IOI GROUP

TRANSFORMING POTENTIAL INTO SUSTAINABLE GROWTH

ANNUAL REPORT 2026

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57th ANNUAL GENERAL MEETING

Millennium Ballroom 1 (Level 1),
Le Méridien Putrajaya, Lebuh IRC,
IOI Resort City, 62502 Putrajaya, Malaysia.

Wednesday | 4 November 2026 |
10:00 am (Malaysia time)

COVER RATIONALE

TRANSFORMING POTENTIAL INTO SUSTAINABLE GROWTH

Flowing like ink across the cover, the visual conveys IOI Corporation Berhad's ("IOI" or "the Group") ongoing transformation journey, where potential is continuously shaped into sustainable growth. Inspired by the expressive nature of ink painting, the fluid layers and evolving forms represent progress in motion, reflecting how we adapt, innovate and advance with clarity of purpose under our Five-Year Strategic Roadmap. The silhouettes within the artwork symbolise people, industries, technology and future generations, reinforcing IOI's forward-looking vision and transformation ambitions. Complemented by icons representing research, agriculture, industrial advancement and sustainability, the design reaffirms the Group's commitment to building a resilient, future-focused organisation while strengthening stakeholder confidence in its steady progress towards long-term sustainable success.

OUR ACHIEVEMENTS

1. Expanded coconut business to **4,423 Ha**
2. Established a new **Nutraceuticals** business
3. Developing Malaysia's first **Industrial-scale integrated pulp production facility**

STRATEGIC PRIORITY
01
PRODUCT PORTFOLIO EXPANSION

BUILDING ON A STRONG FOUNDATION

Strengthening Core Businesses

Built on a strong foundation, IOI Corporation Berhad continues to strengthen our core businesses and expand our product portfolio through strategic focus, operational excellence and continuous innovation. By enhancing capabilities across the value chain while upholding productivity, quality and sustainability standards, we are reinforcing our resilience and readiness to venture into new businesses, seize future opportunities and extend into areas with high growth potential. This steady progress reflects IOI's long-term commitment to delivering sustainable value and maintaining stakeholder confidence as we advance our transformation journey towards a global sustainable palm products and ingredients company.

OUR ACHIEVEMENTS

1. Established **Southeast Asia's 1st organic-certified** oil palm plantation
2. Developed **6 new specialty products**
3. Advanced next-generation **oil palm breeding**

STRATEGIC PRIORITY
02
INNOVATION

INNOVATING FOR SMARTER GROWTH

Driving Innovation and Digital Transformation

IOI Corporation Berhad continues to drive innovation and digital transformation by adopting smarter technologies, enhancing operational capabilities and fostering a culture of continuous improvement. Through innovation-led strategies and digital advancements across the value chain, the Group strengthens productivity, efficiency and long-term competitiveness while creating sustainable value through differentiated, value-added offerings. This commitment reflects IOI's forward-looking approach to building a resilient, future-ready organisation equipped to thrive in an evolving global landscape while sustaining a strong competitive edge.

OUR ACHIEVEMENTS

1. Sold **226,000 MT** of premium oils
2. Expanded elite clonal palm adoption to **24%**
3. Increased specialty esters and MCT capacity by **9%**

STRATEGIC PRIORITY
03
PRODUCTIVITY & QUALITY

EMPOWERING PEOPLE AT THE HEART OF PROGRESS

Elevating Performance Through Excellence

IOI Corporation Berhad believes that people are the driving force behind our long-term growth and sustainable success. By investing in our people, nurturing talent, advancing operational efficiency, and fostering a collaborative and inclusive culture, the Group enhances productivity while upholding the highest standards of quality across our value chain. Through continuous development and higher aspirations, IOI is building a resilient organisation that is committed to performing at the best and sustaining long-term value creation.

OUR ACHIEVEMENTS

1. Achieved **73%** **biogas-powered mill coverage**
2. Supplied **73%** **green electricity** to refining operations
3. Delivered **43%** **energy savings** through solar power in palm wood operations

STRATEGIC PRIORITY
04
SUSTAINABILITY & CLIMATE INITIATIVES

GROWING RESPONSIBLY FOR FUTURE GENERATIONS

Advancing Sustainability and EESG Leadership

IOI Corporation Berhad continues to advance sustainability and strengthen our Economic, Environmental, Social and Governance ("EESG") leadership by integrating responsible practices across our operations and value chain. Guided by a long-term vision towards Net Zero by 2040, the Group remains committed to environmental stewardship, biodiversity conservation, social progress and strong governance while creating lasting value for our stakeholders, employees and local communities. Through our sustainability and climate initiatives, IOI reinforces our commitment to building a more resilient and sustainable future for generations to come.

About Our Report

IOI Corporation Berhad ("IOI" or "the Group") embarked on its integrated reporting journey in 2019. This is our eighth Integrated Report ("Report"), continuing our commitment to clear, concise and comprehensive corporate reporting that addresses the evolving needs of our stakeholders and supports long-term value creation.

We seek to strengthen reporting connectivity and provide stakeholders with a holistic view of how we create, preserve and sustain value over time, while communicating our strategic priorities and future direction. Our reporting suite comprises an Integrated Report and Sustainability Report to provide greater transparency and insight into our financial and non-financial performance.

REPORTING FRAMEWORK

This Report has been prepared in accordance with the International Integrated Reporting Framework and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. It has also been prepared in accordance with the Global Reporting Initiative ("GRI") Standards 2021 and with reference to the IFRS Sustainability Disclosure Standards. The Group continues to strengthen its sustainability disclosures in response to evolving reporting requirements and stakeholder expectations.

The Financial Statements are prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), IFRS Accounting Standards, the requirements of the Companies Act 2016 and other applicable regulatory requirements.

KEY FRAMEWORKS APPLIED

Framework	IR	SR
Main Market Listing Requirements	✓	✓
Malaysian Code on Corporate Governance	✓	✓
International Integrated Reporting Framework	✓	✓
Companies Act 2016	✓	
Malaysian Financial Reporting Standards ("MFRS")	✓	
IFRS Accounting Standards	✓	
Sustainability-related indices criteria such as FTSE4Good Bursa Malaysia Index	✓	✓
GRI Universal Standards 2021	✓	✓
GRI Sector Standards 2021: GRI 13		✓
IFRS Sustainability Disclosure Standards	✓	✓
National Sustainability Reporting Framework	✓	✓

REPORTING PERIOD, SCOPE AND BOUNDARY

This Report covers our financial and non-financial performance for the period from 1 July 2025 to 30 June 2026. The scope of this Report encompasses IOI's businesses in Malaysia and the other countries in which we operate. This includes operations over which we have full control, as well as subsidiaries, associate companies and joint ventures. It excludes detailed information relating to investments in which the Group holds a minority stake. The reporting boundary extends beyond financial performance to include material non-financial matters, risks, opportunities and outcomes attributable to, or associated with, our key stakeholders who significantly influence our ability to create sustainable value. For a comprehensive understanding of our business and performance, this Report should be read together with information available on our corporate website at www.ioigroup.com.

FORWARD-LOOKING STATEMENTS

This Report contains certain forward-looking statements relating to IOI's future performance, prospects and strategic direction. While these statements reflect the Group's expectations, judgements and assumptions at the time of preparing this Report, a range of risks, uncertainties and other factors may cause actual outcomes to differ materially from those anticipated. These factors may adversely affect the Group's business, operations and financial performance.

Accordingly, the Group makes no express or implied representation or warranty that the expectations or targets reflected in such forward-looking statements will be achieved.

REPORTING SUITE

Integrated Report 2026

IR

This Report provides an integrated review of the Group's overall performance, governance, risk management framework, strategic priorities, future outlook and detailed financial performance for the year.

Sustainability Report 2026

SR

This Report provides detailed disclosures on our sustainability commitments, strategy, governance and performance, reflecting our efforts to create long-term value for stakeholders while advancing sustainable growth.

ASSURANCE

The Board has applied its collective judgement in presenting IOI's Report and acknowledges its responsibility for ensuring the integrity, reliability and completeness of the information disclosed herein through robust governance practices and internal reporting processes.

This Report was approved by the Board on 23 September 2026.

Tan Sri Abdul Wahid bin Omar
Independent Non-Executive Chairman

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

NAVIGATION ICONS

Strategic Priorities

- Product Portfolio Expansion
- Productivity & Quality
- Innovation
- Sustainability & Climate Initiatives

Our Capitals

- H Human
- M Manufactured
- N Natural
- S Social and Relationship
- F Financial
- I Intellectual

Our Risks

- R1 Geopolitical and Trade Risks
- R2 Market Demand and Customer Concentration
- R3 Supply Chain Compliance
- R4 Talent Management
- R5 Climate Change and Extreme Weather
- R6 Digital Resilience and Cybersecurity

Our Material Matters

- M1 Safety and Health
- M2 Human Rights and Fair Labour Practices
- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M4 Circular Economy and Waste Management
- M5 Regulatory and Third-Party Compliance
- M6 Grievance Mechanism and Transparent Communication
- M7 Traceability and Responsible Sourcing
- M8 Water Management
- M9 Sustainability Certification
- M10 Productivity and Product Quality
- M11 Biodiversity and Ecosystem
- M12 Data Integrity and Auditability via Digitalisation

Our Key Stakeholder Groups

- S1 Employees
- S2 Customers
- S3 Communities
- S4 Suppliers
- S5 Regulators
- S6 Shareholders and Investors
- S7 Industry Associations/ Civil Societies

Related UN SDGs

Who We Are & What We Do

Who We Are & What We Do

IOI Corporation Berhad ("IOI" or "the Group"), listed on the Main Market of Bursa Malaysia Securities Berhad, is a leading global integrated and sustainable palm oil player.

Employing around 28,000 people in several countries, we are a fully integrated corporation that undertakes the plantation and resource-based manufacturing businesses.

Our plantation business covers Malaysia and Indonesia while our downstream resource-based manufacturing business comprises our refining, oleochemical, specialty food ingredients, and non-crude palm oil sub-segments, supported by a strong presence in Asia, Europe and the USA.

Vision

Our Vision is to be a leading and sustainable Malaysian business corporation with global presence.

Mission

Our Mission is to achieve responsible and sustainable commercial success by addressing the interests of all our stakeholders, caring for the community and the environment, and adopting best practices to be globally competitive.

Our Purpose

Committed to sustainable agriculture and innovative products.

Core Values

- INTEGRITY
- COMMITMENT
- TEAM SPIRIT
- COST EFFICIENCY
- INNOVATION
- EXCELLENCE IN EXECUTION

PLANTATION

Plantation is IOI's core business, covering the cultivation of oil palm and the processing of palm oil with operations in seed breeding, cultivation and crop oil extraction. Today, we have 97 estates, 15 palm oil mills, four research and development centres and a biotechnology centre across Malaysia and Indonesia.

Contribution to Segment Results
83%

Total FFB Production (Million MT)
2.96
FFB: Fresh Fruit Bunches

FFB Yield (Per Hectare)
21.90 MT

OER
22.06%
OER: Oil Extraction Rate

Total Planted Area (Hectares)#
175,706
Excludes area owned by associate companies

What We Do

RESOURCE-BASED MANUFACTURING

The Group's global resource-based manufacturing business, comprising our refining, oleochemical, specialty food ingredients, and non-crude palm oil sub-segments, plays an important role in fortifying our integrated palm value chain. It consists of downstream activities such as the refining of crude palm oil and palm kernel oil, and the processing of refined palm oil and palm kernel oil into oleochemical and specialty food ingredients as well as converting oil palm trunks, a biomass of the plantation sector, into eco-friendly, sustainable non-tropical wood panels.

Contribution to Segment Results
17%

Manufacturing Facilities*
6
* *Excludes associate companies*

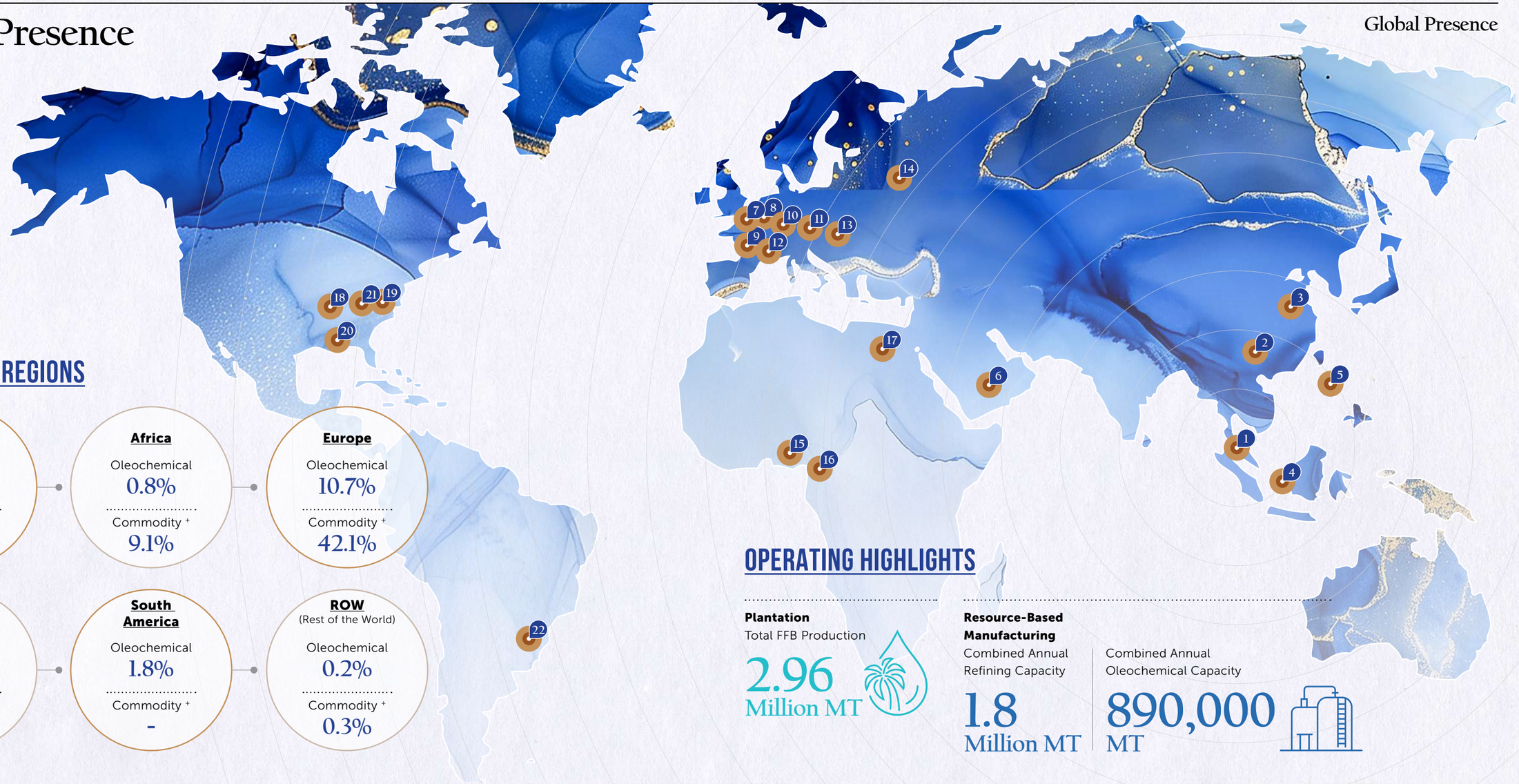
Combined Annual Refining Capacity (Million MT)
1.8

Combined Annual Oleochemical Capacity (MT)
890,000

Exports to Over
80
Countries Worldwide

Global Presence

Global Presence



EXPORTS BY REGIONS

Asia
Oleochemical
82.4%
Commodity +
38.4%

Africa
Oleochemical
0.8%
Commodity +
9.1%

Europe
Oleochemical
10.7%
Commodity +
42.1%

North America
Oleochemical
4.1%
Commodity +
10.1%

South America
Oleochemical
1.8%
Commodity +
-

ROW
(Rest of the World)
Oleochemical
0.2%
Commodity +
0.3%

OPERATING HIGHLIGHTS

Plantation
Total FFB Production
2.96 Million MT

Resource-Based Manufacturing
Combined Annual Refining Capacity
1.8 Million MT

Combined Annual Oleochemical Capacity
890,000 MT

Asia

1. Malaysia #
2. Xiamen, The People's Republic of China ~
3. Shanghai, The People's Republic of China ~
4. Kalimantan, Indonesia
   Plantation: Estate & Mill -
   PT Berkat Nabati Sejahtera 1-4 Estates ^
   PT Bumi Sawit Sejahtera 1-4 Estates ^ & Palm Oil Mill
   PT Kalimantan Prima Agro Mandiri 1-4 Estates ^
   PT Sukses Karya Sawit 1-3 Estates ^ & Palm Oil Mill
5. Manila, The Philippines ~
6. Dubai, United Arab Emirates

Europe

7. Rotterdam, The Netherlands
8. Wormerveer, The Netherlands ~
9. Witten, Germany
10. Hamburg, Germany
11. Wittenberge, Germany
12. Varese, Italy ~
13. Warsaw, Poland ~
14. Moscow, Russia ~

Africa

15. Bobo Dioulasso, Burkina Faso ~
16. Tema, Ghana ~
17. Cairo, Egypt ~

North America

18. Channahon, USA ~
19. New Jersey, USA
20. New Orleans, USA ~
21. Toronto, Canada ~

South America

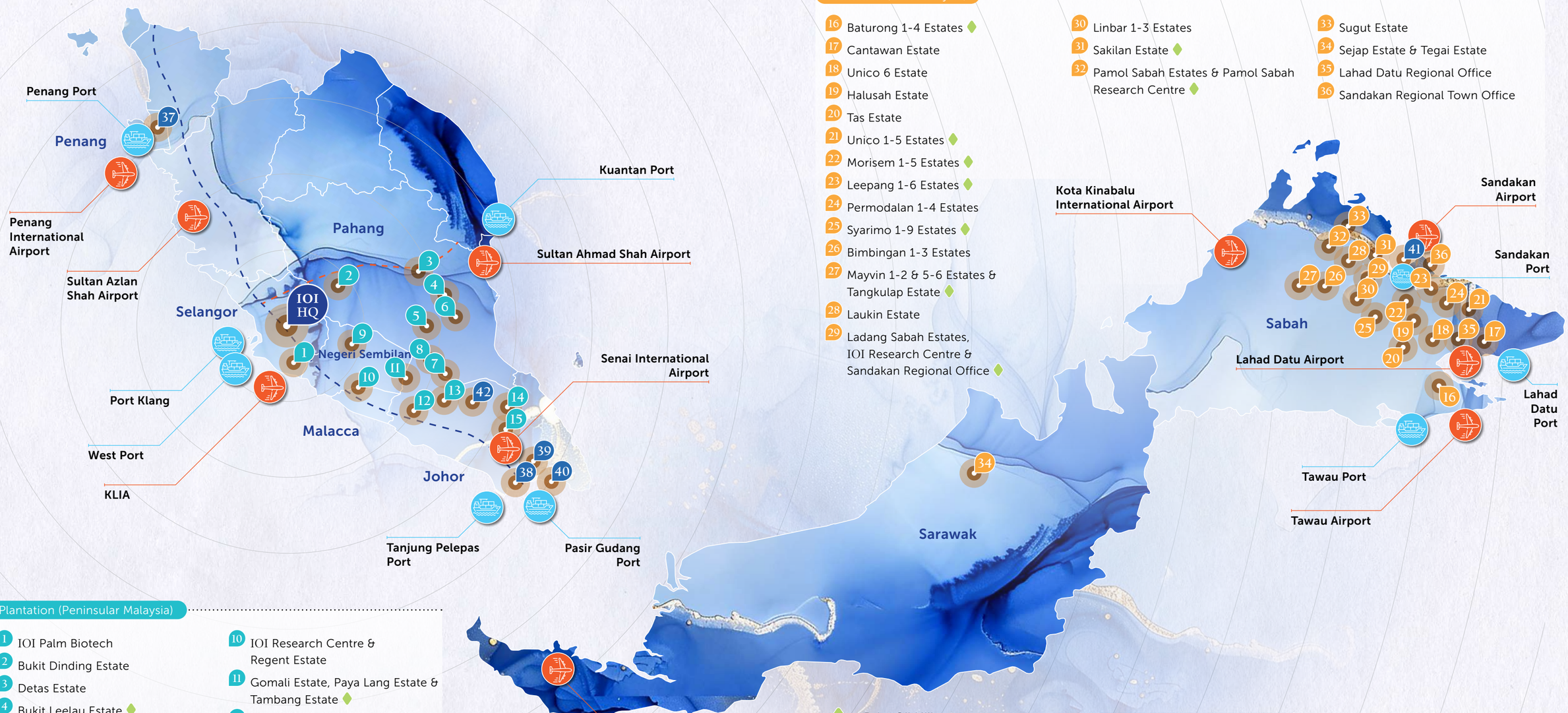
22. Sao Paulo, Brazil ~

Plantation | Resource-Based Manufacturing | Sales/Procurement/Regional Office | Palm Oil Mill

~ *Associate (Bunge Loders Croklaan Group BV)*
^ *Includes plasma estates*
# *Includes associate companies*
+ *Excludes sales of palm kernel expellers*

Local Presence

Local Presence



Plantation (East Malaysia)

16 Baturong 1-4 Estates
17 Cantawan Estate
18 Unico 6 Estate
19 Halusah Estate
20 Tas Estate
21 Unico 1-5 Estates
22 Morisem 1-5 Estates
23 Leepang 1-6 Estates
24 Permodalan 1-4 Estates
25 Syarimo 1-9 Estates
26 Bimbingan 1-3 Estates
27 Mayvin 1-2 & 5-6 Estates & Tangkulap Estate
28 Laukin Estate
29 Ladang Sabah Estates, IOI Research Centre & Sandakan Regional Office
30 Linbar 1-3 Estates
31 Sakilan Estate
32 Pamol Sabah Estates & Pamol Sabah Research Centre
33 Sugut Estate
34 Sejap Estate & Tegai Estate
35 Lahad Datu Regional Office
36 Sandakan Regional Town Office

Plantation (Peninsular Malaysia)

1 IOI Palm Biotech
2 Bukit Dinding Estate
3 Detas Estate
4 Bukit Leelau Estate
5 Leepang A Estate & Laukin A Estate
6 Mekassar Estate & Merchong Estate
7 Pukin Estate
8 Shahzan IOI 1 Estate & Shahzan IOI 2 Estate
9 Bahau Estate & Kuala Jelei Estate
10 IOI Research Centre & Regent Estate
11 Gomali Estate, Paya Lang Estate & Tambang Estate
12 Bukit Serampang Estate & Sagil Estate
13 Segamat Estate
14 Kahang Estate
15 Pamol Barat Estate, Pamol Timur Estate, Organic Barat Estate, Organic Timur Estate, Mamor Estate, Unijaya Estate & Pamol Research Centre (Kluang)

Palm Oil Mill
Main Airport
Main Port
North-South Expressway
East Coast Expressway
~ Associate (Bunge Loders Croklaan Group BV)

Resource-Based Manufacturing

37 IOI Oleochemical Operations
38 IOI Pan-Century Oleochemical & Refinery Operations
39 Lipid Enzymtec Plant ~
40 Palm Oil Refinery & Specialty Fats Operations ~
41 IOI Palm Oil Refinery & Kernel Crushing Plant
42 IOI Palm Wood

Awards

Awards

1

Company of the Year (Plantation) – ESG Champion Award
IOI Corporation Berhad

(10th Sustainability & CSR Malaysia Awards 2025)

2

Best Empty Fruit Bunch Management Award (Zone 2)
Pukin Palm Oil Mill

(Department of Environment Pahang)

3

Best License Compliance Award (Zone 2)
Pukin Palm Oil Mill

(Department of Environment Pahang)

4

Best of the Best Award
IOI Corporation Berhad

(The Edge Malaysia ESG Awards 2025)

5

National Occupational Safety and Health Award (Agriculture)
Syarimo 6 Estate

(National Occupational Safety and Health Awards 2024)

6

Gold Award for Excellence in In-House Talent Pipeline Strategy
IOI Corporation Berhad

(13th HR Excellence Awards 2025)

7

Silver Award for Excellence in Workplace Culture
IOI Corporation Berhad

(13th HR Excellence Awards 2025)

8

Top Four in Large Employer (Southern Region)
IOI Pan-Century Oleochemicals Sdn Bhd

(23rd HRD Awards 2025)

9

Best Companies to Work for in Asia
IOI Corporation Berhad

(12th HR Asia Awards 2025)

10

Most Caring Company Award
IOI Corporation Berhad

(12th HR Asia Awards 2025)

11

KWSP Best Employer Award Johor 2025
Shahzan IOI 1 Estate

(KWSP Segamat's Majlis Apresiasi Majikan & Stakeholder 2025)

12

Overall Excellence Award (Top 20)
IOI Corporation Berhad

(National Corporate Governance & Sustainability Awards (NACGSA) 2025)

13

Silver Sustainability Rating
IOI Oleo GmbH, IOI Pan-Century Oleochemicals Sdn Bhd

(EcoVadis Sustainability Rating)

14

Bronze Sustainability Rating
IOI Acidchem Sdn Bhd, IOI Esterchem (M) Sdn Bhd

(EcoVadis Sustainability Rating)

Highlights of the Year

Revenue	Profit Before Interest and Tax	Underlying Profit Before Tax	Market Capitalisation	Share Price
▲ 4%	▲ 23%	▲ 23%	▲ 14%	▲ 13%
RM11.78 billion	RM2.10 billion	RM1.99 billion	RM26.52 billion	RM4.22
FY25: RM11.33 billion	FY25: RM1.70 billion	FY25: RM1.61 billion	FY25: RM23.20 billion	FY25: RM3.74

FINANCIAL HIGHLIGHTS

IOI GROUP

BUSINESS HIGHLIGHTS

Launched **14** new formulations for personal care and cosmetic applications

Commissioned a **15 MT/hour** biomass boiler in an oleochemical plant in Pasir Gudang, Johor with potential reduction of **20,000 MT CO_2** per annum

Inked a partnership to develop Malaysia's first state-of-the-art, **integrated and sustainable coconut mill complex** in Segamat, Johor

Achieved **estate-wide high-speed connectivity** across all Malaysian operations

Joint collaboration between IOI Oleo GmbH and IOI Oleo Penang to establish a CARE Studio APAC in Penang

Why Invest in IOI

Leading Integrated Palm Oil Group with Global Presence

- A fully integrated business model spanning upstream and downstream operations that enhances business resilience, mitigate commodity price volatility and delivers innovative sustainable value creation to our customers.
- Global presence in eight countries across four continents.
- Exports to over 80 countries. Sales are diversified to mitigate our exposure to localised risks in any particular market.

Efficient Palm Oil Producer

- Proven track record as one of the most efficient major palm oil producers.
- IOI Palm Biotech: A leading tissue culture facility producing superior high-yielding oil palm clonal planting materials.
- Precision Agriculture: Utilisation of precision agriculture practices, including drones and geographic information system ("GIS") technology, to assess field performance, track yield, and monitor plantations.
- Technology & Digitalisation: Reduce worker dependency and increase operational efficiency in estates and mills through mechanisation, digitalisation and automation.

Well-established and Innovative Oleochemical Segment

- Malaysia's earliest and largest fatty acids producer.
- Owner of 26 patents for pharmaceutical applications via IOI Oleo GmbH, Germany.
- CARE Studio in Germany developed 91 formulations for personal care and cosmetic applications.

Pioneer in Turning Oil Palm Biomass into Value-Added Products

- Malaysia's first large-scale initiative converting oil palm trunks ("OPT"), a biomass of the plantation sector, into eco-friendly, sustainable non-tropical wood panels.
- Malaysia's first integrated green pulp production facility, to be developed in partnership with Nextgreen Global Berhad and Xiamen C&D Paper & Pulp Group Co,. Ltd. The facility will process empty fruit bunches into high-quality, eco-friendly paper pulp.

Good Dividend Track Record

- Policy of declaring at least 50% of normalised profit after tax and minority interest ("PATAMI") as dividends.

Excellence in Responsible and Sustainable Practices

- IOI ESG Platform was established to efficiently facilitate and enhance the analysis of environmental- and social-related data, enabling the identification of operational gaps, trends, and issues.
- A constituent of the FTSE4Good Index; 87th percentile in the FOA Food Products industry in the S&P Global Corporate Sustainability Assessment, "AA" rating by Morgan Stanley Capital International ("MSCI") and achieved Silver EcoVadis Sustainability Rating (IOI Pan-Century Oleochemicals Sdn Bhd, IOI Oleo GmbH), and The Edge's Best Of The Best ESG Award 2025.
- 100% of Malaysian plantations are Malaysian Sustainable Palm Oil ("MSPO") certified.
- Southeast Asia's 1st organic-certified oil palm plantation.
- 14 mills across IOI's Malaysian and Indonesian operations are Roundtable on Sustainable Palm Oil ("RSPO") certified.
- 100% traceable to own plantations and to mill for third-party suppliers, 96.87% traceable to plantation for third-party suppliers.
- In pursuit of our Net Zero goal by 2040, we achieved a 50% reduction in Group-wide GHG emissions intensity for FY2026.
- Committed to No Deforestation, No New Planting on Peat and No Social Exploitation ("NDPE") since 2016 and to the protection of High Conservation Value ("HCV") and High Carbon Stock ("HCS") areas.

Driving Long-Term Shareholder Value

- Clear five-year strategic roadmap focused on sustainable growth and long-term shareholder value creation.
- Leverages IOI's integrated business model, innovation capabilities and sustainability leadership to unlock growth opportunities and strengthen competitive advantage.
- Disciplined capital allocation balancing growth investments, shareholder returns and financial strength.

Five-Year Key Performance Indicators and Value Creation Metrics

	2026	2025	2024	2023	2022
FINANCIAL					
Return on average shareholders' equity (%)	**13.15**	12.69	9.64	10.00	16.47
Return on average capital employed (%)	**10.20**	9.58	7.31	7.24	11.08
Net Gearing Ratio (%)	**9.70**	13.69	13.55	13.99	22.80
Net cash flow generated from operations (RM million)	**1,668.2**	1,043.1	1,233.8	2,073.2	1,799.9
Net assets per share (sen)	**211**	198	188	183	176
SHARE PERFORMANCE					
Share price (RM)	**4.22**	3.74	3.70	3.73	3.84
Dividend per share (sen)	**12.5**	10.5	9.5	11.0	14.0
Dividend yield (%)	**2.96**	2.81	2.57	2.95	3.65
Basic earnings per share (sen)	**26.89**	24.51	17.88	17.95	27.74
Price-to-earnings ratio (times)	**15.69**	15.26	20.69	20.78	13.84
Price-to-book ratio (times)	**2.00**	1.89	1.97	2.04	2.18
PLANTATION					
Oil Palm					
Planted area (Ha)	**170,769**	167,883	172,107	173,818	175,192
FFB production (MT)	**2,959,768**	2,839,583	2,803,965	2,686,356	2,726,516
FFB yield per mature hectare (MT/Ha)	**21.90**	20.49	19.34	18.66	19.34
Oil extraction rate (%)					
Crude palm oil	**22.06**	21.33	21.77	20.92	21.39
Palm kernel	**3.75**	3.70	3.90	4.14	4.37
Oil yield (MT/Ha)	**4.83**	4.37	4.21	3.90	4.14
CPO Cost of production (excluded depreciation and amortisation, windfall profit levy and Sabah Sales Tax) (RM/MT)	**2,027**	2,035	2,050	2,190	1,595
Cost of sales (RM/MT)	**2,593**	2,626	2,585	2,770	2,401
Net cost of sales (RM/MT)	**1,993**	2,044	2,185	2,326	1,662
Organic Oil Palm					
Planted area (Ha) [1]	**1,119**	1,119	1,119	1,119	-
Coconut					
Planted area (Ha)	**4,423**	3,616	3,131	2,170	963
MANUFACTURING					
Oleochemical					
Plant utilisation (%)	**56**	60	62	61	67
Sales (MT)	**553,533**	578,283	595,801	532,493	573,942
Refinery					
Plant utilisation (%)	**65**	61	55	61	61
Sales (MT)	**1,593,234**	1,420,451	1,365,646	1,585,419	1,868,099
SUSTAINABILITY					
GHG emissions intensity (MT CO_2e/MT Product)	**1.13**	1.22	1.30	1.82	1.70

Note:

[1] IOI Organic Oils (M) Sdn Bhd incorporated in FY2023, and obtained the certification for 1,128 ha since FY2024.

Chairman's Statement

DEAR SHAREHOLDERS,

It is with great honour that I present, on behalf of the Board of Directors ("the Board") of IOI Corporation Berhad ("IOI" or "the Group"), the Annual Report for the financial year ended 30 June 2026 ("FY2026"). This marks my first Chairman's Statement since assuming the role of Independent Non-Executive Chairman of IOI in November 2025. I am honoured by the confidence placed in me and have greatly valued the support and collaboration of my fellow Directors and the management team.

TAN SRI ABDUL WAHID BIN OMAR
Independent
Non-Executive Chairman

Revenue

RM11.78 BILLION
(FY2025: RM11.33 billion)

Profit Before Interest and Tax

RM2.10 BILLION
(FY2025: RM1.70 billion)

Net Profit Attributable to Owners of the Parent

RM1.68 BILLION
(FY2025: RM1.52 billion)

OPERATING ENVIRONMENT

FY2026 was marked by an increasingly complex and uncertain global operating environment. Although the global economy continued to demonstrate resilience, its growth momentum was constrained by persistent geopolitical tensions, shifts in international trade policies, and elevated policy uncertainty. Higher trade barriers and the continuing fragmentation of global supply chains weighed on business and investment sentiment, while renewed volatility in energy and commodity markets added to inflationary pressures.

> Despite these headwinds, economic activity continued to be supported by investment in technology and artificial intelligence, adaptable global supply chains, and generally accommodative financial conditions. These developments reinforced the importance of maintaining operational resilience, financial discipline and a long-term strategic perspective.

In the plantation business, the crude palm oil ("CPO") price remained volatile throughout FY2026, beginning the year at approximately RM4,000 per metric tonne ("MT"), rising to around RM4,500 per MT three months later, before easing to below RM3,900 per MT by the end of December 2025. Prices subsequently recovered and closed the financial year at about RM4,500 per MT. Market movements were driven by shifts in global vegetable oil supply and demand fundamentals, inventory levels in key producing and consuming countries, fluctuations in energy prices, and expectations surrounding the expansion of Indonesia's biodiesel mandate. Following the financial year-end, the CPO price strengthened further to above RM5,000 per MT, mainly driven by concerns over tighter palm oil supply prospects arising from the El Niño weather phenomenon across key oil palm-growing regions in Indonesia and Malaysia.

The Malaysian ringgit strengthened considerably against the US dollar during the first half of FY2026 before experiencing some reversal towards the final quarter of FY2026. The currency's movements reflected changing expectations regarding global interest rates, domestic economic conditions, trade developments and broader investor sentiment.

REVIEW OF RESULTS

For FY2026, the Group reported a Profit Before Tax ("PBT") of RM2,108.3 million as compared to RM1,877.5 million reported for FY2025. Excluding the non-underlying items as tabulated below, the underlying PBT of RM1,985.2 million for FY2026 was 23% higher than the underlying PBT of RM1,614.5 million for FY2025, due mainly to higher contributions from resource-based manufacturing and plantation segments:

Underlying PBT Year-to-Date

In RM million	FY2026	FY2025
PBT	**2,108.3**	**1,877.5**
Exclude non-underlying items:		
Net foreign currency translation gain on foreign currency denominated borrowings and deposits	(110.6)	(284.1)
Net fair value gain on biological assets	(28.7)	(6.0)
Net fair value loss/(gain) on derivative financial instruments	59.9	(12.9)
Overprovision of investment disposal costs	(33.8)	-
Reversal of impairment losses on investment in a joint venture	(9.9)	-
Impairment losses on property, plant and equipment	-	40.0
	(123.1)	**(263.0)**
Underlying PBT	**1,985.2**	**1,614.5**

The plantation segment profit for FY2026 of RM1,710.4 million was 8% higher than the profit for FY2025 of RM1,576.5 million. Excluding the fair value gain on biological assets and derivative financial instruments of RM29.4 million (FY2025 – RM5.3 million), and impairment loss on property, plant and equipment of RM0.8 million in FY2025, the segment reported an underlying profit of RM1,681.0 million for FY2026 which was 7% higher than the underlying profit of RM1,572.0 million for FY2025. This was mainly due to higher FFB production and oil extraction rate ("OER") as well as higher share of associates' results, partially offset by higher production costs and lower CPO price realised.

For our resource-based manufacturing segment, profit for FY2026 was RM348.4 million as compared to the profit of RM128.4 million for FY2025. Excluding the fair value loss on derivative financial instruments of RM58.5 million (FY2025 – gain of RM18.5 million), and impairment loss on property, plant and equipment of RM39.2 million in FY2025, the segment reported an underlying profit of RM406.9 million for FY2026 which was 173% higher than the underlying profit of RM149.1 million for FY2025. This was mainly due to higher contribution from our refining and oleochemical sub-segments with higher margins as well as higher share of associates results.

A more detailed review of the Group's performance is covered under the Group Business Review section from pages 70 to 87 in this Annual Report.

MAJOR CAPITAL EXPENDITURE

The Group continues to demonstrate its commitment to investing in and strengthening its businesses for long-term growth. In FY2026, total capital expenditure amounted to RM759.0 million, with RM620.4 million invested in the plantation segment and RM122.9 million allocated to the resource-based manufacturing segment.

As part of the Group's ongoing accelerated replanting programme, approximately 9,640 hectares ("ha") of past prime oil palm trees were replanted with superior, high-yielding planting materials during the financial year. Complementing these efforts, we expanded our plantation landbank through the acquisition of four plantation companies with a combined planted area of approximately 4,600 ha for a total consideration of approximately RM318.2 million. Together, these initiatives strengthen our operational platform and enhance the long-term productivity of our plantation business.

In addition, we contributed a further RM65.1 million to our 20%-owned associate, Bunge Loders Croklaan Group BV, representing our share of funding the ongoing construction of a new integrated tropical oil and specialty fats manufacturing complex in Amsterdam, the Netherlands. The integrated complex is expected to be commissioned in stages from September 2026, marking an important milestone in the project. This investment supports the Group's strategy of strengthening its downstream business and enhancing its participation in higher-value segments of the value chain.

During the financial year, we also invested approximately RM52.5 million in the renewable materials business through the development of a large-scale paper pulp facility in Pekan, Pahang. Undertaken via NeuWhite Paper Pulp Sdn Bhd, a joint venture company in which the Group holds an effective equity interest of 34%, the project will convert empty fruit bunches into sustainable paper pulp for downstream applications such as writing paper, tissue paper and food packaging. This investment represents a significant step towards diversifying non-CPO income streams, creating value from plantation biomass for the Group.

DIVIDEND AND CAPITAL MANAGEMENT

In FY2026, the Group declared total dividends of 12.5 sen per ordinary share, higher than the 10.5 sen per ordinary share declared in FY2025. This comprised a first interim single-tier dividend of 5.5 sen per ordinary share, amounting to RM345.7 million, which was distributed in March 2026, followed by a second interim single-tier dividend of 7.0 sen per ordinary share, amounting to RM440.0 million which will be paid in September 2026.

Notwithstanding the increased dividend payouts totalling approximately RM785.7 million, the Group remained financially resilient, ending the financial year with cash and cash equivalents of RM1.84 billion and a low net gearing ratio of 10%. This reflects the Group's prudent capital management and provides the financial flexibility to pursue future growth opportunities while maintaining balance sheet strength.

ACKNOWLEDGEMENTS

FY2026 marked an important leadership transition for IOI. On behalf of the Board, I would like to express our sincere appreciation to my predecessor, Tan Sri Peter Chin Fah Kui, for his dedicated service and stewardship as Chairman of the Group. During his tenure, he provided the Board with invaluable leadership, sound counsel and a strong commitment to effective governance. I am honoured to succeed him and look forward to building upon the solid foundations established under his stewardship.

I would also like to thank my fellow Directors for their trust, guidance and support since my appointment as Chairman. The collective experience, diversity of perspectives and commitment of the Board remain essential to ensuring that the Group continues to uphold high standards of governance and accountability while pursuing its strategic priorities responsibly.

The global operating landscape continues to evolve amid geopolitical tensions, trade fragmentation, commodity price volatility and changing stakeholder expectations. In navigating these challenges, the resilience of the Group is underpinned by the dedication, professionalism and perseverance of our management team led by Dato' Lee Yeow Chor and all employees across all our operations. On behalf of the Board, I convey my sincere appreciation to each of them for their commitment and contribution, which have enabled the Group to deliver good financial and operational performance.

I am equally grateful for the continued trust and support of our stakeholders, whose partnership remains integral to the Group's long-term success. I would like to thank our customers, financial partners, business associates, suppliers, regulatory authorities, local communities, non-governmental organisations and shareholders for their confidence, collaboration and constructive engagement as we continue to advance IOI's growth and sustainability goals.

As we look ahead, the Board remains committed to providing responsible stewardship, upholding the highest standards of governance and supporting the Group's continued growth and development. Guided by our long-term vision and values, we will continue to strengthen our businesses, pursue new opportunities and create sustainable value for all stakeholders. Together, we will build on IOI's strong foundations and position the Group for enduring success in an increasingly dynamic global landscape.

Thank you.

Tan Sri Abdul Wahid bin Omar
Independent Non-Executive Chairman

Group Managing Director and Chief Executive's Statement

DEAR ESTEEMED STAKEHOLDERS,

I am pleased to present a review of the Group's progress on our strategic priorities, our key sustainability efforts, and the outlook for the upcoming financial year 2027 ("FY2027").

DATO' LEE YEOW CHOR
Group Managing Director
and Chief Executive

> Within our plantation operations, we continued to diversify beyond palm oil through the expansion of our coconut business, with planted area exceeding 4,400 hectares.

PROGRESS UNDER OUR FIVE-YEAR STRATEGIC ROADMAP (2025–2029)

The financial year ended 30 June 2026 ("FY2026") marked the second year of our Five-Year Strategic Roadmap (2025–2029), and I am encouraged by the steady development achieved across the four strategic priorities despite a dynamic and challenging global operating environment.

01 Product Portfolio Expansion

The first strategic priority, Product Portfolio Expansion, reflects our belief that sustainable value creation comes from continuously broadening our presence in higher-value growth segments across the palm-based value chain.

Within our plantation operations, we continued to diversify beyond palm oil through the expansion of our coconut business, with planted area exceeding 4,400 hectares ("ha"). To facilitate this expansion, we entered into a strategic partnership with Mega Star Holding Pte Ltd, an affiliate of Ting Hsin International Group, to develop an integrated coconut mill complex. This project complements our upstream coconut operations and is expected to contribute positively to the Group over the longer term.

In our resource-based manufacturing business, we expanded our product range and reinforced our presence in higher-value market segments. During the financial year, we introduced several new products across the personal care and pharmaceutical sectors, supporting the growth of our specialty offerings in these markets. Together, these initiatives demonstrate our focus on diversifying the Group's product portfolio and improving the quality and durability of our earnings base.

02 Innovation

Innovation, our second strategic priority, remains a key driver of sustainable growth and long-term competitiveness for the Group. In our upstream operations, the certification audit for the expansion of 2,495 ha of organic oil palm is expected to be conducted in March 2027. This builds on the Group's leadership in organic oil palm cultivation through Pamol Kluang estate, the first certified organic oil palm plantation in the Southeast Asia.

For our downstream business, our commitment to differentiated product development yielded further achievements during the financial year. In the oleochemical sub-segment, we forged strategic partnerships to develop technology for the production of premium glycerine. In addition, we successfully developed a range of differentiated soap noodles, achieving our first sales in this promising new product line.

03 Productivity & Quality

Productivity and quality represent the third priority, with further advancements achieved in operational efficiency across the Group during the financial year. In our oil palm plantation operations, the Group achieved an oil yield of 4.83 MT/ha in FY2026, representing an 11% increase over the previous financial year and advancing steadily towards our FY2029 target of 5.63 MT/ha for Malaysia and 4.51 MT/ha for Indonesia. This improvement was supported by higher FFB yields of 21.90 MT/ha and an oil extraction rate of 22.06%, reflecting year-on-year gains of 7% and 3%, respectively. Underlying these results is our continued investment in superior planting materials, mechanisation and digitalisation. Elite clonal palms now account for 24% of our planted area in Malaysia, on track towards our FY2029 target of 30%. At the same time, ongoing mechanisation initiatives and the adoption of digital technologies also enhanced labour productivity, and operational efficiency across our estates. Collectively, these initiatives strengthen our operational efficiency and support sustained gains in yield and productivity over the longer term.

Our downstream operations also made good progress in enhancing productivity and value creation. During the financial year, we increased the combined production capacity of specialty esters and medium-chain triglycerides ("MCT") at our German facilities by 9%, strengthening our capabilities in higher-value specialty ingredients. Most notably, we surpassed our FY2029 target of producing 130,000 MT of premium product well ahead of schedule, delivering 226,000 MT of high-quality palm and lauric oils that meet the European Union's stringent requirements.

04 Sustainability & Climate Initiatives

Finally, sustainability and climate initiatives reflect the Group's commitment towards achieving net zero GHG emissions by year 2040. In pursuit of this goal, we broadened the adoption of renewable energy across our operations, with 11 of our 15 mills now equipped with biogas power plants. Concurrently, solar photovoltaic systems are being progressively deployed across selected estates and operational facilities. During the financial year, we further strengthened our decarbonisation efforts through the commissioning of a 3.2 MW cogeneration plant at our oleochemical complex in Penang and the installation of a 15 MT/hour biomass boiler in Johor. These initiatives, taken alongside our ongoing investments in energy efficiency, water recycling and reforestation, reflect an integrated approach to responsible growth.

CORPORATE SUSTAINABILITY AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

The Board Sustainability Committee ("BSC") remains our cornerstone of sound governance, safeguarding compliance and ethical conduct across all sustainability-related matters.

Having undertaken a comprehensive materiality assessment involving external stakeholders in FY2025 on the sustainability-related risks that could affect the Group's growth and prospects, this year, we conducted an internal review of those previously identified risks to reaffirm their priority and relevance to our operations.

The outcomes of this review, including changes to the priority of material risks, were considered by the BSC and subsequently approved by the Board, in accordance with our governance framework.

In relation to our Climate Change Action initiative and pathway towards Net Zero by year 2040, our next milestone is to achieve carbon neutrality for both Scope 1 and Scope 2 emissions by year 2030. We will continue to pursue our strategy of combining nature-based and engineered solutions, underpinned by detailed implementation activities and close monitoring by our dedicated employees.

The IOI ESG Platform helps us manage and analyse the extensive pool of environmental and social data accumulated over the years, while enhancing data auditability. The Disclosure Director, a built-in analytical capability within the platform, strengthens the Group's sustainability reporting by enabling sustainability data to be assessed and mapped against multiple reporting frameworks. This improves the quality, consistency, and transparency of our disclosures, while supporting continued compliance with key reporting standards and frameworks, including the National Sustainability Reporting Framework ("NSRF") and the IFRS Sustainability Disclosure Standards, IFRS S1 and S2.

For an overview of our other social and environmental initiatives, please refer to my message in the FY2026 Sustainability Report.

The Group's commitment to corporate social responsibility is channelled primarily through the IOI Foundation ("IOIF"), formerly known as Yayasan Tan Sri Lee Shin Cheng. This charitable foundation is fully funded by the Group.

To date, IOIF has awarded degree scholarships to 363 deserving undergraduates and supported 1,737 students through its annual Student Adoption Programme. In keeping with our belief in nurturing leadership from a young age, we have successfully conducted the 5th IOI Youth Leadership Camp for the next generation of our employees.

Among our most meaningful endeavours is improving access to education through the upgrading of school facilities. Under the Sekolah Angkat Madani programme, IOIF has supported 21 underserved schools in fostering a more conducive learning environment for their students.

Beyond the pillar of education, IOIF is equally dedicated to environmental sustainability. The Foundation has introduced a sustainable system for managing food and garden waste at IOI Resort City by converting this waste into valuable compost, thereby creating a circular economy within the resort.

Our environmental efforts also extend to Bargain Basement ("BB"), our self-sustaining social enterprise. Beyond selling pre-used items, BB has fostered a virtuous cycle of community support. As part of this effort, we supported the Deloitte interns' CSR Programme, which raises awareness of consumerism's impact on the environment and encourages more mindful consumption.

OUTLOOK AND PROSPECTS

Crude palm oil ("CPO") price has increased significantly to RM4,800 – RM5,100 per MT level since mid-August due to increasing concerns about the severity of the El Niño weather phenomenon currently affecting the oil palm planted areas in Indonesia and Malaysia. This strong price level is anticipated to continue throughout FY2027, as fresh fruit bunch ("FFB") production will continue to be affected by the follow-on effects of the drought period and as the favourable biodiesel economics continue to be supported by the elevated crude oil prices due to the conflicts in the Middle East.

For our plantation segment, FFB production is projected to increase moderately in single-digit percentage as we enter the final year of our seven-year aggressive replanting programme in Sabah, despite the effects from the El Niño phenomenon. With our positive outlook for CPO price, we expect our plantation segment to deliver good financial performance in FY2027.

The outlook for our refinery and commodity marketing sub-segment continues to be challenging amid intense competition from the Indonesian refineries. We will continue to leverage our expertise in producing low-contaminant and sustainability-compliant oils to add value to our product portfolio and support the performance of this sub-segment.

For FY2027, our oleochemical sub-segment is expected to operate in a challenging environment due to intense competition from Indonesian producers and the US tariffs, although we have seen a gradual improvement in demand since the second half of FY2026. To navigate these challenges, we will continue to focus on product differentiation, innovation and operational efficiency. In addition, closer collaboration between our Malaysian and German operations, including the establishment of a joint personal care product formulation centre in Prai, Penang, is expected to strengthen our technical application expertise and support growth in higher-value product portfolio.

For our specialty food ingredients sub-segment, represented by the Group's associate Bunge Loders Croklaan Group BV, the financial performance is expected to be mixed. While the North American operation is anticipated to perform well following the recent completion of the New Orleans plant expansion, the Asian operation's performance may be affected by the moderation in cocoa butter equivalent ("CBE") margins arising from lower cocoa butter prices. The expected completion of the new refinery cum specialty fats plant complex in Amsterdam progressively from Q2 FY2027 will enhance the production capabilities and operational efficiency of the European operation from the second half of FY2027 onwards.

Overall, the Group expects its operating and financial performance for FY2027 to be good, primarily due to the strong results from the plantation segment.

CLOSING REMARKS

The milestones achieved during FY2026 reinforce my confidence in the Group's strategic direction and our ability to deliver sustainable long-term value. Through focused execution of our strategic priorities, we have strengthened our competitive position, enhanced operational resilience and built a more resilient platform for long-term value creation.

The Group's success rests upon an unwavering commitment to innovation, talent development, and disciplined risk management, anchored by the six IOI core values of integrity, commitment, team spirit, cost efficiency, innovation and excellence in execution. These values remain the bedrock of our culture and the compass that guides every strategic decision we make.

As we look ahead, our purpose remains resolute: to grow sustainably, deepen our capabilities across the upstream and downstream value chain, and sustain our competitive standing amid an increasingly complex and demanding global landscape. Supported by a resilient business model, a clear strategic direction and the dedication of our people, we are well-positioned to seize emerging opportunities and create enduring value for all our stakeholders.

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Value Creation Model

Our Vision is to be a Leading and Sustainable Malaysian Business Corporation with Global Presence.

CAPITAL INPUTS

Human:
- Strong leadership and governance
- **≈28,000** talented and diverse people
- Succession and business continuity planning
- Training and upskilling opportunities to develop employees

Natural:
- **97** estates
- **210,306** hectares of landbank
- Seeds, plants and healthy soil to cultivate oil palm trees and other crops

Financial:
- Access to capital for investments in future success
- **19.1 billion** of total assets
- **13.3 billion** of shareholders' equity

Manufactured:
- **15** mills
- **2** refineries
- **4** oleochemical plants/ complexes
- **1** palm wood factory
- **1** biotech centre
- **4** research and development ("R&D") centres

Social and Relationship:
- Strong long-term relationships with shareholders, customers, suppliers, financial institutions, non-governmental organisations ("NGOs"), regulators and communities to create shared value

Intellectual:
- R&D capabilities and intellectual property
- Brand values and good reputation
- Best agronomy practices and estate management practices

OUR INTEGRATED VALUE CHAIN

COMPETITIVE EDGE

- Integrated Value Chain
- Integrated System
- Efficiency Culture
- Innovative Culture
- Strength in R&D
- Sustainability Culture
- Strong Partnership

3 ENABLERS

Human Capital Development & Culture: Empowerment & Inclusion

Sustainability: Developing Responsible Global Palm Oil Supply Chain

Technology & Digitalisation: Strengthening R&D and Innovation Culture

STRATEGIC PRIORITIES

- Product Portfolio Expansion
- Innovation
- Productivity & Quality
- Sustainability & Climate Initiatives

PLANTATION

Input
- Land
- Production Resources
- Machinery & Agricultural Equipment
- Workers

Breeding
- Plant Breeding
- Tissue Culture
- Seed Production
- Nursery

Seedlings

Workers' Housing & Facilities

Biomass Recycled

Power

RESOURCE-BASED MANUFACTURING

EFB, Fronds, Trunks

PLANTATION → *EFB* → PULP → *Paper*

PLANTATION → *Trunks* → PALM WOOD → *Engineered Wood Panels*

SOLAR & COGENERATION PLANT → *Power*

PLANTATION → *FFB* → MILLS

MILLS → *CPO, PK* → REFINERY/ KERNEL CRUSHING → OLEOCHEMICAL (Other Oils)
- » *Fatty Acids & Glycerine*
- » *Soap Noodles*
- » *Esters*
- » *Specialty Chemicals*

MILLS → *Palm Fibres, Kernel Shell, POME* → BIOGAS & BIOMASS COGENERATION PLANT

Power / *Methane Capture*

Power

Palm Oil, PKO → SPECIALTY FOOD INGREDIENTS ~ (Other Oils) → *Fractions*
- » *Food Ingredients*
- » *Infant Nutrition*
- » *Non-Food Applications*

BIOGAS & BIOMASS COGENERATION PLANT → *Power* → *Public Power Grid (Future Opportunity)*

Inputs • Business Activities • Outputs • Circular Economy

• EFB: Empty Fruit Bunches • FFB: Fresh Fruit Bunches • CPO: Crude Palm Oil
• PK: Palm Kernel • PKO: Palm Kernel Oil • POME: Palm Oil Mill Effluent
~ Associate (Bunge Loders Croklaan Group BV)

RISKS

- Geopolitical and Trade Risks
- Market Demand and Customer Concentration
- Supply Chain Compliance
- Talent Management
- Climate Change and Extreme Weather
- Digital Resilience and Cybersecurity

7Rs OF CIRCULARITY

Rethink, Repurpose, Reduce, Reuse, Recycle, Repair, Recover

VALUE DELIVERY & IMPACT

Human:
- Good employee career development and progression
- Healthy workforce
- Safe and conducive workplace

Natural:
- Sustainable palm oil practices support climate action and maintain ecosystem health
- Implement and introduce organic palm oil
- 15 mills: 14 RSPO-certified in Malaysian and Indonesian operations
- No deforestation and protection of High Carbon Stock Forests and High Conservation Value Areas
- Towards Group-wide Net Zero by 2040

Note: RSPO - Roundtable on Sustainable Palm Oil

Financial:
- Sustainable and profitable growth
- Good dividend payout
- Green and responsible investment
- Better economies of scale
- Resilient earnings from fully integrated business model

Manufactured:
- State-of-the-art, certified and accredited manufacturing facilities
- Significant operational efficiencies and synergies
- First-of-its-kind palm wood factory

Social and Relationship:
- Quality and customised products at competitive cost for customers to support quality of life and improve nutrition
- Improve livelihoods and uphold land rights of local communities

Intellectual:
- High-yielding germplasm
- *Ganoderma* tolerant seed
- Launched 14 new formulations for personal care and cosmetic applications
- *OnCore®* engineered wood panels

In alignment with our three pillars of sustainability (People, Planet, Prosperity) + Partnership, together with the six adopted relevant United Nations Sustainable Development Goals ("UN SDGs").

IOI's Case: Turning Natural Capital into Renewable Value

Harnessing biomass, sunlight and innovation to create sustainable growth.

Renewables have emerged as a strategic growth platform for IOI, strengthening operational resilience, accelerating decarbonisation and unlocking new value from circular resource flows.

Beyond renewable energy generation, renewables serve as a catalyst for business transformation. By harnessing biomass, biogas, solar energy and agricultural by-products, we are developing innovative solutions and sustainable materials that create new revenue streams and long-term value across our integrated value chain.

Guided by feedstock availability, climate impact, technology maturity, strategic partnerships and commercial viability, we are scaling renewable solutions that advance our 2040 Net Zero ambition towards a sustainable and carbon-negative future.

Turning every tonne of biomass into energy, efficiency and value.

Powering Circular Plantations

We turn what we grow into what powers us. Each year, our plantation and milling operations generate an abundance of palm-based biomass from processing fresh fruit bunches ("FFB") across Malaysia. Every tonne of biomass, including empty fruit bunches ("EFB"), mesocarp fibres, palm kernel shells ("PKS"), oil palm trunks ("OPT") and palm oil mill effluent ("POME"), represents an opportunity to create value while minimising waste.

Beyond the use as boiler fuel and organic soil conditioning, palm-based biomass and POME are further utilised to generate renewable energy. Methane captured from POME is converted into electricity and steam for our mills and estate housing, reducing diesel consumption and greenhouse gas ("GHG") emissions. To date, 13 mills are equipped with biogas systems, with 11 of them installed with biogas power plants, while surplus biogas is utilised in boilers, with the Group exploring Bio-Compressed Natural Gas ("BioCNG") production to unlock greater value from biogas. Remaining POME solids are recycled back to the fields, returning valuable nutrients to the soil and completing the circular cycle.

By continuously recovering biomass for energy and resource efficiency within IOI's plantations, the impact is measurable. Since FY2015, our methane capture facilities have contributed to more than 50% reduction in POME-related emissions while generating biogas that has displaced more than 3.2 million litres of diesel in FY2026. We also generated over 5 million GJ of renewable energy from biomass such as PKS and fibre across IOI mills.

Refer to our Sustainability Report 2026 for a detailed review.

Turning renewable resources into reliable energy.

Powering Sustainable Manufacturing

Across our resource-based manufacturing operations, renewable energy and energy efficiency are becoming increasingly important enablers of operational resilience and decarbonisation.

Through investments in cogeneration facilities, solar photovoltaic ("PV") systems, solar thermal technologies, waste heat recovery and biogas solutions, we are optimising cleaner energy generation and consumption across our refineries and oleochemical operations.

Our energy infrastructure continues to expand with the addition of cogeneration facilities at IOI Acidchem Sdn Bhd in Penang and a biomass boiler installation at IOI Pan-Century Group in Johor. Further details are disclosed in our Sustainability Report 2026.

By connecting our biomass resources with downstream energy demand, we are creating a more self-sufficient, lower-carbon manufacturing platform that strengthens operational resilience while unlocking greater value from resources across the Group.

Scaling up renewables for future growth and value creation.

Scaling Tomorrow's Renewables

As we continue to unlock value from renewable resources, we are expanding beyond energy generation to develop new businesses that will support IOI's next phase of sustainable growth.

Through IOI Palm Wood Sdn Bhd, we convert OPT into high-performance engineered wood panels for furniture and building applications, creating a sustainable alternative to conventional timber while extending the useful life of plantation biomass.

In parallel, our RM900 million joint venture, Nextgreen IOI Pulp Sdn Bhd, will convert EFB into sustainable wood-free pulp and paper, further demonstrating how agricultural by-product can be transformed into high-value renewable materials.

At the same time, we are taking our renewable energy ambition to greater heights by investing in large-scale infrastructure to harness solar energy beyond just PV rooftop installations. IOI is exploring opportunities to scale its renewable energy assets through strategic partnerships and investments in utility-scale solar projects.

This development marks our transition from a renewable energy user to a renewable energy producer. The project will diversify our renewable portfolio, strengthen energy resilience and decarbonisation efforts, as well as improve the productivity and returns of our land assets, while supplying clean energy to corporate consumers. Together, these ventures position renewable energy as a scalable platform for IOI's next phase of growth.

Material Matters

We have identified 12 most material issues based on stakeholders' feedback and our assessment of their priority to IOI. Our stakeholder engagement encompasses our employees, suppliers, customers and investors, as well as communities in the areas where we operate, civil societies and government agencies. Our discussions cover economic, environmental, social and governance aspects.

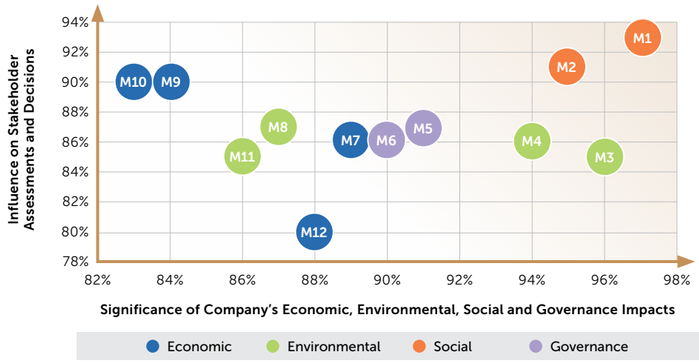
The 12 material matters were reviewed by the Chief Sustainability Officer and Group Managing Director and Chief Executive, recommended for approval by the Board Sustainability Committee and subsequently approved by the Board of Directors. We approach each matter through the lens of double materiality, assessing the effects of our activities on the society and the environment, and how these outcomes may subsequently impact our business performance and long-term resilience.

Refer to our Sustainability Report 2026 for a detailed review.

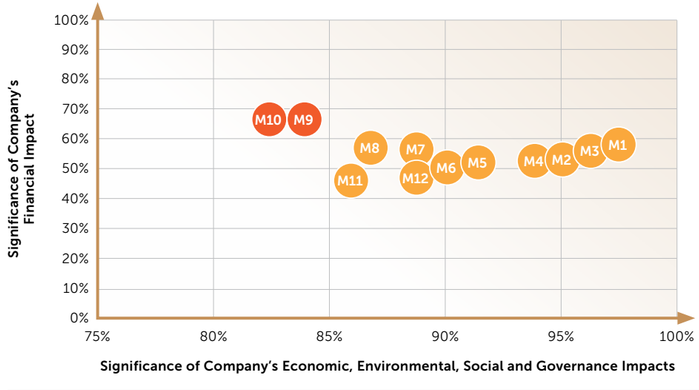
Top 12 Sustainability Material Matters

- M1 Safety and Health
- M2 Human Rights and Fair Labour Practices
- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M4 Circular Economy and Waste Management
- M5 Regulatory and Third-Party Compliance
- M6 Grievance Mechanism and Transparent Communication
- M7 Traceability and Responsible Sourcing
- M8 Water Management
- M9 Sustainability Certification
- M10 Productivity and Product Quality
- M11 Biodiversity and Ecosystem
- M12 Data Integrity and Auditability via Digitalisation

Materiality Matrix



Double Materiality Matrix



- **No Impact** No changes in practices
- **Low Impact** Routine SOPs and guidelines by Management
- **Medium Impact** Action and monitoring by relevant Management
- **High Impact** Close attention required by Top Management
- **Very High Impact** Immediate action by Top Management and follow-up by Board Sustainability Committee

M1 SAFETY AND HEALTH

Why Is This Topic Important To Us?

Protecting lives and safeguarding the well-being of our people remain our utmost priorities. We are committed to providing a safe, healthy and conducive working environment for our employees, suppliers, customers and local communities while fostering a positive workplace culture.

Our Response

Effective safety and health management is critical to mitigating operational and productivity risks across our operations. We have attained world-class certifications such as ISO 45001:2018 Occupational Health and Safety Management Systems, while actively implementing comprehensive occupational safety and health policies, regular audits, risk assessments and continuous employee training programmes to strengthen our safety culture and prioritise workplace health and well-being for all.

Our Capitals

- H Human
- S Social and Relationship
- M Manufactured

Our Key Stakeholder Groups

- S1 Employees
- S4 Suppliers
- S2 Customers
- S5 Regulators
- S3 Communities

Our Strategic Priorities

- Sustainability & Climate Initiatives

M2 HUMAN RIGHTS AND FAIR LABOUR PRACTICES

Why Is This Topic Important To Us?

We uphold human rights and fair labour practices, fostering an inclusive and respectful workplace across our business operations and supply chain. These principles are embedded in our core values, policies and practices, helping to build trust with our employees, business partners and communities while supporting responsible and sustainable business growth.

Our Response

We integrate the Economic, Environmental, Social and Governance ("EESG") principles into our company culture and uphold applicable local and international laws through our IOI Group Sustainability Policy ("IOISP"), which covers all relevant legislation and codes of practice related to fair labour practices and human rights. Through stakeholder engagement, due diligence and ongoing monitoring, we foster a transparent, accountable and inclusive workplace across our operations and supply chain.

Our Capitals

- H Human
- S Social and Relationship
- F Financial
- I Intellectual

Our Key Stakeholder Groups

- S1 Employees
- S4 Suppliers
- S2 Customers
- S6 Shareholders and Investors
- S3 Communities
- S7 Industry Associations/Civil Societies

Our Strategic Priorities

- Sustainability & Climate Initiatives

M3 CLIMATE CHANGE, GHG EMISSION MANAGEMENT INCLUDING LOW CARBON TECHNOLOGY

Why Is This Topic Important To Us?

Climate change remains one of the most pressing challenges for the agribusiness sector, with far-reaching risks and implications. As a leading global integrated palm oil player, we are committed to navigating this fast-evolving landscape by strengthening climate resilience, addressing the impacts of extreme weather conditions and reducing our carbon footprint through investments in green infrastructure, circular economy practices, digital innovation and mechanisation technologies.

Our Response

We embed climate action across our operations through our Group-wide Climate Change Action initiative, introduced in 2019. We integrate nature-based and technology-driven solutions to reduce greenhouse gas ("GHG") emissions, strengthen climate resilience and accelerate our decarbonisation efforts. These initiatives advance our commitment to achieving carbon neutrality for Scope 1 and 2 emissions by 2030.

Our Capitals

- H Human
- M Manufactured
- N Natural
- S Social and Relationship
- F Financial
- I Intellectual

Our Key Stakeholder Groups

- S1 Employees
- S5 Regulators
- S2 Customers
- S6 Shareholders and Investors
- S3 Communities
- S7 Industry Associations/Civil Societies
- S4 Suppliers

Our Strategic Priorities

- Product Portfolio Expansion
- Productivity & Quality
- Innovation
- Sustainability & Climate Initiatives

M4 CIRCULAR ECONOMY AND WASTE MANAGEMENT

Why Is This Topic Important To Us?

As the global population grows, so does the demand for raw materials. However, the availability of these crucial resources is increasingly limited. We embrace the 7Rs of Circularity (Rethink, Repurpose, Reduce, Reuse, Recycle, Repair and Recover) to transform the way we use resources, minimise waste and maximise resource efficiency, ensuring that materials remain in use for as long as possible.

Our Response

We advance circular economy principles by transforming agricultural and biomass residues into value-added products, renewable energy and sustainable solutions. Through strategic investments and partnerships, we develop innovative ventures that enhance resource efficiency, reduce waste and create long-term environmental and economic value.

Our Capitals

- H Human
- M Manufactured
- N Natural
- S Social and Relationship
- F Financial
- I Intellectual

Our Key Stakeholder Groups

- S2 Customers
- S6 Shareholders and Investors
- S3 Communities
- S7 Industry Associations/Civil Societies
- S4 Suppliers

Our Strategic Priorities

- Product Portfolio Expansion
- Productivity & Quality
- Innovation
- Sustainability & Climate Initiatives

M5 REGULATORY AND THIRD-PARTY COMPLIANCE

Why Is This Topic Important To Us?

We strive to safeguard our operations against risks such as corporate misconduct, data breaches, corruption and fraud while ensuring compliance with safety, environmental and regulatory requirements. By adhering to stringent local and international regulations, undergoing independent third-party assessments and proactively managing emerging risks, we strengthen our governance, protect our reputation and support long-term business integrity.

Our Response

We maintain high standards of governance and compliance through robust policies, internal controls and regular monitoring processes. Through collaborative initiatives, including joint research, innovation and industry engagement, we promote knowledge sharing and stay aligned with evolving regulatory expectations and industry standards, enabling us to adapt our strategies, operations and products to meet shifting requirements.

Our Capitals

- H Human
- M Manufactured
- N Natural
- I Intellectual
- F Financial

Our Key Stakeholder Groups

- S2 Customers
- S6 Shareholders and Investors
- S4 Suppliers
- S7 Industry Associations/Civil Societies

Our Strategic Priorities

- Productivity & Quality

M6 GRIEVANCE MECHANISM AND TRANSPARENT COMMUNICATION

Why Is This Topic Important To Us?

Transparency and open communication are essential to building trust and long-term value for our stakeholders. We believe that concerns and grievances are best addressed through trusted and accessible channels that enable timely resolution, accountability and continuous improvement.

Our Response

We provide accessible grievance and feedback channels, both on-site and digital, to enable stakeholders to raise concerns and receive timely updates. Through transparent communication, we foster accountability, build trust and support effective resolution of issues.

Our Capitals

- H Human
- S Social and Relationship
- F Financial
- I Intellectual

Our Key Stakeholder Groups

- S1 Employees
- S4 Suppliers
- S2 Customers
- S6 Shareholders and Investors
- S3 Communities

Our Strategic Priorities

- Productivity & Quality
- Sustainability & Climate Initiatives

M7 TRACEABILITY AND RESPONSIBLE SOURCING

Why Is This Topic Important To Us?

Clear standards and robust processes are essential to ensuring ethical, sustainable and responsible practices throughout our supply chain. By identifying and managing regulatory, reputational and operational risks, we strengthen supply chain integrity, support stakeholder confidence and contribute to the long-term sustainability of our business.

Our Response

We implement a comprehensive traceability and responsible sourcing strategy, guided by best practices and supported by robust auditing processes, supplier engagement and compliance monitoring. Through transparent reporting and ongoing stakeholder communication, we reinforce supply chain transparency and promote responsible and sustainable sourcing practices.

Our Capitals

- N Natural
- S Social and Relationship
- F Financial
- I Intellectual
- M Manufactured

Our Key Stakeholder Groups

- S2 Customers
- S6 Shareholders and Investors
- S4 Suppliers
- S7 Industry Associations/Civil Societies
- S5 Regulators

Our Strategic Priorities

- Productivity & Quality

M8 WATER MANAGEMENT

Why Is This Topic Important To Us?

Water is one of our most critical resources, yet it faces increasing threats from climate change, pollution and rising demand. As our plantation and manufacturing operations rely heavily on water for irrigation and production, sustainable water management is not just an operational necessity but a responsibility that directly impacts global food security, community well-being and the long-term resilience of our business.

Our Response

We advance our water stewardship through the IOI Group Water Policy, which is guided by compliance, performance and transparency. Through water recycling, effluent treatment, risk assessments and conservation initiatives, we strive to reduce our water footprint, strengthen water resilience and promote sustainable water use across our operations.

Our Capitals

- N Natural
- M Manufactured
- F Financial
- I Intellectual

Our Key Stakeholder Groups

- S2 Customers
- S6 Shareholders and Investors
- S3 Communities
- S7 Industry Associations/Civil Societies
- S4 Suppliers

Our Strategic Priorities

- Product Portfolio Expansion
- Sustainability & Climate Initiatives
- Productivity & Quality

M9 SUSTAINABILITY CERTIFICATION

Why Is This Topic Important To Us?

Sustainability certification demonstrates our commitment to responsible and ethical business practices across the palm oil value chain. It provides assurance to stakeholders, including customers, investors and communities, that our operations meet locally and internationally recognised environmental, social and governance standards. By obtaining and maintaining these certifications and standards, we reinforce trust, promote transparency and continuously improve our sustainability performance.

Our Response

We actively pursue and maintain sustainability certifications and standards to support responsible practices across our operations. We remain in compliance with the Roundtable on Sustainable Palm Oil ("RSPO"), Malaysian Sustainable Palm Oil ("MSPO"), Indonesian Sustainable Palm Oil ("ISPO") and International Sustainability and Carbon Certification ("ISCC") requirements, which guide best practices across our operations and contribute to our operational and sustainability performance.

Our Capitals

- H Human
- M Manufactured
- N Natural
- I Intellectual
- F Financial

Our Key Stakeholder Groups

- S2 Customers
- S5 Regulators
- S3 Communities
- S6 Shareholders and Investors
- S4 Suppliers
- S7 Industry Associations/Civil Societies

Our Strategic Priorities

- Product Portfolio Expansion
- Productivity & Quality
- Innovation
- Sustainability & Climate Initiatives

Material Matters

M10 PRODUCTIVITY AND PRODUCT QUALITY

Why Is This Topic Important To Us?

We place great importance on maintaining high productivity and consistently delivering quality products. Efficient operations support cost-effectiveness and resilience in a challenging market, while enabling us to meet the evolving needs of customers and stakeholders worldwide. By embedding innovation, continuous improvement and stringent quality standards into our processes, we create sustainable value and uphold our reputation as a reliable and trusted partner.

Our Response

We drive productivity and product quality through innovation, best practices and continuous improvement across our operations. At the plantation level, we adopt mechanisation initiatives and improved agronomic practices to enhance crop recovery and optimise yields while safeguarding environmental and social considerations. In our manufacturing segment, we focus on increasing plant utilisation and strengthening operational efficiency, supported by rigorous quality assurance processes and internationally recognised certifications to deliver safe, reliable and high-value products to customers. We also invest in research, training and technology adoption to continuously improve productivity and competitiveness in a dynamic global market.

