NOTICE ACCOMPANYING THE ELECTRONIC PROSPECTUS OF IGB COMMERCIAL REAL ESTATE INVESTMENT TRUST ("IGB COMMERCIAL REIT") DATED 10 JUNE 2021 ("ELECTRONIC PROSPECTUS")

(Unless otherwise indicated, specified or defined in this notice, the definitions in the Electronic Prospectus shall apply throughout this notice.)

Website

The Electronic Prospectus can be viewed or downloaded from the website of Bursa Malaysia Securities Berhad ("**Bursa Securities**") at www.bursamalaysia.com ("**Website**").

Availability and Location of Printed Prospectus

Any investor in doubt concerning the validity or integrity of the Electronic Prospectus should immediately request a paper/printed copy of the Prospectus directly from IGB REIT Management Sdn Bhd, Hong Leong Investment Bank Berhad ("**HLIB**") or Boardroom Share Registrars Sdn Bhd.

Prospective investors should note that the Offer Acceptance Form is not available in electronic format.

Jurisdictional Disclaimer

This distribution of the Electronic Prospectus and the sale of the units are subject to Malaysian law. Bursa Securities, HLIB and the Manager take no responsibility for the distribution of the Electronic Prospectus and/or the sale of the units outside Malaysia, which may be restricted by law in other jurisdictions. The Electronic Prospectus does not constitute and may not be used for the purpose of an offer to sell or an invitation of an offer to buy any units, to any person outside Malaysia or in any jurisdiction in which such offer or invitation is not authorised or lawful or to any person to whom it is unlawful to make such offer or invitation.

Close of Application

Applications will be accepted from 10.00 a.m. on 10 June 2021 and will close at 5.00 p.m. on 6 July 2021 or for such further period or periods as the Directors of the Manager and IGB in their absolute discretion may decide.

The Electronic Prospectus made available on the Website after the closing of the application period is made available solely for informational and archiving purposes. No Units will be allotted or issued on the basis of the Electronic Prospectus after the closing of the application period.

Persons Responsible for the Internet Site in which the Electronic Prospectus is Posted

The Electronic Prospectus which is accessible at the Website is owned by Bursa Securities. Users' access to the Website and the use of the contents of the Website and/or any information in whatsoever form arising from the Website shall be conditional upon acceptance of the terms and conditions of use as contained in the Website.

The contents of the Electronic Prospectus are for informational and archiving purposes only and are not intended to provide investment advice of any form or kind, and shall not at any time be relied upon as such.

Hampshire Place Office
Net lettable area: 239,253 sq ft
KL CITY

GTower
Net lettable area: 653,164 sq ft
KL CITY

Menara Tan & Tan
Net lettable area: 339,385 sq ft
KL CITY

Menara IGB & IGB Annexe
Net lettable area: 261,993 sq ft
MID VALLEY CITY

Boulevard Properties
Net lettable area: 53,715 sq ft
MID VALLEY CITY

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COMMERCIAL PROPERTIES

Gardens North Tower
Net lettable area: 425,612 sq ft
MID VALLEY CITY

Centrepoint North
Net lettable area: 232,051 sq ft
MID VALLEY CITY

Gardens South Tower
Net lettable area: 422,381 sq ft
MID VALLEY CITY

Southpoint Properties
Net lettable area: 515,501 sq ft
MID VALLEY CITY

Centrepoint South
Net lettable area: 232,237 sq ft
MID VALLEY CITY

Managed by:
IGB REIT MANAGEMENT SDN BHD 201201006785 (908168-A)
Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Tel: (603) 2289 8989 Fax: (603) 2289 8802

IGB | COMMERCIAL REIT

IGB COMMERCIAL REIT

PROSPECTUS

PROSPECTUS

IGB | COMMERCIAL REIT

IGB COMMERCIAL REAL ESTATE INVESTMENT TRUST ("IGB COMMERCIAL REIT")

(A REAL ESTATE INVESTMENT TRUST CONSTITUTED IN MALAYSIA UNDER THE DEED DATED 31 MARCH 2021 AND REGISTERED WITH THE SECURITIES COMMISSION MALAYSIA ("**SC**") ON 31 MARCH 2021, ENTERED INTO BETWEEN IGB REIT MANAGEMENT SDN BHD (REGISTRATION NUMBER: 201201006785 (908168-A)) ("**MANAGER**") AND MTRUSTEE BERHAD (REGISTRATION NUMBER: 198701004362 (163032-V)) ("**TRUSTEE**"), BOTH COMPANIES INCORPORATED IN MALAYSIA UNDER THE COMPANIES ACT 2016)

(I) RESTRICTED OFFERING OF UP TO 945,000,132 UNITS IN IGB COMMERCIAL REIT ("**UNITS**") COMPRISING:
- (A) RESTRICTED OFFER FOR SALE OF UP TO 378,000,053 UNITS ("**ROFS UNITS**") ON A NON-RENOUNCEABLE BASIS TO ENTITLED SHAREHOLDERS OF IGB BERHAD ("**IGB**") ("**ENTITLED SHAREHOLDERS**") ON THE BASIS OF TWO (2) ROFS UNITS FOR EVERY FIVE (5) ORDINARY SHARES IN IGB HELD ON THE ENTITLEMENT DATE AT THE PRICE OF RM1.00 PER ROFS UNIT ("**ROFS PRICE**"); AND
- (B) DISTRIBUTION-IN-SPECIE OF UP TO 567,000,079 UNITS ("**DIS UNITS**") TO BE DISTRIBUTED ONLY TO ENTITLED SHAREHOLDERS WHO HAVE SUBSCRIBED FOR THEIR ENTITLEMENTS TO THE ROFS UNITS ON THE BASIS OF THREE (3) DIS UNITS FOR EVERY TWO (2) ROFS UNITS SUBSCRIBED; AND

(II) INSTITUTIONAL OFFERING OF AT LEAST 282,000,000 UNITS COMPRISING:
- (A) OFFER FOR SALE OF 282,000,000 UNITS BY CERTAIN SHAREHOLDERS OF IGB WHOM HAVE UNDERTAKEN TO OFFER FOR SALE ("**SELLING SHAREHOLDERS**"); AND
- (B) OFFER FOR SALE OF ALL UNSUBSCRIBED ROFS UNITS TOGETHER WITH THE CORRESPONDING DIS UNITS,

TO INSTITUTIONAL INVESTORS AND SELECTED INVESTORS AT THE INSTITUTIONAL PRICE BEING THE PRICE PER OFFER UNIT TO BE PAID BY THE INVESTORS WHICH WILL BE DETERMINED BY WAY OF BOOKBUILDING ("**INSTITUTIONAL PRICE**");

IN CONNECTION WITH THE LISTING OF AND QUOTATION FOR 2,307,300,000 UNITS ON THE MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("**BURSA SECURITIES**").

THE ROFS PRICE IS PAYABLE IN FULL UPON APPLICATION.

Manager	Trustee
IGB REIT MANAGEMENT SDN BHD	**MTRUSTEE BERHAD** SINCE 1987
(REGISTRATION NUMBER: 201201006785 (908168-A))	(REGISTRATION NUMBER: 198701004362 (163032-V))

Principal Adviser

HongLeong Investment Bank

Joint Bookrunners *(in alphabetical order)*

HongLeong Investment Bank | Maybank Investment Bank | RHB InvestmentBank

NO UNITS WILL BE ALLOTTED OR ISSUED BASED ON THIS PROSPECTUS AFTER 12 MONTHS FROM THE DATE OF THIS PROSPECTUS.

THE SC HAS APPROVED THE ESTABLISHMENT AND LISTING OF IGB COMMERCIAL REIT ON THE MAIN MARKET OF BURSA SECURITIES UNDER SECTION 214(1) OF THE CAPITAL MARKETS AND SERVICES ACT 2007 AND THE RESULTANT UNITHOLDING STRUCTURE OF IGB COMMERCIAL REIT UNDER THE EQUITY REQUIREMENT FOR PUBLIC LISTED COMPANIES PURSUANT TO THE LISTING, AND A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED BY AND LODGED WITH THE SC.

THE APPROVAL, AND REGISTRATION OF THIS PROSPECTUS, SHOULD NOT BE TAKEN TO INDICATE THAT THE SC RECOMMENDS IGB COMMERCIAL REIT OR ASSUMES RESPONSIBILITY FOR THE CORRECTNESS OF ANY STATEMENT MADE, OPINION EXPRESSED OR REPORT CONTAINED IN THIS PROSPECTUS. THE SC HAS NOT, IN ANY WAY, CONSIDERED THE MERITS OF THE UNITS BEING OFFERED FOR INVESTMENT.

THE SC IS NOT LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE MANAGER RESPONSIBLE FOR IGB COMMERCIAL REIT AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY FOR ANY LOSS YOU MAY SUFFER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS.

THE VALUATION UTILISED FOR THE PURPOSE OF THE PROPOSALS, IN RELATION TO THE LISTING OF IGB COMMERCIAL REIT, SUBMITTED TO THE SC, SHALL NOT BE CONSTRUED AS AN ENDORSEMENT BY THE SC ON THE VALUE OF THE SUBJECT PROPERTIES FOR ANY OTHER PURPOSE.

ADMISSION TO THE OFFICIAL LIST OF BURSA SECURITIES IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE OFFERING, IGB COMMERCIAL REIT OR OF ITS UNITS.

INVESTORS ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS PROSPECTUS. IF IN DOUBT, PLEASE CONSULT A PROFESSIONAL ADVISER.

FOR INFORMATION CONCERNING RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE SECTION 5 "RISK FACTORS" COMMENCING ON PAGE 186 OF THIS PROSPECTUS.

This Prospectus is dated 10 June 2021 and will expire on 9 June 2022.

All terms used are defined under "Definitions" and "Presentation of Financial, Market, Industry and Other Information" commencing on pages x and xxiii of this Prospectus respectively.

RESPONSIBILITY STATEMENTS

The Directors, the Sponsor and the Selling Shareholders have seen and approved this Prospectus. They collectively and individually accept full responsibility for the accuracy of the information. Having made all reasonable enquiries, and to the best of their knowledge and belief, they confirm that there is no false or misleading statement, or other facts which if omitted, would make any statement in this Prospectus false or misleading.

HLIB, being the Principal Adviser and the Joint Bookrunner, and MIBB and RHBIB being the Joint Bookrunners acknowledge that, based on all available information, and to the best of their knowledge and belief, this Prospectus constitutes a full and true disclosure of all material facts concerning the Offering.

The Directors and the Sponsor confirm that the bases and assumptions relied on in the preparation of the Profit Forecast for the inclusion in this Prospectus are reasonable. HLIB, being the Principal Adviser and the Joint Bookrunner, is satisfied that the bases and assumptions relied on in the preparation of the Profit Forecast are reasonable.

NOTICE TO INVESTORS AND ADDITIONAL STATEMENTS

Investors should note that they may seek recourse under the CMSA for breaches of securities laws and regulations including any statement in this Prospectus that is false, misleading, or from which there is a material omission; or for any misleading or deceptive act in relation to this Prospectus or the conduct of any other person in relation to IGB Commercial REIT.

Securities listed on Bursa Securities are offered to the public premised on full and accurate disclosure of all material information concerning the issue, for which any person set out in Section 236 of the CMSA, e.g. directors and advisers, are responsible.

Bursa Securities' approval for the admission of all the Units to be issued to the Official List of the Main Market and for the listing of and quotation for all the 2,307.3 million Units to be issued pursuant to the Listing as well as the 200.0 million Units to be issued as part payment of the Management Fees on a staggered basis, was obtained on 7 May 2021.

This Prospectus has not been and will not be made to comply with the laws of any jurisdiction other than Malaysia, and has not been and will not be lodged, registered or approved pursuant to or under any applicable securities or equivalent legislation or with or by any regulatory authority or other relevant body of any jurisdiction other than Malaysia.

The Manager will not, prior to acting on any acceptance in respect of the Offering, make or be bound to make any inquiry as to whether investors have a registered address in Malaysia and will not accept or be deemed to accept any liability in relation thereto whether or not any inquiry or investigation is made in connection therewith. It shall be the investors' sole responsibility if they are or may be subject to the laws of countries or jurisdictions other than Malaysia to consult their legal and/or other professional advisers as to whether the Offering would result in the contravention of any laws of such countries or jurisdictions.

Further, it shall also be the investors' sole responsibility to ensure that their applications for the Offering would be in compliance with the terms of the Offering and would not be in contravention of any laws of countries or jurisdictions other than Malaysia to which they may be subjected. The Manager will further assume that investors have accepted the Offering in Malaysia and will at all applicable times be subjected only to the laws of Malaysia in connection therewith.

However, the Manager reserves the right, in its absolute discretion, to treat any acceptance as invalid if the Manager believes that such acceptance may violate any law or applicable legal or regulatory requirements.

No action has been or will be taken to ensure that this Prospectus complies with the laws of any countries or jurisdictions other than the laws of Malaysia. The Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners shall not accept any responsibility or liability in the event that any application made by investors shall become illegal, unenforceable, voidable or void in any country or jurisdiction.

This Prospectus is published solely in connection with the Offering. The Units being offered in the Offering are offered solely on the basis of the information contained and representations made in this Prospectus. The Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners have not authorised anyone to provide any information or to make any representation not contained in this Prospectus. Any information or representation not contained in this Prospectus must not be relied upon as having been authorised by the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners, or any of their respective directors or any other persons involved in the Offering. If anyone provides investors with different or inconsistent information, investors should not rely upon it. Neither the delivery of this Prospectus nor any offer, subscription, sale or transfer made hereunder shall under any circumstances imply that the information herein is correct as of any date subsequent to the date hereof or constitute a representation that there has been no change or development reasonably likely to involve a material adverse change in the affairs, conditions and prospects of IGB Commercial REIT, the Manager or the Units since the date of this Prospectus. Investors should take notice of such announcements and documents and upon release of such announcements and documents shall be deemed to have notice of such changes. Unless required by applicable laws, and save as provided in the responsibility statement of the Directors, the Sponsor and the Selling Shareholderes as set out in this Prospectus, no representation, warranty or covenant, express or implied, is made by any of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers as to the accuracy or completeness of the information contained herein, and nothing contained in this Prospectus is, or shall be relied upon as, a promise, representation or covenant by any of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners or their respective affiliates, directors, officers, employees, agents, representatives or advisers.

None of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners or any of their respective affiliates, directors, officers, employees, agents, representatives or advisers is making any representation or undertaking to any purchaser or subscriber of Units regarding the legality of an investment by such purchaser or subscriber under appropriate legal, investment or similar laws. In addition, investors in the Units should not construe the contents of this Prospectus as legal, business, financial or tax advice. Investors should be aware that they may be required to bear the financial risks of an investment in the Units for an indefinite period of time. Investors should consult their own professional advisers as to the legal, tax, business, financial and related aspects of an investment in the Units.

The distribution of this Prospectus and the offering, subscription, purchase, sale or transfer of the Units in certain jurisdictions may be restricted by law. IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions at their own expense and without liability to IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser and the Joint Bookrunners. This Prospectus does not constitute, and the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners are not making, an offer of, or an invitation to subscribe for or purchase, any of the Units in any jurisdiction in which such offer or invitation would be unlawful. Persons to whom a copy of this Prospectus has been issued shall not circulate to any other person, reproduce or otherwise distribute this Prospectus or any information herein for any purpose whatsoever nor permit or cause the same to occur.

This Prospectus is available from Bursa Securities' website at www.bursamalaysia.com.

This Prospectus has been prepared in the context of the Offering under the laws of Malaysia.

ELECTRONIC PROSPECTUS

The contents of the electronic copy of this Prospectus and the copy of this Prospectus registered with the SC are the same. Prospective investors may obtain a copy of the Electronic Prospectus from the websites of Malayan Banking Berhad at www.maybank2u.com.my, Affin Hwang Investment Bank Berhad at trade.affinhwang.com, Affin Bank Berhad at www.affinOnline.com, CIMB Bank Berhad at www.cimbclicks.com.my, CIMB Investment Bank Berhad at www.eipocimb.com, Public Bank Berhad at www.pbebank.com and RHB Bank Berhad www.rhbgroup.com (referred to as "**Participating Financial Institutions**").

If investors doubt the validity or integrity of an Electronic Prospectus, investors should immediately request from the Manager or the Issuing House, a paper or printed copy of this Prospectus. If there is any discrepancy between the contents of the Electronic Prospectus and the paper or printed copy of this Prospectus, the contents of the paper or printed copy of this Prospectus which are identical to the copy of the Prospectus registered with the SC shall prevail.

In relation to any reference in this Prospectus to third party internet sites (referred to as "**third party internet sites**"), whether by way of hyperlinks or by way of description of the third party internet sites, investors acknowledge and agree that:

(i) each of the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners does not endorse and is not affiliated in any way with third party internet sites. Accordingly, each of the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners is not responsible for the availability of, or the contents or any data, files or other material provided on third party internet sites. Investors bear all risks associated with the access to or use of third party internet sites;

(ii) each of the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners is not responsible for the quality of products or services of third party internet sites, particularly in fulfilling any terms of agreements with third party internet sites. Each of the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners is also not responsible for any loss or damage or cost that investors may suffer or incur in connection with or as a result of dealing with the third party internet sites or the use of or reliance on any data, file or other material provided by such parties; and

(iii) any data, file or other material downloaded from third party internet sites is done at investors' own discretion and risk. Each of the Manager, the Sponsor, the Selling Shareholders, the Principal Adviser and the Joint Bookrunners is not responsible, liable or under obligation for any damage to investors' computer systems or loss of data resulting from the downloading of any such data, information, files or other material.

Where an Electronic Prospectus is hosted on any of the websites of the Participating Financial Institutions, investors are advised that:

(i) the Participating Financial Institutions are only liable in respect of the integrity of the contents of an Electronic Prospectus to the extent of the contents of the Electronic Prospectus on the web servers of the Participating Financial Institutions which may be viewed via the investors' web browser or other relevant software. The Participating Financial Institutions are not responsible for the integrity of the contents of an Electronic Prospectus which has been obtained from the web servers of the Participating Financial Institutions and subsequently communicated or disseminated in any manner to investors or other parties; and

(ii) while all reasonable measures have been taken to ensure the accuracy and reliability of the information provided in an Electronic Prospectus, the accuracy and reliability of an Electronic Prospectus cannot be guaranteed because the internet is not a fully secured medium.

The Participating Financial Institutions are not liable (whether in tort or contract or otherwise) for any loss, damage or costs, investors or any other person may suffer or incur due to, as a consequence of or in connection with any inaccuracies, changes, alterations, deletions or omissions in respect of the information provided in an Electronic Prospectus which may arise in connection with or as a result of any fault with the web browsers or other relevant software, any fault on investors' or any third party's personal computers, operating system or other software, viruses or other security threats, unauthorised access to information or systems in relation to the websites of the Participating Financial Institutions, and/or problems occurring during data transmission which may result in inaccurate or incomplete copies of information being downloaded or displayed on investors' personal computers.

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INDICATIVE TIMETABLE

An indicative timetable for the Offering is set out below:

Date and time		Event
20 May 2021	:	Announcement of Entitlement Date
4 June 2021	:	Entitlement Date
10 June 2021, 10.00 a.m.	:	Opening of the Restricted Offering
6 July 2021, 5.00 p.m.	:	Closing of the Restricted Offering
13 July 2021	:	Opening of the Institutional Offering
14 July 2021	:	Closing of the Institutional Offering
14 July 2021	:	Price Determination Date
29 July 2021	:	Allotment/Transfer of Offer Units to successful applicants
30 July 2021	:	Listing of IGB Commercial REIT on the Main Market

The above timetable is indicative only and is subject to change. If there is any change to this timetable, the Manager and IGB will advertise the notice of such change in a widely circulated Bahasa Malaysia daily newspaper and English daily newspaper within Malaysia.

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The following terms in this Prospectus bear the same meaning as set out below unless the term is defined otherwise or the context requires otherwise:

Acquisitions	:	Acquisitions by the Trustee (on behalf of IGB Commercial REIT) of the Subject Properties from the respective Vendors for a total purchase consideration of RM3,160.5 million to be satisfied via the issuance of 2,307.3 million Consideration Units and the Cash Consideration
Act	:	Companies Act 2016, as amended from time to time and any re-enactment thereof
ADA	:	Authorised Depository Agent
AEI	:	Asset enhancement initiatives
Appraised Value	:	In relation to a Subject Property, the value of that Subject Property as appraised by the Independent Property Valuer as at 31 March 2020 and thereafter had been updated by the Independent Property Valuer as at 31 December 2020
Asset Valuation Guidelines	:	Asset Valuation Guidelines issued by the SC, as amended from time to time
ATM	:	Automated teller machine
Authorised Investments	:	The following investments in which IGB Commercial REIT may invest, subject to the provisions of the REIT Guidelines: (i) Real Estate; (ii) Non-Real Estate Assets; (iii) cash, deposits and money market instruments; and (iv) any other investment not specified in (i) to (iii) above but specified as a permissible investment in the REIT Guidelines or as otherwise permitted by the SC
Average Occupancy Rate	:	Calculated based on the aggregate monthly Occupancy Rate of each Subject Property divided by a period of 12 months
Board	:	Board of directors of the Manager
Book Closing Date	:	The specified time and date set by the Manager for the purpose of determining the Unitholders' entitlement to the Distributable Income, new Units or other distributions or entitlements
Boulevard Properties	:	Two (2) blocks of 11-storey office units known as Blocks 25 and 27 of Boulevard Offices, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
Boulevard Properties SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between MVC as the registered land proprietor, Idaman Spektra as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser (as supplemented by the letter dated 5 May 2021 between the same parties), in respect of the sale and purchase of Boulevard Properties pursuant to the Acquisitions
Bursa Depository	:	Bursa Malaysia Depository Sdn Bhd (Registration Number: 198701006854 (165570-W))

Bursa Securities	:	Bursa Malaysia Securities Berhad (Registration Number: 200301033577 (635998-W))
CAGR	:	Compound annual growth rate
Cash Consideration	:	The settlement of the balance of the total purchase consideration for the Acquisitions of RM853.2 million by way of cash
CDS	:	Central Depository System
CDS Account	:	An account established by Bursa Depository for a depositor for the recording of the deposit of securities and for dealing in such securities by the depositor
Central Depositories Act or **SICDA**	:	Securities Industry (Central Depositories) Act 1991, as amended from time to time and any re-enactment thereof
Centrepoint North	:	A 19-storey office block erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
Centrepoint North SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between MVC as the registered land proprietor, MVC Developments as the previous developer, MVC CP North as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser (as supplemented by the letter dated 5 May 2021 between the same parties), in respect of the sale and purchase of Centrepoint North pursuant to the Acquisitions
Centrepoint South	:	A 19-storey office block with an annexed link bridge erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
Centrepoint South SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between MVC as the registered land proprietor, MVC Developments as the previous developer, MVC CP South as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser (as supplemented by the letter dated 5 May 2021 between the same parties), in respect of the sale and purchase of Centrepoint South pursuant to the Acquisitions
CIS Prospectus Guidelines	:	Prospectus Guidelines for Collective Investment Schemes issued by the SC, as amended from time to time
Clawback and Reallocation	:	The clawback and reallocation provision as set out in Section 3.3.3 "Clawback and Reallocation" of this Prospectus
CMSA	:	Capital Markets and Services Act 2007, as amended from time to time and any re-enactment thereof
Completion Date of the SPAs	:	The date, which will occur within one (1) month from the date the SPAs have become unconditional or such extended date as the Vendors and the Trustee may agree in writing, when the Acquisitions are completed or deemed completed on the terms set out in the SPAs
Consideration Units	:	The 2,307,300,000 Units to be issued to the Vendors as part satisfaction of the purchase consideration for the Acquisitions at an issue price of RM1.00 per Unit which shall be deemed fully paid

Costs	:	All transactional costs, stamp duties, placement and/or bookbuilding fees and other costs, fees and/or duties payable, where applicable in conjunction with the Institutional Offering
COVID-19	:	Novel coronavirus 2019
Deed	:	A deed of trust entered into between the Manager and the Trustee, constituting IGB Commercial REIT, dated and registered with the SC on 31 March 2021
Deposited Property	:	All the assets of IGB Commercial REIT, including all its Authorised Investments and other assets (after consulting with the auditor) considered to be in the nature of assets in accordance with generally accepted accounting practices in Malaysia, for the time being held or deemed to be held in accordance to the Deed
Directors	:	The directors of the Manager
DIS	:	Distribution-in-specie of up to 567,000,079 DIS Units on the basis of three (3) DIS Units for every two (2) ROFS Units subscribed
Distributable Income	:	The amount available for distribution to the Unitholders of IGB Commercial REIT and having the meaning as set out in Section 10.9 "Distributable Income" of this Prospectus
Distribution Period	:	Half-yearly or such other interval as the Manager may determine in accordance with the Deed
DIS Units	:	Units to be distributed to the Entitled Shareholders who subscribe for the ROFS Units, pursuant to the DIS
DPU	:	Distribution per Unit
Electronic Prospectus	:	A copy of this Prospectus that is issued, circulated or disseminated via the internet and/or any electronic storage medium, including but not limited to CD-ROMs (compact disc read-only memory)
Entitled Shareholders	:	Shareholders of IGB whose names appear in the Record of Depositors of IGB at the close of business on the Entitlement Date
Entitlement Date	:	4 June 2021, being the date as announced by IGB, on which the names of the Entitled Shareholders appear in the Record of Depositors of IGB as at 5.00 p.m., in order to be entitled to the Offering
EPU	:	Economic Planning Unit within the Prime Minister's Department or any other equivalent ministry, department or unit in charge of granting the approval pursuant to the Guideline on the Acquisition of Properties
FMCG	:	Fast moving consumer goods
Forecast Period 2021	:	31 March 2021 to 31 December 2021
FYE	:	Financial year ended/ending 31 December, as the case may be
Gardens North Tower	:	A 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions

Gardens North Tower SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between MVC North Tower as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser in respect of the sale and purchase of Gardens North Tower pursuant to the Acquisitions
Gardens South Tower	:	A 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
Gardens South Tower SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between MVC South Tower as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser in respect of the sale and purchase of Gardens South Tower pursuant to the Acquisitions
GFA	:	Gross floor area
Global Certificate	:	A certificate issued to Bursa Depository pursuant to the provisions of the Deed relating to some or all the Units registered in the name of Bursa Depository or its nominee company in such manner as may be prescribed by the Rules of Bursa Depository or as agreed with Bursa Depository
Golden Triangle	:	The general area between Jalan Tun Razak, Jalan Conlay – Raja Chulan, Jalan Sultan Ismail and Jalan Ampang which includes the popular Bukit Bintang and Kuala Lumpur City area. The Golden Triangle is Kuala Lumpur's main commercial and tourist hub as well as the prime retail shopping district in Malaysia
Golden Triangle Subject Properties	:	The three (3) Subject Properties located in the Golden Triangle, namely Menara Tan & Tan, GTower and Hampshire Place Office
Government	:	Government of Malaysia
Group	:	IGB Commercial REIT and its subsidiary, ICRC
Greater Kuala Lumpur	:	The area comprising the Federal Territory of Kuala Lumpur, the Federal Territory of Putrajaya and 10 municipalities in Selangor
GTower	:	A 32-storey office building together with two (2) basements and 1,090 car park bays, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
GTower SB	:	GTower Sdn Bhd (Registration Number: 199301016018 (270758-V)), a company incorporated under the laws of Malaysia, being the registered land proprietor of the land on which GTower is erected on and the vendor of GTower
GTower SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between GTower SB as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser in respect of the sale and purchase of GTower pursuant to the Acquisitions
Hampshire Place Office	:	A 28-storey office building together with 286 car park bays designated for the office building, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions

Hampshire Place Office SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between Hampshire Properties as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser in respect of the sale and purchase of Hampshire Place Office pursuant to the Acquisitions
Hampshire Properties	:	Hampshire Properties Sdn Bhd (Registration Number: 199101002120 (212431-M)), a company incorporated under the laws of Malaysia, being the vendor of Hampshire Place Office
HLIB or **Principal Adviser**	:	Hong Leong Investment Bank Berhad (Registration Number: 197001000928 (10209-W)), a company incorporated under the laws of Malaysia, being the principal adviser and joint bookrunner for the Offering
ICRC	:	IGB Commercial REIT Capital Sdn Bhd, a subsidiary of IGB Commercial REIT
Idaman Spektra	:	Idaman Spektra Sdn Bhd (Registration Number: 200801032034 (833369-V)), a company incorporated under the laws of Malaysia, being the vendor of Boulevard Properties
IFRS	:	International Financial Reporting Standards issued by the International Accounting Standards Board
IGB or **Sponsor** or **Offeror**	:	IGB Berhad (Registration Number: 200001013196 (515802-U)), a company incorporated under the laws of Malaysia, being the sponsor of IGB Commercial REIT
IGB Commercial REIT	:	IGB Commercial Real Estate Investment Trust, a REIT established in Malaysia and constituted under the Deed
IGB Corporation	:	IGB Corporation Berhad (Registration Number: 196401000440 (5745-A)), a company incorporated under the laws of Malaysia, being the holding company of IGB Properties, MVC CP South, MVC CP North, Idaman Spektra, MVC South Tower, MVC North Tower, MVC Southpoint and TT Developments
IGB Properties	:	IGB Properties Sdn Bhd (Registration Number: 198301012763 (108157-U)), a company incorporated under the laws of Malaysia, being the vendor of Menara IGB & IGB Annexe
IGB REIT	:	IGB Real Estate Investment Trust, a REIT constituted in Malaysia pursuant to a deed of trust dated 18 July 2012 as amended by the first amending and restating deed dated 25 October 2018, and listed on the Main Market of Bursa Securities since 21 September 2012
IGB Shares	:	Ordinary shares in IGB
Income Tax Act	:	Income Tax Act 1967, as amended from time to time and any re-enactment thereof
Independent Property Market Consultant or **Savills**	:	Savills (Malaysia) Sdn Bhd (Registration Number: 199501004315 (333510-P)), a company incorporated under the laws of Malaysia, being the independent property market consultant for the Subject Properties
Independent Property Valuer or **Henry Butcher**	:	Henry Butcher Malaysia Sdn Bhd (Registration Number: 198701001968 (160636-P)), a company incorporated under the laws of Malaysia, being the independent property valuer for the Subject Properties
Institutional Offering	:	Offering of at least 282,000,000 Units to institutional investors and selected investors at the Institutional Price

Institutional Price	:	The issue price per Unit payable by the institutional investors and selected investors pursuant to the Institutional Offering which will be determined by way of a bookbuilding exercise
Internal Auditor	:	Group Internal Audit (GIA) Division of IGB, being the Internal Auditor of IGB Commercial REIT
Joint Bookrunners	:	HLIB, MIBB and RHBIB being the joint bookrunners in respect of the Institutional Offering
JMB	:	Joint management body established pursuant to the Building and Common Property (Maintenance and Management) Act 2007 (which has been repealed and replaced by the Strata Management Act 2013)
Klang Valley	:	The combined area of Kuala Lumpur, Putrajaya, the district of Petaling, the district of Gombak, the district of Klang and the district of Ulu Langat
KL City	:	Kuala Lumpur City
KL Suburban	:	Kuala Lumpur Suburban
KTM	:	Keretapi Tanah Melayu
Latest Practicable Date	:	20 April 2021, being the latest practicable date prior to the issuance of this Prospectus
Listing	:	Admission of IGB Commercial REIT to the Official List and the listing of and quotation for 2,307,300,000 Units on the Main Market
Listing Date	:	The date of the Listing
Listing Requirements	:	Main Market Listing Requirements of Bursa Securities, as amended from time to time
LRT	:	Light Rapid Transit
Main Market	:	Main Market of Bursa Securities
Malaysian Public	:	Malaysian citizens, companies, co-operatives, societies and institutions incorporated or organised under the laws of Malaysia but excludes the Directors, the Manager, substantial shareholders of the Manager, substantial Unitholders, the Trustee and associates of the Directors and substantial Unitholders
Management Fees	:	Fees payable to the Manager which comprises the Base Fee, the Performance Fee, the Acquisition Fee and the Divestment Fee as set out in Section 6.6 "Management Fees" of this Prospectus
Manager	:	IGB REIT Management Sdn Bhd (Registration Number: 201201006785 (908168-A)), a company incorporated under the laws of Malaysia, being the management company of IGB Commercial REIT
Market Day	:	A day on which Bursa Securities is open for trading in securities
Maximum Scenario	:	Assuming distribution or resale of all 6,987,117 Treasury Shares and full conversion of all outstanding 56,497,771 RCCPS 2018/2025

Menara IGB & IGB Annexe	:	An 18-storey office block together with a two (2)-storey office building annexed thereto, both erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
Menara IGB & IGB Annexe SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between MVC as the registered land proprietor, MVC Developments as the previous developer, IGB Properties as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser (as supplemented by the letter dated 5 May 2021 between the same parties), in respect of the sale and purchase of Menara IGB & IGB Annexe pursuant to the Acquisitions
Menara Southpoint	:	A mixed commercial building of office, retail and service apartments known as Menara Southpoint within which Southpoint Properties are located
Menara Tan & Tan	:	A 25-storey office building (including mezzanine floor) together with two (2) levels of basements and 543 car park bays, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
Menara Tan & Tan SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between TT Realty as the vendor and the Trustee (on behalf of IGB Commercial REIT) as the purchaser in respect of the sale and purchase of Menara Tan & Tan pursuant to the Acquisitions
MFRS	:	Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board
MIBB	:	Maybank Investment Bank Berhad (Registration Number: 197301002412 (15938-H))
Mid Valley City	:	An integrated mixed development combining retail, leisure, dining, entertainment, beauty and well-being, hospitality, commercial offices and an exhibition centre
Minimum Scenario	:	Assuming no share buyback, distribution, cancellation or resale of Treasury Shares and no conversion of the outstanding 56,497,771 RCCPS 2018/2025
MIRB	:	Malaysian Inland Revenue Board
MITI	:	Ministry of International Trade and Industry
MRT	:	Mass rapid transit
MTN(s)	:	Medium term note(s)
MTN Programme	:	A MTN programme of up to RM5,000.0 million in nominal value, wherein the first issuance involves the issuance of RM850.0 million in nominal value MTNs, established by ICRC, a special purpose vehicle which is wholly owned by the Trustee (on behalf of IGB Commercial REIT)
MVC	:	Mid Valley City Sdn Bhd (Registration Number: 198301007761 (102986-K)), a company incorporated under the laws of Malaysia, being the registered land proprietor of Lot 80 and Lot 20004

MVC Developments	:	Mid Valley City Developments Sdn Bhd (Registration Number: 197401004385 (21593-H)), a company incorporated under the laws of Malaysia, being the previous developer of Centrepoint South, Centrepoint North and Menara IGB & IGB Annexe
MVCG	:	Mid Valley City Gardens Sdn Bhd (Registration Number: 198901008897 (186198-P)), a company incorporated under the laws of Malaysia
MVCG MC	:	Mid Valley City Gardens Management Corporation established under the Strata Titles Act 1985
MVC CP North	:	MVC Centrepoint North Sdn Bhd (Registration Number: 200501034359 (716501-X)), a company incorporated under the laws of Malaysia, being the vendor of Centrepoint North
MVC CP South	:	MVC Centrepoint South Sdn Bhd (Registration Number: 20050103586 (717431-D)), a company incorporated under the laws of Malaysia, being the vendor of Centrepoint South
MVC JMB	:	Mid Valley City Joint Management Body established pursuant to the Building and Common Property (Maintenance and Management) Act 2007 which is responsible for the maintenance and management of the building and common property of MVC Phase 1 Properties
MVC North Tower	:	Mid Valley City North Tower Sdn Bhd (Registration Number: 198201008999 (88723-D)), a company incorporated under the laws of Malaysia, being the vendor of Gardens North Tower
MVC Phase 1 Properties	:	Collectively, Menara IGB & IGB Annexe, Centrepoint South, Centrepoint North and Boulevard Properties which form part of an integrated commercial development known as Mid Valley City Phase 1
MVC Phase 2 Properties	:	Collectively, Gardens North Tower and Gardens South Tower which form part of an integrated commercial development known as Mid Valley City Phase 2
MVC Southpoint	:	Mid Valley City Southpoint Sdn Bhd (Registration Number: 200401025009 (663516-D)), a company incorporated under the laws of Malaysia, being the vendor of Southpoint Properties
MVC South Tower	:	Mid Valley City South Tower Sdn Bhd (Registration Number: 200401007412 (645916-W)), a company incorporated under the laws of Malaysia, being the vendor of Gardens South Tower
MVC Subject Properties	:	The seven (7) Subject Properties located in Mid Valley City, namely Menara IGB & IGB Annexe, Centrepoint South, Centrepoint North, Boulevard Properties, Gardens North Tower, Gardens South Tower and Southpoint Properties
NAV	:	Net asset value
NLA	:	Net lettable area
NLC	:	National Land Code (Revised 2020), as amended from time to time and any re-enactment thereof

Non-Real Estate Assets	:	Refers to: (i) units of other listed REITs; (ii) listed shares; (iii) listed securities of and issued by property companies; (iv) debt securities or sukuk issued by, or fully guaranteed by, the Government; (v) debt securities or sukuk issued by property companies and Real Estate-related asset-backed securities; and (vi) commercial papers or Islamic commercial papers or debt securities or sukuk issued by companies or institutions falling within the top three (3) long-term credit rating and highest short-term credit rating by any domestic or global rating agency, and such other assets as may be permitted by the REIT Guidelines and the SC
Non-Subscriber(s)	:	Entitled Shareholder(s) who do not subscribe for all of their entitlements to the ROFS Units
NPI	:	Net property income
NPO	:	Notice of provisional offer of the Offer Units
Occupancy Rate	:	The percentage of Occupied NLA over the total NLA
Occupied NLA	:	The NLA of the Subject Properties which, at any particular point in time, are subject to tenancies which have commenced in accordance with the terms of the respective tenancy agreements or letters of offer
Offer Acceptance Form	:	The offer acceptance form in relation to the Proposed Offering
Offer Units	:	Units to be offered pursuant to the Offering
Offering	:	The offering of Units under the Restricted Offering and the Institutional Offering
Official List	:	A list specifying all securities listed on the Main Market
Partial Subscriber(s)	:	Entitled Shareholder(s) who partially subscribe for their entitlement to the ROFS Units
Permitted Expenses	:	In relation to the Property Management Agreement means costs and expenses incurred in the operation, maintenance, management and marketing of the Subject Properties (including but not limited to the cost relating to the employment and remuneration of on-site staff provided)
Price Determination Date	:	The date on which the Institutional Price will be determined
Profit Forecast	:	The profit forecast of IGB Commercial REIT for the Forecast Period 2021

Property Development Costs	:	Refers to: (i) costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities; and (ii) where applicable, the acquisition cost of the Real Estate that is being acquired for development purposes.
Property Management Agreement	:	The property management agreement dated 3 May 2021 entered into between the Manager, the Trustee (on behalf of IGB Commercial REIT) and the Property Manager
Property Manager or **Chartwell**	:	Chartwell ITAC International Sdn Bhd (Registration Number: 197901008026 (52312-H)), a company incorporated under the laws of Malaysia, and registered with the Board of Valuers, Appraisers, Estate Agents and Property Managers Malaysia, being the property manager of IGB Commercial REIT
Property Operating Expenses	:	All expenses or outgoings required to manage or maintain the Subject Properties as permitted by the Deed
PTG KL	:	Department of Lands and Mines of the Federal Territory of Kuala Lumpur *(Pejabat Pengarah Tanah dan Galian Wilayah Persekutuan Kuala Lumpur)*
Public Spread Requirement	:	The requirement, in accordance with the Listing Requirements, to have at least 25.0% of the total number of Units in issue to be held by 1,000 public Unitholders holding not less than 100 Units each upon completion of the Offering and at the point of the Listing or such other minimum public spread as may be approved by Bursa Securities
RCCPS 2018/2025	:	Redeemable convertible cumulative preference shares in IGB issued on 2 March 2018 and maturing on 2 March 2025
Real Estate	:	Land and all things that are natural part of the land as well as things attached to the land both below and above the ground and includes rights, interests and benefits related to the ownership of real estate, but excludes mineral, or oil and gas assets and resources
Real Estate Assets	:	Real Estate, SPVs and such other assets as may be permitted by the REIT Guidelines and the SC
Record of Depositors	:	A record provided by Bursa Depository under Chapter 24 of the Rules of Bursa Depository
Registered Trademark Owners	:	Collectively, IGB, MVC, MVCG and TT Developments, the registered trademark proprietors of the trademarks as set out in Section 1.9 "Intellectual Property" of this Prospectus
REIT	:	Real estate investment trust
REIT Establishment and Listing	:	Collectively, the establishment of IGB Commercial REIT, the Acquisitions, the Offering and the Listing
REIT Guidelines	:	Guidelines on Listed Real Estate Investments Trusts issued by the SC, as amended from time to time

Relevant Laws and Requirements	:	The laws, regulations, guidelines, rules and official requirements, guidance notes, practice notes (whether or not having the force of law) applicable to REITs from time to time including securities laws, the REIT Guidelines, the Asset Valuation Guidelines, the Listing Requirements, the Rules of Bursa Depository and taxation laws, rulings and guidelines
Reporting Accountants or **PwC**	:	PricewaterhouseCoopers PLT (Limited Liability Partnership Registration No: LLP0014401-LCA & Firm No.: AF 1146)
Restricted Offering	:	Restricted offering of up to 945,000,132 Units by IGB, comprising the ROFS and DIS
RHBIB	:	RHB Investment Bank Berhad (Registration Number: 197401002639 (19663-P)
RM and sen	:	Ringgit Malaysia and sen respectively, the lawful currency of Malaysia
ROFR	:	Right of first refusal
ROFS	:	Restricted offer for sale of up to 378,000,053 ROFS Units to the Entitled Shareholders on the basis of two (2) ROFS Units for every five (5) IGB Shares held on the Entitlement Date
ROFS Price	:	The price of RM1.00 per ROFS Unit payable by the Entitled Shareholders, pursuant to the ROFS
ROFS Units	:	Units to be offered by IGB to the Entitled Shareholders, pursuant to the ROFS
Rules of Bursa Depository	:	Rules of Bursa Depository and all procedure manuals (as defined in Rules of Bursa Depository), as amended from time to time
Rules on Take-Overs	:	Rules on Take-Overs, Mergers and Compulsory Acquisitions issued by the SC pursuant to Section 377 of the CMSA, as amended from time to time read together with the Malaysian Code on Take-Overs and Mergers 2016 issued by the SC, as amended from time to time
SC	:	Securities Commission Malaysia
Selling Shareholders	:	Collectively, (i) Wah Seong (Malaya) Trading Co Sdn Bhd; (ii) Smooth Operation Sdn Bhd; (iii) Tentang Emas Sdn Bhd; (iv) Wah Seong Enterprises Sdn Bhd; (v) Wang Tak Company Limited; (vi) Wang Tak Majujaya Sdn Bhd; (vii) Tan Chin Nam Sendirian Berhad; and (viii) Tan Kim Yeow Sendirian Berhad, and "Selling Shareholder" means any one (1) of them individually
Service Provider Agreement	:	The service provider agreement dated 3 May 2021 entered into between the Property Manager and IGB Property Management Sdn Bhd

Short Term Financing	:	The financing facilities comprising a revolving credit facility of RM50.0 million and bank guarantee facility of RM10.0 million
Southpoint Properties	:	A 27-storey office space, two (2)-storey retail space together with 1,065 car park bays, all located within a 59-storey mixed commercial building known as Menara Southpoint, being one (1) of the Subject Properties to be acquired by the Trustee (on behalf of IGB Commercial REIT), pursuant to the Acquisitions
Southpoint Properties SPA	:	The Sale and Purchase Agreement dated 9 April 2021 between MVC Southpoint as the registered land proprietor and vendor, and the Trustee (on behalf of IGB Commercial REIT) as the purchaser (as supplemented by the letter dated 5 May 2021 between the same parties), in respect of the sale and purchase of Southpoint Properties pursuant to the Acquisitions
SPAs	:	Collectively, the Boulevard Properties SPA, Centrepoint North SPA, Centrepoint South SPA, Gardens North Tower SPA, Gardens South Tower SPA, GTower SPA, Hampshire Place Office SPA, Menara IGB & IGB Annexe SPA, Southpoint Properties SPA and Menara Tan & Tan SPA
Special Resolution	:	A resolution passed at a meeting of the Unitholders duly convened and held in accordance with the provisions of the Deed by a majority of not less than 75% of the total voting rights of the Unitholders who are entitled to vote on the resolution at the meeting given on a poll, provided always that for the purpose of terminating or winding up of IGB Commercial REIT, a "Special Resolution" means a resolution passed by a majority in number representing at least 75% of the total voting rights of the Unitholders voting at the meeting
SPV	:	Special purpose vehicle used for the purpose of investment in Real Estate as referred to in the REIT Guidelines
sq ft	:	Square feet
State Authority	:	In relation to the States of West Malaysia, the Ruler-in-Council or Governor-in-Council of a State and includes in Negeri Sembilan, the Yang di-Pertuan Besar acting on behalf of himself and the Ruling Chiefs (the Undang of Sungei Ujong, the Undang of Jelebu, the Undang of Johol, the Undang of Rembau and the Tunku Besar of Tampin), and in relation to the Federal Territories of Kuala Lumpur, Putrajaya and Labuan, the minister charged with the responsibility for local government and includes PTG KL

Subject Properties	:	Collectively, the MVC Subject Properties and Golden Triangle Subject Properties as follows: (i) Menara IGB & IGB Annexe; (ii) Centrepoint South; (iii) Centrepoint North; (iv) Boulevard Properties; (v) Gardens South Tower; (vi) Gardens North Tower; (vii) Southpoint Properties; (viii) Menara Tan & Tan; (ix) GTower; and (x) Hampshire Place Office, and "Subject Property" means any one (1) of them individually
Take-over Code	:	Malaysian Code on Take-Overs and Mergers 2016 issued by the SC, as amended from time to time
Tax Consultant	:	PricewaterhouseCoopers Taxation Services Sdn Bhd (Registration Number: 199801008604 (464731-M)), a company incorporated under the laws of Malaysia
Total Asset Value	:	The value of the Deposited Property in accordance with generally accepted accounting practices in Malaysia, as determined in accordance with the Deed
Total Revenue	:	Gross rental income and other operating income earned through the Subject Properties
Treasury Shares	:	IGB Shares repurchased by IGB and retained as treasury shares
Trustee	:	MTrustee Berhad (Registration Number: 198701004362 (163032-V)), a company incorporated under the laws of Malaysia, being the trustee for IGB Commercial REIT
TT Developments	:	Tan & Tan Developments Berhad (Registration Number: 197201001390 (13042-H)), a company incorporated under the laws of Malaysia
TT Realty	:	Tan & Tan Realty Sdn Bhd (Registration Number: 198201001783 (81529-A)), a company incorporated under the laws of Malaysia, being the vendor of Menara Tan & Tan
Units	:	Undivided interest in IGB Commercial REIT as provided for in the Deed
Unitholders	:	The holders of the Units
Unit Registrar	:	Boardroom Share Registrars Sdn Bhd (Registration Number: 199601006647 (378993-D)), a company incorporated under the laws of Malaysia, being the unit registrar of IGB Commercial REIT
U.S.	:	The United States of America
USD or **US$**	:	United States Dollars, the lawful currency of United States of America

Valuation Certificates	:	Collectively, the valuation certificate dated 14 September 2020 and update valuation certificate dated 10 February 2021 in respect of the Subject Properties
Vendors	:	In relation to the Acquisitions, the vendor(s) of the Subject Properties, namely: (i) IGB Properties in respect of Menara IGB & IGB Annexe; (ii) MVC CP South in respect of Centrepoint South; (iii) MVC CP North in respect of Centrepoint North; (iv) Idaman Spektra in respect of Boulevard Properties; (v) MVC South Tower in respect of Gardens South Tower; (vi) MVC North Tower in respect of Gardens North Tower; (vii) MVC Southpoint in respect of Southpoint Properties; (viii) TT Realty in respect of Menara Tan & Tan; (ix) GTower SB in respect of GTower; and (x) Hampshire Properties in respect of Hampshire Place Office, and "Vendor" means any one (1) of them individually
WALE	:	Weighted average lease expiry

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References to "Manager" are to "IGB REIT Management Sdn Bhd", unless the context otherwise requires. Unless the context otherwise requires, references to "Management" are to the directors and senior management team of the Manager as at the date of this Prospectus, and statements in this Prospectus as to beliefs, expectations, estimates and opinions of IGB Commercial REIT are those of the Management. All references to "IGB Commercial REIT" in this Prospectus include references to MTrustee Berhad, in its capacity as trustee for IGB Commercial REIT, unless the context otherwise requires.

In this Prospectus, references to "Ringgit", "Ringgit Malaysia", "Malaysian Ringgit", "RM" and "sen" are to the lawful currency of Malaysia.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations and a reference to a section is a reference to the relevant section of this Prospectus.

Any reference in this Prospectus to any enactment is a reference to that enactment for the time being amended or re-enacted.

Any reference to a date and time in this Prospectus shall be a reference to Malaysian date and time, unless otherwise stated.

Any discrepancies in the tables, graphs and charts between the listed amounts and totals thereof are due to rounding. Figures and percentages are rounded to one (1) or two (2) decimal places, where appropriate. Percentage changes in this Prospectus have been calculated on the basis of relevant figures before rounding.

Certain acronyms, technical terms and other abbreviations used herein are defined in the "Definitions" section of this Prospectus.

This Prospectus includes statistical data provided by the Manager and various third parties and cites third-party projections regarding growth and performance of the markets in which IGB Commercial REIT operates. This data is taken or derived from information published by industry sources and from the Manager's internal data. In each such case, the source is acknowledged in this Prospectus, provided that where no source is acknowledged, it can be assumed that the information originates from the Manager. In particular, certain information in this Prospectus is extracted or derived from the Independent Property Market Report prepared by the Independent Property Market Consultant. The Manager believes that the statistical data and projections cited in this Prospectus are useful in helping prospective investors understand the major trends in the markets in which IGB Commercial REIT operates. However, none of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser and the Joint Bookrunners has independently verified these figures. Moreover, the rapidly evolving nature of the property industry makes it difficult to obtain precise and accurate statistics. None of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser and the Joint Bookrunners make any representation as to the correctness, accuracy or completeness of such data and accordingly prospective investors should not place undue reliance on the statistical data cited in this Prospectus. Similarly, third-party projections cited in this Prospectus are subject to significant uncertainties that could cause actual data to differ materially from the forecast figures. No assurances are or can be given that the estimated figures will be achieved, and prospective investors should not place undue reliance on the third-party projections cited in this Prospectus.

This Prospectus includes market and industry data and forecasts that have been obtained from internal surveys, reports and studies, where appropriate, as well as market research, publicly available information and industry publications. Industry publications, surveys and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of such information. While the Manager has taken reasonable steps to ensure that the information is extracted accurately and in its proper context, the Manager has not independently verified any of the data from third-party sources or ascertained the underlying economic assumptions relied upon therein.

All the information set out in this Prospectus is presented as of the Latest Practicable Date, unless otherwise indicated.

The information on the Manager's, IGB Commercial REIT's and the Subject Properties' websites or any website directly or indirectly linked to such websites is not incorporated by reference into this Prospectus and should not be relied on.

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Certain statements in this Prospectus constitute “forward-looking statements”. All statements other than statements of historical facts included in this Prospectus involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of IGB Commercial REIT, the Manager or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Manager’s present and future business strategies and the environment in which IGB Commercial REIT or the Manager will operate in the future. Because these statements reflect the current views of the Manager concerning future events, these statements necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements. Investors should not place any undue reliance on these forward-looking statements.

Forward-looking statements can be identified by the use of forward-looking terminology such as the words “may”, “will”, “would”, “could”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “aim”, “plan”, “forecast” or similar expressions and include all statements that are not historical facts. Such forward-looking statements include, without limitation, statements relating to:

- estimated financial information regarding the future development and economic performance of IGB Commercial REIT’s business;
- future earnings, cash flow and liquidity;
- potential growth opportunities;
- financing plans;
- the Manager’s business strategy;
- the competitive position and the effects of competition on IGB Commercial REIT’s investment portfolio;
- development of additional revenue sources;
- the amount and nature of future capital expenditures required by IGB Commercial REIT; and
- the general industry environment.

Among the important factors that could cause the actual results, performance or achievements of IGB Commercial REIT or the Manager to differ materially from those in the forward-looking statements are the conditions of, and changes in, the domestic, regional and global economies, including, but not limited to, factors such as political, economic and social conditions in Malaysia and overseas, changes in Government laws and regulations affecting IGB Commercial REIT, competition in the Malaysian and overseas property markets in which IGB Commercial REIT may invest, currency exchange rates, interest rates, inflation, relations with tenants, relations with service providers, relations with lenders, hostilities (including any potential terrorist attacks), the performance and reputation of IGB Commercial REIT’s properties and/or acquisitions, difficulties in identifying future acquisitions, difficulty in completing acquisitions, changes in the Directors and executive officers, risks related to natural disasters, general volatility of the capital markets, general risks relating to the property market in which IGB Commercial REIT may invest and the market price of the Units as well as other matters not yet known to the Manager or not currently considered material by the Manager.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those set out in Section 5 "Risk Factors", Section 4.5 "Profit Forecast", Section 4.4 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Section 2 "Business and Subject Properties" of this Prospectus. Neither IGB Commercial REIT nor the Manager can give any assurance that the forward-looking statements made in this Prospectus will be realised. Such forward-looking statements are made only as at the date of this Prospectus. The Manager expressly disclaims any obligation or undertaking to release publicly any updates of or revisions to any forward-looking statement contained herein to reflect any change in the expectations of the Manager with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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MANAGER	:	IGB REIT Management Sdn Bhd (Registration Number: 201201006785 (908168-A))
REGISTERED OFFICE & BUSINESS OFFICE	:	Level 32, The Gardens South Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Malaysia Telephone No.: +603 2289 8989 Facsimile No.: +603 2289 8802 Website: www.igbcomreit.com Email: corporate-enquiry@igbcomreit.com

DIRECTORS OF THE MANAGER

No.	Name	Designation
1.	Tan Sri Dato' Prof. Lin See Yan	Chairman and Independent Non-Executive Director
2.	Dato' Seri Robert Tan Chung Meng	Managing Director and Non-Independent Executive Director
3.	Halim bin Haji Din	Independent Non-Executive Director
4.	Le Ching Tai @ Lee Chen Chong	Independent Non-Executive Director
5.	Ang Kim Pack	Independent Non-Executive Director
6.	Elizabeth Tan Hui Ning	Non-Independent Executive Director
7.	Tan Mei Sian	Non-Independent Executive Director
8.	Tan Lei Cheng	Non-Independent Non-Executive Director
9.	Tan Boon Lee	Non-Independent Non-Executive Director

AUDIT COMMITTEE

No.	Name	Designation
1.	Halim bin Haji Din	Chairman
2.	Tan Sri Dato' Prof. Lin See Yan	Member
3.	Le Ching Tai @ Lee Chen Chong	Member

COMPANY SECRETARY OF THE MANAGER	:	Tina Chan Lai Yin SSM Practising Certificate No.: 201908000014 Professional qualification: Chartered Secretary, Fellow of Malaysian Institute of Chartered Secretaries and Administrators (Membership No.: MAICSA 7001659) Level 32, The Gardens South Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Malaysia Telephone No.: +603 2289 8989 Facsimile No.: +603 2289 8802
TRUSTEE	:	MTrustee Berhad (Registration Number: 198701004362 (163032-V)) **Registered Office**: B-2-9 (2nd Floor) Pusat Perdagangan Kuchai No. 2, Jalan 1/127 Off Jalan Kuchai Lama 58200 Kuala Lumpur Malaysia Telephone No.: +603 7983 1088 Facsimile No.: +603 7984 9612 **Business Office:** Level 15, Menara AmFirst No. 1, Jalan 19/3 46300 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone No.: +603 7954 6862 Facsimile No.: +603 7954 3712 Website: www.mtrustee.com E-mail: Mtrustee-Legal@mtrustee.com
PROPERTY MANAGER	:	Chartwell ITAC International Sdn Bhd (Registration Number: 197901008026 (52312-H)) Suite A-6-3 Level 6 Block A Putra Majestik Jalan Kasipillay Batu 2 1/2, Off Jalan Ipoh 51200 Kuala Lumpur Malaysia Telephone No.: +603 4043 3998 Facsimile No.: +603 4043 9388

PRINCIPAL ADVISER	:	Hong Leong Investment Bank Berhad (Registration Number: 197001000928 (10209-W)) Level 30, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Malaysia Telephone No.: +603 2083 1800 Website: www.hlib.com.my
REPORTING ACCOUNTANTS	:	PricewaterhouseCoopers PLT (Limited Liability Partnership Registration No.: LLP0014401-LCA) (Firm No.: AF 1146) Chartered Accountants Level 10, 1 Sentral Jalan Rakyat Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Telephone No.: +603 2173 1188 Website: www.pwc.com/my Partner-in-charge: Gan Wee Fong Approval number: 03253/01/2023 J Professional qualification: Chartered Accountant (Malaysian Institute of Accountants Membership No.: 21462)
TAX CONSULTANT	:	PricewaterhouseCoopers Taxation Services Sdn Bhd (Registration Number: 199801008604 (464731-M)) Level 10, 1 Sentral Jalan Rakyat Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia Telephone No.: +603 2173 1188 Website: www.pwc.com/my Partner-in-charge: Jennifer Chang Tax agent license number: 02/4543/04/2023 Professional qualification: Institute of Chartered Accountants in Australia (ICAA) (Membership No.: 87716)
LEGAL ADVISER TO THE MANAGER	:	Rahmat Lim & Partners Suite 33.01, Level 33 The Gardens North Tower Mid Valley City Lingkaran Syed Putra 59200 Kuala Lumpur Malaysia Telephone No.: +603 2299 3888 Website: www.rahmatlim.com

LEGAL ADVISER TO THE JOINT BOOKRUNNERS	:	Zaid Ibrahim & Co Level 19, Menara Milenium 7-01, Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur Malaysia Telephone No.: +603 2087 9999 Website: www.zicolaw.com
UNIT REGISTRAR	:	Boardroom Share Registrars Sdn Bhd (Registration Number: 199601006647 (378993-D)) 11th Floor Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13 46200 Petaling Jaya Selangor Darul Ehsan Malaysia Telephone No.: +603 7890 4800 Website: www.boardroomlimited.com
JOINT BOOKRUNNERS	:	Hong Leong Investment Bank Berhad (Registration Number: 1970010000928 (10209-W)) Level 30, Menara Hong Leong No. 6, Jalan Damanlela Bukit Damansara 50490 Kuala Lumpur Malaysia Telephone No.: +603 2083 1800 Website: www.hlib.com.my Maybank Investment Bank Berhad (Registration Number: 197301002412 (15938-H)) 32nd Floor, Menara Maybank 100, Jalan Tun Perak 50050 Kuala Lumpur Telephone No.: +603 2059 1888 Website: www.maybank-ib.com RHB Investment Bank Berhad (Registration Number: 197401002639 (19663-P)) Level 10, Tower One, RHB Centre Jalan Tun Razak 50400 Kuala Lumpur Malaysia Telephone No.: +603 9287 3888 Website: www.rhbinvest.com

INDEPENDENT PROPERTY VALUER	:	Henry Butcher Malaysia Sdn Bhd (Registration Number: 198701001968 (160636-P)) No. 25 Jalan Yap Ah Shak Off Jalan Dang Wangi 50300 Kuala Lumpur Malaysia Telephone No.: +603 2694 2212 Website: www.henrybutcher.com.my Valuer-in-charge: Low Khee Wah Professional qualification: Registered Vauer, Member of the Royal Institution of Surveyors Malaysia (Membership No.: V-724)
INDEPENDENT PROPERTY MARKET CONSULTANT	:	Savills (Malaysia) Sdn Bhd (Registration Number: 199501004315 (333510-P)) Level 9, Menara Millenium Jalan Damanlela Pusat Bandar Damansara 50490 Kuala Lumpur Malaysia Telephone No.: +603 2092 5955 Website: www.savills.com.my Person-in-charge: Datuk Sr. Paul Khong Professional Qualification: Registered Valuer, The Board of Valuers, Appraisers and Estate Agents Malaysia (Membership No.: V-528); Member of the Royal Institution of Chartered Surveyors (MRICS) (Membership No.: 0820174); Fellow of the Royal Institution of Surveyors Malaysia (FRISM) (Membership No.: F5465); Associate Member of the Association of Valuers & Property Consultants in Private Practice Malaysia (APEPS) (Membership No.: VPEC 0157).
LISTING SOUGHT	:	Main Market of Bursa Securities

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This section is only a summary of the salient information on the Offering and IGB Commercial REIT, as extracted from the full text of this Prospectus. The following section is qualified in its entirety by, and is subject to, the more detailed information contained or referred to elsewhere in this Prospectus and investors should read and understand this Prospectus in its entirety prior to making investment decisions. If necessary, investors should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers as to the legal, business, financial, tax and related aspects of an investment in the Units.

There are fees involved and investors are advised to consider them before investing in IGB Commercial REIT. Investors should be aware that the rental yields of the Subject Properties as well as other Real Estate that IGB Commercial REIT may invest in the future are not equivalent to the yields of the Units and the current rental receipts and yields of the Subject Properties may not be sustainable. Investors should also note that the value of the Subject Properties (including other investments that IGB Commercial REIT may have in the future), Unit prices and distributions payable, if any, may fluctuate. For information concerning certain risk factors which should be considered by prospective investors, please refer to Section 5 "Risk Factors" of this Prospectus.

Statements contained in this section that are not historical facts may be forward-looking statements or are historical statements reconstituted on a pro forma basis. Such statements are based on certain assumptions and are subject to certain risks and uncertainties which could cause actual results of IGB Commercial REIT to differ materially from the forecast. Please refer to the section on "Forward-looking Statements" for further details. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions by IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser and the Joint Bookrunners or any other person or that these results will be achieved or are likely to be achieved. Investing in the Units involves risks.

OVERVIEW OF IGB COMMERCIAL REIT

Investment policy

IGB Commercial REIT is a REIT established with the principal investment policy of investing, directly and indirectly, in a portfolio of income producing Real Estate used primarily for commercial purposes in Malaysia and overseas. Any material change to the investment policy of IGB Commercial REIT will require the approval of the Unitholders by way of a resolution of not less than two-thirds of all Unitholders at a Unitholders' meeting duly convened and held in accordance with the Deed.

Investment objective

The investment objective of IGB Commercial REIT is to provide Unitholders with regular and stable distributions, sustainable long-term Unit price and Distributable Income and capital growth, while maintaining an appropriate capital structure. Any material change to the investment objective of IGB Commercial REIT will require the approval of the Unitholders by way of a resolution of not less than two-thirds of all Unitholders at a Unitholders' meeting duly convened and held in accordance with the Deed.

Investment strategies

The Manager intends to achieve the investment objectives of IGB Commercial REIT through the following investment strategies:

(i) **Proactive asset management and asset enhancement strategy** - The Manager will actively manage IGB Commercial REIT's property portfolio to maintain and improve the operational performance of the Subject Properties, seek to optimise the rental rates and Occupancy Rates of the Subject Properties to achieve growth in net property income as well as value of the Subject Properties. The Manager will also look to drive organic growth, encourage strong relationships with the tenants of the Subject Properties, implement asset management strategies with the aim of ensuring continued relevance of the Subject Properties and facilitate property enhancement or redevelopment opportunities that can improve and/or enhance IGB Commercial REIT's income streams.

(ii) **Potential yield accretive investments and acquisition growth strategy** - The Manager will seek to achieve portfolio growth through income-producing properties that fit within IGB Commercial REIT's investment strategy to enhance returns to Unitholders and to pursue opportunities that are potentially yield accretive for future income and capital growth. Whilst IGB Commercial REIT has an initial property portfolio in Kuala Lumpur, the Manager will continuously evaluate opportunities in cities which the Sponsor has a presence and take a considered approach in deciding whether IGB Commercial REIT should pursue these opportunities. In evaluating future acquisition opportunities, the Manager will seek acquisitions that may enhance the diversification of the portfolio by location and tenant profile.

(iii) **Capital and risk management strategy** - The Manager will endeavour to employ an appropriate mix of debt and equity to finance acquisitions. The Manager will also seek to optimise its cost of debt financing and utilise interest rate hedging strategies, where appropriate, in compliance with the REIT Guidelines, to optimise risk-adjusted returns to Unitholders.

For further details of IGB Commercial REIT, please refer to Section 1 "Detailed Information on IGB Commercial REIT" of this Prospectus.

SUMMARY OF IGB COMMERCIAL REIT

Name of REIT	IGB Commercial REIT.
REIT type	Income stability and growth.
Deed	Deed dated and registered with the SC on 31 March 2021.
The Manager	IGB REIT Management Sdn Bhd.
The Trustee	MTrustee Berhad.
Total Issue Size on the Listing Date	2,307,300,000 Units.

Authorised Investments	Real Estate, Non-Real Estate Assets, cash, deposits, money market instruments and any other investments not specified above but specified as a permissible investment in the REIT Guidelines or as otherwise permitted by the SC.
Authorised Investments limits	The investments of IGB Commercial REIT are subject to the following investment limits imposed by the REIT Guidelines: (i) at least 75.0% of the Total Asset Value of IGB Commercial REIT must be invested in Real Estate that generates recurrent rental income at all times; and (ii) the aggregate investments in property development activities (Property Development Costs) and Real Estate under construction must not exceed 15.0% of the Total Asset Value of IGB Commercial REIT; and (iii) investments in the Non-Real Estate Assets are subject to the following investment limits: (a) the value of IGB Commercial REIT's investments in securities issued by any single issuer must not exceed 5.0% of the Total Asset Value of IGB Commercial REIT; (b) the value of IGB Commercial REIT's investments in securities issued by any group of companies must not exceed 10.0% of the Total Asset Value of IGB Commercial REIT; and (c) IGB Commercial REIT's investment in any class of securities must not exceed 10.0% of the securities issued by any single issuer; or such other limits and investments as may be permitted by the SC or the REIT Guidelines.
Distribution policy	The Deed provides that the Manager shall, for each distribution period, distribute all or such other percentage as determined by the Manager at its absolute discretion, of IGB Commercial REIT's Distributable Income. It is the intention of the Manager to distribute at least 90.0% of IGB Commercial REIT's Distributable Income on a half-yearly basis or such other intervals as the Manager may determine at its absolute discretion. Half-yearly basis refers to each consecutive six (6)-month period commencing on and ending on the following dates (all dates inclusive) in each financial year during the continuance of IGB Commercial REIT or such other interval as the Manager may determine in accordance with the Deed: (i) 1 January to 30 June; and (ii) 1 July to 31 December.

Distribution policy *(Cont'd)*	The actual proportion of Distributable Income to be distributed to Unitholders beyond the FYE 2021, which shall be at the absolute discretion of the Manager, may be greater than 90.0% of IGB Commercial REIT's Distributable Income to the extent that the Manager believes it is appropriate, having regard to IGB Commercial REIT's funding requirements, other capital management considerations and the availability of funds. Distributions, when made in the form of cash, will be in RM. For the period from the Listing Date to 31 December 2021, IGB Commercial REIT will distribute 100.0% of its Distributable Income. The first distribution, which will be in respect of the period from the Listing Date to 31 December 2021, will be paid by the Manager within two (2) months from 31 December 2021.
Borrowing limitations and gearing policy	Up to 50.0% of the Total Asset Value of IGB Commercial REIT at the time any borrowing is incurred (or such other limit permitted by the REIT Guidelines from time to time). Upon Listing, based on IGB Commercial REIT's Pro Forma Consolidated Statement of Financial Position, IGB Commercial REIT will have a total indebtedness of approximately RM850.9 million (net of estimated financing transaction costs of approximately RM2.3 million) representing approximately 26.3% of its estimated Total Asset Value of RM3,234.7 million based on IGB Commercial REIT's Pro Forma Consolidated Statement of Financial Position.
Performance benchmark	The following performance indicators can be considered in reviewing the performance of IGB Commercial REIT: (i) distribution yield, (ii) NAV, and (iii) total return (calculated as the change in market price of the Units over a period of time plus any distributions received during the relevant period). The performance indicators will be used to benchmark IGB Commercial REIT against its peers as well as against its own historical performance, where applicable.
Valuation policy	Independent professional valuations will be obtained annually or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Asset Valuation Guidelines.
Redemption policy	Unitholders have no right to request the Manager to repurchase their Units while the Units are listed.
Minimum initial investment	Minimum of 100 Units
Minimum additional investment	Multiples of 100 Units

Investor profile	IGB Commercial REIT may appeal to an investor with long-term investment objectives who seeks regular and stable income distribution and long-term[1] capital appreciation, and who understands the risks related to the real estate industry and REITs.
Form	The Units will be issued in registered form and IGB Commercial REIT shall be constituted by the Deed.
Board lot	100 Units per board lot. Investors may buy and/or sell the minimum of one (1) board lot (i.e. a minimum of 100 Units). Any additional investment in IGB Commercial REIT will be in board lot increments.
Quotation	Main Market.
Governing law	The Deed is governed by Malaysian law.
Avenue for advice available to prospective investors	The Manager strives to provide investors with quality information services to assist investors to make well informed investment decisions and keep abreast of developments relating to IGB Commercial REIT. Enquiries can be made through: (i) telephone number +603 2289 8989 or facsimile number +603 2289 8802 during business hours (Malaysian time); (ii) Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia during business hours (Malaysian time); or (iii) IGB Commercial REIT's e-mail at corporate-enquiry@igbcomreit.com or website at www.igbcomreit.com.

STRUCTURE OF IGB COMMERCIAL REIT

IGB REIT Management Sdn Bhd is the management company of IGB Commercial REIT. The principal activity of the Manager is management and administration of REITs. The Manager's primary management activities, in managing IGB Commercial REIT, includes but is not limited to the overall strategy, risk management strategy, new acquisition and divestment analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed. The Manager is an indirect wholly-owned subsidiary of IGB. As at the date of this Prospectus, the Manager also manages IGB REIT, a REIT which was listed on the Main Market on 21 September 2012. For further details of the Manager, please refer to Section 6 "The Manager" of this Prospectus.

