



KHAZANAH
NASIONAL



ADVANCING
MALAYSIA

KHAZANAH ANNUAL REVIEW 2026

10 February 2026

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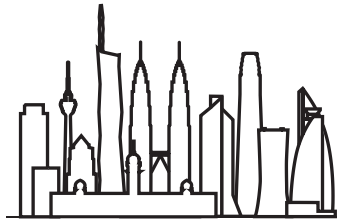
www.khazanah.com.my



Khazanah continues to drive the nation's prosperity by investing to deliver sustainable, long-term value for Malaysians



Investing to deliver sustainable value for Malaysians



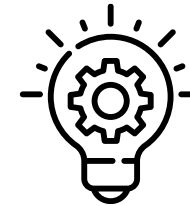
Active Corporate Player

in Malaysia's capital markets, spurring economic growth



Global Investor

to grow the portfolio while facilitating knowledge, network & investment flows into Malaysia



Catalytic Investor

through Dana Impak to enhance Malaysia's economic complexity



Building Capacity & Vibrant Community

for the benefits of Malaysians



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We remain committed in advancing the Ekonomi MADANI vision of Raising the Floor and Ceiling to uplift Malaysia's economic complexity and shared prosperity



Raise the Ceiling



**GEAR-uP
Unlocks RM22b
in Investments**

*Business Today,
30 Jun 2025*



**Khazanah to Boost
Investment, Foster
Collaboration in
Priority Areas like
Semiconductors**

Bernama, 11 Oct 2025



**Khazanah unit
appoints five VCs
to deploy RM200m
into startups**

*New Straits Times,
24 Jun 2025*

Raise the Floor



**Yayasan Hasanah
awards special grant to
