



IJM CORPORATION BERHAD
198301008880 (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended: **30/06/2021**
 Quarter: **1st Quarter**
 Financial Year End: **31/03/2022**
 The figures: **Have not been audited**
 Full Quarterly Report: **Refer attached**

Part A2 : Summary of Key Financial Information for the financial period ended 30/06/2021

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2021 RM'000	Preceding year quarter 30/06/2020 RM'000 Restated	Current year to date 30/06/2021 RM'000	Preceding year to date 30/06/2020 RM'000 Restated
1 Revenue	1,305,895	879,803	1,305,895	879,803
2 Profit before taxation	166,834	94,316	166,834	94,316
3 Net profit for the period	110,757	50,494	110,757	50,494
4 Net profit attributable to owners of the Company	65,683	2,048	65,683	2,048
5 Basic earnings per share (sen)	1.82	0.06	1.82	0.06
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 30/06/2021		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		2.73		2.76

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 (+/-)
	30/06/2021	30/06/2020		30/06/2021	30/06/2020	
	RM'000	RM'000	%	RM'000	RM'000	%
		Restated			Restated	
Operating revenue	1,305,895	879,803	48.4%	1,305,895	879,803	48.4%
Cost of sales	(1,033,732)	(732,326)	41.2%	(1,033,732)	(732,326)	41.2%
Gross profit	272,163	147,477	84.5%	272,163	147,477	84.5%
Other operating income	62,652	63,379	-1.1%	62,652	63,379	-1.1%
Foreign exchange differences	2,391	91,436	-97.4%	2,391	91,436	-97.4%
Tendering, selling and distribution expenses	(25,308)	(25,733)	-1.7%	(25,308)	(25,733)	-1.7%
Administrative expenses	(77,171)	(68,576)	12.5%	(77,171)	(68,576)	12.5%
Other operating expenses	(13,092)	(19,677)	-33.5%	(13,092)	(19,677)	-33.5%
Operating profit before finance cost	221,635	188,306	17.7%	221,635	188,306	17.7%
Finance cost	(48,067)	(64,395)	-25.4%	(48,067)	(64,395)	-25.4%
Operating profit after finance cost	173,568	123,911	40.1%	173,568	123,911	40.1%
Share of losses of associates	(8,011)	(24,833)	-67.7%	(8,011)	(24,833)	-67.7%
Share of profits/(losses) of joint ventures	1,277	(4,762)	126.8%	1,277	(4,762)	126.8%
Profit before taxation	166,834	94,316	76.9%	166,834	94,316	76.9%
Income tax expense	(56,077)	(43,822)	28.0%	(56,077)	(43,822)	28.0%
Net profit for the period	110,757	50,494	119.3%	110,757	50,494	119.3%
<u>Other comprehensive income/(loss) (net of tax):</u>						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation differences of foreign operations	(3,903)	100,866		(3,903)	100,866	
Share of other comprehensive income of associates	1	249		1	249	
	(3,902)	101,115	-103.9%	(3,902)	101,115	-103.9%
Total comprehensive income for the period	106,855	151,609	-29.5%	106,855	151,609	-29.5%
<u>Net profits/(losses) attributable to:-</u>						
Owners of the Company	65,683	2,048	3107.2%	65,683	2,048	3107.2%
Perpetual sukuk	11,552	11,549	0.0%	11,552	11,549	0.0%
Non-controlling interests	33,522	36,897	-9.1%	33,522	36,897	-9.1%
	110,757	50,494	119.3%	110,757	50,494	119.3%
<u>Total comprehensive income attributable to:-</u>						
Owners of the Company	61,169	60,765	0.7%	61,169	60,765	0.7%
Perpetual sukuk	11,552	11,549	0.0%	11,552	11,549	0.0%
Non-controlling interests	34,134	79,295	-57.0%	34,134	79,295	-57.0%
	106,855	151,609	-29.5%	106,855	151,609	-29.5%
<u>Earnings/(losses) per share (sen):-</u>						
Basic	1.82	0.06		1.82	0.06	
Fully diluted	1.81	0.06		1.81	0.06	

