



**SENTRAL
REIT**



Annual Report **2024**

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Proxy Form

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CORPORATE INFORMATION

MANAGER

Sentral REIT Management Sdn. Bhd.
(Company No. 200601017500 (737252-X))
(Incorporated in Malaysia)

PRINCIPAL PLACE OF BUSINESS OF THE MANAGER

G27A Level 3A, Block B, Platinum Sentral, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur

Telephone No. : 603-2786 8080
Facsimile No. : 603-2780 0098

REGISTERED ADDRESS OF THE MANAGER

Level 33A, Menara NU 2, No. 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur

Telephone No. : 603-2786 8080
Facsimile No. : 603-2780 7668

BOARD OF DIRECTORS OF THE MANAGER

Non-Independent

Non-Executive Directors

Tan Sri Saw Choo Boon (Chairman)
Ann Wan Tee
Kwan Joon Hoe

Independent

Non-Executive Directors

Datuk Kamalul Arifin bin Othman
Frances Po Yih Ming
Hizamuddin bin Jamalluddin
Aminuddin bin Mohd Arif

SECRETARY OF THE MANAGER

Mohamed Noor Rahim bin Yahaya
(MAICSA 0866820)
(SSM PC NO. 202008002339)

Irene Ho Ngan Chui
(MAICSA 7014785)
(SSM PC No. 202008001773)

BANKERS

Malayan Banking Berhad

CIMB Bank Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

WEBSITE

<https://sentralreit.com>

TRUSTEE

Maybank Trustees Berhad
8th Floor, Menara Maybank, 100, Jalan Tun Perak, 50050 Kuala Lumpur, Malaysia

Telephone No. : 603-2078 8363
Facsimile No. : 603-2070 9387

PROPERTY MANAGER

Nexcap Property Consultants Sdn. Bhd.
E-9-15, Plaza Mont' Kiara No. 2, Jalan Kiara, Mont' Kiara 50480 Kuala Lumpur

Telephone No. : 603-6121 2122

REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia

Telephone No. : 603-7890 4700
Facsimile No. : 603-7890 4670

AUDITOR

Ernst & Young PLT
Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, Malaysia

Telephone No. : 603-7495 8000
Facsimile No. : 603-2095 5332

TAX AGENT

Ernst & Young Tax Consultants Sdn. Bhd.
Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur, Malaysia

Telephone No. : 603-7495 8000
Facsimile No. : 603-2095 5332/7043

INTERNAL AUDITOR

BDO Governance Advisory Sdn. Bhd.
Level 8, BDO @ Menara CenTARa, 360 Jalan Tuanku Abdul Rahman, 50100 Kuala Lumpur, Malaysia

Telephone No. : 603-2616 2888
Facsimile No. : 603-2616 2829



SALIENT FEATURES OF SENTRAL REIT (“SENTRAL”)

Category of Fund	Real Estate Investment Trust
Type of Fund	Income and growth
Termination Date/ Duration of the Fund	The earlier of: <ul style="list-style-type: none"> a) The occurrence of any events listed in clause 26.2 of the Restated Deed of Trust dated 2 December 2019 as supplemented by the Supplemental Deed dated 24 December 2020; or b) The expiration of a period of twenty one (21) years after the death of the last survivor of the issue now living of his majesty, the current Yang Di Pertuan Agung in Malaysia or until such further period as the law may permit
Approved Fund Size	1,195,503,000
Investment Objective	To acquire and invest in commercial properties primarily in Malaysia with a view to provide long term growth and sustainable distribution of income to unitholders and to achieve long term growth in net asset value per unit of SENTRAL
Distribution Policy	Semi-annual distribution
Manager’s Fee	<ul style="list-style-type: none"> • Base fee: 0.4% per annum of the total asset value (“TAV”) • Performance fee: 3% per annum of the net investment income • Acquisition fee: 1% of the acquisition price • Divestment fee: 0.5% of the disposal price
Trustee’s Fee	0.03% per annum on the RM2.5 billion of the TAV and 0.02% per annum on the TAV in excess of RM2.5 billion
Financial Year End	31 December
Board Lot	100 units per board lot
Listing	Main Market of Bursa Malaysia Securities Berhad
Stock Name	SENTRAL
Stock Code	5123
Date of Listing	8 January 2007



TRUST STRUCTURE



Background of SENTRAL

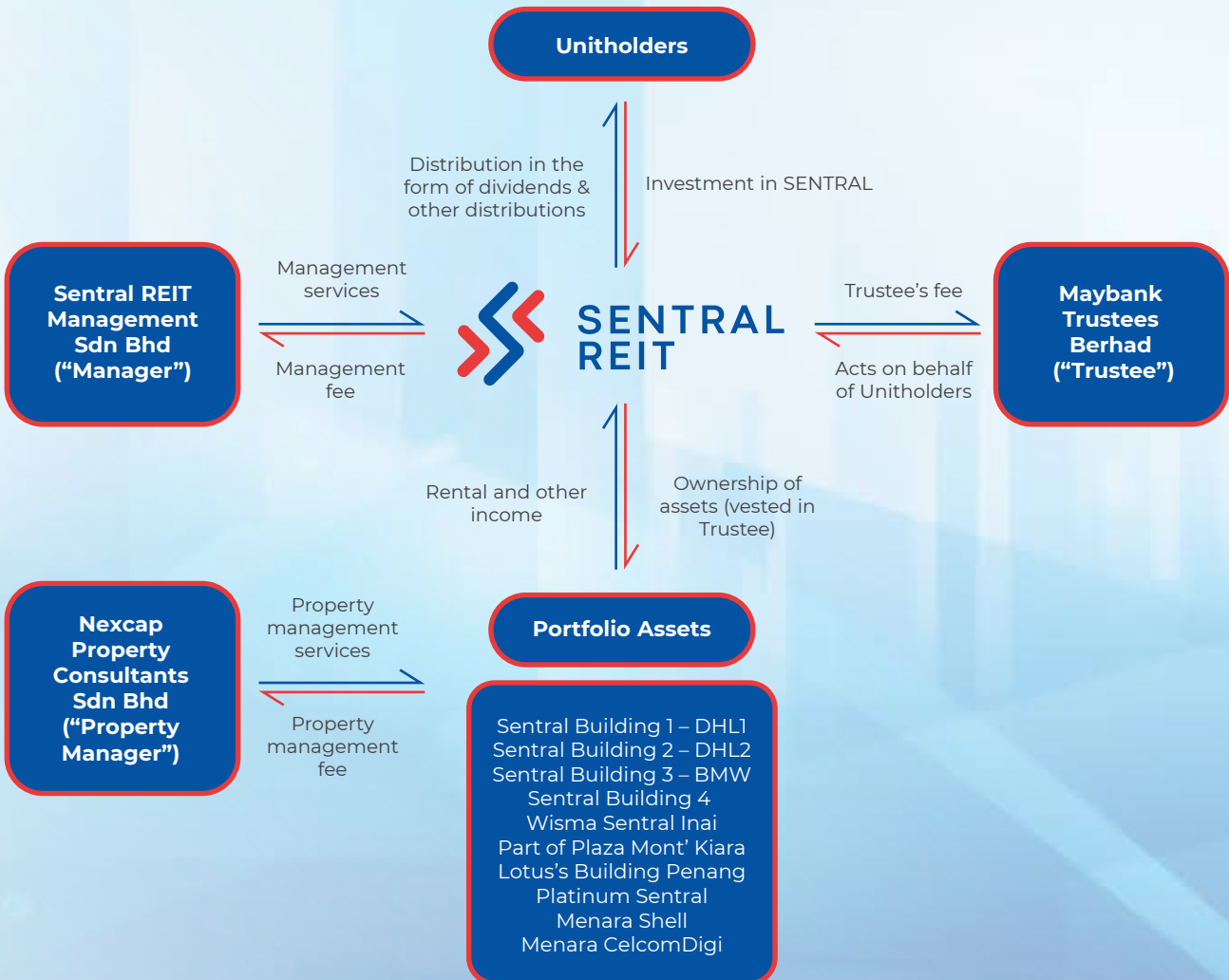
- Listed as Quill Capita Trust on 8 January 2007.
- Changed its name to MRCB-Quill REIT effective on 14 April 2015 following a change in sponsors.
- Changed its name to SENTRAL following a rebranding exercise on 11 January 2021.



Investment Objective

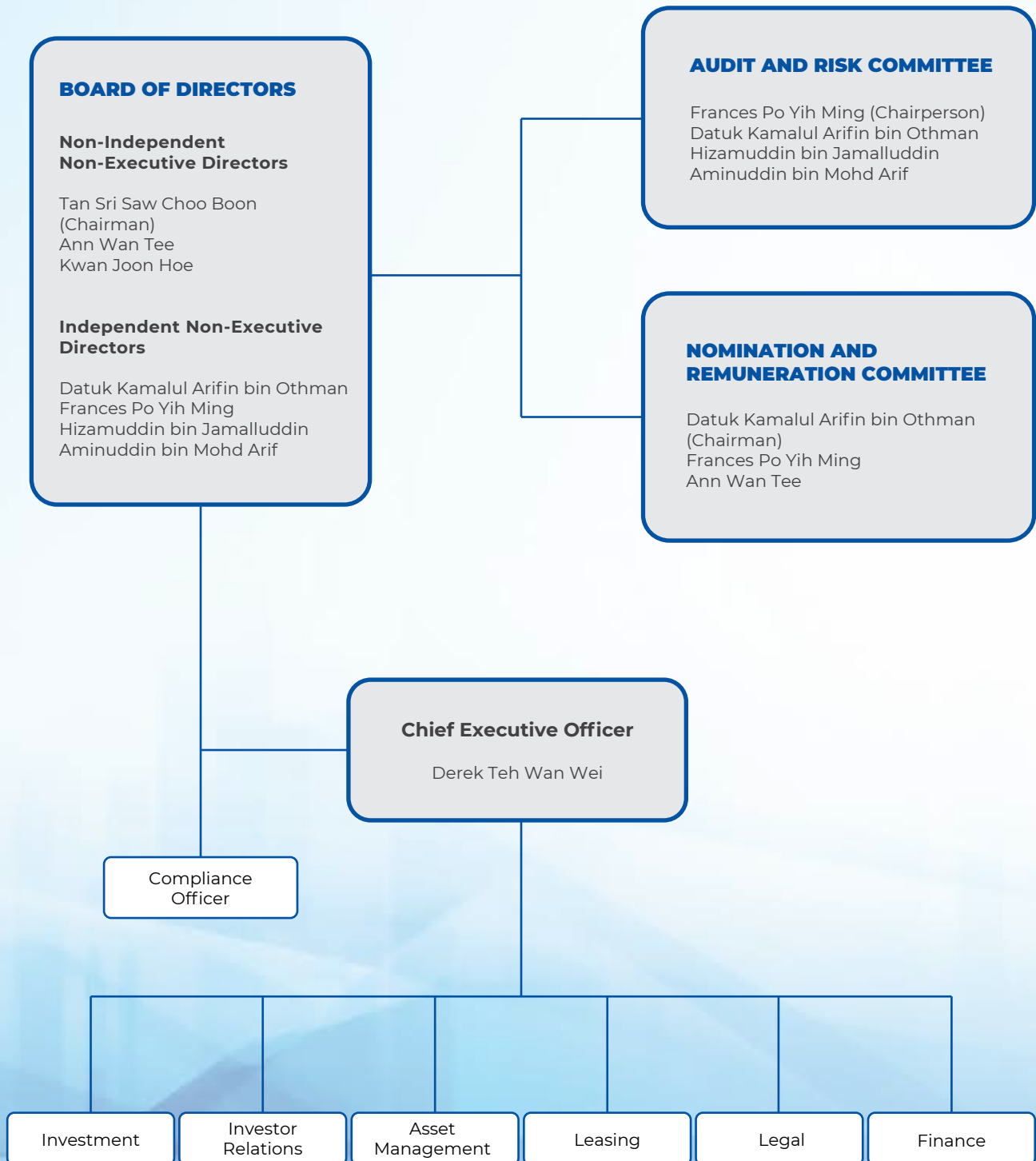
To acquire and invest in commercial properties primarily in Malaysia with a view to provide long-term growth and sustainable distribution of income to unitholders to achieve long-term growth in the net asset value ("NAV") per Unit.

SENTRAL STRUCTURE





ORGANISATION STRUCTURE OF THE MANAGER





PROFILE OF DIRECTORS OF THE MANAGER

TAN SRI SAW CHOO BOON

*Non-Independent
Non-Executive Chairman
Nominee of Global Jejaka Sdn Bhd,
a major shareholder of the Manager*



ANN WAN TEE

*Non-Independent
Non-Executive Director
Nominee of MRCB, a major unitholder of
SENTRAL and major shareholder of the
Manager*



Nationality/Age/Gender

Malaysian/79/Male

Date Appointed to the Board

22 January 2016

Board Committee Membership

Nil

No. of Board Meetings Attended in 2024

4/4

Academic/Professional Qualification/Professional Membership

Bachelor of Science (Chemistry), University of Malaya (1969)

Present Directorships

- Wah Seong Corporation Berhad
- Sentral REIT Management Sdn Bhd

Working Experience

Tan Sri Saw has 40 years of continuous service with Shell, having joined the company in 1970 as a Refinery Technologist in Shell Refining Company (Federation of Malaya) Berhad. He served in various capacities in manufacturing, supply, trading and planning in Malaysia, Singapore and Netherlands. In 1996, he was appointed as the Managing Director ("MD") of Shell MDS (Malaysia) Sendirian Berhad.

From 1998 until 1999, he was MD for Oil Products (Downstream) Shell Malaysia and MD of Shell Refining Company (Federation of Malaya) Berhad. In 1999, with the globalisation of the Shell Oil Products business, he was appointed the Vice President (VP) of the commercial business in the Asia-Pacific region and in 2004 he became the President of Shell Oil Product East. In 2005, he was appointed VP Global Marine Products. On 18 May 2006, he was appointed as Chairman of Shell Malaysia, and on 1 January 2010 as Senior Advisor, a position he held till his retirement on 30 June 2010.

Nationality/Age/Gender

Malaysian/54/Male

Date Appointed to the Board

31 March 2015

Board Committee Membership

Member of the Nomination & Remuneration Committee

No. of Board Meetings Attended in 2024

4/4

Academic/Professional Qualification/Professional Membership

- Bachelor of Commerce (Accounting) (Hons), University of Birmingham
- Fellow of the Association of Chartered Certified Accountants (FCCA)
- Member of the Malaysian Institute of Accountants (MIA)

Present Directorships

- MRCB Southern Link Berhad
- MRCB Group of Companies
- Sentral REIT Management Sdn Bhd

Working Experience

Ann Wan Tee has more than 24 years' experience spanning from project advisory, privatisation, private finance initiatives, financial feasibility studies, business valuations, mergers and acquisitions as well as corporate recovery.

Wan Tee is currently the Group Chief Financial Officer of Malaysian Resources Corporation Berhad ("MRCB"). He joined MRCB in May 2013 as the Chief Strategy Officer. Prior to MRCB, Wan Tee was the Chief Financial Officer / Finance Director of Gapurna Strategic Alliance Sdn Bhd from June 2012 to May 2013. Wan Tee was in PricewaterhouseCoopers (Advisory Services) from January 2006 to May 2012, where he left as Executive Director.

PROFILE OF DIRECTORS OF THE MANAGER

(cont'd)

KWAN JOON HOE

*Non-Independent
Non-Executive Director
Nominee of MRCB, a major
unitholder of SENTRAL and major
shareholder of the Manager*



DATUK KAMALUL ARIFIN BIN OTHMAN

Independent Non-Executive Director



Nationality/Age/Gender

Malaysian/43/Male

Date Appointed to the Board

31 March 2015

Board Committee Membership

Nil

No. of Board Meetings Attended in 2024

4/4

Academic/Professional Qualification/Professional Membership

- Bachelor of Commerce (Accounting and Finance) from University of Melbourne, Australia
- Member of the Certified Public Accountant, Australia

Present Directorships

- MRCB Southern Link Berhad
- MRCB Group of Companies
- Sentral REIT Management Sdn Bhd

Working Experience

Joon Hoe is currently the Group Chief Operating Officer of MRCB.

He joined MRCB as Senior Vice President of MRCB Group's Property Division in January 2014. Joon Hoe was appointed as the Chief Operating Officer of MRCB on 1 March 2015 and was promoted to his current position on 1 June 2017.

He joined Gapurna in 2008 as the Group's Financial Controller, spearheading the RM1 billion Lot 348 development (Menara Shell) in Kuala Lumpur Sentral CBD. He was then promoted to the position of Chief Executive Officer managing Gapurna's property development function in 2012 before joining MRCB. Prior to joining Gapurna, he served in 2 accounting firms in their respective audit and advisory functions.

Nationality/Age/Gender

Malaysian/65/Male

Date Appointed to the Board

8 March 2019

Board Committee Membership

- Chairman of the Nomination & Remuneration Committee
- Member of the Audit & Risk Committee

No. of Board Meetings Attended in 2024

4/4

Academic/Professional Qualification/Professional Membership

- Bachelor of Estate Management (Honours) from Universiti Teknologi MARA
- Masters degree in Business Administration from Ohio University, Athens, United States of America
- Fellow of the Royal Institution of Chartered Surveyors, United Kingdom
- Fellow of the Royal Institution of Surveyors Malaysia
- Fellow of the Malaysian Institute of Property and Facility Managers
- Registered Property Manager with the Board of Valuers, Appraisers, Estate Agents and Property Managers
- Leadership education at the Wharton School of the University of Pennsylvania, Harvard University and the SAID Business School, University of Oxford

Present Directorships

- Perbadanan PR1MA Malaysia
- Penang Sentral Sdn Bhd
- BGMC International Limited
- Sentral REIT Management Sdn Bhd

Other Memberships/Appointments/Involvements

- Property Advisor with Perbadanan Usahawan Nasional Berhad
- Development Committee Member with Institut Jantung Negara
- Committee Member of Development for Majlis Agama Islam dan Adat Istiadat Melayu Kelantan and Majlis Agama Islam dan Adat Melayu Terengganu

Working Experience

Datuk Kamalul Arifin is a Chartered Surveyor by training with almost 40 years of experience in the real estate sector. He was the Group Managing Director/Chief Executive Officer of Pelaburan Hartanah Berhad since its inception in 2006 until 2018.

He started his career in 1985 with Rahim & Co. Chartered Surveyors Sdn Bhd before moving on to Permodalan Nasional Berhad in 1988. He then joined Arab-Malaysian Merchant Bank Berhad (now AmBank Group) in 1991 and remained with the Group for 16 years with his last position as the Chief Executive Officer of AmProperty Trust Management Berhad which managed the first listed property trust in the country.

Datuk Kamalul Arifin is the first President of the Malaysian Institute of Property and Facility Managers and was also an Adjunct Professor with the Faculty of Built Environment, University of Malaya. He has participated in many conferences as Speaker and Moderator and has written various articles related to the property industry for professional journals and publications.



PROFILE OF DIRECTORS OF THE MANAGER

(cont'd)

FRANCES PO YIH MING

Independent Non-Executive Director



AMINUDDIN BIN MOHD ARIF

Independent Non-Executive Director



Nationality/Age/Gender

Malaysian/66/Female

Date Appointed to the Board

17 July 2020

Board Committee Membership

- Chairperson of the Audit & Risk Committee
- Member of the Nomination & Remuneration Committee

No. of Board Meetings Attended in 2024

4/4

Academic/Professional Qualification/Professional Membership

- Bachelor of Accounting (Honours) from University Malaya
- Chartered Accountant of the Malaysian Institute of Accountants
- Fellow of the Chartered Tax Institute of Malaysia

Present Directorships

- Verdant Solar Holdings Berhad
- Frontier Digital Ventures Limited
- Sentral REIT Management Sdn Bhd

Working Experience

Frances Po spent more than 36 years specialising in tax and she was a tax partner of PricewaterhouseCoopers ("PwC") Malaysia until her retirement in July 2019.

During the course of her career in PwC, Frances Po held various leadership roles including Business unit leader for International Tax Services/Mergers & Acquisition Tax ("ITS/M&A Tax") from 2012-2019 and Tax business unit leader for Energy, Utilities, Multimedia & Infocommunication ("EUMI") from 2005-2012. She held the role of Tax people partner for several years. She was an active speaker at both external and internal conferences. She presented/chaired at the annual PwC seminar for a decade. She initiated and organised the annual PwC Asia Pacific ITS/M&A training and networking event since 2012.

Nationality/Age/Gender

Malaysian/50/Male

Date Appointed to the Board

1 December 2023

Board Committee Membership

Member of the Audit & Risk Committee

No. of Board Meetings Attended in 2024

4/4

Academic/Professional Qualification/Professional Membership

- M.A (Cantab) in Economics from University of Cambridge
- Association for Investment Managers and Research (AIMR) – Chartered Financial Analysts (CFA) Level 1

Present Directorships

- Privasia Technology Berhad
- EL Kahff Resources Sdn Bhd
- Atlas Escapes Sdn Bhd
- Sentral REIT Management Sdn Bhd

Working Experience

Upon his graduation in 1997, Aminuddin joined Sime Securities Sdn Bhd as an Economist, Research Department and thereafter, as Marketing Executive with Sime AXA Assurance Sdn Bhd from 1998 to 1999. From 2000 to 2001, he was with Consolidated Plantations Bhd as the Senior Executive, Corporate Planning.

From 2001 to 2014, he was attached to various government agencies having served as the Special Officer to the Minister of Youth and Sports, Private Secretary to the Minister of Education and Minister of Home Affairs and Principal Private Secretary to the Minister of Transport. Aminuddin is currently the Group Chief Corporate Officer at Jasa Baiduri Sdn Bhd.

Aminuddin is the brother-in-law of Ahmad Zulqarnain Onn, the Chief Executive Officer of Employees Provident Fund ("EPF"). EPF is one of the substantial unitholders of SENTRAL.

PROFILE OF DIRECTORS OF THE MANAGER

(cont'd)

HIZAMUDDIN BIN JAMALLUDDIN

Independent Non-Executive Director



Nationality/Age/Gender

Malaysian/54/Male

Date Appointed to the Board

1 December 2023

Board Committee Membership

Member of the Audit & Risk Committee

No. of Board Meetings Attended in 2024

3/4

Academic/Professional Qualification/Professional Membership

- Diploma in Business Studies from MARA Institute of Technology
- Bachelor of Science, Finance from Northern Illinois University, USA
- Senior Associate Member, Chartered Institute of Islamic Finance Professionals

Present Directorships

- RHB Islamic Bank Berhad
- RHB Insurance Berhad
- Sentral REIT Management Sdn Bhd

Other Memberships/Appointments/Involvements

Chairman, Investment Panel of Lembaga Tabung Haji

Working Experience

Hizamuddin has an extensive experience in the field of Islamic banking and has more than 20 years of experience in corporate management, particularly in corporate planning, corporate finance (both equity & capital market), debt restructuring, enterprise risk management, cross border mergers and acquisitions, privatisation, investor relations and stakeholders engagement.

He was the Chief Executive Officer of Urusharta Jamaah Sdn Bhd ("UJSB"), a Special Purpose Vehicle owned by Minister of Finance Incorporated, one of the largest Shariah-based equity house in Malaysia.

Prior to UJSB, Hizamuddin was the Executive Director, Investment of Lembaga Tabung Haji ("LTH"), a position that he assumed after serving as LTH's Chief Strategy Officer and Chief of Staff. Prior to joining LTH, he was the Chief Strategy Officer of several entities namely, BIMB Holdings Berhad, Bank Islam Malaysia Berhad and MTD Capital.

During the Asian Financial Crisis 1997, he served as a Special Assistant to the Managing Director cum Corporate Finance Specialist at Pengurusan Danaharta Nasional Berhad. He was also instrumental in the establishment of PrudentialBSN Takaful Berhad in 2006.

He was the recipient of the Upcoming Personality of Islamic Finance (Leadership) by the Global Islamic Finance Award 2016.

ADDITIONAL INFORMATION

Save as disclosed:

1. None of the Directors have any family relationship with any Directors and/or major shareholders of the Manager and/or major unitholders of SENTRAL.
2. None of the Directors have any conflict of interest or potential conflict of interest with the Manager and/or SENTRAL.
3. None of the Directors have
 - a. Been convicted of any offence (other than traffic offences) within the past five (5) years; and
 - b. Been imposed with any public sanctions or penalty by the relevant regulatory bodies during the financial year.

THE MANAGEMENT TEAM OF THE MANAGER

Seated from left to right :

Yusoff Iskandar Mohd Zaki	<i>General Manager, Investment & Investor Relations</i>
Derek Teh Wan Wei	<i>Chief Executive Officer</i>
Shirley Tam Soot Lee	<i>General Manager, Finance</i>
Chan Fong Hin	<i>General Manager, Asset Management</i>

Standing from left to right :

Estee Hew Chin Ling	<i>Senior Manager, Investment & Asset Management</i>
Leong Foong Yin	<i>Manager, Finance</i>
Azah Annuar	<i>Senior Manager, Legal & Compliance</i>
Alex Low Kam Seng	<i>Manager, Asset Management</i>
Jason Chin Hann Min	<i>Senior Manager, Asset Management</i>
Alice Yap Soh Ping	<i>Manager, Lease Administration</i>
Christie Pun Nyuk Len	<i>Head of Leasing</i>
Phuah Ngah Yuin	<i>Manager, Finance</i>



THE MANAGEMENT TEAM OF THE MANAGER

(cont'd)



DEREK TEH WAN WEI
Chief Executive Officer

Nationality/Age/Gender
Malaysian/46/Male

Date of appointment as Chief Executive Officer

1 April 2022

Academic/Professional Qualification(s)/ Professional Membership(s)

Master of Business Systems from Monash University

Double Bachelor's Degrees in Property & Construction (Building) and Planning & Design from the University of Melbourne.

Present Directorship(s)

Kinabalu Capital Sdn Bhd
Trusmadi Capital Sdn Bhd
Murud Capital Sdn Bhd
Samwise Capital Sdn Bhd

Working Experience

Derek has over 20 years of experience in the property industry. Prior to SRM, Derek was the Vice President, Properties at MRCB, where he provided leadership, management and overseeing the business operations of development for various commercial, residential, mixed development projects. He also worked at CIMB-Mapletree Management Sdn Bhd and led the investment, fund management, development management and asset management functions for a portfolio of real estate assets, where he left as Chief Investment Officer.

He also served as the Executive Committee's member of the Malaysian REIT Managers Association.

Other than as disclosed, he does not have any family relationship with any director and/or major unitholder of SENTRAL. He does not have personal interest in any business arrangements involving SENTRAL and has not been convicted of any offences within the past 5 years.

He does not hold any units in SENTRAL.

MANAGEMENT DISCUSSION AND ANALYSIS

- FINANCIAL HIGHLIGHTS

Fund Performance	2024	2023	2022	2021	2020
Total Asset Value (RM)	2,615,751,685	2,616,044,650	2,146,717,146	2,180,376,227	2,227,662,488
Net Asset Value ("NAV") (RM)					
- Before income distribution	1,385,791,203	1,353,481,351	1,291,041,895	1,317,865,770	1,323,501,754
- After income distribution	1,348,132,858	1,345,351,930	1,254,386,916	1,275,208,806	1,284,381,674
Units in circulation	1,195,503,000	1,195,503,000	1,071,783,000	1,071,783,000	1,071,783,000
NAV per unit (RM)	1.1592	1.1321	1.2046	1.2296	1.2349
Highest NAV per unit (RM)	1.1646	1.2086	1.2312	1.2458	1.2445
Lowest NAV per unit (RM)	1.1307	1.1321	1.1960	1.2053	1.2072
Highest traded price per unit (RM)	0.82	0.915	1.02	0.95	1.00
Lowest traded price per unit (RM)	0.775	0.775	0.85	0.86	0.51
Distribution Per Unit ("DPU") (sen)	6.36	6.68	6.82	7.41	7.08
- Interim	3.21	3.19	3.40	3.43	3.43
- Advance	-	2.81	-	-	-
- Final	3.15	0.68	3.42	3.98	3.65
Dates of Distribution					
- Interim	18 Sep 2024	18 Sep 2023	30 Sep 2022	20 Sep 2021	30 Sep 2020
- Advance	-	4 Jan 2024	-	-	-
- Final	28 Feb 2025	29 Feb 2024	28 Feb 2023	28 Feb 2022	26 Feb 2021
Effect of Income Distribution on NAV per unit					
- Before Distribution (RM)	1.1592	1.1321	1.2046	1.2296	1.2349
- After Distribution (RM)	1.1277	1.1253	1.1704	1.1898	1.1984
Closing price on the last trading day	0.795	0.785	0.895	0.905	0.875
Distribution yield (per annum) ^(a)	8.00%	8.51%	7.62%	8.19%	8.09%
MER ^(b)	1.26%	1.14%	1.09%	1.10%	1.09%
Average Total Returns					
- for 1 year ^{(c)(i)}	6.02%	5.59%	5.96%	6.84%	6.55%
- 3 financial years ^{(c)(iii)}	17.57%	18.39%	19.34%	19.22%	19.23%
- 5 financial years ^{(c)(iii)}	30.96%	30.77%	32.03%	33.21%	31.18%
Annual Total Returns ^(d) (RM)	79,815,642	74,221,483	73,625,238	84,485,957	80,954,941
Proposed final income distribution	37,658,345	8,129,421	36,654,979	42,656,964	39,120,080

(a) Based on the closing price on the last trading day of the respective financial years.

(b) Management Expense Ratio (MER) is computed based on total fees including Manager's fee, Trustee's fee, valuation fees and administration expenses charged to SENTRAL divided by the average net asset value during the year.

Since the average net asset value of the Trust is calculated on a monthly basis, the MER of SENTRAL may not be comparable to the MER of other real estate investment trust/unit trusts which may use a different basis of calculation. The computation of MER has been verified by the auditors.

(c) (i) Average Total Returns for 1 year is computed based on the Annual Total Returns for financial year ended 2024 divided by the weighted average unitholders capital for the financial year ended 2024.

(ii) Average Total Returns for 3 financial years is computed based on the Annual Total Returns for last 3 financial years/periods divided by the weighted average unitholders capital for the last 3 financial years/periods.

(iii) Average Total Returns for 5 financial years is computed based on the Annual Total Returns for last 5 financial years/periods divided by the weighted average unitholders capital for the last 5 financial years/periods.

(d) Annual Total Returns is defined as the Net Realised Income for the respective financial years.

Warning statement - The past performance is not necessarily indicative of future performances and that unit prices and investment returns may fluctuate.

MANAGEMENT DISCUSSION AND ANALYSIS - PORTFOLIO OVERVIEW

As at 31 December 2024, SENTRAL's investment comprised ten (10) commercial buildings with four (4) located in Cyberjaya, four (4) in Kuala Lumpur, one (1) in Petaling Jaya and one (1) in Penang. The details of SENTRAL's properties are as follows.



SENTRAL BUILDING 1 – DHL 1

- Address/Location : 3509 & 3511, Jalan Teknokrat 5, 63000 Cyberjaya, Selangor Darul Ehsan
- Title : HSD 28552, PT 40578, Mukim of Dengkil, District of Sepang, State of Selangor
- Property Type and Age : Commercial Building, 22 years
- Description : 4-storey office building together with a sub-basement and a basement car park
- Tenure : Term in Perpetuity
- Encumbrances : Charged to Pacific Trustees Berhad as security agent
- Net Lettable Area : 92,284 square feet ("sq. ft.")
- Existing Use : Commercial Building
- Parking Space : 315 lots
- Date of Acquisition : 20 November 2006
- Acquisition Price : RM52,100,000
- Market Value as at 31 December 2024 : RM135,000,000*
- Name of Valuer : IVPS Property Consultants Sdn. Bhd.
- Occupancy as at 31 December 2024: 100%
- Tenant : DHL Information Services (Asia-Pacific) Sdn. Bhd.
- Tenancy Period : 5+5 years from 1 January 2016
- Trade Sector Analysis:
 - By Percentage of Occupied Net Lettable Area – 100% Logistic Tenant
 - By Percentage of Gross Rental – 100% Logistic Tenant
- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM1,040,172

Note:

* On 14 August 2008, the respective pieces of land on which Sentral Building 1 – DHL 1 (then known as Quill Building 1) and Sentral Building 2 – DHL 2 (then known as Quill Building 4) have been amalgamated pursuant to the condition imposed by the Securities Commission during the initial Public Offering of SENTRAL (then known as Quill Capita Trust). As such, the valuations of Sentral Building 1 – DHL 1 and Sentral Building 2 – DHL 2 have been carried out based on the amalgamated properties. The total valuation of the 2 properties amounted to RM135,000,000.

MANAGEMENT DISCUSSION AND ANALYSIS

– PORTFOLIO OVERVIEW

(cont'd)



SENTRAL BUILDING 2 – DHL 2

- Address/Location : 3509 & 3511, Jalan Teknokrat 5, 63000 Cyberjaya, Selangor Darul Ehsan
- Title : HSD 28552, Lot PT 40578, Mukim of Dengkil, District of Sepang, State of Selangor
- Property Type and Age : Commercial Building, 18 years
- Description : 4-storey office building together with a sub-basement and 2 levels basement car park
- Tenure : Term in Perpetuity
- Encumbrances : Charged to Pacific Trustees Berhad as security agent
- Net Lettable Area : 99,183 sq. ft.
- Existing Use : Commercial Building
- Parking Space : 309 lots
- Date of Acquisition : 20 November 2006
- Acquisition Price : RM57,000,000
- Market Value as at 31 December 2024 : RM135,000,000*
- Name of Valuer: IVPS Property Consultants Sdn. Bhd.
- Occupancy as at 31 December 2024: 100%
- Tenant : DHL Information Services (Asia-Pacific) Sdn. Bhd.
- Tenancy Period : 5+5 years from 1 January 2016
- Trade Sector Analysis:
 - By Percentage of Occupied Net Lettable Area – 100% Logistic Tenant
 - By Percentage of Gross Rental – 100% Logistic Tenant
- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM856,262

Note:

* On 14 August 2008, the respective pieces of land on which Sentral Building 2 (then known as Quill Building 1 – DHL 1 and Sentral Building 2 – DHL 2 (then known as Quill Building 4) have been amalgamated pursuant to the condition imposed by the Securities Commission during the initial Public Offering of SENTRAL (then known as Quill Capita Trust). As such, the valuations of Sentral Building 1 – DHL 1 and Sentral Building 2 – DHL 2 have been carried out based on the amalgamated properties. The total valuation of the 2 properties amounted to RM135,000,000.



MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



SENTRAL BUILDING 3 – BMW

- Address/Location : 3501, Jalan Teknokrat 5, 63000 Cyberjaya, Selangor Darul Ehsan
- Title : GRN 169506, Lot 33084, Mukim of Dengkil, District of Sepang, State of Selangor
- Property Type and Age : Commercial Building, 20 years
- Description : 4-storey office building together with a level of sub-basement and a level of basement car park
- Tenure : Term in Perpetuity
- Encumbrances : Charged to Pacific Trustees Berhad as security agent
- Net Lettable Area : 117,198 sq. ft.
- Existing Use : Commercial Building
- Parking Space : 347 lots
- Date of Acquisition : 20 November 2006
- Acquisition Price : RM59,400,000
- Market Value as at 31 December 2024: RM71,000,000

- Name of Valuer : IVPS Property Consultants Sdn. Bhd.
- Occupancy as at 31 December 2024 : 68%
- Major Tenants and Tenancy Details:

Tenant	BMW Asia Technology Centre Sdn. Bhd.
Tenancy Period	10 years from 7 July 2015
Tenant	BMW Malaysia Sdn. Bhd.
Tenancy Period	10 years from 7 July 2015
Tenant	Huawei Technologies (Malaysia) Sdn. Bhd.
Tenancy Period	6+3+3 years from 1 February 2024
Tenant	BMW Credit (Malaysia) Sdn. Bhd.
Tenancy Period	8.8+3+3 years from 1 October 2016

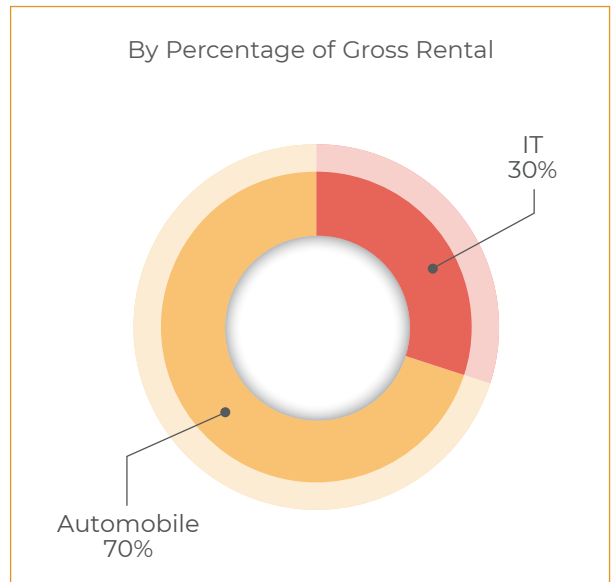
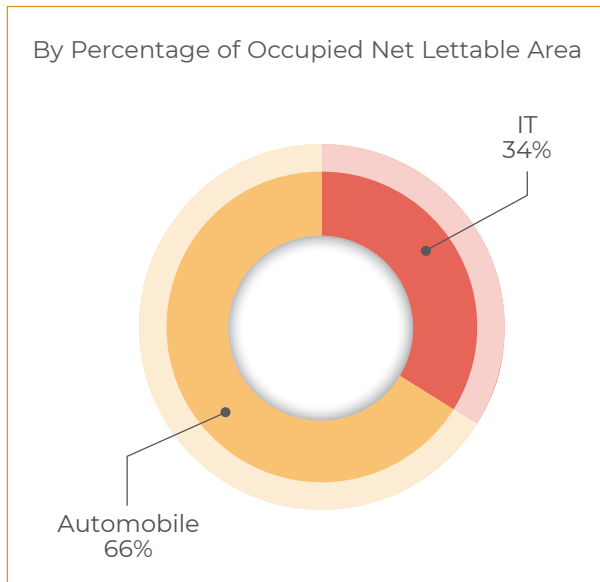
MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



- Trade Sector Analysis:



- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM3,157,231

MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



- Address/Location : 3500, Jalan Teknokrat 3, 63000 Cyberjaya, Selangor Darul Ehsan
- Title : HSD 30755, Lot PT 43966, Mukim of Dengkil, District of Sepang, State of Selangor
- Property Type and Age : Commercial Building, 21 years
- Description : 4-storey office building together with a sub-basement car park
- Tenure : Term in Perpetuity
- Encumbrances : Nil
- Net Lettable Area : 184,453 sq. ft.
- Existing Use : Commercial Building
- Parking Space : 442 lots
- Date of Acquisition : 20 November 2006
- Acquisition Price : RM107,500,000
- Market Value as at 31 December 2024 : RM113,000,000
- Name of Valuer : IVPS Property Consultants Sdn. Bhd.
- Occupancy as at 31 December 2024: 100%
- Tenant : U.C.I. Education Sdn. Bhd
- Tenancy Period : 3+3+3+3 years from 1 January 2024
- Trade Sector Analysis:
 - By Percentage of Occupied Net Lettable Area – 100% Education Centre Tenant
 - By Percentage of Gross Rental – 100% Education Centre Tenant
- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM571,125

MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



WISMA SENTRAL INAI

- Address/Location : 241, Jalan Tun Razak, 50400 Kuala Lumpur
- Title : Geran 43313, Lot No. 1262 Seksyen 67, Bandar Kuala Lumpur, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur
- Property Type and Age : Office Building, 31 years
- Description : 12-storey office building with a mezzanine floor and three split-levels basement car park
- Tenure : Term in Perpetuity
- Encumbrances : Nil
- Net Lettable Area : 233,021 sq. ft.
- Existing Use : Office Building
- Parking Space : 310 lots
- Date of Acquisition : 3 September 2007
- Acquisition Price : RM125,000,000
- Market Value as at 31 December 2024 : RM150,000,000
- Name of Valuer : Nawawi Tie Leung Property Consultants Sdn. Bhd.
- Occupancy as at 31 December 2024 : Vacant
- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM1,153,112

MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



PART OF PLAZA MONT' KIARA

- Address / Location : Plaza Mont' Kiara, No. 2, Jalan Kiara, Mont' Kiara, 50480 Kuala Lumpur
- Title : Parent Lot No. 56054, Mukim Batu, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur
- Property Type and Age : Commercial lots and car parks, 22 years
- Description : An integrated stratified retail/ office commercial units located in Plaza Mont' Kiara within the ground floors of Blocks A & B and Blocks C & D, and at the basement and ground floor of Block E. The car park lots are located in Blocks A, B, C, D and E.
- Tenure : Term in Perpetuity
- Encumbrances : Nil
- Net Lettable Area : 73,408 sq. ft. (excluding 1,506 car park lots)
- Existing Use : Retail and car park
- Parking Space : 1,506 lots
- Date of Acquisition : 3 September 2007
- Acquisition Price : RM90,000,000
- Market Value as at 31 December 2024 : RM113,000,000
- Name of Valuer : Knight Frank Malaysia Sdn. Bhd.
- Occupancy as at 31 December 2024 : 99%
- Tenants : Multi-tenanted retail tenants from various sectors, including banking, food & beverages, beauty & fashion, preschool/ childcare, fitness and convenient marts
- Tenancy Period : Ranging between 1 to 3 years

MANAGEMENT DISCUSSION AND ANALYSIS

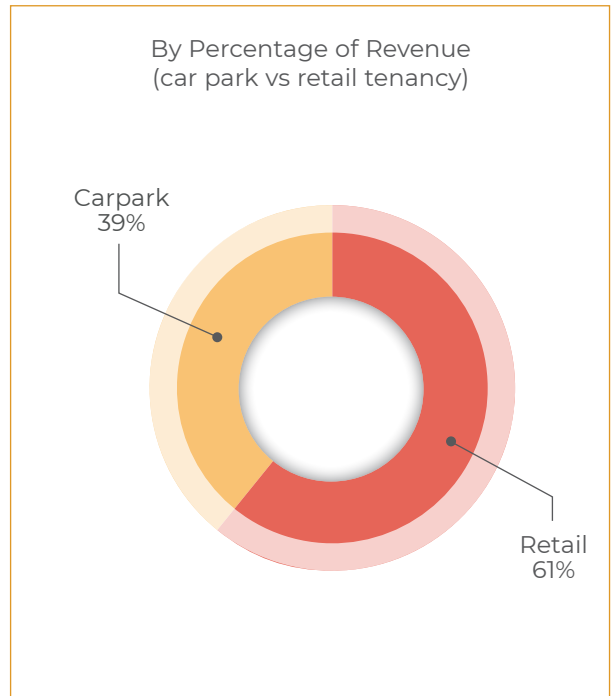
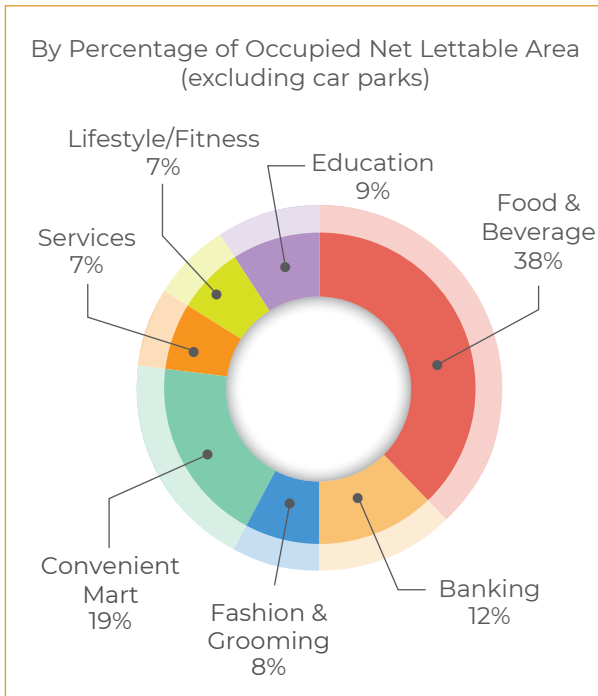
- PORTFOLIO OVERVIEW

(cont'd)



PART OF PLAZA MONT' KIARA
(CONT'D)

- Trade Sector Analysis:



- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM1,940,780

MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



LOTUS'S BUILDING, PENANG

- Address/Location : 1, Lebuhraya Kuning, 11700 Penang
- Title : Geran 77969, Lot No. 778, Section 4, Town of Jelutong, North East District, Penang
- Property Type and Age : Commercial Building, 20 years
- Description : 3-storey purpose built hypermarket
- Tenure : Term in perpetuity
- Encumbrances : Charged to Pacific Trustees Berhad as security agent
- Net Lettable Area : 275,020 sq. ft.
- Existing Use : Commercial building
- Parking Space : 1,050 lots
- Date of Acquisition : 7 November 2008
- Acquisition Price : RM132,000,000
- Market Value as at 31 December 2024 : RM145,000,000
- Name of Valuer : CBRE WTW Valuation & Advisory Sdn. Bhd.
- Occupancy as at 31 December 2024 : 100%
- Tenant : Lotus's Stores (Malaysia) Sdn. Bhd.
- Tenancy Period : 29 October 2004 to 31 August 2032
- Trade Sector Analysis:
 - By Percentage of Occupied Net Lettable Area – 100% Retail Tenant
 - By Percentage of Gross Rental – 100% Retail Tenant
- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM638,938

MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



PLATINUM SENTRAL

- Address/Location: Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur
- Title : GRN 46222, Lot 73 Section 70, Within Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur
- Property Type and Age: Commercial Building, 13 years
- Description: 5 blocks of 4 to 7 storey commercial building comprising office-cum-retail space and 2 levels of car park
- Tenure: Term in Perpetuity
- Encumbrances : Charged to Pacific Trustees Berhad as security agent
- Net Lettable Area: 480,062 sq. ft.
- Existing Use : Commercial building
- Parking Space : 635 lots
- Acquisition Price: RM740,000,000
- Date of Acquisition: 30 March 2015
- Market Value as at 31 December 2024: RM673,000,000
- Name of Valuer : Nawawi Tie Leung Property Consultants Sdn Bhd
- Occupancy as at 31 December 2024: 95%
- Major Tenants and Tenancy Details:

Tenant	Small and Medium Enterprise Corporation Malaysia
Tenancy Period	16+3 years from 1 July 2011

Tenant	SBM Malaysia Sdn. Bhd.
Tenancy Period	3+3+3+3+3 years from 1 Jan 2024
Tenant	Platinum KLS Centre (MYS) Sdn Bhd
Tenancy Period	9+3 years from 18 July 2019; 3.5+3+3 years from 27 Aug 2019 2+2.2+1+3 years from 18 Sept 2020 and 1.76+1+1 year from 17 Feb 2023
Tenant	Johnson Matthey Services Sdn Bhd
Tenancy Period	3+3+3 years from 20 Feb 2023
Remaining Tenants	Multi-tenanted office-cum retail tenants from various sectors including education, food & beverages, clinic, fitness and convenient stores
Tenancy Period	Ranging from 1 year

MANAGEMENT DISCUSSION AND ANALYSIS

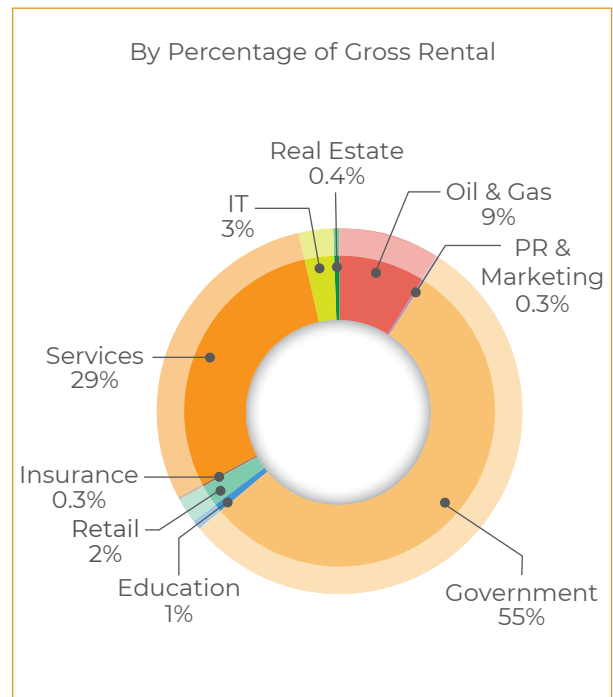
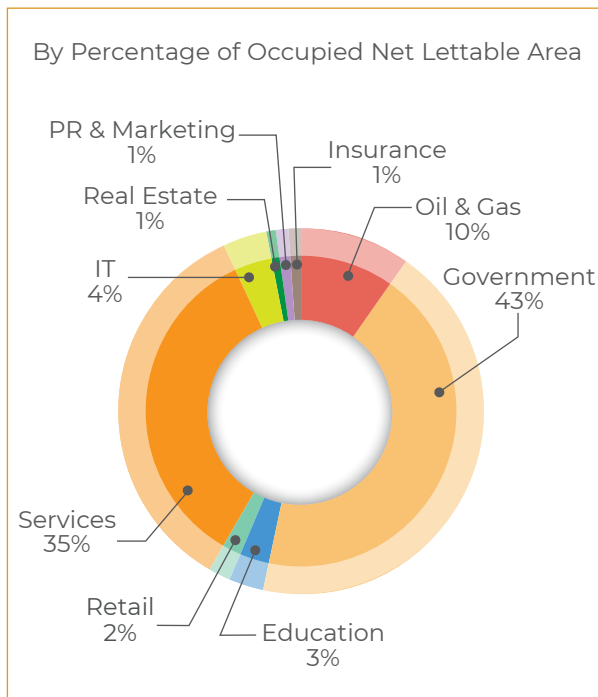
- PORTFOLIO OVERVIEW

(cont'd)



PLATINUM SENTRAL (CONT'D)

- Trade Sector Analysis:



- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM12,456,229



MANAGEMENT DISCUSSION AND ANALYSIS

- PORTFOLIO OVERVIEW

(cont'd)



MENARA SHELL

- Address/Location : 211, Jalan Tun Sambanthan, 50470 Kuala Lumpur
- Title : Parent Lot No. 348, Section 72, Town and District of Kuala Lumpur, Federal Territory of Kuala Lumpur
- Property Type and Age : Commercial Building, 11 years
- Description : 33-storey stratified office building erected on a 5 storey podium and a 4 storey basement car park
- Tenure : Term in perpetuity
- Encumbrances : Charged to Pacific Trustees Berhad as security agent
- Net Lettable Area : 557,458 sq. ft.
- Existing Use : Commercial building
- Parking Space : 925 lots
- Date of Acquisition : 22 December 2016
- Acquisition Price : RM640,000,000
- Market Value as at 31 December 2024 : RM672,500,000
- Name of Valuer : Knight Frank Malaysia Sdn. Bhd.
- Occupancy as at 31 December 2024: 82%

MANAGEMENT DISCUSSION AND ANALYSIS

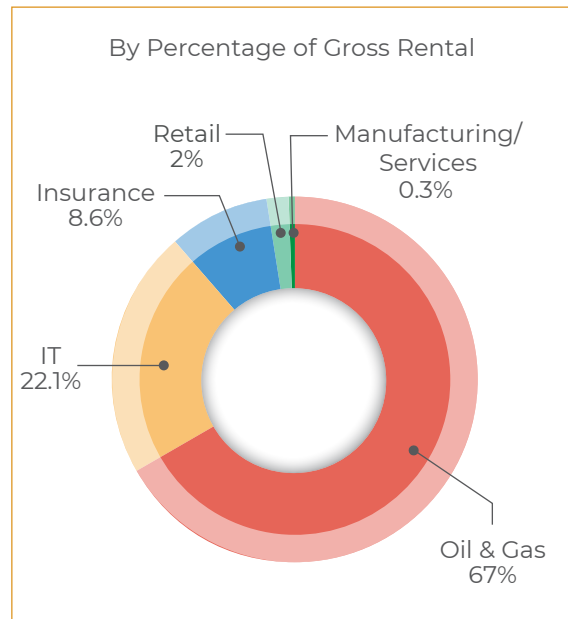
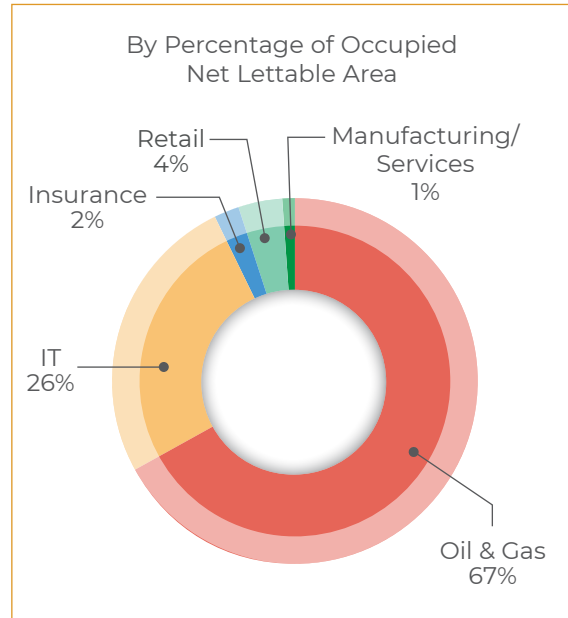
- PORTFOLIO OVERVIEW

(cont'd)

- Major Tenants and Tenancy Details:

Tenant	Shell Malaysia Trading Sdn. Bhd.
Tenancy Period	15+5 years from 1 November 2013
Tenant	Google Services Malaysia Sdn. Bhd.
Tenancy Period	3+3+3+3+3 years from 1 June 2019 3+3+3+3+3 years from 1 April 2020 3+3+3+3+3 from 1 Jul 2022 and 3+3+3+3+3 from 1 Oct 2022
Tenant	Microsoft (Malaysia) Sdn Bhd
Tenancy Period	6+3+3+3 years from 15 July 2018
Tenant	Scor Digital Solutions Asia Pte Ltd (formerly known as ReMark Malaysia Pte Ltd)
Tenancy Period	3+1+1+1 years from 1 October 2018
Remaining Tenants	Office cum retail tenants from various sectors including insurance, IT, banking, food & beverages, clinic, childcare centre and convenient stores
Tenancy Period	Ranging from 1 year

- Trade Sector Analysis:



- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM15,826,388



MANAGEMENT DISCUSSION AND ANALYSIS

– PORTFOLIO OVERVIEW

(cont'd)



MENARA CELCOMDIGI

- Address/Location: No 6, Persiaran Barat, Seksyen 52, PJ Sentral, 46200 Petaling Jaya, Selangor Lumpur
- Title : HSD 277413, Lot No PT 11 Section 52, Town of Petaling Jaya, District of Petaling, Selangor
- Property Type and Age: Commercial Building, approximately 6 years
- Description: A twenty-seven (27) storey purpose-built office building erected on six (6) levels of podium and three (3) levels of basement car park
- Tenure: Leasehold 99 years expiring on 10 November 2110 (Unexpired term of approximately 86 years)
- Encumbrances : Charged to Pacific Trustees Berhad as security agent
- Net Lettable Area: 450,000 sq. ft.
- Existing Use : Commercial building
- Parking Space : 788 lots
- Acquisition Price: RM450,000,000
- Date of Acquisition: 11 December 2023
- Market Value as at 31 December 2024: RM450,000,000
- Name of Valuer : CBRE WTW Valuation & Advisory Sdn. Bhd.
- Occupancy as at 31 December 2024: 100%
- Tenant : Celcom Berhad (formerly known as Celcom Axiata Berhad)
- Tenancy Period :21 years from 1 January 2020
- Trade Sector Analysis:
 - By Percentage of Occupied Net Lettable Area – 100% Telecommunication Tenant
 - By Percentage of Gross Rental – 100% Telecommunication Tenant
- Property Manager : Nexcap Property Consultants Sdn. Bhd.
- Maintenance cost and capital expenditure for the year : RM9,149,807

MANAGEMENT DISCUSSION AND ANALYSIS

– OPERATIONAL REVIEW

OVERVIEW – 2024 OPERATING ENVIRONMENT

In 2024, Malaysia's economy demonstrated robust growth, building upon the recovery observed in 2023. The Gross Domestic Product ("GDP") expanded by 5.9% year-on-year in the second quarter, marking the fastest growth rate in the last few quarters, driven by strong domestic demand, continued export expansion, and increased household spending. This positive trajectory continued into the third quarter, with the economy growing by 5.3% year-on-year, supported by strong investment and private consumption. For the overall year, Malaysia's 2024 GDP was higher at 5.1%, compared to the GDP registered in 2023 of 3.7%.

The services sector remained a significant contributor, bolstered by increased tourism and consumer spending. The construction sector also experienced growth, driven by ongoing infrastructure projects and investments in commercial and residential developments.

The financial markets had reflected this economic vigour. The Kuala Lumpur Composite Index (KLCI) experienced a notable rally, climbing higher in four straight sessions and reaching just shy of the 1,630-point plateau by the end of December 2024. The Real Estate Investment Trust (REIT) sector also saw positive momentum, with increased investment activities across various asset classes, bringing the total market capitalisation for M-REITs to approximately RM49 billion at the end of 2024. Despite global economic uncertainties, the sector remained resilient, supported by strong domestic demand and a gradual improvement in tourist arrivals.

Bank Negara Malaysia ("BNM") maintained the Overnight Policy Rate ("OPR") at 3.00% throughout 2024, balancing the need to support economic growth while managing inflationary pressures. Headline inflation remained steady around 2% year-on-year during June, July, and August, reflecting broadly stable cost and demand conditions.

The bond market saw upward trends in Malaysian Government Securities ("MGS") and corporate bond yields, influenced by global monetary movements. Despite the high-interest-rate environment, the REIT sector continued to offer attractive yields, maintaining its appeal as a defensive investment option.

Overall, Malaysia's economic performance in 2024 was characterized by strong growth, resilient financial markets, and prudent monetary policy, setting a solid foundation for continued economic stability and development in the coming years.

The Klang Valley office demonstrated positive performance in the first three quarters of 2024 with improved occupancy and rent levels. As at the end of 2024, the cumulative existing supply stands at circa 118.3 million sq. ft. The volume of future office supply in Klang Valley is estimated at 2.3 million sq. ft. with a balanced supply from both Kuala Lumpur and Selangor or 1.3 million sq. ft. and 1.0 million sq. ft., respectively. The Klang Valley overall occupancy rate experienced a slight improvement from 73.2% in 2023 to 73.8% in 2024 boosted by uptick in occupancy in Selangor. Meanwhile, occupancy rates in the Cyberjaya sub-market declined marginally by 0.5% to 69.8% from the previous year's rate of 70.3%. In terms of outlook, the KL City office market will still be tenant-driven with the supply-demand gap remains apparent with the "flight to quality" trend. The fringe office market is expected to remain stable due to the sustained demand for quality spaces in decentralised locations with available infrastructure and good public transportation. Notwithstanding the challenges ahead, various government initiatives to stimulate growth in various sectors such as the technology, co-working space and green/sustainable initiatives are expected to positively impact the office market sector with opportunities for office space requirements.

(Source: Property Market Overview 2024 prepared by Knight Frank Malaysia Sdn. Bhd. for SENTRAL as at 13 January 2025)

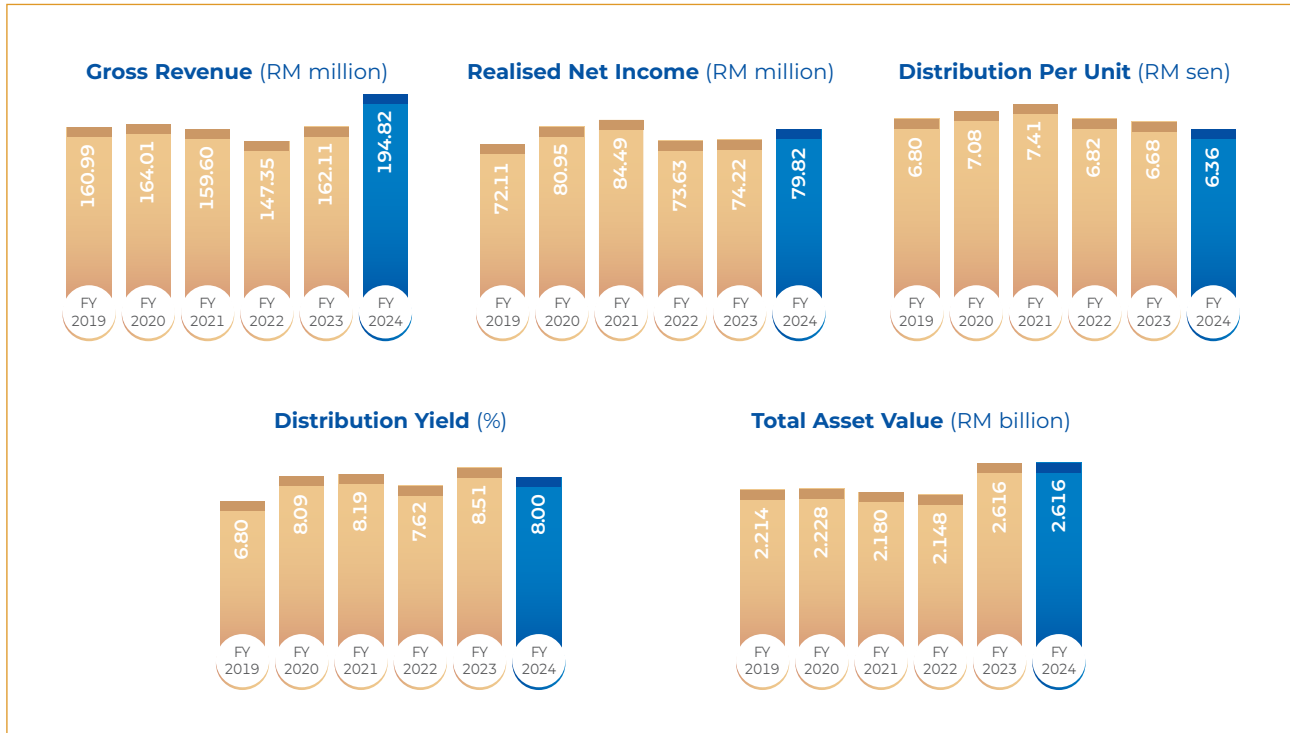


MANAGEMENT DISCUSSION AND ANALYSIS

– OPERATIONAL REVIEW

(cont'd)

FINANCIAL PERFORMANCE



For financial year ended 31 December 2024 ("FY2024"), SENTRAL recorded gross revenue of RM194.82 million, an increase of approximately RM32.7 million or 20.2% compared to RM162.11 million recorded in financial year ended 31 December 2023 ("FY2023"). The increase was mainly due to higher revenue generated from Menara CelcomDigi (which was included to the portfolio since 11 December 2023), Sentral Building 4, Sentral Building 3, Sentral Building 1 and 2, and the impact of revenue straight-lining over the lease term pursuant to requirements of MFRS 16 Leases. Correspondingly, it recorded a net property income of approximately RM150.37 million for FY2024, representing an increase of 20.4% as compared to RM124.9 million recorded in the preceding financial year.

SENTRAL recorded a total realised income and distributable income of RM79.82 million for FY2024, an increase of 7.5% from the total realised income and distributable income of RM74.22 million for FY2023. The increase is mainly due to the higher net property income net off higher finance cost incurred during the year. Correspondingly, the Realized Earnings Per Unit ("EPU") and distributable income per unit for FY2024 was 6.68 sen, which is approximately 2.91% lower compared to the EPU and distributable income per unit of 6.88 sen recorded in FY2023.

Taking into consideration the on-going uncertainties and challenging operating landscape, SENTRAL's financial performance in FY2024 was satisfactory with its financial performance meeting market consensus. The financial results in FY2024 were anchored by the stable performance of its properties in KL Sentral and its enhanced portfolio with the inclusion of Menara CelcomDigi, as well as the ability of the Manager to manage operational cost effectively during the year. The Manager was focused in deploying its on-going asset management and leasing strategies centred on tenant retention as well as prudent cost management to achieve sustainable occupancy and income contribution in FY2024. Through these efforts, SENTRAL recorded an improved weighted average lease expiry profile ("WALE") and average occupancy rate of 4.76 years and 84% respectively, as at 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

- OPERATIONAL REVIEW

(cont'd)

Distribution to Unitholders

In line with the Restated Trust Deed dated 2 December 2019 and Supplemental Trust Deed dated 24 December 2020, SENTRAL has maintained its policy of distributing at least 90% of its distributable income at least semi-annually.

On 22 January 2025, the Board had declared a final Distribution Per Unit ("DPU") of 3.15 sen for the period from 1 July 2024 to 31 December 2024 which was paid out to unitholders of SENTRAL on Friday, 28 February 2025.

FY2024 DPU of 6.36 sen consist of the following distribution declared:

1.	First interim distribution for the period from 1 January 2024 to 30 June 2024 which was paid to SENTRAL unitholders on 18 September 2024	3.21 sen
2.	Proposed final distribution for the period from 1 July 2024 to 31 December 2024	3.15 sen
FY2024 DPU		6.36 sen

The Trustee and the Board of the Manager did not recommend any further distribution for FY2024.

On a year-on-year comparison, the FY2024 DPU of 6.36 sen is 4.8% lower than the FY2023 DPU of 6.68 sen. This translates to a distribution yield of 8.00% based on the closing price of RM0.795 per unit as at 31 December 2024.

BUSINESS PERFORMANCE

(A) Portfolio Highlights

As at 31 December 2024, SENTRAL's portfolio investment comprised ten (10) commercial buildings with four (4) located in Cyberjaya, four (4) in Kuala Lumpur, one (1) in Penang and one (1) property in Petaling Jaya. SENTRAL continued to receive steady income from this portfolio of assets in FY2024. For further details of each property, kindly refer to SENTRAL's Portfolio Overview on pages 13 to 26.

Revaluation of Properties as at 31 December 2024

Summarised below is the latest valuation of SENTRAL's portfolio of properties as at 31 December 2024:

Name of Properties	Valuation as at 31 Dec 2024 (RM'000)	Valuation as at 31 Dec 2023 (RM'000)	% of Investment (%)
Sentral Building 1-DHL 1 and Sentral Building 2-DHL 2	135,000	135,000	5.4
Sentral Building 3-BMW	71,000	71,000	2.8
Sentral Building 4	113,000	108,000	4.5
Wisma Sentral Inai	150,000	154,000	5.9
Part of Plaza Mont' Kiara	113,000	113,000	4.5
Lotus's Building Penang	145,000	145,000	5.7
Platinum Sentral	673,000	673,000	26.7
Menara Shell	672,500	672,500	26.7
Menara CelcomDigi	450,000	450,000	17.8
Total Investment Properties	2,522,500	2,521,500	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

– OPERATIONAL REVIEW

(cont'd)

BUSINESS PERFORMANCE (cont'd)

(A) Portfolio Highlights (cont'd)

The annual valuation of SENTRAL's portfolio of properties was conducted at the close of FY2024. SENTRAL's total portfolio registered a portfolio value of RM2.523 billion for FY2024 compared to the net book value as at 31 December 2024¹ of RM2.524 billion, translating to a revaluation loss of RM1.34 million. The portfolio revaluation loss was mainly due to the capitalisation of enhancement works for selected properties.

The fair valuation loss on investment properties recognized in the Consolidated Statement of Comprehensive Income amounts to RM5.00 million. The reconciliation between the decrease in investment properties and fair value loss is as follows:

	RM'000
Decrease in investment properties as per 31 December 2024 valuation	(1,337)
Add: Unbilled lease income receivable	(3,670)
Fair value loss of investment properties (Unrealised)	(5,007)

Upon incorporating the fair value loss of investment properties, the total Net Asset Value ("NAV") and NAV per unit (after income distribution) are RM1.348 billion and RM1.1277 per unit, respectively (FY2023 total NAV and NAV per unit (after income distribution) were RM1.345 billion and RM1.1253 per unit respectively).

Notes:

1. The Net Book Value as at 31 December 2024 (prior to the revaluation) for the properties comprise of the brought forward net book value as at 31 December 2023 together with asset enhancement related costs incurred in FY2024

Property Portfolio Summary Information

Portfolio details	FY2024	FY2023
No of Assets – Commercial Real Estates ⁽¹⁾	10	10
Valuation of Investment Properties (RM'000)	2,522,500 ⁽³⁾	2,521,500 ⁽²⁾
Net Lettable Area ("NLA") (sq. ft.)	2,562,087	2,565,063
Portfolio Occupancy rate (%)	84	89
Weighted Average Lease Expiry (years)	4.76	5.65
Renewal Rate (%)	65	82.4

Notes:

- 1) SENTRAL's composition of investment portfolio consists of only real estate assets
- 2) After taking into account the accrued rental income of RM14.48 million as required under MFRS 140, paragraph 50, the investment properties amount as shown in the Consolidated Statement of Financial Position is RM2.52 billion
- 3) After taking into account the accrued rental income of RM18.15 million as required under MFRS 140, paragraph 50, the investment properties amount as shown in the Consolidated Statement of Financial Position is RM2.53 billion

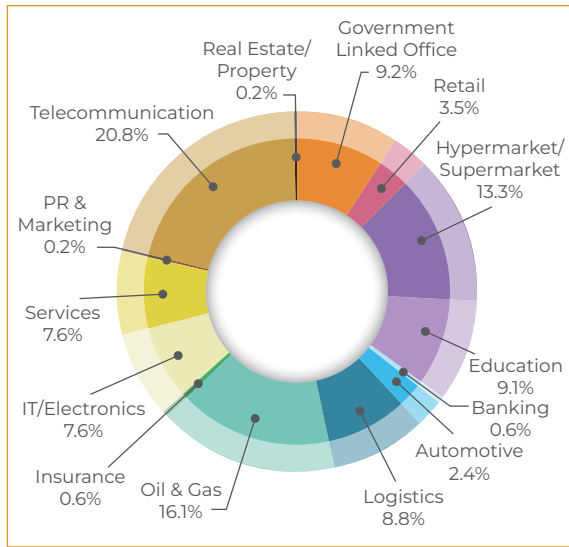
MANAGEMENT DISCUSSION AND ANALYSIS

- OPERATIONAL REVIEW (cont'd)

BUSINESS PERFORMANCE (cont'd)

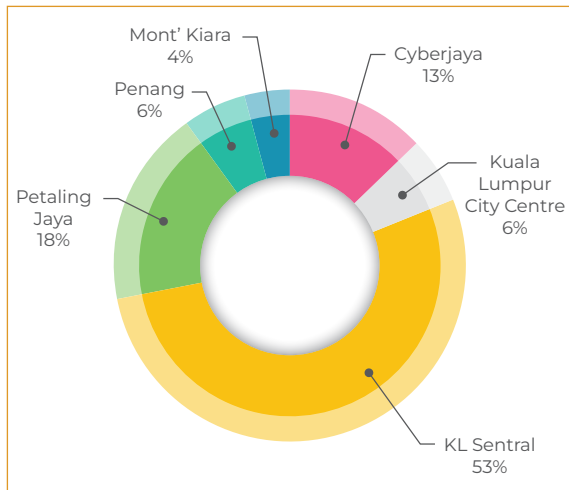
(A) Portfolio Highlights (cont'd)

A Well Balanced Tenancy Mix (By Net Lettable Area)



Geographical Diversification (by Valuation)

10 properties well spread over Cyberjaya, Kuala Lumpur, Selangor and Penang.