Our Capitals

- H Human
- M Manufactured
- N Natural
- I Intellectual
- F Financial

Our Key Stakeholder Groups

- S2 Customers
- S6 Shareholders and Investors
- S3 Communities
- S7 Industry Associations/Civil Societies
- S4 Suppliers

Our Strategic Priorities

- Productivity & Quality

M11 BIODIVERSITY AND ECOSYSTEM

Why Is This Topic Important To Us?

We recognise our dependence on healthy ecosystems and our responsibility to protect and enhance biodiversity. Conserving natural habitats and promoting ecosystem resilience are essential to sustaining biodiversity and supporting climate change adaptation and mitigation. By scaling up our efforts in sustainable natural resource management, within our operations and through partnerships with stakeholders, we are committed to protecting biodiversity and ecosystems while building resilience against the long-term impacts of climate change.

Our Response

We prioritise the assessment and monitoring of biodiversity and ecosystems across our operations as part of our commitment to responsible and sustainable business practices. Guided by the principles of No Deforestation, No New Planting on Peat and No Social Exploitation ("NDPE"), we have introduced enhanced Biodiversity and Ecosystem Enhancement Guidelines to further strengthen biodiversity conservation and ecosystem resilience across our operations and supply chains.

Our Capitals

- H Human
- S Social and Relationship
- N Natural
- I Intellectual
- F Financial

Our Key Stakeholder Groups

- S2 Customers
- S6 Shareholders and Investors
- S3 Communities
- S7 Industry Associations/Civil Societies
- S4 Suppliers

Our Strategic Priorities

- Sustainability & Climate Initiatives

M12 DATA INTEGRITY AND AUDITABILITY VIA DIGITALISATION

Why Is This Topic Important To Us?

Digitalisation enables effective data management, traceability and audit trails, allowing us to maintain timely, consistent, verifiable and secure data across our supply chain. This supports compliance, helps mitigate risks such as fraud and data breaches, and reinforces our commitment to ethical practices. By leveraging digital tools, we enhance operational efficiency, foster stakeholder confidence and enable informed decision-making and sustainable business practices in a complex business landscape.

Our Response

We leverage digitalisation to enhance data integrity, accuracy and operational efficiency across the Group. Our ONE IOI Integrated Platform unifies upstream and downstream operations on a single SAP-powered platform, enabling seamless data management, streamlined processes and informed decision-making. Complementing this, the IOI ESG Platform consolidates and monitors sustainability performance. Together, these digital solutions strengthen governance, traceability and operational excellence of the Group.

Our Capitals

- H Human
- F Financial

Our Key Stakeholder Groups

- S1 Employees
- S4 Suppliers
- S2 Customers

Our Strategic Priorities

- Product Portfolio Expansion
- Productivity & Quality
- Innovation
- Sustainability & Climate Initiatives

External Environment

IOI has identified the following key trends that are expected to impact our businesses, stakeholders and markets over the short, medium and long term. Our strategies position our businesses to seize the opportunities presented by these trends.

VOLATILITY IN DEMAND AND COMMODITY PRICES

Global palm oil demand and prices continue to be influenced by geopolitical developments, trade policies, weather conditions, biofuel mandates, and broader economic trends.

Competition from other vegetable oils and changing consumer preferences also contribute to market volatility.

Impact

Palm oil prices are expected to remain volatile, affecting profitability and margins across the value chain.

Geopolitical conflicts and wars may disrupt global trade flows, supply chains, energy markets, and freight costs, leading to heightened market uncertainty.

Climate-related events may affect crop yields and vegetable oil supply, while changes in biofuel mandates and government policies could influence demand patterns and market dynamics.

How IOI is responding

We leverage our fully integrated business model spanning upstream, refining, and downstream operations to enhance resilience against commodity price fluctuations.

Our strategic presence in Malaysia and overseas, with sales to more than 80 countries, enables us to serve diverse market segments and minimise concentration risks.

We also continuously strengthen market monitoring, risk management, and use hedging strategies to mitigate price volatility and navigate evolving market conditions.

IOI Outlook

While long-term fundamentals remain supported by growing demand for food, oleochemical, and biofuel applications, market conditions are expected to remain challenging amid geopolitical uncertainties, evolving trade policies, climate variability, and macroeconomic developments.

We will continue to focus on operational excellence, market diversification, and value-added product offerings to sustain growth and competitiveness.

Connection

Our Strategic Priorities

- Product Portfolio Expansion
- Productivity & Quality
- Sustainability & Climate Initiatives

Our Capitals

- F Financial
- M Manufactured
- S Social and Relationship

Our Material Matters

- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M5 Regulatory and Third-Party Compliance
- M10 Productivity and Product Quality

ELEVATED GLOBAL ENERGY PRICES AND INFLATION

Elevated energy prices and inflationary pressures continue to affect the global palm oil industry, driven in part by ongoing geopolitical tensions, including the Russia-Ukraine conflict.

Impact

Higher fuel and fertiliser costs have resulted in a substantial increase in plantations' production expenses.

Elevated natural gas prices, particularly in Europe, have resulted in a significant increase in processing costs for our downstream manufacturing facilities.

How IOI is responding

We optimise fertiliser application and use empty fruit bunches ("EFB") to partially replace inorganic fertilisers.

We continue to implement energy efficiency projects and to replace natural gas supply with oil from our downstream plants.

We also strengthen supplier engagement and contract negotiations to achieve cost efficiencies.

We continue to invest in energy conservation projects, including solar thermal, solar PV, biomass boilers, high-efficiency air compressors, optimisation of biogas boiler operations and high-efficiency motors.

IOI Outlook

Energy prices and inflationary pressures are expected to remain elevated amid ongoing geopolitical uncertainties and evolving global energy market conditions.

Connection

Our Strategic Priorities

- Innovation
- Productivity & Quality
- Sustainability & Climate Initiatives

Our Capitals

- N Natural
- F Financial
- M Manufactured
- S Social and Relationship

Our Material Matters

- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M4 Circular Economy and Waste Management
- M10 Productivity and Product Quality

RESPONSIBLE AND SUSTAINABLE AGRICULTURAL PRACTICES

Palm oil and agricultural companies are expected to maintain responsible and sustainable practices, contributing positively to the economy while addressing environmental challenges.

Impact

Climate change and environmental degradation present significant risks to both the global economy and business environment.

Corporations are expected to increase their positive impacts on the economy, social development and the environment.

The agricultural sector is expected to practise sustainable agriculture by incorporating circular economy solutions and regenerative agriculture practices to mitigate carbon emissions and reduce pollution, and safeguard biodiversity and our natural resources (e.g. forests, water, etc).

How IOI is responding

We implement sustainable agricultural practices across our plantations and operations.

We adhere to internationally recognised sustainability certifications, including the voluntary Roundtable on Sustainable Palm Oil ("RSPO") certification, the International Sustainability and Carbon Certification ("ISCC"), Indonesian Sustainable Palm Oil ("ISPO") certification and the mandatory Malaysian Sustainable Palm Oil ("MSPO") certification.

We are committed to No Deforestation, No New Planting on Peat and No Social Exploitation ("NDPE") and the protection of High Conservation Value ("HCV") and High Carbon Stock ("HCS") areas within our plantations, while extending our NDPE Policy requirements across our supply chain to ensure third-party supplier compliance.

We drive sustainable practices, undertake supplier assessments, conduct compliance tracing and supply chain monitoring, while actively engaging with suppliers via digital tools and innovative technologies.

IOI Outlook

Responsible sourcing, sustainable production and sound agricultural practices will remain fundamental to the long-term growth and resilience of the palm oil industry.

As a responsible plantation owner and grower, we collaborate closely with stakeholders across the value chain to address emerging sustainability challenges, meet evolving expectations and drive continuous improvement in environmental and social performance.

Connection

Our Strategic Priorities

- Innovation
- Productivity & Quality
- Sustainability & Climate Initiatives

Our Capitals

- N Natural
- I Intellectual
- S Social and Relationship

Our Material Matters

- M2 Human Rights and Fair Labour Practices
- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M4 Circular Economy and Waste Management
- M5 Regulatory and Third-Party Compliance
- M7 Traceability and Responsible Sourcing
- M8 Water Management
- M9 Sustainability Certification
- M10 Productivity and Product Quality
- M11 Biodiversity and Ecosystem

GROWING DEMAND FOR SUSTAINABLE PRODUCTS AND CERTIFICATIONS

Palm oil companies are expected to meet the growing demand from downstream customers and consumers for traceable and RSPO-certified palm oil products.

Impact

The successful development of RSPO Supply Chain Certification Systems depends on the uptake by product manufacturers and is driven by customer demand.

The adoption of increasingly stringent Environmental, Social and Governance ("ESG") standards by many multinational companies will require due diligence from product manufacturers.

The complexity of downstream processes and the need for segregation may increase cost and logistics requirements.

How IOI is responding

We produce both RSPO Mass Balance ("MB") and Segregated ("SG") grade products in our refineries while all our oleochemical products are available in the RSPO MB grade. In Germany, IOI Oleo GmbH has dedicated an entire product range exclusively to RSPO-certified standards to support market demand.

We served as Chair of the ASEAN Oleochemical Manufacturers Group's RSPO Work Group since its inception.

We leverage our integrated supply chain and in-depth knowledge of RSPO Supply Chain Certification Systems to assist customers in adopting RSPO-certified products. We also collaborate with key fast-moving consumer goods ("FMCG") customers who have an interest in RSPO SG grade and traceable raw material supply.

We continuously enhance production flexibility and develop tailored product formulations to support the practical and efficient manufacturing of RSPO SG grade products.

The similarities in segregation requirements between European Union Deforestation Regulation ("EUDR")-ready and RSPO-certified SG products enable better raw material planning and more efficient production runs.

IOI Outlook

The demand for RSPO MB and SG grade products will continue to grow across both food and non-food sectors, with an increasing preference for higher-assurance certification models such as RSPO SG or Identity Preserved grades.

Our investment in RSPO SG grade production facilities positions us to meet growing customer demand, achieve economies of scale and improve our market position. However, certain customers may also opt for cheaper alternatives to RSPO-certified products by imposing their own standards.

Greater alignment between EUDR-ready and RSPO-certified SG product requirements is also expected to improve the availability of specific RSPO SG and MB product fractions, potentially reducing production lead times.

Connection

Our Strategic Priorities

- Product Portfolio Expansion
- Innovation
- Sustainability & Climate Initiatives

Our Capitals

- F Financial
- M Manufactured
- S Social and Relationship
- I Intellectual

Our Material Matters

- M5 Regulatory and Third-Party Compliance
- M7 Traceability and Responsible Sourcing
- M9 Sustainability Certification
- M10 Productivity and Product Quality

PRODUCT REGULATORY REQUIREMENTS

Palm oil companies and manufacturers are facing increased regulatory changes, new compliance requirements and product registration obligations.

Political developments play an increasingly significant role in the development of these regulatory requirements.

Impact

The development of regulatory requirements for Registration, Evaluation, Authorisation & Restriction of Chemicals ("REACH") in key markets creates new compliance obligations.

Additional regulatory frameworks beyond REACH will continue to evolve, especially in sectors such as premium nutrition, infant nutrition, health supplements, and pet foods. Complying with these regulatory standards will require significant resources, costs and regulatory expertise.

Adaptations of existing regulations are increasingly driven by ambitious goals related to health, safety, and the sustainability of substances across various applications (e.g. under EU REACH), while also reflecting the challenges of a more volatile economic and political landscape.

Consequently, regulatory requirements continue to evolve, often leading to less predictable targets and complicating the planning of compliance programmes.

In parallel, more countries, particularly in regions such as South America are aligning with higher regulatory standards, introducing additional registration and notification obligations.

How IOI is responding

We continuously monitor the regulatory landscape through our Market Intelligence Team to identify emerging requirements and support timely compliance.

A dedicated technical task force oversees the development of products that comply with key market regulations and registration requirements, e.g. premium infant nutrition applications.

We have expanded access to qualified laboratories to support accurate Mineral Oil Saturated Hydrocarbons ("MOSH") and Mineral Oil Aromatic Hydrocarbons ("MOAH") testing and faster turnaround times.

Pre-registration and registration processes have commenced for relevant products to comply with key regional requirements, namely Korean REACH, UK REACH, and Turkish KKDIK.

Our business units work closely with regulatory teams, industry associations and local partners to stay ahead of legislative developments and strengthen compliance readiness.

IOI Outlook

The resource-based manufacturing segment is expected to benefit from the strong demand for personal hygiene products. Heightened awareness of nutrition and growing preference for convenient packaged foods are driving demand for infant nutrition products. IOI's low 3-MCPD, MOSH and MOAH and Glycidyl Esters products are well positioned to support these market opportunities.

There is growing concern among customers about climate change-related matters especially regarding product carbon footprints. We actively participate in various customer reporting platforms and are continually enhancing our product carbon footprint disclosure, guided by ISO 14067.

As the global regulatory landscape remains complex and constantly evolving, proactive monitoring of regulatory changes and active engagement with a broad network of stakeholders remain critical to ensuring timely and well-informed responses.

Connection

Our Strategic Priorities

- Product Portfolio Expansion
- Innovation
- Sustainability & Climate Initiatives

Our Capitals

- F Financial
- M Manufactured
- S Social and Relationship
- I Intellectual

Our Material Matters

- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M5 Regulatory and Third-Party Compliance
- M7 Traceability and Responsible Sourcing
- M10 Productivity and Product Quality
- M12 Data Integrity and Auditability via Digitalisation

EUDR AND EMERGING SUSTAINABILITY REGULATIONS

Companies exporting palm oil and related products to the European Union are required to comply with the EUDR.

Beyond the EUDR, additional frameworks such as the Industrial Emissions Directive ("IED"), Corporate Sustainability Reporting Directive ("CSRD") requirements, and the Packaging and Packaging Waste Regulation ("PPWR") are broadening the scope of environmental, operational and product-related compliance.

Recent policy dialogue and industry engagement have contributed to a refinement of EUDR (e.g. Annex I), supporting a more level playing field between EU producers and third-country suppliers.

Impact

The stringent EUDR requirements on traceability, segregation, and legality of materials have increased supply chain complexity, constrained the availability of compliant material and contributed to higher production costs and longer lead times.

The recent proposal on the Draft Delegated Act under the EUDR has included more oleochemical products into the purview of the legislation.

Additional investments may also be required to support emission control, packaging compliance, certification and traceability systems.

How IOI is responding

We stay abreast of the implementation of the EUDR and are committed to meeting its requirements to ensure an uninterrupted supply to our customers.

We evaluate our product portfolio against Annex I of the EUDR and develop a targeted supply strategy to maintain competitiveness.

We strengthen traceability through detailed logistics documentation, supply chain monitoring and robust data management processes.

We work closely with customers to facilitate the necessary processes, including the seamless flow of information required for Due Diligence System ("DDS") data input.

We also maintain regular and intensive engagement with existing suppliers to assess and strengthen EUDR readiness across the supply chain.

IOI Outlook

We will continue to improve our traceability data to meet EUDR requirements ahead of the 2026 deadline.

In anticipation of growing demand for EUDR-compliant products, we have implemented mitigation plans to meet the changing demands.

Through collaborative strategies and our strong commitment to sustainability, we are confident that our compliance efforts will translate into a competitive advantage.

To support this, we continue to closely monitor EUDR developments to enable swift adoption of any regulatory changes that may impact our business.

Connection

Our Strategic Priorities

- Product Portfolio Expansion
- Innovation
- Sustainability & Climate Initiatives

Our Capitals

- N Natural
- S Social and Relationship
- F Financial
- I Intellectual
- M Manufactured

Our Material Matters

- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M4 Circular Economy and Waste Management
- M5 Regulatory and Third-Party Compliance
- M7 Traceability and Responsible Sourcing
- M11 Biodiversity and Ecosystem
- M12 Data Integrity and Auditability via Digitalisation

GROWING EXPECTATION FOR ETHICAL LABOUR PRACTICES

Palm oil companies are expected to implement fair labour practices and audits in their operations to meet customers' expectations.

Impact

Downstream multinational customers encourage audits, such as Sedex Members Ethical Trade Audit ("SMETA") and EcoVadis Site Verification, to ensure that suppliers implement ethical labour practices concerning freedom of association, working time, workplace conditions, fair wages and vulnerability of migrant workers to improve labour welfare and human rights.

Product manufacturers are expected to comply with customers' audit requirements to maintain supplier status.

Failure to meet these expectations may affect customer relationships, competitiveness and stakeholder trust.

How IOI is responding

We subscribe to relevant audit programmes to monitor our progress and disclose our business practices, which are globally recognised by our partners and customers.

We communicate our progress and strengths to customers and stakeholders through scorecards and audit reports.

We implement targeted action plans to address existing gaps in our operations, strengthen compliance and promote fair and decent working conditions across our operations.

We also conduct corporate social responsibility activities, including health and educational programmes for community well-being.

To uphold ethical standards across our value chain, we collaborate with relevant NGOs and industry platforms, such as the Forum for Sustainable Palm Oil ("FONAP"). Through these strategic partnerships, we implement capacity-building programmes that support our suppliers in adopting responsible practices and proactively addressing complex labour challenges.

IOI Outlook

In response to rising client expectations and an increasingly complex regulatory landscape, we will continue to leverage audit findings and stakeholder feedback to strengthen labour standards, improve worker welfare and promote responsible business conduct throughout our operations and supply chain.

We remain firmly committed to sustainability and transparent data disclosure. Certifications, particularly those linked to sustainability performance, are of growing importance to our stakeholders.

We remain committed to upholding the rigorous standards set by EcoVadis and continuously improving our sustainability performance.

We prioritise the safety and well-being of our employees, ensuring seamless and sustainable operations while fostering a resilient and secure work environment across all our operations, guided by our IOI Group Safety and Health Policy.

Connection

Our Strategic Priorities

- Innovation
- Sustainability & Climate Initiatives

Our Capitals

- H Human
- I Intellectual
- S Social and Relationship

Our Material Matters

- M1 Safety and Health
- M2 Human Rights and Fair Labour Practices
- M6 Grievance Mechanism and Transparent Communication
- M12 Data Integrity and Auditability via Digitalisation

Risk Management

IOI identifies the principal risk segments that may affect the Group's ability to create value and achieve its strategic objectives. The following highlights selected key risks that emerged, evolved or were particularly relevant during the reporting period, reflecting developments and challenges across the Group's operating environment.

Further information on IOI risk management can be found in the Statement of Risk Management and Internal Control on pages 134 to 142.

RISK: Geopolitical and Trade Risks

Geopolitical uncertainty continues to reshape the global trade landscape and presents ongoing risks to our business operations.

Trade restrictions, tariffs, sanctions, evolving regulatory requirements, geopolitical tensions and supply chain disruptions may create cascading effects across market access, commodity flows, sourcing strategies, cost structures and operational continuity.

In an increasingly complex and uncertain operating environment, the ability to anticipate, adapt to and respond effectively to external developments is essential for strengthening business resilience and sustaining long-term value creation.

How IOI Manages this Risk

Continuously monitor geopolitical and trade developments, assess potential business impacts, and implement timely mitigation measures.

Collaborate closely with the Roundtable on Sustainable Palm Oil ("RSPO") and industry stakeholders to advance sustainable development in the palm oil sector, contributing to positive environmental and societal outcomes.

Maintain strong engagement with customers and suppliers to promote responsible sourcing practices and strengthen supply chain resilience.

Enhance stakeholder engagement and grievance mechanisms to proactively identify and address emerging concerns.

Connection

Our Capitals

- F Financial
- S Social and Relationship
- M Manufactured

Our Key Stakeholder Groups

- S2 Customers
- S3 Communities
- S4 Suppliers
- S6 Shareholders and Investors
- S7 Industry Associations/Civil Societies

Our Material Matters

- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M5 Regulatory and Third-Party Compliance
- M6 Grievance Mechanism and Transparent Communication
- M7 Traceability and Responsible Sourcing
- M10 Productivity and Product Quality

Market Demand and Customer Concentration

Global economic uncertainties, evolving consumer preferences, changing regulatory requirements and fluctuating demand continue to reshape the markets in which IOI operates, affecting sales performance, growth opportunities, and profitability.

Dependence on a limited group of customers, markets, or geographical regions may heighten concentration risks arising from shifts in purchasing behaviours, macroeconomic conditions, and regional regulatory developments.

How IOI Manages this Risk

Diversify customer portfolios, product applications and market presence to mitigate concentration risks.

Maintain close engagement with customers to anticipate evolving market needs and demand trends.

Monitor economic, industry, and market developments to support timely decision-making.

Enhance our product portfolio and value-added offerings to strengthen competitiveness, meet changing customer requirements and capture growth opportunities.

Connection

Our Capitals

- F Financial
- S Social and Relationship
- M Manufactured

Our Key Stakeholder Groups

- S2 Customers
- S6 Shareholders and Investors
- S7 Industry Associations/Civil Societies

Our Material Matters

- M5 Regulatory and Third-Party Compliance
- M6 Grievance Mechanism and Transparent Communication
- M7 Traceability and Responsible Sourcing
- M10 Productivity and Product Quality

Supply Chain Compliance

We remain committed to responsible sourcing practices and supply chain traceability.

Risks may arise from non-compliance with certification standards and regulatory requirements, including the RSPO, International Sustainability and Carbon Certification ("ISCC"), No Deforestation, No New Planting on Peat and No Social Exploitation ("NDPE") commitments, the European Union Deforestation Regulation ("EUDR"), and other evolving sustainability requirements across key markets.

How IOI Manages this Risk

Engage suppliers continuously to strengthen alignment with our Net Zero 2040 roadmap and responsible sourcing requirements through a three-step approach comprising Supply Chain Mapping, GHG Assessment and Stakeholder Engagement.

Empower suppliers to assess, monitor and improve their sustainability practices and environmental performance through the Tools for Transformation platform.

Maintain transparent sustainability disclosures through our corporate website and Palm Oil Dashboard.

Connection

Our Capitals

- N Natural
- S Social and Relationship
- M Manufactured

Our Key Stakeholder Groups

- S2 Customers
- S3 Communities
- S4 Suppliers
- S7 Industry Associations/Civil Societies

Our Material Matters

- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M5 Regulatory and Third-Party Compliance
- M6 Grievance Mechanism and Transparent Communication
- M7 Traceability and Responsible Sourcing
- M9 Sustainability Certification

Talent Management

Attracting, developing, and retaining a skilled and future-ready workforce remains critical to sustaining business performance and long-term competitiveness.

Risks may arise from talent shortages, succession gaps, evolving workforce expectations, skills mismatches, and leadership pipeline challenges.

Failure to effectively develop and retain talent may affect organisational performance, business continuity and the ability to adapt to a rapidly changing operating environment.

How IOI Manages this Risk

Embed talent management into business operations through continuous support, guidance, and development planning.

Advance leadership capabilities through targeted development programmes, including the EQ-i Workplace Report, Purposeful Leadership 360 Assessment, Leadership Management Training, and technical development initiatives.

Maintain robust succession planning by identifying critical positions, conducting talent reviews, assessing readiness, and implementing structured development plans.

Leverage talent management tools to identify capability gaps, support talent readiness, and enable structured development and mobility pathways for key talents and successors.

Connection

Our Capitals

- H Human
- I Intellectual
- M Manufactured

Our Key Stakeholder Groups

- S1 Employees
- S7 Industry Associations/Civil Societies

Our Material Matters

- M1 Safety and Health
- M2 Human Rights and Fair Labour Practices
- M10 Productivity and Product Quality

Climate Change and Extreme Weather

Climate change and extreme weather continue to present significant challenges to our operations.

Rising temperatures, shifting rainfall patterns, and recurring extreme weather events, such as El Niño, La Niña, floods and droughts, may adversely affect yields, productivity, operational efficiency, and raw material availability, impacting business continuity and long-term resilience.

How IOI Manages this Risk

Advance the Group-wide Climate Change Action initiative ("CCAi") to reduce greenhouse gas ("GHG") emissions and support our commitment to achieve Net Zero by 2040.

Progressively enhance water conservation and water management practices, advance the development of climate-resilient planting materials, and strengthen the adoption of Integrated Pest Management practices.

Explore emerging technologies and innovative solutions to strengthen climate adaptation and mitigation efforts.

Connection

Our Capitals

- N Natural
- S Social and Relationship

Our Key Stakeholder Groups

- S2 Customers
- S3 Communities
- S4 Suppliers
- S7 Industry Associations/Civil Societies

Our Material Matters

- M3 Climate Change, GHG Emission Management including Low Carbon Technology
- M4 Circular Economy and Waste Management
- M8 Water Management
- M11 Biodiversity and Ecosystem

Digital Resilience and Cybersecurity

As digital technologies become increasingly integrated across our operations, we face growing exposure to cybersecurity and technology-related risks.

Cyberattacks, ransomware, phishing, data breaches, and system intrusions may disrupt operations, result in financial losses, damage stakeholder trust, and lead to regulatory consequences.

Increasing reliance on digital platforms, cloud infrastructure, enterprise systems, automation technologies, and data-driven operations underscores the importance of robust cybersecurity governance and digital resilience to safeguard business continuity.

How IOI Manages this Risk

Implement layered cybersecurity defences, including firewalls, intrusion prevention systems, endpoint protection, encryption technologies, and extended detection and response ("XDR") capabilities.

Conduct ongoing cybersecurity awareness training and simulated phishing exercises to strengthen employee vigilance.

Maintain a Security Operations Centre ("SOC") and Cyber Incident Response Team ("CIRT") to monitor, detect and respond to threats in a timely manner.

Strengthen governance, access controls, vulnerability management, and security oversight across digital platforms, cloud environments, and operational technologies.

Enhance incident response, disaster recovery, and business continuity plans supported by regular system backups and testing.

Connection

Our Capitals

- H Human
- I Intellectual
- M Manufactured

Our Key Stakeholder Groups

- S1 Employees
- S4 Suppliers
- S2 Customers

Our Material Matters

- M1 Safety and Health
- M5 Regulatory and Third-Party Compliance
- M12 Data Integrity and Auditability via Digitalisation

Stakeholder Engagement

We are committed to building constructive relationships with our stakeholders, creating shared value through inclusive engagement and integrated decision-making, strengthening resilience, advancing our sustainability agenda, and laying a strong foundation for long-term growth and responsible value creation.

	Why We Engage	Key Concerns	Our Responses	Value Created For Stakeholders	Value Created For IOI
EMPLOYEES	Our employees are integral to IOI's business success and long-term growth.	• Open communication and fair remuneration; • Employee well-being and development opportunities; and • A transparent and progressive company culture.	We strive to attract and retain top talents while prioritising employees' wellness and morale, fostering a diverse and inclusive workplace that cultivates a strong sense of belonging.	We provide competitive remuneration, fair recognition and equal opportunities supported by online and offline training programmes that promote continuous learning and development.	We cultivate a value-driven culture and dynamic work environment that empowers employees to build fulfilling and rewarding careers.
CUSTOMERS	Our business growth is underpinned by the trust and support of our customers.	• Compliance with Environmental, Social and Governance ("ESG") standards; • Adherence to fair dealing principles (pricing, quality, consistency, reliability, credit); and • Technical support and guidance.	Ongoing dialogue sessions, open feedback channels and collaborative initiatives enable us to better understand our customers' needs and drive the development of innovative value-added products, including additive-free soaps, chemically-free processed glycerine and oleic acid as well as products with low 3-MCPD, Glycidyl Esters, Mineral Oil Saturated Hydrocarbons ("MOSH") and Mineral Oil Aromatic Hydrocarbons ("MOAH").	We advocate an Economic, Environmental, Social and Governance ("EESG") compliant end-to-end supply chain, proactively delivering solutions and addressing gaps to meet customer expectations and foster long-term relationships.	We strengthen our EESG best practices and drive continuous improvement, enabling us to respond proactively to evolving customer expectations while creating meaningful and sustainable value.
COMMUNITIES	Our business creates value and positive outcomes for the communities in which we operate.	• Equitable, sustainable and responsible practices; • Effective implementation of community projects and programmes; and • Provision of relief and assistance.	We empower communities by creating sustainable livelihoods, supporting essential community development projects and providing financial assistance for education and skills development.	We proactively engage with our communities through open communication, understanding expectations and identifying opportunities to deliver meaningful social impact.	We embrace diverse perspectives and encourage collaborative decision-making, steering projects toward equitable and sustainable outcomes that contribute to positive societal impact.
SUPPLIERS	Our suppliers provide essential inputs that support our business operations and value chain.	• Alignment with climate-related procurement standards and principles; and • Implementation of realistic, measurable and actionable ESG criteria.	We incorporate digital engagement tools, collaborative group sessions and workshops to uphold high standards, manage risks and maximise opportunities across our supply chain.	We take a holistic approach to supply chain engagement, extending our focus beyond direct suppliers to encompass our broader network, including distribution channels and key business partners.	We leverage mutually beneficial partnerships aligned with evolving priorities, generating value through additional resources, funding and strategic insights.
REGULATORS	A robust framework supports responsible business conduct and continuity.	• External factors such as political, economic, social, technological, legal and environmental developments affecting our business, including emerging industry dynamics, challenges and opportunities, and their implications for regulators and other stakeholders.	We demonstrate our commitment to openness and transparency by actively participating in focus groups, dialogue sessions and task forces, sharing insights that contribute to informed regulatory decisions and outcomes.	We uphold high standards of business conduct and comply with applicable regulations, supporting regulatory confidence and responsible business practices.	We recognise the importance of navigating an evolving regulatory landscape through consistent and transparent engagement, enabling us to anticipate developments, enhance our corporate profile and strengthen our external affairs capabilities.
SHAREHOLDERS AND INVESTORS	Consistent financial capital inflows reflect confidence in the IOI brand.	• Financial performance, including key metrics such as returns on investment and earnings projections, as well as future expansion plans, corporate strategies and sustainability material matters.	We facilitate timely and proactive dissemination of information on our operational performance and financial management, enabling shareholders and investors to make informed decisions and assess our corporate value.	We focus on delivering strong returns and maintaining financial resilience, thereby reinforcing the true value of the IOI brand.	We strategise and implement initiatives to strengthen EESG performance in line with the key priorities of our shareholders and investors, impacting investment decisions and value creation across the short, medium and long term.
INDUSTRY ASSOCIATIONS/ CIVIL SOCIETIES	Our industry affiliations support our commitment to delivering environmentally responsible products across our business operations.	• Adoption of responsible and traceable best practices; and • Opportunities for engagement and collaboration in addressing industry-wide challenges.	We actively collaborate with industry associations and civil societies on environmental protection and social development initiatives. Key milestones include partnerships to produce wood-free pulp and paper from empty fruit bunches, advancing the sustainable utilisation of agricultural waste as well as the development of an integrated and sustainable coconut mill complex incorporating advanced technologies and circular economy practices.	We endeavour to create value through transparent engagement and active collaboration with all our stakeholders, strengthening the reputation of the oil palm industry while advancing palm oil as a responsible and sustainable commodity.	We foster trust and confidence with industry associations and civil societies through responsible business practices and strategic partnerships, enhancing our capabilities to create long-term value.

Strategic Framework

Driven by innovation and growth, we create long-term value by expanding our product portfolio, enhancing productivity and quality, and advancing sustainability and climate action across our businesses.

We recognise both our capabilities and responsibility to make a meaningful impact in addressing the pressing challenges of today's world.

Guided by our 10-year aspiration, ***Reimagining IOI in 2035***, we are steadily transforming from a plantation and commodity-based company into a global sustainable palm-based products and ingredients company.

OUR FIVE-YEAR STRATEGIC ROADMAP (2025-2029)

Now in its second year, our five-year strategic roadmap continues to provide a clear and competitive growth strategy. It paves the way for sustainable value creation and long-term competitiveness through product portfolio expansion, advancing innovation, while driving higher productivity and sustainability ambitions.

Product Portfolio Expansion
We aim to strengthen our product portfolio to capitalise on new market opportunities. Seeking to achieve new heights in value creation, we prioritise investment in high-value end markets and applications, as well as extending into adjacent businesses with high-growth potential to become tomorrow's core businesses. This positioning maximises our returns and optimises our resource utilisation.

Innovation
IOI is committed to accelerating the development of innovative offerings through research and development investment, open collaboration and strategic partnerships, planting the seeds for future development. Our agility in embracing new waves of innovation will create the necessary resilience in the wake of global change. We strive to maintain our competitive edge by delivering differentiated and cutting-edge solutions.

Productivity & Quality
Driven by a rigorous focus on operational and commercial efficiency, IOI is committed to driving higher productivity and delivering superior quality, enabling us to offer products with competitive pricing and superior quality to our customers. The adoption of automation and digitalisation practices will further elevate our upstream and downstream performance to a higher level.

Sustainability & Climate Initiatives
We are committed to responsible and sustainable practices by actively advancing green initiatives across our operations. This includes increasing renewable energy use, improving energy efficiency and reducing our carbon footprint. These efforts are part of our long-term strategy to achieve Group-wide net zero emissions by 2040, ensuring that we contribute meaningfully to global climate goals while building a resilient and future-ready business.

Refer to Strategic Enablers on pages 51 to 53 and Strategic Priorities on pages 54 to 61 for details.

Strategic Enablers

Enabler 1

Human Capital Development & Culture

CONNECTION

Our Key Stakeholder Groups
- S1 Employees
- S6 Shareholders and Investors

Our Capitals
- H Human
- S Social and Relationship
- F Financial
- I Intellectual

Our Risks
- R4 Talent Management

IMPORTANCE FOR IOI

Human Capital Development and Culture is vital to the growth and productivity of the organisation. Our employees are an invaluable asset who facilitate business growth and drive organisational excellence. We are committed to developing a world-class company that is built upon the strengths of its people. In doing so, we continue to nurture, develop and engage our employees to maintain a competitive advantage for the organisation. It is crucial to equip our workforce with the required skills to deliver our four strategic priorities.

OUR APPROACH

1. Creating and sustaining a high-performing workforce.
2. Managing employer branding.
3. Improving employee experience.
4. Enhancing human resource ("HR") digitalisation.

KEY INITIATIVES

1. Cultivate an operational excellence work culture and create a highly competent workforce.
2. Strengthen culture and workforce readiness through digitalisation.
3. Build a sustainable leadership pipeline.
4. Expand employee competencies through reskilling and upskilling.
5. Promote empowerment and inclusion.
6. Enhance employee engagement and encourage workplace innovation.
7. Provide career advancement, offer competitive remuneration and enhance employee benefits.

KEY HIGHLIGHTS

1. Continued winning recognition for HR excellence in talent development and workplace culture (see pages 18 and 19 for full award listing).
2. Strengthened leadership, succession planning and talent management through initiatives such as the EQ-i Workplace Report, Purposeful Leadership 360 Assessment, Leadership Management Training and technical development programmes.
3. Leveraged digitalisation for technology-enabled learning and development opportunities across the Group by expanding the IOI Grow Learning Management System ("LMS") to employees in East Malaysia.
4. Prioritised employee well-being with enhancements to medical and welfare benefits, including insurance coverage, health screening initiatives, optical and dental benefits, nursing facilities, childcare support, mobile phone subsidies and Automated External Defibrillator ("AED") installation at selected locations.
5. Promoted holistic employee well-being through health talks, vaccination programmes, Employee Assistance Programme ("EAP"), mental health initiatives and partnerships with healthcare providers to support employees' physical, mental and financial wellness.
6. Fostered an engaged and inclusive workplace culture through town hall meetings, team-building activities, sports programmes, family-oriented events and festive celebrations, held throughout the year to strengthen collaboration, inclusiveness and employee connection.
7. Advanced diversity, inclusion and women empowerment efforts through various Women Empowerment Committee ("WEC") initiatives that promoted female leadership development, increased participation opportunities and fostered inclusivity.
8. Reinforced workplace safety and compliance through occupational safety programmes, safety awareness campaigns, food safety initiatives, health-related training and collaboration with relevant authorities to promote a safer working environment.
9. Strengthened community and sustainability engagement via employee participation in community outreach, environmental and sustainability-related initiatives, including educational support programmes, environmental conservation activities, donation drives and community engagement efforts, reinforcing the Group's commitment to creating positive social impact.

FOCUS FOR FY2027

1. Continue the implementation of the HR systems to enhance efficiency and data integration.
2. Upskill and reskill the workforce to enhance capabilities and performance.
3. Strengthen succession planning through collaboration with leaders and training providers.
4. Support employee well-being and mental health initiatives.
5. Drive continuous leadership development.
6. Foster employee engagement and retention through team bonding, community participation and enhanced internal communication.
7. Strengthen organisational growth through recruitment, team development and employee empowerment.

Enabler 2

Sustainability

Refer to our Sustainability Report 2026 for a detailed review.

CONNECTION

Our Key Stakeholder Groups

- S1 Employees
- S2 Customers
- S3 Communities
- S4 Suppliers
- S6 Shareholders and Investors
- S7 Industry Associations/Civil Societies

Our Capitals

- H Human
- N Natural
- F Financial
- M Manufactured
- S Social and Relationship
- I Intellectual

Our Risks

- R1 Geopolitical and Trade Risks
- R2 Market Demand and Customer Concentration
- R3 Supply Chain Compliance
- R4 Talent Management
- R5 Climate Change and Extreme Weather

IMPORTANCE FOR IOI

The sustainability culture is firmly intertwined within our organisation. We balance growth with environmental stewardship, ensuring the well-being of our employees and the communities that we may affect. Guided by our three pillars of sustainability – People, Planet, Prosperity ("3Ps") + Partnership – we embed the 7Rs of Circularity across all our operations and businesses to drive long-term value and impact.

OUR APPROACH

1. Aligning sustainability with key policies and IOI's four strategic priorities.
2. Establishing forward-looking sustainability goals and commitments based on global needs, requirements and IOI's 3Ps framework.
3. Ensuring strong sustainability governance through board oversight, stakeholder engagement, accountability and transparency.
4. Establishing proper systems and processes to monitor progress, communicate actions and meet stakeholders' expectations.
5. Embracing six United Nations Sustainable Development Goals ("UN SDGs") that are most relevant to our businesses and operations.
6. Integrating the 7Rs of Circularity, regenerative and precision agriculture into our operations.
7. Adopting best practices and culture, driving green technology and innovation as well as incentivising operational efficiency through resource management.

KEY INITIATIVES

1. Uphold the No Deforestation, No New Planting on Peat and No Social Exploitation ("NDPE") and Zero Burning Policy across all plantation operations.
2. Safeguard High Conservation Value ("HCV") and High Carbon Stock ("HCS") areas within our operations.
3. Reduce greenhouse gas ("GHG") emissions from our operations with a clear Climate Transition Plan ("CTP") towards carbon neutrality by 2030 (Scope 1 and 2), followed by a Net Zero target by 2040 (Scope 1, 2 and 3) through our Climate Change Action initiative ("CCAi").
4. As part of Strategic Priority 4, to boost productivity through technology and women empowerment while ensuring a Just Transition as we move towards a low-carbon economy.
5. Adopt and practise the 7Rs of Circularity, precision agriculture and regenerative agriculture approaches.
6. Uphold policies and guidelines to protect human rights, ensure no forced labour and prevent child labour through education for children in plantations.
7. Benchmark industry best practices through voluntary participation in CDP, Sustainability Policy Transparency Toolkit ("SPOTT"), Corporate Sustainability Assessment, FTSE Russell, Sustainalytics, EcoVadis, SEDEX assessments, etc.
8. As part of Responsible Sourcing, to continuously monitor all stages of the palm oil supply chain to ensure adherence to our Sustainability Policy, including compliance with the required regulations and standards.

KEY HIGHLIGHTS

1. Continued strengthening Environmental, Social and Governance ("ESG") transparency through voluntary disclosures and participation in ESG ratings, earning a fourth consecutive win at The Edge Malaysia ESG Awards 2025.
2. Validated IOI's near-term GHG emissions reduction targets with the Science Based Targets initiative ("SBTi").
3. Spearheaded a new Pre-Employment Orientation ("PEO") programme in collaboration with the International Organization for Migration ("IOM").
4. Achieved 73% green electricity utilisation at the Sandakan refinery, driven by increased power generation and productivity from the power plant.
5. Completed full Product Carbon Footprints ("PCF") implementation, including independent verification of PCF calculations, and achieved a fourth successful verification of Corporate Carbon Footprint ("CCF") in Germany, demonstrating data robustness, transparency and credibility.

FOCUS FOR FY2027

1. Broaden activities to rehabilitate buffer zones and riparian areas under the CCAi's Reforestation and Biodiversity Task Force.
2. Leverage a digital biodiversity monitoring platform, soil health management, and collaboration on wildlife protection with NGOs and government officials to strengthen biodiversity conservation.
3. Intensify activities using a landscape-level approach and collaboration to support rehabilitation of degraded areas, peatland rewetting, no deforestation and improvement of local community livelihoods.
4. Strengthen Scope 3 GHG management and supply chain decarbonisation through supplier mapping and engagement.
5. Enhance responsible recruitment and mitigate labour rights issues with the implementation of the PEO.
6. Reduce or remove GHG emissions via initiatives such as efficient methane captures and cogeneration power plant as well as use of solar panels and biomass boilers to help achieve our carbon-neutral target by 2030.
7. Expand self-generation of renewable energy and optimise energy utilisation at the refinery and biomass plants in Sandakan.
8. Roll out and integrate the PCF/CCF software solution, as well as develop and standardise the PCF methodologies and reporting in line with regulatory and customer requirements.

Enabler 3

Technology & Digitalisation

CONNECTION

Our Key Stakeholder Groups

- S1 Employees
- S2 Customers
- S4 Suppliers
- S6 Shareholders and Investors

Our Capitals

- H Human
- F Financial
- M Manufactured
- S Social and Relationship
- I Intellectual

Our Risks

- R4 Talent Management
- R6 Digital Resilience and Cybersecurity

IMPORTANCE FOR IOI

In the age of the Fourth Industrial Revolution ("IR4"), we are accelerating technology to enhance our upstream and downstream operations. Our four strategic priorities are underpinned by digitalisation, automation, mechanisation and novel technologies, enabling us to execute our strategies more effectively, modernise our business to remain competitive and propel the organisation to the digital core era.

OUR APPROACH

1. Standardising business processes across our core business segments by leveraging SAP's analytical and transactional capabilities to drive efficiency.
2. Providing savings in plantation operations' support services based on SAP system and integrated digital solutions. Implement electronic salary payment and enhance mobile network connectivity in the estates.
3. Advancing agricultural and manufacturing practices through innovation and technology adoption.
4. Enhancing our estates' operational efficiency and reducing dependency on manual workers via mechanisation.
5. Embedding automation and digitalisation in our refinery and oleochemical manufacturing processes in line with the IR4 aspiration.

KEY INITIATIVES

1. **Upstream Digitalisation:**
   Ensure proper management and full utilisation of the SAP system, explore robotic process automation ("RPA") and other digital solutions, as well as embark on more automation projects in upstream processes.
2. **Mechanisation:**
   Enhance workforce productivity and reduce worker dependency in estates through mechanisation.
3. **Downstream Digitalisation:**
   Strategise digitalisation and automation projects and identify roll-out plans for IR4 in downstream manufacturing.

KEY HIGHLIGHTS

1. **Upstream Digitalisation:**
   a. Invested in digital systems to improve business operations, including a new Workday HRMS system for employee management, SAP Treasury dashboard, and expansion of budgeting and planning tools to all the mills via SAP Business Planning & Consolidation ("BPC").
   b. Enhanced Group-wide cybersecurity resilience through the adoption of CISO-as-a-Service and Security Operations Centre-as-a-Service, together with various cybersecurity solutions providing enhanced safeguards.
   c. Successfully expanded 4G network and Machine-to-Machine ("M2M") capabilities from 40 estates to over 100 plantation units to accelerate digital transformation through high-speed connectivity.
2. **Mechanisation:**
   a. Enhanced harvesting efficiency by converting identified potential areas from double-tier system to the single-tier system for infield evacuation in Peninsular Malaysia estates.
   b. Embarked on mainline fresh fruit bunches ("FFB") evacuation and infield FFB evacuation using crawler machines in Indonesia.
   c. Conducted roadshows to upskill field personnel in machinery operation.
3. **Downstream Digitalisation:**
   a. Completed 28 IR4-related projects in the refinery plants at Sandakan to improve process automation and operational efficiency.
   b. Fully automated medium-chain triglycerides ("MCT") production at the Wittenberge site and extended the Near-Infrared ("NIR") online analytics to the hard fat line, increasing capacity by over 10%.

FOCUS FOR FY2027

1. **Upstream Digitalisation:**
   a. Optimise the SAP S/4 HANA Enterprise Resource Planning ("ERP") system upgrade, embark on SAP Business Data Cloud ("BDC"), modernise the SAP user access interface with SAP Fiori, continue the implementation of SAP Agricultural Contract Management ("ACM") and SAP Commodity Trading and Risk Management ("CTRM"), and conduct end-to-end data assessment in compliance with Malaysian Financial Reporting Standards ("MFRS").
   b. Leverage artificial intelligence ("AI") on Internet of Things ("IoT") to improve operations and advance an IoT-driven FFB evacuation solution from pilot to pre-production.
   c. Strengthen cloud and data security through Zero Trust Security architecture and robust data encryption measures, safeguarding critical information assets and reinforcing the Group's resilience against evolving cyber threats.
2. **Mechanisation:**
   a. Continue the conversion of the remaining areas to optimise productivity and operational sustainability.
3. **Downstream Digitalisation:**
   a. Upskill employee competencies in digitalisation, automation and data analytics.
   b. Implement online condition-based monitoring of critical pumps, digitalisation of energy management system, plant information management system, warehouse automation, and deployment of an unmanned weighbridge in Johor to drive manufacturing digitalisation.
   c. Optimise energy infrastructure and launch the new SAP ERP system at IOI Oleo GmbH.

Strategic Priorities

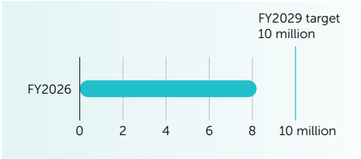
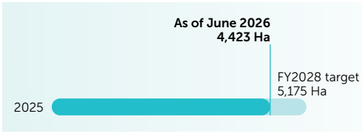
To maintain our focus on sustainable value creation, we are monitoring four strategic priorities for 2025-2029.

This focused approach keeps us on track to deliver sustainable growth and provide valuable stakeholder returns over the short, medium and long term. We have also established a resource allocation plan to execute these priorities based on the capital inputs identified in our business model on pages 32 and 33.

*Note: The targets of the key initiatives were reassessed and updated following review of changes in business conditions and operating assumptions.

STRATEGIC PRIORITY 1: Product Portfolio Expansion

PLANTATION

OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
High-Yielding Seed Production		
To expand seed production to 10 million per annum by FY2029.	 We have produced 8.2 million seeds in FY2026.	Continue increasing the production capacity of sustainable high-yielding third-generation DxP material.
Ganoderma-Tolerant Seed Production		
To produce 400,000 seeds annually by FY2029.	The screening trial for the 10 mother palms progenies initiated in January 2026 using a *Ganoderma* strain from the Malaysian Palm Oil Board ("MPOB") is currently undergoing validation using the MPOB reference strain, with the final results due by the end of 2026.	Produce *Ganoderma*-tolerant seeds starting from 2027 using mother palms with confirmed tolerance from the screening trial. The screening will be continued with other potential mother palms using the MPOB reference strain.
Coconut Planting		
To plant around 2,000 additional hectares ("ha") to achieve 5,175 ha and develop an integrated coconut oil business by FY2028.	 • We have planted a total of 4,423 ha as of June 2026. • IOI partnered with Mega Star Holding Pte Ltd, an affiliate of Ting Hsin International Group on 6 November 2025 to develop the integrated coconut mill complex.	• Continue the expansion of coconut planting for selected estates. • Commence the construction of the coconut mill complex in the first half of 2027.

RESOURCE-BASED MANUFACTURING

OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
Ester Production Capabilities		
To enhance the esterification plant and expand ester capacity by 12,000 MT per annum by FY2028.	The Alcohol Ester Plant ("AEP") 3 construction is progressing according to schedule and remains on track for completion in 2027.	Commission the AEP 3 in the second half of 2027.
Expand Product Portfolio of Pharma and Personal Care		
To increase sales volume by 7% in pharma and 10% in personal care through new product developments.	We have successfully launched/sold three new products in personal care, and one new Polyglycerol Esters ("PGE") product group for pharmaceutical applications in FY2026.	• Increase total sales volume of the newly launched products. • Integrate Imperial-Oel-Import Handelsgesellschaft mbH, a Hamburg-based trading company that was acquired on 1 July 2026 and is focusing on Omega-3/6 and related products, into IOI Oleo GmbH under a new business unit, to support our strategic expansion into the field of nutraceuticals.

RENEWABLES

Renewable Materials		
To build the country's first integrated empty fruit bunch ("EFB") paper pulp facility, targeted for commissioning by FY2029*.	Earthworks are ongoing as of June 2026 and expected to be completed in the second half of 2026. The procurement and tendering process for major plant equipment is underway, with preparations continuing for the commencement of full-scale construction.	Ensure the construction works for the pulp processing facility are in progress and are scheduled for completion by end of 2028.

STRATEGIC PRIORITY 2: Innovation

PLANTATION

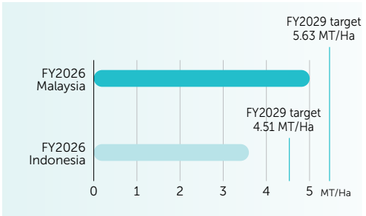
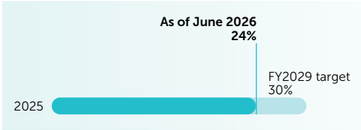
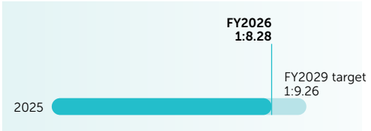
OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
Organic Oil Palm		
To convert an additional 2,495 ha of organic oil palm to achieve a total of 3,623 ha by March 2027.	We are progressing towards organic in-conversion for the additional 2,495 ha due for a certification audit in March 2027.	Achieve full organic certification in March 2027.
Development of New Generation Seed Materials		
Selection of fourth-generation mother palms starting from 2028, to develop uniform, high-performing oil palm materials.	• Early indications show that fourth-generation Dura yields higher fresh fruit bunches ("FFB") than the third-generation Dura during the first year of harvesting. • Yield evaluation is ongoing, and further harvesting is required to assess the performance of the palms.	Continue yield recording and bunch analysis to monitor the yield performance of the fourth-generation Dura.

RESOURCE-BASED MANUFACTURING

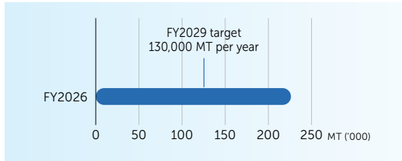
OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
Product Differentiation for Fatty Acids and Soap Noodles		
To increase differentiated fatty acids and soap noodle products by 13,000 MT and 16,000 MT respectively by FY2029.	• Fatty Acids – We have identified partners to develop technology to produce premium glycerine, with research work-in-progress to achieve the desired goals. • Soap Noodles – We have successfully developed various types of differentiated soap noodles with the first sales recorded.	• Fatty Acids – Upgrade our facility capabilities to achieve pharmaceutical compliance standards, enabling service to a broader range of pharmaceutical customers with stringent regulatory requirements. • Soap Noodles – Continue strengthening our volume in countries that value the proposition of differentiated soap noodles such as emerging African markets, selected Asian regions and European Union ("EU") markets.
Oleo Product Development via R&D, Technology Enhancements, Product Differentiation		
To develop five new products by FY2029.	 We have successfully developed five new products in personal care and one new product in pharmaceuticals as of June 2026.	• Develop a highly purified glycerine for special pharmaceutical applications, through cross-functional collaboration between Malaysia and Germany. • Launch a new pharma PGE product for the Convention for Pharmaceutical Ingredients ("CPHI") in October 2026.

STRATEGIC PRIORITY 3: Productivity & Quality

PLANTATION

OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
Oil Yield		
To maximise crop recovery without compromising crop quality, targeting annual oil yield of 5.63 MT/ha for Malaysian plantations and 4.51 MT/ha for Indonesian plantations by FY2029*.	 We achieved an oil yield of 5.05 MT/ha for Malaysian plantations and 3.63 MT/ha for Indonesian plantations.	• Improve soil health by applying organic materials and plantation residues with a focus on lower-yielding areas. • Focus on effective workers utilisation with targeted mechanisation expansion.
Elite Clonal Palms		
To achieve 30% of planted ha in Malaysia planted with clonal palms by FY2029.	 24% of our Malaysian planted ha have been planted with elite clonal palms as of June 2026.	Continue expanding elite clonal planting in suitable areas.
Estate Workforce		
To improve labour-to-land ratio to 1:9.26 by FY2029*.	 We have achieved a labour-to-land ratio of 1:8.28 for FY2026.	Continuously expand mechanisation efforts focusing on land preparation and infield implementation at potential areas to improve labour productivity and optimise manpower utilisation.

RESOURCE-BASED MANUFACTURING

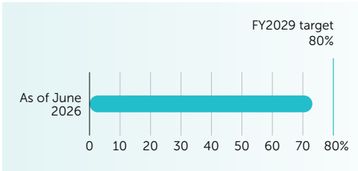
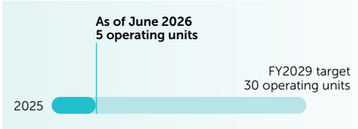
OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
High Quality Premium Oils		
To produce and sell 130,000 MT per year of premium oils by FY2029*.	 We exceeded the target and sold 226,000 MT of high-quality palm and lauric oils in FY2026 with contaminant levels below the EU requirement, commanding higher price premiums.	• Proactively adapt to changing customer needs. • Develop a supplier engagement plan focused on identifying and sourcing superior grade oil.
Fatty Acid Plants Utilisation		
To increase the plant utilisation by 25% by FY2029.	The plant utilisation was slightly below the planned level due to geopolitical tensions impacting fatty acids demand and stiff competition from regional competitors but the business remained focused on strengthening customer engagement to position for demand recovery and higher value capture opportunities.	Continue developing new and innovative products, and expand sales into emerging markets with growing fatty acids demand to generate new sales opportunities.
Oleochemical Operation Efficiency and Productivity		
• To increase operational efficiency and productivity through automation & digitalisation projects. • To increase overall production capacity of medium-chain triglyceride ("MCT") and specialty esters by more than 9%. • To build a Lipid Excellence Center ("LEC") in Witten, commissioned by the third quarter of 2028.	• We automated the tanker loading process at the Acidchem Loading Bay, Penang to achieve process efficiency, safer operations and better loading accuracy. • We have increased overall production capacity of specialty esters and MCT by 9% through the commissioning of additional production capacity at the Witten site and Wittenberge site. • We have improved Good Manufacturing Practice ("GMP") in Witten site at flaking and filling units. • The development of the LEC is being evaluated amidst changes in site development matters.	• Introduce automation initiatives including wireless network and implement Radio-Frequency Identification tracking with Warehouse Management System at Acidchem. • Utilise the additional capacity and sell higher volumes of MCT. • Continue efficiency measures and increase capacity on bottleneck reactors at the Witten site and Wittenberge site. • Further roll-out of GMP improvements and completion of upcoming GMP audit in 2027 without major or critical deviations at Witten site.

RENEWABLES

Lean Manufacturing Concept and Improvement Projects		
To increase IOI Palm Wood Sdn Bhd's ("IOI Palm Wood") overall equipment effectiveness ("OEE") to above 80% and increase production yield to 30% by FY2029*.	• The implementation of Lean manufacturing principles embedded within IOI Palm Wood resulted in an OEE of approximately 65% as of June 2026. • We have optimised the panel manufacturing section, following the installation of the Pre-planner, which improved the average production yield to 24% as of June 2026.	• Improve OEE through enhanced equipment reliability, improved product quality and production process optimisation. • Increase production yield by reducing process losses, manufacturing defects, post-kiln drying rejection rates and enhancing material recovery.

STRATEGIC PRIORITY 4: Sustainability & Climate Initiatives

PLANTATION

OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
Renewable Energy Implementation		
To install biogas power plants in 80% of mills and solar panel systems in remote estates for 30 operating units by FY2029*.	 We have completed the installation of biogas power plants in 73% of mills (11 mills) as of June 2026.  We have completed the installation of solar panels at remote estates for five operating units as of June 2026.	• Commission the remaining biogas plants in Malaysia and award contracts in Indonesia. • Complete solar panel installation for six operating units which are in progress and continue awarding solar panel installation contracts for remote estates.

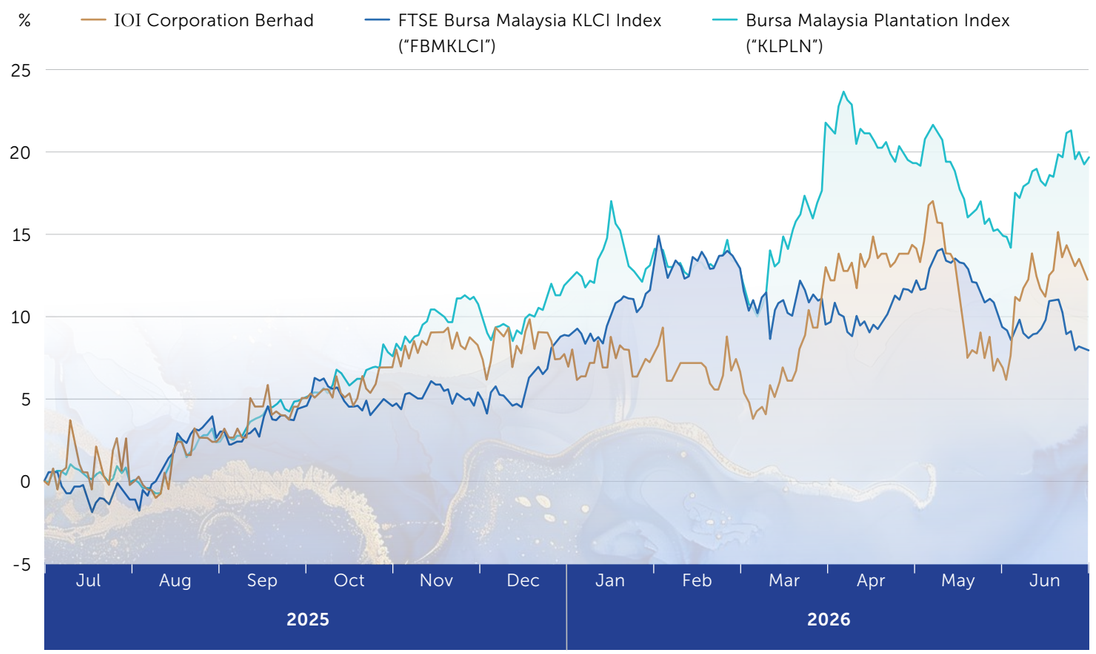
RESOURCE-BASED MANUFACTURING

OUR KEY INITIATIVES	ACHIEVEMENTS IN FY2026	SHORT-TERM PRIORITIES
Advancing Manufacturing Technology		
To improve energy efficiency, reduce energy consumption and greenhouse gas ("GHG") emissions through project implementation to contribute towards our carbon neutral goal by 2030.	Refinery: • Adopted heat recovery and energy-saving projects in all production plants, including stearin tank temperature automation control system, statolizer extension, variable speed drive-controlled cooling tower fans, and high-efficiency pump. • Sandakan refinery utilised 73% of total electricity requirements in FY2026 with green electricity, minimising dependence on fossil fuel-based state grid electricity. Oleochemical: • We have completed comprehensive product carbon footprint ("PCF") calculations in Germany for relevant products to meet customer requirements. The PCFs are now undergoing external verification.	Refinery: • Explore alternative renewable energy utilisation sources and heat recovery solutions, while enhancing production efficiency to reduce GHG emissions. • Further reduce carbon footprint by adopting electricity-saving projects, while optimising green electricity generation. Oleochemical: • Successfully installed and commissioned the 15 MT/hr biomass boiler in Johor in August 2026. • Conduct a feasibility study for the use of bioenergy as an alternative to natural gas for the Penang operation. • Finalise external verification of PCF calculations and use the verified PCFs to support customer sustainability requirements. • Develop energy-efficient and climate-friendly production processes using the latest enzymatic esterification at the Witten site.

RENEWABLES

IOI Palm Wood Sustainability Projects		
To install rooftop solar PV to improve energy savings by 26% annually and implement other sustainability projects.	The rooftop solar PV system has delivered electricity savings of approximately 43% in FY2026.	Explore additional sustainability initiatives such as rainwater harvesting.

Share Price Performance



FIVE-YEAR SHARE PRICE PERFORMANCE	2026	2025	2024	2023	2022
Market share price (RM):					
- Highest	**4.45**	4.08	4.22	4.27	4.76
- Lowest	**3.70**	3.42	3.69	3.59	3.49
- Closing	**4.22**	3.74	3.70	3.73	3.84
Shares trading volume (million)	**953**	494	557	616	884
Market capitalisation (RM million)	**26,523.5**	23,201.8	22,953.7	23,139.8	23,857.8

Five-Year Financial Highlights

In RM million unless otherwise stated	2026	2025	2024	2023	2022
RESULTS					
Revenue	**11,779.1**	11,334.7	9,603.6	11,583.8	15,578.7
Profit before interest and tax	**2,099.0**	1,700.6	1,535.3	1,815.5	2,494.2
Net interest expenses	**(101.3)**	(107.2)	(117.9)	(115.0)	(128.8)
Net foreign currency translation gain/ (loss) on foreign currency denominated borrowings and deposits	**110.6**	284.1	(18.9)	(174.5)	(12.8)
Profit before tax	**2,108.3**	1,877.5	1,398.5	1,526.0	2,352.6
Tax expense	**(398.7)**	(341.1)	(282.2)	(396.0)	(583.7)
Profit for the financial year	**1,709.6**	1,536.4	1,116.3	1,130.0	1,768.9
Attributable to:					
Owners of the parent	**1,682.0**	1,520.6	1,109.4	1,114.2	1,725.3
Non-controlling interests	**27.6**	15.8	6.9	15.8	43.6
ASSETS					
Property, plant and equipment	**10,043.6**	9,432.6	9,229.1	8,995.2	8,709.2
Investments in associates	**3,285.8**	3,245.8	3,103.3	3,013.3	3,110.0
Other non-current assets	**732.7**	661.9	625.2	647.1	669.2
	14,062.1	13,340.3	12,957.6	12,655.6	12,488.4
Current assets	**5,053.0**	4,763.2	4,984.6	4,926.3	6,679.4
Assets classified as held for sale	**-**	27.2	-	-	-
Total assets	**19,115.1**	18,130.7	17,942.2	17,581.9	19,167.8
EQUITY AND LIABILITIES					
Total shareholders' equity	**13,282.6**	12,294.0	11,678.6	11,330.8	10,943.7
Non-controlling interests	**350.9**	338.8	331.1	339.8	340.8
Total equity	**13,633.5**	12,632.8	12,009.7	11,670.6	11,284.5
Non-current liabilities	**3,541.8**	3,847.3	4,351.7	4,235.8	4,131.7
Current liabilities	**1,939.8**	1,647.2	1,580.8	1,675.5	3,751.6
Liabilities classified as held for sale	**-**	3.4	-	-	-
Total liabilities	**5,481.6**	5,497.9	5,932.5	5,911.3	7,883.3
Total equity and liabilities	**19,115.1**	18,130.7	17,942.2	17,581.9	19,167.8

Group Financial Overview

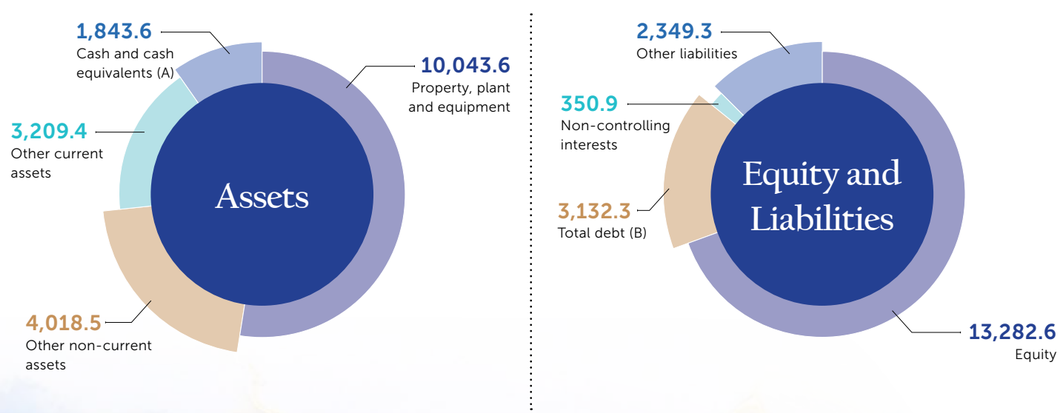
Group Financial Overview

NET DEBT AS AT 30 JUNE 2026	RM million
Net cash flow generated from operation	1,668.2
Capital expenditure, net of disposal	(748.7)
Free cash flow from operation	919.5
Dividends received from investments	203.8
Acquisitions of a subsidiary, net of cash and cash equivalents and borrowings	(310.2)
Additional investment in an associate	(65.1)
Additional investment in joint ventures	(57.7)
Additions to other investments	(10.4)
Repayment from plasma receivables	17.2
Repayment from a joint venture	4.8
Net settlements of hedging instruments arising from repayments of borrowings	(4.4)
Net interest paid	(99.4)
Net proceeds from sale of treasury shares of the Company	333.6
Dividend payments	
- Shareholders of the Company	(686.9)
- Shareholders of subsidiaries	(15.5)
Cash inflow in net debt	229.3
Accretion of borrowings	(1.4)
Lease interest expense	(2.9)
Reassessments and modifications of leases	(0.1)
Addition to finance lease obligation	(4.2)
Additions to lease liabilities	(7.2)
Decrease in net debt	213.5
Net debt as at 30 June 2025	(1,682.7)
Translation difference	180.5
Net debt as at 30 June 2026	(1,288.7)

RETAINED EARNINGS AS AT 30 JUNE 2026	RM million
Segment results	2,054.7
Unallocated corporate net income	44.3
Profit before interest and tax	2,099.0
Net interest expense	(101.3)
Net foreign currency translation gain on foreign currency denominated borrowings and deposits	110.6
Profit before tax	2,108.3
Tax expense	(398.7)
Profit for the financial year	1,709.6
Other comprehensive income	0.7
Total comprehensive income	1,710.3
Attributable to non-controlling interests	(27.6)
Total comprehensive income attributable to owners of the parent	1,682.7
Dividends paid	(686.9)
	995.8
Retained earnings as at 30 June 2025	11,980.4
Retained earnings as at 30 June 2026	12,976.2

Statement of Financial Position as at 30 June 2026

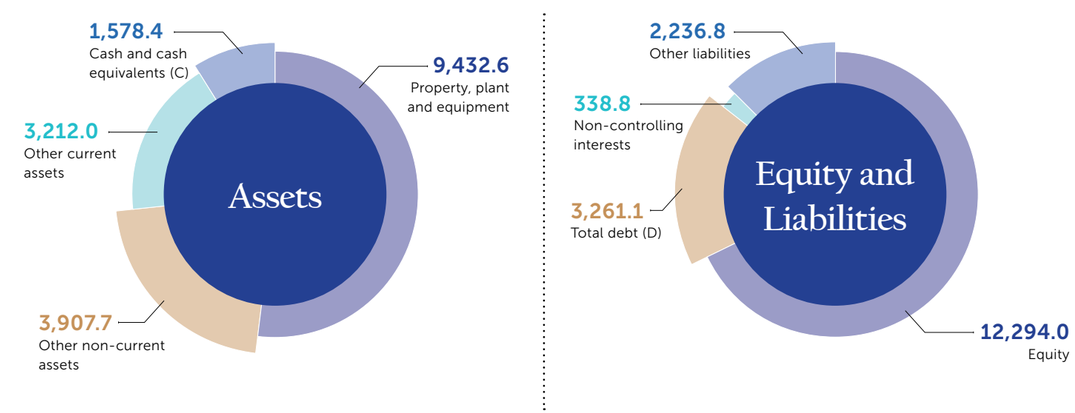
(RM million)



NET DEBT = (B) - (A) = RM 1,288.7 million
NET GEARING RATIO = 9.70%

Statement of Financial Position as at 30 June 2025

(RM million)



NET DEBT = (D) - (C) = RM 1,682.7 million
NET GEARING RATIO = 13.69%

Group Quarterly Results

In RM million unless otherwise stated	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	2026
Revenue	3,051.8	3,010.1	2,675.5	3,041.7	**11,779.1**
Operating profit	416.3	443.4	283.5	563.6	**1,706.8**
Share of results of associates	99.1	119.5	80.0	90.4	**389.0**
Share of results of joint ventures	(0.5)	1.7	1.8	0.2	**3.2**
Profit before interest and tax	514.9	564.6	365.3	654.2	**2,099.0**
Interest income	6.7	6.8	6.8	7.2	**27.5**
Finance costs	(33.2)	(33.3)	(31.5)	(30.8)	**(128.8)**
Net foreign currency translation (loss)/gain on foreign currency denominated borrowings and deposits	(1.4)	112.1	14.3	(14.4)	**110.6**
Profit before tax	487.0	650.2	354.9	616.2	**2,108.3**
Tax expense	(112.0)	(113.7)	(66.7)	(106.3)	**(398.7)**
Profit for the financial year	375.0	536.5	288.2	509.9	**1,709.6**
Attributable to:					
Owners of the parent	369.4	528.5	283.3	500.8	**1,682.0**
Non-controlling interests	5.6	8.0	4.9	9.1	**27.6**
	375.0	536.5	288.2	509.9	**1,709.6**
Basic earnings per share (sen)	5.95	8.46	4.51	7.97	**26.89**
Profit before interest and tax on segmental basis					
Plantation	423.3	485.0	341.0	461.1	**1,710.4**
Resource-based manufacturing	89.5	83.5	15.9	159.5	**348.4**
Other operations	(1.2)	(3.6)	2.5	(1.8)	**(4.1)**
	511.6	564.9	359.4	618.8	**2,054.7**
Unallocated corporate net income/(expense)	3.3	(0.3)	5.9	35.4	**44.3**
	514.9	564.6	365.3	654.2	**2,099.0**

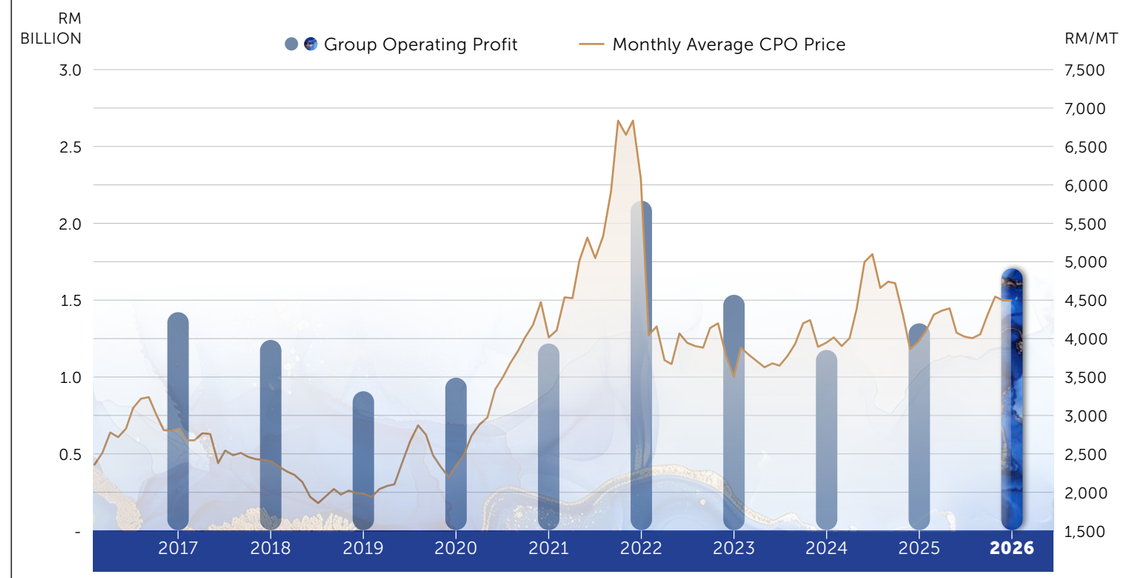
Financial Calendar

FINANCIAL YEAR END	30 JUNE 2026
Announcement of Results	
1st Quarter	26 November 2025
2nd Quarter	24 February 2026
3rd Quarter	29 May 2026
4th Quarter	28 August 2026
Notice of Annual General Meeting	6 October 2026
Annual General Meeting	4 November 2026

Payment of Dividends	
1st Interim	
Declaration	24 February 2026
Entitlement	11 March 2026
Payment	24 March 2026
2nd Interim	
Declaration	28 August 2026
Entitlement	15 September 2026
Payment	25 September 2026

Group Financial Review

GROWING THROUGH THE CYCLE



INTRODUCTION

The purpose of this review is to highlight and provide brief insights on key financial and operating information at Group level. A more detailed commentary on operating performance is covered under the respective business segment reports.

