27 August 2014

Aseana Properties Limited
(“Aseana” or the “Company”)

Half-Year Results for the Six Months Ended 30 June 2014

Aseana Properties Limited (LSE: ASPL), a property developer investing in Malaysia and Vietnam, listed on the Main Market of the London Stock Exchange, announces its half-year results for the six-month period ended 30 June 2014.

Operational highlights:

- SENI Mont’ Kiara won the World Silver Award at The International Real Estate Federation (“FIABCI”) World Prix d’Excellence Awards 2014 in the residential (High Rise) category. Sale of properties at SENI Mont’ Kiara is progressing well achieving 91% sales to date, compared to 88% recorded in April 2014. A further 6% is reserved with deposit paid.
- The RuMa Hotel and Residences (“The RuMa”) achieved 43% sales based on sales and purchase agreement signed, with a further 8% reserved with deposit paid.
- The Aloft Kuala Lumpur Sentral Hotel’s (“Aloft”) average occupancy rate stood at 68% for the six-month period ended 30 June 2014, while Four Points by Sheraton Sandakan Hotel’s (“FPSS”) was at 42%.
- Aseana entered into a share sale agreement with Malaysian Resources Corporation Berhad (“MRCB”) to dispose of its 40% stake in Excellent Bonanza Sdn. Bhd. (“EBSB”) for a cash consideration of RM20.0 million (US$6.2 million). EBSB is the developer of the Kuala Lumpur Sentral Office Towers and Hotel project (“KL Sentral Project”). The transaction was completed on 19 August 2014.
- A plot of land measuring 4.7 hectares (11 acres) at the International Hi-Tech Healthcare Park (“IHTHP”) was sold and development rights transferred to AEON Vietnam Co. Ltd. (“AEON Vietnam”). The transaction was completed on 1 August 2014.

Financial highlights:

- Unaudited revenue of US$31.49 million for the six-month period ended 30 June 2014 (30 June 2013 (unaudited): US$10.22 million)
- Unaudited loss before tax for the six-month period ended 30 June 2014 of US$4.76 million (30 June 2013 (unaudited): loss of US$13.73 million)
- Unaudited loss after tax for the six-month period ended 30 June 2014 of US$7.66 million (30 June 2013 (unaudited): loss of US$14.44 million)
- Unaudited consolidated comprehensive loss of US$6.66 million for the six months period ended 30 June 2014 (30 June 2013 (unaudited): loss of US$13.57 million)
- Unaudited net asset value of US$154.63 million at 30 June 2014 (31 December 2013 (audited): US$158.57 million) or US$0.729 per share* (31 December 2013 (audited): US$0.748 per share)
- Unaudited realisable net asset value of US$270.82 million at 30 June 2014 (31 December 2013 (unaudited): US$266.04 million) or US$1.277 per share* (31 December 2013 (unaudited): US$1.255 per share)

* NAV per share and RNAV per share as at 30 June 2014 are calculated based on 212,025,000 voting shares (31 December 2013: 212,025,000 voting shares).

Commenting on the results, Mohammed Azlan Hashim, Chairman of Aseana, said:

"We are pleased that the results for the first half of 2014 have improved significantly compared to the corresponding period in 2013, despite challenges in the property markets in both Malaysia and Vietnam. The Group will continue to pursue an opportunistic yet cautious approach in managing and realising cash flows from its projects. As we move into the second half of 2014, the Group will continue to focus on improving the operation and performance of its key operating assets."

The Group has also published its Quarterly Investment Update (including updates on projects and RNAV figures) for the period to 30 June 2014, which can be obtained on its website at www.aseanaproperties.com/quarterly.htm.

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Notes to Editors:

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

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 45 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

Introduction

I am pleased to report on the half-year results for Aseana Properties Limited ("Aseana") and its group of companies ("the Group") for the six months ended 30 June 2014.

In the year to date, the global economy has shown signs of recovery though political unrest in Ukraine and the Middle East pose notable challenges. Investment remains subdued amid the uneven economic growth in the United States of America and Europe. China's growth has also been curtailed amid by its government's reform policies. Closer to home, the Malaysian economy has proven resilient despite these global economic headwinds. Over the medium term, however, there are important long-standing structural issues such as the high levels of household debt which increased to 86.8% of its Gross Domestic Product ("GDP") as at the end of 2013, among the highest in Asia. The Central Bank of Malaysia recently announced a hike in Overnight Policy Rate ("OPR") by 25 basis points to 3.25%, the first rise in three years, to mitigate the risk of broader economic and financial imbalances that could undermine the growth prospects of the Malaysian economy.

The Vietnamese economy has resumed its path of gradual recovery in the first half of 2014. GDP expanded 5.18% during the first six month of the year and the Central Bank of Vietnam has recently devalued the Vietnamese Dong by 1% to boost exports following the domestic disturbances back in May triggered by the territorial dispute with China. Vietnam's total Foreign Direct Investment ("FDI") disbursement reached US$5.75 billion in the first half of 2014, an increase of 0.9% y-o-y.

Results

For the six months ended 30 June 2014, Aseana and its group of companies (the "Group") recorded unaudited revenue of US$31.49 million (H1 2013 (unaudited): US$10.22 million), which was mainly attributable to the sale of completed units in SENI Mont' Kiara and Tiffani. No revenue was recognised for The RuMa, in accordance with IFRIC 15 – Agreements for Construction of Real Estate which prescribes that revenue be recognised only when the properties are completed and occupancy permits are issued.

The Group recorded an unaudited loss before tax for the period of US$4.76 million (H1 2013 (unaudited): loss of US$13.73 million), predominantly due to operating losses and financing costs of Four Points by Sheraton Sandakan Hotel and Harbour Mall Sandakan totaling US$2.74 million, together with an operating loss and financing cost of City International Hospital of US$4.91 million.

The Group's unaudited loss after tax for the six-months ended 30 June 2014 stood at US$7.66 million (30 June 2013 (unaudited): loss of US$14.44 million). Other comprehensive income include a foreign currency translation gain of US$0.98 million (30 June 2013 (unaudited): loss of US$3.50 million) which was attributable to the strengthening of the Ringgit against the US dollars. This resulted in an unaudited consolidated comprehensive loss for the period of US$6.66 million (30 June 2013 (unaudited): loss of US$13.57 million).

Unaudited net asset value for the Group for the period under review decreased to US$154.63 million (31 December 2013 (audited): US$158.57 million) or US$0.729 per share (31 December 2013: US$0.748 per share) due to losses incurred for the period. However, unaudited realisable net asset value improved to US$270.82 million as at 30 June 2014 (31 December 2013 (unaudited): US$266.04 million) or US$1.277 per share (31 December 2013 (unaudited): US$1.255 per share) mainly due to the improved market values of IHTHP lands based on the latest market valuation exercise.

Review of Activities and Property Portfolio

Sales status *(based on Sales and Purchase agreements signed)*:

Projects	**% sales as at 31 July 2014**	**% sales as at December 2013**
Tiffani by i-ZEN	99%	98%
SENI Mont' Kiara		
- Proceeds received	87%	80%
- Pending completion	4%	4%
The RuMa Hotel and Residences	43%	38%

Malaysia

SENI Mont' Kiara won the prestigious Silver prize in the FIABCI (World Chapter) Prix D' Excellence Award 2014 for the High Rise Residential Category, in May 2014. In line with this achievement, sales recorded for SENI Mont' Kiara increased to 91%, compared to 88% previously. A further 6% is reserved with deposit paid.

