25 August 2016

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

**Half-Year Results for the Six Months Ended 30 June 2016**

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 unaudited half-year results for the six-month period ended 30 June 2016.

**Operational highlights:**

- Aseana disposed of the Aloft Kuala Lumpur Sentral Hotel ("Aloft") to Prosper Group Holdings for a gross transaction value of RM418.7 million (approximately US$104.2 million) and the transaction was completed on 23 June 2016.
- The cinema located at the Harbour Mall Sandakan ("HMS") opened for business on 30 July 2016 and the mall is approximately 62% let.
- SENI Mont' Kiara ("SENI") achieved approximately 97% sales to date.
- The RuMa Hotel and Residences ("The RuMa") achieved approximately 56% sales based on sales and purchase agreement signed.
- Four Points by Sheraton Sandakan Hotel ("FPSS") recorded an average occupancy rate of approximately 35% for the six-month period ended 30 June 2016.
- Since the period end, Aseana disposed of an additional 2.2 million Nam Long shares in August 2016 at an average price of VND21,837 per share generating gross proceeds of approximately US$2.1 million. Following the recent disposal of shares and Nam Long's Employee Stock Ownership Plan ("ESOP") exercise, Aseana's stake in Nam Long now stands at 3.95%.

**Financial highlights:**

- Revenue of US$3.9 million for the six-month period ended 30 June 2016 (H1 2015: US$16.9 million)
- Profit before tax for the six-month period ended 30 June 2016 of US$29.2 million (H1 2015: loss of US$5.1 million)
- Profit after tax for the six-month period ended 30 June 2016 of US$28.9 million (H1 2015: loss of US$6.6 million)
- Consolidated comprehensive income of US$33.5 million for the six months period ended 30 June 2016 (H1 2015: loss of US$14.1 million)
- Net asset value of US$165.0 million at 30 June 2016 (31 December 2015 (audited): US$130.2 million) or US$0.778 per share* (31 December 2015 (audited): US$0.614 per share)
- Realisable net asset value of US$209.7 million at 30 June 2016 (31 December 2015 (unaudited): US$209.6 million) or US$0.989 per share* (31 December 2015 (unaudited): US$0.989 per share)
- Following the completion of the Aloft disposal, RM394.0 million (US$97.7 million) of Medium Term Notes ("MTNs") associated with the Aloft and the Sandakan Harbour Square properties have been repaid as at 19 August 2016, resulting in a reduction of Aseana's gearing level from 1.1 to 0.6 times.

* NAV per share and RNAV per share as at 30 June 2016 are calculated based on 212,025,000 voting shares (31 December 2015: 212,025,000 voting shares).

**First Distribution Update:**
Following completion of the disposal of the Aloft hotel, the Manager is engaging further with the lenders to seek necessary consents for the capital distribution. Consideration will be given to make further capital distributions based on the availability of surplus cash within the Company and the receipt of consents from the lenders. A further announcement will be made when there is further clarity on the progress and timeline of obtaining these consents.

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

*"The Group's results have turned around positively following the disposal of the Aloft and the proceeds were used to repay borrowings. However, general business conditions continued to be affected by the weak economy and poor property market sentiment especially in Malaysia. Nevertheless, the Board and the Manager are continuing their efforts to achieve optimum performance and value for the Group's assets and repositioning the Group's portfolio to capture any recovery and growth of both the economy and property markets in Malaysia and Vietnam. "*

The Group has also published its Quarterly Investment Update (including updates on projects and RNAV figures) for the period to 30 June 2016, which can be obtained on its website at www.aseanaproperties.com/quarterly.htm.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 which is disclosed in accordance with the Market Abuse Regulation.

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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 49 years' experience in construction and property development. IDM is responsible for the day-to-day management of Aseana's property portfolio.

## 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 2016.

The global recovery continued during the first half of the year, but at an increasingly fragile pace and is still struggling to regain momentum. Major macroeconomic realignments are affecting prospects differently across countries and regions. Growth continues to falter in advanced economies and the overall growth in the emerging market and developing economies remains below potential. Global growth prospects have become more susceptible to increased downside risks. However, some improved data releases such as the firming oil prices, lower capital outflows from China and decisions by major central banks in recent months have all contributed to improved sentiment. Despite the slower growth recorded in the early part of the year, Malaysia's economy continues to display an underlying resilience supported by strong domestic demand and positive employment growth. Malaysia recorded a Gross Domestic Product ("GDP") growth of 4.1% in the first half of the year. Fiscal reform measures such as the introduction of the Goods and Services Tax ("GST") in April last year and subsidy rationalization have been effective in shielding the country from the effects of lower oil related revenues, capital outflows and domestic political controversy. In July, the central bank of Malaysia unexpectedly slashed the Overnight Policy Rate by 25 basis points to 3.0%, the first cut in seven years with the intention of helping the country to remain on a steady growth path.

Vietnam's economy slowed in the first half of 2016 after the country suffered a historic drought which took a heavy toll on the country's agricultural sector. In addition, the less active global trade and investment, unpredictable upheavals in the world's financial and monetary markets have also adversely affected Vietnam's economy. GDP growth dropped to 5.5% during the first half of 2016 compared to 6.3% during the same period last year. Notwithstanding the drop in GDP growth, Foreign Direct Investment ("FDI") continued to be the highlight for the Vietnamese economy in the first half of the year. Total FDI registered in Vietnam reached more than US$11.3 billion for the first six months of the year, a significant surge of 105.4% against the same period last year.