GROUP PERFORMANCE HIGHLIGHTS

		2026	2025	Change %
Profit before interest and tax ("PBIT")	RM million	**2,099.0**	1,700.6	23
Profit before tax ("PBT")	RM million	**2,108.3**	1,877.5	12
Profit attributable to owners of the parent ("Net Earnings")	RM million	**1,682.0**	1,520.6	11
Net operating profit after tax ("NOPAT")	RM million	**1,807.5**	1,642.6	10
Average shareholders' equity	RM million	**12,788.3**	11,986.3	7
Average capital employed	RM million	**17,719.8**	17,153.1	3
Return on average shareholders' equity ("ROE")	%	**13.15**	12.69	4
Return on average capital employed ("ROCE")	%	**10.20**	9.58	6
Total returns to shareholders				
- Capital appreciation per share	RM	**0.48**	0.04	1,100
- Dividend per share	sen	**12.5**	10.5	19
Net cash flow generated from operation	RM million	**1,668.2**	1,043.1	60
Net gearing ratio	%	**9.70**	13.69	(29)
Dividend cover	number of times	**2.1**	2.5	(16)
Interest cover	number of times	**17.4**	14.4	21

FINANCIAL HIGHLIGHTS AND INSIGHTS

- The Group's revenue for FY2026 increased by 4% to RM11.8 billion as compared to RM11.3 billion in FY2025, mainly from resource-based manufacturing and plantation segments.

- At Group level, the results for FY2026 versus FY2025 are best compared and explained at three (3) levels, mainly, PBIT, PBT and Net Earnings, as different factors affected the changes between the two (2) fiscal years at the respective levels.

- Looking at **PBIT**, contributions from the segments are as follows:

	2026 RM million	Mix %	2025 RM million	Mix %	Change %
Plantation	**1,710.4**	81	1,576.5	93	8
Resource-based manufacturing	**348.4**	17	128.4	7	171
Total	**2,058.8**	98	1,704.9	100	21
Others including unallocated corporate net income/ (expenses)	**40.2**	2	(4.3)	-	nm
PBIT	**2,099.0**	100	1,700.6	100	23

Note:
nm = not meaningful

- The plantation segment's PBIT increased by 8% to RM1,710.4 million, due mainly to higher FFB production and oil extraction rate ("OER") as well as higher share of associates results, partially offset by higher cost of production and lower CPO price realised.

- The resource-based manufacturing segment's PBIT increased by 171% to RM348.4 million. Excluding the fair value loss on derivative financial instruments of RM58.5 million (FY2025 – gain of RM18.5 million), and impairment loss on property, plant and equipment of RM39.2 million in FY2025, the segment reported an underlying profit of RM406.9 million for FY2026 as compared to RM149.1 million for FY2025. The higher profit was due mainly to higher contribution from refinery and oleochemical sub-segments with higher margin as well as higher share of associates results.

- **PBT** increased by 12% to RM2,108.3 million, due mainly to higher contribution from resource-based manufacturing and plantation segments as well as higher share of associates results, partially offset by lower net foreign currency translation gain on foreign currency denominated borrowings and deposits of RM110.6 million (FY2025 – RM284.1 million).

- **Net Earnings** increased to RM1,682.0 million. The increase of the net earnings was due mainly to higher PBT as explained in the foregoing paragraphs.

- The Group's **Interest Cover** was 17.4 times (FY2025 – 14.4 times).

- With the increase of net earnings, the Group recorded a **ROE** of 13.15% for FY2026 based on an average shareholders' equity of RM12,788.3 million (FY2025 – RM11,986.3 million), as compared to 12.69% recorded in the previous financial year.

- With the increase of NOPAT, the Group recorded a **ROCE** of 10.20% for FY2026 based on an average capital employed of RM17,719.8 million (FY2025 – RM17,153.1 million), as compared to 9.58% recorded in the previous financial year.

- The Group strives to enhance ROE and ROCE by continuous improvement in operating performance and by active management of its capital structure and commitment in execution of its four strategic priorities. Initiatives undertaken by the Group include maintaining dividend payouts, sale of treasury shares, share buy-back (and cancellation) programme and a continuous review and adjustment of the Group's debt gearing ratio having regard to maintaining stable credit ratings.

  The equity reduction for purpose of capital management includes the following:

In RM million	2026	2025
Cash dividend	**686.9**	620.4
Net proceeds from sale of treasury shares of the Company	**(333.6)**	-
Total equity repayments	**353.3**	620.4

- The Group generated an **Operating Cash Flow** of RM1,668.2 million for FY2026 against RM1,043.1 million for FY2025. Similarly, **Free Cash Flow** increased from RM357.9 million to RM919.5 million due mainly to increase in operating profit.

- The inventory turnover days for FY2026 has increased to 57 days, as compared to inventory turnover days of 53 days for FY2025.

- The trade receivables turnover days for FY2026 has increased to 35 days, as compared to trade receivables turnover days of 33 days for FY2025.

- Cash and cash equivalents increased from RM1.6 billion in FY2025 to RM1.8 billion in FY2026, due mainly to higher net cash from operating activities and net proceeds from sale of treasury shares of RM0.3 billion.

- The net gearing ratio of the Group was decreased from 13.69% in FY2025 to 9.70% in FY2026 mainly due to increase in cash and cash equivalents.

- The Group's **Shareholders' Equity** as at 30 June 2026 stood at RM13.3 billion. The movement during the financial year included net earnings of RM1.7 billion and net proceeds from sale of treasury shares of RM0.3 billion, partially offset by total dividend payment of RM0.7 billion.

- For FY2026, the Group incurred a total of RM759.0 million (FY2025 – RM691.2 million) for **Capital Expenditure**.

RETURN TO SHAREHOLDERS

Two interim cash dividends totaling 12.5 sen per ordinary share amounting to a total payout of RM785.7 million were declared for FY2026.

If a shareholder had bought 1,000 ordinary shares in the Company ("IOIC Shares") when it was listed in 1980 and assuming the shareholder had subscribed/accepted for all rights issues and offer for sale to date and had not sold any of the shares, the shareholder would have as at 30 June 2026 76,000 IOIC Shares worth RM320,720 based on IOIC Share price of RM4.22 and 55,417 IOI Properties Group Berhad Shares ("IOIPG Shares") worth RM218,342 based on IOIPG Share price of RM3.94. The appreciation in value together with the dividends and IOIPG Shares received less capital outlay translates to a remarkable compounded annual rate of return of 15.4% for each of the 46 years since the Company was listed.

The Company continues to manage its capital in a proactive manner to provide value to shareholders, optimise gearing levels and provide for funding requirements. The Group also continues to maintain a healthy cash and bank balance, which as at 30 June 2026 stood at RM1.8 billion, and a net gearing ratio of 9.70%.

Group Business Review: Plantation

WHO WE ARE & WHAT WE DO

The Group's strategic evolution from a traditional plantation entity to a technology-integrated, diversified agribusiness leader is driven by operational resilience and competitive strengths that enable us to navigate industry challenges and capture new growth opportunities.

Innovation-Led Growth

Our performance in FY2026 reflects an ESG-centric operational framework which integrates innovation and strategic growth. We have optimised yields through our elite clonal deployment, advanced mechanisation and maturing Indonesian operations.

Core Asset Infrastructure

Our operational strength is supported by a network of production and research facilities across Malaysia and Indonesia:

TOP 3
Largest Companies in the Plantation Sector by market capitalisation on Bursa Malaysia

97
Oil Palm Estates
Strategically located for growing conditions and logistics

15
Palm Oil Mills
Combined installed capacity of 1,016 MT/hr of fresh fruit bunches ("FFB")

175,706 Ha
Total planted area excluding areas owned by associate companies

5
R&D & Biotechnology Centres
Focusing on elite seed breeding, *Ganoderma* resilience and oil extraction technologies

Non-Palm Diversification Portfolio

We have reduced reliance on a single commodity and maximised landbank productivity by diversifying our portfolio and expanding into high-value crops. This enhances our land productivity, improves drought resilience, reduces exposure to palm oil market fluctuations and creates a more balanced revenue stream.

Coconuts	Durians	Avocados
4,423 Ha	112 Ha	8 Ha
Strategic Intent	**Strategic Intent**	**Strategic Intent**
Drought/*Ganoderma* resilience; Matag hybrid seed garden development	High-value market capture and portfolio premiumisation	Pilot-stage expansion into high-value niche segments

Leadership in Organic Cultivation

Pamol Kluang estate, Southeast Asia's first certified organic oil palm plantation, covers 1,128 ha and utilises zero chemical inputs plus re-engineered agronomic processes. We are certifying another 2,495 ha by FY2027 to capture premium demand for fully traceable and sustainably produced palm oil.

KEY FOCUS AREAS

- Expand our product portfolio by increasing high-yielding seed production, *Ganoderma* tolerant seed production and coconut planting.
- Produce organic oil palm and develop new generation seed materials.
- Increase productivity and quality through elite clonal palms, mechanisation and digitalisation.
- Integrate sustainability practices and climate initiatives through renewable energy implementation.

KEY BUSINESS HIGHLIGHTS

Maintaining financial discipline and yield optimisation is paramount in a volatile commodity environment. Our ability to protect margins depends on the synergy between agronomic excellence and disciplined cost management.

Strategic Performance Drivers

Our performance benefitted from the synergistic effects of effective manuring, pruning and loose fruit recovery across 18% of our past-prime hectarage. Additional volume from Indonesian palms growing into prime maturity has helped offset temporary production dips from Sabah's annual replanting programme.

Strategic Expansion Growth

In July 2025 and January 2026, we strengthened our plantation portfolio through the acquisition of 500 ha and 4,100 ha of oil palm estates, respectively, in Sabah. The acquired estates adjoin our existing Bimbingan estate, Leepang estate and Linbar estate, all held under a 99-year lease expiring between 31 December 2072 and 31 December 2115. These will be progressively developed and integrated into our Sabah operations, supporting sustainable growth and value creation through disciplined asset expansion.

Strategic Productivity Improvement

To ensure long-term productivity and sustainability, IOI continues to prioritise replanting, augmented with elite clonal palms and high-yielding third-generation hybrids to boost yields. In FY2026, 7,675 ha of young palms matured and 9,640 ha of old palms were replanted. Since FY2019, we have replanted a total of 67,122 ha to improve our age profile, with the Group's oil palms averaging 12 years of age.

FINANCIAL HIGHLIGHTS

In FY2026, IOI achieved a profit of RM1,710.4 million in our plantation segment, which was 8% higher than the profit for FY2025 of RM1,576.5 million.

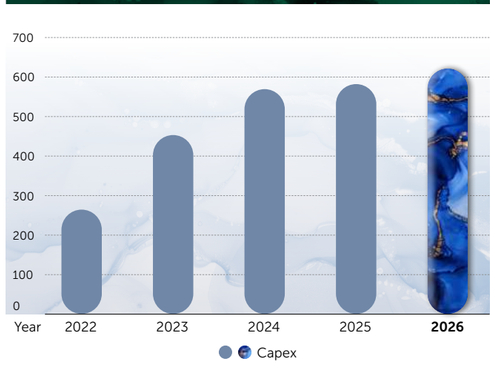
Comparative Financial Performance

Metric	FY2026	FY2025
Segment Profit	**RM1,710.4 million**	RM1,576.5 million
Realised CPO Price	**RM4,229/MT**	RM4,332/MT
Realised PK Price	**RM3,489/MT**	RM3,315/MT

Production & Yield Benchmarking

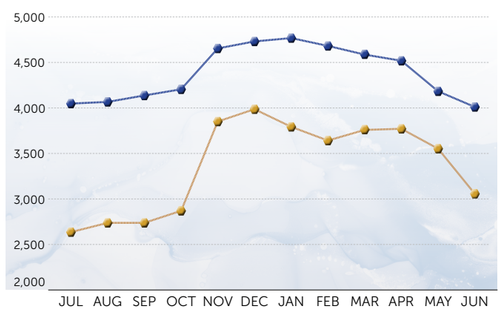
Operational KPI	FY2026	FY2025
FFB Production	**2.96 million MT**	2.84 million MT
FFB Yield	**21.90 MT/Ha**	20.49 MT/Ha
Oil Extraction Rate ("OER")	**22.06%**	21.33%

CAPEX — RM Million

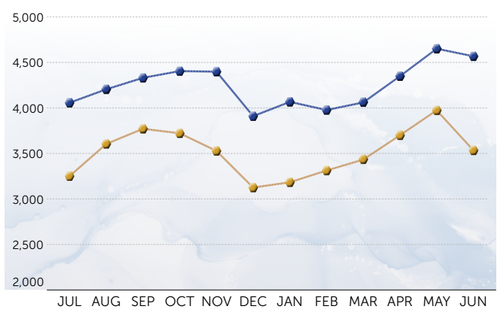


REVENUE & PROFIT BEFORE INTEREST & TAX ("PBIT") — RM Million

AVERAGE REALISED CPO & PK PRICES — RM/MT

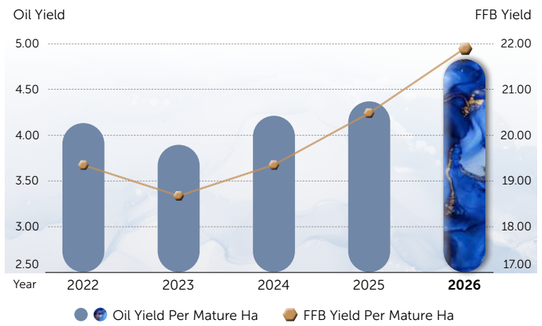


RM4,332/MT Average CPO Price | **RM3,315/MT** Average PK Price

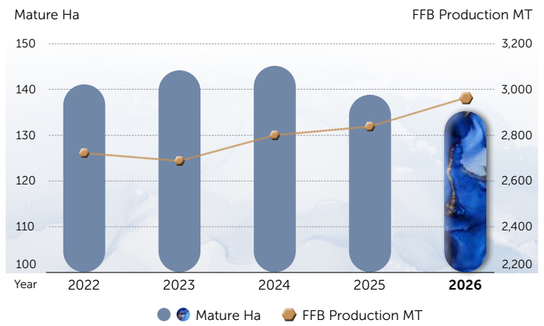


RM4,229/MT Average CPO Price | **RM3,489/MT** Average PK Price

OIL YIELD & FFB YIELD — (MT/Ha)



AVERAGE MATURE OIL PALM AREA HARVESTED & FFB PRODUCTION — ('000)



5-YEAR PLANTATION PERFORMANCES

Crop Statement	2026	2025	2024	2023	2022
OIL PALM					
Average mature area harvested (Ha)	**135,176**	138,597	144,959	143,996	141,011
FFB production (MT)	**2,959,768**	2,839,583	2,803,965	2,686,356	2,726,516
FFB yield per mature hectare (MT/Ha)	**21.90**	20.49	19.34	18.66	19.34
Mill production (MT)					
Crude palm oil	**660,294**	616,307	625,127	580,688	607,200
Palm kernel	**112,273**	106,914	112,059	114,818	124,114
Oil extraction rate (%)					
Crude palm oil	**22.06**	21.33	21.77	20.92	21.39
Palm kernel	**3.75**	3.70	3.90	4.14	4.37
Oil yield (MT/Ha)	**4.83**	4.37	4.21	3.90	4.14
Average selling price (RM/MT)					
Crude palm oil	**4,229**	4,332	3,856	4,118	4,688
Palm kernel	**3,489**	3,315	2,210	2,233	3,593
CPO Cost of production (excluded depreciation and amortisation, windfall profit levy and Sabah sales tax) (RM/MT)	**2,027**	2,035	2,050	2,190	1,595
Cost of sales (RM/MT)	**2,593**	2,626	2,585	2,770	2,401
Net cost of sales (RM/MT)	**1,993**	2,044	2,185	2,326	1,662

Area Statement In Hectares	2026	2025	2024	2023	2022
OIL PALM					
Mature	**136,131**	135,423	147,152	146,069	143,787
Immature	**34,638**	32,460	24,955	27,749	31,405
Total oil palm planted area	**170,769**	167,883	172,107	173,818	175,192
COCONUT					
Mature	**942**	494	249	249	54
Immature	**3,481**	3,122	2,882	1,921	909
Total coconut planted area	**4,423**	3,616	3,131	2,170	963
Others	**514**	960	964	937	825
Total planted area	**175,706**	172,459	176,202	176,925	176,980
Nursery	**309**	334	338	358	324
Estate under development	**348**	381	378	462	532
Labour lines, building sites and others	**33,943**	32,528	28,155	29,384	29,277
Total area	**210,306**	205,702	205,073	207,129	207,113

PLANTATION STATISTICS

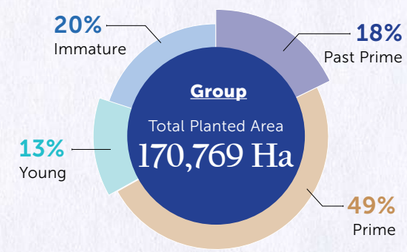
CROP MIX

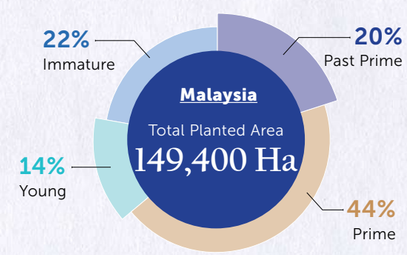
Total Planted Area

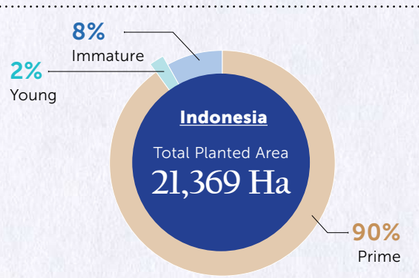
175,706 Ha

Oil Palm	Coconut	Others
97.2%	2.5%	0.3%

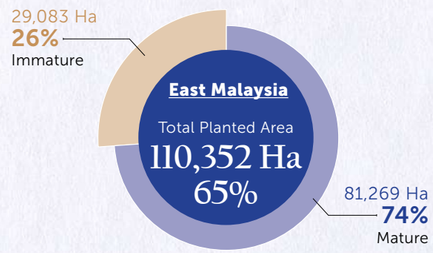
OIL PALM HECTARAGE BY AGE

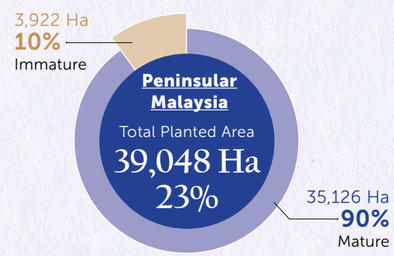


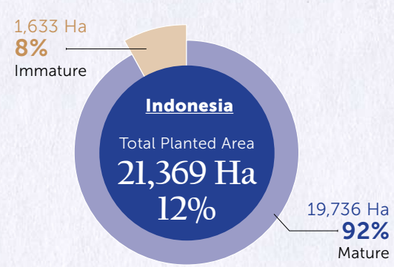




OIL PALM HECTARAGE BY REGION







BUSINESS PERFORMANCE REVIEW

Strategic Objectives

- **Strengthen and expand portfolio through increase in quality seed production and diversification.**
- **Innovate to produce organic oil palm and improved seed materials.**
- **Increase productivity and quality through elite clonal palms, mechanisation, digitalisation and operational efficiency.**
- **Mitigate climate change by reducing carbon emissions and progressing towards Net Zero by 2040.**

Key Initiatives

- Maximise oil yields through high-yielding seeds, elite clonal palms, *Ganoderma* tolerant seeds and superior planting materials.
- Commercially produce high-yielding oil palm planting materials for IOI estates to increase clonal planting through IOI's annual replanting programme and enhance OER at our palm oil mills.
- Continued mechanisation to optimise productivity.
- Digitalisation.
- Continued investment in R&D.
- Install biogas power plants in selected mills, and solar panels with battery systems in remote estates.
- Embark on conservation projects to minimise crop loss during adverse weather conditions.

Achievements In FY2026

- We have produced 8.2 million high-yielding seeds, contributing high oil yields and OERs. Our Malaysian plantations achieved an average oil yield of 5.05 MT/ha in FY2026 (versus the industry average of 3.50 MT/ha in 2025), led by our top three best-performing estates:

ESTATE	OIL YIELD
Detas	**7.31 MT/Ha**
Tangkulap	**7.21 MT/Ha**
Mamor	**6.83 MT/Ha**

- We have increased the production and planting of superior high-yielding clonal palms across IOI estates in Peninsular Malaysia and Sabah:

REGION	FY2026	FY2025
Peninsular Malaysia	**36%**	35%
Sabah	**20%**	18%

- Our mills achieved high OERs, driven by superior high-yielding palms. These are our top three best-performing mills (versus the industry's average of 19.7% in 2025):

MILL	OER
Baturong (Sabah)	**24.47%**
Mayvin (Sabah)	**23.36%**
Pamol Kluang (Peninsular Malaysia)	**22.97%**

- We continued implementing mechanisation initiatives and achieved the following milestones:
  a) Improved efficient harvesting and FFB evacuation by identifying and converting potential areas from double-tier to single-tier systems for infield FFB evacuation in Peninsular Malaysia estates.
  b) Implemented the mechanised mainline FFB evacuation and infield FFB evacuation using crawler machines in Indonesia.
  c) Continued to convert infield fleet mechanical carts and power barrows to electric-powered machines to reduce fossil fuel dependency and greenhouse gas emissions.
  d) Conducted roadshows and trainings, such as Mechanisation Roadshow 2.0 in Sabah and 4.0 in Peninsular Malaysia, and EV ("Electric Vehicle") machine trainings to upskill field personnel in adopting mechanisation and technologies safely and effectively.
  e) Continued to collaborate with local universities, technology start-ups and the Malaysian Palm Oil Board to explore new machinery and technology.

- We have also continued our digitalisation efforts:
  a) Successfully expanded 4G network and Machine-to-Machine ("M2M") capabilities from 40 estates to over 100 plantation units to accelerate digital transformation through high-speed connectivity.
  b) Advanced our digital roadmap through the next R&D pilot phase of our Internet of Things-("IoT") driven vehicle management system with AI integration, testing automated FFB counting and grading to develop a comprehensive, end-to-end FFB evacuation solution from estate to mill.
  c) Expanded budgeting and planning tools to all the mills via SAP Business Planning & Consolidation ("BPC").

- We have expanded renewable energy use across our operations through the installation of biogas power plants in 11 mills and solar panels in five estates.

CHALLENGES & MITIGATION

Challenges/Risks	Mitigation Actions
• Any shortage of foreign workers directly disrupts the entire operational supply chain – spanning from FFB harvesting to CPO and PK extraction and sales. This operational bottleneck leads to lower overall FFB and oil yields, which negatively affects segment revenues and profit margins.	• Active recruitment of domestic workers via targeted, competitive incentive packages, enhanced employee welfare amenities, and the expansion of the "worker-get-worker" referral scheme. • Implement streamlined field processes and intensify mechanisation and automation across the production chain to enhance per-capita labour productivity. • Annually review worker pay rates to maintain industry-wide competitiveness and buffer the workforce against local currency exchange rate volatility. • Active engagement with key ministries and industry bodies to address systemic labour policies. • Redeploy harvesters from replanting zones to prioritise tall, high-yielding palm areas during worker shortages.
• Sporadic droughts in Peninsular Malaysia, contrasted with heavy rainfall and localised flooding in Sabah and Indonesia, severely disrupt field operations, hinder crop evacuation and threaten overall FFB production.	• Accelerate the deployment of infield mechanisation to ensure efficient FFB evacuation even during heavy wet-weather spells. • Construct physical conservation terraces, silt pits and protective bunds to retain water and prevent valuable topsoil erosion. • Build weirs in key drainage and irrigation channels to manage water tables and sustain critical soil moisture during dry periods. • Apply EFB as natural biomass mulch around palms to increase the soil's water-holding capacity and support long-term soil fertility. • Identify and designate unplantable steep ravines and low-lying waterlogged basins for use as strategic water catchment areas. • Carry out annual desilting and upgrading of major drainage networks to quickly lead away excess water during monsoon-level rainstorms.
• CPO price remain highly volatile due to external headwinds, including ongoing United States ("U.S.") tariffs and trade tensions that disrupt global agricultural flows, Middle East conflict, persistent U.S.-China trade frictions affecting market sentiment, and weather-driven supply disruptions such as South American soybean droughts.	• Drive continuous operational efficiency gains through mechanisation and digitalisation to reduce foreign worker dependency, establishing greater margin stability even in depressed pricing environments. • Actively diversify the Group's agricultural portfolio into other crops to mitigate risks associated with sole reliance on oil palm. • Utilise tactical forward sales contracts to secure pricing and cushion against spot market declines. • Broaden the customer base across geographies to reduce exposure to single-market trade barriers and mitigate bilateral trade frictions.
• Insect pests (such as nettle caterpillars), vertebrate pests (such as rats and wild boars) and highly destructive fungal diseases (such as *Ganoderma* fungus) threaten long-term crop productivity and palm mortality.	• Prioritise biological control mechanisms (such as introduce natural predators) over chemical pesticides to maintain ecological balance. • Employ rigorous soil ripping and deep ploughing during the replanting phase to clear *Ganoderma* inoculums. Additionally, trunk chips are completely pulverised to eliminate breeding grounds for rhinoceros beetles, which frequently attack immature and young mature palms.

Challenges/Risks	Mitigation Actions
• Approximately 18% of the Group's current oil palm trees are past-prime (exceeding 21 years of age). Coupled with a shortage of tall palm harvesters, this dampens overall crop productivity and puts downward pressure on revenue and profitability.	• Plan and execute a systematic annual replanting rate of 4% of the land area to ensure that stable yield recovery is balanced with production volume continuity. • Replant exclusively with third-generation Limited Breeding Programme materials crossed with progeny-tested AVROS pisifera. These elite materials are engineered to generate over 33.0 MT of FFB/ha and have the potential to produce over 8.4 MT of CPO/ha from the seventh year onward, whilst exhibiting robust disease resistance. • Apply mycorrhizal fungi and biofertiliser at the nursery stage to produce precocious oil palm seedlings, accelerating maturity and delivering earlier, higher FFB yields. • Enhance general estate management practices to optimise labour efficiency and minimise operational costs during replanting.
• Workforce skill and technology competency gaps may constrain asset utilisation and productivity gains.	• Conduct structured field training and regional roadshows to upskill and reskill employees, accelerating the adoption of new machinery and estate management software.

OUTLOOK & PROSPECTS

CPO price has increased significantly, reaching RM4,800 to RM5,100 per MT since mid-August due to increasing concerns about the severity of the El Niño weather phenomenon currently affecting the oil palm planted areas in Malaysia and Indonesia.

This strong price level is anticipated to continue well into FY2027, as oil palm FFB production will continue to be affected by the follow-on effects of the drought period and as the favourable biodiesel economics continue to be supported by the elevated crude oil price as well as constrained crude oil supply due to the conflicts in the Middle East.

For our plantation segment, FFB production is projected to increase moderately in single-digit percentage as we enter the final year of our seven-year aggressive replanting programme in Sabah, despite the effects of the El Niño phenomenon.

We have implemented various drought mitigation measures across our estates, including installing water stops at drain outlets, applying biomass mulch around palms, promoting soft weed cover, improving terrace conditions, constructing silt pits to improve water retention and conserve soil moisture, and enhancing water catchment ponds and storage facilities where required.

Operationally, our systematic drive to elevate estate management efficiencies through advanced mechanisation and digitalisation will act as a primary catalyst for sustained productivity gains. Key operational pillars driving this efficiency include the wide-scale deployment of infield mechanisation to streamline harvesting and crop handling, the integration of digital platforms for real-time monitoring, resource optimisation, and data-driven decision-making, alongside enhanced agronomic protocols designed to defend and sustain yields across all palm age profiles.

With proactive drought and fire mitigation measures in place and a positive CPO price outlook, we expect our plantation segment to deliver good financial performance in FY2027.

Group Business Review: Resource-Based Manufacturing

WHO WE ARE & WHAT WE DO

The Group's global resource-based manufacturing business, comprising our refining, oleochemical, specialty food ingredients and non-crude palm oil sub-segments, plays an important role in fortifying our integrated palm value chain.

It consists of downstream activities such as the refining of crude palm oil ("CPO") and palm kernel oil, and processing of refined palm oil and the palm kernel oil into oleochemical and specialty food ingredients products, as well as converting oil palm trunks ("OPT"), a biomass of the plantation sector, into eco-friendly, sustainable non-tropical wood panels.

With our local and international manufacturing facilities, we are well-equipped to meet the needs of our customers domestically and internationally.

FINANCIAL HIGHLIGHTS

The Group's resource-based manufacturing segment profit for FY2026 was RM348.4 million as compared to RM128.4 million for FY2025. Excluding the fair value loss on derivative financial instruments of RM58.5 million (FY2025: gain of RM18.5 million), and impairment loss on property, plant and equipment of RM39.2 million in FY2025, the segment reported an underlying profit of RM406.9 million for FY2026 which was 173% higher than the underlying profit of RM149.1 million for FY2025 due mainly to higher contributions from refinery and oleochemical sub-segments with higher margins as well as higher share of associates' results.

Refining

2
Manufacturing Facilities

1.8 million MT
Combined Annual Refining Capacity

478,663 MT
Sales of Total Certified Refined Products

The Group has two wholly-owned refineries in Malaysia strategically located in Pasir Gudang, Johor and Sandakan, Sabah, with a combined annual processing capacity of 1.8 million MT. Supported by direct port access and strategic proximity to key shipping routes as well as the Group's upstream operations, these facilities provide an integrated and efficient platform to serve customers across domestic and international markets.

Together, our refineries produce a broad portfolio of palm and palm kernel oil products, playing a critical role in supplying market demand and supporting the Group's downstream manufacturing requirements. Sustainability remains integral to our operations, and we are committed to responsible sourcing and production. Our refineries are:

- **RSPO-certified ("Roundtable on Sustainable Palm Oil")**
- **MSPO-certified ("Malaysian Sustainable Palm Oil")**
- **ISCC-certified ("International Sustainability and Carbon Certification")**

We continuously invest in operational excellence by upholding internationally recognised standards in quality, environmental stewardship, and food safety. Through efficiency and resource optimisation initiatives, we constantly enhance productivity, minimise environmental footprint, and reduce greenhouse gas ("GHG") emissions in support of our sustainability objectives.

KEY FOCUS AREAS

- Optimise refinery capacity and operational excellence to support sustainable growth and competitiveness.
- Provide innovative, high-quality palm oil solutions that consistently meet customer expectations and market requirements.
- Accelerate growth in certified sustainable palm oil and value-added products, including low 3-MCPD, low GE and low MOSH/MOAH offerings.
- Strengthen consumer packing capabilities through flexible and efficient packaging solutions tailored to customer needs.
- Build a resilient, integrated supply chain that ensures reliability, responsiveness and uninterrupted supply.
- Foster a culture of innovation and sustainability to drive long-term business value and environmental stewardship.

KEY BUSINESS HIGHLIGHTS

- Demand for our certified sustainable refined products continued to grow, resulting in higher sales volumes during the year. This reflects increasing customer preference for sustainably sourced palm oil products and confidence in our certified supply chain.
- Sales of low 3-MCPD, low GE, and low MOSH/MOAH products increased across both refineries, underpinned by higher market demand, enhanced refining capabilities and stringent quality assurance standards that ensure compliance with customer and regulatory requirements.

Group Business Review: Resource-Based Manufacturing

BUSINESS PERFORMANCE REVIEW

Strategic Objectives	Key Initiatives	Achievements In FY2026
• **Accelerate growth in certified sustainable palm oil and value-added products, including low 3-MCPD, low GE and low MOSH/MOAH offerings.**	• Focus on expanding our markets for certified sustainable and value-added palm oil.	• Sales of certified and value-added refined palm products increased from 276,419 MT in FY2025 to 478,663 MT in FY2026.
• **Strengthen consumer packing capabilities through flexible and efficient packaging solutions tailored to customer needs.**	• Actively participate in World Food Programme tenders and expand other potential markets.	• Successfully performed eight shipments for the United Nations World Food Programme.
• **Promote circular economy management.**	• Convert Spent Bleaching Earth ("SBE") residue oil into biofuel feedstock and renewable energy sources, supporting both economic and environmental sustainability. • Promote sustainable waste management, resource circularity and value-added application as an organic soil amendment.	• SBE waste was fully sold to a third party for sustainable technical oil recovery in FY2026. • 95% of the boiler ash produced was utilised in plantation operations.
• **Adoption of Industrial Revolution ("IR") 4.0 through in-house development.**	• Embrace in-house IR 4.0 development and smart technology to improve process automation and operational efficiency.	• IT Department has completed 28 IR 4.0-related projects in Sandakan.
• **Improve cost efficiency by enhancing procurement practices.**	• Achieve cost savings through the direct sourcing of Bleaching Earth ("BE") from overseas suppliers at more competitive prices, as a mitigation approach to address increased prices and material shortages.	• Successfully increased sourcing diversification in FY2026 by engaging additional BE suppliers at competitive prices. This enabled better supply chain management and enhanced cost efficiency.
• **Promote continual energy efficiency.**	• Drive energy efficiency projects and process automation that reduce utility usage, operating costs and carbon emissions.	• Achieved a 6% reduction in electricity consumption through various energy efficiency initiatives, including the installation of inverters and IE5 motors, the adoption of high-efficiency chillers and air compressors, and the optimisation of high-efficiency plants and cooling tower operations.
• **Contribute towards GHG reduction and the Net Zero target.**	• Pursue continuous improvement projects and identify sustainability best practices that support decarbonisation and sustainability.	• Scope 1 and 2 emissions were reduced by 71% in FY2026, while Scope 3 emissions were reduced by 13% compared to the baseline year. • Achieved over 70% utilisation of green electricity, driven by increased power generation and productivity from the power plant.

CHALLENGES & MITIGATION

Challenges/Risks	Mitigation Actions
• Fluctuation in global demand, commodity prices, geopolitical developments and regulatory changes may affect sales volume, margins and overall business performance.	• Adopt a proactive market-driven approach supported by strong market intelligence, prudent risk management and product diversification. • Continue to expand our portfolio of value-added products, including low 3-MCPD, low GE and low MOSH/MOAH products, to strengthen earnings resilience and meet evolving customer requirements.
• Competition for raw materials, coupled with supply chain and climate-related uncertainties, may impact operational efficiency and production performance.	• Always keep abreast of changes in market competition and proactively adopt necessary strategies to secure additional raw materials domestically and internationally, whenever available. • Focus on premium and value-added products, strengthen cost optimisation initiatives and diversify customer markets to reduce reliance on highly competitive segments.
• Weather-related changes affecting the availability of suitable raw materials to fulfil sales specifications.	• Increase the supply base as needed to align with sales forecasts.
• Increasing costs for projects and processing aid materials.	• Continuously adopt new technologies and innovative practices to enhance operational cost efficiency. • Diversify the sourcing of alternative processing aid materials to improve supply resilience and cost competitiveness.
• Increasing national legal compliance and regulatory requirements.	• Engage closely with relevant national bodies and agencies to stay updated on the latest regulatory requirements and progress.
• Increasing regulatory and market risks from evolving sustainability requirements, biofuel mandates, trade policies and other external factors that can significantly impact feedstock availability, demand patterns and commodity price volatility.	• Strengthen supply chain resilience, diversify markets and products, and enhance market intelligence to respond swiftly to regulatory and commodity market changes (e.g. establish more concrete contacts with companies and people who can provide timely and accurate information).
• EU Deforestation Regulation ("EUDR") compliance requirements may limit sourcing flexibility and increase operational complexity, particularly for external suppliers that are not yet prepared to meet traceability requirements.	• Proactively collaborate with suppliers to improve compliance readiness while diversifying sourcing options and expanding the pool of EUDR-compliant suppliers to safeguard business continuity.

OUTLOOK & PROSPECTS

The outlook for our refinery and commodity marketing sub-segment continues to be challenging amid intense competition from the Indonesian refineries.

We will continue to leverage our expertise in producing low-contaminant and sustainability-compliant oils to add value to our product portfolio and support the performance of this sub-segment.

Oleochemical

4
Manufacturing Facilities

Exports to > 80 Countries Worldwide

890,000 MT
Combined Annual Oleochemical Capacity

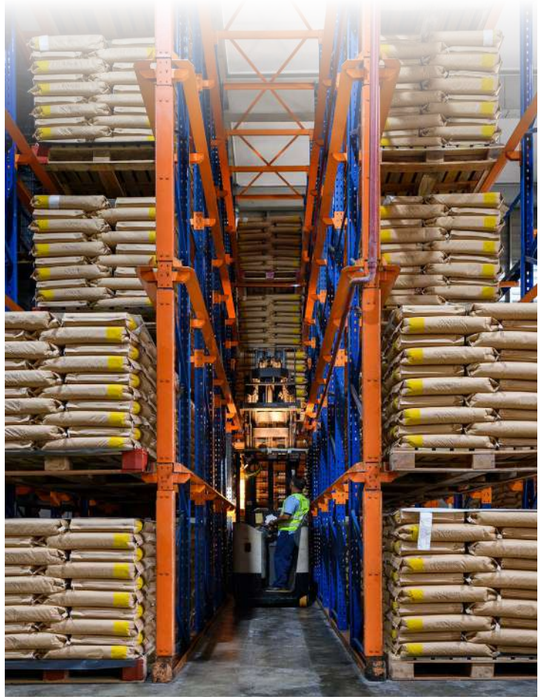
The principal activities of the Group's oleochemical sub-segment are manufacturing and sales of fatty acids, glycerine, soap noodles and downstream oleochemical products such as fatty esters and specialty derivatives. These versatile products are used in a wide variety of applications from industrial sectors such as automotive, construction and plastic to food, nutrition, pharmaceutical and cosmetic. Our oleochemical products are exported to more than 80 countries worldwide. Our main customers are located in Japan, China, Europe and the United States ("U.S."), which include some of the world's most esteemed and well-known multinational corporations.

The Group's oleochemical manufacturing activities are undertaken by four manufacturing facilities – two are located in Peninsular Malaysia while the other two are in Germany – with a total combined production capacity of up to 890,000 MT per annum.

Our Penang and Johor plants are exclusively palm oil-based, and are already accredited under the Roundtable on Sustainable Palm Oil Supply Chain Certification Standard ("RSPO SCCS"), Malaysian Sustainable Palm Oil ("MSPO") and International Sustainability and Carbon Certification ("ISCC"), in addition to meeting the stringent European Federation for Cosmetic Ingredients ("EFfCI") Good Manufacturing Practices ("GMP") requirements.

Meanwhile, our plants in Germany use mainly palm oil supplemented by other vegetable oils such as coconut oil, rapeseed oil and sunflower oil. They complement and add value to each other through technical know-how collaborations and application of basic oleochemicals into niche derivatives.

Besides ISO 9001, ISO 14001 and ISO 50001 certifications, our Penang, Johor and Wittenberge sites are also certified under the Food Safety System Certification ("FSSC") 22000. In addition, our Penang ester plants are certified by the National Pharmaceutical Regulatory Agency ("NPRA") and the Ministry of Health Malaysia as Active Pharmaceutical Ingredient ("API") manufacturers under the current Pharmaceutical Inspection Co-operation Scheme ("PIC/S") GMP Guide, while the Witten site holds both the European Union Good Manufacturing Practice ("EU-GMP") and U.S. Food and Drug Administration ("FDA") certifications for the production of APIs. Our operations also maintain ISO 45001 (OHSAS), ISO 17025 laboratory accreditation and MS 1480 (HACCP) certifications. In support of our Net Zero target by 2040, we have also obtained ISO 14064 for effective greenhouse gas ("GHG") management.



KEY FOCUS AREAS

- Product Portfolio Expansion
- Innovation
- Productivity & Quality
- Sustainability & Climate Initiatives

KEY BUSINESS HIGHLIGHTS

Fatty Acids

Our fatty acids business has been affected by geopolitical unrest, creating market uncertainty and weaker demand that resulted in lower volumes. The market continues to face intense competition, driven by capacity expansions and leading to an oversupply situation. Despite volatile market conditions and unpredictable demand, we adapted quickly to market changes and successfully captured new business opportunities. Through market repositioning and segmentation initiatives, we optimised our product portfolio mix and improved cost efficiency, enabling us to mitigate market challenges and enhance our profitability.

Soap Noodles

The market remained highly competitive, particularly for high-volume customers who were the primary targets of competing suppliers. As a strategic response, our soap noodle marketing efforts focused on securing good- and moderate-margin accounts while actively developing untapped markets and inactive accounts to drive new business growth, expand market share and promote extra volumes for specialties to build better margins.

Fatty Esters

To accelerate growth and strengthen market positioning for medium-chain triglycerides ("MCT") and ester-based specialty products, we drove sales of MCT variants across high-value segments, deepened supply relationships with existing customers through regional expansion while securing new accounts, expanding market penetration, broadening market coverage through a segment-led agent model, progressing MCT qualification as an API in China and enhancing margins through value-added application support provided by CARE Studio.

IOI Oleo GmbH

The European market environment, marked by high competitive intensity and challenging market conditions, continued to weigh on sales performance across several segments. Nevertheless, results were supported by growth in the personal care segment, driven by ongoing product portfolio innovation as well as proactive purchasing and pricing strategies. Regional growth also slowed amid a challenging global market environment, particularly in the pharmaceutical segment, while increasingly stringent European Union ("EU") regulatory requirements made it increasingly difficult for European manufacturers to stay competitive.

BUSINESS PERFORMANCE REVIEW

Strategic Objectives	Key Initiatives
• **Realisation of sustainability goals.** • **Efficiency improvement through operational excellence across all divisions.** • **Introduction of innovative processes and new innovative products.** • **Uphold and maintain regulatory compliance in all business areas.** • **Adapt to current market trends and global challenges.**	• Stepwise implementation of the Pathway to Net Zero roadmap. • Continuous improvement of energy efficiency in operations. • Increase operational efficiency and productivity through automation and digitalisation. • Drive oleochemical product development through R&D, technological enhancements and product differentiation. • Expand product portfolio.

Achievements In FY2026

IOI Oleochemical Industries Berhad, Penang

- Successfully commissioned the new 3.2 MW cogeneration plant in July 2025, enhancing energy efficiency and reducing annual CO_2 emissions by an estimated 10,565 MT.
- Successfully upgraded the packing plant's conventional chiller system to a high-efficiency magnetic chiller in December 2025, improving energy performance, reducing mechanical wear, eliminating compressor maintenance requirements, and achieving an 8% reduction in energy consumption from 76 to 70 kWh per tonne of packed products. The upgrade also contributed to an annual CO_2 emission reduction of 143,430 kg.
- Successfully completed the revamp of the fractionation plants in November 2025, enabling the production of low MOSH/MOAH fatty acids that comply with EU quality and regulatory requirements.
- De-bottlenecked esterification plant capacity by 46% following the installation of a bleaching plant integrated with a heat recovery system, decreasing processing costs by 11% and reducing annual CO_2 emissions by 190,116 kg.
- Successfully repurposed a fractionation side-stream by-product as a primary feedstock in November 2025, resulting in a 7% increase in oleic acid production.
- Installed a vibration monitoring sensor with advanced analytical tools on a critical pump in August 2025, enhancing predictive maintenance capabilities and enabling early fault detection.
- Commenced construction of the new 12,000 MT/year esterification plant.
- Collaborate between IOI Oleo GmbH and IOI Oleo Penang to establish a CARE Studio APAC in Penang.

IOI Pan-Century Group, Johor

- Successfully introduced saponification soap noodles with natural preservatives, as well as premium translucent and eco-friendly soap noodles, into the market.
- Successfully launched and commercialised industrial cleaning-grade noodles formulated from the value addition of fatty acid by-products.
- Commissioned a water jet vacuum system and a biogas boiler enhancement with solar thermal, delivering an annual CO_2 emission reduction of about 800 MT while significantly lowering operating costs.
- Performed process optimisation to produce heat-stable short-chain fatty acids, which has significantly broadened the company's product portfolio.
- Successfully produced and commercialised low 3-MCPD/GE hydrogenated palm stearin for the food emulsifiers sector since July 2025, driving steady business growth.

IOI Oleo GmbH, Germany

- Successfully finalised the MCT automation and capacity enlargement project at Wittenberge in January 2026. The highly automated, state-of-the-art Digital Control System ("DCS") enabled a productivity increase of more than 20%.
- Successfully implemented new NIR (Near Infrared) online analytics on our pharma MCT line at Witten and extended it to the Hard-Fat line, resulting in improved processing times and capacity extension of more than 10% for the respective reactor.
- Successfully operationalised the manufacturing concept at plant scale for our new PG-Esters product line, including the first filling steps to support the official launch of the LipoGalen® family at the Convention on Pharmaceutical Ingredients in October 2025.
- Successfully expanded the personal care product portfolio by launching three products (Dynasan® GBE, Miglyol® Gel EUG and Miglyol® Gel ISD).
- Commenced the project to switch ERP system from Microsoft Dynamics NAV (Navision) to SAP S/4HANA in October 2025.
- Successfully implemented efficiency measures to reduce steam consumption at the production site in Witten and realised savings of more than 2,500 tonnes of steam in the first year.
- Initiated the first successful production trial by using new technology of enzymatic esterification at Witten.

CHALLENGES & MITIGATION

Challenges/Risks	Mitigation Actions
• Constant increase in regulatory requirements.	• Implemented ongoing adjustments of the regulatory setup with support from external parties and development of a regulatory strategy tailored to market and customer needs. • Conduct regular regulatory impact assessments on business continuity and market opportunities.
• Growing competition.	• Strengthen product differentiation and accelerate product innovation. • Leverage our sustainability credentials to expand and diversify target markets.
• Changing global trade policies and protectionist measures.	• Strengthen local and regional co-operation between w Oleo Malaysia and IOI Oleo GmbH to jointly strengthen trade compliance.
• New legislative requirements in the EU, specifically the implementation of the EUDR.	• Enhance end-to-end traceability and establish a centralised EUDR compliance database.
• Global influence on the supply chain, especially on raw material supply.	• Continuous supply chain monitoring with improved supply and demand forecasting.
• Energy price trends due to global and local developments.	• Increase the use of renewable energy and improve operational energy efficiency.

OUTLOOK & PROSPECTS

For FY2027, our oleochemical sub-segment is expected to operate in a challenging environment due to intense competition from Indonesian producers and the US tariffs, although we have seen a gradual improvement in demand since the second half of FY2026.

To navigate these challenges, we will continue to focus on product differentiation, innovation and operational efficiency. In addition, closer collaboration between our Malaysian and German operations, including the establishment of a CARE Studio APAC in Penang, is expected to strengthen our technical application expertise and support growth in the higher-value portfolio. Nevertheless, we are cautiously optimistic about the outlook for the oleochemical sub-segment in FY2027.

Specialty Food Ingredients

Bunge Loders Croklaan Group BV ("BLC"), our associate company, continues to be a global leader in sustainable, plant-based specialty oils and fats. Its products are essential in a wide range of food applications, including bakery, confectionery, culinary and infant nutrition. BLC's solutions are designed to meet evolving dietary trends and consumer preferences, delivering both functionality and taste to food manufacturers and service providers worldwide.

Our partnership with Bunge Global SA has further strengthened BLC's global presence and innovation capabilities. With a diverse portfolio based on tropical and seed oils, and advanced formulation expertise, BLC remains a trusted supplier to B2B customers across the food industry. The company continues to invest in sustainable practices and product innovation to support long-term growth and customer satisfaction.

BLC remains an important strategic investment for the Group, providing exposure to the higher-value downstream specialty food ingredients sub-segment. During the financial year, significant progress was made on the construction of BLC's new refinery and specialty fats complex in Amsterdam, the Netherlands. The integrated facility will consolidate the former Rotterdam refinery and Wormerveer plant into a single site, delivering operational synergies, meaningful energy savings and lower carbon emissions. The facility is expected to be commissioned in stages beginning in September 2026, marking an important milestone in the project. Once fully operational, the facility is expected to enhance the efficiency and production capabilities of BLC's European operations from the second half of FY2027 onwards.

Palm Wood

Building on the FY2025 positioning of IOI Palm Wood Sdn Bhd as the Group's green materials innovator converting OPT into engineered panels, FY2026 laid the foundation for a climate-positive business. *OnCore*® products carry a net-negative carbon footprint, supported by independently verified data. We strengthened certification, secured eco-labelling licences, enhanced yield and cost efficiency, deepened technical differentiation, and initiated the repositioning of biomass side-streams, reinforcing our role in sustainable materials.

BUSINESS PERFORMANCE REVIEW

Strategic Objectives	Key Initiatives	Achievements In FY2026
• **Establish the foundations of a climate-positive materials business, evidenced by independent assessment and third-party certification.**	• Commission a cradle-to-gate life cycle assessment ("LCA") of *OnCore*® and prepare the pathway to an Environmental Product Declaration. • Maintain and extend our management systems certification base, and progress sustainability certification aligned to Group standards.	• Maintained certification under ISO 9001, ISO 14001 and ISO 45001 through successful surveillance audits in FY2026. • Confirmed net-negative carbon footprints across four *OnCore*® products, with *OnCore*® PalmCore assessed at approximately negative 199 kgCO_2eq per cubic metre, in accordance with ISO 14040 and ISO 14044, as per LCA by Universiti Kebangsaan Malaysia. • Identified thermal modification electricity as the largest fossil-fuel-related emissions contributor and primary decarbonisation target. • Obtained SIRIM Eco-Label and MyHijau Mark for government and green project qualification.
• **Close the gap between production cost and achievable market price through yield improvement and operational excellence.**	• Implement production yield improvement covering process control, recovery and downstream utilisation, supported by sensor and data architecture designed for the next phase, and initiate Lean manufacturing to improve production efficiency. • Improve quality in the thermal processing of *OnCore*® lamella, and reduce drying time for cost and time savings. • Reduce delivered raw material cost, recognising that logistics costs outweigh material costs.	• Installed a 928 kWp rooftop solar PV system, generating 1.28 GWh of clean energy, with over 65% consumed on-site. • Improved overall average production yield to 24% by optimising process performance and establishing Phase 2 in-line sensing and algorithmic process control for implementation. • Reduced monthly operating cash burn significantly year-on-year, driven by cost discipline and higher throughput.
• **Convert early-stage trials into long-term, reliable offtake with strategic partners across defined application segments.**	• Build a structured partner engagement programme that transitions trials into binding supply agreements through networks, joint development projects, and in-Group specification adoption.	• Established a network of fabricator and specifier partners across four application segments, and positioned *OnCore*® as a core material of choice for door and interior application. • Hosted the Head of Agronomy and Geospatial Technology Unit and the Head of the Biomass Technology Unit of the Malaysian Palm Oil Board, to align our OPT biomass work with national industry priorities.

Strategic Objectives	Key Initiatives	Achievements In FY2026
• **Deepen technical differentiation of palm core materials in fire performance, acoustics, dimensional stability and durability.**	• Advance targeted R&D in fire retardancy, acoustic, dimensional stability and durability performance, supported by technical testing, warranty-ready treatments and publication of technical evidence.	• Extended technical validation through fire-retardancy testing and verification of formaldehyde-free products. • Research into durability treatment against insect and borer attack progressed to the formulation and validation stage, targeting a commercial warranty offering. • Initiated a pre-study with acoustic experts to evaluate the qualification of OPT in the acoustic materials market. • Advanced targeted R&D in fire retardancy, acoustic, dimensional stability and durability performance, supported by technical testing, warranty-ready treatments and publication of technical evidence.
• **Move biomass side-streams from cost of disposal to source of value.**	• Advance formal engineering-stage collaborations for valorisation of fibre, sap and downgraded material.	• Entered a pre-engineering study with an international technology partner to convert OPT biomass into bioethanol and sustainable aviation fuel feedstock. • Collaborated with a Malaysian institute and university consortium on biomass-based animal feed research.

CHALLENGES & MITIGATION

Challenges/Risks	Mitigation Actions
• Market acceptance of a new material category, where specifiers and fabricators default to familiar timber-based products.	• Acquire independent LCA data, management systems certification and performance test evidence. • Establish reference applications and pilot installations. • Foster direct technical engagement with fabricators and designers.
• Unit production cost remains above achievable selling price at current volume and production yield level.	• Implement a structured production yield improvement programme. • Reduce OPT delivery cost with emphasis on logistics, which accounts for the large majority of that cost. • Reduce energy costs through solar generation and load management.
• Weaker demand, geopolitical disruption, tariffs uncertainty, and soft construction and furniture markets cause buyer caution, delayed specifications and price pressure.	• Sharpen focus on application segments where our technical properties command a premium rather than competing on commodity panel prices. • Build long-term strategic partnerships over transactional sales. • Pursue in-Group specification to create a reliable demand anchor.
• Perceptions regarding the long-term durability of oil palm-derived material.	• Undertake a dedicated preservative treatment research programme to support a commercial durability warranty.

OUTLOOK & PROSPECTS

The groundwork for IOI Palm Wood is now materially stronger than a year ago. The environmental case has been independently assessed, the technical performance case externally validated, and the operational improvement trajectory firmly established.

Our priority for FY2027 is conversion – turning validated products and established partnerships into volume, while continuing to close the cost-to-price gap through yield improvement and disciplined operations. The next step on certification is to progress from LCA to a published Environmental Product Declaration, providing specifiers with a directly comparable, verified environmental datasheet. Sustainability certification aligned to Group standards is also being advanced.

Growing regulatory and client pressure on embodied carbon in the built environment works in our favour. FY2026 confirmed our climate-positive positioning, with *OnCore*® products carrying a net-negative carbon footprint. Our vision remains right: to position sustainable palm wood materials as a viable alternative to traditional timber-based products, while supporting national and global goals towards renewable resources, decarbonisation and circular value chains.

Corporate Information

Board of Directors

1
TAN SRI ABDUL WAHID BIN OMAR
Independent Non-Executive Chairman

2
DATO' LEE YEOW CHOR
Group Managing Director and Chief Executive

3
DATO' LEE YEOW SENG
Non-Independent Non-Executive Director

4
DR NESADURAI KALANITHI
Independent Non-Executive Director

5
DATO' KONG SOOI LIN
Independent Non-Executive Director

6
MR LIM TUANG OOI
Independent Non-Executive Director

7
DATUK ZURINAH BINTI PAWANTEH
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

DATO' KONG SOOI LIN (Chairman)
MR LIM TUANG OOI
DR NESADURAI KALANITHI

GOVERNANCE, NOMINATING AND REMUNERATION COMMITTEE

DATUK ZURINAH BINTI PAWANTEH (Chairman)
DR NESADURAI KALANITHI
MR LIM TUANG OOI

BOARD SUSTAINABILITY COMMITTEE

DR NESADURAI KALANITHI (Chairman)
DATO' KONG SOOI LIN
DATUK ZURINAH BINTI PAWANTEH

COMPANY SECRETARY

MS LOH HOONG LING
(SSM PC 202508000408)
(MAICSA 7066543)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 29, IOI City Tower 2
Lebuh IRC, IOI Resort City
62502 Putrajaya
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Malaysia
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Fax +60 3 8947 8909
Email ioicosec@ioigroup.com

AUDITORS

BDO PLT
Chartered Accountants
Level 8, BDO @ Menara CenTARa
360 Jalan Tuanku Abdul Rahman
50100 Kuala Lumpur
Wilayah Persekutuan
Malaysia
Tel +60 3 2616 2888
Fax +60 3 2616 2970
Email contactus@bdo.my

SHARE REGISTRAR

Vistra Investor & Issuing House Services Sdn Bhd
Unit 32-01, Level 32, Tower A
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Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
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Wilayah Persekutuan
Malaysia
Tel +60 3 2783 9299
Email is.enquiry@vistra.com

ADMINISTRATION AND POLLING AGENT

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
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Tel +60 3 7890 4700
Fax +60 3 7890 4670
Email bsr.helpdesk@boardroomlimited.com

LEGAL FORM AND DOMICILE

Public Limited Liability Company
Incorporated and Domiciled in Malaysia

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

STOCK CODE

1961

INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN) CODE

MYL1961OO001

WEBSITES

www.ioigroup.com
www.ioioleo.com
www.ioioleo.de
www.ioipalmwood.com

EMAIL ADDRESS

corp@ioigroup.com

Profile of Directors

Committee Chairman | Committee Member | ARMC Audit and Risk Management Committee | GNRC Governance, Nominating and Remuneration Committee | BSC Board Sustainability Committee

TAN SRI
ABDUL WAHID BIN OMAR

Independent Non-Executive Chairman

Date of Board Appointment: **16 June 2025**

AGE	GENDER	NATIONALITY
62	Male	Malaysian

Board Committee: None

Length of Tenure as Independent Director (as at 6 October 2026)
1 year 4 months

Qualification(s)
- Honorary Doctorate of Economy and Muamalat Administration, from Islamic Science University of Malaysia
- Honorary Doctorate of Economy from Multimedia University Malaysia
- Honorary Doctorate of Business Administration from University Poly-Tech Malaysia
- Fellow of Association of Chartered Certified Accountants, United Kingdom
- Member of Institute of Chartered Accountants in England & Wales
- Member of Malaysian Institute of Accountants ("MIA")
- Diploma in Advanced Accounting from Luton College of Higher Education, United Kingdom

Relevant Working Experience
- Independent Non-Executive Chairman of Cypark Resources Berhad
- Independent Non-Executive Co-Chairman of Sunway Berhad
- Chairman of World Wide Fund for Nature (WWF)-Malaysia and MySDG Foundation
- Pro-Chancellor of Islamic Science University of Malaysia
- Pro Chancellor of INCEIF University
- Sultan bin Abdulaziz Visiting Fellow at the Oxford Centre for Islamic Studies, United Kingdom
- Former Chairman of Bursa Malaysia Berhad from 1 May 2020 to 30 April 2025
- Former Group Chairman of Permodalan Nasional Berhad from August 2016 to June 2018
- Senator and Minister in the Prime Minister's Department in charge of Economic Planning from June 2013 to June 2016
- Served as the President and Chief Executive Officer of Malayan Banking Berhad from May 2008 to June 2013
- Group Chief Executive Officer of Telekom Malaysia Berhad from July 2004 to April 2008
- Managing Director/Chief Executive Officer of UEM Group Berhad from October 2001 to June 2004, where he led a successful turnaround of Malaysia's largest infrastructure conglomerate (which owned PLUS Expressways)

Directorship(s) in Other Listed Issuers/Public Companies in Malaysia

Other Listed Issuers
- Cypark Resources Berhad
- Sunway Berhad

Other Public Company
- None

Non-Profit Public Company
- None

DATO'
LEE YEOW CHOR

Group Managing Director and Chief Executive

Date of Board Appointment: **25 April 1996**

AGE	GENDER	NATIONALITY
59	Male	Malaysian

Board Committee: None

Qualification(s)
- Barrister-at-Law, Gray's Inn, Bar of England and Wales
- LLB (Honours), King's College, London
- Postgraduate Diploma in Finance and Accounting, London School of Economics

Relevant Working Experience
- Chairman of the Malaysian Palm Oil Association since 2020
- Chairman of the Malaysian Palm Oil Council ("MPOC") from 2009 to 2020
- Board member of Central Bank of Malaysia from 2015 to 2018
- Board member of Malaysian Green Technology and Climate Change Corporation from 2011 to 2013
- Secretary General of the National Council of the Real Estate and Housing Developers' Association Malaysia from 2002 to 2006
- Served in the Malaysia Attorney General's Chambers and the Malaysian Judiciary Service from 1990 to 1994, last posting as a Magistrate

Directorship(s) in Other Listed Issuers/Public Companies in Malaysia

Other Listed Issuers
- Non-Independent Non-Executive Director of IOI Properties Group Berhad ("IOIPG")
- Non-Independent Non-Executive Director of Bumitama Agri Ltd

Non-Profit Public Company
- Trustee of IOI Foundation *(formerly known as Yayasan Tan Sri Lee Shin Cheng)*

Other Public Companies
- Non-Executive Director of IOI Properties Berhad ("IOIPB")
- Director of IOI Oleochemical Industries Berhad
- Director of Unico-Desa Plantations Berhad
- Director of Dynamic Plantations Berhad

DATO'
LEE YEOW SENG

Non-Independent Non-Executive Director

Date of Board Appointment: **3 June 2008**

AGE	GENDER	NATIONALITY
47	Male	Malaysian

Board Committee: None

Qualification(s)
- Barrister-at-law, Inner Temple, Bar of England & Wales
- LLB (Honours), King's College, London

Relevant Working Experience
- Involved in the corporate affairs and general management within the Group prior to the demerger and listing of IOIPG
- Served at the London and Singapore offices of a leading international financial services group for approximately two (2) years

Directorship(s) in Other Listed Issuers/Public Companies in Malaysia

Other Listed Issuers
- Group Chief Executive Officer of IOIPG
- Executive Chairman of IOIPG Malaysia Real Estate Investment Trust

Non-Profit Public Company
- Trustee of IOIPG Foundation Berhad

Other Public Companies
- Executive Director of IOIPB
- Director of Resort Villa Golf Course Berhad
- Director of Property Village Berhad

DR
NESADURAI KALANITHI

Independent Non-Executive Director

Date of Board Appointment: **8 July 2021**

AGE	GENDER	NATIONALITY
69	Female	Malaysian

Board Committee: BSC GNRC ARMC

Length of Tenure as Independent Director (as at 6 October 2026)
5 years 3 months

Qualification(s)
- Ph.D. in Biochemistry and Molecular Biology, University of Reading, United Kingdom
- Master of Science in Food Science, University of Reading, United Kingdom

Relevant Working Experience
- Advisor to the Food Science Council of Barbados Investment & Development Corporation since June 2022
- Mentor at LeadWomen, 30% Club and ICDM
- Member of the Steering Committee of the CEO Action Network
- Co-founder of Climate Governance Malaysia, the Malaysian chapter of the World Economic Forum's Climate Governance Initiative
- Independent Director of FGV Holdings Berhad from 2018 to 2021
- Minister at the Malaysian Embassy based in Brussels, Belgium and was the Regional Manager for Malaysian Palm Oil Board ("MPOB") in Europe from 2013 to 2017
- Founding member of the Malaysian Chapter of the Society for Free Radical Research ("SFRR") and Past-President of SFRR Asia
- Director of Product Development and Advisory Services in MPOB from 2008 to 2012
- Visiting Fellow, Center for Animal Biotechnology, University of Melbourne, Australia between 2003 to 2004
- Senior Principal Research Scientist and Head of Nutrition Group in MPOB in 2000

Directorship(s) in Other Listed Issuers/Public Companies in Malaysia

Other Listed Issuer
- Independent Non-Executive Director of Tan Chong Motor Holdings Berhad

Non-Profit Public Company
- None

Other Public Company
- None

DATO'
KONG SOOI LIN

Independent Non-Executive Director

Date of Board Appointment: **16 February 2022**

AGE	GENDER	NATIONALITY
65	Female	Malaysian

Board Committee: ARMC BSC

Length of Tenure as Independent Director (as at 6 October 2026)
4 years 8 months

Qualification(s)
- Chartered Accountant of the MIA
- Chartered Banker of the Asian Institute of Chartered Bankers
- Fellow of Certified Practising Accountant Australia
- Bachelor of Commerce (Honours), University of New South Wales, Australia

Relevant Working Experience
- Has over thirty (30) years of investment banking experience and has extensive equity and debt transaction expertise, having advised on numerous highly profiled and industry-shaping corporate exercises in Malaysia and Asia Pacific.
- Began her career with Ernst & Whinney (now known as Ernst & Young) and Arthur Anderson & Co before joining Bumiputra Merchant Bankers Berhad under Corporate Banking in 1989.
- Joined CIMB Investment Bank Berhad ("CIMB Investment Bank") in 1994, and had been with CIMB Group Holdings Berhad ("CIMB Group") for twenty-five (25) years until her retirement from CIMB Investment Bank as its Chief Executive Officer in March 2019.
- Held various senior positions within CIMB Group which include Group Head of Investment Banking Division for the Asia Pacific region, Group Head of Private Banking, Head of Senior Bankers Group, Chairperson of CIMB Private Limited Sri Lanka and Commissioner on the Board Commissioners of CIMB Securities Indonesia.
- Contributed significantly to entrenching CIMB Investment Bank as one of the top investment banking houses domestically and across ASEAN countries.

Directorship(s) in Other Listed Issuers/Public Companies in Malaysia

Other Listed Issuers
- Independent Non-Executive Director of AMMB Holdings Berhad
- Independent Non-Executive Director of EWI Capital Berhad
- Independent Non-Executive Director of PMB Technology Berhad

Non-Profit Public Company
- None

Other Public Company
- Independent Non-Executive Director of AmInvestment Bank Berhad

MR
LIM TUANG OOI

Independent Non-Executive Director

Date of Board Appointment: **18 July 2023**

AGE	GENDER	NATIONALITY
64	Male	Malaysian

Board Committee: ARMC GNRC

Length of Tenure as Independent Director (as at 6 October 2026)
3 year 3 months

Qualification(s)
- Member of the Institute of Chartered Accountants in England and Wales
- Certified Public Accountant of the Malaysia Institute of Certified Public Accountants
- Member of MIA

Relevant Working Experience
- Chairman of the Board Risk Management Committee of Sumitomo Mitsui Banking Corporation Malaysia Berhad since February 2023
- Chairman of the Board Risk Management Committee of Allianz Malaysia Berhad since June 2022
- Senior Adviser and Director of Investment Risk and Governance at Khazanah Nasional Berhad from March 2019 to July 2021
- Senior General Manager and Head of the Risk Management Division of Employees Provident Fund Malaysia from 2007 to 2019
- Chief Financial Officer of Hong Long Bank Berhad from 2005 to 2007
- Served in various roles in Citibank Berhad/Citigroup from 1989 to 2004 with the last position being Country Credit/Risk Director and Senior Credit Officer
- Spent six (6) years in KPMG Malaysia from 1982 to 1987 where he qualified as a Chartered Accountant and Certified Public Accountant and worked in the areas of audit, taxation and consultancy

Directorship(s) in Other Listed Issuers/Public Companies in Malaysia

Other Listed Issuer
- None

Non-Profit Public Company
- None

Other Public Companies
- Independent Non-Executive Director of Allianz General Insurance Company (Malaysia) Berhad
- Independent Non-Executive Director of Sumitomo Mitsui Banking Corporation Malaysia Berhad

DATUK
ZURINAH BINTI PAWANTEH

Independent Non-Executive Director

Date of Board Appointment: **1 September 2023**

AGE	GENDER	NATIONALITY
63	Female	Malaysian

Board Committee: GNRC BSC

Length of Tenure as Independent Director (as at 6 October 2026)
3 years 1 month

Qualification(s)
- Master of Business Administration from MARA Technology University (UiTM)
- Bachelor of Science from Texas Tech University
- Diploma in Public Administration from the National Institute of Public Administration (INTAN)

Relevant Working Experience
- Non-Executive Chairman of Malaysian Kuwaiti Investment Co. Sdn Bhd since 1 February 2024
- Former Chairman of the Malaysian Rubber Board ("MRB")
- Has been part of the Malaysian Administrative and Diplomatic Service since 1989 and served in prominent positions in numerous ministries and federal agencies in the Malaysian Government
- Former Secretary General of the Ministry of Plantation and Commodities, Ministry of Energy and Natural Resources, as well as Ministry of Water, Land and Natural Resources
- Former Chairman of the Forest Research Institute of Malaysia and MyPower Corporation
- Former Director/Trustee for the MPOB, MPOC, MRB, Malaysian Timber Industries Board, National Kenaf and Tobacco Board, Malaysian Rubber Council and Rubber Industry Smallholders Development Authority
- On a global scale, had represented Malaysia as a Director in the International Rubber Consortium
- Former Trustee of the Malaysia Forest Fund, as well as a former Director of the Sustainable Energy Development Authority and Pengurusan Aset Air Berhad

Directorship(s) in Other Listed Issuers/Public Companies in Malaysia

Other Listed Issuer
- None

Non-Profit Public Company
- None

Other Public Company
- None

Notes:

1. *Dato' Lee Yeow Chor ("Dato' Lee") and Dato' Lee Yeow Seng ("DLYS") are members of the immediate family.*
2. *Details on the perceived, potential and actual conflicts of interest involving Dato' Lee, DLYS and Datuk Zurinah binti Pawanteh respectively are disclosed in the Audit and Risk Management Committee in this Annual Report.*
3. *Save as disclosed in items (1) and (2), none of the Directors has:*
   - *(a) any family relationship with any Directors and/or major shareholders of the Company;*
   - *(b) any actual or potential conflict of interest (including interest in any competing business) with the Group;*
   - *(c) any conviction for offences (other than traffic offences) within the past five (5) years; and*
   - *(d) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 30 June 2026.*
4. *Details of Board meeting attendance of each Director in the financial year ended 30 June 2026 are disclosed in the Corporate Governance Overview Statement in this Annual Report.*

Senior Management Team

The management team is headed by Dato' Lee Yeow Chor. He is assisted by the following senior management team:

DATO'
LEE YEOW CHOR
Group Managing Director and Chief Executive

TAN
KEAN HUA
Deputy Group Chief Executive Officer

SUDHAKARAN A/L
NOTTATH BHASKARAN
Plantation Director

KONG
KIAN BENG
Group Chief Financial Officer

LIM
JIT UEI
Director of Commodity Marketing

KOO
PING WUI
Director of Oleochemical, Malaysia

PLANTATION

Sudhakaran a/l Nottath Bhaskaran
Plantation Director

Subramaniam a/l Arumugam
Head of Plantations, Indonesia

OLEOCHEMICAL

Koo Ping Wui
Director of Oleochemical, Malaysia

Sia Chieng Ho
Chief Operating Officer, Johor

Thomas Kummer
Chief Executive Officer, Germany

Teoh Bak Moi
Senior General Manager (Operation), Penang

COMMODITY MARKETING

Lim Jit Uei
Director of Commodity Marketing

REFINERY

Ir. Shyam a/l M. K. Lakshmanan
General Manager

PALM WOOD

Hans Peter Fitch
Chief Executive Officer

CORPORATE

Tan Kean Hua
Deputy Group Chief Executive Officer

Kong Kian Beng
Group Chief Financial Officer

Dr Surina binti Ismail
Chief Sustainability Officer

Loh Hoong Ling
Company Secretary

Amir Mohd Hafiz bin Amir Khalid
Head of Group Strategy

Ling Kea Ang
Head of Group Internal Audit

Lee Chin Huat
Group Head of Business System and Information Technology

Lee Mee Kam
Group Head of Legal

PLANTATION

SUDHAKARAN A/L NOTTATH BHASKARAN

Plantation Director

Date of Appointment to Current Position
1 July 2017

AGE	GENDER	NATIONALITY
66	Male	Malaysian

Qualification(s)
- Bachelor of Mechanical Engineering with Honours from University of Technology Malaysia
- Diploma in Palm Oil Mill Engineering from Malaysian Palm Oil Board ("MPOB")

Relevant Working Experience
Mr Sudhakaran began his career at Felda Mills Corporation as a Mill Engineer and later joined Unilever Plantations where he held several positions such as Mill Manager, Estate Manager and General Manager of Plantations. He joined IOI Group in 2003 as General Manager of Sandakan Refinery and later assumed the position of General Manager of Sandakan Plantations before his posting to Head Office as Senior General Manager, Plantation Division. He was subsequently promoted to Plantation Director on 1 July 2017.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- Dynamic Plantations Berhad
- Unico-Desa Plantations Berhad

SUBRAMANIAM A/L ARUMUGAM

Head of Plantations, Indonesia

Date of Appointment to Current Position
1 March 2018

AGE	GENDER	NATIONALITY
62	Male	Malaysian

Qualification(s)
- Bachelor of Science (Agribusiness) from the University Pertanian Malaysia

Relevant Working Experience
Mr Subramaniam has over thirty-seven (37) years working experience in the plantation industry and held positions of General Manager as well as Regional Controller in various large plantation companies in Malaysia and Indonesia. Prior to joining IOI Group, he was the Regional Controller at Sinarmas (Golden Agri Resources).

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

OLEOCHEMICAL

KOO PING WUI

Director of Oleochemical, Malaysia

Date of Appointment to Current Position
1 July 2024

AGE	GENDER	NATIONALITY
62	Male	Malaysian

Qualification(s)
- Master of Business Administration ("MBA") from Open University of Malaysia
- Diploma in Marketing from the Marketing Confederation of Australia

Relevant Working Experience
Prior to joining IOI Oleochemicals Industries Berhad, Mr Koo Ping Wui has worked in the pharmaceutical and medical supplies industry for sixteen (16) years. He joined IOI Oleochemical Division in 2003 and headed sales and marketing teams in various subsidiaries within IOI Oleochemical Division. In 2017, he was appointed Chief Marketing Officer at IOI Oleo GmbH based in Hamburg, Germany. Currently based in Penang, he was re-designated as Chief Operating Officer in Johor in 2020 before being promoted to his current position on 1 July 2024.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- IOI Oleochemical Industries Berhad

OLEOCHEMICAL

SIA CHIENG HO

Chief Operating Officer, Johor

Date of Appointment to Current Position
1 July 2024

AGE	GENDER	NATIONALITY
55	Male	Malaysian

Qualification(s)
- MBA from The Hong Kong University of Science and Technology, Hong Kong SAR, People's Republic of China
- Bachelor of Science in Chemical Engineering (Honors) from The University of Texas at Austin, United States of America.

