



IJM CORPORATION BERHAD

37TH ANNUAL GENERAL MEETING

Review of Group Performance and Prospects
Financial Year Ended 31 March 2021

Liew Hau Seng, CEO & Managing Director | 26 August 2021

FY21 Performance Review

- Consolidated Group Financial and Performance Review
- Divisional Performance Review

Group Strategic Focus FY21-FY23

- Build Resilience
- Drive Growth
- Nurture Capabilities

Proposed Disposal of IJM Plantations

- Rationale and Effects

FY21 Performance Review

- Consolidated Group Financial and Performance Review
- Divisional Performance Review



Group Income Statement



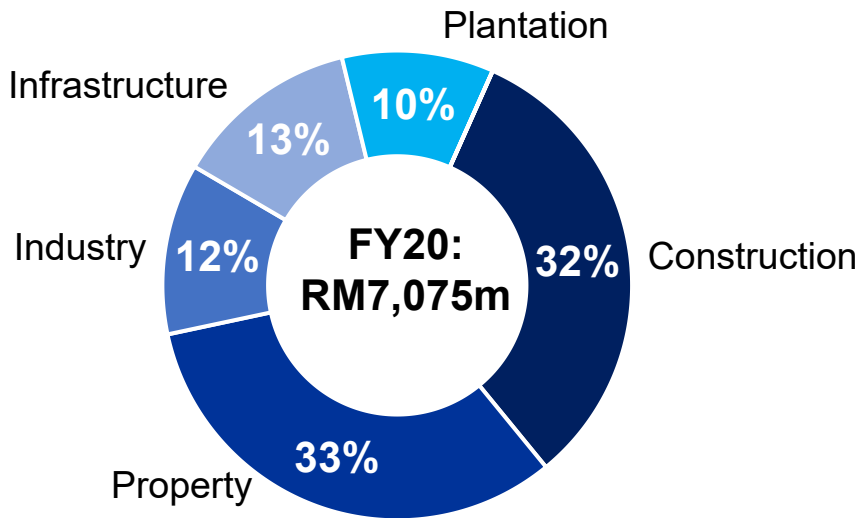
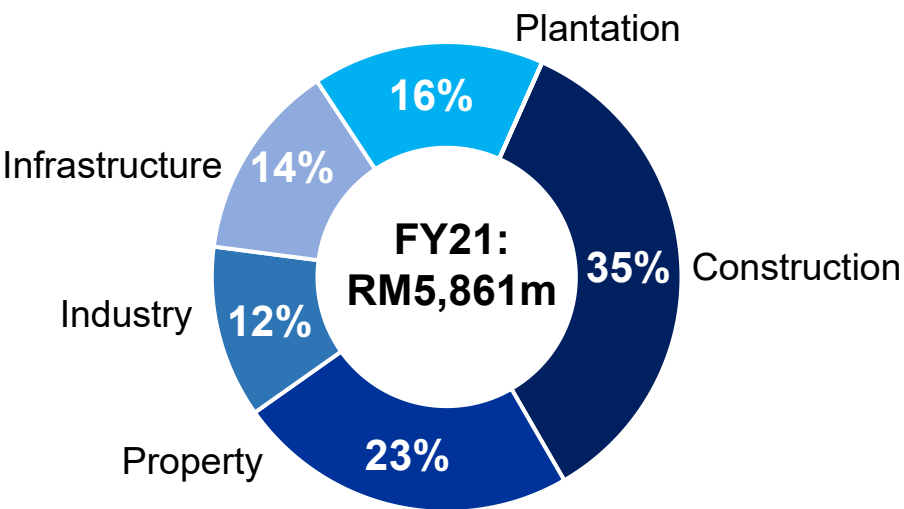
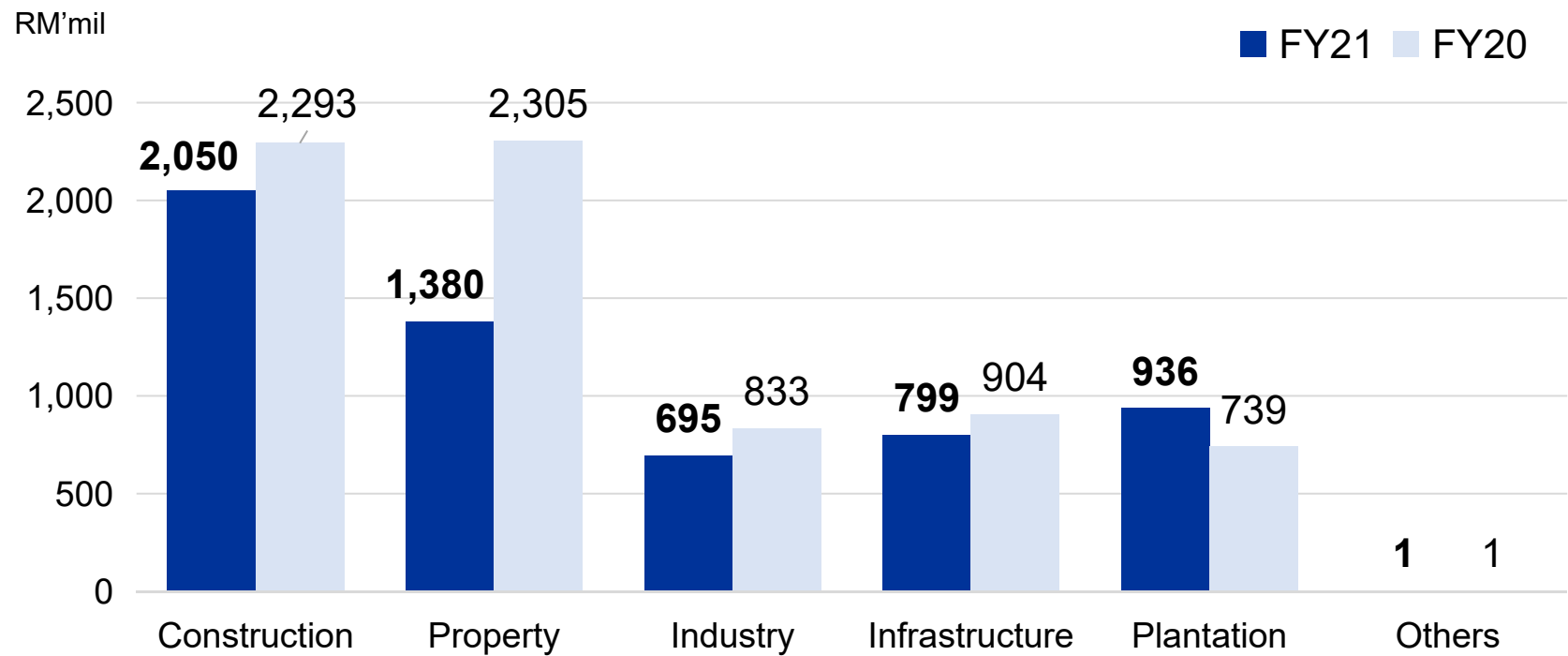
RM'mil	FY 21	FY20	% Δ
Revenue	5,622.9	6,605.1	(14.9)
EBITDA	1,398.2	1,203.1	16.2
Operating Profit	1,056.5	870.3	21.4
Finance Cost	(205.9)	(290.4)	
Operating Profit After Finance Cost	850.6	579.9	46.7
Share Of Results From JV & Assoc.	(71.0)	(62.1)	
Profit Before Tax	779.6	517.8	50.6
Taxation	(134.5)	(189.6)	
Profit After Tax	645.1	328.2	
Profit After Tax & Minority Interest	431.7	250.6	72.3
EPS (Basic) Sen	11.91	6.91	
EPS (Fully Diluted) Sen	11.90	6.91	
Proposed / Declared Dividend Sen	6.00	3.00	