### Results

For the six months ended 30 June 2016, the Group recorded unaudited revenue of US$3.9 million (H1 2015: US$16.9 million), which was mainly attributable to the sale of completed units in SENI Mont' Kiara. 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 profit before tax for the period of US$29.2 million (H1 2015: loss of US$5.1 million), predominantly due to the gain on disposal of the Aloft of US$36.3 million, which was offset by operating losses and financing costs of City International Hospital of US$4.2 million and of Four Points by Sheraton Sandakan Hotel and Harbour Mall Sandakan totaling US$2.3 million.

The Group's unaudited profit after tax for the six-months ended 30 June 2015 stood at US$28.9 million (H1 2015: loss of US$6.6 million). The Group's unaudited consolidated comprehensive profit for the period of US$33.5 million (H1 2015: loss of US$14.1 million) has included a foreign currency translation gain of US$5.2 million (H1 2015: loss of US$8.1 million) which was attributable to the strengthening of the Malaysian Ringgit against the US Dollar by 6.1%, but offset by a decrease in fair value of the share of investment in Nam Long of US$0.6 million.

Unaudited net asset value for the Group for the period under review increased to US$165.0 million (31 December 2015 (audited): US$130.2 million) due to the gain recorded on sale of the Aloft during the period. This is equivalent to US$0.778 per share (31 December 2015 (audited): US$0.614 per share). Meanwhile, unaudited realisable net asset value for the Group increased slightly to US$209.7 million as at 30 June 2016 (31 December 2015 (unaudited): US$209.6 million). This is equivalent to US$0.989 per share (31 December 2015 (unaudited): US$0.989 per share).

**Review of Activities and Property Portfolio**

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

| **Projects** | **% sales as at 15 August 2016** | **% sales as at December 2015** |
|---|---:|---:|
| Tiffani by i-ZEN | 99.7% | 99.2% |
| SENI Mont' Kiara | | |
| - Proceeds received | 96.7% | 96.0% |
| - Pending completion | 0.2% | 0.3% |
| The RuMa Hotel and Residences | 55.8% | 51.3% |

## Malaysia

The disposal of the Aloft hotel to Prosper Group Holdings Limited for a gross transaction value of RM418.7 million (approximately US$104.2 million) was completed on 23 June 2016. The disposal represents a significant milestone in the divestment investment policy approved by Shareholders, pursuant to which the Company is seeking to realise the Company's assets in a controlled, orderly and timely manner.

In light of the slowdown in the Malaysian property sector as a result of a number of external and domestic shocks, the sales performance of both SENI and The RuMa have been adversely affected. To date, SENI has recorded approximately 97% sales based on sales and purchase agreements signed.

Meanwhile, sales at the RuMa progressed marginally to 56% to date. The Manager participated in marketing, and promotional events and activities both locally and internationally to boost sales, and is planning further activities throughout the rest of the year, focusing on China and Taiwan. Construction of the main building is underway and completion is expected in Q3 2017.

In Sabah, the overall economic condition remains gloomy and the adverse travel advisory notices for travels to the coastal areas of Sabah issued by several countries are still in place.

Against a backdrop of weak market sentiment, FPSS recorded an average occupancy rate of 35% for the six-months to 30 June 2016. However, the outlook for HMS looks more promising with the signing of a number of new tenants which lifted the occupancy rate of the mall to approximately 62% to date. The Lotus Five Star ("LFS") Cinema was officially launched by Sabah's Chief Minister, Datuk Seri Panglima Musa Aman on 30 July 2016. The cinema which is located on the 11th floor of the mall is a modern purpose built cinema with seven digital screens, 1,000 seats and is equipped with the most advanced audio and visual technology.

Aseana will continue its efforts to dispose of the remaining units of SENI and to increase the sales at The RuMa. In addition, the Company will continue to strive to achieve optimum performance and value for the Group's assets, in line with the Company's commitment to realise its assets at the appropriate time and manner.

**Vietnam**

The performance of City International Hospital ("CIH") has seen consistent improvement over the past six months. As at 15 August 2016, CIH had registered 3,938 in-patient days (15 August 2015: 2,561), equivalent to a daily average of 16 in-patient days (15 August 2015: 12), with an average revenue per in-patient day of US$512.1 (15 August 2015: US$525.6). Outpatients visits as at 15 August 2016 had reached 18,665 visits (15 August 2015: 11,049), equivalent to an average of 101 outpatients daily (15 August 2015: 64), which generated average revenue per visit of US$91.3 (15 August 2015: US$101.7). Dr Le Quoc Su, an experienced Chief Executive Officer with a proven track record in the Vietnamese healthcare sector, has been appointed to lead the operations team at CIH following the cessation of Parkway Pantai Limited as the operator of CIH. The new hospital management under Dr Le Quoc Su's leadership is working hard to improve the cost structure and efficiency of operations, and at the same time growing revenue streams through improved awareness and new service lines.

