



IJM CORPORATION BERHAD
198301008880 (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended: **30/06/2022**
 Quarter: **1st Quarter**
 Financial Year End: **31/03/2023**
 The figures: **Have not been audited**
 Full Quarterly Report: **Refer attached**

Part A2 : Summary of Key Financial Information for the financial period ended 30/06/2022

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2022 RM'000	Preceding year quarter 30/06/2021 RM'000	Current year to date 30/06/2022 RM'000	Preceding year to date 30/06/2021 RM'000
1 Revenue	1,072,730	1,034,180	1,072,730	1,034,180
2 Profit before taxation	91,210	83,737	91,210	83,737
3 Net profit for the period	48,886	110,757	48,886	110,757
4 Net profit attributable to owners of the Company	33,406	65,683	33,406	65,683
5 Basic earnings per share (sen)	0.95	1.82	0.95	1.82
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 30/06/2022		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		2.78		2.81

Remarks:

The revenue and profit before taxation ("PBT") above are from continuing operations and exclude the revenue and PBT of the Plantation division following the completion of the disposal of IJM Plantations Berhad on 6 September 2021. The net profit and basic earnings per share comprise the financial results of both continuing and discontinued operations.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter			Cumulative Period		
	Current year quarter	Preceding year quarter	Change (+/-)	Current year to date	Preceding year to date	Change (+/-)
	30/06/2022 RM'000	30/06/2021 RM'000	%	30/06/2022 RM'000	30/06/2021 RM'000	%
Continuing operations						
Operating revenue	1,072,730	1,034,180	3.7%	1,072,730	1,034,180	3.7%
Cost of sales	(837,898)	(868,468)	-3.5%	(837,898)	(868,468)	-3.5%
Gross profit	234,832	165,712	41.7%	234,832	165,712	41.7%
Other operating income	53,427	60,520	-11.7%	53,427	60,520	-11.7%
Foreign exchange differences	(45,046)	(1,411)	3092.5%	(45,046)	(1,411)	3092.5%
Tendering, selling and distribution expenses	(7,830)	(7,059)	10.9%	(7,830)	(7,059)	10.9%
Administrative expenses	(69,199)	(70,924)	-2.4%	(69,199)	(70,924)	-2.4%
Other operating expenses	(17,857)	(11,359)	57.2%	(17,857)	(11,359)	57.2%
Operating profit before finance cost	148,327	135,479	9.5%	148,327	135,479	9.5%
Finance cost	(51,296)	(44,949)	14.1%	(51,296)	(44,949)	14.1%
Operating profit after finance cost	97,031	90,530	7.2%	97,031	90,530	7.2%
Share of losses of associates	(7,331)	(8,070)	-9.2%	(7,331)	(8,070)	-9.2%
Share of profits of joint ventures	1,510	1,277	18.2%	1,510	1,277	18.2%
Profit before taxation	91,210	83,737	8.9%	91,210	83,737	8.9%
Income tax expense	(42,324)	(34,766)	21.7%	(42,324)	(34,766)	21.7%
Profit from continuing operations	48,886	48,971	-0.2%	48,886	48,971	-0.2%
Profit from discontinued operations	-	61,786	-100.0%	-	61,786	-100.0%
Net profit for the period	48,886	110,757	-55.9%	48,886	110,757	-55.9%
Other comprehensive income/(losses) (net of tax):						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation differences of foreign operations	1,789	(4,326)		1,789	(4,326)	
Currency translation differences of discontinued operation	-	423		-	423	
Share of other comprehensive income of associates	480	1		480	1	
	2,269	(3,902)	158.1%	2,269	(3,902)	158.1%
Total comprehensive income for the period	51,155	106,855	-52.1%	51,155	106,855	-52.1%

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(The figures have not been audited)