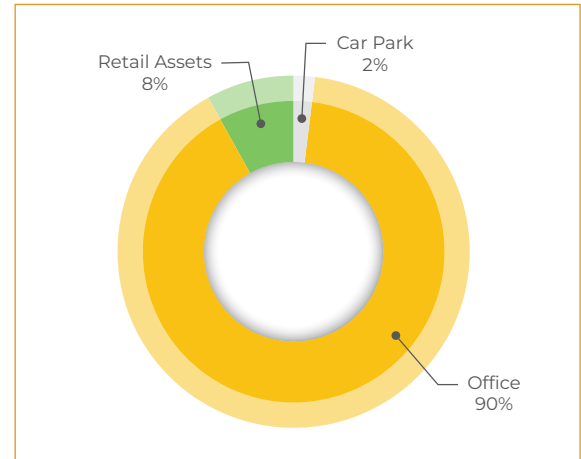


Klang Valley	81%
Cyberjaya	13%
Penang	6%

Note:

- (1) Based on valuation dated 31 December 2024

Segmental Contributions (By Valuation)



Notes:

- (1) Office comprises Sentral Buildings, Platinum Sentral, Menara Shell, Wisma Sentral Inai and Menara CelcomDigi
- (2) Retail Assets refers to retail portion of Plaza Mont' Kiara & Lotus's Building Penang
- (3) Car Park refers to car parking bays in Plaza Mont' Kiara
- (4) Based on valuation dated 31 December 2024

(B) Review of Operation Activities

Overall, the Klang Valley office market demonstrate positive performance in year 2024, marked by growth in occupancy rates and rents. While leasing activities have picked up momentum in 2024 in comparison the previous year, the operating environment remained tenant driven and challenging due to oversupply conditions in selected areas in Klang Valley especially in the central business district of Kuala Lumpur. The older offices continue to experience downward pressure on occupancy and rental levels. In contrast, market demand for office spaces in KL Fringe remain stable attributed to sustained demand for decentralised location with available infrastructure and highly accessible rail networks.

MANAGEMENT DISCUSSION AND ANALYSIS

– OPERATIONAL REVIEW

(cont'd)

BUSINESS PERFORMANCE (cont'd)

(B) Review of Operation Activities (cont'd)

Leasing enquiries and activities in 2024 were robust as corporates continued to drive by operational improvements as part of their longer-term strategic business direction. The influx of newly completed commercial and office buildings, provided the catalyst for a stronger “flight to quality” and “flight to green” trend by corporates embarking on these operational changes. Specifically, corporate tenants were seeking new office spaces that can provide workspace flexibility, enhanced facilities, and advance information & technology (“IT”) infrastructure to ensure the continuity and sustainability of their business operations.

While the flexible or hybrid work arrangements have become a permanent operating mode for some corporates, we believe that this shift will not eliminate the importance of office space for work and collaboration. Demand for office space in Klang Valley in 2024 remains stable bolstered by the need for physical presence in key locations within the city centre or in key business districts. Further, collaboration between landlords and co-working space providers has enhanced office space offerings with flexibility to suit each corporates’ essential business requirements. These sustained office occupier requirements coupled with the availability of quality office buildings, illustrates the improved performance of the Klang Valley office market during the year. In terms of sectors, the growing office demand is still predominantly from the services sector, serviced offices, shared service operations, business process outsourcing sector (“BPO”), IT and technology-based sectors. While the oil & gas and financial services sectors are still the key office occupiers in Klang Valley, these sectors have remained cautious in its rental commitments in 2024.

Leasing

SENTRAL’s leasing strategy continues to focus on improving its tenant retention rate, maintaining a stable weighted average lease expiry (“WALE”) and stabilising its portfolio’s occupancy rate.

SENTRAL had approximately 282,000 sq. ft. or 14% of its total committed NLA due for renewal in 2024. The Manager’s leasing and asset management strategies throughout the year had confirmed a take-up rate of approximately 183,000 sq. ft. of NLA or approximately 65% of the total leases due in 2024. The lower retention rate recorded in 2024 was mainly due to the non-renewal of leases in Platinum Sentral and Menara Shell. Notwithstanding, we are pleased to highlight that approximately 20,000 sq. ft. of vacant spaces were successfully leased in 2024. Correspondingly, SENTRAL recorded an average occupancy rate of 84% as of 31 December 2024. SENTRAL recorded a healthy portfolio occupancy which is above the Klang Valley office market average occupancy rate of 78% in 2024.

Moving forward to 2025, competition in the Klang Valley office market is anticipated to remain challenging in a midst of the on-going oversupply condition in certain localities. Competition from newer buildings offering competitive rental rates will continue to be the key leasing risk for SENTRAL. To mitigate this, strong tenant management and tenant retention will continue to be SENTRAL’s key focus in 2025. With the positive leasing outcomes achieved in 2024, the Manager will continue to pursue SENTRAL’s on-going marketing programmes for leases due in 2025, which are predominantly from SENTRAL’s Cyberjaya properties. Part of SENTRAL’s tenant management strategies include periodic tenant engagements to understand tenants’ requirement regarding building specifications and amenities. These requirements will also be prioritised when planning for SENTRAL’s yearly asset enhancement. We believe that these enhancements are necessary to ensure our properties remain competitive and relevant.

SENTRAL will leverage on new and existing networks to market existing vacant spaces in SENTRAL’s portfolio with the focus on bringing in new tenants from the IT, oil & gas, e-commerce, serviced office and shared services sectors. SENTRAL will also evaluate the possibility of enhancing and/or repurposing some of its existing buildings to cater for non-office utilisation where possible or divestment, if the said proposal meets SENTRAL’s divestment criteria.

MANAGEMENT DISCUSSION AND ANALYSIS

- OPERATIONAL REVIEW

(cont'd)

BUSINESS PERFORMANCE (cont'd)

(B) Review of Operation Activities (cont'd)

Asset Management

SENTRAL embarks on refurbishments and building enhancement initiatives on a yearly basis mainly aimed at promoting a conducive work environment for tenants and prioritising a safer and sustainable environment, in alignment with tenants' health and safety as well as Environment, Social and Governance ("ESG") goals.

As part of its commitment to sustainability, SENTRAL also aims to further augment its green footprint by progressively increasing its composition green buildings in its portfolio. Green buildings and buildings with green features in SENTRAL's existing portfolio comprise Platinum Sentral, Menara Shell and Menara CelcomDigi. The inclusion of Menara CelcomDigi in its portfolio since December 2023 has increased the percentage of SENTRAL's green buildings from 65.0% to 71.2% and 49.2% to 58.2% in terms of portfolio valuation and NLA, respectively. Certified as a LEED Gold Green Building in November 2020, Menara CelcomDigi was designed to meet stringent sustainability criteria, ensuring long-term energy efficiency. Building on this momentum, SENTRAL had in 2023 and 2024 embarked on green building accreditation gap analysis for some of its existing buildings to assess the feasibility of upgrading existing properties to meet higher sustainability standards. This will help SENTRAL to determine the green enhancements that is feasible and applicable for the buildings in planning for its future enhancements. Following the assessment performed in 2024, Platinum Sentral and Sentral Building 3 have been identified to pursue the certification for LEED Operations and Maintenance ("O+M") Gold and LEED O+M Silver, respectively. Upgrading works such as water management, air quality management and energy efficiency management are in progress to comply with the above green building certification guidelines. SENTRAL aims to secure the LEED certification Sentral Building 3 by 4Q2025. On 3 March 2025, Platinum Sentral had been certified with LEED O+M Gold certificate.

Further reinforcing its ESG commitments, SENTRAL plans to introduce additional sustainability initiatives in 2025 which includes the installation of Solar Photovoltaic System and Electric Vehicle ("EV") Charging Station at selected buildings within the portfolio. These initiative will be rolled out in phases throughout 2025.

(C) Review of Investment and Divestment Activities

The investment objective of SENTRAL is to acquire and invest in commercial properties primarily in Malaysia with a view to provide long-term growth and sustainable distribution of income to unitholders and to achieve long-term growth in the net asset value per unit of SENTRAL.

SENTRAL's investments are subject to the investment limits imposed under the Securities Commission's Listed REIT Guidelines ("Listed REIT Guidelines") and Bursa Securities Main Market Listing Requirements ("Listing Requirements"). SENTRAL shall continue to comply with these guidelines and other requirements imposed by the relevant authorities from time to time.

SENTRAL remains focused in achieving its key investment objectives while seeking additional income growth and enhancement of SENTRAL's property portfolio over time through the following strategies:

1. Acquisition Growth and Portfolio Management Strategy

The Manager seeks to prudently acquire additional properties that meet the investment criteria to enhance yields and returns while improving portfolio diversification. The acquisition strategy takes into consideration rental yield, occupancy and tenant characteristics, location, value-adding opportunities, and building and facilities specifications.

While office sector serves as a cornerstone of SENTRAL's portfolio, the Manager also seeks to explore diversified asset classes as part of its growth and acquisition strategy. SENTRAL is open to opportunities in other asset classes, including but not limited to retail, industrial, education and healthcare if such opportunities are deemed fit for investment and provide sustainable returns to SENTRAL's unitholders.

MANAGEMENT DISCUSSION AND ANALYSIS

- OPERATIONAL REVIEW

(cont'd)

BUSINESS PERFORMANCE (cont'd)

(C) Review of Investment and Divestment Activities (cont'd)

1. Acquisition Growth and Portfolio Management Strategy (cont'd)

SENTRAL intends to hold the properties on a long-term basis. However, at the appropriate time, the Manager will recommend an adjustment of the property portfolio mix through acquisition or sale of one or more of the authorised investments or commercial properties with the objective of maximising total returns to unitholders. The proceeds from such sales would be either deployed to purchase other attractive authorised investments or, in the absence of appropriate investments, to pare down borrowings or to be distributed to unitholders.

2. Active Asset Management Strategy

To increase the property yield of existing commercial space and correspondingly maximising returns from the existing commercial space, the following strategies have been implemented:

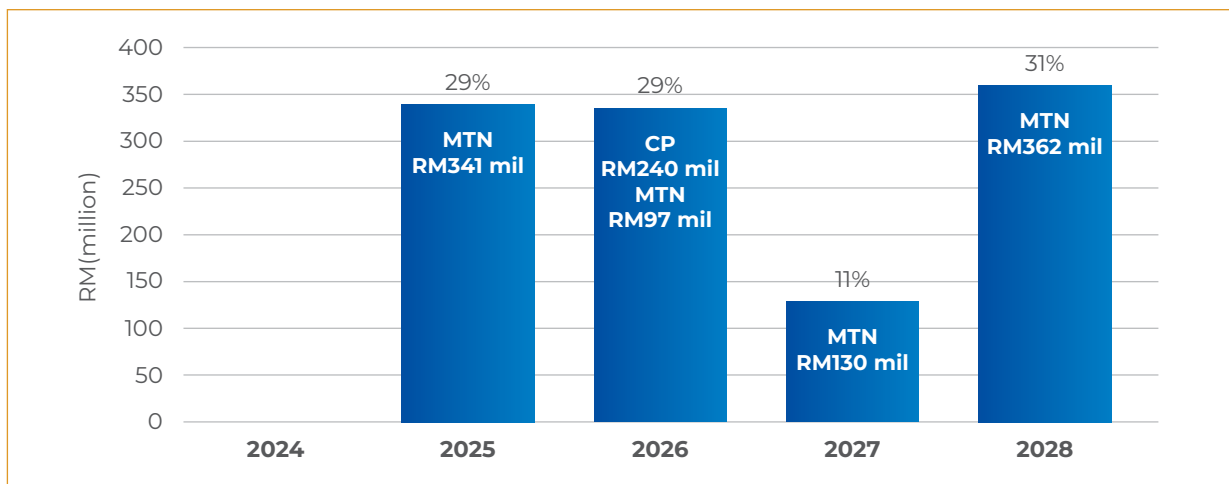
- Maximization of tenant retention through proactive tenant management and efficient property related services;
- Diversification of tenant base to balance exposure to certain business sectors that are more susceptible to general economic cycles;
- Implementation of proactive marketing plans;
- Continued optimization of property expenses without compromising the quality and services; and
- Asset enhancement by constantly improving and maintaining the quality and physical condition of the properties.

Investment/Divestment Activities in 2024

There were no other acquisitions and/or divestments in 2024.

(D) Capital Management

SENTRAL continues to stay disciplined and prudent in its capital management. SENTRAL's debt maturity profile remains well-distributed with SENTRAL's next refinancing exercise in 2025, as depicted below. Approximately 29% or RM341 million of SENTRAL's total debt will be maturing in 2025 and the progress of the refinancing exercise is on schedule for a timely completion by end March 2025.



Notes:

1. MTN - Medium Term Notes
2. CP - Commercial Papers

MANAGEMENT DISCUSSION AND ANALYSIS

- OPERATIONAL REVIEW

(cont'd)

BUSINESS PERFORMANCE (cont'd)

(D) Capital Management (cont'd)

Summarised below is SENTRAL's financial indicators which have remained stable in FY2024:

Details	FY 2024	FY 2023
Total Debt (RM' million)	1,166.01	1,165.13
Average Cost of Debt (% p.a.)	4.39	4.40
Average Debt to Maturity (years)	2.09	3.10
Gearing Ratio (%)	44.58	44.54
Interest Coverage (%)	2.48	3.07
Fixed and Float Rate Composition (%)	24% Fixed/76% Float ¹	24% Fixed/76% Float

Note:

1. On 9 January 2025, SENTRAL entered into an interest rate swap arrangement converting RM317 million of its floating-rate debt instruments to a fixed interest rate, alternating the composition of fixed and float rate debt to 51% and 49%, respectively.

SENTRAL's gearing ratio of 44.58% as at 31 December 2024 is within the Listed REIT Guidelines requirement where borrowings must not exceed 50% of the total asset value.

(E) Risk Management

Risk management is an integral part of SENTRAL's business as it ultimately supports the business in meeting its business objectives and strategies, and consequently creating and preserving value for its unitholders. Explained below are the key risks affecting SENTRAL's operations and control measures adopted to mitigate such risks.

Business Risk

Strong competition, poor economic and market conditions and over supply of commercial space are some of the key factors that could result in lessees/key tenants not renewing their leases or reduced rental rates which adversely affect the leasing performance of SENTRAL's properties. To deal with such challenges, mitigating actions taken are:

- Establishing a diversified tenant base across SENTRAL's portfolio with a good mix of high-quality multinational and large local conglomerate tenants from various sectors/industries;
- Active engagement of key strategic tenants to understand and meet their needs;
- Asset enhancement and maintenance initiatives to maintain the quality of SENTRAL's properties to be the preferred choice for tenants; and
- Lease negotiation well ahead of lease expiry and locking tenants in for longer lease term.

Credit Risk

Credit risk is the potential earnings volatility caused by tenants' inability and/or unwillingness to fulfil their contractual lease obligations, as and when they fall due. There is a stringent collection policy in place to ensure that credit risk is minimised. In addition to the requirement for upfront payment of security deposit of an amount typically equivalent to three months' rent, the Manager also establishes vigilant monitoring and debt collection procedures. Specifically, we have an ageing analysis in place to monitor the credit quality of the receivables. More stringent monitoring of receivable with significant balances past due more than 30 days will be conducted as they are deemed to have higher credit risk.

MANAGEMENT DISCUSSION AND ANALYSIS

- OPERATIONAL REVIEW

(cont'd)

BUSINESS PERFORMANCE (cont'd)

(E) Risk Management (cont'd)

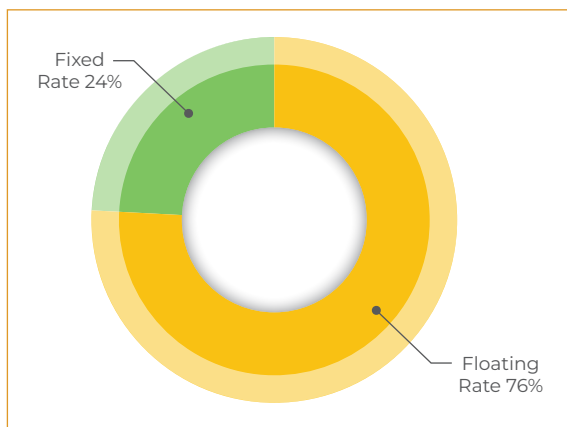
Liquidity Risk

Liquidity risk exposure arises principally from SENTRAL’s various payables, loans and borrowings. SENTRAL maintains a level of cash and cash equivalents and bank facilities deemed adequate by the Manager to ensure, as far as possible, that it will have sufficient liquidity to finance the operations, to distribute income to unitholders, and to mitigate the effects of fluctuations in cash flows. SENTRAL continues to prioritise managing cash flow and exercising financial discipline. Based on SENTRAL’s current performance, it has continued to distribute semi-annually.

Interest Rate Risk

SENTRAL’s interest rate risk policy to maintain majority fixed rate borrowings for all its existing debts to mitigate interest rate fluctuations and to provide certainty of income contribution to SENTRAL.

However, subsequent to the additional financing of RM362 million in December 2023 facilitated under the 20-year Kinabalu Capital Sdn Bhd MTN Programme to partly finance the acquisition of Menara CelcomDigi, a sizeable portion of SENTRAL’s borrowings remained on floating interest rate as at 31 December 2024.



The OPR was kept at 3.00% since May 2023 and in 2025, it is anticipated that BNM will keep monetary policy unchanged as it views current OPR level as supportive of the economy and is consistent with the current assessment of inflation and growth prospects.

Any change in monetary policy will be guided on how the overall domestic inflation and domestic growth performs.

Notwithstanding, pursuant to a proactive capital management strategy, SENTRAL entered into an interest rate swap arrangement converting RM317 million of its floating-rate debt instruments to a fixed interest rate. With this measure, 51% of SENTRAL’s borrowing is on fixed interest rate effective on 9 January 2025, minimizing exposure to interest rate volatility in an unpredictable market environment.

On-going reviews will continue to be carried out to achieve an optimal mix of fixed and floating rate borrowings. Meanwhile in the mid-term, a balanced approach to SENTRAL’s capital management and debt composition will be adopted. This includes focusing on maintaining the current fixed and floating rate borrowing composition when considering new financing and/or refinancing exercises, to provide income stability to SENTRAL.

Health and Safety Risk

The experience of the Covid-19 pandemic has given everyone a heightened awareness of the role the building’s surrounding in ensuring our tenants’ health and wellbeing is prioritised. To mitigate the risk of infectious diseases, accidents or occurrence of safety hazards, it is essential for SENTRAL to design and implement health and safety measures to boost workplace safety and hygiene. The essential safety considerations include regular testing and checking of firefighting equipment, escape routes, ventilation systems, lighting systems as well as cleanliness and hygiene of common areas. At SENTRAL, high importance is placed on managing health and safety, therefore assessment or such risk will be done periodically to ensure appropriate control and mitigation measures are put in place.

Compliance Risk

SENTRAL is required to comply with the relevant legislations and regulations that include the Capital Markets and Services Act 2007, the Listing Requirements, Listed REIT Guidelines and the tax rulings issued by the Inland Revenue Board of Malaysia on the taxation of SENTRAL and its unitholders. As a listed REIT, non-compliance of the above will impact not only SENTRAL’s financial performance but will have deep repercussion on its reputation.

MANAGEMENT DISCUSSION AND ANALYSIS

- OPERATIONAL REVIEW

(cont'd)

BUSINESS PERFORMANCE (cont'd)

(E) Risk Management (cont'd)

Compliance Risk (cont'd)

As part of the requirements set out in the Listed REIT Guidelines, SENTRAL is required to appoint a Compliance Officer who is required to proactively identify applicable laws and regulatory obligations, and any updates or changes therein and ensure that SENTRAL's day-to-day operations comply with these requirements. The Manager has in place a monitoring framework that tracks SENTRAL's compliance of these applicable legislations and regulations on an on-going basis. The Compliance Officer will also have to periodically monitor the operations of SENTRAL to ensure that there are no breaches to the covenants of the Trust Deed and any other contracts/agreements entered into by SENTRAL with third parties. The Compliance Officer provides a compliance update to the Audit & Risk Committee on a quarterly basis.

Further details of SENTRAL's governance and internal control framework and can be found in the Corporate Governance Overview Statement and Statement of Risk Management and Internal Control sections of this Annual Report.

OUTLOOK AND PROSPECTS

The Ministry of Finance's Economic Outlook for 2025 projects that most economic sectors are projected to expand on the supply side, led by the construction, services, and manufacturing sectors, with GDP growth forecasted at 4.5%-5.5%. The real estate and business services subsector is expected to grow by 5.4%, driven by an increase in non-residential and residential transactions. The implementation of the New Industrial Master Plan (NIMP) 2030 will further boost the non-residential buildings subsector by fostering a robust ecosystem to attract investments, aligning with national priorities for industrial transformation. Additionally, targeted fiscal measures, such as the revision of fuel subsidies and expansion of the Sales and Services Tax (SST), aim to enhance fiscal sustainability and improve investor confidence. These policies, along with ongoing infrastructure projects under the Twelfth Malaysia Plan, are set to create a favourable environment for the growth of Malaysia's property and industrial sectors.

Several initiatives have been introduced to bolster the office market, aiming to sustain and enhance the sector's strong performance in 2024. Budget 2025 introduces tax incentives for flexible working arrangements, driving demand for adaptable office spaces and hybrid work models. Repurposing vacant government offices and expanding co-working spaces underscore a shift toward flexibility. Strong market demand and ambitious growth plans highlight the ongoing transformation of office spaces to meet evolving business needs. Additionally, the establishment of Malaysia's National AI Office is expected to drive continued growth in the tech sector to position Malaysia as a potential regional AI hub, and consequently boost demand for office spaces in the medium to long term. To further support the business industry, the Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE) have been extended till December 2025 to encourage sustainable initiatives.

(Source: Property Market Overview 2024 prepared by Knight Frank Malaysia Sdn. Bhd. for SENTRAL as at 13 January 2025)

The market challenges in the Klang Valley office market is expected to persist in 2025 as future supply of office space in Klang Valley continue to come on steam and outweigh demand especially in the KL City Centre. However, these pressures are expected to be cushioned by the eventual improvement in the economy through the government initiatives to revive the country's economy and wellbeing.

The challenging sector outlook will exert pressure on SENTRAL's operation. Notwithstanding, the Manager believes that SENTRAL's operation will be able to sustain these challenges as it remains cautious and vigilant while staying firmly dedicated to fostering sustainable growth and delivering consistent returns. Economic conditions are anticipated to remain uncertain in 2025, with inflationary pressures continuing to pose challenges. In response, SENTRAL will prioritise asset management and leasing strategies focused on cost efficiency and tenant retention to drive organic growth. Simultaneously, SENTRAL will seek growth opportunities by actively exploring acquisitions, broadening its focus to include a diversified asset base, while adhering to a disciplined and prudent growth strategy.

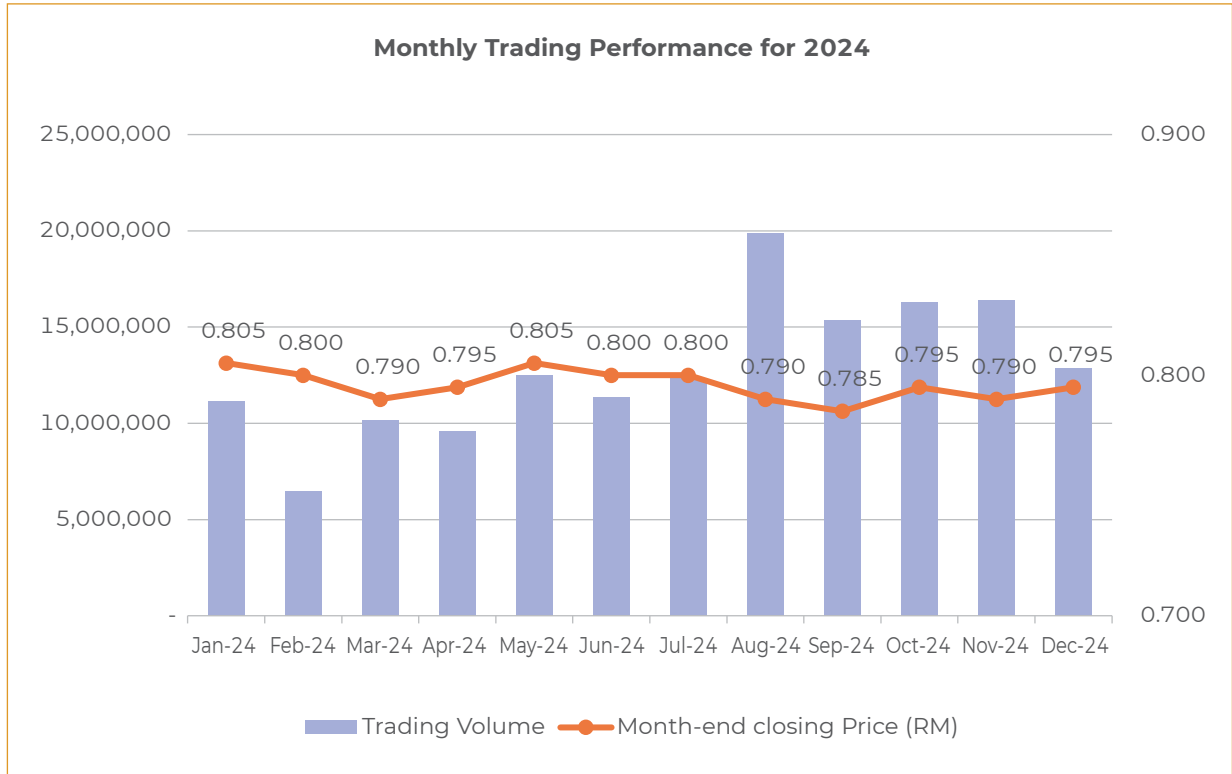
MANAGEMENT DISCUSSION AND ANALYSIS

- TRADING PERFORMANCE AND INVESTOR RELATION

(A) TRADING PERFORMANCE

Unit Price Performance

SENTRAL's Monthly Trading Performance for 2024



	Trading Volume	Month-end Closing Price (RM)
Jan-24	11,160,800	0.805
Feb-24	6,486,200	0.800
Mar-24	10,566,000	0.790
Apr-24	9,569,200	0.795
May-24	12,513,400	0.805
Jun-24	11,360,600	0.800
Jul-24	12,325,800	0.800
Aug-24	19,864,500	0.790
Sep-24	15,536,300	0.785
Oct-24	16,275,600	0.795
Nov-24	16,406,300	0.790
Dec-24	12,866,900	0.795

MANAGEMENT DISCUSSION AND ANALYSIS

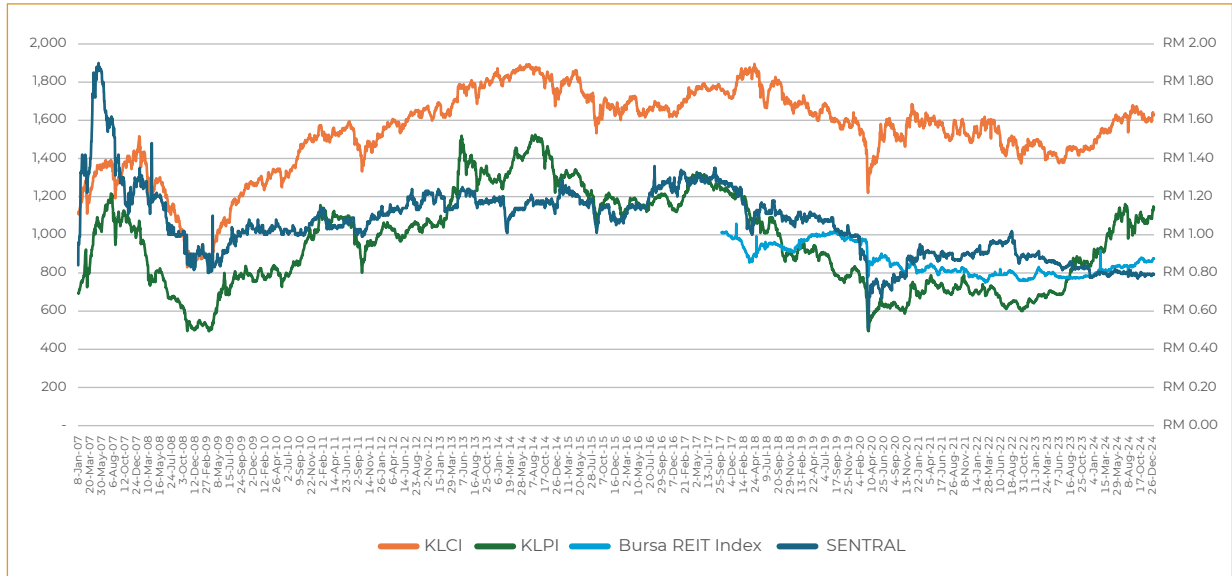
- TRADING PERFORMANCE AND INVESTOR RELATION

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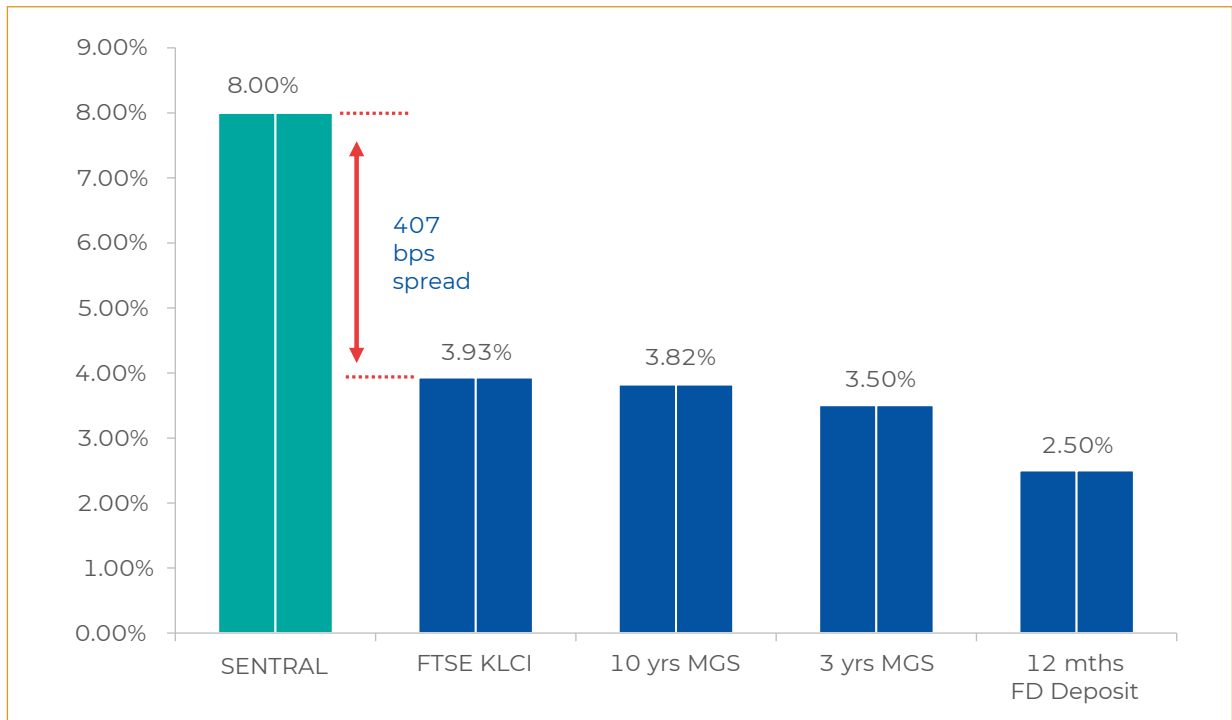
(A) TRADING PERFORMANCE (cont'd)

SENTRAL's Unit Price versus Performance Benchmarks

- 8 January 2007 (from Listing Date) to 31 December 2024



Comparative Yields



Source:

- 1) Rates for 3-yrs MGS & 10-yrs MGS were obtained from HSBC Daily Commentary Report dated 31 December 2024.
- 2) 12 months FD rate is from Maybank.
- 3) Dividend Yield of FTSE Bursa Malaysia KLCI as at 31 December 2024 is from Bloomberg.

MANAGEMENT DISCUSSION AND ANALYSIS

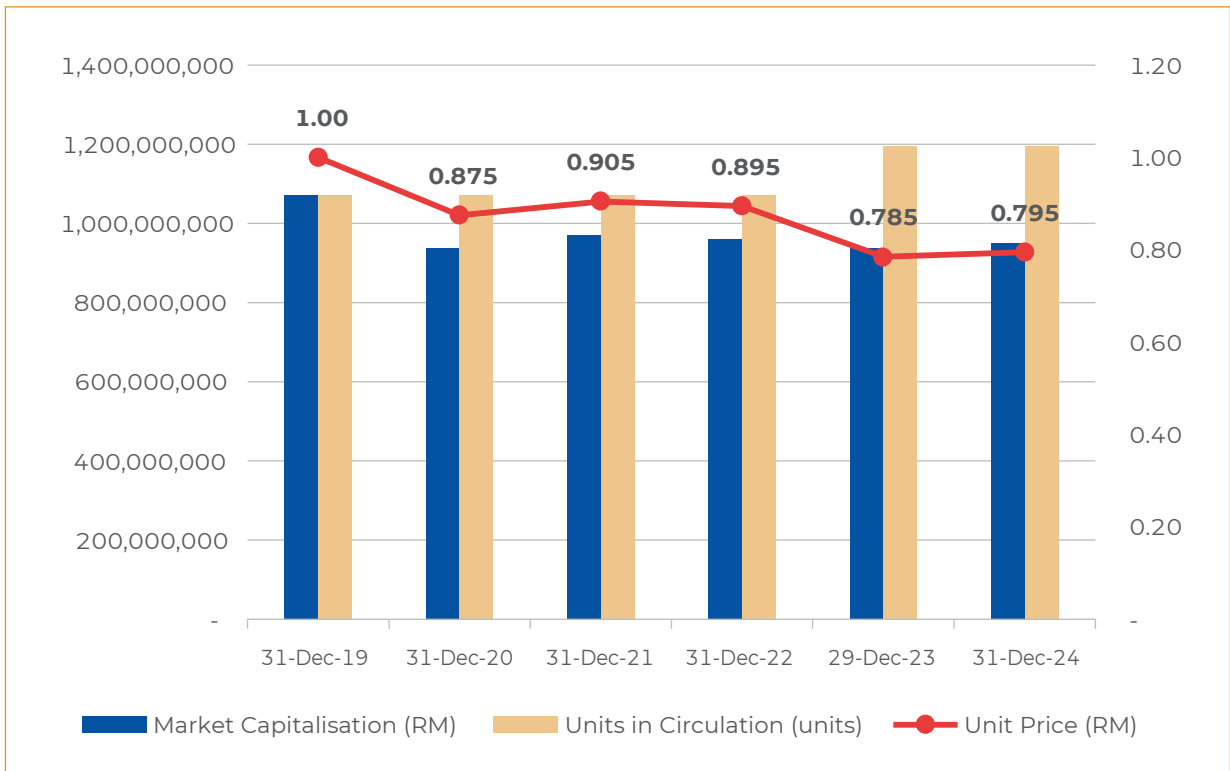
– TRADING PERFORMANCE AND INVESTOR RELATION

(cont'd)

(A) TRADING PERFORMANCE (cont'd)

Market Capitalisation	
As at 31 Dec 2011 – RM421,341,480	As at 31 Dec 2018 – RM1,136,089,980
As at 31 Dec 2012 – RM479,861,130	As at 31 Dec 2019 – RM1,071,783,000
As at 31 Dec 2013 – RM460,354,580	As at 31 Dec 2020 – RM937,810,125
As at 31 Dec 2014 – RM456,453,270	As at 31 Dec 2021 – RM969,963,615
As at 31 Dec 2015 – RM714,291,480	As at 31 Dec 2022 – RM959,245,785
As at 31 Dec 2016 – RM1,281,600,000	As at 29 Dec 2023 – RM938,469,855
As at 31 Dec 2017 – RM1,335,000,000	As at 31 Dec 2024 – RM950,424,885

Market Capitalisation, Unit Price and Units in Circulation



	Market Capitalisation (RM)	Unit Price (RM)	Units in Circulation (units)
31-Dec-19	1,071,783,000	1.00	1,071,783,000
31-Dec-20	937,810,125	0.875	1,071,783,000
31-Dec-21	969,963,615	0.905	1,071,783,000
31-Dec-22	959,245,785	0.895	1,071,783,000
29-Dec-23	938,469,855	0.785	1,195,503,000
31-Dec-24	950,424,885	0.795	1,195,503,000

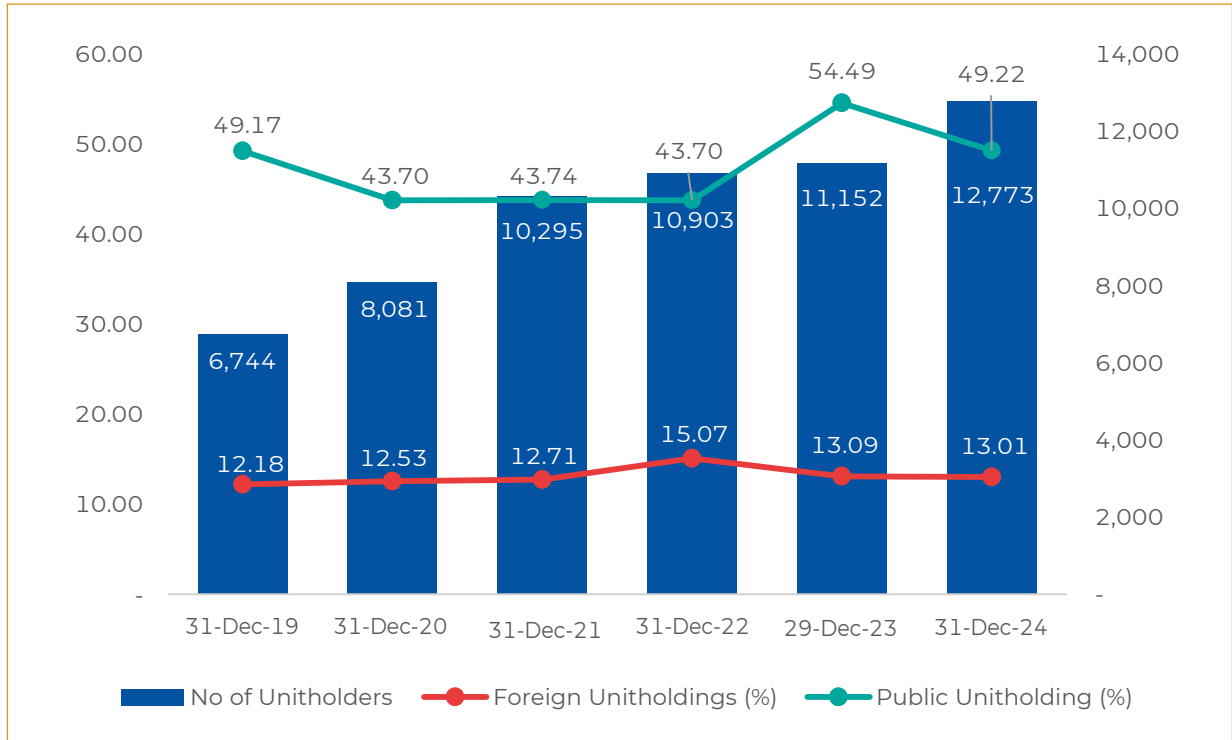
MANAGEMENT DISCUSSION AND ANALYSIS

- TRADING PERFORMANCE AND INVESTOR RELATION

(cont'd)

(A) TRADING PERFORMANCE (cont'd)

Unitholders Statistics (No. of Unitholders vs Foreign Unitholding % vs Public Unitholding %)



	No of Unitholders	Foreign Unitholding (%)	Public Unitholding (%)
31-Dec-19	6,744	12.18	49.17
31-Dec-20	8,081	12.53	43.70
31-Dec-21	10,295	12.71	43.74
31-Dec-22	10,903	15.07	43.70
29-Dec-23	11,152	13.09	54.49
31-Dec-24	12,773	13.01	49.22

MANAGEMENT DISCUSSION AND ANALYSIS

– TRADING PERFORMANCE AND INVESTOR RELATION

(cont'd)

(B) INVESTOR RELATIONS (“IR”) INITIATIVES

We are committed to ensuring effective communication and proactive stakeholders' engagement. It is crucial that we strengthen our communication with stakeholders especially in challenging times to allow stakeholders to make informed decisions.

We continuously enhance our communication channels to cater to the growing needs of the stakeholders through the following communication channels:

Communication Channel	Medium of Communication	Stakeholders
Analyst and investor briefings/one-on-one meetings	<ul style="list-style-type: none"> ■ Quarterly financial earnings releases ■ Corporate exercise announcements 	<ul style="list-style-type: none"> ■ Institutional investors ■ Analysts
Property Tours	<ul style="list-style-type: none"> ■ Group tour ■ One-on-one tour 	<ul style="list-style-type: none"> ■ Institutional investors ■ Analysts ■ Financiers/Investors
Conferences	<ul style="list-style-type: none"> ■ Investors conferences ■ Industry conferences ■ Non-deal roadshows 	<ul style="list-style-type: none"> ■ Institutional investors ■ Analysts ■ Retail investors
Corporate website and investor relation portal	<ul style="list-style-type: none"> ■ https://sentralreit.com ■ Corporate announcements ■ IR enquiry contact 	<ul style="list-style-type: none"> ■ Institutional investors ■ Retail investors ■ Analysts ■ Media
Research coverage	<ul style="list-style-type: none"> ■ 4 research coverage reports 	<ul style="list-style-type: none"> ■ Institutional investors ■ Retail investors ■ Analysts ■ Media
Media engagement	<ul style="list-style-type: none"> ■ Media briefings ■ Media releases 	<ul style="list-style-type: none"> ■ Media ■ Public
Annual General Meetings	<ul style="list-style-type: none"> ■ Reporting of financial performance 	<ul style="list-style-type: none"> ■ All unitholders ■ Public
Publications	<ul style="list-style-type: none"> ■ Annual reports ■ Corporate presentations 	<ul style="list-style-type: none"> ■ All unitholders ■ Analysts ■ Media ■ Public

Unitholders' Meetings

Twelfth Annual Unitholders' Meeting

SENTRAL's 12th Annual General Meeting (“12th AGM”) was held on 3 April 2024, virtually through live streaming from the broadcast venue at KL Sentral Room, Level 30, Menara Allianz Sentral, No. 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur (“Broadcast Venue”). The virtual 12th AGM was conducted in accordance with the practices that have already been adopted by other internationally developed capital markets.

Unitholders' approval was sought for the proposed authorisation and issuance of new units (“Proposed Unitholders' Mandate”) pursuant to Clause 6.59(1A) of the Listing Requirements, as well as to brief unitholders about SENTRAL's financial results for FY2023. We are pleased to report that the resolution for the Proposed Unitholders' Mandate was duly passed.

MANAGEMENT DISCUSSION AND ANALYSIS

- TRADING PERFORMANCE AND INVESTOR RELATION

(cont'd)

(B) INVESTOR RELATIONS (“IR”) INITIATIVES (cont'd)

Unitholders' Meetings (cont'd)

Twelfth Annual Unitholders' Meeting (cont'd)

Our stakeholders value timely and transparent disclosure of information and announcements as well as the accessibility to the Board and key management. Accordingly, the AGM will serve as a good platform for the Board and key management to share the highlights of the Trust's financial results for the fiscal year. In turn, unitholders can ask questions, clarify facts and provide feedback to the management about the SENTRAL's financial health, business performance, outlook and strategies.

We will continue to proactively engage with SENTRAL's unitholders regularly to ensure proper dissemination of information and consistency in messages for better understanding of the business and operating environment.

Research Coverage in 2024

In 2024, SENTRAL was covered by 4 research houses. Below is a summary of the reports published for SENTRAL's 4-Q 2024 results:

Coverage	Rating	Target Price (RM per unit)
RHB Research Institute	Buy	0.91
Hong Leong Investment Bank Research	Hold	0.74
Maybank IB Research	Buy	0.92
CIMB Securities Research	Hold	0.86

(C) CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

SENTRAL's CSR initiatives are carried out by SRM as the REIT Manager. Our efforts in 2024 continued to focus on supporting and facilitating children's welfare and education aimed at uplifting the children from vulnerable communities.

These initiatives help to promote lifelong learning opportunities and contribute towards achieving Sustainable Development Goal 4: Quality Education adopted by United Nations in 2015 as a universal call to action to end poverty (“SDG 4”).

In line with our commitment to SDG 4, our CSR activities continued to support and collaborate with 3 non-profit organizations namely Good Shepherd Services, Yayasan Ozanam and Persatuan Kebajikan Kanak-Kanak Kajang with their education programmes.

Good Shepherd Services (“GSS”)

1. Sponsor-A-Child Education Fund (“Ed Fund”)

SRM continued to partner with GSS and donated RM48,600.00 to directly support 34 students; comprising of 8 primary and 26 secondary from rural indigenous communities located in the district of Kiulu, Telupid, Keningau, Kota Marudu, Beluran, Ranau and Tawau.

The sponsorship covers essential expenses including hostel fees, transportation costs, academic materials, and other operational costs with the objective of enabling these students ages 7-17 in years access to education by attending school regularly.

GSS is a non-profit organization incorporated as a company limited by guarantee in 2015. The social services of GSS with extensive grassroot in Sabah includes i) residential services, ii) service centre, and iii) outreach programs. The services of GSS provides social services and support for children, youth and women from vulnerable communities.



MANAGEMENT DISCUSSION AND ANALYSIS

– TRADING PERFORMANCE AND INVESTOR RELATION

(cont'd)

(C) CORPORATE SOCIAL RESPONSIBILITY (“CSR”) (cont'd)

Good Shepherd Services (“GSS”) (cont'd)

2. ENUMA Literacy Lab Project (“Sekolah ENUMA”) with Sekolah Kebangsaan Lanas, Keningau, Sabah

In 2023, SRM collaborated with GSS to implement Sekolah ENUMA at Sekolah Kebangsaan Lanas in the Sook district, Keningau for 2 years.

Sekolah ENUMA is a digital learning application designed to help students aged between 5 and 8 years old to tackle learning challenges interactively. The Year-1 fund covered the purchase of tablets, software, headsets, and other operations costs to set up and run the program.

The program was successfully implemented across 5 different classes from Pre-school, Primary 1, Primary 2, Remedial Class and Special Needs Classes.

In 2024, SRM donated RM32,600.00 to GSS to continue with the Year-2 program and the funding supports the teachers with enhanced content training to integrate the ENUMA application into daily teaching practices within the classroom environment, aiming to enhance the children’s literacy and address their learning challenges interactively. The project benefits 121 students from the lower primary school.

Yayasan Ozanam

Yayasan Ozanam Education Fund

Yayasan Ozanam is a registered non-profit, voluntary welfare organization incorporated in 1998 by the National Society of St Vincent de Paul to care for and shelter the neglected, exploited, abused, abandoned, and orphaned children of Malaysia. The organization operates Ozanam homes and service centres to provide homes, education, protection, and care for over 400 children who are sent from different agencies such as the social welfare department, social welfare hospitals, other NGOs, and individuals (single parents).

SRM donated RM65,978.00 to Yayasan Ozanam to sponsor 7 students under Ozanam homes to pursue higher education with the aim to empower these students to achieve academic success and future independence. The financial aid will cover their costs of tuition fees, transportation, and other academic expenses.

Persatuan Kebajikan Kanak-Kanak Kajang

Persatuan Kebajikan Kanak-Kanak Kajang is a registered voluntary welfare organization that helps abused, neglected, abandoned or at-risk children of all races located at Kajang. The centre started off as a shelter for children from poor and broken homes, without proper meals and family supervision. With public and corporate donation, the centre has been running feeding programs to provide free meals, and free tuition to children from the marginalized communities from Semenyih and Kajang areas.

Currently there are 43 students from the age of 5 to 17 years old attending the centre for tuition and free meals before or after school. In 2024, SRM donated RM40,200.00 to cover the centre’s operation costs, which include food, rent, utilities, workbooks, and study materials for 12 months.



PROPERTY MARKET OVERVIEW 2024

PROPERTY MARKET OVERVIEW 2024 PREPARED BY KNIGHT FRANK MALAYSIA SDN BHD FOR SENTRAL

MARKET INDICATIONS

The Malaysian economy continued to expand by 5.3% in 3Q2024 (2Q2024: 5.9%; 1Q2024: 4.2%), supported by domestic demand, improved labour market conditions, recovery in tourism activities and increased construction activity. The country's full year growth for 2024 is projected to be higher, ranging between 4.8% and 5.3% (2023: 3.6%).

Looking ahead, Malaysia's economic expansion is anticipated to sustain with growth forecasted to range from 4.5% to 5.5% in 2025, anchored by higher exports, domestic demand, further recovery in tourist arrivals and growing investment activity. The various measures and initiatives outlined in Budget 2025 will strengthen the country's finances and investment environment.

The country's headline inflation was recorded at 2.5% for the full year of 2023. In 3Q2024, headline inflation remained stable at 1.9% (2Q2024: 1.9%; 1Q2024: 1.7%); and it is projected to remain manageable for the entire year, ranging between 1.5% and 2.5%. This continued moderation was attributed to the easing of inflation in selected core services items. For 2025, headline inflation is forecasted to range between 2.0% and 3.5% due to upward pressures emerging from anticipated domestic policy measures.

Malaysia's unemployment rate remained below 4.0%, recording at 3.2% in 3Q2024, the lowest level since 2020. The declining unemployment rate reflects expanding labour demand to accommodate increased economic activities following resumption of business operations. For the full year of 2024, the unemployment rate is estimated to remain stable at 3.2% and it is expected to improve further to record at 3.1% in 2025.

On the lending front, Bank Negara Malaysia continued to maintain its overnight policy rate (OPR) at 3.00% in November 2024, following its last hike from 2.75% to 3.00% in March 2023. At the current OPR level, the monetary policy, which aligns with the present evaluation of inflation and growth prospects, continues to support to the economy.

The business outlook for 4Q2024 remains positive according to the Malaysian Institute of Economic Research (MIER). As of 3Q2024, the Business Conditions Index (BCI) stood at 104.9 points, it was sharply higher by 18.7 points and 25.2 points on a quarterly and annual basis respectively (2Q2024: 86.2 points; 3Q2023: 79.7 points). These figures reflect the private sector's positive outlook on business conditions, driven by strong sales performance, enhanced efficiency in capacity utilisation, positive investment activity and stable employment market.

Moving forward, the property market outlook continues to show optimism with growth opportunities despite growing domestic and global headwinds. This is buoyed by resilient demand, strategic government initiatives to foster homeownership and attract investments coupled with advancing infrastructure projects.

PROPERTY MARKET OVERVIEW 2024

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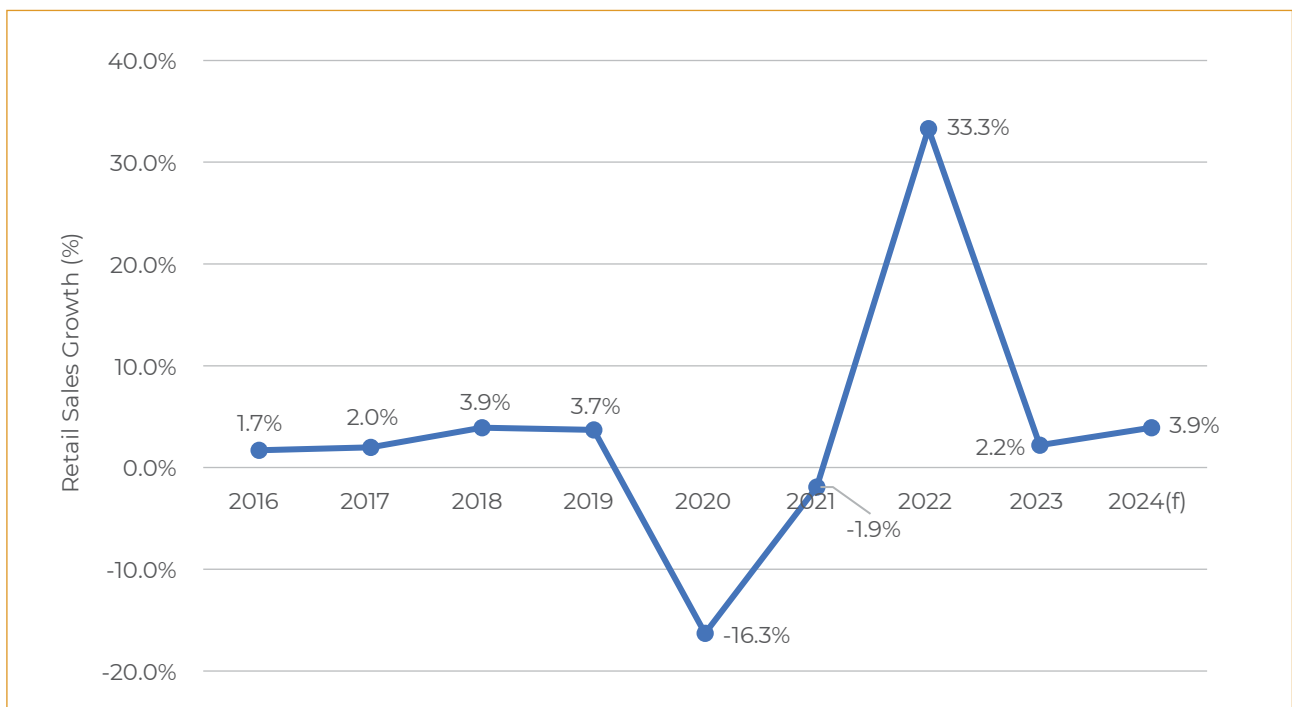
MALAYSIA: RETAIL PERFORMANCE

Malaysia's retail sales registered a deep contraction (-16.3%) in 2020, its worst performance since the Asian Financial Crisis (1998: -20.0%), this followed onset of the COVID-19 pandemic early of the year. In 2021, there was improvement in the retail industry, posting a smaller annual contraction of 1.9% despite re-imposition of various phases of lockdown to contain the spread of the virus. The robust growth continued into 2022 at 33.3% following newfound optimism as the country transitions to the endemic phase in April 2022.

In 2023, retail sales grew at a marginal rate of 2.2%, hindered by the persistent high cost of living and increase in the national minimum wage, further compounded by the ongoing impact of the Palestinian-led Boycott, Divestment and Sanctions (BDS) movement.

Looking ahead, retail sales is forecasted to grow at 3.9% in 2024, signalling a steady recovery driven by improving economic conditions, easing inflationary pressures and stabilising consumer sentiment.

Chart 1: Malaysia - Retail Sales Growth, 2016 to 2024^(f)



Sources: Malaysia Retailers Association (MRA) / Knight Frank Research
 Note: (f) = Forecast

In 1Q2023, the MIER Consumer Sentiments Index (CSI) dropped below the optimism threshold to register at 99.2 points (4Q2022: 105.3 points). The downtrend persisted with the index declining to 89.4 points in 4Q2023 and 87.1 points in 1Q2024, primarily driven by the decline in jobs and income expectations coupled with growing inflation worries which dampened consumer spending plans (the data for 2Q2024 and 3Q2024 have not been made available by MIER).

PROPERTY MARKET OVERVIEW 2024

(cont'd)

OFFICE MARKET OVERVIEW

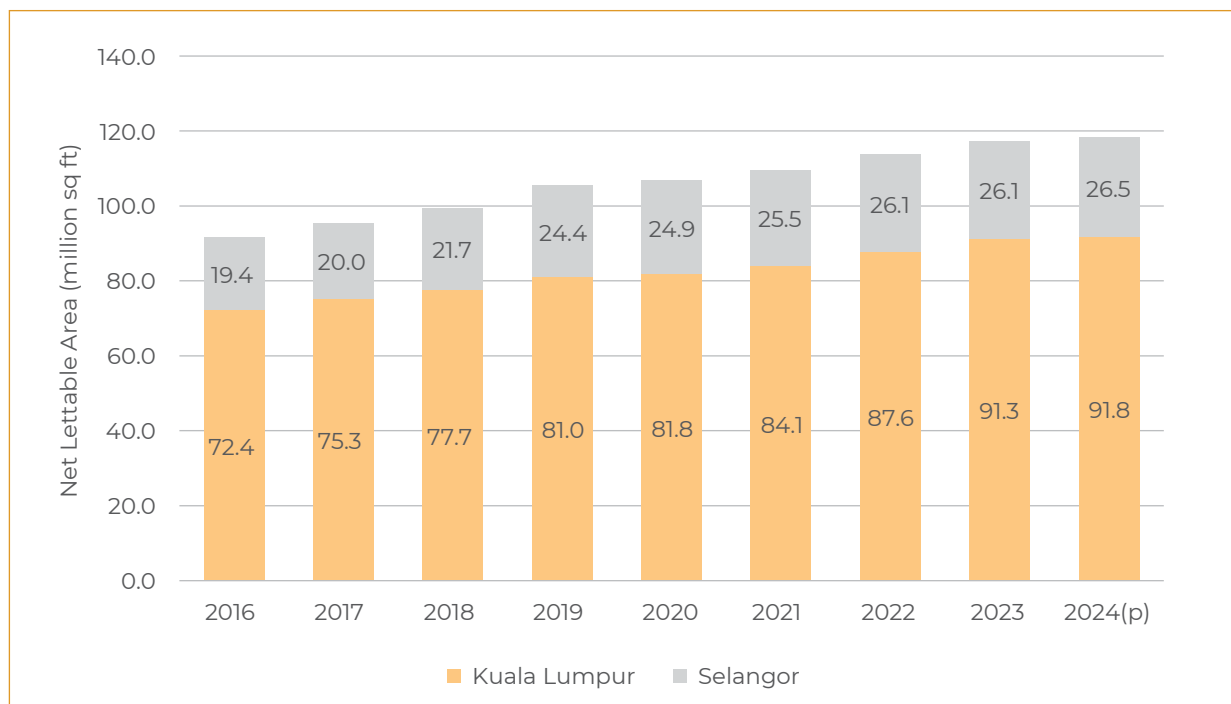
1.0 GREATER KUALA LUMPUR/KLANG VALLEY

1.1 Supply: Existing and Future

The cumulative existing supply of purpose-built office space in Greater Kuala Lumpur/Klang Valley stood at circa 118.3 million sq ft as of 2024. The existing supply has grown steadily over the years.

The completions of Felcra Tower @ Semarak in 1Q2024 and Pavilion Damansara Heights Corporate Tower 1 (Phase 1) in 2Q2024, both in Kuala Lumpur; and Atwater Corporate Office Towers in Selangor in 3Q2024, increased the cumulative office stock for Kuala Lumpur and Selangor by circa 0.5 million sq ft and 0.4 million sq ft respectively.

Chart 2: Greater KL/Klang Valley - Cumulative Supply of Purpose-Built Office Space, 2016 to 2024^(p)



Source: Knight Frank Research

Notes: (p) = Preliminary data

(1) Kuala Lumpur is made up of KL City and KL Fringe.

By the end of 2025, circa 2.3 million sq ft of supply pipeline is scheduled to come on-stream. The bulk of incoming office supply, totalling circa 1.3 million sq ft (58.2%), will be from Kuala Lumpur with the balance space of circa 1.0 million sq ft (41.8%) from Selangor.

In the capital city, the three upcoming office buildings are Oxley Tower, The Exchange TRX and Multibay - Office Tower while in KL Fringe, they are TNB Gold @ Bangsar and Pavilion Damansara Heights Corporate Tower (Phase 2). In Selangor, the two buildings scheduled for completion are Sunway South Quay Corporate Tower 1 and Tower 2.

PROPERTY MARKET OVERVIEW 2024

(cont'd)

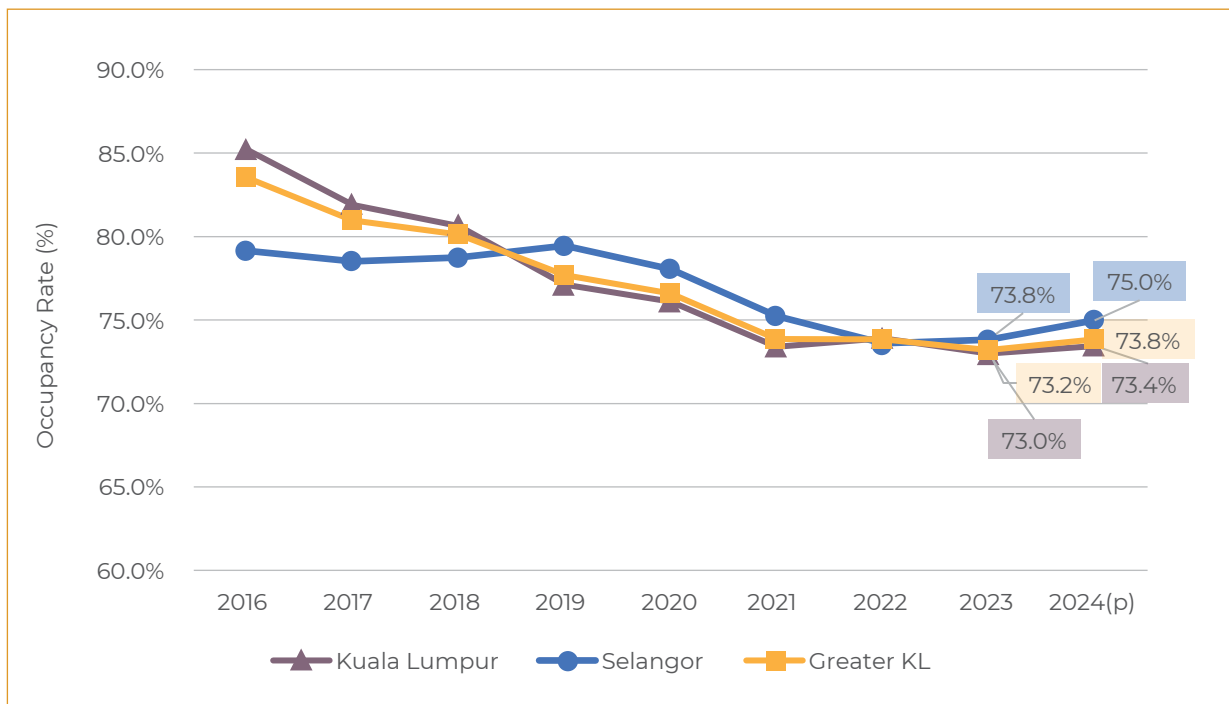
OFFICE MARKET OVERVIEW (cont'd)

1.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

1.2 Occupancy Rates

The overall occupancy rate of office space in Greater KL/Klang Valley experienced a slight improvement in 2024 to record at 73.8% (2023: 73.2%), mainly due to the uptick in occupancy rate of office space in Selangor (2024: 75.0%/2023: 73.8%) and Kuala Lumpur (2024: 73.4%/2023: 73.0%).

Chart 3: Greater KL/Klang Valley - Occupancy Trend for Purpose-Built Office Space, 2016 to 2024(p)



Source: Knight Frank Research
 Note: (p) = Preliminary data

During the period under review, the overall occupancy rates for Petaling Jaya, Subang Jaya and Shah Alam were marginally higher by 2.0%, 1.3% and 0.6% to record at 74.2%, 80.5% and 86.9% respectively (2023: Petaling Jaya – 72.2%, Subang Jaya – 79.2% and Shah Alam – 86.3%) whilst for the Cyberjaya sub-market, it was marginally lower by 0.5% to record at 69.8% (2023: 70.3%).

1.3 Rental Rates

The average rental rate of office space in Kuala Lumpur was higher at RM6.32 per sq ft per month in 2024 (2023: RM6.19 per sq ft per month) as new buildings with improved specifications such as Merdeka 118 Tower continue to command higher rents.

Moving forward, the scheduled completions of several office buildings in the next one to two years will further widen the supply–demand gap. With existing and newly completed buildings competing for the same pool of tenants, this will continue to heighten competition in the tenant-led office market.

PROPERTY MARKET OVERVIEW 2024

(cont'd)

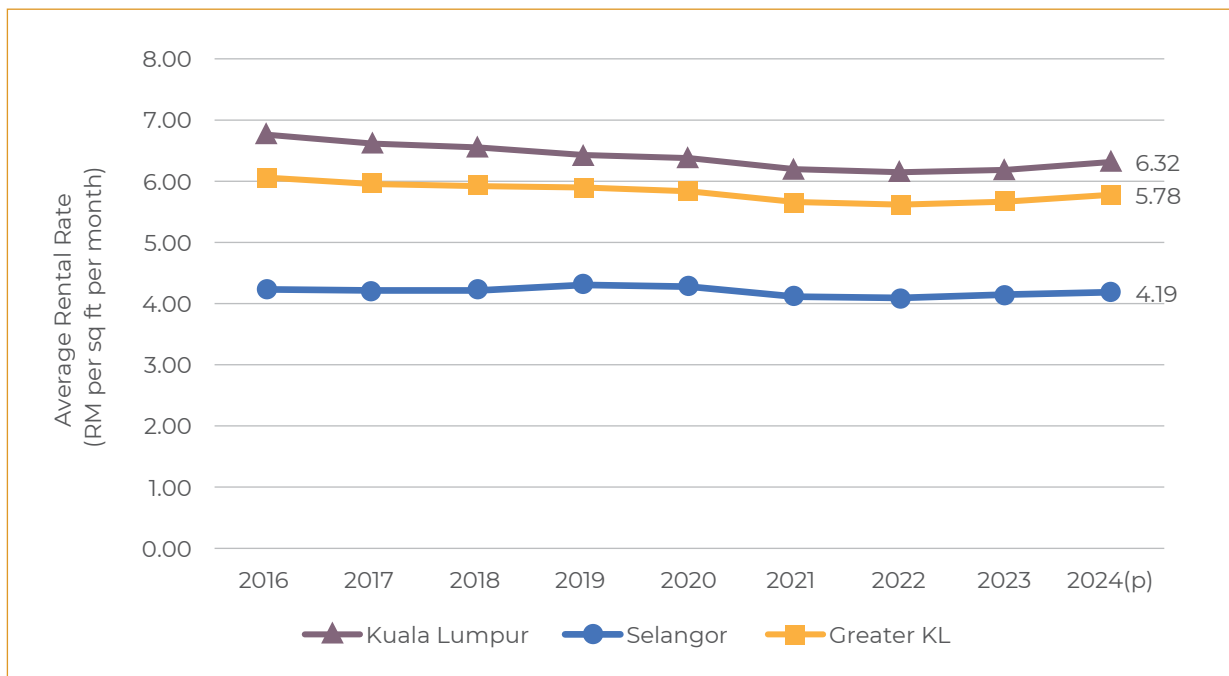
OFFICE MARKET OVERVIEW (cont'd)

1.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

1.3 Rental Rates (cont'd)

Similarly, the average office rent in Selangor was slightly higher at RM4.19 per sq ft per month during the review period (2023: RM4.15 per sq ft per month). In the sub-markets of Petaling Jaya, Subang Jaya, Shah Alam and Cyberjaya, the average monthly rentals were in the region of RM4.52 per sq ft; RM4.21 per sq ft; RM3.46 per sq ft and RM3.72 per sq ft respectively.

Chart 4: Greater KL / Klang Valley - Average Rental Rates, 2016 to 2024^(p)



Source: Knight Frank Research
 Note: (p) = Preliminary data

1.4 Capital Values

In 2023, KL City recorded three notable office transactions with collective consideration of circa RM532.8 million, namely the sale of Menara HSBC Leboh Ampang, Menara TM Semarak and 24 floors of office suites together with 4 adjoining retail lots on the 2-storey retail podium, all to be stratified and located at Tower 3 (Menara C) of Oxley Towers KLCC. There were two notable transactions in KL Fringe during the year – the sale of Block B, Plaza Damansara and Wisma Rapid at a total consideration of RM93.1 million.

Meanwhile, Selangor recorded six notable office transactions, namely Qi Tower, Bangunan KWSP Damansara Fairway, Menara CelcomDigi, 3 Damansara, Menara Serba Dinamik and Tower 2 of PJ Sentral, with total consideration estimated at RM922.8 million.

Notable office transactions in 2024 include Solarvest Tower in KL Fringe with purchase consideration of RM38.3 million and Contraves Building in Cyberjaya, Selangor with a value of RM42.5 million. No notable transaction was recorded in KL City during the period under review.

PROPERTY MARKET OVERVIEW 2024

(cont'd)

OFFICE MARKET OVERVIEW (cont'd)

1.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

1.4 Capital Values (cont'd)

Table 1: Greater KL/Klang Valley - Notable Office Transactions, 2023 & 2024

Transaction Date	Building Name	Locality	Tenure	Estimated NLA (sq ft)	Consideration (RM)	Analysis (RM/sq ft)
2023						
January 2023	Menara HSBC Leboh Ampang ⁽¹⁾	Leboh Ampang	Freehold	172,245	55,000,000	319
April 2023	Qj Tower	Seksyen 8, Petaling Jaya	Leasehold	155,291	88,810,000	572
April 2023	Bangunan KWSP Damansara Fairway ⁽²⁾	Persiaran Tropicana, Petaling Jaya	Leasehold	61,714	24,000,000	389
June 2023	Menara CelcomDigi ⁽³⁾	Seksyen 52, Petaling Jaya	Leasehold	450,000	450,000,000	1,000
June 2023	Block B, Plaza Damansara ⁽⁴⁾	Damansara Heights	Freehold	78,923	73,000,000	925
July 2023	Menara TM Semarak ⁽⁵⁾	Jalan Raja Muda Abdul Aziz	Leasehold	324,155	72,000,000	222
September 2023	3 Damansara ⁽⁶⁾	Damansara Intan, Petaling Jaya	Freehold	101,246	52,000,000	514
October 2023	Wisma Rapid ⁽⁷⁾	Desa Sri Hartamas	Freehold	60,884	20,070,000	330
October 2023	Tower 3 @ Oxley Towers KLCC ⁽⁸⁾	Jalan Ampang	Freehold	325,280	405,839,320	1,248
October 2023	Menara Serba Dinamik ⁽⁹⁾	Seksyen 14, Shah Alam	Leasehold	119,022	38,000,000	319
December 2023	Tower 2 of PJ Sentral ⁽¹⁰⁾	Seksyen 52, Petaling Jaya	Leasehold	862,512	270,000,000	313
2024						
June 2024	Solarvest Tower ⁽¹¹⁾	Bangsar South	Leasehold	30,645	38,330,000	1,251
June 2024	Contraves Building ⁽¹²⁾	Cyberjaya	Freehold	75,014	42,500,000	567

Sources: JPPH/Bursa Announcements/Knight Frank Research

Notes:

- (1) Menara HSBC Leboh Ampang: PACT REIT Managers Sdn Bhd has acquired the 19-storey Menara HSBC Leboh Ampang from HSBC Bank Malaysia Bhd for RM55 million. The office building has an estimated gross floor area (GFA) and net lettable area (NLA) of 250,247 sq ft and 172,245 sq ft respectively, along with two basement levels of parking bays.

