QUESTIONS RAISED BY MINORITY SHAREHOLDERS WATCH GROUP RELATING TO THE FOURTEEN ANNUAL GENERAL MEETING OF IOI PROPERTIES GROUP BERHAD HELD ON FRIDAY, 6 NOVEMBER 2026

A. Operational and Financial Matters

Q1. The Group had approximately RM21.4 billion (SGD equivalent) borrowings as of 30 June 2026, which is 84% of its total debt. This borrowing excludes Asia Square Tower 2 ("AST2") funding and future funding for Shenton House redevelopment. A hypothetical 1% rise in SORA would add roughly additional RM214 million a year of interest on the existing SGD loans alone, and no interest rate swaps or other hedging derivatives are disclosed in the annual report.

(2026 Annual Report - Note 32 - Borrowings, page 210; Note 38.2.3 - Interest rate risk, page 218; Note 38.4.2 - Liquidity risk, page 225)

(i) What is the Board's target hedge ratio and strategy to minimise the fluctuation of EPS and maintain consistent dividend payout in the future?

The Group adopts a prudent approach to managing its earnings, cashflows and interest rate exposure with the objective of supporting sustainable earnings growth and dividend distributions. This is underpinned by investments in income-producing assets to strengthen recurring income, alongside disciplined management of operating expense and financing costs. The Group does not adopt a fixed hedging ratio and considers prevailing market conditions, hedging costs, the operating performance and cash flow profile of the underlying businesses in determining its hedging strategy. Given the prevailing relatively low SORA environment, the Group's current strategy is to maintain its SGD borrowings predominantly at floating interest rates to optimise financing costs. Management will continue to monitor interest rate movements and review its financing strategy as appropriate.

(ii) With approximately RM13.8 billion of SGD loans falling due within the next two to three years, what refinancing has already been committed, and at what margin?

The Group proactively manages its debt maturity profile through ongoing monitoring and forward planning. The Group reviews its refinancing requirements on a rolling 12-month basis and engages with relevant lenders ahead of maturity, taking into consideration the nature, size and complexity of the facilities. For loans maturing beyond the next 12 months, the Group continues to assess refinancing requirements and evaluate available options, with formal negotiations to commence at an appropriate time, taking into account prevailing market conditions, financing costs, underlying asset performance and the Group's funding requirements. The Group remains focused on maintaining adequate liquidity and financial flexibility to meet its obligations.

Q2. On what basis does the Chairman say the balance sheet "continued to strengthen" when borrowings rose 29% to RM25.4 billion, gross gearing hit a five-year high of 0.99x. Upon completion of the REIT Proposals and Proposed Acquisition of Shenton 101 Pte Ltd, total borrowings and gross gearing will be RM37.2 billion and 1.33x respectively.

(2026 Annual Report - Chairman's Statement, Financial Performance - Page 38, Five-Year Financial Highlights page 12, Proposed Acquisition of Shenton 101 Pte Ltd announcement dated 1 October 2026, page 10)

(i) Does the Board have a strict gearing ceiling or target range that it will not cross?

The Group manages its gearing through ongoing assessment of its financial position, taking into account asset quality, recurring cash flows, debt-servicing capacity and future capital requirements. As the Group's business model evolves from a predominantly property development business towards a greater emphasis on property investment and growing recurring income base, the assessment of gearing also considers the income-generating capacity of the underlying assets. Recent increases in borrowings have primarily supported acquisitions in Singapore, where the properties are expected to contribute to the Group's recurring income as their operations and occupancy levels stabilise. Gearing is also assessed against the Group's expected investment returns and

funding requirements, while maintaining financial discipline and flexibility to support sustainable growth.

Management monitors the Group's gearing, liquidity and debt-servicing capacity, taking into account its funding requirements, financial position, applicable financing covenants and prevailing market conditions. The Board recognises that acquisitions and business opportunities inherently involve risks and uncertainties, and that actual performance and returns may differ from expectations. In this regard, the Risk Management Committee continues to oversee the Group's risk management framework, while the newly formed Investment Committee will assist the Board in evaluating significant investment proposals, including their commercial viability, expected financial returns, funding implications and associated risks. These governance structures support the Group's ongoing assessment and monitoring of financial and investment risks, as well as the implementation of appropriate measures to manage and mitigate such risks as business and market conditions evolve. The Board retains oversight of the Group's overall risk management and capital management approach, with significant investment and financing decisions subject to the applicable approval processes.