	Individual Quarter			Cumulative Period		
	Current year quarter	Preceding year quarter	Change (+/-)	Current year to date	Preceding year to date	Change (+/-)
	30/06/2022 RM'000	30/06/2021 RM'000	%	30/06/2022 RM'000	30/06/2021 RM'000	%
Net profits attributable to:-						
<u>Continuing operations</u>						
Owners of the Company	33,406	31,929	4.6%	33,406	31,929	4.6%
Perpetual sukuk	11,555	11,552	0.0%	11,555	11,552	0.0%
Non-controlling interests	3,925	5,490	-28.5%	3,925	5,490	-28.5%
	48,886	48,971	-0.2%	48,886	48,971	-0.2%
<u>Discontinued operations</u>						
Owners of the Company	-	33,754	-100%	-	33,754	-100.0%
Perpetual sukuk	-	-	0.0%	-	-	0.0%
Non-controlling interests	-	28,032	-100.0%	-	28,032	-100.0%
	-	61,786	-100.0%	-	61,786	-100.0%
	48,886	110,757	-55.9%	48,886	110,757	-55.9%
Total comprehensive income attributable to:-						
<u>Continuing operations</u>						
Owners of the Company	35,745	27,177	31.5%	35,745	27,177	31.5%
Perpetual sukuk	11,555	11,552	0.0%	11,555	11,552	0.0%
Non-controlling interests	3,855	5,917	-34.8%	3,855	5,917	-34.8%
	51,155	44,646	14.6%	51,155	44,646	14.6%
<u>Discontinued operations</u>						
Owners of the Company	-	33,992	-100.0%	-	33,992	-100.0%
Perpetual sukuk	-	-	0.0%	-	-	0.0%
Non-controlling interests	-	28,217	-100.0%	-	28,217	-100.0%
	-	62,209	-100.0%	-	62,209	-100.0%
	51,155	106,855	-52.1%	51,155	106,855	-52.1%
Earnings per share (sen):-						
<u>Continuing operations</u>						
Basic	0.95	0.89		0.95	0.89	
Fully diluted	0.95	0.88		0.95	0.88	
<u>Discontinued operations</u>						
Basic	-	0.93		-	0.93	
Fully diluted	-	0.93		-	0.93	

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(the figures have not been audited)

	30/06/2022	31/03/2022
	RM'000	RM'000
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	6,132,406	6,127,731
Treasury shares	(201,656)	(189,939)
Shares held under trust	(1,263)	(1,263)
Other reserves	(4,417)	968
Retained profits	3,892,329	4,000,050
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	9,817,399	9,937,547
Perpetual sukuk of a subsidiary	859,479	847,924
Non-controlling interests	656,015	675,263
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Total equity	11,332,893	11,460,734
NON-CURRENT LIABILITIES		
Bonds	2,272,509	2,557,333
Term loans	1,276,271	1,304,618
Government support loans	27,721	37,319
Lease liabilities	22,906	21,178
Deferred tax liabilities	514,052	509,400
Trade and other payables	285,219	284,701
Retirement benefits	1,717	1,717
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	4,400,395	4,716,266
DEFERRED INCOME	271,855	272,557
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	16,005,143	16,449,557
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IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(the figures have not been audited)

	30/06/2022 RM'000	31/03/2022 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	1,031,478	1,045,004
Right-of-use assets	196,231	195,456
Concession assets	4,096,722	4,142,307
Investment properties	615,960	618,106
Associates	905,555	898,773
Joint ventures	545,458	530,635
Financial assets at fair value through other comprehensive income	3,665	3,665
Long term receivables	159,682	151,397
Deferred tax assets	471,018	458,456
Inventories	516,190	515,781
Intangible assets	93,418	93,565
	8,635,377	8,653,145
CURRENT ASSETS		
Inventories	6,910,958	7,037,290
Trade and other receivables	1,409,408	1,301,946
Contract assets	380,120	390,755
Financial assets at fair value through profit or loss	771,212	611,279
Derivative financial instruments	164	-
Assets held for sale	5,385	9,535
Tax recoverable	100,173	99,443
Deposits, cash and bank balances	2,651,759	2,908,655
	12,229,179	12,358,903
CURRENT LIABILITIES		
Trade and other payables	2,675,208	2,676,140
Contract liabilities	353,067	226,901
Provisions	3,410	2,714
Derivative financial instruments	-	337
Lease liabilities	10,072	10,366
Borrowings:		
- Bank overdrafts	48,259	10,820
- Others	1,743,539	1,609,589
Current tax liabilities	25,858	25,624
	4,859,413	4,562,491
NET CURRENT ASSETS	7,369,766	7,796,412
	16,005,143	16,449,557
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	2.78	2.81

