20 April 2011

Aseana Properties Limited
("Aseana" or "the Company")

Full Year Results for the Year Ended 31 December 2010

The Board of Directors (the "Board") of Aseana Properties Limited (LSE: ASPL), a property developer in Malaysia and Vietnam listed on the Main Market of the London Stock Exchange, is pleased to announce its audited results of the Company and its subsidiaries (the "Group" or "Aseana Properties") for the year ended 31 December 2010*.

Financial Highlights

- Group revenue increased by 55.6% to US$179.3 million (2009:US$115.3 million) mainly attributed to the recognition of US$166.3 million revenue upon completion of 1 Mont' Kiara and sale of completed properties of US$12.4 million **
- Net loss before taxation of US$15.4 million (2009: net profit before taxation US$4.3 million) included losses from disposal of 1 Mont' Kiara retail mall and office tower of US$6.7 million (2009: US$ Nil) and marketing expenses of US$10.0 million (2009: US$4.8 million)
- The consolidated comprehensive loss of US$13.3 million (2009: consolidated comprehensive profit of US$0.5 million) included gain arising from foreign currency translation differences for foreign operations of US$3.1 million (2009: loss of US$0.2 million) and gains arising from changes in the fair value of available-for sale investments of US$4.8 million (2009: US$ Nil)
- Loss per share of US Cents 9.51 (2009: Earnings per share of US Cents 0.37)
- Group net asset value per share of US Cents 90.77 (2009: US Cents 96.49)

Operational Highlights

- Commencement of construction of the first phase of the International Hi-Tech Healthcare Park in Binh Tan District, Ho Chi Minh City began in May 2010
- Conditional acquisition of a four-star business hotel in Kuala Lumpur Sentral in July 2010
  - Development is under construction and due for completion in the fourth quarter of 2012
  - Aseana Properties is currently in advanced discussion with Starwood Hotel and Resorts Worldwide, Inc. to manage the hotel under the 'aloft' brand
- Disposal of the office tower and retail mall components of 1 Mont' Kiara to ARA Asia Dragon Fund in July 2010 for US$103.7 million. The transaction was completed in December 2010.
- Completion and successful handover of office suites, office tower and retail mall of 1 Mont' Kiara to buyers in November 2010, with a total gross development value of US$166.3 million
- Partnership announced in August 2010 with PRUPIM Vietnam Property Fund to develop the Tan Thuan Dong residential project together with Nam Long Investment Corporation
- Withdrawal from acquisition of development land at Mont Kiara in January 2011 due to uncertainty in receiving the necessary approvals from the relevant authorities
- Completed Phase 1 of the luxury condominiums at SENI Mont' Kiara in February 2011 with Certificate of Fitness received in April 2011.

* These results have been extracted from the Annual Report and financial statements, and do not constitute the Group's Annual Report and financial statements for the year ended 31 December 2010. The financial statements for 2010 have been prepared under International Financial Reporting Standards. The auditors, KPMG Audit Plc, have reported on those financial statements. Their report was unqualified and did not include a reference to any matters to which the auditors draw attention by way of emphasis without qualifying their report.

** The Group has adopted IFRIC 15 – Agreements for the Construction of Real Estate, which prescribes that revenue be recognised only when the properties are completed and occupancy permits are issued. This has resulted in certain costs being recognised ahead of revenue during the year.

Commenting on the Company's results, Mohammed Azlan Hashim, Chairman of Aseana Properties Limited said:

"The sale of 1 Mont' Kiara retail mall and office tower is in line with our current strategy to bring capital back to the Group. We are looking forward to the completion of SENI Mont' Kiara this year which will further strengthen our financial position.

On the Vietnam front, we are excited that the Group has started on the construction of the private tertiary care hospital at the International Hi-Tech Healthcare Park in Ho Chi Minh City. We are confident that progress in the other projects will also pick up in the current year."

-Ends-

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Notes to Editors:

London-listed Aseana Properties Limited (LSE: ASPL) is a property developer investing in Malaysia and Vietnam.

Aseana typically invests in development projects at pre-construction stage. Investment is made in projects where it is believed there will be a minimum 30% annualised return on equity ("ROE") on investments in Vietnam and a minimum 20% ROE on investments in Malaysia.

Ireka Development Management Sdn Bhd ("IDM") is the exclusive Development Manager for Aseana. It is a wholly-owned subsidiary of Ireka Corporation Berhad, a company listed on the Bursa Malaysia since 1993, which has over 40 years experience in construction and property development. IDM is responsible for the day-to-day management of Aseana's property portfolio and the introduction and facilitation of new investment opportunities.

CHAIRMAN'S STATEMENT

Many view 2010 as a watershed year for the world economy after the tumultuous events in 2008 and 2009. The world's economies started to recover from negative growth, spearheaded by the Asian nations, followed by US stock markets reaching the levels before the Lehman Brothers' crash of 2008. The capital markets for the new issuance of stocks and bonds also began to see signs of recovery, especially in Asia. As this annual report goes to print, the hope of recovery continuing in 2011 may be punctuated by unprecedented events like the devastating earthquake in Japan and the political unrest in the Middle East. The world's economies once again have to contend with high oil prices, continuing inflationary pressures and the threat of recession.

Closer to home for Aseana Properties and its group of companies ("the Group"), both the Malaysian and Vietnamese economies have fared well in 2010, with Gross Domestic Product growing by 7.2% and 6.8% respectively. Both economies are however facing challenges to sustain growth in the year ahead, not just from external pressures, but also from internal structural issues that the respective governments are dealing with.

In Malaysia, business activity in 2010 has been spurred by the introduction of the Government-initiated Economic Transformation Programme ("ETP"). The ETP initiative aims to lift the nation from being in a 'middle-income trap' by raising the Gross National Income per capita from US$6,700 to US$15,000 in nine years through a series of government-initiated, private sector-led investment projects. One significant project that will benefit Aseana Properties is the extension of the Kuala Lumpur rail system to key urban and suburban areas. This plan to extend the public transport system will certainly attract potential buyers or investors to suburban areas such as Mont' Kiara. The successful and timely implementation of these bold projects will weigh on the outlook for Malaysia until clear progress and results from these policies are evident.

In Vietnam, the Government continues to deal with a weak and devaluing local currency, the Vietnamese Dong, and high inflationary pressures. International investors' confidence had also been rocked in 2010 by the default of Vinashin, a state-owned ship builder, on a US dollar bond. The Government has made efforts to balance growth and inflation by raising the benchmark interest rate twice in early 2011. However, in the short to medium term, investors expect that the Government's priorities will be to instil greater confidence in the Vietnamese Dong and to demonstrate a clearer commitment to reforming and improving productivity of state-owned enterprises.

Against this economic backdrop, Aseana Properties has steadfastly continued to implement its development strategy, balancing between growth and managing near term risks. Key milestones achieved in 2010 and the year to date include:

- Start construction of the first phase of the International Hi-tech Healthcare Park in Binh Tan District, Ho Chi Minh City in May 2010, which comprises a 250-bed general hospital. In December 2010, the joint venture company, Hoa-Lam – Shangri-La Limited Liability Company entered into a long term hospital management agreement with Parkway Holdings Limited, one of Asia's largest and leading private healthcare groups, to manage the day-to-day operations of the hospital. Construction of the first phase residential development is expected to commence towards the end of 2011. Aseana Properties owns an effective 51% share of the International Hi-tech Healthcare Park project.

- Acquisition of the Kuala Lumpur Sentral Hotel from Excellent Bonanza Sdn. Bhd. ("EBSB") in July 2010. EBSB, the developer of the two office towers and a four-star business hotel at Kuala Lumpur Sentral, is jointly owned by Aseana Properties and Malaysian Resources Corporation Berhad on a 40:60 basis. Aseana Properties is currently in advanced negotiations with Starwood Hotel and Resorts Worldwide, Inc. to manage the hotel under the 'aloft' brand, offering business and leisure travellers easy access to and from anywhere around the city and the Kuala Lumpur International Airport.

- Disposal of the 1 Mont' Kiara office tower and retail mall, to ARA Asia Dragon Fund in July 2010. 1 Mont' Kiara was jointly developed by Aseana Properties and MCDF Investment Pte. Ltd., a private equity fund managed by CapitaLand Financial Limited. With the softening office market, the Board decided to sell the two properties and return capital to the Group instead of retaining them as investment assets. The disposal also removed the requirement to refinance development loans that were due in 2011.

- Withdrawal from the acquisition of development land in TM Mont Kiara Commercial Development in January 2011 due to uncertainty of receiving the necessary approvals from the relevant authorities. The funds set aside for this project have now been reallocated to existing projects. Aseana Properties originally entered into a conditional agreement to purchase the land from a subsidiary of Ireka in August 2007, who itself had entered into a conditional acquisition agreement with a third party on behalf of Aseana Properties shortly before its London Stock Exchange listing.

In 2010, Aseana Properties also experienced a setback in launching its first residential development in Vietnam. The Tan Thuan Dong project in District 7, Ho Chi Minh City experienced unexpected delays in obtaining final master plan approvals from the relevant authorities due to changes in land usage. The project team is working closely with our local partner, Nam Long Investment Corporation, to resolve matters. Full approvals for the project are now expected towards the third quarter of 2011. In August 2010, Aseana Properties had entered into a conditional Sales & Purchase Agreement with PRUPIM Vietnam Property Fund, which is managed by Prudential Property Investment Management (Singapore) Pte. Ltd. ("PRUPIM Singapore") to dispose of an effective stake of 39.2% in the project. The completion of the disposal to PRUPIM Singapore is expected after full approvals from relevant authorities are obtained, which include the investment license and the transfer of the land use rights, hence enabling Aseana Properties to complete its original investment and the Nam Long joint venture to be established.

The Board expects 2011 to be another busy and eventful year for Aseana Properties as we work towards completing several key projects. Phase 1 of SENI Mont' Kiara achieved physical construction completion in February 2011, and the Certificate of Fitness was obtained in April 2011. The units will be delivered progressively to the end buyers from April 2011. Phase 2 of SENI Mont' Kiara is expected to be completed in September 2011. We are also looking forward to the completion of the Sandakan Harbour Square development, where the retail mall and Four Points by Sheraton Hotel are expected to commence operation in the fourth quarter of 2011.

The property sectors in Malaysia and Vietnam are expected to experience moderate growth in 2011. The long term nature of property development projects requires persistence and dexterity in managing through the various cycles of the economy. The Board remains confident that the combination of our experienced Development Manager and the quality of our property portfolio will position the company as the investment gateway to the real estate markets in Malaysia and Vietnam.

On the corporate front, the Board has appointed Panmure Gordon & Co as its financial adviser and broker, replacing Fairfax I.S. Plc, and has appointed KPMG Audit Plc as the Group auditor replacing Mazars. This demonstrates the Group's continual commitment in maintaining a high standard of corporate governance.

