YTL HOSPITALITY REIT

managed by
PINTAR PROJEK SDN BHD
199401028328 (314009-W)

33rd Floor, Menara YTL
205 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia

Tel • 603 2038 0888
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www.ytlhospitalityreit.com
www.ytlcommunity.com

YTL HOSPITALITY REIT

ANNUAL REPORT **2026**

YTL HOSPITALITY REIT

2026 ANNUAL REPORT

BUILDING THE RIGHT THING
The Journey Continues...



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CORPORATE INFORMATION



MANAGER

Pintar Projek Sdn Bhd

MANAGER'S REGISTERED OFFICE

33rd Floor, Menara YTL
205 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603-2038 0888
Fax : 603-2038 0388
Email : corpsecretariat@ytl.com

MANAGER'S PRINCIPAL PLACE OF BUSINESS

25th Floor, Menara YTL
205 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603-2038 0888
Fax : 603-2038 0301

BOARD OF DIRECTORS OF THE MANAGER

Executive Chairman
Tan Sri (Sir) Yeoh Sock Ping
PSM, KBE, CBE, FICE, SIMP, DPMS, DPMP, JMN, JP
Hon LLD (Nottingham), Hon DEng (Kingston),
BSc (Hons) Civil Engineering, FFB, F Inst D, MBIM, RIM

Chief Executive Officer
Dato' Setia Yeoh Seok Kah
SSIS, DSSA
LLB (Hons)

Executive Directors
Dato' Yeoh Soo Min
DSPN, DPMP, DIMP
BA (Hons) Accounting

Dato' Yeoh Seok Kian
DSSA
BSc (Hons) Bldg, MCIOB, FFB, (Hon) D.Univ

Independent Non-Executive Directors
Datuk Mark Victor Rozario
Fellow of the Institute of Chartered Accountants in England and Wales, BSc (Hons) Economics

Dato' Zainal Abidin Bin Ahmad
DIMP, JSM, Medal of Friendship (Lao PDR), AMN
MA (Int. Affairs), BSc (Hons) Mathematics

Au Wei Lien
Bsc, Advanced Diploma in Law, Bar-at-law

Non-Independent Non-Executive Director
Dato' Ahmad Fuaad Bin Mohd Dahalan
ABS, DIMP, SIMP
BA (Hons)

Alternate Director to Dato' Setia Yeoh Seok Kah
Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir
DPMP, PMP, AMN, PPN, PJK, OStJ, JP

Alternate Director to Dato' Yeoh Soo Min
Yeoh Keong Shyan
LLB (Hons)

Alternate Director to Dato' Yeoh Seok Kian
Yeoh Keong Wei
BSc (Hons) in International Management

CORPORATE INFORMATION

COMPANY SECRETARY/HEAD OF COMPLIANCE OF THE MANAGER

Ho Say Keng

TRUSTEE

Maybank Trustees Berhad
22nd Floor, Tower 1
Etiqa Twin Towers
11 Jalan Pinang
50450 Kuala Lumpur
Tel : 603-2177 5955
Fax : 603-2177 5974
Email : mtb.ct@maybank.com

REGISTRAR

Pintar Projek Sdn Bhd
33rd Floor, Menara YTL
205 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 603-2038 0888
Fax : 603-2038 0388
Email : shares@ytl.com

AUDIT COMMITTEE

Datuk Mark Victor Rozario
(Chairman and Independent Non-Executive Director)

Dato' Ahmad Fuaad Bin Mohd Dahalan
(Non-Independent Non-Executive Director)

Dato' Zainal Abidin Bin Ahmad
(Independent Non-Executive Director)

AUDITORS

HLB Ler Lum Chew PLT
(201906002362 & AF 0276)
Chartered Accountants
(A member of HLB International)

STOCK EXCHANGE LISTING

Bursa Malaysia Securities Berhad
Main Market (16.12.2005)



PROPERTY PORTFOLIO

ABOUT YTL HOSPITALITY REIT

YTL Hospitality REIT ("Trust") has a market capitalisation of approximately RM1.84 billion (as at 30 June 2026) with a wide portfolio of prime hospitality assets across a range of unique locations worldwide.

In Malaysia, these include the JW Marriott Hotel Kuala Lumpur, The Majestic Hotel Kuala Lumpur, The Ritz-Carlton, Kuala Lumpur (Hotel and Suite wings), the Pangkor Laut, Tanjong Jara and Cameron Highlands resorts, Hotel Stripes Kuala Lumpur and the AC hotels in Kuala Lumpur, Penang, Kuantan, Ipoh and Puchong.

YTL Hospitality REIT's international portfolio comprises Hilton Niseko Village and The Green Leaf Niseko Village in Japan and the Sydney Harbour, Brisbane and Melbourne Marriott hotels in Australia. The Trust is also undertaking the development of a hotel under the Moxy brand ("Moxy Niseko") in Hokkaido, Japan.

YTL Hospitality REIT's principal objective is to provide unitholders with stable cash distributions through owning and investing in yield accretive real estate assets. This provides potential for sustainable growth in its long term unit value, rewarding unitholders with noticeable returns.

YTL Hospitality REIT was established by a trust deed entered into on 18 November 2005 (as amended and restated) between Pintar Projek Sdn Bhd and Maybank Trustees Berhad, as manager and trustee, respectively, of YTL Hospitality REIT.

Key Milestones

YTL Hospitality REIT was listed on 16 December 2005 on the Main Market of Bursa Malaysia Securities Berhad under the name Starhill Real Estate Investment Trust, and consisted of prime properties within the Golden Triangle of Kuala Lumpur – the JW Marriott Hotel Kuala Lumpur, Starhill Gallery and parcels in Lot 10 Shopping Centre. Its principal investment strategy was investing in a diversified portfolio of retail, office and hospitality real estate assets, with an added focus on retail and hotel properties. In 2007, the REIT added part of The Ritz-Carlton, Kuala Lumpur – Suite Wing to its portfolio.

In 2009, the Trust embarked on a rationalisation exercise to reposition itself as a pure play hospitality REIT, focused on building a class of hotel and hospitality-related assets. The first stage of the exercise was completed in June 2010 and involved disposing the REIT's retail properties (Starhill Gallery and parcels in Lot 10 Shopping Centre) to Starhill Global Real Estate Investment Trust in Singapore.

YTL Hospitality REIT subsequently acquired 9 additional hotel properties in November and December 2011, namely, the Pangkor Laut, Tanjong Jara and Cameron Highlands resorts, The Ritz-Carlton, Kuala Lumpur – Hotel Wing, the remainder of The Ritz-Carlton, Kuala Lumpur – Suite Wing, the AC hotels in Kuala Lumpur, Penang and Kuantan, and Hilton Niseko Village in Japan.

The REIT's international portfolio was further strengthened with the acquisitions of the Sydney Harbour, Brisbane and Melbourne Marriott hotels in Australia in November 2012. This extended the geographical scope of the REIT and significantly enhanced brand outreach, ultimately raising its appeal to existing and new investors.

In November 2017, YTL Hospitality REIT enhanced its asset portfolio with the acquisition of The Majestic Hotel Kuala Lumpur, the Trust's tenth property in Malaysia, and, in September 2018, acquired its second hotel in Japan, The Green Leaf Niseko Village.

YTL Hospitality REIT's Malaysia portfolio was further expanded with the additions of Hotel Stripes Kuala Lumpur in October 2023, AC Hotel Ipoh in April 2024 and AC Hotel Puchong in April 2025. Following renovation works, AC Hotel Ipoh and AC Hotel Puchong reopened in April 2025 and April 2026, respectively. In April 2024, the Trust also embarked on the development of Moxy Niseko.

PROPERTY PORTFOLIO

Portfolio

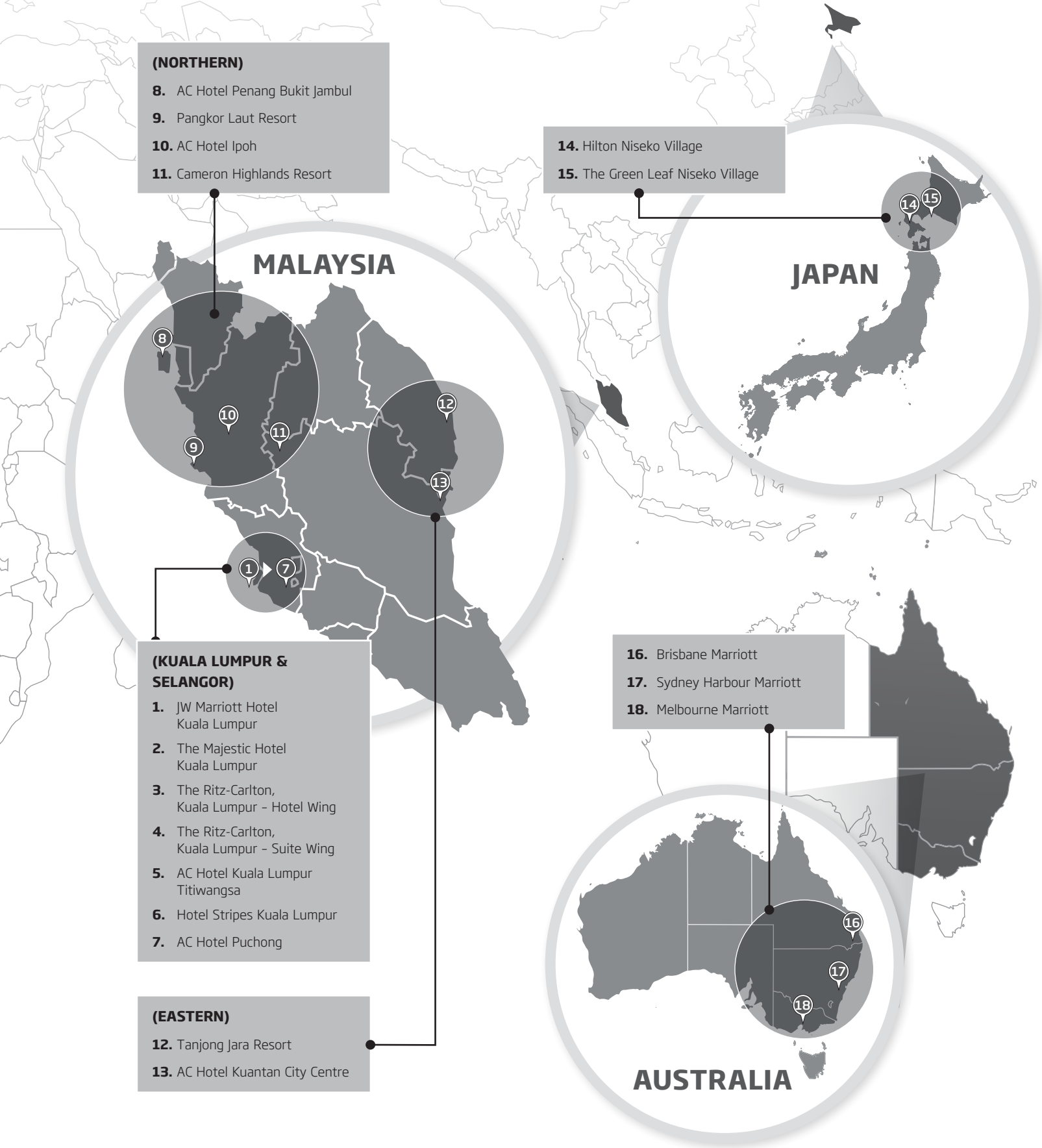
The composition of YTL Hospitality REIT's investment portfolio as at 30 June 2026 is as follows:-

	RM'000	%
Real Estate - Commercial		
At Fair Value		
• JW Marriott Hotel Kuala Lumpur	548,000	10
• The Majestic Hotel Kuala Lumpur	404,800	7
• The Ritz-Carlton, Kuala Lumpur – Hotel Wing	374,000	7
• The Ritz-Carlton, Kuala Lumpur – Suite Wing	329,600	6
• AC Hotel Kuala Lumpur Titiwangsa	166,000	3
• Hotel Stripes Kuala Lumpur	145,000	2
• AC Hotel Penang Bukit Jambul	142,600	2
• Pangkor Laut Resort	124,000	2
• AC Hotel Ipoh	117,000	2
• Tanjong Jara Resort	110,200	2
• AC Hotel Kuantan City Centre	107,900	2
• Cameron Highlands Resort	63,000	1
• AC Hotel Puchong	56,800	1
• Hilton Niseko Village	333,777	6
• The Green Leaf Niseko Village	170,151	3
• Sydney Harbour Marriott	1,576,584	28
• Brisbane Marriott	306,585	5
• Melbourne Marriott	209,212	4
Property Under Development		
At Cost		
• Moxy Niseko	131,672	2
Sub-total	5,416,881	95
Investment	104,065	2
Deposits with licensed financial institutions	185,467	3
Total	**5,706,413**	**100**

The Manager

Pintar Projek Sdn Bhd was incorporated in 1994 and is a 70%-owned subsidiary of YTL Land Sdn Bhd, which is a wholly-owned subsidiary of YTL Corporation Berhad. The Board of Directors and key personnel of Pintar Projek Sdn Bhd comprise competent and capable individuals that have extensive experience in their respective fields of expertise.

PROPERTY PORTFOLIO

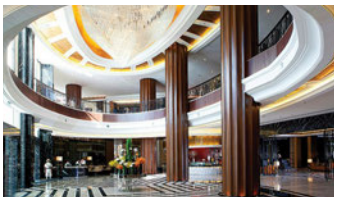


PROPERTY PORTFOLIO

1.
JW Marriott Hotel
Kuala Lumpur



2.
The Majestic Hotel
Kuala Lumpur



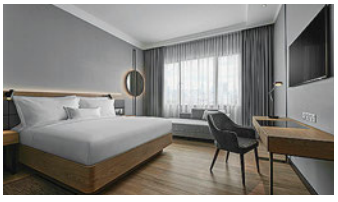
3.
The Ritz-Carlton,
Kuala Lumpur – Hotel Wing



4.
The Ritz-Carlton,
Kuala Lumpur – Suite Wing



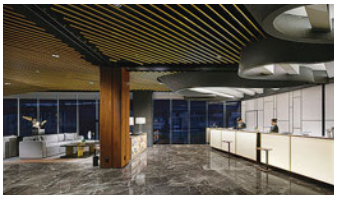
5.
AC Hotel Kuala Lumpur
Titiwangsa



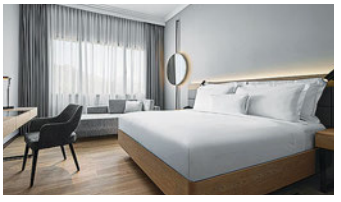
6.
Hotel Stripes
Kuala Lumpur



7.
AC Hotel
Puchong



8.
AC Hotel Penang
Bukit Jambul



9.
Pangkor Laut
Resort



10.
AC Hotel
Ipoh



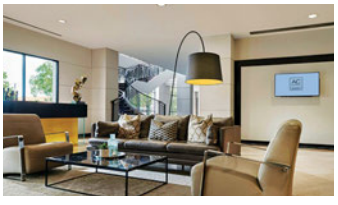
11.
Cameron Highlands
Resort



12.
Tanjong
Jara Resort



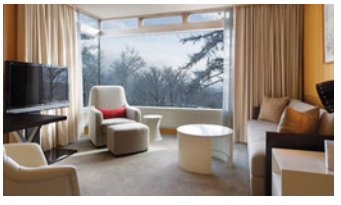
13.
AC Hotel Kuantan
City Centre



14.
Hilton Niseko
Village



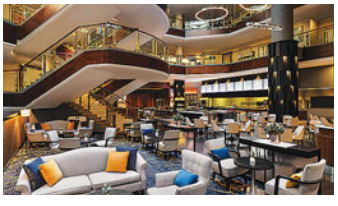
15.
The Green Leaf
Niseko Village



16.
Brisbane
Marriott



17.
Sydney Harbour
Marriott



18.
Melbourne
Marriott



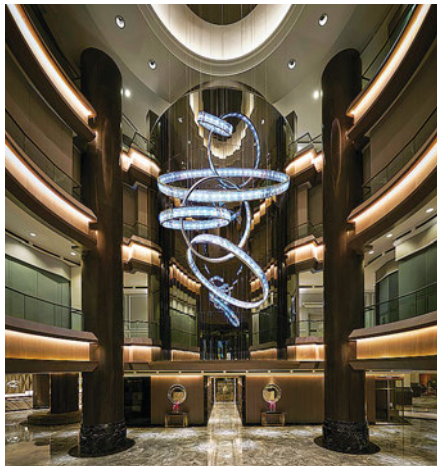
PROPERTY PORTFOLIO

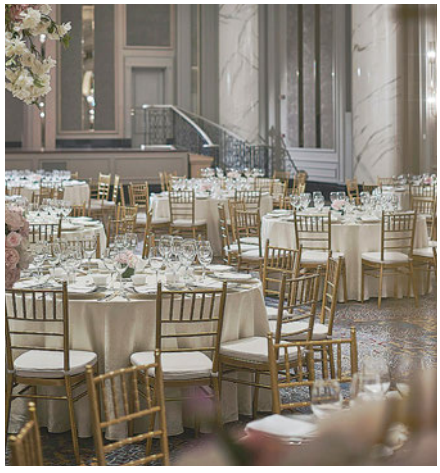
JW MARRIOTT HOTEL KUALA LUMPUR

Address/Location
No. 183, Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia.

Description
A 5-star hotel with 578 rooms located on part of an 8-level podium block and entire 24-level tower block of The Starhill together with car park bays located partially at basement 1 and 4 and the entire basement 2, 3 and 5 of JW Marriott Hotel Kuala Lumpur.

Property type	Hotel
Age	Approximately 29 years
Title details	Strata Title No. Grant 28678/M1/B5/1, within Parcel No. 1, Storey No. B5 of Building No. M1 and 8 accessory parcels for Lot No. 1267, Section 67, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	476 bays
Lessee	Star Hill Hotel Sdn. Bhd.
Car park operator	YTL Land Sdn. Bhd.
Lease term	The property is leased for a term expiring on 31 December 2038.
Date of acquisition	16 December 2005
Cost of acquisition (including incidentals)	RM331,024,000
Fair value adjustments for the financial year	RM5,000,000
Market value	RM548,000,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM548,000,000







PROPERTY PORTFOLIO

THE MAJESTIC HOTEL KUALA LUMPUR

Address/Location
No. 5, Jalan Sultan Hishamuddin, 50000 Kuala Lumpur, Malaysia.

Description
A 5-star hotel comprising Majestic Wing (original historic hotel building) comprising 2-storey, 4-storey and 5-storey buildings with 47 rooms and 15-storey Tower Wing with 253 rooms and 3 levels of basement car park.

Property type	Hotel
Age	Majestic Wing - Approximately 94 years (refurbished in Year 2012) Tower Wing - Approximately 13 years
Title details	Grant No. 23849 for Lot No. 74, Section 59, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	90-year registered lease expiring on 11 May 2091 obtained from Pesuruhjaya Tanah Persekutuan. The unexpired lease period is approximately 65 years.
Existing use	Commercial building
Parking spaces	429 bays
Lessee	YTL Majestic Hotel Sdn. Bhd.
Lease term	The property is leased for a term expiring on 2 November 2032.
Date of acquisition	3 November 2017
Cost of acquisition (including incidentals)	RM384,221,000
Fair value adjustments for the financial year	RM1,200,000
Market value	RM404,800,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM404,800,000







PROPERTY PORTFOLIO

THE RITZ-CARLTON, KUALA LUMPUR - HOTEL WING

Address/Location
No. 168, Jalan Imbi, 55100 Kuala Lumpur, Malaysia.

Description
22-storey 5-star hotel building comprising 251 rooms with 4 levels of basement car parks.

Property type	Hotel
Age	Approximately 29 years
Title details	Grant No. 26579 for Lot No. 225, Section 67, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	154 bays
Lessee	East-West Ventures Sdn. Bhd.
Lease term	The property is leased for a term expiring on 14 November 2026.
Date of acquisition	15 November 2011
Cost of acquisition (including incidentals)	RM253,017,000
Fair value adjustments for the financial year	RM1,000,000
Market value	RM374,000,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM374,000,000







PROPERTY PORTFOLIO

THE RITZ-CARLTON, KUALA LUMPUR - SUITE WING

Address/Location
No. 168, Jalan Imbi, 55100 Kuala Lumpur, Malaysia.

Description
38-storey hotel building comprising 110 suites and 4 penthouses with 4 levels of commercial podium, 1 level of facilities deck and 3 levels of basement car parks.

Property type	Serviced apartment
Age	Approximately 21 years
Title details	Grant No. 47693 for Lot No. 1308, Section 67, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	189 bays
Lessee	Star Hill Hotel Sdn. Bhd.
Lease term	The property is leased for a term expiring on 30 June 2031.
Date of acquisition	16 May 2007 and 15 November 2011
Cost of acquisition (including incidentals)	RM198,881,000
Fair value adjustments for the financial year	RM539,000
Market value	RM329,600,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM329,600,000







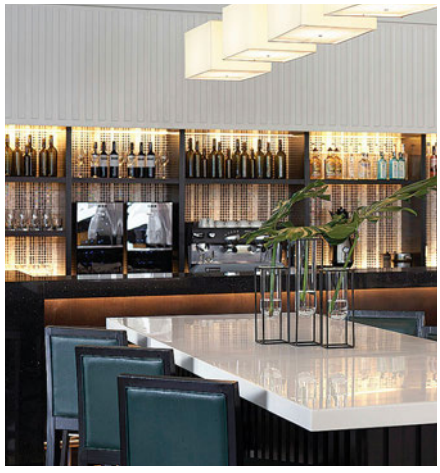
PROPERTY PORTFOLIO

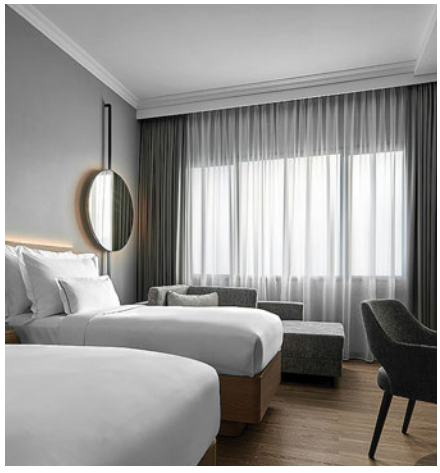
AC HOTEL KUALA LUMPUR TITIWANGSA

Address/Location
No. 9, Jalan Lumut, Off Jalan Ipoh, 50400 Kuala Lumpur, Malaysia.

Description
17-storey hotel building with 364 rooms and 2-storey basement car parks.

Property type	Hotel
Age	Approximately 31 years
Title details	Grant No. 33550 for Lot No. 669, Section 47, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	144 bays
Lessee	Prisma Tulin Sdn. Bhd.
Lease term	The property is leased for a term expiring on 14 November 2026.
Date of acquisition	15 November 2011
Cost of acquisition (including incidentals)	RM101,207,000
Fair value adjustments for the financial year	–
Market value	RM166,000,000
Date of latest valuation	31 May 2026
Independent valuer	Savills (Malaysia) Sdn Bhd
Net book value	RM166,000,000







PROPERTY PORTFOLIO

HOTEL STRIPES KUALA LUMPUR

Address/Location
No. 25, Jalan Kamunting, 50300 Kuala Lumpur, Malaysia.

Description
20-storey hotel building with 184 rooms and 148 car park bays.

Property type	Hotel
Age	Approximately 9 years
Title details	Grant No. 78933 for Lot No. 20063 Section 41, Town and District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur.
Encumbrances/Limitation in title/interest	The property is free from encumbrances and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	148 bays
Lessee	Hotel 25 Sdn. Bhd.
Lease term	The property is leased for a term expiring on 30 October 2038.
Date of acquisition	31 October 2023
Cost of acquisition (including incidentals)	RM139,415,000
Fair value adjustments for the financial year	RM936,000
Market value	RM145,000,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM145,000,000







PROPERTY PORTFOLIO

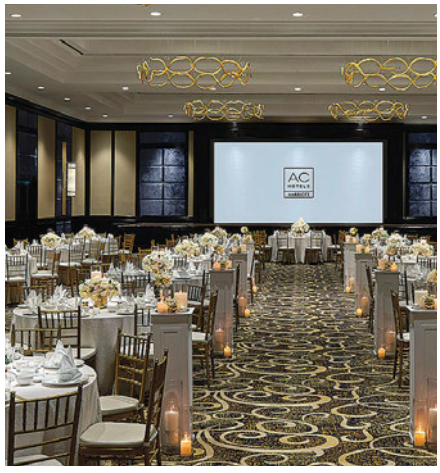
AC HOTEL PENANG BUKIT JAMBUL

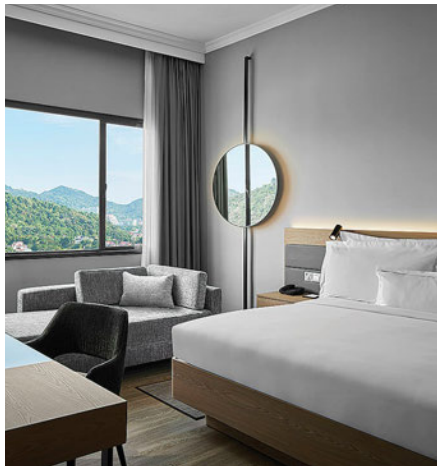
Address/Location
No. 213, Jalan Bukit Gambir, Bukit Jambul, 11950 Pulau Pinang, Malaysia.

Description
17-storey Hotel Wing with 238 hotel rooms and 26-storey Suite Wing with 189 hotel suites with an annexed 3-storey podium.

Property type	Hotel
Age	Approximately 27 years
Title details	HSD 9632 for Lot No. P.T. 1678, Mukim 13, District of Timor Laut, State of Pulau Pinang.
Encumbrances/Limitation in title/interest	The property is free from encumbrances and there is restriction attached to the title.
Status of holdings	99-year leasehold expiring on 27 October 2094. The unexpired lease period is approximately 68 years.
Existing use	Commercial building
Parking spaces	375 bays
Lessee	Business & Budget Hotels (Penang) Sdn. Bhd.
Lease term	The property is leased for a term expiring on 14 November 2026.
Date of acquisition	15 November 2011
Cost of acquisition (including incidentals)	RM101,778,000
Fair value adjustments for the financial year	RM600,000
Market value	RM142,600,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM142,600,000







PROPERTY PORTFOLIO

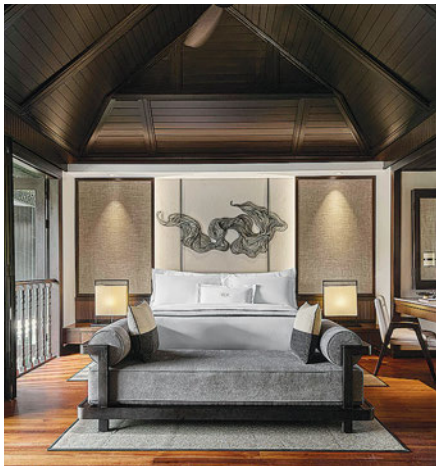
PANGKOR LAUT RESORT

Address/Location
Pangkor Laut Island, 32200 Lumut, Perak Darul Ridzuan, Malaysia.

Description
40 units of Tropical Garden Villa, 52 units of Tropical Hill Villa, 8 units of Beach Villa and 1 unit of Pavarotti Suite.

Property type	Resort
Age	Approximately 33 years
Title details	PN 313713 for Lot 12362 and PN 313715 for Lot 12364, both in Mukim of Lumut, District of Manjung, State of Perak Darul Ridzuan.
Encumbrances/Limitation in title/interest	The property is free from encumbrances and there is restriction attached to the title.
Status of holdings	99-year registered lease expiring on 21 May 2095 obtained from Perbadanan Kemajuan Negeri Perak. The unexpired lease period is approximately 69 years.
Existing use	Commercial building
Parking spaces	Not applicable
Lessee	Syarikat Pelanchongan Pangkor Laut Sendirian Berhad.
Lease term	The property is leased for a term expiring on 14 November 2026.
Date of acquisition	15 November 2011
Cost of acquisition (including incidentals)	RM98,365,000
Fair value adjustments for the financial year	-
Market value	RM124,000,000
Date of latest valuation	31 May 2026
Independent valuer	Savills (Malaysia) Sdn Bhd
Net book value	RM124,000,000







PROPERTY PORTFOLIO

AC HOTEL IPOH

Address/Location
No. 88, Jalan Sultan Abdul Jalil, 30450 Ipoh, Perak Darul Ridzuan, Malaysia.

Description
13-storey hotel building with 291 rooms.

Property type	Hotel
Age	Approximately 32 years
Title details	PN 101774 for Lot 8633N in Bandar Ipoh (U), District of Kinta, State of Perak Darul Ridzuan.
Encumbrances/Limitation in title/interest	The property is free from encumbrances and there is no restriction attached to the title.
Status of holdings	999-year leasehold expiring on 21 September 2894. The unexpired lease period is approximately 868 years.
Existing use	Commercial building
Parking spaces	194 bays
Lessee	Prisma Tulin Sdn. Bhd.
Lease term	The property is leased for a term expiring on 31 March 2040.
Date of acquisition	8 April 2024
Cost of acquisition (including incidentals)	RM55,687,000
Fair value adjustments for the financial year	–
Market value	RM117,000,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM117,000,000







PROPERTY PORTFOLIO

TANJONG JARA RESORT

Address/Location
Batu 8, Off Jalan Dungun, 23000 Dungun, Terengganu Darul Iman, Malaysia.

Description
Small luxury boutique resort with 101 rooms.

Property type	Resort
Age	Approximately 31 years
Title details	HSD 1473 for Lot No. PT 18624, Mukim of Kuala Dungun, District of Dungun, State of Terengganu Darul Iman.
Encumbrances/Limitation in title/interest	The property is free from encumbrances and there is restriction attached to the title.
Status of holdings	60-year leasehold expiring on 4 December 2067. The unexpired lease period is approximately 41 years.
Existing use	Commercial building
Parking spaces	Nil
Lessee	Tanjong Jara Beach Hotel Sdn. Bhd.
Lease term	The property is leased for a term expiring on 14 November 2026.
Date of acquisition	15 November 2011
Cost of acquisition (including incidentals)	RM88,050,000
Fair value adjustments for the financial year	RM770,000
Market value	RM110,200,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM110,200,000







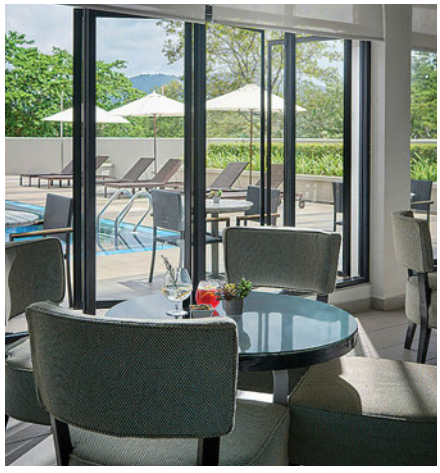
PROPERTY PORTFOLIO

AC HOTEL KUANTAN CITY CENTRE

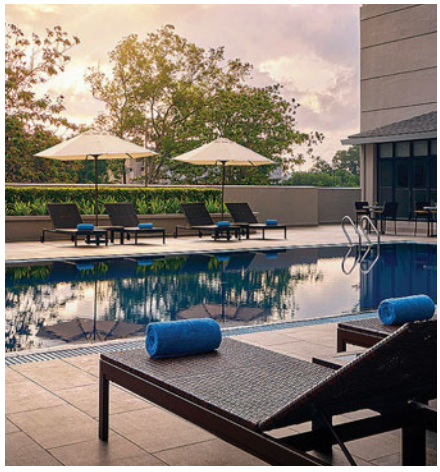
Address/Location
Jalan Teluk Sisek, 25000 Kuantan, Pahang Darul Makmur, Malaysia.

Description
8-storey hotel building with 215 rooms.

Property type	Hotel
Age	Approximately 27 years
Title details	PN No. 13491 for Lot No. 714, Section 37, Town and District of Kuantan, State of Pahang Darul Makmur.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is restriction attached to the title.
Status of holdings	99-year leasehold expiring on 11 July 2092. The unexpired lease period is approximately 66 years.
Existing use	Commercial building
Parking spaces	125 bays
Lessee	Business & Budget Hotels (Kuantan) Sdn. Bhd.
Lease term	The property is leased for a term expiring on 14 November 2026.
Date of acquisition	15 November 2011
Cost of acquisition (including incidentals)	RM75,980,000
Fair value adjustments for the financial year	RM801,000
Market value	RM107,900,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM107,900,000







PROPERTY PORTFOLIO

CAMERON HIGHLANDS RESORT

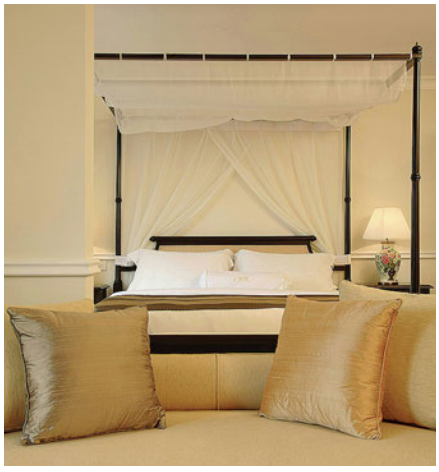
Address/Location
By the Golf Course, 39000 Tanah Rata, Cameron Highlands, Pahang Darul Makmur, Malaysia.

Description
3-storey luxury resort with a 2-storey spa village block with 56 rooms and suites and a single storey building.

Property type	Resort
Age	Approximately 52 years
Title details	HSD 3881 for Lot No. PT 1812, Mukim of Tanah Rata, District of Cameron Highlands, State of Pahang Darul Makmur.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	99-year leasehold expiring on 9 December 2108. The unexpired lease period is approximately 82 years.
Existing use	Commercial building
Parking spaces	Nil
Lessee	Cameron Highlands Resort Sdn. Bhd.
Lease term	The property is leased for a term expiring on 14 November 2026.
Date of acquisition	15 November 2011
Cost of acquisition (including incidentals)	RM50,649,000
Fair value adjustments for the financial year	–
Market value	RM63,000,000
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM63,000,000







PROPERTY PORTFOLIO

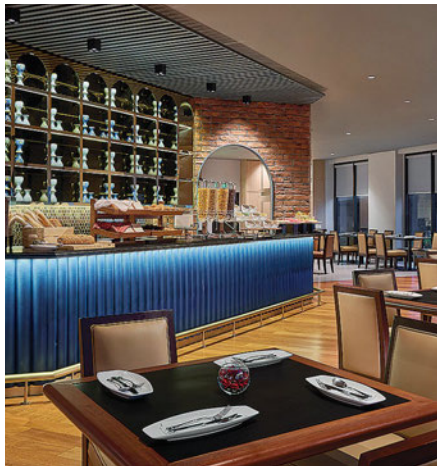
AC HOTEL PUCHONG

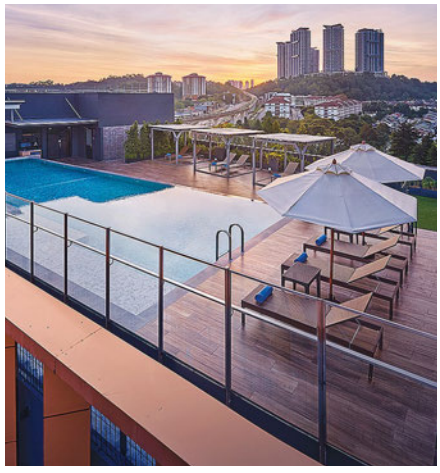
Address/Location
No. 6, Jalan Kenari 12, Bandar Puchong Jaya, 47170 Puchong, Selangor Darul Ehsan, Malaysia.

Description
10-storey hotel building with 180 rooms.

Property type	Hotel
Age	Approximately 9 years
Title details	HSD 298845 for Lot No. PT 2381, Pekan Puchong Jaya, District of Petaling, State of Selangor Darul Ehsan.
Encumbrances/Limitation in title/interest	The property is free from encumbrances and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	102 bays
Lessee	Prisma Tulin Sdn. Bhd.
Lease term	The property is leased for a term expiring on 31 March 2041.
Date of acquisition	28 April 2025
Cost of acquisition (including incidentals)	RM40,420,000
Fair value adjustments for the financial year	RM41,000
Market value	RM56,800,000*
Date of latest valuation	31 May 2026
Independent valuer	Knight Frank Malaysia Sdn Bhd
Net book value	RM56,800,000*

** Included renovation works amounting to RM12 million, completed during the year.*







PROPERTY PORTFOLIO

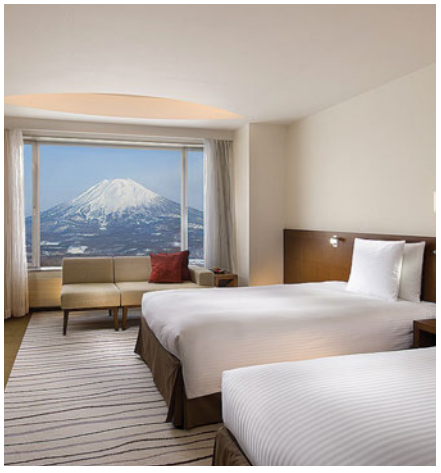
HILTON NISEKO VILLAGE

Address/Location
Aza-Soga, Niseko-cho, Abuta-gun, Hokkaido, Japan.

Description
16-storey hotel building with 1-storey of basement comprising 506 rooms.

Property type	Hotel
Age	Approximately 32 years
Title details	Lot No. 919-15, 919-18, 919-19, 920-4, 920-5 and 920-7, Aza-Soga, Niseko-cho, Abuta-gun and Lot No. 214-6, 252-2 and 264-4, Aza-Kabayama, Kutchan-cho, Abuta-gun, Hokkaido, Japan.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	290 bays
Lessee	Niseko Village K.K.
Lease term	The property is leased for a term expiring on 21 December 2026.
Date of acquisition	22 December 2011
Cost of acquisition (including incidentals)	JPY6,402,726,000
Fair value adjustments for the financial year	JPY2,800,000,000 or RM74,164,000
Market value	JPY13,300,000,000
Date of latest valuation	31 May 2026
Independent valuer	Colliers International Japan KK
Net book value	RM333,777,000







PROPERTY PORTFOLIO

THE GREEN LEAF NISEKO VILLAGE

Address/Location
Aza-Higashiyama, Niseko-cho, Abuta-gun, Hokkaido, Japan.

Description
5-storey hotel building with 1-storey of basement comprising 200 rooms.

Property type	Hotel
Age	Approximately 43 years
Title details	Lot No. 1-2, 5-4, 6-2 and 7-3, Aza-Higashiyama, Niseko-cho, Abuta-gun, Hokkaido, Japan.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	Nil
Lessee	Niseko Village K.K.
Lease term	The property is leased for a term expiring on 26 September 2048.
Date of acquisition	26 September 2018
Cost of acquisition (including incidentals)	JPY6,005,452,000
Fair value adjustments for the financial year	JPY270,000,000 or RM7,151,000
Market value	JPY6,780,000,000
Date of latest valuation	31 May 2026
Independent valuer	Savills Japan Valuation G.K.
Net book value	RM170,151,000







PROPERTY PORTFOLIO

SYDNEY HARBOUR MARRIOTT

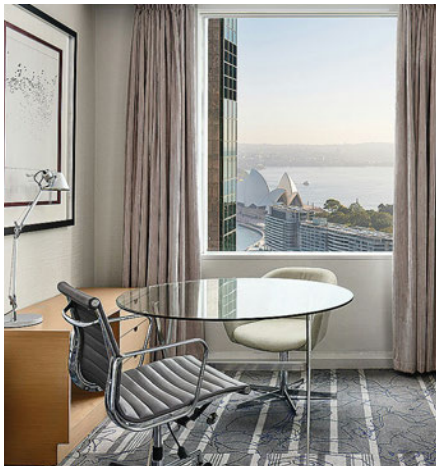
Address/Location
30 Pitt Street, Sydney, New South Wales 2000, Australia.

Description
33-storey hotel building with central atrium comprising 595 rooms including 3 levels of basement with car parking bays.

Property type	Hotel
Age	Approximately 37 years
Title details	Lot 1 in Deposited Plan 804285 in the Local Government Area of Sydney, Parish of St James and County of Cumberland.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	Approximately 45 bays
Average occupancy rate	88.65%
Date of acquisition	29 November 2012
Cost of acquisition (including incidentals)	AUD264,618,000
Fair value adjustments for the financial year	AUD58,241,000 or RM160,996,000
Market value	AUD565,000,000
Date of latest valuation	31 May 2026
Independent valuer	Savills Valuations Pty Ltd
Net book value	RM1,576,584,000







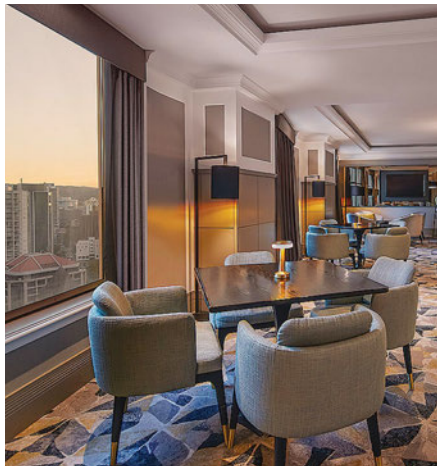
PROPERTY PORTFOLIO

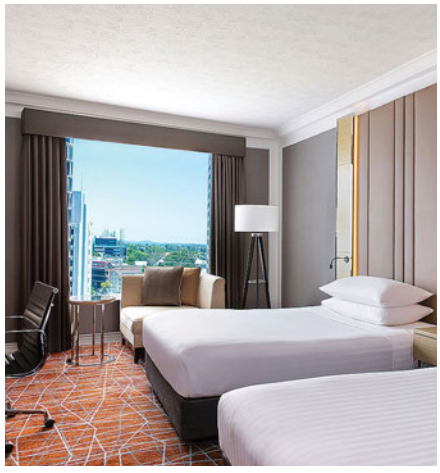
BRISBANE MARRIOTT

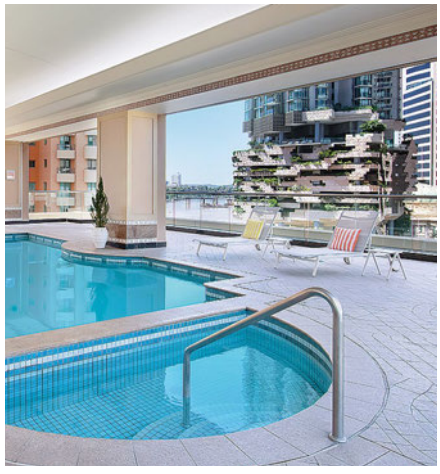
Address/Location
515 Queen Street, Brisbane, Queensland 4000, Australia.

Description
28-storey hotel building comprising 267 rooms with 3 levels of basement car park.

Property type	Hotel
Age	Approximately 28 years
Title details	Lot 5 on Survey Plan 100339 comprised in Certificate of Title Reference No. 50218402 in the Parish of North Brisbane and County of Stanley.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	Approximately 78 bays
Average occupancy rate	78.15%
Date of acquisition	29 November 2012
Cost of acquisition (including incidentals)	AUD120,311,000
Fair value adjustments for the financial year	AUD9,268,000 or RM25,620,000
Market value	AUD110,000,000
Date of latest valuation	31 May 2026
Independent valuer	Savills Valuations Pty Ltd
Net book value	RM306,585,000







PROPERTY PORTFOLIO

MELBOURNE MARRIOTT

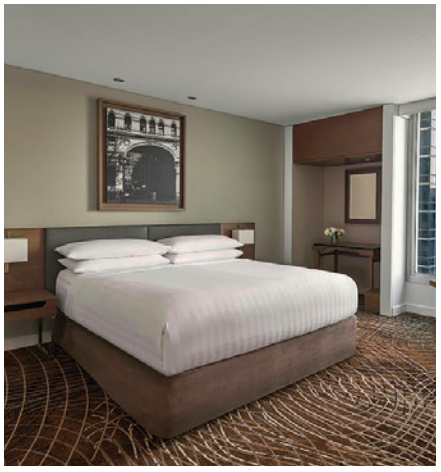
Address/Location
Corner Exhibition and Lonsdale Streets, Melbourne, Victoria 3000, Australia.

Description
16-storey hotel building comprising 189 rooms with 5 split levels of car park.

Property type	Hotel
Age	Approximately 44 years
Title details	Lot 1 on Plan of Subdivision 349277H (Volume 10323 Folio 372) and Lot 1 on Plan of Subdivision 349276K (Volume 10323 Folio 375) in the Local Government Area of City of Melbourne Council and Parish of North Melbourne.
Encumbrances/Limitation in title/interest	The property is charged to secure financing and there is no restriction attached to the title.
Status of holdings	Freehold
Existing use	Commercial building
Parking spaces	Approximately 80 bays
Average occupancy rate	76.82%
Date of acquisition	29 November 2012
Cost of acquisition (including incidentals)	AUD56,404,000
Fair value adjustments for the financial year	AUD4,325,000 or RM11,955,000
Market value	AUD75,000,000
Date of latest valuation	31 May 2026
Independent valuer	Savills Valuations Pty Ltd
Net book value	RM209,212,000







LETTER TO UNITHOLDERS

Dear Unitholders,

YTL Hospitality REIT achieved another strong performance for the financial year ended 30 June 2026. New assets added to the portfolio last year have delivered good yield accretion and the operational performance of the REIT's foundational assets has also remained strong.

FINANCIAL PERFORMANCE

YTL Hospitality REIT recorded higher revenue of RM570.3 million for the financial year under review, an increase of 4.0% compared to RM548.3 million last year, whilst net property income (NPI) rose 7.5% to RM314.0 million this year over RM292.1 million for the last financial year.

The income available for distribution for the financial year under review increased 7.0% to RM140.8 million compared to RM131.6 million last year.

Accordingly, YTL Hospitality REIT's total distribution per unit (DPU) increased to 8.00 sen for the financial year under review, compared to 7.75 sen last year, reaffirming our commitment to delivering sustainable returns to unitholders.



TAN SRI (SIR) YEOH SOCK PING
PSM, KBE
Executive Chairman

DATO' SETIA YEOH SEOK KAH
Chief Executive Officer

PORTFOLIO PERFORMANCE

In the domestic portfolio, the lease agreement for AC Hotel Ipoh which commenced in April 2025 contributed a full year of rental income for the current financial year. Performance was also bolstered by several months of rental income following the commencement of the lease agreement for AC Hotel Puchong in April 2026. Our AC Hotels offering now extends to 5 hotels, all situated in prime catchment areas for business and tourism alike.

YTL Hospitality REIT's Australian portfolio, comprising the prime Sydney Harbour, Brisbane and Melbourne Marriott hotels, saw stronger room demand this year, supported by a robust calendar of major entertainment and sporting events, coupled with good growth in group and cruise-related business. Improved average room rates and effective cost management efforts across the properties yielded the better results achieved this year.

In Japan, we continued to progress well on the new Moxy Niseko being developed in Hokkaido, Japan. Moxy Niseko is a highly anticipated, modern new addition to the Niseko hospitality scene. Japan continues to foster a highly attractive tourism environment, with the Niseko region establishing itself as a premier ski destination, boding well for our three assets.

RESPONSIBLE STEWARDSHIP

We remain committed to creating lasting value for all stakeholders by managing the Trust's assets responsibly and sustainably. YTL Hospitality REIT is a component in the FTSE4Good Bursa Malaysia Index, which measures the performance of publicly listed companies with good liquidity and strong environmental, social and governance (ESG) practices.

Information about our progress on ESG matters for the year under review can be found in the *Managing Sustainability* section in this Annual Report.

This includes disclosures addressing the newly applicable International Financial Reporting Standards (IFRS) pertaining to ESG-related matters issued by the International Sustainability Standards Board (ISSB), which became applicable to YTL Hospitality REIT for the current financial year under review.

Economic Review

The Malaysian economy recorded gross domestic product (GDP) growth of 5.2% in 2025, supported by resilient domestic demand that helped cushion the effects of a highly challenging global environment. GDP growth remained resilient in 2026, rising to 5.4% in the first quarter *(sources: Bank Negara Malaysia updates & reports)*.

In other key markets where YTL Hospitality REIT operates, Australia's economy grew by 2.6% in 2025 and 2.5% in the first quarter of 2026. Meanwhile, Japan's GDP growth stood at 1.2% in 2025, with year-on-year growth reaching 1.8% in the first quarter of 2026 *(sources: Reserve Bank of Australia & Government of Japan Cabinet Office updates & reports)*.

OUTLOOK

The outlook for the global hospitality industry remains positive, albeit tempered by geopolitical headwinds, with the ongoing Iran war creating greater uncertainty, particularly in travel and tourism-related costs and sentiment.

Our key focus remains on deploying our proactive asset management and disciplined investment approach towards enhancing YTL Hospitality REIT's portfolio, to continue to deliver income stability and create long-term value for our Unitholders and stakeholders.