PROPERTY MARKET OVERVIEW 2024

(cont'd)

OFFICE MARKET OVERVIEW (cont'd)

1.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

1.4 Capital Values (cont'd)

Notes: (cont'd)

- (2) *Bangunan KWSP Damansara Fairway: LKL international Berhad's wholly owned subsidiary LKL Advance Metaltech Sdn Bhd (LKLAM) has entered into a sale and purchase agreement (SPA) with the EPF board on 21 February 2023 to acquire a parcel of leasehold land attached with the Bangunan KWSP Damansara Fairway building for a consideration of RM24 million cash. The property comprises a parcel of land measuring approximately 2,301 sq m, together with a 12-storey commercial office block and a 5-storey car park.*
- (3) *Menara CelcomDigi: Sentral REIT had on 25 July 2023 entered into a sale and purchase agreement (SPA) to acquire the 27-storey Menara CelcomDigi in Petaling Jaya from Puncak Wangi Sdn Bhd, a wholly owned subsidiary of Malaysia Resources Corporation Berhad (MRCB). The office tower, erected on leasehold land, has GFA and NLA of 1.06 million sq ft and 450,000 sq ft respectively. It is currently leased to Celcom Berhad on a lease term of 15 years, which has an automatic extension for a further 2 terms of 3 years each. The acquisition was completed on 11 December 2023.*
- (4) *Block B, Plaza Damansara: The office building was sold by Permodalan Nasional Berhad (PNB) to Richfield Builder (M) Sdn Bhd for a consideration of RM73.0 million. The 5-storey building has a NLA of 78,923 sq ft with two floors of basement car park.*
- (5) *Menara TM Semarak: Titijaya, via its subsidiaries Titijaya PMC Sdn Bhd and Titijaya South Asia has entered into a sale and purchase agreement (SPA) with Menara ABS Berhad to acquire Menara TM Semarak for a consideration of RM72 million. The leasehold property comprises a 22-storey office tower with an annexed 6-storey Telekom Exchange and five levels of basement car park.*
- (6) *3 Damansara: CapitaLand Malaysia REIT Management Sdn Bhd has entered to an unconditional sale and purchase agreement (SPA) with Lagenda Harta Sdn Bhd for the disposal of 3 Damansara for a consideration of RM52 million. The 12-storey office tower is erected on freehold land and has GFA and NLA of 129,630 sq ft and 101,246 sq ft respectively. It also forms part of an integrated commercial development, which includes the 4-storey 3 Damansara Retail Mall and "the Tropics" residential tower.*
- (7) *Wisma Rapid: Rapid Synergy Berhad has disposed Wisma Rapid to Segi Permai Berhad for a consideration of RM20.07 million. The 5-storey building comprises 39 units of commercial lots, of which 33 units are tenanted as of time of transaction.*
- (8) *Tower 3 @ Oxley Towers KLCC: Alliance Bank Malaysia Bhd has entered into a conditional sale and purchase agreement (SPA) with Oxley Rising Sdn Bhd for the acquisition of 24 floors of office suites (NLA: 315,711 sq ft) together with 4 adjoining retail lots on the 2-storey retail podium (9,569 sq ft), all to be stratified and located at Tower 3. Oxley Towers is a freehold mixed development comprising two residential towers, an office tower and a retail podium and it is expected to be completed by November 2024.*
- (9) *Menara Serba Dinamik: APB Resources Berhad has entered into a conditional sale and purchase agreement (SPA) with Serba Dinamik Group Berhad for the proposed acquisition of a 16-storey office building with a 4-storey basement car park for a total cash consideration of RM38 million. Formerly known as Bangunan Affin Bank, Serba Dinamik Group purchased the building from AFFIN Bank Berhad for RM43.5 million in 2018.*
- (10) *Tower 2 of PJ Sentral: Malaysian Resources Corporation Berhad (MRCB) has proposed to acquire the Development Rights for an office tower in PJ Sentral from the Selangor State Development Corp (PKNS) for RM270 million. Spanning approximately 9.11 acres, PJ Sentral is a mixed-use commercial development featuring five planned towers, with Tower 3 and Tower 6 already completed and sold.*
- (11) *Solarvest Tower: Solarvest Holdings Bhd has acquired four office levels and 200 parking bays within Solarvest Tower, an ongoing office development, from Chin Hin Group for RM38.3 million. The company intends to establish its new headquarters there. This transaction is part of a larger deal, totalling RM48.73 million, which also includes a rooftop retail unit. At the time of transaction, the tower is reportedly 40% completed, with full completion expected by March 2028. This acquisition is considered a related party transaction.*
- (12) *Contraves Building: AmanahRaya Real Estate Investment Trust (REIT) is selling Contraves Building for RM42.5 million cash to 4X Software Sdn Bhd, who is buying the building for business expansion. The freehold property is a 4-storey office building with one basement level and it is reported to be 100% occupied.*

PROPERTY MARKET OVERVIEW 2024

(cont'd)

OFFICE MARKET OVERVIEW (cont'd)

2.0 OFFICE MARKET OUTLOOK

New tax incentives for flexible working arrangements were unveiled in the recent Budget 2025. This is expected to reshape office demand as companies may increasingly seek adaptable office spaces that cater to hybrid work models, including the reconfiguration of existing office spaces to support new working arrangements. Additionally, the repurposing of vacant government office spaces may encourage private landlords to consider alternative uses for underperforming assets, creating new opportunities in the office market.

The active expansion of co-working space providers highlights a growing demand in flexible workspaces, quick set ups and hybrid working arrangements. The opening of new branches and ambitious growth plans reflect strong market demand. This trend is anticipated to persist as businesses continue to embrace these flexible models.

Additionally, the launch of the KL20 roadmap and the designation of the Tun Razak Exchange (TRX) as Malaysia's International Financial Centre (IFC) in February 2024 are poised to invigorate the Kuala Lumpur office market. To further support the business industry, the Green Investment Tax Allowance (GITA) and Green Income Tax Exemption (GITE) have been extended till December 2025 to encourage sustainable initiatives.

Moreover, the establishment of Malaysia's National AI Office will likely continue to stimulate growth in the tech sector. Coupled with the reported investments from major firms like Amazon Web Services and ByteDance, these initiatives position Malaysia as a potential regional hub for AI, which could potentially lead to an increase in demand for office spaces in the middle to long term.

Overall, the Kuala Lumpur office market demonstrated positive performance in the first three quarters of 2024, marked by growth in occupancy rates and stable rent levels. This was largely driven by positive absorption of newer office spaces commanding higher rents while older and secondary buildings continued to face competitive pressures.

In KL City, the office market remains tenant driven. With the surge in new office supply and prevailing "flight to quality" trend, older offices continue to experience downward pressure on occupancy and rental levels. Conversely, Grade A offices are expected to maintain relatively robust rental levels aligned with quality preferences, resulting in an overall stable rental trend in KL City.

Meanwhile, in KL Fringe, the office market is expected to remain relatively resilient, buoyed by sustained demand for quality spaces in decentralised locations with available infrastructure and highly accessible rail networks. Grade A office buildings with green certifications and MD (Malaysia Digital) Status are anticipated to experience better demand.

As for Selangor, selected decentralised office locations are expected to continue to grow as they remain attractive to multinational corporations (MNCs) seeking to establish regional hubs. The availability of good-grade office space at competitive rental rates, supported by improved infrastructure and connectivity, coupled with a rich talent pool further enhance the attractiveness of these areas, keeping both rental and occupancy levels within Selangor stable due to sustained demand.

PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW

3.0 GREATER KUALA LUMPUR/KLANG VALLEY

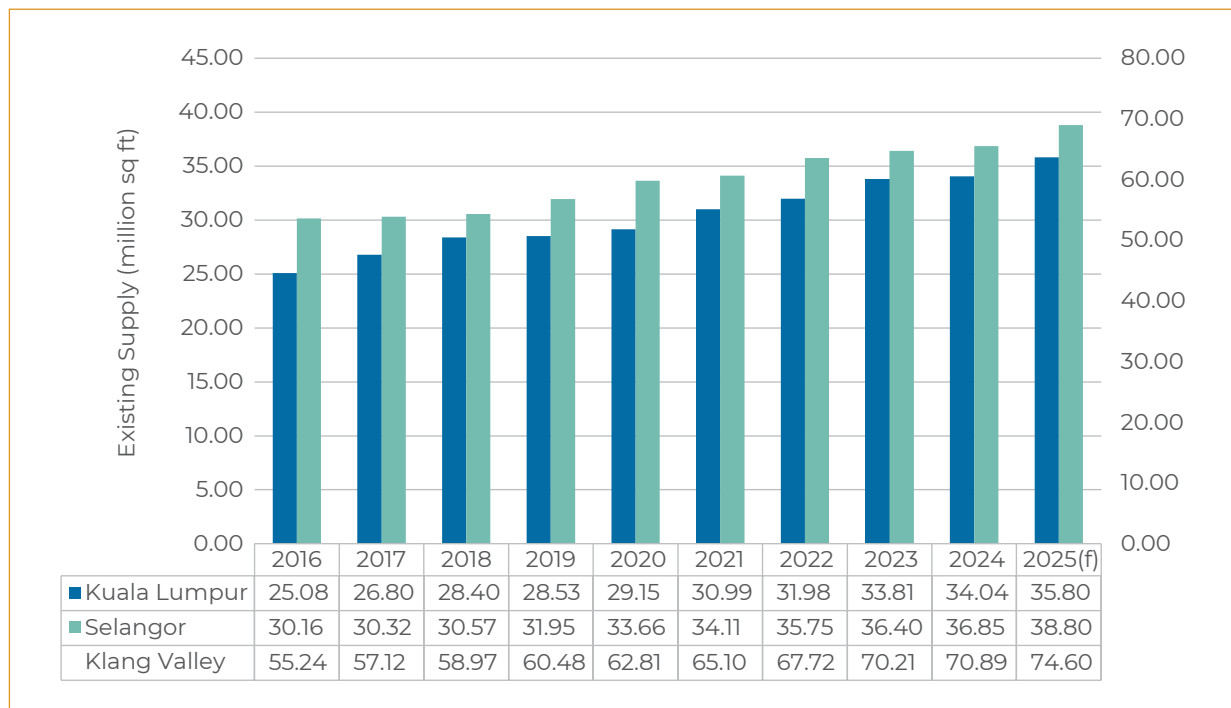
3.1 Supply

The cumulative supply of retail space in Klang Valley stood at circa 70.9 million sq ft as of 2024. Approximately 48.0% of the total existing stock (34.0 million sq ft) is in Kuala Lumpur with the balance supply of circa 36.9 million sq ft (52.0%) in Selangor.

KL Fringe accounts for 20.9 million sq ft (circa 61.5%) of the existing retail supply in Kuala Lumpur following the recent completion of Bloomsvale Shopping Gallery (NLA: 230,000 sq ft) whilst the balance supply of 13.1 million sq ft (38.5%) comes from KL City.

In Selangor, notable completions in 2024 include Elmina Lakeside Mall (NLA: 214,000 sq ft) and 168 Park Selayang Mall (NLA: 235,500 sq ft) in Selayang.

Chart 5: Greater KL/Klang Valley - Cumulative Supply of Retail Space, 2016 to 2025^(f)



Source: Knight Frank Research
 Note: (f) = Forecast

PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW (cont'd)

3.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

3.1 Supply (cont'd)

Looking ahead, three more retail developments with combined NLA of circa 3.7 million sq ft are scheduled for completion in 2025.

Table 2: Greater KL/Klang Valley - Retail Centres/Retail Components Scheduled for Completion/Opening, 2025

Name of Development	Location	Locality/ State	Expected Completion/ Opening	Estimated Net Lettable Area (sq ft)
Sunsuria Forum @ 7 th Avenue	Setia Alam	Selangor	2025	256,000
Hextar World @ Empire City Damansara Mall	Damansara Perdana			1,700,000
118 Mall	Jalan Hang Jebat	Kuala Lumpur		1,000,000
Pavilion Damansara Heights (Phase 2)	Damansara Heights			529,000
Senada Shopping Centre	Bukit Kiara			231,000
			Total	3,716,000

Source: Knight Frank Research

3.2 Occupancy

The average occupancy rate of shopping centres in Kuala Lumpur picked up to register at 83.8% in 2023 (2022: 82.7%), supported by resumption of economic activities and reopening of international borders following the country's transition to the endemic phase on April 1, 2022. Likewise, the average occupancy rate of shopping centres in Selangor displayed an upward trend, increasing from 77.5% in 2022 to 79.7% in 2023. As of 3Q2024, the overall occupancy rates of shopping centres in Kuala Lumpur and Selangor continued to improve further to record at 86.2% and 80.8% respectively.

It is noteworthy that the average occupancy rates of shopping centres in Kuala Lumpur and Selangor have continued to hover close to the 80.0% threshold despite the high supply pipeline of retail spaces coupled with the challenging business landscape.

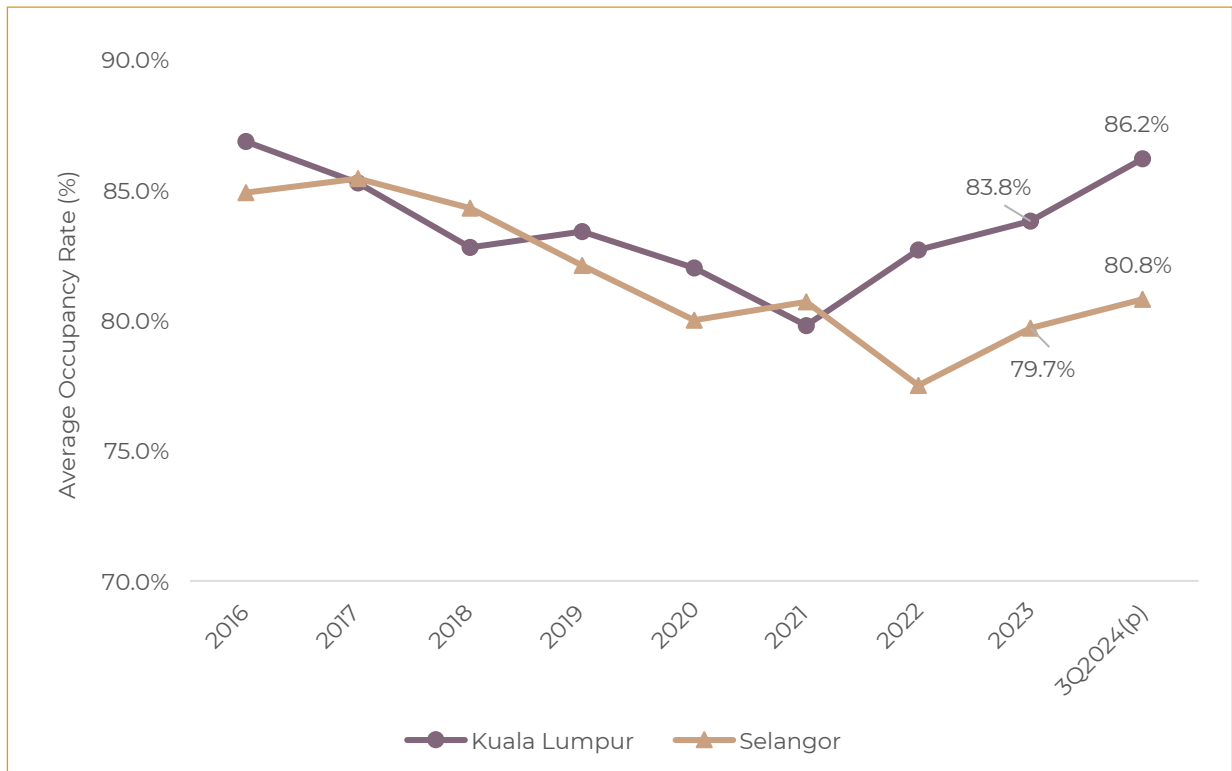
PROPERTY MARKET OVERVIEW 2024 (cont'd)

RETAIL MARKET OVERVIEW (cont'd)

3.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

3.2 Occupancy (cont'd)

Chart 6: Greater KL/Klang Valley - Average Occupancy Rates of Shopping Centres, 2016 to 3Q2024^(p)



Sources: NAPIC/Knight Frank Research
 Note: (p) = Preliminary data

3.3 Rental Rates

Kuala Lumpur’s premier shopping destination, namely Suria KLCC, commands high rental rates ranging from RM35.00 per sq ft to RM206.85 per sq ft per month as of 1H2024. In KL Fringe, rentals at popular shopping centres such as Mid Valley Megamall and The Gardens Mall range between RM15.00 per sq ft and RM80.00 per sq ft per month.

As for Selangor, rentals at prime shopping malls such as 1 Utama Shopping Centre range from RM10.50 per sq ft to RM46.12 per sq ft in 1H2024 whilst malls in other suburbs such as IOI City Mall Putrajaya and The Mines recorded rental rates ranging from RM2.50 per sq ft to RM44.50 per sq ft per month.

The rental rates for retail space within shopping centres vary depending on location / positioning of retail lots, size of occupied space, floor level, unit orientation and other value factors.



PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW (cont'd)

3.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

3.3 Rental Rates (cont'd)

Table 3: Greater KL/Klang Valley - Rental Levels of Retail Space in Selected Shopping Centres, 2H2023 to 1H2024

Retail Development	Location	Floor	Built-up Area (sq ft)	Analysis of Rental Rate (RM per sq ft/month)	
				2H2023	1H2024
Kuala Lumpur City Centre					
Suria KLCC	Jalan Ampang	Concourse (LG)	151 – 4,047	35.00 – 206.85	35.00 – 206.85
		Ground	301 – 2,928	44.10 – 154.35	44.10 – 127.00
		1	215 – 904	95.40 – 116.10	95.40 – 114.50
		2	323 – 1,819	36.30 – 103.15	38.00 – 103.15
		3	205 – 1,679	42.00 – 100.20	42.00 – 100.20
		4	570 – 2,368	37.75 – 59.30	38.00 – 56.25
Mid Valley City, Kuala Lumpur					
Mid Valley Megamall	Mid Valley City	Lower Ground	1,076 – 1,851	25.00 – 36.00	25.00 – 36.00
		Ground	560 – 958	45.00 – 80.00	45.00 – 80.00
		1	398 – 883	33.50 – 38.00	33.50 – 38.00
		2	431 – 700	23.35 – 25.00	23.35 – 25.00
		3	420 – 969	15.00 – 22.00	15.00 – 22.00
The Gardens Mall	Mid Valley City	Lower Ground	517 – 926	27.00 – 40.00	27.00 – 40.00
		Ground	1,001 – 1,819	33.00 – 37.50	33.00 – 37.50
		1	1,485 – 1,862	23.50 – 30.00	23.50 – 30.00
		2	1,098 – 1,658	18.50 – 21.15	18.50 – 21.15
		3	2,077 – 2,777	17.50 – 18.00	17.50 – 18.00
Selangor					
1 Utama Shopping Centre	Bandar Utama	Lower Ground	323 – 1,981	12.00 – 46.12	12.00 – 46.12
		Ground	1,345 – 2,669	12.50 – 35.00	12.50 – 35.00
		1	560 – 1,378	12.50 – 38.00	12.50 – 38.00
		2	463 – 1,830	10.50 – 30.00	10.50 – 30.00
The Mines	Seri Kembangan	1 (Fashion)	172 – 1,647	10.00 – 20.69	10.00 – 20.69
		1 (Food)	560 – 1,604	7.15 – 17.80	7.15 – 17.80
		2 (Fashion)	667 – 2,099	8.30 – 17.85	8.30 – 17.85
		2 (Others)	667 – 2,099	13.50 – 16.00	13.50 – 16.00
		3 (Fashion)	786 – 1,776	5.40 – 8.40	5.40 – 8.40
		3 (Food)	474 – 2,831	5.85 – 14.77	5.85 – 14.77
		3 (Others)	775	23.85	23.85
		4 (IT)	527 – 1,991	9.00 – 19.00	9.00 – 19.00

PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW (cont'd)

3.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

3.3 Rental Rates (cont'd)

Table 3: Greater KL/Klang Valley - Rental Levels of Retail Space in Selected Shopping Centres, 2H2023 to 1H2024 (cont'd)

Retail Development	Location	Floor	Built-up Area (sq ft)	Analysis of Rental Rate (RM per sq ft/month)	
				2H2023	1H2024
Selangor (cont'd)					
IOI City Mall	Putrajaya	LG (East Wing)	366 – 1,873	17.00 – 37.00	17.00 – 37.00
		LG (Centre Court)	344 – 3,143	25.00 – 44.50	25.00 – 44.50
		LG (West Wing)	226 – 3,380	14.30 – 37.00	14.30 – 37.00
		G (East Wing)	861 – 11,754	7.00 – 26.00	7.00 – 26.00
		G (Centre Court)	646 – 2,809	9.00 – 33.00	9.00 – 33.00
		G (West Wing)	484 – 2,530	16.00 – 27.00	16.00 – 27.00
		L1 (East Wing)	549 – 4,273	4.00 – 22.00	4.00 – 22.00
		L1 (Centre Court)	474 – 6,727	5.00 – 43.00	5.00 – 43.00
		L1 (West Wing)	205 – 6,878	2.50 – 25.00	2.50 – 25.00
		L2 (East Wing)	646 – 10,452	3.20 – 23.00	3.20 – 23.00
		L2 (Centre Court)	344 – 3,778	7.00 – 25.00	7.00 – 25.00
L2 (West Wing)	614 – 2,562	7.80 – 23.00	7.80 – 23.00		

Sources: NAPIC/Knight Frank Research

3.4 Capital Values

Notable transactions of shopping centres in Klang Valley since 2017 include the following:

Table 4: Greater KL/Klang Valley - Notable Transactions of Shopping Centres, 2017 to 1Q-3Q2024

Date of Transaction	Building Name	Location	Estimated NLA (sq ft)	Consideration (RM)	Price (RM/ sq ft)	Purchaser
Selangor						
2024	D'Pulze Shopping Centre	Cyberjaya	311,499	320,000,000	1,027	KIP Real Estate Investment Trust
2024	Tropicana Gardens Mall	Kota Damansara	1,051,107	680,000,000	647	IOI Mall Damansara Sdn Bhd (IOI MD)
2023	Plaza Alam Sentral Mall and the Adjoining Land ⁽¹⁾	Seksyen 14, Shah Alam	Mall: 438,930 Land: 103,334	Mall: 150,000,000 Land: 28,000,000	Mall: 342	Selangor State Development Corporation (PKNS)
2023	KIPMall Kota Warisan ⁽²⁾	Sepang	186,077	80,000,000	430	KIP REIT
2021	Empire City Mall ⁽³⁾	Damansara Perdana	1,748,848	1,000,000,000	572	Rubberex Corporation (M) Berhad

PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW (cont'd)

3.0 GREATER KUALA LUMPUR/KLANG VALLEY (cont'd)

3.4 Capital Values (cont'd)

Table 4: Greater KL/Klang Valley - Notable Transactions of Shopping Centres, 2017 to 1Q-3Q2024 (cont'd)

Date of Transaction	Building Name	Location	Estimated NLA (sq ft)	Consideration (RM)	Price (RM/ sq ft)	Purchaser
Kuala Lumpur						
2024	163 Retail Park ⁽⁴⁾	Mont' Kiara	255,535	215,000,000	841	Sunway REIT
2023	Pavilion Bukit Jalil ⁽⁵⁾	Bukit Jalil	1,800,000	2,200,000,000	1,222	Pavilion REIT
2020	Setapak Central ⁽⁶⁾	Danau Kota, Setapak	512,806	318,000,000	620	Frasers Property Gold Pte. Ltd.
2019	Pavilion Bukit Jalil ⁽⁷⁾	Bukit Jalil	1,839,914	1,480,000,000	804	Regal Path Sdn Bhd
2017	Elite Pavilion Mall ⁽⁸⁾	Bukit Bintang	241,929	580,000,000	2,397	Pavilion REIT

Sources: RCA/Knight Frank Research

Notes:

- (1) MRCB Sentral Properties Sdn Bhd, a wholly owned subsidiary of MRCB had entered into a sale and purchase agreement (SPA) with PKNS on 22 December 2023 in relation to the proposed disposal of Plaza Alam Sentral Mall and the adjoining land to PKNS for a cash consideration of RM178 million.
- (2) Pacific Trustees Berhad, trustee for and on behalf of KIP REIT, had on 16 June 2023 entered into a conditional sale and purchase agreement (SPA) with Cahaya Serijaya Sdn Bhd for the proposed acquisition of KIPMall Kota Warisan for a cash purchase consideration of RM80 million.
- (3) Rubberrex Corporation has entered into a conditional subscription agreement with Alliance Premier, Exsim and JT Momentum for the subscription of 200,000 new ordinary shares or 20% equity interest in Alliance Empire, owner of Empire City Mall, to be fully satisfied with RM180 million in cash.
- (4) On 17 November 2022, YNH Property Bhd announced that it is selling 163 Retail Park shopping centre to ALX Asset Bhd for RM270.5 million. However, the proposed disposal to ALX Asset was terminated in January 2024 via a Deed of Termination. Subsequently, Sunway REIT Management Sdn Bhd, the manager of Sunway REIT, completed the acquisition of 163 Retail Park for a purchase consideration of RM215 million. The mall has been rebranded as "Sunway 163 Mall".
- (5) On 22 November 2022, MTrustee Bhd, the trustee of Pavilion REIT, signed a sale and purchase agreement (SPA) to acquire Pavilion Bukit Jalil Mall (NLA of 1.8 million sq ft and 4,800 car park bays) from Malton's subsidiary, Regal Path Sdn Bhd, for RM2.2 billion.
- (6) Frasers Property Gold Pts Ltd., a wholly owned subsidiary of Frasers Property Limited purchased 131,443,060 shares representing the entire issued and paid-up share capital of Mallco Pte. Ltd, which indirectly holds Setapak Central. The agreed property value for Setapak Central at RM318.0 million was negotiated on a willing-buyer and willing-seller basis with reference to the independent valuations.
- (7) During the sale of Pavilion Bukit Jalil Mall, the development was still on-going and was subsequently completed in 2H2021. Payment of consideration is in accordance to the stages stipulated in the schedule of payment appended in the announcement.
- (8) Elite Pavilion Mall – The consideration includes the strategic linkages, tenancies, 50 car park bays, utilities and other ancillary components for seamless connectivity with Pavilion KL Mall.

PROPERTY MARKET OVERVIEW 2024

(cont'd)

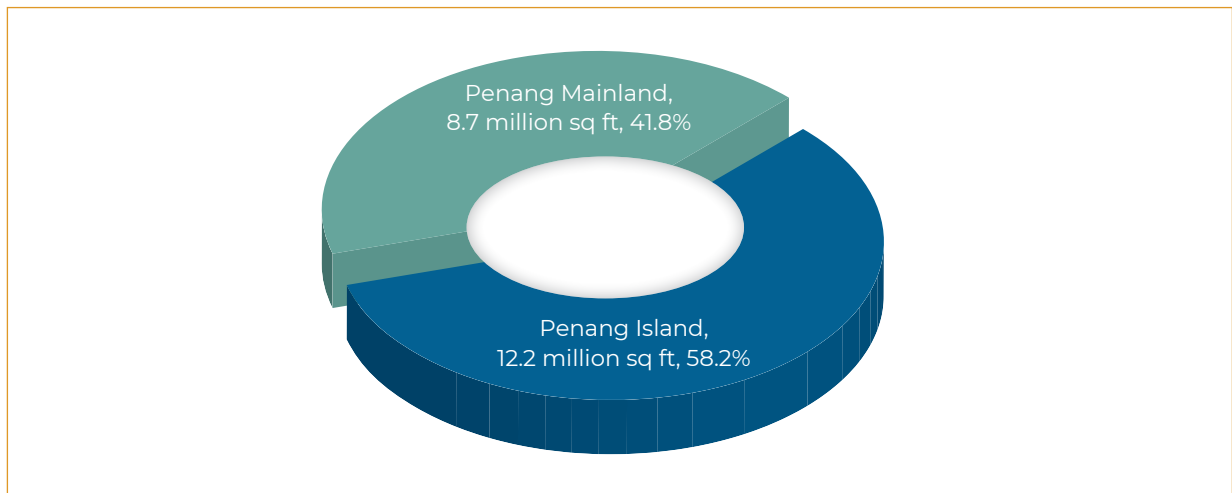
RETAIL MARKET OVERVIEW (cont'd)

4.0 PENANG

4.1 Supply

The cumulative supply of retail space in Penang was recorded at 20.9 million sq ft as of 3Q2024. Penang Island accounts for 58.2% share (12.2 million sq ft) of the total supply whilst the remaining stock (41.8% or 8.7 million sq ft) comes from Penang Mainland.

Chart 7: Penang - Existing Supply of Shopping Centres, Arcades and Hypermarkets, 3Q2024^(p)



Sources: NAPIC/Knight Frank Research
Note: (p) = Preliminary data

4.2 Occupancy

The average occupancy rate of retail space (inclusive of shopping centres, arcades and hypermarkets) in Penang (include Penang Island and Penang Mainland) peaked at 73.8% in 2019 before dipping to 70.9% in 2021 amid the unprecedented pandemic.

In 2023, the normalisation of economic activities coupled with the full reopening of the country's international borders and the increased connectivity through direct flights supported the recovery of the retail sector. The average occupancy rate recovered to record at 73.3% during the year.

However, the average occupancy rate experienced a slight decline to 70.5% in 3Q2024, likely attributed to the addition of new retail space in Penang Island. Sunshine Central Mall in the Air Itam locality (NLA: circa 820,000 sq ft) was opened to the public in October 2024.

PROPERTY MARKET OVERVIEW 2024

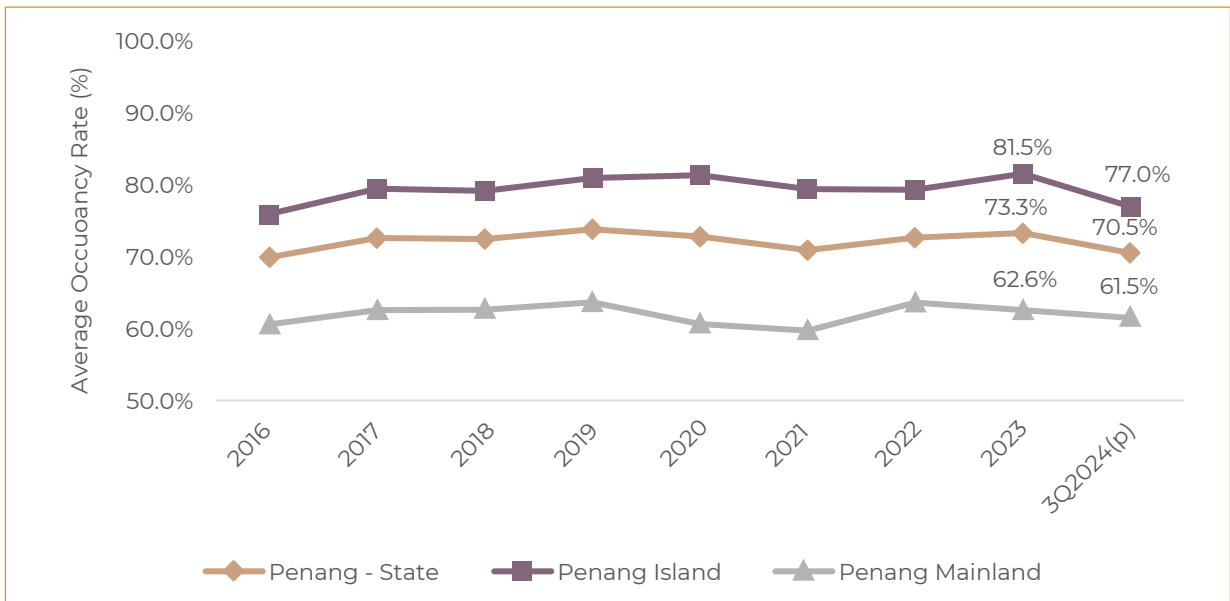
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RETAIL MARKET OVERVIEW (cont'd)

4.0 PENANG (cont'd)

4.2 Occupancy (cont'd)

Chart 8: Penang - Average Occupancy Rates of Shopping Centres, Arcades & Hypermarkets, 2016 to 3Q2024^(p)



Sources: NAPIC/Knight Frank Research
 Note: (p) = Preliminary data

4.3 Rental Rates

The rental rates of retail space in selected established shopping centres in the central town prime area on Penang Island remained stable in 1H2024.

The rental rates range from as low as RM1.53 per sq ft to as high as RM55.41 per sq ft per month, depending on factors such as location and building condition of the mall, floor level and size of retail lots amongst others.

Table 5: Penang - Rental Rates of Selected Shopping Centres, 2H2023 to 1H2024

Shopping Centre	Floor	Built-up Area (sq ft)	Range of Rental Rates (RM per sq ft / month)	
			2H2023	1H2024
Gurney Plaza	Basement	140 – 23,670	14.99 – 15.36	15.15 – 15.36
	Ground	129 – 113,742	8.87 – 19.13	8.87 – 19.13
	First Floor	140 – 53,303	11.89 – 15.36	12.15 – 15.36
	Second Floor	140 – 9,580	8.72 – 9.33	9.33
	Third Floor	140 – 11,238	8.63 – 8.87	8.63 – 8.87
	Fourth floor	366 – 5,554	7.75 – 7.76	7.75
	Fifth floor	140 – 1,819	10.42 – 10.78	10.42 – 10.78
	Sixth Floor	108 – 2,551	7.02 – 8.50	7.02 – 8.50
	Seventh Floor	1,884 – 44,423	3.45	3.45

PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW (cont'd)

4.0 PENANG (cont'd)

4.3 Rental Rates (cont'd)

Table 5: Penang - Rental Rates of Selected Shopping Centres, 2H2023 to 1H2024 (cont'd)

Shopping Centre	Floor	Built-up Area (sq ft)	Range of Rental Rates (RM per sq ft / month)	
			2H2023	1H2024
Gurney Paragon	Lower Ground Floor (Main Area)	269 – 10,656	10.60 – 18.80	10.60 – 18.80
	Lower Ground Floor	312 – 20,236	2.92 – 8.71	2.92 – 8.71
	First Floor (Main Area)	807 – 4,069	18.34 – 38.42	18.34 – 38.42
	First Floor	678 – 23,099	5.28 – 17.21	5.28 – 17.21
	Second Floor (Main Area)	721 – 7,007	10.32 – 25.72	10.32 – 25.72
	Second Floor	1,163 – 18,202	3.43 – 28.40	3.43 – 28.40
	Third Floor (Main Area)	291 – 1,141	9.66 – 24.00	9.66 – 24.00
	Third Floor	344 – 16,576	1.88 – 8.32	1.88 – 8.32
	Fourth Floor (Main Area)	323 – 646	11.22 – 27.07	11.22 – 27.07
	Fourth Floor	495 – 28,740	2.00 – 7.62	2.00 – 7.62
	Fifth Floor (Main Area)	452 – 1,884	9.92 – 55.41	9.92 – 55.41
	Fifth Floor	592 – 8,902	3.62 – 7.23	3.62 – 7.23
	Sixth Floor (Main Area)	291 – 8,471	8.00 – 12.63	8.00 – 10.44
	Sixth Floor	355 – 9,375	1.99 – 6.48	1.99 – 6.48
	Seventh & Eighth Floor	140 – 5,016	1.53	1.53
1 st Avenue	Lower Ground Floor (Main Area)	280 – 1,970	9.75 – 13.10	9.75 – 13.10
	Lower Ground Floor	549 – 21,808	1.80 – 9.21	1.80 – 9.21
	Ground Floor (Main Area)	226 – 1,518	10.96 – 36.98	10.96 – 36.98
	Ground Floor	484 – 9,322	2.98 – 7.43	2.98 – 7.43
	First Floor (Main Area)	915 – 1,819	10.50 – 15.98	10.50 – 15.98
	First Floor	850 – 9,192	1.57 – 8.00	1.57 – 8.00
	Second Floor (Main Area)	667 – 1,873	6.45 – 11.52	6.45 – 11.52
	Second Floor	8,622 – 9,009	3.00	3.00
	Third Floor	850 – 3,466	2.30 – 7.70	2.30 – 7.70
	Fourth Floor	463 – 12,443	2.30 – 7.60	2.30 – 7.60

Sources: NAPIC/Knight Frank Research

PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW (cont'd)

4.0 PENANG (cont'd)

4.4 Capital Values

Notable transactions of shopping centres in Penang are highlighted in the table below. There was no notable transaction recorded in 2024.

Table 6: Penang - Notable Transactions of Shopping Centres, 2019 to 2023

Date of Transaction	Building Name	Location	Estimated NLA (sq ft)	Consideration (RM)	Price (RM/sq ft)	Purchaser
2023	Queensbay Mall ⁽¹⁾	Bayan Lepas	883,111	990,500,000	1,122	MTrustee Bhd
2020	Kompleks Bukit Jambul ⁽²⁾	Bukit Jambul, Penang	145,843	25,500,000	175	Iman Ikhlas (M) Sdn Bhd
2019	Island Plaza ⁽³⁾	Georgetown	326,800	N/A (5)	N/A	Reportedly to be a Hong Kong businessman
2019	1st Avenue Mall ⁽⁴⁾	Georgetown	407,076	153,000,000	376	I Homes Properties Sdn Bhd

Sources: RCA/JPPH/Knight Frank Research

Notes:

- (1) Queensbay Mall: MTrustee Berhad, on behalf of CLMT, had on 9 November 2022 entered into the following in respect of the Proposed Acquisition: (i) a conditional sale and purchase agreement (SPA) with Special Coral Sdn Bhd to acquire 433 strata titles within Queensbay Mall for a purchase consideration of RM984.48 million; and (ii) a conditional share purchase agreement with Retail Galaxy Pte Ltd to acquire all the issued and paid-up share capital of Scenic Growth Sdn Bhd, Luxury Ace Sdn Bhd, Success Idea Sdn Bhd and Milky Way Properties Berhad, which collectively hold 5 strata titles within Queensbay Mall for a total purchase consideration of RM3.45 million. As of October 2022, the occupancy rate of the freehold mall stood at 95%.
- (2) MJ Properties Sdn Bhd, an indirect 98.21%-owned subsidiary of Malayan United Industries Berhad, entered into a sale and purchase agreement (SPA) with Iman Ikhlas (M) Sdn Bhd to dispose of a freehold retail space known as Lot 3A-B, G-M01, Basement and Ground Floor of Kompleks Bukit Jambul, with a net lettable area of circa 145,843 sq ft for a total consideration of RM25,500,000.
- (3) Island Plaza: Prior to this transaction, in April 2019, the property was sold to Frasers Property JV Frasers Centrepoint Trust by Pramerica REI for an undisclosed amount. Previously in 2007, it was sold to Pramerica REI by Belleview Group Dev for a consideration of RM120 million or circa RM367 per sq ft.
- (4) 1st Avenue Mall: Prior to this transaction, in April 2019, it was sold to Frasers Property JV Frasers Centrepoint Trust by Pramerica REI for an undisclosed amount.
- (5) N/A = Not Available

5.0 RETAIL MARKET OUTLOOK

Following Malaysia's retail sales growth of 2.2% in 2023, the sector is projected to see further expansion in 2024, with growth anticipated to reach 3.9%. This upward trend signals a strengthening retail market, driven by improving consumer confidence and broader economic recovery albeit rising cost of living. Concurrently, the country's economy for the full year of 2024 is estimated to grow between 4.8% and 5.3%. It is further anticipated to strengthen in 2025 with growth forecasted to range from 4.5% to 5.5%, underpinned by continued expansion in domestic demand and improving external demand.



PROPERTY MARKET OVERVIEW 2024

(cont'd)

RETAIL MARKET OVERVIEW (cont'd)

5.0 RETAIL MARKET OUTLOOK (cont'd)

For consumers, rising cost of living and persistent high inflation remained as the ongoing hurdles. The government has introduced several supportive measures, including the RM200 million 'Payung Rahmah' initiative, to cushion the impact of rising cost of living. Under the recent tabling of Budget 2025, the government will continue to allocate RM300 million for the 'Payung Rahmah' initiative, along with cash aid and incentives via the Sumbangan Tunai Rahmah (STR) and Sumbangan Asas Rahmah (SARA) programmes, boosting the budget allocation by 30% to RM13 billion.

In the upcoming year (2025), consumer purchasing power is expected to strengthen, partly due to the anticipated increase of up to 15% in civil servant remuneration during the first phase in December 2024, with the second phase following in January 2026. The proposed increase in minimum wage rate from RM1,500 to RM1,700, provided under Budget 2025, is also expected to significantly bolster disposable income and encourage greater consumer spending.

However, retailers' operating expenses may also rise, following the increase in minimum wage, mandatory EPF contribution for foreign workers and progressive expansion of the sales and service tax (SST), which includes commercial services, non-essential goods and premium imports. Moreover, in effort to reduce the public's sugar consumption and tackle diabetes, the increase of excise duty on sugar-sweetened beverages (SSB) by RM0.40 per litre is expected to also raise operational costs, leading to price adjustments and subsequently impacting the consumers' demand for sugary beverages.

Digitalisation/e-commerce remained indispensable, supported by the steady growth of digital consumers as well as high penetration of e-wallets and digital payments. Although physical stores remain vital, consumers also expect a seamless shopping experience, online and offline. Driven by younger consumers in the millennials and Gen Z generation groups, digital payment service / e-wallet is projected to gather further momentum.

Retailers and mall operators are increasingly re-configuring their spaces and embarking on asset enhancement initiatives to adapt to the ever-evolving retail landscape. ESG principles have become an integral part of their business strategies. While promoting experiential retail, thematic stores and promotional events, these efforts also aim to differentiate from a saturated market and distinguish the shopping experience from online retail to lure consumers to physical stores.

Despite a challenging environment characterised by geopolitical fragmentation, rising inflation and fluctuating currency, Malaysia's economy is poised to expand between 4.5% and 5.5% in 2025, bolstered by robust economic policies. Concurrently, local retail sector is expected to sustain with steady domestic demand and backed by rising tourist arrivals.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Sentral REIT Management Sdn Bhd being the Manager of Sentral REIT (“SENTRAL”) presents this Corporate Governance Overview Statement, outlining the corporate governance approach, focus areas and priorities for the Financial Year ended 31 December 2024 (“FY2024”).

The Manager is cognisant of the importance of having well-balanced, purposeful and comparable corporate governance disclosures which allows stakeholders to appreciate how the intended outcomes of good corporate governance were attained against the strategic business course that SENTRAL is charting towards.

In this regard, the Board endeavours to provide stakeholders with an informative and comprehensive disclosure of how good corporate governance practices are infused into the fabric of SENTRAL’s overall decision-making process.

This Corporate Governance Overview Statement is a supplement to the Corporate Governance Report, based on the updated prescribed format so as to provide a detailed account on the application of SENTRAL’s corporate governance practices vis-à-vis the Malaysian Code on Corporate Governance as updated in 2021 (“MCCG”) during the FY2024. The Corporate Governance Report is made available on SENTRAL’s corporate website, <https://sentralreit.com/>, as well as via an announcement on the website of Bursa Malaysia Securities Berhad (“Bursa Securities”). The Corporate Governance Overview Statement and Corporate Governance Report are made pursuant to paragraph 15.25 of the Main Market Listing Requirements of Bursa Securities (“Listing Requirements”) and are narrated with reference to the guidance provided in Practice Note 9 of the Listing Requirements and the Corporate Governance Guide (4th Edition) issued by Bursa Securities.

This Corporate Governance Overview Statement should also be read in tandem with the other statements in this Annual Report (e.g. Statement on Risk Management and Internal Control, Audit & Risk Committee (“ARC”) Report, Nomination & Remuneration Committee (“NRC”) Report as well as the Sustainability Statement) as the application of certain corporate governance practices are further explained in the respective statements or reports.

CORPORATE GOVERNANCE APPROACH

The Manager is aware that purposeful designed and focused implementation of SENTRAL’s corporate governance framework is of paramount importance in ensuring successful execution of strategies and business plans, informed monitoring of performance and prudent risk management. In particular, the Board and Management of the Manager are aware of their responsibility to act in good faith, with due care and diligence, and in the best interests of its Unitholders by exemplifying the principles of accountability, objectivity and transparency.

SENTRAL’s approach to corporate governance is premised on:

- Driving sustainable value for Unitholders over the long-term through the alignment of the interests of SENTRAL’s Unitholders with that of the Board and Management of the Manager;
- Sustaining the long-term growth and profitability of SENTRAL whilst prudently managing risks; and
- Meeting stakeholder expectations of sound corporate governance as part of the Manager’s broader responsibility to Unitholders, regulators, and the market.

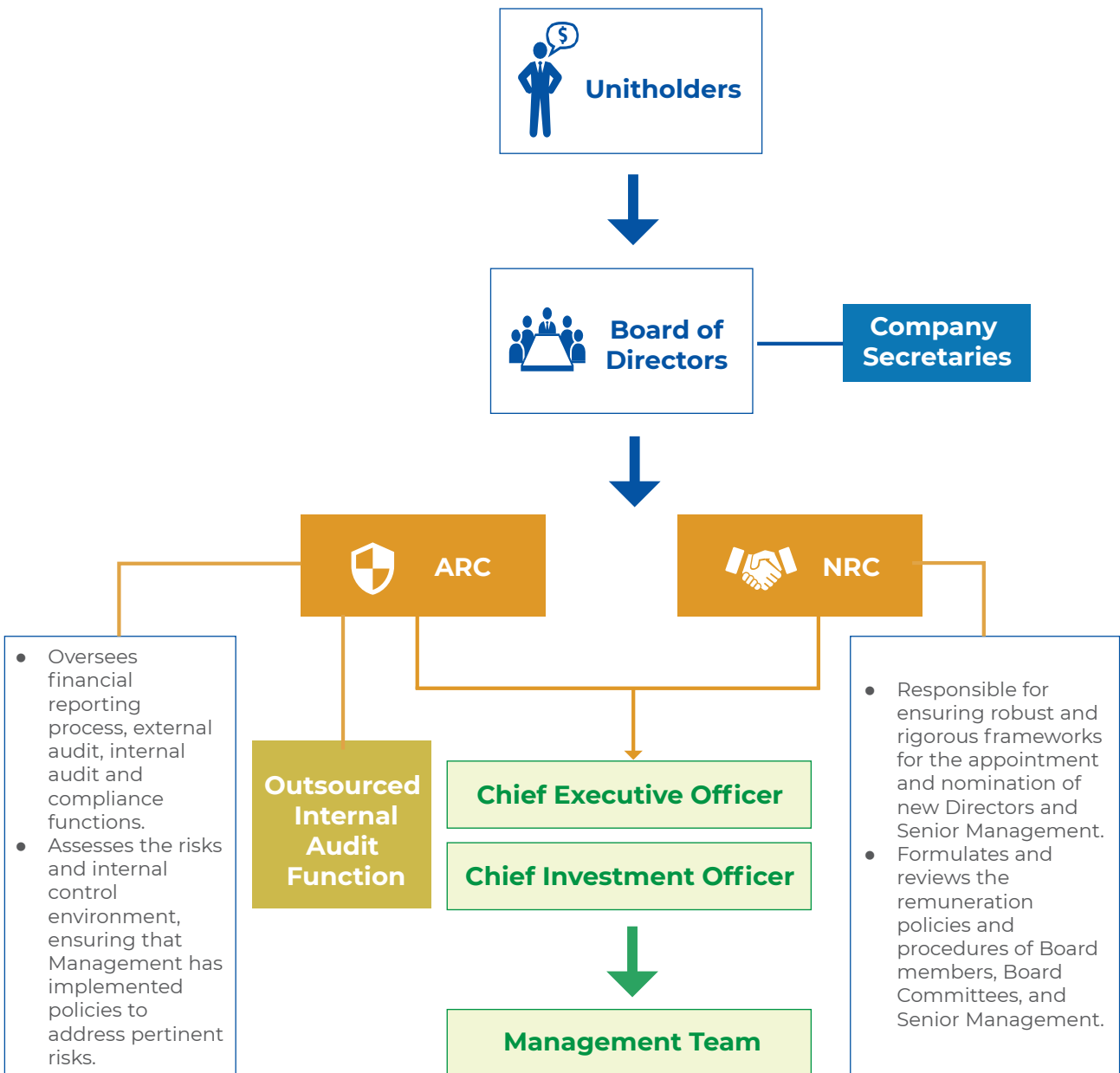
The Manager’s governance architecture is one of a robust yet flexible framework that guides and informs the day-to-day activities of SENTRAL and its operations, policies and procedures. Given its fundamental role as a management company of SENTRAL, the policies and procedures are applied with due consideration of SENTRAL’s business needs and core values, market trends and globally recognised better practices that are aligned with the ever-changing expectations of stakeholders.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

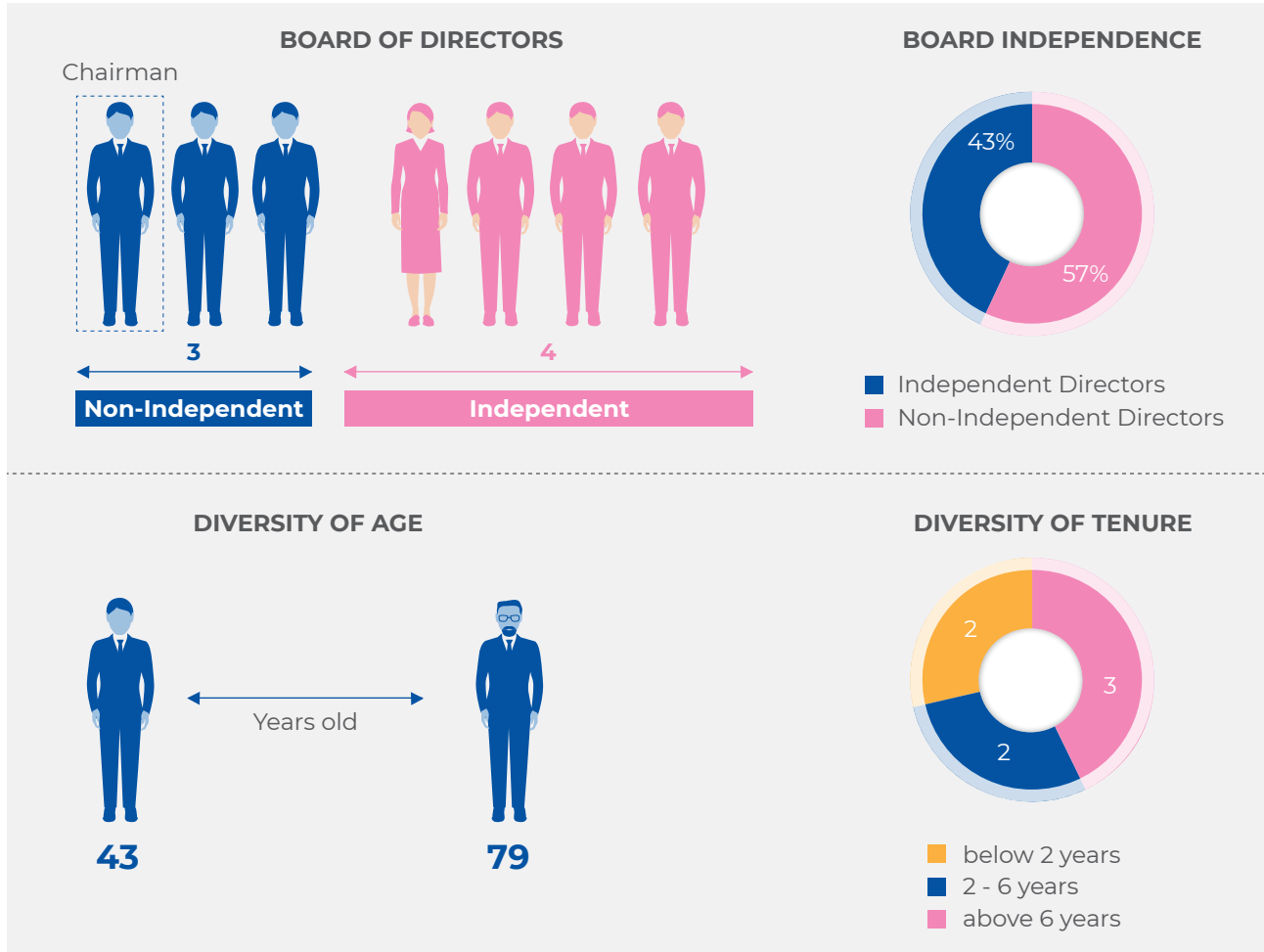
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In order to discharge its oversight and governance roles and responsibilities, the Board has established two (2) Board Committees, namely, the ARC and the NRC. The Board retains collective oversight over the Board Committees and is regularly apprised on the proceedings of these Committees through the respective Board Committee Chairmen. Any recommendations would be subsequently escalated to the Board for the requisite approval. In order to avert any potential self-review threat, the Board Chairman does not occupy membership in any of the Board Committees. The governance architecture in place is illustrated below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)



The Board is of the view that the current configuration is appropriate with the present scope and scale of SENTRAL's business operations. The wealth of experience and diverse set of skills enable the Directors to provide valuable perspectives in order to exercise robust oversight of SENTRAL's strategic objectives. The Board is composed of members with diverse experience and multi-disciplinary expertise from the domains of property development and real estate, accounting and finance, corporate finance, banking, tax advisory, economics, entrepreneurship and property management which in turn allows for a diverse and multi-faceted approach to Board-level deliberations and ultimate decision-making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

A non-exhaustive list of some of the Directors' skill sets is outlined below:



SUMMARY OF CORPORATE GOVERNANCE PRACTICES

The Manager has applied all the Practices encapsulated in the MCCG for the FY2024, save for the following:

- Practice 5.9 (Board to comprise 30% women Directors)
- Practice 5.10 (Disclosure of company policy on gender diversity on Annual Report); and
- Practice 8.2 (Disclosure of top five Senior Management personnel's remuneration on a named basis and in bands of RM50,000)

In addition to the standard Practices encapsulated within the MCCG and as a higher order practice, the Manager has adopted the following Step-Up Practices:

- Step Up Practice 5.4 (Nine-year tenure limit for Independent Directors;) and
- Step Up Practice 9.4 (The Audit Committee should comprise solely of independent Directors)

The Manager has provided meaningful explanation on its departure from the said practices based on leeway accorded in application mechanism of MCCG. As SENTRAL emerges from a challenging operating environment, the Manager is committed to accelerating efforts to implement the departed Practices within the timeframes outlined within the Corporate Governance Report.

The explanations provided on the said departures are supplemented with a description on the alternative measures that are in place to achieve the Intended Outcome of the departed Practices, and measures that SENTRAL intends to take to adopt the departed practices as well as the timeframe for adoption of the departed Practices.

These measures and timeframes represent the Manager's unwavering commitment to adopt higher order practices, given that it is not mandatory for companies that fall outside of the definition of a Large Company to do so.

Additional details on the Manager's application of each individual Practice of MCCG are available within the Corporate Governance Report which is published on SENTRAL's corporate website as well as via an announcement on the website of Bursa Securities.

A summary of SENTRAL's corporate governance practices with reference to MCCG is outlined below and in the ensuing pages of this Corporate Governance Overview Statement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

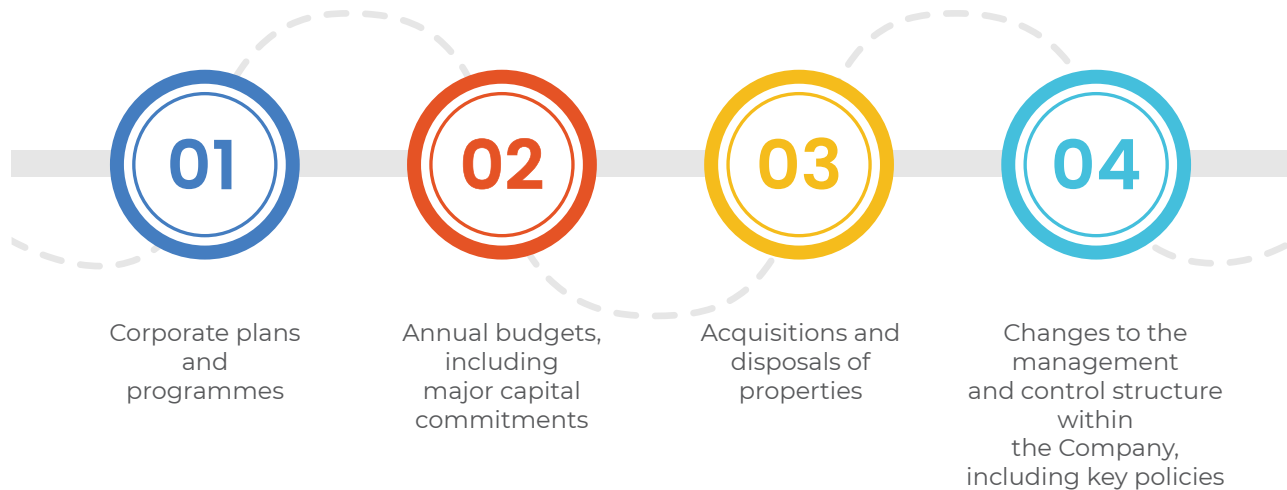
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PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

Roles and Responsibilities of the Board

The Board is collectively accountable for setting the strategic course and overseeing the subsequent execution of these strategies. The Board is accountable to the Unitholders and various other stakeholder groups in ensuring that it provides effective oversight over Management conduct, ensures prudent risk management and robust internal control systems are in place as well as incorporating regular reviews over SENTRAL's systems to ensure their adequacy, veracity and efficacy.

The Board is guided by the Board Charter which sets out the purpose, composition, and principal responsibilities of the Board as well as acts as the source literature for Board members in the discharge of their fiduciary duties. The Board Charter incorporates provisions that provide for the clear demarcation of the responsibilities of the Board and Management and includes "Reserved Matters" for the Board as illustrated below:



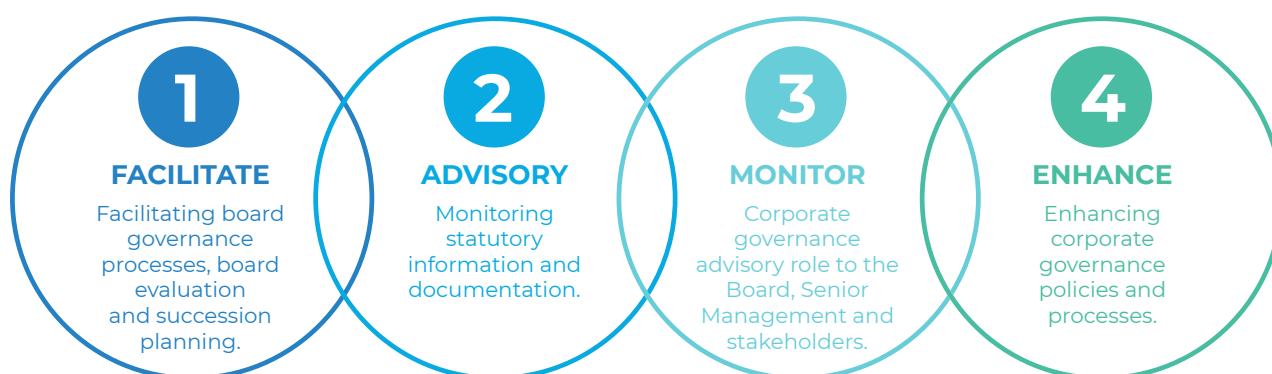
The Board Charter and the Terms of Reference of the respective Board Committees are periodically reviewed and revised to integrate the variations to the Companies Act 2016, Listing Requirements, Guidelines on Listed REITs by Securities Commission Malaysia as well as MCCG to ensure acquiescence to mandatory requirements and better practices. The Board Charter is made available on SENTRAL's website at <https://sentralreit.com/>.

The Board and Board Committees are supported by two qualified and experienced joint Company Secretaries, who provide the Board with periodic updates on the latest regulatory developments. The Company Secretaries are members of the Malaysian Institute of Chartered Secretaries & Administrators ("MAICSA") with the officers being Mohamed Noor Rahim Bin Yahaya (MAICSA 0866820/SSM PC No. 202008002339) and Ho Ngan Chui (MAICSA 7014785/SSM PC No. 202008001773) respectively. The Company Secretaries also advise and support the Board in upholding high standards of corporate governance and facilitate the flow of information from Management to the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

As counsels to the Board, the Company Secretaries possess the knowledge and experience to carry out their duties which have evolved from merely advising on administrative matters to one of diverse nature as illustrated by the “FAME” moniker below:



The Board is also supported by a Compliance Officer who monitors and ensures compliance with the Listing Requirements and all applicable guidelines set out by Securities Commission Malaysia and securities laws relating to SENTRAL.

The roles, responsibilities and authorities of the Board, Board Committees, individual Directors, Company Secretaries and Compliance Officer are clearly outlined in the Board Charter, which serves as an authoritative governance document and induction literature. As mentioned, the Board Charter is made available on SENTRAL’s website and is reviewed periodically to ensure it reflects the ever-changing environment in which the Manager operates so as to remain contemporary.

In relation to Board meetings, the Board and its Committees have met with sufficient regularity to deliberate on matters under their purview. Directors have devoted sufficient time to prepare, attend and actively participate during the Board and Board Committee meetings. Led by the Chairman, Directors are frequently called upon to express their views and play a key part in making the Board meetings a participatory environment. During the year, the Board has met on a frequency of four (4) times to hold discussions on key matters pertaining to the Manager and SENTRAL.

The attendance of individual Directors for the meetings of the Board and Board Committees are illustrated below:

Director	Board	ARC	NRC
Tan Sri Saw Choo Boon	4/4	-	-
Ann Wan Tee	4/4	-	2/2
Kwan Joon Hoe	4/4	-	-
Datuk Dr Roslan bin A. Ghaffar ¹	2/2	2/2	1/1
Datuk Kamalul Arifin bin Othman	4/4	4/4	2/2
Frances Po Yih Ming ²	4/4	4/4	2/2
Hizamuddin bin Jamalluddin ³	3/4	2/2	-
Aminuddin bin Mohd Arif ³	4/4	2/2	-

Legend:

Board/Board Committee Chairman

Member

Note:

¹ Datuk Dr. Roslan bin A. Ghaffar ceased as Chairman of the ARC following his retirement as an Independent Non-Executive Director of the Manager on 14 June 2024.

² Frances Po has been redesignated as the Chairperson of the ARC effective 14 June 2024.

³ Hizamuddin bin Jamalluddin and Aminuddin bin Mohd Arif have been appointed as members of the ARC effective 14 June 2024.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

The Board is assisted by the ARC and the NRC which are entrusted with specific responsibilities in order to provide critical support in discharging its oversight function. The Board Committees are granted the authority to function in accordance with their respective Terms of Reference to ensure enhanced objectivity and independence within Board Committee deliberations. The ultimate responsibility for the final decision on all matters deliberated at Board Committees are vested with the Board. Memberships of the Board Committees and their respective Terms of Reference are refreshed periodically.

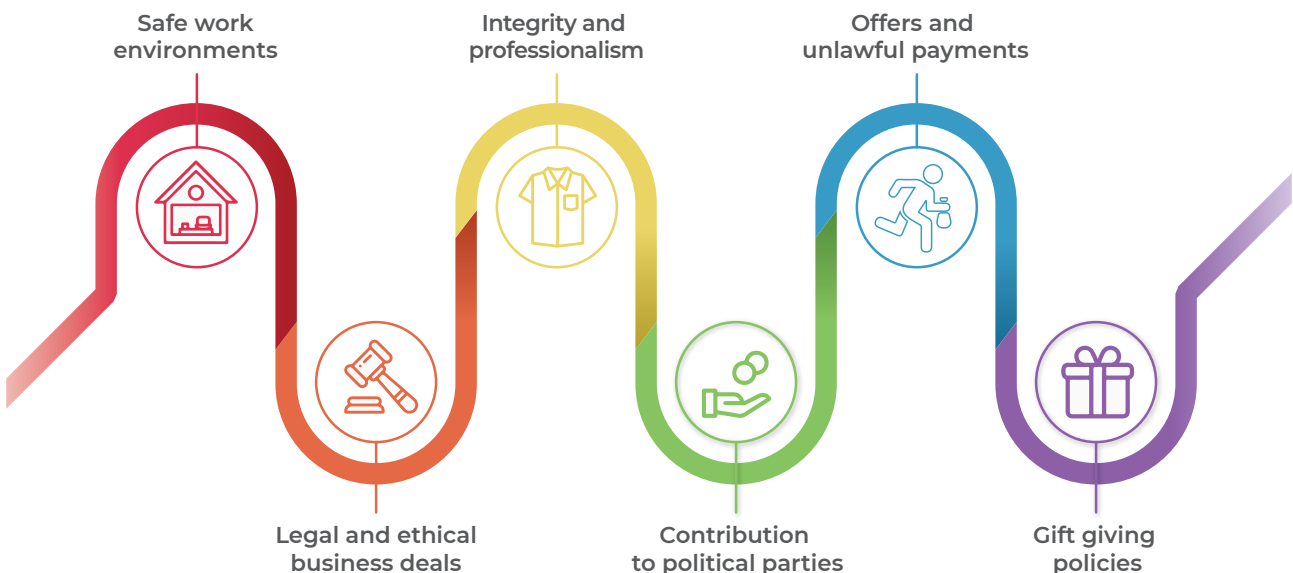
The primary responsibility of an Independent Non-Executive Director is to act as a safeguard to the interests of minority Unitholders and other stakeholders. As such, the Independent Non-Executive Directors play a cardinal role in ensuring transparency and preserving accountability. This is further fortified by the placement of Independent Non-Executive Directors as Chairmen of the two respective Board Committees as well as majority independent committee members which serves to infuse greater impartiality in the Board's decision-making process. Non-Independent Non-Executive Directors on the other hand also play a crucial role in their responsibilities for strategy and business performance. Their views are balanced by their duty to act in the best interest of the Manager and SENTRAL while being entrusted to relay the viewpoints of their nominators.

In line with good corporate governance practices, there is a clear distinction between the role of the Chairman and the CEO. The Chairman oversees the conduct, governance and effectiveness of the Board while the CEO is tasked with managing SENTRAL's business operations and implementing policies, strategies and decisions adopted by the Board. This provides for a balance of power and authority, increased accountability and greater capacity of the Board for objective decision-making.



The Board acknowledges its role in leading from the front and laying the groundwork in embedding an ethical culture across the Manager's operations. Premised on this, the Board formalised and implemented a Code of Business Ethics ("The Code"), which is regularly reviewed and monitored to foster an ethical culture within all facets of the operations. The Code serves as a guide and reference to the Board and employees to live up to high ethical business standards. It provides guidance on the conduct of business and their duties, in a manner that is efficient, effective and fair.

An illustration covering selected salient areas captured within The Code is shown below:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

In terms of structural oversight over sustainability strategies, priorities and targets, it is reposed at the Board level with Management being responsible for operational execution. The Board appreciates the fact that SENTRAL's internal and external stakeholders should be well informed on the Manager's sustainability strategies, priorities, targets as well as overall performance as articulated in the Manager's Sustainability Statement. Accordingly, the Board also keeps itself apprised with latest sustainability developments through capacity building efforts and the proactivity as well as responsibility of the Board on this front are evaluated through periodic Board Effectiveness Evaluation exercise. As for Senior Management personnel, a weighted proportion of their key performance indicators are pegged to sustainability considerations with a nexus to executive compensation packages.

Board Composition

The Board endeavours to ensure that its configuration appropriately reflects the requisite boardroom elements with respect to skill sets, experience and diversity.

The Board is mindful of Practice 5.2 of MCCG which stipulates that at least half the Board should comprise Independent Directors. Following the retirement of Datuk Dr Roslan bin A. Ghaffar as an Independent Director on 14 June 2024, the Board is composed of four (4) Independent Non-Executive Directors and three (3) Non-Independent Non-Executive Directors. Currently, the Board comprises exclusively of Non-Executive Directors. Non-Executive Directors are external to the day-to-day operational duties of the Manager, making them inherently detached from the Management. By virtue of having all Non-Executive Directors on the Board, a facilitative environment is created for policy making at the Board-level as well as ensuring effective oversight of the Management.

To add a layer of further reinforcement, the clear demarcation of responsibilities between the Board and the Management also allows key operational and investment decisions by the Management to be challenged and questioned by the Board in a rigorous manner. The Board believes that the current configuration allows for adequate checks and balances, safeguarding against disruptive power plays and divisive factionalism within the boardroom.

Appointments to the Board are made via a formal, rigorous and transparent process and taking into account the objective criteria set by the Board which are evaluated by the NRC such as leadership experience, skill sets, knowledge, diversity of background, integrity, professionalism and time commitment. In the context of Independent Non-Executive Directors, the NRC assesses the candidate's ability to bring the element of detached objectivity and impartial judgement to the boardroom deliberations. The NRC also conducts review of the Board size and composition to identify any gaps in its configuration. The Board is of the view that its composition represents a good fit with the present scope and scale of the Manager's business operations. The wealth of experience and diverse set of skills enable the Board to provide valuable perspectives in order to exercise robust oversight of the Manager's strategic objectives.

The Board also acknowledges that a cognitively diverse board is better placed to avert 'group think', 'blind spots' and insularity, particularly in the context of the dynamic REIT sector in which the Manager and SENTRAL operates in. The Board is cognisant of the clear and compelling need for members who appreciate disruptions to business, understand the challenges affecting the industry and determine what changes are needed to ensure business sustainability.

Within the domain of gender, the Board presently has 14% female representation on the Board. While this is below the 30% threshold advocated in the MCCG, it is in compliance with the Securities Commission Malaysia's Listed Real Estate Investment Trust (REIT) Guidelines, which require at least one woman director on the Board. The Board is aware that this is relatively lower than the 30% yardstick as advocated in the MCCG. In addition, the Securities Commission's Guidelines on Corporate Governance for Capital Market Intermediaries calls upon capital market entities to undertake the necessary measures to ensure the board comprises at least 30% women directors. Notwithstanding, the Board is committed to not only bridging this shortfall but will endeavour to join the 32.2%¹ of top 100 public listed companies which have met the 30% target as stipulated in the MCCG as a higher order corporate governance aspiration. To this end, the Board through the NRC shall remain steadfast in continuously identifying and assessing suitably qualified female candidates for nomination.

¹ Corporate Governance Monitor 2024, [Corporate Governance Monitor 2024](#)

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

Board Effectiveness Evaluation

The Board Effectiveness Evaluation (“BEE”) aims to evaluate the performance of the Board, Board Committees and individual Directors, identifying areas for improvement where required. An external consultant would be engaged to carry out the BEE once every three (3) years or as and when the Board deems necessary to facilitate an objective and candid board evaluations. During the year under review, the BEE was conducted internally through the NRC, facilitated by the Company Secretaries.

The BEE questionnaires were tailored to the specific needs and nuances of the Board which comprised as assessment of the Board of Directors, Directors’ Skill Set, Directors’ Self and Peer Assessment, Assessment on Independent Directors and Assessment on Board Committees.

The results of the BEE, covering the performance of the Board as a whole and its Board Committees, were reviewed by the NRC and was presented to the Board at the meeting held on 22 January 2025. The overall results of the 2024 BEE were generally positive, with the Board expressing satisfaction with the performance of both the Board and its Committees. The assessment indicates that the Board and its Committees are effective and operate well within established parameters. Any areas identified for improvement will be addressed through targeted action plans.