The recent cooling measures imposed by the Malaysian Government have affected the sales performance at The RuMa Hotel and Residences. Sale of units at The RuMa inched up marginally to 43% based on sales and purchase agreements signed, with a further 8% being reserved with deposit paid. The Manager has planned numerous sales events and initiatives over the next few months and will continue to explore all opportunities to drive sales. Meanwhile, construction of the main building is in progress and completion is targeted for 2017.

The 482-room Aloft Kuala Lumpur Sentral Hotel ("Aloft"), managed and operated by Starwood Asia Pacific Hotels Resort Pte. Ltd, has achieved an average occupancy rate of 68% for the six-months ended 30 June 2014.

Aseana has entered into a share sale agreement with Malaysian Resources Corporation Berhad ("MRCB") to dispose of its 40% stake in Excellent Bonanza Sdn. Bhd. ("EBSB") for a cash consideration of RM20 million (US$6.21 million). The transaction was completed on 19 August 2014. Aseana is expected to record a gain of approximately RM16.4 million (US$5.1 million) from the disposal of 40% stake in EBSB. EBSB, a joint venture company between MRCB and Aseana, is the developer of the Kuala Lumpur Sentral Office Towers and Hotel project. The disposal represents an early exit and realisation of profits from the project which was originally planned for December 2015.

Sabah's tourism continues to be adversely impacted by the disappearance of flight MH370 in March 2014 and also the recent flight MH17 tragedy, along with the several kidnapping cases of both tourists and locals, off the east coast of Sabah, over the last few months. In Sandakan, the business environment remains uncertain. Travel advisory notices were issued for the coastal areas of eastern Sabah by countries such as the United States of America, United Kingdom, Canada, Australia and New Zealand. The Malaysian Government has imposed night time curfews along the coastline of eastern Sabah as a new security measure. Average occupancy rate at the Four Points by Sheraton Sandakan Hotel ("FPSS") stood at 42% for the six-months ended 30 June 2014. The Management of FPSS continues to look at ways to improve efficiency of the hotel operation and to work with relevant authorities to increase tourist arrivals to Sandakan. The Harbour Mall Sandakan is similarly affected and tenancy rate has remained at 47.0% as at July 2014.

Moving forward, Aseana will focus on the operation and performance of its key operating assets. The Company will also continue its efforts to dispose of the remaining units at SENI Mont' Kiara and Tiffani as well as to drive new sales for The RuMa.

Vietnam

As at 3 August 2014, The City International Hospital ("CIH") registered inpatient days of 1,459 days with average revenue per inpatient admission of US$2,014. Outpatient visits as at 3 August 2014 stood at 5,144 visits with average revenue per visit of US$82. Whilst the average revenues per patient are within the expected range, the volume of patients has fallen short of expectations. The Manager is working closely with the operator of CIH to improve performance through targeted sales and marketing campaign, and introduction of new service lines offered by CIH.

Aseana, through its 67%-owned subsidiary, Hoa Lam Shangri-La 3 Limited Liability Company ("HLSL3"), has entered into an agreement with AEON Vietnam Co., Ltd. ("AEON Vietnam") to develop a retail mall at the International Hi-Tech Healthcare Park ("IHTHP"). AEON Vietnam is a subsidiary of AEON Co., Ltd. based in Japan, one of the world's largest retailing groups with over 18,000 stores across Japan and Asia. The transaction involves the disposal of a 4.7 hectares (11 acres) plot of land at IHTHP and also the transfer of the development rights to AEON Vietnam. AEON Vietnam has on 21 June 2014, been awarded the Investment Certificate for the development, and on 1 August 2014 successfully transferred the development rights to AEON Vietnam. HLSL 3 will receive a net cash consideration of approximately US$23 million from the transaction. To date, 95% of the consideration has been received and the remaining 5% will be disbursed by AEON Vietnam upon completion of certain road infrastructure for the plot of land, expected in Q4 2014. From the cash proceeds received by HLSL3, US$14.6 million was used to repay bank borrowings of IHTHP, with the remaining proceeds being used for payment of infrastructure costs for the land, Corporate Income Tax and working capital of the project.

The Vietnam Stock Index ("VN Index") has recovered following a gradual decline between the end of March 2014 and the beginning of August 2014, reflecting a more positive economic outlook for Vietnam. At the date of this publication, Nam Long shares closed at VND18,600 per share, improving from VND17,400 per share as at 30 June 2014.

MOHAMMED AZLAN HASHIM
Chairman
26 August 2014

DEVELOPMENT MANAGER'S REVIEW

Malaysia Economic Update

The Malaysian economy recorded a strong growth of 6.4% in the first half of 2014, underpinned mainly by a surge in exports and aided by low base effect. However, there are indications that growth will taper moving into the second half of 2014. This reflects the impact of the fiscal and monetary policy adjustments by the Government such as the on-going subsidy rationalisation and the upcoming Goods and Services Tax ("GST"). Although these measures by the Government will undeniably dampen the domestic demand especially consumer spending and Government expenditures, GDP growth is expected to remain resilient. Malaysia continues to build on its competitive position in electronics, automotive and machinery manufacturing industries to move up the value chain into high-technology and skill-intensive segments. AT Kearney has ranked Malaysia 15^{th} in its list of 2014 Foreign Direct Investment Confidence Index, compared to being in the 25^{th} position in previous year.

Fitch Ratings has also reaffirmed Malaysia's sovereign ratings at "A-" accompanied by cautious commentary on the credit weakness in public finances relative to other "A" range peers. This remains a source of downward pressure on the ratings for Malaysia. There are concerns over the Malaysian Government's lack of progress on structural budgetary reform and with the rising interest rates which could impair household debt servicing capacity, the outlook for Malaysia's long term default rating remains at "negative".

In July 2014, the central bank of Malaysia raised the overnight policy rate ("OPR") by 25 basis points to 3.25%, the first increase in three years, with the expectations that Malaysia's overall economic growth momentum will be sustained. Amid the high and rising household debt to GDP ratio, this increase will add to consumers' costs of living and also reduce purchasing powers.

Prior to the announcement of the OPR hike, the Ringgit had hit an eight-month high against the US dollar, reflecting renewed investor confidence in the currency and making it the second best-performing currency among the other Asean countries such as Thailand, Indonesia, Singapore and Philippines.

The Consumer Sentiment Index and the Business Conditions Index issued by the Malaysian Institute of Economic Research ("MIER") for the second quarter of 2014 continue to move in tandem for four consecutive quarters, reflecting synchronisation in both consumer and business sentiments. The Consumer Sentiment Index rose 3.3 points to pass the 100-point benchmark to settle at 100.1 points (Q1 2014: 96.8 points). This indicates neutral consumer sentiment towards the outlook for employment. The Business Conditions Index rose to 113.0 points (Q1 2014: 103.1 points) contributed by increased sales in the manufacturing sector, strong domestic and export orders and higher investment in new plant and equipment.

