

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad takes no responsibility for the contents of this Circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Circular.

# **SUNWAY**

## **SUNWAY BERHAD**

(Registration No. 201001037627 (921551-D))  
(Incorporated in Malaysia)

### **CIRCULAR TO SHAREHOLDERS IN RELATION TO THE**

**PROPOSED CONDITIONAL VOLUNTARY TAKE-OVER OFFER BY SUNWAY BERHAD (“SUNWAY” OR “COMPANY”) THROUGH MAYBANK INVESTMENT BANK BERHAD TO ACQUIRE ALL THE ORDINARY SHARES IN IJM CORPORATION BERHAD (EXCLUDING TREASURY SHARES) (“OFFER SHARES”) FOR AN OFFER PRICE OF RM3.15 PER OFFER SHARE (“OFFER PRICE”) TO BE SATISFIED IN THE FOLLOWING MANNER:**

- (A) IN RESPECT OF 10% OF THE OFFER PRICE, AN AMOUNT EQUIVALENT TO RM0.3150 IN CASH; AND**
- (B) IN RESPECT OF 90% OF THE OFFER PRICE, AN AMOUNT EQUIVALENT TO APPROXIMATELY RM2.8350 IN THE FORM OF NEW ORDINARY SHARES IN SUNWAY AT AN ISSUE PRICE OF RM5.65 EACH,**

**SUBJECT TO ADJUSTMENTS**

**AND**

### **NOTICE OF EXTRAORDINARY GENERAL MEETING**

*Principal Adviser*



## **Investment Bank**

**Company Registration No. 197301002412**  
(A Participating Organisation of Bursa Malaysia Securities Berhad)

The extraordinary general meeting of our Company (“**EGM**”) will be held at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan on Thursday, 26 March 2026 at 3:00 p.m. or any adjournment thereof. The notice of the EGM together with the Proxy Form are enclosed.

In the event you wish to appoint a proxy, please complete, sign and return the Proxy Form to Boardroom Share Registrars Sdn Bhd (“**Boardroom**”), the poll administrator of the EGM, at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia either by hand, post or email to Boardroom at [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com). You also have the option to lodge electronically via “Boardroom Smart Investor Portal” at <https://investor.boardroomlimited.com> (“**e-Proxy Lodgement**”). The Proxy Form must be received by Boardroom not less than 24 hours before the date and time fixed for the EGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting at the EGM should you wish to do so. Please refer to the Administrative Details for the EGM for the steps on the e-Proxy Lodgement.

Last day, date and time for lodging the Form of Proxy for the EGM : Wednesday, 25 March 2026 at 3:00 p.m.

Day, date and time of the EGM : Thursday, 26 March 2026 at 3:00 p.m. or any adjournment thereof

This Circular is dated 11 March 2026

## DEFINITIONS

---

In this Circular, unless otherwise indicated, the following words and abbreviations shall have the following meanings:

<b>Acceptance Condition</b>	:	The Proposed Offer is conditional upon our Company having received, on or before the Closing Date, Valid Acceptances resulting in Sunway holding in aggregate more than 50.0% of the voting shares in IJM. Sunway has nominated its indirect wholly-owned subsidiary, Fortuna Gembira Enterpris, as the recipient of the Offer Shares. Accordingly, any Offer Shares received by Fortuna Gembira Enterpris via acceptances of the Offer are deemed to be received by our Company
<b>Accepting Holder(s)</b>	:	Holder(s) who accept(s) the Proposed Offer in accordance with the terms and conditions set out in the Offer Document
<b>Act</b>	:	Companies Act 2016
<b>Active Equity</b>	:	Active Equity Sdn Bhd which is owned by Tan Sri Dato' Seri (Dr.) Jeffrey Cheah (60.0%), Datin Paduka Sarena Cheah Yean Tih <small>S.M.S</small> (15.0%), Evan Cheah Yean Shin (15.0%) and Adrian Cheah Yean Sun (10.0%)
<b>Adjustment Mechanism</b>	:	As set out in Section 2.1 of the Offer Document, if the Offeror declares, makes or pays any Distribution (save for the Sunway Distribution) on or after the date of the Notice but prior to the Closing Date, the Offeror will increase the Cash Consideration by the amount equivalent to the net Distribution per Sunway Share multiplied by the number of Consideration Shares for which an Accepting Holder would receive for accepting the Proposed Offer. <b>There will be no change to the Issue Price or number of Consideration Shares</b>
<b>Adjusted Cash Consideration</b>	:	For every one (1) Consideration Share that an Accepting Holder would receive for accepting the Offer, the Cash Consideration shall be increased by approximately RM0.0100 per Offer Share from RM0.3150 per Offer Share to approximately RM0.3250 per Offer Share, being the net distribution of 2 sen per Sunway Share multiplied by the number of Consideration Shares to be received by an Accepting Holder upon accepting the Proposed Offer
<b>Board</b>	:	Board of directors of Sunway
<b>BNM</b>	:	Bank Negara Malaysia
<b>Bursa Securities</b>	:	Bursa Malaysia Securities Berhad
<b>Cash Consideration</b>	:	An amount equivalent to RM0.3150 in cash, representing 10% of the Offer Price of RM3.15 per Offer Share. The Cash Consideration is subject to the Adjustment Mechanism as set out in the Offer Document
<b>CGCMB</b>	:	Credit Guarantee Corporation Malaysia Berhad
<b>Circular</b>	:	This circular to the shareholders of our Company in relation to the Proposed Offer dated 11 March 2026

## DEFINITIONS *(Cont'd)*

---

<b>Closing Date</b>	:	(i) First Closing Date; or  (ii) such later date(s) in the event the Proposed Offer is extended or revised by our Company and will be announced by Maybank IB, on behalf of our Company, at least two (2) days before the closing date, in accordance with the Rules and the terms and conditions of the Offer Document
<b>CMSA</b>	:	Capital Markets and Services Act 2007
<b>Comparable Companies</b>	:	Profitable public companies that are listed on the Main Market of Bursa Securities and are predominately involved in the property development and construction businesses, with market capitalisation of between RM0.9 billion to RM30.0 billion
<b>Consideration Shares</b>	:	New Sunway Shares to be issued at the Issue Price to satisfy 90% of the Offer Price of RM3.15 per Offer Share, being RM2.8350 per Offer Share, for every one (1) Offer Share surrendered
<b>Constitution</b>	:	Constitution of our Company
<b>Director(s)</b>	:	Shall have the meaning given in section 2(1) of the CMSA and includes any person who is or was within the preceding six (6) months of the date on which the terms of the transaction were agreed upon, a director or a chief executive of our Company, or any other company which is a subsidiary or holding company of our Company
<b>Dissenting Holder(s)</b>	:	Holder(s) who have not accepted the Proposed Offer and/or who have failed or refused to transfer their Offer Shares to our Company in accordance with the terms and conditions of the Offer Document
<b>Distribution</b>	:	Any dividend and/or other distributions which may be declared, made or paid by our Company or IJM (as the case may be) on or after the date of the Notice but prior to the Closing Date
<b>Distribution Ratio</b>	:	One (1) Distribution Share for every 10 Sunway Shares (excluding treasury shares) in relation to the Sunway Distribution
<b>Distribution Shares</b>	:	676,042,070 ordinary shares in SHH held by SunCity to be distributed pursuant to the Sunway Distribution
<b>DRS</b>	:	Dividend reinvestment scheme
<b>EBITDA</b>	:	Earnings before interest, taxation, depreciation and amortisation
<b>EGM</b>	:	Extraordinary general meeting of our Company
<b>EPF</b>	:	Employees' Provident Fund Board
<b>EPS</b>	:	Earnings per Sunway Share or IJM Share (as the case may be)
<b>EV</b>	:	Enterprise value
<b>EV/EBITDA Multiple</b>	:	EV-to-EBITDA multiple
<b>First Closing Date</b>	:	5.00 p.m. (Malaysian time) on Monday, 6 April 2026, being 60 days from the Posting Date

## DEFINITIONS *(Cont'd)*

---

<b>Form of Acceptance and Transfer</b>	:	Form of acceptance and transfer for the Offer Shares, as enclosed in the Offer Document
<b>Fortuna Gembira Enterpris</b>	:	Fortuna Gembira Enterpris Sdn Bhd, an indirect wholly-owned subsidiary of our Company nominated to receive the Offer Shares
<b>FPE</b>	:	Financial period ended or ending
<b>FYE</b>	:	Financial year ended or ending
<b>Holder(s)</b>	:	Holder(s) of the Offer Shares
<b>Independent Advice Circular</b>	:	The independent advice circular comprising the letter from the IJM Board and the independent advice letter to be issued by the Independent Adviser in respect of the Proposed Offer in accordance with the Rules
<b>Independent Adviser</b>	:	M&A Securities Sdn Bhd, the independent adviser appointed by the IJM Board in respect of the Proposed Offer in accordance with paragraph 3.06 of the Rules to provide comments, opinions, information and recommendation on the Proposed Offer
<b>IJM or Offeree</b>	:	IJM Corporation Berhad
<b>IJM Board</b>	:	Board of directors of IJM
<b>IJM Group</b>	:	Collectively, IJM and its subsidiaries
<b>IJM Share(s)</b>	:	Ordinary share(s) in IJM
<b>IPO</b>	:	Initial public offering
<b>Issue Price</b>	:	RM5.65 per Sunway Share. There is no change to the Issue Price arising from the Sunway Cash Dividend as the Cash Consideration has been increased by the amount equivalent to the net Distribution per Sunway Share multiplied by the number of Consideration Shares for which a Holder of each Offer Share would receive for accepting the Proposed Offer
<b>Jef-San Enterprise</b>	:	Jef-San Enterprise Sdn Bhd which is owned by Tan Sri Dato' Seri (Dr.) Jeffrey Cheah (60.00%), Datin Paduka Sarena Cheah Yean Tih <small>S.M.S</small> (15.00%), Evan Cheah Yean Shin (14.98%) and Adrian Cheah Yean Sun (10.02%)
<b>KWAP</b>	:	Kumpulan Wang Persaraan (Diperbadankan)
<b>Listing Requirements</b>	:	Main Market Listing Requirements of Bursa Securities
<b>LPD</b>	:	27 February 2026, being the latest practicable date prior to the printing of this Circular
<b>LTM</b>	:	Last twelve months
<b>MACC</b>	:	Malaysian Anti-Corruption Commission
<b>Market Day(s)</b>	:	Day(s) on which Bursa Securities is open for trading in securities

## DEFINITIONS (Cont'd)

---

<b>Major Shareholder(s)</b>	:	A person who has an interest or interests in one or more voting shares in our Company and the number or aggregate number of those shares, is:  (a) ten percent (10%) or more of the total number of voting shares in our Company; or  (b) five percent (5%) or more of the total number of voting shares in our Company where such person is the largest shareholder of our Company.  For the purpose of this definition, “ <b>interest</b> ” shall have the meaning of “ <b>interest in shares</b> ” given in Section 8 of the Act  For the purpose of the Proposed Offer, Major Shareholder(s) also include any person who is or was within the preceding six (6) months of the date on which terms of the transaction were agreed upon, a Major Shareholder of our Company or any other company which is a subsidiary or holding company of our Company
<b>Maybank IB or Principal Adviser</b>	:	Maybank Investment Bank Berhad
<b>NA</b>	:	Net assets
<b>Notice</b>	:	Notice of the Proposed Offer dated 12 January 2026, served on the IJM Board by Maybank IB, on behalf of our Company, in accordance with subparagraph 9.10(1)(b)(i) of the Rules
<b>Notice LTD</b>	:	9 January 2026, being the last Market Day prior to the date of the Notice
<b>Offer Document</b>	:	The offer document dated 3 February 2026 which contains the details, terms and conditions of the Proposed Offer together with the accompanying Form of Acceptance and Transfer
<b>Offer Period</b>	:	Period commencing from 12 January 2026, being the date of the service of the Notice, until the earlier of either: (i) the Closing Date; or (ii) the date on which the Proposed Offer lapses or is withdrawn with the written consent of the SC
<b>Offer Price</b>	:	RM3.15 per Offer Share, to be satisfied in the following manner:  (a) in respect of 10% of the Offer Price, an amount equivalent to RM0.3150 in cash; and  (b) in respect of 90% of the Offer Price, an amount equivalent to approximately RM2.8350 in the form of the Consideration Shares,  subject to any adjustment, where applicable, in the manner set out in Section 2.1 of the Offer Document
<b>Offer Shares</b>	:	All the IJM Shares (excluding treasury shares). As at the LPD, the Offer Shares comprise 3,505,166,120 IJM Shares
<b>Official List</b>	:	A list specifying all securities listed on the Main Market of Bursa Securities

## DEFINITIONS *(Cont'd)*

---

<b>Other Conditions</b>	:	The conditions as set out in Section 2.3 of this Circular
<b>PACs</b>	:	Persons acting in concert or persons deemed to be acting in concert with Sunway in relation to the Proposed Offer pursuant to subsections 216(2) and 216(3) of the CMSA, respectively. As at the LPD, the persons acting in concert with Sunway who hold IJM Shares are Chung Seow Hun, CGCMB, Goh Hai Thun @ Ng Hai Thun, Lim Chwee Kim, Lim Suan and PKNS
<b>PAT</b>	:	Profit after tax
<b>PBT</b>	:	Profit before tax
<b>PBR</b>	:	Price-to-book ratio
<b>P/E Multiple</b>	:	Price-to-earnings multiple
<b>PKNS</b>	:	Perbadanan Kemajuan Negeri Selangor
<b>PNB</b>	:	Permodalan Nasional Berhad
<b>Posting Date</b>	:	3 February 2026, being the date of posting of the Offer Document
<b>Proposed Offer</b>	:	Proposed conditional voluntary take-over offer by Sunway, through Maybank IB, to acquire all the Offer Shares at the Offer Price of RM3.15 per Offer Share in accordance with the terms and conditions in the Offer Document
<b>Public Spread Requirement</b>	:	The requirement under paragraph 8.02(1) of the Listing Requirements, whereby a listed issuer must ensure that at least 25% of its total listed shares (excluding treasury shares) are in the hands of public shareholders to ensure its continued listing on the Main Market of Bursa Securities
<b>Rules</b>	:	Rules on Take-overs, Mergers and Compulsory Acquisitions issued by the SC
<b>SC</b>	:	Securities Commission Malaysia
<b>SHH</b>	:	Sunway Healthcare Holdings Berhad. Upon completion of the SHH Listing, SHH will become an indirect subsidiary of Sunway through SunCity
<b>SHH Listing</b>	:	Listing of Sunway Healthcare Holdings Berhad on the Main Market of Bursa Securities, which is expected to take place on 18 March 2026
<b>SunCity</b>	:	Sunway City Sdn Bhd, a wholly-owned subsidiary of Sunway
<b>Sungei Way Corporation</b>	:	Sungei Way Corporation Sdn Bhd, a wholly-owned subsidiary of Active Equity
<b>Sunway or Company</b>	:	Sunway Berhad
<b>Sunway Group or Group</b>	:	Collectively, Sunway and its subsidiaries

## DEFINITIONS (Cont'd)

---

<b>Sunway Cash Dividend</b>	:	A single-tier second interim cash dividend in respect of the FYE 31 December 2025 of 2 sen per Sunway Share. The entitlement date and payment date of the Sunway Cash Dividend are 19 March 2026 and 16 April 2026, respectively
<b>Sunway Distribution</b>	:	Distribution of the Distribution Shares to the entitled shareholders of our Company by way of dividend-in-specie based on the Distribution Ratio declared by our Board on 24 February 2026
<b>Sunway ICPS</b>	:	Irredeemable convertible preference shares in our Company issued on 3 December 2020
<b>Sunway Share(s)</b>	:	Ordinary share(s) in Sunway
<b>Tan Sri Dato' Seri (Dr.) Jeffrey Cheah</b>	:	Tan Sri Dato' Seri (Dr.) Jeffrey Cheah Fook Ling KBE AO
<b>Total Consideration</b>	:	The total consideration for the Proposed Offer of approximately RM11.0 billion, assuming full acceptances of the Proposed Offer and no adjustments are made to the Offer Price of RM3.15 per Offer Share, which will be satisfied via a combination of cash and the issuance of the Consideration Shares
<b>UK</b>	:	United Kingdom
<b>Valid Acceptance</b>	:	The acceptance of the Proposed Offer by a Holder in accordance with the terms and conditions of the Offer Document, which is deemed by Sunway to be valid and complete in all respects
<b>VWAMP</b>	:	Volume weighted average market price

## CURRENCIES

<b>RM and sen</b>	:	Ringgit Malaysia and sen
<b>GBP</b>	:	British Pound Sterling
<b>Rs.</b>	:	Indian Rupee
<b>SGD</b>	:	Singapore Dollar
<b>USD</b>	:	United States Dollar

All references to “**we**”, “**us**”, “**our**” and “**ourselves**” are to our Company, and where the context requires otherwise, shall include our subsidiaries. All references to “our enlarged Group” are to the enlarged group of companies comprising the Sunway Group and the IJM Group assuming the successful completion of the Proposed Offer.

All references to “**you**” and “**your**” in this Circular are to our shareholders.

Words denoting the singular shall, where applicable, include the plural and *vice versa*, and words denoting the masculine gender shall, where applicable, include the feminine and/or neuter genders, and *vice versa*. References to persons shall include corporations, unless otherwise specified.

Any reference to any act, rule, written law, ordinance, enactment or guideline in this Circular is a reference to that act, rule, written law, ordinance, enactment or guideline as amended or re-enacted from time to time.

## **DEFINITIONS** *(Cont'd)*

---

Any reference to a time of day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

Certain amounts and percentage figures included in this Circular have been subject to rounding adjustments. Any discrepancy in the figures included in this Circular between the amounts stated and the totals thereof are due to rounding.

Certain statements in this Circular may be forward-looking in nature, which are subject to uncertainties and contingencies. Forward-looking statements may contain estimates and assumptions made by the Board after due enquiry, which are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed or implied in such forward-looking statements. In light of these and other uncertainties, the inclusion of a forward-looking statement in this Circular should not be regarded as a representation or warranty that our Company's plans and objectives will be achieved.

## CONTENTS

---

	<b>PAGE</b>
<b>EXECUTIVE SUMMARY</b>	ix
<b>LETTER TO OUR SHAREHOLDERS IN RELATION TO THE PROPOSED OFFER CONTAINING:</b>	
1. INTRODUCTION	1
2. DETAILS OF THE PROPOSED OFFER	4
3. BACKGROUND INFORMATION ON IJM	13
4. RATIONALE FOR AND BENEFITS OF THE PROPOSED OFFER	13
5. RISK FACTORS	18
6. OUTLOOK AND PROSPECTS	21
7. EFFECTS OF THE PROPOSED OFFER	28
8. HISTORICAL SHARE PRICES	38
9. APPROVALS/CONSENTS REQUIRED	40
10. CONDITIONALITY OF THE PROPOSED OFFER	40
11. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION	40
12. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM	40
13. DIRECTORS' STATEMENT AND RECOMMENDATION	40
14. PERCENTAGE RATIO	41
15. TENTATIVE TIMEFRAME FOR COMPLETION/IMPLEMENTATION	41
16. EGM	41
17. FURTHER INFORMATION	42
<b>APPENDICES</b>	
APPENDIX I INFORMATION ON IJM	43
APPENDIX II AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025	60
APPENDIX III FURTHER INFORMATION	247
<b>NOTICE OF EGM</b>	<b>ENCLOSED</b>
<b>FORM OF PROXY</b>	<b>ENCLOSED</b>
<b>ADMINISTRATIVE DETAILS OF THE EGM</b>	<b>ENCLOSED</b>

## EXECUTIVE SUMMARY

**THIS EXECUTIVE SUMMARY HIGHLIGHTS THE SALIENT INFORMATION OF THE PROPOSED OFFER. YOU ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS CIRCULAR IN ITS ENTIRETY AND NOT TO RELY SOLELY ON THIS EXECUTIVE SUMMARY IN FORMING A DECISION ON THE PROPOSED OFFER BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED OFFER TO BE TABLED AT THE FORTHCOMING EGM.**

<b>Key Information</b>	<b>Summary</b>	<b>Reference to this Circular</b>
<b>Details of the Proposed Offer</b>	<p>On 12 January 2026, Maybank IB had, on behalf of our Company, served the Notice on the IJM Board, informing the Offeree of our Company's intention to undertake the conditional voluntary take-over offer to acquire the Offer Shares at the Offer Price of RM3.15 per Offer Share, to be satisfied in the following manner:</p> <ul style="list-style-type: none"><li>(a) in respect of 10% of the Offer Price, an amount equivalent to RM0.3150 in cash; and</li><li>(b) in respect of 90% of the Offer Price, an amount equivalent to approximately RM2.8350 in the form of Consideration Shares at the Issue Price.</li></ul> <p>As we have declared the Sunway Cash Dividend of 2 sen per Sunway Share prior to the Closing Date, the Cash Consideration has been increased by the net distribution of 2 sen per Sunway Share multiplied by the number of Consideration Shares which a Holder of each Offer Share would receive for accepting the Proposed Offer.</p> <p>Assuming full acceptances of the Proposed Offer and no adjustments are made to the Offer Price, the Total Consideration after taking into account the Adjusted Cash Consideration, will comprise of approximately RM1,139.3 million in cash and the issuance of 1,758,786,893 Consideration Shares (amounting to approximately RM9,902.0 million in value after netting off the Sunway Cash Dividend of 2 sen per Consideration Share).</p>	Section 2.1
<b>Basis and justification for the Offer Price and Issue Price</b>	<p>The Offer Price was arrived at after taking into consideration the traded price of IJM Shares over the last 12 months up to and including 9 January 2026, being the last full trading day prior to the Notice LTD.</p> <p>The Board is of the view that the Offer Price is justifiable after taking into consideration the following:</p> <ul style="list-style-type: none"><li>(a) the historical market price of IJM Shares up to the Notice LTD, of which the Offer Price represents a premium ranging from 14.6% to 28.0% over the closing price of IJM Shares as at the Notice LTD and the 5-day, 1-month, 3-month, 6-month and 12-month VWAPs of IJM Shares up to and including the Notice LTD;</li><li>(b) the implied FY25 EV/EBITDA Multiple of 11.8 times and the LTM EV/EBITDA Multiple of IJM of 13.2 times for the Proposed Offer are lower than the average LTM EV/EBITDA Multiple of the Comparable Companies as set out in Section 2.2.3 of this Circular of 17.6 times;</li></ul>	Section 2.2

## EXECUTIVE SUMMARY (Cont'd)

---

<b>Key Information</b>	<b>Summary</b>	<b>Reference to this Circular</b>
	<ul style="list-style-type: none"><li>(c) the implied FY25 P/E Multiple of 27.4 times and LTM P/E Multiple of 24.8 times based on IJM's unaudited condensed consolidated financial information for the LTM up to the Notice LTD for the Proposed Offer fall within the range of P/E Multiples of the Comparable Companies;</li><li>(d) rationale for and benefits of the Proposed Offer as set out in Section 4 of this Circular; and</li><li>(e) prospects of the IJM Group as set out in Section 6 of this Circular.</li></ul>	
	<p>The Issue Price was determined based on the historical market price of Sunway Shares up to the Notice LTD after taking into consideration the following:</p> <ul style="list-style-type: none"><li>(a) the market price represents a real-time, arm's-length consensus of value established through the interactions of numerous buyers and sellers in the open market;</li><li>(b) the market price incorporates the market's overall assessment of the Sunway Group, taking into account all publicly available information, as well as investors' expectations of the Sunway Group's future performance, growth prospects and strategic direction;</li><li>(c) the use of the market price safeguards the interests of both existing and incoming shareholders, as it avoids dilution of existing shareholders' value by ensuring that new shares are issued at fair value, while also ensuring that parties receiving the shares as consideration are treated equitably; and</li><li>(d) the market price represents the price at which investors are prepared to invest in Sunway at the relevant time. Accordingly, the use of the market price appropriately reflects the opportunity cost of the equity capital involved and ensures that the transaction is aligned with prevailing market conditions.</li></ul>	
	<p>The Board is of the view that the Issue Price is justifiable after taking into consideration the following:</p> <ul style="list-style-type: none"><li>(a) the premium ranging from 0.73% to 15.19% over the closing price of Sunway Shares and the VWAMPs of Sunway Shares up to and including the Notice LTD;</li><li>(b) the Issue Price represents a PBR of 2.5 times and 2.4 times based on the audited consolidated NA per Sunway Share as at 31 December 2024 and the unaudited consolidated NA per Sunway Share as at 30 September 2025, respectively;</li><li>(c) rationale for and benefits of the Proposed Offer as set out in Section 4 of this Circular; and</li><li>(d) prospects of our enlarged Group as set out in Section 6 of this Circular.</li></ul>	

## EXECUTIVE SUMMARY (Cont'd)

Key Information	Summary	Reference to this Circular
<b>Conditions of the Proposed Offer</b>	<p>The Proposed Offer is conditional upon our Company having received, on or before the Closing Date, Valid Acceptances resulting in our Company holding in aggregate more than 50.0% of the voting shares in IJM. Further, the Proposed Offer is also conditional upon the following:</p> <ul style="list-style-type: none"><li>(i) approval of Bursa Securities for the listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities which has been obtained via its letter dated 4 March 2026 subject to the conditions as set out in Section 9 of this Circular; and</li><li>(ii) approval of the shareholders of our Company in relation to the Proposed Offer at the forthcoming EGM</li></ul> <p>The Proposed Offer shall remain open for acceptances until <b>5.00 p.m. (Malaysian time) on Monday, 6 April 2026</b>, being the First Closing Date, or such later date(s) as our Company may decide and will be announced by Maybank IB, on behalf of our Company, at least two (2) days before the Closing Date, unless our Company withdraws the Proposed Offer with the SC's prior written consent and in such event, every person shall be released from any obligations incurred under the Proposed Offer.</p>	Section 2.3
<b>Rationale for benefits of the Proposed Offer</b>	<p>Given the substantial overlapping business segments of our Company and IJM, the Proposed Offer is envisaged to bring together the strengths and capabilities of both entities. In the prevailing macro-economic conditions, it is timely for industry players to collaborate through resources and capabilities sharing with the aim to strengthen performance and sustainability of operations. Upon meeting the Acceptance Condition, our Company will have statutory control of IJM and is expected to achieve the following benefits:</p> <ul style="list-style-type: none"><li>(a) enhanced scale and capability as one of the largest property development and construction conglomerate groups in Malaysia;</li><li>(b) potential synergistic value with further efficiency and operational excellence; and</li><li>(c) enlarged capitalisation and scale boosts financing capabilities and credit strengths.</li></ul>	Section 4
<b>Risk factors</b>	<p>Due to the overlapping business segments of our Company and IJM, we do not foresee any material change to the risk profile of our enlarged Group after the completion of the Proposed Offer. However, there are other risks that may arise from or are associated with the Proposed Offer as set out below, which are by no means exhaustive:</p> <ul style="list-style-type: none"><li>(a) Completion risk;</li><li>(b) Financing risk;</li><li>(c) Integration risk;</li><li>(d) Acquisition risk and synergy realisation risk; and</li><li>(e) Risks relating to the IJM Group.</li></ul>	Section 5

## EXECUTIVE SUMMARY (Cont'd)

---

<b>Key Information</b>	<b>Summary</b>	<b>Reference to this Circular</b>
<b>Conditionality of the Proposed Offer</b>	The Proposed Offer is not conditional upon the completion of any other corporate proposal undertaken or to be undertaken by our Company.	Section 10
<b>Interests of Directors, Major Shareholders, chief executive and/or persons connected to them</b>	None of the Directors, Major Shareholders, chief executive and/or persons connected to them, has any interest, direct or indirect, in the Proposed Offer.	Section 12
<b>Directors' statement and recommendation</b>	The Board, after having considered all aspects of the Proposed Offer (including the rationale, effects and risk factors of the Proposed Offer) is of the opinion that the Proposed Offer is in the best interest of the Company and recommends that you vote in favour of the resolution pertaining to the Proposed Offer to be tabled at the forthcoming EGM.	Section 13
<b>Tentative timeframe for completion/implementation</b>	Barring any unforeseen circumstances, the Proposed Offer is expected to be completed by the third quarter of 2026.	Section 15

# SUNWAY

SUNWAY BERHAD

(Registration No. 201001037627 (921551-D))

**Registered Office**

Level 16, Menara Sunway  
Jalan Lagoon Timur  
Bandar Sunway  
47500 Subang Jaya  
Selangor Darul Ehsan  
Malaysia

11 March 2026

**Board of Directors**

Tan Sri Dato' Seri (Dr.) Jeffrey Cheah Fook Ling KBE AO (*Executive Chairman, Non-Independent Executive Director*)

Dato' Sri Idris Jala (*Non-Executive Co-Chairman, Independent Non-Executive Director*)

Datin Paduka Sarena Cheah Yean Tih, *S.M.S.* (*Executive Deputy Chairman; Non-Independent Executive Director*)

Datuk Mohd Anuar bin Taib (*President, Non-Independent Executive Director*)

Dr. Philip Yeo Liat Kok (*Senior Independent Non-Executive Director*)

Tan Sri Datuk Dr. Rebecca Fatima Sta Maria, PhD (*Independent Non-Executive Director*)

Datuk Tong Poh Keow (*Independent Non-Executive Director*)

Datuk Zaiton binti Mohd Hassan (*Independent Non-Executive Director*)

Evan Cheah Yean Shin (*Deputy President, Alternate Director to Tan Sri Dato' Seri (Dr.) Jeffrey Cheah Fook Ling KBE AO*)

**To: Our shareholders**

Dear Sir/Madam,

**PROPOSED OFFER**

---

**1. INTRODUCTION**

On 12 January 2026, Maybank IB had, on behalf of our Company, served the Notice on the IJM Board, informing the Offeree of our Company's intention to undertake the conditional voluntary take-over offer to acquire the Offer Shares at the Offer Price of RM3.15 per Offer Share, to be satisfied in the following manner:

- (a) in respect of 10% of the Offer Price, an amount equivalent to RM0.3150 in cash; and
- (b) in respect of 90% of the Offer Price, an amount equivalent to approximately RM2.8350 in the form of the Consideration Shares at the Issue Price.

On the same day, i.e. 12 January 2026, the IJM Board announced the receipt of the Notice and a copy of the Notice was despatched to the Holders on 19 January 2026.

On 20 January 2026, the Offeree announced the appointment of M&A Securities Sdn Bhd as the Independent Adviser to advise the directors of the Offeree and the Holders in respect of the Proposed Offer, in accordance with paragraph 3.06 of the Rules.

Following the recent publication of media reports relating to the MACC's investigations involving certain personnel of IJM resulting in speculations on whether our Company will proceed with the Proposed Offer, our Company had, on 21 January 2026, announced a clarification in response to such media reports confirming that the Proposed Offer is proceeding in accordance with the Rules and also subject to the approval of the shareholders of our Company to be sought at the forthcoming EGM.

On 29 January 2026, the Offeree announced that M&A Securities Sdn Bhd had, on behalf of the Offeree, submitted an application to the SC under paragraph 1.12 of the Rules for an extension of time from 3 February 2026 to 5 March 2026 to submit the draft Independent Advice Circular to the SC for comments and consequently, to issue the Independent Advice Circular to the IJM Board and Holders by 16 March 2026.

On 3 February 2026, the Offer Document which sets out the details, terms and conditions of the Proposed Offer was issued to the Holders. On the same day, the Offeree announced that the SC had, via its letter dated 30 January 2026, approved the application for the extension of time from 3 February 2026 to 5 March 2026 to submit the draft Independent Advice Circular to the SC for comments and consequently, to issue the Independent Advice Circular to the IJM Board and Holders by 16 March 2026.

On 25 February 2026, the Board declared a single-tier second interim cash dividend in respect of the FYE 31 December 2025 of 2 sen per Sunway Share. The entitlement date and payment date of the Sunway Cash Dividend are 19 March 2026 and 16 April 2026, respectively.

Accordingly, on even date, Maybank IB had, on behalf of the Board, announced that as there is no adjustment to the Issue Price or number of Consideration Shares following the declaration of the Sunway Cash Dividend, the Offer Price of RM3.15 per Offer Share shall be satisfied in the following manner in accordance with the Adjustment Mechanism set out in the Offer Document:

- |     |  |   |   |
|-----|--|---|---|
| (a) | in respect of the Cash Consideration (representing 10% of the Offer Price)   | : | The Cash Consideration has been increased by approximately RM0.0100 per Offer Share from RM0.3150 per Offer Share to approximately RM0.3250 per Offer Share, being the net distribution of 2 sen per Sunway Share multiplied by the number of Consideration Shares which a Holder of each Offer Share would receive for accepting the Proposed Offer. |
| (b) | In respect of the Consideration Shares (representing 90% of the Offer Price) | : | The Consideration Shares shall be issued at the Issue Price of RM5.65 per Sunway Share to satisfy 90% of the Offer Price of RM3.15 per Offer Share, being RM2.8350 per Offer Share.   |

There is no ultimate offeror in respect of the Proposed Offer. Our Company has nominated our indirect wholly-owned subsidiary, Fortuna Gembira Enterpris, as the recipient of the Offer Shares.

Pursuant to subsections 216(2) and 216(3) of the CMSA, the PACs as at the LPD are as follows:

<u>Name</u>	<u>Description of relationship</u>
Chung Seow Hun <sup>(1)</sup>	Spouse of Cheah Kek Lin, the late brother of Tan Sri Dato' Seri (Dr.) Jeffrey Cheah who is our Executive Chairman and Major Shareholder
CGCMB <sup>(2)</sup>	A shareholder holding 49.0% equity interest in Credit Bureau Malaysia Sdn Bhd, which is an indirect 51.0%-owned subsidiary of our Company

<u>Name</u>	<u>Description of relationship</u>
Goh Hai Thun @ Ng Hai Thun <sup>(2)</sup>	A shareholder holding 70.0% equity interest in Sunray Holdings Sdn Bhd, which in turn holds 51.0% equity interest in Sunray Property & Facility Management Sdn Bhd, an indirect associate of our Company
Lim Chwee Kim <sup>(2)</sup>	Spouse of Goh Hai Thun @ Ng Hai Thun who is a shareholder holding 70.0% equity interest in Sunray Holdings Sdn Bhd, which in turn holds 51.0% equity interest in Sunray Property & Facility Management Sdn Bhd, an indirect associate of our Company
Lim Suan <sup>(2)</sup>	A shareholder holding 99.9% equity interest in Sharp Ventures Sdn Bhd, which in turn holds a 24.0% direct interest in Sunway City (Cambodia) Sdn Bhd, an indirect 76.0%-owned subsidiary of our Company
PKNS <sup>(2)</sup>	A shareholder holding 40.0% equity interest in Sunway PKNS Sdn Bhd, which is an indirect 60.0%-owned subsidiary of our Company

**Notes:**

- (1) *Being a PAC by virtue of subsection 216(2) of the CMSA.*
- (2) *Being a presumed PAC by virtue of paragraph 216(3)(f) of the CMSA.*

Following the issuance of the Offer Document, there have been some Valid Acceptances by the Accepting Shareholders. However, we have not met the Acceptance Condition as at the LPD and have not acquired any IJM Shares directly from the open market or via direct business transaction since the serving of the Notice up to the LPD.

The direct and indirect shareholdings of the PACs in IJM as at the LPD are as follows:

	<u>Direct</u>		<u>Indirect</u>	
	<u>No of IJM Shares</u>	<u>(1)%</u>	<u>No of IJM Shares</u>	<u>(1)%</u>
Chung Seow Hun	29,000	*	-	-
CGCMB	565,000	0.02	-	-
Goh Hai Thun @ Ng Hai Thun	-	-	<sup>(2)</sup> 10,000	*
Lim Chwee Kim	10,000	*	-	-
Lim Suan	100,000	*	-	-
PKNS	380,500	0.01	-	-

**Notes:**

- \* *Negligible.*
- (1) *Computed based on 3,505,166,120 IJM Shares (excluding treasury shares) in issue as at the LPD.*
- (2) *Deemed interested by virtue of the IJM Shares held by his spouse pursuant to Section 8 of the Act.*

For the avoidance of doubt, the Proposed Offer will also be extended on the same terms and conditions to the PACs.

On 5 March 2026, Maybank IB had, on behalf of the Board, announced that Bursa Securities had, via its letter dated 4 March 2026, approved the listing and quotation of up to 1,758,786,893 Consideration Shares on the Main Market of Bursa Securities, subject to the conditions as set out in Section 9 of this Circular.

**THE PURPOSE OF THIS CIRCULAR IS TO PROVIDE YOU WITH THE RELEVANT INFORMATION ON THE PROPOSED OFFER AND TO SEEK YOUR APPROVAL FOR THE RESOLUTION PERTAINING TO THE PROPOSED OFFER TO BE TABLED AT THE FORTHCOMING EGM. THE NOTICE OF EGM TOGETHER WITH THE FORM OF PROXY ARE ENCLOSED IN THIS CIRCULAR.**

**YOU ARE ADVISED TO READ AND CAREFULLY CONSIDER THE CONTENTS OF THIS CIRCULAR BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED OFFER TO BE TABLED AT THE FORTHCOMING EGM.**

## **2. DETAILS OF THE PROPOSED OFFER**

### **2.1 Consideration for the Proposed Offer**

Pursuant to the Notice, the Offer Price of RM3.15 per Offer Share shall be satisfied in the following manner:

- (a) in respect of 10% of the Offer Price, an amount equivalent to RM0.3150 in cash; and
- (b) in respect of 90% of the Offer Price, an amount equivalent to approximately RM2.8350 in the form of Consideration Shares.

Holders may accept the Proposed Offer in respect of all or part of their Offer Shares. For every one (1) Offer Share, the Holder will receive RM0.3150 in cash subject to the Adjustment Mechanism, and approximately zero-point-five (0.5) new Sunway Share to be issued at the Issue Price. The actual payment to be received by the Accepting Holder is subject to the number of Offer Shares held by the Accepting Holder as our Company will not pay fractions of a sen or issue fractions of a Consideration Share to the Accepting Holders. Fractions of a sen will be rounded down to the nearest whole sen while fractions of a Consideration Share will be rounded down to the nearest whole Consideration Share.

#### **Adjustment Mechanism**

Notwithstanding the above, if IJM declares, makes or pays any Distribution on or after the date of the Notice but prior to the Closing Date and the Holders are entitled to retain such Distribution, our Company shall reduce the Offer Price of RM3.15 per Offer Share by the amount equivalent to the net Distribution per IJM Share that the Holders are entitled to retain. Accordingly, this may reduce the cash amount and the number of Consideration Shares to be received by a Holder. The priority of such reduction will be first to the cash amount. For the avoidance of doubt, where the net Distribution per IJM Share is equal to or higher than the Cash Consideration per Offer Share, the entire cash component shall be reduced to zero and the reduction shall thereafter be applied to the number of Consideration Shares to be received by a Holder. In such a scenario, Accepting Holders will not receive any cash consideration pursuant to the Proposed Offer. For the avoidance of doubt, no adjustment shall be made to the Offer Price of RM3.15 per Offer Share in the event the entitlement date for the Distribution by IJM is after the Closing Date. As at the LPD, IJM has not announced any Distribution that is payable on or after the date of the Notice.

If our Company declares, makes or pays any Distribution (save for the Sunway Distribution) on or after the date of the Notice but prior to the Closing Date, our Company will increase the Cash Consideration by the amount equivalent to the net Distribution per Sunway Share multiplied by the number of Consideration Shares for which a Holder of each Offer Share would receive for accepting the Proposed Offer. There will be no change to the Issue Price or the number of Consideration Shares.

As we have declared the Sunway Cash Dividend of 2 sen per Sunway Share prior to the Closing Date, the Cash Consideration has been increased by the net distribution of 2 sen per Sunway Share multiplied by the number of Consideration Shares which a Holder of each Offer Share would receive for accepting the Proposed Offer.

Pursuant to the above, for illustrative purposes, a Holder holding such number of Offer Shares will receive the following:

Number of Offer Share	Cash		No. of Consideration Shares	
	Before rounding down (RM)	After rounding down (RM)	Before rounding down	After rounding down
A Holder holding one (1) Offer Share	<sup>(1)</sup> 0.3250	0.32	0.5018	Nil
A Holder holding 1,000 Offer Shares	<sup>(2)</sup> 325.0354	325.03	501.7699	501
A Holder holding 5,211 Offer Shares	<sup>(3)</sup> 1,693.7595	1,693.75	2,614.7230	2,614

**Notes:**

- (1) Computed by adding the original Cash Consideration of RM0.3150 plus the Sunway Cash Dividend of RM0.02 multiplied by approximately 0.5 Consideration Share that the Holder would receive from accepting the Proposed Offer (amounting to approximately RM0.01).
- (2) Computed by adding the original Cash Consideration of RM315.0000 plus the Sunway Cash Dividend of RM0.02 multiplied by approximately 501.8 Consideration Shares that the Holder would receive from accepting the Proposed Offer (amounting to approximately RM10.04).
- (3) Computed by adding the original Cash Consideration of RM1,641.4650 plus the Sunway Cash Dividend of RM0.02 multiplied by approximately 2,614.7 Consideration Shares that the Holder would receive from accepting the Proposed Offer (amounting to approximately RM52.29).

Assuming full acceptances of the Proposed Offer and no adjustment is made to the Offer Price of RM3.15 per Offer Share, the Total Consideration after taking into account the Adjusted Cash Consideration, will comprise of approximately RM1,139.3 million in cash and the issuance of 1,758,786,893 Consideration Shares (amounting to approximately RM9,902.0 million in value after deducting the Sunway Cash Dividend of 2 sen per Consideration Share).

For information purposes, prior to the Sunway Cash Dividend, our Company had, on 24 February 2026, declared that in conjunction with the SHH Listing, our Company will distribute 676,042,070 ordinary shares in SHH to the entitled shareholders of our Company by way of dividend-in-specie, based on the Distribution Ratio. The entitlement date for the Sunway Distribution has been fixed on 11 March 2026, which is prior to the forthcoming EGM as well as before the First Closing Date and the date of allotment of the Consideration Shares. As stated in the Adjustment Mechanism, the Sunway Distribution will not result in any adjustment to the Issue Price or the number of Consideration Shares and for the avoidance of doubt, the Accepting Holders will not be entitled to the Sunway Distribution.

In addition, a Valid Acceptance will be deemed to constitute an irrevocable and unconditional warranty by the Accepting Holder that the Offer Shares, to which such acceptance relates, are sold together with all rights, benefits and entitlements attached thereto free from all moratorium, claims, charges, liens, pledges, encumbrances, options, rights of pre-emption, rights of first refusal, third party rights and equities or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing from the date of the Valid Acceptance.

## 2.2 Basis and justification for the Offer Price and Issue Price

### 2.2.1 Offer Price

The Offer Price was arrived at after taking into consideration the traded price of IJM Shares over the last 12 months up to and including 9 January 2026, being the last full trading day prior to the Notice LTD.

The Offer Price of RM3.15 per Offer Share represents the following premium to the market prices of IJM Shares:

	<u>IJM Share price</u> (RM)	<u>Premium</u>	
		(RM)	(%)
Closing price of IJM Shares as at the Notice LTD	2.7500	0.4000	14.55
Five (5)-day VWAMP of IJM Shares up to and including the Notice LTD	2.6440	0.5060	19.14
One (1)-month VWAMP of IJM Shares up to and including the Notice LTD	2.4612	0.6888	27.99
Three (3)-month VWAMP of IJM Shares up to and including the Notice LTD	2.4821	0.6679	26.91
Six (6)-month VWAMP of IJM Shares up to and including the Notice LTD	2.6787	0.4713	17.59
12-month VWAMP of IJM Shares up to and including the Notice LTD	2.4631	0.6869	27.89

(Source: Bloomberg)

The Offer Price of RM3.15 per Offer Share translates to the following:

- (a) an implied EV/EBITDA Multiple of 11.8 times based on the Offer Price as computed below (“FY25 EV/EBITDA Multiple”):

<u>Implied EV<sup>(1)</sup></u> (RM'million)	<u>EBITDA<sup>(2)</sup></u> (RM'million)	<u>Implied FY25 EV/EBITDA</u> (times)
14,453.4	1,225.9	11.8

**Notes:**

- (1) Implied EV of IJM, based on the audited consolidated financial statements of IJM for the FYE 31 March 2025, is computed as follows:

<i>Implied market capitalisation based on the Offer Price of RM3.15 per Offer Share and 3,505,166,120 IJM Shares (excluding treasury shares) in issue as at the Notice LTD</i>	<u>11,041.3</u>
<i>Add: Total borrowings as at 31 March 2025</i>	5,842.3
<i>Add: Lease liabilities as at 31 March 2025</i>	63.8
<i>Less: Cash and bank balances as at 31 March 2025</i>	<u>(2,494.0)</u>
<b>Implied EV</b>	<b><u>14,453.4</u></b>

- (2) EBITDA of IJM, based on the audited consolidated financial statements of IJM for the FYE 31 March 2025, is computed as follows:

	<u>(RM'million)</u>
PBT	791.1
Add: Depreciation and amortisation	269.5
Add: Finance costs	283.2
Add: Share of losses of associates	55.1
Less: Share of profits of joint ventures	(35.7)
Less: Interest income	(137.3)
<b>EBITDA</b>	<b><u>1,225.9</u></b>

- (b) an implied P/E Multiple of 27.4 times based on the Offer Price divided by the audited basic earnings per IJM Share for the FYE 31 March 2025 of 11.50 sen (“**FY25 P/E Multiple**”); and
- (c) an implied PBR of 1.1 times based on the Offer Price as follows:

	<u>NA per IJM Share (RM)</u>	<u>PBR (times)</u>
Based on the audited consolidated NA per IJM Share as at 31 March 2025	2.93	1.1
Based on the unaudited consolidated NA per IJM Share as at 30 September 2025	2.91	1.1

The Board is of the view that the Offer Price is justifiable after taking into consideration the following:

- (a) the historical market price of IJM Shares up to the Notice LTD, of which the Offer Price represents a premium ranging from 14.6% to 28.0% over the closing price of IJM Shares as at the Notice LTD and the 5-day, 1-month, 3-month, 6-month and 12-month VWAMPs of IJM Shares up to and including the Notice LTD;
- (b) the implied FY25 EV/EBITDA Multiple of 11.8 times and the LTM EV/EBITDA Multiple<sup>1</sup> of IJM of 13.2 times for the Proposed Offer are lower than the average LTM EV/EBITDA Multiple of the Comparable Companies as set out in Section 2.2.3 of this Circular of 17.6 times;
- (c) the implied FY25 P/E Multiple of 27.4 times and LTM P/E Multiple<sup>1</sup> of 24.8 times based on IJM’s unaudited condensed consolidated financial information for the LTM up to the Notice LTD for the Proposed Offer fall within the range of P/E Multiples of the Comparable Companies;
- (d) rationale for and benefits of the Proposed Offer as set out in Section 4 of this Circular; and
- (e) prospects of the IJM Group as set out in Section 6 of this Circular.

For information purposes, the Offer Price represents an implied LTM EV/EBITDA Multiple and LTM P/E Multiple of IJM of 15.4 times and 34.6 times respectively based on the unaudited condensed consolidated financial results of IJM for the four (4) most recent financial quarters up to 31 December 2025 (which was announced subsequent to the Notice on 26 February 2026). The Offer Price also represents an implied PBR of 1.11 times based on the unaudited consolidated NA per IJM Share of RM2.89 as at 31 December 2025.

<sup>1</sup> Computed based on the unaudited condensed consolidated financial results of IJM for the four (4) most recent financial quarters up to 30 September 2025.

## 2.2.2 Issue Price

The Issue Price of RM5.65 per Sunway Share represents the following premium to the market prices of Sunway Shares:

	<u>Sunway Share price</u> (RM)	<u>Premium</u>	
		(RM)	(%)
Closing price of Sunway Shares as at the Notice LTD	5.6000	0.0500	0.89
Five (5)-day VWAMP of Sunway Shares up to and including the Notice LTD	5.6088	0.0412	0.73
One (1)-month VWAMP of Sunway Shares up to and including the Notice LTD	5.6014	0.0486	0.87
Three (3)-month VWAMP of Sunway Shares up to and including the Notice LTD	5.5242	0.1258	2.28
Six (6)-month VWAMP of Sunway Shares up to and including the Notice LTD	5.2974	0.3526	6.66
12-month VWAMP of Sunway Shares up to and including the Notice LTD	4.9051	0.7449	15.19

(Source: Bloomberg)

The Issue Price was determined based on the historical market price of Sunway Shares up to the Notice LTD after taking into consideration the following:

- (a) the market price represents a real-time, arm's-length consensus of value established through the interactions of numerous buyers and sellers in the open market;
- (b) the market price incorporates the market's overall assessment of the Sunway Group, taking into account all publicly available information, as well as investors' expectations of the Sunway Group's future performance, growth prospects and strategic direction;
- (c) the use of the market price safeguards the interests of both existing and incoming shareholders, as it avoids dilution of existing shareholders' value by ensuring that new shares are issued at fair value, while also ensuring that parties receiving the shares as consideration are treated equitably; and
- (d) the market price represents the price at which investors are prepared to invest in Sunway at the relevant time. Accordingly, the use of the market price appropriately reflects the opportunity cost of the equity capital involved and ensures that the transaction is aligned with prevailing market conditions.

In addition to the above, the Board is of the view that the Issue Price is justifiable after taking into consideration the following:

- (a) the premium ranging from 0.73% to 15.19% over the closing price of Sunway Shares as at the Notice LTD and the VWAMPs of Sunway Shares up to and including the Notice LTD;

(b) the Issue Price of RM5.65 per Sunway Share represents the following PBR:

	<b>NA per Sunway Share</b>	<b>PBR</b>
	<b>(RM)</b>	<b>(times)</b>
Based on the audited consolidated NA per Sunway Share as at 31 December 2024	2.25	2.5
Based on the unaudited consolidated NA per Sunway Share as at 30 September 2025	2.34	2.4

(c) rationale for and benefits of the Proposed Offer as set out in Section 4 of this Circular; and

(d) prospects of our enlarged Group as set out in Section 6 of this Circular.

For information purposes, the Issue Price represents an implied PBR of 2.37 times based on the unaudited consolidated NA per Sunway Share of RM2.38 as at 31 December 2025.

As set out in Section 2.1 of this Circular, the Issue Price of RM5.65 per Sunway Share will not be adjusted for the Sunway Distribution. Based on the final retail price of RM1.45 per SHH Share as announced on 9 March 2026 and the Distribution Ratio, the value per Distribution Share is RM0.145, representing approximately 2.6% of the Issue Price of RM5.65 per Sunway Share.

The reference price of the Sunway Shares will be adjusted for the value of the Distribution Shares on 10 March 2026, being the ex-date for the Sunway Distribution. Thereafter, upon the commencement of trading on the ex-date for the Sunway Distribution, the price of Sunway Shares will be determined through market trading.

In any event, the Issue Price of RM5.65 per Sunway Share (or RM5.505 assuming it is adjusted for the indicative value of a Distribution Share) falls within the range of highest and lowest closing price of Sunway Shares of RM5.30 to RM5.86 during the past one (1) month before the Offer Period and up to the LPD. Additionally, the Proposed Offer is accretive to the EPS as set out in Section 7.5 of this Circular. The Accepting Holders will continue participating in the future growth of our enlarged Group.

In view of the above, the value per Distribution Share is not expected to result in any significant dilution in the value of the Consideration Shares, which will be issued at the Issue Price of RM5.65 per Sunway Share.

### 2.2.3 Peer analysis

The Comparable Companies were selected based on the following criteria:

- (a) predominantly involved in property development and preferably, with exposure to construction sector. As the IJM Group generated more than 50.0% of its PBT for the FYE 31 March 2025 from its property development division, companies predominantly involved in the construction business (such as Sunway Construction Group Berhad) are not regarded as comparable companies to IJM;
- (b) listed on the Main Market of Bursa Securities and principally operates in Malaysia; and
- (c) market capitalisation of not less than RM9.0 billion (represents the market capitalisation of IJM of RM9.6 billion as at the Notice LTD) and up to RM30.0 billion as at the Notice LTD.

The market capitalisation, trading EV/EBITDA Multiples and P/E Multiples of the selected Comparable Companies as at the LTD are as follows:

Name of company	Market capitalisation as at the Notice LTD (RM'billion)	LTM EV/EBITDA Multiple (times)	LTM P/E Multiple (times)
Gamuda Berhad <sup>(1)</sup>	28.6	26.7	27.6
Sime Darby Property Berhad <sup>(2)</sup>	9.6	14.7	18.0
KLCC Property Holdings Berhad <sup>(2)</sup>	16.1	13.3	15.5
IOI Properties Group Berhad <sup>(2)</sup>	14.9	15.7	8.9
<b>High</b>		<b>26.7</b>	<b>27.6</b>
<b>Low</b>		<b>13.3</b>	<b>8.9</b>
<b>Average</b>		<b>17.6</b>	<b>17.5</b>
<b>IJM (based on the Total Consideration)</b>		<b>13.2</b>	<b>24.8</b>

*(Source: Bloomberg and the unaudited quarterly reports of the respective companies)*

**Notes:**

- (1) *Based on the unaudited condensed consolidated financial results of the companies for the four (4) most recent financial quarters up to 31 October 2025.*
- (2) *Based on the unaudited condensed consolidated financial results of the companies for the four (4) most recent financial quarters up to 30 September 2025.*

### 2.3 Conditions of the Proposed Offer

The Proposed Offer is conditional upon our Company having received, on or before the Closing Date, Valid Acceptances resulting in our Company holding in aggregate more than 50.0% of the voting shares in IJM. Our Company has nominated our indirect wholly-owned subsidiary, Fortuna Gembira Enterpris, as the recipient of the Offer Shares. Accordingly, any Offer Shares received by Fortuna Gembira Enterpris via acceptances of the Proposed Offer are deemed to be received by our Company.

Further, the Proposed Offer is also **conditional** upon the following:

- (i) approval of Bursa Securities for the listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities, which has been obtained via its letter dated 4 March 2026 subject to the conditions as set out in Section 9; and
- (ii) approval of the shareholders of our Company in relation to the Proposed Offer at the forthcoming EGM.

(collectively, “**Other Conditions**”)

The Proposed Offer shall remain open for acceptances until **5.00 p.m. (Malaysian time) on Monday, 6 April 2026**, being the First Closing Date, or such later date(s) as our Company may decide and will be announced by Maybank IB, on behalf of our Company, at least two (2) days before the Closing Date, unless our Company withdraws the Proposed Offer with the SC’s prior written consent and in such event, every person shall be released from any obligations incurred under the Proposed Offer.

For information purposes, the First Closing Date of 6 April 2026 has been determined primarily to allow the Holders to have sufficient time to consider the Proposed Offer and for our Company to convene and hold the EGM for the Proposed Offer prior to the First Closing Date.

Barring any unforeseen circumstances, we expect the Other Conditions to be fulfilled prior to the First Closing Date. In such event, the Proposed Offer will remain open for acceptances for at least 14 days from the date on which the Proposed Offer becomes and is declared unconditional before the Proposed Offer is closed.

#### **2.4 Number of Consideration Shares to be issued**

The actual number of Consideration Shares to be issued by our Company pursuant to the Proposed Offer will depend on the level of Valid Acceptances received under the Proposed Offer.

For illustrative purposes only, based on 3,505,166,120 IJM Shares (excluding treasury shares) in issue as at the LPD, the maximum number of Consideration Shares to be issued under the Proposed Offer is 1,758,786,893, representing approximately 26.0% of the enlarged issued Sunway Shares (excluding treasury shares).

#### **2.5 Ranking of the Consideration Shares**

The Consideration Shares will be listed on the Main Market of Bursa Securities and will, upon allotment and issuance, rank equally in all respects with the then existing Sunway Shares, save and except that the Consideration Shares will not be entitled to any Distribution, the entitlement date of which is prior to the date of allotment of such Consideration Shares.

## 2.6 Listing status of IJM

Our Company does not intend to maintain the listing status of IJM on the Main Market of Bursa Securities should IJM fail to meet the Public Spread Requirement. Accordingly:

- (a) in the event our Company receives Valid Acceptances resulting in our Company either individually or jointly with our associate(s) holding in aggregate 90.0% or more of IJM Shares (excluding treasury shares), our Company intends to undertake the Compulsory Acquisition (as defined in Section 2.7 of this Circular). An immediate announcement must be made by IJM pursuant to paragraph 9.19(48) of the Listing Requirements and upon such announcement, Bursa Securities will suspend the trading of IJM Shares immediately upon expiry of five (5) Market Days from the Closing Date in accordance with paragraph 16.02(3) of the Listing Requirements. Thereafter, our Company will submit a request to IJM to take the necessary steps and procedures to withdraw its listing status from the Main Market of Bursa Securities in accordance with paragraph 16.07 of the Listing Requirements. Bursa Securities may at its discretion impose additional conditions for the withdrawal of IJM's listing status from the Official List; and
- (b) however, if our Company receives Valid Acceptances resulting in our Company either individually or jointly with our associate(s) holding in aggregate more than 75.0% but less than 90.0% of IJM Shares (excluding treasury shares), Bursa Securities may take any type of action or impose a penalty on IJM for a breach of the Public Spread Requirement pursuant to paragraph 16.19 of the Listing Requirements. Nonetheless, IJM may request an extension of time from Bursa Securities to rectify the breach of the Public Spread Requirement in the manner as prescribed by Bursa Securities in accordance with paragraph 8.02(4) of the Listing Requirements. In this regard, to address the Public Spread Requirement, our Company intends to, within six (6) months from the Closing Date, request IJM to make the necessary application to withdraw its listing status from the Official List in accordance with paragraph 16.06 of the Listing Requirements, which may involve an exit offer on the same terms as the Proposed Offer to facilitate the proposed delisting exercise ("**Proposed Withdrawal**"). The Proposed Withdrawal is subject to, among others, the resolution being approved by a majority of IJM's shareholders in number, representing 75% of the total number of issued IJM Shares held by the shareholders present and voting either in person or by proxy at the extraordinary general meeting of IJM to be convened for the Proposed Withdrawal; and the number of votes cast against the resolution is not more than 10% of the total number of IJM Shares held by the IJM's shareholders present and voting either in person or by proxy at the said extraordinary general meeting of IJM.

If the de-listing of IJM from the Official List is successful, the IJM Shares will no longer be quoted and traded on the Main Market of Bursa Securities.

## 2.7 Compulsory acquisition

In the event our Company receives Valid Acceptances of not less than nine-tenths (9/10) in the nominal value of the Offer Shares (excluding IJM Shares already held by our Company and the PACs as at the date of the Proposed Offer) on or before the Closing Date, our Company intends to invoke the provisions of subsection 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares from the Holders who have not accepted the Proposed Offer ("**Compulsory Acquisition**").

In such instance, all the Offer Shares that are compulsorily acquired will, subject to subsection 224(1) of the CMSA, be acquired on the same terms and conditions as stated in the Offer Document and in accordance with subsection 222(1) of the CMSA.

## 2.8 Source of funding

The Total Consideration will be settled in cash and via the issuance of the Consideration Shares. The Cash Consideration will be funded by our Company through borrowings and/or internally generated funds, the proportion of which has not been determined at this juncture as the level of Valid Acceptances cannot presently be determined.

For information purposes, the cash flow from operations and net gearing of our Group based on the unaudited condensed consolidated financial information of our Company for the FYE 31 December 2025 are RM2.7 billion and 0.48 times, respectively.

## 2.9 Liabilities to be assumed

There are no additional liabilities, including contingent liabilities and guarantees, to be assumed by our Company arising from the Proposed Offer.

Notwithstanding, the liabilities of the IJM Group will be consolidated as a result of IJM becoming our subsidiary following the successful completion of the Proposed Offer.

## 2.10 Additional financial commitment

Upon completion of the Proposed Offer, there is no additional financial commitment to be incurred by us as the IJM Group's businesses are already in operations and income-generating.

## 3. BACKGROUND INFORMATION ON IJM

Please refer to Appendix I of this Circular for information on IJM.

## 4. RATIONALE FOR AND BENEFITS OF THE PROPOSED OFFER

The revenue and PBT of our Group and the IJM Group by business segment based on the audited financial statements of our Group for the FYE 31 December 2024 and the IJM Group for the FYE 31 March 2025 are as follows:

	Revenue				PBT			
	Sunway		IJM		Sunway		IJM	
	RM'million	%	RM'million	%	RM'million	%	RM'million	%
Construction	2,464	31.3	2,568	41.1	281	18.5	113	14.3
Property development	1,965	24.9	1,699	27.2	456	29.9	359	45.4
Property investment	989	12.5	-	-	365	23.9	-	-
Healthcare	-	-	-	-	216	14.2	-	-
Trading, manufacturing & quarrying <sup>(1)</sup>	1,629	20.7	1,055	16.9	106	6.9	191	24.1
Infrastructure – Toll	-	-	449	7.2	-	-	*	*
Infrastructure – Port	-	-	451	7.2	-	-	126	15.9
Investment holding & others <sup>(2)</sup>	836	10.6	30	0.5	100	6.6	2	0.3
<b>Total</b>	<b>7,883</b>	<b>100.0</b>	<b>6,252</b>	<b>100.0</b>	<b>1,524</b>	<b>100.0</b>	<b>791</b>	<b>100.0</b>

### Notes:

\* Negligible.

- (1) In respect of our Group, the trading and manufacturing division is involved in the trading and manufacturing of construction and industrial products, commercial vehicles as well as mechanical engineering and assembly works. The quarrying division is involved in the quarrying, manufacturing and supplying of premix, manufacturing of ready-mixed concrete and production of building stones. In respect of the IJM Group, the manufacturing and quarrying division is involved in the production and sale of concrete products, and quarrying activities.
- (2) In respect of our Group, the investment holding and others division is involved in, among others, investment holding, manufacturing of concrete pavers, vitrified clay pipes and spun piles, retail of pharmaceutical products, provision of secretarial, management and financial services to companies within the Sunway Group, lease and hire purchase financing, online remittance and money services, and provision of credit reference services and credit rating. In respect of the IJM Group, it mainly comprises investment holding and telecommunication.

Given the substantial overlapping business segments of our Company and IJM, the Proposed Offer is envisaged to bring together the strengths and capabilities of both entities. In the prevailing macro-economic conditions, it is timely for industry players to collaborate through resources and capabilities sharing with the aim to strengthen performance and sustainability of operations. Upon meeting the Acceptance Condition, our Company will have statutory control of IJM and is expected to achieve the following benefits:

**(i) Enhanced scale and capability as one of the largest property development and construction conglomerate groups in Malaysia**

The successful completion of the Proposed Offer will establish an enlarged conglomerate involved in property development and construction in Malaysia which, based on revenue and asset base, would create one of the largest conglomerates endowed with the scale, scope and network necessary to compete regionally. Our Company will be able to consolidate the financial performance of the IJM Group, expand the business activities of our Group and broaden our Group's asset base and development pipeline through the addition of the IJM Group's property development as well as construction assets and projects. Further details on our enlarged Group's asset classes, including the combined landbank, GDV and unbilled sales of our Group and the IJM Group, are set out in Section 6.4.4 of this Circular.

On a pro forma basis assuming full acceptances of the Proposed Offer, our enlarged Group would effectively be double the size of our current business, resulting in pro-forma revenue, PBT and total assets for the trailing 12-month ended 31 December 2025 as follows:

	<b>Enlarged Sunway Group</b>
	<b>(RM'billion)</b>
<b>Pro forma revenue</b>	16.6 <sup>(1)</sup>
<b>Pro forma PBT</b>	2.5 <sup>(1)</sup>
<b>Pro forma total assets</b>	61.6 <sup>(2)</sup>

**Notes:**

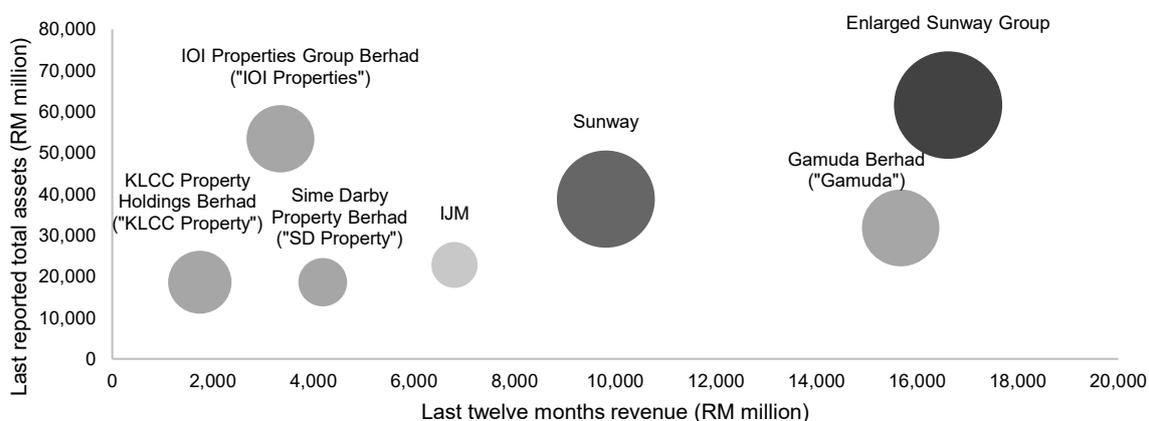
- (1) Computed based on the unaudited condensed consolidated financial information of Sunway and IJM for the respective financial period as illustrated below:

<b>Calendar period</b>	<b>Revenue</b>		<b>PBT</b>	
	<b>Sunway Group</b>	<b>IJM Group</b>	<b>Sunway Group</b>	<b>IJM Group</b>
	<b>(RM'million)</b>	<b>(RM'million)</b>	<b>(RM'million)</b>	<b>(RM'million)</b>
<i>First quarter of 2025 (From 1 January 2025 to 31 March 2025)</i>	2,367	1,792	304	257
<i>Second quarter of 2025 (From 1</i>	2,562	1,733	396	153

<u>Calendar period</u>	<u>Revenue</u>		<u>PBT</u>	
	<u>Sunway Group</u> (RM'million)	<u>IJM Group</u> (RM'million)	<u>Sunway Group</u> (RM'million)	<u>IJM Group</u> (RM'million)
April 2025 to 30 June 2025)				
Third quarter of 2025 (From 1 July 2025 to 30 September 2025)	2,565	1,674	476	121
Fourth quarter of 2025 (From 1 October 2025 to 31 December 2025)	2,319	1,605	698	81
<b>Total</b>	<b>9,813</b>	<b>6,804</b>	<b>1,874</b>	<b>612</b>

(2) Computed based on the unaudited total assets of Sunway and IJM as at 31 December 2025 of RM38.8 billion and RM22.8 billion respectively.

As illustrated below, our enlarged Group will emerge as a market leader in terms of revenue and total assets in the property development and construction sector<sup>2</sup> in Malaysia. Based on Sunway's and IJM's unaudited condensed consolidated financial information for the last 12 months up to the LPD, Sunway will still be the main revenue contributor for our enlarged Group:



Bubble size indicates market capitalisation as at the LPD

<sup>2</sup> The comparable companies were selected based on the criteria as set out in Section 2.2.3 of this Circular.

	<u>Gamuda</u>	<u>IOI Properties</u>	<u>KLCC Property</u>	<u>SD Property</u>	<u>Sunway</u>	<u>IJM</u>	<b>Enlarged Sunway Group</b>
<b>Last 12 months revenue (RM'million)</b>	15,674	3,343	1,740	4,184	9,813	6,804	16,617
<b>Last reported total assets (RM'million)</b>	31,800	53,442	19,238	18,619	38,803	22,815	61,618
<b>Market capitalisation (RM'billion)</b>	24.7	19.0	16.6	9.8	39.6	8.8	48.4

Furthermore, our enlarged Group would benefit from strengthened technical capabilities, leveraging the collective expertise of both groups in construction and infrastructure, positioning us well to capitalise on the robust momentum in Malaysia's infrastructure spending. In addition, our enlarged Group may explore opportunities for greater synergy across our construction-related supply chains. This may include, by way of illustration, the potential supply of industrial machinery and building materials from our Group's trading division to the IJM Group's construction division, as well as the supply of aggregates from the IJM Group's quarrying operations to our Group's premix and related construction activities. Any such initiatives will be subject to prevailing market conditions, contractual considerations and applicable regulatory requirements.

At the same time, our enlarged Group may also leverage on complementary construction capabilities within our Group and the IJM Group to support the provision of more integrated and comprehensive construction solutions. This may involve collaboration across different construction disciplines and specialist services within our enlarged Group, enabling the IJM Group's construction operations to be supported by additional in-house technical expertise and resources available within our Group, with a view in enhancing project delivery capabilities, execution efficiency and service offerings.

As IJM has unique business segments in which our Group is not currently involved, the Proposed Offer will also enable our Group to broaden our revenue base, thereby enhancing the resilience of earnings for our enlarged Group. For example, the IJM Group's infrastructure concessions, particularly in the toll road and port segments, are expected to generate relatively stable and recurring income streams through long-term concession arrangements, which differ from project-based revenue typically associated with property development and construction activities. The inclusion of these infrastructure businesses is therefore expected to diversify our enlarged Group's revenue profile and strengthen the resilience of our enlarged Group's overall earnings during challenging economic times.

**(ii) Our enlarged Group will create potential synergistic value with further efficiency and operational excellence**

Our enlarged Group will, subject to both Sunway's and IJM's shareholders' approval (if required), pursue synergistic arrangements to achieve greater economies of scale, cost synergies through savings on capital and operational expenditure, access to a larger pool of talent and expertise, and adoption of best practices currently used by each group.

Our enlarged Group may pursue more streamlined management of the underlying businesses through a consolidated platform, thereby improving coordination and operational efficiency. The integration of overlapping business areas, particularly in the property, construction and building materials sectors, is expected to allow our enlarged Group to implement more consistent processes, adopt best practices, accelerate decision-making and realise cost savings across the organisation. In particular and subject to shareholders' approval, if required, our enlarged Group is expected to benefit from the sharing of technical expertise, project management capabilities and specialised resources across our construction and property development operations, including the ability to internalise construction works for selected development projects where commercially appropriate. Such internal construction opportunities are expected to enhance cost control, improve project delivery timelines, reduce reliance on third-party contractors and provide greater visibility over construction quality and execution risks.