Directors’ Training and Continuing Education Programmes

During the year under review, Directors of the Manager have optimised the opportunities to enhance their expertise and knowledge through the participation of the following professional development programmes:-

Attended by	Date	Organiser	Particulars of training programmes attended
Tan Sri Saw Choo Boon	5 May 2024	National Chamber of Commerce and Industry of Malaysia	National Economic Forum 2023
	23 May 2024	BCG & INSEAD	Role of Board in the Sustainability Era
	11 June 2024	World Bank	How Can Countries Escape the Middle-Income Trap?
	20 June 2024	Securities Industry Development Corporation (SIDC)	Sustainable and Responsible Investment Conference (SRI) 2024 – Investing in Human Wellbeing and the planet
	24 July 2024	FMM Institute	Smart Factory: Shaping the Factories of the Future
	13 August 2024	GS1 Malaysia	Advancing Sustainability and Consumer Trust through Verifiable Credentials
	11 November 2024	KPMG	Anti-Bribery and Corruption in Malaysia e-Learning Module

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

Attended by	Date	Organiser	Particulars of training programmes attended
Ann Wan Tee	4 & 5 March 2024	Institute of Corporate Directors Malaysia (ICDM)	Mandatory Accreditation Programme Part II – Leading For Impact
	16 March 2024	Tricor / Axcelasia	Risk Management Workshop
	20 June 2024	SIDC	Sustainable and Responsible Investment Conference (SRI) 2024 – Investing in Human Wellbeing and the planet
	17 December 2024	KPMG	Anti-Bribery and Corruption in Malaysia e-Learning Module
Kwan Joon Hoe	26 – 27 February 2024	ICDM	Mandatory Accreditation Programme Part II – Leading For Impact
	16 March 2024	Tricor / Axcelasia	Risk Management Workshop
	20 June 2024	SIDC	Sustainable and Responsible Investment Conference (SRI) 2024 – Investing in Human Wellbeing and the planet
	18 November 2024	KPMG	Anti-Bribery and Corruption in Malaysia e-Learning Module
Datuk Kamalul Arifin bin Othman	20 May 2024	Malaysian Institute of Property and Facility Managers	MIPFM Smart Building Conference 2024
	25 – 27 June 2024	Housing 2024 @ Manchester, UK	Housing 2024
	14 August 2024	PEPS Ventures Berhad	Role of AI in the Real Estate Industry
	27 August 2024	Royal Institution of Surveyors Malaysia (RISM) Academy	Webinar: Occupational Safety and Health for Surveyors
	28 August 2024	Prominent Sustainability Sdn Bhd	How to Develop and Implement a Solid ESG Strategy Course
	21 October 2024	JXY Consulting	Sustainability Disclosure Report Writing According to ESG Reporting Guide (or Code)
	5 December 2024	KPMG	Anti-Bribery and Corruption in Malaysia e-Learning Module

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

Attended by	Date	Organiser	Particulars of training programmes attended
Frances Po Yih Ming	30 January 2024	Australia Stock Exchange (ASX)	ISSB IFRS Sustainability Disclosure Standards Training
	1 March 2024	Asia School of Business	Sustainable Sustainability
	18 July 2024	PwC & Asia School of Business	Leading the leap: Trust-driven strategies to shape reinvention
	30 July 2024	Securities Commission/ The Hive	Catalyst Series: Transforming The Global Digital Economy with Generative AI
	1 August 2024	ICDM	Board Risk Management Committee - Insights across borders: Thriving in the Bermuda Triangle of Technology, Risk and Talent
	20 August 2024	Climate Governance Malaysia (CGM)	Navigating Climate Risks: Investor Priorities
	22 August 2024	SIDC	SIDC Business Foresight Forum 2024 - Investing in MSMEs for Impact
	11 & 12 September 2024	CGM	National Climate Governance Summit 2024
	24 September 2024	ICDM / Bursa Malaysia	Assurance, Greenwashing and The Rise of Green-Hushing
	22 October 2024	Malaysia Institute of Accountants	The Consolidation of ESG Standards: Streamlining Sustainability Reporting and Planning
	24 October 2024	ICDM	Board's Role in Whistleblowing Oversight
	5 November 2024	PwC	PwC Budget 2025 Seminar
	6 November 2024	ICDM	Post-Budget 2025 Dialogue: Key Highlights & A Conversation with Ministry of Finance
	8 November 2024	CGM	Guide for Corporate Boards in Southeast Asia on Climate Action
	28 November 2024	KPMG	Anti-Bribery and Corruption in Malaysia e-Learning Module
	17 December 2024	ICDM	Boardroom Insights 2025: Navigating Governance, Risk and Strategic Foresight

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

Attended by	Date	Organiser	Particulars of training programmes attended
Hizamuddin bin Jamalluddin	11 January 2024	Asia School of Business	What Amounts to a Conflict of Interest by Directors?
	6 March 2024	Asia School of Business	EE-CG Future Proofing Your Business What You Need to Know about the "S" in "ESG"
	7 March 2024	Bank Negara Malaysia/ FIDE Forum	BNM – FIDE FORUM Engagement Session with Board of Directors of Islamic Financial Institutions: Hajah and Darurah Policy Document
	24 April 2024	Bank Negara Malaysia/ FIDE Forum	BNM – FIDE FORUM Engagement: Responsibility Mapping with Directors of Financial Institutions
	7 – 8 May 2024	Lembaga Tabung Haji	TH GROUP SUMMIT 2024
	27 May 2024	Lembaga Tabung Haji	TH Directors' Training: Risk Management & Compliance Requirements
	5 – 6 June 2024	ICDM	Mandatory Accreditation Programme Part II – Leading For Impact
	3 July 2024	Asian Institute of Chartered Bankers	Director's Liabilities within Their Respective Institution's AML Frameworks
	12 September 2024	Asia School of Business	Bursa Academy: Conflict Of Interest (COI) and Governance of COI
	25 September 2024	RHB	Empowering Boards: Building Capacity for Sustainable Finance Success in The Banking Industry
	27 September 2024	RHB	Latest Trends on Anti-Money Laundering / Countering The Financing of Terrorism / Countering Proliferation Financing
	7 October 2024	RHB	ESG Training for RHB Insurance Board of Directors
	21 – 22 October 2024	Lembaga Tabung Haji/ ICDM	Demystifying The Dynamic Forces That Shape Board Relationships
	9 November 2024	KPMG	Anti-Bribery and Corruption in Malaysia e-Learning Module
	11 November 2024	FIDE Forum	Launch of Directors' Remuneration Report 2024
29 November 2024	RHB	Anti-Bribery and Corruption ("ABC") Training for BOD and GMC Members Don't Let Your Guard Down: Fortify your Anti-Bribery & Corruption ("ABC") Fences	

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

Attended by	Date	Organiser	Particulars of training programmes attended
Aminuddin Mohd Arif	9 & 10 September 2024	ICDM	Mandatory Accreditation Programme Part II – Leading For Impact
	24 September 2024	Bursa Malaysia	Building Sustainable Credibility: Assurance, Greenwashing and the rise of Greenhushing
	15 November 2024	KPMG	Anti-Bribery and Corruption in Malaysia e-Learning Module

Remuneration

The NRC assists the Board in developing an appropriate remuneration framework for Non-Executive Directors. The remuneration framework is kept robust and competitive, designed to attract and retain the best of talents and is aligned to the long-term strategies and risk appetite of SENTRAL.

As an incremental measure and as a commitment to better corporate governance practices, the Board had, in year 2021, engaged KPMG Management & Risk Consulting Sdn Bhd to conduct a remuneration benchmarking exercise for its Non-Executive Directors and facilitated the formulation of the Manager's Remuneration Policy for Non-Executive Directors. The Remuneration Policy for Non-Executive Directors was approved on 10 November 2022. The effectiveness of the remuneration framework was also triangulated in the preceding externally facilitated Board Effectiveness Evaluation exercise.

The remuneration of Non-Executive Directors is set to commensurate with their responsibilities, time commitment, experience, expertise and the complexity of the Manager's activities and business, and is in line with market norms. Non-Executive Directors are remunerated via fees and meeting allowances and such allowances are paid by the Manager, not SENTRAL.

As for Senior Management, the components of remuneration packages have been structured to link rewards to individual and corporate performance including sustainability considerations.

The detailed disclosure of the remuneration of individual Directors are disclosed in the Manager's Corporate Governance Report under Practice 8.1.

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

Audit & Risk Committee

On 5 August 2021, the Audit Committee was renamed Audit & Risk Committee ("ARC"), with the responsibility of the ARC being extended to include overseeing the risk management function.

ARC was established to assist in safeguarding the integrity over SENTRAL's financial reporting, internal and external audit and risk management as well as internal control processes as part of the Board's commitment to provide stakeholders with a clear, balanced and comprehensive assessment of SENTRAL's financial performance. In order to facilitate efficiency, matters relating to business considerations and performance expectations are discussed directly at the Board level while the ARC focuses on governance, audit, risk and internal controls as well as financial reporting matters from the perspective of veracity and comprehensiveness of information.

The ARC has a Terms of Reference, which sets out its key roles and responsibilities. The Terms of Reference was updated to incorporate its expanded role and is disclosed in SENTRAL's website. The expanded role of the ARC includes reviewing the effectiveness of the risk management framework adopted, the risk management processes employed and providing assurance to the Board on the adequacy and effectiveness of the risk management framework.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

Recognising that independence is the cornerstone of a well-performing ARC, the Board continues to uphold the higher-order practice of ensuring that the ARC comprises solely Independent Non-Executive Directors. Effective 14 June 2024, Frances Po Yih Ming was redesignated as the Chairperson of the ARC, succeeding Datuk Dr. Roslan bin A. Ghaffar, who stepped down following his retirement as an Independent Non-Executive Director of the Manager. Notwithstanding, the vast experience of the members in the areas of accounting, finance and taxation allows the ARC to collectively possess the requisite financial literacy and business acumen which are prerequisites for sound understanding of SENTRAL's financial matters.

The ARC has unrestricted access to both the outsourced internal and external auditors, who in turn reports directly to the ARC. The ARC has established prescribed and transparent arrangements to maintain an appropriate relationship with the auditors. During the year under review, the auditors have performed its respective audits in accordance with the terms of relevant professional and regulatory requirements.

The ARC Report, which provides detailed articulation on the composition of the ARC, its responsibilities and key activities during the year, is outlined on pages 82 to 85 of the Annual Report.

Risk Management and Internal Audit

In an increasingly complex and ever-evolving marketplace, it has become imperative to have a robust yet dynamic risk management and internal control framework to stay ahead of disruptive forces that are inherent in the core businesses of SENTRAL. The Board as aided by the ARC that performs periodic review and closely monitors the resilience of the risk management and internal control framework to ensure its adequacy and effectiveness.

The risk management framework put in place covers the structures, policies, processes and resources to identify, measure, evaluate, monitor, report and control or mitigate both internal and external sources of material risks. Risk management has been part of the Manager's day-to-day operations and is embedded in its operational functions. The barometer for risk management is the risk register, which was formulated by the Management to capture and monitor key risk areas. The risk register is updated by the Management with the items being prioritised in terms of risk severity vis-à-vis the likelihood of that risk materialising and is reviewed by the ARC on a quarterly basis for reporting to the Board. In 2024, the risk register has been expanded to include health and safety risks, ensuring that preventive measures are in place and that established health and safety policies are adhered to by all parties. Additionally, SENTRAL's climate-related risk was approved by the Board in 3Q 2024 and has been incorporated into the risk register for ongoing monitoring. This is aimed at minimising the risk of hazards that could impact SENTRAL's operations. The Management monitors and reports these risks quarterly, covering both health and safety risks and their compliance aspects.

During the year, the Manager had engaged an external third party, BDO Governance Advisory Sdn Bhd ("BDO Governance") to carry out its internal audit function. The services of BDO Governance were enlisted with a view of assessing the adequacy and effectiveness of internal controls and risk management processes. The internal audit function reports directly and functionally to the ARC. The internal audit function has direct access to the Board through the Chairperson of the ARC.

The Statement of Risk Management and Internal Control which provides details of the internal review, is outlined on pages 89 to 92 of the Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

The Manager is committed to keeping all its stakeholders abreast in a timely manner of all material business matters that impact the Manager and SENTRAL. To this end, the Board ensures that mandatory disclosures are made through announcements to Bursa Securities as well as on SENTRAL's corporate website. The website is intuitively set up to ensure that pertinent information such as recent announcements, quarterly financial results as well as copies of recent notices and minutes of general meetings are easily accessible to all stakeholders.

This Annual Report is made publicly available on SENTRAL's and Bursa Securities' website. It contains extensive details about SENTRAL's business activities and performance on both financial and non-financial fronts during the financial year. Whilst SENTRAL endeavours to be as transparent as possible to its stakeholders, SENTRAL is simultaneously mindful of the need to balance out legal and regulatory requirements governing the release of potentially material and price-sensitive information to the market. Accordingly, SENTRAL practices factual reporting and does not engage in speculative announcements, particularly on property related transactions.

The Board is cognisant that a proactive approach towards stakeholder engagement will enhance the ability of stakeholders to make informed investment decisions that are based not only on SENTRAL's retrospective performance but also on its business proposition and outlook. The Manager has continuously reached out to investors by scheduling both physical and virtual meetings with analysts and investors to keep them apprised of SENTRAL's performance. More specifically, engagements with major institutional investors are undertaken on a quarterly basis. SENTRAL welcomes stakeholder views and as such, may be contacted via the following avenues:

 <p>Mail</p> <p>G27A, Level 3A, Block B, Platinum Sentral, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia</p>	 <p>Telephone</p> <p>(603) 2786 8080 (603) 2780 7988</p>	 <p>Email</p> <p>General Enquiries: enquiries@sentralreit.com</p> <p>Investor Relations Enquiries: yusoff.iskandar@sentralreit.com</p>
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Conduct of General Meeting

The General Meetings serve as the principal platform for the Board and Senior Management of the Manager to present SENTRAL's financial highlights, investment portfolio updates, operational performance, market outlook, strategic trajectory and urgent matter dealings. Unitholders are encouraged to actively participate during General Meetings by raising questions and providing feedback to the Board and Senior Management.

SENTRAL conducted its 12th Annual General Meeting ("12th AGM") on 3 April 2024 virtually through live streaming from the broadcast venue at KL Sentral Room, Level 30, Menara Allianz Sentral, No. 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur. The Chairman, CEO, Company Secretary, external auditors and independent scrutineers were present at the broadcast venue while the rest of the Directors attended the 12th AGM remotely.

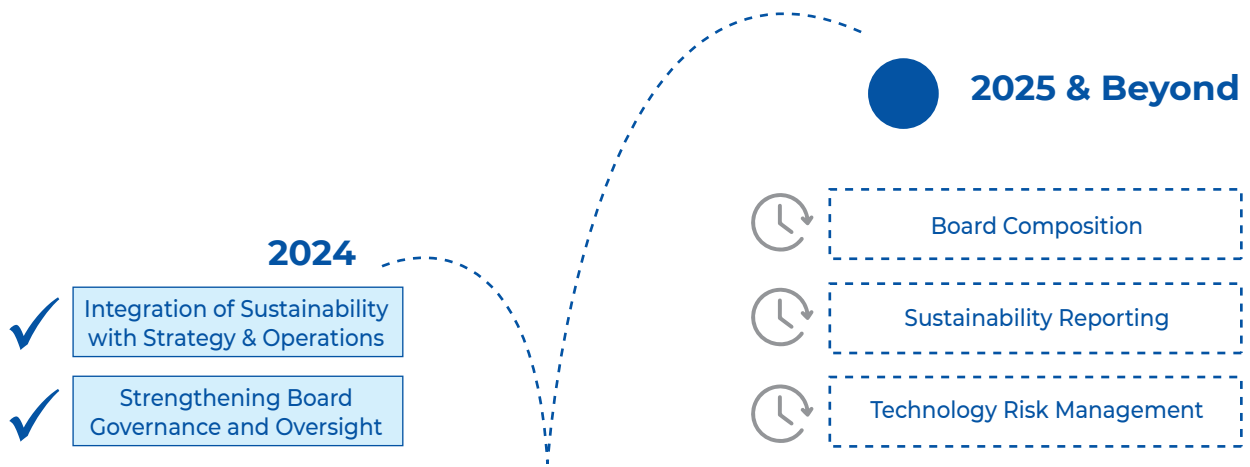
The notice of the 12th AGM was provided 33 days in advance to enable Unitholders to make adequate preparation. During the 12th AGM, Unitholders were able to log on and participate remotely as well as pose queries online via the online meeting platform provided by the poll administrators, Boardroom Share Registrars Sdn Bhd. All resolutions tabled at the 12th AGM were voted by poll and the results were validated by Sky Corporate Services Sdn Bhd, an independent scrutineer.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (cont'd)

Feedback gathered during the 12th AGM were evaluated and considered for further action by the Board and Senior Management. Minutes of the 12th AGM were made available on the corporate website of SENTRAL on 8 May 2024 which is within 30 business days after the general meetings.

As for the upcoming 13th AGM, SENTRAL will be conducting its AGM via physical mode to bring about greater interactivity while complying with the latest directive from Securities Commission Malaysia.

FOCUS AREAS DURING THE YEAR (2024)



In 2024, the corporate governance focus areas of the Manager constituted the following:



Focus area I: Integration of sustainability with strategy and operations

The Board is fully committed to embedding Environmental, Social and Governance (“ESG”) related considerations into the fabric of SENTRAL’s operational landscape pursuant to latest regional and global trends. In 2024, the Board continues its practice of including ESG as a standing agenda item in quarterly Board meetings to report on ESG matters, integrating responsible practices, managing risk, and aligning business strategies with long-term sustainability goals. This financial year also marked a significant milestone as the Manager achieved its target of addressing a majority of the material sustainability matters, including advancing waste management practices through the formal adoption of a comprehensive Waste Management Policy. This policy facilitates collaboration with key stakeholders, including service providers and tenants, to measure and manage waste across SENTRAL’s property portfolio.

To further advance its sustainability agenda, the Board has also focused efforts on establishing SENTRAL’s Sustainable Finance Framework (“Framework”). This Framework demonstrates how SENTRAL and SENTRAL’s special purpose entities (“SPV”) intend to enter into Sustainability Finance Transactions (“SFTs”) to fund projects, which will deliver the most positive societal and environmental impacts. The SFTs will support SENTRAL’s investment objective of acquiring and investing in commercial properties primarily in Malaysia with a view to provide long-term growth and sustainable distribution of income to unitholders to achieve long-term growth in the asset value (“NAV”) per unit.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)



Focus area II: Strengthening Board Governance and Oversight

In 2024, the Board concentrated on refining its governance practices and reinforcing its role in shaping SENTRAL's strategic direction. Key enhancements were made to streamline the flow of information between the Board and its committees, particularly the ARC. This ensures that the ARC remains focused on critical regulatory and compliance matters, while broader strategic and operational issues are deliberated at the Board level.

The Board also convened its special strategy meeting, where members engaged in in-depth discussions on SENTRAL's long-term priorities. The meeting addressed a range of strategic considerations, including portfolio growth, optimization, diversification, and enhancing operational performance. Various approaches were explored, such as refining asset management strategies, identifying investment and divestment opportunities, and optimizing capital management. This was complemented by site visits to key properties within the portfolio, providing first-hand insights into operational performance and opportunities for value creation.

CORPORATE GOVERNANCE PRIORITIES (2025 AND BEYOND)

In subsequent years, the corporate governance priorities of the Manager constitute the following:



Priority A: Board Composition

At the end of the financial year, the Board of the Manager comprises one (1) female Director out of seven (7) members, meeting the regulatory requirement for at least one female Director. While this represents 14% of the Board composition, the current Board reflects a balanced diversity of skills, expertise, and perspectives, contributing meaningfully to well-rounded and informed decision-making.

The Board does not specify a fixed target for gender diversity but remains aligned with the principle that Board appointments should be based on objective criteria, merit, and consideration of diverse attributes, including culture, experience, and skills. Beyond compliance, the Board aspires to progressively align with the MCCG best practice of achieving a minimum of 30% female representation.

To this end, the NRC shall, where necessary, continue to enlist external search firms, headhunters, consultants, directors' registries and industry associations to maximize the chances casting a wider net for sourcing candidates to improve female representation on the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(cont'd)



Priority B: Sustainability Reporting

SENTRAL is also mindful of the potential challenges associated with emerging reporting standards, including those introduced by the International Sustainability Standards Board (ISSB), and the increasing emphasis on transparency in sustainability initiatives. As corporate reporting evolves to meet heightened expectations for accountability and ESG performance, the Board is committed to proactive monitoring and addressing new requirements to ensure SENTRAL's practices remain in compliance, robust and future-ready. By staying ahead of these developments, the Manager reinforces its dedication to aligning operational and financial practices with evolving global ESG standards, fostering trust and confidence among stakeholders. In line with the imposed regulatory timeline, SENTRAL is well placed to adopt IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures) from annual reporting period 1 January 2026 onwards.

At the same time, SENTRAL will continue to enhance its Sustainability Statement by focusing on data collection and disclosures concerning two other material matters, namely, waste management and energy efficiency. In addition, SENTRAL will undertake to expand its focus on the quantitative aspects of Task Force on Climate-Related Financial Disclosures (TCFD) reporting.



Priority C: Technology Risk Management

The Securities Commission Malaysia's revised Guidelines on Technology Risk Management ("Guidelines") have come into effect on 19 August 2024. The revised Guidelines emphasize the significance of strengthening operational reliability, security and resilience against technology disruptions.

Flowing from the above, the Manager is primed to undertake a gap assessment of its technology risk management practices against the said Guidelines especially with regards to the dimensions of technology operation management and cybersecurity management. The exercise will be performed with a view to identify areas for improvement and instituting actionable strategies and development of a policy framework.

AUDIT & RISK COMMITTEE REPORT

The Audit & Risk Committee (“ARC”) is led by Frances Po Yih Ming, an Independent Non-Executive Director, who assumed the role as the Chairperson of the ARC on 14 June 2024 in place of Datuk Dr Roslan bin A Ghaffar, who ceased as the Chairman of the ARC following his retirement as an Independent Non-Executive Director of the Manager. Currently, the ARC comprises four (4) members all of whom are Independent Non-Executive Directors in line with Practice 9.4 (Step Up) of MCCG, which recommends that ARC should comprise solely of Independent Directors.

Since the rename of the ARC (from Audit Committee) on 5 August 2021 to reflect its roles and responsibilities in overseeing the risk management governance of SENTRAL, the ARC has played an active role in assisting the Board to review and assess the risks and control environment, oversee financial reporting, evaluate the internal and external audit process as well as to review conflict of interest situations and related party transactions.

The key duties and responsibilities of the ARC as specified in its Terms of Reference are as follows:

- To consider the appointment and re-appointment of the external auditor, the audit fee and the reason given for their resignation or dismissal;
- To review the audit plans and scope of audit examination of the external auditors;
- To review with external auditors with regards to problems and reservations arising from their interim and final audits;
- To review the quarterly and year-end financial statements, focusing particularly on:
 - Any changes in accounting policies and practices
 - Significant and unusual events
 - Significant adjustments and issues arising from the audit
 - The going concern assumption
 - Compliance with the applicable approved accounting standards and other legal requirements
- To review the external auditor’s management letter and management’s response;
- To do the following, in relation to the internal audit function:
 - Review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out the work
 - Review the internal audit programme, control and processes, internal audit reports or investigation undertaken and whether appropriate action is taken to rectify any control weaknesses reported by the internal audit function
- To promptly report to Bursa Securities, where the ARC is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the Listing Requirements;
- To review procedures established to address allegations raised by whistleblowers, to ensure independent investigations is conducted and follow-up action is taken;
- To review any related party transaction and conflict of interest situations that may arise including any transaction, procedure or course of conduct that raises questions of management integrity;
- To assess the risks and control environment, to determine whether Management has implemented policies ensuring the risks are identified and evaluated and those internal controls and preventive measures are in place and effective to address the risks;
- To consider the report, major findings and Management’s response of any internal investigations carried out by the internal auditors; and
- To undertake such other responsibilities as may be agreed by the ARC and the Board.

The Terms of Reference of the ARC is available at SENTRAL’s website at <https://sentralreit.com>.

The ARC is authorised to investigate any matters within the Terms of Reference. It is entitled to full access to and co-operation of the Management and the internal auditor and enjoys full discretion to invite any Director or executive officer of the Manager to attend its meetings. The internal auditor and external auditor have unrestricted access to the ARC. The ARC has full access to reasonable resources to enable it to discharge its functions properly.

AUDIT & RISK COMMITTEE REPORT

(cont'd)

The ARC also meets SENTRAL's external auditor and internal auditor, without the presence of Management at least once annually. SENTRAL's external auditor carries out, in the course of its annual audit, a review on the effectiveness of the Manager's material internal controls over the financial reporting, including financial and risk management to the extent of the scope of audit as set out in its audit plan. SENTRAL's internal auditor provides an assessment on the adequacy and integrity of the system of internal control. Any non-compliances and internal control weaknesses noted during the audit and auditor's recommendations to address such non-compliances and weaknesses are reported to the ARC. Management follows up and implements SENTRAL's external and internal auditor's recommendation.

The ARC keeps abreast with the developments in relation to regulatory requirement by attending trainings organised by Bursa Securities, Securities Commission Malaysia, Malaysian Institute of Accountants and any other professional bodies from time to time to better understand their roles on corporate governance, risk management and internal controls.

For all non-audit services provided by the external auditors, if any, the ARC conducts a review to satisfy itself that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The ARC also review arrangements by which employees of the Manager may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

MEETINGS AND ATTENDANCE

For the financial year ended 31 December 2024, a total of four (4) ARC meetings were held and the attendance of the members at the ARC meetings was as follows:

ARC Member	Designation	Attendance
Datuk Dr Roslan bin A Ghaffar ¹	Chairman	2/2
Frances Po Yih Ming ²	Chairperson	4/4
Datuk Kamalul Arifin bin Othman	Member	4/4
Hizamuddin bin Jamalluddin ³	Member	2/2
Aminuddin bin Mohd Arif ³	Member	2/2

Notes:

¹ Ceased as Chairman/member of the ARC following his retirement as an Independent Non-Executive Director on 14 June 2024.

² Re-designated as the Chairperson of the ARC on 14 June 2024.

³ Appointed as members of the ARC on 14 June 2024.

AUDIT & RISK COMMITTEE REPORT

(cont'd)

HOW THE ARC SPENT ITS TIME IN 2024

During the year under review, the activities carried out by the ARC included the deliberation and review of the following:

Financial Reporting

Reviewed the quarterly and annual audited financial results of SENTRAL, and the accompanying announcements to Bursa Securities prior to the approval by the Board. Among matters discussed were those related to major accounting policies, significant matters highlighted by the Management or the external auditors, compliance with accounting standards and regulatory requirements.

Internal Audit

- i) Reviewed and approved the Annual Internal Audit Plan and resource requirements proposed by BDO Governance;
- ii) Reviewed the findings of internal audit reports on SENTRAL presented by BDO Governance;
- iii) Reviewed the effectiveness and adequacy of Management's corrective actions in response to the internal audit reviews conducted;
- iv) Reviewed the findings of follow-up audits to determine the status of implementation of Management's corrective actions; and
- v) Reviewed the ARC Report and its recommendation to the Board for inclusion in the Annual Report.

External Audit

- i) Reviewed and approved the external auditor's Audit Plan, approach and scope of review prior to commencement of their annual audit;
- ii) Deliberated on matters arising from the audit of SENTRAL in a meeting with the external auditor without the presence of any executive officer of SENTRAL;
- iii) Deliberated on the external auditor's reports on audit and accounting issues that arose from its audits;
- iv) Deliberated on updates of new developments on accounting standards issued by the Malaysian Accounting Standards Board; and
- v) Assessed the performance of the external auditor, including their independence.

Risk Management

- i) Reviewed the effectiveness of the risk management framework adopted and the risk management processes employed and provided assurance to the Board on the adequacy and effectiveness of the risk management framework.
- ii) Reviewed and deliberated the Corporate Governance Overview Statement, Corporate Governance Report and Statement on Risk Management and Internal Control and recommended to the Board for inclusion in the Annual Report.

Related Party Transactions

Reviewed the fairness, transparency of related party transactions with appropriate disclosures made as required under the Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission ("SC REIT Guidelines"), the Trust Deed and the Listing Requirements, and ascertain that the transactions are conducted at arm's length, on normal commercial terms and in the best interests of the Unitholders of SENTRAL prior to submission for the Board's consideration and, where appropriate, unitholders' approval.



AUDIT & RISK COMMITTEE REPORT

(cont'd)

Internal Audit Function

During the year under review, the internal audit function was outsourced and carried out by an independent consultancy firm, BDO Governance in order to assist the ARC in discharging its duties and responsibilities. The internal audit activities were carried out in accordance with the internal audit plan which comprise the following:

- Reviewed internal controls systems and ascertain the extent of compliance with the established policies, procedures and statutory requirements; and
- Identified areas to improve operational controls and processes.

The findings by BDO Governance were presented to the ARC with subsequent follow-up reports to ensure that appropriate actions are being taken to improve the current internal control systems.

RELATIONSHIP WITH THE EXTERNAL AUDITOR AND INTERNAL AUDITOR

The Board, via the ARC, maintains a formal and transparent relationship with the external auditor as well as the internal auditor. The ARC has direct and unrestricted access to both the external and internal auditors.

The ARC also meets the external auditor and internal auditor, without the presence of Management at least once annually. The ARC had, during the year, held two meetings with the external auditor without the presence of the Management, to discuss issues, problems and reservations (if any) that the external auditor wished to highlight to the ARC. A private session was also held between the ARC and the internal auditor for the same purpose.

Both the external and internal auditors had been extended good cooperation from the Management and they were able to access information to carry out their functions effectively.

NOMINATION & REMUNERATION COMMITTEE REPORT

The Nomination & Remuneration Committee (“NRC”) was established in August 2016. The NRC is led by Datuk Kamalul Arifin bin Othman, an Independent Non-Executive Director, who is not the Chairman of the Board. Currently, the NRC comprises three (3) members all of whom are Non-Executive Directors with a majority of Independent Non-Executive Directors.

The NRC assists the Board in reviewing the size and balance of the Board for appropriate mix of skills, experience and knowledge of directors, succession planning, human capital development and the remuneration framework for the Directors and Senior Management.

The NRC assist the Board to fulfil its oversight responsibilities over the activities of the Manager. The key duties and responsibilities of the NRC are specified in its Terms of Reference, as follows:

Nomination Function:

- To identify, assess and recommend to the Board for its approval, suitably qualified candidates for the Board, the committees of the Board, taking into consideration the character, experience, integrity, competence and time commitment, independence, special knowledge or technical skills in line with the Manager’s policy, diversity in gender, age, culture and socio-economic background and number of directorships.

NRC shall ensure that the Directors appointed are able to devote the required time to serve the Board effectively and consider the existing Board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the Manager should be avoided.

- To provide explanation why external sources were not used if the selection of candidate was based on recommendations made by existing Directors, Management or shareholders.
- To appoint independent advisers to identify suitable qualified candidates, where necessary.
- To identify suitable candidates to meet the target of having at least 30% women directors on the Board of the Manager.
- To identify and recommend to the Board for its approval, candidates for appointment as the Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and Chief Investment Officer (“CIO”).
- To recommend to the Board for its approval, the extension of contracts of the CEO, CFO and CIO.
- To ensure that the tenure of an Independent Director does not exceed nine (9) years without extension.
- To assist the Board in implementing annual evaluation of the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual including the CEO, CFO and CIO and to maintain proper documentation of such assessment. An external independent consultant shall be engaged at least once every three (3) years or as and when deemed necessary, to facilitate an objective and candid board evaluation.
- In making its recommendations for appointment, re-election and annual evaluation, the NRC shall evaluate the candidates/Directors based on the Fit and Proper criteria set out in the “Fit and Proper Policy” of the Manager and any other criteria which the NRC deems necessary.
- To perform any other function as defined by the Board.

NOMINATION & REMUNERATION COMMITTEE REPORT

(cont'd)

Remunerations Function:

- To develop a remuneration framework for the Manager covering the Board, the committee of the Board and the Senior Management taking into consideration the best practices, views of industry experts, obtaining and analysing the available data, stakeholders and the market at large. The remuneration framework comprises basic, fringe benefit and benefits in kind.
- To design, formulate and recommend to the Board for its approval prior to recommending the same for shareholders' approval at the annual general meeting of the Manager, where necessary, the remuneration packages for the Non-Executive Directors and the committees of the Board to ensure the remuneration packages are aligned with business strategy and also reflect the responsibilities of the Board.
- To review the balanced scorecard and key performance indicators of the Manager/SENTRAL to drive its performance.
- To review and recommend to the Board for adoption the framework for the Manager's annual incentive scheme. The framework for the annual incentive scheme may include:
 - (a) merit increment
 - (b) merit bonus
 - (c) acquisition/divestment incentives
 - (d) special corporate exercise incentives
- To seek any information it requires from any employee of the Manager in order to perform its duties.
- To obtain, at the Manager's expense, any outside legal or other professional advice including the advice of independent remuneration consultants, to secure the attendance of the external advisers at its meeting if it considers necessary, and to obtain reliable, up-to-date information about the remuneration in other companies.
- to have full authority to commission any report or survey which it deems necessary to help it fulfil its obligations; and
- to perform any other function as defined by the Board.

The Terms of Reference of the NRC is available on SENTRAL's website at <https://sentralreit.com>.

MEETINGS AND ATTENDANCE

For the financial year ended 31 December 2024, a total of two (2) NRC meetings were held and the attendance of the members at the NRC meetings was as follows:

NRC Member	Designation	Attendance
Datuk Kamalul Arifin bin Othman	Chairman	2/2
Datuk Dr Roslan bin A Ghaffar ¹	Member	1/1
Frances Po Yih Ming	Member	2/2
Ann Wan Tee	Member	2/2

Notes:

¹ Ceased as a member of the NRC following his retirement as an Independent Non-Executive Director on 14 June 2024.

Meetings of the NRC are also attended by the CEO. Other members of the Management are invited to the NRC meetings when necessary to support detailed discussion on matters relevant to the agenda of the meeting.

NOMINATION & REMUNERATION COMMITTEE REPORT

(cont'd)

HOW THE NRC SPENT ITS TIME IN 2024

During the year under review, the NRC undertook the following key activities:

1. Nomination Function
 - Recommending the re-election of Directors of the Manager retiring at the 2024 Annual General Meeting.
 - Reviewed the results of Fit and Proper Assessment on Directors and Senior Management
2. Remuneration Function
 - Reviewing the Remuneration and Benefits for the Non-Executive Directors
 - Deliberating the staff cost for the Manager’s Budget 2025
 - Deliberating the allocation of 2023 performance bonus, ex-gratia payment and 2024 salary increment
 - Deliberating 2024 Key Performance Indicator targets for the CEO and CIO.

NOMINATION AND RECRUITMENT PROCESS

One of the NRC’s key roles is to drive the recruitment process for new Directors and Senior Management. In considering candidates as potential Directors and/or Senior Management, the NRC will refer to the Fit and Proper Policy which takes into account inter-alia the following criteria:

- Skills, knowledge, expertise and experience
- Time commitment, character, professionalism and integrity
- Perceived ability to work cohesively with other members of the Board
- Specialist knowledge or technical skills in line with the Manager’s strategy
- Diversity in age, gender and experience/background

The Fit and Proper Policy is available on SENTRAL’s website at <https://sentralreit.com>.

The appointment process of new Directors and Senior Management is set out in the diagram below:-



During the year under review, there were no changes to the Manager’s Board and Senior Management composition.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board has adopted the relevant corporate governance disclosure under the Listing Requirements. In addition, the Board also observes the provisions of the MCCG. Further information on SENTRAL's corporate governance framework is also set out on page 104. These efforts are all part of the Board's recognition that a strong corporate governance framework is important. The Board also recognises that an effective corporate governance culture is critical to the Manager's performance and consequently to the success of SENTRAL. The Board is committed to maintain a sound system of risk management and internal control with a view to safeguard the interest of the Unitholders, its investment and SENTRAL's assets and to provide the following statement, which outline the nature and scope of internal control of the Manager during the financial year ended 31 December 2024.

BOARD RESPONSIBILITY

In discharging the Board's principal responsibilities, the Board assumes the responsibility for the Manager's system of risk management and internal control. It is an essential part of the Board's responsibilities to identify principal risks and ensure that there are appropriate system of risk management and internal control policies in place to manage these risks. However, the Board acknowledged that this system of risk management and internal control is designed to manage rather than eliminate the risk of failure to achieve the business strategies and objectives of SENTRAL. It therefore can only provide reasonable and not absolute assurance against material misstatements, losses or fraud.

A comprehensive risk register is maintained detailing all possible risks that could affect SENTRAL and is periodically reviewed by the Board. The Board assesses principal risks when making property investment decisions by SENTRAL in order to mitigate any potential loss of value of Unitholders' investment in SENTRAL. The Board also considers the changes during the period under review, in particular the business and economic environment and the property industry risk to ensure the identified risk continue to be relevant as well as incorporating new risk, and thereafter ensures that there are appropriate policies and processes to manage any potential risk when making business decisions and to consider SENTRAL's ability to respond to such changes.

The Board defines the processes to be adopted for its review of the adequacy and integrity of internal control. This includes both the scope and frequency of the reports it receives and reviews during the year and for such reports to be accompanied and supported with sound and appropriately assessed documents. The Board's assessment of the adequacy and integrity of SENTRAL's system of risk management and internal control includes identifying any significant failings or weaknesses in risk management and internal control and whether necessary actions are being taken promptly to remedy any such significant failings or weaknesses.

The CEO has also provided the Board an assurance that SENTRAL's risk management and internal control system is operating adequately and effectively, in all material aspect, based on the risk management and internal control system of SENTRAL.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

KEY RISK MANAGEMENT AND INTERNAL CONTROL PROCESSES

The corporate governance framework established within the structure of SENTRAL includes the adoption of an internal audit function where BDO Governance was appointed by the Manager to carry out an independent internal audit on the operations of SENTRAL. BDO Governance confirms its internal audit methodology adopts the International Professional Practices Framework (IPPF) and is in compliance with the Institute of Internal Auditors Malaysia (IIAM) international auditing standards. In addition, this Statement on Risk Management and Internal Control is also a voluntary disclosure on the part of the Board in subscribing to a good corporate governance disclosure. The key processes that have been established in reviewing the adequacy and integrity of the on-going system of risk management and internal control include the following:

- (a) The Manager has in place an independent internal audit function which is outsourced to BDO Governance who reports directly to the ARC on its findings. The principal role of the internal audit function is to conduct regular reviews on the system of internal control of SENTRAL, and report on the effectiveness and efficiency of its operations, highlighting to the ARC significant findings in respect of non-compliances, if any;

The internal control review ("ICR") were conducted based on an internal audit plan developed together by the Management and BDO Governance which will be presented to ARC for approval, prior to the initiation of the ICR.

The ICR undertaken by BDO Governance for the financial year ended 31 December 2024 and the findings arising from the review reported to the ARC include the following:

- (i) ICR on procurement to payment; and
- (ii) review of related party transactions for the financial year 2024 for compliance with established internal policies and procedures and applicable provisions of the Listing Requirements and the SC REIT Guidelines relating to related party transactions;

and when required, undertake investigations as directed by the ARC. All findings and conclusions, including the recommended action plans, arising from the ICR, which was executed based on a risk-based approach, were tabled to the ARC.

The cost incurred for the internal audit function in respect of the financial year ended 31 December 2024 is RM43,000 (excluding services tax and disbursements) and is borne by the Manager.

The Board is satisfied that the current system of internal control for the Manager is adequate based on the reports from BDO Governance;

- (b) The ARC reviews, monitors and evaluates the effectiveness and adequacy of SENTRAL's internal control, financial and risk management issues raised by the external and internal auditors, regulatory authorities and Management. The reviews include reviewing written reports from the internal and external auditors, to ensure that where deficiencies in internal control have been identified, appropriate and prompt remedial action is taken by the Management. The ARC also convenes meetings with external auditors, internal auditors, or both excluding the attendance of the other directors and management/employees of the Manager (where necessary). The ARC also reviews the adequacy of the scope, functions and competency of the internal audit function. The ARC also reviews and evaluates the procedures established to ensure compliance with applicable legislations, the SC REIT Guidelines and the Listing Requirements. At the same time, BDO Governance conducts a follow-up review on the agreed remedial actions with the Management. This is to ascertain if Management has resolved the concerns on key risks and weaknesses identified during the ICR on a timely basis. The status of remedial actions are reported to the ARC on an annual basis;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

- (c) At the beginning of every financial year, the Board reviews and approves the yearly budget and yearly asset enhancement works prepared by the Management. The yearly budget which amongst others will entail revenue to be generated by SENTRAL and operating expenses, trust expenses and capital expenditure to be incurred by SENTRAL. The Management prepares management report on a quarterly basis to update and explain any major variation to the Board on SENTRAL's financial results against the yearly budget approved by the Board at the beginning of the financial year, the status of major asset enhancement works carried out on the properties that has been approved by the Board, the status of expiry/renewal of tenancies/leases and other operational matters;
- (d) A risk management framework that provides a structure and framework under an Operation Manual in managing and accessing risk which includes amongst others, policies and procedures for the acquisition of property, financial and operational reporting, continuing listing and compliance obligations. The Operation Manual is subject to periodic review and provides a structured context for the Manager and personnel to undertake a review of the past performance and to profile the current and future risks facing their area of responsibility;
- (e) There is a set of risk management and internal control system which sets out the approval/authority limits imposed on the Board and Management for operating and capital expenditure, investments and divestments, bank borrowings, lease renewals and other operational matters. A set of authorized signatories were also established for cheque signatories' arrangements. The Board approves transactions exceeding certain threshold limits. Appropriate delegation of authority is also provided at management level to facilitate operational efficiency. Further, the Board and its committees operate within a clearly defined terms of reference with delegation of responsibilities clearly set out;
- (f) Internal control procedures to ensure that related party transactions are undertaken in compliance with the SC REIT Guidelines, the Listing Requirements and the Trust Deed and are carried out on arm's length basis and on normal commercial terms, which are in the best interests of the Unitholders of SENTRAL. The Manager incorporates into its annual internal audit plan, a review of all related party transactions. The ARC reviews the internal audit reports to ascertain that the guidelines and procedures established to monitor related party transactions have been complied with;
- (g) In order to deal with any potential conflict of interest situations that may arise, the Manager's policy is that any such related party transaction, dealing, investment and appointment carried out for and on behalf of SENTRAL are to be executed on terms that are best available to SENTRAL and which are no less favourable to SENTRAL than on arm's length transactions between independent parties;
- (h) Whistle-blowing Policy and Anti-Bribery and Corruption Policy to provide employees of the Manager with well-defined procedures and accessible channels to report on suspected fraud, corruption, dishonest practices or other similar matters relating to SENTRAL and the Manager, and for independent investigation of any reports by employees and appropriate follow up action. The Whistle-blowing Policy is established to promote fraud awareness and the aim of this policy is to encourage the reporting of such matters in good faith, with the confidence that employees making such reports will be treated fairly, and to the extent possible be protected from reprisal; the Anti-Bribery and Corruption Policy is aimed at providing guidance to deal with improper solicitation, requests for bribes and other corrupt activities and issues that may arise in the course of business;
- (i) Scheduled regular meetings of the Board and ARC with representation from the Management provide the key to systematic monitoring of SENTRAL's activities and for identifying, evaluating and managing the significant risks faced by SENTRAL. The CEO is entrusted to manage the daily operations of the Manager and SENTRAL and holds the responsibility of leading the respective heads of departments towards achieving the identified objectives; and
- (j) In order to maintain quality and efficiency, the Manager's personnel across all functions are given the opportunity to attend relevant trainings. A systematic staff performance appraisal mechanism has also been adopted to ensure adequate and sufficient rewards are awarded to well-deserving personnel.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(cont'd)

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement of Risk Management and Internal Control for inclusion in the annual report for financial year ended 31 December 2024 and reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal control.

CONCLUSIONS

The Board is of the view that the risk management and internal control system in place for the financial year ended 31 December 2024 under review and up to the date of issuance of the annual report and financial statements is sound and sufficient to safeguard the interest of the Unitholders, its investment and SENTRAL's assets.



STATEMENT ON DIRECTORS' RESPONSIBILITY

for preparing the Annual Audited Financial Statements

In accordance with Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board of the Manager, is responsible to ensure that the financial statements for the financial year ended 31 December 2024 have been prepared and drawn out in accordance with the applicable Financial Reporting Standards in Malaysia, applicable provisions of the Restated Deed of Trust Constituting SENTRAL dated 02 December 2019, as amended by Supplemental Deed dated 24 December 2020 and the SC REIT Guidelines, so as to give a true and fair view of the financial position of SENTRAL as at 31 December 2024 and of its financial performance and cash flows for the year then ended.

In preparing the financial statements for the financial year ended 31 December 2024, the Board have:

- adopted appropriate accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

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SUSTAINABILITY STATEMENT

(cont'd)

ABOUT THIS REPORT

Sentral REIT ("SENTRAL")'s annual Sustainability Statement, covers our sustainability efforts and highlights our Economic, Environmental, Social and Governance (EESG) performance in financial year 2024 ("FY2024"). This report outlines our sustainability initiatives that have been implemented in our business for the interest and benefit of our stakeholders and the environment, along with our strategies and mitigation approach in managing our climate risks and opportunities.

Scope and Boundary

This statement presents our sustainability efforts and performances, specifically covering SENTRAL's operations in Malaysia with direct managerial control. The scope excludes the Lotus's Building in Penang, which is entirely managed by the tenant. Information in regard to employees referred to as employees of the Manager.

Reporting Period

This statement covers our financial year, from 1 January to 31 December, 2024; unless otherwise stated.

Reporting Guidelines and Standards

Our statement has been prepared with reference to:

- Global Reporting Initiatives ("GRI") Universal Standards 2021;
- Bursa Malaysia Securities' Sustainability Reporting Guide (3rd edition);
- Task Force on Climate-related Financial Disclosures ("TCFD");
- United Nations' Sustainable Development Goals ("UN SDGs")

Materiality

Information disclosed pertaining to our material matters are assessed annually for their relevance and importance to stakeholders. Full disclosures of the assessment and determination of our material matters can be found in the "Our Approach to Sustainability" section, under the "Materiality Assessment" topic (pg 104).

Assurance

We have not sought external verification on our sustainability indicators in this reporting period. We recognise the importance of independent verification, hence moving forward we intend to seek independent assurance on selected key sustainability indicators.

Feedback and Contact Point

Feedback, suggestion and comments from stakeholders are highly welcomed to help us improve our sustainability disclosures. Kindly contact:

Mr. Yusoff Iskandar Mohd Zaki
General Manager, Investment & Investor Relations



Email: yusoff.iskandar@sentralreit.com



SUSTAINABILITY STATEMENT

(cont'd)

MESSAGE FROM THE CEO



As we reflect on SENTRAL's accomplishments and challenges of FY2024, I am pleased to share SENTRAL's continued commitment to sustainability. This is SENTRAL's eighth Sustainability Report encapsulating our policies, practices, objectives of all relevant sustainability matters and corresponding sustainability progress and performance for the period from 1 January 2024 to 31 December 2024. This year, we have not only deepened SENTRAL's commitment to integrate environmental, social, and governance (ESG) principles into every facet of its operations but also achieved significant milestones that underscore its healthy progress in sustainable development. Below are some highlights of SENTRAL's FY2024 sustainability milestones.

SENTRAL's Commitments to a Greener Future

In FY2024, SENTRAL continues to forge ahead in its efforts in sustainable operations by accelerating its efforts to reduce carbon emissions and energy consumption across its property portfolio, comprising 10 commercial assets in Malaysia with a combined value of RM2.523 billion. Through the acquisition Menara CelcomDigi in FY2023, the overall energy intensity in FY2024 has increased slightly by about 3% compared to FY2022 before the acquisition of the building. However, we are in progress in implementing additional targeted energy efficiency measures in the coming years to ensure we meet our energy management aspirations.

As part of continued efforts to improve SENTRAL's Quality of Assets and Services in tandem with its sustainability journey Platinum Sentral was recertified as a Gold LEED-certified green building in 2024. Additionally, our newly acquired Menara CelcomDigi has been Gold LEED-certified green building since 2020. These achievements highlight SENTRAL's commitment to increasing the number of green-certified properties within its portfolio. By adhering to globally recognised standards for energy efficiency, resource management, and sustainable design, we are positioning SENTRAL's portfolio in the Klang Valley office market for tenants seeking environmentally conscious commercial spaces. Moving forward, we aim to achieve additional certifications across our portfolio, further reinforcing our leadership in sustainable quality in the property sector.

At SENTRAL, we believe that sustainable waste management is an integral part of achieving a circular economy. In line with SENTRAL's Waste Management Policy formalised in FY2024, engagement with key stakeholders have been initiated for the following initiatives:

1. Collaborating with contractors and/or vendors for waste segregation and measurement as well as for tracking to monitor and improve waste management efficiency; and
2. Capacity building and knowledge sharing with tenants as well as partnership with tenants on initiatives to improve waste segregation, waste reduction, reuse, and recycling practices.

Establishment of SENTRAL's Integrated Sustainable Finance Framework

Another noteworthy achievement in FY2024 was the establishment of SENTRAL's Integrated Sustainable Finance Framework ("SFF"), which aims to align our financial strategies with our ESG objectives. This framework provides a clear guideline for raising green, social, and sustainability-linked financing, enabling us to mobilise capital for projects that drive meaningful environmental and social impact. The establishment of the SFF is timely for SENTRAL's upcoming refinancing of its nominal value RM341 million bond programme in FY2025.

SUSTAINABILITY STATEMENT

(cont'd)

Proceeds from green and sustainability-linked instruments will be channelled into eligible green and social projects, covering areas such as:

- Green Buildings – Funds will support the achievement and maintenance of internationally recognised green certifications such as GBI, LEED, and BCA Green Mark
- Energy Efficiency – Investments to implement energy-saving initiatives, including Building Automation Systems (BAS), high-efficiency HVAC, and LED retrofitting
- Renewable Energy – Investments to expand solar energy solutions and energy storage systems within the portfolio
- Water and Waste Management – Enhancing rainwater harvesting, wastewater treatment, and water-efficient infrastructure
- Social Impact Projects – Supporting education, employment, and community development for marginalised and underserved groups

The Sustainability Working Committee (“SWC”) comprising representatives from Investor Relations, Legal, Asset Management, Leasing, Finance, and Investment departments are responsible for ensuring the projects financed are assessed and selected appropriately according to eligibility criteria set, aligning to international recognised standards and principles such as the ASEAN Green Bond Standards (“GBS”) and Sustainability-Linked Loan Principles (“SLLP”).

This framework not only positions SENTRAL as a responsible corporate entity but also strengthens our resilience and adaptability in an evolving capital market. Through the integration of environmental, governance and social responsibility into our financial structure, it opens new investment opportunities, attracting ESG-focused investors, and ensures our growth is aligned with the global transition towards a low-carbon and inclusive economy.

Sustainability Governance and Reporting

We recognise that true sustainability is rooted in strong governance. In FY2024, SENTRAL enhanced its ESG governance framework, embedding sustainability targets into senior executives’ key performance indicators (KPIs) to ensure accountability across the leadership team. In FY2024, we achieved a 100% compliance rate across all regulatory and ethical standards, underscoring our commitment to integrity and transparency.

Aligned with our commitment to transparency and comprehensive reporting, SENTRAL plans to proactively navigate the transition to the International Sustainability Standards Board’s (“ISSB”) standards while ensuring compliance with Securities Commission (“SC”) Malaysia’s National Sustainability Reporting Framework. SENTRAL has further updated its reporting framework to align with the enhanced reporting requirements. Notably, SENTRAL has made progress in its disclosure of the following in this year’s Sustainability Report:

1. Data disclosure on emission management to include GHG Scope 1, 2 and 3, where applicable. This also includes the development of SENTRAL’s GHG inventory on Scope 3 emissions measurement;
2. Data disclosure on waste management and the development of SENTRAL’s Waste Management Policy; and
3. SENTRAL’s gradual implementation of the Task Force on Climate-Related Financial Disclosures (“TCFD”) reporting disclosure detailed from page 127 of this report and the on-going development of SENTRAL’s TCFD action plan which is mandatory from FYE 31 December 2025 onwards.



SUSTAINABILITY STATEMENT

(cont'd)

SENTRAL's first step in the adoption of ISSB standard will have to include upgrading our internal reporting processes, enhancing stakeholder engagement, and integrating financial and non-financial disclosures to provide a holistic view of SENTRAL's performance. By adopting these robust global and local frameworks, we are better positioned to meet rising stakeholder expectations and strengthen investor confidence in our sustainability practices.

Nurturing the Communities

We understand that sustainability is not just about environmental impact, it's also about fostering inclusive and resilient communities. Our FY2024 initiatives continued to focus on supporting and facilitating children's welfare and education aimed at uplifting the children from the poor, underprivileged, marginalised, and vulnerable communities. These initiatives help to promote lifelong learning opportunities and contribute towards achieving Sustainable Development Goal 4: Quality Education adopted by United Nations in 2015 as a universal call to action to end poverty. This year, we invested approximately RM187,378 in our community engagement programs with collaboration with local non-governmental organisations (NGOs) such as Yayasan Ozanam, Good Shepherd Services and Persatuan Kebajikan Kanak-Kanak Kajang, Selangor which provided education opportunities to over 205 individuals.

Looking Ahead

SENTRAL understands the need to operate responsibly and is continuously enhancing our approach to ensure we are operating sustainably by managing the environmental impact of our business operations and supply chain with the collaboration of our stakeholders. SENTRAL will continue to implement the best sustainable practices, working with tenants, vendors, partners, and communities, to enhance our sustainability performance and publish the progress in future reports.

Gratitude for the Stakeholders

SENTRAL's progress this year would not have been possible without the unwavering support of the Board of Directors, Management team, SENTRAL's Sustainability Working Team, and its vendors, tenants and communities. We wish to extend SENTRAL's heartfelt gratitude to everyone who has contributed to SENTRAL's sustainability journey. Together, we are shaping a resilient, inclusive, and sustainable future for generations to come.

Thank you for your continued trust and confidence.



SUSTAINABILITY STATEMENT

(cont'd)

ABOUT SENTRAL

Sentral Real Estate Investment Trust (“SENTRAL”) own a diverse portfolio, with assets located across key locations in Malaysia, including Kuala Lumpur, Cyberjaya, Petaling Jaya and Penang. Sentral REIT is managed by Sentral REIT Management Sdn. Bhd. (“SRM”, “we”, “the Manager”) and is jointly owned by two shareholders, namely, Malaysian Resources Corporation Berhad (“MRCB”) and Global Jejaka Sdn. Bhd. (“GJSB”).

SENTRAL was listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) since 2007. The market capitalisation of SENTRAL stood at RM950.42 million as at 31 December 2024. SENTRAL’s portfolio comprises 10 properties, with a combined value of RM2.523 billion.

Main Market of Bursa Malaysia	8 January 2007
Number of Assets	10
Combined Property Value (MYR)	2.523 billion
Market Capitalisation (MYR)	950.42 million

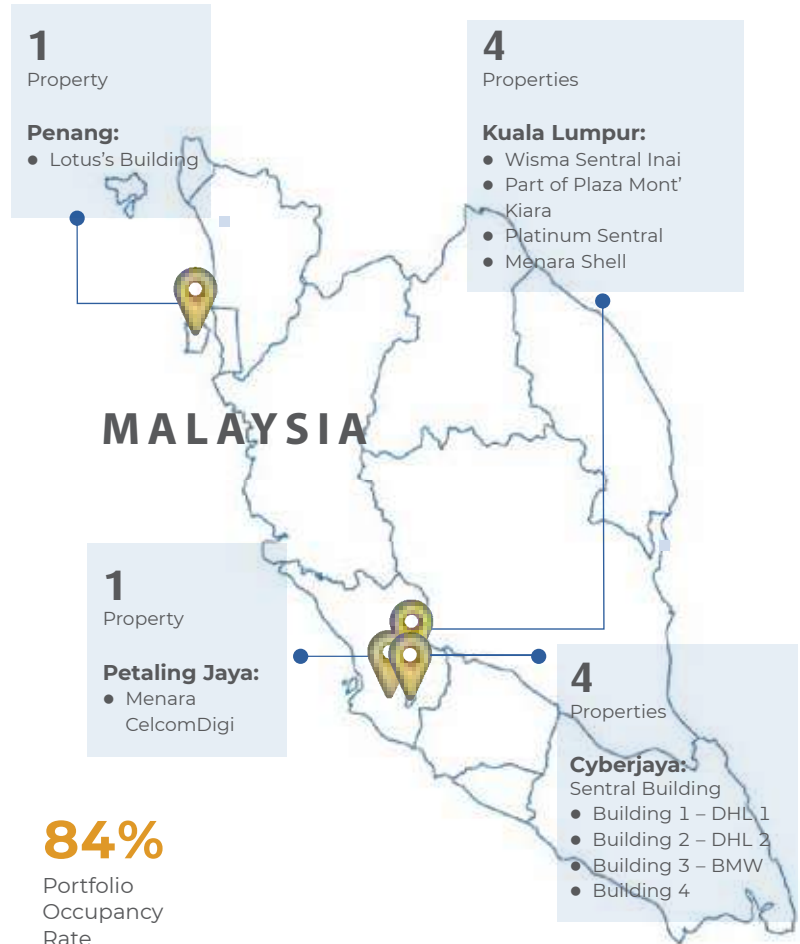



Figure 1: Location of commercial properties

 For more information on SENTRAL’s trust and organisational structure, please refer to page 4 of this Annual Report.


 For more information on SENTRAL’s portfolio, please refer to page 13 to 26 of this Annual Report.

SUSTAINABILITY STATEMENT

(cont'd)


SUSTAINABILITY HIGHLIGHTS

ECONOMIC




RM194.8 million

Revenue




6.36 sen

Distribution per unit



RM1.1277

Net Asset Value per unit




RM2.523 billion

Property value


ENVIRONMENTAL

GOVERNANCE AND REGULATORY COMPLIANCE




Waste Management Policy

Developed




Zero fines pertaining to non-compliance

SOCIAL




Zero

Breach in stakeholders' data and privacy




RM 3,142,901

Invested in Asset Enhancement Initiatives ("AEI")



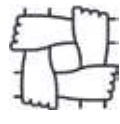
RM 187,378

Invested to the community



36.7 hours

Average training hours



RM 22,755,457

Spent on local procurement

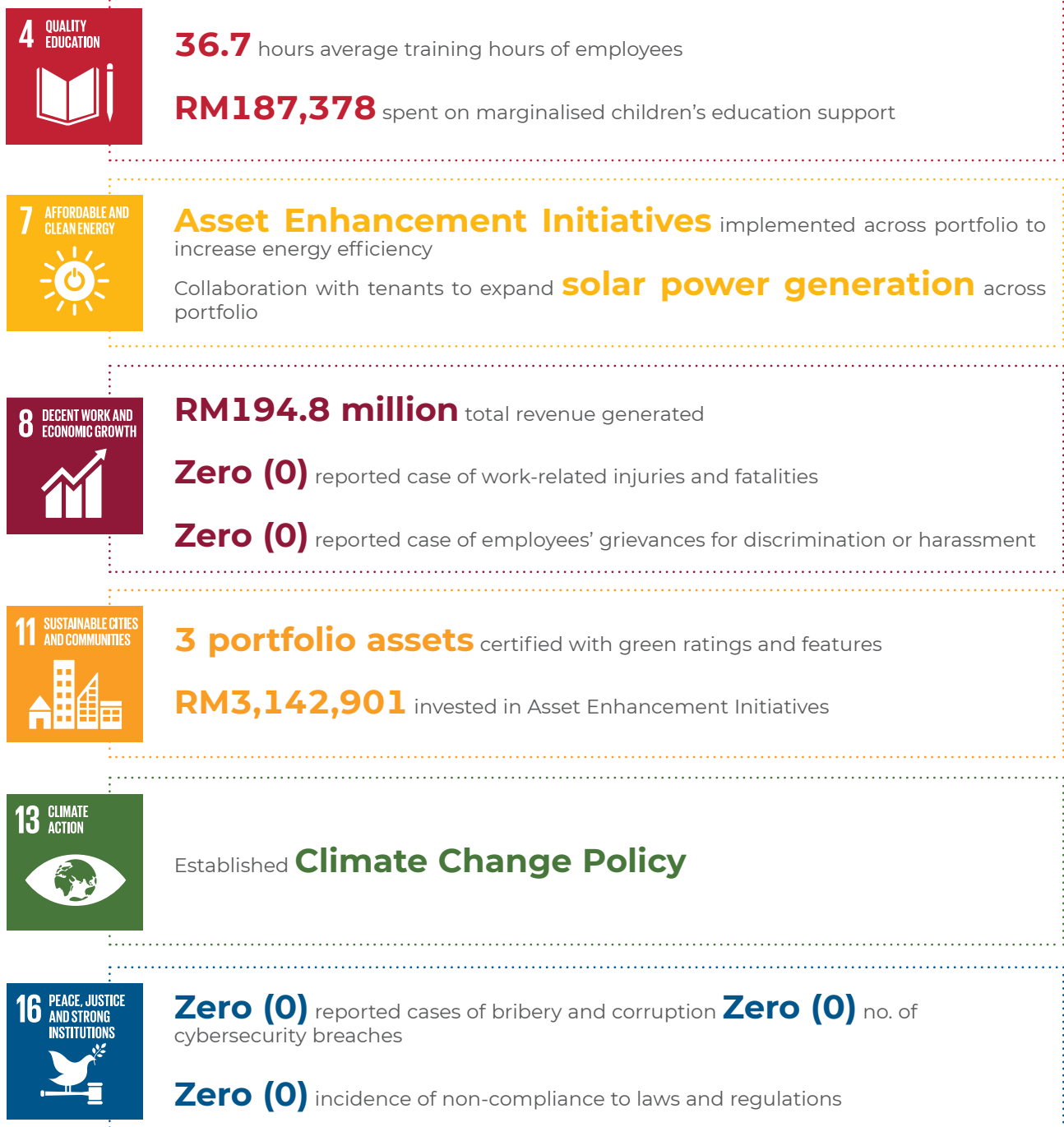
SUSTAINABILITY STATEMENT

(cont'd)

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) HIGHLIGHTS

The UN SDGs represents a collective framework designed to protect peace and prosperity for both humanity and the earth, both today and for generations to come. These goals were unanimously agreed upon and adopted by all United Nations Member States in 2015, embodying a resounding global commitment to collaboratively pursue a more equitable and sustainable future.

In 2024, SENTRAL remains dedicated to advancing selected UN SDGs, making contributions to key areas;



SUSTAINABILITY STATEMENT

(cont'd)

OUR VALUE CREATION MODEL



SUSTAINABILITY STATEMENT

(cont'd)

Output and Outcomes	Alignment to UN SDGs
<p>Financial Capital</p> <ul style="list-style-type: none"> Gross Revenue: RM194.8 million Realised Net Income: RM79.8 million Distribution Per Unit: 6.36 sen Economic Value Distributed: RM157.3 million <p>Manufactured Capital</p> <ul style="list-style-type: none"> 84% Tenant Occupancy Rate Tenant Retention Rate: 65% of Committed Net Lettable Area Approximately 183,000 sq. ft. of leases renewed in 2024 3 buildings with green ratings and green features <p>Intellectual Capital</p> <ul style="list-style-type: none"> Zero (0) substantiated complaints concerning cybersecurity breaches and losses of customer data <p>Human Capital</p> <ul style="list-style-type: none"> 100% of employees completed training and development programmes Average training hours: 36.7 hours/employee Over 10 company-wide engagement activities held in 2024 <p>Social & Relationship Capital</p> <ul style="list-style-type: none"> Local suppliers and contractors: 89% of total suppliers 89% of budget spent on local suppliers Percentage of service providers underwent performance appraisal: 100% of suppliers 100 % of suppliers achieved higher than minimum score rating of 60% Total number of beneficiaries: 205 <p>Natural Capital</p> <ul style="list-style-type: none"> 1% decrease in energy consumption 71.5% of increase in water consumption due to acquisition of Menara CelcomDigi, expansion of tenanted space and return of employees to offices 	     

SUSTAINABILITY STATEMENT

(cont'd)

OUR APPROACH TO SUSTAINABILITY

SENTRAL's corporate policies and ESG commitments are woven into the foundation of our governance framework, ensuring strong corporate integrity and ethical practices. Our approach to sustainability ensures we integrate responsible practices across our operations through sound governance, periodic stakeholder engagement and materiality assessment.

Sustainability Governance Structure

Sustainability at SENTRAL is overseen by the Board, which plays the main role in approving sustainability and climate-related strategies and initiatives into SENTRAL's business strategy, risk management, and operations.

Supporting the Board, the CEO leads SENTRAL's sustainability and climate agenda. The CEO is responsible for formulating strategies and managing the impact and progress of initiatives as well as providing quarterly updates to the Board ensuring alignment with SENTRAL's sustainability and climate commitments.

The Sustainability Working Committee ("SWC"), which comprises of executives from various departments are responsible for executing the CEO's sustainability and climate strategy by implementing, monitoring and reporting on key initiatives. The SWC tracks SENTRAL's sustainability and climate performance against established goals and targets, ensuring that sustainability measures are effectively integrated within the day-to-day operations across the organisation. The SWC prepares sustainability report on an annual basis for the CEO's review prior to submission to the Board.

Figure 2 illustrates the roles and duties of our sustainable and climate governance.

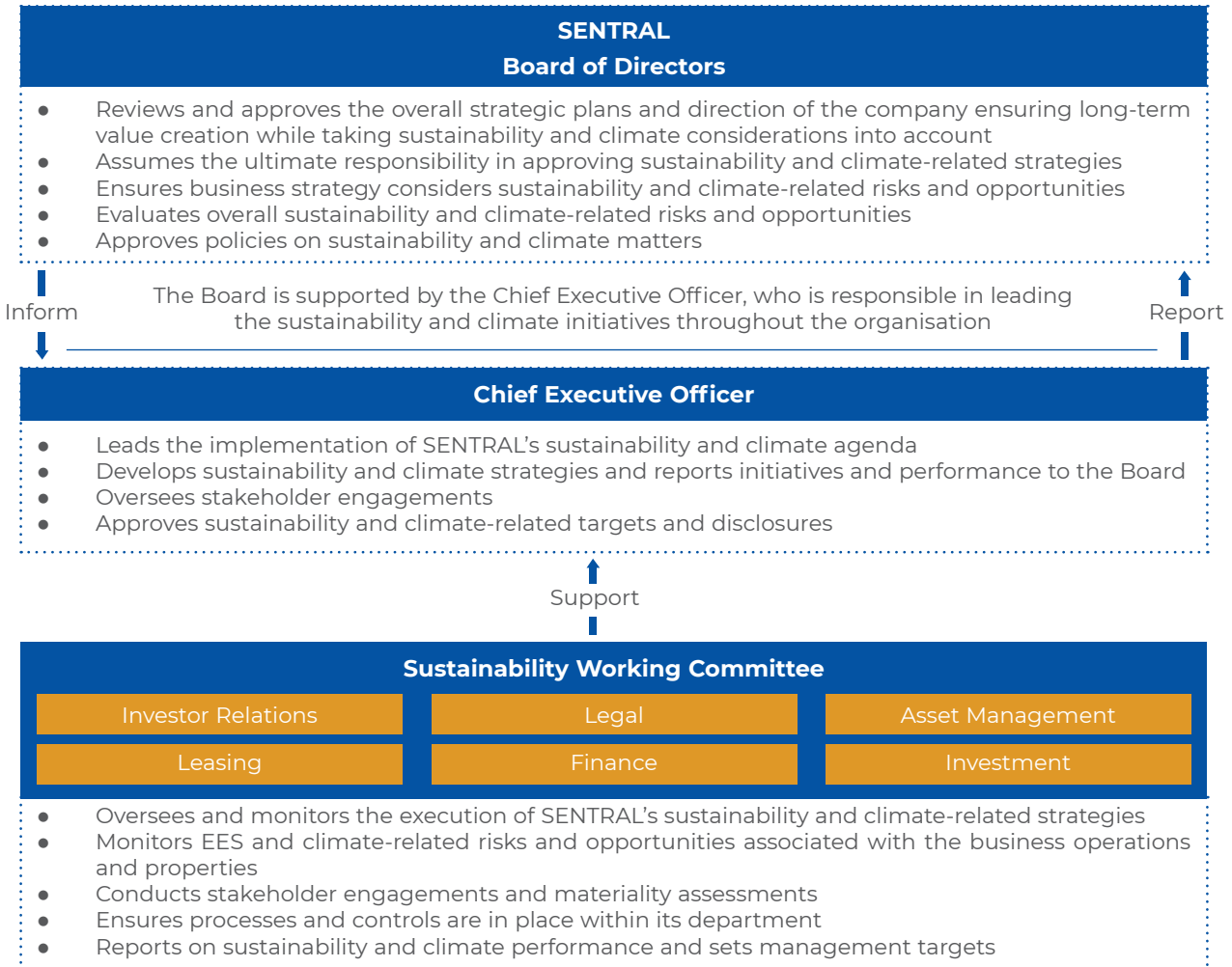


Figure 2: Sustainability Governance Structure, can refer FY2023 for reference

SUSTAINABILITY STATEMENT

(cont'd)

Stakeholder Engagement

We acknowledge that our stakeholders are instrumental to SENTRAL's growth and success. As stakeholders' expectations are continuously evolving in response to shifting trends and consumer behaviour, we emphasise regular engagements with both internal and external stakeholders to understand their concerns and interests, ensuring our strategies remain relevant.

In FY2024, we expanded our stakeholder engagement framework to include two (2) additional stakeholder groups, namely, SENTRAL's Board of Directors ("BOD") and Senior Management to ensure our sustainability initiatives and decision-making processes are aligned with the perspectives and insights of our leadership.


