IREKA CORPORATION BERHAD (Company No. 25882-A)

Condensed Consolidated Statement of Comprehensive Income for the financial year ended 31 March 2018

	Unaudited	Audited	**Unaudited**	Audited
		Preceding Year		Preceding Year
	Current Year	Corresponding	**Current Year**	Corresponding
	Quarter	Quarter	**To Date**	Period
	31.3.2018	31.3.2017	**31.3.2018**	31.3.2017
	RM'000	RM'000	**RM'000**	RM'000
Revenue	**68,241**	124,114	**299,628**	327,438
Cost of sales	**(57,793)**	(111,013)	**(266,337)**	(295,933)
Gross profit	**10,448**	13,101	**33,291**	31,505
Other income	**341**	3,910	**5,044**	5,346
Expenses	**(8,815)**	(14,007)	**(28,947)**	(33,259)
Operating profit	**1,974**	3,004	**9,388**	3,592
Finance costs	**(1,112)**	(1,599)	**(4,559)**	(7,248)
Share of (loss)/profit of associates	**(1,558)**	(15,211)	**1,201**	7,985
(Loss)/profit before tax	**(696)**	(13,806)	**6,030**	4,329
Income tax credit/(expense)	**59**	4	**(201)**	248
(Loss)/profit for the year	**(637)**	(13,802)	**5,829**	4,577
Other comprehensive income/(loss):-				
Currency translation differences	**50**	(37)	**170**	(285)
Revaluation surplus	**1,805**	-	**1,805**	-
Loss on fair value changes	**-**	-	**-**	(147)
Other comprehensive income/(loss) for the financial year, net of tax	**1,855**	(37)	**1,975**	(432)
Total comprehensive (loss)/income for the year	**1,218**	(13,840)	**7,804**	4,144
(Loss)/profit attributable to:-				
Owners of the Company	**(637)**	(13,802)	**5,829**	4,577
Non-controlling interest	**-**	**-**	**-**	-
	(637)	(13,802)	**5,829**	4,577
Total comprehensive (loss)/income attributable to:-				
Owners of the Company	**1,218**	(13,840)	**7,804**	4,144
Non-controlling interest	**-**	-	**-**	-
	1,218	(13,840)	**7,804**	4,144
(Loss)/earnings per share attributable to owners of Company:-				
- basic (sen)	**(0.34)**	(8.08)	**3.32**	2.68
- 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 2017 and the accompanying explanatory notes attached to the Interim Statements)

Other information:-

Operating profit	**1,974**	3,003	**9,388**	3,591
Gross interest income	**97**	87	**482**	676
Gross interest expense	**(1,112)**	(1,599)	**(4,559)**	(7,248)

IREKA CORPORATION BERHAD (Company No. 25882-A)

Condensed Consolidated Statement of Financial Position as at 31 March 2018

	Unaudited As At 31.3.2018 RM'000	Audited As At 31.3.2017 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	**28,912**	33,532
Investment properties	**6,352**	11,098
Investment in associates	**102,010**	101,281
Other investments	**42**	42
Land held for property development	**27,205**	24,326
	164,521	170,279
Current assets		
Property development costs	**95,927**	96,544
Inventories	**13,350**	14,095
Trade and other receivables	**158,426**	132,250
Amounts due from customers on contracts	**11,017**	58,340
Amounts due from associates	**14,895**	14,885
Cash and cash equivalents	**25,503**	12,428
	319,118	328,542
TOTAL ASSETS	**483,639**	498,821
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	**180,049**	170,872
Reserves	**(22,534)**	(26,774)
	157,515	144,098
Non-controlling interest	**-**	-
Total equity	**157,515**	144,098
Non-current liabilities		
Borrowings	**17,441**	30,110
Deferred tax liabilities	**3,222**	3,222
	20,663	33,332
Current liabilities		
Trade and other payables	**224,493**	224,278
Amounts due to associates	**-**	2
Borrowings	**68,480**	95,125
Overdrafts	**11,804**	983
Tax payable	**684**	1,003
	305,461	321,391
Total liabilities	**326,124**	354,723
TOTAL EQUITY AND LIABILITIES	**483,639**	498,821