Group Balance Sheet

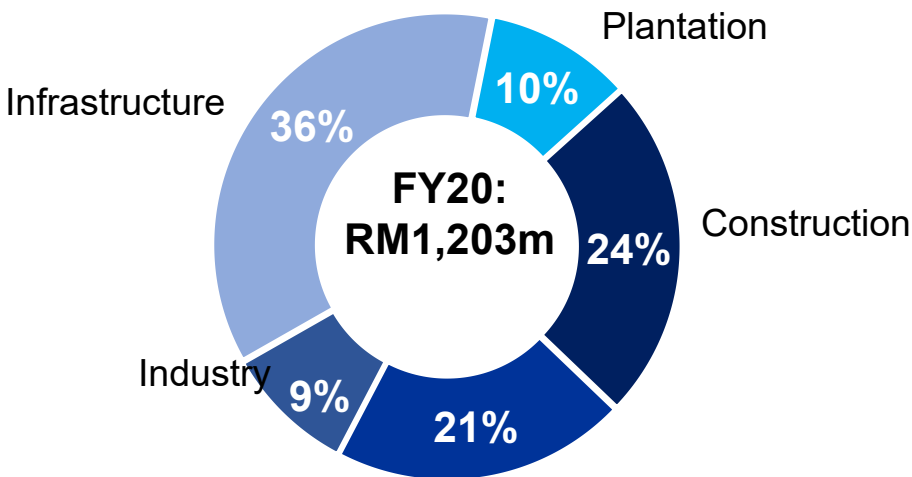
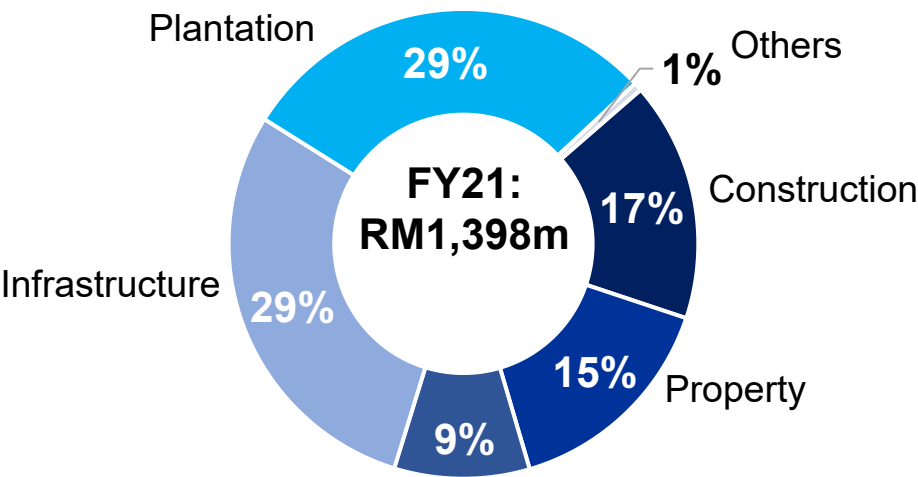
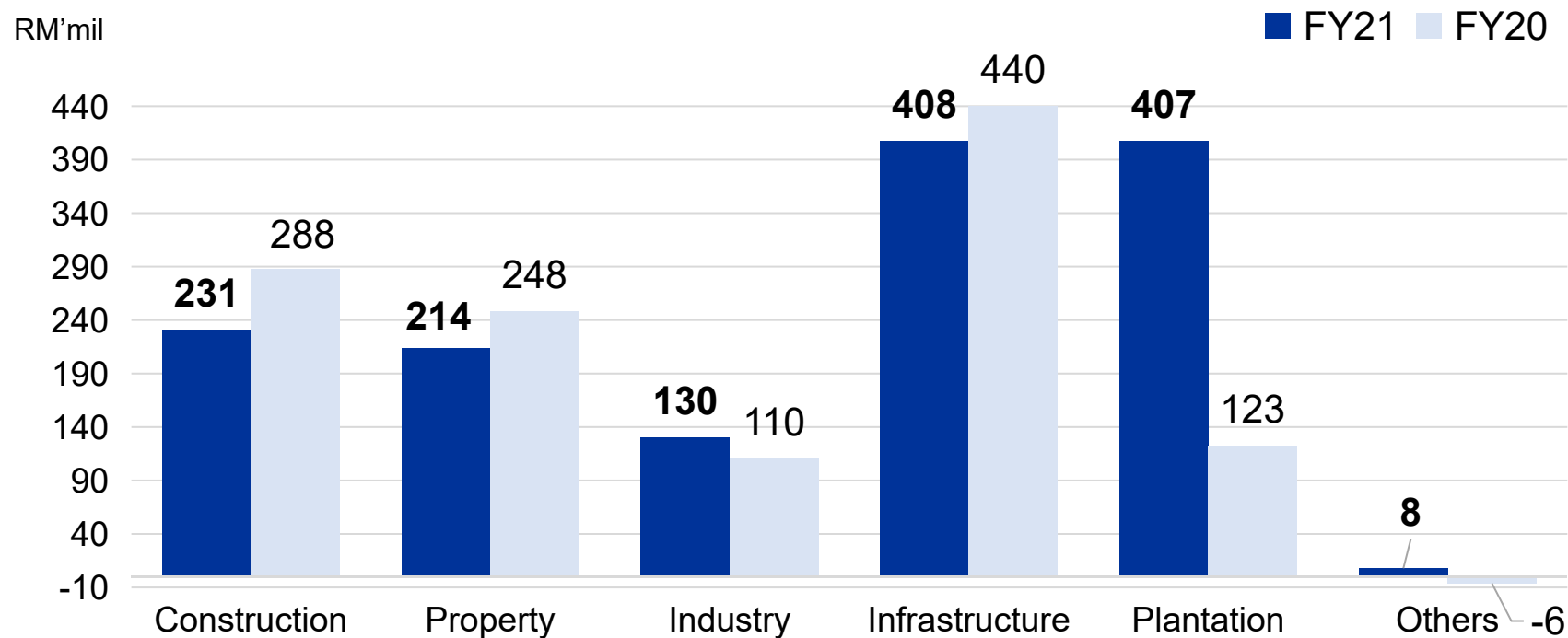


RM'mil	31 Mar 21	31 Mar 20
Share Capital	6,117.1	6,112.0
Shareholders' Funds	9,978.5	9,602.4
Total Assets	23,494.2	23,453.3
Net Assets Per Share (RM)	2.76	2.65
Total Cash	2,406.2	2,222.7
Total Borrowings	(6,792.0)	(6,917.1)
Net Debt	(4,385.8)	(4,694.4)
Net Debt / Shareholders' Funds (%)	44.0	48.9

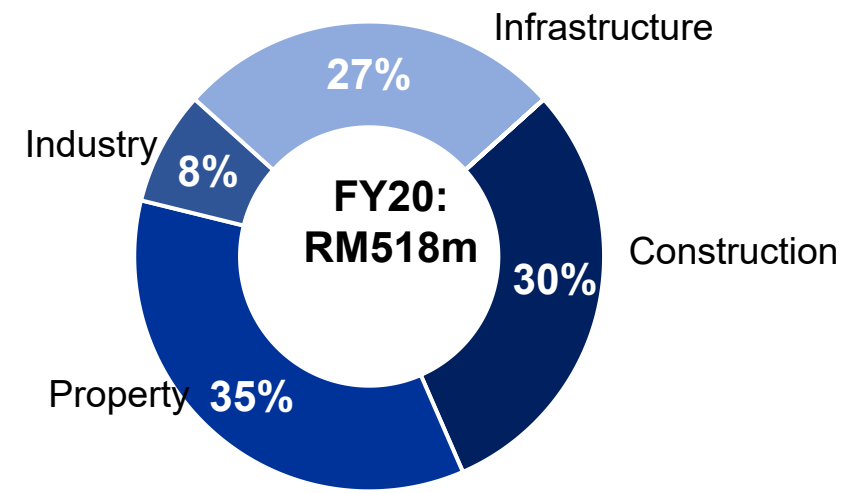
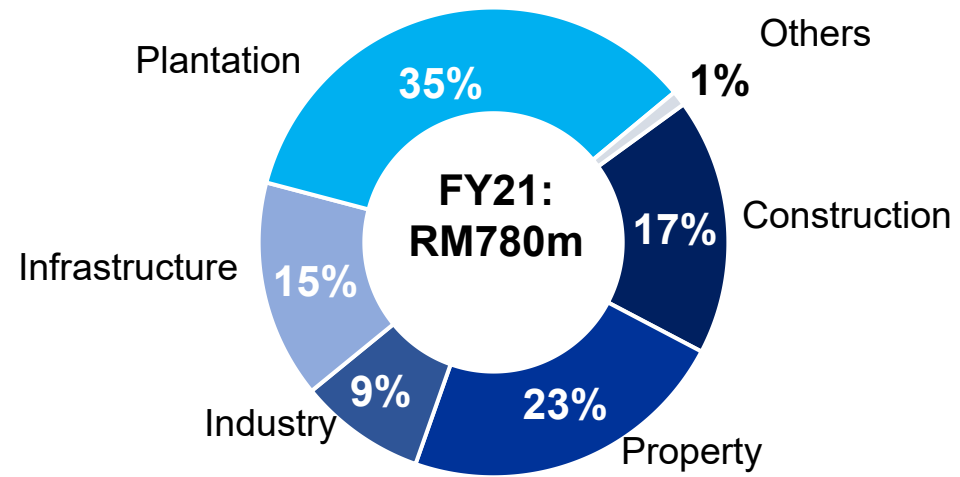
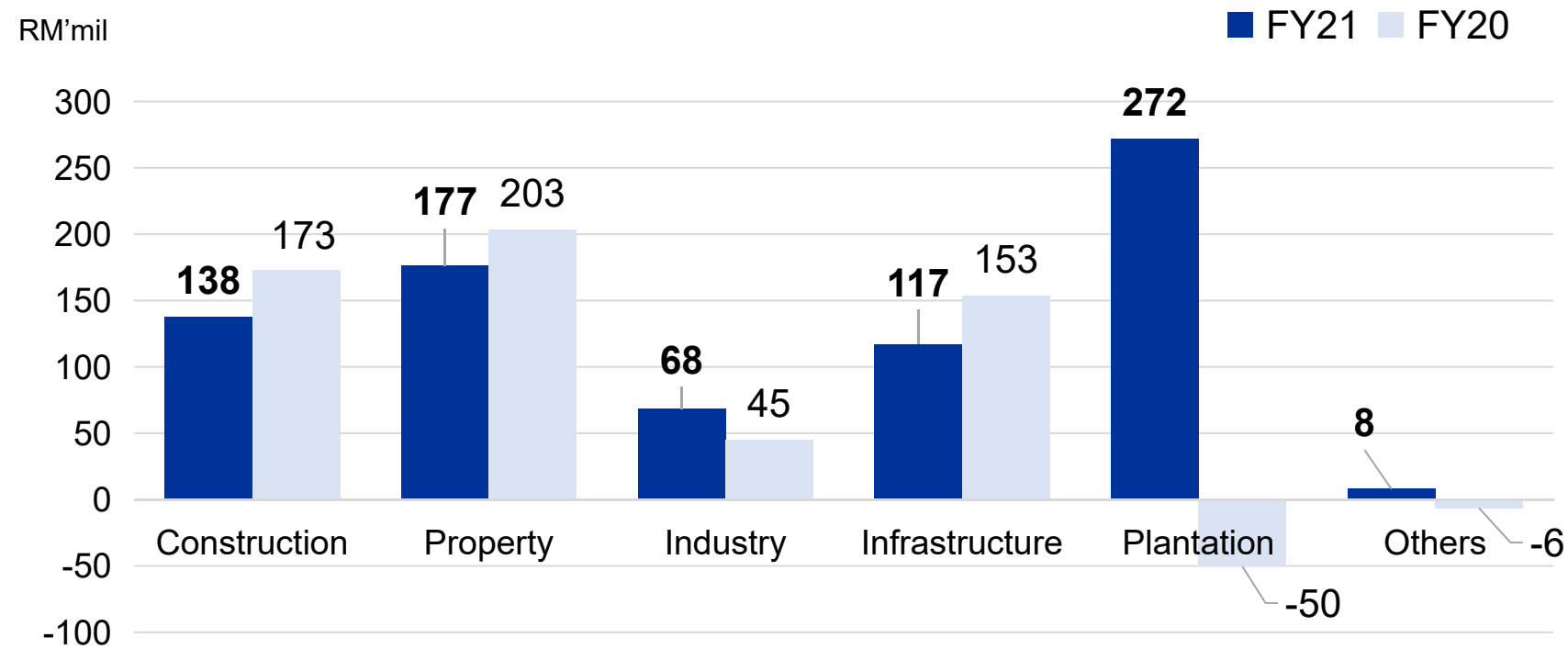
Group Revenue by Division



Group EBITDA by Division



Group PBT by Division



Construction Division



Entrusted with projects that have shaped the nation and beyond



Construction FY21 Results



RM'mil	FY21	FY20	% Δ
Revenue	2,050.3	2,292.8	(10.6)
EBITDA	230.9	288.3	(19.9)
PBT	137.7	173.2	(20.5)
PBT %	6.7	7.6	

