

Ireka Corp expects big jump in turnover by 2015

Business & Markets 2013

Written by Bernama

KUALA LUMPUR (Sept 30): IREKA CORPORATION BHD [], an infrastructure, real estate and TECHNOLOGY [] company, expects to see a big jump in its turnover by 2015 as the company is optimistic of securing more property development projects.

Executive Director Monica Lai Voon Huey said there are eight projects in the pipeline located in the Klang Valley and in Nilai, Negeri Sembilan, to be launched within three to four years.

"We expect to generate a GDV of about RM2.2 billion after the completion of the eight projects, and we're planning to launch a series of projects by next year," she told a press conference after its 37th annual general meeting today.

For the financial year ended March 31, 2013, the group recorded total revenue of RM329.9 million, compared to RM429.9 million in the previous year, which was attributable to a reduction in revenue in the CONSTRUCTION [] segment.

Meanwhile, Ireka posted a pre-tax loss of RM38.4 million in the financial year ended March 31, 2013 compared to a pre-tax profit of RM14.1 million in the previous year.

About RM19.7 million of the loss in Ireka was attributable to Aseana PROPERTIES [] Ltd.

"Those losses were due to the significant reduction in revenue," she said.

Lai said, however, Ireka went into the current financial year with key construction projects under its belt and an order book which hit RM1.1 billion.

She said the projects such as Imperia Puteri Harbour serviced apartments and offices in Johor, KL Eco City Vogue Suites and the RuMa Hotel and Residences project in Kuala Lumpur city centre would contribute to its construction portfolio.

Lai said Ireka has about 26.3 hectares of landbank, to be developed in the next few years, that would also contribute to the company's revenue.

On prospects, she said Ireka would focus on construction projects in Malaysia.

"Now we only focus on construction in Malaysia. We do not have any plan to extend our construction segment in overseas projects.

"Currently we are really busy with the incoming projects such as the project in Cyberjaya, Mass Rapid Transit project, and KL Eco City," she added.

The group's technology division, i-Tech Network Solutions, grew its sales revenue by 147 per cent in financial year 2013 compared to the previous year, helped significantly by the completion of networking and systems integration projects for key clients during the period.