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the Interim Statements)

Other Information:-

Net assets per share (RM)	**0.87**	0.84

IREKA CORPORATION BERHAD (Company No. 25882-A)

Condensed Consolidated Statement of Changes in Equity for the financial year ended 31 March 2018

	<-----Attributable to owners of the Company----->										
	<----- Non-distributable ----->							<-Distributable->			
12 months ended 31.3.2018 (Unaudited)	**Share Capital RM'000**	**Share Premium RM'000**	**Warrant Reserve RM'000**	**Other Reserve RM'000**	**Foreign Currency Translation Reserve RM'000**	**Revaluation Reserve RM'000**	**Fair Value Reserve RM'000**	**(Accumulated Losses) RM'000**	**Total Equity Attributable to Owners of the Company RM'000**	**Non-Controlling Interest RM'000**	**(Unaudited) Total Equity RM'000**
Balance as at 1.4.2017	**170,872**	**1,385**	**5,696**	**(5,696)**	**(1,404)**	**-**	**-**	**(26,755)**	**144,098**	**-**	**144,098**
Issuance of shares	**9,177**	**(146)**	**-**	**-**	**-**	**-**	**-**	**-**	**9,031**	**-**	**9,031**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**170**	**1,805**	**-**	**5,829**	**7,804**	**-**	**7,804**
Dividends	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,418)**	**(3,418)**	**-**	**(3,418)**
Balance as at 31.3.2018	**180,049**	**1,239**	**5,696**	**(5,696)**	**(1,234)**	**1,805**	**-**	**(24,344)**	**157,515**	**-**	**157,515**

	<-----Attributable to owners of the Company----->										
	<----- Non-distributable ----->							<-Distributable->			
12 months ended 31.3.2017 (Audited)	Share Capital RM'000	Share Premium RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	(Accumulated Losses) RM'000	Total Equity Attributable to Owners of the Company RM'000	Non-Controlling Interest RM'000	(Unaudited) Total Equity RM'000
Balance as at 1.4.2016	170,872	1,385	5,696	(5,696)	(1,119)	-	147	(30,949)	140,336	-	140,336
Total comprehensive income for the period	-	-	-	-	(285)	-	(147)	4,577	4,144	-	4,144
Balance as at 31.3.2017	170,872	1,385	5,696	(5,696)	(1,404)	-	-	(26,372)	144,480	-	144,480

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 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 2018

	Unaudited Current Year To Date 31.3.2018 RM'000	Audited Preceding Year Corresponding Period 31.3.2017 RM'000
Cash flows from operating activities		
Profit before tax	**6,030**	18,135
Adjustments for:		
Depreciation of property, plant and equipment	**3,907**	3,842
Property, plant and equipment written off	**30**	10
Gain on disposal of other investments	**-**	(185)
Loss on disposal of property, plant and equipment	**317**	341
Gain on disposal of investment property	**(1,162)**	(248)
Stock written down	**1**	(248)
Share of profit of associates	**(1,201)**	(23,196)
Interest expense	**4,559**	5,649
Interest income	**(482)**	(448)
Operating profit before changes in working capital	**11,999**	3,652
Working capital changes:		
Property development costs	**617**	(20,027)
Inventories	**745**	(335)
Receivables	**(24,514)**	(13,435)
Amount due from customers on contracts	**47,323**	10,622
Amount due from associates	**(12)**	7
Payables	**791**	22,264
Cash generated from operations	**36,949**	2,748
Income tax paid	**(2,200)**	(161)
Net cash generated from operating activities	**34,749**	2,587
Cash flows from investing activities		
Purchase of property, plant and equipment	**(290)**	(512)
Proceeds from disposal of property, plant and equipment	**933**	563
Proceeds from disposal of investment property	**7,713**	992
Proceeds from disposal of other investments	**-**	185
Land held for property development	**(2,878)**	(1,247)
Investment in associates	**(105)**	-
Interest received	**482**	448
Net cash generated from/(used in) investing activities	**5,855**	429
Cash flows from financing activities		
Proceeds from issuance of new shares	**9,031**	-
Hire purchase principal repayments	**(3,615)**	(3,189)
Drawdown of bank borrowings	**65,271**	58,041
Repayment of bank borrowings	**(83,535)**	(45,776)
Dividend paid	**(3,418)**	-
Interest paid	**(4,559)**	(5,649)
Net cash used in financing activities	**(20,825)**	**3,427**
Net increase in cash and cash equivalents	**19,779**	6,443
Effect of changes in exchange rates	**191**	-
Cash and cash equivalents as at beginning of financial period	**(6,271)**	(14,500)
Cash and cash equivalents as at end of financial period	**13,699**	(8,057)