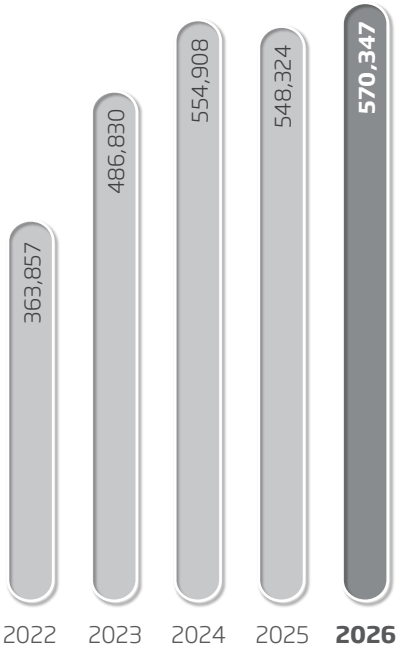
TAN SRI (SIR) YEOH SOCK PING
PSM, KBE
Executive Chairman

DATO' SETIA YEOH SEOK KAH
Chief Executive Officer

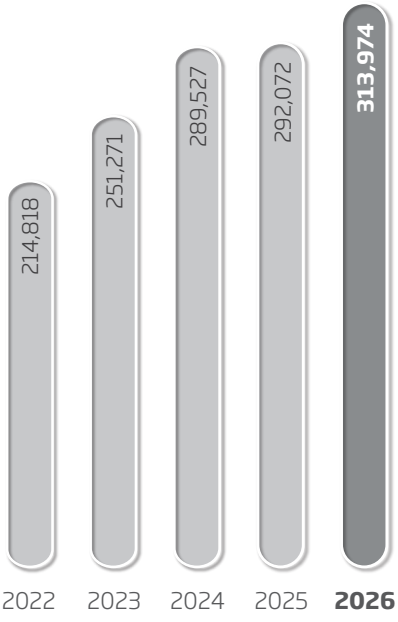
FINANCIAL HIGHLIGHTS

	2026	2025	2024	2023	2022
Revenue (RM'000)	**570,347**	548,324	554,908	486,830	363,857
Net property income (RM'000)	**313,974**	292,072	289,527	251,271	214,818
Total income distribution (RM'000)	**140,778**	132,090	140,887	126,863	67,409
Total assets (RM'000)	**5,889,549**	5,445,433	5,446,478	5,127,278	4,902,250
Net asset value (RM'000)	**3,278,084**	2,939,358	2,976,648	2,907,403	2,772,748
Units in circulation ('000)	**1,794,389**	1,704,389	1,704,389	1,704,389	1,704,389
Net asset value per Unit (RM)	**1.827**	1.725	1.746	1.706	1.627
Distribution per Unit (sen)	**8.0000**	7.7500	8.2661	7.4433	3.9550
Earnings per Unit (sen)	**13.92**	8.72	10.44	8.29	4.92

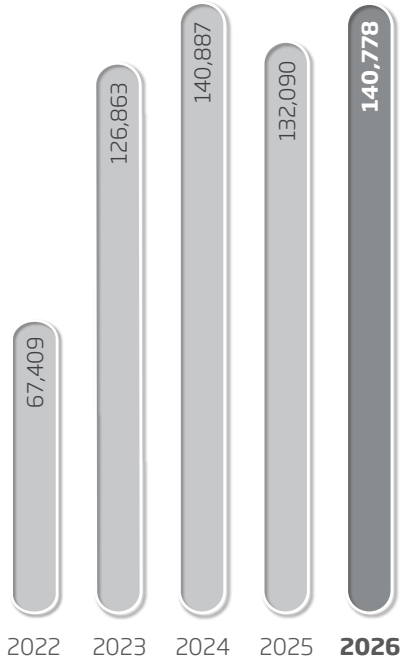
Revenue
(RM'000)



Net Property Income
(RM'000)

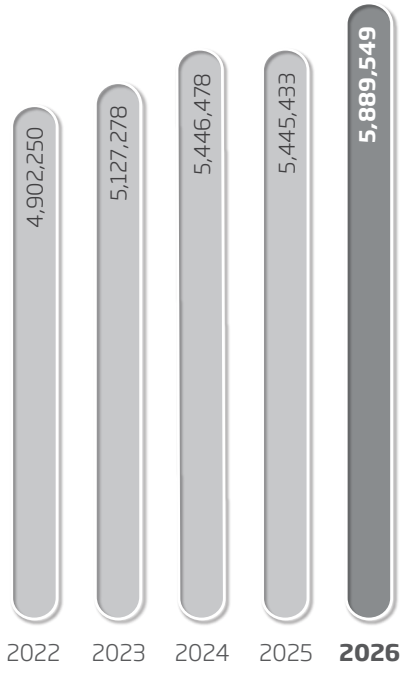


Total Income Distribution
(RM'000)

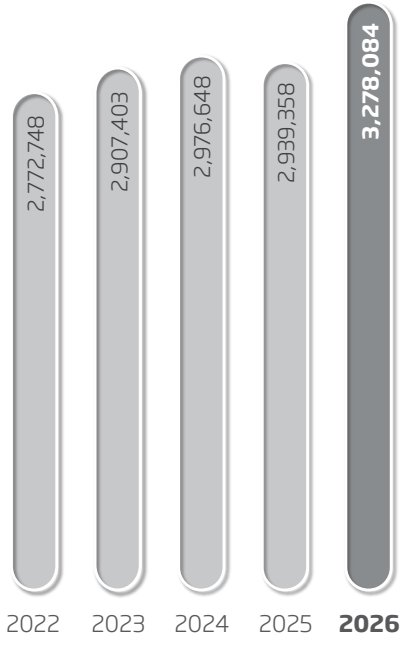


FINANCIAL HIGHLIGHTS

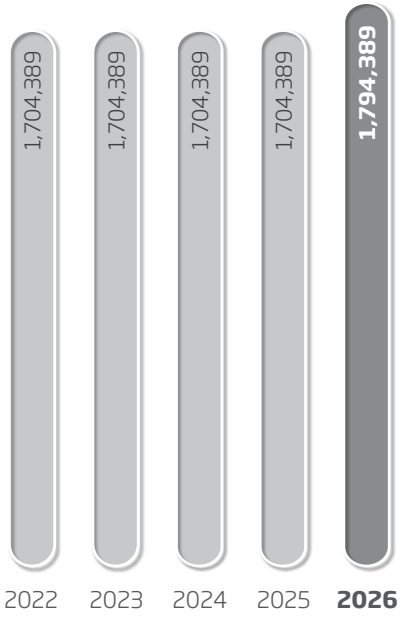
Total Assets
(RM'000)



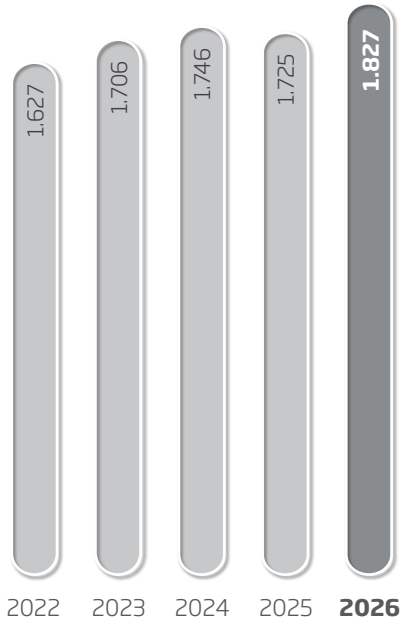
Net Asset Value
(RM'000)



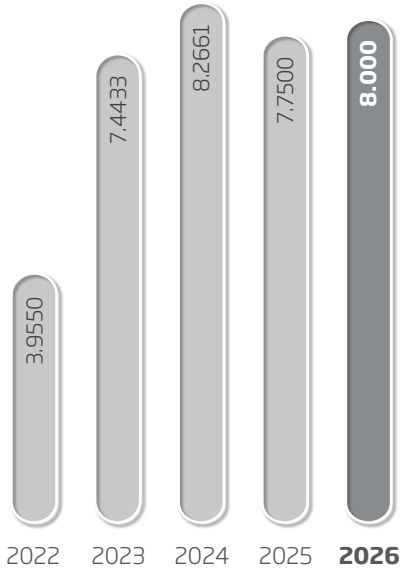
Units in Circulation
('000)



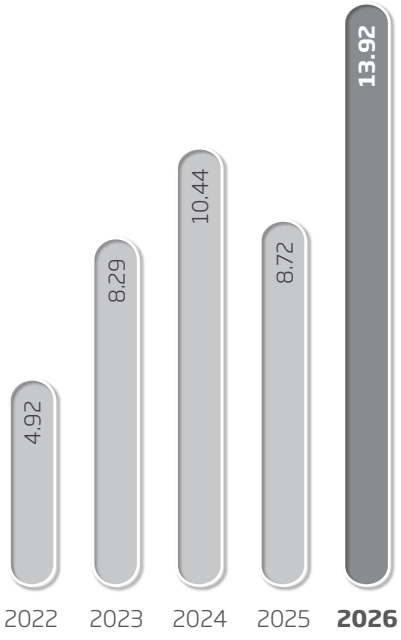
Net Asset Value per Unit
(RM)



Distribution per Unit
(sen)



Earnings per Unit
(sen)



FUND PERFORMANCE

(I) PORTFOLIO COMPOSITION OF THE GROUP

At 30 June	2026 %	2025 %	2024 %	2023 %	2022 %
Real estate	**95**	97	98	98	100
Non-real estate-related assets	**2**	–	–	–	–
Deposits	**3**	3	2	2	–
	100	100	100	100	100

(II) NET ASSET VALUE & UNIT INFORMATION

	2026	2025	2024	2023	2022
Total assets (RM'000)	**5,889,549**	5,445,433	5,446,478	5,127,278	4,902,250
Total net asset value ("NAV") (RM'000)					
– as at 30 June (before income distribution)	**3,418,862**	3,071,448	3,117,535	3,034,266	2,840,157
– as at 30 June (after income distribution)	**3,278,084**	2,939,358	2,976,648	2,907,403	2,772,748
Units in circulation ('000)	**1,794,389**	1,704,389	1,704,389	1,704,389	1,704,389
NAV per Unit (RM)					
– as at 30 June (before income distribution)	**1.905**	1.802	1.829	1.780	1.666
– as at 30 June (after income distribution)	**1.827**	1.725	1.746	1.706	1.627
– Highest NAV during the year	**1.827**	1.725	1.746	1.706	1.627
– Lowest NAV during the year	**1.696**	1.667	1.697	1.620	1.551
Market value per Unit (RM)					
– as at 30 June	**1.06**	1.07	1.21	0.95	0.95
– Weighted average price for the year	**1.09**	1.15	1.10	0.93	0.93
– Highest traded price for the year	**1.20**	1.24	1.25	1.01	1.01
– Lowest traded price for the year	**0.98**	0.99	0.96	0.85	0.87

(III) PERFORMANCE DETAILS OF THE GROUP

	2026	2025	2024	2023	2022
Distribution per Unit (sen)					
– Interim	**3.0811**	2.9128	4.1781	3.0600	1.8880
– Final	**4.9189**	4.8372	4.0880	4.3833	2.0670
	8.0000 [6]	7.7500 [6]	8.2661 [4]	7.4433 [6]	3.9550 [4],[5]
Distribution date					
– Interim	**31 March 2026**	27 March 2025	27 March 2024	30 March 2023	31 March 2022
– Final	**28 August 2026**	29 August 2025	30 August 2024	30 August 2023	30 August 2022
Distribution yield (%) [1]	**7.34**	6.74	7.51	8.00	4.25
Management expense ratio (%)	**0.58**	0.59	0.61	0.50	0.47
Total return (%) [2]	**2.12**	11.28	25.79	8.00	13.66
Average total return (%) [3]					
– One year	**2.12**				
– Three years	**13.07**				
– Five years	**12.17**				

Notes:

1. *Distribution yield is computed based on weighted average market price of the respective financial year.*
2. *Total return is computed based on the distribution yield per unit and the change in the weighted average market price of the respective financial year.*
3. *Average total return is computed based on total return per unit averaged over number of years.*
4. *Representing approximately 95% of the total distributable income.*
5. *Distribution per Unit was lower due to impact of COVID-19 pandemic on hospitality sector.*
6. *Representing approximately 100% of the total distributable income.*

Past performance is not necessarily indicative of future performance and unit prices and investment returns may fluctuate.

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MANAGEMENT DISCUSSION & ANALYSIS
GROUP OVERVIEW

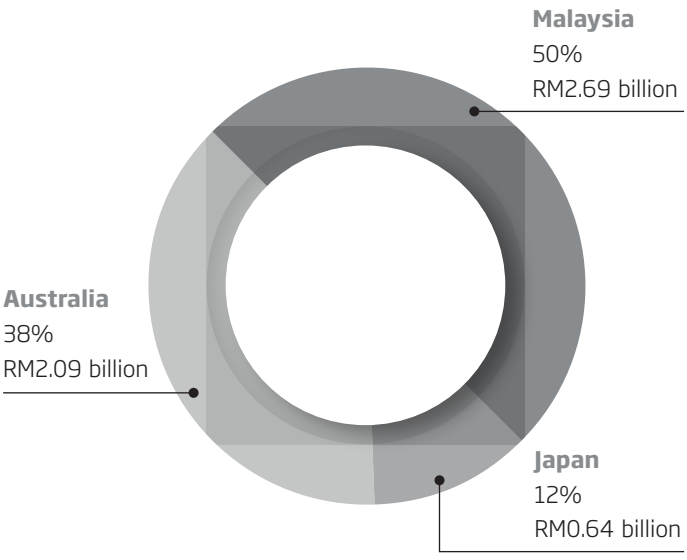
OVERVIEW OF YTL HOSPITALITY REIT

YTL Hospitality REIT ("YTL REIT" or "Trust") was established on 18 November 2005 pursuant to a trust deed (as amended and restated) ("Trust Deed") entered into between Pintar Projek Sdn Bhd, the Manager, and Maybank Trustees Berhad, the Trustee of YTL REIT, and is categorised as a real estate investment trust fund. YTL REIT and its subsidiaries are referred to as the "Group" or the "YTL REIT Group".

YTL REIT was listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 16 December 2005 and is an income and growth type fund. The investment objective of YTL REIT is to own and invest in real estate and real estate-related assets, whether directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate.

The investment portfolio of YTL REIT as at 30 June 2026 comprises 19 assets located in Malaysia, Australia and Japan.

Portfolio Valuation by Country as at 30 June 2026





COMPOSITION OF INVESTMENT PORTFOLIO

As at the reporting date, the composition of YTL REIT's investment portfolio is as follows:-

	As at 30.6.2026 RM'000	% of total investment	As at 30.6.2025 RM'000	% of total investment
Real Estate – Commercial				
At Fair Value				
Properties in Malaysia				
1. JW Marriott Hotel Kuala Lumpur	**548,000**	**10**	543,000	10
2. The Majestic Hotel Kuala Lumpur	**404,800**	**7**	403,600	8
3. The Ritz-Carlton, Kuala Lumpur – Hotel Wing	**374,000**	**7**	373,000	7
4. The Ritz-Carlton, Kuala Lumpur – Suite Wing	**329,600**	**6**	329,000	6
5. AC Hotel Kuala Lumpur Titiwangsa	**166,000**	**3**	166,000	3
6. Hotel Stripes Kuala Lumpur	**145,000**	**2**	144,000	3
7. AC Hotel Penang Bukit Jambul	**142,600**	**2**	142,000	3
8. Pangkor Laut Resort	**124,000**	**2**	124,000	2
9. AC Hotel Ipoh	**117,000**	**2**	117,000	2
10. Tanjong Jara Resort	**110,200**	**2**	108,300	2
11. AC Hotel Kuantan City Centre	**107,900**	**2**	107,000	2
12. Cameron Highlands Resort	**63,000**	**1**	63,000	1
13. AC Hotel Puchong	**56,800**	**1**	43,000	1
Properties in Japan				
14. Hilton Niseko Village	**333,777**	**6**	307,010	6
15. The Green Leaf Niseko Village	**170,151**	**3**	190,346	4
Properties in Australia				
16. Sydney Harbour Marriott	**1,576,584**	**28**	1,429,960	27
17. Brisbane Marriott	**306,585**	**5**	285,839	5
18. Melbourne Marriott	**209,212**	**4**	199,313	4
Property Under Development				
At Cost				
Property in Japan				
19. Moxy Niseko	**131,672**	**2**	54,156	1
Sub-total	**5,416,881**	**95**	5,129,524	97
Investment	**104,065**	**2**	–	–
Deposits with licensed financial institutions	**185,467**	**3**	147,673	3
Total	**5,706,413**	**100**	5,277,197	100

Further details about the Group's properties can be found under the *Property Portfolio* in this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS
GROUP OVERVIEW

MANAGER'S INVESTMENT STRATEGIES & POLICIES

Investment Strategies

During the financial year, the Manager continued to carry out the following investment strategies, assessing all business and investment opportunities that arose, in order to achieve YTL REIT's business objectives:-

(i) Operating Strategy

The Trust continued to focus on the acquisition of hotel properties located both in Malaysia and internationally, subject to attractive valuations that will provide yield accretive returns to the unitholders and maintained the quality of the properties under its current portfolio.

The Trust was also able to leverage on focused co-branding and cross marketing strategies to enhance the performance of its hospitality assets that include integrated conference facilities to draw international business interest and internationally acclaimed food and beverage outlets.

(ii) Acquisition Strategy

The Manager seeks to increase cash flow and enhance unit value through selective acquisitions. This acquisition strategy takes into consideration:-

(a) location;
(b) opportunities; and
(c) yield thresholds.

The Manager also has access to networks and relationships with leading participants in the real estate and hotel industry which may assist YTL REIT in identifying (a) acquisition opportunities to achieve favourable returns on invested capital and growth in cash flow; and (b) underperforming assets.

The Manager intends to hold properties on a long-term basis with the objective to derive substantially all of the economic benefits through generation of rental income, rather than through sale. However, in the future where the Manager considers that any property has reached a stage that offers only limited scope for growth and in the best interest of the unitholders, the Manager may consider selling the property and using the proceeds for alternative investments in properties that meet its investment criteria.



(iii) Capital Management Strategy

The Manager optimises YTL REIT's capital structure and cost of capital within the borrowing limits prescribed by the Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission Malaysia ("SC") ("Listed REIT Guidelines") via a combination of debt and equity funding for future acquisitions and improvement works of its properties. This capital management strategy involves:-

(a) adopting and maintaining an optimal gearing level; and

(b) adopting an active interest rate management strategy to manage risks associated with changes in interest rates while maintaining flexibility in YTL REIT's capital structure to meet future investment and/or capital expenditure requirements.



Investment Policies

The Manager will continue to comply with the Listed REIT Guidelines and other requirements as imposed by the SC from time to time and the Trust Deed, including (i) to invest in investment permitted by the SC; and (ii) to ensure the investment portfolio requirements and limits imposed by the Listed REIT Guidelines and/or the Trust Deed are adhered to.

Permissible investments of a REIT, requirements and restrictions on investments and activities include the following:-

(a) Real estate assets

At least 75% of a REIT's total asset value must be invested in real estate that generates recurrent rental income at all times. The aggregate investments in property development activities (property development costs) and real estate under construction, must not exceed 15% of the REIT's total asset value and cannot be accounted towards meeting the 75% requirement.

(b) Non-real estate assets

The value of a REIT's investments in securities (which must be traded, except for unlisted debt securities) issued by any single issuer and group of companies must not exceed 5% and 10%, respectively.

(c) Cash, deposits and money market instruments

The REIT's assets may consist of deposits placed with financial institutions.

DISTRIBUTION POLICY

Pursuant to the Trust Deed, it is the policy of the Manager to distribute at least 90% of the distributable income for each financial year.

Commencing from the financial quarter ended 31 March 2020 of the financial year ended 30 June 2020, the frequency of distribution was changed from quarterly to semi-annually.

MANAGEMENT DISCUSSION & ANALYSIS
FINANCIAL REVIEW

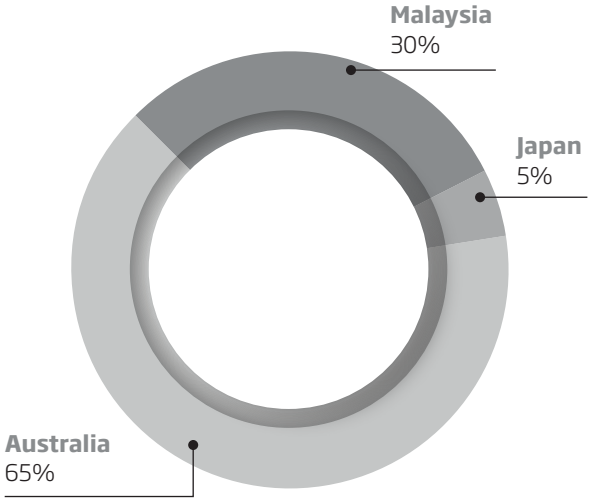
PERFORMANCE OF THE GROUP

	FY2026 RM'000	FY2025 RM'000	Change %
Revenue			
– Hotel revenue (Management contracts)	**371,391**	358,579	+3.57
– Property revenue (Master leases)	**198,956**	189,745	+4.85
Total revenue	**570,347**	548,324	+4.02
Net property income ("NPI")			
– Management contracts	**126,283**	116,104	+8.77
– Master leases	**187,691**	175,968	+6.66
NPI	**313,974**	292,072	+7.50
Profit before tax	**259,423**	164,632	+57.58
Income available for distribution	**140,778**	131,629	+6.95
Total income distribution	**140,778**	132,090	+6.58

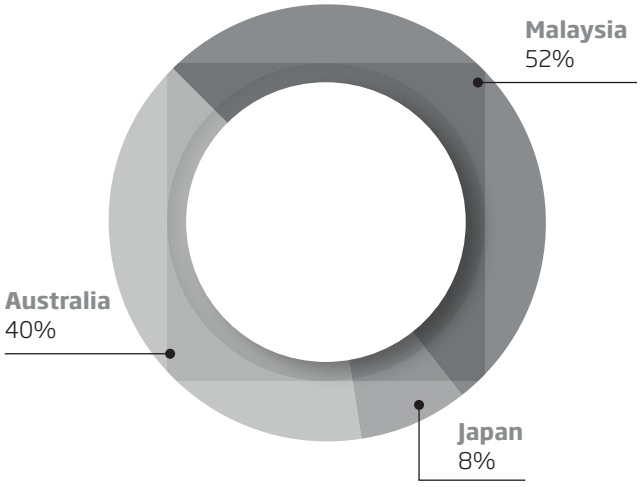
Segmental Results of the Group

	Property rental		Hotel	
	Malaysia RM'000	Japan RM'000	Australia RM'000	Total RM'000
FY2026				
External revenue	**172,619**	**26,337**	**371,391**	**570,347**
Operating expenses	**(8,578)**	**(2,687)**	**(245,108)**	**(256,373)**
NPI	**164,041**	**23,650**	**126,283**	**313,974**
FY2025				
External revenue	163,117	26,628	358,579	548,324
Operating expenses	(8,241)	(5,536)	(242,475)	(256,252)
NPI	154,876	21,092	116,104	292,072

Revenue by Country - FY2026



NPI by Country - FY2026



Review of Financial Performance

For the current financial year under review, the Group recorded revenue and net property income of RM570.35 million and RM313.97 million, respectively, compared to RM548.32 million and RM292.07 million, respectively, recorded in the preceding year. This represented an increase of 4.02% and 7.50%, respectively.

The Group recorded a profit before tax of RM259.42 million for the current financial year ended 30 June 2026, an increase of 57.58% compared to RM164.63 million recorded in the preceding year. The increase was primarily contributed by:-

(i) higher net property income as mentioned above;

(ii) a reduction in finance costs, largely attributable to the interest rate reduction on the Australian Dollar ("AUD") loan; and

(iii) net fair value gain on properties of RM107.33 million comprising RM92.20 million fair value gain from the annual valuation carried out in May 2026 and fair value gain on unrealised lease income of RM15.13 million recognised during the current financial year as compared to a net fair value gain on properties of RM52.20 million comprising RM33.49 million fair value gain from the annual valuation carried out in May 2025 and fair value gain on unrealised lease income of RM18.71 million recognised during the preceding year.

The income available for distribution for the current financial year was RM140.78 million. This represented an increase of 6.95% compared to RM131.63 million recorded in the preceding year.

MANAGEMENT DISCUSSION & ANALYSIS
FINANCIAL REVIEW

Review of Operating Business Segments

The performance of the respective operating business segments for the financial year ended 30 June 2026 compared to the preceding year is analysed as follows:-

- ***Hotel***

  During the current financial year under review, the performance of the Australian portfolio improved compared to the preceding year, driven by stronger room demand, supported by a robust calendar of major entertainment and sporting events, alongside a growth in group and cruise-related business. Improved average room rates and effective cost management across the portfolio contributed to the higher revenue and net property income. Nevertheless, the overall contribution was partially offset by the depreciation of the AUD against the RM.

- ***Property rental***

  Revenue and net property income for the property rental segment improved by 4.85% and 6.66%, respectively in the current financial year.

  Malaysia

  Revenue and net property income for Malaysian properties improved in the current financial year, driven by the full year of rental income from AC Hotel Ipoh's lease agreement (commenced April 2025) and the addition of AC Hotel Puchong's lease agreement (commenced April 2026).

  Japan

  The performance of the Japanese portfolio approximated that of the preceding financial year.

  Rental variations programme ("Programme")

  The rental variations programme which involved certain Malaysian and Japanese properties reduced the lease rentals by 50% for twenty-four months from 1 July 2020 to 30 June 2022. The deferred rental amounts, comprising the difference between the original rentals and reduced rentals, are to be paid on a staggered basis within seven years or over the remaining tenures of the existing leases whichever is earlier with the first rental difference collected at the end of June 2023. The collections of the remaining rental differences have continued into the fourth year of the Programme.

DISTRIBUTION OF INCOME

An interim distribution of income for the six months from 1 July 2025 to 31 December 2025 (which is tax exempt at the Trust level under the amended Section 61A of the Income Tax Act 1967) of 3.0811 sen per unit (all taxable in the hands of unitholders) amounting to RM52,513,926 was paid on 31 March 2026.

For the six months from 1 January 2026 to 30 June 2026, the Manager declared a final income distribution (which is tax exempt at the Trust level under the amended Section 61A of the Income Tax Act 1967) of 4.9189 sen per unit amounting to RM88,264,195. Of the distribution, 4.6232 sen is taxable and 0.2957 sen is non-taxable in the hands of unitholders. The payment was made on 28 August 2026.

Total distribution declared and paid for the financial year ended 30 June 2026 was 8.0000 sen per unit, totalling RM140,778,121, which translates to a yield of approximately 7.34% based on the twelve months weighted average market price of RM1.09 per unit.

The total income distribution of RM140,778,121 represented approximately 100% of the realised and distributable income for the financial year ended 30 June 2026.

The effect of the income distribution in terms of the net asset value per unit of the Group as at 30 June 2026 is as follows:-

	Before distribution RM	**After distribution RM**
Net asset value ("NAV") per unit	1.905	1.827

FINANCIAL POSITION

As at 30 June	2026 RM'000	2025 RM'000	Change %
Investment properties	**3,324,500**	3,214,412	+3.42
Property, plant and equipment	**2,092,381**	1,915,112	+9.26
Investment	**104,065**	–	>100.00
Cash and cash equivalents	**310,449**	269,206	+15.32
Other assets	**58,154**	46,703	+24.52
Total assets	**5,889,549**	5,445,433	+8.16
Borrowings	**2,422,145**	2,323,107	+4.26
Other liabilities	**189,320**	182,968	+3.47
Total liabilities	**2,611,465**	2,506,075	+4.21
NAV	**3,278,084**	2,939,358	+11.52
No. of units in circulation ('000)	**1,794,389**	1,704,389	+5.28
NAV per unit (RM)	**1.827**	1.725	+5.91

Analysis of NAV of the Group since the last financial year ended 30 June 2025:-

As at 30 June	2026	2025
Total NAV (RM'000)	**3,278,084**	2,939,358
NAV per unit (RM)	**1.827**	1.725

The increase in total NAV and NAV per unit was mainly due to the recognition of revaluation surpluses on the real estate properties from the annual valuation carried out in May 2026.

Analysis of the financial position of the Group and of the Trust are as discussed below:-

- ***Property Development Activities***

  During the financial year ended 30 June 2024, the Group commenced development of Moxy Niseko, a five-storey hotel with two-storey basement in Niseko, Hokkaido, Japan ("Moxy Niseko"), for an estimated total development cost of approximately JPY6.38 billion (equivalent to approximately RM199.00 million translated at the prevailing exchange rate at the project inception date). As at 30 June 2026, total property development cost incurred was JPY5.25 billion (RM131.67 million).

- ***Asset Enhancement/Capital Expenditure***

  The Group is proactively undertaking asset enhancement initiatives to uphold the quality and value of the hotel properties. During the current financial year, asset enhancement works of RM13.37 million were carried out for certain Malaysian hotel properties, of which RM12.00 million related to renovation works for AC Hotel Puchong, which was completed in March 2026. Overseas investment in Australia incurred capital expenditure of AUD1.66 million (RM4.60 million).

- ***Issuance of New Units***

  During the financial year, the Trust issued 90 million new units through a private placement exercise at an issue price of RM1.05 per unit. The exercise raised gross proceeds of RM94.50 million. The proceeds net of issuance expenses of RM1.09 million have been invested in income funds with a licensed financial institution. Post issuance, the units in issue of the Trust increased from 1,704,388,889 units to 1,794,388,889 units.

MANAGEMENT DISCUSSION & ANALYSIS
FINANCIAL REVIEW

Liquidity

The Group and the Trust maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to fund its business requirements and payment of income distributions to the Unitholders. As at 30 June 2026, the Group's cash and cash equivalents stood at RM310.45 million (2025: RM269.21 million).

Capital Management

The Manager reviews the capital structure of the Group on a regular basis and monitors capital using a gearing ratio guided by the Listed REIT Guidelines, which is total borrowings divided by total assets.

- **Gearing**

As at 30 June	2026 RM'000	2025 RM'000	Change %
Term loans	**1,248,040**	1,173,541	+6.35
Medium Term Notes	**1,180,000**	1,155,000	+2.16
Total borrowings	**2,428,040**	2,328,541	+4.27
Total assets	**5,889,549**	5,445,433	+8.16
Gearing ratio (%)	**41.23**	42.76	(1.53)pp

- **Debt profile**

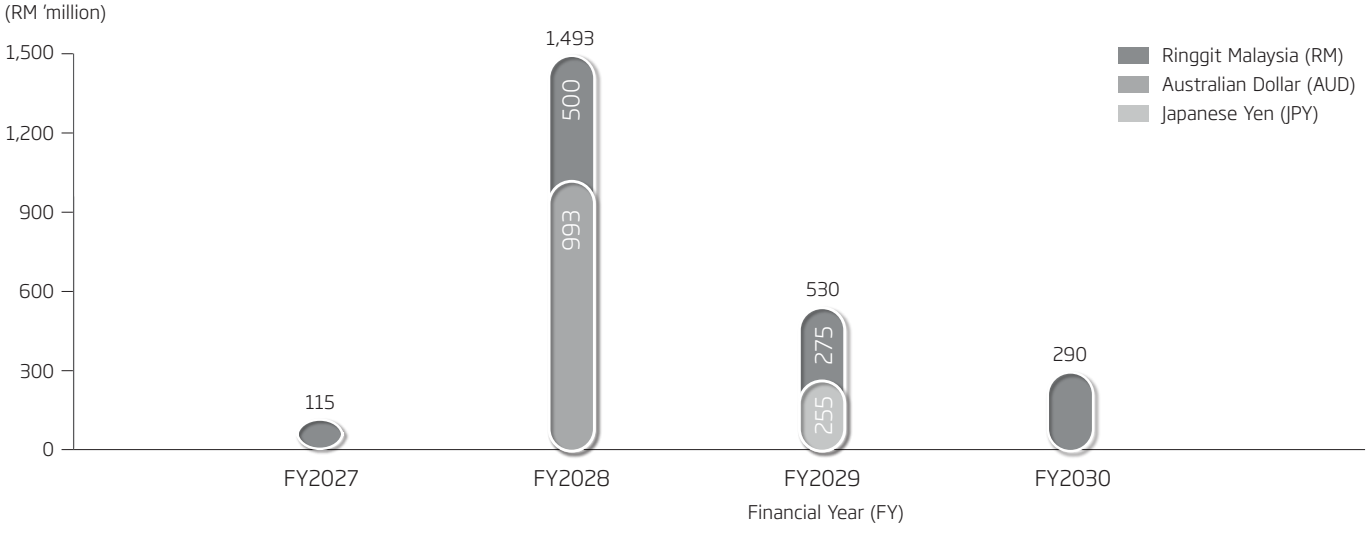
The Group diversifies its risks from borrowings via a combination of fixed and floating rates and spreads out the debt maturity profile to avoid concentrated repayment in any one financial year. The Group also borrows in the functional currency of each country where its real estate portfolio is located, creating a natural hedge against foreign currency translation exposure.

During the financial year under review, total borrowings of RM121.48 million was raised to fund the property development activities of Moxy Niseko, renovation works for AC Hotel Puchong and the asset enhancement works for certain Malaysian hotel properties.

The Trust also refinanced its existing AUD term loan of AUD355.00 million (RM993.00 million) with a two-year loan facility.

The maturity dates of the Group's borrowings denominated in the respective functional currency are as set out below:-

Debt Maturity Profile

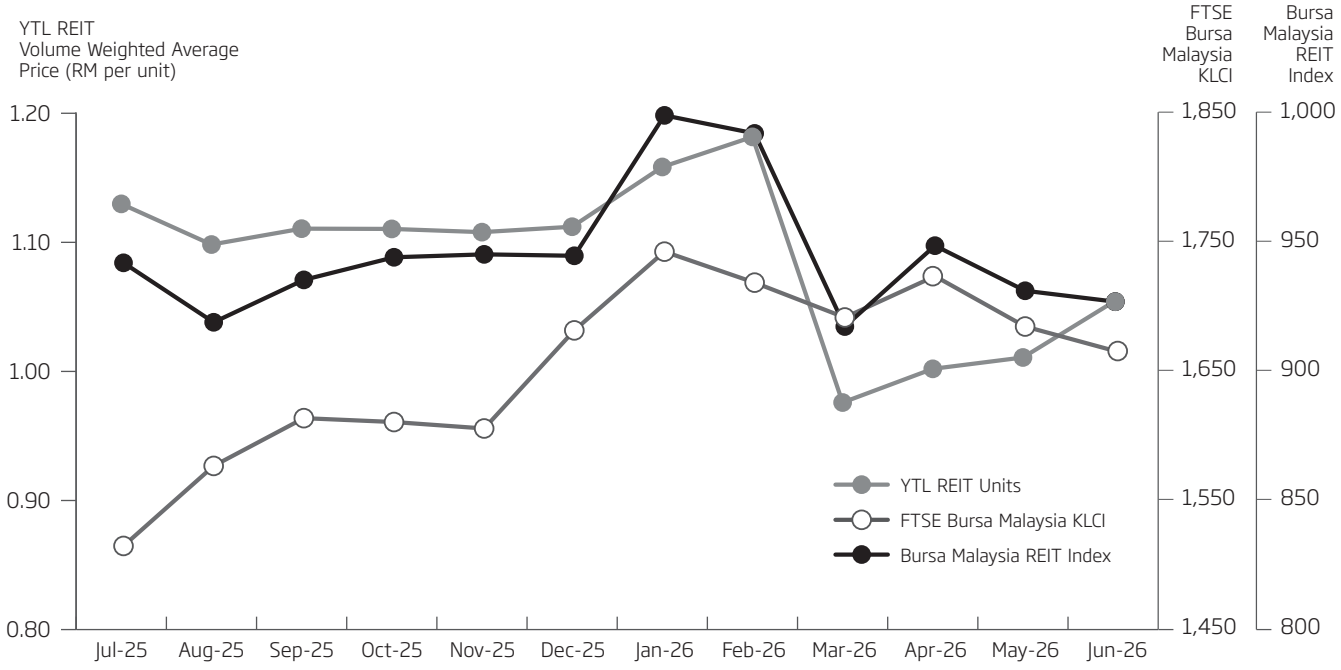


UNIT PERFORMANCE

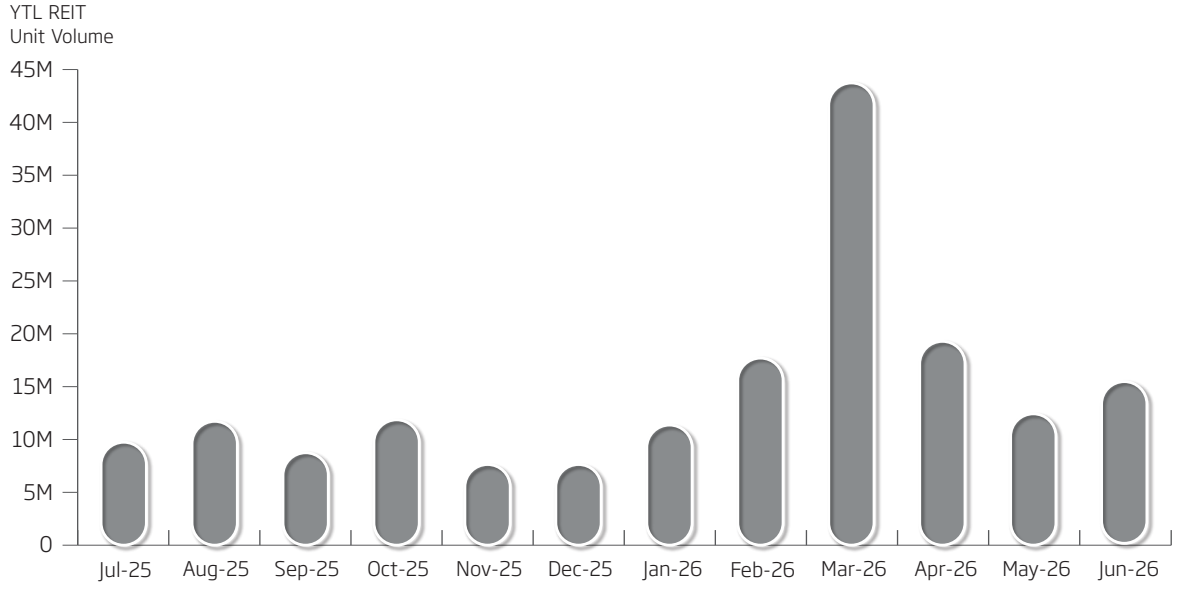
The Trust's units traded at RM1.07 per unit at the beginning of the financial year and ended the year lower at RM1.06 per unit, with a volume weighted average price for the financial year of RM1.09 per unit. During the financial year under review, the closing prices of the Trust's units recorded a high of RM1.20 per unit and a low of RM0.98 per unit.

Analysis of changes in prices during the financial year ended 30 June 2026:-

Performance of YTL REIT Units vs FTSE Bursa Malaysia KLCI and Bursa Malaysia REIT Index



Volume of YTL REIT Units Traded on Bursa Securities



Source: Bloomberg

MANAGEMENT DISCUSSION & ANALYSIS
FINANCIAL REVIEW

BENCHMARK RELEVANT TO THE GROUP

Management Expense Ratio ("MER")

	2026	2025
MER for the financial year	**0.58%**	0.59%

MER is calculated based on the ratio of the sum of fees (all ongoing fees deducted or deductible directly during the financial year, including manager's base and performance fees, trustee's fee, auditors' remuneration, other professional fees and any other fees deducted or deductible directly from the Group) and the recovered expenses (all expenses recovered from or charged to the Group as a result of the expenses incurred by the operation of the Group) to the average value of the Group calculated on a quarterly basis.

Since the basis of calculating MER can vary among real estate investment trusts, there is no sound basis for providing an accurate comparison of YTL REIT Group's MER against other real estate investment trusts.



MANAGEMENT DISCUSSION & ANALYSIS

SIGNIFICANT CORPORATE DEVELOPMENTS

PRIVATE PLACEMENT OF NEW UNITS IN YTL REIT

On 26 February 2026, the Manager announced a proposal to undertake a placement of up to 90 million new units in YTL REIT ("Placement Units"), representing approximately 5.28% of the total number of issued units of YTL REIT ("Private Placement"). Subsequently, on 3 March 2026, Bursa Securities approved the listing of and quotation for up to 90 million Placement Units to be issued pursuant to the Private Placement.

On 11 March 2026, the Board resolved to fix the issue price of the Placement Units at RM1.05 per unit, representing a discount of approximately 4.07% to the 5-day volume weighted average market price of the units in YTL REIT up to and including 10 March 2026, being the last trading day immediately preceding the price fixing date, of RM1.0946 per unit.

The Private Placement was completed on 19 March 2026 following the listing of 90 million Placement Units on the Main Market of Bursa Securities. Accordingly, the units in issue increased from 1,704,388,889 units to 1,794,388,889 units.

As of 30 June 2026, the net proceeds, after defraying issuance expenses of RM1.09 million, continued to be invested in income funds with a licensed financial institution.

LEASE OF AC HOTEL PUCHONG

On 26 March 2026, the Manager announced that following the completion of the renovation of a hotel in Puchong, Selangor, the hotel, now rebranded as AC Hotel Puchong, was subsequently leased to Prisma Tulin Sdn Bhd ("Lessee") (a wholly-owned subsidiary of YTL Corporation Berhad) under a lease agreement effective 1 April 2026 for a period of fifteen years with an option to renew for a further term of fifteen years.



MANAGEMENT DISCUSSION & ANALYSIS
SEGMENTAL REVIEW

YTL REIT's investment portfolio was valued at RM5,706.41 million as at 30 June 2026, an increase of RM429.21 million or 8.13% compared to the previous valuation of RM5,277.20 million as at 30 June 2025.

During the financial year under review, the Group recorded revaluation surpluses following revaluation by independent professional valuers of the real estate properties. The investment portfolio value also improved following the completion of renovation works at AC Hotel Puchong and ongoing development activities at Moxy Niseko.

YTL REIT Group's net asset value per unit increased to RM1.827 as at 30 June 2026 compared to RM1.725 as at 30 June 2025.

MALAYSIAN PORTFOLIO

YTL REIT's Malaysian portfolio consists of a diverse range of thirteen assets, from five-star properties and luxury resorts to business hotels in key city centres across the Peninsula. YTL REIT maintains fixed lease arrangements for the properties and benefits from the stable income produced by this revenue structure.

The Trust's Malaysian portfolio comprises luxury assets situated in the Golden Triangle commercial precinct of Kuala Lumpur, namely the JW Marriott Hotel Kuala Lumpur, The Ritz-Carlton, Kuala Lumpur - Hotel Wing and The Ritz-Carlton, Kuala Lumpur - Suite Wing, as well as The Majestic Hotel Kuala Lumpur, Hotel Stripes Kuala Lumpur, Pangkor Laut Resort, Tanjong Jara Resort, Cameron Highlands Resort and the AC Hotels operating in Kuala Lumpur, Kuantan, Penang, Ipoh and Puchong.

Malaysia's tourism sector performed strongly during the financial year under review, driven by higher arrivals from key source markets, improved air connectivity, visa exemptions for selected countries and promotional efforts in conjunction with Malaysia's 2025 ASEAN Chairmanship and Visit Malaysia Year 2026. Against this backdrop, the Trust's Malaysian properties recorded strong guest numbers over the period.



INTERNATIONAL PORTFOLIO - JAPAN

YTL REIT's portfolio in Japan is made up of the Hilton Niseko Village and The Green Leaf Niseko Village, both of which are situated in Hokkaido, Japan, and operate under fixed lease arrangements, ensuring a steady level of income for the Group. The Group is also undertaking the development of Moxy Niseko, a new hotel in Hokkaido, Japan.

Japan's tourism sector maintained strong momentum during the financial year under review, with record inbound tourist arrivals and sustained tourism demand. Notably, the Niseko area saw strong visitor volumes during the 2025/2026 winter season, underscoring its position as a premier ski resort destination. This favourable tourism environment supported the performance of the Trust's properties in Japan during the year under review.



INTERNATIONAL PORTFOLIO - AUSTRALIA

YTL REIT's Australian portfolio is made up of the Sydney Harbour Marriott, Brisbane Marriott and Melbourne Marriott. The Group is afforded the benefit of a variable source of income from the operation of these hotel assets.

During the financial year under review, Australia experienced continued growth in international visitation, alongside resilient domestic and corporate travel demand. The tourism sector benefited from improved air connectivity and a diverse calendar of major sporting, cultural and business events.

The Sydney Harbour Marriott achieved a higher occupancy rate of 88.65% for the financial year under review, compared to 87.76% last year. The performance was underpinned by Sydney's gateway status, diverse events calendar and the recovery in corporate travel demand. The Sydney Harbour Marriott is a 5-star, 595-room hotel set in the heart of Circular Quay, overlooking iconic landmarks including Harbour Bridge and the Sydney Opera House.

Similarly, the Melbourne Marriott, featuring 189 rooms, witnessed higher occupancy of 76.82% for the current financial year compared to 75.99% recorded last year. Melbourne's tourism market remained stable, supported by the city's position as a leading cultural, sporting and events destination. The Melbourne Marriott is located close to the city's theatre precinct and is within minutes of the Bourke and Collins street shopping districts, Chinatown, the Melbourne Museum and the Royal Exhibition Building.

In the 2026 financial year, the Brisbane Marriott, comprising 267 rooms, recorded a higher occupancy rate of 78.15% as compared to 76.95% in the previous year, benefitting from Brisbane's improving aviation connectivity and strengthening events calendar. The Brisbane Marriott is located between Brisbane's central business district and the Fortitude Valley hub, close to shopping, riverside dining along the Brisbane River, and the city's corporate and cultural locales.

Please refer to the *Review of the Property Market* in this Annual Report for further information on the markets and property sectors in which YTL REIT invests.



MANAGEMENT DISCUSSION & ANALYSIS
RISK MANAGEMENT

FINANCIAL RISK MANAGEMENT

The Group's operations are subject to market, foreign currency exchange, interest rate, price, credit and liquidity risks. The Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance.

Further details on the Group's financial risk management can be found in *Note 34* of the *Notes to the Financial Statements* in this Annual Report.

OPERATING RISK MANAGEMENT

Business/Market Risk

The YTL REIT Group is exposed to the economic, financial and hospitality/tourism markets in Malaysia, Japan and Australia. Any negative developments in these areas or globally may impact the Group's financial performance and the valuation of its asset portfolio.

The YTL REIT Group works to manage these factors through the revenue structure of its portfolio whereby the Trust receives stable, medium to long term fixed lease income from its Malaysian and Japanese portfolios and variable income from its Australian assets.

This structure is intended to insulate part of the portfolio from the cyclical nature of the hospitality industry, balanced with any potential upside generated from better performance in other parts of the portfolio.

Regulatory/Compliance Risk

YTL REIT is required to comply with applicable legislation, regulations and guidelines including the Capital Markets and Services Act 2007, the Main Market Listing Requirements of Bursa Securities, the Listed REIT Guidelines, exchange control rules issued by Bank Negara Malaysia and tax legislation and regulations, where failure to do so may result in fines, penalties or other remedies available to the regulatory authorities.

Any such compliance failures may impact the Trust's financial performance or reputation, whilst amendments to existing requirements or introduction of new requirements may also increase compliance costs.

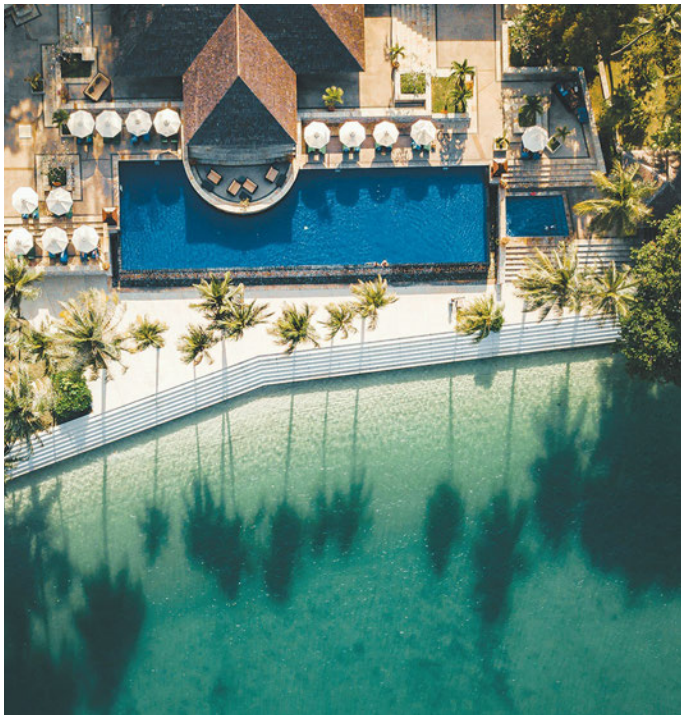
The Manager addresses these risks via its governance and internal control frameworks to monitor and ensure compliance, further details of which can be found in the *Corporate Governance Overview Statement* in this Annual Report.

Political, Economic & Environmental Considerations

Like all other businesses, adverse developments in political, economic and regulatory conditions (including changes in environmental legislation and regulations) in Malaysia, Japan and Australia could materially and adversely affect the financial and business prospects of the YTL REIT Group and the markets for its products and/or services which may result in a loss or reduction in revenue to the Group.

Whilst it is not possible to prevent the occurrence of these events, the Group attempts to mitigate the effects of these risks through thorough due diligence assessments prior to the commitment to any project, ensuring compliance with applicable laws and regulations, as well as its strategy of maintaining the geographic diversity of its operations, and remaining vigilant in monitoring events and conducting ongoing assessments of any operational and financial impacts of such external developments.

Further information on the Group's management of sustainability and climate-related risks can be found in the *Managing Sustainability* section in this Annual Report.



MANAGEMENT DISCUSSION & ANALYSIS
OUTLOOK

Global economic growth is projected to expand at a more moderate pace in 2026 amid ongoing headwinds surrounding the geopolitical conflict in the Middle East. Nevertheless, the global economy should remain steady, supported by robust investment in technology and digitalisation, as well as supportive fiscal policies. The Malaysian economy is forecast to grow between 4%-5% in 2026, underpinned by continued domestic demand and exports. However, the outlook remains subject to downside risks, including a prolonged and more disruptive conflict in the Middle East, which could weigh on global and domestic growth *(source: Bank Negara Malaysia updates)*.

Moving forward, Malaysia's tourism sector is expected to record higher visitor arrivals in conjunction with Visit Malaysia 2026, as well as a range of business and leisure events nationwide. Despite challenges arising from the Middle East conflict, tourism should remain robust, supported by resilient regional travel demand that may partially offset the impact of a prolonged conflict.

The Japanese economy is likely to decelerate in 2026, with growth projected at 0.4%-0.7%, on the back of the Middle East conflict and higher crude oil prices. Nonetheless, growth is anticipated to remain positive, supported by governmental measures, accommodative financial conditions, elevated corporate profit levels and solid wage increases *(source: Bank of Japan updates)*.

Japan's tourism sector is anticipated to remain steady as the country continues to be a highly popular destination, underpinned by affordable prices and a wide range of unique cultural offerings and modern attractions. Looking ahead, repeat travellers are likely to expand their travel beyond the major cities, with support from local government initiatives, which bodes well for regional markets such as Niseko.

In Australia, the economy is projected to slow in 2026 to 1.3%, as higher fuel prices and interest rate increases are expected to lower household and business spending. The outlook remains subject to significant uncertainty, particularly in relation to the duration and severity of the conflict in the Middle East, which could have a greater impact if prolonged *(source: Reserve Bank of Australia updates)*.

International arrivals to Australia should continue to grow, supported by increasing arrivals from China and emerging markets, alongside higher aviation capacity. While global economic uncertainty and strong outbound travel demand may pose near-term headwinds, improved connectivity and a more diversified mix of source markets provide upside potential for Australia's tourism sector.

The hospitality sector is expected to remain stable in the regions in which the Group operates, supported by sustained growth in domestic and international travel demand. The Group's business portfolio under management continues to deliver resilient operational results, driven by strategic positioning of its assets, strong brand partnerships and ongoing asset enhancement initiatives. The Group aims to deliver sustainable growth and long-term value to its unitholders.