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

	30/06/2021	31/03/2021	1/04/2020
	RM'000	RM'000	RM'000
		Restated	Restated
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	6,127,262	6,117,056	6,112,042
Treasury shares	(59,036)	(36,655)	(18,070)
Shares held under trust	(1,263)	(1,263)	(1,263)
Other reserves	(50,007)	(23,561)	(90,701)
Retained profits	3,849,489	3,918,227	3,592,029
	9,866,445	9,973,804	9,594,037
Perpetual sukuk of a subsidiary	859,845	848,293	848,470
Non-controlling interests	1,394,662	1,367,704	1,191,206
	12,120,952	12,189,801	11,633,713
NON-CURRENT LIABILITIES			
Bonds	2,666,773	2,966,586	2,876,119
Term loans	1,948,675	1,925,833	1,615,143
Government support loans	40,281	49,810	58,672
Lease liabilities	47,198	48,983	49,889
Deferred tax liabilities	591,625	587,449	629,587
Trade and other payables	278,763	278,938	311,297
Retirement benefits	22,982	22,359	22,443
Derivative financial instruments	-	-	872
	5,596,297	5,879,958	5,564,022
DEFERRED INCOME	267,682	271,212	70,355
	17,984,931	18,340,971	17,268,090

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

	30/06/2021 RM'000	31/03/2021 RM'000	1/04/2020 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	2,645,250	2,635,708	2,578,272
Right-of-use assets	432,584	436,979	444,907
Concession assets	4,134,805	4,075,202	3,786,391
Investment properties	636,747	638,718	652,879
Associates	915,732	893,627	921,975
Joint ventures	846,951	854,814	850,868
Financial assets at fair value through other comprehensive income	3,665	3,665	3,665
Long term receivables	228,964	258,945	220,731
Deferred tax assets	474,911	482,848	449,937
Inventories	513,061	511,916	679,223
Intangible assets	94,811	94,800	101,116
	10,927,481	10,887,222	10,689,964
CURRENT ASSETS			
Inventories	7,271,138	7,341,783	7,675,973
Produce growing on bearer plants	19,211	19,380	11,892
Trade and other receivables	1,671,366	1,707,793	1,865,664
Contract assets	290,906	299,553	345,336
Financial assets at fair value through profit or loss	629,568	689,357	534,630
Derivative financial instruments	2,325	2,370	1,722
Assets held for sale	-	-	3,665
Assets of disposal group classified as held for sale	23,167	23,167	-
Tax recoverable	126,933	111,037	91,880
Deposits, cash and bank balances	2,489,447	2,406,181	2,222,648
	12,524,061	12,600,621	12,753,410
CURRENT LIABILITIES			
Trade and other payables	2,901,905	2,932,624	3,130,999
Contract liabilities	492,110	323,657	666,366
Provisions	2,558	1,640	2,476
Derivative financial instruments	694	4,388	3,236
Lease liabilities	12,673	14,642	11,870
Borrowings:			
- Bank overdrafts	69,031	14,755	118,860
- Others	1,958,900	1,825,067	2,211,657
Current tax liabilities	25,645	27,004	29,820
Liabilities of disposal group classified as held for sale	3,095	3,095	-
	5,466,611	5,146,872	6,175,284
NET CURRENT ASSETS	7,057,450	7,453,749	6,578,126
	17,984,931	18,340,971	17,268,090
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	2.73	2.76	2.64

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2021

	-----Attributable to owners of the Company-----					Total RM'000	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				
At 1 April 2021									
- as previously reported	6,117,056	(36,655)	(1,263)	(23,561)	3,922,958	9,978,535	848,293	1,369,311	12,196,139
- effect of the adoption of Agenda Decision	-	-	-	-	(4,731)	(4,731)	-	(1,607)	(6,338)
At 1 April 2021, as restated	6,117,056	(36,655)	(1,263)	(23,561)	3,918,227	9,973,804	848,293	1,367,704	12,189,801
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 a subsidiary 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)
Transfer from other reserve to retained profits upon liquidation of a subsidiary	-	-	-	(10,000)	10,000	-	-	-	-
Liquidation of a subsidiary	-	-	-	-	-	-	-	(5,137)	(5,137)
At 30 June 2021	6,127,262	(59,036)	(1,263)	(50,007)	3,849,489	9,866,445	859,845	1,394,662	12,120,952
At 1 April 2020									
- as previously reported	6,112,042	(18,070)	(1,263)	(90,701)	3,600,358	9,602,366	848,470	1,192,770	11,643,606
- effect of the adoption of Agenda Decision	-	-	-	-	(8,329)	(8,329)	-	(1,564)	(9,893)
At 1 April 2020, as restated	6,112,042	(18,070)	(1,263)	(90,701)	3,592,029	9,594,037	848,470	1,191,206	11,633,713
Total comprehensive income for the period	-	-	-	58,717	2,048	60,765	11,549	79,295	151,609
Issuance of employee share options and share grants (net)	-	-	-	3,222	-	3,222	-	-	3,222
Single tier second interim dividend: Year ended 31 March 2020	-	-	-	-	(36,313)	(36,313)	-	-	(36,313)
At 30 June 2020	6,112,042	(18,070)	(1,263)	(28,762)	3,557,764	9,621,711	860,019	1,270,501	11,752,231