Cash and cash equivalents as at end of financial period comprise the followings:-

Cash and bank balances	**25,503**	27,741
Overdrafts	**(11,804)**	(35,550)
	13,699	(7,809)

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 March 2017 and the accompanying explanatory notes attached to the Interim Statements)

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 2017. 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 2017.

The Malaysian Accounting Standard Board has given the Transitioning Entities the option to continue to apply the Financial Reporting Standards framework until 31 December 2017. 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 2018.

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 2017.

A3 Audit Report

The auditors' report on the financial statements for the financial year ended 31 March 2017 was not subject to any qualification.

A4 Seasonality or Cyclicality 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 period-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 period-to-date results.

A7 Changes in Debt and Equity Securities

The Company allotted 15,836,000 new ordinary shares on 15 December 2017 pursuant to a Subscription Agreement dated 4 December 2017. The new shares were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 20 December 2017. The new shares rank pari passu in all respects with the existing ordinary shares of the Company. The new shares were issued under the authority given by the Company's shareholders at its annual general meeting held on 30 August 2017 authorising the Board to allot and issue new shares not exceeding 10% of the total number of issued shares of the Company at any point in time.

Other than the above, there were no issuances, repurchases and repayments of debt and equity securities during the current quarter and financial year ended 31 March 2018.

A8 Dividend Paid

No dividend was paid during the financial quarter ended 31 March 2018.

A9 Segmental Information

Group revenue and results including Share of Associates

	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2018 RM'000	**31.3.2017 RM'000**	**31.3.2018 RM'000**	**31.3.2017 RM'000**
Segment Revenue				
Revenue				
Construction	**56,351**	65,525	**266,495**	270,220
Property development	**6,481**	37,703	**17,496**	42,776
Property investment	**210**	167	**775**	730
Trading and services	**8,646**	8,773	**32,917**	24,649
Investment holding and other	**3,054**	3,329	**11,704**	12,674
Total	**74,742**	115,496	**329,387**	351,049
Elimination of inter-segment sales	**(6,501)**	8,618	**(29,759)**	(23,611)
Total	**68,241**	124,114	**299,628**	327,438

	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2018 RM'000	**31.3.2017 RM'000**	**31.3.2018 RM'000**	**31.3.2017 RM'000**
Segment Results				
Profit/(loss) before tax				
Construction	**3,600**	(10,901)	**8,209**	(8,134)
Property development	**(1,097)**	10,897	**703**	9,569
Property investment	**(123)**	(129)	**654**	(166)
Trading and services	**(271)**	961	**(264)**	(942)
Investment holding and other	**(3,095)**	(17,511)	**(2,537)**	5,527
Total	**(986)**	(16,683)	**6,765**	5,854
Elimination of inter-segment items	**290**	2,876	**(735)**	(1,526)
Total	**(696)**	(13,807)	**6,030**	4,328

A10 Carrying Amount of Revalued Properties

The valuations of property, plant and equipment and investment properties have been brought forward, without any change, from the financial statements for the financial year ended 31 March 2017 except for the Group's investment properties. During the current financial year ended 31 March 2018, the Group had revalued its investment properties. The resultant revaluation surpluses of RM1.8 million for properties were recognised in financial statements.