Finally, I would like to thank my fellow Directors for their commitment, support and guidance throughout the year. I also wish to extend my gratitude to the shareholders, Government authorities, financiers and business associates for their continued support and confidence in Aseana Properties.

MOHAMMED AZLAN HASHIM
Chairman
19 April 2011

DEVELOPMENT MANAGER'S REVIEW

BUSINESS OVERVIEW

2010 has been a busy year for the Board and the Development Manager as the Group worked towards completing two significant projects in the portfolio. In November 2010, the Group completed construction of the mixed office and retail development at 1 Mont' Kiara, followed by the completion of Phase 1 of the luxury condominiums at SENI Mont' Kiara in February 2011 and obtaining Certificate of Fitness in April 2011.

To return capital to the Group, the final two components of retail mall and office tower at 1 Mont' Kiara were sold to ARA Asia Dragon Fund, a Singapore-based real estate investment fund, the sale of which was completed in December 2010. 1 Mont' Kiara development was a 50:50 joint venture between Aseana Properties and MCDF Investment Pte Ltd., a private equity fund managed by CapitaLand Financial Limited. The joint venture received gross consideration of RM333 million (US$104 million). The third component of 1 Mont' Kiara development is a 34-storey building consisting of 186 office suites, which have been fully sold to individual buyers for total sales proceeds of RM200million (US$62 million). The debt outstanding on the project as at 31 December 2010 of RM225.0 million (US$72.9 million) was fully repaid in January 2011. The final distribution from the joint venture is being finalised.

The Group also extended its involvement in the Kuala Lumpur Sentral project by acquiring the four-star business hotel that is currently being developed by Excellent Bonanza Sdn. Bhd., a 40:60 joint venture between Aseana Properties and Malaysian Resources Corporation Berhad. Kuala Lumpur Sentral, alongside the Kuala Lumpur City Centre ("KLCC"), has been a top performing hotel location in Malaysia for the past few years. Aseana Properties is currently in advanced negotiations with Starwood Hotel and Resorts Worldwide, Inc. to manage the hotel under its 'aloft' brand. With its prime location and a buoyant business travel market, the Development Manager believes this is a strategic investment for the Group, with sound capital appreciation potential in the medium term.

In May 2010, the Group achieved a significant milestone in Vietnam by commencing construction on the 250-bed tertiary care City International Hospital. The City International Hospital forms the first phase of the International Hi-tech Healthcare Park, with a residential development to commence in the latter part of 2011. City International Hospital will be managed by Parkway Health, Asia's largest and leading private healthcare group.

The Group, however, experienced some setbacks in launching its first residential development project in Vietnam. Construction of the Tan Thuan Dong project was planned to commence in early 2011 but has experienced delays in obtaining final approvals from the relevant authorities. Full approval for the project is now expected towards the third quarter of 2011.

Malaysia Economic Update

The Malaysian economy registered a strong gross domestic product ("GDP") growth of 7.2% in 2010 (2009: -1.7%), exceeding the Government's revised growth rate of 6%, which was forecasted in June 2010. The domestic economy is expected to remain strong with continued growth in private consumption and investment, augmented by public investment spending.

This was reflected by the Consumer Sentiments Index which stood firm at 117.2 points at the end of year 2010, backed by sustained employment. However, the Business Conditions Index declined to

99.5 points (value below the 100 points threshold represents expectations of contraction) because of lower demand and global inflationary pressures arising from higher commodities and food prices.

During the first seven months of 2010, the Central Bank of Malaysia increased the overnight policy rate three times by a total of 75 basis points to stabilise at 2.75%. Moving forward, while the stance on monetary policy is expected to remain supportive of growth, the Central Bank is expected to keep a close watch on balancing between inflation and sustained growth of the economy. In March 2011, the Central Bank decided to increase the statutory reserve requirement for banks by 100 basis points to 2.00%, effective from 1 April 2011, as a pre-emptive measure to manage the risk of increasing liquidity in the economy.

In November 2010, the Central Bank of Malaysia implemented a maximum loan-to-value ("LTV") ratio of 70% for borrowers seeking financing to purchase a third house. Financing for purchases of first and second homes are not affected, and borrowers will continue to be able to obtain financing for these purchases at the present prevailing LTV level applied by individual banks, based on their internal credit policies. This measure aims to support a stable and sustainable property market, and promote the continued affordability of homes for the general public.

In October 2010, the Government launched the Economic Transformation Programme ("ETP"). The ETP includes 131 high impact entry point projects spread across 12 national key economic areas which aim to transform the country into a high income nation by 2020. These projects range from improvements in public infrastructure and facilities, to tourism projects and to improving efficiencies and productivity in key industries in Malaysia. To date, 60 entry point projects with total investment of RM95.0 billion, aimed at contributing an additional RM137.2 billion to the nation's Gross National Income, have commenced.

Vietnam Economic Update

The Vietnamese economy grew by 6.8% in 2010, exceeding the Government's target growth rate of 6.5%, with most economic sectors posting higher growth than last year. Key sectors leading the growth include the industrial and construction sector, with 7.7% growth, followed by the services sector with 7.52%.

The State Bank of Vietnam ("SBV") maintained the prime interest rate at a low of 8% for the first 10 months of 2010. Subsequently on 5 November 2010, SBV increased the prime interest rate to 9%. In addition, the SBV increased the capital adequacy ratio for financial institutions from 8 to 9% in October 2010. Between February and April 2011, the refinancing rate was raised three times, from 9 to 13% as a part of the efforts to control rising prices. These actions resulted in lending rates for individual borrowers and companies increasing sharply during the fourth quarter of 2010 with rates reaching as high as 18 to 20%, making access to credit challenging for many developers and home buyers.

Year on year, inflation stood at 11.75% at the end of December 2010. Foodstuff, housing, construction materials and education were the main sectors that saw large price hikes. The inflation rate has been exacerbated by high food and crude oil prices globally. The Vietnamese Dong has also been the focus of the SBV. On 11 February 2011, the SBV devalued the Vietnamese Dong against the US Dollar by 9.3%, its third devaluation within the last 13 months. The SBV also narrowed the trading band for the Vietnamese Dong from 3 to 1%. The international financial community has been highly critical of the monetary and exchange rate policies of the SBV. However, the Government of

Vietnam has reaffirmed its confidence in the SBV actions as long-term measures towards instilling stability in the exchange rate regime and promoting sustainable growth in the economy.

Despite the short term economic imbalances, Vietnam continues to attract Foreign Direct Investment ("FDI"), recording a total pledged FDI of US$18.6 billion in 2010. Whilst the total pledged FDI represents a 17.8% reduction from 2009, the FDI disbursement for 2010 hit US$11.0 billion, up 10% from a year earlier.

PORTFOLIO REVIEW

MALAYSIA

Residential Property Market

After a relatively quiet 2009, 2010 saw developers launching residential projects on the back of renewed buying confidence. However, the number of new launches of condominiums in the high-end market declined by 31% compared with 2009, while new landed and gated properties in sought after locations achieved new benchmark prices. The market for residential properties continues to be competitive for developers, where buyers are offered incentive schemes which may include price rebates, zero interest and principal repayment during construction and free legal fees. This trend of a 'buyers market' is expected to continue in 2011.

The surge in landed residential property prices in some locations has raised concerns of a property bubble. The Central Bank's swift action in imposing a 70% loan-to-value cap for financing of third residential properties, has led to a short-term pullback by investors. However, the effect on the property market is not expected to be significant as the market is largely dominated by primary as opposed to speculative buyers. Property prices at the high-end segment of the market have remained stable over the past year, a trend that is expected to continue in 2011 as a result of a scarcity in prime development land in sought after locations such as KLCC, Bangsar and Mont' Kiara.

Aseana Properties has three residential projects in Malaysia, located in sought after residential locations of Mont' Kiara and KLCC:

- **SENI Mont' Kiara**
  Owned 100% by Aseana Properties, SENI Mont' Kiara is an upmarket condominium development situated on one of the highest points in Mont' Kiara. Towering some 40-storeys above this vantage point, the majority of the units command impressive views of the city skyline, which includes the 88-storey Petronas Twin Towers and the KL Tower. The project consists of 605 residential units of which 67% have been sold to date, with sale and purchase agreements signed. Phase 1 of the project was physically completed in February 2011, and the Certificate of Fitness was obtained in April 2011. The units are expected to be handed over progressively to home buyers from April 2011. Phase 2 is due for completion in September 2011. Other than Malaysia, the remaining units are actively marketed overseas in China, South Korea, Taiwan, Bangladesh and Singapore. The development is funded by progressive payments from buyers and a bridging loan facility of RM92.9 million (US$30.1 million), of which RM42.9 million (US$13.9 million) was drawn down as at 31 December 2010.

- **Tiffani by i-ZEN**
  Tiffani by i-ZEN, wholly-owned by Aseana Properties, is a completed luxury condominium project located in Mont' Kiara. 95% of the 399 residential units have been sold to date, with sales and purchase agreements signed. The debt of the project has been fully repaid.

- **KLCC Kia Peng Residential Project**
  KLCC Kia Peng Residential Project is a project located in the heart of KLCC on Jalan Kia Peng, near neighbouring landmarks such as KLCC Convention Centre, Suria KLCC shopping mall, KLCC park and the world famous Petronas Twin Towers. With a development land area of approximately 43,559 square feet, the Group plans to develop an upmarket residential project. The project is currently in the process of obtaining development approvals from the authorities and construction is expected to start in the second half of 2011. This project is owned 70% by Aseana Properties and 30% by Ireka Corporation Berhad. The land was part financed by a term loan facility of RM65.3 million (US$21.2 million) obtained by the joint venture entity, which was fully drawn down at 31 December 2010, and Aseana Properties expects to secure further financing for the joint venture when the development commences.

Commercial Office and Retail Property Market

The Kuala Lumpur office market remained soft in 2010, with average rental rates facing downward pressure, as a result of an increase in supply during 2010 and beyond. Compounded by the effect of business confidence remaining tepid throughout the year, the take-up rate of new offices remained slow in 2010. The year, however, was relatively active for transactions in the office suites market. Office suites are typically stratified offices of various sizes, within an office block, that are sold to end buyers. Completed office suite units in prime locations such as Bangsar and Mont' Kiara, including Aseana Properties' recently completed 1 Mont' Kiara, are transacted at a 20 to 40% gain from the original selling prices. New office suite launches in Kuala Lumpur Sentral and other decentralised office areas such as Kelana Jaya and Bangsar South have also reported a healthy take-up rate.

Retailers and consumer sentiments were positive during the first half of 2010 as a result of solid GDP growth, consistently low unemployment, rising disposable incomes and a strong tourism industry. Despite moderate growth during the second half of the year, sentiment continued to remain positive because of the festive period and school holidays.

