



IJM CORPORATION BERHAD
198301008880 (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended: **30/06/2023**
 Quarter: **1st Quarter**
 Financial Year End: **31/03/2024**
 The figures: **Have not been audited**
 Full Quarterly Report: **Refer attached**

Part A2 : Summary of Key Financial Information for the financial period ended 30/06/2023

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2023 RM'000	Preceding year quarter 30/06/2022 RM'000	Current year to date 30/06/2023 RM'000	Preceding year to date 30/06/2022 RM'000
1 Revenue	1,225,826	1,072,730	1,225,826	1,072,730
2 Profit before taxation	180,122	91,210	180,122	91,210
3 Net profit for the period	114,859	48,886	114,859	48,886
4 Net profit attributable to owners of the Company	100,642	33,406	100,642	33,406
5 Basic earnings per share (sen)	2.87	0.95	2.87	0.95
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 30/06/2023		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		2.78		2.80

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter			Cumulative Period		
	Current year quarter	Preceding year quarter	Change (+/-)	Current year to date	Preceding year to date	Change (+/-)
	30/06/2023 RM'000	30/06/2022 RM'000	%	30/06/2023 RM'000	30/06/2022 RM'000	%
Operating revenue	1,225,826	1,072,730	14.3%	1,225,826	1,072,730	14.3%
Cost of sales	(946,741)	(837,898)	13.0%	(946,741)	(837,898)	13.0%
Gross profit	279,085	234,832	18.8%	279,085	234,832	18.8%
Other operating income	45,683	53,427	-14.5%	45,683	53,427	-14.5%
Foreign exchange differences	41,652	(45,046)	192.5%	41,652	(45,046)	192.5%
Tendering, selling and distribution expenses	(8,290)	(7,830)	5.9%	(8,290)	(7,830)	5.9%
Administrative expenses	(88,065)	(69,199)	27.3%	(88,065)	(69,199)	27.3%
Other operating expenses	(23,886)	(17,857)	33.8%	(23,886)	(17,857)	33.8%
Operating profit before finance cost	246,179	148,327	66.0%	246,179	148,327	66.0%
Finance cost	(69,183)	(51,296)	34.9%	(69,183)	(51,296)	34.9%
Operating profit after finance cost	176,996	97,031	82.4%	176,996	97,031	82.4%
Share of losses of associates	(2,560)	(7,331)	-65.1%	(2,560)	(7,331)	-65.1%
Share of profits of joint ventures	5,686	1,510	276.6%	5,686	1,510	276.6%
Profit before taxation	180,122	91,210	97.5%	180,122	91,210	97.5%
Income tax expense	(65,263)	(42,324)	54.2%	(65,263)	(42,324)	54.2%
Net profits for the period	114,859	48,886	135.0%	114,859	48,886	135.0%
<u>Other comprehensive income/(losses) (net of tax):</u>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation differences of foreign operations	15,719	1,789		15,719	1,789	
Share of other comprehensive (losses)/ income of associates	(63)	480		(63)	480	
	15,656	2,269	590.0%	15,656	2,269	590.0%
Total comprehensive income for the period	130,515	51,155	155.1%	130,515	51,155	155.1%
<u>Net profits attributable to:-</u>						
Owners of the Company	100,642	33,406	201.3%	100,642	33,406	201.3%
Perpetual sukuk	11,557	11,555	0.0%	11,557	11,555	0.0%
Non-controlling interests	2,660	3,925	-32.2%	2,660	3,925	-32.2%
	114,859	48,886	135.0%	114,859	48,886	135.0%
<u>Total comprehensive income/(losses) attributable to:-</u>						
Owners of the Company	119,403	35,745	234.0%	119,403	35,745	234.0%
Perpetual sukuk	11,557	11,555	0.0%	11,557	11,555	0.0%
Non-controlling interests	(445)	3,855	-111.5%	(445)	3,855	-111.5%
	130,515	51,155	155.1%	130,515	51,155	155.1%
<u>Earnings per share (sen):-</u>						
Basic	2.87	0.95		2.87	0.95	
Fully diluted	2.87	0.95		2.87	0.95	

