



IOI GROUP

IOI CORPORATION BERHAD

FY2026 2nd Quarter Group Results Summary



- 1. Financial results**
- 2. Operating statistics**
- 3. Prospects**
- 4. Updates on sustainability initiatives**



1. FINANCIAL RESULTS



Profit or Loss - Qtr on Qtr

(in RM million)	Q2 FY26	Q2 FY25	% change
Revenue	3,010.1	2,965.8	1%
Operating profit	433.1	347.0	25%
Share of results of associates	119.5	107.7	11%
Share of results of joint ventures	1.7	1.2	42%
Profit before interest and tax	554.3	455.9	22%
Net finance costs	(26.5)	(25.1)	6%
Net FX translation gain/(loss) on foreign currency denominated borrowings	122.4	(210.0)	nm
Profit before tax	650.2	220.8	194%
Tax expense	(113.7)	(105.6)	8%
Profit for the period	536.5	115.2	366%
Earning per share for profit attributable to owners of the parent (sen)	8.46	1.79	373%

Profit or Loss - Year-to-Date



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(in RM million)	YTD FY26 6 months	YTD FY25 6 months	% change
Revenue	6,061.9	5,639.0	7%
Operating profit	846.9	694.1	22%
Share of results of associates	218.6	214.4	2%
Share of results of joint ventures	1.2	1.7	-29%
Profit before interest and tax	1,066.7	910.2	17%
Net finance costs	(53.0)	(54.6)	-3%
Net FX translation gain on foreign currency denominated borrowings	123.5	173.8	-29%
Profit before tax	1,137.2	1,029.4	10%
Tax expense	(225.7)	(194.9)	16%
Profit for the period	911.5	834.5	9%
Earning per share for profit attributable to owners of the parent (sen)	14.42	13.25	9%

Segment Results - Qtr on Qtr



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(in RM million)		Q2 FY26	Q2 FY25	% change
Plantation				
- Operating profit		410.5	418.7	-2%
- Associates		74.5	79.4	-6%
	Note 1	485.0	498.1	-3%
Resource-based Manufacturing (“RBM”)				
- Operating profit/(loss)		36.8	(89.2)	nm
- Associates		45.0	28.3	59%
- Joint ventures		1.7	1.2	42%
	Note 2	83.5	(59.7)	nm
Other operations		(3.6)	0.3	nm
Segment results		564.9	438.7	29%
Other unallocated corporate (expense)/income		(10.6)	17.2	nm
Profit before interest and tax		554.3	455.9	22%
Note 1:	FV loss on biological assets and derivative financial instruments (“DFI”)	15.6	0.9	1633%
	Underlying operating profit	500.6	499.0	0%
Note 2:	FV (gain)/loss on DFI	(16.8)	94.1	nm
	Underlying operating profit	66.7	34.4	94%

*Note: nm = not meaningful

Segment Results - Year-to-Date



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(in RM million)		YTD FY26 6 months	YTD FY25 6 months	% change
Plantation				
- Operating profit		782.8	736.4	6%
- Associates		125.5	131.7	-5%
	Note 1	908.3	868.1	5%
Resource-based Manufacturing (“RBM”)				
- Operating profit/(loss)		78.7	(36.2)	nm
- Associates		93.1	82.7	13%
- Joint ventures		1.2	1.7	-29%
	Note 2	173.0	48.2	259%
Other operations		(4.8)	0.6	nm
Segment results		1,076.5	916.9	17%
Other unallocated corporate expense		(9.8)	(6.7)	46%
Profit before interest and tax		1,066.7	910.2	17%
Note 1:	FV gain on biological assets and derivative financial instruments (“DFI”)	(6.1)	(16.0)	-62%
	Underlying operating profit	902.2	852.1	6%
Note 2:	FV loss on DFI	24.9	23.8	5%
	Underlying operating profit	197.9	72.0	175%

*Note: nm = not meaningful

Underlying OP - RBM (Qtr on Qtr & Year-to-Date)

(in RM million)	Q2 FY26	Q2 FY25	% change	YTD FY26 6 months	YTD FY25 6 months	% change
Refinery	15.5	(18.4)	nm	41.1	(45.0)	nm
Oleochemical	7.8	27.4	-72%	69.7	41.6	68%
Associates	45.0	28.3	59%	93.1	82.7	13%
Joint ventures and others	(1.6)	(2.9)	-45%	(6.0)	(7.3)	-18%
Underlying operating profit ("OP") – RBM	66.7	34.4	94%	197.9	72.0	175%