IJM CORPORATION BERHAD 198301008880 (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2021

	3 months ended 30/06/2021 RM'000	3 months ended 30/06/2020 RM'000
OPERATING ACTIVITIES		
Receipts from customers	1,563,836	998,750
Payments to contractors, suppliers and employees	(1,131,650)	(855,364)
Income tax paid	(56,514)	(52,560)
Net cash flow from operating activities	375,672	90,826
INVESTING ACTIVITIES		
Additional investments in associates	(15,400)	-
Subscription of Redeemable Unsecured Murabahah Stocks in an associate	(6,360)	-
Acquisition of financial assets at fair value through profit or loss	(105,499)	(37,616)
Purchases of property, plant and equipment, development land, right-of-use assets, investment properties, concession assets and deferred expenditure	(176,492)	(23,407)
Disposal of investments, property, plant and equipment, right-of-use assets, investment properties and assets held for sale	171,094	48,025
Net cash flow arising from liquidation of a subsidiary	(5,137)	-
Interest received	14,220	24,144
Dividends received from associates, joint ventures and other investments	12,611	18,996
Net advances to associates and joint ventures	(1,292)	(6,127)
Net cash flow (used in)/from investing activities	(112,255)	24,015
FINANCING ACTIVITIES		
Purchase of treasury shares	(22,381)	-
Net proceeds from bank and government borrowings	11,835	65,001
Repayments of lease liabilities	(3,503)	(3,301)
Interest paid	(63,875)	(85,568)
Dividends paid by subsidiaries to non-controlling shareholders	(2,039)	-
Net repayment of bonds	(150,000)	(150,000)
Net (placements)/uplifts of restricted deposits	(8,240)	18,384
Net cash flow used in financing activities	(238,203)	(155,484)
Net increase/(decrease) in cash and cash equivalents during the financial period	25,214	(40,643)
Cash and cash equivalents at beginning of the financial period	2,381,044	2,071,209
Foreign exchange differences	(4,417)	3,523
Cash and cash equivalents at end of the financial period	2,401,841	2,034,089
Cash and cash equivalents comprise the following :		
Deposits, cash and bank balances	2,489,447	2,141,180
Bank overdrafts	(69,031)	(92,719)
Deposits, cash and bank balances of disposal group classified as held for sale	3,491	-
	<u>2,423,907</u>	<u>2,048,461</u>
Less: restricted deposits with licensed banks	<u>(22,066)</u>	<u>(14,372)</u>
	<u><u>2,401,841</u></u>	<u><u>2,034,089</u></u>

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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 2021 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 2021.

The financial statements of the Group, which comprise the statement of financial position of the Group as at 30 June 2021, the statement of comprehensive income, statement of changes in equity and the statement of cash flows for the financial period ended 30 June 2021 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 2021 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 2021, which the Group has early adopted in FY2021 are as follows:

- Amendments to MFRS 16 Leases “COVID-19 Related Rent Concessions”
- Amendments to MFRS 16 Leases “COVID-19 Related Rent Concessions beyond 30 June 2021”

(b) Amendments to published standard and IFRIC agenda decision that are effective for the Group’s financial year beginning on or after 1 April 2021 and applicable to the Group are as follows:

- Amendments to MFRS 9 Financial Instruments, MFRS 139 Financial Instruments: Recognition and Measurement, MFRS 7 Financial Instruments: Disclosures and MFRS 16 Leases – *Interest Rate Benchmark reform – Phase 2*
- IFRIC Agenda Decision on MFRS 123 “Borrowing Costs”

The adoption of the above did not result in any significant change to the accounting policies and does not have a material impact on the interim financial report of the Group except for the adoption of Agenda Decision. The effect of the adoption of IFRIC Agenda Decision on MFRS 123 is shown in section (iii) below.

(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 year beginning on or after 1 April 2022

- 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*

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A2. Changes in Accounting Policies (continued)

(a) Effective for financial year beginning on or after 1 April 2022 (continued)

- 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 141 Agriculture – *Taxation in Fair Value Measurements*
 - Amendment to MFRS 16 Leases – *Illustrative Example accompanying MFRS 16 Leases: Lease Incentives*

(b) Effective for financial year 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*

(c) 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 and Investor and its Associate or Joint Venture*

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

(iii) Effects of the adoption of IFRIC Agenda Decision on MFRS 123 “Borrowing Costs” (“Agenda Decision”)

Prior to the adoption of the Agenda Decision, borrowing costs incurred on property development were capitalised in the inventories until the completion of the construction of the assets. The borrowing costs capitalised in inventories were recognised as cost of sales in profit or loss by reference to the progress towards complete satisfaction of that performance obligation.

