IOIPG Malaysia REIT
Management

IOIPG REIT MANAGEMENT SDN BHD
Company Registration No. 202501026083 (1627496-A)
(Incorporated in Malaysia)

FINANCIAL MANAGEMENT POLICY

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1. INTRODUCTION

IOIPG REIT Management Sdn Bhd in its capacity as the manager ("Manager") of IOIPG Malaysia Real Estate Investment Trust ("IOIPG REIT"), is the responsible entity of IOIPG REIT.

This Financial Management Policy ("Policy") provides the foundational principles and serves as the guiding framework for the Manager's approach to financial management and reporting.

It establishes the key principles that ensure the financial stewardship of IOIPG REIT and the Manager is carried out prudently, transparently, and in full compliance with regulatory requirements, and in alignment with the expectations of unitholders.

2. KEY ROLES AND RESPONSIBILITIES

The effective implementation of this Policy depends on clear accountability and coordination across the Board of Directors of the Manager ("Board"), Board Committees, key management personnel, and supporting functions.

Role	Key Responsibilities
Board	• Provides overall oversight of financial management and reporting. • Approves annual budgets, distributions, and significant financing or capital structure decisions. • Reviews financial statements and disclosures.
Audit Committee ("AC")	• Reviews the adequacy of internal controls, financial reporting processes, and audit findings. • Monitors key financial indicators, compliance with financial and borrowing covenants, and treasury management practices. • Ensures compliance with the Guidelines on Listed Real Estate Investment Trusts issued by the Securities Commission Malaysia ("SC") ("REIT Guidelines"), the deed of trust of IOIPG REIT ("Deed"), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and any other applicable rules and guidelines.
Investment Committee	• Reviews and recommends capital management decisions (e.g., acquisitions, divestments, financing structures). • Ensures capital utilisation aligns with long-term strategy and unitholder value creation.
Head of Finance	• Prepares and monitors financial statements, budgets, and forecasts. • Oversees finance and treasury functions, liquidity management, and debt servicing. • Ensures compliance with the Companies Act 2016, Malaysian Financial Reporting Standards ("MFRS") and/or International Financial Reporting Standards ("IFRS"), Listing Requirements, and the REIT Guidelines. • Escalates material financial risks or irregularities to the AC and the Board. • Maintains a disclosure calendar and ensures timely regulatory filings. • Supports investor relations activities by providing accurate financial information, analysis and performance insights for engagement with investors and analysts.
Head of Legal and Compliance	• Ensures adherence to internal governance policies and applicable rules and guidelines governing IOIPG REIT. • Monitors and reports compliance issues to the Risk and Sustainability Committee ("RSC") and, where applicable, to the Board. • Reports compliance gaps and material issues related to financial management to the AC and, where applicable, to the Board.

3. FINANCIAL STRATEGY

The Manager shall adopt a financial strategy that safeguards unitholder value while balancing sustainability, compliance, and growth objectives.

- Ensure stable and sustainable income distribution to unitholders.
- Maintain financial discipline in line with the REIT Guidelines.
- Ensure transparent financial disclosure and reporting to regulators and unitholders.
- Align treasury management with long-term asset management and investment strategies.

4. ACCOUNTING STANDARDS AND FINANCIAL REPORTING

All financial statements and disclosures must be prepared in compliance with:

- Companies Act 2016;
- MFRS and its applicable pronouncements;
- IFRS Accounting Standards;
- REIT Guidelines; and
- Listing Requirements.

5. GEARING AND CAPITAL MANAGEMENT

The Manager shall maintain a prudent capital structure consistent with regulatory limits and market expectations.

- Ensure the gearing ratio does not exceed 50% at any time, or such other limit prescribed in the REIT Guidelines.
- Monitor interest coverage, debt maturity, and refinancing exposure.
- Conduct scenario analysis on asset revaluation, interest rate movements, and acquisitions.

6. DISTRIBUTION POLICY

The Manager shall distribute at least 90% of the IOIPG REIT's distributable income, based on the Board approved intervals.

7. BUDGETING AND FORECASTING

The Manager shall prepare and maintain structured financial plans to support IOIPG REIT's stability and long-term growth. This includes:

- Annual operating budget which includes property income, capital expenditure, and management costs;
- Distribution forecast aligned to the distribution policy and the REIT Guidelines;
- Cash flow forecasts to assess liquidity and funding requirements; and
- Scenario analyses to test resilience against capital market shocks or adverse events.

Budgets must be reviewed by the AC and approved by the Board, with quarterly tracking by the Head of Finance against actual performance.

8. TREASURY AND LIQUIDITY MANAGEMENT

Treasury functions shall be centralised under the Head of Finance and governed by internal controls.

- Cash, operating, and distribution accounts must be clearly segregated.
- Only permitted term deposits and short-term placements with reputable financial institutions may be used.
- Debt drawdowns and repayments must be properly documented and authorised.
- Interest rate risks must be monitored, with mitigation strategies (e.g., fixed vs floating structures) applied where appropriate.