Engagement Frequency:			
Annually A	Quarterly Q	Monthly M	As and when required R

Internal Stakeholders

Board of Directors		
Engagement Methods:		
A Annual General Meeting		Q Board Training and Forums
Q Board Meeting		
Material Matters:		
<ul style="list-style-type: none"> Sustainable business growth and financial performance Regulatory compliance Business ethics 	<ul style="list-style-type: none"> Employee management Quality of assets and services 	
Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> Ensure long-term value creation and alignment with SENTRAL's sustainability strategy Maintain compliance with regulatory requirements and reporting standards Oversee the integration of sustainability and climate-related risks into financial planning and decision-making 	<ul style="list-style-type: none"> Profitability and financial health of SENTRAL SENTRAL's business direction, growth prospects and strategy Industry's growth prospects, opportunities and challenges SENTRAL's ESG Initiatives Compliance with current, new and emerging legislation and regulations Robust corporate governance Diversify board composition i.e., gender, ethnicity, skills Strengthen director training and oversight 	<ul style="list-style-type: none"> Regularly provide the Board with updates and insights on the progress of sustainability initiatives, including measurable KPIs and their impact on financial performance. Ensure board members receive training on climate-related and sustainability risks to make informed strategic decisions Integrate sustainability considerations into corporate strategy and risk management frameworks, ensuring alignment with regulatory and stakeholder expectations

SUSTAINABILITY STATEMENT

(cont'd)

Senior Management		
<p>Engagement Methods:</p> <p> Management Meetings</p>		
<p>Material Matters:</p> <ul style="list-style-type: none"> Sustainable business growth and financial performance Regulatory compliance Business Ethics Employee management Quality of assets and services 		
Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> Implement sustainability strategies and ensure operational alignment across the organisation Encourage collaboration between departments to integrate sustainability practices 	<ul style="list-style-type: none"> Profitability and financial health of SENTRAL SENTRAL's business direction, growth prospects and strategy Industry's growth prospects, opportunities and challenges SENTRAL's Internal Control and Risk Management Compliance with current, new and emerging legislation and regulations Management's skills and adequate resources to manage the SENTRAL Employee welfare and benefits with increasing need for advocacy of mental health, work flexibility (time-off for personal matters, staggered working hours) 	<ul style="list-style-type: none"> Develop and execute sustainability initiatives, such as energy efficiency projects and waste reduction programs, aligned with SENTRAL's strategic goals Establish internal processes to track progress toward sustainability KPIs and report achievements to both the Board and external stakeholders

SUSTAINABILITY STATEMENT

(cont'd)

Employees		
Engagement Methods:		
<ul style="list-style-type: none"> Q Employee Survey A Annual Employee Appraisals 		<ul style="list-style-type: none"> R One-on-One Meetings R Team Meetings
Material Matters:		
<ul style="list-style-type: none"> Sustainable business growth and financial performance Employee management Health and safety 		
Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> Provide fair and equal opportunities Provide employee development and career progression Ensure the overall welfare of the employees are addressed 	<ul style="list-style-type: none"> Career progression Employee welfare and benefits with increasing need for advocacy of mental health, work flexibility (time-off for personal matters, staggered working hours) Profitability and financial health of SENTRAL Job security 	<ul style="list-style-type: none"> Transparent, open and consistent approach to appraisals Transparent communication on business performance and job security Training and team building Flexible work arrangement such as remote working as part of health and safety measures Open door policy to express concerns

External Stakeholders

Tenants & Business Partners		
Engagement Methods:		
<ul style="list-style-type: none"> R Direct feedback from tenants at all stages of the tenancy 		<ul style="list-style-type: none"> R Regular Meetings and Discussions
Material Matters:		
<ul style="list-style-type: none"> Sustainable business growth and financial performance Health and safety Quality of assets and services Data privacy Energy and carbon footprint Water management Waste management 		
Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> Engage with existing customers to ensure tenant satisfaction and high retention rate Forge new relationships with potential tenants 	<ul style="list-style-type: none"> Health, safety and well-being Quick response by management to feedback Data privacy Quality of assets and services Tenant and Landlord collaboration on ESG initiatives Competitive rates 	<ul style="list-style-type: none"> Scheduled maintenance for each property Established building procedures and measures including health and safety Timely response to tenant's queries and complaints

SUSTAINABILITY STATEMENT

(cont'd)

Shareholders & Unitholders

Engagement Methods:

- A Annual General Meeting (“AGM”)
- R Announcements on Bursa Securities
- A Annual Reports
- R Interactions with IR personnel
- R SENTRAL’s Website

Material Matters:

- Sustainable business growth and financial performance

Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> • To proactively provide up-to-date disclosures and information to allow unitholders to make informed decisions on their investments 	<ul style="list-style-type: none"> • Profitability and financial health of SENTRAL • SENTRAL’s ESG initiatives • Timely and transparent disclosure of information and announcements • Annual distribution payouts • SENTRAL’s business direction, growth prospects and strategy • Industry’s growth prospects 	<ul style="list-style-type: none"> • Sound investment and capital management strategy • Robust corporate governance procedures • Continuous updates on business strategies and direction

Vendors

Engagement Methods:

- R One-on-One Meetings

Material Matters:

- Sustainable business growth and financial performance
- Health and safety
- Employee management

Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> • To ensure fair, proper and transparent dealings with vendors 	<ul style="list-style-type: none"> • Fair and transparent selection of vendors • Timely payment to vendors • Potential business opportunities for vendors • Competitive rates 	<ul style="list-style-type: none"> • Professional approach in reviewing proposals from vendors • Communication of ABC Policy • Adhere to strict payment cycles and procedures

SUSTAINABILITY STATEMENT

(cont'd)

Governments, Regulators & Local Authorities

Engagement Methods:

R Consultation meetings together with consultants, advisors and industry associations

R Seminars and Workshops

Material Matters:

- Regulatory compliance
- Employee management
- Health and safety

Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> • Seek clarification on the guidelines under their purview • Ensure compliance and proper administration of the legislations and local authorities' regulations affecting the operations of the REIT 	<ul style="list-style-type: none"> • Compliance to legislations and guidelines affecting the REIT industry • Refining and updating legislations through consultations with industry players • Development of the REIT Industry • Compliance of reporting and disclosure matters regarding SENTRAL's ESG initiatives • Governance of technology risk based on SC's updated requirements 	<ul style="list-style-type: none"> • Appointed professional consultants and advisors during consultations sessions • Adherence and report on compliance • Monitored compliance through internal assessment

Analysts & Media

Engagement Methods:

Analysts:

Q One-to-One Meetings

R Analyst Briefings

R Investor Conferences

Media:

Q Media Briefings

R New Releases

Material Matters:

- Sustainable business growth and financial performance
- Regulatory compliance

Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> • Provide information to allow analysts to disseminate accurate information to the investment community • Provide information to media to allow for accurate updates on the company's events and business performance to the general public 	<ul style="list-style-type: none"> • Profitability and financial health of SENTRAL • SENTRAL's business direction and strategy • Timely and transparent disclosure of information and announcements • Industry's growth prospects 	<ul style="list-style-type: none"> • Improved responsiveness towards feedback and queries • Timely update on SENTRAL's business activities and/or related matters through a dedicated Investor Relations ("IR") personnel

SUSTAINABILITY STATEMENT

(cont'd)

Investors/Investment Community		
Engagement Methods:		
<ul style="list-style-type: none"> R One-on-One Meetings R Investor Conferences 		<ul style="list-style-type: none"> A Annual Reports R SENTRAL's Website
Material Matters:		
<ul style="list-style-type: none"> Sustainable business growth and financial performance Regulatory compliance 		
Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> Engage existing and potential investors to provide information which allows these investors to make sound investment decisions concerning SENTRAL 	<ul style="list-style-type: none"> Profitability and financial health of SENTRAL Timely and transparent disclosure of information and announcements Accessibility to management or IR team SENTRAL's business direction, growth prospect and strategy Industry's growth prospect Reporting and disclosing SENTRAL's ESG initiatives Corporate Governance of SENTRAL 	<ul style="list-style-type: none"> Improved responsiveness towards feedback and queries through a dedicated IR personnel
Industry Associations		
Engagement Methods:		
<ul style="list-style-type: none"> R Consultation and Feedback Sessions 		
Material Matters:		
<ul style="list-style-type: none"> Regulatory compliance 		
Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> To be a contributing member to the industry sectors' professional objectives 	<ul style="list-style-type: none"> Fair representation of industry's needs through consultation and lobbying with government authorities like SC and Bursa Securities 	<ul style="list-style-type: none"> Active membership involvement and contribution

SUSTAINABILITY STATEMENT

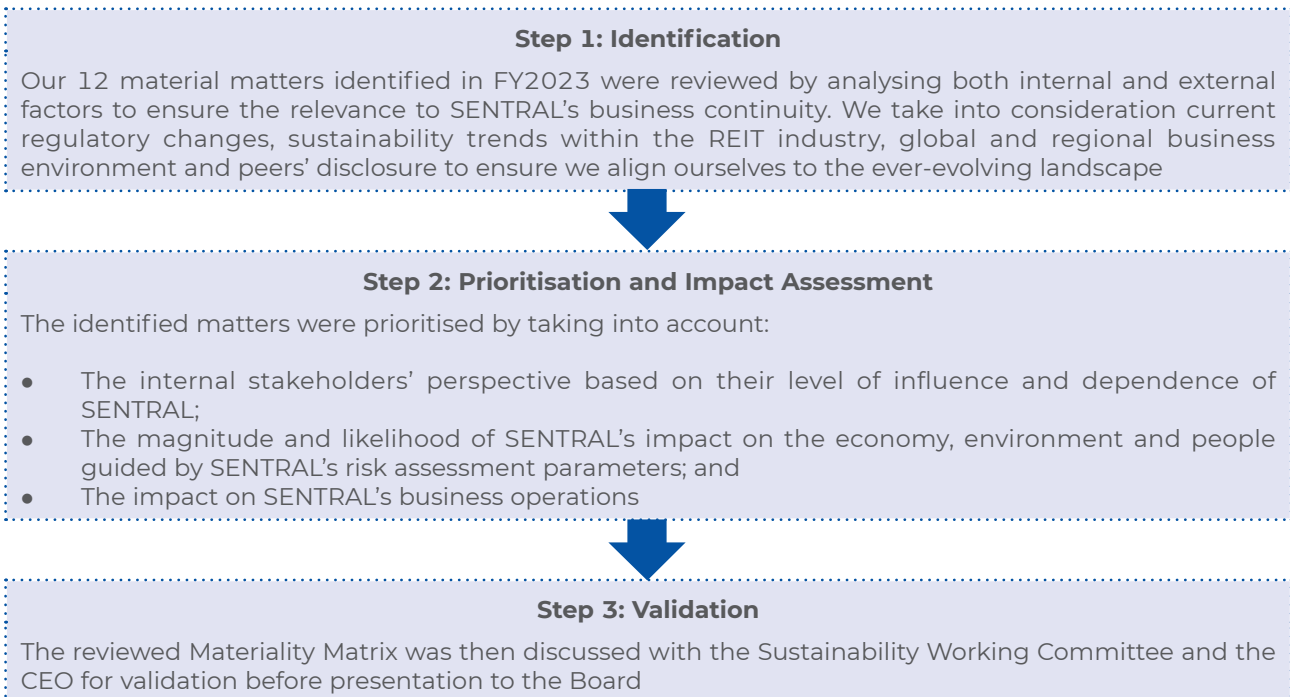
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Local Community		
<p>Engagement Methods:</p> <p>A Partnerships and collaborations with local communities through CSR programmes</p>		
<p>Material Matters:</p> <ul style="list-style-type: none"> Community partnership and activities 		
Engagement Objectives	Interest and Concerns	Our Response
<ul style="list-style-type: none"> To give back to the community in which we operate, specifically to improve the welfare of needy children Contribute funds to meet the immediate needs of at least one children’s NGO Raise awareness to staff on SENTRAL’s community engagements by involving all staff in the fund-raising events 	<ul style="list-style-type: none"> To provide sustained support after the completion of each CSR project Financial assistance to NGOs 	<ul style="list-style-type: none"> Monetary contribution to the underserved community

Materiality Assessment

SENTRAL’s annual materiality assessment ensures that our sustainability efforts align with the most critical issues facing our business and stakeholders.

This year, we have updated our materiality matrix based on impact assessment and external environment analysis conducted, while taking into consideration stakeholders’ perspectives, with reference to the methodologies outlined by Bursa Malaysia’s Materiality Assessment (3rd Edition) and the GRI Standards. The outcome of our materiality assessment was reviewed and validated by our Senior Management and Board. Below highlights our approach to materiality assessment:



Step 1: Identification

Our 12 material matters identified in FY2023 were reviewed by analysing both internal and external factors to ensure the relevance to SENTRAL’s business continuity. We take into consideration current regulatory changes, sustainability trends within the REIT industry, global and regional business environment and peers’ disclosure to ensure we align ourselves to the ever-evolving landscape



Step 2: Prioritisation and Impact Assessment

The identified matters were prioritised by taking into account:

- The internal stakeholders’ perspective based on their level of influence and dependence of SENTRAL;
- The magnitude and likelihood of SENTRAL’s impact on the economy, environment and people guided by SENTRAL’s risk assessment parameters; and
- The impact on SENTRAL’s business operations



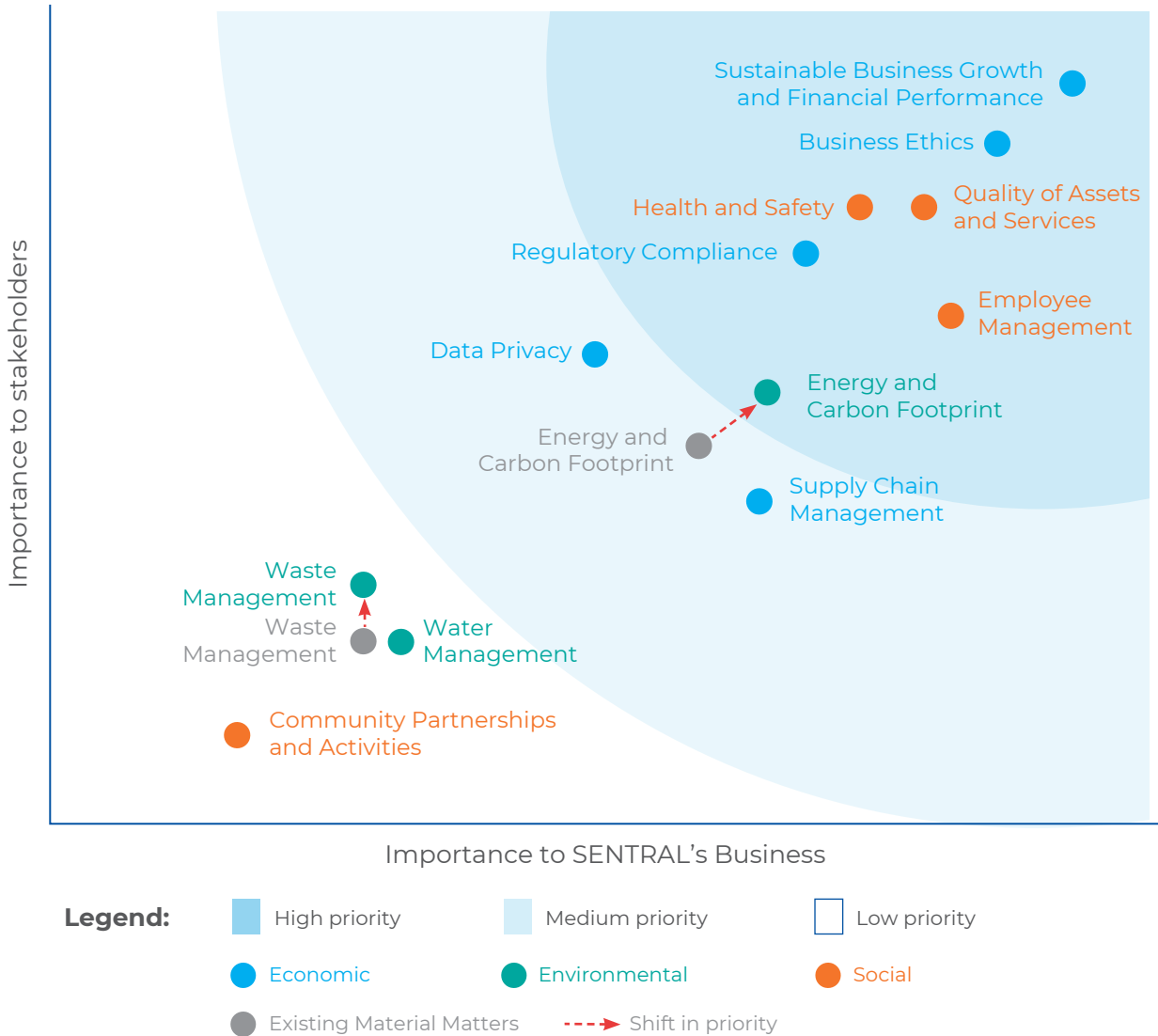
Step 3: Validation

The reviewed Materiality Matrix was then discussed with the Sustainability Working Committee and the CEO for validation before presentation to the Board

SUSTAINABILITY STATEMENT

(cont'd)

Materiality Matrix



Following the reassessment exercise, we found the 12 material topics in 2023 remained relevant to SENTRAL. Our Materiality Matrix for FY2024 reflects the following changes to the significance of specific material matters:

- **“Sustainable Business Growth and Financial Performance”** remained as top material matter as we prioritise consistent business growth and value creation for our stakeholders.
- The **“Energy and Carbon Footprint”** material matter has been shifted to **“High Priority”** as increasing regulatory requirements on climate-related disclosures necessitate effective management of GHG emissions.

SUSTAINABILITY STATEMENT







(cont'd)

Definition of Material Matter	
1	<p>Sustainable Business Growth and Financial Performance</p> <p>Organisation's impacts on the economic conditions of its stakeholders and on economic systems at local, national, and global levels.</p>
2	<p>Business Ethics</p> <p>Ethical and transparent business conduct and governance through robust frameworks as well as best practices. Continued practice of transparency, integrity and compliance to relevant laws and regulations such as those on corruption.</p>
3	<p>Quality of Assets and Services</p> <p>Attention to quality of SENTRAL's assets and services through innovative ideas, implementation of technology including digitalisation and management of supply chain which translate to tenant's satisfaction.</p>
4	<p>Employee Management</p> <p>Involves all employee management aspects including fostering an engaged and vibrant workforce, retaining and attracting employees by providing remuneration, growth and training opportunities without any discrimination.</p>
5	<p>Health and Safety</p> <p>Efforts to address and prevent health and safety risks for all employees, tenants and visitors to SENTRAL's properties.</p>
6	<p>Regulatory Compliance</p> <p>Compliance to building, REITs and other regulatory requirements, such as environment, financial, human rights and labour practices, health and safety, listing rules, authority guidelines, public announcements, etc.</p>
7	<p>Energy and Carbon Footprint</p> <p>Minimise operational energy and carbon emissions and provide cost savings to SENTRAL and its tenants. This is through energy efficiency measures and use of renewables such as solar energy.</p>
8	<p>Data Privacy</p> <p>Protection of all data, information and intellectual property against cyber security breaches including safeguarding the privacy of tenant, organisational and visitor's information.</p>
9	<p>Supply Chain Management</p> <p>Management of supply chain and procurement practices which considers the supply chain's social and environmental impacts, including local sourcing to support local economy.</p>
10	<p>Waste Management</p> <p>Management or minimisation of waste generated in SENTRAL's and tenant's activities. For example, providing adequate facilities to tenants for proper storage of waste (e.g. general, hazardous, etc.) for further disposal and encourage reducing, recycling and reuse of waste.</p>
11	<p>Water Management</p> <p>Consumption and efficiency of water usage for general purposes.</p>
12	<p>Community Partnership and Activities</p> <p>Financial or non-financial contributions to the communities in which SENTRAL operate and select partners with shared business' values for joint activities.</p>

SUSTAINABILITY STATEMENT

(cont'd)

Alignment to UN SDGs

UN SDGs	4 QUALITY EDUCATION 	7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	11 SUSTAINABLE CITIES AND COMMUNITIES 	13 CLIMATE ACTION 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 
Material Matters	<ul style="list-style-type: none"> ● Community partnership and activities ● Employee management 	<ul style="list-style-type: none"> ● Energy and carbon footprint 	<ul style="list-style-type: none"> ● Sustainable business growth and financial performance ● Supply chain management ● Health and safety ● Quality of assets and services ● Employee management ● Energy and carbon footprint 	<ul style="list-style-type: none"> ● Sustainable business growth and financial performance 	<ul style="list-style-type: none"> ● Energy and carbon footprint 	<ul style="list-style-type: none"> ● Business ethics ● Regulatory compliance ● Employee management ● Data privacy

Legend: ● Economic ● Environmental ● Social

SUSTAINABILITY STATEMENT

(cont'd)

ECONOMIC



Business Ethics

GRI	2-10, 2-16, 2-18, 2-19, 2-23, 2-24, 2-25, 2-26, 3-3, 205-2, 205-3
Bursa	C1
Capitals	Social and Relationship Capital
UN SDGs	SDG 16

We strive toward upholding the highest standards of business ethics and corporate governance to ensure transparency, integrity, and accountability in all aspects of our operations. SENTRAL is guided by our foundational organisational values, as depicted in Figure 3. These principles form the cornerstone of our policies and practices, guiding our employees, Management, and stakeholders to operate responsibly and ethically.

Since 1 June 2020, we have adopted the Anti-Bribery and Corruption Policy (“ABC Policy”), which highlights our commitment on anti-bribery and -corruption, referencing the Guidelines on Adequate Procedures (“GAP”) as issued by the Prime Minister’s Department. Our governance is reinforced by the Whistleblower Policy, which safeguards against breach of ethical business conduct. Stakeholders can anonymously report violations of the ABC Policy and raise concerns without fear of retaliation by emailing whistleblowing@sentralreit.com. Any concerns can also be submitted in writing directly to the CEO or Chairman of the Manager.








Figure 3: Organisational Values

For more information on our internal controls and processes relating to ethical business behaviour, kindly view our Corporate Governance Overview Statement on page 64 and our Corporate Governance Report FY2024 as well as policies on our website [<https://sentralreit.com/investor-relations/corporate-governance/>].

SUSTAINABILITY STATEMENT

(cont'd)

Policies Guiding SENTRAL's Governance	
 <p>Code of Business Ethics</p>	<p>This code outlines the standards of behavior expected of all Manager's employees and directors, covering key areas such as regulatory compliance, conflict of interest, confidentiality, and professional conduct. It also includes provisions on the giving and receiving of gifts, prohibiting actions that may compromise judgment or integrity.</p>
 <p>Anti-Bribery and Corruption Policy</p>	<p>Reflecting our zero-tolerance stance on bribery and corruption, the ABC Policy provides guidance to employees and business associates on dealing with improper solicitation, bribes, and other corrupt practices. The policy also includes anti-bribery clauses in agreements with tenants, suppliers, and contractors to reinforce ethical practices across our supply chain.</p> <p>Our ABC Policy is available on on SENTRAL's website at https://sentralreit.com.</p>
 <p>Whistleblowing Policy</p>	<p>This policy offers a secure, anonymous, and confidential channel for employees, customers, and vendors to report unethical conduct, violations of the ABC Policy, or other concerns. Reports can be submitted via email to whistleblowing@sentralreit.com or directly to the CEO or Chairman of the Manager.</p>
 <p>Fit and Proper Policy</p>	<p>Implemented on 1 July 2022, our Fit and Proper Policy establishes a structured framework for assessing the suitability of individuals serving on or being appointed to the Board of Directors and Senior Management. The policy defines key assessment criteria, governance responsibilities, and conditions to ensure that all appointments align with SENTRAL's commitment to maintaining high standards of leadership and integrity.</p>
 <p>Remuneration Policy for Non-Executive Directors</p>	<p>SENTRAL has developed a remuneration framework for Non-Executive Directors ("NEDs"), guided by the Remuneration Policy adopted on 10 November 2022. This policy supports the Nomination and Remuneration Committee (NRC) and the Board to determine NED remuneration based on the organisation's demands, complexities, and performance, while considering the NEDs' skills, experience, responsibilities, and time commitments.</p>

To ensure effective implementation of these policies, we conduct regular compliance audits and due diligence assessments for all business partners and associates. Annual anti-bribery and anti-corruption training is mandatory for all SENTRAL employees, reinforcing awareness and understanding of ethical practices. In FY2024, 100% of Board of Directors and employees completed the e-Learning Awareness Programme on anti-fraud, anti-bribery, and anti-corruption ("ABAC").

Additionally, we actively assess corruption-related risks across our operations. Since FY2020, all SENTRAL-managed operations have undergone routine evaluations, and corrective actions are taken in cases of non-compliance. Zero (0) incidents of bribery or corruption were reported through whistleblowing channels in FY2024, reflecting the effectiveness of our governance measures and the commitment to ethical conduct.

SUSTAINABILITY STATEMENT

(cont'd)

For more information on our business ethics practices and governance policies, please refer to our Corporate Governance Overview Statement on page 64 and Corporate Governance Report FY2024 available on our website.

Annual Performance



Percentage of Employees Completed ABAC Training by Employee Category in FY2024



Executive

100%



Senior Executive

100%



Middle Management

100%



Senior Management

100%

Moving Forward

SENTRAL remains dedicated to enhancing its governance framework and ethical practices. We regularly review and update our policies where required ensuring alignment with regulatory standards, including the Malaysian Anti-Corruption Commission Act 2009 and its amendments. Looking ahead, we will strengthen due diligence processes to further mitigate corruption risks.

SUSTAINABILITY STATEMENT

(cont'd)

Sustainable Business Growth and Financial Performance

GRI	3-3, 201-1
Capitals	Financial Capital, Manufactured Capital
UN SDGs	SDG 8, SDG 11

Malaysia's economy expanded by 5.1% by the end of 2024, driven by strong investment activities and export-led demand, reflecting strong economic momentum. In this thriving economic environment, we remain steadfast in our commitment to creating long-term financial value and enriching stakeholder interests. Through sustainable and responsible business practices, we aim to achieve sustainable income distribution, financial growth, and value creation, guided by our key strategic initiatives.

Key Strategic Initiatives



Figure 4: SENTRAL's Key Strategic Initiatives

We have put in place responsive leasing strategies, such as engaging with key strategic tenants on lease negotiation well ahead of lease expiry to secure longer lease term. This approach has been particularly critical in addressing the departure of a mini anchor tenant at Menara Shell, with intensified efforts underway to maintain an occupancy rate above 80%.

Complementing these efforts, capital management strategy remained focused on maintaining an optimal gearing level and mitigating interest rate fluctuations. The Board's approval of interest rate swaps aims to balance the fixed-to-floating debt ratio at ~50%. Additionally, preparations are underway to refinance RM341 million through a green bond programme in March 2025, supported by the recently developed Sustainable Finance Framework.

In tandem, asset enhancement and maintenance remain crucial to our strategy with plans to upgrade facilities to meet evolving tenant needs, including post-COVID-19 requirements and green building standards. In FY2024, Platinum Sentral and Sentral Building 3 have been selected to undergo green accreditation processes to achieve LEED Gold and Silver certifications, respectively, reflecting SENTRAL's commitment to continuous asset improvements.

SUSTAINABILITY STATEMENT

(cont'd)

Further to this, acquisition growth and portfolio management is a critical component to ensure stable net property income (NPI) margins. We aim to maintain sustainable income distribution for our Unitholders through strategic revitalisation of our asset portfolio, which includes the divestment of non-core or mature assets, with reinvestment into diversified and high-performing sectors.

Annual Performance

In FY2024, we have renewed approximately 183,000 sq. ft. of leases, resulting in a retention rate of 65% by year-end with the renewals from Platinum Sentral, Menara Shell and Plaza Mont' Kiara. Despite challenges in the office market, the portfolio occupancy remained stable at 84% for 2024.

To address vacancies, we have explored various options, including repurposing spaces, asset disposals, sale-and-leaseback arrangements, and property enhancements tailored to tenant demands. These efforts resulted in securing new tenancies totalling 20,000 sq. ft.

Financially, SENTRAL's portfolio demonstrated resilience, with stable year-to-date net property income supported by contributions from the newly acquired Menara CelcomDigi since 11 December 2023. This highlights our operational strength and quality of portfolio despite the ongoing competition faced in the Klang Valley office market. Albeit we acknowledge our financial performance will continue to be impacted by broader market uncertainties, including the increase in minimum wages, utility costs and higher interest rates.

SENTRAL maintained its financial health and contributed a realised revenue of RM194.8 million in FY2024. We attained a Distribution Per Unit of 6.36 sen this fiscal year. Table 1 depicts the breakdown of direct economic value generated and distributed by SENTRAL.

In RM	FY2020	FY2021	FY2022	FY2023	FY2024
<i>Revenue, finance income, gain on divestment of investment property</i>	167,980,858	166,461,106	150,906,023	163,668,083	194,412,340
<i>Less: Property operating expenses</i>	(29,456,543)	(28,523,531)	(24,275,211)	(28,941,832)	(35,599,515)
<i>Less: Other operating expenses</i>	(919,578)	(819,240)	(1,332,106)	(1,388,212)	(1,513,349)
Total Value Generated	137,604,737	137,118,336	125,298,706	133,338,039	157,299,476
Reconciliation:					
<i>Total realised income net of taxation</i>	80,954,941	84,485,957	73,625,238	74,221,484	79,815,642
<i>Add:</i>					
<i>Finance costs</i>	34,750,696	30,920,952	30,425,280	37,632,722	52,886,949
<i>Manager's fees</i>	12,796,372	12,616,534	12,220,533	12,532,231	14,969,769
<i>Trustee's fees</i>	665,681	664,577	649,354	654,678	773,554
<i>Quit rent and assessment</i>	8,437,047	8,430,316	8,378,301	8,296,924	8,853,562
Total Value Generated	137,604,737	137,118,336	125,298,706	133,338,039	157,299,476

SUSTAINABILITY STATEMENT

(cont'd)

In RM	FY2020	FY2021	FY2022	FY2023	FY2024
Payments to the Manager and Trustee					
<i>Manager's fees</i>	12,796,372	12,616,534	12,220,533	12,532,231	14,969,769
<i>Trustee's fees</i>	665,681	664,577	649,354	654,678	773,554
Payments to government					
<i>Quit rent and assessment</i>	8,437,047	8,430,316	8,378,301	8,296,924	8,853,562
Payments to providers of capital					
<i>Income distribution</i>	75,882,237	79,419,121	73,095,601	72,436,401	76,033,992
<i>Finance costs</i>	34,750,696	30,920,952	30,425,280	37,632,722	52,886,949
<i>Economic value retained</i>	5,072,704	5,066,836	529,637	1,785,083	3,781,650
Total Value Distributed	137,604,737	137,118,336	125,298,706	133,338,039	157,299,476

Table 1: Direct Economic Value Generated and Distributed

Kindly refer to our Management Discussion and Analysis section from pages 12 to 44 for further information on our economic performance.

Moving Forward

Amidst evolving market dynamics and economic recovery, SENTRAL remains focused on delivering resilient performance through our strategic initiatives. We aim to stabilise portfolio occupancy rates, particularly at KL Sentral properties, by addressing the rising demand for commercial properties. Further to this, we aim to diversify our portfolio, with efforts to explore yield-accretive acquisitions and investments in retail, industrial, education and healthcare assets.

SUSTAINABILITY STATEMENT

(cont'd)

Regulatory Compliance

GRI	2-23, 2-24, 2-27, 3-3
Capitals	Human Capital, Natural Capital, Social and Relationship Capital
UN SDGs	SDG 16

SENTRAL abides by all applicable laws and regulations, environmental and human rights standards governing our business operations. The regulations that SENTRAL are obliged to include, but are not limited to:

Malaysian Anti-Corruption Commission (MACC) Act 2009	MACC (Amendment) Act 2018	Electricity Supply Act 1990 (PW4)	Income Tax Act 1967 and Public Rulings	Anti-Trafficking in Persons and Anti-Smuggling of Migrants Act 2007
Introduction of corporate liability for corruption offences that is applicable to Malaysian commercial organisations. Anti-Bribery and Corporation Policy in place since 1 June 2020 in line with the amendments to the MACC Amendment Act 2018	Refers to amendments under Section 17A of the MACC Act 2009, where commercial organisations are liable and can be punished if their employees are involved in corruption	Relates to the control of any electrical installation and equipment with respect to matters relating to the safety of persons and efficient use of electricity	Imposition of income tax that includes collection and recovery of tax, tax refund, offences and penalties, and exemptions, remissions and other relief	Prohibit in child labour, slavery, servitude and forced or compulsory labour and human trafficking

Malaysian Employment Act 1955	Children and Young Persons (Employment) Act 1966	Occupational Safety and Health Act 1994	Malaysian Employment (Amendment) Act 2022
Prohibits exploitative labour practices	Prohibits the employment of children under the age of 14	Protects the safety, health and welfare of persons at work	Refers to a series of amendments in the Employment Act 1955

Personal Data Protection Act 2010 ("PDPA")	Environmental Quality Act 1974	Construction Industrial Development Board Act 1994	Drinking Water Quality Standards 1985
Regulates the processing of personal data in regard to commercial transactions	Relates to the prevention, abatement, control of pollution and enhancement of the environment	Minimum requirements for engaging contractors and sub-contractors on construction works contracts	Refers to the standards for drinking water quality

SUSTAINABILITY STATEMENT

(cont'd)

To uphold the efficacy of internal controls, SENTRAL's Corporate Secretariat, Legal & Compliance, and Finance departments collaborate to continuously enhance the organisation's compliance framework. This commitment is further strengthened by the appointment of external consultant as internal auditor to independently review and assess our internal processes. An internal compliance officer oversees the adherence of our business operations to local laws and regulations, including but not limited to the Securities Commission Malaysia's ("SC") Licensing Handbook, Listed REITs Guidelines, Listing Requirements, and the Inland Revenue Board of Malaysia's General Tax Compliance guidelines.

In order to create a culture of compliance within the company, we conduct compliance trainings and workshops for employees aimed in supporting and mitigating the risk of infractions. Our employees are given the option to attend trainings organised by Bursa Securities, SC, Malaysian Institute of Accountants and esteemed law firms to remain cognisant on any regulatory changes.

On human rights compliance, we adopt a progressive approach, integrating our principles and practices throughout our supply chain. Business partners, vendors, and suppliers are strongly encouraged to adopt a similar commitment to human rights. Since 2019, we have embedded anti-modern slavery clauses into all service agreements, ensuring compliance with local laws and regulations. In 4Q 2021, this commitment was expanded to include these human rights principles in all new tenancy, lease, and license agreements.

Annual Performance

We are pleased to report that there were zero incidents of non-compliance with applicable laws and regulations in FY2024. Kindly refer to page 64 of our Annual Report for more information of our Corporate Governance and compliance matters.

Moving Forward

We recognise the ever-evolving regulatory landscape presents new challenges and opportunities for our business. With that, we aim to continuously stay abreast of regulatory developments within the region and globally, to anticipate potential impacts on our operation and implement necessary adjustments to our policies, procedures and internal controls.

Data Privacy

GRI	3-3, 418-1
Bursa	C8
Capitals	Intellectual Capital, Human Capital
UN SDGs	SDG 16

The enactment of the Cybersecurity Act 2024 and amendments to the PDPA have reinforced the continued importance of data privacy for all companies. These laws introduce stricter compliance requirements and penalties for non-compliance.

SENTRAL acknowledges the clear and eminent risk of cybersecurity threats to our business as we pivot our business operations towards digital or cloud-based platforms to improve operational efficiency, productivity, and resource utilisation. We foresee a heightened demand for pragmatic data and information privacy and recognise our responsibilities in ensuring protection of stakeholders' personal data to uphold their trust, confidence and satisfaction.

The management of SENTRAL's cybersecurity partly falls under the purview of the MRCB IT Helpdesk. Here, cybersecurity matters are reported to monitor suspicious activity, followed by any required steps to manage issues. Our Privacy Policy informs and assures that confidential data is handled in a compliant, ethical manner and adheres to relevant laws and regulations.

SUSTAINABILITY STATEMENT

(cont'd)

To address evolving cybersecurity threats, we regularly assess our Information Technology (“IT”) controls. These efforts are guided by our Information Security Policy, detailed within the ICT System Manual, which protects information assets, mitigates risks from inadequate controls, instructs third parties on security practices, and educates employees on identifying and addressing security risks. This policy applies to all employees, temporary workers, practical trainees and third parties who are engaged to work with or have access to SENTRAL’s data.

Our continuous data privacy and security approach is outlined below:

SENTRAL’s Approach in Safeguarding Data Privacy	
Data Privacy Regulatory Compliance	<ul style="list-style-type: none"> Employees must adhere to the PDPA by signing a declaration to responsibly handle personal and confidential information. Third parties handling sensitive information must read, understand, and acknowledge a Non-Disclosure Agreement (NDA). A personal data clause is mandatory in all tenancy and service agreements at SENTRAL. Personal data collection and processing require prior consent from the data subject.
Data Protection Awareness	<ul style="list-style-type: none"> The MRCB IT Helpdesk sends regular email reminders and monthly editorial messages to warn employees about spam, phishing emails, and cyber-attacks, including reminders to update system passwords. Regular backups are performed to safeguard data. Short video clips displayed in common areas remind employees to secure laptops and computers to prevent unauthorised access. Suspicious emails are quarantined by the MRCB IT department before being released to staff.
Data Security Controls	<ul style="list-style-type: none"> Keep abreast with the Antivirus software. User access rights and firewalls are managed by the MRCB IT department. Regular cybersecurity and IT risk assessments are conducted to identify and respond to threats, including quarantining suspicious emails.
Physical Data Management	<ul style="list-style-type: none"> Physical data is securely stored in a dedicated data warehouse center. Since FY2021, cloud-based digital data filing has been implemented for efficient data management and resource optimisation. The adoption of cloud-based Yardi system supports accounting, finance, leasing, and acts as a backup for tenancy and agreement documents. Since 2022, Yardi integrates facility management and accounting processes, enhancing data security, productivity, and tenant satisfaction.

Annual Performance

We are pleased to announce that there were no substantiated complaints of cybersecurity breaches or customer data thefts in FY2024.

	2022	2023	2024
Cybersecurity breaches	0	0	0
Incidents of substantiated complaints regarding breaches of privacy and losses of personal data	0	0	0

Moving Forward

As the digital landscape continues to evolve, data privacy remains a critical material matter. Regulatory frameworks and stakeholder expectations are moving toward more stringent and transparent standards. In response, SENTRAL will continue to refine its data governance and cybersecurity measures, prioritising compliance with emerging laws and regulations.

SUSTAINABILITY STATEMENT

(cont'd)

Supply Chain Management

GRI	2-6, 204, 204-1, 308, 308-1, 308-2, 414, 414-1, 414-2
Bursa	C7, S6
Capitals	Social and Relationship Capital
UN SDGs	SDG 8

Effective supply chain management is essential for SENTRAL to ensure smooth property operations, reduce operational costs, minimise delays, and consistently deliver high-quality services.



Figure 5: SENTRAL's Value Chain

Our procurement practices reflecting our sustainability standards and expectations, are cascaded down to our suppliers and contractors. Our Property Business Associates (namely suppliers and contractors) are selected based not only on the quality and competitiveness of their services, but also on their adherence to social, ethical, and environmental standards and regulations.

Prior to appointment, all potential partners must satisfy the criteria defined in our Service Provider Pre-Qualification Policy and Services Contractor Evaluation Policy. Assessment areas include financial strength, technical capabilities, punctual delivery, and compliance with the Malaysian Anti-Corruption Commission Act (MACC Act 2009) to ensure minimal bribery risk. A standard annual performance evaluation is conducted to ensure the quality of services provide by our suppliers are maintained. Figure 6 illustrates the Standard Performance Appraisal.

Responsibility for selecting, appointing, and supervising Property Business Associates lies with our property managers. To maintain compliance and uphold the highest standards, we conducted our annual online briefing session in FY2024, covering Pre-Qualification and Due Diligence Assessments for all of our Property Business Associates. These policies apply to all properties within our portfolio with the exception for Lotus's Penang, as it is fully managed by the tenant.

SUSTAINABILITY STATEMENT

(cont'd)

Policies Guiding SENTRAL's Supply Chain Practices

Service Provider Pre-Qualification Policy



Pre-qualification and due diligence assessments are mandatory for all service providers. This ensures that selected partners operate within the bounds of applicable laws and regulations while possessing the requisite competencies for the tasks assigned. Evaluation criteria include:

- Demonstrated track record or relevant experience
- Financial soundness and professional integrity
- Compliance with laws governing ethical conduct (e.g., bribery, fraud)
- Skills and expertise of assigned personnel
- Familiarity with relevant regulatory requirements, policies, and procedures
- Appropriate licensing and registration with government agencies, regulators, and local authorities

Service Contractor Evaluation Policy



For both existing and newly appointed suppliers and contractors, continuous monitoring and evaluation are conducted to verify service quality and identify areas for improvement, such as delivery times, product quality, or pricing.

An annual standard performance appraisal is carried out to measure each service contractor's performance against established criteria, as detailed in Figure 6.

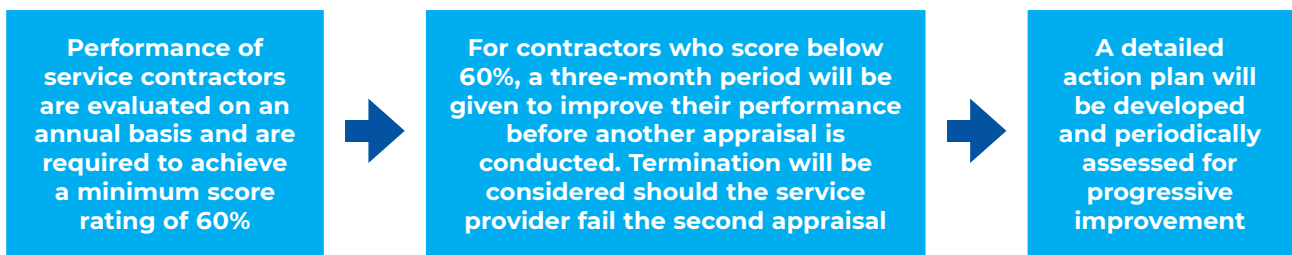


Figure 6: Standard Performance Appraisal

Annual Performance

	FY2020	FY2021	FY2022	FY2023	FY2024
Percentage of service providers underwent performance appraisal (%)	100%	100%	100%	100%	100%
Percentage of service providers achieved higher than the minimum score rating of 60% (%)	100%	100%	100%	100%	100%

SUSTAINABILITY STATEMENT

(cont'd)

Aligned with our commitment to promote local economic development, we prioritise sourcing from local suppliers and contractors whenever possible. SENTRAL defines local suppliers and contractors as companies registered in Malaysia. Our total procurement in FY2024 amounted to RM25,575,846, with RM22,755,457 spent on local suppliers, a substantial increase of 137% from FY2023 figure. This increase is partly due to the inclusion of Menara CelcomDigi, which involved a high number of service contracts and significant expenditures on ad-hoc services and repair works.

	FY2020	FY2021	FY2022	FY2023	FY2024
Local suppliers and contractors (%)	76%	100%	95%	91%	89%
Local Procurement expenditure (RM)	RM8,539,554	RM2,386,183	RM5,170,000	RM9,838,478	RM22,755,457

Moving Forward

As we advance into FY2025, we will continuously evaluate our suppliers to ensure alignment with our policy criteria while prioritising the sourcing of at least 75% of products and services locally for our buildings. Additionally, we will seek opportunities to strengthen relationships with our suppliers and service providers through ongoing collaborative engagements.

SUSTAINABILITY STATEMENT

(cont'd)

ENVIRONMENTAL



SENTRAL's environmental management practices focus on minimising the environmental impacts associated with our operations and investment portfolio.

To strengthen our long-term resilience and adaptability to climate change, we have initiated climate scenario analysis, aligned with the TCFD recommendation, with reference to the Network for Greening the Financial System ("NGFS") and the International Energy Agency ("IEA") scenarios. Through this analysis, we have identified climate-related risks and opportunities that may impact our operations, allowing us to better prepare and develop a more resilient mitigation strategy.

We are in the midst of developing our Climate Action Roadmap, which focuses on the reduction of Scope 2 and Scope 3 emissions across our portfolio through improved energy efficiency and the integration of renewable energy initiatives.


Task Force on Climate-related Financial Disclosure ("TCFD")

Governance

At Sentral REIT, climate-related risks and opportunities, strategies and initiatives are overseen by the Board, ensuring climate change is considered and integrated within SENTRAL's business strategy, risk management, and operations. The Board holds the responsibility in approving climate strategy and guiding the organisation's climate agenda.

The CEO leads SENTRAL's climate agenda, supporting the oversight of climate-related risks and opportunities, formulating climate-related strategies, lead the implementation of strategies and providing annual updates to ensure alignment with SENTRAL's climate commitments.

Supporting the CEO, SWC comprising executives from various departments, is responsible for executing SENTRAL's climate strategy. This includes evaluating and advising the strategic direction of climate change strategy, implementing, monitoring, and reporting on key initiatives. The SWC also deliberates and review SENTRAL's climate plan and targets ensuring effective integration within day-to-day operations.

 For more information on the roles and responsibilities of each relevant stakeholders in climate governance, refer page 104 of "Our Approach to Sustainability" section.

Strategy

SENTRAL has conducted an assessment of climate-related transition risks that may impact our business resilience. Transition risks refer to the challenges arising from efforts to shift towards a low-carbon economy. Transition risks include policy, legal, technological, market and reputational risks that could carry financial implications for an entity, such as increased operating costs or asset impairment due to new or amended climate-related regulations. We also acknowledge the importance of assessing the physical risks and their potential impact on our assets, and we will consider undertaking this evaluation in the near future.

As part of our climate scenario analysis, we have made reference to the NGFS and IEA scenarios. We have selected the Net Zero 2050 ("NZ 2050") and Delayed Transition ("DT") scenarios to evaluate potential future pathways and their implications for our operations and strategy.

SUSTAINABILITY STATEMENT

(cont'd)

The NZ 2050 scenario assumes a rapid and decisive transition to a low-carbon economy, where stringent policies and technological advancements are implemented to limit global warming to 1.5°C above pre-industrial levels as soon as possible. In contrast, the DT scenario represents a delayed approach, where climate action doesn't begin until 2030. This leads to a more abrupt and disruptive transition, requiring strong policies to keep warming below 2°C. Since carbon removal technologies are limited, the carbon prices in this scenario are expected to be higher than in the NZ 2050 scenario. This delay results in higher physical and economic risks as more severe policies are introduced in a shorter timeframe to limit warming. Table 2 shows the risk implication of each scenario based on the NGFS Scenario Design and Analysis;

Scenario	Risk implication			
	Policy reaction	Technology change	Carbon dioxide removal	Regional policy variation
Net Zero 2050 ("NZ 2050")	Immediate and smooth	Fast change	Medium-high use	Medium variation
Delayed Transition ("DT")	Delayed	Slow-fast change	Low-medium use	High variation

Table 2

Based on the selected scenarios, we have identified seven (7) transition risks that will impact SENTRAL's business. Table 3 highlights the transitions risks identified as material to our business, with potential financial implications to our operations:

	Transition Risks	Potential Financial Impact
Policy & Legal	Introduction of carbon tax and pricing mechanism	Increase in operating cost and reduction in profits as carbon taxes and emissions trading schemes are being introduced
	Enhanced emissions-reporting obligation	Increase in capital and operating expenditure is anticipated due to stringent emissions disclosure requirements
	Exposure to litigation	Increase indirect costs from climate-related litigation due to lack of compliance with evolving ESG regulations
	Mandates and regulations on green products and services	Increase in capital expenditure to meet new green or zero-carbon building regulations
Market	Uncertainty of energy market	Increase in capital and operating expenditure due to fluctuations in energy prices, and the transition to renewable energy sources requiring costly investments
Reputation	Shift in customer and investors' preferences toward companies with green certifications	Decrease in revenues and increase in capital expenditure to meet the increasing customers' preferences and demand
	Increased stakeholders' concern due to perceived lack of climate action	Decrease in revenue due to the company being perceived to lag in its climate action commitments

Table 3

SUSTAINABILITY STATEMENT

(cont'd)

Additionally, we have also identified climate-related opportunities that align with our strategic objectives. These opportunities include leveraging public-sector incentives, expanding the provision of low-emission goods and services, and adopting advanced technologies alongside low-emission energy sources to support the transition to a low-carbon economy. Table 3 highlights potential financial implication of the opportunities identified.

	Transition Opportunities	Potential Financial Impact
Products & Services	Expansion of low emission goods and services	Increase in revenues through the expansion of green property assets and offering green leases to tenants, leading to an increase in occupancy rate
Energy Source	Use of technologies and low emissions sources of energy	Decrease in operating and utility costs and increase long-term asset value by retrofitting buildings with more efficient systems and improved insulation as well as implementing renewable energy technologies
Market	Use of public-sector incentives	Decrease in direct cost by obtaining public-sector incentives for sustainable initiatives and projects

Risk Management

A robust and adaptable risk management and Enterprise Risk Management (“ERM”) framework are an integral part of business operations. The Board, with assistance from the Audit & Risk Committee (“ARC”), conducts periodic review to identify, assess, treat and manage the risks that could affect SENTRAL from achieving objectives within our risk appetite.

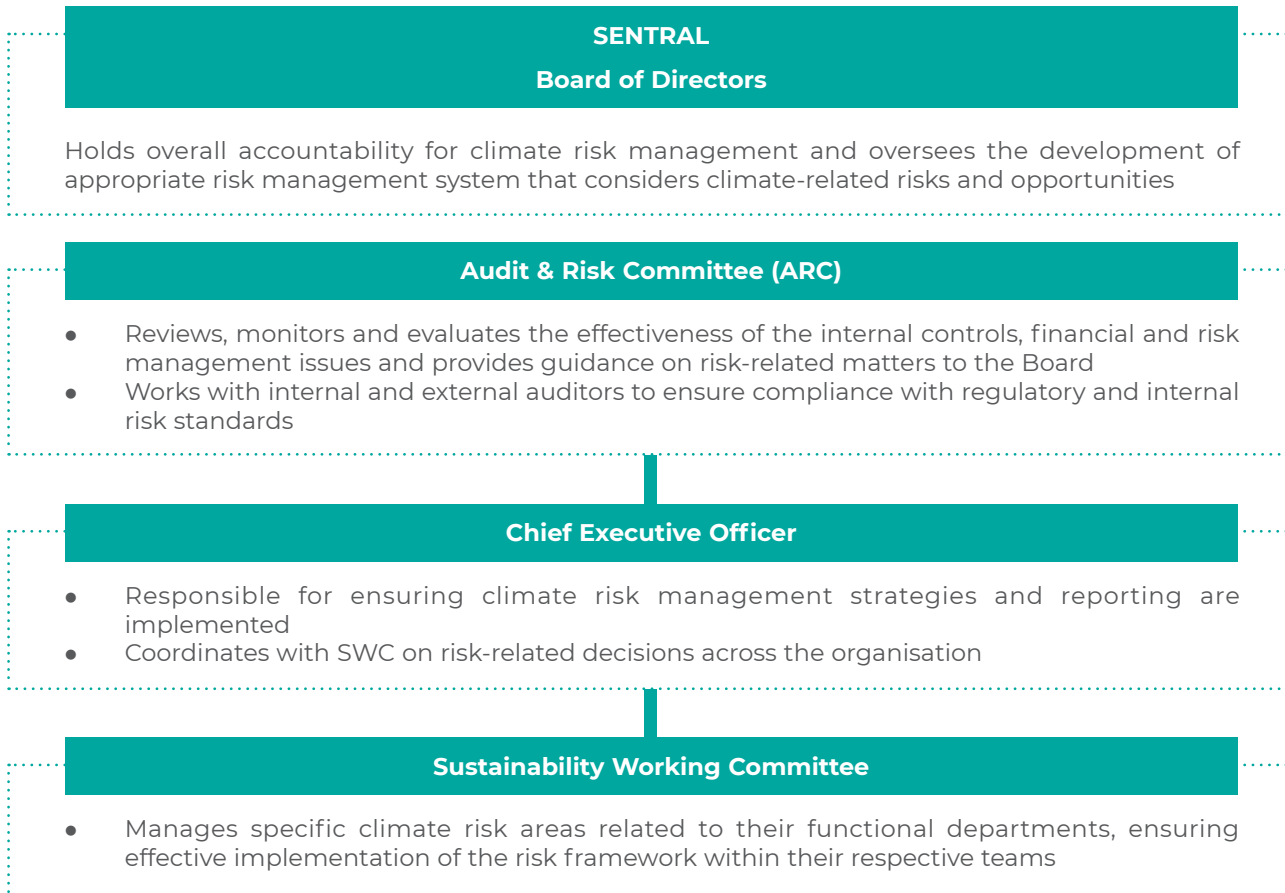
Recognising the increasing impacts of climate change, we aim to integrate and enhance climate considerations into our existing risk management processes. Following the scenario analysis conducted to identify the transition risks and opportunities affecting our business, integration of climate-related risks into our ERM will be conducted and continuously assessed for short, medium and long-term financial implications.

Additionally, we review and assess our material issues on a regular basis to ensure we identify stakeholders’ expectations as well as mitigating potential risks and identifying relevant opportunities. Periodic materiality assessments ensures our alignment to material issues and priorities with current trends, global developments and industry peers.

SUSTAINABILITY STATEMENT

(cont'd)

Figure 7 highlights SENTRAL’s climate-related risk management approach:



Metrics and Targets

We continue to measure and monitor our carbon emissions performance in alignment with the Greenhouse Gas (GHG) Protocol, adopting the operational control approach to define our organisational and operational boundaries. SENTRAL have also updated the relevant emission factors to calculate Scope 1, 2 and 3 emissions by utilising emission factor values from Malaysia’s Energy Commission, Department for Environment, Food and Rural Affairs (DEFRA), GHG Protocol’s Cross-Sector Emission Factor Tools, and the US Environmentally-Extended Input-Output (USEEIO) Model.

Table 4 shows our two (2) years historical carbon emissions performance. Our energy GHG emissions this year has marked a slight increase of 0.2% to 26,281.4 tCO₂e. Figure 8 details our emission sources.

GHG Emissions data (tCO ₂ e)	2023	2024
Total direct GHG emissions (Scope 1)	15.6	15.6
Total indirect GHG emissions (Scope 2)	11,191.7	11,103.7
Other indirect GHG emissions (Scope 3)	15,023.8	15,162.1
Total Emissions	26,231.1	26,281.4

Table 4: Scope 1, 2 and 3 Emissions

SUSTAINABILITY STATEMENT

(cont'd)

Notes:

- Figures have been rounded to one decimal place
- The source of the emission factor for Scope 1 GHG emissions is derived from the GHG Protocol Emission Factors for Cross Sector Tools (March 2024)
- The emission factor for Scope 2 GHG emissions (Purchased Electricity) is derived from the Grid Emission Factor (GEF) in Malaysia published by Suruhanjaya Tenaga
- The calculation methodology of Scope 3 GHG emissions is derived from GHG Protocols – Technical Guidance for Calculating Scope 3 Emissions, using emission factors from the UK Government GHG Conversion Factors for Company Reporting from the Department for Environment, Food and Rural Affairs (DEFRA), US EEIO Database, and IEA - Life Cycle Upstream Emission Factors
- We have restated our emissions for FY2023 to take into account of Menara CelcomDigi's emissions and updated emission factors as per GHG Protocol's guideline. As an outcome of this acquisition, our FY2023 emissions have been restated to 26,231.1 tCO₂e from 21,333.4 tCO₂e

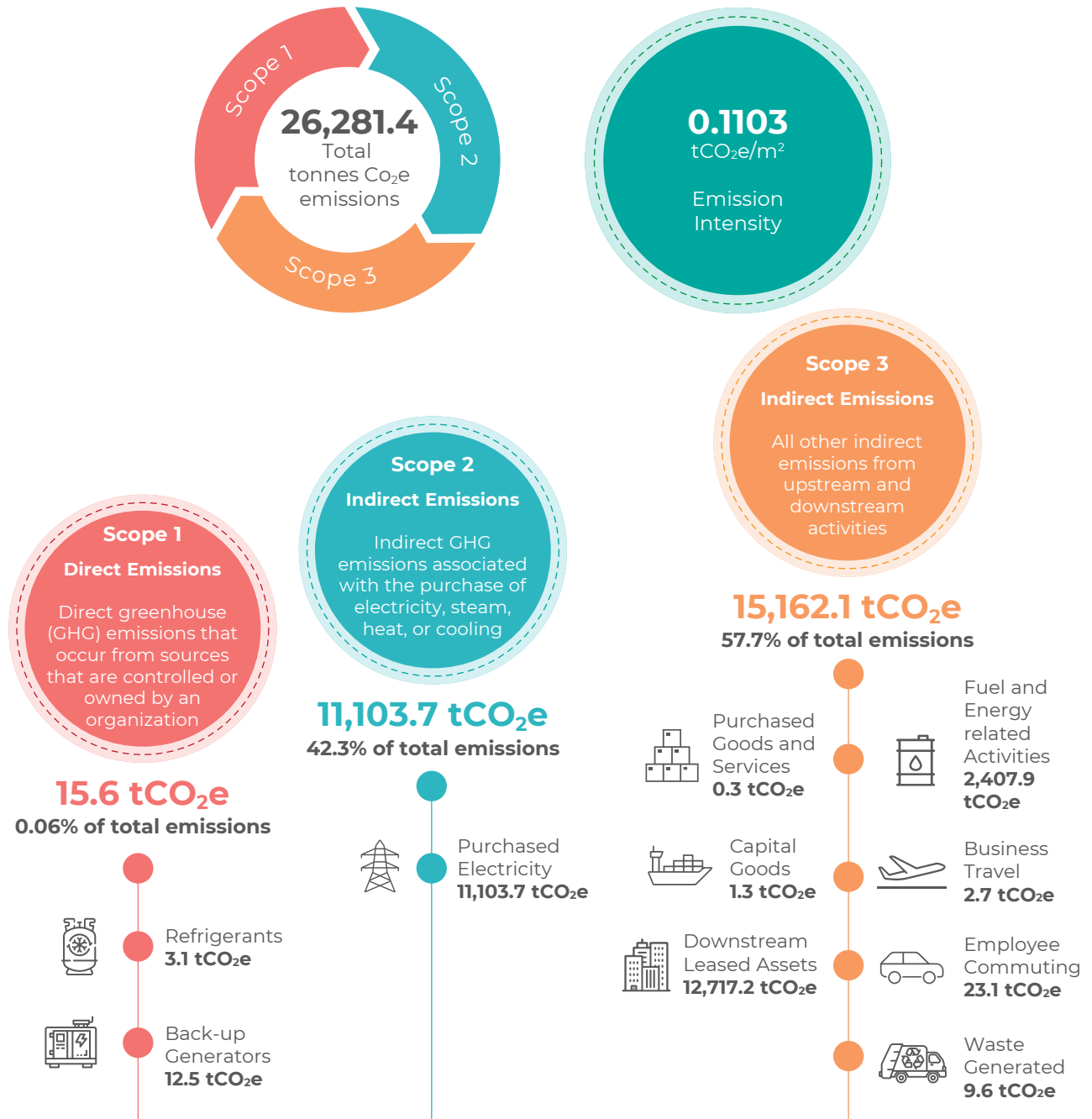


Figure 8

SUSTAINABILITY STATEMENT

(cont'd)

Energy and Carbon Footprint

GRI	3-3, 305-1, 305-2, 305-3
Bursa	C11(a), C11(b), C11(c)
Capitals	Natural Capital
UN SDGs	SDG 7, SDG 8, SDG 13

We are continuously refining our approach to energy management by incorporating best practices and technologies to enhance efficiency. Our continuous efforts are designed to optimise operational costs while reducing the environmental impact of our operations through ongoing improvements to our energy systems and the exploration of new technologies and practices to support our sustainability objectives.

Figure 9 illustrates our energy management approach, highlighting the key strategies and actions driving our sustainability efforts.

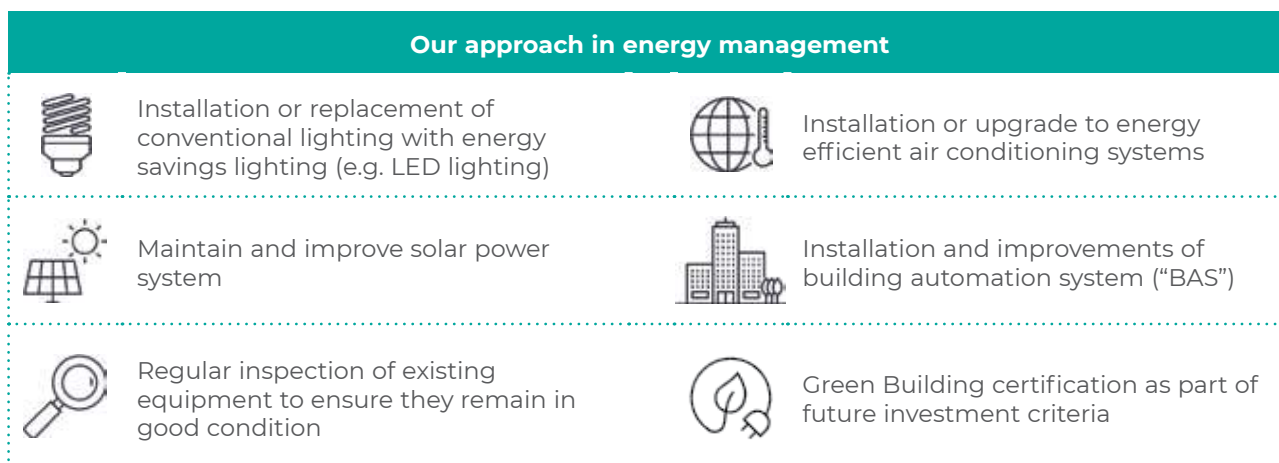


Figure 9

Further, we ensure resilience and efficiency in our buildings by prioritising dual power sources, backup generators, and energy-efficient systems to minimise the impact of power outages on critical equipment and occupant's comfort. In tandem, the property managers are tasked with executing energy-saving measures, monitoring energy consumption, and promptly addressing any increase in energy consumption. Additionally, we remain dedicated to ongoing upgrades and enhancements to our Mechanical & Electrical Systems to ensure improved energy efficiency and seamless connectivity across our properties.

In FY2024 our key initiatives in managing our energy and carbon footprint are presented in Table 5.

Building	Initiatives
Menara Shell	Upgraded the perimeter streetlights at Menara Shell to energy-efficient LED technology
Platinum Sentral	<ul style="list-style-type: none"> Conducted AHU Fresh Air Balancing to align with Green Building standards, enhancing air conditioning efficiency and performance Replaced carpark lighting with high-performance, low-wattage LED fixtures to optimise energy consumption and improve sustainability
Sentral Building 3	

Table 5: Emission Reduction Initiatives

SUSTAINABILITY STATEMENT

(cont'd)

We intend to continuously advance our renewable energy initiatives as part of our sustainability strategy. In collaboration with our vendors, we are expanding solar power generation at Platinum Sentral, and are actively planning the installation of solar panels at Sentral Building 3.

Targets and KPI

Target	Performance tracking
To achieve 2% reduction in energy consumption year-on-year	Target not met as the total energy consumption has decreased by only 1% in 2024. This is due to increased energy consumption across properties and the inclusion of newly acquired property

Annual Energy Consumption

Every year, we track and report total energy consumption, covering purchased electricity for leased properties and the fuel consumption of generator sets (gensets) that are under the direct operational control of SENTRAL. Energy consumption for buildings that we have no operational control over are estimated based on relevant assumptions (i.e., average Building Energy Index (“BEI”)). Details of the absolute energy consumption and intensity for SENTRAL’s buildings under portfolio are presented in the charts below.

This year, we expanded the scope of our energy monitoring to include Menara CelcomDigi that was acquired in December 2023. Our energy consumption this year has marked a 1% decrease in comparison to FY2023, totalling to 27,823,200 kWh. Our total building energy intensity for FY2024 is 116.8 kWh/m².

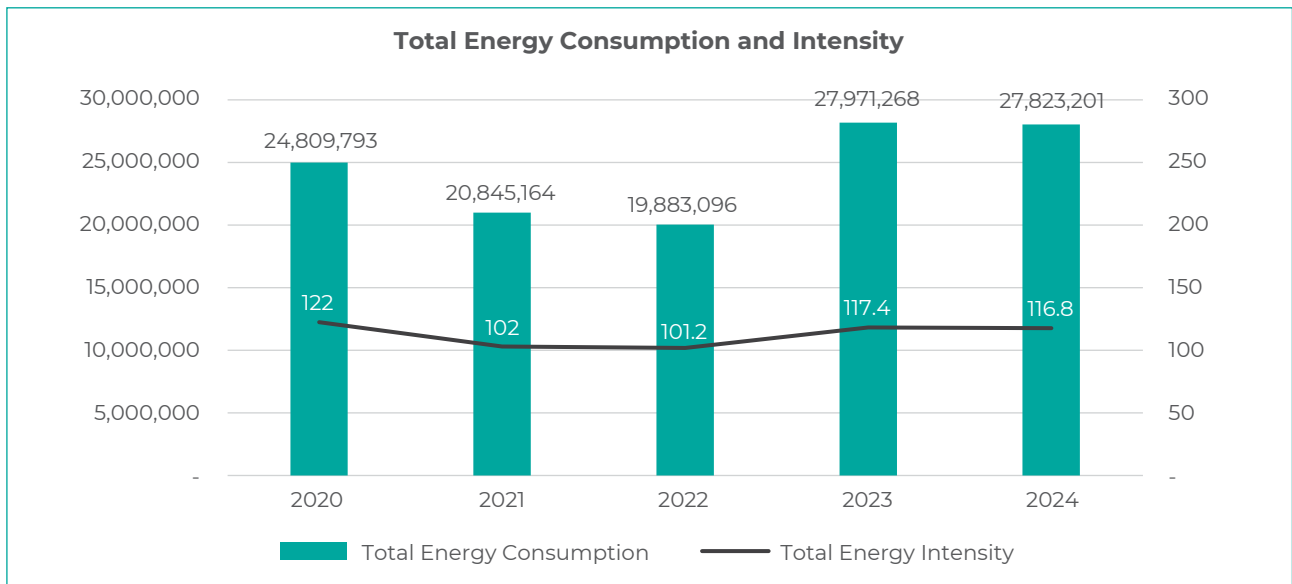


Chart 1: Total Energy Consumption and Intensity

Notes:

We have restated our energy consumption for FY2023 to take into account of Menara CelcomDigi’s energy consumption as per GHG Protocol’s guideline. As an outcome of this acquisition, our FY2023 energy consumption has been restated to 27,971,267 kWh from 19,089,742 kWh.

SUSTAINABILITY STATEMENT

(cont'd)



Chart 2: Total Energy Consumption by Property

Notes:

- Data on energy consumption of Menara CelcomDigi for FY2022 is not included as acquisition was completed in FY2023.
- We have restated our energy consumption for FY2023 to take into account of Menara CelcomDigi's energy consumption as per GHG Protocol's guideline. Additionally, we have taken into account of Lotus's Penang's energy consumption (Scope 3) for our GHG baseline calculation and will present the data of this building moving forward.
- As an outcome of this, our energy consumption from 2023 onwards will include Menara CelcomDigi and Lotus's Penang's disclosure to ensure the comparability of data.

GHG emissions

We continue to track Scope 1 (direct), Scope 2 (indirect) and Scope 3 (indirect) GHG emissions for our building portfolio.

Our GHG emissions inventory has been recategorised accordingly, whereby Category 1: Purchased Goods and Services, Category 2: Capital Goods, Category 6: Business Travel and Category 7: Employee Commuting are accounted as Platinum Sentral's emissions. Additionally, Category 5: Waste Generated has been included in our Scope 3 as we have commenced on the waste data collection starting July 2024.

SUSTAINABILITY STATEMENT

(cont'd)

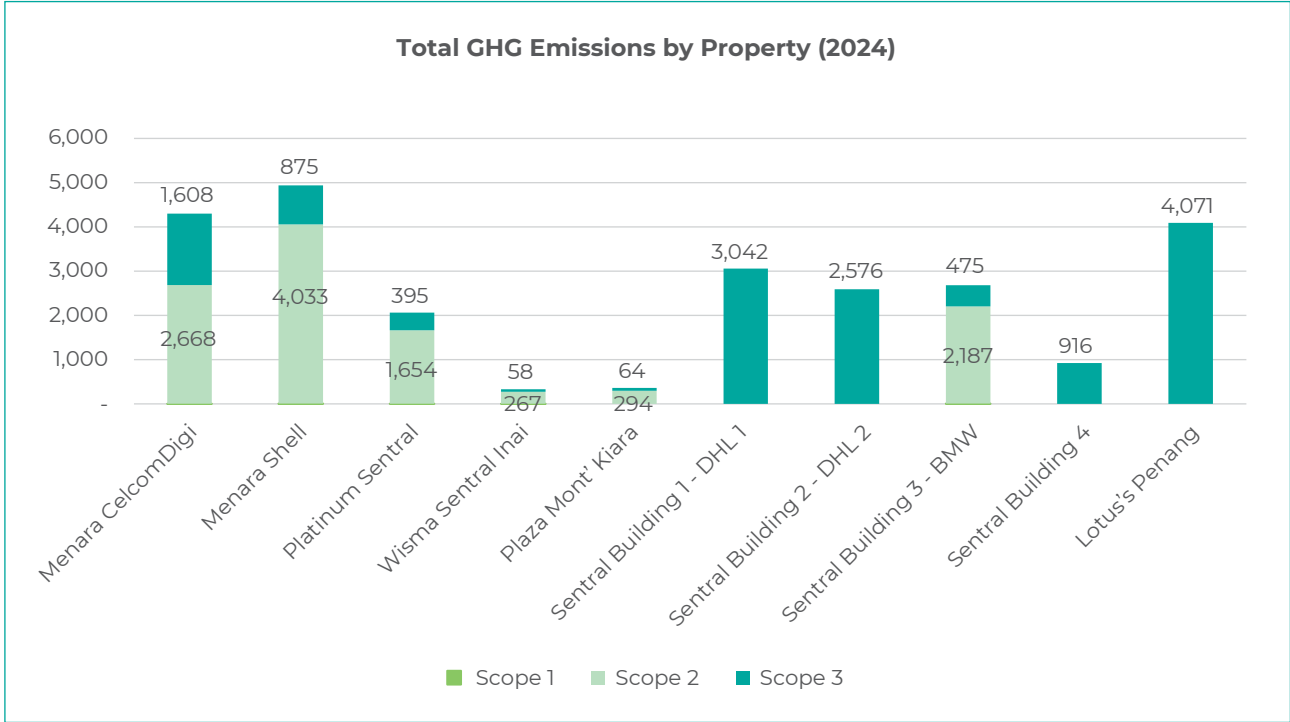


Chart 3: Total GHG Emissions by Property

Notes:

- Scope 3 of Plaza Mont' Kiara and Lotus's Penang utilised data assumptions from third-party databases due to limited data availability
- The source of the emission factor for Scope 1 GHG emissions is derived from the GHG Protocol Emission Factors for Cross Sector Tools (March 2024)
- The emission factor for Scope 2 GHG emissions (Purchased Electricity) is derived from the Grid Emission Factor (GEF) in Malaysia published by Suruhanjaya Tenaga
- The calculation methodology of Scope 3 GHG emissions is derived from GHG Protocols – Technical Guidance for Calculating Scope 3 Emissions, using emission factors from the UK Government GHG Conversion Factors for Company Reporting from the Department for Environment, Food and Rural Affairs (DEFRA), US EEIO Database, and IEA - Life Cycle Upstream Emission Factors
- We have restated our emissions for FY2023 to take into account of Menara CelcomDigi's emissions and updated emission factors as per GHG Protocol's guideline. As an outcome of this acquisition, our FY2023 emissions have been restated to 26,231.1 tCO₂e from 21,333.4 tCO₂e

Moving Forward

We will continue to monitor electricity and fuel consumption at all properties in SENTRAL's property portfolio and initiate improvements in energy efficiency.

SUSTAINABILITY STATEMENT

(cont'd)

Waste Management

GRI	3-3, 306-1, 306-2
Bursa	C10
Capitals	Natural Capital

The implementation and enforcement of effective waste management practices is a key priority for SENTRAL. Improper waste management could adversely affect the environment and our surrounding communities, which could impact our operating license due to exposure to potential legal and reputational risks.

We ensure proper handling of waste to minimise our environmental footprint and to avoid inciting potential health and safety issues for our stakeholders. The primary source of waste from SENTRAL's operations stems from the food and beverages tenants within its premises. The Building Management Team is responsible for waste management practices. Our waste management practices are guided by our Waste Management Policy which outlines the five (5) principles for effective waste management: Prevent and Reduce, Reuse, Recycle, Recovery, and Disposal. Figure 10 illustrates the waste management hierarchy.

Our waste collection and segregation occur at the waste collection center or refuse chamber located at every building to prevent contamination and mixing of materials, facilitate recycling, and ensure responsible disposal. SENTRAL ensures our food waste management are in compliance to Act 672 Solid Waste Separation, Environmental Quality (Schedule Wastes) Regulations 2005 and (Amendment) Regulations, 2007. Our F&B outlets in Plaza Mont' Kiara, Platinum Sentral and Menara Shell are equipped with rubbish and grease traps to filter grease and food solids before discharge into the wastewater system.

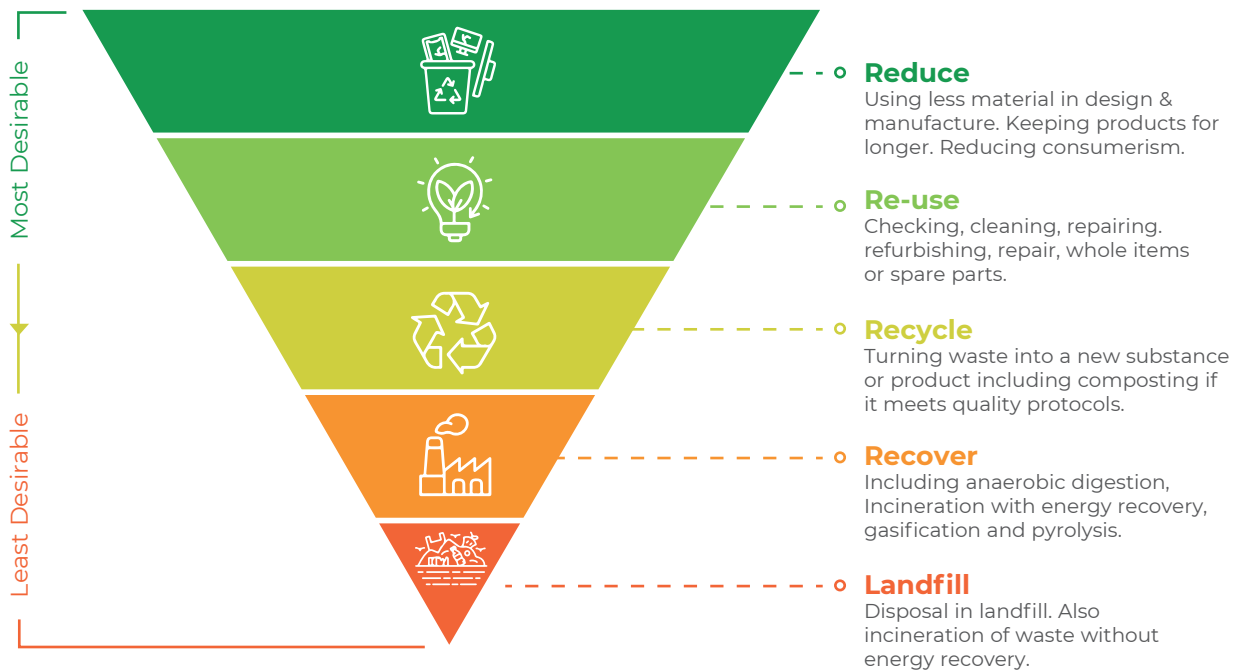


Figure 10: Waste Management Hierarchy

SUSTAINABILITY STATEMENT

(cont'd)

Additionally, we have appointed a waste contractor for recyclable waste collection at Platinum Sentral and Sentral Building 3. We are also in the midst of engaging with licensed recycle waste collector for other buildings to encourage recycling efforts and ensure that waste disposal is conducted safely and responsibly to minimise environmental impact, pollution, and health hazards.

In tandem, we continue to prioritise digital workflows to reduce paper waste within our operations. These efforts are followed with the use of durable, long-lasting materials and biodegradable products for operations and maintenance, conducting recycling awareness campaigns for employees and ensuring recycling bins are made available within the building common areas to help maintain a healthy and safe working environment.

Annual Waste Generation

This year, we have commenced the waste data collection for Platinum Sentral and Sentral Building 3. We are currently in the process of improving waste collection by implementing proper segregation of waste.