Relevant Working Experience
Mr Sia Chieng Ho has more than thirty (30) years of working experience in the manufacturing industry. Prior to joining IOI Pan-Century Oleochemicals Sdn Bhd, Mr Sia spent seventeen (17) years with a leading oils and grains conglomerate, where he served as General Manager. He joined IOI Oleochemical Division in 2010 and has since held various management positions within the organisation. Currently based in Johor, he was previously the Senior General Manager before being promoted to his current position on 1 July 2024.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

THOMAS KUMMER

Chief Executive Officer, Germany

Date of Appointment to Current Position
1 May 2024

AGE	GENDER	NATIONALITY
57	Male	German

Qualification(s)
- Bachelor of Chemical Production and Management

Relevant Working Experience
Prior to IOI Group taking over the business from the former owner in 2016, Mr Thomas Kummer held a senior operation position in the former organisation and has more than twenty-two (22) years of experience in the oleochemical business in different management positions. He was previously the Chief Operating Officer before being promoted to his current position on 1 May 2024.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

TEOH BAK MOI

Senior General Manager (Operation), Penang

Date of Appointment to Current Position
1 January 2023

AGE	GENDER	NATIONALITY
56	Male	Malaysian

Qualification(s)
- Bachelor of Chemical Engineering (Honours) from University of Malaya

Relevant Working Experience
Mr Teoh Bak Moi has thirty (30) years of experience in the oleochemical industry, with vast experience in project management, plant construction and operation. Currently based in Prai, he was previously the General Manager, Engineering and Ester Operation before being promoted to his current position on 1 January 2023.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

Senior Management Team

Senior Management Team

COMMODITY MARKETING

LIM JIT UEI

Director of Commodity Marketing

Date of Appointment to Current Position
1 July 2024

AGE	GENDER	NATIONALITY
51	Male	Singaporean

Qualification(s)
- Bachelor of Science in Real Estate (Honours) from National University of Singapore

Relevant Working Experience
Mr Lim Jit Uei has more than twenty-five (25) years of experience in the trading of agricultural commodities with leading commodity companies. Prior to joining IOI Group, he was the Regional Procurement Manager (Commodities) for a global food ingredients manufacturer. He also sits on the Management Board of the Palm Oil Refiners Association of Malaysia. He was previously the Head of Group Commodity Marketing before being promoted to his current position on 1 July 2024.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

REFINERY

IR. SHYAM A/L M.K. LAKSHMANAN

General Manager

Date of Appointment to Current Position
1 February 2013

AGE	GENDER	NATIONALITY
63	Male	Malaysian

Qualification(s)
- Master of Science (MSc) in Manufacturing Systems Engineering, University of Warwick, United Kingdom.

Relevant Working Experience
Ir. Shyam is a Professional Engineer with over forty (40) years of industry experience. He leads the site's efforts in achieving significant reduction in its carbon footprint. As a Steam Engineer, he contributed to the enhancement of IOI Bio-Energy's cogeneration boiler. As a Chartered Scientist, he guides the Research and Development function at Sandakan Refinery, successfully developing processes that reduce contaminants such as 3-Monochloropropanediol Ester (3-MCPDE), Glycidyl Ester (GE), Mineral Oil Hydrocarbons (MOSH & MOAH). He currently is an appointed member of Federation of Oils, Seeds and Fats Associations (FOSFA)'s Technical Committee as well as MPOB's Program Advisory Committee on Food Safety and Nutrition. He has led his team to obtain numerous National and ASEAN Energy Awards and various Innovation Awards.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

PALM WOOD

HANS PETER FITCH

Chief Executive Officer, IOI Palm Wood

Date of Appointment to Current Position
1 July 2020

AGE	GENDER	NATIONALITY
64	Male	British

Qualification(s)
- Bachelor of Science from University of Reading, United Kingdom

Relevant Working Experience
Mr Peter Fitch has vast global experience in sales, marketing, business development strategy and product development in manufacturing and timber industries.

Prior to joining IOI Group, he was the Managing Director of Segamat Panel Boards Sdn Bhd and U. C. Gravure Sdn Bhd. He was also the Executive Director of Matak (M) Sdn Bhd.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

CORPORATE

TAN KEAN HUA

Deputy Group Chief Executive Officer

Date of Appointment to Current Position
1 July 2024

AGE	GENDER	NATIONALITY
62	Male	Malaysian

Qualification(s)
- Executive MBA from the University of Bath - Malaysian Institute of Management
- First Class Honours in Chemical Engineering from University of Malaya
- Fellow of Institution of Chemical Engineers, United Kingdom (FIChemE)
- Chartered Engineer, Engineering Council, United Kingdom (CEng)

Relevant Working Experience
Mr Tan Kean Hua held a senior marketing position in an oleochemicals multinational company prior to joining IOI Group in 2004. He was the Chairman of the Malaysian Oleochemical Manufacturers Group from March 2010 to March 2017, during which period he also held the chair of the ASEAN Oleochemical Manufacturers Group twice. He was a member of the Board of MPOB for three (3) terms from May 2010 to May 2017. Previously, he was the Executive Director of IOI Oleochemical Division before being promoted to his current position on 1 July 2024.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- IOI Oleochemical Industries Berhad

KONG KIAN BENG

Group Chief Financial Officer

Date of Appointment to Current Position
1 March 2021

AGE	GENDER	NATIONALITY
49	Male	Malaysian

Qualification(s)
- Fellow of the Association of Chartered Certified Accountants
- Member of the Malaysian Institute of Accountants

Relevant Working Experience
Mr Kong has more than twenty-six (26) years of experience in financial reporting, accounting and corporate finance. He was an Audit Manager at PricewaterhouseCoopers PLT before joining IOI Corporation Berhad ("IOI") in March 2006 as Group Accounting Manager. His last position was Group Financial Controller, overseeing treasury, corporate finance, taxation and investor relation functions of IOI Group. He was also the Acting Group Chief Financial Officer ("CFO") of IOI from November 2016 to September 2017. He was subsequently appointed to the position of Group CFO on 1 March 2021.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

DR SURINA BINTI ISMAIL

Chief Sustainability Officer

Date of Appointment to Current Position
1 March 2024

AGE	GENDER	NATIONALITY
66	Female	Malaysian

Qualification(s)
- Ph.D. in Bioorganic Polymer from University of Akron, United States of America
- Master of Science in Polymer Organic Chemistry from University of Massachusetts, United States of America
- Bachelor of Science (Honors) in Chemistry from Indiana University, United States of America

Relevant Working Experience
Dr Surina has more than twenty-five (25) years of experience working in several multinational and large Malaysian corporations. She brings with her diverse experience in intellectual property management, research and development, corporate strategy and planning and sustainability. She also has strong technical knowledge and experience in oleochemicals, palm oil, rubber products, ultraviolet coating and nanotechnology specifically in nanomaterials where she holds several international patents. Before her promotion to Chief Sustainability Officer of the Company, she was the Group Head of Sustainability of the Company since 2016.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

CORPORATE

LOH HOONG LING

Company Secretary

Date of Appointment to Current Position
1 June 2026

AGE	GENDER	NATIONALITY
38	Female	Malaysian

Qualification(s)
- Associate of the Chartered Governance Institute of Malaysia (formerly the Malaysian Institute of Chartered Secretaries and Administrators)
- Bachelor of Arts (Honours) in Commerce, Liverpool John Moores University, United Kingdom

Relevant Working Experience
Ms Loh Hoong Ling has vast experience in corporate secretarial practice, governance, corporate advisory and compliance. Prior to joining IOI Group in 2022, she was the Secretarial Manager at Hong Leong Manufacturing Group. She was promoted to Senior Manager, Secretarial on 1 July 2025 and appointed as the Company Secretary on 1 June 2026.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

AMIR MOHD HAFIZ BIN AMIR KHALID

Head of Group Strategy

Date of Appointment to Current Position
1 March 2021

AGE	GENDER	NATIONALITY
46	Male	Malaysian

Qualification(s)
- Fellow of the Association of Chartered Certified Accountants
- Bachelor of Arts (Honours) in Accounting and Finance from Liverpool John Moores University, United Kingdom
- Advanced Management Programme at National University of Singapore
- Intensive Diploma in Oil Palm Management and Technology, MPOB

Relevant Working Experience
Encik Amir Hafiz has more than twenty-three (23) years of experience in financial management, corporate strategy, corporate finance, mergers and acquisitions, and investor relations.

He began his career as an Equity Analyst at Financial Times Interactive Data in Ireland in 2002. Previously, he had also worked abroad with BMI British Midland in United Kingdom as an Operational Cost Analyst. Prior to joining IOI Group, he was with PETRONAS and Ernst & Young, subsequently becoming the Chief Financial Officer of TDM Berhad.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

LING KEA ANG

Head of Group Internal Audit

Date of Appointment to Current Position
1 July 2015

AGE	GENDER	NATIONALITY
58	Male	Malaysian

Qualification(s)
- Fellow of the Association of Chartered Certified Accountants
- Member of the Malaysian Institute of Accountants
- Member of the Institute of Internal Auditors

Relevant Working Experience
Mr Ling Kea Ang is a Chartered Accountant and has more than twenty-nine (29) years of experience in external and internal auditing. Prior to joining IOI Group, he was attached to one (1) of the Big 4 international accounting firms and had acquired broad experience in the field of external and internal auditing, accounting and taxation of large public companies listed on Bursa Malaysia Securities Berhad, large multinational corporations and privately owned businesses which were involved in various business sectors of the Malaysian economy. He was also assigned to carry out internal audit and Sarbanes-Oxley Section 404 audit of multinational corporations and was also involved in other special assignments such as corporate listing and due diligence exercises.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

CORPORATE

LEE CHIN HUAT

Group Head of Business System and Information Technology

Date of Appointment to Current Position
1 July 2023

AGE	GENDER	NATIONALITY
52	Male	Malaysian

Qualification(s)
- Master of Science in Information Technology from Universiti Putra Malaysia

Relevant Working Experience
Mr Lee Chin Huat has more than twenty-five (25) years of experience in leading and transforming Information Technology ("IT") departments within diverse industries. He has a proven track record in driving digital transformation initiatives in business application Enterprise Resource Planning (ERP), aligning technology strategy with business goals and delivering innovative solutions that enhance operational efficiency and customer experience. He has led the development and implementation of a comprehensive IT Governance framework ensuring alignment with corporate strategy and regulatory requirements.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

LEE MEE KAM

Group Head of Legal

Date of Appointment to Current Position
15 April 2025

AGE	GENDER	NATIONALITY
50	Female	Malaysian

Qualification(s)
- Certificate in Legal Practice
- Bachelor of Laws from University of Sheffield, United Kingdom

Relevant Working Experience
Ms Lee Mee Kam has about twenty-five (25) years of experience in various areas, ranging from mergers and acquisitions, joint ventures, capital markets and security laws, land transactions to intellectual property in plantation, property, automotive, industrial and healthcare sectors. Prior to joining IOI Group, she was in private legal practice and also held the position of Vice President, Legal at Sime Darby Berhad and Sime Darby Property Berhad.

Directorship(s) in Other Listed Issuers/ Public Companies in Malaysia
- None

Notes:

1. *Lim Jit Uei has family relationship with Dato' Lee Yeow Chor and Dato' Lee Yeow Seng, both of whom are the Directors and/or major shareholders of the Company.*
2. *Details on the perceived, potential and actual conflicts of interest involving certain senior management are disclosed in the Audit and Risk Management Committee Report in this Annual Report.*
3. *Save as disclosed in items (1) and (2), none of the senior management team members have:*
   - *(a) any family relationship with any Directors and/or major shareholders of the Company;*
   - *(b) any actual or potential conflict of interest (including interest in any competing business) with the Group;*
   - *(c) any conviction for offences (other than traffic offences) within the past five (5) years; or*
   - *(d) any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.*

Corporate Governance Overview Statement

Corporate Governance Overview Statement

This Corporate Governance Overview Statement (the "Statement") provides insights into the corporate governance practices of IOI Group (the "Group") under the stewardship of the Board of Directors (the "Board") of IOI Corporation Berhad. This Statement outlines the principles and key features of the Group's corporate governance framework, with a focus on the Board's priorities and areas of emphasis for the financial year ended 30 June 2026 ("FY2026").

The Group's governance framework extends beyond formal structures and compliance obligations. It reflects a shared responsibility between the Board and senior management to promote sound judgement, clear accountability and consistent governance standards across the Group. In line with this philosophy, concerted efforts have been made to strengthen governance structures and processes across the Group, ensuring a unified approach to upholding high governance standards.

The Group's sustained performance and established track record reaffirm the Board's commitment to sound corporate governance as a foundation for long-term success and sustainable value creation for shareholders and other stakeholders. The Group's governance principles are grounded in Vision IOI, which seeks to deliver responsible and balanced commercial success while having regard to the interests of all stakeholders, and our employees are guided by the IOI Core Values in conducting and managing the business and affairs of the Group.

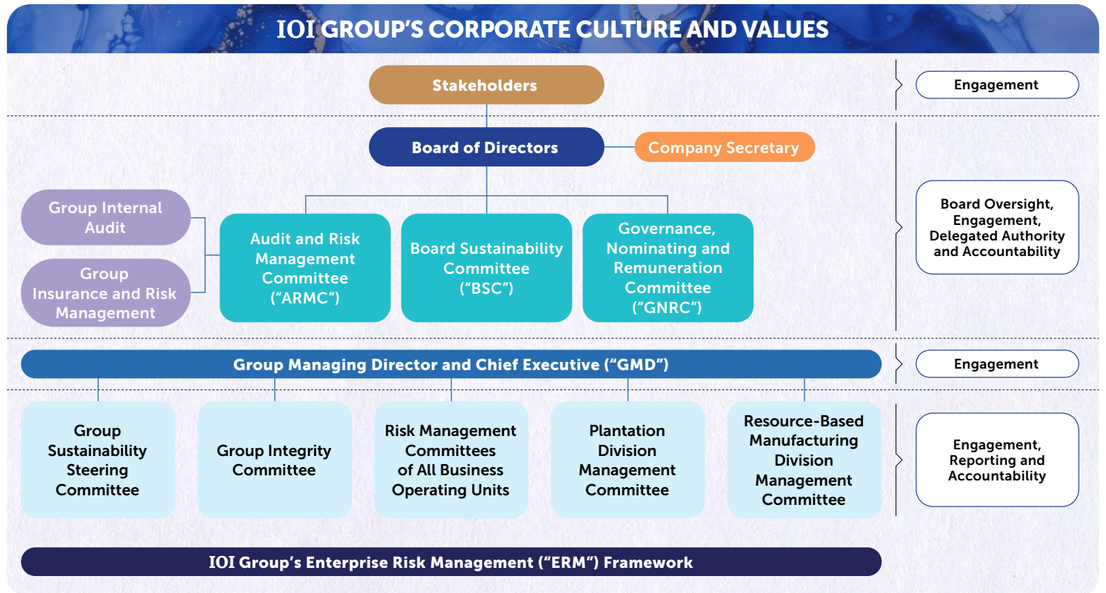
As governance standards, global developments, technological advances and stakeholder expectations continue to evolve, the Group remains committed to assessing and refining its governance practices to keep pace with the needs of the business.

HOW THE GROUP'S GOVERNANCE FRAMEWORK SUPPORTS THE GROUP'S STRATEGY

The Board regards a robust governance framework as fundamental to ethical business conduct, disciplined execution and the effective delivery of the Group's strategies. The Group's values-based governance framework is shaped by the following key considerations:

- Malaysian Code on Corporate Governance (the "CG Code");
- Main Market Listing Requirements (the "Listing Requirements") of Bursa Malaysia Securities Berhad (the "Bursa Malaysia");
- Corporate culture and values that guide ethical conduct and adherence to applicable laws and regulations;
- Commitment to continuous improvement in all areas of governance;
- Governance policies and practices, including the enterprise risk management framework; and
- Stakeholder engagement and reporting practices.

The governance framework of the Group is illustrated in the following chart:



Within this governance framework, the Board's central role is to create long-term sustainable value for shareholders and wider stakeholders. Its principal responsibilities include, among others:

- Establishing and reviewing the Group's strategies and policies;
- Overseeing risk management and corporate governance processes within the Group;
- Monitoring the Group's progress in achieving its objectives and plans;
- Considering the interests of all stakeholders, while remaining accountable to shareholders for the proper conduct and long-term success of the business;
- Providing constructive challenge to the management to ensure the management's actions are aligned with the Group's business strategies and future direction; and
- Embedding sustainability as a core element of the Board's strategic planning and decision-making.

While the Board reviews and approves the Group's strategies, responsibility for their development and implementation is delegated to senior management, including the GMD. Decision-making authority is formally delegated by the Board and systematically cascaded throughout the Group to support clear accountability, consistency and timely decision-making.

ADOPTION OF THE CG CODE

In FY2026, the Company continued to adopt all applicable principles recommended by the CG Code, except the following:

- Practice 8.2, which requires disclosure of the top 5 senior management personnel's remuneration on a named basis, in bands of RM50,000;
- Step-Up Practice 8.3, which calls for full disclosure of the detailed remuneration of each senior management member on a named basis; and
- Step-Up Practice 10.3, which recommends the establishment of a separate Board Risk Management Committee.

The Group currently does not maintain a separate Board Risk Management Committee, as risk oversight is integrated within the responsibilities of the ARMC, formerly the Audit Committee. Having regard to the Group's present business scope and risk profile, the Board is satisfied that the ARMC remains appropriately positioned to exercise effective oversight of risk management. The Board will continue to assess the Group's evolving risk landscape and will consider establishing a dedicated risk management committee should the scope or complexity of the Group's operations warrant it.

Details of our application of the CG Code principles and compliance with its practices are set out in the Corporate Governance Report (the "CG Report") published on our website at https://www.ioigroup.com/about-us/corporate-governance. The explanation for departure from Practice 8.2 of the CG Code, and the alternative practice adopted, are also disclosed in the CG Report.

This Statement is structured in accordance with the 3 broad principles of the CG Code:

PRINCIPLE A
Board Leadership and Effectiveness

PRINCIPLE B
Effective Audit and Risk Management

PRINCIPLE C
Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Principle A

BOARD LEADERSHIP AND EFFECTIVENESS

A.1 BOARD LEADERSHIP, ROLES AND RESPONSIBILITIES

The Board serves as the Group's primary leadership body. It establishes the Group's purpose, values and strategic direction, and promotes a corporate culture aligned with them. As Board effectiveness is central to the formulation and execution of sound strategy, its continuous enhancement remains a key priority.

The Board's duties include reviewing and approving financial performance, key business matters, annual Group budgets and strategic plans, while ensuring that sustainability/economic, environmental, social and governance ("ESG") ["EESG"] considerations are embedded within the Group's strategic and operational framework. The Board maintains a schedule of reserved matters and delegates specific responsibilities to the Board Committees based on their respective Terms of Reference. Details of the work of the ARMC and the GNRC are disclosed in the relevant sections of this Annual Report.

As part of its quarterly results review process, the Board also reviews the Group's debt structure and borrowing profile at least quarterly. This review forms an integral part of the Group's risk management framework, enabling the Board to assess funding requirements, refinancing and liquidity risks, maturity profiles and overall leverage levels, and to ensure that the Group's funding strategy and capital structure remain aligned with its strategic objectives and risk appetite.

The Terms of Reference of each Board Committee are available on our website at https://www.ioigroup.com/about-us/corporate-governance.

A formal division of responsibilities between the Board and Management, as illustrated below, supports clear accountability and effective oversight:

<table>
<tr><th>Non-Executive Directors</th><th>Executive Director</th><th colspan="2">Key Senior Management</th></tr>
<tr><td>Independent Chairman
Tan Sri Abdul Wahid bin Omar
Leads the Board and is responsible for its overall effectiveness</td><td rowspan="3">GMD
Dato' Lee Yeow Chor
Responsible for day-to-day management of the business and implementation of the Group's strategies</td><td colspan="2">Deputy Group Chief Executive Officer
Mr Tan Kean Hua
Supports the GMD in the day-to-day management of the business and implementation of the Group's strategies</td></tr>
<tr><td>Senior Independent Director
(Vacant)
Serves as a sounding board for the Chairman, acts as an intermediary with other Directors, and plays a key role in managing the relationship between major shareholders and the Board.</td><td colspan="2">Group Chief Financial Officer ("Group CFO")
Mr Kong Kian Beng
Provides financial leadership and support in the development and implementation of the Group's strategies</td></tr>
<tr><td>Independent and Non-Independent Non-Executive Directors
Provides constructive challenge to the executive management</td><td>Plantation Director
Mr Sudhakaran a/l Nottath Bhaskaran

Director of Oleochemical, Malaysia
Mr Koo Ping Wui

Director of Commodity Marketing
Mr Lim Jit Uei</td><td>Oversees the success of business units through the development and implementation of the Group's strategies</td></tr>
</table>

Company Secretary

The Board was supported by Mr Vincent Tan Choong Khiang ("Mr Vincent Tan"), who was appointed Company Secretary on 8 August 2011. Effective 1 June 2026, Ms Loh Hoong Ling ("Ms Loh") was appointed as an additional Joint Company Secretary, strengthening the continuity of secretarial support as the Group's governance and regulatory requirements continue to expand. As part of a structured succession plan, Mr Vincent Tan stepped down as Company Secretary on 1 September 2026, subsequent to the close of FY2026, to take up a role at IOI Properties Group. Ms Loh, who had served as Joint Company Secretary since 1 June 2026, continued as the Company Secretary, facilitating an orderly transition and continuity of governance and company secretarial support to the Board. The Board has unfettered access to the advice and services of the Company Secretary, whose major responsibilities include, among others:

- Advising the Board on all compliance and governance matters;
- Ensuring adherence to Board procedures and applicable rules and regulations, taking into account best practices and recommendations of the CG Code;
- Enabling effective communication between the Board and its Committees, and between the senior management and Non-Executive Directors; and
- Facilitating communication of key decisions and policies between the Board, Board Committees and the senior management.

To promote consistency in Board conduct and effective boardroom practices across the Group, the Company Secretary maintains oversight of the Group's corporate secretarial functions, both in Malaysia and in other regions where the Group operates. The appointment and removal of the Company Secretary are matters reserved for the Board.

A.2 BOARD INDEPENDENCE

Building on the Board Chairman succession plan initiated in the financial year ended 30 June 2025 ("FY2025"). Tan Sri Abdul Wahid bin Omar ("Tan Sri Abdul Wahid"), who joined the Board on 16 June 2025 as Senior Independent Non-Executive Director, assumed the role of Board Chairman on 5 November 2025. This planned transition supports continuity of leadership and effective Board oversight.

As at the end of FY2026, Independent Non-Executive Directors ("INEDs") constituted 72% of the Board, compared with 63% at the end of the preceding financial year. The increased proportion of INEDs strengthens independent oversight and supports objective deliberation and balanced decision-making.

The independence of each INED is assessed yearly by way of a self-evaluation process, whereby each INED affirms that he or she has fulfilled the criteria of independence set out in the Listing Requirements of Bursa Malaysia. Any prospective INED is also required to provide a written confirmation of independence for the GNRC's assessment, before his or her appointment is considered for the Board's approval.

Meanwhile, the ARMC is responsible for monitoring situations of potential conflict of interest involving Directors and key senior management. If such situation arises, the ARMC provides recommendations to the Board on whether shareholders' approval (either with or without conditions) should be sought for the potential conflict of interest. The Directors are regularly reminded of their ongoing obligations in relation to conflicts of interest, in particular the requirement to review and declare/confirm their external interests at least annually. This declaration is essential in assessing the continued independence of INEDs. Additional details on the mitigation of such conflicts of interest are set out in the ARMC Report.

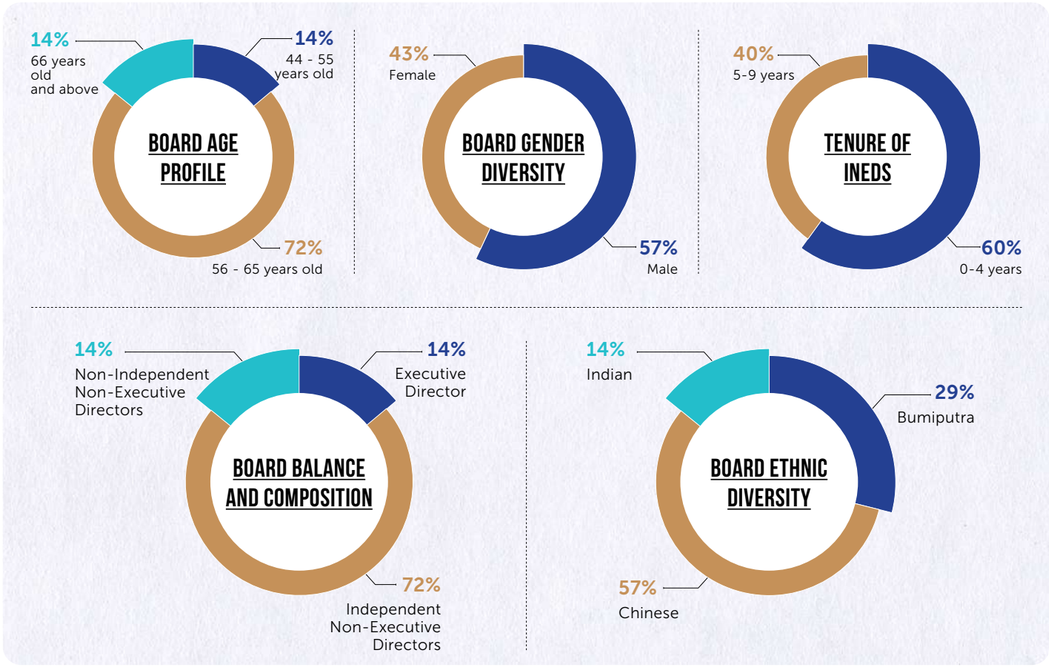
Following a review of the Directors' most recent declarations/confirmations on any actual or potential conflicts of interest, the Board concluded that all INEDs:

- Remain independent in character and judgement;
- Provide impartial and unbiased insights into the Group's affairs and offer independent views to the Board;
- Consistently deliver objective challenge to the management;
- Express their viewpoints in the best interest of the Group and its stakeholders; and
- Do not maintain any business or other relationships that could impair their ability to exercise objective judgement.

A.3 BOARD COMPOSITION AND DIVERSITY

The composition of the Board is reviewed at least annually to ensure that it has a diverse mix of experience, skills and expertise that complement the Group's strategic priorities.

Board Composition as of 28 August 2026

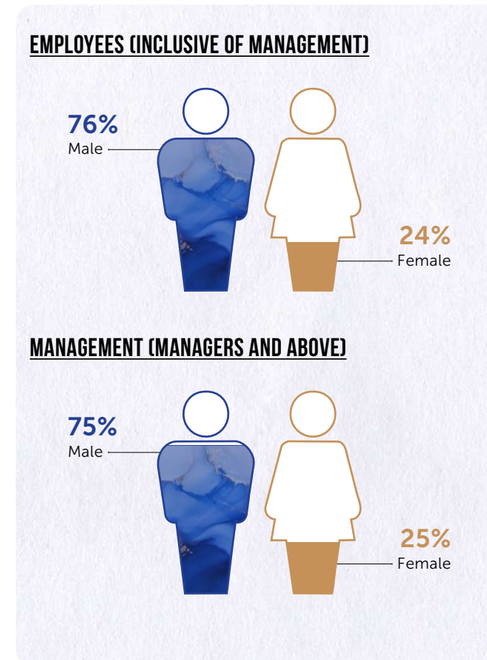


Our Board Diversity Policy recognises and embraces the value of a diverse Board, whereby all Board appointments are made based on merit and objective criteria within the context of the strategy of the Group. This includes diversity in terms of gender, social and ethnic backgrounds, cognitive and personal strengths, as well as skills, knowledge and experience necessary to enhance the Board's effectiveness. We believe that a diverse leadership team is essential for sound decision-making, by virtue of the wider perspectives and views brought into Board discussions.

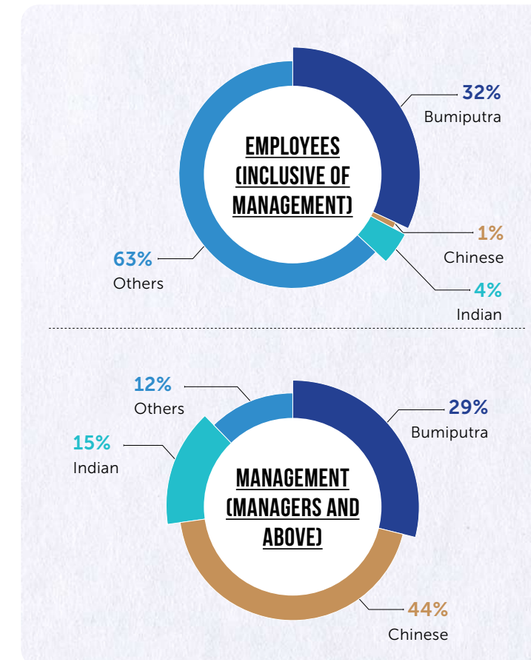
Furthermore, the Board sets the tone for promoting inclusion and diversity across the Group in line with IOI Core Values. Diversity is embedded in our Code of Business Conduct and Ethics and associated workforce policies, fostering a culture of respect and equal opportunity where every employee's success, personal abilities and contributions are given due recognition irrespective of gender, race, nationality, age, or other characteristics. We also strive to treat our employees with fairness, integrity, honesty, courtesy and dignity.

While the Group does not set specific measurable targets for achieving gender diversity at the senior management level, hiring and career advancement of employees are based on merit, competence and performance while respecting the unique attributes that each individual brings to the workplace. In our commitment to foster an inclusive and supportive environment where employees can thrive, employees are given access to professional development opportunities through internal and external training programmes, as well as mentoring initiatives.

Gender Diversity as of 28 August 2026



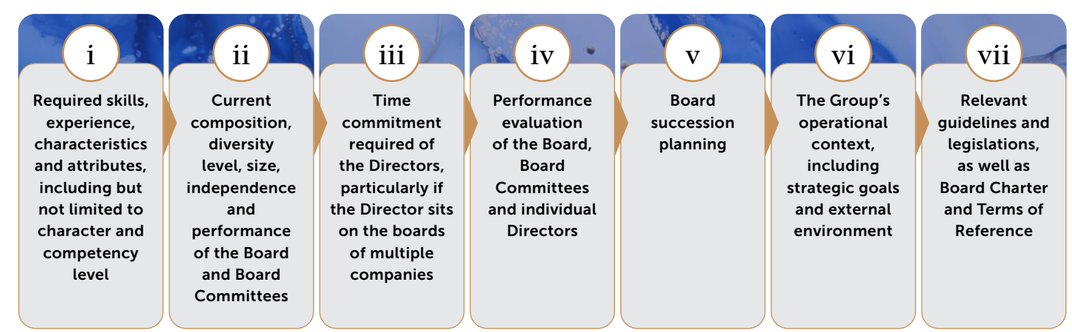
Ethnic Diversity as of 28 August 2026



A.4 DIRECTOR APPOINTMENT AND INDUCTION

Appointments to the Board are made via a formal and transparent selection process, the flow chart of which is available on our website at https://www.ioigroup.com/about-us/corporate-governance.

The Board, through the GNRC, is guided by the Fit and Proper Policy which outlines the criteria and processes for evaluation of candidates for Board appointments. Generally, the following factors are taken into consideration when assessing the need for new Director appointment and suitability of candidates:



Every candidate for a new Director appointment undergoes a self-evaluation process to assess their fitness and propriety, including a declaration of conflict of interest, time commitment and financial standing. Where necessary, background checks covering previous employment, professional references, academic qualifications, criminal records and credit standing are conducted with the candidate's consent as part of the fitness and propriety assessment. The GNRC also interviews all candidates to evaluate their readiness and ability to discharge their duties and responsibilities effectively towards the Group.

The Board places great emphasis on the time commitment of Directors. All Directors must notify the Chairman of the GNRC prior to accepting any directorship outside the Group, and the GNRC Chairman must notify the same to the Board.

Upon successful appointment of new Directors, induction programmes are arranged for the newly appointed Directors to familiarise themselves with all aspects of the Group's operations. The induction process includes, but is not limited to, estate and plant visits, briefings by the senior management on each business division, dedicated sessions on specific areas of interest, and briefings by the Company Secretary on Board procedures, various governance-related matters, as well as Directors' legal obligations and responsibilities. Site visits, being a key feature of the induction process, provide new Directors with hands-on experience by directly observing our facilities/operations and by directly engaging with on-site management teams, thereby allowing Directors to gain a deeper understanding and appreciation of the Group's activities. Additional meetings or information requests by the new Directors may also be accommodated to support their onboarding process.

Each subsidiary in the Group is overseen by its respective board of directors. The Board's confidence in the subsidiaries' operations is rooted in the quality of the subsidiaries' directors and their commitment to the Group's objectives.

A.5 BOARD EVALUATION

We conduct a Board effectiveness evaluation ("BEE") on a yearly basis to assess the performance of the Board, Board Committees and individual Directors in discharging their duties and responsibilities within the Group's governance framework. Such BEE exercise is generally conducted internally with an independent facilitator appointed every 3 years to enhance the independence and robustness of the evaluation.

The FY2026 BEE was conducted internally under the oversight of the GNRC, with facilitation by the Company Secretary. To further enhance the evaluation process, the FY2026 questionnaires were administered through an electronic platform, enabling more efficient and consistent collection and collation of responses to support the GNRC's review.

The BEE exercise generally follows the process depicted below:

The BEE exercise commenced with the distribution of questionnaires to each Director covering the following scope and criteria:

The responses submitted through the electronic platform were collated by the Company Secretary, who prepared a BEE report summarising the results. The BEE report was presented to the GNRC and the Board for deliberation, during which the Directors reviewed the findings, provided constructive feedback and identified areas requiring further improvement. Appropriate action plans were subsequently developed to address the areas identified and further enhance the effectiveness of the Board and Board Committees.

Based on the FY2026 BEE results, the Board was pleased to note that the Directors had discharged their duties effectively, and that both the Board and its Committees continued to operate efficiently in line with the Board Charter and the respective Terms of Reference of each Committee. The Board further observed that the external directorships held by the Directors did not give rise to any conflicts of interest nor did they affect their ability to fulfil their responsibilities. Each Director demonstrated commendable commitment, devoting sufficient time and attention to their roles throughout FY2026.

A.6 BOARD SKILLS MATRIX AND PROFESSIONAL DEVELOPMENT

The Board Skills Matrix is an important element of the Group's commitment to Board diversity. It supports Board succession planning and the selection of new Directors by enabling the Board, through the GNRC, to identify the core competencies, skills, knowledge and experience required to deliver the Group's strategic objectives and to govern effectively.

During FY2026, the GNRC refined the presentation of the Board Skills Matrix to better support succession planning and Board renewal. Alongside the aggregate self-assessment results, the enhanced Board Skills Matrix maps each Director's capabilities across 16 areas grouped under 4 pillars: Strategy and Entrepreneurship, Industry Knowledge and Experience, Technical Skills and Experience, and Governance Competencies. This individual mapping provides a clearer view of the Board's collective strengths and the breadth of coverage across each capability. It also facilitates the identification of potential gaps and informs priorities for Director development, succession planning and future Board appointments.

As part of the FY2026 BEE, each Director completed a self-rating questionnaire to assess their individual skills and experience and the collective capabilities of the Board ("Board Skills Matrix Assessment"). The results of the Board Skills Matrix Assessment are set out below:

CRITICAL CAPABILITIES	Tan Sri Abdul Wahid	Dato' Lee Yeow Chor	Dato' Lee Yeow Seng	Dr Nesadurai Kalanithi	Dato' Kong Sooi Lin	Mr Lim Tuang Ooi	Datuk Zurinah binti Pawanteh	Skills Coverage Level
A. STRATEGY AND ENTREPRENEURSHIP								
Strategy development and implementation	●	●	●	●	●	●	●	7/7 Strong Coverage
Operates or has relevant industry experience in operating businesses	●	●	●	●	●	●	○	6/7 Strong Coverage
B. INDUSTRY KNOWLEDGE / EXPERIENCE								
Plantation / oleochemical industry experience	●	●	●	●	●	●	●	7/7 Strong Coverage
Knowledge of sector / broad public policy direction	●	●	●	●	●	●	●	7/7 Strong Coverage
C. TECHNICAL SKILLS / EXPERIENCE								
Finance and accounting	●	●	●	●	●	●	●	7/7 Strong Coverage
Legal and regulatory requirements	●	●	●	●	●	●	●	7/7 Strong Coverage
Sales and marketing experience	○	●	●	●	●	●	●	6/7 Strong Coverage
Information technology / technology experience	○	●	●	●	●	●	●	6/7 Strong Coverage
Government / civil service experience	●	●	○	●	●	●	●	6/7 Strong Coverage
Stakeholders' engagement	●	●	●	●	●	●	●	7/7 Strong Coverage
Human capital / resources	●	●	○	●	●	●	●	6/7 Strong Coverage
International trade experience	○	●	●	●	●	●	●	6/7 Strong Coverage
D. GOVERNANCE COMPETENCIES								
Duties and responsibilities of the board, board committees and directors	●	●	●	●	●	●	●	7/7 Strong Coverage
CEO / senior management experience	●	●	●	●	●	●	●	7/7 Strong Coverage
Environmental, social and governance / sustainability	●	●	●	●	●	●	●	7/7 Strong Coverage
Governance-related risk management and controls	●	●	●	●	●	●	●	7/7 Strong Coverage

Notes:

● Skill/experience indicated ○ Not indicated

Skills Coverage Level:

7-6 Directors = Strong Coverage | 5-4 Directors = Moderate Coverage | 3 or fewer = Limited Coverage

The assessment results indicate that the Board collectively possesses a broad range of competencies relevant to the Group's business and governance needs. Each of the 16 critical capabilities is assessed as having Strong Coverage, with each capability represented by 6 or 7 of the 7 Directors. All 7 Directors reported having the relevant skills or experience in 10 capabilities, while 6 Directors reported having the relevant skills or experience in the remaining 6 capabilities. The results demonstrate that the Board has strong collective coverage across all 4 pillars of the Board Skills Matrix.

This breadth of competencies brings diverse perspectives to Board deliberations and supports informed strategic decision-making and effective oversight. It is particularly relevant to the Group's position as a mature, vertically integrated player in the plantation industry, where complementary industry, technical and governance expertise helps the Board assess evolving risks, evaluate emerging opportunities and guide the Group's response to changes in the operating environment.

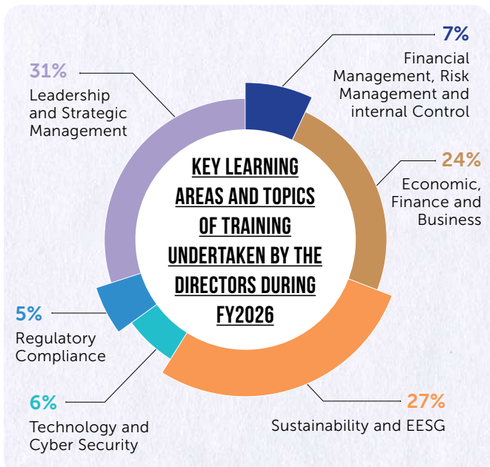
While information technology is assessed as having Strong Coverage, the Board continues to draw on external advisers for specialist insights and in-depth assessments where appropriate. The GNRC will also consider placing greater emphasis on digitalisation and information technology expertise when evaluating candidates for future Board appointments.

Having reviewed the assessment results, the Board is satisfied that its current mix of skills, experience and competencies supports the effective discharge of its responsibilities. Notwithstanding the Strong Coverage recorded under the binary assessment, the Board recognises the value of further strengthening the depth of its collective expertise in digitalisation and information technology, as well as sales and marketing. These areas will inform the GNRC's priorities for Board renewal and succession planning.

The FY2026 assessment used a binary (yes/no) response format, capturing the presence of self-reported capabilities without distinguishing between levels of proficiency. Following the recommendation of the GNRC, the Board agreed to adopt a 3-tier proficiency scale comprising Awareness, Proficient and Deep Expertise. The new scale will take effect from the next Board Skills Matrix assessment and provide a more differentiated view of the Board's expertise. The Board Skills Matrix will continue to be reviewed annually alongside the BEE, providing a structured basis for Board renewal and succession planning, Director development, and the composition of Board Committees.

Directors are expected to keep their skills and knowledge current and to undertake relevant training as necessary. All Directors have access to internal and external learning and development opportunities, and regularly attend training sessions, conferences, forums and seminars on their own initiative. In addition, the Company Secretary identifies and recommends suitable programmes, including internal sessions organised by Management on specific topics, based on the Directors' training needs. The Directors may also request additional training as needed to support their individual development and the collective effectiveness of the Board.

During FY2026, the Directors attended an awareness session on Malaysian Financial Reporting Standard ("MFRS") 18 Presentation and Disclosure in Financial Statements ("MFRS 18") and MFRS 19 Subsidiaries without Public Accountability: Disclosures ("MFRS 19"), conducted by the Company's external auditors, BDO PLT, in conjunction with the Board meeting held in May 2026. The session provided a high-level overview of the new financial reporting landscape ahead of the standards taking effect for annual reporting periods beginning on or after 1 January 2027. This enabled the Board to appreciate the implications of the new standards on the Group's financial reporting and to exercise informed oversight of Management's implementation readiness, including the gap assessment undertaken with the assistance of an external technical consultant. The Directors also participated in programmes covering corporate governance, sustainability, technology, cybersecurity and regulatory developments. The key learning areas and topics of training undertaken by the Directors during FY2026 are summarised below:



The full list of training programmes attended by each Director during FY2026 is disclosed in our CG Report, available at https://www.ioigroup.com/about-us/corporate-governance.

A.7 MEETING ATTENDANCE

Directors are expected to attend all scheduled Board and Board Committee meetings, save where exceptional circumstances arise. An annual meeting calendar is prepared and tabled to the Board in advance to assist Directors in planning their schedules and to enable Management to align internal workflows in support of timely and effective meeting preparation.

The table below shows each Director's attendance at Board and Board Committee meetings in FY2026:

Members	Board	ARMC	GNRC	BSC
Number of meetings held in FY2026	8	6	3	3
Executive Director				
Dato' Lee Yeow Chor	8/8 **(100%)**	–	3/3 **(100%)**^	3/3 **(100%)**^
Non-Executive Directors				
Tan Sri Abdul Wahid ●	8/8 **(100%)**	–	–	–
Dr Nesadurai Kalanithi ●	8/8 **(100%)**	6/6 **(100%)**	3/3 **(100%)**	3/3 **(100%)**
Dato' Kong Sooi Lin ●	8/8 **(100%)**	6/6 **(100%)**	–	3/3 **(100%)**
Dato' Lee Yeow Seng	8/8 **(100%)**	–	–	–
Mr Lim Tuang Ooi	8/8 **(100%)**	6/6 **(100%)**	3/3 **(100%)**	–
Datuk Zurinah binti Pawanteh ●	8/8 **(100%)**	–	3/3 **(100%)**	3/3 **(100%)**
Tan Sri Peter Chin Fah Kui #	3/4 **(75%)***	–	–	–

Notes:
- ● Board/ Board Committee Chairman
- ^ Attended by invitation in his capacity as GMD
- # Chairman of the Board prior to his retirement from the Board on 4 November 2025
- * Reflects the attendance and the number of meetings held during the period the Director held office

A.8 BOARD ACTIVITIES DURING FY2026

The Board plans its agenda ahead of each financial year to allow sufficient time for strategic, financial, operational, sustainability, risk, internal control and governance matters. These deliberations are instrumental in refining the execution of the Group's strategies, strengthening its position as an integrated plantation company, enhancing financial resilience and delivering consistent returns across business cycles. The long-term goals of the Group are also factored into such deliberations.

Since FY2022, the Board has held an annual Board Retreat as a platform for in-depth engagement with senior management on the Group's 5-Year Strategic Priorities Roadmap 2025-2029. The FY2026 Board Retreat was held in April 2026, at which the Board reviewed Year 1 progress for calendar year 2025 across the Group's business segments. The Board noted that Year 1 marked the transition from planning to execution, with overall progress broadly on track, and deliberated on areas requiring closer attention and external conditions affecting delivery. During FY2026, the Board continued its oversight of the 5-Year Strategic Priorities Roadmap 2025-2029 and considered organic and inorganic growth, renewable energy, business collaborations, operational efficiency, digitalisation, mechanisation and capital allocation.

The Board Charter is reviewed periodically to ensure its continued relevance and alignment with prevailing governance standards and practices. The Board had earlier identified certain enhancements to the contents of the Board Charter and in anticipation of the forthcoming revisions to the CG Code, determined that these enhancements would be more meaningfully undertaken as part of a single, comprehensive review incorporating the revised Code. Pending the issuance of the revised CG Code, the Board continued to monitor developments in this area during FY2026. Notwithstanding the deferment, the Board is satisfied that the existing Board Charter remains relevant and continues to provide clear guidance on the exercise of its constitutional powers and responsibilities. The comprehensive review will be undertaken upon the issuance of the revised Code, so that the Board Charter is updated in a manner that fully reflects the latest regulatory developments and best practices.

During FY2026, the Board also considered the ASEAN Corporate Governance Scorecard 2025 issued by the Minority Shareholders Watch Group, under which the Company recorded an overall score of 111.39 out of 200 points and a 4-star corporate governance rating, with no penalties imposed during the assessment period. The Board noted that the lower scores in certain areas were attributable principally to disclosure gaps rather than non-compliance, and Management was tasked with enhancing the clarity and completeness of the Group's disclosures in future reporting. In a similar vein, the Board considered the Group's participation in the MY Value Up Programme introduced by the Securities Commission Malaysia, under which the Company intends to develop its Value Up Plan by leveraging the existing 5-Year Strategic Priorities Roadmap 2025-2029.

The Board also received updates on the Group's Cybersecurity Governance Framework, which defines cybersecurity roles, responsibilities and oversight mechanisms across corporate information technology, operational technology and cloud environments which is aligned with the Cybersecurity Act 2024 and International Organisation for Standardisation/ International Electrotechnical Commission (ISO/IEC) 27001:2022. Pursuant to the Cybersecurity Governance Framework, which provides for regular security assessments and audits, an independent cybersecurity audit was undertaken to assess the Group's compliance with the Cybersecurity Act 2024 and applicable international standards. The Board received the findings of the independent cybersecurity audit, which concluded that the Group's cybersecurity controls were suitably designed and operating effectively, together with the corresponding corrective action plans.

The Board's key activities and priorities in FY2026 are summarised below:

Principal matters considered by the Board in FY2026	Relationship with Our Strategic Priorities and Capitals
Strategic Matters	
• The Group's performance and implementation of its 5-year strategic priorities	Product Portfolio Expansion; Productivity & Quality; Innovation; Sustainability & Climate Initiatives
• Sustainability material matters, climate change action initiatives, net zero carbon emission targets, and compliance with European Union Deforestation Regulation	H Human; M Manufactured; N Natural; S Social and Relationship; F Financial; I Intellectual
• Board and management succession planning	H Human; I Intellectual
• Dividend payouts	F Financial
• Potential growth opportunities including mergers and acquisitions, joint ventures and project collaborations	Product Portfolio Expansion; Productivity & Quality; Innovation; Sustainability & Climate Initiatives
• Ongoing digitalisation and mechanisation in the estates	Innovation
• The MY Value Up Programme	Product Portfolio Expansion; Productivity & Quality; Innovation; Sustainability & Climate Initiatives

Principal matters considered by the Board in FY2026	Relationship with Our Strategic Priorities and Capitals
Governance, Assurance and Risk Management	
• Year-end reports/statements including CG Report, Sustainability Report, ARMC Report, Statement on Risk Management and Internal Control	H Human; M Manufactured; N Natural; S Social and Relationship; F Financial; I Intellectual
• Circular to Shareholders and Share Buy-Back Statement	F Financial
• BEE findings including the Board Skills Matrix Assessment	H Human; I Intellectual
• Cybersecurity key performance indicators ("KPIs")	
• Cybersecurity Incident Response Framework	
• Findings and corrective action plans arising from the independent cybersecurity audit	
• ASEAN Corporate Governance Scorecard 2025 and areas for disclosure enhancement	
• Risk management and internal control reviews	H Human; M Manufactured; N Natural; S Social and Relationship; F Financial; I Intellectual
• EESG data integrity, internal audit plan and performance updates	H Human; M Manufactured; N Natural; S Social and Relationship; F Financial; I Intellectual
• Quarterly internal audit findings	
• GMD's remuneration package	F Financial
• C-Suite remuneration packages	F Financial
• Directors' remuneration and benefits	F Financial
• Change of Company Secretary	H Human; I Intellectual
• Annual conflict of interest review involving Directors and senior management	
• Legal and regulatory compliance including CG Code, the Companies Act 2016 and listed company obligations	
Financial and Management Performance	
• Quarterly results announcements	F Financial
• New investments and capital expenditure approvals	Product Portfolio Expansion; Productivity & Quality; Innovation; Sustainability & Climate Initiatives; H Human; M Manufactured; N Natural; S Social and Relationship; F Financial; I Intellectual

Principal matters considered by the Board in FY2026	Relationship with Our Strategic Priorities and Capitals
Financial and Management Performance (Continued)	
• Annual budget, forecasts and key performance targets and indicators	Product Portfolio Expansion; Productivity & Quality; Innovation; Sustainability & Climate Initiatives
• Performance of existing investments	Product Portfolio Expansion; Productivity & Quality; Innovation; Sustainability & Climate Initiatives
• Group-wide operational efficiency	Product Portfolio Expansion; Productivity & Quality; Innovation; Sustainability & Climate Initiatives
• External auditors' audit findings on the Group's audited financial statements and approval thereof	F Financial
• Climate-related financial reporting including progressive adoption of the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards	H Human; M Manufactured; N Natural; S Social and Relationship; F Financial; I Intellectual
• Awareness session on MFRS 18 and MFRS 19 and Management's readiness for implementation	F Financial

LOOKING AHEAD TO FINANCIAL YEAR ENDING 30 JUNE 2027 ("FY2027")

The Board's priorities for FY2027 include:

- Continuing oversight of the implementation of the Group's 5-Year Strategic Priorities Roadmap 2025 - 2029;
- Monitoring the external operating environment, particularly developments in sustainability and technology development;
- Evaluation of organic growth strategies, mergers and acquisitions, and new business opportunities;
- Monitoring of developments in cybersecurity, artificial intelligence and sustainability disclosure and assurance requirements; and
- Broadening of future Board Retreat agendas to include forward-looking strategic topics, including the application of artificial intelligence, automation and robotics in the manufacturing and agriculture sectors

A.9 GNRC'S ACTIVITIES DURING FY2026

The GNRC's Terms of Reference, which is published on our website at https://www.ioigroup.com/about-us/corporate-governance, was last revised in June 2024 to provide greater clarity on the objectives, functions, duties and proceedings of the GNRC. Key highlights of the GNRC's activities and priorities during FY2026 are summarised below:

Principal matters considered by the Board in FY2026	Relationship with Our Strategic Priorities and Capitals
Strategic	
Management succession planning, including the talent management system of the Group	H Human; S Social and Relationship; I Intellectual
Composition and dynamics of the Board and Board Committees	H Human; I Intellectual
Governance	
Independence of INEDs	H Human; I Intellectual
BEE findings including the Board Skills Matrix Assessment	H Human; I Intellectual
Board diversity	H Human; I Intellectual
Key executive performance evaluation	H Human; I Intellectual
Year-end governance reports	
ASEAN Corporate Governance Scorecard 2025 and areas for disclosure enhancement	
Remuneration	
GMD's remuneration package including its linkage to sustainability/EESG metrics	F Financial
C-Suite remuneration packages	F Financial
Directors' remuneration and benefits for shareholders' approval	F Financial
Market trends and remuneration benchmark data for senior management	F Financial
Nomination	
Re-election of Directors at the Annual General Meeting ("AGM")	H Human; I Intellectual

The GNRC reviews the Directors' current skills, experience and tenure, and assesses future requirements against the Group's long-term strategy. A core responsibility of the GNRC is to lead the Board appointment process in support of an effective succession plan. The GNRC has established defined criteria for evaluating prospective Directors, with particular emphasis on skills, expertise, experience and industry knowledge, which are agreed before any recruitment process commences. In addition, the GNRC shall also have due regard to the character, integrity, competence, time availability and commitment of Director candidates, in line with the Fit and Proper Policy. All Directors are expected to uphold the highest standards of integrity, credibility, independence of judgement (in the case of INEDs), maturity, and collegiality in discharging their duties and responsibilities.

As part of the Board's succession planning, the GNRC periodically reviews the Board structure, size and diversity, and considers any proposed changes to the Board composition. As at 28 August 2026, the Board's female representation stood at 43%, reflecting the Company's ongoing commitment to gender diversity and inclusive governance. While the Board aims to maintain a minimum of 30% women members, it is equally committed to fostering diversity across professional background, nationality, ethnicity, and other relevant dimensions, ensuring a broad range of perspectives in its deliberations.

The BEE results for FY2026 affirm that each Director, as well as the Board and its Committees collectively, has effectively discharged their duties and responsibilities. The Board continues to maintain an appropriate mix of skills, knowledge, and experience to oversee the effective execution of the Group's strategies.

Directors' Remuneration

The Company has established the Remuneration Policy and Procedures for Directors and Senior Management, which sets out a fair and transparent framework for the remuneration of Directors and senior management. As provided in the GNRC's Terms of Reference, the GNRC is responsible for (i) assisting the Board in determining the policy and structure for the remuneration of Non-Executive Directors, and (ii) recommending for the Board's approval the remuneration packages of Executive Director(s) and key senior management of the Group, drawing upon external advice where appropriate.

The Remuneration Policy and Procedures for Directors and Senior Management is designed to support the achievement of the Group's strategic objectives by attracting, motivating and retaining individuals of the right calibre. By aligning rewards with performance and long-term business goals, the policy supports the Group's ability to develop and execute its business strategy effectively.

Each Director is entitled to a meeting allowance of RM1,500 for every meeting attended, whether it is a Board meeting, a Board Committee meeting, or a general meeting. The fee structure is benchmarked against prevailing industry practices to ensure that each Director is appropriately compensated based on their level of responsibility, time commitment and level of contribution to the Group.

In September 2026, following the availability of updated market benchmarking information, the GNRC reassessed the Board Chairman's annual fee to ensure that it remains appropriate and commensurate with the role. The assessment took into account the benchmarking results, as well as the responsibilities, expectations and time commitment associated with leading the Board and supporting effective governance and oversight. Having considered these factors, the GNRC is of the view that the proposed annual fee of RM385,000 is fair and appropriate. Accordingly, it is proposed that the Board Chairman's annual fee be increased from RM350,000 to RM385,000, representing an adjustment of 10%, with effect from FY2027.

The proposed adjustment is limited to the Board Chairman's fee and reflects the distinct scope and demands of the role. The existing Directors' fees and Board Committee fees, which were last revised in FY2025 following a benchmarking exercise, remain aligned with market benchmarks and are considered fair and appropriate. Accordingly, no adjustment to these fees is proposed for FY2027. To support continued alignment with market practices and evolving Board responsibilities, a comprehensive review of the overall Directors' fee structure will be undertaken in 2027. Any proposed revisions arising from that review will be tabled for shareholders' approval at the 58th AGM in respect of the financial year ending 30 June 2028.

Upon the GNRC's recommendation, the Board has endorsed the proposed revision to the Board Chairman's fee and the retention of the existing Directors' and Board Committee fees for FY2027, subject to shareholders' approval.

A comparison of the existing and proposed fee structures is set out below:

Directors' Fee Structure	Before FY2026 Per Annum RM	After FY2026 Per Annum RM
Board of Directors		
- Base fee (for all Directors excluding Chairman)	150,000	150,000
- Chairman's fee	350,000	385,000
Audit and Risk Management Committee		
- ARMC Chairman's fee	70,000	70,000
- ARMC Member's fee	50,000	50,000
Governance, Nominating and Remuneration Committee		
- GNRC Chairman's fee	40,000	40,000
- GNRC Member's fee	30,000	30,000
Board Sustainability Committee		
- BSC Chairman's fee	40,000	40,000
- BSC Member's fee	30,000	30,000

The breakdown of FY2026 remuneration for each Director of the Company, including payments received or receivable from the Company and its subsidiaries in respect of FY2026, is disclosed in our CG Report under Practice 8.1 of the CG Code.

The bonus component of the GMD's remuneration is linked to sustainability and ESG metrics based on the Group's performance under recognised external ESG assessments, scoring frameworks and indices, including the S&P Global Corporate Sustainability Assessment (CSA)/Dow Jones Sustainability Indices (DJSI), CDP scores, the FTSE Russell ESG Score, the Sustainalytics ESG Risk Rating and the SPOTT assessment. These metrics are independently assessed using published methodologies, thereby supporting transparency, credibility and objectivity in evaluating the GMD's performance against the relevant KPIs.

Senior management KPIs are linked to sustainability/EESG performance, ensuring that progress on these objectives is monitored and reported while aligning management incentives with the Group's long-term value creation.

LOOKING AHEAD TO FY2027

The GNRC will continue to focus on:

- Monitoring management succession and development plans to build the long-term talent pipeline;
- Monitoring governance trends and amendments to the CG Code and Listing Requirements of Bursa Malaysia;
- Monitoring the Board succession plan and the skills and experience of Board members to ensure that the Board remains equipped to advance the Group's strategy and performance; and
- Enhancing the Board Skills Matrix assessment methodology to better identify depth of expertise across key capability areas.

Principle B

EFFECTIVE AUDIT AND RISK MANAGEMENT

B.1 FINANCIAL REPORTING

The Board relies on information provided by Management in assessing the completeness and accuracy of the Group's financial statements and related disclosures. The ARMC supports the Board in this regard, drawing on its members' financial knowledge and commercial experience to oversee, monitor and assess the integrity of the Group's financial statements, financial risk management processes, financial reporting practices and internal control systems. The support provided by the ARMC enables the Board to discharge its fiduciary duties and to present to shareholders a clear, balanced and meaningful evaluation of the Group's financial position, performance and prospects.

The integrity of the Group's periodic corporate reports is underpinned by robust internal structures and processes that support analytical review of financial and non-financial data, validation of information, and maintenance of proper records. This is further enhanced by the external assurance provided by the Company's external auditor, BDO PLT, on the Group's financial statements. For FY2026, the Group's fourth quarter results were audited and the audited financial statements were approved in August 2026.

The ARMC Report included in this Annual Report contains further details on the activities of the Board and ARMC in overseeing the Group's financial reporting process.

Directors' Responsibility for Preparing the Annual Audited Financial Statements

The Board is required by the Companies Act 2016 (the "Act") to prepare or cause to be prepared yearly financial statements which give a true and fair view of the state of affairs, results and cash flows of the Group and of the Company. The Directors are of the opinion that the Group applies appropriate accounting policies consistently as supported by reasonable and prudent judgements and estimates, and that the financial statements have been prepared in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, the provisions of the Act and the Listing Requirements of Bursa Malaysia.

The Board is also satisfied that the Group maintains reasonably accurate accounting records which provide a true and fair view of the financial position of the Group and of the Company.

While the internal control system, by its nature, can only provide reasonable and not absolute assurance against material misstatements, losses or fraud, the Board has taken necessary steps to ensure that sound systems and controls are in place to safeguard the assets of the Group, and to detect and prevent fraud and other irregularities.

B.2 RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for maintaining a robust internal control and risk management system that provides reasonable assurance that the Group's operations remain effective and efficient and that laws, regulations, internal procedures and guidelines are duly complied with. The ARMC supports the Board by overseeing the Group's ERM Framework and periodically evaluating its adequacy and effectiveness.

The Board conducts half-yearly reviews of the effectiveness of the Group's controls, risk management and high-level internal control processes. During such reviews, the Board receives periodic reports from the Head of Group Internal Audit, the Senior Manager of Group Insurance and Risk Management, and the external auditor. Both the external and internal auditors have unrestricted access to all departments, records and systems of the Group as and when necessary in the performance of their duties.

The Group's ERM Framework also facilitates identification, measurement, monitoring and reporting of EESG risks and opportunities. The Board is aided by the ARMC, BSC, Group Sustainability Steering Committee and divisional Risk Management Committees in overseeing key aspects of EESG risks, including climate and human rights violation risks. Periodic updates on sustainability risks and opportunities are provided to the BSC, ARMC and Board accordingly. Our Climate Change Action Initiative is aligned with the Task Force on Climate-Related Financial Disclosures recommendations. The Group is also progressively enhancing its sustainability disclosures in preparation for the adoption of the IFRS Sustainability Disclosure Standards, comprising IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. More details on sustainability risk management can be found in our Sustainability Report which is available on our website at https://www.ioigroup.com/investors/reports.

Based on the Board's evaluation for FY2026, the Board is of the view that the Group's system of internal control and risk management remains sound and comprehensive, providing adequate safeguards for (i) mitigating risks, (ii) facilitating the attainment of the Group's objectives, (iii) safeguarding the Group's assets and shareholders' investments, and (iv) upholding stakeholders' interests.

More details on the Group's ERM Framework and associated activities can be found in the ARMC Report and the Statement on Risk Management and Internal Control in this Annual Report.

B.3 ANTI-BRIBERY AND CORRUPTION

Our IOI Core Values underpin the integrity, culture and conduct of our people and operations. We maintain a zero-tolerance approach towards misconduct in any form, and will take disciplinary action, up to and including dismissal, in the event of a breach of our Business Ethics, Compliance, Anti-Corruption and Anti-Money Laundering Policy (the "AC-AML Policy"). This AC-AML Policy was last updated in November 2025.

The Board, through the ARMC, assumes ultimate responsibility for monitoring, managing and mitigating bribery and corruption risk. Our Group Head of Legal, supported by a designated Compliance Officer, oversees the implementation of the AC-AML Policy. The management has also established a Group Integrity Committee with the Deputy Group Chief Executive Director as its chair and certain senior management personnel as its members, for the purpose of reviewing and promoting compliance with the AC-AML Policy across the Group.

B.4 TAX GOVERNANCE

Oversight of the Group's tax governance is entrusted to the Group CFO, supported by the Head of Group Tax. The Group adopts a low-tolerance approach to tax compliance risk, reflecting its commitment to robust governance, transparency and adherence to the tax regulations applicable in each jurisdiction in which it operates.

Since September 2023, the Company has adopted the Group Tax Governance Statement to provide a structured and principled approach to managing our tax matters in response to the evolving global tax landscape. In line with this initiative, the Group has identified several key operating subsidiaries to submit participation documents to the Inland Revenue Board of Malaysia under the Guidelines on Tax Corporate Governance Framework. In FY2026, the Inland Revenue Board of Malaysia conducted a site visit as part of its assessment of the Group's participation in the Tax Corporate Governance programme, providing an opportunity to demonstrate the Group's tax governance framework and to obtain feedback to strengthen internal controls, transparency and compliance practices. This reflects our ongoing commitment to tax transparency, regulatory tax compliance and structured engagement with the relevant authorities.

B.5 WHISTLEBLOWING

The Company's Whistleblowing Policy, which was last revised in May 2026 to introduce "wrongdoing" as an overarching category of reportable conduct, provides a secure and confidential channel for employees and members of the public to report genuine concerns. In accordance with the Policy, the Group strongly encourages those who have knowledge of, or are aware of, any improper conduct within the Group to come forward. Such concerns may relate to suspected or actual violations of the Group's Code of Business Conduct and Ethics, improprieties in financial reporting, non-compliance with laws and regulations, breaches of internal policies and procedures, or any other malpractice. Reports submitted through the designated channels are handled and monitored by the Whistleblowing Secretariat to ensure a prompt, fair and impartial investigation.

The Whistleblowing Policy also offers protection for all whistleblowers by assuring anonymity and confidentiality of their identities, protection against reprisal or retaliation, as well as immunity from disciplinary action for genuine disclosures made in good faith.

Principle C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

C.1 STAKEHOLDERS' ENGAGEMENT

The Group recognises the importance of listening to and understanding the views of its stakeholders, whose perspectives are integral to its long-term sustainability. Stakeholder views and expectations are a key consideration in Board and Board Committee papers and form an important input to boardroom discussions, thereby informing the Group's strategic planning and decision-making.

The Board oversees Management's conduct of stakeholder engagement to maintain strong and mutually beneficial relationships. Stakeholders are prioritised according to their influence on the business and their significance to the Group's operations and strategy. Accordingly, engagement strategies are tailored to the needs and expectations of key stakeholder groups, including shareholders, investors, communities, non-profit organisations ("NGOs"), employees, regulators, suppliers, contractors and customers.

Engagement initiatives such as direct meetings, workshops and dialogues with communities are conducted throughout the year to identify their needs and gather feedback, both of which inform our actions to meet those needs. During FY2026, Management also engaged with the Minority Shareholders Watch Group on the ASEAN Corporate Governance Scorecard and the sustainability scorecard to better understand the assessment criteria and to identify opportunities to strengthen future Annual Report and Sustainability Report disclosures. Our stakeholders, including NGOs, actively engage in open and constructive dialogue with our GMD, Chief Sustainability Officer, stakeholder engagement team and Director of Commodity Marketing.

We also proactively address investors' points of interest and provide clarity on our sustainability practices by responding to sustainability enquiries and other specific disclosure requests. This forms an integral part of our stakeholder engagement activities, helping investors gain a better understanding of our commitments and performance in our business, as well as environmental, social, and governance matters.

More information on our stakeholder engagement activities is available in the Stakeholders Engagement section on pages 48 and 49 of this Annual Report, as well as in our Sustainability Report accessible at https://www.ioigroup.com/investor-relations/reports.

C.2 COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

Our disclosure practices are guided by the CG Code as well as the Listing Requirements of Bursa Malaysia. In line with our Media Disclosure Policy published at https://www.ioigroup.com/about-us/corporate-governance, we are committed to ensuring that all public communications, whether via Bursa Malaysia announcements, press releases or other channels, are timely, factual, accurate and complete, while being mindful of the restrictions governing release of material and price-sensitive information. Our corporate website, https://www.ioigroup.com, serves as a main platform for our shareholders, analysts, investors, stakeholders and members of the public to access information regarding the Group, especially our financial results, Bursa Malaysia announcements, latest news and highlights, governance documents, as well as sustainability-related initiatives and updates.

The Investor Relations team, led by the Head of Group Strategy, is the primary point of contact for investors throughout the year and engages regularly with shareholders, analysts and other investors on a broad range of matters.

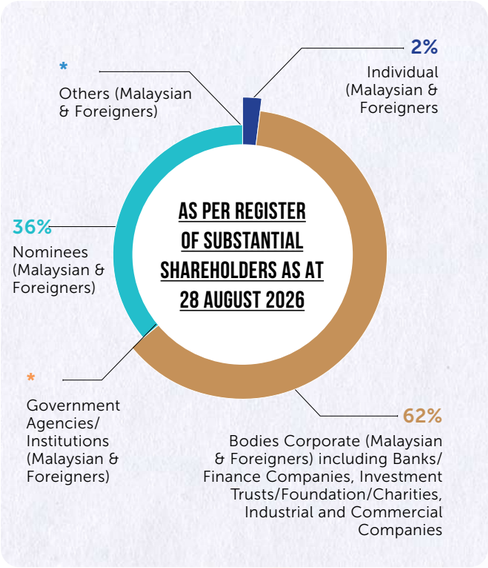
Electronic Communication

The Company has obtained prior authorisation from its shareholders to publish documents or notifications relating to shareholder communications (such as the Notice of AGM and the Annual Report and Sustainability Report) electronically on our corporate website, in lieu of printed copies (unless specifically requested by shareholders). While shareholders may have differing preferences for receiving information, the Group continues to encourage electronic communication given its advantages over paper-based communication in terms of accessibility, cost efficiency and reduced environmental impact.

We communicate formally with our shareholders at least 6 times a year, primarily through the following channels:

- Quarterly and full-year results announcements;
- Dividend declarations; and
- AGM.

As at 28 August 2026, approximately 15,323 shareholders had registered to receive notices electronically. The composition of our shareholder base, as per the Record of Depositors as at 28 August 2026, was as follows:



* Negligible

Annual General Meetings

Shareholders are encouraged to participate in the AGM and to raise questions with the Chairman and the Board. Clear and informative meeting notices and related communications are issued well in advance, and all AGM materials are made available on the Company's website.

Our 56th AGM held on 4 November 2025 was conducted in a hybrid format, providing our shareholders with flexible avenues to exercise their rights to participate, speak either in person or remotely, including via submission of typed messages through the meeting platform, and vote at the 56th AGM. All the Directors were in full attendance at the 56th AGM. The minutes and webcast recording of the 56th AGM, as well as responses to queries raised by the Minority Shareholders Watch Group, were published on our website at https://www.ioigroup.com/investors/shareholders-information in a timely manner.

This Statement was approved by the Board on 23 September 2026.

Audit and Risk Management Committee Report

Audit and Risk Management Committee Report

The Board of Directors (the "Board") of IOI Corporation Berhad (the "Company") is pleased to present its Audit and Risk Management Committee ("ARMC") Report for the financial year ended 30 June 2026 ("FY2026") ("ARMC Report").

The ARMC supports the Board in safeguarding the integrity of the Group's financial reporting and strengthening the effectiveness of its governance, risk management and internal control systems. Its primary objectives are:

(i) To provide a central forum for communication as a focal point between the Directors, external auditors and internal auditors regarding their duties relating to financial reporting, internal controls, external audit and internal audit, and such other matters as the Board determines from time to time; and

(ii) To support the Board in discharging its responsibilities by providing an independent review and supervision over financial reporting, ensuring the effectiveness of the internal control system of the Company and its subsidiaries (collectively, the "Group" or "IOI Group"), and ensuring the adequacy and effectiveness of the external auditors and internal audit function of the Group.

A. MEMBERS

Since the end of the last financial year, the composition of the ARMC, as detailed below, has remained unchanged. The biographies of the current ARMC members are set out in the Profile of Directors section of this Annual Report 2026.

Dato' Kong Sooi Lin	Chairman Independent Non-Executive Director
Mr Lim Tuang Ooi	Member Independent Non-Executive Director
Dr Nesadurai Kalanithi	Member Independent Non-Executive Director

The ARMC is composed entirely of Independent Non-Executive Directors. In compliance with governance requirements, none of the members is the Chairman of the Board, an alternate director, or a former key audit partner of the Group's external auditors. In addition, all the ARMC members are financially literate, with Dato' Kong Sooi Lin ("Dato' Kong") and Mr Lim Tuang Ooi ("Mr Lim") being members of the Malaysian Institute of Accountants ("MIA"), and collectively possess the relevant experience and capabilities necessary to discharge their duties and responsibilities effectively. Therefore, the composition of the ARMC complies with the Main Market Listing Requirements (the "Listing Requirements") of Bursa Malaysia Securities Berhad (the "Bursa Malaysia") and is aligned with the CG Code.

The Group Managing Director and Chief Executive, Deputy Group Chief Executive Officer, Group Chief Financial Officer, Head of Group Internal Audit, Group Insurance and Risk Management Senior Manager, other relevant senior management personnel and the Company's external auditors, BDO PLT ("BDO"), are generally invited to attend ARMC meetings to brief the ARMC and provide relevant updates and clarifications on matters within its purview. BDO also meets with the ARMC, without Management being present, at least twice during each financial year to facilitate open and candid dialogue. The Company Secretary acts as Secretary to the ARMC.

B. SUMMARY OF KEY RESPONSIBILITIES

The ARMC operates under its Terms of Reference ("TOR"), which were last revised by the Board in May 2024. The TOR are aligned with the latest Listing Requirements of Bursa Malaysia and the Group's internal policies and reflect the ARMC's evolving responsibilities, including its oversight of conflict of interest ("COI") matters within the Group. The ARMC's principal duties and responsibilities include:

(i) Overseeing the financial reporting process and monitoring the integrity of the Group's financial statements, annual and quarterly reports, and any other formal announcements relating to its financial performance;

(ii) Reviewing all reports and audit plans prepared by the external auditors, overseeing all relationships with them, and evaluating their independence and performance;

(iii) Monitoring the effectiveness of the Group's internal audit function;

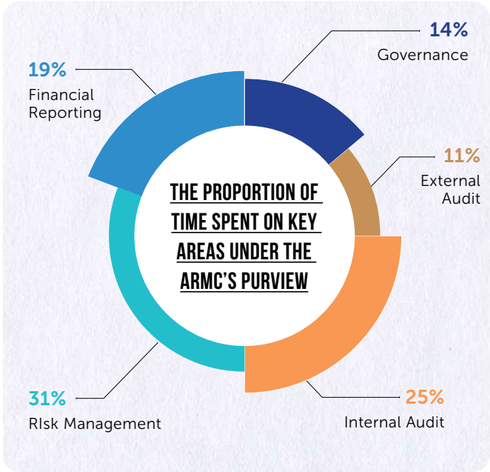
(iv) Reviewing any related party transactions ("RPTs") and COI situations, including measures taken to resolve, eliminate, or mitigate such conflicts; and

(v) Assessing the effectiveness of the Group's practices, processes, internal control system, and risk management framework.

The full TOR of the ARMC is published at https://www.ioigroup.com/about-us/corporate-governance.

C. TIME SPENT ON KEY AREAS

During FY2026, the proportion of time spent on key areas under the ARMC's purview is set out below:



D. SUMMARY OF WORK OF THE ARMC

Ahead of each financial year, the ARMC sets a dynamic agenda that includes routine matters for regular review and specific matters to be considered during the year.

The activities, focus areas and significant matters addressed by the ARMC during or in respect of FY2026 are described in the ensuing sub-sections.

D.1 FINANCIAL STATEMENTS AND REPORTING

Throughout FY2026, the ARMC maintained close oversight of the integrity of the Group's financial reporting process. Its work included:

(i) Monitoring the Group's compliance with financial reporting standards;

(ii) Assessing the appropriateness and consistent application of accounting policies throughout the financial year;

(iii) Evaluating the appropriateness of estimates, judgements and key assumptions made by Management in the recognition, measurement and presentation of the financial results;

(iv) Reviewing BDO's audit plan, audit progress, as well as findings on areas of significant attention;

(v) Reviewing unaudited quarterly financial results and audited financial statements of the Group before recommending them for the Board's approval; and

(vi) Reviewing BDO's reports on their assessment of the Group's internal controls and their recommendations to address control weaknesses.