1 Long-term in this context refers to a period of five (5) years or more.

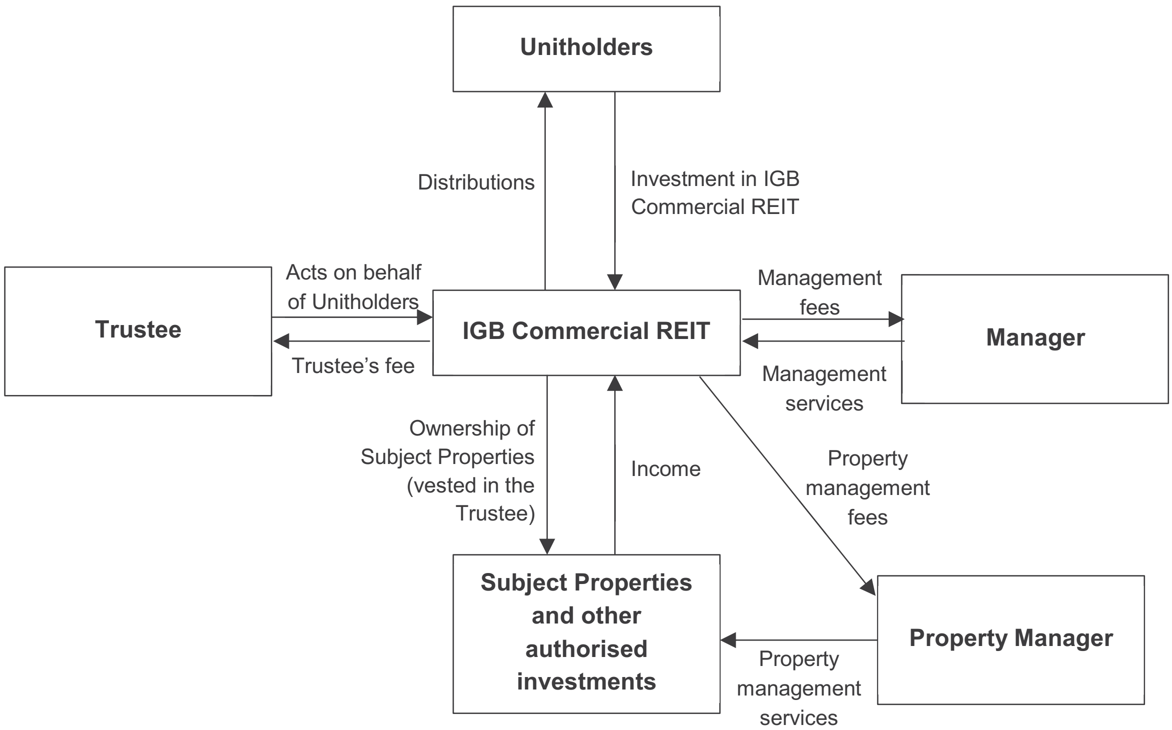
IGB is the sponsor of IGB Commercial REIT. The IGB Group has over 40 years of property development experience. The Sponsor is one (1) of the largest listed property companies in Malaysia, and has a footprint which spans across Asia, Australia, the United States and the United Kingdom. The Sponsor's expertise includes site acquisition and project planning, design and development, project management and construction, marketing and leasing and asset and operational management. The Sponsor is listed on Bursa Securities. For further details of the Sponsor, please refer to Section 7 "Background Information on The Sponsor" of this Prospectus.

MTrustee Berhad is the trustee of IGB Commercial REIT. The Trustee provides REIT trusteeship services for IGB Commercial REIT. For further details of the Trustee, please refer to Section 8 "The Trustee" of this Prospectus.

Chartwell ITAC International Sdn Bhd is the property manager of IGB Commercial REIT. The Property Manager is responsible for providing property management services to manage, operate, maintain and market the Subject Properties upon the terms and conditions of the Property Management Agreement. For further details of the Property Manager, please refer to Section 9 "The Property Manager" of this Prospectus.

IGB Commercial REIT will acquire the Subject Properties in accordance with the terms of the SPAs. For further details of the SPAs, please refer to Section 14.3 "Salient Terms of the SPAs" of this Prospectus.

The following diagram illustrates the structure of IGB Commercial REIT and indicates the relationship between IGB Commercial REIT, the Manager, the Trustee, the Property Manager and the Unitholders:



OVERVIEW OF THE SUBJECT PROPERTIES

IGB Commercial REIT's initial property portfolio will consist of the MVC Subject Properties and the Golden Triangle Subject Properties.

MVC Subject Properties

The MVC Subject Properties consist of the following seven (7) commercial properties:

(i) **Menara IGB & IGB Annexe** - an 18-storey office block together with a two (2)-storey office building annexed thereto, both erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, completed in 2000 and located at No. 1, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Menara IGB & IGB Annexe has a total NLA of 261,993 sq ft as at 31 December 2020.

(ii) **Centrepoint South** - a 19-storey office block with an annexed link bridge erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, completed in 2008 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Centrepoint South has a total NLA of 232,237 sq ft as at 31 December 2020.

(iii) **Centrepoint North** - a 19-storey office block erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, completed in 2008 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Centrepoint North has a total NLA of 232,051 sq ft as at 31 December 2020.

(iv) **Boulevard Properties** - Two (2) blocks of 11-storey office units known as Blocks 25 and 27 of Boulevard Offices, completed in 2001 and located at Block No. 25 & Block No. 27, Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Block 25 has a total NLA of 21,448 sq ft and Block 27 has a total NLA of 32,267 sq ft as at 31 December 2020.

(v) **Gardens South Tower** - a 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall, completed in 2010 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Gardens South Tower has a total NLA of 422,381 sq ft as at 31 December 2020.

(vi) **Gardens North Tower** - a 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall, completed in 2010 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Gardens North Tower has a total NLA of 425,612 sq ft as at 31 December 2020.

(vii) **Southpoint Properties** - a 27-storey office space, two (2)-storey retail space together with 1,065 car park bays, all located within a 59-storey mixed commercial building known as Menara Southpoint, completed in 2018 and located at Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur. Southpoint Properties has a total NLA of 515,501 sq ft as at 31 December 2020.

Golden Triangle Subject Properties

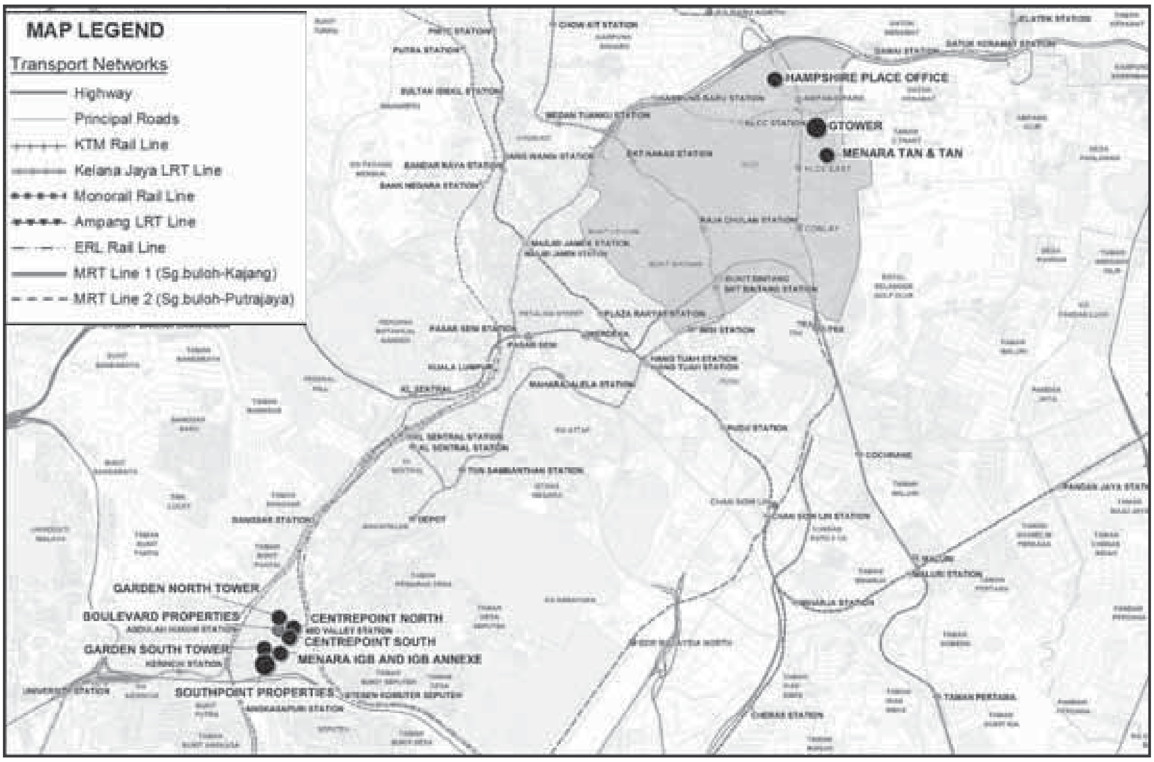
The Golden Triangle Subject Properties consist of the following three (3) commercial properties:

(i) **Menara Tan & Tan** - a 25-storey office building (including mezzanine floor) together with two (2) basements and 543 car park bays, completed in 1997 and located at No. 207, Jalan Tun Razak, 50400 Kuala Lumpur. Menara Tan & Tan has a total NLA of 339,385 sq ft as at 31 December 2020.

(ii) **GTower** - a 32-storey office building together with two (2) basements and 1,090 car park bays, completed in 2010 and located at No. 199, Jalan Tun Razak, 50400 Kuala Lumpur. GTower has a total NLA of 653,164 sq ft as at 31 December 2020. On 11 February 2021, GTower SB had obtained the certificate of completion and compliance for the conversion of hotel floors into office units wherein the total NLA will be 746,194 sq ft.

(iii) **Hampshire Place Office** - a 28-storey office building together with 286 car park bays designated for the office building, completed in 2011 and located at 157 Hampshire, No. 1 Jalan Mayang Sari, 50450 Kuala Lumpur. Hampshire Place Office has a total NLA of 239,253 sq ft as at 31 December 2020.

The locations of the Subject Properties are illustrated by the map below.



Source: Independent Property Market Report

Certain details of the Subject Properties are set out in the table below.

MVC Subject Properties

<table>
<tr><th rowspan="2"></th><th colspan="4">MVC Phase 1 Properties</th><th rowspan="2">Gardens South Tower</th><th rowspan="2">Gardens North Tower</th><th rowspan="2">Southpoint Properties</th></tr>
<tr><th>Menara IGB & IGB Annexe</th><th>Centrepoint South</th><th>Centrepoint North</th><th>Boulevard Properties</th></tr>
<tr><td>Type of title</td><td colspan="4">Master</td><td>Strata</td><td>Strata</td><td>Master</td></tr>
<tr><td>Land area</td><td colspan="4">1,060,783 sq ft
(98,550 sq m)</td><td>Not applicable</td><td>Not applicable</td><td>96,251 sq ft
(8,942 sq m)</td></tr>
<tr><td>Tenure</td><td colspan="4">Leasehold of 83 years expiring on 11 April 2104</td><td colspan="2">Leasehold of 99 years expiring on 6 June 2103</td><td>Leasehold of 99 years expiring on 21 March 2120</td></tr>
<tr><td>Land title particulars</td><td colspan="4">Part of H.S.(D) 122594, PT 50003 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur(1)</td><td>PN 37073/M1/B3/5, No. Petak 5, No. Tingkat B3, No. Bangunan M1, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur (2)</td><td>PN 37073/M1/B3/6, No. Petak 6, No. Tingkat B3, No. Bangunan M1, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur(3)</td><td>Part of H.S.(D) 122585, PT 50002 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur (4)</td></tr>
<tr><td>Share units of the parcel/ % over the total share unit(5)</td><td colspan="4">Not applicable</td><td>164/
13.56%</td><td>171/
14.14%</td><td>Not applicable</td></tr>
</table>

	MVC Phase 1 Properties				**Gardens South Tower**	**Gardens North Tower**	**Southpoint Properties**
	Menara IGB & IGB Annexe	**Centrepoint South**	**Centrepoint North**	**Boulevard Properties**			
Encumbrance and other material endorsements	Nil				Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4330/2021 registered on 21 April 2021	Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4055/2021 registered on 14 April 2021	Nil
Restrictions in interest	This land shall not be transferred, leased or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur *(Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*				This land shall not be transferred, leased, mortgaged or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur *(Tanah ini tidak boleh dipindahmilik, dipajak, dicagar atau digadai melainkan dengan kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*		This land shall not be transferred, leased or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur *(Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*

<table>
<tr><th rowspan="2"></th><th colspan="4">MVC Phase 1 Properties</th><th rowspan="2">Gardens South Tower</th><th rowspan="2">Gardens North Tower</th><th rowspan="2">Southpoint Properties</th></tr>
<tr><th>Menara IGB & IGB Annexe</th><th>Centrepoint South</th><th>Centrepoint North</th><th>Boulevard Properties</th></tr>
<tr><td>Express conditions</td><td colspan="4">This land shall only be used for commercial building for the purposes of office tower, hotel, shopping mall, shop offices and car park (Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan menara pejabat, hotel, pusat membeli-belah, kedai pejabat dan tempat letak kereta sahaja)</td><td colspan="2">Office (Pejabat)</td><td>This land shall only be used for commercial site for the purposes of serviced apartment, office, car park, ballroom/pre-function and retail shops</td></tr>
<tr><td>Express conditions (Cont'd)</td><td colspan="6"></td><td>(Tanah ini hendaklah digunakan untuk tujuan tapak perdagangan bagi tujuan pangsapuri servis, pejabat, tempat letak kereta, ballroom/bilik pre-function dan kedai (retail) sahaja)</td></tr>
<tr><td>Existing use</td><td colspan="7">Office space</td></tr>
<tr><td>Category of land use</td><td colspan="7">Building (Bangunan)</td></tr>
<tr><td>Type</td><td colspan="7">Commercial</td></tr>
</table>

Notes:

(1) Being the title of the land on which the MVC Phase 1 Properties are erected.

(2) Together with accessory parcels A2, A6, A7, A8, A9, A10, A25, A31 and A42.

(3) Together with accessory parcels A5, A15, A16, A17, A18, A19, A20, A21, A22, A29, A35 and A45.

(4) Being the title of the land on which Menara Southpoint is erected.

(5) Pursuant to the Strata Titles Act 1985 ("**STA**"), "share units" is defined to mean the share units determined for a parcel as shown in the strata register maintained by the relevant land office/land registry. Under the STA, "parcel" in relation to a subdivided building, means one of the individual units comprised in the building which (except in the case of an accessory parcel) is held under separate strata title, and in relation to a subdivided land, means one of the individual units of land parcel. The share units of a parcel will determine, among other things, the voting rights of the parcel owner and the service/sinking fund charges payable. The total share units refer to the sum of the share units of all the parcels within the respective integrated developments.

As indicated above, share units will only be allocated to parcels within subdivided properties. As such, share units are not applicable to the MVC Phase 1 Properties and Southpoint Properties as these properties are still held under its respective master titles and the application for subdivision of the components within MVC Phase 1 / MVC Phase 3 to obtain the strata titles for the MVC Phase 1 Properties and Southpoint Properties have yet to be submitted. The proposed share units to be allocated to the MVC Phase 1 Properties and Southpoint Properties upon subdivision of these properties are as follows:

Subject Property	**Type of Development**	**(Allocated) Share Unit / % over the total share unit of the strata development**
Menara IGB & IGB Annexe	MVC Phase 1	28,086 / 3.09%
Centrepoint North	MVC Phase 1	21,726 / 2.39%
Centrepoint South	MVC Phase 1	23,146 / 2.55%
Boulevard Properties	MVC Phase 1	5,940 / 0.65%
Southpoint Properties	MVC Phase 3	101,608 / 76.02%

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	Menara IGB & IGB Annexe	Centrepoint South	Centrepoint North	Boulevard Properties	Gardens South Tower	Gardens North Tower	Southpoint Properties
Age of Subject Property as at 31 December 2020 [(1)]	20 years	12 years	12 years	19 years	10 years	10 years	2 years
Gross rental income per annum (RM'000) [(2)]	6,884	9,246	9,770	2,732	21,132	18,767	9,658
NPI (RM'000) [(2)]	7,252	10,435	11,080	3,344	23,604	18,931	6,852
Appraised Value as at 31 December 2020 (RM'000)	188,900	190,500	196,500	78,000	391,500	382,100	573,500
Purchase consideration (RM'000)	188,900	190,500	196,500	78,000	391,500	382,100	573,500
NLA as at 31 December 2020 (sq ft)	261,993	232,237	232,051	53,715[(3)]	422,381	425,612	515,501
GFA as at 31 December 2020 (sq ft)	331,358	307,006	294,354	54,180[(3)]	646,384	658,827	810,333
Number of tenants as at 31 December 2020	21	27	25	13	34	28	7
Occupancy Rate as at 31 December 2020 (%)	68.7	83.8	89.8	88.3[(4)]	83.9	75.4	59.3
Number of car park bays as at 31 December 2020	Nil[(5)]	Nil[(5)]	Nil[(5)]	Nil[(5)]	Nil[(5)]	Nil[(5)]	1,065[(6)]

Notes:

(1) Based on the date of issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) For the FYE 2020.

(3) Comprising 21,448 sq ft for Block 25 and 32,267 sq ft for Block 27.

(4) Wealthy Pentagon Sdn Bhd, which occupies approximately 5,700 sq ft as at 31 December 2020, has notified Idaman Spektra of its intention to vacate Boulevard Properties. Upon vacating, the illustrated Occupancy Rate of Boulevard Properties as at 31 December 2020 will be 77.6%.

(5) This Subject Property does not have any dedicated car park bays and utilises the car park bays of Mid Valley Megamall and The Gardens Mall.

(6) In addition to the existing 1,065 car park bays, an additional 216 car park bays, 23 and 11 car park bays are leased from Kuala Lumpur City Hall *(Dewan Bandaraya Kuala Lumpur)*, MVCG MC and IGB REIT respectively.

Golden Triangle Subject Properties

	Menara Tan & Tan	**GTower**	**Hampshire Place Office**
Type of title	Individual	Individual	Strata
Land area	48,535 sq ft (4,509 sq m)	78,738 sq ft (7,315 sq m)	Not applicable
Tenure	Freehold	Freehold	Freehold
Land/Strata title particulars	Geran 26965, Lot 308 Seksyen 63, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Geran 53056, Lot 320 Seksyen 63, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Geran 42416/M1/B4/1, No. Petak 1, No. Tingkat B4, No. Bangunan M1, Lot 157 Seksyen 43, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur(1)
Share units of the parcel/ % over the total share units(2)	Not applicable	Not applicable	45,383 / 67.42%
Encumbrance and other material endorsements	• A lease over a part of the land in favour of Tenaga Nasional Berhad vide Presentation No. PDSC18155/1992 Volume 8 Folio 140 registered on 19 October 1992 for 30 years, which commenced on 15 November 1991 and will be expiring on 14 November 2021(3)	• Lienholder's caveats lodged by Public Bank Berhad ("**PBB**") vide Presentation Nos. PDB16017/2005 and PDB5003/2013 registered on 6 December 2005 and 5 April 2013 respectively • Land charge vide Presentation No. PDSC3945/2010 registered in favour of PBB on 23 February 2010 • Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4056/2021 registered on 14 April 2021	Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4058/2021 registered on 14 April 2021

	Menara Tan & Tan	**GTower**	**Hampshire Place Office**
	• Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4057/2021 registered on 14 April 2021	The above encumbrances will be discharged on the Listing Date.	
Restrictions in interest	Nil *(Tiada)*		
Express conditions	This land shall only be used for commercial building (*Tanah ini hendaklah digunakan untuk bangunan perdagangan sahaja*)	This land shall only be used for commercial building for the purposes of offices and petrol station (*Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan pejabat dan stesyen minyak sahaja)*	Office (*Pejabat*)
Existing use	Office space		
Category of land use	Building *(Bangunan)*		
Type	Commercial		

Notes:

(1) Together with accessory parcels A109, A137 and A201 to A234.

(2) Pursuant to the Strata Titles Act 1985 ("**STA**"), "share units" is defined to mean the share units determined for a parcel as shown in the strata register maintained by the relevant land office/land registry. Under the STA, "parcel" in relation to a subdivided building, means one of the individual units comprised in the building which (except in the case of an accessory parcel) is held under separate strata title, and in relation to a subdivided land, means one of the individual units of land parcel. The share units of a parcel will determine, among other things, the voting rights of the parcel owner and the service/sinking fund charges payable. The total share units refer to the sum of the share units of all the parcels within the respective integrated developments. There are no share units for Menara Tan & Tan and GTower as said Subject Properties are standalone buildings held under individual titles.

(3) The lease is in relation to a substation built by Tenaga Nasional Berhad on a part of the land.

	Menara Tan & Tan	GTower	Hampshire Place Office
Age of Subject Property as at 31 December 2020[(1)]	23 years	10 years	9 years
Gross rental income per annum (RM'000)[(2)]	9,266	31,656	6,129
NPI (RM'000)[(2)]	8,632	36,256	6,162
Appraised Value as at 31 December 2020 (RM'000)	239,100	739,800	180,600
Purchase consideration (RM'000)	239,100	739,800	180,600
NLA as at 31 December 2020 (sq ft)	339,385	653,164[(3)]	239,253
GFA as at 31 December 2020 (sq ft)	455,232	1,210,330	459,533
Number of tenants as at 31 December 2020	27	81	21
Occupancy Rate as at 31 December 2020 (%)	69.0	77.2[(4)]	62.2
Number of car park bays as at 31 December 2020	543	1,090	286

Notes:

(1) Based on the date of issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) For the FYE 2020.

(3) Taking into account the area converted from hotel floors into office units, where GTower SB had, on 11 February 2021 obtained the Certificate of Completion and Compliance, the total NLA will be 746,194 sq ft.

(4) Subsea 7 Asia Pacific Sdn Bhd, which occupies approximately 46,000 sq ft as at 31 December 2020, has notified GTower SB of its intention to downsize its Occupied NLA to occupy approximately 32,000 sq ft. Upon downsizing, the illustrative Occupancy Rate of GTower as at 31 December 2020 will be 65.6%.

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COMPETITIVE STRENGTHS AND HIGHLIGHTS

The Manager believes that an investment in IGB Commercial REIT offers the following investment highlights to Unitholders:

(i) Exposure in Malaysia's largest standalone office REIT

- *Largest standalone office REIT by market capitalisation* - Sixth (6th) largest Malaysian REIT and the largest standalone office REIT by market capitalisation of RM2,307.3 million. IGB Commercial REIT's large asset base will enable it to raise significant amounts of capital for future acquisitions, thus placing IGB Commercial REIT in a better competitive position to capitalise on future investment opportunities.

- *Largest standalone office REIT by NLA* - With an aggregate NLA of approximately 3.4 million sq ft, IGB Commercial REIT will also be the largest standalone office REIT to be listed on Bursa Securities by NLA.

- *Largest standalone office REIT by asset* - The Subject Properties' aggregate Appraised Value is approximately RM3.2 billion, making IGB Commercial REIT the largest standalone office REIT to be listed on Bursa Securities by asset.

(ii) Portfolio of prominent commercial properties strategically located in prime commercial districts of Kuala Lumpur

- *Unique opportunity to invest in two (2) distinct commercial submarkets in Greater Kuala Lumpur* - IGB Commercial REIT's initial property portfolio will consist of the MVC Subject Properties located in Mid Valley City and the Golden Triangle Subject Properties located in the Golden Triangle of Kuala Lumpur:

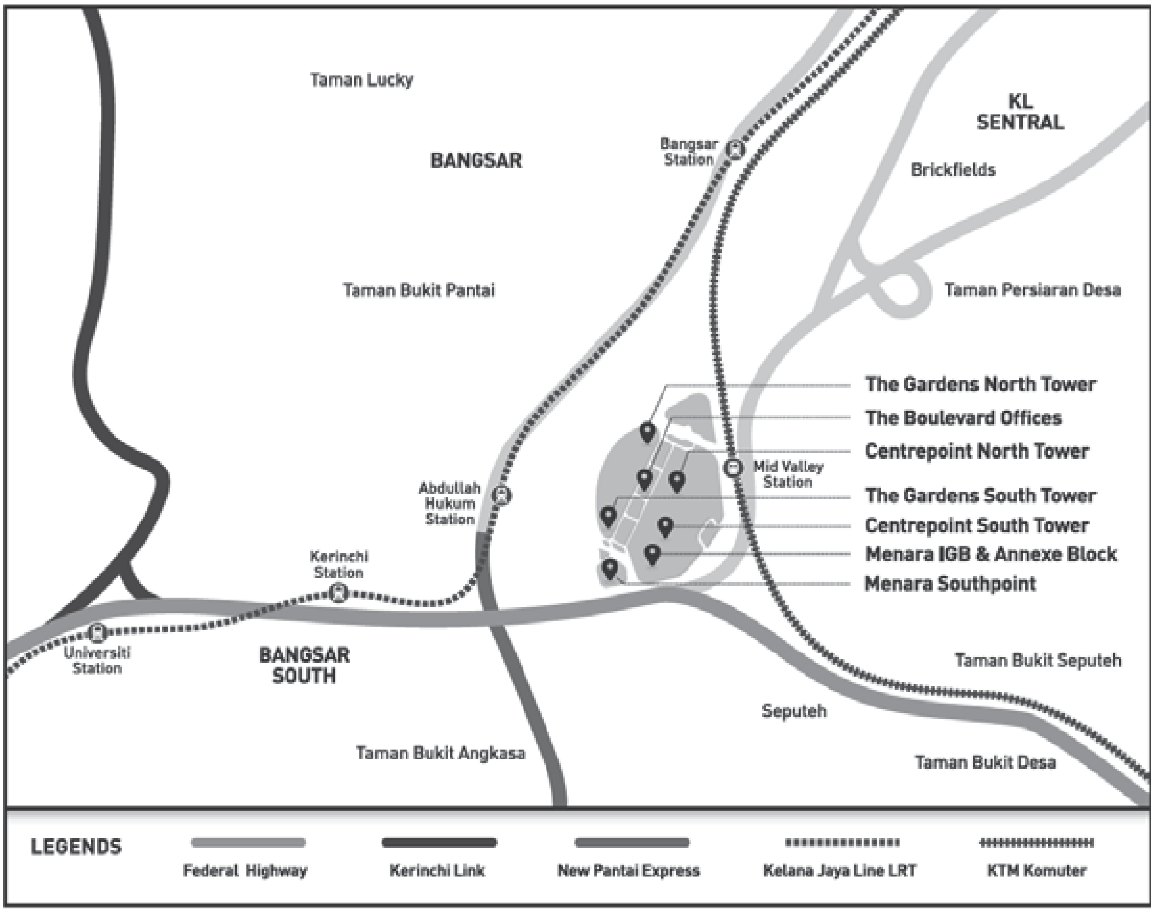
Mid Valley City

(a) *An integrated development* - Mid Valley City is a well-known integrated urban development, consisting of two (2) flagship malls, Mid Valley Megamall, and The Gardens Mall and three (3) hotels, complemented by the MVC Subject Properties.

Source: IGB

(b) *Self-sustaining and cohesive ecosystem with superior ancillary amenities* - The availability of superior amenities such as convention centre, hotels and retail malls within steps from the office affords tenants with ready and immediate access to the surrounding commercial community, residential and hospitality developments, retail amenities and entertainment offerings. This forms a cohesive ecosystem with a large and diverse catchment area as evidenced by the high footfall in the two (2) flagship malls.

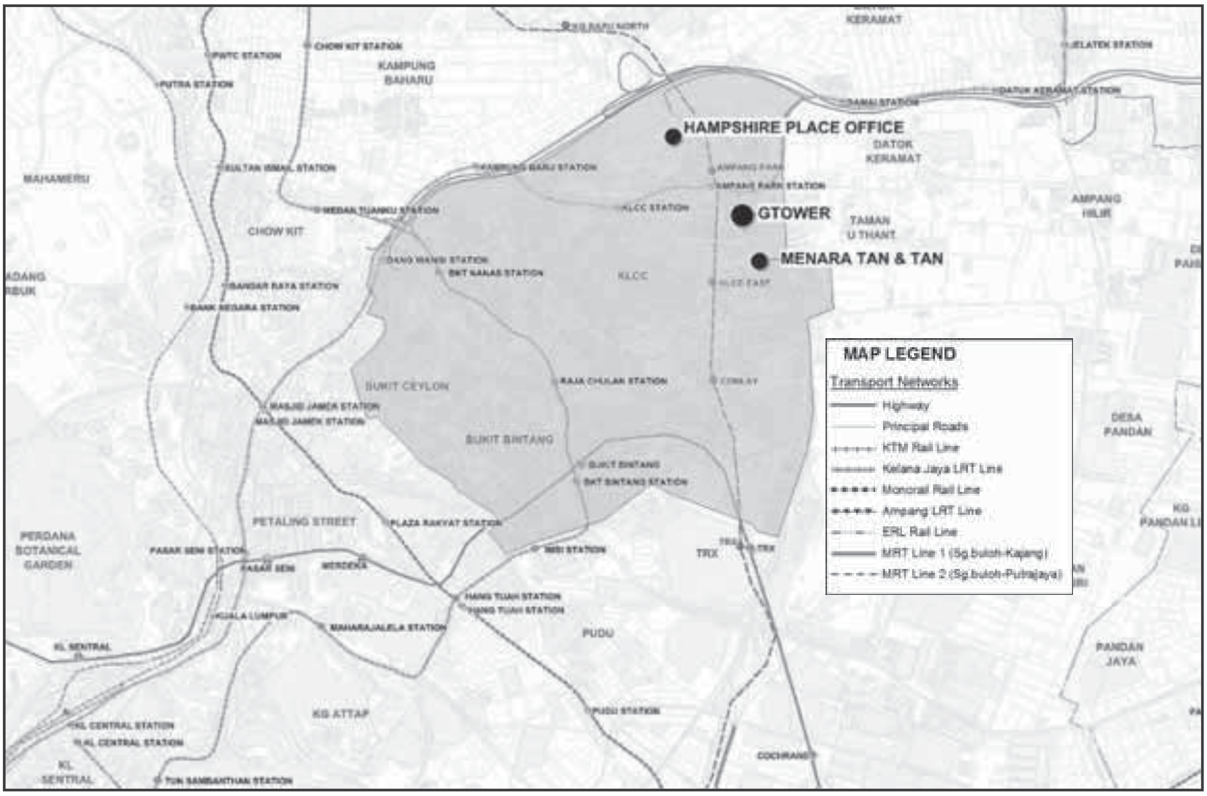
(c) *Superior connectivity and accessibility* - The area is easily accessible and well connected to other key business districts and major suburbs through a network of major arterial roads.



Golden Triangle

(a) *Located in the heart of Kuala Lumpur* - The Golden Triangle zone is located in the heart of Kuala Lumpur, the city's prominent commercial and retail district where multinational companies, prestigious malls, high-end residential and five (5)-star hotels congregate, leading to bustling commercial activities.

(b) *Well-connected via major arterial roads* - Menara Tan & Tan and GTower are strategically located along Jalan Tun Razak with good frontage, while Hampshire Place Office is located along Jalan Mayang Sari which is easily accessible from Jalan Tun Razak:



Source: Independent Property Market Report

(c) *Excellent connectivity via public transportation* - The Golden Triangle Subject Properties are located within a 500-metre radius from Ampang Park LRT station, which are within easy walking distance. Connectivity to the Golden Triangle Subject Properties will be further enhanced in the future with the expected completion of the Sungai Buloh – Serdang – Putrajaya (SSP) MRT Line in 2023 which will be served by the Ampang Park Station and Persiaran KLCC MRT Station.

(d) *Preferred office address for the oil and gas, financial services as well as government, agency and embassy tenants* - The oil and gas sector is a prominent occupier of prime offices surrounding the KLCC area due to Petronas's presence in the Petronas Twin Towers.

(iii) Multi-pronged growth potential

- **Opportunities to increase Occupancy Rates to underpin organic growth**

(a) *Ongoing refurbishment to boost appeal of Menara IGB & IGB Annexe, Centrepoint South, Centrepoint North, Gardens South Tower and Gardens North Tower, Menara Tan & Tan and GTower* - It is to be noted that apart from the Southpoint Properties and Menara IGB & IGB Annexe, the other MVC Subject Properties have a weighted average Occupancy Rate of 82.4% as at 31 December 2020. Any new demand or increased demand from existing tenants of the MVC Subject Properties may observe a spill over effect to Menara IGB & IGB Annexe, given its prime location which is directly situated above Mid Valley Megamall.

(b) *Newly completed Southpoint Properties* - The Manager is confident of the potential to increase the Occupancy Rate of the recently completed Southpoint Properties from 59.3% as at 31 December 2020, through active asset management.

(c) *Ongoing refurbishment to boost appeal of Menara Tan & Tan and GTower*

As a result of such refurbishment works, IGB Commercial REIT may be able to attract more tenants thereby improving the Occupancy Rates of the Subject Properties, which in turn could potentially enhance the yield of IGB Commercial REIT.

- **Active asset management to maintain and enhance returns**

(a) *Early engagement of expiring tenancies* - Early engagement of tenants with expiring tenancies has allowed the Manager to secure favourable renewal rates. In the event of non-renewal, the Manager should then have ample time to secure new tenants.

(b) *Committed to forging strong and long-term relationships with tenants* - The Manager is committed to build close and long-lasting relationships with tenants through regular engagement in order to better understand and satisfy their requirements.

(c) *Dedicated management team* - With the establishment of IGB Commercial REIT, the Subject Properties will be managed by a dedicated management team.

- *Asset enhancement initiatives* - The Manager and Sponsor are committed to continuously maintain and seek property enhancement opportunities to further improve building efficiency, property value, its appeal towards tenants and consequently, returns from the Subject Properties.

- **Future acquisition opportunities**

(a) *Right of first refusal ("**ROFR**") from Sponsor* - IGB Commercial REIT will be able to benefit from a pipeline of assets which could potentially be acquired from the Sponsor. The Manager believes that the ROFR pipeline will continue to grow as the Sponsor participates in more commercial development projects going forward.

(b) *Acquisition from third parties* - The Manager may also explore the acquisition of properties developed by third parties in instances where the potential acquisition meets the investment criteria and investment objectives of IGB Commercial REIT.

(c) *Prudent selection of future acquisitions* - The Manager will pursue opportunities that are potentially yield accretive and will provide stable cash flows, together with potential for further income and capital growth. In evaluating future acquisition opportunities, the Manager will also seek acquisitions that may enhance the diversification of the portfolio by location in order to enhance resilience of the portfolio.

(iv) Strong, reputable and committed Sponsor with proven track record of delivering value

- *Reputable and committed Sponsor with strong branding and proven track record in the property industry* - The Sponsor is one (1) of the largest listed property companies in Malaysia and carries with it the strong branding and success stories of IGB and Mid Valley City. The Sponsor is engaged in all aspects of the property industry across Asia, Australia, the United States of America and United Kingdom, with its core business in retail, commercial, residential, construction and hospitality. The Sponsor has a strong track record in the property industry with a number of awards and recognition being accorded to the Sponsor and its developments over the years.

- *Proven ability to enhance value of real estate assets* - The Sponsor and the Manager have proven track records of enhancing existing assets to create additional value. Going forward, the Sponsor will support the Manager to continue carrying out appropriate AEI, whilst continuously maintaining and looking to further improve the service levels at the Subject Properties.

- *Experienced management team* - The Manager is helmed by a team of experienced commercial property professionals, some of whom have been with the Sponsor for several years and some with the respective Subject Properties since their inception.

- *The Sponsor and the Manager played a pivotal role in the success of IGB REIT since its establishment* - Under the stewardship of both the Sponsor and the Manager, IGB REIT has demonstrated growth[2] since its inception, with market capitalisation and total asset value growing 45.9% and 13.5% respectively as at the Latest Practicable Date, solely via organic growth.

- *Strong alignment of the Sponsor's and Manager's interests with the other Unitholders* - The Sponsor will, immediately following the completion of the Offering, hold a substantial ownership of at least 50.0% of the Units, making it the largest Unitholder of IGB Commercial REIT. Accordingly, the interest of the Sponsor will be aligned with the other Unitholders. In addition to being wholly owned by the Sponsor, the Management Fees have a performance-based element which will incentivise the Manager to grow IGB Commercial REIT's Distributable Income.

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[2] Past performance of IGB REIT should not be taken as an indication of future performance for IGB Commercial REIT.

(v) Resilient and well balanced portfolio

- *Resilient Occupancy Rates* - Save for Southpoint Properties which was only completed in 2018, the Average Occupancy Rates and the rental rates of the Subject Properties on an average gross rental per sq ft basis have remained resilient over the years:

Subject Properties	FYE 2018	FYE 2019	FYE 2020
	(%)	(%)	(%)
Weighted average[(1)] of Subject Properties	**76.3**	**75.4**	**76.3**
Weighted average of MVC Subject Properties[(2)]	**[(3)]74.4**	**76.1**	**75.2**
Weighted average of MVC Subject Properties excluding Southpoint Properties[(4)]	**91.0**	**87.7**	**83.5**
Weighted average of Golden Triangle Subject Properties[(5)]	**79.3**	**74.3**	**78.3**
Weighted average of MVC Subject Properties comparable study area[(6)]	**75.2**	**81.7**	**85.2**
Weighted average of Golden Triangle Subject Properties comparable study area[(7)]	**79.1**	**69.3**	**68.6**

Notes:

(1) Computed based on the Average Occupancy Rate of each Subject Property multiplied by the contribution by each Subject Property to the total NLA of the Subject Properties.

(2) Computed based on the Average Occupancy Rate of each MVC Subject Property multiplied by the contribution by each MVC Subject Property to the total NLA of MVC Subject Properties.

(3) Decrease in weighted average Occupancy Rates for the MVC Subject Properties is due to the inclusion of Southpoint Properties, which were newly completed in July 2018.

(4) Computed based on the Average Occupancy Rate of each MVC Subject Property (excluding Southpoint Properties) multiplied by the contribution by each MVC Subject Property (excluding Southpoint Properties) to the total NLA of the MVC Subject Properties (excluding Southpoint Properties).

(5) Computed based on the Average Occupancy Rate of each Golden Triangle Subject Property multiplied by the contribution by each Golden Triangle Subject Property to the total NLA of the Golden Triangle Subject Properties.

(6) Based on the Independent Property Market Consultant's study area, comprising office buildings located within the selected business districts of KL Sentral, Bangsar, Pantai & Kerinchi, Bangsar South and KL Eco City, which are in close proximity to the MVC Subject Properties.

(7) Based on the Independent Property Market Consultant's study area, comprising office buildings located within the selected business districts of Jalan Tun Razak, Jalan Sultan Ismail and Jalan Ampang, which are in close proximity to the Golden Triangle Subject Properties.

Accordingly, for the periods from FYE 2018 to FYE 2019, the weighted average Occupancy Rates of the MVC Subject Properties (excluding Southpoint Properties) remain resilient against the Independent Property Market Consultant study area's (comprising the selected business districts of KL Sentral, Bangsar, Pantai & Kerinchi, Bangsar South and KL Eco City, which are in close proximity to the MVC Subject Properties) weighted average Occupancy Rates. While for the FYE 2020, the MVC Subject Properties (excluding Southpoint Properties) weighted average Occupancy Rate of 83.5% is a slight decrease from the study area of 85.2%.

In addition, for the periods from FYE 2018 to FYE 2020, the weighted average Occupancy Rates of the Golden Triangle Subject Properties remain resilient against the Independent Property Market Consultant study area's (comprising the selected localities/business districts of Jalan Tun Razak, Jalan Sultan Ismail and Jalan Ampang, which are in close proximity to the Golden Triangle Subject Properties) weighted average Occupancy Rates.

- *Visible and well-spread tenancy terms providing stable cash flows* - As at 31 December 2020, IGB Commercial REIT has a WALE of 1.8 years, with 66.7% of tenancies expiring beyond FYE 2021. As at 31 December 2020, the lease expiries are spread out across three (3) years with a maximum of 32.8% of tenancies by Occupied NLA expiring in any year, ensuring stability of cash flows in the medium term.

- *Diversified income streams*

  (a) *Geographical diversification* - The initial property portfolio consists of commercial properties located within two (2) major property submarkets in Greater Kuala Lumpur.

  (b) *Diversification across assets* - IGB Commercial REIT derives its rental income from 10 commercial properties. None of the 10 Subject Properties contribute to more than 20.2% of Occupied NLA as at 31 December 2020 or 21.2% of gross rental income in December 2020. Thus, IGB Commercial REIT is not reliant on any particular Subject Property.

  (c) *Limited concentration risk in tenants* - As at 31 December 2020, the Subject Properties have a large number of tenants. Top 10 tenants contribute not more than 23.0% or 21.9% of the aggregate Occupied NLA or gross rental income respectively, which signifies low concentration risk among tenants.

  (d) *Trade sector diversification* - IGB Commercial REIT also has a diversified tenant base with none of the trade sector mix exceeding 21.8% of the aggregate Occupied NLA, which renders IGB Commercial REIT to be less susceptible to sectorial risk.

- **Portfolio of quality tenants**

  (a) *Renowned anchor tenants* - IGB Commercial REIT has a high proportion of renowned and established organisations such as BHP Shared Services Malaysia Sdn Bhd, Baker Hughes Services (M) Sdn Bhd, Shopee Mobile Malaysia Sdn Bhd, Oracle Corporation Malaysia Sdn Bhd, Wspace (M) Sdn Bhd, Subsea 7 Asia Pacific Sdn Bhd[3], IGB, Yinson Holdings Berhad, Xevera Sdn Bhd and Agoda International (Malaysia) Sdn Bhd.

  (b) *Tenants in growth sectors* - Over 50.0% of the portfolio consists of tenants in growth trade sectors, such as Oracle Corporation Malaysia Sdn Bhd, Shopee Mobile Malaysia Sdn Bhd and WeChat Malaysia Sdn Bhd.

  (c) *Large and established tenants* - Additionally, the tenancy portfolio has a high proportion of large and established tenants such as multinational companies, public listed companies, embassies, government linked companies or IGB itself. Larger and more established companies typically have larger economic reserves to weather through changes in economic or business cycles and hence, these tenancies are considered to be more resilient as compared to smaller and less established entities.

(vi) Prudent capital structure coupled with active capital management

- *Conservative gearing level with ample debt headroom* - Upon Listing, IGB Commercial REIT will have total indebtedness of RM850.9 million[4], representing approximately 26.3% of the estimated Total Asset Value of RM3,234.7 million based on IGB Commercial REIT's Pro Forma Consolidated Statement of Financial Position. This is below the weighted average debt-to-asset ratio of listed Malaysian REITs of approximately 34.6%[5] as at the Latest Practicable Date.

- *Proven track record in balance sheet management* - The Manager's track record in prudent capital management can be seen in the manner in which IGB REIT's capital structure has been managed.

- *Prudent debt profile* - Upon Listing, IGB Commercial REIT will have a long debt maturity profile of five (5) years, which diminishes rollover or refinancing risks in the medium term.

- *Focused in optimising capital structure* - The Manager aims to optimise IGB Commercial REIT's capital structure and cost of capital to manage borrowing cost efficiency to improve returns to Unitholders.

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[3] Subsea 7 Asia Pacific Sdn Bhd, which occupies approximately 46,900 sq ft as at 31 December 2020, has downsized its Occupied NLA to occupy approximately 32,000 sq ft. Upon downsizing, Subsea 7 Asia Pacific Sdn Bhd will no longer be one (1) of the top 10 tenants of IGB Commercial REIT and with a percentage Occupied NLA of 1.5%, B&M Consultancy Services Sdn Bhd will be one (1) of the top 10 tenants of IGB Commercial REIT as at 31 December 2020.

[4] To facilitate future capital raising activities, IGB Commercial REIT has established a RM5.0 billion MTN Programme which shall entail multiple issuances of rated and/or unrated MTNs. The first tranche of the MTN Programme is expected to raise RM847.7 million net of estimated transaction costs.

[5] Weighted average debt-to-asset ratio of listed Malaysia REITs, excluding KLCC Stapled Group as it is a stapled security comprising KLCC REIT and KLCCP.

IMPACT OF COVID-19 PANDEMIC

Since the recognition of COVID-19 as a "Public Health Emergency of International Concern" on 30 January 2020 and a "pandemic" on 11 March 2020 by the World Health Organisation, many countries across the world have imposed restrictions on travel and/or quarantines to curb the spread of COVID-19. In Malaysia, the Prime Minister of Malaysia on 16 March 2020 announced the "Movement Control Order" ("**MCO**") which effectively restrained movements within Malaysia, travel to and out of Malaysia, and closed government and private business offices, save for those involved in the provision of essential services comprising banking and finance, electricity and energy, healthcare and medical, and food and supply among others. Thereafter, the MCO was relaxed in stages to allow all economic sectors and businesses to resume operations on a staggered basis, subject to compliance with the prescribed standard operating procedures.

On 11 January 2021, the Prime Minister had announced the re-implementation of the MCO for several states in Malaysia for a period of two (2) weeks beginning 13 January 2021 and the following day, announced a no-curfew state of emergency in light of the COVID-19 pandemic situation. The MCO was thereafter twice extended, each for a period of 2 weeks to 18 February 2021. On 16 February 2021, the MCO was further extended in Greater KL, Penang and Johor to 4 March 2021 and replaced with a CMCO for the other states in the country, with the exception of Perlis, which was placed under Recovery Movement Control Order ("**RMCO**"), from 19 February 2021 onwards. Subsequently, on 25 February 2021, it was announced that the MCO was relaxed for states under the MCO wherein meetings, incentives, conferencing and exhibitions activities are allowed, subject to limits on the number of attendees, among others. On 5 March 2021, the MCO transitioned into the Conditional Movement Control Order ("**CMCO**") for those affected states and thereafter to the MCO on 6 May 2021 and 7 May 2021 for Selangor and Wilayah Persekutuan Kuala Lumpur respectively.

(i) Impact to the operations of the Subject Properties

Following the MCO stages, the Vendors have implemented new COVID-19 safety and health instructions and procedures, and social distancing guidelines imposed by the Government, relevant authorities and local councils governing the jurisdiction of the Subject Properties. This is to safeguard the safety and health conditions of the tenants, employees and visitors of the Subject Properties. These new COVID-19 standard operating procedures include, amongst others, movement control routing, temperature screening and scanning of quick response (QR) codes for purposes of contact tracing and sanitisation of the Subject Properties on a daily basis.

The implementation of these measures had resulted in additional operating costs of the Subject Properties of approximately RM260,000 as at 31 December 2020.

(ii) Impact to the tenants of the Subject Properties

The COVID-19 pandemic had resulted in the dormancy of non-essential businesses for approximately 2.5 months from March 2020. This had resulted in the permanent closure of many businesses or the scaling down of business operations in response to the decline in business activities.

For the FYE 2020, approximately 150 tenants in the Subject Properties, whose businesses were badly affected by the COVID-19 pandemic were granted rental reliefs, amounting to approximately RM4.4 million. Such rental reliefs are granted upon request by the tenants and are assessed on a case-to-case basis after taking into consideration such tenants' trade sector and relationship with the respective Vendors.

PRINCIPAL STATISTICS RELATING TO THE OFFERING

The Offering The Restricted Offering of up to 945,000,132 Units and the Institutional Offering of at least 282,000,000 Units.

The Restricted Offering The Restricted Offering involves the offering of up to 945,000,132 Units in the following manner:

(i) Restricted Offer for Sale (ROFS)
IGB shall offer for sale up to 378,000,053 ROFS Units to the Entitled Shareholders on the basis of two (2) ROFS Units for every five (5) IGB Shares held on the Entitlement Date, at RM1.00 per ROFS Unit; and

(ii) Distribution-in-Specie (DIS)
IGB shall distribute up to 567,000,079 DIS Units only to the Entitled Shareholders who have subscribed for their entitlements to the ROFS Units on the basis of three (3) DIS Units for every two (2) ROFS Units subscribed.

The Restricted Offering is non-renounceable and non-tradeable. Entitled Shareholders may fully or partially subscribe for their entitlement to the ROFS Units and will be entitled to receive the corresponding DIS Units. The Restricted Offering will not be underwritten.

The Institutional Offering The Institutional Offering involves the offering of at least 282,000,000 Units to the institutional investors and selected investors, at the Institutional Price payable in full upon allocation and determined by way of bookbuilding on the Price Determination Date.

The Institutional Offering comprises the following:

(i) offer for sale of 282,000,000 Units by the Selling Shareholders; and

(ii) offer for sale of all unsubscribed ROFS Units together with the corresponding DIS Units.

Clawback and Reallocation The Restricted Offering shall be subject to the clawback and reallocation provisions. All unsubscribed ROFS Units together with the corresponding DIS Units will be allocated to the Institutional Offering.

ROFS Price

The ROFS Price was determined and agreed upon by the Manager, the Principal Adviser and the Joint Bookrunners after taking into consideration the following factors:

(i) the issue price of RM1.00 per Consideration Unit by IGB Commercial REIT for the Subject Properties;

(ii) the financial history and condition of the Subject Properties;

(iii) the pro forma NAV per Unit upon Listing of approximately RM1.00;

(iv) the forecast distribution yields of IGB Commercial REIT;

(v) the future prospects of IGB Commercial REIT; and

(vi) the prevailing capital and property market conditions and sentiments.

Institutional Price

The Institutional Price will be determined by way of bookbuilding wherein prospective investors will be invited to bid for portions of the Institutional Offering by specifying the number of Units that they would be prepared to acquire and the price that they would be prepared to pay for the subscription. Upon completion of the bookbuilding process, the Institutional Price will be fixed via agreement between the Manager and the Joint Bookrunners on the Price Determination Date.

The final Institutional Price is expected to be announced within two (2) Market Days from the Price Determination Date via Bursa Listing Information Network.

Expected gross proceeds

As IGB Commercial REIT will not be issuing any new Units under the Offering, IGB Commercial REIT will not receive any cash from the Offering.

Use of Proceeds

Estimated Listing expenses of approximately RM7.7 million to be incurred will be funded through internally generated funds of IGB Commercial REIT from the Subject Properties and/or the Short Term Financing obtained by IGB Commercial REIT. The expenses will be fully settled within one (1) month from the Listing.

The breakdown of the estimated expenses in relation to the Listing is as follows:

Estimated Listing expenses	**(RM'000)**
Professional and advisory fees	4,500
Regulatory fees	450
Financing expenses	2,280
Printing, marketing and advertising	300
Other related expenses	200
Total	**7,730**

FINANCIAL HIGHLIGHTS

IGB Commercial REIT's Pro Forma Consolidated Statement of Financial Position as at the date of establishment of IGB Commercial REIT

The following is an extract from Section 4.2 "Pro Forma Consolidated Statement of Financial Position" of this Prospectus.

*As at the date of its establishment, IGB Commercial REIT will not have any assets and liabilities. The following table presents the Pro Forma Consolidated Statement of Financial Position of IGB Commercial REIT and its subsidiary ("**Group**") as at the date of establishment, prepared for illustrative purposes only, to show the effects of the Acquisitions based on the assumption that such events had been effected on the date of establishment of IGB Commercial REIT and are not represented as being necessarily indicative of IGB Commercial REIT's view of its future financial position.*

The Pro Forma Consolidated Statement of Financial Information of the Group should be read in conjunction with Section 4.2 "Pro Forma Consolidated Statement of Financial Position", Section 4.4 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the "Reporting Accountants' Letter on the Pro Forma Consolidated Statement of Financial Position" in Appendix D and the related notes in this Prospectus.

The Pro Forma Statement of Financial Position of the Group has been prepared for illustrative purposes in the manner consistent with the format of the financial statements and the accounting policies to be adopted by the Group as set out in Section 4.4.4 "Significant Accounting Policies" of this Prospectus.

Pro Forma Consolidated Statement of Financial Position as at the date of establishment of the Group

	Unaudited
	RM'000
Non-current assets	3,160,500
Current assets	74,220
TOTAL ASSETS	**3,234,720**
Financed by:	
Unitholders' fund(1)	2,301,850
Non-current liabilities(2)	847,720
Current liabilities	85,150
TOTAL UNITHOLDERS' FUNDS AND LIABILITIES	**3,234,720**
NAV (RM'000)(3)	2,301,850
No. of Units in issue ('000)	2,307,300
NAV per Unit (RM)(4)	1.00

Notes:

(1) Unitholders' funds of approximately RM2,307.3 million, net of estimated expenses in relation to the issue of Units of approximately RM5.45 million.

(2) The amount of the MTNs to be issued under the MTN Programme upon the date of establishment of IGB Commercial REIT, totalling RM850.0 million, net of estimated transaction costs of RM2.3 million, to part finance the Acquisitions. The interest expense on the MTNs are recognised as finance costs in the consolidated statement of comprehensive income in the period in which they are incurred.

(3) NAV represents the value of the Group's assets less all liabilities.

(4) NAV per Unit is computed based on NAV divided by number of Units issued by IGB Commercial REIT.

Pro Forma Consolidated Statement of Comprehensive Income

The following is an extract from Section 4.1 "Unaudited Pro Forma Consolidated Statements of Comprehensive Income" of this Prospectus. The unaudited Pro Forma Consolidated Statements of Comprehensive Income of the Group for the FYE 2018, FYE 2019 and FYE 2020 has been prepared based on the Vendors' audited financial statements for the FYE 2018, FYE 2019 and FYE 2020, which are prepared in accordance with the MFRS and IFRS.

Certain numbers have been re-presented or reclassified in this pro forma to conform with the basis of presentation of the unaudited Pro Forma Consolidated Statement of Comprehensive Income of the Group and may not be consistent with the basis of presentation in the audited financial statements of the Vendors. The unaudited Pro Forma Consolidated Statement of Comprehensive Income has been prepared in accordance with MFRS and IFRS, and in a manner consistent with the format of the financial statements and the accounting policies to be adopted by the Group. There has been no audit qualification on the Vendors' audited financial statements for the FYE 2018, FYE 2019 and FYE 2020.

In arriving at the unaudited Pro Forma Consolidated Statement of Comprehensive Income for FYE 2018, FYE 2019 and FYE 2020, key adjustments and assumptions set out in Section 4.1 "Unaudited Pro Forma Consolidated Statements of Comprehensive Income" of this Prospectus were made.

The pro forma financial information of the Group presented below should be read in conjunction with Section 4.4 "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Prospectus.

	FYE 2018	**FYE 2019**	**FYE 2020**
	(RM'000)	**(RM'000)**	**(RM'000)**
Total Revenue	203,884	200,141	194,095
Property Operating Expenses	(60,868)	(70,157)	(61,547)
NPI	143,016	129,984	132,548
(Net investment loss) / Net investment income	(302,132)	212,991	107,992
(Loss before taxation) / Profit before taxation	(351,503)	163,927	58,888
Distributable Income	**110,738**	**97,676**	**100,244**

Profit Forecast

The following is an extract from Section 4.5 "Profit Forecast" of this Prospectus. Statements contained in this "Profit Forecast" section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this section of the Prospectus and are subject to certain risks and uncertainties which could cause actual results to differ materially from the forecast. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction by any of IGB Commercial REIT, the Manager, the Offeror, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser, the Joint Bookrunners or any other person that the underlying assumptions will materialise, or that these results will be achieved or are likely to be achieved. See the Section on "Forward-looking Statements" and Section 5 "Risk Factors" of this Prospectus for further details. Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as of the date of this Prospectus.

None of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser or the Joint Bookrunners guarantees the performance of the Grroup, the repayment of capital or the payment of any distributions, or any particular return on the Units. The forecast yields stated in the following table are calculated based on the ROFS Price of RM1.00.

Such yields will vary accordingly for investors who purchase Units at a price that differs from the ROFS Price.

Investors are cautioned that rental yield on the Subject Properties to be held by IGB Commercial REIT is not equivalent to the yield of the Units. Current rental receipts and yields may not be sustained. The values of the Subject Properties may rise as well as fall.

The following table shows the Group's Profit Forecast for the Forecast Period 2021. The financial year end of the Group is 31 December. The Forecast Period 2021 has been prepared assuming that the first financial period is the financial period ending 31 December 2021, and assuming a date of establishment of IGB Commercial REIT of 31 March 2021. The Profit Forecast may be different to the extent that the establishment date of IGB Commercial REIT is other than 31 March 2021. The Profit Forecast is based on the assumptions set out below and have been examined by the Reporting Accountants and should be read together with the "Reporting Accountants' Letter on the Profit Forecast" set out in Appendix E, as well as the assumptions set out in this section of the Prospectus.

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Profit Forecast

	[(1)] Forecast Period 2021
	RM'000
Total Revenue	144,468
Property Operating Expenses	(52,655)
NPI	91,813
Net investment income	91,813
Profit before taxation	55,654
Distributable Income	**67,527**
Number of Units in issue (in million)	2,307.3
Distribution rate	100.0
Distribution cover (times)	1.00
Distribution per Unit (sen)[(2)]	3.90
ROFS Price (RM/Unit)	1.00
Distribution Yield on ROFS Price	3.90%

Notes:
(1) The financial period commencing from 31 March 2021 and ending on 31 December 2021.
(2) Distribution for the Forecast Period 2021 has been annualised.

RISK FACTORS

An investment in the Units is subject to risk. A summary of some of the key risks associated with an investment in the Units is set out below. Please refer to Section 5 "Risk Factors" of this Prospectus for further details and and the full list of the risk factors. Investors should read and understand all the risk factors before making a decision to invest in the Units.

The loss of key tenants of the Subject Properties.

A downturn in the businesses, bankruptcy or insolvency of the key tenants of the Subject Properties or any breach by the key tenants of their obligations under their respective tenancy agreements may have a material adverse effect on the financial conditions and results of operations of IGB Commercial REIT.

Accordingly, IGB Commercial REIT's financial condition and results of operations and ability to make distributions may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of one (1) or more of these tenants, as well as the decision by one (1) or more of these tenants not to renew its tenancy. New tenants on the same terms (or no less favourable terms) may not be found in time or at all.

Additionally, the Independent Property Market Report provides that the oil & gas sector is facing headwind with the volatility of oil price, and is at the higher risk spectrum compared to the other occupiers. As at 31 December 2020, the Golden Triangle Subject Properties comprise 25 tenants with an aggregate Occupied NLA of 281,563 sq ft from the oil & gas industry.

There is no assurance that the Subject Properties will be able to maintain rental rates at prevailing market rates.

The rental rates of the Subject Properties will depend upon various factors, including but not limited to prevailing supply and demand conditions as well as the quality and design of the Subject Properties. There is no assurance that the Manager will be able to procure new tenancies or renew existing tenancies at or above prevailing rental rates.

The Subject Properties may face increasing competition from other office buildings.

The Subject Properties are located in areas where other competing office buildings are present and new office buildings may be developed which may compete with the Subject Properties in attracting office tenants. In respect of the MVC Subject Properties, given that Mid Valley City is almost fully developed, there is little room for more new buildings to be developed within Mid Valley City. The appeal and attractiveness of the Subject Properties may decrease in the future, especially if new office buildings are built and/or existing office buildings undergo upgrading and the Subject Properties fail to keep pace and slowly become outdated.

The income from the Subject Properties will be dependent on the ability of the Subject Properties to compete against other office buildings for tenants. If, in the future, competing office buildings are more successful in attracting and retaining tenants taking into account the threats of large impending supply and upcoming new integrated developments, the income from the Subject Properties could be reduced.

The Subject Properties have tenancy cycles in which a substantial number of the tenancies expire in certain years.

A substantial number of the Subject Properties' tenancies are for terms of three (3) years, which exposes the Subject Properties to significant rates of tenancy expiries each tenancy cycle.

The concentration of tenancy expiries heightens IGB Commercial REIT's exposure to the typical risks associated with tenancy expiries, including the risk of vacancies following non-renewal, early terminations of tenancies, incidents of tenants absconding with overdue rents or non-replacement of tenancies, reduced Occupancy Rates and lower gross rental income.

Legal ownership of the MVC Phase 1 Properties and Southpoint Properties is dependent on the State Authority's consent.

The legal transfer of the MVC Phase 1 Properties and Southpoint Properties ("**Affected Properties**") cannot be effected without the consent of the relevant State Authority ("**Restriction-In-Interest**"). This Restriction-In-Interest is endorsed on the respective master titles to the lands on which the Affected Properties are erected on ("**MVC Master Lands**"). As at the Latest Practicable Date, (i) the strata titles to the Affected Properties ("**Affected Properties Strata Titles**") have yet to be issued; and (ii) the applications for the Affected Properties Strata Titles are expected to be made after the completion of SPAs of the Affected Properties. The Affected Properties Strata Titles when issued, will be endorsed with a similar Restriction-In-Interest, and accordingly, the State Authority's consents for the transfer of the Affected Properties to the Trustee ("**Consents to Transfer**") are required to be obtained.

In view that the Consents to Transfer can only be applied for after the issuance of the Affected Properties Strata Titles (which is expected to take place after the completion of the SPAs of the Affected Properties), the transfer of the legal titles to the Affected Properties can only be effected after the Consents to Transfer are obtained. Further, whilst the Vendors of the Affected Properties are not aware of any reasons that could result in the State Authority rejecting the applications for the Consents to Transfer, there can be no assurance that the State Authority will grant the Consents to Transfer as the decision to accept, process and approve the applications for the Consents to Transfer ultimately rests with the State Authority. Accordingly, upon completion of the SPAs of the Affected Properties:

(i) the Trustee will not have an indefeasible legal title[6] to the Affected Properties until after the Consents to Transfer are obtained and the transfer to and registration of the MVC Affected Properties Strata Titles in the name of the Trustee are completed.

(ii) the Trustee will have (a) beneficial ownership of the Affected Properties; and (b) contractual rights including rights, title, interests and benefits in and to the Affected Properties and their respective tenancy agreements and service contracts, in accordance with the provisions of the SPAs of the Affected Properties.

In line with the general principles of indefeasibility of registered title under the NLC, whilst the beneficial owner of a real estate has actual property rights in the land itself, such beneficial ownership may be defeated in favour of a purchaser for value of the land without prior notice of such beneficial ownership.

Minority interest under the strata schemes in respect of the MVC Phase 1 Properties and MVC Phase 2 Properties

Based on the share units allocated to the MVC Phase 1 Properties and MVC Phase 2 Properties under the strata schemes of the integrated developments known as Mid Valley City Phase 1 ("**Strata Scheme One**") and Mid Valley City Phase 2 ("**Strata Scheme Two**") respectively, IGB Commercial REIT will not have majority ownership of and control of such strata schemes upon completion of the Acquisitions. The risks associated with holding a minority interest in Strata Scheme One and Strata Scheme Two include the inability to direct and control certain matters that may affect the MVC Phase 1 Properties and MVC Phase 2 Properties, including:

(i) the management, maintenance and asset enhancement initiatives of the common properties of Strata Scheme One and Strata Scheme Two;

(ii) the appointment of representative(s) from IGB Commercial REIT to be member(s) of the joint management committee or management committee or being out-voted by the other members on the joint management committee or management committee;

(iii) the charging of service charge and sinking fund, to the extent that IGB Commercial REIT views any such amount charged to be excessive in light of the facilities made by way of common property; and

(iv) any proposal or resolution to change or impose any expenditure or expenses if IGB Commercial REIT is of the view that such expenditure or expenses are inappropriate or excessive.

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[6] Being a title or an interest which is free of all adverse claims or encumbrances not noted in the register of title, in the absence of fraud and other vitiating factors as set out in Section 340 of the NLC.

There is no assurance that the direction of the joint management body of Strata Scheme One and management corporation of Strata Scheme Two, namely MVC JMB and MVCG MC respectively, will be aligned with those of IGB Commercial REIT in terms of managing and maintaining the common properties of Strata Scheme One and Strata Scheme Two.

IGB Commercial REIT may be affected by changes in working trend.

Changes in working trend in Malaysia may adversely affect IGB Commercial REIT's business, prospects, financial condition and results of operations. Over the past decade, technology has enabled employees to work from almost any location. With flexible working potentially being a norm for the upcoming days, the need towards office space may change. As such, new working trends could adversely affect demand for traditional office space. In addition, tenants may demand for more flexible lease terms[7], as well as differentiation strategy in building specification that facilitate this changing work pattern. IGB Commercial REIT may be required to keep up with evolving needs from the tenants in order to maintain its occupancy and rental rates.

The COVID-19 pandemic has resulted in an increase in work from home arrangements and virtual meetings in Malaysia as employers strongly encouraged by the Government, play their part in curbing the spread of COVID-19. This change in working trend may lead to a change in demand for office space such as preference for flexible working space and reduction in total space requirement in the longer term. IGB Commercial REIT may be required to offer tenancy packages that would meet its tenants' needs to remain competitive in the market and attract new tenants.

COVID-19 impact on the business, financial condition and results of operations of IGB Commercial REIT

The World Health Organisation recognised COVID-19 as a "Public Health Emergency of International Concern" on 30 January 2020 and a "pandemic" on 11 March 2020. In Malaysia, the Prime Minister of Malaysia announced the re-implementation of the MCO for several states in Malaysia for a period of two (2) weeks beginning 13 January 2021 and the following day, announced a no-curfew state of emergency in light of the COVID-19 pandemic situation. The MCO was thereafter twice extended, each for a period of 2 weeks to 18 February 2021. On 16 February 2021, the MCO was further extended in Greater KL, Penang and Johor to 4 March 2021 and relaxed to a CMCO for the other states in the country, with the exception of Perlis, which will be under RMCO, from 19 February 2021 onwards. Subsequently, on 25 February 2021, it was announced that the MCO was relaxed for states under the MCO wherein meetings, incentives, conferencing and exhibitions activities are allowed, subject to limits on the number of attendees, among others. On 5 March 2021, the MCO transitioned into the CMCO for those affected states and thereafter to the MCO on 6 May 2021 and 7 May 2021 for Selangor and Wilayah Persekutuan Kuala Lumpur respectively.

The COVID-19 global outbreak has disrupted global economic activity, and impacted companies in various industries. The outbreak is likely to continue to have a negative impact on the global economy and business activities in the near future. This could thereby adversely impact the business and operations of the tenants of the Subject Properties, and in turn, may adversely impact the revenues and results of IGB Commercial REIT. These factors could materially and adversely affect the business, financial conditions and the results of operations of IGB Commercial REIT. For details on the impact of COVID-19 pandemic to the operations of the Subject Properties and tenants of the Subject Properties, please refer to Section 2.2 "Impact of COVID-19 Pandemic" of this Prospectus.

7 The flexible lease terms demanded by tenants include as early termination clause which allows the tenants to early terminate their tenancies after completion of a minimum of between 12 to 24 months from the commencement date of the tenancies, as compared to the usual 3 years without flexible early termination clause.

FEES AND CHARGES

There are fees and charges involved and investors are advised to consider them before investing in IGB Commercial REIT.

The following is a summary of the amount of certain fees and charges payable by the Unitholders in connection with the purchase, sale and holding of their investments in IGB Commercial REIT or trading of the Units on Bursa Securities (so long as the Units are listed):

Payable by the Unitholders directly		Amount payable
(a)	Bursa Securities clearing fee	0.03% of the transaction value, subject to a maximum of RM1,000.00 per transaction
(b)	Brokerage	A percentage of the transaction value prescribed by or negotiated with the ADAs, subject to a minimum of RM40.00 per transaction save for (i) online routed retail transactions, (ii) transactions executed in less than a board lot and (iii) transactions paid with cash upfront, for which the minimum brokerage fees are fully negotiable
(c)	Stamp duty	RM1.00 for every RM1,000.00 or fractional part of the transactional value, subject to a maximum of RM200.00 per transaction

The above rates may be subject to changes by the relevant parties. Further information on the charges you may incur from the trading of Units on Bursa Securities may be found on Bursa Malaysia Berhad's website at www.bursamalaysia.com.

The following is a summary of certain fees and charges payable by IGB Commercial REIT in connection with the establishment and on-going management and operation of IGB Commercial REIT:

Payable by IGB Commercial REIT		Amount payable
(i)	Management Fees *(payable to the Manager)*	The Manager may elect to receive the Management Fee in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). The Manager is entitled under the Deed to the following Management Fees (exclusive of service tax, if any): **(i) Base Fee** Up to 1.0% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances which are held in non-interest bearing accounts). For avoidance of doubt, where an investment is held through one (1) or more SPVs, the Total Asset Value shall include the value of all the assets of the relevant SPV, prorated, if applicable, to the proportion of IGB Commercial REIT's interest in the said SPV.

Payable by IGB Commercial REIT	**Amount payable**

The Manager intends to charge a Base Fee of 0.3% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances) for the Forecast Period 2021.

(ii) Performance Fee

5.0% per annum of IGB Commercial REIT's NPI in the relevant financial year.

(iii) Acquisition Fee

1.0% of each of the following as is applicable (subject to there being no double-counting):

(a) in relation to an acquisition (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any Real Estate, the transaction value of any Real Estate purchased by IGB Commercial REIT or its SPV (pro-rated if applicable to the proportion of IGB Commercial REIT's interest); or

(b) in relation to an acquisition (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any SPV or holding entities which holds Real Estate, the underlying value (being the value of the Real Estate as assessed in a valuation report by a qualified valuer) of any Real Estate (pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest).

Any payment to third party agents or brokers in connection with the acquisition of any Real Estate for IGB Commercial REIT shall not be paid by the Manager out of the Acquisition Fee received or to be received by the Manager but shall be borne by IGB Commercial REIT.

For the avoidance of doubt, no Acquisition Fee is payable with respect to the acquisition of the Subject Properties in connection with the Listing but Acquisition Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions, and acquisitions from the Sponsor).

Payable by IGB Commercial REIT	Amount payable
	(iv) Divestment Fee 0.5% of each of the following as is applicable (subject to there being no double-counting): (a) in relation to a disposal (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any Real Estate, the transaction value of any Real Estate disposed by IGB Commercial REIT or its SPV (pro-rated if applicable to the proportion of IGB Commercial REIT's interest); or (b) in relation to a disposal (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any SPV or holding entities which holds Real Estate, the underlying value (being the value of the Real Estate as assessed in a valuation report by a qualified valuer) of any Real Estate (pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest). Any payment to third party agents or brokers in connection with the sale or divestment of any Real Estate for IGB Commercial REIT shall not be paid by the Manager out of the Divestment Fee received or to be received by the Manager but shall be borne by IGB Commercial REIT. For the avoidance of doubt, the Divestment Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions and divestments to the Sponsor), as well as for compulsory acquisitions. Based on the Profit Forecast, the Management Fees estimated for the Forecast Period 2021 amounts to RM11.7 million, which were computed based on a Base Fee of 0.3% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances which are held in non-interest bearing accounts) and a Performance Fee of 5.0% per annum of the NPI of the Subject Properties for the Forecast Period 2021.
(ii) Trustee's fee *(payable to the Trustee)*	Up to 0.03% per annum of the NAV of IGB Commercial REIT.
(iii) Property management fee *(payable to the Property Manager)*	The Property Manager is entitled to receive RM10,000 per month for the Subject Properties. In addition, the Property Manager is also entitled to full reimbursement of costs and expenses incurred in the operation, maintenance, management and marketing of the Subject Properties, including fees and reimbursements for similar permissible expenses payable to its service provider(s).

Payable by IGB Commercial REIT	Amount payable
(iv) Other REIT expenses	These include: • auditor's fee; • valuation fee; • professional fees; • borrowing costs; • annual listing fee; • Unit Registrar's fee; • tax consultant's fees; • printing, posting and general expenses that are directly related to and necessary for the administration of IGB Commercial REIT; and • all other expenses related to IGB Commercial REIT as provided for in the Deed.

For further details of the fees and charges, please refer to Section 3.11 "Brokerage, Commissions and Other Fees and Charges", Section 6.6 "Management Fees", Section 8.5 "Trustee's Fee" and Section 9.5 "Property Management Fee" of this Prospectus.

