

Condensed Consolidated Statement of Comprehensive Income for the financial year ended 31 March 2015

	Unaudited Current Year Quarter 31.3.2015 RM'000	Unaudited Preceding Year Corresponding Quarter 31.3.2014 RM'000	Unaudited Current Year To Date 31.3.2015 RM'000	Unaudited Preceding Year Corresponding Period 31.3.2014 RM'000
Revenue	117,833	94,377	426,203	289,232
Cost of sales	(112,081)	(88,002)	(389,687)	(257,200)
Gross profit	5,752	6,375	36,516	32,032
Other income	3,592	2,291	10,889	6,043
Expenses	(8,793)	(15,611)	(34,408)	(40,357)
Operating profit/(loss)	551	(6,945)	12,997	(2,282)
Finance costs	(2,318)	(2,508)	(9,691)	(8,543)
Share of loss of associates	(9,403)	(3,963)	(6,028)	(15,415)
Loss before tax	(11,170)	(13,416)	(2,722)	(26,240)
Income tax (expense)/income	(9)	(710)	462	(2,111)
Loss for the year	(11,179)	(14,126)	(2,260)	(28,351)
Other comprehensive (loss)/income:-				
Currency translation differences	(20)	(4)	(124)	244
Other comprehensive (loss)/income for the financial year, net of tax	(20)	(4)	(124)	244
Total comprehensive loss for the year	(11,199)	(14,130)	(2,384)	(28,107)
Loss attributable to:-				
Owners of the Company	(11,179)	(14,126)	(2,260)	(28,351)
Non-controlling interest	-	-	-	-
	(11,179)	(14,126)	(2,260)	(28,351)
Total comprehensive loss attributable to:-				
Owners of the Company	(11,199)	(14,130)	(2,384)	(28,107)
Non-controlling interest	-	-	-	-
	(11,199)	(14,130)	(2,384)	(28,107)
Loss per share attributable to owners of Company:-				
- basic (sen)	(7.10)	(12.40)	(1.44)	(24.89)
- diluted (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

Operating profit/(loss)	551	(6,945)	12,997	(2,282)
Gross interest income	146	48	751	269
Gross interest expense	(2,318)	(2,508)	(9,691)	(8,543)

IREKA CORPORATION BERHAD (Company No. 25882-A)**Condensed Consolidated Statement of Financial Position as at 31 March 2015**

	Unaudited As At 31.3.2015 RM'000	Audited As At 31.3.2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	60,010	59,339
Investment properties	11,763	19,903
Investment in associates	123,040	131,987
Other investments	720	2,378
Land held for property development	53,120	43,721
	<u>248,653</u>	<u>257,328</u>
Current assets		
Property development costs	30,870	34,946
Inventories	21,292	16,429
Trade and other receivables	148,729	141,118
Amounts due from customers on contracts	57,242	42,679
Amounts due from associates	14,879	14,877
Cash and cash equivalents	29,781	36,375
	<u>302,793</u>	<u>286,424</u>
TOTAL ASSETS	<u>551,446</u>	<u>543,752</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	170,872	113,915
Reserves	14,961	37,831
	<u>185,833</u>	<u>151,746</u>
Non-controlling interest	-	-
Total equity	<u>185,833</u>	<u>151,746</u>
Non-current liabilities		
Borrowings	34,181	47,704
Deferred tax liabilities	3,223	3,241
	<u>37,404</u>	<u>50,945</u>
Current liabilities		
Provision	-	14,000
Trade and other payables	209,136	183,880
Borrowings	81,476	88,689
Overdrafts	36,689	52,734
Amounts due to customers on contracts	-	156
Tax payable	908	1,602
	<u>328,209</u>	<u>341,061</u>
Total liabilities	<u>365,613</u>	<u>392,006</u>
TOTAL EQUITY AND LIABILITIES	<u>551,446</u>	<u>543,752</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

Net assets per share (RM)	<u>1.09</u>	<u>1.33</u>
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Condensed Consolidated Statement of Changes in Equity for the financial year ended 31 March 2015

	Attributable to owners of the Company					Total Equity Attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	(Unaudited) Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000			
<u>12 months ended 31.3.2015 (Unaudited)</u>								
Balance as at 1.4.2014	113,915	21,871	-	-	(191)	16,151	151,746	151,746
Issuance of share	56,957	(20,486)	-	-	-	-	36,471	36,471
Issuance of warrant	-	-	5,696	(5,696)	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	(124)	(2,260)	(2,384)	(2,384)
Balance as at 31.3.2015	170,872	1,385	5,696	(5,696)	(315)	13,891	185,833	185,833