In discharging this responsibility, the ARMC focused on areas involving significant judgement, estimation uncertainty or heightened audit attention. The principal financial reporting matters considered in relation to the FY2026 financial statements are set out below:

Impairment assessment of goodwill

The ARMC reviewed Management's impairment assessment of the carrying amounts of goodwill allocated to the Group's plantation and resource-based manufacturing cash-generating units. As part of its review, the ARMC constructively challenged Management on the significant judgements and estimates applied in determining the recoverable amounts of the relevant cash-generating units using the value-in-use approach. These included the cash-flow forecasts and the underlying assumptions relating to forecasted revenue growth rates, profit margins, terminal growth rate, where applicable, and the pre-tax discount rate.

The ARMC also considered BDO's assessment of the reliability of Management's forecasting process, the reasonableness of the key assumptions against historical trends and relevant market outlook information, the appropriateness of the pre-tax discount rate, and the results of BDO's sensitivity analysis.

Having reviewed Management's and BDO's assessments, the ARMC concurred that the recoverable amounts exceeded the carrying amounts of the respective cash-generating units and hence no impairment loss on goodwill was required for FY2026.

Fair value measurement of derivative financial instruments

The ARMC reviewed Management's valuation of the Group's derivative financial assets and liabilities. In determining the fair values of these derivative financial instruments, Management performed reasonableness testing using relevant inputs obtained from available market information and contractual terms and compared the resulting fair values against those provided by banks and other financial institutions.

The ARMC also considered BDO's assessment of the contractual terms and accounting treatments adopted by Management, including the rationale for entering into the derivative financial instruments. BDO assessed Management's process for deriving the fair values, evaluated the key valuation inputs against observable market data, where applicable, and compared the recorded fair values with statements or confirmations obtained from banks and other financial institutions. No material exceptions were reported from the audit procedures performed.

Having reviewed Management's and BDO's assessments, the ARMC was satisfied that the derivative financial instruments had been appropriately valued and accounted for in the Group's financial statements for FY2026.

Impairment assessment of property, plant and equipment ("PPE") for a loss-making subsidiary and the cost of investment of the Company in the subsidiaries

The ARMC reviewed Management's assessment of the recoverable amount of the property, plant and equipment ("PPE") of IOI Palm Wood Sdn Bhd ("IOI Palm Wood") and the Company's cost of investment in IOI Palm Wood, Eglinton Investment Pte Ltd ("Eglinton") and Oleander Capital Resources Pte Ltd ("Oleander"). The recoverable amounts were determined using the respective valuation methodologies and underlying assumptions applicable to each assessment, including discounted cash-flow forecasts, the relevant pre-tax discount rates, the estimated disposal value of land and buildings, and fair value less costs of disposal.

In carrying out its review, the ARMC considered BDO's comparison of IOI Palm Wood's cash-flow forecasts against its recent performance and BDO's assessment of the underlying key assumptions against relevant market outlook information, where applicable. The ARMC also considered BDO's assessment of the methodologies and assumptions used in determining the recoverable amounts of the Company's investments in Eglinton and Oleander.

Having considered Management's assessments and BDO's audit procedures and findings, the ARMC was satisfied that the impairment assessments were appropriately supported and that the resulting accounting treatment was reasonable and appropriate for FY2026. The ARMC concurred that the recoverable amount of the PPE of IOI Palm Wood exceeded its carrying amount as at 30 June 2026 and that no additional impairment loss was required for the PPE or the Company's investments in the relevant entities.

The ARMC also received updates from BDO on audit quality and assurance matters, particularly BDO's compliance with the applicable International Standard on Quality Management.

The Key Audit Matters ("KAMs") identified in respect of the Group's FY2026 financial statements were impairment assessment of goodwill, fair value of derivative financial instruments, and impairment assessment of PPE of IOI Palm Wood and cost of investment of the Company in IOI Palm Wood. The KAMs were identified based on materiality and the significant judgements and estimates involved in the following areas:

(i) Impairment assessment of the carrying amounts of goodwill allocated to the Group's plantation and resource-based manufacturing cash-generating units, which involved significant judgements and estimates concerning the future results and underlying key assumptions applied in the cash flow forecasts. These assumptions included forecasted revenue growth rates, profit margins, terminal growth rate, where applicable, and the pre-tax discount rate used in determining the recoverable amounts;

(ii) Fair value measurement of derivative financial instruments, which involved significant judgements and was subject to estimation uncertainty due to the volume of trades and the application of subjective variables in determining fair values; and

(iii) Impairment assessment of the property, plant and equipment of IOI Palm Wood and the Company's cost of investment in IOI Palm Wood, which involved significant judgements and estimates concerning the future results and underlying key assumptions applied in the cash flow forecasts. These assumptions included forecasted revenue growth rates, profit margins and the pre-tax discount rate used in determining the recoverable amounts.

As part of its year-end review of controls relevant to the audit, BDO engaged with the respective managers of estates, mills, palm oil refineries and power plants to identify control matters and communicate its findings and recommended remedial actions. In accordance with the audit approach presented to the ARMC, BDO also conducted site visits to 3 mills, 9 estates, 1 power plant and 1 palm oil refinery. BDO separately reviewed information technology general controls relevant to financial reporting and reported its findings to the ARMC and the Group Head of Business System and Information Technology. The ARMC considered the findings from these reviews, Management's proposed remedial actions, the persons accountable for implementation and the respective target completion dates.

BDO also reported to the ARMC the unadjusted misstatements identified during the course of their audit, which were assessed to be immaterial. The ARMC concurred with BDO that no material items remained unadjusted in the Group's financial statements for FY2026.

Apart from the matters described in this subsection, no other significant or unusual events or transactions were highlighted by either Management or BDO during the course of the FY2026 audit.

The ARMC also maintained oversight of the Group's preparedness for the adoption of Malaysian Financial Reporting Standard ("MFRS") 18 Presentation and Disclosure in Financial Statements ("MFRS 18") and MFRS 19 Subsidiaries without Public Accountability: Disclosures ("MFRS 19"), which take effect for annual reporting periods beginning on or after 1 January 2027. During FY2026, technical upskilling sessions covering MFRS 18 and MFRS 19 were conducted for the Group's finance teams in January 2026 and a project committee was established to oversee implementation readiness across the Group. In May 2026, BDO conducted an awareness session for the Board together with the ARMC members on the key changes introduced by MFRS 18 and MFRS 19. The ARMC will continue to monitor the Group's progress in assessing and addressing the financial reporting, process and system implications of the new standards.

Subsequent to FY2026, the ARMC reviewed the Group's fourth-quarter results for the period ended 30 June 2026 and the audited financial statements ("AFS") for FY2026. It satisfied itself that the significant judgements, estimates and disclosures underpinning the results and AFS had been appropriately addressed and recommended both to the Board for approval. The Board approved and issued the AFS for FY2026 in August 2026.

Audit and Risk Management Committee Report

D.2 GOING CONCERN ASSESSMENT

The ARMC reviewed Management's going concern assessment supporting the preparation of the Group's consolidated financial statements. The review covered the assessment period, the Group's capital and liquidity position and the underlying assumptions used by Management. The ARMC constructively challenged Management on the principal risks and uncertainties facing the Group, the adequacy of available financial resources and the reasonableness of the expectations for future performance and capital expenditure over the assessment period.

Following its review, the ARMC concluded that the going concern basis remained appropriate and recommended its continued adoption to the Board. The Board concurred, and the audited financial statements for FY2026, approved in August 2026, were prepared on that basis.

D.3 INTERNAL AUDIT

The ARMC reviewed the annual internal audit plan and budget for the ensuing financial year, having regard to previous external and internal audit outcomes, the Group's material sustainability matters and Management's feedback. In assessing whether the Group Internal Audit Department remained effective, the ARMC also considered the adequacy of its scope, functions, competencies and resources. Particular attention was given to developing a holistic framework for sustainability and Economic, Environmental, Social and Governance ("ESG") ["EESG"] audits at operating-unit level, in view of the risk of non-compliance with applicable sustainability and EESG standards and regulations.

During FY2026, the ARMC received regular reports on the findings of audit assignments undertaken by the Group Internal Audit Department. Based on quarterly briefings provided by the Head of Group Internal Audit, the ARMC assessed the adequacy and timeliness of Management's responses to the issues raised. In addition, the ARMC made specific enquiries to both the Head of Group Internal Audit and Management to understand the root causes of unfavourable audit findings, as well as the effectiveness of corrective actions implemented or planned. Where necessary, the ARMC provided constructive challenge to Management regarding the actions taken to minimise recurrence of unfavourable audit findings and to ensure satisfactory resolution of material issues raised.

Furthermore, the ARMC held 2 private sessions with the Head of Group Internal Audit without the presence of Management during FY2026. The purpose of these private sessions was to ensure the smooth functioning of corporate accountability mechanisms and that there were no restrictions on the discharge of duties by the internal audit personnel.

With respect to the performance and competency of the Group Internal Audit Department, the ARMC conducted the annual evaluation for FY2026 and was satisfied that the internal audit function of the Group had discharged its duties and responsibilities effectively.

D.4 RISK MANAGEMENT

The Board has delegated to the ARMC the responsibility for monitoring the effectiveness of the Group's risk management and internal control systems. In discharging this responsibility, the ARMC is supported by the Corporate Risk Management Department.

The Group's risk register provides the foundation for the ARMC's risk oversight by setting out the principal risks facing the Group, their likelihood and potential impact, and the controls and procedures established to mitigate them. The ARMC considers how these risks may affect the achievement of Vision IOI and the Group's strategic and operational objectives. It also reviews key risk summary reports prepared by the Corporate Risk Management Department, which track residual risk exposures and enable the ARMC to assess Management's action plans and whether exposures remain within the risk tolerance levels set by the Board.

During FY2026, the ARMC continued its half-yearly review of the Group's risk management and internal control processes. Senior management including the relevant functional heads presented the principal risks affecting their respective business divisions directly to the ARMC. The key risks considered included external economic, geopolitical and regulatory developments, reputational risk, sustainability and climate-related matters, labour availability and productivity, weather variability, and product quality and certification requirements. These review sessions enabled the ARMC to scrutinise principal and emerging risks and assess the adequacy and practicality of the corresponding mitigation strategies.

In conjunction with its quarterly review of the Group's financial results, the ARMC also reviewed the Group's debt structure and borrowing profile, including its funding requirements, refinancing and liquidity risks, debt maturity profile and overall leverage. This review complemented the ARMC's oversight of the Group's risk management framework and enabled the Board to assess whether the Group's funding strategy and capital structure remained aligned with its strategic objectives and risk appetite.

As part of its oversight of insurance risk management, the ARMC reviewed the Group Internal Audit Report, which identified areas for improvement in insurance coverage reviews, process standardisation and controls, and the assessment of risk exposures. In response to the findings, the ARMC also reviewed initiatives to strengthen the collection and analysis of historical loss-incident data across all business units, irrespective of whether an insurance claim had been made, and the development of a centralised loss-incident reporting system. The system is intended to facilitate direct reporting by business units and support the consistent capture of accurate and up-to-date information for monitoring, risk assessment and governance purposes. The ARMC requested a progress update in the financial year ending 30 June 2027 ("FY2027") and will continue to monitor the implementation of the recommended remedial measures.

The ARMC also held 2 private sessions with the Group Insurance and Risk Management Senior Manager during FY2026, without the presence of Management. The main purpose of these private sessions was to address any issues or concerns that could impede the effectiveness of the Group's risk management activities.

Cybersecurity remained another key area of focus. In response to evolving cyber threats, the Group continued to strengthen its cybersecurity controls and governance through enhancements to security policies, operational practices and staff training programmes. Regular alerts, phishing-awareness campaigns and internal communications were undertaken to enhance employees' understanding of cyber risks and foster a robust cyber-risk culture across the Group.

In support of the Group's preparedness for cybersecurity incidents, the ARMC reviewed the Cybersecurity Incident Response Framework, which sets out the protocols for detecting, responding to and recovering from such incidents. The framework comprises 6 core functions: (i) Govern, (ii) Identify, (iii) Protect, (iv) Detect, (v) Respond and (vi) Recover, supported by a structured incident-management process extending from preparation to post-incident review.

The ARMC further reviewed the Group's Cybersecurity Governance Framework and the progress of its cybersecurity enhancement initiatives, including the findings of an independent cybersecurity audit and the corresponding remediation plans. The framework defines the roles, responsibilities and oversight mechanisms across the Group's corporate information technology, operational technology and cloud environments and is aligned with the Cyber Security Act 2024 and ISO/IEC 27001:2022. The independent audit assessed the Group's compliance with the Cyber Security Act 2024 and applicable international standards and concluded that the Group's cybersecurity controls were suitably designed and operating effectively. The ARMC noted the corrective actions being implemented to address the audit findings and further strengthen the Group's cybersecurity governance, risk management, incident-response capabilities and overall cyber resilience.

In the area of regulatory compliance, the ARMC oversaw the Group's transition to the Stamp Duty Self-Assessment System ("SDSAS"). The ARMC reviewed Management's assessment of the Group's stamp duty exposure and the measures implemented to regularise historical instruments, strengthen compliance controls and mitigate future exposure. The ARMC also discussed with Management on the completeness of the assessment and the adequacy of the controls established to minimise the risk of non-compliance.

In addition, the ARMC was updated on the Group's tax governance initiatives, including the participation of selected operating subsidiaries in the Inland Revenue Board of Malaysia's Tax Corporate Governance Framework programme, and the site visit conducted by the Inland Revenue Board of Malaysia during FY2026 as part of its assessment process.

Based on the reviews undertaken, the ARMC concluded that the Group's risk management process remained effective in identifying, assessing and monitoring its principal and emerging risks during FY2026. Further details of the Group's risk management activities are disclosed on pages 46 and 47 of this Annual Report 2026 and in the Statement on Risk Management and Internal Control.

Audit and Risk Management Committee Report

D.5 RELATIONSHIP WITH EXTERNAL AUDITORS

The ARMC places great importance on maintaining high standards of audit quality and ensuring the effectiveness of the external audit carried out by BDO. It reviewed the annual audit plan for FY2026 to assess whether the planned scope was appropriate and aligned with the audit engagement. The review covered areas of significant and elevated audit risk that could give rise to material misstatements and require additional audit attention, as well as the audit scope, materiality thresholds and the nature of non-audit services provided to the Group.

Throughout the audit process, the ARMC met with BDO representatives, including the audit engagement partners, both with and without Management present. These sessions enabled the ARMC to discuss the audit scope, significant findings and other matters arising from the audit, assess BDO's continuing effectiveness as external auditors and monitor Management's responsiveness to audit recommendations. During FY2026, the ARMC held 2 private sessions with BDO without Management present.

D.6 ASSESSMENT OF EFFECTIVENESS OF EXTERNAL AUDITORS (INCLUDING REVIEW ON THEIR RE-APPOINTMENT)

The ARMC conducted its annual assessment of BDO's qualifications, technical expertise, adequacy of resources and the overall effectiveness of the FY2026 audit process. It considered BDO's internal quality-control procedures, audit resources and independence safeguards, as disclosed in BDO's annual Transparency Report, together with relevant insights from the Audit Oversight Board's Annual Inspection Report and BDO's responses to audit challenges. These matters formed the basis of the ARMC's overall evaluation and its recommendation on BDO's reappointment as the Company's external auditors. Other key factors considered were:

- Quality of planning, execution and delivery of the audit;
- Ability to meet reporting timelines and respond to audit issues promptly;
- Competence and knowledge of the audit engagement team members;
- Effectiveness of communication between Management and the audit team;
- Robustness of the audit process, including the audit team's professional scepticism, independence and ability to constructively challenge Management;
- Ability to identify risks or potential issues and to provide constructive recommendations in weak areas, particularly with regard to the internal control system governing the financial reporting process of the Group; and
- Feedback from Management on their experience with the audit process and interactions with the audit team.

Details on the ARMC's review and assessment of BDO's performance are set out below:

(a) Auditor's effectiveness

In assessing the effectiveness of the audit process, the ARMC considered the quality, clarity and relevance of BDO's reports and presentations, together with the additional insights provided by the audit engagement partner. It also evaluated BDO's approach to key accounting and audit judgements, including the audit team's exercise of professional scepticism and its ability to challenge Management's assumptions in areas involving significant judgement.

The ARMC was satisfied with the overall effectiveness and rigour of the FY2026 audit and with BDO's performance as external auditors. In reaching this conclusion, the ARMC considered:

(i) The timely and tangible improvements implemented by BDO in response to observations from the previous year's review;
(ii) The consistently high quality, clarity and relevance of audit deliverables and presentations;
(iii) Management's feedback on BDO's professionalism, responsiveness and collaborative approach;
(iv) The technical proficiency and industry knowledge demonstrated by the audit engagement team in addressing complex accounting and reporting matters; and
(v) BDO's understanding of the Group's operations, industry dynamics and principal risks, which supported a more focused and value-adding audit approach.

(b) Independence and objectivity

The ARMC conducts an annual review of BDO's independence and objectivity in its role as external auditors of the Company and its plantation subsidiaries, to ensure that audit engagements are carried out with professional scepticism and without compromise to audit quality. In respect of FY2026, this assessment was carried out both prior to the commencement of the audit and upon its completion, to ensure that BDO remained independent, objective, and effective throughout the audit engagement. In doing so, the ARMC took into account BDO's adherence to relevant professional and regulatory requirements, as well as the nature and extent of the relationship with the auditor as a whole, including the provision of any non-audit services.

The ARMC also monitored BDO's compliance with applicable regulatory, ethical and professional guidance governing the rotation of audit partners. As per BDO's firm policy, the audit engagement partner is required to be rotated every 7 years with a mandatory 5-year cooling-off period, in accordance with the By-Laws (On Professional Ethics, Conduct and Practice) of MIA. The current audit engagement partner for the Group, Rejeesh Balasubramaniam, assumed responsibility for the audit in FY2024 and will be due for rotation upon the conclusion of the audit for FY2030.

Having reviewed the documentation and representations provided by BDO, the ARMC was satisfied with the objectivity and independence demonstrated by BDO in the performance of its duties for FY2026.

(c) Non-audit services rendered by external auditors and their affiliates during the financial year

To safeguard the external auditors objectivity and independence, the ARMC oversees all non-audit services provided by BDO and its affiliates. The ARMC applies the Policies and Procedures to Assess the Suitability and Independence of External Auditors, last revised in November 2023, when considering whether such engagements should be approved.

In accordance with the established procedures, Management obtained the ARMC's prior approval before engaging BDO or its network firms for non-audit services. The audit and non-audit fees paid to BDO and its affiliates during FY2026 are disclosed in Note 10 to the Company's audited financial statements for FY2026. For each non-audit engagement, BDO identified the safeguards applied and confirmed that the nature and extent of the services and the related fees would not impair its independence as the Company's external auditors.

The non-audit services provided to the Group in FY2026 primarily comprised tax compliance, transfer pricing and tax advisory services. The related fees represented approximately 30% of the total audit fees payable to BDO. Having considered the nature and scope of these services and the safeguards applied, the ARMC concluded that BDO's independence and objectivity were not compromised. The ARMC also considered that BDO's familiarity with the Group's operations and industry environment supported the efficient delivery of these services.

The ARMC considered that with the necessary safeguards in place to minimise threats to BDO's independence, the quality of BDO's audit work remained intact despite the provision of non-audit services. These safeguards included the following:

(i) Non-audit services were performed by staff who were not part of the audit engagement team, to avoid any self-review threat;
(ii) BDO refrained from offering services that could be perceived to be materially in conflict with their role as external auditors; and
(iii) The nature and scope of non-audit services provided by BDO and their affiliates were not specifically prohibited under the By-Laws of MIA or promulgations of the International Federation of Accountants.

(d) Audit fees

The amount of audit fees (on a group basis) payable in respect of the audit services provided by BDO and their affiliates amounted to RM1.74 million for FY2026 (FY2025: RM1.61 million). Considering the audit scope, complexity of the engagement, and the level of professional input required, the ARMC agreed that the audit fees were appropriate and that the agreed remuneration could support the delivery of an effective and independent audit. Based on the recommendation of the ARMC, the Board approved the current remuneration payable to BDO, pursuant to the authority granted by the shareholders at the Company's 56th Annual General Meeting in 2025.

Recommendation for re-appointment of external auditors

Based on the review and the assessments described above, the ARMC concluded that BDO had demonstrated appropriate focus, professional scepticism and robust challenge in the primary areas of the audit. The ARMC was satisfied with BDO's effectiveness, independence and audit quality and accordingly recommended to the Board that BDO be reappointed as the Company's external auditors for FY2027. A resolution to this effect will be tabled for shareholders' approval at the forthcoming 57th Annual General Meeting on 4 November 2026.

D.7 REVIEW OF CONFLICT OF INTEREST SITUATIONS

The Group's Conflict of Interest ("COI") Policy (the "COI Policy"), adopted in May 2024, serves as a framework to assist Directors and key senior management in recognising and managing perceived, potential or actual COIs that may arise during the financial year, as well as any subsisting COIs that have existed since the previous years. This COI Policy applies to all Directors and key senior management of the Group.

The COI Policy reflects the Group's commitment to ethical conduct, transparency and accountability in line with the IOI Core Values. It provides clear guidance on what constitutes a COI, the disclosure process and the responsibilities of Directors and key senior management in ensuring that COI situations are promptly and appropriately addressed.

Consistent with Bursa Malaysia's Guidance on COI, the ARMC reviewed COI situations involving Directors and key senior management during FY2026, together with the adequacy of measures taken to resolve or mitigate them. The outcome of this review was reported to the Board. Details on the perceived, potential and actual COI situations involving certain Directors and senior management of the Group for FY2026, together with the measures taken to address them, are disclosed below:

COI involving Directors

No.	Nature of COI	Nature and Extent of Interest of Conflicted Director	Measures Taken to Address COI
1.	**The Company has an indirect 32.1% equity interest in Bumitama Agri Ltd. ("BAL"), which is engaged in the oil palm plantation business in Indonesia.**	Dato' Lee Yeow Chor ("Dato' Lee") is deemed to be an indirect substantial shareholder of BAL by virtue of his interest in the Company through Progressive Holdings Sdn Bhd, a major shareholder of the Company.	All the plantations of BAL are located in Indonesia, and the crude palm oil produced by BAL is not sold to the Group. The Board of BAL has established a Conflicts Resolution & Enterprise Risk Management Committee, comprising independent directors, to oversee and address potential COI matters. Dato' Lee does not participate in or influence management decisions relating to the day-to-day business operations of BAL. He also maintains a separation of interests in accordance with the Companies Act 2016 (the "Act") and adheres to strict governance protocols to prevent any potential COI. This disclosure is made in the interest of transparency and to uphold high standards of corporate governance, ensuring that relevant information is made available to stakeholders and reinforcing the Group's commitment to accountability and ethical conduct.

No.	Nature of COI	Nature and Extent of Interest of Conflicted Director	Measures Taken to Address COI
2.	**Persons connected to Directors are involved in private companies engaged in the oil palm plantation business.**	The sisters of Dato' Lee and Dato' Lee Yeow Seng, namely Ms Lee Yoke Har, Ms Lee Yoke Hui and Ms Lee Yoke Ling, hold directorships and/or shareholdings in Instantstar Holdings Sdn Bhd and its subsidiaries, which own certain private companies engaged in the oil palm plantation business.	Ms Lee Yoke Har, Ms Lee Yoke Hui and Ms Lee Yoke Ling are not involved in the day-to-day operations of the private companies and do not hold any directorships within the IOI Group. The crops produced by the private companies are not sold or supplied to any of the Group's mills and the scale of the plantation operations is relatively small compared with that of the Group.
3.	**A Director of the Company serves on the Board of Malaysian Kuwaiti Investment Co. Sdn Bhd ("MKIC"), whose businesses include oil palm plantation, coconut plantation and oil palm milling.**	Datuk Zurinah binti Pawanteh ("Datuk Zurinah") was appointed as the Non-Executive Chairman of MKIC for an initial 2-year term commencing on 1 February 2024. Her appointment has since been renewed for a further 2-year term.	MKIC is a government-linked company under the Ministry of Finance (Incorporated), which facilitated Datuk Zurinah's appointment in MKIC. The crude palm oil produced by MKIC is not sold or supplied to any of the Group's refineries. The size of plantations owned by MKIC is also relatively small compared with those of the IOI Group's plantations. Datuk Zurinah's role ensures a separation of interests under the Act, and she adheres to strict governance protocols to prevent potential COI. This disclosure is made in the interest of transparency and to uphold the highest standards of good governance. It ensures that all relevant information is readily available to stakeholders, reinforcing our commitment to accountability and ethical conduct.

No.	Nature of COI	Nature and Extent of Interest of Conflicted Director	Measures Taken to Address COI
4.	**Certain family members of Dato' Lee are employed by the Group in managerial positions.**	Dato' Lee's son, Mr Ryan Lee Jia Teck ("Mr Ryan Lee"), is employed by IOI Global Services Sdn Bhd as Deputy General Manager, Group Operations. Mr Ryan Lee currently reports to Dato' Lee. Dato' Lee's sister, Ms Lee Yoke Hean, is employed by IOI Plantation Services Sdn Bhd as General Manager, Procurement and Administration. She currently reports to the Plantation Director, Mr Sudhakaran a/l Nottath Bhaskaran ("Mr Sudhakaran"). Dato' Lee's brother-in-law, Mr Lim Jit Uei ("LJU"), is employed by IOI Global Services Sdn Bhd as Director of Commodity Marketing. He currently reports to Dato' Lee.	The Group has adopted a COI Policy and a Code of Business Conduct and Ethics, both of which clearly define expectations for all employees, including procedures for reporting potential conflicts and the consequences for failing to disclose or manage them appropriately. In addition, we have implemented strict measures to ensure the segregation of duties in areas where COI may arise. Specifically, key decisions related to the employment, performance evaluation, and career progression of any family member are made independently, without any direct or indirect influence from Dato' Lee. This approach reinforces our commitment to fairness, transparency, and ethical governance across all levels of the Group. The GNRC exercises oversight over Mr Ryan Lee's performance appraisal and remuneration to ensure that these are administered professionally and independently and that his evaluation is fair, transparent and consistent. As for Ms Lee Yoke Hean's performance appraisals and remuneration are reviewed by the Plantation Director in accordance with the existing internal guidelines established by the Group. This process is conducted professionally and independently to ensure a fair, transparent and consistent evaluation. For LJU, the GNRC provides an oversight role over his performance appraisal and remuneration in accordance with the Remuneration Policy and Procedures for Directors and Senior Management.
5.	**A Director of the Company sits on the Boards of AMMB Holdings Berhad ("AMMB") and AmInvestment Bank Berhad ("AmInvestment") with AMMB being the holding company of AmBank (M) Berhad and AmInvestment, while another Director sits on the Board of Sumitomo Mitsui Banking Corporation Malaysia Berhad ("Sumitomo").** **The Group maintains current account and banking facilities with these banks.**	Dato' Kong is presently an Independent Non-Executive Director of AMMB and AmInvestment. Mr Lim is presently an Independent Non-Executive Director of Sumitomo.	Dato' Kong, as an Independent Non-Executive Director of AMMB, and AmInvestment, and Mr Lim, as an Independent Non-Executive Director of Sumitomo, do not participate in or influence any management decisions relating to the banking facilities and/or services provided or to be provided by the respective banks to the Group. Both Directors maintain a separation of interests under the Act and adhere to strict governance protocols to prevent any potential COI. This disclosure is made in the interest of transparency and to uphold the highest standards of good governance, ensuring that all relevant information is readily available to stakeholders and reinforcing the Group's commitment to accountability and ethical conduct.

COI involving Key Senior Management

No.	Nature of COI	Nature and Extent of Interest of Conflicted Director	Measures Taken to Address COI
1.	**Some family members of the key senior management personnel are currently employed by the Group.**	Mr Sudhakaran's son is currently employed under the Plantation Division in the position of Senior Executive, Sustainability. Mr Thomas Kummer, the Chief Executive Officer (Germany) of IOI Oleo GmbH, has a son-in-law who is currently employed at the maintenance workshop of IOI Oleo GmbH's Witten site in the position of Mechanical Clerk.	The Group has developed a COI Policy and a Code of Business Conduct and Ethics, both of which clearly define expectations applicable to all employees, including procedures for reporting potential conflicts and the consequences of failing to disclose or appropriately manage such conflicts. In addition, we have implemented strict measures to ensure the segregation of duties in areas where COI may arise. Specifically, key decisions relating to the employment, performance evaluation, and career progression of family members are made independently, without any direct or indirect influence from the affected key senior management. This approach reinforces our commitment to fairness, transparency, and ethical governance across all levels of the Group.

Certain members of the Group's key senior management, including the GMD, also serve as directors of joint ventures and associate companies in which the Company holds direct or indirect equity interests. These directorships are held by nomination of the Company pursuant to shareholders' agreements or joint venture agreements with the objective of representing the Company's investment interests in those entities. While the GMD and key senior management act as the Company's representatives, they remain in compliance with established governance protocols and the fiduciary and statutory duties imposed under the Act, to ensure clear separation of interests and mitigate any potential COI.

In the interest of transparency and to uphold high standards of governance, these disclosures are made to inform stakeholders of the measures implemented by the Group to manage potential COIs and reinforce accountability and ethical conduct.

D.8 OTHER ACTIVITIES

In addition to the key duties and responsibilities detailed earlier, the ARMC also reviewed the following matters in FY2026 as part of its duties:

- Any whistleblowing cases, if reported, were reviewed on a quarterly basis to assess the effectiveness of the responses and actions taken by the Whistleblowing Secretariat and Management in accordance with the Whistleblowing Policy;
- RPTs entered into by the Group, including the results of the annual internal audit review conducted to provide assurance on the compliance and appropriateness of such RPTs and Recurrent RPTs;
- Performance of investments held by the Company's investment arm, including an assessment of their financial returns and alignment with the Group's strategic objectives;
- Amendments to the Group's internal policy on limits of authority for approval of capital expenditures, operating expenditures, business acquisitions, investments and borrowings; and
- ARMC Report and Statement of Risk Management and Internal Control for inclusion in the Annual Report 2026.

E. GROUP INTERNAL AUDIT FUNCTION

The Group Internal Audit Department provides independent and objective assurance and advisory services aimed at adding value and improving the Group's operations. Its work encompasses the systematic evaluation of the adequacy and effectiveness of the Group's governance, risk management and internal control systems in support of the Group's goals and objectives. The function operates under an Internal Audit Charter, which defines its role, scope, accountability and authority and was last revised and approved by the ARMC in November 2019.

The Group Internal Audit Department is led by the Head of Group Internal Audit, a member of both MIA and Institute of Internal Auditors Malaysia, who reports functionally to the ARMC. His full profile is set out on page 98 of this Annual Report 2026 under the Senior Management Team section. As at 30 June 2026, the Head of Group Internal Audit is supported by 42 personnel stationed across the Group's regional operations. All of the internal audit personnel possess the requisite qualifications and have adequate knowledge of the Group's business operations, including sustainability, business and financial risks, processes and internal controls. They also undergo regular training in business operations, sustainability, cybersecurity, soft skills, and auditing methodologies.

The ARMC noted that the scope of the Group Internal Audit Department had expanded to encompass risk-based auditing, sustainability compliance and technology-enabled improvements, reflecting the increasing complexity of the Group's operations and regulatory landscape. To sustain audit quality and strategic relevance, the ARMC supported strengthening the function with specialised expertise in risk-based auditing, sustainability assurance and digital audit tools. The ARMC continued to monitor resource adequacy and Management's efforts to build a resilient and future-ready internal audit team capable of addressing emerging risks, supporting governance objectives and delivering value-added insights.

Internal audit planning and execution follow a risk-based approach guided by the Group's ERM Framework. The audit universe and priorities are determined through a holistic assessment of risk, taking into account the outcomes of the half-yearly risk review carried out by the respective business divisions, each business division's contribution, Management's input and the results of previous audit reviews. During FY2026, the Group Internal Audit Department completed 91 audit assignments covering across the plantation, resource-based manufacturing, commodity marketing and corporate divisions. Of these assignments, 81 were routine audits and 10 were special audits initiated at Management's request to address specific areas of focus. The audit covered operational, financial and compliance aspects of the estate, mill, refinery and commodity marketing operations and various support functions, and also thematic audit on ESG-related areas such as labour practices, environmental management, safety and health, food safety, anti-bribery and corruption, and the verification of environmental and social data and information relating to the Group's key sustainability matters.

Audit reports containing findings of these audits, recommended remedial actions and Management's responses are issued to the affected operating units and tabled at ARMC and Board meetings quarterly. Unresolved or recurring significant issues are escalated to the ARMC on a quarterly basis as well. Affected operating units are required to provide status updates on the implementation of remedial actions within 3 months from the issuance of those audit reports.

Additionally, the Group Internal Audit Department conducts an annual review of the recurrent RPTs of the Group. The purpose of the review was to obtain reasonable assurance that:

(i) The recurrent RPTs were carried out on an arm's length basis and on normal commercial terms;
(ii) The relevant internal controls governing the RPTs were adequate and effective;
(iii) The applicable policies, procedures and requirements were adhered to; and
(iv) The principle of competitive bidding was observed in procurement activities.

The total costs incurred for the Group's internal audit function in FY2026 amounted to RM4.99 million (FY2025: RM5.08 million). The decrease from FY2025 was primarily attributable to lower staff costs.

F. ATTENDANCE AT MEETING

The ARMC held 6 meetings during FY2026 to discharge its duties and responsibilities in accordance with its TOR. Post-FY2026 until the date of approval of this ARMC Report, another 3 meetings were held to deliberate on matters in respect of FY2026.

The attendance record of each ARMC member was as follows:

Member	Attendance during FY2026	Attendance post-FY2026
Dato' Kong	6/6	3/3
Mr Lim	6/6	3/3
Dr Nesadurai Kalanithi	6/6	2/3

G. ANNUAL REVIEW AND PERFORMANCE EVALUATION

As required by the TOR, the ARMC and its members underwent an annual evaluation of their composition, performance and effectiveness. The exercise comprised an assessment of the ARMC as a whole, together with peer and self-evaluations.

Based on the evaluation conducted by the ARMC members, the Board was satisfied that the ARMC and its members had effectively discharged their duties and responsibilities in accordance with the TOR.

The ARMC considered that it had maintained a balanced approach throughout FY2026, with appropriate focus on its objectives and suitable means of obtaining assurance on matters within its purview. It also considered that it maintained an appropriate standing within the Company and constructive working relationships with Management and BDO, while preserving its independence to support effective governance and oversight.

LOOKING AHEAD TO FY2027

In addition to its routine activities, the ARMC's key focus areas for FY2027 are as follows:

- Continue to oversee the Group's preparedness for MFRS 18 and MFRS 19 and evolving sustainability reporting requirements, including the implications of climate-related matters for accounting estimates, financial reporting and related disclosures;
- Continue to monitor the implementation of remedial measures arising from internal audit reviews, including enhancements to the Group's insurance risk management processes;
- Continue to oversee cybersecurity remediation initiatives and emerging technology risks, including artificial intelligence and data governance, to ensure that the Group's governance and control frameworks remain effective; and
- Continue to oversee the effectiveness of the Group's tax governance and internal controls, including ongoing compliance with SDSAS and readiness for its subsequent phases.

The ARMC Report was approved by the Board on 23 September 2026.

Statement on Risk Management and Internal Control

Statement on Risk Management and Internal Control

A. INTRODUCTION

The Board of Directors ("the Board") recognises its overall responsibility for establishing and maintaining a sound system of risk management and internal control. This includes providing effective oversight of the Group's risk management framework, fostering an appropriate risk-aware culture, and ensuring clear accountability towards managing and responding to principal risks that may affect the achievement of the Group's corporate objectives and strategies.

The Board is pleased to present this Statement on Risk Management and Internal Control ("Statement"), which outlines the nature and scope of the Group's risk management and internal control framework for the financial year ended 30 June 2026.

B. RESPONSIBILITIES AND ACCOUNTABILITIES

The Board

The Board affirms its overall responsibility for maintaining a sound system of risk management and internal control and for providing effective oversight of the Group's governance framework. The Board regularly reviews the adequacy and effectiveness of the Group's Enterprise Risk Management ("ERM") framework and internal control systems to ensure they remain aligned with the Group's strategic objectives and evolving business environment.

While the Board is committed to maintaining robust risk management and internal control systems, it recognises that such systems are designed to manage and mitigate, rather than eliminate, the risk of failure to achieve the Group's objectives. Accordingly, they can provide only reasonable, and not absolute, assurance against material misstatements, financial losses, fraud, or non-compliance with applicable laws and regulations.

The ongoing risk management processes are established for identifying, evaluating, monitoring and management of the principal risks faced by the Group in its achievement of strategic objectives. This process has been in place throughout the financial year under review and remained effective up to the date of approval of this Statement.

Audit and Risk Management Committee

Audit and Risk Management Committee ("ARMC") is established by the Board. ARMC conducts bi-annual risk review with the respective division's Risk Management Committee. The ARMC also ensures the internal controls in place are adequate and effective to address the Group's principal risks.

Corporate Risk Management Department

The Corporate Risk Management ("CRM") Department supports the Board of Directors and the ARMC in discharging their oversight responsibilities for the Group's risk management framework. CRM is responsible for facilitating the development, implementation, and continuous enhancement of the Group's ERM framework to ensure it remains robust and effective.

CRM drives the Group-wide process for the identification, assessment and monitoring of principal risks, reviews and challenges risk assessments and mitigation actions undertaken by respective division's Risk Management Committee, and provides consolidated reporting of key risk exposures, emerging risks and risk trends to Top Management and the ARMC. This enables timely risk-informed decision-making and helps ensure that key risks are effectively managed within the Group's approved risk appetite guide.

Group Internal Audit Department

The Group Internal Audit Department ("GIAD") is an integral part of the Group's internal control system, and Head of Internal Audit reports directly to the ARMC. GIAD's primary role is to provide independent and objective assurance on the adequacy and effectiveness of governance, risk management and internal control processes by conducting regular audits and continuous assessments. The activities of the GIAD are carried out based on the Annual Audit Plan established on a risk-based approach which is reviewed and approved by the ARMC. Significant audit findings and recommendations for improvement are reported quarterly to senior management and the ARMC, followed by periodic follow-up review on the implementation of corrective action plans.

The Group Internal Audit function adopts the audit framework as set out in the Global Internal Audit Standards ("GIAS") promulgated by the Institute of Internal Auditors. Internal Audit Practice Manual has been established incorporating the principles and standards of the GIAS.

C. RISK MANAGEMENT FRAMEWORK

The Group has adopted an ERM framework since 2002, which was comprehensively revised in 2023 in alignment with the principles, framework and process set out in ISO 31000:2018 Risk Management – Guidelines, where practicable. The ERM framework provides a structured and integrated approach to managing risks across the Group, supporting informed decision-making and the achievement of the Group's strategic objectives.

As illustrated in the diagram below, the Group's ERM framework establishes a clear linkage between the Group's vision, strategic objectives and principal risks. It enables principal risks to be systematically identified, assessed, monitored and managed through appropriate controls, mitigation measures, which are translated into actionable plans and initiatives. The framework also sets out the Group's risk management principles, ensuring that risk management is embedded within governance, business planning and day-to-day operations in support of sustainable value creation.

i) Risks that create opportunities for values

The Group recognises that effective risk management not only mitigates potential threats but also enables the identification and pursuit of opportunities that create sustainable value. By integrating risk considerations into capital allocation and strategic decision-making, the Group establishes risk-adjusted return expectations that are commensurate with the level of risk undertaken by its businesses.

The Group promotes sound risk management and strong corporate governance practices to support informed decision-making, optimise the balance between risk and return, and enhance long-term shareholder value. These practices contribute to efficient capital allocation, a lower long-term cost of capital, and improved economic returns through an appropriate balance between risks, costs and expected benefits.

ii) Risk management as a collective responsibility

The Group recognises that effective risk management is a shared responsibility across all levels of the organisation. Business divisions are accountable as risk owners for identifying, assessing, managing and monitoring risks within their respective areas of responsibility, while integrating risk management into day-to-day decision-making and business operations.

To ensure a coordinated and enterprise-wide approach, the Group has established a robust risk governance structure comprising the Board, ARMC, GIAD, Management, CRM, and the Divisional Risk Management Committees. This governance structure promotes accountability, facilitates effective communication and oversight, and ensures that principal risks are managed consistently across the Group in support of its strategic objectives.

iii) Risk management approach

The Group undertakes risks that are commensurate with its risk management capabilities and capacity. Business risks are accepted only where they fall within the Group's ability to effectively identify, assess, manage and monitor them, and are aligned with the Group's strategic objectives and approved risk appetite.

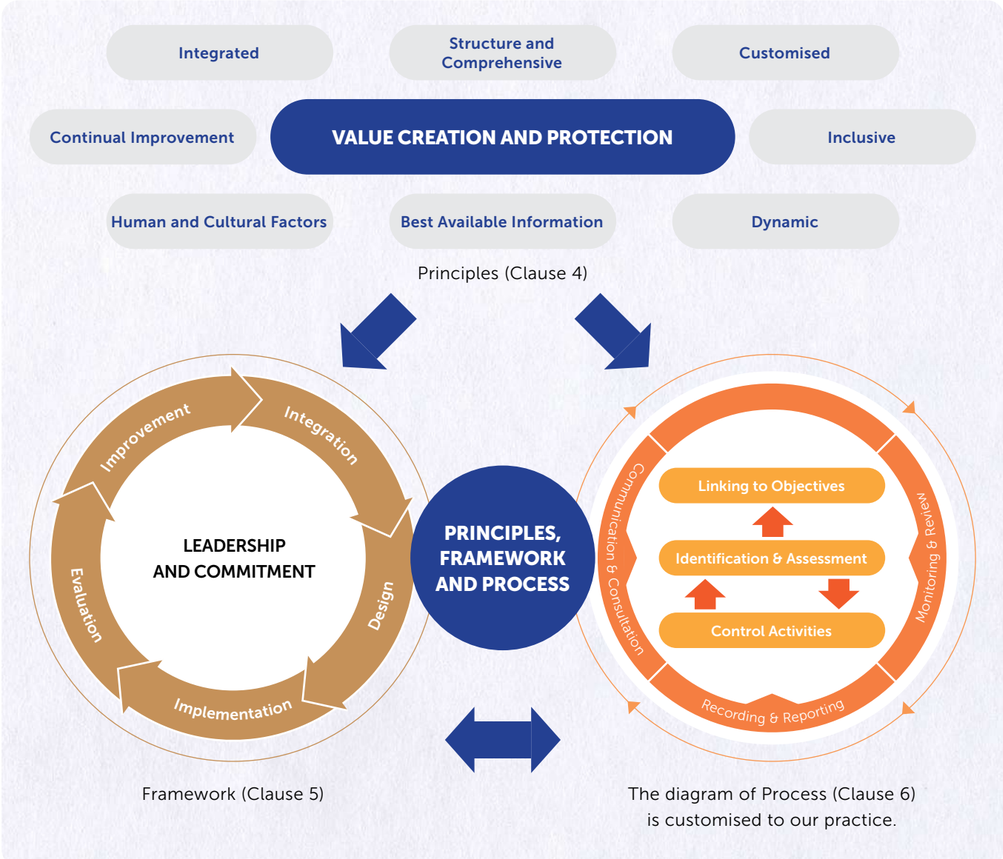
Accordingly, the Group continues to strengthen its risk management capabilities, competencies and resources as part of its ERM framework. The Board's risk appetite reflects the level and types of risk the Group is prepared to accept in pursuit of its strategic objectives, taking into consideration its overall risk management capability, capacity and resilience.

iv) Risk management as both a control and strategic tool

The Group integrates risk management into both its governance and strategic decision-making processes. As a control tool, the Group ensures that the nature and extent of internal controls are proportionate to the significance of the risks identified, thereby supporting the effective management and mitigation of principal risks.

As a strategic tool, risk management is embedded in business planning, investment evaluation, capital and resource allocation, strategy formulation, and performance management. This enables the Group to make informed decisions, seize value-creating opportunities, and achieve its strategic objectives while operating within its approved risk appetite.

The Board, through the ARMC, periodically reviews the adequacy and effectiveness of the Group's ERM framework, policies and processes. These reviews encompass the identification, assessment, evaluation, treatment, monitoring, communication and reporting of principal risks to ensure that the Group's risk management framework remains effective, relevant and aligned with its strategic objectives.



(Source: ISO 31000: 2018 Risk Management Guidelines)

D. KEY RISK AREAS

The Group is exposed to a broad range of risks arising from its business activities, with the principal risk categories comprising strategic, financial, operational, regulatory and compliance, reputational, cybersecurity, and sustainability risks. The Group's risk management objective is to safeguard and create long-term value for shareholders by effectively identifying, assessing, managing and monitoring risks that may impact the achievement of its strategic objectives.

The Group operates within a structured ERM framework, supported by Board-approved policies, procedures and guidelines that promote a consistent and integrated approach to risk management across the organisation. These policies and guidelines provide the basis for effective risk governance, reporting and disclosure, ensuring that principal risks are managed within the Group's approved risk appetite and tolerance levels.

Under the Group's ERM framework, principal risks are identified, assessed, monitored and reported in accordance with established risk management policies and reporting protocols. The principal risk categories are set out below.:

Principal Risk

Strategic Risk

The Group's vision is to be a leading and sustainable Malaysian business corporation with global presence. Guided by its Five-Year Strategic Roadmap, the Group is committed to delivering sustainable value creation, strengthening competitiveness, and positioning itself for long-term growth. To support the successful execution of its strategy, senior management continuously identifies and evaluates strategic risks while being mindful of global trends, geo-political tensions, business resilience, technological disruption, palm oil alternatives, and other potential emerging risks that may impact the Group's operations and strategic ambitions. Through regular risk review and disciplined execution of mitigation plans, the Group enhances organisational resilience, safeguards sustainable growth, and remains well-positioned to achieve its strategic objectives and create long-term value for stakeholders.

Financial Risk

The Group is exposed to various financial risks relating to foreign currency exchange, interest rate, credit, liquidity and prices. The Group manages these financial risks through established policies, governance frameworks and risk management practices aimed at safeguarding its financial position, supporting business objectives and maintaining financial resilience. Financial risk exposures are monitored on an ongoing basis, with appropriate mitigation strategies implemented to manage potential market volatility and changing business conditions.

The Group's risk management objectives and policies coupled with the required quantitative and qualitative disclosures relating to its financial risks are set out in Note 36 to the financial statements on pages 212 to 229 of this Annual Report.

Principal Risk

Operational Risk

The Group's policy is to assume operating risks that are within its core businesses and competencies to manage. Operational risk management ranges from managing strategic operating risks to managing diverse day-to-day operational risks.

The management of the Group's day-to-day operational risks is primarily decentralised at the division unit level and guided by approved standard operating procedures. This includes risks relating to supply chain, production, marketing and distribution, safety, health and environment. Recognising the increasing complexity of the operating environment, the Group continues to strengthen the resilience of its operations through effective supply chain management, operational excellence, process standardisation and business continuity planning. Operational risks arising from disruptions to supply chains, critical infrastructure, workforce availability and third-party service providers are monitored and managed through established governance processes.

Operational risks that cut across the organisation, including those relating to the Enterprise Resource Planning ("ERP") system (which includes business information systems), treasury management, transfer pricing, Group sustainability and reputation, as well as critical technology infrastructure and business continuity, are coordinated centrally.

Compliance Risk

The Group operates across diverse geographical regions and is subject to a broad range of applicable local and international laws, regulations, industry standards, certification requirements and accreditations frameworks. These include, among others, the standards of the Roundtable on Sustainable Palm Oil ("RSPO"), the International Sustainability and Carbon Certification ("ISCC") scheme, and the requirements of the Malaysian Sustainable Palm Oil ("MSPO") certification programme.

The Group Head of Legal provides legal advisory, regulatory and litigation support, whilst the Company Secretary assists the Board of Directors and Senior Management in promoting the effective operation of the Group's corporate governance culture and practices and in meeting the Group's regulatory compliance obligations. These include, among others, the rules and requirements of Bursa Malaysia Securities Berhad, the Securities Commission Malaysia, the Companies Act 2016, the Malaysian Code on Corporate Governance and other applicable securities laws and regulations in Malaysia. For countries outside Malaysia, external counsel in the respective jurisdiction is engaged when necessary.

The Group maintains a proactive approach to compliance risk management by continuously monitoring changes in applicable laws and regulations across its operating jurisdictions. In addition, the Group remains committed to the ongoing review and enhancement of its compliance policies, procedures and awareness programmes, with the objective of fostering a robust culture of integrity throughout the organisation. Where appropriate, the Group engages external legal counsel and subject matter experts to provide specialised advice on complex or evolving regulatory matters within the jurisdictions in which it operates.

Principal Risk

Reputational Risk

Palm Oil producers are constantly facing anti-palm oil sentiment and allegations from local and international NGOs. Public misconception is that oil palm plantation drives deforestation and destruction of peatland areas, forced labour issues. The Group adopts a proactive approach to managing reputational risk by maintaining regular engagement and transparent communication with key stakeholders, including customers, investors, regulators, certification bodies, local communities and non-governmental organisations (NGOs), to promote greater transparency, foster constructive dialogue, address emerging concerns in a timely manner, and implement clear action plans to effectively resolve grievances while keeping stakeholders informed.

Cybersecurity Risk

The Group's business environment is exposed to cybersecurity risks such as malware, ransomware, unauthorised access, data breaches, and loss of information arising from an increasingly digital and interconnected operating environment.

To mitigate these risks, the Group undertakes a robust and modern security infrastructure which includes machine-learning powered firewalls, endpoint protection, and email filtering systems.

In addition to regular reviews on IT policies and operating procedures, the Group conducts periodic penetration testing and cybersecurity awareness campaigns to further enhance cybersecurity readiness.

The Group also integrates IT governance best practices and technology risk management into its business operations to meet its cybersecurity objectives.

Our primary goals and objectives focus on the priorities of confidentiality, integrity and availability based on the criticality of secure IT infrastructure and systems.

The enterprise network of IOI incorporates the concept of defence in depth, where multiple layers of security controls and defence are placed throughout the enterprise network to enhance cyber resilience.

In addition, cyber incident response and business continuity plans are periodically reviewed and tested to strengthen organisational resilience and support the timely recovery of critical business operations.

As digital technologies continue to evolve, the Group remains committed to enhancing its cyber governance framework (comprising Cybersecurity Policy and ARMC oversight), including the responsible adoption of emerging technologies and the continual improvement of cybersecurity capabilities to safeguard its information assets and support sustainable business operations.

Principal Risk

Sustainability Risk

Sustainability including Economic, Environmental, Social and Governance ("EESG") related matters are embedded deeply within the operations of both IOI's plantation and resource-based manufacturing divisions.

Some of the key global sustainability concerns and risks affecting the palm oil industry include human rights and forced labour, deforestation and biodiversity loss, climate change and water stewardship, supply chain traceability, etc. Further matters that are of concerns are the evolving sustainability regulations like the European Union Deforestation Regulation ("EUDR"), and standards issued by the International Sustainability Standards Board ("ISSB"). In managing these sustainability risks, the Group has introduced and implemented relevant policies and guidelines. The Group has introduced the IOI Sustainability Policy ("ISP") in 2024 to better reflect emerging sustainability requirements and concerns. The Group had also revised its Grievance Procedures in 2026, and published the updated procedures on the IOI website to enhance its sustainability governance framework.

Recognising climate change as a material risk affecting its operations, IOI continues to integrate climate-related considerations into its business strategy. The Group actively manages climate-related risks through ongoing mitigation initiatives and adaptation measures to enhance business resilience and committed to sustainable value creation and climate resilience.

E. INTERNAL CONTROL SYSTEMS

The Group's Core Values

The Group's corporate culture is embedded in its core values of integrity, commitment, team spirit, cost efficiency, innovation, and excellence in executions and to achieve the Group's vision and support its business objectives and goals.

Code of Business Conduct and Ethics

The Group communicates the Code of Business Conduct and Ethics ("Code") to all employees upon their employment. The Code reinforces the Group's core value of integrity by providing guidance on moral and ethical behaviour that is expected from all employees in following the laws, policies, standards and procedures and for dealing with conflicts and interest situation.

Anti Bribery and Corruption ("ABC")

The Group adopts a zero-tolerance approach towards all forms of bribery and corruption and is committed to conducting its business with integrity and in full compliance with all applicable anti-bribery and anti-corruption laws and regulations. The Group's ABC framework is founded on the five principles, collectively known as the T.R.U.S.T Principles, as set out in the Guidelines on Adequate Procedures issued by the Minister in the Prime Minister's Department, Malaysia, pursuant to Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009. These principles comprise:

1. **Top Level Commitment:** Demonstrating the Group's leadership commitment to ethical business practices and compliance with applicable anti-corruption laws;
2. **Risk Assessment:** Identifying, evaluating and prioritising the Group's exposure to bribery and corruption risks on a systematic basis;
3. **Undertake Control Measures:** Implementing necessary and effective controls to mitigate identified risks;
4. **Systematic Review, Monitoring, and Enforcement:** Continuously reviewing, monitoring and enforcing the adequacy and effectiveness of such controls; and
5. **Training and Communication:** Educating, informing and raising awareness among employees regarding the Group's ABC policies and expected standards of conduct.

In support of these principles, the Group has established specific policies and guidelines to govern the proper conduct of its business, including:

- The Business Ethics, Compliance, Anti-Corruption, and Anti-Money Laundering Policy;
- Code of Business Conduct & Ethics;
- The Gifts and Hospitality Guidelines; and
- Whistleblowing Policy.

The Group Integrity Committee is responsible for ensuring that the Group maintains a robust corporate governance framework and for overseeing the implementation of an effective corporate governance system aligned with globally recognised standards and best practices. The Group also maintains a whistleblowing reporting channels that enable employees and stakeholders to report concerns relating to misconduct, unethical conduct, bribery, corruption or other violations of applicable laws and Group policies.

To embed a strong culture of integrity across the organisation, the Group has undertaken various awareness initiatives, including:

- The ABC Forum conducted in collaboration with officers of the Malaysian Anti-Corruption Commission ("MACC");
- The Anti-Bribery Badge programme;
- The Annual Integrity Declaration; and
- The Anti-Bribery and Corruption ("ABC") eLearning programme for employees.

These initiatives are further reinforced by periodic reviews of the Group's ABC control measures conducted by GIAD. During the financial year under review, all of the Group's business units participated in the bribery and corruption risk assessment.

Whistleblowing Channel

The Group's Whistleblowing Policy which was established in 2013, was last revised in May 2026. This policy provides for a dedicated and confidential channel for employees and stakeholders to disclose or raise genuine concerns on possible improprieties, improper conduct or other malpractices within the Group in a transparent and confidential manner and provides protections to the whistleblowers who raised their concerns in good faith. The GIAD acts as the Whistleblowing Secretariat. The whistleblowing complaints received through the whistleblowing channel are escalated to designated officers for further investigation. The feedback and communications received through the whistleblowing channel and the outcome of the investigations are presented to the ARMC.

Internal Control

The Group manages its risks by implementing various internal control mechanisms. The key elements of the internal controls are as follows:

a) The Group has an organisational structure that is aligned with its business and operational requirements, with clearly defined roles, responsibilities and authority limits. Authority limits for acquisition and disposal of assets, awarding of contracts and approving operating expenditures are established.
b) The Group has in place well-established and documented business processes which are aligned with the strategic business objectives and goals.
c) The Group has established policies and procedures, including rules relating to delegation of authority and segregation of duties for key business processes. The Group's policies and procedures are reviewed and revised periodically to meet changing business and operational needs and regulatory requirements.
d) The Group has in place an Enterprise Resource Planning ("ERP") System that captures, compiles, analyses and reports relevant operational and financial data, enabling Management to make business decisions in an accurate and timely manner.
e) Management and financial reports are generated monthly to facilitate Management's financial and operational reviews of the various divisions.
f) The Group's 5-Year Strategic Plan charts the business direction and strategies of the key business divisions and is approved by the Board. Progress and performance against these targets are reviewed half-yearly.
g) Business plans and operating and capital expenditure budgets are prepared annually by the business divisions and approved by the Board. Actual performance and significant variances against budget are monitored on an ongoing basis.
h) Key result areas and key performance indicators are established and aligned with the strategic business objectives and goals. Achievement of the key performance indicators is monitored on an ongoing basis.
i) Operational meetings are conducted regularly by department heads and heads of operating units to review day-to-day operations, followed by periodic Management reviews by divisional heads and the Group Managing Director and Chief Executive ("GMD").
j) Board meetings are held at least quarterly and as and when the need arises with a formal agenda on matters for discussion. The Board is kept updated on the Group's activities and operations on a timely and regular basis.

Statement on Risk Management and Internal Control

The Group continuously monitors the internal and external risks and strengthens its internal controls to ensure that it remains responsive to evolving business conditions, operational risks, regulatory requirements and emerging threats.

RISK REVIEW FOR THE FINANCIAL YEAR

A half-yearly review on the adequacy and effectiveness of the risk management and internal control system has been undertaken for the financial year under review. Each division, cutting across all geographic areas, via its respective Risk Management Committees and workgroups comprising personnel at all levels, carried out the following areas of work:

a) Conducted reviews and updates of profiles of principal risks and emerging risks both internal and external which could potentially derail the achievement of the business objectives and goals.
b) Evaluated the adequacy of key processes, systems and internal controls in relation to the principal risks.
c) Carried out gap analysis and established strategic responses, actionable programmes and tasks to manage or eliminate performance gaps.
d) Ensured internal audit programmes cover identified principal risks. Audit findings throughout the financial period served as key feedback to validate the effectiveness of risk management activities and embedded internal controls.
e) Reviewed implementation progress of actionable programmes, and evaluated post-implementation effectiveness.
f) Reviewed the adequacy of all business resumption and contingency plans, and their readiness for rapid deployment.

The risk review includes the division's Internal Control Certification and Assessment Disclosure and the Questionnaire on Controls and Compliance. They adhere to the Corporate Governance Guide – Guidance on Effective Audit and Risk Management issued by Bursa Malaysia.

The ARMC and the Board review bi-annually the principal risks of all divisions to ensure that appropriate mitigating measures are in place.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

In compliance with Paragraph 15.23 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors, BDO, have reviewed this Statement on Risk Management and Internal Control for inclusion in the Group's Annual Report for the financial year ended 30 June 2026. The External Auditors assume no responsibility to any person other than the Board in relation to this Statement. External auditors' review was conducted in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, and Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report*. It does not require the External Auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system.

Based on their procedures performed, the external auditors have reported to the Board that nothing has come to their attention which causes them to believe that this statement is not prepared, in all material respects, in accordance with the disclosures required by Section 7 of the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies*, nor is the Statement factually inaccurate.

CONCLUSION

The Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system. The Board has received assurance from the GMD and Group CFO that the Group's risk management and internal control system, in all material aspects, is operating adequately and effectively. For the financial year under review, there were no material control failures or adverse compliance events that have directly resulted in any material loss to the Group. This Statement on Risk Management and Internal Control does not cover associates and jointly controlled entities where the internal control systems of these companies are managed by the respective management teams. This statement has been reviewed and approved by the Board of Directors on 23 September 2026.

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Directors' Report

Directors' Report

The Directors of IOI Corporation Berhad have pleasure in presenting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2026.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries, associates and joint ventures are primarily involved in investment holding; oil palm cultivation and processing; commodities trading and refinery; manufacture and sales of fatty acids, soap noodles, glycerine and other oleochemical related products; manufacture and sale of plasticizer products, margarine, shortening and fat spreads; processing of oil palm trunks and other bio-matter derived from plantations to produce materials used in furniture, construction and building industries; processing and distribution of crude coconut oil and other coconut related products; production and supply of renewable energies; as well as provision of management services and other related business activities. The principal activities and the details of the subsidiaries, associates and joint ventures are set out in Note 38 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

FINANCIAL RESULTS

The audited financial results of the Group and of the Company for the financial year are as follows:

In RM million	**Group**	**Company**
Profit before tax	2,108.3	976.2
Tax expense	(398.7)	(4.4)
Profit for the financial year	1,709.6	971.8
Attributable to:		
Owners of the parent	1,682.0	971.8
Non-controlling interests	27.6	-
	1,709.6	971.8

DIVIDENDS

Dividends declared and paid since the end of the previous financial year were as follows:

In RM million	**Company**
First interim single tier dividend in respect of the financial year ended 30 June 2026 declared and paid of 5.5 sen per ordinary share	345.7
Second interim single tier dividend in respect of the financial year ended 30 June 2025 declared and paid of 5.5 sen per ordinary share	341.2
	686.9

On 28 August 2026, the Board of Directors declared a second interim single tier dividend of 7.0 sen per ordinary share, amounting to RM440.0 million in respect of the financial year ended 30 June 2026. The dividend is payable on 25 September 2026 to shareholders whose names appear in the Record of Depositors and Register of Members of the Company at the close of business on 15 September 2026.

No final dividend has been recommended by the Board of Directors for the financial year ended 30 June 2026.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

TREASURY SHARES

The shareholders of the Company, by an ordinary resolution passed at an extraordinary general meeting held on 18 November 1999, approved the Company's plan to repurchase up to 10% of the issued share capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed during subsequent Annual General Meetings ("AGM") of the Company, including the last AGM held on 4 November 2025.

The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company.

The Company did not repurchase any of its issued ordinary shares from the open market during the financial year.

The Company has the right to cancel, resell and/or distribute the treasury shares as dividends or transfer the treasury shares as purchase consideration at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

During the financial year, the Company sold all its accumulated 81,501,700 treasury shares in the open market for a total consideration of RM334.2 million at a price of RM4.10 per ordinary share (RM333.6 million, net of transaction costs). Following the sale of treasury shares, the paid-up ordinary share capital increased from RM791.1 million to RM814.9 million.

At the end of the financial year, the Company did not hold any treasury shares.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

DIRECTORS

The Directors of the Company who have held office during the financial year until the date of this report are as follows:

Tan Sri Abdul Wahid bin Omar
Dato' Lee Yeow Chor
Dato' Lee Yeow Seng
Dr Nesadurai Kalanithi
Dato' Kong Sooi Lin
Lim Tuang Ooi
Datuk Zurinah binti Pawanteh
Tan Sri Peter Chin Fah Kui (Retired on 4 November 2025)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year who have beneficial interests in the shares and options over ordinary shares of the Company and of its related corporations during the financial year ended 30 June 2026 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia are as follows:

	As at 1 July 2025	Acquired	Disposed	As at 30 June 2026/ As at the date of retirement*
The Company				
Direct interest				
No. of ordinary shares				
Dato' Lee Yeow Chor	35,846,200	653,800	-	**36,500,000**
Indirect interests				
No. of ordinary shares				
Dato' Lee Yeow Chor	3,129,734,980	50,000	-	**3,129,784,980**
Dato' Lee Yeow Seng	3,129,534,980	-	-	**3,129,534,980**
Tan Sri Peter Chin Fah Kui *	20,000	-	-	**20,000**
Ultimate Holding Company				
Progressive Holdings Sdn Bhd				
Direct interests				
No. of ordinary shares				
Dato' Lee Yeow Chor	18,600,000	-	-	**18,600,000**
Dato' Lee Yeow Seng	5,400,000	-	-	**5,400,000**
No. of redeemable preference shares				
Dato' Lee Yeow Chor	541,834,275	-	(267,142,500)	**274,691,775**
Dato' Lee Yeow Seng	157,306,725	-	(77,557,500)	**79,749,225**

By virtue of Dato' Lee Yeow Chor's and Dato' Lee Yeow Seng's interests in the ordinary shares of the Company and of its ultimate holding company, they are also deemed to be interested in the shares of all the subsidiaries of the Company and of its ultimate holding company to the extent that the Company and its ultimate holding company have an interest.

The other Directors holding office at the end of the financial year namely, Tan Sri Abdul Wahid bin Omar, Dr Nesadurai Kalanithi, Dato' Kong Sooi Lin, Lim Tuang Ooi and Datuk Zurinah binti Pawanteh did not have any interest in the ordinary shares and redeemable preference shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors (disclosed as Directors' remuneration and as shown in the Note 34.3 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits, which may be deemed to have arisen by virtue of the significant related party transactions entered into in the ordinary course of business as disclosed in Note 34 to the financial statements.

DIRECTORS' BENEFITS (Continued)

During and at the end of the financial year, no arrangement subsisted to which the Company is a party, with the object or objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

Directors' remuneration of the Group and of the Company for the financial year ended 30 June 2026 were as follows:

In RM million	Group	Company
Fees	1.7	1.7
Remuneration	22.2	22.2
Total short term employee benefits	23.9	23.9
Post-employment benefits	2.6	2.6
	26.5	26.5

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains a corporate liability insurance for the Directors and Officers of the Group during the financial year, which provides coverage for the Directors and Officers of the Group and of the Company from operational risks where possible. The total insurance premium paid for the financial year was RM144,300.

There was no indemnity given to or insurance effected for the auditors of the Group and of the Company during the financial year.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS OF THE GROUP AND OF THE COMPANY

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

i. to ascertain that proper action had been taken in relation to the writing off of bad debts and the impairment for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that allowance on doubtful debts had been made for impairment; and

ii. to ensure that any current assets, other than debts, which were unlikely to realise their book values in the ordinary course of business of the Group and of the Company have been written down to an amount which they might be expected so to realise.

As at the date of this report, the Directors are not aware of any circumstances:

i. which would render the amount written off for bad debts or the amount of allowance for impairment on doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent;

ii. which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and

iii. which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS OF THE GROUP AND OF THE COMPANY (Continued)

As at the date of this report, there does not exist:

i. any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; and

ii. any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve (12) months after the end of the financial year, which in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

OTHER STATUTORY INFORMATION

As at the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company that would render any amount stated in the financial statements misleading.

In the opinion of the Directors:

i. the results of operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

ii. no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the Directors of the subsidiaries during the financial year until the date of this report are as follows:

Dato' Lee Yeow Chor
Dato' Lee Yeow Seng
Amir Mohd Hafiz bin Amir Khalid
Datuk Abdul Ghani bin Mohamed Yassin
Datuk Syaheddrul Rahman bin Joddari
Datu Sr. Zaidi bin Mahdi
Dr Klaus Kasimir Wilgenbus
Hans Peter Fitch
Jailis bin Masarip @ Misarip *
Joseph N Emuang JR
Kong Kian Beng
Koo Ping Wui
Law Kim Soon
Lee Nyuk Choon @ Jamilah Ariffin ^
Lee Yoke Hean
Lim Jit Uei (Lin Riwei)
Lio Jih Haur *
Low Pei Chen
Mark Tuchen
Poppe Engbert Braam
Risman
Sebastian Anak Baya

LIST OF DIRECTORS OF SUBSIDIARIES (Continued)

Pursuant to Section 253 of the Companies Act 2016 in Malaysia, the Directors of the subsidiaries during the financial year until the date of this report are as follows (Continued):

Sia Chieng Ho
Subramaniam Arumugam
Sudhakaran a/l Nottath Bhaskaran
Shyam a/l M K Lakshmanan
Tan Kean Hua
Tan Sri Dato' Sri Koh Kin Lip
Teah Chin Guan @ Teh Chin Guan
Teunis Eigenraam
Thomas Kummer
Wong Yin Ling

^ *Resigned during the financial year.*
* *Appointed during the financial year.*

ULTIMATE HOLDING COMPANY

The ultimate holding company is Progressive Holdings Sdn Bhd, a company incorporated in Malaysia.

AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC")

The Directors who serve as members of the ARMC as at the date of this report are as follows:

Dato' Kong Sooi Lin (Chairman)
Lim Tuang Ooi
Dr Nesadurai Kalanithi

GOVERNANCE, NOMINATING AND REMUNERATION COMMITTEE ("GNRC")

The Directors who serve as members of the GNRC as at the date of this report are as follows:

Datuk Zurinah binti Pawanteh (Chairman)
Dr Nesadurai Kalanithi
Lim Tuang Ooi

BOARD SUSTAINABILITY COMMITTEE ("BSC")

The Directors who serve as members of the BSC as at the date of this report are as follows:

Dr Nesadurai Kalanithi (Chairman)
Dato' Kong Sooi Lin
Datuk Zurinah binti Pawanteh

AUDITORS

The auditors, BDO PLT [201906000013 (LLP0018825-LCA) & AF 0206], have expressed their willingness to continue in office.