28 civil society
organisations**

*Business Today,
28 Mar 2025*



**GLICs implement living
wage policy to raise
employees' standard of
living, with benchmark
set at about RM3,100**

*The Edge Malaysia,
1 May 2025*



**Program K-Youth
lahirkan belia
berdaya saing**

*Sinar Harian,
24 Oct 2025*

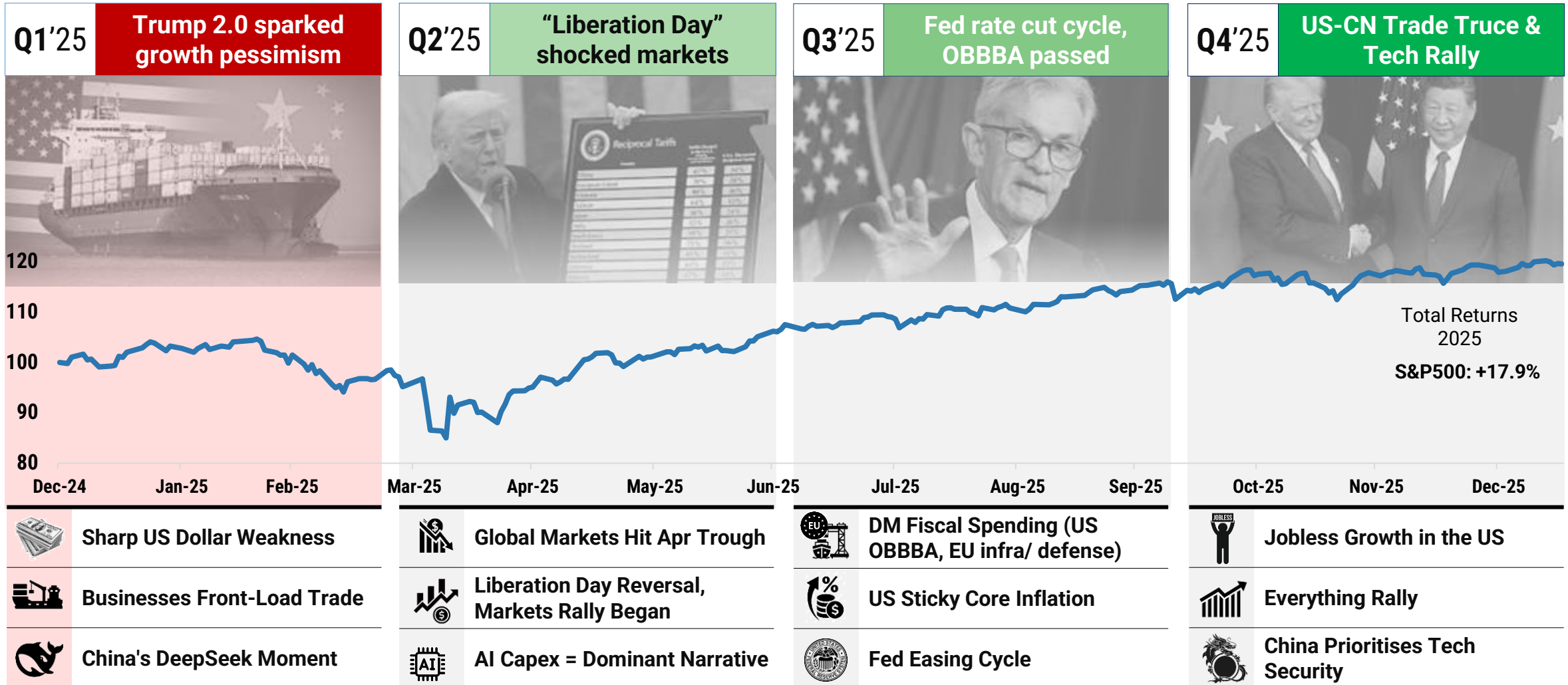
2025 IN REVIEW





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2025 was marked by policy shocks and shifting macro narratives; from tariff-driven volatility, Liberation Day turmoil & the deeper concerns over global fragmentation





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In 2025, Malaysia saw policy certainty and active global engagement underpin strong growth and market resilience

Malaysia 2025: Year in Review



Policy Changes & Commitment

Jan 25
SSPA
Phase 1

Jan 25
Johor-SG
SEZ
Agreement

Feb 25
Minimum
Wage of
RM 1.7k

Jul 25
13th Malaysia
Plan 2026-
2030

Jul 25
National AI
Action Plan
2026-2030

Aug 25
National
Cloud
Computing
Policy

Sept 25
Budi
Madani
RON95

Oct 25
Budget
2026
tabled

Oct 25
47th ASEAN
Summit
5th RCEP
Summit

Oct 25
ART
Deal

Strong Economy, Ringgit and Markets

GDP growth
5.2% YoY
in 2025

Exports
6.5% YoY
in 2025

Approved
Investments of
RM282.5b,
+13.2% YoY
for 9M of 2025

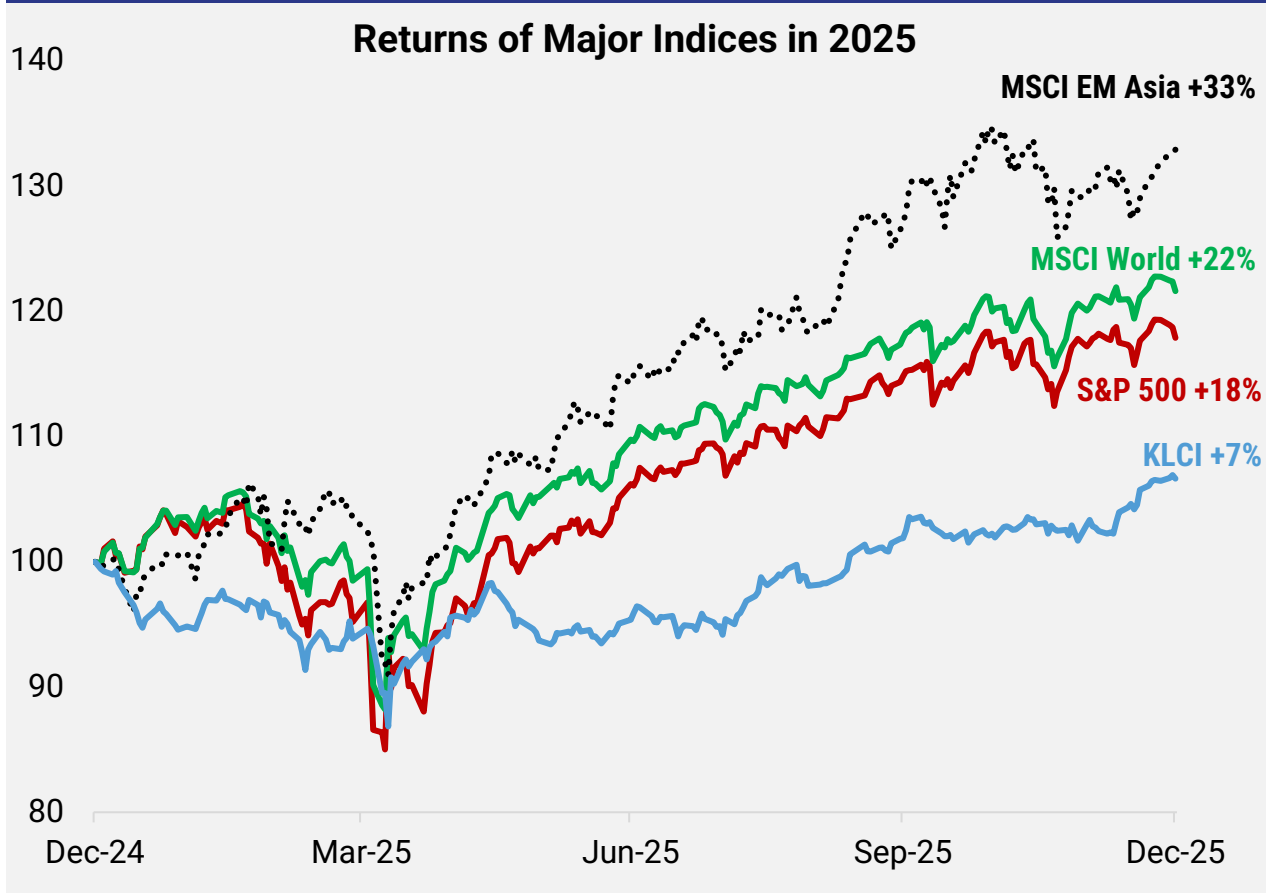
Tourism Arrivals
+12% YoY for
11M of 2025

