition risks	No.	6	—	No assurance	Properties under the KLCCP Stapled Group is in alignment with the list of properties disclosed in the Group's Integrated Report 2025
Climate Change & Energy Management	The amount and percentage of properties vulnerable to climate-related transition risks	%	86	—	No assurance	Properties under the KLCCP Stapled Group is in alignment with the list of properties disclosed in the Group's Integrated Report 2025

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Bursa Malaysia Prescribed Table

KLCC Property Holdings Bhd

IFRS S2

Date & Time: 2026-03-05_11:44:05

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Climate Change & Energy Management	Total energy consumed by portfolio area with data coverage	Mwh	313,734	—	External (Limited)	
Climate Change & Energy Management	Total energy consumed by portfolio area with data coverage	GJ	1,129,443	—	External (Limited)	
Climate Change & Energy Management	Percentage of eligible portfolio that has an energy rating	%	0	—	No assurance	Energy rating defined as energy intensity label issued by the Energy Commission of Malaysia. There are no official issuance of the label by the EC during the reporting period
Climate Change & Energy Management	Floor area and number of buildings under management provided with energy and sustainability services	sqm	799,193	—	No assurance	Sustainability service provided where facility management is concerned include resource efficiency (including energy, water and waste), utility data management, energy procurement, obtaining and retaining sustainability and resource-related certifications, and environmental reporting. The provision only applies to buildings managed by KLCC Urusharta Sdn. Bhd. and does not include owner-operator and associate companies

KLCC Property Holdings Bhd

IFRS S2

Date & Time: 2026-03-05_11:44:05

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Climate Change & Energy Management	Floor area and number of buildings under management provided with energy and sustainability services	No.	4	—	No assurance	Sustainability service provided where facility management is concerned include resource efficiency (including energy, water and waste), utility data management, energy procurement, obtaining and retaining sustainability and resource-related certifications, and environmental reporting. The provision only applies to buildings managed by KLCC Urusharta Sdn. Bhd. and does not include owner-operator and associate companies
Climate Change & Energy Management	Penalties issued for EECA non-compliance	Number	0	—	No assurance	
Climate Change & Energy Management	Energy Efficiency Rating (EER) of Office Building	%	100	100%	No assurance	Percentage of buildings meeting 3-star and above EER rating
Climate Change & Energy Management	Energy intensity (Retail)	kWh/footfall	1.38	1.21 by 2030	No assurance	
Climate Change & Energy Management	Energy intensity (Hotel)	kWh/footfall	72.6	65.6 by 2030	No assurance	
Climate Change & Energy Management	Total Scope 1 emissions in tonnes of CO2e	tCO2e	3,147.70	—	External (Limited)	
Climate Change & Energy Management	Total Scope 2 emissions (location-based) in tonnes of CO2e	tCO2e	123,729.54	—	External (Limited)	