REVIEW OF THE PROPERTY MARKET

YTL Hospitality REIT and its subsidiaries ("Group") own eighteen (18) hospitality properties and a property under development. Of the hospitality properties, thirteen (13) are in Malaysia, three (3) are in Australia and two (2) are in Japan, whilst the property under development is in Japan. The Malaysian properties are located in Kuala Lumpur, Selangor, Pahang, Perak, Terengganu and Penang. The Australian properties are located in New South Wales, Queensland and Victoria. The Japanese properties are located in the Niseko area of the island of Hokkaido.

MALAYSIA

1. Economy

The Malaysian economy expanded by 5.2% in 2025 (2024: 5.1%), demonstrating resilience despite a challenging global environment characterised by heightened trade policy uncertainties and geopolitical tensions. Growth was anchored by firm domestic demand with household spending supported by favourable labour market conditions and targeted policy measures. Investment activity remained robust, driven by continued progress in multi-year infrastructure projects and strong investment approvals, particularly in high-technology services and advanced manufacturing. Meanwhile, the external sector was supported by sustained demand for electrical and electronic products, higher travel receipts and growth in information and communication technology (ICT)-related services.

Growth momentum strengthened in the second quarter of 2026 (2Q2026), with gross domestic product expanding by 6.0% (1Q2026: 5.4%). The stronger performance was supported by robust export growth, particularly in electrical and electronics, petroleum products, tourism and ICT-related services, amid sustained global technology demand and resilient regional trade activity. Domestic demand also remained supportive, with private consumption increasing by 4.8% (1Q2026: 4.7%), supported by favourable labour market conditions, steady income growth and ongoing policy support.

Headline inflation edged higher to 1.9% in 2Q2026 (1Q2026: 1.6%) mainly due to higher fuel prices and external cost pressures from oil and commodities. In contrast, core inflation moderated to 1.9% (1Q2026: 2.1%) indicating underlying price pressures remained manageable. Labour market conditions remained favourable despite the unemployment rate edging up to 3.0% (1Q2026: 2.9%). Employment increased to 16.8 million persons while labour force participation rate remained stable at 70.9%.

Looking ahead, despite expected downside risks to growth from geopolitical tensions, elevated energy prices and evolving global trade policies, Malaysia's sustainable economic expansion will be supported by sound macroeconomic fundamentals, ongoing structural reforms and healthy investment pipeline.

Sources: Knight Frank Malaysia Sdn Bhd (September 2026), Bank Negara Malaysia (BNM) Economic & Monetary Review 2025, BNM Quarterly Bulletin 2Q2026

2. Hotel Sector

Malaysia

Malaysia's tourism sector recorded strong growth in 2025, with total visitor arrivals (tourists and excursionists) reaching 42.2 million, representing an increase of 11.2% from 38.0 million in 2024 and surpassing 2019 pre-pandemic level by 20.4%. The strong performance positioned Malaysia as the leading tourism destination in ASEAN, overtaking Thailand, was supported by stronger arrivals from key source markets, particularly China, improved flight connectivity and sustained government promotional efforts. The continued recovery also underscored the sector's growing contribution to economic activity, employment and related industries.

Tourism momentum remained positive in 1Q2026, with international tourist arrivals increasing to 6.5 million (1Q2025: 6.4 million). Growth continued to be driven by strong demand from ASEAN markets, China, Japan, Australia, Taiwan and Hong Kong, alongside emerging source markets in Central Asia. Tourism Malaysia has intensified its marketing efforts in high-potential source markets while collaborating with airlines to strengthen international connectivity through the introduction and resumption of direct routes, particularly with China and Japan.

The Government continued to support the sector through a multi-year strategy introduced under Budget 2025 and Budget 2026. Budget 2025 prioritised preparations for Visit Malaysia 2026 (VM2026) through enhanced tourism infrastructure and systems at key entry points, intensified global promotional campaigns and support for meetings, incentives, conferences and exhibitions (MICE) tourism. Approximately RM550 million was allocated for promoting tourism and cultural events, improving flight connectivity and empowering local communities through the promotion of traditional arts and crafts. Additionally, RM110 million was earmarked for upgrading key tourist destinations, expanding ecotourism initiatives and supporting UNESCO World Heritage recognition efforts. Budget 2026 built on these initiatives with an allocation exceeding RM700 million for destination marketing, tourism and cultural events, health tourism programmes, infrastructure upgrades, improved international connectivity and targeted support for tourism-related

businesses and heritage entrepreneurs. Collectively, these initiatives are expected to enhance Malaysia's tourism offerings, improve destination accessibility and strengthen the sector's long-term competitiveness.

Outlook

Malaysia's tourism and hospitality sector is expected to remain on a growth trajectory, supported by resilient travel demand, expanding aviation connectivity and continued government initiatives to strengthen the country's tourism ecosystem. VM2026 targets 47 million international visitor arrivals and RM329 billion in tourism receipts, reinforcing tourism's role as a key contributor to Malaysia's economic growth.

To sustain tourism momentum and capitalise on evolving travel trends, the Government has extended the VM2026 campaign until the end of 2027. The extended campaign is expected to provide a longer runway for international promotional efforts, enabling Malaysia to respond more effectively to evolving travel patterns while enhancing its competitiveness as a preferred international destination. Complementing these efforts, the introduction of new routes and services by airlines continue to strengthen the country's connectivity and accessibility from key source markets and further support growth in inbound tourism.

The MICE segment is also expected to remain an important demand driver for the hospitality sector. Following the successful hosting of 393 business events in 2025 which generated an estimated RM4.1 billion in economic impact, Malaysia Convention & Exhibition Bureau has secured 92 events for 2026, providing a steady pipeline of business travel and supporting weekday hotel occupancy.

Although geopolitical tensions and higher fuel prices may continue to create near-term headwinds, underlying travel demand is expected to remain supported by improved connectivity, sustained destination marketing, a growing pipeline of business events and continued recovery of key source markets. Collectively, these factors are expected to benefit the hospitality, retail and broader real estate sectors, particularly in established tourism destinations and key gateway cities.

Sources: Knight Frank Malaysia Sdn Bhd (September 2026), Tourism Malaysia

Kuala Lumpur

As of 1Q2026, Kuala Lumpur remained Malaysia's largest hotel market with 254 hotels offering approximately 50,148 rooms. In the medium- to long-term, the completion of 19 upcoming hotels (12 under construction and seven in the planning stage) is expected to increase the existing inventory by approximately 3,875 rooms, reflecting continued investor confidence in the city's hospitality sector.

Hotel supply expanded in 2025 with the openings of several internationally branded properties, including Park Hyatt Kuala Lumpur, Hyatt Regency Kuala Lumpur, Marriott Executive Apartments Kuala Lumpur, Grand Mercure Kuala Lumpur Bukit Bintang and Kimpton Naluria Kuala Lumpur. Collectively, these openings have diversified the city's hospitality landscape through the introduction of new luxury, lifestyle and extended-stay offerings, providing a broader range of accommodation options for both business and leisure travellers ahead of VM2026.

Future hotel supply in the second half of 2026 (2H2026) remains heavily concentrated within the luxury and upper-upscale segments, with notable developments including Irama KL, Conrad Kuala Lumpur, Waldorf Astoria Kuala Lumpur, The Regent Kuala Lumpur and YOTEL Kuala Lumpur. While several projects involve the refurbishment, repositioning or rebranding of existing assets, the debut of new internationally recognised brands reflects developers' confidence in Kuala Lumpur's premium hospitality market. However, the concentration of luxury supply is expected to intensify competition within the upper-end segment, prompting operators to further differentiate their offerings through service quality, brand positioning and guest experience.

Hotel operating performance remained resilient in 2025 with the average occupancy rate (AOR) of 4- and 5-star hotels recorded at 67.0% albeit with a slight moderation in the average daily rate (ADR) to RM401 per night. Following the year-end peak travel period and reflecting seasonal travel patterns, the AOR eased to 63.2% in 1Q2026, while the ADR stood at RM333 per night.

Kuala Lumpur's hospitality market is expected to remain on a positive trajectory, supported by VM2026, improving international visitor arrivals and a robust calendar of tourism, business and cultural events. Kuala Lumpur City Hall aims to attract 30 million visitors through 35 major events under the

REVIEW OF THE PROPERTY MARKET

Visit KL campaign which are expected to support demand across leisure, corporate and MICE segments. With a growing pipeline of premium hotels, sustained tourism growth, expanding business events and Kuala Lumpur's position as Malaysia's principal gateway city, these factors are expected to underpin long-term demand for quality hotel accommodation.

Sources: Knight Frank Malaysia Sdn Bhd (September 2026), National Property Information Centre & ADATA Portal

Selangor

As of 1Q2026, Selangor recorded 211 hotels offering approximately 26,781 rooms, making it one of Malaysia's largest hospitality markets after Kuala Lumpur. Supported by its strategic location, extensive transport infrastructure and proximity to Kuala Lumpur International Airport (KLIA), the state continues to benefit from a diversified mix of leisure, business and transit-related demand.

Hotel supply expanded in 2025 and early 2026 with the openings of several internationally branded properties, including Petaling Jaya Marriott Hotel (formerly Eastin Hotel Kuala Lumpur), ibis Styles Sepang KLIA (formerly Concorde Inn KLIA) and Hilton Shah Alam Glenmarie (formerly Glenmarie Hotel & Golf Resort). These developments involved the introduction of new hospitality concepts and the repositioning of existing hotel assets under established international brands, broadening Selangor's upscale and midscale accommodation offerings while catering to a diverse mix of corporate, leisure and transit travellers.

Looking ahead, the future hotel supply remains relatively measured with ASAI Gamuda Cove and Courtyard by Marriott Subang among the notable upcoming developments. The modest pipeline suggests that supply growth is likely to remain balanced over the near-term while the continued entry of internationally branded operators reflects confidence in Selangor's long-term hospitality fundamentals, supported by its diverse tourism offerings, business parks, industrial hubs and strategic connectivity.

The performance of 3- and 4-star hotels remained resilient in 2025 with the AOR recorded at 59.2% while the ADR increased to RM254 per night. In 1Q2026, the AOR moderated to 50.4%, reflecting seasonal travel patterns, while the ADR continued to improve to RM268 per night, indicating sustained pricing resilience despite softer occupancy.

Selangor's hospitality market is expected to remain well supported by the Visit Selangor Year 2026 campaign which targets nine million visitors and features more than 90 tourism-related events across the state. Complementing the national VM2026 campaign, the continued investment in community-based tourism, cultural and lifestyle events, together with grant programmes to support tourism initiatives and the state's strong connectivity through KLIA are expected to sustain demand across the leisure, business and transit segments while reinforcing Selangor's position as one of Malaysia's key tourism gateways.

Sources: Knight Frank Malaysia Sdn Bhd (September 2026), National Property Information Centre & ADATA Portal

Perak

According to Tourism Malaysia, the total number of hotel guests in Perak increased from 5.19 million in 2024 to 5.24 million in 2025. However, the overall occupancy rate declined slightly from 46.9% in 2024 to 46.4% in 2025.

In 2025, the total supply of 3- to 5-star hotel rooms in Perak increased by 20.19% to 6,828 rooms compared to 5,681 rooms in 2024. The supply comprised 3,897 3-star hotel rooms (2024: 2,845 rooms; increased by 36.98%), followed by 2,431 4-star hotel rooms (2024: 2,336 rooms; increased by 4.07%) and 500 5-star hotel rooms (2024: 500 rooms; unchanged).

The 3-star hotel segment with 29 hotels continued to dominate the existing supply as compared to 12 hotels in the 4-star category and 3 hotels in the 5-star category. Overall, in 2025, the number of hotels and rooms in Perak increased by approximately 18.92% and 20.19% respectively, representing additional 7 hotels and 1,147 rooms as compared to 2024.

The incoming and planned hotel supply stood at 8 hotels comprising 1,126 rooms as at the first quarter of 2026, compared to 12 hotels comprising 1,469 rooms as at the first quarter of 2025.

The outlook for Perak's hospitality sector remains positive, supported by the continued recovery in international arrivals, resilient regional demand, particularly from ASEAN markets, and the gradual return of key long-haul source markets, including China and India. Demand recovery is further reinforced by improvements in corporate travel and meetings,

incentives, conferences and exhibitions (MICE) activity, as well as national tourism initiatives such as Visit Malaysia 2026 which are expected to sustain visitor growth and tourism spending.

Structural drivers are increasingly shaping market performance, particularly the acceleration of digitalisation and growing emphasis on environmental, social and governance (ESG) considerations. Hotel owners and operators are prioritising sustainability initiatives, including energy-efficiency measures, green certifications and operational optimisation, in line with evolving expectations from investors, corporate occupiers and travellers.

Government support continues to complement market recovery through tourism promotion programmes and fiscal measures that encourage reinvestment and asset upgrading, alongside incentives aimed at stimulating domestic travel demand. Malaysia's relatively resilient domestic and regional travel market also provides an important buffer against external volatility, particularly when compared to destinations that are more heavily dependent on long-haul international arrivals.

Nevertheless, the market has entered a more externally sensitive phase. Geopolitical developments, including tensions surrounding the Strait of Hormuz and broader instability in the Middle East, have contributed to energy price volatility, elevated aviation costs and periodic disruptions to global travel flows. While these factors may result in short-term fluctuations in travel demand, airline capacity and hotel pricing performance, Perak's diversified demand base and accessibility are expected to support the sector's resilience over the medium- to long-term.

Source: Savills Malaysia Research (September 2026)

Pahang

As of 1Q2026, Pahang recorded 305 hotels offering approximately 26,037 rooms, with more than half of the state's hotel inventory concentrated in hill resorts (13,305 rooms or 51.1% of total supply). City and town hotels accounted for a further 6,750 rooms (25.9%), followed by beach resorts with 4,898 rooms (18.8%). The composition of hotel supply reflects Pahang's established reputation as one of Malaysia's leading leisure and eco-tourism destinations, supported by attractions such as Cameron Highlands, Genting Highlands, Taman Negara and its coastal resort destinations.

Hotel supply expanded in 2025 and early 2026 with the openings of Signata Genting Highlands and Oakwood Cameron Highlands. These two additions strengthened Pahang's upscale accommodation offerings across two of its key tourism destinations while introducing new hospitality concepts catering to leisure travellers, families and corporate groups. Collectively, these new openings reflect continued investment in the state's growing resort and lifestyle hospitality market.

In the medium- to long-term, the completion of four upcoming hotels is expected to add approximately 300 rooms to the existing hotel inventory. Among the notable developments is Mangala Estate Kuantan, Vignette Collection which will become Malaysia's first Vignette Collection property following the refurbishment and rebranding of the existing Mangala Estate Resort. The continued introduction of internationally branded resorts reflects growing investor confidence in Pahang's long-term tourism appeal, particularly within the luxury, wellness and experiential travel segments.

Hotel operating performance remained resilient in 2025 with the AOR of 4- and 5-star hotels recorded at 59.8% while the ADR moderated to RM407 per night. In 1Q2026, AOR eased to 52.0% in line with seasonal travel patterns while ADR rebounded to RM470 per night, reflecting the market's ability to sustain room rates despite lower occupancy.

Pahang is targeting 15 million domestic and international visitor arrivals, supported by more than 50 international tourism events planned under VM2026. In addition to strengthening its established highland, beach and ecotourism offerings, the state continues to promote the Lipis Geopark towards UNESCO Global Geopark recognition while expanding international connectivity through Sultan Ahmad Shah Airport. Together with targeted efforts to attract more visitors from Singapore, China and Indonesia, these initiatives are expected to support sustained demand across the state's leisure and resort hospitality market.

Sources: Knight Frank Malaysia Sdn Bhd (September 2026), National Property Information Centre & ADATA Portal

REVIEW OF THE PROPERTY MARKET

Penang

As of 1Q2026, Penang recorded 253 hotels offering approximately 25,603 rooms, making it one of Malaysia's most established hospitality markets. The supply of accommodation in the state is anchored by 4- and 5-star hotels which account for half of the existing room inventory, reflecting Penang's position as a mature destination for heritage, leisure, medical and business tourism.

The openings of several internationally branded and heritage-led properties in the first half of 2026 have expanded hotel supply in the state. Specifically, these four additions include Iconic Marjorie Hotel (Tribute Portfolio by Marriott International), Soori Penang, 1926 Heritage Hotel Penang (The Unlimited Collection by Ascott) and Capri by Fraser Penang. Collectively, they broaden Penang's premium accommodation by offering a combination of internationally branded hotels, adaptive reuse of heritage buildings and lifestyle-oriented developments, responding to evolving visitor preferences while enriching the state's hospitality landscape.

Looking ahead, Penang's hotel development pipeline remains active with 18 hotels comprising approximately 3,415 rooms under construction or in the planning stage. The active pipeline reflects sustained investor confidence in Penang's long-term tourism fundamentals and its diversified visitor base. Nevertheless, the growing room inventory is expected to create a more competitive operating environment over the medium-term, placing greater emphasis on service differentiation and market positioning.

Hotel operating performance moderated in 1Q2026 with the AOR of 3- to 5-star hotels easing to 59.1% and the ADR declined to RM306 per night. Softer performance was largely attributable to the 4-star segment which experienced the most notable moderation in occupancy and room rates amid heightened competition. In contrast, the 3- and 5-star segments recorded stronger occupancy levels, highlighting continued demand at both the value-oriented and premium ends of the market despite softer pricing conditions.

Penang's hospitality market is expected to remain supported by expanding international connectivity, sustained demand from leisure, medical and business travellers and continued growth in the MICE sector. Penang International Airport is projected to handle more than 8 million passengers in 2026, supported by new direct international routes from key regional markets, particularly China and Southeast Asia, which will further enhance the state's accessibility. The newly opened Penang Waterfront Convention Centre, together with Penang's internationally recognised heritage assets, strong medical tourism sector and continued global recognition as a premier island destination are expected to underpin long-term demand for hotel accommodation. Nevertheless, the growing hotel inventory is likely to encourage operators to strengthen their value proposition, enhance guest experiences and improve operational efficiency to remain competitive.

Sources: Knight Frank Malaysia Sdn Bhd (September 2026), National Property Information Centre & ADATA Portal

Terengganu

As of 1Q2026, Terengganu recorded 251 hotels offering approximately 11,677 rooms, with beach resorts accounting for the largest share of hotel supply at 6,422 rooms (55.0%), followed by city and town hotels with 4,243 rooms (36.3%). The composition of hotel supply reflects the state's strong positioning as one of Malaysia's premier coastal and island tourism destinations, supported by its beaches and island resorts.

The most recent additions to Terengganu's hospitality market were recorded in 2024 with the openings of Perhentian Marriott Resort & Spa and Fairfield by Marriott Kuala Besut, marking Marriott International's expansion into Malaysia's East Coast market. These developments strengthened the state's internationally branded hotel offerings and enhanced its premium accommodation portfolio, reinforcing Terengganu's position as a leading coastal and island tourism destination.

In the medium- to long-term, the completion of three upcoming hotels is expected to add approximately 282 rooms to Terengganu's hotel inventory. Among the notable developments is the long-awaited Pulau Poh Hotel at Tasik Kenyir which is scheduled to open in 2H2026 after several years of delays. The 150-room property is expected to strengthen hospitality capacity within one of Malaysia's leading ecotourism destinations while broadening the area's tourism appeal through dedicated MICE facilities. Together with other planned developments, the continued expansion of hospitality assets reflects growing confidence in Terengganu's long-term tourism potential and the diversification of its offerings beyond traditional coastal and island attractions.

Hotel operating performance remained resilient in 2025 with the AOR of 4- and 5-star hotels recorded at 53.6% while the ADR reached RM409 per night, the highest level since 2018. In 1Q2026, the AOR moderated to 36.4% reflecting seasonal travel patterns while the ADR eased to RM371 per night, remaining above pre-2025 levels and indicating continued pricing resilience.

Terengganu is targeting nine million visitor arrivals in 2026 under the "TRUE Terengganu – The Real Unique Experience" campaign in support of VM2026. More than 100 tourism and cultural events are planned throughout the year, spanning the state's five tourism clusters, including coastal and island destinations, Kenyir Geopark, nature-based attractions and arts and heritage. Together with continued investment in tourism infrastructure, enhancements to Sultan Mahmud Airport and preparations for Visit Terengganu 2027, these initiatives are expected to strengthen the state's tourism profile and support sustained demand across the leisure hospitality market.

Sources: Knight Frank Malaysia Sdn Bhd (September 2026), National Property Information Centre & ADATA Portal

AUSTRALIA

1. Economy

In Australia, real Gross Domestic Product (GDP) rose by 0.3% (seasonally adjusted) in the March quarter 2026, down from 0.9% in the previous quarter. Annual growth increased by a stronger-than-expected 2.5%, the fastest pace since the March quarter 2023.

Growth in 2025 was broad-based with public and private demand each contributing 0.3% to quarterly GDP growth. Household consumption rose by 0.3% (+2.4% year-on-year), contributing 0.1 percentage point (ppt) growth, led by discretionary spending (tourism, hospitality and recreation). Private investment also contributed 0.1 ppt to growth, driven by both business and dwelling investment. Business investment was boosted by non-dwelling construction, especially major data centre developments in New South Wales and Victoria, while apartment building along the east coast drove an increase in dwelling investment.

Public sector consumption and investment both rose by 0.9% quarter-on-quarter in the quarter to December 2025, contributing a combined 0.3 ppts to growth, driven by state and local government expenditure and national defence spending. A rebuild in inventories also contributed to growth (+0.4 ppts) while net trade (-0.1 ppt) detracted as imports rose faster than exports.

The economy is expected to slow further from here. In its August 2026 Statement on Monetary Policy, the RBA forecasts GDP growth will ease from the current 2.5% to 1.4% by December 2026 before recovering only gradually as headwinds ease. Market economists are predicting a slightly sharper slowdown, with the Focus Economics consensus forecasts projecting GDP growth of 1.1% over the year to December 2026 before strengthening to 2.0% by end 2027. A prolonged conflict in the Middle East and any renewed spike in energy prices remain the key downside risks to these forecasts.

Household spending increased in June 2026 (+1.2% month-on-month) to be 6.0% higher over the year, driven mainly by higher prices rather than volumes. The monthly increase was driven by 1.2% month-on-month growth in spending in discretionary good and services, particularly transport boosted by new electric vehicle purchases and a recovery in air travel spending to pre-Middle East conflict levels and recreation spending (electronic goods, performing arts and live entertainment and gambling activity).

In volume terms, household spending rose 0.7% quarter-on-quarter in the June quarter 2026, marking a seventh consecutive quarterly increase. Annual spending volumes increased 2.4% year-on-year in June 2026, indicating that households continued to increase consumption despite cost-of-living pressures.

Household spending increased in six of the nine spending categories in nominal terms in June 2026. The largest increases were recorded in transport (+3.0% month-on-month), followed by recreation and culture (+1.4% month-on-month) and alcoholic beverages and tobacco (+1.0% month-on-month).

Household spending increased across all eight states and territories in June 2026. The strongest growth was recorded in Tasmania (+1.6% month-on-month), the Australian Capital Territory (+1.4% month-on-month) and Western Australia (+1.3% month-on-month).

In seasonally adjusted terms, employment fell by 16,000 in July 2026, following a 76,000 increase in June 2026, while the number of unemployed people increased by 4,000. The unemployment rate rose from 4.4% to 4.5%, with the participation rate declining by 0.2 ppts to 66.9%. The employment-to-population ratio also eased to 63.9%. Reflecting softer labour market conditions, hours worked fell by 0.6% month-on-month in July 2026.

REVIEW OF THE PROPERTY MARKET

Australia's Wage Price Index (WPI) rose by 0.8% (seasonally adjusted) in the June quarter 2026, taking annual wage growth to 3.2%, down from 3.4% a year earlier. Private sector wages increased 0.7% quarter-on-quarter, while public sector wages rose 0.9% quarter-on-quarter. On an annual basis, public sector wages grew by 3.4% year-on-year in June 2026, continuing to outpace private sector wage growth of 3.1% year-on-year for the sixth consecutive quarter.

At its August 2026 meeting, the RBA Monetary Policy Board left the cash rate unchanged at 4.35% in a unanimous decision, following three rate increases earlier in the year (+75 basis points cumulatively). The Board judged that monetary policy is already restrictive and providing the necessary restraint on economic activity while noting that inflation remains above target and upside inflation risks persist.

In its post-meeting statement, the RBA highlighted continued capacity pressures in the economy, a labour market that remains relatively tight, resilient domestic demand and ongoing inflation risks associated with elevated energy and commodity prices resulting from the conflict in the Middle East. While recent inflation outcomes have been modestly lower than previously expected, the Board reiterated that it remains prepared to tighten monetary policy further if required to ensure inflation returns sustainably to target.

The Consumer Price Index (CPI) increased by 3.8% year-on-year in June 2026, down from 4.0% year-on-year in May 2026 and a recent peak of 4.6% year-on-year in March 2026. Housing costs were the largest contributor to annual inflation in June 2026 (+6.8% year-on-year), while food and non-alcoholic beverages and recreation and culture were the next largest contributors, with both categories rising by 3.3% year-on-year. The RBA's preferred measure of underlying inflation, trimmed mean inflation was steady at 3.6% year-on-year.

Financial markets have pared back expectations of additional rate increases following the recent moderation in inflation, with the August pause widely anticipated. Nevertheless, the RBA has maintained a clear tightening bias, signalling that further policy tightening remains possible should inflation prove more persistent than expected. The Bank's latest forecasts envisage inflation gradually returning to the midpoint of the 2% to 3% target range by late 2027, although the Board continues to characterise inflation risks as being skewed to the upside.

2. Hotel Sector

Australia - Transaction Activity

In 2025, transaction volumes reached $1.91 billion representing a 2.3% year-on-year increase and broadly aligning with the long-term annual average. This reflects a market recovery in the second half of the year despite ongoing geopolitical uncertainty and extended transaction timelines.

However, average transaction values declined slightly to $32.5 million in 2025, a 4.7% decrease from $34.0 million in 2024. A total of 60 transactions were recorded for 2025 compared with 57 in the previous year.

Domestic investment is focused on suburban and regional hotels as indicated by the fall in average values, with overseas investment targeting major Central Business District (CBD) hotel assets.

Despite a recent interest rate rise and the potential for further rises, demand for hotel assets remains strong, although transactions are taking longer. Some investors are pausing acquisition activity until there is greater certainty in the global economic outlook.

In the six months to June 2026, there were 23 transactions above $5 million totalling $960 million, compared to 31 transactions totalling $910 million for the same period in 2025. Whilst sales volumes slowed in the first half of 2026, there is an expectation of increased activity in the second half of 2026.

Australia - Hotel Trade

The review of the 2025 Smith Travel Research (STR) data indicated that Australian Revenue Per Available Room (RevPAR) increased by 6.7% compared to 2024, reaching $181.52. The data show that all major Australian markets, except the Gold Coast recorded RevPAR growth. With the exception of Canberra, which recorded a 2.3% uplift, all other markets achieved year-on-year RevPAR growth greater than 6.0%.

For the four months to April 2026, Australia continues to show positive growth with RevPAR increasing by 5.3% compared to the first four months of 2025.

Our estimates assume continued room rate growth in line with inflation and we believe occupancy levels should continue to improve as international inbound demand increases.

REVIEW OF THE PROPERTY MARKET

An unexpected spike in inflation resulted in the RBA increasing the interest rates in February and May 2026. The conflict in the Middle East and the associated fuel crisis has resulted in further inflationary pressures and is expected to lead to further interest rate increases.

The Middle East conflict which started towards the end of February 2026 has interrupted international flights, predominantly long-haul flights from Europe and the United Kingdom which are reliant on transit hubs in the Middle East. Airspace closures reduced flight frequencies and route detours have disrupted this corridor, leading to flight cancellations, longer travel times and reduced seat availability.

The Middle East conflict is acting as a significant short-term risk to Australia's inbound tourism, especially from Europe and the United Kingdom by disrupting aviation networks and raising travel costs. While total tourism demand has not collapsed, the conflict is slowing the recovery of international visitation, increasing volatility and reshaping travel patterns. The medium-term outlook will depend heavily on aviation stability, fuel prices and traveller confidence through 2026.

Despite various economic and geopolitical headwinds, the long-term outlook remains positive with the planned opening of new international routes and continued recovery in demand from core international markets. The constrained supply pipeline is expected to result in further occupancy and rate growth.

Sydney

Sydney and Melbourne are recognised as Australia's primary gateway cities.

The Sydney CBD is benefiting from the return of international visitors along with the continued recovery of corporate demand.

In 2025, Sydney recorded RevPAR growth of 8.2% (to $232.03), supported by a 4.0% increase in both Average Daily Rate (ADR) (to $284.94) and occupancy (to 81.4%).

For year-to-date (YTD) June 2026, Sydney continues its post-pandemic recovery, achieving the highest RevPAR growth at 7.6%, driven by a 5.5% increase in ADR and a 2.0% rise in occupancy compared to the previous year.

Despite various economic and geopolitical headwinds, the outlook remains positive with the planned opening of new international routes and continued recovery in demand from core international markets. The constrained supply pipeline is expected to result in further occupancy and rate growth.

Melbourne

In 2025, Melbourne delivered strong performance with RevPAR rising 7.1% (to $165.92), driven by 5.0% (to 74.2%) occupancy growth and a 2.1% uplift (to $223.51) in ADR.

Melbourne is one of Australia's gateway hotel markets. However, unlike Sydney, its recovery has been slower partly due to an increase in new supply. Melbourne's YTD June 2026 RevPAR increased by 3.1%, although in the month of April 2026, occupancy declined by 2.2% and ADR fell by 2.4%.

Savills forecasts occupancy across the wider Melbourne market will improve over the medium- to long-term, supported by growth in domestic and international visitation. Notwithstanding the significant hotel supply pipeline, forecast demand growth is anticipated to exceed new room supply over the medium-term, resulting in a gradual increase in market occupancy levels.

Brisbane

2025 STR data showed that Brisbane's growth remained robust, with RevPAR up by 8.9% (to $193.26), supported by an 8.6% increase (to $253.60) in ADR and a marginal occupancy increase of 0.3% (to 76.2%).

Brisbane's growth has moderated, with RevPAR up by 0.5% for YTD June 2026, while ADR flat at an increase of only 0.1% over the same period.

There is a lack of new supply which has a positive impact on our market forecasts for Brisbane. As the Brisbane hotel market continues to improve and with the upcoming Brisbane 2032 Olympics, it is likely that new hotel developments will be announced over the next couple of years.

Sources: Savills Valuations Pty Ltd (September 2026)

REVIEW OF THE PROPERTY MARKET

JAPAN

1. Economy

Looking ahead, the Japanese economy is expected to continue growing moderately, albeit at a decelerated rate in fiscal 2026. The rise in crude oil prices since early spring, reflecting the impact of the situation in the Middle East, is expected to weigh on economic activity. Nevertheless, the economy is likely to be underpinned by factors such as the government's various measures, accommodative financial conditions and an increase in global AI-related demand. Japan's economic growth rate is likely to rise moderately from fiscal 2027 onwards, as the adverse effects of high crude oil prices are projected to wane, while a virtuous cycle from income to spending is expected to gradually intensify.

With regard to prices, the year-on-year rate of increase in the Consumer Price Index (CPI, all items less fresh food) is likely to accelerate to a level above 2% from the second half of fiscal 2026. This is because moves to pass on wage increases to selling prices are expected to continue while the rise in crude oil prices to date is expected to push up prices, mainly of energy and goods. In addition, the rise in the prices of semiconductors and other items reflecting the increase in global AI-related demand, together with the recent depreciation of the Japanese yen is likely to lead to higher prices, mainly of durable goods. Thereafter, as the effects of high crude oil prices wane, the rate of increase is expected to moderate to around 2% in the second half of the projection period. Meanwhile, amid persistent labour shortages, it is projected that the mechanism whereby wages and prices rise moderately in tandem will be maintained while medium- to long-term inflation expectations continue to rise. In this situation, underlying CPI inflation is expected to increase gradually, reaching a level generally consistent with the price stability target between the second half of fiscal 2026 and fiscal 2027 and remaining around that level thereafter.

Comparing the projections with those presented in the previous Outlook for Economic Activity and Prices (Outlook Report), the projected real GDP growth rates are more or less unchanged. However, the projected year-on-year rate of increase in the CPI (all items less fresh food) for fiscal 2026 is lower. This is attributable to factors such as the government's measures to ease the household burden of higher energy prices, particularly electricity and gas charges, during the summer.

There are various risks to the outlook. For the time being, particular attention should be paid to the impact of the situation in the Middle East on financial and foreign exchange markets, as well as on Japan's economic activity and prices. In addition, attention should be paid to the effects of global AI-related demand and future developments in foreign exchange rates on Japan's economic activity and prices.

With regard to the balance of risks, risks to economic activity are generally balanced while risks to the CPI outlook remain skewed to the upside. As for the underlying CPI inflation, there is a risk that it will deviate upward to a level above the 2% price stability target, given factors such as firms' behaviour shifting more toward raising wages and prices and medium- to long-term inflation expectations continuing to rise. It is therefore necessary to pay due attention to prevent such risks from materialising and adversely impacting the economy thereafter.

Sources: Colliers International Japan KK (September 2026) & Outlook for Economic Activity and Prices (July 2026), Bank of Japan

2. Hotel Sector

Japan

According to the Japan Tourism Agency, the number of international visitors to Japan reached approximately 42.68 million in 2025, surpassing the previous record by approximately 5.81 million visitors and setting a new record high. Travel expenditure also reached a record high of JPY9.5 trillion (preliminary figure). Strong inbound growth was particularly evident from North America, Europe and Australia, supported by the weak Japanese yen, Japan's continued affordability relative to other destinations and the country's enduring popularity among international travellers. Although visitor arrivals from China recorded strong growth throughout 2025, demand is expected to moderate in 2026 due to the ongoing tensions in Japan–China relations, resulting in visitor numbers falling below 2025 levels.

In Japan's hospitality investment market, transaction volume in 2025 declined from the previous year. However, this was primarily attributable to persistently high pricing expectations among sellers and a lower number of large-scale transactions compared with 2024, rather than any weakening in investor demand. Hotel demand continued to outpace supply, enabling operators to maintain elevated room rates. Although interest rates have been trending upward, investor appetite for hotel assets is expected to remain strong given the sector's favourable operating fundamentals.

REVIEW OF THE PROPERTY MARKET

In 2026, several events and developments are contributing to tourism demand. The opening round of the World Baseball Classic (WBC) which was held at Tokyo Dome in March 2026 boosted both inbound and domestic travel demand during the spring season. In addition, the Asian Games and Asian Para Games which are scheduled to be held in Nagoya, Aichi Prefecture later this year are expected to generate significant visitor demand for the region. Furthermore, in the leisure sector, PokéPark Kanto, a new Pokémon theme park at Yomiuriland, Tokyo has opened and is attracting attention as a tourism asset with the potential to generate sustained demand from both international and domestic visitors. While these individual events are smaller in scale than the Expo 2025 Osaka, Kansai, these events and PokéPark Kanto are expected to support overall tourism and accommodation demand throughout the year.

Sources: Colliers International Japan KK (September 2026), JTB Travel Trends & Japan National Tourism Organization

Niseko

The hotel market in the Niseko area (Niseko Town and Kutchan Town) continued to demonstrate solid performance during the first half of 2026, supported by its position as one of the world's premier ski resort destinations. During the 2025/26 winter season (December 2025 to March 2026), the four major ski resorts in the Niseko area–Grand Hirafu, HANAZONO, Niseko Village and Annupuri–recorded approximately 10.69 million lift and gondola rides. Although this represented a 5.5% decrease compared with the previous season, the decline was primarily attributable to delayed resort openings caused by insufficient early-season snowfall. Despite this temporary setback, visitor volumes remained above the 10-million mark, underscoring Niseko's continued competitiveness as one of Japan's leading ski destinations.

Hotel demand also remained resilient. According to tourism statistics published by Niseko Town, the area recorded approximately 1.55 million visitor arrivals and 308,000 overnight guests during 2025, reflecting sustained tourism demand, particularly during the winter season. International visitors continued to be the primary driver of demand with Australia, the United States, Singapore and Hong Kong representing key source markets. While visitor numbers from China have shown some moderation, increasing demand from North America has offset the decline, leading to a more diversified visitor base.

From an operational perspective, room rates have continued to trend upward, particularly among upscale hotels and condominium-style accommodation. Niseko remains one of Japan's highest-average daily rate (ADR) hotel markets, supported by strong demand from affluent international travellers and the ongoing depreciation of the Japanese yen. Furthermore, demand during the green season has expanded in recent years, driven by the growth of cycling, trekking, wellness tourism and other outdoor activities. As a result, the area is gradually evolving from a winter-focused ski destination into a year-round resort market.

On the supply side, several internationally recognised luxury hospitality brands, including Aman Niseko and Hoshinoya Niseko are scheduled to enter the market. These developments are expected to further strengthen Niseko's global brand recognition while supporting higher room rates and attracting additional high-net-worth travellers. As new luxury accommodations are introduced, the resort area is expected to further enhance its position within the Asia-Pacific luxury hospitality market.

Sources: Colliers International Japan KK (September 2026), Hokkaido Shimbun, Niseko Town

MANAGING SUSTAINABILITY

ABOUT THIS REPORT

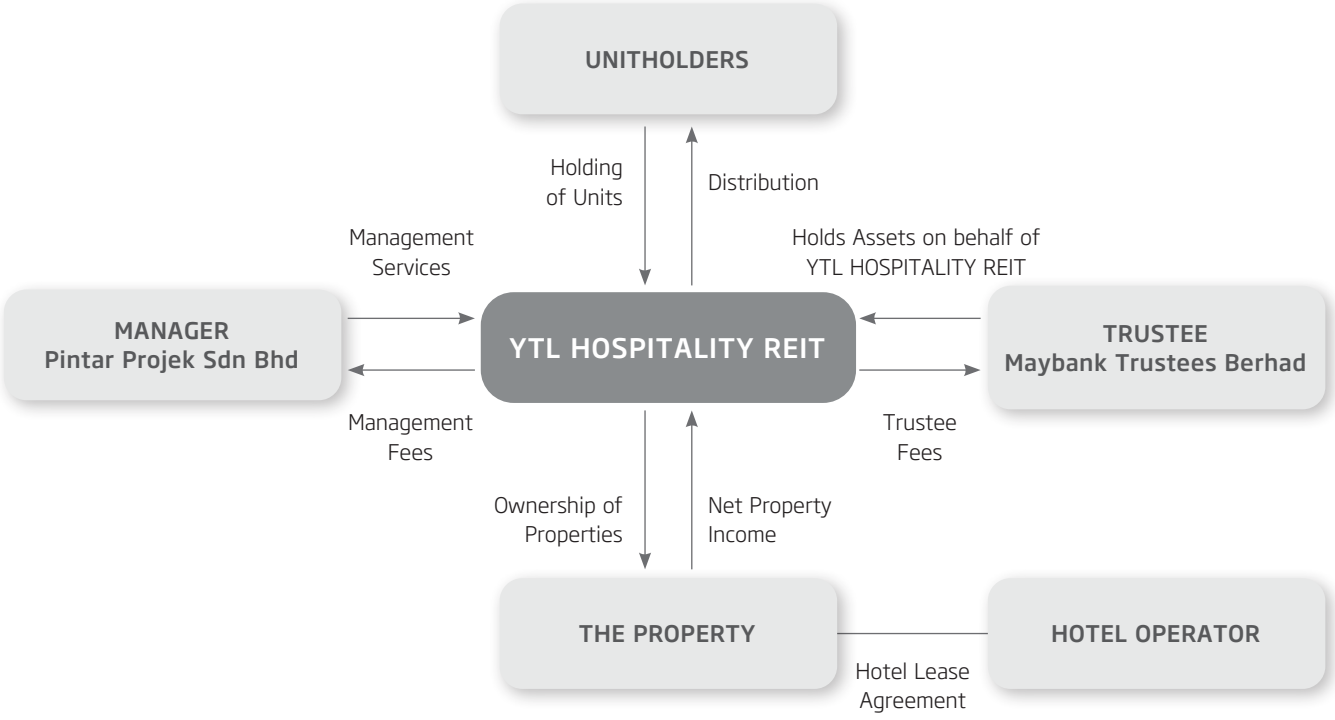
Structure and Management

YTL Hospitality REIT ("YTL REIT" or the "Trust") was listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 16 December 2005 and is an income and growth type fund. The principal investment objective of YTL REIT is to own and invest in real estate and real estate-related assets, whether directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate.

YTL REIT has a market capitalisation of RM1.90 billion (as of 30 June 2026) and owns a broad portfolio of 19 hospitality assets, spread across Malaysia, Australia and Japan.

Maybank Trustees Berhad is the trustee of YTL REIT and YTL REIT is managed by Pintar Projek Sdn Bhd ("Manager"), a 70%-owned subsidiary of YTL Corporation Berhad ("YTL Corp").

YTL Hospitality REIT Structure



Reporting Standards and References

This statement was prepared with reference to the following requirements, guidance, standards, frameworks and principles:

- Main Market Listing Requirements ("Listing Requirements") of Bursa Securities
- National Sustainability Reporting Framework ("NSRF"), which adopts the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards (IFRS S1 and IFRS S2) issued by the International Sustainability Standards Board ("ISSB")
- Malaysian Code on Corporate Governance ("MCCG")
- Bursa Securities' Sustainability Reporting Guide and Corporate Governance Guide
- FTSE Russell ESG Data Model Methodology
- The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard ("GHG Protocol")
- United Nations Sustainable Development Goals ("UN SDGs")

Scope and Boundary

This sustainability statement provides an overview of YTL REIT's environmental, social and governance ("ESG") performance and commitments for the financial year ended 30 June 2026.

YTL REIT applies the operational control approach under the GHG Protocol to define its reporting boundary. On this basis, the reporting boundary for environmental data comprises the Australian hotel portfolio - Brisbane Marriott Hotel ("BMH"), Melbourne Marriott Hotel ("MMH") and Sydney Harbour Marriott Hotel ("SHMH"). Social and governance disclosures cover the Manager and the Australian hotel portfolio.

YTL REIT's Malaysian and Japanese properties operate under master lease arrangements with lessees. The sustainability initiatives, performance and achievements of these properties and, where applicable, their respective lessees and operators that are subsidiaries of YTL Corp, will be outlined in greater detail in the consolidated YTL Group Sustainability Report 2026, which will be published in October 2026 in conjunction with YTL Corporation's Annual Report for the financial year ended 30 June 2026. The report can be accessed from the YTL Group's sustainability website at https://www.ytl.com/sustainability/

Where material, newly acquired assets will be included upon the availability of a full year of data corresponding with YTL REIT's financial year, whilst any assets divested during the financial year are excluded from this statement.

Climate-Related Disclosures

In accordance with NSRF and the Listing Requirements, YTL REIT has adopted IFRS S2 Climate-related Disclosures issued by the ISSB for the financial year ended 30 June 2026. Climate-related disclosures prepared in accordance with IFRS S2 are integrated within the relevant sections of this sustainability statement.

As permitted under the Additional Transition Reliefs ("ATRs") applicable to first-year adopters, YTL REIT has applied the following reliefs in preparing this statement:

- ATR 1: Climate-related disclosures have been prepared in accordance with IFRS S2, with IFRS S1 requirements applied only to climate-related risks and opportunities;
- ATR 2: Climate-related disclosures focus on YTL REIT's principal business segment by revenue, namely the Australian hotel portfolio;
- ATR 3: Scope 3 GHG emissions disclosure is limited to selected categories.

In addition, YTL REIT has applied the proportionality mechanisms available under IFRS S2. Quantitative disclosure of anticipated financial effects, and detailed scenario assumptions and modelled outcomes, remain an area of ongoing development.

YTL REIT is committed to progressively enhancing its climate-related disclosures in subsequent reporting periods as data collection processes and analytical capabilities mature.

Data Validation & Assurance

The information and performance data presented in this statement were verified using internal sources. No third-party assurance was obtained for the non-financial data disclosed. However, external assurance remains under consideration for future reports, and the process is ongoing to standardise internal audit protocols.

This report was prepared by the YTL Group's Sustainability Division and approved by the Board of Directors of the Manager ("Board") on 15 September 2026. References in this report to our website are to our corporate website at www.ytlhospitalityreit.com.

Forward-looking Statements

This statement contains forward-looking statements related to future expectations. These statements are premised on current assumptions and circumstances that are subject to change. Although we believe that these statements are reasonable, they are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from expectations expressed or implied in such statements.

Contact

We welcome feedback, questions and suggestions from our stakeholders about this report. Please contact us at:

Sustainability Division
YTL Hospitality REIT
Email: sustainability@ytl.com

MANAGING SUSTAINABILITY

OUR APPROACH TO SUSTAINABILITY

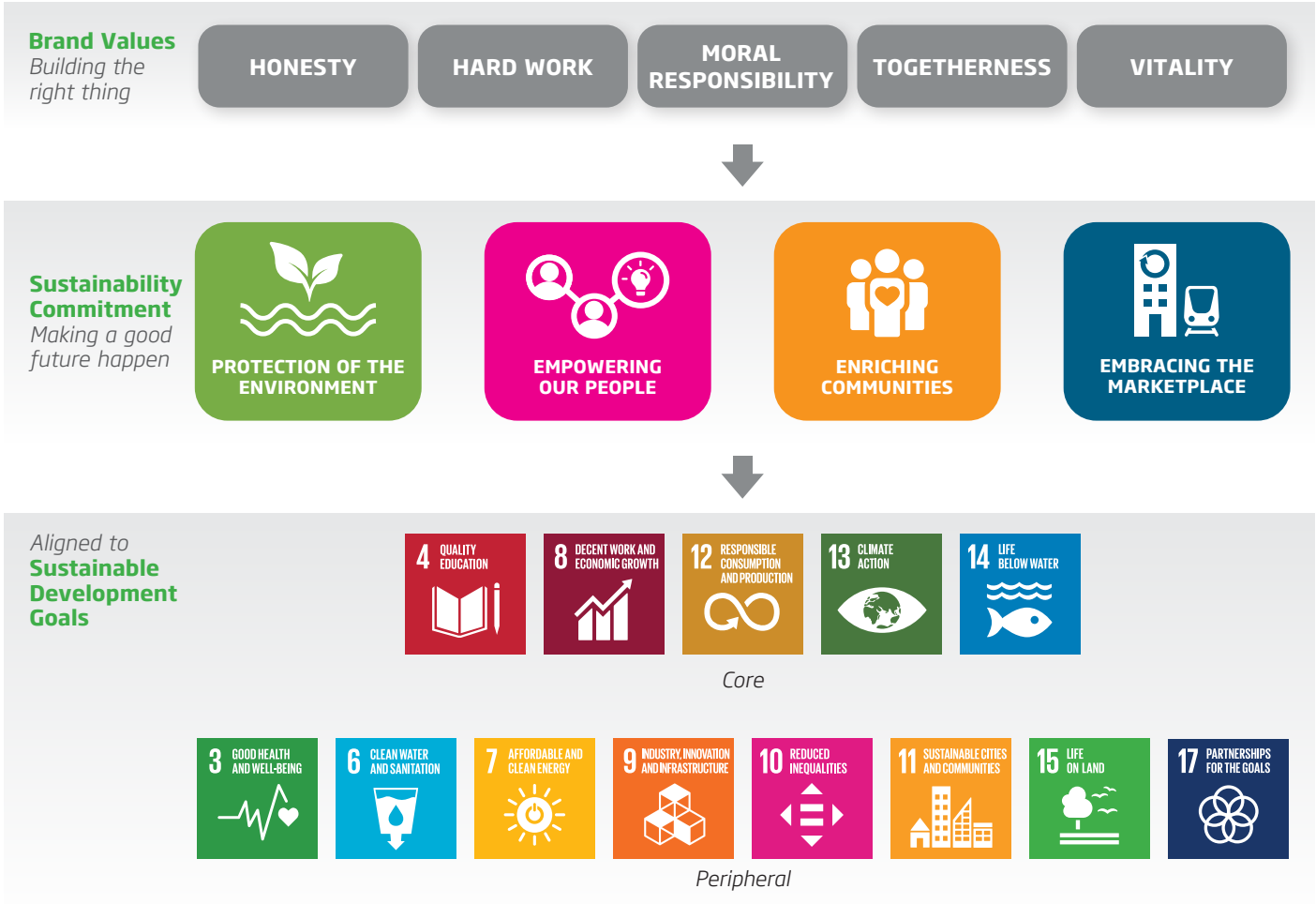
As part of YTL Corp and its subsidiaries ("YTL Group"), YTL REIT's sustainability focus is aligned with YTL Group's credo, "Making A Good Future Happen". This approach is embodied in our value chain and business practices, aiming to create long-term positive impacts for our stakeholders. Regular assessment, review and feedback on ESG issues are conducted in line with YTL Group's practices and policies.

The Manager's sustainability commitment is rooted in creating lasting value for all stakeholders by strongly emphasising management of the Trust's assets responsibly and with integrity. Our commitment to sustainable practices enables us to demonstrate a clear commitment towards achieving our growth objectives, balancing business opportunities and risks in the ESG realms.

We have aligned and adopted YTL Group's established sustainability structure and framework, policies and guidelines, where relevant and appropriate. The following value-added Sustainability Framework is intrinsically linked to our sustainable business practices, ensuring our business remains relevant, acts responsibly and creates value over the long-term.

Where applicable to the Trust, we incorporate sustainability into the day-to-day management of YTL REIT, which is aligned with the UN SDGs, YTL Group Code of Conduct and Business Ethics ("the Code"), Anti-Bribery and Corruption ("ABC") Policy and Global Privacy Policy.

YTL REIT Sustainability Framework



Sustainability Governance

YTL Group operates with a clear and well-communicated governance structure and robust governance systems, which YTL REIT has similarly adopted. The Board is responsible for implementing and ensuring good governance.

The Board maintains oversight of sustainability and climate-related matters, including YTL REIT's sustainability strategy.