(ii) The Group's replied letter dated 6 November 2024 to MSWG question stated that "The Board actively monitors IOIPG's gearing ratio to strike an optimal balance between supporting growth and maintaining financial stability. The Board is committed to keeping gearing at prudent levels, ensuring financial flexibility and the creation of long-term value". What specific gearing levels does the Board define as "prudent levels" and "optimal balance" thresholds it monitors?

The Chairman's statement on the strengthening of the Group's balance sheet reflects the expansion of its asset base, improvement in net asset value per share and continued investment in quality income-generating assets. The Board also recognises the corresponding increase in borrowings and gearing arising from the Group's expansion.

The Board assesses the Group's gearing in the context of its overall financial position, asset quality, recurring income, debt-servicing capacity and future funding requirements, rather than relying solely on a single gearing metric.

The Group's currently elevated gearing reflects its ongoing expansion phase and investments in quality income-generating assets to strengthen its recurring income base and support long-term growth. The Board recognises the importance of balancing these growth opportunities with financial resilience and is focused on optimising the Group's balance sheet through appropriate financing strategies and the progressive contribution of income from its enlarged asset base.

The Group remains focused on progressively optimising its capital structure through asset monetisation, capital recycling, growth in recurring income and appropriate financing strategies, while balancing business expansion with long-term financial sustainability and shareholders' interests.

Q3. IOIPG will own IOI Central Boulevard Towers, South Beach Tower, AST2 and Shenton House (if approved) within a few hundred metres vicinity.

(2026 Annual Report - GCEO Statement page 44 and MDA page 61–62).

(i) How will IOIPG avoid its own towers competing for the same tenants? Based on the redevelopment plan reported on 1 October 2026 (The Star), Shenton House will include a 165-key luxury hotel, which would compete with the Group's own W Singapore Marina View and JW Marriott Singapore South Beach. What pre-leasing or anchor commitments exist for the office and hotel components?

ICBT, SBT and AST2 are near full occupancy, so the remaining vacancy to compete over is not material. Each office building is also positioned differently, by total NLA, tenant mix, floor plate sizes, views and specifications to meet various tenant requirements. The

centralised leasing team also collaborates to ensure the leasing strategy is aligned across the assets.

The 3 hotels, W Singapore – Marina View, the proposed Shenton House hotel and JW Marriott Singapore South Beach vary in key count, branding and overall offering. Therefore, they are not expected to compete for the same customer groups despite being in proximity to each other.

Hotel Positioning and Business Mix

Comparison	***W Singapore – Marina View***	***Shenton House Hotel***	***JW Marriott Singapore South Beach***
Hotel Positioning	*Luxury Lifestyle*	*Ultra-Luxury*	*Luxury*
Room Inventory	*360 keys*	*150 keys*	*634 keys*
Location	*Marina Bay / Marina View*	*Shenton Way / CBD Financial District*	*South Beach / Marina Bay*
Target Audience	*Affluent leisure, lifestyle travellers, younger luxury consumers*	*High-net-worth individuals, VIPs, premium corporate clientele*	*Corporate travellers, international leisure and MICE groups*
Business Mix	*Leisure, lifestyle corporate, social events and F&B*	*Ultra-luxury leisure, premium corporate, exclusive weddings and private events*	*Corporate, leisure, conferences, meetings and group events*
Ballroom Size	*548 sqm*	*657 sqm*	*443 sqm*
Ceiling Height	*14.5–22 ft*	*33 ft*	*33 ft*
Pre-Function Area	*174 sqm*	*413 sqm*	*306 sqm*
Breakout Rooms	*–*	*5*	*17*
Key Differentiation	*Vibrant luxury lifestyle and social destination*	*Exclusive ultra-luxury experience with premium event facilities*	*Established luxury corporate and MICE destination*

Despite their geographical proximity, the three hotels cater to distinct market segments, with differences in brand positioning, room inventory, target audience and business mix. W Singapore – Marina View focuses on luxury lifestyle, JW Marriott Singapore South Beach caters to corporate travellers and large-scale MICE events, while the proposed Shenton House hotel targets the ultra-luxury segment, focusing on exclusivity, personalised hospitality and high-value private events.

As such, direct competition and potential market cannibalisation are expected to be limited, with the three properties complementing one another and strengthening IOIPG's overall hospitality portfolio and market presence in Singapore.

The leasing team remains open to pre-leasing opportunities for the Shenton House office component, although completion is not expected in the near term.

(ii) What is AST2's occupancy rate as of 30 September 2026, weighted average lease expiry and 2027–2029 lease expiry profile?

As of 30 September 2026, AST2's committed occupancy is 97.4%, WALE of 3.46 years. From 2027–2029, approximately 54% of NLA is due for expiry or renewal.