Moving Forward

Moving forward, we will continue to enhance our approach to waste management for assets within our portfolios through strategic implementations of waste management initiatives. We are implementing waste data collection in phases to include all the remaining buildings. Our data collection process will be enhanced progressively to streamline our sustainability efforts.

Water Management

GRI	3-3, 303-1, 303-5
Bursa	C9(a)
Capitals	Natural Capital






Water remains a critical resource for all SENTRAL properties. Our organisation continues to address the impacts of water usage by ensuring all building services, including air-conditioning, washroom facilities, cleaning, landscaping, and fire protection systems, operate efficiently.

To support these efforts, we maintain optimal water storage levels, deploy advance monitoring systems, and continuously upgrade our water supply infrastructure with high-performance, water-saving fixtures. These initiatives not only enhance operational efficiency and reduce costs but also contribute to mitigating the global water crisis.

SUSTAINABILITY STATEMENT

(cont'd)

Guided by the principles outlined in our Water Management Policy, we strive to implement sustainable practices that balance environmental stewardship with tenant satisfaction. The key components of our water management approach are outlined below:

Our approach in water management	
 Installation of rainwater harvesting system	 Regular inspection of air-conditioning systems to ensure they are operating at optimum levels (largest source of water consumption)
 Regular inspection of piping system and fittings to ensure functionality and efficiency is maintained	 Installation or replacement of conventional water fittings with water efficient fittings including sensor taps
 Repair and replace old pipes, fittings and other equipment where necessary	

Our key initiatives conducted in FY2024 on water management is presented in Table 6.

Building	Initiatives
Platinum Sentral	Upgraded washrooms with advanced sensor-activated urinal flush valves and water taps to enhance operational efficiency, minimise water usage, and eliminate unnecessary wastage
Sentral Building 3	Installed low-volume specification water taps (below 2L/min) and urinals (0.5L per flush) across the majority of washrooms to optimise water conservation and reduce overall consumption

Table 6: Water Management Initiatives

Annual Water Consumption

In FY2024, our water consumption increased by 71.5% to 225,690m³ as compared to the previous year. This increase is due to several factors including the inclusion of Menara CelcomDigi, water feature maintenance work at Sentral Building 1, the expansion of tenanted space in Platinum Sentral, and the return of tenants' employees to offices in several buildings.

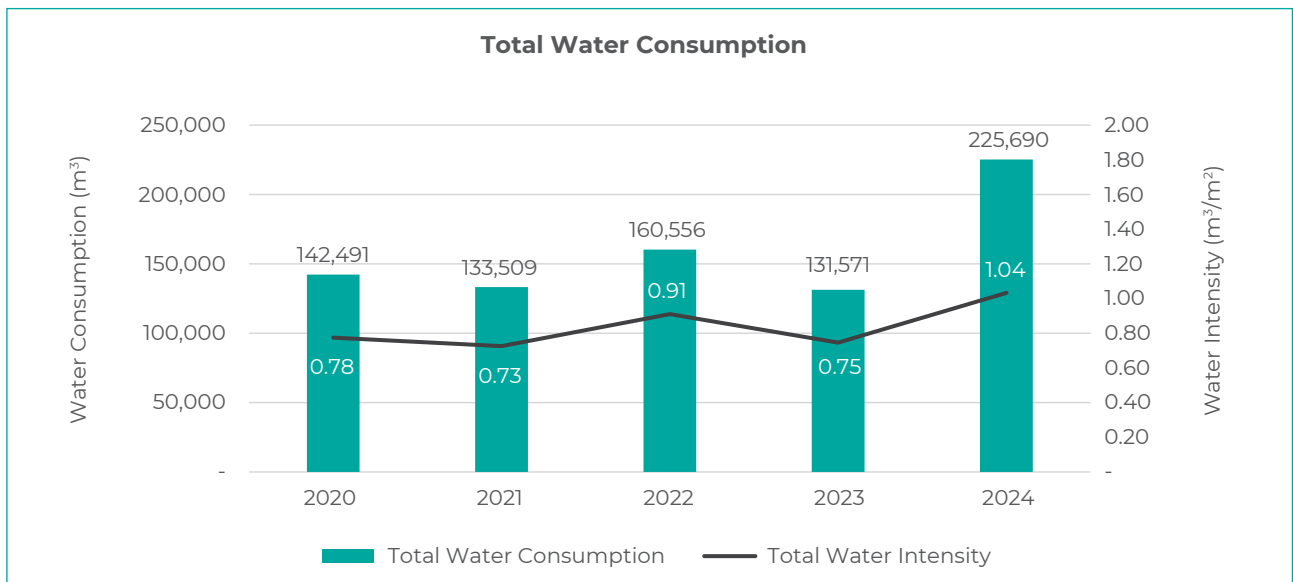


Chart 4: Total Water Consumption and Intensity

SUSTAINABILITY STATEMENT

(cont'd)

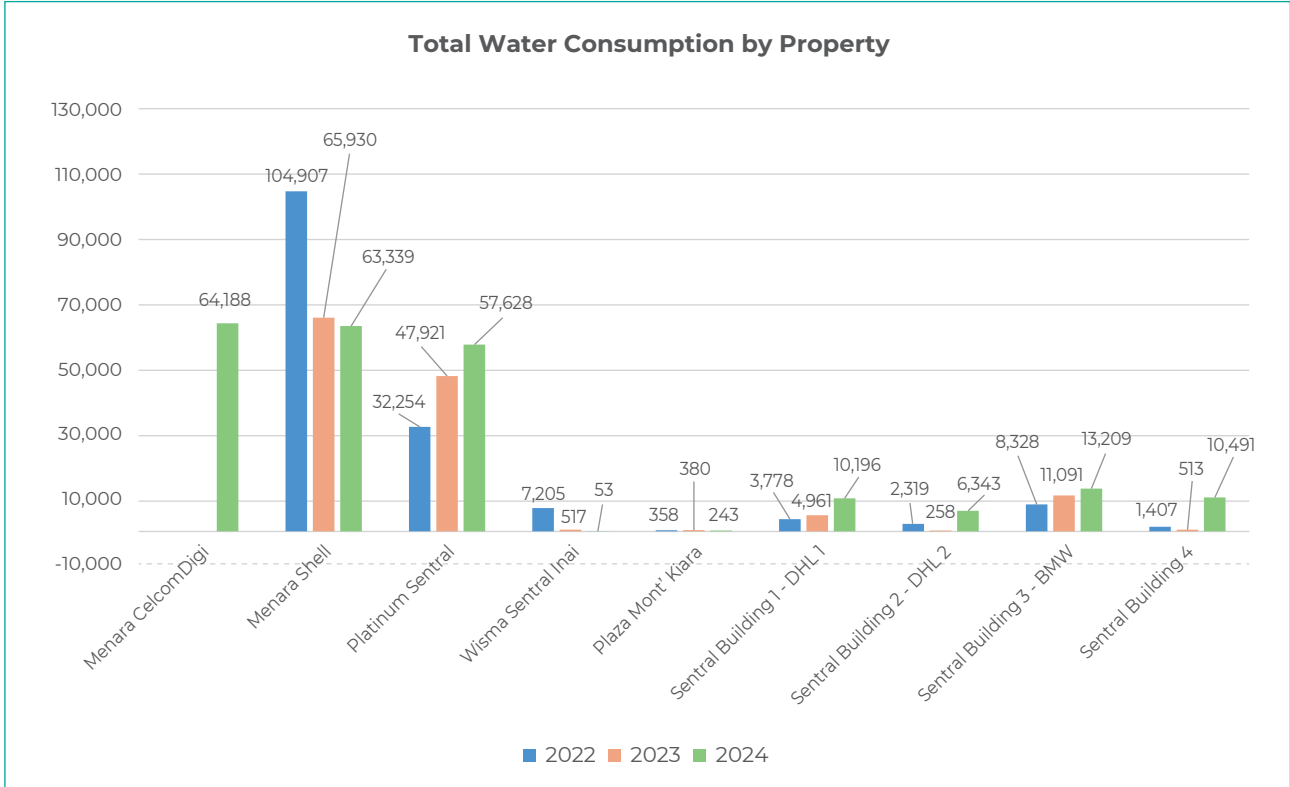


Chart 5: Total Water Consumption by Property

Moving Forward

We will continue to focus on water conservation and optimisation. We remain committed to implementing water saving practices for our properties while also raising awareness of the importance of water conservation to tenants.

SUSTAINABILITY STATEMENT

(cont'd)

SOCIAL



Quality of Assets and Services





GRI	3-3, 204-1
Bursa	C7, S6
Capitals	Manufactured Capital
UN SDGs	SDG 8

We seek to create long-term value for stakeholders and investors, which in the context of SENTRAL's properties, is achieved through continuous enhancement of our portfolio to cater to tenants' requirement. Tenant satisfaction is central to SENTRAL's success and a key factor in attracting potential tenants and investors. Our efforts in maintaining the quality of our properties and services are guided by our asset enhancement strategy.

Our asset enhancement strategy focuses on continuous improvement, ensuring our buildings maintain excellence in functionality, aesthetics, space optimisation, and the integration of sustainable features such as energy-efficient installations. Tenants' increasing awareness of environmental impact has led to a greater emphasis on incorporating green elements into asset enhancement initiatives. These asset enhancement initiatives ("AEIs") are conducted periodically to ensure we meet our tenants' need and maintain the quality of our assets. The asset enhancement plan is formally presented to the Board on an annual basis for review and approval.

Our approach includes working closely with our property managers, suppliers, and contractors in maintaining the quality of our buildings ensuring maintenance aligns with each building's Operations and Maintenance ("O&M") Manual.

Our approach for asset enhancement

	Conduct internal audit on preventive maintenance check		Perform monthly and yearly inspections on mechanical, electrical, and plumbing ("MEP") systems and non-MEP systems
	Appointment of qualified service contractors to undertake routine service and maintenance work		Regular engagements with tenants on the functionality of facilities and systems

SUSTAINABILITY STATEMENT

(cont'd)

SENTRAL's Green Certified Buildings

Menara Shell retains its Leadership in Energy and Environmental Design (“LEED”) Platinum certification, while Platinum Sentral upholds its Building and Construction Authority (“BCA”) Green Mark Platinum certification, originally awarded in October 2014. In December 2023, we acquired Menara CelcomDigi that has been certified as a Leadership in Environmental & Energy Design (LEED) Gold Green Building in November 2020, marking an achievement for SENTRAL in acquiring more green buildings into our portfolio.

Building	Green Certification and Feature
<p data-bbox="328 734 485 763">Menara Shell</p> 	<ul style="list-style-type: none"> • Leadership in Energy and Environmental Design (“LEED”) Platinum-certified • Key LEED certified features include: <ol style="list-style-type: none"> 1. Rainwater Harvesting System 2. Building Automation System 3. Energy Saving Lighting (LED) 4. Dual feeding Supply Power Source System (HT & LV) 5. Aluminum Composite Panel (ASP + Double Glazed Glass)
<p data-bbox="304 1263 509 1292">Platinum Sentral</p> 	<ul style="list-style-type: none"> • Building and Construction Authority (“BCA”) Green Mark Platinum-certified • Leadership in Energy and Environmental Design (“LEED”) Gold-certified • Key certification features include: <ol style="list-style-type: none"> 1. Rainwater Harvesting System 2. Solar Panel System 3. Building Automation System (BAS) 4. Energy Saving Lighting (LED). 5. Dual feeding Supply Power Source System (HT & LV)
<p data-bbox="288 1655 525 1684">Menara CelcomDigi</p> 	<ul style="list-style-type: none"> • Leadership in Environmental & Energy Design (LEED) Gold-certified • Key certification features include: <ol style="list-style-type: none"> 1. Rainwater Harvesting System 2. Solar Panel System 3. Building Automation System (BAS) 4. Daylight Harvesting 5. 50% Recycled Materials Content

SUSTAINABILITY STATEMENT

(cont'd)

Tenant Engagement and Satisfaction

SENTRAL's approach to fostering loyal tenancy relationships are done through periodic engagements, gathering feedback via briefings, sharing sessions, informal communications, and Tenant Feedback/Complaint forms ("Form"). Additionally, as an effort to streamline tenant complaint management, we have launched a cloud-based facility management platform since 2022 to ensure prompt actions are taken in managing tenant's request and feedback.

Tenant complaints are managed in accordance with the Tenant Complaints Policy, which outlines SENTRAL's approach to handling feedback and complaints, with the goal of resolving issues at the first point of contact. All complaints are escalated to the Asset Control Group ("ACG") during monthly operational meetings to drive continuous improvement. The complaints management process is outlined in Figure 11:

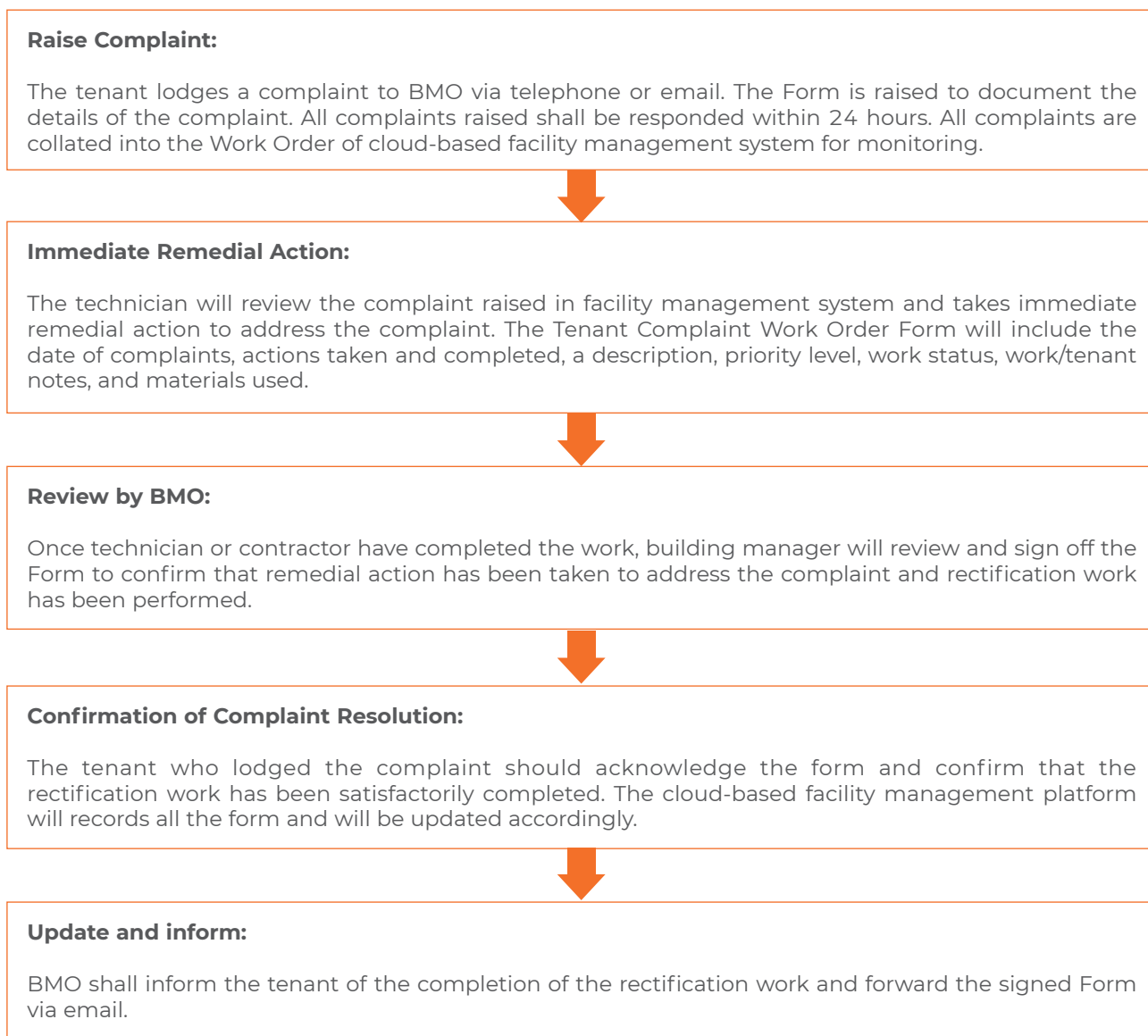




Figure 11: SENTRAL's Complaint Management Process

SUSTAINABILITY STATEMENT



(cont'd)

Our recent and ongoing enhancement projects across SENTRAL's portfolio focus on structural integrity, energy efficiency, safety improvements, and creating a healthier and more sustainable built environment. These upgrades help to extend the lifespan of our assets and contribute to tenant satisfaction and operational excellence. Below are the details of the AEIs conducted in FY 2024:

Asset	Asset Enhancement Initiatives
<p>Sentral Building 1</p>	<p>Upgrade waterproofing works at flat rooftop to prevent any water leaks from seeping into the tenants' offices</p> <p>Aim: To improve the structural longevity and integrity of the building, prevents health hazards and indoor air quality issues, minimises maintenance and repair costs, and enhances energy efficiency.</p> <p>Before</p>  <p>After</p> 




SUSTAINABILITY STATEMENT

(cont'd)

Asset	Asset Enhancement Initiatives
<p>Sentral Building 3</p>	<p>Upgraded car park lighting from fluorescent lighting to LED light fittings</p> <p>Aim: To improve energy efficiency, reduces costs, offers long-lasting performance, , and enhances overall car park comfort.</p> <p>Before</p>  <p>After</p> 




SUSTAINABILITY STATEMENT

(cont'd)

Asset	Asset Enhancement Initiatives
Platinum Sentral	<p>Enhancement completed for areas:</p> <ul style="list-style-type: none"> • Courtyard landscaping and water features • Emergency escape corridor <p>Enhancement in progress for areas:</p> <ul style="list-style-type: none"> • Common toilets • Timber deck <p>Aim: To ensure improved air quality, fosters a green workplace environment, and supports healthy building atmosphere.</p> <p>1. Common toilets</p> <p>Work in progress</p>  <p>2. Courtyard landscaping and water features</p> <p>Before</p>  <p>After</p> 



SUSTAINABILITY STATEMENT

(cont'd)

Asset	Asset Enhancement Initiatives
Platinum Sentral (cont'd)	<p>3. Timber deck</p> <p>Work in progress</p>  <p>4. Emergency escape corridor</p> <p>Before</p>  <p>After</p> 




SUSTAINABILITY STATEMENT

(cont'd)

Asset	Asset Enhancement Initiatives
Menara Shell	<p>Enhancement work completed on:</p> <ul style="list-style-type: none">• PA System• CCTV• Perimeter streetlights• Carpark area <p>Aim: To ensure the building operates at the highest standards of mechanical and electrical systems. Providing a safe, comfortable environment while meeting green building certification requirements</p> <p>1. PA System</p> <p>Before</p>  <p>After</p> 


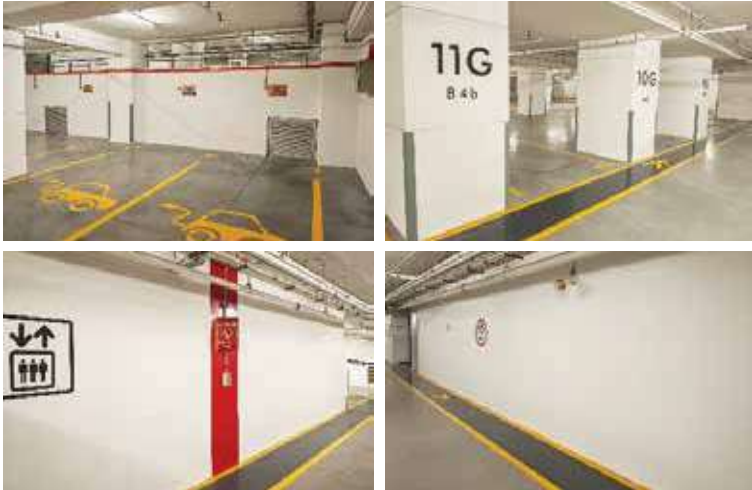
SUSTAINABILITY STATEMENT

(cont'd)

Asset	Asset Enhancement Initiatives
Menara Shell (cont'd)	<p>2. CCTV</p> <p>Before</p>  <p>After</p>  <p>3. Perimeter streetlights</p> <p>Before After</p> 

SUSTAINABILITY STATEMENT

(cont'd)

Asset	Asset Enhancement Initiatives
<p>Menara Shell (cont'd)</p>	<p>4. Carpark area (Painting upgrade)</p> <p>Before</p>  <p>After</p> 

SUSTAINABILITY STATEMENT

(cont'd)

Annual Performance

Asset Enhancement Initiatives

In FY2024, we have invested a total of RM3,142,901 in our asset enhancement initiatives, a notable 10.7% increase compared to FY2023 reflecting our ongoing commitment to improving the quality, sustainability, and functionality of our assets to meet tenant needs and enhance overall operational efficiency.

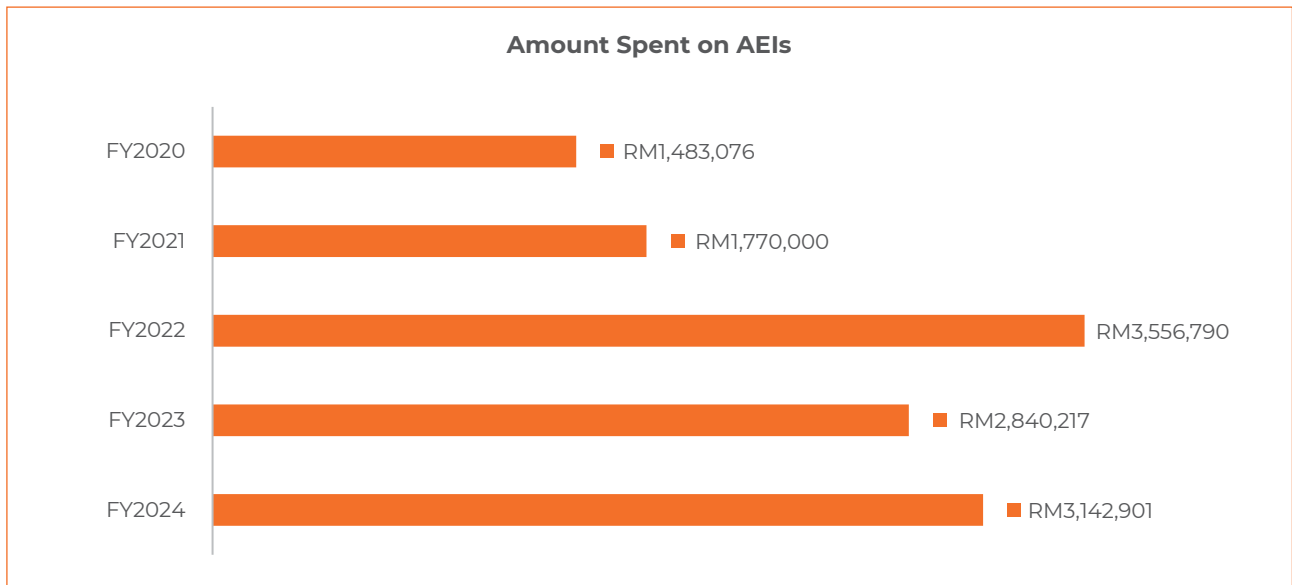


Figure 12: SENTRAL's Asset Enhancement Investments

Tenant Satisfaction

217 number of complaints were reported in FY2024, a 68% decrease in the number of cases from FY2023.

This is the result of our ongoing commitment in improving the quality and functionality of our assets to meet tenant needs and enhance overall operational efficiency.



SUSTAINABILITY STATEMENT

(cont'd)

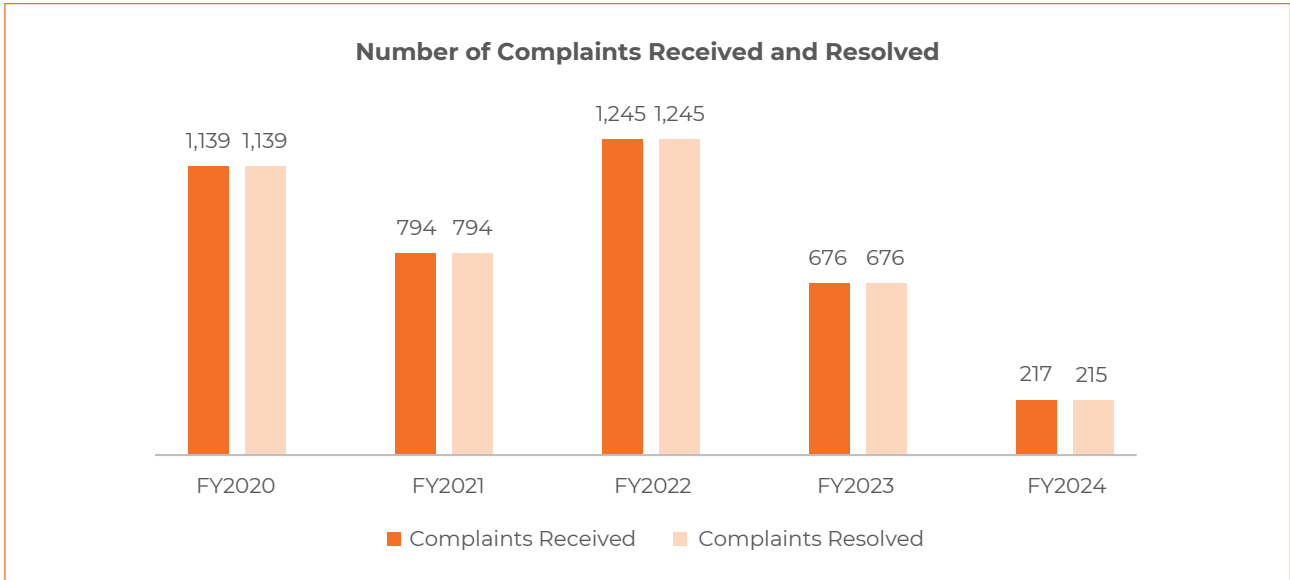


Figure 13: Number of Complaints Received and Resolved

Moving Forward

We recognise that the digital age demands leveraging cutting-edge tools to enhance operational efficiency, stay ahead of market trends, and maintain a competitive edge. We target to work towards investing more in technology to drive innovation, enhance operational efficiency, and improve tenant experience and safety measures in the coming years. In anticipating future challenges, we will explore opportunities to digitalise and automate building processes and functions where applicable.

SUSTAINABILITY STATEMENT

(cont'd)

Employee Management

GRI	2-7, 2-30, 3-3, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 404-3, 405-1, 406-1
Bursa	C3, C5, C6
Capitals	Human Capital
UN SDGs	SDG 4, SDG 8, SDG 16

Our employees play a pivotal role in our continued success and growth; hence we ensure the necessary support is provided through inclusive environment, ample training, health and safety measures and leadership development opportunities.



Figure 14: SRM Employees

Diversity, Inclusivity and Equal Opportunity

SENTRAL continues to foster diversity and inclusivity, ensuring a fair and equitable work environment for everyone through the cultivation of a workplace where employees feel respected, valued, and supported, regardless of their background. This commitment to diversity, inclusiveness, and equal opportunities is embedded in our General Policies, the Code of Conduct outlined in the Employee Handbook, and our Sexual Harassment Policy. Aligned with these policies, SENTRAL upholds recruitment practices that are free from harassment or discrimination.

In response to internal stakeholder feedback and as part of the MRCB Group's commitment to improving employee management, MRCB had converted the employment status of SENTRAL's employees on 2-year contracts to permanent roles for those who have been with the company for more than one year, ensuring fair employment and opportunities.







Given the nature of our business, our employees are not governed by collective bargaining agreements, and their working conditions and terms of employment are independently established, without influence from any external collective bargaining arrangements.

SUSTAINABILITY STATEMENT

(cont'd)

Employee Wellbeing and Remuneration

SENTRAL's provision of essential compensation and benefits programmes form part of our focus on creating a supportive environment for employees. Key benefits offered are listed in the table below, but not limited to:

SENTRAL's Employee Benefit		
 <p>Medical and Insurance</p> <ul style="list-style-type: none"> • Group term life insurance (including dependent) • Disability and invalidity insurance • Surgical and hospitalisation insurance 	 <p>Employee Leaves</p> <ul style="list-style-type: none"> • Annual leave • Medical leave • Parental leave • Maternity leave • Compassionate leave • Prolonged illness leave • Family care leave • Examination leave 	 <p>Wellness</p> <ul style="list-style-type: none"> • Outpatient and health screening • Discount on Dental Charge for SENTRAL's staff in collaboration with Senyum Dental Clinic
 <p>Flexible Work Arrangement</p> <ul style="list-style-type: none"> • Staggered working hours • Work from home ("WFH") arrangements on a weekly basis as a special needs benefit 	 <p>Reimbursement</p> <ul style="list-style-type: none"> • Professional membership subsidy • Petrol subsidy (applicable to selected level/grade of employees only) • Parking subsidy • Mobile phone bill reimbursement 	 <p>Payroll</p> <ul style="list-style-type: none"> • Mid-Month Payroll Initiative

Apart from the aforementioned benefits, we provide support for working parents as well. Flexibility of shorter working hours are granted for pregnant employees with 90 days paid maternity leave and five days paid paternity leave to promote work-life balance of dual-earner families. In FY2024, only one (1) employee took the above-mentioned parental leaves.

Remuneration at SENTRAL is also structured to be competitive, incentive-based and fair. Our compensation packages encompass bonuses beyond basic salaries to reward employee performance. Performance reviews are conducted annually to assess our employees' performance and achievements against set KPIs and to optimise our employees' potential if necessary.

Other benefits we provide include education funding for employees and sabbatical leave. Subject to approval and relevancy to the current job, we provide reimbursement of education cost up to RM6,000 per course. At this juncture no staff has utilised this program. Sabbatical leave and duration of the leave will be approved on a case-to-case basis. To date, no applications have been received for sabbatical leave as of FY2024.

SUSTAINABILITY STATEMENT

(cont'd)

Training and Development

At SENTRAL, we ensure our employees are well-versed in the latest industry developments by investing in upskilling our employees, guided by MRCB Group's training and development policies.

Employees are provided access to MRCB Group's diverse training platforms and programmes including e-Learning and e-LATih programme by government agency HRD Corp, which lists more than 300 courses and United Nations Global Compact (UNGC) Academy learning portal to improve and broaden the employees' understanding of sustainability.

MRCB Group also introduced the Group-wide implementation of the new Policy Acknowledgement Application ("PAP"), which serve as a single point for all employees to be informed and/or updated with the MRCB Group's policies. Through PAP, employees are required to acknowledge that they have read and understood the relevant policies, ensuring consistent awareness and compliance across the workforce.

Our training and development initiatives are guided by policies listed below:

Policies Guiding SENTRAL's Employee Development	
General Policy on Training and Development	Guides the administration of internal training and development programmes that are coordinated by the HR Department for MRCB Group and its subsidiaries. This policy also applies to trainings conducted by external parties
Training and Development Policy Guidelines (Internal In-House Training Programme)	Provides guidance on the eligibility and procedures for the application of practical training programmes
Training and Development Policy Guidelines (Internal In-House Training Programme)	Outlines policies relating to the eligibility and procedures for nominating in-house training

Additionally, for employees who may underperform during appraisals, we are dedicated to providing structured support through a Performance Improvement Plan ("PIP"). The PIP identifies specific performance gaps, addresses skill or training needs, and sets clear expectations for improvement. We are pleased to report that no employees required a PIP in FY2024, reflecting our strong workforce performance.

Communication and Reporting

SENTRAL promotes a culture of open communication through an open-door policy, encouraging two-way dialogue between employees and Management. This approach aims to build an engaged and motivated workforce. Employee concerns can also be addressed through our Grievance Procedure, which ensures prompt investigation and resolution, maintaining a harmonious employer-employee relationship.

To ensure employees are well-informed and prepared, we ensure sufficient notice are provided when implementing operational changes at SENTRAL. Employees and their representatives are given a minimum of 1 to 2 weeks' notice before adopting any significant operational changes that could substantially impact them. This ensures employees have adequate time to adapt, minimising disruption and maintaining productivity.

SUSTAINABILITY STATEMENT

(cont'd)

Employee and management relations fall under the purview of MRCB's Group Human Resource ("HR") and Integrity & Discipline Department ("IDD"). Communication on HR policies, processes, and complaints is facilitated through multiple channels:

1. Formal letter to employees on matters mainly on employment details, salary, bonuses, promotions, and reprimands
2. Email blast to all staff via the general email on matters such as general notices on HR policies, general HR reminders and public holidays announcements
3. Town hall on any major operational changes within the group that affects all staff
4. General counselling by HR on any matters that require clarification by any staff
5. For employee grievances with regards to HR matters, staff may also write in to IDD via whistleblowing@mrcb.com or whistleblowing@sentralreit.com
6. For sexual harassment cases, staff may follow the procedures detailed in MRCB's Sexual Harassment Policy under the oversight of IDD
7. IDD has introduced a new channel to access company policies electronically. This is a new form of communication initiated by the IDD to provide staff easy accessibility to updated policies or new guidelines

Through these communication channels, employees are kept informed of HR initiatives and organisational updates, ensuring transparency and accessibility in management practices.

Employee Engagement

In FY2024, we have conducted several activities to foster connection between employees, as well as with the community around us. Activities conducted included:

1. Participation in the 67th National Day parade at Putrajaya, alongside Kementerian Kerja Raya Malaysia ("KKRM") organised activities, including a Walking Challenge Contest
2. Staff trip to Hatyai
3. Collaboration with Perdana University for free personalised counselling services on mental health and others issue to all employee
4. Health Awareness Screening Programme collaboration with Cardiac Vascular Sentral ("CVS") Kuala Lumpur, National Cancer Society of Malaysia and Keretapi Tanah Melayu ("KTMB")
5. Sharing session with two-time cancer survivor Dr. Aiesha Asmadi on her journey in addressing common wellness issues
6. Sharing session by Employees Provident Fund ("EPF"), Etiqa Insurance and CelcomDigi to accommodate staff financial, insurance protection and telecommunication needs

On top of these initiatives, we also regularly conduct birthdays and festive luncheons and dinner celebrations for employees.



Figure 15, 16: Festive Lunch and Dinner Celebration

SUSTAINABILITY STATEMENT

(cont'd)



Figure 17: Birthday Celebration



Figure 18, 19: Director's Visit

Training Conducted

In FY2024, we implemented a series of targeted training programs aimed at upskilling our employees to ensure they remain equipped with the knowledge and competencies required to excel in their roles. Some of the trainings conducted included, but not limited to:

- i) IT Security Awareness. Topics include "SPEAR Phishing", "SCAM Attack", "Password Guide", "Illegal Software Usage", "Securities Awareness" and "How CEO Fraud Impact You",
- ii) Health, Safety, Security and Environment updates on the OSHA Amendment Act 2022, Environmental Quality Amendment Act 2024
- iii) Anti-Bribery and Corruptions online training conducted by KPMG
- iv) First Aid and Basic Life Support Course

Further to this, MRCB Group's Training and Development division has enhanced its sustainability learning initiatives to help all staff gain a deeper understanding of this important topic through the Human Resource Development Corp ("HRD Corp") Fund allocated. Continuous training programs, including the Integrity Awareness Program and the e-LATih platform by HRD Corp are utilised to foster further growth.

SENTRAL's Management team and employees also remain committed to professional development, enrolling in various physical and online training courses offered by reputable training and consultancy organisations, such as CKM Advisory, Securities Industry Development Corporation ("SIDC"), Malaysian Institute of Accountants ("MIA") Online Training Courses, Certified Public Accountant ("CPA") Training Courses, and Bank Analyst Market and Economic Updates.

SUSTAINABILITY STATEMENT

(cont'd)



Figure 20, 21: First Aid and Basic Lift Support Training

Annual Performance



Employee Diversity

Indicators	FY2020	FY2021	FY2022	FY2023	FY2024
Total number of employees	18	19	20	21	20
Total number of workers	36	30	27	27	36
Number of new hires	1	1	5	5	1
Employee turnover	1	0	4	4	2

Table 7: SENTRAL's Employee Data

SUSTAINABILITY STATEMENT

(cont'd)

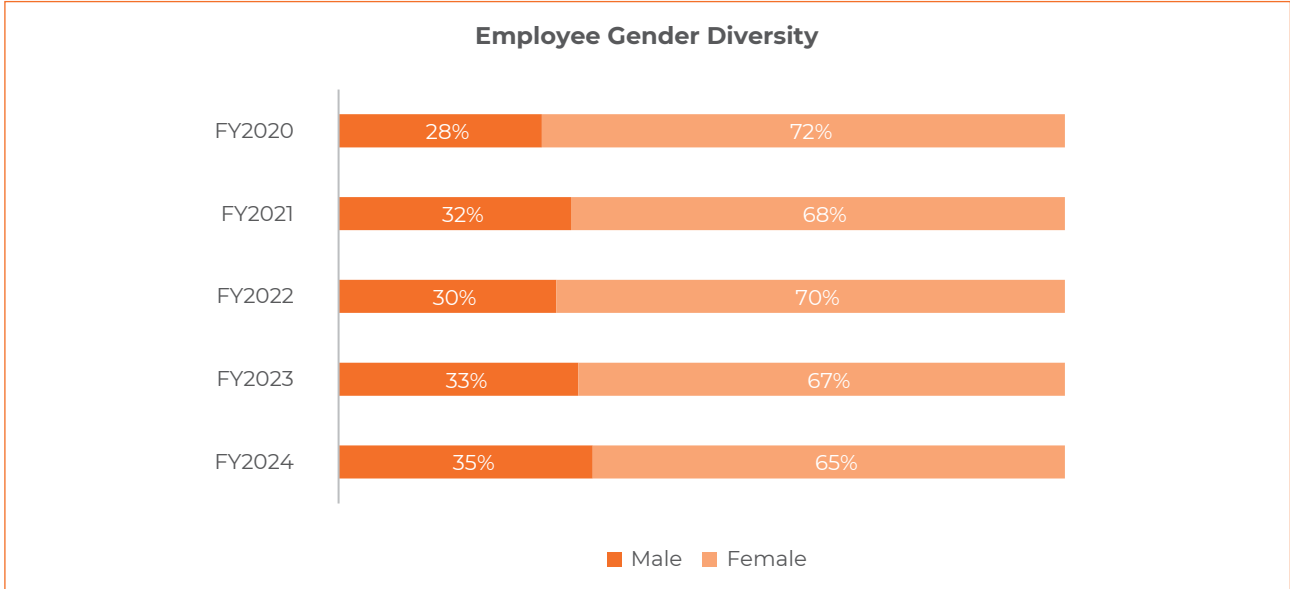


Figure 22: Employee Gender Diversity

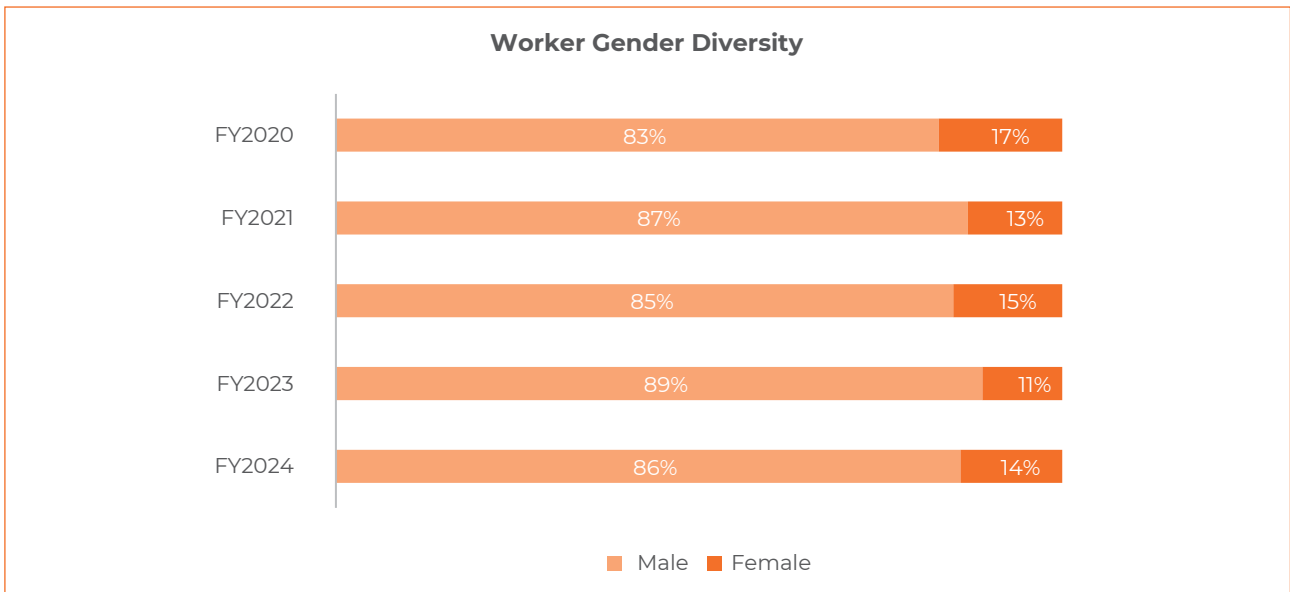


Figure 23: Worker Gender Diversity

SUSTAINABILITY STATEMENT

(cont'd)

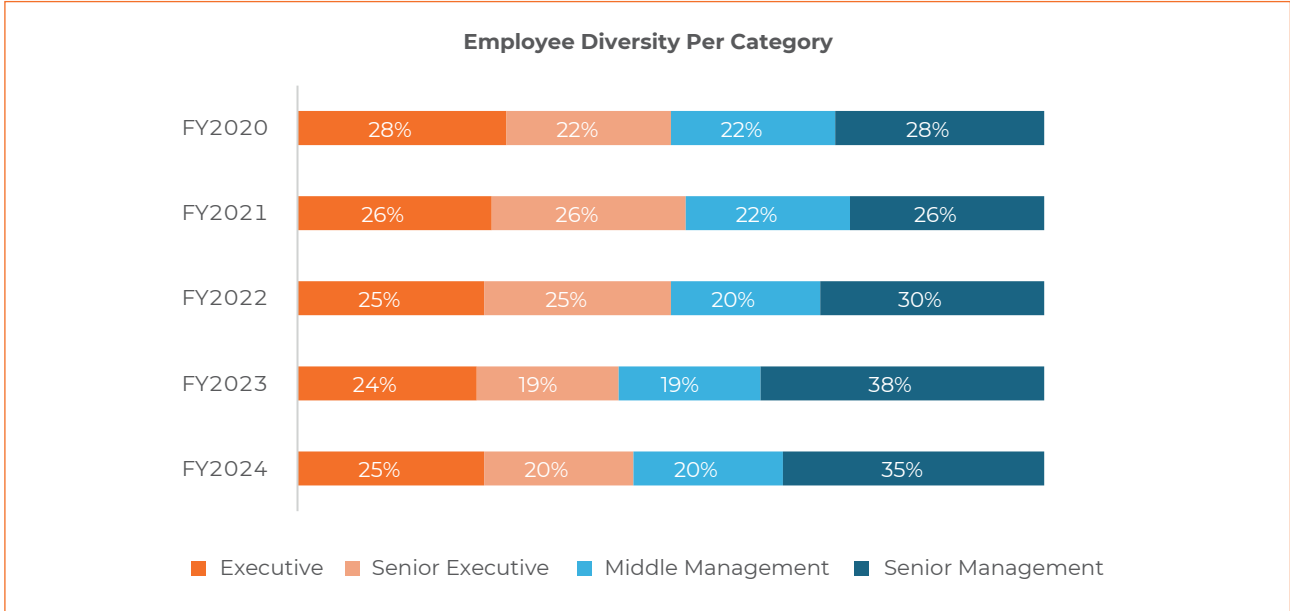


Figure 24: Employee Diversity Per Category

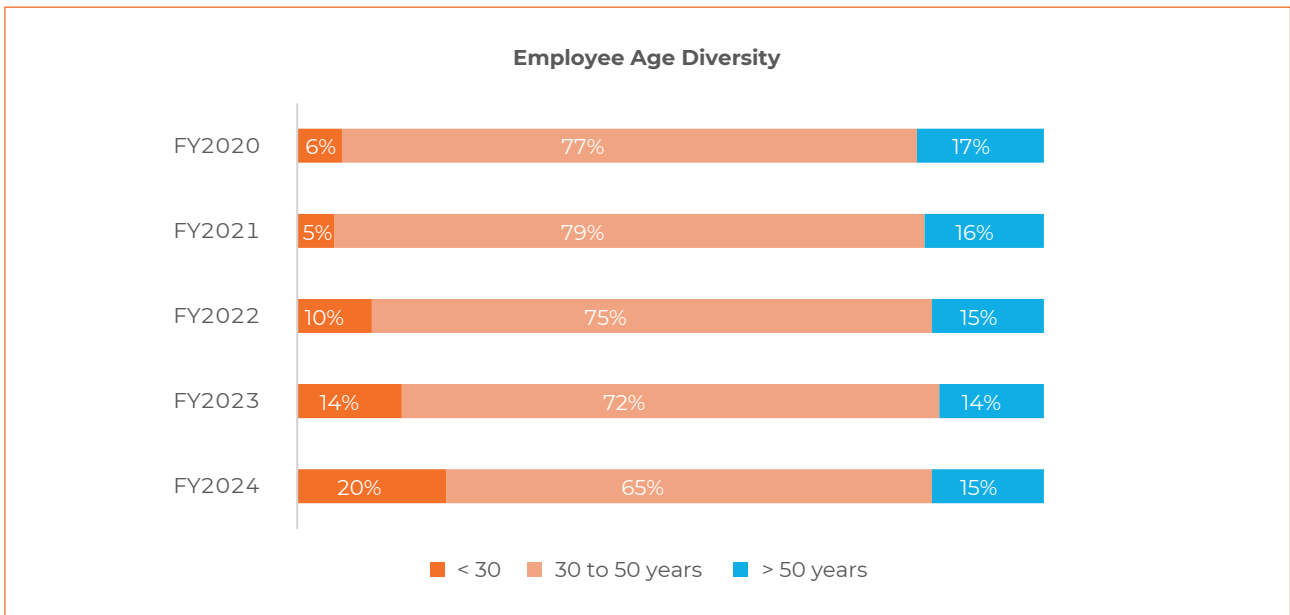


Figure 25: Employee Age Diversity

Note:

1. SENTRAL defines employees as individuals who are directly engaged by the organisation under formal employment contracts
2. Workers are personnel appointed by SENTRAL through its property management partners

SUSTAINABILITY STATEMENT

(cont'd)

Employee Training

Our training programs cover a range of areas including health and safety training and leadership development, ensuring our team is well-equipped with necessary skills. Below is an overview of the total training hours dedicated to employee development this year.

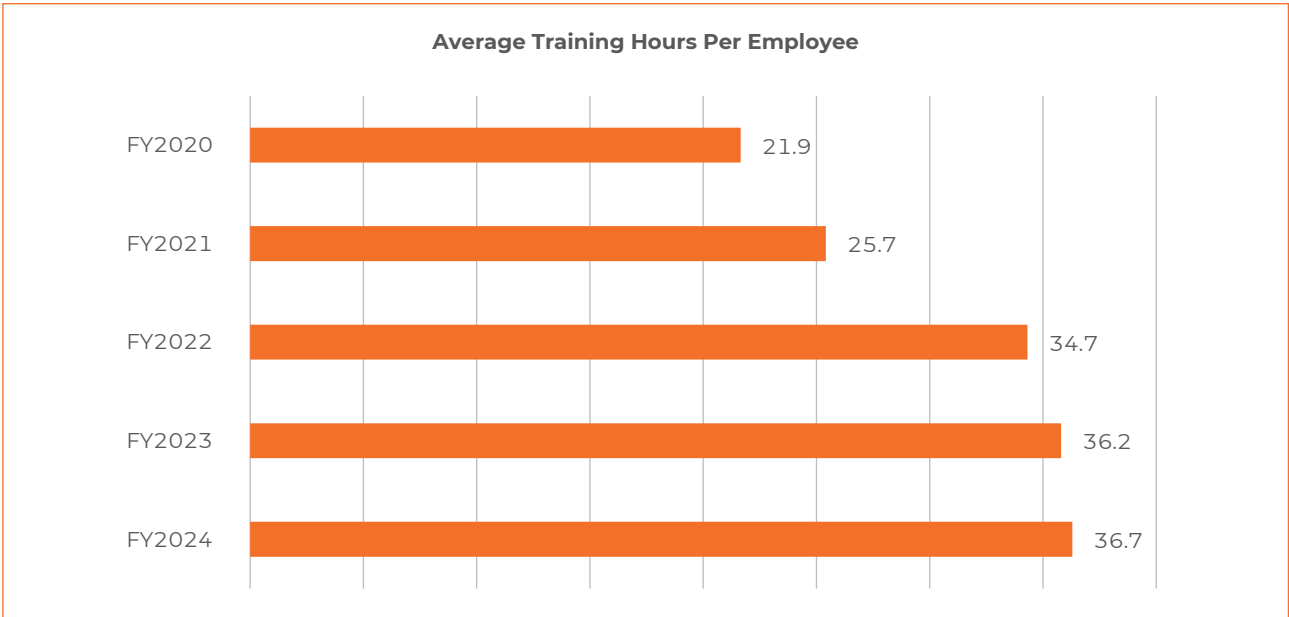


Figure 26: Average Training Hours per Employee

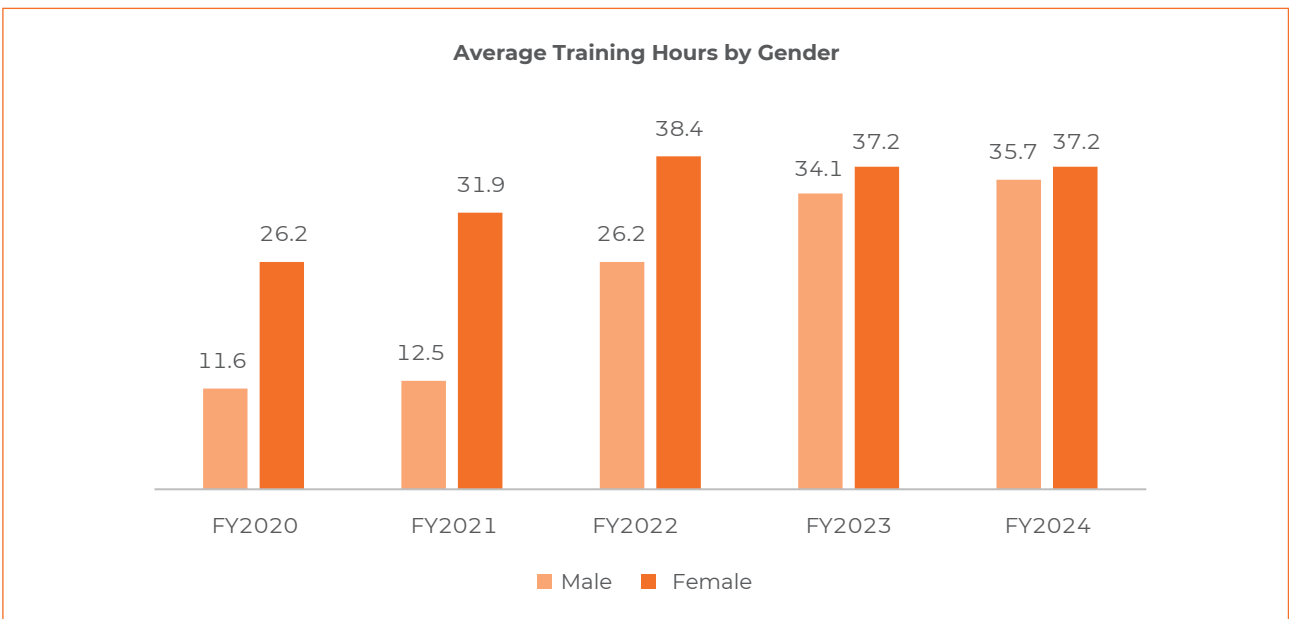


Figure 27: Average Training Hours by Gender

SUSTAINABILITY STATEMENT

(cont'd)

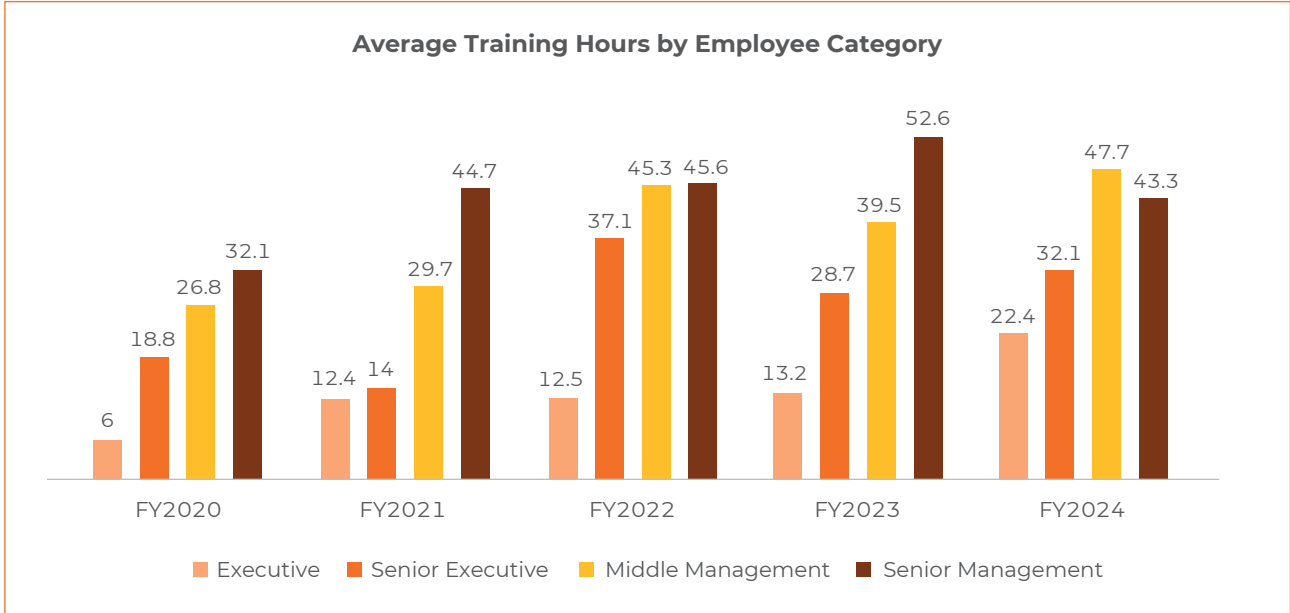


Figure 28: Average Training Hours by Employee Category

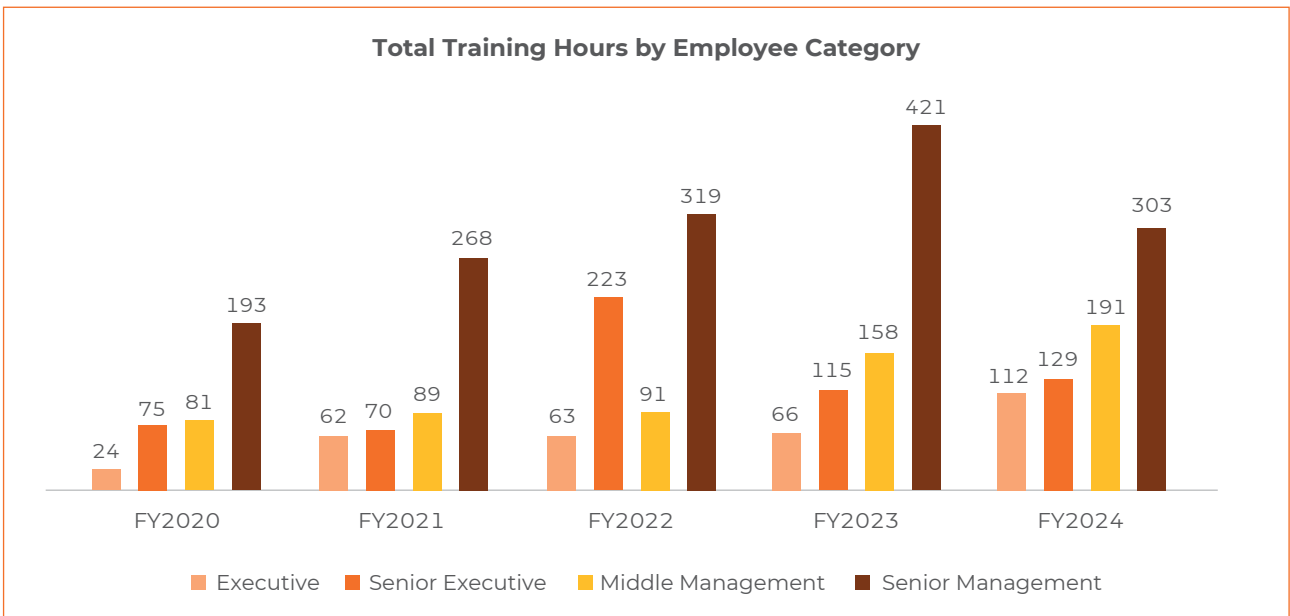


Figure 29: Total Training Hours by Employee Category

Moving Forward

Looking ahead, we will continue to provide a supportive and inclusive workplace that emphasises professional growth, employee well-being, and a culture of continuous improvement. Employee engagement and communication will remain key priorities as we work to build a harmonious environment.

SUSTAINABILITY STATEMENT

(cont'd)

Health and Safety

GRI	3-3, 403-2, 403-5, 403-6, 403-9, 403-10, C5
Bursa	C5
Capitals	Human Capital
UN SDGs	SDG 8

We recognise that maintaining the highest standards of health, safety, and well-being is integral to our operations. Guided by structured internal process, we work closely with property management teams to establish proper procedures, conduct regular risk assessments, and ensure that induction briefings, trainings, and inspections are consistently carried out.

Our commitment to health and safety is supported by a suite of principles, policies and guidelines that govern daily operations, maintenance, and enhancements across our properties. These policies not only ensure compliance with all relevant laws and regulations but also reinforce our broader goals of operational excellence and environmental responsibility. Figure 30 highlights our health and safety principles and Figure 31 illustrates our key policies enforced in 2024 that governs all of our buildings with the exception of Lotus’s Penang and Plaza Mont’ Kiara, as they are fully managed by tenants.



Figure 30: SENTRAL's Health and Safety Principles

SUSTAINABILITY STATEMENT

(cont'd)

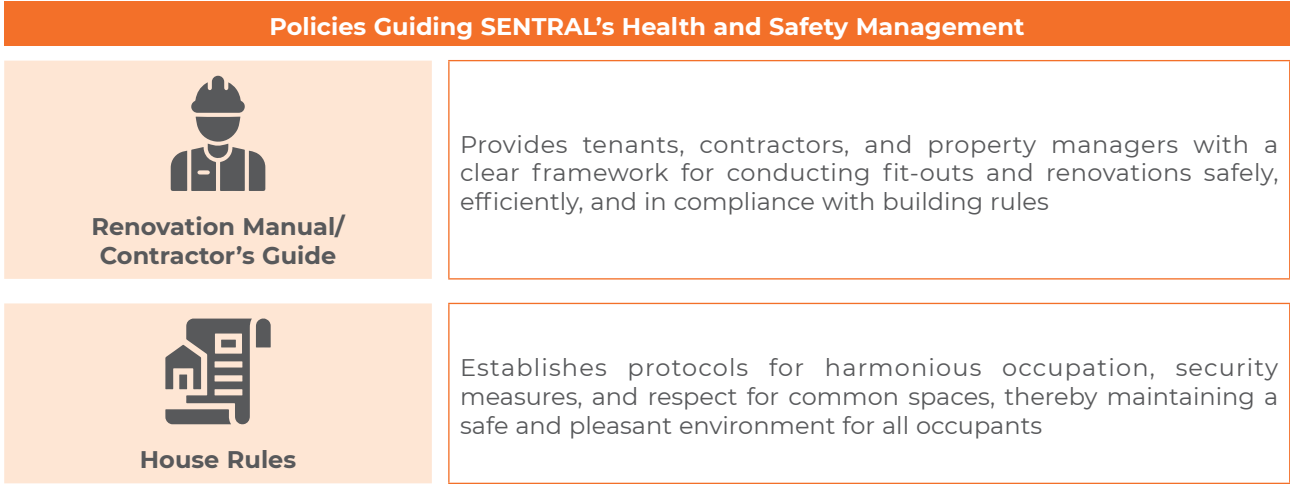


Figure 31: SENTRAL's Health and Safety Policies

These health and safety policies are expected to be adhered by all relevant stakeholders and has been embedded in the daily operations of our relevant buildings to ensure that the highest level of safety and health in the workplaces and common facilities are implemented. Our measures are developed with reference reference to local law and regulations such as the Department of Occupational Safety and Health (DOSH). Guided by these policies, our building property management team ensures that all operational systems comply with Occupational Safety and Health (Amendment) Act 2022 and Occupational Safety and Health (Construction Work) (Design and Management) Regulations 2024.

Health and safety grievances

We provide relevant channels for stakeholders to raise concerns regarding health, hygiene and safety protection matters to which effective responses are initiated. Every incident will be acknowledged, reviewed, handled, and followed up to achieve closure or reach a suitable conclusion. Our grievance mechanisms are listed in Table 8 below:




Channel	Description
Telephone 	Stakeholders can lodge grievances to the Building Management Office ("BMO") via a telephone hotline or request to speak to a stakeholder contact officer or obtain the contact details of the property manager in charge
Email 	Grievances can be submitted in writing to the respective property manager's email which can be retrieved from the respective BMO
Face-to-face Communication 	We have physical point of contacts for stakeholders to escalate grievances directly to the property manager. We also have Auxiliary Police and/or security guard personnel on-duty for 24 hours at our main lobby counters to protect the property and prevent criminal activities

Table 8: Health and Safety Grievance Mechanisms

SUSTAINABILITY STATEMENT

(cont'd)

Managing risks and hazards in our buildings

To ensure the wellbeing of occupants within SENTRAL’s portfolio of buildings, we necessitate participation from all stakeholders to minimise exposure to health and safety risks and hazards. We work closely with the building management team, tenants, and contractors to ensure safety controls are in place to ensure the well-being of our building occupants.




Stakeholders	Safety controls
SENTRAL, building management team and contractors	<ul style="list-style-type: none"> • Periodic fire risk assessments performed regularly to identify and manage potential risks and hazards • Monitoring safety certifications for fire, gondola, lift and escalator to ensure timely renewal • Maintenance and repairs to ensure compliance with safe operating standards recommended by manufacturer, Department of Occupational Safety and Health and BOMBA requirements • Clear safety signages during refurbishment to provide awareness to all parties • Regular on-site inspections or spot checks as well as risk mitigation, if required, by the property manager to ensure the building is well maintained in compliance with the OSH regulations including safety briefings • Health and safety pre-qualification of contractors to ensure that they are in adherence to social, ethical, and environmental principles and regulations. The property manager is responsible for on-going monitoring of work in progress by these contractors • Annual safety measures such as major service and maintenance work of high tension and low voltage electrical panel at the building to mitigate electrical and fire hazards by competent persons
Tenants	<ul style="list-style-type: none"> • Establish ERTs trained in first aid and equipped with fire-fighting abilities to respond to health and safety incidents • Tenants are also required to conduct a risk assessment prior to any renovation and fit-out of the tenanted spaces

SUSTAINABILITY STATEMENT

(cont'd)



Enhancement conducted across our portfolio

Continuous upgrades are carried out to ensure a safe and comfortable environment for tenants and employees; while improving overall building functionality, and provide modern, efficient facilities. In FY2024, we have conducted several initiatives with some still ongoing, listed below for respective buildings:

Building	Initiative
Sentral Building 3	<p>i. Car Park Lighting Upgrade</p> <p>The car park lighting system has been upgraded from fluorescent lighting to LED light fittings.</p> <p>This enhancement aims to provide better illumination for safety purposes, ensuring a clearer vision for traffic flow and reducing the risk of accidents.</p> <p>Before</p>  <p>After</p> 
Platinum Sentral	<p>i. Air Quality Enhancement</p> <p>Improvements aimed to enhance air quality within the building has been conducted, contributing to better occupant health.</p> 









SUSTAINABILITY STATEMENT

(cont'd)

Building	Initiative
Platinum Sentral (cont'd)	<p>ii. Emergency Fire Escape Service Corridor</p> <p>Renovation works were carried out to create an emergency fire escape service corridor.</p> <p>This initiative is a critical safety requirement mandated by the Uniform Building By-Law (UBBL) 1994, ensuring compliance with structural, emergency fire escape, and M&E equipment safety standards.</p> <p>Before</p>  <p>After</p> 



SUSTAINABILITY STATEMENT

(cont'd)

Building	Initiative
Platinum Sentral (cont'd)	<p>iii. Water-Conservation Effort</p> <p>The urinal bowls were upgraded from manual water flushing devices to auto-sensor flushing systems to reduce water flow and align with Green Building certification requirements.</p> <div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">   </div> <div style="text-align: center;">   </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> Wash basin Urinal bowl </div>
	<p>iv. Car Park Lighting Upgrade</p> <p>The car park lightings were upgraded from fluorescent lighting to LED light tubes for energy savings and improved illumination for safety and convenience.</p> <p>Before</p> <div style="display: flex; justify-content: space-around;">   </div> <p>After</p> <div style="display: flex; justify-content: space-around;">   </div>


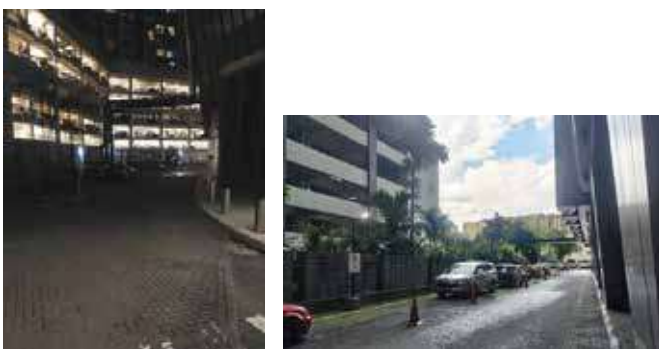

SUSTAINABILITY STATEMENT

(cont'd)

Building	Initiative
Menara Shell	<p>i. Public Address (“PA”) System Upgrade</p> <p>The PA System has been upgraded to ensure better communication during emergencies and align with safety standards.</p> <p>Before</p>  <p>After</p> 
	<p>ii. Closed-Circuit Television (“CCTV”) System Upgrade</p> <p>A comprehensive upgrade of the CCTV system included Network Video Recorders (NVR), Digital Video Recorders (DVR), and enhanced CCTV cameras (Pan-Tilt-Zoom and Dome types). These upgrades are meant to enhance security monitoring and operational reliability.</p> <p>Before</p> 



SUSTAINABILITY STATEMENT

(cont'd)

Building	Initiative
Menara Shell (cont'd)	<p data-bbox="662 481 726 515">After</p> <div data-bbox="662 537 1204 884">  </div> <p data-bbox="598 907 1109 952">iii. Perimeter Street Lighting Upgrade</p> <p data-bbox="662 974 1428 1086">The existing perimeter streetlights were replaced with a new design incorporating LED light fittings to ensure energy savings and improved lighting quality around the building's exterior.</p> <p data-bbox="662 1108 758 1142">Before</p> <div data-bbox="662 1164 1324 1512">  </div> <p data-bbox="662 1534 726 1568">After</p> <div data-bbox="662 1590 1324 1937">  </div>

SUSTAINABILITY STATEMENT

(cont'd)

Building	Initiative
Menara CelcomDigi	<p>i. Water Tank Cleaning</p> <p>The domestic water tank underwent a thorough cleaning to ensure a clean and safe water supply for the entire building.</p> <p>Before</p>  <p>After</p> 

Annual Performance

To keep our employees updated on the latest knowledge, and health and safety regulations, we provide annual health and safety training along with refresher courses for all SENTRAL employees.

	FY2021	FY2022	FY2023	FY2024
Number of employees trained on health and safety standards	0	19	0	13

In addition, the property management staff are mandated to attend the Emergency Respond Team (“ERT”) training and other related drills covering various aspects of emergency response, including but not limited to fire safety, evacuation procedures, first aid, and crisis management that is conducted by the Fire and Rescue Department of Malaysia (“BOMBA”). The training was conducted in August 2024 with property management staffs for all buildings attending both the theory session focused on building system and practical session covering fire equipment.

In 2024, SENTRAL reported zero (0) case of fatalities, work-related injuries and any incidence of non-compliance with regulations concerning health and safety. Additionally, we reported zero (0) cases of health and safety grievances.

Moving Forward

SENTRAL will ensure continuous commitment to emergency preparedness and ensure hazard identification and risk assessment procedure are implemented appropriately to help protect the employees, tenants, and visitors to minimise the damage and losses in an emergency. This approach not only boosts productivity but also significantly reduces the likelihood of workplace injuries and costly incidents, ensuring a safer workplace environment.

SUSTAINABILITY STATEMENT

(cont'd)

Community Partnership and Activities

GRI	3-3, 413-1
Bursa	C2
Capitals	Social and Relationship Capital
UN SDGs	SDG 4

SENTRAL’s Corporate Social Responsibilities (“CSR”) initiatives continued to focus on supporting and facilitating children’s welfare and education aimed at uplifting the children from the poor, underprivileged, marginalised, and vulnerable communities. These initiatives help to promote lifelong learning opportunities and contribute towards achieving Sustainable Development Goal 4: Quality Education adopted by United Nations in 2015 as a universal call to action to end poverty.

Our community activities continued to support and collaborate with three (3) non-profit organisations namely, Good Shepherd Services, Yayasan Ozanam and Persatuan Kebajikan Kanak-Kanak Kajang with their education programmes.

Community Outreach Initiatives

Good Shepherd Services

Sponsor-A-Child for Education Fund:

We donated RM48,600 to directly support 34 students (8 primary and 26 secondary) from rural indigenous communities in Kiulu, Telupid, Keningau, Kota Marudu, Beluran, Ranau, and Tawau, Sabah.

The sponsorship covers essential expenses, including hostel fees, school fees, learning materials, and enrichment programs, enabling students aged 9 to 17 to continue their education with the necessary support.



Figure 32: Sponsor-A-Child for Education Fund

SUSTAINABILITY STATEMENT

(cont'd)

Year 2 ENUMA Literacy Lab Project:

Donation value of RM32,600 was contributed to continue the implementation of the ENUMA Literacy Lab Project at Sekolah Kebangsaan Lanas in Sook district, Keningau, Sabah.

The project benefits 121 students aged 5 to 8 from Pre-school, Primary 1, Primary 2, Remedial Class, and Special Needs Classes.

The funding supports teacher training to integrate the ENUMA application into daily teaching practices, aiming to enhance literacy and address learning challenges interactively.



Figure 33: ENUMA Literacy Lab Project

Persatuan Kebajikan Kanak-Kanak Kajang

Free Meals and Tuition Program:

We donated **RM40,200** to fund the center's operational expenses for 12 months, including food, rent, utilities, and tuition/school materials.

The program provides free meals and tuition for 43 school-going children aged 7 to 17 from Kajang and Semenyih.

Yayasan Ozanam

Education Fund for Higher Studies:

Donated **RM65,978** to sponsor 7 students (6 female and 1 male) from children's homes under the organisation to pursue higher education with the aim to empower these students to achieve academic success and future independence.

SUSTAINABILITY STATEMENT

(cont'd)

Annual Performance

In FY2024, we have invested RM187,378 in the community, which has positively impact 205 individuals. We intend to continuously provide a helping hand to those in need, and have aimed to allocate RM200,000 in FY2025.

	FY2020	FY2021	FY2022	FY2023	FY2024
Total amount invested in the community (RM)	186,512	200,000	131,000	197,368	187,378
Total number of beneficiaries	Approximately 230 families 180 individuals	Approximately 630 families 317 individuals	1,056 individuals	Approximately 189 individuals	205 individuals

Table 34: Total Amount Invested and Total Number of Beneficiaries in the Community

Moving Forward

We will continue to allocate a portion of the Manager's profits to enable us to sustain and expand our efforts in education and community welfare and reinforce our dedication to creating a positive and lasting impact.