KLCI +7% YoY
Ringgit +10% YoY
in 2025

Sources: DOSM, MIDA, MITI, Bloomberg, Tourism Malaysia

Global markets rebounded from the April 2025 “Liberation Day” sell-off, lifted by rate cuts, fiscal spending and AI-investment boom, with growth momentum strengthening across emerging economies


GLOBAL MARKET PERFORMANCE IN 2025



Source: Bloomberg

Note: Total Return is in LCU

GLOBAL REAL GDP GROWTH (YoY) COMPARISON (%)

Geography	2024	2025E	2026F	2027F
Malaysia 	5.1	5.2	4.0-4.5 ¹	4.3
ASEAN-5	4.6	4.2	4.2	4.4
Emerging Economies	4.3	4.4	4.2	4.1
Developed Economies	1.8	1.7	1.8	1.7

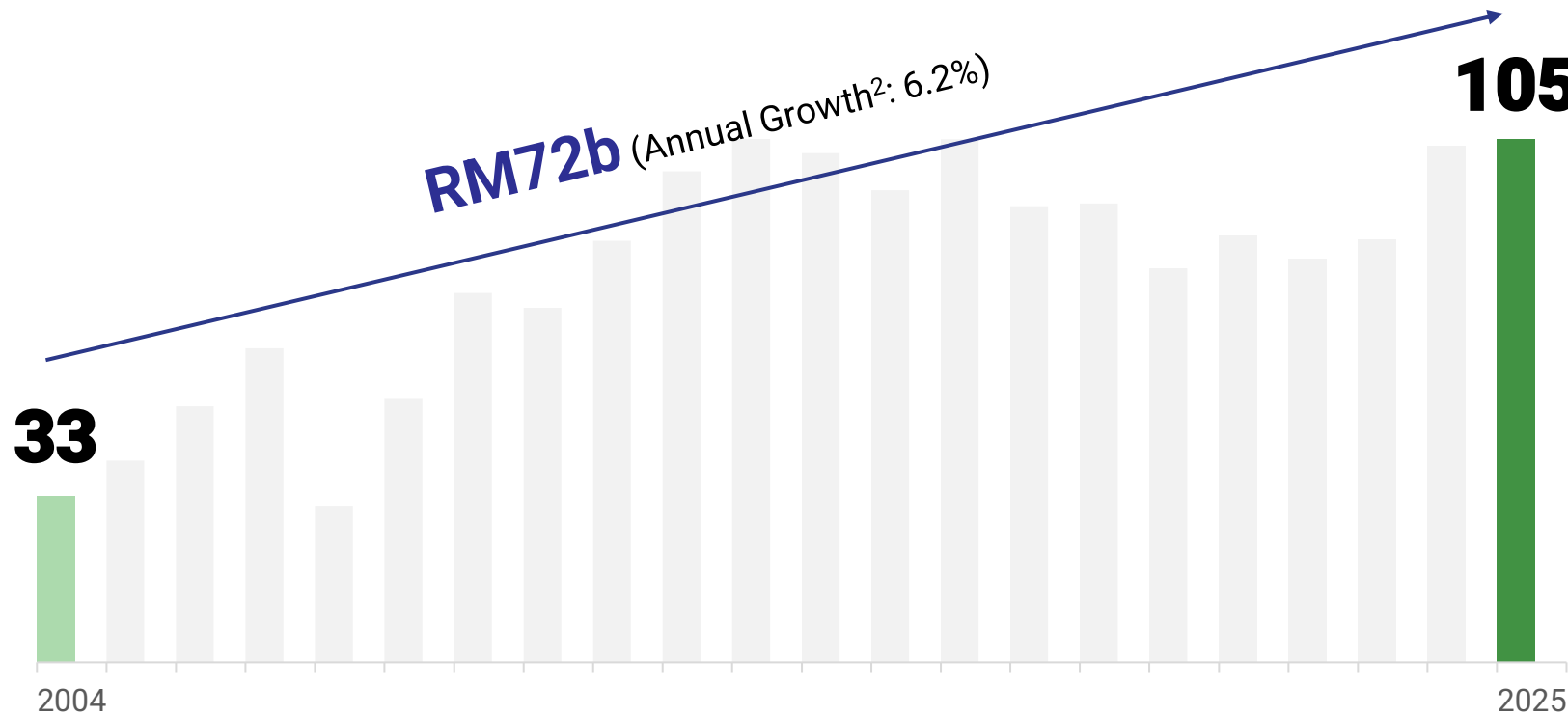
Source: DOSM, IMF as of Jan 2026
¹MOF



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Despite the challenging environment in 2025, Khazanah's overall portfolio remained resilient with net assets at RM105b

Overall Portfolio Net Assets¹ (RM b)



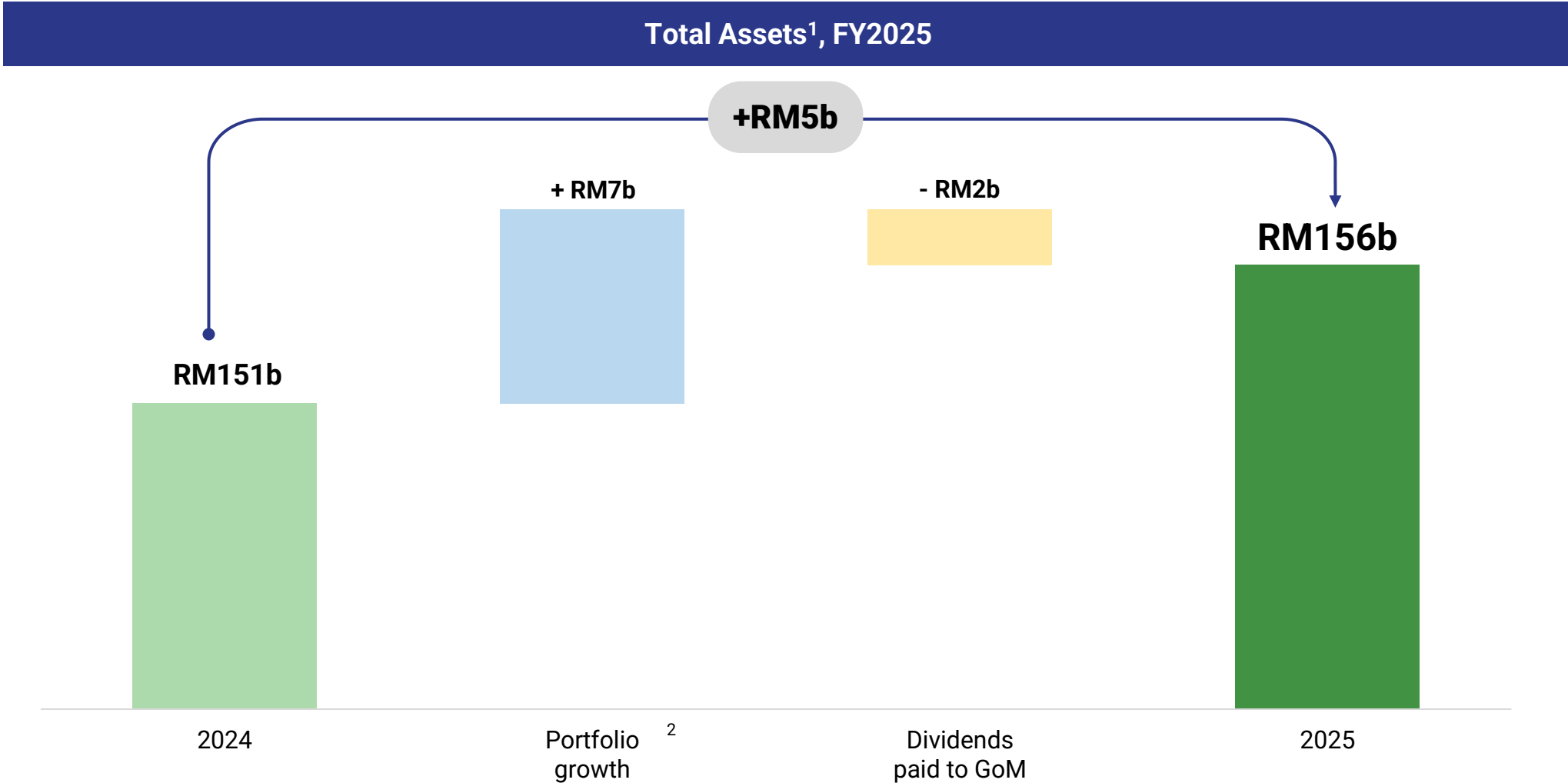
RM21.1b
Cumulative Dividends
paid to the Government
of Malaysia