Meanwhile, Nam Long Investment Corporation ("Nam Long") has recently launched 450 affordable villas and townhouses under the Valora brand name. On the back of its commendable performance, Nam Long was recently crowned the Best Developer 2016 during the second annual Vietnam Property Awards gala dinner. On top of that, Nam Long was also awarded with another top accolade which is the Special Recognition in Corporate Social Responsibility ("CSR") for its efforts in creating long-term benefits for local Vietnamese Communities through fundraising, sustainable urban planning campaigns and construction of schools. Aseana has successfully realised a further 2.2 million Nam Long shares in August 2016 at an average price of VND21,837 per share generating gross proceeds of approximately US$2.1 million. Following the recent disposals and an increase in Nam Long's issued share capital due to an ESOP exercise, Aseana's stake in Nam Long now stands at 3.95% (5.5% as at 30 June 2016). The disposal reflects Aseana's on-going effort to strategically divest its holding in Nam long at the appropriate time and price. At the date of this publication, Nam Long shares closed at VND 21,600 per share.

**Passing of Non-Executive Director**

It is with great regret that the Board of Aseana Properties Limited reports that Dato' Seri Ismail Shahudin passed away on 30 July 2016.

On behalf of the Company and its shareholders, the Board would like to express its recognition and gratitude for his dedication over many years of service as a director, and to express its sympathy and condolences to his family.

**MOHAMMED AZLAN HASHIM**
***Chairman***
25 August 2016

## DEVELOPMENT MANAGER'S REVIEW

### Malaysia Economic Update

Despite its solid macroeconomic fundamentals, Malaysia has been adversely affected by the lingering decline in commodity prices, China's growth slowdown and political uncertainties in the country. These factors combined have impaired the confidence of investors. The recovery in oil and gas prices during the first three months of 2016 saw the Ringgit surged 10.1% in the first quarter. However, the gains proved to be short-lived as oil prices faltered in the second quarter, leading to weaker exports and an easing in private investment. Despite outperforming all other regional currencies in the first quarter of the year, the Ringgit dwindled 3.3% in the second quarter. Meanwhile, domestic demand continues to be the main driver of growth, albeit its pace is expected to have slowed. The Malaysian economy registered a Gross Domestic Product growth ("GDP") of 4.0% in the second quarter of 2016 and 4.1% in the first half of 2016.

The central bank of Malaysia, Bank Negara Malaysia ("BNM") surprised markets in July 2016 by cutting its key interest rate for the first time in seven years. BNM unexpectedly cut the Overnight Policy Rate ("OPR") by 25 basis points to 3.0% due to the uncertainties in the global environment, which could negatively impact Malaysia's growth prospects. The cut in OPR will likely have a positive impact on borrowers and the property sector as well as lowering inflation forecasts for the year. Inflation is projected to be lower at 2.0% to 3.0% in 2016, compared to an earlier projection of 2.5% to 3.5%.

Notwithstanding weaker external demand, the Consumer Sentiment Index issued by the Malaysian Institute of Economic Research exhibited a slight increase of 5.6 points quarter-on-quarter to 78.5 points, albeit still below the threshold level of 100 points as consumer confidence level remains low. Job security and household income are the key concerns among consumers amidst the current state of economy. Business Conditions Index on the other hand, gained 13.6 points quarter-on-quarter to settle at 106.4 points, surpassing the 100-point threshold, indicating that manufacturing activities are making a recovery.

In the World Competitiveness Yearbook 2016, Malaysia's performance has declined to 19$^{th}$ position compared to 14$^{th}$ out of 61 economies last year. However, Malaysia's engagement in a new generation of regional agreements such as the Trans-Pacific Partnership Agreement and the European Union Free Trade Agreement can provide the needed impetus to boost Malaysia's economy to greater heights. These agreements help to attract investments, provide greater access to more advanced skills and technologies and also provide a platform to open up the Malaysian exports of goods and services to the rest of the world. That being said, the Foreign Direct Investment in Malaysia recorded a net inflow of RM8.8 billion in the second quarter of the year, compared to a net inflow of RM15.0 billion in the first quarter of 2016.

**Overview of Property Market in Klang Valley, Malaysia**

**Offices**

- 13 new office buildings were completed in Q2 2016, increasing the total supply of office space in the Klang Valley by 0.31 to 111.30 million sq.ft.. Overall occupancy rate remained stable at 80.0% (Q1 2016: 80.0%).

- Market rentals and prices remained stable while rental yield remained between 5.5% and 7.5%.

- En-bloc transactions during the quarter: (i) Menara Shell (Prime A 33 storeys) was sold at a price of RM640 million (US$159 million) or RM1,149 psf (US$285 psf).

- Inflow of new supply of 10.55 million sq.ft. office space by end 2017, weakened business sentiments, prevailing economic uncertainties, the supply and demand imbalance as well as the tenant favourable conditions, all of which are expected to continue in short to medium term, are likely to create downward pressure to market rentals.

**Retail**

- Market prices and market rentals for retail centres in Klang Valley were generally stable in Q2 2016.

- Average occupancy rate in Klang Valley increased by 0.3% to 80.6% in Q2 2016 (Q1 2016: 80.3%).

- One new retail centre was completed during Q2 2016.

- No retail mall transactions during the quarter.

**Residential**

- 24 projects with 7,359 units of condominium in Klang Valley were completed in Q2 2016.

- 16 projects with 7,296 units were launched in Q2 2016.

- Market prices and market rental rates for condominiums were generally stable in Q2 2016. However, some of the high-end developments' owners have indicated lower asking rentals.

- Selected new launches: (i) King of the Hill (8 Kia Peng) (442 units), launched in March 2016 with an average price of RM2,150 psf (US$533 psf) achieved 10% take-up rate; (ii) The Colony by Infinitium Block A (423 units), launched in April 2016 with an average price of RM1,300 psf (US$322 psf) is 70% sold.