Key established shopping malls in Kuala Lumpur such as Bangsar Shopping Centre, Gardens, Pavilion, Farenheit 88 and Suria KLCC all saw active renewal of leases and the entry of new international retailers offering fresh retail concepts in Malaysia. The entrance of new market players as well as the numerous expansion plans announced by retailers suggested high levels of confidence in the local retail market. The Group's recently completed 1 Mont' Kiara mall has fared well in attracting various local and regional brands with more than 40% committed leases at the end of December 2010. With sound initial performance, the 1 Mont' Kiara mall is set to become the hub of leisure and retail activities in Mont' Kiara neighbourhoods over the coming years.

The ETP has also identified retail and tourism as one of the key drivers of growth for Malaysia. Various projects and incentives are expected to be announced in the coming years, providing a boost for the retail and tourism industries.

With the completion and disposal of the 1 Mont' Kiara mixed office and retail development in 2010, the Group currently has two ongoing commercial office, retail and hospitality developments and one hospitality development in the pipeline. These developments are set to benefit from the buoyant and improving sentiment in the retail and tourism markets.

- **Kuala Lumpur Sentral Project**
  Kuala Lumpur Sentral project is a mixed commercial and hospitality development project consisting of two office towers and a business class hotel, centrally located in Kuala Lumpur's urban transportation hub. The project is owned and developed by Excellent Bonanza Sdn. Bhd. ("EBSB"), which is jointly owned by Aseana Properties and Malaysian Resources Corporation Berhad on a 40:60 basis. The project is now under construction and is expected to be completed in the fourth quarter of 2012. Kuala Lumpur Sentral is currently the most sought after commercial centre in Kuala Lumpur with a number of multinational companies such as General Electric, Shell, BP and PricewaterhouseCoopers locating their headquarters there.

  The two office towers have been conditionally sold for approximately RM623 million (US$194 million), with the receipt of an initial deposit and the balance payable upon completion of the office towers, expected by the fourth quarter of 2012. Aseana Properties entered into an agreement to conditionally acquire the hotel in July 2010 from Excellent Bonanza Sdn. Bhd. for a consideration of 112.5% of the total development cost. The consideration is expected to be in the region of RM217 million (approximately US$66 million), which is payable upon completion of the hotel, expected by the fourth quarter of 2012. Aseana Properties is currently in advanced negotiations with Starwood Hotel and Resorts Worldwide, Inc to manage the hotel under its 'aloft' brand.

- **Sandakan Harbour Square**
  Sandakan Harbour Square, wholly-owned by Aseana Properties, is an urban redevelopment project in the commercial centre of Sandakan, Sabah. Sandakan is a city with a population of approximately 500,000, with eco-tourism and palm oil plantations as the main drivers of the local economy. The completed Phases 1 and 2 comprise 129 shop lots, of which Phase 1 is fully sold and Phase 2 is 93% sold to date with sale and purchase agreements signed. Phases 3 and 4 consist of the first retail mall and the first international four-star hotel in Sandakan. The hotel will be managed by Starwood Hotels & Resorts Worldwide, Inc. under the 'Four Points by Sheraton' brand name. Both the third and fourth phases of the development are targeted to complete and open by December 2011. The development is funded by a syndicated term loan facility of RM212.0 million (US$68.7 million), of which RM116.1 million (US$37.6 million) had been drawn down as at 31 December 2010.

- **Kota Kinabalu Seafront resort & residences**
  Facing the South China Sea, this project is a resort-themed development consisting of a boutique resort hotel, resort villas and resort homes at the seaside area in Kota Kinabalu, Sabah. Aseana Properties acquired three contiguous plots of land of approximately 80 acres in September 2008. In August 2008, Aseana Properties entered into a joint venture agreement to develop the resort homes with Global Evergroup Sdn Bhd, a related party of the land owner on a 80:20 basis. Aseana Properties intended to develop the hotel and villas on its own. Due to the current market conditions in the resort market, the Board has decided to delay the start of this project until the resort market recovers.

VIETNAM

Residential Property Market

In 2010, the residential property market in Ho Chi Minh City ("HCMC") continues to recover from the lows of the previous two years. Average prices of new apartments in HCMC increased by a healthy 10% in year 2010 to approximately US$1,079 per square metre. New landed residential villas in suburban locations such as District 7 and 9 have also fared well, in particular developments by strong and reputable developers.

Demand in the low to affordable segment is expected to continue to surpass other sectors. For example, the affordable housing segment continues to be the main revenue and earnings driver for Nam Long Investment Corporation, a HCMC-based property development company in which Aseana Properties owns a 16.4% strategic minority stake. The continual recovery of the residential property market in the coming year will hinge on the overall health of the economy. At the present time, high lending rates for buyers and scarcity of medium term financing to property developers is weighing down the property sector. We continue to remain positive on the fundamental demand that is driving the residential property market, and we believe these conditions will favour developers with sound experience and financial standing, such as Aseana Properties.

Commercial Office and Retail Property Market

In 2010, HCMC saw the completion of the landmark 68-storey Bitexco Financial Tower, which at 265 metres is the tallest building in HCMC. The completion of Bitexco Financial Tower added 37,000 square metres of new Grade A office space into the market, and reduced the average occupancy rate of Grade A office space in HCMC from 83% in fourth quarter of 2009 to 68% in 2010. The average occupancy rates of for Grade B and Grade C offices in the fourth quarter of 2010 were 82 and 81% respectively. Although office rental rates have been relatively stable in 2010, they are expected to come under pressure in 2011 with completion of an additional 208,000 square metres of new office space, adding to the current stock of 1,055,000 square metres. With the increasing supply of office space in HCMC, multinational and foreign companies are expected to be more selective in assessing their office space requirements with quality of building, location and management and maintenance being key factors in the selection process.

The retail property market in HCMC remained buoyant throughout 2010, with rents recording an 11% increase year on year, reaching an average of US$74 per square metre, and occupancy levels remaining high at 90%. Demand for retail space in the Central Business District ("CBD") remains high due to a scarcity of choice locations. Constraints in land plot sizes in the CBD have so far limited the development of large shopping centres with sizable floor plates. Year 2010 also witnessed several active moves and the entry of retailers in the market. Debenhams, which entered the market in 2009, moved from Kumho Asiana Plaza to Vincom Centre Shopping Mall. Vincom Centre is also the home to the new Emporio Armani Café. Saigon Paragon in District 7, despite only opening in 2009, went through an internal layout revamp and was taken over by Parkson Holdings, a Malaysian-based retail chain owner.

Aseana Properties' investments in Vietnam have both residential and commercial components. With two ongoing investments and two investment pipeline projects in HCMC, the Group will continue to seek further growth opportunities in the city. Highlights of the investments include:

- **International Hi-Tech Healthcare Park**
  International Hi-Tech Healthcare Park ("IHTHP") is a planned mixed development over 37.54 hectares of land comprising world-class private hospitals, mixed commercial, hospitality and residential developments. This development is located in the Binh Tan District, close to the Chinatown and is approximately 11 km from District 1, the central business and commercial district of HCMC. Aseana Properties has a 51% stake in this development and its joint venture partner Hoa Lam Group holds a significant minority stake together with a consortium of investors from Singapore, Malaysia and Vietnam. Approximately 20 hectares will be dedicated to the hospital and commercial developments, and five hectares has been allocated for residential developments. Construction has commenced on the first phase of the 250-bed City International Hospital in May 2010, which is expected to complete by the fourth quarter of 2012, whilst the first residential apartment development in the IHTHP is due to commence construction in the fourth quarter of 2011. The City International Hospital will be managed by Parkway Health, Asia's leading and largest private healthcare group with a presence in Singapore, Malaysia, the Middle East and India. Aseana Properties is currently in discussions with several strategic investors to play a key role in the funding and development of the City International Hospital development and is expected to develop the residential properties on its own.

  To part finance the payment for the land, the joint venture companies have secured total loan facilities of US$19.9 million, of which US$7.5 million had been drawn down as at 31 December 2010. In addition to the further equity requirements, the joint venture companies are currently in the process of securing further debt financing to part finance the construction of the City International Hospital and the residential development.

- **Nam Long Investment Corporation**
  In 2008, Aseana Properties acquired a strategic minority stake in Nam Long Investment Corporation ("Nam Long"), a private property development company in Vietnam with market leadership in the low to medium-end segment of the market. Nam Long's affordable housing projects, called "E-homes", continued to be the main revenue and earnings driver for the Company in 2010. Nam Long currently has a land bank of over 500 hectares, mainly in HCMC and its neighbouring provinces, making it one of the largest property developers by land bank in HCMC. Nam Long is currently undertaking a new township development in Long An Province, approximately 25 km south of HCMC. In 2010, Nam Long also welcomed Mekong Capital, a leading private equity investment fund in Vietnam as its third strategic institutional investor. The investment by Mekong Capital places Nam Long in a good position for a public listing in the coming years, subject to the conditions of the stock market. Through this partnership, Aseana Properties is expected to co-develop at least three projects with Nam Long, which are located in Tan Thuan Dong Ward in District 7 (as described below), District 9 and Binh Chanh District in Saigon South.

- **Tan Thuan Dong Residential Project**
  Tan Thuan Dong Residential Project is an upscale residential development in District 7 of HCMC, a prime suburban residential and commercial location of choice for many Vietnamese and expatriates. With a land area of approximately 20,158 square metres and a commanding view of the Phu My Bridge spanning the Saigon River, the development will consist of two residential towers and supporting commercial facilities. The development is expected to have a gross development value of approximately US$120 million. Detailed

design and planning for the project are now in advanced stages and the project is currently waiting for investment license approval and approval for the transfer of the land use rights from the relevant authorities. Given the delays in obtaining the necessary approvals, construction for the project is expected to commence in the fourth quarter of 2011. Aseana Properties US$9.6 million investment into the joint venture company can only occur on receipt of approvals from the relevant authorities and the transfer of the land use rights; the investment will reduce to US$4.9 million conditional on the disposal of the 39.2% stake to PRUPIM Vietnam Property Fund. Aseana Properties announced during the year that it had conditionally sold 39.2% stake in this project to PRUPIM Vietnam Property Fund, which is managed by Prudential Property Investment Management (Singapore) Pte. Ltd. ("PRUPIM Singapore"). The completion of the sale is also conditional on receiving all necessary approvals from the relevant authorities. Following completion, the shareholder structure of this project will be Aseana Properties (40.8%), PRUPIM Singapore (39.2%) and Nam Long (20.0%). The development is expected to be funded by progressive payments from buyers, debt and further equity contributions from shareholders of the project, and further details will be provided as the project moves toward construction commencement.