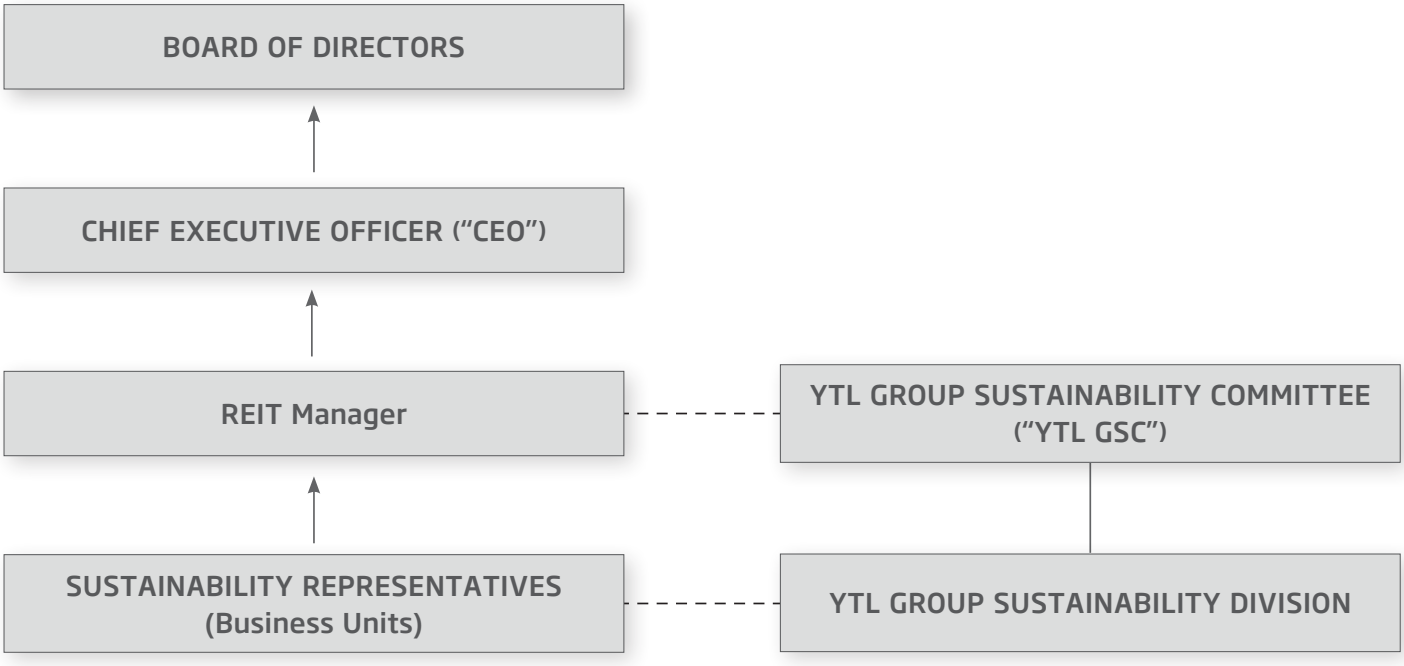
The Manager, led by the Chief Executive Officer, is responsible for the implementation of sustainability strategies and initiatives, and day-to-day management of ESG matters. This includes supporting the identification, assessment and monitoring of sustainability and climate-related risks and opportunities, in line with the framework approved by the Board.

YTL Group's Sustainability Division supports the coordination and consolidation of performance data across key ESG metrics, which inform the Manager's reporting to the Board. The division also works closely with the Manager in supporting sustainability and climate-related risk and opportunity assessments, as well as enhancing ESG data management and reporting processes.

Sustainability and climate-related matters are presented to the Board semi-annually, to enable effective oversight of strategies addressing climate change and sustainability-related risks and opportunities. The development of more formalised climate action protocols remains ongoing as YTL REIT continues to strengthen its governance approach to managing climate-related risks and opportunities.

In FY2026, the Board attended training on sustainability-related topics, further details of which can be found in the *Corporate Governance Overview Statement* in this Annual Report.

More information on the Trust's governance and internal control systems can be found in the *Corporate Governance Overview Statement*, and the *Statement on Risk Management and Internal Control* set out separately in this Annual Report.



MANAGING SUSTAINABILITY

Roles and Responsibilities



Board of Directors

- Oversees YTL REIT's sustainability governance, including the setting of sustainability strategies, priorities and targets, and the review of material ESG matters.
- Reviews progress of the sustainability strategy, sustainability performance, material ESG and climate-related risks and opportunities, and approves the materiality assessment and Sustainability Statement.



REIT Manager

- Led by the Chief Executive Officer, and supports the implementation of YTL REIT's sustainability strategies, priorities and initiatives.
- Coordinates with the YTL Group Sustainability Division and Sustainability Representatives to drive sustainability initiatives and reporting.



YTL Group Sustainability Committee

- Chaired by the Executive Chairman of YTL Corp, who also serves as Chairman of the Board of YTL REIT.
- Comprises representatives from YTL Group's Sustainability Division and Senior Management from all YTL Group Business Units, who support the Board in setting high-level sustainability direction and strategic focus.
- Oversees the implementation of sustainability strategy, the roadmap and other ESG-related matters.
- Reviews and monitors the implementation of sustainability strategies and performance across the Group.
- Updates the Board on sustainability progress, emerging ESG developments, and regulatory requirements on a semi-annual basis or more frequently, as and when needed.



YTL Group Sustainability Division

- Spearheaded by the Head of Group Sustainability.
- Develops and oversees the implementation of YTL Group's sustainability framework and strategy.
- Coordinates ESG data collection, consolidation, and validation across key sustainability metrics.
- Supports the Manager in sustainability and climate-related risk and opportunity assessments.
- Provides sustainability advisory support and, where appropriate, facilitates engagement with relevant external partners.
- Monitors and tracks sustainability performance across the YTL Group.
- Facilitates sustainability reporting and disclosures in line with applicable regulatory requirements.



Sustainability Representatives (Business Units)

- Embed sustainability considerations into business operations and functional processes.
- Implement and monitor sustainability initiatives within their respective areas of responsibility.
- Coordinate ESG data collection and reporting to support compliance and disclosure requirements.

Stakeholder Engagement

Stakeholders	Engagement Methods	Stakeholder Interests and Concerns	Our Response and Initiatives
LESSEES	• Dialogue and engagement sessions	• Create a conducive hotel environment • Property maintenance and enhancement	• Identify potential areas of improvement and implement appropriate follow-up actions
INVESTORS	• Dedicated investor relations section on the company's website • Annual General Meeting • Annual Report • Results briefings with analysts, investors and via press releases to the media	• Access to yield-accretive real estate investments • Business performance and strategy • Corporate governance and risk management • Sustainable returns	• Provide accurate information to the investing public through timely communication channels • Implement effective strategies for investor engagement • Uphold high standards of corporate governance, risk management and internal controls
GUESTS	• Newsfeed in lounges, guest rooms, front desk and other public areas • Loyalty programmes for hotel guests • Social media • Websites	• Condition of amenities provided in properties • Promotions and rewards	• Provide a safe and convenient environment • Improve guest experience via digitalisation initiatives
EMPLOYEES	• Weekly department meetings • Annual performance appraisals • Recreational and team-building activities • Training courses and workshops • Employment incentives and benefits	• Communicate business strategy and developments • Personal growth and remuneration benefits • Diversity • Training and career development • Healthy, safe and inclusive work environment	• Foster open dialogue with employees to share updates and receive feedback • Ensure compliance with all applicable health and safety and labour laws • Provide opportunities for employees to develop skills and gain knowledge • Promote a positive culture through activities and engagements • Conduct performance appraisals, competitive remuneration and benefits

MANAGING SUSTAINABILITY

Stakeholders	Engagement Methods	Stakeholder Interests and Concerns	Our Response and Initiatives
GOVERNMENTS AND REGULATORS	• Meetings, feedback and other correspondence	• Compliance with regulatory requirements • Sustainability and risk management	• Implement policies and procedures to ensure regulatory compliance • Regularly monitor and review regulatory issues and performance • Adopt best practices for ongoing improvement in sustainability and risk management
SUPPLIERS AND CONTRACTORS	• Requests for Proposals • Meetings and site visits • Vendor evaluation	• Fair procurement policies and practices • Workplace safety assurance • Strict adherence to timelines • Timely payment for goods and services • Preference for local procurement or nearshoring	• Uphold ethical business practices and integrity • Foster responsible supply chain management
COMMUNITY	• Corporate social responsibility ("CSR") programmes	• Community investment • Supporting local communities	• Ongoing CSR activities through volunteerism, donations and in-kind sponsorships • Support for environmental and social causes

FEATURE STORY – Industry Engagement

YTL REIT actively participates in industry associations that support the growth, sustainability and resilience of the hospitality sector. Through our assets across Australia, we contribute to collaborative efforts that drive operational excellence, sustainable tourism and destination stewardship.



Queensland Hotels Association ("QHA")
BMH is a member of the QHA, the peak industry body representing hotels in Queensland. QHA advocates for industry standards and regulatory compliance whilst promoting workforce development, sustainability and responsible service.

Brisbane Economic Development Agency ("BEDA")
BMH is a member of BEDA, the key body which drives engagement with all the key economic drivers in the City of Brisbane. All major city-wide events are partnered through BEDA.

Accommodation Australia
Both MMH and SHMH are members of Accommodation Australia, a leading national body representing Australian accommodation providers. The organisation works closely with government and industry stakeholders to support sustainable policies, workplace relations and business resilience.

Australian Cruise Association ("ACA")
SHMH is a member of the ACA, which plays a pivotal role in making Australia and the Pacific region a major world-class base and destination for cruise vessels. ACA fosters collaboration between ports, destinations and operators to realise the region's potential as a world-class cruise destination.

Business Events Sydney ("BESydney")
As a member of BESydney, SHMH supports the promotion of Sydney as a leading sustainable destination for global conferences and events. BESydney works to attract high-impact events that contribute to economic development, knowledge exchange and sustainable tourism.

Ecotourism Australia
SHMH attained certification from Ecotourism Australia, the peak body for ecotourism and sustainable tourism that supports the tourism industry through building capacity and actively promoting sustainable tourism operations and systems.

Victorian Tourism Industry Council ("VTIC")
MMH holds membership under VTIC, Victoria's peak tourism industry body and leading advocate for Victoria's tourism and events industry. VTIC connects and informs its members on future-focused insights and keeps members abreast of policy changes in the industry.

Les Clefs d'Or Australia
SHMH has two employees that are members of Les Clefs d'Or Australia, the Australian chapter of Les Clefs d'Or, a global association for hotel concierge professionals committed to delivering service excellence in the hospitality industry. Members in the organisation earn the right to wear the exclusive golden keys by passing comprehensive testing and proving their ability to deliver the highest quality of service.

Awards and Accolades
SHMH was awarded the Best Environmental and Sustainability Practice Property Award at the NSW Accommodation Awards for Excellence. The award recognises outstanding commitment to environmental stewardship and sustainable hospitality operations, and reflects the property's sustained efforts across sustainability governance, energy, water and waste management practices, recycling programmes and education initiatives, and environmental innovation and continuous improvement throughout the year.



MANAGING SUSTAINABILITY

MATERIALITY

We periodically update the materiality assessment to ensure it remains current, accurate, and relevant to our businesses. This helps us to align our strategy and operations with business needs, creating long-term sustainable value for stakeholders. The materiality assessment exercise was conducted last year, and an internal assessment conducted this year confirmed that the 15 material matters identified in the previous financial year remain relevant and are consistent with the version previously reviewed and endorsed by the Board.

Materiality Assessment Process

1 Identification of ESG issues

The critical ESG matters relevant to the business context were analysed and reviewed. The identified material ESG matters were then benchmarked against standards, policies, regulations and best practice in the industry

2 Analysis and prioritisation of findings

Materiality assessments were conducted in a focus group with the participation of senior management

3 Validation and review

The prioritised key material ESG matters were validated, and the results were reported to the Board for their consideration and approval

4 Board sign-off

The final list of material matters was reviewed and approved by the Board

YTL Hospitality REIT Materiality Matrix



Management of our Material Matters

YTL REIT's material matters, which are aligned with the UN SDGs, are inherently tied to our sustainability strategy and categorised into three sustainability pillars whilst remaining aligned with the overarching sustainability principles of YTL Group. Identifying risks and opportunities associated with these material matters helps us prepare and integrate suitable action plans into our operations, creating a positive impact on all ESG aspects.

Environment

Key Stakeholders: Community, Governments and Regulators, Guests, Investors

UN SDGs:



Material Matters	Potential Risks	Opportunities	Management Approach
1 Decarbonisation 2 Energy Management 3 Water Resource Management 4 Waste Management	• Negative impacts on the environment resulting from our operations • Business operation disruptions due to supply shortage of resources • Increase in operating expenses due to rising temperature and extreme weather events (i.e. heavy rain, floods, heatwaves, etc.) • Physical climate risks may affect the value and income of properties within the portfolio • Failure to comply with evolving environmental regulatory and reporting requirements, including building energy disclosure and emissions reporting standards, may result in regulatory penalties, reputational harm and reduced investor confidence	• Promote sustainable development through environmentally responsible operations • Reduction of insurance premiums • Implement sustainable practices by embracing innovation, mitigation and adaptation • Green building certifications strengthen asset valuations	• Optimise resource use through efficient management of energy, water and waste at hotel properties, reducing environmental impact and improving cost-effectiveness • Implement green initiatives and investments that support compliance with evolving environmental regulations and meet stakeholder expectations, including the evaluation of green building certification opportunities where appropriate • Enhance environmental disclosures in line with regulatory requirements and evolving reporting standards, including progressive alignment with internationally recognised sustainability reporting frameworks

MANAGING SUSTAINABILITY

Social

Key Stakeholders: Community, Employees, Guests, Suppliers and Contractors

UN SDGs: 

Material Matters	Potential Risks	Opportunities	Management Approach
5 Local Community 6 Diversity 7 Health & Safety 8 Labour Practices & Standards 9 Employee Development 10 Guest Satisfaction, Experience & Safety	• Negative image and/or brand reputation for the company • Underperforming workforce that leads to decreased productivity, increased turnover and employee disengagement • Unsafe workplace, physical, ergonomic and psychosocial hazards may lead to injuries, illnesses or accidents in the workplace and regulatory fines • Low guest satisfaction may cause the loss of repeat business, negative reviews, decreased occupancy rates and financial loss	• Enhance brand image to a broader and more diverse community as well as contribute to local communities and create lasting positive impacts • Good occupational health and safety practices improve overall productivity and all aspects of physical and mental, health and safety in the workplace • Promote a positive culture to improve workplace performance • Good guest satisfaction can boost revenue, enhance the hotel's reputation and drive repeat business through positive reviews and word-of-mouth recommendations	• Ensure employees and hotel guests work and stay in a safe environment through proactive workplace health and safety practices • Promote workplace diversity and inclusion through leadership, recruitment, policies, and a supportive work environment • Invest in employee development through training, career growth opportunities, and wellness programmes to enhance productivity, job satisfaction, and retention • Deliver high-quality services and ensure a safe and secure environment for hotel guests • Engage constructively with local communities through targeted community initiatives

Governance

Key Stakeholders: Lessees, Investors, Governments and Regulators, Suppliers and Contractors

UN SDGs: 

Material Matters	Potential Risks	Opportunities	Management Approach
11 Anti-Bribery & Corruption 12 Supply Chain Management 13 Data Privacy & Security 14 Governance & Transparency 15 Financial Sustainability	• Evolving mandatory sustainability disclosure requirements may increase compliance and assurance obligations • Heightened legal, regulatory and reputational risks • Address inconsistency, strategic misalignment and accountability gaps to prevent corruption, negligence and fraud • Potential conflict of interest, corruption and unethical practices in supply chain • Data breaches, compromised guest information, reputational damage and legal consequences • Underperforming assets, including due to lessee operational or financial distress under master lease arrangements, impact income distribution, stability and profitability	• Promote good governance practices that contribute to growth and management stability • Improve organisational efficiency and effectiveness in entrepreneurial risk management • Improved collaboration and relationships with suppliers in managing procurement processes • Improved data protection measures through adoption of industry best practices • Unlocking value through the optimisation of the asset portfolio	• Uphold sound corporate governance through robust board and trustee oversight • Adopt and enforce zero-tolerance approach towards fraud, bribery and corruption • Integrate data governance frameworks and cybersecurity measures to protect sensitive information and digital operations in compliance with applicable data protection legislation • Enhance transparency through regular financial, ESG and compliance disclosures • Strengthen the asset portfolio through disciplined capital allocation and active asset management to deliver sustainable growth and long-term value for unitholders

MANAGING SUSTAINABILITY

ENVIRONMENT

1 Decarbonisation

As part of YTL Group, YTL REIT supports the Group's aspiration of carbon neutral in operations by 2050. Whilst YTL REIT does not maintain an independent standalone emission reduction target, the Trust aligns with and contributes towards YTL Group's broader climate ambitions through the management of climate-related risks and opportunities, the implementation of energy efficiency and renewable energy initiatives, and other programmes that enhance the resilience and long-term value of the property portfolio.

Climate-related governance is integrated within YTL REIT's overall sustainability governance framework. Details of the governance structure, roles and responsibilities for those responsible for overseeing sustainability and climate-related matters are set out in the Sustainability Governance section on page 61.

Recognising the growing importance of climate action, YTL REIT continues to strengthen our approach to measuring and managing greenhouse gas ("GHG") emissions across our portfolio. The development of more formalised climate action protocols remains ongoing as we enhance our climate governance, emissions management, and reporting.

In FY2026, our Scope 1 emissions were reported at 1,342 tonnes of carbon dioxide equivalent (tCO_2e) and Scope 2 emissions were 7,008 tCO_2e. During the year, we expanded our greenhouse gas inventory to include selected Scope 3 emissions categories for the first time, resulting in total reported Scope 3 emissions of 1,568 tCO_2e. The reported categories comprise Category 3 (Fuel- and Energy-Related Activities), Category 5 (Waste Generated in Operations), Category 6 (Business Travel). This enhancement provides a more comprehensive picture of our greenhouse gas footprint and supports our ongoing efforts to improve emissions management across our value chain.

GHG emissions (in tCO_2e)	FY2024	FY2025	FY2026
Scope 1	1,549	1,206	**1,342**
Scope 2	8,016	7,105	**7,008**
Scope 3	n/a	n/a	**1,568**

Note: Emission factors used for calculation of GHG emissions above are sourced from the Australian National Greenhouse Accounts Factors

Climate-Related Risks and Opportunities

In accordance with IFRS S2 Climate-related Disclosures, YTL REIT has identified and assessed climate-related risks and opportunities that may affect the Trust's operations and property portfolio.

The assessment currently covers the Australian properties and considers both physical risks arising from acute and chronic climate-related events, as well as transition risks and opportunities associated with the transition to a lower-carbon economy.

In preparing this assessment, management has applied judgement in determining the scope of properties assessed, the classification of climate-related risks and opportunities, and the time horizons applied. These judgements reflect the Trust's current assessment based on information reasonably available at the reporting date.

The climate-related risks and opportunities identified during the reporting period are summarised in the following.

Time horizons:

- Short-term: Up to 12 months
- Medium-term: 1–5 years
- Long-term: Beyond 5 years

Physical Risk

Climate Risk	Time Horizon	Potential Impacts on Value Chain	Potential Opportunities from Value Chain	Management Approach
Extreme rainfall and flash flooding	Medium-term	• Damage to property structures and critical infrastructure • Restricted accessibility for hotel guests and operational employees	• Enhanced physical asset resilience and property valuation differentiation • Competitive market differentiation through climate-resilient asset features	• Maintain ongoing building maintenance, waterproofing enhancements, and structural envelope repairs • Conduct regular climate risk assessments • Maintain comprehensive insurance that covers property damage, natural disaster, and business interruption
Rising temperatures	Long-term	• Increased building operational expenditures ("OPEX") from higher cooling demand	• Lower building energy intensity through facility optimisation and energy-efficient systems • Enhanced guest comfort and asset retention through improved climate control	• Incorporate energy-efficiency considerations into asset enhancement, refurbishment and lifecycle replacement activities • Evaluate opportunities to adopt energy-efficient technologies and building systems where appropriate and commercially viable • Monitor building energy consumption to support operational efficiency improvements
Rising sea levels	Long-term	• Elevated OPEX and capital expenditures ("CAPEX") for physical asset adaptation • Long-term exposure to coastal asset inundation	• Enhanced investor and lender confidence through proactive asset climate resilience • Strategic capital allocation prioritising lower-risk real estate acquisitions • Integration of long-term coastal adaptation in asset portfolio management	• Conduct regular climate risk assessments incorporating sea-level rise projections relevant to coastal properties • Consistent engagement and updates with relevant governmental organisations • Maintain comprehensive insurance that covers property damage, natural disaster, and business interruption
Drought/Water scarcity	Long-term	• Elevated OPEX	• Resilient supply chain through vendor water stewardship mandates • Operating cost savings via asset-level water recycling and circular loops • Improved property credentials through water-efficient infrastructure	• Maintain water-efficient fixtures and fittings across hotel properties to support responsible water use • Maintain existing water conservation measures and evaluate opportunities to enhance water resilience where appropriate

MANAGING SUSTAINABILITY

Transition Risk

Transition Driver	Time Horizon	Potential Impacts on Value Chain	Potential Opportunities from Value Chain	Management Approach
Policy and Legal: Stricter climate regulations, new legislation, and enhanced disclosure requirements	Short-term	• Increased compliance and climate reporting expenses • Financial penalties or regulatory restrictions for non-compliance	• Enhanced access to sustainable finance and ESG capital allocation • Higher transparency and credibility with REIT unitholders and financial institutions • Improved property attractiveness via green building certifications	• Monitor evolving climate-related regulatory and disclosure requirements, and assess their implications for operations and reporting obligations • Maintain robust climate-related reporting and compliance oversight through established governance processes
Financial: Transition to a low-carbon economy affects financing, capital costs, and investment flows	Short-term	• Elevated OPEX driven by higher utility tariffs	• Long-term cost optimisation through portfolio energy management	• Improve energy efficiency and operational performance through targeted asset enhancement and energy management initiatives • Monitor energy cost exposures and evaluate measures to support the long-term financial resilience and competitiveness of the portfolio
Market: Inability to meet evolving ESG market expectations	Short-term	• CAPEX required to maintain market competitiveness	• Enhanced brand equity and unitholder trust through ESG alignment • Superior market positioning and asset capital value via green certifications	• Monitor evolving market expectations and ESG trends relevant to the hospitality and real estate sectors • Maintain oversight of asset sustainability performance to support long-term competitiveness and stakeholder confidence
Reputational: Shifting consumer and investor preferences	Long-term	• Reputational damage and reduced investor/ unitholder confidence • Heightened stakeholder pressure for transparent environmental performance	• Strengthened corporate reputation through proactive climate governance • Market differentiation as a sustainable, responsible real estate asset owner • Enhanced investor confidence through credible sustainability disclosures	• Maintain sustainability performance through responsible operational practices and applicable regulatory compliance • Evaluate opportunities to strengthen sustainability credentials and disclosures in line with stakeholder expectations

Transition Driver	Time Horizon	Potential Impacts on Value Chain	Potential Opportunities from Value Chain	Management Approach
Technology: Rapid technology shifts requiring system upgrades to meet evolving standards	Medium-term	• CAPEX required to maintain/upgrade property systems	• Improved asset performance, modern credentials and capital value	• Monitor emerging technologies and evolving industry standards relevant to the hospitality and real estate sectors • Evaluate opportunities to incorporate appropriate technologies and system upgrades through asset enhancement and lifecycle replacement activities

2 Energy Management

As the impacts of climate change and geopolitical tensions intensify, effective energy management becomes increasingly critical for YTL REIT, reflecting our commitment to sustainability and operational excellence across our portfolio. Through the implementation of initiatives such as energy action plans, retro-commissioning, lighting retrofits and building automation systems, we enhance energy efficiency and resilience across our properties. These measures not only help to reduce operational costs but also support a seamless and comfortable guest experience by ensuring reliable and uninterrupted service.

In FY2026, total energy consumption across YTL REIT's portfolio amounted to 17,242 MWh from our Australian hotels. This represents a 3% increase compared to the previous year. Electricity remained the predominant source of energy, accounting for 61% of overall consumption.

	FY2024	FY2025	FY2026
Total energy consumption (MWh)	17,166.00	16,816.00	**17,242.00**

MANAGING SUSTAINABILITY

Energy Management Initiatives

Heating, Ventilation, Air Conditioning ("HVAC") Efficiency Improvements	• BMH, MMH and SHMH conduct routine optimisation and preventive maintenance of key energy-intensive building systems, including chillers, boilers and ventilation equipment, to maintain operational efficiency and minimise avoidable energy consumption. • SHMH is undertaking a major HVAC Modernisation Programme to improve energy efficiency and support decarbonisation. The project includes upgrading ageing mechanical plant and HVAC equipment with advanced technologies such as Variable Air Volume systems, heat recovery exchangers, and intelligent controls that optimise energy use based on real-time demand. • BMH installed Variable Speed Drives within the plant room to optimise the operation of chiller and cooling tower motors. By adjusting motor speeds according to real-time demand, the system improves efficiency and reduces electricity consumption. • BMH also installed hot water units in the plant room with a pre-heating system for high efficiency of hot water supply to guest rooms and for temperature control.
Building Management System ("BMS")	• BMH and SHMH are fitted with BMS, which help monitor and control core building services such as HVAC. • SHMH's BMS also monitors and controls lighting.
Light-emitting Diode ("LED") Fixtures	• BMH, MMH and SHMH are progressively transitioning from conventional lightings to energy-efficient LED fixtures to further reduce energy consumption. • BMH and MMH have implemented LED lighting paired with motion sensors in designated areas to help reduce unnecessary energy use.
Low-Carbon Mobility Support	• BMH provides electric vehicle ("EV") charging facility on its site, facilitating EV adoption amongst guests and employees.

3 Water Resources Management

Water is a vital resource that underpins key hotel operations such as housekeeping, food and beverage services, landscaping and guest amenities. We recognise our role in contributing towards sustainable and secure water resources in our local communities where we operate, and we remain committed to managing water responsibly across our properties.

Utilising the World Resources Institute's Aqueduct Water Risk Atlas, we have identified that several of YTL REIT's properties, particularly the three hotels in Australia are located in regions experiencing high water stress. In response, we continue to strengthen our water stewardship practices through targeted conservation initiatives, efficiency improvements, and operational controls aimed at mitigating water-related risks and enhancing long-term operational resilience.

YTL REIT's properties primarily source water from local municipal water supplies. In FY2026, total water withdrawal across the portfolio amounted to 100,000 m^3.

	FY2024	FY2025	FY2026
Total water withdrawn (m^3)	107,000	102,000	**100,000**

Water Resources Management Initiatives

Water-Efficient Fixtures	• All guest bathrooms across BMH, MMH and SHMH feature water-saving fixtures as the standard. These carefully selected fittings reduce consumption whilst maintaining full functionality. • In 2025, SHMH commenced the replacement of existing two-handle basin mixers with single-lever mixer taps fitted with low-flow aerators as part of its guest room defect rectification programme. The upgraded tapware enables guests to achieve their desired water temperature more quickly, reducing water wastage and hot water consumption whilst lowering the energy required for water heating.
Guest Water Conservation Programmes	• BMH, MMH and SHMH encourage guests to opt out of daily towel and sheet replacement, conserving water with the decrease in laundry.
Rainwater Harvesting System	• SHMH installed a 2,000-L rainwater tank to capture and store rainwater, which is repurposed for landscape irrigation.
Infrastructure and Operational Water Optimisation	• SHMH undertook key refurbishments to its cooling towers in 2024 to enhance structural integrity and operational performance. The upgrades improved water efficiency through optimised system operation and reduced water losses, resulting in a 63% reduction in cooling tower water consumption. These improvements support long-term asset resilience and responsible water management. • BMH upgraded to a new water filtration system aimed at reducing overall water intake for the HVAC and chiller systems. • BMH optimised building-wide utility efficiency by installing water-saving devices across all vertical floor risers and within the main plant room to regulate main-line pressure.
Employee Engagement in Water Conservation	• SHMH complements their technical water efficiency measures with ongoing employee education programmes. They are encouraged to adopt responsible practices including prompt leak reporting, minimising unnecessary water uses during food preparation and ensuring dishwashers are fully loaded before operation.

MANAGING SUSTAINABILITY

4 Waste Management

As part of YTL REIT's sustainability commitment, we implement effective waste management practices in line with the global waste management hierarchy. Waste prevention and reduction take precedence, followed by responsible and cost-effective recycling, recovery and disposal. All practices are carried out in strict compliance with applicable local regulations, reinforcing our commitment to reducing environmental impact and promoting resource efficiency.

In FY2026, YTL REIT generated 625 tonnes of waste, of which 180 tonnes were diverted from disposal through recycling and other recovery initiatives, whilst 445 tonnes were directed to disposal.

	FY2024	FY2025	FY2026
Total waste generated (in tonnes)	680	574	**625**
Waste diverted from disposal (in tonnes)	78	158	**180**
Waste directed to disposal (in tonnes)	602	416	**445**

Waste Management Initiatives

Waste Segregation & Recycling	• SHMH maintains dedicated dual-stream recycling bins across all guest rooms and back-of-house operational areas. Bins are clearly labelled to enable seamless waste separation at the source. • MMH expands at-source sorting protocols by implementing specialised, dedicated recycling streams for hard-to-manage materials, including coffee cups, consumer batteries, and electronic e-waste. • BMH has waste segregation bins for food waste, recyclable waste and plastic bottles, complying with local state regulations.
Organic & Food Waste Diversion	• SHMH adopted Food Organics and Garden Organics practices in partnership with Organic Recycling Group. This operational solution ensures food scraps and kitchen organics are diverted from landfills and processed through sustainable methodologies into nutrient-rich compost. • MMH partnered with third-party vendor to trial an Artificial Intelligence-driven smart-bin platform. The system utilises computer vision and automated scales to analyse food waste patterns, equipping culinary teams with data-driven insights to prevent future kitchen overproduction. • BMH established a food waste management system in collaboration with third-party vendors.
Resource Recovery & Circularity	• SHMH formed a partnership with Citizen Blue to support the NSW Container Deposit Scheme. This initiative utilises dedicated collection services and depot systems to optimise recycling performance, drive resource recovery, and reduce material contamination. • MMH partnered with Reground to divert spent coffee grounds and soft plastics from landfill through dedicated collection and recovery programmes, enabling their repurposing across community, agricultural and industrial applications whilst supporting circular economy outcomes. • MMH also works with Re-collect to maximise the recovery of eligible beverage containers through a structured container deposit and refund scheme. • BMH participated in the Container of Care Exchange bottle and can recycling programme, channelling a significant portion of cash proceeds directly to Scouts Australia.

Plastic Reduction & Waste Minimisation	• SHMH, MMH and BMH have transitioned from single-use toiletries to residential-sized bathroom amenities across all guest rooms. • SHMH and BMH have installed water refill stations in public areas to encourage reusable bottle use and reduce reliance on single-use plastic packaging. • MMH and BMH have replaced single-use plastic water bottles in guest rooms with sustainable, reusable glass alternatives. • MMH partnered with Elite Dry-cleaning to introduce reusable uniform covers, eliminating the need for single-use plastic garment bags.
Awareness, Engagement & Community Partnerships	• SHMH strengthens employee engagement in waste management through regular operational briefings, clear waste segregation signage, and ongoing communication of Sustainability Scorecard results, waste reduction achievements and environmental performance milestones. • SHMH collaborated with The Hidden Sea on an annual month-long campaign where they served The Hidden Sea wine, a brand committed to removing plastic from the ocean with every bottle sold. This initiative was actively promoted to both external guests and in-house patrons. • SHMH marked its Sustainability Day and its Ecotourism Australia certification by participating in a Corporate Clean-Up Paddle event with Sydney by Kayak, removing litter from local waterways whilst promoting employee engagement in environmental stewardship.

SOCIAL

5 Local Community

YTL REIT is committed to social responsibility and strives to enhance the well-being of communities connected to our operations, both directly and indirectly. As part of the YTL Group, we recognise that building strong relationships and social ties is essential to delivering sustainable, long-term value through meaningful community engagement and impact initiatives. In FY2026, YTL REIT contributed approximately RM130,344, supporting 254 beneficiaries.

	FY2024	FY2025	FY2026
Total community investment (RM)	96,842	48,247	**130,344**
Number of beneficiaries	31	25	**254**

MANAGING SUSTAINABILITY

Local Community Initiatives

Education & Career Development	• BMH engaged students, school leavers and young job seekers through career fairs, including events at James Cook University and TAFE Queensland, as well as hotel industry tours for groups such as Job Support and Hotel School, promoting both immediate employment opportunities and future careers in hospitality.
Health & Social Welfare Fundraising	• BMH's employees and Human Resources hosted Australia's Biggest Morning Tea, to raise funds for Cancer Council. • BMH and MMH participated in Silly Socks for a Safe House, a fundraising initiative by the DV Collective, supporting women who have been victims of domestic violence. • BMH and MMH supported the annual "Road to Give" walk where employees participated in a fun-walk and raise funds for UN Women Australia. • MMH held networking events where all funds go to UN Women as part of Marriott's partnership. • BMH, MMH and SHMH participate in UNICEF Check Out for Children, where guests are able to donate AUD2 per night of their stay, helping children in need worldwide. • MMH participated in quarterly "Eat Up" events to provide sandwiches to children who do not have lunches and supported Red Nose Day, food drives, and clothing collection drives for those who need it. • SHMH supported the Australian Red Cross Blood Donation. • SHMH donated gift cards and accommodation vouchers to support various charity and fundraising events.
Community Safety & Emergency Response	• SHMH registered with the GoodSAM programme, a lifesaving initiative designed to get help with Automated External Defibrillators accessibility to those in need before paramedics arrive.
Environmental Stewardship	• In conjunction with Earth Hour, SHMH featured a themed cocktail and exclusive beverage offer in support of the global sustainability initiative. • Employees from MMH and SHMH participated in Clean Up Australia Day. • SHMH was involved in the one Week Sustainability Team Challenge, with different challenges occurring throughout the week, including Meat Free Monday and No Waste Wednesday and other daily challenges. • SHMH donated unused bathroom toiletries, single-use guest amenities, and old kettles to people in need within the local community. Through partnerships with Wayside Chapel, ReLove, and Every Little Bit Helps, these items were diverted from landfill and repurposed to support vulnerable individuals and families, creating both environmental and social benefits.

6 Diversity

At YTL REIT, we are committed to fostering a respectful and inclusive workplace where individuals are treated fairly and with dignity, regardless of their background. We also conduct our operations in accordance with applicable laws and regulations, whilst respecting the local customs, cultures and values of the communities in which we operate. We believe that promoting diversity and ensuring equitable opportunities enhance employee well-being whilst strengthening our ability to attract and retain talent.

We maintain a non-discriminatory work environment, where recruitment and career progression are guided by merit, capability, experience and performance. In addition, we prioritise local hiring practices to support community development and economic resilience. By employing local talent, we incorporate cultural understanding and regional insights into our operations, reinforcing our connection with the communities in which we operate.

YTL REIT actively fosters an inclusive workplace culture by building a diverse workforce that brings varied perspectives, expertise, and background experiences, regardless of age or gender. In FY2026, YTL REIT employed a total workforce of 362.

Profile of the Board of Directors of the Manager

By Gender (%)

	Male	Female
Board of Directors of the Manager	75	25

By Age (%)

	<50	50-60	>60
Board of Directors of the Manager	–	–	100

YTL REIT Employee Diversity Profile

By Gender (%)

	Gender	
Employee Category	**Male**	**Female**
Executive	52	48
Non-Executive	48	52
Overall	49	51

By Age (%)

	Age Group		
Employee Category	**<30**	**30-50**	**>50**
Executive	16	59	**25**
Non-Executive	63	27	**10**
Overall	48	37	**15**

By Employment Type (%)

	Permanent	Temporary
Employment Type	99	1

Diversity Initiatives

Associate Resource Groups ("ARGs")	• ARGs are established in BMH, MMH, and SHMH to promote an inclusive community and culture within employees via education and networking events. Examples include the LGBTQ+|ONE Marriott ARG, Next Gen Marriott Business Councils, and Women's ARG (bringing women together to engage in dialogue on women's empowerment and development to drive innovation and performance in hospitality).
Inclusive Hiring & Policy Governance	• Company policies are shared with all new employees and are available on the intranet. BMH ensures equal opportunities for hiring, promotions, and development supported by an in-area team for inclusive job advertisements. • All hiring decision-makers at BMH must complete Interviewer Certification prior to conducting interviews to inform best practices and avoid prejudice and discrimination.
Diversity & Inclusion Training	• SHMH conducts mandatory Disability Awareness Training, Harassment Prevention Training, and Integrity Training for all employees. MMH conducts yearly harassment training, with all new joiners completing policy reviews on day one.
Cultural & Community Inclusion	• MMH supported Cultural Diversity Week and Harmony Day, where employees share cultural dishes to foster inclusivity and appreciation for different backgrounds.

MANAGING SUSTAINABILITY

7 Health & Safety

YTL REIT is committed to maintaining safe and healthy workplaces by adhering to applicable health and safety ("H&S") standards. Employees are provided with appropriate training and guidance to identify, assess and manage workplace hazards. We ensure that all properties within our portfolio comply with relevant local occupational H&S regulations and implement standard operating procedures to minimise the risk of accidents, injuries and other safety-related incidents. In FY2026, 362 employees received H&S-related training across the organisation.

Recognising that employee well-being extends beyond physical safety, we also place emphasis on supporting mental health. We acknowledge that work-related demands may have both physical and psychological impacts, and we remain committed to providing appropriate support to safeguard the overall well-being of our workforce.

	FY2024		FY2025		FY2026	
	Employees	**Contractors***	**Employees**	**Contractors***	**Employees**	**Contractors***
Fatalities (cases)	0	0	0	0	**0**	**0**
Lost Time Incident Rate[2] ("LTIR")	2.03	-	4.70	-	**5.45**	**-**
Number of employees trained on health and safety standards	356	0	322	0	**362**	**0**

*Note: * Data presented reflects information available for the respective reporting periods. Certain contractor workforce data was not available.*

[2] A Lost Time Incident is, in the opinion of a physician, an incident resulting in the employee being unable to work for one or more work days beyond the day of the incident. LTIR = Number of lost time injuries/number of hours worked x 200,000

Health & Safety Initiatives

Employee Assistance Programme	• BMH, MMH and SHMH provide support and assistance to employees including counselling, legal advice and mental health services through this programme.
TakeCare Programme	• BMH, MMH and SHMH adopted the TakeCare initiative, an employee well-being programme that offers resources for mental, physical and financial health.
Anti-harassment Training	• MMH and SHMH conduct annual harassment prevention training for all employees.
Work, Health and Safety ("WHS") Committee	• BMH, MMH and SHMH have their respective WHS Committees that comprise employee representatives who identify potential risks, as well as develop safety standards, rules and procedures.
First Aid Certification	• 23% of the employee base at SHMH is certified in first aid, with three Automated External Defibrillators ("AEDs") available throughout the hotel.
Safety and Security Training	• BMH requires all new employees to complete safety and security training both online and in-person within their first 6 weeks as part of Brand and Service Excellence Welcome training. • MMH includes safety and security in employee onboarding, refreshed yearly in-person and on the Digital Learning Zone, alongside quarterly safety audits and collaborative training with local police on personal safety. • SHMH conducts onboarding, orientation, fire and life safety training, and weekly safety and security training.

8 Labour Practices & Standards

YTL REIT is committed to upholding and respecting human rights across its operations by promoting a fair, safe and healthy working environment. We comply with applicable labour laws and regulations and support ethical employment practices. Our approach is guided by the Code, which outlines key principles including the prevention of child and forced labour, non-discrimination, freedom of expression, protection of employment rights and ethical business conduct. We also adhere to relevant legal requirements across our operating jurisdictions, including Malaysia's Employment Act 1955 and Australia's Fair Work Act 2009.

Across our properties, we implement policies and procedures addressing human rights and labour practices in line with local regulatory requirements and prevailing standards. Employees are provided with wages and benefits that are competitive and aligned with industry benchmarks.

In accordance with the Code, employees are allowed to report genuine concerns related to unlawful, unethical or inappropriate conduct through established reporting channels, including line managers, department heads, senior management or the Human Resources Department.

9 Employee Development

YTL REIT recognises employee engagement, development and appreciation as key drivers of a supportive and productive workplace, with our employees forming the foundation of our operations. We are committed to fostering an inclusive, engaging and high-performing work environment by promoting open communication, encouraging active participation and providing opportunities for professional growth.

Our upskilling initiatives enable employees to continuously develop their competencies and enhance their capabilities, supporting long-term career progression whilst ensuring the organisation remains competitive and future ready. In addition, employee recognition through structured programmes, constructive feedback and rewards serves to reinforce positive behaviours and motivate employees towards achieving both personal and organisational goals.

In FY2026, YTL REIT recorded a total of 5,228 training hours across its workforce.

		FY2024	FY2025	FY2026
Total training hours	Executive	4,323	2,338	**1,628**
	Non-executive	12,115	5,348	**3,600**

Employee Engagement and Appreciation Initiatives

Employee Recognition	• BMH, MMH and SHMH have employee recognition programmes to recognise employees providing exemplary service (e.g. peer-to-peer, anniversaries & milestones, Stars of the Month, Manager/Leader of the Quarter, and GuestVoice Associate Recognition Programme).
Digital Learning Zone	• BMH, MMH and SHMH offer self-directed and self-paced training on topics including safety, security and sustainability, alongside mandatory discipline and compliance training on this online learning platform.
Annual Performance Reviews	• BMH, MMH and SHMH conduct yearly performance appraisals and succession planning as part of human capital planning.
Employee Engagement Survey	• BMH and SHMH have engagement surveys conducted on employees to collect feedback and raise concerns over work.

MANAGING SUSTAINABILITY

10 Guest Satisfaction, Experience & Safety

YTL REIT continues to uphold stringent safety and hygiene standards beyond the pandemic period, reinforcing guest confidence across our properties. Delivering a positive guest experience remains central to our operation and long-term value creation.

SHMH has obtained certification from Ecotourism Australia, reflecting property-level efforts to enhance environmental performance and support guests in making more sustainable choices. Sustainable practices are integrated into our operations across the portfolio, including the use of refillable wall-mounted bath amenities, installation of air-conditioning systems with occupancy sensors and timers, provision of in-room recycling facilities and availability of public water dispensers.

We are also committed to inclusivity, ensuring that our properties are designed and operated to accommodate the diverse needs and preferences of all guests, providing a comfortable and accessible experience for everyone.

Guest Satisfaction, Experience & Safety Initiatives

Accessibility	• In order to create an inclusive and welcoming environment for all guests, BMH, MMH and SHMH ensure there are accessible entrances to hotel amenities and have disabled-friendly hotel bathrooms. • MMH and SHMH offer valet parking for wheelchair-bound drivers. • BMH and MMH welcome service animals – working animals that are trained to perform tasks that assist disabled people – without a fee.
Helping Guests Be Sustainable	• SHMH offers a range of environmentally conscious options for guests wishing to reduce their environmental impact including Towel Reuse signages displayed in guest bathrooms, and the "Commitment Needs Conservation" card, placed on the bedside table in each guest room, encouraging guests to make environmentally conscious choices during their stay. • MMH also offers towel and linen reuse programmes, and reusable glass or refillable water bottles in guest rooms.
Local Cultural Advertising	• To enhance the guests' city experience, MMH has an online newspaper platform and brochures about cultural tours of Melbourne in guest rooms.

GOVERNANCE

11 Anti-Bribery & Corruption

YTL REIT adheres to the Code, which also sets out the whistleblowing policy and procedures, and the ABC Policy. The YTL Group maintains a strict zero-tolerance approach towards all forms of bribery and corruption. The ABC Policy outlines the YTL Group's strategies in identifying, preventing and managing bribery and corruption issues and further reinforces the Code in order to ensure that all employees understand their responsibilities in compliance with the YTL Group's zero tolerance for bribery and corruption within the organisation.

Our international operations maintain policies and procedures to manage anti-bribery and corruption matters, tailored to comply with applicable legislation, requirements, practices and standards in their respective countries.

		FY2024	FY2025	FY2026
Percentage of employees who have received training on anti-corruption (%)	Executive	80	67	**99**
	Non-executive	79	67	**79**
Confirmed incidents of corruption and action taken		0	0	**0**

12 Supply Chain Management

At the forefront of YTL REIT's hospitality operations is the responsible management of resources and adoption of ethical sourcing practices. The Code sets our clear expectations for responsible and ethical business conduct for suppliers. Aside from prioritising partnering with suppliers who share our values, we also actively engage and support locally owned businesses as a way to drive local economic growth, strengthen community relations and reduce our environmental footprint. In FY2026, 80% of our supply chain expenditure was spent on local suppliers and businesses.

	FY2024	FY2025	FY2026
Proportion of spending on local suppliers	83%	80%*	**80%**

* *Restated*

Supply Chain Management Initiatives

Responsible and Local Sourcing	• SHMH has responsible sourcing policies including cage-free eggs, crate-free pork, sustainable fisheries and responsible coffee. • MMH sources ingredients locally wherever possible – fruits and vegetables are locally and seasonally grown and where possible, meat products are from trusted local suppliers. • BMH prioritises purchasing local brands, where their vendors provide weekly updates on available produce and the region of origin.
Biodiversity and Seafood Menu Alignment	• BMH, MMH and SHMH support the Australia Seafood Menu Labelling Standard (AIM Model) to protect marine ecosystems. Culinary teams integrate biodiversity protection into menu planning by prioritising local catch, aligning selections with natural seasonal breeding cycles, minimising reliance on threatened species, and maintaining origin transparency (Australian, Imported, Mixed) to empower responsible guest choice.
Third-party Certification	• SHMH requires active supply chain vendors to meet established environmental and social requirements. Whilst independent third-party certifications are not mandatory, suppliers holding verified eco-credentials are given preferred procurement status.

13 Data Privacy & Security

We are committed to upholding robust standards of data privacy and security aligned with applicable requirements for our guests. Protecting sensitive information is integral not only to regulatory compliance but also to foster trust, integrity and accountability across our operations, which are core principles that underpin a resilient and sustainable business.

Our data management practices align with applicable data protection regulations in the countries where we operate, including the Personal Data Protection Act 2010 in Malaysia and The Privacy Act 1988 in Australia. We prioritise the protection of personal data and privacy for our valued customers, employees and stakeholders, embedding robust governance and risk management practices throughout our organisation.

	FY2024	FY2025	FY2026
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	**0**

MANAGING SUSTAINABILITY

14 Governance & Transparency

YTL REIT is committed to maintaining robust standards of corporate governance, transparency and accountability in the management of its property portfolio and the affairs of YTL REIT. Sound governance is fundamental to the Board's responsibility to protect and enhance long-term value for unitholders and underpins the Trust's ability to deliver sustainable income distributions over time. The Trust's framework – including its zero-tolerance approach to bribery and corruption – is described in Section 11 of this statement.

Further details on the YTL REIT's governance framework, including the Manager's board composition, internal controls, risk management practices and related-party transaction oversight, can be found in the *Corporate Governance Overview Statement* and the *Audit Committee Report* in this Annual Report.

15 Financial Sustainability

YTL REIT is committed to delivering sustainable growth and long-term value to our stakeholders. A detailed analysis of the Trust's financial results and performance for the financial year under review can be found in the *Management Discussion & Analysis* and the full financial results can be found in the *Financial Statements*. A complete overview of the Trust's assets can be found in the *Property Portfolio* in this Annual Report.

YTL HOSPITALITY REIT

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Main Market | Group 1 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,206	1,342	—	No assurance
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	7,105	7,008	—	No assurance

PROFILE OF THE BOARD OF DIRECTORS

TAN SRI (SIR) YEOH SOCK PING

Malaysian, male, aged 72, was appointed to the Board of Pintar Projek Sdn Bhd on 10 March 2005 as Executive Director, serving as the Chief Executive Officer until 14 February 2019, when he was redesignated as Executive Chairman. He holds a Bachelor of Science (Hons) in Civil Engineering from Kingston University, United Kingdom, and was conferred an Honorary Doctorate of Engineering by the same institution in 2004. In July 2014, he received an Honorary Doctor of Laws from the University of Nottingham. Since his appointment as the Managing Director of YTL Corporation Berhad Group in 1988, he led the transformation from a single listed company into a global integrated infrastructure developer, encompassing multiple listed entities ie. YTL Corporation Berhad, YTL Power International Berhad, YTL Hospitality REIT, Malayan Cement Berhad, NSL Ltd, Ranhill Utilities Berhad, Concrete Engineering Products Berhad and Starhill Global Real Estate Investment Trust.

His strategic foresight and commitment to sustainable development have earned him international acclaim. Tan Sri Yeoh is widely respected for integrating ethical governance, innovation, and long-term value creation across the YTL Group's operations in Asia, Europe, and Australia.

He was the Managing Director of YTL Corporation Berhad, YTL Power International Berhad and YTL Land & Development Berhad until 29 June 2018 when he was redesignated as Executive Chairman of these companies. He is also the Executive Chairman of Malayan Cement Berhad, which is listed on the Main Market of Bursa Malaysia Securities Berhad. He is the Executive Chairman and Managing Director of YTL e-Solutions Sdn Bhd and also a director of YTL Industries Berhad. He is also the Chairman of YTL Starhill Global REIT Management Limited, the manager of Starhill Global Real Estate Investment Trust, a vehicle listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST). He is the Executive Chairman of YTL Cement Berhad. He is the Chairman of private utilities corporations, Wessex Water Services Limited in England and Wales, and YTL PowerSeraya Pte Limited in Singapore. He sits on the board of trustees of YTL Foundation and serves on the board of NSL Ltd, which is listed on the Main Board of SGX-ST.

He is a Founding Member of the Malaysian Business Council and The Capital Markets Advisory Council, member of The Nature Conservancy Asia Pacific Council and Global Council member of the Asia Society. He is the first non-Italian board member of the historic Rome Opera House and helped fund its restoration to keep it from closing. He served as a member of the Barclays Asia-Pacific Advisory Committee from 2005 to 2012. He served as an Independent Non-Executive Director of The Hong Kong and Shanghai Banking Corporation Limited for a period of 10 years from July 2012 to June 2022. He was made a board member of Global Child Forum by His Majesty King Carl XVI Gustaf in May 2016.

He was ranked by both Fortune and Businessweek magazines as Asia's 25 Most Powerful and Influential Business Personalities and one of Asia's Top Executives by Asiamoney. He won the inaugural Ernst & Young's Master Entrepreneur in Malaysia in 2002 and was named as Malaysia's CEO of the Year by CNBC Asia Pacific in 2005.

In 2006, he was awarded the Commander of the Most Excellent Order of the British Empire (CBE) by Her Majesty Queen Elizabeth II, and in 2019, received the Knight Commander of the Order of the British Empire (KBE). Tan Sri received a prestigious professional accolade when made a Fellow of the Institute of Civil Engineers in London in 2008. He was the Primus Inter Pares Honouree of the 2010 Oslo Business for Peace Award, for his advocacy of socially responsible business ethics and practices. The Award was conferred by a panel of Nobel Laureates in Oslo, home of the Nobel Peace Prize. He also received the Corporate Social Responsibility Award at CNBC's 9th Asia Business Leaders Awards 2010. He received the Lifetime Achievement Award for Leadership in Regulated Industries at the 7th World Chinese Economic Summit held in London in 2015. He was also awarded the prestigious Muhammad Ali Celebrity Fight Night Award at the 2016 Celebrity Fight Night in Arizona. In 2017, he was honoured with the Kuala Lumpur Mayor's Award for Outstanding Contribution at the Kuala Lumpur Mayor Tourism Awards. This was in recognition of his efforts in the transformation of Kuala Lumpur into one of the top shopping and tourist destinations in the world. He was named CEO of the Year at the Asian Power Awards in 2017. The Japanese Government bestowed upon him the Order of the Rising Sun, Gold Rays with Rosette in 2018 and in the same year the Italian government conferred upon him the honour of Grande Officiale of the Order of the Star of Italy. In 2022, he was awarded the PropertyGuru Real Estate Personality of the Year for Malaysia. The award is given to individuals who have made a significant impact in the Asian real estate sector. He was named ASEAN Personality of the Year 2025 – Lifetime Achievement Award, at the 26th Asian Business Awards in London and in 2026, he received the World Outstanding Entrepreneur Lifetime Achievement Award at the London School of Economics (LSE).