For example, by leveraging the enhanced scale of its bulk-procurement capabilities for construction materials, our enlarged Group will be better positioned to negotiate more favourable pricing and purchase terms, supporting margin enhancement and improved overall cost efficiency. Our enlarged Group is also expected to benefit from an expanded landbank and access to new regions or areas where the other has stronger local relationships and regulatory familiarity, enabling it to undertake more complex or larger-scale development projects, and support the sustained growth of our enlarged Group.

**(iii) Enlarged capitalisation and scale boosts financing capabilities and credit strengths**

The larger scale and increased free float of Sunway Shares through the Proposed Offer will have the potential to attract a broader base of institutional investors, thereby enhancing trading liquidity, strengthening access to capital markets and supporting the prospect of a re-rating. As at the LPD, our Company has approximately 31,069 public shareholders while IJM has approximately 24,085 public shareholders. Upon completion of the Proposed Offer, shareholders of IJM who accept the Proposed Offer and receive the Consideration Shares will become shareholders of our Company, thereby potentially enlarging our Company's pool of public shareholders and broadening our investor base.

With the issuance of the Consideration Shares, our Company will also benefit from a larger pool of investors with the inclusion of the shareholders of IJM who accept the Proposed Offer. In addition, if our Company receives Valid Acceptances resulting in our Company either individually or jointly with our associate(s) holding in aggregate 90.0% or more of IJM Shares (excluding treasury shares), our Company will submit a request to IJM to take all the necessary steps and procedures to withdraw its listing status from the Main Market of Bursa Securities in accordance with paragraph 16.07 of the Listing Requirements. Our Company believes that operating IJM as an unlisted company would provide it with greater flexibility to adopt longer-term planning for our enlarged Group without the continuous need to incur costs to comply with the Listing Requirements. A broader asset base and strengthened equity position would reinforce the balance sheet, creating opportunities for improved credit ratings and a lower cost of capital, enabling access to financing on more favourable terms. The enhanced financing capacity would also further support the deployment of capital toward growth initiatives, innovation and potential future acquisitions.

All of the above will create a robust business platform for the future development of both Sunway and IJM which will, in turn, lead to greater value creation going forward.

The settlement of the Offer Price via the issuance of the Consideration Shares will allow the shareholders of IJM to continue participating in the future growth of the IJM Group, through our enlarged Group, while also gaining exposure to the diversified businesses of our Group.

The proposed mix of cash and share consideration reduces the need to utilise or raise a substantial amount of cash upfront through internal funds or borrowings, enabling us to preserve our cash resources and maintain our gearing at an acceptable level, while providing greater financial flexibility to deploy our available funds for other strategic priorities.

## **5. RISK FACTORS**

Due to the overlapping business segments of our Company and IJM, we do not foresee any material change to the risk profile of our enlarged Group after the completion of the Proposed Offer. However, there are other risks that may arise from or are associated with the Proposed Offer as set out below, which are by no means exhaustive:

### **5.1 Completion risk**

The Proposed Offer is conditional upon the receipt of our shareholders' approval for the Proposed Offer at the forthcoming EGM and the Acceptance Condition being met on or before the First Closing Date. In the event the Acceptance Condition is not met by the 60<sup>th</sup> day from the despatch of the Offer Document i.e. the First Closing Date, the Proposed Offer shall lapse and all acceptances received under the Proposed Offer must be returned to the Accepting Holders. Similarly, if we are unable to obtain our shareholders' approval for the Proposed Offer at the forthcoming EGM, the Proposed Offer shall lapse.

Nonetheless, we will take all reasonable steps to obtain the approval for the Proposed Offer from our shareholders and meet the Acceptance Condition by providing the necessary information pertaining to the Proposed Offer in a timely manner through press notices, the Offer Document and this Circular, thereby enabling our shareholders to make an informed decision on the Proposed Offer before voting at the forthcoming EGM and for the Holders to consider the Proposed Offer.

### **5.2 Financing risk**

Our Company intends to finance the Cash Consideration through borrowings and/or internally generated funds. Accordingly, our Company may be exposed to fluctuations in interest rates and repayment commitments.

Any adverse movement in interest rates may lead to higher borrowing costs which consequently affect the cash flows of our Company. Notwithstanding, our Company will actively monitor its debt portfolio, which includes gearing level, interest costs and cash flows to ensure that its debt portfolio remains at a sustainable and optimal level.

### **5.3 Integration risk**

The various synergistic benefits expected to be derived from the Proposed Offer will also depend on the successful integration to be implemented by our Group. As stated in Section 6.4.2, while our Company has no current plans to introduce or effect any major change in the structure of the IJM Group, our Company's approach to the IJM Group post-completion of the Proposed Offer will be implemented in phases which may involve alignment of business processes, governance structures, reporting systems, optimising the portfolio of businesses (which may include potential exits or business restructuring) or enhancing operational efficiencies.

Challenges that may be encountered during the process of integrating our Group and the IJM Group include differences in, among others, culture, corporate direction, standard operating policies, risk management and credit control policies, compliance policies, human resource policies and information and communications technology systems. In the event that the Proposed Offer is successful, our enlarged Group will undertake the necessary efforts to ensure that a proper integration process be put in place to ensure a successful integration of the Sunway Group and the IJM Group. However, there can be no assurance that the integration process will be completed in a timely manner or that our enlarged Group will not encounter any of the abovementioned challenges during the integration process.

#### **5.4 Acquisition risk and synergy realisation risk**

Given the nature of the Proposed Offer, our Company is only able to rely on publicly available information in respect of the IJM Group.

Although the Proposed Offer (if successful) is expected to contribute positively to our Group after taking into consideration the rationale for and benefits of the Proposed Offer as set out in Section 4 of this Circular, there can be no assurance that the anticipated benefits arising from the Proposed Offer will be realised or that the future earnings of the IJM Group will offset the associated costs relating to the Proposed Offer as well as the dilutive impact of the issuance of the Consideration Shares nor that the IJM's assets will not have issues which may require additional capital expenditure, other regulatory approvals or be affected by breaches of applicable laws and regulations.

Our enlarged Group's ability to achieve future growth will depend on various factors, including its ability to acquire, develop or enhance its existing or new landbanks and win new construction contracts and our ability to effectively implement our future plans with regards to the IJM Group as set out in Section 6.4.2 of this Circular. There can be no assurance that our enlarged Group will be able to achieve the intended returns or generate the intended revenue envisaged. Furthermore, our enlarged Group operates in a highly competitive environment and may not be able to compete effectively, or to secure such opportunities on commercially reasonable terms or at all. The anticipated future growth of our enlarged Group's business and assets may give rise to risks associated with greater operating complexity, thereby necessitating the continued development of financial and management controls and systems. There can be no assurance that the implementation of these systems will be carried out effectively across our enlarged Group's business.

Property valuations generally include a subjective evaluation of certain factors relating to the relevant properties, such as their relative market positions, their financial and competitive strengths and their physical conditions. Accordingly, the future market value of the existing properties in IJM's portfolio may differ from the valuations determined by independent valuers. The pro forma financial information set out in Section 7 of this Circular is subject to various assumptions and is not necessarily indicative of the future performance of our enlarged Group. There can be no assurance that the combined operations of our enlarged Group will be able to generate sufficient revenue for our enlarged Group to make distributions to our shareholders.

Nonetheless, a detailed study of the financial position and operations of the IJM Group will be conducted upon the successful completion of the Proposed Offer. We will also leverage our industrial experience and expertise to streamline and optimise our Group's business structure, including the possible consolidation of similar businesses, where it makes strategic and commercial sense.

## 5.5 Risks relating to the IJM Group

Following the completion of the Proposed Offer, our enlarged Group may be exposed to such risks that the business and assets of IJM are subject to.

The performance of the IJM Group may be impacted by the changes in the political, economic and regulatory conditions in Malaysia and such other countries that it operates in. The various changes in political, economic and regulatory conditions could range from changes in political leadership, judicial decisions, introduction of new laws and regulations, war, economic downturn, changes in interest rates and foreign exchange regulations. Given the IJM Group has operations in multiple jurisdictions, geopolitical risk arising from political instability, trade tensions and regulatory changes, may impact the IJM Group's business strategies, compliance requirements and returns. Such risks can also lead to financial market volatility, supply chain disruptions and delays in strategic initiatives. Nonetheless, our Group will continue to monitor key developments and where needed, review our enlarged Group's business strategies and strategic priorities to respond to significant changes.

Furthermore, currency exchange rate volatility may impact the IJM Group's financial performance, erode its profit margin, disrupt future cash flows of financial instruments and eventually undermine growth opportunities and shareholder returns. For instance, the IJM Group's PBT decreased by RM179.5 million or 33.6% from RM533.7 million for the FPE 31 December 2024 to RM354.2 million for the FPE 31 December 2025, partly due to unfavourable unrealised foreign exchange losses. As the IJM Group relies on raw material, labour and fuel for its construction projects, any changes in the pricing of such cost items would impact existing projects. Health and safety risks, including lost time injuries, can lead to operational disruptions, reduced productivity, significant penalties imposed by authorities and potential reputational damage. Delays in implementation of key infrastructure projects or slower project awards would have a negative impact on the IJM Group's business. The Kuantan Port would also remain sensitive to global trade flows and commodity demands. Nonetheless, our Company will continue to monitor key developments and where needed, review our enlarged Group's business strategies and strategic priorities to respond to significant changes. Please refer to Appendix I of this Circular for the latest financial information of the IJM Group.

Based on IJM's announcement on 19 January 2026, IJM confirmed that officers from the MACC and Lembaga Hasil Dalam Negeri Malaysia attended IJM's office on 19 January 2026 to obtain information as part of their process ("**Incident**"). Further, on 9 February 2026, IJM announced that it has released a media statement dated 8 February 2026 ("**Media Statement**") in relation to the media reports on an on-going investigation by the MACC involving its Non-Executive Chairman ("**Media Reports**"), who has also released his own personal statement.

The Media Statement stated, among others, the following:

- (a) IJM has established adequate procedures and maintains robust governance frameworks, including the implementation of an Anti-Bribery Management System certified to ISO 37001:2025. Appropriate measures have been taken to ensure that the IJM Group's business is conducted with integrity and free of corruption;
- (b) IJM is cooperating fully with the authorities, has responded promptly to all requests, and has made available all relevant information and personnel to facilitate the investigation;
- (c) the IJM Board wishes to assure all stakeholders of IJM that IJM's business operations continue as usual. The IJM Board and the management team of IJM remain focused on business continuity, maintaining confidence among customers and partners, and upholding strong corporate governance and compliance standards; and
- (d) As the matter is currently under investigation, IJM will not be making further comments at this stage. IJM will provide updates where appropriate and in accordance with applicable legal and regulatory requirements.

Based on the same announcement, the Non-Executive Chairman of IJM, Tan Sri Dato' Tan Boon Seng @ Krishnan (“**Tan Sri Krishnan Tan**”) has issued a personal statement dated 8 February 2026 in relation to the Media Reports where Tan Sri Krishnan Tan stated that he is not involved in the day-to-day operations and management of IJM, has fully cooperated with the authorities and will continue to do so.

We take cognisance that the potential outcomes that may arise from the Incident cannot be determined at this juncture, given the lack of publicly available information (that is verified) and the fact that the matter is still subject to an ongoing process by the relevant authorities. Notwithstanding this, we will continue to monitor any further public announcements relating to the Incident and ensure all relevant material information on IJM that becomes available to us prior to the forthcoming EGM are also presented for our shareholders' consideration via an announcement on Bursa Securities.

Based on all publicly available information as at the LPD, and assuming the Proposed Offer is successfully implemented, we believe that our enlarged Group will be able to pursue synergistic arrangements to achieve greater economies of scale, realise cost synergies through savings in capital and operational expenditure, strengthen technical capabilities through access to a larger pool of talent and expertise, and adopt best practices currently used by each group.

## **6. OUTLOOK AND PROSPECTS**

### **6.1 Overview and outlook of the Malaysian economy**

The Malaysian economy advanced by 6.3% in the fourth quarter of 2025 (third quarter of 2025 (“**3Q 2025**”): 5.4%), driven mainly by domestic demand. Growth in household spending was higher, driven by positive labour market conditions and income-related policy support. The strong investment growth was underpinned by stronger machinery and equipment spending, particularly for data centres, and ongoing implementation of multi-year projects by both the private and public sectors. In the external sector, exports continued to strengthen, led mainly by stronger exports of electrical and electronics (E&E) goods. Inbound tourism and information and communication technology (ICT)-related services also contributed to services exports growth and surplus in the current account balance. Meanwhile, imports remained strong driven by the rebound in intermediate goods to support economic activity and productive capital-related goods reflecting the realisation of ongoing investment projects.

On the supply side, growth was mainly accounted for by the expansion in the services and manufacturing sectors. Higher growth in the services sector was mainly driven by consumer-related subsectors, government services as well as ICT subsector following the operationalisation of data centres. In the manufacturing sector, performance was driven by stronger production in the E&E subsector induced by higher demand from the global technology expansion, alongside the increased output of consumer-related goods. Meanwhile, the agriculture sector strengthened, reflecting higher growth for palm oil amid less severe floods compared to last year. On a quarter-on-quarter, seasonally-adjusted basis, growth expanded by 0.8% (3Q 2025: 2.7%).

Headline inflation remained stable at 1.3% (3Q 2025: 1.3%) while core inflation increased to 2.3% (3Q 2025: 2%). The increase was mainly driven by faster price increases in certain core items (e.g. jewellery and watches) and base effects from mobile communication services inflation. This was largely offset by lower prices for selected administered items, particularly for electricity (-10.3%; 3Q 2025: -4.6%) and petrol (-2%; 3Q 2025: -0.6%), in line with larger discounts related to electricity generation costs during the quarter and the targeted RON95 fuel subsidy implemented beginning October 2025. Inflation pervasiveness, measured by the share of consumer price index (“**CPI**”) items registering monthly price increases, declined to 39.6% during the quarter (3Q 2025: 43.8%), remaining below the historical fourth-quarter average of 41.7%. In line with previous expectations, headline and core inflation in 2025 averaged at 1.4% and 2%, respectively (2024: headline and core inflation both averaged at 1.8%).

*(Source : Economic and Financial Developments in Malaysia in the Fourth Quarter of 2025, BNM)*

In 2026, Malaysia's economy is projected to expand between 4.0% and 4.5%, supported by resilient domestic demand and a steady external sector. Growth will be anchored by private consumption, boosted by the implementation of the salary adjustment under Phase 2 of the Public Service Remuneration System, continuation of targeted assistance programmes and robust tourism activities in conjunction with Visit Malaysia 2026. In addition, strong investment performance will be supported by higher capital expenditures, particularly in high-impact strategic sectors. The services and manufacturing sectors will remain key drivers of growth, complemented by the sustained growth in the construction and agriculture sectors.

*(Source : Economic Outlook 2026, Ministry of Finance Malaysia)*

## **6.2 Overview and outlook of the construction industry in Malaysia**

The construction sector expanded strongly by 13.1% in the first half of 2025, supported by solid performance across all subsectors. The non-residential buildings subsector recorded robust expansion, driven by acceleration and realisation of private investment in industrial facilities, commercial complexes and data centres, reflecting sustained business activities and rising digitalisation. The residential buildings subsector also posted a steady growth, supported by continued demand for affordable housing and government initiatives to promote home ownership. In addition, the specialised construction activities subsector recorded stable growth, driven by telecommunications infrastructure projects and coastal reclamation activities. The civil engineering subsector sustained its positive performance, underpinned by ongoing works on infrastructure projects such as the Pan Borneo Highway Sabah and Rapid Transit System Link.

For the rest of 2025, the construction sector is expected to grow by 7.3%. The civil engineering subsector is anticipated to expand, supported by continued rollout of large-scale public infrastructure projects towards the end of the Twelfth Malaysia Plan, 2021 – 2025 period. Ongoing projects, including the Sarawak Sabah Link Road, will continue to drive momentum in the subsector. The non-residential buildings subsector will continue to gain from investment in commercial and industrial facilities, including data centre developments in Johor and Selangor. In addition, the residential buildings subsector growth is expected to be bolstered by new launches in the affordable and mid-market housing as well as integrated township development in key growth corridors amid favourable financing conditions. Overall, the construction sector is projected to record a steady growth of 10.1% for 2025.

*(Source : Economic Outlook 2026, Ministry of Finance Malaysia)*

The influx of data centres into Malaysia has been a boon for the construction sector and it is expected to remain a key growth engine for the sector in 2026, as demand remains resilient. Microsoft is on track to launch its first cloud region in Malaysia by end 2025, comprising three data centres, while Oracle has pledged over USD6.5 billion to establish its own public cloud region locally. Major construction firms, notably Gamuda Berhad, IJM, and Sunway Construction Berhad, continue to capitalise on the upward trajectory of data centres in Malaysia. Their capabilities in digital infrastructure and industrialised building systems have enabled them to secure significant data centre projects, particularly from hyperscale clients with demanding timelines. Channel checks with contractors revealed that they are still actively tendering for data centre jobs and that the pipeline is still healthy.

*(Source : Brighter Skies Emerging 2026 Market Outlook, MBSB Research)*

## **6.3 Overview and outlook of the property industry in Malaysia**

Buying interest on property is largely stronger in the first 10 months of 2025 ("10MCY25"). Based on data released by BNM, total loan application for purchase of property grew by 3.4% year-on-year to RM550.4 billion in 10MCY25. The stronger buying interest is attributable to the stable house price outlook in Malaysia, overnight policy rate cut by 25 basis points in July 2025 and better economic outlook in Malaysia.

*(Source : Brighter Skies Emerging 2026 Market Outlook, MBSB Research)*

Going forward, the industrial property segment should remain the primary growth engine for the property sector into 2026, underpinned by sustained demand in Johor-Singapore Special Economic Zone (“**JS-SEZ**”) and rising interest in corridors such as Malaysia Vision Valley 2.0. More industrial parks are entering the pipeline across Johor, Negeri Sembilan, Selangor, Perak and Penang, supported by ongoing government efforts (Thirteenth Malaysia Plan) to attract foreign investments and by developers expanding their industrial offerings to capture the increasing demand. As supply gradually builds up, competition in the industrial space will naturally heighten, especially among players looking to differentiate their parks and secure investors, manufacturers and tenants. The strength of the industrial segment is also generating spillover effects on the residential market, particularly in areas linked to JS-SEZ and the upcoming Johor Bahru–Singapore Rapid Transit System. Rising employment opportunities and population inflow are expected to support demand for mid-priced housing near industrial corridors, benefiting developers with established townships in these growth zones. Industrial expansion also enhances township vibrancy and supports commercial components, reinforcing the live work ecosystem that attracts homebuyers. The strong increase in housing starts and new launches in 2025 suggests that there is substantial wave of new supply entering the market. But demand is rising based on our observation and this is clearly driven by the JS-SEZ and infrastructure-led economic growth. Key winners would likely be those that are well located, especially along the JS-SEZ corridors.

*(Source : Malaysia 2026 Outlook & Lookouts, Maybank IB)*

#### **6.4 Future plan and prospects of our enlarged Group**

The future plans disclosed below are our Company’s intention and our Company shall retain the flexibility at any time to consider any options that may present themselves.

##### **6.4.1 Continuation of the IJM Group’s business**

Our Company intends to continue with the existing businesses of the IJM Group. IJM will be maintained as a separate subsidiary, parallel with the other existing operating companies within our Group.

Our Company intends to form a steering committee to, among others, review the business operations of the IJM Group as well as the licensing requirements in respect of the respective businesses of our enlarged Group, extract synergistic and complementary benefits in areas such as, centralised procurement of goods and services, streamline processes to improve operational efficiency and effectiveness, pool resources to enhance performance results, create value and improve the prospects for future growth of our enlarged Group. The steering committee will comprise senior management representatives across the business divisions from both Sunway and IJM and is expected to be chaired by the President of Sunway. Such proposal may be subject to IJM’s shareholders’ approval in accordance with the Listing Requirements, if IJM remains listed on the Main Market of Bursa Securities.

##### **6.4.2 No major changes to the IJM Group’s business**

Our Company has no current plans to introduce or effect any major change in the structure of the IJM Group, dispose or re-deploy major assets of the IJM Group or liquidate any key operating companies.

Notwithstanding, a re-deployment of assets or disposal of non-core assets may be necessary as part of the rationalisation of the business activities and to remain competitive within the industry, improve the utilisation of resources and to extract synergistic benefits. Any such re-deployment or disposal, if undertaken, would generally relate to assets which are assessed to be no longer suitable or aligned with the business objectives and strategic direction of our enlarged Group. The detailed plans for the IJM Group will only be finalised after our Company has conducted a detailed review of the financial position and operations of the IJM Group. Our Company’s approach to the IJM Group is expected to be implemented in three (3) phases as set out below:

- (a) **Initial transaction phase** – focuses on the completion of the Proposed Offer and business continuity;

- (b) **Transition phase** – involves post-completion review of the IJM Group’s operations, financial performance and overall business alignment within our enlarged Group. During the transition phase, the steering committee will undertake a detailed review on the alignment of business processes, governance structures and reporting systems to enable effective integration and operational oversight, with any organisational or operational adjustments undertaken to maintain stability and continuity of the IJM Group’s existing businesses. The steering committee will also be instrumental in identifying areas of collaboration and synergies, as well as optimising the use of resources across the group including reallocation or redeployment;
- (c) **Transformation phase** – undertaken to achieve the longer-term strategic positioning of our enlarged Group. Business plans with a long-term horizon will be contemplated at this stage to assess strategic fit within our enlarged Group, taking into account the long-term growth of the relevant industry segments, and to formulate business direction based on prevailing economic conditions. The initiatives may include optimising the portfolio of businesses (which may include potential exits or business restructuring), enhancing operational efficiencies, capitalising on synergies, and pursuing strategic organic and inorganic growth opportunities where appropriate.

Notwithstanding the above, the detailed plans for the IJM Group may be subject to regulatory and shareholders’ approval. For example, if our Company is unable to secure full Valid Acceptances or to invoke the provisions of subsection 222(1) of the CMSA to compulsorily acquire any remaining Offer Shares from the Dissenting Holders, there will be minority shareholders holding IJM Shares after the completion of the Proposed Offer. In such an event, the execution of the necessary transformation initiatives involving IJM’s assets (such as the reallocation and redeployment of assets) or the entering into recurrent related party transactions involving the sharing of resources and assets of IJM (such as the rental of premises, provision of management and shared services and centralisation of treasury management function) may be subject to shareholders’ approval in accordance with the Listing Requirements. While we are expected to have board representative(s) of our Company in IJM after the completion of the Proposed Offer, they will be required to abstain from deliberating and voting on the resolutions in relation to such transactions at the relevant IJM Board meetings and where applicable, our Company would also be required to abstain from voting at the general meeting of IJM, there can be no assurance that such transactions will be approved by the non-interested shareholders of IJM.

#### **6.4.3 Employees of the IJM Group**

Our Company has no current plans to dismiss or make redundant employees of the IJM Group as a direct consequence of the Proposed Offer. Any change with regards to staff employment may take place as a result of any rationalisation and/or streamlining of the business activities and/or to further improve efficiency and effectiveness of the operations of the IJM Group and to facilitate the sharing of knowledge and best practices. In any event, such change will be conducted in accordance with the relevant legislation and the terms of employment of the affected employees.

At this juncture, our Company intends, where appropriate and subject to shareholders’ approval (if required), to leverage on the complementary strengths and expertise of employees within both our Group and the IJM Group by facilitating cross-group collaboration and knowledge sharing, including the deployment of personnel to business areas or projects where their respective experience, technical capabilities and industry know-how can add value. This is expected to enable our enlarged Group to enhance its overall capabilities and competitiveness, while continuing to respect operational requirements and applicable employment terms.

#### **6.4.4 Prospects of our enlarged Group**

Our Group is currently principally involved in property development, healthcare, construction, property investment and real estate investment trust, leisure, hospitality, trading and manufacturing, quarry and building materials while the IJM Group’s principal activities consist of construction, property development, manufacturing and quarrying, tollway operations, port operations and investment holding.

Our enlarged Group is expected to benefit from increased revenues in overlapping segments such as property development and construction, as well as manufacturing of industrial products and quarrying activities. Such overlapping business segments between our Group and the IJM Group are expected to benefit through the increased scale, synergies and the pooling of financial as well as human capital resources. Although our enlarged Group would also have additional revenues from the infrastructure division of IJM, the expected earnings mix of our enlarged Group is not expected to change materially in the near to medium term.

**(i) Property development**

For the FYE 31 December 2024, our Group’s property development division reported revenue of RM1,964.9 million and set a property launch target of RM4.1 billion in 2025 (2024: RM2.7 billion), spanning across Malaysia, Singapore and China.

Our Group has actively launched new projects and acquired new landbank in Malaysia and Singapore. Key landbanks acquired in 2025 include the land adjoining the Bukit Chagar Rapid Transit System station, Seremban Sentral and Chuan Grove parcels with estimated potential gross development value (“**GDV**”) of over RM7.6 billion. The division has launched new projects with estimated GDV of approximately RM3.3 billion across Malaysia, Singapore and China in 2025. On 31 October 2025, our Group further strengthened its property presence in Singapore and Malaysia following the acquisition of the entire issued shares of Hongkong Land (MCL) Holdings Limited (“**MCL**”), which was subsequently rebranded as Sunway MCL. Our Group’s property development division’s earnings visibility is supported by robust property sales of approximately RM3.8 billion for the FYE 31 December 2025 (FYE 31 December 2024: RM3.0 billion) and unbilled sales of RM9.5 billion as at 31 December 2025 (31 December 2024: RM3.3 billion).

The IJM Group’s property portfolio includes expansive townships, commercial buildings and high-rise condominiums. Building on its domestic foundation, the IJM Group has further expanded its international footprint in the UK with its maiden launch in 2013, and has been involved in township as well as property developments in India and China.

Our Group’s landbank is primarily located in Malaysia and Singapore, with developments focused on integrated townships, mixed-use developments, residential projects and investment properties such as retail malls and healthcare-related assets. In contrast, the IJM Group’s landbank is largely located in Malaysia, with additional presence in the UK, India and China, and comprises a mix of township developments, residential and commercial properties, as well as selected high-rise and mixed-use developments. Some notable developments by the IJM Group include, among others, IJM Rimbayu and Pantai Sentral Park in Malaysia, The Wheat Quarter in the UK and the Raintree Park Dwaraka Krishna Township in India. The differing geographical footprint and development focus of both our Group and the IJM Group are expected to provide complementary strengths and broaden our enlarged Group’s development pipeline and market reach.

The combined property development divisions of both our Group and the IJM Group will possess a substantial landbank portfolio with significant development prospects. The table below provides a pro forma summary of the landbanks, estimated GDV of undeveloped properties and unbilled sales of our enlarged Group:

	<b>Landbank (acres)</b>	<b>GDV (RM’billion)</b>	<b>Unbilled sales (RM’billion)</b>
Sunway Group <sup>(1)</sup>	2,362.0	74.1	9.5
IJM Group <sup>(2)</sup>	3,316.5	45.1	1.5
<b>Enlarged Sunway Group</b>	<b>5,678.5</b>	<b>119.2</b>	<b>11.0</b>

**Notes:**

(1) Based on information as at 31 December 2025.

(2) Based on information as at 31 March 2025 as obtained from IJM’s 41st Annual General Meeting presentation dated 28 August 2025 and annual report for the FYE 31 March 2025.

On a pro forma basis, the GDV per acre of our Group's landbank is higher than the IJM Group's which may be attributable to differences in development mix, including the proportion of investment properties and mixed-use components within the respective landbanks. Our Group will, where appropriate, review the development mix of selected landbanks within the IJM Group with a view to optimising their long-term development potential and value (including the development of investment properties such as malls and/or hospitals), subject to market conditions, regulatory requirements and detailed feasibility considerations.

Our enlarged Group, with combined industry experience, is expected to benefit from a wider location coverage, a more diversified and/or competitive range of properties as well as complementary strengths in property development and provision of property-related services.

**(ii) Construction**

The construction industry experienced steady expansion in 2025, driven by investment in digital infrastructure, connectivity enhancements, industrial growth and sustainable construction initiatives.

Our Group's construction segment has also been performing strongly in recent years, capitalising on the construction upcycles in advanced technology facilities ("**ATF**"), in particular the data centre sector. To-date, the construction division has successfully commissioned and delivered over 156 megawatt of combined data centre capacity to its clients. Our Group's construction business continues to reinforce its position in the ATF segment, capitalising on rising digital infrastructure investment in Malaysia. In addition to the ATF segment, the construction division maintains a well-diversified order book comprising large-scale civil and infrastructure projects, international projects and in-house projects. This division secured RM5.2 billion in new orders, bringing its outstanding order book to a healthy RM5.7 billion as at 31 December 2025, providing solid earnings visibility for 2026.

On the other hand, based on IJM's 41st Annual General Meeting presentation dated 28 August 2025, the IJM Group's construction division maintains a diversified portfolio of domestic and regional projects, including large-scale civil engineering, infrastructure and building works across Malaysia. Key projects under construction include expressways, bridges, high-rise commercial and residential buildings, and industrial facilities, as well as international projects in selected Asian markets. IJM's outstanding order book for its construction division stood at RM7.6 billion, excluding the pro forma outstanding order book of RM3.5 billion based on its 50% equity stake of its investment in JRL Group Holdings Limited ("**JRL**").

IJM completed its acquisition of 50% equity stake in JRL on 24 April 2025. Established in 1996, JRL is an integrated construction solutions provider with 14 specialist divisions offering end-to-end contracting, design, manufacturing and plant services. JRL has delivered a broad portfolio of residential, commercial and institutional projects, and held a Great Britain Pounds 1.2 billion (approximately RM8.49 billion) order book, providing earnings visibility for the ensuing three years and a healthy pipeline of secured and upcoming work. JRL's in-house delivery model — spanning key divisions such as Midgard (main contracting), J Reddington (concrete), McMullen Facades, Ark M&E and London Tower Crane Hire — aligns with IJM's ambitions to scale up in the UK construction market.

The table below provides a pro forma summary of the order book value for our enlarged Group:

	<b>Order book value (RM'billion)</b>
Sunway Group <sup>(1)</sup>	5.7
IJM Group <sup>(2)</sup>	7.6
<b>Enlarged Sunway Group</b>	<b>13.3</b>

**Notes:**

- (1) *Based on information as at 31 December 2025.*
- (2) *Based on information as at 31 March 2025 as obtained from IJM's 41st Annual General Meeting presentation dated 28 August 2025.*

Given the complementary and synergistic fit of both our Company and IJM, the addition of the IJM Group, is expected to strongly position our enlarged Group to pursue mega projects such as development of large-scale data centres and industrial facilities and public infrastructure projects.

Both our Group and the IJM Group are also involved in the manufacturing of industrial concrete products. Notably, Industrial Concrete Products Sdn Bhd, a wholly-owned subsidiary of IJM, is a leading manufacturer of high performance pre-tensioned spun high strength concrete piles in Southeast Asia and supplies foundation solutions to infrastructure, marine and industrial construction projects. The successful completion of the Proposed Offer is also expected to enhance the performance of our enlarged Group's industrial concrete products manufacturing segment through improved operational efficiencies, stronger production capabilities and broader market access.

In addition to these overlapping areas, our Company and IJM each have unique business segments, such as healthcare for our Company and infrastructure for IJM.

The IJM Group's infrastructure segment comprises highway toll concessions and port operations. IJM is one of the largest toll road operators in Malaysia, operating expressways such as New Pantai Highway ("**NPE**"), Sungai Besi Highway ("**BESRAYA**") and Kajang Seremban Highway ("**LEKAS**"). Kuantan Port, one of the IJM Group's key strategic assets, serves as a major gateway supporting regional trade flows, bulk cargo handling and industrial activities within the surrounding economic corridors. Toll road concessions typically provide relatively stable and recurring income streams over the concession tenure, supported by traffic volumes and regulated toll structures, while port operations benefit from long-term trade and logistics demand driven by industrial growth and cross-border commerce.

While these unique business segments will only comprise a minor portion of our enlarged Group's revenues, the combination of both groups' respective expertise is expected to allow our enlarged Group to be a key beneficiary of the strong growth trends in both Malaysia's healthcare sector and infrastructure market, which are attractive and growing end markets. For further information on the risks relating to the IJM Group, please refer to Section 5.5 of this Circular.

Following the completion of the Proposed Offer, the management of our Company is positive that there will be minimal disruption to the operations of our enlarged Group. There will not be any material changes to our Company's existing capital allocation priorities. Our Company intends to continue to adopt a disciplined and balanced approach to capital management, taking into account funding requirements for ongoing and future investments, prudent gearing levels and shareholder returns. The transaction is expected to be earnings accretive to our Company and gearing remain at a prudent level post transaction. While the businesses of our Group are sensitive to interest rate fluctuations, this can be managed through proactive treasury management. Accordingly, the Proposed Offer is not expected to materially constrain our Company's dividend capacity, which will continue to be assessed based on our enlarged Group's financial performance, cash flow position and prevailing market conditions. With the combined human capital strength and technical capability, the management of our Company will focus on extracting synergistic benefits arising from economies of scale in certain areas, which will translate into improved effectiveness in the deployment of resources.

Among the initiatives that the management of our Company will seek to implement are the centralised procurement of goods and services as well as the sharing of knowledge and best practices in policies and processes, sales and marketing activities and other shared internal services across all the business divisions. Further, cross selling opportunities will be pursued to leverage on the existing customer base of our Group and the IJM Group.

Our enlarged Group may explore opportunities to streamline and optimise its business structure, including the possible consolidation of similar businesses, where it makes strategic and commercial sense. Any such initiatives will be subject to the applicable approvals, including shareholders' approval.

## 7. EFFECTS OF THE PROPOSED OFFER

Minimum Scenario : Assuming our Company receives Valid Acceptances resulting in our Group holding 1,752,583,061 IJM Shares or 50.0% plus one IJM Share

For illustrative purposes, we have assumed that each Holder (including the substantial shareholders of IJM) accepts the Proposed Offer in respect of 50% of their IJM Shares only.

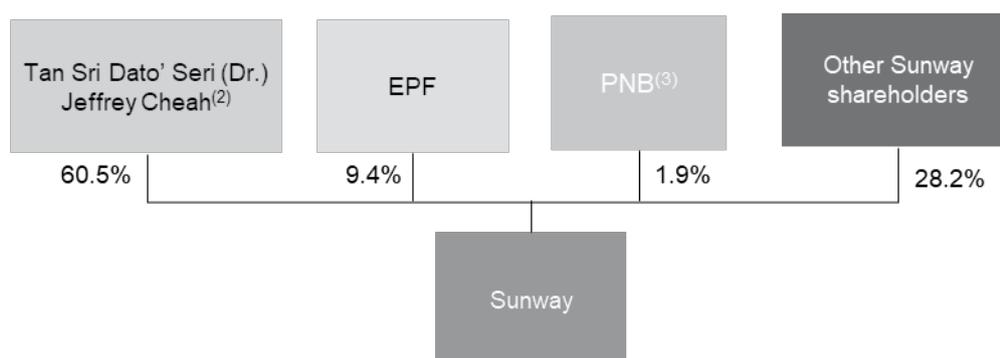
Maximum Scenario : Assuming our Company receives full Valid Acceptances resulting in our Group holding 3,505,166,120 IJM Shares (excluding treasury shares) or 100% of IJM.

### 7.1 Shareholding structure of Sunway and IJM

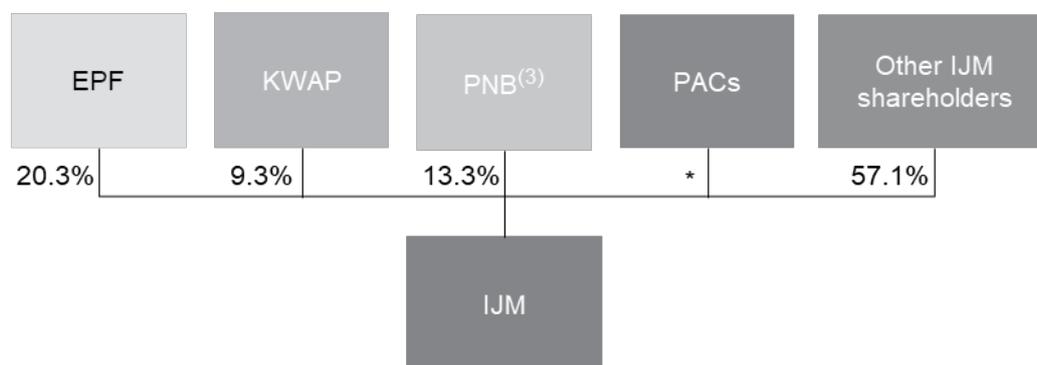
The shareholding structure of Sunway and IJM before and after completion of the Proposed Offer are set out below:

#### (i) Before the Proposed Offer (as at the LPD)<sup>(1)</sup>

##### Sunway



##### IJM



#### Notes:

\* Negligible.

(1) The shareholdings are extracted from the respective Record of Depositors of Sunway and IJM, which are as follows:

### Sunway

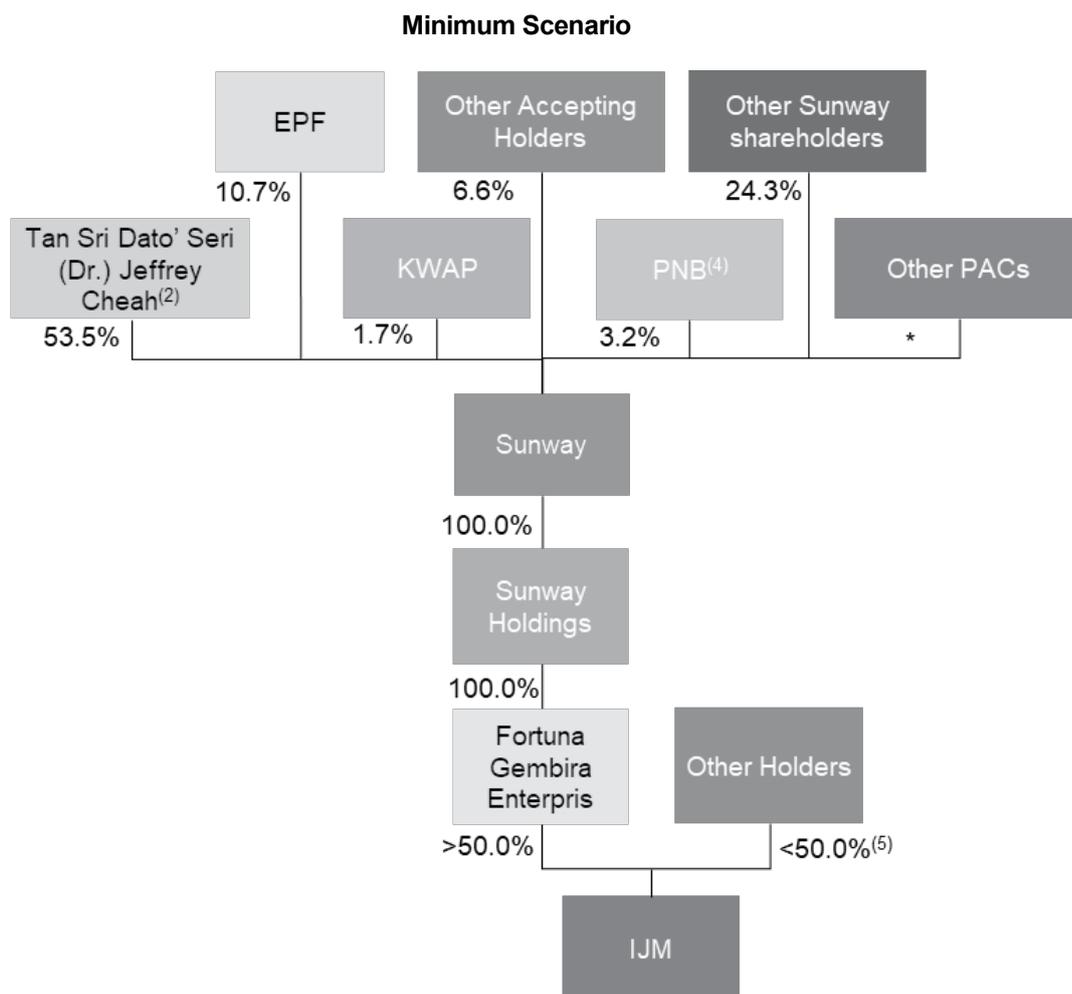
Shareholder	No. of Sunway Shares ( <sup>'000</sup> )
Tan Sri Dato' Seri (Dr.) Jeffrey Cheah	4,090,465
EPF	638,831
PNB	128,612
Other Sunway shareholders	1,902,513
<b>Total</b>	<b>6,760,421</b>

### IJM

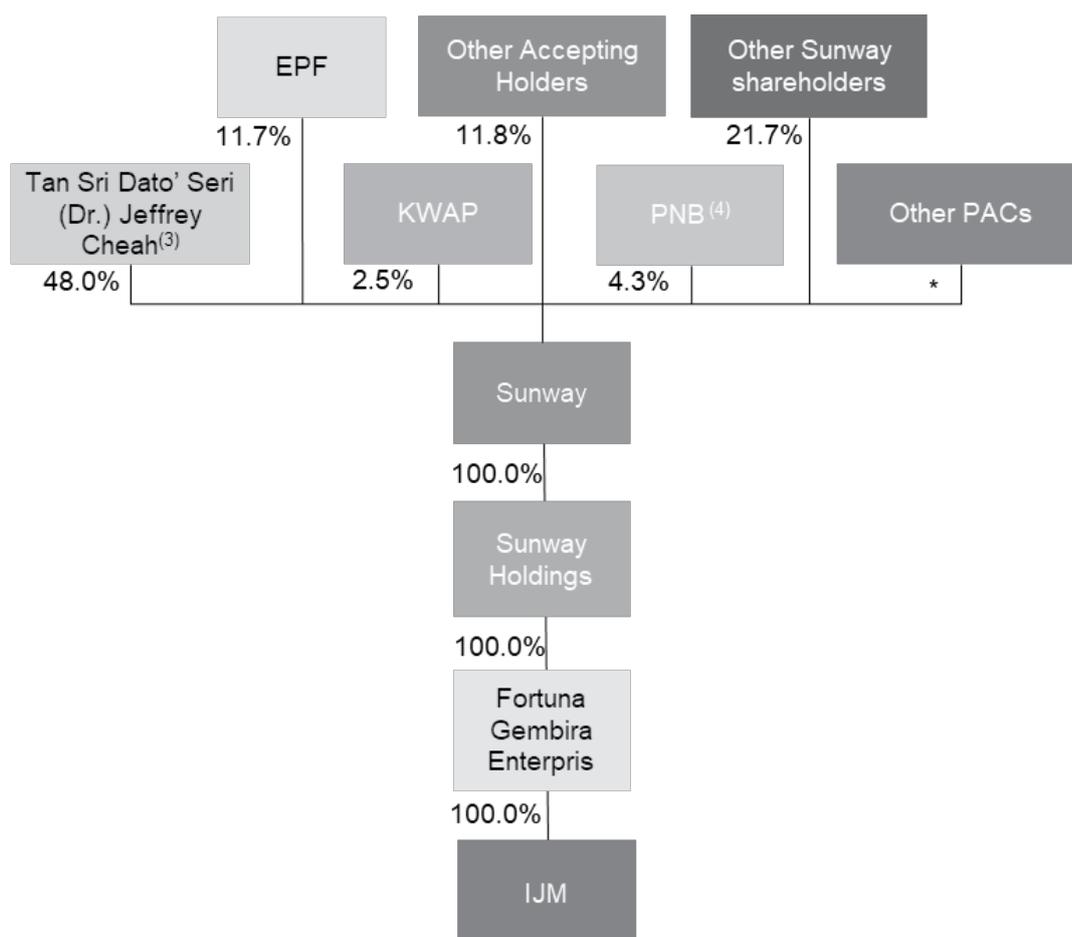
Shareholder	No. of IJM Shares ( <sup>'000</sup> )
EPF	711,956
KWAP	326,825
PNB	466,984
PACs	1,085
Other IJM shareholders	1,998,317
<b>Total</b>	<b>3,505,166</b>

- (2) The shareholding of Tan Sri Dato' Seri (Dr.) Jeffrey Cheah includes his deemed interest by virtue of Section 8 of the Act held through Active Equity (3.1%), Sungei Way Corporation (47.2%), Jef-San Enterprise (9.5%) and shareholdings of his children (0.2%).
- (3) Represents the shareholdings of PNB and the funds managed by its subsidiary.

### (ii) After the Proposed Offer<sup>(1)</sup>



### Maximum Scenario



**Notes:**

\* Negligible.

- (1) Based on the enlarged number of Sunway Shares in issue of 7,639,814,142 and 8,519,207,588 under the Minimum Scenario and Maximum Scenario respectively, after excluding 45,005,665 treasury shares. For information purposes, we do not have any plan to resell the treasury shares and/or to distribute them as share dividends as at the LPD.
- (2) Based on the Minimum Scenario, the shareholding of Tan Sri Dato' Seri (Dr.) Jeffrey Cheah includes his deemed interest by virtue of Section 8 of the Act held through Active Equity (2.7%), Sungei Way Corporation (41.8%), Jef-San Enterprise (8.4%) and shareholdings of his children (0.2%).
- (3) Based on the Maximum Scenario, the shareholding of Tan Sri Dato' Seri (Dr.) Jeffrey Cheah includes his deemed interest by virtue of Section 8 of the Act held through Active Equity (2.5%), Sungei Way Corporation (37.5%), Jef-San Enterprise (7.5%) and shareholdings of his children (0.2%).
- (4) Represents the shareholdings of PNB and the funds managed by its subsidiary.
- (5) Represents the shareholdings of the remaining Holders who continue to hold IJM Shares after the completion of the Proposed Offer.

The shareholding of Sunway shareholders after the Proposed Offer under the Minimum Scenario and Maximum Scenario are as follows:

Shareholder	No. of Sunway Shares (excluding treasury shares)	
	Minimum Scenario ( <sup>'000</sup> )	Maximum Scenario ( <sup>'000</sup> )
Tan Sri Dato' Seri (Dr.) Jeffrey Cheah	4,090,465	4,090,465
EPF	817,450	996,069
KWAP	128,870	210,865
PNB	245,771	362,930
Other PACs	1,953	2,225
Other Sunway shareholders	1,853,958	1,853,958
Other Accepting Holders	501,348	1,002,695
<b>Total</b>	<b>7,639,814</b>	<b>8,519,208</b>

(iii) **Public shareholding spread of Sunway**

As at the LPD, the public shareholding spread of Sunway is 39.1%.

After the Proposed Offer, the expected public shareholding spread of Sunway is 46.1% and 51.7% under the Minimum Scenario and Maximum Scenario respectively, both of which will comply with the Public Spread Requirement.

## 7.2 Share capital

The pro forma effect of the Proposed Offer on the share capital of our Company is as follows:

	Minimum Scenario		Maximum Scenario	
	No. of Sunway Shares ( <sup>'000</sup> )	Issued share capital (RM <sup>'000</sup> )	No. of Sunway Shares ( <sup>'000</sup> )	Issued share capital (RM <sup>'000</sup> )
As at the LPD <sup>(1)</sup>	6,805,425	7,958,656	6,805,425	7,958,656
Consideration Shares to be issued pursuant to the Proposed Offer	879,393	<sup>(2)</sup> 4,968,573	1,758,787	<sup>(2)</sup> 9,937,146
<b>Enlarged issued Sunway Shares and share capital</b>	<b>7,684,819</b>	<b>12,927,229</b>	<b>8,564,212</b>	<b>17,895,802</b>

**Notes:**

(1) Including 45,004,665 treasury shares amounting to RM74,335,169.

(2) The value of the Consideration Shares to be issued pursuant to the Proposed Offer has been illustrated based on the Issue Price.

### 7.3 Substantial shareholders' shareholding

The effect of the Proposed Offer on the shareholding of our substantial shareholders in our Company is as follows:

#### Minimum Scenario

	As at the LPD		After the Proposed Offer	
	Direct	Indirect	Direct	Indirect
	No. of Sunway Shares ( <sup>(1)</sup> %)	No. of Sunway Shares ( <sup>(1)</sup> %)	No. of Sunway Shares ( <sup>(2)</sup> %)	No. of Sunway Shares ( <sup>(2)</sup> %)
Tan Sri Dato' Seri (Dr.) Jeffrey Cheah	35,057	( <sup>(4)</sup> )4,055,408	35,057	( <sup>(4)</sup> )4,055,408
Puan Sri Datin Seri (Dr.) Susan Cheah Seok Cheng	-	( <sup>(5)</sup> )4,090,465	-	( <sup>(5)</sup> )4,090,465
Datin Paduka Sarena Cheah Yean Tih, <i>S.M.S.</i>	7,280	( <sup>(6)</sup> )4,077,374	7,280	( <sup>(6)</sup> )4,077,374
Evan Cheah Yean Shin	5,819	( <sup>(7)</sup> )4,077,365	5,819	( <sup>(7)</sup> )4,077,365
Adrian Cheah Yean Sun	-	( <sup>(7)</sup> )4,077,365	-	( <sup>(7)</sup> )4,077,365
Sungei Way Corporation	3,191,203	-	3,191,203	-
Jef-San Enterprise	641,910	-	641,910	-
Active Equity	209,195	( <sup>(8)</sup> )3,191,203	209,195	( <sup>(8)</sup> )3,191,203
EPF	638,831	-	( <sup>(9)</sup> )817,450	-
<b>Sub-total</b>	<b>4,729,296</b>	<b>69.96</b>	<b>4,907,915</b>	<b>64.24</b>

#### Maximum Scenario

	As at the LPD		After the Proposed Offer	
	Direct	Indirect	Direct	Indirect
	No. of Sunway Shares ( <sup>(1)</sup> %)	No. of Sunway Shares ( <sup>(1)</sup> %)	No. of Sunway Shares ( <sup>(3)</sup> %)	No. of Sunway Shares ( <sup>(3)</sup> %)
Tan Sri Dato' Seri (Dr.) Jeffrey Cheah	35,057	( <sup>(4)</sup> )4,055,408	35,057	( <sup>(4)</sup> )4,055,408
Puan Sri Datin Seri (Dr.) Susan Cheah Seok Cheng	-	( <sup>(5)</sup> )4,090,465	-	( <sup>(5)</sup> )4,090,465
Datin Paduka Sarena Cheah Yean Tih, <i>S.M.S.</i>	7,280	( <sup>(6)</sup> )4,077,374	7,280	( <sup>(6)</sup> )4,077,374
Evan Cheah Yean Shin	5,819	( <sup>(7)</sup> )4,077,365	5,819	( <sup>(7)</sup> )4,077,365
Adrian Cheah Yean Sun	-	( <sup>(7)</sup> )4,077,365	-	( <sup>(7)</sup> )4,077,365
Sungei Way Corporation	3,191,203	-	3,191,203	-
Jef-San Enterprise	641,910	-	641,910	-
Active Equity	209,195	( <sup>(8)</sup> )3,191,203	209,195	( <sup>(8)</sup> )3,191,203
EPF	638,831	-	( <sup>(10)</sup> )996,069	-
<b>Sub-total</b>	<b>4,729,296</b>	<b>69.96</b>	<b>5,086,534</b>	<b>59.71</b>

**Notes:**

- (1) *Based on 6,760,420,695 Sunway Shares (excluding treasury shares) in issue as at the LPD.*
- (2) *Based on the enlarged Sunway Shares (excluding treasury shares) after the Proposed Offer of 7,639,814,142 under the Minimum Scenario.*
- (3) *Based on the enlarged Sunway Shares (excluding treasury shares) after the Proposed Offer of 8,519,207,588 under the Maximum Scenario.*
- (4) *Deemed interest by virtue of Section 8 of the Act held through Active Equity, Sungei Way Corporation, Jef-San Enterprise and children.*
- (5) *Deemed interest by virtue of shareholdings held by spouse and children.*
- (6) *Deemed interest by virtue of Section 8 of the Act held through Active Equity, Sungei Way Corporation, Jef-San Enterprise, spouse and parent.*
- (7) *Deemed interest by virtue of Section 8 of the Act held through Active Equity, Sungei Way Corporation, Jef-San Enterprise and parent.*
- (8) *Deemed interest by virtue of Section 8 of the Act held through Sungei Way Corporation.*
- (9) *Assuming EPF accepts the Proposed Offer in respect of 355,977,930 Offer Shares, being 50% of the 711,955,860 IJM Shares held by it as at the LPD.*
- (10) *Assuming EPF accepts the Proposed Offer in respect of 100% of the 711,955,860 IJM Shares held by it as at the LPD.*

## 7.4 NA, NA per Sunway Share and gearing

For illustrative purposes only, based on:

- (a) the latest audited consolidated statement of financial position of our Company as at 31 December 2024;
- (b) the latest audited consolidated statement of financial position of IJM as at 31 March 2025;
- (c) the assumption that the Total Consideration is to be settled by the issuance of the Consideration Shares (representing 90% of the Total Consideration) and cash which is assumed to be funded via borrowings (representing 10% of the Total Consideration); and
- (d) assuming the Proposed Offer had been effected on 31 December 2024,

the pro forma effect of the Proposed Offer on the consolidated NA, NA per Sunway Share and gearing of our Group are as follows:

	Audited as at 31 December 2024 (RM'000)	After the material subsequent events <sup>(1)</sup> (RM'000)	After the Proposed Offer	
			Minimum Scenario <sup>(2)</sup> (RM'000)	Maximum Scenario <sup>(2)</sup> (RM'000)
Share capital	7,048,716	7,958,656	<sup>(7)</sup> 12,927,229	<sup>(7)</sup> 17,895,802
Sunway ICPS	488,890	-	-	-
Treasury shares	(74,335)	(74,335)	(74,335)	(74,335)
Equity contribution from a joint venture	51,654	51,654	51,654	51,654
Merger reserve	(1,192,040)	(1,192,040)	(1,192,040)	(1,192,040)
Reserves	8,668,333	<sup>(8)</sup> 8,007,168	<sup>(9)</sup> 7,985,168	<sup>(9)</sup> 7,985,168
<b>Shareholders' funds / NA</b>	<b>14,991,218</b>	<b>14,751,103</b>	<b>19,697,676</b>	<b>24,666,249</b>
Non-controlling interests	947,237	947,237	<sup>(10)</sup> 6,288,851	<sup>(11)</sup> 1,150,720
Perpetual sukuk of a subsidiary	-	-	851,100	851,100
<b>Total equity</b>	<b>15,938,455</b>	<b>15,698,340</b>	<b>26,837,627</b>	<b>26,668,069</b>
No. of Sunway Shares in issue (excluding treasury shares) ('000)	6,177,963	<sup>(12)</sup> 6,760,421	<sup>(13)</sup> 7,639,814	<sup>(13)</sup> 8,519,208
NA per Sunway Share (RM) <sup>(3)</sup>	2.43	2.18	2.58	2.90
Total debt (RM'000) <sup>(4)</sup>	10,907,817	<sup>(14)</sup> 13,277,782	<sup>(15)</sup> 19,682,590	<sup>(15)</sup> 20,252,241
Cash and bank balances (RM'000)	4,336,382	<sup>(16)</sup> 4,200,091	6,672,046	6,672,046
Net debt (RM'000) <sup>(5)</sup>	6,571,435	9,077,691	13,010,544	13,580,195
Net gearing (times) <sup>(6)</sup>	0.41	0.58	0.48	0.51

### Notes:

- (1) After adjusting for the following events for the period from 1 January 2025 up to and including the LPD ("**Material Subsequent Events**"):
  - (i) payment of cash dividend amounting to RM51.8 million as well as the allotment and issuance of 47,396,900 new Sunway Shares at RM4.12 per Sunway Share amounting to RM195.3 million on 17 April 2025 pursuant to the dividend reinvestment scheme ("**DRS**") in respect of the second interim single-tier dividend for the FYE 31 December 2024 of 4.0 sen per Sunway Share, which was declared by the Board on 26 February 2025;
  - (ii) payment of preferential dividend amounting to RM12.8 million on 17 April 2025 in respect of the Sunway ICPS for the period from 1 July 2024 to 31 December 2024, calculated at 5.25% per annum based on the issue price of RM1.00 per Sunway ICPS;

- (iii) *payment of preferential dividend amounting to RM12.8 million on 10 October 2025 in respect of the Sunway ICPS for the period from 1 January 2025 to 30 June 2025, calculated at 5.25% per annum based on the issue price of RM1.00 per Sunway ICPS;*
  - (iv) *payment of cash dividend amounting to RM23.2 million as well as the allotment and issuance of 46,170,800 new Sunway Shares at RM4.89 per Sunway Share amounting to RM225.8 million on 7 November 2025 pursuant to the DRS in respect of the first interim single-tier dividend for the FYE 31 December 2025 of 4.0 sen per Sunway Share, which was declared by the Board on 27 August 2025;*
  - (v) *mandatory conversion of 488,890,040 Sunway ICPS into 488,890,040 new Sunway Shares on 2 December 2025;*
  - (vi) *completion of the acquisition of the entire issued shares of MCL by Sunway Labuan Investment Ltd (“SLIL”), a wholly-owned subsidiary of SunCity, which in turn is a wholly-owned subsidiary of our Company, from Hongkong Land International Holdings Limited (“Acquisition of MCL”), for a cash consideration of Singapore Dollars (“SGD”) 720.7 million (approximately RM2,370.0 million, based on the exchange rate of SGD1.00 : RM3.2885 (“SGD Rate”)) and deferred cash consideration of up to SGD18.0 million (approximately RM59.2 million based on the SGD Rate) on 31 October 2025, with estimated transaction expenses of approximately RM4.2 million. Following the completion of the Acquisition of MCL, the MCL group of companies (“MCL Group”) has become subsidiaries and associated companies of SLIL and our Company has consolidated the MCL Group's net cash and bank balances of approximately RM99.7 million; and*
  - (vii) *payment of the Sunway Cash Dividends amounting to approximately RM135.2 million in respect of second interim single-tier dividend for the FYE 31 December 2025 of 2.0 sen per Sunway Share, which was declared by the Board on 25 February 2026;*
- (2) *The financial results of IJM have been consolidated based on the audited consolidated financial statements of IJM for the FYE 31 March 2025. The NA stated in the audited consolidated financial statements of IJM are assumed to represent the fair value of NA acquired on completion of the Proposed Offer. The actual fair value of the NA of IJM would be determined based on purchase price allocation exercise to be undertaken. As such the financial impact may differ from that in the illustration above.*
  - (3) *Computed based on NA attributable to the owners of our Company divided by total number of Sunway Shares in issue (excluding treasury shares).*
  - (4) *Total debt comprises short-term and long-term borrowings (net of cross currency swap).*
  - (5) *Net debt comprises total debt less cash and bank balances.*
  - (6) *Computed based on net debt over total equity.*
  - (7) *The fair value of the Consideration Shares has been computed using the Issue Price.*
  - (8) *After taking into consideration the single tier interim dividend and Sunway ICPS dividend declared on 26 February 2025 and 27 August 2025 respectively, the single tier interim dividend declared on 25 February 2026 as well as the estimated transaction expenses in relation to the Acquisition of MCL amounting to approximately RM4.2 million.*
  - (9) *After taking into consideration the estimated expenses relating to the Proposed Offer comprising professional fees, fees payable to regulatory authorities, printing costs and other miscellaneous expenses of RM22.0 million.*
  - (10) *After taking into consideration the assumed fair value of NA of IJM not held by our Group after the Proposed Offer amounting to approximately RM5,138.1 million and the non-controlling interest of IJM as at 31 March 2025.*
  - (11) *After taking into consideration the non-controlling interest in IJM's non-wholly-owned subsidiaries that are not attributable to IJM.*
  - (12) *After taking into consideration the number of Sunway Shares that were issued pursuant to the DRS declared on 26 February 2025 and 27 August 2025, as well as the Sunway Shares issued on 3 December 2025 upon mandatory conversion of the Sunway ICPS on 2 December 2025.*

- (13) After taking into consideration the total number of new Sunway Shares to be issued as Consideration Shares pursuant to the Proposed Offer under the Minimum Scenario and Maximum Scenario of 879,393,447 and 1,758,786,893 respectively.
- (14) Includes borrowings amounting to SGD720.7 million (approximately RM2,370.0 million based on the SGD Rate) obtained to finance the purchase consideration for the Acquisition of MCL.
- (15) Assuming the Adjusted Cash Consideration is funded entirely via debt financing of RM569.7 million and RM1,139.3 million under the Minimum Scenario and Maximum Scenario, respectively.
- (16) After taking into consideration the payments of cash dividends and Sunway ICPS dividends amounting to RM100.6 million declared on 26 February 2025 and 27 August 2025 respectively, payments of cash dividends amounting to approximately RM135.2 million declared on 25 February 2026 as well as consolidating the MCL Group's net cash and bank balances of approximately RM99.7 million.

## 7.5 Earnings and EPS

Assuming the Acceptance Condition is met, the Proposed Offer will allow our Company to consolidate the financial results of the IJM Group which is expected to contribute positively to the future earnings of our enlarged Group as and when the benefits as set out in Section 4 of this Circular materialise. The actual effect of the Proposed Offer on the EPS would depend on the actual level of acceptances received under the Proposed Offer as it would have an impact on the enlarged number of Sunway Shares in issue.

For illustrative purposes only, based on:

- (a) the latest audited consolidated financial statement of our Company for the FYE 31 December 2024;
- (b) the latest audited consolidated financial statement of IJM for the FYE 31 March 2025;
- (c) the Total Consideration is to be settled by the issuance of the Consideration Shares (representing 90% of the Total Consideration) and cash which is assumed to be funded via borrowings (representing 10% of the Total Consideration); and
- (d) assuming the Proposed Offer had been effected on 1 January 2024, being the beginning of the FYE 31 December 2024,

the pro forma effect of the Proposed Offer on the earnings of our Group and EPS is as follows:

	Audited for the	After the Material	After the Proposed Offer	
	FYE 31 December 2024	Subsequent Events	Minimum Scenario <sup>(1)</sup>	Maximum Scenario <sup>(1)</sup>
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Profit attributable to the owners of our Company	<sup>(1)</sup> 1,101,771	<sup>(2)</sup> 1,187,804	<sup>(3)</sup> 1,344,709	<sup>(3)</sup> 1,523,614
Weighted average no. of Sunway Shares in issue (excluding treasury shares) ('000)	<sup>(4)</sup> 6,588,377	<sup>(5)</sup> 6,681,945	<sup>(6)</sup> 7,561,338	<sup>(6)</sup> 8,440,732
EPS (sen)				
- Basic	16.72	17.78	17.78	18.05
- Diluted	16.72	17.78	17.78	18.05

### Notes:

- (1) After netting of preferential dividends in respect of the Sunway ICPS of RM51.3 million that were paid during the FYE 31 December 2024.

(2) After taking into account the PAT and minority interests of the MCL Group for the FYE 31 December 2024 of RM123.6 million, the estimated expenses related to the Acquisition of MCL of approximately RM4.2 million as well as the interest cost of the borrowings taken to fund the Cash Consideration, net of tax of RM33.4 million.

(3) Derived as follows:

	<u>Minimum Scenario</u> <u>(RM'000)</u>	<u>Maximum Scenario</u> <u>(RM'000)</u>
<i>Pro forma profit attributable to the owners of our Company for the FYE 31 December 2024 and after the Material Subsequent Events</i>	1,187,804	1,187,804
<i>Add: Profit contribution from IJM based on its audited consolidated statements of comprehensive income for the FYE 31 March 2025</i>	201,689	403,377
<i>Less: Finance cost associated with the debt financing at an estimated effective interest rate of 4% per annum, being the weighted average effective interest rate of our Group as at 30 September 2025</i>	(22,784)	(45,567)
<i>Less: Estimated expenses relating to the Proposed Offer</i>	(22,000)	(22,000)
<b><i>Pro forma profit attributable to the owners of our Company after the Proposed Offer</i></b>	<b><u>1,344,709</u></b>	<b><u>1,523,614</u></b>

(4) Includes the effect of the Sunway Shares that will be issued upon mandatory conversion of the Sunway ICPS.

(5) The weighted average number of Sunway Shares in issue includes the number of Sunway Shares that were issued pursuant to the DRS declared on 26 February 2025 and 27 August 2025, as well as the Sunway Shares issued on 3 December 2025 upon mandatory conversion of the Sunway ICPS on 2 December 2025.

(6) After taking into consideration the number of new Sunway Shares to be issued as Consideration Shares pursuant to the Proposed Offer under the Minimum Scenario and Maximum Scenario of 879,393,447 and 1,758,786,893 respectively.

## 7.6 Convertible securities

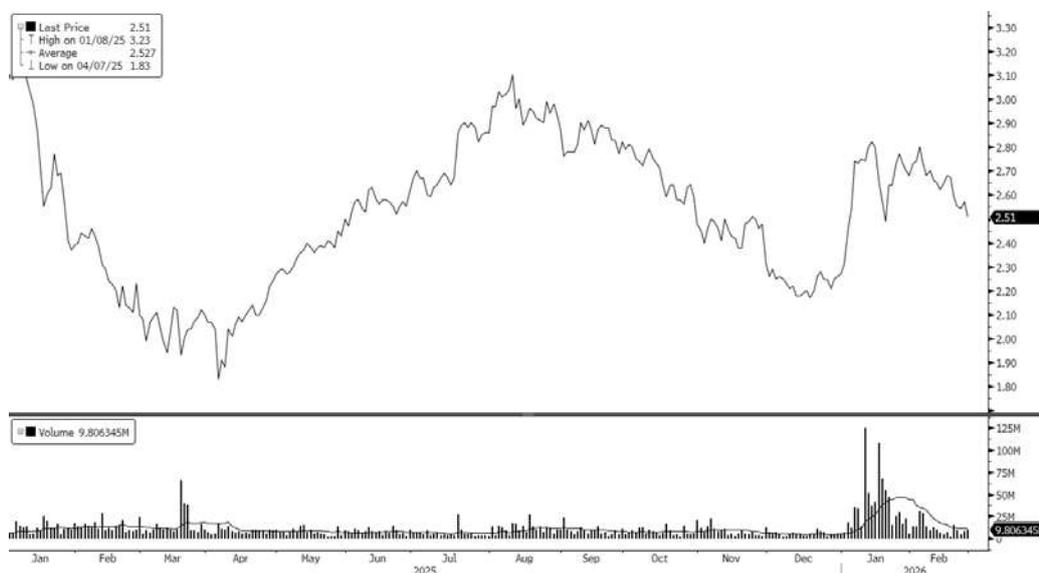
All Sunway ICPS which were issued on 3 December 2020 were mandatorily converted on 2 December 2024 and 2 December 2025.

Following such conversions, our Company does not have any outstanding convertible securities in issue as at the LPD.

## 8. HISTORICAL SHARE PRICES

### (i) IJM Shares

The graph below depicts the price of IJM Shares for the 12-month period prior to the commencement of the Offer Period and up to the LPD.

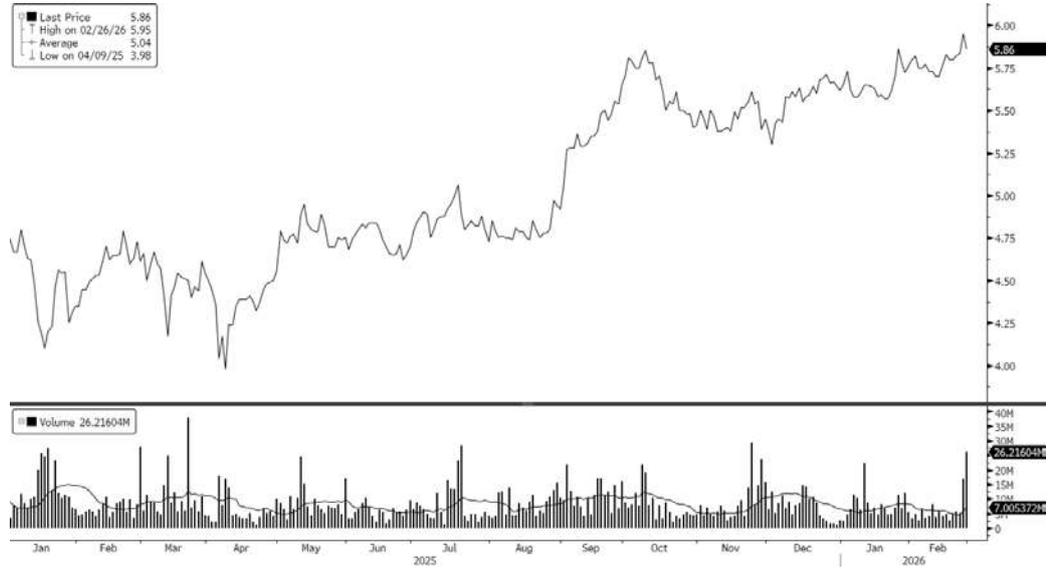


The monthly high and low prices of IJM Shares traded on the Main Market of Bursa Securities from January 2025 up to the LPD are as follows:

	High (RM)	Low (RM)
<b>2025</b>		
January	3.23	2.37
February	2.46	2.10
March	2.13	1.93
April	2.27	1.83
May	2.50	2.27
June	2.63	2.47
July	2.90	2.59
August	3.10	2.87
September	2.91	2.76
October	2.81	2.48
November	2.51	2.31
December	2.29	2.17
<b>2026</b>		
January	2.82	2.31
February	2.80	2.51
Last transacted price of IJM Shares immediately before the Notice LTD	RM2.75	
Last transacted price of IJM Shares as at the LPD	RM2.51	

(ii) **Sunway Shares**

The graph below depicts the price of Sunway Shares for the 12-month period prior to the commencement of the Offer Period and up to the LPD.



