

B Operational Review

Central Region, Malaysia

Momentum across the Central Region continued to reinforce its strategic importance within our portfolio, supported by a diversified presence in prime Klang Valley locations. During the year, we prioritised progressing mixed-use pipelines, sharpening asset performance and aligning offerings with evolving buyer preferences amid intensifying competition in more mature submarkets. Nevertheless, demand fundamentals stayed firm, sustaining the region's position as a core pillar of our urban growth strategy.



Kiara Bay, Kepong.



Ongoing Projects

9



Retail and Commercial Assets

4



Remaining GDV

RM28.4

billion



Remaining Landbank

483.4

acres



Net Lettable Area of
Commercial and Retail Assets

709,786

sq ft

Who We Are and What We Do

Development activity in Malaysia’s Central Region continues to gain traction as we expand our footprint, supported by a pipeline that emphasises sustainability, multi-generational living and well-planned urban integration.

Business Environment

Our Central region portfolio spans townships, high-rise residences, integrated developments and commercial assets, positioning us across key urban growth nodes. Mont’Kiara and Kiara Bay continue to see healthy demand, reflecting the sustained appeal of well-planned urban living environments. In Cheras, The Connaught One marks our entry into transit-oriented development, improving connectivity while supporting more affordable urban housing.

Across KAIA Heights, Serene Heights and Symphony Hills, we continue to cultivate wellness-driven, family-oriented communities aligned with evolving lifestyle preferences. Complementing these communities, our commercial assets, including Publika, Hyatt House Mont’Kiara and The Beat in Kiara Bay continue to support ecosystem vibrancy and visitor traffic. Notwithstanding macroeconomic pressures, the Central region continues to demonstrate strong demand momentum, anchored by brand strength and sustained product relevance.

2025 Achievements

Key Financial and Business Highlights

- Achieved RM786.6 million in sales, driven by developments such as The Connaught One, The MINH and Residensi ZIG.
- Accounted for 69% of the Group’s unbilled sales, amounting to RM1.4 billion.
- Mobilised a RM5.7 billion pipeline of mixed-use developments across Kelana Jaya, Section 13 Petaling Jaya, The Connaught Two, MK31 Phase 2 and Solaris Park Plot B, with launches slated over the next two to five years.

Sustainability Highlights

- 3 projects achieved Green Building Certification for 2025: Allevia (GreenRE Gold), Residensi ZIG (GreenRE Silver Provisional), The Connaught One (GreenRE Silver Provisional).
- Rolled out green mobility initiatives across selected communities to support more sustainable transport options.
- In safety, eight projects attained a five-star rating under the Safety and Health Assessment System in Construction (“SHASSIC”), with an average score of 98.4%. In quality, selected projects also recorded strong performance under the Quality Assessment System in Construction (“QLASSIC”), reflecting our commitment to construction excellence.

SHASSIC

98.2%	KAIA Heights Phase 2
97.8%	Serene Heights Parcel 3A3

QLASSIC

75%	Residensi AVA
85%	Serene Heights Phase 2A
85%	Serene Heights 3A1



A vibrant recreational space at KAIA Heights, designed to promote active and connected community living.

Business Performance Review

Key Initiatives

- Symphony Hills: Reopened the Opera House clubhouse with enhanced facilities, including new pickleball courts operated by Elevate Social Club.
- Radia, Bukit Jelutong: Expanded sports offerings through the addition of 10 pickleball courts alongside the existing two FIFA-sized football fields at Radia Arena, supported by F&B outlets.
- Seksyen 13, Petaling Jaya Lots 78 and 79: Established interim sports and lifestyle facilities comprising pickleball courts, Malaysia's largest HYROX gym, a food court and an event hall, pending the commencement of Section 13 Phase 2.
- Kiara Bay: Opened the 39th Harvey Norman store, its first solar-powered outlet in Malaysia.

Achievements

- Completed vacant possession handover for KAIA Heights (Phase 1) in Seri Kembangan, Residensi Allevia in Mont'Kiara, and Residensi AVA in Kiara Bay.
- Delivered a healthy 8.6% net yield at Publika with an average occupancy of 83%.
- Maintained a stable average occupancy of 65% at Hyatt House.
- Sustained a strong average occupancy of 90% at Summer Suites, continuing to serve the mid-market urban segment in Kuala Lumpur city centre.
- Achieved 90% occupancy at The Beat, Kiara Bay after the second phase rollout, with Harvey Norman's opening strengthening its positioning as an integrated lifestyle destination.

Challenges and Mitigation Actions

Challenges

- Increasing construction costs driven by persistent material price fluctuations.
- Intensified competition for market share in the Central Region's more established sub-markets.
- Shifting buyer priorities placed greater emphasis on lifestyle integration, ESG attributes and seamless connectivity.
- Dynamic retail leasing conditions reflected shifting consumption patterns and more selective tenant demand.

Mitigation Actions

- Secured favourable rates and mitigated cost escalation through strategic procurement and phased tendering.
- Embedded value engineering and strengthened buildability via early contractor involvement.
- Refined product design, pricing and value propositions through continuous market sensing aligned to evolving demand.
- Optimised trade mix and increased footfall through asset enhancement, rejuvenation of weaker assets and focused leasing campaigns.

Results

- Improved cost efficiency via pre-tender technical workshops and value optimisation exercises.
- Preserved product competitiveness, supported by strong take-up within targeted segments.
- Maintained demand momentum despite macroeconomic uncertainty, supported by project readiness and disciplined pricing.
- Delivered sustainable revenue and yield across selected commercial assets, with Publika achieving an 8.6% net yield in 2025, reflecting effective asset optimisation and tenancy curation.

Outlook and Prospects

Short-term (1-3 years)

- Expand footprint in Petaling Jaya through planned mixed-use projects in Kelana Jaya and Seksyen 13 to anchor urban rejuvenation.

Medium-term (3-5 years)

- Drive landbank value realisation through lifestyle-led developments in Mont'Kiara, Kiara Bay and Symphony Hills.

Long-term (> 5 years)

- Elevate commercial portfolio performance via asset enhancement, targeted leasing, tenant mix optimisation, community-led placemaking and selective monetisation of mature assets.
- Strengthen ESG practices across operations, covering green certifications, sustainable design, social impact initiatives and governance discipline.



Residensi AVA, Kiara Bay.