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30/06/2023	31/03/2023
	RM'000	RM'000
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	6,132,406	6,132,406
Treasury shares	(230,829)	(224,912)
Shares held under trust	(1,263)	(1,263)
Other reserves	(68,277)	(87,038)
Retained profits	3,914,670	4,024,571
	<hr/>	<hr/>
	9,746,707	9,843,764
Perpetual sukuk of a subsidiary	859,374	847,817
Non-controlling interests	269,044	269,489
	<hr/>	<hr/>
Total equity	10,875,125	10,961,070
NON-CURRENT LIABILITIES		
Bonds	2,472,238	2,572,025
Term loans	1,085,941	1,057,825
Government support loans	11,461	21,129
Lease liabilities	51,218	52,440
Deferred tax liabilities	489,891	491,158
Trade and other payables	324,224	293,503
Retirement benefits	1,877	1,877
	<hr/>	<hr/>
	4,436,850	4,489,957
DEFERRED INCOME	267,916	258,778
	<hr/>	<hr/>
	15,579,891	15,709,805
	<hr/> <hr/>	<hr/> <hr/>

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30/06/2023	31/03/2023
	RM'000	RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	975,736	979,189
Right-of-use assets	229,170	233,370
Concession assets	4,027,194	3,994,564
Investment properties	610,055	612,246
Associates	939,630	941,181
Joint ventures	566,366	550,382
Financial assets at fair value through other comprehensive income	3,665	3,665
Long term receivables	234,912	235,221
Deferred tax assets	456,884	463,512
Inventories	550,083	537,397
Intangible assets	117,573	125,414
	8,711,268	8,676,141
CURRENT ASSETS		
Inventories	6,669,141	6,672,599
Trade and other receivables	1,444,928	1,261,800
Contract assets	446,702	432,016
Financial assets at fair value through profit or loss	635,738	541,934
Assets held for sale	2,038	2,038
Tax recoverable	106,991	98,904
Deposits, cash and bank balances	2,518,243	2,825,163
	11,823,781	11,834,454
Less:		
CURRENT LIABILITIES		
Trade and other payables	2,850,346	2,679,845
Contract liabilities	325,651	309,089
Provisions	4,087	2,992
Lease liabilities	16,206	18,410
Current tax liabilities	64,042	86,521
Borrowings:		
- Bank overdrafts	5,622	7,365
- Others	1,689,204	1,696,568
	4,955,158	4,800,790
NET CURRENT ASSETS	6,868,623	7,033,664
	15,579,891	15,709,805
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	2.78	2.80

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2023

	-----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 2023	6,132,406	(224,912)	(1,263)	(87,038)	4,024,571	9,843,764	847,817	269,489	10,961,070
Total comprehensive income for the period	-	-	-	18,761	100,642	119,403	11,557	(445)	130,515
Single tier second interim dividend: Year ended 31 March 2023	-	-	-	-	(210,543)	(210,543)	-	-	(210,543)
Share buy back	-	(5,917)	-	-	-	(5,917)	-	-	(5,917)
At 30 June 2023	6,132,406	(230,829)	(1,263)	(68,277)	3,914,670	9,746,707	859,374	269,044	10,875,125
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)	-	-	-	-	-
Share 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