- **Queen's Place**
  Queen's Place is a planned mixed residential, office and retail development strategically located on the periphery of District 4, adjacent to District 1, the central business and commercial district of HCMC. This project received its investment license in June 2008. Aseana Properties has a 65% stake in this development, with Binh Duong Corporation, a Vietnam property development company owning the remaining 35%. Resettlement planning is currently underway for this project and is expected to take 18 months. Following resettlement, the joint venture company will apply for the issuance of the land use right certificate for the project. The development is expected to be funded by progressive payments from buyers, debt and equity contributions from shareholders of the project, and further details will be provided as the project moves toward construction commencement.

FUTURE OUTLOOK

2011 promises to be a busy and exciting year for the Development Manager and Aseana Properties. Not only is Aseana Properties completing two key projects in its portfolio, SENI Mont' Kiara and Sandakan Harbour Square in Malaysia, it also anticipates that a number of projects in Vietnam will commence development. We will continue to seek to realise Aseana Properties' earlier investments in Malaysia, whilst ensuring that ongoing projects follow a strict regime of prudent cash flow management and timely and cost-efficient delivery. In Vietnam, despite the initial set-backs resulting from an uncertain global and local economy, we are confident that we will be able to position Aseana Properties to capitalise on current and other growth opportunities in the near future. In closing, we would like to thank the Board of Aseana Properties, our advisers and business associates for their support and guidance throughout 2010, and we look forward to a greater year of achievement and success in 2011.

LAI VOON HON
President / Chief Executive Officer
Ireka Development Management Sdn. Bhd.
Development Manager
19 April 2011

PERFORMANCE SUMMARY

	Year ended 31 December 2010	Year ended 31 December 2009
Total Returns since listing		
Ordinary share price	-47.25%	-54.50%
FTSE All-share index	-8.07%	-17.14%
FTSE 350 Real Estate Index	-62.26%	-63.27%
One Year Returns		
Ordinary share price	15.30%	111.63%
FTSE All-share index	10.94%	24.96%
FTSE 350 Real Estate Index	2.74%	6.95%
Capital Values		
Total assets less current liabilities (US$ Million)	221.44	295.21
Net asset value per share (US$)	0.91	0.96
Ordinary share price (US$)	0.53	0.46
FTSE 350 Real Estate Index	353.93	344.49
Debt-to-equity ratio		
Debt-to-equity ratio [1]	82.43%	57.23%
Net debt-to-equity ratio [2]	6.17%	27.65%
Earnings Per Share		
Earnings per ordinary share - basic (US Cents)	-9.51	0.37
- diluted (US Cents)	-9.51	0.37
Total Expense Ratio [3]		
As a percentage of total assets less current liabilities	8.07%	4.45%

Notes:

[1] Debt-to-equity ratio = (Total Borrowings ÷ Total equity) x 100%

[2] Net debt-to-equity ratio = (Total Borrowings less Cash and Cash Equivalent ÷ Total equity] x 100%

[3] Total expense ratio = Administrative expenses, Management fees, Marketing and Other Operating expenses ÷ Total Assets less Current liabilities

FINANCIAL REVIEW

INTRODUCTION

The results for the year ended 31 December 2010 were affected by losses on the disposal of the 1 Mont' Kiara retail mall and office tower. The disposal was made to accelerate cash flow back to the Group and this was reflected in the healthy cash balances at year end.

The Group has adopted IFRIC 15 – Agreements for the Construction of Real Estate, which prescribes that revenue be recognised only when the properties are completed and occupancy permits are issued. This resulted in certain costs being recognised ahead of revenue during the year.

INCOME STATEMENT

The Group's revenue for the year ended 31 December 2010 was US$179.3 million, a 55.6% increase compared to 2009. The revenue was mainly attributable to the recognition of revenue upon completion of 1 Mont' Kiara of US$166.3 million and sale of completed properties in i-ZEN@Kiara I, Tiffani by i-ZEN and Sandakan Harbour Square (Phase 2) totalling US$12.4 million.

The Group's net loss before taxation was US$15.4 million, compared to a profit before taxation of US$4.3 million in 2009. This included losses from disposal of 1 Mont' Kiara retail mall and office tower of US$6.7 million (2009: US$NIL) and marketing expenses of US$10.0 million (2009: US$4.8 million). The tax charge for 2010 was US$5.8 million, compared to US$3.6 million in 2009, reflecting sales of properties in 1 Mont Kiara.

The consolidated comprehensive loss for the year ended 31 December 2010 was US$13.3 million compared to US$0.5 million profit in 2009. This included gains arising from foreign currency translation differences for foreign operations of US$3.1 million (2009: loss of US$ 0.21) and gains arising from changes in the fair value of available-for-sale investments of US$4.8 million (2009: US$ Nil).

Basic and diluted loss per share for the year ended 31 December 2010 were both at US cents 9.51 (2009: Earning per share of US cents 0.37).

STATEMENT OF FINANCIAL POSITION

Total assets of US$676.9 million were US$148.1 million higher than 2009, mainly reflecting an increase in inventories and cash and cash equivalents. Cash and cash equivalents were significantly higher at US$150.4 million (2009: US$62.0 million) due to receipt of sales proceeds from the 1 Mont' Kiara retail mall and office tower.

Net asset value per share as at 31 December 2010 was US cents 90.8 (2009: US cents 96.5).

CASH FLOW AND FUNDING

Operating cash flow was positive at US$66.4 million, an improvement from the negative cash flow of US$13.9 million in 2009. Cash used in investing activities included a deposit paid of US$2.9 million for the acquisition of a hotel at KL Sentral.

The Group's subsidiaries borrow to fund property development projects. At 31 December 2010, the Group had gross borrowings of US$162.6 million (2009: US$119.9 million), a rise of 35.6% over the previous year, due to an increase in investment and business activities. Net debt-to-equity ratio reduced from 27.6% in 2009 to 6.2% in 2010 due to sale proceeds from 1 Mont' Kiara.

The Group has embarked on a programme to issue medium term notes of up to US$162 million, the details are stated in note 2.1 to the financial statements.

Finance income decreased from US$2.1 million in 2009 to US$0.8 million in 2010. Finance costs decreased from US$0.6 million in 2009 to US$0.5 million in 2010.

DIVIDEND

No dividend was paid in 2010.

PRINCIPAL RISKS AND UNCERTAINTIES

A review of the principal risks and uncertainties facing the Group is set out in the Directors' Report of the Annual Report.

TREASURY AND FINANCIAL RISK MANAGEMENT

The Group undertakes risk assessments and identifies the principal risks that affect its activities. The responsibility for the management of each key risk has been clearly identified and delegated to the senior management of the Development Manager. The Development Manager's senior management team is involved in the day-to-day operation of the Group.

A comprehensive discussion on the Group's financial risk management policies is included in the notes to the financial statements in the Annual Report.

MONICA LAI VOON HUEY
Chief Financial Officer
Ireka Development Management Sdn. Bhd.
Development Manager
19 April 2011

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010

Continuing activities	Notes	2010 US$'000	2009 US$'000
Revenue	3	**179,345**	115,256
Cost of sales	5	**(177,184)**	(100,746)
Gross profit		**2,161**	14,510
Other income	6	**679**	248
Administrative expenses		**(1,017)**	(1,064)
Foreign exchange (loss)/ gain	7	**(670)**	1,827
Goodwill impairment	29	**-**	(7)
Management fees	8	**(3,994)**	(4,196)
Marketing expenses		**(10,036)**	(4,791)
Other operating expenses		**(2,816)**	(3,092)
Operating (loss)/ profit		**(15,693)**	3,435
Finance income		**794**	2,115
Finance costs		**(534)**	(595)
Net finance income	9	**260**	1,520
Share of results of associate, net of tax		**-**	(607)
Net (loss) / profit before taxation	10	**(15,433)**	4,348
Taxation	11	**(5,795)**	(3,635)
(Loss)/ profit for the year		**(21,228)**	713
Other comprehensive income, net of tax			
Foreign currency translation differences for foreign operations		**3,107**	(209)
Increase in fair value of available-for-sale investments		**4,828**	-
Total other comprehensive income/(expense) for the year		**7,935**	(209)
Total comprehensive (expense) / income for the year		**(13,293)**	504

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)

Continuing activities	Notes	2010 US$'000	2009 US$'000
(Loss)/ profit attributable to:			
Equity holders of the parent		**(20,205)**	835
Non-controlling interests		**(1,023)**	(122)
Total		**(21,228)**	713
Total comprehensive (expense)/income attributable to:			
Equity holders of the parent		**(12,206)**	916
Non-controlling interests		**(1,087)**	(412)
Total		**(13,293)**	504
(Loss)/ earnings per share			
Basic and diluted (US cents)	12	**(9.51)**	0.37

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2010

	Notes	2010 US$'000	2009 Restated US$'000
Non-current assets			
Property, plant and equipment		**4,497**	1,070
Investment in an associate	13	**-**	-
Available-for-sale investments	14	**22,052**	17,224
Intangible assets	15	**17,174**	17,174
Deferred tax assets	16	**19,400**	7,167
Total non-current assets		**63,123**	42,635
Current assets			
Inventories	17	**431,473**	399,040
Trade and other receivables		**31,499**	24,392
Amount due from an associate	18	**382**	785
Cash and cash equivalents		**150,385**	61,957
Total current assets		**613,739**	486,174
TOTAL ASSETS		**676,862**	528,809
Equity			
Share capital	19	**10,626**	10,626
Share premium	20	**221,226**	221,226
Capital redemption reserve	21	**1,874**	1,874
Translation reserve		**3,171**	-
Fair value reserve		**4,828**	-
Accumulated losses		**(48,858)**	(28,653)
Shareholders' equity		**192,867**	205,073
Non-controlling interests		**4,346**	4,365
Total equity		**197,213**	209,438

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2010 (cont'd)

	Notes	2010 US$'000	2009 Restated US$'000
Current liabilities			
Deferred revenue	22	**188,462**	109,802
Trade and other payables		**112,940**	84,504
Bank loans and borrowings	23	**68,463**	36,976
Medium term notes	26	**72,923**	-
Current tax liabilities		**12,637**	2,318
Total current liabilities		**455,425**	233,600
Non-current liabilities			
Amount due to non-controlling interests	24	**3,048**	2,887
Bank loans	25	**21,176**	20,147
Medium term notes	26	**-**	62,737
Total non-current liabilities		**24,224**	85,771
Total liabilities		**479,649**	319,371
TOTAL EQUITY AND LIABILITIES		**676,862**	528,809