With the adoption of the Agenda Decision, the capitalisation of borrowing costs into a development project ceases when it is launched. The Group has applied the Agenda Decision retrospectively with the restatement of statement of financial position as at 1 April 2020 and throughout all periods presented in the financial statements.

The effects of adoption of the Agenda Decision on the results for the first quarter ended 30 June 2020 and the financial positions as at 1 April 2020 and 31 March 2021 are as follows:

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A2. Changes in Accounting Policies (continued)

(a) Reconciliation of Statement of Comprehensive Income for the quarter ended 30 June 2020

	Pre-adoption of Agenda Decision <u>RM'000</u>	Effects of adoption of Agenda Decision <u>RM'000</u>	Post-adoption of Agenda Decision <u>RM'000</u>
Quarter ended 30 June 2020			
Revenue	879,803	-	879,803
Cost of sales	<u>(736,074)</u>	3,748	<u>(732,326)</u>
Gross profit	143,729		147,477
Other operating income	63,379	-	63,379
Foreign exchange differences	91,436	-	91,436
Tendering, selling and distribution expenses	(25,733)	-	(25,733)
Administrative expenses	(68,576)	-	(68,576)
Other operating expenses	<u>(19,677)</u>	-	<u>(19,677)</u>
	184,558		188,306
Finance cost	<u>(62,409)</u>	(1,986)	<u>(64,395)</u>
	122,149		123,911
Share of losses of associates	(24,833)	-	(24,833)
Share of losses of joint ventures	<u>(4,164)</u>	(598)	<u>(4,762)</u>
Profit before taxation	93,152		94,316
Income tax expense	<u>(43,399)</u>	(423)	<u>(43,822)</u>
Net profit for the period	49,753		50,494
Other comprehensive income	<u>101,115</u>	-	<u>101,115</u>
	<u>150,868</u>		<u>151,609</u>
Net profit attributable to:			
Owners of the Company	1,271	777	2,048
Perpetual Sukuk	11,549	-	11,549
Non-controlling interests	<u>36,933</u>	(36)	<u>36,897</u>
	<u>49,753</u>		<u>50,494</u>
Total comprehensive income attributable to:			
Owners of the Company	59,988	777	60,765
Perpetual Sukuk	11,549	-	11,549
Non-controlling interests	<u>79,331</u>	(36)	<u>79,295</u>
	<u>150,868</u>		<u>151,609</u>
Earnings per share (sen):			
Basic	0.04		0.06
Fully Diluted	0.04		0.06

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A2. Changes in Accounting Policies (continued)

(b) Reconciliation of Statement of Financial Position as at 1 April 2020

	Pre-adoption of Agenda Decision RM'000	Effects of adoption of Agenda Decision RM'000	Post-adoption of Agenda Decision RM'000
As at 1 April 2020			
<i>Total equity</i>			
Other equity	6,850,478	-	6,850,478
Retained profits	3,600,358	(8,329)	3,592,029
Non-controlling interests	<u>1,192,770</u>	<u>(1,564)</u>	<u>1,191,206</u>
	11,643,606		11,633,713
<i>Non-current liabilities</i>			
Deferred income	5,564,022	-	5,564,022
	<u>70,355</u>	<u>-</u>	<u>70,355</u>
<i>Total equity and liabilities</i>	<u>17,277,983</u>		<u>17,268,090</u>
<i>Non-current assets</i>			
Joint ventures	852,370	(1,502)	850,868
Deferred tax assets	447,287	2,650	449,937
Other non-current assets	<u>9,389,159</u>	<u>-</u>	<u>9,389,159</u>
	<u>10,688,816</u>		<u>10,689,964</u>
<i>Current assets</i>			
Inventories	7,687,014	(11,041)	7,675,973
Other current assets	<u>5,077,437</u>	<u>-</u>	<u>5,077,437</u>
	<u>12,764,451</u>		<u>12,753,410</u>
<i>Current liabilities</i>			
Trade and other payables	3,130,999	-	3,130,999
Other current liabilities	<u>3,044,285</u>	<u>-</u>	<u>3,044,285</u>
	<u>6,175,284</u>		<u>6,175,284</u>
<i>Net current liabilities</i>	<u>6,589,167</u>		<u>6,578,126</u>
	<u>17,277,983</u>		<u>17,268,090</u>