Overview of Property Market in Klang Valley, Malaysia

Offices

- 1 new office building was completed in Q2 2014, increasing the total supply of office space in the Klang Valley to 106.1 million sq.ft. Overall occupancy increased to 81% (Q1 2014: 80%).
- Market rentals and prices remained stable, while rental yield remained between 6% and 8%.
- En-bloc transaction during the quarter: (i) Platinum Sentral (Prime A 5 blocks of 4 to 7 stories) located in Kuala Lumpur Sentral was sold at RM1,576 psf (US$ 482 psf).
- Occupancy rates are expected to remain around 80% as some developers are likely to defer their project completion dates. A total of 2.57 million sq.ft. is scheduled to be completed by end 2014.

Retail

- Market prices and market rentals for retail centres in Klang Valley were generally stable.
- Retail transactions in Q2 2014: (i) Pandan Safari Lagoon (63 units of retail lots, 2 level of car parks and roof top of the retail centre) were acquired by CHN Commodity Trade Centre Sdn Bhd for RM147 psf (US$45 psf) or total purchase consideration of RM50 million (US$15.31 million).
- Average occupancy rate in Klang Valley remained stable at 84% in Q2 2014.

Residential

- 27 projects with 7,381 units condominium in Klang Valley were completed in Q2 2014.
- 26 projects with 9,294 units were launched in Q2 2014.
- Market prices and market rental rates remained stable in Q2 2014.
- Selected new launches: (i) Expressionz Professional Suites – Blocks A&B (447 units), launched in Mar 2014 with an average price of RM1,300 psf (US$398 psf) achieved 70% take-up rate; (ii) Residensi 22 Mont Kiara – Block B (270 units), launched in April 2014 with an average price of RM850 psf (US$260 psf) is 50% sold.

Hospitality

- In Q2 2014, average daily room rate for International class hotels in the Klang Valley (within Kuala Lumpur City) and Business class hotels increased y-o-y by 7.1% and 2.5% respectively.
- Average occupancy rates for International class hotels in Klang Valley increased to 73.3% as at April 2014, whilst average occupancy rates for Business class hotels

increased to 66.0% compared to the same period in 2013.

- 9.3 million tourists visited Malaysia in first 4 months of 2014, an increase of 9.9% compared to Q2 2013.

- Tourism into Sabah has been adversely affected by recent kidnapping cases and the loss of Flights MH370 and MH17.

Source: Bank Negara Malaysia website, Jones Lang Wootton Q2 report, MIER, various publications
Exchange rate – 30 June 2014: US$1:RM3.2113

Vietnam Economic Update

The Vietnamese economy picked up in the first half of 2014, with growth of 5.2% following interest rate cuts by the central bank alongside rising foreign investment and strong exports growth. The World Bank forecasted Vietnam's 2014 GDP growth to be at 5.4% while Vietnam's National Financial Supervisory Committee ("NFSC") expects stronger growth of 5.7% to 5.8%. The central bank of Vietnam has also devalued the Vietnamese dong by 1% to help boost exports following the unrest in May triggered by the anti-Chinese protests and also to create stability for the foreign exchange market.

On the back of continued macro-economic stability, Standard & Poor ("S&P"), a global ratings firm has retained its BB long term and B short term sovereign credit ratings on the country. Furthermore, Moody's Investors Service upgraded Vietnam's credit rating by raising the Government bond ratings from B2 to B1 with a stable outlook and also raised the long term foreign currency bond ceiling from B1 to Ba2 as well as its long term foreign currency deposit ceiling from B3 to B2.

Vietnam's June 2014 CPI grew at the slowest pace in 13 years, with a growth of 1.38% as compared to December 2013 and edged up by 4.98% compared to the same period last year, indicating subdued consumer sentiments.

Foreign investment plays an important role in bolstering the growth of many sectors. According to the Ministry of Planning and Investment of Vietnam, statistics showed that the country attracted US$6.85 billion in foreign direct investment ("FDI") in the first half of 2014, including newly registered funds and extra capital from operational projects. The total amount of FDI for the property sector reached US$692.3 million, a 65% increase year on year. This shows that Vietnam's property sector is once again attractive to foreign investors. With the implementation of the new Land Law with effect from 1 July 2014, foreign real estate investors are now allowed to be allocated lands for the purpose of construction of residential housing projects for sale or lease by the Government of Vietnam. Previously, investors were only able to lease those lands from the Government.

Although foreign tourist arrivals to Vietnam in the first six months of the year increased by 21.2% to over 4.3 million, political and safety concerns will remain issues for tourism in the second half of 2014, especially for the hotels and resorts industry following the East Sea tension between China and Vietnam in May.

Overview of Property Market in Vietnam

Offices

- 1 Grade B and 2 Grade C office buildings entered the market increasing the total supply to 1.43mil sqm by 2% q-o-q and 6% y-o-y.

- Overall occupancy rate decreased by 1% q-o-q but up by 2% y-o-y to 89%. The decrease is due to soft performance in Grade B office buildings.

- Average rental rates decreased by 1% q-o-q but up by 3% y-o-y, mainly due to decrease in Grade B and Grade C office buildings average rent.

- Total office take-up decreased by 56% q-o-q and 46% y-o-y, lowest compared to the 3 preceding years. Grade C office buildings which accounted for 76% of total take-up remained a preferred choice by tenants.

Retail

- Retail stock increased by 2.1% q-o-q and 11.7% y-o-y contributed by the entrance of a shopping centre (Saigon Mall, Go Vap District), 2 retail podiums (Saigon Airport Plaza, Tan Binh District and Sunrise City – Phase 1, District 7).

- Average rent in Q2 2014 stood at US$60 psm per month, a decline of 1% q-o-q while average occupancy stood at 87% with an increase of 2.1% q-o-q.

- HCMC's retail sales for the first 6 months of 2014 was estimated at US$14.8 billion, increased by 7.7% y-o-y without inflation. However, the growth rate remained low compared to 2013 (8.1%) and 2012 (8.9%).

Residential

- 11 new apartment projects and new phases of 8 existing apartment projects were launched in Q2 2014. Total stock decreased by 2.6% q-o-q and 0.4% y-o-y as several projects were put on hold.

- Overall apartments' absorption rate was at 17%, an increase of 7% q-o-q and 9% y-o-y.

- 1 new townhouse project (38 units), 1 new phase of an existing townhouse project (100 units) and 1 villa project (48 units), were launched in Q2 2014, increasing the supply of villa/townhouse by 6% q-o-q and 9% y-o-y. 3 new projects with 335 land plots launched in Q2 2014 increased land plot supply by 144% y-o-y but reduced by 11% q-o-q.

- Villa/townhouse market's absorption rate increased by 36% q-o-q while the absorption rate for land plot increased by 25% q-o-q.

Hospitality

- 1 new 3-star hotel (85 rooms) entered the market, 1 3-star hotel reopened (86 rooms) while 1 3-star hotel (61 rooms) was closed for renovation during Q2 2014, increasing the stock by

1% q-o-q and 8% y-o-y.