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010

Consolidated	Share Capital US$'000	Share Premium US$'000	Fair Value Reserve US$'000	Capital Redemption Reserve US$'000	Translation Reserve US$'000	Accumulated losses US$'000	Total Equity Attributable to Equity Holders of the Parent US$'000	Non-Controlling Interest US$'000	Total Equity US$'000
At 1 January 2009	12,500	227,233	-	-	(81)	(29,488)	210,164	5,929	216,093
Cancellation of shares	(1,874)	-	-	1,874	-	-	-	-	-
Purchase of own shares	-	(6,007)	-	-	-	-	(6,007)	-	(6,007)
Acquisition from non- controlling interest	-	-	-	-	-	-	-	(1,152)	(1,152)
Profit for the year	-	-	-	-	-	835	835	(122)	713
Total other comprehensive income	-	-	-	-	81	-	81	(290)	(209)
Total comprehensive income	-	-	-	-	81	835	916	(412)	504
At 31 December 2009/ 1 January 2010	10,626	221,226	-	1,874	-	(28,653)	205,073	4,365	209,438
Acquisition of a subsidiary	-	-	-	-	-	-	-	93	93
Non-controlling interest contribution	-	-	-	-	-	-	-	975	975
Loss for the year	-	-	-	-	-	(20,205)	(20,205)	(1,023)	(21,228)
Total other comprehensive income	-	-	4,828	-	3,171	-	7,999	(64)	7,935
Total comprehensive income	-	-	4,828	-	3,171	(20,205)	(12,206)	(1,087)	(13,293)
Shareholders' equity at 31 December 2010	**10,626**	**221,226**	**4,828**	**1,874**	**3,171**	**(48,858)**	**192,867**	**4,346**	**197,213**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010

	2010 US$'000	2009 Restated US$'000
Cash Flows from Operating Activities		
Net (loss)/ profit before taxation	**(15,433)**	4,348
Finance income	**(794)**	(2,115)
Finance costs	**534**	595
Unrealised foreign exchange gain	**(618)**	(1,855)
Depreciation of property, plant and equipment	**117**	45
Share of results from associate	**-**	607
Goodwill impairment	**-**	7
Operating (loss)/ profit before working capital changes	**(16,194)**	1,632
Changes in working capital:		
Decrease/ (increase) in inventories	**520**	(58,266)
Increase in receivables	**(7,107)**	(236)
Increase/ (decrease) in deferred revenue	**78,660**	(9,167)
Increase in payables	**22,874**	65,069
Cash generated from/ (used in) operations	**78,753**	(968)
Interest paid	**(4,978)**	(7,449)
Tax paid	**(7,394)**	(5,489)
Net cash from/ (used in) operating activities	**66,381**	(13,906)
Cash Flows From Investing Activities		
Acquisition of subsidiaries, net of cash	**(18)**	(7,630)
Repayment from/(advances to) associate	**403**	(785)
Proceeds from disposal of property, plant and equipment	**17**	59
Purchase of property, plant and equipment	**(3,573)**	(823)
Purchase of available-for-sale investments	**-**	(4,200)
Finance income received	**794**	2,115
Withdrawal of short term bank deposits	**-**	2,228
Net cash used in investing activities	**(2,377)**	(9,036)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2010 (cont'd)

	2010 US$'000	2009 Restated US$'000
Cash Flows From Financing Activities		
Repayment of borrowings	**(44,763)**	(37,838)
Drawdown of borrowings	**72,590**	49,063
Repayment of finance lease liabilities	**-**	(40)
Share buy back	**-**	(6,007)
Net cash from financing activities	**27,827**	5,178
NET CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR	**91,831**	(17,764)
Effect of changes in exchange rates	**2,102**	1,904
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**46,996**	62,856
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**140,929**	46,996

NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The principal activities of the Group are acquisition, development and redevelopment of upscale residential, commercial and hospitality projects in the major cities of Malaysia and Vietnam. The Group typically invests in development projects at the pre-construction stage and may also selectively invest in projects in construction and newly completed projects with potential capital appreciation.

2 BASIS OF PREPARATION

2.1 Statement of compliance and going concern

The Group financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and IFRIC interpretations issued, and effective, or issued and early adopted, at the date of these financial statements.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The Board has reviewed the accounting policies set out below and considers them to be the most appropriate to the Group's business activities.

The financial statements have been prepared on the historical cost basis except for available-for-sale investments which are measured at fair value and on the assumption that the Group are going concerns.

The Group has prepared and considered prospective financial information derived based on assumptions and events that may occur in the next twelve months and the possible actions to be taken by the Group. Prospective financial information includes the Group's profit and cash flow forecasts for the ongoing projects.

In its cash flow forecast, the Group considered its obligations to repay a significant portion of its borrowings within the next twelve months, as shown in the consolidated statement of financial position, and to fund the costs of ongoing construction works. As part of its financial planning, the Group has embarked on a programme to issue medium term notes ("MTN") of up to US$162 million. The Group had appointed two lead arrangers for the MTN programme and expects to complete the exercise by September 2011.

In the unlikely event that the MTN programme is delayed, the Group will obtain bridging finance from existing financiers to temporarily fund its obligations.

Should both the MTN programme and bridging finance be unsuccessful, due to unforeseen circumstances, the Group is able to generate adequate cash from the sale of completed properties and land in its portfolio, as well as from the deferral of its projects and hence meets its liabilities as they fall due.

The Directors are confident that the Group will not encounter significant setbacks in fulfilling either of the above.

On this basis, the Directors believe it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

The Group have not applied the following new/revised accounting standards and interpretations that have been issued by International Accounting Standards Board but are not yet effective.

New/Revised International Financial Reporting Standards		**Issued/ Revised**	**Effective Date**
IFRS 9	Financial Instruments - Classification and Measurement	November 2009	Annual periods beginning on or after 1 January 2013
IAS 24	Related Party Disclosures - Revised definition of related parties	November 2009	Annual periods beginning on or after 1 January 2011
IAS 32	Financial Instruments: Presentation - Amendments relating to classification of rights issues	2009	Annual periods beginning on or after 1 February 2010

IFRIC Interpretation		**Effective Date**
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	Annual periods beginning on or after 1 July 2010

The Directors anticipate that the adoption of IAS 24, IAS 32, and IFRIC 19 in future periods will have no material impact on the financial information of the Group or Company. IFRS9, which becomes mandatory for the Group's 2013 Consolidation Financial Statements, could change the classification and measurement of financial assets. The Directors are currently determining the impact of IFRS 9.

2.2 Restatement

The comparative figures in the Consolidated Statement of Financial Position have been restated as follows:

(i) "Land held for property development", "Property development cost" and "Inventories" has been aggregated as "Inventories"; and
(ii) "Trade and other payables" has been further analysed into "Trade and other payables" and "Deferred revenue".

These restatements have been made to conform with current year presentation that has been amended to align with accepted disclosure practices of developers listed on recognised exchanges preparing accounts in accordance with IFRS. These restatements have also led to changes in the presentation of the following items in the Statement of Cash Flows: Increase in inventories, Increase in property development costs, Decrease in deferred revenue, Increase in payables and Purchase of land held for property development.

The comparative figures in the Consolidated Statement of Cash Flows have been restated to separately disclose interest paid of US$7,448,731. The comparative figures in the Company Statement of Cash Flows has been restated to separately disclose interest paid of US$187,891. These restatements have been made to comply with the requirements of paragraph 32 of IFRS 7.

The net effect of the statements on the Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows is as follows:

Group	**As restated US$'000**	**As previously stated US$'000**
Statement of Financial Position		
Land held for property development	-	22,112
Property development costs	-	354,022
Inventories	**399,040**	22,906
Deferred revenue	**109,802**	-
Trade and other payables	**84,504**	194,306
Statement of Cash Flows		
Finance costs	**595**	-
Increase in inventories	**(58,266)**	(22,906)
Increase in property development costs	**-**	(37,707)
Decrease in deferred revenue	**(9,167)**	-
Increase in payables	**65,069**	55,902
Interest paid	**(7,449)**	-
Purchase of land held for property development	**-**	(4,507)

The Directors have not included a third balance sheet in these financial statements on the grounds of materiality.

3 REVENUE AND SEGMENTAL INFORMATION

The gross revenue represents the sales value of development properties where the effective control of ownership of the properties is transferred to the purchasers when the completion certificate or occupancy permit has been issued.

The Company is an investment holding company and has no operating revenue. The Group's operating revenue for the year was mainly attributable to the sale of development properties in Malaysia. The Company's property development investments in Vietnam have just commenced business at 31 December 2010.

3.1 Revenue recognised during the year as follows:

Group	2010 US$'000	2009 US$'000
Sale of development properties	**178,778**	114,492
Project management fee	**567**	764
	179,345	115,256

3.2 Segmental Information

The Group's assets and business activities are managed by Ireka Development Management Sdn. Bhd. ("IDM") as the Development Manager under a management agreement dated 27 March 2007.

Segmental information represents the level at which financial information is reported to the Executive Management of IDM, being the chief operating decision maker as defined in IFRS 8. The Executive Management consists of the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer of IDM. The management determines the operating segments based on reports reviewed and used by the Executive Management for strategic decision making and resource allocation. For management purposes, the Group is organised into project units.

The Group's reportable operating segments are as follows:
(i) Ireka Land Sdn. Bhd. – develops i-ZEN@Kiara I, Tiffani by i-ZEN and 1 Mont' Kiara by i-ZEN;
(ii) ICSD Ventures Sdn. Bhd. – develops Sandakan Harbour Square; and
(iii) Amatir Resources Sdn. Bhd. – develops SENI Mont' Kiara.

Other non-reportable segments comprise the Group's Vietnam subsidiaries which develop the Hi-Tech Healthcare Park and other new development projects. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2010 and 2009.

Information regarding the operations of each reportable segment is included below. The Executive Management monitors the operating results of each segment for the purpose of performance assessments and making decisions on resource allocation. Performance is based on segment gross profit and profit before taxation, which the Executive Management believes are the most relevant in evaluating the results relative to other entities in the industry. Segment assets and liabilities are presented inclusive of inter-segment balances and inter-segment pricing is determined on an arm's length basis.

The Group's revenue generating development projects are currently only in Malaysia since development activities in Vietnam are at preliminary stage.