AUDITORS' REMUNERATION

Auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2026 were as follows:

In RM million	Group	Company
Statutory audit		
- BDO PLT	1.4	0.2
- Member firms of BDO International	0.3	-
- Other auditors	1.0	-
	2.7	0.2

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Tan Sri Abdul Wahid bin Omar
Independent Non-Executive Chairman

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Putrajaya
28 August 2026

Statements of Profit or Loss

For the Financial Year Ended 30 June 2026

In RM million	Note	Group 2026	Group 2025	Company 2026	Company 2025
Revenue	5	**11,779.1**	11,334.7	**976.7**	802.3
Cost of sales		**(9,222.6)**	(9,114.4)	**(3.0)**	(3.7)
Gross profit		**2,556.5**	2,220.3	**973.7**	798.6
Other operating income	6	**304.9**	245.3	**95.8**	281.6
Marketing and selling expenses		**(245.8)**	(259.3)	**-**	-
Administration expenses		**(413.8)**	(391.6)	**(34.5)**	(29.1)
Other operating expenses	7	**(495.0)**	(465.5)	**(40.1)**	(285.3)
Operating profit		**1,706.8**	1,349.2	**994.9**	765.8
Share of results of associates, net of tax		**389.0**	348.0	**-**	-
Share of results of joint ventures, net of tax		**3.2**	3.4	**-**	-
Profit before interest and tax		**2,099.0**	1,700.6	**994.9**	765.8
Interest income	8	**27.5**	32.6	**27.3**	34.7
Finance costs	9	**(128.8)**	(139.8)	**(75.4)**	(92.1)
Net foreign currency translation gain on foreign currency denominated borrowings		**124.0**	278.5	**42.9**	88.7
Net foreign currency translation (loss)/gain on foreign currency denominated deposits		**(13.4)**	5.6	**(13.5)**	5.7
Profit before tax	10	**2,108.3**	1,877.5	**976.2**	802.8
Tax expense	11	**(398.7)**	(341.1)	**(4.4)**	(23.3)
Profit for the financial year		**1,709.6**	1,536.4	**971.8**	779.5
Attributable to:					
Owners of the parent		**1,682.0**	1,520.6	**971.8**	779.5
Non-controlling interests		**27.6**	15.8	**-**	-
		1,709.6	1,536.4	**971.8**	779.5
Earnings per ordinary share attributable to owners of the parent (sen)	12				
Basic and Diluted		**26.89**	24.51		
Dividend per ordinary share (sen)	13				
First interim single tier dividend		**5.5**	5.0	**5.5**	5.0
Second interim single tier dividend		**7.0**	5.5	**7.0**	5.5
Total		**12.5**	10.5	**12.5**	10.5

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Comprehensive Income

For the Financial Year Ended 30 June 2026

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Profit for the financial year	**1,709.6**	1,536.4	**971.8**	779.5
Other comprehensive (loss)/income that will not be reclassified subsequently to profit or loss				
Share of other comprehensive loss of associates	**(0.7)**	(0.7)	**-**	-
Re-measurements of the defined benefit obligations	**2.0**	(1.1)	**-**	-
Tax effect relating to re-measurements of the defined benefit obligations	**(0.6)**	0.3	**-**	-
	0.7	(1.5)	**-**	-
Other comprehensive (loss)/income that will be reclassified subsequently to profit or loss when specific conditions are met				
Exchange differences on translation of foreign operations	**(361.0)**	(251.8)	**-**	-
Share of other comprehensive income/(loss) of associates	**22.6**	(28.9)	**-**	-
Hedge of interest rate risk on issuance of Guaranteed Notes due 2031				
Reclassified to profit or loss	**(2.4)**	(2.6)	**-**	-
	(340.8)	(283.3)	**-**	-
Other comprehensive loss, net of tax	**(340.1)**	(284.8)	**-**	-
Total comprehensive income for the financial year	**1,369.5**	1,251.6	**971.8**	779.5
Total comprehensive income attributable to:				
Owners of the parent	**1,341.9**	1,235.8	**971.8**	779.5
Non-controlling interests	**27.6**	15.8	**-**	-
	1,369.5	1,251.6	**971.8**	779.5

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Financial Position

As at 30 June 2026

In RM million	Note	Group 2026	Group 2025	Company 2026	Company 2025
ASSETS					
Non-current assets					
Property, plant and equipment	14	**10,043.6**	9,432.6	**81.0**	84.1
Intangible assets	15	**422.2**	406.1	**0.5**	0.7
Investments in subsidiaries	16	**-**	-	**7,909.6**	7,847.9
Amounts due from subsidiaries	16	**-**	-	**97.2**	202.6
Investments in associates	17	**3,285.8**	3,245.8	**835.3**	770.2
Derivative assets	18	**8.6**	32.7	**1.8**	1.3
Deferred tax assets	19	**24.4**	23.2	**-**	-
Other non-current assets	20	**277.5**	199.9	**38.1**	7.7
		14,062.1	13,340.3	**8,963.5**	8,914.5
Current assets					
Inventories	21	**1,457.6**	1,419.8	**-**	-
Trade and other receivables	22	**1,419.6**	1,393.3	**34.6**	33.7
Amounts due from subsidiaries	16	**-**	-	**809.9**	457.7
Amounts due from associates	23	**104.4**	102.7	**-**	-
Derivative assets	18	**29.9**	57.6	**1.5**	1.4
Other current assets	24	**197.9**	211.4	**2.6**	3.2
Cash and cash equivalents	25	**1,843.6**	1,578.4	**159.3**	214.4
		5,053.0	4,763.2	**1,007.9**	710.4
Assets classified as held for sale	26	**-**	27.2	**-**	-
TOTAL ASSETS		**19,115.1**	18,130.7	**9,971.4**	9,624.9

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Financial Position

As at 30 June 2026

In RM million	Note	Group 2026	Group 2025	Company 2026	Company 2025
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	27	**814.9**	791.1	**814.9**	791.1
Treasury shares	27	**-**	(309.8)	**-**	(309.8)
Reserves	28	**(508.5)**	(167.7)	**-**	-
Retained earnings		**12,976.2**	11,980.4	**7,388.7**	7,103.8
		13,282.6	12,294.0	**8,203.6**	7,585.1
Non-controlling interests		**350.9**	338.8	**-**	-
Total equity		**13,633.5**	12,632.8	**8,203.6**	7,585.1
LIABILITIES					
Non-current liabilities					
Borrowings	29	**2,055.3**	2,474.5	**306.8**	595.4
Amounts due to subsidiaries	16	**-**	-	**817.3**	866.3
Lease liabilities	30	**39.3**	40.0	**-**	-
Derivative liabilities	18	**23.4**	1.4	**-**	1.4
Deferred tax liabilities	19	**1,354.8**	1,257.0	**4.9**	5.3
Other non-current liabilities	31	**69.0**	74.4	**-**	-
		3,541.8	3,847.3	**1,129.0**	1,468.4
Current liabilities					
Borrowings	29	**1,034.6**	740.1	**542.1**	424.1
Trade and other payables	32	**738.0**	821.9	**61.0**	109.5
Amounts due to subsidiaries	16	**-**	-	**35.7**	36.4
Derivative liabilities	18	**39.3**	10.6	**-**	1.4
Lease liabilities	30	**3.1**	6.5	**-**	-
Other current liabilities	33	**124.8**	68.1	**-**	-
		1,939.8	1,647.2	**638.8**	571.4
Liabilities classified as held for sale	26	**-**	3.4	**-**	-
Total liabilities		**5,481.6**	5,497.9	**1,767.8**	2,039.8
TOTAL EQUITY AND LIABILITIES		**19,115.1**	18,130.7	**9,971.4**	9,624.9

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Changes in Equity

For the Financial Year Ended 30 June 2026

In RM million	Share capital	Treasury shares	Non-distributable: Capital reserve	Non-distributable: Foreign currency translation reserve	Non-distributable: Hedging reserve	Non-distributable: Other reserves	Distributable: Retained earnings	Total attributable to owners of the parent	Non-controlling interests	Total equity
Group										
As at 1 July 2025	**791.1**	**(309.8)**	**7.7**	**(182.2)**	**15.0**	**(8.2)**	**11,980.4**	**12,294.0**	**338.8**	**12,632.8**
Profit for the financial year	**-**	**-**	**-**	**-**	**-**	**-**	**1,682.0**	**1,682.0**	**27.6**	**1,709.6**
Re-measurements of the defined benefit obligations	**-**	**-**	**-**	**-**	**-**	**-**	**1.4**	**1.4**	**-**	**1.4**
Exchange differences on translation of foreign operations	**-**	**-**	**-**	**(361.0)**	**-**	**-**	**-**	**(361.0)**	**-**	**(361.0)**
Share of other comprehensive income/(loss) of associates	**-**	**-**	**-**	**25.9**	**-**	**(3.3)**	**(0.7)**	**21.9**	**-**	**21.9**
Hedge of interest rate risk on issuance of Guaranteed Notes due 2031	**-**	**-**	**-**	**-**	**(2.4)**	**-**	**-**	**(2.4)**	**-**	**(2.4)**
Total comprehensive (loss)/income	**-**	**-**	**-**	**(335.1)**	**(2.4)**	**(3.3)**	**1,682.7**	**1,341.9**	**27.6**	**1,369.5**
Transactions with owners										
Dividends paid (Note 13)	**-**	**-**	**-**	**-**	**-**	**-**	**(686.9)**	**(686.9)**	**-**	**(686.9)**
Net proceeds from sale of treasury shares of the Company	**23.8**	**309.8**	**-**	**-**	**-**	**-**	**-**	**333.6**	**-**	**333.6**
Dividends paid to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(15.5)**	**(15.5)**
As at 30 June 2026	**814.9**	**-**	**7.7**	**(517.3)**	**12.6**	**(11.5)**	**12,976.2**	**13,282.6**	**350.9**	**13,633.5**

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Changes in Equity

For the Financial Year Ended 30 June 2026

			Non-distributable				Distributable			
In RM million	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Hedging reserve	Other reserves	Retained earnings	Total attributable to owners of the parent	Non-controlling interests	Total equity
Group										
As at 1 July 2024	791.1	(309.8)	7.7	95.6	17.6	(5.3)	11,081.7	11,678.6	331.1	12,009.7
Profit for the financial year	-	-	-	-	-	-	1,520.6	1,520.6	15.8	1,536.4
Re-measurements of the defined benefit obligations	-	-	-	-	-	-	(0.8)	(0.8)	-	(0.8)
Exchange differences on translation of foreign operations	-	-	-	(251.8)	-	-	-	(251.8)	-	(251.8)
Share of other comprehensive loss of associates	-	-	-	(26.0)	-	(2.9)	(0.7)	(29.6)	-	(29.6)
Hedge of interest rate risk on issuance of Guaranteed Notes due 2031	-	-	-	-	(2.6)	-	-	(2.6)	-	(2.6)
Total comprehensive (loss)/income	-	-	-	(277.8)	(2.6)	(2.9)	1,519.1	1,235.8	15.8	1,251.6
Transactions with owners										
Dividends paid (Note 13)	-	-	-	-	-	-	(620.4)	(620.4)	-	(620.4)
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(8.1)	(8.1)
As at 30 June 2025	791.1	(309.8)	7.7	(182.2)	15.0	(8.2)	11,980.4	12,294.0	338.8	12,632.8

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Changes in Equity

For the Financial Year Ended 30 June 2026

			Distributable	
In RM million	Share capital	Treasury shares	Retained earnings	Total equity
Company				
As at 1 July 2025	**791.1**	**(309.8)**	**7,103.8**	**7,585.1**
Profit for the financial year	**-**	**-**	**971.8**	**971.8**
Total comprehensive income	**-**	**-**	**971.8**	**971.8**
Transactions with owners				
Dividends paid (Note 13)	**-**	**-**	**(686.9)**	**(686.9)**
Net proceeds from sale of treasury shares of the Company	**23.8**	**309.8**	**-**	**333.6**
As at 30 June 2026	**814.9**	**-**	**7,388.7**	**8,203.6**
As at 1 July 2024	791.1	(309.8)	6,944.7	7,426.0
Profit for the financial year	-	-	779.5	779.5
Total comprehensive income	-	-	779.5	779.5
Transactions with owners				
Dividends paid (Note 13)	-	-	(620.4)	(620.4)
As at 30 June 2025	791.1	(309.8)	7,103.8	7,585.1

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Cash Flows

For the Financial Year Ended 30 June 2026

In RM million	Note	Group 2026	Group 2025	Company 2026	Company 2025
Cash Flows From Operating Activities					
Profit before tax		**2,108.3**	1,877.5	**976.2**	802.8
Adjustments for:					
Depreciation of property, plant and equipment	14	**412.3**	396.0	**0.7**	0.8
Amortisation of intangible assets	15.2	**8.3**	8.6	**0.3**	0.2
Fair value gain on biological assets	24.2	**(28.7)**	(6.0)	**(0.2)**	-
Net fair value loss/(gain) on derivative financial instruments		**59.9**	(12.9)	**2.1**	4.9
Impairment losses on investments in subsidiaries	16.1	**-**	-	**3.4**	82.5
Reversal of impairment loss on investment in a joint venture	20.2	**(9.9)**	-	**(20.8)**	-
Impairment losses on property, plant and equipment	14	**-**	40.0	**-**	-
Net reversal of impairment losses on advances to subsidiaries	16.2	**-**	-	**(1.3)**	(71.3)
Reversal of impairment loss on advances to a joint venture	20.2	**-**	(5.4)	**-**	(5.4)
Overprovision of investment disposal costs		**(33.8)**	-	**(33.8)**	-
Property, plant and equipment written off	14	**13.4**	5.7	**3.2**	-
(Net reversal of inventories written down)/ inventories written down to net realisable value		**(22.7)**	31.5	**-**	-
Dividend income from associates		**-**	-	**(10.5)**	(3.0)
Dividend income from subsidiaries		**-**	-	**(934.1)**	(770.1)
Share of results of associates, net of tax		**(389.0)**	(348.0)	**-**	-
Interest income	8	**(27.5)**	(32.6)	**(27.3)**	(34.7)
Finance costs	9	**128.8**	139.8	**75.4**	92.1
Net foreign currency translation gain on foreign currency denominated borrowings	10	**(124.0)**	(278.5)	**(42.9)**	(88.7)
Net unrealised foreign currency translation (gain)/ loss		**(6.5)**	14.3	**(33.5)**	52.3
Others		**(7.4)**	1.5	**(0.4)**	(2.6)
Operating profit/(loss) before working capital changes		**2,081.5**	1,831.5	**(43.5)**	59.8
Increase in inventories		**(12.9)**	(227.8)	**-**	-
(Increase)/Decrease in receivables and other assets		**(61.3)**	(248.7)	**(0.9)**	1.1
(Decrease)/Increase in payables and other liabilities		**(65.8)**	28.2	**(10.0)**	2.3
Cash generated from/(used in) operations		**1,941.5**	1,383.2	**(54.4)**	63.2
Retirement benefits paid	31.1	**(4.1)**	(3.7)	**-**	-
Tax refunded		**73.6**	3.7	**0.8**	-
Tax paid		**(342.8)**	(340.1)	**(4.5)**	(4.1)
Net cash from/(used in) operating activities		**1,668.2**	1,043.1	**(58.1)**	59.1

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Cash Flows

For the Financial Year Ended 30 June 2026

In RM million	Note	Group 2026	Group 2025	Company 2026	Company 2025
Cash Flows From Investing Activities					
Dividends received from associates		**202.0**	124.9	**10.5**	3.0
Dividends received from subsidiaries		**-**	-	**934.1**	770.1
Dividends received from other investments		**1.8**	3.9	**-**	-
Interest received		**27.8**	32.7	**4.5**	5.4
Proceeds from disposal of property, plant and equipment		**10.3**	6.0	**-**	-
Return of capital contribution from other investment	36.6	**-**	9.0	**-**	-
Additions to property, plant and equipment	14	**(755.3)**	(685.8)	**(0.8)**	(1.7)
Additions to other investments		**(10.4)**	(29.3)	**-**	-
Additions to other assets		**(3.7)**	(5.4)	**(0.1)**	(0.4)
Additional investment in an associate		**(65.1)**	(87.0)	**(65.1)**	(87.0)
Additional investment in joint ventures		**(57.7)**	-	**(5.2)**	-
Acquisitions of subsidiaries, net of cash and cash equivalents acquired	16.1	**(233.7)**	(40.0)	**-**	-
Repayment from a joint venture		**4.8**	4.8	**4.8**	4.8
Repayment from plasma receivables		**17.2**	29.1	**-**	-
(Advances to)/Repayment from subsidiaries		**-**	-	**(331.3)**	289.1
Subscriptions of ordinary shares of subsidiaries		**-**	-	**(5.7)**	(4.0)
Subscriptions of redeemable preference shares of subsidiaries		**-**	-	**(32.5)**	(37.5)
Redemptions of redeemable preference shares of a subsidiary		**-**	-	**10.0**	20.6
Net cash (used in)/from investing activities		**(862.0)**	(637.1)	**523.2**	962.4

The notes on pages 161 to 238 form an integral part of the financial statements.

Statements of Cash Flows

For the Financial Year Ended 30 June 2026

In RM million	Note	Group 2026	Group 2025	Company 2026	Company 2025
Cash Flows From Financing Activities					
Net proceeds from sale of treasury shares of the Company		**333.6**	-	**333.6**	-
Dividends paid	13	**(686.9)**	(620.4)	**(686.9)**	(620.4)
Dividends paid to non-controlling interests		**(15.5)**	(8.1)	**-**	-
Drawdown of long term Islamic revolving credit		**224.0**	88.6	**224.0**	88.6
Repayment of Islamic financing facilities		**(345.5)**	(136.9)	**(345.5)**	(136.9)
Repayment of term loans		**(76.5)**	(4.7)	**-**	-
Net drawdown/(repayments) of short-term borrowings		**174.8**	(149.5)	**(7.2)**	(255.3)
Net settlements of hedging instruments arising from repayments of borrowings		**(4.4)**	(20.7)	**(4.4)**	(20.7)
Payments of lease liabilities	30.2	**(14.3)**	(15.8)	**-**	-
Finance costs paid		**(127.2)**	(137.2)	**(33.4)**	(46.5)
Net cash used in financing activities		**(537.9)**	(1,004.7)	**(519.8)**	(991.2)
Net increase/(decrease) in cash and cash equivalents		**268.3**	(598.7)	**(54.7)**	30.3
Cash and cash equivalents at beginning of financial year		**1,578.4**	2,181.7	**214.4**	182.0
Effects of exchange rate changes		**(3.1)**	(4.6)	**(0.4)**	2.1
Cash and cash equivalents at end of financial year	25	**1,843.6**	1,578.4	**159.3**	214.4

The notes on pages 161 to 238 form an integral part of the financial statements.

Notes to the Financial Statements

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

Both the registered office and principal place of business of the Company are located at Level 29, IOI City Tower 2, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Wilayah Persekutuan (Putrajaya), Malaysia.

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries, associates and joint ventures are primarily involved in investment holding; oil palm cultivation and processing; commodities trading and refinery; manufacture and sales of fatty acids, soap noodles, glycerine and other oleochemical related products; manufacture and sale of plasticizer products, margarine, shortening and fat spreads; processing of oil palm trunks and other bio-matter derived from plantations to produce materials used in furniture, construction and building industries; processing of crude coconut oil; production and supply of palm-based renewable energy; as well as provision of management services and other related business activities. The principal activities and the details of the subsidiaries, associates and joint ventures are set out in Note 38 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

The ultimate holding company is Progressive Holdings Sdn Bhd, which is incorporated in Malaysia.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency and all financial information presented in RM are rounded to the nearest million, except where otherwise stated.

3. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs

3.1 Amendment to MFRSs adopted during the current financial year

Title
Amendments to MFRS 121 *Lack of Exchangeability*

There is no material impact upon adoption of the above Amendment to MFRSs during the financial year.

3. ADOPTION OF NEW MFRSs AND AMENDMENT TO MFRSs (Continued)

3.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2026

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to MFRS 9 and MFRS 7 *Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 *Presentation and Disclosure in Financial Statements*	1 January 2027
MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 19 *Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to MFRS 121 *Translation to a Hyperinflationary Presentation Currency*	1 January 2027
MFRS 20 *Regulatory Assets and Regulatory Liabilities*	1 January 2029
Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to MFRS 128 *Investments in Associates and Joint Ventures*)	Applicable when an entity first applies MFRS 18
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

The Group and the Company are in the process of assessing the impact of the adoption of these Standards and Amendments to MFRSs since the effects would only be observable in future financial years.

4. SEGMENTAL INFORMATION

The Group has two (2) reportable operating segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which require different business and marketing strategies. The reportable segments are summarised as follows:

Plantation	Cultivation of oil palm, rubber, coconut and other cash crops, and processing of palm oil
Resource-based manufacturing	Manufacturing of oleochemical and specialty oils and fats, refining of palm oil, crushing of palm kernel, and processing of oil palm trunks
Other operations	Other operations, which are not sizable to be reported separately

The Group's senior management team monitors the performance and results of its operating business units separately for the purpose of making decisions about resource allocation and regular assessment of performance in achieving the strategic priorities. Segment performance is assessed based on operating profit or loss, in certain respects as reported in the table below, is measured differently from the operating profit or loss in the consolidated financial statements. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Segment assets exclude tax assets and assets used primarily for corporate purposes.

Segment liabilities exclude tax liabilities, loans and borrowings that are managed under centralised treasury function.

Details are provided in the reconciliations from segment assets and segment liabilities to the Group position.

4. SEGMENTAL INFORMATION (Continued)

		Resource-based manufacturing ("RBM")						
In RM million	Plantation	Refinery	Oleochemical	Others	Total RBM	Other operations	Elimination	Total
Group								
2026								
Revenue								
External sales	603.9	6,742.4	4,417.1	0.7	11,160.2	15.0	-	11,779.1
Inter-segment sales	2,666.5	-	-	-	-	-	(2,666.5)	-
Total revenue	3,270.4	6,742.4	4,417.1	0.7	11,160.2	15.0	(2,666.5)	11,779.1
Result								
Operating profit/(loss)	1,416.4	147.1	146.0	(13.8)	279.3	(4.1)	-	1,691.6
Share of results of associates	264.6	-	0.6	123.8	124.4	-	-	389.0
Share of results of joint ventures	-	-	-	3.2	3.2	-	-	3.2
Segment results before fair value adjustments	1,681.0	147.1	146.6	113.2	406.9	(4.1)	-	2,083.8
Net fair value gain/(loss) on:								
Biological assets	28.7	-	-	-	-	-	-	28.7
Derivative financial instruments	0.7	(41.7)	(16.8)	-	(58.5)	-	-	(57.8)
Segment results	1,710.4	105.4	129.8	113.2	348.4	(4.1)	-	2,054.7
Assets								
Operating assets	9,876.5	1,562.3	2,721.7	97.4	4,381.4	182.6	-	14,440.5
Interests in associates	1,350.8	-	287.1	1,647.9	1,935.0	-	-	3,285.8
Interest in joint ventures	-	-	-	90.2	90.2	-	-	90.2
Segment assets	11,227.3	1,562.3	3,008.8	1,835.5	6,406.6	182.6	-	17,816.5
Liabilities								
Segment liabilities	311.4	182.9	327.4	8.1	518.4	50.2	-	880.0
Other Information								
Capital expenditure	620.4	7.5	115.2	0.2	122.9	15.7	-	759.0
Depreciation and amortisation	299.4	16.0	92.4	3.9	112.3	8.2	-	419.9
Non-cash items other than depreciation and amortisation	11.6	57.6	32.9	-	90.5	9.4	-	111.5

Included in the resource-based manufacturing segment is an amount of revenue from a major customer during the financial year amounting to RM2,014.5 million (2025 – RM1,902.8 million).

4. SEGMENTAL INFORMATION (Continued)

In RM million	Plantation	Resource-based manufacturing: Refinery	Oleochemical	Others	Total RBM	Other operations	Elimination	Total
Group								
2025								
Revenue								
External sales	481.6	6,489.2	4,344.1	0.4	10,833.7	19.4	-	11,334.7
Inter-segment sales	2,595.8	-	-	-	-	-	(2,595.8)	-
Total revenue	3,077.4	6,489.2	4,344.1	0.4	10,833.7	19.4	(2,595.8)	11,334.7
Result								
Operating profit/(loss)	1,328.9	2.6	55.6	(57.4)	0.8	2.1	-	1,331.8
Share of results of associates	242.3	-	3.2	102.5	105.7	-	-	348.0
Share of results of joint ventures	-	-	-	3.4	3.4	-	-	3.4
Segment results before fair value adjustments	1,571.2	2.6	58.8	48.5	109.9	2.1	-	1,683.2
Net fair value gain/(loss) on:								
Biological assets	6.0	-	-	-	-	-	-	6.0
Derivative financial instruments	(0.7)	8.9	9.6	-	18.5	-	-	17.8
Segment results	1,576.5	11.5	68.4	48.5	128.4	2.1	-	1,707.0
Assets								
Operating assets	9,071.2	1,644.9	2,445.9	106.4	4,197.2	243.6	-	13,512.0
Interests in associates	1,415.1	-	312.4	1,518.3	1,830.7	-	-	3,245.8
Interest in joint ventures	-	-	-	15.0	15.0	-	-	15.0
Segment assets	10,486.3	1,644.9	2,758.3	1,639.7	6,042.9	243.6	-	16,772.8
Liabilities								
Segment liabilities	334.1	183.6	315.6	10.2	509.4	29.0	-	872.5
Other Information								
Capital expenditure	568.2	6.7	97.8	10.8	115.3	7.7	-	691.2
Depreciation and amortisation	285.7	16.2	87.8	6.4	110.4	8.5	-	404.6
Impairment losses on property, plant and equipment	0.8	-	-	39.2	39.2	-	-	40.0
Non-cash items other than depreciation and amortisation	9.8	(11.6)	(5.0)	39.3	22.7	60.3	-	92.8

4. SEGMENTAL INFORMATION (Continued)

Reconciliation of reportable segment profit or loss, assets and liabilities to the Group's corresponding amounts is as follows:

In RM million	Group 2026	Group 2025
Profit or loss		
Segment results	**2,054.7**	1,707.0
Unallocated corporate net income/(expense)	**44.3**	(6.4)
Profit before interest and tax	**2,099.0**	1,700.6
Interest income	**27.5**	32.6
Finance costs	**(128.8)**	(139.8)
Net foreign currency translation gain on foreign currency denominated borrowings	**124.0**	278.5
Net foreign currency translation (loss)/gain on foreign currency denominated deposits	**(13.4)**	5.6
Profit before tax	**2,108.3**	1,877.5
Tax expense	**(398.7)**	(341.1)
Profit for the financial year	**1,709.6**	1,536.4
Assets		
Segment assets	**17,816.5**	16,772.8
Unallocated corporate assets	**1,298.6**	1,357.9
Total assets	**19,115.1**	18,130.7
Liabilities		
Segment liabilities	**880.0**	872.5
Unallocated corporate liabilities	**4,601.6**	4,625.4
Total liabilities	**5,481.6**	5,497.9

Geographical Segments

In RM million	Malaysia	Europe	North America	Asia	Others	Consolidated
Group						
2026						
Revenue from external customers by location of customers	**3,111.3**	**1,575.4**	**549.8**	**5,881.9**	**660.7**	**11,779.1**
Segment non-current assets by location of assets *	**9,066.7**	**1,818.3**	**1.1**	**3,013.4**	**-**	**13,899.5**
Capital expenditure by location of assets	**662.4**	**28.9**	**-**	**67.7**	**-**	**759.0**
2025						
Revenue from external customers by location of customers	3,214.3	1,951.4	236.5	5,449.8	482.7	11,334.7
Segment non-current assets by location of assets *	8,438.0	1,686.1	1.1	3,021.0	-	13,146.2
Capital expenditure by location of assets	587.4	27.5	-	76.3	-	691.2

* *The amounts of non-current assets do not include financial instruments and deferred tax assets.*

5. REVENUE

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Revenue from contracts with customers				
Commodities, other products and services:				
- Sales of plantation produce and related products	**603.9**	481.6	**6.2**	6.6
- Resource-based manufacturing	**11,160.2**	10,833.7	**-**	-
Management fees and advisory fees	**4.8**	5.8	**25.9**	22.6
	11,768.9	11,321.1	**32.1**	29.2
Other revenue				
Dividend income	**1.8**	3.9	**944.6**	773.1
Others	**8.4**	9.7	**-**	-
	10.2	13.6	**944.6**	773.1
Total Revenue	**11,779.1**	11,334.7	**976.7**	802.3

Disaggregation of revenue from contracts with customers is set out in Note 4 to the financial statements, which is presented based on geographical location from which the sales transactions originated. No revenue is recognised over time other than management fees and advisory fees.

5.1 Commodities, other products and services

Revenue is recognised at a point in time upon delivery of products and customer acceptance, if any, or performance of services, net of discounts.

There is no material right of return and warranty provided to the customers.

There is no significant financing component in the revenue as the revenue is made on the normal credit terms not exceeding twelve (12) months.

5.2 Management fees and advisory fees

Management fees and advisory fees are recognised over time when customers simultaneously receive and consume the benefits.

5.3 Dividend income

Dividend income is recognised when a shareholder's right to receive payment is established.

6. OTHER OPERATING INCOME

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Fair value gain on derivative financial instruments	**19.8**	34.0	**-**	0.1
Fair value gain on other investments	**3.2**	7.0	**0.2**	-
Fair value gain on short term funds	**24.8**	31.9	**-**	-
Foreign currency translation gain				
- Realised	**97.4**	72.0	**1.6**	109.0
- Unrealised	**14.2**	17.5	**36.3**	94.3
Gain on disposal of property, plant and equipment	**7.7**	5.4	**-**	-
Net gain arising from changes in fair value of biological assets	**28.7**	6.0	**0.2**	-
Realised fair value gain on derivative financial instruments	**0.3**	9.3	**-**	-
Reversal of impairment loss on investment in a joint venture	**9.9**	-	**20.8**	-
Reversal of impairment losses on advances to subsidiaries (Note 16.2)	**-**	-	**1.7**	71.3
Overprovision of investment disposal costs	**33.8**	-	**33.8**	-
Rental income	**13.1**	11.0	**-**	-
Others	**52.0**	51.2	**1.2**	6.9
	304.9	245.3	**95.8**	281.6

7. OTHER OPERATING EXPENSES

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Depreciation of property, plant and equipment	**188.4**	183.6	**0.5**	0.6
Fair value loss on derivative financial instruments	**79.7**	21.1	**2.1**	5.0
Fair value loss on other investments	**1.2**	12.5	**-**	0.4
Fair value loss on short term funds	**1.8**	10.8	**-**	-
Foreign currency translation loss				
- Realised	**48.6**	41.7	**12.1**	36.9
- Unrealised	**7.7**	31.8	**2.8**	146.6
Impairment losses on property, plant and equipment	**-**	40.0	**-**	-
Impairment losses on investments in subsidiaries (Note 16.1)	**-**	-	**3.4**	82.5
Loss on disposal of property, plant and equipment	**0.5**	-	**-**	-
Property, plant and equipment written off	**13.4**	5.7	**3.2**	-
Realised fair value loss on derivative financial instruments	**30.9**	0.6	**0.9**	0.6
Repair and maintenance	**67.3**	63.3	**-**	-
Research and development expenses	**8.4**	8.4	**-**	-
Rental expenses	**6.9**	7.3	**-**	-
Others	**40.2**	38.7	**15.1**	12.7
	495.0	465.5	**40.1**	285.3

8. INTEREST INCOME

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Short term funds	**2.5**	5.5	**-**	-
Short term deposits	**23.8**	24.2	**3.8**	4.8
Subsidiaries	**-**	-	**23.1**	29.4
Others	**1.2**	2.9	**0.4**	0.5
	27.5	32.6	**27.3**	34.7

Interest income is recognised in profit or loss as it accrues, unless recoverability is in doubt, in which case, it is recognised on receipt basis.

9. FINANCE COSTS

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Interest expense				
Term loans	**36.9**	39.8	**-**	-
Notes	**41.3**	44.7	**-**	-
Short term loans	**16.9**	15.8	**2.0**	8.6
Lease liabilities (Note 30.2)	**2.9**	3.3	**-**	-
Subsidiaries	**-**	-	**42.0**	46.3
Others	**1.9**	1.6	**-**	-
	99.9	105.2	**44.0**	54.9
Profit payment on Islamic financing	**31.4**	37.2	**31.4**	37.2
Total finance costs	**131.3**	142.4	**75.4**	92.1
Less: Interest capitalised (Note 14)	**(0.1)**	-	**-**	-
Hedging reserve reclassified to profit or loss (Note 28.3)	**(2.4)**	(2.6)	**-**	-
	(2.5)	(2.6)	**-**	-
Net finance costs	**128.8**	139.8	**75.4**	92.1

10. PROFIT BEFORE TAX

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
a) Other than those disclosed in Notes 6 and 7 to the financial statements, profit before tax has been arrived at after charging:				
Depreciation of property, plant and equipment	**412.3**	396.0	**0.7**	0.8
Amortisation of intangible assets	**8.3**	8.6	**0.3**	0.2
Auditors' remuneration				
BDO PLT and affiliates				
Statutory audit	**1.4**	1.3	**0.2**	0.2
Non-statutory audit				
- tax compliance and advisory services	**0.4**	0.4	**-**	-
Member firms of BDO International				
Statutory audit	**0.3**	0.3	**-**	-
Non-statutory audit				
- tax compliance and advisory services	**0.1**	-	**-**	-
Other auditors				
Statutory audit	**1.0**	0.9	**-**	-
Inventories written down to net realisable value	**1.7**	31.6	**-**	-
Net foreign currency translation loss on foreign currency denominated deposits	**13.4**	-	**13.5**	-
and crediting:				
Dividends received from:				
- other quoted and unquoted investments in Malaysia	**1.8**	3.9	**-**	-
- unquoted subsidiaries	**-**	-	**934.1**	770.1
Net foreign currency translation gain on foreign currency denominated borrowings	**124.0**	278.5	**42.9**	88.7
Net foreign currency translation gain on foreign currency denominated deposits	**-**	5.6	**-**	5.7
Rental income from:				
- investment properties	**1.4**	3.3	**-**	-
- others	**20.2**	17.5	**-**	-
Reversal of inventories written down to net realisable value	**24.4**	0.1	**-**	-

Rental income is accounted for on a straight-line basis over the lease term of an ongoing lease.

Cost of inventories of the Group recognised as an expense during the financial year amounted to RM6,711.8 million (2025 – RM6,671.6 million).

10. PROFIT BEFORE TAX (Continued)

The Group and the Company do not present the net reversal of impairment losses/(impairment losses) on financial instruments determined in accordance with MFRS 9 separately in the statements of profit or loss, as the amounts are not material to the Group.

b) Employee information

The employee benefits cost is as follows:

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Wages, salaries and others	**1,155.2**	1,099.8	**25.2**	21.8
Post-employment benefits	**47.4**	39.1	**2.7**	2.4
Retirement benefits expenses (Note 31.1)	**5.6**	4.3	**-**	-
	1,208.2	1,143.2	**27.9**	24.2

11. TAX EXPENSE

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Current year				
Malaysian income tax	**340.0**	311.1	**4.8**	4.6
Foreign tax	**13.8**	12.9	**-**	-
Deferred tax	**41.6**	17.7	**(0.4)**	18.7
	395.4	341.7	**4.4**	23.3
Prior years				
Malaysian income tax	**(0.7)**	(1.1)	**-**	-
Foreign tax	**3.0**	(0.1)	**-**	-
Deferred tax	**1.0**	0.6	**-**	-
	3.3	(0.6)	**-**	-
	398.7	341.1	**4.4**	23.3

11. TAX EXPENSE (Continued)

A numerical reconciliation between average effective tax rate and applicable tax rate of the Group and of the Company is as follows:

	Group		Company	
%	**2026**	**2025**	**2026**	**2025**
Applicable tax rate	**24.00**	24.00	**24.00**	24.00
Tax effects in respect of:				
Non-allowable expenses	**2.69**	3.60	**3.40**	11.15
Non-taxable income	**(3.17)**	(5.05)	**(3.69)**	(9.26)
Tax exempt income	**(0.02)**	(0.05)	**(23.23)**	(23.11)
Tax incentives and allowances	**(0.13)**	(0.11)	**-**	-
Different tax rates in foreign jurisdiction	**-**	0.14	**-**	-
Share of post-tax results of associates	**(4.43)**	(4.45)	**-**	-
Share of post-tax results of joint ventures	**(0.04)**	(0.04)	**-**	-
Other items	**(0.15)**	0.16	**(0.02)**	0.13
	18.75	18.20	**0.46**	2.91
Under/(Over) provision in prior years	**0.16**	(0.03)	**(0.01)**	-
	18.91	18.17	**0.45**	2.91

Income taxes include all domestic and foreign taxes on taxable profit. Income taxes also include other taxes, such as withholding taxes on foreign dividend and interest income, real property gains taxes and capital gains taxes, if any.

Malaysian income tax is calculated at the statutory rate of 24% (2025 – 24%) of the estimated chargeable income for the year. Deferred tax is calculated on temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Other tax expenses for other tax authorities are calculated at the tax rates prevailing in the respective jurisdictions.

Subject to agreement with the tax authorities, certain subsidiaries of the Group have unutilised tax losses and unabsorbed capital allowances of approximately RM229.7 million (2025 – RM217.7 million), for which the related tax effects have not been recognised in the financial statements. These items are available to be carried forward for set off against future chargeable income when these subsidiaries derive future assessable income of a nature and amount sufficient for the tax losses to be utilised.

12. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The basic earnings per ordinary share of the Group is calculated based on the profit for the financial year attributable to owners of the parent divided by the weighted average number of ordinary shares in issue during the financial year, after taking into consideration of treasury shares held by the Company.

	Group	
	2026	**2025**
In RM million		
Profit for the financial year attributable to owners of the parent	**1,682.0**	1,520.6
In million		
Weighted average number of ordinary shares in issue	**6,255.2**	6,203.7
In sen		
Basic earnings per ordinary share	**26.89**	24.51

Diluted earnings per ordinary share

The diluted earnings per ordinary share of the Group is calculated based on the profit for the financial year attributable to owners of the parent divided by the adjusted weighted average number of ordinary shares after taking into consideration all potential dilutive ordinary shares.

There is no dilution in earnings per ordinary share as there are no dilutive potential ordinary shares.

13. DIVIDENDS

	Group and Company	
In RM million	**2026**	**2025**
First interim single tier dividend in respect of financial year ended 30 June 2026 declared and paid of 5.5 sen per ordinary share	**345.7**	-
Second interim single tier dividend in respect of financial year ended 30 June 2025 declared and paid of 5.5 sen per ordinary share	**341.2**	-
First interim single tier dividend in respect of financial year ended 30 June 2025 declared and paid of 5.0 sen per ordinary share	**-**	310.2
Second interim single tier dividend in respect of financial year ended 30 June 2024 declared and paid of 5.0 sen per ordinary share	**-**	310.2
	686.9	620.4

On 28 August 2026, the Board of Directors declared a second interim single tier dividend of 7.0 sen per ordinary share, amounting to RM440.0 million in respect of the financial year ended 30 June 2026. The dividend is payable on 25 September 2026 to shareholders whose names appear in the Record of Depositors and Register of Members of the Company at the close of business on 15 September 2026.

No final dividend has been recommended by the Board of Directors for the financial year ended 30 June 2026.

14. PROPERTY, PLANT AND EQUIPMENT

In RM million	Freehold land	Leasehold land	Land use rights	Bearer plants	Buildings and improvements	Plant and machinery	Construction in progress	Other property, plant and equipment	Total
Group									
2026									
Carrying amount									
At beginning of financial year	**1,869.8**	**3,266.4**	**41.0**	**2,041.1**	**640.2**	**1,015.6**	**223.0**	**335.5**	**9,432.6**
Additions	**-**	**9.5**	**0.2**	**329.9**	**36.7**	**120.9**	**215.0**	**54.6**	**766.8**
Acquisition of subsidiaries (Note 16.1 (ii) & (iii))	**-**	**309.0**	**-**	**21.7**	**0.1**	**-**	**-**	**7.7**	**338.5**
Depreciation charge	**-**	**(56.0)**	**(1.2)**	**(100.7)**	**(50.8)**	**(156.5)**	**-**	**(47.1)**	**(412.3)**
Disposals	**(1.7)**	**-**	**-**	**(0.3)**	**-**	**(0.7)**	**-**	**(0.4)**	**(3.1)**
Foreign currency translation differences	**(0.7)**	**(0.9)**	**(5.2)**	**(35.3)**	**(10.6)**	**(14.6)**	**(9.9)**	**(4.6)**	**(81.8)**
Write-offs	**-**	**-**	**-**	**(11.7)**	**(0.9)**	**(0.5)**	**-**	**(0.3)**	**(13.4)**
Reclassifications	**(9.1)**	**14.5**	**-**	**-**	**56.9**	**97.2**	**(201.7)**	**58.4**	**16.2**
Reassessments and modifications of leases	**-**	**-**	**-**	**-**	**0.1**	**-**	**-**	**-**	**0.1**
At end of financial year	**1,858.3**	**3,542.5**	**34.8**	**2,244.7**	**671.7**	**1,061.4**	**226.4**	**403.8**	**10,043.6**
Cost	**1,858.3**	**4,206.6**	**40.1**	**3,335.1**	**1,498.5**	**3,569.0**	**226.4**	**885.5**	**15,619.5**
Accumulated depreciation	**-**	**(660.9)**	**(5.3)**	**(1,070.9)**	**(824.8)**	**(2,468.3)**	**-**	**(480.8)**	**(5,511.0)**
Accumulated impairment losses	**-**	**(3.2)**	**-**	**(19.5)**	**(2.0)**	**(39.3)**	**-**	**(0.9)**	**(64.9)**
Carrying amount	**1,858.3**	**3,542.5**	**34.8**	**2,244.7**	**671.7**	**1,061.4**	**226.4**	**403.8**	**10,043.6**
2025									
Carrying amount									
At beginning of financial year	1,860.8	3,290.4	46.8	1,892.5	581.9	1,011.8	237.9	307.0	9,229.1
Additions	9.2	2.5	-	283.4	51.2	119.5	185.9	36.3	688.0
Acquisition of a subsidiary	-	44.7	-	-	0.4	-	-	-	45.1
Depreciation charge	-	(54.2)	(1.4)	(100.4)	(48.6)	(152.3)	-	(39.1)	(396.0)
Disposals	-	-	-	-	(0.1)	(0.5)	-	-	(0.6)
Foreign currency translation differences	(0.2)	(0.1)	(4.4)	(30.2)	(4.8)	(7.5)	(8.8)	(3.1)	(59.1)
Impairment losses	-	-	-	(0.8)	-	(39.2)	-	-	(40.0)
Write-offs	-	-	-	(3.4)	(0.4)	(1.9)	-	-	(5.7)
Reclassifications	-	(14.5)	-	-	60.4	86.4	(192.0)	34.4	(25.3)
Reassessments and modifications of leases	-	(2.4)	-	-	0.2	(0.7)	-	-	(2.9)
At end of financial year	1,869.8	3,266.4	41.0	2,041.1	640.2	1,015.6	223.0	335.5	9,432.6
Cost	1,869.8	3,873.8	45.7	3,198.0	1,419.5	3,384.9	223.0	775.7	14,790.4
Accumulated depreciation	-	(604.2)	(4.7)	(1,137.4)	(777.3)	(2,330.0)	-	(439.3)	(5,292.9)
Accumulated impairment losses	-	(3.2)	-	(19.5)	(2.0)	(39.3)	-	(0.9)	(64.9)
Carrying amount	1,869.8	3,266.4	41.0	2,041.1	640.2	1,015.6	223.0	335.5	9,432.6

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Company

In RM million	Freehold land	Bearer plants	Other property, plant and equipment	Total
2026				
Carrying amount				
At beginning of financial year	71.9	11.6	0.6	84.1
Additions	-	0.8	-	0.8
Depreciation charge	-	(0.5)	(0.2)	(0.7)
Write-offs	-	(3.2)	-	(3.2)
At end of financial year	71.9	8.7	0.4	81.0
Cost	71.9	11.0	2.5	85.4
Accumulated depreciation	-	(2.3)	(2.1)	(4.4)
Carrying amount	71.9	8.7	0.4	81.0
2025				
Carrying amount				
At beginning of financial year	71.9	10.9	0.4	83.2
Additions	-	1.2	0.5	1.7
Depreciation charge	-	(0.5)	(0.3)	(0.8)
At end of financial year	71.9	11.6	0.6	84.1
Cost	71.9	15.6	2.5	90.0
Accumulated depreciation	-	(4.0)	(1.9)	(5.9)
Carrying amount	71.9	11.6	0.6	84.1

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Included in the Group's property, plant and equipment are right-of-use assets as follows:

In RM million	Leasehold land	Land use rights	Buildings and improvements	Plant and machinery	Total
Group					
2026					
Carrying amount					
At beginning of financial year	3,266.4	41.0	6.7	8.9	3,323.0
Additions	9.5	0.2	4.1	0.1	13.9
Acquisition of subsidiaries	309.0	-	-	-	309.0
Depreciation charge	(56.0)	(1.2)	(4.8)	(5.1)	(67.1)
Foreign currency translation differences	(0.9)	(5.2)	(0.1)	-	(6.2)
Reclassifications	14.5	-	-	-	14.5
Reassessments and modifications of leases	-	-	0.1	-	0.1
At end of financial year	3,542.5	34.8	6.0	3.9	3,587.2
Cost	4,206.6	40.1	34.0	22.9	4,303.6
Accumulated depreciation	(660.9)	(5.3)	(28.0)	(19.0)	(713.2)
Accumulated impairment losses	(3.2)	-	-	-	(3.2)
Carrying amount	3,542.5	34.8	6.0	3.9	3,587.2
2025					
Carrying amount					
At beginning of financial year	3,290.4	46.8	11.3	14.0	3,362.5
Additions	2.5	-	0.1	2.1	4.7
Acquisition of a subsidiary	44.7	-	-	-	44.7
Depreciation charge	(54.2)	(1.4)	(4.6)	(6.5)	(66.7)
Foreign currency translation differences	(0.1)	(4.4)	(0.3)	-	(4.8)
Reclassifications	(14.5)	-	-	-	(14.5)
Reassessments and modifications of leases	(2.4)	-	0.2	(0.7)	(2.9)
At end of financial year	3,266.4	41.0	6.7	8.9	3,323.0
Cost	3,873.8	45.7	31.3	28.3	3,979.1
Accumulated depreciation	(604.2)	(4.7)	(24.6)	(19.4)	(652.9)
Accumulated impairment losses	(3.2)	-	-	-	(3.2)
Carrying amount	3,266.4	41.0	6.7	8.9	3,323.0

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Leasehold land for which the Group has land titles as at financial year end amounted to RM3,539.5 million (2025 – RM3,265.5 million).

Included in the Group's bearer plants was an amount of interest expense capitalised amounting to RM0.1 million in the current financial year and interest was capitalised at 5.92% per annum.

Management assessed whether there were any indicators of impairment of property, plant and equipment during the financial year. In doing this management considered the current environment and performance of the Cash-generating Unit ("CGU"). Management considered the losses in certain subsidiaries in the current financial year as impairment indicators.

In the previous financial year, an impairment losses on property, plant and equipment amounting to RM40.0 million had been recognised in statement of profit or loss under other operating expenses due to the recoverable amounts of the property, plant and equipment in certain CGUs, which determined based on value-in-use approach, was lower than the carrying amounts.

IOI Palm Wood Sdn Bhd ("IOI Palm Wood")

As at 30 June 2026, the carrying amount of property, plant and equipment of IOI Palm Wood amounted to RM85.7 million. During the financial year, management continued to monitor the performance of IOI Palm Wood. The value-in-use approach was based on cash flow forecasts derived from management's latest approved business plans covering the estimated remaining economic useful life of the assets. Key assumptions applied in the assessment included forecast revenue growth, expected profit margins and the pre-tax discount rate. While the subsidiary remains in the development and commercialisation phase, management recognised that the long-term strategic initiatives and operational improvement plans remain in progress. Based on assessment performed, the recoverable amount of the property, plant and equipment supports its carrying amount. Accordingly, no additional impairment loss was recognised during the financial year.

In the previous financial year, a substantial amount of the impairment loss on property, plant and equipment was from IOI Palm Wood. The indication of impairment was determined by considering both internal and external factors including low sales performance affecting profitability, market demand and underperformance of certain assets used in the production processes to generate future economic benefits. As a result, the recoverable amount of the CGU was lower than the carrying amount of the CGU. Based on assessment performed, an impairment loss of RM39.2 million was recognised in the previous financial year, and the carrying amount of the CGU was reduced to their recoverable amount of RM89.4 million as at 30 June 2025.

Capital expenditure for climate change mitigation

In line with the Group's commitment to sustainability, the Group has progressively undertaken various sustainability initiatives and investments within its operations. The investments in biogas plants and biogas engine focuses on harnessing waste to produce renewable energy. The biogas plant captures methane from decomposing material i.e. the palm oil mill effluents ("POME") and reduces greenhouse gas emission. The biogas engine further converts the methane captured to renewable energy sources, offering a sustainable energy solution for our mills and estate facilities. The Group has also undertaken investments in biomass and cogeneration plants, heat recovery projects, energy efficient equipment, water stewardship programmes to mitigate water risk such as installation of anti-flood bunds, rainwater harvesting system, wastewater recycling system, and installation of solar panels on the rooftops of its main offices and canteen to reduce the dependency on fossil fuels at its oleochemical and refinery complexes.

In addition, the Group's non-CPO subsidiary, its palm wood manufacturing plant, contributes to sustainable innovation by converting oil palm trunks ("OPT"), a biomass of the plantation sector, into eco-friendly, sustainable non-tropical wood panels. Oil palm replantation generally occurs every twenty-five (25) years, during which felled OPT is left to decompose naturally in the plantations to enrich the soil. By repurposing the OPT, the Group promotes circular resource utilisation and supports carbon capture efforts, helping to mitigate the adverse impacts of climate change.

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

Capital expenditure for climate change mitigation (Continued)

As at 30 June 2026, the Group incurred a total capital expenditure of RM421.2 million (2025 – RM386.0 million) for climate change mitigation. The breakdown of the costs is as follows:

In RM million	Group 2026	Group 2025
At cost		
Plant and machinery	**355.8**	326.0
Buildings and improvements	**52.0**	50.5
Other property, plant and equipment	**13.4**	9.5
Total capital expenditure	**421.2**	386.0

During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Additions to property, plant and equipment	**766.8**	688.0	**0.8**	1.7
Interest capitalised (Note 9)	**(0.1)**	-	**-**	-
Additions via lease liabilities (Note 30.2)	**(7.2)**	(2.2)	**-**	-
Additions via finance lease obligation (Note 29.4)	**(4.2)**	-	**-**	-
Cash payments on purchase of property, plant and equipment	**755.3**	685.8	**0.8**	1.7

14.1 Property, plant and equipment excluding right-of-use assets

All items of property, plant and equipment excluding right-of-use assets are initially measured at cost.

After initial recognition, property, plant and equipment excluding right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Bearer plants are living plants that are used in the production or supply of agriculture produce for more than one period and have remote likelihood of being sold as agriculture produce, except for incidental scrap sales. The bearer plants that are available for use are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes plantation expenditure, which represents the total cost incurred from land clearing to the point of harvesting. Bearer plants have an average life cycle of twenty-five (25) years with the first three (3) years as immature bearer plants and the remaining years as mature bearer plants. The mature bearer plants are depreciated over their remaining useful lives of twenty-two (22) years on a straight-line basis. The immature bearer plants are not depreciated until such time when they are available for use.

Freehold land has an unlimited useful life and therefore is not depreciated.

Construction in progress is not depreciated until such time when the asset is available for use.

Other property, plant and equipment are depreciated on the straight-line basis so as to write-off the cost of the assets over their estimated useful lives. The principal depreciation annual rates are as follows:

Buildings and improvements	2% to 10%
Plant and machinery	4% to 20%
Other property, plant and equipment	4% to 33%

14. PROPERTY, PLANT AND EQUIPMENT (Continued)

14.2 Right-of-use assets under property, plant and equipment

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease terms. The principal depreciation periods are as follows:

Leasehold land	over the lease periods from 4 to 99 years
Land use rights	over the lease periods of up to 35 years
Buildings and improvements	over the lease periods from 2 to 10 years
Plant and machinery	over the lease periods from 2 to 5 years

15. INTANGIBLE ASSETS

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Goodwill (Note 15.1)	**361.4**	339.6	**-**	-
Other intangible assets (Note 15.2)	**60.8**	66.5	**0.5**	0.7
	422.2	406.1	**0.5**	0.7

15.1 Goodwill

	Group	
In RM million	**2026**	**2025**
At cost		
At beginning of financial year	**341.6**	337.5
Acquisition of subsidiaries (Note 16.1)	**20.8**	5.4
Reclassified from/(to) assets held for sale (Note 26)	**1.2**	(1.2)
Foreign currency translation differences	**(0.2)**	(0.1)
	363.4	341.6
Less: Impairment losses	**(2.0)**	(2.0)
	361.4	339.6

The goodwill recognised represents the residual amount arising from the acquisition after allocating the purchase consideration to the identifiable assets acquired and liabilities assumed at fair value.

15. INTANGIBLE ASSETS (Continued)

15.1 Goodwill (Continued)

For the purpose of impairment testing, goodwill is allocated to the Group's CGUs identified according to the operating segments as follows:

	Group	
In RM million	**2026**	**2025**
Plantation	**152.7**	130.7
Resource-based manufacturing	**208.7**	208.9
	361.4	339.6

Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the CGUs based on value-in-use approach, which requires significant judgements, estimates about the future results and key assumptions made by the management. Value-in-use is determined by discounting the future cash flows to be generated from the continuing use of the CGUs based on the following assumptions:

i. Cash flows are projected based on the management's most recent five-year business plan with terminal value for all companies with the exception of plantation companies. For plantation companies, cash flows are projected based on the average life cycle of oil palm trees.

ii. Discount rate used for cash flows discounting purpose is the Group's weighted average cost of capital adjusted for specific risks relating to the relevant segments. The average discount rate applied for cash flow projections is 7.58% (2025 – 8.40%).

iii. Growth rates for the plantation segment are determined based on the management's estimate of commodity prices, Fresh Fruit Bunches ("FFB") yields, oil extraction rates and also costs of production whilst growth rates of other segments are determined based on the industry trends and past performances of the segments. CPO price is based on average historical price in the previous financial years while FFB yields are based on the average yields achieved in the previous financial years throughout the life cycle of oil palm trees.

iv. Profit margins are projected based on the industry trends and historical profit margins achieved.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGUs to materially exceed their recoverable amounts.

15. INTANGIBLE ASSETS (Continued)

15.2 Other intangible assets

In RM million	Brand names	Computer software	Total
Group			
2026			
Carrying amount			
At beginning of financial year	**38.3**	**28.2**	**66.5**
Additions	**-**	**2.7**	**2.7**
Amortisation charge	**(1.7)**	**(6.6)**	**(8.3)**
Foreign currency translation differences	**-**	**(0.1)**	**(0.1)**
At end of financial year	**36.6**	**24.2**	**60.8**
Cost	**66.8**	**56.1**	**122.9**
Accumulated amortisation	**(30.2)**	**(31.9)**	**(62.1)**
Carrying amount	**36.6**	**24.2**	**60.8**
2025			
Carrying amount			
At beginning of financial year	40.0	36.3	76.3
Additions	-	4.4	4.4
Amortisation charge	(1.7)	(6.9)	(8.6)
Write-offs	-	(5.6)	(5.6)
At end of financial year	38.3	28.2	66.5
Cost	66.8	53.5	120.3
Accumulated amortisation	(28.5)	(25.3)	(53.8)
Carrying amount	38.3	28.2	66.5

Other intangible assets are initially measured at cost of acquisition.

After initial recognition, other intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

Brand names

The costs of brand names recognised in a business combination are their fair values as at the date of acquisition. Brand names with finite lives are amortised on a straight-line basis over the estimated economic useful lives ranging from three (3) to thirty (30) years.

Computer software

Computer software that do not form an integral part of the related hardware are treated as intangible assets with finite lives and are amortised on a straight-line basis over the estimated useful lives ranging from five (5) to ten (10) years.

Computer software are not amortised until such time when the assets are available for use.

16. SUBSIDIARIES

16.1 Investments in subsidiaries

In RM million	Company 2026	Company 2025
At cost		
Unquoted shares in Malaysia	**6,341.3**	6,321.2
Unquoted shares outside Malaysia	**1,702.9**	1,657.9
	8,044.2	7,979.1
Less: Impairment losses	**(134.6)**	(131.2)
	7,909.6	7,847.9

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses, if any.

If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstance, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

Components of non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are initially measured at either fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests shall be measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs. The choice of measurement basis is made on a combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Details of the subsidiaries are set out in Note 38 to the financial statements.

During the financial year, the following material changes in the investments in subsidiaries:

i. subscribed for an additional 10,871,297 redeemable preference shares equivalent to RM45.0 million (USD10.8 million) in Eglinton Investments Pte Ltd ("Eglinton"). The subscription was settled via the conversion of the amount due from Eglinton to equity.

ii. acquisition of a subsidiary, Lubah Plantations (S) Sdn Bhd ("Lubah"):

   On 30 May 2025, Palmco Plantations (Sabah) Sdn Bhd, a wholly-owned subsidiary of the Company, entered into a Share Purchase Agreement to acquire 100% of the equity interest in Lubah for a total purchase consideration of RM24.9 million. The acquisition was completed on 1 July 2025. Lubah is principally involved in oil palm cultivation.

16. SUBSIDIARIES (Continued)

16.1 Investments in subsidiaries (Continued)

ii. acquisition of a subsidiary, Lubah Plantations (S) Sdn Bhd ("Lubah") (Continued):

The fair value of identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition were determined as follows:

In RM million	**Group**
Property, plant and equipment	**25.9**
Other assets	**11.4**
Bank overdrafts	**(11.9)**
Deferred tax liabilities	**(2.8)**
Other payables	**-***
Total identifiable net assets	**22.6**
Goodwill	**2.3**
Purchase consideration	**24.9**
Add: Net cash and cash equivalents acquired (bank overdrafts)	**11.9**
Less: Settlement of intercompany loan on acquisition	**(11.0)**
Net cash outflow on acquisition, net of cash and cash equivalents acquired	**25.8**

* *Amount is negligible*

iii. acquisition of three (3) subsidiaries, Malbumi Estate Sdn Bhd, Malbumi Development Sdn Bhd and Kurnialang Corporation Sdn Bhd ("Malbumi Group"):

On 30 October 2025, Unico-Desa Plantations Berhad, a wholly owned indirect subsidiary of the Company, entered into a Share Purchase Agreement to acquire 100% of the equity interest in Malbumi Group for a total purchase consideration of RM293.3 million. The acquisition was completed on 2 January 2026. Malbumi Group is principally involved in oil palm cultivation.

The fair value of identifiable assets and liabilities acquired and the effects on cash flows arising from the acquisition were determined as follows:

In RM million	**Group**
Property, plant and equipment	**312.6**
Other assets	**88.0**
Borrowings	**(76.5)**
Deferred tax liabilities	**(47.7)**
Other payables	**(1.6)**
Total identifiable net assets	**274.8**
Goodwill	**18.5**
Purchase consideration	**293.3**
Less: Net cash and cash equivalents acquired	**(2.5)**
Settlement of intercompany loan on acquisition	**(82.9)**
Net cash outflow on acquisition, net of cash and cash equivalents acquired	**207.9**

Had the acquisitions occurred on 1 July 2025, it would not have any material effect on the earnings, net assets or gearing of the Group for the financial year ended 30 June 2026.

16. SUBSIDIARIES (Continued)

16.1 Investments in subsidiaries (Continued)

Impairment testing on costs of investments in subsidiaries

In the previous financial year, impairment losses on costs of investments in subsidiaries amounting to RM82.5 million have been recognised in statement of profit or loss under other operating expenses due to the recoverable amounts are lower than their carrying amounts. The recoverable amount of the CGUs was determined based on the value-in-use approach.

The underlying key assumptions applied in the impairment assessment are similar to the impairment assessment on the goodwill, which have been set out in Note 15.1 to the financial statements.

IOI Palm Wood Sdn Bhd ("IOI Palm Wood")

Management assessed the investment for impairment indicators and performed a recoverable amount assessment using the value-in-use approach based on the key assumptions as disclosed in Note 14 to the financial statements.

As at 30 June 2026, the carrying amount of the Company's investment in IOI Palm Wood amounted to RM113.7 million. Based on the assessment performed, management concluded the recoverable amount supports the carrying amount. Accordingly, no additional impairment loss was recognised during the financial year.

As at 30 June 2025, the carrying amount of the Company's investment cost in IOI Palm Wood amounted to RM97.7 million, net of impairment loss of RM76.5 million recognised during the previous financial year. This impairment loss was primarily due to the under performance of operations.

Separately, the Group has recognised an impairment loss on property, plant and equipment relating to IOI Palm Wood amounting to RM39.2 million during the previous financial year as disclosed in Note 14 to the financial statements. The accumulated losses of IOI Palm Wood have been consolidated and recognised at the Group level and are reflected in the statement of profit or loss as and when incurred.

Measurement of the recoverable amount of IOI Palm Wood was determined via value-in-use approach. The underlying key assumptions applied in the impairment assessment are similar to the impairment assessment on the property, plant and equipment, which have been set out in Note 14 to the financial statements, as well as determining appropriate disposal value of assets.

16.2 Amounts due from and to subsidiaries

The amounts due from and to subsidiaries represent outstanding amounts arising from inter-company sales and purchases, both at normal credit terms, advances and payments made on behalf of or by subsidiaries, which are unsecured and interest-free except for amounts due from subsidiaries amounting to RM891.3 million (2025 – RM642.7 million), which bear interest at rates ranging from 2.13% to 6.35% (2025 – 2.54% to 7.34%) per annum and amounts due to subsidiaries amounting to RM837.3 million (2025 – RM886.3 million), which bear interest at rates ranging from 4.33% to 4.66% (2025 – 4.33% to 4.66%) per annum.

The current amounts due from and to subsidiaries are payable within the next twelve (12) months in cash and cash equivalents. The non-current amounts due from and to subsidiaries are either not payable within the next twelve (12) months or payable on a back-to-back basis with the corresponding borrowings of the Group. The carrying amounts of non-current amounts due from and to subsidiaries approximate their fair values as their interest rates are priced at reasonable approximation of the market interest rates as at the end of the reporting period.

Impairment for amounts due from subsidiaries are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss ("ECL") model as disclosed in Note 22.2 to the financial statements.

16. SUBSIDIARIES (Continued)

16.2 Amounts due from and to subsidiaries (Continued)

The reconciliation of movements in the impairment losses accounts for amounts due from subsidiaries is as follows:

In RM million	Lifetime ECL – not credit impaired	Lifetime ECL – credit impaired	Total
Company			
2026			
At beginning of financial year	**1.3**	**1.6**	**2.9**
Charge for the financial year	**0.4**	**-**	**0.4**
Reversal of impairment losses	**(0.1)**	**(1.6)**	**(1.7)**
At end of financial year	**1.6**	**-**	**1.6**
2025			
At beginning of financial year	72.6	1.6	74.2
Reversal of impairment losses	(71.3)	-	(71.3)
At end of financial year	1.3	1.6	2.9

Credit impaired refers to individually determined subsidiaries who are in significant financial difficulties as at the end of the reporting period.

16.3 Material non-controlling interests

The Group does not have any subsidiary that has non-controlling interests, which are individually material to the Group as at 30 June 2026.

17. ASSOCIATES

17.1 Investments in associates

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
At cost				
Shares quoted outside Malaysia	**434.0**	434.0	**-**	-
Unquoted shares outside Malaysia	**1,224.6**	1,159.5	**810.4**	745.3
Unquoted shares in Malaysia	**86.9**	86.9	**24.9**	24.9
	1,745.5	1,680.4	**835.3**	770.2
Share of post-acquisition results and reserves	**1,540.3**	1,565.4	**-**	-
	3,285.8	3,245.8	**835.3**	770.2
At Market Value				
Shares quoted outside Malaysia	**2,867.4**	1,420.3	**-**	-

17. ASSOCIATES (Continued)

17.1 Investments in associates (Continued)

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting based on the latest financial statements of the associates concerned, from the date significant influence commences until the date the Group ceases to have significant influence over the associates. The investments in associates in the consolidated statement of financial position are initially recognised at cost and adjusted thereafter for the post-acquisition changes in the Group's share of net assets of the investments.

Details of the associates are set out in Note 38 to the financial statements.

During the financial year, the Company made a cash contribution of RM65.1 million (2025 – RM87.0 million) to an associate, namely Bunge Loders Croklaan Group BV ("BLC") for the investment in the ongoing construction of a new integrated tropical oil and specialty fats manufacturing complex in Amsterdam, the Netherlands.

17.2 Material associates and summary of financial information

The Group regards Bumitama Agri Ltd ("Bumitama") and BLC as material associates.

Bumitama

The summary of unaudited financial information of Bumitama for the periods ended 30 June 2026 and 30 June 2025 are summarised as follows:

	Bumitama	
In RM million	**2026**	**2025**
Assets and liabilities		
Current assets	**1,594.3**	1,396.7
Non-current assets	**3,784.6**	4,212.9
Total assets	**5,378.9**	5,609.6
Current liabilities	**(840.6)**	(344.8)
Non-current liabilities	**(446.3)**	(949.8)
Total liabilities	**(1,286.9)**	(1,294.6)
Net assets	**4,092.0**	4,315.0
Non-controlling interests	**(556.4)**	(588.7)
Net assets attributable to shareholders of Bumitama	**3,535.6**	3,726.3
Results		
Revenue	**5,314.2**	5,069.1
Profit for the financial period	**800.9**	725.0
Other comprehensive income	**0.1**	26.3
Total comprehensive income	**801.0**	751.3

17. ASSOCIATES (Continued)

17.2 Material associates and summary of financial information (Continued)

BLC

The summary of unaudited financial information of BLC for the periods ended 30 June 2026 and 30 June 2025 are summarised as follows:

	BLC	
In RM million	**2026**	**2025**
Assets and liabilities		
Current assets	**3,893.8**	3,854.3
Non-current assets	**5,615.9**	4,598.4
Total assets	**9,509.7**	8,452.7
Current liabilities	**(1,568.1)**	(1,104.3)
Non-current liabilities	**(842.3)**	(897.2)
Total liabilities	**(2,410.4)**	(2,001.5)
Net assets attributable to shareholders of BLC	**7,099.3**	6,451.2
Results		
Revenue	**10,885.1**	10,373.3
Profit for the financial period	**618.9**	512.0
Other comprehensive income/(loss)	**127.5**	(196.8)
Total comprehensive income	**746.4**	315.2

The information above represents the unaudited amounts in the financial statements of associates and does not reflect the Group's proportionate share in those amounts.

17. ASSOCIATES (Continued)

17.2 Material associates and summary of financial information (Continued)

The reconciliation of the above summarised unaudited financial information to the carrying amount of the Group's interests in associates is as follows:

In RM million	**Bumitama**	**BLC**
2026		
Net assets attributable to shareholders of associates	**3,535.6**	**7,099.3**
Proportion of ownership interest held by the Group	**32.10%**	**20.00%**
Group's share of net assets	**1,134.8**	**1,419.9**
Goodwill	**168.7**	**-**
Gain on re-measurement	**-**	**228.0**
Carrying amount of the Group's interests in associates	**1,303.5**	**1,647.9**
Dividend received during the financial year	**169.2**	**-**
2025		
Net assets attributable to shareholders of associates	3,726.3	6,451.2
Proportion of ownership interest held by the Group	32.10%	20.00%
Group's share of net assets	1,196.1	1,290.3
Goodwill	168.7	-
Gain on re-measurement	-	228.0
Carrying amount of the Group's interests in associates	1,364.8	1,518.3
Dividend received during the financial year	121.9	-

17.3 Other associates and summary of financial information

The summarised unaudited financial information based on the Group's interests in the individually immaterial associates in aggregate is as follows:

	Group	
In RM million	**2026**	**2025**
Profit for the financial period	**8.1**	12.8
Other comprehensive (loss)/income	**(3.6)**	1.3
Total comprehensive income	**4.5**	14.1
Carrying amount	**334.4**	362.7

Dividends received from immaterial associates during the financial year amounted to RM32.8 million (2025 – RM3.0 million).

18. DERIVATIVE FINANCIAL INSTRUMENTS

In RM million	Contract/ Notional amount Net (short)/long	Fair value Financial Assets	Fair value Financial Liabilities
Group			
2026			
Forward foreign exchange contracts	**(1,603.9)**	**3.4**	**29.5**
Commodity forward contracts	**(190.0)**	**10.9**	**8.8**
Commodity futures	**(651.1)**	**14.1**	**1.0**
Cross currency swap contracts	**750.0**	**9.4**	**23.4**
Interest rate swap contract	**50.8**	**0.7**	**-**
Total derivative financial instruments		**38.5**	**62.7**
Less: Current portion		**(29.9)**	**(39.3)**
Non-current portion		**8.6**	**23.4**
2025			
Forward foreign exchange contracts	(1,618.0)	32.7	0.8
Commodity forward contracts	(208.9)	10.2	2.9
Commodity futures	79.5	13.4	5.5
Cross currency swap contracts	846.8	31.4	2.8
Interest rate swap contract	105.5	2.6	-
Total derivative financial instruments		90.3	12.0
Less: Current portion		(57.6)	(10.6)
Non-current portion		32.7	1.4
Company			
2026			
Cross currency swap contracts	**223.4**	**2.6**	**-**
Interest rate swap contract	**50.8**	**0.7**	**-**
Total derivative financial instruments		**3.3**	**-**
Less: Current portion		**(1.5)**	**-**
Non-current portion		**1.8**	**-**
2025			
Forward foreign exchange contracts	18.1	0.1	-
Cross currency swap contracts	232.0	-	2.8
Interest rate swap contract	105.5	2.6	-
Total derivative financial instruments		2.7	2.8
Less: Current portion		(1.4)	(1.4)
Non-current portion		1.3	1.4

18. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

i. Forward foreign exchange contracts

Forward foreign exchange contracts were entered into as hedges for sales and purchases denominated in foreign currencies and to limit the exposure to potential changes in foreign exchange rates with respect to the Group's foreign currencies denominated financial assets and financial liabilities.

ii. Commodity forward contracts and futures

Commodities forward contracts and futures were entered into with the objective of managing and hedging the respective exposure of the Group's plantation segment and resource-based manufacturing segment to adverse price movements in vegetable oil commodities. The fair values of these components except for forward contracts identified and entered into for own use, which is continue to be held to receive or deliver the commodities have been determined based on published market prices or quoted prices from reputable and credible financial services industry.

iii. Cross currency swap contracts

Cross currency swap contracts are mainly used to hedge against its exposures of borrowings and serve as a net investment hedge against the Group's Euro denominated assets.

iv. Interest rate swap contract

Interest rate swap contract is used to hedge the Group's exposures to movements in interest rates.

All the above derivatives were initially recognised at fair value on the date the derivative contracts were entered into. The derivatives were subsequently remeasured at fair value and the changes in fair value were recognised as follows:

i. Derivatives recognised in the other comprehensive income pursuant to MFRS 9 Financial Instruments.

Cross currency swap contract which swapped a floating rate USD27.5 million liability to a fixed rate EUR24.3 million liability ("USDEUR CCS I"). USD27.5 million of the USDEUR CCS I matured in December 2025 and balance of USD27.5 million will mature in December 2026.

Cross currency swap contract which swapped a floating rate USD27.5 million liability to a floating rate EUR23.6 million liability ("USDEUR CCS II"). USD13.8 million of the USDEUR CCS II will mature in December 2031 and balance of USD13.7 million will mature in December 2032.

ii. Derivatives recognised in the profit or loss

All other derivatives other than those mentioned in (i) above.

During the financial year, the Group and the Company recognised total fair value loss of RM50.7 million (2025 – gain of RM0.4 million) and fair value gain of RM2.8 million (2025 – loss of RM2.8 million) respectively arising from fair value changes of derivative liabilities. The determination of the fair values of the derivative financial instruments involves significant judgements and assumptions made by the management. The methods and assumptions applied in determining the fair values of derivatives are disclosed in Note 36.6 to the financial statements.

19. DEFERRED TAX

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
At beginning of financial year	**1,233.8**	1,213.1	**5.3**	(13.4)
Recognised in profit or loss				
- Current year	**41.6**	17.7	**(0.4)**	18.7
- Prior years	**1.0**	0.6	**-**	-
	42.6	18.3	**(0.4)**	18.7
Acquisition of subsidiaries	**50.5**	6.4	**-**	-
Reclassified from/(to) assets/liabilities held for sale	**3.3**	(3.3)	**-**	-
Recognised in other comprehensive income	**0.6**	(0.3)	**-**	-
Foreign currency translation differences	**(0.4)**	(0.4)	**-**	-
At end of financial year	**1,330.4**	1,233.8	**4.9**	5.3

Presented after appropriate offsetting as follows:

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Deferred tax liabilities, net *	**1,354.8**	1,257.0	**4.9**	5.3
Deferred tax assets, net *	**(24.4)**	(23.2)	**-**	-
	1,330.4	1,233.8	**4.9**	5.3

Note:
* *The amounts of set-off between deferred tax liabilities and deferred tax assets were RM68.2 million (2025 – RM65.9 million) and RM0.4 million (2025 – RM0.7 million) for the Group and the Company respectively.*

The movements of deferred tax liabilities and deferred tax assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
At beginning of financial year	**1,322.9**	1,272.2	**6.0**	5.7
Recognised in profit or loss				
Temporary differences on property, plant and equipment	**47.0**	47.4	**(0.7)**	0.2
Other temporary differences	**(2.3)**	2.1	**-**	0.1
	44.7	49.5	**(0.7)**	0.3
Acquisition of subsidiaries	**51.4**	6.4	**-**	-
Reclassified from/(to) liabilities held for sale	**4.6**	(4.6)	**-**	-
Foreign currency translation differences	**(0.6)**	(0.6)	**-**	-
At end of financial year	**1,423.0**	1,322.9	**5.3**	6.0

19. DEFERRED TAX (Continued)

The movements of deferred tax liabilities and deferred tax assets during the financial year prior to offsetting are as follows (Continued):

Deferred tax assets

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
At beginning of financial year	**89.1**	59.1	**0.7**	19.1
Recognised in profit or loss				
Temporary differences on unutilised tax losses	**5.6**	18.2	**-**	-
Other deductible temporary differences	**(3.5)**	13.0	**(0.3)**	(18.4)
	2.1	31.2	**(0.3)**	(18.4)
Acquisition of subsidiaries	**0.9**	-	**-**	-
Reclassified from/(to) assets held for sale	**1.3**	(1.3)	**-**	-
Recognised in other comprehensive income	**(0.6)**	0.3	**-**	-
Foreign currency translation differences	**(0.2)**	(0.2)	**-**	-
At end of financial year	**92.6**	89.1	**0.4**	0.7

The components of deferred tax liabilities and deferred tax assets at the end of the financial year comprise the tax effects of:

Deferred tax liabilities

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Temporary differences on property, plant and equipment	**1,404.2**	1,304.4	**5.2**	5.9
Other temporary differences	**18.8**	18.5	**0.1**	0.1
	1,423.0	1,322.9	**5.3**	6.0

Deferred tax assets

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Temporary differences on unutilised tax losses	**33.6**	26.4	**-**	-
Temporary differences on unabsorbed capital allowances	**22.0**	11.8	**-**	-
Other deductible temporary differences	**37.0**	50.9	**0.4**	0.7
	92.6	89.1	**0.4**	0.7

19. DEFERRED TAX (Continued)

The amount of temporary differences for which no deferred tax assets have been recognised in the statements of financial position is as follows:

	Group	
In RM million	**2026**	**2025**
Unutilised tax losses expiring within		
1 to 5 years	**76.9**	76.9
6 to 10 years	**89.5**	76.4
Unabsorbed capital allowances	**63.3**	64.4
	229.7	217.7

The Group has assessed the likelihood of sufficient future profits available to recover the amount of deductible temporary differences. Deferred tax assets of certain subsidiaries of the Group have not been recognised in respect of these items as it is not probable that taxable income of the subsidiaries will be available against which the deductible temporary differences can be utilised.

The amount and availability of these items to be carried forward up to the period as disclosed above are subject to the agreement of the respective tax authorities.

The Global Minimum Tax ("GMT") regime in Malaysia became effective for financial years beginning on or after 1 July 2025. The GMT legislation forms part of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two framework, which is designed to ensure that large multinational enterprise ("MNE") groups are subject to a minimum effective tax rate of 15% in each jurisdiction in which they operate.

Progressive Holdings Sdn Bhd is the Ultimate Parent Entity ("UPE") of the wider MNE Group that includes IOI Corporation Berhad and its subsidiaries. As the MNE Group falls within the revenue threshold prescribed under the OECD Pillar Two Model Rules, the Group is within the scope of the GMT and Pillar Two legislation enacted in the various jurisdictions in which it operates.

Under the GMT framework, a Top-up Tax may arise where the jurisdictional effective tax rate calculated in accordance with the OECD Pillar Two Model Rules is below the minimum rate of 15%. The Group operates in multiple jurisdictions where Pillar Two legislation has been enacted and is effective, including Malaysia, Germany, the Netherlands, Singapore, Indonesia and Hong Kong.

The Group performed an assessment of its Pillar Two exposure for the financial year ended 30 June 2026. All jurisdictions qualified for the Transitional Country-by-Country Reporting Safe Harbour ("TCSH"), except Singapore and the United States. Accordingly, detailed Pillar Two calculations were performed for these jurisdictions in accordance with the OECD Pillar Two Model Rules.

Based on the assessment performed, no Pillar Two Top-up Tax liability arose in any jurisdiction for the financial year ended 30 June 2026. Consequently, no Pillar Two current tax expense has been recognised in the consolidated financial statements.

The Group has applied the temporary mandatory exception under Amendments to MFRS 112 *International Tax Reform – Pillar Two Model Rules*, from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes. Accordingly, no deferred tax has been recognised in respect of Pillar Two income taxes. The Group will continue to monitor legislative developments and assess the effect of Pillar Two requirements in the jurisdictions in which it operates.

The Group applies the temporary mandatory relief from deferred tax accounting for the top-up tax and requirements about the Pillar Two exposure as provided in Amendments to MFRS 112 *International Tax Reform – Pillar Two Model Rules*.

The Group continues to assess the potential impact of Pillar Two legislation in other jurisdictions where it operates, as and when such legislation is enacted.

20. OTHER NON-CURRENT ASSETS

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Investment properties (Note 20.1)	**6.4**	6.5	**-**	-
Joint ventures (Note 20.2)	**90.2**	15.0	**38.1**	7.7
Other investments – non-current (Note 20.3)	**109.7**	100.3	**-**	-
Claim for tax refund – non-current (Note 20.4)	**52.9**	46.9	**-**	-
Plasma receivables – non-current (Note 22.3)	**18.3**	31.2	**-**	-
	277.5	199.9	**38.1**	7.7

20.1 Investment properties

Investment properties are initially measured at cost, including transaction costs.