RM93.1b
Cumulative Shareholder
Return

¹ Net Assets refer to Net Asset Value (NAV), which is Total Assets minus Total Liabilities

² Compound Annual Growth Rate computed based on the growth in net asset value, including dividends and net of cash flows

Overall Portfolio: In FY2025, Khazanah grew its total assets by RM5b, while paying out RM2b in dividends

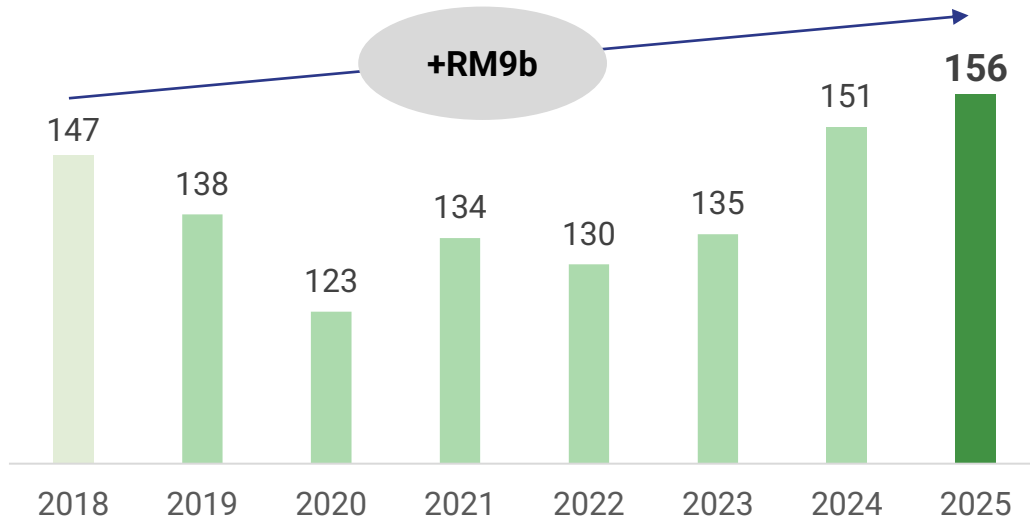




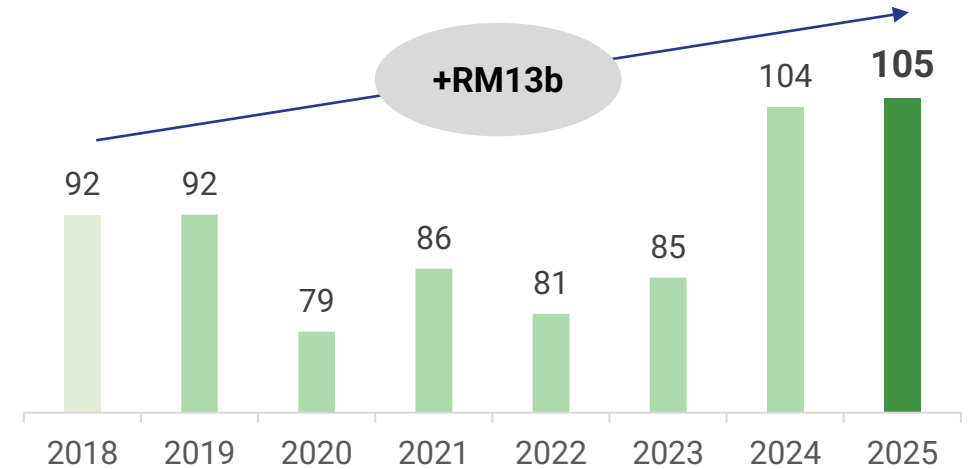
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Overall Portfolio: Since 2019, net assets have grown by RM13b with RM9.5b dividends paid to GoM

Total Assets¹ (RM b)



Net Assets² (RM b)



Financials

RM b	2019	2020	2021	2022	2023	2024	2025
Profit from operations	7.4	2.9	0.7	1.6	5.9	5.1	5.6
Dividends	1.0	2.0	2.0	0.5	1.0	1.0	2.0
Debt	45.8	43.1	48.5	49.1	50.2	47.7	50.7
RAV Cover	3.0x	2.9x	2.8x	2.7x	2.7x	3.2x	3.1x

¹ Total Assets refer to Realisable Asset Value (RAV), which is the estimated value of assets that could be realised. Values are as of year-end

² Net Assets refer to Net Asset Value (NAV), which is Total Assets minus Total Liabilities. Values are as of year-end