The monthly high and low prices of Sunway Shares traded on the Main Market of Bursa Securities from January 2025 up to the LPD are as follows:

	High (RM)	Low (RM)
<b>2025</b>		
January	4.80	4.10
February	4.79	4.35
March	4.67	4.17
April	4.55	3.98
May	4.95	4.70
June	4.84	4.62
July	5.06	4.73
August	4.97	4.74
September	5.65	5.05
October	5.85	5.40
November	5.61	5.38
December	5.71	5.30
<b>2026</b>		
January	5.86	5.57
February	5.95	5.60
Last transacted price of Sunway Shares immediately before the Notice LTD	RM5.60	
Last transacted price of Sunway Shares as at the LPD	RM5.86	

## 9. APPROVALS/CONSENTS REQUIRED

The Proposed Offer is subject to the following being obtained:

- (i) approval of Bursa Securities for the listing of and quotation for the Consideration Shares on the Main Market of Bursa Securities which was obtained via its letter dated 4 March 2026 and is subject to the following conditions:

<u>No.</u>	<u>Condition</u>	<u>Status of Compliance</u>
1.	Sunway and Maybank IB must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Offer	To be complied
2.	Sunway or Maybank IB to furnish Bursa Securities with the certified true copy of the resolutions passed by the shareholders at EGM approving the Proposed Offer;	To be complied
3.	Sunway and Maybank IB to inform Bursa Securities upon the completion of the Proposed Offer; and	To be complied
4.	Sunway and Maybank IB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Proposed Offer is completed	To be complied

- (ii) approval of the shareholders of our Company in relation to the Proposed Offer at the forthcoming EGM.

## 10. CONDITIONALITY OF THE PROPOSED OFFER

The Proposed Offer is not conditional upon the completion of any other corporate proposal undertaken or to be undertaken by our Company.

## 11. CORPORATE EXERCISES ANNOUNCED BUT PENDING COMPLETION

Save for the Proposed Offer and the SHH Listing, there are no other corporate exercise/scheme which have been announced by our Company that are pending completion prior to the printing of this Circular.

## 12. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS, CHIEF EXECUTIVE AND/OR PERSONS CONNECTED TO THEM

None of the Directors, Major Shareholders, chief executive and/or persons connected to them, has any interest, direct or indirect, in the Proposed Offer.

For information purposes, Chung Seow Hun, the spouse of Cheah Kek Lin, the late brother of Tan Sri Dato' Seri (Dr.) Jeffrey Cheah who is our Executive Chairman and Major Shareholder, holds 29,000 IJM Shares as at the date of the Notice, representing 0.0008% equity interest in IJM.

## 13. DIRECTORS' STATEMENT AND RECOMMENDATION

The Board, after having considered all aspects of the Proposed Offer (including the rationale, effects and risk factors of the Proposed Offer) is of the opinion that the Proposed Offer is in the best interest of the Company and recommends that you **vote in favour** of the resolution pertaining to the Proposed Offer to be tabled at the forthcoming EGM.

#### 14. PERCENTAGE RATIO

The highest percentage ratio applicable to the Proposed Offer pursuant to paragraph 10.02(g) of the Listing Requirements is approximately 73.7% based on the Total Consideration compared with the audited consolidated NA attributable to the owners of our Company as at 31 December 2024.

#### 15. TENTATIVE TIMEFRAME FOR COMPLETION/IMPLEMENTATION

Barring any unforeseen circumstances, the Proposed Offer is expected to be completed by the third quarter of 2026.

The tentative timetable for the implementation of the Proposed Offer is as follows:

<b>Event</b>	<b>Date</b>
EGM for the Proposed Offer	26 March 2026
First Closing Date	6 April 2026
Last Closing Date of the Proposed Offer (assuming the Proposed Offer becomes unconditional on the First Closing Date)	20 April 2026
Invoke Compulsory Acquisition by issuing notice to the Dissenting Holders <sup>(1)</sup>	Mid May 2026
De-listing of IJM from the Official List	End May 2026
Completion of Compulsory Acquisition	Early July 2026

**Note:**

(1) *Assuming that our Company receives Valid Acceptances of not less than nine-tenths (9/10) in the nominal value of the Offer Shares (excluding IJM Shares already held by us and persons acting in concert with our Company as at the date of the Proposed Offer) on or before the Closing Date.*

#### 16. EGM

The forthcoming EGM, the notice of which is enclosed in this Circular, will be held on Thursday, 26 March 2026 at 3:00 p.m. or any adjournment thereof at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan for the purpose of considering, and if thought fit, passing with or without modification, the resolution to give effect to the Proposed Offer.

You are encouraged to attend and vote at the forthcoming EGM. If you are unable to attend the forthcoming EGM, you may appoint a proxy or proxies to attend and vote on your behalf. In such event, you should complete, sign and return the Proxy Form to Boardroom Share Registrars Sdn Bhd (“**Boardroom**”) at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia either by hand, post or email to Boardroom at [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com). You also have the option to lodge electronically via “Boardroom Smart Investor Portal” at <https://investor.boardroomlimited.com> (“**e-Proxy Lodgement**”). The Proxy Form must be received by Boardroom not less than 24 hours before the date and time fixed for the forthcoming EGM or any adjournment thereof. The lodging of the Proxy Form will not preclude you from attending and voting at the forthcoming EGM should you wish to do so. Please refer to the Administrative Details for the EGM for the steps on the e-Proxy Lodgement.

**17. FURTHER INFORMATION**

You are requested to refer to the enclosed appendices for further information.

Yours faithfully  
For and on behalf of the Board of  
**SUNWAY BERHAD**

**Datuk Mohd Anuar bin Taib**  
President

## INFORMATION ON IJM

### 1. OVERVIEW

IJM was incorporated in Malaysia on 16 July 1983 under the Companies Act 1965 as a private limited company under the name of Solidstate (M) Sdn Bhd. On 15 March 1984, the company changed its name to IJM Engineering & Construction Sdn Bhd. Subsequently on 28 February 1986, the company converted into a public company as IJM Engineering & Construction Berhad. IJM was listed on the Main Board (now known as Main Market) of Bursa Securities on 29 September 1986 and subsequently assumed its present name on 16 December 1989.

IJM was formed in 1983 as a result of the merger between three medium-sized local construction companies, namely IGB Construction Sdn Bhd, Jurutama Sdn Bhd and Mudajaya Sdn Bhd. Currently, IJM is principally engaged in construction and investment holding activities. The IJM Group's principal activities are in construction, property development, manufacturing and quarrying, port operations, tollway operations and investment holding, with further details as follows:

	<b>Description</b>
Construction	In the FYE 31 March 2025, the construction division secured RM3.6 billion in new construction contracts, delivering an outstanding order book of RM7.6 billion. For the list of past and on-going major construction projects, please refer to Section 8 of this Appendix.
Property development	The remaining undeveloped property GDV of the IJM Group stood at RM45.1 billion across a landbank of 3,316.5 acres as at 31 March 2025.
Manufacturing & quarrying	<p>This division is involved in the production and sale of concrete products and quarrying activities. As at 31 March 2025, IJM has 27 manufacturing plants, comprising the following:</p> <ul style="list-style-type: none"> <li>• Nine (9) pile factories</li> <li>• Eight (8) ready mixed concrete plants (five (5) in India)</li> <li>• Eight (8) quarries (two (2) in India)</li> <li>• One (1) industrialised building system plant</li> <li>• One (1) sand mining plant</li> </ul> <p>As at 31 March 2025, this division recorded an industrial concrete products piles balance order book of 0.9 million tonnes.</p>
Infrastructure – Toll	In Malaysia, the IJM Group is operating expressways such as the NPE, BESRAYA and LEKAS. IJM also holds an equity interest in the West Coast Expressway, currently under construction with IJM Construction Sdn Bhd serving as the main contractor. The IJM Group is also involved in build-operate-transfer projects abroad. Notable investments include the Dewas Bypass Tollway and Solapur-Bijapur Tollway in India, as well as the Western Access Tollway in Argentina.
Infrastructure – Port	Kuantan Port remains one of the IJM Group's key strategic assets on the East Coast of Malaysia.
Investment & others	Mainly comprises investment holding and telecommunication.

As at 30 June 2025, the IJM Group has presence across Malaysia, Singapore, India, China, the UK and Argentina, with its activities primarily carried out in Malaysia.

### 2. SHARE CAPITAL

As at the LPD, the total issued share capital of IJM is RM6,132,290,441 comprising 3,647,566,120 IJM Shares (inclusive of 142,400,000 treasury shares).

## INFORMATION ON IJM (Cont'd)

## 3. DIRECTORS' SHAREHOLDING

As at the LPD, the directors of IJM and their respective shareholding in IJM are as follows:

	Nationality	Direct		Indirect	
		No. of IJM Shares	%	No. of IJM Shares	%
Tan Sri Krishnan Tan	Malaysian	10,428,666	0.30	1,121,972 <sup>(1)</sup>	0.03
Dato' Lee Chun Fai	Malaysian	977,500	0.03	250,000 <sup>(1)</sup>	0.01
Tan Ting Min	Malaysian	-	-	-	-
Dato' Ir. Tan Gim Foo	Malaysian	-	-	-	-
Loh Lay Choon	Malaysian	-	-	-	-
Datuk Ir. Ahmad 'Asri bin Abdul Hamid	Malaysian	-	-	-	-
Fatimah binti Merican	Malaysian	-	-	-	-
Datuk Lee Teck Yuen	Malaysian	11,764,692	0.34	-	-
Azhar bin Ahmad	Malaysian	-	-	-	-
Mazuki bin Abdullah @ Muhammad	Malaysian	-	-	-	-
Gunavathi A/P Subramaniam	Malaysian	-	-	-	-

**Note:**

(1) Deemed interested by virtue of his family member's interest in IJM pursuant to Section 59(11)(c) of the Act.

## 4. SUBSTANTIAL SHAREHOLDERS

As at the LPD, the substantial shareholders of IJM and their respective shareholding in IJM are as follows:

	Country of establishment	Direct <sup>(1)</sup>		Indirect	
		No. of IJM Shares	%	No. of IJM Shares	%
EPF	Malaysia	711,955,860	20.31	-	-
KWAP	Malaysia	326,824,660	9.32	-	-

**Note:**

(1) The shareholdings are extracted from the Record of Depositors of IJM.

## 5. SUBSIDIARIES AND ASSOCIATED COMPANIES

The subsidiaries and associates of IJM as at the LPD are as follows:

**Subsidiaries**

Name of subsidiaries	Country of incorporation	Effective equity interest (%)	Principal activities
<b><u>Held by IJM</u></b>			
CIDB Inventures Sdn Bhd	Malaysia	100	Dormant
Emcee Corporation Sdn Bhd	Malaysia	100	Dormant
Globalcomm Solutions Sdn Bhd	Malaysia	60	Provider of telecommunications services, technology solutions and infrastructure

## INFORMATION ON IJM (Cont'd)

<b>Name of subsidiaries</b>	<b>Country of incorporation</b>	<b>Effective equity interest (%)</b>	<b>Principal activities</b>
IJM Construction Sdn Bhd	Malaysia	100	Civil and building construction and investment holding
IJM Construction (Middle East) LLC	United Arab Emirates	100	Construction
IJM Highway Services Sdn Bhd	Malaysia	100	Provision of toll operation and maintenance services
IJM Investments (L) Limited	Federal Territory of Labuan	100	Investment holding
IJM Investments (M) Limited	Republic of Mauritius	100	Investment holding
IJM Land Berhad	Malaysia	100	Investment holding
IJM RE Sdn Bhd	Malaysia	100	Investment holding
IJM Treasury Management Sdn Bhd	Malaysia	100	Provision of financing and related management services
Industrial Concrete Products Sdn Bhd ("ICP")	Malaysia	100	Production and sale of concrete products and investment holding
IJM Shared Services Sdn Bhd	Malaysia	100	Provision of management services and investment holding
RB Manufacturing Sdn Bhd	Malaysia	100	Dormant
Road Builder (M) Holdings Bhd	Malaysia	100	Investment holding
IJM Corporation (UK) Limited	England and Wales	100	Investment holding
IJM Nusantara Sdn Bhd (formerly known as Strong Tenaga Force Sdn Bhd)	Malaysia	100	Investment holding
<b><u>Held by Globalcomm Solutions Sdn Bhd</u></b>			
Globalcomm Telecommunications Sdn Bhd	Malaysia	37	Telecommunication tower sharing operator
<b><u>Held by IJM Construction Sdn Bhd</u></b>			
Azam IJMC UDSB Sdn Bhd	Malaysia	39	Civil and building construction
Commerce House Sdn Bhd	Malaysia	100	Trading in construction materials and providing insurance agency services
IJM Construction Sdn Bhd	**	60	Civil and building construction
JV Ganda Imbuan Sdn Bhd	**	60	Design, supply, installation, testing and commissioning for automated people mover
IJMC-PESTECH Joint Venture	**	60	Design, supply, installation, testing and commissioning for automated people mover
IJM Investments J.A. Limited	United Arab Emirates	100	Investment holding
Jurutama Sdn Bhd	Malaysia	100	Construction
Prebore Piling & Engineering Sdn Bhd	Malaysia	100	Piling, engineering and other construction works
Road Builder (M) Sdn Bhd	Malaysia	100	Civil and building construction
<b><u>Held by IJM Investments J.A. Limited</u></b>			
IJM Construction (Pakistan) (Private) Limited	Pakistan	100	Civil and building construction
IM Technologies Pakistan (Private) Limited	Pakistan	60	Civil, building construction and property development
<b><u>Held by Road Builder (M) Sdn Bhd</u></b>			
RBM-PATI JV	**	100	Construction

## INFORMATION ON IJM (Cont'd)

<b>Name of subsidiaries</b>	<b>Country of incorporation</b>	<b>Effective equity interest (%)</b>	<b>Principal activities</b>
<b><u>Held by IJM Investments (M) Limited</u></b>			
IEMCEE Infra (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IJM Dewas (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IJM Engineering (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IJMII (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IJM Rajasthan (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IJM Realty (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IJM Rewa (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IJM Trichy (Mauritius) Ltd	Republic of Mauritius	100	Under members' voluntary winding up
IJM Vijayawada (Mauritius) Limited	Republic of Mauritius	100	Investment holding
<b><u>Held by IJM Dewas (Mauritius) Limited</u></b>			
Dewas Bypass Tollway Private Limited (of which 26% is held directly by IJM)	India	100	Highway development
<b><u>Held by IJM Engineering (Mauritius) Limited</u></b>			
Team Universal Infratech Private Limited	India	80	Construction
<b><u>Held by IJMII (Mauritius) Limited</u></b>			
IJM (India) Infrastructure Limited	India	99.9	Construction
<b><u>Held by IJM (India) Infrastructure Limited</u></b>			
IJM (India) Geotechniques Private Limited	India	99.9	Soil investigation & testing, foundation laying & treatment & piling
IJM Raintree Park Private Limited	India	99.9	Property development
Swarnandhra-IJMII Integrated Township Development Company Private Limited	India	51	Property development
Swarnandhra RoadCare Private Limited	India	99.9	Road maintenance
<b><u>Held by IJM Realty (Mauritius) Limited</u></b>			
Nagpur Integrated Township Private Limited	India	95	Property development
<b><u>Held by IJM Rewa (Mauritius) Limited</u></b>			
Rewa Tollway Private Limited	India	100	Dormant
Vijayapura Tollway Private Limited (of which 26% is held directly by IJM)	India	100	Highway development
<b><u>Held by IJM Vijayawada (Mauritius) Limited</u></b>			
Vijayawada Tollway Private Limited	India	99.9	Highway development
<b><u>Held by IJM Land Berhad</u></b>			
Asas Panorama Sdn Bhd	Malaysia	60	Property development
Emko Properties Sdn Bhd	Malaysia	100	Property development

## INFORMATION ON IJM (Cont'd)

<u>Name of subsidiaries</u>	<u>Country of incorporation</u>	<u>Effective equity interest (%)</u>	<u>Principal activities</u>
ERMS Berhad	Malaysia	100	Provision of wellness services including traditional and complementary medicine, postnatal and rehabilitative care, and retail of health and wellness products; hotel and recreation club operations; and investment holding
IJM Land Management Services Sdn Bhd	Malaysia	100	Provision of management services
IJM Properties Sdn Bhd	Malaysia	100	Property development and investment holding
Mintle Limited	Jersey	51	Holding company, development of building projects, buying and selling of own real estate
RB Development Sdn Bhd	Malaysia	100	Property development
RB Land Sdn Bhd	Malaysia	100	Property development and construction activities
Sova Holdings Sdn Bhd	Malaysia	70	Property development
IJM Land Cochrane Sdn Bhd ( <i>formerly known as IJM Land Samarahan Sdn Bhd</i> )	Malaysia	100	Dormant
<b><u>Held by Emko Properties Sdn Bhd</u></b>			
Emko Management Services Sdn Bhd	Malaysia	100	Property management
<b><u>Held by ERMS Berhad</u></b>			
Holiday Villa Management Sdn Bhd	Malaysia	100	Dormant
<b><u>Held by IJM Properties Sdn Bhd</u></b>			
Aqua Aspect Sdn Bhd	Malaysia	80	Property development
Chen Yu Land Sdn Bhd	Malaysia	100	Property development
Cypress Potential Sdn Bhd	Malaysia	70	Property development activities and property investment
Era Moden Hartanah Sdn Bhd	Malaysia	55	Dormant
Ever Mark (M) Sdn Bhd	Malaysia	100	Dormant
IJM Management Services Sdn Bhd	Malaysia	100	Project and construction management services and sales and marketing services
IJMP-MK Joint Venture	**	100	Property development
Jalinan Masyhur Sdn Bhd	Malaysia	51	Dormant
Jelutong Development Sdn Bhd	Malaysia	80	Property development
Larut Leisure Enterprise (Hong Kong) Limited	Hong Kong	99	Investment holding
Manda'rina Sdn Bhd	Malaysia	100	Property development
Maxharta Sdn Bhd	Malaysia	100	Investment holding and property development
NS Central Market Sdn Bhd	Malaysia	70	Dormant
Preferred Accomplishment Sdn Bhd	Malaysia	100	Sale of electricity
Radiant Pillar Sdn Bhd	Malaysia	100	Property development and investment holding
Sinaran Intisari (M) Sdn Bhd	Malaysia	100	Dormant
Suria Bistari Development Sdn Bhd	Malaysia	51	Property development
The Light Waterfront Sdn Bhd	Malaysia	100	Dormant
Valencia Terrace Sdn Bhd	Malaysia	100	Property development
Worldwide Ventures Sdn Bhd	Malaysia	86	Property development and investment holding
Sierra Ukay Sdn Bhd	Malaysia	100	Property development

## INFORMATION ON IJM (Cont'd)

<b>Name of subsidiaries</b>	<b>Country of incorporation</b>	<b>Effective equity interest (%)</b>	<b>Principal activities</b>
<b><u>Held by Cypress Potential Sdn Bhd</u></b> Sebana Golf & Marina Resort Berhad	Malaysia	70	Resort, marina and golf course operator
<b><u>Held by Larut Leisure Enterprise (Hong Kong) Limited</u></b> Jilin Dingtai Enterprise Development Co. Ltd.	People's Republic of China	99	Property development
<b><u>Held by Maxharta Sdn Bhd</u></b> Eksplorasi Cemerlang Sdn Bhd	Malaysia	100	Provision of promotional and marketing services
Jelita Kasturi Sdn Bhd	Malaysia	100	Property development
Panorama Jelita Sdn Bhd	Malaysia	100	Property development
<b><u>Held by Radiant Pillar Sdn Bhd</u></b> Bandar Rimbayu Sdn Bhd	Malaysia	100	Property development
IJMP-RPSB Joint Venture	**	100	Dormant
<b><u>Held by Worldwide Ventures Sdn Bhd</u></b> Island Golf View Sdn Bhd	Malaysia	86	Property development
<b><u>Held by Mintle Limited</u></b> RMS (England) Limited	England and Wales	51	Property development
<b><u>Held by RMS (England) Limited</u></b> RMS (England) 1 Limited	England and Wales	51	Dormant
RMS (England) 2 Limited	England and Wales	51	Dormant
RMS (England) Rentals Limited	England and Wales	51	Letting and operating of own real estate
RMS (Welwyn Garden City) Limited	England and Wales	51	Letting and operating of own or leased real estate
<b><u>Held by RMS (England) 2 Limited</u></b> Innova Partnership Management Limited	England and Wales	51	Dormant
<b><u>Held by RB Land Sdn Bhd</u></b> Aras Varia Sdn Bhd	Malaysia	100	Property development and clubhouse operations
Dian Warna Sdn Bhd	Malaysia	100	Property development
Ikatan Flora Sdn Bhd	Malaysia	100	Property development
Murni Lapisan Sdn Bhd	Malaysia	100	Property development and construction activities
RB Property Management Sdn Bhd	Malaysia	100	Property development
Seremban Two Holdings Sdn Bhd	Malaysia	100	Property development
Seremban Two Properties Sdn Bhd	Malaysia	100	Property development
Shah Alam 2 Sdn Bhd	Malaysia	100	Property development
Tarikan Abadi Sdn Bhd	Malaysia	100	Property development
Titian Tegas Sdn Bhd	Malaysia	100	Property development
Unggul Senja Sdn Bhd	Malaysia	100	Property development
<b><u>Held by IJM RE Sdn Bhd</u></b> IJM RE Commercial Sdn Bhd	Malaysia	100	Investment holding
<b><u>Held by IJM RE Commercial Sdn Bhd</u></b> Fairview Valley Sdn Bhd	Malaysia	100	Property investment and investment holding
<b><u>Held by ICP</u></b> Durabon Sdn Bhd	Malaysia	100	Processing and sales of steel bars
ICP Marketing Sdn Bhd	Malaysia	100	Dormant
IJM Building Systems Sdn Bhd	Malaysia	100	Construction contracts, trading and rental of aluminium formworks

## INFORMATION ON IJM (Cont'd)

<b>Name of subsidiaries</b>	<b>Country of incorporation</b>	<b>Effective equity interest (%)</b>	<b>Principal activities</b>
IJM IBS Sdn Bhd (“IJM IBS”)	Malaysia	100	Manufacturing of Industrialised Building System and provision of related technical services
Malaysian Rock Products Sdn Bhd	Malaysia	100	Quarrying, sale of rock products and investment holding
ICPB (Mauritius) Limited	Republic of Mauritius	100	Investment holding
IBS VHome Sdn Bhd	Malaysia	100	Provision of workers' accommodation services and assembly & erection of prefabricated construction
<b><u>Held by Durabon Sdn Bhd</u></b>			
Durabon Building Materials Guangdong Private Limited	China	51	Steel bars processing and trading, general merchandise and commodity trading
<b><u>Held by ICPB (Mauritius) Limited</u></b>			
IJM Concrete Products Private Limited	India	100	Production and supply of ready-mixed concrete
<b><u>Held by IJM Concrete Products Private Limited</u></b>			
IJM-AIKYA Joint Venture	**	100	Ceased operations
<b><u>Held by Malaysian Rock Products Sdn Bhd</u></b>			
Azam Ekuiti Sdn Bhd	Malaysia	100	Leaseholder of quarry land
IJM Concrete (Private) Limited	United Arab Emirates	60	Dormant
IJM Concrete Products Pakistan (Private) Limited	Pakistan	100	Dormant
Kuang Rock Products Sdn Bhd	Malaysia	100	Quarrying and sale of rock products
Oriental Empire Sdn Bhd	Malaysia	100	Leaseholder of quarry land
Scaffold Master Sdn Bhd	Malaysia	100	Sale and rental of steel scaffolding
Strong Mixed Concrete Sdn Bhd	Malaysia	100	Production and supply of ready-mixed concrete
Warga Sepakat Sdn Bhd	Malaysia	100	Leaseholder of quarry land
IJM Minerals Sdn Bhd	Malaysia	75	Sale of limestone products
<b><u>Held by Strong Mixed Concrete Sdn Bhd</u></b>			
SMC Islamabad (Private) Limited	Pakistan	60	Dormant
<b><u>Held by RB Manufacturing Sdn Bhd</u></b>			
Kuching Riverine Resort Management Sdn Bhd	Malaysia	100	Property management
<b><u>Held by Road Builder (M) Holdings Bhd</u></b>			
Besraya (M) Sdn Bhd (of which 35% is held by HMS Resources Sdn Bhd and 5% by Gagah Garuda Sdn Bhd)	Malaysia	100	Toll road operation
Essmarine Terminal Sdn Bhd	Malaysia	100	Investment holding
Gagah Garuda Sdn Bhd	Malaysia	100	Investment holding
HMS Resource Sdn Bhd	Malaysia	100	Investment holding
ITD Media & Advertising Sdn Bhd	Malaysia	100	Advertising services
Kuantan Port Consortium Sdn Bhd (of which 30% is held directly by Essmarine Terminal Sdn Bhd)	Malaysia	60	Port management

## INFORMATION ON IJM (Cont'd)

<b>Name of subsidiaries</b>	<b>Country of incorporation</b>	<b>Effective equity interest (%)</b>	<b>Principal activities</b>
New Pantai Expressway Sdn Bhd	Malaysia	100	Design, construction, management, operation and maintenance of New Pantai Highway
NPE Property Development Sdn Bhd <b>Held by Kuantan Port Consortium Sdn Bhd</b>	Malaysia	100	Property development
KP Port Services Sdn Bhd	Malaysia	60	Port supporting services, stevedorage, storage handling and providing nitrogen purging and pigging services
<b>Held by IJM Corporation (UK) Limited</b>			
IJM (JRL) Limited	England and Wales	60	Dormant
IJM (Finsbury Circus) Limited (“IJM Finsbury”)	England and Wales	70	Dormant
JRL Property (Elstree Way) Limited	England and Wales	100	Property investment
JRL Property (South East) Limited	England and Wales	100	Property investment
JRL Property (London) Limited	England and Wales	100	Property investment
<b>Held by IJM Finsbury</b>			
IJM (FC) B.V.	Netherlands	70	Property management
<b>Associates</b>			
<b>Name of associates</b>	<b>Country of incorporation</b>	<b>Equity interest (%)</b>	<b>Principal activities</b>
<b>Held by IJM</b>			
Bionic Land Berhad	Malaysia	20	Investment holding and provision of management services
Emas Utilities Corporation Sdn Bhd Grupo Concesionario del Oeste S.A.	Malaysia Argentina	40 20.1	Investment holding Construction, renovation, repair, conservation and operation of Acceso Oeste highway
Inversiones E Inmobiliaria Sur-Sur S.A. WCE Holdings Berhad (“WCEHB”)	Chile Malaysia	25 28.1	Dormant Investment holding
<b>Held by IJM (JRL) Limited</b>			
JRL Group Holdings Limited	England and Wales	30.0	Activities of construction holding companies
<b>Held by IEMCEE Infra (Mauritius) Limited</b>			
GVK Gautami Power Limited	India	20	Dormant
<b>Held by IJM Construction Sdn Bhd</b>			
Hexacon Construction Pte Limited	Singapore	45.5	Civil and building construction
Highway Master Sdn Bhd	Malaysia	50	Road pavement construction
<b>Held by IJM Investments (L) Limited</b>			
Earning Edge Sdn Bhd	Malaysia	22	Dormant

## INFORMATION ON IJM (Cont'd)

<u>Name of associates</u>	<u>Country of incorporation</u>	<u>Equity interest (%)</u>	<u>Principal activities</u>
<b><u>Held by IJM Land Berhad</u></b>			
Kuantan Pahang Holding Sdn Bhd	Malaysia	40	Investment holding
Riana Star Park Sdn Bhd ( <i>formerly known as Urban Reach Sdn Bhd</i> )	Malaysia	45	Investment holding, investment in properties, leasing and management of properties and property development
<b><u>Held by Asas Panorama Sdn Bhd</u></b>			
MCKILP Development Sdn Bhd	Malaysia	29.4	Property development
<b><u>Held by IJM Properties Sdn Bhd</u></b>			
MASSCORP-Vietnam Sdn Bhd	Malaysia	20	Investment holding
<b><u>Held by IJM RE Sdn Bhd</u></b>			
Global Vision Logistics Sdn Bhd	Malaysia	25	Investment holding
<b><u>Held by KP Port Services Sdn Bhd</u></b>			
KP Depot Services Sdn Bhd	Malaysia	18	Provision of container depot services
<b><u>Held by Road Builder (M) Holdings Bhd</u></b>			
West Coast Expressway Sdn Bhd (of which 22.5% is held indirectly by IJM via WCEHB)	Malaysia	43	Design, construction and development of the West Coast Expressway Project and managing its toll operations

**Note:**

\*\* *Unincorporated entities.*

**INFORMATION ON IJM (Cont'd)**
**6. ASSETS OWNED**

Based on the latest audited consolidated financial statements of IJM for the FYE 31 March 2025, the IJM Group's total assets stood at approximately RM21.8 billion, which comprises the following:

<b>Type of assets</b>	<b>Audited as at 31 March 2025</b>
	<b>(RM'000)</b>
Property, plant and equipment	1,232,213
Right-of-use assets	237,407
Investment properties	651,425
Concession assets	3,443,329
Associates	1,387,374
Joint ventures	714,845
Financial assets at fair value through other comprehensive income	2,155
Financial assets at fair value through profit or loss	576,306
Long term receivables	416,776
Intangible assets	112,368
Deferred tax assets	482,684
Inventories	7,155,003
Trade and other receivables	2,264,630
Contract assets	540,213
Tax recoverable	57,536
Deposits, cash and bank balances	2,493,955
Assets held for sale	1,112
	<b>21,769,331</b>

**7. FINANCIAL INFORMATION**

A summary of the historical financial information of the IJM Group for the FYE 31 March 2023, FYE 31 March 2024 and FYE 31 March 2025 as well as for the nine (9)-month financial period ended ("FPE") 31 December 2024 and FPE 31 December 2025 is set out below:

	<b>Audited</b>			<b>Unaudited</b>	
	<b>FYE 31 March</b>			<b>Nine (9)-month FPE 31 December</b>	
	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>	<b>(RM'000)</b>
Revenue	4,572,485	5,918,814	6,251,989	4,460,451	5,012,720
PBT	483,028	964,169	791,064	533,681	354,216
Net profit for the financial year / period	211,596	665,192	467,261	335,239	187,246
Current asset	11,834,454	12,103,108	12,387,249	11,491,449	12,516,061
Current liabilities	4,800,790	5,014,777	5,523,945	5,180,906	7,259,474
Share capital	6,132,406	6,132,406	6,132,406	6,132,406	6,132,406
Shareholders' funds / NA	9,843,764	10,216,514	10,276,261	10,165,827	10,134,878

## INFORMATION ON IJM (Cont'd)

	Audited			Unaudited	
	FYE 31 March			Nine (9)-month FPE 31 December	
	2023	2024	2025	2024	2025
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Total borrowings <sup>(1)</sup>	5,364,842	5,534,298	5,842,354	5,257,053	6,123,461
Weighted average number of IJM Shares in issue ('000)	3,521,221	3,507,797	3,506,130	3,506,166	3,505,166
NA per IJM Share (RM) <sup>(2)</sup>	2.80	2.91	2.93	2.90	2.89
EPS (sen) <sup>(3)</sup> : - Basic and diluted	4.49	17.11	11.50	7.83	5.05
Current ratio (times) <sup>(4)</sup>	2.47	2.41	2.24	2.22	1.72
Gearing ratio (times) <sup>(5)</sup>	0.26	0.26	0.33	0.28	0.38

**Notes:**

- (1) Total borrowings of the IJM Group include bonds, term loans, government support loan, revolving credits, bankers' acceptances, bank overdrafts and letters of credit.
- (2) Computed based on NA over the weighted average number of IJM Shares in issue.
- (3) Computed based on profit after tax and minority interest over the weighted average number of IJM Shares in issue.
- (4) Computed based on current assets over current liabilities as at the end of the financial year / period.
- (5) Computed based on total borrowings less deposits, cash and bank balances over NA.

**Commentary on past performance****(i) Nine (9)-month FPE 31 December 2025 vs FPE 31 December 2024**

Revenue increased by RM552.3 million or 12.4% from RM4,460.5 million for the FPE 31 December 2024 to RM5,012.7 million for the FPE 31 December 2025, mainly due to the following:

- (a) the construction division reported an increase in revenue for the FPE 31 December 2025 of 53.7% as compared to the FPE 31 December 2024, primarily due to higher construction work activities during the period in tandem with the higher order book; and
- (b) the manufacturing and quarrying division reported an increase in revenue for the FPE 31 December 2025 of 19.0% as compared to the FPE 31 December 2024, principally due to higher deliveries of piles, quarry and ready-mixed concrete.

**INFORMATION ON IJM (Cont'd)**

---

Despite the increase in revenue, the IJM Group's PBT decreased by RM179.5 million or 33.6% from RM533.7 million for the FPE 31 December 2024 to RM354.2 million for the FPE 31 December 2025 mainly due to the following:

- (a) the property development division reported pre-tax losses of RM7.7 million for the FPE 31 December 2025 as compared to pre-tax profit of RM240.7 million for the FPE 31 December 2024 due to (i) lower revenue and the non-recurrence of the land sale gain; and (ii) the unrealised foreign exchange losses of RM44.4 million for the FPE 31 December 2025, overheads being expensed for nurturing long term investment assets in Malaysia and the UK which are under construction and development expenses incurred related to Network Rail (Innova partnership with Network Rail Property) development joint venture in the UK;
- (b) the infrastructure (port) division reported a decrease in pre-tax profits for the FPE 31 December 2025 of 36.8% as compared to the FPE 31 December 2024, mainly due to lower revenue as a result of lower cargo throughput; and
- (c) unrealised foreign exchange losses of RM103.2 million.

**(ii) FYE 31 March 2025 vs FYE 31 March 2024**

Revenue increase by RM333.2 million or 5.6% from RM5,918.8 million for the FYE 31 March 2024 to RM6,252.0 million for the FYE 31 March 2025, mainly due to higher construction activities on the back of higher secured order book.

Despite the increase in revenue, the IJM Group's PBT decreased by RM173.1 million or 18.0% from RM964.2 million for the FYE 31 March 2024 to RM791.1 million for the FYE 31 March 2025 mainly due to the following:

- (a) the unrealised foreign exchange losses of RM42.1 million; and
- (b) the recognition of fair value losses on WCEHB warrants of RM26.6 million in the FYE 31 March 2025 as compared to unrealised foreign exchange gains of RM30.4 million and recognition of fair value gains on WCEHB warrants of RM67.0 million in the FYE 31 March 2024.

After excluding the effects of the above one-off items, the IJM Group's PBT would have increased by 15.9% to RM913.7 million for the FYE 31 March 2025.

**INFORMATION ON IJM (Cont'd)**


---

**(iii) FYE 31 March 2024 vs FYE 31 March 2023**

Revenue increase by RM1,346.3 million or 29.4% from RM4,572.5 million for the FYE 31 March 2023 to RM5,918.8 million for the FYE 31 March 2024, mainly due to the following:

- (a) the construction division reported an increase in revenue for the FYE 31 March 2024 of 56.6% as compared to the FYE 31 March 2023 due to higher construction work activities during the period;
- (b) the property development division reported an increase in revenue for the FYE 31 March 2024 of 25.6% as compared to the FYE 31 March 2023 due to the strong sales of RM2.37 billion during the year and higher work progress achieved for the division's ongoing development;
- (c) the manufacturing and quarrying division reported an increase in revenue for the FYE 31 March 2024 of 19.0% as compared to the FYE 31 March 2023 due to higher selling prices and sales volume recorded for the piles business;
- (d) the infrastructure (port) division reported an increase in revenue for the FYE 31 March 2024 of 40.8% as compared to the FYE 31 March 2023 due to higher port revenue as a result of recovery in cargo throughput, additional cargo from industries near Kemaman, higher ship revenue and the implementation of new tariff rates effective end March 2023; and
- (e) the investment and others division reported an increase in revenue for the FYE 31 March 2024 as a result of the reclassification of the telecommunication business from infrastructure to investment and others.

The IJM Group's PBT increased by RM481.1 million or 99.6% from RM483.0 million for the FYE 31 March 2023 to RM964.2 million for the FYE 31 March 2024 mainly due to the following:

- (a) the property development division reported an increase of 6.6% pre-tax profit for the FYE 31 March 2024. The small increase was due to a higher profit recorded in the FYE 31 March 2023 on completion of a major cost finalisation exercise for completed projects. The pre-tax profits for the FYE 31 March 2024 also included an unrealised foreign exchange gain of RM49.2 million as compared to an unrealised foreign exchange loss of RM2.7 million for the FYE 31 March 2023;
- (b) the manufacturing and quarrying division reported an increase of 19.5% in pre-tax profit for the FYE 31 March 2024 on the back of higher profit margins;
- (c) the infrastructure (toll) division reported a significant increase of 172.5% in pre-tax profits for the FYE 31 March 2024, primarily attributable to the absence of the higher maintenance (resurfacing) costs and RM133 million of expected credit losses pursuant to a financial instrument related to the West Coast Expressway in the FYE 31 March 2023. Additionally, there was a lower unrealised foreign exchange loss of RM27.0 million on its United States Dollar-denominated borrowings for its Indian operations as compared to the RM68.7 million loss recorded for the FYE 31 March 2023;
- (d) the infrastructure (port) division reported a significant increase of 343.1% in pre-tax profits for the FYE 31 March 2024 mainly due to increased port revenue as a result of the recovery in cargo throughput; and
- (e) the investment and others division reported a significant increase in pre-tax profits for the FYE 31 March 2024 due to the recognition of fair value gains on WCEHB warrants of RM67.0 million.

## INFORMATION ON IJM (Cont'd)

### 8. CONSTRUCTION PROJECTS OF THE IJM GROUP

The IJM Group has completed the following major construction projects in the past one year up to the LPD:

No.	Type	Owner of the project	Contract value (RM'000)	Commencement year	Completion year
1.	Shah Alam International Logistic (GVL) Design, Construct and Complete Including Testing and Commissioning	Global Vision Logistics Sdn Bhd	653,633	22 September 2023	21 November 2025

As at the LPD, the IJM Group is currently undertaking the following major construction projects which have been announced on Bursa Securities:

No.	Project name/ Type/ Location	Owner of the project	Contract value (RM'000)	Date of contract awarded	Commencement/ Expected commencement year	Completion/ Expected completion year
1.	<b>Tapir (Core &amp; Shell)</b> Cadangan Membina Pusat Data yang mengandungi Fasa 4E, Fasa 1, Fasa2, Fasa 3, Fasa 4 Di atas sebahagian Lot PT55800, Mukim Rawang, Daerah Gombak, Selangor Darul Ehsan (General Contractor Core and Shell Construction Package 1	Sime Darby Property (EBP Asset II) Sdn Bhd ("SDP EBPA II")	1,261,127	24 October 2025	1 November 2025	30 April 2027
2.	<b>North Point Data Centre</b> Construction of Data Centre for Phase 1 Consisting of 1 Unit of 6 Storey Data Centre Building with office, 2 Units of Guard House & 1 Unit of Waste Management Facility Recycling Area on PTD 213429 Mukim Pulai, Daerah Johor Bharu, Johor	-( <sup>1</sup> )	1,442,919	13 August 2025	11 August 2025	10 September 2026

## INFORMATION ON IJM (Cont'd)

No.	Project name/ Type/ Location	Owner of the project	Contract value (RM'000)	Date of contract awarded	Commencement/ Expected commencement year	Completion/ Expected completion year
3.	<b><u>New Logistic Hub (Plot A), Shah Alam</u></b> Proposed Construction on New Logistic Hub (Plot A) on PT 1041, Jalan Utas 15/7, Seksyen 15, 40200 Shah Alam, Selangor	Strategic Sonata Sdn Bhd	584,320	20 June 2024	20 June 2024	19 October 2026
4.	<b><u>Hospital Kapar</u></b> Pembinaan Hospital Kapar, Selangor (Reka dan Bina)	Kementerian Kesihatan Malaysia	831,000	14 October 2022	10 November 2022	4 November 2026
5.	<b><u>ICQC (RTS Link)</u></b> Projek Rapid Transit System Link (RTS Link) antara Johor Bahru dan Singapore. Design, Construction and Completion of Package 2A Immigration Customs and Quarantine Complex and Package 2B ICQC External Works for Rapid Transit System Link (RTS Link) Johor bahrusingapore	Malaysia Rapid Transit System Sdn Bhd	1,255,711	11 October 2023	3 November 2023	30 December 2026
6.	<b><u>Lebuhraya Baru Pantai (NPE2)</u></b> The Proposed Design, Construction and Completion of New Pantai Expressway Extension (NPE2)	New Pantai Expressway Sdn Bhd	1,399,800	5 November 2025	16 October 2025	15 October 2029

**Note:**

(1) The identity of the project owner is not disclosed to us due to confidentiality reasons.

**INFORMATION ON IJM (Cont'd)**

---

Save for the following, none of the project owners in respect of the projects as disclosed above is a director and/or substantial shareholder of IJM and/or person connected with them:

- (i) SDP EBPA II for Tapir (Core & Shell) - Cadangan Membina Pusat Data in Mukim Rawang, Daerah Gombak, where IJM and Sime Darby Property Berhad, the holding company of SDP EBPA II, are deemed related parties by virtue of having common major shareholders namely, PNB and EPF.

**INFORMATION ON IJM (Cont'd)**


---

**9. MATERIAL COMMITMENTS**

As at 31 December 2025, save as disclosed below, there are no other material commitments incurred or known to be incurred by the IJM Group which may have a material impact on the profits or NA of the IJM Group:

	<b>(RM'000)</b>
Approved and contracted for	211,055
Approved but not contracted for	255,520
	<u>466,575</u>
 <u>Analysed as follows:</u>	
- Purchases of property, plant and equipment	287,745
- Purchases of development land	73,791
- Concession assets	105,039
	<u>466,575</u>

**10. CONTINGENT LIABILITIES**

As at 31 December 2025, save as disclosed below, there are no other contingent liabilities which, upon becoming enforceable, may have a material impact on the profits or NA of the IJM Group:

	<b>(RM,000)</b>
Balance as at 31 March 2025	48,499
- Exchange differences	<u>(6,273)</u>
Balance as at 31 December 2025	<u>42,226</u>

**11. MATERIAL CONTRACTS**

Save as disclosed below, the IJM Group has not entered into any material contracts (not being contract entered into in the ordinary course of business) within two (2) years preceding the date of this Circular:

- (a) on 26 November 2024, IJM announced on Bursa Securities that it had on 25 November 2024 entered into a conditional share subscription agreement on 25 November 2024 for the proposed subscription of new ordinary shares in JRL, representing 50% of the enlarged equity interest in JRL for a total cash consideration of up to GBP50,000,000 (equivalent to approximately RM283 million). The acquisition was completed on 24 April 2025.

**12. MATERIAL LITIGATION**

As at the LPD, the IJM Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant, and the directors of IJM are not aware of any proceedings pending or threatened against the IJM Group, or of any facts likely to give rise to any proceedings which may materially and adversely affect the financial position or business of the IJM Group.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025



### Directors' Report

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

#### PRINCIPAL ACTIVITIES

The Company is principally engaged in construction and investment holding activities. The Group's principal activities are in construction, property development, manufacturing and quarrying, port operations, tollway operations and investment holding.

#### FINANCIAL RESULTS

	The Group RM'000	The Company RM'000
Net profit/(losses) for the financial year	467,261	(192,748)
Attributable to:		
Owners of the Company	403,377	(192,748)
Perpetual sukuk	49,988	-
Non-controlling interests	13,896	-
	467,261	(192,748)

#### DIVIDENDS

Dividends paid since the end of the previous financial year are as follows:

	RM'000
In respect of the financial year ended 31 March 2024:	
A single tier second interim dividend and a special dividend of 5 sen and 1 sen respectively per share, paid on 19 July 2024	210,370
In respect of the financial year ended 31 March 2025:	
A single tier first interim dividend of 2 sen per share, paid on 27 December 2024	70,123
	280,493

On 29 May 2025, the Directors have declared a single tier second interim dividend and a special dividend in respect of the financial year ended 31 March 2025 of 5.0 sen and 1.0 sen respectively per share to be paid on 18 July 2025 to every member who is entitled to receive the dividend as at 5:00 pm on 30 June 2025.

The Directors do not recommend the payment of any final dividend for the financial year ended 31 March 2025.

#### RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are disclosed in the financial statements.

#### SHARES, OPTIONS OVER ORDINARY SHARES, WARRANTS AND DEBENTURES

No shares, options over ordinary shares, warrants or debentures had been issued by the Company during the financial year.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Directors' Report (cont'd)

#### TREASURY SHARES

During the financial year, the Company purchased 1,000,000 of its ordinary shares from the open market on Bursa Malaysia Securities Berhad ("Bursa Malaysia") for RM1,910,280. The average price paid for the shares purchased was approximately RM1.91 per share.

Details of the treasury shares are set out in Note 14(B) to the financial statements.

#### DIRECTORS

The Directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Sri Dato' Tan Boon Seng @ Krishnan, *Non-Executive Chairman*  
 Dato' Lee Chun Fai<sup>^</sup>, *Group Chief Executive Officer ("GCEO") & Managing Director ("MD")*  
 Dato' David Frederick Wilson<sup>@</sup>, *Independent Non-Executive Director*  
 Ms Tan Ting Min<sup>#</sup>, *Independent Non-Executive Director*  
 Dato' Ir. Tan Gim Foo<sup>#^\*</sup>, *Independent Non-Executive Director*  
 Ms Loh Lay Choon<sup>#</sup>, *Independent Non-Executive Director*  
 Datuk Ir. Ahmad 'Asri bin Abdul Hamid<sup>\$</sup>, *Independent Non-Executive Director*  
 Puan Fatimah Binti Merican, *Independent Non-Executive Director (appointed on 24 March 2025)*  
 Datuk Lee Teck Yuen<sup>\*</sup>, *Non-Executive Director*  
 Encik Azhar bin Ahmad<sup>\$</sup>, *Non-Executive Director*  
 Encik Mazuki bin Abdullah @ Muhammad, *Non-Executive Director (appointed on 23 September 2024)*  
 Mr Goh Tian Sui<sup>@</sup>, *(retired as Independent Non-Executive Director on 29 August 2024)*  
 Tunku Alina Binti Raja Muhd Alias<sup>\*</sup>, *(retired as Independent Non-Executive Director on 29 August 2024)*

# members of the Audit Committee

\$ members of the Risk Management and Sustainability Committee

\* members of the Nomination and Remuneration Committee

@ members of the Securities and Options Committee

^ members of the Operating Committee

#### DIRECTORS' INTERESTS IN SHARES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, particulars of interests of Directors who held office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:

##### IJM Corporation Berhad

Name of Directors	Balance at 1.4.2024	Number of ordinary shares		Balance at 31.3.2025
		Acquired	Disposed	
Tan Sri Dato' Tan Boon Seng @ Krishnan				
Direct interest	9,847,466	200,000	-	<b>10,047,466</b>
Indirect interest <sup>(1)</sup>	1,021,972	100,000	-	<b>1,121,972</b>
Dato' Lee Chun Fai				
Direct interest	977,500	-	-	<b>977,500</b>
Indirect interest <sup>(1)</sup>	250,000	-	-	<b>250,000</b>
Datuk Lee Teck Yuen				
Direct interest	11,764,692	-	-	<b>11,764,692</b>

Note:

<sup>(1)</sup> Through a family member

Except as disclosed above, the Directors in office at the end of the financial year do not have any direct or indirect interests in the shares of the Company and its related corporations during the financial year.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the fees and other emoluments shown under Directors' Remuneration in the financial statements) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company or any of its subsidiaries a party to any arrangement whose object was to enable the Directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' REMUNERATION

The aggregate amounts of remuneration received/receivable by Directors of the Company for the financial year are as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Directors of the Company:				
Fees	<b>2,190</b>	2,085	<b>2,079</b>	1,929
Defined contribution retirement plan	<b>474</b>	342	<b>474</b>	342
Other emoluments	<b>3,142</b>	2,319	<b>3,119</b>	2,302
Monetary value of benefits-in-kind	<b>348</b>	305	<b>348</b>	305
	<b>6,154</b>	5,051	<b>6,020</b>	4,878

### INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains a liability insurance for the Directors and officers of the Group throughout the financial year, which provides appropriate insurance cover for the Directors and officers of the Group. The total amount of indemnity coverage for the Directors and officers of the Group for the financial year 2025 was RM77 million.

### OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:

- (a) to ascertain the action taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, other than debts, which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts of the Group and of the Company inadequate to any substantial extent and the values attributed to current assets of the Group and of the Company misleading; or
- (b) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (c) not otherwise dealt with in this report or in the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, neither any charge on the assets of the Group and the Company has arisen since the end of the financial year which secures the liability of any other person nor any contingent liability of the Group and the Company.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Directors' Report (cont'd)

### OTHER STATUTORY INFORMATION (cont'd)

No contingent or other liability of any company in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company and its subsidiaries to meet their obligations when they fall due.

In the opinion of the Directors:

- (a) other than as disclosed in the financial statements, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or other events of a material and unusual nature which would substantially affect the results of the operations of the Group and of the Company for the current financial year.

### LIST OF DIRECTORS OF SUBSIDIARIES

Pursuant to Section 253 of the Companies Act 2016, the list of directors of the subsidiaries during the financial year and up to the date of this report is as follows:

Dato' Sri Haji Abd Rahim bin Abdul	Datuk Ir. Hamzah bin Hasan	Sim Yong Hua
Adrian Jonathan Wallace	Kang Hong Jie	Stien Van Lutam
Aziz Bin Bahaman	Lau Liang See	Syed Sarfaraz Haider Rizvi
Datuk Chai Kian Soon	Dato' Lee Chun Fai	Second Circle Corporate Services
Chan Huan Ong	Lee Chee Heong	(Jersey) Limited
Chai Koon Wah	Datuk Lee Teck Yuen	Soh Wai Fong
Chan Weng Yew	Leong Yew Kuen	Tan Boon Leng
Cheah Tian Hong	Li, Kaishan	Tan Chin Siong
Dato' Cheong Hock Soon	Liew Siew Wai	Tan Chuan Choon
Chitra Ramachandran	Lim Chin Leong	Dato' Ir Tan Gim Foo
Chong Ann Ching	Datuk Ling Thou Lung	Tan Chee Yen
Choy Teik San	Loh Zhi Ming @ Loh Kui Song	Tan Hwa Min
Chow Man Fui	Mark Andrew Lahiff	Tan Khee Leng
Chua Lay Hoon	Ma, Zhengguo	Tan Khuan Beng
Circle Corporate Services	Mazlim bin Husin	Tan Ling Jin
(Jersey) Limited	Dato' Mohamed Feisal bin Ibrahim	Tan Peng Kok
Dato' David Frederick Wilson	Mahesh Chandra	Tan Ting Min
Dato' Edward Chong Sin Kiat	Muhammad Hidzir Bin Mohamed Yusoff	Tan Yang Cheng
Fang Hoong Meng	Muhammed Rafiq Haji Abdul Rahim	Dato' Dr. Tan Yew Chong
Fong Wern Sheng	Najeeb Amin	Vassudha Beethue
Gan Chin Giap	Nicholas James Terry	Venkata Sunil Kumar Aripirala
Gan Sher Lin	Nikhil Viswanathan Nagarajan	Wan Salwani binti Wan Yusoff
Goh Chee Huat	Ocorian Corporate Services	Wong Heng Wai
Goh Kiat Lee	(Jersey) Limited	Wong Siew Meng
Goh Su Yin	Ong Jing Ren	Wong Soon Fah
G. P. V. Narasimham	Ravi Kumar Kandala	Yeoh Oon Tat
Hazlan Bin Abdul Aziz	Rishikesh Batoosam	Zhou JiHui
Dato' Josphine Juliana a/p	Sanjay Agarwal	
S Arulanandam		

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨	
								FINANCIAL STATEMENTS	

**SUBSIDIARIES**

Details of subsidiaries are set out in Note 51 to the financial statements.

**AUDITORS' REMUNERATION**

Details of auditors' remuneration for financial year ended 31 March 2025 are as follows:

	The Group RM'000	The Company RM'000
Statutory audit:		
PricewaterhouseCoopers PLT, Malaysia	3,241	614
Other member firms of PricewaterhouseCoopers International Limited	389	-
Other auditors of subsidiaries	1,118	-
	4,748	614
Other services:		
PricewaterhouseCoopers PLT, Malaysia	567	46
Other member firms of PricewaterhouseCoopers International Limited	99	-
	666	46
	5,414	660

**AUDITORS**

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to continue in office.

This report was approved by the Board of Directors on 8 July 2025.

Signed on behalf of the Board of the Directors:



**TAN SRI DATO' TAN BOON SENG**  
**@ KRISHNAN**  
 DIRECTOR



**DATO' LEE CHUN FAI**  
 DIRECTOR

Petaling Jaya

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

---

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Statement by Directors**

Pursuant to Section 251(2) of The Companies Act 2016

We, Tan Sri Dato' Tan Boon Seng @ Krishnan and Dato' Lee Chun Fai, being two of the Directors of IJM Corporation Berhad do hereby state that, in the opinion of the Directors, the financial statements of the Group and of the Company set out on pages 251 to 421 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and of the financial performance and cash flows of the Group and of the Company for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the provisions of the Companies Act 2016.

Signed in accordance with a resolution of the Board of Directors dated 8 July 2025.



**TAN SRI DATO' TAN BOON SENG**  
**@ KRISHNAN**  
DIRECTOR



**DATO' LEE CHUN FAI**  
DIRECTOR

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨
---	---	---	---	---	---	---	---	---

FINANCIAL STATEMENTS

## Statements of Comprehensive Income

For the Financial Year Ended 31 March 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Operating revenue	4a,13	<b>6,251,989</b>	5,918,814	<b>343,319</b>	184,017
Cost of sales	4b	<b>(4,666,769)</b>	(4,368,576)	<b>(81)</b>	(263)
Gross profit		<b>1,585,220</b>	1,550,238	<b>343,238</b>	183,754
Other operating income		<b>229,367</b>	319,629	<b>104,855</b>	208,529
Tendering, selling and distribution expenses		<b>(49,330)</b>	(59,002)	-	-
Administrative expenses		<b>(478,761)</b>	(426,712)	<b>(65,174)</b>	(56,233)
Other operating expenses		<b>(127,516)</b>	(187,220)	<b>(593,625)</b>	(169,956)
Net (impairment)/reversal of impairment of financial assets		<b>(65,323)</b>	75,847	<b>105,874</b>	(46,486)
Operating profit/(losses) before finance cost	5	<b>1,093,657</b>	1,272,780	<b>(104,832)</b>	119,608
Finance cost	9,13	<b>(283,151)</b>	(307,137)	<b>(75,115)</b>	(87,351)
Operating profit/(losses) after finance cost		<b>810,506</b>	965,643	<b>(179,947)</b>	32,257
Share of losses of associates	13	<b>(55,107)</b>	(31,217)	-	-
Share of profits of joint ventures	13	<b>35,665</b>	29,743	-	-
Profit/(losses) before taxation	13	<b>791,064</b>	964,169	<b>(179,947)</b>	32,257
Income tax expense	10	<b>(323,803)</b>	(298,977)	<b>(12,801)</b>	(1,021)
Net profit/(losses) for the financial year		<b>467,261</b>	665,192	<b>(192,748)</b>	31,236
Other comprehensive income/(losses) (net of tax):					
<i>Items that will not be reclassified to profit or loss:</i>					
Fair value loss on financial assets at fair value through other comprehensive income		-	(1,510)	-	-
Actuarial gain on defined benefit plan		<b>183</b>	-	-	-
		<b>183</b>	(1,510)	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>					
Currency translation differences of foreign operations		<b>(66,240)</b>	70,431	<b>2,610</b>	(1,655)
Share of other comprehensive income/(losses) of associates		<b>40</b>	(66)	-	-
Realisation of other comprehensive loss arising from liquidation of a subsidiary		-	92	-	-
		<b>(66,200)</b>	70,457	<b>2,610</b>	(1,655)
		<b>(66,017)</b>	68,947	<b>2,610</b>	(1,655)
Total comprehensive income/(losses) for the financial year		<b>401,244</b>	734,139	<b>(190,138)</b>	29,581

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Statements of Comprehensive Income** (cont'd)  
 For the Financial Year Ended 31 March 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net profit/(losses) attributable to:					
Owners of the Company		<b>403,377</b>	600,278	<b>(192,748)</b>	31,236
Perpetual sukuk		<b>49,988</b>	46,695	-	-
Non-controlling interests		<b>13,896</b>	18,219	-	-
<b>Net profit/(losses) for the financial year</b>		<b>467,261</b>	665,192	<b>(192,748)</b>	31,236
Total comprehensive income/(losses) attributable to:					
Owners of the Company		<b>342,150</b>	664,321	<b>(190,138)</b>	29,581
Perpetual sukuk		<b>49,988</b>	46,695	-	-
Non-controlling interests		<b>9,106</b>	23,123	-	-
<b>Total comprehensive income/(losses) for the financial year</b>		<b>401,244</b>	734,139	<b>(190,138)</b>	29,581
Earnings per share for net profit attributable to owners of the Company:					
- Basic	11	<b>11.50 Sen</b>	17.11 Sen		
- Fully diluted	11	<b>11.50 Sen</b>	17.11 Sen		

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

① — ② — ③ — ④ — ⑤ — ⑥ — ⑦ — ⑧ — ⑨

FINANCIAL STATEMENTS

## Statements of Financial Position

As at 31 March 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>CAPITAL AND RESERVES</b>					
<b>ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>					
Share capital	14(A)	<b>6,132,406</b>	6,132,406	<b>6,132,406</b>	6,132,406
Treasury shares	14(B)	<b>(237,012)</b>	(235,102)	<b>(237,012)</b>	(235,102)
Exchange translation reserve		<b>(83,774)</b>	(22,437)	<b>5,748</b>	3,138
Other reserves		<b>(558)</b>	(558)	-	-
Retained profits		<b>4,465,199</b>	4,342,205	<b>1,932,390</b>	2,405,631
		<b>10,276,261</b>	10,216,514	<b>7,833,532</b>	8,306,073
Perpetual Sukuk of a subsidiary	15	<b>851,100</b>	847,775	-	-
NON-CONTROLLING INTERESTS		<b>203,483</b>	254,567	-	-
<b>TOTAL EQUITY</b>		<b>11,330,844</b>	11,318,856	<b>7,833,532</b>	8,306,073
<b>NON-CURRENT LIABILITIES</b>					
Bonds	16	<b>3,072,695</b>	2,703,567	<b>700,000</b>	900,000
Term loans	17	<b>888,169</b>	1,088,206	-	-
Government support loan	18	-	8,655	-	-
Lease liabilities	19	<b>44,558</b>	62,172	<b>14,040</b>	15,619
Deferred tax liabilities	20	<b>495,740</b>	485,275	-	-
Trade and other payables	22	<b>412,430</b>	374,985	<b>390,000</b>	3,878
Retirement benefits	23	<b>950</b>	1,345	-	-
		<b>4,914,542</b>	4,724,205	<b>1,104,040</b>	919,497
Deferred income	24	-	257,485	-	-
		<b>16,245,386</b>	16,300,546	<b>8,937,572</b>	9,225,570

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Statements of Financial Position** (cont'd)

As at 31 March 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	25	<b>1,232,213</b>	1,097,500	<b>10,232</b>	10,773
Right-of-use assets	26	<b>237,407</b>	259,519	<b>14,614</b>	16,264
Investment properties	27	<b>651,425</b>	622,172	<b>6,248</b>	6,422
Concession assets	28	<b>3,443,329</b>	3,882,496	-	-
Subsidiaries	29	-	-	<b>7,769,868</b>	8,073,759
Associates	30	<b>1,387,374</b>	1,262,011	<b>488,448</b>	384,787
Joint ventures	31	<b>714,845</b>	607,280	<b>173,433</b>	149,923
Financial assets at fair value through other comprehensive income	32	<b>2,155</b>	2,155	<b>2,050</b>	2,050
Financial assets at fair value through profit or loss	38	<b>104</b>	67,006	<b>104</b>	67,006
Long term receivables	33	<b>416,776</b>	243,951	-	-
Intangible assets	34	<b>112,368</b>	111,756	-	-
Deferred tax assets	20	<b>482,684</b>	505,433	<b>24,699</b>	27,350
Inventories	35	<b>701,402</b>	550,936	-	-
		<b>9,382,082</b>	9,212,215	<b>8,489,696</b>	8,738,334
<b>CURRENT ASSETS</b>					
Inventories	35	<b>6,453,601</b>	6,297,161	-	-
Trade and other receivables	36	<b>2,264,630</b>	1,752,272	<b>884,010</b>	491,895
Contract assets	37	<b>540,213</b>	440,917	-	-
Financial assets at fair value through profit or loss	38	<b>576,202</b>	657,937	<b>51,962</b>	388,031
Tax recoverable		<b>57,536</b>	83,962	<b>3,542</b>	-
Deposits, cash and bank balances	39	<b>2,493,955</b>	2,870,389	<b>421,156</b>	520,508
Assets held for sale	40	<b>1,112</b>	470	-	-
		<b>12,387,249</b>	12,103,108	<b>1,360,670</b>	1,400,434
Less:					
<b>CURRENT LIABILITIES</b>					
Contract liabilities	37	<b>444,024</b>	428,897	<b>181</b>	87
Trade and other payables	41	<b>3,130,530</b>	2,758,315	<b>161,199</b>	64,991
Lease liabilities	19	<b>19,211</b>	17,724	<b>1,452</b>	1,260
Current tax liabilities		<b>53,143</b>	81,297	-	1,079
Derivative financial instruments	42	-	332	-	332
Provisions	43	<b>2,745</b>	4,272	-	-
Borrowings					
- Bank overdrafts	44	<b>41,853</b>	22,682	-	-
- Others	44	<b>1,832,439</b>	1,701,258	<b>749,962</b>	845,449
		<b>5,523,945</b>	5,014,777	<b>912,794</b>	913,198
<b>NET CURRENT ASSETS</b>		<b>6,863,304</b>	7,088,331	<b>447,876</b>	487,236
		<b>16,245,386</b>	16,300,546	<b>8,937,572</b>	9,225,570

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025  
(Cont'd)

① — ② — ③ — ④ — ⑤ — ⑥ — ⑦ — ⑧ — ⑨

FINANCIAL STATEMENTS

## Statements of Changes In Equity

For the Financial Year Ended 31 March 2025

		Attributable to owners of the Company								
	Note	Share capital RM'000	Treasury shares RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Perpetual Sukuk of a subsidiary RM'000	Non-controlling interests RM'000	Total equity RM'000
The Group										
At 1 April 2024		6,132,406	(235,102)	(22,437)	(558)	4,342,205	10,216,514	847,775	254,567	11,318,856
<b>Comprehensive income:</b>										
Net profit for the financial year		-	-	-	-	403,377	403,377	49,988	13,896	467,261
<b>Other comprehensive income:</b>										
Currency translation differences arising from translation of net investment in foreign operations		-	-	(61,377)	-	-	(61,377)	-	(4,863)	(66,240)
Share of other comprehensive income of associates		-	-	40	-	-	40	-	-	40
Actuarial gain on defined benefit plan		-	-	-	-	110	110	-	73	183
		-	-	(61,337)	-	110	(61,227)	-	(4,790)	(66,017)
Total comprehensive income for the financial year		-	-	(61,337)	-	403,487	342,150	49,988	9,106	401,244

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Statements of Changes In Equity** (cont'd)  
 For the Financial Year Ended 31 March 2025

		Attributable to owners of the Company								
	Note	Share capital RM'000	Treasury shares RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Perpetual Sukuk of a subsidiary RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>The Group (cont'd)</b>										
<b>Transactions with owners:</b>										
Single tier second interim dividend:										
	12	-	-	-	-	(210,370)	(210,370)	-	-	(210,370)
- Year ended 31 March 2024										
Single tier first interim dividend:										
	12	-	-	-	-	(70,123)	(70,123)	-	-	(70,123)
- Year ended 31 March 2025										
Dividends paid by subsidiaries to non-controlling shareholders										
		-	-	-	-	-	-	-	(60,800)	(60,800)
Distribution to perpetual sukuk holders										
		-	-	-	-	-	-	(46,663)	-	(46,663)
Issuance of shares by a subsidiary to non-controlling shareholders										
		-	-	-	-	-	-	-	610	610
Share buy back										
	14(B)	-	(1,910)	-	-	-	(1,910)	-	-	(1,910)
Total transactions with owners										
		-	(1,910)	-	-	(280,493)	(282,403)	(46,663)	(60,190)	(389,256)
<b>At 31 March 2025</b>		<b>6,132,406</b>	<b>(237,012)</b>	<b>(83,774)</b>	<b>(558)</b>	<b>4,465,199</b>	<b>10,276,261</b>	<b>851,100</b>	<b>203,483</b>	<b>11,330,844</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

① — ② — ③ — ④ — ⑤ — ⑥ — ⑦ — ⑧ — ⑨

FINANCIAL STATEMENTS

		Attributable to owners of the Company									
Note	Share capital RM'000	Treasury shares RM'000	Shares held under trust RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Perpetual Sukuk of a subsidiary RM'000	Non-controlling interests RM'000	Total equity RM'000	
The Group											
At 1 April 2023	6,132,406	(224,912)	(1,263)	(87,990)	952	4,024,571	9,843,764	847,817	269,489	10,961,070	
<b>Comprehensive income:</b>											
Net profit for the financial year	-	-	-	-	-	600,278	600,278	46,695	18,219	665,192	
<b>Other comprehensive income:</b>											
Currency translation differences arising from translation of net investment in foreign operations	-	-	-	65,527	-	-	65,527	-	4,904	70,431	
Fair value loss on financial assets at fair value through other comprehensive income	-	-	-	-	(1,510)	-	(1,510)	-	-	(1,510)	
Share of other comprehensive losses of associates	-	-	-	(66)	-	-	(66)	-	-	(66)	
Realisation of other comprehensive loss arising from liquidation of a subsidiary	-	-	-	92	-	-	92	-	-	92	
	-	-	-	65,553	(1,510)	-	64,043	-	4,904	68,947	
<b>Total comprehensive income for the financial year</b>	-	-	-	65,553	(1,510)	600,278	664,321	46,695	23,123	734,139	

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Statements of Changes In Equity** (cont'd)

For the Financial Year Ended 31 March 2025

		Attributable to owners of the Company									
	Note	Share capital RM'000	Treasury shares RM'000	Shares held under trust RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Perpetual Sukuk of a subsidiary RM'000	Non-controlling interests RM'000	Total equity RM'000
The Group (cont'd)											
<b>Transactions with owners:</b>											
Single tier second interim dividend:											
- Year ended 31 March 2023		-	-	-	-	-	(210,543)	(210,543)	-	-	(210,543)
Single tier first interim dividend:											
- Year ended 31 March 2024	12	-	-	-	-	(70,123)	(70,123)	(70,123)	-	-	(70,123)
Dividends paid by subsidiaries to non-controlling shareholders											
Distribution to perpetual sukuk holders		-	-	-	-	-	-	-	(40,000)	(40,000)	(40,000)
Acquisition of additional interests in a subsidiary											
Issuance of shares by a subsidiary to non-controlling shareholders		-	-	-	-	-	(1,832)	(1,832)	(46,737)	1,705	(127)
Share buy back	14(B)	-	(10,190)	-	-	-	-	(10,190)	-	250	(10,190)
Disposal of shares held under trust		-	-	1,263	-	-	(146)	1,117	-	-	1,117
Total transactions with owners											
		6,132,406	(235,102)	-	(22,437)	(558)	4,342,205	10,216,514	847,775	254,567	11,318,856
<b>At 31 March 2024</b>											

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

① — ② — ③ — ④ — ⑤ — ⑥ — ⑦ — ⑧ — ⑨

FINANCIAL STATEMENTS

	Note	Non-distributable			Distributable		Total RM'000
		Share capital RM'000	Treasury shares RM'000	Exchange translation reserve RM'000	Retained profits RM'000		
The Company							
At 1 April 2024		6,132,406	(235,102)	3,138	2,405,631		8,306,073
<b>Comprehensive income:</b>							
Net losses for the financial year		-	-	-	(192,748)		(192,748)
<b>Other comprehensive income:</b>							
Currency translation differences arising from translation of foreign operations		-	-	2,610	-		2,610
Total comprehensive losses for the financial year		-	-	2,610	(192,748)		(190,138)
<b>Transactions with owners:</b>							
Single tier second interim dividend:							
- Year ended 31 March 2024	12	-	-	-	(210,370)		(210,370)
Single tier first interim dividend:							
- Year ended 31 March 2025	12	-	-	-	(70,123)		(70,123)
Share buy back	14(B)	-	(1,910)	-	-		(1,910)
<b>At 31 March 2025</b>		<b>6,132,406</b>	<b>(237,012)</b>	<b>5,748</b>	<b>1,932,390</b>		<b>7,833,532</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Statements of Changes In Equity** (cont'd)  
 For the Financial Year Ended 31 March 2025

	Note	Non-distributable				Distributable		Total RM'000
		Share capital RM'000	Treasury shares RM'000	Shares held under trust RM'000	Exchange translation reserve RM'000	Retained profits RM'000		
The Company								
At 1 April 2023		6,132,406	(224,912)	(1,263)	4,793	2,655,207	8,566,231	
<b>Comprehensive income:</b>								
Net profit for the financial year		-	-	-	-	31,236	31,236	31,236
<b>Other comprehensive income:</b>								
Currency translation differences arising from translation of foreign operations		-	-	-	(1,655)	-	(1,655)	(1,655)
Total comprehensive income for the financial year		-	-	-	(1,655)	31,236	29,581	29,581
<b>Transactions with owners:</b>								
Single tier second interim dividend:								
- Year ended 31 March 2023		-	-	-	-	(210,543)	(210,543)	(210,543)
Single tier first interim dividend:								
- Year ended 31 March 2024	12	-	-	-	-	(70,123)	(70,123)	(70,123)
Disposal of shares held under trust		-	-	1,263	-	(146)	1,117	1,117
Share buy back	14(B)	-	(10,190)	-	-	-	(10,190)	(10,190)
<b>At 31 March 2024</b>		<b>6,132,406</b>	<b>(235,102)</b>	<b>-</b>	<b>3,138</b>	<b>2,405,631</b>	<b>8,306,073</b>	

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

① — ② — ③ — ④ — ⑤ — ⑥ — ⑦ — ⑧ — ⑨  
FINANCIAL STATEMENTS

## Cash Flow Statements

For the Financial Year Ended 31 March 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>OPERATING ACTIVITIES</b>					
Receipts from customers		6,186,471	5,648,559	32,187	41,935
Payments to contractors, suppliers and employees		(5,195,711)	(4,160,261)	(66,120)	(63,730)
Income tax paid		(294,939)	(328,768)	(14,608)	(15,488)
<b>Net cash flow from/(used in) operating activities</b>		<b>695,821</b>	<b>1,159,530</b>	<b>(48,541)</b>	<b>(37,283)</b>
<b>INVESTING ACTIVITIES</b>					
Balance of purchase consideration paid in relation to the prior year acquisition of a subsidiary		(5,000)	(5,361)	-	-
Investment in associates		-	(73,797)	-	-
Additional investment in an associate		(51,747)	-	(51,747)	-
Investment in jointly controlled entities		-	(5,082)	-	-
Subscription of ordinary shares in a subsidiary		-	-	-	(900)
Subscription of Redeemable Preference Shares in subsidiaries		-	-	(235,795)	(308,148)
Subscription of Redeemable Preference Shares in an associate		(34,213)	(18,738)	-	-
Subscription of Redeemable Unsecured Murabahah Stocks ("RUMS") in an associate	30	(59,640)	(35,080)	-	-
Acquisition of financial assets at fair value through profit or loss		(760,081)	(448,104)	(145,121)	(150,000)
Purchase of land held for property development		-	(30,106)	-	-
Purchase of property, plant and equipment, right-of-use assets, investment properties and lease receivables		(371,967)	(243,559)	(1,170)	(8,725)
Cost incurred on concession assets		-	(1,177)	-	-
Additions to port infrastructure		(20,151)	(10,348)	-	-
Quarry development expenditure incurred	34	(4,376)	(2,707)	-	-
Disposal of property, plant and equipment, right-of-use assets and investment properties		14,247	4,175	74	-
Disposal of assets held for sale		1,524	657	-	-
Disposal of financial assets at fair value through profit or loss		862,323	353,057	490,306	53,409
Proceeds arising from liquidation of a subsidiary		-	-	-	53
Proceeds arising from capital reduction in an associate		-	260	-	-
Proceeds arising from redemption of preference shares in an associate		-	10,024	-	10,024
Dividends received from associates		1,204	6,409	-	5,760
Dividends received from other investments		213	230	192	191
Dividends received from a joint venture		-	253	-	-
Dividends received from subsidiaries		-	-	314,866	151,044
Interest received		74,339	94,783	8,776	17,890
Advances to subsidiaries		-	-	(843,529)	(1,141,468)
Repayments from subsidiaries		-	-	592,292	1,334,083
Advances to associates and a related company		(40,461)	(11,647)	(18)	(14)

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Cash Flow Statements** (cont'd)

For the Financial Year Ended 31 March 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>INVESTING ACTIVITIES</b> (cont'd)					
Repayments from associates and a related company		32	70,563	32	-
Advances to joint ventures		(141,511)	(91,500)	-	-
Repayments from joint ventures		13,261	-	6,749	-
Redemption of Redeemable Convertible Secured Islamic Debt Securities		-	142,062	-	142,062
Deposits paid for acquisition of investments		(243,759)	-	-	-
<b>Net cash flow (used in)/from investing activities</b>		<b>(765,763)</b>	<b>(294,733)</b>	<b>135,907</b>	<b>105,261</b>
<b>FINANCING ACTIVITIES</b>					
Drawdown of bonds		1,000,000	493,792	-	-
Repayment of bonds		(262,748)	(345,160)	(100,000)	(200,000)
Proceeds from bank borrowings		431,784	1,218,901	132,765	979,483
Repayments of bank borrowings		(765,930)	(1,296,661)	(316,581)	(577,335)
Payment for loan transaction costs		(7)	(1,037)	-	-
Repayment of government support loans		(16,600)	(13,800)	-	-
Repayments of hire purchase and lease liabilities		(19,865)	(19,806)	(1,387)	(1,692)
Advances from a subsidiary		-	-	490,000	-
Repayment to a subsidiary		-	-	(26,215)	(35,087)
Acquisition of additional interests in a subsidiary		-	(127)	-	-
Balance of purchase consideration paid in relation to the prior year acquisition of remaining equity interest in a subsidiary		-	(197,600)	-	-
Issuance of shares by a subsidiary to non-controlling shareholders		610	250	-	-
Interest paid		(291,032)	(305,770)	(77,817)	(82,656)
Dividends paid by subsidiaries to non-controlling shareholders		(60,800)	(40,000)	-	-
Dividends paid by the Company		(280,493)	(280,666)	(280,493)	(280,666)
Distribution to perpetual sukuk holders		(46,663)	(46,737)	-	-
Purchase of treasury shares	14(B)	(1,910)	(10,190)	(1,910)	(10,190)
Proceeds from disposal of shares held under trust		-	1,117	-	1,117
Net (placements)/uplifts of restricted deposits		(353)	8,017	-	-
<b>Net cash flow used in financing activities</b>		<b>(314,007)</b>	<b>(835,477)</b>	<b>(181,638)</b>	<b>(207,026)</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR</b>		<b>(383,949)</b>	<b>29,320</b>	<b>(94,272)</b>	<b>(139,048)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>2,845,745</b>	<b>2,807,819</b>	<b>520,508</b>	<b>656,857</b>
<b>FOREIGN EXCHANGE DIFFERENCES</b>		<b>(12,009)</b>	<b>8,606</b>	<b>(5,080)</b>	<b>2,699</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	46	<b>2,449,787</b>	<b>2,845,745</b>	<b>421,156</b>	<b>520,508</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**Reconciliation of liabilities arising from financing activities:**

A reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities is as follows:

	** Interest payables RM'000	Lease liabilities RM'000	* Borrowings RM'000	Total RM'000
<b>The Group:</b>				
At 1 April 2024	27,475	79,896	5,544,796	5,652,167
<b>Cash flows:</b>				
Drawdown of bonds	-	-	1,000,000	1,000,000
Repayment of bonds	-	-	(262,748)	(262,748)
Drawdown of borrowings	-	-	431,784	431,784
Repayment of borrowings	-	-	(765,930)	(765,930)
Repayment of government support loan	-	-	(16,600)	(16,600)
Payment for loan transaction costs	-	-	(7)	(7)
Repayments of lease liabilities	-	(19,865)	-	(19,865)
Interest paid	(279,625)	(3,415)	(7,992)	(291,032)
<b>Non-cash changes:</b>				
Finance cost	235,988	3,415	6,771	246,174
Finance cost capitalised	40,938	-	-	40,938
Foreign exchange movement	(87)	(715)	(103,269)	(104,071)
Addition of leases	-	10,018	-	10,018
Others	-	(5,565)	3,876	(1,689)
<b>At 31 March 2025</b>	<b>24,689</b>	<b>63,769</b>	<b>5,830,681</b>	<b>5,919,139</b>
<b>At 1 April 2023</b>				
At 1 April 2023	57,524	70,850	5,390,657	5,519,031
<b>Cash flows:</b>				
Drawdown of bonds	-	-	493,792	493,792
Repayment of bonds	-	-	(345,160)	(345,160)
Drawdown of borrowings	-	-	1,218,901	1,218,901
Repayment of borrowings	-	-	(1,296,661)	(1,296,661)
Repayment of government support loan	-	-	(13,800)	(13,800)
Payment for loan transaction costs	-	-	(1,037)	(1,037)
Repayments of lease liabilities	-	(19,806)	-	(19,806)
Interest paid	(301,476)	(3,392)	(902)	(305,770)
<b>Non-cash changes:</b>				
Finance cost	265,169	3,392	100	268,661
Finance cost capitalised	35,031	-	-	35,031
Foreign exchange movement	179	465	96,856	97,500
Addition of leases	-	29,212	-	29,212
Others	3	(825)	4,379	3,557
Reclassification	(28,955)	-	(2,329)	(31,284)
<b>At 31 March 2024</b>	<b>27,475</b>	<b>79,896</b>	<b>5,544,796</b>	<b>5,652,167</b>

\* Borrowings of the Group include bonds, term loans, government support loan, other short-term borrowings and advances from the State Government.