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2022
(the figures have not been audited)

	-----Attributable to owners of the Company-----					Perpetual sukuk RM'000	Non-controlling interests RM'000	Total equity RM'000	
	Share capital RM'000	Treasury shares RM'000	Shares held under trust RM'000	Other reserves RM'000	Retained profits RM'000				Total RM'000
At 1 April 2022	6,127,731	(189,939)	(1,263)	968	4,000,050	9,937,547	847,924	675,263	11,460,734
Total comprehensive income for the period	-	-	-	2,339	33,406	35,745	11,555	3,855	51,155
Issuance of employee share options and share grants (net)	-	-	-	(3,049)	-	(3,049)	-	-	(3,049)
Single tier second interim dividend: Year ended 31 March 2022	-	-	-	-	(141,127)	(141,127)	-	-	(141,127)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	(23,103)	(23,103)
Issuance of shares: - vesting of shares under ESGP	4,675	-	-	(4,675)	-	-	-	-	-
Shares buy back	-	(11,717)	-	-	-	(11,717)	-	-	(11,717)
At 30 June 2022	6,132,406	(201,656)	(1,263)	(4,417)	3,892,329	9,817,399	859,479	656,015	11,332,893
At 1 April 2021	6,117,056	(36,655)	(1,263)	(23,561)	3,916,830	9,972,407	848,293	1,367,704	12,188,404
Total comprehensive income for the period	-	-	-	(4,514)	65,683	61,169	11,552	34,134	106,855
Issuance of employee share options and share grants (net)	-	-	-	(1,726)	-	(1,726)	-	-	(1,726)
Single tier second interim dividend: Year ended 31 March 2021	-	-	-	-	(144,421)	(144,421)	-	-	(144,421)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	(2,039)	(2,039)
Issuance of shares: - vesting of shares under ESGP	10,206	-	-	(10,206)	-	-	-	-	-
Shares buy back	-	(22,381)	-	-	-	(22,381)	-	-	(22,381)
Liquidation of a subsidiary	-	-	-	(10,000)	10,000	-	-	(5,137)	(5,137)
At 30 June 2021	6,127,262	(59,036)	(1,263)	(50,007)	3,848,092	9,865,048	859,845	1,394,662	12,119,555

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2022
(the figures have not been audited)

	3 months ended 30/06/2022 RM'000	3 months ended 30/06/2021 RM'000
OPERATING ACTIVITIES		
Receipts from customers	1,134,972	1,563,836
Payments to contractors, suppliers and employees	(883,016)	(1,131,650)
Income tax paid	(49,042)	(56,514)
Net cash flow from operating activities	202,914	375,672
INVESTING ACTIVITIES		
Disposal of an associate	2,996	-
Additional investments in associates	-	(15,400)
Subscription of Redeemable Unsecured Murabahah Stocks in an associate	(4,580)	(6,360)
Acquisition of financial assets at fair value through profit or loss	(167,522)	(105,499)
Purchases of property, plant and equipment, development land, right-of-use assets, investment properties, concession assets and deferred expenditure	(14,787)	(176,492)
Disposal of investments, property, plant and equipment, right-of-use assets, investment properties and assets held for sale	19,616	171,094
Net cash flow arising from liquidation of a subsidiary	-	(5,137)
Interest received	12,219	14,220
Dividends received from associates, joint ventures and other investments	846	12,611
Net advances to associates and joint ventures	(20,767)	(1,292)
Net cash flow used in investing activities	(171,979)	(112,255)
FINANCING ACTIVITIES		
Purchase of treasury shares	(11,717)	(22,381)
Net proceeds from bank and government borrowings	116,252	11,835
Repayments of lease liabilities	(2,268)	(3,503)
Interest paid	(58,391)	(63,875)
Dividends paid by subsidiaries to non-controlling shareholders	(23,103)	(2,039)
Net repayment of bonds	(350,000)	(150,000)
Net placements of restricted deposits	-	(8,240)
Net cash flow used in financing activities	(329,227)	(238,203)
Net (decrease)/increase in cash and cash equivalents during the financial period	(298,292)	25,214
Cash and cash equivalents at beginning of the financial period	2,887,474	2,381,044
Foreign exchange differences	3,957	(4,417)
Cash and cash equivalents at end of the financial period	2,593,139	2,401,841
Cash and cash equivalents comprise the following :		
Deposits, cash and bank balances	2,651,759	2,489,447
Bank overdrafts	(48,259)	(69,031)
Deposits, cash and bank balances of disposal group classified as held for sale	-	3,491
	2,603,500	2,423,907
Less: restricted deposits with licensed banks	(10,361)	(22,066)
	2,593,139	2,401,841

