



Media Release

For immediate release

IJM achieves 55.1% improvement in net profit from continuing operations and rewards shareholders with special dividend

IJM releases Financial Results for Year Ended 31 March 2023

Key figures (in RM'000)	4Q FY2023	4Q FY2022	Change	FY2023	FY2022	Change
Revenue*	1,326,785	1,232,530	(7.6%)	4,572,485	4,408,980	3.7%
Profit before tax* (PBT)	155,250	68,800	(125.7%)	483,028	317,871	52.0%
Profit after tax & MI* (PATMI)	23,050	1,014	(2173.2%)	158,275	102,067	55.1%
Basic earnings per share* (sen)	0.66	0.03	(2100.0%)	4.49	2.85	57.5%

*Results exclude that of the Plantation Division following the completion of the disposal of IJM Plantations Berhad on 6 September 2021.

Key highlights:

- **Improving outlook across all divisions to drive core earnings growth in FY2024**
 - **RM1.5 billion new construction projects secured in the financial year, bringing outstanding order book to RM4.5 billion as at 31 March 2023, provides near term earnings visibility**
 - **RM2.7 billion in property and land sales in FY2023, backed by RM3.0 billion in healthy unbilled sales for strong near-term financial performance**
 - **Robust Industry Division orders with a balance order book of approximately 1 million tons, accompanied by improved margins**
 - **Port cargo throughput growth as economies reopened**
 - **Toll operations' traffic volume has fully rebounded to pre-pandemic levels**
- **Strong balance sheet with net gearing ratio of 25.8%**
- **Interim dividend of 6 sen declared for FY2023 (FY2022: 6 sen), special dividend of 2 sen in FY23 (FY22: 15 sen)**

Brighter outlook across business Divisions

Petaling Jaya, 29 May 2023 – IJM Corporation Berhad (IJM) today released its financial results for the year ended 31 March 2023, reflecting a positive outlook ahead. The Construction and Industry Divisions are witnessing encouraging order book replenishment prospects. The Group's improving outlook is further supported by strong property sales in FY2023, improving cargo throughput at its Port operations, and a complete recovery of tollway traffic to pre-pandemic levels.

CEO & Managing Director of IJM, Mr Lee Chun Fai explained, "With the pandemic and labour supply constraints largely behind us, we are optimistic of more construction job prospects entering the market, including the sizeable MRT 3 project, and opportunities in the industrial property sector. Leveraging IJM's track record and robust balance sheet, we are in a prime position to expand our outstanding order book, which currently stands at RM4.5 billion."

The Property Division achieved RM2.7 billion sales in FY2023, surpassing its previous record of RM2.5 billion recorded in FY2022. Notably, the Group also continued to pare down its completed property inventory to RM719 million, from RM865 million in the preceding year.

Benefiting from the resumption of construction activities both domestically and regionally, the Industry Division has achieved its highest profit performance in over a decade. Supported by a strong balance order book of approximately 1 million tons, the Division is well-positioned to sustain its strong performance in the near term.

In FY2023, the Group's Kuantan Port recorded 22.7 million tons of cargo throughput, comparable to FY2022. However, there was a resurgence in cargo handled during the final quarter of the financial year, largely driven by the reopening of economic activities in China. During the year, pick-up in foreign direct investments activities at MCKIP signalled promising long-term growth for Kuantan Port. Notably, Alliance Steel, the largest investor in MCKIP, is pursuing a significant expansion of its current production capacity of 3.5 million tons per annum, facilitated by the acquisition of additional land in MCKIP 1. The Government's commitment to infrastructure development in the area, predominantly through the ECRL project, further positions Kuantan Port as a vital catalyst for the economic development of the East Coast region.

The Group's strong balance sheet, with a multi-year low net gearing of 25.8%, will bolster the Group's ability to undertake large scale projects and strategic investments.

IJM reports full year PATMI of RM158.3 million, rewards shareholders with special dividend of 2 sen per share

The Group posted operating revenue of RM1,326.8 million and RM4,572.5 million for 4Q FY2023 and FY2023 respectively, representing an increase of 7.6% and 3.7% compared to 4Q FY2022 and FY2022.

Furthermore, the Group recorded pre-tax profits of RM155.3 million and RM483.0 million for 4Q FY2023 and FY2023 respectively, an increase of 125.7% and 52.0% when compared to 4Q FY2022 and FY2022 respectively.

For the quarter, the **Construction Division** reported lower revenue of RM266.3 million and a PBT of RM38.8 million compared to the previous year. This can be attributed to the completion of major projects in the previous financial year, while newly secured projects are still in their initial stages of construction progress.

The Group's **Property Division** reported improved revenue of RM568.8 million and PBT of RM224.9 million in 4Q FY2023 compared to the same period last year primarily due to higher profit margins derived from its current portfolio of ongoing development projects, gains from the sale of industrial land at Bandar Rimbayu as well as from comprehensive reviews and cost finalisation of completed projects.

Compared to the corresponding quarter in the previous year, the **Industry Division** recorded higher revenue of RM253.2 million and PBT of 37.0 million in 4Q FY2023 attributed to higher selling prices and increased sales volume recorded in the piles business.

Revenue of the Group's **Infrastructure Division** for the current quarter increased by 4.4% to RM238.5 million compared to 4Q FY2022 driven mainly by higher toll revenue recorded locally and overseas. The Port operations, however, recorded lower revenue for 4Q FY2023 due to lower cargo throughput and variations in cargo mix. However, the Division incurred pre-tax losses for 4Q FY2023, mainly due to higher unrealised foreign exchange losses (FY2023: RM69.0 million vs FY2022: RM14.3 million) on its USD denominated borrowings and increased maintenance (resurfacing) cost in its Indian toll operations. Additionally, the Division recognised RM133 million of expected credit losses related to a financial instrument associated with the West Coast Expressway. The decrease in pre-tax profits was mitigated by the higher profit contributions from the Group's local toll operations, which have recovered to pre-Covid levels.

Following the results, the Company has declared a single-tier second interim dividend of 4 sen per share, along with a special dividend of 2 sen per share. Coupled with the single-tier first interim dividend of 2 sen per share declared in 2Q FY2023, the total dividend declared for FY2023 amounts to 8 sen per share.

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About IJM Corporation Berhad

IJM Corporation Berhad (“IJM”), formed in 1983, today ranks as one of Malaysia’s leading conglomerates with an international footprint forged by its four core businesses: construction, property development, industry (quarrying and the manufacture of building materials) and infrastructure concessions. IJM holds leading positions across all its business divisions. Its growth is the direct result of strong leadership, dedicated employees, financial prudence and commitment to good governance and quality.

The Group presently has a market capitalisation of around RM5.7 billion and as of March 2023, the Group employed around 3,000 employees and had total assets of RM20.7 billion.

For more information, visit www.ijm.com

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