\*\* Included within trade accruals (Note 41).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Cash Flow Statements (cont'd)

For the Financial Year Ended 31 March 2025

### Reconciliation of liabilities arising from financing activities: (cont'd)

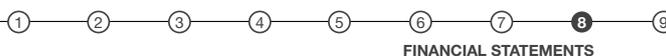
A reconciliation between the opening and closing balances in the company statement of financial position for liabilities arising from financing activities is as follows:

	Interest ** payables RM'000	Lease liabilities RM'000	* Borrowings RM'000	Amount owing to a subsidiary RM'000	Total RM'000
<b>The Company:</b>					
At 1 April 2024	16,180	16,879	1,745,449	3,878	1,782,386
<b>Cash flows:</b>					
Repayment of bonds	-	-	(100,000)	-	(100,000)
Drawdown of borrowings	-	-	132,765	-	132,765
Repayment of borrowings	-	-	(316,581)	-	(316,581)
Repayments of lease liabilities	-	(1,387)	-	-	(1,387)
Net advance from a subsidiary	-	-	-	463,785	463,785
Interest paid	(77,077)	(740)	-	-	(77,817)
<b>Non-cash changes:</b>					
Foreign exchange movement	-	-	(11,671)	-	(11,671)
Finance cost	74,375	740	-	-	75,115
<b>At 31 March 2025</b>	<b>13,478</b>	<b>15,492</b>	<b>1,449,962</b>	<b>467,663</b>	<b>1,946,595</b>
At 1 April 2023	17,392	9,726	1,522,146	38,965	1,588,229
<b>Cash flows:</b>					
Repayment of bonds	-	-	(200,000)	-	(200,000)
Drawdown of borrowings	-	-	979,483	-	979,483
Repayment of borrowings	-	-	(577,335)	-	(577,335)
Repayments of lease liabilities	-	(1,692)	-	-	(1,692)
Net repayment of balances	-	-	-	(35,087)	(35,087)
Interest paid	(82,220)	(436)	-	-	(82,656)
<b>Non-cash changes:</b>					
Foreign exchange movement	-	-	21,155	-	21,155
Finance cost	81,008	436	-	-	81,444
Addition of leases	-	8,845	-	-	8,845
<b>At 31 March 2024</b>	<b>16,180</b>	<b>16,879</b>	<b>1,745,449</b>	<b>3,878</b>	<b>1,782,386</b>

\* Borrowings of the Company include bonds, term loans and revolving credits.

\*\* Included within trade accruals (Note 41).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



## Summary of Material Accounting Policies

For the Financial Year Ended 31 March 2025

The following material accounting policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the financial statements, unless otherwise stated.

### 1 BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention, unless otherwise indicated in this summary of material accounting policies.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Management to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Management's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2 to the financial statements.

The Group and the Company adopted the following Standards, Amendments to Standards.

(a) Amendments to published standards that are effective

The amendments to published standards that are effective for the Group's and the Company's financial year beginning on 1 April 2024 and applicable to the Group and the Company are as follows:

- 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*

The adoption of amendments to published standards listed above did not have any material impact on the current financial year or any prior financial year.

(b) IFRIC agenda decision that are concluded and published

In view that MFRS is fully converged with IFRS Accounting Standards, the Group considers all agenda decisions published by the IFRS Interpretations Committee. Where relevant, the Group may change its accounting policy to be aligned with the agenda decision.

During the year, the Group has assessed the implication of the IFRIC agenda decision on disclosure of revenue and expenses for reportable segment (MFRS 8 Operating Segments).

This agenda decision clarified that entities reporting segment information in their financial statements should disclose specified income and expense items for each reportable segments, provided these items are included in the segment profit measure reviewed by the chief operating decision maker ("CODM"), regardless of whether they are separately reviewed by the CODM. Additionally, entities should apply the requirements for materiality and aggregation under MFRS 101 when determining which additional material items of income and expense should be disclosed in segment reporting.

In line with the IFRIC agenda decision, the Group has reassessed material items included in the profit before tax measure reviewed by the CODM and determined that the write down of inventories, impairment of investment in Redeemable Unsecured Murabahah Stocks ("RUMS") and net foreign exchange losses are material expenses. Accordingly, the Group has included these expenses in the segment information for the current financial year and its comparative information.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 1 BASIS OF PREPARATION (cont'd)

(c) Standards and amendments to published standards that are applicable to the Group and the Company, but are not yet effective and have not been early adopted

(i) The amendments to published standards that are mandatory for the Group's and the Company's financial year beginning on 1 April 2025 and the Group and the Company have not early adopted are as follows\*:

- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.

The amendments clarify that a currency is exchangeable when an entity is able to exchange it into another currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism that creates enforceable rights and obligations. If an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, then the currency is not exchangeable. In such cases, the entity is required to estimate the spot exchange rate at the measurement date.

The amendments do not specify how an entity estimates the spot exchange rate, but permit an entity to use observable exchange rate without adjustment or another estimation technique, provided it could meet the objective for estimating the spot exchange rate set out in the amendments.

When the amendments are first applied, an entity is not permitted to restate comparative information. Instead, the entity should translate the amount affected by foreign currency that lacks exchangeability using the estimated spot exchange rates at the date of initial application. Entity is also required to make additional disclosures when exchangeability is lacking.

(ii) The amendments to published standards that are mandatory for the Group's and the Company's financial year beginning on 1 April 2026 and the Group and the Company have not early adopted are as follows\*:

- Amendments to MFRS 7 Financial Instruments: Disclosures and Amendments to MFRS 9 Financial Instruments – Classification and Measurement of Financial Instruments

The amendments require financial assets to be derecognised on the date the contractual rights to the cash flows expire and financial liabilities to be derecognised when obligation under the contract is discharged (i.e. the settlement date). In addition, there is an optional exception to derecognise financial liabilities before the settlement date for settlement using electronic payment systems.

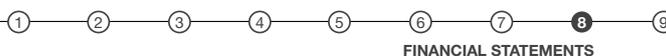
The amendments clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest ("SPPI") criterion.

The amendments add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets).

The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income.

- Amendments to MFRS 9 and MFRS 7 – Contracts Referencing Nature-dependent Electricity

The amendments added the buyer's application guidance clarifying that the buyer are allowed to apply the MFRS 9 'own-use exemption' to account for contracts referencing nature-dependent electricity if the buyer has been, and expects to be, a 'net purchaser' of electricity for the contract period, based on the criteria set in the standard. A buyer is a net purchaser if it buys sufficient electricity to offset any sales of unused electricity in the same market in which the entity sold the electricity.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**1 BASIS OF PREPARATION** (cont'd)

- (c) Standards and amendments to published standards that are applicable to the Group and the Company, but are not yet effective and have not been early adopted (cont'd)
- (ii) The amendments to published standards that are mandatory for the Group's and the Company's financial year beginning on 1 April 2026 and the Group and the Company have not early adopted are as follows\*:  
(cont'd)

- Amendments to MFRS 9 and MFRS 7 – Contracts Referencing Nature-dependent Electricity (cont'd)

The application guidance only applies if both of the following conditions are met:

- (1) the contract obliges the buyer to buy and take delivery of electricity when it is generated; as a result, the buyer is exposed to the risk of being required to buy electricity during a delivery interval in which it cannot use the electricity; and
- (2) the design and operation of the market in which the electricity is transacted under the contract require the buyer to sell any amounts of unused electricity within a specified time; as a result, the buyer has no practical ability to avoid selling any amounts of unused electricity.

**The hedge accounting amendments**

For contracts referencing nature-dependent electricity designated as hedging instruments, the amendments permit an entity to designate the hedged item as a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of nature-dependent electricity expected to be delivered by the generation facility as referenced in the hedging instrument.

If the cash flows of the hedging instrument are conditional on the occurrence of designated forecast transaction, that forecast transaction is presumed to be highly probable.

**Disclosures**

The amendments added a new disclosure requirement applying to physical power purchase agreements for nature-dependent electricity that are accounted for as "own-use" contracts to enable investors to understand the effect of these contracts on an entity's financial performance and cash flows.

For contracts referencing nature-dependent electricity designated as hedging instruments, an entity should disaggregate, by risk category, the information about terms and conditions of hedging instruments.

These amendments apply only to contract referencing nature-dependent electricity that expose an entity to variability in the underlying amount of electricity because the source of its generation depends on uncontrollable natural conditions (such as the weather). The amendments do not apply to renewable energy certificates accompanied in those contracts referencing nature-dependent electricity.

- Annual improvements to MFRS Accounting Standards for enhanced consistency

The annual improvements comprise the following amendments:

- (1) Amendments to MFRS 1 align the hedge accounting provisions with MFRS 9 requirements and add cross-references for better clarity.
- (2) Amendments to MFRS 7 on gain or loss on derecognition – obsolete cross-referencing is removed.  
Additionally, the implementation guidance is revised to address the inconsistency within MFRS 7 on disclosure of deferred difference between fair value and transaction price. The amendments also clarify that the credit risk guidance does not cover all MFRS 7 requirements.
- (3) Amendments to MFRS 9 clarify that the derecognition principle of MFRS 9 should be applied by lessees to account for extinguished lease liabilities.  
In addition, the term "transaction price" as defined in MFRS 15 has also been removed from MFRS 9.
- (4) Amendments to MFRS 10 resolve an inconsistency in determining whether a party is acting as a de facto agent.
- (5) Amendments to MFRS 107 replace the term 'cost method' which is not a defined term in MFRS.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 1 BASIS OF PREPARATION (cont'd)

(c) Standards and amendments to published standards that are applicable to the Group and the Company, but are not yet effective and have not been early adopted (cont'd)

(iii) The new accounting standards that are mandatory for the Group's and the Company's financial year beginning on 1 April 2027 and the Group and the Company have not early adopted are as follows\*:

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 "Presentation of Financial Statements". The key new concepts introduced in MFRS 18 are:

- New structure of profit or loss statement
  - a Categories: Income and expenses are classified into 3 main categories: operating, investing and financing:
    - (i) Operating category: This category typically includes the entity's results from its main business activities.
    - (ii) Investing category: This category typically includes the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources.
    - (iii) Financing category: This category includes all income and expenses from financing liabilities (such as bank borrowings and lease liabilities).
  - b Required subtotals: Entities are required to present specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.
- Disclosures of management-defined performance measures (MPMs), i.e. a subtotal of income and expenses that an entity uses to communicate the performance of the entity to the users of financial statements. MPMs should also be reconciled to the most similar specified subtotal in MFRS Accounting Standards.
- Enhanced principles on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

This new Standard should be applied retrospectively, including for interim financial statements.

MFRS 19 Subsidiaries without Public Accountability: Disclosures

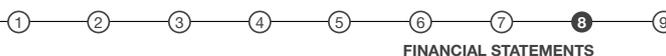
MFRS 19 is a voluntary MFRS Accounting Standard that provides reduced disclosure requirements for eligible subsidiaries. An eligible entity may elect to apply MFRS 19 if at the end of the reporting period, the entity meets all the following conditions:

- is a subsidiary as defined in MFRS 10;
- does not have public accountability; and
- has an ultimate or intermediate parent that prepares consolidated financial statements available for public use that comply with IFRS Accounting Standards

If an eligible entity elects to apply MFRS 19, it continues to apply the recognition, measurement and presentation requirements in other MFRS Accounting Standards, except for the disclosure requirement, where the "reduced disclosure requirements" of MFRS 19 should be applied.

Eligible subsidiaries that elect to apply MFRS 19 in one reporting period may revoke the election at a subsequent reporting period, and therefore, may elect to apply MFRS 19 more than once. When there is a change in the application of MFRS 19, comparative information is provided for all amounts reported in the current period's financial statements.

\* These standards and amendments to published standards will be adopted on the respective effective dates. The Group and the Company have started a preliminary assessment on the effects of the above standards and amendments to published standards and the impact is still being assessed.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**2 ECONOMIC ENTITIES IN THE GROUP**
**(a) Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The existence and effect of potential voting rights are considered when assessing whether the Group controls another entity. In assessing whether potential voting rights contribute to control, the Group examines all facts and circumstances (including the terms of exercise of the potential voting rights and any other contractual arrangements whether considered individually or in combination) that affect potential voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases. The Group applies the acquisition method to account for business combinations when the acquired sets of activities and assets meet the definition of a business. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquisition would be classified as acquisition of assets if definition of business is not met. An entity has an option to apply a “concentration test” that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the concentration test, the acquisition would not represent a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. An entity may elect to apply the concentration test separately for each transaction.

Under the acquisition method of accounting, the consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. The costs directly attributable to the acquisition are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the date of acquisition. The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill – See accounting policy 3 on goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

If the business combination is achieved in stages, the carrying value of the acquirer’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition dates, and any gains or losses arising from such remeasurement are recognised in profit or loss.

The Group applies predecessor accounting to account for business combinations under common control. Under predecessor accounting, assets and liabilities acquired are not restated to their respective fair values but at the carrying amounts in the consolidated financial statements of the ultimate holding company of the Group and adjusted to conform with the accounting policies adopted by the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities (as of the date of transaction) of the acquired entity is recognised as an adjustment to equity. No additional goodwill is recognised. The acquired entity’s results, assets and liabilities are consolidated as if both the acquirer and the acquiree had always been combined. Consequently, the consolidated financial statements reflect both entities’ full year’s results. The comparative information is restated to reflect the combined results of both entities.

Non-controlling interest represents that portion of profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Company. It is measured on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest’s proportionate share of the recognised amounts of acquiree’s identifiable net assets at the date of acquisition and the non-controlling interests’ share of changes in the subsidiaries’ equity since that date.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 2 ECONOMIC ENTITIES IN THE GROUP (cont'd)

##### (a) Subsidiaries (cont'd)

All earnings and losses of the subsidiary are attributed to the owners of the Company and the non-controlling interests, even if the attribution of losses to the non-controlling interests results in a debit balance in the total equity.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

All inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated except for contracted finished goods which are stated at net realisable value. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

##### (b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in equity attributable to owners of the Group.

##### (c) Disposal of subsidiaries

When the Group ceases to consolidate because of a loss of control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss. In addition, any capital reserves associated with the subsidiary will be reclassified to retained profits.

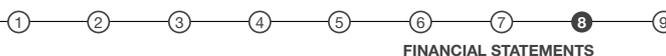
Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

##### (d) Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. The existence and the effect of potential voting rights are considered when assessing whether the group exercises significant influence over another entity. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not the power to exercise control over those policies.

Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment in an associate is initially recognised at cost, and adjusted thereafter to recognise the Group's share of the post-acquisition profit or loss of the associate in profit or loss, and the Group's share of movements in other comprehensive income of the associate in other comprehensive income. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. The Group's investment in associates includes goodwill identified on acquisition.

When the Group's share of losses in an associate equal or exceed its interests in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**2 ECONOMIC ENTITIES IN THE GROUP** (cont'd)

**(d) Associates** (cont'd)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. An impairment is recognised for the amount by which the carrying amount of the associate exceeds its recoverable amount and the amount is recognised in profit or loss.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group eliminates the downstream intercompany transactions with the associate by adjusting against the Group's revenue and cost of sales in the statement of comprehensive income.

When the Group ceases to equity account its associate because of a loss of significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

For incremental interest in an associate when significant influence is retained, the date of acquisition is the purchase date at each stage and goodwill is calculated at each purchase date based on the fair value of assets and liabilities identified. The previously held interest is not re-measured.

**(e) Joint arrangements**

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

**(i) Joint ventures**

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position. Under the equity method, the investment in a joint venture is initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the joint venture in profit or loss, and the Group's share of movements in other comprehensive income of the joint venture in other comprehensive income. Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in a joint venture equal or exceed its interests in the joint ventures, including any long-term interests that, in substance, form part of the Group's net investment in the joint ventures, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. An impairment is recognised for the amount by which the carrying amount of the joint venture exceeds its recoverable amount and the amount is recognised in profit or loss.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 2 ECONOMIC ENTITIES IN THE GROUP (cont'd)

##### (e) Joint arrangements (cont'd)

##### (i) Joint ventures (cont'd)

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group. The Group eliminates the downstream intercompany transactions with the joint venture by adjusting against the Group's revenue and cost of sales in the statement of comprehensive income.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

##### (ii) Joint operations

In relation to the Group's interest in the joint operations, the Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

#### 3 GOODWILL

Goodwill arises from a business combination and represents the excess of the aggregate of fair value of consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the fair value of the net identifiable assets acquired and liabilities assumed on the acquisition date. If the fair value of consideration transferred, the amount of non-controlling interest and the fair value of previously held interest in the acquiree are less than the fair value of the net identifiable assets of the acquiree, the resulting gain is recognised in profit or loss.

Goodwill on acquisition of subsidiaries is included in the statement of financial position as intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and carried at cost less accumulated impairment.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the business combination in which the goodwill arose. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at each business segment. The Group allocates goodwill to each business segment in each country in which it operates. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. See accounting policy 25 on impairment of non-financial assets. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill on acquisitions of joint ventures and associates is included in investments in joint ventures and associates respectively. Such goodwill is tested for impairment as part of the total carrying value.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**4 INVESTMENTS**

In the Company's separate financial statements, investments in subsidiaries, joint ventures and associates are carried at cost less accumulated impairment. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy 25 on impairment of non-financial assets. On disposal of investments in subsidiaries, joint ventures and associates, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

The amounts due from subsidiaries, joint ventures and associates of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investments in the subsidiaries, joint ventures and associates.

Long term investments are classified as financial assets at fair value through other comprehensive income. These are initially measured at fair value plus transaction costs and subsequently, at fair value, with the changes in fair value recognised in other comprehensive income. These are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

Short term investments in marketable securities are classified as financial assets at fair value through profit or loss and measured at fair value on the date a transaction is entered into and are subsequently re-measured at fair value with the changes in fair value recognised in profit or loss. On disposal of an investment, the difference between net disposal proceeds and its fair value is recognised in profit or loss.

**5 FOREIGN CURRENCIES**
**(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except that exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs are classified as borrowing costs.

Exchange differences are deferred in other comprehensive income when they are attributable to items that form part of the net investment in a foreign operation.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified at fair value through other comprehensive income, are included in other comprehensive income.

**(c) Group companies**

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rates at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the dates of the transactions); and
- All resulting exchange differences are recognised as a separate component of other comprehensive income.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

### 5 FOREIGN CURRENCIES (cont'd)

#### (c) Group companies (cont'd)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate at the date of the statement of financial position. Exchange differences arising are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations are recognised in other comprehensive income. On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences relating to that foreign operation recognised in other comprehensive income and accumulated in the separate component of equity are reclassified to profit or loss, as part of the gain or loss on disposal. In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

### 6 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

All property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment except for freehold land and capital work-in-progress which are not depreciated.

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are recognised as expenses in profit or loss during the financial year in which they are incurred.

Freehold land is not depreciated as it has an infinite life. Other property, plant and equipment are depreciated on a straight-line basis to allocate the cost to their residual values over their estimated useful lives, summarised as follows:

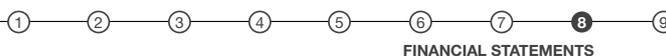
Buildings, including hotel properties	2 to 10.0%
Plant, machinery, equipment and vehicles	4 to 33.3%
Office equipment, furniture and fittings and renovations	5 to 33.3%

Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted if appropriate, at the end of each reporting period. The effects of any revision of the residual values and useful lives are included in profit or loss for the financial year in which the changes arise.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See accounting policy 25 on impairment of non-financial assets.

Gains or losses on disposals are determined by comparing the net disposal proceeds with the carrying amounts and are included in other operating income/other operating expenses in the profit or loss.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**7 INVESTMENT PROPERTIES**

Investment properties, comprising principally land and buildings, are held for long term rental yields or for capital appreciation or both, and are not occupied by the Group.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs if the investment property meets the definition of a qualifying asset. After initial recognition, investment property is stated at cost less accumulated depreciation and accumulated impairment except for freehold land and capital work-in-progress which are not depreciated.

Freehold land is not depreciated as it has an infinite life. Depreciation on assets under construction commences when the assets are ready for their intended use.

Leasehold land is amortised on a straight-line basis over the respective lease periods between 15 and 99 years. Depreciation on buildings is calculated on a straight-line basis so as to allocate the cost to their residual values over the expected useful lives. The annual depreciation rate for buildings is 2%.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment property is derecognised either when it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are included in profit or loss.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See accounting policy 25 on impairment of non-financial assets.

**8 CONCESSION ASSETS**

Items classified as concession assets comprise expressway development expenditure and port infrastructure.

**(a) Expressway development expenditure**

Expressway Development Expenditure ("EDE") comprises the costs of construction (inclusive of the cost of reconstruction, widening and rehabilitation) of the concession assets. EDE is measured at cost less accumulated amortisation and accumulated impairment.

Where the Group provides construction services in exchange for the concession assets, the revenue and profits relating to the construction services are recognised in accordance with accounting policy 9(a) on revenue and profit recognition for construction contracts.

Upon completion of the construction works and commencement of road tolling operations, the EDE are amortised over the concession periods based on the following formula:

$$\frac{\text{Cumulative traffic volume to-date}}{\text{Projected total traffic volume for the entire concession period}} \times \text{EDE}$$

The projected total traffic volume for the entire concession period is determined by a traffic survey carried out by a firm of independent traffic consultants and Directors' annual re-assessment of the projected total traffic volume.

Items classified as concession assets comprise expressway development expenditure and port infrastructure.

All interest and fees incurred during the period of construction are capitalised in the EDE which in turn are amortised in profit or loss in accordance with the formula above. Interest and fees incurred after the completion of construction are charged to profit or loss.

Compensation received relating to variations in terms of concession agreements are recognised as deferred income and are credited to profit or loss over the expected lives of the related assets, on bases consistent with amortisation of the related assets.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 8 CONCESSION ASSETS (cont'd)

##### (b) Port infrastructure

The Group recognises concession assets arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructures and facilities. Concession assets received as consideration for providing construction or upgrade services in a service concession arrangement are measured at fair value on initial recognition. Subsequent to initial recognition, the concession assets are measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment. The estimated useful life of concession assets in a service concession arrangement is over the concession period extended to the Group.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See accounting policy 25 on impairment of non-financial assets.

#### 9 REVENUE RECOGNITION

Revenue from contracts with customers is recognised by reference to each distinct performance obligation promised in the contract with the customer when or as the Group transfers control of the goods or services promised in a contract and the customer obtains control of the goods or services.

Revenue from contracts with customers is measured at its transaction price, being the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of discounts. The transaction price is allocated to each distinct good or service promised in the contract. Depending on the terms of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If any of the above conditions are not met, the Group recognises revenue at the point in time when the performance obligation is satisfied.

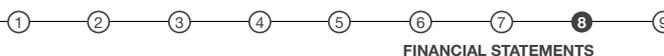
##### (a) Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use. Hence, it is accounted for as a single performance obligation. Revenue from construction contracts is recognised over time as the Group is constructing on the customer's land, the customer generally controls any work in progress arising from the Group's performance and the part-constructed building as it is being constructed. In addition, the Group also has an enforceable right to payment for performance completed to date.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the reporting date. The stage of completion of a construction contract is determined based on the proportion that the contract costs incurred for work performed to-date bear to the estimated total costs for the contract.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**9 REVENUE RECOGNITION** (cont'd)

**(a) Construction contracts** (cont'd)

A provision for onerous contract is recognised when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is only included in contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim. Variation claim gives rise to a variable consideration which is estimated at either the expected value or most likely amount and included in revenue to the extent that it is highly probable that the revenue will not be reversed. No element of financing is deemed present as the payment schedule and credit terms of 30 to 90 days are consistent with the market practice.

The customer pays according to the progress claim submitted to them based on the progress of the construction measured over time. If the construction services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the construction services rendered, a contract liability is recognised. Further details on the accounting policy of contract assets and contract liabilities are disclosed in accounting policy 12 on contract assets and contract liabilities.

**(b) Revenue from property development**

Contracts with customers may include multiple promises to the customers and therefore accounted for as separate performance obligations. In such cases, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. When these are not directly observable, they are estimated based on expected cost plus margin.

The revenue from property development is measured based on the transaction prices net of expected liquidated ascertained damages ("LAD") payment. LAD is determined based on the expected value method.

The transaction price is adjusted for the effects of time value of money if the timing of payments provides the customer with a significant benefit of financing the transfer of goods or services to the customer. For contracts with advance payment from customer at the beginning of the contract prior to the transfer of developed properties which will take more than one year to complete, a contract liability will be recognised when the advance payment is received.

For contracts with deferred payment scheme, the Group adjusts the promised consideration for the effects of the significant financing component using the discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception. The significant financing component is recognised as finance income in the statement of comprehensive income over the credit period using the effective interest rate applicable at the inception date.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group will receive the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

The promised property is specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the attached layout plan of the sale and purchase agreements. The purchaser could enforce its rights to the promised property if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised property for another use is substantive and the promised property sold to the purchaser does not have an alternative use to the Group. The Group has the right to payment for performance completed to date, is entitled to continue to transfer to the customer the development units promised and has the rights to complete the construction of the properties and enforce its rights to full payment.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 9 REVENUE RECOGNITION (cont'd)

##### (b) Revenue from property development (cont'd)

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The Group recognises revenue over time using the input method, which is based on the proportion that the property development costs incurred to date bear to the estimated total costs for the property development.

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers and it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the properties sold.

When the Group is not able to determine the probability that the Group will collect the consideration to which the Group will be entitled to in exchange of development properties, the Group will defer the recognition of revenue from sales of the development properties. Consideration received from the customer is recognised as a contract liability.

When cumulative work done exceeds progress billings made, such balance represents unbilled revenue and is therefore, classified as contract assets. Similarly, where progress billings made exceed cumulative work done, such balance represents the obligation to deliver goods to customers and is classified as contract liabilities accordingly.

Payments made by defaulted purchasers of development properties are forfeited and recognised as forfeiture income in the profit or loss when the terms and conditions in respect of the right of forfeiture as stipulated in the sale and purchase agreements signed with the purchasers are fulfilled.

##### (c) Sales of quarry and manufactured products and goods

Sales are recognised based on the transaction prices specified in the contracts, which are at a point in time upon delivery of products and customer acceptance, net of sales and service tax ("SST") or sales tax and discounts and after eliminating sales within the Group. There is no element of financing present as the Group's sales of goods are on credit terms ranging from 30 to 90 days, which is consistent with the market practice.

##### (d) Concession revenue

Concession revenue from the operation of toll roads is recognised over time for the usage of the expressways. Pursuant to the relevant Concession Agreements, the Government of Malaysia reserves the right to restructure or to restrict the imposition of unit toll rate increases, and in such event, the Government shall compensate for any reduction in toll revenue, subject to negotiation and other considerations that the Government may deem fit. Toll compensation is recognised in the profit or loss over the period in which the compensation relates to based on the arrangements as disclosed in Note 28 to the financial statements.

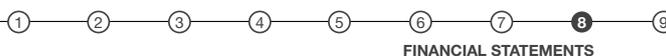
Revenue from port operations is recognised over time as and when the services are performed, net of taxes, discounts and rebates. Revenue is recognised up to the amount the Group has a right to invoice, upon the performance of the respective services requested by the customers. There is no element of financing present as the sales are on credit terms of 30 days.

##### (e) Telecommunication services

Customers' subscription to the telecommunication services includes the provision of corporate internet leased line or wireless point-to-point internet services and devices such as routers and wireless solutions.

The provision of devices is for the exclusive use of the Group's telecommunication services and do not represent distinct services or goods. Therefore, the services and devices are accounted for as a single performance obligation satisfied over time. Revenue is recognised over the period the telecommunication services are rendered.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**9 REVENUE RECOGNITION** (cont'd)

**(f) Club operations revenue**

Revenue from clubhouse operations represents income derived from membership subscription fees and sales of services. Membership subscription fees are recognised over time upon performance of services.

There is no element of financing as the sales are made with credit terms ranging from on demand to 30 days, which is consistent with the market practice.

**(g) Interest income**

Interest income is recognised using the effective interest method.

Interest income from financial assets at fair value through profit or loss ("FVTPL") is recognised as part of net gains or net losses on these financial instruments.

Interest income on financial assets at amortised cost and financial assets at fair value through other comprehensive income ("FVOCI") calculated using the effective interest method is recognised in the statement of comprehensive income as part of other operating income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

**(h) Management fees**

Fees from management services are recognised as revenue over time during the period in which the services are rendered. There is no element of financing as the sales are made with credit terms of 30 days, which is consistent with the market practice.

**(i) Dividend income**

Dividend income is recognised when the Group's right to receive payment is established.

Dividend income is received from financial assets measured at FVTPL and at FVOCI.

Dividend income from financial assets at FVTPL is recognised as part of net gains or net losses on these financial instruments. Dividend income from financial assets at FVOCI is recognised as other operating income in the statement of comprehensive income.

Dividend that clearly represents a recovery of part of the cost of an investment is recognised in other comprehensive income if it relates to an investment in equity instruments measured at FVOCI.

**(j) Lease income**

Lease payments received under operating leases are recognised as lease income on a straight-line basis over the operating lease terms (see accounting policy 15 on leases).

Lease payments received under finance leases are recognised as lease income over the term of the lease using the net investment method (see accounting policy 15 on leases).

**10 BORROWINGS AND BORROWING COSTS**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the initial recognised amount and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 10 BORROWINGS AND BORROWING COSTS (cont'd)

When borrowings measured at amortised cost are modified without this resulting in derecognition, any gain or loss, being the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate, shall be recognised immediately in profit or loss.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the end of the reporting period.

General and specific borrowing costs, including exchange differences to the extent that they are regarded as an adjustment to interest costs, directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Borrowing costs incurred on borrowings to finance the construction of concession assets, investment properties and property, plant and equipment during the period that is required to complete and prepare the asset for its intended use are capitalised as part of the cost of the asset. Interest relating to property development activities and construction contracts are accounted for in a similar manner.

Properties under development which have been sold (where control of the property is transferred over time) should be excluded as qualifying assets for the purposes of borrowing cost capitalisation. All borrowing costs incurred were expensed to profit or loss when these properties were ready for their intended sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

When the basis to determine the future contractual cash flows of the borrowings are modified entirely as a result of Interbank Offered Rate ("IBOR") reform, the Group applies the reliefs provided by the Phase 2 amendments related to IBOR reform to adjust the effective interest rate of the borrowings with no modification gain or loss being recognised.

In situations where some or all of a change in the basis for determining the contractual cash flows of the borrowings does not meet the criteria of the Phase 2 amendments, the Group first applies the practical expedient to the changes required by IBOR reform, including updating the effective interest rate of the borrowings. Any additional changes are accounted for as modification of borrowings in accordance with the requirement in MFRS 9 (that is, assessed for modification or derecognition, with the resulting modification gain/loss recognised immediately in profit or loss where the borrowings are not derecognised).

#### 11 INVENTORIES

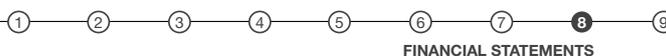
##### (a) Land held for property development

Land held for property development consists of land held for future development where no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as inventory under non-current asset and is stated at the lower of cost and net realisable value.

Costs associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is transferred to property development costs (under current assets) when development activities, including activities associated with obtaining approvals prior to commencement of physical development, have commenced and the development is expected to be completed within the normal operating cycle.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**11 INVENTORIES** (cont'd)

**(b) Property development costs**

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or that can be allocated on a reasonable basis to these activities, such as direct building costs, and other related development expenditure, including interest expenses incurred during the period of active development. In addition, the property development costs include allocated costs of constructing public infrastructure (i.e. common costs). The common costs which are allocated to development projects and will be incurred after the development activities would be accrued. These costs would be allocated as costs incurred that are attributable to the development as the development activities progress. When the public infrastructure is subsequently constructed, the actual costs would be off-set against the accrued costs.

Property development costs not recognised as an expense are recognised as an asset and are stated at the lower of cost and net realisable value.

**(c) Completed buildings, vacant industrial and bungalow lots**

Units of completed development properties, vacant industrial and bungalow lots held for sale are stated at the lower of cost and net realisable value. The cost comprises proportionate cost of land and related development and construction expenditure.

**(d) Other inventories**

Other inventories comprise construction and raw materials; quarry and manufactured products; and consumables

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis. The costs of raw materials and consumables comprise the original cost of purchase plus the cost of bringing the inventories to their present location and for finished goods and quarry products, these consist of direct materials, direct labour, direct charges and production overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary to make the sale.

**12 CONTRACT ASSETS AND CONTRACT LIABILITIES**

Contract asset is the right to consideration for goods or services transferred to the customers. In the case of property development and construction contracts, contract asset is the excess of cumulative revenue earned over cumulative billings to-date. The balance is classified as contract assets under current assets in the statement of financial position.

Details on the Company's impairment policies of contract assets are provided in the accounting policy 22(D) on impairment of financial assets.

Contract liability is the obligation to transfer goods or services to customers for which the Group has received the consideration or has billed the customers. The balance is classified as contract liabilities under current liabilities in the statement of financial position.

**13 CONTRACT COST ASSETS**

The Group has recognised an asset in respect of sales commissions and legal fees on sales and purchase agreements incurred to secure property development sale contracts. These costs are incremental costs that would not have been incurred by the Group if the respective sale contracts had not been obtained. The Group expects to recover these costs in the future through property development revenue earned from the customers. Accordingly, the contract cost asset is amortised on a straight-line basis over the term of the specific contract to which the costs relate to, ranging from a period of 2 to 3 years.

The Group has elected the practical expedient to recognise the incremental costs in relation to the contracts with an amortisation period of less than one year as an expense when incurred.

An impairment is recognised in profit or loss to the extent that the carrying amount of the contract cost asset recognised exceeds the remaining amount of consideration that the Group expects to receive for the specific contract that the costs relate to (after deducting additional costs required to be incurred in relation to the contracts).

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 14 TRADE AND OTHER RECEIVABLES

- (a) Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and include retention monies withheld by principals. Other receivables generally arise from transactions outside the usual operating activities of the Group. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, where they are recognised at fair value plus transaction costs. Other receivables are recognised initially at fair value plus transaction costs.

After recognition, trade and other receivables are subsequently measured at amortised cost using the effective interest method, less loss allowance (see accounting policy 22(D) on impairment of financial assets).

- (b) Loans to subsidiaries are recognised initially at fair value. If there is any difference between cash disbursed and fair value on initial recognition, the difference would be accounted as additional investment in the subsidiary as it reflects the substance of the transaction.

Loans to subsidiaries are subsequently measured at amortised cost using the effective interest method, less loss allowance. Details on the Company's impairment policies of loans to subsidiaries are provided in the accounting policy 22(D) on impairment of financial assets.

#### 15 LEASES

##### (a) Accounting by lessee

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of properties for which the Group is a lessee, it has elected the practical expedient provided in MFRS 16 not to separate lease and non-lease components. Both components are accounted for as a single lease component and payments for both components are included in the measurement of lease liability.

##### Lease term

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

The Group reassesses the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities.

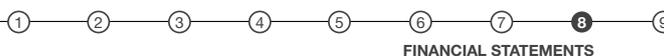
##### ROU assets

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets are subsequently measured at cost, less accumulated depreciation and accumulated impairment. The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**15 LEASES** (cont'd)

**(a) Accounting by lessee** (cont'd)

**ROU assets** (cont'd)

The Group presents ROU assets that meet the definition of investment property in the statement of financial position as investment property. ROU assets that are not investment properties are presented as a separate line item in the statement of financial position.

At the end of the reporting period, the Group assesses whether there is any indication of impairment. Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See accounting policy 25 on impairment of non-financial assets.

**Lease liabilities**

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments include the following:

- Fixed payments, less any lease incentive receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase and extension option if the group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group presents the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented within the finance cost in the statement of comprehensive income.

**Reassessment of lease liabilities**

The Group is also exposed to potential future increases in variable lease payments that depend on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is remeasured and adjusted against the ROU assets.

A change in lease payments (including rent concessions, except for COVID-19 related rent concessions), other than those arising from a change in amounts expected to be payables under residual value guarantees or in an index or rate used to determine lease payments, is accounted for as a lease modification if it is not part of the original terms and conditions of the lease. The lease modification is accounted for as either a new lease or as a remeasurement of an existing lease liability, depending on the criteria set in MFRS 16 "Leases".

**Short term leases and leases of low value assets**

Short term leases are leases with a lease term of 12 months or less. Low value assets comprise small IT equipment and office furniture. Payments associated with short term leases of assets and all leases of low value assets are recognised on a straight-line basis as an expense in profit or loss.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Summary of Material Accounting Policies** (cont'd)

For the Financial Year Ended 31 March 2025

**15 LEASES** (cont'd)**(b) Accounting by lessor**

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

**Finance leases**

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group derecognises the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from the lessee and the unguaranteed residual value of the underlying asset. Initial direct costs are also included in the initial measurement of the net investment. The net investment is subject to MFRS 9 impairment. See accounting policy 22(D) on impairment of financial assets. In addition, the Group reviews regularly the estimated unguaranteed residual value.

Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return. The Group revises the lease income allocation if there is a reduction in the estimated unguaranteed residual value.

**Operating leases**

The Group classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group recognises lease payments received under operating leases as lease income on a straight-line basis over the lease term.

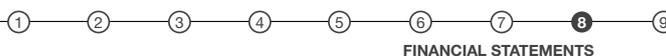
When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as lease income.

**Sublease classification**

When the Group is an intermediate lessor, it assesses the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*


---


**16 QUARRY DEVELOPMENT**

Expenses incurred on the development of quarry faces are capitalised and amortised based on actual production volume over the estimated reserves available from the quarry faces developed, which is based on the higher of the existing or new quarry development phases.

The overburden removal costs in the development of a quarry face is recognised as deferred expenditure if all the following conditions are met:

- It is probable that the future economic benefit (improved access to the quarry face) associated with the overburden removal activity will flow to the entity;
- The entity can identify the component of the quarry face for which access has been improved; and
- The costs relating to the overburden removal activity associated with that component can be measured reliably.

Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See accounting policy 25 on impairment of non-financial assets.

**17 NON-CURRENT ASSETS (OR DISPOSAL GROUP) HELD FOR SALE**

Non-current assets (or disposal groups) are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value which are specifically exempt from this requirement.

An impairment is recognised for any initial or subsequent write down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the entity that has been disposed of and that represents a separate major line of business, is part of a single coordinated plan to dispose of such a line of business. The results of discontinued operations are presented separately in the statement of comprehensive income.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 18 INCOME TAXES

The income tax expense for the period comprises current and deferred income tax. The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group, joint ventures and associates operate and generate taxable income.

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable profits. Management periodically evaluates positions taken in tax returns with respect to situations in which the applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. This liability is measured using the single best estimate of the most likely outcome.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit.

Deferred tax is determined using tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred tax liability is recognised for all taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is adjusted against goodwill on acquisition.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

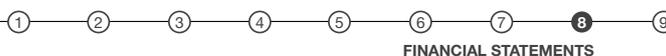
#### 19 EMPLOYEE BENEFITS

##### (a) Short term employee benefits

Wages, salaries, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the owners of the Company after certain adjustments. The Group recognises a provision where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**19 EMPLOYEE BENEFITS** (cont'd)

**(b) Post-employment benefits**

The Group has various post-employment benefit schemes in accordance with local conditions and practices in the countries in which it operates. These benefit plans are either defined contribution or defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) on a mandatory, contractual or voluntary basis and the Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependant on one or more factors such as age, years of service and compensation.

(i) Defined contribution plan

The Group's contributions to a defined contribution plan are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further financial obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"), which is a defined contribution plan.

(ii) Defined benefit plan

The liability recognised in the statement of financial position in respect of a defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The defined benefit obligation, calculated using the projected unit credit method, is determined by independent actuaries, by discounting the estimated future cash outflows using market yields at the end of the reporting period on government bonds which have tenure and terms to maturity approximating the terms of the related liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in other comprehensive income in the period in which they arise. The actuarial gains and losses are not reclassified to profit or loss in subsequent periods.

The current service cost of the defined benefit plan reflects the increase in the defined benefit obligation resulting from the employee service in the current financial year. It is recognised in the profit or loss in employee benefit expense, except where it is included in the cost of an asset.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service costs.

**20 CASH AND CASH EQUIVALENTS**

For the purpose of the statement of cash flows, cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. Cash and cash equivalents comprise cash in hand, deposits held at call with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, less bank overdrafts.

Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the statement of cash flows. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 21 SHARE CAPITAL

##### (i) Classification

Ordinary shares are classified as equity.

##### (ii) Share issue costs

Incremental costs directly attributable to the issue of new shares are deducted against equity.

##### (iii) Dividends

Liability is recognised for the amount of any dividends declared, being appropriately authorised and no longer at the discretion of the Group, on or before the end of the reporting period but not distributed at the end of the reporting period.

Distributions to holders of an equity instrument are recognised directly in equity.

##### (iv) Purchase of own shares

Where the Company purchases its equity share capital as a result of a share buy-back, the consideration paid, including any directly attributable incremental costs, net of tax, is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled, reissued or disposed of.

Where such shares are subsequently sold or reissued, the cost of treasury shares is reversed from the treasury share account and the realised gain or loss on disposal or reissue, net of any directly attributable incremental transaction costs, is recognised in the capital reserve account.

Where such shares are subsequently cancelled, the cost of treasury shares is deducted against the retained profits of the Company.

##### (v) Perpetual Sukuk

Perpetual Sukuk is classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity. Incremental costs directly attributable to the issuance of the instrument are shown in equity as a deduction, net of tax, from the proceeds.

Perpetual Sukuk holders' entitlement is accounted for as an appropriation in equity and the distribution is recognised in the period in which it is declared.

#### 22 FINANCIAL INSTRUMENTS

Financial instruments are contracts that give rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

##### Financial Assets

##### (A) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ('OCI') or through profit or loss), and
- those to be measured at amortised cost.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



## 22 FINANCIAL INSTRUMENTS (cont'd)

### Financial Assets (cont'd)

#### (B) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### (C) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ('FVTPL'), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest ("SPPI").

### Debt Instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group reclassifies debt instruments when and only when its business model for managing those assets changes. There are three measurement categories to classify its debt instruments:

#### (i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payment of principal and interest ("SPPI") are measured at amortised cost. Interest income from these financial assets is included in other operating income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss together with foreign exchange gains and losses. Impairment is presented as a separate line item in the statement of comprehensive income.

#### (ii) Fair value through other comprehensive income ('FVOCI')

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent SPPI, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other operating income using the effective interest rate method. Impairment is presented as a separate line item in the statement of comprehensive income.

#### (iii) Fair value through profit or loss ('FVTPL')

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. The Group may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different basis. Fair value changes are presented net and recognised in profit or loss in the period in which it arises.

### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investments. Dividends from such investments continue to be recognised in profit or loss as other operating income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVTPL are recognised in profit or loss.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 22 FINANCIAL INSTRUMENTS (cont'd)

##### Financial Assets (cont'd)

##### (D) Subsequent measurement - impairment

##### (a) Impairment for debt instruments and financial guarantee contracts

The Group assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt instruments carried at amortised cost and financial guarantee contracts issued. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The following financial instruments of the Group are subject to the ECL model:

- Trade receivables
- Other receivables
- Amounts due from related companies (including loans to subsidiaries (applicable in Company's separate financial statements), amounts owing by joint ventures and associates)
- Contract assets
- Financial guarantee contracts
- Redeemable Convertible Unsecured Loan Stocks ("RCULS")
- Redeemable Unsecured Murabahah Stocks ("RUMS")
- RCSIDS Deferred Payment

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment was immaterial.

ECL represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Group expects to receive, over the remaining life of the financial instrument. For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Group expects to receive from the holder, the debtor or any other party.

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

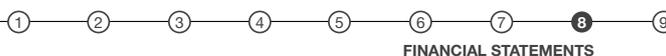
##### (i) General 3-stage approach for other receivables, amounts due from related companies, financial guarantee contracts, RCULS, RUMS and RCSIDS Deferred Payment

At each reporting date, the Group measures ECL through loss allowance at an amount equal to 12 months ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition. For all other financial instruments, a loss allowance at an amount equal to lifetime ECL is required.

##### (ii) Simplified approach for trade receivables, contract assets and lease receivables

The Group applies the MFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables, contract assets and lease receivables.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**22 FINANCIAL INSTRUMENTS** (cont'd)

Financial Assets (cont'd)

(D) Subsequent measurement - impairment (cont'd)

(b) Significant increase in credit risk

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are incorporated:

- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor in the group and changes in the operating results of the debtor

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

(c) Definition of default and credit-impaired financial assets

The Group defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

(i) Quantitative criteria:

The Group defines a financial instrument as default, when the counterparty fails to make contractual payment within 90 days of when they fall due.

(ii) Qualitative criteria:

The debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Group considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on an individual basis.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

### 22 FINANCIAL INSTRUMENTS (cont'd)

#### Financial Assets (cont'd)

#### (D) Subsequent measurement - impairment (cont'd)

##### (d) Groupings of instruments for ECL measured on collective basis

##### (i) Collective assessment

To measure ECL, trade receivables, contract assets and lease receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

##### (ii) Individual assessment

Trade receivables and contract assets which are in default or credit-impaired are assessed individually.

Other receivables, amounts due from related companies, financial guarantee contracts, RCULS, RUMS and RCSIDS Deferred Payment are assessed on an individual basis for ECL measurement.

Loans to subsidiaries in the Company's separate financial statements are assessed on an individual basis for ECL measurement, as credit risk information is obtained and monitored based on each loan to subsidiary.

#### (E) Write-off

##### (i) Trade receivables and contract assets

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there are no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and significant delays in collection periods.

Impairment of trade receivables and contract assets are presented as net impairment and disclosed as a separate line item in the statement of comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item.

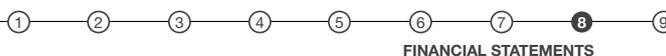
##### (ii) Other receivables, amounts due from related companies, financial guarantee contracts, RCULS and RUMS

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in a write back of impairment.

#### Derivative Financial Instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value at the end of each reporting period. Changes in the fair value of any derivative financial instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**22 FINANCIAL INSTRUMENTS (cont'd)**

Fair Value Estimation

The fair value of publicly traded derivatives and securities is based on quoted market prices at the end of the reporting period.

The fair values of cross currency swap and interest rate swap contracts are calculated as the present value of the estimated future cash flows.

In assessing the fair value of non-traded derivatives and financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for the specific or similar instruments are used for long term debt. Other techniques and bases, such as discounted value of future cash flows and the underlying net asset base of the instrument, are used to determine fair value for the remaining financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

The carrying values of the financial assets and the financial liabilities with a maturity period of less than one year are assumed to approximate their fair values.

Offsetting Financial Instrument

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy.

Financial Liabilities

(A) Classification

The Group classifies its financial liabilities as financial liabilities at fair value through profit or loss and other financial liabilities at amortised cost. The classification depends on the nature of the liabilities and the purpose for which the financial liabilities were incurred. Management determines the classification at initial recognition.

(i) Financial liabilities at fair value through profit or loss

The Group classifies financial liabilities at fair value through profit or loss if they are held for trading. They are presented as current liabilities if they are expected to be settled within 12 months after the end of the reporting period; otherwise they are presented as non-current liabilities. Derivatives are also categorised as held for trading unless they are designated as hedges.

(ii) Other financial liabilities at amortised cost

Other financial liabilities of the Group comprise 'bonds', 'term loans', 'government support loans', 'trade and other payables' (other than retirement benefits payable and GST payables) and 'borrowings' in the statement of financial position.

(B) Recognition, initial measurement and subsequent measurement

When other financial liabilities are recognised initially, they are measured at fair value plus directly attributable transaction costs.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in the statement of comprehensive income when the other financial liabilities are derecognised, and through the amortisation process.

(C) Derecognition

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expired.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Summary of Material Accounting Policies (cont'd)

For the Financial Year Ended 31 March 2025

#### 23 TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods or services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year, or in the normal operating cycle of the business if longer. Otherwise, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value net of transaction costs incurred and subsequently measured at amortised cost using the effective interest method.

#### 24 GOVERNMENT GRANTS

Grants from the government are recognised at their fair values where there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions.

Government grants relating to the acquisition of assets and operational maintenance of the concession assets are classified as non-current liabilities and are credited to profit or loss over the expected lives of the related assets, on bases consistent with the depreciation of the related assets.

The Group also treats the benefit of a government loan at below market rate of interest as a government grant. In accordance with the transitional provision of the amendments to MFRS 120 "Accounting for Government Grants and Disclosure of Government Assistance", loans received on or after 1 April 2010 are recognised and measured initially at their fair value. The benefit of the government loan at below market rate of interest is measured as the difference between the initial carrying value of the loan and the proceeds received, and is recognised as a government grant, which will be credited to profit or loss over the expected lives of the related assets on bases consistent with the depreciation of the related assets for which the loan was granted to the Group.

Government support loans obtained prior to 1 April 2010 are recognised and measured initially based on proceeds received, and hence do not give rise to a government grant.

#### 25 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets (including goodwill or intangible assets not ready for use) that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. The Group also assesses goodwill, intangible assets with indefinite useful life and other non-financial assets that are subject to amortisation for impairment whenever events or changes in circumstances indicate that the carrying values may not be recoverable. An impairment is recognised for the amount by which the carrying value of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. The impairment is charged to profit or loss. Impairment of goodwill is not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss.

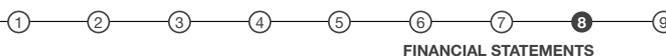
#### 26 PROVISIONS

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- a reliable estimate of the amount can be made.

Where the Group expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**27 SEGMENTAL REPORTING**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“CODM”). The Operating Committee (“OpCo”), which is responsible for allocating resources and assessing performance of the operating segments, has been identified as the CODM.

Segment revenue, expenses, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process.

**28 CONTINGENT LIABILITIES**

The Group does not recognise contingent liabilities other than those arising from business combinations, but discloses their existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent liabilities do not include financial guarantee contracts.

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where their fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions and the information about the contingent liabilities acquired will be disclosed in the notes to the financial statements.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provisions of MFRS 137 “Provisions, Contingent Liabilities and Contingent Assets” and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with MFRS 15 “Revenue from Contracts with Customers”.

**29 FINANCIAL GUARANTEE CONTRACTS**

Financial guarantee contracts are contracts that require the Group or the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of the debt instrument.

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value.

The fair value of a financial guarantee is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the expected credit loss model under MFRS 9 “Financial Instruments” and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 “Revenue from Contracts with Customers”, where appropriate.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Notes to the Financial Statements

For the Financial Year Ended 31 March 2025

### 1 GENERAL INFORMATION

The Company is principally engaged in construction and investment holding activities. The Group's principal activities consist of construction, property development, manufacturing and quarrying, tollway operations, port operations and investment holding. The principal activities of the subsidiaries and associates are described in Note 51 to the financial statements.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The address of the registered office of the Company is 2<sup>nd</sup> Floor, Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 8 July 2025.

### 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

#### (a) Deferred tax assets

Deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

#### (b) Construction contracts

Revenue is recognised when or as the control of the asset is transferred to the customers and, depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time. If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress, based on the stage of completion method. The stage of completion of a construction contract is determined based on the proportion that the contract costs incurred for work performed to-date bear to the estimated total costs for the contract.

The Group has estimated total contract revenue based on the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably based on the latest available information, and in the absence of such, the Directors' best estimates derived from reasonable assumptions, experience and judgement. Where the actual approved variations and claims differ from the estimates, such difference will impact the contract profits/(losses) recognised. Variable consideration for construction contracts in the form of variation orders and contractual claims submitted to project employers are only included in the transaction price of a construction contract based on the following factors:

- Status of negotiations with project employers;
- Construction work performed by the Group are identifiable, measurable and considered reasonable in relation to the work scope for the variable consideration claimed by the Group;
- Any evidences providing a legal, objective and verifiable basis for the Group to claim for variable consideration, which includes independent third-party advice; and
- The Group's historical experience in successfully obtaining approval from project employers for the variation work claims submitted by the Group.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)**

**(b) Construction contracts (cont'd)**

The final construction contract transaction price may include assessments of the recovery of variation orders and claims yet to be agreed with the project employer due to timing and requirements of the normal contractual processes. Therefore, the construction revenue recognised by the Group is constrained to the amounts of variable consideration where the Group believes it is highly probable that a significant reversal will not occur. Significant judgement and estimates are also involved in assessing whether liquidated ascertained damages (“LAD”) should be included as variable consideration in determining the transaction price for construction revenue recognition. LAD is determined based on the contractual terms of the signed contracts with the project employer and the likelihood of approval of extension of time by project employers, where the Group’s construction revenue is constrained to reflect the expected amount of LAD to be included as variable consideration.

Total contract costs are determined based on approved construction budgets. These budgets are supported by sub-contractors’ quotations, actual contracts awarded and variation work orders awarded to main and sub-contractors. Significant judgement is required in the estimation of total contract costs, where the total contract costs may include estimated cost contingencies to address specific risks for certain construction contracts. These costs contingencies are reviewed on a regular basis throughout the duration of the construction contract and are adjusted where appropriate. In addition, significant estimates are required for costs to complete when the certification process of contract costs are not finalised with subcontractors, prior to the financial year end. The significant judgement and estimates involved in the estimation of total contract costs and costs to complete affect the stage of completion referred to in determining the construction revenue. Where the actual total contract costs are different from the estimated total contract costs, such difference will impact the contract profits/(losses) recognised. The Management has assessed that a 1% increase in the total estimated contract costs would affect the stage of completion for ongoing construction projects and result in a decrease in construction revenue of RM66.4 million during the financial year.

**(c) Property development**

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group will receive the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the stage of completion of the development activity at the end of the reporting period. The stage of completion is determined based on the proportion that the property development costs incurred to-date bear to the estimated total costs for the property development. Where it is probable that total property development costs of a development phase will exceed total property development revenue of the development phase, the expected loss on the development phase is recognised as an expense immediately. Total property development costs are determined based on approved budgets. These budgets are supported by the main contractors’ quotations, actual contracts awarded and variation work orders awarded to the main contractors.

Significant judgement is required in determining the completeness and accuracy of the total property development costs as estimates of future property development costs are inherently uncertain, which involve management’s estimation of future cost to completion of the development. Due to the scale of the projects and the length of the property development cycle, there are inherent estimation uncertainties in deriving the remaining costs to complete such as uncertainties in the estimated costs of work packages yet to be procured by the Group from contractors, macroeconomic factors that may result in potential escalation of prices for building materials and unforeseen circumstances such as impact of climate change on the future building requirements of new properties. The estimation of the future costs to completion would evolve over the life of the property development projects and accordingly, the total property development costs used for the measurement of stage of completion of the revenue recognition would be subject to changes. In addition, significant estimates are required to derive the costs to complete when the certification process of the actual property development costs incurred are not finalised with contractors, prior to the financial year end.

Substantial changes in cost estimates in future periods may affect the profitability of the respective property development projects. Where the actual total property development costs are different from the estimated total property development costs, such differences will impact the property development profits/(losses) recognised.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

### 2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

#### (c) Property development (cont'd)

The Management has assessed that a 5% increase in the total estimated property development costs for ongoing projects would result in a decrease in property development revenue for ongoing projects of the Group of RM68.3 million during the financial year.

#### (d) Amortisation of expressway development expenditure

The expressway development expenditure of the Group are amortised over the concession period based on the following formula:

$$\frac{\text{Cumulative traffic volume to-date}}{\text{Projected total traffic volume for the entire concession period}} \times \text{Expressway development expenditure}$$

In order to determine the projected total traffic volume for the entire concession period, the Group relies on the traffic survey carried out by a firm of independent traffic consultants and/or Directors' annual re-assessment of the current and future years' projected total traffic volume. Any changes in the projected total traffic volume for the entire concession period will impact the amortisation charge for the year.

#### (e) Useful life of port concession assets

Management had assessed and determined that the useful lives of the port concession assets would be 60 years as management has the intention and ability to fulfil the obligations in order to be granted an extension of the concession as provided for in the Privatisation Agreement effective from 1 June 2015. The determination of useful lives for port concession assets is further described in Note 28 on concession assets.

#### (f) Impairment of non-financial assets

The Group determines whether an asset is impaired by evaluating the extent to which the recoverable amount of an asset is less than its cost. This evaluation is subject to, amongst others, changes such as market performance, economic and political situation of the country. A variety of methods are used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's assessment for impairment of assets.

#### (g) Measurement of ECL allowance

The measurement of expected credit loss ("ECL") allowance for financial assets measured at amortised cost is an area that requires the use of significant assumptions about the future economic conditions (such as growth rates, employment rates and inflation rates) and credit behaviour of the customers. Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is detailed in Note 3(b). Areas of significant judgements involved in the measurement of ECL are detailed as follows:

- Determining the number and relative weightings of forward-looking scenarios

The Group measures loss allowance on the probability-weighted amount that reflects the possibility of credit loss occurring. This requires forecast of economic variables (such as growth rates, employment rates or inflation rates) and their associated impact on PD ('probability of default'), LGD ('loss given default') and EAD ('exposure at default') which are provided in possible scenarios along with scenario weightings. Probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting. As with any economic forecasts, the projections and likelihood of occurrences are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimates of the possible outcomes and are appropriately representative of the range of possible scenarios. These possible outcomes are used in determining ECL allowance for financial assets, such as RUMS in associates and RCULS in joint ventures. The details on the ECL assessments are disclosed in Notes 30, 31 and 36 to the financial statements.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)**
**(h) Net realisable value of property development costs and completed units**

The Group writes down the inventories of property development cost and completed units to their net realisable values based on:

- (i) the estimated selling prices by reference to recent signed sales and purchase agreements, net of discounts for completed units, or quotations from potential buyers; or
- (ii) recent transacted prices of comparable properties in similar or nearby locations for completed units, net of discounts, and for inventories of property development costs, the estimated costs necessary to complete the property have been considered. In determining the estimated transaction prices, discounts and costs to complete the property, the Group considered the current economic outlook, future property market conditions and adjustment factors such as the size and demand (ceiling price) of the particular properties in determining their net realisable values; or
- (iii) valuation reports prepared by independent valuers. In determining the fair value of inventories, significant judgement and estimates have been used by the valuers in determining adjustment to be applied which involved considerations on condition, age, and size of the properties. Any changes in the estimates and assumptions used could have a significant impact on the fair value of the inventories.
- (iv) the estimated discounted cash flow analysis, considering the current economic outlook, future property market conditions, and benchmark against recent arms-length market transactions in determining its net realisable value. The Group also considered the estimated cost necessary to complete the property. These estimates provide reasonable approximations to the computation of recoverable amounts. For discounted cash flows, significant judgement is applied in determining the assumptions and discount rates used for the estimation of the present value of future cash flows generated by the assets. Changes in assumptions could affect the outcome of the Group's assessment for impairment of assets.

As disclosed in Note 35 to the financial statements, valuation reports prepared by independent valuers were used in determining the recoverable amounts of inventories. The key assumption used was market value per square foot of the comparable properties in the vicinity of the said area.

**(i) Impairment of investments in subsidiaries**

The Company determines whether an investment in a subsidiary is impaired by evaluating the extent to which the recoverable amount of the asset is less than its cost. Recoverable amount is measured at the higher of the fair value less costs to sell and value-in-use for the asset.

As there are no readily available market prices for the investments in subsidiaries and in the circumstance that the subsidiaries are not expected to generate positive cash flows in the future, the fair values less cost to sell are determined by measuring the fair value of the individual assets and liabilities recognised in the statement of the financial position of the subsidiaries at the reporting date, less any costs to sell. The Directors determined the recoverability of the investments in subsidiaries based on the subsidiaries' net liquid assets available to repay the Company as the shareholder.

For value-in-use, significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Company's assessment for impairment of the investments in subsidiaries. The details on the impairment of investment in subsidiaries are disclosed in Note 29 to the financial statement.

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Group's activities expose it to market (including foreign currency exchange and interest rates), credit and liquidity risks. The Group's overall financial risk management objective is to minimise any potential adverse effects from the unpredictability of financial markets on the Group's financial performance in order to ensure the Group creates value for its shareholders. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's financial risk management policies. The management regularly reviews these risks and approves the treasury policies, which cover the management of these risks.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

The Group used derivative financial instruments such as cross currency swap contracts to hedge certain financial risk exposures.

(a) Market risk

(i) Currency risk

Currency risks arise on account of monetary assets and liabilities being denominated in a currency that is not the functional currency of the entity.

Entities within the Group primarily transact in their respective functional currencies except for certain transactions and borrowings which were denominated in currencies other than their respective functional currencies.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are managed by entering into cross currency swap contracts and the borrowing amounts are kept to an acceptable level.

The currency exposure profile of the Group's and the Company's financial assets and financial liabilities is disclosed in the respective notes to the financial statements.

As at the reporting date, the Group's and Company's Ringgit Malaysia ("RM") functional currency entities had United States Dollar ("USD") denominated net monetary assets/(liabilities). The effects to the Group's and the Company's profit after tax if the USD had strengthened/weakened by 5% (2024: 3%) against RM are as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net monetary assets/(liabilities) denominated in USD	<b>251,968</b>	(294,492)	<b>239,415</b>	(230,991)
Effects to profit after tax if the USD had strengthened/weakened by 5% (2024: 3%) against RM:				
- strengthened	<b>9,577</b>	(6,715)	<b>9,098</b>	(5,267)
- weakened	<b>(9,577)</b>	6,715	<b>(9,098)</b>	5,267

As at the reporting date, the Group's Indian Rupee ("INR") functional currency entities had United States Dollar ("USD") denominated net monetary liabilities. The effects to the Group's profit after tax if the USD had strengthened/weakened by 5% (2024: 3%) against INR are as follows:

	The Group	
	2025 RM'000	2024 RM'000
Net monetary liabilities denominated in USD	<b>(661,066)</b>	(732,699)
Effects to profit after tax if the USD had strengthened/weakened by 5% (2024: 3%) against INR:		
- strengthened	<b>(24,790)</b>	(16,486)
- weakened	<b>24,790</b>	16,486

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

As at the reporting date, the Group's Ringgit Malaysia ("RM") functional currency entities had Great Britain Pound ("GBP") denominated net monetary asset. The effects to the Group's profit after tax if the GBP had strengthened/weakened by 3% (2024: 2%) against RM are as follows:

	The Group	
	2025 RM'000	2024 RM'000
Net monetary assets denominated in GBP	<b>999,232</b>	757,197
Effects to profit after tax if the GBP had strengthened/weakened by 3% (2024: 2%) against RM:		
- strengthened	<b>22,782</b>	11,509
- weakened	<b>(22,782)</b>	(11,509)

This sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the reporting date. The stated change represents management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual reporting date.

As at the reporting date, there are no other significant monetary balances held by the Group and the Company that are denominated in non-functional currency. Differences resulting from the translation of financial statements into the Group's presentation currency are not taken into consideration.

(ii) Cash flow interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest bearing assets are primarily short-term bank deposits with financial institutions. The interest rates on these deposits are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on deposits to be unlikely.