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A NOTES TO THE QUARTERLY RESULTS

A1. Basis of Preparation

The interim financial report has been prepared in accordance with *MFRS 134: Interim Financial Reporting* and *Paragraph 9.22 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”)*.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 March 2022 which are available at <http://www.ijm.com>. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2022.

The financial statements of the Group, which comprise the statement of financial position of the Group as at 30 June 2022, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the financial period ended 30 June 2022 have not been audited.

A2. Changes in Accounting Policies

(i) The significant accounting policies applied are consistent with those adopted for the audited financial statements for the year ended 31 March 2022 except for the adoption of the following amendments to published standards:

(a) Amendments to published standards that are effective for the Group’s financial year beginning on or after 1 April 2022 and applicable to the Group are as follows:

- Amendments to MFRS 3 Business Combinations – *Reference to the Conceptual Framework*
- Amendments to MFRS 116 Property, Plant and Equipment – *Proceeds before Intended Use*
- Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets – *Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to MFRS Standards 2018 – 2020:
 - Amendment to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards – *Subsidiary as First-time Adopter*
 - Amendment to MFRS 9 Financial Instruments – *Fees in the 10% test for derecognition of financial liabilities*
 - Amendment to MFRS 16 Leases – *Illustrative Example accompanying MFRS 16 Leases: Lease Incentives*

The adoption of the above amendments to published standards did not result in any significant change to the accounting policies and did not have a material impact on the interim financial report of the Group.

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A2. Changes in Accounting Policies (continued)

(ii) As at the date of this report, the following amendments to published standards have been issued by the Malaysian Accounting Standards Board (“MASB”) but are not yet effective and have not been early adopted.

(a) Effective for financial years beginning on or after 1 April 2023

- Amendments to MFRS 101 Presentation of Financial Statements – *Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies*
- Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors – *Definition of Accounting Estimates*
- Amendments to MFRS 112 Income Taxes – *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

(b) Effective date of these Amendments to Standards has been deferred and yet to be announced

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Based on the preliminary assessment of the effects of the above amendments to published standards, no material impact is expected on the financial statements of the Group.

A3. Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the financial year ended 31 March 2022 was unmodified.

A4. Seasonality or Cyclicity of Operations

The Group’s operations are not materially affected by seasonal or cyclical factors.

A5. Unusual Significant Items

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size or incidence during the financial period ended 30 June 2022.

A6. Material Changes in Estimates

There were no major changes in estimates that have a material effect on the results for the financial period ended 30 June 2022.

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A7. Debt and Equity Securities

- (a) For the financial period ended 30 June 2022, the number of issued and paid-up ordinary shares of the Company was increased from 3,645,488,520 to 3,647,566,120 by way of the issuance of 2,077,600 new ordinary shares arising from the vesting of shares under the Employee Share Grant Plan (“ESGP”).
- (b) For the financial period ended 30 June 2022, 6,751,100 ordinary shares were repurchased in the open market at an average price of RM1.74 per share and retained as treasury shares of the Company.
- (c) For the financial period ended 30 June 2022, RM350,000,000 bonds were repaid.

Other than the above, there were no other issuance, cancellations and repayments of debt and equity securities for the financial period ended 30 June 2022.

A8. Dividend Paid

On 22 July 2022, a single tier second interim dividend of 4 sen per share in respect of the financial year ended 31 March 2022 totalling RM141,127,363 was paid.