SUSTAINABILITY STATEMENT

(cont'd)

SUSTAINABILITY PERFORMANCE REPORT BASED ON BURSA SECURITIES' PRESCRIBED STANDARD FORMAT

Indicator	Measurement Unit	2020	2021	2022	2023	2024
Bursa (Anti-corruption)						
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category						
Senior Management	Percentage	100	100	100	100	100
Middle Management	Percentage	100	100	100	100	100
Senior Executive	Percentage	100	100	100	100	100
Executive	Percentage	100	100	100	100	100
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	100	100	100	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	0	0
Bursa (Community/Society)						
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	186,512	200,000	131,100	197,368	187,378
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	410	947	1056	189	205
Bursa (Diversity)						
Bursa C3(a) Percentage of employees by gender and age group, for each employee category						
Age Group by Employee Category						
Senior Management Under 30	Percentage	0	0	0	0	0
Senior Management Between 30-50	Percentage	80	80	83	87	86
Senior Management Above 50	Percentage	20	20	17	13	14
Middle Management Under 30	Percentage	0	0	0	0	0
Middle Management Between 30-50	Percentage	75	75	75	75	50
Middle Management Above 50	Percentage	25	25	25	25	50
Senior Executive Under 30	Percentage	0	0	0	0	0
Senior Executive Between 30-50	Percentage	100	100	100	100	100
Senior Executive Above 50	Percentage	0	0	0	0	0
Executive Under 30	Percentage	20	20	40	60	60
Executive Between 30-50	Percentage	60	60	40	20	20
Executive Above 50	Percentage	20	20	20	20	20
Gender Group by Employee Category						
Senior Management Male	Percentage	20	20	33	37	43
Senior Management Female	Percentage	80	80	67	63	57
Middle Management Male	Percentage	25	25	25	25	25
Middle Management Female	Percentage	75	75	75	75	75
Senior Executive Male	Percentage	0	20	20	25	25
Senior Executive Female	Percentage	100	80	80	75	75
Executive Male	Percentage	60	60	40	40	40
Executive Female	Percentage	40	40	60	60	60

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Measurement Unit	2020	2021	2022	2023	2024
Bursa (Diversity)						
Bursa C3(b) Percentage of directors by gender and age group						
Male	Percentage	75	75	75	87	86
Female	Percentage	25	25	25	13	14
Under 30	Percentage	0	0	0	0	0
Between 30-50	Percentage	13	13	13	13	29
Above 50	Percentage	87	87	87	87	71
Bursa (Energy management)						
Bursa C4(a) Total energy consumption	Megawatt (mWh)	24,810	20,845	19,886	27,971	27,823
Bursa (Health and safety)						
Bursa C5(a) Number of work-related fatalities	Number	0	0	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	0	19	0	13
Bursa (Labour practices and standards)						
Bursa C6(a) Total hours of training by employee category						
Senior Management	Hours	193	268	319	421	303
Middle Management	Hours	81	89	91	158	191
Senior Executive	Hours	75	70	223	115	129
Executive	Hours	24	62	63	66	112
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	39	42	60	67	5
Bursa C6(c) Total number of employee turnover by employee category						
Senior Management	Number	0	0	1	1	1
Middle Management	Number	0	0	0	0	1
Senior Executive	Number	1	0	1	1	0
Executive	Number	0	0	2	2	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	0	0
Bursa (Supply chain management)						
Bursa C7(a) Proportion of spending on local suppliers	Percentage	76	100	95	91	89
Bursa (Data privacy and security)						
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	0	0
Bursa (Water)						
Bursa C9(a) Total volume of water used	Megalitres	142.491	133.509	160.556	131.571	225.690

No Assurance
 (*) Restated

SUSTAINABILITY STATEMENT

(cont'd)

SUSTAINABILITY KEY PERFORMANCE INDICATORS

Economic

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Direct economic value generated and distributed						
Value generated						
Revenue, finance income, gain on divestment of investment property	RM	167,980,858	166,461,106	150,906,023	163,668,083	194,412,340
Less: Property operating expenses	RM	(29,456,543)	(28,523,531)	(24,275,211)	(28,941,832)	(35,599,515)
Less: Other operating expenses	RM	(919,578)	(819,240)	(1,332,106)	(1,388,213)	(1,513,349)
Total Value Generated	RM	137,604,737	137,118,336	125,298,706	133,338,039	157,299,476
Reconciliation						
Total realized income net of taxation	RM	80,954,941	84,485,957	73,625,238	74,221,484	79,815,642
Finance costs	RM	34,750,696	30,920,952	30,425,280	37,632,722	52,886,949
Manager's fees	RM	12,796,372	12,616,534	12,220,533	12,532,231	14,969,769
Trustee's fees	RM	665,681	664,577	649,354	654,678	773,554
Quit rent and assessment	RM	8,437,047	8,430,316	8,378,301	8,296,925	8,853,562
Total Value Generated	RM	137,604,737	137,118,336	125,298,706	133,338,039	157,299,476
Payments to the Manager and Trustee						
Manager's fees	RM	12,796,372	12,616,534	12,220,533	12,532,231	14,969,769
Trustees' fees	RM	665,681	664,577	649,354	654,678	773,554
Payments to government						
Quit rent and assessment	RM	8,437,047	8,430,316	8,378,301	8,296,925	8,853,562
Payments to providers of capital						
Income distribution	RM	75,882,237	79,419,121	73,095,601	72,436,401	76,033,992
Finance costs	RM	34,750,696	30,920,952	30,425,280	37,632,722	52,886,949
Economic value retained	RM	5,072,704	5,066,836	529,637	1,785,082	3,781,650
Total Value Distributed	RM	137,604,737	137,118,336	125,298,706	133,338,039	157,299,476

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Business ethics						
Percentage of operations under management assessed for corruption-related risks	%		100	100	100	100
Percentage of employees who have received training on anti-bribery and corruption	%	100	100	100	100	100
Confirmed incidents of corruption and action taken		0	0	0	0	0
Percentage of employees who have received training on anti-corruption by employee category						
Senior Executive	%	100	100	100	100	100
Senior Management	%	100	100	100	100	100
Middle Management	%	100	100	100	100	100
Executive	%	100	100	100	100	100
Total percentage of employees who have received training on anti-corruption	%	100	100	100	100	100
Confirmed incidents of corruption and action taken		0	0	0	0	0
Regulatory Compliance						
Incidences of non-compliance to relevant laws and regulations		0	0	0	0	0
Data privacy						
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data		0	0	0	0	0

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Supply chain management						
Proportion of spending on local suppliers	%	76	100	95	91	89
Local procurement expenditure	RM	8,539,554	2,386,183	5,170,000	9,838,478	22,755,457
Percentage of service providers underwent performance appraisal	%	100%	100%	100%	100%	100%
Percentage of service providers achieved higher than the minimum score rating of 60%	%	100%	100%	100%	100%	100%

Environmental

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Energy and Carbon Footprint						
Energy consumption*						
Sentral Building 1	kWh	4,042,295	4,377,662	4,006,600	3,861,891	3,833,453
Sentral Building 2	kWh	4,338,986	4,029,696	3,851,905	3,449,327	3,396,602
Sentral Building 3	kWh	5,508,689	2,405,305	2,551,113	2,738,317	2,818,442
Sentral Building 4	kWh	752,079	496,152	501,066	632,280	900,439
Wisma Sentral Inai	kWh	2,210,968	2,065,371	935,329	329,716	353,047
Plaza Mont' Kiara	kWh	543,245	493,707	412,939	399,448	387,732
Menara Shell	kWh	4,699,918	4,771,616	5,206,562	5,353,928	5,327,049
Platinum Sentral	kWh	2,544,944	2,205,655	2,417,582	2,427,136	2,203,527
Menara CelcomDigi	kWh				4,680,946	3,237,364
Lotus's Penang*	kWh				5,365,546	5,365,456
Total energy consumption	kWh	24,809,793	20,845,164	19,883,096	27,971,268	27,823,201
Energy intensity	kWh/m ²	136	118	113	117	117
Reduction of energy consumption	kWh	4,316,141	3,964,629	1,025,001	-	148,067

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
GHG Emissions*						
Scope 1, 2 and 3						
Sentral Building 1	tCO ₂				3,065.7	3,042.3
Sentral Building 2	tCO ₂				2,754.5	2,576.1
Sentral Building 3	tCO ₂				2,530.4	2,666.4
Sentral Building 4	tCO ₂				481.7	916.5
Wisma Sentral Inai	tCO ₂				306.5	327.4
Plaza Mont' Kiara	tCO ₂				368.4	357.6
Menara Shell	tCO ₂				4,943.8	4,913.6
Platinum Sentral	tCO ₂				2,491.8	2,050.1
Menara CelcomDigi [^]	tCO ₂				4,135.3	4,278.4
Lotus's Penang*	tCO ₂				4,071.0	4,071.0
Total GHG Emissions	tCO ₂				26,231.1	26,281.4
GHG Intensity	Tonnes/ m ²				0.11	0.11
Waste Management~						
Waste Generation						
Total waste directed to landfill	Tonnes					20.5
Total waste diverted away from landfill	Tonnes					3.1
Total waste generated	Tonnes					23.7
Water Management						
Water Consumption						
Sentral Building 1	m ³	7,539	5,111	3,778	4,961	10,196
Sentral Building 2	m ³	7,453	5,189	2,319	258	6,343
Sentral Building 3	m ³	7,943	5,284	8,328	11,091	13,209
Sentral Building 4	m ³	4,543	3,914	1,407	513	10,491
Wisma Sentral Inai	m ³	17,625	12,597	7,205	517	53
Plaza Mont' Kiara	m ³	490	496	358	380	243
Menara Shell	m ³	54,831	66,427	104,907	65,930	63,339
Platinum Sentral	m ³	41,903	34,491	32,254	47,921	57,628
Menara CelcomDigi [^]	m ³					64,188

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total Water Consumption	m ³	142,491	133,509	160,556	131,571	225,690
Water intensity	m ³ /sqm	0.78	0.76	0.92	0.75	1.04

Notes:

- * Total Energy Consumption for FY2023 has been restated to include the emissions of Lotus's Penang and Menara CelcomDigi (acquired on 11 December 2023) to ensure data comparability with the GHG emissions disclosure.
- * Total Energy Consumption and GHG Emissions of Lotus's Penang utilised data assumptions from third-party databases due to limited data availability.
- * Complete GHG emissions data collection of Scope 1, 2 and 3 commenced in FY2023, resulting in the absence of data for previous years.
- ^ Menara CelcomDigi was acquired by Sentral REIT on 11 December 2023:
 - GHG Emissions data for FY2023 has been restated to include the emissions of Menara CelcomDigi to ensure data comparability.
 - Emissions were calculated using updated emission factors - Cross Sector Tools (March 2024), Grid Emission Factor (GEF) in Malaysia published by Suruhanjaya Tenaga, UK Government GHG Conversion Factors for Company Reporting from the Department for Environment, Food and Rural Affairs (DEFRA), US EEIO Database, and IEA - Life Cycle Upstream Emission Factors.
- ~ Waste data collection are from the months of July to December 2024.

Social

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Health and Safety						
Number of employees trained on health and safety standards		0	0	19	0	13
Number of work-related fatalities		0	0	0	0	0
Lost time incident rate		0	0	0	0	0
Quality of Assets and Services						
Percentage of properties certified against Green Building Certification (%)	%	12.5%	12.5%	12.5%	12.5%	22%
Asset enhancement investments	RM	1,483,076	1,770,000	3,556,790	2,840,217	3,142,901
Number of complaints received		1,139	794	1,245	676	217
Number of complaints resolved		1,139	794	1,245	676	215
Percentage of complaints resolved	%	100	100	100	100	99

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Employee Management						
Employment Type						
Employees		18	19	20	21	20
Workers		36	30	27	27	36
Employee Type						
Permanent		11	11	8	7	19
Contract		7	8	12	14	1
Permanent	%	61	58	40	33	95
Contract	%	39	42	60	67	5
Employee count						
Total number of employees		18	19	20	21	20
Number of new hires		1	1	5	5	1
Employee turnover		1	0	4	4	2
Employee Turnover by Employee Category						
Executive		0	0	2	2	0
Senior Executive		1	0	1	1	0
Middle Management		0	0	0	0	1
Senior Management		0	0	1	1	1
Employee Gender Diversity by Employee Category						
Executive						
Male		3	3	2	2	2
Female		2	2	3	3	3
Male	%	60	60	40	40	40
Female	%	40	40	60	60	60
Senior Executive						
Male		0	1	1	1	1
Female		4	4	4	3	3
Male	%	0	20	20	25	25
Female	%	100	80	80	75	75
Middle Management						
Male		1	1	1	1	1
Female		3	3	3	3	3
Male	%	25	25	25	25	25
Female	%	75	75	75	75	75

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Senior Management						
Male		1	1	2	3	3
Female		4	4	4	5	4
Male	%	20	20	33	37	43
Female	%	80	80	67	63	57
Total						
Male		5	6	6	7	7
Female		13	13	14	14	13
Male	%	28	32	30	33	35
Female	%	72	68	70	67	65
Employee Age Diversity by Employee Category						
Executive						
< 30 years old		1	1	2	3	3
30-50 years old		3	3	2	1	1
> 50 years old		1	1	1	1	1
< 30 years old	%	20	20	40	60	60
30-50 years old	%	60	60	40	20	20
> 50 years old	%	20	20	20	20	20
Senior Executive						
< 30 years old		0	0	0	0	0
30-50 years old		4	5	5	4	4
> 50 years old		0	0	0	0	0
< 30 years old	%	0	0	0	0	0
30-50 years old	%	100	100	100	100	100
> 50 years old	%	0	0	0	0	0
Middle Management						
< 30 years old		0	0	0	0	0
30-50 years old		3	3	3	3	2
> 50 years old		1	1	1	1	2
< 30 years old	%	0	0	0	0	0
30-50 years old	%	75	75	75	75	50
> 50 years old	%	25	25	25	25	50
Senior Management						
< 30 years old		0	0	0	0	0
30-50 years old		4	4	5	7	6
> 50 years old		1	1	1	1	1
< 30 years old	%	0	0	0	0	0
30-50 years old	%	80	80	83	87	86
> 50 years old	%	20	20	17	13	14

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Total						
< 30 years old		1	1	2	3	3
30-50 years old		14	15	15	15	13
> 50 years old		3	3	3	3	4
< 30 years old	%	6	5	10	14	15
30-50 years old	%	77	79	75	72	65
> 50 years old	%	17	16	15	14	20
Board Diversity by Gender						
Male		6	6	6	7	6
Female		2	2	2	1	1
Male	%	75	75	75	87	86
Female	%	25	25	25	13	14
Board Diversity by Age Group						
30-50 years old		1	1	1	1	2
> 50 years old		7	7	7	7	5
30-50 years old	%	13	13	13	13	29
> 50 years old	%	87	87	87	87	71
Worker Diversity - Gender						
Male		30	26	23	24	31
Female		6	4	4	3	5
Human Rights						
Number of substantiated complaints concerning human rights violation		0	0	0	0	0
Learning and Development Hours						
Executive		24	62	63	66	112
Senior Executive		75	70	223	115	129
Middle Management		81	89	91	158	191
Senior Management		193	268	319	421	303
Total hours		372	489	695	760	734
Parental Leaves Utilisation						
Maternity Leave		0	0	0	0	1
Paternity Leave		0	0	0	0	0

SUSTAINABILITY STATEMENT

(cont'd)

Indicator	Unit	FY2020	FY2021	FY2022	FY2023	FY2024
Community Partnership and Activities						
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	186,512	200,000	131,000	197,368	187,378
Total number of beneficiaries of the investment in communities		Approximately 230 families 180 individuals	Approximately 630 families 317 individuals	1,056 individuals	189 individuals	205 individuals

SUSTAINABILITY STATEMENT

(cont'd)

BURSA CONTENT INDEX

Bursa Sustainability Matters	Sentral's Material Matter	Bursa indicators		GRI	Location (Page)
Common Sustainability Matters					
Anti-corruption	Business ethics	C1 (a)	Percentage of employees that have received training on anti-corruption by employee category	205-2	116
		C1 (b)	Percentage of operations assessed for corruption-related risks	205-1	116
		C1 (c)	Confirmed incidence of corruption and action taken	205-3	116
Community/Society	Community partnership and activities	C2(a)	Total amount invested in the community where the target beneficiaries are external to the listed issuer	201-1	173
		C2(b)	Total number of beneficiaries of the investment in communities	201-1	173
Diversity	Diversity and equal employment	C3(a)	Percentage of employees by gender, age group for each employee category	405-1 405-2	158, 159
		C3(b)	Percentage of directors by gender and age group	405-1	66
Energy management	Energy and carbon footprint	C4(a)	Total energy consumption	302-1	133
Health and safety	Health and safety	C5(a)	Number of work-related fatalities	403-9	170
		C5(b)	Lost time incident rate	403-9	175, 180
		C5(c)	Number of employees trained on health and safety standards	403-5 404-1	170, 175, 180
Labour practices and standards	Employee engagement	C6(a)	Total hours of training by employee category	404	160, 161, 175, 183
		C6(b)	Percentage of employees that are contractors or temporary staff	401	175, 181
		C6(c)	Total number of employee turnover by employee category	401-1	157, 181
		C6(d)	Number of substantiated complaints concerning human rights violation		175, 183
Supply chain management	Supply chain management	C7(a)	Proportion of spending on local suppliers	204-1	126, 175, 178

SUSTAINABILITY STATEMENT

(cont'd)

Bursa Sustainability Matters	Sentral's Material Matter	Bursa indicators		GRI	Location (Page)
Common Sustainability Matters					
Data privacy and security	Data privacy	C8(a)	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	175,177
Water	Water management	C9(a)	Total volume of water used	303-3 303-4 303-5	138, 175, 180
Waste management	Waste management	C10(a)	Total waste generated, and a breakdown of the following: (i) Total waste diverted from disposal (ii) Total waste directed to disposal	306-3 306-4	137, 179
Emissions management	Energy and carbon footprint	C11(a)	Scope 1 emissions in tonnes of CO ₂ e	305-1 302-1	130, 131, 179
		C11(b)	Scope 2 emissions in tonnes of CO ₂ e	305-2 302-1	130, 131, 179
		C11(c)	Scope 3 emissions in tonnes of CO ₂ e (at least on business travel and employee commuting)	305-3	130, 131, 179
Sector Specific Sustainability Matters					
Supply chain (Environmental)/ Supplier environmental assessment	Supply chain management	S6(a)	Percentage of new suppliers that were screened using environmental criteria	308-1	
		S6(b)	Number of suppliers assessed for environmental impacts	308-2	
		S6(c)	Percentage of the company's total property portfolio certified to a recognised building management standard for property		180
Supply Chain (Social)/Supplier Social Assessment	Supply chain management	S7(a)	Percentage of new suppliers that were screened using social criteria	414-1	
		S7(b)	Number of suppliers assessed for social impacts	414-2	

SUSTAINABILITY STATEMENT

(cont'd)

GRI CONTENT INDEX

Statement of use	Sentral REIT has reported in accordance with the GRI Standards for the period 1 January 2024 to 31 December 2024
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	Not applicable

GRI Standard/ Other Source	Disclosure	Location (Page)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
General Disclosures						
GRI 2: General Disclosures	The Organization and its Reporting Practices					
	2-1 Organisational details	3-5, 99				
	2-2 Entities included in the organisation's sustainability reporting	95				
	2-3 Reporting period, frequency and contact point	95				
	2-4 Restatements of information	Restatement of GHG emissions and energy intensity in FY2024, pg 179				
	2-5 External assurance	95				
	Activities and Workers					
	2-6 Activities, value chain and other business relationships	124				
	2-7 Employees	158, 159				
	2-8 Workers who are not employees	158				
	Governance					
	2-9 Governance structure and composition	104				
	2-10 Nomination and selection of the highest governance body	69, 70, 104				
	2-11 Chair of the highest governance body	104				
	2-12 Role of the highest governance body in overseeing the management of impacts	104				

SUSTAINABILITY STATEMENT

(cont'd)

GRI Standard/ Other Source	Disclosure	Location (Page)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures (cont'd)	2-13 Delegation of responsibility for managing impacts	104				
	2-14 Role of the highest governance body in sustainability reporting	104				
	2-15 Conflicts of interest	82, 91, 116				
	2-16 Communication of critical concerns	104				
	2-17 Collective knowledge of the highest governance body	64-70, 104				
	2-18 Evaluation of the performance of the highest governance body	71, 104				
	2-19 Remuneration policies	76, 116				
	2-20 Process to determine remuneration	87, 88				
	2-21 Annual total compensation ratio	Information not disclosed due to confidentiality constraints.				
	Strategy, Policies and Practices					
	2-22 Statement on sustainable development strategy	96-104				
	2-23 Policy commitments	116				
	2-24 Embedding policy commitments	116				
	2-25 Processes to remediate negative impacts	116				
	2-26 Mechanisms for seeking advice and raising concerns	116				
	2-27 Compliance with laws and regulations	115, 116				
	2-28 Membership associations	99				

SUSTAINABILITY STATEMENT

(cont'd)

GRI Standard/ Other Source	Disclosure	Location (Page)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 2: General Disclosures (cont'd)	Stakeholder Engagement					
	2-29 Approach to stakeholder engagement	105-111				
	2-30 Collective bargaining agreements	105-111				
Material Topics						
GRI 3: Material Topics	3-1 Process to determine material topics	112				
	3-2 List of material topics	113				
Material Topics: Economic						
GRI 201: Economic Performance						
GRI 3: Material Topics	3-3 Management of material topics	115				
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	176				
GRI 204: Procurement Practices						
GRI 3: Material Topics	3-3 Management of material topics	124				
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	126, 175				
GRI 205: Anti-corruption						
GRI 3: Material Topics	3-3 Management of material topics	116-117				
GRI 205: Anti-Corruption	205-2 Communication and training about anti-corruption policies and procedures	116				
	205-3 Confirmed incidents of corruption and actions taken	174, 177				
Material Topics: Environmental						
GRI 302: Energy						
GRI 3: Material Topics	3-3 Management of material topics	132-135				

SUSTAINABILITY STATEMENT

(cont'd)

GRI Standard/ Other Source	Disclosure	Location (Page)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 302: Energy	302-2 Energy consumption outside of the organisation	134, 175, 178				
	302-3 Energy intensity	178				
	302-4 Reduction of energy consumption	178				
GRI 303: Water and Effluent						
GRI 3: Material Topics	3-3 Management of material topics	137-139				
GRI 303: Water and Effluent	303-1 Interactions with water as a shared resource	138				
	303-5 Water consumption	138, 175, 179				
GRI 305: Emissions						
GRI 3: Material Topics	3-3 Management of material topics	127-131				
GRI 305: Emissions	305-2 Energy indirect (Scope 2) GHG emissions	130, 179				
	305-4 GHG emission intensity	130, 179				
GRI 306: Waste						
GRI 3: Material Topics	3-3 Management of material topics	136, 137				
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	136, 137				
	306-2 Management of significant waste-related impacts	136, 137				
	306-3 Waste generated	137, 179				
	306-4 Waste diverted from disposal	137, 179				
	306-5 Waste directed to disposal	137, 179				
GRI 308: Supplier Environmental Assessment						
GRI 3: Material Topics	3-3 Management of material topics	113, 116				

SUSTAINABILITY STATEMENT

(cont'd)

GRI Standard/ Other Source	Disclosure	Location (Page)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 308: Supplier Environmental Assessment	308-1 New suppliers that were screened using environmental criteria				Information unavailable. Steps are being taken to obtain the information to be included in report.	
	308-2 Negative environmental impacts in the supply chain and actions					
Material Topics: Social						
GRI 401: Employment						
GRI 3: Material Topics	3-3 Management of material topics	152-161				
GRI 401: Employment	401-1 New employee hires and employee turnover	157, 181				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	153				
	401-3 Parental leave	153				
GRI 402: Labour/Management Relations						
GRI 3: Material Topics	3-3 Management of material topics	121				
GRI 402: Labour/ Management Relations	402-1 Minimum notice periods regarding operational changes	121				
GRI 403: Occupational Health and Safety						
GRI 3: Material Topics	3-3 Management of material topics	162-170				
GRI 403: Occupational Health and Safety	403-2 Hazard identification, risk assessment, and incident investigation	162-170				
	403-5 Worker training on occupational health and safety	170, 175				
	403-6 Promotion of worker health	163				

SUSTAINABILITY STATEMENT

(cont'd)

GRI Standard/ Other Source	Disclosure	Location (Page)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 403: Occupational Health and Safety (cont'd)	403-9 Work-related injuries	170, 175, 180				
	403-10 Work-related ill health	170, 175, 180				
GRI 404: Training and Education						
GRI 3: Material Topics	3-3 Management of material topics	154				
GRI 404: Training and Education	404-1 Average hours of training per year per employee	160, 161				
	404-2 Programs for upgrading employee skills and transition assistance programs	154, 156				
	404-3 Percentage of employees receiving regular performance and career development reviews	175, 177				
GRI 405: Diversity and Equal Opportunity						
GRI 3: Material Topics	3-3 Management of material topics	152				
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	157-159				
GRI 406: Non-Discrimination						
GRI 3: Material Topics	3-3 Management of material topics	152				
GRI 406: Non-Discrimination	406-1 Incidents of discrimination and corrective actions taken	153				
GRI 413: Local Communities						
GRI 3: Material Topics	3-3 Management of material topics	171-173				
GRI 413: Local Communities	413-1 Operations with local community engagement, impacts assessments, and development programs	171-173				

SUSTAINABILITY STATEMENT

(cont'd)

GRI Standard/ Other Source	Disclosure	Location (Page)	Omission			GRI Sector Standard Ref. No.
			Requirement(s) Omitted	Reason	Explanation	
GRI 414: Supplier Social Assessment						
GRI 3: Material Topics	3-3 Management of material topics	124-126				
GRI 414: Supplier Social Assessment	414-1 New Suppliers that were screened using social criteria				Information unavailable. Steps are being taken to obtain the information to be included in report.	
	414-2 Negative social impacts in the supply chain and actions taken					
GRI 418: Customer Privacy						
GRI 3: Material Topics	3-3 Management of material topics	122-123				
GRI 418: Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	123				

THE MANAGER'S REPORT

Sentral REIT Management Sdn. Bhd., ("SRM") being the manager (the "Manager") of Sentral REIT ("SENTRAL"), is pleased to present the Manager's Report on SENTRAL together with the audited financial statements of SENTRAL for the financial year ended 31 December 2024.

SENTRAL, the Manager and their principal activities

SENTRAL was constituted under Restated Trust Deed dated 2 December 2019 (the "Trust Deed") and the Supplemental Deed dated 24 December 2020 by SRM as the Manager and Maybank Trustees Berhad as the trustee (the "Trustee") and is categorised as a real estate investment trust. SENTRAL commenced its operations in 2006 and was listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia") on 8 January 2007.

The principal activity of SENTRAL involves acquisition of and investment in commercial properties, primarily in Malaysia. The principal activity of each of the special purpose entities of SENTRAL is to facilitate financing for SENTRAL as disclosed in Note 23 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The Manager is a company incorporated in Malaysia. The principal activity of the Manager is to manage SENTRAL. There has been no significant change in the nature of this activity during the financial year.

Investment objective and strategies

The investment objective of SENTRAL is to acquire and invest in commercial properties primarily in Malaysia with a view to provide long-term growth and sustainable distribution of income to unitholders and to achieve long-term growth in the net asset value per unit of SENTRAL.

The Manager plans to achieve the key investment objectives while seeking additional income growth and enhancement of SENTRAL's property portfolio over time through the strategies as mentioned below:

- (a) Acquisition growth and portfolio management strategy
- (b) Active asset management strategy
- (c) Capital management strategy

There were no changes in the strategies adopted during the financial year, which are in line with those as stated in the prospectus dated 11 December 2006.

As these strategies still remain relevant for SENTRAL under the current market conditions, the Manager will continue to adopt them in the coming year.

Reserves and provisions

There were no material transfers to and from reserves or provisions during the financial year other than as disclosed in the consolidated statement of changes in net asset value ("NAV").

THE MANAGER'S REPORT

(cont'd)

Directors

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

Tan Sri Saw Choo Boon
 Kwan Joon Hoe
 Ann Wan Tee
 Datuk Kamalul Arifin Bin Othman
 Po Yih Ming
 Hizamuddin Bin Jamalluddin
 Aminuddin Bin Mohd Arif
 Datuk Dr. Roslan Bin A. Ghaffar (Resigned on 14 June 2024)

Directors' benefit

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

Since the end of the previous financial year, no director of the Manager has received or become entitled to receive a benefit by reason of a contract made by SENTRAL or a related corporation with any director of the Manager or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest, except for units held in SENTRAL as disclosed in Note 27 to the financial statements and the related party transactions as disclosed in Note 29 to the financial statements.

Directors' interests

According to the register of directors' shareholding, the interests of directors of the Manager in office at the end of the financial year in units in SENTRAL during the financial year were as follows:

	Note	Units as at 1 January 2024	Number of units acquired/ (disposed)	Units as at 31 December 2024
Direct interest:				
Tan Sri Saw Choo Boon		-	100,000	100,000
Kwan Joon Hoe		450,000	150,000	600,000
Po Yih Ming		20,000	20,000	40,000
Indirect interest:				
Tan Sri Saw Choo Boon	(a)	757,000	-	757,000

(a) Deemed interest by way of his substantial shareholding in Jendela Elit Sdn. Bhd., which in turn are substantial shareholders of Global Jejaka Sdn. Bhd.

Except for the direct and indirect directors' interests disclosed above, none of the other directors of the Manager in office at the end of the financial year had any interest in SENTRAL.

THE MANAGER'S REPORT

(cont'd)

Soft commission

During the financial year, the Manager did not receive any soft commission (such as goods or services) from any broker or dealer by virtue of transactions conducted by SENTRAL.

Particulars of all sanctions and/or penalties imposed on SENTRAL, directors of the management company or the management company by the relevant regulatory

During the financial year ended 31 December 2024, there were no sanctions and/or penalties imposed on SENTRAL, its Manager and/or directors of its Manager by any of the relevant regulatory bodies.

Amount of non-audit fees incurred for services rendered to SENTRAL by its auditors, or a firm of company affiliated to the auditors' firm

During the financial year ended 31 December 2024, there were non-audit fees of RM5,500 for the review of Statement of Risk Management and Internal Control services; tax agent fees of RM24,700 and transfer pricing documentation of RM12,000 for the services rendered by Ernst & Young Tax Consultants Sdn. Bhd.; and professional fees of RM420,000 on the advisory services for sustainability reporting for financial year 2024 by Ernst & Young Advisory Services Sdn. Bhd..

Manager's responsibility for the annual audited accounts

The Manager is responsible for the preparation of the annual audited financial statements of SENTRAL.

Other statutory information

- (a) Before the statement of comprehensive income and statement of financial position of SENTRAL were made out, the directors of the Manager took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors of the Manager are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of SENTRAL inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of SENTRAL misleading.
- (c) At the date of this report, the directors of the Manager are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of SENTRAL misleading or inappropriate.
- (d) At the date of this report, the directors of the Manager are not aware of any circumstances not otherwise dealt with in this report or financial statements of SENTRAL which would render any amount stated in the financial statements misleading.

THE MANAGER'S REPORT

(cont'd)

Other statutory information (cont'd)

- (e) At the date of this report, there does not exist:
- (i) any charge on the assets of SENTRAL which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of SENTRAL which has arisen since the end of the financial year.
- (f) In the opinion of the directors of the Manager:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of SENTRAL to meet its obligations as and when they fall due;
 - (ii) the results of SENTRAL's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of SENTRAL for the financial year in which this report is made.

Subsequent event

There is no subsequent event after the financial year ended 31 December 2024.

Auditors

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

Signed on behalf of the Manager, Sentral REIT Management Sdn. Bhd.,



Tan Sri Saw Choo Boon
Director

Kuala Lumpur, Malaysia

24 February 2025



Ann Wan Tee
Director

STATEMENT BY MANAGER

We, Tan Sri Saw Choo Boon and Ann Wan Tee, being two of the directors of the Manager, Sentral REIT Management Sdn. Bhd., do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 204 to 260 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and applicable provisions of the Trust Deed and Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission so as to give a true and fair view of the financial position of SENTRAL as at 31 December 2024 and its financial performance and cash flows for the year then ended.

Signed on behalf of the Manager, Sentral REIT Management Sdn. Bhd.,


Tan Sri Saw Choo Boon
Director


Ann Wan Tee
Director

Kuala Lumpur, Malaysia
24 February 2025

STATUTORY DECLARATION

I, Teh Wan Wei, being the officer primarily responsible for the financial management of SENTRAL, do solemnly and sincerely declare that the accompanying financial statements set out on pages 204 to 260 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
the abovenamed Teh Wan Wei
at Kuala Lumpur in the Federal Territory
on 24 February 2025.



Teh Wan Wei

Before me,
Commissioner of Oath



205, Bangunan Loke Yew
4, Jln Mahkamah Persekutuan
50050 Kuala Lumpur (W.P.)

TRUSTEE'S REPORT

To the Unitholders of SENTRAL REIT

We have acted as Trustee of Sentral REIT ("SENTRAL") for the financial year ended 31 December 2024. To the best of our knowledge, Sentral REIT Management Sdn. Bhd., ("the Manager") has managed SENTRAL in the financial year under review in accordance to the following:

- (a) the limitation imposed on the investment powers of the Manager and the Trustee under the Trust Deed, other applicable provisions of the Trust Deed, the Guidelines on Listed Real Estate Investment Trusts issued by Securities Commission Malaysia, the Capital Markets & Services Act 2007 and other applicable laws; and
- (b) the valuation of SENTRAL is carried out in accordance with the Trust Deed and other regulatory requirements.

An interim distribution of 3.21 sen per unit has been distributed to the unitholders of SENTRAL on 18 September 2024 for the financial period from 1 January 2024 to 30 June 2024. The proposed final gross income distribution of 3.15 sen per unit for the financial period from 1 July 2024 to 31 December 2024 will be payable on 28 February 2025 to all unitholders as at the book closure date of 10 February 2025.

We are of the view that the distributions are consistent with the objectives of SENTRAL.

For and on behalf of **MAYBANK TRUSTEES BERHAD**
[Company No.: 196301000109 (5004-P)]



NORADILAH BINTI NORDIN
Head, Corporate Trust
Kuala Lumpur, Malaysia

INDEPENDENT AUDITORS' REPORT

To the unitholders of Sentral REIT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sentral REIT ("SENTRAL"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of comprehensive income, consolidated statement of changes in net asset value and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, as set out on pages 204 to 260.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of SENTRAL as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and other ethical responsibilities

We are independent of SENTRAL in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

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

Valuation of Investment Properties

SENTRAL adopts the fair value model for its investment properties. The policy of SENTRAL is that property valuations are performed by external experts at least once a year. The carrying value of the investment properties as at 31 December 2024 of RM2,504,349,981 represents 96% of total assets of SENTRAL and therefore the valuation exercise was significant to our audit. The areas that involved significant audit effort and judgement were the assessment of the basis and assumptions used by the external experts to derive the fair value of the investment properties. The basis and assumptions include amongst others, estimated rental revenues, yield rates and discount rates which are based on current and future market or economic conditions.

INDEPENDENT AUDITORS' REPORT

To the unitholders of Sentral REIT
(cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Key Audit Matters (cont'd)

Valuation of Investment Properties (cont'd)

Our audit procedures included, amongst others, considering the objectivity, independence and expertise of the external appraisers. We furthermore assessed the appropriateness of the valuation methodology adopted, reviewed and assessed inputs related to the property for the valuations and considered the underlying assumptions against the market estimates. Further, we had discussions with the independent valuers to obtain an understanding of the property related data used as input to the valuation models which included, amongst others, rental income data and yield rate. We then tested the accuracy of rental income data applied in the valuation by comparing them with lease agreements and challenged the yield rate by comparing them with available industry data, taking into consideration comparability and market factors. For discount rate, we assessed whether the discount rate used to determine the present value of the cash flows reflects the estimated market rate of return for comparable assets with similar profile.

We also focused on the adequacy of SENTRAL's disclosures on those assumptions to which the outcome of the valuation is most sensitive, that is, those that have the most significant effect on the determination of the fair value of the investment properties. SENTRAL's disclosures on the investment properties, which also explains the effects on the valuation following any changes in key parameters used in determining the fair value are included in Note 4.2 and Note 15 to the financial statements.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Manager of SENTRAL are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of SENTRAL and our auditors' report thereon.

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

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

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

Responsibilities of Manager, Trustee and Those Charged with Governance for the Financial Statements

The directors of the Manager of SENTRAL is responsible for the preparation of financial statements of SENTRAL that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the applicable provisions of the Deed and Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission Malaysia. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of SENTRAL that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing SENTRAL's financial reporting process.

INDEPENDENT AUDITORS' REPORT

To the unitholders of Sentral REIT
(cont'd)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

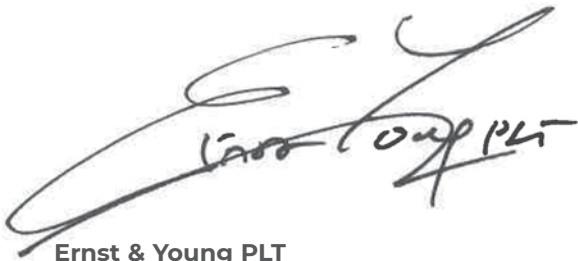
INDEPENDENT AUDITORS' REPORTTo the unitholders of Sentral REIT
(cont'd)**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS** (cont'd)*Auditors' Responsibilities for the Audit of the Financial Statements* (cont'd)

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

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

OTHER MATTERS

This report is made solely to the unitholders of SENTRAL, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.



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

Kuala Lumpur, Malaysia
24 February 2025



Ng Wai San
No. 03514/08/2026 J
Chartered Accountant

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	Note	2024 RM	2023 RM
Total income			
Revenue			
- Realised (in relation to billed rental income in accordance with tenancy contracts)		191,149,615	161,151,227
- Unrealised (in relation to unbilled lease income receivable)		3,670,294	954,156
	5	194,819,909	162,105,383
Property operating expenses	6	(44,453,077)	(37,238,756)
Net property income		150,366,832	124,866,627
Finance income	7	4,219,317	2,978,081
Change in fair value of investment properties			
- As per valuation		(1,336,965)	(1,009,737)
- Lease income recognised in prior years		(3,670,294)	(954,156)
		149,578,890	125,880,815
Total expenditure			
Manager's fees	8	(14,969,768)	(12,532,231)
Trustee's fee	9	(773,555)	(654,678)
Finance costs	10	(53,714,413)	(38,074,638)
Valuation fees		(353,160)	(296,300)
Auditors' remuneration		(167,768)	(160,141)
Tax agent's fee		(47,979)	(47,736)
Administrative expenses		(944,441)	(884,036)
		(70,971,084)	(52,649,760)
Income before taxation		78,607,806	73,231,055
Income tax credit/(expenses) for the year	11	207,114	(522,683)
Income net of taxation, representing total comprehensive income for the financial year		78,814,920	72,708,372
Net income for the year is made up as follows:			
- Realised		79,815,642	74,221,483
- Unrealised		(1,000,722)	(1,513,111)
		78,814,920	72,708,372
Total realised income net of taxation/Distributable Income		79,815,642	74,221,483

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024
(cont'd)

	Note	2024 RM	2023 RM
Earnings per unit	12		
After manager's fees (sen)		6.59	6.74
Before manager's fees (sen)		7.84	7.90
Earnings per unit (realised)	12		
After manager's fees (sen)		6.68	6.88
Before manager's fees (sen)		7.93	8.04
Income distribution			
Interim distribution of 3.19 sen paid on 18 September 2023 (RM) ^{1*}		-	34,189,878
Advance distribution of 2.81 sen paid on 4 January 2024 (RM) ^{2*}		-	30,117,102
Final distribution of 0.68 sen paid on 29 February 2024 (RM) ^{3*}		-	8,129,421
Interim distribution of 3.21 sen paid on 18 September 2024 (RM) ^{4*}		38,375,647	-
Final distribution of 3.15 sen payable on 28 February 2025 (RM) ^{5*}		37,658,345	-
	13	76,033,992	72,436,401
Interim distribution per unit			
Gross (sen) *		3.21	3.19
Advance distribution per unit			
Gross (sen) *		-	2.81
Final distribution per unit			
Gross (sen) *		3.15	0.68
Total distribution per unit			
Gross (sen) *		6.36	6.68

¹ Based on 1,071,783,000 units entitled to distribution, for the financial period from 1 January 2023 to 30 June 2023.

² Based on 1,071,783,000 units entitled to distribution, for the financial period from 1 July 2023 to 6 December 2023.

³ Based on 1,195,503,000 units entitled to distribution, for the financial period from 7 December 2023 to 31 December 2023.

⁴ Based on 1,195,503,000 units entitled to distribution, for the financial period from 1 January 2024 to 30 June 2024.

⁵ Based on 1,195,503,000 units entitled to distribution, for the financial period from 1 July 2024 to 31 December 2024.

Final income distribution for the financial year 2024 was declared on 22 January 2025 and will be payable on 28 February 2025. The declared final income distribution will be recognised in the immediate subsequent financial year.

* Income distributed to resident individuals, non-resident individuals, resident institutional investors, non-resident institutional investors and non-resident companies are subject to withholding tax.

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Note	2024 RM	2023 RM
Assets			
Non-current assets			
Plant and equipment	14	12,751	11,877
Investment properties	15	2,504,349,981	2,507,020,275
Accrued rental income	16	18,150,019	14,479,725
		2,522,512,751	2,521,511,877
Current assets			
Trade and other receivables	16	8,779,985	7,092,787
Deposits, cash and bank balances	17	84,458,949	87,439,986
		93,238,934	94,532,773
Total assets		2,615,751,685	2,616,044,650
Liabilities			
Non-current liabilities			
Borrowings	19	825,030,673	1,165,131,596
Security deposits	21	24,438,758	31,096,778
Other payables	18	7,514,466	1,751,724
Deferred tax liabilities	20	9,866,589	10,073,703
		866,850,486	1,208,053,801
Current liabilities			
Trade and other payables	18	18,805,324	49,043,244
Borrowings	19	340,979,304	-
Security deposits	21	3,325,368	5,466,254
		363,109,996	54,509,498
Total liabilities		1,229,960,482	1,262,563,299
Net asset value ("NAV")		1,385,791,203	1,353,481,351

CONSOLIDATED STATEMENT OF FINANCIAL POSITIONAs at 31 December 2024
(cont'd)

	Note	2024 RM	2023 RM
Unitholders' funds			
Unitholders' funds attributable to unitholders of SENTRAL			
Unitholders' capital	22	1,326,569,811	1,326,569,811
Undistributed and non-distributable income		59,221,392	26,911,540
Total unitholders' funds		1,385,791,203	1,353,481,351
Net asset value ("NAV")			
	25		
Before income distribution ¹		1,385,791,203	1,353,481,351
After income distribution ²		1,348,132,858	1,345,351,930
NAV per unit			
	25		
Before income distribution ¹		1.1592	1.1321
After income distribution ²		1.1277	1.1253
Number of units in circulation			
As at 31 December (units)	25	1,195,503,000	1,195,503,000

1 Before the proposed final income distribution of 3.15 sen per unit and 0.68 sen per unit for the financial year 2024 and 2023 respectively.

2 After the proposed final income distribution of 3.15 sen per unit and 0.68 sen per unit for the financial year 2024 and 2023 respectively.

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

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSET VALUE

For the financial year ended 31 December 2024

	Unitholders' capital	← Distributable →		Total Undistributed income	Unitholders' funds
		Undistributed income realised	Undistribute (loss)/income unrealised		
	RM	RM	RM	RM	RM
At 1 January 2024	1,326,569,811	33,469,838	(6,558,298)	26,911,540	1,353,481,351
Total comprehensive income/(loss) for the financial year	-	79,815,642	(1,000,722)	78,814,920	78,814,920
	1,326,569,811	113,285,480	(7,559,020)	105,726,460	1,432,296,271
Transactions with unitholders					
Distribution to unitholders	-	(46,505,068)	-	(46,505,068)	(46,505,068)
At 31 December 2024	1,326,569,811	66,780,412	(7,559,020)	59,221,392	1,385,791,203
At 1 January 2023	1,235,876,768	60,210,314	(5,045,187)	55,165,127	1,291,041,895
Total comprehensive income/(loss) the financial year	-	74,221,483	(1,513,111)	72,708,372	72,708,372
	1,235,876,768	134,431,797	(6,558,298)	127,873,499	1,363,750,267
Transactions with unitholders					
Distribution to unitholders	-	(100,961,959)	-	(100,961,959)	(100,961,959)
Issuance/placements of new units on 11 December 2023	92,790,000	-	-	-	92,790,000
Expenses on issuance/placements of new units	(2,096,957)	-	-	-	(2,096,957)
At 31 December 2023	1,326,569,811	33,469,838	(6,558,298)	26,911,540	1,353,481,351

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

	Note	2024 RM	2023 RM
Cash flows from operating activities			
Income before taxation		78,607,806	73,231,055
Adjustments for:			
Finance costs	10	53,714,413	38,074,638
Depreciation of plant and equipment	14	13,933	24,671
Fair value adjustments	15	5,007,259	1,963,893
Unbilled lease income receivable	5	(3,670,294)	(954,156)
Allowance for impairment of trade receivables	16(a)	-	5,839
Reversal for impairment of trade receivables	16(a)	-	(5,839)
Finance income	7	(4,219,317)	(2,978,081)
Operating cash flows before changes in working capital		129,453,800	109,362,020
Changes in working capital:			
Increase in trade and other receivables		(1,354,266)	(1,271,005)
(Decrease)/Increase in security deposits		(9,626,369)	15,977,941
Increase/(decrease) in trade and other payables		5,992,627	(1,049,022)
Net cash flows generated from operating activities		124,465,792	123,019,934
Cash flows from investing activities			
Additions to investment properties	15	(2,336,965)	(461,809,737)
Additions to plant and equipment	14	(14,807)	-
Changes in deposits with licensed financial institutions		(32,638,077)	35,252,506
Interest received		2,929,793	2,915,806
Net cash flows used in investing activities		(32,060,056)	(423,641,425)
Cash flows from financing activities			
Distribution to unitholders		(76,622,170)	(70,844,857)
Drawdown of borrowings	19	-	362,000,000
Proceeds from issuance/placements of new units	22	-	92,790,000
Expenses paid on issuance/placements of new units	22	-	(2,096,957)
Finance costs paid	19	(51,402,680)	(36,599,653)
Transaction costs paid	19	-	(1,694,416)
Net cash flows (used in)/generated from financing activities		(128,024,850)	343,554,117
Net (decrease)/increase in cash and cash equivalents		(35,619,114)	42,932,626
Cash and cash equivalents at 1 January		53,308,965	10,376,339
Cash and cash equivalents at 31 December	17	17,689,851	53,308,965

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

1. SENTRAL, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

SENTRAL was constituted under Restated Trust Deed dated 2 December 2019 (the “Trust Deed”) and the Supplemental Deed dated 24 December 2020 by SRM as the Manager and Maybank Trustees Berhad as the trustee (the “Trustee”) and is categorised as a real estate investment trust. SENTRAL commenced its operations in 2006 and was listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) on 8 January 2007.

The principal activity of SENTRAL involves acquisition of and investment in commercial properties, primarily in Malaysia. The principal activity of each of the special purpose entities of SENTRAL is to facilitate financing for SENTRAL as disclosed in Note 23 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The Manager is a company incorporated in Malaysia. The principal activity of the Manager is to manage SENTRAL. There have been no significant change in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Manager in accordance with a resolution of its directors on 24 February 2025.

2. TERM OF SENTRAL

SENTRAL will continue its operations until such time as determined by the Trustee and the Manager as provided under Clause 26 of the Trust Deed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation

The financial statements of SENTRAL have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards (“IFRS”) and applicable provisions of the Trust Deed and Securities Commission Malaysia REIT Guidelines (“SC REIT Guidelines”).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in Ringgit Malaysia (“RM”).

As at 31 December 2024, SENTRAL’s current liabilities exceed its current assets by RM269,871,062 due to the RM341 million Medium Term Note (“MTN”) issued through its special purpose entity (“SPE”), Murud Capital Sdn. Bhd., will be maturing on 28 March 2025.

SENTRAL will refinance the RM341 million MTN by issuing a new MTN through its SPE, Trusmadi Capital Sdn. Bhd.. The refinancing process is progressing as scheduled, with expected completion by the end of March 2025. As at 31 December 2024, there are sufficient unutilised facilities under the CPs/MTNs programme to facilitate the refinancing, as disclosed in Note 19.

In view of the foregoing, the Manager consider that it is appropriate to prepare the financial statements of SENTRAL on a going concern basis given that the Manager is confident that SENTRAL will be able to meet their obligations, as and when they fall due in the next 12 months from the date of the Manager’s Report.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year, except as follows:

On 1 January 2024, SENTRAL adopted the following new and amended MFRS mandatory for annual financial periods beginning on or after 1 January 2024:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 16: Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 7 and MFRS 107: Disclosure of Supplier Finance Arrangements	1 January 2024

The adoption of the above standards and amendments did not have any material effect on the financial performance or position of SENTRAL.

3.3 Standards issued but not yet effective

The standards that are issued but not yet effective up to the date of issuance of SENTRAL's financial statements are disclosed below. SENTRAL intends to adopt these standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
Amendments to MFRS 9 and MFRS 7: Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 7 Financial Instruments: Disclosures	1 January 2026
Amendments to MFRS 9 Financial Instruments: Lessee Derecognition of Lease Liabilities	1 January 2026
Amendments to MFRS 9 Financial Instruments: Transaction Price	1 January 2026
Amendments to MFRS 10 Consolidated Financial Statements: Determination of a 'De Facto Agent'	1 January 2026
Amendments to MFRS 107 Statement of Cash Flows: Cost Method	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.3 Standards issued but not yet effective (cont'd)

The directors of the Manager expect that the adoption of the above standards will have no material impact on the financial statements in the period of initial application.

3.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of SENTRAL and its SPEs as at the reporting date. The financial statements of the SPEs used in the preparation of the consolidated financial statements are prepared for the same reporting date as SENTRAL. Consistent accounting policies are applied to like transactions and events in similar circumstances. The SPEs are established for the specific purpose of raising financing on behalf of SENTRAL for the acquisition of real estate and are single-purpose entities.

SENTRAL controls the SPEs if and only if SENTRAL has all the following:

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

SPEs controlled by SENTRAL were established under terms that impose strict limitations on the decision-making powers of the SPEs management resulting in SENTRAL receiving all of the benefits related to the SPEs operations and net assets.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated in full.

3.5 Plant and equipment

All items of plant and equipment are initially recorded at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to SENTRAL and the cost of the item can be measured reliably.

Subsequent to recognition, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of plant and equipment are required to be replaced in intervals, SENTRAL recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation of plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Plant and machinery	20%
Office equipment	20% - 50%
Furniture and fittings	33%

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.5 Plant and equipment (cont'd)

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds, if any, and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.

3.6 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- (i) When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable; and
- (ii) When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.7 Investment properties

Investment properties consist of investment in real estate assets primarily in commercial properties. These properties are held either to earn rental income or for capital appreciation or for both.

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Subsequent to initial recognition, investment properties are measured at fair value which reflects market conditions at the reporting date. Fair value is arrived at by discounting cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rent for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows. Valuations are performed by accredited independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. In determining the carrying amount of an investment property, under the fair value model, the accrued rental and/or advance rental arising from recognising rental income from operating lease on straight line basis over the lease term are deducted against fair value of investment property.

Gains or losses arising from changes in the fair values of investment properties are recognised in the profit or loss in the year in which they arise including the corresponding tax effect. A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when SENTRAL holds it to earn rentals or for capital appreciation or both. Any such property interest under an operating lease classified as an investment property is carried at fair value.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. Any gain or loss on the retirement or disposal of an investment property is recognised in profit or loss in the year of retirement or disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. The amount of consideration to be included in the gain or loss arising from the derecognition of investment property is determined in accordance with the requirements for determining the transaction price in MFRS 15.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.7 Investment properties (cont'd)

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy stated under plant and equipment as set out in Note 3.5 to the financial statements up to the date of change in use.

3.8 Impairment of non-financial assets

SENTRAL assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, SENTRAL makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated to reduce the carrying amount of the assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

3.9 Financial assets

Financial assets with the exception of trade receivables without significant financing component are measured initially at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Trade receivable without a significant financing component is initially measured at the transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and SENTRAL's business model for managing them. SENTRAL's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Financial assets are not reclassified subsequent to their initial recognition unless SENTRAL changes their business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.9 Financial assets (cont'd)

(i) Financial assets at amortised cost

Financial assets are measured at amortised cost if they meet both of the following conditions and are not designated as at FVTPL:

- The financial assets are held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

(ii) Financial assets at FVOCI

Debt instruments

Debt instruments are measured at FVOCI if they meet both of the following conditions and are not designated as at FVTPL:

- The financial assets are held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, debt instruments at FVOCI are measured at fair value.

Interest income, foreign exchange gains and losses and impairment losses or reversals are recognised in profit or loss. Other net fair value changes are recognised in other comprehensive income. Fair value changes accumulated in other comprehensive income are recycled to profit or loss when the asset is derecognised.

Equity instruments

Upon initial recognition of equity investments that are not held for trading, SENTRAL may irrevocably elect to classify equity investments that are not held for trading as equity instruments designated at FVOCI and to present subsequent changes in the fair value in other comprehensive income. This election is made on an investment-by-investment basis. Subsequent to initial recognition, equity instruments at FVOCI are measured at fair value.

Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment in which case, such gains are recorded in other comprehensive income. Other net gains and losses are recognised in other comprehensive income and are never recycled to profit or loss when the asset is derecognised. Equity investments designated at FVOCI are not subject to impairment assessment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.9 Financial assets (cont'd)

(iii) Financial assets at FVTPL

Financial assets are classified and measured at FVTPL if they are not classified and measured at amortised cost or FVOCI or are designated as such upon initial recognition. This includes all derivative financial assets. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value.

Dividend income, interest income and any gains or losses arising from changes in fair value are recognised in profit or loss, except for changes in fair value on derivatives that qualify for hedge accounting.

(iv) Financial assets: derecognition

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

- the rights to receive cash flows from the asset have expired;
- SENTRAL retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- SENTRAL has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date, i.e. the date that SENTRAL commit to purchase or sell the asset.

3.10 Impairment of financial assets

SENTRAL recognises loss allowances for expected credit loss ("ECL") on financial assets measured at amortised cost and debt investments measured at FVOCI.

ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that SENTRAL expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.10 Impairment of financial assets (cont'd)

For trade receivables and contract assets, SENTRAL applies a simplified approach in calculating ECL. Therefore, SENTRAL does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. SENTRAL have established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For debt instruments at FVOCI, SENTRAL applies the low credit risk simplification. At every reporting date, SENTRAL evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort.

SENTRAL considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, SENTRAL may also consider a financial asset to be in default when internal or external information indicates that SENTRAL are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by SENTRAL. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at bank, demand deposits, and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.12 Financial liabilities

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

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by SENTRAL that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

(ii) Other financial liabilities

Trade and other payables, loans and borrowings are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.13 Offsetting of financial instruments

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

3.14 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that SENTRAL incurred in connection with the borrowing of funds.

3.15 Revenue and other income

Revenue and other income are recognised to the extent that it is probable that the economic benefits will flow to SENTRAL and they can be reliably measured regardless of when the payment is being made. Revenue and other income are measured at the fair value of consideration received or receivable.

The specific recognition criteria described below must also be met before revenue is recognised.

(i) Rental income

Rental income is accounted for on a straight-line basis over the lease term. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

(ii) Utilities recovery and others

Utilities recovery and others (such as license and service charges) are recognised on an accrual basis taking into account contractually defined terms.

(iii) Car park operations

Revenue from car park operations is recognised as and when the services are rendered.

(iv) Reinstatement settlement sum on expired tenancies

Reinstatement settlement sum on expired tenancies are derived from the agreed settlement sum received from ex-tenants on the reinstatement works upon the tenancies expired.

(v) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.16 Leases - as lessor

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

3.17 Income taxes

(i) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.17 Income taxes (cont'd)

(ii) Deferred tax (cont'd)

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.18 Current versus non-current classification

SENTRAL presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is classified as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle;
- (ii) Held primarily for the purpose of trading;
- (iii) Expected to be realised within twelve months after the reporting period; or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

- (i) It is expected to be settled in normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.19 Provisions

Provisions are recognised when SENTRAL has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When SENTRAL expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of comprehensive income net of any reimbursement.

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

3.20 Fair value measurement

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by SENTRAL.

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (cont'd)

3.20 Fair value measurement (cont'd)

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

For the purposes of fair value disclosures, SENTRAL has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets or liabilities and the level of the fair value hierarchy as explained above.

3.21 Non-current asset classified as asset held for sale

Non-current assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable MFRS. Then, on initial classification as held for sale, non-current assets (other than investment properties, deferred tax assets, employee benefits assets, financial assets and inventories) are measured in accordance with MFRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in the profit or loss.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

4.1 Critical judgements made in applying accounting policies

In the process of applying SENTRAL's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – as lessor

SENTRAL has entered into commercial property leases on its investment property portfolio. SENTRAL has determined, based on an evaluation of the terms and conditions of the arrangements such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (cont'd)

4.2 Key sources of estimation uncertainty

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

Fair valuation of investment properties

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

The determined fair value of the investment properties by the independent professional valuers is most sensitive to the estimated yield rate and the discount rate. The range of the term yield rate and the discount rate used in the valuation is disclosed in Note 15 to the financial statements.

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

	Fair value Increase/(decrease)	
	2024 RM	2023 RM
Yield rate		
- 0.25%	86,139,413	82,276,932
+ 0.25%	(79,055,536)	(76,151,025)
Discount rate		
- 0.25%	18,599,572	20,998,172
+ 0.25%	(18,516,273)	(20,735,758)

The other key assumptions used to determine the fair value of the investment properties, are further explained in Note 15 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

5. REVENUE

	2024	2023
	RM	RM
Rental income and service charges		
- Realised	172,120,483	138,707,478
- Unrealised (in relation to unbilled lease income receivable)	3,670,294	954,156
Car park income	11,342,562	11,054,191
Utilities recovery	7,088,701	6,928,027
Reinstatement settlement sum on expired tenancies	585,000	4,443,750
Others	12,869	17,781
	194,819,909	162,105,383

The realised revenue comprises rental and service charges, car park income from properties and utilities costs recoverable from tenants. The unrealised revenue refers to the upfront recognition of lease income pursuant to requirements of MFRS 16: Leases, recognised on straight-line basis. The reinstatement settlement sum on expired tenancies were derived from the agreed settlement sum received from ex-tenants on the reinstatement works upon expiry of the tenancies.

6. PROPERTY OPERATING EXPENSES

	2024	2023
	RM	RM
Quit rent and assessment	8,853,562	8,296,925
Depreciation of plant and equipment (Note 14)	13,933	24,671
Insurance	835,573	705,670
Property management fee	3,158,452	2,661,912
Service contracts and maintenance	11,780,644	10,562,205
Utilities	19,810,913	14,987,373
	44,453,077	37,238,756

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

7. FINANCE INCOME

	2024	2023
	RM	RM
Realised:		
Interest income on fixed deposits	3,035,575	2,456,359
Interest on deposit paid to authorities	47,622	43,627
Interest income on lease receivables	-	3,793
Late payment interest charged to tenants	179,528	13,077
	3,262,725	2,516,856
Unrealised:		
Amortisation of deferred lease income (Note 18 (c))	956,592	461,225
	4,219,317	2,978,081

8. MANAGER'S FEES

	2024	2023
	RM	RM
Base fee	10,470,991	8,739,351
Performance fee	4,498,777	3,792,880
	14,969,768	12,532,231

The Manager is entitled under the Trust Deed to a base fee of 0.4% per annum of the gross asset value, payable monthly in arrears and a performance fee of 3% per annum on the net investment income, payable semi-annually in arrears.

The Manager is also entitled under the Trust Deed to an acquisition fee of 1% of the acquisition value of any asset, being authorised investments, acquired by SENTRAL and divestment fee of 0.5% of the disposal value of any asset divested by SENTRAL.

The Manager's remuneration is accrued and paid in accordance with the Trust Deed.

During the financial year, the Manager did not receive any soft commission (such as goods or services) from any broker or dealer by virtue of transactions conducted by SENTRAL.

9. TRUSTEE'S FEE

Trustee's fee accrued to the Trustee for the financial year ended 31 December 2024 amounted to RM773,555 (2023: RM654,678).

Trustee's fee is payable to the Trustee, which is computed at 0.03% per annum on the first RM2.5 billion of the gross asset value and 0.02% per annum on the gross asset value in excess of RM2.5 billion, payable monthly in arrears.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

10. FINANCE COSTS

	2024	2023
	RM	RM
Realised:		
Accretion of interest expense	545,508	497,029
Amortisation of transaction costs incurred to obtain Commercial Papers ("CPs")/Medium Term Notes ("MTNs")	857,177	549,829
Annual CPs/MTNs Programme expense	502,035	594,077
Interest expense on CPs	9,875,974	9,773,507
Interest expense on MTNs	41,106,256	26,218,280
	52,886,950	37,632,722
Unrealised:		
Unwinding of discount on security deposits (Note 21)	827,463	441,916
	53,714,413	38,074,638

11. INCOME TAX (CREDIT)/EXPENSES

The major components of income tax (credit)/expenses for the years ended 31 December 2024 and 2023 are:

	2024	2023
	RM	RM
Deferred tax:		
Relating to origination and reversal of temporary differences (Note 20)	(207,114)	522,683

Pursuant to Section 61A of the Income Tax Act 1967, the income of a REIT would be exempted from income tax provided that the REIT distributes 90% or more of its total income for the year. If the REIT is not able to meet the 90% distribution criteria, the entire taxable income of the REIT would be subject to income tax.

As SENTRAL has paid or declared income distribution of more than 90% of its total income to unitholders, the total income of SENTRAL for the year of assessment 2024 shall be exempted from tax.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

11. INCOME TAX (CREDIT)/EXPENSES (cont'd)

A reconciliation of income tax (credit)/expense applicable to income before taxation at the statutory income tax rate to income tax (credit)/expense at the effective income tax rate of SENTRAL for the financial years ended 31 December 2024 and 2023 are as follows:

	2024	2023
	RM	RM
Income before taxation	78,607,806	73,231,055
Tax at Malaysian statutory tax rate of 24% (2023: 24%)	18,865,873	17,575,453
Income not subject to taxation	(18,935,808)	(17,675,490)
Unrealised income not subject to tax	(30,991)	(4,634)
Exempt income not subject to tax	(728,538)	(589,526)
Expenses not deductible for tax purposes	829,464	694,197
Deferred tax on Real Property Gains Tax ("RPGT") on fair value (loss)/gain of investment properties	(207,114)	522,683
Income tax (credit)/expenses for the year	(207,114)	522,683

12. EARNINGS PER UNIT ("EPU")

- (a) EPU after manager's fees is based on net income for the year of RM78,814,920 (2023: RM72,708,372) divided by the number of units in circulation during the year of 1,195,503,000 (2023: weighted average number of units in circulation of 1,078,901,137).
- (b) EPU before manager's fees is based on net income for the year of RM93,784,688 (2023: RM85,240,603) after adding back manager's fees of RM14,969,768 (2023: RM12,532,231) divided by the number of units in circulation during the year of 1,195,503,000 (2023: weighted average number of units in circulation of 1,078,901,137).
- (c) EPU after manager's fees (realised) is based on realised net income for the year of RM79,815,642 (2023: RM74,221,483) divided by the number of units in circulation during the year of 1,195,503,000 (2023: weighted average number of units in circulation was 1,078,901,137).
- (d) EPU before manager's fees (realised) is based on realised net income for the year of RM94,785,410 (2023: RM86,753,714) after adding back manager's fees of RM14,969,768 (2023: RM12,532,231) divided by the number of units in circulation during the year of 1,195,503,000 (2023: weighted average number of units in circulation was 1,078,901,137).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

13. DISTRIBUTION TO UNITHOLDERS

Distribution to the unitholders is from the following sources:

	2024	2023
	RM	RM
Realised:		
Revenue	191,149,615	161,151,227
Finance income (Note 7)	3,262,725	2,516,856
	194,412,340	163,668,083
Less: Total expenses	(114,596,698)	(89,446,600)
Total realised income/distributable income	79,815,642	74,221,483
Distribution to unitholders	76,033,992	72,436,401
Distribution per unit (sen) of which:		
- taxable distribution of income (sen)	6.11	6.46
- tax exempt distribution of income (sen)	0.25	0.22
Gross distribution per unit (sen) *	6.36	6.68

* Income distribution to resident individuals, non-resident individuals, resident institutional investors, non-resident institutional investors and non-resident companies are subject to withholding tax as follows:

	Withholding tax rate	
	2024	2023
Resident and non-resident individuals	10%	10%
Resident and non-resident institutional investors	10%	10%
Resident companies (flow through)	0%	0%
Non-resident companies	24%	24%

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

14. PLANT AND EQUIPMENT

	Plant and machinery RM	Office equipment RM	Furniture and fittings RM	Total RM
At 31 December 2024				
Cost				
At 1 January 2024	6,000	652,705	40,008	698,713
Additions	-	14,807	-	14,807
At 31 December 2024	6,000	667,512	40,008	713,520
Accumulated depreciation				
At 1 January 2024	5,998	640,832	40,006	686,836
Depreciation charge for the financial year (Note 6)	-	13,933	-	13,933
At 31 December 2024	5,998	654,765	40,006	700,769
Net carrying amount	2	12,747	2	12,751
At 31 December 2023				
Cost				
At 1 January 2023/ 31 December 2023	6,000	652,705	40,008	698,713
Accumulated depreciation				
At 1 January 2023	5,998	616,161	40,006	662,165
Depreciation charge for the financial year (Note 6)	-	24,671	-	24,671
At 31 December 2023	5,998	640,832	40,006	686,836
Net carrying amount	2	11,873	2	11,877

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

15. INVESTMENT PROPERTIES

	2024	2023
	RM	RM
At 1 January	2,507,020,275	2,047,174,431
Addition from acquisition	-	450,000,000
Capital expenditure for acquisition during the financial year	-	5,429,145
Additions from asset enhancements	2,336,965	6,380,592
Fair value adjustments	(5,007,259)	(1,963,893)
At 31 December	2,504,349,981	2,507,020,275

The breakdown of investment properties is as follows:

Description of properties	Date of acquisition	Tenure of Land	Cost of investment	Carrying value	Fair value	Fair value as % of NAV	Carrying value	Fair value
				as at 31 December 2024	as at 31 December 2024		as at 31 December 2023	as at 31 December 2023
			RM'000	RM'000	RM'000		RM'000	RM'000
<u>Commercial buildings</u>								
Sentral Building 1 ("SB1")	20-Nov-06	Freehold	109,100	134,793	135,000	9.74	134,701	135,000
Sentral Building 2 ("SB2")	20-Nov-06	Freehold						
Sentral Building 4 ("SB4")	20-Nov-06	Freehold	107,500	110,571	113,000	8.15	105,739	108,000
Sentral Building 3 ("SB3")	20-Nov-06	Freehold	59,400	71,240	71,000	5.12	71,688	71,000
Wisma Sentral Inai	3-Sep-07	Freehold	125,000	150,000	150,000	10.82	154,000	154,000
Part of Plaza Mont' Kiara	3-Sep-07	Freehold	90,000	112,942	113,000	8.15	112,947	113,000
Lotus's Building, Penang ("Lotus's")	7-Nov-08	Freehold	132,000	135,336	145,000	10.46	134,937	145,000
Platinum Sentral	30-Mar-15	Freehold	740,000	671,098	673,000	48.56	670,430	673,000
Menara Shell	22-Dec-16	Freehold	640,000	672,725	672,500	48.53	672,578	672,500
Menara CelcomDigi	11-Dec-23	Leasehold	450,000	445,645	450,000	32.47	450,000	450,000
			2,453,000	2,504,350	2,522,500	182.00	2,507,020	2,521,500

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

15. INVESTMENT PROPERTIES (cont'd)

The carrying value of the investment properties for the financial years ended 31 December 2024 and 2023 is based on the market value determined based on valuations, adjusted for accrued rental income as required by MFRS 140: Investment Property, as follows:

	2024	2023
	RM	RM
Investment properties - fair value	2,522,500,000	2,521,500,000
Investment properties - accrued rental income (Note 16)	(18,150,019)	(14,479,725)
Investment properties	2,504,349,981	2,507,020,275

On 14 August 2008, the respective pieces of land on which SB1 and SB2 are situated have been amalgamated pursuant to the conditions imposed by the Securities Commission during the initial public offering of SENTRAL. As such, the valuations for SB1 and SB2 have since been carried out based on the amalgamated properties.

Investment properties are stated at fair value, which are determined based on valuations performed by 4 external valuers, namely Nawawi Tie Leung Property Consultants Sdn. Bhd.; CBRE WTW Valuation & Advisory Sdn. Bhd.; Knight Frank Malaysia Sdn. Bhd. and IVPS Property Consultant Sdn. Bhd.; independent firms of professional valuers, registered with the Board of Valuers, Appraisers & Estate Agents Malaysia using the investment method of valuation.

Investment properties with fair value totalling RM2,146,500,000 (2023: RM2,146,500,000) are pledged as securities for borrowings as disclosed in Note 19 to the financial statements.

The investment properties are carried at Level 3 of the fair value measurement hierarchy as defined in Note 3.20 to the financial statements. There have been no transfers between Level 1, Level 2 and Level 3 during the financial years ended 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

15. INVESTMENT PROPERTIES (cont'd)

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models:

Valuation technique	Significant unobservable inputs	Range		Inter-relationship between significant unobservable inputs and fair value measurement
		2024	2023	
Investment method (refer below)	Office:			The estimated fair value would increase/(decrease) if:
	Market rental rate (RM/psf/month)			
	- Term	3.00 - 9.79	3.00 - 9.79	- expected market rental growth were higher/(lower)
	- Reversion	4.55 - 8.50	4.50 - 8.50	- expected market rental growth were higher/(lower)
	Outgoings (RM/psf/month)			
	- Term	0.49 - 2.17	0.50 - 1.90	- expected inflation rate were lower/(higher)
	- Reversion	0.80 - 2.00	0.80 - 1.95	- expected inflation rate were lower/(higher)
	Void rate (%)	5.00 - 10.00	5.00 - 10.00	- void rate were lower/(higher)
	Term yield (%)	5.00 - 7.25	5.50 - 7.25	- term yield rate were lower/(higher)
	Reversionary yield (%)	5.50 - 6.75	5.75 - 6.75	- reversionary yield were lower/(higher)
	Discount rate (%)	5.50 - 6.75	5.75 - 6.75	- discount rate is lower/(higher)
	Retail:			The estimated fair value would increase/(decrease) if:
	Market rental rate (RM/psf/month)			
	- Term	1.00 - 16.50	0.84 - 16.50	- expected market rental growth were higher/(lower)
	- Reversion	1.00 - 16.50	1.00 - 16.50	- expected market rental growth were higher/(lower)
	Outgoings (RM/psf/month)			
- Term	0.25 - 1.90	0.25 - 1.90	- expected inflation rate were lower/(higher)	
- Reversion	0.27 - 2.00	0.27 - 1.95	- expected inflation rate were lower/(higher)	
Void rate (%)	5.00	5.00	- void rate were lower/(higher)	
Term yield (%)	5.50 - 6.75	6.00 - 7.00	- term yield rate were lower/(higher)	
Reversionary yield (%)	5.00 - 6.75	5.75 - 6.75	- reversionary yield were lower/(higher)	
Discount rate (%)	5.00 - 6.75	5.75 - 6.75	- discount rate is lower/(higher)	

Investment method entails the capitalisation of the net rent from a property. Net rent is the residue of gross annual rent less annual expenses (outgoings) required to sustain the rent with allowance for void and management fees.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

16. TRADE AND OTHER RECEIVABLES

	Note	2024 RM	2023 RM
Non-current			
Accrued rental income (Note 15)		18,150,019	14,479,725
Current			
Trade receivables			
	(a)	3,190,259	2,807,639
Other receivables			
Deposits		3,782,173	3,195,325
Prepayments		1,115,754	824,918
Sundry receivables	(b)	691,799	264,905
		5,589,726	4,285,148
		8,779,985	7,092,787
Total trade and other receivables		8,779,985	7,092,787
Less: Prepayments		(1,115,754)	(824,918)
Add: Deposits, cash and bank balances (Note 17)		84,458,949	87,439,986
Total financial assets at amortised costs		92,123,180	93,707,855

(a) Trade receivables

Trade receivables are non interest-bearing and are generally on 7 to 30 days term (2023: 7 to 30 days term). They are recognised at the original invoice amounts which represent their fair values on initial recognition.

