

PRESS RELEASE



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IREKA ANNOUNCES UNAUDITED RESULTS FOR FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 MARCH 2018

Kuala Lumpur- May 31, 2018 - Ireka Corporation Berhad (Ireka) today announced its unaudited financial results for the fourth quarter (4Q 2018) and financial year ended 31 March 2018 (FY2018).

For FY2018, Ireka recorded lower revenue of RM299.628 million as compared to RM327.438 million for the preceding year. The Group however achieved higher pre-tax profit of RM6.030 million, compared to RM4.328 million in the preceding year. This results included a share of profit of Aseana Properties Limited (ASPL, a 23.07% associate of Ireka) of RM3.571 million and a share of loss of Urban DNA Sdn Bhd (Urban DNA, a 30% associate of Ireka) of RM1.814 million. Meanwhile, the construction segment achieved a higher profit of RM 8.209 million, as compared to a loss of RM8.134 million in the preceding year, mainly due to improved operating margin and lower finance costs.

For 4Q 2018, the Group recorded revenue of RM68.241million compared to RM87.905 million in 3Q 2018 and RM124.114 million in the preceding year's corresponding quarter respectively. This is mainly due to lower contribution from its construction segment following the completion of certain projects and from the property development segment in the current quarter. The Group recorded a pre-tax loss of RM0.696 million in the current quarter, compared to a pre-tax profit of RM2.302 million in 3Q 2018, and pre-tax loss of RM13.807 million in the preceding year's corresponding quarter.

Revenue for the current financial year is mainly attributable to Ireka's construction segment, amounting to RM266.495 million in the current year, compared to RM270.220 million in the preceding year. The major contributors to the construction segment are MRT Package V7, an office building contract at KL-Eco City and The RuMa Hotel and Residences. The property development segment also recorded lower revenue of RM17.496 million in the current year compared to RM42.776 million in the preceding year, which is substantially attributed to the industrial development at ASTA Enterprise Park Kajang.

Prospect

On the construction front, the Group has tendered for about RM3.682 billion worth of contracts over the past 12 months. In October 2017, the Group secured a contract from Pantai Medical Centre Sdn Bhd to complete some 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 RM91.959 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 segment.

On the property development front, the construction of RuMa Hotel and Residences (70% owned by ASPL and 30% by Ireka) is slated for completion in August 2018. The completion of the project will see positive contribution to the Group's financial results 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.

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.

THE END

About Ireka Corporation Berhad:

Ireka Corporation Berhad ('Ireka') www.ireka.com.my was founded in 1967. Ireka was listed on the Second Board of Bursa Malaysia on 12 July 1993, and transferred to the Main Board (now known as Main Market) on 13 June 2002. Currently, the Group's activities are divided into three core businesses; namely **Infrastructure**, **Real Estate**, and **Technologies**. *Note: The diagram below indicates key entities only.*



Infrastructure

Real Estate

Technologies

Ireka Engineering & Construction SB (100%)

- Ireka Development Management SB (100%)
- Investment: Aseana Properties Ltd (23%)

i-Tech NetworkSolutions SB (100%)

In its over five decades of operation in the **Infrastructure** business, Ireka has distinguished itself by its involvement in constructing some of the country's most notable projects; such as

the MRT V7 rail line, the Kuala Lumpur International Airport runway, Kuala Lumpur Middle-Ring Road II, North-South Expressway, Putrajaya Government Administrative Offices, DiGi Corporate Office (D'House), Technology Park Malaysia, The Westin Kuala Lumpur, OCBC Head Office and Wisma AIG.

For more information, please visit www.ireka.com.my