	Attributable to owners of the Company					Total Equity Attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	(Unaudited) Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000			
<u>12 months ended 31.3.2014 (Unaudited)</u>								
Balance as at 1.4.2013	113,915	21,871	-	-	(442)	43,469	178,813	178,813
Total comprehensive loss for the year	-	-	-	-	244	(28,351)	(28,107)	(28,107)
Balance as at 31.3.2014	113,915	21,871	-	-	(198)	15,118	150,706	150,706

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the Interim Statements)

IREKA CORPORATION BERHAD (Company No. 25882-A)

Condensed Consolidated Statement of Cash Flows for the financial year ended 31 March 2015

	Unaudited Current Year To Date 31.3.2015 RM'000	Unaudited Preceding Year Corresponding Period 31.3.2014 RM'000
Cash flows from operating activities		
Loss before tax	(2,722)	(26,240)
Adjustments for:		
Bad debts written off	14	2,581
Depreciation of property, plant and equipment	6,715	5,819
Property, plant and equipment written off	4	388
Gain on disposal of investment properties	(2,773)	(1,356)
Gain on disposal of other investments	(695)	-
Gain on disposal of property, plant and equipment	(347)	(1,524)
Reversal of impairment loss on other investments	(149)	(865)
Share of loss of associates	6,028	15,415
Interest expense	9,691	8,543
Interest income	(751)	(269)
Operating profit before changes in working capital	<u>15,015</u>	<u>2,492</u>
Working capital changes:		
Property development costs	4,076	(4,166)
Inventories	(4,863)	(5,371)
Receivables	(6,804)	(12,830)
Amount due from customers on contracts	(14,719)	(5,154)
Amount due from associates	(2)	(1)
Payables	14,035	24,558
Cash generated from/(used in) operations	<u>6,738</u>	<u>(472)</u>
Income tax paid	(1,071)	(2,852)
Net cash generated from/(used in) operating activities	<u>5,667</u>	<u>(3,324)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,541)	(4,525)
Purchase of investment properties	-	(46)
Proceeds from disposal of property, plant and equipment	854	1,922
Proceeds from disposal of investment properties	10,913	6,042
Proceeds from disposal of other investments	2,502	-
Land held for property development	(9,399)	(4,597)
Interest received	751	269
Net cash generated from/(used in) investing activities	<u>2,080</u>	<u>(935)</u>
Cash flows from financing activities		
Proceeds from issuance of share	36,471	-
Hire purchase principal repayments	(4,236)	(3,911)
Drawdown of bank borrowings	77,904	104,175
Repayment of bank borrowings	(98,744)	(93,947)
Interest paid	(9,691)	(8,543)
Net cash generated from/(used in) financing activities	<u>1,704</u>	<u>(2,226)</u>
Net increase/(decrease) in cash and cash equivalents	<u>9,451</u>	<u>(6,485)</u>
Cash and cash equivalents as at beginning of financial year	<u>(16,359)</u>	<u>(9,828)</u>
Cash and cash equivalents as at end of financial year	<u>(6,908)</u>	<u>(16,313)</u>
Cash and cash equivalents as at end of financial year comprise the followings:-		
Cash and bank balances	29,781	36,421
Overdrafts	(36,689)	(52,734)
	<u>(6,908)</u>	<u>(16,313)</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2014 and the accompanying explanatory notes attached to the Interim Statements)

IREKA CORPORATION BERHAD (Company No. 25882-A)
NOTES TO THE QUARTERLY RESULTS

A1 Basis of Preparation

The unaudited interim financial report has been prepared in accordance with *FRS 134: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of the Bursa Malaysia Securities Berhad*.

The unaudited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2014. The explanatory notes attached to the unaudited interim financial report provide explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2014.

The Malaysian Accounting Standard Board has given the Transitioning Entities the option to continue to apply the Financial Reporting Standards framework until 31 December 2016. The Group is a Transitioning Entities due to its involvement in the development and construction of real estate. The Group shall adopt the new IFRS-compliant framework, Malaysian Financial Reporting Standards from financial year beginning 1 April 2017.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2014.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 March 2014 was not subject to any qualification.

A4 Seasonality or Cyclicity of Operations

The Group's business operations are not materially affected by seasonal or cyclical factors for the current quarter under review.