A11 Material Subsequent Events

On 9 April 2018, the Company entered into the following agreements:

(a) a share purchase agreement with Hankyu Hanshin Properties Corp. ("Hankyu") for the proposed disposal of 2,307,363 issued and fully-paid ordinary shares in the capital of Meadowfield Sdn Bhd ("Meadowfield"), a wholly-owned subsidiary of the Company, to Hankyu, representing 8.03% of the total number of issued shares in Meadowfield for a total consideration of RM6 million ("Share Purchase Agreement").

The Share Purchase Agreement was completed on 8 May 2018.

(b) a share subscription agreement with Hankyu and Meadowfield for the subscription of first tranche of 9,614,011 and second tranche of 9,708,724 new shares in the capital of Meadowfield by Hankyu, representing 25.06% and 20.20% respectively of the post-subscription share capital of Meadowfield at a consideration of RM25 million and RM25.246 million respectively.

The first share subscription was completed on 8 May 2018 whilst the second share subscription is expected to be completed by the end of April 2019.

(c) a shareholders' agreement with Hankyu and Meadowfield to regulate the affairs of Meadowfield, the vehicle of the joint venture between the Company and Hankyu to carry out the Rimbun Kasia project, which upon completion of above share disposal and share subscription will be held 55% by the Company and 45% by Hankyu.

Save for the above, there were no other 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 Year Ended 31.3.2018 RM	Financial Year Ended 31.3.2017 RM
(i) Corporate guarantees for credit facilities granted to the Group	**35,872,223**	45,869,975

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 2018, the Group recorded revenue of RM299.628 million (after elimination of inter-segment sales of RM29.760 million) as compared to RM327.438 million (after elimination of inter-segment sales of RM23.611 million) for the preceding year corresponding year, representing an decrease of approximately 8%. Revenue for the current year is substantially attributable to the construction segment of the Group.

The revenue achieved by the construction segment is slightly lower at RM266.495 million in the current year, compared to RM270.220 million in the preceding year corresponding year. The major contributors to the revenue in construction segment are MRT Package V7, an office building contract at KL-Eco City, The RuMa Hotel and Residences and a design and build contract for industrial facilities at Kajang.

The property development segment recorded a lower revenue of RM17.496 million in the current year compared to RM42.776 million in the preceding year corresponding year. The revenue was mostly attributable to the industrial park development at ASTA Enterprise Park Kajang.

The trading and services segment comprised mainly IT solutions, property development management and services divisions. Revenue for the current year improved by approximately 33% mainly due contribution from IT solutions division which is undertaking a supply and installation of electric system contract.

B1 Review of Performance

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

For the financial year ended 31 March 2018, the Group recorded pre-tax profit of RM6.030 million (after elimination of inter-segment items of RM0.735 million), compared to the preceding year corresponding year of pre-tax profit RM4.328 million (after elimination of inter-segment items of RM1.526 million). The current results included a share of profit of Aseana Properties Limited ("ASPL") (a 23.07% associate of Ireka) of RM3.571 million (31 March 2017: Profit of RM9.461 million); a share of loss of Urban DNA Sdn Bhd ("Urban DNA") (a 30% associate of Ireka) of RM1.814 million (31 March 2017: Loss of RM1.474 million), and a share of loss of The RuMa Hotel KL Sdn Bhd of RM0.556 million (31 March 2017: Loss of RM0.002 million), attributable to pre-opening expenses. 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 or profit were recorded for the current financial year. For the purpose of this announcement, the Share of Associates and Investment in Associates are based on ASPL's latest published results for financial year ended 31 December 2017.

ASPL's profits are mainly attributable to gain on disposal of two plots of land at International Healthcare Park and gain on foreign currency translation differences for foreign operations, offset by operating losses and finance costs of its three operating assets, being City International Hospital HCMC, Four Points by Sheraton Sandakan Hotel and Harbour Mall Sandakan.