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1. DETAILED INFORMATION ON IGB COMMERCIAL REIT

1.1 OVERVIEW OF IGB COMMERCIAL REIT

Investment policy

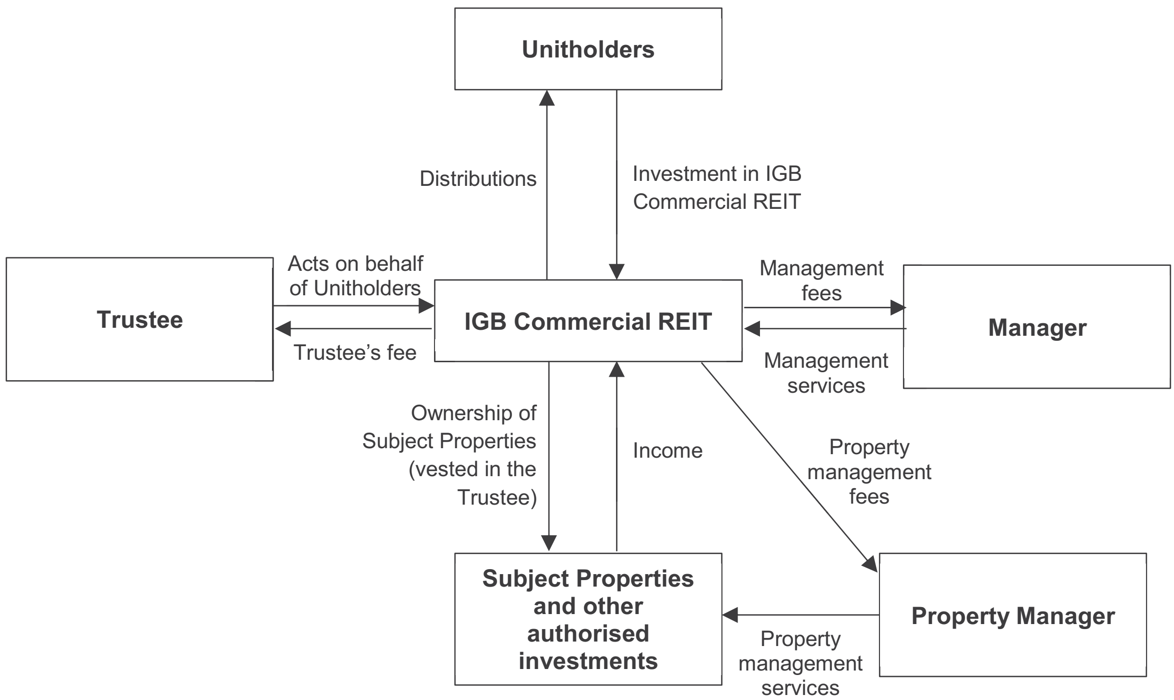
IGB Commercial REIT is a REIT established with the principal investment policy of investing, directly and indirectly, in a portfolio of income producing Real Estate primarily used for commercial purposes in Malaysia and overseas. Any material change to the investment policy of IGB Commercial REIT will require the approval of the Unitholders by way of a resolution of not less than two-thirds of all Unitholders at a Unitholders' meeting duly convened and held in accordance with the Deed.

Investment objective

The investment objective of IGB Commercial REIT is to provide Unitholders with regular and stable distributions, sustainable long-term Unit price and Distributable Income and capital growth, while maintaining an appropriate capital structure. Any material change to the investment objective of IGB Commercial REIT will require the approval of the Unitholders by way of a resolution of not less than two-thirds of all Unitholders at a Unitholders' meeting duly convened and held in accordance with the Deed.

1.2 STRUCTURE OF IGB COMMERCIAL REIT

The following diagram illustrates the structure of IGB Commercial REIT as well as key relationships among IGB Commercial REIT, the Manager, the Trustee, the Property Manager and the Unitholders, after the Listing:



1.3 INVESTMENT STRATEGIES

The Manager intends to achieve the investment objectives of IGB Commercial REIT through the following investment strategies:

(i) **Proactive asset management and asset enhancement strategy** - The Manager will actively manage IGB Commercial REIT's property portfolio to maintain and improve the operational performance of the Subject Properties, seek to optimise the rental rates and occupancy rates of the Subject Properties to achieve growth in NPI as well as value of the Subject Properties. The Manager will also look to drive organic growth, encourage strong relationships with the tenants of the Subject Properties, implement asset management strategies with the aim of ensuring continued relevance of the Subject Properties and facilitate property enhancement or redevelopment opportunities that can improve and/or enhance IGB Commercial REIT's income streams.

(ii) **Potential yield accretive investments and acquisition growth strategy** - The Manager will seek to achieve portfolio growth through income-producing properties that fit within IGB Commercial REIT's investment strategy to enhance returns to Unitholders and to pursue opportunities that are potentially yield accretive for future income and capital growth. Whilst IGB Commercial REIT has an initial property portfolio in Kuala Lumpur, the Manager will continuously evaluate opportunities in cities which the Sponsor has a presence and take a considered approach in deciding whether IGB Commercial REIT should pursue these opportunities. In evaluating future acquisition opportunities, the Manager will seek acquisitions that may enhance the diversification of the portfolio by location and tenant profile.

(iii) **Capital and risk management strategy** - The Manager will endeavour to employ an appropriate mix of debt and equity to finance acquisitions. The Manager will also seek to optimise its cost of debt financing and utilise interest rate hedging strategies, where appropriate, in compliance with the REIT Guidelines, to optimise risk-adjusted returns to Unitholders.

1.3.1 Proactive asset management and asset enhancement strategy

The Manager will seek organic growth of the Subject Properties by working closely with the Property Manager to proactively manage the Subject Properties so as to maintain high occupancy rates and achieve stable rental growth.

Improving rental rates while maintaining high occupancy rates

The Manager will work with the Property Manager to actively manage tenancy renewals and new tenancies to maintain tenant retention and minimise vacancy periods through, among others:

(i) increasing the overall marketability and enhancing the profile of IGB Commercial REIT's portfolio to increase the prospective tenant base;

(ii) developing and maintaining strong relationships with tenants by providing value-added property-related services and seeking to maintain high levels of tenant satisfaction in order to improve retention rates;

(iii) commencing early renewal negotiations with tenants whose tenancies are approaching expiry with the goal of realising positive rental reversion and incorporating contractual periodic rental step-up provisions in tenancies to provide an additional source of growth;

(iv) actively marketing current and impending vacancies to minimise vacant periods;

(v) managing tenancy structures and identifying new tenants to achieve optimal tenant and trade mixes;

(vi) actively monitoring and assessing rental arrears and other aspects of tenant performance to anticipate and manage defaults by tenants;

(vii) monitoring and assessing opportunities for spaces which are sub-optimal to be enhanced to improve the marketability of such spaces; and

(viii) understanding and seeking to satisfy the expansion needs of existing tenants.

Delivering quality services to tenants

The Manager will work together with the Property Manager to maintain high retention rates through, among others:

(i) providing high quality asset management services including maintaining the common areas of the Subject Properties in good condition;

(ii) facilitating relocation or expansion of tenants' space according to their operational requirements;

(iii) responding to tenants' feedback and enquiries in a prompt manner; and

(iv) providing additional value-added services for tenants.

Improving operational efficiency

The Manager will work with the Property Manager to improve overall operational efficiency, without compromising quality of services provided to tenants, to further improve the NPI. Such initiatives include:

(i) minimising property operating expenses through stringent cost controls to achieve internal cost savings such as keeping the maintenance fees of common areas low;

(ii) managing property management costs and other outgoings based on market benchmarks; and

(iii) working closely with the Property Manager to constantly explore opportunities to improve operational efficiency including managing cleaning, security, electricity and maintenance expenses.

Leveraging on the Sponsor's relationships with existing and prospective tenants

The Manager intends to leverage on existing relationships with tenants within the Sponsor's strong network and pipeline of assets to create leasing opportunities to improve rental rates and maintain high occupancy rates at all times.

Continuous asset enhancement initiatives

The Manager will work with the Property Manager to improve the rental income and value of the portfolio by undertaking continuous AEI, which include:

(i) seeking to rationalise the use of space, identify sub-optimal and ancillary areas that can be converted for higher returns and improve building efficiency; and

(ii) undertaking retrofitting and refurbishments of the Subject Properties where necessary, to improve the interior and exterior signages, lighting and other aesthetic aspects of the Subject Properties to enhance their attractiveness and achievable rental rates.

1.3.2 Potential yield accretive investments and acquisition growth strategy

The Manager, on behalf of IGB Commercial REIT, will pursue opportunities for acquisitions of assets in Malaysia and overseas that fit within IGB Commercial REIT's investment strategy and seek to generate stable cash flows, together with potential for further income and capital growth.

In evaluating future acquisition opportunities, the Manager will be sourcing for properties that will be beneficial for IGB Commercial REIT by undertaking acquisitions of assets that are potentially yield accretive and with potential for improvement, such that the Unitholders are able to enjoy capital gain in distribution per Unit in future if such acquisition opportunities are realised.

The Manager will also seek to enhance diversification of the portfolio by location and tenant profile to maintain an optimal mix of tenants.

Investment criteria

In evaluating acquisition opportunities for IGB Commercial REIT, the Manager will consider the following criteria:

(i) **Yield requirements** - the Manager will seek to acquire potentially yield accretive income-producing properties that will enhance the distribution and yield to Unitholders as well as bring potential growth to IGB Commercial REIT.

(ii) **Location** - the Manager will evaluate properties in terms of accessibility and proximity to major roads and public transportation, the immediate and surrounding catchment areas and competition.

(iii) **Tenant and occupancy characteristics** - in relation to completed properties, potential acquisitions should have a healthy occupancy with established tenants of good credit standing to minimise rental delinquency and turnover. A key consideration will be the impact of an acquisition on IGB Commercial REIT's overall tenant portfolio, business sector and tenancy expiry profile.

(iv) **Value adding opportunities and asset enhancement potential** - the Manager will seek to acquire properties with potential opportunities to increase rental rates, Occupancy Rates and enhance value through proactive property management, including but not limited to, changing the property-level management team, AEI and renovations or refurbishments.

(v) **Building and facilities specifications** - potential acquisitions should have good quality specifications which are in compliance with legal and zoning regulations. Due consideration will be given to the size and age of potential acquisitions, taking into account assessments by independent experts relating to repairs, maintenance and capital expenditure requirements in the short to medium-term.

Any acquisitions of future Real Estate will be made in compliance with the Deed, the REIT Guidelines and any other relevant guidelines, taking into consideration the current maximum permissible debt level of 50.0% of the Total Asset Value of IGB Commercial REIT at the time any borrowing is incurred.

1.3.3 Authorised Investments and Investment Limits

The Manager's acquisition growth strategy is limited to the Authorised Investments and investment limits imposed under the REITs Guidelines.

The list of Authorised Investments of IGB Commercial REIT is as follows:

(i) Real Estate;

(ii) Non-Real Estate Assets;

(iii) cash, deposits and money market instruments; and

(iv) any other investment not specified in (i) to (iii) above but specified as a permissible investment in the REIT Guidelines or as otherwise permitted by the SC.

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

(i) at least 75.0% of the Total Asset Value of IGB Commercial REIT must be invested in Real Estate that generates recurrent rental income at all times;

(ii) the aggregate investments in property development activities (Property Development Costs) and Real Estate under construction must not exceed 15.0% of the Total Asset Value of IGB Commercial REIT; and

(iii) investments in Non-Real Estate Assets are subject to the following investment limits:

(a) the value of IGB Commercial REIT's investments in securities issued by any single issuer must not exceed 5.0% of the Total Asset Value of IGB Commercial REIT;

(b) the value of IGB Commercial REIT's investments in securities issued by any group of companies must not exceed 10.0% of the Total Asset Value of IGB Commercial REIT; and

(c) IGB Commercial REIT's investment in any class of securities must not exceed 10.0% of the securities issued by any single issuer; or

(d) such other limits and investments as may be permitted by the SC or the REIT Guidelines.

1.3.4 Capital and risk management strategy

The Manager aims to optimise IGB Commercial REIT's capital structure within the borrowing limits set out in the REIT Guidelines and intends to use a combination of debt and equity to fund future acquisitions and improvement works and/or capital expenditure.

The strategies that the Manager will employ in achieving this are set out as follows:

(i) sourcing for the most favourable terms of funding while maintaining an appropriate gearing level;

(ii) managing cash flows by matching inflows from tenants with outflows arising from financial obligations;

(iii) adopting an active interest rate management strategy to mitigate the risks associated with interest rates; and

(iv) seeking to diversify funding sources and managing the range of debt maturities to reduce refinancing risks and optimise the cost of capital.

1.4 INVESTORS' PROFILE

IGB Commercial REIT may appeal to an investor with long-term investment objectives who seeks regular and stable income distribution and long-term[1] capital appreciation, and who understands the risks related to the real estate industry and REITs.

1.5 PERFORMANCE BENCHMARK

The following performance indicators can be considered in reviewing the performance of IGB Commercial REIT:

(i) **Distribution yield**

The ratio of the distribution paid to Unitholders from IGB Commercial REIT's Distributable Income to the market price of the Units.

(ii) **NAV**

NAV represents the Total Asset Value after subtracting all of IGB Commercial REIT's liabilities and obligations.

1 Long-term in this context refers to a period of five (5) years or more.

(iii) **Total return**

The change in market price of the Units over a period of time plus any distributions received during the relevant period.

The performance indicators will be used to benchmark IGB Commercial REIT against its peers as well as against its own historical performance, where applicable.

1.6 DISTRIBUTION POLICY

The Deed provides that the Manager shall, for each distribution period, distribute all or such other percentage as determined by the Manager at its absolute discretion, of IGB Commercial REIT's Distributable Income. It is the intention of the Manager to distribute at least 90.0% of IGB Commercial REIT's Distributable Income on a half-yearly basis or such other intervals as the Manager may determine at its absolute discretion.

Half-yearly basis refers to each consecutive six (6)-month period commencing on and ending on the following dates (all dates inclusive) in each financial year during the continuance of IGB Commercial REIT or such other interval as the Manager may determine in accordance with the Deed:

(i) 1 January to 30 June; and

(ii) 1 July to 31 December.

The actual proportion of Distributable Income to be distributed to Unitholders beyond the FYE 2021, which shall be at the absolute discretion of the Manager, may be greater than 90.0% of IGB Commercial REIT's Distributable Income to the extent that the Manager believes it is appropriate, having regard to IGB Commercial REIT's funding requirements, other capital management considerations and the availability of funds. Distributions, when made in the form of cash, will be in Ringgit Malaysia.

For the period from the Listing Date to 31 December 2021, IGB Commercial REIT will distribute 100.0% of its Distributable Income. The first distribution, which will be in respect of the period from the Listing Date to 31 December 2021, will be paid by the Manager within two (2) months from 31 December 2021.

1.7 VALUATION POLICY

Independent professional valuations will be obtained annually or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Asset Valuation Guidelines. The Manager has engaged the Independent Property Valuer to carry out valuation of the Subject Properties as at 31 December 2020. The Manager has yet to decide on the exact date for the next valuation for the Subject Properties, but in any event, such valuation will be carried out on or before 31 December 2021, in accordance with IGB Commercial REIT's valuation policy. Please refer to the Valuation Certificates set out in Appendix A "Valuation Certificates" of this Prospectus, which is to be read together with the full valuation reports for the Subject Properties. Copies of the full valuation reports will be available for inspection at the registered office of the Manager for a period of 12 months from the date of this Prospectus.

1.8 BORROWING LIMITATIONS AND GEARING POLICY

IGB Commercial REIT may borrow up to 50.0% of the Total Asset Value of IGB Commercial REIT at the time any borrowing is incurred (or such other limit permitted by the REIT Guidelines from time to time).

Upon Listing, based on IGB Commercial REIT's Pro Forma Consolidated Statement of Financial Position, IGB Commercial REIT will have a total indebtedness of approximately RM850.9 million (net of estimated financing transaction costs of approximately RM2.3 million) representing approximately 26.3% of its estimated Total Asset Value of RM3,234.7 million based on IGB Commercial REIT's Pro Forma Consolidated Statement of Financial Position.

Further details of IGB Commercial REIT's financing are set out in Section 3.9 "REIT Financing" of this Prospectus.

1.9 INTELLECTUAL PROPERTY

IGB Commercial REIT does not own any registered intellectual property rights. The Trustee and the Manager have been granted non-exclusive licences to use the following registered trademarks by the relevant registered trademark owners (collectively, the "**Registered Trademark Owners**") as set out below:

Mark	Registered Trademark Owner
(i) IGB	IGB
(ii) IGB	IGB
(iii) MID VALLEY CITY	MVC
(iv) THE GARDENS THE GARDENS	MVCG
(v)	TT Developments

Mark	Registered Trademark Owner
(vi) GTOWER	IGB
(vii) GTOWER	IGB

On 3 May 2021, the Trustee and the Manager have entered into Trademark Licensing Agreements with each of the Registered Trademark Holders. Pursuant to the terms of each of the Trademark Licensing Agreements, the Registered Trademark Holders have the option to require the Trustee and/or Manager to remove the relevant registered trademarks as set out in each of the licensing agreements from any of the Subject Property(ies) upon the occurrence of any of the following events:

(i) the Manager ceasing to be a subsidiary of the Sponsor;

(ii) the Manager ceasing to be the management company of IGB Commercial REIT; and

(iii) the Sponsor ceasing to hold an interest of more than 50.0% of the total issued Units.

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Unless otherwise specified, all information relating to the Subject Properties in this Prospectus are as at 31 December 2020.

2.1 COMPETITIVE STRENGTHS AND HIGHLIGHTS

The Manager believes that an investment in IGB Commercial REIT offers the following investment highlights to Unitholders:

(i) Opportunity for investment exposure in Malaysia's largest standalone office REIT

(a) Large size and corresponding free-float enhance visibility amongst the local and international investment community; and

(b) As at the Latest Practicable Date, IGB Commercial REIT will be the biggest office REIT in terms of NLA, Appraised Value and market capitalisation upon Listing, based on the ROFS Price of RM1.00 per ROFS Unit.

(ii) Portfolio of prominent commercial properties strategically located in prime commercial districts of Kuala Lumpur

(a) Seven (7) of the Subject Properties are located at Mid Valley City, an integrated development, complemented by an array of amenities and transportation options; and

(b) Three (3) of the Subject Properties are in the vicinity of the Golden Triangle area in Kuala Lumpur, the core business district of the nation.

(iii) Multi-pronged growth potential

(a) Potential organic growth via possible opportunities to increase Occupancy Rates, active asset management and AEI; and

(b) Sponsor's wide and established network facilitates potential acquisition and development opportunities.

(iv) Strong, reputable and committed Sponsor with proven track record of delivering value

(a) One (1) of the leading real estate owner, developer and operator with proven abilities in multiple real estate segments and enhancing value of real estate;

(b) Experienced and established REIT and management team with deep core expertise;

(c) Substantial Sponsor ownership in IGB Commercial REIT; and

(d) Sponsor and Manager incentivised to maximise distributions to Unitholders.

(v) Resilient and well balanced portfolio

(a) Resilient Occupancy Rates;

(b) Diversified and good quality tenant base with limited tenant concentration; and

(c) Well-spread lease expiry profile.

(vi) Prudent capital structure coupled with active capital management

(a) The Manager has proven track record of efficient balance sheet management; and

(b) Long debt maturity profile with comparatively low cost of capital relative to its peers.

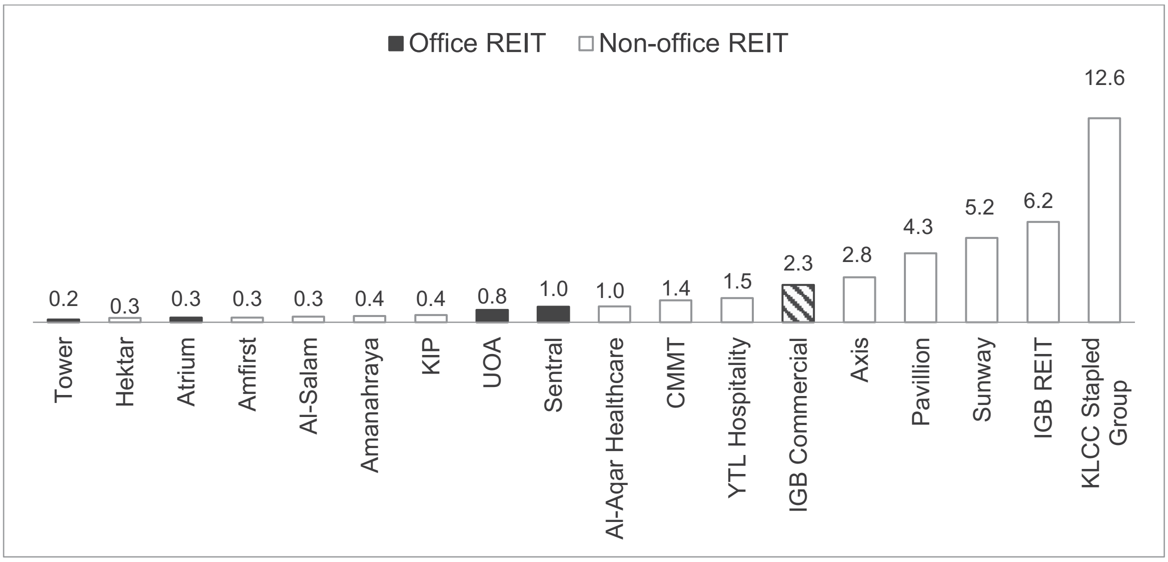
2.1.1 Largest standalone office REIT to be listed on Bursa Securities

Large size and free float to enhance visibility - Upon Listing, IGB Commercial REIT is expected to have a market capitalisation of RM2,307.3 million based on the ROFS Price of RM1.00 per ROFS Unit, making IGB Commercial REIT the sixth (6th) largest Malaysian REIT and the largest standalone office REIT by market capitalisation, NLA and Appraised Value. IGB Commercial REIT is expected to have a free float of at least RM607.8 million based on the ROFS Price of RM1.00 per ROFS Unit and the expected public shareholding spread upon Listing. The Manager believes that IGB Commercial REIT's large size will enhance its visibility among Malaysian and international investors. As a standalone office REIT, IGB Commercial REIT also offers investors the opportunity to gain direct exposure to the office sector.

Ability to raise significant amounts of capital - IGB Commercial REIT's large asset base will enable it to raise significant amounts of capital for future acquisitions, thus placing IGB Commercial REIT in a better competitive position to capitalise on future investment opportunities.

(i) Largest standalone office REIT by market capitalisation

The chart below ranks listed Malaysian REITs according to market capitalisation as at the Latest Practicable Date.



Source: According to the closing prices as at the Latest Practicable Date and expressed in RM billion[1].

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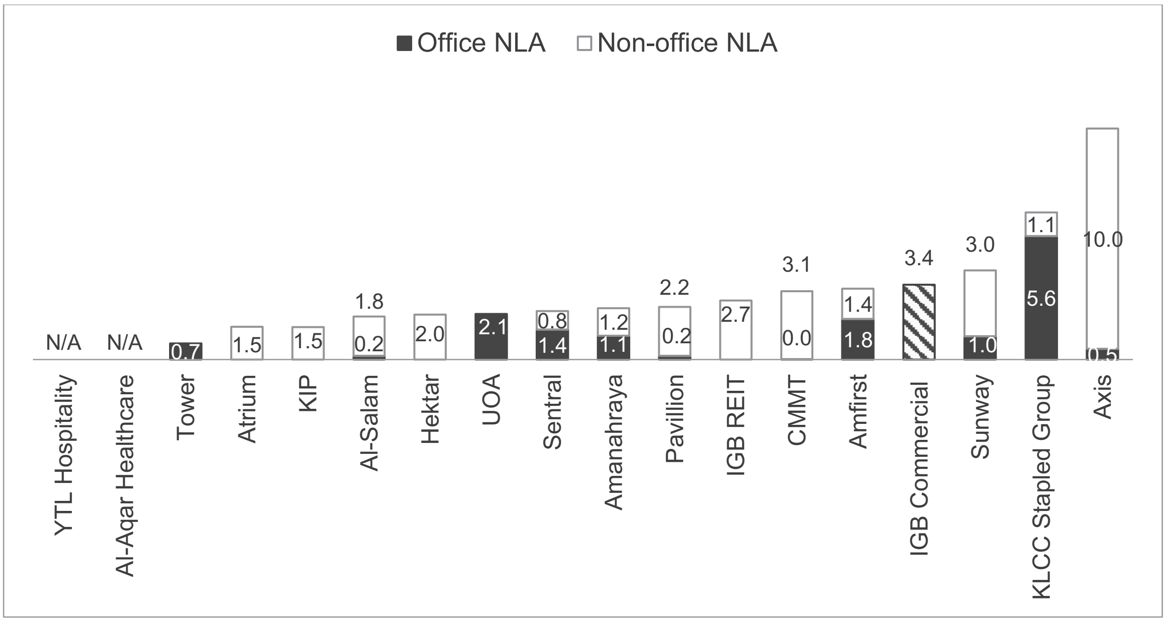
1 KLCC Stapled Group is a stapled security which comprises of KLCC Property Holdings Berhad ("**KLCCP**") and KLCC Real Estate Investment Trust ("**KLCC REIT**"). Although the portfolio of KLCC REIT consists of office buildings only, due to the stapled nature of both KLCCP and KLCC REIT, we have not considered KLCC Stapled Group as an office REIT.

(ii) Largest standalone office REIT by NLA

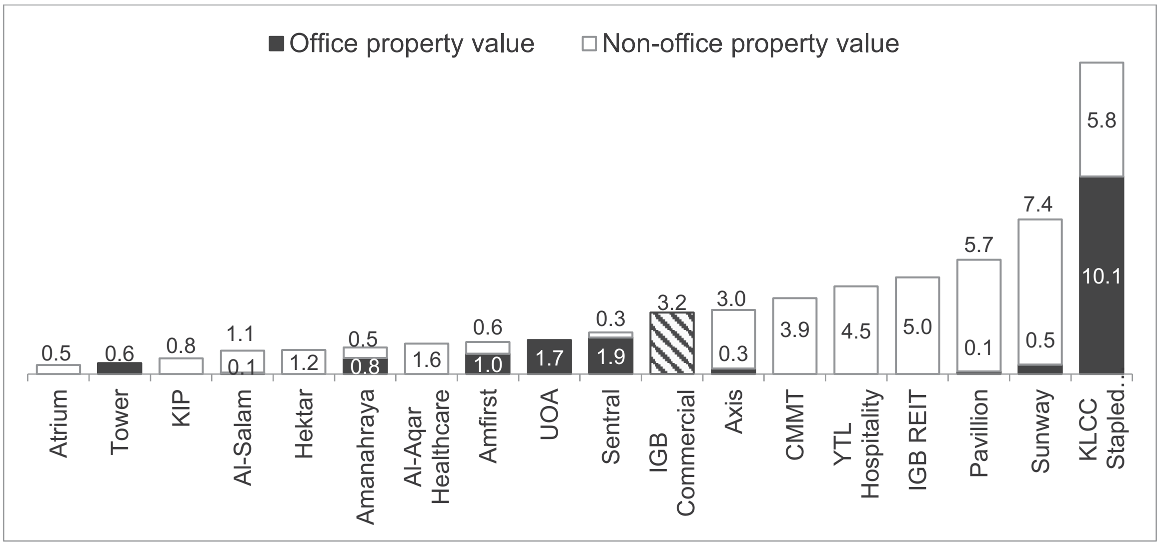
With an aggregate NLA of approximately 3.4 million sq ft, IGB Commercial REIT will also be the largest standalone office REIT to be listed on Bursa Securities by NLA. The chart below ranks Malaysian REITs according to aggregate NLA:



Source: According to publicly available information as at the Latest Practicable Date and expressed in millions.

(iii) Largest standalone office REIT by asset

The Subject Properties' aggregate Appraised Value is approximately RM3.2 billion, making IGB Commercial REIT the largest standalone office REIT to be listed on Bursa Securities by asset. The chart below ranks Malaysian REITs according to appraised value as at the Latest Practicable Date:

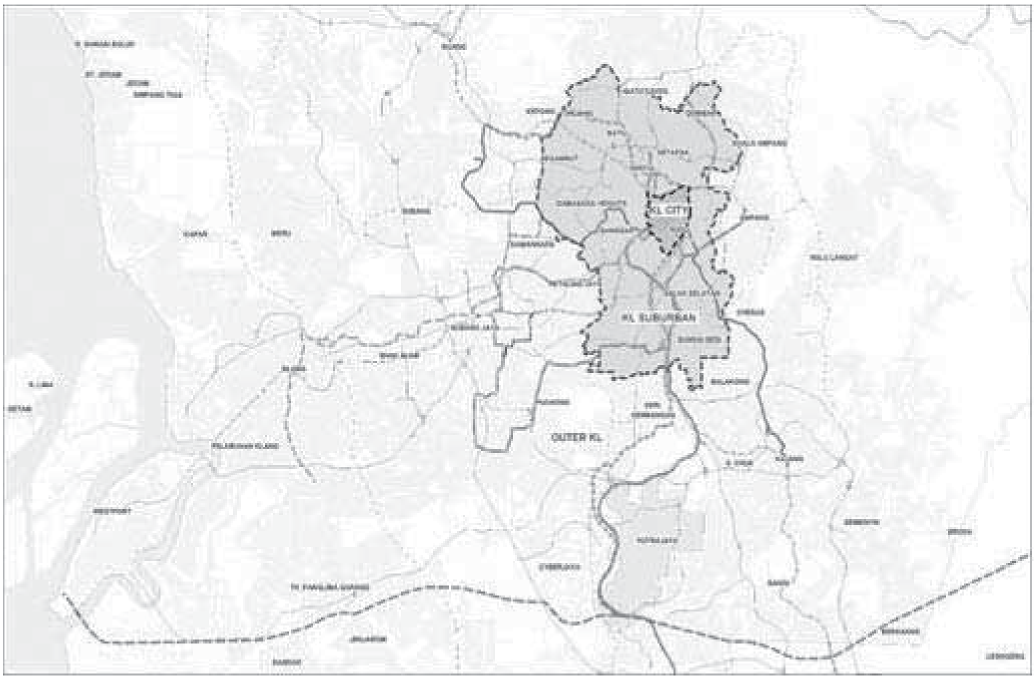


Source: According to publicly available information as at the Latest Practicable Date and expressed in RM billion.

2.1.2 Prime commercial properties strategically located in Greater Kuala Lumpur

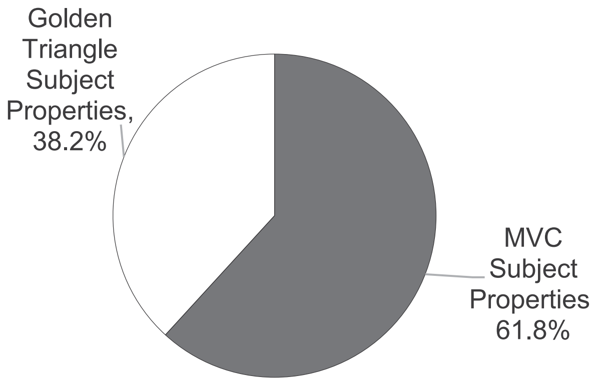
(i) Unique opportunity to invest in two (2) distinct commercial submarkets in Greater Kuala Lumpur

IGB Commercial REIT's initial property portfolio will consist of 10 commercial properties in Kuala Lumpur, with the MVC Subject Properties located in Mid Valley City and the Golden Triangle Subject Properties located in the Golden Triangle of Kuala Lumpur. The Golden Triangle Subject Properties and the MVC Subject Properties are categorised under the KL City and KL Suburban commercial property submarkets[2] respectively.



Source: Independent Property Market Report

The chart below indicates IGB Commercial REIT's initial property portfolio geographical composition by NLA as at 31 December 2020:

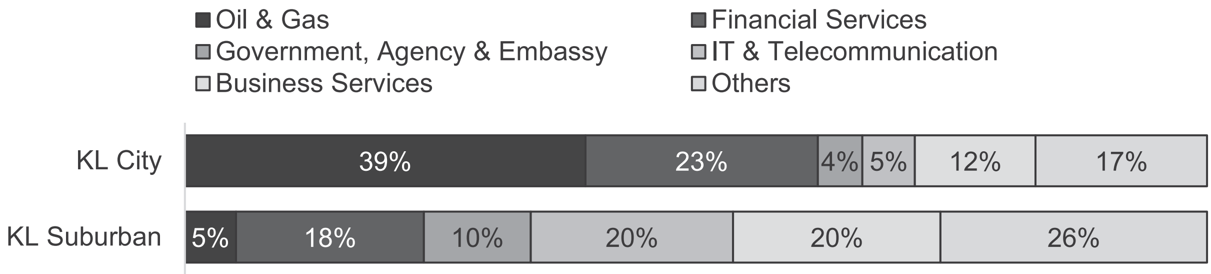


2 According to the Independent Property Market Report, Greater Kuala Lumpur comprises the Federal Territory of Kuala Lumpur, the Federal Territory of Putrajaya and 10 municipalities in Selangor. According to the Independent Property Market Report, Greater Kuala Lumpur can be divided into three (3) commercial property submarkets namely KL City, KL Suburban and outer Kuala Lumpur.

Balanced geographical mix - IGB Commercial REIT presents a unique opportunity for Unitholders to invest indirectly in a portfolio of commercial properties located in two (2) distinct office submarkets in Greater Kuala Lumpur. The balanced mix provides Unitholders with geographical diversification and the potential upside presented by the distinctive strengths of each of these submarkets.

Distinguished occupier profiles - The KL City and KL Suburban submarkets enjoy two (2) distinctive occupier profiles. The KL City office submarket is dominated by the oil and gas sector whereby the oil and gas sector accounted for 38.0% of office occupancy. Meanwhile, the KL Suburban submarket is occupied by a wide variety of sectors. Exposure to both submarkets reduces sectorial and concentration risk in case of downturn in a particular sector.

The chart below shows the office occupier profile across the KL City and KL Suburban submarkets respectively, by Occupied NLA as at 31 December 2020.



Source: Independent Property Market Report

Mutually complementary - Having prime assets located in both the KL City and KL Suburban submarkets in IGB Commercial REIT's portfolio are complementary and beneficial to the Unitholders. Despite the recent decentralisation trend from KL City area to KL Suburban area as a result of improvement in connectivity and accessibility in the latter, KL City still remains as a prime office address which has traditionally been preferred by multinational companies as well as tenants from the oil and gas and financial services sectors. On the other hand, the decentralisation trend has contributed to an increase in demand for office space in the KL Suburban submarket, which will benefit the MVC Subject Properties. With seven (7) commercial properties in the KL Suburban submarket, IGB Commercial REIT will be able to offer alternative products to tenants who are looking to relocate from the KL City submarket to the KL Suburban submarket.

(ii) Mid Valley City

An integrated development - Mid Valley City is a well-known integrated urban development that sits on a 50-acre land, consisting of two (2) flagship malls, Mid Valley Megamall, and The Gardens Mall and three (3) hotels, namely Cititel Mid Valley, St Giles Gardens and Residences and St Giles Boulevard, complemented by the MVC Subject Properties.

Source: IGB

Anchored by two (2) flagship malls - Mid Valley Megamall is one (1) of the largest malls in Malaysia with an array of stores and dining options supported by a diverse tenant mix which serves almost every segment of population. On the other hand, The Gardens Mall is positioned as a premium shopping mall where luxury and international brands reside alongside upmarket anchor department stores such as Isetan. The success of these two (2) flagship malls, which has managed to maintain its attraction and relevance throughout the years, has enabled Mid Valley City to attract high footfall of over 30 million[3] annually. This in turn has increased the appeal of Mid Valley City as a commercial district as it is able to provide high level of convenience and value-added services by being within steps away from two (2) of the most populous flagship malls in Malaysia.

Self-sustaining and cohesive ecosystem with superior ancillary amenities - The successful integration of various development components has led to the self-sustainment of Mid Valley City where one can work, live and shop without going far. The availability of superior amenities such as convention centre, hotels and retail malls within steps from the office affords tenants with ready and immediate access to the surrounding commercial community, residential and hospitality developments, retail amenities and entertainment offerings. This forms a cohesive ecosystem with a large and diverse catchment area as evidenced by the high footfall in the two (2) flagship malls.

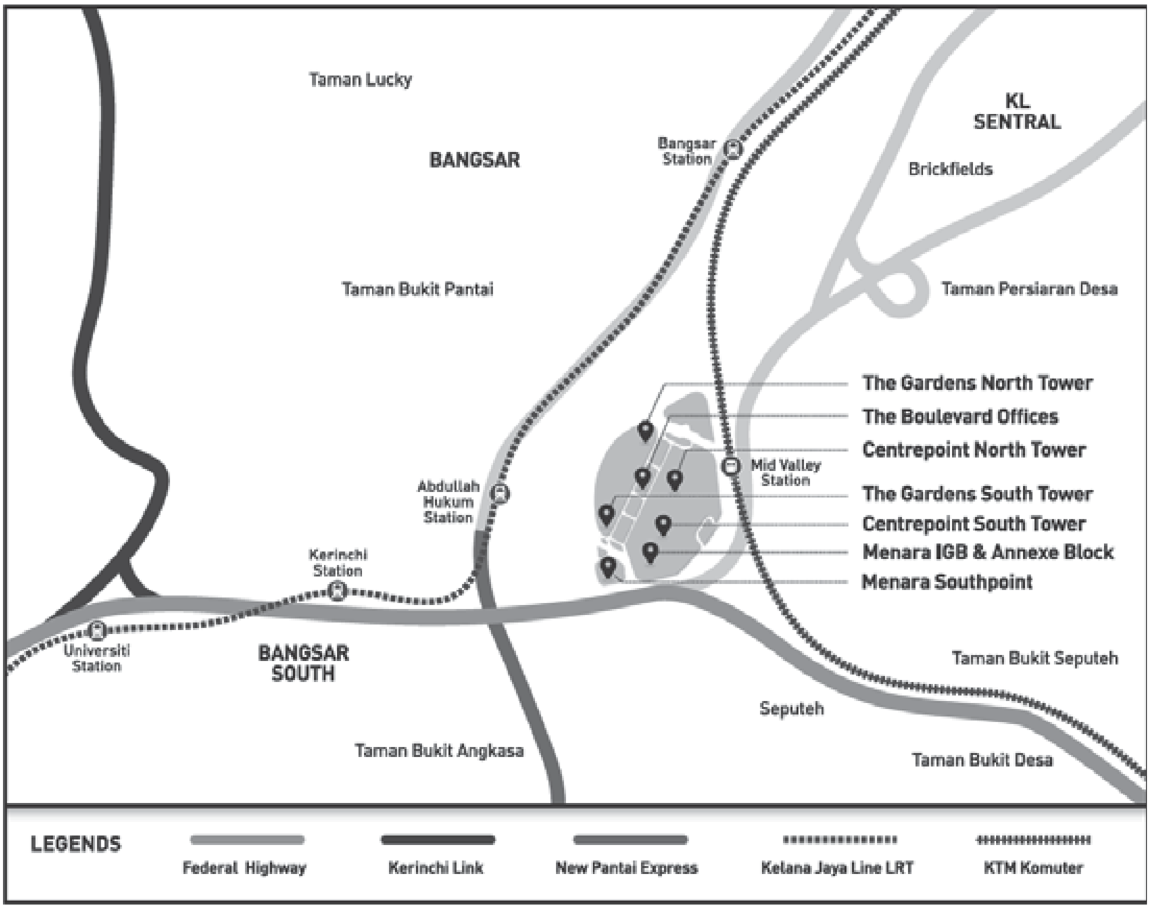
Unique proposition of each of the MVC Subject Property caters to a wide range of office tenants - Collectively, the MVC Subject Properties offer a wide range of products which cater to differing needs of prospective tenants. The unique proposition of each MVC Subject Property also prevents competition among each of the buildings.

Continuous enhancement to improve the appeal of Mid Valley City - The Sponsor is committed to continuously enhance the Mid Valley City development in order to further improve its appeal and drive footfall traffic. This is evidenced by the Sponsor's previous track record in successfully enhancing the connectivity and accessibility within the development as well as AEI, which have been further elaborated under Section 2.1.4(ii) "Proven ability to enhance value of real estate assets" of this Prospectus. Additionally, the maturing of Menara Southpoint is also expected to increase footfall to the Mid Valley City development. Increased footfall is expected to boost the overall popularity of the Mid Valley City development and hence, increases the desirability of the Subject Properties as an office location.

3 Source: Independent Property Market Report

Close proximity to other key business districts and suburbs - Mid Valley City is located in the middle of Klang Valley, and is well positioned between Kuala Lumpur and Petaling Jaya. Over the past two (2) decades, Mid Valley City has established itself as one (1) of the key business districts in Greater Kuala Lumpur. Mid Valley City also enjoys close proximity to other key business districts in established neighbourhoods such as KL Sentral, Bangsar South and Bangsar.

Superior connectivity and accessibility - The area is easily accessible and well connected to other key business districts and major suburbs through a network of major arterial roads. Mid Valley City is strategically located next to the Federal Highway, which is one (1) of the main arterial roads into and out of Kuala Lumpur. Besides that, Mid Valley City is also served by major roads such as Jalan Syed Putra, Jalan Klang Lama, Jalan Maarof and Jalan Bangsar. The access to several major roadways has allowed Mid Valley City to benefit from connectivity to all of Klang Valley. The public transportation infrastructure serving the MVC Subject Properties is also one (1) of the most comprehensive as compared to other developments in Greater Kuala Lumpur. Mid Valley City is served by the KTM Seremban-Rawang route with a dedicated KTM railway commuter station, namely Mid Valley City Station. In addition, the recent opening of the pedestrian bridge connecting The Gardens Mall in November 2019 has improved connectivity by providing patrons of Mid Valley City with access to the LRT service via the Abdullah Hukum LRT station.

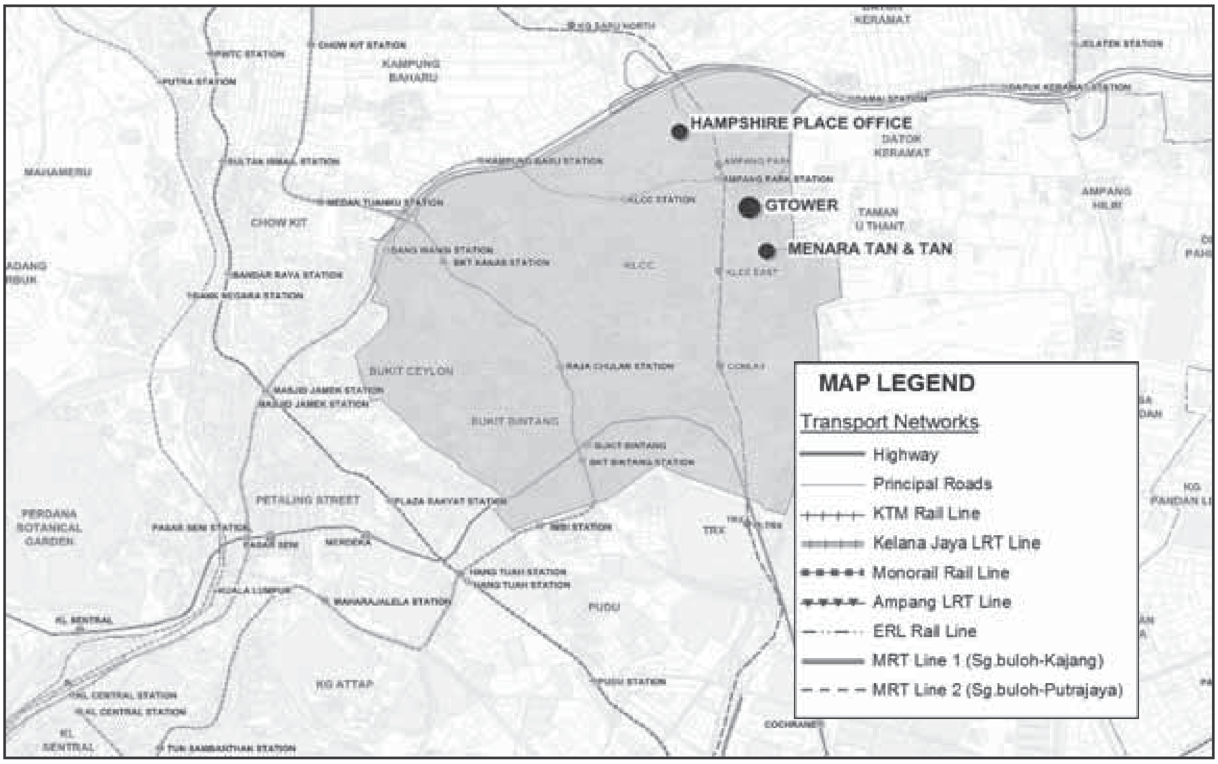


Employee acquisition - The successful embodiment of the "work-live-play" concept is a major attraction for talents, in particular the younger generation which forms the majority of Malaysia's labour force[4]. The MVC Subject Properties have been successful in attracting tenants in the consultancy, marketing and business services sector and information, technology and communication sector, which typically constitute a young workforce. These sectors form 44.4% of Occupied NLA in the MVC Subject Properties, as at 31 December 2020.

(iii) Golden Triangle

Located in the heart of Kuala Lumpur - The Golden Triangle zone is located in the heart of Kuala Lumpur, the city's prominent commercial and retail district where multinational companies, prestigious malls, high-end residential and five (5)-star hotels congregate, leading to bustling commercial activities. The Golden Triangle has established itself as a prime core business district in Greater Kuala Lumpur, with iconic office buildings such as the Petronas Twin Towers.

Well-connected via major arterial roads - Menara Tan & Tan and GTower are strategically located along Jalan Tun Razak with good frontage, while Hampshire Place Office is located along Jalan Mayang Sari which is easily accessible from Jalan Tun Razak. The Golden Triangle Subject Properties offer convenient access to expressways through the Federal Highway, Maju Expressway and SMART Tunnel and are well-served by the three (3) main arterial roads of Kuala Lumpur city centre, namely Jalan Sultan Ismail, Jalan Ampang and Jalan Tun Razak. These road connections seamlessly link the Golden Triangle Subject Properties to many other commercial and residential districts and provides multiple key entry and exit points which promote convenient vehicular access.



Source: Independent Property Market Report

4 According to the Independent Property Market Report, approximately 50.0% of Malaysia's labour force is aged 34 years old or below.

Excellent connectivity via public transportation - The Golden Triangle Subject Properties are located within a 500-metre radius from Ampang Park LRT station, which are within easy walking distance. Connectivity to the Golden Triangle Subject Properties will be further enhanced in the future with the expected completion of the Sungai Buloh – Serdang – Putrajaya (SSP) MRT Line in 2023 which will be served by the Ampang Park Station and Persiaran KLCC MRT Station. The Sungai Buloh – Serdang – Putrajaya (SSP) MRT Line will serve as a corridor with a population of around two (2) million people stretching from Kwasa Damansara, a new township development in northwest Kuala Lumpur and its southern suburbs, to Putrajaya, Malaysia's federal administrative centre.

Employee recruitment - Excellent connectivity via the road and public transportation network makes for a more convenient daily commute. This in turn will enhance talent recruitment for office tenants of the Golden Triangle Subject Properties by making it easier to attract workers.

Preferred office address for the oil and gas, financial services as well as government, agency and embassy tenants - The oil and gas sector is a prominent occupier of prime offices surrounding the KLCC area due to Petronas's presence in the Petronas Twin Towers. The KL City office submarket is also traditionally the preferred office address for government offices, agencies and embassies as well as the financial services sector, where most bank and insurance company headquarters are located.

2.1.3 Multi-pronged growth potential

IGB Commercial REIT provides Unitholders with opportunities for future growth through various avenues including through active asset management, AEI and future acquisitions.

(i) Opportunities to increase Occupancy Rates to underpin organic growth

Ongoing refurbishment to boost appeal of Menara IGB & IGB Annexe - Three (3) new lifts are currently being replaced at the Annexe Block. The project commenced in December 2019 and is targeted to complete by second (2nd) quarter 2021. Additionally, the lift lobbies, lift car interior and common washrooms at Menara IGB are being refurbished. The project commenced in July 2020 and was completed in April 2021.

Ongoing refurbishment to boost appeal of Centrepoint South - a major upgrading project which is the replacement of its service lift and to improve the lightings to its lift lobbies is currently undertaken. The project commenced in the fourth (4th) quarter of 2020 and was completed in April 2021. The issuance of the relevant licence to operate the lift is pending as at the Latest Practicable Date.

Ongoing refurbishment to boost appeal of Centrepoint North - a major upgrading project which is the replacement of its service lift and to replace the lightings to its lift lobbies is currently undertaken. The project commenced in the fourth (4th) quarter of 2020 and was completed in April 2021. The issuance of the relevant licence to operate the lift is pending as at the Latest Practicable Date.

Ongoing refurbishment to boost appeal of Gardens South Tower and Gardens North Tower - the air conditioning diffusers and outdated variable air volume boxes are currently being replaced in stages. The fire command centre (being the control room for security and fire) refurbishment begun in January 2021 and was completed in March 2021.

It is to be noted that apart from Southpoint Properties and Menara IGB & IGB Annexe, the other MVC Subject Properties have a weighted average Occupancy Rate of 82.4% as at 31 December 2020. Any new demand or increased demand from existing tenants of the MVC Subject Properties may observe a spill over effect to Menara IGB & IGB Annexe, given its prime location which is situated directly above Mid Valley Megamall.

Newly completed Southpoint Properties - The Manager is confident of the potential to increase the Occupancy Rate of the recently completed Southpoint Properties from approximately 59.3% as at 31 December 2020, through active asset management. Southpoint Properties offers a new product to existing tenants who may be looking to expand its tenancies or move to a new office building within Mid Valley City. The completion of the construction of the service apartments (located above the office levels), targeted in the fourth (4th) quarter of 2021, will further enhance the appeal of the office space in Southpoint Properties.

Ongoing refurbishment to boost appeal of Menara Tan & Tan - the air conditioning system upgrades are currently being carried out and, barring any unforeseen circumstances, is expected to complete by the third (3rd) quarter of 2021. Additionally, upgrading works such as renovations to the toilets and replacement of floor tiles to enhance the interior of vacant units are proposed to be undertaken.

Ongoing refurbishment to boost appeal of GTower - an additional five (5)-passenger lifts is currently being installed in anticipation of higher traffic under review and is expected to complete in the first (1st) quarter of 2022. Additionally, GTower SB had in February 2021 completed the renovations to convert the hotel area formerly occupied by G City Club Hotel Sdn Bhd (which managed the 180-room boutique hotel known as GTower Hotel) into office units, as evidenced by the certificate of completion and compliance.

Background on GTower

GTower, completed in March 2010, is a 30-storey mixed development comprising office lots, retail lots and hotel, on a 1.95 acre of prime land near the junction of Jalan Ampang and Jalan Tun Razak.

GTower was designed and developed for energy and water efficiency and has been built to Malaysia's Multi Super Corridor ("**MSC**") Cybercentre compliant specifications. GTower was accorded the MSC Cybercentre status by Multimedia Development Corporation Malaysia (now known as Malaysia Digital Economy Corporation ("**MDEC**")). As a MSC status building, GTower also hosts a dedicated Data Centre facility with 24 hour information technology (IT) enquiry line, an Intelligent Building Management System which monitors everything from environment quality to being linked with emergency services such as the police, fire brigade and ambulance. GTower offers tenants a 24/7 working environment with low energy features supported by a high speed fibre broadband infrastructure and intelligent building management system.

GTower represents 23.4% of the total appraised value of the Subject Properties as at 31 December 2020 and for the FYE 2020, has been the highest gross rental income contributor of IGB Commercial REIT, contributing approximately RM31.7 million or 25.3%.

Based on the Independent Property Market Report set out in Appendix B of this Prospectus, GTower's Average Occupancy Rates have been above the selected comparable localities/business district for the FYEs 2018, 2019 and 2020. For the Average Occupancy Rates of GTower and the Average Occupancy Rates of the selected comparable localities/business district, please refer to Section 2.1.5(i) "Resilient Occupancy Rates" of this Prospectus.

The costs in relation to the abovementioned refurbishment works are borne by the respective Vendors of the said Subject Properties. The upgrading works are efforts undertaken to enhance the attractiveness of the buildings, future proof the matured Subject Properties and are expected to add value to the matured Subject Properties by providing existing tenants with newer and better amenities in order to ensure tenancy renewals as well as to be ahead of competition for purposes of attracting new tenants.

As a result of such refurbishment works, IGB Commercial REIT may be able to attract more tenants thereby improving the Occupancy Rates of the Subject Properties, which in turn could potentially enhance the yield of IGB Commercial REIT.

(ii) Active asset management to maintain and enhance returns

Maximising shareholders' value via active asset management - The Manager will adopt a strategy to proactively manage and enhance the Subject Properties to achieve growth in NPI, establish high occupancy levels as well as maintain and enhance value of the Subject Properties.

Early engagement of expiring tenancies - Early engagement of tenants with expiring tenancies has allowed the Manager to secure favourable renewal rates, as demonstrated by the 64.7% of tenancies renewed for all Subject Properties expiring in FYE 2020 as at 31 December 2020. In the event of non-renewal, the Manager should then have ample time to secure new tenants.

It is to be noted that the Vendors are intent on catering to the needs of their respective tenants, in order for the tenants to focus on running its business and operations, regardless of the size of such tenants' Occupied NLA. The Vendors, through close and early engagements, will be able to gauge tenants' business, and will then be able to assess whether such tenant will either renew and/or expand or terminate.

Where the business of a tenant is growing and requires additional area to optimise its operations, the relevant Vendor will engage the tenant on possible expansion, either within the same Subject Property or other Subject Properties. Early engagements with the tenant allow the relevant Vendor to make the necessary arrangements to provide the tenant with the required additional area that meets the tenant's needs, whether within the same Subject Property or to relocate to other Subject Properties, if necessary.

The renewal rate of NLA for expired tenancies for each of the Subject Properties for the FYE 2020 as at 31 December 2020 are as follows:

Subject Properties	**NLA of expired tenancies**	**Renewal rate of NLA of expired tenancies**		**Gross rental income**
	(sq ft)	**(sq ft)**	**(1)(%)**	**(2)(%)**
Menara IGB & IGB Annexe	64,329	61,323	95.3	96.4
Centrepoint South	65,861	51,291	(3)77.9	78.4
Centrepoint North	128,780	108,762	84.5	87.2
Boulevard Properties	21,681	15,744	(4)72.6	68.0
Gardens South Tower	239,913	199,600	(5)83.2	83.7
Gardens North Tower	74,284	33,316	(6)44.8	36.0
Southpoint Properties(7)	-	-	-	-
Menara Tan & Tan	127,767	97,231	(8)76.1	70.2
GTower	308,011	111,376	(9)36.2	(10)50.0
Hampshire Place Office	49,795	38,019	(11)76.4	76.9

Notes:

(1) Calculated based on the renewed NLA over the NLA of expired tenancies.

(2) Calculated based on renewed monthly gross rental income for tenancy renewals during the FYE 2020 over total monthly gross rental income expiring, for the FYE 2020.

(3) Mainly due to tenants vacating the Subject Property.

(4) Mainly due to a tenant having downsized by approximately 2,800 sq ft and a tenant occupying approximately 3,100 sq ft having relocated to another building.

(5) Mainly due to a tenant occupying approximately 20,100 sq ft having relocated to Gardens North Tower as well as a tenant occupying approximately 36,500 sq ft having downsized by approximately 5,200 sq ft.

(6) Mainly due to termination by a tenant occupying approximately 20,900 sq ft.

(7) There had been no expired tenancy since its completion in 2018 until 31 December 2020.

(8) Mainly due to early termination of a tenancy of approximately 19,000 sq ft.

(9) GTower's renewal rate of NLA of expired tenancies for the FYE 2020 (excluding the NLA occupied by G City Club Hotel Sdn Bhd which terminated its tenancies with GTower on 31 May 2020) is 64.6%. The renewal rate of 36.2% is mainly due to tenants occupying approximately 26,000 sq ft having vacated to other buildings as well as tenants occupying approximately 18,800 sq ft having relocated to Southpoint Properties.

(10) GTower's percentage of gross rental income which have been renewed (excluding gross rental income from G City Club Hotel Sdn Bhd which terminated its tenancies with GTower on 31 May 2020) is 66.1%.

(11) Mainly due to termination of tenancies by a tenant occupying approximately 9,700 sq ft as the tenant had downsized approximately 3,800 sq ft.

Committed to forging strong and long-term relationships with tenants - IGB Commercial REIT envisions itself to be the "Preferred Partner for Real Estate Solutions". Through active property management, the Manager is committed to build close and long-lasting relationships with tenants through regular engagement in order to better understand and satisfy their requirements. The Manager will ensure the continued maintenance of high standards of service provided to tenants, creating a conducive working environment where tenants can enjoy security, cleanliness and good building maintenance.

Dedicated management team - Furthermore, from the establishment of IGB Commercial REIT onwards, the Subject Properties will be managed by a dedicated management team. The Subject Properties will benefit from being managed by a team solely focused on managing and administering IGB Commercial REIT with the objective of maximising returns to Unitholders.

(iii) Asset enhancement initiatives

The Manager and Sponsor are committed to continuously maintain and seek property enhancement opportunities to further improve building efficiency, property value, its appeal towards tenants and consequently, returns from the Subject Properties.

(iv) Future acquisition opportunities

ROFR from Sponsor - The Sponsor has granted a ROFR to the Trustee, subject to certain conditions, which provides IGB Commercial REIT with access to future acquisition opportunities of income-producing commercial properties. IGB Commercial REIT will be able to benefit from a pipeline of assets which could potentially be acquired from the Sponsor. The Manager believes that the ROFR pipeline will continue to grow as the Sponsor participates in more commercial development projects going forward. The Sponsor has, over the years, demonstrated its commitment and expertise in actively identifying and pursuing high quality development projects.

Acquisition from third parties - The Manager may also explore the acquisition of properties developed by third (3rd) parties in instances where the potential acquisition meets the investment criteria and investment objectives of IGB Commercial REIT.

Prudent selection of future acquisitions - The Manager will pursue opportunities that are potentially yield accretive and will provide stable cash flows, together with potential for further income and capital growth. In evaluating future acquisition opportunities, the Manager will also seek acquisitions that may enhance the diversification of the portfolio by location in order to enhance resilience of the portfolio.

2.1.4 Strong, reputable and committed Sponsor with proven track record of delivering value

(i) Reputable and committed Sponsor with strong branding and proven track record in the property industry

The Sponsor is one (1) of the largest listed property companies in Malaysia and carries with it the strong branding and success stories of IGB and Mid Valley City. The Sponsor is engaged in all aspects of the property industry across Asia, Australia, the United States of America and United Kingdom, with its core business in retail, commercial, residential, construction and hospitality. As at the Latest Practicable Date, the Sponsor has a market capitalisation of approximately RM2,567.8 million.

The Sponsor has a strong track record in the property industry with a number of awards and recognition being accorded to the Sponsor and its developments over the years. These awards include the "Top 10 Property Developer at The Edge Malaysia Top Property Awards" for 15 consecutive years from 2003 to 2017 and the recognition by the Real Estate & Housing Developers' Association Malaysia in 2015. The Sponsor's developments in the retail and residential category such as Mid Valley Megamall, U-Thant Residence and Sierramas have also received accolades from The Edge Property, FIABCI[5] and FIABCI-Malaysia, respectively.

The Manager believes that IGB Commercial REIT will be able to leverage on the Sponsor's track record in developing and operating commercial properties in addition to the Sponsor's financial strength, market reach and network of contacts to further its growth.

(ii) Proven ability to enhance value of real estate assets

The Sponsor and the Manager have proven track records of enhancing existing assets to create additional value. IGB REIT, which is managed by the Manager, has undertaken AEI to its assets over the years. For example, additional retail space was introduced to Mid Valley Megamall and The Gardens Mall.

Over the years, the Sponsor has done enhancements on the overall accessibility within Mid Valley City. Several new pedestrian bridges have recently been completed and these bridges provide greater connectivity within Mid Valley City and to the KTM and LRT stations in the vicinity, and thereby improving accessibility.

Going forward, the Sponsor will support the Manager to continue carrying out appropriate AEI, whilst continuously maintaining and looking to further improve the service levels at the Subject Properties.

(iii) Experienced management team

The Manager, a wholly-owned subsidiary of the Sponsor, currently manages IGB REIT, a REIT that has been listed on the Main Market since 21 September 2012. In 2019, for the third (3rd) consecutive year, IGB REIT was awarded "The Edge Billion Ringgit Club – REIT Sector – Highest Return on Equity over Three Years".

The Manager is helmed by a team of experienced commercial property professionals, some of whom have been with the Sponsor for several years and some with the respective Subject Properties since their inception. Accordingly, they are familiar with the operations and management of the Subject Properties, making them in prime position to foster future growth.

The Manager has also established a separate operations team headed by a deputy chief executive officer, to manage the operations of IGB Commercial REIT.

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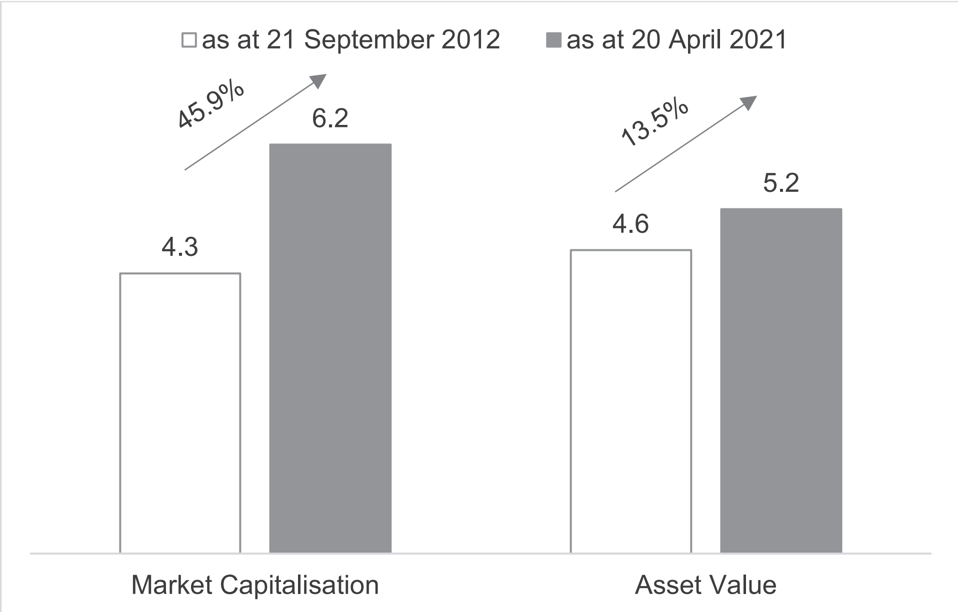
5 FIABCI - the French acronym for Federation Internationale des Administrateurs de Bien-Conselis Immobiliers, or translated as, International Real Estate Federation.

(iv) The Sponsor and the Manager played a pivotal role in the success of IGB REIT since its establishment

The Sponsor and Manager have extensive experience in real estate asset management and proven track records in managing and growing listed property funds. Under the stewardship of both the Sponsor and the Manager, IGB REIT has demonstrated growth[6] since its inception, with market capitalisation and total asset value growing 45.9% and 13.5% respectively, as at the Latest Practicable Date, solely via organic growth. Investors whom invested in the initial public offering of IGB REIT would have reaped a total return of 93.6%, based on cumulative distribution yield received and unrealised capital gain as at the Latest Practicable Date. The unrealised capital gain from investment in IGB REIT since its listing on 21 September 2012 of 39.2% is also superior as compared to the KLCI Index performance of -1.0% over the same period.



Source: According to publicly available information and closing prices as at the Latest Practicable Date in RM billion.

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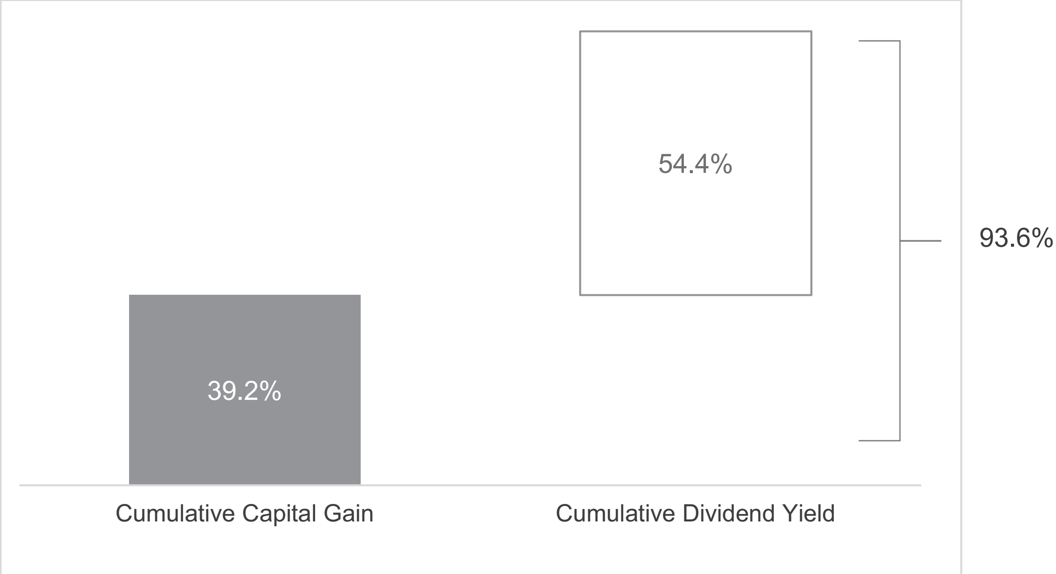
6 Past performance of IGB REIT should not be taken as an indication of future performance for IGB Commercial REIT.



Source: According to publicly available information and closing prices as at the Latest Practicable Date.

(v) Strong alignment of the Sponsor's and Manager's interests with the other Unitholders

The Sponsor as the single largest Unitholder - The Sponsor is committed to support and grow IGB Commercial REIT over the long-term. The Sponsor will, immediately following the completion of the Offering, hold a substantial ownership of at least 50.0% of the Units, making it the largest Unitholder of IGB Commercial REIT. Accordingly, the interest of the Sponsor will be aligned with the other Unitholders. To further demonstrate its support, the Sponsor has granted a ROFR to the Trustee on behalf of IGB Commercial REIT over its other or future commercial properties.

Performance-based Management Fees to align Manager's interest - In addition to being wholly owned by the Sponsor, the Management Fees have a performance-based element which will incentivise the Manager to grow IGB Commercial REIT's Distributable Income. Furthermore, the Manager has committed to receive all of the Management Fees in Units of IGB Commercial REIT for the FYE 2021, which will further align its interest with Unitholders.

2.1.5 Resilient and well balanced portfolio

(i) Resilient Occupancy Rates

Save for Southpoint Properties which was only completed in 2018, the Average Occupancy Rate and the rental rates of the Subject Properties on an average gross rental per sq ft basis have remained resilient over the years.

The table below sets out the Average Occupancy Rates of the Subject Properties for the FYE 2018 to FYE 2020.

Subject Properties	FYE 2018	FYE 2019	FYE 2020
	(%)	**(%)**	**(%)**
Menara IGB & IGB Annexe	73.1	73.9	69.3
Centrepoint South	97.2	97.6	87.0
Centrepoint North	93.9	92.8	91.0
Boulevard Properties	93.5	92.6	92.0
Gardens South Tower	93.2	92.4	89.2
Gardens North Tower	94.0	82.3	79.5
Southpoint Properties	(1)20.6	39.9	48.8
Menara Tan & Tan	67.6	70.5	73.0
GTower	82.0	78.1	(7)85.5
Hampshire Place Office	87.1	67.5	63.4
Weighted average(2)	**76.3**	**75.4**	**76.3**
Weighted average of MVC Subject Properties(3)	**(4)74.4**	**76.1**	**75.2**
Weighted average of MVC Subject Properties excluding Southpoint Properties(5)	**91.0**	**87.7**	**83.5**
Weighted average of Golden Triangle Subject Properties(6)	**79.3**	**74.3**	**78.3**
Weighted average of MVC Subject Properties comparable study area(8)	**75.2**	**81.7**	**85.2**
Weighted average of Golden Triangle Subject Properties comparable study area(9)	**79.1**	**69.3**	**68.6**

Notes:

(1) Computed based on the Average Occupancy Rate of Southpoint Properties from August 2018 to December 2018, as Southpoint Properties commenced operations only in August 2018.

(2) Computed based on the Average Occupancy Rate of each Subject Property multiplied by the contribution by each Subject Property to the total NLA of the Subject Properties.

(3) Computed based on the Average Occupancy Rate of each MVC Subject Property multiplied by the contribution by each MVC Subject Property to the total NLA of MVC Subject Properties.

(4) Decrease in weighted average Occupancy Rates for the MVC Subject Properties are due to the inclusion of Southpoint Properties, which were newly completed in July 2018.

(5) Computed based on the Average Occupancy Rate of each MVC Subject Property (excluding Southpoint Properties) multiplied by the contribution by each MVC Subject Property (excluding Southpoint Properties) to the total NLA of the MVC Subject Properties (excluding Southpoint Properties).

(6) Computed based on the Occupancy Rate of each Golden Triangle Subject Property multiplied by the contribution by each Golden Triangle Subject Property to the total NLA of the Golden Triangle Subject Properties.

(7) The Occupancy Rates from June 2020 to December 2020 are calculated based on the revised NLA of 653,164 sq ft, being the NLA excluding the area renovated to convert such area from hotel floors into office units. GTower SB had on 11 February 2021 completed the renovations to convert the hotel area into office units, as evidenced by the certificate of completion and compliance, and taking into account the said converted area, such area will contribute 93,030 sq ft to the NLA, increasing the NLA of GTower to 746,194 sq ft. In aggregate, the NLA had decreased by 22,376 sq ft due to the creation of common areas such as corridors, common lavatory/rest rooms and air handling unit (AHU) rooms. Taking into account the area converted from hotel floors into office units, the Occupancy Rate of GTower will reduce from 77.2% as at 31 December 2020 to 67.6% and upon Subsea 7 Asia Pacific Sdn Bhd's downsizing, the Occupancy Rate of GTower will reduce from 77.2% to 74.9% and 67.6% to 65.6%. For information purposes, Subsea 7 Asia Pacific Sdn Bhd occupies approximately 46,900 sq ft as at 31 December 2020 and upon downsizing, will occupy approximately 32,000 sq ft.

(8) Based on the Independent Property Market Consultant's study area, comprising office buildings located within the selected business districts of KL Sentral, Bangsar, Pantai & Kerinchi, Bangsar South and KL Eco City, which are in close proximity to the MVC Subject Properties.

(9) Based on the Independent Property Market Consultant's study area, comprising office buildings located within the selected business districts of Jalan Tun Razak, Jalan Sultan Ismail and Jalan Ampang, which are in close proximity to the Golden Triangle Subject Properties.

Accordingly, for the periods from FYE 2018 to FYE 2019, the weighted average Occupancy Rates of the MVC Subject Properties (excluding Southpoint Properties) remain resilient against the Independent Property Market Consultant study area's (comprising the selected business districts of KL Sentral, Bangsar, Pantai & Kerinchi, Bangsar South and KL Eco City, which are in close proximity to the MVC Subject Properties) weighted average Occupancy Rates. While for the FYE 2020, the MVC Subject Properties' (excluding Southpoint Properties) weighted average Occupancy Rate of 83.5% is a slight decrease from the weighted average comparable study area of 85.2%.

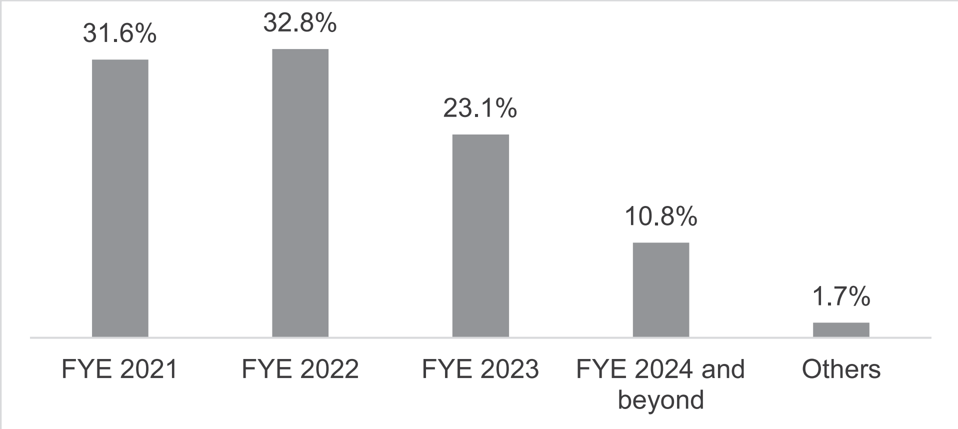
In addition, for the periods from FYE 2018 to FYE 2020, the weighted average Occupancy Rates of the Golden Triangle Subject Properties have been above the Independent Property Market Consultant study area's (comprising the selected localities/business districts of Jalan Tun Razak, Jalan Sultan Ismail and Jalan Ampang, which are in close proximity to the Golden Triangle Subject Properties) weighted average Occupancy Rates.