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2023

	3 months ended 30/06/2023 RM'000	3 months ended 30/06/2022 RM'000
OPERATING ACTIVITIES		
Receipts from customers	1,095,479	1,134,972
Payments to contractors, suppliers and employees	(961,874)	(883,016)
Income tax paid	(86,721)	(49,042)
Net cash flow from operating activities	46,884	202,914
INVESTING ACTIVITIES		
Investment in a jointly controlled entity	(2,500)	-
Disposal of an associate	-	2,996
Subscription of Redeemable Unsecured Murabahah Stocks in an associate	(3,680)	(4,580)
Acquisition of financial assets at fair value through profit or loss	(106,626)	(167,522)
Purchases of property, plant and equipment, development land, right-of-use assets, investment properties, concession assets and deferred expenditure	(27,965)	(14,787)
Disposal of investments, property, plant and equipment, right-of-use assets, investment properties and assets held for sale	18,406	19,616
Interest received	18,214	12,219
Dividends received from associates, jointly controlled entities and other investments	3,263	846
Net advances to associates and joint ventures	(13,510)	(20,767)
Net cash flow used in investing activities	(114,398)	(171,979)
FINANCING ACTIVITIES		
Purchase of treasury shares	(5,917)	(11,717)
Net proceeds from bank and government borrowings	117,530	116,252
Repayments of lease liabilities	(4,942)	(2,268)
Interest paid	(67,408)	(58,391)
Dividends paid by subsidiaries to non-controlling shareholders	-	(23,103)
Net repayment of bonds	(285,000)	(350,000)
Net uplifts of restricted deposits	8,393	-
Net cash flow used in financing activities	(237,344)	(329,227)
Net decrease in cash and cash equivalents during the financial period	(304,858)	(298,292)
Cash and cash equivalents at beginning of the financial period	2,807,819	2,887,474
Foreign exchange differences	8,073	3,957
Cash and cash equivalents at end of the financial period	2,511,034	2,593,139
Cash and cash equivalents comprise the following :		
Deposits, cash and bank balances	2,518,243	2,651,759
Bank overdrafts	(5,622)	(48,259)
	2,512,621	2,603,500
Less: restricted deposits with licensed banks	(1,587)	(10,361)
	<u>2,511,034</u>	<u>2,593,139</u>

IJM CORPORATION BERHAD
198301008880 (104131-A)

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 2023 which are available at <https://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 2023.

The financial statements of the Group, which comprise the statement of financial position of the Group as at 30 June 2023, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the financial period ended 30 June 2023 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 2023 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 2023 and applicable to the Group are as follows:

- Amendments to MFRS 17 Insurance Contracts – *Initial Application of MFRS 17 and MFRS 9 – Comparative Information*
- Amendments to MFRS 101 Presentation of Financial Statements – *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*

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.

(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 2024

- Amendments to MFRS 16 Leases – *Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 Presentation of Financial Statements – *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*
- Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures – *Supplier Finance Arrangements*

IJM CORPORATION BERHAD
198301008880 (104131-A)

A2. Changes in Accounting Policies (continued)

- (ii) (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*

The Group and the Company are currently assessing the impact of the above amendments to published standards.

A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2023 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 2023.

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 2023.

A7. Debt and Equity Securities

Other than the following, there were no issuance, cancellation and repayment of debt and equity securities for the financial period ended 30 June 2023.

- (a) For the financial period ended 30 June 2023, 3,845,800 ordinary shares were repurchased in the open market at an average price of RM1.54 per share and retained as treasury shares of the Company.
- (b) For the financial period ended 30 June 2023, RM 285,000,000 bonds were repaid.

A8. Dividend Paid

On 21 July 2023, a single tier second interim dividend and special dividend of 4 sen and 2 sen per share respectively, for the financial year ended 31 March 2023, totaling RM210,543,367 were paid.

IJM CORPORATION BERHAD
198301008880 (104131-A)