A5 Unusual Significant Items

There were no items affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial year-to-date that are unusual because of their nature, size or incidence.

A6 Material Changes in Estimates

There were no significant changes in estimates that have had a material effect in the financial year-to-date results.

A7 Changes in Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current quarter under review.

A8 Dividend Paid

No dividend was paid during the financial quarter ended 31 March 2015.

A9 Segmental Information

	Group revenue and results including Share of Associates			
	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Segment Revenue				
Revenue				
Construction	116,748	85,536	398,247	253,508
Property development	5,638	10,167	47,688	31,499
Property investment	282	336	1,155	1,151
Trading and services	6,047	7,977	24,961	31,207
Investment holding and other	3,206	45,671	15,884	55,184
Total	131,921	149,687	487,935	372,549
Elimination of inter-segment sales	(14,088)	(55,310)	(61,732)	(83,317)
Total	117,833	94,377	426,203	289,232

	Group revenue and results including Share of Associates			
	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Segment Results				
Loss before tax				
Construction	(113)	(3,361)	483	(11,246)
Property development	(1,931)	(980)	5,175	4,959
Property investment	2,125	(167)	1,474	(213)
Trading and services	(841)	(1,310)	(4,266)	(1,523)
Investment holding and other	(10,410)	(7,598)	(5,588)	(18,217)
Total	(11,170)	(13,416)	(2,722)	(26,240)

A10 Carrying Amount of Revalued Property, Plant and Equipment

The Group does not state any assets based on valuation of its property, plant and equipment.

A11 Material Subsequent Events

There were no material events subsequent to the end of the current quarter.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations.

A13 Contingent Assets and Liabilities

(a) Contingent Assets

There were no contingent assets as at the end of the current quarter or at the preceding annual statement of financial position date.

(b) Contingent Liabilities

	Financial Quarter Ended 31.3.2015 RM	Financial Year Ended 31.3.2014 RM
(i) Corporate guarantees for credit facilities granted to the Group	58,497,010	48,012,635

A14 Capital Commitments

There were no capital commitments as at the end of the current quarter.

B1 Review of Performance

(a) Performance of Current Period against the Preceding Year Corresponding Period

For the financial year ended 31 March 2015, the Group recorded revenue of RM426.203 million (after elimination of inter-segment sales of RM61.732 million) as compared to RM289.232 million (after elimination of inter-segment sales of RM83.317 million) for the preceding year corresponding period. Revenue for the current period is substantially attributable to the construction segment of the Group.

The revenue achieved by the construction segment is significantly higher at RM398.247 million in the current period, compared to RM253.508 million in the preceding year corresponding period due to higher contribution from on-going projects, mainly Imperia Puteri Harbour, KL Eco City (Residential Tower 1 @ Bangsar - Phase A) and Solstice.

The property development segment recorded revenue of RM47.688 million (31 March 2014: RM31.499 million) for the current period, which was attributable to Kasia Greens, a residential development consisting of 142 units of 2-storey and 3-storey terrace and superlink houses located at Nilai. All units were sold and expected to be handed over to buyers in June 2015.

The trading and services segment comprised mainly of IT Solutions and property development management and services divisions. Revenue for the current period has decreased mainly due to smaller contribution from the IT Solutions divisions.

For the financial year ended 31 March 2015, the Group recorded pre-tax loss of RM2.722 million, compared to the preceding year corresponding period of pre-tax loss RM26.240 million. The current result included a share of loss of Aseana Properties Limited ("ASPL") (a 23.07% associate of Ireka) of RM4.625 million (31 March 2014: Loss of RM13.469 million); and a share of loss of Urban DNA Sdn Bhd ("Urban DNA") (a 30% associate of Ireka) of RM1.401 million (31 March 2014: Loss of RM1.946 million). The latter adopted IFRIC 15 – Agreements for Construction of Real Estate, which prescribes that revenue be recognised only when the properties are completed and occupancy permits are issued, hence no revenue was recorded for the current financial year. Construction segment recorded a profit of RM0.483 million in the current period, compared to loss of RM11.246 million in the preceding year corresponding period.

ASPL recorded losses for the period due to operating losses of its three operating assets, being Four Points by Sheraton Sandakan Hotel, Harbour Mall Sandakan and City International Hospital; and unrealised translation loss arising from a weakening of the Ringgit against United State Dollars.