Notwithstanding the expected increase in supply of office space in Greater Kuala Lumpur in the future[7], the Manager believes that the Subject Properties will maintain its Occupancy Rates due to the Sponsor's established branding, the Manager's outstanding service provision to tenants, strategic locations of the Subject Properties as well as the Subject Properties' tenant base, as further elaborated under Section 2.1.5(iv) "Portfolio of quality tenants" of this Prospectus. Moreover, the KL Suburban submarket is expected to see no more than 1.8% supply CAGR by 2023, according to the Independent Property Market Report, which limits the downside risk in the KL Suburban submarket in comparison to other submarkets.

7 KL City and KL Suburban are expected to have approximately 8.3 million sq ft and approximately 3.1 million sq ft of new office space supplies respectively, by 2023, according to the Independent Property Market Report.

(ii) Visible and well-spread tenancy terms providing stable cash flows

As at 31 December 2020, IGB Commercial REIT has a WALE of 1.8 years, with 66.7% of Occupied NLA expiring beyond FYE 2021. The chart below sets out the lease expiry profile of IGB Commercial REIT based on percentage of Occupied NLA expiring as at 31 December 2020.



As at 31 December 2020, the lease expiries are spread out across three (3) years with a maximum of 32.8% of tenancies by Occupied NLA expiring in any year, ensuring stability of cash flows in the medium term. In addition, none of the Subject Properties have more than 54.0% of tenancies by Occupied NLA expiring in a particular year.

The table below illustrates the tenancy expiry profile of the Subject Properties as at 31 December 2020.

	Tenancies by Occupied NLA(1) expiring in				
Subject Properties	**FYE 2021**	**FYE 2022**	**FYE 2023**	**FYE 2024 and beyond**	**Others(2)**
	(%)	**(%)**	**(%)**	**(%)**	**(%)**
Menara IGB & IGB Annexe	24.3	46.9	21.6	-	7.2
Centrepoint South	28.0	54.0	18.0	-	-
Centrepoint North	24.3	40.9	34.8	-	-
Boulevard Properties	43.0	17.2	33.2	-	6.6
Gardens South Tower	40.5	13.4	33.7	10.3	2.1
Gardens North Tower	29.8	47.6	17.5	5.1	-
Southpoint Properties	30.9	-	13.5	55.6	-
Menara Tan & Tan	39.3	13.3	23.7	19.7	4.0
GTower	27.8	49.0	21.0	-	2.2
Hampshire Place Office	36.1	38.4	24.2	-	1.3
Total	**31.6**	**32.8**	**23.1**	**10.8**	**1.7**

Notes:

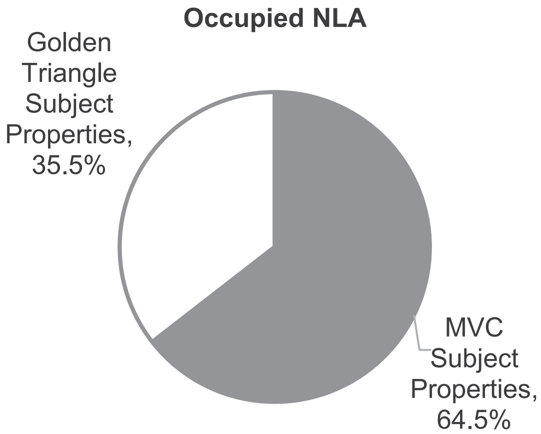
(1) Based on the assumption that there is no early termination of any of the tenancies of the Subject Properties.

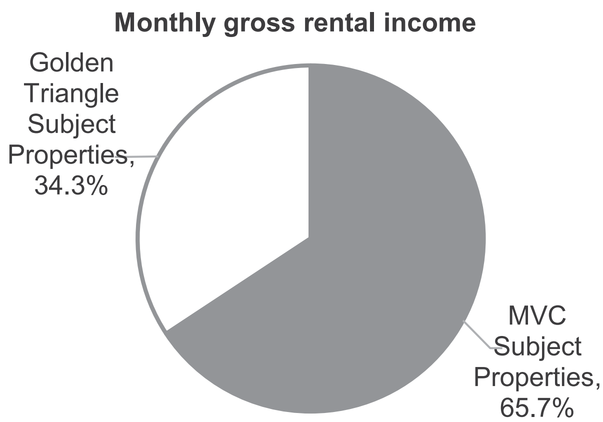
(2) Comprises other Occupied NLA with no tenancy agreement and thus, no expiry date. These areas of the Subject Properties comprise approximately 28,000 sq ft, and are currently occupied by the management office of the respective Subject Properties and common areas available for use by office tenants for recreation purposes. Part of such areas also comprise areas being occupied by tenants with tenancies expiring on 31 December 2020 and therefore, does not constitute Occupied NLA expiring in the respective FYE 2021 to FYE 2024 and beyond.

(iii) Diversified income streams

Geographical diversification **-** IGB Commercial REIT's initial property portfolio consists of commercial properties located within two (2) major property submarkets in Greater Kuala Lumpur. This results in portfolio optimisation by holding quality assets across two (2) established and thriving business hubs, which will underpin long-term sustainable returns.

The charts below indicate IGB Commercial REIT's initial property portfolio composition by geographical location, by Occupied NLA and gross monthly rental income as at 31 December 2020.





Diversification across assets **-** IGB Commercial REIT derives its rental income from 10 commercial properties. None of the 10 Subject Properties contribute to more than 20.2% of Occupied NLA as at 31 December 2020 or 21.2% of gross rental income in December 2020. Thus, IGB Commercial REIT is not reliant on any particular Subject Property. The table below sets out information on the percentage of Occupied NLA and percentage of gross rental income for each of the Subject Properties as at 31 December 2020.

Subject Properties	Occupied NLA	Gross rental income
	(%)	(%)
Menara IGB & IGB Annexe	7.2	6.2
Centrepoint South	7.8	7.6
Centrepoint North	8.3	8.3
Boulevard Properties	1.9	2.1
Gardens South Tower	14.2	15.8
Gardens North Tower	12.8	13.2
Southpoint Properties	12.2	12.5
Menara Tan & Tan	9.4	7.8
GTower	(1)20.2	21.2
Hampshire Place Office	6.0	5.3
Total	**100.0**	**100.0**

Note:

(1) Computed based on the Occupied NLA of 653,164 sq ft as at 31 December 2020 (after excluding the area converted from hotel floors into office units). GTower SB had, on 11 February 2020, obtained the certificate of completion and compliance for the converted area.

Limited concentration risk in tenants - As at 31 December 2020, the Subject Properties have a large number of 284 tenants. Top 10 tenants contribute not more than 23.0% or 21.9% of the aggregate Occupied NLA or gross rental income respectively, which signifies low concentration risk among tenants. The table below sets out the percentage of Occupied NLA and percentage of gross rental income by the top 10 tenants in the MVC Subject Properties, Golden Triangle Subject Properties and Subject Properties of IGB Commercial REIT respectively, as at 31 December 2020.

	Contribution by Top 10 tenants by NLA	
Subject Properties	**Occupied NLA**	**Gross rental income**
	(%)	**(%)**
MVC Subject Properties	30.4	30.9
Golden Triangle Subject Properties[1]	40.4	38.2
Subject Properties of IGB Commercial REIT[1]	**23.0**	**21.9**

Trade sector diversification **-** IGB Commercial REIT also has a diversified tenant base with none of the trade sector mix exceeding 21.8% of the aggregate Occupied NLA, which renders IGB Commercial REIT to be less susceptible to sectorial risk. The table below sets out information on the top 10 trade sector mix for the Subject Properties by percentage of Occupied NLA as at 31 December 2020.

Trade sector	**Occupied NLA**
	(%)
Consultancy, marketing & business services	21.8
Information technology & communication	18.7
Oil & gas	13.7
Engineering & manufacturing	6.3
Retail / FMCG	6.1
Real estate / construction	5.1
Financial services / insurance	4.8
Government / NGO / association office	4.1
Pharmaceutical / Medical	4.1
Mining & quarrying	3.8

(iv) Portfolio of quality tenants

Renowned anchor tenants - IGB Commercial REIT has a high proportion of renowned and established organisations. The table below details the profile of the top 10 tenants, by Occupied NLA in the Subject Properties of IGB Commercial REIT as at 31 December 2020:

Tenants	Occupied NLA (%)	Trade Sector	Overview	Years of Relationship
BHP Shared Services Malaysia Sdn Bhd	3.8	Mining & quarrying	Provision of shared business services to other entities within the group	11
Baker Hughes Services (M) Sdn Bhd	3.7	Oil & gas	Provides wireline logging, wellbore cleanup, multilateral, and line hanger systems, as well as offers drilling, fishing, petrochemical, and fertilizer processing services	13
Shopee Mobile Malaysia Sdn Bhd	3.6	Consultancy, marketing & business services	A leading e-commerce platform that offers C2C as well as B2B services	3
Oracle Corporation Malaysia Sdn Bhd	1.9	Information Technology & communication	Wholesale distribution of computers, computer peripheral equipment, and computer software	10
Wspace (M) Sdn Bhd	1.9	Flexible space	Provides coworking environment with luxury lifestyle for entrepreneurs, freelancers, training, launch and conference	3
Subsea 7 Asia Pacific Sdn Bhd(1)	1.9	Oil & gas	A subsea engineering, construction and services company serving the offshore energy industry	9
IGB	1.7	Real Estate / construction	Engages in property investment and management, as well as private equity investments in the field of information and communications technology ("**ICT**") and wastewater treatment	35
Yinson Holdings Berhad(2)	1.5	Oil & gas	Provision of vessel and marine related services for the offshore oil and gas industry	8
Xevera Sdn Bhd	1.5	Consultancy / marketing / business services	Call centres and other business support services	<1
Agoda International (Malaysia) Sdn Bhd	1.5	Consultancy / marketing / business services	Online travel accommodation platform	11

Notes:

(1) Subsea 7 Asia Pacific Sdn Bhd, which occupies approximately 46,900 sq ft as at 31 December 2020, has notified GTower SB of its intention to downsize its Occupied NLA to occupy approximately 32,000 sq ft. Upon downsizing, Subsea 7 Asia Pacific Sdn Bhd will no longer be one (1) of the top 10 tenants of IGB Commercial REIT and with a percentage Occupied NLA of 1.5%, B&M Consultancy Services Sdn Bhd will be one (1) of the top 10 tenants of IGB Commercial REIT as at 31 December 2020. The trade sector of B&M Consultancy Services Sdn Bhd is legal, primarily involved in strategic corporate consultancy, advisory, legal and management services and has 12 years of relationship with the relevant Vendor.

(2) Yinson Holdings Berhad had in 2010, tenanted Centrepoint South prior to relocating to Menara IGB in 2014 and thereafter, in 2017 had vacated Menara IGB. Subsequently, in October 2020, Yinson Holdings Berhad had commenced its tenancy in Southpoint Properties.

The top 10 tenants of IGB Commercial REIT have a WALE of 2.8 years. Given that majority of the existing tenants have long-term relationships with the Manager as well as a healthy lease expiry profile, the Manager and Independent Property Market Consultant, through the Independent Property Market Report are of the view that tenancy risks are manageable.

Tenants in growth sectors - IGB Commercial REIT is also significantly tenanted by tenants in growth trade sectors. According to the Independent Property Market Report, the other mining and quarrying and supporting services, finance and insurance, information and communication, government services, business services and real estate as well as chemicals and pharmaceutical products are amongst services sub-sectors with relatively high historical growth rate. Over 50.0% of IGB Commercial REIT's portfolio consists of tenants in these high growth trade sectors, such as Oracle Corporation Malaysia Sdn Bhd, Shopee Mobile Malaysia Sdn Bhd and WeChat Malaysia Sdn Bhd.

Large and established tenants - Additionally, IGB Commercial REIT's tenancy portfolio has a high proportion of large and established tenants such as multinational companies, public listed companies, embassies, government linked companies or IGB itself, which forms 79.5% of the Occupied NLA as at 31 December 2020. Larger and more established companies typically have larger economic reserves to weather through changes in economic or business cycles and hence, these tenancies are considered to be more resilient as compared to smaller and less established entities.

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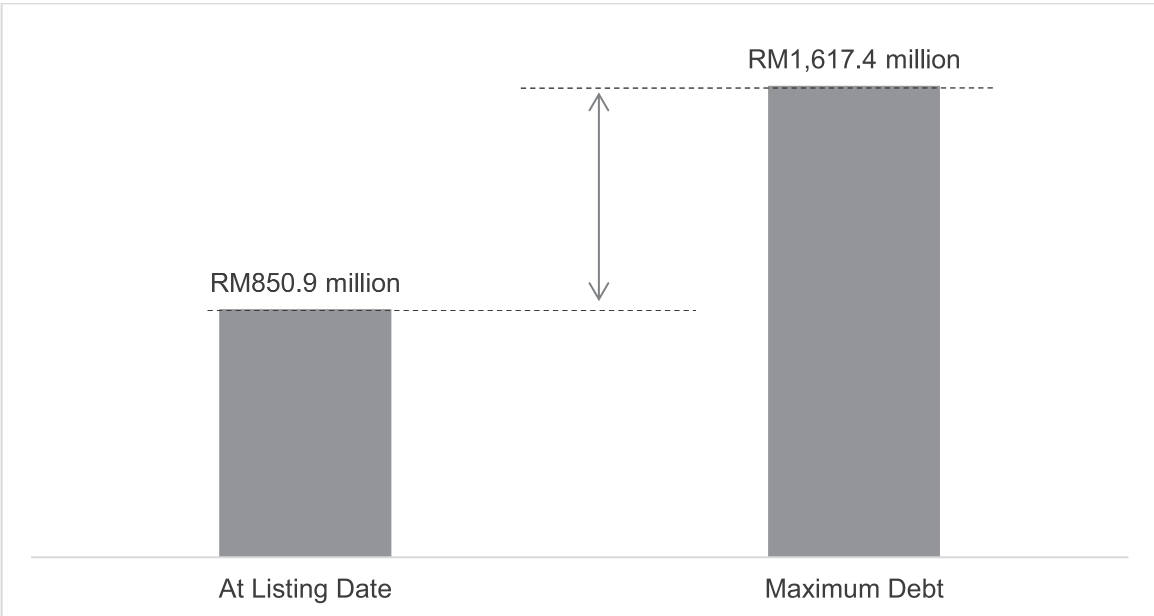
The table below sets out analysis on the type of tenants for the Subject Properties by percentage of Occupied NLA as at 31 December 2020.

Type of Corporations	Occupied NLA
	(%)
Multinational companies	64.3
Small medium enterprises	16.1
IGB	6.3
Malaysian public listed companies[8]	4.0
Flexible space	3.9
Embassy	3.2
Government linked companies	1.7
Associations / NGO	0.5

2.1.6 Prudent capital structure and active capital management approach providing financial flexibility

Conservative gearing level with ample debt headroom - Upon Listing, IGB Commercial REIT will have total indebtedness of RM850.9 million[9], representing approximately 26.3% of the estimated Total Asset Value of RM3,234.7 million based on IGB Commercial REIT's Pro Forma Consolidated Statement of Financial Position. This is below the weighted average debt-to-asset ratio of listed Malaysian REITs of approximately 34.6%[10] as at the Latest Practicable Date.
The debt-to-asset ratio is also significantly below the prescribed limit under the REIT Guidelines of 50.0% of the total asset value of a REIT, providing IGB Commercial REIT with ample headroom of up to approximately RM766.5 million to capitalise on future opportunities.



8 Excluding IGB.
9 To facilitate future capital raising activities, IGB Commercial REIT has established a RM5.0 billion MTN Programme which shall entail multiple issuances of rated and/or unrated MTNs. The first tranche of the MTN Programme is expected to raise RM847.7 million, net of estimated transaction costs.
10 Weighted average debt-to-asset ratio of listed Malaysia REITs, excluding KLCC Stapled Group as it is a stapled security comprising KLCC REIT and KLCCP.

Proven track record in balance sheet management - The Manager's track record in prudent capital management can be seen in the manner in which IGB REIT's capital structure has been manageable. IGB REIT's balance sheet has strengthened from a debt-to-asset ratio of 25.8% upon its listing on 21 September 2012 to 23.3% as at 31 December 2020.

Focused in optimising capital structure - The Manager aims to optimise IGB Commercial REIT's capital structure and cost of capital to manage borrowing cost efficiency to improve returns to Unitholders. The Manager also intends to use an appropriate combination of debt and equity to fund future acquisitions and AEI, to ensure capital efficiency.

2.2 IMPACT OF COVID-19 PANDEMIC

Since the recognition of COVID-19 as a "Public Health Emergency of International Concern" on 30 January 2020 and a "pandemic" on 11 March 2020 by the World Health Organisation, many countries across the world have imposed restrictions on travel and/or quarantines to curb the spread of COVID-19. In Malaysia, the Prime Minister of Malaysia on 16 March 2020 announced the MCO which effectively restrained movements within Malaysia, travel to and out of Malaysia, and closed government and private business offices, save for those involved in the provision of essential services comprising banking and finance, electricity and energy, healthcare and medical, and food and supply among others. Thereafter, the MCO was relaxed in stages to allow all economic sectors and businesses to resume operations on a staggered basis, subject to compliance with the prescribed standard operating procedures.

On 11 January 2021, the Prime Minister had further announced the re-implementation of the MCO for several states in Malaysia for a period of two (2) weeks beginning 13 January 2021 and the following day, announced a no-curfew state of emergency in light of the COVID-19 pandemic situation. The MCO was thereafter twice extended, each for a period of 2 weeks to 18 February 2021. On 16 February 2021, the MCO was further extended in Greater KL, Penang and Johor to 4 March 2021 and replaced with a CMCO for the other states in the country, with the exception of Perlis, which was placed under Recovery Movement Control Order ("**RMCO**"), from 19 February 2021 onwards. Subsequently, on 25 February 2021, it was announced that the MCO was relaxed for states under the MCO wherein meetings, incentives, conferencing and exhibitions activities are allowed, subject to limits on the number of attendees, among others. On 5 March 2021, the MCO transitioned into the Conditional Movement Control Order ("**CMCO**") for those affected states and thereafter to the MCO on 6 May 2021 and 7 May 2021 for Selangor and Wilayah Persekutuan Kuala Lumpur respectively.

(i) Impact to the operations of the Subject Properties

Following the MCO stages, the Vendors have implemented new COVID-19 safety and health instructions and procedures, and social distancing guidelines imposed by the Government, relevant authorities and local councils governing the jurisdiction of the Subject Properties. This is to safeguard the safety and health conditions of the tenants, employees and visitors of the Subject Properties. These new COVID-19 standard operating procedures include the following:

(a) implementation of movement control routing;

(b) temperature screening and scanning of quick response (QR) codes to record tenants, employees and visitors entering the Subject Properties for purposes of contact tracing;

(c) ensuring persons who enter and exit the Subject Properties wear face masks at all times, regularly sanitising their hands and practice social distancing;

(d) sanitisation of the common areas of the Subject Properties on a daily basis;

(e) setting up reminders to all tenants, employees and visitors to be aware of the importance of health protection.

The implementation of these measures had resulted in additional operating costs of the Subject Properties of approximately RM260,000 as at 31 December 2020.

In the event of an outbreak of COVID-19 at any of the Subject Properties, the new COVID-19 standard operating procedures include the following:

(a) tenant to inform authorities and IGB Safety & Health Department/its landlord for purposes of contact tracing;

(b) suspension of operations and closure of the relevant floor or Subject Property, if advised by the authorities for sanitisation; and

(c) any infected tenant, employee and visitor will be quarantined based on instructions from the Ministry of Health.

(ii) Impact to the tenants of the Subject Properties

The COVID-19 pandemic had resulted in the dormancy of non-essential businesses for approximately 2.5 months from March 2020. This had resulted in the permanent closure of many businesses or the scaling down of business operations in response to the decline in business activities.

For the FYE 2020, approximately 150 tenants in the Subject Properties, whose businesses were badly affected by the COVID-19 pandemic were granted rental reliefs, amounting to approximately RM4.4 million. Such rental reliefs are granted upon request by the tenants and are assessed on a case-to-case basis after taking into consideration such tenants' trade sector and relationship with the respective Vendors.

The COVID-19 pandemic has resulted in companies being increasingly sensitive towards business costs. Some businesses will be reassessing their business plans including office expansion and relocation, and the office market is likely to remain soft in the short term. As such, the rental reversion of the Subject Properties may be negatively impacted in the short term.

Nonetheless, the MVC Subject Properties have maintained its average rental reversion[11] for the tenancies renewed during FYE 2020. However, due to the impending supply of office space, the Golden Triangle Subject Properties recorded a slight decrease in average rental reversion for tenancies renewed during FYE 2020.

For the FYE 2020, approximately 153 tenancies for an Occupied NLA of 1,080,421 sq ft expired during the year, of which approximately 64.7% of the NLA was renewed. With the incentives granted by the Government and the soon to be available COVID-19 vaccines, businesses are expected to recover.

The Manager notes that the number of tenancy enquiries had not been materially different from pre-COVID-19 which may indicate that there is still demand for office units within the Subject Properties. This is evidenced by the enquiries by prospective tenants which had led to nine (9) new tenants and a former tenant of Menara IGB committing to tenancies amounting to approximately 108,000 sq ft of NLA across the Subject Properties during the FYE 2020. Six (6) of the said tenants are paying higher rental rates, three (3) of the said tenants are paying lower rental rates and one (1) of the said tenants is paying a similar rental rate as compared to the weighted average rental rates of the respective Subject Properties for the FYE 2020.

For new tenancies, the Manager will be providing quicker responses to prospective tenants and offering creative rental packages to prospective tenants, such as staggered rental, rent free periods and fit out support.

For existing tenancies, the commencement of advanced negotiation of tenancy renewal exercise is at least six (6) months prior to tenancy expiry, creative renewal rental packages such as staggered rental, rent free periods, renovation period to support tenants who wish to renovate, deferment on base rent (to be paid back later according to agreed schedule) and regular engagement with tenants to understand how their businesses are performing in order to provide necessary support to the tenants.

Some prospects are more sensitive in relation to the cost aspect when considering taking on new tenancy. Decision making may take longer due to the need for more careful planning and the restriction in travel, especially multi-national corporation tenants from abroad. At the same time, there have been existing tenants pursuing expansion of office space, whether due to business expansion or consolidation of several locations into one.

The Manager will continuously focus on increasing the Occupancy Rates of the Subject Properties in order to ensure continuity and sustainability.

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[11] The average rental reversion is a metric to show whether new leases that were signed over a lease period have higher or lower rates than before, calculated as follows:

$$\frac{\text{Total present gross rental income of the renewed tenancies} - \text{Total previous gross rental income of the renewed tenancies}}{\text{Total previous gross rental income of the renewed tenancies}}$$

2.3 ACQUISITIONS BY IGB COMMERCIAL REIT

The Trustee, on behalf of IGB Commercial REIT, entered into the SPAs with the Vendors for the acquisitions of the Subject Properties for a total purchase consideration of RM3,160.5 million to be satisfied by:

(i) issuance of 2,307.3 million Consideration Units; and

(ii) cash consideration of RM853.2 million which will be funded from the issuance of MTNs under the MTN Programme and the Short Term Financing.

The table below sets out details of the purchase consideration to be paid to the Vendors:

Subject Properties	Vendor	Appraised Value[1]	Purchase consideration	Mode of satisfaction: [2]Consideration Units	Mode of satisfaction: [3]Cash Consideration
		(RM'000)	(RM'000)	(RM'000)	(RM'000)
MVC Subject Properties:					
Menara IGB & IGB Annexe	IGB Properties	188,900	188,900	135,600	53,300
Centrepoint South	MVC CP South	190,500	190,500	136,700	53,800
Centrepoint North	MVC CP North	196,500	196,500	139,200	57,300
Boulevard Properties	Idaman Spektra	78,000	78,000	58,900	19,100
Gardens South Tower	MVC South Tower	391,500	391,500	284,600	106,900
Gardens North Tower	MVC North Tower	382,100	382,100	286,900	95,200
Southpoint Properties	MVC Southpoint	573,500	573,500	417,300	156,200
Golden Triangle Subject Properties:					
Menara Tan & Tan	TT Realty	239,100	239,100	174,500	64,600
GTower	GTower SB	739,800	739,800	542,100	197,700
Hampshire Place Office	Hampshire Properties	180,600	180,600	131,500	49,100
Total		**3,160,500**	**3,160,500**	**2,307,300**	**853,200**

Notes:

(1) The Independent Property Valuer had on 14 September 2020, appraised the market value of the Subject Properties as set out in its valuation reports dated 14 September 2020, based on the material date of valuation as at 31 March 2020 ("**Valuation Report(s)**"), using the investment method and cross-checked with the comparison approach.

Thereafter, the Independent Property Valuer had carried out an update valuation for the Subject Properties on 31 December 2020 and the Independent Property Valuer has concluded the above market values for the Subject Properties, as set out in its update valuation certificate dated 10 February 2021.

(2) The RM equivalent of the number of Consideration Units to be issued at the issue price of RM1.00 per Unit.

(3) Cash consideration to be raised through the proceeds from issuance of MTNs under the MTN Programme and the Short Term Financing.

The total purchase consideration for the acquisition of the Subject Properties of RM3,160.5 million was arrived at based on the independent valuation of the Subject Properties of RM3,160.5 million as at 31 December 2020.

The market value of the Subject Properties was independently valued by Henry Butcher by adopting investment method and cross checked with comparison approach. For details of the valuation, please refer to the Valuation Certificates as set out in Appendix A "Valuation Certificates" of this Prospectus.

For details on the principal terms of the SPAs, please refer to Section 14.3 "Salient Terms of the SPAs" of this Prospectus.

2.4 OVERVIEW OF THE SUBJECT PROPERTIES

IGB Commercial REIT's initial property portfolio will consist of the MVC Subject Properties and the Golden Triangle Subject Properties.

MVC Subject Properties

The MVC Subject Properties consist of the following seven (7) commercial properties:

(i) **Menara IGB & IGB Annexe -** an 18-storey office block together with a two (2)-storey office building annexed thereto, both erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, completed in 2000 and located at No. 1, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Menara IGB & IGB Annexe has a total NLA of 261,993 sq ft as at 31 December 2020.

(ii) **Centrepoint South -** a 19-storey office block with an annexed link bridge erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, completed in 2008 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Centrepoint South has a total NLA of 232,237 sq ft as at 31 December 2020.

(iii) **Centrepoint North -** a 19-storey office block erected on top of a five (5)-storey retail podium known as Mid Valley Megamall, completed in 2008 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Centrepoint North has a total NLA of 232,051 sq ft as at 31 December 2020.

(iv) **Boulevard Properties -** two (2) blocks of 11-storey office units known as Blocks 25 and 27 of Boulevard Offices, completed in 2001 and located at Block No. 25 & Block No. 27, Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Block 25 has a total NLA of 21,448 sq ft and Block 27 has a total NLA of 32,267 sq ft as at 31 December 2020.

(v) **Gardens South Tower -** a 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall, completed in 2010 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Gardens South Tower has a total NLA of 422,381 sq ft as at 31 December 2020.

(vi) **Gardens North Tower -** a 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall, completed in 2010 and located at Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur. Gardens North Tower has a total NLA of 425,612 sq ft as at 31 December 2020.

(vii) **Southpoint Properties -** a 27-storey office space, two (2)-storey retail space together with 1,065 car park bays, all located within a 59-storey mixed commercial building known as Menara Southpoint, completed in 2018 and located at Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur. Southpoint Properties has a total NLA of 515,501 sq ft as at 31 December 2020.

The MVC Subject Properties form part of Mid Valley City, which is one (1) of the largest integrated mixed-use developments in Malaysia since its inception back in the 1990s. The entire development sits on a 50-acre land, consisting of two (2) flagship malls totalling over 2.6 million sq ft in NLA, eight (8) commercial office space of nearly 2.5 million sq ft in NLA, three (3) hotels with a total of 1,484 rooms and 199 serviced apartments, as well as 228 high-rise residential units.

Mid Valley City is strategically located in the middle of Klang Valley, well positioned between Kuala Lumpur and Petaling Jaya. The MVC Subject Properties are accessible and well connected to other major suburbs through a network of major arterial roads such as Jalan Syed Putra which connects to the Federal Highway, as well as Jalan Maarof, Jalan Tun Sambanthan, East – West Link Highway and Sprint Highway. The public transportation infrastructure serving the MVC Subject Properties is also one of the most comprehensive as compared to other developments. In addition to public busses and taxi services, Mid Valley City is served by the KTM Seremban-Rawang route with a dedicated KTM railway commuter station, namely Mid Valley Station. Furthermore, the opening of a pedestrian bridge connecting The Gardens Mall in November 2019 has also provided patrons of Mid Valley City with access to Abdullah Hukum LRT Station.

Over the past two (2) decades, Mid Valley City has established itself as a key business district in Greater Kuala Lumpur with a prominent business address. The MVC Subject Properties enjoy close proximity to other key business districts in established neighbourhoods such as KL Sentral, Bangsar South, Bangsar, which together with Mid Valley City account for 55.0% of the office supply in the Kuala Lumpur Suburban submarket. The completeness of amenities is a key strength for the area. On top of Mid Valley Megamall and The Gardens Mall which are key attractions for shopping, other prominent retail malls within the vicinity include Bangsar Village I and II, Bangsar Shopping Complex, The Nexus, KL Gateway and NU Sentral. Notable landmarks such as Pantai Medical Centre and education institutions such as University Malaya are also located in the vicinity.

Mid Valley City continues to attract large volume of footfall to the development with its retail and office components. This is largely attributed to Mid Valley Megamall and The Gardens Mall, which are the key components of the masterplan development. These flagship malls attract footfall of over 30 million every year. For businesses, the ease of access in a prime location enables easy talent recruitment, and the availability of convention centre and hotels within doorsteps from the office is an added advantage. Mid Valley City has also received its accredited MSC Malaysia Cybercentre status in 2008, enhancing its competitiveness in attracting multinational companies to set up operation outside the KL City area.

MSC Malaysia Cybercentres are designated by MDEC as areas with conductive business environment that provides the ecosystem that supports information and communications technology ("**ICT**") companies and promote the growth of local ICT companies.

Among the MVC Subject Properties, Gardens North Tower and Gardens South Tower are designated premises within a MSC Malaysia Cybercentre. The other MVC Subject Properties are commercial buildings within a MSC Malaysia Cybercentre.

ICT companies may apply for one (1) of the three (3) different tiers of MSC status for a range of incentives under the MSC Malaysia Bill of Guarantees. Depending on the tier of its MSC status, an ICT company may be eligible for benefits that include income tax exemptions, eligibility to employ unlimited number of foreign knowledge workers, globally competitive telecommunication tariffs, exemption from local ownership requirements, no duties on the import of multimedia equipment and no restriction for principal repayment and interest payments on RM or foreign currency borrowings.

An ICT company who sets up its office in Gardens North Tower or Gardens South Tower, subject to it complying with certain minimum requirements imposed by MDEC, may qualify to apply for any of the three (3) tiers of MSC status, with Tier 1 having the most benefits. Whereas, if the same ICT company were to set up its office in any of the other MVC Subject Properties, it may only qualify to apply for a Tier 2 or Tier 3 MSC status.

On the other hand, if the same ICT company does not set up its office in a designated premise or a commercial building within a MSC Malaysia Cybercity/Cybercentre, it may only apply for a Tier 3 MSC status which will accord it less benefits compared to those who have a Tier 1 or Tier 2 MSC status.

The Subject Properties which have been accredited this status would appeal to tenants who are ICT companies as such tenants will be able to enjoy the said various incentives.

Golden Triangle Subject Properties

The Golden Triangle Subject Properties consist of the following three (3) commercial properties:

(i) **Menara Tan & Tan -** a 25-storey office building (including mezzanine floor) together with two (2) basements and 543 car park bays, completed in 1997 and located at No. 207, Jalan Tun Razak, 50400 Kuala Lumpur. Menara Tan & Tan has a total NLA of 339,385 sq ft as at 31 December 2020.

(ii) **GTower -** a 32-storey office building together with two (2) basements and 1,090 car park bays, completed in 2010 and located at No. 199, Jalan Tun Razak, 50400 Kuala Lumpur. GTower has a total NLA of 653,164 sq ft as at 31 December 2020. In February 2021, GTower SB had obtained the certificate of completion and compliance for the conversion of hotel floors into office units wherein the total NLA will be 746,194 sq ft.

(iii) **Hampshire Place Office -** a 28-storey office building together with 286 car park bays designated for the office building, completed in 2011 and located at 157 Hampshire, No. 1 Jalan Mayang Sari, 50450 Kuala Lumpur. Hampshire Place Office has a total NLA of 239,253 sq ft as at 31 December 2020.

The Golden Triangle Subject Properties are located within the Golden Triangle zone of the Kuala Lumpur City area, along the Jalan Tun Razak belt. The Golden Triangle zone is located in the heart of Kuala Lumpur, and is where multinational companies, prestigious malls, high-end residential and five (5)-star hotels congregates.

The Golden Triangle Properties are accessible through the Federal Highway, Maju Expressway (MEX) and SMART Tunnel. The Golden Triangle Subject Properties are well-served by the three (3) main arterial roads of Kuala Lumpur city centre, namely Jalan Sultan Ismail, Jalan Ampang and Jalan Tun Razak, and comprehensive public transport networks. Menara Tan & Tan and GTower are both accessible directly from Jalan Tun Razak, while Hampshire Place Office is accessible via Persiaran Hampshire. Each of the Golden Triangle Subject Properties are located within a 500-metre radius from the Ampang Park LRT. Connectivity to the Golden Triangle Subject Properties will be further enhanced in future as the Ampang Park Station will also serve as a MRT station when the MRT Sungai Buloh – Serdang – Putrajaya (SSP) Line is completed, and the Persiaran KLCC Station, which is currently undergoing active construction in stages is completed. Both of these MRT stations are expected to be operational by year 2023.

The Golden Triangle Subject Properties are surrounded by many other high-rise commercial and residential buildings as well as shopping centres and various embassies including US Embassy, Singapore Embassy and Japan Embassy are located in the vicinity. The surrounding area is bustling with commercial activities and a wide variety of facilities and amenities. Across Jalan Tun Razak are The Intermark and Micasa All-Suite Hotel and other prominent high-rise commercial and retail buildings within the vicinity include Petronas Twin Towers, Four Seasons Place, TRX development, Bangunan RHB and Royal Selangor Golf Club. GTower has a MSC Malaysia Cybercentre status and is also a designated premises.

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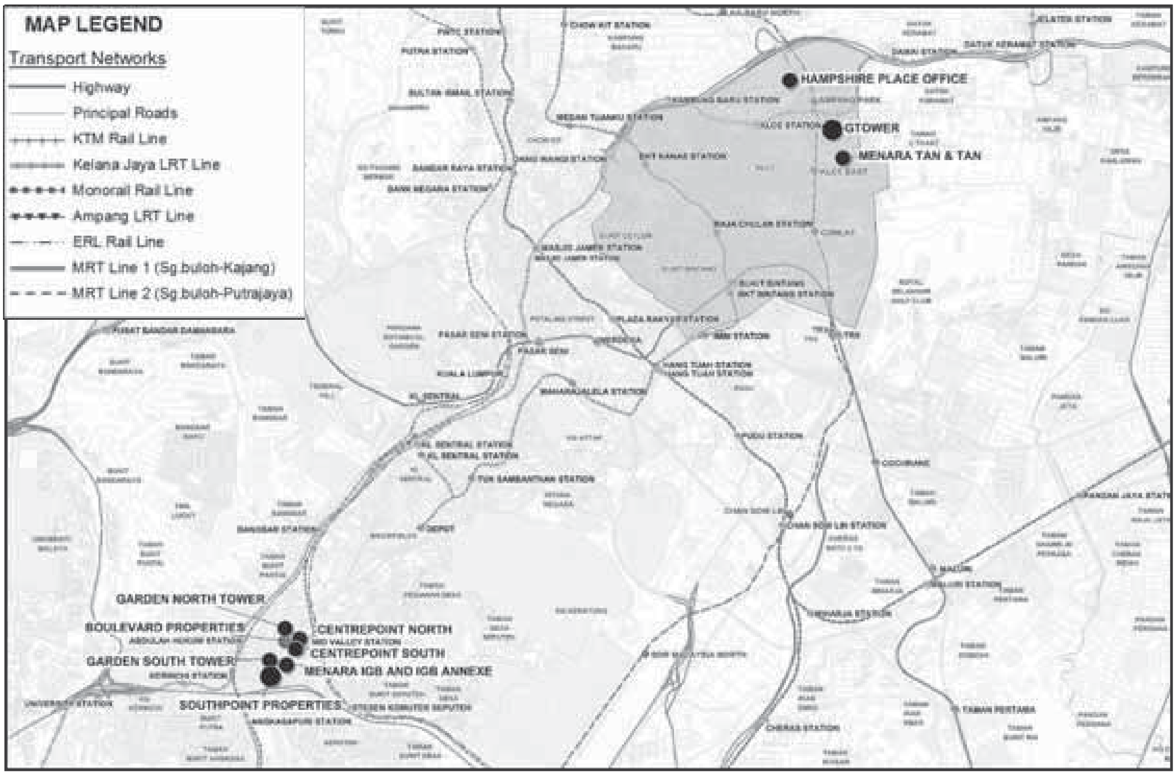
The locations of the Subject Properties are illustrated by the map below.



Source: Independent Property Market Report

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Certain details of the Subject Properties are set out below.

(i) Details of the titles to the Subject Properties

Details of the titles on which the MVC Subject Properties are erected on are as follows:

	MVC Phase 1 Properties						
	Menara IGB & IGB Annexe	**Centrepoint South**	**Centrepoint North**	**Boulevard Properties**	**Gardens South Tower**	**Gardens North Tower**	**Southpoint Properties**
Type of title	Master				Strata	Strata	Master
Land area	1,060,783 sq ft (98,550 sq m)				Not applicable	Not applicable	96,251 sq ft (8,942 sq m)
Tenure	Leasehold of 83 years expiring on 11 April 2104				Leasehold of 99 years expiring on 6 June 2103		Leasehold of 99 years expiring on 21 March 2120
Land title particulars	Part of H.S.(D) 122594, PT 50003 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur[(1)]				PN 37073/M1/B3/5, No. Petak 5, No. Tingkat B3, No. Bangunan M1, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur[(2)]	PN 37073/M1/B3/6, No. Petak 6, No. Tingkat B3, No. Bangunan M1, Lot 79 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur[(3)]	Part of H.S.(D) 122585, PT 50002 Seksyen 95A, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur[(4)]
Share units of the parcel/ % over the total share unit[(5)]	Not applicable				164/ 13.56%	171/ 14.14%	Not applicable

	MVC Phase 1 Properties				Gardens South Tower	Gardens North Tower	Southpoint Properties
	Menara IGB & IGB Annexe	**Centrepoint South**	**Centrepoint North**	**Boulevard Properties**			
Encumbrance and other material endorsements	Nil				Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4330/2021 registered on 21 April 2021	Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4055/2021 registered on 14 April 2021	Nil
Restrictions in interest	This land shall not be transferred, leased or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur *(Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*				This land shall not be transferred, leased, mortgaged or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur *(Tanah ini tidak boleh dipindahmilik, dipajak, dicagar atau digadai melainkan dengan kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*		This land shall not be transferred, leased or charged unless with the consent of the Federal Territory Land Executive Committee of Kuala Lumpur *(Tanah ini tidak boleh dipindahmilik, dipajak atau digadai tanpa kebenaran Jawatankuasa Kerja Tanah Wilayah Persekutuan Kuala Lumpur)*

	MVC Phase 1 Properties						
	Menara IGB & IGB Annexe	**Centrepoint South**	**Centrepoint North**	**Boulevard Properties**	**Gardens South Tower**	**Gardens North Tower**	**Southpoint Properties**
Express conditions	This land shall only be used for commercial building for the purposes of office tower, hotel, shopping mall, shop offices and car park (*Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan menara pejabat, hotel, pusat membeli-belah, kedai pejabat dan tempat letak kereta sahaja)*				Office (*Pejabat*)		This land shall only be used for commercial site for the purposes of serviced apartment, office, car park, ballroom/pre-function and retail shops (*Tanah ini hendaklah digunakan untuk tujuan tapak perdagangan bagi tujuan pangsapuri servis, pejabat, tempat letak kereta, ballroom/bilik pre-function dan kedai (retail) sahaja)*
Existing use	Office space						
Category of land use	Building *(Bangunan)*						
Type	Commercial						

Notes:

(1) Being the title of the land on which the MVC Phase 1 Properties are erected.

(2) Together with accessory parcels A2, A6, A7, A8, A9, A10, A25, A31 and A42.

(3) Together with accessory parcels A5, A15, A16, A17, A18, A19, A20, A21, A22, A29, A35 and A45.

(4) Being the title of the land on which Menara Southpoint is erected.

(5) Pursuant to the Strata Titles Act 1985 ("**STA**"), "share units" is defined to mean the share units determined for a parcel as shown in the strata register maintained by the relevant land office/land registry. Under the STA, "parcel" in relation to a subdivided building, means one of the individual units comprised in the building which (except in the case of an accessory parcel) is held under separate strata title, and in relation to a subdivided land, means one of the individual units of land parcel. The share units of a parcel will determine, among other things, the voting rights of the parcel owner and the service/sinking fund charges payable. The total share units refers to the sum of the share units of all the parcels within the respective integrated developments.

As indicated above, share units will only be allocated to parcels within subdivided properties. As such, share units are not applicable to the MVC Phase 1 Properties and Southpoint Properties as these properties are still held under its respective master titles and the application for subdivision of the components within MVC Phase 1 / MVC Phase 3 to obtain the strata titles for the MVC Phase 1 Properties and Southpoint Properties have yet to be submitted. The proposed share units to be allocated to the MVC Phase 1 Properties and Southpoint Properties upon subdivision of these properties are as follows:

Subject Property	Type of Development	(Allocated) Share Unit / % over the total share unit of the strata development
Menara IGB & IGB Annexe	MVC Phase 1	28,086 / 3.09%
Centrepoint North	MVC Phase 1	21,726 / 2.39%
Centrepoint South	MVC Phase 1	23,146 / 2.55%
Boulevard Properties	MVC Phase 1	5,940 / 0.65%
Southpoint Properties	MVC Phase 3	101,608 / 76.02%

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MVC Phase 1 Properties

Menara IGB & IGB Annexe, Centrepoint South, Centrepoint North and Boulevard Properties (collectively, the "**MVC Phase 1 Properties**") form part of an integrated commercial development known as Mid Valley City Phase 1. Menara IGB and Boulevard Properties are developed by MVC, whereas IGB Annexe, Centrepoint South and Centrepoint North are developed by IGB Properties, MVC Centrepoint South and MVC Centrepoint North respectively. The master land on which the MVC Phase 1 Properties are erected on is currently registered in the name of MVC.

Barring any unforeseen circumstances, MVC targets to make an application for the subdivision of the amalgamated land and issuance of a separate strata title to each of the MVC Phase 1 Properties and other components within Mid Valley City Phase 1 by the end of 2021.

MVC JMB was formed pursuant to the Building and Common Property (Maintenance and Management) Act 2007 to manage the common properties comprised in Mid Valley City Phase 1.

The Manager will make announcements to Bursa Securities on a periodic basis on the status of the application of the strata titles to MVC Phase 1 Properties.

Southpoint Properties

Southpoint Properties comprise components within Menara Southpoint which forms part of an integrated commercial development known as Mid Valley City Phase 3. Menara Southpoint is developed by MVC Southpoint. The master land on which Menara Southpoint is erected on is currently registered in the name of MVC Southpoint.

Upon completion of the construction of the residential component within Menara Southpoint, MVC Southpoint will make an application for the subdivision of the master land and issuance of a separate strata title to each of Southpoint Properties and other components within Mid Valley Phase 3. A JMB and/or MC will be formed pursuant to the Strata Management Act 2013 to manage the common properties comprised in Mid Valley Phase 3.

The Manager will make announcements to Bursa Securities on a periodic basis on the status of the application of the strata titles to Southpoint Properties.

Details of the titles on which the Golden Triangle Subject Properties are erected on are as follows:

	Menara Tan & Tan	**GTower**	**Hampshire Place Office**
Type of title	Individual	Individual	Strata
Land area	48,535 sq ft (4,509 sq m)	78,738 sq ft (7,315 sq m)	Not applicable
Tenure	Freehold	Freehold	Freehold
Land/Strata title particulars	Geran 26965, Lot 308 Seksyen 63, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Geran 53056, Lot 320 Seksyen 63, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur	Geran 42416/M1/B4/1, No. Petak 1, No. Tingkat B4, No. Bangunan M1, Lot 157 Seksyen 43, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur[(1)]
Share units of the parcel/ % over total share units[(2)]	Not applicable	Not applicable	45,383/ 67.42%
Encumbrance and other material endorsements	• A lease over a part of the land in favour of Tenaga Nasional Berhad vide presentation no. PDSC18155/1992 Volume 8 Folio 140 registered on 19 October 1992 for 30 years, which commenced on 15 November 1991 and will be expiring on 14 November 2021[(3)] • Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4057/2021 registered on 14 April 2021	• Lienholder's caveats lodged by the lienholder vide presentation nos. PDB16017/2005 and PDB5003/2013 registered on 6 December 2005 and 5 April 2013 respectively • Land charge vide presentation no. PDSC3945/2010 registered in favour of the chargor on 23 February 2010 • Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4056/2021 registered on 14 April 2021 The above encumbrances will be discharged on the Listing Date.	Private caveat over land lodged by MTrustee Berhad vide presentation no. PDB4058/2021 registered on 14 April 2021
Restrictions in interest	Nil *(Tiada)*		
Express conditions	This land shall only be used for commercial building (*Tanah ini hendaklah digunakan untuk bangunan perdagangan sahaja*)	This land shall only be used for commercial building for the purposes of offices and petrol station (*Tanah ini hendaklah digunakan untuk bangunan perdagangan bagi tujuan pejabat dan stesyen minyak sahaja)*	Office (*Pejabat*)

<table>
<tr><th></th><th>Menara Tan & Tan</th><th>GTower</th><th>Hampshire Place Office</th></tr>
<tr><td>Existing use</td><td colspan="3">Office space</td></tr>
<tr><td>Category of land use</td><td colspan="3">Building (Bangunan)</td></tr>
<tr><td>Type</td><td colspan="3">Commercial</td></tr>
</table>

Notes:

(1) Together with accessory parcels A109, A137 and A201 to A234.

(2) Pursuant to the Strata Titles Act 1985 ("**STA**"), "share units" is defined to mean the share units determined for a parcel as shown in the strata register maintained by the relevant land office/land registry. Under the STA, "parcel" in relation to a subdivided building, means one of the individual units comprised in the building which (except in the case of an accessory parcel) is held under separate strata title, and in relation to a subdivided land, means one of the individual units of land parcel. The share units of a parcel will determine, among other things, the voting rights of the parcel owner and the service/sinking fund charges payable. The total share units refer to the sum of the share units of all the parcels within the respective integrated developments. There are no share units for Menara Tan & Tan and GTower as said Subject Properties are standalone buildings held under individual titles.

(3) The lease is in relation to a substation built by Tenaga Nasional Berhad on a part of the land.

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(ii) Details of the Subject Properties

Details of the MVC Subject Properties are as follows:

	Menara IGB & IGB Annexe	Centrepoint South	Centrepoint North	Boulevard Properties	Gardens South Tower	Gardens North Tower	Southpoint Properties
Age of Subject Property as at 31 December 2020[(1)]	20 years	12 years	12 years	19 years	10 years	10 years	2 years
Gross rental income per annum (RM'000)[(2)]	6,884	9,246	9,770	2,732	21,132	18,767	9,658
NPI (RM'000)[(2)]	7,252	10,435	11,080	3,344	23,604	18,931	6,852
Appraised Value as at 31 December 2020 (RM'000)	188,900	190,500	196,500	78,000	391,500	382,100	573,500
Purchase consideration (RM'000)	188,900	190,500	196,500	78,000	391,500	382,100	573,500
NLA as at 31 December 2020 (sq ft)	261,993	232,237	232,051	53,715[(3)]	422,381	425,612	515,501
GFA as at 31 December 2020 (sq ft)	331,358	307,006	294,354	54,180[(3)]	646,384	658,827	810,333
Number of tenants as at 31 December 2020	21	27	25	13	34	28	7
Occupancy Rate as at 31 December 2020 (%)	68.7	83.8	89.8	88.3[(4)]	83.9	75.4	59.3
Number of car park bays as at 31 December 2020	Nil[(5)]	Nil[(5)]	Nil[(5)]	Nil[(5)]	Nil[(5)]	Nil[(5)]	1,065[(6)]

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) For the FYE 2020.

(3) Comprising 21,448 sq ft for Block 25 and 32,267 sq ft for Block 27.

(4) Wealthy Pentagon Sdn Bhd, which occupies approximately 5,700 sq ft as at 31 December 2020, has notified Idaman Spektra of its intention to vacate Boulevard Properties. Upon vacating, the illustrated Occupancy Rate of Boulevard Properties is 77.6%.

(5) This Subject Property does not have any dedicated car park bays and shares the car park bays of Mid Valley Megamall and The Gardens Mall.

(6) In addition to the existing 1,065 car park bays, an additional 216 car park bays, 23 car park bays and 11 car park bays are leased from Kuala Lumpur City Hall *(Dewan Bandaraya Kuala Lumpur)*, MVCG MC and IGB REIT respectively.

Details of the Golden Triangle Subject Properties are as follows:

	Menara Tan & Tan	GTower	Hampshire Place Office
Age of Subject Property as at 31 December 2020[(1)]	23 years	10 years	9 years
Gross rental income per annum (RM'000)[(2)]	9,266	31,656	6,129
NPI (RM'000)[(2)]	8,632	36,256	6,162
Appraised Value as at 31 December 2020 (RM'000)	239,100	739,800	180,600
Purchase consideration (RM'000)	239,100	739,800	180,600
NLA as at 31 December 2020 (sq ft)	339,385	653,164[(3)]	239,253
GFA as at 31 December 2020 (sq ft)	455,232	1,210,330	459,533
Number of tenants as at 31 December 2020	27	81	21
Occupancy Rate as at 31 December 2020 (%)	69.0	77.2[(4)]	62.2
Number of car park bays as at 31 December 2020	543	1,090	286

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) For the FYE 2020.

(3) Taking into account the converted hotel area into office units, where GTower SB had, on 11 February 2021 obtained the certificate of completion and compliance, the total NLA will be 746,194 sq ft.

(4) Subsea 7 Asia Pacific Sdn Bhd, which occupies approximately 46,900 sq ft as at 31 December 2020, has downsized its Occupied NLA to occupy approximately 32,000 sq ft. Upon downsizing, the illustrative Occupancy Rate of GTower will be 65.6%.

2.4.1 Total Revenue, gross rental income and NPI

The Total Revenue, gross rental income and NPI of the Subject Properties for the FYE 2020 are set out below.

Subject Properties	Total Revenue	Gross rental income	NPI
	(RM'000)	(RM'000)	(RM'000)
MVC Subject Properties			
Menara IGB & IGB Annexe	11,124	6,884	7,252
Centrepoint South	14,509	9,246	10,435
Centrepoint North	14,823	9,770	11,080
Boulevard Properties	3,923	2,732	3,344
Gardens South Tower	31,084	21,132	23,604
Gardens North Tower	26,202	18,767	18,931
Southpoint Properties	16,189	9,658	6,852
Golden Triangle Subject Properties			
Menara Tan & Tan	16,355	9,266	8,632
GTower	49,694	31,656	36,256
Hampshire Place Office	10,192	6,129	6,162
Total	**194,095**	**125,240**	**132,548**

2.4.2 Trade sector analysis

IGB Commercial REIT's portfolio is well-diversified and relies on various trade sectors for rental income.

The following table set out information on the trade sector mix for the Subject Properties by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Consultancy / marketing / business services	21.8	22.1
Information technology & communication	18.7	20.6
Oil & gas	13.7	13.0
Engineering & manufacturing	6.3	6.3
Retail / FMCG	6.1	6.1
Real estate / construction	5.1	5.7
Financial / insurance	4.8	5.0
Pharmaceutical / medical	4.1	3.8
Government / NGO / association office	4.1	4.0
Mining & quarrying	3.8	3.8
Legal	3.7	4.1
Flexible space	3.4	3.2
Amenities	2.2	0.4
Café / restaurant	1.5	1.4
Education institution	0.7	0.5
Total	**100.0**	**100.0**

Based on percentage of Occupied NLA as at 31 December 2020, consultancy, marketing & business services sector is the largest contributor, followed by information technology & communication sector.

2.4.3 Tenancy Expiry Profile

The Subject Properties' tenants typically have two (2) to three (3) year terms. The table below provides the NLA of expired tenancies and retention rates by NLA of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	162	1,030,286	68.5	74.7
FYE 2019	141	855,032	66.7	63.0
FYE 2020	153	1,080,421	64.7	66.3

The weighted average retention rate for the Subject Properties across FYE 2018 to FYE 2020 was 68.3%.

The table below provides the tenancy expiry profile of the Subject Properties for each of the years from FYE 2021 to FYE 2022 and FYE 2023 and thereafter as at 31 December 2020.

Period	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
	(%)	(%)
FYE 2021	31.6	31.6
FYE 2022	32.8	33.6
FYE 2023	23.1	23.5
FYE 2024 and thereafter	10.8	10.5
	98.3	**99.2**

2.4.4 Occupancy Profile

The following table sets out the Average Occupancy Rates of the Subject Properties for the past three (3) FYEs.

Subject Properties	Average Occupancy Rate FYE		
	2018	2019	2020
	(%)	(%)	(%)
MVC Subject Properties			
Menara IGB & IGB Annexe	73.1	73.9	69.3
Centrepoint South	97.2	97.6	87.0
Centrepoint North	93.9	92.8	91.0
Boulevard Properties	93.5	92.6	92.0
Gardens South Tower	93.2	92.4	89.2
Gardens North Tower	94.0	82.3	79.5
Southpoint Properties	20.6[(1)]	39.9	48.8

Subject Properties	Average Occupancy Rate FYE 2018 (%)	2019 (%)	2020 (%)
Golden Triangle Subject Properties			
Menara Tan & Tan	67.6	70.5	73.0
GTower	82.0	78.1	85.5(2)
Hampshire Place Office	87.1	67.5	63.4

Notes:

(1) Average Occupancy Rate for the period from August 2018 to December 2018.

(2) The Occupancy Rates from June 2020 to November 2020 are calculated based on the revised NLA of 653,164 sq ft after excluding the area under conversion from hotel area into office units. Taking into account the area converted from hotel floors into office units, where GTower SB had, on 11 February 2021 obtained the certificate of completion and compliance, such area will contribute 93,030 sq ft to the NLA, increasing the NLA to 746,194 sq ft.

Please refer to Sections 2.7 "MVC Subject Properties" and 2.8 "Golden Triangle Subject Properties" of this Prospectus for further details of the respective Subject Properties including the Average Occupancy Rates.

2.4.5 Top 10 tenants

IGB Commercial REIT's gross rental income is well distributed within its portfolio of 284 tenants as at 31 December 2020. The top 10 tenants of the Subject Properties contributed an aggregate of approximately 21.9% to the gross rental income of the Subject Properties and occupy an aggregate of 23.0% of Occupied NLA of the Subject Properties as at 31 December 2020. The list of top 10 tenants of the portfolio of Subject Properties are set out below:

Tenant	Trade sector	Percentage of Occupied NLA (%)
BHP Shared Services Malaysia Sdn Bhd	Mining & quarrying	3.8
Baker Hughes Services (M) Sdn Bhd	Oil & gas	3.7
Shopee Mobile Malaysia Sdn Bhd	Consultancy / marketing / business services	3.6
Oracle Corporation Malaysia Sdn Bhd	Information technology & communication	1.9
Wspace (M) Sdn Bhd	Flexible space	1.9
Subsea 7 Asia Pacific Sdn Bhd(1)	Oil & gas	1.9
IGB Berhad	Real estate / construction	1.7
Yinson Holdings Berhad	Oil & gas	1.5
Xevera Sdn Bhd	Consultancy / marketing / business services	1.5
Agoda International (Malaysia) Sdn Bhd	Consultancy / marketing / business services	1.5
Sub-total		**23.0**
Others		77.0
Total		**100.0**

Note:

(1) Subsea 7 Asia Pacific Sdn Bhd, which occupies approximately 46,900 sq ft as at 31 December 2020, has downsized its Occupied NLA to occupy approximately 32,000 sq ft. Upon downsizing, Subsea 7 Asia Pacific Sdn Bhd is no longer one (1) of the top 10 tenants of IGB Commercial REIT. With an Occupied NLA of 1.5%, B&M Consultancy Services Sdn Bhd, in the trade sector of legal, will be one (1) of the top 10 tenants of IGB Commercial REIT as at 31 December 2020.

2.5 INDEPENDENT PROPERTY MARKET REPORT

The Manager has engaged the Independent Property Market Consultant to prepare an independent property market report which describes the real estate markets in which IGB Commercial REIT operates and the outlook for those markets. Please refer to Appendix B "Independent Property Market Report" of this Prospectus for further details.

2.6 VALUATION POLICIES

Independent professional valuations will be obtained annually or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Asset Valuation Guidelines. The Manager has engaged the Independent Property Valuer to carry out valuation of the Subject Properties as at 31 March 2020. Thereafter, the Independent Property Valuer had carried out an update valuation for the Subject Properties on 31 December 2020

The table below sets out the Appraised Value for each of the Subject Properties appraised by the Independent Property Valuer:

Subject Properties	Material Date of Valuation	Appraised Value
MVC Subject Properties		**(RM'000)**
Menara IGB & IGB Annexe	31 December 2020	188,900
Centrepoint South	31 December 2020	190,500
Centrepoint North	31 December 2020	196,500
Boulevard Properties	31 December 2020	78,000
Gardens South Tower	31 December 2020	391,500
Gardens North Tower	31 December 2020	382,100
Southpoint Properties	31 December 2020	573,500
Golden Triangle Subject Properties		
Menara Tan & Tan	31 December 2020	239,100
GTower	31 December 2020	739,800
Hampshire Place Office	31 December 2020	180,600

The Manager has yet to decide on the exact date for the next valuation of the Subject Properties, but in any event, such valuation will be carried out on or before 31 December 2021, in accordance with IGB Commercial REIT's valuation policy.

Please refer to the Valuation Certificates set out in Appendix A "Valuation Certificates" of this Prospectus, which is to be read together with the full valuation reports and update valuation letters for the Subject Properties. Copies of the full valuation reports and update valuation letters will be made available for inspection at the registered office of the Manager at Level 32, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, for a period of 12 months from the date of this Prospectus.

2.7 MVC SUBJECT PROPERTIES

The MVC Subject Properties consist of Menara IGB & IGB Annexe, Centrepoint South, Centrepoint North, Boulevard Properties, Gardens South Tower, Gardens North Tower and Southpoint Properties.

The details of each the MVC Subject Properties are set out below.

2.7.1 Menara IGB & IGB Annexe

(i) Vendor

IGB Properties, an indirect wholly-owned subsidiary of IGB.

(ii) Address

Menara IGB & IGB Annexe, No.1, The Boulevard, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

(iii) Description

Menara IGB & IGB Annexe is an 18-storey office block together with a two (2)-storey office building annexed thereto, both erected on top of a five (5)-storey retail podium known as Mid Valley Megamall. Menara IGB & IGB Annexe has a total NLA of 261,993 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Menara IGB & IGB Annexe.

Existing use	Office space
Age of Subject Property as at 31 December 2020(1)	20 years
GFA as at 31 December 2020 (sq ft)	331,358
NLA as at 31 December 2020 (sq ft)	261,993
Number of car park bays as at 31 December 2020	Nil(2)
Total Revenue (RM'000)	FYE 2018: 12,070 FYE 2019: 12,297 FYE 2020: 11,124
NPI (RM'000)	FYE 2018: 8,023 FYE 2019: 7,970 FYE 2020: 7,252
Gross rental income (RM'000)	FYE 2018: 7,646 FYE 2019: 7,793 FYE 2020: 6,884
Appraised Value as at 31 December 2020 (RM'000)	188,900
Purchase consideration (RM'000)	188,900
Number of tenancies as at 31 December 2020	22

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) Menara IGB & IGB Annexe does not have any dedicated car park bays and shares the car park bays of Mid Valley Megamall and The Gardens Mall.

(iv) Tenant Profile of Menara IGB & IGB Annexe

(a) Top five (5) tenants of Menara IGB & IGB Annexe

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Menara IGB & IGB Annexe as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 61.1% to gross rental income and occupy an aggregate of 58.2% of Occupied NLA of Menara IGB & IGB Annexe as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA
		(%)
iHeal Medical Services Sdn Bhd	Pharmaceutical / medical	19.1
Yun Nam Hair Care Sdn Bhd	Retail / FMCG	13.7
Panasonic Industrial Devices Sales (M) Sdn Bhd	Engineering & manufacturing	11.1
Octafa Consulting Sdn Bhd	Information technology & communication	8.9
SPE-Asia Pacific (M) Sdn Bhd	Government / NGO / association office	5.4
Sub-total		**58.2**
Others		41.8
Total		**100.0**

(b) Trade Sector Analysis of Menara IGB & IGB Annexe

The table below provides a breakdown of the different trade sectors represented in Menara IGB & IGB Annexe by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Information technology & communication	20.0	23.1
Pharmaceutical / medical	19.1	18.6
Retail / FMCG	17.6	19.7
Engineering & manufacturing	16.0	16.4
Consultancy / marketing / business services	6.8	7.5
Government / NGO / association office	5.4	5.8
Legal	2.2	2.4
Others	12.9	6.5
Total	**100.0**	**100.0**

(v) Average Occupancy Rates and Average Rental Rates of Menara IGB & IGB Annexe

The table below sets out the Average Occupancy Rates and the average gross rental income of Menara IGB & IGB Annexe.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	73.1	5.51
FYE 2019	73.9	5.54
FYE 2020	69.3	5.26

For the FYE 2020, there was a decrease of 4.6 percentage points compared to FYE 2019 mainly due to tenants occupying approximately 20,400 sq ft not having renewed their tenancies during the second half of 2019. Additionally, for the FYE 2020, a tenant occupying approximately 3,000 sq ft had relocated.

In order to retain existing tenants, the Vendor will engage with existing tenants on the possibility of expansion and to engage potential tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Menara IGB & IGB Annexe

The table below illustrates Menara IGB & IGB Annexe's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	7	39,483	85.7	83.5
FYE 2019	13	99,657	46.2	57.1
FYE 2020	11	64,329	90.9	95.3

Of the 11 tenancies expiring in FYE 2020, representing 64,329 sq ft, 10 tenancies have been renewed, representing 61,323 sq ft and a renewal rate of 95.3%.

The table below illustrates the tenancy expiry profile of Menara IGB & IGB Annexe as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	8	24.3	27.0
FYE 2022	7	46.9	48.8
FYE 2023	7	21.6	24.2
FYE 2024 and thereafter	-	-	-
Total	22	**92.8**[(1)]	**100.0**

Note:

(1) The remaining 7.2% Occupied NLA has been excluded due to such area being self-occupied and thus, does not form part of the tenancies expiring.

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.7.2 Centrepoint South

(i) Vendor

MVC CP South, an indirect wholly-owned subsidiary of IGB.

(ii) Address

Centrepoint South, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

(iii) Description

Centrepoint South is a 19-storey office block with an annexed link bridge erected on top of a five (5)-storey retail podium known as Mid Valley Megamall. Centrepoint South has a total NLA of 232,237 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Centrepoint South.

Existing use	Office space
Age of Subject Property as at 31 December 2020[(1)]	12 years
GFA as at 31 December 2020 (sq ft)	307,006
NLA as at 31 December 2020 (sq ft)	232,237
Number of car park bays as at 31 December 2020	Nil[(2)]
Total Revenue (RM'000)	FYE 2018: 15,687 FYE 2019: 16,327 FYE 2020: 14,509
NPI (RM'000)	FYE 2018: 11,302 FYE 2019: 11,961 FYE 2020: 10,435
Gross rental income (RM'000)	FYE 2018: 10,334 FYE 2019: 10,581 FYE 2020: 9,246
Appraised Value as at 31 December 2020 (RM'000)	190,500
Purchase consideration (RM'000)	190,500
Number of tenancies as at 31 December 2020	29

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) Centrepoint South does not have any dedicated car park bays and shares the car park bays of Mid Valley Megamall and The Gardens Mall.

(iv) Tenant Profile of Centrepoint South

(a) Top five (5) tenants of Centrepoint South

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Centrepoint South as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 40.5% to gross rental income and occupy an aggregate of 42.1% of Occupied NLA of Centrepoint South as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA
		(%)
ISEC Sdn Bhd	Pharmaceutical & medical	11.9
Openet Telecom Malaysia Sdn Bhd	Information technology & communication	9.4
Estee Lauder Malaysia Sdn Bhd	Retail / FMCG	8.0
Worldline International (M) Sdn Bhd	Information technology & communication	6.4
Clever Eagle Sdn Bhd	Flexible space	6.4
Sub-total		**42.1**
Others		57.9
Total		**100.0**

(b) Trade Sector Analysis of Centrepoint South

The table below provides a breakdown of the different trade sectors represented in Centrepoint South by percentage of Occupied NLA as at 31 December 2020 and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	**(%)**
Information technology & communication	21.8	21.1
Consultancy / marketing / business services	18.3	18.3
Pharmaceutical / medical	15.3	13.3
Engineering & manufacturing	12.3	12.0
Retail / FMCG	11.6	13.2
Real estate / construction	7.7	6.9
Flexible space	6.4	8.2
Financial / insurance	4.8	5.0
Oil & gas	1.8	2.0
Total	**100.0**	**100.0**

(v) Average Occupancy Rates and Average Rental Rates of Centrepoint South

The table below sets out the Average Occupancy Rates and the average gross rental income of Centrepoint South.

Period	Average Occupancy Rate	Average gross rental income
	(%)	**(RM per sq ft)**
FYE 2018	97.2	5.90
FYE 2019	97.6	5.98
FYE 2020	87.0	6.01

For the FYE 2020, there was a decrease of 10.6 percentage points as compared to FYE 2019 mainly as a result of a tenant occupying approximately 12,800 sq ft having vacated the premises in December 2019 as the tenant had relocated. Moreover, several tenants occupying approximately 17,400 sq ft vacated the premises during FYE 2020, of which approximately 3,000 sq ft was due to a tenant who had relocated to Centrepoint North, while some of the other tenants had not renewed.

In order to retain existing tenants, the Vendor will engage with existing tenants on the possibility of expansion and to engage potential tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Centrepoint South

The table below illustrates Centrepoint South's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	16	71,420	56.3	72.6
FYE 2019	19	116,541	63.2	74.9
FYE 2020	12	65,861	66.7	77.9

Of the 12 tenancies expiring in FYE 2020, representing 65,861 sq ft, eight (8) tenancies have been renewed, representing 51,291 sq ft and a renewal rate of 77.9%.

The table below illustrates the tenancy expiry profile of Centrepoint South as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	10	28.0	27.9
FYE 2022	15	54.0	54.2
FYE 2023	4	18.0	17.9
FYE 2024 and thereafter	-	-	-
Total	**29**	**100.0**	**100.0**

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.7.3 Centrepoint North

(i) Vendor

MVC CP North, an indirect wholly-owned subsidiary of IGB.

(ii) Address

Centrepoint North, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

(iii) Description

Centrepoint North is a 19-storey office block erected on top of a five (5)-storey retail podium known as Mid Valley Megamall. Centrepoint North has a total NLA of 232,051 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Centrepoint North.

Existing use	Office space
Age of Subject Property as at 31 December 2020[(1)]	12 years
GFA as at 31 December 2020 (sq ft)	294,354
NLA as at 31 December 2020 (sq ft)	232,051
Number of car park bays as at 31 December 2020	Nil[(2)]
Total Revenue (RM'000)	FYE 2018: 16,217 FYE 2019: 15,602 FYE 2020; 14,823
NPI (RM'000)	FYE 2018: 11,967 FYE 2019: 11,475 FYE 2020: 11,080
Gross rental income (RM'000)	FYE 2018: 10,729 FYE 2019: 10,180 FYE 2020: 9,770
Appraised Value as at 31 December 2020 (RM'000)	196,500
Purchase consideration (RM'000)	196,500
Number of tenancies as at 31 December 2020	28

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) Centrepoint North does not have any dedicated car park bays and shares the car park bays of Mid Valley Megamall and The Gardens Mall.

(iv) Tenant Profile of Centrepoint North

(a) Top five (5) tenants of Centrepoint North

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Centrepoint North as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 38.3% to gross rental income and occupy an aggregate of 41.9% of Occupied NLA of Centrepoint North as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA
		(%)
Ipsos Sdn Bhd	Consultancy / marketing / business services	12.1
Wspace (M) Sdn Bhd	Flexible space	11.5
Veeam Software Malaysia Sdn Bhd	Information technology & communication	6.1
Edelman Public Relations Worldwide Sdn Bhd	Consultancy / marketing / business services	6.1
TPSC Engineering (M) Sdn Bhd	Engineering & manufacturing	6.1
Sub-total		**41.9**
Others		58.1
Total		**100.0**

(b) **Trade Sector Analysis of Centrepoint North**

The table below provides a breakdown of the different trade sectors represented in Centrepoint North by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Consultancy / marketing / business services	44.6	44.2
Information technology & communication	21.0	22.7
Flexible space	11.5	9.7
Retail / FMCG	8.5	8.7
Engineering & manufacturing	6.1	5.8
Financial / insurance	3.6	3.7
Real estate / construction	3.0	3.3
Pharmaceutical / medical	1.7	1.9
Total	**100.0**	**100.0**

(v) **Average Occupancy Rates and Average Rental Rates of Centrepoint North**

The table below sets out the Average Occupancy Rates and the average gross rental income of Centrepoint North.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	93.9	6.07
FYE 2019	92.8	6.02
FYE 2020	91.0	6.02

The Average Occupancy Rates of Centrepoint North remained relatively stable for the past three (3) FYEs.

For the FYE 2019, there was a decrease of 1.1 percentage points as compared to FYE 2018 as a result of non-renewal of approximately 16,000 sq ft by several tenants. For the FYE 2020, there was a decrease of 1.8 percentage points as compared to FYE 2019 as a result of non-renewal and early termination of tenants occupying approximately 20,000 sq ft.

In order to retain existing tenants, the Vendor will engage with existing tenants on the possibility of expansion and to engage potential tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Centrepoint North

The table below illustrates Centrepoint North's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	12	58,771	83.3	85.1
FYE 2019	11	67,380	63.6	76.2
FYE 2020	16	128,780	81.3	84.5

Of the 16 tenancies expiring in FYE 2020, representing 128,780 sq ft, 13 tenancies have been renewed, representing 108,762 sq ft and a renewal rate of 84.5%.

The table below illustrates the tenancy expiry profile of Centrepoint North as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	10	24.3	26.5
FYE 2022	11	40.9	40.3
FYE 2023	7	34.8	33.2
FYE 2024 and thereafter	-	-	-
Total	**28**	**100.0**	**100.0**

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.7.4 Boulevard Properties

(i) Vendor

Idaman Spektra, an indirect wholly-owned subsidiary of IGB.