**Hospitality**

- In Q2 2016, the average daily room rate for comparable hotels to Four Points by Sheraton Sandakan ("FPSS") (inclusive of FPSS) was stable at RM181 per room per night unchanged from Q2 2015.

- Average occupancy rate for comparable hotels to FPSS (inclusive of FPSS) decreased by 2.3% to 33.1% in Q2 2016 compared to the same period in 2015.
- 6.67 million tourists visited Malaysia in the first 3 months of 2016, representing an increase of 2.8% compared to same period in 2015.

*Source: Bank Negara Malaysia website, Jones Lang Wootton Q2 report, MIER, various publications*
*Exchange rate – 30 June 2016: US$1:RM4.0323*

**Vietnam Economic Update**

The first half of the year saw a dip in Vietnam's economic growth as a result of global economic volatility as well as the disappointing agricultural output that was severely hit by unfortunate weather conditions. Vietnam's GDP growth contracted to 5.5%, marking its first slowdown in economic growth since 2014. The World Bank has recently revised Vietnam's growth forecast downward to 6.0% from 6.2% due to the severe impact of the drought and slowing growth in key industries. However, robust export growth, buoyant private consumption and higher Foreign Direct Investment ("FDI") inflows are expected to offset the impact of lower agricultural yield and help the economy to recover in the second half of the year.

Apart from that, rising food prices due to the crippling drought are pushing up inflation, which may exceed the Vietnamese Government's 5.0% target for the year. Vietnam's Consumer Price Index for the first six months of the year rose by 1.7% as compared to the same period in 2015. Planned hikes in health care and education services, minimum wage as well as the rising global commodity prices are expected to place upward pressure on the country's inflation.

FDI continued to be the highlight of the Vietnamese economy during the first half of the year. Total FDI registered in Vietnam reached more than US$11.3 billion, a significant surge of 105.4% against the same period last year, with most of the funds going to manufacturing, processing and real estate projects. In addition, the total disbursed FDI escalated to an estimated US$7.3 billion in the six-month period, a year-on-year increase of 15.1%. On the back of the Free Trade Agreements that Vietnam has established over the last couple of years, the biggest being the Trans-Pacific Partnership Agreement , Vietnam has emerged as an attractive investment destination to foreign investors.

Meanwhile, Vietnam posted a trade surplus of approximately US$1.5 billion in the first six months of the year, owing to strong exports to major markets. Export revenue reached US$82.2 billion, a year-on-year increase of 5.9%, and spent US$80.7 billion on imports, down 0.5% over the same period last year. Foreign-invested enterprises are the main contributors to Vietnam's trade surplus as their exports have been US$11.2 billion higher than their imports while domestic firms have caused a trade deficit of US$9.7 billion for the six-month period.

The introduction of visa waivers to a number of European countries by the Vietnamese Government has paid off. Foreign arrivals to Vietnam recovered strongly after a year of lukewarm performance, with more than 4.7 million foreign visitors recorded in the first half of 2016. This is an increase of 21.3% compared to the same period last year. It is expected that with Vietnam's political stability and the gradual effort by the Government in loosening the visa regulations, the country's tourism industry should see a similar growth moving forward.

**Overview of Property Market in Vietnam**

**Offices**

- No office buildings were completed in Q2 2016. The total NLA stood at 1.81 mil sqm.

- Overall occupancy rate remained stable at 96% in Q2 2016.

- Average rental rates remained stable in Q2 2016 at US$24 psm per month.

**Retail**

- Retail stock decreased by 2% q-o-q due to the opening of Aeon shopping centre in Binh Tan district and the closing of two department stores (Parkson Paragon, District 7 and Parkson Flemington, District 11).

- Average rental rate in CBD for department stores and shopping centres remained stable at US$65 psm per month and US$74 psm per month respectively in Q2 2016, while, retail podiums average rental rate decreased by 2.9%q-o-q to US$61 psm per month.

- Average occupancy for department stores, shopping centres and retail podiums is between 91% and 97%.

**Residential**

- 20 new condominium projects (10,378 units) were launched in Q2 2016. Asking prices for the newly launched luxury segment were between US$4,000 psm to US$5,600 psm, high-end segment were between US$1,626 psm to US$2,666 psm, mid-end segment were between US$ 798 psm to US$1,550 psm and affordable segment were between US$670 psm to US$830 psm.

- Condominiums' transaction volume was registered at approx. 5,887 units in Q2 2016, a decrease of 45% y-o-y.

- Four townhouse projects (1,029 units) were launched in Q2 2016. Three new projects with 4,539 land plots were launched in Q2 2016.

- Selected new launches: (i) Sarah Villa (17 units), District 2 with an average price of US$2,587 psm based on land area.(ii) Lakeview City (960 units), District 2 with an average price of US$3,028 psm based on land area.

**Hospitality**

- One 4-star hotel and four 3-star hotels were opened, in Q2 2016. Overall, the hotel stock was up by 3% q-o-q and 12% y-o-y.

- Average occupancy rate decreased by 4% q-o-q and 1% y-o-y to 64% in Q2 2016, while average room rate increased by 3% q-o-q and 7% y-o-y to US$83 per room per night.

- One serviced apartment project with 217 units was added in Q2 2016. Average occupancy decreased by 2% q-o-q to 81%.