(c) Reconciliation of Statement of Financial Position as at 31 March 2021

	Pre-adoption of Agenda Decision RM'000	Effects of adoption of Agenda Decision RM'000	Post-adoption of Agenda Decision RM'000
As at 31 March 2021			
<i>Total equity</i>			
Other equity	6,903,870	-	6,903,870
Retained profits	3,922,958	(4,731)	3,918,227
Non-controlling interests	<u>1,369,311</u>	<u>(1,607)</u>	<u>1,367,704</u>
	12,196,139		12,189,801
<i>Non-current liabilities</i>			
Deferred income	5,879,958	-	5,879,958
	<u>271,212</u>	<u>-</u>	<u>271,212</u>
<i>Total equity and liabilities</i>	<u>18,347,309</u>		<u>18,340,971</u>
<i>Non-current assets</i>			
Joint ventures	857,719	(2,905)	854,814
Deferred tax assets	481,763	1,085	482,848
Other non-current assets	<u>9,549,560</u>	<u>-</u>	<u>9,549,560</u>
	<u>10,889,042</u>		<u>10,887,222</u>
<i>Current assets</i>			
Inventories	7,346,301	(4,518)	7,341,783
Other current assets	<u>5,258,838</u>	<u>-</u>	<u>5,258,838</u>
	<u>12,605,139</u>		<u>12,600,621</u>
<i>Current liabilities</i>			
Trade and other payables	2,932,624	-	2,932,624
Other current liabilities	<u>2,214,248</u>	<u>-</u>	<u>2,214,248</u>
	<u>5,146,872</u>		<u>5,146,872</u>
<i>Net current liabilities</i>	<u>7,458,267</u>		<u>7,453,749</u>
	<u>18,347,309</u>		<u>18,340,971</u>

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A3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2021 was unmodified.

A4. Seasonality or Cyclical of Operations

The Group's operations are not materially affected by seasonal or cyclical factors except for the Plantation division which normally sees its cropping pattern of oil palms declining to a trough in the first half of a calendar year before rising to a peak in the second half.

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 2021.

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 2021.

A7. Debt and Equity Securities

- (a) For the financial period ended 30 June 2021, the number of issued and paid-up ordinary shares of the Company was increased from 3,641,119,020 to 3,645,280,320 by way of the issuance of 4,161,300 new ordinary shares arising from the vesting of shares under the Employee Share Grant Plan ("ESGP").
- (b) For the financial period ended 30 June 2021, 11,969,800 ordinary shares were repurchased in the open market at an average price of RM1.87 per share and retained as treasury shares of the Company. There were no cancellations and repayments of debt and equity securities for the financial period ended 30 June 2021.

A8. Dividend Paid

On 23 July 2021, a single tier second interim dividend of 4 sen per share in respect of the financial year ended 31 March 2021 was paid totalling RM144,421,121.

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A9. Segmental Information

	GROUP		
	3 months ended 30/06/2021	3 months ended 30/06/2020	Change (+/-)
	RM'000	RM'000	%
		Restated	
<u>External revenue:</u>			
Construction	377,536	287,510	31.3%
Property development	332,106	145,705	127.9%
Manufacturing and quarrying	163,309	85,566	90.9%
Plantation	271,715	205,985	31.9%
Infrastructure	161,160	154,956	4.0%
Investment and others	69	81	-14.8%
	1,305,895	879,803	48.4%
<u>Inter-segment revenue:</u>			
Construction	62,007	16,921	266.4%
Property development	-	-	
Manufacturing and quarrying	3,905	4,468	-12.6%
Plantation	-	-	
Infrastructure	-	-	
Investment and others	29,753	12,288	142.1%
	95,665	33,677	184.1%
<u>Profit/(loss) before taxation:</u>			
Construction	29,913	16,394	82.5%
Property development	32,693	(9,245)	453.6%
Manufacturing and quarrying	7,645	(14,934)	151.2%
Plantation	83,097	115,298	-27.9%
Infrastructure	12,239	(11,022)	211.0%
Investment and others	1,247	(2,175)	157.3%
	166,834	94,316	76.9%
<u>Earnings/(losses) before interest, tax, depreciation and amortisation:</u>			
Construction	55,229	49,759	11.0%
Property development	39,398	(184)	21512.0%
Manufacturing and quarrying	20,361	962	2016.5%
Plantation	116,069	150,275	-22.8%
Infrastructure	85,070	63,684	33.6%
Investment and others	1,252	(2,169)	157.7%
	317,379	262,327	21.0%
Finance Cost	(48,067)	(64,395)	
Depreciation and amortisation	(102,478)	(103,616)	
Profit before taxation	166,834	94,316	76.9%
	As at	As at	
	30/06/2021	31/03/2021	
	RM'000	RM'000	
		Restated	
<u>Total Assets:</u>			
Construction	2,300,079	2,341,268	
Property development	10,533,514	10,437,416	
Manufacturing and quarrying	1,427,798	1,469,535	
Plantation	2,430,656	2,379,205	
Infrastructure	6,139,755	6,137,254	
Investment and others	17,896	129,280	
Total segment assets	22,849,698	22,893,958	
Unallocated corporate assets	601,844	593,885	
Consolidated total assets	23,451,542	23,487,843	