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A9. Segmental Information

	GROUP		
	3 months ended 30/06/2022	3 months ended 30/06/2021	Change (+/-)
	RM'000	RM'000	%
<u>External revenue:</u>			
<u>Continuing operations</u>			
Construction	268,262	377,536	-28.9%
Property development	344,995	332,106	3.9%
Manufacturing and quarrying	249,258	163,309	52.6%
Infrastructure	210,129	161,160	30.4%
Investment and others	86	69	24.6%
	<u>1,072,730</u>	<u>1,034,180</u>	3.7%
<u>Discontinued operations</u>			
Plantation	-	271,715	-100.0%
	<u>1,072,730</u>	<u>1,305,895</u>	-17.9%
<u>Inter-segment revenue:</u>			
Construction	103,265	62,007	66.5%
Manufacturing and quarrying	4,338	3,905	11.1%
Investment and others	63,371	29,753	113.0%
	<u>170,974</u>	<u>95,665</u>	78.7%
<u>Profit before taxation:</u>			
<u>Continuing operations</u>			
Construction	19,548	29,913	-34.7%
Property development	33,922	32,693	3.8%
Manufacturing and quarrying	31,349	7,645	310.1%
Infrastructure	2,750	12,239	-77.5%
Investment and others	3,641	1,247	192.0%
	<u>91,210</u>	<u>83,737</u>	8.9%
<u>Discontinued operations</u>			
Plantation	-	83,097	-100.0%
	<u>91,210</u>	<u>166,834</u>	-45.3%
<u>Earnings before interest, tax, depreciation and amortisation:</u>			
<u>Continuing operations</u>			
Construction	41,888	55,229	-24.2%
Property development	43,017	39,398	9.2%
Manufacturing and quarrying	45,089	20,361	121.4%
Infrastructure	90,612	85,070	6.5%
Investment and others	3,645	1,252	191.1%
	<u>224,251</u>	<u>201,310</u>	11.4%
<u>Discontinued operations</u>			
Plantation	-	116,069	-100.0%
	<u>224,251</u>	<u>317,379</u>	-29.3%
Finance Cost	(51,296)	(48,067)	
Depreciation and amortisation	(81,745)	(102,478)	
Profit before taxation	<u>91,210</u>	<u>166,834</u>	-45.3%
	As at 30/06/2022 RM'000	As at 31/03/2022 RM'000	
<u>Total Assets:</u>			
Construction	2,467,767	2,653,739	
Property development	10,198,082	10,216,348	
Manufacturing and quarrying	1,328,821	1,362,833	
Infrastructure	5,998,205	6,017,994	
Investment and others	300,490	203,235	
Total segment assets	<u>20,293,365</u>	<u>20,454,149</u>	
Unallocated corporate assets	571,191	557,899	
Consolidated total assets	<u>20,864,556</u>	<u>21,012,048</u>	

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A9. Segmental Information (continued)

	Continuing operations					Discontinued operations		Total RM'000
	Construction RM'000	Property development RM'000	Manufacturing & Quarrying RM'000	Infrastructure RM'000	Investment & Others RM'000	Total RM'000	Plantation RM'000	
3 months ended 30/06/2022								
Revenue from contract with customers								
Timing of revenue recognition:								
- At a point in time	7,403	144,002	245,688	-	-	397,093	-	397,093
- Over time	260,859	195,026	2,165	199,640	36	657,726	-	657,726
	268,262	339,028	247,853	199,640	36	1,054,819	-	1,054,819
Revenue from other sources	-	5,967	1,405	10,489	50	17,911	-	17,911
Total revenue	268,262	344,995	249,258	210,129	86	1,072,730	-	1,072,730
3 months ended 30/06/2021								
Revenue from contract with customers								
Timing of revenue recognition:								
- At a point in time	2,410	120,718	156,530	-	-	279,658	270,998	550,656
- Over time	375,126	202,846	5,597	152,472	29	736,070	717	736,787
	377,536	323,564	162,127	152,472	29	1,015,728	271,715	1,287,443
Revenue from other sources	-	8,542	1,182	8,688	40	18,452	-	18,452
Total revenue	377,536	332,106	163,309	161,160	69	1,034,180	271,715	1,305,895

A10. Carrying Amount of Revalued Property, Plant and Equipment

The carrying amounts of property, plant and equipment have been brought forward without amendments from the audited financial statements for the financial year ended 31 March 2022.