*Note: nm = not meaningful

Underlying PBT - Qtr on Qtr & Year-to-Date



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(in RM million)	Q2 FY26	Q2 FY25	% change	YTD FY26 6 months	YTD FY25 6 months	% change
Profit before tax (“PBT”)	650.2	220.8	194%	1,137.2	1,029.4	10%
<u>Exclude non-underlying items:</u>						
Net FX translation (gain)/loss on foreign currency denominated borrowings and deposits	(112.1)	189.5	nm	(110.7)	(176.4)	-37%
Net fair value loss/(gain) on biological assets	15.7	0.8	1863%	(5.4)	(16.1)	-66%
Net fair value (gain)/loss on derivative financial instruments	(15.4)	93.5	nm	26.5	26.8	-1%
	(111.8)	283.8	nm	(89.6)	(165.7)	-46%
Underlying PBT	538.4	504.6	7%	1,047.6	863.7	21%

*Note: nm = not meaningful



2. OPERATING STATISTICS

Operating Statistics: Plantation (Qtr on Qtr)

		Q2 FY26	Q2 FY25	% change
CPO Price	(RM/mt)	4,224	4,470	-6%
PK Price	(RM/mt)	3,449	3,461	0%
FFB Production	(‘000 mt)	874	768	14%
Average mature area	(‘000 Ha)	134	139	-4%
FFB Yield	(mt/Ha)	6.52	5.52	18%
CPO Production	(‘000 mt)	196	168	17%
CPO extraction rate	(%)	22.11%	21.51%	3%
CPO Cost of production*	(RM/mt)	1,876	1,877	0%
Cost of sales	(RM/mt)	2,361	2,536	-7%
Net cost of sales	(RM/mt)	1,754	1,932	-9%

*Exclude depreciation and amortisation, windfall profit levy and Sabah sales tax

Operating Statistics: Plantation (Year-to-Date)

		YTD FY26 6 months	YTD FY25 6 months	% change
CPO Price	(RM/mt)	4,198	4,271	-2%
PK Price	(RM/mt)	3,485	3,097	13%
FFB Production	(‘000 mt)	1,651	1,528	8%
Average mature area	(‘000 Ha)	135	140	-4%
FFB Yield	(mt/Ha)	12.26	10.89	13%
CPO Production	(‘000 mt)	365	334	9%
CPO extraction rate	(%)	21.74%	21.43%	1%
CPO Cost of production*	(RM/mt)	1,894	1,889	0%
Cost of sales	(RM/mt)	2,396	2,469	-3%
Net cost of sales	(RM/mt)	1,791	1,924	-7%

*Exclude depreciation and amortisation, windfall profit levy and Sabah sales tax



3. PROSPECTS

Crude palm oil (“CPO”) price has shown resilience since the beginning of the year, rising from around RM4,000 per metric ton (“MT”) to a peak of approximately RM4,300 per MT before moderating to about RM4,100 per MT recently. Looking ahead, CPO price is expected to be supported by seasonal decline in Fresh Fruit Bunch (“FFB”) production and firmer demand in the lead up to the upcoming major festival period. In addition, soybean oil price, which is currently trading at a large premium to CPO, should continue to lend support to CPO demand and price. However, the upside potential may be constrained by a stronger Malaysian Ringgit, the postponement of Indonesia’s B50 biodiesel mandate, and relatively high Malaysian palm oil inventory levels. On balance, while near term volatility may persist, we expect CPO price to remain supported above RM4,000 per MT over the next three months.

For our plantation segment, FFB production is projected to trend higher, driven by a larger proportion of oil palms reaching prime age, despite the ongoing accelerated replanting in Sabah. Continued enhancements in estate management practices, increased mechanisation and the rollout of digital initiatives are expected to further enhance our productivity. We remain positive on the outlook of the plantation segment and expect it to deliver resilient financial performance in FY2026.

The outlook for the refinery and commodity marketing sub-segment continues to be challenging. Sales margins are expected to remain under pressure due to elevated inventory levels and intense competition from Indonesian producers. While festive-driven demand may help mitigate the near-term headwinds, our expertise in producing low-contaminant oils, together with ongoing operational efficiency initiatives, will be key to sustaining acceptable financial performance.

The operating environment for the oleochemical sub-segment is expected to remain challenging, with subdued customer sentiment amid global trade policy uncertainties and geopolitical tensions. Competition, including from Indonesian producers, is expected to continue to place pressure on sales margins and volume. Nevertheless, initiatives to strengthen our long-term customer relationships and expand into higher-value applications are expected to mitigate the margin pressures. Overall, we expect the sub-segment's financial performance to be satisfactory over the coming quarters.