*Source: General Statistics Office of Vietnam, Savills, CBRE, various publications*
*Exchange rate – 30 June 2016: US$1:VND22,305*

**LAI VOON HON**
***President / Chief Executive Officer***
Ireka Development Management Sdn. Bhd.
Development Manager
25 August 2016

## PROPERTY PORTFOLIO AS AT 30 JUNE 2016

| Project | Type | Effective Ownership | Approximate Gross Floor Area (sq m) | Approximate Land Area (sq m) | Remarks |
|---|---|---|---|---|---|
| **Completed projects** | | | | | |
| Tiffani by i-ZEN<br>Kuala Lumpur, Malaysia | Luxury condominiums | 100.0% | 81,000 | 15,000 | Construction completion in August 2009 |
| SENI Mont' Kiara<br>Kuala Lumpur, Malaysia | Luxury condominiums | 100.0% | 225,000 | 36,000 | Phase 1: Completed in April 2011<br>Phase 2: Completed in October 2011 |
| Sandakan Harbour Square<br>Sandakan, Sabah, Malaysia | Retail lots, hotel and retail mall | 100.0% | 126,000 | 48,000 | Retail lots: Completed in 2009<br>Retail mall: Completed in March 2012<br>Hotel: Completed in May 2012 |
| Phase 1: City International Hospital, International Healthcare Park,<br>Ho Chi Minh City, Vietnam | Private general hospital | 72.35%* | 48,000 | 25,000 | Completed in March 2013 |
| **Project under development** | | | | | |
| The RuMa Hotel and Residences<br>Kuala Lumpur, Malaysia | Luxury residential tower and boutique hotel | 70.0% | 40,000 | 4,000 | Expected completion in Third quarter of 2017 |
| **Listed equity investment** | | | | | |
| Listed equity investment in Nam Long Investment Corporation,<br>an established developer in Ho Chi Minh City, Vietnam | Listed equity investment | 5.5% | n/a | n/a | n/a |
| **Undeveloped projects** | | | | | |
| Other developments in International Healthcare Park,<br>Ho Chi Minh City, Vietnam (formerly International Hi-Tech Healthcare Park) | Commercial and residential development with healthcare theme | 72.35%* | 972,000 | 351,000 | n/a |
| Kota Kinabalu Seafront resort & residences<br>Kota Kinabalu, Sabah, Malaysia | (i) Boutique resort hotel and resort villas<br>(ii) Resort homes | 100.0%<br>80.0% | n/a | 327,000 | n/a |
| **Divested project** | | | | | |
| Aloft Kuala Lumpur Sentral Hotel<br>Kuala Lumpur, Malaysia | Business-class hotel (a Starwood Hotel) | 100.0% | 28,000 | 5,000 | Sale completion in June 2016 |
| Waterside Estates<br>Ho Chi Minh City, Vietnam | Villa and high-rise apartments | 55.0% | 94,000 | 57,000 | Sale completion in December 2015 |
| Kuala Lumpur Sentral Office Towers & Hotel<br>Kuala Lumpur, Malaysia | Office towers and a business hotel | 40.0% | 107,000 | 8,000 | Office towers and Hotel: Exited joint venture in June 2014 |

*Shareholding as at 30 June 2016
n/a: Not available / not applicable

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**SIX MONTHS ENDED 30 JUNE 2016**

| Continuing activities | Notes | Unaudited Six months ended 30 June 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|---|
| Revenue | | **3,873** | 16,891 | 22,096 |
| Cost of sales | 5 | **(3,040)** | (12,723) | (21,612) |
| **Gross profit** | | **833** | 4,168 | 484 |
| Other income | | **51,279** | 14,140 | 29,561 |
| Administrative expenses | | **(798)** | (874) | (1,787) |
| Foreign exchange (loss)/gain | 6 | **(577)** | 547 | (2,915) |
| Management fees | | **(1,409)** | (1,598) | (3,115) |
| Marketing expenses | | **(79)** | (140) | (288) |
| Other operating expenses | | **(14,604)** | (15,947) | (31,916) |
| Operating profit/(loss) | | **34,645** | 296 | (9,976) |
| Finance income | | **274** | 194 | 355 |
| Finance costs | | **(5,763)** | (5,565) | (11,031) |
| Net finance costs | | **(5,489)** | (5,371) | (10,676) |
| **Net profit/(loss) before taxation** | | **29,156** | (5,075) | (20,652) |
| Taxation | 7 | **(227)** | (1,542) | (1,278) |
| **Profit/(loss) for the period/year** | | **28,929** | (6,617) | (21,930) |
| ***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 | | **5,191** | (8,086) | (15,920) |
| (Decrease)/increase in fair value of available-for-sale investments | | **(604)** | 626 | 2,190 |
| **Total other comprehensive income/(expense) for the period/year** | | **4,587** | (7,460) | (13,730) |
| **Total comprehensive income/ (loss) for the period/year** | | **33,516** | (14,077) | (35,660) |
| **Profit/(loss) attributable to:** | | | | |
| Equity Holders of the parent | | **30,829** | (4,428) | (15,784) |
| Non-controlling interests | | **(1,900)** | (2,189) | (6,146) |
| **Total** | | **28,929** | (6,617) | (21,930) |
| **Total comprehensive income/ (loss) attributable to:** | | | | |
| Equity holders of the parent | | **35,330** | (11,492) | (29,748) |
| Non-controlling interests | | **(1,814)** | (2,585) | (5,912) |
| **Total** | | **33,516** | (14,077) | (35,660) |
| **Earnings/(loss) per share** | | | | |
| **Basic and diluted (US cents)** | 8 | **14.54** | (2.09) | (7.44) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION
## AS AT 30 JUNE 2016