3.3 Analysis of the group's reportable operating segments is as follows:-

Operating Segments – ended 31 December 2010

	Ireka Land Sdn. Bhd. US$'000	ICSD Ventures Sdn. Bhd. US$'000	Amatir Resources Sdn. Bhd. US$'000	Total US$'000
Segment loss before taxation	**(5,977)**	**(1,101)**	**(4,631)**	**(11,709)**
Included in the measure of segment loss are:				
Revenue	**176,337**	**2,441**	**-**	**178,778**
Cost of acquisition written down	**(28,329)**	**(1,276)**	**-**	**(29,605)**
Marketing expenses	**(6,219)**	**(204)**	**(3,613)**	**(10,036)**
Depreciation of property, plant and equipment	**(28)**	**(7)**	**-**	**(35)**
Finance costs	**-**	**(400)**	**-**	**(400)**
Finance income	**253**	**64**	**56**	**373**
Segment assets	**139,927**	**75,767**	**316,015**	**531,709**
Included in the measure of segment assets are:				
Addition to non-current assets other than financial instruments and deferred tax assets	**-**	**67**	**-**	**67**

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items

Profit or loss	**US$'000**
Total profit or loss for reportable segments	**(11,709)**
Other non-reportable segments	**(3,929)**
Depreciation	**(82)**
Finance cost	**(134)**
Finance income	**421**
Consolidated loss before tax	**(15,433)**

Operating Segments – ended 31 December 2009

	Ireka Land Sdn. Bhd. US$'000	ICSD Ventures Sdn. Bhd. US$'000	Amatir Resources Sdn. Bhd. US$'000	Total US$'000
Segment profit/(loss) before taxation	5,349	3,183	(2,623)	5,909
Included in the measure of segment profit/(loss) are:				
Revenue	95,804	18,688	-	114,492
Cost of acquisition written down	(8,076)	(1,246)	-	(9,322)
Marketing expenses	(3,038)	(179)	(1,574)	(4,791)
Depreciation of property, plant and equipment	(27)	(7)	-	(34)
Finance costs	-	(2)	(148)	(150)
Finance income	136	21	15	172
Segment assets	159,970	51,677	204,095	415,742
Included in the measure of segment assets are:				
Addition to non-current assets other than financial instruments and deferred tax assets	18	1	-	19

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items

Profit or loss	**US$'000**
Total profit or loss for reportable segments	5,909
Other non-reportable segments	(3,048)
Depreciation	(11)
Finance cost	(445)
Finance income	1,943
Consolidated profit before tax	4,348

2010 **US$'000**	**Revenue**	**Depreciation**	**Finance costs**	**Finance income**	**Segment assets**	**Addition to non-current assets**
Total reportable segment	**178,778**	**(35)**	**(400)**	**373**	**531,709**	**67**
Other non-reportable segments	**567**	**(82)**	**(134)**	**421**	**145,153**	**3,506**
Consolidated total	**179,345**	**(117)**	**(534)**	**794**	**676,862**	**3,573**

2009 **US$'000**	**Revenue**	**Depreciation**	**Finance costs**	**Finance income**	**Segment assets**	**Addition to non-current assets**
Total reportable segment	114,492	(34)	(150)	172	415,742	19
Other non-reportable segments	764	(11)	(445)	1,943	113,067	804
Consolidated total	115,256	(45)	(595)	2,115	528,809	823

Geographical Information – ended 31 December 2010

	Malaysia US$'000	Vietnam US$'000	Others US$'000	Consolidated US$'000
Revenue	**179,345**	**-**	**-**	**179,345**
Non-current assets	**29,267**	**33,856**	**-**	**63,123**

Others include Jersey, British Virgin Islands and Singapore.

Major customers exceed 10% of the Group's total revenues are as follows:

US$'000	Revenue		Segments
	2010	2009	
1MK Office Sdn Bhd	**31,150**	-	Ireka Land Sdn. Bhd.
1MK Retail Sdn Bhd	**72,580**	-	Ireka Land Sdn. Bhd.

Geographical Information – ended 31 December 2009

	Malaysia US$'000	Vietnam US$'000	Others US$'000	Consolidated US$'000
Revenue	115,256	-	-	115,256
Non-current assets	13,962	28,673	-	42,635

Others include Jersey, British Virgin Islands and Singapore.
In 2009, no single customer exceeded 10% of the Group's total revenue.

4. SEASONALITY

The Group's business operations are not materially by seasonal factors for the period under review.

5. COST OF SALES

Group	2010 US$'000	2009 US$'000
Direct costs attributable to property development	**177,184**	100,746

6. OTHER INCOME

Group	2010 US$'000	2009 US$'000
Late payment interest income	**121**	77
Forfeiture income	**89**	120
Investment income	**93**	-
Sundry income	**139**	51
Dividend income	**237**	-
	679	248

7. FOREIGN EXCHANGE (LOSS)/ GAIN

Group	2010 US$'000	2009 US$'000
Foreign exchange (loss)/ gain comprises:		
Unrealised foreign exchange gain	**618**	1,855
Realised foreign exchange loss	**(1,288)**	(28)
	(670)	1,827

8. MANAGEMENT FEES

Group	2010 US$'000	2009 US$'000
Management fees	**3,994**	4,196

The management fees payable to the Development Manager is based on 2% of the Group's net asset value calculated on the last business day of March, June, September and December of each calendar year, and payable quarterly in advance. The management fees were allocated to the subsidiaries and Company based on where the service was provided.

In addition to the annual management fee, the Development Manager is entitled to a performance fee calculated at 20% of the out performance net asset value over a total return hurdle rate of 10%. No performance fee has been paid during the year.

9. FINANCE COSTS

Group	2010 US$'000	2009 US$'000
Interest income from bank	**794**	2,115
Interest on bank overdraft	**(134)**	(378)
Hire purchase charges	**-**	(2)
Bank guarantee commission	**-**	42
Interest on short term loan	**(400)**	(61)
Interest on accrued land use rights payments	**-**	(196)
	260	1,520

All finance cost above, excluding hire purchase charges, arose on other financial liabilities carried at amortised cost.

10. NET (LOSS)/ PROFIT BEFORE TAXATION

Group	2010 US$'000	2009 US$'000
Net (loss)/ profit before taxation is stated after charging:		
• Directors' fees	**260**	223
• Staff costs	**948**	613
• Auditor's remuneration		
- current year	**163**	139
- overprovision in prior year	**(27)**	-
• Tax services	**6**	5
• Depreciation of property, plant and equipment	**117**	45

11. TAXATION

Group	2010 US$'000	2009 US$'000
Current tax	**16,788**	5,723
Deferred tax	**(10,993)**	(2,088)
Total tax expense for the year	**5,795**	3,635

The numerical reconciliation between the income tax expenses and the product of accounting results multiplied by the applicable tax rate is computed as follows:

Group	**2010** **US$'000**	**2009** **US$'000**
Accounting (loss)/ profit	**(15,433)**	4,348
Income tax at a rate of 25%*	**(3,858)**	1,087
Add :		
Tax effect of expenses not deductible in determining taxable profit	**10,076**	3,886
Deferred tax asset arising from unused tax losses not recognised	**245**	929
Tax effect of different tax rates in subsidiaries**	**288**	207
Less :		
Tax effect of income not taxable in determining taxable profit	**(555)**	(1,372)
Utilisation of deferred tax assets not recognised previously	**(177)**	(1,102)
Under/ (over) provision	**(224)**	-
Total tax expense for the year	**5,795**	3,635

* The applicable corporate tax rate in Malaysia and Vietnam is 25%.

** The applicable corporate tax rate in Singapore is 17%. A subsidiary of the Group, Hoa Lam-Shangri-La Healthcare Ltd Liability Co is granted preferential corporate tax rate of 10%. The preferential income tax is given by the government due to the subsidiary involvement in the hospital and education industry.

Following changes to the Income Tax (Jersey) Law 1961 (as amended), the Company is no longer able to apply to be tax-exempt. From 1 January 2009 the Company has been treated as a tax resident for the purpose of Jersey tax laws and is subject to a tax rate of 0%. This has lead to a cost saving of £600 p.a. which was the fee for the exempt application.

A Goods and Services Tax was introduced in Jersey in May 2008. The Company has been registered as an International Services Entity so that it does not have to charge or pay local GST. The cost for this application has been £100 p.a., increasing to £200 from 1 January 2011.

The Directors intend to conduct the Group's affairs such that the central management and control is not exercised in the United Kingdom and so that neither the Company nor any of its subsidiaries carries on any trade in the United Kingdom. The Company and its subsidiaries will thus not be residents in the United Kingdom for taxation purposes. On this basis, they will not be liable for United Kingdom taxation on their income and gains other than income derived from a United Kingdom source.

12. (LOSS)/ EARNINGS PER SHARE

Basic and diluted (loss)/ earnings per ordinary share

The calculation of basic and diluted (loss)/ earnings per ordinary share for the year ended 31 December 2010 was based on the (loss)/ profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as below:

(Loss)/ profit attributable to ordinary shareholders

Group	**2010 US$'000**	**2009 US$'000**
(Loss)/ profit attributable for the year attributable to the owners	**(20,205)**	835
Weighted average number of shares	**212,525**	225,357
(Loss)/ earnings per share (US cents):		
Basic and diluted	**(9.51)**	0.37

13. INVESTMENT IN AN ASSOCIATE

Group	**2010 US$'000**	**2009 US$'000**
At 1 January	-	573
Share of loss, net of tax	-	(607)
Exchange differences	-	34
At 31 December	-	-

The Company, via a wholly-owned subsidiary ASPL M3A Limited, acquired 40% of the ordinary shares of a company known as Excellent Bonanza Sdn. Bhd., a company incorporated in Malaysia, which is a vehicle set up to undertake a commercial development in Kuala Lumpur, Malaysia.

The Group's aggregate share of the current assets, non-current assets, current liabilities, non-current liabilities, income and expenses of the associate is as follows:

Statement of Financial Position	2010 US$'000	2009 US$'000
Non-current assets	**1,330**	85
Current assets	**69,762**	58,843
Total assets	**71,092**	58,928
Non-current liabilities	**36,173**	30,486
Current liabilities	**35,913**	28,974
Total liabilities	**72,086**	59,460
Equity	**(994)**	(532)
Total Equity and Liabilities	**71,092**	58,928

Statement of Comprehensive Income		
Other operating income	**205**	96
Cost of sales, expenses including finance costs and taxation	**(619)**	(2,077)
Loss	**(414)**	(1,981)

The amount of unrecognised share of loss for the current year and cumulatively is US$184,727 (2009: US$212,835) and US$397,562 (2009: US$212,835) respectively.

The associated company commenced trading since 2009.

14. AVAILABLE-FOR-SALE INVESTMENTS

Group 2010	Unquoted shares US$'000
1 January - cost	**17,224**
Revaluation	**4,828**
At 31 December – fair value	**22,052**

The available-for-sale investments represent the investment in shares of Nam Long Investment Corporation which the Group acquired over four tranches in 2008 and 2009.

Group 2009	Unquoted shares US$'000
At 1 January - cost	13,024
Additions	4,200
At 31 December - cost	17,224

In 2009, the available-for-sale investments could not be reliably measured and were therefore stated at cost. No impairment was deemed necessary as the recoverable amount was deemed by the Directors to be higher than the cost.

In 2010, the fair value of the available-for-sale investments was determined by reference to the latest transacted price paid by a new investor during the year. The Directors are of the opinion that the fair value remained unchanged at the end of the reporting period.

In March 2009, IFRS 7 Financial Instruments: Disclosures was amended by the IASB to require certain additional disclosures to be included in IFRS financial statements. This includes a requirement that financial instruments carried at fair value be analysed by level of the IFRS 7 defined fair value hierarchy. This hierarchy is based on the inputs of the fair value measurement and reflects the lowest level input that is significant to that measurement. The Directors are of the opinion that the available-for-sale investments at 31 December 2010 is classified in Level 3 (Fair values measured using inputs for the asset or liability that are not based on observable market data).