A11. Changes in the Composition of the Group

During the financial period ended 30 June 2022, the following changes in composition were effected:

- (i) On 28 April 2022, the Company incorporated a wholly-owned subsidiary, namely IJM Treasury Management Sdn Bhd with an initial share capital of RM1. The activities of this subsidiary have no significant effect on the financial results of the Group in the current financial period and the financial position of the Group as at the end of the current financial period.
- (ii) On 16 May 2022, the Company entered into a share sale agreement to dispose 259,250 ordinary shares, representing 25% equity interest in Cofreth (M) Sdn Bhd (“Cofreth”) to Japan Elevator Service Holdings Co., Ltd (“JES”) for a total cash consideration of RM3 million. The disposal was completed on 17 June 2022. Following the completion of the disposal, Cofreth ceased to be an associate of the Company.

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A12. Contingent Liabilities

The changes in contingent liabilities are summarised as follows:-

	RM'000
Balance as at 31 March 2022	33,028
- Exchange differences	179
	33,207
Balance as at 30 June 2022	33,207

A13. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 June 2022 are as follows:

	RM'000
Approved and contracted for	108,567
Approved but not contracted for	56,804
	165,371
 <u>Analysed as follows:</u>	
- Purchases of property, plant and equipment	87,200
- Purchases of development land	2,037
- Concession assets	75,425
- Investment properties	709
	165,371

A14. Significant events subsequent to the date of statement of financial position

There were no significant events subsequent to the date of the statement of financial position.

A15. Fair Value of Financial Instruments

The following hierarchies were applied to determine the fair value of all the financial instruments carried at fair value:

- (a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	<u>As at 30 June 2022</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<u>Non-Current Asset:</u>				
Financial assets at fair value through other comprehensive income	-	-	3,665	3,665
<u>Current Assets:</u>				
Financial assets at fair value through profit or loss	771,212	-	-	771,212
Derivative financial instruments	-	164	-	164

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B Bursa Securities Listing Requirements (Part A of Appendix 9B)

B1. Detailed Analysis of Performance of all Operating Segments

The Group recorded operating revenue and pre-tax profit of RM1,072.7 million and RM91.2 million respectively for 1Q FY2023, an increase of 3.7% and 8.9% respectively as compared to 1Q FY2022 (excluding the results of discontinued operations).

An analysis of the divisional performances is shown below.

Operating Segment	Commentary
Construction	Revenue and pre-tax profit for 1Q FY2023 decreased by 28.9% and 34.7% respectively as compared to 1Q FY2022 due to lower construction activities as a result of certain projects being completed in the previous financial year.
Property development	Revenue and pre-tax profit for 1Q FY2023 increased slightly by 3.9% and 3.8% respectively as compared to 1Q FY2022, mainly due to higher work progress at its ongoing projects.
Manufacturing and quarrying	Revenue and pre-tax profit for 1Q FY2023 improved significantly by 52.6% and 310.1% respectively as compared to 1Q FY2022, principally due to higher deliveries of piles and ready-mixed concrete coupled with improved margins from the piles business.
Infrastructure	Revenue for 1Q FY2023 increased by 30.4% driven by higher toll revenue locally and overseas, whilst pre-tax profit decreased by 77.5%, mainly due to the net unrealised foreign exchange losses of RM33.0 million on its US Dollar denominated borrowings (1Q FY2022: RM2.3 million losses).

B2. Material Changes in the Quarterly Profit Before Taxation Compared to the Immediate Preceding Quarter

The Group's pre-tax profit increased by 31.7% to RM91.2 million compared to RM69.3 million posted in the immediate preceding quarter, mainly due to the impairment of inventories and toll concession assets in the immediate preceding quarter. However, profit in the current quarter was impacted by the unfavourable foreign currency movements.

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B3. Prospects for the Financial Year

The 2022 global economy faces considerable headwinds from adverse external developments, namely higher than expected inflation in major economies, further tightening of monetary policies, a steeper slowdown in China exacerbated by the spillover from the Russia-Ukraine war. Notwithstanding these developments, Malaysia is forecasted to grow between 5.3% and 6.3% in 2022.

Supported by the recovery in the Malaysian business landscape, the Group expects a satisfactory performance for the current financial year.