(ii) Address

Block No. 25 & Block No. 27, Boulevard Offices, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

(iii) Description

Boulevard Properties consist of two (2) blocks of 11-storey office units known as Blocks 25 and 27 of Boulevard Offices. Block 25 has a total NLA of 21,448 sq ft while Block 27 has a total NLA of 32,267 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Boulevard Properties.

Existing use	Office space
Age of Subject Property as at 31 December 2020(1)	19 years
GFA as at 31 December 2020 (sq ft)	54,180
NLA as at 31 December 2020 (sq ft)	Collectively, 21,448 for Block 25 and collectively, 32,267 for Block 27
Number of car park bays as at 31 December 2020	Nil(2)
Total Revenue (RM'000)	FYE 2018: 4,384 FYE 2019: 4,254 FYE 2020: 3,923
NPI (RM'000)	FYE 2018: 3,894 FYE 2019: 3,754 FYE 2020: 3,344
Gross rental income (RM'000)	FYE 2018: 3,052 FYE 2019: 3,044 FYE 2020: 2,732
Appraised Value as at 31 December 2020 (RM'000)	78,000
Purchase consideration (RM'000)	78,000
Number of tenancies as at 31 December 2020	16

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) Boulevard Properties does not have any dedicated car park bays and shares the car park bays of Mid Valley Megamall and The Gardens Mall.

(iv) Tenant Profile of Boulevard Properties

(a) Top five (5) tenants of Boulevard Properties

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Boulevard Properties as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 40.6% to gross rental income and occupy an aggregate of 55.4% of Occupied NLA of Boulevard Properties as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA
		(%)
Heguru Educational Laboratory (M) Sdn Bhd	Education institution	13.1
Wealthy Pentagon Sdn Bhd[(1)]	Retail / FMCG	12.2
Enagic (Malaysia) Sdn Bhd	Consultancy / marketing / business services	10.8
Sterling Insurance Brokers Sdn Bhd	Financial / insurance	10.8
MP Honan Insurance Brokers Sdn Bhd	Financial / insurance	8.5
Sub-total		**55.4**
Others		44.6
Total		**100.0**

Note:

(1) Wealthy Pentagon Sdn Bhd, which occupies approximately 5,700 sq ft as at 31 December 2020, has notified Idaman Spektra of its intention to vacate Boulevard Properties. With the exclusion of Wealthy Pentagon Sdn Bhd, Hong Leong Bank Berhad with an Occupied NLA of 6.4%, will be one (1) of the top five (5) tenants of Boulevard Properties as at 31 December 2020. The trade sector of Hong Leong Bank Berhad is financial/insurance.

(b) Trade Sector Analysis of Boulevard Properties

The table below provides a breakdown of the different trade sectors represented in Boulevard Properties by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Financial / insurance	26.6	36.0
Consultancy / marketing / business services	25.9	20.1
Education institution	13.1	8.1
Retail / FMCG	12.1	9.3
Oil & gas	6.6	4.1
Information technology & communication	6.6	3.7
Café / restaurant	5.0	16.5
Legal	4.1	2.2
Total	**100.0**	**100.0**

(v) Average Occupancy Rates and Average Rental Rates of Boulevard Properties

The table below sets out the Average Occupancy Rates and the average gross rental income of Boulevard Properties.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	93.5	7.01
FYE 2019	92.6	7.05
FYE 2020	92.0	6.98

For the FYE 2019, there was a decrease of 0.9 percentage points as compared to FYE 2018 as a result of a tenant occupying approximately 2,000 sq ft having relocated to Centrepoint North in the first quarter of 2018 and such vacated space remained vacant throughout FYE 2019. For the FYE 2020, there was a decrease of 0.6 percentage points as a result of a tenant downsizing by approximately 6,000 sq ft due to the said tenant's relocation.

In order to retain existing tenants, the Vendor will engage with existing tenants on the possibility of expansion and to engage potential tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Boulevard Properties

The table below illustrates Boulevard Properties' expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	7	17,752	85.7	88.6
FYE 2019	7	17,974	85.7	88.7
FYE 2020	7	21,681	85.7	72.6

Of the seven (7) tenancies expiring in FYE 2020, representing 21,681 sq ft, six (6) tenancies have been renewed, representing 15,744 sq ft and a renewal rate of 72.6%.

The table below illustrates the tenancy expiry profile of Boulevard Properties as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	7	43.0	48.6
FYE 2022	3	17.2	10.5
FYE 2023	6	33.2	35.6
FYE 2024 and thereafter	-	-	-
Total	**16**	**93.4**(1)	**94.7**(1)

Note:

(1) The remaining 6.6% Occupied NLA and 5.3% gross rental income has been excluded due to such area being occupied by a tenant with its tenancy expiring as at 31 December 2020.

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.7.5 Gardens South Tower

(i) Vendor

MVC South Tower, an indirect wholly-owned subsidiary of IGB.

(ii) Address

Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

(iii) Description

Gardens South Tower is a 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall. Gardens South Tower has a total NLA of 422,381 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Gardens South Tower.

Existing use	Office space
Age of Subject Property as at 31 December 2020(1)	10 years
GFA as at 31 December 2020 (sq ft)	646,384
NLA as at 31 December 2020 (sq ft)	422,381
Number of car park bays as at 31 December 2020	Nil(2)
Total Revenue (RM'000)	FYE 2018: 32,105 FYE 2019: 31,009 FYE 2020: 31,084
NPI (RM'000)	FYE 2018: 24,081 FYE 2019: 22,611 FYE 2020: 23,604
Gross rental income (RM'000)	FYE 2018: 22,341 FYE 2019: 21,765 FYE 2020: 21,132
Appraised Value as at 31 December 2020 (RM'000)	391,500
Purchase consideration (RM'000)	391,500
Number of tenancies as at 31 December 2020	40

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) Gardens South Tower does not have any dedicated car park bays and shares the car park bays of Mid Valley Megamall and The Gardens Mall.

(iv) Tenant Profile of Gardens South Tower

(a) Top five (5) tenants of Gardens South Tower

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Gardens South Tower as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 49.7% to gross rental income and occupy an aggregate of 49.3% of Occupied NLA of Gardens South Tower as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA
		(%)
IGB Berhad	Real estate / construction	11.9
B & M Consultancy Services Sdn Bhd	Legal	10.3
Steelcase Office Solutions (M) Sdn Bhd	Enginerring & manufacturing	9.1
Danone Specialized Nutrition (Malaysia) Sdn Bhd	Retail / FMCG	9.0
NEC Corporation of Malaysia Sdn Bhd	Consultancy / marketing / business services	9.0
Sub-total		**49.3**
Others		50.7
Total		**100.0**

(b) **Trade Sector Analysis of Gardens South Tower**

The table below provides a breakdown of the different trade sectors represented in Gardens South Tower by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Consultancy / marketing / business services	26.2	25.3
Real estate / construction	23.1	25.0
Engineering & manufacturing	11.2	11.4
Information technology & communication	11.1	11.4
Retail / FMCG	11.0	10.1
Legal	10.3	10.5
Financial / insurance	5.7	5.5
Others	1.4	0.8
Total	**100.0**	**100.0**

(v) **Average Occupancy Rates and Average Rental Rates of Gardens South Tower**

The table below sets out the Average Occupancy Rates and the average gross rental income of Gardens South Tower.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	93.2	6.88
FYE 2019	92.4	6.94
FYE 2020	89.2	6.94

For the FYE 2019, there was a decrease of 0.8 percentage points as compared to FYE 2018 as a result of several tenants occupying approximately 47,100 sq ft not having renewed their tenancies in Gardens South Tower. This is primarily due to a tenant occupying approximately 38,500 sq ft having relocated to another office building. Thereafter, approximately 31,800 sq ft had been occupied by a new tenant.

For the FYE 2020, there was a decrease of 3.2 percentage points as compared to FYE 2019 mainly as a result of a tenant vacating its approximately 4,900 sq ft in the first quarter of 2020 having ceased operations in Malaysia, as well as a tenant occupying approximately 20,100 sq ft having relocated to Gardens North Tower in September 2020. Additionally, a tenant had downsized its tenanted premises by approximately 2,400 sq ft to approximately 8,100 sq ft and another tenant had downsized by approximately 5,200 sq ft to approximately 32,000 sq ft.

In order to retain existing tenants, the Vendor has been engaging with existing tenants on the possibility of expansion and to engage potential new tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Gardens South Tower

The table below illustrates Gardens South Tower's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	18	175,167	94.4	98.7
FYE 2019	11	96,045	54.5	48.0
FYE 2020	28	239,913	78.6	83.2

Of the 28 tenancies expiring in FYE 2020, representing 239,913 sq ft, 22 tenancies have been renewed, representing 199,600 sq ft and a renewal rate of 83.2%.

The table below illustrates the tenancy expiry profile of Gardens South Tower as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	26	40.5	42.0
FYE 2022	4	13.4	13.7
FYE 2023	8	33.7	34.0
FYE 2024 and thereafter	2	10.3	8.7
Total	**40**	**97.9**(1)	**98.4**(1)

Note:

(1) The remaining 2.1% Occupied NLA and 1.6% gross rental income have been excluded due to such area being self-occupied and thus, does not form part of the tenancies expiring, as well as a tenant with its tenancy expiring as at 31 December 2020.

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.7.6 Gardens North Tower

(i) Vendor

MVC North Tower, an indirect wholly-owned subsidiary of IGB.

(ii) Address

Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur.

(iii) Description

Gardens North Tower is a 26-storey office block erected on top of an eight (8)-storey retail podium known as The Gardens Mall. Gardens North Tower has a total NLA of 425,612 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Gardens North Tower.

Existing use	Office space
Age of Subject Property as at 31 December 2020(1)	10 years
GFA as at 31 December 2020 (sq ft)	658,827
NLA as at 31 December 2020 (sq ft)	425,612
Number of car park bays as at 31 December 2020	Nil(2)
Total Revenue (RM'000)	FYE 2018: 29,138 FYE 2019: 27,673 FYE 2020: 26,202
NPI (RM'000)	FYE 2018: 20,968 FYE 2019: 19,003 FYE 2020: 18,931
Gross rental income (RM'000)	FYE 2018: 19,747 FYE 2019: 19,151 FYE 2020: 18,767
Appraised Value as at 31 December 2020 (RM'000)	382,100
Purchase consideration (RM'000)	382,100
Number of tenancies as at 31 December 2020	33

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) Gardens North Tower does not have any dedicated car park bays and shares the car park bays of Mid Valley Megamall and The Gardens Mall.

(iv) Tenant Profile of Gardens North Tower

(a) Top five (5) tenants of Gardens North Tower

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Gardens North Tower as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 50.1% to gross rental income and occupy an aggregate of 52.3% of Occupied NLA of Gardens North Tower as at 31 December 2020.

Tenants by trade name	**Trade sector**	**Percentage of Occupied NLA**
		(%)
Oracle Corporation Malaysia Sdn Bhd	Information technology & communication	15.0
ResMed (Malaysia Sdn Bhd	Pharmaceutical/Medical	10.2
Rahmat Lim Corporate Services Sdn Bhd	Legal	10.0
Cagamas Berhad	Financial / insurance	10.0
AS White Sdn Bhd	Information technology & communication	7.1
Sub-total		**52.3**
Others		47.7
Total		**100.0**

(b) **Trade Sector Analysis of Gardens North Tower**

The table below provides a breakdown of the different trade sectors represented in Gardens North Tower by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	**Percentage of Occupied NLA**	**Percentage of gross rental income**
	(%)	**(%)**
Information technology & communication	34.8	37.1
Consultancy / marketing / business services	14.1	15.7
Financial / insurance	13.1	10.3
Pharmaceutical / Medical	10.2	9.9
Legal	10.0	11.2
Flexible space	5.0	5.7
Oil & gas	5.0	4.3
Engineering & manufacturing	4.2	5.0
Others	3.6	0.8
Total	**100.0**	**100.0**

(v) **Average Occupancy Rates and Average Rental Rates**

The table below sets out the Average Occupancy Rates and the average gross rental income of Gardens North Tower.

Period	**Average Occupancy Rate**	**Average gross rental income**
	(%)	**(RM per sq ft)**
FYE 2018	94.0	6.65
FYE 2019	82.3	6.84
FYE 2020	79.5	7.03

For the FYE 2019, there was a decrease of 11.7 percentage points as compared to FYE 2018 as a result of a major tenant occupying approximately 86,400 sq ft having relocated to Southpoint Properties, while a tenant occupying approximately 16,200 sq ft having relocated to Gardens South Tower. Additionally, a tenant had downsized by approximately 7,000 sq ft.

For the FYE 2020, there was a decrease of 2.8 percentage points as compared to FYE 2019 as a result of several tenants occupying approximately 20,100 sq ft having vacated the premises during the during the nine (9) months period up till September 2020 mainly due to financial difficulties. Additionally, a tenant occupying approximately 20,900 sq ft had vacated the premises in October 2020 due to relocation.

In order to retain existing tenants, the Vendor has been engaging with existing tenants on the possibility of expansion and to engage potential new tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Gardens North Tower

The table below illustrates Gardens North Tower's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	18	128,410	55.6	63.2
FYE 2019	19	234,842	63.2	51.3
FYE 2020	14	74,284	50.0	44.8

Of the 14 tenancies expiring in FYE 2020, representing 74,284 sq ft, seven (7) tenancies have been renewed, representing 33,316 sq ft and a renewal rate of 44.8%.

The table below illustrates the tenancy expiry profile of Gardens North Tower as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	11	29.8	26.1
FYE 2022	17	47.6	50.3
FYE 2023	4	17.5	18.0
FYE 2024 and thereafter	1	5.1	5.6
Total	**33**	**100.0**	**100.0**

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.7.7 Southpoint Properties

(i) Vendor

MVC Southpoint, a wholly-owned subsidiary of IGB.

(ii) Address

Menara Southpoint, Mid Valley City, Medan Syed Putra Selatan, 59200 Kuala Lumpur.

(iii) Description

Southpoint Properties is a 27-storey office space, two (2)-storey retail space together with 1,065 car park bays, all located within a 59-storey mixed commercial building known as Menara Southpoint. Southpoint Properties has a total NLA of 515,501 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Southpoint Properties.

Existing use	Office space
Age of Subject Property as at 31 December 2020(1)	2 years
GFA as at 31 December 2020 (sq ft)	810,333
NLA as at 31 December 2020 (sq ft)	515,501
Number of car park bays as at 31 December 2020	1,065(2)
Total Revenue (RM'000)	FYE 2018: 1,879 FYE 2019: 14,641 FYE 2020: 16,189
NPI (RM'000)	FYE 2018: (479) FYE 2019: 4,055 FYE 2020: 6,852
Gross rental income (RM'000)	FYE 2018: 1,000 FYE 2019: 9,287 FYE 2020: 9,658
Appraised Value as at 31 December 2020 (RM'000)	573,500
Purchase consideration (RM'000)	573,500
Number of tenancies as at 31 December 2020	10

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) In addition to the existing 1,065 car park bays, an additional 216 car park bays, 23 and 11 car park bays are leased from Kuala Lumpur City Hall *(Dewan Bandaraya Kuala Lumpur)*, MVCG MC and IGB REIT respectively.

(iv) Tenant Profile of Southpoint Properties

(a) Top five (5) tenants of Southpoint Properties

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Southpoint Properties as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 92.5% to gross rental income and occupy an aggregate of 93.3% of Occupied NLA of Southpoint Properties as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA
		(%)
BHP Shared Services Malaysia Sdn Bhd	Mining & quarrying	31.1
Shopee Mobile Malaysia Sdn Bhd	Consultancy / marketing / business services	29.4
Yinson Holdings Berhad	Oil & gas	12.3
Agoda International (Malaysia) Sdn Bhd	Consultancy / marketing / business services	12.2
Body Perfect (Southpoint) Sdn Bhd	Retail / FMCG	8.3
Sub-total		**93.3**
Others		**6.7**
Total		**100.0**

(b) Trade Sector Analysis of Southpoint Properties

The table below provides a breakdown of the different trade sectors represented in Southpoint Properties by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Consultancy / marketing / business services	41.6	39.9
Mining & quarrying	31.1	30.6
Oil & gas	12.3	14.0
Retail / FMCG	8.3	8.0
Information technology & communication	6.7	7.5
Total	**100.0**	**100.0**

(v) Average Occupancy Rates and Average Rental Rates of Southpoint Properties

The table below sets out the Average Occupancy Rates and the average gross rental income of Southpoint Properties.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	20.6[(1)]	6.86[(1)]
FYE 2019	39.9	6.72
FYE 2020	48.8	6.65

Note:

(1) Average Occupancy Rate and average gross rental income from August 2018 to December 2018.

The Average Occupancy Rate of Southpoint Properties has been on an increasing trend for the past three (3) FYEs.

(vi) Tenancy Expiry Profile of Southpoint Properties

There was no expiry of tenancy in Southpoint Properties for the past three (3) FYEs.

The table below illustrates the tenancy expiry profile of Southpoint Properties as at 31 December 2020.

Period	**Number of tenancies expiring**	**Percentage of Occupied NLA expiring**	**Percentage of gross rental income expiring**
		(%)	**(%)**
FYE 2021	4	30.9	29.3
FYE 2022	-	-	-
FYE 2023	3	13.5	14.0
FYE 2024 and thereafter	3	55.6	56.7
Total	**10**	**100.0**	**100.0**

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

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2.8 GOLDEN TRIANGLE SUBJECT PROPERTIES

The Golden Triangle Subject Properties consist of Menara Tan & Tan, GTower and Hampshire Place Office.

The details of each the Golden Triangle Subject Properties are set out below.

2.8.1 Menara Tan & Tan

(i) Vendor

TT Realty, an 80% indirect-owned subsidiary of IGB.

(ii) Address

Menara Tan & Tan, No. 207, Jalan Tun Razak, 50400 Kuala Lumpur.

(iii) Description

Menara Tan & Tan is a 25-storey office building (including mezzanine floor) together with two (2) basements and 543 car park bays. Menara Tan & Tan has a total NLA of 339,385 sq ft as at the 31 December 2020.

The table below sets out a summary of selected information on Menara Tan & Tan.

Existing use	Office space
Age of Subject Property as at 31 December 2020[(1)]	23 years
GFA as at 31 December 2020 (sq ft)	455,232
NLA as at 31 December 2020 (sq ft)	339,385
Number of car park bays as at 31 December 2020	543
Total Revenue (RM'000)	FYE 2018: 17,016 FYE 2019: 16,886 FYE 2020: 16,355
NPI (RM'000)	FYE 2018: 10,596 FYE 2019: 9,398 FYE 2020: 8,632
Gross rental income (RM'000)	FYE 2018: 9,815 FYE 2019: 9,476 FYE 2020: 9,266
Appraised Value as at 31 December 2020 (RM'000)	239,100
Purchase consideration (RM'000)	239,100
Number of tenancies as at 31 December 2020	34

Note:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(iv) **Tenant Profile of Menara Tan & Tan**

(a) **Top five (5) tenants of Menara Tan & Tan**

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Menara Tan & Tan as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 66.4% to gross rental income and occupy an aggregate of 67.6% of Occupied NLA of Menara Tan & Tan as at 31 December 2020.

Tenants by trade name	**Trade sector**	**Percentage of Occupied NLA**
		(%)
Baker Hughes Services (M) Sdn Bhd	Oil & gas	39.9
Canadian High Commission	Government / NGO / association office	8.4
Embassy of the Federal Republic of Germany	Government / NGO / association office	7.3
Azman Davidson & Co.	Legal	6.9
Embassy of The Republic of Turkey in Malaysia	Government / NGO / association office	5.1
Sub-total		**67.6**
Others		32.4
Total		**100.0**

(b) **Trade Sector Analysis of Menara Tan & Tan**

The table below provides a breakdown of the different trade sectors represented in Menara Tan & Tan by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	**Percentage of Occupied NLA**	**Percentage of gross rental income**
	(%)	**(%)**
Oil & gas	40.8	34.0
Government / NGO / association office	32.4	38.9
Legal	7.8	9.4
Engineering & manufacturing	4.8	5.2
Consultancy / marketing / business services	4.0	4.2
Real estate / construction	3.6	3.6
Café / restaurant	2.8	2.0
Financial / insurance	2.2	2.5
Others	1.6	0.2
Total	**100.0**	**100.0**

(v) **Average Occupancy Rates and Average Rental Rates of Menara Tan & Tan**

The table below sets out the Average Occupancy Rates and the average gross rental income of Menara Tan & Tan.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	67.6	5.47
FYE 2019	70.5	5.12
FYE 2020	73.0	5.12

The Average Occupancy Rate of Southpoint Properties has been on an increasing trend for the past three (3) FYEs.

In order to retain existing tenants, the Vendor has been engaging with existing tenants on the possibility of expansion and to engage potential tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Menara Tan & Tan

The table below illustrates Menara Tan & Tan's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	20	102,817	70.0	85.5
FYE 2019	14	48,231	78.6	75.5
FYE 2020	18	127,767	72.2	76.1

Of the 18 tenancies expiring in FYE 2020, representing 127,767 sq ft, 13 tenancies have been renewed, representing 97,231 sq ft and a renewal rate of 76.1%.

The table below illustrates the tenancy expiry profile of Menara Tan & Tan as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	14	39.3	44.3
FYE 2022	10	13.3	13.5
FYE 2023	7	23.7	21.7
FYE 2024 and thereafter	3	19.7	16.8
Total	**34**	**96.0**[(1)]	**96.3**[(1)]

Note:

(1) The remaining 4.0% Occupied NLA and 3.7% gross rental income have been excluded due to such area being self-occupied and thus, does not form part of the tenancies expiring, as well as a tenant whose tenancy has expired as at 30 June 2020 but is still occupying the said area as at 31 December 2020.

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.8.2 GTower

(i) Vendor

GTower SB, an 80% direct-owned subsidiary of IGB.

(ii) Address

GTower, No.199, Jalan Tun Razak, 50400 Kuala Lumpur.

(iii) Description

GTower is a 32-storey office building together with two (2) basements and 1,090 car park bays. GTower has a total NLA of 653,164 sq ft as at 31 December 2020. Taking into account the area converted from hotel floors into office units, where GTower SB had, on 11 February 2021 obtained the certificate of completion and compliance, the total NLA will be 746,194 sq ft.

The table below sets out a summary of selected information on GTower.

Existing use	Office space
Age of Subject Property as at 31 December 2020(1)	10 years
GFA as at 31 December 2020 (sq ft)	1,210,330
NLA as at 31 December 2020 (sq ft)	653,164(2)
Number of car park bays as at 31 December 2020	1,090
Total Revenue (RM'000)	FYE 2018: 60,955 FYE 2019: 50,001 FYE 2020: 49,694
NPI (RM'000)	FYE 2018: 42,762 FYE 2019: 33,109 FYE 2020: 36,256
Gross rental income (RM'000)	FYE 2018: 43,472 FYE 2019: 32,040 FYE 2020: 31,656
Appraised Value as at 31 December 2020 (RM'000)	739,800
Purchase consideration (RM'000)	739,800
Number of tenancies as at 31 December 2020	97

Notes:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(2) Taking into account the area converted from hotel floors into office units, where GTower SB had, on 11 February 2021 obtained the certificate of completion and compliance, the total NLA will be 746,194 sq ft.

(iv) Tenant Profile of GTower

(a) Top five (5) tenants of GTower

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of GTower as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 37.6% to gross rental income and occupy an aggregate of 36.2% of Occupied NLA of GTower as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA
		(%)
Subsea 7 Asia Pacific Sdn Bhd(1)	Oil & gas	9.3
Xevera Sdn Bhd	Consultancy / marketing / business services	7.4
Majorel Malaysia Sdn Bhd	Consultancy / marketing / business service	6.9
Halliburton Energy Services (M) Sdn Bhd	Oil & gas	6.4
Exact Asia Development Centre Sdn Bhd	Information technology & communication	6.2
Sub-total		**36.2**
Others		63.8
Total		**100.0**

Note:

(1) Subsea 7 Asia Pacific Sdn Bhd, which occupies approximately 46,900 sq ft as at 31 December 2020, has notified GTower SB of its intention to downsize its Occupied NLA to occupy approximately 32,000 sq ft. Upon downsizing, Subsea 7 Asia Pacific Sdn Bhd remains one of the top five (5) tenants occupying 6.3% of the Occupied NLA in IGB Commercial REIT.

(b) Trade Sector Analysis of GTower

The table below provides a breakdown of the different trade sectors represented in GTower by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Information technology & communication	31.4	35.5
Oil & gas	29.8	30.7
Consultancy / marketing / business services	17.3	17.3
Flexible space	4.5	2.9
Financial / insurance	4.5	5.5
Amenities	4.3	1.1
Café / restaurant	3.9	2.4
Retail / FMCG	1.8	1.6
Engineering & manufacturing	1.0	1.2
Others	1.5	1.8
Total	**100.0**	**100.0**

(v) Average Occupancy Rates and Average Rental Rates of GTower

The table below sets out the Average Occupancy Rates and the average gross rental income of GTower.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	82.0	6.89
FYE 2019	78.1	5.84
FYE 2020	85.5(1)	6.13

Note:

(1) The occupancy rates from June 2020 to December 2020 are calculated based on the revised NLA of 653,164 sq ft exclusive of the area converted from hotel floors into office units. GTower SB had, on 11 February 2020, obtained the certificate of completion and compliance for the converted area.

For the FYE 2019, there was a decrease of 3.9 percentage points as compared to FYE 2018 mainly as a result of two (2) tenants occupying approximately 47,100 sq ft having vacated the premises on 31 December 2018. Of this vacated area, approximately 31,000 sq ft were replaced by new tenants during FYE 2019 while the remaining vacated area of approximately 16,100 sq ft remained vacant throughout FYE 2019. The tenants that had vacated had predominantly been in the oil & gas, information, technology & communication, hotel, financial/insurance and café/restaurant trade sectors.

During the FYE 2020, G City Club Hotel Sdn Bhd had terminated the tenancy of its 135,558 sq ft premises as a result of its decision to cease its hotel operations. The said vacated area has been converted into 116,345 sq ft of office NLA. GTower SB had, on 11 February 2020, obtained the certificate of completion and compliance for the area converted from hotel floors into office units.

In order to retain existing tenants, the Vendor will engage with existing tenants on possible expansion and to engage potential tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of GTower

The table below illustrates GTower's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	47	342,268	61.7	63.3
FYE 2019	33	88,033	72.7	80.6
FYE 2020	39	308,011	38.5	36.2

Of the 39 tenancies (including the tenancies with G City Club Hotel Sdn Bhd which were terminated on 31 May 2020) expiring in FYE 2020, representing 308,011 sq ft, 15 tenancies have been renewed, representing 111,376 sq ft and a renewal rate of 36.2%. The renewal rate for GTower in FYE 2020 excluding the tenancies with G City Club Hotel Sdn Bhd is 64.6%.
The table below illustrates the tenancy expiry profile of GTower as at 31 December 2020.

Period	**Number of tenancies expiring**	**Percentage of Occupied NLA expiring**	**Percentage of gross rental income expiring**
		(%)	**(%)**
FYE 2021	37	27.8	26.0
FYE 2022	45	49.0	51.2
FYE 2023	15	21.0	21.9
FYE 2024 and thereafter	-	-	-
Total	**97**	**97.8**[(1)]	**99.1**[(1)]

Note:
(1) The remaining 2.2% Occupied NLA and 0.9% gross rental income have been excluded due to such area being self-occupied and thus, does not form part of the tenancies expiring, as well as a tenant with tenancies expiring as at 31 December 2020.

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.8.3 Hampshire Place Office

(i) Vendor

Hampshire Properties, a 50.0% joint venture company of IGB.

(ii) Address

Hampshire Place Office, 157 Hampshire, No. 1 Jalan Mayang Sari, 50450 Kuala Lumpur.

(iii) Description

Hampshire Place Office is a 28-storey office building together with 286 car park bays designated for the office building. Hampshire Place Office has a total NLA of 239,253 sq ft as at 31 December 2020.

The table below sets out a summary of selected information on Hampshire Place Office.

Existing use	Office space
Age of Subject Property as at 31 December 2020[(1)]	9 years
GFA as at 31 December 2020 (sq ft)	459,533
NLA as at 31 December 2020 (sq ft)	239,253
Number of car park bays as at 31 December 2020	286
Total Revenue (RM'000)	FYE 2018: 14,433 FYE 2019: 11,451 FYE 2020: 10,192
NPI (RM'000)	FYE 2018: 9,902 FYE 2019: 6,648 FYE 2020: 6,162
Gross rental income (RM'000)	FYE 2018: 8,443 FYE 2019: 6,770 FYE 2020: 6,129
Appraised Value as at 31 December 2020 (RM'000)	180,600
Purchase consideration (RM'000)	180,600
Number of tenancies as at 31 December 2020	21

Note:

(1) Based on the date of the issuance of the relevant certificate of fitness for occupation or certificate of completion and compliance, as the case may be.

(iv) Tenant Profile of Hampshire Place Office

(a) Top five (5) tenants of Hampshire Place Office

The top five (5) tenants by contribution to Occupied NLA (disclosed based on their respective trade names) of Hampshire Place Office as at 31 December 2020 are set out below. The top five (5) tenants contributed an aggregate of 44.6% to gross rental income and occupy an aggregate of 42.3% of Occupied NLA of Hampshire Place Office as at 31 December 2020.

Tenants by trade name	Trade sector	Percentage of Occupied NLA (%)
China Bridge (Malaysia) Sdn Bhd	Consultancy / marketing / business services	11.9
E&P O&M Services Sdn Bhd	Oil & gas	11.8
Marcus Evans (Asia Pacific) Ltd	Consultancy, marketing / business services	6.6
Ciro Solution Sdn Bhd	Information technology & communication	6.0
Superior Energy Services Malaysia Sdn Bhd	Oil & gas	6.0
Sub-total		**42.3**
Others		57.7
Total		**100.0**

(b) Trade Sector Analysis of Hampshire Place Office

The table below provides a breakdown of the different trade sectors represented in Hampshire Place Office by percentage of Occupied NLA and percentage of gross rental income as at 31 December 2020.

Trade sector	Percentage of Occupied NLA	Percentage of gross rental income
	(%)	(%)
Oil & gas	25.0	24.9
Consultancy / marketing / business services	20.4	21.2
Engineering & manufacturing	15.9	16.1
Government / NGO / association office	9.9	9.7
Real estate / construction	8.0	8.7
Information technology & communication	7.9	7.6
Education institution	6.0	6.0
Café / restaurant	5.7	5.8
Amenities	1.2	-
Total	**100.0**	**100.0**

(v) Average Occupancy Rates and Average Rental Rates of Hampshire Place Office

The table below sets out the Average Occupancy Rates and the average gross rental income of Hampshire Place Office.

Period	Average Occupancy Rate	Average gross rental income
	(%)	(RM per sq ft)
FYE 2018	87.1	5.36
FYE 2019	67.5	5.48
FYE 2020	63.4	5.51

For the FYE 2019, there was a decrease of 19.6 percentage points as compared to FYE 2018 mainly as a result of a major tenant who occupied approximately 24,400 sq ft having vacated the premises.

For the FYE 2020, there was a decrease of 4.1 percentage points as compared to FYE 2019 mainly due to a tenant downsizing by approximately 3,800 sq ft, while another tenant occupying approximately 2,100 sq ft had discontinued its tenancy. A new tenant occupying approximately 3,100 sq ft had commenced its tenancy.

In order to retain existing tenants, the Vendor will engage with existing tenants on possible expansion and to engage potential tenants to occupy such vacant areas.

(vi) Tenancy Expiry Profile of Hampshire Place Office

The table below illustrates Hampshire Place Office's expired tenancies and renewal rates of expired tenancies for the past three (3) FYEs.

Period	Number of tenancies expired	NLA of expired tenancies	Renewal rates by number of expired tenancies	Renewal rates by NLA of expired tenancies
		(sq ft)	(%)	(%)
FYE 2018	17	94,198	58.8	64.3
FYE 2019	14	86,329	71.4	61.5
FYE 2020	8	49,795	62.5	76.4

Of the 8 tenancies expiring in FYE 2020, representing 49,795 sq ft, five (5) tenancies have been renewed, representing 38,019 sq ft and a renewal rate of 76.4%.

The table below illustrates the tenancy expiry profile of Hampshire Place Office as at 31 December 2020.

Period	Number of tenancies expiring	Percentage of Occupied NLA expiring	Percentage of gross rental income expiring
		(%)	(%)
FYE 2021	9	36.1	35.3
FYE 2022	7	38.4	40.0
FYE 2023	5	24.2	24.7
FYE 2024 and thereafter	-	-	-
Total	**21**	**98.7(1)**	**100.0**

Note:

(1) The remaining 1.3% Occupied NLA is due to such area being self-occupied and thus, does not form part of the tenancies expiring.

In addressing the tenancies expiring in 2021, 2022, 2023, 2024 and thereafter, the Vendor will negotiate with the respective tenants to secure longer term and/or renewal of tenancies. Additionally, the Vendor aims to balance the concentration risk by adjusting the term of tenancies, to ensure that the commencement and expiry of tenancies are well spread out throughout the year. The Vendor is also tracking all tenancy renewals closely and endeavours to commence renewal discussions with tenants several months prior to the expiry of any tenancy.

2.9 TENANCY/LEASE MANAGEMENT

The tenancy agreements for the Subject Properties include terms and conditions relating to the rental rate, term of tenancy, provision of security deposit as well as renewal and termination of tenancy. These terms and conditions are varied and negotiated on a case-by-case basis to accommodate the specific needs of tenants and the landlord.

Tenants are required to provide a security deposit of typically three (3) months of monthly rental as security for due observance and performance by tenants of their tenancy agreements. Unless otherwise agreed by the landlord, all tenants are also required to provide utilities and fit-out deposits. Security deposits are held on an unsecured basis and do not bear interest on the tenant's behalf. Rent and other tenancy-related charges are payable on a monthly basis.

The tenancy agreements entered into are generally for two (2)-year or three (3)-year terms. The landlord may grant the tenant an option to renew the tenancy agreement upon expiry of the term. The tenant's right to exercise the option to renew is typically subject, among others, to the following:

(i) the tenant shall make a written request to the landlord of its intention to renew the tenancy agreement no later than four (4) or six (6) calendar months before the expiration of the term of the tenancy;

(ii) there shall not be any breaches or non-observance of the tenancy agreement;

(iii) the tenant shall make payment of the increased security deposit, utilities deposit or any other deposits or charges, if applicable; and

(iv) execute a new or supplementary tenancy agreement between the landlord and the tenant based on terms and conditions to be agreed by the parties.

In the event the tenant terminates the tenancy agreements prior to the expiry dates, the landlord may re-enter the demised premises and forfeit the deposits paid by the tenant, and the tenant is required to pay to the landlord liquidated and ascertained damages equivalent to the remainder of the monthly rent for the whole of the unexpired period of the term in addition to other damages and arrears that may be applicable for the breaches under the tenancy agreement.

2.10 INSURANCE

The Subject Properties are currently insured under property and liability insurance policies, with coverage features and insured limits that are in line with industry practice in Malaysia. The coverage of these insurances policies includes property loss or damage caused by fire and special perils, consequential losses from fire and special perils, machine and equipment, all risks, plate glass, burglary, employer's liability and public liability. There are no significant or unusual excess or deductible amounts required under these policies.

There are, however, certain risks that are not covered by such insurance policies, pursuant to typical exclusions such as war, acts of terrorism (save for Menara Tan & Tan which has a terrorism insurance policy in place) and radioactive or nuclear risks.

The insurance policies will be endorsed in favour of the Trustee effective from the Completion Date of the SPAs.

2.11 FIRE PROTECTION

The fire protection system for each of the Subject Properties is manned on a 24-hour basis at a fire command centre with the central monitoring system linked to the Malaysia Fire and Rescue Department *(Jabatan Bomba dan Penyelamat Malaysia)*. The Subject Properties have qualified fire safety personnel, who form part of an emergency response team and who ensure that all fire protection systems and equipment are in working order. Each of the Subject Properties is also equipped with a fire protection system which includes a fire detection system, fire suppression system and smoke management system. All the Subject Properties also have fire sprinkler systems with water tanks and wet riser. Each of the Subject Properties has maintenance contracts for the fire protection systems.

2.12 COMMERCIAL PROPERTY COMPETITION

Please refer to Appendix B "Independent Property Market Report" of this Prospectus for further details.

2.13 CAPITAL EXPENDITURE

There is a continuous upgrading, renovating and refurbishment programme in respect of the Subject Properties, where appropriate and feasible, from time to time, to ensure that the Subject Properties remain competitive in terms of attracting and/or retaining new tenants. Some of the examples under these would include common areas, car park, washrooms and lobby area upgrading, external façade upgrading, lifts upgrading as well as entrance and exit upgrading.

2.14 LEGAL PROCEEDINGS

As at the Latest Practicable Date, none of the Subject Properties nor the Manager is currently involved in any material litigation nor, to the best of the Manager's knowledge, is any material litigation currently contemplated or threatened in relation to the Subject Properties or the Manager.

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3.1 INTRODUCTION

The SC granted its approval for the Offering on 30 March 2021. The approval of the SC shall not be taken to indicate that the SC recommends the Offering. **Investors should rely on their own evaluation to assess the merits and risks of the Offering and their investment in IGB Commercial REIT and are advised to read and understand the contents of this Prospectus. In considering the investment, if investors are in any doubt as to the action to be taken, they should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers accordingly. For information concerning risk factors which should be considered by prospective investors, see Section 5 "Risk Factors" commencing on page 186.**

Bursa Securities' approval was obtained on 7 May 2021 for the admission of all the 2,307.3 million Units to be issued to the Official List of the Main Market and for the listing of and quotation for all the said Units as well as the 200.0 million Units to be issued as payment of the Management Fees on a staggered basis. The 2,307.3 million Units will be admitted to the Official List of the Main Market and official quotation will commence after receipt of confirmation from Bursa Depository that the 2,307.3 million Units have been credited into the respective CDS Accounts of the Vendors and/or their nominees (pursuant to the Acquisitions) and the successful applicants and the notices of allotment of the Units have been despatched to the said parties. Admission to the Official List of the Main Market shall not be taken as an indication of the merits of IGB Commercial REIT, the Units, or the Offering.

Pursuant to Section 14(1) of the Central Depositories Act, Bursa Securities will prescribe the Units as a prescribed security. Consequently, the Units will be deposited directly with Bursa Depository. Any dealings in the Units will be carried out in accordance with the Deed, the Central Depositories Act and the Rules of Bursa Depository. Unit certificates will not be issued to successful applicants.

Pursuant to the Listing Requirements, at least 25.0% of the total number of Units in issue must be held by a minimum of 1,000 public Unitholders holding not less than 100 Units each upon completion of the Offering and at the point of Listing or such other minimum public spread as may be approved by Bursa Securities. The Manager expects to achieve the Public Spread Requirement at the point of Listing.

In the event IGB Commercial REIT does not achieve the Public Spread Requirement pursuant to the Offering, IGB Commercial REIT may not be allowed to proceed with the Listing. In this event, monies paid in respect of all applications will be returned in full without interest.

3.2 PURPOSE OF THE OFFERING

The purpose of the Offering is as follows:

(i) to provide the shareholders of IGB an opportunity to participate in IGB Commercial REIT directly through subscription of their entitlements as well as an opportunity to benefit from the potential future upside and envisaged growth of IGB Commercial REIT;

(ii) to obtain the listing of and quotation for the Units on the Main Market to enhance liquidity as compared to the illiquid nature of the underlying Subject Properties;

(iii) to gain access to capital markets in order to raise funds for future real estate acquisitions; and

(iv) to provide investors an opportunity to invest in a REIT which provides stable distribution of income and potential capital appreciation on investment in the Units.

3.3 DETAILS OF THE OFFERING

The minimum and maximum number of Units to be offered and distributed under the Offering are illustrated based on IGB's outstanding securities as at 23 April 2021:

(i) 888,574,174 IGB Shares;

(ii) 56,425,959 redeemable convertible cumulative preference shares in IGB ("**RCCPS**") issued on 2 March 2018 and maturing on 2 March 2025 ("**RCCPS 2018/2025**"); and

(iii) 6,987,117 IGB Shares repurchased by IGB and retained as treasury shares ("**Treasury Shares**").

Minimum Scenario : Based on the number of issued IGB Shares of 888,547,174, assuming no conversion of the outstanding 56,425,959 RCCPS 2018/2025 and no share buy back, distribution, cancellation or resale of Treasury Shares.

Maximum Scenario : Based on the number of issued IGB Shares of 888,547,174, assuming full conversion of the outstanding 56,425,959 RCCPS 2018/2025 and distribution or resale of all 6,987,117 Treasury Shares.

The Offering comprising the following:

(i) restricted offering of up to 945,000,132 Units, representing approximately 41.0% of the total Units to be issued upon Listing; and

(ii) institutional offering of at least 282,000,000 Units, representing approximately 12.2% of the total Units to be issued upon Listing.

The Offer Units are offered under the Restricted Offering and the Institutional Offering in the manner set out below.

3.3.1 Restricted Offering

The Restricted Offering involves the offering of up to 945,000,132 Units in the following manner:

(i) Restricted Offer for Sale (ROFS)

IGB shall offer for sale up to 378,000,053 ROFS Units to the Entitled Shareholders on the basis of two (2) ROFS Units for every five (5) IGB Shares held on the Entitlement Date, at RM1.00 per ROFS Unit; and

(ii) Distribution-in-Specie (DIS)

IGB shall distribute up to 567,000,079 DIS Units only to the Entitled Shareholders who have subscribed for their entitlements to the ROFS Units on the basis of three (3) DIS Units for every two (2) ROFS Units subscribed.

The ROFS is non-renounceable and non-tradeable. Entitled Shareholders may fully or partially subscribe for their entitlement to the ROFS Units and will be entitled to receive the corresponding DIS Units. The Restricted Offering will not be underwritten.

The minimum and maximum number of Units to be offered and distributed under the Restricted Offering are illustrated as follows:

	Minimum Scenario(1)	**Maximum Scenario(1)**
	No. of Units	**No. of Units**
No. of ROFS Units to be offered under the ROFS	352,634,822	378,000,053
No. of corresponding DIS Units to be distributed under the DIS	528,952,233	567,000,079
Total no. of Units under the Restricted Offering	**881,587,055**	**945,000,132**

Note:

(1) Please refer to Section 3.3 "Details of the Offering" of this Prospectus for the definitions on Minimum Scenario and Maximum Scenario.

In determining the Entitled Shareholders' entitlement to the ROFS Units, any fractional entitlements to ROFS Units and the corresponding DIS Units, if any, shall be disregarded and the aggregate of such will be dealt with in such manner and on terms as the Manager and board of directors of IGB may in its absolute discretion deem fit, necessary and/or expedient, fair and equitable and in the best interests of IGB Commercial REIT (including without limitation to disregard such fractional entitlements).

Under the ROFS, the Entitled Shareholders have the following options:

Option 1 : **Full subscription**

If the Entitled Shareholders elect this option, the Entitled Shareholders will receive their fully subscribed ROFS Units together with the corresponding DIS Units after successful payment.

Option 2 : **Partial subscription**

If the Entitled Shareholders elect this option (Partial Subscribers), the Partial Subscribers will receive their partially subscribed ROFS Units together with the corresponding DIS Units after successful payment. Any unsubscribed ROFS Units and the corresponding DIS Units will be made available for subscription by institutional investors and selected investors under the Institutional Offering.

Option 3 : **Non-subscription**

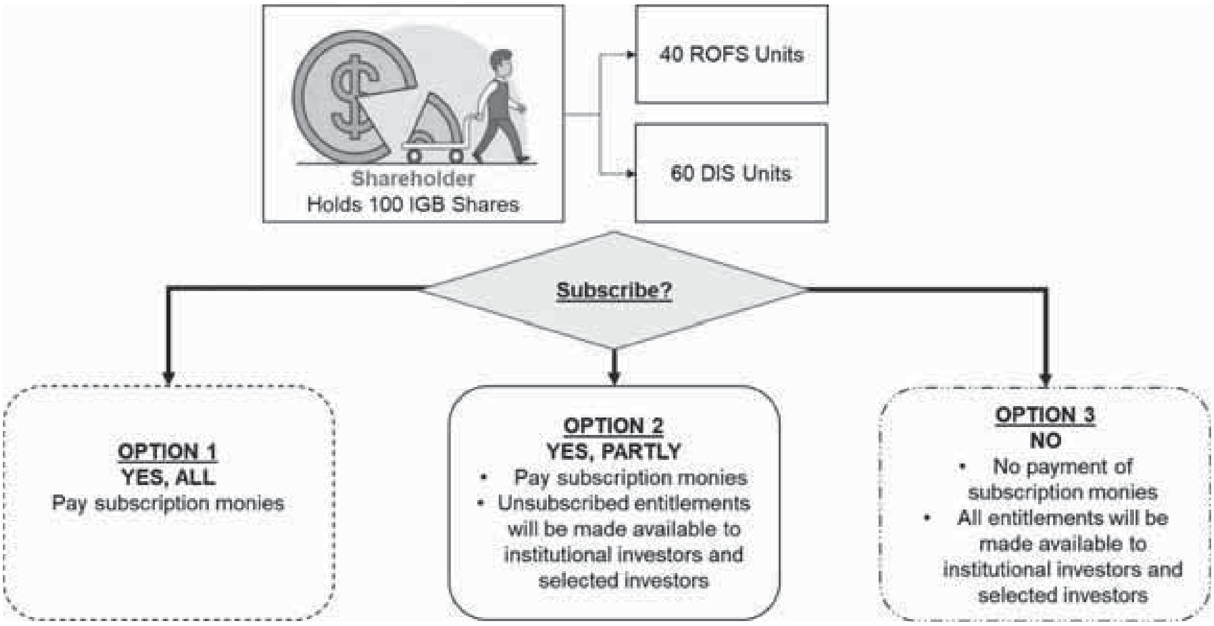
If the Entitled Shareholders elect this option (Non-Subscribers), the Non-Subscribers' unsubscribed ROFS Units and the corresponding DIS Units will be made available for subscription by institutional investors and selected investors under the Institutional Offering.

For the avoidance of doubt, the Partial Subscribers (in relation to their portion of the unsubscribed ROFS Units) and Non-Subscribers will not be entitled to the corresponding DIS Units for the unsubscribed ROFS Units. However, these Partial Subscribers and Non-Subscribers will receive the cash raised under the Institutional Offering after netting off the cash due to IGB (which is, the number of unsubscribed ROFS Units multiplied by the ROFS Price) and Costs[1].

The formula for calculating the cash due to a Partial Subscriber (in relation to his portion of the unsubscribed ROFS Units and the corresponding DIS Units) or Non-Subscriber is as follows:

$$\textbf{Cash due to Partial Subscriber or Non-Subscriber} = \left(\begin{array}{c} \text{(No. of unsubscribed ROFS Units +} \\ \text{No. of corresponding DIS Units)} \end{array} \times \text{Institutional Price[2]} \right) - \left(\begin{array}{c} \text{No. of unsubscribed} \\ \text{ROFS Units} \end{array} \times \text{RM1.00} \right) - \text{Costs[1]}$$

The Entitled Shareholders can elect to either fully subscribe, partially subscribe or not to subscribe for their entitlements under the ROFS, illustrated as follows:



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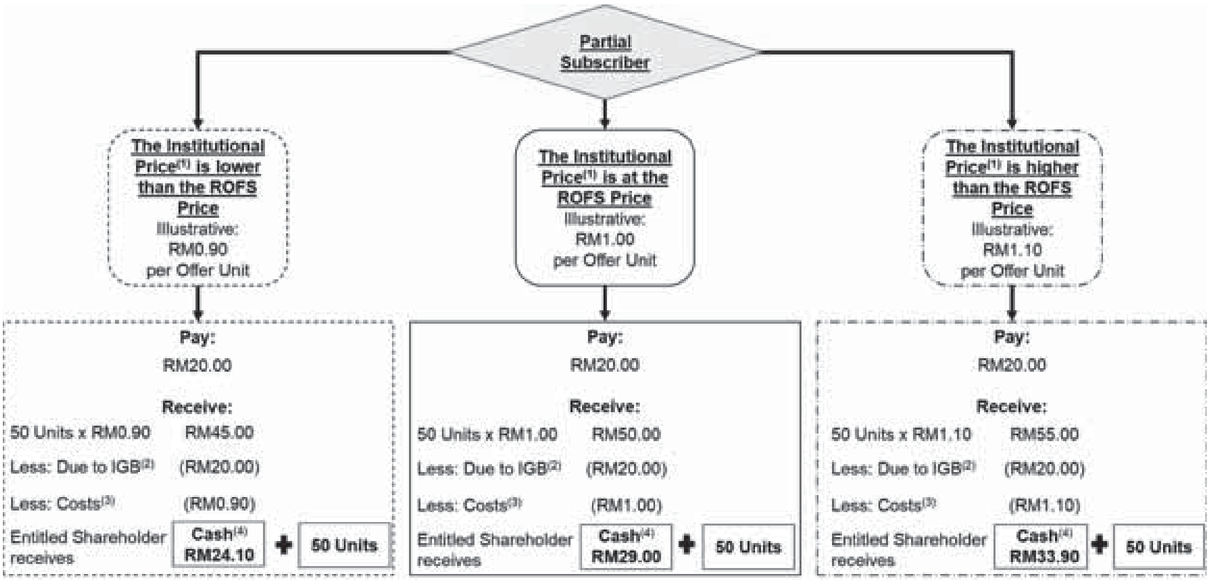
1 Comprising the cash due to IGB (which is, the unsubscribed ROFS Units multiplied by the ROFS Price) and all transactional costs, stamp duties, placement and/or bookbuilding fees and other costs, fees and/or duties payable, where applicable in conjunction with the Institutional Offering.

2 To be determined pursuant to a bookbuilding exercise.

An illustration of cash due to a **Partial Subscriber** is as follows:

Assumptions:

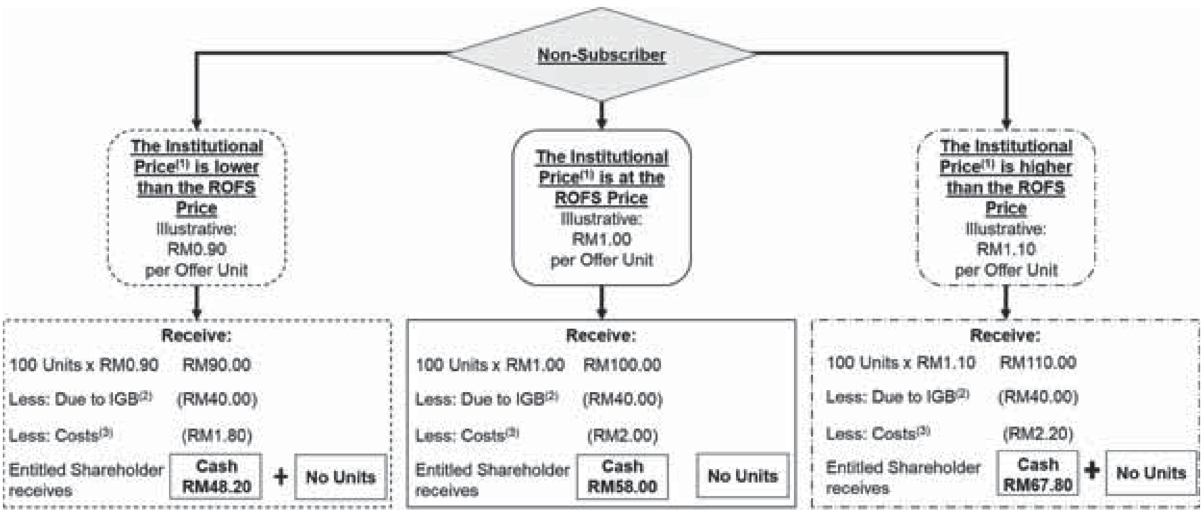
Entitled Shareholder's shareholding	:	100 IGB Shares
No. of ROFS Units entitled	:	40 ROFS Units
No. of DIS Units entitled	:	60 DIS Units
No. of ROFS Units subscribed	:	20 ROFS Units
No. of DIS Units entitled	:	30 DIS Units



An illustration of cash due to a **Non-Subscriber** is as follows:

Assumptions:

Entitled Shareholder's shareholding	:	100 IGB Shares
No. of ROFS Units entitled	:	40 ROFS Units
No. of DIS Units entitled	:	60 DIS Units
No. of ROFS Units subscribed	:	-
No. of DIS Units entitled	:	-



Notes:

(1) To be determined pursuant to a bookbuilding exercise.
(2) Based on the ROFS Price multiplied by the number of ROFS Units.
(3) Based on an assumed Cost of 2.0% on the Institutional Price.
(4) Only in relation to unsubscribed ROFS Units and the corresponding DIS Units.

3.3.2 Institutional Offering

The Institutional Offering involves the offering of at least 282,000,000 Units to the institutional investors and selected investors, at the Institutional Price payable in full upon allocation and determined by way of bookbuilding on the Price Determination Date.

The Institutional Offering comprises the following:

(i) offer for sale of 282,000,000 Units by the Selling Shareholders to ensure that the Public Spread Requirement is met at Listing; and

(ii) offer for sale of all unsubscribed ROFS Units together with the corresponding DIS Units.

In summary, the total Units pursuant to the Offering will be allocated in the following manner:

Categories	Minimum Scenario No. of Units	Maximum Scenario No. of Units
ROFS	352,634,822	378,000,053
DIS	528,952,233	567,000,079
Restricted Offering	**881,587,055**	**945,000,132**
Institutional Offering(1)	**282,000,000**	**282,000,000**

Note:

(1) Assuming full subscription by the Entitled Shareholders (save for the Selling Shareholders pursuant to their irrevocable undertakings provided by the Selling Shareholders to offer for sale 282,000,000 Offer Units at the Institutional Price to the institutional investors and selected investors ("**Undertakings**")) of their entitlements under the ROFS. If the Entitled Shareholders (save for the Selling Shareholders pursuant to their Undertakings) do not subscribe for their entitlements to the ROFS Units, such unsubscribed ROFS Units and corresponding DIS Units shall be made available for subscription under the Institutional Offering and such number of Units shall increase.

The cash raised from the Institutional Offering will accrue to IGB, the Selling Shareholders and the Non-Subscribers. The Costs would be borne by the Selling Shareholders, Partial Subscribers and the Non-Subscribers respectively.

3.3.3 Clawback and Reallocation

The Restricted Offering shall be subject to the clawback and reallocation provisions. All unsubscribed ROFS Units together with the corresponding DIS Units will be allocated to the Institutional Offering.

3.3.4 Minimum Subscription

There is no minimum subscription in terms of the cash to be raised from the Offering. However, the minimum subscription in terms of the number of Units to be subscribed will be such number of Units required to be held by public unitholders for IGB Commercial REIT to achieve the Public Spread Requirement at the point of Listing.

If the Offering is not completed and/or the Manager decides in its absolute discretion not to proceed with the Listing, monies paid in respect of any application for the Offer Units will be returned to the applicants without interest. For the risk on failure in Listing, please refer to Section 5.3.13 "Failure in the Listing will result in refund monies without interest" of this Prospectus.

3.4 TOTAL UNITS TO BE ISSUED

The details of the Units to be issued are as follows:

	Minimum Scenario(1)		**Maximum Scenario**(1)	
	No. of Units ('000)	**(%)**	**No. of Units ('000)**	**(%)**
Consideration Units to be issued to the Vendors and/or its nominees(2) as part payment for the Acquisitions	2,307,300	100.00	2,307,300	100.00
Total issued Units upon Listing (3)(4)	**2,307,300**	**100.00**	**2,307,300**	**100.00**
ROFS	352,635	(5)15.28	378,000	(5)16.38
DIS	528,952	(5)22.93	567,000	(5)24.57

Notes:

(1) Please refer to Section 3.3 "Details of the Offering" of this Prospectus for the definitions of Minimum Scenario and Maximum Scenario.

(2) In order to facilitate the Offering, the respective Vendors may nominate IGB and the respective shareholders of TT Realty, GTower SB and Hampshire Properties and/or their respective nominee(s) to receive the Consideration Units.

(3) Includes ROFS Units and DIS Units.

(4) The ROFS and the DIS would not have an effect on the total Units to be issued by IGB Commercial REIT as the Consideration Units are already in existence prior to the Listing.

(5) Based on the total issued Units of 2,307.3 million.

There is only one (1) class of units in IGB Commercial REIT. The Units to be issued, provided that full application monies are paid in full, will rank equally in all respects with each other and will be entitled to all distributions that may be declared subsequent to the Listing, subject to any applicable Rules of Bursa Depository.

3.5 INDICATIVE TIMETABLE

An indicative timetable for the Offering is set out below:

Date and time		Event
20 May 2021	:	Announcement of Entitlement Date
4 June 2021	:	Entitlement Date
10 June 2021, 10.00 a.m.	:	Opening of the Restricted Offering
6 July 2021, 5.00 p.m.	:	Closing of the Restricted Offering
13 July 2021	:	Opening of the Institutional Offering
14 July 2021	:	Closing of the Institutional Offering
14 July 2021	:	Price Determination Date
29 July 2021	:	Allotment/Transfer of Offer Units to successful applicants
30 July 2021	:	Listing of IGB Commercial REIT on the Main Market of Bursa Securities

The above timetable is indicative only and is subject to change. If there is any change to this timetable, the Manager and IGB will advertise the notice of such change in a widely circulated Bahasa Malaysia daily newspaper and English daily newspaper within Malaysia.

3.6 UNITHOLDERS OF IGB COMMERCIAL REIT AND THEIR UNITHOLDINGS

The total number of Units in issue immediately after completion of the Offering will be 2,307.3 million Units.

The following table sets out the Unitholders of IGB Commercial REIT and their unitholdings immediately upon completion of the Acquisitions and the Offering:

Minimum Scenario[(1)]

Unitholders	After the Proposed Acquisitions		After the Proposed Restricted Offering		After the Proposed Institutional Offering	
	No. of Units (million)	**%**	**No. of Units (million)**	**%**	**No. of Units (million)**	**%**
IGB	2,098.2	90.9	1,216.6	52.7	1,216.6	52.7
Entitled Shareholders of the Sponsor:						
- Related parties[(2)]	141.0	6.1	760.8	33.0	478.8	20.8
- Non-related parties[(3)]	-	-	261.8	11.3	261.8	11.3
Other minority shareholders of TT Realty and GTower SB[(4)], and other shareholder of Hampshire Properties	68.1	3.0	68.1	3.0	68.1	3.0
Institutional investors and selected investors	-	-	-	-	[(5)]282.0	12.2
	2,307.3	**100.0**	**2,307.3**	**100.0**	**2,307.3**	**100.0**

Notes:

(1) Please refer to Section 3.3 "Details of the Offering" of this Prospectus for the definition of Minimum Scenario.

(2) Comprising the interested directors and/or substantial shareholders of IGB and/or the associates of such directors and substantial shareholders as well as the Units held by GTower SB, being the vendor of GTower, for the said interested directors and/or substantial shareholders of IGB and/or the associates of such directors and substantial shareholders.

(3) Excluding the interested directors and substantial shareholders of IGB as well as the associates of such directors and substantial shareholders.

(4) Including Units held by GTower SB, being the vendor of GTower, for the shareholders of GTower SB other than those who are interested directors and/or substantial shareholders of IGB and/or associates of such directors and substantial shareholders.

(5) Assuming full subscription by the Entitled Shareholders (save for the Selling Shareholders pursuant to their Undertakings) of their entitlements under the ROFS. If the Entitled Shareholders (save for the Selling Shareholders pursuant to their Undertakings) do not subscribe for their entitlements to the ROFS Units, such unsubscribed ROFS Units and corresponding DIS Units shall be made available for subscription under the Institutional Offering and such number of Units shall increase.

<u>Maximum Scenario</u>[1]

Unitholders	After the Proposed Acquisitions		After the Proposed Restricted Offering		After the Proposed Institutional Offering	
	No. of Units (million)	**%**	**No. of Units (million)**	**%**	**No. of Units (million)**	**%**
IGB	2,098.2	90.9	1,153.2	50.0	1,153.2	50.0
Entitled Shareholders of the Sponsor:						
- Related parties[2]	141.0	6.1	765.8	33.1	483.8	20.9
- Non-related parties[3]	-	-	320.2	13.9	320.2	13.9
Other minority shareholders of TT Realty and GTower SB[4], and other shareholder of Hampshire Properties	68.1	3.0	68.1	3.0	68.1	3.0
Institutional investors and selected investors	-	-	-	-	[5]282.0	12.2
	2,307.3	**100.0**	**2,307.3**	**100.0**	**2,307.3**	**100.0**

Notes:

(1) Please refer to Section 3.3 "Details of the Offering" of this Prospectus for the definition of Maximum Scenario.

(2) Comprising the interested directors and/or substantial shareholders of IGB and/or the associates of such directors and substantial shareholders as well as the Units held by GTower SB, being the vendor of GTower, for the said interested directors and/or substantial shareholders of IGB and/or the associates of such directors and substantial shareholders.

(3) Excluding the interested directors and substantial shareholders of IGB including the associates of such directors and substantial shareholders.

(4) Including Units held by GTower SB, being the vendor of GTower, for the shareholders of GTower SB other than those who are interested directors and/or substantial shareholders of IGB and/or associates of such directors and substantial shareholders.

(5) Assuming full subscription by the Entitled Shareholders (save for the Selling Shareholders pursuant to their Undertakings) of their entitlements under the ROFS. If the Entitled Shareholders (save for the Selling Shareholders pursuant to their Undertakings) do not subscribe for their entitlements to the ROFS Units, such unsubscribed ROFS Units and corresponding DIS Units shall be made available for subscription under the Institutional Offering and such number of Units shall increase.

3.7 BASIS OF DETERMINING THE ROFS PRICE AND THE INSTITUTIONAL PRICE

3.7.1 ROFS Price

The ROFS Price was determined and agreed upon by the Manager, the Offeror, the Principal Adviser and the Joint Bookrunners after taking into consideration the following factors:

(i) the issue price of RM1.00 per Consideration Unit by IGB Commercial REIT for the Subject Properties;

(ii) the financial history and condition of the Subject Properties;

(iii) the pro forma NAV per Unit upon Listing of approximately RM1.00;

(iv) the forecast distribution yields of IGB Commercial REIT;

(v) the future prospects of IGB Commercial REIT; and

(vi) the prevailing capital and property market conditions and sentiments.

Applicants should also note that the market price of the Units upon Listing is subject to any unexpected change in market forces and other uncertainties which may affect the price of the Units.

3.7.2 Institutional Price

The Institutional Price will be determined by way of bookbuilding wherein prospective investors will be invited to bid for portions of the Institutional Offering by specifying the number of Units that they would be prepared to acquire and the price that they would be prepared to pay for the subscription. Upon completion of the bookbuilding process, the Institutional Price will be fixed via agreement between the Sponsor, Manager and Joint Bookrunners on the Price Determination Date.

The final Institutional Price is expected to be announced within two (2) Market Days from the Price Determination Date via Bursa Listing Information Network.

3.7.3 Expected Market Capitalisation

Based on the ROFS Price and the listing of 2,307.3 million Units, the total market capitalisation of IGB Commercial REIT upon Listing is estimated to be approximately RM2,307.3 million.

3.8 LISTING SCHEME

In conjunction with, and as an integral part of the Listing, the Manager undertook the listing scheme, as follows:

3.8.1 Acquisitions

The Trustee on behalf of IGB Commercial REIT entered into the SPAs with the Vendors, among others, for the Acquisitions for a total purchase consideration of RM3,160.5 million:

Subject Properties	Appraised Value(1)	Purchase consideration	Mode of satisfaction: Consideration Units(2)	Mode of satisfaction: Cash Consideration(3)
	(RM'000)	(RM'000)	('000)	(RM'000)
Menara IGB & IGB Annexe	188,900	188,900	135,600	53,300
Centrepoint South	190,500	190,500	136,700	53,800
Centrepoint North	196,500	196,500	139,200	57,300
Boulevard Properties	78,000	78,000	58,900	19,100
Gardens South Tower	391,500	391,500	284,600	106,900
Gardens North Tower	382,100	382,100	286,900	95,200
Southpoint Properties	573,500	573,500	417,300	156,200
Menara Tan & Tan	239,100	239,100	174,500	64,600
GTower	739,800	739,800	542,100	197,700
Hamsphire Place Office	180,600	180,600	131,500	49,100
Total	**3,160,500**	**3,160,500**	**2,307,300**	**853,200**

Notes:

(1) The market value of the Subject Properties as appraised by the Independent Property Valuer as at 31 December 2020.

(2) The RM equivalent of the number of Consideration Units to be issued at the issue price of RM1.00 per Unit.

(3) Cash Consideration to be funded from the issuance of MTNs under the MTN Programme and Short Term Financing.

The total purchase consideration for the Acquisitions of RM3,160.5 million will be satisfied through:

(i) the issuance of 2,307.3 million Consideration Units at an issue price of RM1.00 per Consideration Unit, to be credited as fully paid-up; and

(ii) Cash Consideration of RM853.2 million, which will be funded through the issuance of MTNs under the MTN Programme and Short Term Financing.

IGB Commercial REIT will acquire the Subject Properties in accordance with the terms of the SPAs. As at the date of this Prospectus, the Acquisitions are still pending completion. For further details of the SPAs, please refer to Section 14.3 "Salient Terms of the SPAs" of this Prospectus.

Note that if any SPA is not completed in accordance with the terms therein contained; and the Trustee and each of the Vendor of the remaining SPAs do not exercise their option to proceed with the completion of the remaining SPAs, there will be no Acquisitions by IGB Commercial REIT. Consequently, the Listing will not proceed and IGB Commercial REIT will be unwound in accordance with the terms of the Deed. In the event Units have been allotted, the Unitholders who were allotted Units under the Offering will only receive their monies following the completion of the winding up of IGB Commercial REIT in accordance with the terms of the Deed.

3.9 REIT FINANCING

3.9.1 MTN Programme

IGB Commercial REIT Capital Sdn Bhd ("**ICRC**"), a special purpose vehicle which is wholly-owned by IGB Commercial REIT via the Trustee, intends to establish the MTN Programme with a perpetual tenure to raise debt funding from the capital market. The sole objective of ICRC is to raise financing for and on behalf of IGB Commercial REIT via issuance of MTNs pursuant to the MTN Programme. To facilitate the lodgement with the SC of the relevant documents and information relating to the establishment of the MTN Programme pursuant to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, ICRC was incorporated on 13 April 2021 with all its shareholdings held by the Trustee (on behalf of IGB Commercial REIT).

The MTN Programme shall entail multiple issuances of rated and/or unrated MTNs ("**Tranche(s)**"). The first Tranche of MTNs to be issued under the MTN Programme ("**First Tranche**") shall be rated by RAM Rating Services Berhad and the proceeds raised from the First Tranche would be on-lent to IGB Commercial REIT to finance its Acquisitions.

The MTNs to be issued under the First Tranche shall be as follows:

(i) Class A notes: RM700.0 million carrying a rating of RAM/AAA;

(ii) Class B notes: RM65.0 million carrying a rating of RAM/AA2; and

(iii) Class C notes: RM85.0 million carrying a rating of RAM/AA3.

The Manager may, from time to time, procure the issuance of further Tranches subsequent to the First Tranche pursuant to the MTN Programme (each a "**Subsequent Tranche**") for the purposes of, amongst others, financing IGB Commercial REIT's investment activities, refinancing any borrowings of IGB Commercial REIT and funding the working capital requirements of IGB Commercial REIT. Currently, the weighted average indicative rates assumed for similarly rated MTNs on an assumed tenure of up to 7 years is approximately 3.54% per annum.

The MTNs to be issued under the First Tranche are to be secured by:

(i) a third party charge under the provisions of the NLC over or a third party legal assignment of present and future rights, title, benefit and interest in and under, whichever applicable, the Subject Properties (save for Boulevard Properties) by the Trustee;

(ii) a third party legal assignment of the Trustee's present and future rights, titles, interest and benefits in and under the SPAs (save for the Boulevard Properties SPA) by the Trustee;

(iii) a third party legal assignment over all the Trustee's rights, titles, interest and benefits in and under the proceeds deriving from or in connection with (a) the tenancy/lease agreements in relation to the Subject Properties (save for Boulevard Properties) by the Trustee, and (b) the 216 parking bays located within stratum below Lingkaran Syed Putra/PJ Bangsar Bypass to be leased from Dewan Bandaraya Kuala Lumpur ("**DBKL**") (to the extent that the Vendor of Southpoint Properties or the Trustee, as the case may be, has entered into a lease agreement with DBKL for the lease of such parking bays from DBKL, and (in the case where the lease agreement is entered between DBKL and the relevant Vendor) the lease agreement is novated by the relevant Vendor to the Trustee , and the lease agreement is and remains subsisting);

(iv) a third party legal assignment of the Trustee's present and future rights, titles, interest and benefits in and under all insurance policies (inclusive of consequential loss policy, if any) required to be taken up by the Trustee for the Subject Properties (save for Boulevard Properties) and the proceeds thereof in relation to the Subject Properties (save for Boulevard Properties) and endorsement of the security trustee to the MTN Programme ("**Security Trustee**") as co-insured and/or loss payee of such applicable insurance policy;

(v) a third party first ranking legal assignment and charge by the Trustee over bank accounts of the Trustee to be identified;

(vi) a first party first ranking legal assignment and charge over a debt service reserve account in respect of the First Tranche by ICRC;

(vii) an irrevocable power of attorney to be granted by the Trustee in favour of the Security Trustee to manage and dispose the Subject Properties (save for Boulevard Properties) in accordance with the terms thereof;

(viii) a letter of undertaking from the Trustee and Manager to, *inter alia*:

(a) deposit all rental income (including deposits)/ applicable insurance claim proceeds/ cashflows generated from the Subject Properties (save for Boulevard Properties)/ other income of the Subject Properties (save for Boulevard Properties) into the revenue account of the First Tranche; and

(b) not permit for monies standing to the credit of the revenue account of the First Tranche to be utilised towards any distributions to the unitholders of IGB Commercial REIT if:

1. an event of default and/or a trigger event under the relevant Tranche has occurred and is continuing or will occur as a result of such distribution; or

2. the financial covenants in respect of the First Tranche are not met;

(ix) a first party legal assignment by ICRC of its present and future rights, titles, interest and benefits in and under the financing agreement to be entered into between ICRC and the Trustee for the advance of proceeds from the First Tranche from ICRC to IGB Commercial REIT vide the Trustee; and

(x) any other security arrangement as may be deemed necessary by the Lead Arranger and/or the Solicitors.

The security arrangement for MTNs to be issued under each Subsequent Tranche shall be determined prior to each relevant issue date ("**Specific Security**"). Any Tranche issued pursuant to the MTN Programme and/or any financing facility(ies) obtained by the Trustee on behalf of IGB Commercial REIT ("**Additional Financing**") may be secured by the same entire Specific Security (and not any part thereof) as any existing outstanding Tranche(s) without the prior written consent of the holders of the MTNs belonging to that relevant outstanding Tranche(s) provided that, *inter alia*, the security over such assets to secure the Subsequent Tranche and/or Additional Financing, as the case may be, will rank after the security over the same assets securing that existing outstanding Tranche(s) (to the extent that the MTNs issued under the existing Tranche have yet to be fully redeemed) in point of priority of payment and security. For the avoidance of doubt, the sharing of Specific Security in point of priority of payment and security over the relevant assets shall not, in any case, be shared on an equal basis.

The mode of issuance of the MTNs shall be by way of private placement, bought deal and/or book building (issued without a prospectus).

3.9.2 Short Term Financing

The Trustee, has on behalf of IGB Commercial REIT, as borrower, secured the Short Term Financing comprising a revolving credit facility of RM50.0 million and bank guarantee facility of RM10.0 million from a financial institution.