PROFILE OF THE BOARD OF DIRECTORS

DATO' SETIA YEOH SEOK KAH

Malaysian, male, aged 61, has been an Executive Director of Pintar Projek Sdn Bhd since 17 January 2012. He was redesignated to the position of Chief Executive Officer on 14 February 2019. He graduated from King's College, University of London, with an LLB (Hons) and was subsequently called to the Bar at Gray's Inn, London, in 1988. He was awarded Fellowship of King's College London in July 2014.

Dato' Setia Yeoh Seok Kah joined YTL Group in 1989 and is presently the Executive Director responsible for the YTL Hotels and Resorts Division. He serves as an Executive Director of YTL Corporation Berhad and YTL Power International Berhad, both listed on the Main Market of Bursa Malaysia Securities Berhad. In addition, he is also part of YTL Power's Mergers & Acquisitions Team and was involved in the acquisition of ElectraNet SA (Australia), Wessex Water Limited (UK), P.T. Jawa Power (Indonesia) and PowerSeraya Limited (Singapore). He is a board member of YTL Cement Berhad, YTL Land & Development Berhad and private utilities corporations, Wessex Water Limited and Wessex Water Services Limited in England and Wales, and YTL PowerSeraya Pte Limited in Singapore.

DATO' YEOH SOO MIN

Malaysian, female, aged 70, has been appointed to the Board on 13 December 2022 as an Executive Director. She graduated with a Bachelor of Art (Hons) Degree in Accounting. She did her Articleship at Leigh Carr and Partners, London and gained vast experience in accounting and management. She was responsible for the setting up of the Travel and Accounting Division of the YTL Group in December 1990. Dato' Yeoh Soo Min is currently responsible for the accounting and finance systems for the YTL Group. She is an Executive Director of YTL Corporation Berhad and YTL Power International Berhad, both listed on the Main Market of Bursa Malaysia Securities Berhad and YTL Industries Berhad. She also sits on the board of trustees of YTL Foundation.

She is the first female President in the history of the Malaysian Institute of Management, which was established in 1966, and Life Member of the Women's Institute of Management, Malaysia. Dato' Yeoh Soo Min is currently an Honorary Fellow of the Governors of International Students House, London, Sir Thomas Pope Fellow, Trinity College, University of Oxford, UK, and member of the Vice-Chancellor's Circle of University of Oxford, UK. She is also a Trustee of Yayasan Tuanku Fauziah and IJN (Institut Jantung Negara – National Heart Institute Malaysia) Foundation.

DATO' YEOH SEOK KIAN

Malaysian, male, aged 69, has been an Executive Director of Pintar Projek Sdn Bhd since 10 March 2005. He graduated from Heriot-Watt University, Edinburgh, United Kingdom in 1981 with a Bachelor of Science (Hons) Degree in Building and was conferred an Honorary Degree of Doctor of the University in 2017. He attended the Advance Management Programme conducted by Wharton Business School, University of Pennsylvania in 1984. Dato' Yeoh is a Fellow of the Faculty of Building, United Kingdom as well as a Member of the Chartered Institute of Building (UK).

He served as Deputy Managing Director of YTL Corporation Berhad and YTL Power International Berhad, both listed on the Main Market of Bursa Malaysia Securities Berhad, and the Executive Director of YTL Land & Development Berhad, until 29 June 2018 when he was redesignated as Managing Director of YTL Corporation Berhad and YTL Land & Development Berhad, and Executive Director of YTL Power International Berhad. He is also an Executive Director of Malayan Cement Berhad and Concrete Engineering Products Berhad, which are listed on the Main Market of Bursa Malaysia Securities Berhad. Dato' Yeoh Seok Kian also serves on the boards of other public companies such as YTL Cement Berhad, YTL Industries Berhad, Sentul Raya Golf Club Berhad and The Kuala Lumpur Performing Arts Centre, and private utilities corporations, Wessex Water Limited in England and Wales, YTL PowerSeraya Pte Limited in Singapore, as well as YTL Starhill Global REIT Management Limited, the manager of Starhill Global Real Estate Investment Trust and NSL Ltd, both of which are listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST).

PROFILE OF THE BOARD OF DIRECTORS

DATUK MARK VICTOR ROZARIO

Malaysian, male, aged 62, was appointed to the Board as an Independent Non-Executive Director and a member of the Audit Committee on 18 May 2023. He was then redesignated as the Chairman of the Audit Committee on 30 May 2023.

He graduated with a Bachelor of Science with a major in Economics from the London School of Economics. He is a fellow of the Institute of Chartered Accountants in England and Wales and the Institute of Corporate Directors Malaysia and a member of the Malaysian Institute of Accountants.

Datuk Mark Rozario has more than 30 years of experience in management, corporate finance and strategic leadership in companies involved in property investment and development, manufacturing, healthcare, aerospace and innovation.

Datuk Mark held various senior management positions in General Electric International Inc, Agensi Inovasi Malaysia, Country Heights Holdings Berhad, Sunway Berhad, Schlumberger Group, Adventa Berhad and Tropicana Corporation Berhad. He currently is an Independent Non-Executive Director of Paramount Corporation Berhad, which is listed on the Main Market of Bursa Malaysia Securities Berhad, as well as Citibank Berhad and QBE Insurance (Malaysia) Berhad.

DATO' AHMAD FUAAD BIN MOHD DAHALAN

Malaysian, male, aged 76, was appointed to the Board on 17 January 2012 as an Independent Non-Executive Director. He is also a member of the Audit Committee. Dato' Ahmad Fuaad holds a Bachelor of Arts (Hons) degree from the University of Malaya. He was attached with Wisma Putra, Ministry of Foreign Affairs as Malaysian Civil Service ("MCS") Officer in April 1973 before joining Malaysia Airlines in July 1973. While in Malaysia Airlines, Dato' Ahmad Fuaad served various posts and his last position was as the Managing Director. He was formerly a director of Lembaga Penggalakan Pelanchongan Malaysia, Malaysia Industry-Government Group for High Technology and Malaysia Airports Holdings Berhad, Tokio Marine Insurans (Malaysia) Berhad, Hong Leong Capital Berhad, YTL Corporation Berhad and YTL e-Solutions Berhad. Dato' Ahmad Fuaad was formerly a Trustee of YTL Foundation.

DATO' ZAINAL ABIDIN BIN AHMAD

Malaysian, male, aged 69, was appointed to the Board on 23 February 2018 as an Independent Non-Executive Director. He is also a member of the Audit Committee. Dato' Zainal holds a Master of International Affairs from Columbia University, U.S.A; a Bachelor of Science (Hons) Degree in Mathematics from University of Manchester, United Kingdom; and a Diploma in Public Administration from Institut Tadbiran Awam Negara (INTAN), Kuala Lumpur. He also attended the Oxford Foreign Services Programme conducted by University of Oxford, United Kingdom. He was attached with Ministry of Foreign Affairs since 1983. Dato' Zainal served various posts and his last position was as the High Commissioner of Malaysia to Australia.

AU WEI LIEN

Malaysian, female, aged 62, was appointed to the Board on 13 December 2022 as an Independent Non-Executive Director. She holds a Bachelor of Science in Business Studies from University of Bradford, United Kingdom and an Advanced Diploma in Law for Academic stage of training for the Bar from University of Westminster, London. She was subsequently called to the Bar at Gray's Inn, London, in 1988. She was admitted as an advocate and solicitor of the High Court of Malaya in 1989.

Ms Au started practice at Albar, Zulkifly & Yap ("AZY"), a leading Malaysian law firm that specialised in corporate and conveyancing matters. She served as a partner of the corporate department of AZY from 1993 to 1999. In November 1999, she left AZY and founded Zul Rafique & Partners ("ZRp") together with her other partners. As the partner administering ZRp, she successfully managed ZRp, as the finance and administrative partner, from inception until 2011 in addition to leading the real estate practice group and communications practice group. She retired from the partnership in 2013 and became a consultant at ZRp until February 2024.

PROFILE OF THE BOARD OF DIRECTORS

DATO' HJ MOHAMED ZAINAL ABIDIN BIN HJ ABDUL KADIR

Malaysian, male, aged 86, has been an Executive Director of Pintar Projek Sdn Bhd since 10 March 2005. He resigned as an Executive Director and was appointed as an Alternate Director to Dato' Setia Yeoh Seok Kah on 13 December 2022. He qualified as a teacher in 1963 from the Day Training Centre for Teaching in Ipoh, Perak, and was in the teaching profession from 1964 to 1981 prior to entering the business arena as a property developer in May 1981. Dato' Hj Mohamed Zainal Abidin also sits on the boards of several private limited companies involved in construction, property development and resort operations such as Pakatan Perakbina Sdn Bhd and Syarikat Pelanchongan Pangkor Laut Sendirian Berhad.

YEOH KEONG SHYAN

Malaysian, male, aged 40, has been an Executive Director of Pintar Projek Sdn Bhd since 18 January 2011. He resigned as an Executive Director and was appointed as an Alternate Director to Dato' Yeoh Soo Min on 13 December 2022. He graduated from the University of Nottingham with an LLB (Hons) in 2008. He obtained the Capital Markets and Financial Advisory Services (CMFAS) Certification in 2010. He joined YTL Group in 2009 and is presently engaged in the YTL Hotels and Resorts as well as the Property Development Divisions. He is currently a Non-Executive Alternate Director to Tan Sri (Sir) Yeoh Sock Ping, the Chairman of YTL Starhill Global REIT Management Limited, the manager of Starhill Global Real Estate Investment Trust, a vehicle listed on the Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST).

YEOH KEONG WEI

Malaysian, male, aged 31, was appointed on 15 September 2026 as an Alternate Director to Dato' Yeoh Seok Kian, an Executive Director of Pintar Projek Sdn Bhd. He graduated from King's College London in 2020 with a First Class Honours degree in International Management and further broadened his global perspective through a year abroad at the University of Toronto.

He is an Executive Director of YTL Land & Development Berhad ("YTL Land"), where he is involved in advancing the company's next generation of distinctive property developments and placemaking initiatives.

He joined YTL Land in 2021 and has since played a key role in the evolution of the company's property portfolio and investment strategy, with a focus on identifying opportunities, unlocking asset potential and creating sustainable long-term value. His responsibilities encompass land bank planning, strategic acquisitions and selective disposals, as well as master planning and project execution.

A key focus of his work has been the master planning of Sentul, where he is helping to realise a long-term vision for the precinct that brings together its historical assets, railway heritage, mature greenery and a new generation of living, working and cultural spaces. Central to this vision is the transformation of Sentul's former railway depots into a distinctive mixed-use destination, connecting the character of its past with the needs of a contemporary city.

He also plays a role in YTL Land's marketing, sales and brand positioning, applying market intelligence, data and digital innovation to strengthen market traction and differentiate its developments. Working closely across projects, he brings together commercial objectives, consumer insights and brand strategy to develop compelling propositions aligned with market demand.

His experience spans investment, development, placemaking and commercial strategy, reflecting an integrated approach to creating distinctive destinations and enhancing long-term value across YTL Land's portfolio.

He also serves as an Alternate Director to Dato' Yeoh Seok Kian in YTL Corporation Berhad, where Dato' Yeoh Seok Kian is the Managing Director, and in YTL Power International Berhad, Malayan Cement Berhad and Concrete Engineering Products Berhad, where Dato' Yeoh Seok Kian is an Executive Director, all of which are listed on the Main Market of Bursa Malaysia Securities Berhad.

PROFILE OF THE BOARD OF DIRECTORS

DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

During the financial year, a total of 5 Board meetings were held and the details of attendance are as follows:

	Attendance
Tan Sri (Sir) Yeoh Sock Ping	5/5
Dato' Setia Yeoh Seok Kah *(Alternate Director: Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir)*	4/5
Dato' Yeoh Soo Min *(Alternate Director: Yeoh Keong Shyan)*	5/5
Dato' Yeoh Seok Kian	5/5
Datuk Mark Victor Rozario	5/5
Dato' Ahmad Fuaad Bin Mohd Dahalan	5/5
Dato' Zainal Abidin Bin Ahmad	5/5
Au Wei Lien	5/5

Notes:

1. Family Relationship with Director and/or Major Unitholder

Tan Sri (Sir) Yeoh Sock Ping, Dato' Yeoh Soo Min, Dato' Yeoh Seok Kian and Dato' Setia Yeoh Seok Kah are siblings. They are the children of Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong who is deemed a major unitholder of YTL Hospitality REIT ("YTL REIT") and major shareholder of Pintar Projek Sdn Bhd (the "Manager"). Mr Yeoh Keong Shyan is a son of Tan Sri (Sir) Yeoh Sock Ping, while Mr Yeoh Keong Wei is a son of Dato' Yeoh Seok Kian. Save as disclosed herein, none of the Directors of the Manager has any family relationship with any director of the Manager and/or major unitholder of YTL REIT.

2. Conflict of Interest or Potential Conflict of Interest

None of the Directors of the Manager has any conflict of interest or potential conflict of interest, including interest in any competing business with YTL REIT or its subsidiaries.

3. Conviction of Offences (other than traffic offences)

None of the Directors of the Manager has been convicted of any offences within the past five (5) years.

4. Public Sanction or Penalty imposed

None of the Directors of the Manager has been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

YTL Hospitality REIT ("YTL REIT" or "Trust") was established on 18 November 2005 pursuant to a trust deed (as amended and restated) ("Deed") entered into between Pintar Projek Sdn Bhd ("PPSB" or "Manager") and Maybank Trustees Berhad ("Trustee"), as the manager and trustee, respectively, of the Trust. YTL REIT has been listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") since 16 December 2005.

The Board of Directors of PPSB ("Board") is firmly committed to ensuring that the Manager implements and operates good corporate governance practices in its overall management of the Trust and its subsidiaries ("YTL REIT Group" or "Group").

In implementing its system of corporate governance, the Directors have been guided by the measures set out in the Guidelines on Listed Real Estate Investment Trusts ("REIT Guidelines"), the Malaysian Code on Corporate Governance ("Code") and the Guidelines on Corporate Governance for Capital Market Intermediaries ("Corporate Governance Guidelines") issued by the Securities Commission Malaysia ("SC"), and the Main Market Listing Requirements of Bursa Securities ("Listing Requirements").

This statement details YTL REIT's compliance with the Code and the applicable requirements under the Corporate Governance Guidelines during the financial year ended 30 June 2026.

PRINCIPLE A: BOARD LEADERSHIP & EFFECTIVENESS

The Role of the Manager

YTL REIT is managed and administered by PPSB, with the primary objectives of:

(a) providing unitholders of the Trust ("Unitholders") with stable cash distributions with the potential for sustainable growth, principally from the ownership of properties; and

(b) enhancing the long-term value of YTL REIT's units ("Units").

The Manager is required to ensure that the business and operations of YTL REIT are carried on and conducted in a proper, diligent and efficient manner, and in accordance with acceptable and efficacious business practices in the real estate investment trust industry in the countries in which the Trust owns assets, namely Malaysia, Japan and Australia. Subject to the provisions of the Deed, the Manager has full and complete powers of management and must manage YTL REIT (including all assets and liabilities of the Trust) for the benefit of its Unitholders.

The Board recognises that an effective corporate governance framework is critical in order to achieve these objectives, fulfil its duties and obligations and ensure that YTL REIT continues to perform strongly.

The general functions, duties and responsibilities of the Manager include the following:

(a) to manage the YTL REIT Group's assets and liabilities for the benefit of Unitholders;

(b) to be responsible for the day-to-day management of the YTL REIT Group;

(c) to carry out activities in relation to the assets of the YTL REIT Group in accordance with the provisions of the Deed;

(d) to set the strategic direction of the YTL REIT Group and submit proposals to the Trustee on the acquisition, divestment or enhancement of assets of the Group;

(e) to issue an annual report and quarterly reports of YTL REIT to Unitholders within 4 months and 2 months of YTL REIT's financial year end and the end of the periods covered, respectively; and

(f) to ensure that the YTL REIT Group is managed within the ambit of the Deed, the Capital Markets and Services Act 2007 (as amended) and other applicable securities laws, the Listing Requirements, the REIT Guidelines, the Corporate Governance Guidelines and other applicable laws.

Responsibilities of the Board

The Manager is led and managed by an experienced Board with a wide and varied range of expertise. This broad spectrum of skills and experience gives added strength to the leadership, thus ensuring the Manager is under the oversight and guidance of an accountable and competent Board. The Directors recognise the key role they play in charting the strategic direction, development and control of the Manager.

Key elements of the Board's stewardship responsibilities include:

- Ensuring that the strategic plans for the YTL REIT Group support long-term value creation for the benefit of its stakeholders and include strategies on economic, environmental and social considerations underpinning sustainability;
- Promoting good corporate governance culture within the YTL REIT Group which reinforces ethical, prudent and professional behaviour;
- Overseeing the conduct of the YTL REIT Group's businesses to evaluate and assess management performance to determine whether businesses are being properly managed;

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

- Ensuring there is a framework of prudent and effective internal control and risk management systems which enable risks to be identified, assessed and managed;
- Succession planning for the Board and senior management;
- Overseeing the development and implementation of a Unitholder/stakeholder communications policy;
- Reviewing the adequacy and integrity of the YTL REIT Group's management information and internal control systems; and
- Ensuring the integrity of the YTL REIT Group's financial and non-financial reporting.

The Board is led by the Executive Chairman who is responsible for instilling good corporate governance practices, leadership and effectiveness of the Board.

There is a clear balance of power, authority and accountability between the Executive Chairman, Tan Sri (Sir) Yeoh Sock Ping, and the Chief Executive Officer, Dato' Setia Yeoh Seok Kah, between the running of the Board and the Group's business, respectively. The positions of the Executive Chairman and the Chief Executive Officer are separate and clearly defined, and are held by different members of the Board.

The Executive Chairman is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role, and is primarily responsible for leading the Board in setting the values and standards of the Group, including good corporate governance practices, the orderly and effective conduct of the meetings of the Board and Unitholders, leading discussions, encouraging active and open participation, managing the interface and encouraging constructive relations between the Board and management, ensuring the provision of accurate, timely and clear information to Directors and effective communications with stakeholders and facilitating the effective contribution of Non-Executive Directors.

The Chief Executive Officer is responsible for, amongst others, overseeing the day-to-day running of the business, developing and implementing Board policies and strategies, making operational decisions, serving as the conduit between the Board and management in ensuring the success of the Group's governance and management functions, ensuring effective communication with Unitholders and relevant stakeholders, providing strong leadership, i.e., effectively communicating the Board's vision, management philosophy and business strategy to employees and keeping the Board informed of salient aspects and issues concerning the Group's operations.

The Chief Executive Officer and Executive Directors are accountable to the Board for the profitability and development of the YTL REIT Group, consistent with the primary aim of enhancing long-term Unitholder value. The Independent Non-Executive Directors have the experience and business acumen necessary to carry sufficient weight in the Board's decisions and the presence of these Independent Non-Executive Directors brings an additional element of balance to the Board as they do not participate in the day-to-day running of the YTL REIT Group.

The roles of Executive and Non-Executive Directors are differentiated, both having fiduciary duties to Unitholders. Executive Directors have a direct responsibility for business operations whereas Non-Executive Directors have the necessary skill and experience to bring an independent and objective judgment to bear on issues of strategy, performance and resources brought before the Board. The Executive Directors are responsible for the Manager's operations and for ensuring that the strategies proposed by the executive management are fully discussed and examined, and take account of the long-term interests of the Unitholders.

In accordance with the Code, the Executive Chairman is not a member of the Audit Committee. The Audit Committee is chaired by an Independent Non-Executive Director and comprises solely Non-Executive Directors, with a majority being Independent Non-Executive Directors, in compliance with the Listing Requirements. This promotes objectivity in the Board's deliberations and ensures there are effective checks and balances, as well as objective review by the Board of recommendations put forth by the Audit Committee.

In the discharge of their responsibilities, the Directors have established functions which are reserved for the Board and those which are delegated to management. Key matters reserved for the Board's approval include overall strategic direction, business expansion and restructuring plans, material acquisitions and disposals, expenditure over certain limits, issuance of new securities, change in income distribution policy and capital alteration plans. Further information on authorisation procedures, authority levels and other key processes can also be found in the *Statement on Risk Management and Internal Control* set out in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

Board Meetings & Procedures

Board meetings are scheduled with due notice in advance at least four times a year in order to review and approve the interim and annual financial statements. Additional meetings may also be convened on an ad-hoc basis when significant issues arise relating to the Trust. Meetings of the Audit Committee are conducted separately from those of the main Board to enable objective and independent discussions. The Board met five times during the financial year ended 30 June 2026.

The Directors are fully apprised of the need to determine and disclose potential or actual conflicts of interest which may arise in relation to transactions or matters which come before the Board. In accordance with applicable laws and regulations, the Directors formally disclose any direct or indirect interests or conflicts of interests in such transactions or matters as and when they arise and abstain from deliberations and voting at Board meetings as required.

The Directors have full and unrestricted access to all information pertaining to the business and affairs of the YTL REIT Group to enable them to discharge their duties. At least one week prior to Board meetings, all Directors receive the agenda together with a comprehensive set of Board papers containing information relevant to the business of the meeting. This allows the Directors to obtain further explanations or clarifications, where necessary, in order to be properly briefed before each meeting.

Board papers are presented in a consistent, concise and comprehensive format and include, where relevant to the proposal put forward for the Board's deliberation, approval or knowledge, progress reports on the YTL REIT Group's operations and detailed information on corporate proposals, major fund-raising exercises and significant acquisitions and disposals. Where necessary or prudent, professional advisers may be on hand to provide further information and respond directly to Directors' queries. In order to maintain confidentiality, Board papers on issues that are deemed to be price-sensitive may be handed out to Directors during the Board meeting.

The minutes of the Board and Board committee meetings are circulated and confirmed at the next meeting. Once confirmed, the minutes of the Board committee meetings are subsequently presented to the Board for notation.

Company Secretary

The Board is supported by a professionally-qualified and competent Company Secretary. The Company Secretary, Ms Ho Say Keng, is a Fellow of the Association of Chartered Certified Accountants, a registered member of the Malaysian Institute of Accountants and an affiliate member of the Chartered Governance Institute of Malaysia, and is qualified to act as Company Secretary under Section 235(2)(a) of the Companies Act 2016.

The Company Secretary ensures that Board procedures are adhered to at all times during meetings and advises the Board on matters including corporate governance issues and the Directors' responsibilities in complying with relevant legislation and regulations. The Company Secretary works very closely with management for timely and appropriate information, which will then be passed on to the Directors.

In accordance with the Board's procedures, deliberations and conclusions in Board meetings are recorded by the Company Secretary, who ensures that accurate and proper records of the proceedings of Board meetings and resolutions passed are recorded and kept in the statutory register at the registered office of the Manager.

During the financial year under review, the Company Secretary attended training, seminars and regulatory updates relevant for the effective discharge of her duties. The Company Secretary carries out ongoing reviews of existing practices in comparison with any new or amended measures introduced in the Listing Requirements, REIT Guidelines and/or legislation, regulations and codes applicable to the governance of YTL REIT and updates the Board accordingly.

Board Charter

The Board's functions are governed and regulated by the Constitution of the Manager and the laws, rules and regulations governing companies in Malaysia, including the Companies Act 2016, Listing Requirements and REIT Guidelines. The Board has a Board Charter, a copy of which can be found under the "*Governance*" section on the Trust's website at www.ytlhospitalityreit.com.

The Board Charter serves several important functions, including as a primary reference to the Board of its role, fiduciary duties and responsibilities, its governance processes and legal framework within which it operates and as an induction tool for new Directors. The Board Charter clearly identifies the respective roles and responsibilities of the Board, Board committees, Directors and management and the issues and decisions reserved for the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

The Board Charter sets out, amongst others, the applicability to the Board of the Conflict of Interest Policy (detailed below), the Anti-Bribery & Corruption Policy, the Code of Conduct & Business Ethics for the YTL Group of Companies ("YTL Group") ("YTL Group Code of Conduct & Business Ethics"), the Fit and Proper Policy for Directors and a policy limiting the tenure of the Independent Non-Executive Directors to nine years without further extension.

The Board Charter is reviewed as and when changes arise and updated in accordance with the needs of the Manager and any new regulations that impact the discharge of the Board's responsibilities.

Business Conduct, Ethics & Whistleblowing

The Directors observe and adhere to the YTL Group Code of Conduct & Business Ethics. The Manager is also guided by the corporate culture of its parent company, YTL Corporation Berhad ("YTL Corp"), which has an established track record for good governance and ethical conduct. Key guidance is contained in the YTL Group Code of Conduct & Business Ethics, which also sets out the whistleblowing policy and procedures, and the YTL Group's Anti-Bribery & Corruption Policy, as detailed in the following section. A copy of the YTL Group Code of Conduct & Business Ethics can be found on the Trust's website at www.ytlhospitalityreit.com.

The YTL Group Code of Conduct & Business Ethics sets out the acceptable general practices and ethics for the YTL REIT Group and includes policies and measures to address conflicts of interest, abuse of power, corruption, insider trading, money laundering and data protection. The YTL Group Code of Conduct & Business Ethics also codifies existing environmental, social and governance policies and general practices that apply across the YTL Group.

Training modules and other methods of communication are employed on an ongoing basis to familiarise employees of the Manager with their duties and obligations in this area. Training carried out during the financial year under review focused on areas including anti-bribery and corruption.

Anti-Bribery & Corruption Policy ("ABC Policy")

The objective of the ABC Policy is to further enforce the YTL Group Code of Conduct & Business Ethics in order to ensure that all Directors and employees understand their responsibilities in compliance with the YTL Group's zero tolerance for bribery and corruption within the organisation. This is in line with the corporate liability provision in Section 17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") which came into force on 1 June 2020. A copy of the ABC Policy can be found on the Trust's website at www.ytlhospitalityreit.com.

The ABC Policy outlines the YTL Group's strategies in identifying, preventing and managing bribery and corruption issues. The policies and procedures put in place are guided by the Guidelines on Adequate Procedures issued pursuant to Section 17A(5) of the MACC Act. The ABC Policy applies to all Directors, managers and employees of the Manager in dealing with external parties in the commercial context. The policy is reviewed at least once every three years and amended as needed to ensure that it continues to remain relevant, appropriate and effective to enforce the principles highlighted therein and to ensure continued compliance with the prevailing law.

A comprehensive implementation plan has been established to communicate and disseminate the ABC Policy on an ongoing basis throughout the YTL Group through online training modules and other communication methods, and has been a highly effective component of the overall anti-bribery and corruption risk management process.

Directors and employees of the YTL Group in Malaysia are required to read and understand the ABC Policy and the YTL Group Code of Conduct & Business Ethics, successfully complete the online training modules to reinforce their understanding of the policy and sign the YTL Group's Integrity Pledge in acknowledgement of their obligations and responsibilities.

Compliance with the ABC Policy continues to be monitored closely on an ongoing basis. The annual risk assessment is carried out to identify the corruption risks to which the Group is exposed and the appropriateness of the mitigation measures established to minimise the exposure to these risks.

Sustainability Governance

The Board oversees governance of the YTL REIT Group's sustainability matters which includes setting its environmental, social and governance ("ESG") strategies, priorities and targets, overseeing the progress of ESG strategy and performance and reviewing and addressing the YTL REIT Group's material ESG risks and opportunities. Further information can be found in the *Managing Sustainability* section in this Annual Report and the *YTL Group Sustainability Report 2026* which will be published later this year and will be available for download at www.ytl.com/sustainability.

The Manager's key methods for communicating its sustainability strategies, priorities and targets as well as performance against these targets to internal and external stakeholders include the Annual Report of the Trust, the YTL Group Sustainability Report, which is issued annually, and the YTL Group's Sustainability website at www.ytl.com/sustainability.

The Directors are kept apprised of the key ESG issues relevant and specific to the YTL REIT Group through briefings from management on performance, targets and operational updates, and also stay abreast with more general developments in the ESG arena through training programmes, further details of which are set out in the section below on *Board Commitment*.

ESG risks are incorporated into the Board's process for addressing and managing significant risks that may have a considerable impact on YTL REIT as they form part of the overall risk management framework, further details of which can be found in the *Statement on Risk Management and Internal Control* set out in this Annual Report.

Composition of the Board

The Board currently comprises 8 Directors (excluding 3 Alternate Directors), of which 4 are executive members and 4 are non-executive members.

On 15 September 2026, Mr Yeoh Keong Wei was appointed as an Alternate Director to Dato' Yeoh Seok Kian.

The Independent Directors currently comprise 37.5% of the Board. This is in compliance with the provisions of the Listing Requirements and the REIT Guidelines for at least one-third of the Board to be independent.

Board & Senior Management Appointments

The appointment of Directors is undertaken by the Board as a whole whereby the Executive Chairman and/or the Chief Executive Officer make recommendations on the suitability of candidates nominated for appointment to the Board and, thereafter, the final decision lies with the entire Board to ensure that the resulting mix of experience and expertise of members of the Board is sufficient to address the issues affecting the Manager. The Board is of the view that its current practice and procedures are suitable and appropriate to fulfil the needs of the Trust and to comply with the applicable Listing Requirements. As previously reported, the Board will continue to assess the necessity of delegating this function to a separate nominating committee and will do so if it is deemed appropriate at the relevant time.

In considering the appointment, re-election and re-appointment of Directors, the Board applies the Fit and Proper Policy set out in the Board Charter. The Board assesses whether a Director meets the fit and proper criteria, taking into consideration factors relating to character and integrity, experience and competence, and time and commitment. The Board is satisfied that the Directors continue to meet the fit and proper criteria and possess the necessary qualities, competencies and experience to effectively discharge their duties and carry out the responsibilities required of their positions.

The Directors understand the importance of having a diverse Board to leverage the varying perspectives, experience and expertise required to achieve effective stewardship and management, and this forms a key part of the periodic assessment of the Board's composition.

In its deliberations, the Board assesses suitable candidates with due regard for diversity, taking into account the required mix of skills, experience, age, gender, ethnicity, time and commitment, background and perspective. Nevertheless, in identifying future candidates, the Board will also endeavour to utilise independent sources including external human resources consultants and specialised databases, as appropriate.

The Board recognises the importance of encouraging and developing female talent at all levels. There are currently two female Directors on the Board comprising 25% of the Board. This is deemed to comply with the requirement under the Corporate Governance Guidelines.

Meanwhile, members of senior management are appointed by the Executive Chairman and/or the Chief Executive Officer based on relevant industry experience and with due regard for diversity in skills, experience, age, background and gender.

Board Remuneration

Directors' remuneration is decided in line with the objective recommended by the Code to determine the remuneration for Directors so as to attract and retain Directors of the calibre needed to successfully carry on the Manager's operations. The Executive Directors' remuneration consists of basic salary, other emoluments and other customary benefits as appropriate to a senior management member. In general, the component parts of remuneration are structured so as to link rewards to the overall performance of YTL REIT. In the case of Non-Executive Directors, the level of remuneration reflects the contribution, experience and responsibilities undertaken by the particular non-executive concerned.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

As previously reported, the Board has continued to assess the need to delegate this function to a separate committee and concluded that its current practice and procedures remain suitable and appropriate to fulfil the needs of the Trust and are in compliance with the Listing Requirements. In this context, it is pertinent to note that the Directors and senior management are remunerated by the Manager and not by YTL REIT.

The following tables provide an overview of the remuneration of the Directors for the financial year ended 30 June 2026:-

Remuneration of Executive and Non-Executive Directors for the financial year ended 30 June 2026

	Salaries and other emoluments RM'000	Directors' fees RM'000	Meeting attendance allowances RM'000	Benefits-in-kind RM'000	Total RM'000
Executive Directors	9,420	–	–	2	9,422
Non-Executive Directors	–	830	39	–	869

Range of remuneration per annum	Executive Directors	Non-Executive Directors
RM50,000 and below	–	–
RM50,001 – RM200,000	–	–
RM200,001 – RM400,000	–	4
RM1,000,001 – RM2,000,000	–	–
RM2,000,001 and above	3	–

Notes:-

Details of the remuneration of individual directors and members of senior management are not disclosed as the Directors and senior management are remunerated by the Manager and not by YTL Hospitality REIT.

Board Commitment

The Directors are fully cognisant of the importance and value of attending seminars, training programmes and conferences in order to update themselves on developments and changes in the REIT industry, as well as wider economic, financial and governance issues to enhance their skills, knowledge and expertise in their respective fields. The Board will continue to evaluate and determine the training needs of its Directors on an ongoing basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

All the Directors have undergone training programmes during the financial year ended 30 June 2026. The conferences, seminars and training programmes attended by one or more of the Directors covered the following areas:-

Seminars/Conferences/Training	Attended by
■ **Corporate Governance/Compliance/Legal/Sustainability**	
Navigating ESG Risk in the Trump Era: Challenges and Opportunities	Tan Sri (Sir) Yeoh Sock Ping Dato' Yeoh Soo Min Dato' Setia Yeoh Seok Kah Dato' Ahmad Fuaad Bin Mohd Dahalan Dato' Zainal Abidin Bin Ahmad Au Wei Lien Yeoh Keong Shyan *(Alternate director to Dato' Yeoh Soo Min)*
Institute of Corporate Directors of Malaysia (ICDM): Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Dato' Setia Yeoh Seok Kah
INCEIF University & ISRA Consulting: Islamic Finance for Board of Directors Programme	Datuk Mark Victor Rozario
PETRONAS Board Excellence Programme: Sustainability in PETRONAS	Datuk Mark Victor Rozario
Malaysian Institute of Management ("MIM") Conference: Renewable Power, Digital Growth: Malaysia's Sustainable Edge	Dato' Yeoh Soo Min
PETRONAS Board Conversation Series #Q2 2025: Sustainability Talk on the Strategy and Investment Decision Making Incorporating Nature Considerations	Datuk Mark Victor Rozario
Asia School of Business: FIDE Core Program Module B (Bank)	Datuk Mark Victor Rozario
Anti-Bribery & Corruption (ABC) Refresher Course 2025	Dato' Yeoh Seok Kian Dato' Setia Yeoh Seok Kah Dato' Ahmad Fuaad Bin Mohd Dahalan Dato' Zainal Abidin Bin Ahmad
Asia School of Business: FIDE Core Program Module A (Insurance)	Datuk Mark Victor Rozario
Securities Commission Malaysia's Audit Oversight Board: Conversation with Audit Committees – Governance, Accountability, and the Cost of Silence	Datuk Mark Victor Rozario Dato' Ahmad Fuaad Bin Mohd Dahalan Dato' Zainal Abidin Bin Ahmad
■ **Leadership/Strategy/Finance/Economic Development**	
Women in Rail Malaysia Conference 2025	Dato' Yeoh Soo Min
PPK Malaysia & FIABCI: Strata Property Management Seminar 2025 – Strata 360: Governance, Innovation & Community Well Being	Yeoh Keong Shyan *(Alternate director to Dato' Yeoh Soo Min)*
Korn Ferry Malaysia Roundtable for Board and C-Suite: From Strategy to Impact – Aligning Boardroom Vision with Execution	Datuk Mark Victor Rozario
PPK Malaysia & APRA: Shopping Centre Conference 2025 - Transforming Malls In A Changing World	Yeoh Keong Shyan *(Alternate director to Dato' Yeoh Soo Min)*
Bloomberg Business Summit at Asean	Datuk Mark Victor Rozario
Citibank: Islamic Banking Business for the International Bank – A Comprehensive View from Top to Bottom 3.0	Datuk Mark Victor Rozario

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

Seminars/Conferences/Training	Attended by
■ **Leadership/Strategy/Finance/Economic Development (Cont'd)**	
YTL LEAD Conference 2025	Tan Sri (Sir) Yeoh Sock Ping Dato' Yeoh Soo Min Dato' Yeoh Seok Kian Dato' Setia Yeoh Seok Kah Dato' Ahmad Fuaad Bin Mohd Dahalan Dato' Zainal Abidin Bin Ahmad Au Wei Lien Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir *(Alternate director to Dato' Setia Yeoh Seok Kah)* Yeoh Keong Shyan *(Alternate director to Dato' Yeoh Soo Min)*
FIDE Forum: China's Business Models and Innovations and their Global Implications *(Speaker)*	Datuk Mark Victor Rozario
Bank Negara Malaysia Annual Dialogue with Chairpersons and CEOs of Insurers and Takaful Operators and Industry Partners	Datuk Mark Victor Rozario
MIM Asian Ambassadorial Dialogue – Asia's Human Capital Alignment: An AI-Powered Agenda for a Transformed Future	Dato' Yeoh Soo Min
Biz Titans Roundtable with Mr Bo Li, Deputy Managing Director of the International Monetary Fund (IMF): Geoeconomics, Capital Mobilization and the Future of Growth in Asia	Datuk Mark Victor Rozario
The Asian Banker Summit 2026	Datuk Mark Victor Rozario
FIDE Forum: Special Forum on Geopolitical Volatility and Financial Resilience: Navigating Volatility: Energy, Supply Chains, and Financial Resilience in a Fragmented Global Order	Datuk Mark Victor Rozario
Korn Ferry's Caffeine, Conversations & Connections: A Private CEO Dialogue on Leadership Through Disruption	Datuk Mark Victor Rozario
Asia School of Business: Action Learning Summit 2026: The Action Learning Advantage	Dato' Yeoh Soo Min
■ **Risk/Technology/Innovation**	
Webinar by DBS: Digital Asset Staking: A Thoughtful Approach to Optimizing Risk-adjusted Rewards	Dato' Yeoh Soo Min
Asia School of Business: AI Adoption Study & Launch: The Front-Runners' Guide to Scaling AI	Datuk Mark Victor Rozario
ADFIM & FIDE Forum: Board Digital Blind Spots: What Malaysian Development Finance Institutions (DFI) Directors May Be Missing	Datuk Mark Victor Rozario
Risk Without Borders: The New Reality of Third Party Exposure	Tan Sri (Sir) Yeoh Sock Ping Dato' Yeoh Soo Min Dato' Setia Yeoh Seok Kah Dato' Ahmad Fuaad Bin Mohd Dahalan Dato' Zainal Abidin Bin Ahmad Au Wei Lien Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir *(Alternate director to Dato' Setia Yeoh Seok Kah)*

PRINCIPLE B: EFFECTIVE AUDIT & RISK MANAGEMENT

Integrity in Financial Reporting

The Directors are responsible for ensuring that financial statements of the Trust are drawn up in accordance with applicable approved accounting standards in Malaysia, the REIT Guidelines and the Deed. The *Statement of Directors' Responsibilities* made pursuant to paragraph 15.26(a) of the Listing Requirements is set out in this Annual Report.

In presenting the financial statements, the Manager has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, to present a true and fair assessment of the Group's position and prospects. Interim financial statements are reviewed by the Trustee and the Audit Committee and approved by the Directors prior to release to the relevant regulatory authorities.

Audit Committee

The Manager has in place an Audit Committee which comprises three Non-Executive Directors, the majority of whom are independent, in compliance with the Listing Requirements, namely Datuk Mark Victor Rozario, Dato' Ahmad Fuaad Bin Mohd Dahalan and Dato' Zainal Abidin Bin Ahmad. The Chairman of the Audit Committee is Datuk Mark Victor Rozario, in accordance with the recommendation under the Code that the chairman of the Audit Committee should not be the chairman of the Board.

The members of the Audit Committee possess a wide range of necessary skills to discharge their duties, and are financially literate and able to understand matters under the purview of the Audit Committee including the financial reporting process. The members of the Audit Committee also intend to continue to undertake professional development by attending training to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

The Audit Committee holds quarterly meetings to review matters including the YTL REIT Group's financial reporting, the audit plans for the financial year and recurrent related party transactions, as well as to deliberate the findings of the internal and external auditors.

The Audit Committee met five times during the financial year ended 30 June 2026. Full details of the composition and summary of the work carried out by the Audit Committee during the financial year can be found in the *Audit Committee Report* set out in this Annual Report. This information and the terms of reference of the Audit Committee are available under the "*Governance*" section on the Trust's website at www.ytlhospitalityreit.com.

The Audit Committee has established formal and professional arrangements for maintaining an appropriate relationship with the Trust's external auditors, HLB Ler Lum Chew PLT ("HLB"). The external auditors also attend each Annual General Meeting ("AGM") in order to address clarifications sought pertaining to the audited financial statements by Unitholders.

The Audit Committee's *Auditor Independence Policy* guides its assessment of the suitability, objectivity and independence of the external auditors. The policy includes, amongst others, a cooling off period of at least three years before a former audit partner of the external audit firm may be appointed as a member of the Audit Committee, and additional assessment criteria based on information presented in the *Annual Transparency Report* of the external auditors, in line with the Code. None of the Audit Committee members were formerly partners of the Trust's external auditors.

Details of the audit and non-audit fees paid/payable to HLB for the financial year ended 30 June 2026 are as follows:-

	Trust RM'000	Group RM'000
Statutory audit fees paid/payable to HLB	118	155
Non-audit fees paid/payable to HLB	6	6
Total	**124**	**161**

Risk Management & Internal Control

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control to safeguard the investment of the Unitholders and the assets of the YTL REIT Group, and that these controls are designed to provide reasonable, but not absolute, assurance against the risk of occurrence of material errors, fraud or losses.

Details of the YTL REIT Group's system of risk management and internal control are contained in the *Statement on Risk Management and Internal Control* and the *Audit Committee Report* as set out in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

Conflicts of Interest & Related Party Transactions

The Deed provides that the Manager, the Trustee and any delegate of either of them shall avoid conflicts of interest arising or, if conflicts arise, shall ensure that the YTL REIT Group is not disadvantaged by the transaction concerned. The Manager must not make improper use of its position in managing the YTL REIT Group to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interests of Unitholders.

In order to deal with any conflict-of-interest situations that may arise, any related party transaction, dealing, investment or appointment carried out for or on behalf of the YTL REIT Group involving parties related to the Trust must be executed on terms that are the best available to the Trust and which are no less favourable than an arm's length transaction between independent parties.

The Manager may not act as principal in the sale and purchase of real estate, securities and any other assets to and from the YTL REIT Group. "Acting as principal" includes a reference to:

(a) dealing in or entering into a transaction on behalf of a person associated with the Manager;

(b) acting on behalf of a corporation in which the Manager has a controlling interest; or

(c) the Manager acting on behalf of a corporation in which the Manager's interest and the interests of its Directors together constitute a controlling interest.

In addition, the Manager must not, without the prior approval of the Trustee, invest any monies available for investment under the Deed in any securities, real estate or other assets in which the Manager or any officer of the Manager has a financial interest or from which the Manager or any officer of the Manager derives a benefit.

In dealing with any related party transactions that may arise, the Manager ensures that the provisions in the REIT Guidelines and the Listing Requirements pertaining to related party transactions are fully complied with in any applicable transactions.

The Board has in place a Conflict of Interest ("COI") Policy which is intended to ensure that any actual or potential COI that a Director and key senior management may have is appropriately dealt with or managed. The policy applies to the Directors and key senior management of the Manager and the YTL REIT Group and sets out guidance in identifying COI situations, disclosure and recusal requirements and the measures to be taken to resolve, eliminate or mitigate conflicts. The policy also expands the scope of the Audit Committee's review of COI situations and the measures taken to resolve, eliminate or mitigate any such conflicts.

To assist the Audit Committee in discharging its duties in this area, a 'COI Declaration Form' has been adopted together with the COI Policy, requiring all Directors and key senior management to submit an annual declaration, or as and when conflicts arise. These declarations will be tabled at Audit Committee meetings on a quarterly basis for the purpose of identifying, evaluating, disclosure/reporting, monitoring, maintenance and management of COI situations. Updates on matters reviewed by the Audit Committee, including its findings and recommendations, if any, are reported to the Board.

Internal Audit

The Manager's internal audit function is undertaken by the Internal Audit department of YTL Corp ("YTLIA"). YTLIA reports directly to the Audit Committee of YTL Corp and to the Board on matters pertaining to the Manager and the Trust.

The Chief Audit Executive, Encik Syalleh Karimyee Bin Ab Rahman holds a bachelor's degree in Accounting and Finance from the Universiti Utara Malaysia. He is a Chartered Accountant (CA) with the Malaysian Institute of Accountants (MIA), a Certified Internal Auditor (CIA), and has Certification in Control Self-Assessment (CCSA) from the Institute of Internal Auditors (IIA). In addition, he is an IATA Operational Safety Auditor (IOSA), certified by the International Air Transport Association (IATA). He has over 30 years of experience in internal audit, IT risk and corporate assurance across diverse industries including utilities, aviation, telecommunications and financial services.

During the financial year ended 30 June 2026, YTLIA comprised 9 full-time personnel. The personnel of YTLIA are free from any relationships or conflicts of interest which could impair their objectivity and independence.

YTLIA continues to implement the recommendations from the Global Internal Audit Standards Gap Assessment to further strengthen its internal audit practices and achieve alignment with the Standards.

The activities of the internal audit function during the year under review included:-

- Developing the annual internal audit plan and proposing this plan to the Audit Committee;
- Conducting scheduled internal audit engagements, focusing primarily on the adequacy and effectiveness of internal controls and recommending improvements where necessary;
- Conducting follow-up reviews to assess if appropriate action has been taken to address issues highlighted in audit reports;
- Presenting significant audit findings to the Audit Committee for consideration;
- Conducting reviews of recurrent related party transactions;
- Conducting discussions with management in identifying significant concerns and risk areas perceived by management for inclusion in the internal audit plan; and
- Conducting discussions with management to identify, analyse, assess and prioritise the internal and external corruption risks, for the purpose of establishing appropriate processes, systems and controls to mitigate the specific corruption risks exposure.

Further details of the YTL REIT Group's internal audit function are contained in the *Statement on Risk Management and Internal Control* and the *Audit Committee Report* as set out in this Annual Report.

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

Communication with Unitholders

The Manager values dialogue with Unitholders and investors as a means of effective communication that enables the Board to convey information about the YTL REIT Group's performance, corporate strategy and other matters affecting Unitholders' interests. The Board recognises the importance of timely dissemination of information to Unitholders and, accordingly, ensures that they are well informed of any major developments of YTL REIT. Such information is communicated through annual reports, the Trust's various disclosures and announcements to Bursa Securities, including quarterly and annual results, and the corporate website.

Corporate information, annual financial results, governance information, business reviews and future plans are disseminated through the Annual Report, whilst current corporate developments are communicated via the Trust's website, www.ytlhospitalityreit.com, in addition to prescribed information, including financial results, announcements, circulars, prospectuses and notices, which is released through the official website of Bursa Securities.

The Executive Chairman and/or Chief Executive Officer meet with analysts, institutional Unitholders and investors throughout the year to provide updates on strategies and new developments. However, price-sensitive information and information that may be regarded as undisclosed material information about YTL REIT is not disclosed in these sessions until after the requisite announcements to Bursa Securities have been made.

Whilst efforts are made to provide as much information as possible to its Unitholders and stakeholders, the Directors are cognisant of the legal and regulatory framework governing the release of material and sensitive information so as to not mislead its Unitholders. Therefore, the information that is price-sensitive or that may be regarded as undisclosed material information about the YTL REIT Group is not disclosed to any party until after the prescribed announcement to Bursa Securities has been made.

Conduct of General Meetings

The AGM is the principal forum for dialogue with Unitholders. The Board provides opportunities for Unitholders to raise questions pertaining to issues in the Annual Report and operational performance of YTL REIT for the financial year. The Notice of AGM is sent to Unitholders at least 28 days prior to the AGM in accordance with the Code, which also meets the criteria of the Listing Requirements and Companies Act 2016 which require the Notice of AGM to be sent 21 days prior to the AGM, thus allowing Unitholders to make adequate preparation.

The Executive Chairman, Chief Executive Officer and Executive Directors provide appropriate answers in response to Unitholders' questions during the meeting thereby ensuring a high level of accountability, transparency and identification with YTL REIT's strategy and goals.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

for the financial year ended 30 June 2026

The Directors are mindful of the recommendation under the Code that all directors must attend general meetings and fully appreciate the need for their attendance at all such meetings. All Directors attended YTL REIT's thirteenth AGM held on 30 October 2025, save for Dato' Yeoh Seok Kian.

Extraordinary general meetings are held as and when required to seek Unitholders' approval. The Chief Executive Officer and Executive Directors take the opportunity to fully explain the rationale for proposals put forth for approval and the implications of such proposals for the Trust, and to reply to Unitholders' questions.

Where applicable, each item of special business included in the notice of the meeting is accompanied by an explanatory statement for the proposed resolution to facilitate full understanding and evaluation of the issues involved. All resolutions are put to the vote by electronic poll voting and an independent scrutineer is appointed to verify poll results. The results of the electronic poll voting are announced in a timely manner, usually within half an hour of the voting process to enable sufficient time for the results to be tabulated and verified by the independent scrutineer.

For general meetings conducted on a physical basis, the Board reserves centrally located venues in Kuala Lumpur to enhance accessibility. Voting in absentia is not permitted; instead, Unitholders may appoint up to two proxies to attend, speak and vote on their behalf, in compliance with statutory timelines under the REIT Guidelines. The Executive Chairman, Chief Executive Officer and Executive Directors attend in person to respond to the questions raised by Unitholders and facilitate meaningful engagement.

The Manager engages professional service providers to manage and administer the Trust's general meetings who have in place the necessary data privacy and protection and cybersecurity policies and procedures to safeguard the information of the Trust and its unitholders.

Minutes of general meetings are posted on the Trust's website under the "*Meetings*" page, which can be accessed at the link below, no later than 30 business days after the general meeting:

- https://www.ytlhospitalityreit.com/meetings

The forthcoming fourteenth AGM will be held on a physical basis, the details of which can be found in the *Notice of Annual General Meeting* in this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

for the financial year ended 30 June 2026

The Board of Directors ("Board") of Pintar Projek Sdn Bhd ("PPSB" or "Manager") is pleased to present the Statement on Risk Management and Internal Control for the financial year ended 30 June 2026, issued in compliance with Paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") (including applicable guidance), Principle B of the Malaysian Code on Corporate Governance, the Guidelines on Listed Real Estate Investment Trusts and the Guidelines on Corporate Governance for Capital Market Intermediaries issued by the Securities Commission Malaysia.