Interest rate exposure arises mainly from the Group's borrowings. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings.

If the Group's borrowings at variable rates on which effective hedges have not been entered into changes by the following basis points, with all other variables being held constant, the effects on profit after tax would be as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Borrowings based on Secured Overnight Financing Rate ("SOFR"):				
- increase by 75 basis points	<b>(4,224)</b>	(5,201)	<b>(505)</b>	(1,080)
- decrease by 75 basis points	<b>4,224</b>	5,201	<b>505</b>	1,080

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

(a) Market risk (cont'd)

(ii) Cash flow interest rate risk (cont'd)

If the Group's borrowings at variable rates on which effective hedges have not been entered into changes by the following basis points, with all other variables being held constant, the effects on profit after tax would be as follows: (cont'd)

	The Group	
	2025	2024
	RM'000	RM'000
Borrowings based on cost of funds ("COF"):		
- increase by 25 basis points	<b>(1,186)</b>	(1,410)
- decrease by 25 basis points	<b>1,186</b>	1,410
Borrowings based on Marginal Cost of Lending Rate ("MCLR"):		
- increase by 25 basis points	<b>(481)</b>	(534)
- decrease by 25 basis points	<b>481</b>	534

The Group has variable rate borrowings such as revolving credits and bank overdrafts and the Group considers the risk of significant changes to interest rates on these borrowings to be unlikely due to the relative short-term nature of the borrowings. The Group actively reviews its debt portfolio to manage the timings of repayment for these borrowings and monitors the interest rates on these borrowings closely to ensure that they are maintained at favourable rates.

(b) Credit risk

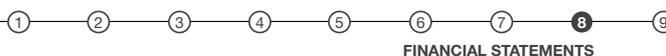
Credit risk – Measurement of ECL

The Group had applied MFRS 9 "Financial Instruments" on 1 April 2018 which requires the impairment of loans and receivables to be assessed using the expected credit loss ("ECL") model. ECL represents a probability-weighted estimate of the difference between the present value of contractual cash flows and the present value of cash flows that the Group expects to receive, over the remaining life of the financial instrument.

The following financial instruments of the Group and the Company are subject to the ECL model:

- Trade receivables
- Contract assets
- Lease receivables
- Other receivables (current and non-current)
- Cash and cash equivalents
- Amounts due from related companies
- Financial guarantee contracts
- Redeemable Convertible Unsecured Loan Stocks ("RCULS")
- Redeemable Unsecured Murabahah Stocks ("RUMS")
- RCSIDS Deferred Payment

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

(b) Credit risk (cont'd)

Credit risk – Measurement of ECL (cont'd)

(i) Trade receivables, contract assets and lease receivables using simplified approach

The Group applies the MFRS 9 simplified approach in measuring expected credit losses which estimates a lifetime expected credit loss allowance for all trade receivables, contract assets and lease receivables.

The Group assessed ECL for trade receivables based on two different approaches, namely collective assessment and individual debtor assessment.

Collective approach

To measure the expected credit losses under the collective approach, trade receivables and contract assets have been grouped based on shared credit risk characteristics and number of days past due. The expected loss rates are developed based on the historical credit loss rates. The historical loss rates are further adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group has identified (i) internal credit rating and (ii) actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligation to be the most relevant factors, and accordingly adjust the historical loss rates based on expected changes in these factors.

As at 31 March 2025, the Group's trade receivables and contract assets of RM1,240,304,000 and RM540,213,000 (2024: RM1,177,556,000 and RM440,917,000) respectively were assessed for impairment under the simplified approach. As at 31 March 2025, the Company's trade receivables of RM53,084,000 (2024: RM56,318,000) were assessed for impairment under the simplified approach.

Individual debtor assessment

The Group applies individual debtor assessment for debtors with different risk characteristics, where the credit risk information of these debtors is obtained and monitored individually. The Group assesses the lifetime ECL based on the PD\*LGD\*EAD approach, which is further defined as follows:

PD	Probability of default (the likelihood that the borrower cannot pay during the contractual period)
LGD	Loss given default (Percentage of contractual cash flows that will not be collected if default happens)
EAD	Exposure at default (Outstanding amount that is exposed to default risk)

The Group has taken into account the probability-weighted recoverable amount determined via the evaluation of a range of possible outcomes. In deriving the PD and LGD, the Group considers historical data of each debtor by category and adjusts for forward-looking macroeconomic data. The Group has identified the industry and geographical area which the debtor operates in, to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. Loss allowance is measured at a probability-weighted amount that reflects the possibility that a credit loss occurs and the possibility that no credit loss occurs. No significant changes to estimation techniques or assumptions were made during the reporting period.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

(b) Credit risk (cont'd)

Credit risk – Measurement of ECL (cont'd)

- (ii) Other receivables, amounts due from related companies, financial guarantee contracts, RCULS, RUMS and RCSIDS Deferred Payment issued using general 3-stage approach

The Group and the Company use four categories for other receivables which reflect their credit risk and how the loss allowance is determined for each of those categories. A summary of the assumptions underpinning the Group's ECL model is as follows:

Category	Group's definition of category	Basis of recognising ECL
Performing	Debtors have a low risk of default and a strong capacity to meet contractual cash flows	12 months ECL
Underperforming	Debtors for which there is a significant increase in credit risk or significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due	Lifetime ECL
Non-performing	Interest and/or principal repayments are 90 days past due or there is evidence indicating the asset is credit impaired	Lifetime ECL (credit-impaired)
Write-off	There is evidence indicating that there is no reasonable expectation of recovery based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount	Asset is written off

Based on the above, loss allowance is measured on either 12 months ECL or lifetime ECL using a  $PD \times LGD \times EAD$  methodology.

- (iii) Cash and cash equivalents

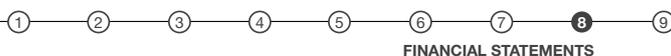
Cash and cash equivalents are also subject to the impairment requirements of MFRS 9 and the identified impairment was immaterial since the bank balances are mainly deposits with banks with high credit ratings assigned by international credit rating agencies.

- (iv) Financial guarantee contracts

The Company provides corporate guarantee to financial institutions on certain subsidiaries' borrowings facilities as of the reporting date.

All of the financial guarantee contracts have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowance was identified based on 12 months ECL.

As the Company does not hold any collateral from its subsidiaries for the corporate guarantee provided to the financial institutions, the Company's maximum exposure to credit risk as disclosed in Note 3(c) to the financial statements is the carrying amount of the subsidiaries' borrowings as at the reporting date.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**
**(c) Liquidity risk**

The Group treasury actively monitors and manages its debt maturity profile, operating cash flows and the availability of funding (comprising undrawn borrowing facilities and cash and cash equivalents) so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash or cash convertible investments (Note 46) to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

The tables below analyse the financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining periods from the reporting date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

The Group	Less than 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000
<b>At 31 March 2025</b>			
Bonds	874,606	2,077,696	1,722,397
Term loans	468,503	925,638	22,006
Government support loan	7,198	-	-
Trade and other payables	3,166,372	190,428	791,017
Short term borrowings*	802,248	-	-
Lease liabilities	21,798	41,736	8,472
<b>At 31 March 2024</b>			
Bonds	504,513	2,034,492	1,201,044
Term loans	620,081	1,147,073	78,783
Government support loan	10,000	10,798	-
Trade and other payables	2,791,144	192,887	811,914
Short term borrowings*	890,136	-	-
Lease liabilities	21,343	56,933	19,858
Derivative financial instruments	332	-	-

\* Short term borrowings of the Group include bankers' acceptances, revolving credits, letters of credit and bank overdrafts (2024: revolving credits, letters of credit and bank overdrafts).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

(c) Liquidity risk (cont'd)

The tables below analyse the financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining periods from the reporting date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows. (cont'd)

The Company	Less than 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000
<b>At 31 March 2025</b>			
Bonds	236,512	555,374	254,720
Term loans	93,625	-	-
Short term borrowings (revolving credits)	485,459	-	-
Lease liabilities	2,127	8,465	8,248
Trade and other payables	161,201	390,000	-
Financial guarantee contracts *	590,791	1,147,715	1,044,592
<b>At 31 March 2024</b>			
Bonds	146,071	526,354	520,253
Term loans	201,872	-	-
Short term borrowings (revolving credits)	583,852	-	-
Lease liabilities	2,106	8,507	10,354
Trade and other payables	64,991	3,878	-
Derivative financial instruments	332	-	-
Financial guarantee contracts *	443,526	1,089,567	299,585

The exposure of the borrowings of the Group and the Company to interest rate changes at the reporting dates are disclosed in Notes 16, 17 and 44 to the financial statements.

\* The Company provides a financial guarantee to IJM Land Berhad ("IJML") on the Perpetual Sukuk as disclosed in Note 15 to the financial statements. The maturity analysis of the financial guarantee provided to IJML is not disclosed as the Perpetual Sukuk has no maturity date unless IJML exercises its call option to redeem the Perpetual Sukuk based on the terms disclosed in Note 15(c) or upon the occurrence of the events disclosed in Note 15(d) to the financial statements.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
FINANCIAL STATEMENTS								

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**
**(d) Capital risk**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders value. In order to maintain or achieve an optimal capital structure, the Group may adjust the dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new financing facilities or dispose assets to reduce borrowings.

Management monitors capital based on the Group's and the Company's gearing ratios. The Group and the Company are also required by the banks to maintain certain gearing ratios. The Group's and the Company's strategies are to maintain a gearing ratio of not greater than 1 time. The gearing ratio is calculated as net debt divided by equity capital. Net debt is calculated as total borrowings (excluding trade and other payables) less deposits, cash and bank balances. Equity capital is equivalent to capital and reserves attributable to owners of the Company.

The gearing ratios as at the reporting dates are as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Total borrowings *	<b>5,842,354</b>	5,534,298	<b>1,449,962</b>	1,745,449
Less:				
Deposits, cash and bank balances	<b>(2,493,955)</b>	(2,870,389)	<b>(421,156)</b>	(520,508)
Net debts	<b>3,348,399</b>	2,663,909	<b>1,028,806</b>	1,224,941
Capital and reserves attributable to owners of the Company	<b>10,276,261</b>	10,216,514	<b>7,833,532</b>	8,306,073
Gearing ratio	<b>0.33</b>	0.26	<b>0.13</b>	0.15

\* Total borrowings of the Group include bonds, term loans, government support loan, revolving credits, bankers' acceptances, bank overdrafts and letters of credit.

Total borrowings of the Company include bonds, term loans and revolving credits.

The Group is subject to certain externally imposed capital requirements in the form of loan covenants, as disclosed in Note 16 to the financial statements. Additionally, certain term loans of the Group and Company have loan covenants which are required to be complied with during the financial year and at the end of the reporting period. These financial covenants are in the form of debt service coverage ratio or equivalent, ranging from 1.10 to 2.50 times, which are linked to the EBITDA or adjusted EBITDA.

The Group and the Company monitor compliance with loan covenants based on the terms of the respective loan agreements. During the financial year, the Group had obtained a waiver from its lender for the compliance of debt covenant in relation to debt service coverage ratio for a term loan. The Group did not breach the debt covenant as of reporting date.

The Group and the Company have complied with these loan covenants and externally imposed capital requirements as at the reporting date.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

(e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by levels of the following fair value measurement hierarchy:

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

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>2025</b>				
<b>The Group</b>				
Assets:				
Financial assets at fair value through profit or loss	576,306	-	-	576,306
Financial assets at fair value through other comprehensive income	-	-	2,155	2,155
<b>Total assets</b>	<b>576,306</b>	<b>-</b>	<b>2,155</b>	<b>578,461</b>
<b>The Company</b>				
Assets:				
Financial assets at fair value through profit or loss	52,066	-	-	52,066
Financial assets at fair value through other comprehensive income	-	-	2,050	2,050
<b>Total assets</b>	<b>52,066</b>	<b>-</b>	<b>2,050</b>	<b>54,116</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)**

(e) Fair value measurements (cont'd)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>2024</b>				
<b>The Group</b>				
Assets:				
Financial assets at fair value through profit or loss	724,943	-	-	724,943
Financial assets at fair value through other comprehensive income	-	-	2,155	2,155
<b>Total assets</b>	<b>724,943</b>	<b>-</b>	<b>2,155</b>	<b>727,098</b>
Liabilities:				
Derivative financial instruments	-	332	-	332
<b>Total liabilities</b>	<b>-</b>	<b>332</b>	<b>-</b>	<b>332</b>
<b>The Company</b>				
Assets:				
Financial assets at fair value through profit or loss	455,037	-	-	455,037
Financial assets at fair value through other comprehensive income	-	-	2,050	2,050
<b>Total assets</b>	<b>455,037</b>	<b>-</b>	<b>2,050</b>	<b>457,087</b>
Liabilities:				
Derivative financial instruments	-	332	-	332
<b>Total liabilities</b>	<b>-</b>	<b>332</b>	<b>-</b>	<b>332</b>

The fair values of financial instruments traded in active markets (such as trading securities) are based on quoted market prices at the reporting date. The quoted market prices used for financial assets held by the Group and the Company are the closing prices. These instruments are included in Level 1.

The fair values of financial instruments that are not traded in an active market are determined by using a valuation technique. These instruments are classified as Level 2.

If a valuation technique for the instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements (cont'd)**

For the Financial Year Ended 31 March 2025

**4(a) OPERATING REVENUE**

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contract with customers:				
- construction contracts	<b>2,552,388</b>	1,656,164	-	-
- property development	<b>1,631,370</b>	1,972,430	-	-
- sale of quarry and manufactured products	<b>1,043,922</b>	1,184,781	-	-
- sale of goods	<b>15,144</b>	19,158	-	-
- toll concession revenue	<b>449,334</b>	499,825	-	-
- port revenue	<b>421,008</b>	435,879	-	-
- telecommunication projects and services	<b>29,412</b>	34,694	-	-
- management services	<b>18,376</b>	7,808	<b>27,958</b>	26,733
- rendering of other services	<b>19,843</b>	17,930	-	-
	<b>6,180,797</b>	5,828,669	<b>27,958</b>	26,733
Revenue from other sources:				
- dividend income	<b>192</b>	191	<b>315,058</b>	156,995
- amortisation of deferred income	-	19,609	-	-
- port lease	<b>25,681</b>	26,986	-	-
- lease income	<b>45,319</b>	43,359	<b>303</b>	289
	<b>71,192</b>	90,145	<b>315,361</b>	157,284
	<b>6,251,989</b>	5,918,814	<b>343,319</b>	184,017
Timing of revenue recognition for revenue from contract with customers:				
- At a point in time	<b>1,486,460</b>	1,970,746	-	-
- Over time	<b>4,694,337</b>	3,857,923	<b>27,958</b>	26,733
	<b>6,180,797</b>	5,828,669	<b>27,958</b>	26,733
Supplementary information on operating revenue of the Group inclusive of the Group's share of revenue of associates and joint ventures are as follows:				
			2025 RM'000	2024 RM'000
Operating revenue of the Group			<b>6,251,989</b>	5,918,814
Share of operating revenue of:				
Associates			<b>314,148</b>	494,405
Joint ventures			<b>274,607</b>	182,787
			<b>6,840,744</b>	6,596,006

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**4(b) COST OF SALES**

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cost of sales consist of:				
- Construction contracts costs	<b>2,389,371</b>	1,597,117	<b>81</b>	263
- Property development costs	<b>1,032,617</b>	1,320,615	-	-
- Cost of quarry and manufactured products sold	<b>797,631</b>	932,641	-	-
- Toll operation costs	<b>217,301</b>	288,609	-	-
- Port operation costs	<b>219,939</b>	212,150	-	-
- Telecommunication projects and services	<b>9,910</b>	17,444	-	-
	<b>4,666,769</b>	4,368,576	<b>81</b>	263

**5 OPERATING PROFIT/(LOSSES) BEFORE FINANCE COST**

(a) The following expenses (excluding finance cost and income tax expense) by nature have been debited in arriving at operating profit/(losses) before finance cost:

	Note	The Group		The Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Property, plant and equipment:					
- depreciation	25	<b>82,937</b>	77,447	<b>1,510</b>	644
- impairment	25	-	9,308	-	-
- written off	25	<b>6,183</b>	2,818	<b>127</b>	-
- loss on disposal		<b>8</b>	53	-	-
Right-of-use assets:					
- depreciation	26	<b>23,318</b>	23,179	<b>1,650</b>	1,791
Investment properties:					
- depreciation	27	<b>9,218</b>	9,072	<b>174</b>	174
- loss on disposal		<b>4</b>	-	-	-
Rental of land and buildings		<b>899</b>	736	<b>274</b>	-
Hire of plant and equipment		<b>12,151</b>	9,895	-	2
Auditors' remuneration:					
- statutory audit	8				
Current year		<b>4,228</b>	3,983	<b>510</b>	510
Under accrual in respect of prior years		<b>520</b>	433	<b>104</b>	-
- other services	8	<b>666</b>	1,730	<b>46</b>	944
Foreign exchange (gains)/losses (net)					
- realised		<b>(2,395)</b>	(4,231)	<b>(2,539)</b>	(1,092)
- unrealised		<b>44,522</b>	(26,130)	<b>5,850</b>	8,514
Fair value loss:					
- financial assets held for trading		<b>123</b>	172	-	-
- derivative financial instruments		-	332	-	332
- financial assets at fair value through profit or loss		<b>26,555</b>	-	<b>26,555</b>	-

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**5 OPERATING PROFIT/(LOSSES) BEFORE FINANCE COST** (cont'd)

(a) The following expenses (excluding finance cost and income tax expense) by nature have been debited in arriving at operating profit/(losses) before finance cost: (cont'd)

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Concession assets:					
- amortisation	28	<b>151,428</b>	193,412	-	-
- written off	28	<b>274</b>	-	-	-
Intangible assets:					
- amortisation	34	<b>2,581</b>	4,523	-	-
- impairment	34	<b>1,183</b>	11,842	-	-
Bad debts written off		<b>4,924</b>	2,434	-	-
Impairment of:					
- investment in subsidiaries	29	-	-	<b>543,125</b>	163,499
- investment in RUMS	13,30	<b>54,000</b>	-	-	-
- amounts owing by joint ventures	31	<b>2,469</b>	6	-	-
- trade and other receivables	36	<b>18,834</b>	4,530	-	103,482
Write down of inventories:					
- property development costs (net)	13,35(b)	-	83,714	-	-
- completed buildings	13	<b>8,744</b>	4,389	-	-

(b) The following amounts have been credited in arriving at operating profit/(losses) before finance cost:

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Gross dividends received from:					
- subsidiaries (unquoted)		-	-	<b>314,866</b>	151,044
- associates (unquoted)		-	-	-	5,760
- other investments (quoted)		<b>213</b>	230	<b>192</b>	191
Interest income:					
- bank deposits		<b>65,003</b>	69,822	<b>8,758</b>	17,786
- loans and receivables from related parties		<b>38,605</b>	36,260	<b>74,249</b>	86,657
- loans and receivables from non-related parties		<b>4,143</b>	8,310	-	-
- others		<b>4,369</b>	2,399	<b>13</b>	104
Profits from Islamic placements		<b>625</b>	1,752	-	-
Profits from Redeemable Unsecured Murabahah Stocks		<b>24,536</b>	17,469	-	-
Gain on disposal of:					
- property, plant and equipment		<b>7,045</b>	2,212	-	-
- right-of-use assets		<b>1,048</b>	-	-	-
- investment properties		<b>285</b>	-	-	-
- assets held for sale	40	<b>1,255</b>	74	-	-

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

**5 OPERATING PROFIT/(LOSSES) BEFORE FINANCE COST** (cont'd)

(b) The following amounts have been credited in arriving at operating profit/(losses) before finance cost: (cont'd)

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Rental income from operating lease		<b>29,054</b>	24,039	<b>28</b>	14
Rental income from sub-lease of right-of-use assets		<b>147</b>	135	-	-
Bad debts recovered		<b>182</b>	58	-	-
Write back of allowance for impairment of:					
- trade and other receivables	36	<b>3,225</b>	23,387	<b>99,125</b>	-
- investment in an associate	30	-	-	<b>11,445</b>	23,872
- amounts owing by joint ventures	31	<b>6,755</b>	-	<b>6,749</b>	-
- RCULS	31	-	56,996	-	56,996
Reversal of write down of inventories					
- completed buildings	13	<b>3,458</b>	19,790	-	-
Reversal of impairment of investment properties	27	<b>1,913</b>	3,628	-	-
Fair value gain on:					
- financial assets held for trading		<b>21,513</b>	22,309	<b>9,400</b>	12,101
- derivative financial instruments		<b>332</b>	-	<b>332</b>	-
- financial assets at fair value through profit or loss		-	67,006	-	67,006
Amortisation of government grants	24(a)	-	6,664	-	-

**6 EMPLOYEE BENEFITS COST**

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages, salaries and bonus		<b>359,571</b>	325,730	<b>31,037</b>	29,523
Defined contribution retirement plan		<b>47,201</b>	42,884	<b>4,582</b>	4,328
Defined benefit retirement plan	23(b)	<b>145</b>	166	-	-
Other employee benefits		<b>49,759</b>	28,332	<b>2,862</b>	2,970
		<b>456,676</b>	397,112	<b>38,481</b>	36,821
Less expenses capitalised into:					
- Construction contract costs		<b>(110,642)</b>	(73,284)	-	-
		<b>346,034</b>	323,828	<b>38,481</b>	36,821

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**7 DIRECTORS' REMUNERATION**

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company:				
Fees	<b>2,190</b>	2,085	<b>2,079</b>	1,929
Defined contribution retirement plan	<b>474</b>	342	<b>474</b>	342
Other emoluments	<b>3,142</b>	2,319	<b>3,119</b>	2,302
	<b>5,806</b>	4,746	<b>5,672</b>	4,573

The estimated monetary value of benefits-in-kind provided to the Directors of the Group and of the Company by way of usage of the Group's and the Company's assets and the provision of other benefits during the financial year amounted to RM348,000 (2024: RM305,000) and RM348,000 (2024: RM305,000) respectively.

**8 AUDITORS' REMUNERATION**

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Statutory audit:				
PricewaterhouseCoopers PLT, Malaysia *	<b>3,241</b>	2,888	<b>614</b>	510
Other member firms of PricewaterhouseCoopers International Limited *	<b>389</b>	443	-	-
Other auditors of subsidiaries	<b>1,118</b>	1,085	-	-
	<b>4,748</b>	4,416	<b>614</b>	510
Other services:				
PricewaterhouseCoopers PLT, Malaysia *	<b>567</b>	1,520	<b>46</b>	944
Other member firms of PricewaterhouseCoopers International Limited *	<b>99</b>	210	-	-
	<b>666</b>	1,730	<b>46</b>	944
	<b>5,414</b>	6,146	<b>660</b>	1,454

\* PricewaterhouseCoopers PLT, Malaysia and other member firms of PricewaterhouseCoopers International Limited are separate and independent legal entities.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
FINANCIAL STATEMENTS								

**9 FINANCE COST**

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expenses arising from:					
- Advances from subsidiaries		-	-	<b>2,655</b>	880
- Bank borrowings		<b>134,601</b>	173,521	<b>27,775</b>	32,375
- Bonds		<b>148,104</b>	126,783	<b>43,945</b>	47,753
- Amortisation of government support loan		<b>2,212</b>	1,326	-	-
- Amortised costs on financial liabilities		<b>23,470</b>	19,665	-	-
- Lease liabilities		<b>3,413</b>	3,392	<b>740</b>	436
- Others		<b>12,387</b>	18,218	-	5,907
		<b>324,187</b>	342,905	<b>75,115</b>	87,351
Less interest capitalised into:					
- Property, plant and equipment		<b>(4,022)</b>	-	-	-
- Concession assets		<b>(562)</b>	-	-	-
- Property development costs	35(b)	<b>(36,452)</b>	(35,768)	-	-
		<b>283,151</b>	307,137	<b>75,115</b>	87,351

**10 INCOME TAX EXPENSE**

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax:					
- Malaysian income tax		<b>290,062</b>	345,103	<b>10,150</b>	15,718
- Overseas taxation		<b>2,396</b>	1,084	-	-
		<b>292,458</b>	346,187	<b>10,150</b>	15,718
Deferred taxation (Note 20)		<b>31,345</b>	(47,210)	<b>2,651</b>	(14,697)
		<b>323,803</b>	298,977	<b>12,801</b>	1,021
Current tax:					
- Current year		<b>296,956</b>	327,855	<b>10,668</b>	15,474
- Benefits from previously unrecognised temporary differences		<b>(9,843)</b>	(13,706)	-	-
- Under/(over) accrual in prior years (net)		<b>5,345</b>	32,038	<b>(518)</b>	244
		<b>292,458</b>	346,187	<b>10,150</b>	15,718
Deferred taxation:					
- Origination and reversal of temporary differences		<b>24,725</b>	(26,703)	<b>2,651</b>	(949)
- Under/(over) accrual in prior years (net)		<b>6,620</b>	(20,507)	-	(13,748)
		<b>31,345</b>	(47,210)	<b>2,651</b>	(14,697)
		<b>323,803</b>	298,977	<b>12,801</b>	1,021

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**10 INCOME TAX EXPENSE** (cont'd)

The explanation of the relationship between income tax expense and profit/(losses) before taxation is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit/(losses) before taxation	<b>791,064</b>	964,169	<b>(179,947)</b>	32,257
Tax calculated at the Malaysian tax rate of 24% (2024: 24%)	<b>189,855</b>	231,401	<b>(43,187)</b>	7,742
Tax effects of:				
- Different tax rates in other countries	<b>1,712</b>	2,927	-	-
- Expenses not deductible for tax purposes	<b>93,766</b>	107,609	<b>141,363</b>	92,696
- Income not subject to tax	<b>(13,566)</b>	(72,570)	<b>(84,857)</b>	(85,913)
- Reversal of deferred tax assets previously recognised and non recognition of deferred tax assets on unused tax losses, investment allowance and unutilised deductible temporary differences	<b>45,190</b>	32,019	-	-
- Recognition and utilisation of previously unrecognised tax losses, investment allowance and deductible temporary differences	<b>(9,843)</b>	(13,706)	-	-
- Share of results of associates and joint ventures	<b>4,724</b>	(234)	-	-
Under/(over) accrual in prior years (net)	<b>5,345</b>	32,038	<b>(518)</b>	244
Under/(over) accrual of deferred tax in prior years (net)	<b>6,620</b>	(20,507)	-	(13,748)
Income tax expense	<b>323,803</b>	298,977	<b>12,801</b>	1,021

There is no tax charge in relation to the components of other comprehensive income of the Group and the Company.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	8	9
FINANCIAL STATEMENTS							

**10 INCOME TAX EXPENSE** (cont'd)

Global Minimum Tax (Pillar Two)

In December 2021, the Organisation for Economic Co-operation and Development (“OECD”) issued Pillar Two model rules which are also commonly known as Global Minimum Tax (“GMT”). Various governments around the world have issued, or are in the process of issuing legislation on this. The Government of Malaysia has gazetted the Finance (No. 2) Act 2023 in December 2023 which sets out, amongst others, the legislative provisions of the OECD’s Pillar Two model rules and will be effective for financial years beginning on or after 1 January 2025.

The Group is within the scope of the OECD’s Pillar Two model rules. The Group also operates in certain jurisdictions, namely United Kingdom where the legislative to implement the OECD’s Pillar Two model rules has been enacted in July 2023 and effective for accounting periods commencing on or after 31 December 2023. As a result of the implementation, the Group has performed an assessment of the “Transitional CBCR Safe Harbours” for Pillar Two purposes and there is no impact on tax expense for the current financial year.

In accordance with the transition provisions, the Group has applied the temporary exception in Amendments to MFRS 112 “International Tax Reform – Pillar Two Model Rules” retrospectively and not accounting for deferred taxes arising from the top-up tax due to the Pillar Two model rules in the consolidated financial statements.

The Group is in the process of assessing the full impact to Pillar Two income taxes arising from the legislation enacted or substantively enacted but not yet in effect.

**11 EARNINGS PER SHARE**

## Basic and diluted

The earnings per share for the financial year has been calculated based on the Group’s net profit attributable to owners of the Company for the financial year and the weighted average number of ordinary shares in issue during the financial year, excluding ordinary shares purchased by the Company and held as treasury shares (Note14(B)).

	The Group	
	2025	2024
	RM'000	RM'000
Net profit attributable to owners of the Company	<b>403,377</b>	600,278
	'000	'000
Weighted average number of ordinary shares in issue	<b>3,506,130</b>	3,507,797
Basic and diluted earnings per share (sen)	<b>11.50</b>	17.11

The Group has no dilutive potential ordinary shares and therefore the diluted earnings per share is the same as the basic earnings per share.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**12 DIVIDENDS**

Dividends declared and paid in respect of the current financial year are as follows:

	The Company			
	2025		2024	
	Dividend per share Sen	Amount of dividend RM'000	Dividend per share Sen	Amount of dividend RM'000
Single tier first interim dividend	2.00	70,123	2.00	70,123
Single tier special dividend	1.00	*	1.00	35,062
Single tier second interim dividend	5.00	*	5.00	175,308
	<b>8.00</b>	<b>70,123</b>	<b>8.00</b>	<b>280,493</b>

\* The amount of dividend will be determined based on the number of shareholders entitled to receive the dividend as at 5:00pm on 30 June 2025.

On 29 May 2025, the Directors have declared a single tier second interim dividend and a special dividend in respect of the financial year ended 31 March 2025 of 5.0 sen and 1.0 sen respectively per share to be paid on 18 July 2025 to every member who is entitled to receive the dividend as at 5:00pm on 30 June 2025. The second interim dividend and special dividend have not been recognised in the Statement of Changes in Equity as they were declared subsequent to the financial year end.

The Directors do not recommend the payment of any final dividend for the financial year ended 31 March 2025 (2024: Nil).

**13 SEGMENTAL REPORTING**

Management has determined the operating segments based on the reports reviewed by the Operating Committee ("OpCo") that are used for allocating resources and assessing performance. The OpCo considers the business from the business segment perspective and assesses the performance of the operating segments based on a measure of profit before taxation and earnings before interest, tax, depreciation and amortisation.

The Group has/had the following principal business segments:

- (a) Construction - Construction activities
- (b) Property development - Development of land into vacant lots, residential, commercial and/or industrial buildings
- (c) Manufacturing and quarrying - Production and sale of concrete products, and quarrying activities
- (d) Infrastructure - Tollway - Tollway operation
- (e) Infrastructure - Port - Port operation

Other operations of the Group comprise mainly investment holding and telecommunication.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

① — ② — ③ — ④ — ⑤ — ⑥ — ⑦ — ⑧ — ⑨  
FINANCIAL STATEMENTS

**13 SEGMENTAL REPORTING (cont'd)**

The segment information provided to the OpCo for the reportable segments for the financial year ended 31 March 2025 is as follows:

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Infrastructure - Toll RM'000	Infrastructure - Port RM'000	Investment & others RM'000	Group RM'000
Revenue:							
Total revenue	3,756,842	1,914,872	1,155,036	529,060	453,427	428,314	8,237,551
Less: Inter-segment revenue	(898,503)	-	(100,311)	(81)	-	(397,912)	(1,396,807)
	2,858,339	1,914,872	1,054,725	528,979	453,427	30,402	6,840,744
Less: Share of operating revenue of associates and joint ventures	(290,555)	(216,151)	-	(79,523)	(2,526)	-	(588,755)
Revenue from external customers *	2,567,784	1,698,721	1,054,725	449,456	450,901	30,402	6,251,989
Revenue from contract with customers							
Timing of revenue recognition:							
- At a point in time	16,232	459,050	1,011,178	-	-	-	1,486,460
- Over time	2,551,552	1,209,602	32,744	449,334	421,008	30,097	4,694,337
	2,567,784	1,668,652	1,043,922	449,334	421,008	30,097	6,180,797

\* Included in revenue from external customers are revenue from contract with customers of RM6,180,797,000 (Note 4(a)).

Inter-segment revenue comprises rendering of construction services to the property development and infrastructure segments and the sale of manufacturing and quarrying products to the construction segment. These transactions are transacted on agreed terms between the segments.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**13 SEGMENTAL REPORTING** (cont'd)

The segment information provided to the OpCo for the reportable segments for the financial year ended 31 March 2025 is as follows: (cont'd)

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Infrastructure - Toll RM'000	Infrastructure - Port RM'000	Investment & others RM'000	Group RM'000
Results:							
Profit/(losses) before taxation	113,129	359,336	190,729	(86)	125,527	2,429	791,064
Depreciation and amortisation <sup>(A)*</sup>	13,632	19,527	50,472	130,587	53,250	2,014	269,482
Finance cost <sup>(B)</sup>	72,865	36,726	2,552	81,669	56,802	32,537	283,151
Earnings before interest, tax, depreciation and amortisation	199,626	415,589	243,753	212,170	235,579	36,980	1,343,697
Other than (A) and (B), profit before taxation also includes:							
- Interest income	29,708	35,546	3,262	4,649	11,238	52,878	137,281
- Share of profits/(losses) of associates	16,374	(5,054)	-	(66,740)	319	(6)	(55,107)
- Share of profits of joint ventures	4,566	31,099	-	-	-	-	35,665
- Impairment of investment in RUMS (Note 5(a))	-	-	-	(54,000)	-	-	(54,000)
- Net foreign exchange losses (Note 5(a))	(7,303)	(27,271)	(4,009)	(24,586)	36	21,006	(42,127)
- Write down of inventories:							
• completed buildings (Note 5(a))	-	(8,744)	-	-	-	-	(8,744)
- Reversal of write down of inventories:							
• completed buildings (Note 5(b))	-	3,458	-	-	-	-	3,458

\* It comprises depreciation and amortisation of property, plant and equipment, right-of-use assets, investment properties, concession assets and intangible assets, net of amortisation of government grants and deferred income.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

① ————— ② ————— ③ ————— ④ ————— ⑤ ————— ⑥ ————— ⑦ ————— ⑧ ————— ⑨

FINANCIAL STATEMENTS

**13 SEGMENTAL REPORTING (cont'd)**

The segment information provided to the OpCo for the reportable segments for the financial year ended 31 March 2025 is as follows: (cont'd)  
The revenue from external customers reported to the OpCo is measured in a manner consistent with that in the statement of comprehensive income.  
Revenue by product and services is disclosed in Note 4(a) to the financial statements.

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Infrastructure - Toll RM'000	Infrastructure - Port RM'000	Investment & others RM'000	Group RM'000
<b>Assets:</b>							
Segment assets	2,688,285	10,697,251	1,594,752	3,409,461	2,091,151	748,211	21,229,111
Unallocated assets:							
- Deferred tax assets							482,684
- Tax recoverable							57,536
<b>Consolidated total assets</b>							<b>21,769,331</b>
Segment assets include:							
- Investment in associates	315,343	355,596	-	714,541	1,867	27	1,387,374
- Investment in joint ventures	14,157	527,022	-	173,666	-	-	714,845
- Additions to non-current assets* (other than financial instruments and deferred tax assets)	10,821	297,568	168,080	7,680	32,349	1,283	517,781
<b>Liabilities:</b>							
Segment liabilities	2,470,727	2,845,798	361,424	1,245,194	1,206,870	1,759,591	9,889,604
Unallocated liabilities:							
- Deferred tax liabilities							495,740
- Current tax liabilities							53,143
<b>Consolidated total liabilities</b>							<b>10,438,487</b>

\* Non-current assets comprise property, plant and equipment, right-of-use assets, investment properties, concession assets, intangible assets and land held for property development (included in inventories).

The amounts provided to the OpCo with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**13 SEGMENTAL REPORTING** (cont'd)

The segment information provided to the OpCo for the reportable segments for the financial year ended 31 March 2024 is as follows:

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Infrastructure - Toll RM'000	Infrastructure - Port RM'000	Investment & others RM'000	Group RM'000
Revenue:							
Total revenue	2,838,260	2,232,436	1,275,491	623,175	470,083	274,658	7,714,103
Less: Inter-segment revenue	(776,237)	(19,066)	(83,535)	(61)	-	(239,198)	(1,118,097)
	2,062,023	2,213,370	1,191,956	623,114	470,083	35,460	6,596,006
Less: Share of operating revenue of associates and joint ventures	(386,464)	(184,097)	-	(103,562)	(3,069)	-	(677,192)
Revenue from external customers *	1,675,559	2,029,273	1,191,956	519,552	467,014	35,460	5,918,814
Revenue from contract with customers							
Timing of revenue recognition:							
- At a point in time	157,331	676,680	1,136,735	-	-	-	1,970,746
- Over time	1,518,228	1,320,790	48,046	499,825	435,879	35,155	3,857,923
	1,675,559	1,997,470	1,184,781	499,825	435,879	35,155	5,828,669

\* Included in revenue from external customers are revenue from contract with customers of RM5,828,669,000 (Note 4(a)).

Inter-segment revenue comprises rendering of construction services to the property development and infrastructure segments and the sale of manufacturing and quarrying products to the construction segment. These transactions are transacted on agreed terms between the segments.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*
**13 SEGMENTAL REPORTING (cont'd)**

The segment information provided to the OpCo for the reportable segments for the financial year ended 31 March 2024 is as follows: (cont'd)

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Infrastructure - Toll RM'000	Infrastructure - Port RM'000	Investment & others RM'000	Group RM'000
<b>Results:</b>							
Profit before taxation	36,809	390,966	181,789	128,308	151,387	74,910	964,169
Depreciation and amortisation (A)*	11,017	18,972	50,533	149,673	68,614	2,160	300,969
Finance cost (B)	88,174	42,509	3,396	110,513	56,178	6,367	307,137
Earnings before interest, tax, depreciation and amortisation	136,000	452,447	235,718	388,494	276,179	83,437	1,572,275
Other than (A) and (B), profit before taxation also includes:							
- Interest income	34,657	40,582	4,146	4,282	8,964	43,381	136,012
- Share of profits/(losses) of associates	2,577	(86)	-	(34,076)	314	4	(31,217)
- Share of (losses)/profits of joint ventures	(86)	29,779	-	-	-	-	29,743
- Write down of inventories:							
• property development costs (Note 5(a))	-	(83,714)	-	-	-	-	(83,714)
• completed buildings (Note 5(a))	-	(4,389)	-	-	-	-	(4,389)
- Reversal of write down of inventories:							
• completed buildings (Note 5(b))	-	19,790	-	-	-	-	19,790
- Net foreign exchange gains (Note 5(a))	4,096	49,163	4,304	(27,001)	(210)	9	30,361

\* It comprises depreciation and amortisation of property, plant and equipment, right-of-use assets, investment properties, concession assets and intangible assets, net of amortisation of government grants and deferred income.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**13 SEGMENTAL REPORTING** (cont'd)

The segment information provided to the OpCo for the reportable segments for the financial year ended 31 March 2024 is as follows: (cont'd)  
The revenue from external customers reported to the OpCo is measured in a manner consistent with that in the statement of comprehensive income.  
Revenue by product and services is disclosed in Note 4(a) to the financial statements.

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Infrastructure - Toll RM'000	Infrastructure - Port RM'000	Investment & others RM'000	Group RM'000
<b>Assets:</b>							
Segment assets	2,439,613	10,367,521	1,575,126	3,706,400	2,042,604	594,664	20,725,928
Unallocated assets:							
- Deferred tax assets							505,433
- Tax recoverable							83,962
<b>Consolidated total assets</b>							<b>21,315,323</b>
<b>Segment assets include:</b>							
- Investment in associates	317,635	306,390	-	636,226	1,728	32	1,262,011
- Investment in joint ventures	805	456,529	-	149,946	-	-	607,280
- Additions to non-current assets* (other than financial instruments and deferred tax assets)	26,201	72,325	175,032	6,705	35,832	1,014	317,109
<b>Liabilities:</b>							
Segment liabilities	2,675,177	3,057,983	323,847	1,731,244	1,226,614	415,030	9,429,895
Unallocated liabilities:							
- Deferred tax liabilities							485,275
- Current tax liabilities							81,297
<b>Consolidated total liabilities</b>							<b>9,996,467</b>

\* Non-current assets comprise property, plant and equipment, right-of-use assets, investment properties, concession assets, intangible assets and land held for property development (included in inventories).

The amounts provided to the OpCo with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	<b>8</b>	9	
								FINANCIAL STATEMENTS	

**13 SEGMENTAL REPORTING** (cont'd)

Geographical information:

	Revenue from external customers RM'000	Non-* current assets RM'000
<b>2025</b>		
Malaysia	5,909,110	5,424,555
India	323,993	953,509
United Kingdom	18,886	47
Other countries	-	33
	<b>6,251,989</b>	<b>6,378,144</b>
<b>2024</b>		
Malaysia	5,445,752	5,225,347
India	444,597	1,298,929
United Kingdom	28,465	67
Other countries	-	36
	5,918,814	6,524,379

\* Non-current assets comprise property, plant and equipment, right-of-use assets, investment properties, concession assets, intangible assets and land held for property development (included in inventories).

Revenue is based on the country in which the customers are located. Non-current assets are determined according to the country where these assets are located.

**14 SHARE CAPITAL AND TREASURY SHARES**
**(A) SHARE CAPITAL**

	The Group and the Company			
	2025		2024	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Issued and fully paid:				
Ordinary shares with no par value:				
At 1 April 2024/2023 and				
At 31 March 2025/2024	<b>3,647,567</b>	<b>6,132,406</b>	3,647,567	6,132,406

During the financial year, there was no issuance of new ordinary shares.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**14 SHARE CAPITAL AND TREASURY SHARES (cont'd)**

**(B) TREASURY SHARES**

	The Group and the Company			
	2025		2024	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
At 1 April 2024/2023	<b>141,400</b>	<b>235,102</b>	134,664	224,912
Share buy back	<b>1,000</b>	<b>1,910</b>	6,736	10,190
<b>At 31 March</b>	<b>142,400</b>	<b>237,012</b>	141,400	235,102

The shareholders of the Company had approved an ordinary resolution at the Annual General Meeting held on 29 August 2024 for the Company to purchase its own shares up to a maximum of 10% of the issued and paid-up capital of the Company. The Directors of the Company were committed to enhancing the value of the Company and believed that the purchase plan was being applied in the best interest of the Company and its shareholders.

During the financial year, the Company purchased 1,000,000 of its ordinary shares from the open market on Bursa Malaysia Securities Berhad ("Bursa Malaysia") for RM1,910,280. The average price paid for the shares purchased was approximately RM1.91 per share. The purchase transactions were financed by internally generated funds. The shares purchased are being held as treasury shares as allowed for under Section 127 of the Companies Act 2016. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

**15 PERPETUAL SUKUK OF A SUBSIDIARY**

On 19 March 2019, IJM Land Berhad ("IJML") ("the issuer"), a wholly-owned subsidiary of the Company made its first issuance of RM650 million nominal value of subordinated Perpetual Islamic Notes ("Perpetual Sukuk") pursuant to a Perpetual Islamic Notes Issuance Programme of RM2.0 billion in nominal value based on the Shariah Principle of Musharakah with a subordinated Guarantee from the Company ("the Kafalah Provider"). The proceeds arising from the Perpetual Sukuk will be utilised for Shariah-compliant purposes which include the refinancing of IJML Group's existing borrowings, investments, working capital requirements and its general corporate purposes.

On 25 September 2019, IJML made its second issuance of RM200 million nominal value of subordinated Perpetual Sukuk.

The salient features of the Perpetual Sukuk are as follows:

- (a) The Perpetual Sukuk is unsecured and issued under the Shariah Principle of Musharakah.
- (b) The Perpetual Sukuk and the subordinated Guarantee shall at all times rank as follows:
  - (i) Below all present and future creditors of the issuer or the Kafalah Provider.
  - (ii) Pari passu with any instruments or security issued or guaranteed by the issuer or Kafalah Provider that is expressed to rank whether by its terms or by operation or law, pari passu with the Perpetual Sukuk or Subordinated Guarantee ("Parity Obligations").
  - (iii) Above any class of the issuer's or Kafalah Provider's share capital including without limitation, any ordinary shares and preference shares in the capital of the issuer or the Kafalah Provider ("Junior Obligations").
- (c) Perpetual in tenure. However, IJML has a call option to redeem all of the Perpetual Sukuk on the First Call Date and on each periodic distribution date thereafter. The First Call Date for the Perpetual Sukuk Tranche 1 of RM350 million, Tranche 2 of RM300 million and Tranche 3 of RM200 million shall fall on 19 March 2026, 19 March 2027 and 27 September 2027 respectively.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*



**15 PERPETUAL SUKUK OF A SUBSIDIARY** (cont'd)

The salient features of the Perpetual Sukuk are as follows: (cont'd)

- (d) IJML has the option to redeem all of the Perpetual Sukuk if:
- (i) there are changes or amendments to the Malaysian Financial Reporting Standards resulting in the Perpetual Sukuk no longer being classified as “equity” (“Accounting Event”), or
  - (ii) the expected periodic distribution amount made would not be fully tax deductible for Malaysian income tax purposes (“Tax Event”), or
  - (iii) there are amendments, clarifications or changes in the rating methodology by the Rating Agency resulting in a lower equity credit as compared to its first assigned equity credit or if equity credit is not assigned for the Perpetual Sukuk. (“Rating Event”), or
  - (iv) the Company ceases to hold more than fifty per cent of voting shares in IJML or when IJML ceases to be a subsidiary of the Company (“Change of Control Event”).
- (e) The Perpetual Sukuk carries an initial fixed periodic distribution rate of 5.65%, 5.73% and 4.73% per annum and payable semi-annually for Tranche 1, Tranche 2 and Tranche 3 respectively. If IJML does not exercise its option to redeem on the First Call Date, the periodic distribution rate shall be increased by 1% per annum after the First Call Date.
- (f) Upon occurrence of a “Change of Control Event” and if IJML does not elect to redeem the Perpetual Sukuk, the periodic distribution rate shall be increased by 3% per annum.
- (g) IJML may opt to defer payment in whole or in part of the expected periodic distribution amount. So long as any deferred periodic distribution amount is not made in full, the issuer and the Kafalah Provider shall not declare or pay any dividends or no other payments can be made in respect of any of its ordinary shares and preference shares or its Parity Obligations except on a pro-rata basis with the Perpetual Sukuk.
- (h) If, during the six-months period ending on the day before the relevant scheduled periodic distribution date, either or both of the following have occurred:
- (i) A dividend, distribution or other payment has been declared or paid by the Issuer and/or Kafalah Provider in respect of any of the Issuer’s or the Kafalah Provider’s Junior Obligation or Parity Obligations except on a pro-rata basis with the Sukuk Musharakah; and
  - (ii) The Issuer’s or the Kafalah Provider’s Junior Obligations, or Parity Obligations except on a pro-rata basis with the Sukuk Musharakah have been purchased, redeemed, reduced, cancelled, bought-back or acquired by the Issuer or the Kafalah Provider, an Issuer’s or the Kafalah Provider’s Compulsory Periodic Distribution Payment Event (“CPDPE”) shall have occurred.
- (i) To facilitate the issuance of the Perpetual Sukuk, IJML entered into a notional Musharakah Arrangement with the Sukuk Trustee to undertake a Musharakah Venture consisting of Shariah compliant business operations of certain subsidiaries. The Musharakah Venture does not represent collateralisation of business operations or land titles to the Musharakah Venture.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)  
For the Financial Year Ended 31 March 2025

**16 BONDS**

	Unsecured				Secured				Total RM'000
	Sukuk Murabahah (a) RM'000	Sukuk Murabahah (a) RM'000	Sukuk Murabahah Notes (b) RM'000	Debtentures (c) RM'000	Murabahah Notes (d) RM'000	Sukuk Murabahah Notes (e) RM'000	Sukuk Wakalah (f) RM'000		
<b>The Group</b>									
<b>2025</b>									
At 1 April 2024	300,000	100,000	1,000,000	93,632	360,000	315,000	900,000	3,068,632	
Drawdown during the year	700,000	200,000	-	-	-	-	100,000	1,000,000	
Redeemed during the year	-	-	(100,000)	(2,748)	-	(60,000)	(100,000)	(262,748)	
At 31 March 2025	1,000,000	300,000	900,000	90,884	360,000	255,000	900,000	3,805,884	
Less:									
Transaction cost	(564)	(2,667)	-	(617)	(1,148)	-	(5,415)	(10,411)	
Accumulated amortisation	87	644	-	54	612	-	4,549	5,946	
Exchange differences	(477)	(2,023)	-	(563)	(536)	-	(866)	(4,465)	
	-	-	-	(7,216)	-	-	-	(7,216)	
Less:									
Amount redeemable within 12 months (Note 44)	999,523	297,977	900,000	83,105	359,464	255,000	899,134	3,794,203	
	-	(297,977)	(200,000)	(3,531)	-	(60,000)	(160,000)	(721,508)	
	999,523	-	700,000	79,574	359,464	195,000	739,134	3,072,695	

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①      ②      ③      ④      ⑤      ⑥      ⑦      ⑧      ⑨

FINANCIAL STATEMENTS

**16 BONDS (cont'd)**

	Unsecured			Secured					Total RM'000
	Sukuk Murabahah (a) RM'000	Sukuk Murabahah Notes (b) RM'000	Sukuk Murabahah Notes (c) RM'000	Debtentures (c) RM'000	Murabahah Notes (d) RM'000	Sukuk Mudharabah Notes (e) RM'000	Sukuk Wakalah (f) RM'000		
<b>The Group</b>									
<b>2024</b>									
At 1 April 2023	-	-	1,200,000	-	360,000	375,000	985,000	2,920,000	
Drawdown during the year	300,000	100,000	-	93,792	-	-	-	493,792	
Redeemed during the year	-	-	(200,000)	(160)	-	(60,000)	(85,000)	(345,160)	
At 31 March 2024	300,000	100,000	1,000,000	93,632	360,000	315,000	900,000	3,068,632	
Less:									
Transaction cost	(420)	(802)	-	(617)	(1,148)	-	(5,415)	(8,402)	
Accumulated amortisation	5	-	-	1	383	-	4,036	4,425	
Exchange differences	(415)	(802)	-	(616)	(765)	-	(1,379)	(3,977)	
	-	-	-	993	-	-	-	993	
	299,585	99,198	1,000,000	94,009	359,235	315,000	898,621	3,065,648	
Less:									
Amount redeemable within 12 months (Note 44)	-	(99,198)	(100,000)	(2,883)	-	(60,000)	(100,000)	(362,081)	
	299,585	-	900,000	91,126	359,235	255,000	798,621	2,703,567	

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**16 BONDS** (cont'd)

	Unsecured Sukuk Murabahah Notes (b) RM'000	Total RM'000
<b>The Company</b>		
<b>2025</b>		
At 1 April 2024	1,000,000	1,000,000
Redeemed during the year	(100,000)	(100,000)
<b>At 31 March 2025</b>	<b>900,000</b>	<b>900,000</b>
Less:		
Amount redeemable within 12 months (Note 44)	(200,000)	(200,000)
	<b>700,000</b>	<b>700,000</b>
<b>2024</b>		
At 1 April 2023	1,200,000	1,200,000
Redeemed during the year	(200,000)	(200,000)
At 31 March 2024	1,000,000	1,000,000
Less:		
Amount redeemable within 12 months (Note 44)	(100,000)	(100,000)
	<b>900,000</b>	<b>900,000</b>

A. Maturity profile of Bonds

	Note	Carrying amount RM'000	< 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	> 5 years RM'000
<b>The Group</b>								
<b>2025</b>								
<u>Unsecured</u>								
Sukuk Murabahah	(a)	999,523	-	-	-	-	-	999,523
Sukuk Murabahah	(a)	297,977	297,977	-	-	-	-	-
Sukuk Murabahah Notes	(b)	900,000	200,000	-	-	200,000	250,000	250,000
<u>Secured</u>								
Debentures	(c)	83,105	3,531	4,424	5,318	7,105	8,891	53,836
Sukuk Murabahah Notes	(d)	359,464	-	-	359,464	-	-	-
Sukuk Mudharabah Notes	(e)	255,000	60,000	60,000	65,000	70,000	-	-
Sukuk Wakalah	(f)	899,134	160,000	160,000	160,000	160,000	160,000	99,134
		<b>3,794,203</b>	<b>721,508</b>	<b>224,424</b>	<b>589,782</b>	<b>437,105</b>	<b>418,891</b>	<b>1,402,493</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨
FINANCIAL STATEMENTS								

**16 BONDS** (cont'd)

A. Maturity profile of Bonds (cont'd)

	Note	Carrying amount RM'000	< 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	> 5 years RM'000
<b>The Group</b>								
<b>2024</b>								
<u>Unsecured</u>								
Sukuk Murabahah	(a)	299,585	-	-	-	-	-	299,585
Sukuk Murabahah	(a)	99,198	99,198	-	-	-	-	-
Sukuk Murabahah Notes	(b)	1,000,000	100,000	200,000	-	-	200,000	500,000
<u>Secured</u>								
Debentures	(c)	94,009	2,883	3,872	4,851	5,831	7,791	68,781
Sukuk Murabahah Notes	(d)	359,235	-	-	-	359,235	-	-
Sukuk Mudharabah Notes	(e)	315,000	60,000	60,000	60,000	65,000	70,000	-
Sukuk Wakalah	(f)	898,621	100,000	160,000	160,000	160,000	160,000	158,621
		3,065,648	362,081	423,872	224,851	590,066	437,791	1,026,987
<b>The Company</b>								
<u>Unsecured</u>								
Sukuk Murabahah Notes	(b)							
<b>2025</b>		<b>900,000</b>	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>250,000</b>	<b>250,000</b>
<b>2024</b>		1,000,000	100,000	200,000	-	-	200,000	500,000

B. Principal features of Bonds

(a) Sukuk Murabahah

Pursuant to resolutions of the Board of Directors passed on 12 July 2023 and 15 November 2023 respectively, IJM Treasury Management Sdn Bhd ("IJM TM"), a wholly-owned subsidiary of the Company, established an Islamic commercial papers ("ICP") programme ("ICP Programme") and an Islamic medium term notes ("IMTN") programme ("IMTN Programme") with a combined aggregate limit of up to RM5.0 billion in nominal value, based on the Shariah principle of Murabahah (via Tawarruq arrangement) with corporate guarantee from the Company. The ICP and the IMTN shall collectively, be referred to as "Sukuk Murabahah" and the ICP Programme and the IMTN Programme shall be referred to as "Sukuk Murabahah Programmes".

The Sukuk Murabahah Programmes contain covenants which require the Group to maintain its consolidated gearing ratio of not more than 1.25 times.

The tenure of the IMTN Programme shall be perpetual. The tenure of each IMTN shall be at least one (1) year from the date of issuance. The outstanding balances of the IMTN of RM1,000 million (2024: RM300 million) bear interests ranging from 4.01% to 4.40% (2024: 4.40%) per annum, with maturity period ranging between 7 to 15 years (2024: 15 years).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**16 BONDS** (cont'd)

**B. Principal features of Bonds** (cont'd)

(a) Sukuk Murabahah (cont'd)

The tenure of the ICP Programme shall be seven (7) years from the date of the first (1st) issuance of the ICP under the ICP Programme. The tenure of each ICP shall be at least one (1) month and up to twelve (12) months from the date of issuance. The outstanding balance of the ICP of RM300 million (2024: RM100 million) bears interest of 3.73% (2024: 3.66%) per annum, with maturity period of 87 days (2024: 90 days).

(b) Sukuk Murabahah Notes

On 10 March 2014, the Company established an unsecured Sukuk Murabahah Programme ("Programme") of up to RM3.0 billion in nominal value with a tenure of up to 20 years from the first issuance date.

The Programme contains covenants which require the Group to maintain its net debt to equity ratio of not more than 1.25 times.

On 21 April 2015, the Company issued a third tranche of RM200,000,000 pursuant to the Programme at its nominal value that carries a profit rate of 4.90% per annum. It is repayable in full 10 years after the issue date.

On 4 June 2015, the Company issued a fourth tranche of RM200,000,000 pursuant to the Programme at its nominal value that carries a profit rate of 4.64% per annum. It is repayable in full 8 years after the issue date. During the financial year, RM200,000,000 was repaid on 2 June 2023.

On 17 October 2016, the Company issued a fifth tranche of RM100,000,000 pursuant to the Programme at its nominal value that carries a profit rate of 4.60% per annum. It is repayable in full 8 years after the issue date. During the financial year, RM100,000,000 was repaid on 17 October 2024.

On 20 August 2018, the Company issued a sixth tranche of RM200,000,000 pursuant to the Programme at its nominal value that carries a profit rate of 5.05% per annum. It is repayable in full 10 years after the issue date.

On 10 April 2019, the Company issued a seventh tranche of RM250,000,000 pursuant to the Programme at its nominal value that carries a profit rate of 4.76% per annum. It is repayable in full 10 years after the issue date.

On 25 August 2020, the Company issued an eighth tranche of RM250,000,000 pursuant to the Programme at its nominal value that carries a profit rate of 3.85% per annum. It is repayable in full 10 years after the issue date.

As at 31 March 2025, the profit rate of the Sukuk is 4.60% (2024: 4.60%) per annum.

(c) Debentures

(i) On 22 March 2024, Dewas Bypass Tollway Private Limited ("DBTPL") ("issuer"), an indirect subsidiary of the Company issued a secured, redeemable, non-convertible debentures ("Debentures") of up to RM93,792,000 in nominal value to be fully redeemed before 31 March 2035. It is repayable in 133 varying monthly instalments, commencing at the end of month after the issue date.

As at 31 March 2025, the coupon rate is 9.15% (2024: 9.15%) per annum.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**16 BONDS** (cont'd)

**B. Principal features of Bonds** (cont'd)

(c) Debentures (cont'd)

- (ii) The Debentures are secured by the following:
- a first ranking pari passu charge by way of hypothecation over all the issuer's fixed assets, moveable assets (as defined in the concession agreement), uncalled and current assets, both present and future, save and except the project assets, and all the bank accounts of issuer;
  - all intangible assets of the issuer;
  - a first ranking pari passu charge / assignment by way of security over all the right, title, interest, benefits, claims and demands whatsoever of the issuer in, to and under:
    - all the project agreements;
    - all the clearances;
    - any letter of credit, guarantee, performance bond including contractor guarantees, consent agreements, side letters, liquidated damages, performance bonds or any other security under any project agreement;
    - all insurance contracts and proceeds;
  - a first ranking pari passu charge by way of pledge of equity shares of the issuer;
  - a first charge on termination payments under the concession agreement;
  - a Promoter Support Agreement by issuer; and
  - a Sponsor Support Agreement by the Company.

(iii) The issuer shall maintain a debt service cover ratio greater than 1.15 times.

(d) Sukuk Murabahah Notes

- (i) On 18 July 2022, Fairview Valley Sdn Bhd ("FVSB") ("Issuer"), an indirect subsidiary of the Company entered into a subscription agreement with CIMB ("Subscriber") for the inaugural RM360 million nominal value Sukuk Murabahah ("Programme").

On 26 August 2022, FVSB (Issuer) made its first issuance pursuant to the Programme for the amount of RM360,000,000 at nominal value.

The Sukuk shall have a maturity date falling 5 years after the date of issuance of Sukuk, provided that the maturity date of the Sukuk shall not extend beyond the tenure of the programme which is 10 years

As at 31 March 2025, the profit rate of the Sukuk is 4.83% (2024: 4.84%) per annum.

- (ii) The Sukuk is secured by the following:
- First party first legal charge by the Issuer over the land held under Geran 79869, Lot 20042 Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, including the building known as "Menara Prudential" and all other buildings and fixtures erected or to be erected thereon (Note 27);
  - First/Third party Assignment and Charge over the Designated Accounts;
  - Assignment overall all rights, interest and benefits over the sales and purchase agreement entered or to be entered into in relation to the disposal of the Security Property or any parts thereof, if any, including all amount payable to the Issuer thereunder;

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

### 16 BONDS (cont'd)

#### B. Principal features of Bonds (cont'd)

##### (d) Sukuk Murabahah Notes (cont'd)

- (ii) The Sukuk is secured by the following: (cont'd)
- Assignment over all rights, interest and benefits over the Lease/Tenancy Agreement(s) including all amounts and deposit payable to the Issuer thereunder; and
  - Irrevocable and unconditional letter of undertaking from IJM Corporation Berhad to undertake to ensure and procure that the Issuer shall (i) keep maintain the Security Property in good state of repair and proper working order, (ii) maintain in full force and effect and promptly renew from time to time and comply with all relevant authorisations, consents, rights, licenses, approvals and permits to enable it to own its assets and carry on its business and (iii) carry out its business and affairs with diligence in a proper and efficient manner and in accordance with sound commercial and business standards and practices so as to be in a position at all times to meet all its obligations and liabilities (financial or otherwise) including but not limited to the obligations under the Transaction Documents and the Lease/Tenancy Agreement(s).
- (iii) The Sukuk contains covenants which require FVSB to maintain a financing services ratio coverage ("FSRC") of at least 1.2 times and financing-to-value ("FTV") ratio of not more than 70% against the open market value of the security property.

##### (e) Sukuk Mudharabah Notes

- (i) An indirect subsidiary, Besraya (M) Sdn Bhd ("Besraya"), issued RM700,000,000 secured Sukuk Mudharabah ("Sukuk"), an Islamic Securities Programme on 28 July 2011.

The RM700,000,000 Sukuk was issued at its nominal value. It is repayable in 13 annual instalments, commencing 5 years after the issue date. In the preceding financial year, RM60,000,000 was repaid on 25 July 2023.

During the financial year, RM60,000,000 was repaid on 25 July 2024.

As at 31 March 2025, the profit rate of the Sukuk is 5.25% (2024: 5.21%) per annum.

- (ii) The Sukuk is secured by the following:
- a debenture creating a first ranking fixed and floating charge over all present and future assets, rights and interests of the issuer;
  - a first ranking assignment of all of the issuer's rights, interests, titles and benefits under the Project Agreements, including without limitation the right to demand, collect and retain toll, liquidated damages and all proceeds arising therefrom;
  - an assignment of all rights, interests, titles and benefits in all performance and/or maintenance bonds issued to and/or in favour of the issuer, save for those assigned or to be assigned to the Government of Malaysia pursuant to the Concession Agreement;
  - a first ranking assignment of all rights, interests, titles and benefits in all relevant insurance/takaful policies of the issuer and/or in respect of the Besraya Extension Expressway Project, subject to the insurance provisions under the Concession Agreement and the Supplemental Concession Agreement; and
  - a first ranking charge and assignment of all rights, interests, titles and benefits in all Designated Accounts and the credit balances.
- (iii) The Sukuk contains covenants which require Besraya to maintain a financial service cover ratio of at least 1.25 times and debt equity ratio of not greater than 80:20.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**16 BONDS** (cont'd)

**B. Principal features of Bonds** (cont'd)

(f) Sukuk Wakalah

- (i) On 23 March 2018, an indirect subsidiary, Kuantan Port Consortium Sdn Bhd (“KPC”) established an unrated Islamic Medium Term Notes Programme of up to RM3.0 billion in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar (the “Sukuk Wakalah”) with a tenure of up to 25 years from the first issuance date.

On 2 May 2018, KPC made the first issuance of the Sukuk Wakalah for an amount of RM650,000,000 at nominal value and carries a profit rate ranging from 4.82% to 4.99% (2024: 4.74% to 4.94%) per annum. It is repayable in 8 varying annual instalments, commencing 4 years after the issue date. In the previous financial years, RM135,000,000 was repaid. During the financial year, RM100,000,000 was repaid on 28 April 2024.

On 30 July 2018, KPC made the second issuance for an amount of RM225,000,000 of the Sukuk Wakalah at nominal value and carries a profit rate ranging from 4.87% to 5.00% (2024: 4.74% to 4.94%) per annum. It is repayable in 8 varying annual instalments, commencing 4 years after the issue date.

On 31 January 2019, KPC made the third issuance for an amount of RM30,000,000 of the Sukuk Wakalah at nominal value and carries a profit rate ranging from 4.90% to 5.01% (2024: 4.72% to 4.96%) per annum. It is repayable in 9 varying annual instalments, commencing 4 years after the issue date.

On 5 November 2019, KPC made the fourth issuance for an amount of RM80,000,000 of the Sukuk Wakalah at nominal value and carries a profit rate ranging from 4.79% to 5.00% (2024: 4.71% to 4.92%) per annum. It is repayable in 10 varying annual instalments, commencing 4 years after the issue date.

On 19 November 2020, KPC made the fifth issuance for an amount of RM50,000,000 of the Sukuk Wakalah at nominal value and carries a profit rate ranging from 4.70% to 4.88% (2024: 4.69% to 4.90%) per annum. It is repayable in 11 varying annual instalments, commencing 4 years after the issue date.

On 9 November 2023, KPC had obtained approval to extend the maturity dates for the second and third issuance by a period of 3 months from the original maturity dates. All other terms and conditions as stipulated in the Sukuk Wakalah Programme remain unchanged.

On 2 May 2024, KPC made the sixth issuance for an amount of RM100,000,000 of the Sukuk Wakalah at nominal value and carries a profit rate ranging from 4.82% to 4.92% per annum. It is repayable in 12 varying annual instalments, commencing 4 years after the issue date.

As at 31 March 2025, the profit rate of the Sukuk Wakalah is 4.97% (2024: 4.85%) per annum.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**16 BONDS** (cont'd)

B. Principal features of Bonds (cont'd)

(f) Sukuk Wakalah (cont'd)

- (ii) The Sukuk Wakalah is secured by the following:
- a debenture creating a fixed and floating charge over the present and future assets of KPC;
  - an assignment of balance of revenue from leases, subleases and tenancies, interest, rights, titles and benefits on contract from contractors, suppliers and others including performance or maintenance bonds, designated accounts and insurance/takaful policy;
  - pari passu ranking between the Government of Malaysia pursuant to the Privatisation Agreement dated 16 June 2015 and the Sukuk Wakalah under the Security Sharing Arrangement;
  - equal priority for profit and/or principal payment of the Sukuk Wakalah and transfer to the Operating Account for the principal payment of the Government Support Loan;
  - in the event that takaful/insurance proceeds are received pursuant to a total loss event, an equal and proportionate basis of redemption of the Sukuk Wakalah and transfer to the Operating Account for repayment of the Government Support Loan; and
  - in the event of early termination of the Privatisation Agreement dated 16 June 2015, an equal and proportionate basis of compensation proceeds shall be used to redeem the Sukuk and transfer to the Operating Account for repayment of the Government Support Loan.
- (iii) The Sukuk Wakalah contains covenants which require KPC to maintain its finance to equity ratio of not more than 4.0 times, finance service cover ratio of more than 1.25 times at all times and post-dividend finance service cover ratio of more than 1.5 times.

**17 TERM LOANS**

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current:					
Secured	44	<b>44,501</b>	37,263	-	-
Unsecured	44	<b>340,057</b>	473,121	<b>88,640</b>	189,480
		<b>384,558</b>	510,384	<b>88,640</b>	189,480
Non-current:					
Secured		<b>868,169</b>	1,048,206	-	-
Unsecured		<b>20,000</b>	40,000	-	-
		<b>888,169</b>	1,088,206	-	-
		<b>1,272,727</b>	1,598,590	<b>88,640</b>	189,480

A. Currency profile of term loans

The currency exposure profile of term loans is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
United States Dollar	<b>749,706</b>	922,179	<b>88,640</b>	189,480

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

**17 TERM LOANS** (cont'd)

**B. Effective interest rate and maturity profile of term loans**

The net exposure of term loans to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows:

The Group	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Note	Floating interest rate					
					< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000
<b>2025</b>										
<u>Secured</u>										
Term loan 1	4.6	109,314	RM	(a)	-	-	9,314	50,000	50,000	-
Term loan 2	9.0	24,920	INR	(b)	1,067	1,334	1,601	2,134	2,668	16,116
Term loan 3	5.0	48,690	RM	(c)	-	48,690	-	-	-	-
Term loan 4	4.7	2,245	RM	(d)	88	92	96	101	106	1,762
Term loan 5	6.8	661,066	USD	(e)	34,046	627,020	-	-	-	-
Term loan 6	5.0	7,235	RM	(f)	1,900	3,000	2,335	-	-	-
Term loan 7	5.0	59,200	RM	(g)	7,400	51,800	-	-	-	-
		<b>912,670</b>			<b>44,501</b>	<b>731,936</b>	<b>13,346</b>	<b>52,235</b>	<b>52,774</b>	<b>17,878</b>
<u>Unsecured</u>										
Term loan 9	4.7	40,000	RM		20,000	20,000	-	-	-	-
Term loan 10	8.9	15,540	INR		15,540	-	-	-	-	-
Term loan 11	8.9	195,804	INR		195,804	-	-	-	-	-
Term loan 12	9.0	20,073	INR		20,073	-	-	-	-	-
Term loan 13	5.6	88,640	USD		88,640	-	-	-	-	-
		<b>360,057</b>			<b>340,057</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total term loans</b>		<b>1,272,727</b>			<b>384,558</b>	<b>751,936</b>	<b>13,346</b>	<b>52,235</b>	<b>52,774</b>	<b>17,878</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**17 TERM LOANS** (cont'd)

**B. Effective interest rate and maturity profile of term loans** (cont'd)

The net exposure of term loans to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows: (cont'd)

The Group	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Note	Floating interest rate					
					< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000
<b>2024</b>										
<u>Secured</u>										
Term loan 1	4.7	191,323	RM	(a)	-	-	43,351	50,000	50,000	47,972
Term loan 2	9.5	28,203	INR	(b)	877	1,170	1,463	1,755	2,340	20,598
Term loan 3	5.1	56,169	RM	(c)	-	6,335	49,834	-	-	-
Term loan 4	4.7	2,434	RM	(d)	79	83	87	91	95	1,999
Term loan 5	7.5	732,699	USD	(e)	26,520	36,370	669,809	-	-	-
Term loan 6	5.1	7,225	RM	(f)	1,500	3,000	2,725	-	-	-
Term loan 7	5.1	66,529	RM	(g)	7,400	7,400	51,729	-	-	-
Term loan 8	5.1	887	RM	(h)	887	-	-	-	-	-
		1,085,469			37,263	54,358	818,998	51,846	52,435	70,569
<u>Unsecured</u>										
Term loan 9	4.7	60,000	RM		20,000	20,000	20,000	-	-	-
Term loan 10	9.0	23,004	INR		23,004	-	-	-	-	-
Term loan 11	8.9	214,704	INR		214,704	-	-	-	-	-
Term loan 12	9.0	19,028	INR		19,028	-	-	-	-	-
Term loan 14	6.5	94,740	USD		94,740	-	-	-	-	-
Term loan 15	6.6	94,740	USD		94,740	-	-	-	-	-
Term loan 16	4.7	6,905	RM		6,905	-	-	-	-	-
		513,121			473,121	20,000	20,000	-	-	-
<b>Total term loans</b>		<b>1,598,590</b>			<b>510,384</b>	<b>74,358</b>	<b>838,998</b>	<b>51,846</b>	<b>52,435</b>	<b>70,569</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨	
								FINANCIAL STATEMENTS	

**17 TERM LOANS** (cont'd)

**B. Effective interest rate and maturity profile of term loans** (cont'd)

The net exposure of term loans to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows: (cont'd)

The Company	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Floating interest rate					
				< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000
<b>2025</b>									
<u>Unsecured</u>									
Term loan 13	5.6	<b>88,640</b>	USD	<b>88,640</b>	-	-	-	-	-
<b>2024</b>									
<u>Unsecured</u>									
Term loan 14	6.5	94,740	USD	94,740	-	-	-	-	-
Term loan 15	6.6	94,740	USD	94,740	-	-	-	-	-
		<b>189,480</b>		<b>189,480</b>	-	-	-	-	-

**C. Principal features of secured term loans**

(a) Term loan 1 of RM109,314,000 (2024: RM191,323,000) is secured by way of:

- (i) an all monies facility agreement;
- (ii) an all monies third party second legal charge over the leasehold land of a subsidiary of IJML (Notes 27 and 35); and
- (iii) an all monies corporate guarantee by IJM Land Berhad ("IJML"), a subsidiary of the Company.