| | Notes | Unaudited As at 30 June 2016 US$'000 | Unaudited As at 30 June 2015 US$'000 | Audited As at 31 December 2015 US$'000 |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Property, plant and equipment | | **806** | 944 | 861 |
| Available-for-sale investments | | **7,853** | 11,834 | 9,917 |
| Intangible assets | | **7,123** | 8,668 | 7,233 |
| Deferred tax assets | | **1,435** | 1,652 | 1,337 |
| **Total non-current assets** | | **17,217** | 23,098 | 19,348 |
| **Current assets** | | | | |
| Inventories | | **261,522** | 356,001 | 307,328 |
| Held-for-trading financial instrument | | **-** | 55 | - |
| Trade and other receivables | | **13,101** | 8,832 | 17,741 |
| Prepayments | | **591** | 444 | 218 |
| Current tax assets | | **1,234** | 900 | 1,360 |
| Cash and cash equivalents | | **124,076** | 25,775 | 22,978 |
| **Total current assets** | | **400,524** | 392,007 | 349,625 |
| **TOTAL ASSETS** | | **417,741** | 415,105 | 368,973 |
| **Equity** | | | | |
| Share capital | | **10,601** | 10,601 | 10,601 |
| Share premium | | **218,926** | 218,926 | 218,926 |
| Capital redemption reserve | | **1,899** | 1,899 | 1,899 |
| Translation reserve | | **(21,296)** | (17,937) | (26,401) |
| Fair value reserve | | **1,837** | 877 | 2,441 |
| Accumulated losses | | **(46,949)** | (66,159) | (77,301) |
| **Shareholders' equity** | | **165,018** | 148,207 | 130,165 |
| Non-controlling interests | | **209** | 9,158 | 1,433 |
| **Total equity** | | **165,227** | 157,365 | 131,598 |
| **Non-current liabilities** | | | | |
| Amount due to non-controlling interests | | **-** | 1,155 | - |
| Loans and borrowings | 9 | **54,363** | 55,536 | 55,823 |
| Medium term notes | 10 | **10,989** | 10,369 | 10,330 |
| **Total non-current liabilities** | | **65,352** | 67,060 | 66,153 |
| **Current liabilities** | | | | |
| Trade and other payables | | **48,003** | 38,990 | 37,336 |
| Amount due to non-controlling interests | | **13,234** | 10,490 | 10,014 |
| Loans and borrowings | 9 | **8,549** | 14,412 | 13,500 |
| Medium term notes | 10 | **115,142** | 124,285 | 108,190 |
| Current tax liabilities | | **2,234** | 2,503 | 2,182 |
| **Total current liabilities** | | **187,162** | 190,680 | 171,222 |
| **Total liabilities** | | **252,514** | 257,740 | 237,375 |
| **TOTAL EQUITY AND LIABILITIES** | | **417,741** | 415,105 | 368,973 |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 JUNE 2016 - UNAUDITED

| | Redeemable Ordinary Shares US$'000 | Management Shares US$'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 2016 | 10,601 | - * | 218,926 | 1,899 | (26,401) | 2,441 | (77,301) | 130,165 | 1,433 | 131,598 |
| Changes in ownership interests in subsidiaries | - | - | - | - | - | - | (477) | (477) | 477 | - |
| Non-controlling interests contribution | - | - | - | - | - | - | - | - | 113 | 113 |
| Profit for the period | - | - | - | - | - | - | 30,829 | 30,829 | (1,900) | 28,929 |
| Total other comprehensive income | - | - | - | - | 5,105 | (604) | - | 4,501 | 86 | 4,587 |
| Total comprehensive income | - | - | - | - | 5,105 | (604) | 30,829 | 35,330 | (1,814) | 33,516 |
| **Shareholders' equity at 30 June 2016** | **10,601** | **- *** | **218,926** | **1,899** | **(21,296)** | **1,837** | **(46,949)** | **165,018** | **209** | **165,227** |

* represents 2 management shares at US$0.05 each

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 30 JUNE 2015 - 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 |
|---|---|---|---|---|---|---|---|---|---|
| 1 January 2015 | 10,601 | 218,926 | 1,899 | (10,247) | 251 | (60,932) | 160,498 | 10,187 | 170,685 |
| Changes in ownership interests in subsidiaries | - | - | - | - | - | (799) | (799) | 799 | - |
| Non-controlling interests contribution | - | - | - | - | - | - | - | 757 | 757 |
| Loss for the period | - | - | - | - | - | (4,428) | (4,428) | (2,189) | (6,617) |
| Total other comprehensive expense | - | - | - | (7,690) | 626 | - | (7,064) | (396) | (7,460) |
| Total comprehensive loss | - | - | - | (7,690) | 626 | (4,428) | (11,492) | (2,585) | (14,077) |
| Shareholders' equity at 30 June 2015 | 10,601 | 218,926 | 1,899 | (17,937) | 877 | (66,159) | 148,207 | 9,158 | 157,365 |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
# FOR THE YEAR ENDED 31 DECEMBER 2015 - AUDITED