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A9. Segmental Information (continued)

	Construction RM'000	Property development RM'000	Manufacturing & Quarrying RM'000	Plantation RM'000	Infrastructure RM'000	Investment & Others RM'000	Total RM'000
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	270,998	-	-	550,656
- Over time	375,126	202,846	5,597	717	152,472	29	736,787
	<u>377,536</u>	<u>323,564</u>	<u>162,127</u>	<u>271,715</u>	<u>152,472</u>	<u>29</u>	<u>1,287,443</u>
Revenue from other sources	-	8,542	1,182	-	8,688	40	18,452
Total revenue	<u>377,536</u>	<u>332,106</u>	<u>163,309</u>	<u>271,715</u>	<u>161,160</u>	<u>69</u>	<u>1,305,895</u>

3 months ended 30/06/2020

Revenue from contract with customers							
Timing of revenue recognition:							
- At a point in time	782	42,860	84,572	205,695	-	-	333,909
- Over time	286,728	94,274	138	290	142,561	16	524,007
	<u>287,510</u>	<u>137,134</u>	<u>84,710</u>	<u>205,985</u>	<u>142,561</u>	<u>16</u>	<u>857,916</u>
Revenue from other sources	-	8,571	856	-	12,395	65	21,887
Total revenue	<u>287,510</u>	<u>145,705</u>	<u>85,566</u>	<u>205,985</u>	<u>154,956</u>	<u>81</u>	<u>879,803</u>

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 2021.

A11. Changes in the Composition of the Group

During the current financial period, there has been no change in the composition of the Group.

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A12. Contingent Liabilities

The changes in contingent liabilities are summarised as follows:-

	RM'000
Balance as at 31 March 2021	4,970
- Exchange differences	<u>(87)</u>
Balance as at 30 June 2021	<u><u>4,883</u></u>

A13. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 June 2021 are as follows:

	RM'000
Approved and contracted for	256,654
Approved but not contracted for	<u>177,227</u>
	<u><u>433,881</u></u>

Analysed as follows:

- Purchases of property, plant and equipment	244,071
- Purchases of development land	10,838
- Concession assets	177,966
- Investment properties	<u>1,006</u>
	<u><u>433,881</u></u>

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 2021</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 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	629,568	-	-	629,568
Derivative financial instruments	-	2,325	-	2,325
<u>Current Liability:</u>				
Derivative financial instruments	-	(694)	-	<u><u>(694)</u></u>

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

B1. Detailed Analysis of Performance of all Operating Segments

The Malaysian government has implemented various forms of movement control orders (MCO) since May 2020, which have materially impacted the Group's business operations. Some of the other countries in which the Group operates have also experienced a similar situation. In the current reporting quarter ended 30 June 2021 (1Q FY2022), the Malaysian Government reintroduced a nationwide lockdown on all social and economic sectors except for some essential services from 1 June 2021.

The Group registered a revenue of RM1,305.9 million and a pre-tax profit of RM166.8 million for 1Q FY2022, an increase of 48.4% and 76.9% respectively as compared to the corresponding quarter in the previous year (1Q FY2021). This is primarily because the first MCO had restricted business activities for almost two thirds of 1Q FY2021 while the restrictions in the current quarter have only affected the month of June 2021.

Further analysis of the divisional performances is given below.

Operating Segment	Commentary
Construction	Revenue and pre-tax profit in 1Q FY2022 increased by 31.3% and 82.5% respectively versus 1Q FY2021, mainly attributable to higher construction activities, improved gross profit margin and lower finance cost this quarter.
Property development	Revenue and pre-tax profit in 1Q FY2022 increased by 127.9% and 453.6% respectively compared to 1Q FY2021. This was primarily because of higher construction activities, improved gross profit margin and lower finance cost recorded during the quarter. In addition, the positive profit contribution from the JVs and the favourable currency movements (1Q FY2022: gains of RM1.9 million; 1Q FY2021: losses of RM5.7 million) have also contributed to the better financial performance.
Manufacturing and quarrying	Revenue and pre-tax profit in 1Q FY2022 increased by 90.9% and 151.2% respectively compared to 1Q FY2021, mainly due to higher deliveries of piles, quarry products and ready-mixed concrete in the current quarter.
Plantation	Revenue for the current quarter increased by 31.9% versus 1Q FY2021, mainly due to higher commodity prices recorded by both the Malaysian and Indonesian operations. However, the division recorded a lower 1Q FY2022 pre-tax profit of RM83.1 million as compared to RM115.3 million in 1Q FY2021, due to a lower net foreign exchange gain of RM3.8 million recorded in the current quarter (1Q FY2021: gain of RM91.7 million).
Infrastructure	Revenue in 1Q FY2022 increased by 4.0% whilst pre-tax profit increased by 211.0% as compared to 1Q FY2021. The sharp rise in the pre-tax profits is primarily due to higher local traffic volumes, coupled with lower share of losses in associates, hence partially offsetting lower profit contribution from the Group's port operations as its customers' operations were restricted by the lockdown.