(b) Term loan 2 of RM24,920,000 (2024: RM28,203,000) is secured by way of:

- (i) a first ranking pari passu charge by way of hypothecation over all the fixed assets, moveable assets (as defined in the concession agreement), uncalled and current assets, both present and future, save and except the project assets, and all the bank accounts of an Indian tollway subsidiary of the Company ("company");
- (ii) all intangible assets of the company;
- (iii) a first ranking pari passu charge / assignment by way of security over all the right, title, interest, benefits, claims and demands whatsoever of the company in, to and under:
  - all the project agreements;
  - all the clearances;
  - any letter of credit, guarantee, performance bond including contractor guarantees, consent agreements, side letters, liquidated damages, performance bonds or any other security under any project agreement;
  - all insurance contracts and proceeds;
- (iv) a first ranking pari passu charge by way of pledge of equity shares of the company;
- (v) a first charge on termination payments under the concession agreement;

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

### 17 TERM LOANS (cont'd)

#### C. Principal features of secured term loans (cont'd)

- (b) Term loan 2 of RM24,920,000 (2024: RM28,203,000) is secured by way of: (cont'd)
- (vi) a Promoter Support Agreement by an indirect subsidiary, IJM Dewas (Mauritius) Limited; and
  - (vii) a Sponsor Support Agreement by the Company.
- (c) Term loan 3 of RM48,690,000 (2024: RM56,169,000) is secured by way of:
- (i) a facility agreement for the sum of RM100,000,000;
  - (ii) a first and third party first legal charge over certain properties and parcels of land of certain subsidiaries of IJML (Notes 26 and 35); and
  - (iii) a corporate guarantee by IJML.
- (d) Term loan 4 of RM2,245,000 (2024: RM2,434,000) is secured by way of:
- (i) a first party open charge over the lands and buildings of a subsidiary of Globalcomm Solutions Sdn Bhd ("GSSB"), which is 60% held by the Company; and
  - (ii) joint and several guarantee by shareholders of the subsidiary of GSSB.
- (e) Term loan 5 of RM661,066,000 (2024: RM732,699,000) is secured by way of:
- (i) a first mortgage and charge on all the immovable properties of an Indian tollway subsidiary of the Company ("company"), both present and future;
  - (ii) a first charge by way of hypothecation of moveable properties of the company, both present and future;
  - (iii) an assignment of book debts, receivables, rights and interest in project agreements of the company, both present and future;
  - (iv) a first charge on all intangible assets, undertaking and uncalled capital of the company;
  - (v) 51% equity shares of the company; and
  - (vi) a corporate guarantee by the Company.
- (f) Term loan 6 of RM7,235,000 (2024: RM7,225,000) and revolving credit of RM9,737,000 (2024: RM9,737,000) (Note 44(A)(a)) are secured by way of:
- (i) a facility agreement for the sum of RM27,000,000;
  - (ii) a first party first legal charge over a parcel of freehold land of a subsidiary of IJML (Note 35); and
  - (iii) a corporate guarantee by IJML.
- (g) Term loan 7 of RM59,200,000 (2024: RM66,529,000) and revolving credit of RM18,800,000 (2024: RM18,800,000) (Note 44(A)(b)) are secured by way of:
- (i) a facility agreement for the sum of RM200,000,000;
  - (ii) a first and third party second legal charge over certain properties and parcels of land of the subsidiaries of IJML (Note 35); and
  - (iii) a corporate guarantee by IJML.
- (h) Term loan 8 of RM Nil (2024: RM887,000) was secured by way of:
- (i) a facility agreement for the sum of RM18,570,000;
  - (ii) a first party first legal charge over two parcels of leasehold land of a subsidiary of IJML (Note 35); and
  - (iii) a corporate guarantee by IJML.

The loan was fully repaid during the financial year.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**18 GOVERNMENT SUPPORT LOAN**

	The Group	
	2025	2024
	RM'000	RM'000
Government Support Loan	<b>7,198</b>	18,585
Less: Payable within 12 months (Note 41)	<b>(7,198)</b>	(9,930)
	-	8,655

**A. Maturity profile of Government Support Loan**

	Total carrying amount	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>2025</b>							
Government Support Loan	<b>7,198</b>	<b>7,198</b>	-	-	-	-	-
<b>2024</b>							
Government Support Loan	18,585	9,930	8,655	-	-	-	-

**B. Principal features of Government Support Loan**

The principal features of the Government Support Loan of a subsidiary of Road Builder (M) Holdings Bhd ("RBH"), a subsidiary of the Company, are as follows:

The Government Support Loan is in respect of an agreement between Kuantan Port Consortium Sdn Bhd, a subsidiary of RBH and the Government of Malaysia ("the Government") in connection with the reimbursable infrastructure cost for the purpose of financing the dredging of the new harbour basin. In the financial year 2007, the instalment payments were re-scheduled to commence on 15 June 2006 and are repayable over 22 variable yearly instalments, which are interest-free.

The Government Support Loan is secured by a negative pledge and by a deed of assignment over:

- (i) the balance of the revenue from the scheduled leases, tenancies and new sub leases and tenancies granted after the commencement date of the Privatisation Agreement after deducting the amounts payable to the Kuantan Port Authority; and
- (ii) all other revenue received from the Kuantan port operations.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**19 LEASE LIABILITIES**

The Group leases certain lands, office buildings, office equipment and plant and machinery. Rental contracts are entered into for fixed periods ranging between 1 to 31 years with extension options. Lease terms on the rental contracts are negotiated on an individual basis and contain a wide range of different terms and conditions. The rental contracts do not impose any covenants.

The Company leases office spaces and office equipment. Rental contracts are entered into for fixed periods ranging between 3 to 5 years with extension options. Lease terms on the rental contracts are negotiated on an individual basis and contain a wide range of different terms and conditions. The rental contracts do not impose any covenants.

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current:				
Lease liabilities	<b>44,558</b>	62,172	<b>14,040</b>	15,619
Current:				
Lease liabilities	<b>19,211</b>	17,724	<b>1,452</b>	1,260
<b>Total lease liabilities</b>	<b>63,769</b>	79,896	<b>15,492</b>	16,879

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The maturity analysis of the lease liabilities as at the reporting date is disclosed in Note 3(c).

During the financial year, total cash outflow for the leases (including low valued assets or short term leases) for the Group and the Company amounted to RM36,183,000 (2024: RM33,694,000) and RM2,401,000 (2024: RM2,128,000) respectively.

Leases as lessor

The Group leases certain leasehold land, investment property and right-of-use assets to related and non-related parties. The Group has classified these leases as operating leases because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets. The following table sets out the maturity analysis of the total undiscounted lease payments to be received after the reporting date:

	The Group	
	2025 RM'000	2024 RM'000
Less than 1 year	<b>54,895</b>	56,557
Between 1 and 2 years	<b>50,816</b>	52,858
Between 2 and 3 years	<b>49,331</b>	48,078
Between 3 and 4 years	<b>36,723</b>	45,478
Between 4 and 5 years	<b>37,559</b>	32,416
More than 5 years	<b>349,811</b>	191,833
<b>Total undiscounted lease payments</b>	<b>579,135</b>	427,220

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	8	9
---	---	---	---	---	---	---	---	---

FINANCIAL STATEMENTS

**20 DEFERRED TAXATION**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position.

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax assets	<b>482,684</b>	505,433	<b>24,699</b>	27,350
Deferred tax liabilities	<b>(495,740)</b>	(485,275)	-	-
	<b>(13,056)</b>	20,158	<b>24,699</b>	27,350
At 1 April 2024/2023	<b>20,158</b>	(27,646)	<b>27,350</b>	12,653
Credited/(charged) to income statement (Note 10)				
- Property, plant and equipment	<b>4,419</b>	(24)	<b>(308)</b>	5
- Concession assets	<b>(2,373)</b>	6,808	-	-
- Right-of-use assets	<b>(2,863)</b>	615	<b>396</b>	430
- Post-employment benefit	<b>(169)</b>	40	-	-
- Intangible assets	<b>(146)</b>	3,281	-	-
- Tax losses	<b>(23,636)</b>	6,304	-	-
- Payables	<b>(27,719)</b>	(18,864)	<b>177</b>	919
- Inventories	<b>46,769</b>	7,328	-	-
- Construction contracts	<b>12,763</b>	7,072	-	-
- Borrowings	-	318	-	-
- Lease liabilities	<b>2,899</b>	(483)	<b>(333)</b>	(405)
- Investment properties	<b>(1,057)</b>	2,559	-	-
- Receivables	<b>12,112</b>	16,747	<b>(2,583)</b>	13,748
- Contract assets/liabilities	<b>(31,719)</b>	31,328	-	-
- Investment allowance	<b>(20,788)</b>	(15,808)	-	-
- Others	<b>163</b>	(11)	-	-
	<b>(31,345)</b>	47,210	<b>(2,651)</b>	14,697
Exchange differences	<b>(1,869)</b>	594	-	-
<b>At 31 March</b>	<b>(13,056)</b>	20,158	<b>24,699</b>	27,350

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**20 DEFERRED TAXATION** (cont'd)

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>Subject to income tax</u>				
Deferred tax assets (before offsetting)				
- Property, plant and equipment	595	511	-	-
- Inventories	274,218	238,030	-	-
- Post-employment benefit	329	498	-	-
- Payables	93,976	130,362	1,905	1,728
- Tax losses	29,977	54,268	-	-
- Construction contracts	49,451	36,688	-	-
- Borrowings	108	108	-	-
- Right-of-use assets	12,402	15,265	2,570	2,174
- Investment properties	11,325	11,325	-	-
- Concession assets	5,854	7,000	-	-
- Receivables	46,515	35,578	23,195	25,778
- Contract liabilities	956	32,185	-	-
- Investment allowance	38,708	59,496	-	-
- Others	1,518	1,357	-	-
	<b>565,932</b>	622,671	<b>27,670</b>	29,680
Offsetting	<b>(83,248)</b>	(117,238)	<b>(2,971)</b>	(2,330)
Deferred tax assets (after offsetting)	<b>482,684</b>	505,433	<b>24,699</b>	27,350
Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	(137,824)	(142,280)	(613)	(305)
- Intangible assets	(990)	(844)	-	-
- Borrowings	(531)	(531)	-	-
- Lease liabilities	(11,747)	(14,646)	(2,358)	(2,025)
- Inventories	(149,920)	(160,501)	-	-
- Payables	(873)	(9,540)	-	-
- Concession assets	(263,826)	(262,374)	-	-
- Investment properties	(8,196)	(7,139)	-	-
- Receivables	(4,084)	(5,259)	-	-
- Contract assets	(490)	-	-	-
- Others	(507)	601	-	-
	<b>(578,988)</b>	(602,513)	<b>(2,971)</b>	(2,330)
Offsetting	<b>83,248</b>	117,238	<b>2,971</b>	2,330
Deferred tax liabilities (after offsetting)	<b>(495,740)</b>	(485,275)	-	-

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**20 DEFERRED TAXATION** (cont'd)

The amounts of unutilised deductible temporary differences, unutilised investment allowance and unused tax losses for which no deferred tax asset is recognised in the statement of financial position are as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unutilised deductible temporary differences	<b>363,851</b>	372,117	-	-
Unutilised investment allowance	<b>91,215</b>	96,149	-	-
Unused tax losses	<b>1,251,688</b>	1,149,985	-	-
	<b>1,706,754</b>	1,618,251	-	-

The unutilised deductible temporary differences as stated above are available indefinitely for offset against future taxable profits of the subsidiaries in which those items arose. The unused tax losses and unutilised investment allowance of RM1,251,688,000 and RM91,215,000 (2024: RM1,149,985,000 and RM96,149,000) respectively will expire in the following financial years:

Financial year	The Group	
	2025 RM'000	2024 RM'000
2025	-	19,565
2026	<b>23,991</b>	26,070
2027	<b>123,979</b>	131,297
2028	<b>162,147</b>	157,493
2029	<b>266,100</b>	255,685
2030	<b>97,366</b>	94,702
2031	<b>209,595</b>	218,003
2032	<b>117,234</b>	121,766
2033	<b>93,011</b>	88,012
2034	<b>157,977</b>	133,541
2035	<b>91,503</b>	-
	<b>1,342,903</b>	1,246,134

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of other subsidiaries in the Group and they have arisen in subsidiaries that have a recent history of losses and some of the subsidiaries are not expected to generate sufficient taxable profits before the expiry of the unused tax losses.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**21 FINANCIAL INSTRUMENTS BY CATEGORY**

	Note	Financial assets at amortised costs RM'000	Financial assets at fair value through profit or loss RM'000	Financial assets at fair value through other comprehensive income RM'000	Total RM'000
The Group					
At 31 March 2025					
Assets as per statement of financial position:					
Non-current assets:					
Associates*	30	618,034	-	-	618,034
Joint ventures**	31	625,141	-	-	625,141
Financial assets at fair value through other comprehensive income	32	-	-	2,155	2,155
Long term receivables***	33	289,110	-	-	289,110
Financial assets at fair value through profit or loss	38	-	104	-	104
Current assets:					
Trade and other receivables****	36	2,115,831	-	-	2,115,831
Financial assets at fair value through profit or loss	38	-	576,202	-	576,202
Deposits, cash and bank balances	39	2,493,955	-	-	2,493,955
<b>Total</b>		<b>6,142,071</b>	<b>576,306</b>	<b>2,155</b>	<b>6,720,532</b>

	Note	Other financial liabilities at amortised costs RM'000	Total RM'000
Liabilities as per statement of financial position:			
Non-current liabilities:			
Bonds	16	3,072,695	3,072,695
Term loans	17	888,169	888,169
Trade and other payables	22	412,430	412,430
Current liabilities:			
Trade and other payables*****	41	3,128,364	3,128,364
Borrowings	44	1,874,292	1,874,292
<b>Total</b>		<b>9,375,950</b>	<b>9,375,950</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨	
								FINANCIAL STATEMENTS	

**21 FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)**

	Note	Financial assets at amortised costs RM'000	Financial assets at fair value through profit or loss RM'000	Financial assets at fair value through other comprehensive income RM'000	Total RM'000
The Group (cont'd)					
At 31 March 2024					
Assets as per statement of financial position:					
Non-current assets:					
Associates*	30	504,919	18,738	-	523,657
Joint ventures**	31	510,280	-	-	510,280
Financial assets at fair value through other comprehensive income	32	-	-	2,155	2,155
Long term receivables***	33	132,640	-	-	132,640
Financial assets at fair value through profit or loss	38	-	67,006	-	67,006
Current assets:					
Trade and other receivables****	36	1,699,621	-	-	1,699,621
Financial assets at fair value through profit or loss	38	-	657,937	-	657,937
Deposits, cash and bank balances	39	2,870,389	-	-	2,870,389
<b>Total</b>		<b>5,717,849</b>	<b>743,681</b>	<b>2,155</b>	<b>6,463,685</b>
	Note			Other financial liabilities at amortised costs RM'000	Total RM'000
Liabilities as per statement of financial position:					
Non-current liabilities:					
Bonds	16			2,703,567	2,703,567
Term loans	17			1,088,206	1,088,206
Government support loan	18			8,655	8,655
Trade and other payables	22			374,985	374,985
Current liabilities:					
Trade and other payables*****	41			2,753,587	2,753,587
Borrowings	44			1,723,940	1,723,940
<b>Total</b>				<b>8,652,940</b>	<b>8,652,940</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**21 FINANCIAL INSTRUMENTS BY CATEGORY** (cont'd)

The Group (cont'd)

- \* Associates comprise Redeemable Unsecured Murabahah Stocks ("RUMS"), amounts owing by associates and redeemable preference shares ("RPS") (2024: RUMS, amount owing by an associate and RPS).
- \*\* Joint ventures comprise Redeemable Convertible Unsecured Loan Stocks ("RCULS"), Redeemable Convertible Secured Islamic Debt Securities ("RCSIDS") Deferred Payment and amounts owing by joint ventures.
- \*\*\* Long term receivables exclude prepayments.
- \*\*\*\* Trade and other receivables exclude prepayments, GST receivables and costs to secure contracts.
- \*\*\*\*\* Trade and other payables exclude retirement benefits payable and GST payables.

	Note	Financial assets at amortised costs RM'000	Financial assets at fair value through profit or loss RM'000	Financial assets at fair value through other comprehensive income RM'000	Total RM'000
The Company					
<i>At 31 March 2025</i>					
Assets as per statement of financial position:					
Non-current assets:					
Subsidiaries*	29	<b>503,997</b>	-	-	<b>503,997</b>
Joint ventures**	31	<b>173,433</b>	-	-	<b>173,433</b>
Financial assets at fair value through other comprehensive income	32	-	-	<b>2,050</b>	<b>2,050</b>
Financial assets at fair value through profit or loss	38	-	<b>104</b>	-	<b>104</b>
Current assets:					
Trade and other receivables***	36	<b>883,795</b>	-	-	<b>883,795</b>
Financial assets at fair value through profit or loss	38	-	<b>51,962</b>	-	<b>51,962</b>
Deposits, cash and bank balances	39	<b>421,156</b>	-	-	<b>421,156</b>
<b>Total</b>		<b>1,982,381</b>	<b>52,066</b>	<b>2,050</b>	<b>2,036,497</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
FINANCIAL STATEMENTS								

**21 FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)**

	Note	Other financial liabilities at amortised costs RM'000	Total RM'000
The Company (cont'd)			
<u>At 31 March 2025 (cont'd)</u>			
Liabilities as per statement of financial position:			
Non-current liabilities:			
Bonds	16	700,000	700,000
Trade and other payables	22	390,000	390,000
Current liabilities:			
Trade and other payables	41	161,199	161,199
Borrowings	44	749,962	749,962
<b>Total</b>		<b>2,001,161</b>	<b>2,001,161</b>

	Note	Financial assets at amortised costs RM'000	Financial assets at fair value through profit or loss RM'000	Financial assets at fair value through other comprehensive income RM'000	Total RM'000
The Company					
<u>At 31 March 2024</u>					
Assets as per statement of financial position:					
Non-current assets:					
Subsidiaries*	29	500,558	-	-	500,558
Joint ventures**	31	149,923	-	-	149,923
Financial assets at fair value through other comprehensive income	32	-	-	2,050	2,050
Financial assets at fair value through profit or loss	38	-	67,006	-	67,006
Current assets:					
Trade and other receivables***	36	491,660	-	-	491,660
Financial assets at fair value through profit or loss	38	-	388,031	-	388,031
Deposits, cash and bank balances	39	520,508	-	-	520,508
<b>Total</b>		<b>1,662,649</b>	<b>455,037</b>	<b>2,050</b>	<b>2,119,736</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**21 FINANCIAL INSTRUMENTS BY CATEGORY** (cont'd)

	Note	Other financial liabilities at amortised costs RM'000	Total RM'000
The Company (cont'd)			
At 31 March 2024 (cont'd)			
Liabilities as per statement of financial position:			
Non-current liabilities:			
Bonds	16	900,000	900,000
Trade and other payables	22	3,878	3,878
Current liabilities:			
Trade and other payables	41	64,991	64,991
Borrowings	44	845,449	845,449
<b>Total</b>		<b>1,814,318</b>	<b>1,814,318</b>

\* Subsidiaries comprise amounts owing by subsidiaries.

\*\* Joint ventures comprise RCULS, RCSIDS Deferred Payment and amounts owing by joint ventures.

\*\*\* Trade and other receivables exclude prepayments.

**22 TRADE AND OTHER PAYABLES**

	Note	The Group	
		2025 RM'000	2024 RM'000
Advances from the State Government	(a)	<b>30,180</b>	33,180
Less: Payable within 12 months (Note 41)		<b>(4,500)</b>	-
Payable after 12 months		<b>25,680</b>	33,180
Amounts owing to Penang State Government	(b)	<b>96,112</b>	-
Land and development costs payable	(c)	<b>149,184</b>	207,936
Less: Payable within 12 months (Note 41)		<b>(9,000)</b>	(22,039)
Payable after 12 months		<b>140,184</b>	185,897
Deposits I	(d)	-	8,225
Deposits II	(d)	<b>7,367</b>	6,474
Refundable membership securities	(e)	<b>5,874</b>	5,700
Lease payable to Kuantan Port Authority	(f)	<b>144,055</b>	142,247
Less: Payable within 12 months (Note 41)		<b>(6,842)</b>	(6,738)
Payable after 12 months		<b>137,213</b>	135,509
		<b>412,430</b>	374,985
The Company			
	Note	2025 RM'000	2024 RM'000
Amount owing to a subsidiary	(g)	<b>390,000</b>	3,878

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	8	9	
								<b>FINANCIAL STATEMENTS</b>	

**22 TRADE AND OTHER PAYABLES** (cont'd)

- (a) On 17 January 2003, Jelutong Development Sdn Bhd ("JDSB"), an indirect subsidiary of the Company, entered into a Reimbursement Land Cost Agreement (hereinafter referred to as "the RLC Agreement") with the Penang State Government in connection with the completion of the Jelutong Expressway Project.

Under the RLC Agreement, the advances received from the State Government for the reimbursement of land cost totalling RM33,180,000 are repayable to the State Government as follows:

	Percentage of advances to be repaid to the Penang State Government %
36 months from the commencement of Stage 3 of the Construction Works of Jelutong Expressway or from the completion of alienation of Parcels A2 and B1, whichever is the later (1 <sup>st</sup> Payment)	30
12 months from the date of the Certificate of Completion of the entire Jelutong Expressway or from the date of the 1 <sup>st</sup> Payment, whichever is the later (2 <sup>nd</sup> Payment)	30
12 months from the date of the 2 <sup>nd</sup> Payment	40
	100

JDSB had completed Stage 3 of the Construction Works in March 2015 and the alienation of Parcels A2 and B1 has yet to commence as at the reporting date.

The advances on reimbursable land cost are interest free. However, if JDSB fails to pay the Penang State Government any of the instalment payments above by their respective due dates, JDSB shall be liable to pay to the Penang State Government interest at a fixed rate of 8% per annum on any such outstanding instalment payments.

During the financial year, RM3,000,000 was repaid. On 22 January 2025, the repayment schedule of the advances from the Penang State Government was revised as follows:

Timing of repayment		Advances to be repaid to Penang State Government
Year	Month	RM'000
2025	June	1,500
2026	January	3,000
2026	June	1,500
2027	January	3,000
2027	June	1,500*
2027	December	19,680

\* After complete relocation of fishermen residing in the area

JDSB opted for the transitional relief to measure advances from Penang State Government obtained prior to 1 April 2020 based on the actual amount of proceeds received and hence no fair value measurement is applied.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**22 TRADE AND OTHER PAYABLES** (cont'd)

- (b) This represents the present value of the contribution sum payable to Penang State Government in lieu of the requirement to build low-cost and low medium-cost housing allocated on the reclaimed land in Jelutong, Penang as well as land conversion premium for Plot B1 land.

Timing of repayment		Gross contribution sum to be repaid to Penang State Government
Year	Month	RM'000
2025	June	12,500
2026	January	50,000
2026	June	12,500
2027	January	50,000
2027	June	12,500*
2027	December	59,600

\* After complete relocation of fishermen residing in the area

- (c) This represents the present value of the deferred land cost of RM149,184,000 (2024: RM207,936,000) in connection with a mixed development in Kuala Lumpur, which will become payable as the development progresses in accordance with the contractual terms.
- (d) Deposits I represent performance deposits received from a school operator, which are mainly to safeguard default or early termination of the lease agreement being entered into between an indirect subsidiary and the school operator during the construction period of the school buildings and also to guarantee rental for a lock-in-period of the first six years of the lease period. The performance deposits are placed in a designated fixed deposit account and shall be returned to the school operator upon the expiry of the sixth year of the lease period. During the financial year, Deposits I were credited against rental receivables.
- Deposits II represent the deposits received from the tenants for lease agreements which expire between 3 and 15 years and will be repayable to the tenants upon the expiry of the lease terms.
- (e) Refundable membership securities are in relation to Marina Membership and Composite Membership of the golf and marina club of Seban Golf & Marina Resort Berhad ("SGMR"), which is an indirect subsidiary of the Company. The membership securities of Marina Membership and Composite Membership are repayable on 31 December 2053 and 31 March 2056 respectively, unless the memberships are redeemed, purchased or cancelled.
- (f) The lease payables represent the annual lease rental payable to Kuantan Port Authority over the concession periods to manage and operate the port in relation to the concession asset recognised in Note 28 to the financial statements.
- (g) As at the reporting date, the amount owing to a subsidiary is unsecured advance which bears interest at a rate of 4.44% and payable after twelve months.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨	
								FINANCIAL STATEMENTS	

**23 RETIREMENT BENEFITS**
**(a) Defined contribution plan**

The Company and its subsidiaries in Malaysia contribute to the Employees Provident Fund, the national defined contribution plan. Once the contributions have been paid, the Group has no further financial obligations.

**(b) Unfunded defined benefit plan**

A local indirect subsidiary of the Company operates an unfunded defined benefit scheme (“the scheme”) for its eligible employees. Under the scheme, eligible employees are entitled to retirement benefits by applying a certain factor (either 0.50, 0.75 or 1.00 depending on the number of years of service with the company) to the 100% of final salary on attainment of the retirement age of 55 years based on the number of years of service with the company. The net obligation in respect of the scheme, calculated using the projected unit credit method is determined by an actuarial valuation carried out every 3 years by a qualified actuary. The last actuarial valuation was performed for the financial year ended 31 March 2025.

The amounts of unfunded defined benefit recognised in the statement of financial position may be analysed as follows:

	The Group	
	2025	2024
	RM'000	RM'000
Present values of unfunded defined benefit obligations, recognised as liability in the statement of financial position	<b>1,369</b>	2,076
Analysed as:		
Current (included in other payables - Note 41)	419	731
Non-current	950	1,345
	<b>1,369</b>	2,076

The movements during the financial year on the amounts recognised in the consolidated statement of financial position are as follows:

	The Group	
	2025	2024
	RM'000	RM'000
At 1 April 2024/2023	2,076	1,910
Charged to profit or loss (Note 6)	145	166
Adjustment for actuarial gain	(183)	-
Contributions paid during the financial year	(669)	-
<b>At 31 March</b>	<b>1,369</b>	2,076

The following amounts have been recognised in the profit or loss:

	The Group	
	2025	2024
	RM'000	RM'000
Current service cost	67	78
Interest cost	78	88
	<b>145</b>	166

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**23 RETIREMENT BENEFITS** (cont'd)

(b) Unfunded defined benefit plan (cont'd)

The charges to the profit or loss were included in the following line items in the statement of comprehensive income:

	The Group	
	2025 RM'000	2024 RM'000
Cost of sales	55	55
Administrative expenses	90	111
	<b>145</b>	<b>166</b>

	The Group	
	2025 %	2024 %
Defined benefit plan operated by a local subsidiary:		
Discount rate	4.7	4.7
Expected rate of salary increases	4.0	4.0

Any reasonable change in the principal actuarial assumptions will not result in any significant change to the financial performance of the Group.

**24 DEFERRED INCOME**

	Note	The Group	
		2025 RM'000	2024 RM'000
Government grants	(a)	-	193,938
Deferred gain	(b)	-	63,547
		-	<b>257,485</b>

(a) Government grants:

Cost

At 1 April 2024/2023		208,456	197,446
Exchange translation differences		-	11,010
Reclassification to concession assets	28	(208,456)	-
At 31 March		-	208,456

Accumulated amortisation

At 1 April 2024/2023		(14,518)	(7,372)
Current amortisation	5(b)	-	(6,664)
Exchange translation differences		-	(482)
Reclassification to concession assets	28	14,518	-
At 31 March		-	(14,518)
		-	<b>193,938</b>

The government grants represented grants received from the Indian Government for certain toll road concession awarded to the Group.

(b) The deferred gain represented the Group's share of the gain arising from the disposal of a parcel of land to a joint venture held via a wholly-owned subsidiary of the Company.

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025  
(Cont'd)

① — ② — ③ — ④ — ⑤ — ⑥ — ⑦ — ⑧ — ⑨  
FINANCIAL STATEMENTS

25 PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

	Freehold land RM'000	Buildings RM'000	Hotel properties RM'000	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Capital work-in-progress RM'000	Total RM'000
<u>The Group</u>							
<u>2025</u>							
<u>Net book value</u>							
At 1 April 2024	189,417	114,048	101,057	576,708	75,438	40,832	1,097,500
Additions	-	1,412	840	49,320	13,774	148,104	213,450
Disposals	(690)	(473)	-	(501)	(852)	-	(2,516)
Written off (Note 5(a))	-	(1)	-	(5,745)	(437)	-	(6,183)
Depreciation charges for the year (Note 5(a))	-	(5,733)	(4,414)	(58,845)	(13,945)	-	(82,937)
Exchange differences arising from translation of assets of foreign operations	(241)	(265)	-	(1,177)	(365)	(376)	(2,424)
Reclassifications	-	6,795	-	15,527	10,380	(32,702)	-
Transferred to property development costs (Note 35(b))	-	-	-	-	-	(566)	(566)
Transferred from concession assets (Note 28)	-	-	-	15,543	-	346	15,889
<b>At 31 March 2025</b>	<b>188,486</b>	<b>115,783</b>	<b>97,483</b>	<b>590,830</b>	<b>83,993</b>	<b>155,638</b>	<b>1,232,213</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**25 PROPERTY, PLANT AND EQUIPMENT** (cont'd)  
The details of property, plant and equipment are as follows: (cont'd)

	Freehold land RM'000	Buildings RM'000	Hotel properties RM'000	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Capital work-in-progress RM'000	Total RM'000
<b>The Group</b>							
<b>2024</b>							
<b>Net book value</b>							
At 1 April 2023	102,336	112,523	102,600	601,658	40,786	19,286	979,189
Additions	87,424	635	4,526	25,783	43,735	46,322	208,425
Disposals	(237)	(664)	-	(976)	(139)	-	(2,016)
Written off (Note 5(a))	-	-	(1,752)	(648)	(107)	(311)	(2,818)
Depreciation charges for the year	-	(5,610)	(4,317)	(58,236)	(9,872)	-	(78,035)
Impairment (Note 5(a))	-	-	-	(9,037)	(271)	-	(9,308)
Exchange differences arising from translation of assets of foreign operations	180	241	-	796	256	194	1,667
Reclassifications	-	6,241	-	17,368	1,050	(24,659)	-
Transferred (to)/from assets held for sale	(286)	682	-	-	-	-	396
<b>At 31 March 2024</b>	<b>189,417</b>	<b>114,048</b>	<b>101,057</b>	<b>576,708</b>	<b>75,438</b>	<b>40,832</b>	<b>1,097,500</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

① ————— ② ————— ③ ————— ④ ————— ⑤ ————— ⑥ ————— ⑦ ————— ⑧ ————— ⑨  
FINANCIAL STATEMENTS

**25 PROPERTY, PLANT AND EQUIPMENT** (cont'd)

The details of property, plant and equipment are as follows: (cont'd)

	Freehold land RM'000	Buildings RM'000	Hotel properties RM'000	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Capital work-in-progress RM'000	Total RM'000
<b>The Group</b> (cont'd)							
<b>At 31 March 2025</b>							
Cost	188,486	197,621	148,121	1,358,420	175,059	155,679	2,223,386
Accumulated depreciation	-	(81,800)	(45,689)	(761,638)	(90,910)	-	(980,037)
Accumulated impairment	-	(38)	(4,949)	(5,952)	(156)	(41)	(11,136)
Net book value	188,486	115,783	97,483	590,830	83,993	155,638	1,232,213
<b>At 31 March 2024</b>							
Cost	189,417	191,257	147,281	1,309,881	160,865	40,873	2,039,574
Accumulated depreciation	-	(77,171)	(41,275)	(727,051)	(85,266)	-	(930,763)
Accumulated impairment	-	(38)	(4,949)	(6,122)	(161)	(41)	(11,311)
Net book value	189,417	114,048	101,057	576,708	75,438	40,832	1,097,500

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**25 PROPERTY, PLANT AND EQUIPMENT** (cont'd)

The details of property, plant and equipment are as follows: (cont'd)

	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Total RM'000
<u>The Company</u>			
<u>2025</u>			
<u>Net book value</u>			
At 1 April 2024	884	9,889	10,773
Additions	289	881	1,170
Disposals	(74)	-	(74)
Written off (Note 5(a))	-	(127)	(127)
Depreciation charges for the year (Note 5(a))	(263)	(1,247)	(1,510)
<b>At 31 March 2025</b>	<b>836</b>	<b>9,396</b>	<b>10,232</b>
<u>2024</u>			
<u>Net book value</u>			
At 1 April 2023	1,145	1,547	2,692
Additions	-	8,725	8,725
Depreciation charges for the year (Note 5(a))	(261)	(383)	(644)
<b>At 31 March 2024</b>	<b>884</b>	<b>9,889</b>	<b>10,773</b>
<u>At 31 March 2025</u>			
Cost	2,039	12,825	14,864
Accumulated depreciation	(1,203)	(3,429)	(4,632)
<b>Net book value</b>	<b>836</b>	<b>9,396</b>	<b>10,232</b>
<u>At 31 March 2024</u>			
Cost	2,493	15,160	17,653
Accumulated depreciation	(1,609)	(5,271)	(6,880)
<b>Net book value</b>	<b>884</b>	<b>9,889</b>	<b>10,773</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
FINANCIAL STATEMENTS								

**26 RIGHT-OF-USE ASSETS**

The details of right-of-use assets are as follows:

	Note	Leasehold land RM'000	Building and office space RM'000	Plant and equipment RM'000	Total RM'000
<u>The Group</u>					
<u>2025</u>					
<u>Net book value</u>					
At 1 April 2024		<b>183,128</b>	<b>25,446</b>	<b>50,945</b>	<b>259,519</b>
Additions		-	<b>6,985</b>	<b>2,803</b>	<b>9,788</b>
Depreciation charges for the year	5(a)	<b>(4,064)</b>	<b>(6,350)</b>	<b>(12,904)</b>	<b>(23,318)</b>
Exchange differences arising from translation of assets of foreign operations		<b>(18)</b>	<b>(567)</b>	-	<b>(585)</b>
Termination of leases		-	<b>(5,565)</b>	-	<b>(5,565)</b>
Disposals		<b>(2,432)</b>	-	-	<b>(2,432)</b>
<b>At 31 March 2025</b>		<b>176,614</b>	<b>19,949</b>	<b>40,844</b>	<b>237,407</b>
<u>2024</u>					
<u>Net book value</u>					
At 1 April 2023		165,558	18,340	49,472	233,370
Additions		19,882	13,121	15,973	48,976
Depreciation charges for the year	5(a)	(2,914)	(6,579)	(13,692)	(23,185)
Exchange differences arising from translation of assets of foreign operations		13	393	-	406
Transferred from assets held for sale		589	-	-	589
Termination of leases		-	(637)	-	(637)
Reclassification		-	808	(808)	-
<b>At 31 March 2024</b>		<b>183,128</b>	<b>25,446</b>	<b>50,945</b>	<b>259,519</b>

As at 31 March 2025, a parcel of leasehold land at the net book value of RM97,592,000 (2024: RM99,143,000) was pledged as security for the Term loan 3 of an indirect subsidiary (Note 17).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**26 RIGHT-OF-USE ASSETS** (cont'd)

The details of right-of-use assets are as follows: (cont'd)

	Note	Office space RM'000	Plant and equipment RM'000	Total RM'000
<u>The Company</u>				
<u>2025</u>				
<u>Net book value</u>				
At 1 April 2024		<b>16,189</b>	<b>75</b>	<b>16,264</b>
Depreciation charges for the year	5(a)	<b>(1,632)</b>	<b>(18)</b>	<b>(1,650)</b>
<b>At 31 March 2025</b>		<b>14,557</b>	<b>57</b>	<b>14,614</b>
<u>2024</u>				
<u>Net book value</u>				
At 1 April 2023		9,209	1	9,210
Additions		8,752	93	8,845
Depreciation charges for the year	5(a)	(1,772)	(19)	(1,791)
<b>At 31 March 2024</b>		<b>16,189</b>	<b>75</b>	<b>16,264</b>

AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025  
(Cont'd)

## 27 INVESTMENT PROPERTIES

	Note	Freehold land RM'000	Leasehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Work in progress RM'000	Total RM'000
<b>The Group</b>							
<u>2025</u>							
<b>Net book value</b>							
At 1 April 2024		157,335	59,566	297,593	91,158	16,520	622,172
Additions		-	-	3,920	-	4,697	8,617
Reclassifications		-	16,379	8,077	20,576	(45,032)	-
Depreciation charges for the year	5(a)	-	(623)	(6,703)	(1,892)	-	(9,218)
Transferred from property development costs	35(b)	-	2,714	-	-	27,106	29,820
Transferred to assets held for sale	40(b)	-	-	(946)	-	-	(946)
Disposals		-	-	(571)	(362)	-	(933)
Reversal of impairment during the year	5(b)	-	-	-	1,913	-	1,913
<b>At 31 March 2025</b>		<b>157,335</b>	<b>78,036</b>	<b>301,370</b>	<b>111,393</b>	<b>3,291</b>	<b>651,425</b>
<u>2024</u>							
<b>Net book value</b>							
At 1 April 2023		157,335	60,174	301,874	91,622	1,241	612,246
Additions		-	-	88	3	15,279	15,370
Depreciation charges for the year	5(a)	-	(608)	(6,613)	(1,851)	-	(9,072)
Reversal of impairment during the year	5(b)	-	-	2,244	1,384	-	3,628
<b>At 31 March 2024</b>		<b>157,335</b>	<b>59,566</b>	<b>297,593</b>	<b>91,158</b>	<b>16,520</b>	<b>622,172</b>

① ————— ② ————— ③ ————— ④ ————— ⑤ ————— ⑥ ————— ⑦ ————— ⑧ ————— ⑨

FINANCIAL STATEMENTS

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**27 INVESTMENT PROPERTIES** (cont'd)

	Freehold land RM'000	Leasehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Work in progress RM'000	Total RM'000
<b>The Group (cont'd)</b>						
<b>At 31 March 2025</b>						
Cost	157,335	83,874	343,133	135,201	3,291	722,834
Accumulated depreciation	-	(5,838)	(41,448)	(16,648)	-	(63,934)
Accumulated impairment	-	-	(315)	(7,160)	-	(7,475)
Net book value	157,335	78,036	301,370	111,393	3,291	651,425
<b>At 31 March 2024</b>						
Cost	157,335	64,781	332,754	115,195	16,520	686,585
Accumulated depreciation	-	(5,215)	(34,846)	(14,786)	-	(54,847)
Accumulated impairment	-	-	(315)	(9,251)	-	(9,566)
Net book value	157,335	59,566	297,593	91,158	16,520	622,172

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨	
								FINANCIAL STATEMENTS	

**27 INVESTMENT PROPERTIES** (cont'd)

	Note	Leasehold buildings RM'000	Freehold buildings RM'000	Total RM'000
<u>The Company</u>				
<u>2025</u>				
<u>Net book value</u>				
At 1 April 2024		<b>2,729</b>	<b>3,693</b>	<b>6,422</b>
Depreciation charges for the year	5(a)	<b>(32)</b>	<b>(142)</b>	<b>(174)</b>
<b>At 31 March 2025</b>		<b>2,697</b>	<b>3,551</b>	<b>6,248</b>
<u>2024</u>				
<u>Net book value</u>				
At 1 April 2023		2,761	3,835	6,596
Depreciation charges for the year	5(a)	(32)	(142)	(174)
<b>At 31 March 2024</b>		2,729	3,693	6,422
<u>At 31 March 2025</u>				
Cost		<b>3,053</b>	<b>6,912</b>	<b>9,965</b>
Accumulated depreciation		<b>(356)</b>	<b>(3,361)</b>	<b>(3,717)</b>
<b>Net book value</b>		<b>2,697</b>	<b>3,551</b>	<b>6,248</b>
<u>At 31 March 2024</u>				
Cost		3,053	6,912	9,965
Accumulated depreciation		(324)	(3,219)	(3,543)
<b>Net book value</b>		2,729	3,693	6,422

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**27 INVESTMENT PROPERTIES** (cont'd)

During the financial year, the following income/(expenses) were recognised in profit or loss for investment properties:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Rental income	<b>41,991</b>	38,619	<b>303</b>	289
Direct operating expenses that generated rental income	<b>(8,629)</b>	(7,858)	<b>(158)</b>	(139)
Direct operating expenses that did not generate rental income	<b>(401)</b>	(488)	<b>(62)</b>	(75)

As at 31 March 2025, investment property at the net book value of RM59,492,000 (2024: RM43,634,000) was pledged as security for the term loan of an indirect subsidiary (Note 17).

As at 31 March 2025, investment property at the net book value of RM448,086,000 (2024: RM452,577,000) was pledged as security for the bond of an indirect subsidiary (Note 16).

The above properties are not occupied by the Group and are used to either earn rentals or for capital appreciation, or both. As at 31 March 2025, the fair values of the properties of the Group and the Company were estimated at RM843,408,000 (2024: RM771,567,000) and RM9,641,000 (2024: RM8,986,000) respectively by the Directors based on either valuations by independent professionally qualified valuers or the Directors' estimates by reference to open market value of properties in the vicinity. The fair values of investment properties are within Level 3 of the fair value hierarchy. The most significant input in the valuation approach adopted by the Group is price per square foot.

**28 CONCESSION ASSETS**

	The Group	
	2025 RM'000	2024 RM'000
Expressway development expenditure	<b>2,139,800</b>	2,560,692
Port infrastructure	<b>1,303,529</b>	1,321,804
	<b>3,443,329</b>	3,882,496

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
FINANCIAL STATEMENTS								

**28 CONCESSION ASSETS** (cont'd)

	Note	The Group	
		2025 RM'000	2024 RM'000
Expressway development expenditure:			
<u>Cost</u>			
At 1 April 2024/2023		<b>4,190,479</b>	4,093,140
Reclassification from deferred income	24	<b>(208,456)</b>	-
Additions		-	1,177
Reclassification to property, plant and equipment	25	<b>(346)</b>	-
Reclassification to receivables		<b>(5,570)</b>	-
Written off	5(a)	<b>(897)</b>	-
Exchange translation differences		<b>(141,918)</b>	96,162
At 31 March		<b>3,833,292</b>	4,190,479
<u>Accumulated amortisation</u>			
At 1 April 2024/2023		<b>(1,566,379)</b>	(1,389,128)
Reclassification from deferred income	24	<b>14,518</b>	-
Current amortisation	5(a)	<b>(127,983)</b>	(154,257)
Written off	5(a)	<b>623</b>	-
Exchange translation differences		<b>43,555</b>	(22,994)
At 31 March		<b>(1,635,666)</b>	(1,566,379)
<u>Accumulated impairment</u>			
At 1 April 2024/2023		<b>(63,408)</b>	(60,059)
Exchange translation differences		<b>5,582</b>	(3,349)
At 31 March		<b>(57,826)</b>	(63,408)
		<b>2,139,800</b>	2,560,692

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**28 CONCESSION ASSETS** (cont'd)

	Note	The Group	
		2025 RM'000	2024 RM'000
Port infrastructure:			
<u>Cost</u>			
At 1 April 2024/2023		<b>1,740,626</b>	1,730,278
Additions		<b>20,713</b>	10,348
Transferred to property, plant and equipment	25	<b>(48,141)</b>	-
At 31 March		<b>1,713,198</b>	1,740,626
<u>Accumulated amortisation</u>			
At 1 April 2024/2023		<b>(418,822)</b>	(379,667)
Current amortisation	5(a)	<b>(23,445)</b>	(39,155)
Transferred to property, plant and equipment	25	<b>32,598</b>	-
At 31 March		<b>(409,669)</b>	(418,822)
		<b>1,303,529</b>	1,321,804

The concession assets with net carrying values of RM2,210,648,000 (2024: RM2,263,958,000) are pledged as security for the bonds (Note 16).

Expressway development expenditure is net off the following:

- compensation received by New Pantai Expressway Sdn Bhd ("NPE"), an indirect subsidiary of the Company, from the Malaysian Government as a result of the cessation of toll collections with effect from 14 February 2009 at the PJS2 Toll Plaza for Kuala Lumpur bound road users on the NPE;
- compensation received by Besraya (M) Sdn Bhd, an indirect subsidiary of the Company, from the Malaysian Government as a result of the cessation of toll collections with effect from 24 February 2009 at the Salak Jaya Toll Plaza; and
- government grants received from the Indian Government for certain toll road concession awarded to the Group.

Expressway development expenditure comprises toll road concessions in Malaysia and India, with concession periods ranging from 17 to 44 years and ending between 2024 and 2046. On 30 December 2022, Besraya (M) Sdn Bhd, an indirect subsidiary of the Company, entered into a Fifth Supplemental Agreement in relation to the Sungei Besi Highway with The Government of Malaysia to have the concession period extended to 2046 with effect from 1 April 2023. During the concession periods, the Malaysian and Indian subsidiaries, which are the concessionaires have the rights and obligations to construct, operate and maintain the expressways, in line with the provisions of the respective concession agreements. The local concession subsidiaries shall handover the Highways to the Government at the end of the respective concession periods in a well-maintained condition and shall make good any defects thereto at the subsidiaries' expense within one year after the date of handing over. The Indian concession subsidiaries shall handover the highways along with the operating and maintenance equipment to the National Highway Authority at the end of the respective concession periods in a well-maintained condition with no other compensation to be paid by the Authority.

The amounts of construction revenue and losses recognised during the financial year on construction services for tollway concessions amounted to RM8,680,000 and RM20,875,000 (2024: construction revenue and losses of RM8,497,000 and RM9,256,000) respectively.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	<b>8</b>	9	
								<b>FINANCIAL STATEMENTS</b>	

**28 CONCESSION ASSETS** (cont'd)

Port infrastructure comprises a port concession in Malaysia, with a concession period of 30 years ending in 2045.

On 22 November 1997, Kuantan Port Consortium Sdn Bhd ("KPC"), an indirect subsidiary of the Company, entered into a Privatisation Agreement ("Agreement") with the Government of Malaysia ("Government") and Kuantan Port Authority ("KPA"), a concession to manage, operate and develop Kuantan Port ("Port") for a period of 30 years commencing from 1 January 1998.

On 16 June 2015, the said Agreement was superseded and replaced with a new Privatisation Agreement ("PA"), whereby the Government and KPA had requested KPC to develop a New Deep Water Terminal ("NDWT") adjacent to the existing port. The concession commenced on 1 June 2015 for a period of 30 years and is subject to an extension of 30 years (i.e. 60 years from 2015) provided that the obligations under the PA are fulfilled by KPC within the prescribed period. In determining the concession period of 60 years, the Group considered all facts and circumstances that create an economic incentive to support the extension of 30 years. The extension of 30 years is also included as part of the concession period as the Group is reasonably certain to fulfil the obligations under the PA.

Upon expiry of the concession period, KPC shall cease to manage, operate and maintain the Port and handover all the port infrastructures and movable assets in operational condition at no cost to KPA.

In the preceding financial year, the amounts of construction revenue and losses recognised on exchanging construction services for port concession amounted to RM562,000 and RM174,800 respectively.

**29 SUBSIDIARIES**

	Note	The Group	
		2025	2024
		RM'000	RM'000
At cost:			
Unquoted shares:			
- in Malaysia	(a)	<b>6,389,013</b>	6,257,513
- outside Malaysia	(b)	<b>1,674,444</b>	1,570,149
		<b>8,063,457</b>	7,827,662
Less: Accumulated impairment			
Unquoted shares			
- in Malaysia		<b>(56,906)</b>	(56,906)
- outside Malaysia		<b>(740,680)</b>	(197,555)
		<b>(797,586)</b>	(254,461)
		<b>7,265,871</b>	7,573,201
Amounts owing by subsidiaries		<b>503,997</b>	500,558
		<b>7,769,868</b>	8,073,759

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

### 29 SUBSIDIARIES (cont'd)

During the financial year, the following changes in the investments in subsidiaries were effected:

- (a) (i) Emcee Corporation Sdn Bhd, a wholly-owned subsidiary of the Company issued a total of 2,200 redeemable preference shares ("RPS") for a total cash consideration of RM220,000.
- (ii) Fairview Valley Sdn Bhd, an indirect wholly-owned subsidiary of the Company issued a total of 16,000 RPS for a total cash consideration of RM16,000,000.
- (iii) IJM RE Sdn Bhd, a wholly-owned subsidiary of the Company issued a total of 110,000 RPS for a total cash consideration of RM110,000,000.
- (iv) RB Manufacturing Sdn Bhd, a wholly-owned subsidiary of the Company issued a total of 40,000 RPS for a total cash consideration of RM40,000.
- (v) Road Builder (M) Holdings Bhd, a wholly-owned subsidiary of the Company issued a total of 5,240,000 RPS for a total consideration of RM5,240,000.
- (b) (i) IJM Investments (L) Limited, a wholly-owned subsidiary of the Company issued a total of 21,027 RPS for a total cash consideration of RM100,773,644.
- (ii) IJM Investments (M) Limited, a wholly-owned subsidiary of the Company issued a total of 809 RPS for a total cash consideration of RM3,520,525.
- (iii) IJM Corporation (UK) Limited, a wholly-owned subsidiary of the Company issued a total of 1,000 units of shares for a total cash consideration of RM563.
- (c) Preferential dividends of the RPS are non-cumulative and its payment shall be at the discretion of the directors of issuers (i.e subsidiaries) at a rate to be determined from time to time. In addition, the RPS shall be redeemed at the option of the issuers and at a redemption price to be determined by the Directors at any time by notice in writing to the holder (i.e the Company).

The Group's effective equity interest in the subsidiaries and their respective principal activities and countries of incorporation are set out in Note 51 to the financial statements.

The amounts owing by subsidiaries are unsecured, bear interest at the rate of 5.1% (2024: 5.0% to 5.5%) per annum and are repayable on demand. However, the management does not intend to demand for repayment of the amounts owing by subsidiaries within the period of twelve months.

As at the reporting date, the Company performed an impairment test on its investments in subsidiaries with history of losses. Arising from the impairment assessment, the Company has recognised an impairment on its investments in subsidiaries outside Malaysia of RM543,125,000 (2024:RM113,499,000), of which RM99,125,000 relates to the issuance of RPS during the year. The impairment of RM444,000,000 was primarily due to the change in the recoverable amount of a property development subsidiary's net assets (inclusive of property development inventories) which has been adjusted based on the indicative offer price received from a prospective buyer.

The impairment was recognised under other operating expenses in the statement of comprehensive income of the Company.

The recoverable amounts of the cash-generating units ("CGUs") of its investments in subsidiaries outside Malaysia were determined based on the expected dividends to be received from their respective business operations which are outside Malaysia using value in use method.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**29 SUBSIDIARIES** (cont'd)

The following tables set out the key assumptions for those CGUs:

**Tollway Concessions**

Basis of recoverable amount determination	Key assumptions	2025
The future cash flows to be generated from the subsidiaries' tollway concession, based on the projected traffic volume and the approved toll rates as per the concession agreements.	Traffic volume growth rate based on the traffic study conducted by an independent traffic consultant, further adjusted based on the actual traffic volume achieved in previous years	Compound Annual Growth Rate ("CAGR") of 5%
	Cash flow forecast periods	Concession period of 14 to 19 years, up to the end of concession period between 2039 to 2044.
	Discount rate	Cost of equity - 12.2%

**Property Development**

Basis of recoverable amount determination	Significant assumptions	2025
The future cash flows to be generated from the sales of the subsidiaries' unsold completed properties and property development costs	The market value of the completed building stocks is based on the recent transacted prices by the entities.	Price per square foot for the completed building stocks
	The market value of the property development cost is determined based on an independent valuation using the comparison method by reference to a recent land sale transaction in the vicinity.	Price per acre which varies depending on the location of the undeveloped lands
	The disposal proceeds of net assets in a property development company.	Indicative offer price by a third party for net assets in a property development company

A reasonable change in the key assumptions would impact the recoverable amount as of the reporting date as follows:

Cash-generating units	Scenarios	Impact to changes in recoverable amount (RM'million)
Tollway operation	Decrease in the traffic volume growth rate by 3% and 5% for two tollways respectively	Net decrease of RM127 million
	1% increase in discount rate	Net decrease of RM49 million
Property development	Change in price per acre of undeveloped lands ranging from 2% to 20%	Net decrease of RM19 million
	Increase/decrease in the disposal proceeds of net assets in a property development company by 10% to 15%	Increase/decrease by RM16 million to RM23 million

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**29 SUBSIDIARIES** (cont'd)

In the preceding financial year, the Company had recognised an impairment of its investments in subsidiaries in Malaysia of RM50,000,000. The impairment of investment in a subsidiary in Malaysia was determined based on its recoverable amount, calculated using the subsidiary's net liquid assets available to support the recoverability of its investment.

As at 31 March 2025, the total non-controlling interests are RM203,483,000 (2024: RM254,567,000), of which RM342,666,000 (2024: RM323,697,000) is attributable to Kuantan Port Consortium Sdn Bhd. The other non-controlling interests are individually not significant.

Set out below is the summarised financial information for a subsidiary which has non-controlling interests that is material to the Group. The financial information below is based on amounts before inter-company eliminations.

	Kuantan Port Consortium Sdn Bhd	
	2025	2024
	RM'000	RM'000
Proportion of ordinary shares held by non-controlling interests	40%	40%
Summarised statements of comprehensive income:		
Revenue	450,901	467,014
Net profit for the financial year	95,237	122,517
Total comprehensive income for the financial year	95,421	122,517
Net profit attributable to non-controlling interests	38,095	49,007
Dividends paid to non-controlling interests	19,200	20,000
Summarised statements of financial position:		
Current assets	518,503	441,094
Current liabilities	(300,375)	(243,058)
Non-current assets	1,583,611	1,615,521
Non-current liabilities	(944,827)	(1,004,066)
Net assets	856,912	809,491
Summarised cash flows:		
Cash flows from operating activities	224,593	244,859
Cash flows used in investing activities	(19,070)	(12,206)
Cash flows used in financing activities	(119,970)	(208,514)
Net increase in cash and cash equivalents during the financial year	85,553	24,139
Cash and cash equivalents at beginning of the financial year	362,146	338,007
Cash and cash equivalents at end of the financial year	447,699	362,146

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**30 ASSOCIATES**

	Note	The Group	
		2025 RM'000	2024 RM'000
Share of net assets of associates	(a)	<b>769,340</b>	738,354
Redeemable Unsecured Murabahah Stocks ("RUMS")	(b)	<b>513,124</b>	428,948
Amounts owing by associates *		<b>31,478</b>	1,490
Redeemable Preference Shares	(c)	<b>260,932</b>	226,719
		<b>1,574,874</b>	1,395,511
Less: Allowance for impairment of RUMS **		<b>(187,500)</b>	(133,500)
		<b>1,387,374</b>	1,262,011

\* Amounts owing by associates represent unsecured advances which bear interests at the rates ranging from 5.1% to 7.65% (2024: 7.40% to 7.65%) per annum.

\*\* The allowance for impairment of RUMS is in respect of the recognition of an additional expected credit losses after taking into account the additional costs to be incurred for the construction of the tollway leading to the changes in the expected timing for the repayment of RUMS.

The Group assesses the expected credit losses for RUMS using a probability-weighted estimate of the expected cash flow to be generated from the associate's toll operations over the concession period.

The significant assumptions used in the impairment assessments are as follows:

Assumptions	2025 (Range of assumptions considered in the scenarios)
Traffic volume growth rate	Progressive build up in Average Daily Traffic ("ADT") to reach the peak traffic by 2027, 2028, 2029 or 2030, 1.0% Compound Annual Growth Rate ("CAGR") thereafter over the concession period.
Timing of periodic profit payments	Periodic profit payments commencing from 2043, 2046 or 2047 up to maturity date of 2057.
Weighted average effective interest rate	6.2%

The expected cash flows for RUMS were estimated using annual traffic growth scenarios and their scenario weightings. The Group makes assumptions on the projected traffic volume over the concession period based on the traffic study conducted by an independent traffic consultant during the financial year. The projected traffic volume over the concession period is subject to high level of estimation uncertainty as the actual traffic growth rate is influenced by external factors beyond the Group's control, such as population growth, employment growth and gross domestic product ("GDP") growth, which may materially affect the results of the expected credit loss assessment. The Group has exercised significant judgement in selecting the traffic scenarios and assigning its relative weightages to derive the probability-weighted estimate of the expected cash flow.

As of the reporting date, if a 100% probability is assigned to the worst case scenario assuming a slower ramp up of traffic volume up to peak traffic potential in 2030, there would be an additional increase in the loss allowance by RM3.5 million.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**30 ASSOCIATES** (cont'd)

## (a) Share of net assets of associates

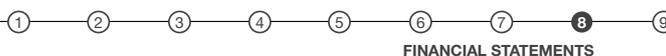
	The Group	
	2025 RM'000	2024 RM'000
Quoted shares, at cost:		
- in Malaysia	<b>436,935</b>	344,719
- outside Malaysia	<b>38,080</b>	38,080
Unquoted shares, at cost:		
- in Malaysia	<b>137,154</b>	137,160
- outside Malaysia	<b>160,463</b>	160,463
	<b>772,632</b>	680,422
Share of post-acquisition retained profits	<b>16,512</b>	72,817
Share of post-acquisition reserves	<b>6,855</b>	6,815
Currency translation differences	<b>75,935</b>	71,162
Unrealised profit on transactions with associate	<b>(10,827)</b>	(1,095)
	<b>861,107</b>	830,121
Less: Accumulated impairment	<b>(91,767)</b>	(91,767)
	<b>769,340</b>	738,354

	The Company	
	2025 RM'000	2024 RM'000
Quoted shares, at cost:		
- in Malaysia	<b>436,935</b>	344,719
- outside Malaysia	<b>38,080</b>	38,080
Unquoted shares, at cost:		
- in Malaysia	<b>18,019</b>	18,019
- outside Malaysia	<b>51,214</b>	51,214
	<b>544,248</b>	452,032
Less: Accumulated impairment	<b>(55,800)</b>	(67,245)
	<b>488,448</b>	384,787
Market value *		
Quoted shares:		
- in Malaysia	<b>696,593</b>	792,125
- outside Malaysia	<b>39,459</b>	70,042
	<b>736,052</b>	862,167

\* The market values of quoted shares are traded in an active market and are within Level 1 of the fair value hierarchy.

The Group's effective equity interest in the associates and their respective principal activities and countries of incorporation are set out in Note 51 to the financial statements.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



**30 ASSOCIATES** (cont'd)

- (b) During the financial year, Road Builder (M) Holdings Bhd (“RBH”), a wholly-owned subsidiary of the Company had subscribed for RM59,640,000 (2024: RM35,080,000) nominal value of Redeemable Unsecured Murabahah Stocks (“RUMS”), maturing on 12 July 2056, as issued by West Coast Expressway Sdn Bhd (“WCE”), an associate of RBH. The consideration for the subscription of RUMS is satisfied by way of cash of RM59,640,000 (2024: RM35,080,000).

The terms of the RUMS are as follows:

- (i) The RUMS bear a cumulative and non-compounding profit rate that is determined prior to each issuance of RUMS. As at 31 March 2025, the effective profit rate of RUMS is 6.2% per annum (2024: 6.7%) per annum.
  - (ii) Each issuance of RUMS shall be valid from and including the date of the issuance until the maturity date provided that if each issuance of RUMS has not been fully redeemed and cancelled by such date in accordance with the provision stated in the Deed Poll.
  - (iii) The RUMS will be redeemed by WCE at 100% of their nominal value on their respective maturity dates. Any early redemption of RUMS shall be at a redemption price as mutually agreed between WCE and the subsidiary of the Company.
  - (iv) Any RUMS redeemed shall be immediately cancelled and thereafter will not be available for resale or reissue.
  - (v) WCE may make Periodic Profit Payments (as defined in the Deed Poll) or redeem the RUMS subject to the conditions in relation to the Project Financing Facilities (as defined in the Deed Poll).
- (c) During the financial year, IJM RE Sdn Bhd (“IJM RE”), a wholly-owned subsidiary of the Company acquired 3,421,250 (2024: 1,873,750) Redeemable Preference Shares (“RPS”) in Global Vision Logistics Sdn Bhd (“GVL”) for a cash consideration of RM34,212,500 (2024: RM18,737,500).

In the preceding financial year, Asas Panorama Sdn Bhd (“Asas”), a subsidiary of IJM Land Berhad, which in turn is a wholly-owned subsidiary of the Company, had subscribed for 207,980,721 RPS in MCKILP Development Sdn Bhd (“MCKILP”) for RM207,980,721. The subscription was contra against the land sales amounting to RM370.0 million by Asas to MCKILP.

The terms of the RPS are as follows:

RPS in GVL

- The RPS was issued at RM10 each and is not convertible into or exchangeable for shares of another class of GVL shares;
- The tenure of the RPS is ten years from the date of issue of the RPS;
- Provided that all required consent or approval have been obtained, the RPS may be redeemed at any time at the option of GVL;
- The redemption price will be determined and to be mutually agreed upon by all the shareholders of GVL;
- The RPS carries a right to receive cumulative preferential dividend out of the distributable profit of GVL, at a dividend rate of 10% per annum per RPS, and shall at all time comply with the provision of the Companies Act 2016 in relation to distribution of dividend. No dividend shall be paid on the ordinary shares of GVL unless the dividend on the RPS has first been paid; and
- The RPS holder does not carry any right to vote at any general meeting of GVL except on resolutions for the winding-up or reconstruction of GVL, reduction of capital, any resolution varying, abrogating any of the RPS holders’ right or privileges.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**30 ASSOCIATES** (cont'd)

(c) RPS in MCKILP

- The RPS was issued at RM1 per share;
- The RPS shall be entitled to a non-cumulative preferential dividend at such rate as may be determined from time to time by the Directors;
- In the event of the Company being wound up, the RPS shall be repaid in the amount of capital paid by the holders in priority to the holders of any other shares, but not to any further participation in profits or assets;
- No further RPS which rank in priority to or pari passu with the existing RPS may be created or issued. The rights conferred upon the holders of the RPS shall not be varied, modified or deleted; and
- The RPS shall be redeemed in full upon termination of the sale and purchase of Lands pursuant to the shareholders' agreement or at any time to be mutually agreed upon by all the holders of the RPS with notice in writing.

- (d) Certain losses of associates of the Group are not recognised when they exceed the Group's cost of investment and advances as the Group has no further obligations beyond these amounts. The Group's share of such losses is as follows:

	The Group	
	2025	2024
	RM'000	RM'000
Current year share of losses	<b>(31,685)</b>	(27,225)
Cumulative share of losses	<b>(363,313)</b>	(331,628)

- (e) Set out below are the associates of the Group as at the reporting dates, which, in the opinion of the management, are material to the Group. The associates as listed below have share capital consisting solely of ordinary shares, which are held either directly or indirectly by the Group.

Name of entity	Place of business/ country of incorporation	% of ownership		Nature of relationship	Measurement method
		2025	2024		
MCKILP Development Sdn Bhd	Malaysia	<b>29.4</b>	29.4	Associate	Equity
Hexacon Construction Pte Limited	Singapore	<b>45.5</b>	45.5	Associate	Equity
WCE Holdings Berhad	Malaysia	<b>28.1</b>	26.7	Associate	Equity

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	<b>8</b>	9
FINANCIAL STATEMENTS								

**30 ASSOCIATES** (cont'd)

- (f) Set out below are the summarised financial information for material associates which are accounted for using the equity method:

Summarised statements of financial position:

	MCKILP Development Sdn Bhd		Hexacon Construction Pte Limited		WCE Holdings Berhad	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current assets	<b>460,081</b>	429,811	<b>830,954</b>	915,813	<b>430,506</b>	500,681
Non-current assets	<b>3,277</b>	1,825	<b>109,926</b>	117,359	<b>7,424,054</b>	6,965,039
Current liabilities	<b>(8,477)</b>	(2,977)	<b>(247,818)</b>	(335,097)	<b>(650,446)</b>	(438,966)
Non-current liabilities	<b>(467,110)</b>	(435,923)	-	-	<b>(6,402,012)</b>	(6,127,713)
Non-controlling interests	-	-	-	-	<b>120,753</b>	82,505
Net (liabilities)/assets (excluding non-controlling interests)	<b>(12,229)</b>	(7,264)	<b>693,062</b>	698,075	<b>922,855</b>	981,546
Market value (Group's share)	-*	-*	-*	-*	<b>696,593</b>	792,125

\* MCKILP Development Sdn Bhd and Hexacon Construction Pte Limited are private companies and there are no quoted market prices available for their shares.

Summarised statements of comprehensive income:

	MCKILP Development Sdn Bhd		Hexacon Construction Pte Limited		WCE Holdings Berhad	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	-	-	<b>505,122</b>	849,370	<b>620,455</b>	620,483
Net (losses)/profit for the year	<b>(4,965)</b>	(7,624)	<b>36,014</b>	5,662	<b>(218,852)</b>	(160,238)
Other comprehensive income/(losses)	-	-	<b>8</b>	(7)	-	-
Profit attributable to non-controlling interests	-	-	-	-	<b>38,249</b>	24,187
Total comprehensive (losses)/income	<b>(4,965)</b>	(7,624)	<b>36,022</b>	5,655	<b>(180,603)</b>	(136,051)
Dividends received from associates	-	-	<b>778</b>	649	-	-

Note: The summarised financial information above reflects the amounts presented in the financial statements of the associates.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**30 ASSOCIATES** (cont'd)

- (f) Set out below are the summarised financial information for material associates which are accounted for using the equity method: (cont'd)

Reconciliation of the summarised financial information presented to the carrying amount of its interests in associates is set out below:

	MCKILP Development Sdn Bhd		Hexacon Construction Pte Limited		WCE Holdings Berhad	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net assets at						
1 April 2024/2023	<b>(7,264)</b>	360	<b>698,075</b>	656,727	<b>981,546</b>	1,117,597
Less: Gross dividends distributed during the year	-	-	<b>(1,710)</b>	(1,426)	-	-
Net (losses)/profit for the financial year	<b>(4,965)</b>	(7,624)	<b>36,014</b>	5,662	<b>(218,852)</b>	(160,238)
Other comprehensive income/(losses)	-	-	<b>8</b>	(7)	-	-
Profit attributable to non-controlling interests	-	-	-	-	<b>38,249</b>	24,187
Foreign exchange differences	-	-	<b>(39,325)</b>	37,119	-	-
Exercise of warrants	-	-	-	-	<b>121,912</b>	-
Net (liabilities)/assets at 31 March	<b>(12,229)</b>	(7,264)	<b>693,062</b>	698,075	<b>922,855</b>	981,546
Share of net (liabilities)/ assets at 31 March	<b>(5,992)</b>	(3,559)	<b>315,343</b>	317,623	<b>259,691</b>	261,582
Accretion of interests arising from exercise of warrants	-	-	-	-	<b>44,207</b>	-
RPS	<b>207,981</b>	207,981	-	-	-	-
Carrying value	<b>201,989</b>	204,422	<b>315,343</b>	317,623	<b>303,898</b>	261,582

- (g) Set out below are the financial information of all individually immaterial associates on an aggregate basis.

	The Group	
	2025 RM'000	2024 RM'000
Carrying amounts of interest in associates	<b>156,091</b>	162,708
Share of associates' (losses)/profit	<b>(19,161)</b>	6,201
Share of associates' other comprehensive income/(losses)	<b>36</b>	(63)
Share of associates' total comprehensive (losses)/income	<b>(19,125)</b>	6,138

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

**31 JOINT VENTURES**

	Note	The Group	
		2025 RM'000	2024 RM'000
At cost:			
- In Malaysia		<b>122,865</b>	104,865
- Outside Malaysia		<b>2,582</b>	2,582
Share of post-acquisition reserves		<b>(35,586)</b>	(10,200)
Currency translation differences		<b>(157)</b>	(247)
		<b>89,704</b>	97,000
Redeemable Convertible Unsecured Loan Stocks ("RCULS")	(A)	<b>499,607</b>	476,979
Less: Allowance for impairment of RCULS		<b>(340,765)</b>	(340,765)
		<b>158,842</b>	136,214
RCSIDS Deferred Payment	(B)	<b>14,449</b>	13,567
Amounts owing by joint ventures		<b>470,296</b>	402,960
Less: Allowance for impairment of amounts owing by joint ventures		<b>(18,446)</b>	(42,461)
		<b>451,850</b>	360,499
		<b>714,845</b>	607,280

**(A) RCULS**

In 2007 and 2009, the Company had subscribed for a total of RM240,000,000 nominal value of Redeemable Convertible Unsecured Loan Stocks ("RCULS"), maturing on 8 February 2026, as issued by Lebuhraya Kajang-Seremban Sdn Bhd ("LEKAS"), a joint venture of the Company. Pursuant to a special resolution of LEKAS dated 15 September 2023, the Company had provided its consent as the holder of the RCULS on the extension of the maturity date of RCULS to 8 February 2046, in connection with the proposed debt restructuring for LEKAS.