- Average occupancy rate stood at 61%, a decline of 13% q-o-q and 1% y-o-y, while average room rate decreased by 9% q-o-q and 4% y-o-y to US$81 per room per night. The decline in average room rate is seasonal and reflects the tourism low season.

- 2 new serviced apartments (32 units) and 1 existing project (9 units) entered the market in Q2 2014. Average occupancy rate remained stable at 82%, an increase of 3% y-o-y.

Source: General Statistics Office of Vietnam, Savills, CBRE, various publications
Exchange rate – 30 June 2014: US$1:VND21,315

LAI VOON HON
President / Chief Executive Officer
Ireka Development Management Sdn. Bhd.
Development Manager
26 August 2014

PROPERTY PORTFOLIO AS AT 30 JUNE 2014

Project	Type	Effective Ownership	Approx. Gross Floor Area (sq m)	Approx. Land Area (sq m)	Actual/Scheduled completion
Completed projects					
Tiffani by i-ZEN Kuala Lumpur, Malaysia	Luxury condominiums	100.0%	81,000	15,000	Completed August 2009
1 Mont' Kiara by i-ZEN Kuala Lumpur, Malaysia	Office suites, office tower and retail mall	100.0%	96,000	14,000	Completed in November 2010
SENI Mont' Kiara Kuala Lumpur, Malaysia	Luxury condominiums	100.0%	225,000	36,000	Phase 1: Completed April 2011 Phase 2: Completed October 2011
Sandakan Harbour Square Sandakan, Sabah, Malaysia	Retail lots, hotel and retail mall	100.0%	126,000	48,000	Retail lots Completed 2009 Retail mall: Completed March 2012 Hotel: Completed May 2012
Kuala Lumpur Sentral Office Towers & Hotel Kuala Lumpur, Malaysia	Office towers and a business hotel	40.0%	107,000	8,000	Office Towers: Completed December 2012 Hotel: January 2013
Aloft Kuala Lumpur Sentral hotel Kuala Lumpur, Malaysia	Business-class hotel (a Starwood Hotel)	100.0%	28,000	5,000	Completed in January 2013
Phase 1: City International Hospital, International Hi-tech Healthcare Park, Ho Chi Minh City, Vietnam	Private general hospital	67.2%	48,000	25,000	Completed in March 2013
Projects under development					
The RuMa Hotel and Residences Kuala Lumpur, Malaysia	Luxury residential tower and boutique hotel	70.0%	40,000	4,000	First quarter of 2017
Listed equity investment					
Listed equity investment in Nam Long Investment Corporation, an established developer in Ho Chi Minh City, Vietnam	Listed equity investment	12.9%	n/a	n/a	n/a
Pipeline projects					
Waterside Estates, Ho Chi Minh City, Vietnam	Villas and high-rise apartments	55.0%	94,000	57,000	n/a
Other developments in International Hi-tech Healthcare Park, Ho Chi Minh City, Vietnam	Commercial and residential development with healthcare theme	67.2%	972,000	351,000	n/a
Kota Kinabalu seafront resort & residences Kota Kinabalu, Sabah, Malaysia	(i) Boutique resort hotel resort villas (ii) Resort homes	100.0% 80.0%	n/a	327,000	n/a

*Shareholding as at 31 December 2013
n/a: Not available / not applicable

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
SIX MONTHS ENDED 30 JUNE 2014

Continuing activities	Notes	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Revenue		**31,494**	10,222	29,269
Cost of sales	5	**(24,953)**	(8,379)	(22,768)
Gross profit		**6,541**	1,843	6,501
Other income		**13,349**	4,573	16,122
Administrative expenses		**(366)**	(872)	(1,622)
Foreign exchange loss	6	**(9)**	(443)	(1,105)
Management fees		**(1,653)**	(1,821)	(3,762)
Marketing expenses		**(591)**	(1,328)	(1,953)
Other operating expenses		**(16,265)**	(8,978)	(23,635)
Operating profit/(loss)		**1,006**	(7,026)	(9,454)
Finance income		**227**	208	424
Finance costs		**(5,760)**	(3,884)	(9,766)
Net finance costs		**(5,533)**	(3,676)	(9,342)
Share of loss of associate, net of tax		**(229)**	(3,029)	-
Net loss before taxation		**(4,756)**	(13,731)	(18,796)
Taxation	7	**(2,906)**	(705)	(2,854)
Loss for the period/year		**(7,662)**	(14,436)	(21,650)
Other comprehensive income/(expense), net of tax				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations		**977**	(3,498)	(6,220)
Increase in fair value of available-for-sale investments		**26**	4,361	126
Total other comprehensive income/(expense) for the period/year		**1,003**	863	(6,094)
Total comprehensive loss for the period/year		**(6,659)**	(13,573)	(27,744)
Loss attributable to:				
Equity holders of the parent		**(5,198)**	(13,776)	(19,006)
Non-controlling interests		**(2,464)**	(660)	(2,644)
Total		**(7,662)**	(14,436)	(21,650)
Total comprehensive loss attributable to:				
Equity holders of the parent		**(3,939)**	(12,661)	(24,971)
Non-controlling interests		**(2,720)**	(912)	(2,773)
Total		**(6,659)**	(13,573)	(27,744)
Loss per share				
Basic and diluted (US cents)	8	**(2.45)**	(6.50)	(8.96)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Notes	Unaudited As at 30 June 2014 US$'000	Unaudited As at 30 June 2013 US$'000	Audited As at 31 December 2013 US$'000
Non-current assets				
Property, plant and equipment		**1,091**	1,126	1,146
Investment in an associate		**2,023**	-	2,252
Available-for-sale investments		**12,723**	16,932	12,697
Intangible assets		**13,208**	13,738	13,525
Deferred tax assets		**682**	-	595
Total non-current assets		**29,727**	31,796	30,215
Current assets				
Inventories		**416,597**	426,284	428,609
Held-for-trading financial instrument		**388**	383	375
Trade and other receivables		**14,651**	10,747	9,912
Amount due from an associate		**943**	-	853
Current tax assets		**127**	251	233
Cash and cash equivalents		**26,911**	19,745	24,585
Total current assets		**459,617**	457,410	464,567
TOTAL ASSETS		**489,344**	489,206	494,782
Equity				
Share capital		**10,601**	10,626	10,601
Share premium		**218,926**	218,926	218,926
Capital redemption reserve		**1,899**	1,874	1,899
Translation reserve		**(1,872)**	(260)	(3,105)
Fair value reserve		**152**	4,361	126
Accumulated losses		**(75,074)**	(64,604)	(69,876)
Shareholders' equity		**154,632**	170,923	158,571
Non-controlling interests		**9,271**	12,321	11,429
Total equity		**163,903**	183,244	170,000
Non-current liabilities				
Amount due to non-controlling interests		**1,085**	-	1,440
Loans and borrowings	9	**68,972**	51,094	49,309
Medium term notes	10	**143,333**	159,312	140,877
Total non-current liabilities		**213,390**	210,406	191,626
Current liabilities				
Trade and other payables		**79,474**	56,527	83,640
Amount due to an associate		**-**	557	-
Amount due to non-controlling interests		**9,587**	10,177	9,008
Loans and borrowings	9	**6,934**	26,677	25,466
Medium term notes	10	**14,013**	-	13,739
Current tax liabilities		**2,043**	1,618	1,303
Total current liabilities		**112,051**	95,556	133,156
Total liabilities		**325,441**	305,962	324,782
TOTAL EQUITY AND LIABILITIES		**489,344**	489,206	494,782