After initial recognition, investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land under investment properties has an unlimited useful life and therefore is not depreciated. The principal depreciation period for the building component of the investment properties is 30.5 (2025 – 30.5) years.

The fair value of the investment properties for disclosure purposes, which is at Level 3 fair value, is based on Directors' estimation by reference to the market evidence of transaction prices for similar properties and recent experience in the location and category of the property being valued.

The fair value of the investment properties at the end of the reporting period is RM11.0 million (2025 – RM9.0 million).

20.2 Joint ventures

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Investment in joint ventures				
Unquoted shares, at cost	**103.8**	36.5	**50.8**	36.0
Less: Impairment loss	**-**	(9.9)	**(14.2)**	(35.0)
	103.8	26.6	**36.6**	1.0
Share of post-acquisition results and reserves	**(15.1)**	(18.3)	**-**	-
	88.7	8.3	**36.6**	1.0
Amount due from a joint venture				
Amount due from a joint venture	**1.5**	6.8	**1.5**	6.8
Less: Impairment loss	**-***	(0.1)	**-***	(0.1)
	1.5	6.7	**1.5**	6.7
	90.2	15.0	**38.1**	7.7

* *Amount is negligible*

Details of the joint ventures are set out in Note 38 to the financial statements.

20. OTHER NON-CURRENT ASSETS (Continued)

20.2 Joint ventures (Continued)

Investments in joint ventures are stated at cost less impairment loss in the separate financial statements. The Group recognises its interests in joint ventures as investment and accounts for that investment using the equity method of accounting.

During the financial year, the following material changes in the investments in joint ventures:

i. The Group subscribed for an additional 30,715,050 ordinary shares amounting to RM30.7 million and 21,750,000 redeemable preference shares amounting to RM21.8 million in Nextgreen IOI Pulp Sdn Bhd. The subscriptions were settled in cash.

ii. A reversal of impairment loss on the cost of investment in a joint venture of the Group and the Company amounting to RM9.9 million (2025 – Nil) and RM20.8 million (2025 – Nil) was recognised respectively. This was due to the recoverable amount of the joint venture, which determined based on its net assets, was higher than the carrying amount.

Impairment for non-trade amount due from a joint venture is recognised based on the general approach within MFRS 9 using the forward looking expected credit loss ("ECL") model as disclosed in Note 22.2 to the financial statements.

The summarised financial information based on the Group's interest in the individually joint ventures in aggregate is as follows:

	Group	
In RM million	**2026**	**2025**
Profit for the financial period	**3.2**	3.4
Total comprehensive income	**3.2**	3.4
Carrying amount	**90.2**	15.0

20.3 Other investments – non-current

	Group	
In RM million	**2026**	**2025**
At fair value through profit or loss		
Outside Malaysia		
- Unquoted equity investments	**109.7**	100.3

20.4 Claim for tax refund – non-current

The tax refund claims represent additional tax assessments and Value Added Tax ("VAT") paid by certain Indonesian subsidiaries of the Group. The resolution of these claims with the relevant tax authorities is expected to take more than twelve (12) months.

21. INVENTORIES

	Group	
In RM million	**2026**	**2025**
At cost		
Plantation produce	**112.3**	108.3
Raw materials and consumables	**320.3**	310.1
Nursery inventories	**54.7**	51.2
Finished goods	**463.0**	345.2
Semi-finished goods	**30.6**	34.9
Others	**6.8**	6.8
	987.7	856.5
At net realisable value		
Raw materials and consumables	**71.8**	81.5
Finished goods	**292.4**	400.4
Semi-finished goods	**105.7**	81.4
	469.9	563.3
	1,457.6	1,419.8

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a weighted average basis. Cost comprises the original cost of purchase plus the cost of bringing the inventories to their intended location and condition. The cost of plantation produces and finished goods includes the cost of raw materials, direct labour and a proportion of production overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

A write down of inventories to net realisable value of RM1.7 million (2025 – RM31.6 million) was made by the Group during the financial year.

The Group reversed RM24.4 million (2025 – RM0.1 million) in respect of inventories written down in the previous financial year that were subsequently not required due to the increase in selling prices of commodities and products.

22. TRADE AND OTHER RECEIVABLES

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Trade receivables (Note 22.1)	**1,145.9**	1,105.3	**-**	-
Other receivables, deposits and prepayments (Note 22.2)	**256.7**	260.0	**34.6**	33.7
Plasma receivables – current (Note 22.3)	**17.0**	28.0	**-**	-
	1,419.6	1,393.3	**34.6**	33.7

22. TRADE AND OTHER RECEIVABLES (Continued)

22.1 Trade receivables

In RM million	Group 2026	Group 2025
Trade receivables	**1,154.9**	1,111.6
Less: Impairment losses	**(9.0)**	(6.3)
	1,145.9	1,105.3

i. The normal trade credit terms granted by the Group range from 1 to 180 days (2025 – 1 to 120 days). They are recognised at their original invoiced amounts, which represent their fair values on initial recognition.

ii. Impairment for trade receivables and trade amounts due from associates that do not contain a significant financing component are recognised based on the simplified approach by applying the provisional matrix approach using the flow-rate model to calculate the lifetime expected credit losses ("ECL").

Lifetime ECL are the ECL that result from all possible default events over the expected life of the asset. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

The Group considers credit loss experience and observable data such as current changes and future forecasts in economic conditions by market segment of the Group as identified in Note 4 to the financial statements to estimate the amount of expected impairment losses. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

During this process, the probabilities of non-payments by the trade receivables and trade amounts due from associates are adjusted by forward looking information and multiplied by the amounts of the expected losses arising from defaults to determine the lifetime ECL for the trade receivables and trade amounts due from associates. The Group has identified the Gross Domestic Product, crude palm oil prices and unemployment rate as the key macroeconomic factors. For trade receivables and trade amounts due from associates, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised within the statements of profit or loss. On confirmation that the trade receivables and trade amounts due from associates would not be collectable, the gross carrying values of the assets would be written off against the associated impairment.

Individual assessment of impairment of trade receivables is separately assessed when it is probable that cash due will not be received in full.

It requires management to exercise significant judgement in determining the probabilities of default by trade receivables and trade amounts due from associates and appropriate forward looking information.

iii. The reconciliation of movements in the impairment losses accounts for trade receivables is as follows:

In RM million	Lifetime ECL – Not credit impaired 2026	Lifetime ECL – Not credit impaired 2025
Group		
At beginning of financial year	**6.3**	5.4
Charge for the financial year	**3.0**	0.9
Reversal of impairment losses	**(0.3)**	-
At end of financial year	**9.0**	6.3

22. TRADE AND OTHER RECEIVABLES (Continued)

22.2 Other receivables, deposits and prepayments

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Other receivables	**171.4**	160.4	**1.2**	0.2
Deposits	**11.3**	13.4	**-**	-
Prepayments	**74.0**	86.2	**33.4**	33.5
	256.7	260.0	**34.6**	33.7

i. Impairment for other receivables, financial guarantee contracts, amounts due from subsidiaries, associates and a joint venture are recognised based on the three-stage general approach within MFRS 9 using the forward looking expected credit loss ("ECL") model. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve-month ECL along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime ECL along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime ECL along with interest income on a net basis are recognised.

Lifetime ECL are the ECL that result from all possible default events over the expected life of the asset, while twelve-month ECL are the portion of ECL that result from default events that are possible within the twelve (12) months after the end of the reporting period. The maximum period considered when estimating ECL is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment delays and past due information.

The probabilities of non-payments by other receivables, financial guarantee contracts and amounts due from subsidiaries, associates and a joint venture are adjusted by forward looking information and multiplied by the amounts of the expected losses arising from defaults to determine the twelve-month or lifetime ECL for the other receivables, financial guarantee contracts and amounts due from subsidiaries, associates and a joint venture. The Group has identified the Gross Domestic Product, crude palm oil prices and unemployment rate as the key macroeconomic factors.

It requires management to exercise significant judgement in determining the probabilities of default by other receivables, financial guarantee contracts and amounts due from subsidiaries, associates and a joint venture, appropriate forward looking information and significant increase in credit risk.

ii. No ECL is recognised arising from other receivables as the amount is negligible.

22. TRADE AND OTHER RECEIVABLES (Continued)

22.3 Plasma receivables

In RM million	Group 2026	Group 2025
Gross plasma receivables	**41.7**	65.4
Less: Impairment losses	**(6.4)**	(6.2)
	35.3	59.2
Less: Plasma receivables – current	**(17.0)**	(28.0)
Plasma receivables – non-current	**18.3**	31.2

i. In accordance with the policy of the Government of the Republic of Indonesia, nucleus companies involved in plantation developments are required to provide support to develop and cultivate palm oil lands for local communities as part of their social obligation which is known as "plasma" schemes.

Plasma receivables represent costs incurred for plasma plantations development which are temporary self-funded by the Group and will be repaid by plasma farmers via financed through banks finance facilities or reimbursed directly by the plasma farmers.

ii. Impairment for plasma receivables are recognised based on the general approach using lifetime expected credit losses ("ECL") method in accordance with MFRS 9, which are derived from a probability-weighted outcomes for low to high default risks. Management expects that payments will be obtained from the utilisation of available banking facilities as well as sustainable cash flows generated from the operations by the plasma farmers. The estimated future cash flows recoverable from plasma receivables are determined based on the expected repayment period of the plasma scheme, adjusted for anticipated repayment pattern after taking into considerations of various factors and information, including time value of money. Discount rate used for cash flows discounting purpose is at 6.25% (2025 – 8.06%).

Management is of the view that the ECL of plasma receivables are adequate based on the analysis of probability of default by plasma receivables, appropriate forward-looking information, significant increase in credit risk and estimated cash flows recoverable based on expectation of repayment patterns from plasma receivables.

iii. The reconciliation of movements in the impairment losses accounts for plasma receivables is as follows:

In RM million	Group 2026	Group 2025
At beginning of financial year	**6.2**	4.8
Charge for the financial year	**1.1**	2.0
Reversal of impairment losses	**-**	(0.2)
Foreign currency translation differences	**(0.9)**	(0.4)
At end of financial year	**6.4**	6.2

23. AMOUNTS DUE FROM ASSOCIATES

In RM million	Group 2026	Group 2025
Amounts due from associates	**104.9**	103.2
Less: Impairment losses	**(0.5)**	(0.5)
	104.4	102.7

Amounts due from associates represent outstanding amounts arising from sales, management income and payments made on behalf by associates, which are unsecured, interest-free and payable within the next twelve (12) months in cash and cash equivalents.

Impairment for receivables from trade amounts due from associates are recognised based on the simplified approach using the lifetime expected credit losses ("ECL") as disclosed in Note 22.1 to the financial statements.

Impairment for receivables from non-trade amounts due from associates are recognised based on the three-stage general approach within MFRS 9 using the forward looking ECL model as disclosed in Note 22.2 to the financial statements.

The reconciliation of movements in the impairment losses accounts for amounts due from associates is as follows:

In RM million	Lifetime ECL – Not credit impaired 2026	Lifetime ECL – Not credit impaired 2025
Group		
At beginning of financial year	**0.5**	0.2
Charge for the financial year	**0.1**	0.3
Reversal of impairment losses	**(0.1)**	-
At end of financial year	**0.5**	0.5

24. OTHER CURRENT ASSETS

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Other investments (Note 24.1)	**80.2**	81.0	**1.0**	0.8
Biological assets (Note 24.2)	**85.9**	58.6	**0.5**	0.3
Current tax assets	**31.8**	71.8	**1.1**	2.1
	197.9	211.4	**2.6**	3.2

24.1 Other investments

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
At fair value through profit or loss				
In Malaysia				
- Quoted shares	**70.1**	71.2	**0.8**	0.6
- Unquoted shares	**10.1**	9.8	**0.2**	0.2
	80.2	81.0	**1.0**	0.8

24. OTHER CURRENT ASSETS (Continued)

24.2 Biological assets

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
At fair value				
Plantation expenditure for orchard				
At beginning of financial year	**2.0**	3.3	**0.1**	0.4
Additions	**1.0**	1.0	**-**	0.2
Transfer to inventories	**(1.4)**	(2.3)	**-**	(0.5)
At end of financial year	**1.6**	2.0	**0.1**	0.1
Fresh fruit bunches				
At beginning of financial year	**56.6**	51.1	**0.2**	0.2
Changes in fair value less costs to sell	**28.7**	6.0	**0.2**	-
Foreign currency translation differences	**(1.0)**	(0.5)	**-**	-
At end of financial year	**84.3**	56.6	**0.4**	0.2
Total biological assets	**85.9**	58.6	**0.5**	0.3

The biological assets of the Group and the Company comprise:

i. Plantation expenditure for orchard

The Group deems the fair value less costs to sell of the plantation expenditure for orchard to approximate cost.

The fair value of planting expenditure of the Group is categorised within Level 3 of the fair value hierarchy. There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

ii. Fresh Fruit Bunches ("FFB") prior to harvest

The valuation model adopted by the Group considers the present value of the net cash flows expected to be generated from the sales of FFB. To arrive at the fair value, the management has considered the oil content of the unripe FFB and derived the assumption that the net cash flows to be generated from FFB prior to more than 15 days to harvest is negligible, therefore quantity of unripe FFB on bearer plant of up to 15 days prior to harvest was used for valuation purpose. The value of the unripe FFB was estimated to be approximately 80% of the ripe FFB, based on actual oil extraction rate and kernel extraction rate of the unripe FFB from the laboratory tests. Costs to sell include harvesting cost, transport and windfall profit levy.

During the financial year, the Group and the Company harvested approximately 2,959,768 metric tonnes ("MT") (2025 – 2,839,583 MT) and 4,923 MT (2025 – 5,620 MT) of FFB respectively.

As at 30 June 2026, none of the biological assets are pledged as securities for liabilities.

The fair value measurement of the Group's biological assets is categorised within Level 3 of the fair value hierarchy. If the FFB selling price changes by 10%, profit or loss for the Group would have equally increased or decreased by approximately RM10.2 million (2025 – RM6.9 million) and no significant impact for profit or loss for the Company.

There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

25. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year comprise:

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Short term funds	**914.7**	674.1	**-**	-
Deposits with financial institutions with maturities of 3 months or less	**341.9**	307.1	**143.7**	178.3
Cash and bank balances	**587.0**	597.2	**15.6**	36.1
	1,843.6	1,578.4	**159.3**	214.4

The Group has undrawn borrowing facilities of RM7,181.4 million (2025 – RM7,698.0 million) at the end of the financial year, and this includes undrawn facilities equivalent to RM4,873.5 million (2025 – RM5,063.7 million) in respect of the EMTN Programme as disclosed in Note 29.1 to the financial statements.

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short term, highly liquid investments and short-term funds, which are readily convertible to cash and are subject to insignificant risk of changes in value.

No expected credit loss is recognised arising from cash and bank balances and deposits with financial institutions because the probability of default by these financial institutions is negligible.

26. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

The proposed divestment of the entire equity interest in a palm oil mill company was previously presented as a disposal group classified as held for sale following the commitment of the Group's management to a plan to sell the proposed palm oil mill company.

During the financial year, the Group's management reassessed the disposal plan and determined that the criteria for the disposal group to classified as held for sale were no longer met. Accordingly, the disposal group was reclassified out of held for sale. The assets and liabilities of disposal group have been reclassified to their respective line items in the statement of financial position, and comparative information has not been restated.

The assets and liabilities of disposal group reclassified from/to held for sale are as follows:

In RM million	Group 2026	Group 2025
Assets of disposal group reclassified from held for sale to:		
Property, plant and equipment	**25.3**	-
Goodwill (Note 15.1)	**1.2**	-
Other assets	**0.7**	-
Asset of disposal group classified as held for sale	**-**	27.2
Liabilities of disposal group reclassified from held for sale to:		
Total liabilities	**3.4**	-
Liabilities of disposal group classified as held for sale	**-**	3.4

27. SHARE CAPITAL AND TREASURY SHARES

27.1 Share capital

	2026		2025	
	No. of shares	**Amount**	**No. of shares**	**Amount**
		RM million		*RM million*
Group and Company				
Issued and fully paid with no par value				
Ordinary shares				
At beginning of financial year	**6,285,198,995**	**791.1**	6,285,198,995	791.1
Gain from sale for treasury shares	**-**	**23.8**	-	-
At end of financial year	**6,285,198,995**	**814.9**	6,285,198,995	791.1

i. The owners of the parent are entitled to receive dividends as declared from time to time and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

ii. Of the total 6,285,198,995 issued and fully paid-up ordinary shares, 81,501,700 shares are held as treasury shares in the previous financial year. During the financial year, the Company disposed of all its accumulated 81,501,700 treasury shares at open market as disclosed in Note 27.2 to the financial statement. Accordingly, the number of ordinary shares in issue and fully paid-up after deducting treasury shares as at end of the financial year is 6,285,198,995 (2025 – 6,203,697,295).

27.2 Treasury shares

The shareholders of the Company, by an ordinary resolution passed at an extraordinary general meeting held on 18 November 1999, approved the Company's plan to repurchase up to 10% of the issued share capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed during subsequent Annual General Meetings ("AGM") of the Company, including the last AGM held on 4 November 2025.

The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company.

The Company has the right to cancel, resell and/or distribute the treasury shares as dividends or transfer the treasury shares as purchase consideration at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distribution are suspended.

During the financial year, the Company sold all its accumulated 81,501,700 treasury shares in the open market for a total consideration of RM334.2 million at a price of RM4.10 per ordinary share (RM333.6 million, net of transaction costs).

At the end of the financial year, the Company did not hold any treasury shares.

The Company did not repurchase any of its issued ordinary shares from the open market during the financial year and in the previous financial year.

28. RESERVES

In RM million	Group 2026	Group 2025
Capital reserve (Note 28.1)	**7.7**	7.7
Foreign currency translation reserve (Note 28.2)	**(517.3)**	(182.2)
Hedging reserve (Note 28.3)	**12.6**	15.0
Other reserves (Note 28.4)	**(11.5)**	(8.2)
	(508.5)	(167.7)

The movements in reserves are shown in the statements of changes in equity.

28.1 Capital reserve

Capital reserve represents the net accretion in the Group's share of net assets arising from shares issued by certain subsidiaries to non-controlling shareholders.

28.2 Foreign currency translation reserve

The foreign currency translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items, which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

28.3 Hedging reserve

Hedging reserve of the Group comprises:

i. The effective portion of cumulative gain or loss on hedging instruments relating to the hedges of the Group's net investment in a foreign operation; and

ii. Realised gain on settlement of Treasury lock contract ("T-lock"), which was used to hedge the fluctuations in benchmark interest rate risk of the U.S. Treasury Bill yield for the issuance of USD300 million 3.375% Guaranteed Notes due 2031 under a Euro Medium Term Note Programme. A portion of the realised gain on the T-lock amounting to RM2.4 million (2025 – RM2.6 million) has been reclassified to profit or loss as an adjustment of the interest expense on the Notes during the financial year.

28.4 Other reserves

The other reserves arising from the Group's share of associates' post-acquisition other reserves.

29. BORROWINGS

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Non-current liabilities				
Unsecured				
Term loans	**526.6**	614.8	**-**	-
Islamic financing facilities	**223.4**	316.5	**223.4**	316.5
Islamic revolving credit financing facilities	**83.4**	278.9	**83.4**	278.9
Guaranteed Notes due 2031 (Note 29.1)	**1,209.8**	1,255.5	**-**	-
Finance lease obligation	**12.1**	8.8	**-**	-
	2,055.3	2,474.5	**306.8**	595.4
Current liabilities				
Unsecured				
Islamic financing facilities	**304.6**	358.7	**304.6**	358.7
Revolving credits	**22.3**	23.2	**22.3**	23.2
Trade financing	**492.2**	315.8	**-**	-
Islamic revolving credit financing facilities	**215.2**	42.2	**215.2**	42.2
Finance lease obligation	**0.3**	0.2	**-**	-
	1,034.6	740.1	**542.1**	424.1
Total borrowings	**3,089.9**	3,214.6	**848.9**	1,019.5

29.1 USD300 Million 3.375% Guaranteed Notes due 2031 ("Guaranteed Notes due 2031")

On 15 May 2012, the Company's wholly-owned subsidiary, IOI Investment (L) Berhad ("IOI Investment"), a company incorporated in the Federal Territory of Labuan under the Labuan Companies Act, 1990, established a Euro Medium Term Note Programme, with an initial programme size of USD1.5 billion ("EMTN Programme").

On 26 October 2021, IOI Investment issued USD300 million 3.375% Notes due 2031 at an issue price of 99.053% ("Guaranteed Notes due 2031") under the EMTN Programme. The Guaranteed Notes due 2031 carry an interest rate of 3.375% per annum and will mature on 2 November 2031. The Guaranteed Notes due 2031 are fully and unconditionally guaranteed by the Company.

29. BORROWINGS (Continued)

29.2 Effective interest rates

The average annual effective interest rates of the borrowings are as follows:

%	Group 2026	Group 2025	Company 2026	Company 2025
Fixed interest rates				
Term loans	**4.33 – 4.50**	4.33 – 4.50	**-**	-
Guaranteed Notes due 2031	**3.38**	3.38	**-**	-
Trade financing	**3.05 – 4.53**	3.40 – 4.55	**-**	-
Finance lease obligation	**2.00 – 2.78**	2.00	**-**	-
Floating interest rates				
Islamic financing facilities	**2.17 – 5.54**	2.17 – 6.53	**2.17 – 5.54**	2.17 – 6.53
Islamic revolving credit financing facilities	**2.46 – 5.99**	3.00 – 6.13	**2.46 – 5.99**	3.00 – 6.13
Revolving credits	**4.08 – 4.85**	2.45 – 5.85	**4.08 – 4.85**	2.45 – 5.85

29.3 Repayment schedule

The borrowings are repayable by instalments of varying amounts or upon maturity over the following periods:

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
Less than 1 year	**1,034.6**	740.1	**542.1**	424.1
1 – 2 years	**83.6**	506.4	**83.4**	506.4
2 – 5 years	**0.6**	89.6	**-**	89.0
More than 5 years	**1,971.1**	1,878.5	**223.4**	-
	3,089.9	3,214.6	**848.9**	1,019.5

29.4 Reconciliation of liabilities from financing activities to the statements of financial position and statements of cash flows

In RM million	Group 2026	Group 2025	Company 2026	Company 2025
At beginning of financial year	**3,214.6**	3,704.7	**1,019.5**	1,466.0
Cash flows				
- Islamic financing facilities	**(121.5)**	(48.3)	**(121.5)**	(48.3)
- Term loan	**(76.5)**	(4.7)	**-**	-
- Short term borrowings	**174.8**	(149.5)	**(7.2)**	(255.3)
Non-cash flows				
- Interest expense	**1.4**	1.5	**-**	-
- Acquisition of a subsidiary	**76.5**	4.7	**-**	-
- Addition in finance lease obligation	**4.2**	-	**-**	-
- Foreign currency translation differences	**(183.6)**	(293.8)	**(41.9)**	(142.9)
At end of financial year	**3,089.9**	3,214.6	**848.9**	1,019.5

30. LEASE LIABILITIES

30.1 The Group as lessee

In RM million	Group 2026	Group 2025
Non-current liabilities	**39.3**	40.0
Current liabilities	**3.1**	6.5
Total lease liabilities	**42.4**	46.5

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the Group's incremental borrowing rates ranging from 4.55% to 7.09% (2025 – 4.55% to 7.09%).

After initial recognition, lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessments or lease modifications.

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

Lease payments for short-term leases of twelve (12) months or less and low-value assets of RM20,000 or below are recognised as rental expenses on a straight-line basis over the lease term. The amounts recognised during the financial year were not material to the Group.

30.2 Reconciliation of liabilities from financing activities to the statements of financial position and statements of cash flows

In RM million	Group 2026	Group 2025
At beginning of financial year	**46.5**	60.0
Cash flows		
- Payments of lease liabilities	**(14.3)**	(15.8)
Non-cash flows		
- Additions	**7.2**	2.2
- Interest expense	**2.9**	3.3
- Reassessments and modifications of leases	**0.1**	(2.9)
- Foreign currency translation differences	**-**	(0.3)
At end of financial year	**42.4**	46.5

During the financial year, the Group had total cash outflow for leases of RM15.2 million (2025 – RM16.9 million).

31. OTHER NON-CURRENT LIABILITIES

In RM million	Group 2026	Group 2025
Retirement benefits (Note 31.1)	**53.1**	55.9
Deferred income (Note 31.2)	**15.9**	18.5
	69.0	74.4

31.1 Retirement benefits

In RM million	Group 2026	Group 2025
Present value of unfunded obligations	**53.1**	55.9
Recognised liability for defined benefit obligations	**53.1**	55.9

The plans of the subsidiaries are operated on an unfunded basis. The benefits payable on retirement are generally based on the length of service and average salary of the eligible employees.

The last actuarial valuations for the unfunded plans were carried out on 30 June 2024 and 30 June 2026.

Movements in the net liabilities recognised in the statements of financial position:

Present value of unfunded obligations

In RM million	Group 2026	Group 2025
At beginning of financial year	**55.9**	55.1
Benefits paid	**(4.1)**	(3.7)
Expenses recognised in profit or loss (Note 10(b))	**5.6**	4.3
Re-measurements		
- Actuarial (loss)/gain recognised in other comprehensive income	**(2.0)**	1.1
Foreign currency translation differences	**(2.3)**	(0.9)
At end of financial year	**53.1**	55.9

Expenses recognised in profit or loss:

In RM million	Group 2026	Group 2025
Current service cost	**3.3**	2.1
Interest cost	**2.3**	2.2
	5.6	4.3

Liability for defined benefit obligations

The Group's defined benefit obligation at the end of the reporting period was primarily determined using the principal actuarial assumption, expressed as a weighted average discount rate of 4.3% (2025 – 3.9%).

31. OTHER NON-CURRENT LIABILITIES (Continued)

31.1 Retirement benefits (Continued)

Sensitivity analysis

A 0.1% increase or decrease in the discount rate would have decreased or increased the obligation by approximately RM0.6 million (2025 – RM0.6 million) and RM0.7 million (2025 – RM0.8 million), respectively.

31.2 Deferred income

Government grant

	Group	
In RM million	**2026**	**2025**
At beginning of financial year	**18.5**	21.0
Current year amortisation charge	**(2.6)**	(2.5)
At end of financial year	**15.9**	18.5

Deferred income represents government grant received from the Malaysian Palm Oil Board to build a new fatty ester and specialty oleo derivative production facility. The grant is amortised over the remaining useful life of six (6) years of the plant.

32. TRADE AND OTHER PAYABLES

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Trade payables (Note 32.1)	**295.1**	347.0	**-**	-
Other payables and accruals (Note 32.2)	**442.9**	474.9	**58.3**	106.3
Financial guarantee contracts (Note 32.3)	**-**	-	**2.7**	3.2
	738.0	821.9	**61.0**	109.5

32.1 Trade payables

Credit terms of trade payables vary from 2 to 90 days (2025 – 1 to 90 days) from date of invoices.

32.2 Other payables and accruals

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Other payables	**218.6**	225.5	**0.9**	37.8
Customer deposits and other deposits	**2.7**	4.8	**-**	-
Accruals	**221.6**	244.6	**57.4**	68.5
	442.9	474.9	**58.3**	106.3

32. TRADE AND OTHER PAYABLES (Continued)

32.3 Financial guarantee contracts

Financial guarantee contracts are subject to forward looking expected credit loss model based on the general approach within MFRS 9 as disclosed in Note 22.2 to the financial statements.

Financial guarantee contracts issued by the Group and the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the term of a debt instrument.

Financial guarantee contracts are recognised as financial liabilities at the time the guarantees are issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with the expected credit loss model under MFRS 9 and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantee is determined based on the present value of the different in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

The nominal amounts of financial guarantee provided are as follows:

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Guarantee in respect of banking facilities granted to:				
- subsidiaries	**-**	-	**1,960.7**	2,037.2
- plasma receivables	**68.6**	56.2	**-**	-

The movements of the financial guarantee contracts during the financial year are as follows:

	Company	
In RM million	**2026**	**2025**
At beginning of financial year	**3.2**	4.1
Fair value changes on financial guarantee contracts	**(0.5)**	(0.9)
At end of financial year	**2.7**	3.2

No fair value is recognised arising from financial guarantee for banking facilities granted to plasma receivables as the amount is negligible on initial recognition. As at the end of the reporting period, there was no indication that the plasma farmers would default on repayment.

33. OTHER CURRENT LIABILITIES

	Group	
In RM million	**2026**	**2025**
Amounts due to associates (Note 33.1)	**6.7**	6.0
Current tax liabilities	**118.1**	62.1
	124.8	68.1

33.1 Amounts due to associates

Amounts due to associates represent outstanding amounts arising from purchases, advances and payments made on behalf by associates, which are unsecured, interest-free and payable within the next twelve (12) months in cash and cash equivalents.

34. SIGNIFICANT RELATED PARTY DISCLOSURES

34.1 Identity of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operation decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties of the Group include:

i. Progressive Holdings Sdn Bhd, the ultimate holding company;

ii. Direct and indirect subsidiaries as disclosed in Note 38 to the financial statements;

iii. Associates and joint ventures as disclosed in Note 38 to the financial statements;

iv. Key management personnel, which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly; and

v. Affiliates, companies in which the Directors are also the substantial shareholders of the Company and have substantial shareholding interests.

34.2 Significant related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

In RM million	**2026**	**2025**
Group		
Associates		
Sales of oleochemical products and palm products		
- Bunge Loders Croklaan Group BV	**408.0**	253.3
- Fatty Chemical (Malaysia) Sdn Bhd	**722.4**	661.6
- Peter Greven Asia Sdn Bhd	**32.7**	36.0
Purchases of oleochemical products and palm products		
- Bunge Loders Croklaan Group BV	**47.1**	87.9
- Fatty Chemical (Malaysia) Sdn Bhd	**26.5**	20.9
Rental income on storage tank		
- Fatty Chemical (Malaysia) Sdn Bhd	**8.4**	8.8
Affiliates		
Purchases of palm products		
- Bukit Kelang Development Sdn Bhd	**8.0**	7.6
- GLM Emerald Industrial Park (Jasin) Sdn Bhd	**11.7**	12.2
- Nice Frontier Sdn Bhd	**24.2**	23.1
- Nice Skyline Sdn Bhd	**9.4**	9.8

34. SIGNIFICANT RELATED PARTY DISCLOSURES (Continued)

34.2 Significant related party transactions (Continued)

In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year (Continued):

In RM million	**2026**	**2025**
Company		
Subsidiaries		
Sales of palm products		
- IOI Plantation Sdn Bhd	**5.1**	6.6
Advisory fees income		
- IOI Plantation Services Sdn Bhd	**17.9**	17.3
Management fees expenses		
- IOI Global Services Sdn Bhd	**12.7**	11.1
Interest income		
- IOI Management Sdn Bhd	**16.7**	20.4
- PT Sawit Nabati Agro	**6.2**	7.0
Interest expenses		
- IOI Management Sdn Bhd	**5.1**	5.6
- IOI Ventures (L) Berhad	**36.9**	39.7

The related party transactions described above were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties.

Information regarding outstanding balances arising from related party transactions as at 30 June 2026 is disclosed in Note 16.2, Note 20.2, Note 23 and Note 33.1 to the financial statements.

34.3 Key management personnel compensation

The remuneration of Directors and other key management personnel during the financial year is as follows:

	Group		**Company**	
In RM million	**2026**	**2025**	**2026**	**2025**
Directors and other key management personnel				
Fees	**1.7**	1.6	**1.7**	1.6
Remuneration	**26.9**	23.3	**23.5**	20.2
Total short term employee benefits	**28.6**	24.9	**25.2**	21.8
Post-employment benefits	**3.1**	2.8	**2.8**	2.4
	31.7	27.7	**28.0**	24.2

35. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that the entities of the Group are able to continue as going concerns while maximising the return to shareholders through the optimisation of the debt and equity mix. The overall strategy of the Group remains unchanged from that in financial year ended 30 June 2025.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. Capital of the Group comprises equity, borrowings and other long-term liabilities. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, buy back shares or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2026 and 30 June 2025.

The Group monitors capital using a gearing ratio, which is net debt divided by equity attributable to owners of the parent. The Group's net debt includes borrowings and lease liabilities less cash and cash equivalents. The Group has an appropriate target gearing ratio, which is monitored by the Group on an ongoing basis.

The Board reviews the Group's debt structure and borrowing profile at least quarterly as part of its quarterly results review process. This review forms an integral part of the Group's risk management framework, enabling the Board to assess funding requirements, refinancing and liquidity risks, maturity profiles, and overall leverage levels, while ensuring that the Group's funding strategy and capital structure remain aligned with its strategic objectives and risk appetite.

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Borrowings (Note 29)	**3,089.9**	3,214.6	**848.9**	1,019.5
Lease liabilities (Note 30.1)	**42.4**	46.5	**-**	-
	3,132.3	3,261.1	**848.9**	1,019.5
Less: Cash and cash equivalents (Note 25)	**(1,843.6)**	(1,578.4)	**(159.3)**	(214.4)
Net debt	**1,288.7**	1,682.7	**689.6**	805.1
Equity attributable to owners of the parent	**13,282.6**	12,294.0	**8,203.6**	7,585.1
Net gearing ratio (%)	**9.70%**	13.69%	**8.41%**	10.61%

36. FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including foreign currency risk, interest rate risk, price fluctuation risk, credit risk and liquidity and cash flow risk. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders whilst minimising potential adverse effects on its financial performance and positions.

The Group operates within an established Enterprise Risk Management framework with clearly defined policies and guidelines, which are administered via divisional Risk Management Committees. Divisional Risk Management Committees report regularly to the Audit and Risk Management Committee, which oversees the management of risk in the Group on behalf of the Board of Directors.

36.1 Foreign currency risk

The Group operates internationally and is exposed to various currencies, mainly US Dollar ("USD"), Euro ("EUR") and Japanese Yen ("JPY"). Foreign currency denominated assets and liabilities together with expected cash flows from committed purchases and sales give rise to foreign currency exposures.

The Group's foreign currency risk management objective is to minimise foreign currency exposure that gives rise to economic impact, both at transaction and reporting period translation levels.

36. FINANCIAL INSTRUMENTS (Continued)

36.1 Foreign currency risk (Continued)

36.1.1 Risk management approach

The Group maintains a natural hedge, whenever possible, by matching foreign currency inflows and outflows, including aligning borrowings with the currency of underlying investments or revenue streams.

Where feasible, the Group would match its foreign currency borrowing with the functional currency of its foreign operations. Nevertheless, the Group considers such foreign currencies' overall fiscal position and borrowing costs before deciding on the major currency to be carried as debt in its book. In this regard, the Group has major foreign currency borrowings denominated in USD, EUR and JPY, which do not necessarily match all the functional currencies of its foreign operations. Where appropriate, exposures from mismatch in foreign currency borrowings are hedged with Cross Currency Swap.

Foreign currency exposures in transactional currencies other than the functional currencies of the operating entities are kept to an acceptable level. Material foreign currency transaction exposures are hedged with derivative financial instruments such as forward foreign exchange contracts on a back-to-back basis.

In general, currency exposure from foreign investments and borrowings is managed centrally at the Group HQ level, whilst currency exposure arising from transactions or contractual obligations is managed at the respective entity or business unit's level. The Group adopts a uniform Foreign Exchange Risk Hedging Policies & Guidelines, which sets out the authority and limits for inception of foreign currency derivatives; types of approved foreign currency derivatives; acceptable hedging practices and methods; and over-sight structure and controls.

Foreign currency exposures and related hedging instruments are monitored on a regular basis to ensure compliance with policy requirements and effectiveness of hedging activities.

36.1.2 Foreign currency risk exposure

The analysis of the Group's and the Company's foreign currencies long/(short) positions for each class of financial instruments with separate lines on currency derivative is as follows:

In RM million	**2026**		**2025**	
Maturity	**< 1 year**	**> 1 year**	**< 1 year**	**> 1 year**
Financial assets/(liabilities) in foreign currencies				
Group				
USD	**(1,025.1)**	**(2,072.3)**	(930.1)	(2,427.6)
EUR	**(267.9)**	**(192.9)**	(183.9)	(209.2)
JPY	**(13.5)**	**-**	(12.4)	-
Others	**82.7**	**-**	172.1	-
Company				
USD	**(256.9)**	**(755.4)**	(121.1)	(957.8)
EUR	**(141.2)**	**(192.9)**	(100.3)	(209.2)
Others	**89.2**	**-**	169.6	-

36. FINANCIAL INSTRUMENTS (Continued)

36.1 Foreign currency risk (Continued)

36.1.2 Foreign currency risk exposure (Continued)

i. The Group is net short in USD by USD0.8 billion (equivalent to RM3.1 billion) (2025 – net short by USD0.8 billion (equivalent to RM3.4 billion)) and net short in EUR by EUR0.1 billion (equivalent to RM0.5 billion) (2025 – net short by EUR0.1 billion (equivalent to RM0.4 billion)), where USD0.5 billion (equivalent to RM2.1 billion) (2025 – USD0.6 billion (equivalent to RM2.4 billion)) and EUR0.1 billion (equivalent to RM0.2 billion) (2025 – EUR0.1 billion (equivalent to RM0.2 billion)) are due beyond twelve (12) months. These short positions are expected to be met from their future revenue stream mainly denominated in USD and EUR; and

ii. The foreign currency long-short mismatch between forward commodity contracts (as hedge items) and foreign currency forward derivatives (as hedging instruments) is attributed to intragroup forward commodity sales and purchases that give rise to net currency exposure at the entity level. Foreign currency long-short position from forward commodity contracts of both related entities are eliminated on consolidation (but not necessarily its fair value gain or loss arising from foreign currency) i.e. leaving behind the currency long-short on foreign currency forward derivatives.

The cross currency swap contracts of the Group and of the Company are as follows:

Group

Cross currency swaps contract to swap JPY liability of JPY21.0 billion to USD liability of USD182.7 million (2025 – swap JPY liability of JPY21.0 billion to USD liability of USD182.7 million). These were entered into as a cash flow hedge for the Group's principal repayment for the JPY loan obtained. The effective period for these cross currency swaps is from January 2007 to February 2038.

Group and Company

Cross currency swaps contract to swap USD liability of USD27.5 million to fixed rate EUR liability of EUR24.3 million (2025 – swap USD liability of USD55.0 million to fixed rate EUR liability of EUR48.6 million). This was entered into as a net investments hedge against the Group's Euro denominated assets. The effective period for this cross currency swaps is from December 2021 to December 2026.

Cross currency swaps contract to swap USD liability of USD27.5 million to floating rate EUR liability of EUR23.6 million. This was entered into as a net investments hedge against the Group's Euro denominated assets. The effective period for this cross currency swaps is from December 2025 to December 2032.

36.1.3 Sensitivity analysis

The Group's and the Company's exposure to foreign currency risk is primarily from foreign currency denominated borrowings, deposits and cash and bank balances. A 1,000 pips increase or decrease in foreign currency rate of foreign currency denominated borrowings, deposits and cash and bank balances would have equally decreased or increased the profit for the Group and the Company by approximately RM56.3 million (2025 – RM58.7 million) and RM12.9 million (2025 – RM17.3 million) respectively.

The effect to the equity of the Group and the Company are not presented as they are not affected by the changes in the exchange rates.

36. FINANCIAL INSTRUMENTS (Continued)

36.2 Interest rate risk

The Group's interest rate risk arises from its interest bearing financial instruments that could impact fair value and future cash flows due to fluctuation in market interest rates.

The Group's objective on interest rate risk management is to achieve a balance in repricing risks and the optimisation of its cost of funds whilst ensuring sufficient liquidity to meet funding needs.

36.2.1 Risk management approach

The Group actively reviews its debt portfolio, taking into account the nature and requirements of its businesses as well as the current business and economic environment. This strategy allows it to achieve an optimum cost of capital whilst locking in long term funding rates for long term investments.

Funds held for liquidity purposes and temporary surpluses are placed in short term interest bearing financial instruments. Changes in market interest rates will be re-priced immediately into these floating interest bearing financial instruments.

36.2.2 Interest rate risk exposure

The following tables set out the carrying amounts as at the end of the financial year and the remaining repricing brackets of the Group's and the Company's financial instruments that are exposed to interest rate risk:

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Interest bearing financial assets				
Fixed rate instruments	**343.5**	313.8	**145.3**	185.0
Floating rate instruments	**1,501.7**	1,271.3	**906.9**	678.8
Total assets repricing	**1,845.2**	1,585.1	**1,052.2**	863.8
Interest bearing financial liabilities				
Fixed rate instruments	**(2,292.0)**	(2,255.7)	**(742.3)**	(771.3)
Floating rate instruments	**(848.9)**	(1,019.5)	**(943.9)**	(1,134.5)
Total liabilities repricing	**(3,140.9)**	(3,275.2)	**(1,686.2)**	(1,905.8)
Net repricing gap	**(1,295.7)**	(1,690.1)	**(634.0)**	(1,042.0)

i. The interest rate swap contract of the Group and of the Company is as follows:

Interest rate swap contract to swap notional principal amount of USD12.5 million (2025 – USD25.0 million) from floating interest rate to fixed interest rate to hedge against interest rate fluctuations. USD12.5 million of the interest rate swap will mature in December 2026.

ii. The Treasury lock contract of the Group is as follows:

Treasury lock contract used to hedge the fluctuation in benchmark U.S. Treasury Bill yield for the issuance of USD300 million 3.375% Guaranteed Notes due 2031 under a Euro Medium Term Note Programme.

36. FINANCIAL INSTRUMENTS (Continued)

36.2 Interest rate risk (Continued)

36.2.3 Sensitivity analysis

Sensitivity analysis on interest rate is applied on floating rate financial instruments (after taking into consideration of interest rate swap) only, as the carrying amount of fixed rate financial instruments are not affected by changes in interest rates.

A 50 basis points increase or decrease in interest rates would have equally increased or decreased the profit for the Group by approximately RM4.2 million (2025 – RM3.0 million) and equally increased or decreased the profit for the Company by approximately RM0.8 million (2025 – RM0.5 million) respectively.

The effect to the equity of the Group and the Company are not presented as they are not affected by the changes in the interest rates.

36.3 Price fluctuation risk

The Group's plantation and resource-based manufacturing segments are exposed to price fluctuation risk on sales and purchases of vegetable oil commodities. These two (2) operating segments enter into forward and futures contracts ("commodity contracts") with the objective of managing and hedging their respective exposures to price volatility in the commodity markets.

The Group's objective on price risk management is to limit the Group's exposure to fluctuations in market prices and to achieve expected margins on revenue.

36.3.1 Risk management approach

The Group manages its price fluctuation risk by having strict policies and procedures governing forward and futures positions with dynamic limits on volume and tenure, mark-to-market ("MTM") losses, and on approvals.

The Group's marketing and trading activities are centrally managed, with regular monitoring of long-short positions and MTM exposures. These positions are reported to senior management to facilitate effective oversight and timely risk management.

36. FINANCIAL INSTRUMENTS (Continued)

36.3 Price fluctuation risk (Continued)

36.3.2 Price risk exposure

Detailed in the table below is a summary of the Group's and the Company's financial instruments subject to price risk along with their contract values and MTM fair value on closing, plus fair value recognised over the financial year.

	Contract/Notional amount			Fair value attributed to price changes at period closing		
In RM million	**< 1 year**	**> 1 year**	**Total**	**< 1 year**	**> 1 year**	**Total**
Group						
2026						
Commodity based						
Forward sales contracts	**(359.2)**	**-**	**(359.2)**	**5.3**	**-**	**5.3**
Forward purchase contracts	**169.2**	**-**	**169.2**	**(3.2)**	**-**	**(3.2)**
Commodity futures	**(651.1)**	**-**	**(651.1)**	**13.1**	**-**	**13.1**
Equity based						
Other investments	**70.7**	**-**	**70.7**	**70.1**	**-**	**70.1**
				85.3	**-**	**85.3**
2025						
Commodity based						
Forward sales contracts	(379.1)	-	(379.1)	4.6	-	4.6
Forward purchase contracts	170.2	-	170.2	2.7	-	2.7
Commodity futures	79.5	-	79.5	7.9	-	7.9
Equity based						
Other investments	70.7	-	70.7	71.2	-	71.2
				86.4	-	86.4
Company						
2026						
Equity based						
Other investments	**1.4**	**-**	**1.4**	**0.8**	**-**	**0.8**
				0.8	**-**	**0.8**
2025						
Equity based						
Other investments	1.4	-	1.4	0.6	-	0.6
				0.6	-	0.6

36.3.3 Sensitivity analysis

The Group's exposure to price volatility was derived from palm products and other investments. If the price changes by 7.5%, profit or loss for the Group and the Company would have equally increased or decreased by approximately RM57.7 million (2025 – RM4.3 million) and RM0.1 million (2025 – nil) respectively.

The effect to the equity of the Group and the Company are not presented as they are not affected by the price volatility.

36. FINANCIAL INSTRUMENTS (Continued)

36.4 Credit risk

The Group's credit risk exposure is mainly related to external counterparty credit risk on monetary financial assets and trade credits.

The Group's objective on credit risk management is to avoid significant exposure to any individual customer or counterparty and to minimise concentration of credit risk.

36.4.1 Risk management approach

Credit risk or financial loss from the failure of customers or counterparties to discharge their financial and contractual obligations from trade credits is managed through the application of credit approvals, credit limits, insurance programmes and monitoring procedures on an ongoing basis.

The Group's credit risk varies with the different classes of counterparties as outlined below:

i. Plantation and resource-based manufacturing

Credit risk is managed at the business unit level, but macro Group-wide policies on the granting of credit and credit control are issued and monitored centrally, such as those relating to credit risk concentration, adequacy of formal credit rating and evaluation of counterparties, credit impairment and unit level credit control performance.

Policies and procedures

a) Customers are assessed for credit and sovereign nation risks (where applicable) prior to the approval of credit exposure and limits. Where customers are approved for forward physical contracts, limits on contractual forward periods and value are established. Regular reviews are made;

b) Credit exposure is monitored on limits and ageing, managed and reviewed periodically. Customers with emerging credit problems are identified early and remedial actions are taken promptly to minimise further exposure and to restore past due status; and

c) Where appropriate, risk is mitigated through collateral or credit enhancement such as bank guarantees, deposits, letters of credit and insurance.

ii. Financial institutions and exchanges

The monetary financial assets are generally placed with highly rated financial institutions or authorised exchanges. The Group does not extend any loans or financial guarantees to third parties except for its own subsidiaries, plasma receivables and a joint venture.

In general, all business units in the Group have a comprehensive policy that governs the need for formal credit rating system and evaluation on counterparties prior to any contractual arrangement that would result in credit risk exposure. Besides exposure amount, credit risk is also measured and monitored by way of credit quality segregation, ageing analysis, and limits breach alerts. Reviews on credit impairment needs are made quarterly based on objective evidence of loss events.

36. FINANCIAL INSTRUMENTS (Continued)

36.4 Credit risk (Continued)

36.4.2 Credit risk exposures and concentration

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables, amounts due from subsidiaries, cash and cash equivalents, deposits with financial institutions and other financial assets are represented by their respective carrying amounts as disclosed in the statements of financial position.

Receivables

The Group and the Company have a maximum exposure which approximate the carrying amount as stated in the statements of financial position less collateral received, mainly related to letters of credit, amounting to RM140.8 million and nil (2025 – RM115.9 million and nil) respectively.

In line with the expected credit loss ("ECL") impairment assessment, management has taken reasonable steps to ensure that receivables which are neither past due nor impaired are stated at their realisable values.

The credit quality of receivables is monitored through regular ageing analysis as part of the Group's credit risk management process. Receivables with significant balances that are past due beyond agreed credit terms are assessed to have higher credit risk and are subject to individual monitoring. Where there is objective evidence of increased credit risk, impairment allowances are recognised in accordance with the ECL methodology disclosed in the impairment of financial assets note.

Financial institutions and exchanges

Credit risk arising from cash and cash equivalents, deposits with financial institutions and other monetary financial assets are considered low, as the counterparties are strongly rated financial institutions or authorised exchanges.

Financial guarantee contracts

The maximum credit risk exposure arising from financial guarantees issued by the Group and the Company is limited to the credit amount utilised of RM68.6 million (2025 – RM56.2 million) and RM1,960.7 million (2025 – RM2,037.2 million) respectively. These financial guarantees are assessed to have low credit risk at the end of the reporting period, as the probability of default by subsidiaries and plasma farmers on the underlying credit facilities is considered remote.

Overall, the Group and the Company do not have any significant concentration of credit risk arising from exposure to any customer, financial institution, or counterparty.

36. FINANCIAL INSTRUMENTS (Continued)

36.4 Credit risk (Continued)

36.4.2 Credit risk exposures and concentration (Continued)

Receivables class using simplified approach

Ageing analysis of the receivables class using simplified approach is as follows:

In RM million	**Current**	**1 – 30 days**	**31 – 60 days**	**61 – 90 days**	**91 – 120 days**	**> 120 days**	**Total**	**Estimated fair values of collateral and credit enhancement obtained**
Group								
2026								
Trade receivables								
Gross receivables	**997.0**	**138.1**	**6.0**	**2.3**	**8.8**	**2.7**	**1,154.9**	**140.8**
Impairment losses	**(5.2)**	**(1.2)**	**-***	**-***	**-***	**(2.6)**	**(9.0)**	**-**
	991.8	**136.9**	**6.0**	**2.3**	**8.8**	**0.1**	**1,145.9**	**140.8**
Amounts due from associates (Trade)								
Gross receivables	**69.3**	**35.5**	**-**	**0.1**	**-**	**-**	**104.9**	**-**
Impairment losses	**(0.3)**	**(0.2)**	**-**	**-***	**-**	**-**	**(0.5)**	**-**
	69.0	**35.3**	**-**	**0.1**	**-**	**-**	**104.4**	**-**
2025								
Trade receivables								
Gross receivables	889.1	216.5	3.5	2.3	-	0.2	1,111.6	115.9
Impairment losses	(4.7)	(1.6)	-*	-*	-	-*	(6.3)	-
	884.4	214.9	3.5	2.3	-	0.2	1,105.3	115.9
Amounts due from associates (Trade)								
Gross receivables	63.4	39.8	-	-	-	-	103.2	-
Impairment losses	(0.3)	(0.2)	-	-	-	-	(0.5)	-
	63.1	39.6	-	-	-	-	102.7	-

* *The expected credit loss is immaterial.*

36. FINANCIAL INSTRUMENTS (Continued)

36.4 Credit risk (Continued)

36.4.2 Credit risk exposures and concentration (Continued)

Credit risk concentration by geographic location and business segment

The credit risk concentration of the Group is mainly in the "receivables" class, except for deposits and prepayments, and this is further analysed below to reveal the credit risk concentration by geographic location and business segment.

	Plantation		**Resource-based manufacturing**		**Others**		**Total**	
In RM million	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**	**Amount**	**%**
Group								
2026								
Malaysia	**25.4**	**24**	**292.8**	**23**	**7.4**	**100**	**325.6**	**23**
Europe	**-**	**-**	**177.1**	**14**	**-**	**-**	**177.1**	**13**
Asia (excluding Malaysia)	**79.0**	**76**	**729.1**	**56**	**-**	**-**	**808.1**	**57**
North America	**-**	**-**	**40.2**	**3**	**-**	**-**	**40.2**	**3**
Others	**-**	**-**	**55.8**	**4**	**-**	**-**	**55.8**	**4**
	104.4	**100**	**1,295.0**	**100**	**7.4**	**100**	**1,406.8**	**100**
2025								
Malaysia	22.1	15	247.7	20	18.4	100	288.2	20
Europe	-	-	188.2	15	-	-	188.2	13
Asia (excluding Malaysia)	129.8	85	704.5	55	-	-	834.3	57
North America	-	-	42.1	3	-	-	42.1	3
Others	-	-	95.0	7	-	-	95.0	7
	151.9	100	1,277.5	100	18.4	100	1,447.8	100

	Company			
	2026		**2025**	
In RM million	**Amount**	**%**	**Amount**	**%**
Malaysia	**806.9**	**89**	509.5	76
Asia (excluding Malaysia)	**104.3**	**11**	160.3	24
Europe	**0.3**	**-**	0.4	-
	911.5	**100**	670.2	100

36. FINANCIAL INSTRUMENTS (Continued)

36.5 Liquidity and cash flow risk

Liquidity or cash flow risk arises when financial resources are insufficient to meet financial obligations as and when they fall due, or have to be met at excessive cost. The Group's liquidity risk includes non-financial instruments and forward contract obligations.

The Group's liquidity risk management objective is to ensure that all foreseeable funding commitments can be met as and when due and in a cost-effective manner.

36.5.1 Risk management approach

The Group maintains a centralised treasury function to optimise its weighted average cost of funding while ensuring adequate liquidity is available to support its operations and strategic objectives. The treasury management company plays a central role in managing the Group's liquidity by overseeing strategic funding requirements, taking into consideration the Group's business plans, capital commitments and expected liquidity needs. Day-to-day operational liquidity requirements are managed by individual business units, which are responsible for monitoring and managing their short-term cash flow requirements within established treasury policies and approved funding limits. The Group practises an arm's-length market based policy with regard to funding costs and encourages its business units to seek localised trade financing facilities where appropriate.

The Group manages its liquidity risk with a combination of the following methods:

i. The Group and the Company maintain a level of cash and cash equivalents and banking facilities to meet their financial liabilities and obligations maturing in the next twelve (12) months;

ii. The Group also strives to maintain a balance between long-term and short-term borrowings to ensure continuity of funding at a cost efficient manner to meet its financial obligations on a timely basis; and

iii. Financial liabilities contractual maturity periods exceeding twelve (12) months are within comfortable levels, and should be well covered by its annual free cash flows to be generated from its operations.

36. FINANCIAL INSTRUMENTS (Continued)

36.5 Liquidity and cash flow risk (Continued)

36.5.2 Liquidity risk exposure

The following table details the maturity profile of the Group's and the Company's financial liabilities at the end of the financial year based on contractual undiscounted repayment obligations.

In RM million	**Less than 1 year**	**1 – 2 years**	**2 – 3 years**	**3 – 4 years**	**More than 4 years**	**Total**
Group						
Financial liabilities						
2026						
Trade and other payables	**668.6**	**-**	**-**	**-**	**-**	**668.6**
Borrowings	**1,139.3**	**172.4**	**85.6**	**85.6**	**2,524.2**	**4,007.1**
Lease liabilities	**8.9**	**11.2**	**7.4**	**8.3**	**94.1**	**129.9**
Amounts due to associates	**6.7**	**-**	**-**	**-**	**-**	**6.7**
Derivative liabilities – net settlement	**39.3**	**-**	**-**	**-**	**23.4**	**62.7**
	1,862.8	**183.6**	**93.0**	**93.9**	**2,641.7**	**4,875.0**
2025						
Trade and other payables	762.2	-	-	-	-	762.2
Borrowings	858.0	608.5	174.6	80.9	2,491.2	4,213.2
Lease liabilities	10.3	5.5	1.9	1.4	88.8	107.9
Amounts due to associates	6.0	-	-	-	-	6.0
Derivative liabilities – net settlement	10.6	1.4	-	-	-	12.0
	1,647.1	615.4	176.5	82.3	2,580.0	5,101.3
Company						
Financial liabilities						
2026						
Other payables	**56.2**	**-**	**-**	**-**	**-**	**56.2**
Borrowings	**569.1**	**94.4**	**7.6**	**7.6**	**238.2**	**916.9**
Amounts due to subsidiaries	**70.8**	**60.5**	**84.0**	**32.5**	**966.2**	**1,214.0**
	696.1	**154.9**	**91.6**	**40.1**	**1,204.4**	**2,187.1**
2025						
Other payables	104.5	-	-	-	-	104.5
Borrowings	461.2	527.6	93.6	-	-	1,082.4
Amounts due to subsidiaries	73.9	57.8	61.9	85.4	1,037.7	1,316.7
Derivative liabilities – net settlement	1.4	1.4	-	-	-	2.8
	641.0	586.8	155.5	85.4	1,037.7	2,506.4

Maturity profile of financial guarantee contracts of the Group and of the Company at the end of each reporting period based on contractual undiscounted obligations is payable upon any default by the plasma farmers and subsidiaries in respect of the guaranteed bank facilities of RM68.6 million (2025 – RM56.2 million) and RM1,960.7 million (2025 – RM2,037.2 million) respectively.

The Group monitors its debt covenants in annual basis to ensure compliance. As at the reporting date, the Group does not anticipate any difficulty in complying with the covenants within the next twelve (12) months.

36. FINANCIAL INSTRUMENTS (Continued)

36.6 Fair values

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3 based on the degree to which the fair value is observable.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Valuation inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – Valuation inputs that are not based on observable market data.

	Financial instruments carried at fair value			
	Hierarchy of the underlying variable input used in measuring fair valuation			
In RM million	**Level 1**	**Level 2**	**Level 3**	**Total**
Group				
2026				
Derivatives				
Forward foreign exchange contracts	**-**	**(26.1)**	**-**	**(26.1)**
Commodity forward contracts	**-**	**2.1**	**-**	**2.1**
Commodity futures	**13.1**	**-**	**-**	**13.1**
Cross currency swap contracts	**-**	**(14.0)**	**-**	**(14.0)**
Interest rate swap contract	**-**	**0.7**	**-**	**0.7**
Equity based				
Other investments	**70.1**	**-**	**119.8**	**189.9**
Short term funds	**914.7**	**-**	**-**	**914.7**
	997.9	**(37.3)**	**119.8**	**1,080.4**
2025				
Derivatives				
Forward foreign exchange contracts	-	31.9	-	31.9
Commodity forward contracts	-	7.3	-	7.3
Commodity futures	7.9	-	-	7.9
Cross currency swap contracts	-	28.6	-	28.6
Interest rate swap contract	-	2.6	-	2.6
Equity based				
Other investments	71.2	-	110.1	181.3
Short term funds	674.1	-	-	674.1
	753.2	70.4	110.1	933.7

36. FINANCIAL INSTRUMENTS (Continued)

36.6 Fair values (Continued)

Fair value hierarchy (Continued)

There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

	Financial instruments carried at fair value			
	Hierarchy of the underlying variable input used in measuring fair valuation			
In RM million	**Level 1**	**Level 2**	**Level 3**	**Total**
Company				
2026				
Derivatives				
Cross currency swap contracts	**-**	**2.6**	**-**	**2.6**
Interest rate swap contract	**-**	**0.7**	**-**	**0.7**
Equity based				
Other investments	**0.8**	**-**	**0.2**	**1.0**
	0.8	**3.3**	**0.2**	**4.3**
2025				
Derivatives				
Forward foreign exchange contracts	-	0.1	-	0.1
Cross currency swap contracts	-	(2.8)	-	(2.8)
Interest rate swap contract	-	2.6	-	2.6
Equity based				
Other investments	0.6	-	0.2	0.8
	0.6	(0.1)	0.2	0.7

There were no transfers between all three (3) levels of the fair value hierarchy during the financial year.

Reconciliation of fair value measurements of Level 3 financial instruments

	Group		Company	
In RM million	**2026**	**2025**	**2026**	**2025**
Financial assets/liabilities designated at fair value through profit or loss				
At beginning of financial year	**110.1**	113.5	**0.2**	0.2
Additions	**10.4**	27.9	**-**	-
Return of capital contribution from other investments	**-**	(9.0)	**-**	-
Net fair value gain/(loss) recognised in profit or loss	**3.0**	(11.8)	**-**	-
Foreign currency translation differences	**(3.7)**	(10.5)	**-**	-
At end of financial year	**119.8**	110.1	**0.2**	0.2

36. FINANCIAL INSTRUMENTS (Continued)

36.6 Fair values (Continued)

The carrying amounts of financial assets and financial liabilities, which are not carried at fair values, would approximate their fair values as at the end of the financial year, due to their short-term nature.

The following methods and assumptions were used to estimate the fair values of financial instruments:

i. The fair values of quoted investments are their quoted market prices at the end of the financial year.

ii. The fair values of current unquoted investments are estimated using the net asset value approach based on the investee's equity and the Group's shareholding interest.

iii. The fair values of non-current unquoted equity investments are determined based on net asset value approach, with initial recognition based on transaction prices.

iv. The fair values of derivative financial instruments are determined based on the difference between the contracted price and the market price or quoted prices from reputable and credible financial services industry as at the end of the financial year.

v. The fair values of short-term funds are determined by reference to the quoted prices at the close of the business at the end of each reporting period.

36. FINANCIAL INSTRUMENTS (Continued)

36.7 Classification of financial instruments

The financial assets and financial liabilities are classified into the following categories after initial recognition for the purpose of subsequent measurement:

In RM million	Amortised cost	Fair value through profit or loss	Fair value through other comprehensive income	Total
Group				
Financial assets				
2026				
Trade and other receivables, excluded deposits and prepayments	**1,284.9**	**-**	**-**	**1,284.9**
Amounts due from associates	**104.4**	**-**	**-**	**104.4**
Amount due from a joint venture	**1.5**	**-**	**-**	**1.5**
Derivative assets	**-**	**38.5**	**-**	**38.5**
Other investments	**-**	**189.9**	**-**	**189.9**
Short term funds	**-**	**914.7**	**-**	**914.7**
Deposits with financial institutions	**341.9**	**-**	**-**	**341.9**
Cash and bank balances	**587.0**	**-**	**-**	**587.0**
	2,319.7	**1,143.1**	**-**	**3,462.8**
2025				
Trade and other receivables, excluded deposits and prepayments	1,325.3	-	-	1,325.3
Amounts due from associates	102.7	-	-	102.7
Amount due from a joint venture	6.7	-	-	6.7
Derivative assets	-	90.3	-	90.3
Other investments	-	181.3	-	181.3
Short term funds	-	674.1	-	674.1
Deposits with financial institutions	307.1	-	-	307.1
Cash and bank balances	597.2	-	-	597.2
	2,339.0	945.7	-	3,284.7

36. FINANCIAL INSTRUMENTS (Continued)

36.7 Classification of financial instruments (Continued)

In RM million	Amortised cost	Fair value through profit or loss	Total
Group			
Financial liabilities			
2026			
Borrowings	**3,089.9**	**-**	**3,089.9**
Lease liabilities	**42.4**	**-**	**42.4**
Trade and other payables	**668.6**	**-**	**668.6**
Amounts due to associates	**6.7**	**-**	**6.7**
Derivative liabilities	**-**	**62.7**	**62.7**
	3,807.6	**62.7**	**3,870.3**
2025			
Borrowings	3,214.6	-	3,214.6
Lease liabilities	46.5	-	46.5
Trade and other payables	762.2	-	762.2
Amounts due to associates	6.0	-	6.0
Derivative liabilities	-	12.0	12.0
	4,029.3	12.0	4,041.3

36. FINANCIAL INSTRUMENTS (Continued)

36.7 Classification of financial instruments (Continued)

In RM million	Amortised cost	Fair value through profit or loss	Total
Company			
Financial assets			
2026			
Amounts due from subsidiaries	**907.1**	**-**	**907.1**
Amount due from a joint venture	**1.5**	**-**	**1.5**
Derivative assets	**-**	**3.3**	**3.3**
Other investments	**-**	**1.0**	**1.0**
Deposits with financial institutions	**143.7**	**-**	**143.7**
Cash and bank balances	**15.6**	**-**	**15.6**
	1,067.9	**4.3**	**1,072.2**
2025			
Amounts due from subsidiaries	660.3	-	660.3
Amount due from a joint venture	6.7	-	6.7
Derivative assets	-	2.7	2.7
Other investments	-	0.8	0.8
Deposit with a financial institution	178.3	-	178.3
Cash and bank balances	36.1	-	36.1
	881.4	3.5	884.9
Financial liabilities			
2026			
Borrowings	**848.9**	**-**	**848.9**
Other payables	**58.9**	**-**	**58.9**
Amounts due to subsidiaries	**853.0**	**-**	**853.0**
	1,760.8	**-**	**1,760.8**
2025			
Borrowings	1,019.5	-	1,019.5
Other payables	107.7	-	107.7
Amounts due to subsidiaries	902.7	-	902.7
Derivative liabilities	-	2.8	2.8
	2,029.9	2.8	2,032.7

37. COMMITMENTS

37.1 Capital commitments

In RM million	Group 2026	Group 2025
Authorised capital expenditure not provided for in the financial statements		
Additions of property, plant and equipment		
- Contracted	**287.3**	298.7
- Not contracted	**519.8**	542.4
Additions of intangible assets		
- Contracted	**-**	2.1
- Not contracted	**-**	0.4

37.2 Lease commitments

37.2.1 The Group and the Company as lessor

The minimum lease payments receivable under non-cancellable operating leases contracted for as at end of the financial year but not recognised as receivables are not material to the Group and the Company.

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The subsidiaries, associates and joint ventures, incorporated and principally based in Malaysia except as otherwise stated, are as follows:

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Direct Subsidiaries			
Plantation			
B. A. Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
IOI Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, plantation produce and investment holding
Pine Capital Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and investment holding
Mayvin Incorporated Sdn Bhd	**100.0%**	100.0%	Processing of palm oil and investment holding
Dynamic Plantations Berhad	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Halusah Ladang Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Ladang Sabah Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Morisem Palm Oil Mill Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Morisem Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, processing of palm oil and investment holding
Perusahaan Mekassar (M) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Syarikat Pukin Ladang Kelapa Sawit Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and processing of palm oil
Pamol Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, processing of palm oil and investment holding
Syarimo Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, processing of palm oil and investment holding
Right Purpose Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and softwood timber
Ladang Asas Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Ladang Cantawan (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Laksana Kemas Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Meriteam Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm, processing of palm oil and investment holding
Morisem Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Morisem (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Palmco Plantations (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and investment holding
Palmco Properties Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Permodalan Plantations Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm
PR Enterprise Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Priceland Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Safima Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Sakilan Desa Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Terusan Baru Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
IOI Commodity Trading Sdn Bhd	**100.0%**	100.0%	Trading of palm oil commodities

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Direct Subsidiaries (Continued)			
Plantation (Continued)			
IOI Palm Biotech Sdn Bhd	**100.0%**	100.0%	Commercialisation of high quality clonal ramets through tissue culturing process and its biotechnology related research and development activities
IOI Plantation Services Sdn Bhd	**100.0%**	100.0%	Provision of management services
Zonec Plus Sdn Bhd	**100.0%**	100.0%	Provision of management services
Mayvin (Sabah) Sdn Bhd	**100.0%**	100.0%	Investment holding
Lynwood Capital Resources Pte Ltd * *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Oakridge Investments Pte Ltd * *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Oleander Capital Resources Pte Ltd * *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Cantawan Oil Palms Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Fruitful Plantations Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Hill Land Sdn Bhd *(In member's voluntary winding-up)*	**100.0%**	100.0%	Investment holding ^
Sri Cantawan Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Unipamol Malaysia Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Resource-based Manufacturing			
IOI Bio-Energy Sdn Bhd	**100.0%**	100.0%	Producing and supplying palm-based renewable energy
IOI Edible Oils Sdn Bhd	**100.0%**	100.0%	Investment holding and palm oil trading and refinery
IOI Global Services Sdn Bhd	**100.0%**	100.0%	Commodities trading, international procurement of palm oil related products, provision of marketing and management services
IOI Oleochemical Industries Berhad *	**100.0%**	100.0%	Investment holding and provision of management services
IOI Loders Croklaan Procurement Company Sdn Bhd	**100.0%**	100.0%	Investment holding ^
IOI Speciality Fats Sdn Bhd	**100.0%**	100.0%	Investment holding ^
IOI Oils BV ** *(Incorporated and principally based in the Netherlands)*	**100.0%**	100.0%	Trading in oilseeds, edible oils and fats and the processing of raw materials for the edible oils and fats industry
IOI Palm Wood Sdn Bhd	**80.0%**	80.0%	Processing of oil palm trunks and other bio-matter derived from plantations to produce materials used in furniture, construction and building industries

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Direct Subsidiaries (Continued)			
Non-Segment			
IOI Management Sdn Bhd	**100.0%**	100.0%	Provision of treasury management services to its related companies
Kayangan Heights Sdn Bhd	**100.0%**	100.0%	Property development
Rapat Jaya Sendirian Berhad	**100.0%**	100.0%	Property development, property investment and cultivation of plantation produce
IOI Investment (L) Berhad *(Incorporated and principally based in the Federal Territory of Labuan)*	**100.0%**	100.0%	Issuance of Exchangeable Bonds
IOI Ventures (L) Berhad *(Incorporated and principally based in the Federal Territory of Labuan)*	**100.0%**	100.0%	Issuance of Guaranteed Notes
IOI Green Energy Sdn Bhd	**100.0%**	100.0%	Production and supply of renewable energy
IOI Green Tech Services Sdn Bhd	**100.0%**	100.0%	Provision of green energy technology services ^
IOI Palm Products Sdn Bhd	**100.0%**	100.0%	Manufacturing, trading of oil palm related by-products and providing business support services activities ^
IOI Paper Pulp Sdn Bhd	**100.0%**	100.0%	Investment holding
Eglinton Investments Pte Ltd # *(Incorporated and principally based in Singapore)*	**100.0%**	100.0%	Investment holding
Morisem Consolidated Sdn Bhd	**100.0%**	100.0%	Investment holding
Luminous Aspect Sdn Bhd	**100.0%**	100.0%	Investment holding
Indirect Subsidiaries			
Plantation			
Subsidiary of Mayvin (Sabah) Sdn Bhd			
Sri Mayvin Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Subsidiaries of Pine Capital Sdn Bhd			
Sri Vagas Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Ladang Tebu Batu Putih Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Sayang Segama Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Sri Yongdankong Sdn Bhd	**100.0%**	100.0%	Investment holding ^
Subsidiary of Palmco Plantations (Sabah) Sdn Bhd			
Lubah Plantations (S) Sdn Bhd	**100.0%**	-	Cultivation of oil palm

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Indirect Subsidiaries (Continued)			
Plantation (Continued)			
Subsidiary of Mayvin Incorporated Sdn Bhd			
Gamore Corporation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Subsidiary of Morisem Sdn Bhd			
Plus Bumimas Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Subsidiaries of Syarimo Sdn Bhd			
Agroplex (Sabah) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Maxgrand Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Mewahandal Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Syarikat Best Cocoa Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Very Good Estate Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Fastscope Development Sdn Bhd	**100.0%**	100.0%	Cultivation of softwood timber
Subsidiaries of Pamol Plantations Sdn Bhd			
IOI Organic Oils (M) Sdn Bhd	**100.0%**	100.0%	Cultivation of organic oil palm and processing of organic palm oil
Pamol Estates (Sabah) Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm, processing of palm oil and investment holding
Subsidiary of Pamol Estates (Sabah) Sdn Bhd			
Milik Berganda Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm
Subsidiaries of Oleander Capital Resources Pte Ltd			
PT Berkat Agro Sawitindo # *(Incorporated and principally based in the Republic of Indonesia)*	**100.0%**	100.0%	Management consulting services and investment holding
PT Sawit Nabati Agro # *(Incorporated and principally based in the Republic of Indonesia)*	**100.0%**	100.0%	Management consulting services and investment holding

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Indirect Subsidiaries (Continued)			
Plantation (Continued)			
Subsidiaries of PT Sawit Nabati Agro			
PT Bumi Sawit Sejahtera # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm and processing of palm oil
PT Berkat Nabati Sejahtera # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm
PT Kalimantan Prima Agro Mandiri # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm
PT Sukses Karya Sawit # *(Incorporated and principally based in the Republic of Indonesia)*	**95.0%**	95.0%	Cultivation of oil palm and processing of palm oil
PT Ketapang Sawit Lestari # *(Incorporated and principally based in the Republic of Indonesia)*	**100.0%**	100.0%	Cultivation of oil palm ^
Subsidiaries of IOI Plantation Sdn Bhd			
Future Growth Sdn Bhd	**100.0%**	100.0%	Cultivation, harvesting and marketing of coconut
Unico-Desa Plantations Berhad	**100.0%**	100.0%	Cultivation of oil palm, palm oil milling, sales of crude palm oil and palm kernel and investment holding
IOI Pelita Plantation Sdn Bhd	**70.0%**	70.0%	Cultivation of oil palm
Subsidiaries of Unico-Desa Plantations Berhad			
Unico Plantations Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm and investment holding
Basic Plantation (S) Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Builtec Agricultural & Development Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Gelodar Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Golden Focus Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Korop Holdings Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Zutaland Development Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Malbumi Estate Sdn Bhd	**100.0%**	-	Cultivation of oil palm
Malbumi Development Sdn Bhd	**100.0%**	-	Cultivation of oil palm
Kurnialang Corporation Sdn Bhd	**100.0%**	-	Cultivation of oil palm

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Indirect Subsidiaries (Continued)			
Plantation (Continued)			
Subsidiaries of Unico Plantations Sdn Bhd			
Fasgro Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Segaco Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Supercrop Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Syarikat Zuba Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Topcrop Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Tutico Plantation Sdn Bhd	**100.0%**	100.0%	Cultivation of oil palm
Unico Oil Mill Sdn Bhd	**100.0%**	100.0%	Processing of palm oil
Resource-based Manufacturing			
Subsidiaries of IOI Oleochemical Industries Berhad			
IOI Acidchem Sdn Bhd *	**100.0%**	100.0%	Manufacture and sale of fatty acids, soap noodles, glycerine and other related products
IOI Derichem Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
IOI Esterchem (M) Sdn Bhd *	**100.0%**	100.0%	Manufacturing and trading of fatty esters
IOI Pan-Century Edible Oils Sdn Bhd *	**100.0%**	100.0%	Refining and processing of crude palm oil, coconut oil and any other vegetable oil for sale to local and overseas market
IOI Pan-Century Oleochemicals Sdn Bhd *	**100.0%**	100.0%	Manufacturing of oleochemical products, animal feed products and soap noodles
Palmco Oil Mill Sendirian Berhad *	**100.0%**	100.0%	Sale of crude palm kernel oil, crude palm kernel olein and renting of storage tanks
Stabilchem (M) Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Subsidiaries of IOI Acidchem Sdn Bhd			
IOI Oleo GmbH * *(Incorporated and principally based in Germany)*	**100.0%**	100.0%	Manufacture and sale of oleochemical specialty products
Acidchem (USA) Inc * *(Incorporated and principally based in the United States of America)*	**100.0%**	100.0%	Trading in fatty acids and glycerine
Subsidiaries of IOI Oleo GmbH			
KetoLipix Therapeutics GmbH ** *(Incorporated and principally based in Germany)*	**100.0%**	100.0%	Development of proprietary keto-ester portfolio
IOI Oleo Beteiligungs GmbH ** *(Incorporated and principally based in Germany)*	**100.0%**	100.0%	Holding and management of its own assets, shareholdings in the chemical and pharmaceutical products business ^

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Indirect Subsidiaries (Continued)			
Resource-based Manufacturing (Continued)			
Subsidiary of IOI Oleo Beteiligungs GmbH			
IOI Oleo U.S. Corp ** *(Incorporated and principally based in the United States of America)*	**100.0%**	100.0%	Dormant
Non-Segment			
Subsidiaries of IOI Oleochemical Industries Berhad			
Palmco Jaya Sendirian Berhad *	**100.0%**	100.0%	Provision of bulk cargo warehousing facilities
Palmco International (HK) Limited * *(Incorporated and principally based in Hong Kong)*	**100.0%**	100.0%	Investment holding
Palmco Management Services Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Palmina Sendirian Berhad *	**100.0%**	100.0%	Investment holding ^
Pamol Bintang Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Performance Chemicals (M) Sdn Bhd *	**100.0%**	100.0%	Investment holding ^
Quantum Green Sdn Bhd *	**100.0%**	100.0%	Provision of management services
Subsidiaries of Palmco International (HK) Limited			
Palmco Engineering Limited * *(Incorporated and principally based in Hong Kong)*	**100.0%**	100.0%	Investment holding ^

Notes:
- * *Not audited by BDO PLT and member firms of BDO International.*
- ** *Statutory audit not required as at 30 June 2026.*
- # *Audited by member firms of BDO International.*
- ^ *The companies remained dormant during the financial year.*

On 9 June 2026, IOI Oleo GmbH, an indirect wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement for the acquisition of 51,200 shares, representing 100% of the issued and paid-up share capital of Imperial-Oel-Import Handelsgesellschaft mbH (the "Acquisition"). The purchase consideration for the Acquisition was EUR9.6 million, subject to closing date adjustments and a potential earn-out of up to EUR1.6 million based on the achievement of specified Earnings Before Interest, Taxes, Depreciation and Amortisation ("EBITDA") targets. The Acquisition was completed on 1 July 2026.