Liquidity buffers must be maintained to meet:

- Debt servicing obligations;
- Asset enhancement initiatives (AEI) or refurbishments;
- Minimum working capital requirements.

9. VALUATION

The Manager shall ensure all assets and liabilities of IOIPG REIT are valued independently and fairly and in compliance with the REIT Guidelines, Asset Valuation Guidelines, and applicable valuation standards.

a) Real Estate Valuation

- All real estate must be valued by an independent valuer at least once per financial year, and also for any acquisition or disposal.
- Valuations must comply with the Asset Valuation Guidelines where unitholders' approval is required; in other cases, the Malaysian Valuation Standards (MVS) shall apply.
- Valuations must exclude the effect of any income support arrangements and be dated not more than six (6) months before the relevant transaction or year-end.

b) Valuer Appointment and Rotation

- Valuers shall be appointed by the trustee, with selection based on independence, professional qualifications, relevant experience, local market knowledge, and professional ethical standards.
- A valuer may only value the same property for up to three (3) consecutive years, after which rotation is required.
- The trustee or the SC may require a second opinion at the cost of IOIPG REIT.

c) Non-Real Estate Assets

- Other assets (e.g., cash, financial instruments) must be valued quarterly on a consistent and verifiable basis, in line with the REIT Guidelines.
- The Manager must immediately notify the trustee of the net asset value per unit after completion of valuations.

d) Incorrect Valuation

- Any incorrect valuation must be corrected immediately, with notification to the trustee and, where material, to the SC.

10. FINANCIAL CONTROLS AND SEGREGATION OF DUTIES

The Manager shall maintain robust financial controls to ensure integrity, prevent fraud, and safeguard assets. This includes, but is not limited to:

- Segregation of duties between finance, operations, and leasing functions.
- All payments and banking transactions shall require dual signatories in accordance with the approved thresholds.
- Periodic review of accounting entries, reconciliations, and journals.
- Secure and auditable maintenance of financial records.

All systems must be subject to audit to verify effectiveness.

11. FEES AND RELATED PARTY PAYMENTS

The Manager shall compute and disclose all fees in accordance with the Deed and regulatory requirements:

- Management fees (base and performance-based)
- Acquisition and divestment fees (where applicable)
- Trustee's fees and payment for professional services

Payments must be transparent, properly authorised, and disclosed to unitholders in accordance with relevant requirements.

12. FINANCIAL RECORD KEEPING

The Manager shall maintain complete and accurate financial records in accordance with applicable laws and standards, which shall, at a minimum, be as follows:

- Accounting and supporting records shall be kept in Malaysia for a minimum period of seven (7) years from the end of the financial year to which they relate.
- Records to be retained include, but are not limited to: financial statements, ledgers, journals, bank statements, invoices, contracts, tax filings, valuation reports, and relevant correspondence.
- Records may be maintained in physical or electronic form, provided that they are secure, retrievable, and backed up in accordance with the Manager's information technology (IT) and data-retention policies.
- Access to financial records shall be restricted to authorised personnel only, and disposal of records shall follow approved destruction procedures.
- Periodic reviews shall be conducted by the Finance and Compliance functions to verify completeness, accuracy, and compliance with statutory retention requirements.

13. FINANCIAL DISCLOSURE AND TRANSPARENCY

The Manager is committed to timely, transparent, and accurate disclosure of financial information.

- A disclosure calendar shall be maintained by the Compliance Officer to track quarterly, annual, and ad-hoc filings.
- Disclosures must comply with the Listing Requirements, REIT Guidelines, accounting standards, and relevant best practice guidance.
- Any material financial changes (e.g., distribution policy, gearing, acquisitions/disposals) must be communicated promptly to unitholders.

- Management commentary shall accompany all disclosures to provide clarity on performance drivers, risks, and outlook.

14. TAX COMPLIANCE

The Manager shall ensure full compliance with applicable tax laws and regulations.

- Engage qualified tax advisors for all tax matters such as withholding tax, real property gains tax, and income tax, where applicable.
- Ensure timely submission of tax filings and payments.
- Maintain documentation to demonstrate tax compliance to regulators and auditors.

15. INDEPENDENT ASSURANCE

The financial management framework shall be subject to independent assurance through both internal and external audits.

- Internal audit shall review financial controls, segregation of duties, and compliance with policies.
- External audit shall provide assurance on the accuracy of financial statements.
- Findings shall be reported to the AC and, where applicable, to the Board, and corrective actions shall be tracked to closure.

16. POLICY MAINTENANCE

This Policy, together with all supplementary policies and procedures, shall be treated as a living document and will be reviewed at least annually, or earlier where necessary, to ensure that it continues to reflect evolving financial management practices, accounting standards, regulatory requirements, industry best practices, and any material changes in applicable laws, regulations, or the Manager's business operations.