15. INTANGIBLE ASSETS

Group	**Licence Contracts and Related Relationships US$'000**	**Goodwill US$'000**	**Total US$'000**
Cost			
At 1 January 2009	10,695	-	10,695
Additions through acquisition of subsidiaries	-	6,479	6,479
At 31 December 2009/1 January 2010/31 December 2010	**10,695**	**6,479**	**17,174**
Accumulated impairment losses			
At 1 January 2009/31 December 2009/31 December 2010	**-**	**-**	**-**
Carrying amounts			
At 1 January 2009	10,695	-	10,695
At 31 December 2009/1 January 2010	10,695	6,479	17,174
At 31 December 2010	**10,695**	**6,479**	**17,174**

The licence contracts and related relationships represented the rights to develop the International Hi-Tech Healthcare Park venture with an operation period ending on 9 July 2077. The project is at its preliminary stage.

For the purpose of impairment testing, goodwill and licence contracts and related relationships are allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill and licence contracts and related relationships are monitored for internal management purposes.

The aggregate carrying amounts of intangibles assets allocated to each unit are as follows:

Group	**2010 US$'000**	**2009 US$'000**
Licence, contracts and related relationships		
International Hi-Tech Healthcare Park	**10,695**	10,695
Goodwill		
Seni Mont' Kiara	**3,586**	3,586
Sandakan Harbour Square	**2,893**	2,893
	6,479	6,479

The recoverable amount of licence, contract and related relationships is determined based on the value-in-use calculation using discounted cash flow projections for the next 5 years and using a pre-tax discount rate of 17% per annum and gross margin of 23%. The key assumptions used are expected changes in budgeted gross development value and gross development costs. The Group believes that any reasonably possible changes in the above key assumptions applied are not likely to materially cause the recoverable amount to be lower than its carrying amount.

The recoverable amount of goodwill is determined based on the value-in-use calculation using discounted cash flow projections for the next 3 years. The recoverable amount of goodwill has been tested by reference to underlying profitability of the developments. The Group believes that any reasonably possible changes to the above methodology are not likely to materially cause the recoverable amount to be lower than its carrying amount.

16. DEFERRED TAX ASSETS

Group	**2010 US$'000**	**2009 US$'000**
At 1 January	**7,167**	4,968
Exchange adjustments	**1,240**	111
Deferred tax credit relating to origination and reversal of temporary differences during the year	**10,993**	2,088
At 31 December	**19,400**	7,167

The deferred tax assets comprise:

Group	2010 US$'000	2009 US$'000
Taxable temporary differences between net carrying amount and tax written down value of property, plant and equipment and others	**(22)**	(61)
Deductible temporary differences recognised for the accrual of construction costs	**6,099**	-
Deductible temporary differences between accounting profit and taxable profit of property development units sold	**13,323**	7,228
At 31 December	**19,400**	7,167

Deferred tax assets have not been recognised in respect of unused tax losses of US$561,112 (2009: US$3,129,872) which are available for offset against future taxable profits. Deferred tax asset have not been recognised due to the uncertainty of recovery of the losses.

17. INVENTORIES

Group	Notes	2010 US$'000	2009 Restated US$'000
Land held for property development	**(a)**	**27,749**	22,112
Work-in-progress	**(b)**	**385,579**	354,022
Stock of completed units, at cost		**18,145**	22,906
At 31 December		**431,473**	399,040

(a) Land held for property development

Group	2010 US$'000	2009 US$'000
At 1 January	**22,112**	17,418
Exchange adjustments	**971**	187
Additions	**602**	14,628
Transfer from/(to) work-in-progress	**4,064**	(10,121)
At 31 December	**27,749**	22,112

(b) Work-in-progress

Group	2010 US$'000	2009 Restated US$'000
At 1 January	**354,022**	322,291
Add :		
Additions through acquisition of a subsidiary	**28,507**	-
Work-in-progress incurred during the year	**157,296**	122,897
Transfer (to)/from land held for property development	**(4,064)**	10,121
Transfer to stock of completed units	**(10,437)**	-
Exchange adjustments	**19,386**	(541)
	544,710	454,768
Less :		
Costs recognised as expenses in the statement of comprehensive income during the year	**(159,131)**	(100,746)
At 31 December	**385,579**	354,022

The above amounts included borrowing cost capitalised of US$4,443,829 (2009:US$6,853,687).

18. AMOUNT DUE FROM AN ASSOCIATE

The amount due from an associate represents project management fee receivable.

19. SHARE CAPITAL

Group	2010 Number of Shares'000	2009 Number of Shares'000
Authorised Share Capital	**2,000,000**	2,000,000
Issued Share Capital		
At 1 January	**212,525**	250,000
Cancellation of shares (Note 27)	**-**	(37,475)
At 31 December	**212,525**	212,525

Group	2010 US$'000	2009 US$'000
Authorised Share Capital of US$0.05 each	**100,000**	100,000
Issued Share Capital of US$0.05 each		
At 1 January	**10,626**	12,500
Cancellation of shares (Note 27)	**-**	(1,874)
At 31 December	**10,626**	10,626

20. SHARE PREMIUM

Share premium represents the excess of proceeds raised on the issuance of shares over the nominal value of those shares. The costs incurred in issuing shares were deducted from the share premium.

Group	2010 US$'000	2009 US$'000
At 1 January	**221,226**	227,233
Purchase of own shares (Note 27)	**-**	(5,995)
Transaction costs	**-**	(12)
At 31 December	**221,226**	221,226

21. CAPITAL REDEMPTION RESERVE

The capital redemption reserve was incurred after the Company cancelled its 37,475,000 ordinary shares of US$0.05 per share in the previous year.

22. DEFERRED REVENUE

Deferred revenue represents excess of progress billings to purchasers of development properties over revenue recognised in the statement of comprehensive income.

23. BANK LOANS AND BORROWINGS

Group	2010 US$'000	2009 US$'000
Bank loans	**59,007**	22,015
Bank overdraft	**9,456**	14,961
	68,463	36,976

The effective interest rates of the bank loans for the year ranged from 4.85% to 7.13% (2009: 3.59% to 6.55%) per annum.

The effective interest rates of the bank overdraft for the year ranged is 0.84% (2009: 1.05%) per annum.

Borrowings were denominated in Malaysian Ringgit and United States Dollars.

Bank loans were repayable by monthly or quarterly instalments and the overdraft is repayable on demand.

Bank loans were secured by land held under property development cost and the corporate guarantee of the Company.

The carrying amount of borrowings approximated its fair value at statement of financial position date.

24. AMOUNT DUE TO NON-CONTROLLING INTERESTS

Group	2010 US$'000	2009 US$'000
Minority Shareholders of Shangri-La Healthcare Investment Pte Ltd:		
- Tran Thi Lam	**533**	533
- Econ Medicare Centre Holdings Pte Ltd	**632**	632
- Value Energy Sdn. Bhd.	**189**	189
- Thang Shieu Han	**72**	72
- Nguyen Quang Duc	**15**	15
Minority Shareholders of Bumiraya Impian Sdn. Bhd.:		
- Global Evergroup Sdn. Bhd	**1,607**	1,446
	3,048	2,887

The amount due to non-controlling interests are unsecured and without fixed term of repayment.

25. BANK LOANS

Group	2010 US$'000	2009 US$'000
Outstanding loans	**80,183**	42,162
Less:		
Repayment due within twelve months	**(59,007)**	(22,015)
Repayment due after twelve months	**21,176**	20,147

The effective interest rates of the bank loans for the year ranged from 4.85% to 7.13% (2009: 3.59% to 6.55%) per annum.

Bank loans of the Group were secured by land held under property development costs and the corporate guarantee of the Company.

Bank loans were denominated in Malaysian Ringgit and United State Dollars.

Bank loans were repayable by monthly or quarterly instalments.

26. MEDIUM TERM NOTES

Group	2010 US$'000	2009 US$'000
Outstanding medium term notes	**72,923**	62,737
Less:		
Repayment due within twelve months	**(72,923)**	-
Repayment due after twelve months	**-**	62,737

The medium term notes were issued by a subsidiary, acquired on 30 March 2009, to fund a development project known as 1 Mont' Kiara in Malaysia. The weighted interest rate of the loan was 6.17% (2009: 6.29%) per annum at the statement of financial position date. The effective interest rates of the medium term notes and their outstanding amounts are as follows:

	Interest rate % per annum	US$'000
Tranche A1	3.95	14,585
Tranche A2	4.05	3,889
Tranche A3	4.05	1,621
Tranche A4	4.05	3,241
Tranche A5	4.70	4,213
Tranche A6	4.90	3,889
Tranche A7	4.15	1,621
Tranche A8	4.10	972
Tranche B2	4.40	5,510
Tranche B3	4.50	7,454
Tranche B4	4.15	6,482
Tranche B5	3.75	3,241
Tranche C	13.00	16,205
		72,923

The medium term notes were secured by way of:

(i) bank guarantee from financial institutions (except for Tranche C);
(ii) a first fixed and floating charge over the subsidiary's assets by way of a debenture;
(iii) an assignment over all the present and future sales and insurance policies from 1 Mont' Kiara;
(iv) an assignment over a debt service reserve account;

(v) a third party first legal charge over a freehold land under a development project in conjunction with the joint venture agreement between the subsidiary and Ireka Land Sdn. Bhd.; and

(vi) a corporate guarantee issued by Ireka Corporation Berhad (except for Tranches A and B).

The medium term notes were denominated in Malaysian Ringgit. On 29 December 2010, the subsidiary informed all parties of its intention to early redeem all outstanding medium term notes. The redemption was completed and fully paid on 6 January 2011.

27. PURCHASE OF OWN SHARES AND CANCELLATION OF SHARES

The Company was granted authority by the shareholders at the Extraordinary General Meeting held on 17 October 2008 to purchase its own shares up to a total aggregate value of 14.99% of the issued nominal capital. The authority expired twelve months from the date of passing of the resolution.

The Company announced on 22 April 2009 and 29 May 2009 its intention to implement a share buy-back scheme of up to 10.00% and 4.99% of the Company's shares in issue respectively. Subsequently on 23 April 2009, the Company purchased 25,000,000 ordinary shares at a price of US$0.15 per share and on 1 June 2009, an additional 12,475,000 ordinary shares were purchased at a price of US$0.18 per share. Collectively, the Company has bought back 37,475,000 ordinary shares which is equivalent to 14.99% of the Company's shares in issue representing the Company's total share buy-back authority in place.

The Company cancelled all shares bought back in the previous year. Following the share cancellation, the Company has 212,525,000 ordinary shares in issue and capital redemption reserves of US$1,874,000.