On 9 July 2026, pursuant to a Capital Increase and Shareholders' Contract entered into between IOI Acidchem Sdn. Bhd. ("IOI Acidchem"), an indirect wholly-owned subsidiary of the Company, and Tianjin Worldlang International Trading Co., Ltd., IOI Acidchem acquired a 70% equity interest in Tianjin Palmco Oil & Fats Co., Ltd. ("Tianjin Palmco Oil") for a total consideration of RMB56.9 million (equivalent to approximately RM34.0 million). Following the acquisition, Tianjin Palmco Oil became an indirect subsidiary of the Company. Tianjin Palmco Oil is a company incorporated in the People's Republic of China and is principally engaged in the manufacture and sale of oleochemical derivative products.

38. LIST OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (Continued)

Name of Company	Effective Group Interest 2026	Effective Group Interest 2025	Principal Activities
Associates			
Plantation			
Reka Halus Sdn Bhd	**30.0%**	30.0%	Cultivation of oil palm and processing of palm oil
Associate of Lynwood Capital Resources Pte Ltd and Oakridge Investments Pte Ltd			
Bumitama Agri Ltd *(Incorporated and principally based in Singapore)*	**32.1%**	32.1%	Investment holding
Resource-based Manufacturing			
Bunge Loders Croklaan Group BV *(Incorporated and principally based in the Netherlands)*	**20.0%**	20.0%	Investment holding
Associates of IOI Oleochemical Industries Berhad			
Fatty Chemical (Malaysia) Sdn Bhd	**30.0%**	30.0%	Manufacturing and sale of fatty alcohols, refined glycerine and olefin
Kao Plasticizer (Malaysia) Sdn Bhd	**30.0%**	30.0%	Manufacturing and sale of plasticizer products
Peter Greven Asia Sdn Bhd	**40.0%**	40.0%	Production, marketing and distribution of metallic stearates
Malaysia Pakistan Venture Sdn Bhd	**25.0%**	25.0%	Investment holding
Joint Ventures			
Resource-based Manufacturing			
Adeka Foods (Asia) Sdn Bhd	**40.0%**	40.0%	Manufacturing of margarine, shortening and fat spreads
IOI Coconut Oil Sdn Bhd [%]	**65.0%**	100.0%	Processing of copra, crude coconut oil and other related coconut products
Joint Venture of Luminous Aspect Sdn Bhd			
Rosa RE Pte Ltd *(Incorporated and principally based in Singapore)*	**20.0%**	20.0%	Generation of electricity by other sources (e.g. solar power, biofuels etc.)
Joint Venture of IOI Paper Pulp Sdn Bhd			
Nextgreen IOI Pulp Sdn Bhd	**45.0%**	45.0%	Manufacturing, import, export and trading of pulp
Joint Venture of IOI Corporation Berhad			
NeuWhite Paper Pulp Sdn Bhd	**33.7%**	33.7%	Manufacturing, import, export and trading of pulp

Note:

[%] *On 6 November 2025, the Company, IOI Coconut Oil Sdn. Bhd. ("IOI Coconut Oil"), then a wholly-owned subsidiary of the Company, and Mega Star Holding Pte. Ltd ("Mega Star") entered into a Shareholders' Agreement in relation to the development of a coconut processing facility. Following Mega Star's subscription for a 35% equity interest in IOI Coconut Oil, IOI Coconut Oil ceased to be a wholly-owned subsidiary and became a joint venture of the Company, with the Company and Mega Star holding 65% and 35% equity interests in IOI Coconut Oil, respectively.*

39. AUTHORISATION FOR ISSUE

The financial statements of the Group and of the Company for the financial year ended 30 June 2026 were authorised for issue by the Board of Directors on 28 August 2026.

Statement by Directors

In the opinion of the Directors, the financial statements set out on pages 151 to 238 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors:

Tan Sri Abdul Wahid bin Omar
Independent Non-Executive Chairman

Dato' Lee Yeow Chor
Group Managing Director and Chief Executive

Putrajaya
28 August 2026

Statutory Declaration

I, Kong Kian Beng (CA 19179) being the officer primarily responsible for the financial management of IOI Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 151 to 238 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared)
by the abovenamed)
at Puchong, Selangor Darul Ehsan) **Kong Kian Beng**
this 28 August 2026)

Before me

Lim Cin Wei
Commissioner for Oaths
No. B 630

Independent Auditors' Report to the Members of IOI Corporation Berhad

(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of IOI Corporation Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 151 to 238.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Impairment assessment of the carrying amounts of goodwill

Goodwill of the Group is allocated to two (2) Cash-generating Units ("CGUs") identified according to the operating segments. Management has considered plantation and resource-based manufacturing as the operating segments of the Group, with carrying amounts of goodwill of RM152.7 million and RM208.7 million respectively as disclosed in Note 15.1 to the financial statements. There was no impairment loss on goodwill during the financial year.

We determined this to be a key audit matter because it requires significant judgements and estimates about the future results and underlying key assumptions applied to cash flow forecasts of the CGUs in determining the recoverable amounts. These underlying key assumptions include forecasted revenue growth rates, profit margins and terminal growth rate as well as determining an appropriate pre-tax discount rate.

Our audit procedures included the following:

(i) compared prior period forecasts to actual outcomes to assess reliability of management forecasting process;

(ii) evaluated key assumptions applied in management impairment assessment by comparing to historical trends and relevant market outlook information;

(iii) evaluated pre-tax discount rate used by management for each CGU to the weighted average cost of capital of the Group and its relevant risk factors; and

(iv) performed sensitivity analysis on management's key assumptions.

Independent Auditors' Report to the Members of IOI Corporation Berhad
(Incorporated in Malaysia)

Key Audit Matters (Continued)

(b) Fair value measurement of derivative financial instruments

The Group and the Company use derivative financial instruments such as forward foreign exchange contracts, commodity forward contracts and futures, cross currency swap contracts and interest rate swap contracts to hedge their risks associated with foreign currency, commodity price fluctuations and interest rates, as set out in Note 18 to the financial statements.

The determination of the fair values of the derivative financial instruments is a key audit matter due to the volume of trades entered into and it involves significant judgements and is subject to estimation uncertainty as subjective variables are applied to derive the fair values.

Our audit procedures included the following:

(i) obtained an understanding on the overall commodity trading process and treasury function of derivative financial instruments;

(ii) read and discussed with management on the analysis of the contractual terms and evaluated the accounting treatments adopted by management, including the reasons for entering into derivative financial instruments;

(iii) evaluated and compared the key inputs used to determine the fair value against observable market data, where applicable; and

(iv) vouched to statements and/or confirmations from banks and other financial institutions to compare the fair values of the derivative financial instruments recorded in the accounting system, where applicable.

(c) Impairment assessment of property, plant and equipment of IOI Palm Wood Sdn Bhd ("IOI Palm Wood") and cost of investment of the Company in IOI Palm Wood

As at 30 June 2026, the carrying amount of property, plant and equipment of IOI Palm Wood amounted to RM85.7 million as disclosed in Note 14 to the financial statements and the cost of investment of the Company in IOI Palm Wood amounted to RM113.7 million as disclosed in the Note 16.1 to the financial statements. Management performed an impairment assessment of these assets using discounted cash flow forecasts and concluded that no additional impairment was required as at 30 June 2026.

We determined this to be a key audit matter because it requires significant judgements and estimates about the future results and underlying key assumptions applied to cash flow forecasts in determining the recoverable amount of the property, plant and equipment in IOI Palm Wood and cost of investment of the Company in IOI Palm Wood. The underlying key assumptions include forecasted revenue growth rates and profit margins as well as determining an appropriate pre-tax discount rate.

Our audit procedures included the following:

(i) compared prior period forecasts to actual outcomes to assess reliability of management forecasting process;

(ii) compared cash flow forecast against recent performance, and assessed and compared the key assumptions in forecasts to relevant market outlook information, where applicable;

(iii) evaluated key assumptions applied in the impairment assessment by assessing evidence available to support these assumptions; and

(iv) evaluated pre-tax discount rate used by management to the weighted average cost of capital of the Group and its relevant risk factors.

Independent Auditors' Report to the Members of IOI Corporation Berhad

(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Directors and take appropriate action.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditors' Report to the Members of IOI Corporation Berhad

(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also (Continued):

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 38 to the financial statements.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Rejeesh A/L Balasubramaniam
02895/08/2028 J
Chartered Accountant

Kuala Lumpur
28 August 2026

Disclosure of Financial Data for Shariah Screening

Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

		Group	
		2026 RM Million	**2025 RM Million**
(A) GROUP TOTAL INCOME AND TOTAL ASSETS			
Total Income	**Remarks**		
Revenue	Include dividend income	**11,779.1**	11,334.7
Other income	Include fair value gain on short term funds	**304.9**	245.3
Share of results of associates		**389.0**	348.0
Share of results of joint ventures		**3.2**	3.4
Interest income		**27.5**	32.6
Others	Net foreign currency translation gain on foreign currency denominated borrowings	**124.0**	278.5
Total		**12,627.7**	12,242.5
Total Assets		**19,115.1**	18,130.7
(B) BUSINESS ACTIVITIES			
Shariah Non-Compliant Activities	**Remarks**		
Interest income	Conventional	**22.3**	28.3
Gain from investment in conventional instruments	Fair value gain on short-term funds	**13.0**	13.9
Total		**35.3**	42.2

		Group	
		2026 RM Million	**2025 RM Million**
(C) COMPONENT OF FINANCIAL POSITION			
(i) Cash Components			
Islamic Account/Instruments	**Remarks**		
Cash in hand		**0.1**	0.1
Cash at bank (exclude cash in hand)		**47.6**	58.8
Short-term funds		**558.5**	378.2
Deposits with licensed bank		**54.1**	21.6
Total		**660.3**	458.7
Conventional Account/Instruments	**Remarks**		
Cash at bank (exclude cash in hand)		**539.3**	538.3
Short-term funds		**356.2**	295.9
Deposits with licensed bank		**287.8**	285.5
Total		**1,183.3**	1,119.7
(ii) Debt Components			
Islamic Financing	**Remarks**		
Current			
Term financing		**304.6**	358.7
Revolving credit and financing		**215.2**	42.2
Non-current			
Term financing		**223.4**	316.5
Revolving credit and financing		**83.4**	278.9
Total		**826.6**	996.3
Conventional Borrowing	**Remarks**		
Current			
Revolving credit and loans		**22.3**	23.2
Trade financing		**492.2**	315.8
Other interest bearing debt	Finance lease obligation	**0.3**	0.2
Non-current			
Term loans		**526.6**	614.8
Conventional bonds		**1,209.8**	1,255.5
Other interest bearing debt	Finance lease obligation	**12.1**	8.8
Total		**2,263.3**	2,218.3

Group Properties

Group Properties

A. PLANTATION ESTATES

Location	Tenure	Area (Hectares ("Ha"))	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2026 RM million
Malaysia						
Pahang Darul Makmur						
Bukit Dinding Estate, Bentong	Freehold	1,660	OP	-	1983	120.2
Pukin Estate, Pekan Rompin	Leasehold expiring 2071, 2074, 2077	2,435	OP	1	1985	115.6
Mekassar Estate, Pekan Rompin	Leasehold expiring 2075	1,215	OP	-	1985	51.8
Detas Estate, Pekan	Leasehold expiring 2081	2,301	OP	-	1989	114.6
Bukit Leelau Estate, Pekan	Leasehold expiring 2088	2,096	OP	1	1989	120.5
Merchong Estate, Pekan	Leasehold expiring 2075	1,953	OP	-	1990	84.9
Leepang A Estate, Rompin	Leasehold expiring 2067	2,404	OP	-	2000	100.6
Laukin A Estate, Rompin	Leasehold expiring 2067	1,620	OP	-	2000	62.7
Shahzan IOI Estate 1, Rompin	Leasehold expiring 2062	1,562	OP	-	2002	60.2
Shahzan IOI Estate 2, Rompin	Leasehold expiring 2062	1,640	OP	-	2002	45.3
Negeri Sembilan Darul Khusus						
Regent Estate, Tampin	Freehold	2,300	OP	-	1990	188.1
Bahau Estate, Kuala Pilah	Freehold	2,517	OP	-	1990	185.8
Kuala Jelei Estate, Kuala Pilah	Freehold	679	OP	-	1990	48.7
Johor Darul Takzim						
Gomali Estate, Segamat	Freehold	2,556	OP C	1	1990	210.9
Paya Lang Estate, Segamat	Freehold	2,444	OP C	-	1990	194.6
Tambang Estate, Segamat	Freehold	2,006	OP C	-	1990	177.7
Bukit Serampang Estate, Tangkak	Freehold	2,725	OP C	-	1990	198.4
Kahang Estate, Kluang	Leasehold expiring 2082	2,420	OP	-	1990	97.1
Sagil Estate, Tangkak	Freehold	2,377	OP C	-	1990	228.1
Segamat Estate, Segamat	Freehold	1,340	OP	-	1990	107.3
Pamol Plantations Estate, Kluang	Freehold	8,090	OP	1	2003	621.1
Sabah						
Morisem 1 Estate, Kinabatangan	Leasehold expiring 2080	2,032	OP	-	1993	44.9
Morisem 2 Estate, Kinabatangan	Leasehold expiring 2038, 2087, 2090	2,042	OP	-	1993-2009	52.2
Morisem 3 Estate, Kinabatangan	Leasehold expiring 2087, 2088	2,014	OP	-	1993	63.9
Morisem 4 Estate, Kinabatangan	Leasehold expiring 2089	2,023	OP	-	1993	62.4
Morisem 5 Estate, Kinabatangan	Leasehold expiring 2078	1,878	OP	-	1993	50.7
Baturong 1-4 Estates, Kunak	Leasehold expiring 2081, 2098	8,134	OP	1	1991-2024	308.2
Halusah Estate, Lahad Datu	Leasehold expiring 2076, 2078	813	OP	-	1991	27.3
Syarimo 1-9 Estates, Kinabatangan	Leasehold expiring 2035, 2077-2097, 2963-2990	18,417	OP	1	1985-2000	651.3

A. PLANTATION ESTATES (Continued)

Location	Tenure	Area (Ha)	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2026 RM million
Malaysia (Continued)						
Sabah (Continued)						
Permodalan Estate, Kinabatangan	Leasehold expiring 2078	8,094	OP	-	1995	251.1
Laukin Estate, Sugut	Leasehold expiring 2077	2,128	OP	-	1996	87.7
Sakilan Estate, Sandakan	Leasehold expiring 2887	2,278	OP	1	1996	122.6
Ladang Sabah Estates, Labuk-Sugut	Leasehold expiring 2077, 2082, 2087, 2089	12,194	OP	1	1998-2003	460.8
Cantawan Estate, Lahad Datu	Leasehold expiring 2061, 2066, 2078-2080	1,452	OP	-	1998	43.8
Tas Estate, Kinabatangan	Leasehold expiring 2077	1,209	OP	-	1998	34.5
Tangkulap Estate, Labuk-Sugut	Leasehold expiring 2080-2086	2,277	OP	-	2001	113.4
Bimbingan 1-3 Estates, Labuk-Sugut	Leasehold expiring 2083, 2091	4,392	OP	-	2001, 2026	214.5
Pamol Plantations, Labuk-Sugut	Leasehold expiring 2037, 2081, 2097	1,792	OP	-	2003-2007	48.9
Pamol Estates, Labuk-Sugut	Leasehold expiring 2888	8,186	OP	1	2003	425.9
Milik Berganda Estate, Labuk-Sugut	Leasehold expiring 2090	5,278	OP	-	2003	162.0
Linbar 1-3 Estates, Kinabatangan	Leasehold expiring 2081, 2094, 2100, 2102, 2115	5,749	OP	-	2003, 2026	230.4
Mayvin 1-2 Estates, Labuk-Sugut	Leasehold expiring 2079-2081, 2090, 2092	3,423	OP	1	2003	139.6
Mayvin 5-6 Estates, Kinabatangan	Leasehold expiring 2082	3,620	OP	-	2003	127.4
Leepang 1-6 Estates, Kinabatangan	Leasehold expiring 2030-2039, 2072, 2078-2102, 2115	13,222	OP	2	2003-2009, 2026	548.9
Unico 1-5 Estates, Kinabatangan	Leasehold expiring 2081-2101	11,396	OP	1	2013	411.2
Unico 6 Estate, Lahad Datu	Leasehold expiring 2074, 2077-2079	2,264	OP	1	2013	77.7
Sarawak						
Sejap Estate, Baram	Leasehold expiring 2058	4,960	OP	-	2002	7.9
Tegai Estate, Baram	Leasehold expiring 2067, 2095	4,038	OP	-	2002	4.4

A. PLANTATION ESTATES (Continued)

Location	Tenure	Area (Ha)	Crop Planted	Factory/ Mill	Year of Acquisition	Net Carrying Amount as at 30 June 2026 RM million
Indonesia						
Kalimantan Barat						
Dusun Arang-arang, Desa Air Hitam Hulu, Kec. Kendawangan, Kab. Ketapang	Hak Guna Usaha expiring 2052, 2056	6,016	OP	1	2009	64.3
Dusun Arang-arang, Desa Air Hitam Besar, Kec. Kendawangan, Kab. Ketapang	Hak Guna Usaha expiring 2055, 2058	6,213	OP	-	2009	102.1
Dusun Natai Maju, Desa Natai Kuini, Kec. Kendawangan, Kab. Ketapang	Hak Guna Usaha expiring 2052, 2056	7,533	OP	1	2013	122.2
Desa Danau Buntar, Desa Jambi & Desa Suka Ramai, Kec. Kendawangan & Kec. Manis Mata, Kab. Ketapang	Hak Guna Usaha expiring 2058	6,682	OP	-	2018	94.7

OP Oil palm
C Coconut

B. INVESTMENT PROPERTY

Location	Tenure	Land Area	Net Lettable Area	Usage	Age of Building (Years)	Net Carrying Amount as at 30 June 2026 RM million
No. 7 Jalan Kenari 5 Bandar Puchong Jaya 47100 Puchong Selangor Darul Ehsan	Freehold	465 sq m	17,168 sq ft	1 unit 3½ storey shop office	31	6.4

C. INDUSTRIAL PROPERTIES

Location	Tenure	Land Area	Usage	Age of Building (Years)	Year of Acquisition	Net Carrying Amount as at 30 June 2026 RM million
Lorong Perusahaan Satu Prai Industrial Complex 13600 Prai Penang	Leasehold expiring between 2069-2114	180,263 sq m	Offices and factory sites	47	2001	84.1
			Factory site	4-25		27.6
Deep Water Wharves 12100 Butterworth Penang	Leasehold expiring 2030	8,615 sq m	Bulking installation	52	2001	-
PT 110296 Jalan Pekeliling Mukim Plentong Pasir Gudang Johor Bahru Johor Darul Takzim	Leasehold expiring 2052	2.3 Ha	Factory complex and vacant industrial land	34	2007	21.3
PT 216213 Jalan Pekeliling Mukim Plentong Pasir Gudang Johor Bahru Johor Darul Takzim	Freehold	3.6 Ha	Factory complex and vacant industrial land	49	2007	2.0
Lot 51693 Jalan Pekeliling PT 101373 & PT 80565 Jalan Timah Pasir Gudang, Johor Bahru Johor Darul Takzim	Leasehold expiring 2038, 2047, 2051	8.3 Ha	Factory complex	35-48	2007	9.0
PTD13399 Mukim Pogoh, Segamat Johor	Freehold	8.2 Ha	Palm wood factory	3	2021	46.0
Country lease 075365632, 075376279 075376260 & 075469340 Sg Mowtas and Batu Sapi Sandakan Sabah	Leasehold expiring 2039, 2042, 2044	22 Ha	Palm oil refinery and palm based renewable energy	29	1995	38.9
Zur Hafenspitze 15 19322 Wittenberge Germany	Freehold	60,000 sq m	Factory complex	25	2016	8.8
Arthur-Imhausen-Strasse 92 D-58453 Witten Germany	Perpetual lease	30,500 sq m	Factory complex	35	2016	33.6

D. OTHER PROPERTIES

Location	Tenure	Land/Built Up Area	Usage	Age of Building (Years)	Year of Acquisition	Net Carrying Amount as at 30 June 2026 RM million
Geran 199129, Lot 40337 Mukim Petaling Selangor Darul Ehsan	Freehold	1,803 sq m	Petrol station land	-	1992	-
Lot 40476 & 40480 Daerah Wilayah Persekutuan Kuala Lumpur	Freehold	3,018 sq m	Bungalow plots	-	1992	2.0
Geran 1341, Lot 12040 Mukim of Tangkak Johor Darul Takzim	Freehold	2 Ha	Vacant land	-	1998	0.1
Lots 429, 432 & 434 Bukit Sebukor Bukit Baru, Melaka Tengah Melaka	Freehold	19 Ha	Future development land	-	1990	1.2
HS(D) 41664 PT 1349 Mukim 01 Seberang Perai Tengah Penang	Leasehold expiring 2124	24,615 sq m	Warehouse	4	2020	14.3
Lot 8165, Mukim 12 Sg Ara Estate Penang	Freehold	1,799 sq m	Future development land	-	2001	0.2
Country lease 115325534 New Wharf Road Lahad Datu Sabah	Leasehold expiring 2914	2 Ha	Vacant land	-	1993	0.1
Country lease 115325543, 116179269 New Wharf Road Lahad Datu Sabah	Leasehold expiring 2058, 2914	5 Ha	Vacant land	-	1993	0.1
Country lease 115310926 Jalan Segama Lahad Datu Sabah	Leasehold expiring 2932	1 Ha	Regional office	25	1993	-
Country lease 075349343, 075349352 Lot 34, Phase 7A Northern Ring Road Sandakan Sabah	Leasehold expiring 2882	417 sq m	3 storey shop/ office	12	2015	1.0
Jl. Utama Pasir Panjang, Desa Batu Belaman, Kec. Kumai, Kab. Kotawaringin Barat, Provinsi Kalimantan Tengah Indonesia	Hak Guna Bangunan expiring 2050	7,002 sq m	Regional office	1	2020	5.8

MATERIAL CONTRACTS

There were no material contracts (not being contracts entered into in the ordinary course of business) entered into by IOI Corporation Berhad ("IOIC" or "the Company") and its subsidiaries (the "Group") involving the interests of the Directors, chief executives and/or major shareholders, either still subsisting at the end of the financial year ended 30 June 2026 or entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

Recurrent related party transactions of a revenue and trading nature of the Group conducted pursuant to shareholders' mandate for the financial year ended 30 June 2026 were as follows:

Transacting Parties	Type of Recurrent Related Party Transactions	Interested Directors/ Major Shareholders and Persons Connected	Value of Transactions (RM million)
Nice Frontier Sdn Bhd ("NFSB")[1]	Purchase of fresh fruit bunches ("FFB") by Pamol Plantations Sdn Bhd ("PPSB")[1]	• Vertical Capacity Sdn Bhd ("VCSB")[2] • Progressive Holdings Sdn Bhd ("PHSB")[3] • Dato' Lee Yeow Chor ("Dato' Lee")[4] • Dato' Lee Yeow Seng ("DLYS")[5] • Datin Joanne Wong Su-Ching ("DJW")[6] • Lee Yoke Ling ("LY Ling")[6] • Lee Yoke Har ("LY Har")[6] • Lee Yoke Hean ("LY Hean")[6] • Lee Yoke Hui ("LY Hui")[6]	24.24
GLM Emerald Industrial Park (Jasin) Sdn Bhd ("GLM")[1]	Purchase of FFB by Dynamic Plantations Berhad ("DPB")[1]	• VCSB[7] • PHSB[8] • Dato' Lee[9] • DLYS[10] • DJW[6] • LY Ling[6] • LY Har[6] • LY Hean[6] • LY Hui[6]	11.53

Notes:

1 *Details of the transacting parties:*

Name of Company	Effective Equity (%)	Principal Activities
NFSB, a subsidiary of IOI Properties Group Berhad ("IOIPG")	Not applicable	Property development, cultivation of plantation produces and property investment
PPSB, a subsidiary of IOIC	100.00	Cultivation of oil palm, processing of palm oil and investment holding
GLM, an associate company of IOIPG	Not applicable	Property development and operation of an oil palm estate
DPB, a subsidiary of IOIC	100.00	Cultivation of oil palm and processing of palm oil

2 *VCSB is the ultimate holding company of IOIPG and a deemed Major Shareholder of NFSB.*

3 *PHSB is the ultimate holding company of IOIC and a deemed Major Shareholder of PPSB.*

4 *Dato' Lee is the Group Managing Director and Chief Executive ("GMD") of IOIC and a Director of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of DLYS. Dato' Lee is also a Director of PPSB.*

5 *DLYS is a Director of IOIC and the Group Chief Executive Officer ("Group CEO") of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of Dato' Lee. DLYS is also a Director of NFSB.*

6 *DJW is the spouse of Dato' Lee. LY Ling, LY Har, LY Hean and LY Hui are the sisters of Dato' Lee and DLYS.*

7 *VCSB is the ultimate holding company of IOIPG, which in turn owns 32% effective equity interest in GLM.*

8 *PHSB is the ultimate holding company of IOIC and a deemed major shareholder of DPB.*

9 *Dato' Lee is the GMD of IOIC and a Director of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of DLYS. Dato' Lee is also a Director of DPB.*

10 *DLYS is a Director of IOIC and the Group CEO of IOIPG and a deemed Major Shareholder of both IOIC and IOIPG. He is the brother of Dato' Lee. DLYS is also a Director of GLM.*

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered by the external auditors, BDO PLT and their affiliated companies or firms to the Company and the Group for the financial year ended 30 June 2026 were as follows:

Fees	Company (RM million)	Group (RM million)
Audit Fees	0.17	1.74
Non-Audit Fees	0.02	0.52
Total	0.19	2.26

Analysis of Shareholdings

As at 28 August 2026

Issued shares	:	6,285,198,995 Ordinary shares
Voting rights	:	One vote per shareholder on a show of hands One vote per ordinary share on a poll
Number of shareholders	:	19,082

ANALYSIS OF SHAREHOLDINGS

Size of holdings	No. of holders	Total holdings	%
1 - 99	2,901	30,381	*
100 - 1,000	4,201	2,823,058	0.04
1,001 - 10,000	8,556	33,504,427	0.53
10,001 - 100,000	2,605	73,682,019	1.17
100,001 – 314,259,948	817	2,397,889,555	38.15
314,259,949 and above	2	3,777,269,555	60.10
Total	**19,082**	**6,285,198,995**	**100.00**

* *Negligible.*

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS
(Based on the Register of Substantial Shareholders)

	No. of ordinary shares#			
Name of substantial shareholders	Direct	%	Indirect*	%
Dato' Lee Yeow Chor	36,500,000	0.58	3,129,534,980	49.79
Dato' Lee Yeow Seng	-	-	3,129,534,980	49.79
Progressive Holdings Sdn Bhd ("PHSB")	3,129,534,980	49.79	-	-
Employees Provident Fund Board	1,100,286,990	17.51	-	-

Notes:

* *Deemed interested by virtue of his interest in PHSB pursuant to Section 8 of the Companies Act 2016.*

\# *Based on the total number of voting shares of 6,285,198,995.*

Analysis of Shareholdings
As at 28 August 2026

DIRECTORS' SHAREHOLDINGS IN THE COMPANY AND ITS RELATED CORPORATIONS AS AT 28 AUGUST 2026
(Based on the Register of Directors' Shareholdings)

Name of Directors	No. of ordinary shares/redeemable preference shares*			
	Direct	%^	Indirect	%^
The Company				
Tan Sri Abdul Wahid bin Omar	-	-	-	-
Dato' Lee Yeow Chor	36,500,000	0.58	3,129,784,980[1]	49.80
Dato' Lee Yeow Seng	-	-	3,129,534,980[2]	49.79
Dato' Kong Sooi Lin	-	-	-	-
Dr Nesadurai Kalanithi	-	-	-	-
Datuk Zurinah binti Pawanteh	-	-	-	-
Mr Lim Tuang Ooi	-	-	-	-
Tan Sri Peter Chin Fah Kui *(retired on 4 November 2025)*	-	-	20,000[3]	#
Ultimate Holding Company – Progressive Holdings Sdn Bhd				
Dato' Lee Yeow Chor	18,600,000	77.50	-	-
Dato' Lee Yeow Seng	5,400,000	22.50	-	-
Dato' Lee Yeow Chor	274,691,775*	77.50	-	-
Dato' Lee Yeow Seng	79,749,225*	22.50	-	-

By virtue of Dato' Lee Yeow Chor's and Dato' Lee Yeow Seng's interests in the ordinary shares of the Company and of its ultimate holding company, they are also deemed to be interested in the shares of all the subsidiaries of the Company and of its ultimate holding company to the extent that the Company and its ultimate holding company have an interest.

Notes:
1 *Deemed interested by virtue of his interest in Progressive Holdings Sdn Bhd ("PHSB"), pursuant to Section 8 of the Companies Act 2016 ("the Act") and also interest in shares of his spouse, Datin Joanne Wong Su-Ching pursuant to Section 59(11)(c) of the Act.*
2 *Deemed interested by virtue of his interest in PHSB, pursuant to Section 8 of the Act.*
3 *Deemed interested by virtue of his interest in shares of his spouse, Puan Sri Ruby Wee Hui Kiang pursuant to Section 59(11)(c) of the Act.*
\# *Negligible.*
^ *Based on the total number of voting shares of 6,285,198,995.*

Analysis of Shareholdings
As at 28 August 2026

SENIOR MANAGEMENT'S SHAREHOLDINGS

Based on the Record of Depositors of the Company as at 28 August 2026, the details of shareholdings of our senior management team are as follows:

Name	No. of ordinary shares held as 01.07.2025				No. of ordinary shares changes from 01.07.2025 to 28.08.2026				No. of ordinary shares held as at 28.08.2026			
					Direct		Indirect					
	Direct	%#	Indirect	%#	Acquired	Disposed	Acquired	Disposed	Direct	%#	Indirect	%#
1. Sudhakaran a/l Nottath Bhaskaran	270,600	*	-	-	-	(185,000)	-	-	85,600	*	-	-
2. Subramaniam a/l Arumugam	-	-	-	-	-	-	-	-	-	-	-	-
3. Koo Ping Wui	15,000	*	-	-	-	-	-	-	15,000	*	-	-
4. Sia Chieng Ho	-	-	-	-	-	-	-	-	-	-	-	-
5. Thomas Kummer	-	-	-	-	-	-	-	-	-	-	-	-
6. Teoh Bak Moi	-	-	-	-	-	-	-	-	-	-	-	-
7. Lim Jit Uei	-	-	-	-	-	-	-	-	-	-	-	-
8. Ir. Shyam a/l M.K. Lakshmanan	12,000	*	-	-	-	-	-	-	12,000	-	-	-
9. Hans Peter Fitch	78,000	*	-	-	2,000	-	-	-	80,000	*	-	-
10. Tan Kean Hua	41,000	*	-	-	-	-	-	-	41,000	*	-	-
11. Kong Kian Beng	-	-	-	-	-	-	-	-	-	-	-	-
12. Dr Surina binti Ismail	-	-	-	-	-	-	-	-	-	-	-	-
13. Tan Choong Khiang *(resigned on 1 September 2026)*	-	-	-	-	-	-	-	-	-	-	-	-
14. Amir Mohd Hafiz bin Amir Khalid	-	-	-	-	-	-	-	-	-	-	-	-
15. Ling Kea Ang	-	-	-	-	-	-	-	-	-	-	-	-
16. Lee Chin Huat	-	-	-	-	-	-	-	-	-	-	-	-
17. Lee Mee Kam	-	-	-	-	-	-	-	-	-	-	-	-

Notes:
* *Negligible.*
\# *Based on the total number of voting shares of 6,285,198,995.*

Analysis of Shareholdings

As at 28 August 2026

LIST OF TOP 30 SHAREHOLDERS

(without aggregating securities from different securities accounts belonging to the same registered holder)

Name	No. of shares held	%
1. Progressive Holdings Sdn Bhd	1,382,166,880	21.99
2. Progressive Holdings Sdn Bhd	1,017,285,200	16.19
3. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	734,734,575	11.69
4. Progressive Holdings Sdn Bhd	643,082,900	10.23
5. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	233,074,765	3.71
6. Kumpulan Wang Persaraan (Diperbadankan)	204,746,900	3.26
7. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera*	151,543,800	2.41
8. Annhow Holdings Sdn Bhd	115,372,300	1.84
9. Lembaga Tabung Haji	98,204,500	1.56
10. AmanahRaya Trustees Berhad *Amanah Saham Malaysia*	88,500,000	1.41
11. HLB Nominees (Tempatan) Sdn Bhd *Pledged Securities Account for Progressive Holdings Sdn Bhd*	87,000,000	1.38
12. AmanahRaya Trustees Berhad *Amanah Saham Malaysia 2 - Wawasan*	44,000,000	0.70
13. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	42,217,000	0.67
14. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Total International Stock Index Fund*	41,841,738	0.67
15. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	39,751,190	0.63
16. Dato' Lee Yeow Chor	36,500,000	0.58
17. Citigroup Nominees (Tempatan) Sdn Bhd *Great Eastern Life Assurance (Malaysia) Berhad*	29,283,313	0.46
18. Citigroup Nominees (Asing) Sdn Bhd *CBNY for IShares Core MSCI Emerging Market ETF*	28,578,600	0.45
19. Citigroup Nominees (Tempatan) Sdn Bhd *Exempt Authorised Nominee for AIA Bhd*	27,352,101	0.44
20. Citigroup Nominees (Asing) Sdn Bhd *Exempt Authorised Nominee for UBS AG Singapore*	26,900,000	0.43
21. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	26,830,038	0.43
22. AmanahRaya Trustees Berhad *Amanah Saham Malaysia 3*	23,800,400	0.38
23. HSBC Nominees (Asing) Sdn Bhd *JPMCB NA For Vanguard Fiduciary Trust Company Institutional Total International Stock Market Index Trust II*	21,050,700	0.33
24. AmanahRaya Trustees Berhad *Amanah Saham Bumiputera 3 - Didik*	19,765,400	0.31
25. HSBC Nominees (Asing) Sdn Bhd *HSBC-FS G for People's Bank of China*	19,046,900	0.30
26. Citigroup Nominees (Tempatan) Sdn Bhd *Pledged Securities Account - UBS AG Singapore for Annhow Holdings Sdn Bhd*	18,330,000	0.29
27. Citigroup Nominees (Asing) Sdn Bhd *UBS AG*	17,662,693	0.28
28. Koon KM Holding Sdn Bhd	16,800,000	0.27
29. HSBC Nominees (Asing) Sdn Bhd *J.P. Morgan Securities PLC*	16,212,373	0.26
30. Citigroup Nominees (Tempatan) Sdn Bhd *Employees Provident Fund Board*	16,047,200	0.26
Total	**5,267,681,466**	**83.81**

Classification of Shareholders

As at 28 August 2026

Category	No. of Shareholders		No. of Shares Held		% of Issued Shares	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
Individuals	16,412	354	147,460,426	7,867,499	2.35	0.13
Body Corporate						
1. Banks/Finance Companies	24	2	652,945,200	3,843,900	10.39	0.06
2. Investment Trusts/Foundation/ Charities	6	-	1,872,466	-	0.03	-
3. Industrial and Commercial Companies	292	8	3,213,305,256	4,563,866	51.12	0.07
Government Agencies/Institutions	3	-	235,576	-	#	-
Nominees	2,736	865*	1,576,392,462	676,681,944*	25.08	10.77*
Others	1	-	30,400	-	#	-
Trustee	-	-	-	-	-	-
Total	**19,474**	**1,229**	**5,592,241,786**	**692,957,209**	**88.97**	**11.03**

Notes:

* *These holdings include securities registered in the nominee companies with foreign beneficiaries.*

\# *Negligible.*

Glossary

Glossary

3-monochloropropanediol ("3-MCPD")	Organic chemical compounds formed during oil/food production and preparation at high temperatures (above 200°C). These process contaminants can be minimised or eliminated entirely through changes to how oil/food is produced.
Active Pharmaceutical Ingredient ("API")	Active components in a pharmaceutical drug that produce the required effect on the body to treat a condition.
AVROS Pisifera	One of the three main fruit forms of the oil palm, which is used almost exclusively as the paternal (male) parent to produce commercial, high-yielding hybrid oil palms.
CDP	A not-for-profit organisation that provides a platform for all suppliers to manage their environmental impacts.
CARE Studio	An in-house application laboratory of IOI Oleo GmbH located in Hamburg, Germany, is primarily used for developing new ideas and formulations as well as providing advanced training and seminars for our customers.
CARE Studio APAC	IOI Oleochemicals' first Centre of Expertise in the Asia-Pacific region, officially opening in September 2026. It functions as a collaborative innovative hub combining formulation science, sensory expertise and direct customer interaction for the beauty and personal care market.
Climate Change Action initiative ("CCAi")	IOI's Group-wide long-term action plans to mitigate and reduce greenhouse gas emissions from our diverse operations. The ultimate aim of this initiative is to achieve net zero by 2040.
Crude Palm Oil ("CPO")	An edible oil derived from the pulp of oil palm fruits.
Dow Jones Sustainability Indices ("DJSI")	Benchmarks the sustainability performance of leading companies based on economic, environmental, social and governance criteria.
Enterprise Resource Planning ("ERP")	A system that ties together a multitude of business processes within a company and enables the flow of data between them.
European Union Deforestation Regulation ("EUDR")	Under the EUDR, operators (companies who first place products in the single market) will be required to implement the due diligence on their supply chains to ensure they are deforestation-free, while traders will be responsible for storing and sharing information on their supply chain to operators.
Environmental, Social and Governance ("ESG")	Three key factors which are used to measure the sustainability and ethical impacts of an investment in a business or company.
Economic, Environmental, Social and Governance ("EESG")	A holistic framework for sustainability, recognising the interconnectedness of economic growth, environmental protection, social well-being, and strong governance.
Electronic Plantation Monitoring System ("ePMS")	An operations management software implemented by the IOI in palm oil plantations to grade fresh fruit bunches in a handheld device.
Expandable Polystyrene ("EPS")	Used in a large variety of industries as an insulation or packaging material.
European Union-Good Manufacturing Practice ("EU-GMP")	A quality assurance which ensures that the quality of medicinal products is maintained throughout all stages of the supply chain.
Fresh Fruit Bunches ("FFB")	Bunches harvested from the oil palm trees.
Fast-Moving Consumer Goods ("FMCG")	Products that are high in demand, sold quickly and affordable.
Food Safety System Certification ("FSSC") 22000	A robust, ISO-based, internationally recognised certification scheme for auditing and certification of food safety for organisations in the food supply chain.
Geographic Information System ("GIS")	A computer system for capturing, storing, checking and displaying data related to positions on Earth's surface.
Greenhouse Gas ("GHG")	Gases in Earth's atmosphere that trap heat and act like glass walls of a greenhouse. The main GHGs include carbon dioxide, methane, nitrous oxides, and water vapour which cause global warming.
Global Reporting Initiative ("GRI")	An international independent organisation that helps businesses, governments and other organisations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others.
Glycidyl Esters ("GE")	Contaminants primarily found in refined oils, mainly formed during the deodorisation step in the refining process of edible oils.
High Conservation Value ("HCV")	Biological, ecological, social or cultural values which are significant or critically important at the national, regional or global level.
High Carbon Stock ("HCS") areas	Tropical forests that hold large reserves of carbon and biodiversity, which are released and lost when these forests are cleared.
High-Mono-Ester	High cloud point ester designed for improved emulsion stability in high electrolyte conditions.
HPLC-GC-FID	An online technique that couples High-Performance Liquid Chromatography ("HPLC") with Gas Chromatography ("GC") and a Flame Ionization Defector ("FID").
International Labour Organization ("ILO")	A United Nations agency which sets international labour standards, promotes rights at work and encourages decent employment opportunities, the enhancement of social protection and the strengthening of dialogue on work-related issues.
International Sustainability & Carbon Certification ("ISCC")	An independent multi-stakeholder organisation providing a globally applicable certification system for the sustainability of raw materials and products.
International Sustainability Standards Board ("ISSB")	An organisation to develop a superior standard for disclosures regarding sustainability in order to help investors and potential stakeholders.
IOI Cares	A personalised and comprehensive employee wellness programme that fosters employees' well-being holistically through Naluri's evidence-based digital health platform.
IOI Foundation	Formerly known as Yayasan Tan Sri Lee Shin Cheng, a charity arm jointly funded by the Group.
IOI Group Sustainability Policy ("IOISP")	Formerly known as the Sustainable Palm Oil Policy ("SPOP"), this revised policy incorporates new sustainability requirements and reflects IOI's latest commitments.
Isopropyl Esters	Widely used in food and cosmetics due to characteristics such as non-toxicity and skin-friendly nature.
KetoLipix Therapeutics GmbH ("KetoLipix")	A biotech start-up founded in 2022 to establish a pipeline of novel therapeutic products that are based on proprietary chemical structures. It is a spin-off from IOI Oleo GmbH, Germany and part of the IOI Group.
Lean Manufacturing	A holistic approach to production that emphasises efficiency, value creation, and continuous improvement by minimising waste and maximising productivity.
Learning Management System ("LMS")	A software tool to create, deliver and report on employees' training courses and programmes.
Lipid Excellence Center ("LEC")	A new state-of-the-art facility located in Witten, Germany, that will unite the areas of Research & Development, Application Technology and Analytics, while also providing a central location for the offices at the site.
Malaysian Sustainable Palm Oil Certification ("MSPO")	A national scheme in Malaysia for oil palm plantations, independent and organised smallholdings, and palm oil processing facilities to be certified against the requirements of the MSPO Standards.
Medium-Chain Triglycerides ("MCT")	Lipids that can be derived from palm kernel oils for people who cannot tolerate other types of oils which primarily contain long-chain triglycerides. IOI Oleo GmbH offers a broad range of MCT oils under the WITARIX® and MIGLYOL® brands.
Mineral Oil Hydrocarbons ("MOH")	Chemical substances found in mineral oils which can contaminate food and are potentially toxic to humans. The source of contamination could be from the environment, agriculture, processing, transport and packaging materials. Two main types of MOH are Mineral Oil Saturated Hydrocarbons ("MOSH") and Mineral Oil Aromatic Hydrocarbons ("MOAH").
No Deforestation, No New Planting on Peat and No Social Exploitation ("NDPE")	A commitment to eliminate deforestation, protect HCV and HCS areas, avoid new development on peat, and respect human rights, workers' rights, and the rights of local communities and Indigenous Peoples.

Glossary

Glossary

Near-Infrared ("NIR") Online System	An online system installed at IOI Oleo GmbH that enables real-time reaction monitoring within the esterification reactors which allows optimisation of reaction and analysis times.
Net Zero	A state in which the GHG entering the atmosphere are balanced by removal from the atmosphere.
Novel Food	Foods or food ingredients that have not been widely consumed within a specific region before a certain date, often due to a lack of history of safe consumption or because they are produced using new methods. These foods can include new plant sources, novel ingredients, or those produced using new technologies. They are often introduced to offer new flavours, nutritional benefits, or more sustainable food options.
Novel Suppository	PGE component instead of standard hard fats which is used to deliver a drug by insertion into a body orifice. IOI Oleo GmbH produces hard fats for suppositories and ovules under the WITEPSOL® brand name.
Oil Extraction Rate ("OER")	The quantity of oil that is obtained from fresh fruit bunches.
Oil Palm Trunks ("OPT")	One of the oil palm biomass wastes with high carbon content that can be commercially and sustainably converted into eco-friendly, sustainable and high-performance palm wood panels.
OnCore®	A premium-grade thermally modified palm lumber, blockboards and engineered palm wood panels that are produced by IOI Palm Wood.
Open Innovation Programme	A programme designed to collaborate with external stakeholders to advance IOI's innovation agenda and address our challenges or pain points.
Palm Kernel ("PK")	The edible seed of oil palm fruit that yields palm kernel oils.
PalmGHG calculator	An online calculator created by Roundtable on Sustainable Palm Oil ("RSPO") to enable oil palm growers to estimate and monitor their net GHG emissions as well as allow them to easily identify and address gaps in their production chain.
Palm Oil Mill Effluent ("POME")	Wastewater generated from palm oil milling activities which requires effective treatment before discharging into watercourses.
Polyglycerol Esters ("PGE")	A class of emulsifiers widely used in pharmaceutical and cosmetics.
Precision Project	A sales and operations planning project in IOI Oleo GmbH involving an integrated planning process that is aligned with demand, supply and financial planning.
Product Carbon Footprint ("PCF")	A measure of the total GHG emissions generated during a product's entire lifecycle, from raw material extraction to disposal.
Regenerative Agriculture ("RA")	A conservation and rehabilitation approach to farming system which focuses on improving soil health and biodiversity by protecting soil from erosion and improves water infiltration, water retention and others.
Registration, Evaluation, Authorisation & Restriction of Chemicals ("REACH")	A regulation to evaluate chemical risk while protecting human health and the environment.
Robotic Process Automation ("RPA")	Software robotics which uses intelligent automation technologies to perform high-volume, repetitive office tasks of human workers.
Roundtable on Sustainable Palm Oil ("RSPO")	A multi-stakeholder organisation that advances sustainable palm oil through global standards and certification, backed by active stakeholder engagement.
Science Based Target initiative ("SBTi") Forest, Land and Agriculture ("FLAG")	A framework that provides standard guidance for companies to develop verifiable science-based emissions reduction targets in line with the latest climate science. IOI Group has committed to this initiative since March 2023.
Scope 1 Emissions	Covers all direct GHG emissions from owned or controlled sources.
Scope 2 Emissions	Covers indirect GHG emissions from the generation of purchased energy including electricity, steam, heating and cooling that is consumed by the reporting company.
Scope 3 Emissions	Includes all other indirect GHG emissions that occur in a company's value chain.

SOFTISAN®	A brand name of specialty oleochemical ingredients for the pharmaceutical, personal care and nutrition industries, developed by IOI Oleo GmbH.
Sustainability Advisory Panel ("SAP")	Formed in January 2017 and tasked with overseeing the execution of IOI Group's Sustainability Implementation Plan. It also advises on sustainability issues raised by multi-stakeholders such as non-governmental organisations and the RSPO.
Sustainability Policy Transparency Toolkit ("SPOTT")	A free, online platform assessing commodity producers, processors and traders on their public disclosure regarding their organisation, policies, and practices related to ESG issues.
Sustainability Consultation Forum ("SCF")	Set up by IOI Group with the SAP as its core member, to gather feedback and perceptions from external stakeholders on selected and complex sustainability issues as well as bottom-up feedback from IOI's management and sustainability team.
Sustainable Palm Oil Policy ("SPOP")	The keystone policy for IOI Group's commitment to sustainability practices and the implementation of a responsible global palm oil supply chain, now known as the IOI Group Sustainability Policy ("IOISP").
Task Force on Climate-Related Financial Disclosures ("TCFD")	A set of disclosure recommendations created by the Financial Stability Board to help companies, banks and investors in disclosing consistent climate-related financial information to their stakeholders.
Transformation Concept project	A project that commenced in March 2023 specifying the measures IOI Oleo GmbH is implementing over the next 10 years to achieve climate neutrality.
Yayasan Tan Sri Lee Shin Cheng ("Yayasan TSLSC")	The charity arm of IOI Group, established by and named after the late founder, Tan Sri (Dr) Lee Shin Cheng. It is now known as IOI Foundation.

Notice of Annual General Meeting

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifty-Seventh Annual General Meeting ("**57th AGM**") of IOI Corporation Berhad (the "**Company**") will be convened and held physically (Physical Meeting) at Millennium Ballroom 1, Level 1, Le Méridien Putrajaya, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Malaysia (the "**Meeting Venue**") and by way of electronic means (Virtual Meeting) via Boardroom Smart Investor Portal ("BSIP") at https://investor.boardroomlimited.com (the "**Meeting Platform**") on Wednesday, 4 November 2026 at 10:00 am (Malaysia time) or any adjornment thereof, for the purpose of considering and, if thought fit, passing with or without modifications, the following Ordinary Resolutions:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 and the Reports of the Directors and Auditors thereon.

   Please refer to Explanatory Note C(1)

2. To re-elect the following Directors retiring by rotation pursuant to Article 91 of the Company's Constitution:

   (i) Dato' Lee Yeow Chor — **Resolution 1**
   (ii) Mr Lim Tuang Ooi — **Resolution 2**
   (iii) Datuk Zurinah binti Pawanteh — **Resolution 3**

   Please refer to Explanatory Note C(2)

3. To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,790,000 for the financial year ending 30 June 2027 payable quarterly in arrears after each month of completed service of the Directors during the financial year. — **Resolution 4**

   Please refer to Explanatory Note C(3)

4. To approve the payment of Directors' benefits (other than Directors' fees) of up to RM300,000 for the period from 5 November 2026 until the next Annual General Meeting to be held in year 2027. — **Resolution 5**

   Please refer to Explanatory Note C(3)

5. To re-appoint BDO PLT, the retiring Auditors for the financial year ending 30 June 2027 and to authorise the Directors to fix their remuneration. — **Resolution 6**

   Please refer to Explanatory Note C(4)

6. As special business, to consider and if thought fit, to pass the following Ordinary Resolutions:

   6.1 Authority to Directors to issue and allot shares under the Companies Act 2016

   "THAT pursuant to Sections 75 and 76 of the Companies Act 2016, the Directors be hereby authorised with full powers to issue and allot shares in the Company from time to time and upon such terms and conditions and for such purposes as they may deem fit subject always to the approval of the relevant authorities being obtained for such issuance and allotment provided that the aggregate number of shares to be issued and allotted pursuant to this resolution does not exceed **five percent (5%)** of the total number of issued shares (excluding treasury shares) of the Company for the time being and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company and that the Directors be also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so allotted." — **Resolution 7**

   Please refer to Explanatory Note C(5)

   6.2 Proposed Renewal of Existing Share Buy-Back Authority

   "THAT subject to compliance with applicable laws, regulations and the approval of all relevant authorities, approval be hereby given to the Company to utilise up to the aggregate of the Company's latest audited retained earnings, to purchase, from time to time during the validity of the approval and authority under this resolution, such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Malaysia Securities Berhad (the "**Bursa Securities**") upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares to be purchased and/or held by the Company pursuant to this resolution does not exceed **ten percent (10%)** of the total number of issued shares of the Company at the time of purchase (the "**Proposed Purchase**").

   THAT at the discretion of the Directors of the Company, the shares of the Company to be purchased are to be cancelled and/or retained as treasury shares which may be distributed as dividends, resold on Bursa Securities and/or otherwise dealt with by the Directors in the manners allowed by the Companies Act 2016.

   THAT the Directors of the Company be hereby empowered generally to do all acts and things to give effect to the Proposed Purchase with full powers to assent to any condition, modification, revaluation, variation and/or amendment (if any) as may be imposed by the relevant authorities and/or do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company.

   AND THAT such authority shall commence immediately upon passing of this resolution until:

   (i) the conclusion of the next Annual General Meeting of the Company at which time the authority shall lapse unless by ordinary resolution passed at a general meeting, the authority is renewed either unconditionally or subject to conditions;

   (ii) the expiration of the period within which the next Annual General Meeting after that date is required by law to be held; or

   (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

   whichever is the earlier but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities." — **Resolution 8**

   Please refer to Explanatory Note C(6)

   6.3 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

   "THAT subject always to the provisions of the Companies Act 2016 (the "**Act**"), the Constitution of the Company, Main Market Listing Requirements of Bursa Malaysia Securities Berhad or other regulatory authorities, approval be hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations involving the interests of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries (the "**Related Parties**"), as detailed in Part B, Section 4 of the Circular to Shareholders of the Company dated 6 October 2026 (the "**Shareholders' Mandate**") subject to the following:

   (i) the transactions are carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company; and

(ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the Shareholders' Mandate during the financial year.

THAT the authority conferred by this resolution will commence immediately upon the passing of this resolution and shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting of the Company, at which time it will lapse, unless renewed by a resolution passed by the shareholders of the Company in a general meeting;

(ii) the expiration of the period within which the next Annual General Meeting of the Company after that date is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier,

AND THAT the Directors of the Company be hereby authorised to complete and do all such acts and things as they may consider expedient or necessary to give effect to the Shareholders' Mandate." **Resolution 9**

Please refer to Explanatory Note C(7)

7. To transact any other business of which due notice shall have been given.

By Order of the Board,

Loh Hoong Ling
Company Secretary
(SSM PC 202508000408) (MAICSA 7066543)

Putrajaya
6 October 2026

Notes:

A. Hybrid 57th AGM

1. The 57th AGM of the Company will be held on a hybrid mode whereby shareholders, proxies and corporate representatives will have the option to attend the 57th AGM:

   (i) physically (in person) at the Meeting Venue (the "**Physical Attendance**"); or

   (ii) virtually using Remote Participation and Electronic Voting (RPEV) facilities available on the Meeting Platform at https://investor.boardroomlimited.com (the "**Virtual Attendance**").

   Please refer to the registration procedures provided in the Administrative Guide for the 57th AGM for both Physical Attendance and Virtual Attendance.

2. Only shareholders whose names appear in the Record of Depositors and Register of Members as at **16 October 2026** shall be eligible to participate and vote at the 57th AGM or to appoint proxy to participate and vote on his or her behalf.

3. All shareholders, proxies and corporate representatives who wish to attend the 57th AGM are **NOT required to pre-register** their attendance on the Meeting Platform to verify their eligibility to attend the 57th AGM.

4. All of the above ordinary resolutions will be carried if more than half of the votes cast are in favour of those resolutions. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements (the "**Listing Requirements**") of Bursa Malaysia Securities Berhad (the "**Bursa Securities**"), all resolutions shall be put to vote by way of a poll.

B. Appointment of Proxy

1. A shareholder may appoint any person to be his or her proxy and there shall be no restriction as to the qualification of the proxy.

2. If an instrument appointing a proxy is submitted in hard copy, it must be in writing under the hand of the appointor or of his or her attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of two (2) authorised officers, one (1) of whom shall be a director, or of its attorney duly authorised in writing.

3. A shareholder of the Company including an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 and Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (Omnibus Account) may appoint more than one (1) proxy, provided that the shareholder specifies the proportion of his or her shareholdings to be represented by each proxy. When two (2) or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others in respect of that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

4. An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.

5. The Proxy Form may be submitted in hard copy or by electronic means, **not less than forty-eight (48) hours** before the time for holding the 57th AGM or any adjournment thereof, as follows:

   (i) **In hard copy form**

   The Proxy Form must be deposited at the office of our Administration and Polling Agent, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

   (ii) **By electronic means**

   The Proxy Form can also be lodged electronically through BSIP at https://investor.boardroomlimited.com. Please follow the procedures provided in the Administrative Guide for the 57th AGM on how to deposit the Proxy Form electronically.

6. Any corporation which is a shareholder can appoint one (1) or more corporate representatives who may exercise on its behalf all of its power as a shareholder in accordance with the Companies Act 2016 (the "**Act**").

C. Explanatory Notes to the Agenda

1. Audited Financial Statements for the financial year ended 30 June 2026

Under the provision of Section 340(1)(a) of the Act, the audited financial statements do not require a formal approval of the shareholders. Hence, this agenda item is meant for discussion only and will not be put forward for voting.

The Chairman will extend an invitation to shareholders, proxies and corporate representatives to pose questions and offer feedback concerning the Directors' Report, Audited Financial Statements and the Group's performance, in accordance with the mode of communication as stated in the Administrative Guide for the 57th AGM.

Shareholders, proxies and corporate representatives will also be given an opportunity to pose questions to the representative(s) of the Company's Auditors, BDO PLT ("**BDO**") on matters relevant to the audit of financial statements, including the Auditors' Report.

2. Ordinary Resolutions 1 to 3: Re-election of Retiring Directors

Dato' Lee Yeow Chor ("**Dato' Lee**"), Mr Lim Tuang Ooi ("**Mr Lim**") and Datuk Zurinah binti Pawanteh ("**Datuk Zurinah**") who retire in accordance with Article 91 of the Company's Constitution, are eligible for re-election and have offered themselves for re-election at the 57th AGM. The re-election of each retiring Director shall be voted on individually.

Each of the retiring Directors standing for re-election has undergone a performance evaluation and has provided his/her annual declaration on his/ her fitness and propriety to continue acting as Director of the Company in accordance with the Group's Fit and Proper Policy together with confirmation of independence, where applicable.

In determining the eligibility of the retiring Directors to stand for re-election at the 57th AGM of the Company, the Governance, Nominating and Remuneration Committee ("**GNRC**") considered the following:

(i) Evaluation of the effectiveness of the Directors in terms of character, experience, integrity, competency and time commitment in discharging their roles as Directors of the Company; and

(ii) For Mr Lim and Datuk Zurinah, the ability to continually provide constructive challenge to Management as well as to express their own views independently of Management or other Directors.

The retiring Directors standing for re-election have been demonstrating these attributes and desired behaviours as circumstances require.

The Board of Directors (the "**Board**") (save for retiring Directors who have abstained from deliberations and decisions on their own re-election) has endorsed the GNRC's recommendations and agreed to propose to the shareholders of the Company the re-election of the retiring Directors, based on the following justifications:

Retiring Director	Justification for Re-election
a) Dato' Lee	• Based on Dato' Lee's vast experience and knowledge in business, legal, sustainability and corporate governance, the Board is of the view that Dato' Lee has the ability to make appropriate decisions to safeguard stakeholders' interests. • Based on the GNRC's assessment, the performance and suitability of Dato' Lee were found to be satisfactory and that Dato' Lee has demonstrated his commitment to the role and continues to be an effective and valuable member of the Board. • The Board has endorsed GNRC's assessment and recognises Dato' Lee's leadership in steering the Group's strategic direction for the long-term benefit of the Company and its stakeholders.
b) Mr Lim	• The GNRC is of the view that Mr Lim fulfils the independence requirements under the Listing Requirements of Bursa Securities and has consistently demonstrated the high standards of commitment, integrity, and suitability in his role as a Director. He has contributed effectively and significantly as a valuable member of the Board and in discharging his duties within the Board Committee. • The Board has endorsed the GNRC's assessment and recognises Mr Lim's valuable contributions as a member of the GNRC and the Audit and Risk Management Committee ("**ARMC**"), as well as his active role on the Board. His re-election is supported by the depth and relevance of his experience, the insights he brings to the Board, and his continued ability to contribute meaningfully to Board deliberations. The Board is satisfied that he meets the criteria set out in the Group's Fit and Proper Policy and considers his re-election to be beneficial to the Company, particularly in strengthening Board independence, diversity, and governance effectiveness.
c) Datuk Zurinah	• The GNRC is of the view that Datuk Zurinah fulfils the independence requirements under the Listing Requirements of Bursa Securities and has consistently demonstrated high standards of commitment, integrity, and suitability in her role as a Director. As Chairman of the GNRC, she has demonstrated strong leadership and has contributed significantly to the effectiveness of the GNRC. • The Board has endorsed the GNRC's assessment and recognises Datuk Zurinah's valuable contributions as Chairman of the GNRC and a member of the Board Sustainability Committee, as well as her active role on the Board. Her re-election is supported by her leadership experience, the perspectives she brings to matters relating to governance and sustainability, and her continued ability to contribute meaningfully to Board deliberations. The Board is satisfied that she meets the criteria set out in the Group's Fit and Proper Policy and considers her re-election to be beneficial to the Company, particularly in strengthening Board independence, diversity, and governance effectiveness.

The detailed profile of each retiring Director, including career history, competencies and qualifications can be found on pages 89 to 92 of this Annual Report.

Save for the conflict of interest disclosures on pages 128 to 131 of the ARMC Report in this Annual Report, there is no further information that needs to be disclosed pursuant to the Listing Requirements of Bursa Securities, nor are there any other matters that need to be brought to the attention of shareholders in respect of the retiring Directors standing for re-election at the 57th AGM.

3. Ordinary Resolutions 4 and 5: Directors' Fees and Benefits

Following the availability of updated market benchmarking information, the GNRC reassessed the Board Chairman's annual fee to ensure that it remains appropriate and commensurate with the role. The assessment took into account the benchmarking results, as well as the responsibilities, expectations and time commitment associated with leading the Board and supporting effective governance and oversight. Having considered these factors, the GNRC is of the view that the proposed annual fee of RM385,000 is fair and appropriate. Accordingly, it is proposed that the Board Chairman's annual fee be increased from RM350,000 to RM385,000, representing an adjustment of 10%, with effect from financial year ("**FY**") ending 30 June 2027 ("**FY2027**").

The proposed adjustment is limited to the Board Chairman's fee and reflects the distinct scope and demands of the role. The existing Directors' fees and Board Committee fees, which were last revised in FY ended 30 June 2025 following a benchmarking exercise, remain aligned with market benchmarks and are considered fair and appropriate. Accordingly, no adjustment to these fees is proposed for FY2027. To support continued alignment with market practices and evolving Board responsibilities, a comprehensive review of the overall Directors' fee structure will be undertaken in 2027. Any proposed revisions arising from that review will be tabled for shareholders' approval at the 58th AGM in respect of the FY ending 30 June 2028. Details of the Directors' fee structure are set out in the Corporate Governance Overview Statement of this Annual Report.

Subject to shareholders' approval, the Directors' fees (inclusive of Board Committees' fees) for the FY2027 shall be payable quarterly in arrears after each completed month of service during the financial year.

The Directors' benefits (other than Directors' fees) consist of meeting attendance allowances, insurance coverage and golf privileges to Non-Executive Directors. In determining the estimated total amount of Directors' benefits, the Board had considered the estimated number of meetings of the Board and its Committees, the estimated proportionate insurance premium, and the estimated usage of golf facilities based on the limits provided by the Company during the relevant period.

4. Ordinary Resolution 6: Re-appointment of Auditors

The ARMC had conducted an evaluation of the performance and effectiveness of BDO, including an assessment of BDO's independence and objectivity. The ARMC, being satisfied with the performance, suitability and independence of BDO as external auditors, has recommended to the Board that BDO be re-appointed at the 57th AGM and its remuneration be determined by the Board. The Board in turn has endorsed the ARMC's recommendation. The representatives of BDO will be present at the 57th AGM.

5. Ordinary Resolution 7: Authority to Directors to issue and allot shares

Ordinary Resolution 7 is to seek a renewal of the general mandate which was approved at the 56th AGM of the Company held on 4 November 2025 and will lapse at the conclusion of the 57th AGM to be held on 4 November 2026.

The general mandate, if approved, will provide flexibility to the Company for any possible fund-raising activities, including but not limited to the placing of shares for the purpose of funding future investment project(s), acquisition(s) and for strategic reasons or such other purposes as the Directors consider will be in the best interest of the Company. In order to eliminate any delay and costs in convening a general meeting to specifically approve such issuance of shares, it is considered appropriate that the Directors be empowered, as proposed under the Ordinary Resolution 7, to issue and allot shares in the Company up to an amount not exceeding in total **five percent (5%)** of the total number of issued shares of the Company for the time being. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company to be held in year 2027.

The Company did not issue any new shares pursuant to Sections 75 and 76 of the Act under the general mandate which was approved at the 56th AGM of the Company.

6. Ordinary Resolution 8: Proposed Renewal of Existing Share Buy-Back Authority ("SBB Authority")

Ordinary Resolution 8 is to seek the renewal of the SBB Authority granted by the shareholders to the Company at the 56th AGM of the Company held on 4 November 2025, which will lapse at the conclusion of the 57th AGM to be held on 4 November 2026. The resolution, if passed, will authorise the Company to make market purchases of its own ordinary shares as permitted by the Act.

If the SBB Authority is renewed at the 57th AGM, the Board will be allowed to purchase up to **ten percent (10%)** of the Company's total number of issued shares, should market conditions and price justify such purchase(s). The Board will only make such purchase(s) under the SBB Authority if doing so could lead to an increase in the net asset value per share held by the remaining shareholders and the purchase(s) are in the best interests of the Company in general, having due regard to appropriate gearing levels, alternative investment opportunities and the overall financial position of the Company.

Any purchase of ordinary shares of the Company will be by means of market purchases through Bursa Securities. Shares purchased under the SBB Authority may either be cancelled or held as treasury shares by the Company. Such treasury shares may subsequently be cancelled, resold for cash, distributed as dividends or otherwise dealt with by the Directors in the manners allowed by the Act.

Please refer to Part A, Share Buy-Back Statement in the Circular to Shareholders dated 6 October 2026 for the explanatory information on the SBB authority.

7. Ordinary Resolution 9: Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions ("RRPT") of a Revenue or Trading Nature (the "Proposed Shareholders' Mandate")

Ordinary Resolution 9 is to seek approval from the shareholders for renewal of the shareholders' mandate for RRPT granted at the 56th AGM held on 4 November 2025. The Proposed Shareholders' Mandate will enable the Company and its subsidiaries to enter into any of the RRPT of a revenue or trading nature which are necessary for the day-to-day operations involving the interest of Directors, major shareholders or persons connected to the Directors and/or major shareholders of the Company and its subsidiaries (the "**Related Parties**"), subject to the transactions being in the ordinary course of business, on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. The Proposed Shareholders' Mandate, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company to be held in year 2027.

Please refer to Part B of the Circular to Shareholders dated 6 October 2026 for more details on this proposal.

Statement Accompanying Notice of Annual General Meeting
(Pursuant to Paragraph 8.27(2) of the Listing Requirements)

1. Details of individuals who are standing for election as Directors

Other than the retiring Directors standing for re-election at the 57th AGM, no individual is seeking election as a Director at the forthcoming 57th AGM.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements

Details of the general mandate to issue and allot shares in the Company pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note C(5) to the Agenda.

Personal Data Privacy:

By submitting an instrument appointing proxy and/or representative to participate and vote at the 57th AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies) and representative(s) appointed for the 57th AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists and other documents relating to the 57th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

IOI CORPORATION BERHAD
Company Registration No. 196901000607 (9027-W)
(Incorporated in Malaysia)

No. of Shares Held	
CDS Account No.	

IOI GROUP

Proxy Form

.....

I/We, _____
(full name in capital letters)

NRIC/Passport/Company Registration No. _____ having Mobile Phone No. _____

of _____
(full address/email address)

being shareholder(s) of IOI **Corporation Berhad** (the "**Company**"), hereby appoint:

First Proxy "A"			
Full Name *(in capital letters)*	NRIC/Passport/Company Registration No.	**Proportion of Shareholdings**	
		No. of Shares	**%**
Mobile Phone No.	Full Address/Email Address		

*AND/OR (delete as appropriate)

Second Proxy "B"			
Full Name *(in capital letters)*	NRIC/Passport/Company Registration No.	**Proportion of Shareholdings**	
		No. of Shares	**%**
Mobile Phone No.	Full Address/Email Address		

or failing him/her, the Chairman of the Fifty-Seventh Annual General Meeting ("57th AGM") of the Company as my/our proxy/proxies to vote on my/our behalf at the 57th AGM of the Company which will be convened and held physically (Physical Meeting) at Millennium Ballroom 1, Level 1, Le Méridien Putrajaya, Lebuh IRC, IOI Resort City, 62502 Putrajaya, Malaysia (Meeting Venue) and by way of electronic means (Virtual Meeting) via Boardroom Smart Investor Portal ("BSIP") at https://investor.boardroomlimited.com (Meeting Platform) on Wednesday, 4 November 2026 at 10:00 am (Malaysia time) or any adjournment thereof.

My/our proxy/proxies shall vote as follows:

(Please indicate with an "X" or "√" in the space provided as to how you wish your votes to be cast. If you do not do so, the proxy/proxies will vote or abstain from voting on the resolutions at his/her/their discretion.)

No.	Ordinary Resolutions	First Proxy "A"		Second Proxy "B"	
		For	Against	For	Against
1.	To re-elect Dato' Lee Yeow Chor as a Director.				
2.	To re-elect Mr Lim Tuang Ooi as a Director.				
3.	To re-elect Datuk Zurinah binti Pawanteh as a Director.				
4.	To approve the payment of Directors' fees (inclusive of Board Committees' fees) of RM1,790,000 for the financial year ending 30 June 2027 payable quarterly in arrears after each month of completed service of the Directors during the financial year.				
5.	To approve the payment of Directors' benefits (other than Directors' fees) of up to RM300,000 for the period from 5 November 2026 until the next Annual General Meeting.				
6.	To re-appoint BDO PLT, the retiring Auditors for the financial year ending 30 June 2027 and to authorise the Directors to fix their remuneration.				
7.	To authorise the Directors to issue and allot shares of up to 5% of the total issued shares.				
8.	To approve the proposed renewal of existing share buy-back authority.				
9.	To approve the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.				

Dated this _____ day of _____ 2026

_____
Signature/Common Seal of Shareholder(s)

Notes:

1. Only shareholders whose names appear in the Record of Depositors and Register of Members as at **16 October 2026** shall be eligible to participate and vote at the 57th AGM or appoint proxy to participate and vote on his or her behalf.
2. A shareholder may appoint any person to be his or her proxy and there shall be no restriction as to the qualification of the proxy.
3. If an instrument appointing a proxy is submitted in hard copy, it must be in writing under the hand of the appointor or of his or her attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of two (2) authorised officers, one (1) of whom shall be a director, or of its attorney duly authorised in writing.
4. A shareholder of the Company including an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 and Exempt Authorised Nominee who holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (Omnibus Account) may appoint more than one (1) proxy, provided that the shareholder specifies the proportion of his or her shareholdings to be represented by each proxy. When two (2) or more valid but differing appointments of proxy are delivered or received for the same share for use at the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others in respect of that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.
5. An instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
6. The Proxy Form may be submitted in hard copy or by electronic means, **not less than forty-eight (48) hours** before the time for holding the 57th AGM or any adjournment thereof, as follows:

   (i) In hard copy form
   The Proxy Form must be deposited at the office of our Administration and Polling Agent, Boardroom Share Registrars Sdn Bhd at 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

   (ii) By electronic means
   The Proxy Form can also be lodged electronically through BSIP at https://investor.boardroomlimited.com. Please follow the procedures provided in the Administrative Guide for the 57th AGM on how to deposit the Proxy Form electronically.

7. Any corporation which is a shareholder can appoint one (1) or more corporate representatives who may exercise on its behalf all of its power as a shareholder in accordance with the Companies Act 2016.

Personal Data Privacy:

By submitting an instrument appointing proxy and/or representative to participate and vote at the 57th AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxy(ies) and representative(s) appointed for the 57th AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists and other documents relating to the 57th AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing requirements, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

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The Administration and Polling Agent of
IOI CORPORATION BERHAD
Company Registration No. 196901000607 (9027-W)

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

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www.ioigroup.com

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62502 Putrajaya, Malaysia.

MIX
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