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2014 - UNAUDITED

	Share Capital US$'000	Share Premium US$'000	Capital Redemption Reserve US$'000	Translation Reserve US$'000	Fair Value Reserve US$'000	Accumulated Losses US$'000	Total Equity Attributable to Equity Holders of the Parent US$'000	Non-Controlling Interests US$'000	Total Equity US$'000
At 1 January 2014	10,601	218,926	1,899	(3,105)	126	(69,876)	158,571	11,429	170,000
Non-controlling interests contribution	-	-	-	-	-	-	-	562	562
Loss for the period	-	-	-	-	-	(5,198)	(5,198)	(2,464)	(7,662)
Total other comprehensive income	-	-	-	1,233	26	-	1,259	(256)	1,003
Total comprehensive loss	-	-	-	1,233	26	(5,198)	(3,939)	(2,720)	(6,659)
Shareholders' equity at 30 June 2014	**10,601**	**218,926**	**1,899**	**(1,872)**	**152**	**(75,074)**	**154,632**	**9,271**	**163,903**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2013 – UNAUDITED

	Share Capital US$'000	Share Premium US$'000	Capital Redemption Reserve US$'000	Translation Reserve US$'000	Fair Value Reserve US$'000	Accumulated Losses US$'000	Total Equity Attributable to Equity Holders of the Parent US$'000	Non-Controlling Interests US$'000	Total Equity US$'000
At 1 January 2013	10,626	218,926	1,874	2,986	-	(50,828)	183,584	13,063	196,647
Non-controlling interests contribution	-	-	-	-	-	-	-	170	170
Loss for the period	-	-	-	-	-	(13,776)	(13,776)	(660)	(14,436)
Total other comprehensive income	-	-	-	(3,246)	4,361	-	1,115	(252)	863
Total comprehensive loss	-	-	-	(3,246)	4,361	(13,776)	(12,661)	(912)	(13,573)
Shareholders' equity at 30 June 2013	10,626	218,926	1,874	(260)	4,361	(64,604)	170,923	12,321	183,244

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013 - AUDITED

	Share Capital US$'000	Share Premium US$'000	Capital Redemption Reserve US$'000	Translation Reserve US$'000	Fair Value Reserve US$'000	Accumulated Losses US$'000	Total Equity Attributable to Equity Holders of the Parent US$'000	Non-Controlling Interests US$'000	Total Equity US$'000
1 January 2013	10,626	218,926	1,874	2,986	-	(50,828)	183,584	13,063	196,647
Changes in ownership interests in subsidiaries	-	-	-	-	-	(42)	(42)	42	-
Non-controlling interests contribution	-	-	-	-	-	-	-	1,097	1,097
Loss of the year	-	-	-	-	-	(19,006)	(19,006)	(2,644)	(21,650)
Total other comprehensive expense	-	-	-	(6,091)	126	-	(5,965)	(129)	(6,094)
Total comprehensive loss	-	-	-	(6,091)	126	(19,006)	(24,971)	(2,773)	(27,744)
Cancellation of shares	(25)	-	25	-	-	-	-	-	-
Shareholders' equity at 31 December 2013	10,601	218,926	1,899	(3,105)	126	(69,876)	158,571	11,429	170,000

CONSOLIDATED STATEMENT OF CASH FLOWS
SIX MONTHS ENDED 30 JUNE 2014

	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Cash Flows from Operating Activities			
Net loss before taxation	**(4,756)**	(13,731)	(18,796)
Finance income	**(227)**	(208)	(424)
Finance costs	**5,760**	3,884	9,766
Share of losses of associates, net of tax	**229**	3,029	-
Unrealised foreign exchange loss	**1**	378	1,065
Impairment of goodwill	**317**	107	320
Depreciation of property, plant and equipment	**59**	61	114
Property, plant and equipment written off	**-**	-	7
Fair value (gain)/ loss on held-for-trading financial instrument	**(1)**	5	5
Operating profit/ (loss) before working capital changes	**1,382**	(6,475)	(7,943)
Changes in working capital:			
Decrease/ (increase) in inventories	**16,711**	(85,533)	(96,690)
(Increase)/ decrease in receivables	**(4,597)**	1,978	2,063
(Decrease)/ increase in payables	**(5,497)**	2,498	28,884
Cash generated from/ (used in) operations	**7,999**	(87,532)	(73,686)
Interest paid	**(5,760)**	(5,141)	(9,766)
Tax paid	**(2,197)**	(1,124)	(4,029)
Net cash generated from/ (used in) operating activities	**42**	(93,797)	(87,481)
Cash Flows From Investing Activities			
Advances from non-controlling interests	**486**	370	1,081
Issuance of ordinary shares of subsidiaries to non-controlling interests	**562**	170	1,097
(Advances to)/ repayment from associate	**(88)**	239	(630)
Disposal of held-for-trading financial instrument	**-**	982	899
Purchase of property, plant and equipment	**(13)**	(50)	(154)
Finance income received	**227**	208	424
Net cash generated from investing activities	**1,174**	1,919	2,717

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)
SIX MONTHS ENDED 30 JUNE 2014

	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Cash Flows From Financing Activities			
Repayment of loans and borrowings and medium term notes	**(6,212)**	(5,111)	(17,341)
Drawdown of loans and borrowings and medium term notes	**7,075**	101,243	110,860
(Increase)/ decrease in pledged deposits placed in licensed banks	**(30)**	-	77
Net cash generated from financing activities	**833**	96,132	93,596
Net changes in cash and cash equivalents during the period/year	**2,049**	4,254	8,832
Effect of changes in exchange rates	**247**	(845)	(248)
Cash and cash equivalents at the beginning of the period/year	**14,166**	5,582	5,582
Cash and cash equivalents at the end of the period/year	**16,462**	8,991	14,166

Cash and Cash Equivalents

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following consolidated statement of financial position amounts:

Cash and bank balances	**8,125**	6,345	11,498
Short term bank deposits	**18,786**	13,400	13,087
	26,911	19,745	24,585
Less: Deposits pledged	**(10,449)**	(10,754)	(10,419)
Cash and cash equivalents	**16,462**	8,991	14,166

During the financial period/year, the Group acquired property, plant and equipment with an aggregate cost of US$13,000 (30 June 2013: US$91,000; 31 December 2013: US$194,000) of which US$Nil (30 June 2013: US$41,005; 31 December 2013: US$40,000) was acquired by means of finance leases.

During the financial period/year, US$562,000 (30 June 2013: US$170,000; 31 December 2013: US$1,097,000) of ordinary shares of subsidiaries were issued to non-controlling shareholders, of which US$562,000 (30 June 2013: US$170,000; 31 December 2013: US$1,097,000) was satisfied via cash consideration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

1 GENERAL INFORMATION

The principal activities of the Group are acquisition, development and redevelopment of upscale residential, commercial, hospitality and healthcare 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 invests in projects in construction and newly completed projects with potential capital appreciation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2014 has been prepared in accordance with IAS 34, Interim Financial Reporting.