28. RELATED PARTY TRANSACTIONS

Transactions between the Group and the Company with Ireka Corporation Berhad ("ICB") and its group of companies are classified as related party transactions based on ICB's 23.02% shareholding in the Company.

Group	**2010 US$'000**	**2009 US$'000**
Project management fee charged to an associate	**567**	764
Payment for construction progress claims made by an ICB subsidiary	**112,176**	88,795
Site staff salary costs paid to an ICB subsidiary	**644**	594
Payment of sales and administration fees and marketing commissions to an ICB subsidiary	**1,053**	142
Payment of management fees to an ICB subsidiary	**4,142**	4,196
Remuneration of key management personnel		
- Salaries and other	**90**	236
- Employees' provident fund, social security and other pension cost	**-**	2

The amount due by an associate for project management fee amounted to US$381,682 at 31 December 2010 (2009: US$784,632).

The amount due to an ICB’s subsidiary for contract works performed was US$37,518,226 at 31 December 2010 (2009: US$34,841,286).

The amount due to an ICB’s subsidiary for site staff salary costs was US$617,944 at 31 December 2010 (2009: US$388,308).

The amount due to an ICB’s subsidiary for marketing commissions amounted to US$807,422 at 31 December 2010 (2009: US$130,345).

The amount due to an ICB’s subsidiary for management fees amounted to US$1,001,979 at 31 December 2010 (2009: US$1,084,248).

29. ACQUISITION OF BUSINESS

Aseana Properties Limited is the parent company of a group of companies involved in property development business.

2010

On 20 April 2010, the Company had, via its wholly-owned subsidiary ASPL M9 Limited, subscribed for 700,000 ordinary shares representing 70% of the issued share capital of Urban DNA Sdn. Bhd. (formerly known as World Trade Frontier Sdn. Bhd.) for a total consideration of US$218,330. The transaction was accounted for using the purchase method of accounting. Urban DNA Sdn. Bhd. is a developer to develop a residential tower at No.7, Jalan Kia Peng, 50450 Kuala Lumpur.

The Group had accounted for the business combination of Urban DNA Sdn. Bhd. using fair values assigned to Urban DNA Sdn. Bhd.’s identifiable assets and liabilities determined at 20 April 2010.

At 20 April 2010, Urban DNA Sdn. Bhd. had a shareholders’ equity of US$309,492 of which 70% was owned by the Group. Against a consideration of US$218,330, a fair value adjustment of US$1,686 on property development cost was recorded.

The acquisition had the following effect on the Group's asset and liabilities on acquisition date:

	Pre-acquisition carrying amounts US$'000	Fair value adjustments US$'000	Recognised values on acquisition US$'000
Current assets	28,507	2	28,509
Cash and cash equivalents	200	-	200
Non-current liabilities	(20,379)	-	(20,379)
Current liabilities	(8,019)	-	(8,019)
Net assets	309	2	311
Non-controlling interest, based on their proportion interest in the recognised amounts of the assets and liabilities of the acquiree	(93)	-	(93)
Net assets acquired	216	2	218
Consideration paid, satisfied in cash			218
Cash and cash equivalents acquired			(200)
Net cash outflow			**18**

The acquisition of Urban DNA Sdn. Bhd. had not increased nor reduced the Group's loss before taxation for the period as no income or expenses were incurred by Urban DNA Sdn. Bhd. after it became a subsidiary of the Group.

If the acquisition of Urban DNA Sdn. Bhd. had occurred on 1 January 2010, this would have increased the Group's revenue and loss before taxation for the period by approximately US$Nil and US$26 respectively.

2009

(a) Acquisition of Legolas Capital Sdn. Bhd.

On 30 March 2009, the Group acquired 85.1% of the issued share capital of Legolas Capital Sdn. Bhd. for a total consideration of US$233. The transaction was accounted for using the purchase method of accounting. Legolas Capital Sdn. Bhd. was acquired to fund a development project known as 1 Mont' Kiara in Malaysia.

The Group had accounted for the business combination of Legolas Capital Sdn. Bhd. using fair values assigned to Legolas Capital Sdn. Bhd.'s identifiable assets and liabilities determined provisionally at 30 March 2009.

At 30 March 2009, Legolas Capital Sdn. Bhd. had a negative shareholders' equity of US$7,969 when 85.1% was owned by the Group. Against a consideration of US$233, a goodwill of US$7,015 was created. This goodwill arising from the acquisition was impaired in 2009.

The acquisition had the following effect on the Group's asset and liabilities on acquisition date:

	Pre-acquisition carrying amounts	**Fair value adjustments**	**Recognised values on acquisition**
	US$'000	**US$'000**	**US$'000**
Non-current assets	41,678	-	41,678
Current assets	4,447	-	4,447
Cash and cash equivalents	-*	-	-*
Non-current liabilities	(41,678)	-	(41,678)
Current liabilities	(4,455)	-	(4,455)
Net assets	(8)	-	(8)
Non-controlling interest, based on their proportion interest in the recognised amounts of the assets and liabilities of the acquiree	1	-	1
Net assets acquired	(7)	-	(7)
Goodwill on acquisition			7
Consideration paid, satisfied in cash			-#
Cash and cash equivalents acquired			-^
Net cash outflow			-**

*	denotes US$418
#	denotes US$233
^	denotes (US$418)
**	denotes (US$185)

The acquisition of Legolas Capital Sdn. Bhd. had reduced the Group's profit before taxation in 2009 by approximately US$3,570.

If the acquisition of Legolas Capital Sdn. Bhd. had occurred on 1 January 2009, this would have reduced the Group's revenue and profit before tax for 2009 by approximately US$Nil and US$1,280 respectively.

(b) Acquisition of ICSD Ventures Sdn. Bhd.

On 30 June 2009, the Group acquired the remaining 40% of the issued share capital of ICSD Ventures Sdn. Bhd. for a total consideration of US$4.2million. The transaction was accounted for using the purchase method of accounting.

The acquisition had the following effect on the Group's asset and liabilities on acquisition date:

	Pre-acquisition carrying amounts	**Fair value adjustments**	**Recognised values on acquisition**
	US$'000	**US$'000**	**US$'000**
Goodwill on acquisition	2,893	-	2,893
Non-controlling interest, based on their proportion interest in the recognised amounts of the assets and liabilities of the acquiree	1,290	-	1,290
Consideration paid, satisfied in cash			4,183
Cash and cash equivalents acquired			-
Net cash outflow			4,183

If the acquisition of the remaining 40% shares in ICSD Ventures Sdn. Bhd. had occurred on 1 January 2009, this would have increased the Group's revenue and profit before tax for 2009 by approximately US$4,226,202 and US$955,029.

(c) Acquisition of Amatir Resources Sdn. Bhd.

On 30 Nov 2009, the Group acquired the remaining 9.09% of the issued share capital of Amatir Resources Sdn. Bhd. for a total consideration of US$3.4 million. The transaction was accounted for using the purchase method of accounting.

The acquisition had the following effect on the Group's asset and liabilities on acquisition date:

	Pre-acquisition carrying amounts	**Fair value adjustments**	**Recognised values on acquisition**
	US$'000	**US$'000**	**US$'000**
Goodwill on acquisition	3,586	-	3,586
Non-controlling interest, based on their proportion interest in the recognised amounts of the assets and liabilities of the acquiree	(139)	-	(139)
Consideration paid, satisfied in cash			3,447
Cash and cash equivalents acquired			-
Net cash outflow			3,447

If the acquisition of the remaining 9.09% shares in Amatir Resources Sdn. Bhd. had occurred on 1 January 2009, this would have reduced the Group's revenue and profit before tax for 2009 by approximately US$Nil and US$114,111 respectively.

The acquisition of Legolas Capital Sdn. Bhd., ICSD Ventures Sdn. Bhd. and Amatir Resources Sdn. Bhd. amounted to a total cash consideration of US$7,629,928. Therefore, the net cash outflow arising from these three acquisitions is:

	US$'000
Consideration paid, satisfied in cash	7,630
Cash and cash equivalents acquired	-*
Net cash outflow arising from acquisition	7,630

* denotes (US$418)

30 DIVIDENDS

The Company has not paid or declared any dividends during the year ended 31 December 2010.

31 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

32 REPORT CIRCULATION

Copies of the Annual Report and Financial Statements will be sent to shareholders for approval at the Annual General Meeting ("AGM") to be held in June 2011.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's business is property development in Malaysia and Vietnam. Its principal risks are therefore related to the property market in these countries in general, and also the particular circumstances of the property development projects it is undertaking. More detailed explanations of these risks and the way they are managed are contained under the heading of Financial and Capital Risk Management Objectives and Policies in the Annual Report.

Other risks faced by the Group in Malaysia and Vietnam include the following:

Economic	Inflation, economic recessions and movements in interest rates could affect property development activities.
Strategic	Incorrect strategy, including sector and geographical allocations and use of gearing, could lead to poor returns for shareholders.
Regulatory	Breach of regulatory rules could lead to suspension of the Company's Stock Exchange listing, financial penalties.
Law and regulations	Changes in laws and regulations relating to planning, land use, development standards and ownership of land could have adverse effects on the business and returns for the shareholders.
Tax regimes	Changes in the tax regimes could affect the tax treatment of the Company and/or its subsidiaries in these jurisdictions.
Management and control	Changes that cause the management and control of the Company to be exercised in the United Kingdom could lead to the Company becoming liable to United Kingdom taxation on income and capital gains.
Operational	Failure of the Development Manager's accounting system and disruption to the Development Manager's business, or that of a third party service providers, could lead to an inability to provide accurate reporting and monitoring leading to a loss of shareholders' confidence.
Financial	Inadequate controls by the Development Manager or third party service providers could lead to a misappropriation of assets. Inappropriate accounting policies or failure to comply with accounting standards could lead to misreporting or breaches of regulations or a qualified audit report.
Going Concern	Failure of property development projects due to poor sales and collection, construction delay, inability to secure financing from banks may result in inadequate financial resources to continue operational existence and to meet financial liabilities and commitments.

The Board seeks to mitigate and manage these risks through continual review, policy setting and enforcement of contractual rights and obligations. It also regularly monitors the economic and investment environment in countries that it operates in and the management of the Group's property development portfolio. Details of the Group's internal controls are described in the Annual Report.

RESPONSIBILITY STATEMENT

The Directors of the Company confirm that to the best of their knowledge that:

(a) the consolidated financial statement have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board; and

(b) the sections of this Report, including the Chairman's Statement, Development Manager's Review, Financial Review and Principal Risks and Uncertainties, which constitute the management report include a fair review of all information required to be disclosed by the Disclosure and Transparency Rules 4.1.8 to 4.1.11 issued by the Financial Services Authority of the United Kingdom.

On behalf of the Board

Mohammed Azlan Hashim
Director

Christopher Henry Lovell
Director

19 April 2011