

Ireka to turnaround business via RM1 bln project launches

KUALA LUMPUR: Ireka Corporation Bhd expects to turnaround its business, moving forward, following the launch of several projects with a gross development value of more than RM1 billion, Group Managing Director Lai Voon Hon said.

The property developer's Ireka condominium project for middle-income earners, called *dwi@Rimbun Kasia* in Nilai, Negeri Sembilan, is expected to retail between RM200,000 and RM400,000 per unit.

"This is the company's first project in Nilai and overall, there will be five phases of development, which will keep the group busy for the next five years," he told reporters after the company's annual general meeting.

Lai said the group was confident of benefiting from this project,

despite the soft property market.

He said Ireka did not launch anything in the last one-and-a-half years but felt that the time was right now as the market was returning to normalcy.

The group would launch its maiden freehold ASTA Enterprise Industrial Park with 18 units in Kajang, Selangor, next week.

At a preview three months ago, 45 per cent of units were already sold. "There is no doubt that not being able to launch any development in the last one-and-a-half years has been a small setback for us, But we are confident that our cautious approach of waiting for the market to stabilize before launching any project, has paid off.

"We are looking forward to our foray into the mid-market property sector in Nilai and Kajang. Its new

and exciting for us and hopefully it will result in good shareholder value," he said.

Yesterday, the group reported a pre-tax profit of RM28.06 million for the first quarter ended June 30, 2016 compared with a pre-tax loss of RM3.87 million reported in the corresponding period.

This was attributed to the disposal of Alof Kuala Lumpur Sentral Hotel by its unit, Aseana Properties Ltd, for RM418.7 million.

However, revenue was slightly lower at RM63.72 million versus RM66.42 million previously.

As for its construction division, Ireka Engineering & Construction Sdn Bhd expects to commence several internal projects worth RM700 million.

"We are looking to bid for projects in the public and private sectors." - Bernama