Investments Portfolio: Khazanah delivered strong and resilient returns at 6.1% annually since 2019 and 5.2% in 2025, in line with our mandate and risk appetite

Investments Portfolio Performance:

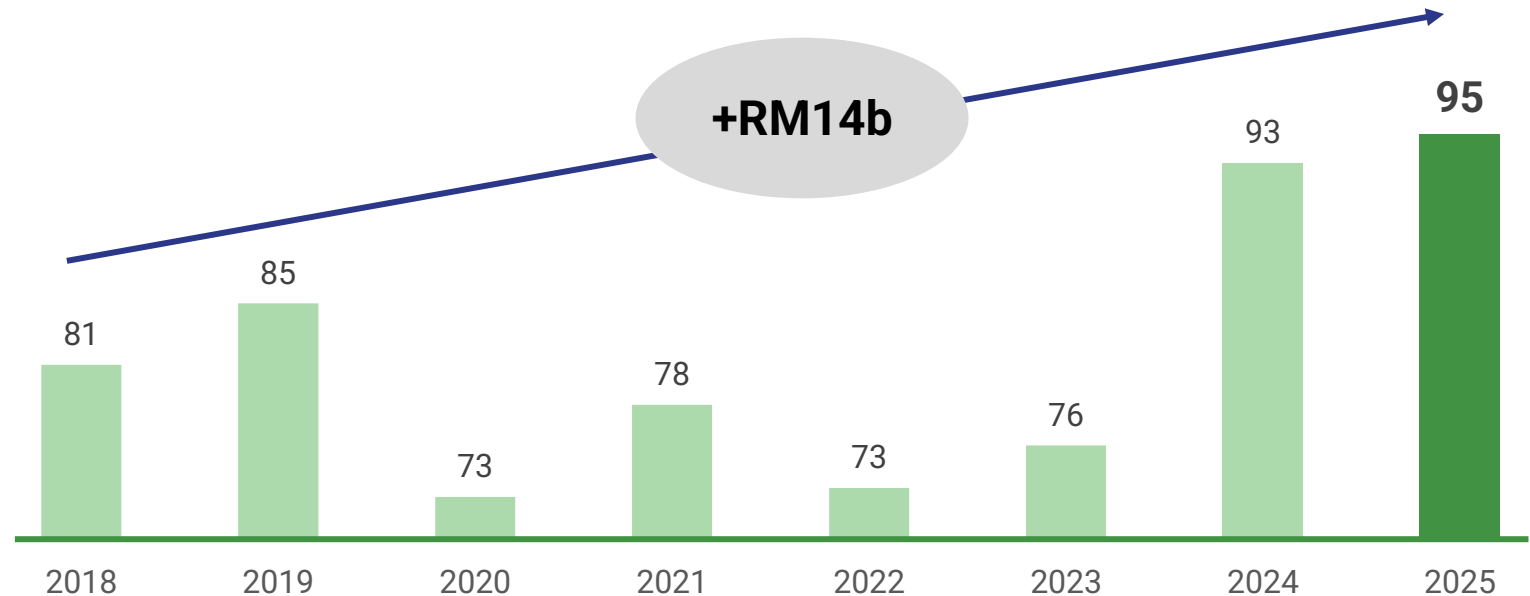
6.1%

7-Year Returns¹

5.2%

2025 Returns²

Investments Portfolio Net Assets³ (RM b)



¹ Rolling returns since 1 Jan 2019

² 2025 Returns from Net Asset Value (NAV) of the Investments Portfolio

³ Net Assets refer to Net Asset Value (NAV), which is Total Assets minus Total Liabilities. Values are as of year-end



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Investments Portfolio: The strong performance in 2025 reflects our disciplined portfolio management, demonstrating resilience amid Ringgit strengthening

Investments Portfolio by Asset Class	% of portfolio ¹	7-Year Rolling	2025 ²	2024	2023	2022	2021	2020	2019	Role of Asset Class
Public Markets: Malaysia	50.7%	6.6%	6.7%	34.3%	4.5%	-4.2%	14.0%	-7.4%	3.2%	Exposure to domestic & global growth & liquidity
Public Markets: Global	19.7%	10.1%	11.7%	10.9%	15.9%	-16.3%	1.6%	26.2%	27.5%	
Private Markets	20.8%	2.7%	-3.0%	-6.6%	3.1%	8.8%	15.6%	-2.9%	6.0%	Higher expected long-term returns achieved through programmatic deployment
Real Assets	8.8%	6.9%	0.1%	-3.5%	8.7%	23.5%	11.2%	0.1%	10.5%	Yield and diversifier to equities



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We have executed several notable transactions to optimise capital for long-term value creation