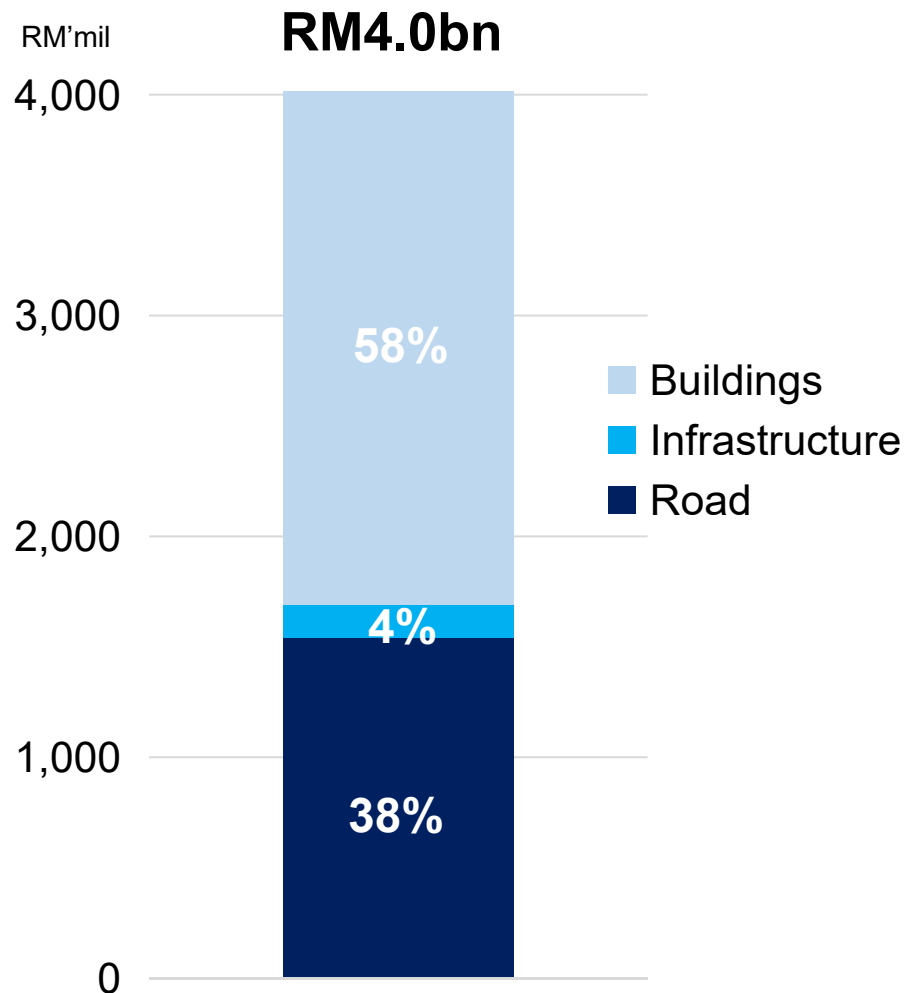
Comments:

Revenue and PBT for the current financial year decreased respectively as compared to the previous financial year mainly due to lower construction activities during the MCO periods. In addition, the decrease in PBT was attributable to the decrease in the net profit margin and lower profit contribution by an associate.

Outstanding order book



As at 31 March 2021



Major Projects Secured in FY21

- **The Light City, Penang** (RM865m)
- **Government building, Penang** (RM174m)
- **STC Hotel, Penang** (RM140m)
- **34-storey hotel and office tower in The Light City, Penang** (RM315m)

Total Order Book Awarded in FY21: RM1.5bn

Major Projects Secured in FY22

- **Infrastructure building and public realm works at TRX, KL** (RM90m)
- **Mezzo Residential Tower, The Light City, Penang** (RM238m)
- **Substructure works Sg. Pahang Bridge, East Coast Rail Link, Pahang** (RM258m)

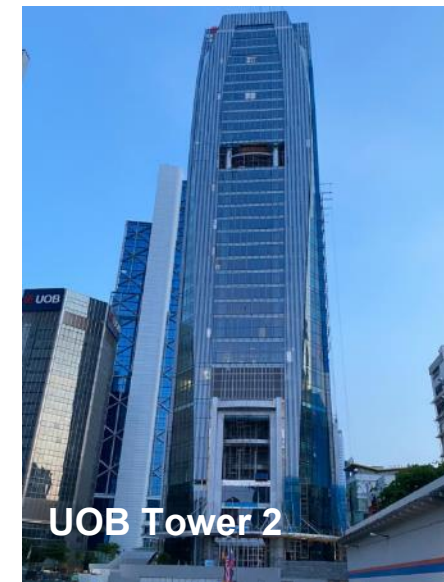
Construction Projects in Klang Valley



West Coast Expressway (WCE)



Building projects in Kuala Lumpur



HSBC, TRX, Kuala Lumpur



Building Project



Official handover to client on 12 May 2021

Project in India



Road Project

Key Updates

Vijayapura-Solapur, Maharashtra and Karnataka, India

- Contract value: RM1.3bn
- Achieved 83% physical construction progress as at 30 June 2021

Record-breaking achievement for road construction

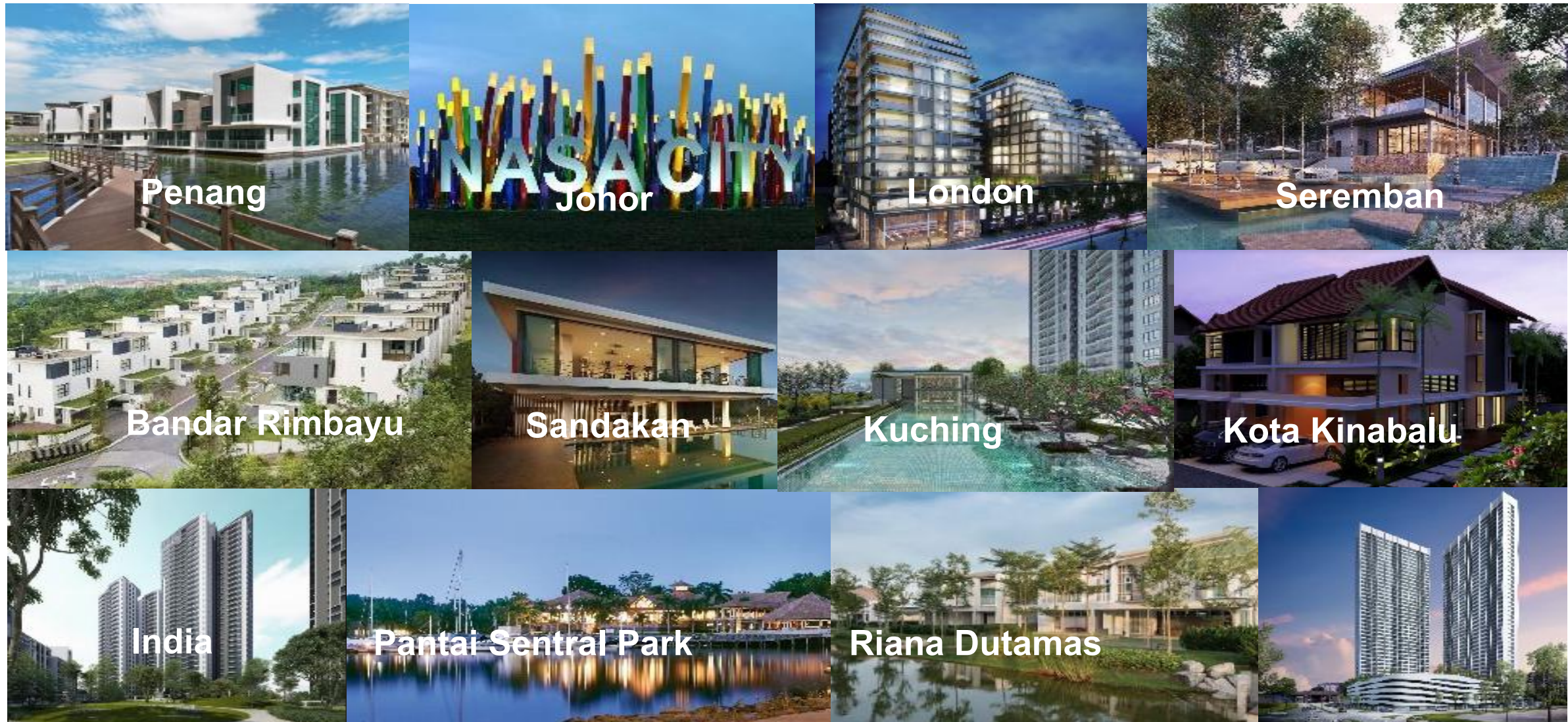
- Laying 25.54 lane-km road stretch in 17 hours and 45 minutes
- Winner of major construction award in India and entry into the Limca Book of Records



Property Division



Developer of major and vibrant townships, bustling enterprises and thriving communities