A9. Segmental Information

	GROUP		
	3 months ended 30/06/2023	3 months ended 30/06/2022	Change (+/-)
	RM'000	RM'000	%
<u>External revenue:</u>			
Construction	307,155	268,262	14.5%
Property development	369,490	344,995	7.1%
Manufacturing and quarrying	307,378	249,258	23.3%
Infrastructure	241,729	210,129	15.0%
Others	74	86	-14.0%
	<u>1,225,826</u>	<u>1,072,730</u>	14.3%
<u>Inter-segment revenue:</u>			
Construction	160,336	103,265	55.3%
Property development	-	-	0.0%
Manufacturing and quarrying	14,154	4,338	226.3%
Infrastructure	3,112	-	100.0%
Others	26,848	63,371	-57.6%
	<u>204,450</u>	<u>170,974</u>	19.6%
<u>Profits/(losses) before taxation:</u>			
Construction	11,223	19,548	-42.6%
Property development	81,188	33,922	139.3%
Manufacturing and quarrying	44,433	31,349	41.7%
Infrastructure	48,426	2,750	1660.9%
Others	(5,148)	3,641	-241.4%
	<u>180,122</u>	<u>91,210</u>	97.5%
<u>Earnings/(losses) before interest, tax, depreciation and amortisation:</u>			
Construction	35,890	41,888	-14.3%
Property development	93,418	43,017	117.2%
Manufacturing and quarrying	57,385	45,089	27.3%
Infrastructure	142,483	90,612	57.2%
Others	(5,135)	3,645	-240.9%
	<u>324,041</u>	<u>224,251</u>	44.5%
Finance Cost	(69,183)	(51,296)	
Depreciation and amortisation	(74,736)	(81,745)	
Profits before taxation	<u>180,122</u>	<u>91,210</u>	97.5%
	As at 30/06/2023 RM'000	As at 31/03/2023 RM'000	
<u>Total Assets:</u>			
Construction	2,195,582	2,273,542	
Property development	10,161,814	10,121,574	
Manufacturing and quarrying	1,380,852	1,374,875	
Infrastructure	5,895,583	5,880,900	
Others	337,343	297,288	
Total segment assets	<u>19,971,174</u>	<u>19,948,179</u>	
Unallocated corporate assets	563,875	562,416	
Consolidated total assets	<u>20,535,049</u>	<u>20,510,595</u>	

IJM CORPORATION BERHAD
198301008880 (104131-A)

A9. Segmental Information (continued)

	Construction RM'000	Property development RM'000	Manufacturing & Quarrying RM'000	Infrastructure RM'000	Investment & Others RM'000	Total RM'000
3 months ended 30/06/2023						
Revenue from contract with customers						
Timing of revenue recognition:						
- At a point in time	3,966	96,639	299,879	-	-	400,484
- Over time	303,189	266,899	5,936	231,273	22	807,319
	307,155	363,538	305,815	231,273	22	1,207,803
Revenue from other sources	-	5,952	1,563	10,456	52	18,023
Total revenue	307,155	369,490	307,378	241,729	74	1,225,826

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
- Over time	260,859	195,026	2,165	199,640	36	657,726
	268,262	339,028	247,853	199,640	36	1,054,819
Revenue from other sources	-	5,967	1,405	10,489	50	17,911
Total revenue	268,262	344,995	249,258	210,129	86	1,072,730

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 2023.

A11. Changes in the Composition of the Group

On 3 July 2023, IJM RE Sdn. Bhd. ("IJM RE"), a wholly-owned subsidiary of the Company has entered into a shareholders' agreement with FMM Elmina Sdn. Bhd. ("FMM") to establish Exio Logistics Sdn. Bhd. ("EXIO"), an incorporated jointly controlled entity that is in the business of construction and development of logistics hubs. IJM RE and FMM will each hold 50% shareholdings in EXIO.

A12. Contingent Liabilities

The changes in contingent liabilities are summarised as follows:-

	RM'000
Balance as at 31 March 2023	58,132
- Exchange differences	3,566
	<hr/>
Balance as at 30 June 2023	<u>61,698</u>

IJM CORPORATION BERHAD
198301008880 (104131-A)

A13. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 June 2023 are as follows:

	RM'000
Approved and contracted for	37,472
Approved but not contracted for	34,180
	71,652
 <u>Analysed as follows:</u>	
- Purchases of property, plant and equipment	53,883
- Purchases of development land	1,916
- Concession assets	15,164
- Investment properties	689
	71,652

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 2023</u>			
	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>Non-Current Assets:</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	635,738	-	-	635,738

IJM CORPORATION BERHAD
198301008880 (104131-A)

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 RM1,225.8 million and RM180.1 million respectively for 1Q FY2024, an increase of 14.3% and 97.5% respectively as compared to 1Q FY2023.

An analysis of the divisional performances is shown below.