The revolving credit facility shall be used by IGB Commercial REIT to part finance up to RM3.2 million of the acquisition of Boulevard Properties pursuant to the Acquisitions as well as for working capital requirements for maintaining, administrating, and operating the properties of IGB Commercial REIT. The bank guarantee facility shall be used for issuance of supplier's credit / tender / performance / advance payment / security deposit guarantee, and guarantee in favour of Immigration Department, Customs and Excise Department, Tenaga Nasional Berhad and other public utilities providers or any other entities approved by the financial institution.

The revolving credit facility has an interest period of one (1), two (2), three (3) or six (6)-months at the option of the Trustee and carries an interest rate of Kuala Lumpur Interbank Offered Rate (KLIBOR) + 1.00% per annum and a commitment fee is payable in respect of any unutilised portion of the revolving credit facility at the rate of 0.25% per annum, calculated on a daily basis.

The bank guarantee to be issued under the bank guarantee facility shall have a tenure of up to 12 months, or such other period as may be acceptable by the financial institution on a case-to-case basis from the date of issuance and carries a commission of 0.85% per annum or such other rate or minimum amount as may be decided by HLBB.

The Short Term Financing will be secured against, amongst others, the following:

(i) a legal assignment over the Trustee's rights, title and interest to the Boulevard Properties and under the Boulevard Properties SPA.

    Upon the issuance of the individual/strata title to Boulevard Properties, a first party legal charge under the provisions of the NLC over the Boulevard Properties by the Trustee;

(ii) a power of attorney in favour of the financial institution over the Boulevard Properties by the Trustee, to manage and dispose the Boulevard Properties upon the occurrence of an event of default;

(iii) a first party assignment over the Trustee's rights and interest to the proceeds of the rental income under the tenancy agreement between the Trustee or Manager and the tenants of Boulevard Properties;

(iv) a first party assignment over the rights and interest to the proceeds of the insurance policy in respect of the Boulevard Properties;

(v) a first ranking legal assignment and charge by the Trustee over the bank account(s) of the Trustee to be identified; and

(vi) letter of undertaking from the Trustee and the Manager to:

(a) deposit all rental income (including deposits)/applicable insurance claim proceeds/cashflows generated from Boulevard Properties / other income of Boulevard Properties into the relevant account of the Trustee to be identified; and

(b) not permit for monies standing to the credit of the relevant account of the Trustee to be identified to be utilised towards any distributions to unitholders of IGB Commercial REIT if:

(1) an event of default has occurred and is continuing or will occur as a result of such distribution; or

(2) the financial covenants are not met;

(vii) Any other security arrangement as may be deemed necessary by the financial institution and/or its solicitors.

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3.10 USE OF PROCEEDS

As IGB Commercial REIT will not be issuing any new Units under the Offering, IGB Commercial REIT will not receive any cash from the Offering.

Estimated Listing expenses of approximately RM7.7 million to be incurred will be funded through internally generated funds of IGB Commercial REIT from the Subject Properties and/or the Short Term Financing obtained by IGB Commercial REIT. The expenses will be fully settled within one (1) month from the Listing. The breakdown of the estimated expenses in relation to the Listing is as follows:

Estimated Listing expenses	**(RM'000)**
Professional and advisory fees	4,500
Regulatory fees	450
Financing expenses	2,280
Printing, marketing and advertising	300
Other related expenses	200
Total	**7,730**

3.11 BROKERAGE, COMMISSIONS AND OTHER FEES AND CHARGES

3.11.1 Brokerage

The Joint Bookrunners are entitled to charge brokerage to successful applicants under the Institutional Offering. For the avoidance of doubt, the brokerage commission under the Institutional Offering will not be payable by IGB Commercial REIT.

3.11.2 Commissions

Pursuant to the Placement Agreement to be entered into by the relevant parties, the Selling Shareholders agree to pay the Joint Bookrunners for the Institutional Offering, in aggregate, a placement commission of up to 1.65% of the amount equal to the gross cash raised under the Institutional Offering, being the number of Units made available by the Selling Shareholders multiplied by the Institutional Price.

The Partial Subscribers (in relation to the unsubscribed ROFS Units and the corresponding DIS Units) or Non-Subscribers will pay the Joint Bookrunners a placement commission of up to 1.65% of the amount equal to the gross cash raised under the Institutional Offering, being the number of ROFS Units not subscribed by the Partial Subscribers or Non-Subscribers and the corresponding DIS Units multiplied by the Institutional Price.

3.11.3 Fees and Charges Payable Directly by Unitholders

The following is a summary of the amount of certain fees and charges payable by the Unitholders in connection with the purchase, sale and holding of their investments in IGB Commercial REIT or trading of the Units (so long as the Units are listed):

	Payable by the Unitholders directly	Amount payable
(a)	Bursa Securities clearing fee	0.03% of the transaction value, subject to a maximum of RM1,000.00 per transaction
(b)	Brokerage	A percentage of the transaction value prescribed by or negotiated with the ADAs, subject to a minimum of RM40.00 per transaction save for (i) online routed retail transactions, (ii) transactions executed in less than a board lot and (iii) transactions paid with cash upfront, for which the minimum brokerage fees are fully negotiable
(c)	Stamp duty	RM1.00 for every RM1,000.00 or fractional part of the transactional value, subject to a maximum of RM200.00 per transaction

The above rates may be subject to changes by the relevant parties. Further information on the charges Unitholders may incur from the trading of Units on Bursa Securities may be found on Bursa Malaysia Berhad's website at www.bursamalaysia.com.

3.12 TRADING ON THE MAIN MARKET AND SETTLEMENT IN THE SECONDARY MARKET

Upon listing and quotation on the Main Market, the Units will be traded on the Main Market and transferred by book-entry settlement through CDS, which will be effected in accordance with the Rules of Depository, as amended from time to time, and the provisions of the Central Depositories Act. Bursa Depository operates the CDS. Unitholders are required under the Rules of Depository to maintain CDS Accounts, either directly in their name or through authorised nominees. Persons whose names appear in the Record of Depositors maintained by Bursa Depository will be treated as Unitholders in respect of the number of Units credited to their respective securities accounts.

Transfer of Units under the book-entry settlement will be reflected by the seller's CDS Account being debited with the number of Units sold and the buyer's CDS Account being credited with the number of Units acquired. No transfer stamp duty is currently payable for the Units that are settled on a book-entry basis, although there is a nominal transfer fee of RM10.00 payable for each transfer not transacted on the market.

Dealings in units of REITs listed on the Main Market are normally transacted in "board lots" of 100 units. Investors who desire to deal in less than 100 units of a listed REIT may experience delays in effecting such transaction.

It is expected that the Units offered under the Offering will commence trading on the Main Market approximately 10 Market Days after the close of the Institutional Offering. Subscribers of the Units will not be able to sell or otherwise deal in the Units prior to the commencement of trading on the Main Market. Please refer to Section 5.3.13 "Failure in the Listing will result in refund monies without interest" of this Prospectus for further details.

4.1 UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The objective of the unaudited Pro Forma Consolidated Statements of Comprehensive Income of IGB Commercial REIT and its subsidiary ("**Group**") is to show what the results of operations might have been had the Group existed at an earlier date. However, the unaudited Pro Forma Consolidated Statements of Comprehensive Income of the Group are not necessarily indicative of the results of operation that would have been attained had the Group actually existed earlier.

The unaudited Pro Forma Consolidated Statements of Comprehensive Income of the Group for the FYE 2018, FYE 2019 and FYE 2020 have been prepared based on the Vendors' audited financial statements for the FYE 2018, FYE 2019 and FYE 2020 which are prepared in accordance with the MFRS and IFRS.

Certain numbers have been re-presented or reclassified in this pro forma to conform with the basis of presentation of the unaudited Pro Forma Consolidated Statements of Comprehensive Income of the Group and may not be consistent with the basis of presentation in the audited financial statements of the Vendors. The unaudited Pro Forma Consolidated Statements of Comprehensive Income have been prepared in accordance with MFRS and IFRS, and in a manner consistent with the format of the financial statements and the accounting policies to be adopted by the Group as set out in Section 4.4.4 "Significant Accounting Policies" of this Prospectus. There has been no audit qualification on the Vendors' audited financial statements for the FYE 2018, FYE 2019 and FYE 2020.

In arriving at the unaudited Pro Forma Consolidated Statements of Comprehensive Income for FYE 2018, FYE 2019 and FYE 2020, the following key adjustments and assumptions were made:

(i) Adjustment to reflect the adoption of MFRS 16 *Leases* in separating the lease and non-lease component of a contract;

(ii) Depreciation expense and support cost which are not applicable to IGB Commercial REIT have been excluded

(iii) The Management Fees and the Trustee's fee were computed based on the formula as set out in Section 4.4.5.5 "Components of Management Fees" and Section 4.4.5.6 "Trustee's fee" of this Prospectus;

(iv) Other trust expenses comprise annual audit fees, taxation fees, valuation fees, market research fees, public relations expenses and other expenses relating to preparation and distribution of reports to Unitholders, together with other miscellaneous expenses such as postage, printing and stationery;

(v) Finance costs comprise interest expense on the MTNs under the MTN Programme and Short Term Financing as described in Section 3.9 "REIT Financing" of this Prospectus as well as amortisation of transaction costs on borrowings capitalised. It is assumed that the MTNs carry an indicative weighted average interest rate of 3.54% per annum based on an assumed tenure of up to 7 years, while the revolving credit facility under the Short Term Financing carries an assumed floating interest rate of 3.06%;

(vi) No finance income has been assumed for the financial years presented;

(vii) The fair values of the Subject Properties for FYE 2018, FYE 2019 and FYE 2020 are based on the fair values of the Subject Properties as disclosed in the Vendors' audited financial statements for FYE 2018, FYE 2019 and FYE 2020 respectively, determined based on management's estimates or valuation performed by independent qualified valuers; and

(viii) No current tax liabilities throughout the financial years presented as it is assumed that at least 90.0% of the Group's total income (as defined in the Income Tax Act) would be distributed to Unitholders within two (2) months after the close of the financial year.

The pro forma financial information of the Group presented below should be read in conjunction with Section 4.4 "Management's Discussion and Analysis of Financial Condition and Results of Operations" of this Prospectus.

Unaudited Pro Forma Consolidated Statements of Comprehensive Income

	FYE 2018 (RM'000)	**FYE 2019 (RM'000)**	**FYE 2020 (RM'000)**
Gross rental income	136,579	130,087	125,240
Revenue from contracts with customers	67,305	70,054	68,855
Total Revenue	**203,884**	**200,141**	**194,095**
Assessment and quit rent	(12,135)	(14,019)	(14,206)
Utilities expenses	(18,472)	(24,351)	(19,093)
Maintenance expenses	(14,480)	(18,989)	(18,033)
Reimbursement costs and other property operating expenses	(15,781)	(12,798)	(10,215)
Property Operating Expenses	**(60,868)**	**(70,157)**	**(61,547)**
NPI	**143,016**	**129,984**	**132,548**
Changes in fair value on investment properties(1)	(445,148)	83,007	(24,556)
(Net investment loss) / Net investment income	**(302,132)**	**212,991**	**107,992**
Management Fees	(16,865)	(16,528)	(16,572)
Trustee's fee	(588)	(618)	(614)
Other trust expenses	(1,500)	(1,500)	(1,500)
Finance costs	(30,418)	(30,418)	(30,418)
(Loss before taxation) / Profit before taxation	**(351,503)**	**163,927**	**58,888**
Taxation	-	-	-
Total comprehensive (loss) / income attributable to unitholders	**(351,503)**	**163,927**	**58,888**
Non-cash items(2)	462,241	(66,251)	41,356
Distributable Income	**110,738**	**97,676**	**100,244**

Notes:

(1) Fair value of the investment property was determined based on Investment Method.

(2) Non-cash items comprise the Management Fees payable in Units, amortisation of capitalised finance costs and changes in fair value on investment properties.

4.2 PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at the date of its establishment, IGB Commercial REIT will not have any assets and liabilities. The following table presents the Pro Forma Consolidated Statement of Financial Position of the Group as at the date of establishment, prepared for illustrative purposes only, to show the effects of the Acquisitions based on the assumption that such events had been effected on the date of establishment of IGB Commercial REIT and are not represented as being necessarily indicative of IGB Commercial REIT's view of its future financial position.

The Pro Forma Consolidated Statement of Financial Position of the Group was prepared based on the Acquisition of the Subject Properties from the Vendors by the Trustee (on behalf of IGB Commercial REIT) for a total purchase consideration of approximately RM3,160.5 million to be satisfied by:

(a) the issuance of 2,307,300,000 Consideration Units to the Vendors at the issue price of RM1.00 per Unit; and

(b) Cash Consideration of approximately RM853.2 million raised through the issuance of MTNs under the MTN Programme and Short Term Financing,

as set out in Section 2.3 "Acquisitions by IGB Commercial REIT" of this Prospectus.

The fair value of the Consideration Units is estimated at RM2,307.3 million (based on the illustrative value of RM1.00 per Unit).

As part of the Acquisitions, IGB Commercial REIT will also assume certain liabilities being the tenant deposits payable and rental received in advance and the corresponding cash equivalents of these balances. For purposes of the Pro Forma Consolidated Statement of Financial Position of the Group, these amounts are illustrated based on the carrying amounts of the tenants' deposits payable and rental received in advance as at 31 December 2020.

The Pro Forma Consolidated Statement of Financial Position of the Group should be read in conjunction with the "Reporting Accountants' Letter on the Pro Forma Consolidated Statement of Financial Position" included in Appendix D of this Prospectus.

The Pro Forma Consolidated Statement of Financial Position of the Group has been prepared for illustrative purposes in the manner consistent with the format of the financial statements and the accounting policies to be adopted by the Group as set out in Section 4.4.4 "Significant Accounting Policies" of this Prospectus.

Pro Forma Consolidated Statement of Financial Position as at the date of establishment of the Group

	Unaudited (RM'000)
Non-current assets	
Investment properties	3,160,500
Current assets	
Cash and bank balances	74,220
TOTAL ASSETS	**3,234,720**
Financed by:	
Unitholders' fund	
Unitholders' capital[(1)]	2,301,850
Non-current liabilities	
Borrowings[(2)]	847,720
Current liabilities	
Borrowings	3,200
Other payables	81,950
	85,150
TOTAL UNITHOLDERS' FUNDS AND LIABILITIES	**3,234,720**
NAV (RM'000)[(3)]	2,301,850
No. of Units in issue ('000)	2,307,300
NAV per Unit (RM)[(4)]	1.00

Notes:

(1) Unitholders' funds of RM2,307.3 million, net of estimated expenses in relation to the issue of Units of RM5.45 million.

(2) The amount of the MTNs to be issued under the MTN Programme upon the date of establishment of IGB Commercial REIT, totalling RM850.0 million, net of estimated transaction costs of RM2.3 million, to part finance the Acquisitions. The interest expense on the MTNs are recognised as finance costs in the consolidated statements of comprehensive income in the period in which they are incurred.

(3) NAV represents the value of the Group's assets less all liabilities.

(4) NAV per unit is computed based on NAV divided by number of Units issued by IGB Commercial REIT.

4.3 CAPITALISATION AND INDEBTEDNESS

Assuming full subscription under the Offering and based on the ROFS Price of RM1.00 per ROFS Unit, the following table sets forth the pro forma capitalisation of the Group as at the Listing Date. The information in the table below should be read in conjunction with Section 3.10 "Use of Proceeds", Section 4.2 "Pro Forma Consolidated Statement of Financial Position" and the "Reporting Accountants' Letter on the Pro Forma Consolidated Statement of Financial Position" in Appendix D of this Prospectus and the related notes in this Prospectus.

As at the Listing Date	**(RM'000)**
MTN Programme(1)(2)	847,720
Short Term Financing(1)	3,200
Unitholders' Funds(3)	2,301,850
Total Capitalisation	**3,152,770**

Notes:

(1) All of the Group's indebtedness are secured and not guaranteed by any third party.

(2) The amount of the MTNs to be issued under the MTN Programme as at the Listing Date of RM850.0 million, net of estimated transaction costs of approximately RM2.3 million.

(3) Unitholders' funds net of the estimated expenses for the issue of the Units of RM5.45 million.

Please refer to Section 3.9 "REIT Financing" of this Prospectus for further details on the MTN Programme and Short Term Financing.

Based on the Pro Forma Consolidated Statement of Financial Position, the Group is expected to have an initial indebtedness of approximately RM850.9 million (net of estimated transaction costs of approximately RM2.3 million) representing approximately 26.3% of its estimated Total Asset Value of RM3,234.7 million.

4.4 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

4.4.1 General Background

IGB Commercial REIT is a REIT established in Malaysia and constituted by the Deed. As IGB Commercial REIT is a newly established REIT, it has no historical operating results and financial information based on which recipients of this Prospectus and prospective investors in the Units may evaluate IGB Commercial REIT save for those of the Subject Properties to be acquired.

IGB Commercial REIT was established with the principal investment policy of investing, directly and indirectly, in a diversified portfolio of income producing Real Estate used primarily for commercial purposes in Malaysia and overseas, as well as Real Estate Assets. Upon Listing, IGB Commercial REIT will own a portfolio of 10 Subject Properties, all located within the prime commercial areas in Kuala Lumpur.

The key objective of IGB Commercial REIT is to provide Unitholders with regular and stable distributions, sustainable long-term Unit price, and Distributable Income and capital growth, while maintaining an appropriate capital structure.

The Manager intends to achieve the investment objectives of IGB Commercial REIT through the following key investment strategies:

(i) Proactive asset management and asset enhancement strategy;

(ii) Potential yield accretive investments and acquisition growth strategy; and

(iii) Prudent capital and risk management strategy.

Please refer to Section 1.3 "Investment Strategies" of this Prospectus for further details.

4.4.2 Presentation of Financial Information

IGB Commercial REIT is a newly established REIT, and except for the Subject Properties to be acquired, IGB Commercial REIT has not had any portfolio of real estate since its establishment. No historical financial information has been prepared since IGB Commercial REIT's establishment. The Manager's intention is for IGB Commercial REIT's first audited financial period to be the period commencing on the date of establishment of IGB Commercial REIT and ending on 31 December 2021. In order to assist investors' evaluation of the factors which may affect the Group's future financial results, the Manager has prepared a profit forecast together with the related assumptions and information contained in Section 4.5.3 "Bases and Assumptions" of this Prospectus below which should be read together with the "Reporting Accountants' Letter on the Profit Forecast" in Appendix E.

4.4.3 Factors Affecting the Group's Financial Condition and Results of Operations

The performance of Group's portfolio is primarily dependent on the revenue generated from the tenancies of the Subject Properties as well as the operating expenses related to the Subject Properties. Significant factors affecting gross rental income include rental rates that the Subject Properties may command and the Occupancy Rates.

Rental rates

Rental rates for tenancies at the Subject Properties are mainly affected by the following:

(i) size of lots within the Subject Properties;

(ii) location of lots within the Subject Properties;

(iii) profile of tenants (which include tenant mix);

(iv) existing Occupancy Rate of the respective Subject Properties;

(v) tenure of tenancy;

(vi) credit profile of tenants;

(vii) competing commercial properties within the locality;

(viii) the age and upkeep of the Subject Properties; and

(ix) general macroeconomic and supply/demand trends affecting the real estate market, particularly the commercial real estate market in Malaysia.

Occupancy Rates

Occupancy Rates of the Subject Properties will depend on:

(i) supply/demand trends affecting the commercial real estate market:

(ii) potential vacancy periods arising from tenancy expiries and/or early terminations; and

(iii) rental rates of other competing properties within the locality.

Property Operating Expenses

Property Operating Expenses are not affected to the same degree as the Group's Total Revenue by general economic trends affecting the real estate market in Malaysia, as a substantial part of its Property Operating Expenses are fixed in nature. As a result, to the extent that the Group's Total Revenue is negatively affected by the abovementioned factors, its results of operations will be similarly negatively affected because it would not be easy to reduce the Group's costs without compromising the quality of environment and conditions of the Subject Properties.

Property Operating Expenses may be affected by a number of factors including, primarily:

(i) the age, upkeep and upgrading of the Subject Properties;

(ii) any maintenance and charges levied and supply conditions of service providers;

(iii) inflation and utilities tariff;

(iv) changes in quit rent and assessment levied by the local government and/or the State Authority where the Subject Properties are located;

(v) premium hike on insurance coverage procured over the Subject Properties; and

(vi) employment conditions (which may affect labour costs of the Property Manager, which are reimbursed by the Group).

Please refer to Section 4.4.5.3 "Components of Property Operating Expenses" of this Prospectus.

Finance costs

Finance costs consist of interest expense incurred on borrowings and amortisation of transaction costs on borrowings capitalised. Finance costs will depend on interest rates of borrowings incurred by the Group. Please refer to section "Borrowings and finance costs" under Section 4.4.4 "Significant Accounting Policies" of this Prospectus below for further details.

Fair value of the subject properties

Independent professional valuation will be obtained at least once every financial year in accordance with the REIT Guidelines or such other shorter interval as the Manager deems necessary and these valuations will be conducted on the bases and methods which are in accordance with the Asset Valuation Guidelines. Any increase or decrease in valuation will be credited or charged directly to the Group's consolidated statement of comprehensive income as a fair value gain or loss on investment properties. The revaluation of the Subject Properties may therefore in the future result in significant fluctuations in the financial performance of the Group.

Property values are affected by, among other factors, supply of and demand for comparable properties, any asset enhancement initiatives undertaken, interest rates and inflation.

General economic and property market conditions

In general, the Group's business and financial condition may be affected by broader economic conditions of Malaysia and conditions of the Malaysian real estate sector.

Financial impact of COVID-19 pandemic

The COVID-19 pandemic had resulted in the dormancy of non-essential businesses for approximately 2.5 months from March 2020. This had resulted in the permanent closure of many businesses or the scaling down of business operations in response to the decline in business activities.

For the FYE 2020, approximately 150 tenants in the Subject Properties, whose businesses were affected potentially by the MCO consequential to the COVID-19 pandemic, were granted rental reliefs of approximately RM4.4 million. Such rental reliefs are granted upon request by the tenants and are assessed on a case-to-case basis after taking into consideration such tenants' trade sector and relationship with the respective Vendors.

The COVID-19 pandemic has also resulted in companies being increasingly sensitive towards business costs. Some businesses will be reassessing their business plans including office expansion and relocation, and the office market is likely to remain soft in the short term. As such, the rental reversion of the Subject Properties may be negatively impacted in the short term.

Nonetheless, the MVC Subject Properties have maintained its average rental reversion for the tenancies renewed during FYE 2020. However, due to the impending supply of office space, the Golden Triangle Subject Properties recorded a slight decrease in average rental reversion for tenancies renewed during FYE 2020.

For the FYE 2020, 153 tenancies in the Subject Properties for an occupied NLA of 1,080,421 sq ft expired during the year, of which approximately 64.7% of the NLA was renewed. Rental reliefs amounting to RM4.4 million have been granted for FYE 2020. With the incentives granted by the Government of Malaysia and the introduction of the COVID-19 vaccines, businesses are expected to recover.

Furthermore, the Vendors have implemented new COVID-19 safety and health instructions and procedures, and social distancing guidelines imposed by the government of Malaysia, relevant authorities and local councils governing the jurisdiction of the Subject Properties. The implementation of the measures as set out in Section 2.2(i) "Impact to the operations of the Subject Properties" of this Prospectus had resulted in additional operating costs of the Subject Properties of approximately RM260,000 as at 31 December 2020.

The full impact of the COVID-19 pandemic on the Group's financial conditions and results of operations will depend on a number of factors beyond the Group's control and which may not be ascertainable, such as the duration of the COVID-19 pandemic and the MCO, as well as any future developments or restrictions as a result of the said pandemic, and the nature and effectiveness of governmental and public actions taken in response to the COVID-19 pandemic.

4.4.4 Significant Accounting Policies

The following accounting policies are to be adopted by the Group as at date of establishment.

Basis of preparation

The financial statements of the Group will be prepared in accordance with MFRS and IFRS. The financial statements will be prepared under the historical cost convention, except as modified and disclosed in the accounting policies below.

Consolidation

A subsidiary is an entity 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 to direct the relevant activities of the entity. Subsidiary is fully consolidated from the date on which control is obtained by the Group. It is deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between IGB Commercial REIT and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Investment properties

Investment properties are held for long-term rental yields or for capital appreciation or both, and are not occupied by the Group. Investment properties are measured initially at cost, including related transaction costs and borrowing costs if the investment property meets the definition of qualifying asset.

After initial recognition, investment properties are carried at fair value. Fair value is based on valuation using an income approach, where cash flows projections are capitalised using a capitalisation rate, which takes into account the unexpired period, yield and outgoings, where applicable. Valuations are performed as of the financial position date by registered valuers who hold recognised and relevant professional qualifications and have relevant experience in valuing the investment properties.

The fair value of the investment properties reflects, among others, rental income from current leases and other assumptions that market participants would make when pricing the investment properties under current market conditions.

Subsequent expenditure is recognised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group, and the cost of the item can be measured reliably. All other repairs, maintenance and upgrade costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair value are recognised in the statement of comprehensive income. Investment properties are derecognised either when they have been disposed or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded within net gain or loss from fair value adjustment on investment property.

Principal assumptions for estimation of fair value of investment properties

The principal assumptions underlying estimation of fair value of investment properties are those related to term rental, reversionary rental, car park income, other income, outgoings (including asset enhancement initiatives), capitalisation rate and allowance for void.

Investment properties are stated at fair value based on valuations performed by an independent registered valuer who holds a recognised relevant professional qualification and has relevant experience in valuing the investment properties.

The valuations are compared with actual market yield data, actual transactions and those reported by the market, when available. Assumptions used are mainly based on market conditions existing at each reporting date.

Financial assets

(a) Classification

The Group classifies its financial assets at amortised cost. The classification depends on the Group's business model for managing the financial assets and the contracted terms of the cash flows.

(b) Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Initial measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, the transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of comprehensive income.

Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

(d) Subsequent measurement - gain or loss

Subsequent measurement of financial asset depends on the Group's business model for managing the asset and the cash flow characteristics of the asset.

The Group classifies financial assets at amortised cost.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising from derecognition is recognised directly in the statement of comprehensive income and presented in other gain or loss together with foreign exchange gain and loss. Impairment losses are presented as separate line item in the statement of comprehensive income.

(e) Subsequent measurement - impairment

The Group assesses on a forward-looking basis the expected credit loss ("**ECL**") associated with financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Trade and other receivables are subject to the ECL model.

ECL represents a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group expects to receive, over the remaining life of the financial instrument.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Simplified approach for trade receivables and intercompany balances

The Group applies the MFRS 9 "Financial Instruments" simplified approach to measure ECL which uses a lifetime ECL for all trade receivables.

General 3-stage approach for other receivables, deposits and non-trade intercompany balances

The Group measures ECL through loss allowance at an amount equal to 12 month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. The Group takes into account the available, reasonable and supportable forward-looking information in the measurement of ECL.

The following indicators are incorporated:

- internal credit rating and/or external credit rating (if available);
- actual or expected significant changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations;
- actual or expected significant changes in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements; or
- significant changes in the expected credit performance and payment behaviour of the debtor, including changes in the payment status of debtor.

Definition of default and credit-impaired financial assets

The Group defines a financial instrument as default, which is aligned with the definition of credit-impaired, when the financial asset meets one (1) or more of the following criteria:

(i) Quantitative criteria

The Group defines a financial instrument as default, when the counterparty fails to make contractual payment within 90 days when fall due and/or when legal action is taken against the counterparty.

(ii) Qualitative criteria

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in a financial difficulty or it is becoming probable that the debtor will enter bankruptcy, financial restructuring or will become insolvent.

Financial instruments that are credit-impaired were assessed on individual basis.

Write-off - trade receivables and intercompany balances

Trade receivables and intercompany balances are written off when there is no reasonable expectation of recovery. Indicators of no reasonable expectation of recovery include, amongst others, failure of a debtor to engage in a repayment or settlement plan with the Group, and/or legal action is taken against the debtor.

Impairment losses on trade receivables and intercompany balances are presented as net impairment losses within the NPI. Subsequent recoveries of amounts previously written off are credited within the NPI.

Write-off - other receivables, deposits and non-trade intercompany balance

The Group writes off financial assets, in whole or in part, when they have exhausted all practical recovery efforts and have concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

Offsetting financial instruments

Financial assets and liabilities can be offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

Trade and other receivables

Trade receivables are amounts due from customers and tenants for services performed in the ordinary course of business. Other receivables generally arise from transactions outside the usual operating activities of the Group. If collection is expected in one (1) year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value plus transaction costs. Other receivables are recognised initially at fair value plus transaction costs. Transaction costs include transfer taxes and duties.

After recognition, trade and other receivables are subsequently measured at amortised cost using the effective interest method, less impairment allowance.

Impairment of non-financial assets

Plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

The impairment loss is charged to the statement of comprehensive income during the period in which they are incurred and any subsequent increase in recoverable amount is recognised in the statement of comprehensive income during the period in which they are incurred.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in hand, deposits held at call with licensed financial institutions, other short term and highly liquid investments with original maturities of three (3) months or less, that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. Bank overdrafts, if any, are included within borrowings in current liabilities in the statement of financial position.

Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers, vendors or contractors. Trade payables are classified as current liabilities if payment is due within one (1) year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities. Deposits received from tenants are classified as current liabilities.

Trade payables, deposits received from tenants and other payables are recognised initially at fair value, net of transaction costs incurred, which include transfer taxes and duties, if applicable, and subsequently measured at amortised cost using the effective interest method.

Unitholders' capital

Unitholders' contributions are classified as equity when there is no obligation to transfer cash or other assets, nor are they redeemable at the Unitholders' option. Any consideration received or distributions paid is added or deducted directly from equity. Incremental external costs directly attributable to the issue of new Units are shown in equity as a deduction, net of tax, from the proceeds.

Borrowings and finance costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of borrowings. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Finance costs directly attributable to the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other finance costs are recognised in statement of comprehensive income in the period in which they are incurred.

Fees paid on the establishment of borrowings are recognised as transaction costs of the borrowings to the extent that it is probable that some or all of the borrowings will be issued. In this case, the fees are deferred until the issuance occurs. To the extent there is no evidence that it is probable that some or all of the borrowings will be issued, the fees are capitalised as a prepayment for liquidity and amortised over the period of the borrowings.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to other party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of comprehensive income.

Revenue/Income recognition

Rental income on operating leases

Rental income on operating leases is recognised over the term of the lease on a straight-line basis. Rental income is shown net of incentives, rebates and discounts. Rental income includes base rent and other rent related income from tenants. Base rent is recognised on a straight-line basis over the lease term. When the Group provides incentives or rebates to the tenants, the cost of incentives or rebates is recognised over the lease term, on a straight-line basis, as a reduction of rental income. Initial direct cost incurred by the Group in negotiating and arranging an operating lease is recognised as an asset and amortised over the lease term on the same basis as the rental income.

Revenue from contracts with customers

Revenue which represents income from the Group's principal activities within the ordinary course of business and is recognised by reference to each distinct performance obligation in the contract with customer when or as the Group transfers the control of the goods or services in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and its customer have approved the contract and intend to perform their respective obligations, the Group's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group will collect the consideration to which they will be entitled to in exchange of such goods or services.

Specific revenue recognition criteria for each of the Group's principal business activities are as described below:

(i) Service charge

Service charge is recognised upon services being rendered to the tenants over the lease term.

(ii) Utilities recoveries

Recoveries from utilities are recognised upon supply, distribution and billing of utilities to the customer and the customer receives and consumes the utilities.

(iii) Car park income and other income

Car park income and other income are recognised upon services being rendered.

Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the statement of comprehensive income as part of the interest income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Management Fees

Management Fees are recognised in statement of comprehensive income in the period in which they are incurred. If, the payment of the Management Fees is in the form of new Units, such payment is determined by reference to the market price of the Units.

Income tax

Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Management periodically evaluates positions taken in tax returns with respect to situations in which tax regulation is subject to interpretation. Provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

Where investment properties are carried at their fair value in accordance with the accounting policy, 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 investment property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Leases

(a) Accounting by lessee

Leases are recognised as right-of-use ("**ROU**") asset and a corresponding liability at the date on which the leased asset is available for use (i.e. the commencement date).

Contracts may contain both lease and non-lease components. Consideration in the contract is allocated to the lease and non-lease components based on their relative standalone prices.

Lease term

In determining the lease term, facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option are considered. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The lease term is reassessed upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affect whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

ROU assets

ROU assets are initially measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentive received;
- any initial direct costs; and
- decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU assets are depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

Lease liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase and extension options if it is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in the statement of comprehensive income in the period in which the condition that triggers those payments occurs.

Lease liabilities are presented as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in the statement of comprehensive income.

Short term leases and leases of low value assets

Short-term leases are leases with a lease term of 12 months or less. Payments associated with short-term leases and low value assets are recognised on a straight-line basis as an expense in the statement of comprehensive income.

(b) Accounting by lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Finance leases

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group derecognises the underlying asset and recognise a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset. Initial direct costs are also included in the initial measurement of the net investment. The net investment is subject to impairment under MFRS 9 "Financial Instruments". In addition, the Group reviews regularly the estimated unguaranteed residual value.

Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return. The Group revises the lease income allocation if there is a reduction in the estimated unguaranteed residual value.

Operating leases

The Group classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

When assets are leased out under an operating lease, the asset is included in the lessor's statement of financial position based on the nature of the asset.

Rental income on operating leases is recognised over the term of the lease on a straight-line basis. Rental income includes base rent and other rent related income from tenants. Base rent is recognised on a straight-line basis over the lease term. Initial direct cost incurred by the Group in negotiating and arranging an operating lease is recognised as an asset and amortised over the lease term on the same basis as the rental income.

The Group offers rental rebates, which are not required by the existing contractual terms contained in the original tenancy agreements and applicable laws and regulations, to tenants on a case by case basis. Depending on the circumstances of the rental rebates granted, the rebates are recognised by the Group in the following manner:

a) rebates granted on lease payments in advance of them being due are accounted for as a lease modification, as the rebate has changed the total lease consideration. The rebate granted is treated as a new operating lease at the effective date of modification, where lease income based on revised total lease consideration is recognised in the income statement over the remaining lease term on a straight-line basis; and

b) rebates granted on lease payments that are contractually past due are accounted for as partial extinguishment of lease payments as the Group's contractual rights to these lease receivables have been waived. The rebate is recognised in "gross rental income" in the same period in which the reduction is contractually agreed.

Rental income is shown net of incentives, rebates and discounts.

Separating lease and non-lease components

If an arrangement contains lease and non-lease components, the Group allocates the consideration in the contract to the lease and non-lease components based on the stand-alone selling prices in accordance with the principles in MFRS 15 "Revenue from Contracts with Customers".

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entities operate. The financial statements are presented in Ringgit Malaysia, which is the Group's functional and presentation currency.

Distribution of income

Distribution of income should only be made from realised gains or realised income in accordance with the REIT Guidelines.

Distribution of income should be made after the Manager has taken into consideration the total returns for the period, income for the period, cash flow for distribution, stability and sustainability of income and the investment objective and distribution policy of the Group. Liability is recognised for the amount of any distribution of income not distributed at the end of the reporting period.

4.4.5 Components of the Unaudited Pro Forma Consolidated Statements of Comprehensive Income

4.4.5.1 Total Revenue

The Group's revenue is the aggregate of gross rental income and revenue from contracts with customers, being the other income earned from the Subject Properties. The Group's Total Revenue is substantially derived from its gross rental income from the Subject Properties.

Gross rental income

Gross rental income is the total amount payable by tenants net of rent rebates and discounts pursuant to a tenancy under a tenancy agreement. The Group's tenancy agreements are generally for a maximum period of three (3) years.

Revenue from contracts with customers

Revenue from contracts with customers earned from the Subject Properties includes service charge, utilities recoverable, car park income and other income. Service charge comprises contributions by tenants towards the Subject Properties' costs and expenses for the maintenance or management of the common areas related to the Subject Properties. Car park income includes income earned from the operation of the Subject Properties' car parks and depends on the car park rates and the utilisation rates of the car parks. Other income encompasses recovery of utilities in the Subject Properties as well as the recovery of expenses relating to operations and maintenance works carried out for the tenants in the Subject Properties.

The following tables sets out information on the Total Revenue and average NLA for each of the Subject Properties for the FYE 2018, FYE 2019 and FYE 2020, respectively.

Total Revenue by Subject Properties

Subject Properties	**FYE 2018 (RM'000)**	**FYE 2019 (RM'000)**	**FYE 2020 (RM'000)**
Menara IGB & IGB Annexe	12,070	12,297	11,124
Centrepoint South	15,687	16,327	14,509
Centrepoint North	16,217	15,602	14,823
Boulevard Properties	4,384	4,254	3,923
Gardens South Tower	32,105	31,009	31,084
Gardens North Tower	29,138	27,673	26,202
Southpoint Properties(1)	1,879	14,641	16,189
Menara Tan & Tan	17,016	16,886	16,355
GTower	60,955	50,001	49,694
Hampshire Place Office	14,433	11,451	10,192
Total Revenue	**203,884**	**200,141**	**194,095**

Note:

(1) Southpoint Properties commenced rental operations in August 2018.

Total Revenue by components

Subject Properties	**FYE 2018 (RM'000)**	**FYE 2019 (RM'000)**	**FYE 2020 (RM'000)**
Gross rental income	136,579	130,087	125,240
Revenue from contracts with customers	67,305	70,054	68,855
- *Service charges*	*54,755*	*53,596*	*55,088*
- *Car park income*	*4,691*	*6,177*	*4,700*
- *Utilities recoverable and other income*	*7,859*	*10,281*	*9,067*
Total Revenue	**203,884**	**200,141**	**194,095**

Gross rental income by Subject Properties

Subject Properties	**FYE 2018 (RM'000)**	**FYE 2019 (RM'000)**	**FYE 2020 (RM'000)**
Menara IGB & IGB Annexe	7,646	7,793	6,884
Centrepoint South	10,334	10,581	9,246
Centrepoint North	10,729	10,180	9,770
Boulevard Properties	3,052	3,044	2,732
Gardens South Tower	22,341	21,765	21,132
Gardens North Tower	19,747	19,151	18,767
Southpoint Properties(1)	1,000	9,287	9,658
Menara Tan & Tan	9,815	9,476	9,266
GTower	43,472	32,040	31,656
Hampshire Place Office	8,443	6,770	6,129
Total gross rental income	**136,579**	**130,087**	**125,240**

Note:
(1) Southpoint Properties commenced rental operations in August 2018.

Average NLA

Subject Properties	FYE 2018[(1)] (sq ft)	FYE 2019[(1)] (sq ft)	FYE 2020[(1)] (sq ft)
Menara IGB & IGB Annexe	249,789	249,679	260,977
Centrepoint South	232,024	231,979	232,061
Centrepoint North	232,051	232,050	232,051
Boulevard Properties	54,474	54,445	54,202
Gardens South Tower	422,379	422,532	423,949
Gardens North Tower	426,222	425,607	425,619
Southpoint Properties[(2)]	497,078	515,501	515,118
Menara Tan & Tan	339,633	339,633	339,385
GTower	770,221	768,545	755,582
Hampshire Place Office	239,253	239,253	239,253
Total Average NLA	**3,463,124**	**3,479,224**	**3,478,197**

Notes:
(1) Average NLA is derived based on the monthly NLA of each of the Subject Properties.
(2) Southpoint Properties commenced rental operations in August 2018.

The changes in average NLA are due to reconfiguration of lettable areas.

4.4.5.2 Occupancy trends

The following table sets out the average Occupancy Rate of the Subject Properties for the FYE 2018, FYE 2019 and FYE 2020.

	Average Occupancy Rate[(1)]		
Subject Properties	FYE 2018 (%)	FYE 2019 (%)	FYE 2020 (%)
Menara IGB & IGB Annexe	73.1	73.9	69.3
Centrepoint South	97.2	97.6	87.0
Centrepoint North	93.9	92.8	91.0
Boulevard Properties	93.5	92.6	92.0
Gardens South Tower	93.2	92.4	89.2
Gardens North Tower	94.0	82.3	79.5
Southpoint Properties	[(2)]20.6	39.9	48.8
Menara Tan & Tan	67.6	70.5	73.0
GTower	82.0	78.1	[(3)]85.5
Hampshire Place Office	87.1	67.5	63.4

Notes:
(1) Average Occupancy Rate is derived based on the aggregate monthly Occupancy Rate of each Subject Property divided by a period of 12 months.
(2) Based on average Occupancy Rate of Southpoint Properties from August 2018 to December 2018, as Southpoint Properties only commenced rental operations in August 2018.

(3) The occupancy rates from June 2020 to December 2020 are calculated based on the revised NLA of 653,164 sq ft exclusive of the area converted from hotel area into office units.

For a further description of the Occupancy Rates and occupancy profile of the Subject Properties, please refer to Section 2.4.3 "Tenancy Expiry Profile" and Section 2.4.4 "Occupancy Profile" of this Prospectus.

4.4.5.3 Components of Property Operating Expenses

The Property Operating Expenses include assessment and quit rent, utilities expenses, maintenance expenses, reimbursement costs and other property operating expenses. On a pro forma basis, staff costs and reimbursables form part of reimbursement costs.

Assessment and quit rent

Quit rent is an amount prescribed by and payable to the State Authority. Assessment is calculated based on a rate as prescribed by the local authorities, on the annual value of the Subject Properties as assessed by the relevant local authorities.

Utilities expenses

The single largest operating expense of the Group consists of utility expenses incurred in the operation of the Subject Properties, such as electricity, chilled water, liquefied petroleum gas and water charges.

Maintenance expenses

The Group's maintenance expenses are mainly civil, mechanical and electrical maintenance, which covers lifts and escalators, air-conditioning, fire protection, security systems, car park systems, building automation systems and sewage and electrical systems as well as outsourcing of cleaning services. Maintenance expenses also include housekeeping expenses, landscaping expenses and pest control services.

Reimbursement costs and other property operating expenses

Reimbursement costs comprise the following:

(i) *Property management reimbursables* - Reimbursement costs relating to the employment by the Property Manager of the service provider pursuant to the Service Provider Agreement, as well as office and equipment rental.

(ii) *Insurance expenses* - Insurance premiums are payable for coverage which includes (i) fire and special perils, (ii) consequential loss, (iii) machine and equipment and all risk, (iv) plate glass, (v) burglary and larceny, (vi) fidelity guarantee, (vii) employer's liability, (viii) public liability, (ix) electronic equipment and (x) money.

Other property operating expenses comprise the following:

(i) *Property management fee* - Property management fee is the fee payable to the Property Manager. Please refer to Section 9.5 "Property Management Fee" of this Prospectus for further details.

(ii) *General and administrative expenses* - General and administrative expenses typically include telecommunications expenses, transport and travel expenses, printing and stationery, licence fees, entertainment, provision for doubtful debt and other miscellaneous expenses.

4.4.5.4 NPI trends

The following table sets out information on the NPI/net property losses for each of the Subject Properties for the FYE 2018, FYE 2019 and FYE 2020, respectively.

Subject Properties	**FYE 2018**	**FYE 2019**	**FYE 2020**
	(RM'000)	**(RM'000)**	**(RM'000)**
Menara IGB & IGB Annexe	8,023	7,970	7,252
Centrepoint South	11,302	11,961	10,435
Centrepoint North	11,967	11,475	11,080
Boulevard Properties	3,894	3,754	3,344
Gardens South Tower	24,081	22,611	23,604
Gardens North Tower	20,968	19,003	18,931
Southpoint Properties	(479)	4,055	6,852
Menara Tan & Tan	10,596	9,398	8,632
GTower	42,762	33,109	36,256
Hampshire Place Office	9,902	6,648	6,162
NPI	**143,016**	**129,984**	**132,548**

4.4.5.5 Components of Management Fees

Pursuant to the Deed, the Manager is entitled to receive the following fees from IGB Commercial REIT, in the form of cash, new Units or a combination of cash and Units (as it may decide in its sole discretion):

(i) a base fee of up to 1.0% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances which are held in non-interest bearing accounts);

(ii) a performance fee of 5.0% per annum of IGB Commercial REIT's NPI in the relevant financial year;

(iii) an acquisition fee of 1.0% of the transaction value (being total purchase consideration) of any Real Estate directly or indirectly acquired from time to time by the Trustee or one (1) or more SPVs on behalf of IGB Commercial REIT pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest.

In the case of acquisition of SPVs or holding entities which holds Real Estate, 1.0% of the underlying value (value of the Real Estate as assessed in a valuation report by a qualified valuer) of any Real Estate (which are directly or indirectly held through one (1) or more SPVs of IGB Commercial REIT) pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest.

Any payment to third party agents or brokers in connection with the acquisition of any Real Estate for IGB Commercial REIT shall not be paid by the Manager out of the acquisition fee received or to be received by the Manager but shall be borne by IGB Commercial REIT; and

(iv) a divestment fee of 0.5% of the transaction value (being total sale consideration) of any Real Estate directly or indirectly sold or divested from time to time by the Trustee or one (1) or more SPVs on behalf of IGB Commercial REIT pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest.

In the case of divestment of any SPV or holding entities which holds Real Estate, 0.5% of the underlying value (value of the Real Estate as assessed in a valuation report by a qualified valuer) of any Real Estate (which are directly or indirectly held through one (1) or more SPVs of IGB Commercial REIT) pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest.

Any payment to third party agents or brokers in connection with the sale or divestment of any Real Estate for IGB Commercial REIT shall not be paid by the Manager out of the divestment fee received or to be received by the Manager but shall be borne by IGB Commercial REIT;

as set out in Section 6.6.1 "Details of the Management Fees" of this Prospectus.

In arriving at the unaudited Pro Forma Consolidated Statements of Comprehensive Income for FYE 2018, FYE 2019 and FYE 2020, it is assumed that the Manager charged a base fee of 0.3% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances).

4.4.5.6 Trustee's fee

Pursuant to the Deed, the Trustee is entitled to an annual trustee's fee of up to 0.03% per annum of the NAV of IGB Commercial REIT, as set out in Section 8.5 "Trustee's Fee" of this Prospectus.

4.4.6 Results of operations for FYE 2020 compared to FYE 2019

Total Revenue

Total Revenue decreased by RM6.0 million or 3.0% to RM194.1 million in FYE 2020 from RM200.1 million in FYE 2019, primarily due to a RM4.9 million or 3.8% decrease in gross rental income and a RM1.1 million or 1.6% decrease in revenue from contracts with customers.

Gross rental income - Revenue derived from gross rental income decreased by RM4.9 million or 3.8% to RM125.2 million in FYE 2020 from RM130.1 million in FYE 2019, primarily due to the following factors:

(i) Menara IGB & IGB Annexe recorded a decrease in gross rental income of RM0.9 million mainly due to non-renewal of tenancies by tenants occupying approximately 20,000 sq ft in the second (2nd) half of 2019, and such vacated areas remained vacant throughout FYE 2020;

(ii) Centrepoint South recorded a decrease in gross rental income of RM1.3 million mainly due to non-renewal by a tenant occupying approximately 12,800 sq ft in December 2019, and such vacated spaces remained vacant throughout FYE 2020;

(iii) Gardens South Tower recorded a decrease in gross rental income by RM0.6 million primarily due to a tenant occupying approximately 20,000 sq ft having relocated to Gardens North Tower in September 2020, as well as termination by a tenant occupying approximately 4,900 sq ft in the first (1st) quarter of 2020. These vacated spaces remained vacant for the remainder of 2020.

(iv) Hampshire Place Office recorded a decrease in gross rental income by RM0.6 million mainly due to non-renewal by a tenant occupying approximately 8,800 sq ft in the third (3rd) quarter of 2019, as well as non-renewal of tenancies by two (2) tenants for approximately 5,900 sq ft in the second (2nd) quarter of 2020. Approximately 3,800 sq ft of these vacated areas were replaced by new tenancies, while the remaining areas remained vacant for the remainder of 2020.

The decrease in gross rental income was offset by the following:

(i) Southpoint Properties contributed an increase in gross rental income by RM0.4 million mainly due to three (3) new tenants secured in 2020 for total NLA of approximately 78,900 sq ft.

Revenue from contracts with customers - Revenue derived from other income decreased by RM1.1 million or 1.6% to RM68.9 million in FYE 2020 from RM70.0 million in FYE 2019 mainly due to the following factors:

(i) Gardens North Tower and Hampshire Place Office recorded a decrease in revenue from contracts with customers by RM1.1 million and RM0.6 million respectively, due to a decrease in service charge and other rent-related income. The lower service charge was due to lower Occupancy Rates for the FYE 2020.

(ii) Menara IGB & IGB Annexe, Centrepoint South and Centrepoint North recorded lower service charge by RM0.3 million, RM0.5 million and RM0.3 million respectively in FYE 2020 due to lower Occupancy Rate.

The decrease in revenue from contracts with customers was offset by the following:

(i) Gardens South Tower contributed to an increase in other income by RM0.8 million mainly due to a one-off penalty charge on a tenancy who has early terminated its tenancy during the year.

(ii) Southpoint Properties contributed an increase in other income by RM1.2 million, mainly due to higher service charge resulting from higher occupancy rate in FYE 2020.

Property Operating Expenses

Property Operating Expenses decreased by RM8.7 million or 12.4% to RM61.5 million in FYE 2020 from RM70.2 million in FYE 2019, mainly due to a RM5.3 million decrease in utilities expenses, a RM1.0 million decrease in maintenance expenses as well as a RM2.6 million decrease in reimbursement costs and other property operating expenses.

Utilities expenses - Utilities expenses decreased by RM5.3 million or 21.7% to RM19.1 million in FYE 2020 from RM24.4 million in FYE 2019 mainly due to lower electricity and chilled water usage since the enforcement of the MCO.

Assessment and quit rent - Assessment and quit rent remained relatively consistent at RM14.2 million recorded in FYE 2020, compared to RM14.0 million recorded in FYE 2019.

Maintenance expenses - Maintenance expenses decreased by RM1.0 million or 5.3% to RM18.0 million in FYE 2020 from RM19.0 million in FYE 2019. The higher maintenance expenses in FYE 2019 was mainly due to additional cleaning costs for the air-conditioning fan coil units in GTower in 2019.

Reimbursement costs and other property operating expenses - Reimbursement costs and other property operating expenses decreased by RM2.6 million or 20.3% to RM10.2 million in FYE 2020 from RM12.8 million in FYE 2019 mainly resulting from a lower bonus awarded to the employees in FYE 2020, as well as a decrease in sales and marketing commission as there were fewer new tenancies commenced in FYE 2020, compared to FYE 2019.

NPI

As a result of the factors discussed above, the Group recorded NPI of RM132.5 million in FYE 2020, which represented an increase of RM2.5 million or 1.9% from NPI of RM130.0 million in FYE 2019.

Management Fees

The Management Fees increased marginally by RM0.1 million or 0.6% to RM16.6 million in FYE 2020 from RM16.5 million in FYE 2019, due to the higher NPI attained in FYE 2020, while the Total Asset Value of the Subject Properties remained substantially unchanged.

Trustee's fee

The Trustee's fee remained stable at RM0.6 million in FYE 2019 and FYE 2020 as the NAV of the Subject Properties remained substantially unchanged.

Other trust expenses

Other trust expenses remained stable from FYE 2019 to FYE 2020 at RM1.5 million.

Finance costs

Finance costs remained stable from FYE 2019 to FYE 2020 at RM30.4 million as there were no new issuance or redemption of MTNs and drawdown or repayment of borrowings in FYE 2020.

Changes in fair value of investment properties

The fair value of the investment properties decreased by RM24.6 million in FYE 2020. The valuation as at 31 December 2019 had not taken into account the impact of the COVID-19 pandemic. The lower valuation as at 31 December 2020 was primarily due to the impact of COVID-19 pandemic on the net income assumed for the valuation of the Subject Properties, with the introduction of an "interruption allowance".

In determining the fair value of the Subject Properties as at 31 December 2020, a 15% "interruption allowance" has been introduced to cater for the possible disturbances to rental income owing to possible loss of income due to rental rebate, reduced negotiation rental and higher vacancy rate. The 15% interruption allowance was adopted to reflect the market condition and was derived based on the Independent Property Valuer's market knowledge.

The 15% interruption period was adopted for the period up to March 2022, which will only affect vacant units and any tenancies that expire during this specific time frame.

Profit before tax

As a result of the factors discussed above, the Group recorded a profit before tax of RM58.9 million in FYE 2020, and a profit before tax of RM163.9 million in FYE 2019.

Distributable Income

After adjusting for the non-cash items, the Group recorded a Distributable Income of RM100.2 million in FYE 2020, which represented a 2.6% increase from Distributable Income of RM97.7 million in FYE 2019.

4.4.7 Results of operations for FYE 2019 compared to FYE 2018

Total Revenue

Total Revenue decreased by RM3.8 million or 1.9% to RM200.1 million in FYE 2019 from RM203.9 million in FYE 2018 primarily due to a RM6.5 million or 4.8% decrease in gross rental income, partially offset by a RM2.7 million or 4.0% increase in revenue from contracts with customers.

Gross rental income - Revenue derived from gross rental income decreased by RM6.5 million or 4.8% to RM130.1 million in FYE 2019 from RM136.6 million in FYE 2018 mainly due to the following:

(i) GTower recorded a decrease in gross rental income by RM11.4 million primarily due to the non-renewal of tenancies by two (2) tenants occupying a total of approximately 47,000 sq ft of NLA upon the expiry of their tenancies on 31 December 2018, of which approximately 31,000 sq ft remained vacant for between two (2) to nine (9) months before commencement of new tenancies and approximately 16,000 sq ft remained vacant throughout FYE 2019. Furthermore, GTower recorded a lower average rental rate in FYE 2019 as multiple tenancies secured or renewed in 2019 had lower rental rates compared to the expired tenancies.

(ii) Hampshire Place Office recorded a decrease in gross rental income by RM1.7 million. The decrease in gross rental income was mainly due to the non-renewal by a single major tenant which occupied approximately 24,000 sq ft upon expiry of the tenancy in January 2019 and such area remained vacant for the remainder of 2019.

(iii) Gardens North Tower recorded a decrease in gross rental income by RM0.6 million in FYE 2019, mainly due to the non-renewal of tenancy by a major tenant occupying approximately 86,000 sq ft during the second quarter of 2019, of which approximately 70,800 sq ft remained vacant for the remainder of 2019. This was partially offset by the increase in average rental rate resulting from the renewal of several tenancies in the third quarter of 2019 at higher rental rates.

The decrease in gross rental income was offset by the following:

(i) Southpoint Properties contributed an increase in gross rental income by RM8.3 million to RM9.3 million in FYE 2019 from RM1.0 million in FYE 2018, mainly due to the higher Occupancy Rates as Southpoint Properties commenced its operations in August 2018.

Revenue from contracts with customers - Revenue derived from other income in respect of the Subject Properties increased by RM2.7 million or 4.0% to RM70.0 million in FYE 2019 from RM67.3 million in FYE 2018 primarily due to factors described below:

(i) Southpoint Properties contributed an increase in other income by RM4.4 million to RM5.3 million in FYE 2019 from RM0.9 million in FYE 2018, mainly due to an increase in service charge, car park income and other rent-related income resulting from the increased tenants and rental activities as Southpoint Properties only commenced operations in August 2018.

(ii) GTower contributed an increase in other income by RM0.5 million mainly due to a RM1.3 million increase in utilities recovery and other income, partially offset by a RM0.8 million decrease in service charge. The increase in utilities recovery was primarily due to the higher usage of chilled water by a tenant for the cooling of its server room, while the decrease in service charge was due to the lower average Occupancy Rate in GTower.

The increase in other income was offset by the following:

(i) Gardens North Tower and Hampshire Place Office recorded a decrease in other income by RM0.9 million and RM1.3 million respectively, due to a decrease in service charge and other rent-related income. This was as a result of lower average Occupancy Rates in Gardens North Tower and Hampshire Place Office.

Property Operating Expenses

Property Operating Expenses increased by RM9.3 million or 15.3% to RM70.2 million in FYE 2019 from RM60.9 million in FYE 2018, mainly due to a RM1.9 million increase in assessment and quit rent, a RM5.9 million increase in utilities expenses and a RM4.5 million increase in maintenance expenses, partially offset by a RM3.0 million decrease in reimbursement costs and other property operating expenses.

Utilities expenses - Utilities expenses increased by RM5.9 million or 31.9% to RM24.4 million in FYE 2019, from RM18.5 million in FYE 2018. The increase in utilities expenses was mainly due to an increase of RM4.2 million in Southpoint Properties' utilities expenses in line with the full year of its operation in FYE 2019, and an increase of RM1.5 million in GTower's utilities expenses mainly due to the higher usage of chilled water by a tenant for the cooling of its server room.

Assessment and quit rent - Assessment and quit rent increased by RM1.9 million or 15.7% to RM14.0 million in FYE 2019 from RM12.1 million in FYE 2018 mainly due to the payment of a full year of assessment for Southpoint Properties in 2019 as the construction works for Southpoint Properties completed in the second half of 2018.

Maintenance expenses - Maintenance expenses increased by RM4.5 million or 31.0% to RM19.0 million in FYE 2019 from RM14.5 million in FYE 2018 mainly due to the following:

(i) Southpoint Properties recorded an increase in maintenance expenses by RM1.3 million in line with the increase in tenants and rental activities.

(ii) Menara Tan & Tan recorded an increase in maintenance expenses by RM1.4 million due to the enhancement of the security system and installation of destination control system for the lifts, as well as the repair and upgrade of amenities.

(iii) Gardens North Tower recorded an increase in maintenance expenses by RM0.6 million primarily due to the enhancement to the lift system and turnstile system in 2019.

(iv) GTower recorded an increase in maintenance expenses by RM0.6 million in FYE 2019 mainly resulting from additional cleaning costs for the air-conditioning fan coil units and the outsourcing of certain functions after the operational streamlining initiatives in 2018.

Reimbursement costs and other property operating expenses - Reimbursement costs and other property operating expenses decreased by RM3.0 million or 19.0% to RM12.8 million in FYE 2019 from RM15.8 million in FYE 2018, mainly due to the reduction in staff cost reimbursement as a result of the ongoing operational streamlining initiative which began in 2018 that saw the consolidation of back-office functions such as finance, administration and human capital, as well as the amalgamation of the leasing and operations teams for the office buildings located in Kuala Lumpur city centre.

NPI

As a result of the factors discussed above, the Group recorded an NPI of RM130.0 million in FYE 2019, which represented a decrease of RM13.0 million or 9.1% from NPI of RM143.0 million in FYE 2018.

Management Fees

The Management Fees decreased by RM0.4 million or 2.4% to RM16.5 million in FYE 2019 from RM16.9 million in FYE 2018. This is primarily due to lower NPI attained in FYE 2019, partially offset by the higher Total Asset Value in FYE 2019 resulting from the increase in fair value of the Subject Properties.

Trustee's fee

The Trustee's fee remained stable at RM0.6 million in FYE 2018 and FYE 2019 as the NAV of the Subject Properties remained substantially unchanged.

Other trust expenses

Other trust expenses remained stable from FYE 2018 to FYE 2019 at RM1.5 million.

Finance costs

Finance costs remained consistent from FYE 2018 to FYE 2019 at RM30.4 million as there were no new issuance or redemption of MTN and drawdown or repayment of borrowings in FYE 2019.

Changes in fair value of investment properties

The fair value of the investment properties increased by RM83.0 million in FYE 2019 largely due the following:

(i) Save for GTower, a higher net income was assumed for the valuation of the Subject Properties as at 31 December 2019, as the long-term potentials of the Subject Properties were taken into consideration in deriving the net income assumptions as at 31 December 2019.

(ii) The overall improvement in valuation is partially offset by a lower net income adopted for the valuation of GTower as at 31 December 2019 due to lower average rental rate in FYE 2019.

Profit before tax / Loss before tax

As a result of the factors discussed above, the Group recorded a profit before tax of RM163.9 million in FYE 2019 as compared to a loss before tax of RM351.5 million in FYE 2018.

Distributable Income

After adjusting for the non-cash items, the Group recorded a Distributable Income of RM97.7 million in FYE 2019, which represented an 11.7% decrease from Distributable Income of RM110.7 million in FYE 2018.

4.4.8 Liquidity and Capital Resources

The Manager is of the opinion that the Group's working capital would be sufficient for its present requirements as rental income is received on a monthly basis and generally, tenants are required to provide a security deposit of three (3) to six (6) months of their monthly rental. The Manager anticipates that the Group's primary uses of cash would be to fund day-to-day operations, trust expenses, Management Fees, servicing of debt, distributions (to the extent there is Distributable Income), maintenance, AEI and future property acquisitions.

Funding of the foregoing would come from a combination of cash from operations and borrowings. The Group's expected gearing upon Listing will be approximately 26.3% while the regulated maximum under the REIT Guidelines is 50.0% of its Total Asset Value at the time of borrowing.

4.4.9 Capital Expenditures

Save for Southpoint Properties which was undergoing continuous development until it was issued with a certificate of compliance and completion on 6 July 2018, there has been no major capital expenditure in relation to the Subject Properties. The Manager does not expect there to be any major capital expenditure during the Forecast Period 2021.

4.4.10 Asset Enhancement Initiatives

The Manager has undertaken continuous upgrading, renovations and refurbishments of the Subject Properties. The Manager plans to continue carrying out AEI in order to optimise the lettable area and improve the overall ambience and aesthetics of the Subject Properties. The AEI in relation to the Subject Properties in Forecast Period 2021 is forecasted to be RM1.5 million. The AEI and/or upgrade costs are recognised as expenses in the statement of comprehensive income during the period in which they are incurred.

4.4.11 Changes in Accounting Policies

There were no changes to the accounting policies of the Vendors. The Group's Pro Forma Consolidated Statements of Comprehensive Income have been compiled based on the Vendors' audited financial statements for the FYE 2018, FYE 2019 and FYE 2020. The Pro Forma Consolidated Statements of Comprehensive Income have been prepared in a manner consistent with the format and the accounting policies to be adopted by the Group as set out in Section 4.4.4 "Significant Accounting Policies" of this Prospectus.

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4.5 PROFIT FORECAST

Statements contained in this "Profit Forecast" section that are not historical facts may be forward-looking statements. Such statements are based on the assumptions set forth in this section of the Prospectus and are subject to certain risks and uncertainties which could cause actual results to differ materially from those forecasts. Under no circumstances should the inclusion of such information herein be regarded as a representation, warranty or prediction by any of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser, the Joint Bookrunners, or any other person that the underlying assumptions will materialise, or that these results will be achieved or are likely to be achieved. See the Section on "Forward-looking Statements" and Section 5 "Risk Factors" of this Prospectus for further details. Investors in the Units are cautioned not to place undue reliance on these forward-looking statements which are made only as of the date of this Prospectus.

None of IGB Commercial REIT, the Manager, the Sponsor, the Selling Shareholders, the Trustee, the Principal Adviser or the Joint Bookrunners guarantees the performance of the Group, the repayment of capital or the payment of any distributions, or any particular return on the Units. The forecast yields stated in the following table are calculated based on the ROFS Price of RM1.00 per ROFS Unit.

Such yields will vary accordingly for investors who purchase Units at a price that differs from the ROFS Price.

Investors are cautioned that rental yield on the Subject Properties to be held by IGB Commercial REIT is not equivalent to the yield of the Units. Current rental receipts and yields may not be sustained. The values of the Subject Properties may rise as well as fall.

The following table shows the Group's Profit Forecast for the Forecast Period 2021. The financial year end of the Group is 31 December. The Forecast Period 2021 has been prepared assuming that the first financial period is the financial period ending 31 December 2021, and the date of establishment of IGB Commercial REIT of 31 March 2021. The Profit Forecast are based on the assumptions set out below and have been examined by the Reporting Accountants and should be read together with the "Reporting Accountants' Letter on the Profit Forecast" set out in Appendix E, as well as the assumptions set out in this section of the Prospectus.

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Profit Forecast

	Forecast Period 2021(1) (RM'000)
Gross rental income	94,076
Revenue from contracts with customers	50,392
Total Revenue	**144,468**
Assessment and quit rent	(10,632)
Utilities expenses	(16,233)
Maintenance expenses	(16,923)
Reimbursement costs and other property operating expenses	(8,867)
Property Operating Expenses	**(52,655)**
NPI	**91,813**
Changes in fair value on investment properties	-
Net investment income	**91,813**
Management Fees	(11,702)
Trustee's fee	(518)
Other trust expenses	(1,125)
Finance costs	(22,814)
Profit before taxation	**55,654**
Taxation	-
Profit after taxation	**55,654**
Add: Non-cash items(2)	11,873
Distributable Income	**67,527**
Number of Units in issue (in million)	2,307.3
Distribution rate (%)	100.0
Distribution cover (times)	1.00
Distribution per Unit (sen)(3)	3.90
ROFS Price (RM/Unit)	1.00
Distribution Yield on ROFS Price	3.90%

Notes:

(1) The financial period commencing from 31 March 2021 and ending on 31 December 2021.

(2) Non-cash items comprise the Management Fees payable in Units and amortisation of capitalised finance costs.

(3) Distribution for the Forecast Period 2021 has been annualised.

4.5.1 Projected Income

The following sets out the forecast Total Revenue and NPI of each of the Subject Properties for the Forecast Period 2021.

Subject Properties	Forecast Period 2021 Total Revenue	NPI
	(RM'000)	(RM'000)
Menara IGB & IGB Annexe	8,173	4,450
Centrepoint South	10,275	6,797
Centrepoint North	10,505	7,086
Boulevard Properties	2,571	2,165
Gardens South Tower	20,977	14,750
Gardens North Tower	18,209	12,042
Southpoint Properties	22,102	13,284
Menara Tan & Tan	11,135	6,294
GTower	32,364	20,261
Hampshire Place Office	8,157	4,684
Total	**144,468**	**91,813**

4.5.2 Directors' Analysis and Commentary

The Directors confirm that the Profit Forecast of the Group and the underlying bases and assumptions stated herein have been reviewed by the Directors. After due and careful inquiries, with the Directors taking into account the future prospects of the industry, the future plans and strategies to be adopted by the Group (as set out in Section 1.3 "Investment Strategies" of this Prospectus) and its level of gearing, liquidity and working capital requirements, the Directors are of the opinion that the Profit Forecast of the Group is achievable and the assumptions made are reasonable at the time of issue of this Prospectus, barring unforeseen circumstances.

Nevertheless, the bases and assumptions are inherently subject to significant business, economic and competitive uncertainties and contingencies, which are beyond the Manager's control. Therefore, future events, regionally and globally, may have a material impact on the actual results of the Group during the Forecast Period 2021.

4.5.3 Bases and Assumptions

The Manager has prepared the Profit Forecast on the following bases and assumptions. The Manager considers these bases and assumptions to be appropriate and reasonable as at the date of this Prospectus. However, investors should consider these bases and assumptions as well as the Profit Forecast and make their own assessment of the future performance of the Group.

4.5.3.1 Total Revenue

For the Forecast Period 2021, the Manager's forecast Total Revenue is approximately RM144.5 million. Total Revenue consists of gross rental income and revenue from contracts with customers (both as defined herein).

	Forecast Period 2021 (RM'000)
Gross rental income	94,076
Revenue from contracts with customers	
- Service charges	41,556
- Car park income	4,175
- Utilities recoverable and other income	4,661
Total Revenue	**144,468**

Gross rental income

Gross rental income consists of base rent net of rent rebates.

For the Forecast Period 2021, the estimated gross rental income to be contributed by the Subject Properties is approximately RM94.1 million, details of which are as set out below:

	Forecast Period 2021	
Subject Properties	**Gross rental income (RM'000)**	**Forecast Average Occupancy Rate[(1)] (%)**
Menara IGB & IGB Annexe	5,186	67.8
Centrepoint South	6,845	83.3
Centrepoint North	7,022	84.6
Boulevard Properties	1,851	76.4
Gardens South Tower	14,662	82.6
Gardens North Tower	12,764	72.1
Southpoint Properties	14,192	71.5
Menara Tan & Tan	6,333	66.7
GTower	20,497	65.9
Hampshire Place Office	4,724	67.1
Total / Weighted average Occupancy Rate	**94,076**	**72.4[(2)]**

Notes:

(1) The forecast Average Occupancy Rate is derived based on the aggregate monthly forecast Occupancy Rate of each Subject Property divided by a period of nine (9) months.

(2) Computed based on the Average Occupancy Rate of each Subject Property multiplied by the contribution by each Subject Property to the total NLA of the Subject Properties.

The Manager has assumed the following in arriving at the forecast Occupancy Rates and the gross rental income for the tenancies of the Subject Properties for the Forecast Period 2021:

(i) Gross rental income is forecasted based on the agreed rates for committed tenancies as at 31 December 2020 for the Forecast Period 2021. Committed tenancies consist of revenue to be received under unexpired tenancy term from existing tenancy or newly signed tenancy agreement, or expected revenue from new tenants that have committed to commence tenancy during Forecast Period 2021. In deriving the gross rental income, the Manager has taken into consideration staggered rental as stipulated in the tenancy agreements, rent free periods, fit out periods and any rent incentives granted to the tenants. This represents 92% of the total gross rental income;

(ii) For tenancies that are expiring during the Forecast Period 2021, the Manager has engaged with all tenants, and identified the tenancies which are expected to be renewed based on the same rental rate as the existing tenancies or a new rental rate based on the Manager's expectation (excluding any rental relief). In arriving at this assumption, the Manager has also considered each tenancy based on the tenant profile, tenure of rental and renewal history. The Manager has excluded the gross rental income from tenants who have expressed intention not to renew their tenancies as well as tenancies which are expected not to be renewed. Revenue attributable to the renewal terms of the tenancies that are expiring during the Forecast Period 2021 represents 6% of the total gross rental income;

(iii) For vacant lots or occupied units with outgoing tenants, it is assumed that certain units will be taken up by the current tenants or prospective tenants, derived based on new tenancies under negotiation which the Manager expects to secure during Forecast Period 2021. This represents 2% of the total gross rental income;

(iv) Tenancies may be terminated prematurely. Existing tenancies with indication of early termination made aware to the Manager are excluded from the gross rental income. In addition, it is assumed that there will be a 2.0% reduction in total gross rental income during Forecast Period 2021 as a result of early termination of tenancies. In deriving this assumption, the Manager has considered the historical early terminations in the Subject Properties during FYE 2019 and FYE 2020; and

(v) it is assumed that rental relief to be given between April 2021 and June 2021 amounted to RM0.6 million based on Manager's best estimate, taking into consideration the enquiries received by the Vendors which will be assessed on a case-by-case basis.

Revenue from contracts with customers

Revenue from contracts with customers consists of service charge, car park income, utilities recoveries and other rental income.

Service charge

Service charge comprises contributions for the maintenance or management of the common areas of the Subject Properties.

Service charge for the Forecast Period 2021 is derived based on the same assumptions as the gross rental income. It is assumed that the service charge rate remains at the same rate as of 31 December 2020.

Car park income

Southpoint Properties, Menara Tan & Tan, GTower and Hampshire Place Office currently have 1,065, 543, 1,090 and 286 car park lots respectively. Car park income is mainly made up of two (2) components, hourly car park collections and season passes.

It is assumed that the car park rate remains at the same rate as of 31 December 2020. The forecast car park income varies in proportion to the average occupancy rates forecast for Southpoint Properties, Menara Tan & Tan, GTower and Hampshire Place Office.

Utilities recoverable and other income

The Group would engage in intermediary distribution of utilities whereby it supplies mainly electricity, chilled water, liquified petroleum gas and water to tenants as well as other miscellaneous income. Utilities recoverable and other income are estimated based on the historical experiences adjusted for the forecasted occupancy rates in the Forecast Period 2021.