For the specialty fats sub-segment, represented by our associate company Bunge Lodders Croklaan, the good sales margin for cocoa butter equivalents is expected to underpin the better performance of the Asian operations while the completion of the expansion of the New Orleans plant in Q4 FY2026 will further strengthen the performance of the American operations.

Overall, despite ongoing market challenges, the Group expects its operating and financial performance for the remaining quarters of FY2026 to be resilient and satisfactory.



4. UPDATES ON SUSTAINABILITY INITIATIVES



SOCIAL INITIATIVE: A Training of Trainers (ToT) was conducted in Lombok for four NGOs appointed by IOI to deliver Pre-employment Orientation (PEO) training to IOI workers prior to their departure to Malaysia. Actual orientation to the workers will begin after Eid Fitri.



SOCIAL INITIATIVE: Collaboration with Asia School of Business & P&G on a project related to RSPO/MSPO certification and improving local employment in plantation and smallholder training.

SBTi FLAG



Commitment made in March 6, 2023;



Target validated by SBTi in December 8, 2025

Climate Transition Plan

To achieve Carbon Neutral by 2030 for Scopes 1 & 2



Measure current emissions

- Baseline in 2015
- Group GHG emission intensity (1.83 MTCO₂e/MT)

Set Climate Change Action Initiative

- Launched in 2019
- Reduce GHG emissions by 42%
- Promote climate change action
- Increase business resilience

Governance structure to drive implementation

- Established Board Sustainability Committee to oversee sustainability matters in 2023
- Group Sustainability Steering Committee manages EESG risks and opportunities
- Adopt TCFD in 2021

Define pathways to achieve targets

- Published Pathway to Net Zero by 2040 in 2022
- Reaching net zero through:
 - Nature-based solutions
 - Engineered solutions
 - Supply chain Management

Integrate financial planning

- CFDC established in 2023
- Estimate climate-related financial risks
- Monitored climate-related financial investments

Anchor climate strategy in operations

- Strategic Priority #4
 - 7Rs of Circularity
 - Methane capture
 - Solar panels
 - Repurpose biomass (OPT, EFB, PKS, etc.)

Monitor, Report, and Adapt

- Aligning report with IFRS S1 & S2
- Bursa Malaysia Main Market Listing requirement
- SBTi validated near-term GHG targets

2015

- GHG emissions baseline

2019

- Formed CCAi

2022

- Set Net Zero by 2040

2025

- Short term target: 40% GHG Reduction

2030

- Carbon Neutral : Scopes 1 & 2

2040

- Net Zero: Scopes 1, 2 & 3

Decarbonization Pathway to Net Zero by 2040

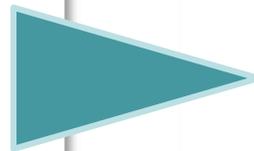


Achievements thus far:

- **In FY 2025, ACHIEVED 46% GHG REDUCTION** ahead of short-term target of 40% in 2025
- **Current reduction** by Q2 FY2026 is 47%
- **Reduction of Scope 2 for Plantation:**
 - **5,430 MT CO₂e (FY 2019) to 68.5 MT CO₂e (FY2025)**

NATURE BASED SOLUTIONS CURRENT PROGRESS

- Reforestation Task Force renamed, expanded to cover biodiversity monitoring
- Engagement with external stakeholders: Sabah & Peninsular Forestry Dept, BKSDA (Indonesia), etc.



NEXT STEPS

- Reference documents updated to include biodiversity monitoring.
- Continual implementation of pilot projects at 19 estates covering approximately 404 Ha.
- Exploring collaborations to assess biodiversity

Global Assessments, Ratings & Indices



FTSE4Good

FTSE4Good Score: From 3.6 to 4.0
Governance Score: 5.0



Best of the Best ESG Award
2025



Gold



ESG Score: Remains C

(1) Rank in sector – Food Products



Forest (B);
Water Security (C); Climate (B)



ESG Rating : Remain A
(AAA to CCC)

S&P Global
Corporate
Sustainability
Assessment



Score: From 47 to 51
Ranking: 88th percentile
(0 to 100)⁽²⁾

(2) Higher percentile represents higher ESG score



ESG Score: From 23.3 to 21.6
MEDIUM RISK (0 to 100)⁽³⁾
Worldwide Agriculture Ranking:
1 over 93

(3) Lower score represents lower ESG risk



Score: 85.1%
Worldwide Ranking: 20 over 100
Malaysia Ranking: 6 over 20



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Thank you