Operating Segment	Commentary
Construction	Revenue for 1Q FY2024 increased by 14.5% driven mainly by higher construction activities during the period. However, pre-tax profit decreased by 42.6% because some ongoing projects were impacted by the material and commodity price increases resulting in lower margins whilst new projects undertaken are presently in their initial stages of construction progress which do not allow for profit recognition until a set milestone of physical completion is achieved.
Property development	Revenue for 1Q FY2024 increased slightly by 7.1% mainly due to the higher level of work progress achieved for the division's ongoing developments whilst pre-tax profit increased significantly by 139.3% as compared to 1Q FY2023 principally due to the recognition of unrealised foreign exchange gains of RM42.2 million in 1QFY2024 as opposed to unrealised foreign exchange losses of RM15.4 million in 1QFY2023.
Manufacturing and quarrying	Revenue and pre-tax profit for 1Q FY2024 improved significantly by 23.3% and 41.7% respectively as compared to 1Q FY2023, principally due to higher deliveries of piles, quarry and ready-mixed concrete coupled with higher margins for its piles.
Infrastructure	Revenue for 1Q FY2024 increased by 15.0% driven by higher port revenue arising from the recovery of cargo throughput, whilst pre-tax profit increased by 1,660.9%, mainly attributable to higher profit contribution from the port business and lower unrealised foreign exchange losses of RM1.9 million for 1Q FY2024 on its US Dollar denominated borrowings for its Indian operations (1Q FY2023: RM33.0 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 16.0% from RM155.3 million to RM180.1 million as compared to the immediate preceding quarter, mainly due to higher foreign exchange gains recorded in the current quarter (1Q FY2024: RM41.7 million gains vs 4Q FY2023: RM20.7 million gains).

IJM CORPORATION BERHAD
198301008880 (104131-A)

B3. Prospects for the New Financial Year

In 2023, the global economy is anticipated to experience a slower rate of growth projected at 3.0% (source: World Economic Outlook Update in July 2023). In tandem, Malaysia's growth is expected to moderate between 4.0% and 5.0%.

For FY2024, the Group's Construction division will be focusing on the timely execution and completion of its outstanding order book of RM4.9 billion of which RM650 million was newly secured in 1Q FY2024. The roll-out of large-scale public infrastructure projects by the Government of Malaysia is also expected to increase the Group's opportunity for order book replenishment.

Despite the challenges faced such as rising interest rate and cost of building materials, the Property division's focus is to continue offering compelling products that are aligned with market preferences at the various price point segments. With its unbilled sales of about RM2.5 billion, the Property division is expected to deliver a solid performance for the current financial year.

The Group's Industry division is expected to post another strong performance for the current financial year based on its strong order book in hand.

The local and overseas toll operations are expected to continue contributing positively to the performance of the Group. In line with the recovery of cargo volume seen in 1Q FY2024 and tariff increase, the Port operation is expected to see a recovery for the current year.

Premised on the above, the Group is expected to register a better performance for FY2024 as compared to FY2023.

B4. Profit Forecast

Not applicable.

IJM CORPORATION BERHAD
198301008880 (104131-A)

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	
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	58,495	50,143	58,495	50,143
Overseas taxation	18	-	18	-
Deferred taxation	6,750	(7,819)	6,750	(7,819)
	<u>65,263</u>	<u>42,324</u>	<u>65,263</u>	<u>42,324</u>

The Group's effective tax rate (excluding the results of associates and joint ventures which are equity accounted net of tax) for the financial period was substantially higher than the statutory tax rate mainly due to certain expenses being not deductible for tax purposes, the non-recognition of deferred tax assets on unutilised tax losses of certain subsidiaries and the derecognition of deferred tax assets in certain subsidiaries arising from unabsorbed tax losses that may no longer be utilised.

B6. Status of Corporate Proposals

- (a) On 24 July 2023, the Company entered into a conditional subscription agreement ("Subscription Agreement") with PESTECH International Berhad ("PESTECH") for the proposed subscription of 800 million new ordinary shares in PESTECH representing 44.83% of the enlarged share capital in PESTECH, at an aggregate subscription price of RM124 million ("Proposed Subscription").

There are no other outstanding corporate proposals as at 30 June 2023.