Q4. MESB and ADSB are family-owned but managed by IOIPG staff. What fees did IOIPG earn under these management services agreements in FY2026? Note 36.2 shows only RM1.97 million of management services income and RM1.46 million of property project management income from affiliates in FY2026. Is this the full amount earned from MESB and ADSB, and how is arm's-length pricing tested?

(2026 Annual Report - Audit Committee Report, page 111–112 and 115 and Note 36.2 - Significant Related Party Disclosures, page 213)

The management fees earned by the Group mainly include fees from Malayapine Estates Sdn Bhd ("MESB"), Adawan Development Sdn Bhd ("ADSB"), IOI Global Services Sdn Bhd and Shenton 101 Pte Ltd.

The management fees are benchmarked against prevailing market rates for comparable services, taking into account the nature and scope of the services provided, to ensure that the fees are determined on an arm's-length basis.

B. <u>Corporate Governance Matters</u>

Q5. During the financial year, PwC's non-audit fees (RM2.90 million) substantially exceeded their statutory audit fees (RM2.24 million). Concurrently, PwC acted as the reporting accountant for the proposed listing of IOIPG REIT, meaning the very same firm is reviewing the initial transaction structures whose underlying investment property values directly feed into the core financial statements that PwC audits. What concrete ring-fenced safeguards were applied by the Audit Committee to eliminate self-review conflicts and ensure that these significant non-audit revenue streams did not compromise professional scepticism?

(2026 Annual Report - Audit Committee Report, page 110 and Note 8 - Operating Profit, Page 166)

The appointment of PwC as reporting accountant is a one-off engagement for the proposed listing of IOIPG REIT. Appointing the incumbent external auditor supports cost efficiency, effective coordination and timely execution by minimising duplication of work and administrative effort.

PwC's role is limited to reviewing and reporting on the historical financial information and related disclosures required for the listing. Management remains responsible for preparing the underlying information and making all transaction-related decisions. PwC is not involved in determining the transaction structure or making Management decisions.

The engagement was assessed by PwC and Management under the Company's concurrence framework, in accordance with the IESBA Code. Having reviewed the scope, potential independence threats and relevant safeguards, the Audit Committee is satisfied that the appointment is appropriate and does not compromise PwC's independence or objectivity.

Q6. The ERM framework was last revised and approved in May 2021. Since then, the Group grown Singapore non-current assets to RM25.0 billion (59% of the Group) and total borrowings to RM25.4 billion (from RM16.8 billion in FY2022). A new risk appetite framework is still only planned for FY2027.

(2026 Annual Report - Statement on Risk Management and Internal Control, page 122 and 127, Note 42 - Segmental Information, page 239, Five-Year Financial Highlights, page 12 and Risk Management Committee Report, page 120)

(i) How can a framework last updated in 2021 effectively assess concentration risk, cross-border regulatory exposure, and sudden liquidity shifts arising from these major transactions?

Although the ERM framework was last formally revised and approved in May 2021, it has since been periodically reviewed to ensure its continued relevance and effectiveness. The framework provides a consistent methodology for risk management, while changes in the Group's risk exposures are addressed through ongoing risk assessments and reviews of significant investments.

During FY2026, the RMC reviewed material risks relating to Singapore operations, regulatory requirements, borrowings, loan covenant headroom and cashflow liquidity. The Group's geographic asset and borrowing exposures are also reported to the Board as part of its regular financial reviews, and significant investments are subject to risk assessments before approval.

(ii) On what basis did the Board satisfy itself and conclude that risk management was "adequate and effective" in SORMIC when the ERM framework was not updated to accommodate the Group's massive transactions and risk appetite?

The Board's conclusion was based on the ongoing operation and review of the Group's risk management and internal control systems during the financial year.

Through the RMC, the Board oversees principal risks and Management's mitigation measures. The Board also reviews the Group's financial position, borrowing profile and funding requirements as part of its regular financial reviews.

The RMC's assessment of the adequacy and effectiveness of the Group's risk management framework and processes takes into consideration the principal risks identified, Management's mitigation measures and the relevant monitoring and reporting processes.

Significant investment proposals are evaluated with consideration of commercial viability, expected returns, funding requirements, projected cash flows, debt-servicing capacity, existing capital commitments and relevant downside scenarios, in addition to the associated investment risks. These assessments support the relevant governance bodies and the Board in evaluating the financial sustainability of proposed investments, their potential impact on the Group's overall financial performance and risk profile, and whether the associated level of risk is acceptable to the Group.

The Group continues to review and enhance its risk management processes to reflect changes in its business activities, investment portfolio and operating environment.