YTL Hospitality REIT ("YTL REIT" or "Trust") was established on 18 November 2005 pursuant to a trust deed (as amended and restated) ("Trust Deed") entered into between PPSB and Maybank Trustees Berhad ("Trustee"), as the manager and trustee, respectively, of the Trust. The Manager and the Trustee administer the Trust in accordance with the provisions of the Trust Deed, which governs matters including the management of the Trust, issuance of units, investments in assets, distributions, related party transactions and conflicts of interest, powers of the Trustee and responsibilities and remuneration of the Manager and the Trustee.

BOARD RESPONSIBILITY

The Board acknowledges its responsibility for maintaining a sound system of risk management and internal control which includes the establishment of an appropriate control environment framework to safeguard unitholders' investments and the assets of YTL REIT and its subsidiaries ("YTL REIT Group"). The Board reviews the adequacy and integrity of the system of internal control which covers not only financial controls but operational and compliance controls and risk management.

Due to inherent limitations in any system of internal control and risk management, the Board recognises that such systems are designed to manage rather than to eliminate all the risks that may hinder the YTL REIT Group from achieving its business objectives, and as such, can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The Board believes that the YTL REIT Group's system of risk management and internal control, financial or otherwise, in place for the financial year under review, should provide reasonable assurance regarding the achievement of the objectives of ensuring effectiveness and efficiency of operations, reliability and transparency of financial information and compliance with laws and regulations.

PRINCIPAL FEATURES & PROCESSES OF THE YTL REIT GROUP'S SYSTEM OF INTERNAL CONTROL

The principal features of the YTL REIT Group's system of internal control can be summarised as follows:

- **Authorisation Procedures:** The YTL REIT Group has a clear definition of authorisation procedures and a clear line of accountability, with strict authorisation, approval and control procedures within the Board and senior management. Responsibility levels are communicated throughout the YTL REIT Group which set out, among others, authorisation levels, segregation of duties and other control procedures to promote effective and independent stewardship in the best interests of unitholders.

- **Auditors' Appointment:** The appointment of the external auditors, who are nominated by the Manager, is approved by the Trustee. The remuneration of the external auditors is also approved by the Trustee based on the Manager's recommendation.

- **Authority Levels:** The YTL REIT Group has delegated authority levels for tenders, capital expenditure projects, acquisitions and disposals of businesses and other significant transactions to the Chief Executive Officer. The approval of capital and revenue proposals including financing of corporate and investment funding requirements above certain limits is reserved for decision by the Board and the Trustee. Other investment decisions are delegated for approval in accordance with authority limits. Comprehensive appraisal and monitoring procedures are applied to all major investment decisions.

- **Financial Performance:** Interim financial results are reviewed by the Audit Committee and approved by the Board upon the recommendation of the Audit Committee before release to Bursa Securities. The full year audited financial statements and analyses of the YTL REIT Group's financial performance are released to unitholders.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

for the financial year ended 30 June 2026

- **Internal Compliance:** The YTL REIT Group monitors compliance with its internal financial controls through management reviews. Financial reports are reviewed by key personnel to enable it to gauge achievement of annual targets. Updates of internal policies and procedures are undertaken to resolve operational deficiencies and to reflect changing risks, as well as changes to legal and regulatory compliance requirements relevant to the YTL REIT Group. Internal audit visits are systematically arranged to monitor and scrutinise compliance with procedures and assess the integrity of financial information provided.

- **Internal Audit Function and Audit Committee Oversight:** The Manager's internal audit function is undertaken by the Internal Audit department of its parent company, YTL Corporation Berhad, ("YTLIA") which evaluates the efficiency and effectiveness of the internal control systems implemented by management, and reports directly to the Audit Committee on matters pertaining to the Manager and the Trust.

  A description of the work of the internal audit function can be found in the *Audit Committee Report*, whilst additional details about the personnel and resources of YTLIA are contained in the *Corporate Governance Overview Statement* set out in this Annual Report. This information is also available under the "*Governance*" section on the Trust's website at www.ytlhospitalityreit.com.

  YTLIA operates independently of the business or service units it audits and reports to the Audit Committee on the results of the audits, highlighting the efficiency and effectiveness of the system of internal control and significant risks. The Audit Committee reviews and evaluates the key concerns and issues raised and ensures that appropriate and prompt remedial action is taken by management.

  The Manager's system of internal control is constantly reviewed, enhanced and updated in line with changes in the operating environment. The Board is of the view that the current system of internal control in place throughout the YTL REIT Group is effective to safeguard its interests.

KEY FEATURES & PROCESSES OF THE YTL REIT GROUP'S RISK MANAGEMENT PRACTICES

The Board acknowledges that all areas of the YTL REIT Group's business activities involve some degree of risk. The YTL REIT Group is committed to ensuring that these risks are managed in order to protect unitholder value.

The Board assumes overall responsibility for the YTL REIT Group's risk management practices. Identifying, evaluating and managing significant risks faced by the YTL REIT Group is an ongoing process which is undertaken by senior management at each level of operations.

During the financial year under review, the Board's functions within the risk management practices were exercised primarily by the Chief Executive Officer through participation in management meetings to ensure the adequacy and integrity of the system of internal control. Emphasis is placed on reviewing and updating the process for identifying and evaluating the significant risks affecting the business, and policies and procedures by which these risks are managed.

The YTL REIT Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, interest rate risk, credit risk, liquidity risk, business/market risk, corruption risk and regulatory/compliance risk. The YTL REIT Group's overall financial risk management objective is to ensure that the YTL REIT Group creates value for its unitholders. The YTL REIT Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. Financial risk management is carried out through risk review analysis and internal control systems. The Board reviews these risks and approves the appropriate control environment practices. Further discussion and details on the YTL REIT Group's risk management is contained in the *Management Discussion & Analysis* in this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

for the financial year ended 30 June 2026

Management is responsible for creating a risk-aware culture within the YTL REIT Group and for the identification and evaluation of significant risks applicable to their areas of business, together with the design and operation of suitable internal controls. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources including control breakdowns, disruption in information systems, competition, natural catastrophe and regulatory requirements. Changes in the business and the external environment which may give rise to significant risks are reported by management to the Chief Executive Officer/Executive Directors in developing appropriate risk mitigation measures.

The Executive Directors will pursue the ongoing process of (i) identifying, assessing and managing key business, operational and financial risks faced by its business units as well as (ii) regularly reviewing planned strategies to determine whether risks are mitigated and well-managed, and to ensure compliance with the guidelines issued by the relevant authorities. This is to ensure the YTL REIT Group is able to respond effectively to the constantly changing business environment in order to protect and enhance stakeholders' interests and unitholder value.

REVIEW BY EXTERNAL AUDITORS

The external auditors, HLB Ler Lum Chew PLT, have reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 30 June 2026, in compliance with Paragraph 15.23 of the Listing Requirements, 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 controls.

CONCLUSION

The Board is of the view that the system of risk management and internal control being instituted throughout the YTL REIT Group is sound and effective. The monitoring, review and reporting arrangements in place give reasonable assurance that the structure and operation of controls are appropriate for the YTL REIT Group's operations and that risks are at an acceptable level throughout its businesses.

The Chief Executive Officer is primarily responsible for the financial management of YTL REIT and has provided assurance to the Board that the YTL REIT Group's risk management and internal control system is operating adequately and effectively. Reviews of all the control procedures will be continuously carried out to ensure the ongoing effectiveness and adequacy of the system of risk management and internal control, so as to safeguard unitholders' investments and the YTL REIT Group's assets.

AUDIT COMMITTEE REPORT

COMPOSITION

Datuk Mark Victor Rozario
(Chairman/Independent Non-Executive Director)

Dato' Ahmad Fuaad Bin Mohd Dahalan
(Member/Non-Independent Non-Executive Director)

Dato' Zainal Abidin Bin Ahmad
(Member/Independent Non-Executive Director)

TERMS OF REFERENCE

The terms of reference of the Audit Committee can be found under the "Governance" section on YTL Hospitality REIT ("YTL REIT")'s website at www.ytlhospitalityreit.com.

NUMBER OF MEETINGS HELD AND DETAILS OF ATTENDANCE

The Audit Committee shall meet at quarterly intervals or such other intervals as the Audit Committee shall decide. During the financial year, a total of 5 Audit Committee meetings were held and the details of attendance are as follows:

	Attendance
Datuk Mark Victor Rozario	5/5
Dato' Ahmad Fuaad Bin Mohd Dahalan	5/5
Dato' Zainal Abidin Bin Ahmad	5/5

SUMMARY OF WORK CARRIED OUT FOR THE FINANCIAL YEAR

The Audit Committee carried out the following work for the financial year ended 30 June 2026 in the discharge of its functions and duties:

1. Financial Reporting

(a) Reviewed the unaudited quarterly financial reports and audited financial statements of YTL REIT ("Financial Reports") prior to its recommendation to the Board of Directors for approval.

(b) In respect of the Financial Reports, the following matters were reviewed and discussed with management, with clarifications and/or additional information provided wherever required:

- Appropriate accounting policies had been adopted and applied consistently, and other statutory and regulatory requirements had been complied with;
- YTL REIT has adequate resources to continue in operation for the foreseeable future and that there are no material uncertainties that could lead to significant doubt as to the Group's ability to continue as a going concern;
- Significant judgements made by management in respect of matters such as valuation of investment properties, revaluation of freehold land and buildings, fraud risk including management override of controls, revenue recognition, hedge of net investments in Australia and Japan, review of loan covenants, critical accounting policies and financial statement disclosures and the underlying assumptions and/or estimates used were reasonable in accordance with the requirements of the Malaysian Financial Reporting Standards ("MFRS");
- Adequate processes and controls were in place for effective and efficient financial reporting and disclosures under the MFRS and Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("Listing Requirements");
- The Financial Reports were fairly presented in conformity with the relevant accounting standards in all material aspects.

2. External Audit

(a) Reviewed with the external auditors, HLB Ler Lum Chew PLT ("HLB"):

- the audit plan for the financial year ended 30 June 2026 outlining, amongst others, their scope of work, audit approach, areas of audit emphasis, and development in laws and regulations affecting financial reporting and the responsibilities of directors/audit committee members and auditors;
- their status report and final report on the audit of the financial statements for financial year ended 30 June 2026 setting out their comments and conclusions on the significant audit and accounting matters highlighted, including management's judgements, estimates and/or assessments made, and adequateness of disclosures in the financial statements.

(b) Reviewed the audit fees proposed by HLB together with management and recommended the fees agreed by HLB to the Board of Directors for approval.

(c) Had discussions with HLB without the presence of management twice on 30 July 2026 and 15 September 2026, to apprise on matters in regard to the audit and financial statements. No significant audit issues were raised by HLB. The Audit Committee also inquired about management's level of assistance and cooperation with HLB.

(d) Reviewed the profiles of the audit engagement team of HLB which enables the Audit Committee to assess their qualifications, expertise, resources, and independence, as well as the effectiveness of the audit process.

(e) Reviewed on a quarterly basis, the nature and extent of the non-audit services provided by HLB and was satisfied with the suitability, performance, independence and objectivity of HLB.

(f) Obtained written assurance from HLB that they have complied with the independence requirements and that their objectivity has not been compromised in accordance with regulatory and professional requirements.

(g) Confirmed verbally by the Audit Committee members that they had no knowledge of any actual, suspected or alleged fraud and non-compliance or suspected non-compliance with laws or regulations affecting the Group in response to an enquiry by the external auditors.

(h) Assessed the performance of HLB for the financial year ended 30 June 2026 and recommended to the Board of Directors that HLB continue as the external auditors of YTL REIT.

(i) Received the Condensed Transparency Report prepared by HLB, which contains the audit partner workload, auditors independence, audit professionals capacity and competency, investment in audit quality, HLB's approach to quality, and other regulatory disclosure.

3. Internal Audit

(a) Reviewed with the internal auditors the internal audit reports (including follow-up reports), the audit findings and recommendations, management's responses and/or actions taken thereto, and ensured that material findings were satisfactorily addressed by management.

(b) Reviewed and adopted the internal audit plan for financial year ending 30 June 2027 to ensure sufficient scope and coverage of activities of YTL REIT and the Group.

(c) Reviewed internal audit resourcing, with focus on ensuring that the function has sufficient resources together with the right calibre of personnel to perform effectively, and that the Chief Audit Executive has adequate authority to discharge his roles and responsibilities objectively and independently.

(d) Noted the outcomes of the internal audit department within the YTL Corporation Berhad Group ("YTLIA")'s review and verification of the Group's Environmental, Social & Governance ("ESG") data reporting of Scope 1 and Scope 2 greenhouse gas emissions data, with reference to the disclosure requirements under Bursa Securities' Sustainability Reporting Guide (3rd Edition), IFRS S2, and the National Sustainability Reporting Framework (NSRF).

4. Related Party Transactions

Reviewed, on a quarterly basis, the recurrent related party transactions of a revenue and trading nature ("RRPTs") entered into by YTL REIT and/or its subsidiaries with related parties to ensure that the Group's internal policies and procedures governing RRPTs are adhered to, and disclosure requirements of the Listing Requirements are observed.

AUDIT COMMITTEE REPORT

5. Annual Report

Reviewed the Audit Committee Report, and Statement on Risk Management and Internal Control before recommending these to the Board of Directors for approval for inclusion in 2026 Annual Report.

6. Conflict of Interest ("COI")

Reviewed the disclosure of actual or potential COI, including interest in any competing business, submitted by the Directors and key senior management of the Company and YTL REIT's subsidiaries via the 'COI Declaration Form' to the Secretary, who then escalated them to the Audit Committee for assessment, conflict management and/or mitigation on a quarterly basis.

In addition, all Directors and key senior management were required to make an annual declaration to ensure that any COI or potential COI had been appropriately disclosed during the financial year under review.

There were no COI disclosed by the Directors and key senior management and this was subsequently reported to the Board of Directors.

7. ESG Reporting

Received updates regarding developments in ESG reporting requirements, the implementation timeline applicable to YTL REIT and management's ongoing preparations for compliance with the IFRS Sustainability Disclosure Standards.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is carried out by the YTLIA, which provides assurance on the efficiency and effectiveness of the internal control systems implemented by management, and reports functionally to the Audit Committee.

Every YTLIA team member has confirmed that they are free from conflict of interest or any relationship that could impair their objectivity and independence as internal auditors.

The Audit Committee reviews annually the adequacy of the scope, function, competency and resources of YTLIA to ensure that it is able to fully discharge its responsibilities. Details of the resources and the qualifications of the Chief Audit Executive are set out in the Corporate Governance Overview Statement.

During the financial year, the YTLIA evaluated the adequacy and effectiveness of key controls in responding to risks within YTL REIT's governance, operations and information systems regarding-

- reliability and integrity of financial and operational information;
- effectiveness and efficiency of operations;
- safeguarding of assets; and
- compliance with relevant laws, regulations and contractual obligations.

The work of the internal audit function for the year under review include the following:

1. Developed the annual internal audit plan and proposed the plan to the Audit Committee.

2. Conducted scheduled internal audit engagements, focusing primarily on the effectiveness of internal controls and recommended improvements where necessary.

3. Conducted follow-up reviews to assess if appropriate action has been taken to address issues highlighted in previous audit reports.

4. Conducted RRPTs reviews to assess accuracy and completeness of reporting for presentation to the Audit Committee, and ensure compliance with the Listing Requirements.

5. Conducted discussions with management in identifying significant concerns and risk areas perceived by management for inclusion in the internal audit plan.

Costs amounting to RM101,191 were incurred in relation to the internal audit function for the financial year ended 30 June 2026.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors of Pintar Projek Sdn Bhd ("Directors"), the manager of YTL Hospitality REIT ("YTL REIT" or "Trust") are required to prepare financial statements for each financial year which give a true and fair view of the financial position of YTL REIT and its subsidiaries ("Group") as at the end of the financial year and of the financial performance and cash flows of the Group and of the Trust for the financial year then ended.

In preparing the financial statements for the financial year ended 30 June 2026, the Directors have:

- considered the applicable approved accounting standards in Malaysia;
- used appropriate accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for ensuring that the Group and the Trust keep accounting records which disclose with reasonable accuracy the financial position of the Group and of the Trust which enable them to ensure that the financial statements comply with the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts, the deed dated 18 November 2005 (as amended and restated), Malaysian Financial Reporting Standards, International Financial Reporting Standards and other applicable laws.

The Directors are responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and the Trust, and to detect and prevent fraud and other irregularities.

ANALYSIS OF UNITHOLDINGS

as at 9 September 2026

Issued and fully paid units : 1,794,388,889 Units (voting right : 1 vote per unit)

DISTRIBUTION OF UNITHOLDINGS

Size of holding	No. of Unitholders	%	No. of Units	%
1 – 99	556	3.01	5,814	0.00
100 – 1,000	4,541	24.57	3,155,282	0.18
1,001 – 10,000	8,212	44.44	40,699,983	2.27
10,001 – 100,000	4,323	23.39	146,992,778	8.19
100,001 – to less than 5% of issued units	847	4.58	743,254,143	41.42
5% and above of issued units	1	0.01	860,280,889	47.94
Total	**18,480**	**100.00**	**1,794,388,889**	**100.00**

THIRTY LARGEST UNITHOLDERS

(as per Record of Depositors)

	Name	No. of Units	%
1	YTL Corporation Berhad	860,280,889	47.94
2	YTL Corporation Berhad	74,115,600	4.13
3	East-West Ventures Sdn Bhd	64,250,000	3.58
4	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (AHAM AM)	53,261,100	2.97
5	Syarikat Pelanchongan Pangkor Laut Sendirian Berhad	24,250,000	1.35
6	Citigroup Nominees (Tempatan) Sdn Bhd – Exempt An For AIA Bhd	21,000,000	1.17
7	YTL Power International Berhad	20,496,900	1.14
8	Business & Budget Hotels (Kuantan) Sdn Bhd	18,750,000	1.04
9	CIMB Group Nominees (Tempatan) Sdn Bhd – Pembangunan Sumber Manusia Berhad	15,441,900	0.86
10	YTL Power International Berhad	14,628,000	0.82
11	Megahub Development Sdn Bhd	13,250,000	0.74
12	HSBC Nominees (Tempatan) Sdn Bhd – HSBC (M) Trustee Bhd for Zurich Life Insurance Malaysia Berhad (NP-OTHER-REITS)	11,484,400	0.64
13	HSBC Nominees (Tempatan) Sdn Bhd – HSBC (M) Trustee Bhd for Singular Value Fund	11,400,600	0.64

ANALYSIS OF UNITHOLDINGS

as at 9 September 2026

	Name	No. of Units	%
14	Cartaban Nominees (Tempatan) Sdn Bhd – PAMB for Prolink Equity Income Fund	10,270,500	0.57
15	HSBC Nominees (Asing) Sdn Bhd – SIX SIS for Bank Sarasin CIE	8,400,000	0.47
16	YTL Power International Berhad	7,964,600	0.44
17	Steeloak International Limited	7,900,000	0.44
18	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (AM INV)	7,682,100	0.43
19	HSBC Nominees (Tempatan) Sdn Bhd – HSBC (M) Trustee Bhd for Zurich Life Insurance Malaysia Berhad (LIFE PAR)	7,304,300	0.41
20	Amanah Raya Berhad – Kumpulan Wang Bersama	6,901,000	0.38
21	Citigroup Nominees (Tempatan) Sdn Bhd – Great Eastern Life Assurance (Malaysia) Berhad (SHF T2)	6,000,000	0.33
22	Citigroup Nominees (Tempatan) Sdn Bhd – Employees Provident Fund Board (AMUNDI)	5,772,300	0.32
23	Citigroup Nominees (Tempatan) Sdn Bhd – Great Eastern Life Assurance (Malaysia) Berhad (PAR 1)	5,510,700	0.31
24	Khoo Chai Ee	5,220,000	0.29
25	Dato' Setia Yeoh Seok Kah	5,000,000	0.28
26	HSBC Nominees (Tempatan) Sdn Bhd – HSBC (M) Trustee Bhd for Zurich General Insurance Malaysia Berhad (GI-REITS)	4,886,200	0.27
27	Citigroup Nominees (Asing) Sdn Bhd – CBNY for DFA International Real Estate Securities Portfolio of DFA Investment Dimensions Group Inc	4,593,900	0.26
28	Tokio Marine Life Insurance Malaysia Bhd – As Beneficial Owner (PF)	4,017,000	0.22
29	Seik Ye Doong	4,000,000	0.22
30	Citigroup Nominees (Tempatan) Sdn Bhd – Kumpulan Wang Persaraan (Diperbadankan) (AHAM AM EQ)	3,932,000	0.22
	Total	**1,307,963,989**	**72.89**

ANALYSIS OF UNITHOLDINGS

as at 9 September 2026

SUBSTANTIAL UNITHOLDERS

	No. of Units Held			
Name	**Direct**	**%**	**Indirect**	**%**
YTL Corporation Berhad	937,464,189	52.24	61,839,500 (1)	3.45
Yeoh Tiong Lay & Sons Holdings Sdn Bhd	–	–	1,101,053,689 (2)	61.36
Yeoh Tiong Lay & Sons Family Holdings Limited	–	–	1,101,053,689 (3)	61.36
Yeoh Tiong Lay & Sons Trust Company Limited	–	–	1,101,053,689 (4)	61.36
Puan Sri Datin Seri Tan Kai Yong @ Tan Kay Neong	–	–	1,101,053,689 (5)	61.36

*(1) Deemed interests by virtue of interests held by YTL Power International Berhad ("**YTL Power**") and Business & Budget Hotels (Kuantan) Sdn Bhd ("**BBHK**") pursuant to Section 8 of the Companies Act, 2016 ("**Act**").*

(2) Deemed interests by virtue of interests held by YTL Corporation Berhad, YTL Power, BBHK, Megahub Development Sdn Bhd, East-West Ventures Sdn Bhd and Syarikat Pelanchongan Pangkor Laut Sendirian Berhad pursuant to Section 8 of the Act.

(3) Deemed interests pursuant to Section 8 of the Act arising from the ownership of 100% of Yeoh Tiong Lay & Sons Holdings Sdn Bhd.

*(4) Deemed interests pursuant to Section 8 of the Act arising from the ownership of 100% of Yeoh Tiong Lay & Sons Family Holdings Limited ("**YTLSF**") in its capacity as trustee.*

(5) Deemed interests by virtue of her beneficial interest (held through Yeoh Tiong Lay & Sons Trust Company Limited in its capacity as trustee) in YTLSF pursuant to Section 8 of the Act.

STATEMENT OF INTERESTS OF DIRECTORS OF THE MANAGER

Pintar Projek Sdn Bhd in YTL Hospitality REIT as at 9 September 2026

	No. of Units Held			
Name	**Direct**	**%**	**Indirect**	**%**
Tan Sri (Sir) Yeoh Sock Ping, PSM, KBE	2,975,900	0.17	916,000 (1)	0.05
Dato' Setia Yeoh Seok Kah	5,000,000	0.28	2,000,000 (1)	0.11
Dato' Yeoh Soo Min	154,300	0.01	618,000 (1)(2)	0.03
Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir (Alternate Director to Dato' Setia Yeoh Seok Kah)	200,000	0.01	64,250,000 (3)	3.58
Yeoh Keong Shyan (Alternate Director to Dato' Yeoh Soo Min)	100,000	0.01	–	–

(1) *Deemed interests by virtue of interests held by spouse and/or children pursuant to Section 59(11)(c) of the Act.*

(2) *Deemed interests by virtue of interests held by Tan & Yeoh Properties Sdn Bhd pursuant to Section 8 of the Act.*

(3) *Deemed interests by virtue of interests held by East-West Ventures Sdn Bhd pursuant to Section 8 of the Act.*

Other than as disclosed above, none of other Directors held any interest in units of YTL Hospitality REIT.



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MANAGER'S REPORT

The Directors of Pintar Projek Sdn. Bhd. ("Manager"), the manager of YTL Hospitality REIT ("YTL REIT" or "Trust"), is pleased to present the report to unitholders of YTL REIT together with the audited financial statements of YTL REIT and its subsidiaries ("Group") for the financial year ended 30 June 2026.

PRINCIPAL ACTIVITY OF THE MANAGER

The principal activity of the Manager is the management of real estate investment trusts. There has been no significant change in the nature of this activity during the financial year under review.

THE TRUST AND ITS INVESTMENT OBJECTIVE

YTL REIT was established on 18 November 2005 pursuant to a trust deed ("Principal Deed") entered into between the Manager and Maybank Trustees Berhad, the trustee of YTL REIT and is classified under the real estate investment trusts sector. The Principal Deed was registered with the Securities Commission Malaysia and had been amended and restated by a second restated deed dated 25 November 2019 ("Second Restated Deed").

YTL REIT was listed on the Main Market of Bursa Malaysia Securities Berhad on 16 December 2005 and is an income and growth type fund. The investment objective of YTL REIT is to own and invest in real estate and real estate-related assets, whether directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

DIRECTORS

The Directors who served on the Board of the Manager during the financial year until the date of this report of the Trust are:-

Tan Sri (Sir) Yeoh Sock Ping, PSM, KBE
Dato' Setia Yeoh Seok Kah
Dato' Yeoh Soo Min
Dato' Yeoh Seok Kian
Datuk Mark Victor Rozario
Dato' Ahmad Fuaad Bin Mohd Dahalan
Dato' Zainal Abidin Bin Ahmad
Au Wei Lien
Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir (Alternate Director to Dato' Setia Yeoh Seok Kah)
Yeoh Keong Shyan (Alternate Director to Dato' Yeoh Soo Min)
Yeoh Keong Wei (Alternate Director to Dato' Yeoh Seok Kian) (appointed on 15 September 2026)

MANAGER'S REPORT

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangement subsisted to which the Manager is a party, with the object or objects of enabling the Directors of the Manager to acquire benefits by means of the acquisition of units in or debentures of YTL REIT or any other body corporate.

For the financial year ended 30 June 2026, no Director has received or become entitled to receive any benefit by reason of a contract made by the Manager for YTL REIT or a related corporation with the Director or with a firm of which he/she is a member, or with a company in which he/she has a substantial financial interest, except as disclosed in the notes to the financial statements.

DIRECTORS' INTERESTS

The following Directors of the Manager who held office at the end of the financial year had, according to the register of unitholdings in YTL REIT, interests in the units of YTL REIT as follows:-

	Balance at 1.7.2025	No. of units acquired	No. of units disposed	Balance at 30.6.2026
Direct interest				
Tan Sri (Sir) Yeoh Sock Ping, PSM, KBE	2,975,900	–	–	2,975,900
Dato' Setia Yeoh Seok Kah	5,000,000	–	–	5,000,000
Dato' Yeoh Soo Min	154,300	–	–	154,300
Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir (Alternate Director to Dato' Setia Yeoh Seok Kah)	100,000	100,000	-	200,000
Yeoh Keong Shyan (Alternate Director to Dato' Yeoh Soo Min)	100,000	–	–	100,000
Indirect interest				
Tan Sri (Sir) Yeoh Sock Ping, PSM, KBE	916,000[1]	–	–	916,000[1]
Dato' Setia Yeoh Seok Kah	2,000,000[1]	–	–	2,000,000[1]
Dato' Yeoh Soo Min	618,000[1][2]	–	–	618,000[1][2]
Dato' Hj Mohamed Zainal Abidin Bin Hj Abdul Kadir (Alternate Director to Dato' Setia Yeoh Seok Kah)	64,250,000[3]	–	–	64,250,000[3]

(1) Deemed interests by virtue of interests held by spouse and/or children pursuant to Section 59(11)(c) of the Companies Act 2016.

(2) Deemed interests by virtue of interests held by Tan & Yeoh Properties Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

(3) Deemed interests by virtue of interests held by East-West Ventures Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

Other than as disclosed above, Directors who held office at the end of the financial year did not have any interests in the units of YTL REIT.

BREAKDOWN OF UNITHOLDINGS

Set out below is the analysis of unitholdings of YTL REIT as at the reporting date:-

Unit class	No. of Unitholders	%	No. of Units held	%
Less than 100	556	3.05	5,661	0.00
100 to 1,000	4,529	24.84	3,154,480	0.18
1,001 to 10,000	8,069	44.25	39,885,170	2.22
10,001 to 100,000	4,235	23.23	144,453,770	8.05
100,001 to less than 5% of issued units	842	4.62	746,608,919	41.61
5% and above of issued units	1	0.01	860,280,889	47.94
	18,232	100.00	1,794,388,889	100.00

During the financial year, the Trust issued 90,000,000 new units through a private placement exercise at an issue price of RM1.05 per unit, which increased the fund size from 1,704,388,889 units to 1,794,388,889 units.

MATERIAL CONTRACTS

Set out below are the details of the material contracts involving the Manager and the major unitholders' interests, still subsisting at the reporting date:-

Name	Pintar Projek Sdn. Bhd.
Date of agreement	25 November 2019
General nature	Second Restated Deed
Consideration passing from the Trust	As disclosed in Notes 7 and 32 to the financial statements
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	70%-owned subsidiary company

Name	Star Hill Hotel Sdn. Bhd.
Date of agreement	18 October 2006, 18 October 2006, 5 May 2017, 30 July 2020 and 1 January 2024
Date of deed of novation	16 May 2007 and 15 November 2011
General nature	Agreement for lease of two properties, Supplemental Agreement and Second Supplemental Agreement for lease of a property
Consideration passing to the Trust	Annual lease rental of RM52,462,268
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Wholly-owned subsidiary company

MANAGER'S REPORT

MATERIAL CONTRACTS (CONT'D.)

Name	Cameron Highlands Resort Sdn. Bhd.
Date of agreement	15 November 2011 and 30 July 2020
General nature	Agreement for lease and Supplemental Agreement
Consideration passing to the Trust	Annual lease rental of RM5,049,888
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Wholly-owned subsidiary company

Name	Business & Budget Hotels (Penang) Sdn. Bhd.
Date of agreement	15 November 2011, 30 July 2020 and 19 September 2023
General nature	Agreement for lease, Supplemental Agreement and Second Supplemental Agreement
Consideration passing to the Trust	Annual lease rental of RM11,227,269
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	51%-owned subsidiary company

Name	Prisma Tulin Sdn. Bhd.
Date of agreement	15 November 2011, 30 July 2020, 19 September 2023, 13 December 2024 and 11 November 2025
General nature	Agreement for lease of three properties, Supplemental Agreement and Second Supplemental Agreement for lease of a property
Consideration passing to the Trust	Annual lease rental of RM20,047,270
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Wholly-owned subsidiary company

Name	Business & Budget Hotels (Kuantan) Sdn. Bhd.
Date of agreement	15 November 2011, 30 July 2020 and 19 September 2023
General nature	Agreement for lease, Supplemental Agreement and Second Supplemental Agreement
Consideration passing to the Trust	Annual lease rental of RM8,309,831
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	86.30%-owned subsidiary company

Name	Niseko Village K.K.
Date of agreement	22 December 2011, 26 September 2018 and 30 July 2020
General nature	Agreement for lease of two properties and Supplemental Agreement for lease of a property
Consideration passing to the Group	Annual lease rental of RM27,591,219
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Wholly-owned subsidiary company

MATERIAL CONTRACTS (CONT'D.)

Name	East-West Ventures Sdn. Bhd.
Date of agreement	15 November 2011, 5 May 2017 and 30 July 2020
General nature	Agreement for lease, Supplemental Agreement and Second Supplemental Agreement
Consideration passing to the Trust	Annual lease rental of RM26,002,231
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	70%-owned subsidiary company of holding company of the major unitholder

Name	Syarikat Pelanchongan Pangkor Laut Sendirian Berhad
Date of agreement	15 November 2011 and 30 July 2020
General nature	Agreement for sub-lease and Supplemental Agreement
Consideration passing to the Trust	Annual lease rental of RM10,604,764
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	57%-owned subsidiary company of holding company of the major unitholder

Name	Tanjong Jara Beach Hotel Sdn. Bhd.
Date of agreement	15 November 2011 and 30 July 2020
General nature	Agreement for lease and Supplemental Agreement
Consideration passing to the Trust	Annual lease rental of RM8,837,303
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Company related to an alternate director

Name	YTL Land Sdn. Bhd.
Date of agreement	20 August 2025
General nature	Car park agreement
Consideration passing to the Trust	Annual fee of RM2,358,624
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Wholly-owned subsidiary company

Name	YTL Majestic Hotel Sdn. Bhd.
Date of agreement	8 May 2018 and 30 July 2020
General nature	Agreement for sub-lease and Supplemental Agreement
Consideration passing to the Trust	Annual lease rental of RM31,920,000
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Wholly-owned subsidiary company

MANAGER'S REPORT

MATERIAL CONTRACTS (CONT'D.)

Name	Hotel 25 Sdn. Bhd.
Date of agreement	31 October 2023
General nature	Agreement for lease
Consideration passing to the Trust	Annual lease rental of RM9,660,000
Mode of satisfaction of the consideration	By cash
Relationship with the major unitholder	Wholly-owned subsidiary company

MATERIAL LITIGATION

There was no material litigation as at the date of this report.

SOFT COMMISSION

During the financial year, the Manager did not receive any soft commission (ie. goods and services) from its broker, by virtue of transactions conducted by the Trust.

MANAGER'S REMUNERATION

Pursuant to the Second Restated Deed, the Manager is entitled to receive from the Trust:-

(a) a base fee of up to 1.0% per annum of the gross asset value of the Group;

(b) a performance fee of up to 5.0% of the Group's net property income, but before deduction of property management fees payable to any property manager appointed to manage any real estate;

(c) an acquisition fee of 1.0% of the acquisition price of any real estate or single-purpose company purchased for the Group (pro rated if applicable to the proportion of the interest of the Group in the asset acquired); and

(d) a divestment fee of 0.5% of the sale price of any asset being real estate or a single-purpose company sold or divested by the Group (pro rated if applicable to the proportion of the interest of the Group in the asset sold).

The remuneration received by the Manager during the financial year is disclosed in Notes 7 and 32 to the financial statements.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the financial statements of the Group and of the Trust were made out, the Manager took reasonable steps:-

(a) to ascertain that proper action has been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there are no known bad debts to be written off and that no allowance for doubtful debts is required; and

(b) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records of the Group and of the Trust in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Manager is not aware of any circumstances:-

(a) which would necessitate the writing off of bad debts and render the allowance for doubtful debts in the financial statements of the Group and of the Trust inadequate to any substantial extent; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Trust misleading; or

(c) which have arisen that render adherence to the existing method of valuation of assets or liabilities of the Group and of the Trust misleading or inappropriate.

At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Trust which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group and of the Trust which has arisen since the end of the financial year.

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, in the opinion of the Directors of the Manager, will or may affect the ability of the Group and of the Trust to meet its obligations as and when they fall due.

OTHER STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

The Directors of the Manager state that:-

At the date of this report, they are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Trust which would render any amount stated in the financial statements misleading.

In their opinion,

(a) the results of the operations of the Group and of the Trust during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Trust for the financial year in which this report is made.

MANAGER'S REPORT

AUDITORS

The auditors, HLB Ler Lum Chew PLT, have expressed their willingness to continue in office.

Signed on behalf of the Board of Pintar Projek Sdn. Bhd. in accordance with a resolution of the Directors,

Tan Sri (Sir) Yeoh Sock Ping, PSM, KBE

Dato' Setia Yeoh Seok Kah

Dated: 15 September 2026

STATEMENT BY MANAGER

In the opinion of the Directors of Pintar Projek Sdn. Bhd. ("Manager"), the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts and the deed dated 18 November 2005 (as amended and restated) so as to give a true and fair view of the financial position of YTL Hospitality REIT ("Trust") and its subsidiaries ("Group") as at 30 June 2026 and financial performance and cash flows of the Group and of the Trust for the financial year then ended.

Signed on behalf of the Board of Pintar Projek Sdn. Bhd. in accordance with a resolution of the Directors,

Tan Sri (Sir) Yeoh Sock Ping, PSM, KBE

Dato' Setia Yeoh Seok Kah

Dated: 15 September 2026

STATUTORY DECLARATION

I, Dato' Setia Yeoh Seok Kah, being the Director of Pintar Projek Sdn. Bhd. primarily responsible for the financial management of YTL Hospitality REIT, do solemnly and sincerely declare that to the best of my knowledge and belief the accompanying financial statements are 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.

Dato' Setia Yeoh Seok Kah

Subscribed and solemnly declared by the
abovenamed Dato' Setia Yeoh Seok Kah
at Kuala Lumpur on 15 September 2026

Before me:

Shahrizal Nasrul
Commissioner for Oaths

TRUSTEE'S REPORT

to the Unitholders of YTL Hospitality REIT

We have acted as trustee of YTL Hospitality REIT ("Trust") for the financial year ended 30 June 2026. To the best of our knowledge, Pintar Projek Sdn. Bhd., the manager of the Trust has managed the Trust in accordance with the roles and responsibilities and limitation imposed on the investment powers of the management company under the deed dated 18 November 2005 (as amended and restated) ("Deed"), the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts, the Capital Markets and Services Act 2007 and other applicable laws during the financial year ended 30 June 2026.

We are of the opinion that:

(i) the valuation/pricing of the Trust's units are adequate and such valuation/pricing is carried out in accordance with the Deed and other regulatory requirements; and

(ii) the income distributions declared and paid during the financial year ended 30 June 2026 are in line with and are reflective of the objectives of the Trust.

For **Maybank Trustees Berhad**
[Company No.: 196301000109 (5004-P)]

NORADILAH BINTI NORDIN
Head, Corporate Trust

Dated: 15 September 2026
Kuala Lumpur, Malaysia

INDEPENDENT AUDITORS' REPORT

to the Unitholders of YTL Hospitality REIT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of YTL Hospitality REIT ("Trust") and its subsidiaries ("Group"), which comprise the statements of financial position as at 30 June 2026 of the Group and of the Trust, and the income statements, statements of other comprehensive income, statements of changes in net asset value and statements of cash flows of the Group and of the Trust for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 130 to 191.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Trust as at 30 June 2026, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Trust in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the *International Ethics Standards Board for Accountants' 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 the Group and of the Trust for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Trust as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Fair value of investment properties

The risk

We refer to Notes 2(e)(i), 3(a)(i) and 12 to the financial statements.

As at 30 June 2026, the Group's and the Trust's investment properties, carried at fair value, amounted to RM3,192.828 million and RM2,688.900 million, respectively.

The fair values of the Group's and Trust's investment properties are primarily determined based on independent professional valuations using the income capitalisation approach, which estimates the rental income stream, net projected operating costs, using capitalisation rates derived from market yields which were reflected accordingly in the key assumptions in determining the fair value of the investment properties. Valuation is carried out on the investment properties by independent professional valuers every year.

We focused on this area due to the magnitude of the balance and the complexities and judgement in determining the fair value of the investment properties, which involves significant estimation and judgement.

INDEPENDENT AUDITORS' REPORT
to the Unitholders of YTL Hospitality REIT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

Key Audit Matters (cont'd.)

1. Fair value of investment properties (cont'd.)

How our audit addressed the key audit matter

Our and component auditors' audit procedures included the following:

- evaluated the competence, capability and objectivity of the external valuers based on their professional qualifications and relevant experience in the segment of investment properties being valued.
- discussed the methodology and assumptions used in the valuation and assessed the reasonableness of the assumptions with the external valuers.
- tested a sample of the input data used in the valuation reports such as rental rates, rental periods and outgoings to the underlying lease agreements and other supporting documentation.
- evaluated the Group'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, by comparing them to the information disclosed in the valuation reports and assessed the reasonableness of the assumptions.

2. Revaluation of freehold land and buildings

The risk

We refer to Notes 2(e)(ii), 3(b) and 13 to the financial statements.

As at 30 June 2026, the Group's freehold land and buildings classified as property, plant and equipment measured based on the revaluation model amounted to RM2,029.702 million.

Freehold land is carried at the revalued amount less accumulated impairment losses and buildings are carried at the revalued amounts less accumulated depreciation and accumulated impairment losses. Valuation is carried out on the freehold land and buildings by an independent professional valuer every year.

The valuation of freehold land and buildings is significant to our audit due to their magnitude and the complexities in determining the valuation of these land and buildings which has a high dependency on a range of estimates (amongst others, forecast income, discount rate and capitalisation rate) which are based on current and future market or economic conditions.

How our audit addressed the key audit matter

Our and component auditors' audit procedures included the following:

- evaluated the competence, capability and objectivity of the external valuers based on their professional qualifications and relevant experience in the segment of freehold land and buildings being valued.
- checked the accuracy and completeness of the input data used in the valuations.
- used component auditors' internal valuation specialist in assessing the appropriateness of methodologies used and the reasonableness of the key assumptions applied in the valuations.
- evaluated the Group'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 valuation of the land and buildings, by comparing them to the information disclosed in the valuation reports.

INDEPENDENT AUDITORS' REPORT
to the Unitholders of YTL Hospitality REIT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Manager 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 the Group and of the Trust and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Trust, 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 the Group and of the Trust 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 in this regard.

Responsibilities of the Directors of the Manager for the Financial Statements

The Directors of the Manager of the Trust are responsible for the preparation of financial statements of the Group and of the Trust that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Securities Commission Malaysia's Guidelines on Listed Real Estate Investment Trusts. The Directors of the Manager are also responsible for such internal control as the Directors of the Manager determine is necessary to enable the preparation of financial statements of the Group and of the Trust that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Trust, the Directors of the Manager are responsible for assessing the Group's and the Trust'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 Directors of the Manager either intend to liquidate the Group or the Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Trust 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.

INDEPENDENT AUDITORS' REPORT
to the Unitholders of YTL Hospitality REIT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd.)

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Trust, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors of the Manager.
- Conclude on the appropriateness of the Directors of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Trust or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Trust, including the disclosures, and whether the financial statements of the Group and of the Trust represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITORS' REPORT
to the Unitholders of YTL Hospitality REIT

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D.)

Other Matters

This report is made solely to the unitholders of the Trust, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

HLB LER LUM CHEW PLT
201906002362 & AF 0276
Chartered Accountants

CHEW LOONG JIN
03279/03/2027 J
Chartered Accountant

Dated: 15 September 2026
Kuala Lumpur

INCOME STATEMENTS

for the financial year ended 30 June 2026

	Note	Group		Trust	
		2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Revenue					
– Hotel revenue	4	**371,391**	358,579	**-**	-
– Property revenue	4	**198,956**	189,745	**172,619**	163,117
Total revenue		**570,347**	548,324	**172,619**	163,117
Operating expenses					
– Hotel operating expenses	5	**(245,108)**	(242,475)	**-**	-
– Property operating expenses	5	**(11,265)**	(13,777)	**(8,578)**	(8,241)
Total operating expenses		**(256,373)**	(256,252)	**(8,578)**	(8,241)
Net property income		**313,974**	292,072	**164,041**	154,876
Finance and other income	6	**10,562**	8,180	**92,052**	97,191
Expenses					
- Manager's fees	7	**(11,832)**	(11,139)	**(11,832)**	(11,139)
- Trustee's fees	8	**(1,666)**	(1,589)	**(1,666)**	(1,589)
- Depreciation		**(55,394)**	(57,250)	**(2)**	(3)
- Finance costs	9	**(110,420)**	(121,775)	**(110,233)**	(121,678)
- Administration expenses		**(6,434)**	(5,073)	**(3,276)**	(806)
- Auditors' remuneration		**(912)**	(869)	**(147)**	(146)
- Tax agent's fees		**(407)**	(274)	**(12)**	(12)
- Valuation fees		**(450)**	(374)	**(450)**	(374)
– Unrealised gain/(loss) on foreign exchange		**15,070**	10,520	**(9,212)**	(14,198)
Changes in fair value					
– Fair value of investment properties:					
– As per valuation reports	12	**92,202**	25,604	**10,887**	17,383
– Unrealised lease income	12	**15,130**	18,709	**13,876**	16,565
– Reversal of revaluation decrement on property, plant and equipment		**-**	7,890	**-**	-
Profit before tax		**259,423**	164,632	**144,026**	136,070
Income tax expense	10	**(18,683)**	(16,080)	**(1,575)**	(1,259)
Profit after tax		**240,740**	148,552	**142,451**	134,811

The accompanying notes form an integral part of the financial statements.