MAHB Privatisation *Completed Feb 2025*

With a deal value of RM18.4b, privatisation intends to drive operational excellence and elevate Malaysia's airports to world-class standards

Partners:



EDOTCO Stake Increase *Completed Mar 2025*

Increased our stake in EDOTCO from 10.6% to 31.7% to enhance the domestic digital infrastructure for Malaysia's economic growth



XL-Smartfren Merger *Completed Apr 2025*

Completed at a deal value of ~USD6.5b pre-synergy, with the intention to strengthen Axiata's market position and long-term growth in SEA



Issuance of Exchangeable Bond *Completed Aug 2025*

USD500m issuance exchangeable into TNB shares attracted strong international investor demand, broadened access to Malaysian listed equities and provided cost-efficient funding for investments



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Khazanah is committed to nation-building guided by our Malaysia Investment Strategy, supporting Malaysia's strong economy

Malaysia Investment Strategy

Transforming Firms



Catalyse VC Ecosystem



Level-up Mid-Tier Companies



Strengthen Semiconductor Ecosystem



Uplift MY Market Performance

Energy Transition



Strengthen & Modernise Grid Infrastructure



Accelerate Renewable Energy Capacity



Prioritise Recycling & Recovery

Connectivity



Strengthen Long-Haul Connections to Boost MY's Global Connectivity



Privatisation for Long-Term Sustainable Growth & Operational Excellence



Restore & Sustain National Heritage

Digitalisation

Core Enablers



Digital Tools



Digitalised Economy



Foundational Enablers



Capacity Building & Community Development





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Dana Impak drives firm transformation across their lifecycles and ecosystem building, playing a catalytic developmental role aligned with national policies



Catalyse Malaysia's Venture Capital Ecosystem via the National Fund of Funds



5 fund managers supported to-date via Emerging Fund Managers' Programme (EMP) & Regional Fund Managers' Initiative (RFMI)

EMP:

RFMI:



>10 startups supported to-date and >RM30m capital crowded-in for EMP fund managers

>60 startups supported through the Future Malaysia Programme



Level up Malaysian Mid-Tier Companies



Capacity Development Initiatives



32 MTCs enabled

11 MTCs supported

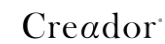


Growth Capital Investments via Direct/Co-Investments, Private Credit & Private Equity strategies

Private Credit



Private Equity



Strengthen Malaysia's Semiconductor & Advanced Manufacturing in alignment with National Semiconductor Strategy



3 Malaysian semiconductor companies supported through catalytic fund partnership



Investment into a US-based global edge artificial intelligence leader

SYNTIANT®

Opened a new manufacturing and research & development facility in Penang, doubling its manufacturing capacity and creating 800 high-tech jobs



Note: Investee companies highlighted are non-exhaustive

Following consecutive years of improved performance, MAGB now pushes forward with a long-term strategy anchored on four strategic pillars

Delivered improved experience, stronger operations & disciplined growth in 2025


Reliability & Customer Experience

OTP Improved to **81%** In 2025 vs. 72% in 2024

SKYTRAX World Airline Rankings 2025

27th World's Best Airline vs. 39th in 2024

8th World's Best Cabin Crew vs. 10th in 2024



Operational Improvements



Reduction of grounded aircraft by ~83% in 2025 following initiatives to enhance aircraft reliability

Network Expansion



New services to **Cebu, Siem Reap, and Krabi**; with resumed services to **Brisbane and Paris**

Fleet Modernisation



- Fleet renewal programme¹:
- 55x B737 MAX 8 aircraft
 - 40x A330neo aircraft

LTBP3.0² anchors MAGB's five-year growth strategy

2030 Targets

Skytrax Target Ranking: Top 10 Global Airline

Target OTP: 90%

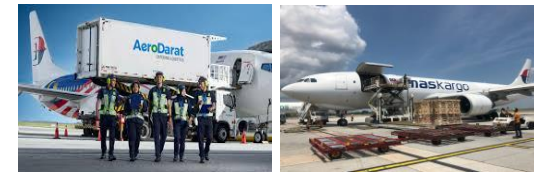
Target Revenue: >RM24b

Fleet size: 102 aircraft

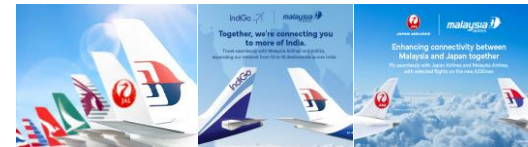
Strategic pillars of LTBP3.0



Premium APAC Carrier



Revenue Diversification



Deeper Partnerships



Operational Leadership



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Holistic operating model reset driving enhanced passenger experience with greater connectivity for Malaysia, post-privatisation of MAHB



