



PRESS RELEASE

23 January 2025

IGB Commercial REIT Achieves 7.4% Year-on-Year Revenue Growth in 2024 Driven by Strong Occupancy and Asset Enhancements

Highlights:

- IGB Commercial REIT achieved a 6.2% rise in portfolio occupancy rate, increasing from 81.3% in 2023 to 87.5% in 2024, driven by tenant-centric engagements and asset enhancement initiatives.
- The Gardens North and South Towers have been newly awarded GreenRE Gold certifications, with GTower retaining its GreenRE Gold certification, highlighting excellence in sustainable building practices.

Kuala Lumpur, 23 January 2025: IGB Commercial Real Estate Investment Trust (IGBCR) recorded positive growth for the financial year ended 31 December 2024, with revenue higher by 7.4% to RM231.0 million from RM215.1 million in the previous financial year and correspondingly, stronger Net Property Income (NPI) growth by 2.1% to RM130.5 million in 2024 from RM127.8 million in 2023. The revenue growth was primarily driven by an increase in rental and rent-related income, attributed to higher occupancy rate and higher average rental rate from new tenancies and renewals.

For the 4Q24, IGBCR registered a 5.7% increase in revenue of RM60.2 million compared to RM56.9 million in the corresponding quarter in 2023. NPI amounted to RM28.2 million in 4Q24, against RM32.9 million in 4Q23. The revenue growth was supported by higher occupancy and rental rate. The lower NPI recorded in 4Q24 was largely attributed to timing difference of the budgeted expenditure for asset enhancement initiatives (AEIs) and repair works carried out during the reporting quarter, which included lifts and facilities upgrades, maintenance and weatherproofing works.

The year's encouraging results were underpinned by the Manager's rigorous approach to enhancing the sustainability profile of its portfolio. In December 2024, The Gardens North and South Towers were awarded GreenRE Gold certifications, while GTower retained its GreenRE Gold certification, reaffirming its position as a leading pioneer in sustainable building practices in Malaysia. AEIs were implemented across the portfolio, focusing on enhancing functionality, tenant appeal as well as incorporating energy-efficient systems. The Manager has also implemented community engagement initiatives and measures to improve tenant satisfaction, which have further strengthened the portfolio's appeal. These efforts have contributed to a notable 6.2% rise in the portfolio occupancy rate from 81.3% in 2023 to 87.5% in 2024, which was above the industry Klang Valley's office market average occupancy rate for 2024.

The Manager has proposed a distribution per unit (DPU) of 0.75 sen for 4Q24 bringing total DPU for 2024 to 3.62 sen, higher by 0.13 sen or 3.7% compared to 2023. Based on IGBCR's unit price of RM0.565 as of 31 December 2024, this translates into a distribution yield of 6.4%.

Outlook

Malaysia's latest 3Q 2024 Gross domestic product (GDP) print showed the economy expanding at a healthy rate of 5.3%. This economic momentum should continue through 2025 with Bank Negara Malaysia's monetary policy stance remaining supportive. The commercial property sector is expected to remain positive for premium well-located properties with strong sustainability credentials.

On 2 January 2025, IGBCR successfully completed its maiden acquisition of two additional office floors in Menara Southpoint, further strengthening its presence within Mid Valley City and respectively, increased IGBCR's properties value to RM3.2 billion. Looking ahead, IGBCR remains committed to exploring and pursuing new market opportunities and expand its service offerings. These initiatives aim to position IGBCR to capitalise on emerging trends and consistently deliver sustainable long-term value to all stakeholders. The completed acquisition, along with future acquisition plans and ongoing AEIs, demonstrate IGBCR's continued focus on enhancing its asset portfolio.

Managed by: **IGB REIT Management Sdn Bhd** 201201006785(908168-A)

Management Office: Level 29, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

T +603 2289 8989 W www.igbcomreit.com

- END -

About IGB Commercial REIT

IGB Commercial REIT (IGBCR) was listed on the Main Market of Bursa Malaysia Securities Berhad (Bursa) on 20 September 2021. It was established with the principal investment policy of investing, directly and indirectly, in a portfolio of income-producing real estate used primarily for commercial purposes.

IGBCR's portfolio comprises 10 commercial buildings strategically located in the Klang Valley. 7 properties in the prime location of Mid Valley City consisting of Centrepoint North and South, The Gardens North and South Towers, Southpoint Offices & Retail, Menara IGB & IGB Annexe, and Boulevard Offices & Retail. 3 properties in Kuala Lumpur Golden Triangle consisting of GTower, Menara Tan & Tan, and Hampshire Place Office.

IGBCR's investment objective is to provide unitholders with regular and stable distributions, a sustainable long-term unit price, distributable income, and capital growth, while maintaining an appropriate capital structure.

For media inquiries, please contact:

investorrelations@igbcomreit.com
corporate-enquiry@igbcomreit.com

Managed by: IGB REIT Management Sdn Bhd 201201006785(908168-A)

Management Office: Level 29, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

T +603 2289 8989 W www.igbcomreit.com