



We are now **expanding** our expertise in **design-and-build work** to grow the business.

Lai Voon Hon
President/CEO
Ireka Development Management

Ireka upbeat on breaching RM1b mark

GROWING BUSINESS: Infrastructure unit's order book expected to swell as it bids for more major contracts

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IREKA Corp Bhd, which is beefing up its infrastructure arm, can expect the division's order book to breach RM1 billion mark soon.

Ireka has bid for close to RM1.2 billion worth of projects, mainly those that suit the skills and expertise of subsidiary Ireka Engineering & Construction Sdn Bhd.

Ireka Engineering now has an order book of about RM860 million, including RM640 million

of outstanding work.

Ireka Development Management Sdn Bhd president and chief executive officer Lai Voon Hon said it is eyeing design-and-build contracts as they provide better margins, and therefore boost Ireka Engineering's performance in particular.

Ireka Engineering's ongoing projects are Imperia in Iskandar Malaysia, Johor; construction of viaduct guideways for the Sungai Buloh-Kajang Mass Rapid Transit lines; and Phase 2 of the Pan'gaea Solstice project in Cyberjaya.

For the nine months ended December 31 2012, Ireka recorded a pre-tax loss of RM2.13 million compared with a pre-tax profit of

RM12.33 million in the preceding year.

A lower revenue of RM255.6 million posted by the group's infrastructure arm had affected its profit margin due to higher fixed costs and unexpected costs incurred in certain projects.

Lai said Ireka Engineering is now pursuing a design-and-build commercial building project for a multinational corporation.

He, however, declined to reveal the job details.

"We are negotiating the contract. It is a sizeable job and we expect to land the deal this year. We have been active in the construction industry for 46 years.

"We have done a lot of national projects and started constructing high-rise buildings in the 1990s. We are now merely expanding our expertise in design-and-build work to grow the business," Lai told Business Times.

→ Turn to B2, Col 5

Four Points among projects

→ From B1

Ireka, via Ireka Engineering, has also been involved in building highways and expressways, bridges, tunnels, water treatment plants, golf courses, office and residential towers, malls, healthcare park and harbours.

Its design-and-build credentials developed over the last eight years include the construction of Four Points by Sheraton Sandakan Hotel and Harbour Mall in Sandakan Harbour Square, government administrative buildings in Putrajaya, The Westin Kuala Lumpur and Selborn Perdana.

The company also built the Brunei embassy and residence buildings for the Brunei government in Beijing.