Accelerated Connectivity & Network Growth

Holistic Approach to Enhance Passenger Experience Outcomes



Strong recovery in passenger traffic with 104m pax in 2025 (+11% YoY growth; 99% pre-COVID levels)

Network growth 15 new airlines onboarded, 46 new routes launched

KUL ranked #1 in APAC and #4 globally (after LHR, IST and AMS) for connectivity in 2025 by OAG¹

Skytrax ranking improved to #65 in 2025 (from #71 in 2024)



International service and compliance best practices² applied across all airports



Elevated passenger experience via reduced processing times (e.g., check-in, security, customs)



Organisational and cultural transformation through injection of global airport expertise and local leadership



Major expansion and remediation programme to position Malaysia as a global hub



Modernisation of legacy systems to enable real-time operational monitoring



¹Official Aviation Guide ("OAG") is a global provider of aviation analytics data

²Aligned with International Civil Aviation Organisation ("ICAO"), a UN agency that sets international safety standards and practices

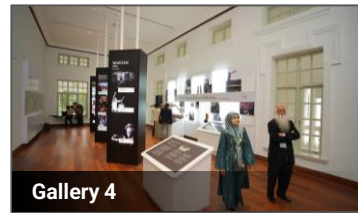


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Seri Negara and Bangunan Sultan Abdul Samad ready for Visit Malaysia 2026 as part of Khazanah's heritage conservation efforts



WARISAN KL



Seri Negara

Led by Khazanah, the restoration of Seri Negara was completed within 10 months, ahead of schedule; and reopened to the public on 20th December 2025. Seri Negara brings to life the stories that have shaped our nation in an inclusive and inspiring space where Malaysians and visitors can discover our history and heritage.



Bangunan Sultan Abdul Samad Complex Block 1 & 2

Post an 11-month restoration programme, Block 1 of the Bangunan Sultan Abdul Samad Complex reopened to the public on 2nd February 2026. Khazanah continues to oversee tenant fit-out works for Block 2, with opening scheduled for Q2 2026. The conservation journey aims to establish a vibrant arts, cultural and heritage hub celebrating creativity and community.

In collaboration with:





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Khazanah continues to drive impact for a more inclusive Malaysia; including upskilling youth in growth areas like semiconductors & aviation via the K-Youth Programme

YAYASAN HASANAH
A foundation of Khazanah Nasional

RM122.9m disbursed to support 386 projects across art & public spaces, community development, education, environment and knowledge



TAMAN TUGU MALAYSIA

Vibrant green space in central KL, welcoming over 1.7m visitors since 2018, and bringing communities together with nature, wellness and public events



K Youth
An initiative by Khazanah Nasional

Trained 9,934 youths within key industries¹ in collaboration with 18 industry partners



KHAZANAH RESEARCH INSTITUTE

Published over 90 research publications, shaping policy recommendations



thinkCITY

Completion of Penang Fort Cornwallis moat reinstatement; RM6.5m disbursed across 6 grant programmes, 76 projects and 140+ grantees



Sekolah Arifkat MADANI

RM688k disbursed to upgrade 10 schools across Kuala Lumpur, Johor and Perak



MOVING FORWARD



Malaysia to sustain resilient growth in 2026, underpinned by strong private investment and FDI, even as global growth remains modest

<p>Short Term: Global Macro & Markets in 2026</p>	<p>2026</p>						<p>Modest global growth and contained inflation</p>	<p>Fed easing cycle and new Fed chair</p>	<p>Fiscal-led growth, industrial policy push</p>	<p>USD pressure, stronger EM Asia currencies</p>	<p>Tech valuation and liquidity risks</p>
<p>Medium Term: Economic Dynamics in 2027-2030</p>	<p>2027 - 2030</p>	<p>Supply-chain realignment, China's industrial upgrading</p>	<p>Higher neutral rate, financing becomes more selective</p>	<p>Focus on domestic demand, economic and tech security</p>	<p>Capital allocation broadens beyond the US</p>	<p>More normalised returns</p>					

The IMF recently upgraded Malaysia's 2026 and 2027 GDP growth forecasts to 4.3% (an upward revision of 0.3 percentage points), suggesting Malaysia will continue to outperform the global and emerging economies' average. Global growth 3.3% in 2026, 3.2% in 2027; Emerging and Developing Economies 4.2% in 2026, 4.1% in 2027



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Khazanah will accelerate execution to Advance Malaysia by optimising our long-term portfolio and delivering socioeconomic impact



Drive **value creation for Malaysia** through firms transformation, energy transition, digitalisation & connectivity for **sustainable growth**

1

Diversify and strengthen **global portfolio** for long-term resilience

2

Advance **economic complexity** with new frontier areas via Dana Impak

3

Building capacity and vibrant communities to deliver societal value

4



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THANK YOU



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