For the Forecast Period 2021, the utilities recoverable and other income are forecasted to be RM4.7 million.

4.5.3.2 Property Operating Expenses

For the Forecast Period 2021, the Manager's forecast Property Operating Expenses to be RM52.7 million. Property Operating Expenses consists of utilities expenses, assessment and quit rent, maintenance expenses, reimbursement costs and other property operating expenses.

Assessment and quit rent

Assessment and quit rent rates are prescribed by and payable to the local authorities on the annual value of the Subject Properties as assessed by the relevant local authorities.

It is assumed that the assessment and quit rent rates remain at the same prevailing rates as of 31 December 2020.

Utilities expenses

Utilities expenses refer to electricity, chilled water, liquefied petroleum gas and water charges. Utilities expenses are estimated based on the historical expenses incurred by the Vendors on the Subject Properties adjusted for the forecasted Occupancy Rates in the Forecast Period 2021. It is assumed that the utilities rates remain at the same prevailing rates as of 31 December 2020.

Maintenance expenses

Maintenance expenses refer to, among others, civil, mechanical and electrical maintenance, which covers lifts and escalators, air-conditioning, fire protection, security systems, car park systems, building automation systems and sewage and electrical systems.

Maintenance expenses are mainly made up of contractual services. Save for the AEI of RM1.5 million for the Forecast Period 2021, the Manager assumed that there will be no significant maintenance to be carried out for the Subject Properties in the Forecast Period 2021 which are not in the ordinary course of business. Accordingly, maintenance expenses are assumed to approximate historical experience.

Reimbursement costs and other property operating expenses

Reimbursement costs and other property operating expenses include mainly property management reimbursables, insurance expenses, property management fees and general and administrative expenses.

The Manager has assumed that reimbursement costs and other property operating expenses for the Subject Properties to approximate historical experience.

4.5.3.3 Management Fees

For the Forecast Period 2021, the Management Fees will be computed based on the following entitlement prescribed in the Deed:

(i) base fee of up to 1.0% per annum of the Total Asset Value of IGB Commercial REIT as at 31 December 2021 (excluding cash and bank balances which are held in non-interest bearing accounts)[1]; and

(ii) performance fee of 5.0% per annum of NPI of the Subject Properties for the Forecast Period 2021.

The Manager intends to charge a base fee of 0.3% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances) for the Forecast Period 2021 and this has been assumed for purposes of the Profit Forecast.

The Manager will be paid the Management Fees in the form of cash, Units or a combination of both. For the purposes of the Profit Forecast, it is assumed that 100.0% of the Management Fees will be paid in Units for the Forecast Period 2021.

1 For the avoidance of doubt, the base fee is applicable to cash and bank balances in interest bearing accounts. Pursuant to the REIT Guidelines, not more than 25.0% of IGB Commercial REIT's Total Asset Value may be invested in Non-Real Estate-Related Assets and/or cash, deposits and money market instruments. For further details of the investment limits of IGB Commercial REIT, please refer to Section 1.3.3 "Authorised Investments and Investment Limits" of this Prospectus.

4.5.3.4 Trustee's fee

For the Forecast Period 2021, the Trustee's fee comprises the fee payable to the Trustee is up to 0.03% per annum of the NAV of IGB Commercial REIT as at 31 December 2021 as prescribed in the Deed.

For the Forecast Period 2021, it is assumed that the Trustee's Fee is RM0.5 million.

4.5.3.5 Other trust expenses

Other trust expenses of the Group consist of costs incurred on the establishment date that are not incremental to the issuance of the Units, such as annual audit fees, taxation fees, valuation fees, market research fees, public relations expenses and other expenses relating to preparation and distribution of reports to Unitholders, together with other miscellaneous expenses such as postage, printing and stationery. These fees are determined based on estimated fees payable to the respective parties.

4.5.3.6 Finance costs

To part finance the Acquisitions, the Group will obtain the proceeds from the issuance of the MTNs under the MTN Programme as described in Section 3.9 "REIT Financing" of this Prospectus and from a Short Term Financing. The Manager has assumed an issuance of RM850.0 million from the MTN Programme and drawdown of RM3.2 million from the Short Term Financing upon Listing.

It is assumed that the MTNs carry an indicative weighted average interest rate of approximately 3.54% per annum as at the Latest Practicable Date based on an assumed tenure of up to 7 years. The revolving credit facility under the Short Term Financing carries an interest rate of KLIBOR + 1.0% per annum. The interest rate is assumed to be at 3.06% based on the assumed 6-month KLIBOR of 2.06% for the Forecast Period 2021. The interests on the MTNs and Short Term Financing are recognised as finance costs in the statement of comprehensive income in the period in which they are incurred.

The Manager has also assumed that there will be no new issuance or redemption of MTN and drawdown or repayment of borrowings in the Forecast Period 2021.

4.5.3.7 Taxation

IGB Commercial REIT will be exempted from income tax provided that IGB Commercial REIT distributes 90.0% or more of its total income as defined in the Income Tax Act to its Unitholders within two (2) months from the close of its financial year which forms the basis period for the year of assessment of IGB Commercial REIT. The first distribution, which will be in respect of the period from the Listing Date to 31 December 2021, will be paid by the Manager within two (2) months from 31 December 2021. Please refer to Section 1.6 "Distribution Policy" of this Prospectus for further details.

It is assumed that 100.0% of IGB Commercial REIT's total income will be distributed to Unitholders within two (2) months after the close of the financial year. Accordingly, no current tax liabilities have been forecasted during the Forecast Period 2021.

4.5.3.8 Investment properties and valuation

For the purpose of the Profit Forecast, the Manager has assumed that the key assumptions underpinning the valuation of the Subject Properties as at 31 December 2020 as appraised by the Independent Property Valuer in its valuation reports dated 14 September 2020 and its update valuation letters dated 10 February 2021 remained unchanged as at 31 December 2021. As such, the Manager has assumed that the value of the Subject Properties remains at RM3,160.5 million, based on the market value appraised by the Independent Property Valuer as at 31 December 2020.

Accordingly, no fair value gains or losses are included in the Profit Forecast for the Forecast Period 2021.

4.5.3.9 Distribution of income

The Manager has assumed that IGB Commercial REIT will distribute 100.0% of its Distributable Income for the Forecast Period 2021.

4.5.3.10 General assumptions

(i) save for Units assumed to be issued to the Manager under Section 4.5.3.3 "Management Fees" of this Prospectus, the assets portfolio and structure of the Group remains unchanged with no further issuance under the MTN Programme and no further drawdown of the Short Term Financing (save as disclosed above in Section 4.5.3.6 "Finance Costs" of this Prospectus) or issuance of Units for cash;

(ii) it is assumed that all Units to be issued will be fully subscribed at RM1.00 per Unit;

(iii) there will be no significant change to the principal activities, management structure and accounting policies adopted by the Group;

(iv) there will be no changes to the portfolio of the Subject Properties;

(v) save for existing tenancies with indication of early termination made aware to the Manager which have been excluded from the gross rental income, as well as the 2.0% reduction in total gross rental income as a result of early termination of tenancies, all tenancies are enforceable and will be performed in accordance with their terms with no premature termination of tenancies;

(vi) there will be no major changes in the prevailing inflation rate, property expenses, finance costs and trust expenses of the Group other than forecast;

(vii) there will be no major changes to the cost of fund or the effective interest rate which will materially affect the Group's finance costs;

(viii) significantly all revenue receivable by the Group, such as rental proceeds, will be received within the credit term for such receivables;

(ix) there will be no major changes in the Group's operations that will adversely affect the performance of the Group;

(x) there will be no material contingent liabilities arising during Forecast Period 2021, which may adversely affect the Profit Forecast. The Group will not be engaged in any material litigation and there will be no legal proceedings which will affect the Group's activities or performance or give rise to additional contingent liabilities which may materially affect the results of the Group;

(xi) there will be no major uninsured losses, no claims against IGB Commercial REIT or its subsidiary for risks not covered under its existing insurance policies and no material losses in excess of insurance proceeds;

(xii) it has been assumed that there will be no major changes in the MFRS or other financial reporting requirements that may have a material effect on the Profit Forecast;

(xiii) there will be no adverse economic, political or property market conditions which will materially affect the activities and performances of the Subject Properties;

(xiv) there will be no major changes to present legislation or Government regulations, tax rates and basis of taxation in Malaysia which will adversely affect the operations of the Group or the markets in which it operates;

(xv) there will be no major disruption in the operations and there will be no other events and abnormal factors including war, terrorism attacks, epidemic outbreak or natural disaster, which will adversely affect the operations of the Group other than the impact arising from the ongoing COVID-19 pandemic. The impact arising from the ongoing COVID-19 pandemic and the movement control orders implemented by the Government of Malaysia have been factored into the Forecast Period 2021 to the extent of the Manager's knowledge as at 31 December 2020. Should the COVID-19 pandemic situation be prolonged or worsen, it could materially and adversely affect the business, financial conditions and the results of operations of IGB Commercial REIT;

(xvi) there will be no major industrial disputes or any other abnormal factors or changes that will significantly affect the Group's operations or rental rate or disrupt its planned operations; and

(xvii) there will be no significant changes in the terms and conditions of material contracts and agreements, including but not limited to, the SPAs the Deed, the tenancy agreements, the financing agreements and the Property Management Agreement.

An investment in the Units involves risk. Prospective investors should rely on their own evaluation and carefully consider the following risk factors in addition to other information contained elsewhere in this Prospectus, before investing in the Units.

This Prospectus contains forward-looking statements that involve risks, uncertainties and assumptions. The actual results of IGB Commercial REIT could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Prospectus. If any of the risks described herein actually occur, IGB Commercial REIT's business, prospects, financial condition, results of operations and ability to make distributions could be negatively affected, the trading price of the Units could decline and investors may lose all or part of their investment.

Unless specified or quantified in the relevant risk factors set out herein, the Manager is not in a position to quantify the financial or other implication of any of the risks described in this section. In addition, the following risk factors may not be exhaustive and additional risks and uncertainties not presently known to IGB Commercial REIT or the Manager, or which are currently deemed to be immaterial may become material in the future, which would have a material adverse effect on IGB Commercial REIT or the trading price of the Units.

As an investment in a REIT is meant to produce stable income distributions, investors should not expect to realise a significant proportion of their returns in IGB Commercial REIT in the form of capital gains.

Investors should be aware that the trading price of the Units may fluctuate. Investors should also note that they may not get back their original investment.

5.1 RISKS RELATING TO THE SUBJECT PROPERTIES

5.1.1 The loss of key tenants of the Subject Properties

A downturn in the businesses, bankruptcy or insolvency of the key tenants of the Subject Properties or any breach by the key tenants of their obligations under their respective tenancy agreements may have a material adverse effect on the financial conditions and results of operations of IGB Commercial REIT.

As at 31 December 2020, the contribution of the five (5) largest tenants based on their Occupied NLA of the respective Subject Properties to the gross rental income across the Subject Properties are as follows:

Subject Properties	Total gross rental income
	(%)
Menara IGB & IGB Annexe	61.1
Centrepoint South	40.5
Centrepoint North	38.3
Boulevard Properties	40.6
Gardens South Tower	49.7
Gardens North Tower	50.1
Southpoint Properties	92.5
Menara Tan & Tan	66.4
GTower	37.6

Subject Properties	Total gross rental income
	(%)
Hampshire Place Office	44.6

Accordingly, IGB Commercial REIT's financial condition and results of operations and ability to make distributions may be adversely affected by the bankruptcy, insolvency or downturn in the businesses of one or more of these tenants, as well as the decision by one (1) or more of these tenants not to renew its tenancy. New tenants on the same terms (or no less favourable terms) may not be found in time or at all.

Further, in the event these key tenants of the Subject Properties are unable to pay their rent or breach their obligations under the tenancy agreements, IGB Commercial REIT's financial condition and results of operations and ability to make distributions to Unitholders may be adversely affected.

Factors that affect the ability of such key tenants to meet their obligations include, but are not limited to:

(i) general economic conditions;

(ii) their operating results; and

(iii) the local economies in which they have business operations.

The Independent Property Market Report provides that the oil & gas sector is facing headwind with the volatility of oil price, and is at the higher risk spectrum compared to the other occupiers. As at 31 December 2020, the Golden Triangle Subject Properties comprise 25 tenants with an aggregate Occupied NLA of approximately 281,600 sq ft from the oil & gas industry. Upon Subsea 7 Asia Pacific Sdn Bhd downsizing its Occupied NLA, the illustrative Occupied NLA of tenants from the oil & gas industry is approximately 266,700 sq ft.

The number of tenants from the oil & gas sector together with their Occupied NLA in the Golden Triangle Subject Properties who have renewed their respective tenancies in the Golden Triangle Subject Properties during the FYE 2020 are seven (7) tenants with an Occupied NLA of approximately 114,600 sq ft.

In addition, despite the volatility of the oil price, the Occupied NLA of tenants from the oil & gas sector who have vacated or downsized their tenanted area in the Golden Triangle Subject Properties range between 2.8% to 6.3% of the total NLA of the respective Golden Triangle Subject Properties.

Based on the above, it appears that the impact to IGB Commercial REIT remains tolerable at this juncture. However, there can be no assurance that more tenants from the oil & gas sector would not vacate the Golden Triangle Subject Properties or would not opt to downsize in the event there is further deterioration to oil price.

Notwithstanding the above, the respective Vendors are presently negotiating tenancies with potential tenants from other sectors in order to minimise the risk to IGB Commercial REIT should existing tenants from the oil & gas sector vacate or downsize the Golden Triangle Subject Properties.

5.1.2 There is no assurance that the Subject Properties will be able to maintain rental rates at prevailing market rates

The rental rates of the Subject Properties will depend upon various factors, including but not limited to prevailing supply and demand conditions as well as the quality and design of the Subject Properties. There is no assurance that the Manager will be able to procure new tenancies or renew existing tenancies at or above prevailing rental rates.

The income from the Subject Properties will be dependent on the ability of the Subject Properties to compete against other office buildings for tenants. If, in the future, competing office buildings are able to offer lower rental rates to attract the existing tenants of the Subject Properties, the income from the Subject Properties could be reduced, thereby adversely affecting IGB Commercial REIT's cash flow and amount of funds available for distribution to Unitholders.

5.1.3 The Subject Properties may face increasing competition from other office buildings

The Subject Properties are located in areas where other competing office buildings are present and new office buildings may be developed which may compete with the Subject Properties in attracting office tenants. Such competing office buildings include those located within the developments of Kuala Lumpur Sentral, Bangsar South City, KL Eco City, Tun Razak Exchange, Bukit Bintang City Centre and Menara Warisan Merdeka 118 – Please refer to Sections 4.2.3 and 4.4.2 of the Independent Property Market Report in Appendix B of this Prospectus. In respect of the MVC Subject Properties, given that Mid Valley City is almost fully developed, there is little room for more new buildings to be developed within Mid Valley City. The appeal and attractiveness of the Subject Properties may decrease in the future, especially if new office buildings are built and/or existing office buildings undergo upgrading and the Subject Properties fail to keep pace and slowly become outdated.

In order for the Subject Properties to remain competitive, the Vendors of the Subject Properties have among others, undertaken the following:

(i) widened their network of intermediaries by identifying and engaging with real estate agents who are reputable in leasing of corporate office;

(ii) provided incentive or higher agency fees to real estate agents who have successfully secured prospective tenants and hit certain target;

(iii) surveyed and identified prospects in the surrounding area and used direct marketing strategies such as emails and calls; and

(iv) provided rental packages which cater to the tenants' demand, such as staggered rental, rent free periods, fit out support which is to be amortised over the tenancy term, instalment payment for security deposit and special incentives for tenants who have agreed to advance renewal, by evaluating the tenants' respective risk levels based on its business performance and financial standing.

The income from the Subject Properties will be dependent on the ability of the Subject Properties to compete against other office buildings for tenants. If, in the future, competing office buildings are more successful in attracting and retaining tenants taking into account the threats of large impending supply and upcoming new integrated developments, the income from the Subject Properties could be reduced, thereby adversely affecting the business, financial condition, results of operations and prospects of IGB Commercial REIT and the amount of funds available for distribution to Unitholders.

5.1.4 The Subject Properties have tenancy cycles in which a substantial number of the tenancies expire in certain years

A substantial number of the Subject Properties' tenancies are for terms of three (3) years, which exposes the Subject Properties to significant rates of tenancy expiries each tenancy cycle.

The Subject Properties have tenancy cycles in which a substantial number of tenancies expire in certain years as at 31 December 2020 as follows:

Subject Properties	**Tenancies by Occupied NLA(1) as at 31 December 2020 expiring in**			
	FYE 2021	**FYE 2022**	**FYE 2023**	**FYE 2024 and beyond**
	(%)	**(%)**	**(%)**	**(%)**
Menara IGB & IGB Annexe	24.3	46.9	21.6	-
Centrepoint South	28.0	54.0	18.0	-
Centrepoint North	24.3	40.9	34.8	-
Boulevard Properties	43.0	17.2	33.2	-
Gardens South Tower	40.5	13.4	33.7	10.3
Gardens North Tower	29.8	47.6	17.5	5.1
Southpoint Properties	30.9	-	13.5	55.6
Menara Tan & Tan	39.3	13.3	23.7	19.7
GTower	27.8	49.0	21.0	-
Hampshire Place Office	36.1	38.4	24.2	-
Total	**31.6**	**32.8**	**23.1**	**10.8**

Note:

(1) Based on the assumption that there is no early termination of any of the tenancies of the Subject Properties.

The concentration of tenancy expiries heightens IGB Commercial REIT's exposure to the typical risks associated with tenancy expiries, including the risk of vacancies following non-renewal, early terminations of tenancies, incidents of tenants absconding with or without overdue rents or non-replacement of tenancies, reduced Occupancy Rates and lower gross rental income.

For the FYE 2020, 17 tenants occupying in aggregate, approximately 277,600 sq ft, accounting for approximately RM1.4 million monthly rental income had early terminations, while 26 tenants occupying in aggregate, approximately 136,700 sq ft accounting for approximately RM0.9 million monthly rental rate had early renewals of their tenancies.

If key tenants or a large number of tenants decide not to renew their tenancies, terminate their respective tenancies before it expires or even abscond without payment of overdue rent, and in the event that new tenants are unable to be secured or are secured after a long vacancy period or are agreed at less favourable terms than the existing tenancies, the income of IGB Commercial REIT and distributions to Unitholders will be adversely affected.

5.1.5 Transportation infrastructure near the Subject Properties may be redirected, relocated, terminated, delayed or not completed

There is no assurance that the existing and/or planned transportation infrastructure and public transport services around the Subject Properties will not be redirected, relocated, terminated or delayed.

Currently, the infrastructure around the MVC Subject Properties includes the Mid Valley KTM Komuter station which is directly connected to Mid Valley Megamall and the Abdullah Hukum LRT station. Further, there is a pedestrian bridge connecting The Gardens Mall and KL Eco City which provides the patrons of Mid Valley City with access to the Abdullah Hukum LRT station. The transportation infrastructure around the Golden Triangle Subject Properties includes the Ampang Park LRT station, which will also serve as a MRT station when the MRT Sungai Buloh – Serdang – Putrajaya (SSP) Line is completed, and the Persiaran KLCC MRT station which is currently undergoing active construction in stages is completed. Both of these MRT stations are expected to be operational by year 2023.

If the current infrastructure or any planned infrastructure is redirected, relocated, terminated or not approved, it may have an adverse effect on the accessibility of the Subject Properties. This may then have an adverse effect on the demand, appeal and the rental rates for the Subject Properties and have an adverse effect on the financial condition and results of operations of IGB Commercial REIT.

5.1.6 Renovations, asset enhancement works and physical damage to the Subject Properties may affect the demand for space in, and the rental rate of the Subject Properties or otherwise resulting in an adverse impact on the financial condition of IGB Commercial REIT

The quality and design of the Subject Properties have a direct influence over the demand for space in, and the rental rates of, the Subject Properties. The Subject Properties may need to undergo renovation, upgrading, development, redevelopment or AEI from time to time to retain their competitiveness.

As set out in Section 2.1.3(i) "Opportunities to increase Occupancy Rates to underpin organic growth" of this Prospectus, some of the Subject Properties are currently undergoing or will undergo AEI, the costs of which are borne by the relevant Vendors as set out in the relevant SPAs. The costs of any AEI in respect of physical damage to the Subject Properties after completion of the SPAs will be borne by IGB Commercial REIT.

The Subject Properties may require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. The costs of maintaining office buildings and the risk of unforeseen maintenance or repair requirements tend to increase over time as the buildings age. In addition, the Subject Properties may be required to undergo rectification works to comply with local regulatory requirements.

In addition, physical damage to any of the Subject Properties resulting from fire or other causes may lead to a significant disruption to the business and operations of the affected Subject Properties and, together with the foregoing, may impose unbudgeted costs on IGB Commercial REIT. This may result in an adverse impact on the financial condition and results of operations of IGB Commercial REIT and its ability to make distributions to Unitholders.

5.1.7 IGB Commercial REIT's portfolio is not geographically diversified

IGB Commercial REIT's initial property portfolio consists of the Subject Properties which are all located in Malaysia. Accordingly, IGB Commercial REIT is exposed to risks associated with the geographical concentration of the Subject Properties, including an overall downturn of economic and real estate conditions in Malaysia, movements in interest rates and changes in policies or laws affecting real property. In addition, the Subject Properties consist of 10 commercial properties in Kuala Lumpur, with seven (7) commercial properties located in Mid Valley City and the remaining three (3) commercial properties located in the Golden Triangle of Kuala Lumpur. The MVC Subject Properties which are located in Mid Valley City are synergistic with the retail and hospitality components of Mid Valley City. A substantial change in service offerings in one (1) or more of these components may result in the loss of popularity of Mid Valley City, which in turn, may materially adversely affect the business, financial conditions and the results of operations of IGB Commercial REIT.

5.1.8 The Subject Properties might be adversely affected if the Manager and the Property Manager do not provide adequate management and maintenance

Should the Manager and the Property Manager fail to provide adequate management and maintenance, the value of the Subject Properties might be adversely affected and this may result in the loss of tenants or lower rental rates, which will adversely affect the financial condition of IGB Commercial REIT and its ability to make distributions to Unitholders. Failure to provide adequate management and maintenance to the Subject Properties may also lead to a decrease in tenancy rates, with tenants being attracted to the competitors of the Subject Properties. This will affect the financial performance of IGB Commercial REIT.

5.1.9 IGB Commercial REIT may suffer material losses in excess of insurance proceeds or IGB Commercial REIT may not put in place or maintain adequate insurance in relation to the Subject Properties and its potential liabilities to third parties

The Subject Properties may face the risk of suffering physical damage caused by fire, acts of God such as natural disasters or other causes, as well as potential public liability claims from contractors and tenants.

In addition, certain types of risks (such as war risk and losses caused by the outbreak of contagious diseases, contamination or other damages caused by breaches of environmental law) may be uninsurable or the cost of insurance may be prohibitive when compared to the risk. Currently, IGB Commercial REIT's insurance policies for the Subject Properties include property damage caused by loss or damage caused by fire and special perils, consequential losses from fire and special perils, machine and equipment, all risks, plate glass, burglary, employer's liability and public liability but do not in general cover acts of war, acts of terrorism (save for Menara Tan & Tan) and radioactive or nuclear risks.

Should an uninsured loss or a loss in excess of insured amounts occur, IGB Commercial REIT could be required to pay compensation and/or lose capital invested in the affected Subject Property as well as anticipated future revenue from that Subject Property as it may not be able to rent out or sell the affected property. No assurance can be given that material losses in excess of insurance proceeds (if any) will not occur. In addition, IGB Commercial REIT's insurance policies and terms of coverage will be subject to renewal and negotiations on a periodic basis in the future and there is no assurance as to the nature and extent of coverage that will be available on commercially reasonable terms in the future. Any material increase in insurance rates or decrease in available coverage in the future will adversely affect IGB Commercial REIT's business, results of operations and financial condition.

5.1.10 The due diligence on the Subject Properties may not have identified all material defects, breaches of laws and regulations and other deficiencies

Save for due diligence on the title and legal matters affecting the Subject Properties, no other due diligence was carried out in respect of the Subject Properties. Such due diligence may not have revealed all breaches of laws or regulations or defects or deficiencies affecting the Subject Properties, including to the title thereof. No technical due diligence was undertaken by the Manager on the Subject Properties. There can be no assurance that the Subject Properties do not or will not have defects or deficiencies, which will require additional expenditure, special repair or maintenance expenses or the payment of damages or other obligations to third parties. Such costs or liabilities may involve significant and potentially unpredictable levels of expenditure which may have a material adverse effect on IGB Commercial REIT's business, financial condition, results of operations and prospects. Moreover, the representations, warranties and indemnities made in favour of IGB Commercial REIT by the Vendors may not offer sufficient protection for the costs and liabilities arising from any defect or deficiency.

5.1.11 The Appraised Values of the Subject Properties are based on various assumptions which may or may not materialise; the price at which IGB Commercial REIT is able to sell the Subject Properties in future may be lower than the acquisition value of the Subject Properties

There can be no assurance that the assumptions relied on to derive the Appraised Values of the Subject Properties are, or will be, based on accurate measures of the market, and the said values of the Subject Properties may be evaluated inaccurately. Property valuation in general involves using assumptions, estimates, subjective parameters and/or close proxies. The Independent Property Valuer may have included a subjective determination of certain factors relating to the Subject Properties such as their relative market positions, financial and competitive strengths, and physical condition. The Independent Property Valuer may also have taken into account external factors such as demand and supply, general economic conditions and interest rates.

The valuation of any of the Subject Properties does not guarantee a sale price at that value at present or in the future as values might change and are subject to market conditions as well. The price at which IGB Commercial REIT may sell any of the Subject Properties may be lower than the Appraised Value or its purchase consideration.

5.1.12 IGB Commercial REIT is dependent on third parties for certain services

Certain services to the Subject Properties, for example, water, electricity, liquefied petroleum gas and sewerage treatment may be provided by third party service providers or may not be located within the Subject Properties. There is no assurance that the third parties or other parties contracted by the third parties will fulfil their obligations under any contracts of service. IGB Commercial REIT is also dependent on the Property Manager for providing property management services, tenancy management services, marketing and marketing coordination services and project management services. Any interruption to such services to the Subject Properties may disrupt business operations and have a material adverse effect on IGB Commercial REIT's business, financial condition, results of operations and prospects.

5.1.13 Completion of the SPAs and transfer of certain contracts or licences may not occur

There can be no assurance that all the SPAs will complete in accordance with their respective terms. The SPAs are subject to conditions precedent, which may not all be satisfied or waived. Further, the Vendors may fail to comply with the terms of the SPAs, including the obligation to complete the sale to IGB Commercial REIT. Please refer to Section 14.3 "Salient Terms of the SPAs" of this Prospectus for details of the SPAs. The SPAs provide that the Trustee is not obliged to complete the sale and purchase of any Subject Property unless the sale and purchase of the remaining Subject Properties can be completed concurrently. The SPAs, however, also provide that if any one (1) or more of the SPAs are rescinded or terminated for any reasons whatsoever ("**Affected SPAs**"), the Trustee and each Vendor of the remaining SPAs ("**Remaining SPAs**") have the option to agree in writing to proceed with the completion of the Remaining SPAs. This means that the Acquisitions by IGB Commercial REIT may entail the acquisitions of all the Subject Properties or some of the Subject Properties, or the Acquisitions in its entirety will not complete and IGB Commercial REIT will be unwound. In the event of the latter where Units have been allotted, the Unitholders who were allotted Units under the Offering will only receive their monies following the completion of the winding up of IGB Commercial REIT in accordance with the terms of the Deed.

Further, the transfer of certain servicing, maintenance and insurance require the consents of various third parties before they can be validly transferred. As a result, there can be no assurance that all such contracts will be transferred to IGB Commercial REIT and IGB Commercial REIT may be adversely affected if the benefits of such contracts are unavailable or have to be re-contracted for on less favourable terms.

Some licences, permits and approvals required for certain operational aspects of the Subject Properties may need to be transferred to or applied by IGB Commercial REIT as the new owner of the Subject Properties upon completion of the SPAs. There can be no assurance that such licences, permits and approvals can be transferred or will be issued by the relevant authorities or government bodies within a reasonable period. Such operational aspects of the Subject Properties may be affected if these licences, permits and approvals cannot be transferred or are not issued.

5.1.14 Legal ownership of the MVC Phase 1 Properties and Southpoint Properties is dependent on the State Authority's consent

The legal transfer of the MVC Phase 1 Properties and Southpoint Properties ("**Affected Properties**") cannot be effected without the consent of the relevant State Authority ("**Restriction-In-Interest**"). This Restriction-In-Interest is endorsed on the respective master titles to the lands on which the Affected Properties are erected on ("**MVC Master Lands**"). As at the Latest Practicable Date, (i) the strata titles to the Affected Properties ("**Affected Properties Strata Titles**") have yet to be issued; and (ii) the applications for the Affected Properties Strata Titles are expected to be made after the completion of SPAs of the Affected Properties. The Affected Properties Strata Titles when issued, will be endorsed with a similar Restriction-In-Interest, and accordingly, the State Authority's consents for the transfer of the Affected Properties to the Trustee ("**Consents to Transfer**") are required to be obtained.

The State Authority has since 2013 stopped accepting and processing applications for consent to transfer for strata properties unless the relevant strata titles to the strata properties have been issued[1].

In Malaysia, it is trite law that a purchaser acquires beneficial ownership in a real property only upon payment of the purchase consideration in full. However, it was held in a Court of Appeal case that in the event consent from a relevant State Authority is required to transfer a real property, a purchaser acquires beneficial ownership in the real property only upon such consent to transfer having been obtained and the purchase consideration having been paid in full[2].

In view that the Consents to Transfer can only be applied for after the issuance of the Affected Properties Strata Titles (which is expected to take place after the completion of the SPAs of the Affected Properties), the transfer of the legal titles to the Affected Properties can only be effected after the Consents to Transfer are obtained. Further, whilst the Vendors of the Affected Properties are not aware of any reasons that could result in the State Authority rejecting the applications for the Consents to Transfer, there can be no assurance that the State Authority will grant the Consents to Transfer as the decision to accept, process and approve the applications for the Consents to Transfer ultimately rests with the State Authority. Accordingly, upon completion of the SPAs of the Affected Properties:

(i) the Trustee will not have an indefeasible legal title[3] to the Affected Properties until after the Consents to Transfer are obtained and the transfer to and registration of the MVC Affected Properties Strata Titles in the name of the Trustee are completed. The legal titles to the Affected Properties will still reside with MVC and MVC Southpoint (collectively, "**MVC Registered Proprietors**"), as the respective registered proprietors of the respective MVC Master Lands and who will be, upon the issuance of the Affected Properties Strata Titles, the persons named on the issue and register of strata documents of title as the registered proprietors of the Affected Properties until after the Consents to Transfer are obtained and the Affected Properties Strata Titles are transferred to and registered in the name of the Trustee;

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1 Written circular issued by the State Authority dated 11 March 2013
2 Perwira Habib Bank (M) Bhd v Loo & Sons Realty Sdn Bhd & Another *[1996] 3 MLJ 409*
3 Being a title or an interest which is free of all adverse claims or encumbrances not noted in the register of title, in the absence of fraud and other vitiating factors as set out in Section 340 of the NLC

(ii) the Trustee will have (a) beneficial ownership of the Affected Properties; and (b) contractual rights including rights, title, interests and benefits in and to the Affected Properties and their respective tenancy agreements and service contracts, in accordance with the provisions of the SPAs of the Affected Properties.

In line with the general principles of indefeasibility of registered title under the NLC, whilst the beneficial owner of a real estate has actual property rights in the land itself, such beneficial ownership may be defeated in favour of a purchaser for value of the land without prior notice of such beneficial ownership.

Notwithstanding the above, measures have been taken and will be taken on or before the completion of the SPAs of the Affected Properties, to protect and enhance the Trustee's rights and interests in the Affected Properties. Please refer to Section 14.3 "Salient Terms of the SPAs" of this Prospectus for further details on such measures. There is no assurance that the measures will be sufficient to protect the Trustee's interest in the Affected Properties.

5.1.15 Minority interest under the strata schemes in respect of the MVC Phase 1 Properties and MVC Phase 2 Properties

Based on the share units allocated to the MVC Phase 1 Properties and MVC Phase 2 Properties under the strata schemes of the integrated developments known as Mid Valley City Phase 1 ("**Strata Scheme One**") and Mid Valley City Phase 2 ("**Strata Scheme Two**") respectively, IGB Commercial REIT will not have majority ownership of and control of such strata schemes upon completion of the Acquisitions. The risks associated with holding a minority interest in Strata Scheme One and Strata Scheme Two include the inability to direct and control certain matters that may affect the MVC Phase 1 Properties and MVC Phase 2 Properties, including:

(i) the management, maintenance and asset enhancement initiatives of the common properties of Strata Scheme One and Strata Scheme Two;

(ii) the appointment of representative(s) from IGB Commercial REIT to be member(s) of the joint management committee or management committee or being out-voted by the other members on the joint management committee or management committee;

(iii) the charging of service charge and sinking fund, to the extent that IGB Commercial REIT views any such amount charged to be excessive in light of the facilities made by way of common property; and

(iv) any proposal or resolution to change or impose any expenditure or expenses if IGB Commercial REIT is of the view that such expenditure or expenses are inappropriate or excessive.

There is no assurance that the direction of the joint management body of Strata Scheme One and management corporation of Strata Scheme Two, namely MVC JMB and MVCG MC respectively, will be aligned with those of IGB Commercial REIT in terms of managing and maintaining the common properties of Strata Scheme One and Strata Scheme Two.

5.1.16 IGB Commercial REIT may from time to time be subject to legal proceedings

Legal proceedings against IGB Commercial REIT relating to property management and disputes over tenancies may arise from time to time. There can be no assurance that IGB Commercial REIT will not be involved in such proceedings or that the outcome of these proceedings will not adversely affect the financial condition, results of operations or cash flow of IGB Commercial REIT. However, as at the Latest Practicable Date, none of IGB Commercial REIT, the Manager, and/or the Property Manager is involved in any material litigation nor, to the best of the Manager's knowledge, is any material litigation or arbitration proceedings currently contemplated or threatened against IGB Commercial REIT, the Manager or the Property Manager.

5.1.17 The Subject Properties or any part of them may be acquired compulsorily

Under Section 3 of the Land Acquisition Act 1960, the State Authority has the power to acquire any land, whether in whole or in part, which is needed:

(i) for any public purpose;

(ii) by any person or corporation for any purpose which, in the opinion of the State Authority, is beneficial to the economic development of Malaysia or any part thereof or to the public generally or any class of the public; or

(iii) for the purpose of mining or for residential, agricultural, commercial, industrial or recreational purposes or any combination of such purposes.

In the event of any compulsory acquisition of property in Malaysia, the amount of compensation to be awarded is based on the fair market value of a property and is assessed on the basis prescribed in the Land Acquisition Act 1960 and other relevant laws. The market value of the Subject Properties as determined by the State Authority may be lower than the market value as determined by any independent property valuer appointed by IGB Commercial REIT. Or, if any of the Subject Properties were compulsorily acquired by the State Authority after completion of the Acquisitions, and at a point in time when the market value of the Subject Properties has decreased, the level of compensation paid to IGB Commercial REIT may be less than the price which IGB Commercial REIT paid for the Subject Properties, which may have an adverse effect on the trading price of the Units and IGB Commercial REIT's business, financial condition, results of operations and prospects. If the compulsory acquisition concerned a material section of the Subject Properties such as office space, car park areas and/or access areas to the Subject Properties, the business and operation of the Subject Properties may be adversely affected thereby resulting in a reduction of Total Revenue and the market value of the Subject Properties.

In the event any of the Subject Properties are subject to compulsory acquisition by the State Authority before the completion of the Acquisitions, the Trustee has an option to proceed with the purchase of the relevant Subject Property or to terminate the relevant SPA under the terms of the SPA. In the event the Trustee elects to terminate the relevant SPA, the Vendor will refund to IGB Commercial REIT the purchase consideration paid for the relevant Subject Property in cash, and in exchange of the Vendor's refund, the Trustee will return all documents delivered by the Vendor, together with the withdrawal of private caveat form duly executed by the Trustee and the requisite registration fees for the withdrawal of the private caveat.

5.2 RISKS RELATING TO IGB COMMERCIAL REIT'S OPERATIONS

5.2.1 IGB Commercial REIT is exposed to economic and real estate market conditions (including uncertainties and instability in global market conditions and increase competition in the commercial property market) and political risks in Malaysia

Given that the Subject Properties are located in Kuala Lumpur, Malaysia, IGB Commercial REIT's results of operations would depend, to a large extent, on the performance of Malaysia's economy and the Malaysian real estate market conditions. A decline in Malaysia's economy could adversely affect IGB Commercial REIT's results of operations and future growth. Historically, the Malaysian property market has been cyclical and Malaysian property values, rents and occupancy rates have been affected by, among other factors, the rate of economic growth in Malaysia, interest rates and inflation.

The performance of IGB Commercial REIT may also be adversely affected by a number of local real estate market conditions, such as the competitiveness of competing office buildings or the supply and demand of office buildings. There can be no assurance that the Malaysian economy will continue to improve, that property values, rents and occupancy rates will not decline, or that interest rates or inflation will not rise in the future. An economic decline in Malaysia, a decline in real estate market conditions in Malaysia or other developments outside the control of IGB Commercial REIT and the Manager, would have a material adverse effect on IGB Commercial REIT's business, financial condition and results of operations.

In addition, the Malaysian economy is affected by global economic conditions. The global credit markets have experienced, and may continue to experience, volatility and liquidity disruptions, which have resulted in the consolidation, failure or near failure of a number of institutions in the banking and insurance industries. There is also growing concern that the debt crisis in Europe and the United States will impinge upon the health of the global financial system. These and other related events have had significant impact not only on the global capital markets associated with asset-backed securities but also on the global credit and financial markets as a whole. The deterioration in the financial markets has caused a recession in many countries, which has led to significant declines in employment, household wealth, consumer demand and lending and as a result, has adversely affected economic growth in Malaysia and elsewhere. These events could adversely affect IGB Commercial REIT insofar as they result in:

(i) reduced tenants in the Subject Properties;

(ii) a negative impact on the ability of the tenants to pay their rents in a timely manner or continue their tenancies, thus reducing IGB Commercial REIT's revenue and/or cashflows;

(iii) an increase in counterparty risk involving parties such as, but not limited to, tenants, insurers, lenders as well as contractors and suppliers (in terms of any warranties provided); and/or

(iv) an increased likelihood that one (1) or more of (i) the lenders, (ii) banks providing bankers' guarantees for IGB Commercial REIT's rental deposits or (iii) IGB Commercial REIT's insurers may be unable to honour their commitments to IGB Commercial REIT.

IGB Commercial REIT may have difficulty accessing the financial markets, which could make it more difficult or expensive to obtain funding in the future. There can be no assurance that IGB Commercial REIT will be able to raise funds at a reasonable cost or on favourable terms which may have a material adverse effect on IGB Commercial REIT's business, financial condition and results of operations.

Further, IGB Commercial REIT is exposed to political risks in Malaysia. IGB Commercial REIT may be affected by changes in government policies as a result of change of government administration; and the political sentiments in Malaysia may change and affect IGB Commercial REIT adversely.

5.2.2 COVID-19 impact on the business, financial condition and results of operations of IGB Commercial REIT

In late December 2019, an outbreak of a novel coronavirus (now known as COVID-19) was detected in Wuhan City in the Hubei province, China. The World Health Organisation recognised COVID-19 as a "Public Health Emergency of International Concern" on 30 January 2020 and a "pandemic" on 11 March 2020. As a result of the COVID-19 global outbreak, many countries across the world have imposed restrictions on travel and/or quarantines to curb the spread of COVID-19. In Malaysia, the Prime Minister of Malaysia on 16 March 2020 announced the MCO which effectively restrained movements within Malaysia, travel to and out of Malaysia, and closed government and private business offices, save for those involved in the provision of essential services comprising banking and finance, electricity and energy, healthcare and medical, and food and supply among others. Thereafter, the MCO was relaxed in stages to allow all economic sectors and businesses to resume operations on a staggered basis, subject to compliance with the prescribed standard operating procedures.

On 11 January 2021, the Prime Minister had further announced the re-implementation of the MCO for several states in Malaysia for a period of two (2) weeks beginning 13 January 2021 and the following day, announced a no-curfew state of emergency in light of the COVID-19 pandemic situation. The MCO was thereafter twice extended, each for a period of 2 weeks to 18 February 2021. On 16 February 2021, the MCO was further extended in Greater KL, Penang and Johor to 4 March 2021 and replaced with a CMCO for the other states in the country, with the exception of Perlis, which was placed under RMCO, from 19 February 2021 onwards. Subsequently, on 25 February 2021, it was announced that the MCO was relaxed for states under the MCO wherein meetings, incentives, conferencing and exhibitions activities are allowed, subject to limits on the number of attendees, among others. On 5 March 2021, the MCO transitioned into the CMCO for those affected states and thereafter to the MCO on 6 May 2021 and 7 May 2021 for Selangor and Wilayah Persekutuan Kuala Lumpur.

The COVID-19 global outbreak has disrupted global economic activity, and impacted companies in various industries. The outbreak is likely to continue to have a negative impact on the global economy and business activities in the near future. This could thereby adversely impact the business and operations of the tenants of the Subject Properties, and in turn, may adversely impact the revenues and results of IGB Commercial REIT. Further, in the event there is any outbreak of similar nature in the future, there is no assurance that measures and steps taken by the relevant authorities will be adequate to contain such outbreak, and this could have a similar impact to the business and operations of the tenants of the Subject Properties, and in turn, the revenues and results of IGB Commercial REIT, as in the COVID-19 outbreak.

These factors could materially and adversely affect the business, financial conditions and the results of operations of IGB Commercial REIT. For details on the impact of COVID-19 pandemic to the operations of the Subject Properties and tenants of the Subject Properties, please refer to Section 2.2 "Impact of COVID-19 Pandemic" of this Prospectus.

5.2.3 IGB Commercial REIT may be affected by changes in working trend

Changes in working trend in Malaysia may adversely affect IGB Commercial REIT's business, prospects, financial condition and results of operations. Over the past decade, technology has enabled employees to work from almost any location. With flexible working potentially being a norm for the upcoming days, the need towards office space may change. As such, new working trends could adversely affect demand for traditional office space. In addition, tenants may demand for more flexible lease terms[4], as well as differentiation strategy in building specification that facilitate this changing work pattern. IGB Commercial REIT may be required to keep up with evolving needs from the tenants in order to maintain its occupancy and rental rates.

The COVID-19 pandemic has resulted in an increase in work from home arrangement and virtual meetings in Malaysia as employers strongly encouraged by the Government, play their part in curbing the spread of COVID-19. This change in working trend may lead to a change in demand for office space such as preference for flexible working space and reduction in total space requirement in the longer term. IGB Commercial REIT may be required to offer tenancy packages that would meet its tenants' needs to remain competitive in the market and attract new tenants.

5.2.4 The Total Revenue earned from, and the value of, the Subject Properties may be adversely affected by a number of factors

The Total Revenue earned from, and the value of, the Subject Properties may be adversely affected by a number of factors, including, but not limited to:

(i) the ability to collect rent from tenants;

(ii) the amount and extent to which IGB Commercial REIT may grant rent free period or rebates to tenants in certain circumstances;

(iii) defects affecting the Subject Properties which could affect the operations of tenants resulting in the inability of such tenants to make timely payments of rent or at all;

(iv) a drop in rental rates due to changes in rental rates of comparable offices, tenant mix, renewal options, size, location and configuration of NLA within the Subject Properties, and the design of the Subject Properties;

4 The flexible lease terms demanded by tenants include an early termination clause which allows the tenants to early terminate their tenancies after completion of a minimum of between 12 to 24 months from the commencement date of the tenancies, as compared to the usual three (3) years without flexible early termination clause.

(v) the tenants seeking the protection of bankruptcy laws which may result in delays in the receipt of rent payments, inability to collect gross rental income, or delays in the termination of the tenancy, or which could hinder or delay the re-letting of the space in question or the sale of the relevant property;

(vi) the general macroeconomic and supply and demand trends affecting the economic conditions of Malaysia and conditions in the real estate market sector in Malaysia;

(vii) reduced Occupancy Rates due to supply and demand trends affecting the commercial real estate markets, the length of potential vacancy periods arising from tenancy expiries and early terminations, and rental rates of other competing properties;

(viii) the Manager's ability to provide adequate management and maintenance or to purchase or put in place adequate insurance;

(ix) changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, taxes and government charges. Rights related to the properties may also be restricted by legislative actions, such as revisions to the laws relating to building standards or town planning laws, or the enactment of new laws related to condemnation and redevelopment; and

(x) acts of God, wars, terrorist attacks, riots, civil commotions, widespread communicable diseases, natural disasters and other events beyond the control of the Manager.

5.2.5 Operating risks inherent to the commercial property industry and increases in operating and other expenses of the Subject Properties may have an adverse effect on IGB Commercial's financial condition and results of operations

IGB Commercial REIT's ability to maintain a certain level of distribution to the Unitholders could be affected if its operating and other expenses increase without a corresponding increase in revenue or tenant reimbursement of operating and other costs. In addition to other factors mentioned herein, factors which could increase operating and other costs of the Subject Properties, include, but are not limited to, the following:

(i) increase in utility costs (including any increase in preferential tariff granted by utility service providers);

(ii) increase in construction, repair and maintenance costs (including mechanical and engineering costs);

(iii) increase in third party sub-contracted service costs;

(iv) increase in insurance premiums;

(v) increase in payroll expenses;

(vi) increase in quit rent and assessments (property and related taxes) and other statutory charges;

(vii) increase in property management cost and management fees;

(viii) changes in statutory laws, regulations or government policies which increase the cost of compliance with such laws, regulations or policies;

(ix) increase in costs of financing for operating or capital requirements; and

(x) increase in the service charge and sinking fund contributions applicable to strata properties.

Additionally, capital expenditures and other expenses may be irregular since on-going repairs and maintenance involves significant and potentially unpredictable expenditures. Both the amount and timing of such expenditures will have an impact on the cash flow of IGB Commercial REIT. If the Subject Properties do not generate revenue sufficient to meet operating expenses, debt service and capital expenditures, IGB Commercial REIT's income and ability to make distributions may be materially and adversely affected. Many of these factors may have an adverse effect on the NPI derived from the Subject Properties. The valuation of the Subject Properties, (to be obtained at least once a financial year pursuant to the REIT Guidelines or such other shorter interval as the Manager deems necessary), will reflect such factors and as a result, such valuation may fluctuate significantly upwards or downwards.

5.2.6 The amount IGB Commercial REIT may borrow is limited, which may affect the operations and expansion of IGB Commercial REIT

Under the REIT Guidelines, IGB Commercial REIT is only permitted to borrow up to 50.0% of its Total Asset Value at the time any borrowing is incurred. IGB Commercial REIT may, from time to time, require debt financing to achieve its investment strategies. In the event that IGB Commercial REIT borrows up to 50.0% of its Total Asset Value or a decline in the value of the Deposited Property causes its borrowings to exceed the limit permitted under the REIT Guidelines, IGB Commercial REIT will be unable to pursue its strategies and may face adverse business consequences such as:

(i) an inability to fund capital expenditure requirements in relation to IGB Commercial REIT's existing asset portfolio or in relation to IGB Commercial REIT's acquisitions to expand its portfolio; and

(ii) cash flow shortages (including with respect to distributions) which IGB Commercial REIT might otherwise be able to resolve by borrowing funds.

Therefore, the attractiveness and marketability of the Subject Properties may be affected.

5.2.7 IGB Commercial REIT may face risks associated with debt financing and existing and future debt facilities and debt covenants may limit or affect IGB Commercial REIT's operations

Upon Listing, IGB Commercial REIT will have total indebtedness of approximately RM850.9 million (net of estimated financing transaction costs of approximately RM2.3 million) (representing approximately 26.3% of the Total Asset Value of approximately RM3,234.7 million based on the Group's Pro Forma Consolidated Statement of Financial Position). IGB Commercial REIT is subject to risks associated with existing and future debt financing, including the risk that its cash flow will be insufficient to meet the required payments of principal and interest under such financing, and therefore be unable to make distributions to Unitholders. Please refer to Section 3.9 "REIT Financing" of this Prospectus for further details on the debt financing of IGB Commercial REIT.

The Manager intends to distribute at least 90.0% of IGB Commercial REIT's Distributable Income. For the period from the Listing Date to 31 December 2021, IGB Commercial REIT will distribute 100.0% of its Distributable Income. As a result of this distribution policy, IGB Commercial REIT may not be able to meet all of its obligations to repay any future borrowings through its cash flow from operations. IGB Commercial REIT may be required to repay maturing debt with funds from additional debt or equity financing or both. There is no assurance that such financing will be available on acceptable terms or at all.

If principal amounts due for repayment at maturity cannot be refinanced, extended or paid with proceeds of other capital transactions, such as new equity capital, IGB Commercial REIT will not be able to repay all maturing debt. In such cases, if IGB Commercial REIT defaults under such debt facilities, the lenders may be able to declare a default and initiate enforcement proceedings in respect of any security provided, and/or call upon any guarantees provided. Further, if IGB Commercial REIT's properties are charged, such properties could be foreclosed by the lender or the lender could require a forced sale of the properties with a consequent loss of income and asset value to IGB Commercial REIT. This would in turn affect the distributions to be paid to Unitholders.

Even if IGB Commercial REIT is able to secure new debt financing, IGB Commercial REIT may be subject to the risk that the terms of any refinancing undertaken will be less favourable than the terms of the borrowings sought to be refinanced (including bank borrowings or issuances of debenture and bonds). IGB Commercial REIT may also be subject to certain covenants that may limit or otherwise adversely affect its operations and its ability to make distributions to Unitholders. Such covenants may also restrict IGB Commercial REIT's ability to acquire properties or undertake other capital expenditure and may require it to set aside funds for maintenance or repayment of security deposits or require IGB Commercial REIT to maintain certain financial ratios (such as loan to value ratios). The triggering of any of such covenants may have an adverse impact on IGB Commercial REIT's financial condition.

Increases in interest rates could significantly affect IGB Commercial REIT's financial condition and results of operations. The interest rates of borrowings could be subject to changes based on the cost of funds of the respective lenders, which could be subject to renegotiation on a periodic basis. If the interest rates for IGB Commercial REIT's existing or future borrowings increase significantly, its cost of funds will increase which may adversely impact its results of operations, planned capital expenditure and cash flows.

5.2.8 The Manager may not be able to successfully implement its investment strategies, including asset enhancements, for IGB Commercial REIT

There is no assurance that the Manager will be able to implement its investment strategies successfully or that it will be able to expand IGB Commercial REIT's portfolio at any specified rate or to any specified size. The success of implementation of its investment strategies depends on the identification of suitable assets and the ability to obtain financing. The Manager may not be able to make acquisitions or investments on favourable terms or within a desired time frame, which will impede the growth of IGB Commercial REIT.

IGB Commercial REIT's ability to make new property acquisitions under its acquisition growth strategy may be adversely affected by the emergence of competitors in the commercial property markets. There may be significant competition for investment opportunities from other property investors, including other REITs, commercial property development companies and private investment funds. There is no assurance that IGB Commercial REIT will be able to compete effectively against such entities.

Even if the Manager can identify suitable assets and investment opportunities for IGB Commercial REIT, obtaining funding for such acquisitions and investments may be difficult. Potential vendors may view negatively the prolonged time frame and lack of certainty associated with the raising of equity capital to fund any such purchase. They may instead prefer other potential purchasers.

Where IGB Commercial REIT is able to acquire property or investments, there is no assurance that IGB Commercial REIT will achieve its intended return on such acquisitions or investments or that it will be able to effectively integrate them into the portfolio of IGB Commercial REIT. IGB Commercial REIT's external growth strategy and its asset selection process may not be successful and may not provide positive returns to Unitholders as the expected benefits, synergies or efficiencies from such acquisitions may take longer than expected to be achieved or may not be achieved at all.

Further, the Manager may from time to time initiate asset enhancement on some of the Subject Properties. There is no assurance that such plans for asset enhancement will materialise, or in the event that they do materialise, they may not achieve their desired results or may incur significant costs.

5.2.9 IGB Commercial REIT may not meet the requirements to enjoy tax exemptions under Section 61A of the Income Tax Act by virtue of (among other things) tax adjustments which could affect the requirement of 90.0% distribution of taxable income or changes in tax laws

Pursuant to Section 61A of the Income Tax Act, a listed REIT is exempted from income tax for the relevant year of assessment provided that it distributes at least 90.0% of its total income (as defined under the Income Tax Act) to its Unitholders in the basis period of the REIT for the relevant year of assessment. The Malaysian Inland Revenue Board ("**MIRB**") has given a concession for such distribution to be made within two (2) months after the close of the financial year which forms the basis period for the tax assessment of the REIT.

Where the abovementioned conditions pursuant to Section 61A of the Income Tax Act are met, IGB Commercial REIT will be exempted from Malaysian income tax. However, IGB Commercial REIT is required to withhold tax on taxable income distributed to certain Unitholders. Please refer to Appendix C "Tax Consultant's Letter on Taxation of IGB Commercial REIT and Unitholders" of this Prospectus for the Malaysian withholding tax implications on distributions to investors from a Malaysian REIT which meets the requirements of Section 61A of the Income Tax Act. There is no assurance that IGB Commercial REIT will be able to comply with the requirements to enjoy tax exemptions under Section 61A of the Income Tax Act. In the event of a tax audit, the MIRB may make an upward adjustment to the total income of IGB Commercial REIT, which may result in IGB Commercial REIT no longer satisfying the 90.0% threshold requirements of Section 61A of the Income Tax Act. Moreover, if IGB Commercial REIT was not originally exempt under Section 61A of the Income Tax Act, an upward adjustment to total income would result in IGB Commercial REIT being subject to more tax.

The Malaysian tax laws may be subject to change. For example, the pre-requisites for tax exemption may become more difficult to meet, such that IGB Commercial REIT would be more likely to be subject to tax or the tax exemption for Malaysian REITs may be removed altogether. Any other tax exemptions, such as stamp duty, which Malaysian REITs currently enjoy, may also be removed in the future.

5.2.10 IGB Commercial REIT may be adversely affected by the illiquidity of real estate investments and the lack of alternative uses and may be exposed to a higher level of risk compared to other types of unit trusts that have a more diverse range of investments

IGB Commercial REIT's focus on commercial buildings involves a higher level of risk as compared to a portfolio which has a more diverse range of investments which are more liquid. Real estate investments are relatively illiquid and such illiquidity may affect IGB Commercial REIT's ability to vary its investment portfolio or liquidate part of its assets in response to changes in economic, real estate market or other conditions. IGB Commercial REIT may be unable to sell its assets on short notice or may be forced to give a substantial reduction in the price that may otherwise be sought for such assets if a quick sale is required. IGB Commercial REIT may face difficulties in securing timely and commercially favourable financing in asset-based lending transactions secured by real estate due to the illiquid nature of real estate assets. These factors could have an adverse effect on IGB Commercial REIT's financial condition and results of operations, with a consequential adverse effect on IGB Commercial REIT's ability to deliver expected distributions to Unitholders.

Further, IGB Commercial REIT's principal strategy of investing, directly or indirectly, in Real Estate will subject IGB Commercial REIT to risks inherent in concentrating in Real Estate. The level of risk could be higher as compared to other types of unit trusts that have a more diverse range of investments in other sectors.

A concentration of investments in Real Estate exposes IGB Commercial REIT to the risk of a downturn in the real estate market. Such downturns may lead to a decline in occupancy for properties or Real Estate-Related Assets in IGB Commercial REIT's portfolio. This will affect IGB Commercial REIT's gross rental income from the Subject Properties, and/or a decline in the capital value of IGB Commercial REIT's portfolio, which will have an adverse impact on distributions to the Unitholders and/or on the results of operations and the financial condition of IGB Commercial REIT.

5.2.11 A change of investment strategies may adversely affect Unitholders' investments in IGB Commercial REIT

IGB Commercial REIT's policies with respect to certain activities, including investments and acquisitions, will be determined by the Manager. Unitholders and potential investors should note that, subject to the requirements of the Deed and the Relevant Laws and Requirements, the Manager has wide discretion to determine the investment strategies of IGB Commercial REIT and may decide to invest in other types of assets, including any Real Estate Assets, Real Estate-Related Assets, as well as Non-Real Estate-Related Assets. Furthermore, as with other investment decisions, there are risks and uncertainties with respect to the selection of investments and with respect to the investments themselves. Please refer to Section 10.10 "Investment Policies of IGB Commercial REIT" of this Prospectus for further details on the restrictions relating to the investment policies of IGB Commercial REIT.

5.2.12 IGB Commercial REIT is subject to risk of litigation by tenants or contractors of the Subject Properties which may result in significant liabilities and damage to IGB Commercial REIT's reputation

IGB Commercial REIT is exposed to the risk of litigation or claims by tenants or contractors of the Subject Properties, which may arise for a variety of reasons, including accidents or injuries that may be suffered by them while at the Subject Properties, tenants' inability to enjoy the use of the Subject Properties in accordance with the terms of their tenancy and IGB Commercial REIT's failure to perform any of its obligations under any tenancy, construction or other contract or agreement entered into with contractors, tenants or other third parties. If IGB Commercial REIT is required to bear all or a portion of the costs arising out of litigation this may have a material adverse effect on IGB Commercial REIT's business, financial condition, result of operations and prospects.

5.2.13 IGB Commercial REIT may engage in interest rate hedging transactions in a manner compliant with the REIT Guidelines, which can limit gains and increase costs

IGB Commercial REIT may enter into interest rate hedging transactions in a manner compliant with the REIT Guidelines to protect itself from the effects of interest rate on floating rate debt. Interest rate hedging activities may not have the desired beneficial impact on the operations or financial condition of IGB Commercial REIT.

Interest rate hedging could adversely affect IGB Commercial REIT because among others:

(i) the party owing money in the hedging transaction may default on its obligation to pay;

(ii) the credit quality of the party owing money on the hedge may be downgraded to such an extent that it impairs IGB Commercial REIT's ability to sell or assign its side of the hedging transaction; and

(iii) the value of the derivatives used for hedging may be adjusted from time to time in accordance with accounting standards to reflect changes in fair value. Such changes although unrealised, would reduce the NAV of IGB Commercial REIT if it is due to downward adjustments.

Interest rate hedging involves risks and transaction costs, which may reduce overall returns.

5.2.14 Potential conflicts of interest among IGB Commercial REIT, the Manager and the Sponsor or its subsidiaries may result in corporate actions and business decisions that are not in the Unitholders' best interests

The Manager is wholly owned by the Sponsor. The Manager is also the management company of IGB REIT, a real estate investment trust listed on the Main Market. The Sponsor will be the largest major Unitholder of IGB Commercial REIT following the completion of the Offering. There can be no assurance that conflicts of interest may not arise among IGB Commercial REIT, the Manager and the Sponsor or its subsidiaries in the future. Please refer to Section 11 "Corporate Governance, Related Party Transactions and Conflicts of Interest" of this Prospectus.

The Sponsor and its subsidiaries and/or associates are engaged in, and/or may engage in among others, investment in, and the development, management and operation of commercial buildings which may compete with the Subject Properties and cause downward pressure on rental rates. Additionally, the Sponsor and the Manager may in the future sponsor, manage or invest in other REITs or other vehicles which may also compete directly with IGB Commercial REIT.

5.2.15 IGB Commercial REIT may not be able to leverage on IGB's experience in the operation of the Subject Properties and will lose the rights granted under the ROFR in the event that IGB decides to transfer or dispose its shares in the Manager

In the event that IGB decides to transfer or dispose of its shares in the Manager, IGB Commercial REIT may no longer be able to leverage on:

(i) IGB's experience in the ownership and operation of the Subject Properties; or

(ii) IGB's financial strength, market reach and network of contacts to further its growth.

In such an event, IGB Commercial REIT and the Subject Properties may not be able to benefit from the range of corporate services which are available to properties managed by IGB. This may have a material and adverse impact on IGB Commercial REIT's results of operations and financial condition which may consequently affect its ability to make distributions to its Unitholders. Furthermore, IGB Commercial REIT has been granted a ROFR by IGB to acquire IGB's future commercial properties. Pursuant to the terms of the ROFR, in the event the Manager ceases to be a direct or indirect subsidiary of IGB, IGB Commercial REIT will lose the rights granted under the ROFR.

5.2.16 IGB Commercial REIT may incur unanticipated costs and liabilities, in connection with environmental laws and regulations

Under various laws, an owner or operator of real property may become liable for the costs of removal of certain hazardous substances released on its property. These laws may impose liability without regard to whether the owner or operator knew of, or was responsible for, the release of such hazardous substances. The presence of hazardous substances on any Subject Property owned by IGB Commercial REIT may have an adverse effect on IGB Commercial REIT's ability to sell any of its Subject Properties or borrow using its Subject Properties as collateral. To the extent that IGB Commercial REIT becomes liable for costs of removing any hazardous substances, IGB Commercial REIT's ability to make distributions to Unitholders will be duly affected.

5.2.17 Occurrence of any acts of God, war and terrorist attacks may adversely and materially affect the business and operations of the Subject Properties

Acts of God, such as natural disasters, are beyond the control of IGB Commercial REIT or the Manager. These may materially and adversely affect the economy, infrastructure and livelihood of the local population including IGB Commercial REIT. IGB Commercial REIT's business and income available for distribution may be adversely affected should such acts of God occur. There is no assurance that any war, terrorist attack or other hostilities in any part of the world, potential, threatened or otherwise, will not, directly or indirectly, have an adverse effect on the operations of the Subject Properties and hence IGB Commercial REIT's income available for distribution.

5.2.18 IGB Commercial REIT may be subject to liability in connection with any future disposal of investments

IGB Commercial REIT may dispose of investments in certain circumstances and may be required to give representations and warranties or be subject to defect liabilities in connection with a disposal of such investments. In the event that such representations or warranties are inaccurate or any defects are found, IGB Commercial REIT may be exposed to damages and other claims. Any liability in respect of any such representations or warranties or defect liabilities may adversely affect the business, financial condition and results of operations of IGB Commercial REIT and in turn, its ability to make distributions to Unitholders.

5.2.19 While the Subject Properties are located in Malaysia, IGB Commercial REIT's future acquisitions may be located outside Malaysia, which would expose IGB Commercial REIT to risks in other countries

The principal investment policy of IGB Commercial REIT is to invest, directly and indirectly, in a portfolio of income producing Real Estate used primarily for commercial purposes in Malaysia and overseas. IGB Commercial REIT may therefore acquire properties outside Malaysia in the future, which would expose IGB Commercial REIT to risks relating to foreign conditions in such countries, including:

(i) a decline in general economic conditions or foreign real estate market conditions affecting the attractiveness of the properties or reducing demand for such a property;

(ii) exchange rate fluctuations between the RM and the foreign currency, and government regulations in relation to foreign exchange;

(iii) foreign laws and policies, such as government controls over property investments or laws concerning foreign ownership of property, and the limitations of IGB Commercial REIT to seek recourse;

(iv) differing levels of income tax, withholding tax, capital gains tax, or any other taxes that may be imposed in other countries or in Malaysia, and potential increases thereto; and

(v) uncertainty as to whether IGB Commercial REIT will be able to repatriate to Malaysia the income and gains derived from investment in the properties on a timely and regular basis.

Any inability to navigate the above risks, to the extent they materialise, will affect IGB Commercial REIT's ability to make distributions to Unitholders from income and gains derived from properties outside of Malaysia.

5.2.20 IGB Commercial REIT may not be able to control or exercise any influence over Real Estate Assets where it does not have majority control

IGB Commercial REIT may, in the course of acquisitions, acquire Real Estate where it does not have majority control. There is no assurance that IGB Commercial REIT will be able to exercise active control over the respective Real Estate Assets and the majority owner of such Real Estate Assets may make decisions which could adversely affect the operations of IGB Commercial REIT and the ability of IGB Commercial REIT to make regular distributions to its Unitholders.

5.2.21 The rate of increase in rentals (if any) of the Subject Properties may be less than the inflation rate

The rate of increase in rentals (if any) of the Subject Properties may be less than the inflation rate and therefore an investment in IGB Commercial REIT may not provide an effective hedge against inflation.

5.2.22 Third parties may be unable to recover under claims brought against the Manager as the Manager is not an entity with significant assets

Third parties, in particular, Unitholders, may in future have claims against the Manager in connection with the carrying on of its duties as manager of IGB Commercial REIT (including in relation to the Offering and this Prospectus).

Under the terms of the Deed, the Manager is indemnified from the Deposited Property against any actions, costs, claims, damages, expenses or demands to which it may be put as the manager of IGB Commercial REIT unless occasioned by the fraud, negligence, wilful default or breach of the Deed by the Manager. In the event of any such fraud, negligence, wilful default or breach, only the assets of the Manager itself and not the Deposited Property would be available to satisfy a claim.

5.2.23 The removal of the Manager may have an adverse effect on IGB Commercial REIT's financial condition and results of operations

There is no assurance that the Manager will remain the manager of IGB Commercial REIT. In the event that the Manager ceases to be eligible to act as a REIT manager under the CMSA or is removed pursuant to the Deed or the Relevant Laws and Requirements, IGB Commercial REIT may need to appoint another management company, which may materially and adversely affect IGB Commercial REIT's financial condition and results of operations.

5.2.24 IGB Commercial REIT depends on certain key personnel and the loss of any key personnel may adversely affect its operations

IGB Commercial REIT's performance depends, in part, upon the continued service and performance of the executive officers of the Manager. Please refer to Section 6.5 "Management Team of the Manager (IGB Commercial REIT)" of this Prospectus for details of the executive officers of the Manager. These key personnel may leave the employment of the Manager. If the above were to occur, the Manager will need to spend time searching for a replacement and the duties which such executive officers are responsible for may be affected. The loss of any of these individuals may have a material adverse effect on IGB Commercial REIT's financial condition and the results of operations.

5.3 RISKS RELATING TO AN INVESTMENT IN THE UNITS

5.3.1 The actual performance of IGB Commercial REIT and the Subject Properties could differ materially from the forward-looking statements in the Prospectus

This Prospectus contains forward-looking statements regarding, among others, forecast and projected distribution/yield levels for the period from the Forecast Period. These forward-looking statements are based on a number of assumptions which are deemed to be reasonable as at the date of this Prospectus and subject to uncertainties and contingencies which are outside of the Manager's control. As the actual results may differ materially from the forecasts, investors are advised to read and understand the assumptions, uncertainties and contingencies underlying the profit forecast as set out in Section 4.5.3 "Bases and Assumptions" of this Prospectus. IGB Commercial REIT's ability to achieve the forecast and projected distributions/yields is subject to events and circumstances assumed which may not occur as expected, or events and circumstances not anticipated which may arise.

No assurance is given that the assumptions will be realised and the actual distributions/yields will be as forecast.

In addition, certain forward-looking statements regarding IGB Commercial REIT are subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements. The inclusion of a forward-looking statement in this Prospectus should not be regarded as a representation or warranty by the advisers or the Manager, that the plans and objectives of IGB Commercial REIT will be achieved.

5.3.2 The sale of a substantial number of Units by the Sponsor could adversely affect the price of the Units

Upon Listing, IGB Commercial REIT will have 2,307.3 million issued Units, of which at least 1,153.2 million Units will be held by the Sponsor. If the Sponsor sells or is perceived as intending to sell a substantial amount of its Units, or if a secondary offering of the Units is undertaken in connection with an additional listing on another securities exchange, the market price for the Units could be adversely affected.

5.3.3 The Pro Forma Consolidated Statement of Financial Position and Pro Forma Consolidated Statement of Comprehensive Income of the Group included in the Prospectus may not reflect actual financial position and results

The Pro Forma Consolidated Statement of Financial Position of the Group have been prepared to show the effects of the Acquisitions and the Offering, based on the assumption that the events have been effected on the date of establishment of IGB Commercial REIT. As the Pro Forma Consolidated Statement of Financial Position of the Group is prepared for illustrative purposes only, such information, because of its nature, do not give a true picture of the effects of the formation of IGB Commercial REIT on the financial position of the Group had the events occurred on the date of establishment of IGB Commercial REIT. Further, such information does not purport to predict the Group's future financial position.

The Pro Forma Consolidated Statement of Comprehensive Income of the Group included in this Prospectus has been prepared on an aggregate basis as if the Subject Properties have been operated under IGB Commercial REIT throughout and as at the periods and dates presented. The Pro Forma Consolidated Statement of Comprehensive Income of the Group is also not necessarily indicative of the results of operations that would have been attained had the Group actually existed earlier.

5.3.4 IGB Commercial REIT may not be able to make distributions to Unitholders or the level of distributions may fall

Distributable Income is dependent on:

(i) the NPI earned from real estate investments which depends on, among other factors (a) the amount of gross rental income and other property income received and (b) the level of property expenses incurred; and

(ii) the trust level expenses of IGB Commercial REIT, such as fees and financing costs.

If the Subject Properties do not generate sufficient Distributable Income and cash flows, IGB Commercial REIT's ability to make distributions to Unitholders could be adversely affected.

No assurance is given as to IGB Commercial REIT's ability to pay or maintain distributions. Neither is there any assurance that the level of distributions will increase over time, that there will be contractual increases in rent under the tenancies of the Subject Properties or that the receipt of gross rental income in connection with expansion of the properties or acquisitions of properties will increase IGB Commercial REIT's cash flow available for distribution to Unitholders.

5.3.5 The NAV per Unit may be diluted if further issues are priced below the then current NAV per Unit

The Deed contemplates new issues of Units, the offering price for which may be above, at or below the then current NAV per Unit. The NAV per Unit may be diluted if new Units are issued and the use of proceeds from such issue of Units generates insufficient cashflow to cover the dilution. Where new Units, including Units which may be issued to the Manager in payment of the Management Fees, are issued at less than the NAV per Unit, the then current NAV of each existing Unit may be diluted.

5.3.6 Unitholders who do not or are not able to participate in future equity financing by IGB Commercial REIT will experience a dilution of their interest in IGB Commercial REIT

If Unitholders do not or are not able to participate in any future equity fund raising, such as rights issues or private placements, their proportionate interest in IGB Commercial REIT will be reduced. Any consideration received by such Unitholders in exchange for any rights under future equity fund raisings may not be sufficient to compensate for the dilution of their unitholdings as a result of the equity fund raising.

5.3.7 The price of the Units may decline after the Listing

The ROFS Price and the Institutional Price may not be indicative of the market price for the Units upon completion of the Listing. The trading price of the Units will depend on many factors, including, but not limited to:

(i) the perceived prospects of IGB Commercial REIT's business and investments and the market for office buildings or Real Estate Assets;

(ii) differences between IGB Commercial REIT's actual financial and operating results and those expected by investors and analysts;

(iii) changes in analysts' recommendations or projections, if any;

(iv) changes in general economic or market conditions;

(v) a decrease in the market value of IGB Commercial REIT's assets;

(vi) the perceived attractiveness of the Units against those of other equity or debt securities, including those not in the real estate sector;

(vii) the balance of buyers and sellers of the Units;

(viii) the size and liquidity of the Malaysian REIT market;

(ix) any changes to the regulatory system, including the tax system, both generally and specifically in relation to Malaysian REITs;

(x) the ability on the Manager's part to implement successfully its investment and growth strategies; and

(xi) broad market fluctuations, including increases in interest rates and weakness of the equity and debt markets.

Units may trade at prices that are higher or lower than the NAV per Unit. To the extent that IGB Commercial REIT retains operating cash flow for investment purposes, working capital reserves or other purposes, these retained funds, while increasing the value of IGB Commercial REIT's Total Asset Value and NAV, may not correspondingly increase the market price of the Units. Any failure to meet market expectations with regards to future earnings and cash distributions may adversely affect the market price for the Units.