The construction segment recorded a higher profit of RM8.209 million (31 March 2017: Loss of RM8.134 million) before elimination of inter-segment items of RM0.397 million (31 March 2017: RM1.309 million). This was mainly attributable to improved operating margin and lower finance costs incurred during the period.

The property development segment recorded a profit of RM0.703 million (31 March 2017: Profit of RM9.569 million), before elimination of inter-segment items of RM0.755 million (31 March 2017: RM0.978 million). The profit was mainly attributable to the industrial park development at ASTA Enterprise Park Kajang.

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

The Group achieved a lower revenue of RM68.241 million in the current quarter as compared to RM124.114 million in the preceding year corresponding quarter. This was substantially due to lower contributions from its construction and property development segments in the current quarter.

For the financial quarter ended 31 March 2018, the Group recorded a pre-tax loss of RM0.696 million as compared to a pre-tax loss of RM13.807 million in the preceding year corresponding quarter. This is mainly due to share of losses in ASPL of RM14.225 million in preceding year corresponding quarter.

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

The Group recorded lower revenue of RM68.241 million in the fourth quarter of financial year ending 31 March 2018, compared to RM87.905 million in the immediate preceding quarter. This is mainly due to lower turnover achieved by the construction segment, following the completion of certain projects. The Group recorded a pre-tax loss of RM0.696 million compared to a pre-tax profit of RM2.302 million in the last quarter. The reason of lower pre-tax profit as compared to immediate preceding quarter is due to the sale of an investment property in the immediate preceding quarter.

B3 Prospects for the Current Financial Year

On the construction front, the Group has tendered for about RM3.682 billion worth of contracts over the last twelve months. In October 2017, the Group secured a contract from Pantai Medical Centre Sdn Bhd to complete some incomplete refurbishment works for a contract sum of about RM60.748 million. In April 2018, the Group also secured a contract from Pantai Hospital Ayer Keroh (a branch of Pantai Medical Centre Sdn Bhd) to construct an additional 1-storey basement and 8-storey hospital and refurbishment of existing hospital building for a contract sum of about RM91.960 million over 24-month construction period.

As at 31 March 2018, the Group's order book stood at about RM800 million, of which about RM310 million remained outstanding. The Group is actively tendering for external construction contracts and also expects construction works to be generated internally from its property development division.

On the property development front, construction of The RuMa Hotel and Residences, KLCC ("The RuMa") which is 70% owned by ASPL and 30% by the company, is expected to complete in August 2018. ASPL adopted IFRIC 15– Agreements for Construction of Real Estate, which prescribes that revenue and profit be recognised only when the properties are completed and occupancy permits are issued. Hence, we expect The RuMa to contribute positively to the results of the Group in the current financial year.

The Group is planning to launch two projects in the current financial year. The first project is targeted to launch in June under the project name of KaMi. It comprises 168 units of serviced residence in Mont' Kiara under the I-Zen brand. The second project, undertaken jointly with Hankyu Hanshin Properties Corp., is planned for launching in October 2018 under Dwi@Rimbun Kasia located at Nilai, and comprises 382 units of mid-market courtyard condominiums under the Group's mid-market zenZ brand.

B3 Prospects for the Current Financial Year (continued)

Ireka had in December 2017 placed out 15,836,000 new shares, representing 8.48% equity interest in Ireka's current share capital, to CRRC Urban Traffic (Europe) Co Ltd. Following this, Ireka had signed Memorandum of Understanding with CRRC Urban Traffic Co. Ltd. ("CRRC UT") and Shentong Express Co. Ltd. ("STO") to pursue business opportunities, among others, urban transportation and logistics businesses. The partnership of Ireka, CRRC UT and STO will create a strategic alliance that provides a platform for this tri-partite relationship to leverage on each other's strength.

It is expected that the Group will continue to benefit from the profit and cash realisation from ASPL as the company successfully divest its portfolio of assets.

B4 Profit Forecast

The Group did not issue any profit forecast for the financial year ended 31 March 2018.