- (b) As at 30 June 2023, the status of the proposed utilisation of proceeds received from the disposal of IJM Plantations Berhad are as follows:

Purpose	Proposed utilisation	Actual utilisation	Balance unutilised	Estimated utilisation timeframe from the completion of the disposal of IJM Plantations Berhad
	RM'000	RM'000	RM'000	
Future investment opportunities / capital expenditure	430,000	356,272	73,728	within 36 months
Capital management activities	800,000	671,212	128,788	within 24 months
General working capital	300,000	251,948	48,052	within 24 months
Estimated expenses	4,000	2,598	1,402	within 3 months
	<u>1,534,000</u>	<u>1,282,030</u>	<u>251,970</u>	

IJM CORPORATION BERHAD
198301008880 (104131-A)

B7. Group Borrowings

Particulars of the Group's borrowings as at 30 June 2023 are as follows:

	As at 30/06/2023 RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Islamic bonds	160,000
- Term loans	142,793
- Revolving credits	11,181
Unsecured:-	
- Government support loans (included in trade and other payables)	9,930
- Term loans	407,131
- Revolving credits	946,484
- Bankers' acceptances	17,020
- Bank overdrafts	5,622
- Letters of credit	4,595
	<u>1,704,756</u>
 (ii) Long Term Borrowings	
Secured:-	
- Islamic bonds	1,472,238
- Term loans	1,084,035
Unsecured:-	
- Islamic bonds	1,000,000
- Government support loans	11,461
- Term loans	1,906
	<u>3,569,640</u>

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	223,740	1,048,232
Indian Rupee	6,514,689	371,989
		<u>1,420,221</u>

B8. Changes in Material Litigation

There was no material litigation since 31 March 2023.

IJM CORPORATION BERHAD
198301008880 (104131-A)

B9. Dividends

No dividend has been declared for the current financial year ending 31 March 2024.

In respect of the financial year ended 31 March 2023, a single tier first interim dividend of 2 sen per share was paid on 30 December 2022; and a single tier second interim dividend and special dividend of 4 sen and 2 sen per share respectively were paid on 21 July 2023.

B10. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/06/2023 RM'000	30/06/2022 RM'000	30/06/2023 RM'000	30/06/2022 RM'000
<u>Basic earnings per share:-</u>				
Net profit for the period attributable to owners of the Company	100,642	33,406	100,642	33,406
Weighted average number of ordinary shares ('000)	3,512,413	3,530,436	3,512,413	3,530,436
Basic earnings per share (sen)	2.87	0.95	2.87	0.95
<u>Diluted earnings per share:-</u>				
Net profit for the period attributable to owners of the Company	100,642	33,406	100,642	33,406
Weighted average number of ordinary shares ('000)	3,512,413	3,530,436	3,512,413	3,530,436
Effect of dilution ('000)				
- Employee share grants	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	3,512,413	3,530,436	3,512,413	3,530,436
Diluted earnings per share (sen)	2.87	0.95	2.87	0.95

IJM CORPORATION BERHAD
198301008880 (104131-A)

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
	30/06/2023	30/06/2022	30/06/2023	30/06/2022
	RM'000	RM'000	RM'000	RM'000
Interest income	26,820	26,955	26,820	26,955
Other income (including investment income)	13,145	20,770	13,145	20,770
Interest expense	(69,183)	(51,296)	(69,183)	(51,296)
Depreciation and amortisation	(74,736)	(81,745)	(74,736)	(81,745)
Net write back of/(allowance for) impairment of receivables	283	(1,122)	283	(1,122)
Net allowance for write down of inventories	-	(3,447)	-	(3,447)
Net gains on disposal of investments or properties	252	3,945	252	3,945
Net (allowance for)/write back of impairment of assets	(7,949)	2,625	(7,949)	2,625
Net realised foreign exchange gains	511	27	511	27
Net unrealised foreign exchange gains/(losses)	41,141	(45,073)	41,141	(45,073)
Net gains on derivatives	-	501	-	501

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

As at 30 June 2023, the Group did not have any outstanding derivative financial instruments.

B13. Fair value changes of derivative financial instruments

Not applicable.

B14. Authorised for issue

The interim financial report was authorised for issue by the Board in accordance with a resolution of the Directors on 28 August 2023.