B1 Review of Performance (continued)

(a) Performance of Current Period against the Preceding Year Corresponding Period (continued)

The construction segment recorded a profit of RM0.483 million (31 March 2014: Loss of RM11.246 million) after elimination of inter-segment profit of RM6.943 million (31 March 2014: RM1.895 million) which are attributable to internal projects. Revenue increased by 57% compared to preceding year corresponding period, due to higher contribution from its new contracts which resulted in improved margin.

The property development segment recorded a marginally higher profit of RM5.175 million (31 March 2014: RM4.959 million) which was attributable to Kasia Greens.

The trading and services divisions recorded a loss of RM4.266 million (31 March 2014: RM1.523 million), of which RM2.413 million is attributable to the property services division which recorded lower sale commission during the period.

(b) Performance of Current Quarter against the Preceding Year Corresponding Quarter

The Group achieved higher revenue of RM117.833 million in the current quarter as compared to RM94.377 million in the preceding year corresponding quarter. This was due to higher contribution from its construction segment in the current quarter.

For the financial quarter ended 31 March 2015, the Group recorded a pre-tax loss of RM11.170 million, as compared to a pre-tax loss of RM13.416 million in the preceding year corresponding quarter. Pre-tax loss for the current quarter included share of loss of ASPL of RM8.691 million (Q4 2014: Loss of RM2.718 million); a share of loss of Urban DNA of RM0.712 million (Q4 2014: Loss of RM1.244 million); a loss of RM0.113 million contributed by the construction segment (Q4 2014: Loss of RM3.361 million) and a loss of RM1.931 million contributed by the property development segment (Q4 2014: Loss of RM0.980 million).

B2 Material Change in the Quarterly Results compared to the Results of Immediate Preceding Quarter

The Group recorded a higher revenue of RM117.833 million in the fourth quarter of financial year ended 31 March 2015, compared to RM106.489 million in the immediate preceding quarter; and a pre-tax loss of RM11.170 million compared to a pre-tax profit of RM3.246 million in the last quarter. The loss in the current quarter is attributable to reasons stated in Note B1(b) above.

B3 Prospects for the Current Financial Year

On the construction front, the Group has tendered for about RM1.2 billion worth of contracts over the last twelve months.

As at end 31 March 2015, the Group's order book stood at about RM1.43 billion, of which about RM819.84 million remained outstanding. Barring unforeseen circumstances, the Group is hopeful that it will secure more construction contracts in the coming few months. Therefore, we expect stronger contribution from the construction segment going forward.

On the property development front, the Group is actively working on four projects comprising residential, mixed commercial and industrial developments. Two projects, namely The RuMa Hotel and Residences, KLCC ("The RuMa") and Kasia Greens, Nilai were launched for sale in 2013. Kasia Greens has achieved 100% sales and contributed positively to the revenue and earnings of the Group in the current financial year. The RuMa is 70% owned by ASPL and 30% by the Company. ASPL adopted IFRIC 15- Agreements for Construction of Real Estate, which prescribes that revenue be recognised only when the properties are completed and occupancy permits are issued. Hence, we expect The RuMa to contribute to the results of the Group only in FY2018. The third project is ASTA Enterprise Park located at Kajang, comprising 48 units of 3-storey semi-detached and detached multifunctional factories/offices, of which Phase 1 is planned for launching before year end. The Group is also planning to launch Dwi@Rimbun Kasia, Nilai, consisting of 382 units of courtyard apartments ranging from 650sf-980sf, in third quarter of this year. These two projects are expected to contribute positively to the results of the Group for year ending 31 March 2016.

On the corporate front, the Company has completed listing of and quotation for the Rights Shares and Warrants on 1 July 2014. The injection of fresh capital into the Company strengthens its financial position and supports future growth.

The Company has received a circular from ASPL, its 23.07% associate, putting forward recommended proposals regarding the future of ASPL to be considered at an Extraordinary General Meeting to be held immediately prior to the 2015 Annual General Meeting, together with its 2014 Annual Report and a letter to shareholders containing the notice of Annual General Meeting. If shareholders approve the proposals, as assets are realised, ASPL Board will seek to return cash to shareholders over time. ASPL aims to complete the disposal of its assets by June 2018.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ended 31 March 2015.