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

The Group's pre-tax profit decreased by 32.2% to RM166.8 million compared to RM246.2 million posted in the immediate preceding quarter, mainly due to lower profit contributions from the Group's Property development, Manufacturing and quarrying, and Infrastructure divisions, as a result of the re-imposition of a nationwide lockdown from 1 June 2021, which hampered the business activities of the Group.

B3. Prospects for the Coming Financial Year

The reopening of the economic sectors in Malaysia will be in four phases, as outlined under the National Recovery Plan ("NRP"), which will be monitored using 3 main threshold indicators, namely the Covid-19 transmission within the community, the capability of the public health system based on the occupancy of intensive care wards and the vaccination rate of the population. At present, most of the States that the Group operates in are still under Phase 1 and 2 of the NRP where economic activities are still substantially restricted. Notwithstanding the resilience demonstrated by all the business divisions in the previous financial year, the Group expects the performance in FY2022 to be affected by the prolonged movement restrictions. As numerous restrictions continue to be in place until today, we expect the performance in the second quarter to be negatively impacted.

The performance of the Group's Construction division is expected to improve when construction work resumes fully, by focusing on the timely execution and completion of its outstanding order book of RM4.02 billion.

The low interest rate environment and the incentives offered under the ongoing Home Ownership Campaign are expected to continue supporting the demand for mid-market segment products in Malaysia. With its wide array of mid-market products in strategic locations and its unbilled sales in hand, the Property division's performance is expected to recover in line with the relaxation under the NRP.

The Industry division's performance is expected to recover in tandem with the recommencement of construction activities. The division's secured order book is expected to underpin its performance whilst it continues with its business rationalisation efforts through product quality improvements, cost optimisation and process efficiency enhancements.

The performance of the Port operations will be dependent on the pace of its customers' business activities, while the Group's toll operations are expected to see a rebound in traffic volumes once the economy reopens.

Notably, the Group will cease to consolidate the financial results of IJM Plantations Berhad upon the completion of its proposed disposal, which is expected to be in the second quarter of FY2022. Upon the completion of the disposal, the Group is expected to recognise a one-off gain on disposal.

The Group's performance for the current financial year will be heavily dependent on the timing of resumption of business activities, which in turn will be reliant on the relaxation of the movement controls under the NRP.

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	
	2021 RM'000	2020 RM'000 Restated	2021 RM'000	2020 RM'000 Restated
Malaysian income tax	51,758	25,515	51,758	25,515
Overseas taxation	(446)	319	(446)	319
Deferred taxation	4,765	17,988	4,765	17,988
	<u>56,077</u>	<u>43,822</u>	<u>56,077</u>	<u>43,822</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 higher than the statutory tax rate mainly due to certain expenses not being deductible for tax purposes and the non-recognition of deferred tax assets on unused tax losses of certain subsidiaries.

B6. Status of Corporate Proposals

On 9 June 2021, the Company received an offer letter ("OL") from Kuala Lumpur Kepong Berhad ("KLK") proposing to purchase 494,865,786 shares of IJM Plantations Berhad ("IJMP"), representing the Company's entire 56.2% equity interest in IJMP for a cash consideration of RM1,534,083,937 (based on RM3.10 per share).

The Company accepted the OL on 11 June 2021 and on the same date entered into a conditional Share Sale and Purchase Agreement ("SPA") with KLK. As at 30 June 2021, the conditions precedent of the SPA are in the midst of being fulfilled.

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B7. Group Borrowings

Particulars of the Group's borrowings as at 30 June 2021 are as follows:

	As at 30/06/2021 RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Islamic bonds	60,000
- Term loans	79,888
- Revolving credits	145,273
- Government support loans (included in trade and other payables)	9,930
Unsecured:-	
- Islamic bonds	300,000
- Term loans	549,163
- Revolving credits	818,239
- Bankers' acceptances	4,540
- Letters of Credit	1,797
- Bank overdrafts	69,031
	2,037,861
 (ii) Long Term Borrowings	
Secured:-	
- Islamic bonds	1,466,773
- Term loans	1,361,042
- Government support loans	40,281
Unsecured:-	
- Islamic bonds	1,200,000
- Term loans	587,633
	4,655,729

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	425,470	1,766,500
Indian Rupee	9,435,363	527,437
Japanese Yen	4,197,760	157,890
Pound Sterling	4,885	28,095
		2,479,922

B8. Changes in Material Litigation

There was no material litigation since 31 March 2021.