The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013 which has been prepared in accordance with IFRS.

Taxes on income in the interim period are accrued using the tax rate that would be applicable to expected total annual earnings.

The interim results have not been audited nor reviewed and do not constitute statutory 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 accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2013 as described in those annual financial statements.

The interim report and financial statements were approved by the Board of Directors on 26 August 2014.

3 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, Chief Operating Officer and Chief Investment Officer of IDM. 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) Investment Holding Companies – investing activities;
(ii) Ireka Land Sdn. Bhd. – develops Tiffani by i-ZEN and 1 Mont' Kiara by i-ZEN;
(iii) ICSD Ventures Sdn. Bhd. – owns and operates Harbour Mall Sandakan and Four Points by Sheraton Sandakan Hotel;
(iv) Amatir Resources Sdn. Bhd. – develops SENI Mont' Kiara;
(v) Iringan Flora Sdn. Bhd. – owns and operates Aloft Kuala Lumpur Sentral Hotel; and
(vi) Hoa Lam-Shangri-La Healthcare Group – owns and develops City International Hospital and Hi-Tech Healthcare Park.

Other non-reportable segments comprise the Group's new development projects. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2014 and 2013.

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/(loss) and profit/(loss) 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 still at early stages of development and operation.

Operating Segments – ended 30 June 2014 - Unaudited

	Investment Holding Companies US$'000	Ireka Land Sdn. Bhd. US$'000	ICSD Ventures Sdn. Bhd. US$'000	Amatir Resources Sdn. Bhd. US$'000	Iringan Flora Sdn. Bhd. US$'000	Hoa Lam-Shangri-La Healthcare Group US$'000	Total US$'000
Segment (loss)/profit before taxation	**(694)**	**415**	**(2,929)**	**4,939**	**(245)**	**(5,418)**	**(3,932)**
Included in the measure of segment (loss)/profit are:							
Revenue	**-**	**4,069**	**-**	**27,425**	**-**	**-**	**31,494**
Cost of acquisition written down	**-**	**(110)**	**-**	**(5,844)**	**-**	**-**	**(5,954)**
Goodwill impairment	**-**	**-**	**-**	**(317)**	**-**	**-**	**(317)**
Marketing expenses	**-**	**-**	**-**	**(226)**	**-**	**-**	**(226)**
Depreciation of property, plant and equipment	**-**	**-**	**(5)**	**-**	**(4)**	**(48)**	**(57)**
Finance costs	**-**	**-**	**(2,130)**	**-**	**(2,469)**	**(1,161)**	**(5,760)**
Finance income	**2**	**7**	**152**	**34**	**12**	**17**	**224**
Segment assets	**16,911**	**4,687**	**107,704**	**67,744**	**81,327**	**117,201**	**395,574**
Included in the measure of segment assets are:							
Addition to non-current assets other than financial instruments and deferred tax assets	**-**	**-**	**12**	**-**	**-**	**-**	**12**

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

Statement of comprehensive income	**US$'000**
Total loss for reportable segments	**(3,932)**
Other non-reportable segments	**(825)**
Depreciation	**(2)**
Finance income	**3**
Consolidated loss before taxation	**(4,756)**

Operating Segments – ended 30 June 2013 - Unaudited

	Investment Holding Companies US$'000	Ireka Land Sdn. Bhd. US$'000	ICSD Ventures Sdn. Bhd. US$'000	Amatir Resources Sdn. Bhd. US$'000	Iringan Flora Sdn. Bhd. US$'000	Hoa Lam-Shangri-La Healthcare Group US$'000	Total US$'000
Segment (loss)/profit before taxation	(4,731)	(121)	(2,954)	93	(3,000)	(1,569)	(12,282)
Included in the measure of segment (loss)/profit are:							
Revenue	-	436	401	9,385	-	-	10,222
Cost of acquisition written down	-	(8)	(68)	(1,976)	-	-	(2,052)
Goodwill impairment	-	-	-	(107)	-	-	(107)
Marketing expenses	-	-	-	(437)	-	-	(437)
Depreciation of property, plant and equipment	-	(2)	(5)	(1)	(3)	(49)	(60)
Finance costs	-	-	(2,240)	(201)	(1,310)	(133)	(3,884)
Finance income	2	2	150	11	26	14	205
Segment assets	17,254	10,364	109,177	92,062	81,692	94,167	404,716
Included in the measure of segment assets are:							
Addition to non-current assets other than financial instruments and deferred tax assets	-	-	6	-	62	23	91

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

Statement of comprehensive income	**US$'000**
Total loss for reportable segments	(12,282)
Other non-reportable segments	(1,451)
Depreciation	(1)
Finance income	3
Consolidated loss before taxation	(13,731)

Operating Segments – ended 31 December 2013 - Audited

	Investment Holding Companies US$'000	Ireka Land Sdn. Bhd. US$'000	ICSD Ventures Sdn. Bhd. US$'000	Amatir Resources Sdn. Bhd. US$'000	Iringan Flora Sdn. Bhd. US$'000	Hoa Lam-Shangri-La Healthcare Group US$'000	Total US$'000
Segment (loss)/ profit before taxation	(2,217)	(323)	(5,927)	4,169	(4,382)	(7,559)	(16,239)
Included in the measure of segment (loss)/profit are:							
Revenue	-	1,278	433	27,558	-	-	29,269
Cost of acquisition written down	-	(33)	(68)	(5,918)	-	-	(6,019)
Goodwill impairment	-	-	-	(320)	-	-	(320)
Marketing expenses	-	-	-	(711)	-	-	(711)
Depreciation of property, plant and equipment	-	(2)	(10)	(1)	(7)	(91)	(111)
Finance costs	-	-	(4,464)	(252)	(3,841)	(1,209)	(9,766)
Finance income	7	4	301	28	44	27	411
Segment assets	18,273	9,703	105,954	81,743	79,231	110,545	405,449
Included in the measure of segment assets are:							
Addition to non-current assets other than financial instruments and deferred tax assets	-	-	5	-	44	145	194

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

Statement of comprehensive income	**US$'000**
Total loss for reportable segments	(16,239)
Other non-reportable segments	(2,567)
Depreciation	(3)
Finance income	13
Consolidated loss before taxation	(18,796)

30 June 2014 - Unaudited US$'000	**Revenue**	**Depreciation**	**Finance costs**	**Finance income**	**Segment assets**	**Addition to non-current assets**
Total reportable segment	**31,494**	**(57)**	**(5,760)**	**224**	**395,574**	**12**
Other non-reportable segments	**-**	**(2)**	**-**	**3**	**93,770***	**1**
Consolidated total	**31,494**	**(59)**	**(5,760)**	**227**	**489,344**	**13**

30 June 2013 - Unaudited US$'000	**Revenue**	**Depreciation**	**Finance costs**	**Finance income**	**Segment assets**	**Addition to non-current assets**
Total reportable segment	10,222	(60)	(3,884)	205	404,716	91
Other non-reportable segments	-	(1)	-	3	84,490*	-
Consolidated total	10,222	(61)	(3,884)	208	489,206	91

31 December 2013 - Audited US$'000	**Revenue**	**Depreciation**	**Finance costs**	**Finance income**	**Segment assets**	**Addition to non-current assets**
Total reportable segment	29,269	(111)	(9,766)	411	405,449	194
Other non-reportable segments	-	(3)	-	13	89,333*	-
Consolidated total	29,269	(114)	(9,766)	424	494,782	194

* Included in segment asset for other non-reportable segments is US$53,675,000 (30 June 2013: US$42,449,000; 31 December 2013: S$49,696,000) in relation to assets of Urban DNA Sdn. Bhd..