| | Redeemable Ordinary Shares US$'000 | Management Shares US$'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 2015 | 10,601 | - | 218,926 | 1,899 | (10,247) | 251 | (60,932) | 160,498 | 10,187 | 170,685 |
| Issuance of management shares | - | - * | - | - | - | - | - | - | - | - * |
| Changes in ownership interests in subsidiaries | - | - | - | - | - | - | (585) | (585) | (5,340) | (5,925) |
| Non-controlling interests contribution | - | - | - | - | - | - | - | - | 2,498 | 2,498 |
| Loss for the year | - | - | - | - | - | - | (15,784) | (15,784) | (6,146) | (21,930) |
| Total other comprehensive expense | - | - | - | - | (16,154) | 2,190 | - | (13,964) | 234 | (13,730) |
| Total comprehensive loss | - | - | - | - | (16,154) | 2,190 | (15,784) | (29,748) | (5,912) | (35,660) |
| Shareholders' equity at 31 December 2015 | 10,601 | - * | 218,926 | 1,899 | (26,401) | 2,441 | (77,301) | 130,165 | 1,433 | 131,598 |

* represents 2 management shares at US$0.05 each

**CONSOLIDATED STATEMENT OF CASH FLOWS**
**SIX MONTHS ENDED 30 JUNE 2016**

| | Unaudited Six months ended 30 June 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Net profit/(loss) before taxation | **29,156** | (5,075) | (20,652) |
| Finance income | **(274)** | (194) | (355) |
| Finance costs | **5,763** | 5,565 | 11,031 |
| Unrealised foreign exchange loss/(gain) | **596** | (718) | 2,544 |
| Impairment of goodwill | **110** | 129 | 1,565 |
| Depreciation of property, plant and equipment | **51** | 53 | 105 |
| Gain on disposal of available-for-sale investments | **(493)** | (214) | (806) |
| Gain on disposal of a subsidiary | **(36,308)** | - | (675) |
| Gain on disposal of property, plant and equipment | **(5)** | - | - |
| Fair value loss on amount due to non-controlling interests | **-** | 35 | 320 |
| **Operating loss before changes in working capital** | **(1,404)** | (419) | (6,923) |
| Changes in working capital: | | | |
| (Increase)/decrease in inventories | **(4,620)** | 4,983 | 8,245 |
| Decrease/(increase) in trade and other receivables and prepayments | **2,724** | (1,054) | (4,105) |
| Increase/(decrease) in trade and other payables | **10,324** | (220) | 7,249 |
| **Cash generated from operations** | **7,024** | 3,290 | 4,466 |
| Interest paid | **(5,763)** | (5,565) | (11,031) |
| Tax paid | **(10)** | (4,253) | (4,321) |
| **Net cash generated from/(used in) operating activities** | **1,251** | (6,528) | (10,886) |
| | | | |
| **Cash Flows From Investing Activities** | | | |
| Proceeds from disposal of available-for-sale investments | **2,040** | 1,827 | 5,359 |
| Net cash inflow/(outflow) from disposal of a subsidiary | **101,453** | - | (146) |
| Proceeds from disposal of property, plant and equipment | **5** | - | - |
| Disposal of held-for-trading financial instrument | **-** | 3,689 | 3,291 |
| Finance income received | **274** | 194 | 355 |
| **Net cash generated from investing activities** | **103,772** | 5,710 | 8,859 |

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)**
**SIX MONTHS ENDED 30 JUNE 2016**

| | Unaudited Six months ended 30 June 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|
| **Cash Flows From Financing Activities** | | | |
| Advances from non-controlling interests | **2,875** | 772 | 1,067 |
| Issuance of ordinary shares of subsidiaries to non-controlling interests (ii) | **113** | 757 | 1,058 |
| Issuance of management shares | **-** | - | -* |
| Repayment of loans and borrowings | **(7,882)** | (9,773) | (15,854) |
| Drawdown of loans and borrowings | **262** | 10,121 | 16,046 |
| (Increase)/decreased in pledged deposits placed in licensed banks | **(689)** | 411 | (1,537) |
| **Net cash (used in)/generated from financing activities** | **(5,321)** | 2,288 | 780 |
| **Net changes in cash and cash equivalents during the period/year** | **99,702** | 1,470 | (1,247) |
| Effect of changes in exchange rates | **227** | (621) | (1,632) |
| **Cash and cash equivalents at the beginning of the period/year (i)** | **13,332** | 16,211 | 16,211 |
| **Cash and cash equivalents at the end of the period/year (i)** | **113,261** | 17,060 | 13,332 |

**(i) 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 | **9,560** | 11,975 | 9,143 |
| Short term bank deposits | **114,516** | 13,800 | 13,835 |
| | **124,076** | 25,775 | 22,978 |
| Less: Deposits pledged | **(10,815)** | ( 8,715) | (9,646) |
| Cash and cash equivalents | **113,261** | 17,060 | 13,332 |

(ii) During the financial period/year, US$113,000 (30 June 2015: US$757,000; 31 December 2015: US$2,498,000) of ordinary shares of subsidiaries were issued to non-controlling shareholders, of which US$113,000 (30 June 2015: US$757,000; 31 December 2015: US$1,058,000) was satisfied via cash consideration. The remaining of US$1,440,000 was satisfied via capitalisation of amount due to non-controlling interests for 31 December 2015.