INCOME STATEMENTS

for the financial year ended 30 June 2026

	Note	Group		Trust	
		2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Profit after tax		**240,740**	148,552	**142,451**	134,811
Distribution adjustments					
– Unrealised lease income		**15,130**	18,709	**13,876**	16,565
– Depreciation		**55,394**	57,250	**2**	3
– Fair value changes on properties		**(107,332)**	(52,203)	**(24,763)**	(33,948)
– Net income from foreign operations		**(48,084)**	(30,159)	**-**	-
– Unrealised foreign translation differences		**(15,070)**	(10,520)	**9,212**	14,198
Income available for distribution		**140,778**	131,629	**140,778**	131,629
Net income distribution					
– Interim income distribution paid on 31 March 2026 (2025: paid on 27 March 2025)		**52,514**	49,645	**52,514**	49,645
– Final income distribution paid on 28 August 2026 (2025: paid on 29 August 2025)		**88,264**	82,445	**88,264**	82,445
Total income distribution		**140,778**	132,090	**140,778**	132,090
Income distribution per unit					
Interim income distribution					
– Gross (sen)		**3.0811**	2.9128	**3.0811**	2.9128
Final income distribution					
– Gross (sen)		**4.9189**	4.8372	**4.9189**	4.8372
Total income distribution per unit (sen)		**8.0000**	7.7500	**8.0000**	7.7500
Earnings per unit					
– after manager's fees (sen)	11	**13.92**	8.72	**8.23**	7.91
– before manager's fees (sen)	11	**14.60**	9.37	**8.92**	8.56

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF OTHER COMPREHENSIVE INCOME

for the financial year ended 30 June 2026

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Profit after tax	**240,740**	148,552	**142,451**	134,811
Other comprehensive (loss)/income				
Item that may be reclassified subsequently to income statements				
– currency translation differences	**(53,221)**	(147,718)	**–**	–
Item that will not be reclassified subsequently to income statements				
– surplus on revaluation of properties	**198,571**	93,966	**–**	–
Total comprehensive income	**386,090**	94,800	**142,451**	134,811
Profit after tax is made up as follows:–				
Realised and distributable	**188,862**	161,788	**140,778**	131,629
Unrealised items	**51,878**	(13,236)	**1,673**	3,182
	240,740	148,552	**142,451**	134,811
Total comprehensive income is made up as follows:–				
Profit after tax	**240,740**	148,552	**142,451**	134,811
Surplus on revaluation of properties	**198,571**	93,966	**–**	–
Unrealised currency translation differences from foreign operations	**(53,221)**	(147,718)	**–**	–
	386,090	94,800	**142,451**	134,811

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

as at 30 June 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Trust 2026 RM'000	Trust 2025 RM'000
ASSETS					
Non-current assets					
Investment properties	12	**3,324,500**	3,214,412	**2,688,900**	2,662,900
Property, plant and equipment	13	**2,092,381**	1,915,112	**-**	-
Right-of-use asset	14	**190**	192	**190**	192
Investment in subsidiaries	15	**-**	-	**558,054**	558,054
Amount due from subsidiaries	15	**-**	-	**1,318,330**	1,255,624
Deferred tax assets	16	**3,010**	3,067	**-**	-
		5,420,081	5,132,783	**4,565,474**	4,476,770
Current assets					
Investment	17	**104,065**	-	**104,065**	-
Inventories	18	**565**	632	**-**	-
Trade receivables	19	**11,774**	11,036	**197**	187
Other receivables and prepayments	20	**42,306**	30,533	**12,938**	11,868
Amount due from subsidiaries	15	**-**	-	**124,609**	111,935
Income tax assets		**309**	1,243	**-**	-
Deposits with licensed financial institutions	21	**185,467**	147,673	**65,391**	75,145
Cash at banks		**124,982**	121,533	**3,496**	2,299
		469,468	312,650	**310,696**	201,434
Total assets		**5,889,549**	5,445,433	**4,876,170**	4,678,204
UNITHOLDERS' FUNDS AND LIABILITIES					
Unitholders' funds					
Unitholders' capital	22	**1,784,220**	1,690,806	**1,784,220**	1,690,806
Undistributed realised income		**345,571**	297,487	**207,349**	207,349
Reserves	23	**1,148,293**	951,065	**357,283**	355,610
Total unitholders' funds/Net asset value ("NAV")		**3,278,084**	2,939,358	**2,348,852**	2,253,765

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

as at 30 June 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Trust 2026 RM'000	Trust 2025 RM'000
LIABILITIES					
Non-current liabilities					
Borrowings	24	**1,242,802**	191,628	**1,242,802**	191,628
Medium Term Notes	25	**1,065,000**	1,155,000	**-**	-
Lease liability	14	**201**	202	**201**	202
Other payables	26	**1,247**	1,105	**-**	-
Amount due to subsidiaries	15	**-**	-	**1,065,000**	1,155,000
		2,309,250	1,347,935	**2,308,003**	1,346,830
Current liabilities					
Borrowings	24	**-**	976,479	**-**	976,479
Medium Term Notes	25	**114,343**	-	**-**	-
Trade payables	27	**3,916**	9,151	**-**	-
Other payables	26	**75,749**	79,252	**15,764**	18,685
Amount due to subsidiaries	15	**-**	-	**115,287**	-
Income tax liabilities		**19,943**	10,813	**-**	-
Provision for income distribution	28	**88,264**	82,445	**88,264**	82,445
		302,215	1,158,140	**219,315**	1,077,609
Total liabilities		**2,611,465**	2,506,075	**2,527,318**	2,424,439
Total unitholders' funds and liabilities		**5,889,549**	5,445,433	**4,876,170**	4,678,204
NAV before distribution		**3,418,862**	3,071,448	**2,489,630**	2,385,855
NAV after distribution		**3,278,084**	2,939,358	**2,348,852**	2,253,765
Number of units in circulation ('000)	22	**1,794,389**	1,704,389	**1,794,389**	1,704,389
NAV per unit (RM)					
- before income distribution		**1.905**	1.802	**1.387**	1.400
- after income distribution		**1.827**	1.725	**1.309**	1.322

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN NET ASSET VALUE

for the financial year ended 30 June 2026

	Distributable	<---------- Non-distributable ---------->				
	Unitholders' Capital RM'000	Undistributed Realised Income RM'000	Unrealised Loss RM'000	Currency Translation Reserves RM'000	Revaluation Reserve RM'000	Total Unitholders' Funds RM'000
Group - 2026						
At 1 July 2025	**1,690,806**	**297,487**	**(231,964)**	**(162,787)**	**1,345,816**	**2,939,358**
Operations for the financial year ended 30 June 2026						
Profit for the year	**-**	**188,862**	**51,878**	**-**	**-**	**240,740**
Revaluation surplus	**-**	**-**	**-**	**-**	**198,571**	**198,571**
Currency translation differences	**-**	**-**	**-**	**(75,359)**	**22,138**	**(53,221)**
Total other comprehensive (loss)/income	**-**	**-**	**-**	**(75,359)**	**220,709**	**145,350**
Total comprehensive income/(loss) for the year	**-**	**188,862**	**51,878**	**(75,359)**	**220,709**	**386,090**
Unitholders transactions						
Issuance of units	**94,500**	**-**	**-**	**-**	**-**	**94,500**
Unit issuance expenses	**(1,086)**	**-**	**-**	**-**	**-**	**(1,086)**
Distributions paid	**-**	**(52,514)**	**-**	**-**	**-**	**(52,514)**
Provision for income distribution (Note 28)	**-**	**(88,264)**	**-**	**-**	**-**	**(88,264)**
Increase/(Decrease) in net assets resulting from unitholders transactions	**93,414**	**(140,778)**	**-**	**-**	**-**	**(47,364)**
At 30 June 2026	**1,784,220**	**345,571**	**(180,086)**	**(238,146)**	**1,566,525**	**3,278,084**
Group - 2025						
At 1 July 2024	1,690,806	267,789	(218,728)	(187,418)	1,424,199	2,976,648
Operations for the financial year ended 30 June 2025						
Profit/(Loss) for the year	-	161,788	(13,236)	-	-	148,552
Revaluation surplus	-	-	-	-	93,966	93,966
Currency translation differences	-	-	-	24,631	(172,349)	(147,718)
Total other comprehensive income/(loss)	-	-	-	24,631	(78,383)	(53,752)
Total comprehensive income/(loss) for the year	-	161,788	(13,236)	24,631	(78,383)	94,800
Unitholders transactions						
Distributions paid	-	(49,645)	-	-	-	(49,645)
Provision for income distribution (Note 28)	-	(82,445)	-	-	-	(82,445)
Decrease in net assets resulting from unitholders transactions	-	(132,090)	-	-	-	(132,090)
At 30 June 2025	1,690,806	297,487	(231,964)	(162,787)	1,345,816	2,939,358

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN NET ASSET VALUE

for the financial year ended 30 June 2026

		Distributable	<---------- Non-distributable ---------->			
	Unitholders' Capital RM'000	Undistributed Realised Income RM'000	Unrealised Income RM'000	Currency Translation Reserves RM'000	Revaluation Reserve RM'000	Total Unitholders' Funds RM'000
Trust - 2026						
At 1 July 2025	**1,690,806**	**207,349**	**355,610**	**-**	**-**	**2,253,765**
Operations for the financial year ended 30 June 2026						
Profit for the year	**-**	**140,778**	**1,673**	**-**	**-**	**142,451**
Total comprehensive income for the year	**-**	**140,778**	**1,673**	**-**	**-**	**142,451**
Unitholders transactions						
Issuance of units	**94,500**	**-**	**-**	**-**	**-**	**94,500**
Unit issuance expenses	**(1,086)**	**-**	**-**	**-**	**-**	**(1,086)**
Distributions paid	**-**	**(52,514)**	**-**	**-**	**-**	**(52,514)**
Provision for income distribution (Note 28)	**-**	**(88,264)**	**-**	**-**	**-**	**(88,264)**
Increase/(Decrease) in net assets resulting from unitholders transactions	**93,414**	**(140,778)**	**-**	**-**	**-**	**(47,364)**
At 30 June 2026	**1,784,220**	**207,349**	**357,283**	**-**	**-**	**2,348,852**
Trust - 2025						
At 1 July 2024	1,690,806	207,810	352,428	-	-	2,251,044
Operations for the financial year ended 30 June 2025						
Profit for the year	-	131,629	3,182	-	-	134,811
Total comprehensive income for the year	-	131,629	3,182	-	-	134,811
Unitholders transactions						
Distributions paid	-	(49,645)	-	-	-	(49,645)
Provision for income distribution (Note 28)	-	(82,445)	-	-	-	(82,445)
Decrease in net assets resulting from unitholders transactions	-	(132,090)	-	-	-	(132,090)
At 30 June 2025	1,690,806	207,349	355,610	-	-	2,253,765

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

for the financial year ended 30 June 2026

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	**259,423**	164,632	**144,026**	136,070
Adjustments for:				
Amortisation of transaction costs	**3,618**	3,062	**3,618**	3,062
Depreciation	**55,394**	57,250	**2**	3
Fair value changes	**(107,332)**	(52,203)	**(24,763)**	(33,948)
Interest income	**(8,611)**	(6,216)	**(84,892)**	(86,580)
Interest expense	**106,465**	118,468	**106,465**	118,468
Dividend income	**-**	-	**(7,160)**	(10,600)
Loss on disposal of property, plant and equipment	**289**	216	**-**	-
Unrealised (gain)/loss on foreign exchange	**(15,070)**	(10,520)	**9,212**	14,198
Operating profit before changes in working capital	**294,176**	274,689	**146,508**	140,673
Decrease/(Increase) in inventories	**76**	(28)	**-**	-
Decrease in receivables	**2,335**	10,767	**19,957**	16,349
(Decrease)/Increase in payables	**(9,097)**	15,846	**(3,385)**	2,339
Inter-company balances	**-**	-	**(14,663)**	(11,498)
Cash generated from operations	**287,490**	301,274	**148,417**	147,863
Income tax paid	**(8,531)**	(9,448)	**-**	-
Income tax refunded	**1**	1	**-**	-
Net cash from operating activities	**278,960**	291,827	**148,417**	147,863
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	**7,956**	6,216	**84,237**	86,580
Acquisition of property, plant and equipment	**(4,601)**	(6,062)	**-**	-
Enhancements of investment properties	**(13,000)**	(60,689)	**(13,000)**	(60,689)
Advance to subsidiary	**-**	-	**(96,475)**	(35,654)
Capital expenditure on investment property under development	**(87,705)**	(31,147)	**-**	-
Acquisition of investment properties	**-**	(40,420)	**-**	(40,420)
Investment in income fund	**(104,500)**	-	**(104,500)**	-
Redemption of income fund	**1,090**	-	**1,090**	-
Net cash used in investing activities	**(200,760)**	(132,102)	**(128,648)**	(50,183)

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

for the financial year ended 30 June 2026

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
CASH FLOWS FROM FINANCING ACTIVITIES				
Distribution paid	**(134,959)**	(119,321)	**(134,959)**	(119,321)
Interest paid	**(108,106)**	(122,031)	**(108,106)**	(122,031)
Proceeds from borrowings	**121,475**	138,610	**96,475**	35,654
Advance from subsidiaries	**-**	-	**25,000**	95,000
Transaction costs paid	**(4,078)**	(4,110)	**(137)**	(2,530)
Payment of lease liability	**(11)**	(10)	**(11)**	(10)
Proceeds from issuance of units	**94,500**	-	**94,500**	-
Unit issuance expenses	**(1,086)**	-	**(1,086)**	-
Net cash used in financing activities	**(32,265)**	(106,862)	**(28,324)**	(113,238)
Net changes in cash and cash equivalents	**45,935**	52,863	**(8,555)**	(15,558)
Effect on exchange rate changes	**(4,692)**	(17,358)	**(2)**	674
Cash and cash equivalents at beginning of the financial year	**269,206**	233,701	**77,444**	92,328
Cash and cash equivalents at end of the financial year	**310,449**	269,206	**68,887**	77,444
NOTES TO THE STATEMENTS OF CASH FLOWS				
Cash and cash equivalents comprise:-				
Deposits with licensed financial institutions	**185,467**	147,673	**65,391**	75,145
Cash at banks	**124,982**	121,533	**3,496**	2,299
	310,449	269,206	**68,887**	77,444
Analysis of enhancements of investment properties:-				
Cash drawdown from borrowings	**13,000**	60,689	**-**	-
Cash drawdown from advance from subsidiary	**-**	-	**13,000**	60,689
Accruals	**366**	2,175	**366**	2,175
	13,366	62,864	**13,366**	62,864
Analysis of capital expenditure on investment property under development:-				
Cash drawdown from borrowings	**87,705**	31,147	**-**	-

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
for the financial year ended 30 June 2026

Reconciliation of liabilities arising from financing activities

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Borrowings, Medium Term Notes, lease liability, and amount due to subsidiaries				
At beginning of the financial year	**2,323,309**	2,317,903	**2,323,309**	2,317,903
Cash (outflow)/inflow				
Interest paid	**(108,106)**	(122,031)	**(108,106)**	(122,031)
Advance from subsidiaries	**-**	-	**25,000**	95,000
Proceeds from borrowings	**121,475**	138,610	**96,475**	35,654
Transaction costs paid	**(4,078)**	(4,110)	**(137)**	(2,530)
Payment of lease liability	**(11)**	(10)	**(11)**	(10)
Non-cash changes				
Additional investment in subsidiary (Note 15)*	**-**	-	**-**	7,956
Inter-company balance **	**-**	-	**(2,997)**	(1,580)
Finance costs	**110,083**	121,530	**110,083**	121,530
Finance costs capitalised	**1,651**	3,573	**1,651**	3,573
Currency translation differences	**(21,977)**	(132,156)	**(21,977)**	(132,156)
At end of the financial year	**2,422,346**	2,323,309	**2,423,290**	2,323,309

* The additional investment in subsidiary is settled via capitalisation of debt.

** Represents amount due to subsidiaries arising from payments made by the subsidiaries on behalf of the Trust in relation to financing activities.

The reconciliation of liabilities are made up of the following balances:-

		Group		Trust	
	Note	**2026 RM'000**	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Non-current liabilities					
Borrowings	24	**1,242,802**	191,628	**1,242,802**	191,628
Medium Term Notes	25	**1,065,000**	1,155,000	**-**	-
Lease liability	14	**201**	202	**201**	202
Amount due to subsidiaries	15	**-**	-	**1,065,000**	1,155,000
Current liabilities					
Borrowings	24	**-**	976,479	**-**	976,479
Medium Term Notes	25	**114,343**	-	**-**	-
Amount due to subsidiaries	15	**-**	-	**115,287**	-
		2,422,346	2,323,309	**2,423,290**	2,323,309

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The principal activity of Pintar Projek Sdn. Bhd. ("Manager"), the manager of YTL Hospitality REIT ("YTL REIT" or "Trust"), is the management of real estate investment trusts.

YTL REIT was established on 18 November 2005 pursuant to a trust deed ("Principal Deed") entered into between the Manager and Maybank Trustees Berhad ("Trustee") and is classified under the real estate investment trusts sector. The Principal Deed was registered with the Securities Commission Malaysia ("SC") and had been amended and restated by a second restated deed dated 25 November 2019 ("Second Restated Deed").

The consolidated financial statements reported for the financial year ended 30 June 2026 relates to the Trust and its subsidiaries ("Group").

The address of the registered office of the Manager is as follows:-

33rd Floor, Menara YTL
205 Jalan Bukit Bintang
55100 Kuala Lumpur

The address of the principal place of business of the Manager is as follows:-

25th Floor, Menara YTL
205 Jalan Bukit Bintang
55100 Kuala Lumpur

YTL REIT was listed on the Main Market of Bursa Malaysia Securities Berhad on 16 December 2005 and is an income and growth type fund. The investment objective of YTL REIT is to own and invest in real estate and real estate-related assets, whether directly or indirectly through the ownership of single-purpose companies whose principal assets comprise real estate.

For financial reporting purpose, YTL REIT is regarded as a subsidiary of YTL Corporation Berhad, which is incorporated in Malaysia. Accordingly, the ultimate holding company is Yeoh Tiong Lay & Sons Family Holdings Limited, which is incorporated in Jersey.

2. BASIS OF PREPARATION

(a) Statement of compliance and basis of accounting

The financial statements of the Group and the Trust have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards, accounting principles generally acceptable in Malaysia, the SC's Guidelines on Listed Real Estate Investment Trusts ("Listed REIT Guidelines") and the Second Restated Deed.

These financial statements have been prepared on the historical cost convention (unless stated otherwise in the material accounting policy information).

2. BASIS OF PREPARATION (CONT'D.)

(b) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Trust's functional currency. All financial information has been rounded to the nearest thousand ('000), unless otherwise stated.

(c) Changes in accounting policies and disclosures

The Group and the Trust adopted the following amendments to the standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") for annual financial year beginning on or after 1 July 2025.

Amendments to MFRS
Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

The adoption of the above amendment to the standards did not have any significant financial impact to the Group and the Trust.

(d) The new or revised financial reporting standards effective for financial year beginning on or after 1 July 2026

The following are accounting standards, amendments and interpretations of the MFRS Framework that have been issued by the MASB but have not been adopted by the Group and the Trust.

MFRS and Amendments to MFRSs	Effective date
Annual Improvement to MFRS Accounting Standards – Volume 11 • Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards • Amendments to MFRS 7 Financial Instruments: Disclosures • Amendments to MFRS 9 Financial Instruments • Amendments to MFRS 10 Consolidated Financial Statements • Amendments to MFRS 107 Statements of Cash Flows	1 January 2026
Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures (Classification and Measurement of Financial Instruments)	1 January 2026
Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: Disclosures (Contracts Referencing Nature-dependent Electricity)	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 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (CONT'D.)

(d) The new or revised financial reporting standards effective for financial year beginning on or after 1 July 2026 (cont'd.)

MFRS and Amendments to MFRSs	Effective date
Amendments to MFRS 121, The Effects of Changes in Foreign Exchange Rates (Translation to a Hyperinflationary Presentation Currency)	1 January 2027
Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	To be announced by the MASB Board

The Group and the Trust plan to apply the accounting standards and amendments when they become effective.

The initial applications of the accounting standards, amendments or interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Trust.

(e) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS requires the Directors of the Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed below:-

(i) Fair value estimates for investment properties

The Group and the Trust carry investment properties at fair value, which requires extensive use of accounting estimates and judgements. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group and the Trust use different valuation methodologies. Any changes in fair value of these investment properties would affect the income statements.

(ii) Revaluation of properties

The Group's properties which are reported at valuation are based on valuations performed by independent professional valuers. Two primary valuation approaches are used: the Income Capitalisation approach and the Discounted Cash Flow approach from which a best estimate of fair value is derived at a point in time. The key assumptions and estimates used in these valuation approaches include:

- Forecast future hotel income, based on the location, type and quality of the property, which are supported by forecast occupancy and average daily rate information or external evidence such as current industry averages and trading benchmarks for similar properties.
- The capitalisation rates and discount rates derived from recent comparable market transactions, adjusted for prolonged economic uncertainty and which reflects the uncertainty in the amount and timing of cash flows.

2. BASIS OF PREPARATION (CONT'D.)

(f) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Trust and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Trust.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Investment properties

(i) Investment properties carried at fair value

Investment properties consist of freehold and leasehold land and buildings which are held for long term rental yield or for capital appreciation or both.

Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in income statements for the period in which they arise.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in income statements in the period in which the item is derecognised.

A property interest held under operating lease is classified and accounted for as investment property as the Group and the Trust holds it to earn rental income or for capital appreciation or both.

(ii) Investment properties carried at cost

Investment properties include properties that are being constructed or developed for future use. Upon completion, the investment properties are held for long term rental yield or for capital appreciation or both.

The cost comprises its acquisition cost and costs which is directly attributable to the acquisition of the investment properties. For self-developed investment property, the cost includes materials, direct labour, capitalised borrowing costs and any other costs directly attributable in bringing the investment property to a working condition for its intended use.

For investment property under development which the fair value is not reliably measurable on a continuing basis, it is measured at cost until either its fair value becomes reliably measurable or development is completed, whichever is earlier.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(a) Investment properties (cont'd.)

(iii) Determination of fair value

An external independent valuation firm, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's investment property portfolio at least once a financial year, in compliance with the SC's Listed REIT Guidelines. The frequency of revaluation of the Group's real estate assets is at least once during each financial year.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows is then applied to the net annual cash flows to arrive at the property valuation.

Valuation reflects, where appropriate:-

- the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness;
- the allocation of property taxes, maintenance and insurance responsibilities between the Group and the lessee; and
- the remaining economic life of the property.

When lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in income statements in the period in which the item is derecognised.

Any increase or decrease arising from changes in the fair value is credited or charged directly to income statements as a net appreciation or depreciation in the value of the investment properties.

(b) Property, plant and equipment

Property, plant and equipment are initially recognised at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. Freehold land is subsequently carried at the revalued amount less accumulated impairment losses. Buildings are subsequently carried at the revalued amounts less accumulated depreciation and accumulated impairment losses while equipment and other assets are carried at cost less accumulated depreciation and any accumulated impairment losses. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statements during the financial year in which they are incurred.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(b) Property, plant and equipment (cont'd.)

Depreciation on property, plant and equipment is calculated on the straight-line basis at rates required to write off the cost of the property, plant and equipment over their estimated useful lives.

The principal annual rates of depreciation used are as follows:-

Buildings	4%
Equipment	4% - 25%
Other assets *	12.5% - 18.8%

* Other assets include assets under construction with no depreciation. Upon completion, assets under construction are transferred to categories of property, plant and equipment depending on nature of assets and depreciation commences when they are ready for their intended use.

After the revaluation of the hotel assets, management has reassessed the useful life of the building and determined it to be 25 years.

Residual values, useful life and depreciation method of assets are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

Gains and losses on disposals are determined by comparing net disposal proceeds with net carrying amount and are recognised in the income statements.

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in the income statements. Decreases in carrying amounts that offset previous increases of the same asset are recognised in other comprehensive income. All other decreases in carrying amounts are recognised in the income statements.

When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to undistributed income.

(c) Impairment of non-financial assets

The carrying amounts of assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss.

An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there is separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(c) Impairment of non-financial assets (cont'd.)

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Any subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statements.

(d) Investment in subsidiaries

In the Trust's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the income statements.

(e) Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Trust become a party to the contractual provisions of the financial instrument.

When financial assets (unless they are trade receivables without significant financing component) are recognised initially, they are measured at fair value, plus or minus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Trade receivables without a financing component are initially measured at the transaction price.

The Group and the Trust determine the classification of their financial assets at initial recognition and are not reclassified subsequent to their initial recognition unless the Group and the Trust change 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 of the business model. The categories of financial assets include financial assets at amortised cost and financial assets at fair value through profit or loss.

Amortised cost

The Group's and the Trust's financial assets at amortised cost include trade and other receivables, amount due from subsidiaries and cash and cash equivalents.

Financial assets that are held for collection of contractual cash flows are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Gains and losses are recognised in income statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the income statements.

Financial assets at amortised cost are subject to review for impairment as disclosed in Note 3(f) below.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(e) Financial assets (cont'd.)

Fair value through profit or loss ("FVTPL")

The Group's and the Trust's investment is classified as financial assets at FVTPL. Such investment is initially recognised at fair value, with directly attributable transaction costs recognised immediately in the income statements. Subsequent to initial recognition, the investment is measured at fair value, with changes in fair value recognised in the income statements as they arise. Dividend or other investment income is recognised in the income statements when the Group's and the Trust's right to receive the income is established.

(f) Impairment of financial assets

The Group and the Trust assess on a forward-looking basis the expected credit loss ("ECL") associated with its financial assets carried at amortised cost. ECL represents a probability-weighted estimate of the credit losses.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group and the Trust consider reasonable and supportable information that is relevant and available when estimating ECL without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on historical experience and informed credit assessment and including forward looking information, where available.

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. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset. An impairment loss is recognised in income statement and the carrying amount of the asset is reduced through the use of an allowance account.

At each reporting date, the Group and the Trust assess whether financial assets are credit-impaired.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the procedures for recovery of amounts due.

The recognition and measurement of impairment loss on financial assets are as disclosed in Note 34(a) to the financial statements.

(g) 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 recognised in the statements of financial position when, and only when, the Group and the Trust become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(g) Financial liabilities (cont'd.)

Amortised cost

The Group's and the Trust's financial liabilities include trade and other payables, amount due to subsidiaries, lease liability, medium term notes and borrowings.

Trade and other payables, lease liability and amount due to subsidiaries are recognised initially at fair value less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Borrowings and medium term notes are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the income statements when the liabilities are derecognised, and through amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished.

(h) Hedges of net investment in foreign operations

The Group applies hedge accounting by designating a non-derivative financial liability as a hedge of a net investment in the foreign operations, with the corresponding foreign currency differences arising on the translation being reclassified to the Group's foreign currency translation reserve. To the extent that the hedge is ineffective, such differences are recognised in the income statements. When the hedged net investment is disposed of, the relevant amount in the foreign currency translation reserve is transferred to the income statement as part of the gain or loss on disposal.

The Group uses loans as hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries. The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, whether the hedging relationships are highly effective in offsetting changes in fair values of the hedged items.

Movements of the hedge in other comprehensive income are shown in Note 23(a) to the financial statements.

(i) Income tax and deferred tax

Income tax on the profit or loss for the financial year comprises current and deferred tax.

Where investment properties and property, plant and equipment are carried at their fair value or revaluation in accordance with the accounting policies set out in Note 3(a) and 3(b), respectively, the amount of deferred tax recognised is measured using the tax rates that would apply on the sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale.

The Group intends to consume substantially all economic benefit through generation of rental income and this income will be subjected to income tax at prevailing rate. For freehold land, for the best interest of the unitholders, it would be sold to other real estate investment trusts and property trust funds approved by the SC, which the gain accruing from the sale will be exempted from real property gains tax.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(i) Income tax and deferred tax (cont'd.)

The Group is subject to the Organisation for Economic Co-operation and Development ("OECD") Pillar Two model rules and have applied the temporary mandatory exception from recognising and disclosing information relating to deferred taxes arising from the global minimum top-up tax and accounts for it as current tax as it is incurred.

(j) Revenue recognition

(i) Revenue from contracts with customers

Revenue from contracts with customers introduces a single revenue recognition model applicable to all types of customer contracts, regardless of the entity's business. This model, which follows five key steps, is based on the principle that revenue is recognised when control of goods or services is transferred to a customer, which may be overtime or at a point in time.

Hotel revenue

The Group generates revenue mainly from providing the service of room rentals to tenants within the hotel and rental of spaces for functions and banquets. The Group also generates revenue from the sale of goods such as food and beverage, as well as minor services such as telecommunication, garage, commissions and services.

Revenue is recognised when the terms of a contract have been satisfied, which occurs when control has been transferred to customers and performance obligations are satisfied. For room revenue, this occurs evenly throughout the duration of the tenant's use on a straight line basis. For functions and banquets, revenue is recognised at a point in time when the performance obligation is satisfied, generally at the provision of the space. Revenue is measured as the amount of consideration the Group expects to receive, which is known at the commencement of the contract. Revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Amounts collected in advance for future services are recorded as contract liability and are recognised as revenue when the services are provided.

(ii) Revenue from other sources

Specific revenue recognition criteria for other revenue and income earned by the Group are as follows:-

(a) Rental income from operating leases and other related charges

Property revenue

Rental income from operating leases is recognised in the income statements on a straight-line basis over the term of the lease.

(b) Interest income

Interest income is recognised as it accrues using the effective interest method in income statements.

(c) Investment income

Distribution income from investment in income fund is recognised when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

(k) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency using exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in the income statements.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at average exchange rates. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in foreign currency translation reserve relating to that particular foreign operation is recognised in the income statements.

4. REVENUE

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Revenue from contracts with customers				
Hotel revenue				
– Rooms	**307,639**	294,256	**-**	-
– Food and beverage income	**49,934**	50,031	**-**	-
– Other hotel operating income	**13,818**	14,292	**-**	-
	371,391	358,579	**-**	-
Rental income from operating leases				
Property revenue (Note 12)				
– Rental income	**211,727**	206,208	**184,136**	177,436
– Unrealised lease income	**(15,130)**	(18,709)	**(13,876)**	(16,565)
– Car park income	**2,359**	2,246	**2,359**	2,246
	198,956	189,745	**172,619**	163,117
Total revenue	**570,347**	548,324	**172,619**	163,117

4. REVENUE (CONT'D.)

The hotel revenue is recognised at a point of time and denominated in one segment and one country (refer Note 37 of the financial statements).

The unrealised lease income is recognised pursuant to the requirements of MFRS 16, Leases to recognise revenue on a straight-line basis over the tenure of the lease in accordance to the respective agreements for lease and supplemental agreements executed, as disclosed in Note 33(b) of the financial statements.

5. OPERATING EXPENSES

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Hotel operating expenses				
– Operating expenses	**138,627**	139,279	**-**	–
– Repair and maintenance expenses	**13,330**	13,142	**-**	–
– Utilities	**8,787**	7,905	**-**	–
– Property taxes	**13,027**	12,154	**-**	–
– Insurance	**956**	1,130	**-**	–
– General and administration expenses	**55,182**	54,555	**-**	–
– Other direct expenses	**15,199**	14,310	**-**	–
	245,108	242,475	**-**	–
Property operating expenses (Note 12)				
– Property taxes	**7,693**	7,673	**5,920**	5,730
– Insurance	**3,572**	3,400	**2,658**	2,499
– Property maintenance	**-**	2,704	**-**	12
	11,265	13,777	**8,578**	8,241
Total operating expenses	**256,373**	256,252	**8,578**	8,241

The staff benefit expense recognised in hotel operating expenses is in respect of the following:-

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Salaries, wages and bonus	**62,091**	62,330	**-**	–
Defined contribution plan	**21,989**	22,319	**-**	–
	84,080	84,649	**-**	–

NOTES TO THE FINANCIAL STATEMENTS

6. FINANCE AND OTHER INCOME

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Finance income from financial assets measured at amortised cost				
– Financial institution deposits interests	**7,956**	6,216	**980**	852
– Subsidiary loan interests	**–**	–	**83,257**	85,728
Finance income from financial assets measured at FVTPL				
– Investment income	**655**	–	**655**	–
Finance income	**8,611**	6,216	**84,892**	86,580
Other income – others include the following items:				
– Currency exchange gains – realised	**–**	11	**–**	11
– Dividend income	**–**	–	**7,160**	10,600

7. MANAGER'S FEES

		Group/Trust	
	Note	**2026 RM'000**	**2025 RM'000**
Base fee	7(a)	**5,553**	5,298
Performance fee	7(b)	**6,279**	5,841
		11,832	11,139

(a) Pursuant to the Second Restated Deed, the base fee, accrued and payable monthly, represents 0.1% per annum of the gross asset value of the Group.

(b) Pursuant to the Second Restated Deed, the performance fee, accrued and payable monthly, represents 2% of the net property income of the Group recorded during the financial year.

8. TRUSTEE'S FEES

Pursuant to the Second Restated Deed, the Trustee's fees, accrued monthly and payable every half year to the Trustee, represents 0.03% per annum of the gross asset value of the Group.

9. FINANCE COSTS

	Note	Group 2026 RM'000	Group 2025 RM'000	Trust 2026 RM'000	Trust 2025 RM'000
Interest expense					
– Term loans	24	**51,033**	65,394	**51,033**	65,394
– Medium Term Notes	25	**55,422**	53,064	**-**	-
– Subsidiaries	15	**-**	-	**55,422**	53,064
– Lease liability	14	**10**	10	**10**	10
Incidental costs incurred to administer the borrowing facilities					
– Amortisation of transaction costs		**3,618**	3,062	**3,618**	3,062
– Facility fee		**283**	215	**110**	125
– Transaction costs		**54**	30	**40**	23
		110,420	121,775	**110,233**	121,678

10. INCOME TAX EXPENSE

	Note	Group 2026 RM'000	Group 2025 RM'000	Trust 2026 RM'000	Trust 2025 RM'000
Current income tax					
– Malaysian income tax					
– current year		**986**	602	**-**	-
– under provision in prior years		**34**	-	**-**	-
– Foreign income tax					
– current year*		**7,673**	7,560	**1,575**	1,259
– under provision in prior years		**195**	166	**-**	-
– Top-up tax		**9,694**	7,836	**-**	-
Deferred tax					
– Origination and reversal of temporary differences	16	**101**	(84)	**-**	-
		18,683	16,080	**1,575**	1,259

The Trust has declared approximately 100% (2025: 100%) of the distributable income to unitholders, which is more than 90% of the taxable income, which income at the Trust level is exempted from tax in accordance with the amended Section 61A of Income Tax Act 1967.

* Included withholding taxes from the foreign interest income received from shareholder loan interest.

NOTES TO THE FINANCIAL STATEMENTS

10. INCOME TAX EXPENSE (CONT'D.)

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and the Trust is as follows:-

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Profit before tax	**259,423**	164,632	**144,026**	136,070
Income tax using Malaysian statutory tax rate of 24% (2025: 24%)	**62,263**	39,512	**34,566**	32,657
Expenses not deductible for tax purposes	**10,180**	18,910	**9,070**	13,166
Utilisation of capital allowances	**(8,706)**	(10,631)	**(8,706)**	(10,631)
Income exempted from tax	**(235)**	(205)	**(235)**	(205)
Income not subject to tax	**(55,119)**	(39,870)	**(33,120)**	(33,728)
Different tax rates in other countries	**377**	362	**-**	-
Top-up tax	**9,694**	7,836	**-**	-
Under provision in prior years	**229**	166	**-**	-
Income tax expense	**18,683**	16,080	**1,575**	1,259

The Group is within the scope of the OECD Pillar Two model rules whereby top-up tax is required in any jurisdiction in which it operates, calculated at the jurisdictional level, when the effective tax rate is lower than the minimum effective tax rate of 15%.

Pillar Two legislation has been enacted or substantively enacted in the jurisdictions in which the Group operates (i.e. Malaysia, Australia and Japan). For jurisdictions where the Pillar Two rules are effective in the current financial year, the Group has assessed that it has met the Transitional Safe Harbour rules tests and no top-up tax is required, except for certain Australian subsidiaries that will be subject to a potential top-up tax amounting to RM9.694 million (2025: RM7.836 million) which has been recognised as current tax expense.

The Group applied the temporary mandatory exception from recognising and disclosing information relating to deferred taxes arising from the Pillar Two rules.

11. EARNINGS PER UNIT

Earnings per unit is calculated by dividing profit for the year by the weighted average number of units in issue during the financial year.

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Profit for the year:				
- after manager's fees	**240,740**	148,552	**142,451**	134,811
- before manager's fees	**252,572**	159,691	**154,283**	145,950
Weighted average number of units in issue ('000)	**1,730,033**	1,704,389	**1,730,033**	1,704,389
Earnings per unit:				
- after manager's fees (sen)	**13.92**	8.72	**8.23**	7.91
- before manager's fees (sen)	**14.60**	9.37	**8.92**	8.56

Diluted earnings per unit equals basic earnings per unit as there were no dilutive potential units in issue as at the end of the financial year.

12. INVESTMENT PROPERTIES

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Completed properties at fair value				
At beginning of the financial year	**3,160,256**	3,029,057	**2,662,900**	2,538,600
Acquisitions	**-**	40,420	**-**	40,420
Enhancements	**13,366**	62,864	**13,366**	62,864
Changes in fair value:				
– Per valuation reports	**92,202**	25,604	**10,887**	17,383
– Unrealised lease income	**15,130**	18,709	**13,876**	16,565
Unrealised lease income	**(15,130)**	(18,709)	**(13,876)**	(16,565)
Finance costs capitalised	**1,615**	3,349	**1,615**	3,349
Property costs capitalised	**132**	284	**132**	284
Currency translation differences	**(74,743)**	(1,322)	**-**	–
At end of the financial year	**3,192,828**	3,160,256	**2,688,900**	2,662,900
Building under development, at cost				
At beginning of the financial year	**54,156**	23,202	**-**	–
Addition	**87,705**	31,147	**-**	–
Currency translation differences	**(10,189)**	(193)	**-**	–
At end of the financial year	**131,672**	54,156	**-**	–
Total investment properties	**3,324,500**	3,214,412	**2,688,900**	2,662,900
Analysis of investment properties at fair value:-				
Freehold land and building	**2,123,328**	2,095,356	**1,619,400**	1,598,000
Leasehold land and building	**540,700**	537,300	**540,700**	537,300
Registered lease and building	**528,800**	527,600	**528,800**	527,600
	3,192,828	3,160,256	**2,688,900**	2,662,900

NOTES TO THE FINANCIAL STATEMENTS

12. INVESTMENT PROPERTIES (CONT'D.)

The fair value of the investment properties as at 30 June 2026 are as follows:-

Description of property	Tenure	Remaining lease period (years)	Initial acquisition cost RM'000	Fair value as at 30.6.2026 RM'000	% of fair value to Net Asset Value as at 30.6.2026 %	Fair value as at 30.6.2025 RM'000	% of fair value to Net Asset Value as at 30.6.2025 %
Real Estate - Commercial							
JW Marriott Hotel Kuala Lumpur	Freehold		331,024	**548,000**	**16.72**	543,000	18.47
The Ritz-Carlton, Kuala Lumpur							
- Suite Wing	Freehold		198,881	**329,600**	**10.06**	329,000	11.19
- Hotel Wing	Freehold		253,017	**374,000**	**11.41**	373,000	12.69
Pangkor Laut Resort	Registered lease	69	98,365	**124,000**	**3.78**	124,000	4.22
Tanjong Jara Resort	Leasehold	41	88,050	**110,200**	**3.36**	108,300	3.69
AC Hotel Kuala Lumpur Titiwangsa	Freehold		101,207	**166,000**	**5.07**	166,000	5.65
AC Hotel Penang Bukit Jambul	Leasehold	68	101,778	**142,600**	**4.35**	142,000	4.83
AC Hotel Kuantan City Centre	Leasehold	66	75,980	**107,900**	**3.29**	107,000	3.64
Cameron Highlands Resort	Leasehold	82	50,649	**63,000**	**1.92**	63,000	2.14
The Majestic Hotel Kuala Lumpur	Registered lease	65	384,221	**404,800**	**12.35**	403,600	13.73
Hotel Stripes Kuala Lumpur	Freehold		139,415	**145,000**	**4.42**	144,000	4.90
AC Hotel Ipoh	Leasehold	868	55,687	**117,000**	**3.57**	117,000	3.98
AC Hotel Puchong	Freehold		40,420	**56,800****	**1.73**	43,000	1.46
Hilton Niseko Village	Freehold		160,683*	**333,777**	**10.18**	307,010	10.45
The Green Leaf Niseko Village	Freehold		150,713*	**170,151**	**5.19**	190,346	6.48
			2,230,090	**3,192,828**	**97.40**	3,160,256	107.52
Net Asset Value				**3,278,084**		2,939,358	

* Initial acquisition cost translated at the exchange rate as at 30 June 2026.

** Included renovation works amounting to RM12.000 million, completed during the year.

12. INVESTMENT PROPERTIES (CONT'D.)

The following are recognised in income statements in respect of investment properties:-

		Group		Trust	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Rental income	4	**198,956**	189,745	**172,619**	163,117
Direct operating expenses:-					
– income generating investment properties	5	**(11,265)**	(13,777)	**(8,578)**	(8,241)
Changes in fair value of investment properties*		**107,332**	44,313	**24,763**	33,948

* The changes in fair value of investment properties of the Group and of the Trust include unrealised lease income amounting to RM15.130 million and RM13.876 million (2025: RM18.709 million and RM16.565 million), respectively.

Investment properties of the Group and of the Trust with carrying amounts of RM2,497.228 million and RM1,993.300 million (2025: RM2,481.955 million and RM1,984.600 million), respectively, are charged as security for financing facilities granted to the Group and the Trust as disclosed in Notes 24 and 25 to the financial statements.

No acquisition fee was paid to the Manager during the current financial year (2025: RM0.400 million). In the previous financial year, the acquisition fee paid was capitalised as part of the incidental costs to the addition of the investment property acquired.

Fair value information

The fair value of the Group's and the Trust's investment properties are categorised as Level 3. The different levels of the fair value hierarchy are defined in Note 35(b) to the financial statements. A valuation is carried out on each property at least once each financial year. The properties were valued by independent professional valuers on 31 May 2026. Knight Frank Malaysia Sdn Bhd and Savills (Malaysia) Sdn Bhd adopted the income approach supported by the comparison approach, while Colliers International Japan KK and Savills Japan Valuation G.K. adopted the income approach supported by direct capitalisation method and the cost approach.

The building under development is measured at cost until the earlier of the date of completion of construction or the date at which the fair value becomes reliably determinable.

During the current financial year, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

NOTES TO THE FINANCIAL STATEMENTS

12. INVESTMENT PROPERTIES (CONT'D.)

Fair value information (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	Inter-relationship between significant unobservable inputs and fair value measurement
Income approach which capitalises the estimate rental income stream, net projected operating costs, using a discount rate derived from market yield.	Malaysian Properties – Capitalisation rate of 4.00% to 14.50% (2025: 4.00% to 14.50%) – Reversion capitalisation rate of 4.75% to 7.00% (2025: 4.75% to 7.50%)	The higher the capitalisation rate, the lower the fair value.
	Japanese Properties – Discount rate of 4.50% to 5.10% (2025: 4.50%) – Capitalisation rate of 4.70% to 5.60% (2025: 4.70% to 4.80%)	The higher the discount rate, the lower the fair value. The higher the capitalisation rate, the lower the fair value.

The investment properties are valued primarily using the income capitalisation method, where a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation (discount) rate based on current market-derived yield rates which reflect the expected return on investments commensurate with the risk exposure associated to the asset and its current usage.

The significant unobservable input is the adjustment for factors specific to the hotel properties. The extent and direction of this adjustment depend on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

13. PROPERTY, PLANT AND EQUIPMENT

Group - 2026	Freehold land RM'000	Buildings RM'000	Equipment RM'000	Other assets RM'000	Total RM'000
Cost/Valuation					
At 1.7.2025	**732,830**	**1,117,661**	**222,936**	**39,745**	**2,113,172**
Additions	**-**	**398**	**1,925**	**2,278**	**4,601**
Adjustments	**-**	**-**	**-**	**(188)**	**(188)**
Transfers	**-**	**25**	**1,009**	**(1,034)**	**-**
Disposals	**-**	**-**	**(962)**	**-**	**(962)**
Revaluation surplus	**87,766**	**110,805**	**-**	**-**	**198,571**
Revaluation adjustments	**-**	**(44,866)**	**-**	**-**	**(44,866)**
Currency translation differences	**11,824**	**17,264**	**3,316**	**599**	**33,003**
At 30.6.2026	**832,420**	**1,201,287**	**228,224**	**41,400**	**2,303,331**
Representing:					
At cost	**-**	**-**	**228,224**	**41,400**	**269,624**
At valuation	**832,420**	**1,201,287**	**-**	**-**	**2,033,707**
At 30.6.2026	**832,420**	**1,201,287**	**228,224**	**41,400**	**2,303,331**
Accumulated depreciation					
At 1.7.2025	**-**	**3,728**	**155,827**	**38,505**	**198,060**
Depreciation charge	**-**	**45,087**	**10,076**	**229**	**55,392**
Disposals	**-**	**-**	**(673)**	**-**	**(673)**
Revaluation adjustments	**-**	**(44,866)**	**-**	**-**	**(44,866)**
Currency translation differences	**-**	**56**	**2,409**	**572**	**3,037**
At 30.6.2026	**-**	**4,005**	**167,639**	**39,306**	**210,950**
Net book value					
At cost	**-**	**-**	**60,585**	**2,094**	**62,679**
At valuation	**832,420**	**1,197,282**	**-**	**-**	**2,029,702**
At 30.6.2026	**832,420**	**1,197,282**	**60,585**	**2,094**	**2,092,381**

NOTES TO THE FINANCIAL STATEMENTS

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Group - 2025	Freehold land RM'000	Buildings RM'000	Equipment RM'000	Other assets RM'000	Total RM'000
Cost/Valuation					
At 1.7.2024	761,522	1,276,169	246,849	48,279	2,332,819
Additions	–	844	1,981	3,237	6,062
Adjustments	–	–	–	(55)	(55)
Transfers	–	798	5,253	(6,051)	–
Disposals	–	–	(1,587)	–	(1,587)
Revaluation surplus	63,864	59,607	–	–	123,471
Revaluation loss	–	(29,505)	–	–	(29,505)
Revaluation adjustments	–	(46,377)	–	–	(46,377)
Reversal of revaluation decrement	–	7,890	–	–	7,890
Currency translation differences	(92,556)	(151,765)	(29,560)	(5,665)	(279,546)
At 30.6.2025	732,830	1,117,661	222,936	39,745	2,113,172
Representing:					
At cost	–	–	222,936	39,745	262,681
At valuation	732,830	1,117,661	–	–	1,850,491
At 30.6.2025	732,830	1,117,661	222,936	39,745	2,113,172
Accumulated depreciation					
At 1.7.2024	–	4,254	166,665	43,447	214,366
Depreciation charge	–	46,357	10,652	238	57,247
Disposals	–	–	(1,371)	–	(1,371)
Revaluation adjustments	–	(46,377)	–	–	(46,377)
Currency translation differences	–	(506)	(20,119)	(5,180)	(25,805)
At 30.6.2025	–	3,728	155,827	38,505	198,060
Net book value					
At cost	–	–	67,109	1,240	68,349
At valuation	732,830	1,113,933	–	–	1,846,763
At 30.6.2025	732,830	1,113,933	67,109	1,240	1,915,112

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

The fair value of the property, plant and equipment are as follows:-

Description of property	Tenure	Initial acquisition cost* RM'000	Fair value as at 30.6.2026 RM'000	% of Fair value to Net Asset Value as at 30.6.2026 %	Fair value as at 30.6.2025 RM'000	% of Fair value to Net Asset Value as at 30.6.2025 %
Real Estate – Commercial						
Sydney Harbour Marriott	Freehold	739,793	**1,576,584**	**48.10**	1,429,960	48.65
Brisbane Marriott	Freehold	336,353	**306,585**	**9.35**	285,839	9.72
Melbourne Marriott	Freehold	157,689	**209,212**	**6.38**	199,313	6.78
		1,233,835	**2,092,381**	**63.83**	1,915,112	65.15
Net Asset Value			**3,278,084**		2,939,358	

* Translated at the exchange rate as at 30 June 2026.

Property, plant and equipment amounting to RM2,092.381 million (2025: RM1,915.112 million) are charged as security for a term loan facility granted to the Trust as disclosed in Note 24 to the financial statements.

The latest annual valuation exercise was conducted by independent professional valuers, Savills Valuations Pty Ltd, on 31 May 2026, using the income approach through the discounted cash flow method, supported by the income capitalisation method and comparison approach.

Had the revalued properties been carried at cost less accumulated depreciation, the net book values of the properties that would have been included in the financial statements are as follows:-

	Group	
	2026 RM'000	**2025 RM'000**
Freehold land	**145,513**	143,394
Buildings	**446,139**	475,829
	591,652	619,223

NOTES TO THE FINANCIAL STATEMENTS

13. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

Fair value information

The Group's freehold land and buildings are valued based on unobservable inputs and classified in Level 3 of the fair value hierarchy. The different levels of the fair value hierarchy are defined in Note 35(b) to the financial statements.

During the current financial year, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

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	Inter-relationship between significant unobservable inputs and fair value measurement
Discounted cash flow method is the total of discounted income stream and present value of the properties' anticipated sale value in arriving at the total present market value.	Discount rate of 7.50% (2025: 7.00% to 7.50%)	The higher the discount rate, the lower the fair value.
	Capitalisation rate of 5.50% (2025: 5.25% to 5.50%)	The higher the capitalisation rate, the lower the fair value.

A discounted cash flow analysis has been prepared taking into account the ability of the property to generate income over a 10-year period based on certain assumptions. Provision is made for room rate and occupancy growth throughout the time horizon and also capital expenditure through a furniture, fittings and equipment reserve. Each year's net operating income during the period is discounted to arrive at the present value of expected future cash flows. The property's anticipated sale value at the end of the period (i.e. its terminal or reversionary value) is also discounted to its present value and added to the discounted income stream to arrive at the total present market value of the property.

The significant unobservable input is the adjustment for factors specific to the hotel properties. The extent and direction of this adjustment depend on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgement, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions.

14. RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Trust holds a registered lease for a parcel of land, with a remaining lease term of 69 years (2025: 70 years) as at the end of the financial year.

Set out below are the carrying amount of the right-of-use asset recognised and the movements during the current financial year:-

	Group/Trust	
	2026 RM'000	**2025 RM'000**
At beginning of the financial year	**192**	195
Depreciation of right-of-use asset	**(2)**	(3)
At end of the financial year	**190**	192

Set out below are the carrying amount of lease liability and the movements during the current financial year:-

	Group/Trust	
	2026 RM'000	**2025 RM'000**
At beginning of the financial year	**202**	202
Accretion of interest	**10**	10
Lease rental payments	**(11)**	(10)
At end of the financial year	**201**	202

The following are the amounts recognised in income statements:-

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Depreciation of right-of-use asset	**2**	3	**2**	3
Interest expense on lease liability	**10**	10	**10**	10
Lease expense – short-term and low value leases	**129**	184	**-**	-

Total cash outflow for leases which included the low value leases of the Group and the Trust was RM0.140 million and RM0.011 million (2025: RM0.194 million and RM0.010 million), respectively.

NOTES TO THE FINANCIAL STATEMENTS

15. INVESTMENT IN SUBSIDIARIES

	Trust	
	2026 RM'000	**2025 RM'000**
Unquoted shares, at cost		
At beginning of the financial year	**558,054**	550,098
Additional investment via capitalisation of debt	**-**	7,956
At end of the financial year	**558,054**	558,054

Details of the subsidiaries are as follows:-

			Effective equity interest	
Name of subsidiary	**Place of incorporation**	**Principal activities**	**2026 %**	**2025 %**
Held by the Trust				
* Starhill REIT Niseko G.K.	Japan	Purchase, possession, disposal, lease and management of real properties	**100**	100
Starhill Hospitality REIT (Australia) Sdn. Bhd.	Malaysia	Investment holding	**100**	100
YTL REIT MTN Sdn. Bhd.	Malaysia	To undertake the issuance of medium term notes	**100**	100
YTL REIT Bond Berhad	Malaysia	To undertake the issuance of senior medium term notes and perpetual bonds	**100**	-
Held through Starhill Hospitality REIT (Australia) Sdn. Bhd.				
Starhill Hotel (Australia) Sdn. Bhd.	Malaysia	Investment holding	**100**	100
* Starhill REIT (Australia) Pty. Ltd.	Australia	Trustee company	**100**	100
* Starhill Hospitality (Australia) Pty. Ltd.	Australia	Trustee company	**100**	100
* Starhill Hospitality REIT (Australia) Trust	Australia	Real estate investment	**100**	100
Held through Starhill Hotel (Australia) Sdn. Bhd.				
* Starhill Hotel (Brisbane) Pty. Ltd.	Australia	Hotel operator	**100**	100
* Starhill Hotel (Sydney) Pty. Ltd.	Australia	Hotel operator	**100**	100
* Starhill Hotel (Melbourne) Pty. Ltd.	Australia	Hotel operator	**100**	100
Held through Starhill Hospitality REIT (Australia) Trust				
* Starhill Hospitality REIT (Brisbane) Trust	Australia	Real estate investment	**100**	100
* Starhill Hospitality REIT (Sydney) Trust	Australia	Real estate investment	**100**	100
* Starhill Hospitality REIT (Melbourne) Trust	Australia	Real estate investment	**100**	100

* Subsidiaries not audited by HLB Ler Lum Chew PLT

15. INVESTMENT IN SUBSIDIARIES (CONT'D.)

The amounts due from subsidiaries pertain mainly to loans, loan interest and payments on behalf. The outstanding amounts are unsecured, interest free and payable on demand save for loans.

Details of the foreign currency loans are as follows:-

(a) The loan in Australian Dollar equivalent to RM992.473 million (2025: RM978.025 million) with tenure of ten years bears interest payable quarterly at a weighted average interest rate of 6.85% (2025: 7.29%) per annum. The loan shall be repaid by way of a bullet repayment on 31 October 2032.

(b) Three loans in Japanese Yen equivalent to RM325.857 million (2025: RM277.599 million), bear interest payable monthly at a fixed rate of 5% (2025: 5%) per annum.

Two of the loans, equivalent to RM207.920 million (2025: RM242.245 million), with tenure of fifteen and thirty years, shall be repaid by way of bullet repayments on 21 December 2026 and 25 September 2048, respectively. Upon maturity, the Trust allows the loans to be renewed for another fifteen years, where the interest rate is to be mutually agreed upon at a later stage.

The third loan, equivalent to RM117.937 million (2025: RM35.354 million), with tenure of fifteen years, shall be repaid by way of a bullet repayment on a date being fifteen years from the date of the last drawdown of the loan.

The amount due to subsidiaries pertain mainly to advances. The outstanding amounts are unsecured, interest free and payable on demand except for the advances totalling RM1,180.000 million (2025: RM1,155.000 million) from the proceeds of issuance of medium term notes as disclosed in Note 25 to the financial statements at the same repayment terms.

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly or indirectly by the parent company do not differ from the proportion of ordinary shares held.

During the financial year, YTL REIT Bond Berhad was incorporated as a wholly owned subsidiary of the Group to facilitate the issuance of new notes programme on behalf of the Group and the Trust, as disclosed in Note 25 to the financial statements. There were no changes during the year (2025: Nil) in the Group's ownership interest in its existing significant subsidiaries.

The loans and advances are receivable/repayable by the Trust:-

	Amount due from subsidiaries RM'000	**Amount due to subsidiaries RM'000**
2026		
Within 1 year	**124,609**	**115,287**
Later than 1 year and not later than 5 years	**-**	**1,065,000**
Later than 5 years	**1,318,330**	**-**
	1,442,939	**1,180,287**
2025		
Within 1 year	111,935	-
Later than 1 year and not later than 5 years	139,909	1,155,000
Later than 5 years	1,115,715	-
	1,367,559	1,155,000

NOTES TO THE FINANCIAL STATEMENTS

16. DEFERRED TAX ASSETS

	Note	Group 2026 RM'000	Group 2025 RM'000
At beginning of the financial year		**3,067**	3,389
(Charged)/Credited to income statements:	10	**(101)**	84
– Accrued expenses		**(84)**	(56)
– Provision for employee benefits		**(165)**	163
– Others		**148**	(23)
Currency translation differences		**44**	(406)
At end of the financial year		**3,010**	3,067

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off income tax assets against income tax liabilities and when deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:-

	Group 2026 RM'000	Group 2025 RM'000
Deferred tax assets provided are in respect of:-		
Deferred tax assets		
Accrued expenses	**–**	82
Provision for employee benefits	**3,004**	2,984
Others	**6**	1
	3,010	3,067

17. INVESTMENT

	Group/Trust 2026 RM'000	Group/Trust 2025 RM'000
At beginning of the financial year	**–**	–
Additions	**104,500**	–
Distributions reinvested	**655**	–
Withdrawal	**(1,090)**	–
At end of the financial year	**104,065**	–

17. INVESTMENT (CONT'D.)

The fair value of the investment is as follows:-

Description of asset	Cost of investment as at 30.6.2026 RM'000	Fair value as at 30.6.2026 RM'000	% of Fair value to Net Asset Value as at 30.6.2026 %	Fair value as at 30.6.2025 RM'000	% of Fair value to Net Asset Value as at 30.6.2025 %
Non-Real Estate Asset					
Income fund	**104,065**	**104,065**	**3.17**	–	–
Net Asset Value		**3,278,084**		2,939,358	

The investment in income fund is classified as financial asset at fair value through profit or loss and is measured at fair value based on the published net asset value of the fund and is classified under level 1 of the fair value hierarchy. Changes in fair value are recognised in profit or loss as they arise. The income fund is invested with licensed financial institution and is highly liquid and readily convertible to cash.