Property FY21 Results

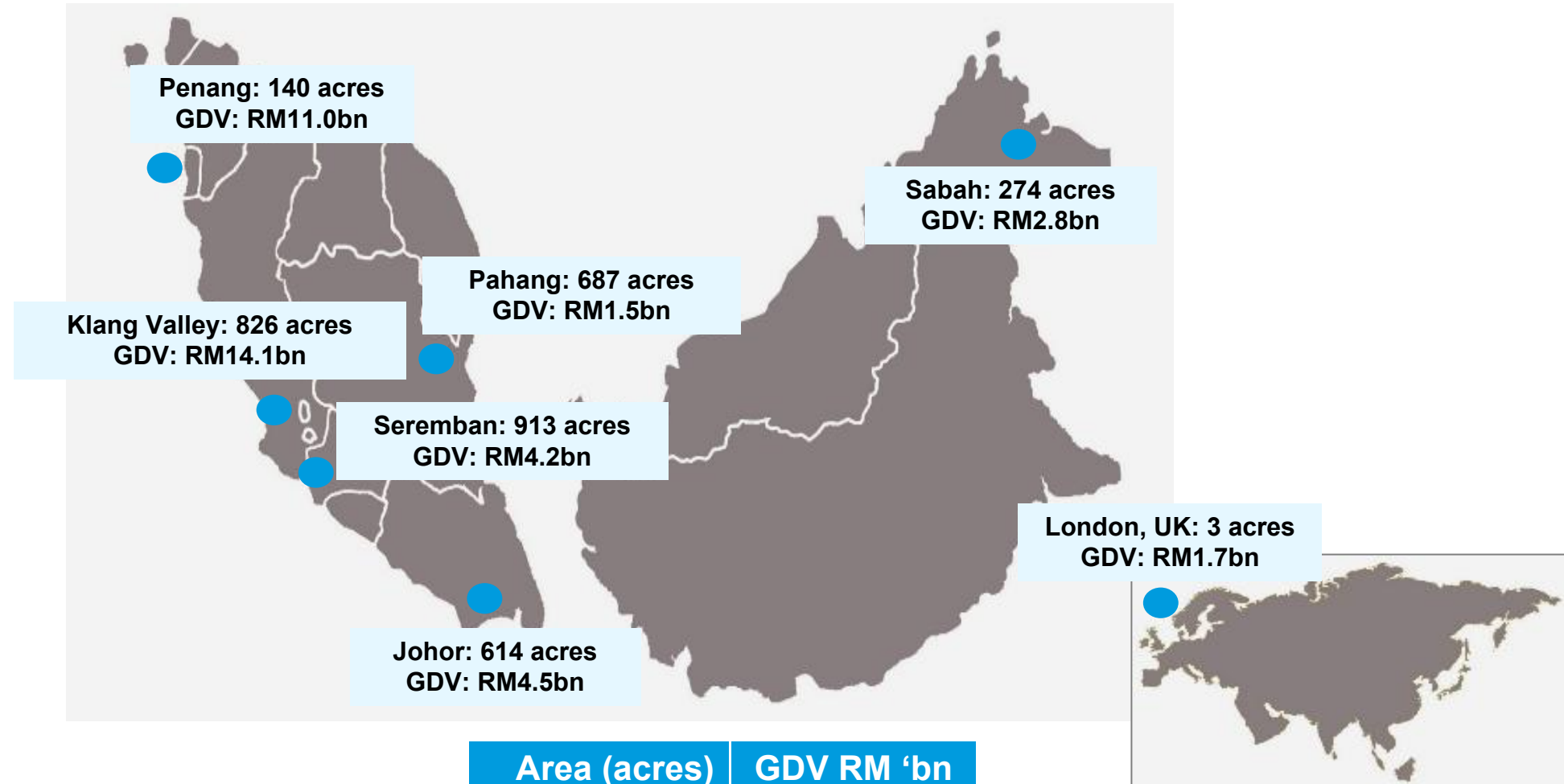


RM'mil	FY21	FY20	% Δ
Revenue	1,380.4	2,305.1	(40.1)
EBITDA	214.2	248.2	(13.7)
PBT	176.5	203.3	(13.2)
PBT %	12.8	8.8	

Comments:

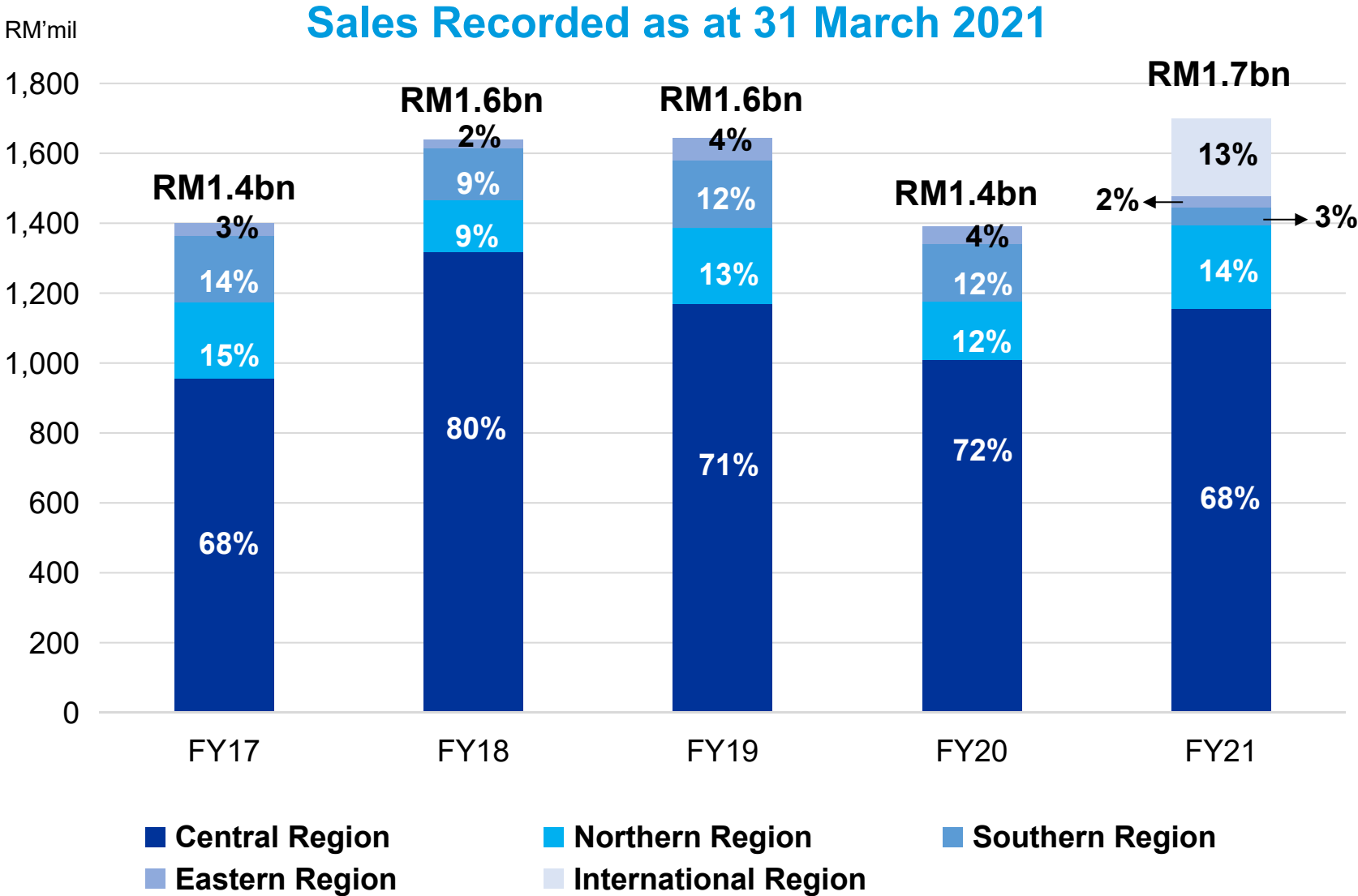
- Revenue for the current financial year decreased respectively as compared to the preceding year's financial year, principally because the Royal Mint Gardens project in London was completed in the previous financial year
- For the current financial year, the PBT decreased as compared to the previous financial year, mainly due to lower level of work progress during the MCO periods and the absence of profit from the London project following its completion in the previous year

Regional Land Bank Profile



	Area (acres)	GDV RM 'bn
Malaysia	3,454	38.2
International	3	1.7
Total	3,457	39.9

Sales Achieved



Launches (Jan – June 2021)



Total Value Launched:
RM1,117m

Total Units Launched:
1,685

Starling Ph12D, Double Storey Terrace, Bandar Rimbayu, Selangor

No Of Units : 183
GDV : RM140 mil
Launch Date : Jan 2021



Rimbayu Indah Ph1D, Double Storey Terrace, Sandakan, Sabah

No Of Units : 57
GDV : RM30m
Launch Date : Jan 2021



Duta Perintis, Shah Alam 2, Bandar Puncak Alam, Selangor

No Of Units : 316
GDV : RM100m
Launch Date : Feb 2021



The Terraces, Bukit Jambul, Penang

No Of Units : 410
GDV : RM200m
Launch Date : Feb 2021



Mezzo, The Light Waterfront Penang

No Of Units : 456
GDV : RM500m
Launch Date : April 2021



Rimbun Kiara Double Storey Terrace, Seremban 2 Township

No. of units : 255
GDV : RM140m
Launch Date : April 2021



Utama Park Villa Ph7B, Double Storey Terrace, Sandakan, Sabah

No Of Units : 8
GDV : RM7m
Launch Date : April of 2021



Upcoming Launches



Rimbun Aman Single Storey Terrace, Seremban 2 Township, Negeri Sembilan

No Of Units : 304
GDV : RM110m
Launch Date : end-May 2021



Austin Duta Ph9A Double Storey Terrace, Johor

No Of Units : 110
GDV : RM80m
Launch Date : 3rd quarter of 2021



Uptown @ Bandar Rimbayu, Selangor

No Of Units : 68
GDV : RM180m
Launch Date : Jun 2021



Desa Palma Phase 2, Double Storey Terrace, Nasa City, Johor

No Of Units : 105
GDV : RM72m
Launch Date : 3rd quarter of 2021



Sierra Hijauan Ph 2C @ Ampang, Selangor (2-storey link villa, 3-storey semi-detached & 3-storey bungalow)

No Of Units : 50
GDV : RM71m
Launch Date : Jun 2021



Utama Park Villa Ph7A, Double Storey Terrace, Sandakan, Sabah

No Of Units : 10 units
GDV : RM7m
Launch Date : 4th quarter of 2021



Rimbayu Indah Ph2A, Double Storey Terrace, Sandakan, Sabah

No Of Units : 52
GDV : RM25m
Launch Date : 3rd quarter of 2021



Sanctuary Terrace, Double Storey Terrace Bukit Mertajam, Penang

No Of Units : 95
GDV : RM62m
Launch Date : 4th quarter of 2021



Phase 14A & 14B Double Storey Terrace, Bandar Rimbayu, Selangor

No Of Units : 309
GDV : RM191m
Launch Date : 3rd quarter of 2021



Utama South Park Phase 1, Double Storey Terrace, Sandakan, Sabah

No Of Units : 42 units
GDV : RM33m
Launch Date : 1st quarter of 2022



Total Value :
RM831m

Total Units:
1,145

The Light City, Penang



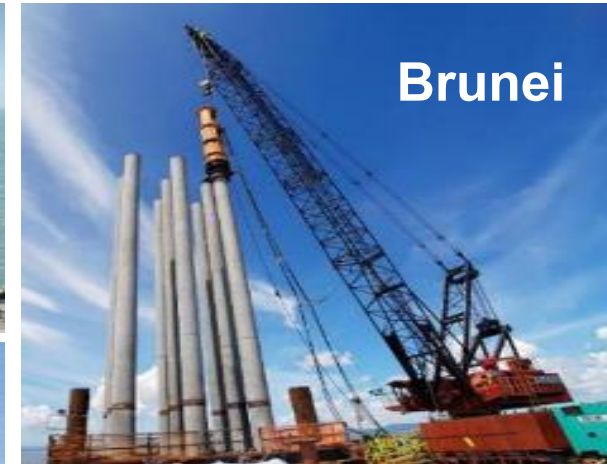
Joint Venture between IJM Corp (50%) and Perennial Real Estate (50%), with a total GDV of RM4.5bn