The performance of the Construction division will be underpinned by its outstanding order book of RM3.94 billion. The roll-out of large-scale infrastructure projects by the Government of Malaysia is also expected to bolster its order book replenishment.

Market sentiment for the property sector had remained healthy for 1Q FY2023. With its wide array of highly sought after products in strategic locations and its unbilled sales of about RM2.2 billion, the Property division is expected to deliver a satisfactory performance for the financial year by continuing to offer products that are aligned with market preferences.

The Industry division's business rationalisation efforts through product quality improvements, margin optimisation and process efficiency enhancements have continued to enhance its market competitiveness with the resumption of construction activities, both domestically and abroad. With a strong order book in hand, the division is expected to deliver a strong performance.

The performance of the Toll operations has recovered to pre-pandemic levels and the Group is optimistic of a stronger financial performance for the financial year. The performance of the Port operations will be dependent on the global recovery.

B4. Profit Forecast

Not applicable.

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B5. Taxation

Taxation for the Group for the financial period under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE		CUMULATIVE PERIOD 3 MONTHS ENDED 30 JUNE	
	2022 RM'000	2021 RM'000	2022 RM'000	2021 RM'000
<i>Continuing operations:</i>				
Malaysian income tax	50,143	40,012	50,143	40,012
Overseas taxation	-	(1,095)	-	(1,095)
Deferred taxation	(7,819)	(4,151)	(7,819)	(4,151)
	<u>42,324</u>	<u>34,766</u>	<u>42,324</u>	<u>34,766</u>
<i>Discontinued operations</i>				
	-	21,311	-	21,311
	<u>42,324</u>	<u>56,077</u>	<u>42,324</u>	<u>56,077</u>

The Group's effective tax rate for continuing operations (excluding the results of associates and joint ventures which are equity accounted net of tax) for the financial period was higher than the statutory tax rate mainly due to certain expenses (including unrealised foreign exchange losses) being not deductible for tax purposes and the non-recognition of deferred tax assets on unused tax losses of certain subsidiaries.

B6. Status of Corporate Proposals

As at 30 June 2022, there were no outstanding corporate proposals.

As at 30 June 2022, the status of the proposed utilisation of proceeds received from the disposal of IJM Plantations Berhad are as follows:

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Balance unutilised RM'000	Estimated utilisation timeframe from the completion of the disposal of IJM Plantations Berhad
Future investment opportunities/ capital expenditure	430,000	252,395	177,605	Within 36 months
Capital management activities	800,000	640,874	159,126	Within 24 months
General working capital	300,000	115,515	184,485	Within 24 months
Estimated expenses	4,000	2,598	1,402	Within 3 months
	<u>1,534,000</u>	<u>1,011,382</u>	<u>522,618</u>	

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B7. Group Borrowings

Particulars of the Group's borrowings as at 30 June 2022 are as follows:

	As at 30/06/2022 RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Islamic bonds	145,000
- Term loans	113,197
- Revolving credits	27,073
- Government support loans (included in trade and other payables)	9,930
Unsecured:-	
- Islamic bonds	200,000
- Term loans	383,488
- Revolving credits	476,136
- Bankers' acceptances	12,476
- Revolving loan	385,088
- Bank overdrafts	48,259
- Letters of credit	1,083
	1,801,730
 (ii) Long Term Borrowings	
Secured:-	
- Islamic bonds	1,272,509
- Term loans	1,248,777
- Government support loans	27,721
Unsecured:-	
- Islamic bonds	1,000,000
- Term loans	27,494
	3,576,501

(b) Foreign currency borrowings included in the above are as follows:

	Foreign Currency '000	RM Equivalent '000
US Dollar	309,480	1,355,190
Indian Rupee	7,878,521	439,621
		1,794,811

B8. Changes in Material Litigation

There was no material litigation since 31 March 2022.

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B9. Dividends

No dividend has been declared for the current financial year ending 31 March 2023.

In respect of the financial year ended 31 March 2022, a single tier first interim dividend and special dividend of 2 sen and 15 sen respectively per share was paid on 30 December 2021 and a single tier second interim dividend of 4 sen per share was paid on 22 July 2022.