Where new Units are issued at less than the market price of Units, the value of an investment in Units may be affected. The Units are not capital-protected/guaranteed products. There is no guarantee that Unitholders can regain the amount invested. If IGB Commercial REIT is terminated or liquidated, investors may lose a part or all of their investment in the Units.

5.3.8 Cyclical market and economic conditions may affect the price and demand for the Units

Cyclical movements in domestic and international securities markets, economic conditions, foreign exchange rates and interest rates may affect the market price of, and demand for, the Units. In particular, an increase in market interest rates may have an adverse impact on the market price of the Units if the annual yield on the price paid for the Units gives investors a lower return compared to other investments.

There can be no assurance that the performance of the Malaysian securities markets will continue to improve. The Malaysian securities markets are smaller than certain other international securities markets. Malaysian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities.

5.3.9 The laws, regulations and accounting standards in Malaysia may change, including the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs

IGB Commercial REIT may be affected by the introduction of new or revised legislation, regulations or accounting standards. Accounting standards in Malaysia are subject to change as they are further aligned with international accounting standards. The financial statements of IGB Commercial REIT may be affected by the introduction of such revised accounting standards. The extent and timing of these changes in accounting standards are unknown and subject to confirmation by the relevant authorities.

There is no assurance that these changes will not:

(i) have a significant impact on the presentation of IGB Commercial REIT's financial statements;

(ii) have a significant impact on IGB Commercial REIT's results of operations;

(iii) have an adverse effect on the ability of IGB Commercial REIT to make distributions to Unitholders;

(iv) have an adverse effect on the ability of the Manager to carry out IGB Commercial REIT's investment strategy; or

(v) have an adverse effect on the operations and financial condition of IGB Commercial REIT.

IGB Commercial REIT may also be affected by the introduction of new or revised legislation, regulations, guidelines or directives affecting REITs. There is no assurance that new or revised legislation, regulations, guidelines or directives will not adversely affect REITs in general or IGB Commercial REIT specifically and hence have a corresponding adverse effect on Unitholders.

5.3.10 The Malaysian Ringgit may be subject to exchange controls

From 1998 to 2005, Bank Negara Malaysia maintained a fixed exchange rate of RM3.80 to USD1.00. In 2005, Bank Negara Malaysia removed the peg and allowed the RM to operate in a managed float, with the value of the currency being determined by various economic factors. There can be no assurance that Bank Negara Malaysia will, or would be able to, intervene or maintain this managed float system in the future or that any such intervention or managed float system would be effective. In addition, there can be no assurance that the exchange rate will not deviate significantly from the previous fixed exchange rate.

Furthermore, there can be no assurance that the Government will not impose more restrictive or other exchange controls. Any further imposition, variation or removal of exchange controls may adversely affect the market price of the Units or the ability of investors to repatriate the proceeds of any distributions or from the sale of any Units out of Malaysia.

5.3.11 Foreign investment in Malaysian assets may be subject to further controls

Foreign investment in Malaysian assets is regulated and monitored by the Economic Planning Unit of the Prime Minister's Department. Currently there is no restriction imposed on foreign investment in REITs which have invested in Malaysian assets. However, there can be no assurance that the Economic Planning Unit of the Prime Minister's Department and/or the Government will not impose any restrictive or other controls relating to foreign investment in Malaysian assets. Any imposition or variation of such controls may affect Unitholders' ability to sell the Units to foreign parties and may affect the liquidity of the Units. Such conditions may also limit IGB Commercial REIT's access to future sources of equity capital.

5.3.12 No right for Unitholders to request for redemption of their Units

Unitholders have no right to request the Manager to redeem their Units. Accordingly, apart from selling their Units through trading on the Main Market, Unitholders may not be able to realise their investments in the Units.

5.3.13 Failure in the Listing will result in refund monies without interest

The Listing is exposed to the risk that it may fail should any one (1) or more of the following events occur:

(i) if any of the Joint Bookrunners exercises its rights pursuant to the Placement Agreement, to discharge itself from its obligations thereunder;

(ii) IGB Commercial REIT is unable to meet the public spread requirement of a minimum of 1,000 public Unitholders holding not less than 100 Units each at the point of Listing or such other minimum public unitholding spread as may be approved by Bursa Securities; or

(iii) IGB Commercial REIT is unable to meet the minimum subscription in terms of the number of Units to be acquired by public unitholders for IGB Commercial REIT to achieve a public unitholding spread of at least 25.0% at the point of Listing as a condition of the approval by Bursa Securities.

If the Offering is not completed and/or the Manager decides in its absolute discretion not to proceed with the Listing, any monies paid in respect of the Offering will be refunded without interest.

5.3.14 There is no assurance that the Units will remain listed on Bursa Securities and/or not be suspended from trading

Although it is intended that the Units will remain listed on Bursa Securities, there is no guarantee of the continued listing of the Units. Among other factors, IGB Commercial REIT may not continue to satisfy the public spread requirements under the Listing Requirements. Accordingly, Unitholders will not be able to sell their Units through trading on Bursa Securities if the Units are no longer listed on Bursa Securities and/or are suspended from trading for an indefinite period.

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6.1 CORPORATE INFORMATION

The Manager, IGB REIT Management Sdn Bhd, was incorporated in Malaysia on 21 March 2012. As at the Latest Practicable Date, it has an issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares. The principal activity of the Manager is management of REITs. The Manager is an indirect wholly-owned subsidiary of the Sponsor. The Manager holds a Capital Market Services License for the regulated activity of fund management in relation to asset management restricted to REITs.

As at the date of this Prospectus, the Manager also manages IGB REIT, a REIT which was listed on the Main Market on 21 September 2012. As at 31 December 2020, IGB REIT's total asset value stood at approximately RM5,220.9 million.

6.2 FUNCTIONS, DUTIES AND RESPONSIBILITIES OF THE MANAGER

The Manager shall, subject to the provisions of the Deed and the Relevant Laws and Requirements, carry out all activities as it may deem necessary for the management of IGB Commercial REIT and its business. The Manager's main responsibility is to manage activities in relation to IGB Commercial REIT.

The Manager shall, in managing IGB Commercial REIT, undertake primary management activities in relation to IGB Commercial REIT, including but not limited to overall strategy, risk management strategy, new acquisition and disposal analysis, marketing and communications, individual asset performance and business planning, market performance analysis and other activities as provided under the Deed.

In addition, the Manager covenants with the Trustee and each of the Unitholders, among others, the following:

(a) to carry on and conduct its business in a proper, diligent and efficient manner and ensure that IGB Commercial REIT is managed and administered in a proper, diligent and efficient manner and in accordance with the Deed, the Relevant Laws and Requirements, and acceptable and efficacious business practices in the real estate investment industry;

(b) to exercise the degree of care and diligence that a reasonable person would exercise in the position of a management company, and effectively employ the resources and procedures necessary for the proper performance of IGB Commercial REIT;

(c) to observe high standards of integrity and fair dealing in managing IGB Commercial REIT to the best and exclusive interest of the Unitholders;

(d) not to take on, lease or otherwise acquire, any immovable property or any interest therein, except for the purposes of operating IGB Commercial REIT and those entered into in the ordinary course of business;

(e) not to make improper use of its position in, or information acquired through, managing IGB Commercial REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interests of Unitholders and to ensure that its officers and delegates comply with the same;

(f) to submit or make available any information relating to IGB Commercial REIT, its business and any other information as may be required by the Trustee from time to time;

(g) to the same extent as if the Trustee was a director of the Manager:

(i) to make available to the Trustee or an authorised officer or employee of the Trustee or the auditor appointed by the Trustee, for inspection the whole of the books and records of the Manager in relation to IGB Commercial REIT wherever kept;

(ii) to make available to the Trustee or an authorised officer or employee of the Trustee or the auditor appointed by the Trustee, for inspection all financial and other records of IGB Commercial REIT wherever kept; and

(iii) to give to the Trustee or an authorised officer or employee of the Trustee or the auditor appointed by the Trustee such oral or written information, explanation or other assistance that they may require with respect to all matters relating to IGB Commercial REIT or any Deposited Property (whether acquired before or after the date of the Deed) or otherwise relating to the affairs of IGB Commercial REIT;

(h) to ensure that IGB Commercial REIT has, at all times, an appointed trustee and a person responsible for ensuring compliance with the Deed and the Relevant Laws and Requirements;

(i) to ensure that a property management company is appointed which has been approved by the Trustee to manage the Real Estate held by IGB Commercial REIT and possesses adequate human resources with the necessary qualifications, expertise and experience in real estate management;

(j) to take all necessary steps to ensure that the Deposited Property is adequately protected and properly segregated;

(k) to insure and keep covered or insured in the name of the Trustee for their full replacement value or such amounts as may be recommended by a qualified independent valuer against fire, explosion, storm, tempest, flood, lightning and other usual risks including loss of rent where applicable on all Real Estate comprised in the Deposited Property and on request by the Trustee produce for the inspection of the Trustee all insurance policies effected;

(l) to take all reasonable steps and exercise due diligence to ensure that the Deposited Property and the Units are correctly valued in accordance with provisions of the Deed and the Relevant Laws and Requirements;

(m) for the purpose of valuing the Deposited Property, to not do or omit anything that would or might confer on itself a benefit or advantage at the expense of Unitholders or investors;

(n) to notify the Trustee of announcements in relation to the financial results, distributions and any corporate announcements that the Manager makes to Bursa Securities as soon as practicable after the announcement is made to Bursa Securities;

(o) to establish and maintain risk management systems and controls to enable it to identify, assess, mitigate, control and monitor risks in relation to IGB Commercial REIT;

(p) to ensure that a compliance officer is appointed who must directly report to the board of directors of the Manager;

(q) to ensure that an individual is appointed as a designated person responsible for the real estate portfolio management of IGB Commercial REIT, who must possess the necessary experience and expertise in real estate investment;

(r) where investments of IGB Commercial REIT involve Real Estate located outside Malaysia:

(i) to ensure that it has the necessary experience, capability, resources and competence to deal with the legal and other regulatory requirements of the Real Estate located outside Malaysia;

(ii) to demonstrate that it has the requisite competence, experience and resources to:

(A) analyse the issues and risks associated with foreign investments;

(B) develop, implement and keep up-to-date a set of effective internal controls and risk management systems to deal with existing and foreseeable risk associated with foreign investments; and

(C) inform investors in a clear, concise and timely manner of the investment profile and risk to IGB Commercial REIT; and

(iii) to have a contingency plan that enables it to proactively respond to any urgent need that may arise in the course of its investment, management and divestment of such Real Estate.

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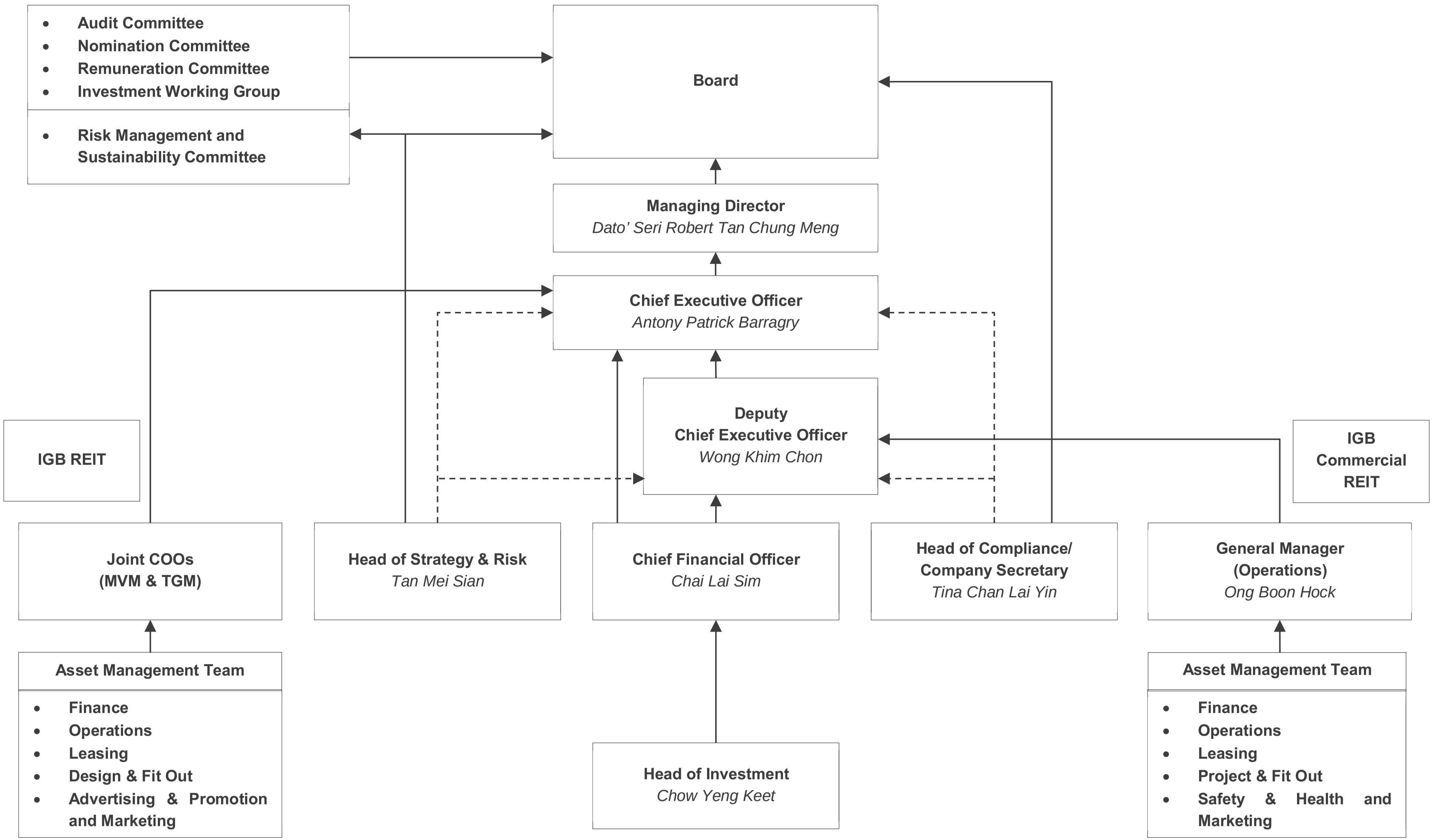
6.3 MANAGEMENT REPORTING STRUCTURE



In managing both IGB REIT and IGB Commercial REIT, the Manager is of the view that there is no potential conflict of interest as both REITs have different investment policies. IGB REIT was established with the principal investment policy of investing, directly and indirectly, in a diversified portfolio of income producing Real Estate used primarily for retail purposes in Malaysia and overseas. In comparison, IGB Commercial REIT's principal investment policy is to invest, directly and indirectly, in a portfolio of income producing Real Estate used primarily for commercial purposes in Malaysia and overseas. Further, in order to mitigate any potential conflicts of interest, the Manager has put in place certain measures that will not allow it to manage any other REIT which invests in the same type of properties as IGB Commercial REIT, and has established a separate operations team headed by a Deputy Chief Executive Officer, to manage the operations of IGB Commercial REIT. For avoidance of doubt, this separate operations team will not comprise members of the existing team that is managing the operations of IGB REIT.

6.4 DIRECTORS OF THE MANAGER

The Board is entrusted with the responsibility for the overall management of the Manager. The Board consists of nine (9) directors. The following table sets forth certain information regarding the directors of the Manager:

No.	Name	Nationality	Age (years)	Designation	Approximate length of service as at the Latest Practicable Date
1.	Tan Sri Dato' Prof. Lin See Yan	Malaysian	81	Chairman and Independent Non-Executive Director	8 years 11 months
2.	Dato' Seri Robert Tan Chung Meng	Malaysian	68	Managing Director and Non-Independent Executive Director	9 years 1 month
3.	Halim bin Haji Din	Malaysian	74	Independent Non-Executive Director	8 years 11 months
4.	Le Ching Tai @ Lee Chen Chong	Malaysian	79	Independent Non-Executive Director	8 years 11 months
5.	Ang Kim Pack	Malaysian	64	Independent Non-Executive Director	7 months
6.	Elizabeth Tan Hui Ning	Malaysian	37	Non-Independent Executive Director	8 years 11 months
7.	Tan Lei Cheng	Malaysian	64	Non-Independent Non-Executive Director	8 years 11 months
8.	Tan Mei Sian	Malaysian	37	Non-Independent Executive Director	10 months
9.	Tan Boon Lee	Malaysian	57	Non-Independent Non-Executive Director	7 months

6.4.1 Experience and Expertise of the Board

Information on the business and working experience of the directors of the Manager is set out below:

Tan Sri Dato' Prof. Lin See Yan was appointed to the Board on 27 April 2012. He is the Chairman and an Independent Non-Executive Director of the Manager.

Tan Sri Dato' Prof. Lin is an independent strategic and financial consultant. Prior to 1998, he was Chairman/President and Chief Executive Officer of Pacific Bank Group and for 14 years previously, Deputy Governor of Bank Negara Malaysia (the Central Bank), having been a central banker for 34 years. Tan Sri Dato' Prof. Lin continues to serve the public interest, including Member of a number of key Steering Committees at the Ministry of Higher Education; Economic Advisor, Associated Chinese Chambers of Commerce and Industry of Malaysia; Member, Asian Shadow Financial Regulatory Committee; and Governor, Asian Institute of Management, Manila.

Tan Sri Dato' Prof. Lin is Chairman Emeritus of Harvard University's Graduate School Alumni Association Council in Cambridge (USA) as well as President, Harvard Club of Malaysia. He is also Pro-Chancellor & Research Professor, Sunway University; Pro-Chancellor, Universiti Teknologi Malaysia; Professor of Economics (Adjunct), Universiti Utara Malaysia; and Trustee of the Tun Ismail Ali Foundation (PNB), Harvard Club of Malaysia Foundation, Prime Minister's Exchange Fellowship Malaysia, Malaysian Economic Association Foundation and Jeffrey Cheah Foundation.

Professionally qualified in the United Kingdom as a Chartered Statistician, Tan Sri Dato' Prof. Lin is also banker, economist and venture entrepreneur, having received three (3) post-graduate degrees from Harvard University (including a PhD in Economics) where he was a Mason Fellow and Ford Scholar. He is a British Chartered Scientist. Tan Sri Dato' Prof. Lin is an Eisenhower Fellow and a Fellow of the IMF Institute (Washington DC), Royal Statistical Society (London), Asian Institute of Chartered Bankers, Malaysian Insurance Institute (Hon.), Malaysian Institute of Management and Malaysian Economic Association. He is also a Distinguished Fellow of the Institute of Strategic and International Studies in Malaysia.

Tan Sri Dato' Prof. Lin advises the board of several public companies, and a number of business enterprises in Malaysia, Singapore and Indonesia engaged in mining, petroleum related products, property development, software and private equity.

He is also a Director of Ancom Berhad, Nylex (Malaysia) Berhad, Sunway Berhad, Sunway University Sdn Bhd and Wah Seong Corporation Berhad ("**WSCB**").

Dato' Seri Robert Tan Chung Meng was appointed to the Board on 21 March 2012. He is the Managing Director and a Non-Independent Executive Director of the Manager.

He has vast experience in property development, hotel construction, retail design and development as well as corporate management with more than 30 years of experience in the property and hotel industries. After studying Business Administration in the United Kingdom, he was attached to a firm of chartered surveyor for a year. He had developed a housing project in Central London before returning to Malaysia. His stint in the property industry began with IGB Corporation in 1995 when he was appointed as the Joint Managing Director and subsequently re-designated to Group Managing Director in 2001.

He was involved in various development projects carried out by IGB group of companies, in particular Mid Valley City. From inception to the realisation of Mid Valley Megamall and The Gardens Mall, he was actively involved in every stage of their developments. He is instrumental to the development and success of Mid Valley Mall and The Gardens Mall, and more importantly, in retaining their positions as prime shopping hotspots in the Klang Valley.

Following the delisting of IGB Corporation from the Official List of Bursa Securities on 16 March 2018, he was appointed as the Group Chief Executive Officer of IGB on 30 March 2018, and retains his position as a Director of IGB Corporation and TT Developments (a property development company that was listed on the Official List of Bursa Securities until IGB Corporation took over its listing on 8 May 2002). He is also the Chairman of WSCB, a listed entity engaged in oil and gas, renewable energy, industrial trading and services, and others.

Halim bin Haji Din was appointed to the Board on 27 April 2012. He is an Independent Non-Executive Director of the Manager.

He is a Chartered Accountant who spent more than 30 years working for multinational corporations and international consulting firms. He accumulated 18 years of experience working in the oil and gas industry, of which six (6) years was spent as a board member of Caltex/Chevron, responsible for financial management before engaging in the consulting business. Prior to his appointment as a board member of Caltex Malaysia, he served as Regional Financial Advisor for Caltex Petroleum Corporation Dallas, Texas, overseeing investment viability of the corporation's Asian subsidiaries.

He also had an extensive experience in corporate recovery when he worked for Ernst & Whinney, London, United Kingdom in mid-1980's. He was appointed as Managing Partner of the consulting division of Ernst & Young Malaysia from 1995. He later became the Country Advisor of Cap Gemini Ernst & Young Consulting Malaysia when Cap Gemini of France merged with Ernst & Young Consulting. In 2003, he with two (2) partners took over the consulting business of Cap Gemini Ernst & Young Malaysia through a management buyout and rebranded it as Innovation Associates, currently known as IA Group, where he is currently the Chairman of the group.

He was a Council Member of the Malaysian Institute of Certified Public Accountants ("**MICPA**") from 1994 to 2003. He was a Board member of the Employees Provident Fund from April 2009 to May 2013.

He is a fellow member of MICPA and Malaysian Institute of Accountants.

He is also a Director of BNB Paribas Malaysia Berhad and WSCB.

Le Ching Tai @ Lee Chen Chong was appointed to the Board on 27 April 2012. He is an Independent Non-Executive Director of the Manager.

He is a Fellow of the Chartered Institute of Bankers, London. He spent a total of 34 years in commercial and international banking with local as well as banks overseas. He commenced his banking career with Malayan Banking Berhad in 1962 and was later the General Manager of the bank's London branch from 1972 to 1985. From 1985 to 1993, he was an Executive Director of Malaysian French Bank Berhad (now known as Alliance Bank Berhad), and was subsequently appointed as the Managing Director until he relinquished the post at the end of 1993. The next four (4) years saw him spending time overseas as the President and a Director of international banks in the Czech Republic, Hungary and Malta Island.

He was associated with Multi-Purpose Holdings Berhad group of companies from 1989 until his retirement as an Executive Director at the end of 2000. He was also an Executive Director of Ipmuda Berhad from December 2001 until retiring in January 2008.

Ang Kim Pack was appointed to the Board on 26 August 2020**.** He is an Independent Non-Executive Director of the Manager.

He graduated from the University of Waterloo (Canada) with a Bachelor's Degree in Mathematics. A registered estate agent, he joined Rahim & Co in 1982 and has extensive experience in the field. Over his 38-year career, he has been key in developing the firm's business; working closely with and advising local public-listed companies, foreign governments, multinationals and high net worth individuals on all aspects of their property requirements. Over the last 15 years, he has also advised the UK and German governments in acquiring and disposing of properties worth more than RM750 million.

In addition to agency and consultancy work, he has considerable experience in valuation and property management.

Elizabeth Tan Hui Ning was appointed to the Board on 27 April 2012. She is a Non-Independent Executive Director and the Joint Chief Operating Officer (The Gardens Mall) of the Manager.

She graduated with First Class Honours from Cardiff University, Wales, United Kingdom with a degree in Business Administration (BSc) in July 2004. She is the Joint Chief Operating Officer and Head of Operations / Leasing (The Gardens Mall). She joined MVCG in August 2004, and was appointed as an Executive Director in January 2011. She is currently the Chief Executive Officer of MVCG, and is responsible for the overall operations of The Gardens Mall.

Tan Lei Cheng was appointed to the Board on 27 April 2012. She is a Non-Independent Non-Executive Director of the Manager.

She holds a Bachelor of Commerce from University of Melbourne, Australia and a Bachelor of Law from King's College, London (LLB Hons), England. She was admitted to the English Bar in 1983. She is a member of the Lincoln's Inn and the Young Presidents' Organisation (Gold), Malaysia Chapter. She has more than 40 years' experience in the property industry and corporate sector. She was the Chief Executive Officer of TT Developments (a property development company that was listed on the Official List of Bursa Securities until IGB Corporation took over its listing on 8 May 2002) from March 1995. Following the completion of the merger between IGB Corporation and TT Developments on 8 May 2002, she then assumed the role of Executive Chairman and Chief Executive Officer of Goldis Berhad (now known as IGB). Following her retirement on 31 December 2016, she assumed the role as Non-Executive Chairman of Goldis Berhad (now known as IGB). After the privatisation of IGB Corporation by IGB on 16 March 2018, she remains as Non-Executive Chairman of IGB.

Tan Mei Sian was appointed to the Board on 11 June 2020. She is a Non-Independent Executive Director and Head of Strategy & Risk of the Manager.

She graduated from London School of Economics and Political Science with a Bachelor of Science in Economics. She was previously an Engagement Manager at Oliver Wyman, specialising in financial services and risk management consulting, having worked with major financial institutions in the United States, United Kingdom, Netherlands, China, Taiwan, Hong Kong, Singapore, Malaysia, Thailand and Australia. She was a Non-Independent Executive Director of Goldis Berhad (now known as IGB) from 18 May 2016 to 30 August 2018. After the privatisation of IGB Corporation by IGB, she assumed the role of Head of Group Strategy & Risk and the ExCo Chairman of the Property Investment (Commercial) Division.

She is an alternate director to Tan Lei Cheng on the board of the Sponsor.

Tan Boon Lee was appointed to the Board on 26 August 2020. He is a Non-Independent Non-Executive Director of the Manager.

He holds a Bachelor of Economics from Monash University, Australia and a Master in Business Administration from Cranfield School of Management, United Kingdom.

He joined IGB Corporation Berhad as Executive Director in June 2003 as well as assumed the role of Chief Executive Officer of TT Developments from January 2008 until he relinquished the post in January 2019. After the privatisation of IGB Corporation on 16 March 2018, he was appointed Deputy Group Chief Executive Officer of IGB and alternate to Dato' Seri Robert Tan on the board of IGB.

He has more than 20 years' experience in the property and hotel industry, giving management and technical assistance to hotel and hospitality projects in Malaysia and Asia. He was President of Malaysian Association of Hotel Owners from 2002 to 2004.

He is a director of IGB Corporation, TT Developments and Tan Chin Nam Foundation.

6.4.2 Directorships of Directors of the Manager in other Management Companies

As at the Latest Practicable Date, none of the directors of the Manager hold directorships in any other management companies.

6.4.3 Role of the Board

The key roles of the Board are to:

- guide the corporate strategy and directions of the Manager (including acquisition and divestment of Deposited Property);
- oversee the proper conduct of the Manager (including budgeting approval and all other financial matters);
- set the guidelines for internal controls;
- ensure compliance with Relevant Laws and Requirements;

- determine and approve the distribution amounts to Unitholders and payment of Management Fees; and

- evaluate and approve the acquisitions and divestment of properties.

The Board comprises nine (9) members, four (4) of whom are Independent Non-Executive Directors. The Audit Committee of the Board comprises three (3) members, all of whom are Independent Non-Executive Directors. The Audit Committee is chaired by Halim bin Haji Din and the other members are Tan Sri Dato' Prof. Lin See Yan and Le Ching Tai @ Lee Chen Chong.

The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and as such, there is no limit in the overall length of service of any of the directors. The Board through the Nomination Committee will review each director's contribution on the Board annually to assess his/her performance and suitability.

The Board has in place a set of internal controls which set out certain approval limits to facilitate operational efficiency as well as arrangements in relation to cheque signatories. In addition, sub-limits are also delegated to various management levels to facilitate operational efficiency.

Management provides the Board with complete and adequate information in a timely manner through regular updates on financial results, market trends and business developments.

At least one-third of the directors of the Manager are non-executive and independent. This enables the management to benefit from their external, diverse and objective perspective on issues that are brought before the Board. It would also enable the Board to interact and work with the management through a robust exchange of ideas and views to help shape the strategic process. This, together with a clear separation of the roles of the Chairman and the Chief Executive Officer, provides a healthy professional relationship between the Board and the management, with clarity of roles and robust oversight as they deliberate on the business activities of the Manager.

The positions of Chairman of the Board, Managing Director, Chief Executive Officer and Deputy Chief Executive Officer are separately held by four (4) persons in order to maintain an effective check and balance. The Chairman of the Board is Tan Sri Dato' Prof. Lin See Yan, while the Managing Director is Dato' Seri Robert Tan Chung Meng, the Chief Executive Officer is Antony Patrick Barragry and the Deputy Chief Executive Officer is Wong Khim Chon.

There is a clear separation of the roles and responsibilities between the Chairman, Managing Director, Chief Executive Officer and Deputy Chief Executive Officer of the Manager. This is to ensure an appropriate balance of power and authority to facilitate effective oversight and clear segregation of duties. The Chairman assumes responsibility for the management of the Board and ensures that members of the Board and the management work together with integrity and competency, and that the Board engages the management in constructive debate on strategies, business operations, enterprise risk and other plans. The Managing Director is accountable to the Board and is responsible for implementation of Board policies and decisions. The Managing Director has full executive responsibility over the business direction and the overall strategy planning of IGB Commercial REIT.

The Chief Executive Officer who reports to the Managing Director, leads the team of the Manager to implement strategies of IGB Commercial REIT and ensures their effective execution to achieve the objectives of the Manager whilst the Deputy Chief Executive Officer has the overall responsibility for the day-to-day management and operations of IGB Commercial REIT, including implementation of policies, strategies and decisions adopted by the Board.

The Board has direct access to the advice and services of senior management and the company secretary in furtherance of their duties. The Board may seek independent professional advice on any matter connected with the discharge of its responsibilities as it may deem necessary and appropriate.

Audit Committee

The duties and functions of the Audit Committee comprise among others, the following:

(i) overseeing the financial reporting of IGB Commercial REIT to ensure that it presents a true and fair view of the financial position and performance of IGB Commercial REIT, and comply with applicable MFRS and regulatory requirements;

(ii) assessing the adequacy and effectiveness of IGB Commercial REIT's internal control and governance systems and ensuring that the internal control framework is in place;

(iii) assessing the control environment of IGB Commercial REIT including financial, operational, compliance and management information system which includes ensuring the implementation of policies and adequacy of controls in place, including systems for compliance with applicable laws, rules, directives and guidelines. The Audit Committee shall review the adequacy, integrity and reliability of the control environment of IGB Commercial REIT on an annual basis;

(iv) reviewing audit plans and audit reports of the external auditor, and the extent of assistance rendered by management of the Manager, property manager or its service providers;

(v) obtaining the external auditor's report describing any relationships between external auditor and Manager or individuals in financial reporting oversight roles at the Manager that may reasonably be thought to bear on the external auditor's independence and discussing with the external auditor the potential effects of any such relationships on independence;

(vi) reviewing and recommending audit fee and any questions of resignation, dismissal or reappointment of the external auditor including terms of engagement. The Audit Committee shall review the independence, objectivity and effectiveness of the external auditor, including non-audit services and related fees, on an annual basis;

(vii) reviewing and approving the internal audit ("**IA**") charter which defines the independent purpose, authority, scope and responsibility of IA functions, IA plan of work programme and results of IA processes including recommendations and actions taken; assessing the scope functions, competence and resources of IA function; and ensuring independence and impartiality of IA. The Audit Committee shall review the effectiveness of IA function on an annual basis, including the adequacy of audit resources;

(viii) reviewing conflict-of-interest situations and related party transactions ("**RPT**")/recurrent RPT ("**RRPT**") proposed to be entered into by IGB Commercial REIT, and monitoring the procedures established to regulate RPT/RRPT, including ensuring compliance with the provisions of the Listing Requirements. For the avoidance of conflict-of-interest situations, the Audit Committee members shall abstain from participating in discussions and decisions on any matters involving him or her;

(ix) considering and recommending the distribution amounts to Unitholders for the Board's approval;

(x) reviewing all prospective financial information provided to the regulators and/or the public;

(xi) reviewing and recommending for the Board's approval, the adequacy of the Audit Committee's terms of reference, as and when there are relevant changes to legal and regulatory requirements;

(xii) reviewing and recommending for the Board's approval, the extent of IGB Commercial REIT's compliance with the requirements of the Listing Requirements on the appropriate materials and disclosures to be included in the Audit Committee Report of IGB Commercial REIT's annual report;

(xiii) undertaking special investigations requested by the Board, reviewing any significant transactions which are not within the normal course of business of IGB Commercial REIT; and

(xiv) reporting breaches and non-compliance of the Listing Requirements to Bursa Securities if such matters are not satisfactorily resolved by the Board.

6.5 MANAGEMENT TEAM OF THE MANAGER (IGB COMMERCIAL REIT)

The executive officers of the Manager are entrusted with the responsibility for the daily operations of the Manager. The following table sets forth information regarding the executive officers of the Manager for IGB Commercial REIT:

No.	Name	Nationality	Age	Designation
1.	Antony Patrick Barragry	British	69	Chief Executive Officer
2.	Wong Khim Chon	Malaysian	61	Deputy Chief Executive Officer
3.	Chai Lai Sim	Malaysian	60	Chief Financial Officer
4.	Chow Yeng Keet	Malaysian	48	Head of Investment
5.	Tina Chan Lai Yin	Malaysian	54	Head of Compliance
6.	Tan Mei Sian	Malaysian	37	Head of Strategy & Risk
7.	Ong Boon Hock	Malaysian	48	General Manager (Operations)

6.5.1 Expertise and Experience of Executive Officers

Information on the working experience of the executive officers of the Manager is set out below:

Antony Patrick Barragry is the Chief Executive Officer of the Manager.

He is a qualified architect with more than 40 years of international experience in the design, development and operations of major mixed-use developments. His prior work experience includes Jebel Ali Hotel development in Dubai, Putra World Trade Centre in Kuala Lumpur and Kempinski Ciragan Palace Hotel in Istanbul. His career with IGB group commenced with Renaissance Kuala Lumpur Hotel in 1993; then, as Project Director for Phase 1 of Mid Valley City Phase 1, including Mid Valley Megamall; and subsequent, appointed Executive Director of MVC in 2002, where he spearheaded the development of more than six (6) million sq ft of commercial space in Mid Valley City's phase 2 (The Gardens Mall and The Gardens Hotel & Residences), phase 3 (Southpoint Mid Valley, which is partly under construction) and phase 4 (Northpoint).

He was also the Project Director for the design and construction of the St Giles Hotel-Heathrow, London and Pangkor Island Beach Resort upgrade in 2004 (which is undergoing redevelopment work, as at the Latest Practicable Date, and will be converted into luxury villas). He was Chief Executive Officer of MVCG from January 2008 until he relinquished the post in September 2012.

Wong Khim Chon is the Deputy Chief Executive Officer of the Manager.

He holds a Master of Business Administration from University of Strathclyde, Glasgow, Scotland, a Bachelor of Engineering (Hons) in Civil Engineering from University of Malaya, and a Certified Diploma in Accounting and Finance of The Association of Chartered Certified Accountants, United Kingdom.

He has over 35 years of experience in the real estate industry in areas of building and civil construction, property development, project management and property management. He began his career with Hong Leong Property Management Co. Sdn Bhd and later with Guobena Sdn Bhd, both wholly-owned subsidiaries of Guocoland Berhad (formerly, Hong Leong Property Berhad), started as management trainee in 1984 and worked his way up as General Manager developing various building types from residential, industrial, high-rise condominiums, commercial offices, hotel to government projects, both in Malaysia and Singapore.

Thereafter, in 1997, he joined Taraf Wijaya Sdn Bhd as General Manager, overseeing projects in Cameron Highlands, Ipoh and Bangi. From 1998 to 2002, as Managing Partner of Manifold Alliance Sdn Bhd, he was responsible in overseeing the management of project portfolio which included housing and industrial projects in Johor, township development in Sepang, Hulu Langat and Port Dickson. He then moved to Great Eastern Life Assurance (M) Berhad as Head of Property, overseeing the acquisition and management of investment properties as well as branch offices from 2002 to 2008. Subsequently from 2008 until 2010, he joined IGB Corporation to head its Group Property Management ("**GPM**") division and was tasked in managing the commercial assets of the group in Mid Valley City and Kuala Lumpur Central Business District.

He was then attached with Hap Seng Land Sdn Bhd, the property arm of Hap Seng Consolidated Berhad as Senior General Manager, from 2010 until 2014, where he headed the property management and leasing department in addition to overseeing the sales and marketing department for commercial and residential properties in the property development business unit. Between January 2015 and July 2018, he was Executive Director and CEO of AmREIT Managers Sdn Bhd, the manager of listed AmFIRST Real Estate Investment Trust ("**AmFIRST REIT**").

He was appointed Senior Group General Manager of IGB Corporation in 2018 heading GPM division and was CEO of IGB Property Management Sdn Bhd and GPM Head of IGB Berhad until he relinquished the posts on 31 May 2021. He was appointed Deputy CEO of IGB REIT Management on 1 June 2021.

Wong Khim Chon also served as the Vice Chairman of the Management Board of the Malaysian REIT Managers Association in 2016.

Chai Lai Sim is the Chief Financial Officer of the Manager.

Chai Lai Sim is a member of both the Malaysian Institute of Accountants (MIA) and Malaysian Institute of Certified Public Accountants (MICPA). She has over 30 years of experience in audit, corporate finance, capital management strategy including treasury, financial accounting and taxation in property development, commercial and retail property investment and hospitality industries. She began her career as an articled student with Coopers & Lybrand (now known as PriceWaterhouseCoopers) before joining TT Developments as the Group Financial Controller in 1993. Following the completion of the merger between TT Developments and IGB Corporation in 2002, she was appointed as the Senior Group General Manager of Group Finance, and subsequently as the Group Chief Financial Officer of IGB Corporation. Following the delisting of IGB Corporation from the Official List of Bursa Securities on 16 March 2018, she assumed the present role of Group Chief Financial Officer of IGB.

Chow Yeng Keet is the Head of Investment of the Manager.

Chow Yeng Keet holds a Bachelor of Economics (First Class Honours) from University of Malaya and is a member of the Association of Chartered Certified Accountants. He is presently the Senior General Manager, Corporate Finance of IGB and Director of Finance of MVC. He has working experience in corporate finance and advisory covering mergers and acquisitions, equity and debt fund raising, capital management and restructuring, valuations as well as take-over offers. He started his career as Corporate Finance Executive with the then Sime Merchant Bankers Berhad in 1997. Thereafter, he was with Commerce International Merchant Bankers Berhad (now known as CIMB Investment Bank Berhad) for five (5) years where his last position was Corporate Finance Manager prior to joining IGB Corporation in 2004.

Tina Chan Lai Yin is the Head of Compliance of the Manager.

Tina Chan is a Fellow of the Institute of Chartered Secretaries and Administrators. She has accumulated more than 27 years of extensive experience in corporate secretarial work, having dealt with a wide-range of corporate exercises. She started her corporate secretarial career at a legal firm since 1990, and then took up the role of Joint Company Secretary in TT Developments, where she had been significantly involved in the floatation of TT Developments in 1993 (the listing status of which was assumed by Goldis Berhad (now known as IGB) following the completion of the merger between TT Developments and IGB Corporation in 2002).

She joined IGB Corporation in 1997 and subsequently assumed the role as Senior General Manager (Corporate Secretarial), overseeing the governance processes and company secretarial matters of the group, particularly with regard to ensuring that the group complies and operates in accordance with statutory and regulatory requirements. She was also involved in the successful listing of IGB REIT in September 2012, and assumed the present position. She is also the Group Company Secretary of IGB following the delisting of IGB Corporation from the Official List of Bursa Securities on 16 March 2018.

Tan Mei Sian is the Head of Group Strategy & Risk of the Manager.

Please refer to Section 6.4.1 "Experience and Expertise of the Board" of this Prospectus for information on her working experience.

Ong Boon Hock is the General Manager (Operations) of the Manager.

Ong Boon Hock holds a Certificate in Marketing from Stamford College Malaysia. He has over 25 years of property management experience. Before joining IGB Property Management Sdn Bhd as General Manager in November 2019, he was Vice President of Operations of AmFirst REIT. He was also Complex Manager at DTZ Nawawi Tie Leung Property Consultants Sdn Bhd where he was responsible for managing commercial building and shopping malls, General Manager of PMC Facilities & Real Estate Sdn Bhd in managing stratified mixed development properties, Senior Manager of Property Management at Hap Seng Land Sdn Bhd and Centre Manager of Subang Parade under Hektar REIT. He has also worked with several renowned property developers, including SMI Berhad, Farlim Berhad and Dwitasik Sdn Bhd, that encompassed a wide range of residential and commercial properties management. He was appointed General Manager (Commercial Operations) of IGB REIT Management on 1 June 2021.

6.5.2 Roles of the Executive Officers of the Manager

The **Chief Executive Officer** leads the team of the Manager to implement strategies of IGB Commercial REIT and ensure their effective execution to achieve the objectives of the Manager. Additionally, the Chief Executive Officer will work together with the management team of IGB Commercial REIT to address strategies, business operations, financial performance and risk management in meeting the strategic, investment and operational objectives of IGB Commercial REIT.

The **Deputy Chief Executive Officer** oversees the day-to-day management and operations of IGB Commercial REIT, which includes implementation of policies, strategies and decisions adopted by the Board. The Deputy Chief Executive Officer has the principal responsibility of ensuring that IGB Commercial REIT operates in accordance with the Manager's stated investment strategy.

The **General Manager (Operations)** will assist the Deputy Chief Executive Officer to oversee the management and operations of IGB Commercial REIT's properties. The General Manager (Operations) is also involved in formulating the business plans in relation to the Subject Properties with short, medium and long-term objectives, and with a view to maximising the rental income of IGB Commercial REIT via proactive asset management. The General Manager (Operations) will work closely with the Asset Management Team of IGB Commercial REIT and the Property Manager to implement IGB Commercial REIT's strategies to maximise the income generation potential and minimise the expense base of the Subject Properties without compromising the service levels and marketability. The General Manager (Operations) will also work closely with the Asset Management Team of IGB Commercial REIT and the Property Manager to implement IGB Commercial REIT's leasing strategies to increase building occupancy for the Subject Properties, to actively engage existing tenants in order to improve rentals and tenant retention.

The **Chief Financial Officer** of the Manager will work with the Chief Executive Officer, Deputy Chief Executive Officer and the other members of the Manager's management team for IGB Commercial REIT to formulate strategic plans for IGB Commercial REIT in accordance with the Manager's stated investment strategy. The Chief Financial Officer will be responsible for applying the appropriate capital management strategy, including tax and treasury matters, as well as finance and accounting matters, overseeing implementation of IGB Commercial REIT's short and medium-term business plans, fund management activities and financial condition. In discharging her duties adequately for both IGB Commercial REIT and IGB REIT, the Chief Financial Officer will be supported by the respective finance operations teams who will be in charge of the day-to-day operations of IGB REIT and IGB Commercial REIT. Additionally, the Chief Financial Officer will be supported by the Head of Investment, who reports directly to the Chief Financial Officer the performance of the investments of IGB Commercial REIT and IGB REIT. This structure would allow the Chief Financial Officer to carry out efficient planning in discharging her duties.

The **Head of Investment** is responsible for sourcing investment opportunities, evaluating divestment needs and ensuring that investments are in line with IGB Commercial REIT's investment policy, objective and strategies. In addition, the Head of Investment is also responsible for ensuring completion of acquisitions and financing arrangements, developing financial models to report the performance of the investments, as well as seeking to optimise the value of the investment portfolio of IGB Commercial REIT. The Manager currently has put in place standard operating procedures from the evaluation and embarkation of investment opportunities to the completion of acquisition of such income producing real estate and/or non-real estate assets. Upon identification of such investment opportunities, the Head of Investment (together with the Chief Financial Officer, whom he reports to), supported by a team, will discharge his duties in accordance with the existing standard operating procedures. Additionally, in view of the different investment policies of IGB REIT and IGB Commercial REIT, the Manager is of the view that there is no potential conflict of interest when evaluating any real estate and/or non-real estate assets to be acquired.

It must be noted that the sourcing and identification of investment opportunities is not a day-to-day operation of the business of the Manager and hence the Head of Investment, in serving both IGB REIT and IGB Commercial REIT will be able to discharge his duties adequately.

The **Head of Compliance** is responsible for ensuring that IGB Commercial REIT complies with the Relevant Laws and Requirements. The Head of Compliance is responsible for monitoring the internal corporate governance policies of IGB Commercial REIT and will report directly to the Board on specific compliance matters. In discharging her duties adequately, the Head of Compliance is supported by a team of compliance personnel, when ensuring compliance by both IGB Commercial REIT and IGB REIT of the Relevant Laws and Requirements.

The **Head of Strategy & Risk** is responsible for identifying, assessing, measuring, monitoring and reviewing new and existing strategies, opportunities and risks as part of IGB Commercial REIT's Strategy & Risk Management Framework. In view of the different investment policies of both IGB REIT and IGB Commercial REIT, the Head of Strategy & Risk will be able to identify, assess, monitor and review the relevant strategies, opportunities and risks applicable to such income producing real estate and/or non-real estate asset which is best suited for and consistent with the relevant REIT's portfolio. Additionally, the Head of Strategy & Risk will be supported by the respective operations team of IGB Commercial REIT and IGB REIT in discharging her duties adequately.

6.6 MANAGEMENT FEES

6.6.1 Details of the Management Fees

The Manager may elect to receive the Management Fees in cash or Units or a combination of cash and Units (as it may in its sole discretion determine). The Manager is entitled under the Deed to the following Management Fees (exclusive of service tax, if any):

(i) Base Fee

Up to 1.0% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances which are held in non-interest bearing accounts).

For avoidance of doubt, where an investment is held through one (1) or more SPVs, the Total Asset Value shall include the value of all the assets of the relevant SPV, prorated, if applicable, to the proportion of IGB Commercial REIT's interest in the said SPV.

The Manager intends to charge a Base Fee of 0.3% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances) for the Forecast Period 2021.

(ii) Performance Fee

5.0% per annum of IGB Commercial REIT's NPI in the relevant financial year.

(iii) Acquisition Fee

1.0% of each of the following as is applicable (subject to there being no double-counting):

(a) in relation to an acquisition (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any Real Estate, the transaction value of any Real Estate purchased by IGB Commercial REIT or its SPV (pro-rated if applicable to the proportion of IGB Commercial REIT's interest); or

(b) in relation to an acquisition (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any SPV or holding entities which holds Real Estate, the underlying value (being the value of the Real Estate as assessed in a valuation report by a qualified valuer) of any Real Estate (pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest).

Any payment to third party agents or brokers in connection with the acquisition of any Real Estate for IGB Commercial REIT shall not be paid by the Manager out of the Acquisition Fee received or to be received by the Manager but shall be borne by IGB Commercial REIT.

For the avoidance of doubt, no Acquisition Fee is payable with respect to the acquisition of the Subject Properties in connection with the Listing but Acquisition Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions, and acquisitions from the Sponsor).

(iv) Divestment Fee

0.5% of each of the following as is applicable (subject to there being no double-counting):

(a) in relation to a disposal (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any Real Estate, the transaction value of any Real Estate disposed by IGB Commercial REIT or its SPV (pro-rated if applicable to the proportion of IGB Commercial REIT's interest); or

(b) in relation to a disposal (whether directly or indirectly through one (1) or more SPVs of IGB Commercial REIT) of any SPV or holding entities which holds Real Estate, the underlying value (being the value of the Real Estate as assessed in a valuation report by a qualified valuer) of any Real Estate (pro-rated, if applicable, to the proportion of IGB Commercial REIT's interest).

Any payment to third party agents or brokers in connection with the sale or divestment of any Real Estate for IGB Commercial REIT shall not be paid by the Manager out of the Divestment Fee received or to be received by the Manager but shall be borne by IGB Commercial REIT.

For the avoidance of doubt, the Divestment Fee is payable with respect to all other transactions (including related party transactions and non-related party transactions and divestments to the Sponsor), as well as for compulsory acquisitions.

The Management Fees should not be higher than that disclosed above in this Section 6.6 "Management Fees" of this Prospectus unless:

(i) the Manager has notified the Trustee in writing of the new higher rate, and the Trustee consents to the same;

(ii) the Manager has announced to Bursa Securities of the higher fee rate and its effective date; and

(iii) 30 days has elapsed from the date of the announcement.

The Management Fees as disclosed in this section may only be varied upwards from that stated in this Section 6.6 "Management Fees" of this Prospectus with the prior approval of the Unitholders obtained by way of a majority resolution (or such other majority as may be required under the REIT Guidelines from time to time) and shall be effected by way of a supplementary deed and in accordance with the requirements of the CMSA.

Based on the Profit Forecast, the Management Fees estimated for the Forecast Period 2021 amounts to RM11.7 million, which were computed based on a Base Fee of 0.3% per annum of the Total Asset Value of IGB Commercial REIT (excluding cash and bank balances which are held in non-interest bearing accounts) and a Performance Fee of 5.0% per annum of the NPI of the Subject Properties for Forecast Period 2021. Additionally, the Manager intends to receive up to 100.0% of its Management Fees in the form of new Units for the Forecast Period 2021. Hence, it is assumed in the Profit Forecast that 100.0% of the Management Fees will be paid in new Units for the Forecast Period 2021.

The Management Fees are payable to the Manager in cash, new Units or a combination thereof as the Manager may elect. Any payment of the Management Fees in cash must be paid within seven (7) days of (i) in respect of Base Fee and Performance Fee, the announcement of the relevant quarterly financial reports; or (ii) in respect of the Acquisition Fee and Divestment Fee, the completion of the relevant acquisition or divestment (each, a "**Trigger Event**"). Any payment of the Management Fees in new Units must be paid as soon as practicable after obtaining Bursa Securities' approval for the listing of and quotation for the said Units. Where such approval cannot be obtained, the payment of the Management Fees will be paid in cash. Bursa Securities has approved the listing of and quotation for 200.0 million Units to be issued as payment of the Management Fees on a staggered basis, on 7 May 2021. The 200.0 million Units are tabulated based on 10% of the initial Units listed, rounded down to the nearest 100 million. The approval of the SC is not required for the issuance of the 200.0 million Units.

The Manager will ensure that the payment of the Management Fees in the form of new Units does not result in a conflict of interest by taking the following steps:

(i) The payment of the Management Fees in the form of new Units will be in accordance with the following formula:

$$\text{New Units to be issued as payment of the Management Fees} = \frac{\text{Management Fees payable in Units}}{\text{Market price}}$$

where the market price is the volume weighted average market price of the Units for the last five (5) Market Days preceding each Trigger Event. With reference to any Book Closing Date, where the Trigger Event is before but the issuance of the new Units relating to such Trigger Event is after the said Book Closing Date, the Market Price will be further adjusted for the entitlement relating to such Book Closing Date; and

(ii) The Manager will make immediate announcements to Bursa Securities disclosing the number of new Units issued and the issue price of the new Units when new Units are issued as payment for the Management Fee. Payment of the Management Fees in Units shall be subject to IGB Commercial REIT complying with the public spread requirements under the Listing Requirements and there being no adverse implications under the Malaysian Code on Take-Overs and Mergers 2016 and Rules on Take-Overs, Mergers and Compulsory Acquisition.

6.6.2 Illustration of the Management Fee Payable

To illustrate the Management Fees payable in any particular financial year, the following scenarios for IGB Commercial REIT's financial position and performance as well as acquisition and divestment activities are assumed:

Total Asset Value (excluding cash and bank balances) as at the end of the current FYE	:	RM3,160.5 million
NPI for the current FYE	:	RM132.5 million
Acquisition activities during the FYE	:	**Acquisition 1:** Acquisition of a Real Estate for a purchase consideration of RM500.0 million
		Acquisition 2: Acquisition of an SPV, which holds a Real Estate valued at RM500.0 million (by an independent valuer) and has borrowings of RM300.0 million, for a purchase consideration of RM200.0 million
Divestment activities during the FYE	:	**Divestment 1:** Divestment of a Real Estate for a sale consideration of RM500.0 million
		Divestment 2: Divestment of an SPV, which holds a Real Estate valued at RM500.0 million (by an independent valuer) and has borrowings of RM300.0 million, for a sale consideration of RM200.0 million

Based on the above, the Management Fees payable by IGB Commercial REIT are illustrated in the two (2) following scenarios as set out in the table below:

Base Case	:	Assuming Management Fees are charged at the rate in line with the assumptions for the Profit Forecast (see Section 4.5.3.3 "Management Fees" of this Prospectus for further details)
Maximum Case	:	Assuming Management Fees are charged at the maximum rate provided for under the Deed

	Base Case	**Maximum Case**
Base Fee	0.3% of Total Asset Value (excluding cash and bank balances)	1.0% of Total Asset Value (excluding cash and bank balances)
	= 0.3% of RM3,160.5 million	= 1.0% of RM3,160.5 million
	= RM9.5 million	= RM31.6 million
Performance Fee	5.0% of NPI	5.0% of NPI
	= 5.0% of RM132.5 million	= 5.0% of RM132.5 million
	= RM6.6 million	= RM6.6 million

Acquisition Fee	**Acquisition 1:** 1.0% of transaction value
	= 1.0% of RM500.0 million
	= RM5.0 million
	Acquisition 2: 1.0% of underlying value
	= 1.0% of RM500.0 million
	= RM5.0 million
Divestment Fee	**Divestment 1:** 0.5% of transaction value
	= 0.5% of RM500.0 million
	= RM2.5 million
	Divestment 2: 0.5% of underlying value
	= 0.5% of RM500.0 million
	= RM2.5 million

Apart from the event driven fees (being the Acquisition Fee and the Divestment Fee), the aggregate annual Management Fees (being the Base Fee and Performance Fee) and its proportion as a percentage of NPI based on the illustrations above are RM16.1 million (12.2% of NPI) and RM38.2 million (28.8% of NPI) for the Base Case and Maximum Case, respectively.

6.7 REBATES AND SOFT COMMISSIONS

The Manager, Trustee or Trustee's delegate will not retain any form of rebate or soft commission from, otherwise share in any commission with, any broker or dealer in consideration for directing dealings in the property of IGB Commercial REIT. Accordingly, any rebates or commissions arising from directing dealings in the investments of IGB Commercial REIT must be directed to the account of IGB Commercial REIT.

Notwithstanding the above, soft commissions from any broker or dealer in relation to investments of IGB Commercial REIT may be retained by the Manager, the Trustee, or any delegate thereof where soft commissions are of demonstrable benefit to the Unitholders and:

(i) soft commissions are of demonstrable benefit to the Unitholders and in the form of research and advisory services that assist in the decision making process relating to IGB Commercial REIT's investments;

(ii) the dealings are executed on terms which are most favourable for IGB Commercial REIT; and

(iii) the Manager or the Trustee or their respective delegate's soft commission practices are adequately disclosed in this Prospectus and fund reports of IGB Commercial REIT (including a description of the goods and services received by the Manager, the Trustee or their respective delegate).

6.8 OUTSOURCING OF THE REGISTRAR FUNCTION

The SC has been notified of the outsourcing of the registrar function by the Manager to Boardroom Share Registrars Sdn Bhd.

The Manager has entered into a service agreement with Boardroom Share Registrars Sdn Bhd to delegate the function of registrar to Boardroom Share Registrars Sdn Bhd.

Boardroom Share Registrars Sdn Bhd was incorporated in Malaysia under the Act on 7 March 1996 and assumed its present name from Symphony Share Registrars Sdn Bhd on 1 February 2019. As at the Latest Practicable Date, Boardroom Share Registrars Sdn Bhd has an issued share capital of RM2,550,000 comprising 2,550,000 ordinary shares.

The principal services to be provided by the Registrar shall comprise, among others, the following:

(i) maintenance and update of the register of Unitholders and providing public access to the same in compliance with the CMSA, SICDA and any other relevant laws and in accordance with the provisions in the Deed;

(ii) attending to relevant correspondences and enquiries from the Unitholders and any other interested parties pertaining to the register of Unitholders which include distribution statements, unclaimed moneys, registration of powers of attorneys, letters of administration, grant of probate, indemnities, court orders and any other matters ancillary thereto;

(iii) processing and issuing of Global Certificate to the Bursa Depository pursuant to bonus issue, rights issue and other corporate exercise subject to the satisfaction of the requirements of Bursa Securities (if applicable);

(iv) preparing, sealing, signing, auditing and despatching duly registered Global Certificates to Bursa Depository;

(v) providing information to Bursa Depository of the relevant dates for book closure and payment;

(vi) obtaining from Bursa Depository the list of Unitholders entitled to distribution;

(vii) reconciling and submitting the distribution accounts to the Registar of Unclaimed Moneys in accordance with the Unclaimed Moneys Act 1965;

(viii) liaising with the Bursa Depository to facilitate depositing of Units, access to the Record of Depositors, statistics for Unitholders' information and for the purposes of the Unitholders' meeting or any other corporate actions, in compliance with SICDA;

(ix) providing statistical reports or detailed Unitholders' information for annual report disclosure and as may be required by the Manager or the relevant authorities on a regular basis or upon receipt of a written request, which shall include the following:

    (a) analysis of Unitholders by size and type; and

    (b) list of 30 largest Unitholders;

(x) providing list of names and printing of address labels for the purposes of mailing the notices, circulars, documents and annual reports to Unitholders;

(xi) preparing distribution master list, bonus issue master list, rights issue master list, list of major Unitholders, analysis of Unitholders and distribution in terms of size of unitholdings and percentage, unit capital ownership analysis and any other lists which are not specifically mentioned in the service agreement which is/are required by the Manager;

(xii) providing services for other corporate exercises, (bonus issue/rights issues and distribution payment), which shall include the provision of information on the following:

(a) entitlement list;

(b) excess applicants list; and

(c) successful allotment list;

(xiii) maintenance of records, books and documents for the time period in accordance with the provisions as stipulated in the Relevant Laws and Requirements;

(xiv) acting as advisor to the Manager on all matters in relation to Bursa Depository or SICDA and be the official link between Bursa Depository and the Manager;

(xv) performing registration formalities on consolidation and splitting of Global Certificates received from Bursa Depository;

(xvi) processing issue of new Units including computation and allotment, verification of data for crediting into the respective CDS Accounts and the subsequent dispatching of new Global Certificates to Bursa Depository, notices of allotment and relevant confirmation letter(s) to the Unitholders; and

(xvii) preparing for and handling the registration for Unitholders' meeting which includes the following:

(a) handling registration of Unitholders for meeting purposes; and

(b) handling lodgment and processing of proxy forms received up to providing the analysis of voting instruction based on proxy forms received.

Notwithstanding the above, the services of the Registrar are not intended, in any way to diminish the responsibilities of the Manager. The Registrar function is the responsibility of the Manager.

6.9 OUTSOURCING OF THE INTERNAL AUDIT FUNCTION

The SC has been notified of the outsourcing of the internal audit function by the Manager to the Group Internal Audit (GIA) Division of IGB.

The Manager has entered into a service agreement with the Sponsor to delegate the internal audit function to the GIA Division of IGB. Please refer to Section 7 "Background Information on the Sponsor" of this Prospectus for further details of the Sponsor.

The principal services to be provided by the GIA Division of IGB to the Manager shall comprise, among others, the following:

(i) developing an annual internal audit plan;

(ii) conducting internal audit review ("**IAR**") on the effectiveness of governance, risk management and internal controls in IGB Commercial REIT and its operations on a periodic basis according to the internal audit plan, or as and when advised by the Manager. The IARs shall cover the following key business processes:

(a) procurement to payment of property operating expenses and property enhancement initiatives;

(b) tenancy management to collection of rentals;

(c) acquisition and divestment of investment properties and fund management activities;

(d) operational units, i.e. leasing, finance, building management and safety and health; and

(e) risk management;

(iii) present the audit findings to the Audit Committee and/or Board at its meeting as and when required;

(iv) conduct follow-up reviews to report on the status of implementation of management action plans arising from the IARs conducted (as necessary);

(v) reviewing the reliability and integrity of financial and operating information and the means used to identify, measure, classify and reporting such information;

(vi) reviewing the systems established to ensure compliance with those policies, plans, procedures, laws, regulations and contracts which could have a significant impact on operations and reports, and determine whether IGB Commercial REIT is in compliance;

(vii) reviewing the means of safeguarding assets and, as appropriate, verifying the existence of such assets;

(viii) appraising the economy and efficiency with which resources are employed;

(ix) reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned;

(x) co-ordinating with the external auditors; and

(xi) as and when advised by the Manager, undertake special reviews and/or investigations.

Notwithstanding the above, the primary obligation, accountability and responsibility with regards to the scope of internal audit services shall remain with the Board and the Manager at all times.

The Manager shall ensure that the GIA Division of IGB implements an audit approach for IGB Commercial REIT which is guided by the International Professional Practice Framework of the Institute of Internal Auditors Inc.

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6.10 UNITHOLDINGS OF SUBSTANTIAL SHAREHOLDERS, DIRECTORS AND KEY MANAGEMENT PERSONNEL OF THE MANAGER IN IGB COMMERCIAL REIT

As at the date of this Prospectus, the substantial shareholders, directors and key management personnel of the Manager will not hold any Units, direct and/or indirect, in IGB Commercial REIT. The expected unitholdings of the said parties in IGB Commercial REIT immediately after the Acquisitions and the Offering based on the shareholding in IGB as at the Latest Practicable Date are set out in the table below:

	Minimum Scenario				Maximum Scenario			
	Direct		Indirect		Direct		Indirect	
	No. of Units ('000)	%	No. of Units ('000)	%	No. of Units ('000)	%	No. of Units ('000)	%
Substantial shareholders								
IGB Corporation	-	-	-	-	-	-	-	-
IGB	1,216,643	52.7	-	-	1,153,230	50.0	-	-
Tan Chin Nam Sendirian Berhad ("**TCNSB**")(1)(4)(5)	228,231	9.9	1,254,010(3)	54.3	228,231	9.9	1,190,597(3)	51.6
Tan Kim Yeow Sendirian Berhad ("**TKYSB**")(1)(5)(6)	90,646	3.9	1,220,632(3)	52.9	90,646	3.9	1,157,219(3)	50.2
Dato' Seri Robert Tan Chung Meng(1)(7)	2,816	0.1	1,311,277(3)	56.8	5,230(2)	0.2	1,247,864(3)	54.1
Pauline Tan Suat Ming(1)(5)(8)	4,227	0.2	1,311,277(3)	56.8	4,227	0.2	1,247,864(3)	54.1
Tony Tan Choon Keat(9)	-	-	1,311,277(3)	56.8	-	-	1,247,864(3)	54.1

	Minimum Scenario				Maximum Scenario			
	Direct		Indirect		Direct		Indirect	
	No. of Units ('000)	%	No. of Units ('000)	%	No. of Units ('000)	%	No. of Units ('000)	%
Directors								
Tan Sri Dato' Prof. Lin See Yan	-	-	-	-	-	-	-	-
Dato' Seri Robert Tan Chung Meng[(1)(7)]	2,816	0.1	1,311,277[(3)]	56.8	5,230[(2)]	0.2	1,247,864[(3)]	54.1
Halim bin Haji Din	-	-	-	-	-	-	-	-
Le Ching Tai @ Lee Chen Chong	-	-	-	-	-	-	-	-
Ang Kim Pack	-	-	-	-	-	-	-	-
Elizabeth Tan Hui Ning[(1)(10)]	30	*	-	-	30	*	-	-
Tan Lei Cheng[(1)(5)(11)]	21,267	0.9	-	-	21,267	0.9	-	-
Tan Mei Sian[(1)(5)(12)]	1,291	0.1	-	-	1,291	0.1	-	-
Tan Boon Lee[(1)(5)(13)]	13,053	0.6	-	-	15,620[(2)]	0.7	-	-
Key management personnel								
Antony Patrick Barragry	-	-	-	-	-	-	-	-
Wong Khim Chon	-	-	-	-	-	-	-	-
Chai Lai Sim	*	*	-	-	403[(2)]	*	-	-
Chow Yeng Keet[(1)]	114	*	-	-	114	*	-	-
Tina Chan Lai Yin	-	-	-	-	-	-	-	-
Tan Mei Sian[(1)(5)(12)]	1,291	0.1	-	-	1,291	0.1	-	-

	Minimum Scenario				Maximum Scenario			
	Direct		Indirect		Direct		Indirect	
	No. of Units ('000)	%	No. of Units ('000)	%	No. of Units ('000)	%	No. of Units ('000)	%
Ong Boon Hock	-	-	-	-	-	-	-	-

Notes:

(1) Assuming full subscription of their respective entitlements under the ROFS.

(2) Assuming full conversion of the outstanding RCCPS 2018/2025 of IGB.

(3) Deemed interest in the Manager through Units expected to be held by other corporations pursuant to Section 8(4) of the Act (assuming full subscription of their respective entitlements under the ROFS).

(4) TCNSB is a major shareholder of IGB.

(5) Including Units held by GTower SB, being the vendor of GTower, for TCNSB, a shareholder of GTower SB.

(6) TKYSB is a major shareholder of IGB.

(7) Dato' Seri Robert Tan Chung Meng is the brother of Pauline Tan Suat Ming and Tony Tan Choon Keat. He is also the father of Elizabeth Tan Hui Ning. He is (i) a major shareholder, director and Group Chief Executive Officer of IGB; and (ii) a director and shareholder of TKYSB.

(8) Pauline Tan Suat Ming is the sister of Dato' Seri Robert Tan Chung Meng and Tony Tan Choon Keat. She is (i) a major shareholder of IGB; and (ii) a director and shareholder of TKYSB.

(9) Tony Tan Choon Keat is the brother of Dato' Seri Robert Tan Chung Meng and Pauline Tan Suat Ming. He is a (i) major shareholder of IGB and (ii) a director and shareholder of TKYSB.

(10) Elizabeth Tan Hui Ning is the daughter of Dato' Seri Robert Tan Chung Meng.

(11) Tan Lei Cheng is the sister of Tan Boon Seng and Tan Boon Lee. Tan Lei Cheng is (i) the Non-Executive Non-Independent Chairman of IGB; and (ii) a director and shareholder of TCNSB.

(12) Tan Mei Sian is the daughter of Tan Boon Seng. She is also a shareholder of TCNSB and IGB.

(13) Tan Boon Lee is the brother of Tan Lei Cheng and Tan Boon Seng. Tan Boon Lee is (i) the Alternate Director to Dato' Seri Robert Tan Chung Meng and Deputy Group Chief Executive Officer of IGB; and (ii) a director and shareholder of TCNSB.

* Negligible

Save as disclosed in the table above, the substantial shareholders, directors and key management personnel of the Manager will not have any indirect unitholdings in IGB Commercial REIT upon Listing.

6.11 SUMMARY OF THE MANAGER'S FINANCIAL POSITION

The Manager was incorporated in Malaysia under the Act on 21 March 2012 as a private limited company. As at the Latest Practicable Date, the Manager has an issued share capital of RM1,000,000 comprising 1,000,000 ordinary shares. A summary of the Manager's financial position for the FYE 2018, FYE 2019 and FYE 2020 is set out in the table below.

	FYE 31 December		
	2018	**2019**	**2020**
	(RM'000)	**(RM'000)**	**(RM'000)**
Paid-up share capital	1,000	1,000	1,000
Shareholders' funds	168,159	211,533	216,124
Revenue	34,680	35,499	31,425
Profit before tax	32,341	35,055	31,927
Profit after tax	24,636	26,696	24,085

6.12 RETIREMENT, REMOVAL AND REPLACEMENT OF THE MANAGER

6.12.1 Retirement

The Manager may retire upon giving six (6) month's written notice to the Trustee (or such shorter period as may be agreed upon with the Trustee) and then the Trustee shall then appoint in writing any other corporation as the management company in its stead subject to the approval of the SC.

6.12.2 Removal and Replacement

The Trustee may take all reasonable steps to remove the Manager from its appointment under the following circumstances:

(i) the Manager ceases to exist;

(ii) the Manager was not validly appointed;

(iii) the Manager ceases to be eligible to act as a management company pursuant to the CMSA or its appointment to act as the management company of IGB Commercial REIT is revoked by the SC;

(iv) the Manager fails or refuses to act as Manager in accordance with the material provisions or covenants of the Deed or the provisions of the CMSA;

(v) the Manager has a receiver appointed over the whole or a substantial part of its assets or undertaking and the Manager has not ceased to act under the appointment, or a petition is presented for the winding up of the Manager (other than for the purpose of and followed by a reconstruction, unless during or following such reconstruction the Manager becomes or is declared to be insolvent);

(vi) the Manager is under investigation for conduct amounting to fraud or of similar serious nature being a contravention of the Act or any securities law and is found guilty by the Courts of Malaysia of such offence as charged;

(vii) the Manager is required to be removed by the SC or is required to be removed pursuant to the provisions of the REIT Guidelines; or

(viii) the Manager is required to be removed by the Unitholders by way of an Ordinary Resolution (or otherwise in accordance with the requirements of the REIT Guidelines) passed at a meeting of Unitholders convened for that purpose on the grounds that the Manager is in breach of its obligations under the Deed and the Manager has failed to remedy the breach despite the request from the Trustee.

The Trustee may then appoint a replacement management company which is eligible to act as a management company under the CMSA and which has been approved by the SC. Without prejudice to the Trustee's right to appoint a replacement management company, the Manager shall have the right to nominate a new management company (which is eligible to be appointed to act as management company under the CMSA) which shall not be a related corporation or an associated person of the Manager, within 14 days of its removal for consideration by the Trustee.

6.13 RELATED PARTY TRANSACTIONS AND CONFLICTS OF INTEREST

The Deed provides that the Manager, the Trustee and any delegate of either of them shall avoid any conflicts of interest. Where a conflict cannot be avoided, the Manager must put appropriate safeguards in place to protect the interests of the Unitholders and ensure that IGB Commercial REIT is not disadvantaged by the transaction concerned. The Manager must not make improper use of its position in managing IGB Commercial REIT to gain, directly or indirectly, an advantage for itself or for any other person or to cause detriment to the interest of Unitholders.

The directors of the Manager are under a fiduciary duty towards IGB Commercial REIT to act in the best interest of IGB Commercial REIT. In addition, the Directors and the executive officers of the Manager are expected to act with honesty and integrity at all times.

The Directors must ensure that any related party transactions carried out by IGB Commercial REIT shall be in accordance to the REIT Guidelines, the Listing Requirements and the Relevant Laws and Requirements and with the approval of the Unitholders where stipulated under the REIT Guidelines, the Listing Requirements and the Relevant Laws and Requirements at all times.

Under the Deed, the Related Parties of the Manager (as defined in the Deed) may hold Units. Unless otherwise permitted by the SC, Related Parties of the Manager shall not have voting rights in respect of the Units held and shall not be counted in a quorum at any Unitholders' meeting, if they have interest in the outcome of the transaction tabled for approval at the meeting which is different from the interest of other Unitholders.

Please refer to Section 11 "Corporate Governance, Related Party Transactions and Conflicts of Interest" of this Prospectus for further details on conflicts of interest and related party transactions.

6.14 CORPORATE GOVERNANCE

Please refer to Section 11 “Corporate Governance, Related Party Transactions and Conflicts of Interest” of this Prospectus.

6.15 MATERIAL LITIGATION AND ARBITRATION

As at the Latest Practicable Date, the Manager is not engaged in any material litigation and arbitration, either as plaintiff or defendant which has a material effect on its financial position and its directors do not know of any proceedings pending or threatened or of any facts likely to give rise to any proceedings which might materially and adversely affect its financial position or business.

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