18. INVENTORIES

	Group	
	2026 RM'000	**2025 RM'000**
Beverage inventories	**565**	632

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in-first-out principle, and includes expenditure incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition.

The Group's cost of inventories recognised as expenses and included in "hotel operating expenses" amounted to approximately RM7.958 million (2025: RM10.506 million).

NOTES TO THE FINANCIAL STATEMENTS

19. TRADE RECEIVABLES

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Trade receivables	**11,774**	11,036	**197**	187

There was no allowance for impairment losses on trade receivables during the financial year (2025: Nil).

The Group's and the Trust's amount due from a company related to the Manager of approximately RM0.197 million (2025: RM0.187 million) relates to rental due in respect of an agreement and is generally subject to normal trade terms.

The trade credit terms of trade receivables range from 30 to 90 (2025: 30 to 90) days.

Credit risks relating to trade receivables are disclosed in Note 34(a) to the financial statements.

20. OTHER RECEIVABLES AND PREPAYMENTS

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Other receivables	**24,589**	21,541	**7,187**	10,608
Prepayments	**17,717**	8,967	**5,751**	1,235
Deposit	**-**	25	**-**	25
	42,306	30,533	**12,938**	11,868

Included in other receivables of the Group is RM23.860 million (2025: RM21.031 million) recoverable from Australian tax authorities for withholding tax on foreign source distribution received by a subsidiary.

Included in other receivables of the Trust is an amount of RM7.160 million (2025: RM10.600 million), representing a dividend receivable from a subsidiary.

21. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

The weighted average effective interest rate of deposits placed with licensed banks of the Group and of the Trust were 3.7% and 2.9% (2025: 3.9% and 3.2%) per annum, respectively.

The average maturities of deposits of the Group and of the Trust ranged from 1 to 94 days and 1 to 42 days (2025: 1 to 92 days and 1 to 58 days), respectively.

22. UNITHOLDERS' CAPITAL

	Group/Trust Number of units	
	2026 '000	**2025 '000**
Issued and fully paid		
At beginning of the financial year	**1,704,389**	1,704,389
Issuance of units	**90,000**	–
At end of the financial year	**1,794,389**	1,704,389

	Group/Trust	
	2026 RM'000	**2025 RM'000**
Issued and fully paid		
At beginning of the financial year	**1,690,806**	1,690,806
Issuance of new placement units (90,000,000 units at RM1.05 per unit)	**94,500**	–
Unit issuance expenses	**(1,086)**	–
At end of the financial year	**1,784,220**	1,690,806

During the financial year, the Trust issued 90,000,000 new units through a private placement exercise at an issue price of RM1.05 per unit. The exercise raised gross proceeds of RM94.500 million and incurred unit issuance expenses of RM1.086 million.

23. RESERVES

		Group		Trust	
	Note	**2026 RM'000**	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Currency translation reserves	23(a)	**(238,146)**	(162,787)	**-**	-
Revaluation reserve	23(b)	**1,566,525**	1,345,816	**-**	-
Non-distributable unrealised (loss)/income	23(c)	**(180,086)**	(231,964)	**357,283**	355,610
		1,148,293	951,065	**357,283**	355,610

(a) Currency translation reserves

	Group	
	2026 RM'000	**2025 RM'000**
At beginning of the financial year	**(162,787)**	(187,418)
Net effects of currency translation differences from foreign operations and net investment hedge	**(75,359)**	24,631
At end of the financial year	**(238,146)**	(162,787)

NOTES TO THE FINANCIAL STATEMENTS

23. RESERVES (CONT'D.)

(b) Revaluation reserve

	Group	
	2026 RM'000	**2025 RM'000**
At beginning of the financial year	**1,345,816**	1,424,199
Surplus on revaluation of properties	**198,571**	93,966
Currency translation differences	**22,138**	(172,349)
At end of the financial year	**1,566,525**	1,345,816

The revaluation reserve represents revaluation surplus from freehold land and buildings.

(c) Non-distributable unrealised (loss)/income

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
At beginning of the financial year	**(231,964)**	(218,728)	**355,610**	352,428
Unrealised income/(loss) for the year	**51,878**	(13,236)	**1,673**	3,182
At end of the financial year	**(180,086)**	(231,964)	**357,283**	355,610

24. BORROWINGS - SECURED

	Group/Trust	
	2026 RM'000	**2025 RM'000**
Non-current		
Term loans	**1,248,040**	194,486
Capitalised transaction costs	**(5,238)**	(2,858)
	1,242,802	191,628
Current		
Term loans	**-**	979,055
Capitalised transaction costs	**-**	(2,576)
	-	976,479
Total borrowings	**1,242,802**	1,168,107

24. BORROWINGS - SECURED (CONT'D.)

(i) The term loan denominated in Australian Dollar of AUD355.374 million (2025: AUD355.374 million) is equivalent to RM993.519 million (2025: RM979.055 million). The term loan was refinanced on 19 June 2026 for a two-year tenor and is repayable by bullet payment on 26 June 2028. It bears a weighted average interest rate of 4.58% (2025: 6.14%) per annum and is secured by:-

(a) a first legal charge over properties as disclosed in Note 13 to the financial statements; and

(b) an assignment of fire insurance policies in relation to the secured properties.

(ii) The term loan denominated in Japanese Yen of JPY10,141.920 million (2025: JPY6,651.620 million) is equivalent to RM254.521 million (2025: RM194.486 million). The increase in the term loan is attributable to the funding of the development of new hotel property undertaken by a subsidiary. The term loan is repayable by bullet payment on 26 September 2028. It bears a weighted average interest rate of 2.10% (2025: 1.74%) per annum and is secured by:-

(a) a first legal charge over certain properties as disclosed in Note 12 to the financial statements; and

(b) an assignment of fire insurance policies in relation to the secured properties.

25. MEDIUM TERM NOTES ("MTNs")

	Group	
	2026 RM'000	**2025 RM'000**
Non-current		
MTNs	**1,065,000**	1,155,000
Current		
MTNs	**105,000**	-
Senior MTNs	**10,000**	-
Capitalised transaction costs	**(657)**	-
	114,343	-
Total MTNs	**1,179,343**	1,155,000

The MTNs of the Group were issued pursuant to a MTNs issuance programme ("MTN Programme") of up to RM1,650 million constituted by a Trust Deed and Programme Agreement, both dated 11 May 2016.

During the financial year, the Group established a Notes issuance programme ("Notes Programme") of up to RM5,000 million pursuant to Trust Deeds, Programme Agreement, Financing Agreement and Guarantees, all dated 19 May 2026. The programme provides for the issuance of senior medium term notes and/or subordinated perpetual notes, which are guaranteed by the Trustee of YTL REIT.

NOTES TO THE FINANCIAL STATEMENTS

25. MEDIUM TERM NOTES ("MTNs") (CONT'D.)

MTN Programme

As at the end of the reporting period, RM1,170.000 million (2025: RM1,155.000 million) were issued at nominal value by the Group as follows:-

Issue date	Maturity date	Nominal value RM'000	Utilisation
23 May 2022	21 May 2027	80,000	Renovation costs carried out at The Ritz Carlton, Kuala Lumpur – Hotel and Suite Wing.
23 November 2022	23 November 2027	265,000	Refinance previous borrowings for the acquisition of certain Malaysian Properties.
28 June 2023	28 June 2028	85,000	Renovation costs carried out at JW Marriott Hotel Kuala Lumpur.
31 October 2023	31 October 2028	140,000	Acquisition of Hotel Stripes Kuala Lumpur.
3 November 2023	3 November 2026	25,000	Renovation costs carried out at AC Hotels.
4 December 2023	4 December 2028	25,000	Renovation costs carried out at AC Hotels and capital expenditure for certain Malaysian Properties.
8 April 2024	6 April 2029	55,000	Acquisition of AC Hotel Ipoh.
7 August 2024	6 April 2029	35,000	Renovation costs carried out at AC Hotel Ipoh.
1 November 2024	1 November 2027	150,000	Refinance MTNs relating to the acquisition of The Majestic Kuala Lumpur.
1 November 2024	1 November 2029	235,000	Refinance MTNs relating to the acquisition of The Majestic Kuala Lumpur.
21 January 2025	6 April 2029	10,000	Renovation costs carried out at AC Hotel Ipoh.
15 April 2025	6 April 2029	10,000	Renovation costs carried out at AC Hotel Ipoh.
23 April 2025	23 April 2030	40,000	Acquisition of AC Hotel Puchong.
8 October 2025	23 April 2030	15,000	Renovation costs carried out at AC Hotel Puchong and capital expenditure for certain Malaysian Properties.
		1,170,000	

The MTNs upon maturity are redeemable at nominal value and expected to be refinanced by the MTN or Notes programmes at the same nominal value.

The MTNs bear coupon rates ranging from 4.39% to 5.56% (2025: 4.78% to 5.67%) per annum, payable semi-annually in arrears and are secured by certain properties as disclosed in Note 12 to the financial statements.

The fair value of the MTNs is RM1,171.164 million (2025: RM1,156.819 million) and is categorised as Level 2 of the fair value hierarchy. The different levels of the fair value hierarchy are defined in Note 35(b) to the financial statements.

The above fair value, which is determined for disclosure purpose, is calculated based on the present value of future cash flows discounted at the market rate of interest at the end of the financial year. The interest rates used to determine fair value range from 4.50% to 5.38% (2025: 4.60% to 5.56%) per annum.

25. MEDIUM TERM NOTES ("MTNS") (CONT'D.)

Notes Programme

During the financial year, the Group issued a senior MTN at a nominal value of RM10.000 million (2025: RM Nil).

The senior MTN bear a fixed coupon rate of 3.93% (2025: Nil) per annum, payable semi-annual in arrears, unsecured and is redeemable at its nominal value on 11 June 2027.

The fair value of the senior MTN is RM9.999 million (2025: RM Nil) and is categorised as Level 2 of the fair value hierarchy. The different levels of the fair value hierarchy are defined in Note 35(b) to the financial statements.

The above fair value, which is determined for disclosure purpose, is calculated based on the present value of future cash flows discounted at the market rate of interest at the end of the financial year. The interest rate used to determine fair value was 3.94% (2025: Nil) per annum.

26. OTHER PAYABLES

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Non-current				
Other payables	**1,247**	1,105	**-**	-

Non-current other payables of the Group are recognised in relation to long service leave of employees from its Australian operations.

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Current				
Other payables	**41,000**	37,150	**3,190**	3,819
Accruals	**23,301**	29,654	**12,574**	14,866
Contract liabilities	**11,448**	12,448	**-**	-
	75,749	79,252	**15,764**	18,685

Included in other payables of the Group and the Trust are amounts due to the Manager amounting to RM3.146 million (2025: RM3.763 million) which are unsecured, interest free and payable on demand.

Contract liabilities represent revenues collected but not earned as at the end of the financial year. This primarily compose of advance deposits from customers who prepay for hotel accommodation.

NOTES TO THE FINANCIAL STATEMENTS

26. OTHER PAYABLES (CONT'D.)

The significant changes to contract liabilities balances during the year are as follows:-

	Group	
	2026 RM'000	**2025 RM'000**
Contract liabilities as at the beginning of the year recognised as revenue during the year	**(12,490)**	(6,431)
Advance deposits received during the year	**173,119**	154,753

The Group applied the practical expedient for contracts with an original expected duration of one year or less and therefore does not disclose the transaction price allocated to remaining performance obligations. Contract liabilities mainly comprise advance deposits from customers for hotel accommodation and other hospitality services and are recognised as revenue when the related services are provided.

27. TRADE PAYABLES

The credit terms of trade payables granted to the Group is 30 days (2025: 30 days).

28. PROVISION FOR INCOME DISTRIBUTION

	Group/Trust	
	2026 RM'000	**2025 RM'000**
At beginning of the financial year	**82,445**	69,676
Provision made during the financial year	**140,778**	132,090
Distribution paid during the financial year	**(134,959)**	(119,321)
At end of the financial year	**88,264**	82,445

Pursuant to the Second Restated Deed, it is the policy of the Manager to distribute at least 90% of the distributable income for each financial year.

For the six months from 1 January 2026 to 30 June 2026, the Manager declared a final income distribution of 4.9189 sen per unit of which 4.6232 sen is taxable and 0.2957 sen is non-taxable in the hands of unitholders (2025: 4.8372 sen per unit of which 4.1882 sen is taxable and 0.6490 sen is non-taxable in the hands of unitholders), totalling RM88,264,195 (2025: RM82,444,699) which was paid on 28 August 2026. Total distribution declared and paid for the financial year ended 30 June 2026 was 8.0000 sen per unit, totalling RM140,778,121, representing approximately 100% of the total distributable income for the financial year ended 30 June 2026 (2025: 7.7500 sen per unit, totalling RM132,090,139, representing approximately 100% of the total distributable income).

28. PROVISION FOR INCOME DISTRIBUTION (CONT'D.)

Distribution to unitholders is from the following sources:-

	Group	
	2026 RM'000	**2025 RM'000**
Net property income	**313,974**	292,072
Finance and other income	**25,632**	18,700
Fair value changes on properties	**107,332**	52,203
Less: Expenses	**(187,515)**	(198,343)
Less: Income tax expense	**(18,683)**	(16,080)
Profit after tax	**240,740**	148,552
Distribution adjustments:-		
- Unrealised lease income	**15,130**	18,709
- Depreciation	**55,394**	57,250
- Fair value changes on properties	**(107,332)**	(52,203)
- Net income from foreign operations	**(48,084)**	(30,159)
- Unrealised foreign translation differences	**(15,070)**	(10,520)
Income available for distribution/Total distributable income/Total realised income	**140,778**	131,629
Add: Utilisation of undistributed realised income brought forward from previous year	**-**	461
Less: Income distribution	**(140,778)**	(132,090)
Undistributed realised income	**-**	-
Distributable income per unit (sen)	**8.0000**	7.7229
Gross distribution per unit (sen)	**8.0000**	7.7500
Net distribution per unit (sen)	**8.0000**	7.7500

29. TRANSACTIONS WITH STOCKBROKING COMPANIES

No transactions with stockbroking companies were made during the financial year.

30. UNITHOLDING BY THE MANAGER

As at 30 June 2026, the Manager did not hold any unit in the Trust.

NOTES TO THE FINANCIAL STATEMENTS

31. UNITHOLDERS RELATED TO THE MANAGER

	2026		
	No. of units held '000	**Percentage of total units %**	**Market value RM'000**
YTL Corporation Berhad	**937,464**	**52.24**	**993,712**
YTL Power International Berhad	**43,090**	**2.40**	**45,675**
Business & Budget Hotels (Kuantan) Sdn. Bhd.	**18,750**	**1.05**	**19,875**
Megahub Development Sdn. Bhd.	**13,250**	**0.74**	**14,045**
East-West Ventures Sdn. Bhd.	**64,250**	**3.58**	**68,105**
Syarikat Pelanchongan Pangkor Laut Sendirian Berhad	**24,250**	**1.35**	**25,705**
	1,101,054	**61.36**	**1,167,117**

	2025		
	No. of units held '000	**Percentage of total units %**	**Market value RM'000**
YTL Corporation Berhad	937,464	55.00	1,003,087
YTL Power International Berhad	43,090	2.53	46,106
Business & Budget Hotels (Kuantan) Sdn. Bhd.	18,750	1.10	20,062
Megahub Development Sdn. Bhd.	13,250	0.78	14,177
East-West Ventures Sdn. Bhd.	64,250	3.77	68,748
Syarikat Pelanchongan Pangkor Laut Sendirian Berhad	24,250	1.42	25,948
	1,101,054	64.60	1,178,128

The market value of the units held by the companies related to the Manager is determined by using the closing market value of the Trust as at 30 June 2026 of RM1.06 per unit (2025: RM1.07 per unit).

Pintar Projek Sdn. Bhd., the manager of the Trust is also a subsidiary of YTL Corporation Berhad, a public listed company. YTL Corporation Berhad is therefore deemed to have control over the Trust as Pintar Projek Sdn. Bhd. governs the financial and operating policies of the Trust.

32. SIGNIFICANT RELATED PARTY TRANSACTIONS

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The following significant transactions which have been transacted with companies related to the Manager and the major unitholder are as follows:-

			Group/Trust	
Entity	**Relationship**	**Nature of transaction**	**2026 RM'000**	**2025 RM'000**
Business & Budget Hotels (Penang) Sdn. Bhd.	Subsidiary company of the major unitholder	Lease rental of investment property	**9,823**	9,823
Business & Budget Hotels (Kuantan) Sdn. Bhd.	Associated company of the major unitholder	Lease rental of investment property	**1,297**	7,282
Business & Budget Hotels (Kuantan) Sdn. Bhd.	Subsidiary company of the major unitholder	Lease rental of investment property	**5,985**	-
Cameron Highlands Resort Sdn. Bhd.	Subsidiary company of the major unitholder	Lease rental of investment property	**4,365**	4,365
YTL Majestic Hotel Sdn. Bhd.	Subsidiary company of the major unitholder	Lease rental of investment property	**28,244**	28,244
Prisma Tulin Sdn. Bhd.	Subsidiary company of the major unitholder	Lease rental of investment properties	**19,080**	11,958
Star Hill Hotel Sdn. Bhd.	Subsidiary company of the major unitholder	Lease rental of investment properties	**51,926**	50,261
YTL Land Sdn. Bhd.	Subsidiary company of the major unitholder	Rental of car park space	**2,454**	2,246
Tanjong Jara Beach Hotel Sdn. Bhd.	Company related to an alternate director of the manager	Lease rental of investment property	**7,638**	7,638
East-West Ventures Sdn. Bhd.	Subsidiary company of the holding company of major unitholder	Lease rental of investment property	**22,474**	22,474
Syarikat Pelanchongan Pangkor Laut Sendirian Berhad	Subsidiary company of the holding company of major unitholder	Lease rental of investment property	**9,166**	9,166
Hotel 25 Sdn. Bhd.	Subsidiary company of the major unitholder	Lease rental of investment property	**10,151**	9,660
Syarikat Pembenaan Yeoh Tiong Lay Sdn. Bhd.	Subsidiary company of the major unitholder	Renovation works of investment properties	**14,050**	53,625

NOTES TO THE FINANCIAL STATEMENTS

32. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONT'D.)

			Group/Trust	
Entity	**Relationship**	**Nature of transaction**	**2026 RM'000**	**2025 RM'000**
Pintar Projek Sdn. Bhd.	Manager of the Trust	Acquisition fee	**-**	400
		Performance fee	**6,279**	5,841
		Base fee	**5,553**	5,298

			Group	
Entity	**Relationship**	**Nature of transaction**	**2026 RM'000**	**2025 RM'000**
Niseko Village K.K.	Subsidiary company of the major unitholder	Lease rental of investment properties	**26,337**	26,628

			Trust	
Entity	**Relationship**	**Nature of transaction**	**2026 RM'000**	**2025 RM'000**
Starhill Hospitality REIT (Australia) Sdn. Bhd.	Subsidiary company	Shareholder loan interests	**67,337**	73,098
		Dividend income	**7,160**	10,600
Starhill REIT Niseko G.K.	Subsidiary company	Shareholder loan interests	**15,920**	12,630
		Shareholder loan advances	**96,475**	35,654
YTL REIT MTN Sdn. Bhd.	Subsidiary company	Interest charges	**57,051**	56,637
		Administrative charges	**142**	143
		Advances received	**15,000**	95,000
YTL REIT Bond Berhad	Subsidiary company	Interest charges	**22**	-
		Administrative charges	**133**	-
		Advances received	**10,000**	-

The above lease rental of investment properties included the lease income accrued and billed pursuant to the supplemental agreements executed in relation to the rental variations programme.

The Manager is of the opinion that these transactions are conducted in the normal course of business and have been established on terms and conditions negotiated by the related parties.

33. CAPITAL COMMITMENTS AND OPERATING LEASE ARRANGEMENTS

(a) Capital commitments

	Group		Trust	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Contracted but not provided for	**27,165**	142,637	**4,225**	16,780

The commitment of the Group in the current financial year relates to property development of a Japanese hotel property and minor asset enhancement works for Malaysian hotel properties.

(b) Operating lease arrangements

The Group and the Trust lease out their investment properties for monthly lease payments. These lease arrangements are classified as an operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred.

Pursuant to the supplemental agreements in relation to the rental variations programme which were executed for certain Malaysian and Japanese properties on 30 July 2020 to (i) reduce the lease rentals by fifty percent (50%) for twenty-four months which commenced 1 July 2020 until 30 June 2022 ("Rental Adjustment Period") and (ii) pay the difference between the original rentals and reduced rentals ("Rental Differences") on a staggered basis within seven years after the Rental Adjustment Period or over the remaining tenures of the existing leases whichever is earlier. Accordingly, the first rental difference was collected at the end of June 2023, whereas the last rental difference will be collected at the end of June 2029.

Undiscounted lease payments including the Rental Differences from the operating leases to be received after the reporting date are as follows:-

	Group		Trust	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Not later than 1 year	**186,642**	212,494	**162,796**	183,211
Between 1 to 2 years	**115,466**	184,372	**107,165**	159,156
Between 2 to 3 years	**117,391**	113,196	**108,779**	103,525
Between 3 to 4 years	**112,063**	115,173	**103,347**	105,139
Between 4 to 5 years	**112,397**	109,862	**103,682**	99,708
Later than 5 years	**657,521**	756,502	**493,664**	555,440
	1,301,480	1,491,599	**1,079,433**	1,206,179

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL RISK MANAGEMENT

The Group's and the Trust's operations are subject to the following risks:-

(a) Credit risk;

(b) Liquidity risk;

(c) Interest rate risk; and

(d) Foreign currency exchange risk

The Group and the Trust seek to ensure that adequate resources are available to manage the above risks and to create value for its unitholders. It is not the Group's and the Trust's policy to engage in speculative transactions.

(a) Credit risk

Credit risk is the risk of a financial loss to the Group and the Trust if a lessee or counterparty to a financial instrument fails to meet its contractual obligations. The Group's and the Trust's exposure to credit risk arises principally from its investment, receivables from lessees, trade receivables or other financial assets (including cash and bank balances), the Group and the Trust minimise credit risk by dealing with counterparties with high credit rating.

Investment

Credit risk on investment is limited as the income fund is managed by a licensed financial institution and primarily invests in deposits and fixed income instruments.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Management monitors the performance and credit quality of the fund on a regular basis and considers the risk of default and expected loss to be low. The investment is highly liquid and readily convertible into cash.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally security deposits are obtained and credit evaluations are performed on customers requiring credit over a certain amount.

The gross carrying amounts of credit impaired trade receivables are written off when there is no realistic prospect of recovery. This is generally when there is indication that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There is no impairment of trade receivables balances as the rate of default and expected loss rate is low.

Exposure to credit risk, credit quality and collateral

At the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statements of financial position.

34. FINANCIAL RISK MANAGEMENT (CONT'D.)

(a) Credit risk (cont'd.)

Trade receivables (cont'd.)

Exposure to credit risk, credit quality and collateral (cont'd.)

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. The Group and the Trust use ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due from the contractual obligations, which are deemed to have higher credit risk, are monitored individually.

The exposure of credit risk for trade receivables as at the end of the reporting period by geographic region was:-

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Domestic	**197**	187	**197**	187
Australia	**11,577**	10,849	**-**	-
	11,774	11,036	**197**	187

Recognition and measurement of impairment losses

The Group and the Trust use individual assessment to measure expected credit losses ("ECLs") of trade receivables for respective business segments, taking into account of all relevant credit information and forward-looking macroeconomic information.

Hotel Operations

The trade receivables are primarily from corporate engagement and are provided with credit terms of 30 to 90 days. The past due above 90 days if significant are assessed to measure ECLs. In addition, advance deposits from customers who prepay for hotel accommodation will be taking into assessment consideration.

Property Rental

The trade receivables are lessees which are paying rental pursuant to the agreement and rental is due in 30 days.

The following table provides information about the exposure to credit risk and ECLs for trade receivables as at the end of the reporting period:-

Group	**Note**	**2026 RM'000**	**2025 RM'000**
Current assets			
- Current (not past due)		**4,797**	4,746
- Past due 1 - 90 days		**6,953**	6,219
- Past due 91 - 180 days		**24**	58
- Past due > 180 days		**-**	13
Trade receivables	19	**11,774**	11,036

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL RISK MANAGEMENT (CONT'D.)

(a) Credit risk (cont'd.)

Trade receivables (cont'd.)

Recognition and measurement of impairment losses (cont'd.)

Trust	Note	2026 RM'000	2025 RM'000
Current assets			
Trade receivables – Current (not past due)	19	**197**	187

There was no allowance for impairment losses during the financial year (2025: Nil).

Other receivables

Credit risk on other receivables is mainly arising from the withholding tax on foreign sourced distribution income received by a subsidiary and recoverable from Australian tax authorities.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

There is no impairment of other receivables balances as the rate of default and expected loss rate is low.

Inter-company balances

The Trust provides unsecured advances to subsidiaries and where necessary makes payments for expenses on behalf of its subsidiaries. The Trust monitors the results of the subsidiaries regularly.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Management has taken reasonable steps to ensure that inter-company receivables are stated at the realisable values. As at the end of the reporting period, there was no indication that the advances extended to the subsidiaries are not recoverable after considering the value of underlying properties held by subsidiaries.

Cash and cash equivalents

Cash and cash equivalents that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

In view of the low credit risk of the financial institutions, the loss allowance is not material and hence, is not provided for.

34. FINANCIAL RISK MANAGEMENT (CONT'D.)

(b) Liquidity risk

Liquidity risk is the risk that the Group and the Trust will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Trust's exposure to liquidity risk arises principally from its various payables, loans and borrowings.

The Group and the Trust maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

The table below summarises the maturity profile of the Group's and the Trust's financial liabilities as at the end of the reporting period based on contractual undiscounted repayment obligations:-

	Contractual cash flows RM'000	**Under 1 year RM'000**	**1 - 2 years RM'000**	**2 - 5 years RM'000**	**Over 5 years RM'000**
Group - 2026					
Financial liabilities					
Borrowings	**1,363,256**	**57,111**	**1,050,076**	**256,069**	**-**
MTNs	**1,300,182**	**170,988**	**538,563**	**590,631**	**-**
Lease liability	**734**	**11**	**11**	**32**	**680**
Trade payables	**3,916**	**3,916**	**-**	**-**	**-**
Other payables	**65,548**	**64,301**	**1,247**	**-**	**-**
	2,733,636	**296,327**	**1,589,897**	**846,732**	**680**
Group - 2025					
Financial liabilities					
Borrowings	1,229,956	1,026,984	3,786	199,186	-
MTNs	1,337,905	59,139	162,746	1,116,020	-
Lease liability	745	11	11	32	691
Trade payables	9,151	9,151	-	-	-
Other payables	67,909	66,804	1,105	-	-
	2,645,666	1,162,089	167,648	1,315,238	691

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL RISK MANAGEMENT (CONT'D.)

(b) Liquidity risk (cont'd.)

	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000
Trust - 2026					
Financial liabilities					
Borrowings	**1,363,256**	**57,111**	**1,050,076**	**256,069**	**-**
Lease liability	**734**	**11**	**11**	**32**	**680**
Other payables	**15,764**	**15,764**	**-**	**-**	**-**
Subsidiary	**1,300,182**	**170,988**	**538,563**	**590,631**	**-**
	2,679,936	**243,874**	**1,588,650**	**846,732**	**680**
Trust - 2025					
Financial liabilities					
Borrowings	1,229,956	1,026,984	3,786	199,186	-
Lease liability	745	11	11	32	691
Other payables	18,685	18,685	-	-	-
Subsidiary	1,337,905	59,139	162,746	1,116,020	-
	2,587,291	1,104,819	166,543	1,315,238	691

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Trust's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Trust's exposure to interest rate risk arises primarily from their floating rate borrowings, which is partially offset by the deposits held at variable rates. The Group and the Trust manage their cash flow interest rate risk by using a mix of fixed and variable rate debts.

34. FINANCIAL RISK MANAGEMENT (CONT'D.)

(c) Interest rate risk (cont'd.)

The Group's and the Trust's floating rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk. The interest rate profile of the Group's and the Trust's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:-

	Group		Trust	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Fixed rate instruments				
Financial assets				
Shareholders loan	**-**	-	**325,857**	277,599
Financial liabilities				
MTNs	**95,000**	85,000	**-**	-
Subsidiaries	**-**	-	**95,000**	85,000
Floating rate instruments				
Financial assets				
Shareholders loan	**-**	-	**992,473**	978,025
Deposits with licensed financial institutions	**185,467**	147,673	**65,391**	75,145
Financial liabilities				
Borrowings	**1,248,040**	1,173,541	**1,248,040**	1,173,541
MTNs	**1,085,000**	1,070,000	**-**	-
Subsidiary	**-**	-	**1,085,000**	1,070,000

The Group and the Trust do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect the income statements.

Shareholders loan

At the reporting date, if interest rates increased/decreased by 50 basis points, shareholders loan interest income of the Trust for the financial year would increase/decrease by RM4.907 million (2025: RM5.038 million).

Deposits with licensed financial institutions

The excess funds of the Group and of the Trust are invested in bank deposits and other short term instruments. The Group and the Trust manage their liquidity risks by placing such excess funds on short term maturities to match its cash flow needs. If interest deposit rates increased/decreased by 50 basis points, interest income of the Group and of the Trust for the financial year would increase/decrease by RM0.922 million and RM0.327 million (2025: RM0.749 million and RM0.376 million), respectively.

NOTES TO THE FINANCIAL STATEMENTS

34. FINANCIAL RISK MANAGEMENT (CONT'D.)

(c) Interest rate risk (cont'd.)

Borrowings and MTNs/advances from subsidiaries

At the reporting date, if the interest rates had been 50 basis points lower/higher, with all other variables held constant, the Group's and the Trust's profit after tax would be higher/lower by approximately RM11.665 million (2025: RM11.218 million) as a result of lower/higher interest expense on borrowings.

In order to protect the Group's earnings from the volatility in interest rates and provide stability to unitholders' returns, the Group may hedge a portion of its interest rate exposure within the short to medium term by using fixed rate debt.

(d) Foreign currency exchange risk

The Group and the Trust are exposed to foreign currency risk arising from Australian Dollar ("AUD") and Japanese Yen ("JPY"). The Group has investments in foreign operations whose net assets are exposed to foreign currency translation risk.

The table illustrates the impact on the other comprehensive income and profit after tax resulting from currency sensitivities (on the basis all other variables remain constant).

	Group		Trust	
	Increase in other comprehensive income RM'000	**Increase/ (Decrease) in profit after tax RM'000**	**Increase in other comprehensive income RM'000**	**Increase in profit after tax RM'000**
2026				
5% increase on AUD exchange rate	**55,800**	**8,321**	**-**	**6,119**
5% increase on JPY exchange rate	**26,096**	**(5,730)**	**-**	**3,735**
2025				
5% increase on AUD exchange rate	58,075	(4,711)	-	5,498
5% increase on JPY exchange rate	20,415	(1,798)	-	4,264

Hedges of net investment in Australia and Japan

At the reporting date, the Group's investments in its Australian and Japanese subsidiaries are hedged by the AUD term loan with a total carrying amount of AUD355.374 million (RM993.519 million) (2025: AUD355.374 million (RM979.055 million)) and the JPY term loan with a carrying amount of JPY5,442.500 million as part of the JPY term loan (RM136.585 million) (2025: JPY5,442.500 million (RM159.133 million)), respectively with the purpose to mitigate the currency risk arising from the subsidiaries' net assets. The foreign currency loans are designated as net investment hedges.

The Group determines the existence of an economic relationship between the above hedging instruments and hedged items based on the currencies and amounts. The Group has established hedge ratios of 1 : 0.86 (2025: 1 : 1.02) for Australia and 1 : 0.97 (2025: 1 : 1.02) for Japan as the underlying risks of the hedging instruments are identical to the hedged risk components and there have been no significant changes to the hedge ratios. The Group has assessed the effectiveness of the above hedging relationships at the reporting date by comparing changes in the carrying amount of the loans that are attributable to changes in the exchange rates with the changes in the net investment in the foreign operations due to movements in the exchange rates.

35. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows:-

(i) Amortised cost

		Group		Trust	
Carrying amount	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Financial assets					
Non-current					
Amount due from subsidiaries	15	**-**	-	**1,318,330**	1,255,624
Current					
Trade receivables	19	**11,774**	11,036	**197**	187
Other receivables and deposits	20	**24,589**	21,566	**7,187**	10,633
Amount due from subsidiaries	15	**-**	-	**124,609**	111,935
Cash and cash equivalents		**310,449**	269,206	**68,887**	77,444
		346,812	301,808	**1,519,210**	1,455,823
Financial liabilities					
Non-current					
Borrowings	24	**1,242,802**	191,628	**1,242,802**	191,628
MTNs	25	**1,065,000**	1,155,000	**-**	-
Lease liability	14	**201**	202	**201**	202
Other payables	26	**1,247**	1,105	**-**	-
Amount due to subsidiaries	15	**-**	-	**1,065,000**	1,155,000
Current					
Borrowings	24	**-**	976,479	**-**	976,479
MTNs	25	**114,343**	-	**-**	-
Trade payables	27	**3,916**	9,151	**-**	-
Other payables	26	**64,301**	66,804	**15,764**	18,685
Amount due to subsidiaries	15	**-**	-	**115,287**	-
		2,491,810	2,400,369	**2,439,054**	2,341,994

(ii) Fair value through profit or loss

		Group		Trust	
Carrying amount	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Financial asset					
Current					
Investment	17	**104,065**	-	**104,065**	-

NOTES TO THE FINANCIAL STATEMENTS

35. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables approximate their fair values due to the relatively short term nature of these financial instruments.

The fair value of the Group's investment in income fund is determined based on the published net asset value per unit of the fund as at the reporting date.

The carrying amounts of the Group's and the Trust's long-term floating-rate bank borrowings approximate their fair values, as the borrowings bear floating interest rates that are repriced to market interest rates on or near the reporting date.

The following summarises the methods used in determining the fair value of financial instruments reflected in the above table.

When measuring the fair value of an asset or a liability, the Group and the Trust use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:-

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group and the Trust can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

Refer Note 12 for disclosure of the investment properties that are measured at fair value. Refer Note 13 for disclosure of the property, plant and equipment that are measured at fair value. Refer Note 17 for disclosure of the investment that is measured at fair value. Refer Note 25 for disclosure of the MTNs that are measured at fair value.

There were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used to estimate fair value for long-term debt for disclosure purposes. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. These investments are classified as Level 2 and comprise debt investments.

36. MANAGEMENT EXPENSE RATIO ("MER")

	Group		Trust	
	2026 %	2025 %	2026 %	2025 %
MER	**0.58**	0.59	**0.69**	0.62

MER is calculated based on the ratio of the sum of fees (all ongoing fees deducted or deductible directly during the financial year, including manager's base and performance fees, trustee's fee, auditors' remuneration, other professional fees and any other fees deducted or deductible directly from the Group) and the recovered expenses (all expenses recovered from or charged to the Group as a result of the expenses incurred by the operation of the Group) to the average value of the Group calculated on a quarterly basis.

Since the basis of calculating MER can vary among real estate investment trusts, there is no sound basis for providing an accurate comparison of the Group's and the Trust's MER against other real estate investment trusts.

37. SEGMENTAL REPORTING

The Group's operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments.

The Group comprises the following reportable segments:-

(a) Property rental – leasing of hotel properties
(b) Hotel – operating hotel business

The two operating segments operate in three main geographical areas:-

(a) Malaysia
(b) Japan
(c) Australia

The Manager monitors the operating results of its business units separately to make strategic decisions.

The Group's segmental results for the financial year ended 30 June 2026 is as follows:-

	<---------Property rental--------->		<-----Hotel----->	
	Malaysia	**Japan**	**Australia**	**Total**
	RM'000	**RM'000**	**RM'000**	**RM'000**
External revenue	**172,619**	**26,337**	**371,391**	**570,347**
Operating expenses	**(8,578)**	**(2,687)**	**(245,108)**	**(256,373)**
Net property income	**164,041**	**23,650**	**126,283**	**313,974**
Finance and other income				**10,562**
Fair value changes on properties				**107,332**
Unrealised gain on foreign exchange				**15,070**
Total income				**446,938**
Trust and administration expenses				**(21,701)**
Depreciation				**(55,394)**
Finance costs				**(110,420)**
Profit before tax				**259,423**
Non-current assets	**2,683,776**	**640,913**	**2,095,392**	**5,420,081**
Current assets	**178,815**	**24,046**	**266,607**	**469,468**
Total assets	**2,862,591**	**664,959**	**2,361,999**	**5,889,549**
Non-current liabilities	**2,308,003**	**-**	**1,247**	**2,309,250**
Current liabilities	**211,942**	**5,327**	**84,946**	**302,215**
Total liabilities	**2,519,945**	**5,327**	**86,193**	**2,611,465**
Additions to capital expenditure	**13,366**	**87,705**	**4,601**	**105,672**

NOTES TO THE FINANCIAL STATEMENTS

37. SEGMENTAL REPORTING (CONT'D.)

The Group's segmental results for the financial year ended 30 June 2025 is as follows:-

	<---------Property rental--------->		<-----Hotel----->	
	Malaysia RM'000	**Japan RM'000**	**Australia RM'000**	**Total RM'000**
External revenue	163,117	26,628	358,579	548,324
Operating expenses	(8,241)	(5,536)	(242,475)	(256,252)
Net property income	154,876	21,092	116,104	292,072
Finance and other income				8,180
Fair value changes on properties				52,203
Unrealised gain on foreign exchange				10,520
Total income				362,975
Trust and administration expenses				(19,318)
Depreciation				(57,250)
Finance costs				(121,775)
Profit before tax				164,632
Non-current assets	2,662,623	551,981	1,918,179	5,132,783
Current assets	79,027	17,401	216,222	312,650
Total assets	2,741,650	569,382	2,134,401	5,445,433
Non-current liabilities	1,346,830	–	1,105	1,347,935
Current liabilities	1,077,619	3,775	76,746	1,158,140
Total liabilities	2,424,449	3,775	77,851	2,506,075
Additions to capital expenditure	103,284	31,147	6,062	140,493

The following are major customers with revenues equal or more than 10 percent of the Group's total revenue:-

	Group Revenue	
	2026 RM'000	**2025 RM'000**
Common control companies:-		
under major unitholder	**159,662**	150,466
under the holding company of major unitholder	**31,641**	31,640
	191,303	182,106

38. CAPITAL MANAGEMENT

The Manager optimises YTL REIT's capital structure and cost of capital within the borrowing limits prescribed by the Listed REIT Guidelines via a combination of debt and equity funding for future acquisitions and improvement works at the real estate properties.

The capital management strategy for the Group and the Trust involves:-

(a) adopting and maintaining an optimal gearing level; and

(b) adopting an active interest rate management strategy to manage risks associated with changes in interest rates while maintaining flexibility in YTL Hospitality REIT's capital structure to meet future investment and/or capital expenditure requirements.

The Listed REIT Guidelines require that 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, pursuant to Clause 8.32 of the Listed REIT Guidelines.

The Manager reviews the capital structure of the Group on a regular basis and monitors capital using a gearing ratio, which is total borrowings divided by total assets.

		Group	
	Note	2026 RM'000	2025 RM'000
Borrowings	24	**1,248,040**	1,173,541
MTNs	25	**1,180,000**	1,155,000
Total borrowings		**2,428,040**	2,328,541
Total assets		**5,889,549**	5,445,433
Gearing ratio (%)		**41.23**	42.76

The Trust is not subject to any other externally imposed capital requirements for the financial years ended 30 June 2026 and 30 June 2025.

39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) On 19 March 2026, the Trust completed the private placement exercise following the issuance of 90,000,000 new units at an issue price of RM1.05 per unit, which increased the fund size from 1,704,388,889 units to 1,794,388,889 units. The proceeds are intended to be utilised for the partial repayment of existing borrowings and payment of professional fees incurred in connection with the placement exercise.

(b) On 26 March 2026, following the completion of the renovation of a hotel in Puchong, Selangor, the hotel, now rebranded as AC Hotel Puchong was subsequently leased to Prisma Tulin Sdn. Bhd. ("Lessee") (a wholly-owned subsidiary of YTL Corporation Berhad) under a lease agreement effective 1 April 2026 for a period of fifteen years with an option granted to the Lessee to renew for a further term of fifteen years.

40. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were authorised for issue by the Board of Directors of Pintar Projek Sdn. Bhd. in accordance with a resolution of the Directors on 15 September 2026.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Fourteenth Annual General Meeting ("**14th AGM**") of YTL Hospitality REIT ("**YTL REIT**") will be held at The Banquet Hall, Level 3, The Ritz-Carlton Kuala Lumpur, 168 Jalan Imbi, 55100 Kuala Lumpur on Tuesday, 24 November 2026 at 3.00 p.m. or at any adjournment thereof, to transact the following business:

AS ORDINARY BUSINESS

To lay before the meeting the Audited Financial Statements for the financial year ended 30 June 2026 together with the Reports attached thereon.

Please refer Explanatory Note A

AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following resolution:

ORDINARY RESOLUTION 1

PROPOSED AUTHORITY TO ALLOT AND ISSUE NEW UNITS OF UP TO 20% OF THE TOTAL NUMBER OF ISSUED UNITS OF YTL REIT

"**THAT** subject to Bursa Malaysia Securities Berhad Main Market Listing Requirements, and subject to requisite approvals being obtained, authority be and is hereby given to the Directors of Pintar Projek Sdn Bhd ("**Manager**") to allot and issue new units in YTL REIT ("**New Units**"), at any time at such price to any such persons and upon such terms and conditions as the Directors of the Manager ("**Board**") may in their absolute discretion, deem fit and expedient in the best interest of YTL REIT, provided that the aggregate number of New Units to be issued, when aggregated with the total number of units issued during the preceding 12 months, does not exceed 20% of the total number of issued units of YTL REIT for the time being comprising 1,794,388,889 units ("**Proposed Authority**");

THAT such authority shall continue to be in force until:

(i) the conclusion of the next annual general meeting ("**AGM**") of YTL REIT at which time this Proposed Authority will lapse, unless by a resolution passed at the next AGM, the authority is renewed;

(ii) the expiration of the period within which the next AGM of YTL REIT 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 YTL REIT,

whichever is earlier;

THAT such 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 of YTL REIT, except that the New Units will not be entitled to any income distributions, rights, benefits, entitlements and/or any other distributions that may be declared prior to the date of allotment and issue of such New Units;

THAT authority be and is hereby given to the Board and Maybank Trustees Berhad ("**Trustee**"), acting for and on behalf of YTL REIT, to give effect to the Proposed Authority including but not limited to the creation of the requisite New Units and with full powers to assent to any conditions, modifications, variations, arrangements and/or amendments as they may deem fit in the best interest of YTL REIT and/or as may be imposed by the relevant authorities;

AND THAT the Board and the Trustee, acting for and on behalf of YTL 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
of Pintar Projek Sdn Bhd [199401028328 (314009-W)]
(Manager for YTL Hospitality REIT)

Ho Say Keng
Company Secretary

Kuala Lumpur
15 October 2026

NOTICE OF ANNUAL GENERAL MEETING

Notes:

PROXY

1. *A unitholder (including an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA")) entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the unitholder at the 14th AGM.*

2. *Where a unitholder is an Exempt Authorised Nominee as defined under the SICDA, which holds units in YTL REIT for multiple beneficial owners in one securities account ("Omnibus 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.*

3. *A proxy may but need not be a unitholder of YTL REIT. Where a unitholder appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his unitholdings to be represented by each proxy.*

4. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised in writing.*

5. *The appointment of proxy may be made in hardcopy form or by electronic means as specified below and must be received by Vistra Investor & Issuing House Services Sdn Bhd (formerly known as Tricor Investor & Issuing House Services Sdn Bhd) ("Vistra") not less than 48 hours before the time appointed for holding the 14th AGM i.e. no later than* ***22 November 2026 at 3.00 p.m.****:*

   (i) *In hardcopy form*

   The original Form of Proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified or office copy of that power or authority shall be deposited at the office of Vistra at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at the drop box at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

   (ii) *Electronically via Vistra Share Registry and IPO (MY) Portal ("Vistra SRMY Portal")*

   The Form of Proxy can be electronically lodged with Vistra via Vistra SRMY Portal at https://srmy.vistra.com. Please follow the procedures set out in the Administrative Guide for the 14th AGM.

6. *For the purpose of determining a unitholder who shall be entitled to attend the 14th AGM, the Manager shall be requesting Bursa Malaysia Depository Sdn Bhd, in accordance with Section 34(1) of the SICDA to issue a General Meeting Record of Depositors as at 17 November 2026. Only a depositor whose name appears on the General Meeting Record of Depositors as at 17 November 2026 shall be entitled to attend the said meeting or appoint proxy(ies) to attend and/or vote in his stead.*

REPRESENTATIVE FROM CORPORATE MEMBER

7. *For a corporate member who has appointed an authorised representative, please deposit the original certificate of appointment of corporate representative with Vistra at its office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at the drop box at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, before the time appointed for holding the 14th AGM or adjourned meeting.*

Explanatory Note A

There shall be no voting on the aforesaid Ordinary Business given that the laying of the Audited Financial Statements for the financial year ended 30 June 2026 of YTL REIT together with the Reports attached thereon before the unitholders at the Annual General Meeting is meant for discussion only in accordance with Paragraph 13.18(b) of the Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission Malaysia.

Explanatory Notes on Special Business

Resolution on Proposed Authority

Resolution 1 is a renewal of the general authority given to the Board to allot and issue units as approved by the unitholders at the Thirteenth Annual General Meeting held on 30 October 2025 ("Previous Mandate").

As at the date of this Notice, YTL REIT has not issued any new units pursuant to the Previous Mandate which will lapse at the conclusion of this AGM.

Resolution 1, if passed, will give a mandate to the Board to allot and issue New Units in YTL REIT from time to time provided that the aggregate number of the New Units to be issued, when aggregated with the total number of units issued during the preceding 12 months, does not exceed 20% of the total number of issued units of YTL REIT for the time being comprising 1,794,388,889 units. The Proposed Authority, unless revoked or varied by at a resolution passed by the unitholders in a general meeting of YTL REIT, will expire at the conclusion of the next AGM of YTL REIT.

With this Proposed Authority, YTL REIT will have the flexibility to allot and issue New Units to raise funds to finance future investments, acquisitions and capital expenditure project(s) to enhance the value of YTL REIT and/or to refinance existing debt as well as for working capital purposes without convening a general meeting, which may delay the capital raising initiatives and incur relevant costs in organising the required general meeting.

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YTL HOSPITALITY REIT

(established in Malaysia pursuant to a deed dated 18 November 2005 (as amended and restated))

FORM OF PROXY

CDS Account No.	

(only for nominee companies)

Number of units held	

I/We *(full name in block letters)* _____

_____ Telephone No. _____

NRIC *(new & old)*/Passport/Company No. _____

of *(full address)* _____

_____

being a unitholder of **YTL Hospitality REIT** hereby appoint

Full name of proxy in block letters	***NRIC (new & old)/Passport No. of proxy***	***Proportion of unitholdings to be represented***	
		No. of units	*%*

* and/or *(delete as appropriate)*

Full name of proxy in block letters	***NRIC (new & old)/Passport No. of proxy***	***Proportion of unitholdings to be represented***	
		No. of units	*%*

or failing him/her, the Chairman of the Meeting as my/our proxy(ies) to vote for me/us on my/our behalf at the Fourteenth Annual General Meeting of YTL Hospitality REIT to be held at The Banquet Hall, Level 3, The Ritz-Carlton Kuala Lumpur, 168 Jalan Imbi, 55100 Kuala Lumpur on Tuesday, 24 November 2026 at 3.00 p.m. or at any adjournment thereof.

My/Our proxy is to vote as indicated below:

No.	Resolution	For	Against
1.	Proposed authority to allot and issue new units of up to 20% of the total number of issued units of YTL Hospitality REIT		

Please indicate with an "X" in the space provided whether you wish your votes to be cast "for" or "against" the resolution. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2026.

_____

Signature(s)/Common Seal of Unitholder

Notes:

1. *A unitholder (including an Authorised Nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA")) entitled to attend and vote at a general meeting of YTL Hospitality REIT may appoint not more than two (2) proxies to participate instead of the unitholder at the Fourteenth Annual General Meeting ("14th AGM").*
2. *Where a unitholder is an Exempt Authorised Nominee as defined under the SICDA, which holds units in YTL Hospitality REIT for multiple beneficial owners in one securities account ("Omnibus 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.*
3. *A proxy may but need not be a unitholder of YTL Hospitality REIT. Where a unitholder appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportion of his unitholdings to be represented by each proxy.*
4. *The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of an officer or attorney duly authorised in writing.*
5. *The appointment of proxy may be made in hardcopy form or by electronic means as specified below and must be received by Vistra Investor & Issuing House Services Sdn Bhd (formerly known as Tricor Investor & Issuing House Services Sdn Bhd) ("Vistra") not less than 48 hours before the time appointed for holding the 14th AGM i.e. no later than Sunday,* ***22 November 2026 at 3.00 p.m.****:*

   (i) In hardcopy form

   The original Form of Proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified or office copy of that power or authority shall be deposited at the office of Vistra at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia or alternatively, at the drop box at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

   (ii) Electronically via Vistra Share Registry and IPO (MY) Portal ("Vistra SRMY Portal")

   The Form of Proxy can be electronically lodged with Vistra via Vistra SRMY Portal at https://srmy.vistra.com. Please follow the procedures set out in the Administrative Guide for the 14th AGM.
6. *Only unitholders whose names appear on the General Meeting Record of Depositors as at 17 November 2026 shall be entitled to attend the 14th AGM or appoint proxy(ies) to attend and/or vote in his stead.*
7. *For a corporate member who has appointed an authorised representative, please deposit the original certificate of appointment of corporate representative with Vistra at either of the addresses stated in note 5(i) above, before the time appointed for holding the 14th AGM or adjourned meeting.*

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AFFIX
STAMP

Vistra Investor & Issuing House Services Sdn Bhd
(formerly known as Tricor Investor & Issuing House Services Sdn Bhd)

Share Registrar for the 14th Annual General Meeting of
YTL Hospitality REIT
Unit 32-01, Level 32, Tower A, Vertical Business Suite
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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Fold this flap for sealing