The terms of the RCULS are as follows:

- (i) The RCULS bear fixed cumulative interest of 7% per annum from the date of subscription until the date of redemption or maturity, whichever is earlier.
- (ii) The RCULS are convertible on the basis of one RCULS for one new ordinary share of RM1 each in Lekas.
- (iii) The conversion period is the period commencing from the date immediately after the first anniversary of the date of issuance of the final completion certificate of the final phase of the works under the Concession Agreement and ending on such a date falling 3 years thereafter. The conversion option expired on 23 August 2013.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**31 JOINT VENTURES** (cont'd)

**(B) RCSIDS Deferred Payment**

In the preceding financial year, Redeemable Convertible Secured Islamic Debt Securities ("RCSIDS") was redeemed and it entailed the redemption of all the outstanding principal amount of the RCSIDS that had not been converted, at the nominal value, and all cumulative profit of the RCSIDS, except for 26.84% of the cumulative profit ("RCSIDS Deferred Payment"). RCSIDS was cancelled upon the redemption.

RCSIDS Deferred Payment is non-convertible, bears a fixed, cumulative and non-compounding profit rate of 7.9% per annum and shall be for a tenure of up to 267 months from the date of RCSIDS redemption.

	The Company	
	2025	2024
	RM'000	RM'000
Unquoted shares, at cost	50,000	50,000
Less: Allowance for impairment of investments	(50,000)	(50,000)
	-	-
RCULS	499,607	476,979
Less: Allowance for impairment of RCULS	(340,765)	(340,765)
	158,842	136,214
RCSIDS Deferred Payment	14,449	13,567
Amounts owing by joint ventures	142	26,620
Less: Allowance for impairment of amounts owing by joint ventures	-	(26,478)
	142	142
	173,433	149,923

The amounts owing by joint ventures of the Group and the Company are mainly unsecured advances for the joint ventures' working capital requirements which bear interest at rates ranging from 5.0% to 7.9% (2024: 5.0% to 7.9%) per annum and at 7.9% (2024: 7.9%) per annum respectively.

Movements on the Group's and the Company's allowance for impairment of RCULS are as follows:

	Note	The Group and the Company	
		2025	2024
		RM'000	RM'000
At 1 April 2024/2023		340,765	397,761
Reversal of impairment during the year	5(b)	-	(56,996)
<b>At 31 March</b>		<b>340,765</b>	<b>340,765</b>

In the preceding financial year, the Group and the Company recognised a reversal of impairment amounting to RM57.0 million. This reversal occurred following the completion of the restructuring exercise on 30 June 2023, after fulfilling the conditions precedents stipulated under the Third Supplemental Agreement dated 30 December 2022. As part of the restructuring, the toll concession period for LEKAS was extended from 8 May 2039 to 8 May 2064 at reduced toll rates.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

**31 JOINT VENTURES (cont'd)**

During the financial year, the Group and the Company have performed an assessment on the recoverability of these balances and management believes that the carrying amounts are recoverable.

In assessing the expected credit losses for RCULS, the Group and the Company use the expected cash flows to be generated from LEKAS's toll operations over the remaining maturity period of 39 years up to the year 2064.

The significant assumptions used in the impairment assessments are as follows:

Assumptions	2025
Traffic volume growth rate	Compound Annual Growth Rate ("CAGR") of 2.0% over the concession period
Projected period	Concession period of 39 years, up to the year 2064
Effective interest rate	7.9%

The expected cash flows for RCULS were estimated using annual traffic growth scenarios and their scenario weightings. The Group and the Company make assumptions on the projected traffic volume over the concession period based on the traffic study conducted by an independent traffic consultant during the financial year. The projected traffic volume over the concession period is subject to high level of estimation uncertainty as the actual traffic growth rate is influenced by external factors beyond the Group's and the Company's control, such as population growth, employment growth and GDP growth, which may materially affect the results of the expected credit loss assessment.

As at the reporting date, if the projected CAGR in traffic volume is reduced to 0.9% over the concession period (50% probability) and 2.0% CAGR (50% probability), there would be a loss allowance amounting to RM4.8 million on RCULS.

Movements on the Group's and the Company's allowance for impairment of amounts owing by joint ventures are as follows:

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At 1 April 2024/2023		<b>42,461</b>	54,983	<b>26,478</b>	26,478
Allowance for impairment during the year	5(a)	<b>2,469</b>	6	-	-
Reversal of impairment during the year	5(b)	<b>(6,755)</b>	-	<b>(6,749)</b>	-
Bad debts written off		<b>(19,729)</b>	(12,528)	<b>(19,729)</b>	-
<b>At 31 March</b>		<b>18,446</b>	42,461	-	26,478

The Group and the Company have carried out an assessment on the recoverability of the amounts owing by joint ventures and management believes that the current impairment recognised is adequate.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**31 JOINT VENTURES** (cont'd)

(a) Details of the joint ventures are as follows:

	Group's effective interest in joint ventures		Principal activities
	2025 %	2024 %	
Elegan Pesona Sdn Bhd	50	50	Property development
IJM Properties-JA Manan Development Joint Venture	50	50	Dormant
IJM Properties-Danau Lumayan Joint Venture	60	60	Dormant
IJM Management Services-Giat Bernas Joint Venture	70	70	Dormant
Nasa Land Sdn Bhd	50	50	Property development
368 Segambut Sdn Bhd	50	50	Property development
Exio Logistics Sdn Bhd	50	50	Provision of warehouse related services
Innova Investment Partnership GP Limited	25.5	25.5	Construction of railway and underground railways, and construction of other civil engineering projects
Innova Investment Limited Partnership	25.5	25.5	Property development
IJM Perennial Development Sdn Bhd	50	50	Property development
IJM-SCL Joint Venture	50	50	Dormant
IJM-Gayatri Joint Venture	60	60	Dormant
IJM-NBCC-VRM Joint Venture	50	50	Dormant
Lebuhraya Kajang-Seremban Sdn Bhd	50	50	Toll road operations
IJMC-Zublin Joint Venture	50	50	Dormant
ISZL Consortium	25	25	Dormant
BSC-RBM-PATI JV	25	25	Dormant
IJMC-Gayatri Joint Venture	60	60	Dormant
IJM-LFE Joint Venture	70	70	Dormant
Kiara Teratai-IJM Joint Venture	40	40	Dormant
CHEC-IJMC Joint Venture	49	49	Construction of logistic park
WHM-IJMC Joint Venture *	50	-	Construction
WHM-IJMC Joint Venture (JH2) **	60	-	Construction

\* On 1 August 2024, IJM Construction Sdn Bhd ("IJMC"), a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Woh Hup Malaysia Sdn Bhd ("WHM") to establish WHM-IJMC Joint Venture, an unincorporated jointly controlled entity. IJMC and WHM each hold a 50% shareholding in the WHM-IJMC Joint Venture.

\*\* On 20 January 2025, IJM Construction Sdn Bhd ("IJMC"), a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Woh Hup Malaysia Sdn Bhd ("WHM") to establish WHM-IJMC Joint Venture (JH2), an unincorporated jointly controlled entity. IJMC and WHM hold 60% and 40% shareholdings respectively in the WHM-IJMC Joint Venture (JH2). Although IJMC holds a majority interest in this unincorporated joint arrangement, IJMC has accounted for its interest in WHM-IJMC Joint Venture (JH2) as a Joint Venture on the basis that IJMC and WHM exercise joint control over decisions related to the relevant activities of the joint venture.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**31 JOINT VENTURES** (cont'd)

- (b) As at 31 March 2025 and 31 March 2024, there are no contingent liabilities and capital commitments relating to the Group's interest in the joint ventures except below:

	The Group	
	2025	2024
	RM'000	RM'000
Share of capital commitments of a joint venture	-	47,978

- (c) Certain losses of a joint venture of the Group are not recognised when they exceed the Group's cost of investment as the Group has no further obligations beyond these amounts. The Group's share of such losses is as follows:

	The Group	
	2025	2024
	RM'000	RM'000
Current year share of losses	<b>(13,823)</b>	(19,635)
Cumulative share of losses	<b>(186,480)</b>	(172,657)

- (d) Set out below are the joint ventures of the Group as at 31 March 2025 and 31 March 2024, which, in the opinion of the management, are material to the Group. The joint ventures as listed below have share capital consisting solely of ordinary shares, which are held directly or indirectly by the Group.

Name of entity	Place of business/ country of incorporation	% of ownership		Nature of relationship	Measurement method
		2025	2024		
IJM Perennial Development Sdn Bhd	Malaysia	<b>50</b>	50	Joint venture	Equity
368 Segambut Sdn Bhd	Malaysia	<b>50</b>	50	Joint venture	Equity
Nasa Land Sdn Bhd	Malaysia	<b>50</b>	50	Joint venture	Equity

IJM Perennial Development Sdn Bhd, 368 Segambut Sdn Bhd and Nasa Land Sdn Bhd are private companies and there are no quoted market prices available for their shares.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**31 JOINT VENTURES** (cont'd)

(e) Set out below are the summarised financial information for material joint ventures which are accounted for using the equity method:

(i) Summarised statements of financial position:

	IJM Perennial Development Sdn Bhd		368 Segambut Sdn Bhd		Nasa Land Sdn Bhd	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Current</u>						
Cash and cash equivalents	<b>79,026</b>	62,152	<b>165,660</b>	54,606	<b>40,670</b>	46,266
Other current assets (excluding cash)	<b>130,556</b>	228,217	<b>188,868</b>	229,946	<b>282,441</b>	271,503
Total current assets	<b>209,582</b>	290,369	<b>354,528</b>	284,552	<b>323,111</b>	317,769
<u>Financial liabilities</u>						
(excluding trade and other payables)	<b>(18,040)</b>	(18,040)	-	-	-	-
Other current liabilities (including trade and other payables)	<b>(725,222)</b>	(623,667)	<b>(178,212)</b>	(37,394)	<b>(143,448)</b>	(148,603)
Total current liabilities	<b>(743,262)</b>	(641,707)	<b>(178,212)</b>	(37,394)	<b>(143,448)</b>	(148,603)
<u>Non-current</u>						
Assets	<b>1,582,735</b>	1,204,699	<b>12,528</b>	9,294	<b>4,505</b>	3,936
Financial liabilities (excluding trade and other payables)	<b>(1,036,256)</b>	(866,086)	-	(96,858)	<b>(108,552)</b>	(105,028)
Other current liabilities (including trade and other payables)	<b>(23,965)</b>	(24,000)	-	-	-	-
Total non-current liabilities	<b>(1,060,221)</b>	(890,086)	-	(96,858)	<b>(108,552)</b>	(105,028)
Net (liabilities)/assets	<b>(11,166)</b>	(36,725)	<b>188,844</b>	159,594	<b>75,616</b>	68,074

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

**31 JOINT VENTURES** (cont'd)

(e) Set out below are the summarised financial information for material joint ventures which are accounted for using the equity method: (cont'd)

(ii) Summarised statements of comprehensive income:

	IJM Perennial Development Sdn Bhd		368 Segambut Sdn Bhd		Nasa Land Sdn Bhd	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	<b>243,699</b>	130,717	<b>101,558</b>	159,962	<b>82,779</b>	58,211
Interest income	<b>477</b>	5,009	<b>1,718</b>	1,119	<b>490</b>	398
Finance cost	<b>(8,508)</b>	(4,996)	<b>(3,826)</b>	(1,973)	<b>(6,858)</b>	(7,138)
Profit before taxation	<b>40,109</b>	22,736	<b>39,771</b>	47,756	<b>12,284</b>	11,014
Income tax (expense)/ credit	<b>(14,550)</b>	(8,258)	<b>(10,521)</b>	(10,729)	<b>(4,742)</b>	2,380
Net profit for the year/ Total comprehensive income	<b>25,559</b>	14,478	<b>29,250</b>	37,027	<b>7,542</b>	13,394

(iii) Reconciliation of the summarised financial information presented to the carrying amounts of its interests in joint ventures is set out below:

	IJM Perennial Development Sdn Bhd		368 Segambut Sdn Bhd		Nasa Land Sdn Bhd	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net (liabilities)/assets at 1 April 2024/2023	<b>(36,725)</b>	(51,203)	<b>159,594</b>	122,567	<b>68,074</b>	54,680
Net profit for the financial year	<b>25,559</b>	14,478	<b>29,250</b>	37,027	<b>7,542</b>	13,394
Net (liabilities)/assets at 31 March	<b>(11,166)</b>	(36,725)	<b>188,844</b>	159,594	<b>75,616</b>	68,074
Interests in joint ventures	<b>(5,583)</b>	(18,363)	<b>94,422</b>	79,797	<b>37,808</b>	34,037
Goodwill	-	-	-	-	<b>11,597</b>	11,597
Unrealised profits	<b>(74,184)</b>	(13,133)	-	-	-	-
Amounts owing by joint ventures	<b>322,689</b>	237,491	<b>51,857</b>	49,469	<b>112,379</b>	107,096
	<b>242,922</b>	205,995	<b>146,279</b>	129,266	<b>161,784</b>	152,730

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**31 JOINT VENTURES** (cont'd)

(f) Set out below are the financial information of all individually immaterial joint ventures on an aggregate basis.

	The Group	
	2025 RM'000	2024 RM'000
Carrying amounts of interest in joint ventures	<b>25,644</b>	3,065
Share of joint ventures' profits/(losses)/Share of joint ventures' total comprehensive income/(loss)	<b>4,489</b>	(2,707)

**32 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

Equity investments at fair value through other comprehensive income ("FVOCI") comprise the following investments:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Non-current assets</b>				
Unquoted shares in Malaysia	<b>2,050</b>	2,050	<b>2,050</b>	2,050
Others	<b>105</b>	105	-	-
	<b>2,155</b>	2,155	<b>2,050</b>	2,050

At the date of the initial application of MFRS 9 on 1 April 2018, the Group and the Company had irrevocably elected to present the fair value changes in other comprehensive income. The Group and the Company consider this classification to be more relevant as these investments are strategic investments, which are not held for trading purpose.

All of the financial assets at FVOCI are denominated in Malaysian Ringgit.

**33 LONG TERM RECEIVABLES**

	Note	The Group	
		2025 RM'000	2024 RM'000
Finance lease receivables	(a)	<b>172,089</b>	3,596
Less: Amount receivable within 12 months (included in trade and other receivables – Note 36)		<b>(10,955)</b>	(410)
		<b>161,134</b>	3,186
Amount due from a related company	(b)	<b>30,000</b>	-
Trade receivables	(c)	-	18,894
Other receivables	(d)	<b>149,808</b>	157,248
Less: Allowance for impairment of other receivables		<b>(63,704)</b>	(63,704)
		<b>86,104</b>	93,544
Other receivables I	(e)	<b>11,872</b>	17,016
Prepayment I	(f)	<b>100,175</b>	75,674
Prepayment II	(g)	<b>27,491</b>	35,637
		<b>416,776</b>	243,951

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑧	⑨
FINANCIAL STATEMENTS							

**33 LONG TERM RECEIVABLES** (cont'd)

(a) Finance lease receivables

	The Group	
	2025	2024
	RM'000	RM'000
Finance lease receivables:		
- Receivable within 1 year	<b>20,464</b>	512
- Receivable between 1 and 5 years	<b>53,755</b>	2,167
- Receivable after 5 years	<b>388,294</b>	1,733
	<b>462,513</b>	4,412
Less: Unearned interest income	<b>(290,424)</b>	(816)
	<b>172,089</b>	3,596
Finance lease receivables (net of unearned interest income):		
- Receivable within 1 year	<b>10,955</b>	410
- Receivable between 1 and 5 years	<b>19,411</b>	1,719
- Receivable after 5 years	<b>141,723</b>	1,467
	<b>172,089</b>	3,596

On 18 February 2025, IJM Corporation (UK) Limited, a wholly-owned subsidiary of the Company, acquired 100% equity interests in JRL Property (Elstree Way) Ltd, JRL Property (South East) Ltd and JRL Property (London) Ltd (collectively referred as "Borehamwood entities"), from JRL Property Holdings Ltd ("JRL Group") for a total cash consideration of GBP24.0 million. On the same day, JRL Property (Elstree Way) Ltd acquired an industrial property from JRL Property Ltd for a cash consideration of GBP4.0 million. Post completion, the Borehamwood entities own 4 industrial properties and these properties are currently leased to an external party, which is a subsidiary of JRL Group. Borehamwood entities entered into a put and call option agreement with JRL Group to provide both parties the option to extend the lease period up to 2040, and the option to sell or purchase of these properties which are exercisable by either party 2 years after the acquisition date up to 2040.

On the acquisition date, the lease arrangements for the properties were accounted for as a finance lease arrangement by the Group. This is on the basis that the Group does not retain substantially all the risks and rewards incidental to the ownership of the properties as the put and call options to sell or purchase the properties may be exercised by either party of the agreement before the expiry of the lease period.

The finance lease receivables as at the end of the preceding reporting date arose from the lease agreements entered into between indirect subsidiaries of the Company and lessors to lease buildings to third parties for the lease terms ranging between 10 and 15 years.

The Group does not have any significant exposure to credit risk from the lease receivables as the ownership and rights to the buildings revert to the Group in the event of default.

- (b) As at 31 March 2025, the balances represented amounts owing by a joint operation partner. The amounts were unsecured non-trade advances which bore interest at a rate of 5.0% per annum.
- (c) As at the end of the preceding financial year, the trade receivables balance was interest free and management had incorporated the time value of money for the measurement of the receivables as at the reporting date.
- During the financial year, the balances are reclassified to current assets as the balances are due for repayment within a year as of the reporting date.
- (d) The other receivables are secured advances which bear interest at a rate of 6.5% (2024: 6.5%) per annum. As at 31 March 2025, the Group has not recognised loss allowance for the net balances of RM86,104,000 (2024: RM93,544,000) which were past due as the receivables are secured by collaterals. Several land titles were deposited with or charged by the Group as collaterals.
- (e) The balances represent outstanding disposal proceed in relation to the disposal of 2 tug boats in the previous financial year, which are secured by collaterals and bear interest at a rate of 4.9% (2024: 4.9%) per annum.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**33 LONG TERM RECEIVABLES** (cont'd)

- (f) The balances represent prepayment paid to an external party for future services to be rendered in relation to the development activities to be carried out by the Innova Partnership in the United Kingdom.
- (g) The balances represent downpayment paid by the Group to suppliers for the purchase of plant and equipment for the manufacturing and quarrying division.

**34 INTANGIBLE ASSETS**

	Customer relationship and contracts RM'000	Goodwill on consolidation RM'000	Quarry development expenditure RM'000	Total RM'000
<b>The Group</b>				
<b>2025</b>				
<u>Cost</u>				
At 1 April 2024	3,958	1,112,676	70,180	1,186,814
Additions	-	-	4,376	4,376
At 31 March 2025	3,958	1,112,676	74,556	1,191,190
<u>Accumulated amortisation</u>				
At 1 April 2024	(1,490)	-	(51,650)	(53,140)
Amortisation for the financial year (Note 5(a))	(1,319)	-	(1,262)	(2,581)
At 31 March 2025	(2,809)	-	(52,912)	(55,721)
<u>Accumulated impairment</u>				
At 1 April 2024	-	(1,004,439)	(17,479)	(1,021,918)
Impairment for the financial year (Note 5(a))	-	-	(1,183)	(1,183)
<b>At 31 March 2025</b>	-	<b>(1,004,439)</b>	<b>(18,662)</b>	<b>(1,023,101)</b>
<b>At 31 March 2025</b>	<b>1,149</b>	<b>108,237</b>	<b>2,982</b>	<b>112,368</b>
<b>2024</b>				
<u>Cost</u>				
At 1 April 2023	3,958	1,112,676	67,473	1,184,107
Additions	-	-	2,707	2,707
At 31 March 2024	3,958	1,112,676	70,180	1,186,814
<u>Accumulated amortisation</u>				
At 1 April 2023	-	-	(48,617)	(48,617)
Amortisation for the financial year (Note 5(a))	(1,490)	-	(3,033)	(4,523)
At 31 March 2024	(1,490)	-	(51,650)	(53,140)
<u>Accumulated impairment</u>				
At 1 April 2023	-	(1,004,439)	(5,637)	(1,010,076)
Impairment for the financial year (Note 5(a))	-	-	(11,842)	(11,842)
<b>At 31 March 2024</b>	-	<b>(1,004,439)</b>	<b>(17,479)</b>	<b>(1,021,918)</b>
<b>At 31 March 2024</b>	<b>2,468</b>	<b>108,237</b>	<b>1,051</b>	<b>111,756</b>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**34 INTANGIBLE ASSETS (cont'd)**

As at 31 March 2025, the quarry development expenditure has an estimated useful life of 2 to 17 years (2024: 1 to 2 years) based on the estimated unutilised reserve available from the quarry face developed.

During the financial year, amortisation of quarry development expenditure of RM1,262,000 (2024: RM3,033,000) and amortisation of customer relationship and contracts of RM1,319,000 (2024: RM1,490,000) were included in cost of sales and other operating expenses respectively.

**35 INVENTORIES**

	Note	The Group	
		2025 RM'000	2024 RM'000
<b>Non-current</b>			
Land held for property development	(a)	<b>701,402</b>	550,936
<b>Current</b>			
At cost:			
Raw materials:			
- Construction materials		<b>3,328</b>	3,604
- Other raw materials		<b>109,451</b>	116,814
Finished goods:			
- Completed buildings		<b>388,689</b>	708,065
- Quarry and manufactured products		<b>155,257</b>	143,544
Consumables:			
- Stores and spares		<b>4,254</b>	3,838
		<b>660,979</b>	975,865
At net realisable value:			
Finished goods:			
- Completed buildings		<b>424,293</b>	200,650
- Consumables		<b>7,626</b>	5,072
		<b>431,919</b>	205,722
Property development costs	(b)	<b>1,092,898</b>	1,181,587
		<b>5,360,703</b>	5,115,574
Total current		<b>6,453,601</b>	6,297,161
Total inventories		<b>7,155,003</b>	6,848,097

Inventories recognised as an expense during the financial year amounted to RM1,494,069,000 (2024: RM2,148,483,000).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**35 INVENTORIES** (cont'd)

(a) Land held for property development

	The Group	
	2025 RM'000	2024 RM'000
At cost:		
Freehold land	<b>300,683</b>	299,534
Leasehold land	<b>270,831</b>	131,645
Development costs	<b>53,980</b>	43,849
	<b>625,494</b>	475,028
At net realisable value:		
Freehold land	<b>72,236</b>	72,236
Leasehold land	<b>3,672</b>	3,672
	<b>75,908</b>	75,908
	<b>701,402</b>	550,936
At 1 April 2024/2023	<b>550,936</b>	537,397
Additions during the financial year	<b>261,375</b>	30,106
Disposal during the financial year	<b>(110,909)</b>	(9,859)
Costs charged to profit or loss	-	(7,958)
Transferred from property development costs (Note 35(b))	-	1,250
<b>At 31 March</b>	<b>701,402</b>	550,936

The carrying values of freehold land and leasehold land amounting to RM446,000 and RM2,771,000 (2024: RM446,000 and RM2,771,000) respectively are pledged as security for the term loans of the subsidiaries (Note 17).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨	
								FINANCIAL STATEMENTS	

**35 INVENTORIES (cont'd)**
**(b) Property development costs**

	Note	The Group	
		2025	2024
		RM'000	RM'000
At 1 April 2024/2023		<b>5,115,574</b>	5,674,713
Less: Completed development properties:			
Freehold land – at cost		<b>(30,842)</b>	(19,128)
Leasehold land – at cost		<b>(27,000)</b>	(32,337)
Development costs		<b>(277,432)</b>	(338,869)
Accumulated costs charged to profit or loss		<b>325,010</b>	352,188
Completed units transferred to inventories		<b>10,264</b>	38,146
		-	-
		<b>5,115,574</b>	5,674,713
Completed units transferred to inventories		<b>(62,846)</b>	(353,379)
Costs charged to profit or loss		<b>(830,115)</b>	(987,344)
Costs incurred during the financial year:			
- Purchase of land		<b>43,961</b>	195,463
- Development costs		<b>1,179,671</b>	1,102,653
		<b>1,223,632</b>	1,298,116
Disposal during the financial year *		<b>(1,255)</b>	(479,476)
Write down during the year (net)	5(a)	-	(83,714)
Transferred from property, plant and equipment	25	<b>566</b>	-
Transferred to investment properties	27	<b>(29,820)</b>	-
Transferred (to) land held for property development	35(a)	-	(1,250)
Exchange differences		<b>(55,033)</b>	47,908
<b>At 31 March</b>		<b>5,360,703</b>	5,115,574
At 31 March:			
Freehold land – at cost		<b>563,927</b>	572,751
Leasehold land – at cost		<b>2,545,963</b>	2,560,928
Development costs		<b>6,808,457</b>	7,086,074
Accumulated costs charged to profit or loss		<b>(3,886,073)</b>	(4,025,137)
Completed units transferred to inventories		<b>(587,561)</b>	(909,522)
Allowance for write down		<b>(84,010)</b>	(169,520)
		<b>5,360,703</b>	5,115,574

\* Including the sale of land by the Group to an associate of RM370.0 million, of which cost of sale of RM181.3 million had been eliminated in respect of the Group's share in the associate.

In the preceding financial year, the Group recorded a net write down of its inventories for property development costs of RM83,714,000. The write down of the inventories was due to a feasibility study conducted by the Group which had indicated that there were geographical constraints at the construction site and increase in the prices of the construction materials. This caused limitations to the product mix that can be developed and the viability of the Group's initial development plan was affected. Accordingly, property development costs were written down based on the valuation reports obtained by the Group from independent professional valuers.

During the financial year, finance cost of RM36,452,000 (2024: RM35,768,000) (Note 9) has been capitalised in property development costs.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**35 INVENTORIES** (cont'd)

**(b) Property development costs** (cont'd)

The carrying values of freehold land and leasehold land amounting to RM142,627,000 (2024: RM163,429,000) and RM972,672,000 (2024: RM876,246,000) respectively are pledged as security for certain revolving credits (Note 44) and term loans of the subsidiaries (Note 17).

As at 31 March 2025, land titles to leasehold land with a carrying value of RMNil (2024: RM445,000) are in the process of being transferred.

**36 TRADE AND OTHER RECEIVABLES**

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade receivables	<b>1,240,304</b>	1,177,556	<b>53,084</b>	56,318
Trade advances	<b>31,917</b>	51,465	<b>2,637</b>	2,114
Other receivables	<b>154,629</b>	168,898	<b>1,165</b>	1,348
Compensation receivable *	<b>61,687</b>	79,387	-	-
Amounts owing by subsidiaries	-	-	<b>941,129</b>	647,440
Amounts owing by associates	<b>255,158</b>	118,383	<b>1,340</b>	1,354
Amount owing by a jointly controlled entity	<b>180,210</b>	136,712	-	-
Amount owing by a joint operation partner **	<b>53,070</b>	73,043	-	-
Deposits	<b>286,136</b>	38,941	<b>447</b>	482
	<b>2,263,111</b>	1,844,385	<b>999,802</b>	709,056
Less:				
Allowance for impairment of trade receivables, other receivables, amounts owing by subsidiaries, associates and a joint operation partner	<b>(147,280)</b>	(144,764)	<b>(116,007)</b>	(217,396)
	<b>2,115,831</b>	1,699,621	<b>883,795</b>	491,660
Prepayments	<b>128,530</b>	28,783	<b>215</b>	235
Costs to secure contracts ***	<b>16,378</b>	19,962	-	-
GST receivables	<b>3,891</b>	3,906	-	-
	<b>2,264,630</b>	1,752,272	<b>884,010</b>	491,895

Other receivables include the current portion of the following items:

	The Group	
	2025 RM'000	2024 RM'000
Finance lease receivables (Note 33)	<b>10,955</b>	410

\* The compensation receivable of the Group is in relation to the amount receivable from the Government of Malaysia in respect of tollway arrangements.

\*\* The balance represents an amount owing by a joint operation partner, WCE Holdings Berhad (a 28% associate of the Company). IJMC-KEB joint venture is a 70% unincorporated joint operation of the Group between IJM Construction Sdn Bhd ("IJMC") and WCE Holdings Berhad, which carry out the engineering, procurement and construction works for the construction of the West Coast Expressway. IJMC is a wholly-owned subsidiary of the Company.

\*\*\* The Group recognised an asset in relation to sales commissions and legal fees incurred on loan agreements in obtaining contracts. The asset is amortised on a straight-line basis over the term of the specific contract it relates to, consistent with the pattern of recognition of the associated revenue. The amortisation recognised as cost of providing services during the financial year was RM12,539,000 (2024: RM28,125,000).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑧	⑨
FINANCIAL STATEMENTS							

**36 TRADE AND OTHER RECEIVABLES (cont'd)**

The currency exposure profile of trade and other receivables is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
United States Dollar	1,571	23,028	1,260	1,347
Singapore Dollar	9,892	3,566	-	-
Chinese Renminbi	3,859	-	-	-
	<b>15,322</b>	26,594	<b>1,260</b>	1,347

Trade and other receivables that are neither past due nor impaired:

Credit terms of trade receivables range from payment in advance to 150 days (2024: range from payment in advance to 150 days).

Trade and other receivables that are neither past due nor impaired comprise:

- Receivables in relation to construction business arising from rendering of construction services to companies with a good collection track record with the Group and the Company. These receivables include retention sums which are to be settled in accordance with the terms of the respective contracts;
- Receivables in relation to property development business arising from sale of development units to large number of property purchasers with end financing facilities from reputable end-financiers. The ownership and rights to the properties revert to the Group in the event of default; and
- Receivables from other external parties with no history of default.

Trade receivables, other receivables, amounts owing by subsidiaries, associates and a joint operation partner that are impaired:

The receivables are individually impaired either because of significant delays in collection periods or because the debtors are in unexpectedly difficult economic situations. As at 31 March 2025, trade and other receivables of the Group and the Company of RM147,280,000 (2024: RM144,764,000) and RM116,007,000 (2024: RM217,396,000) respectively were impaired and provided for.

Movements on the Group's and the Company's allowance for impairment of trade receivables, other receivables, amounts owing by subsidiaries, associates and a joint operation partner are as follows:

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At 1 April 2024/2023		144,764	171,265	217,396	113,914
Allowance for impairment of receivables during the year	5(a)	18,834	4,530	-	103,482
Write back of allowance for impairment of receivables	5(b)	(3,225)	(23,387)	(99,125)	-
Bad debts written off		(9,497)	(7,674)	-	-
Reclassification		1,454	-	-	-
Foreign currency exchange differences		(5,050)	30	(2,264)	-
<b>At 31 March</b>		<b>147,280</b>	144,764	<b>116,007</b>	217,396

Of the above Group's impairment, RM114,932,000 (2024: RM118,766,000) related to trade receivables. Of the above Company's impairment, RM32,122,000 (2024: RM32,122,000) related to trade receivables.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

#### 36 TRADE AND OTHER RECEIVABLES (cont'd)

The allowance for impairment of receivables during the previous financial year at the Company level was mainly in relation to amounts owing by certain subsidiaries, where the balances were fully impaired due to the ECL assessment carried out by the Company on the probability-weighted estimated cash inflows expected from the receivables.

Concentrations of credit risk with respect to trade and other receivables are limited due to the Group's large number of customers, who are dispersed over a broad spectrum of industries and businesses. The Group has carried out an assessment on the recoverability of these balances and management believes that the current impairment recognised is adequate.

The amounts owing by subsidiaries and associates are unsecured and repayable on demand. Certain amounts owing by subsidiaries and associates bear interest at rates ranging from 5.1% to 7.7% (2024: 5.0% to 7.7%) per annum. The Company has carried out an assessment on the recoverability of these balances and management believes that the carrying amount is recoverable.

The amount owing by a joint operation partner mainly comprises receivables arising from the rendering of construction services to the joint operations. The credit terms of these trade related balances are 30 days (2024: 30 days).

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above.

There is no material difference between the carrying values of trade and other receivables and their fair values, due to the short-term duration of the receivables.

#### 37 CONTRACT ASSETS AND CONTRACT LIABILITIES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>Contract Assets:</b>				
Contract assets from construction (Note (a))	<b>81,101</b>	53,018	-	-
Contract assets from property development (Note (b))	<b>459,112</b>	387,899	-	-
<b>Total</b>	<b>540,213</b>	440,917	-	-
<b>Analysed as:</b>				
Current	<b>540,213</b>	440,917	-	-
<b>Contract Liabilities:</b>				
Contract liabilities from construction (Note (a))	<b>207,194</b>	240,914	<b>181</b>	87
Contract liabilities from property development (Note (b))	<b>236,830</b>	187,983	-	-
<b>Total</b>	<b>444,024</b>	428,897	<b>181</b>	87
<b>Analysed as:</b>				
Current	<b>444,024</b>	428,897	<b>181</b>	87

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

**37 CONTRACT ASSETS AND CONTRACT LIABILITIES (cont'd)**
**(a) Contract assets and contract liabilities from construction**

The Group and the Company issue progress billings to customers when the billing milestones are attained. The Group and the Company recognise revenue when the performance obligation is satisfied.

The Group's and the Company's contract assets and contract liabilities relating to construction contracts as of each reporting period can be summarised as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Contract assets	<b>81,101</b>	53,018	-	-
Contract liabilities	<b>(207,194)</b>	(240,914)	<b>(181)</b>	(87)
	<b>(126,093)</b>	(187,896)	<b>(181)</b>	(87)
At 1 April 2024/2023	<b>(187,896)</b>	(63,096)	<b>(87)</b>	(541)
Revenue recognised during the year	<b>2,552,388</b>	1,656,164	-	-
Progress billings issued during the year	<b>(2,490,733)</b>	(1,663,210)	-	-
Advances received on contracts	-	(117,785)	-	-
Exchange translation differences	<b>282</b>	(455)	-	(30)
Others	<b>(134)</b>	486	<b>(94)</b>	484
<b>At 31 March</b>	<b>(126,093)</b>	(187,896)	<b>(181)</b>	(87)

The unsatisfied performance obligations at the end of the reporting period are expected to be recognised in the following periods:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Within 1 year	<b>3,508,622</b>	2,619,705	-	-
Between 1 and 4 years	<b>1,495,244</b>	2,433,830	-	-
	<b>5,003,866</b>	5,053,535	-	-

The construction revenue recognised by the Group during the financial year arising from the performance obligations satisfied in the previous financial years are as follows:

	The Group	
	2025 RM'000	2024 RM'000
Construction contracts – changes in contract sums with project employers during the financial year	<b>76,848</b>	35,172

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**37 CONTRACT ASSETS AND CONTRACT LIABILITIES** (cont'd)

**(b) Contract assets and contract liabilities from property development**

The Group issues progress billings to purchasers when the billing milestones are attained. The Group recognises revenue when the performance obligation is satisfied.

The Group's contract assets and contract liabilities relating to the sale of properties as of each reporting period can be summarised as follows:

	The Group	
	2025 RM'000	2024 RM'000
Contract assets	<b>459,112</b>	387,899
Contract liabilities	<b>(236,830)</b>	(187,983)
	<b>222,282</b>	199,916
At 1 April 2024/2023	<b>199,916</b>	186,023
Revenue recognised during the year	<b>1,356,228</b>	1,585,767
Progress billings issued during the year	<b>(1,336,834)</b>	(1,570,709)
Exchange translation differences	<b>2,972</b>	(1,165)
<b>At 31 March</b>	<b>222,282</b>	199,916

The unsatisfied performance obligations at the end of the reporting period are expected to be recognised in the following periods:

	The Group	
	2025 RM'000	2024 RM'000
Within 1 year	<b>423,733</b>	688,988
Between 1 and 4 years	<b>226,473</b>	289,391
	<b>650,206</b>	978,379

**38 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Quoted securities in Malaysia - held for trading:				
Non-current:				
Warrants	<b>104</b>	67,006	<b>104</b>	67,006
Current:				
Quoted unit trusts	<b>573,443</b>	655,496	<b>50,017</b>	386,527
Quoted shares	<b>814</b>	937	-	-
Quoted real estate investment trusts	<b>1,945</b>	1,504	<b>1,945</b>	1,504
	<b>576,202</b>	657,937	<b>51,962</b>	388,031
	<b>576,306</b>	724,943	<b>52,066</b>	455,037

The fair values of all quoted securities are determined based on their quoted market prices in an active market and are within Level 1 of the fair value hierarchy.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
FINANCIAL STATEMENTS								

**39 DEPOSITS, CASH AND BANK BALANCES**

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits with licensed banks	46	<b>254,406</b>	407,750	<b>7,374</b>	13,424
Cash and bank balances		<b>1,887,226</b>	1,877,037	<b>413,782</b>	507,084
Housing Development Accounts (a)		<b>352,323</b>	585,602	-	-
	46	<b>2,239,549</b>	2,462,639	<b>413,782</b>	507,084
		<b>2,493,955</b>	2,870,389	<b>421,156</b>	520,508

(a) Cash and bank balances include balances amounting to RM352,323,000 (2024: RM585,602,000) which are maintained in designated Housing Development Accounts pursuant to the Housing Developers (Control and Licensing) Act, 1966 and Housing Regulations, 1991 in connection with the Group's property development projects. The utilisation of these balances is restricted before completion of the housing development projects and fulfilment of all relevant obligations to the purchasers, such that the cash can only be withdrawn from such accounts for the purpose of completing the particular projects.

The currency exposure profile of deposits with licensed banks is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
United States Dollar	<b>11,785</b>	11,974	<b>5,245</b>	5,434
Singapore Dollar	<b>10,470</b>	10,774	-	-
	<b>22,255</b>	22,748	<b>5,245</b>	5,434

The currency exposure profile of cash and bank balances is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
United States Dollar	<b>166,976</b>	65,551	<b>150,817</b>	40,656
Singapore Dollar	<b>1,187</b>	1,258	-	-
Pakistan Rupee	<b>11</b>	54	<b>11</b>	54
Chinese Renminbi	<b>1</b>	225	-	-
	<b>168,175</b>	67,088	<b>150,828</b>	40,710

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**39 DEPOSITS, CASH AND BANK BALANCES** (cont'd)

The effective interest rates per annum as at the end of the financial year for the Group and the Company are as follows:

	The Group		The Company	
	2025 %	2024 %	2025 %	2024 %
Deposits with licensed banks:				
Ringgit Malaysia	<b>2.73</b>	2.63	<b>2.70</b>	2.70
US Dollar	<b>4.04</b>	5.05	<b>4.09</b>	5.12
Indian Rupee	<b>5.26</b>	4.97	-	7.37
Great Brintain Pound	<b>1.00</b>	1.00	-	-
Singapore Dollar	<b>2.42</b>	3.30	-	-
Cash at bank held under Housing Development Accounts				
	<b>1.03</b>	1.45	-	-
Cash and bank balances:				
Ringgit Malaysia	<b>0.10 - 4.72</b>	0.10 - 3.65	<b>2.50 - 3.65</b>	2.50 - 3.65
US Dollar	<b>0.30 - 3.50</b>	0.30 - 4.00	<b>2.21 - 3.50</b>	-
Chinese Renminbi	-	0.30	-	-

Deposits, cash and bank balances are mainly deposits with banks with high credit ratings assigned by international credit rating agencies.

The cash and bank balances are deposits held at call with banks.

Deposits with licensed banks of the Group and of the Company have a maturity period ranging between 1 and 365 days (2024: 1 and 365 days). Except for the restricted deposits with licensed banks, the deposits with the maturity period of more than 3 months are readily convertible to known amount of cash and subject to insignificant risk of change in value.

The carrying values of the designated bank accounts amounting to RM107,000 (2024: RM108,000) are pledged as securities for the revolving credit of the subsidiaries (Note 44).

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	8	9
FINANCIAL STATEMENTS								

**40 ASSETS HELD FOR SALE**

	Note	The Group	
		2025 RM'000	2024 RM'000
Property, plant and equipment	(a)	<b>166</b>	470
Investment properties (Note 27)	(b)	<b>946</b>	-
		<b>1,112</b>	470

- (a) (i) In the preceding financial year, IJM (India) Infrastructure Limited, an indirect subsidiary of the Company, entered into a sale and purchase agreement with an external party to dispose a residential flat measuring approximately 1,279 square feet at RTP-DK Project at Nambur Village situated in the state of Andhra Pradesh for a total net cash consideration of Rupees 35.5 lakhs (translated to RM188,505 based on an exchange rate of 1 Rupee equivalent to RM0.0531). The disposal was completed during the financial year and a gain of RM18,000 was recognised in profit or loss (Note 5(b)).
- (a) (ii) In the preceding financial year, IJM (India) Infrastructure Limited, an indirect subsidiary of the Company, entered into an arrangement with an external party to dispose freehold land measuring approximately 1.80 acres at Koppuravuru Village, Peddakakani Mandalam, Guntur District, Andhra Pradesh for a total net cash consideration of Rupees 68.55 lakhs (translated to RM355,089 based on an exchange rate of 1 Rupee equivalent to RM0.0518). As at 31 March 2025, the disposal is subject to fulfilment of conditions precedent.
- (a) (iii) In the preceding financial year, IJM (India) Infrastructure Limited, an indirect subsidiary of the Company, entered into an arrangement with an external party to dispose freehold land measuring approximately 47.72 acres at Village & Post Bodhanam, Chillakur Mandal, Kadivedu Sub-post, Nellore District, in the state of Andhra Pradesh for a total net cash consideration of Rupees 2.51 crores (translated to RM1,335,000 based on an exchange rate of 1 Rupee equivalent to RM0.0531). The disposal was completed during the financial year and a gain of RM1,237,000 was recognised in profit or loss (Note 5(b)).
- (b) On 4 March 2025, Industrial Concrete Products Sdn Bhd ("ICP"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with an external party to dispose a unit of condominium measuring approximately 253 square meters at Daerah Barat Daya for a total net cash consideration of RM950,000. As at 31 March 2025, the disposal is subject to fulfilment of conditions precedent.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements (cont'd)**

For the Financial Year Ended 31 March 2025

**41 TRADE AND OTHER PAYABLES**

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables		<b>1,517,591</b>	1,165,434	<b>251</b>	251
Trade accruals *		<b>989,704</b>	997,094	<b>22,171</b>	28,796
Amounts owing to subsidiaries		-	-	<b>108,392</b>	28,892
Amounts owing to associates		<b>706</b>	599	-	-
Amounts owing to joint ventures		<b>5,288</b>	12,071	-	-
Amount owing to a corporate shareholder **		<b>203,890</b>	194,181	-	-
Other payables and accruals ***		<b>383,645</b>	345,501	<b>30,385</b>	7,052
Government support loan	18	<b>7,198</b>	9,930	-	-
Advances from the State Government	22(a)	<b>4,500</b>	-	-	-
Land and development costs payable	22(c)	<b>9,000</b>	22,039	-	-
Lease payable to Kuantan Port Authority	22(f)	<b>6,842</b>	6,738	-	-
		<b>3,128,364</b>	2,753,587	<b>161,199</b>	64,991
Retirement benefits payable	23	<b>419</b>	731	-	-
GST payables		<b>1,747</b>	3,997	-	-
		<b>3,130,530</b>	2,758,315	<b>161,199</b>	64,991

\* Included in the trade accruals are mainly the provision for costs amounting to RM676,235,000 (2024: RM695,013,000) to complete the property development projects.

	The Group	
	2025 RM'000	2024 RM'000
<u>Provision for costs to complete</u>		
At 1 April 2024/2023	<b>695,013</b>	771,709
Current year provision	<b>100,123</b>	125,868
Utilised during the year	<b>(68,883)</b>	(78,777)
Over provision in respect of prior years	<b>(50,018)</b>	(123,787)
<b>At 31 March</b>	<b>676,235</b>	695,013

Trade accruals also include interest payable of the Group and Company amounting to RM24,689,000 and RM13,478,000 (2024: RM27,475,000 and RM16,180,000) respectively.

\*\* The amount owing to a corporate shareholder of an indirect subsidiary of the Company is in relation to advances which are unsecured, repayable on demand and bear interest at a rate of 5.0% (2024: 5.0%) per annum.

\*\*\* Included in the other payables and accruals is provision for onerous contracts which represents the Group's obligations to complete the construction projects, whereby the unavoidable costs of meeting the obligations exceed the economic benefits expected to be recovered.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**41 TRADE AND OTHER PAYABLES** (cont'd)

	The Group	
	2025	2024
	RM'000	RM'000
<u>Provision for onerous contracts</u>		
At 1 April 2024/2023	<b>54,392</b>	59,783
Current year provision	<b>7,058</b>	20,910
Utilised during the year	<b>(4,957)</b>	(26,301)
<b>At 31 March</b>	<b>56,493</b>	54,392

The currency exposure profile of trade and other payables is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Chinese Renminbi	<b>377</b>	13,147	-	-
Euro	-	186	-	-
Japanese Yen	-	39	-	-
United States Dollar	<b>878</b>	11,643	-	-

As at the reporting date, the current amounts owing to subsidiaries, associates and joint ventures are unsecured and repayable on demand. Credit terms of trade and other payables range from payments in advance to 120 days (2024: range from payments in advance to 120 days).

**42 DERIVATIVE FINANCIAL INSTRUMENTS**

	The Group and the Company	
	2025	2024
	RM'000	RM'000
<u>Current liabilities:</u>		
Cross currency swap	-	332

As at 31 March 2025, the Company did not have any outstanding cross currency swap contract.

In the preceding financial year, the Company entered into cross currency swap contracts to swap USD floating rate liability into MYR floating rate liability, thus hedging the USD/MYR currency and interest rate risks. As at 31 March 2024, the outstanding notional value of the contract was USD20 million.

Maturity profile of derivative financial instruments:

			Total fair value of derivative financial liabilities
	< 1 year	1 – 3 years	RM'000
	RM'000	RM'000	RM'000
<b>The Group and the Company</b>			
<b>As at 31 March 2024</b>			
Cross currency swap	332	-	332

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements (cont'd)**

For the Financial Year Ended 31 March 2025

**43 PROVISIONS**

	Note	The Group	
		2025 RM'000	2024 RM'000
Provisions (current)	(a)	<b>2,745</b>	4,272
<u>Provision for maintenance</u>			
At 1 April 2024/2023		<b>4,272</b>	2,992
Current year provision		<b>8,025</b>	7,200
Utilised during the year		<b>(8,829)</b>	(8,190)
(Over)/under provision in respect of prior years		<b>(723)</b>	2,270
At 31 March		<b>2,745</b>	4,272

(a) Provision for maintenance is in respect of the contractual obligations under the respective concession agreements to maintain and restore the Expressways to a specified standard of serviceability.

**44 BORROWINGS**

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Secured</u>					
Bonds	16	<b>223,531</b>	162,883	-	-
Term loans	17	<b>44,501</b>	37,263	-	-
Revolving credits (A)		<b>64,794</b>	51,507	-	-
		<b>332,826</b>	251,653	-	-
<u>Unsecured</u>					
Bonds	16	<b>497,977</b>	199,198	<b>200,000</b>	100,000
Term loans	17	<b>340,057</b>	473,121	<b>88,640</b>	189,480
Bankers' acceptances		<b>7,248</b>	-	-	-
Revolving credits		<b>653,543</b>	774,603	<b>461,322</b>	555,969
Bank overdrafts	46	<b>41,853</b>	22,682	-	-
Letters of credit		<b>788</b>	2,683	-	-
		<b>1,541,466</b>	1,472,287	<b>749,962</b>	845,449
		<b>1,874,292</b>	1,723,940	<b>749,962</b>	845,449

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**44 BORROWINGS** (cont'd)

The currency exposure profile of the above bank borrowings (other than term loans as disclosed in Note 17 to the financial statements) is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
United States Dollar	<b>370,072</b>	188,059	<b>370,072</b>	188,059

As at the reporting date, the weighted average annual effective interest rates for the bank borrowings, other than the bonds and term loans which are disclosed in Notes 16 and 17 respectively, of the Group and the Company are as follows:

	Bankers' acceptances %	The Group Revolving credits %	Bank overdrafts %
<b>As at 31 March 2025:</b>			
Ringgit Malaysia	<b>3.80</b>	<b>4.30</b>	-
Indian Rupee	-	-	<b>9.05</b>
United States Dollar	-	<b>5.52</b>	-
<b>As at 31 March 2024:</b>			
Ringgit Malaysia	-	4.31	-
Indian Rupee	-	-	8.82
United States Dollar	-	6.68	-

	The Company 2025 Revolving credits %	The Company 2024 Revolving credits %
Ringgit Malaysia	<b>4.05</b>	4.16
United States Dollar	<b>5.52</b>	6.68

The security for bonds and term loans are disclosed in Notes 16 and 17 respectively.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**44 BORROWINGS** (cont'd)

(A) As at the reporting date, the following revolving credits of the Group are secured as follows:

	Note	The Group	
		2025 RM'000	2024 RM'000
Revolving credit (i)	(a)	<b>9,737</b>	9,737
Revolving credit (ii)	(b)	<b>18,800</b>	18,800
Revolving credit (iii)	(c)	<b>20,100</b>	22,970
Revolving credit (iv)	(d)	<b>16,157</b>	-
		<b>64,794</b>	51,507

- (a) The security for revolving credit (i) of RM9,737,000 (2024: RM9,737,000) is disclosed in Note 17(C)(f).
- (b) The security for revolving credit (ii) of RM18,800,000 (2024: RM18,800,000) is disclosed in Note 17(C)(g).
- (c) The revolving credit (iii) of RM20,100,000 (2024: RM22,970,000) is secured by way of a Lien-Holder's Caveat over inventories (Note 35) of a subsidiary of IJML with a minimum security cover of 1.0 time the loan outstanding.
- (d) The revolving credit (iv) of RM16,157,000 (2024: RM NIL) is secured by way of:
- a facility agreement for the sum of RM300,000,000;
  - a debenture incorporating a fixed and floating charge over all present and future assets of a subsidiary of IJML;
  - an assignment over the current and future proceeds of a subsidiary of IJML;
  - a legal charge over the Designated Account of a subsidiary of IJML (Note 39); and
  - a corporate guarantee by IJML.

**45 IMPAIRMENT OF ASSETS**

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segments.

The carrying amounts of goodwill allocated to the CGUs are as follows:

	Construction RM'000	Property development RM'000	Manufacturing and quarrying RM'000	Others RM'000	Total RM'000
<b>2025</b>					
<b>At 1 April 2024/At 31 March 2025</b>	<b>13,407</b>	<b>10,303</b>	<b>56,026</b>	<b>28,501</b>	<b>108,237</b>
<b>2024</b>					
<b>At 1 April 2023/At 31 March 2024</b>	13,407	10,303	56,026	28,501	108,237

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	8	9
FINANCIAL STATEMENTS								

**45 IMPAIRMENT OF ASSETS** (cont'd)

Impairment tests for goodwill (cont'd)

The recoverable amounts of the respective CGUs are determined based on value-in-use ("VIU") calculations, using pre-tax cash flow projections on the following basis:

CGU	Basis of cash flow projections
Construction	Discounted cash flows of the construction order book covering a 3-year period
Property development	Discounted cash flows of a property development project covering 79 phases of future developments
Manufacturing and Quarrying	Financial budgets approved by management covering a 5- year period based on past performance and expectations of market development
Others - telecommunication	Financial budgets approved by management covering a 5-year period based on future secured contracts and expectations of market development

	Average annual revenue growth rate		Long term growth rate		Discount rate	
	2025	2024	2025	2024	2025	2024
	%	%	%	%	%	%
Construction	<b>N/A</b>	N/A	<b>2.0</b>	2.0	<b>10.4</b>	8.3
Property development	<b>N/A</b>	N/A	<b>N/A</b>	N/A	<b>8.3</b>	8.1
Manufacturing and Quarrying	<b>1.1</b>	2.8	<b>2.0</b>	2.0	<b>12.6</b>	9.9
Others - telecommunication	<b>11.6</b>	11.0	-	-	<b>10.6</b>	8.2

N/A denotes not applicable

The discount rates used are pre-tax and reflect the specific risks relating to the respective CGUs.

There are no reasonably possible changes in any of the key assumptions used that would cause the carrying amounts of goodwill allocated to the CGUs to materially exceed the recoverable amounts.

**46 CASH AND CASH EQUIVALENTS**

Cash and cash equivalents included in the Group's and the Company's cash flow statements comprise the following:

	Note	The Group		The Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	39	<b>254,406</b>	407,750	<b>7,374</b>	13,424
Cash and bank balances	39	<b>2,239,549</b>	2,462,639	<b>413,782</b>	507,084
Bank overdrafts					
- Unsecured	44	<b>(41,853)</b>	(22,682)	-	-
		<b>2,452,102</b>	2,847,707	<b>421,156</b>	520,508
Less:					
Restricted deposits with licensed banks		<b>(2,315)</b>	(1,962)	-	-
		<b>2,449,787</b>	2,845,745	<b>421,156</b>	520,508

As at the end of the reporting period, the restricted deposits with licensed banks are mainly deposits pledged as consent for an assignment of performance bond in relation to Sukuk Murabahah and deposits of a subsidiary being pledged to a bank to be held as security for bank guarantee.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**47 FAIR VALUES OF FINANCIAL INSTRUMENTS**

The fair value of a financial instrument is assumed to be the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

Quoted market prices, when available, are used as a measure of fair values. However, for a significant portion of the Group's and of the Company's financial instruments, quoted market prices do not exist. For such financial instruments, fair values presented are estimates derived using the discounted value of future cash flows or other valuation techniques. These techniques involve uncertainties and are significantly affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values.

The carrying values of financial assets and financial liabilities of the Group and of the Company at the reporting date approximated their fair values except for the following:

	Note	The Group		The Company	
		Carrying value RM'000	Fair value* RM'000	Carrying value RM'000	Fair value* RM'000
<b>Financial Liabilities</b>					
<b>At 31 March 2025</b>					
(i) Bonds	16	3,794,203	3,963,454	900,000	916,966
(ii) Government support loan	18	7,198	7,198	-	-
(iii) Advances from the State Government	22(a)	30,180	(aa)	-	-
(iv) Amount owing to a subsidiary	22(g)	-	-	390,000	398,635
<b>At 31 March 2024</b>					
(i) Bonds	16	3,065,648	3,186,587	1,000,000	1,017,341
(ii) Government support loan	18	18,585	20,278	-	-
(iii) Advances from the State Government	22(a)	33,180	(aa)	-	-

(aa) The fair value of the Advances from the State Government has not been disclosed as the repayment is scheduled upon completion of certain conditions as set out in Note 22(a) to the financial statements, of which the completion date could not be reasonably determined as at the reporting date.

\* The fair values of the financial liabilities above have been derived based on discounted cash flows using market interest rates applicable for similar financial instruments as at the reporting date and are within Level 2 of the fair value hierarchy.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
								FINANCIAL STATEMENTS

#### 48 SIGNIFICANT RELATED PARTY DISCLOSURES

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances.

- (a) The following transactions with related parties were carried out under terms and conditions negotiated amongst the related parties:

	2025 RM'000	2024 RM'000
<b>The Group</b>		
<b>(aa) Associates</b>		
(i) Progress billings in respect of construction contract:		
- West Coast Expressway Sdn Bhd	<b>216,660</b>	269,741
- Global Vision Logistics Sdn Bhd	<b>315,237</b>	22,159
(ii) Interest charged to:		
- Kuantan Pahang Holding Sdn Bhd	<b>106</b>	855
- Urban Reach Sdn Bhd	<b>1,357</b>	74
(iii) Net (advances to)/repayment from:		
- Kuantan Pahang Holding Sdn Bhd	<b>234</b>	21,394
- MCKILP Development Sdn Bhd	-	4,321
- Urban Reach Sdn Bhd	<b>(30,116)</b>	(2,700)
- West Coast Expressway Sdn Bhd	<b>15,861</b>	-
(iv) Subscription of Redeemable Unsecured Murabahah Stocks:		
- West Coast Expressway Sdn Bhd	<b>59,640</b>	35,080
(v) Profits from Redeemable Unsecured Murabahah Stocks:		
- West Coast Expressway Sdn Bhd	<b>24,536</b>	17,469
(vi) Dividends received from:		
- Hexacon Construction Pte Limited	<b>778</b>	649
- Emas Utilities Corporation Sdn Bhd	-	5,760
(vii) Land sales to:		
- MCKILP Development Sdn Bhd	-	369,981
(viii) Subscription of redeemable preference shares:		
- Global Vision Logistics Sdn Bhd	<b>34,213</b>	18,738
(ix) Exercise of warrants:		
- WCE Holdings Berhad	<b>51,747</b>	-
<b>(ab) Joint ventures</b>		
(i) Progress billings in respect of construction contract:		
- Tumpuan Azam Sdn Bhd	<b>240,578</b>	259,091
- Laksana Positif Sdn Bhd	<b>67,432</b>	62,599
- Jaringan Simfoni Sdn Bhd	<b>94,326</b>	90,554
- Exio Logistics Sdn Bhd	<b>59,789</b>	-
(ii) Project management, sales and marketing and management fees charged to:		
- 368 Segambut Sdn Bhd	<b>804</b>	1,534
- Jaringan Simfoni Sdn Bhd	<b>1,266</b>	929
- Nasa Land Sdn Bhd	<b>1,474</b>	1,362
- Innova Investment Limited Partnership	<b>12,625</b>	-
- Exio Logistics Sdn Bhd	<b>600</b>	350

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**48 SIGNIFICANT RELATED PARTY DISCLOSURES** (cont'd)

(a) The following transactions with related parties were carried out under terms and conditions negotiated amongst the related parties: (cont'd)

	2025 RM'000	2024 RM'000
<b>The Group</b> (cont'd)		
(ab) <u>Joint ventures</u> (cont'd)		
(iii) Interest charged to:		
- 368 Segambut Sdn Bhd	2,357	2,392
- Nasa Land Sdn Bhd	5,448	5,549
- Laksana Positif Sdn Bhd	447	535
- Jaringan Simfoni Sdn Bhd	999	-
- Tumpuan Azam Sdn Bhd	1,413	-
(iv) Net repayment from/(advances to):		
- 368 Segambut Sdn Bhd	-	1,784
- Nasa Land Sdn Bhd	-	1,207
- IJM-Gayatri Joint Venture	6,749	-
- IJM Perennial Development Sdn Bhd	(85,707)	(73,500)
- Exio Logistics Sdn Bhd	-	(18,000)
- Tumpuan Azam Sdn Bhd	1,413	-
- Laksana Positif Sdn Bhd	447	535
- Jaringan Simfoni Sdn Bhd	2,563	826
- ISZL Consortium	(6,225)	(6)
- Lebuhraya Kajang-Seremban Sdn Bhd	328	143,341
- WHM-IJMC Joint Venture	(6,585)	-
- WHM-IJMC Joint Venture (JH2)	(1,035)	-
- Innova Investment Limited Partnership	(10,332)	-
(v) Interest accretion on RCULS and RCSIDS:		
- Lebuhraya Kajang-Seremban Sdn Bhd	23,511	25,600
(vi) Subscription of redeemable preference shares:		
- Exio Logistics Sdn Bhd	18,000	-
(vii) Progress billings on telecommunication infrastructure services charged to:		
- Lebuhraya Kajang-Seremban Sdn Bhd	-	1,123
(ac) <u>Joint operation partner</u>		
(i) Progress billings in respect of construction contracts to:		
- IJMC-KEB Joint Venture	26,826	80,209
(ii) Net repayment from/(advances to):		
- IJMC-KEB Joint Venture	(30,000)	-
(iii) Interest charged to:		
- IJMC-KEB Joint Venture	2,966	-
(ad) <u>Corporate shareholder of a subsidiary</u>		
(i) Interest charged by:		
- Beibu Gulf Holding (Hong Kong) Co. Ltd	9,709	9,247

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

①	②	③	④	⑤	⑥	⑦	⑧	⑨
								FINANCIAL STATEMENTS

**48 SIGNIFICANT RELATED PARTY DISCLOSURES** (cont'd)

(a) The following transactions with related parties were carried out under terms and conditions negotiated amongst the related parties: (cont'd)

	2025	2024
	RM'000	RM'000
<b>The Group</b> (cont'd)		
<b>(ae) Related company</b>		
(i) Interest charged to:		
- WCE Maju Sdn Bhd	-	818
(ii) Net (advances to)/repayment from:		
- WCE Maju Sdn Bhd	<b>(10,327)</b>	48,960
(iii) Progress billings in respect of construction contracts from:		
- WCE Maju Sdn Bhd	<b>105,172</b>	26,077
<b>(af) Other related party *</b>		
(i) Progress billings in respect of construction work undertaken for the Group's property development projects	<b>5,784</b>	-

\* The other related party is an entity in which a key management personnel of the Group has direct equity interests and acts as a non-executive director.

	2025	2024
	RM'000	RM'000
<b>The Company</b>		
<b>(aa) Subsidiaries</b>		
(i) Interest charged to/(by):		
- IJM Properties Sdn Bhd	<b>28,052</b>	42,620
- Suria Bistari Development Sdn Bhd	-	1,606
- IJM Land Berhad	<b>13,503</b>	7,820
- IJM Land Management Services Sdn Bhd	<b>447</b>	1,453
- IJM Management Services Sdn Bhd	<b>964</b>	805
- IJM Investments (L) Limited	<b>284</b>	3,303
- Fairview Valley Sdn Bhd	<b>63</b>	787
- RB Development Sdn Bhd	<b>683</b>	813
- Panorama Jelita Sdn Bhd	<b>808</b>	754
- IJM Corporation (UK) Limited	<b>5,232</b>	-
- CIDB Inventures Sdn Bhd	<b>(369)</b>	(392)
- IJM Treasury Management Sdn Bhd	<b>(2,286)</b>	(19)
(ii) Management fees charged to/(by):		
- IJM Construction Sdn Bhd	<b>11,583</b>	11,187
- Industrial Concrete Products Sdn Bhd	<b>4,767</b>	5,217
- IJM Highway Services Sdn Bhd	<b>525</b>	-
- New Pantai Expressway Sdn Bhd	<b>798</b>	-
- Besraya (M) Sdn Bhd	<b>496</b>	1,430
- Kuantan Port Consortium Sdn Bhd	<b>1,705</b>	1,985
- IJM Land Management Services Sdn Bhd	<b>7,374</b>	6,845
- IJM Shared Services Sdn Bhd	<b>(517)</b>	(401)
(iii) Office rental charged by IJM Construction Sdn Bhd	<b>2,106</b>	2,106

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**48 SIGNIFICANT RELATED PARTY DISCLOSURES** (cont'd)

(a) The following transactions with related parties were carried out under terms and conditions negotiated amongst the related parties: (cont'd)

	2025 RM'000	2024 RM'000
<b>The Company</b> (cont'd)		
(aa) <u>Subsidiaries</u> (cont'd)		
(iv) Repayment from/(advances to):		
- IJM Construction Sdn Bhd	13,318	7,483
- IJM Properties Sdn Bhd	24,643	350,872
- IJM Land Berhad	(162,282)	(7,265)
- Panorama Jelita Sdn Bhd	1,996	100
- Murni Lapisan Sdn Bhd	-	8,634
- Jelita Kasturi Sdn Bhd	1,037	100
- IJM Investments (L) Limited	100,538	(32,596)
- Kuantan Port Consortium Sdn Bhd	1,712	2,323
- IJM Land Management Services Sdn Bhd	(468)	31,068
- Industrial Concrete Products Sdn Bhd	61,598	(50,147)
- RB Development Sdn Bhd	-	4,000
- Besraya (M) Sdn Bhd	(631)	2,767
- New Pantai Expressway Sdn Bhd	599	252
- Fairview Valley Sdn Bhd	20,419	(3,048)
- IJM Management Services Sdn Bhd	66	(18,427)
- Suria Bistari Development Sdn Bhd	-	63,993
- Sierra Ukay Sdn Bhd	2,460	106
- IJM (India) Infrastructure Limited	2,043	(8,602)
- Jelutong Development Sdn Bhd	100,000	(100,000)
- IJM Corporation (UK) Limited	(391,122)	-
(v) Advances from/(repayments to):		
- IJM Treasury Management Sdn Bhd	468,421	20,001
- Road Builder (M) Holdings Bhd	(3,878)	(35,087)
- CIDB Inventures Sdn Bhd	(369)	(456)
(vi) Subscription of preference shares issued by:		
- IJM RE Sdn Bhd	110,000	193,250
- IJM Investments (M) Limited	3,521	1,179
- Suria Bistari Development Sdn Bhd	-	54,000
- IJM Investments (L) Limited	100,774	113,499
- Fairview Valley Sdn Bhd	16,000	-
- Road Builder (M) Holdings Bhd	5,240	-
(vii) Subscription of ordinary shares issued by:		
- IJM Treasury Management Sdn Bhd	-	900
(ab) <u>Joint ventures</u>		
(i) Interest accretion on RCULS and RCSIDS		
- Lebuhraya Kajang-Seremban Sdn Bhd	23,511	25,600

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	<b>⑧</b>	⑨
<b>FINANCIAL STATEMENTS</b>								

**48 SIGNIFICANT RELATED PARTY DISCLOSURES** (cont'd)

**(b) Key management compensation during the financial year:**

Key management personnel comprise the Directors and certain management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages, salaries and bonus	<b>12,516</b>	10,885	<b>4,387</b>	3,458
Defined contribution retirement plan	<b>1,553</b>	1,127	<b>746</b>	588
Fees and other employee benefits	<b>5,506</b>	3,479	<b>2,803</b>	2,565
	<b>19,575</b>	15,491	<b>7,936</b>	6,611

**(c) Transactions with Directors and key management of the Company relating to the purchase of properties during the financial year:**

In the ordinary course of business, certain Directors and key management personnel of the Group purchased properties from the property development subsidiaries during the financial year.