B10. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	RM'000	RM'000	RM'000	RM'000
<u>Basic earnings per share:-</u>				
Net profit for the period attributable to owners of the Company				
- Continuing operations	33,406	31,929	33,406	31,929
- Discontinued operations	-	33,754	-	33,754
	<hr/>	<hr/>	<hr/>	<hr/>
Weighted average number of ordinary shares ('000)	3,530,436	3,617,153	3,530,436	3,617,153
	<hr/>	<hr/>	<hr/>	<hr/>
Basic earnings per share (sen)				
- Continuing operations	0.95	0.89	0.95	0.89
- Discontinued operations	-	0.93	-	0.93
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Diluted earnings per share:-</u>				
Net profit for the period attributable to owners of the Company				
- Continuing operations	33,406	31,929	33,406	31,929
- Discontinued operations	-	33,754	-	33,754
	<hr/>	<hr/>	<hr/>	<hr/>
Weighted average number of ordinary shares ('000)	3,530,436	3,617,153	3,530,436	3,617,153
Effect of dilution ('000)	-	2,440	-	2,440
- Employee share grants	-	2,440	-	2,440
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	3,530,436	3,619,593	3,530,436	3,619,593
	<hr/>	<hr/>	<hr/>	<hr/>
Diluted earnings per share (sen)				
- Continuing operations	0.95	0.88	0.95	0.88
- Discontinued operations	-	0.93	-	0.93
	<hr/>	<hr/>	<hr/>	<hr/>

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B11. Notes to the Statement of Comprehensive Income

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/06/2022	30/06/2021	30/06/2022	30/06/2021
	RM'000	RM'000	RM'000	RM'000
<i>Continuing operations</i>				
Interest income	26,955	28,648	26,955	28,648
Other income (including investment income)	20,770	15,927	20,770	15,927
Interest expense	(51,296)	(44,949)	(51,296)	(44,949)
Depreciation and amortisation	(81,745)	(72,624)	(81,745)	(72,624)
Net allowance for impairment of receivables	(1,122)	(458)	(1,122)	(458)
Net (allowance for)/reversal of write down of inventories	(3,447)	12,321	(3,447)	12,321
Net gains on disposal of investments or properties	3,945	3,014	3,945	3,014
Net reversal of impairment of assets	2,625	322	2,625	322
Net foreign exchange losses	(45,046)	(1,411)	(45,046)	(1,411)
Net gains/(losses) on derivatives	501	(45)	501	(45)
<i>Discontinued operations</i>				
Interest income	-	744	-	744
Other income (including investment income)	-	782	-	782
Interest expense	-	(3,118)	-	(3,118)
Depreciation and amortisation	-	(29,854)	-	(29,854)
Net allowance for impairment of assets	-	(106)	-	(106)
Net foreign exchange gains	-	3,802	-	3,802
Net losses on derivatives	-	(517)	-	(517)

The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Market Listing Requirements (“MMLR”) issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of the MMLR are not applicable to the Group.

B12 Derivative financial instruments

Cross Currency Swap Contracts

The Group entered into a Cross Currency Swap contract offered by a reputable bank in Malaysia to swap USD floating rate liabilities into MYR floating rate liabilities, thus hedging the USD/MYR currency risk and the interest rate risk.

As at 30 June 2022, the outstanding notional value of the cross currency swap contract and its fair value is as follows:

Cross currency swap contracts	Notional value outstanding as at 30/06/2022 (USD'000)	Notional value outstanding as at 30/06/2022 (RM'000)	Fair value of the derivative financial instrument as at 30/06/2022 (RM'000)
- Less than 1 year	87,500	385,088	164

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B13. Fair value changes of derivative financial instruments

The Group recognised a total fair value gain on derivative financial instruments of RM0.5 million during the current financial period. The detail is as follows:

Type of derivative	Current quarter fair value gains/(losses) RM'000	Current period fair value gains/(losses) RM'000	Basis of fair value measurement	Reasons for the gains/(losses)
Cross currency swap contracts	501	501	Exchange rate differentials between the USD/MYR spot rate and the contracted USD/MYR rate; Interest rate differentials between the USD floating interest rate and the MYR interest rate.	The fair value gain or loss is affected by movements in the USD/MYR spot rates and the USD and MYR interest rates.

B14. Authorised for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Directors on 24 August 2022.