B5 Profit for the Period

Included in profit for the period are:-

	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2018 RM'000	**31.3.2017 RM'000**	**31.3.2018 RM'000**	**31.3.2017 RM'000**
Bad debt written off	**-**	(1)	**-**	(1)
Stock written off	**-**	(1)	**-**	(1)
Stock written down	**(1)**	-	**(1)**	-
Depreciation of property, plant and equipment	**(969)**	(1,260)	**(3,907)**	(5,092)
(Loss)/gain on disposal of property, plant and equipment	**(1,772)**	407	**(317)**	66
Loss on disposal of investments in associate	**-**	(2,653)	**-**	(2,653)
Property, plant and equipment written off	**(7)**	(5)	**(30)**	(15)
Interest expense	**(1,111)**	(1,599)	**(4,559)**	(7,248)
(Loss)/gain on disposal of investment properties	**-**	-	**(630)**	248
Gain on disposal of other investments	**-**	-	**-**	185
Net foreign exchange (loss)/gain	**(114)**	241	**(343)**	2,753
Interest income	**97**	228	**482**	676

Other than the above items, there were no exceptional items for the current quarter and financial year ended 31 March 2018.

B6 Taxation

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

	Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
	31.3.2018 RM'000	**31.3.2017 RM'000**	**31.3.2018 RM'000**	**31.3.2017 RM'000**
Malaysian income tax credit/(expense)	**59**	4	**(201)**	248
	59	4	**(201)**	248

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 as disclosed in A11 (a) and (b), there were no other corporate proposals announced but not completed.

The issuance of new shares under the Subscription Agreement dated 4 December 2017 raised a total proceeds of RM9,176,962 and the status of utilisation is as follows :-

	Estimated timeframe for utilisation	**Proposed utilisation (RM)**	**Actual utilisation (RM)**	**Balance (RM)**
Working Capital	Within 12 months from receipt of funds	9,026,962	4,273	9,022,689
Related Expenses	Within 1 month from receipt of funds	150,000	150,000	0
Total		9,176,962	154,273	9,022,689

The actual related expenses exceeded the estimated amount by RM4,273 and the short fall was taken from the amount allocated for working capital.

B8 Group Borrowings and Debt Securities

		Financial Quarter Ended 31.3.2018 RM'000	Financial Quarter Ended 31.3.2017 RM'000
(a)	Short term borrowings		
	Secured:-		
	Term loans	**18,500**	-
	Hire purchase/leasing	**3,154**	3,634
	Trade finance	**23,701**	24,749
	Bank overdrafts	**11,804**	17,699
	Revolving credit	**23,125**	32,284
		80,284	78,366
	Unsecured:-		
	Bank overdrafts	**-**	1,000
	Revolving credit	**-**	1,000
		80,284	80,366
(b)	Long term borrowings		
	Secured:-		
	Term loans	**16,960**	42,518
	Hire purchase/leasing	**481**	3,334
		17,441	45,852
(c)	Total borrowings	**97,725**	126,218

For the financial quarter ended 31 March 2018, the Group's total borrowings have reduced by RM28.493 million as compared to the preceding year financial quarter ended 31 March 2017. This reduction is due to repayment of certain project financing loans on the construction segment.

B9 Material Litigations

The Group was not engaged in any material litigation as at 25 May 2018.

B10 Dividend Proposed

The Board of Directors shall consider recommendation of dividend payment in respect of the financial year ended 31 March 2018 upon finalisation of the audited accounts.

B11 (Loss)/Earnings per Share

		Individual Quarter 3 Months Ended		Cumulative Period 12 Months Ended	
		31.3.2018	**31.3.2017**	**31.3.2018**	**31.3.2017**
(a)	Basic				
	(Loss)/profit for the period attributable to owners of the Company (RM'000)	**(637)**	(13,802)	**5,829**	4,577
	Weighted average number of ordinary shares	**186,708,050**	170,872,050	**175,514,384**	170,872,050
	Basic (loss)/earnings per share (sen)	**(0.34)**	(8.08)	**3.32**	2.68
(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
31 May 2018