Concentration of credit risk relating to trade receivables arises mainly due to single tenancy of the majority of SENTRAL's properties. However, the risk is mitigated by the tenants which are engaged in diversified businesses and are of good quality and strong credit standing.

Ageing analysis of trade receivables

The ageing analysis of SENTRAL's trade receivables is as follows:

	2024 RM	2023 RM
Neither past due nor impaired	2,470,555	2,671,955
31 - 60 days past due not impaired	535,851	22,936
61 - 90 days past due not impaired	-	34,251
More than 90 days past due not impaired	183,853	78,497
	719,704	135,684
	3,190,259	2,807,639

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

16. TRADE AND OTHER RECEIVABLES (cont'd)

(a) Trade receivables (cont'd)

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with SENTRAL.

Receivables that are past due but not impaired

SENTRAL has trade receivables of RM719,704 (2023: RM135,684) that are past due at the reporting date but not impaired.

Trade receivables from tenants are secured by security deposits.

Receivables that are impaired

The movement of the allowance accounts is as follows:

	2024	2023
	RM	RM
At 1 January	-	-
Charge for the financial year	-	5,839
Reversal for the financial year	-	(5,839)
At 31 December	-	-

The Manager assesses at each reporting date whether there is any objective evidence that the trade receivable is impaired. The Manager makes an allowance for impairment after considering factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

(b) Sundry receivables

SENTRAL has no significant concentration of credit risk relating to sundry receivables that may arise from exposures to a single debtor or group of debtors.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

17. DEPOSITS, CASH AND BANK BALANCES

	2024	2023
	RM	RM
Deposits with licensed financial institutions	81,225,356	53,710,756
Cash on hand and at banks	3,233,593	33,729,230
Total deposits, cash and bank balances	84,458,949	87,439,986
Less:		
Deposits with licensed financial institution with maturity of more than 3 months	(63,552,507)	(31,776,037)
Debt service reserves accounts pledged	(3,216,591)	(2,354,984)
Cash and cash equivalents	17,689,851	53,308,965

Included in deposits with licensed financial institutions is an amount of RM3,216,591 (2023: RM2,354,984) maintained in the debt service reserves accounts which are assigned for the borrowings as disclosed in Note 19 to the financial statements.

Included in cash on hand and at banks is an amount of RM2,264,425 (2023: RM3,056,125) maintained in the revenue and operations accounts which are assigned for the borrowings as disclosed in Note 19 to the financial statements.

The weighted average effective interest rate of deposits per annum is as follows:

	2024	2023
	%	%
Deposits with licensed financial institutions	3.70	3.75

Deposits with licensed financial institutions have an average maturity ranging from 31 to 184 days (2023: 25 to 185 days).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

18. TRADE AND OTHER PAYABLES

	Note	2024 RM	2023 RM
Non-current			
Other payables			
Deferred lease income	(c)	7,514,466	1,751,724
Current			
Trade payables			
Trade payables	(a)	5,064,570	5,125,874
Trade accruals		557,839	644,873
		5,622,409	5,770,747
Other payables			
Amount due to the Manager	(b)	3,991,412	3,576,583
Other payables	(a)	1,055,160	2,005,781
Accruals		7,193,069	6,486,279
Income distribution payable		-	30,117,102
Deferred lease income	(c)	943,274	1,086,752
		13,182,915	43,272,497
		18,805,324	49,043,244
Total trade and other payables		26,319,790	50,794,968
Less: Deferred lease income		(8,457,740)	(2,838,476)
Add: Borrowings (Note 19)		1,166,009,977	1,165,131,596
Add: Security deposits (Note 21)		27,764,126	36,563,032
Total financial liabilities carried at amortised cost		1,211,636,153	1,249,651,120

(a) Trade and other payables

The normal credit term granted to SENTRAL ranges from 30 to 90 days (2023: 30 to 90 days).

(b) Amount due to the Manager

Amount due to the Manager is unsecured, non-interest bearing and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

18. TRADE AND OTHER PAYABLES (cont'd)

(c) Deferred lease income

Deferred lease income relates to the difference between the fair value of non-current security deposits recognised on initial recognition and the nominal amount received, which is amortised on a straight-line basis over the lease terms ranging from 1 to 16 years (2023: 1 to 17 years).

The movement of deferred lease income (current and non-current) is as follows:

	2024 RM	2023 RM
At 1 January	2,838,476	1,297,044
Addition during the year	6,575,856	2,002,657
Recognised in profit or loss (Note 7)	(956,592)	(461,225)
At 31 December	8,457,740	2,838,476
Representing:		
Non-current	7,514,466	1,751,724
Current	943,274	1,086,752
	8,457,740	2,838,476

19. BORROWINGS

	Note	2024 RM	2023 RM
Non-current			
Secured:			
CPs/MTNs Programme of up to RM450 million (Issue 1)*	(a)	-	340,855,153
CPs/MTNs Programme of up to RM3,000 million (Issue 3 and Issue 4)**	(b)	490,535,516	490,134,282
CPs/MTNs Programme of up to RM3,000 million (Issue 1)***	(c)	334,495,157	334,142,161
		825,030,673	1,165,131,596
Current			
Secured:			
CPs/MTNs Programme of up to RM450 million (Issue 1)*	(a)	340,979,304	-
Total		1,166,009,977	1,165,131,596

* The programme was established through its SPE, Murud Capital Sdn. Bhd. ("Murud").

** The programme was established through its SPE, Kinabalu Capital Sdn. Bhd. ("Kinabalu").

*** The programme was established through its SPE, Trusmadi Capital Sdn. Bhd. ("Trusmadi").

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

The maturities of SENTRAL's borrowings as at 31 December 2024 and 31 December 2023 are as follows:

	2024	2023
	RM	RM
Less than 1 year	340,979,304	-
More than 1 year and less than 5 years	825,030,673	1,165,131,596
	1,166,009,977	1,165,131,596

Other information on financial risks of borrowings are disclosed in Note 31(a) and Note 31(c) to the financial statements.

(a) Commercial Papers ("CP")/Medium Term Notes ("MTNs") (collectively the "CP/MTN Programme") of up to RM450 million in nominal value ("RM450 million Programme") under Murud Capital Sdn. Bhd. ("Murud")

RM341 million in nominal value of MTN ("Murud Issue 1") issued on 30 March 2020

	2024	2023
	RM	RM
Face value of MTN issued	341,000,000	341,000,000
Transaction costs brought forward	(144,847)	(268,953)
	340,855,153	340,731,047
Amortisation of transaction costs during the year	124,151	124,106
	340,979,304	340,855,153

On 30 March 2020, SENTRAL through its SPE, Murud established a RM450 million nominal value of CP/MTN Programme for a tenure of 7 years. On the same day, RM341 million nominal values of MTNs were issued at the blended interest rate of 3.99% per annum, the proceeds from the issuance were utilised to repay the existing RM244 million Senior CP and RM91 million Fixed Rate Subordinated Term Loan which were due on 30 March 2020, and the balance is for working capital purposes. Balance as at 31 December 2024 includes fixed rate MTN amounting to RM125,992,353 (2023: RM125,946,479).

The transaction costs relating to the programme are amortised to profit or loss over the tenure of the programme.

The CPs/MTNs outstanding as at 31 December 2024 and 31 December 2023 are subject to the following interest rates as at the reporting date:

	2024	2023
	%	%
RM176 million nominal value Class A MTN	4.28	4.32
RM19 million nominal value Class B MTN	4.38	4.42
RM20 million nominal value Class C MTN	4.73	4.77
RM126 million nominal value Class D MTN	5.00	5.00

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

- (a) **Commercial Papers (“CP”)/Medium Term Notes (“MTNs”) (collectively the “CP/MTN Programme”) of up to RM450 million in nominal value (“RM450 million Programme”) under Murud Capital Sdn. Bhd. (“Murud”) (cont'd)**

RM341 million in nominal value of MTN (“Murud Issue 1”) issued on 30 March 2020 (cont'd)

The RM450 million programme is secured, inter-alia by the following:

- (i) A third party first ranking legal charge over Platinum Sentral, disclosed as investment properties in Note 15 to the financial statements (“Secured Property”);
- (ii) A first party first ranking debenture over all present and future assets of Murud;
- (iii) An irrevocable and unconditional undertaking from the Manager:
 - (a) to deposit all rental income, deposits, other income, insurance claim proceeds in relation to the Secured Property and any proceeds generated from the Secured Property into the Revenue Account; and
 - (b) that it shall not declare any dividends/distributions to unitholders if:
 - an event of default has occurred under the Transaction Documents, is continuing and has not been waived or remedied, or following such declaration of dividends or distributions, an event of default would occur; or
 - the financial covenants are not met prior to and/or after such distribution;
- (iv) Assignment and charge over the Designated Accounts as follows:
 - (a) third party assignment and charge over the Revenue Account and Operations Account by the Trustee; and
 - (b) first party assignment and charge of the Debt Service Reserves Account by Murud;
- (v) Third party legal assignment of all the proceeds under the tenancy/lease agreements of the Secured Property and any part thereof;
- (vi) Third party legal assignment over all rights, title, interest and benefits under all the insurance policies in relation to the Secured Property;
- (vii) An irrevocable Power of Attorney to be granted by the Trustee in favour of the Security Trustee to manage and dispose of the Secured Property upon declaration of a trigger event;
- (viii) First party legal assignment over the REIT Trustee Financing Agreement entered into between Murud and the Trustee;
- (ix) Third party first ranking legal charge over 100% of the shares of Murud; and
- (x) Any other securities deemed appropriate and mutually agreed between Murud and the Lead Arranger prior to execution of all the Transaction Documents.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

(b) Commercial Papers Programme (“CP Programme”) and Medium Term Notes Programme (“MTN Programme”) with aggregate combined limit of RM3,000 million in nominal value (“RM3,000 million Programme”) under Kinabalu Capital Sdn. Bhd. (“Kinabalu”)

	Note	2024 RM	2023 RM
Kinabalu Issue 1	(i)	-	-
Kinabalu Issue 2	(ii)	-	-
Kinabalu Issue 3	(iii)	129,863,483	129,800,523
Kinabalu Issue 4	(iv)	360,672,033	360,333,759
		490,535,516	490,134,282

(i) RM220 million in nominal value of CP/MTNs (“Kinabalu Issue 1”) on 22 December 2016, 6 March 2017 and 29 March 2019

On 17 December 2021, the entire Kinabalu Issue 1 of RM200 million in nominal value of CPs and RM20 million MTN was early redeemed using the proceeds from the new issuance of MTNs of RM3,000 million in nominal value (“MTN Programme”), and the Commercial Papers (“CPs”) Programme of RM300 million in nominal value Kinabalu issued by Trusmadi (as disclosed in Note 19 (c) to the financial statements). As such, there was no outstanding balance under Kinabalu Issue 1 CP/MTN programme as at 31 December 2021.

(ii) RM170 million in nominal value of CP/MTNs (“Kinabalu Issue 2”) issued on 6 March 2017

On 6 March 2017, RM40 million in nominal value of CPs and RM130 million nominal value of MTNs from the Kinabalu Issue 2 Programme were issued to redeem the CPs/MTNs under the RM270 million CP/MTN Programme which matured on 6 March 2017.

On 17 December 2021, the Kinabalu Issue 2 of RM40 million in nominal value of CPs was early redeemed using the proceeds from the new issuance of MTNs of RM3,000 million in nominal value (“MTN Programme”), and the Commercial Papers (“CPs”) Programme of RM300 million in nominal value issued by Trusmadi (as disclosed in Note 19(c) to the financial statements).

On 4 March 2022, the proceeds from the new issuance of RM130 million MTN issued by Kinabalu under Kinabalu Issue 3 were utilised to fully redeem the Kinabalu Issue 2 of RM130 million in nominal value of MTN matured on the same day. As such, there was no outstanding balance under Kinabalu Issue 2 programme as at 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

(b) **Commercial Papers Programme (“CP Programme”) and Medium Term Notes Programme (“MTN Programme”) with aggregate combined limit of RM3,000 million in nominal value (“RM3,000 million Programme”) under Kinabalu Capital Sdn. Bhd. (“Kinabalu”)** (cont'd)

(iii) **RM130 million in nominal value of MTNs (“Kinabalu Issue 3”) issued on 4 March 2022**

	2024	2023
	RM	RM
Face value of MTNs issued	130,000,000	130,000,000
Transaction costs brought forward	(199,477)	(262,406)
	129,800,523	129,737,594
Amortisation of transaction costs during the year	62,960	62,929
	129,863,483	129,800,523

The transaction costs relating to the programme are amortised over the tenure of the programme and are charged to profit or loss.

The CPs/MTN outstanding as at 31 December 2024 and 31 December 2023 are subject to the following interest rates as at the reporting date:

	2024	2023
	%	%
RM130 million nominal value MTN	4.13	4.13

The Kinabalu Issue 3 is secured, inter-alia by the following:

- (i) A third party first legal charge by REIT Trustee over SB1, SB2, SB3 and Lotus's, disclosed as investment properties in Note 15 to the financial statements (collectively, the “Secured Properties - Kinabalu Issue 3”);
- (ii) An undertaking from the Manager:
 - (a) to deposit all rental, cash flows, deposits, other income, and insurance claim proceeds in relation to the Secured Properties - Kinabalu Issue 3 and any proceeds generated from Secured Properties - Kinabalu Issue 3 into the relevant Revenue Accounts; and
 - (b) that it shall not make or permit to make any withdrawal from the revenue accounts; Operations Accounts; Debt Service Reserve Account (“DSRA”) (collectively, the “Designated Accounts - Kinabalu Issue 3”) for the declaration of any dividends or distributions to unitholders, if:
 - an event of default and/or trigger event under Kinabalu Issue 3 has occurred and is continuing or will occur as a result of such payment or distribution; or
 - the financial covenants under Kinabalu Issue 3 are not met prior to and/or after such distribution;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

(b) Commercial Papers Programme (“CP Programme”) and Medium Term Notes Programme (“MTN Programme”) with aggregate combined limit of RM3,000 million in nominal value (“RM3,000 million Programme”) under Kinabalu Capital Sdn. Bhd. (“Kinabalu”) (cont'd)

(iii) RM130 million in nominal value of MTNs (“Kinabalu Issue 3”) issued on 4 March 2022 (cont'd)

The Kinabalu Issue 3 is secured, inter-alia by the following: (cont'd)

- (iii) First ranking legal charge and assignment over all rights, titles, interests and benefits in and under the Designated Accounts – Kinabalu Issue 3 (i.e. third party legal assignment and charge by the Trustee over the Revenue Accounts and Operations Accounts; and a first party legal assignment by Kinabalu over the DSRA);
- (iv) Third party legal assignment over all the Trustee’s rights, titles, interests and benefits in and under such tenancy/lease agreements in relation to the Secured Properties – Kinabalu Issue 3 including the rights to sue and to recover such proceeds from the tenants or lessees;
- (v) Third party legal assignment over all the Trustee’s rights, titles, interests and benefits in and under the insurance policies in relation to the Secured Properties - Kinabalu Issue 3;
- (vi) An irrevocable Power of Attorney granted by the Trustee in favour of the Security Trustee to dispose the Secured Properties - Kinabalu Issue 3 upon declaration of a trigger event under Kinabalu Issue 3; and
- (vii) First party assignment over all rights, titles, interests and benefits in and under the REIT Trustee Financing Agreement entered into between Kinabalu; the Trustee and the Security Trustee for the provision of the inter-company loan from Kinabalu to the Trustee from the proceeds raised from the Kinabalu Issue 3.

(iv) RM362 million in nominal value of MTNs (“Kinabalu Issue 4”) issued on 11 December 2023

On 11 December 2023, RM362 million in nominal value of MTN were issued under Issue 4, at the interest rate of 4.35% per annum, to partly finance the acquisition of Menara CelcomDigi.

	2024	2023
	RM	RM
Face value of MTNs issued	362,000,000	362,000,000
Transaction costs on MTN issued	-	(1,694,416)
Transaction costs brought forward	(1,666,241)	-
	360,333,759	360,305,584
Amortisation of transaction costs during the year	338,274	28,175
	360,672,033	360,333,759

The transaction costs relating to the programme are amortised over the tenure of the programme and are charged to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

(b) Commercial Papers Programme (“CP Programme”) and Medium Term Notes Programme (“MTN Programme”) with aggregate combined limit of RM3,000 million in nominal value (“RM3,000 million Programme”) under Kinabalu Capital Sdn. Bhd. (“Kinabalu”) (cont'd)

(iv) RM362 million in nominal value of MTNs (“Kinabalu Issue 4”) issued on 11 December 2023 (cont'd)

The CPs/MTN outstanding as at 31 December 2024 and 31 December 2023 are subject to the following interest rates as at the reporting date:

	2024	2023
	%	%
RM362 million nominal value MTN	4.29	4.35

The Kinabalu Issue 4 is secured, inter-alia by the following:

- (i) A third party legal assignment by the REIT Trustee of all its rights, titles, interests and benefits in and under the sale and purchase agreement dated 25 July 2023 made between Puncak Wangi Sdn Bhd and the Trustee over Menara CelcomDigi (“Secured Property - Kinabalu Issue 4”);
- (ii) a specific debenture creating first ranking fixed charge over the Secured Property - Kinabalu Issue 4;
- (iii) the Security Trustee will lodge a private caveat over the Secured Property - Kinabalu Issue 4;
- (iv) An undertaking from the Manager, amongst others:
 - (a) to deposit all rental, cash flows, deposits, other income, and insurance claim proceeds in relation to the Secured Property - Kinabalu Issue 4 and any proceeds generated from Secured Properties - Kinabalu Issue 4 into the Revenue Account – Kinabalu Issue 4; and
 - (b) that it shall not make or permit to make any withdrawal from the revenue accounts; Operations Accounts; Debt Service Reserve Account (“DSRA”) (collectively, the “Designated Accounts - Kinabalu Issue 4”) for the declaration of any dividends or distributions to unitholders, if:
 - an event of default and/or trigger event under Kinabalu Issue 4 has occurred and is continuing or will occur as a result of such payment or distribution; or
 - the financial covenants under Kinabalu Issue 4 are not met prior to and/or after such distribution;
- (v) First ranking legal charge and assignment over all rights, titles, interests and benefits in and under the Designated Accounts – Kinabalu Issue 4 (i.e. third party legal assignment and charge by the Trustee over the Revenue Account – Kinabalu Issue 4 and Operations Account – Kinabalu Issue 4; and a first party legal assignment by Kinabalu over the DSRA – Kinabalu Issue 4);
- (vi) Third party legal assignment over all the REIT Trustee’s rights, titles, interests and benefits in and under such tenancy/lease agreements in relation to the Secured Property – Kinabalu Issue 4 including the rights to sue and to recover such proceeds from the tenants or lessees;

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

(b) **Commercial Papers Programme (“CP Programme”) and Medium Term Notes Programme (“MTN Programme”) with aggregate combined limit of RM3,000 million in nominal value (“RM3,000 million Programme”) under Kinabalu Capital Sdn. Bhd. (“Kinabalu”)** (cont'd)

(iv) **RM362 million in nominal value of MTNs (“Kinabalu Issue 4”) issued on 11 December 2023** (cont'd)

The Kinabalu Issue 4 is secured, inter-alia by the following: (cont'd)

- (vii) Third party legal assignment over all the REIT Trustee's rights, titles, interests and benefits in and under the insurance policies in relation to the Secured Property – Kinabalu Issue 4;
- (viii) An irrevocable Power of Attorney to be granted by the REIT Trustee in favour of the Security Trustee to deal with and to dispose the Secured Property – Kinabalu Issue 4 upon, inter alia, declaration of a Trigger Event under Kinabalu Issue 4; and
- (ix) First party assignment over all rights, titles, interests and benefits in and under the REIT Trustee Financing Agreement entered into between Kinabalu, the Trustee and the Security Trustee for the provision of the inter-company loan from Kinabalu to Trustee from the proceeds raised from Kinabalu Issue 4.

(c) **Medium Term Notes (“MTNs”) Programme of RM3,000 million in nominal value (“MTN Programme”), and the Commercial Papers (“CPs”) Programme of RM300 million in nominal value (“CP Programme”), subject to a combined limit of up to RM3,000 million in aggregate in nominal value (collectively the “Programmes”) under Trusmadi Capital Sdn. Bhd. (“Trusmadi”)**

		2024	2023
	Note	RM	RM
RM20 million in nominal value of MTN	(i)	19,983,342	19,974,657
RM240 million in nominal value of CPs	(ii)	237,761,627	237,532,340
RM77 million in nominal value of MTN	(iii)	76,750,188	76,635,164
Total Issue 1		334,495,157	334,142,161

(i) **RM20 million in nominal value of MTN (“Trusmadi Issue 1”) issued on 17 December 2021**

	2024	2023
	RM	RM
Face value of MTN	20,000,000	20,000,000
Transaction costs carried forward	(25,343)	(34,025)
	19,974,657	19,965,975
Amortisation of transaction costs during the year	8,685	8,682
	19,983,342	19,974,657

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

(c) **Medium Term Notes (“MTNs”) Programme of RM3,000 million in nominal value (“MTN Programme”), and the Commercial Papers (“CPs”) Programme of RM300 million in nominal value (“CP Programme”), subject to a combined limit of up to RM3,000 million in aggregate in nominal value (collectively the “Programmes”) under Trusmadi Capital Sdn. Bhd. (“Trusmadi”) (cont'd)**

(ii) **RM240 million in nominal value of CPs (“Trusmadi Issue 1”) issued on 17 December 2021**

	2024	2023
	RM	RM
Face value of CPs	240,000,000	240,000,000
Discount	(2,583,986)	(2,660,566)
Cash proceeds	237,416,014	237,339,434
Accretion of interest expenses	545,508	497,029
	237,961,522	237,836,463
Transaction costs brought forward	(304,123)	(408,305)
	237,657,399	237,428,158
Amortisation of transaction costs during the year	104,228	104,182
	237,761,627	237,532,340

(iii) **RM77 million in nominal value of MTN (“Trusmadi Issue 1”) issued on 14 March 2022**

	2024	2023
	RM	RM
Face value of MTN	77,000,000	77,000,000
Transaction costs brought forward	(364,836)	(479,688)
	76,635,164	76,520,312
Amortisation of transaction costs during the year	115,024	114,852
	76,750,188	76,635,164

On 17 December 2021, SENTRAL through its SPE, Trusmadi established a CP programme of up to RM300 million in nominal value (“CP Programme”); and MTN perpetual programme of up to RM3,000 million (“MTN Perpetual Programme”). The CP Programme shall have a legal tenure of 7 years from the date of the first issue of the CP Programme, whereas the MTN Programme shall have a perpetual tenure.

On 17 December 2021, a total of RM240 million in nominal value of CPs and RM20 million in nominal value of MTNs out of each respective programme were issued, where the proceeds from the issuance were utilised to repay the existing RM20 million MTN and RM200 million CPs under Kinabalu Issue 1 and RM40 million CP under Kinabalu Issue 2 which was due on 22 December 2021, and the balance is for working capital purposes.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

- (c) **Medium Term Notes (“MTNs”) Programme of RM3,000 million in nominal value (“MTN Programme”), and the Commercial Papers (“CPs”) Programme of RM300 million in nominal value (“CP Programme”), subject to a combined limit of up to RM3,000 million in aggregate in nominal value (collectively the “Programmes”) under Trusmadi Capital Sdn. Bhd. (“Trusmadi”)** (cont'd)

On 14 March 2022, RM77 million in nominal value of MTN was issued, where the proceeds from the issuance were utilised to repay the existing RM77 million Term Loan under Trusmadi which was early redeemed on the same day.

The transaction costs relating to the programme are amortised to profit or loss over the tenure of the programmes.

The CPs/MTNs outstanding as at 31 December 2024 and 31 December 2023 are subject to the following interest rates as at the reporting date:

	2024	2023
	%	%
RM20 million nominal value MTN	3.40	3.40
RM205 million nominal value CP	4.33	4.41
RM35 million nominal value CP	4.58	4.66
RM77 million nominal value MTN	5.31	5.36

The Trusmadi Issue 1 is secured, inter-alia by the following:

- (i) A third party first legal charge by REIT Trustee over the Secured Property – Trusmadi Issue 1; refer to Menara Shell;
- (ii) An undertaking from the Manager:
 - (a) to deposit all rental, cash flows, deposits, other income, and insurance claim proceeds in relation to the Secured Property – Trusmadi Issue 1 and any other proceeds generated from Secured Property - Trusmadi Issue 1 into the Revenue Account – Trusmadi Issue 1 ; and
 - (b) that it shall not make or permit to make any withdrawal from the Designated Accounts – Trusmadi Issue 1 (as defined hereinafter) for the declaration of any dividends or distributions to Sentral REIT’s unitholders, if:
 - an Event of Default and/or Trigger Event under Trusmadi Issue 1 has occurred and is continuing or will occur as a result of such payment or distribution; or
 - the Financial Covenants under Trusmadi Issue 1 are not met prior to and/or will not be met after such payment or distribution;
- (iii) First ranking charge and assignment over all rights, titles, interests and benefits in and under the Designated Accounts – Trusmadi Issue 1 (i.e. third party assignment and charge by the Trustee over the Revenue Account – Trusmadi Issue 1 and Operations Account – Trusmadi Issue 1); and a first party assignment and charge by Trusmadi over the Debt Service Ratio Account (“DSRA”) - Trusmadi Issue 1, all in relation to the Secured Property - Trusmadi Issue 1);

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

- (c) **Medium Term Notes (“MTNs”) Programme of RM3,000 million in nominal value (“MTN Programme”), and the Commercial Papers (“CPs”) Programme of RM300 million in nominal value (“CP Programme”), subject to a combined limit of up to RM3,000 million in aggregate in nominal value (collectively the “Programmes”) under Trusmadi Capital Sdn. Bhd. (“Trusmadi”) (cont'd)**

The Trusmadi Issue 1 is secured, inter-alia by the following: (cont'd)

- (iv) Third party assignment over all the REIT Trustee's rights, titles, interests and benefits in and under such tenancy/lease agreements in relation to the Secured Property - Trusmadi Issue 1;
- (v) Third party assignment over all the REIT Trustee's rights, titles, interests and benefits in and under the insurance policies in relation to the Secured Property - Trusmadi Issue 1;
- (vi) An irrevocable Power of Attorney to be granted by the REIT Trustee in favour of the Security Trustee to deal with (including application for subdivision, if any and the collection of title on behalf of REIT Trustee), and to dispose the Secured Property - Trusmadi Issue 1 upon declaration of a Trigger Event under Trusmadi Issue 1; and
- (vii) First party assignment over all rights, titles, interests and benefits in and under the “REIT Trustee Financing Agreement – Trusmadi Issue 1” entered into between Trusmadi, the Trustee and the Security Trustee for the provision of the inter-company loan from Trusmadi to the Trustee from the proceeds raised from the Trusmadi Issue 1.

Reconciliation of movement of liabilities to cash flows arising from financing activities

	CPs/MTNs Programme of up to RM450 million RM	MTNs Programme of up to RM3,000 million RM	CPs/MTNs Programme of up to RM3,000 million RM	Total RM
Balance at 1 January 2024	340,855,153	490,134,282	334,142,161	1,165,131,596
Changes from financing cash flows				
Finance costs paid	(15,409,377)	(20,985,849)	(15,007,454)	(51,402,680)
Total changes from financing cash flows	325,445,776	469,148,433	319,134,707	1,113,728,916
Other changes liability-related				
Accretion of interest expense and interest expense on				
Term Loan/CPs/MTNs	15,409,377	20,985,849	15,132,512	51,527,738
Amortisation of transaction costs incurred to obtain				
Term Loan/CPs/MTNs	124,151	401,234	227,938	753,323
Total other changes liability-related	15,533,528	21,387,083	15,360,450	52,281,061
Balance at 31 December 2024	340,979,304	490,535,516	334,495,157	1,166,009,977

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

19. BORROWINGS (cont'd)

Reconciliation of movement of liabilities to cash flows arising from financing activities (cont'd)

	CPs/MTNs Programme of up to RM450 million RM	MTNs Programme of up to RM3,000 million RM	CPs/MTNs Programme of up to RM3,000 million RM	Total RM
Balance at 1 January 2023	340,731,047	129,737,594	334,025,282	804,493,923
Changes from financing cash flows				
Proceeds from borrowings	-	362,000,000	-	362,000,000
Finance costs paid	(15,279,605)	(6,278,492)	(15,041,556)	(36,599,653)
Transaction costs paid	-	(1,694,416)	-	(1,694,416)
Total changes from financing cash flows	325,451,442	483,764,686	318,983,726	1,128,199,854
Other changes liability-related				
Accretion of interest expense and interest expense on				
Term Loan/CPs/MTNs	15,279,605	6,278,492	14,930,719	36,488,816
Amortisation of transaction costs incurred to obtain				
Term Loan/CPs/MTNs	124,106	91,104	227,716	442,926
Total other changes liability-related	15,403,711	6,369,596	15,158,435	36,931,742
Balance at 31 December 2023	340,855,153	490,134,282	334,142,161	1,165,131,596

20. DEFERRED TAX LIABILITIES

	2024 RM	2023 RM
At beginning of financial year	10,073,703	9,551,020
Recognised in profit or loss (Note 11)	(207,114)	522,683
At end of financial year	9,866,589	10,073,703

The deferred tax liabilities relates to the provision for RPGT on the fair value gain of investment properties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

21. SECURITY DEPOSITS

	2024 RM	2023 RM
At 1 January	36,563,032	20,143,175
Net (refunds)/additions during the financial year	(9,626,369)	15,977,941
Recognised in profit or loss:		
Unwinding of discount on security deposits (Note 10)	827,463	441,916
At 31 December	27,764,126	36,563,032
Representing:		
Non-current	24,438,758	31,096,778
Current	3,325,368	5,466,254
	27,764,126	36,563,032

22. UNITHOLDERS' CAPITAL

	2024	2023
Number of units		
Issued and fully paid:		
At 1 January	1,195,503,000	1,071,783,000
Private placements of new units during the year	-	123,720,000
At 31 December	1,195,503,000	1,195,503,000
	2024 RM	2023 RM
Amount		
Issued and fully paid:		
At 1 January	1,326,569,811	1,235,876,768
Private placements of new units on 8 December 2023	-	92,790,000
Expenses on issuance of new units/placements	-	(2,096,957)
At 31 December	1,326,569,811	1,326,569,811

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

23. INVESTMENTS IN SPES

Details of SPES are as follows:

Name of SPES	Country of incorporation	Principal activity	Proportion of ownership interest	
			2024	2023
			%	%
Murud Capital Sdn. Bhd.	Malaysia	Facilitating financing for SENTRAL	100	100
Trusmadi Capital Sdn. Bhd.	Malaysia	Facilitating financing for SENTRAL	100	100
Samwise Capital Sdn. Bhd.	Malaysia	Facilitating financing for SENTRAL	100	100
Kinabalu Capital Sdn. Bhd.	Malaysia	Facilitating financing for SENTRAL	100	100

All the above SPES are audited by Ernst & Young PLT, Malaysia.

24. COMMITMENTS

(a) Capital commitments

Capital expenditure as at reporting date is as follows:

	2024	2023
	RM	RM
Capital expenditure approved and contracted for investment properties	2,556,131	2,779,880

(b) Non-cancellable operating lease commitments

	2024	2023
	RM	RM
As lessor		
Future minimum rental receivable:		
Not later than 1 year	167,627,428	165,879,966
Later than 1 year but not later than 5 years	392,279,673	468,929,078
Later than 5 years	442,860,303	463,370,034
	1,002,767,404	1,098,179,078

SENTRAL has entered into leases on its investment properties. The non-cancellable leases have remaining lease terms of between one to 16 years (2023: between one to 17 years).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

25. NET ASSET VALUE PER UNIT

The calculation of net asset value per unit is based on 1,195,503,000 units (2023: 1,195,503,000 units) in circulation as at 31 December 2024.

26. UNITHOLDINGS BY THE MANAGER

As at 31 December 2024, the Manager does not have any unitholdings in SENTRAL.

27. UNITHOLDERS RELATED TO THE MANAGER

	← SENTRAL →				
	Number of units 2024	Number of units 2023	Percentage of total units 2024 %	Percentage of total units 2023 %	Market value 2024 RM
Malaysian Resources Corporation Berhad ("MRCB")	334,036,700	334,036,700	27.94	27.94	265,559,177
Global Jejaka Sdn. Bhd.	757,000	757,000	0.06	0.06	601,815
	334,793,700	334,793,700	28.00	33.66	266,160,992

The Manager's directors' direct unitholding in SENTRAL:

Tan Sri Saw Choo Boon	100,000	-	0.01	-	79,500
Kwan Joon Hoe	600,000	450,000	0.05	0.04	477,000
Po Yih Ming	40,000	20,000	0.00	0.00	31,800

The Manager's directors' indirect unitholding in SENTRAL:

Tan Sri Saw Choo Boon (a)	757,000	757,000	0.06	0.06	601,815
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(a) Deemed interest by way of his substantial shareholding in Jendela Elit Sdn. Bhd., which in turn are substantial shareholders of Global Jejaka Sdn. Bhd.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

28. MANAGEMENT EXPENSE RATIO

	2024	2023
	%	%
Management expense ratio ("MER")	1.26	1.14

MER is calculated based on the total fees including Manager's fees, Trustee's fees, auditor's fees, tax agent's fees, valuation fees and administration expenses charged to SENTRAL divided by the average net asset value during the financial year calculated on a monthly basis.

Since the basis of calculating MER can vary among real estate investment trusts, comparison of SENTRAL's MER with other REITs which use a different basis of calculation may not be an accurate comparison.

29. RELATED PARTIES TRANSACTIONS

The following table provides the total amount of transactions that have been entered into with related parties for the financial year.

	2024	2023
	RM	RM
(i) Acquisition cost for Menara CelcomDigi with Puncak Wangi Sdn. Bhd.	-	(450,000,000)
(ii) Car park income from Semasa Parking Sdn. Bhd.		
- Platinum Sentral	2,549,102	1,932,234
- Menara Shell	2,400,000	2,544,655
- Plaza Mont' Kiara	3,902,831	540,000
- Menara CelcomDigi	704,743	39,784
(iii) Auxiliary police services with MRCB Sentral Securities Sdn. Bhd.		
- Menara Shell	(446,631)	(498,298)
- Platinum Sentral	(374,345)	(417,020)
- Menara CelcomDigi	(324,192)	(17,136)
(iv) Supply of chilled water services with Semasa District Cooling Sdn. Bhd.	(3,467,693)	(3,352,759)
(v) Supply of chilled water services with PJ Sentral DCS Sdn. Bhd.	(4,182,743)	(232,355)
(vi) Supply of chilled water services with 348 Sentral Sdn. Bhd.	(4,141,538)	(3,588,254)
(vii) Lease of land at Platinum Sentral with Malaysian Resources Sentral Sdn. Bhd.	67,078	67,078
(viii) Rental of office premises for Sentral REIT Management Sdn. Bhd.	216,000	54,000
(ix) Reimbursement of insurance to Kuala Lumpur Sentral Sdn. Bhd.	(8,785)	(11,714)
(x) Reimbursement to Joint Management Body for Lot 348	(142,405)	(142,406)
(xi) Refund of service tax by Semasa Sentral Sdn. Bhd.	208,498	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

29. RELATED PARTIES TRANSACTIONS (cont'd)

Details of material contracts with related parties other than as disclosed in Note 8 to the financial statements are as follows:

- (i) Acquisition of Menara CelcomDigi from Puncak Wangi Sdn. Bhd., a wholly-owned subsidiary of MRCB at the purchase consideration of RM450 million, satisfied entirely in cash on 11 December 2023.
- (ii) On 5 December 2022, SENTRAL re-appointed Semasa Parking Sdn. Bhd. ("SPSB") as the car park operator for Platinum Sentral for a period of 3 years commencing from 1 January 2023 to 31 December 2025, at a guaranteed monthly rental of RM95,000 with profit sharing to be paid on a quarterly or monthly basis. The total amount received for the financial year ended 31 December 2024 amounted to RM2,549,102 (2023: RM1,932,234).

On 5 December 2022, SENTRAL entered into a car park agreement with SPSB as the car park operator for Menara Shell for a period of 3 years commencing from 22 December 2022 to 21 December 2025, at a guaranteed monthly rental of RM200,000 with profit sharing to be paid on a quarterly or monthly basis. The total amount received for the financial year ended 31 December 2024 amounted to RM2,400,000 (2023: RM2,544,655).

On 17 August 2023, SENTRAL appointed SPSB as the car park operator for Plaza Mont' Kiara for a period of 1 year commencing from 1 November 2023 to 31 October 2024, and an option to renew for another one year. On 29 October 2024, the contract has been renewed from 1 November 2024 to 31 October 2025. The fee is at RM270,000 per month, subject to a fixed monthly revenue threshold of RM340,000 with a profit sharing to be paid on quarterly basis. The total amount received for the financial year ended 31 December 2024 amounted to RM3,902,831 (2023: RM540,000).

On 11 December 2023, the car park operation agreement with SPSB for Menara CelcomDigi has been novated from Puncak Wangi Sdn Bhd to SENTRAL, for the period from 11 December 2023 to 31 December 2025, at the fixed fee of RM58,729 per month. The total amount received for the financial year ended 31 December 2024 amounted to RM704,743 (2023: RM39,784).

SPSB was incorporated in Malaysia on 6 August 1997 and its principal activity is operation and management of car parks and parking areas.

SPSB is a wholly-owned subsidiary of MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

- (iii) On 29 August 2019, SENTRAL appointed Semasa Sentral Sdn. Bhd. ("SSSB") to provide auxiliary police services at Menara Shell and Platinum Sentral for a period of two (2) years commencing from 1 September 2019 to 31 August 2021 at the monthly rate of RM41,722 and RM34,916 (including service tax) respectively. The said agreements were renewed for additional 2 years commencing from 1 September 2021 to 31 August 2023 at the same rate.

Pursuant to the Novation Agreement dated 11 November 2022, signed between SSSB and MRCB Sentral Securities Sdn Bhd ("MSSSB"), with effect from 1 June 2022, SSSB be released and discharged from the Security Agreement and MSSSB shall assume the obligations and liabilities of SSSB under the Security Agreement. Thereafter, MSSSB shall undertake to provide auxiliary police services at Menara Shell and Platinum Sentral for a period from 1 June 2022 to 31 August 2023 at the monthly rate of RM41,722 and RM34,916 respectively.

On 9 August 2023, SENTRAL appointed MSSSB to provide auxiliary police services at Menara Shell and Platinum Sentral for a period of 1 year, commencing from 1 September 2023 until 1 September 2024, at the rate of RM39,360 and RM32,940 respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

29. RELATED PARTIES TRANSACTIONS (cont'd)

Details of material contracts with related parties other than as disclosed in Note 8 to the financial statements are as follows: (cont'd)

(iii) (cont'd)

On 18 September 2024, SENTRAL appointed MSSSB to provide auxiliary police services at Menara Shell and Platinum Sentral for a period of 2 years, commencing from 1 September 2024 until 1 September 2026, at the monthly fees of RM43,560 and RM36,600 respectively, with an option of renewal for a further period of one year.

Auxiliary police services with MSSSB for deployment of auxiliary police personnel from 1 January 2024 up to 31 December 2024, at Menara Shell and Platinum Sentral amounted to RM446,631 (2023: RM498,298) and RM374,345 (2023: RM417,020) respectively.

On 11 December 2023, the provision of auxiliary police service agreement with MSSSB for Menara CelcomDigi has been novated from Puncak Wangi Sdn Bhd to SENTRAL, for the period from 11 December 2023 to 10 April 2024. Subsequently, on 10 April 2024, SENTRAL appointed MSSSB for a period of two years from 10 April 2024 to 10 April 2026. The total amount received for the financial year ended 31 December 2024 amounted to RM324,192 (2023: RM17,136).

MSSSB was incorporated in Malaysia on 8 December 1995 and was formerly known as Semasa Sentral (Penang) Sdn Bhd, and the change of name to MSSSB was effected on 25 February 2022. The principal activity is provision of auxiliary police and related services.

The entire issued share capital of MSSSB is held by MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

(iv) Supply of chilled water by Semasa District Cooling Sdn. Bhd. ("SDCSB") for installation, maintenance and meter reading for Platinum Sentral. The year to date charges for the financial year ended 31 December 2024 amounted to RM3,467,693 (2023: RM3,352,759).

SDCSB is a wholly-owned subsidiary of MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

(v) On 11 December 2023, the supply of chilled water by PJ Sentral DCS Sdn Bhd ("PJSDCSSB") for Menara CelcomDigi has been novated from Puncak Wangi Sdn Bhd to SENTRAL. The year to date charges for the financial year ended 31 December 2024 amounted to RM4,182,743 (2023: RM232,355).

PJSDCSSB is a wholly-owned subsidiary of MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

(vi) Reimbursement of chilled water to 348 Sentral Sdn. Bhd. ("348 Sentral") for Menara Shell for the financial year ended 31 December 2024 amounted to RM4,141,538 (2023: RM3,588,254).

348 Sentral is a subsidiary of MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

(vii) Lease agreement with Malaysian Resources Sentral Sdn. Bhd. ("MRSSB") on lease of 2 pieces of land located on Platinum Sentral, measuring total NLA of 156,959 sq. ft., for a rental amounting to RM67,078 per year.

MRSSB is a wholly-owned subsidiary of MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

29. RELATED PARTIES TRANSACTIONS (cont'd)

Details of material contracts with related parties other than as disclosed in Note 8 to the financial statements are as follows: (cont'd)

- (viii) Tenancy with SRM on the rental of office premise at G27A, Level 3A, Block B, Platinum Sentral. The 3 years tenancy commenced from 1 October 2023 to 30 September 2026 at the monthly rental of RM18,000. The total amount received for the financial year ended 31 December 2024 amounted to RM216,000 (2023: RM54,000).
- (ix) Reimbursement of insurance to Kuala Lumpur Sentral Sdn. Bhd. ("KLSSB") for Platinum Sentral Lot E deck from 1 April 2024 to 31 December 2024 amounting to RM8,785 (2023: from 1 April 2023 to 31 March 2024 amounting to RM11,714).

KLSSB is a subsidiary of MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

- (x) Maintenance and sinking fund charged by Joint Management Body for Lot 348 ("JMB Lot 348") for Menara Shell for the period from 1 January 2024 to 31 December 2024 amounting to RM23,065 (2023: RM23,065) and reimbursement of insurance for 2024 amounting to RM119,340 (2023: RM119,341) respectively.

JMB Lot 348 is established on 1 August 2017 under Section 17(2) of the Strata Management Act 2013. The committee of JMB Lot 348 consists of three (3) members of whom, 2 members are from SRM and 1 member from 348 Sentral.

- (xi) Refund of service tax paid to Semasa Sentral Sdn. Bhd. ("SSSB") from September 2018 to May 2022, SSSB was the former service provider of auxiliary police services at Menara Shell and Platinum Sentral prior to the appointment of SSSB.

SSSB was incorporated in Malaysia on 4 May 1982 and its principal activity is maintaining, operating and management of the Kuala Lumpur Sentral Station.

The entire issued share capital of SSSB is held by MRCB, which in turn is a major unitholder of SENTRAL and also a major shareholder of SRM.

30. FAIR VALUE OF FINANCIAL INSTRUMENTS

(a) Determination of fair value

Financial instruments that are not carried at fair value and where carrying amounts are reasonable approximations of fair value.

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value:

	Note
Trade and other receivables	16
Deposits, cash and bank balances	17
Borrowings	19
Trade and other payables	18

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

30. FAIR VALUE OF FINANCIAL INSTRUMENTS (cont'd)

(a) Determination of fair value (cont'd)

The carrying amounts of these financial assets and liabilities are reasonable approximations of fair values, either due to their short-term nature or that they are floating rate instruments that are repriced to market interest rates on or near the reporting date.

The fair values of long term borrowings and security deposits are estimated by discounting expected future cash flows at market incremental lending rate for similar types of lending, borrowing or leasing arrangements at the reporting date.

Financial instruments not carried at fair value

	Carrying amount	Fair value
	RM	RM
As at 31 December 2024		
Fixed rate borrowings	275,839,178	275,396,820
As at 31 December 2023		
Fixed rate borrowings	275,747,002	274,299,740

(b) Fair value measurement

SENTRAL uses the hierarchy as disclosed in Note 3.20 to the financial statements in determining and disclosing the fair value of financial instruments.

Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31 December 2024 and 31 December 2023 are as follows:

	Total	Level 3
	RM	RM
As at 31 December 2024		
Assets measured at fair value		
Investment properties	2,522,500,000	2,522,500,000
As at 31 December 2023		
Assets measured at fair value		
Investment properties	2,521,500,000	2,521,500,000

Level 3 fair value

Level 3 fair value of investment properties has been derived using the investment method as described in Note 15 to the financial statements.

There were no material transfers between Level 1, Level 2 and Level 3 during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

SENTRAL is exposed to financial risks arising from its operations and use of financial instruments, including interest rate risk, credit risk, liquidity risk and market risk.

SENTRAL has a system of controls in place to create an acceptable balance between the costs of risks occurring and the costs of managing the risks. The Manager continuously monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies are reviewed regularly to reflect changes in market conditions and SENTRAL's activities.

The Audit and Risk Committee oversees how management monitors the compliance with stated risk management policies and procedures, assisted by the internal auditor. The internal auditor undertakes regular review of risk management controls and procedures, the results of which are reported to the Audit and Risk Committee.

The following section provides details of SENTRAL's exposures to the above mentioned risks and the objectives and policies for the management of these risks:

(a) Interest rate risk

SENTRAL's exposure to changes in interest rates relates primarily to borrowings as disclosed in Note 19 to the financial statements. Interest rate is managed on an on-going basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points ("bps") lower/higher, with all other variables remain constant, SENTRAL's income net of taxation as a result of lower/higher interest income on short term deposits and interest expense on floating rate loans and borrowings would have the following effects:

	Increase/(decrease) in income, net of taxation	
	2024	2023
	RM	RM
Interest rate		
- 25 bps	1,544,272	1,596,550
+ 25 bps	(1,544,272)	(1,596,550)

(b) Credit risk

Credit risk is defined as the risk of potential financial loss resulting from failure of a customer or counterparty to settle its financial and contractual obligations to SENTRAL as and when they fall due.

SENTRAL's exposure to credit risk arises primarily from trade receivables. The risk is controlled by credit verification procedures before lease agreements are entered into with tenants to ensure creditworthy and good standing tenants are selected. SENTRAL has a stringent collection policy in place and the exposure to credit risk is mitigated by diligent on-going monitoring of outstanding receivables and collection of security deposits from tenants.

For other financial assets, SENTRAL minimises the credit risk by dealing with high credit rating counterparties and/or reputable and licensed financial institutions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Credit risk (cont'd)

SENTRAL's maximum exposure to credit risk is represented by the carrying amount of its financial assets as follows:

	Note	2024 RM	2023 RM
Trade and other receivables*	16	7,664,231	6,267,869
Deposits, cash and bank balances	17	84,458,949	87,439,986

* Trade and other receivables exclude prepayments.

(c) Liquidity risk

Liquidity risk is the risk that SENTRAL will encounter difficulty in meeting financial obligations due to shortage of funds, which may potentially arise from mismatches of maturities of financial assets and liabilities. As the timing of funding arrangements can be critical, SENTRAL may be exposed to the risk of its real estate properties being foreclosed in the interim.

To mitigate liquidity risk, the Manager maintains adequate level of cash and cash equivalents and arranges for refinancing of SENTRAL's borrowings on a timely basis to fund SENTRAL's operations and meet its financial obligations. In addition, the Manager also monitors and observes the SC REIT Guidelines concerning the limits to total borrowings and ensures compliance with stated financial covenants per terms of its borrowings.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of SENTRAL's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	More than five years RM	Total RM
As at 31 December 2024				
Trade and other payables*	17,862,050	-	-	17,862,050
Borrowings**	380,828,708	895,744,145	-	1,276,572,853
Security deposits	3,325,368	18,480,691	14,737,500	36,543,559
Total undiscounted financial liabilities	402,016,126	914,224,836	14,737,500	1,330,978,462

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

31. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Liquidity risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	On demand or within one year	One to five years	More than five years	Total
	RM	RM	RM	RM
As at 31 December 2023				
Trade and other payables*	47,956,492	-	-	47,956,492
Borrowings**	52,042,384	1,278,225,281	-	1,330,267,665
Security deposits	5,466,254	19,390,318	14,737,500	39,594,072
Total undiscounted financial liabilities	105,465,130	1,297,615,599	14,737,500	1,417,818,229

* Trade and other payables excludes deferred lease income.

** Borrowings on demand or within one year includes finance costs.

(d) Market risk

Market risk is the risk that changes in market prices, such as interest rate and unit fund prices which will affect SENTRAL's financial results or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

32. CAPITAL MANAGEMENT

The Manager aims to optimise SENTRAL's capital structure and cost of capital within the borrowing limits set out in the SC REIT Guidelines and uses a combination of debt and equity to fund future acquisitions and improvement works. The strategies involve:

- (i) Adopting and maintaining an optimal gearing level; and
- (ii) Adopting an active interest rate management strategy to manage the risk associated with changes in interest rates.

While maintaining flexibility in SENTRAL's capital structure to meet future investment and/or capital expenditure requirements.

Pursuant to Clause 8.32 of the SC REIT Guidelines, the total borrowings of a real estate investment trust (including borrowings through issuance of debt securities), should not exceed 50% of its total asset value at the time the borrowings are incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024
(cont'd)

32. CAPITAL MANAGEMENT (cont'd)

The Manager employs a combination of appropriate and flexible debt and financing policies to manage both current and future funding requirements of SENTRAL. The Manager, on an on-going basis, manages the capital structure of SENTRAL and makes adjustments to it when necessary, in the light of changes in economic conditions.

	Note	2024 RM	2023 RM
Total borrowings	19	1,166,009,977	1,165,131,596
Total assets		2,615,751,685	2,616,044,650
Gearing ratio (%)		44.58	44.54

33. SEGMENTAL REPORTING

No segmental reporting is prepared as SENTRAL's activities are predominantly in one industry segment and its properties are situated in Malaysia.

ANALYSIS OF UNITHOLDINGS

As at 7 March 2025

Total number of units issued : 1,195,503,000
 Voting rights : One vote per unit
 Number of unit holders : 13,036

DISTRIBUTION OF UNITHOLDINGS AS AT 7 MARCH 2025

Unit Class	No. of Unitholders	% of Unitholders	No. of Unitholdings	% of Unitholdings
Less than 100	203	1.56	1,706	0.00
100 - 1,000	2,149	16.48	1,342,100	0.11
1,001 - 10,000	6,127	47.00	32,404,767	2.71
10,001 - 100,000	3,877	29.74	130,460,827	10.91
100,001 to less than 5% of issued units	676	5.19	425,294,100	35.58
5% and above of issued units	4	0.03	605,999,500	50.69
TOTAL	13,036	100.00	1,195,503,000	100.00

LIST OF TOP 30 HOLDERS AS AT 7 MARCH 2025

NO.	NAME	HOLDINGS	%
1	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD <i>RHB ISLAMIC BANK BERHAD PLEDGED SECURITIES ACCOUNT FOR MALAYSIAN RESOURCES CORPORATION BERHAD</i>	297,917,000	24.92
2	HSBC NOMINEES (ASING) SDN BHD <i>HSBC-FS FOR CAPITACOMMERCIAL TRUST</i>	117,040,000	9.79
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD</i>	92,209,100	7.71
4	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	59,432,100	4.97
5	HLIB NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR QUILL LAND SDN. BHD.</i>	59,040,000	4.94
6	MALAYSIAN RESOURCES CORPORATION BERHAD	36,119,700	3.02
7	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM BUMIPUTERA</i>	35,000,000	2.93
8	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM MALAYSIA</i>	22,919,300	1.92
9	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM MALAYSIA 2 - WAWASAN</i>	20,000,000	1.67
10	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM BUMIPUTERA 2</i>	20,000,000	1.67
11	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)</i>	11,874,500	0.99
12	AMANAHRAYA TRUSTEES BERHAD <i>AMANAH SAHAM MALAYSIA 3</i>	11,000,000	0.92

ANALYSIS OF UNITHOLDINGS

As at 7 March 2025
(cont'd)

LIST OF TOP 30 HOLDERS AS AT 7 MARCH 2025 (cont'd)

NO.	NAME	HOLDINGS	%
13	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) TRUSTEE BHD FOR ZURICH LIFE INSURANCE MALAYSIA BERHAD (NP-OTHER-REITS)</i>	10,123,900	0.85
14	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR AHMAD JOHARI BIN ABDUL RAZAK (PB)</i>	7,045,300	0.59
15	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) TRUSTEE BHD FOR ZURICH LIFE INSURANCE MALAYSIA BERHAD (LIFE PAR)</i>	5,868,600	0.49
16	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) TRUSTEE BHD FOR ZURICH GENERAL INSURANCE MALAYSIA BERHAD (GI-REITS)</i>	3,798,600	0.32
17	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (ESPG IV SC E)</i>	3,281,600	0.27
18	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>CREDIT GUARANTEE CORPORATION MALAYSIA BERHAD (416581)</i>	3,203,900	0.27
19	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR WONG SIEW HUNG</i>	3,100,000	0.26
20	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR WONG SIEW HUNG (PB)</i>	3,055,100	0.26
21	YEAP AH KAU @ YEAP CHAN TOOI	2,717,000	0.23
22	UOB KAY HIAN NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)</i>	2,449,000	0.20
23	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>NATIONAL TRUST FUND (IFM KAF) (446190)</i>	2,413,600	0.20
24	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>HONG LEONG ASSET MANAGEMENT BHD FOR CHE KING TOW (ND100-JA)</i>	2,100,000	0.18
25	TAN CHUAN YONG	2,083,800	0.17
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>CHIA KIM YONG</i>	1,900,000	0.16
27	MAYWAN HOLDINGS SDN BHD	1,883,500	0.16
28	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR GRACE YEOH CHENG GEOK (PB)</i>	1,859,100	0.16
29	TEW PENG HWEE @ TEOH PENG HWEE	1,700,000	0.14
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR KOK KIM YIN</i>	1,670,000	0.14
		842,804,700	70.50

ANALYSIS OF UNITHOLDINGSAs at 7 March 2025
(cont'd)**SUBSTANTIAL UNITHOLDERS AS AT 7 MARCH 2025**

Name	No of Units Held			
	Direct	%	Indirect	%
Malaysian Resources Corporation Berhad	334,036,700	27.94	-	-
Capitacommercial Trust	117,040,000	9.79	-	-
Employees Provident Fund Board	92,209,100	7.71	-	-
Kumpulan Wang Persaraan (Diperbadankan)	62,728,700	5.25	-	-

UNITHOLDINGS OF DIRECTORS OF THE MANAGER AS AT 7 MARCH 2025

Name	No of Units Held			
	Direct	%	Indirect	%
Tan Sri Saw Choo Boon	100,000	-	*757,000	0.06
Kwan Joon Hoe	600,000	0.05	-	-
Po Yih Ming	100,000	0.01	-	-

* Deemed interest by way of his substantial shareholding in Jendela Elit Sdn. Bhd., which in turn are substantial shareholders of Global Jejaka Sdn. Bhd..

NOTICE OF THIRTEENTH ANNUAL GENERAL MEETING



SENTRAL REIT

(Constituted under the restated deed of trust dated 2 December 2019 as amended by the supplemental deed dated 24 December 2020, entered into between Sentral REIT Management Sdn Bhd [Registration No. 200601017500 (737252-X)] and Maybank Trustee Berhad [Registration No. 196301000109 (5004-P), both companies incorporated in Malaysia)

NOTICE IS HEREBY GIVEN THAT the Thirteenth Annual General Meeting ("13th AGM") of Sentral REIT will be held at the Grand Ballroom, Aloft Kuala Lumpur Sentral, No. 5, Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Tuesday, 29 April 2025 at 10.00 a.m. for the following purposes:

AGENDA

As Ordinary Business:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 of Sentral REIT together with the Trustee's Report to the Unitholders issued by Maybank Trustees Berhad, as the trustee for Sentral REIT ("Trustee") and the Report and the Statement by the Manager issued by Sentral REIT Management Sdn Bhd, as the Manager of Sentral REIT ("Manager") and the Auditors' Report thereon.

(Please refer to Explanatory Note 1)

As Special Business:

To consider and if thought fit, to pass the following resolution with or without modifications:

Ordinary Resolution

2. Proposed authority to allot and issue new units of Sentral REIT

"THAT subject to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the approval of the relevant regulatory authorities being obtained, authority be and is hereby given to the Directors of the Manager, to issue and allot new units in Sentral REIT ("New Units") at any time in such number and to such person and upon such terms and conditions as the Directors of the Manager, may in their absolute discretion, deem fit and expedient in the best interest of Sentral REIT, provided that the aggregate number of the New Units to be issued pursuant to this resolution, when aggregated with the number of units issued during the preceding 12 months must not exceed 20% of the total number of issued units of Sentral REIT for the time being comprising 1,195,503,000 units ("Proposed Authority");

THAT the Proposed Authority shall continue to be in force until:

- (i) the conclusion of the next AGM of Sentral REIT at which time this Proposed Authority will lapse, unless by a resolution passed at the next AGM, the authority is renewed; or
- (ii) the expiration of the period within which the next AGM of the unitholders is required by law to be held; or
- (iii) The Proposed Authority is revoked or varied by a resolution passed by the unitholders in a general meeting of Sentral REIT,

whichever is earlier;

NOTICE OF THIRTEENTH ANNUAL GENERAL MEETING

(cont'd)

THAT the New Units to be issued pursuant to the Proposed Authority shall, upon allotment and issuance, rank pari passu in all respects with the existing units except that the New Units will not be entitled to any income distribution, right, benefit, entitlement and/or any other distributions that may be declared prior to the date of allotment and issuance of such New Units;

THAT authority be and is hereby given to the Directors of the Manager and the Trustee, acting for and on behalf of Sentral REIT, to give effect to the Proposed Authority with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of Sentral REIT and/or may be imposed by the relevant authorities;

AND THAT the Directors of the Manager and the Trustee, acting for and on behalf of Sentral REIT, be and are hereby authorised to implement, finalise, complete and do all acts, deeds and things (including executing such documents as may be required) in relation to the Proposed Authority."

BY ORDER OF THE BOARD

Sentral REIT Management Sdn Bhd
(The Manager of Sentral REIT)

Mohamed Noor Rahim bin Yahaya

MAICSA 0866820 / SSM PC No. 202008002339

Ho Ngan Chui

MAICSA 7014785 / SSM PC No. 202008001773

Company Secretaries

Kuala Lumpur
28 March 2025

Notes:

1. Only Unitholders whose name appear in the Record of Depositors of Sentral REIT on 17 April 2025 shall be eligible to participate at the 13th AGM or to appoint proxies to attend and vote on their behalf.
2. A Unitholder who is entitled to attend and vote at this meeting is entitled to appoint another person to attend and vote in his stead. A proxy may but need not be a Unitholder.
3. Where a Unitholder appoints two (2) proxies, the appointment shall be invalid unless it specifies the proportions of its holdings to be represented by each proxy.
4. Where a Unitholder is an exempt authorised nominee which holds the units for multiple beneficial owners in one securities account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. Where a Unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than 2 proxies in respect of each securities account it holds with units in Sentral REIT standing to the credit of the said securities account.
6. The instrument appointing a proxy shall be in writing under the hand of the appointor or of its attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney so authorised.

NOTICE OF THIRTEENTH ANNUAL GENERAL MEETING

(cont'd)

7. *The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at the Registered Address of Sentral REIT Management Sdn Bhd, the management company of Sentral REIT ("Manager") at Level 33A, Menara NU 2, No. 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the 13th AGM either by hand, post, fax to (603) 27807668 or email to azeela@mrcb.com / irene@mrcb.com. If no name is inserted in the space for the name of your proxy, the Chairman of the 13th AGM will act as your proxy.*

Explanatory Notes on Ordinary and Special Business:

1. Item 1 of the Agenda

The Audited Financial Statements under Agenda 1 are laid before the Unitholders for discussion only in accordance with Clause 13.18(b) of the Guidelines on Listed Real Estate Investment Trust issued by the Securities Commission Malaysia, and do not require a formal approval of the unitholders. Hence, the matter is not put forward for voting.

2. Item 2 of the Agenda – Proposed Authority

The proposed ordinary resolution, if passed, will give a mandate to the Directors of the Manager to issue and allot units of Sentral REIT from time to time provided that the aggregate number of the New Units to be issued, when aggregated with the number of units issued during the preceding 12 months does not exceed 20% of the total number of issued units of Sentral REIT for the time being. This Proposed Authority, unless revoked or varied by a resolution passed by the Unitholders at a general meeting of Sentral REIT, will expire at the conclusion of the next AGM of Sentral REIT.

As at the date of this notice, Sentral REIT has not issued any units under the mandate which was approved at the 12th AGM held on 3 April 2024 and which will lapse at the conclusion of the 13th AGM.

The Proposed Authority will allow Sentral REIT the flexibility to allot and issue New Units to raise funds to finance future investments, acquisitions and capital expenditure projects to enhance the value of Sentral REIT and/or to refinance existing debt as well as for working capitals purposes without convening a general meeting, which may delay the capital raising initiatives and incur relevant costs in organising the required general meeting.

PERSONAL DATA PRIVACY NOTICE

By submitting an instrument appointing a proxy(ies), attorney(s) and/or representative(s) to attend and vote at the Unitholders' Meeting and/or any adjournment thereof, a Unitholder:

- (i) consents to the collection, use and disclosure of the Unitholder's personal data by the Manager (or its agents) for the purpose of the processing and administration by the Manager (or its agents) of proxy(ies), attorney(s) and/or representative(s) appointed for the Unitholders' Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Unitholders' Meeting (including any adjournment thereof), and in order for SENTRAL and the Manager (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"),
- (ii) warrants that where the Unitholder discloses the personal data of the Unitholder's proxy(ies), attorney(s) and/or representative(s) to the Manager (or its agents), the Unitholder has obtained the prior consent of such proxy(ies), attorney(s) and/or representative(s) for the collection, use and disclosure by Manager (or its agents) of the personal data of such proxy(ies), attorney(s) and/or representative(s) for the Purposes, and
- (iii) agrees that the Unitholder will indemnify SENTRAL and/or the Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Unitholder's breach of warranty.

ADMINISTRATIVE NOTES TO UNITHOLDERS OF SENTRAL REIT



SENTRAL REIT

(Constituted under the restated deed of trust dated 2 December 2019 as amended by the supplemental deed dated 24 December 2020, entered into between Sentral REIT Management Sdn Bhd [Registration No. 200601017500 (737252-X)] and Maybank Trustee Berhad [Registration No. 196301000109 (5004-P), both companies incorporated in Malaysia)

ADMINISTRATIVE NOTES TO UNITHOLDERS OF SENTRAL REIT FOR THE 13TH ANNUAL GENERAL MEETING (“13TH AGM”)

MODE OF MEETING

The 13th AGM of Sentral REIT will be conducted physically in compliance with the updated requirements issued by the Securities Commission Malaysia on 30 August 2024.

The date, time and venue of the 13th AGM are as follows:

Day and Date	Tuesday, 29 April 2025
Time	10.00 a.m. or any adjournment thereof
Meeting Venue	Grand Ballroom, Aloft Hotel Kuala Lumpur Sentral, No. 5, Jalan Stesen Sentral, 50470 Kuala Lumpur
Poll Administrator	Boardroom Share Registrars Sdn Bhd (“Boardroom”)

MEMBERS ENTITLED TO PARTICIPATE AND VOTE

Only Depositors whose names appear on the General Meeting Record of Depositors as at **17 April 2025** (“**General Meeting ROD**”) shall be entitled to participate in the 13th AGM or appoint a proxy(ies) to attend and vote on their behalf.

REGISTRATION

- Registration will start at 8.30 a.m. and will remain open until the conclusion of the 13th AGM, or such time as determined by the Chairman of the meeting.
- Please produce your **ORIGINAL Identity Card (“I/C”) or Passport (for foreigners)** during registration for verification. No photocopy of I/C or Passport will be accepted. Please note that you will not be allowed to register on behalf of another person even with the original I/C of that other person.
- After verification and registration, you will be given an identification wristband. No person will be allowed to enter the Ballroom and breakfast area without the identification wristband.

ADMINISTRATIVE NOTES TO UNITHOLDERS OF SENTRAL REIT

(cont'd)

LODGEMENT OF PROXY FORM FOR THE 13TH AGM

Please submit your Proxy Form, either by hand or by post to the following registered address of Sentral REIT Management Sdn Bhd, the management company of SENTRAL, or by electronic mail to azeela@mrcb.com/irene@mrcb.com or fax to (603) 27807668, not less than 48 hours before the time appointed for holding the 13th AGM, otherwise the Proxy Form shall be treated as invalid:

Sentral REIT Management Sdn Bhd,
Level 33A, Menara NU 2,
No. 203, Jalan Tun Sambanthan,
Kuala Lumpur Sentral,
50470 Kuala Lumpur.

Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.

REVOCAION OF PROXY

If you have submitted your Proxy Form prior to the AGM and subsequently decide to appoint another person or wish to participate in the AGM yourself, please email to azeela@mrcb.com/irene@mrcb.com to revoke the earlier appointed proxy(ies) at least forty-eight (48) hours before the AGM or proceed to the Help desk counter on the AGM day to do proxy revocation. On revocation, your proxy(ies) will not be allowed to participate in the AGM. In such event, you should advise your proxy(ies) accordingly.

POLL VOTING

- The voting will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad Main Market Listing Requirements. Boardroom has been appointed as Poll Administrator to conduct the poll by way of electronic voting (e-Voting) and an Independent Scrutineer will be engaged to verify the poll results.
- During the AGM, the Chairman will invite the Poll Administrator to brief on the e-Voting housekeeping rules. The voting session will commence as soon as the Chairman calls for the poll to be opened and until such time when the Chairman announces the closure of the Poll.
- The Chairman will declare the results of the polling and unitholders can view the results from the screen.

REFRESHMENT

Breakfast will be served before the 13th AGM from 8.30 a.m. onwards.

DOOR GIFTS

There will be no door gift(s) for members/proxies who participate in the 13th AGM.

ADMINISTRATIVE NOTES TO UNITHOLDERS OF SENTRAL REIT

(cont'd)

TRAVEL ARRANGEMENT

You are encouraged to use public transportation to go to the meeting venue, taking advantage of its location within Stesen Sentral Kuala Lumpur, Malaysia's largest transportation hub.

If you are driving to the meeting venue, kindly note:

- parking bays are available at LG1, B1 and B2 of the building
- Carpark Fee - MYR12.00 nett per car per entry for first 10 hours, (subsequent hour is MYR4.00 nett) (validation machine is available at Level 2)
- Cashless Carpark (Mode of payment via – Touch n' Go, Master Card, Visa & My Debit)

ANNUAL REPORT 2024

The following documents are available at <https://sentralreit.com> for your preview.

- (i) SENTRAL Annual Report FY2024
- (ii) SENTRAL Governance Report 2024
- (iii) Notice of the 13th AGM
- (iv) Proxy Form

If you need a copy of the printed Annual Report FY2024, kindly request from our Share Registrar at the number/email address given below:

Boardroom Share Registrars Sdn. Bhd.
 Registration No: 199601006647 (378993-D)
 11th Floor, Menara Symphony
 No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
 46200 Petaling Jaya, Selangor, Malaysia.
 Tel : +603 7890 4700
 Fax: +603 7890 4670
 Email: bsr.helpdesk@boardroomlimited.com

GENERAL ENQUIRIES

For enquiries on the administrative details of this meeting, please contact the following persons during office hours from Mondays to Fridays:

Company	Personnel	Email and Contact Number
Sentral REIT	For Unitholders' enquiries Puan Irene Ho	irene@mrcb.com Tel: 603 2786 8061
	Puan Norazeela Hasan	azeela@mrcb.com Tel: 603 2786 8057
	For Investor Relations Encik Yusoff Iskandar	yusoff.iskandar@sentralreit.com Tel: 603 2859 7168
Boardroom Share Registrar Sdn. Bhd. - For Unitholders/proxies enquiries		bsr.helpdesk@boardroomlimited.com Tel: 603 7890 4700 Fax: 603 7890 4670

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Number of Unit(s) held	CDS Account No.												
				-									

I/We (FULL NAME IN CAPITAL LETTERS) _____

NRIC No./Passport No./Company No. _____ of (FULL ADDRESS) _____

Email address: _____ Tel./Mobile No.: _____

being a Unitholder/Unitholders of Sentral REIT hereby appoint:

Name of Proxy in capital letters		Proportion of Unitholdings to be represented by the proxies:	
		Number of Units	Percentage [%]
Proxy 1	NRIC No./Passport No.:		
	Email Address:		
	Tel./Mobile No.:		
<i>And/or failing him/her</i>			
Proxy 2	NRIC No./Passport No.:		
	Email Address:		
	Tel./Mobile No.:		
		Total	_____

or failing him/her, the Chairman of the Meeting as my/our proxies to attend and vote for me/us on my/our behalf at the Thirteenth Annual General Meeting ("13th AGM") of Sentral REIT to be held at Grand Ballroom, Aloft Kuala Lumpur Sentral, No. 5, Jalan Stesen Sentral, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Tuesday, 29 April 2025 at 10.00 a.m.

My/our proxies is to vote on the Resolution as indicated by an "X" in the appropriate spaces below. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.

No.	Resolution	For	Against
1	Proposed Authority		

Dated this _____ day of _____ 2025

 Signature of Unitholder(s)

* DELETE IF NOT APPLICABLE

Notes:
Proxy

- Only Unitholders whose name appear in the Record of Depositors of Sentral REIT on 17 April 2025 shall be eligible to participate at the 13th AGM or to appoint proxies to attend and vote on their behalf.
- A Unitholder who is entitled to attend and vote at this meeting is entitled to appoint another person to attend and vote in his stead. A proxy may but need not be a Unitholder.
- Where a Unitholder appoints two (2) proxies, the appointment shall be invalid unless it specifies the proportions of its holdings to be represented by each proxy.
- Where a Unitholder is an exempt authorised nominee which holds the units for multiple beneficial owners in one securities account, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- Where a Unitholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than 2 proxies in respect of each securities account it holds with units in Sentral REIT standing to the credit of the said securities account.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or of its attorney duly authorised in writing or if the appointor is a corporation either under its common seal or under the hand of an officer or attorney so authorised.
- The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority shall be deposited at the Registered Address of Sentral REIT Management Sdn Bhd, the management company of Sentral REIT ("Manager") at Level 33A, Menara NU 2, No. 203, Jalan Tun Sambanthan, Kuala Lumpur Sentral, 50470 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the 13th AGM or any adjournment thereof, either by hand, post, fax to (603) 27807668 or email to azeela@mrcb.com/irene@mrcb.com. If no name is inserted in the space for the name of your proxy, the Chairman of the 13th AGM will act as your proxy.



Fold this flap for sealing

Then fold here

Affix
Stamp

The Company Secretary
Sentral REIT Management Sdn Bhd
(The Manager of Sentral REIT)

Level 33A, Menara NU 2,
No. 203, Jalan Tun Sambanthan,
Kuala Lumpur Sentral,
50470 Kuala Lumpur

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<https://sentralreit.com>



Sentral REIT Management Sdn Bhd

Company No. 200601017500 (737252-X)

G27A, Level 3A, Block B, Platinum Sentral,
Jalan Stesen Sentral 2, Kuala Lumpur Sentral,
50470, Kuala Lumpur.

Tel : +603 2786 8080 / +603 2780 7988
Fax : +603 2780 0098