Industry Division



Key supplier of building materials to the construction industry – largest spun piles manufacturer in Southeast Asia



Industry FY21 Results



RM'mil	FY21	FY20	% Δ
Revenue	694.6	833.1	(16.6)
EBITDA	130.2	110.3	18.0
PBT	68.2	44.9	51.9
PBT %	9.8	5.4	

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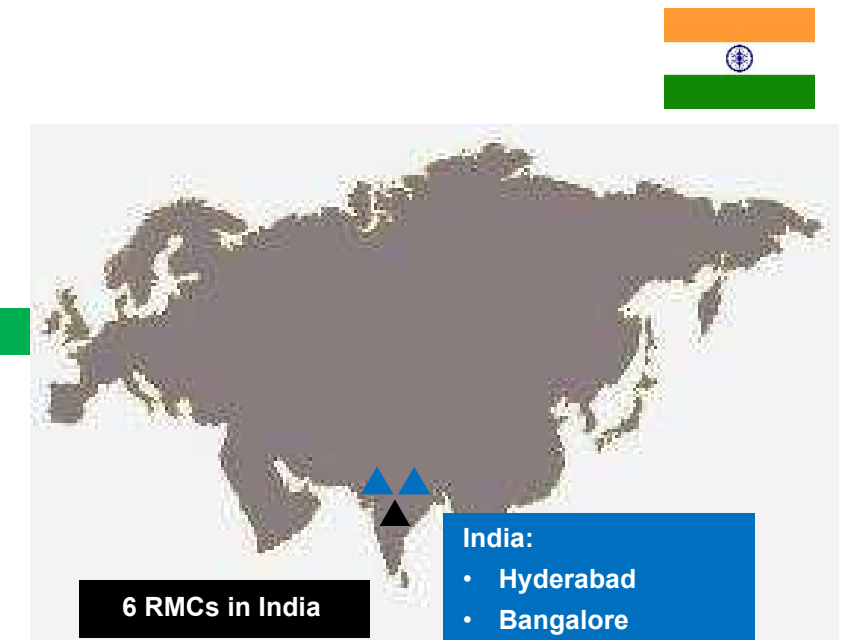
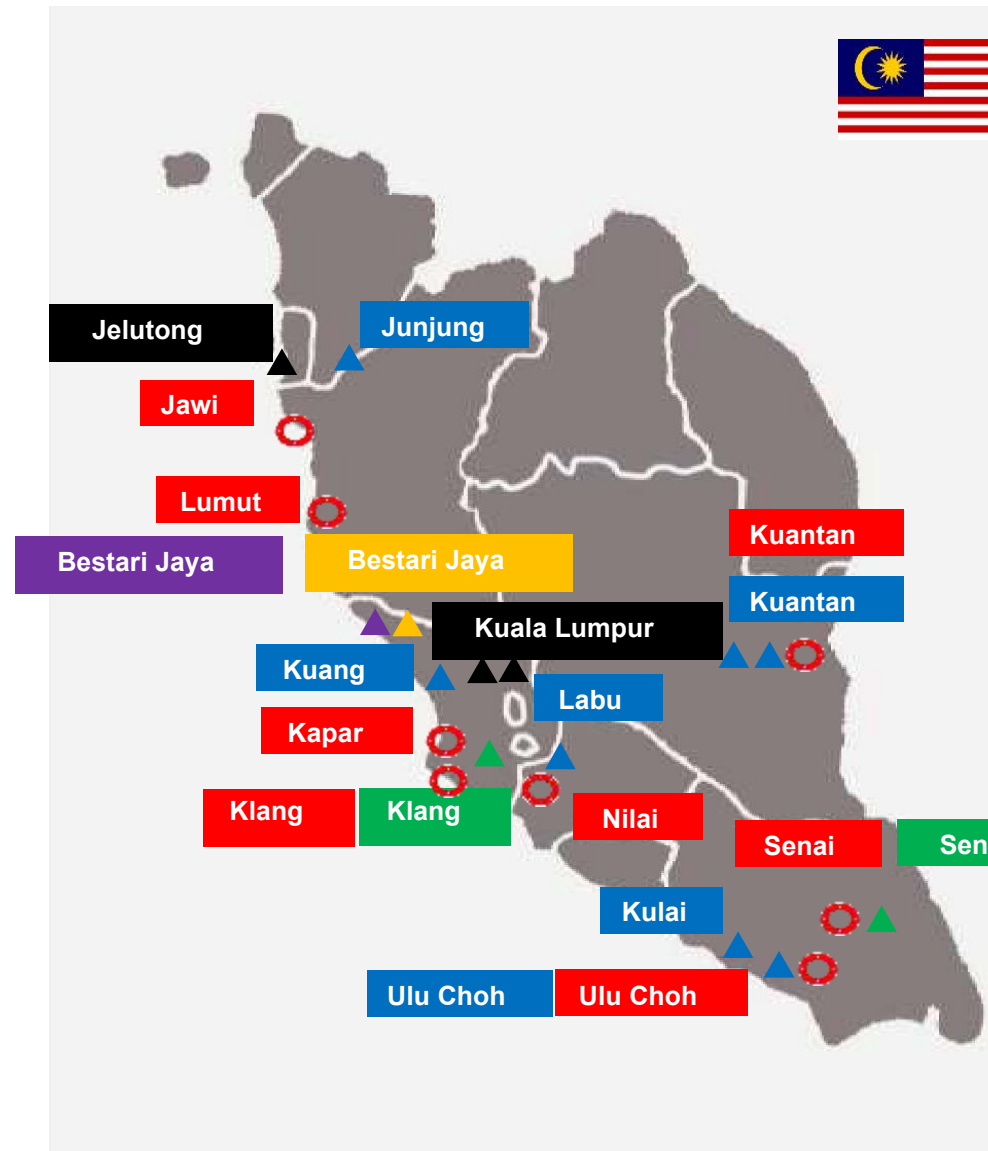
- Revenue for the current financial year decreased as compared to the preceding financial year mainly due to lower deliveries of piles, quarry products and ready-mixed concrete in line with the lower level of construction activities
- PBT for the current financial year were higher as compared to the preceding year's financial year due to the gains arising from the disposal of a subsidiary (RM34.0m) and certain property, plant & equipment

Capacity and Locations



Capacity

- 8 pile factories
• 1.8m tonnes p.a.
- ▲ 9 quarries
• 10.0m tonnes p.a.
- ▲ 1 IBS Factory
• 500k square meter p.a.
- ▲ 1 Durabon factory
• 54k tonnes p.a.
- ▲ 1 sand mining plant
- ▲ 9 ready mixed concrete plants



IJM IBS Factory, Bestari Jaya, Selangor



IJM IBS Factory



Fully Automated Mesh Welding Machine



A measured entry into IBS:

- Capex of RM135m, including land
- Plant was completed in April 2021 with capacity of 500,000 m²
- Awaiting approvals to commence business
- Addresses future needs of the industry, including rising labour costs and foreign labour dependency
- In pursuit of a smarter and more sustainable construction method

Ongoing ICP Projects



**Jing Xing Paper Mill Factory,
Selangor, Malaysia**



**Methanol Plant, Sarawak,
Malaysia**



Art Gallery, Penang, Malaysia



Offshore Marine Centre, Singapore



Parkwood Residence, Johor, Malaysia

ICP breaks record for longest spun pile produced



Longest ever pretensioned spun high strength concrete piles casted in the company's history with a length of 90 meters and a diameter of 1000 mm



- The spun pile was specially cast for a megaproject, the Batang Lupar bridge, in Sebuyau, Sarawak.
- The 4.8km-long bridge when completed in 2025 will be the longest river-crossing bridge in Malaysia
- The 90m spun pile was loaded onto a barge directly from the ICP Lumut factory's own jetty



Kuantan Port and an international portfolio of toll roads



Infrastructure FY21 Results



RM'mil	FY21	FY20	% Δ
Revenue	798.6	904.1	(11.7)
EBITDA	407.6	439.9	(7.4)
<i>Malaysian Tollways</i>	158.6	307.3	(48.4)
<i>Kuantan Port</i>	202.8	189.4	7.1
<i>Overseas & Other Infra</i>	46.2	(56.8)	181.3
PBT	117.1	153.2	(23.6)
<i>Malaysian Tollways</i>	35.3	193.3	(81.7)
<i>Kuantan Port</i>	98.3	79.4	23.8
<i>Overseas & Other Infra</i>	(16.5)	(119.5)	86.2

Comments:

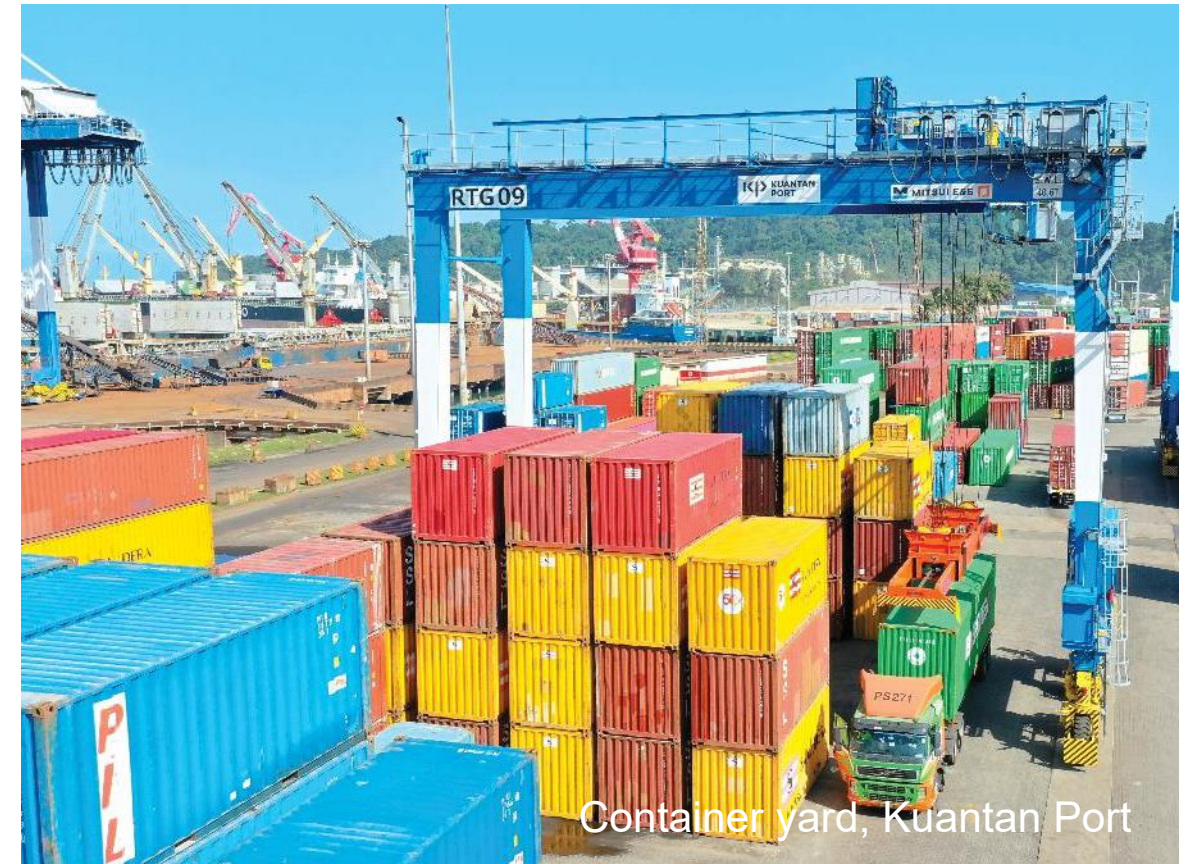
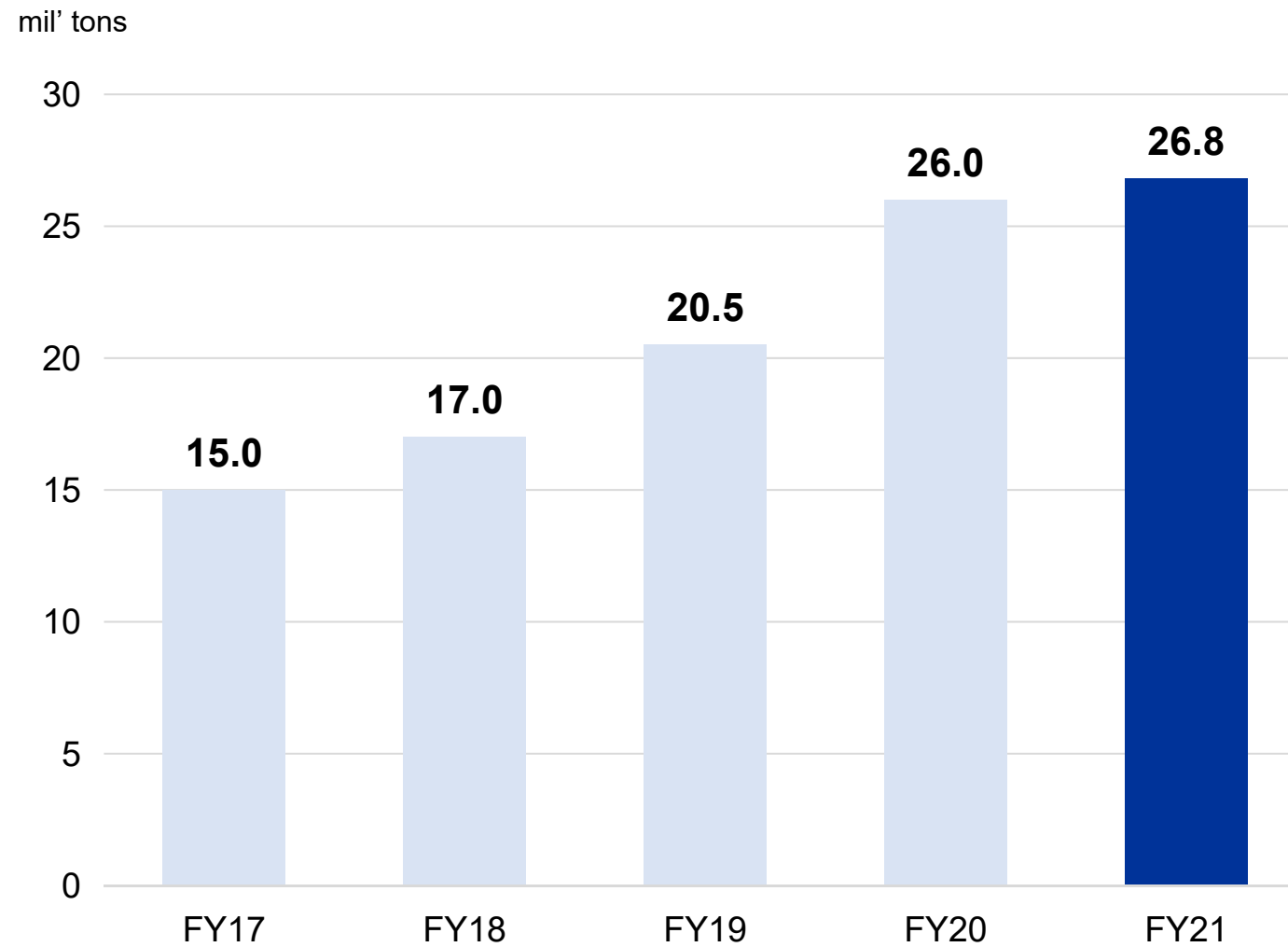
- Revenue for the current financial year decreased as compared to the preceding year's corresponding financial year mainly due to the decrease in local traffic volume during the MCO periods. However, the decrease was partially mitigated by the higher cargo throughput handled by the Group's port operations
- PBT for the current financial year decreased respectively as compared to the preceding year's financial year due to the lower local traffic volume recorded, despite the higher profit contribution from the Group's port operations

Concession Assets



	Assets	Type	% Share	Concession Period
Operating				
Malaysia	New Pantai Expressway, Selangor	Tollway 20 km	100%	1996 – 2030
	Besraya & Extension, Selangor	Tollway 29 km	100%	1996 – 2040
	LEKAS, Kajang-Seremban	Tollway 44 km	50%	2007 – 2039
	Kuantan Port, Pahang	Port	60%	1998 – 2045
India	Chilikaluripet – Vijayawada, Andra Pradesh	Tollway 68 km	100%	2008 – 2025
	Dewas, Madhya Pradesh	Tollway 19.8 km	100%	2017 – 2042
Argentina	Western Access Tollway, Buenos Aires	Tollway 56 km	20%	1997 – 2030
Under Construction				
Malaysia	West Coast Expressway (WCE)	Tollway 233 km	40%	2013 – 2073
India	Vijayapura – Solapur, Maharashtra and Karnataka	Tollway 109.1 km	100%	2017 - 2037

Kuantan Port Throughput



Container yard, Kuantan Port

Plantation Division



Total planted area of 61,277 hectares



Plantation 4QFY21 Results



RM'mil	FY21	FY20	% Δ
Revenue	935.7	739.1	26.6
EBITDA	407.3	122.7	232.1
PBT	272.1	(50.5)	
PBT %	29.1	-	
CPO Price (RM)	2,912	2,269	

Comments:

- Revenue for the current financial year increased compared to the preceding year mainly due to higher commodity prices and higher production volume. During the year, the Indonesian Rupiah strengthened against both the US Dollar and the Japanese Yen to record a net forex gain of RM82.4m (vs preceding year's loss of RM87.1m) on the foreign currency denominated borrowings of the Plantation division
- The higher commodity prices and higher production volume coupled with the favourable currency movements had contributed to the significant improvement in PBT for the current year

Operations Profile



Total Planted Area

61,277 ha

FFB Production

1,064,678 mt (FY2021)

1,061,772 mt (FY2020)

Crude Palm Oil

274,911 mt (FY2021)

267,863 mt (FY2020)

Planted Area & Weighted Average Age Profile



As at March 2021

Age	Malaysian Operations	Indonesian Operations	Group	%
Average Palm Age	14.7	9.8	11.8	
Mature (> 20 years)	6,584	-	6,584	11
Mature-Prime (8 - 20 years)	12,351	28,333	40,684	66
Mature-Young (4-7 years)	3,073	4,808	7,881	13
Immature (1-3 years)	3,006	3,122	6,128	10
Total Planted Area	25,014	36,263	61,277	100



Group Strategic Focus

- Build Resilience
- Drive Growth
- Nurture Capabilities



Group Strategic Focus



BUILD RESILIENCE

- Optimise execution capabilities to adapt to the new operating environment.
- Maintain healthy gearing and ensure liquidity across all business divisions.
- Enhance balance sheet strength by prioritising capital expenditure and working capital management.
- Drive cost optimisation.
- Monetise low-yielding assets.

DRIVE GROWTH

- Brownfield expansion of our infrastructure assets to grow recurring income.
- Develop new ventures complementary to our core businesses.
- Regional expansion.
- Enhance growth through strategic merger and acquisitions.

NURTURE CAPABILITIES

- Continue our digital transformation journey, embrace innovation and Industry 4.0.
- Enhance best practices of sustainability accross the Group.
- Foster workforce agility and build future-ready competencies that are responsive to market changes.
- Drive robust risk management.
- Enhance accountability and performance based culture.

