

Ireka poised to turn around

It plans to launch eight projects with GDV of RM2.2bil in phases

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KUALA LUMPUR: With eight projects under way and an order-book of RM1.1bil, Ireka Corp Bhd expects to return to the black in two years.

Executive director Lai Voon Hon said that Ireka reported a pre-tax loss of RM38.4mil for financial year ended March 31, 2013, largely due to a RM19.7mil share of loss in 23%-owned Aseana Properties Ltd and losses incurred by the construction segment.

He said the eight local projects totalling RM2.2bil in gross development value would be launched in phases over the next two to three years.

Among the projects are the MRT elevated viaduct civil works package V7; Imperia Puteri Harbour serviced apartments and office in Johor; Solstice @ Pan'gaea mixed office and apartments in Cyberjaya; KL Eco City Vogue Suites and RuMa Hotel and Residences in Kuala Lumpur; and Kasia Greens homes in Nilai, Negri Sembilan, to be developed on Ireka's land-bank of 26.3ha.

"We expect the projects to contribute significantly to financial year 2015 and put us back in the black," said Ireka group executive director Monica Lai, who was present with Lai at the company's AGM.

Ireka reported lower revenue of RM329.9mil for financial year 2013 compared with RM429.9mil a year earlier. Lai attributed the lower revenue to the completion of major projects and delay in getting new construction jobs.

Overseas, Ireka currently has one project in Vietnam, the City International Hospital in Ho Chi Minh City, which has been operational since Sept 24.

Its other overseas projects in the pipeline undertaken by associate Aseana are Phuoc Long B residential development, deluxe high-rise residences and mixed-development Queen's Place in Ho Chi Minh City.



From left: Monica Lai, group managing director Lai Siew Wah, independent non-executive chairman Abdullah Yusof, Lai and deputy managing director Datuk Lai Jaat Kong @ Lai Foot Kong.

As for the group's technology division, i-Tech Network Solutions Sdn Bhd grew its sales revenue by 147% in financial year 2013 compared with the preceding year.

It has strengthened significantly following the completion of networking and systems integration projects for key clients during the period.

When asked about Ireka's speculated privatisation, Monica declined to comment, saying "the request is being reviewed by the Securities Commission and we do not have a timeline for it."