The following transactions with Directors and key management personnel were carried out under terms not more favourable than those generally available to the public or employees of the Group, or under negotiated terms which the Board of Directors, after deliberation, has believed to be in the best interests of the Group:

	The Group	
	2025 RM'000	2024 RM'000
Progress billings during the financial year:		
- Directors and key management personnel of the Company	-	204
- Company in which a Director of the Company has interest	-	1,181

**(d) The amounts that remained outstanding at the reporting date in respect of the transactions with related parties are disclosed in Notes 29, 30, 31, 36 and 41.**

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

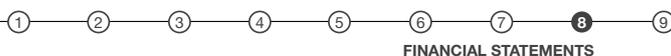
**49 COMMITMENTS**

Capital commitments

	The Group	
	2025 RM'000	2024 RM'000
Approved and contracted for	<b>249,021</b>	180,751
Approved but not contracted for	<b>302,756</b>	73,700
	<b>551,777</b>	254,451
Analysed as follows:		
Purchases of property, plant and equipment	<b>382,509</b>	185,290
Purchases of development land	<b>57,355</b>	1,485
Concession assets	<b>111,913</b>	2,963
Investment properties	-	16,735
Share of capital commitments of a jointly controlled entity	-	47,978
	<b>551,777</b>	254,451

**50 CONTINGENT LIABILITIES (UNSECURED)**

	The Group	
	2025 RM'000	2024 RM'000
Stamp duty matters under appeal	<b>1,699</b>	1,863
Sales and service tax matters under appeal	<b>21,634</b>	31,940
Goods and services tax matters under appeal	<b>25,166</b>	27,595
	<b>48,499</b>	61,398

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025**
**SUBSIDIARIES**

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by the Company</u>				
CIDB Inventures Sdn Bhd	Malaysia	100	100	Dormant
Emcee Corporation Sdn Bhd	Malaysia	100	100	Dormant
Globalcomm Solutions Sdn Bhd	Malaysia	60	60	Sub-contract of projects for telecommunication and surveillance systems
IJM Construction Sdn Bhd	Malaysia	100	100	Civil and building construction and investment holding
IJM Construction (Middle East) LLC *	United Arab Emirates	100	100	Construction
IJM Highway Services Sdn Bhd	Malaysia	100	100	Provision of toll operation and maintenance services
IJM Investments (L) Limited	Federal Territory of Labuan	100	100	Investment holding
IJM Investments (M) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Land Berhad	Malaysia	100	100	Investment holding
IJM RE Sdn Bhd	Malaysia	100	100	Investment holding
IJM Treasury Management Sdn Bhd	Malaysia	100	100	Provision of financing and related management services
Industrial Concrete Products Sdn Bhd	Malaysia	100	100	Production and sale of concrete products and investment holding
IJM Shared Services Sdn Bhd	Malaysia	100	100	Provision of management services and investment holding
RB Manufacturing Sdn Bhd	Malaysia	100	100	Dormant
Road Builder (M) Holdings Bhd	Malaysia	100	100	Investment holding
IJM Corporation (UK) Limited <sup>(3)</sup> *	England and Wales	100	-	Investment holding
<u>Held by Globalcomm Solutions Sdn Bhd</u>				
Globalcomm Telecommunications Sdn Bhd	Malaysia	37	37	Telecommunication tower sharing operator
<u>Held by IJM Construction Sdn Bhd</u>				
Azam IJMC UDSB Sdn Bhd	Malaysia	39	39	Civil and building construction
Commerce House Sdn Bhd	Malaysia	100	100	Trading in construction materials and providing insurance agency services
IJM Construction Sdn Bhd JV Ganda Imbuhan Sdn Bhd	**	60	60	Civil and building construction
IJMC-PESTECH Joint Venture	**	60	60	Design, supply, installation, testing and commissioning for automated people mover

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025** (cont'd)

**SUBSIDIARIES** (cont'd)

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by IJM Construction Sdn Bhd</u> (cont'd)				
IJM Investments J.A. Limited *	United Arab Emirates	100	100	Investment holding
Jurutama Sdn Bhd	Malaysia	100	100	Construction
Prebore Piling & Engineering Sdn Bhd	Malaysia	100	100	Piling, engineering and other construction works
Road Builder (M) Sdn Bhd	Malaysia	100	100	Civil and building construction
<u>Held by IJM Investments J.A. Limited</u>				
IJM Construction (Pakistan) (Private) Limited #	Pakistan	100	100	Civil and building construction
IM Technologies Pakistan (Private) Limited *	Pakistan	60	60	Civil, building construction and property development
<u>Held by Road Builder (M) Sdn Bhd</u>				
RBM-PATI JV	**	100	100	Construction
<u>Held by IJM Investments (M) Limited</u>				
IEMCEE Infra (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Dewas (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Engineering (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJMII (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Rajasthan (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Realty (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Rewa (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Trichy (Mauritius) Ltd #	Republic of Mauritius	100	100	Investment holding
IJM Vijayawada (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
<u>Held by IJM Dewas (Mauritius) Limited</u>				
Dewas Bypass Tollway Private Limited * (of which 26% (2024: 26%) is held directly by the Company)	India	100	100	Highway development
<u>Held by IJM Engineering (Mauritius) Limited</u>				
Team Universal Infratech Private Limited *	India	80	80	Construction

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

①	②	③	④	⑤	⑥	⑦	⑧	⑨
FINANCIAL STATEMENTS								

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025 (cont'd)**
**SUBSIDIARIES (cont'd)**

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by IJMII (Mauritius) Limited</u>				
IJM (India) Infrastructure Limited *	India	99.9	99.9	Construction
<u>Held by IJM (India) Infrastructure Limited</u>				
IJM (India) Geotechniques Private Limited *	India	99.9	99.9	Soil investigation & testing, foundation laying & treatment & piling
IJM Raintree Park Private Limited *	India	99.9	99.9	Property development
Swarnandhra-IJMII Integrated Township Development Company Private Limited *	India	51	51	Property development
Swarnandhra RoadCare Private Limited *	India	99.9	99.9	Road maintenance
<u>Held by IJM Realty (Mauritius) Limited</u>				
Nagpur Integrated Township Private Limited *	India	95	95	Property development
<u>Held by IJM Rewa (Mauritius) Limited</u>				
Rewa Tollway Private Limited *	India	100	100	Dormant
Vijayapura Tollway Private Limited * (of which 26% (2024: 26%) is held directly by the Company)	India	100	100	Highway development
<u>Held by IJM Vijayawada (Mauritius) Limited</u>				
Vijayawada Tollway Private Limited *	India	99.9	99.9	Highway development
<u>Held by IJM Land Berhad</u>				
Asas Panorama Sdn Bhd	Malaysia	60	60	Property development
Emko Properties Sdn Bhd	Malaysia	100	100	Property development
ERMS Berhad	Malaysia	100	100	Investment holding
IJM Land Management Services Sdn Bhd	Malaysia	100	100	Provision of management services
IJM Properties Sdn Bhd	Malaysia	100	100	Property development and investment holding
Mintle Limited *	Jersey	51	51	Holding company, development of building projects, buying and selling of own real estate

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025** (cont'd)

**SUBSIDIARIES** (cont'd)

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by IJM Land Berhad</u> (cont'd)				
RB Development Sdn Bhd	Malaysia	100	100	Property development
RB Land Sdn Bhd	Malaysia	100	100	Property development and construction activities
Sova Holdings Sdn Bhd	Malaysia	70	70	Property development
IJM Land Samarahan Sdn Bhd <sup>(1)</sup>	Malaysia	100	-	Dormant
<u>Held by Emko Properties Sdn Bhd</u>				
Emko Management Services Sdn Bhd	Malaysia	100	100	Property management
<u>Held by ERMS Berhad</u>				
Holiday Villa Management Sdn Bhd	Malaysia	100	100	Dormant
<u>Held by IJM Properties Sdn Bhd</u>				
Aqua Aspect Sdn Bhd	Malaysia	80	80	Property development
Chen Yu Land Sdn Bhd	Malaysia	100	100	Property development
Cypress Potential Sdn Bhd	Malaysia	70	70	Property development activities and property investment
Era Moden Hartanah Sdn Bhd	Malaysia	55	55	Dormant
Ever Mark (M) Sdn Bhd	Malaysia	100	100	Dormant
IJM Management Services Sdn Bhd	Malaysia	100	100	Project and construction management services and sales and marketing services
IJMP-MK Joint Venture	**	100	100	Property development
Jalanan Masyhur Sdn Bhd	Malaysia	51	51	Dormant
Jelutong Development Sdn Bhd	Malaysia	80	80	Property development
Larut Leisure Enterprise (Hong Kong) Limited *	Hong Kong	99	99	Investment holding
Liberty Heritage (M) Sdn Bhd ^^	Malaysia	-	100	Liquidated
Manda'rina Sdn Bhd	Malaysia	100	100	Property development
Maxharta Sdn Bhd	Malaysia	100	100	Investment holding and property development
NS Central Market Sdn Bhd	Malaysia	70	70	Dormant
Preferred Accomplishment Sdn Bhd	Malaysia	100	100	Sale of electricity
Radiant Pillar Sdn Bhd	Malaysia	100	100	Property development and investment holding
Sinaran Intisari (M) Sdn Bhd	Malaysia	100	100	Dormant
Suria Bistari Development Sdn Bhd	Malaysia	51	51	Property development

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025 (cont'd)**
**SUBSIDIARIES (cont'd)**

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by IJM Properties Sdn Bhd (cont'd)</u>				
The Light Waterfront Sdn Bhd	Malaysia	100	100	Dormant
Valencia Terrace Sdn Bhd	Malaysia	100	100	Property development
Worldwide Ventures Sdn Bhd	Malaysia	86	86	Property development and investment holding
Sierra Ukay Sdn Bhd	Malaysia	100	100	Property development
<u>Held by Cypress Potential Sdn Bhd</u>				
Sebana Golf & Marina Resort Berhad *	Malaysia	70	70	Resort, marina and golf course operator
<u>Held by Larut Leisure Enterprise (Hong Kong) Limited</u>				
Jilin Dingtai Enterprise Development Co. Ltd. *	People's Republic of China	99	99	Property development
<u>Held by Maxharta Sdn Bhd</u>				
Eksplorasi Cemerlang Sdn Bhd	Malaysia	100	100	Provision of promotional and marketing services
Jelita Kasturi Sdn Bhd	Malaysia	100	100	Property development
Panorama Jelita Sdn Bhd	Malaysia	100	100	Property development
<u>Held by Radiant Pillar Sdn Bhd</u>				
Bandar Rimbayu Sdn Bhd	Malaysia	100	100	Property development
IJMP-RPSB Joint Venture	**	100	100	Dormant
<u>Held by Worldwide Ventures Sdn Bhd</u>				
Island Golf View Sdn Bhd	Malaysia	86	86	Property development
<u>Held by Mintle Limited</u>				
RMS (England) Limited *	England and Wales	51	51	Property development
<u>Held by RMS (England) Limited</u>				
RMS (England) 1 Limited *	England and Wales	51	51	Dormant
RMS (England) 2 Limited *	England and Wales	51	51	Dormant
RMS (England) Rentals Limited *	England and Wales	51	51	Letting and operating of own real estate
RMS (Welwyn Garden City) Limited *	England and Wales	51	51	Letting and operating of own or leased real estate
<u>Held by RMS (England) 2 Limited</u>				
Innova Partnership Management Limited *	England and Wales	51	51	Dormant

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025** (cont'd)

**SUBSIDIARIES** (cont'd)

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by RB Land Sdn Bhd</u>				
Aras Varia Sdn Bhd	Malaysia	100	100	Property development and clubhouse operations
Casa Warna Sdn Bhd ^^	Malaysia	-	100	Liquidated
Dian Warna Sdn Bhd	Malaysia	100	100	Property development
Ikatan Flora Sdn Bhd	Malaysia	100	100	Property development
Murni Lapisan Sdn Bhd	Malaysia	100	100	Property development and construction activities
RB Property Management Sdn Bhd	Malaysia	100	100	Property development
Seremban Two Holdings Sdn Bhd	Malaysia	100	100	Property development
Seremban Two Property Management Sdn Bhd ^^	Malaysia	-	100	Liquidated
Seremban Two Properties Sdn Bhd	Malaysia	100	100	Property development
Shah Alam 2 Sdn Bhd	Malaysia	100	100	Property development
Tarikan Abadi Sdn Bhd	Malaysia	100	100	Property development
Titian Tegas Sdn Bhd	Malaysia	100	100	Property development
Unggul Senja Sdn Bhd	Malaysia	100	100	Property development
<u>Held by IJM RE Sdn Bhd</u>				
IJM RE Commercial Sdn Bhd	Malaysia	100	100	Investment holding
<u>Held by IJM RE Commercial Sdn Bhd</u>				
Fairview Valley Sdn Bhd	Malaysia	100	100	Property investment and investment holding
<u>Held by Industrial Concrete Products Sdn Bhd</u>				
Durabon Sdn Bhd	Malaysia	100	100	Processing and sales of steel bars
ICP Marketing Sdn Bhd	Malaysia	100	100	Dormant
IJM Building Systems Sdn Bhd	Malaysia	100	100	Construction contracts, trading and rental of aluminium formworks
IJM IBS Sdn Bhd	Malaysia	100	100	Manufacturing of Industrialised Building System and provision of related technical services
Malaysian Rock Products Sdn Bhd	Malaysia	100	100	Quarrying, sale of rock products and investment holding

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025 (cont'd)**
**SUBSIDIARIES (cont'd)**

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by Industrial Concrete Products Sdn Bhd (cont'd)</u>				
ICPB (Mauritius) Limited #	Mauritius	100	100	Investment holding
IBS VHome Sdn Bhd <sup>(2)</sup>	Malaysia	100	-	Provision of workers' accommodation services and assembly & erection of prefabricated construction
<u>Held by ICPB (Mauritius) Limited</u>				
IJM Concrete Products Private Limited *	India	100	100	Production and supply of ready-mixed concrete
<u>Held by IJM Concrete Products Private Limited</u>				
IJM-AIKYA Joint Venture *	India	100	100	Ceased operations
<u>Held by Malaysian Rock Products Sdn Bhd</u>				
Azam Ekuiti Sdn Bhd	Malaysia	100	100	Leaseholder of quarry land
IJM Concrete (Private) Limited ^	United Arab Emirates	60	60	Dormant
IJM Concrete Products Pakistan (Private) Limited ^	Pakistan	100	100	Dormant
Kuang Rock Products Sdn Bhd	Malaysia	100	100	Quarrying and sale of rock products
Oriental Empire Sdn Bhd	Malaysia	100	100	Leaseholder of quarry land
Scaffold Master Sdn Bhd	Malaysia	100	100	Sale and rental of steel scaffolding
Strong Mixed Concrete Sdn Bhd	Malaysia	100	100	Production and supply of ready-mixed concrete
Warga Sepakat Sdn Bhd	Malaysia	100	100	Leaseholder of quarry land
IJM Minerals Sdn Bhd	Malaysia	75	75	Sale of limestone products
<u>Held by Strong Mixed Concrete Sdn Bhd</u>				
SMC Islamabad (Private) Limited *	Pakistan	60	60	Dormant
Strong Tenaga Force Sdn Bhd <sup>(4)</sup>	Malaysia	100	-	Dormant
<u>Held by RB Manufacturing Sdn Bhd</u>				
Kuching Riverine Resort Management Sdn Bhd	Malaysia	100	100	Property management

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

**Notes to the Financial Statements** (cont'd)

For the Financial Year Ended 31 March 2025

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025** (cont'd)

**SUBSIDIARIES** (cont'd)

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by Road Builder (M) Holdings Bhd</u>				
Besraya (M) Sdn Bhd	Malaysia	100	100	Toll road operation
Essmarine Terminal Sdn Bhd	Malaysia	100	100	Investment holding
Gagah Garuda Sdn Bhd	Malaysia	100	100	Investment holding
HMS Resource Sdn Bhd	Malaysia	100	100	Investment holding
ITD Media & Advertising Sdn Bhd	Malaysia	100	100	Advertising services
Kuantan Port Consortium Sdn Bhd (of which 30% (2024: 30%) is held directly by Essmarine Terminal Sdn Bhd)	Malaysia	60	60	Port management
New Pantai Expressway Sdn Bhd	Malaysia	100	100	Design, construction, management, operation and maintenance of New Pantai Highway
NPE Property Development Sdn Bhd	Malaysia	100	100	Property development
<u>Held by Kuantan Port Consortium Sdn Bhd</u>				
KP Port Services Sdn Bhd	Malaysia	60	60	Port supporting services, stevedorage, storage handling and providing nitrogen purging and pigging services
<u>Held by IJM Corporation (UK) Limited</u>				
IJM (JRL) Limited <sup>(3)</sup> *	England and Wales	60	-	Dormant
IJM (Finsbury Circus) Limited <sup>(5)</sup> *	England and Wales	70	-	Dormant
JRL Property (Elstree Way) Limited <sup>(6)</sup> *	England and Wales	100	-	Property investment
JRL Property (South East) Limited <sup>(6)</sup> *	England and Wales	100	-	Property investment
JRL Property (London) Limited <sup>(6)</sup> *	England and Wales	100	-	Property investment

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

1	2	3	4	5	6	7	<b>8</b>	9
								FINANCIAL STATEMENTS

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025 (cont'd)**
**ASSOCIATES**

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by the Company</u>				
Bionic Land Berhad *	Malaysia	20	20	Investment holding and provision of management services
Emas Utilities Corporation Sdn Bhd *	Malaysia	40	40	Investment holding
Grupo Concesionario del Oeste S.A. *	Argentina	20.1	20.1	Construction, renovation, repair, conservation and operation of Acceso Oeste highway
Inversiones E Inmobiliaria Sur-Sur S.A. *	Chile	25	25	Dormant
WCE Holdings Berhad *	Malaysia	28.1	26.7	Investment holding
<u>Held by IEMCEE Infra (Mauritius) Limited</u>				
GVK Gautami Power Limited *	India	20	20	Dormant
<u>Held by IJM Construction Sdn Bhd</u>				
Hexacon Construction Pte Limited *	Singapore	45.5	45.5	Civil and building construction
Highway Master Sdn Bhd *	Malaysia	50	50	Road pavement construction
Integrated Water Services (M) Sdn Bhd ^^	Malaysia	-	35	Liquidated
<u>Held by IJM Investments (L) Limited</u>				
Earning Edge Sdn Bhd	Malaysia	22	22	Dormant
<u>Held by IJM Land Berhad</u>				
Kuantan Pahang Holding Sdn Bhd	Malaysia	40	40	Investment holding
Urban Reach Sdn Bhd	Malaysia	45	45	Investment holding, investment in properties, leasing and management of properties and property development
<u>Held by Asas Panorama Sdn Bhd</u>				
MCKILP Development Sdn Bhd	Malaysia	29.4	29.4	Property development
<u>Held by IJM Properties Sdn Bhd</u>				
MASSCORP-Vietnam Sdn Bhd *	Malaysia	20	20	Investment holding
<u>Held by IJM RE Sdn Bhd</u>				
Global Vision Logistics Sdn Bhd	Malaysia	25	25	Investment holding

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

Notes to the Financial Statements (cont'd)

For the Financial Year Ended 31 March 2025

**51 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2025** (cont'd)

ASSOCIATES (cont'd)

Name	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
<u>Held by KP Port Services Sdn Bhd</u>				
KP Depot Services Sdn Bhd *	Malaysia	18	18	Provision of container depot services
<u>Held by Road Builder (M) Holdings Bhd</u>				
West Coast Expressway Sdn Bhd * (of which 22.5% (2024: 21.3%) is held indirectly by the Company via WCE Holdings Berhad)	Malaysia	43	41	Design, construction and development of the West Coast Expressway Project and managing its toll operations

# Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers PLT, Malaysia.

\* Audited by a firm other than member firm of PricewaterhouseCoopers International Limited and PricewaterhouseCoopers PLT, Malaysia.

\*\* Unincorporated entities.

^ Entity is not required to be audited under the laws of the country of incorporation.

^^ Entity is not required to be audited as it is either in liquidation or liquidated.

<sup>(1)</sup> On 2 May 2024, IJM Land Berhad, a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, known as IJM Land Samarahan Sdn Bhd.

<sup>(2)</sup> On 21 June 2024, IJM IBS Sdn Bhd ("IJMIBS"), a wholly-owned subsidiary of Industrial Concrete Products Sdn Bhd ("ICP"), which in turn is a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, known as IBS VHome Sdn Bhd ("IBS VHome"). On 19 December 2024, IJMIBS transferred its 100% equity interests in IBS VHome to ICP.

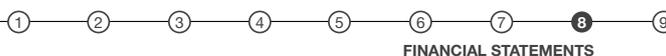
<sup>(3)</sup> On 14 November 2024, the Company incorporated a wholly-owned subsidiary, namely IJM Corporation (UK) Limited, which in turn acquired a 60% equity interest in a newly incorporated company known as IJM (JRL) Limited.

<sup>(4)</sup> On 28 November 2024, Strong Mixed Concrete Sdn Bhd, an indirect subsidiary of ICP, which in turn is a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary, known as Strong Tenaga Force Sdn Bhd.

<sup>(5)</sup> On 15 January 2025, IJM Corporation (UK) Limited, a wholly-owned subsidiary of the Company, subscribed 100 shares in IJM (Finsbury Circus) Limited ("IJM Finsbury"), representing 70% of the issued and paid-up share capital of IJM Finsbury.

<sup>(6)</sup> On 18 February 2025, IJM Corporation (UK) Limited, a wholly-owned subsidiary of the Company, acquired 100% equity interests in JRL Property (Elstree Way) Limited, JRL Property (South East) Limited and JRL Property (London) Limited for a total consideration of GBP28 million.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*



## 52 SUBSEQUENT EVENTS

- (a) On 25 November 2024, IJM (JRL) Limited, a 60%-owned subsidiary of IJM Corporation (UK) Limited, which in turn is a wholly-owned subsidiary of IJM Corporation Berhad, entered into a conditional subscription agreement with JRL Group Holdings Limited ("JRL") for the subscription of 8,000 new ordinary shares in JRL representing 50% of the enlarged share capital in JRL, at the proposed subscription price of £50 million ("Proposed Subscription"). The transaction is subject to the fulfilment of the conditions precedent.

The acquisition was completed on 12 April 2025. Following the completion of the acquisition, JRL has become a jointly controlled entity of the Group.

- (b) On 30 January 2025, IJM (Finsbury Circus) Limited ("IJM Finsbury"), a 70%-owned subsidiary of IJM Corporation (UK) Limited, which in turn is a wholly-owned subsidiary of the Company, entered into an unconditional Share Purchase Agreement with AG EL LWB Cooperative U.A. to acquire 100% equity interest in AG EL LWB BV (the "Dutch Company") for a total cash consideration of GBP79.5 million (translated to RM434.5 million based on an exchange rate of GBP1 equivalent to RM5.4660). The Dutch Company is the owner of a 150-year leasehold interest in a commercial office property known as 25 Finsbury Circus located in central London, United Kingdom. The property is set for a major sustainability-focused refurbishment and enhancement, targeting industry-leading ESG certifications with the objective of achieving net zero carbon when in operation.

The acquisition was completed on 24 April 2025. Following the completion of the acquisition, the Dutch Company has become a wholly-owned subsidiary of IJM Finsbury.

- (c) On 22 May 2025, New Pantai Expressway Sdn Bhd ("NPE"), a wholly-owned subsidiary of Road Builder (M) Holdings Bhd, which in turn is a wholly-owned subsidiary of the Company, received approval from the Ministry of Works for the New Pantai Highway Extension ("NPE Extension") and the toll restructuring for the existing NPE approving the following:-

- (i) NPE will undertake the Proposed NPE Extension, with the project cost to be fully funded by NPE, without any financial commitment from the Government; and
- (ii) the toll rate for the existing New Pantai Highway will be maintained at current rate until the expiry of the concession period.

The Government of Malaysia and NPE will sign a supplemental concession agreement for the NPE Extension and toll rate restructuring.

Since the event occurred after the reporting date and it does not relate to the conditions existing as at the reporting date, no adjustment has been made in these financial statements. The Group is still assessing the impact of the supplemental concession agreement on the Group's expressway development expenditures and its related balances.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

## Statutory Declaration

Pursuant to Section 251(1)(b) of The Companies Act 2016

I, Dato' Edward Chong Sin Kiat, being the officer primarily responsible for the financial management of IJM Corporation Berhad, do solemnly and sincerely declare that, to the best of my knowledge and belief, the financial statements set out on pages 251 to 421 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at Petaling Jaya on 8 July 2025.



**DATO' EDWARD CHONG SIN KIAT**  
(MIA No. 11526)

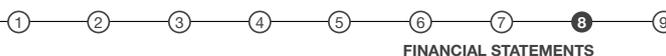
Before me:



Commissioner for Oaths  
Petaling Jaya

NO: 13, (TINGKAT 1) JALAN 52/10  
PJ NEW TOWN  
46200 PETALING JAYA, SELANGOR.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)



## Independent Auditors' Report

To The Members of IJM Corporation Berhad  
(Incorporated in Malaysia)  
Registration No. 198301008880 (104131-A)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Our opinion

In our opinion, the financial statements of IJM Corporation Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### What we have audited

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 March 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 251 to 421.

#### Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and other ethical responsibilities*

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

*PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia  
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my*

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Independent Auditors' Report (cont'd)

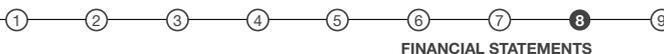
To The Members of IJM Corporation Berhad  
(Incorporated in Malaysia)  
Registration No. 198301008880 (104131-A)

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

##### Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p><b>Revenue and costs recognition of the Group</b></p> <p>i) Construction contracts Revenue: RM2,552,388,000 Cost: RM2,389,371,000</p> <p>ii) Property development activities Revenue: RM1,631,370,000 Cost: RM1,032,617,000</p> <p>Refer to Notes 9(a) and 9(b) for the material accounting policies and Notes 2(b), 2(c), 4(a) and 4(b) to the financial statements.</p> <p>We focused on this area because the accounting for construction contracts and property development activities is inherently complex, as it involves the use of significant judgement and estimates made by management in the following areas:</p> <p>a) Stage of completion of the projects;</p> <p>b) Whether any liquidated ascertained damages ("LAD") are required for construction contracts;</p> <p>c) Extent of costs incurred for construction contracts and property development projects, and estimation of construction costs or property development costs yet to be incurred; and</p> <p>d) Status of variation orders and claims with customers.</p>	<p>We evaluated and tested the key controls related to the review and approval of construction contracts and property development project budgets to assess the reliability of these budgets.</p> <p>We discussed with management and read management meeting minutes to understand the overall progress of construction and property development projects.</p> <p>Regarding construction contracts where actual progress is behind planned progress, we obtained explanations from management on the cause of the delays, inspected correspondences with customers and subcontractors and corroborated key judgement applied by management as to whether any LAD are required.</p> <p>We checked the extent of costs incurred to date against internal quantity surveyors' latest valuations or subcontractors' claim certificates or approvals to corroborate the stage of completion. Where costs have not been billed or certified, we assessed the adequacy of management's accruals of such costs by checking subsequent contractors' claim certificates or approvals from internal quantity surveyors.</p> <p>We checked the reasonableness of the estimated total construction costs and property development costs, including subsequent changes to the costs, by agreeing to supporting documentation; i.e. approved budgets, quotations, correspondences, contracts and variation orders with subcontractors.</p> <p>We held discussions with management to understand the nature of the variation orders and claims included in revenue and inspected correspondences from customers and minutes of meetings to corroborate the key judgement applied by management.</p> <p>Based on the procedures performed above, we noted no material exceptions in the revenue and costs recognition for the Group's construction contracts and property development activities.</p>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS** (cont'd)

**Key audit matters** (cont'd)

Key audit matters	How our audit addressed the key audit matters
<p><b>Recoverability of trade receivables</b></p> <p>Refer to Notes 14 and 22 for the material accounting policies and Notes 2(g), 3(b) and 36 to the financial statements.</p> <p>The Group assessed the expected credit loss ("ECL") associated with its trade receivables on a forward-looking basis using the simplified approach.</p> <p>ECL represents a probability-weighted estimate of the difference between the present value of contractual cash flows and the present value of cash flows that the Group expects to receive, over the remaining life of the financial instrument, which requires the use of significant assumptions about future economic conditions and the credit risk of the customers.</p> <p>The Group assessed ECL for trade receivables based on two approaches: the collective assessment and individual debtor assessment. To measure the expected credit losses under the collective approach, trade receivables have been grouped based on shared credit risk characteristics and the number of days past due. The Group applies individual debtor assessment for debtors with different risk characteristics, where the credit risk information of these debtors is obtained and monitored individually.</p> <p>The measurement of ECL incorporates expected loss rates, time value of money, forward-looking information and probability-weighted estimates.</p> <p>As at 31 March 2025, the Group's trade receivables prior to loss allowance was RM1,240,304,000, of which RM114,932,000 has been provided as a loss allowance.</p> <p>We focused on this area because management's assessment of ECL requires significant judgement over the expected loss rates, timing of debt recovery, forward-looking information, and probability-weighted estimates.</p>	<p>For ECL measured under the collective approach, we checked that the trade receivables were grouped based on similar credit risk characteristics and age of receivables. We also checked that the expected loss rates were developed based on the historical credit loss rate.</p> <p>For ECL measured under the individual debtor assessment, we checked the expected timing and quantum of receipts of trade receivables by comparing them to the historical payment trend of individual customers, considered collateral held by the Group and reviewed correspondence on settlement arrangements agreed between the Group and the customers. We also held discussions with management to understand the status of the ongoing negotiations on the recovery of trade receivables and corroborated the key assumptions included in the ECL model, particularly regarding the likelihood, quantum and timing of receipt of the balances.</p> <p>For both collective assessment and individual debtor assessment, we have assessed and considered the reasonableness of the forward-looking information included in management's assessment and the revision of overall loss rates used in the calculation of expected credit loss provisions.</p> <p>We found management's assessment of its loss allowance for trade receivables to be materially consistent with the supporting information provided to us.</p>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

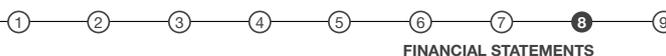
## Independent Auditors' Report (cont'd)

To The Members of IJM Corporation Berhad  
(Incorporated in Malaysia)  
Registration No. 198301008880 (104131-A)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

#### Key audit matters (cont'd)

Key audit matters	How our audit addressed the key audit matters
<p><b>Recoverability of debt instruments in equity accounted investments</b></p> <p>Refer to Note 22 for the material accounting policies, Notes 2(g), 5(a), 30 and 31 to the financial statements.</p> <p>As of 31 March 2025, the Group's investments in Redeemable Convertible Unsecured Loan Stock ("RCULS") of a joint venture and Redeemable Unsecured Murabahah Stock ("RUMS") of an associate had net carrying amounts of RM158,842,000 and RM325,624,000, respectively.</p> <p>There have been changes in the allowance for impairment of RUMS during the financial year, with an additional impairment of RM54,000,000 recognised. This was due to the additional costs to be incurred for the construction of the tollway leading to the changes in the expected timing for the repayment of RUMS.</p> <p>The Group applies the general 3-stage ECL model under MFRS 9 "Financial Instruments" to assess the impairment of the RCULS and RUMS. ECL represents a probability-weighted estimate of the difference between the present value of contractual cash flows and the present value of the cash flows that the Group expects to receive over the remaining maturity of the RCULS and RUMS. This assessment is based on the projected future cash flows from the tollway concession operations of the joint venture and associate that are available for the repayment of principal and interest on the instruments up to their respective maturity dates.</p> <p>We focused on this area because management's assessment of ECL for RCULS and RUMS requires significant judgment and estimates to determine the projected future cash flows from the tollway concession operations of the joint venture and associate, which affect the timing of the recovery of these instruments.</p>	<p>In determining the present value of the cash flows the Group expects to receive over the remaining life of the instruments, we performed the following procedures or reviewed the component auditor's workpapers with respect to the expected cash flows to be generated from the tollway concession operations of the joint venture and associate, respectively.</p> <p>Our work included the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Checked the projected traffic volume used in the projection of future cash flows against the traffic consultant's report or historical trend;</li> <li>• Checked that the compound annual growth rate ("CAGR") of the traffic volume is in line with the market trend;</li> <li>• Checked that the toll rates used in the projection are in accordance with those stipulated in the concession agreements;</li> <li>• Checked that the tax expenses are calculated based on the statutory tax rate, and the repayment of external borrowings and interest is in accordance with the loan agreements and the required capital expenditures are based on the amounts authorised by the Board of Directors of the joint venture and associate;</li> <li>• Assessed the competency and objectivity of the traffic consultant by considering their professional qualifications and experience; and</li> <li>• Evaluated the reasonableness of multiple scenarios of projected traffic volumes and their relative weightage based on historical trends and external sources of information.</li> </ul> <p>In addition, we checked the appropriateness of the discount rates used to derive the expected cash flows of RCULS and RUMS for the purpose of calculating the allowance for impairment.</p> <p>Based on the above procedures performed, we noted no material exceptions.</p>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS** (cont'd)

**Key audit matters** (cont'd)

Key audit matters	How our audit addressed the key audit matters
<p><b>Recoverability of the carrying amount of inventories</b></p> <p>i) Land held for property development - RM701,402,000</p> <p>ii) Property development costs - RM5,360,703,000</p> <p>iii) Completed development units - RM812,982,000</p> <p>Refer to Notes 11(a), 11(b) and 11(c) for the material accounting policies and Notes 5(a), 5(b) and 35 to the financial statements.</p> <p>We focused on the recoverability of the carrying amount of inventories because of the estimates made by management in determining the net realisable values.</p> <p>Management assessed the net realisable value of the completed development units and land held for property development based on estimates derived from recent transacted prices or revised selling prices in light of the latest economic conditions and future market outlook, net of expected discounts to be given, which were approved by the Directors.</p> <p>For property development costs, management also considered the costs yet to be incurred to complete the development project before comparing them to the net realisable value.</p> <p>Based on management's assessment, the net write-down for the completed buildings of RM5,286,000 was recorded by the Group during the financial year.</p>	<p>For inventories that have recent sale transactions, we compared the carrying amount of these development units (including costs yet to be incurred as property development costs), on a sample basis, to the selling prices stated in the signed sale and purchase agreements, net of discounts given.</p> <p>For inventories that did not have recent sale transactions, we compared the carrying amounts of these development units (including costs yet to be incurred as property development costs), on a sample basis, to the recent transacted prices of comparable development units in similar or nearby locations and adjusted for the size of the units.</p> <p>For inventories under development, we tested the operating effectiveness of the key controls in respect of the review and approval of project cost budgets to assess the reliability of these budgets and the determination of the costs yet to be incurred in completing the development project. Based on the approved project cost budgets, on a sample basis, we reviewed the budgets of the projects for indication of net realisable value.</p> <p>For inventories on which management has relied on independent valuations, we examined the valuation reports issued by the independent valuers and discussed with the independent valuers to understand and evaluate the appropriateness of valuation methodology, assumptions and adjustments applied, which include types, conditions, ages and sizes of the properties. We also compared the values of the properties valued by the independent valuers to available information through market research.</p> <p>We discussed with management the basis used to determine the write-down or reversal of write-down of certain inventories at the period end based on their net realisable values, and checked, on a sample basis, to the Group's latest sales plan and campaigns and expected costs to be incurred to complete the sale transactions. We also checked, on a sample basis, the reasonableness of the assumptions used in the calculation of the net realisable values.</p> <p>Based on the above procedures performed, we noted no material exceptions.</p>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
(Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

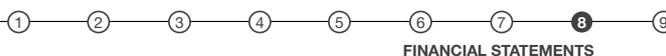
## Independent Auditors' Report (cont'd)

To The Members of IJM Corporation Berhad  
(Incorporated in Malaysia)  
Registration No. 198301008880 (104131-A)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

#### Key audit matters (cont'd)

Key audit matters	How our audit addressed the key audit matters
<p><b>Recoverability of the Company's investments in subsidiaries</b></p> <p>Refer to Notes 4 and 25 for the material accounting policies and Notes 2(i), 5(a) and 29 to the financial statements.</p> <p>The Company holds investments in subsidiaries outside Malaysia totalling RM1,674,444,000 before the provision of impairment. We focused on the recoverability of the Company's carrying amount of these investments in subsidiaries because of the estimates and judgements made by management in determining the recoverable amounts.</p> <p>Management's determination of the recoverable amount of the investments in these subsidiaries includes the assessment based on the projected future cash flows to be generated from the subsidiaries' tollway concession and the sales of the subsidiaries' unsold completed properties and property development costs. A provision of impairment of RM543,125,000 has been made for the Company's investment in these subsidiaries during the financial year.</p> <p>We focused on this area because management's determination of recoverable amounts requires significant judgements and estimates.</p>	<p>In determining the recoverable amounts of the investments in subsidiaries outside Malaysia, we considered the cash flows available for dividend distribution to the Company from these subsidiaries.</p> <p>With regard to future cash flows to be generated from the subsidiaries' tollway concession, we performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Checked the projected traffic volume used in the projection of future cash flows against the traffic consultant's report or historical trend;</li> <li>• Checked that the compound annual growth rate ("CAGR") of the traffic volume is in line with the market trend;</li> <li>• Checked that the toll rate used in the projection of future cash flows is in accordance with the toll rates as stipulated in the concession agreement;</li> <li>• Checked that the tax expenses are calculated based on the statutory tax rate, the repayment of borrowings and interest is based on terms of the loan agreements and the required capital expenditure and maintenance costs are based on approved budgets;</li> <li>• Assessed the competency and objectivity of the traffic consultant by considering their professional qualifications and experience;</li> <li>• Checked the reasonableness of the discount rate with assistance from auditors' valuation experts by benchmarking it to similar tollway concession companies; and</li> <li>• Evaluated the reasonableness of multiple scenarios of projected traffic volumes and their relative weightage based on historical trends and external sources of information.</li> </ul>

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS** (cont'd)

**Key audit matters** (cont'd)

Key audit matters	How our audit addressed the key audit matters
	<p>With regard to the future cash flows to be generated from the sales of the subsidiaries' unsold completed properties and property development costs, we performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Checked that the selling prices of the unsold completed properties are reasonable by comparing them to the market value of similar properties in the same vicinity or recent transacted prices;</li> <li>• For impairment assessment of recoverability of the property development costs for which management has relied on independent valuations to determine the net realisable value, we examined the valuation reports issued by the independent valuers and discussed with the independent valuers to understand and evaluate the appropriateness of valuation methodology, assumptions and adjustments applied, which included types, conditions, ages and sizes of the properties. We also compared the values of the properties valued by the independent valuers to available information through market research; and</li> <li>• Checked that the tax expenses are calculated based on the statutory tax rate.</li> </ul> <p>In cases where the Group has used the indicative offer price from a prospective buyer as the recoverable amount for the net assets in a property development company, we inspected the terms and conditions of the offer letter for the proposed sale.</p> <p>Based on the above procedures performed, we have not noted any material exceptions.</p>

**Information other than the financial statements and auditors' report thereon**

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, Statement on Risk Management and Internal Control, Management Discussion and Analysis, Sustainability Statement, Chairman's Statement and other sections of the Integrated Annual Report 2025, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025 (Cont'd)

IJM CORPORATION BERHAD • INTEGRATED ANNUAL REPORT 2025

### Independent Auditors' Report (cont'd)

To The Members of IJM Corporation Berhad  
(Incorporated in Malaysia)  
Registration No. 198301008880 (104131-A)

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (cont'd)

##### Responsibilities of the Directors for the financial statements

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

##### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- (d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF IJM FOR THE FYE 31 MARCH 2025**  
*(Cont'd)*


---


**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS** (cont'd)

**Auditors' responsibilities for the audit of the financial statements** (cont'd)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 51 to the financial statements.

**OTHER MATTERS**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



**PRICEWATERHOUSECOOPERS PLT**  
 LLP0014401-LCA & AF 1146  
 Chartered Accountants

Kuala Lumpur  
 8 July 2025



**MAHESH A/L RAMESH**  
 03428/04/2027 J  
 Chartered Accountant

## FURTHER INFORMATION

---

### 1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Board who collectively and individually accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Circular misleading.

All statements and information in relation to the IJM Group contained in this Circular were obtained from publicly available sources and/or the management of IJM. The sole responsibility of the Board is limited to ensuring that such information is accurately reproduced in this Circular.

### 2. CONSENT AND CONFLICT OF INTEREST

#### 2.1 Maybank IB

Maybank IB, being the Principal Adviser for the Proposed Offer, has given and has not subsequently withdrawn its written consent to the inclusion of its name and all references thereto in the form and context in which it appears in this Circular.

Maybank IB and its related and associated companies ("**Maybank Group**") form a diversified financial group and are engaged in a wide range of investment and commercial banking, brokerage, securities trading, asset and fund management and credit transaction services businesses. The Maybank Group has engaged and may in the future, engage in transactions with and perform services for our Group and/or any of the affiliates, in addition to the role set out in this Circular. In addition, in the ordinary course of business, any member of the Maybank Group may at any time offer or provide its services to or engage in any transaction (on its own account or otherwise) with any member of our Group, our shareholders, and/or the affiliates and/or any other entity or person, hold long or short positions in securities issued by our Company and/or our affiliates, and may trade or otherwise effect transactions for its own account or the account of its other customers in debt or equity securities or senior loans of any member of our Group and/or the affiliates. This is a result of the businesses of the Maybank Group generally acting independently of each other and accordingly, there may be situations where parts of the Maybank Group and/or its customers now have or in the future, may have interest or take actions that may conflict with the interest of our Group. Nonetheless, the Maybank Group is required to comply with the applicable laws and regulations issued by the relevant authorities governing its advisory business, which require, among others, segregation between dealing and advisory activities and Chinese wall between different business divisions.

As at the LPD, our Group has existing credit facilities with the Maybank Group, of which RM1.2 billion is outstanding. The said credit facilities have been extended by the Maybank Group in its ordinary course of business.

Notwithstanding this, Maybank IB is of the view that the aforesaid lending relationship will not give rise to a conflict of interest situation in its capacity as Principal Adviser for the Proposed Offer as:

- (i) the extension of credit facilities arose in the ordinary course of business of the Maybank Group;
- (ii) the conduct of the Maybank Group in its banking business is strictly regulated by the Financial Services Act 2013, the Islamic Financial Services Act 2013 and the Maybank Group's internal controls and checks; and
- (iii) the total aggregate outstanding amount owed by our Group is not material when compared to the audited and unaudited NA of the Maybank Group as at 31 December 2024 and 31 December 2025 of RM94.0 billion and RM93.4 billion, respectively.

**FURTHER INFORMATION (Cont'd)**


---

**3. MATERIAL COMMITMENTS AND CONTINGENT LIABILITIES**
**3.1 Material commitments**

As at 31 December 2025, save as disclosed below, the Board is not aware of any other material commitments incurred or known to be incurred by our Group which may have a material impact on the profits or NA of our Group:

Description	RM' million
<b>Capital commitment</b>	
Property, plant and equipment and investment properties:	
- Authorised and contracted for	47.6
- Authorised but not contracted for	72.1
<b>Capital commitment in joint ventures</b>	
Property, plant and equipment and investment properties:	
- Authorised and contracted for	215.6
- Authorised but not contracted for	674.3
<b>Capital commitment in associates</b>	
Property, plant and equipment and investment properties:	
- Authorised and contracted for	244.0
- Authorised but not contracted for	46.4
<b>Total</b>	<b>1,300.0</b>

**3.2 Contingent liabilities**

As at 31 December 2025, save as disclosed below, there are no other contingent liabilities which, upon becoming enforceable, may have a material impact on the profits or NA of our Group:

Description	RM' million
Guarantees given to third parties in respect of contracts and trade performance	1,630.9
Guarantees given to financial institutions for borrowings obtained by certain joint ventures	2,739.8
<b>Total</b>	<b>4,370.7</b>

**4. MATERIAL LITIGATION**

As at the LPD, save as disclosed below, our Group is not involved in any material litigation, claims and/or arbitration, either as plaintiff or defendant, and the Board is not aware of any proceedings, pending or threatened, against our Group or any facts likely to give rise to any proceedings which may materially or adversely affect the business or financial position of our Group:

**(a) Shristi Infrastructure Development Corporation Ltd ("Claimant") v Sunway Construction Sdn Bhd ("SunCon")**

On 4 September 2008, the solicitors of SunCon had been served with a Statement of Claim ("**Statement of Claim**") by the Claimant.

Pursuant to an agreement signed between SunCon and the National Highway Authority of India for the rehabilitation and upgrading of NH-25 to a four-lane configuration in the state of Uttar Pradesh being a part of the East-West Corridor Project, SunCon had entered into a work order with the Claimant for the upgrading and rehabilitation of the stretch of NH-25 from 143.6 km to 170.0 km, of which the Claimant has provided two bank guarantees ("**Bank Guarantees**") to SunCon.

**FURTHER INFORMATION** *(Cont'd)*

---

The Claimant has failed to carry out its obligations under the work order and SunCon has terminated the work order and cashed the Bank Guarantees. The Claimant had filed an application in the Supreme Court of India for the appointment of an arbitrator to arbitrate upon the disputes between the parties. The Supreme Court had appointed the late Mr. H.L. Agarwal as the sole arbitrator.

The Statement of Claim was raised in respect of various claims and the total amount claimed is Rs.891.5 million (approximately equivalent to RM45.9 million) in addition to interest and cost.

In the counterclaim, SunCon is seeking for Rs.781.4 million (approximately equivalent to RM40.2 million) for inter alia, additional costs incurred by SunCon to complete the works, recovery of mobilisation advance and interest charges, loss of reputation and loss of profits.

On 11 January 2013, the arbitrator that presided over the case passed away and 75 hearings had been held.

SunCon was notified by its solicitors that an arbitration petition has been filed by the Claimant on 7 January 2016 in the Supreme Court of India for the appointment of a new arbitrator. The Supreme Court of India by an order dated 5 January 2017 appointed Hon'ble Mr. Justice Vikramajit Sen (a former Judge of the Supreme Court of India) as arbitrator. The first hearing before Mr. Justice Vikramajit Sen was held on 24 February 2017 and cross examination has been completed on 7 October 2017.

The Arbitrator published his award on 9 April 2019 and awarded the Claimant Rs.128.4 million (approximately equivalent to RM6.6 million).

SunCon had filed an appeal with the High Court of New Delhi in early July 2019 to set aside the arbitral award. The Claimant has also filed an execution application against SunCon for enforcement of the arbitral award.

On 10 February 2020, the Honorable Court has directed SunCon to deposit, on a without prejudice basis, the decretal amount with interest with the Registrar General of the High Court of Delhi. SunCon has deposited Rs.135.7 million (approximately equivalent to RM6.9 million) on 26 February 2020 and the amount has been fully provided in the accounts on prudence grounds. Subject to compliance of the said direction, the Honorable Court has stayed the Arbitral Award dated 9 April 2019.

On 4 March 2020, the Claimant filed an application in the High Court of Delhi to permit the Claimant to withdraw the decretal amount deposited by SunCon for release of Rs. 67.3 million (approximately equivalent to RM3.5 million) from the deposited Award Amount.

On 27 August 2020, the Court directed the release of Rs.67.2 million (approximately equivalent to RM3.5 million) on the basis of a corporate guarantee to be furnished by Srei Infrastructure Finance Ltd. The balance to be released subject to furnishing of a bank guarantee. On 3 November 2020, the Court placed on record the corporate guarantee issued on 21 September 2020 and directed the registry to release the amount in terms of the Court order dated 27 August 2020. On 18 November 2020, the Claimant withdrew their application for withdrawal without a bank guarantee and it has been dismissed accordingly.

On 20 July 2023, Srei Infrastructure Finance Ltd. filed an application for release of corporate guarantee and discharge itself from all obligations under the corporate guarantee. Application was heard on 31 July 2023 and is re-notified for arguments on 29 August 2023 and adjourned to 23 November 2023.

**FURTHER INFORMATION** (Cont'd)

On 20 December 2023, SunCon filed a contempt application against the Claimant and Srei Infrastructure Finance Ltd. ("**Respondents**"). The application was listed on 22 December 2023 and the Court has duly issued notice to the Respondents. The matter was part heard and the next hearing date was scheduled for 17 March 2025. However, due to an abrupt change in Delhi High Court Roster effective from 17 March 2025, the sitting judge previously assigned to the matter has been reassigned to a different determination. As a result, the case will now be heard by a new judge. The matter was listed for 31 July 2025, 11 November 2025 and renotified for 16 April 2026.

As the court proceedings remain ongoing, the Board is unable to determine the outcome of the proceedings. Such dispute is not expected to have any material financial and operational impact on our Group. The solicitor acting for SunCon is of the view that the scope of challenge to an arbitral award in a petition under section 34 of the Arbitration and Conciliation Act 1996 of India is very limited, therefore it would be difficult to overcome the general reluctance of the courts in interfering with an arbitral award. Hence no precise estimation of the possibility of success can be put forth.

(b) **Metroplex Holdings Sdn Bhd ("Metroplex") v RHB Trustees Berhad (as trustee for Sunway Real Estate Investment Trust ("Sunway REIT")) and Sunway REIT Management Sdn Bhd (collectively, the "Defendants")**

On 31 March 2021, the Federal Court allowed Metroplex's appeal by setting aside the Court of Appeal's Decision, restoring the High Court's Decision and ordered the assessment of damages against Sunway REIT to proceed before the High Court ("**Assessment**"). In Metroplex's claim, Metroplex is claiming for various chattels and movable items amounting to approximately RM402 million. However, Sunway REIT is vigorously objecting to the amount claimed as being overly excessive and has appointed subject matter experts to dispute the quantum of claim.

The trial for the said Assessment was held on 4, 5, 6, 12 and 13 January 2023. Upon conclusion of the trial, the High Court judge directed Sunway REIT and Metroplex to appear before the High Court for oral submission on 9 and 15 May 2023. After hearing oral submissions by both parties, the Judge then proceeded to fix the date for the decision to be delivered.

On 12 November 2024, the High Court delivered its judgement on the assessment of damages for conversion payable by Sunway REIT Management Sdn. Bhd. and RHB Trustees Berhad, on behalf of Sunway REIT, to Metroplex, as follows:

- (i) operational chattels amounting to RM1,812,340;
- (ii) antiques amounting to RM434,760;
- (iii) artworks amounting to RM2,585,500;
- (iv) interest at the rate of 5% per annum for items (i) to (iii) above from the date of conversion on 27 September 2011 until the date of full and final realisation; and
- (v) cost of RM60,000.

(collectively, "**High Court's Judgement on Assessment**")

**FURTHER INFORMATION** *(Cont'd)*

On 9 December 2024, Metroplex appealed to the Court of Appeal against part of the High Court's Judgement on Assessment which assessed the damages to be paid by Sunway REIT to Metroplex for the conversion of Metroplex's operational chattels in the sum of RM1,812,340.

On 10 December 2024, Sunway REIT appealed to the Court of Appeal against part of the High Court's Judgement on Assessment which assessed the damages to be paid by Sunway REIT to Metroplex for the tort of conversion of antiques in the sum of RM434,760 and artworks in the sum of RM2,585,500.

On 13 December 2024, Sunway REIT remitted the sum of RM8,087,684, which represented the amount payable under the High Court's Judgement on Assessment, to Metroplex. This sum included interest payable on the judgment amount calculated up to 13 December 2024 along with costs and allocatur fee.

Pursuant to the case management on 27 February 2026, both the abovementioned appeals have been fixed for hearing before the Court of Appeal on 26 January 2027.

In view of the above, our Group remains exposed to a proportionate share of contingent liability in relation to the material litigation of Sunway REIT, a 40.89% owned associate of our Group, with Metroplex. As the court proceedings remain ongoing, the Board is unable to determine the outcome of the proceedings. Such dispute is not expected to have any material financial and operational impact on our Group. The solicitors acting for Sunway REIT are of the opinion that there is a reasonably good prospect of successfully resisting the appeal by Metroplex and a reasonably good prospect of success in the appeal by Sunway REIT.

**5. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal office hours on Mondays to Fridays (except public holidays) at the Registered Office of Sunway at Level 16, Menara Sunway, Jalan Lagoon Timur, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan from the date of this Circular up to and including the date of the forthcoming EGM:

- (i) the Constitution;
- (ii) the constitution of IJM;
- (iii) our audited consolidated financial statements for the past two (2) FYEs 31 December 2023 and 31 December 2024 and our latest unaudited quarterly results for the twelve-month FPE 31 December 2025;
- (iv) the audited consolidated financial statements of IJM for the past two (2) FYEs 31 March 2024 and 31 March 2025 and the latest unaudited quarterly results of IJM for the nine-month FPE 31 December 2025;
- (v) a copy of the Notice and Offer Document;
- (vi) the letter of consent referred to in Section 2 of this Appendix; and
- (vii) the relevant cause papers in respect of the material litigation referred to in Section 4 of this Appendix.

# SUNWAY

## SUNWAY BERHAD

(Registration No. 201001037627 (921551-D))  
(Incorporated in Malaysia)

### NOTICE OF EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the extraordinary general meeting (“**EGM**”) of Sunway Berhad (“**Sunway**” or the “**Company**”) will be held at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan on Thursday, 26 March 2026 at 3:00 p.m. or any adjournment thereof for the purposes of considering, and if thought fit, passing with or without modification, the following resolution:

#### ORDINARY RESOLUTION

**PROPOSED CONDITIONAL VOLUNTARY TAKE-OVER OFFER BY SUNWAY TO ACQUIRE ALL THE ORDINARY SHARES IN IJM CORPORATION BERHAD (“IJM”) (EXCLUDING TREASURY SHARES) (“OFFER SHARES”) FOR AN OFFER PRICE OF RM3.15 PER OFFER SHARE (“OFFER PRICE”) TO BE SATISFIED IN THE FOLLOWING MANNER:**

- (A) **IN RESPECT OF 10% OF THE OFFER PRICE, AN AMOUNT EQUIVALENT TO RM0.3150 IN CASH; AND**
- (B) **IN RESPECT OF 90% OF THE OFFER PRICE, AN AMOUNT EQUIVALENT TO APPROXIMATELY RM2.8350 IN THE FORM OF NEW ORDINARY SHARES IN SUNWAY AT AN ISSUE PRICE OF RM5.65 EACH (“CONSIDERATION SHARES”),**

#### **SUBJECT TO ADJUSTMENTS (“PROPOSED OFFER”)**

“**THAT** subject to the Company having received, on or before the closing date of the Proposed Offer, valid acceptances from the holders of the Offer Shares resulting in the Company holding in aggregate more than 50.0% of the voting shares in IJM (“**Valid Acceptances**”), approval be and is hereby given to the Company to undertake and implement the Proposed Offer to acquire all the ordinary shares in IJM (excluding treasury shares) in accordance with the terms and conditions set out in the offer document dated 3 February 2026 in relation to the Proposed Offer.

**THAT** approval be and is hereby given to the Company to increase its share capital by the creation of up to 1,758,786,893 Consideration Shares in relation to the Proposed Offer and to issue and allot the Consideration Shares, and that the pre-emptive right of the existing shareholders to be offered with new shares in the Company in proportion to their shareholding in the Company pursuant to Section 85 of the Companies Act 2016 and Clause 49 of the Constitution of the Company be and is hereby waived in respect of the issuance and allotment of the Consideration Shares.

**THAT** the Consideration Shares shall, upon allotment and issuance, rank equally in all respects with the then existing ordinary shares in the Company, save and except that the holders of such Consideration Shares will not be entitled to any distribution, the entitlement date of which is prior to the date of allotment of such Consideration Shares.

**AND THAT** the Board be and is hereby authorised to take all such steps as are necessary or expedient to undertake, implement, finalise and give full effect to the Proposed Offer including any extension of the closing date, and the implementation, facilitation and undertaking of any delisting exercise of IJM (and all acts, steps, acquisitions and proposals necessary to achieve the delisting) with full power to assent to and accept any terms, conditions, modifications, variations, arrangements and/or amendments as may be required or imposed or permitted by the relevant authorities/parties or otherwise thought fit by the Board to be in the best interest of the Company, to execute, sign and deliver on behalf of the Company all such agreements, arrangements and documents as may be necessary to undertake, implement, finalise and give full effect to the Proposed Offer (including the implementation, facilitation and undertaking of any delisting exercise of IJM), as well as to deal with all matters relating thereto and/or to do all such acts and things as the Board may deem fit and expedient in the best interest of the Company.”

By Order of the Board

**TAN KIM AUN** (SSM PC NO. 202008001249) (MAICSA 7002988)  
**CHIN LEE CHIN** (SSM PC NO. 202008001355) (MAICSA 7012347)  
Company Secretaries

Bandar Sunway  
11 March 2026

**Notes:**

- (1) *The EGM will be held physically.*
- (2) *A shareholder of the Company who is entitled to attend and vote at the EGM, may appoint more than one proxy to attend and vote instead of the shareholder at the EGM. A proxy need not be a shareholder.*
- (3) *Where a shareholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
- (4) *Where a shareholder is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
- (5) *Where a shareholder appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the EGM shall have the same rights as the shareholder to speak at the EGM.*
- (6) *If a shareholder has appointed a proxy to attend a meeting and subsequently, the appointer decides to attend instead of the proxy, the appointer has to revoke the appointment of proxy in writing/email which must reach Boardroom Share Registrars Sdn Bhd (“**Boardroom**”), the poll administrator of the Company’s EGM, not later than 24 hours before the EGM. The appointed proxy shall therefore be null and void.*
- (7) *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal or the hand of its officer or attorney duly authorised.*
- (8) *The instrument appointing a proxy must be deposited at the office of Boardroom at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof, either by hand, post or email to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com). You also have the option to lodge the appointment of proxy electronically via “Boardroom Smart Investor Portal” at <https://investor.boardroomlimited.com> (“**e-Proxy Lodgement**”) no later than 25 March 2026 at 3:00 p.m.. For further information on the e-Proxy Lodgement, please refer to the Administrative Details for the EGM.*
- (9) *Only shareholders whose names appear on the Record of Depositors as at 18 March 2026 will be entitled to attend this EGM or appoint a proxy to attend on his/her behalf.*
- (10) *Please refer to the Administrative Details for the EGM for further information.*

**PROXY FORM**  
Extraordinary General Meeting

**SUNWAY**  
**SUNWAY BERHAD**  
Registration No. 201001037627  
(921551-D)  
(Incorporated in Malaysia)

<b>Number of share(s) held</b>	
<b>CDS Account No.</b>	

\*I/We (Full Name) .....\*NRIC /Passport /Registration No. ....  
of (full address) .....  
having Tel./Mobile No. .... and email address .....

being a member of SUNWAY BERHAD ("**Company**") and entitled to vote, hereby appoint:-

Full Name	NRIC No./Passport No.	Proportion of shareholdings represented	
Mobile No.	Email Address	No. of shares	%

and/or failing \*him/her,

Full Name	NRIC No./Passport No.	Proportion of shareholdings represented	
Mobile No.	Email Address	No. of shares	%

or failing \*him/her, the Chairperson of the extraordinary general meeting ("**EGM**") as \*my/our proxy to attend and vote for \*me/us on \*my/our behalf at the EGM of the Company to be held at Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan on Thursday, 26 March 2026 at 3:00 p.m. or any adjournment thereof. My/our proxy/proxies shall vote as follows:

NO.	ORDINARY RESOLUTION	FOR	AGAINST
1.	To approve the Proposed Offer		

Please indicate with an "x" in the appropriate space how you wish your votes to be cast. If no specific direction as to voting is given, the proxy will vote or abstain from voting on the resolutions at his/her discretion.

Dated this ..... day of.....2026



Signature of Shareholder.....

\* Strike out whichever not applicable



**Notes:**

- (1) *The EGM will be held physically.*
- (2) *A shareholder of the Company who is entitled to attend and vote at the EGM, may appoint more than one proxy to attend and vote instead of the shareholder at the EGM. A proxy need not be a shareholder.*
- (3) *Where a shareholder is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
- (4) *Where a shareholder is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**omnibus account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
- (5) *Where a shareholder appoints more than one proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy. A proxy appointed to attend and vote at the EGM shall have the same rights as the shareholder to speak at the EGM.*
- (6) *If a shareholder has appointed a proxy to attend a meeting and subsequently, the appointer decides to attend instead of the proxy, the appointer has to revoke the appointment of proxy in writing/email which must reach Boardroom Share Registrars Sdn Bhd ("**Boardroom**"), the poll administrator of the Company's EGM, not later than 24 hours before the EGM. The appointed proxy shall therefore be null and void.*
- (7) *The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing, or if such appointer is a corporation, either under its common seal or the hand of its officer or attorney duly authorised.*
- (8) *The instrument appointing a proxy must be deposited at the office of Boardroom at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof, either by hand, post or email to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com). You also have the option to lodge the appointment of proxy electronically via "Boardroom Smart Investor Portal" at <https://investor.boardroomlimited.com> ("**e-Proxy Lodgement**") no later than 25 March 2026 at 3:00 p.m.. For further information on the e-Proxy Lodgement, please refer to the Administrative Details for the EGM.*
- (9) *Only shareholders whose names appear on the Record of Depositors as at 18 March 2026 will be entitled to attend this EGM or appoint a proxy to attend on his/her behalf.*
- (10) *Please refer to the Administrative Details for the EGM for further information.*
- (11) *Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.*

**Personal Data Privacy:**

*By lodging a completed proxy form to the Company for appointing proxy(ies) and/or representative(s) to attend and vote at the EGM of the Company and any adjournment thereof, the shareholder accepts and agrees to the use of such data for purposes of processing and administration by the Company (or its agents), and to comply with any laws, listing rules, regulations and/or guidelines. The shareholder agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.*

Fold this flap for sealing

Then fold here

AFFIX  
STAMP

**SUNWAY BERHAD** [Registration No. 201001037627 (921551-D)]  
**c/o. Boardroom Share Registrars Sdn Bhd**  
[Registration Number: 199601006647 (378993-D)]  
11th Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan

1st fold here



# SUNWAY

## SUNWAY BERHAD

(Registration No. 201001037627 (921551-D))  
(Incorporated in Malaysia)

### ADMINISTRATIVE DETAILS FOR THE EXTRAORDINARY GENERAL MEETING (“EGM” or the “Meeting”)

<b>Date</b>	<b>:</b>	<b>Thursday, 26 March 2026</b>
<b>Time</b>	<b>:</b>	<b>3:00 p.m.</b>
<b>Meeting Venue</b>	<b>:</b>	<b>Grand Congress, Level 12, Sunway Resort Hotel, Persiaran Lagoon, Bandar Sunway, 47500 Subang Jaya, Selangor Darul Ehsan</b>

#### ENTITLEMENT TO ATTEND AND VOTE AT THE MEETING

Only shareholders whose names appear in the Record of Depositors (“**ROD**”) of Sunway Berhad (“**Sunway**” or the “**Company**”) as at 18 March 2026 shall be entitled to attend and vote at the EGM or appoint proxy(ies)/corporate representative(s) to attend on his/her/their behalf.

If you are not able to attend the EGM, you are encouraged to appoint a proxy or the Chairperson of the Meeting (“**Chairperson**”) as your proxy and indicate the voting instructions in the Proxy Form. Please submit your Proxy Form in accordance with the notes and instructions stated in the notice of the EGM.

Please take note that transaction or contract notes in relation to your trade in shares of Sunway **will not** be accepted for registration and attendance at the Meeting. For the avoidance of doubt, **only the ROD as at 18 March 2026 will be the basis of verifying eligibility of attendance.**

#### REGISTRATION

- (a) Registration will commence at 1:00 p.m. and **will close 20 minutes after commencement of the Meeting**, or at such time as may be determined by the Chairperson. You are advised to be punctual to avoid disrupting the proceedings of the Meeting.
- (b) Please produce your **ORIGINAL National Registration Identity Card (“NRIC”)** or **passport (for non-Malaysians)** during registration for verification purposes. **Photocopies of NRICs or Passports will not be accepted.**
- (c) Registration must be done in person. You are **not** allowed to register on behalf of another person, even with the original NRIC/passport of that other person.
- (d) If you are attending the Meeting as a shareholder and a proxy, you only need to register **ONCE**. Attendance will be recorded and an identification wristband will be provided to you at the registration counter.
- (e) Entry into the meeting hall is **strictly by identification wristband only. No replacement wristband** will be issued in the event it is lost, misplaced or stolen. You will be allowed to enter the meeting hall from 2:00 p.m. onwards.
- (f) A unique QR code will be generated for you to scan and access the e-polling system using your personal device.

#### HELP DESK COUNTER

The registration counters will only handle verification of shareholdings and registrations. For any other enquiries or clarification related to the registration process, please proceed to the Help Desk counter for assistance.

The Help Desk counter will also handle revocation of proxy appointments.

## APPOINTMENT OF PROXY

- (a) You may submit your Proxy Form to the office of the Poll Administrator, Boardroom Share Registrars Sdn Bhd ("**Boardroom**"), at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 24 hours before the time appointed for holding the EGM or any adjournment thereof, either by hand, post or email to [bsr.proxy@boardroomlimited.com](mailto:bsr.proxy@boardroomlimited.com). You also have the option to lodge the appointment of proxy electronically via the "Boardroom Smart Investor Portal ("**BSIP**")" at <https://investor.boardroomlimited.com> ("**e-Proxy Lodgement**") no later than Wednesday, 25 March 2026 at 3:00p.m..

### Appointment of proxy via BSIP:

#### Step 1 - Register online with BSIP (for first-time registration only)

*Note: If you have already signed up with BSIP, you are **NOT** required to register again. You may proceed to Step 2.*

- Access the website at <https://investor.boardroomlimited.com>.
- Click "**Register**" to sign up as a user.
- Please select the account type i.e. sign up as "Individual Shareholder" or "Corporate Holder".
- Please complete the registration by providing all required information. Upload a softcopy of your MyKad/Identification Card (front and back) or Passport in JPEG, PNG or PDF format. For Corporate Holder, please upload the authorisation letter (You may download the template of the authorisation letter in BSIP).
- Please enter a valid mobile number, email address and password.
- Click "**Sign Up**".
- You will receive an email from BSIP Online for email address verification. Click "**Verify Email Address**" in the email you received to continue with your registration.
- Once your email address is verified, you will be re-directed to BSIP Online for verification of mobile number.
- Click "**Request OTP Code**" and an OTP code will be sent to the registered mobile number. You will need to enter the OTP code and click "**Enter**" to complete the process.
- Once your mobile number is verified, registration of your new BSIP account will proceed to the final verification step.
- You will receive an email notifying you of the approval of your BSIP account within one business day.
- You can log in to BSIP at <https://investor.boardroomlimited.com> with the email address and password that you have registered to proceed with the next step.

#### Step 2 - Appointment of Proxy

##### Individual and Corporate Shareholder

- Log in to <https://investor.boardroomlimited.com> using your user ID and password created with BSIP from Step 1 above.
- From the list of Meeting Event(s), select "**SUNWAY BERHAD EXTRAORDINARY GENERAL MEETING**" and click "**Enter**".
- Click "**Submit eProxy form**".
- Enter your CDS account number and the number of shares held.
- Select your proxy - either the Chairman of the Meeting or individual(s).
- Read and accept the Terms and Conditions and thereafter, click "**Next**".
- Enter the required particulars of your proxy(ies).
- Indicate your voting instructions - FOR or AGAINST or ABSTAIN. If you wish to have your proxy(ies) act on his/her discretion, please indicate DISCRETIONARY.
- Review and confirm the appointment of your proxy(ies). Click "**Apply**".
- Download or print the eProxy Form as acknowledgement.

**Authorised Nominee and Exempt Authorised Nominee** (via BSIP)

- Log in to <https://investor.boardroomlimited.com> using your user ID and password created with BSIP from Step 1 above.
- From the list of Meeting Event(s), select “**SUNWAY BERHAD EXTRAORDINARY GENERAL MEETING**” and click “**Enter**”.
- Click “**Submit eProxy form**”.
- Select the company you would like to represent (if more than one).
- Proceed to download the file format for “**Submission of Proxy Form**” from BSIP.
- Prepare the file for the appointment of proxy(ies) by inserting the required data.
- Proceed to upload the duly completed proxy(ies) appointment file.
- Review and confirm the appointment of your proxy(ies) and click “**Submit**”.
- Download or print the eProxy Form as acknowledgement.

*[Note: If you are the authorised representative(s) for more than one authorised nominee/exempt authorised nominee/corporate shareholder, please click the home button and select “**Edit Profile**” to add the company’s name.]*

- (b) If you wish to attend the EGM in person, please do not submit any proxy form. You will not be allowed to attend the EGM together with a proxy appointed by you.

## REVOCATION OF PROXY

If you have submitted your Proxy Form prior to the EGM and subsequently decide to appoint another person or wish to attend the Meeting in person, you may revoke the appointment of proxy(ies) at least twenty-four (24) hours before the Meeting i.e. not later than Wednesday, 25 March 2026 at 3:00 p.m.. The steps for the revocation of the eProxy Form or hard copy Proxy Form are as follows:

eProxy Form	Hard copy Proxy Form
<ul style="list-style-type: none"> <li>➤ Click “<b>Meeting Event</b>” and Enter “<b>SUNWAY BERHAD EXTRAORDINARY GENERAL MEETING</b>”.</li> <li>➤ Go to “<b>Submitted eProxy Form list</b>” and click “<b>View</b>” for the eProxy Form.</li> <li>➤ Click “<b>Cancel/Revoke</b>” at the bottom of the eProxy Form.</li> <li>➤ Click “<b>Proceed</b>” to confirm.</li> </ul>	<p>Please write in to <a href="mailto:bsr.proxy@boardroomlimited.com">bsr.proxy@boardroomlimited.com</a> to revoke the appointment of proxy/proxies.</p>

Alternatively, you may proceed to the Help Desk counter on the day of the EGM to revoke the appointment of proxy. Upon revocation, proxy/proxies appointed earlier will not be allowed to participate at the EGM. In such event, you should advise your proxy/proxies accordingly.

## VOTING PROCEDURES

Pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”), all resolutions set out in the Notice of the EGM will be put to a vote by poll. The Company has appointed Boardroom as its Poll Administrator to conduct the poll by way of electronic voting (“**e-Voting**”) and SKY Corporate Services Sdn Bhd as the Independent Scrutineers (“**Scrutineers**”) to verify and validate the poll results.

You may proceed to vote on the resolutions using one of the following methods:

- (i) Scanning the QR code given to you during the registration process using your own personal device; or
- (ii) Using the e-polling kiosk provided by Boardroom at the meeting hall.

For the EGM, e-Voting can be carried out using personal smart mobile phones, tablets, personal computers or laptops. The Scrutineers will verify the poll result report upon closure of the poll session by the Chairperson. Thereafter, the Chairperson will announce and declare the results.

## CIRCULAR TO SHAREHOLDERS

- (a) The Circular to Shareholders dated 11 March 2026 in relation to the Offer (“**Circular**”) is available on Sunway’s website at <https://www.sunway.com.my/investor-relations/> under the section of “EGM” and Bursa Malaysia Securities Berhad’s website at [www.bursamalaysia.com](http://www.bursamalaysia.com) under Company Announcements of Sunway.
- (b) In support of our sustainability efforts and commitment to reduce environmental impact, **only a limited number of printed copies of the Circular will be provided to the shareholders during the EGM, on a first-come first-served basis**. You are encouraged to access the digital version, which is readily available online. We appreciate your support in promoting environmental sustainability.
- (c) If you wish to request for a printed copy of the Circular, you may submit your request at our Share Registrar, Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com> by selecting “Request for Annual Report/Circular” under the “Investor Services” section.

## NO DOOR GIFTS/VOUCHERS

There will be NO door gifts/vouchers for Shareholders/proxies/corporate representatives who participate in the Meeting.

## NO RECORDING OR PHOTOGRAPHY

Unauthorised recording and photography of the EGM are strictly prohibited. Any recording and/or photography that is shared, published, or distributed on social media or other platforms may result in legal action, and we reserve the right to claim damages. We further reserve the right to require the removal of any unauthorised photographs or recordings.

## REFRESHMENT

Food pack can be redeemed after registration at a designated counter. Only non-vegetarian food will be served.

Each Shareholder and/or proxy attending the EGM will be entitled to only 1 food pack. Where a Shareholder and/or proxy is also appointed as proxy for different Shareholders to attend the Meeting, he/she will only be entitled to 1 food pack regardless of the number of Shareholders he/she is representing.

## PERSONAL BELONGINGS

Please take care of your personal belongings. The Company will not be held responsible for any item that has gone missing/been stolen.

## COMPLIMENTARY PARKING

Sunway City Kuala Lumpur uses a Smart Parking System which is a ticketless and cashless payment parking system.

You may redeem complimentary parking at the Parking Redemption Counter if you park your vehicle in the following car park locations only:

- (i) Sunway Resort Hotel;
- (ii) Sunway Pyramid Mall;
- (iii) Sunway Pyramid Hotel; or
- (iv) Sunway Lagoon Hotel.

The complimentary parking shall be redeemed exclusively via Sunway Super App. The use of any other third-party applications for the redemption of complimentary parking is not allowed. Please proceed to the Parking Redemption Counter to register your vehicle's license plate number. To expedite the redemption of the complimentary parking, please download and activate the "**Sunway Super App**" in your mobile device prior to the EGM. The redemption will be made digitally, and no physical parking ticket will be issued. Failure to provide a correct car license plate number will result in you not being able to exit the car park, and you will need to pay the parking fee.

The Company will **NOT** provide cash reimbursements for parking charges incurred by you if you park your vehicle at other car park locations or use the valet parking service at Sunway City Kuala Lumpur.

Please scan the QR code below to download the Sunway Super App:



## SUBMISSION OF QUESTIONS

You may submit questions in relation to the agenda items of the EGM prior to the Meeting not later than Wednesday, 25 March 2026 via email to [irsunwayberhad@sunway.com.my](mailto:irsunwayberhad@sunway.com.my) or Boardroom's website at <https://investor.boardroomlimited.com> using the same user ID and password created with BSIP. Please select "SUBMIT QUESTION" to submit the questions electronically.

The Chairperson/Board/Management will endeavour to respond to the questions submitted during the EGM. All the answers to the questions raised will be published on Sunway's website at <https://www.sunway.com.my/investor-relations/> under the section of "EGM", within 30 business days from the EGM.

## PERSONAL DATA POLICY

By registering for the electronic voting and/or submitting the instrument(s) appointing proxy(ies) and/or representative(s), the Shareholder has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The Shareholder agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages due to the Shareholder's breach of warranty.

## ENQUIRIES

If you have any enquires relating to the Meeting, please contact Boardroom during office hours from Mondays to Fridays (8:30 a.m. to 5:30 p.m.), except on public holidays:-

Address: 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia  
General Line: 603-7890 4700 (Helpdesk)  
Fax Number: 603-7890 4670  
Email: [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)