Build Resilience

Financial resilience demonstrated in a pandemic year

- **Commendable financial performance for FY21 despite uncertainties & operational disruptions**
 - Revenue of RM5.62b and PBT of RM779.56m
- **Strong operational cash flow generation**
 - Cash flow from operating activities in FY21 of RM1.34b vs FY20 RM1.68b proves operational resilience during the pandemic
- **Cash at bank is higher as at 31 March 2021 (RM2.41b) than at 31 March 2020 (RM2.22b)**
 - Net gearing is also lower at 44.0% compared to 48.9% for the same period
- **No major exposure to undue credit risk**

Build Resilience

Continuing with aggressive paring down of property inventory and disposal of low yielding assets

- **Actively monetising low yielding assets**
 - Proceeds of RM114.20m in FY21 from disposal of ICP Jiangmen and some property, plant and equipment
- **Successfully pared down property inventory in FY21**
 - Managed to sell RM605.95m (exc Royal Mint Gardens) of completed inventory in FY21 vs target of RM400m

More proactive stance in capital management

- Strong financial performance and cash flow in FY21 presented an opportunity for declaring higher dividends
- Stepped up share buyback programme due to undervaluation of share price by the market

Drive Growth

Short-term

- Financial performance in FY22 dependent on duration of MCO 3.0 and rate of vaccination
- **Construction** anchored by healthy outstanding order book of RM4.0b and RM586m new jobs in FY22
- **Property** to benefit from the current launch pipeline of mostly mid-range products that should continue to be well received in the market
- **Industry** balance order book of over 6 months with 1 million MT of spun piles order in hand, and seeing pick up in export sales
- **Toll** traffic volume can quickly return to pre-COVID levels at NPE & Besraya, post lockdown
- **Port** to see steady cargo throughput volume with potential throughput from new MCKIP investors. FY21 cargo throughput was 26.8m tons vs 26.0m tons for FY20

Drive Growth

Long-term

- **Well-positioned to participate in upcoming government infrastructure projects**
- **PFI model being explored by the Malaysian Government to favour larger construction/infrastructure players**
- **Incubation of long term assets to potentially bear fruit in a sizeable way**
 - WCE scheduled for completion in 2024
 - Prospects for throughput volume growth at Kuantan Port are promising, in line with developments at MCKIP
 - Low base vs sizeable potential from Chinese investments
 - Already seeing the fruits of NDWT Phase 1A
 - Development of the ECRL is further impetus for growth
 - Development of The Light City is underway
 - The location and MICE components are unrivalled
 - The success of The Light City will uplift the value of the adjacent land bank
 - Construction of the Vijayapura-Solapur Tollway is scheduled for completion by end-2021. The successful execution of the project demonstrates IJM's ability to undertake large projects in India

Group Strategic Focus



Nurture Capabilities

Digital transformation

- Enhance digital transformation and achieve value realisation

Sustainability

- Roadmap FY22 – FY24
 - Marketplace - Inclusion into FTSE4Good Index
 - Environment - Reducing our carbon footprint
 - Pursuing green credentials – products and services
 - Community - A more strategic approach to community investment

Compliance and Risk Management

- Strengthen risk management and governance framework

People

- Leadership and succession planning pipeline
- Enhanced organisational structure, talent management and performance management system

Proposed Disposal of IJM Plantations

Rationale and Effects



Proposed Disposal of IJM Plantations



Salient Information

Salient Information	Details
Offer Letter	Received on 9 June 2021 from KLK, proposing to acquire 494,865,786 shares (56.20%) in IJMP
Acceptance of Offer	Signed the SPA with KLK on 11 June 2021 for the disposal of IJMP
Disposal Price	494,865,786 shares at RM3.10 per share amounts to RM1,534m
Dividend	Dividend of RM0.10 per share, declared and payable on 30 July 2021, amounts to RM49.5m

Proposed Disposal of IJM Plantations



Rationale and Effects

- **Synergy:** In line with the Group's strategic objective - streamlining the Group's businesses to focus on construction-property-industry-infrastructure concessions, all of which are envisaged to deliver more synergistic benefits to the Group moving forward
- **Timing:** Strong CPO price environment and good showing by plantation companies have presented an opportune window of divestment
- **Investor:** Taking into consideration the relative illiquidity of IJMP shares and the sizeable quantum of the shares involved, the Proposed Disposal presents IJM with a ready buyer for its entire stake in IJMP which will enable it to immediately realise the value of its investment in IJMP and accord the minority shareholders an avenue to monetise their investment in IJMP as well
- Disposal of an unrelated business should reduce the conglomerate discount currently ascribed to IJM's market valuation
- Net gearing will reduce from 0.44 times to 0.22 times

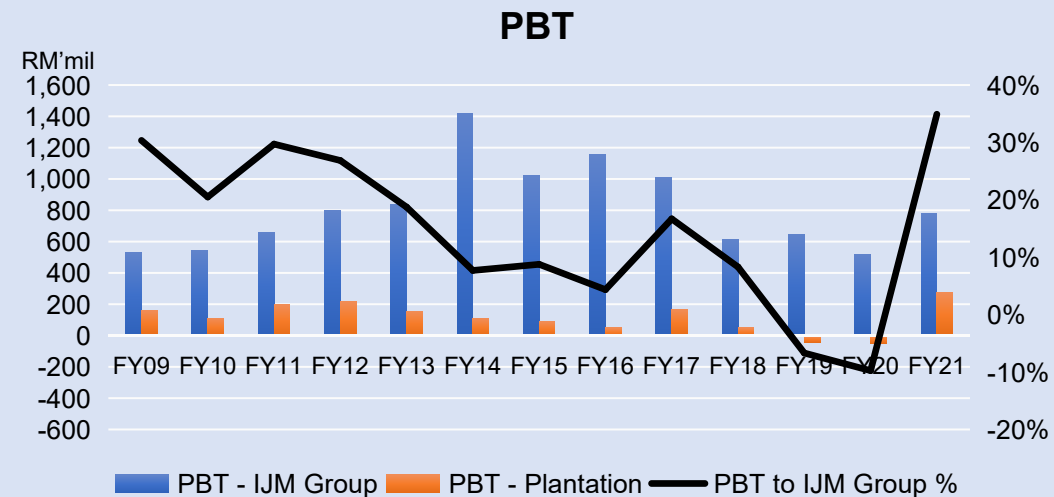
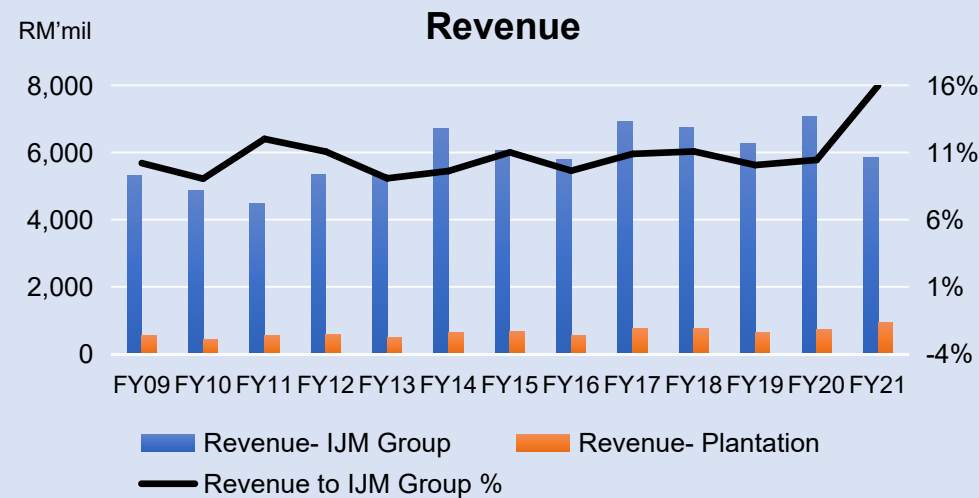
Proposed Disposal of IJM Plantations



Rationale and Effects

IJMP Financial Performance & Contribution to the Group

The disposal of the plantation business is expected to reduce the volatility in the Group's earnings



- Due to favourable CPO price and gain on foreign exchange, IJMP has achieved record performance in FY21, registering PBT of RM272m, as compared to the loss before tax of RM50m in FY20
- IJMP's contribution to Group revenue improved to 16% in FY21. Contribution has been in the range of 9% - 11% for the past 12 years
- IJMP's contribution to Group PBT rose to 35% in FY21. Historical contribution has averaged 13% for the past 12 years

Proposed Disposal of IJM Plantations



Rationale and Effects

Utilisation of Proceeds	%	(RM' mil)	Estimated utilisation timeframe from the completion of the Proposed Disposal
Future investment opportunities / capital expenditure	28.0	430	Within 36 months
Capital management activities	52.1	800	Within 24 months
General working capital	19.6	300	Within 24 months
Estimated expenses	0.3	4	Within 3 months
Total	100.0	1,534	

- Proceeds to be utilised for capital management initiatives include an **indicative** special cash dividend of approximately RM542 million (or 15 sen per share). The quantum of the final special dividend is subject to the Board's final deliberation. Subject to prevailing market conditions, IJM may utilise the remaining proceeds to undertake share buy-back activities at prices deemed favourable
- Sizeable portion of the proceeds allocated towards reinvestment into future growth engines as well as to provide capital for the Kuantan Port expansion, The Light City project, West Coast Expressway and India operations.

Thank you

MSWG

Questions & Answers



Questions from MSWG: Operational & Financial Matters



Q1. Covid-19

- a) As the Covid-19 pandemic continues to spread, what is the expected impact of the pandemic on the Group's operations and financial position in FY2022? How is the Board planning to mitigate the impact of the pandemic on the Group's overall business activities in the countries in which it operates?

Questions from MSWG: Operational & Financial Matters



A1. Covid-19

- a) Despite the resilience demonstrated by our businesses in FY2021, the stringent lockdown has had an adverse impact on most of the Group's business segments in the first half of FY2022.

Given that revenue and profits of the Construction and Property Divisions are dependent on progress recognition, the duration of the stringent lockdown during MCO3.0 is likely to have an adverse impact on the financial performance of these Divisions in the first half of FY2022. Likewise, as part of the construction supply chain, the Industry Division's financial performance is also expected to be affected until the lifting of lockdown measures. The Group's Port and Toll operations, which are classified as essential activities, have been able to operate, although at lower capacities due to reduced business activities and lockdown restrictions affecting their customers. Nevertheless, the Plantation Division continues to operate in a good CPO price environment and is expected to contribute positively to the Group's financial performance until its disposal.

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A1. Covid-19

- a) Despite the abovementioned operating challenges, the Group's financial performance in the first half of FY2022 is, however, expected to be bolstered by a sizeable one-off gain from the disposal of IJM Plantations. The financial performance of the Construction, Property, Industry and Infrastructure Divisions should recover in the second half of FY2022 when operational activities are recommencing.

Mitigation measures in response to the pandemic are part of our Group Strategic Focus and are explained in 1(b).