B5 Loss for the Year

Included in loss for the year are:-

	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Bad debts written off	(14)	(2,581)	(14)	(2,581)
Depreciation of property, plant and equipment	(1,756)	(1,745)	(6,715)	(5,819)
Property, plant and equipment written off	(2)	(277)	(4)	(388)
Interest expense	(2,318)	(2,508)	(9,691)	(8,543)
Gain on disposal of investment properties	2,773	-	2,773	1,356
Gain on disposal of other investments	-	-	695	-
Gain on disposal of property, plant and equipment	215	1,013	347	1,524
Net foreign exchange gain/(loss)	314	(40)	823	299
Reversal of impairment loss on other investments	37	507	149	865
Interest income	146	48	751	269

Other than the above items, there were no exceptional items for the current quarter and financial year ended 31 March 2015.

B6 Taxation

The taxation for the current quarter and year-to-date are as follows:-

	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2015 RM'000	31.3.2014 RM'000	31.3.2015 RM'000	31.3.2014 RM'000
Malaysian income tax	(27)	(531)	444	(1,818)
Overseas income tax	-	-	-	(114)
Deferred tax	18	(179)	18	(179)
	(9)	(710)	462	(2,111)

The effective tax rates of the Group for the current quarter and for the year were lower than the statutory tax rate due to losses suffered by certain subsidiaries and also utilisation of tax losses brought forward by the Company and its subsidiaries.

B7 Status of Corporate Proposals

Save for the following, there were no on-going corporate proposals during the financial period under review:-

On 26 December 2014, the Board of Directors announced that Ireka Engineering & Construction Sdn Bhd, a wholly-owned subsidiary of the Company, has on 26 December 2014 entered into a sale and purchase agreement with AEON Co. (M) Bhd for the disposal of a parcel of land located at Pekan Senawang, Daerah Seremban, Negeri Sembilan for a cash consideration of RM53,662,435.20. The proposed disposal was subsequently approved by shareholders of the Company at the extraordinary general meeting held on 23 April 2015.

B8 Group Borrowings and Debt Securities

The Group's borrowings as at 31 March 2015 are as follows:-

	RM'000
(a) Short term borrowings	
<i>Secured:-</i>	
Term loans	2,200
Project loans/revolving credit	27,212
Hire purchase/leasing	2,827
Trade finance	26,097
Bank overdraft	35,879
Revolving credit	22,124

	116,339

<i>Unsecured:-</i>	
Bank overdraft	810
Revolving credit	1,016

	118,165

(b) Long term borrowings	
<i>Secured:-</i>	
Term loans	24,660
Project loans	3,735
Hire purchase/leasing	5,786

	34,181

(c) Total borrowings	152,346
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Bank borrowings of the Group are denominated in Malaysian Ringgit.

B9 Realised and Unrealised Profits/(Losses) Disclosure

The breakdown of the retained earnings/(accumulated losses) of the Group as at 31 March 2015, into realised and unrealised profits/(losses) is as follows:-

	31.3.2015	31.3.2014
	RM'000	RM'000
The retained earnings of the Company and its subsidiaries:-		
- Realised	63,127	56,155
- Unrealised	(7,559)	(4,355)
	<u>55,568</u>	<u>51,800</u>
The share of accumulated losses of its associates:-		
- Realised	(43,994)	(38,286)
- Unrealised	2,317	2,637
	<u>(41,677)</u>	<u>(35,649)</u>
Total retained earnings	<u>13,891</u>	<u>16,151</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matters No. 1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia's Listing Requirements, issued by Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely to comply with the disclosure requirement stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

B10 Material Litigations

The Group was not engaged in any material litigation as at 22 May 2015.

B11 Dividend Proposed

The Board of Directors has not proposed any payment of dividend for the current quarter ended 31 March 2015.

B12 Loss per Share

	Individual Quarter		Cumulative Period	
	3 Months Ended		12 Months Ended	
	31.3.2015	31.3.2014	31.3.2015	31.3.2014
(a) Basic				
Loss for the period attributable to owners of the Company (RM'000)	(11,179)	(14,126)	(2,260)	(28,351)
Weighted average number of ordinary shares	157,451,962	113,914,700	157,451,962	113,914,700
Basic loss per share (sen)	(7.10)	(12.40)	(1.44)	(24.89)
(b) Diluted Earnings	N/A	N/A	N/A	N/A

Diluted earnings are not applicable as the Company has not issued any Employees Share Options and the exercise price of the warrants is higher than the average market price of the Company's ordinary shares.

By Order of the Board
IREKA CORPORATION BERHAD
WONG YIM CHENG
Company Secretary
Kuala Lumpur
28 May 2015