Geographical Information – ended 30 June 2014 - Unaudited

	Malaysia US$'000	Vietnam US$'000	Consolidated US$'000
Revenue	**31,494**	**-**	**31,494**
Non-current assets	**5,288**	**24,439**	**29,727**

For the financial period ended 30 June 2014, no single customer exceeded 10% of the Group's total revenue.

Geographical Information – ended 30 June 2013 - Unaudited

	Malaysia US$'000	Vietnam US$'000	Consolidated US$'000
Revenue	10,222	-	10,222
Non-current assets	3,138	28,658	31,796

For the financial period ended 30 June 2013, no single customer exceeded 10% of the Group's total revenue.

Geographical Information – ended 31 December 2013 - Audited

	Malaysia US$'000	Vietnam US$'000	Consolidated US$'000
Revenue	29,269	-	29,269
Non-current assets	5,741	24,474	30,215

For the financial year ended 31 December 2013, no single customer exceeded 10% of the Group's total revenue.

4 SEASONALITY

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

5 COST OF SALES

	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Direct costs attributable to property development	**24,953**	8,379	22,768

6 FOREIGN EXCHANGE LOSS

	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Foreign exchange loss comprises:			
Realised foreign exchange loss	**(8)**	(65)	(40)
Unrealised foreign exchange loss	**(1)**	(378)	(1,065)
	(9)	(443)	(1,105)

7 TAXATION

	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Current tax expense	**2,980**	705	3,470
Deferred tax credit	**(74)**	-	(616)
Total tax expense for the period/year	**2,906**	705	2,854

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

	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year Ended 31 December 2013 US$'000
Net loss before taxation	**(4,756)**	(13,731)	(18,796)
Income tax at a rate of 25%*	**(1,189)**	(3,433)	(4,699)
Add :			
Tax effect of expenses not deductible in determining taxable profit	**1,596**	2,437	4,989
Movement of unrecognised deferred tax benefits	**1,673**	1,773	1,833
Tax effect of different tax rates in subsidiaries**	**1,027**	108	960
Less :			
Tax effect of income not taxable in determining taxable profit	**(201)**	(183)	(377)
Under provision	**-**	3	148
Total tax expense for the period/year	**2,906**	705	2,854

* 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 a preferential corporate tax rate of 10% for its profit/(loss) arising from hospital income. The preferential income tax rate is given by the government of Vietnam due to the subsidiary's involvement in the healthcare and education industries.

The Company is treated as a tax resident of Jersey for the purpose of tax laws and is subject to a tax rate of 0%.

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 registration is £200 per annum.

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.

8 LOSS PER SHARE

Basic and diluted loss per ordinary share

The calculation of basic and diluted loss per ordinary share for the period/year ended was based on the loss attributable to equity holders of the parent and a weighted average number of ordinary shares outstanding, calculated as below:

	Unaudited Six months ended 30 June 2014 US$'000	Unaudited Six months ended 30 June 2013 US$'000	Audited Year ended 31 December 2013 US$'000
Loss attributable to equity holders of the parent	**(5,198)**	(13,776)	(19,006)
Weighted average number of shares	**212,025**	212,025	212,025
Loss per share			
Basic and diluted (US cents)	**(2.45)**	(6.50)	(8.96)

9 LOANS AND BORROWINGS

Group	Unaudited As at 30 June 2014 US$'000	Unaudited As at 30 June 2013 US$'000	Audited As at 31 December 2013 US$'000
Non-current			
Bank loans	**68,936**	51,040	49,267
Finance lease liabilities	**36**	54	42
	68,972	51,094	49,309
Current			
Bank loans	**6,920**	26,666	25,452
Finance lease liabilities	**14**	11	14
	6,934	26,677	25,466
	75,906	77,771	74,775

The effective interest rates on the bank loans and hire purchase arrangement for the period ranged from 5.25% to 14.90% (30 June 2013: 5.20% to 23.00%; 31 December 2013: 5.25% to 17.70%) per annum and 2.50% (30 June 2013: 2.50%; 31 December 2013: 2.50% to 3.50%) per annum respectively.

Borrowings are denominated in Ringgit Malaysia, United States Dollars and Vietnam Dong.

Bank loans are repayable by monthly, quarterly or semi-annually instalments.

Bank loans are secured by land held for property development, work-in-progress, operating assets of the Group, pledged deposits and some by the corporate guarantee of the Company.

Finance lease liabilities are payable as follows:

Group - Unaudited	**Future minimum lease payment 30 June 2014 US$'000**	**Interest 30 June 2014 US$'000**	**Present value of minimum lease payment 30 June 2014 US$'000**
Within one year	**16**	**2**	**14**
Between one and five years	**42**	**6**	**36**
	58	**8**	**50**

Group - Unaudited	**Future minimum lease payment 30 June 2013 US$'000**	**Interest 30 June 2013 US$'000**	**Present value of minimum lease payment 30 June 2013 US$'000**
Within one year	13	2	11
Between one and five years	62	8	54
	75	10	65

Group - Audited	**Future minimum lease payment 31 December 2013 US$'000**	**Interest 31 December 2013 US$'000**	**Present value of minimum lease payment 31 December 2013 US$'000**
Within one year	16	2	14
Between one and five years	49	7	42
	65	9	56

10 MEDIUM TERM NOTES

	Unaudited As at 30 June 2014 US$'000	**Unaudited As at 30 June 2013 US$'000**	**Audited As at 31 December 2013 US$'000**
Outstanding medium term notes	**160,060**	162,630	156,924
Net transaction costs	**(2,714)**	(3,318)	(2,308)
Less:			
Repayment due within twelve months	**(14,013)**	-	(13,739)
Repayment due after twelve months	**143,333**	159,312	140,877

The medium term notes ("MTN") were issued by a subsidiary to fund two development projects known as Sandakan Harbour Square and Aloft Kuala Lumpur Sentral Hotel in Malaysia. US$76.3 million were drawn down in 2011 for Sandakan Harbour Square. US$4.7 million were drawn down in 2012 for Aloft Kuala Lumpur Sentral Hotel and the remaining US$79.1 million in 2013. The weighted average interest rate of the MTN was 5.51% per annum at the statement of the financial position date. The effective interest rates of the medium term notes and their outstanding amounts are as follows:

	Maturity Dates	**Interest rate % per annum**	**US$'000**
Series 1 Tranche FG 001	8 December 2014	5.38	7,785
Series 1 Tranche BG 001	8 December 2014	5.33	6,228
Series 1 Tranche FG 002	8 December 2015	5.46	14,013
Series 1 Tranche BG 002	8 December 2015	5.41	9,342
Series 2 Tranche FG 001	8 December 2015	5.46	21,798
Series 2 Tranche BG 001	8 December 2015	5.41	17,127
Series 3 Tranche FG001	1 October 2015	5.40	3,114
Series 3 Tranche BG001	1 October 2015	5.35	1,557
Series 3 Tranche FG002	29 January 2016	5.50	4,671
Series 3 Tranche BG002	29 January 2016	5.45	3,114
Series 3 Tranche FG003	8 April 2016	5.65	40,171
Series 3 Tranche BG003	8 April 2016	5.58	31,140
			160,060

The medium term notes are secured by way of:

(i) bank guarantee from two financial institutions in respect of the BG Tranches;
(ii) financial guarantee insurance policy from Danajamin Nasional Berhad in respect to the FG Tranches;
(iii) a first fixed and floating charge over the present and future assets and properties of Silver Sparrow Berhad, ICSD Ventures Sdn. Bhd. and Iringan Flora Sdn. Bhd. by way of a debenture;
(iv) a third party first legal fixed charge over ICSD Ventures Sdn. Bhd.'s assets and land;

(v) assignment of all Iringan Flora Sdn. Bhd.'s present and future rights, title, interest and benefits in and under the Sales and Purchase Agreement to purchase the Aloft Kuala Lumpur Sentral Hotel from Excellent Bonanza Sdn. Bhd.;
(vi) first fixed land charge over the Aloft Kuala Lumpur Sentral Hotel and the Aloft Kuala Lumpur Sentral Hotel's land (to be executed upon construction completion);
(vii) a corporate guarantee by Aseana Properties Limited;
(viii) letter of undertaking from Aseana Properties Limited to provide financial and other forms of support to ICSD Ventures Sdn. Bhd. to finance any cost overruns associated with the development of the Sandakan Harbour Square;
(ix) assignment of all its present and future rights, interest and benefits under the ICSD Ventures Sdn. Bhd.'s and Iringan Flora Sdn. Bhd.'s Put Option Agreements and the proceeds from the Harbour Mall Sandakan, Four Points by Sheraton Sandakan Hotel and Aloft Kuala Lumpur Sentral Hotel;
(x) assignment over the disbursement account, revenue account, operating account, sales proceed account, debt service reserve account and sinking fund account of Silver Sparrow Berhad; revenue account of ICSD Ventures Sdn. Bhd. and escrow account of Ireka Land Sdn. Bhd.;
(xi) assignment of all ICSD Ventures Sdn. Bhd.'s and Iringan Flora Sdn. Bhd.'s present and future rights, title, interest and benefits in and under the insurance policies; and
(xii) a first legal charge over all the shares of the Silver Sparrow Berhad, ICSD Ventures Sdn. Bhd. and Iringan Flora Sdn. Bhd. and any dividends, distributions and entitlements.

11 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 23.07% shareholding in the Company.

	Unaudited Six months ended 30 June 2014 US$'000	**Unaudited Six months ended 30 June 2013 US$'000**	**Audited Year ended 31 December 2013 US$'000**
Accounting and financial reporting services fee charged by an ICB subsidiary	**27**	27	53
Construction progress claims charged by an ICB subsidiary	**9,036**	9,341	11,035
Management fees charged by an ICB subsidiary	**1,653**	1,821	3,762
Marketing commission charged by an ICB subsidiary	**825**	121	330
Project management fee for interior fit out works charged by an ICB subsidiary	**-**	62	90
Project staff costs reimbursed to an ICB subsidiary	**397**	309	682
Remuneration of key management personnel - Salaries	**21**	20	40
Sales and administration fee charged by an ICB subsidiary	**-**	51	50
Secretarial and administrative services fee charged by an ICB subsidiary	**27**	27	53

Transactions between the Group with other significant related parties are as follows:

	Unaudited Six months ended 30 June 2014 US$'000	**Unaudited Six months ended 30 June 2013 US$'000**	**Audited Year ended 31 December 2013 US$'000**
Non-controlling interests			
Advances – non-interest bearing	**486**	370	1,081
Associate – Excellent Bonanza Sdn. Bhd.			
Advances – non-interest bearing	**(88)**	239	630
Settlement of purchase consideration of Aloft Kuala Lumpur Sentral Hotel	**-**	-	63,867

The above transactions have been entered into in the normal course of business and have been established under negotiated terms.

The outstanding amounts due from/ (to) ICB and its group of companies as at 30 June 2014, 30 June 2013 and 31 December 2013 are as follows:

	Unaudited As at 30 June 2014 US$'000	**Unaudited As at 30 June 2013 US$'000**	**Audited As at 31 December 2013 US$'000**
Amount due to an ICB subsidiary for accounting and financial reporting services fee	**27**	27	53
Amount due to an ICB subsidiary for construction progress claims charged net of LAD's recoverable of US$4,359,600 (30 June 2013:US$4,429,600; 31 December 2013: US$6,046,000)	**523**	3,701	965
Amount due to an ICB subsidiary for management fees	**280**	3,097	2,343
Amount due to an ICB subsidiary for project management fee for interior fit out works	**-**	10	-
Amount due to ICB subsidiary for reimbursement of project staff costs	**55**	496	488
Amount due to an ICB subsidiary for marketing commissions	**725**	54	151
Amount due to an ICB subsidiary for sale and administration fee	**-**	50	9
Amount due to an ICB subsidiary for secretarial and administrative services fee	**27**	53	80

	Unaudited As at 30 June 2014 US$'000	**Unaudited As at 30 June 2013 US$'000**	**Audited As at 31 December 2013 US$'000**
Non-controlling interests			
Advances – non-interest bearing	**(10,672)**	(10,177)	(10,448)
Associate – Excellent Bonanza Sdn. Bhd.			
Advances – non-interest bearing	**943**	(557)	853

12 DIVIDENDS

The Company has not paid or declared any dividends during the financial period ended 30 June 2014.

13 EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There were no material adjusting events after the statement of financial position date ended 30 June 2014 that have not been reflected in the interim consolidated financial statements.

14 INTERIM STATEMENT

Copies of this interim statement are available on the Company's website www.aseanaproperties.com or from the Company's registered office at 12 Castle Street, St. Helier, Jersey, JE2 3RT, Channel Islands.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board has overall responsibility for risk management and internal control. The following have been identified previously as the areas of principal risk and uncertainty facing the Company, and they remain relevant in the second half of the year.

- Economic
- Strategic
- Regulatory
- Law and regulations
- Tax regimes
- Management and control
- Operational
- Financial
- Going concern

For greater detail, please refer to page 18 of the Company's Annual Report for 2013, a copy of which is available on the Company's website www.aseanaproperties.com.

RESPONSIBILITY STATEMENT

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

a) The condensed consolidated financial statements have been prepared in accordance with IAS 34 (Interim Financial Reporting);
b) The interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
c) The interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein).

On behalf of the Board

Mohammed Azlan Hashim	Christopher Henry Lovell
Director	Director

26 August 2014