Questions from MSWG: Operational & Financial Matters



Q1. Covid-19

- b) The pandemic held several lessons. And they helped shape the execution of the IJM Group Strategic Blueprint 2021-2023 that is currently driving the Group forward (Page 24 of the Annual Report 2021).

How has the pandemic helped shape the execution of the IJM Group Strategic Blue print 2021-2023?

A1. Covid-19

- b) When the Group formulated its 3-year Strategic Focus in FY20, it was a comprehensive plan to address the Group's wider business parameters. At the onset of the pandemic, the Group's priorities had to be adjusted with greater emphasis placed on the *Build Resilience* pillar to immediately address cost containment, prudent capital management and cash preservation.

In FY2021, the Group also had to activate its Business Continuity Plan to overcome the challenges posed by the pandemic, in particular, mitigating the health risk to our workforce, rearranging workflows, enabling work-from-home arrangements and leveraging on digital technology to engage our customers. Furthermore, considerable efforts were made to minimise business disruptions and proactively position ourselves for quick (and safe) resumption of work activities.

In keeping with our vision for longer term value creation, the execution of our 3-year Strategic Focus also included initiatives under the *Drive Growth* and *Nurture Capabilities* pillars.

Further details of the Group Strategic Focus can be found on pages 63-65 of the Annual Report 2021.

Q2. Joint-Ventures

- a) IJM recorded a share of profits of joint ventures of RM12,996,000 in FY2021 which is lower by 57.1% compared to a share of profits of RM30,272,000 recorded in FY2020 (Page 194 of the Annual Report 2021).

What are the main reasons for the lower share of profits of joint ventures in FY2021?

What is the outlook for the joint ventures in FY2022?

A2. Joint-Ventures

- a) The share of profits of joint ventures in FY2021 was lower than in FY2020 due to the profits recognised upon the finalisation of accounts in respect to the Pahang-Selangor Raw Water Transfer project in the previous year.

Given the relative size of current joint venture projects, the Group does not expect significant contributions from joint ventures in FY2022.

Q2. Joint-Ventures

- b) There is an allowance for Impairment of amounts owing by joint ventures of RM27,286,000 recorded in FY2021(FY2020: Allowance for Impairment of RM6,063,000) (Page 255 of the Annual Report 2021).
 - i. Are the amounts owing by joint ventures recoverable? If so, what is the expected recoverability amounts in FY2022?

A2. Joint-Ventures

- b) i. Based on financial projections of the projects, we expect that the amounts owing by joint ventures, net of impairment, are recoverable.

The projects are at various stages of implementation. Recoverability may vary as and when the developments are progressively monetised.

Q2. Joint-Ventures

- b) There is an allowance for Impairment of amounts owing by joint ventures of RM27,286,000 recorded in FY2021(FY2020: Allowance for Impairment of RM6,063,000) (Page 255 of the Annual Report 2021).
 - ii. Have any of these amounts owing by joint ventures been recovered to-date?

A2. Joint-Ventures

- b) ii. Given the long term nature of property development projects, the Division expects to recover the amounts owing by these joint ventures towards the later part of these ongoing projects.

Questions from MSWG: Operational & Financial Matters



Q3. Construction Division

- a) What is the current progress of the Group's existing construction projects? Are the projects on schedule?

A3. Construction Division

- a) The progress of the Division's construction projects are at various stages of completion and have been delayed due to the lockdowns imposed. Some projects have, however, obtained extensions of completion schedules from respective clients. Keeping the health and safety of its workforce a priority, the Division has recently resumed work upon the lifting of the MCO3.0 lockdown conditions for the construction sector.

Q3. Construction Division

- b) What is the latest the Division's order book and targeted order book replenishment in the next two financial years?

A3. Construction Division

- b) The Division's outstanding order book as at 31 March 2021 was RM4.0 billion. Thus far, the Division has secured three projects amounting to RM586 million in FY2022. The target is to replenish the order book by about RM2 billion a year. This will hinge on the revival of infrastructure spending as part of the Malaysian and Indian Government's economic recovery plans.

Q3. Construction Division

- c) A key challenge faced by the Division is the uncertainty of new order book replenishment (Page 70 of the Annual Report 2021).
How does the Division intend to address the key challenge of the uncertainty of the new order replenishment?

A3. Construction Division

- c) The economic outlook and the reorganisation of the government may lead to delays in the launches of some government infrastructure projects, which will in turn limit IJM's ability to replenish its order book. Given the competing priorities of Government finances, we anticipate that PFI-type infrastructure spending will have to increase to revitalise the economy. In that context, the Group's strong balance sheet, track record and experience in successfully developing PFI projects, enables IJM to be well-placed to participate in a recovering economy. In addition, we plan to leverage on our established track record to participate in India following the Indian Government's recently announced USD1.35 trillion infrastructure plan to boost the economy.

Questions from MSWG: Operational & Financial Matters



Q4. Property Division

a) What is the current take-up rate for the Division's property projects in Malaysia and India?

A4. Property Division

a) The average take-up rate of the Division's projects launched in FY2021 was 75%.

Q4. Property Division

- b) What is the Division's current value of unsold properties? What is the targeted value of the unsold properties to be cleared in the next two financial years?

A4. Property Division

- b) As shown on page 337 of the Annual Report 2021, completed buildings, which includes unsold bumiputera units, accounted for RM1,154.53 million of the Group's inventory as at 31 March 2021, compared with RM1,526.26 million a year ago. Notwithstanding the addition of new inventory that may arise from future launches, the Group aims to substantially reduce the level of its unsold properties over the coming two years, in line with its Group Strategic Focus.

Questions from MSWG: Operational & Financial Matters



Q5. Industry Division

- a) What is the current capacity utilisation rate for piles and quarry operations and expected utilisation rate in FY2022?

A5. Industry Division

- a) The capacity utilisation rate for the piles and quarry operations in FY2021 were both at 58%. The Division expects these utilisation rates to improve in FY2022, mainly supported by an improving export market.

Q5. Industry Division

b) During this period of uncertainty, the Division disposed of various low-yielding assets while operations were streamlined to be leaner and more efficient (Page 82 of the Annual Report 2021).

Are there any plans for monetisation of low-yielding assets in FY2022?

If so, which assets?

A5. Industry Division

b) The Division has substantially monetised most of its low yielding assets, barring two more assets that have been earmarked for disposal.

Q5. Industry Division

- c) What is the Division's current order book? To keep production at an optimum capacity to achieve economies of scale, what is the targeted orderbook replenishment in the next two financial years?

A5. Industry Division

- c) As at 31 March 2021, the Division's balance orders was over six months or one million tons. Given the recovery in the export market and the anticipated restarting of construction activity in the country, the outlook for the Division's order book replenishment is encouraging.

Questions from MSWG: Operational & Financial Matters



Q6. Infrastructure Division

- a) What is the outlook for the Division's tolled highways performance in Malaysia and abroad and port operations in FY2022?

A6. Infrastructure Division

- a) Traffic volume at the Group's toll highways are expected to rebound in tandem with the gradual reopening of economic activities while the performance of the port operations are expected to be steady, supported by resilient cargo throughput volume.

Q1. Corporate Governance Matters

Practice 4.5 of the Malaysian Code on Corporate Governance (MCCG) states that the board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

IJM has departed from applying Practice 4.5 of MCCG and explained that the Board will attempt to meet the 30% women director's requirement as soon as practicable pursuant to the Board Diversity Policy.

The Board continues to source for suitable women candidates for appointment to the Board (Page 22 of the Corporate Governance Report).

What is the timeframe set by the Board to meet the 30% women directors' requirement, if any?

Questions from MSWG: Corporate Governance Matters



A1. Corporate Governance Matters

While the Board seeks to improve gender diversity, it is guided by the principle that the appointment of a new Board member shall not be based solely on gender. In evaluating candidates for appointment to the Board, the Board will always evaluate and match the criteria of the candidate based on experience, skill, competency, knowledge, potential contribution and boardroom diversity (including gender, ethnicity and age). The Board also takes into account the diverse perspective and insights that the candidate may bring to the Company. Nevertheless, given the anticipated Board vacancies, the Board shall endeavour towards meeting this requirement when evaluating future candidates.

Pre-AGM

Questions & Answers
related to the Financial Statements



Questions from shareholders pre-AGM



1. IJM had stopped equity accounting for its share of losses from LEKAS and Gautami Power, which has been fully accounted for up to its cost of investment (page 95 and 99).
 - a) Does this means these two concessions have been making loss all these years that its carrying value is now written to zero?
 - b) What is the total invested amount in both of these concessions?
 - c) Why are these concessions ending up losing all its invested amount?
 - d) Will it still required cash flow injection in the future?

Questions from shareholders pre-AGM



2. Referring to Note 37 (page 337),
 - a) What is the difference between completed buildings under “At Cost” amounting to RM777 million and completed buildings under “At net realisable value” amounting to RM376 million?
 - b) What is the total amount of completed but unsold properties? Can you provide the breakdown by aging and amount?
 - c) How many percent of these unsold completed properties are “bumi lot”? Normally how long will it before it can be released to free market?

Thank you

Pre-AGM

Questions & Answers



Questions from shareholders pre-AGM



1. When will IJM Corp reward shareholders from the latest sale of IJM Plantations to KKK? When we will special dividends and how much?

Questions from shareholders pre-AGM



2. How is the progress of IJM conducting a Highway Trust Fund? Has IJM obtained approval from MOF? How IJM reward shareholders?

Questions from shareholders pre-AGM



3. Dear BOD - Kindly give us some e-vouchers, food vouchers or e-wallet (no discount vouchers please) for being loyal shareholders and attending this meeting. Times are bad now. Please be considerate to us shareholders during these trying times. TQ

Questions from shareholders pre-AGM



4. Has construction progress at company's construction sites and properties been affected by lockdowns and covid 19 infections. How many cases have been detected to date and is the company part of PIKAS

Questions from shareholders pre-AGM



5. For the property division, how much is the sales target for FY2022 and how much has been achieved to date

Questions from shareholders pre-AGM



6. What is the current traffic level at the company's highway compared to pre covid/pre lockdown level. Is it sufficient to cover the sukuk/loan/bond interest/repayment

Questions from shareholders pre-AGM



7. What is the concession end date for each of the 8 toll roads concessions, Kuantan Port and Power Plant in India? Thank you.

Questions from shareholders pre-AGM



8. Jeffrey Cheah of Sunway has talked to Krishnan Tan about possible merger, can you please update on the progress? What will us IJM shareholders get from the proposed merger?

Thank you