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B9. Dividends

No dividend has been declared for the current financial year ending 31 March 2022.

In respect of the financial year ended 31 March 2021, a single tier first interim dividend of 2 sen per share was paid on 30 December 2020 and a single tier second interim dividend of 4 sen per share was paid on 23 July 2021.

B10. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
<u>Basic earnings per share:-</u>				
(a) Net profit for the period attributable to owners of the Company	65,683	2,048	65,683	2,048
(b) Weighted average number of ordinary shares ('000)	3,617,153	3,629,452	3,617,153	3,629,452
Basic earnings per share (sen)	1.82	0.06	1.82	0.06
<u>Diluted earnings per share:-</u>				
(a) Net profit for the period attributable to owners of the Company	65,683	2,048	65,683	2,048
(b) Weighted average number of ordinary shares ('000)	3,617,153	3,629,452	3,617,153	3,629,452
Effect of dilution ('000)				
- Employee share grants	2,440	-	2,440	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	3,619,593	3,629,452	3,619,593	3,629,452
Diluted earnings per share (sen)	1.81	0.06	1.81	0.06

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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
	30/06/2021	30/06/2020	30/06/2021	30/06/2020
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
Interest income	29,392	35,346	29,392	35,346
Other income (including investment income)	16,709	24,588	16,709	24,588
Interest expense	(48,067)	(64,395)	(48,067)	(64,395)
Depreciation and amortisation	(102,478)	(103,616)	(102,478)	(103,616)
Net allowance of impairment of receivables	(458)	(568)	(458)	(568)
Net reversal of impairment of inventories	12,321	15	12,321	15
Net gains/(losses) on disposal of investments or properties	3,014	(3,919)	3,014	(3,919)
Net write back/(allowance) of impairment of assets	216	(3)	216	(3)
Net foreign exchange gains	2,391	91,436	2,391	91,436
Net (losses)/gains on derivatives	(562)	1,620	(562)	1,620

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.

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B12 Derivative financial instruments

(a) Crude Palm Oil Pricing Swap Contracts

The Group entered into Crude Palm Oil (“CPO”) pricing swap contracts offered by certain reputable banks in Malaysia to mitigate the exposure of fluctuations in the prices of CPO.

As at 30 June 2021, there is no outstanding CPO pricing swap contract.

(b) Cross Currency Swap Contracts

The Group entered into Cross Currency Swap contracts offered by certain reputable banks 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 2021, the outstanding notional value of the cross currency swap contracts and their fair values are as follows:

Cross currency swap contracts	Notional value outstanding as at 30/06/2021 (USD'000)	Notional value outstanding as at 30/06/2021 (RM'000)	Fair value of the derivative financial instrument as at 30/06/2021 (RM'000)
- Less than 1 year	87,500	363,169	2,325

(c) Interest Rate Swap Contracts

The Group entered into Interest Rate Swap (‘IRS’) contracts offered by a reputable bank in Malaysia to mitigate the exposure to fluctuations in the interest rates of its US Dollar borrowings. The Group has entered into IRS contracts to swap a portion of its US Dollar borrowings which are under floating rates to fixed rates.

As at 30 June 2021, the outstanding notional value of the IRS contracts and their fair values are as follows:

Interest rate swap contracts	Base Currency	Notional value outstanding as at 30/06/2021 (RM'000)	Fair value of the derivative financial instrument as at 30/06/2021 (RM'000)
- Less than 1 year	USD	162,254	(694)

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B13. Fair value changes of derivative financial instruments

The Group recognised a total net fair value loss on derivative financial instruments of RM0.56 million during the current financial period. The details are 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)
Crude palm oil ("CPO") pricing swap contracts	(482)	(482)	Price differentials between the average future CPO prices quoted on the Bursa Malaysia Derivative Exchange and the fixed contracted CPO prices for specific contracted periods.	The average future CPO price quoted on the Bursa Malaysia Derivative Exchange is lower/(higher) than the contracted fixed CPO prices.
Cross currency swap contracts	(45)	(45)	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.
Interest rate swap contracts	(35)	(35)	The difference between floating and fixed interest rates.	Fair value gain is recorded when the floating interest rates are higher than the fixed interest rates. Conversely, a fair value loss is recorded when the floating interest rates are lower than the fixed interest rates.