* represents 2 management shares at US$0.05 each

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2016**

## 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 2016 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 2015 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 2015 as described in those annual financial statements.

The interim report and financial statements were approved by the Board of Directors on 25 August 2016.

## 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. 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) Investment Holding Companies – investing activities;
(ii) Ireka Land Sdn. Bhd. – develops Tiffani 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;
(vi) Urban DNA Sdn. Bhd.– develops The RuMa Hotel and Residences; and
(vii) Hoa Lam-Shangri-La Healthcare Group – master developer of International Healthcare Park; owns and operates City International Hospital.

Other non-reportable segments comprise the Group's other development projects. None of these segments meets any of the quantitative thresholds for determining reportable segments in 2016 and 2015.

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 in Malaysia and Vietnam.

**Operating Segments – ended 30 June 2016 - 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$'000 | Urban DNA Sdn. Bhd. US$'000 | Hoa Lam-Shangri-La Healthcare Group US$'000 | Total US$'000 |
|---|---|---|---|---|---|---|---|---|
| **Segment (loss)/profit before taxation** | **35,247** | **209** | **(2,323)** | **(76)** | **1,002** | **(358)** | **(4,480)** | **29,221** |
| *Included in the measure of segment profit/(loss) are:* | | | | | | | | |
| Revenue | **-** | **1,002** | **-** | **2,871** | **-** | **-** | **-** | **3,873** |
| Revenue from hotel operations | **-** | **-** | **1,570** | **-** | **8,954** | **-** | **-** | **10,524** |
| Revenue from mall operations | **-** | **-** | **470** | **-** | **-** | **-** | **-** | **470** |
| Revenue from hospital operations | **-** | **-** | **-** | **-** | **-** | **-** | **2,694** | **2,694** |
| Cost of acquisition written down # | **-** | **(81)** | **-** | **(690)** | **-** | **-** | **-** | **(771)** |
| Impairment of goodwill | **-** | **-** | **-** | **(37)** | **-** | **-** | **(73)** | **(110)** |
| Marketing expenses | **-** | **-** | **-** | **(1)** | **-** | **(78)** | **-** | **(79)** |
| Expenses from hotel operations | **-** | **-** | **(1,873)** | **-** | **(5,845)** | **-** | **-** | **(7,718)** |
| Expenses from mall operations | **-** | **-** | **(630)** | **-** | **-** | **-** | **-** | **(630)** |
| Expenses from hospital operations | **-** | **-** | **-** | **-** | **-** | **-** | **(5,075)** | **(5,075)** |
| Depreciation of property, plant and equipment | **-** | **-** | **(3)** | **-** | **(3)** | **-** | **(45)** | **(51)** |
| Finance costs | **-** | **-** | **(1,905)** | **-** | **(2,000)** | **-** | **(1,777)** | **(5,682)** |
| Finance income | **45** | **1** | **134** | **3** | **2** | **2** | **23** | **210** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Segment assets** | **15,681** | **4,164** | **85,672** | **20,450** | **-** | **67,072** | **101,739** | **294,778** |
| *Included in the measure of segment assets are:* | | | | | | | | |
| Addition to non-current assets other than financial instruments and deferred tax assets | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |

# Cost of acquisition relates to the fair value adjustment in relation to the inventories upon the acquisition of certain subsidiaries of the Group. The cost of acquisition written down is charged to profit or loss as part of cost of sales upon the sales of these inventories.

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

| **Profit or loss** | **US$'000** |
|---|---|
| Total profit for reportable segments | **29,221** |
| Other non-reportable segments | **(48)** |
| Depreciation | **-** |
| Finance cost | **(81)** |
| Finance income | **64** |
| **Consolidated profit before taxation** | **29,156** |

**Operating Segments – ended 30 June 2015 - 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$'000 | Urban DNA Sdn. Bhd. US$'000 | Hoa Lam-Shangri-La Healthcare Group US$'000 | Total US$'000 |
|---|---|---|---|---|---|---|---|---|
| **Segment (loss)/profit before taxation** | (415) | (224) | (2,499) | 3,717 | 519 | (569) | (5,570) | (5,041) |
| *Included in the measure of segment (loss)/profit are:* | | | | | | | | |
| Revenue | - | - | - | 16,891 | - | - | - | 16,891 |
| Revenue from hotel operations | - | - | 1,851 | - | 9,089 | - | - | 10,940 |
| Revenue from mall operations | - | - | 588 | - | - | - | - | 588 |
| Revenue from hospital operations | - | - | - | - | - | - | 1,894 | 1,894 |
| Cost of acquisition written down # | - | - | - | (2,388) | - | - | - | (2,388) |
| Impairment of goodwill | - | - | - | (129) | - | - | - | (129) |
| Marketing expenses | - | - | - | (21) | - | (119) | - | (140) |
| Expenses from hotel operations | - | - | (2,238) | - | (6,246) | - | - | (8,484) |
| Expenses from mall operations | - | - | (776) | - | - | - | - | (776) |
| Expenses from hospital operations | - | - | - | - | - | - | (5,433) | (5,433) |
| Depreciation of property, plant and equipment | - | - | (4) | - | (4) | - | (45) | (53) |
| Finance costs | - | - | (1,924) | - | (2,213) | - | (1,428) | (5,565) |
| Finance income | 10 | 1 | 142 | 17 | 2 | 4 | 18 | 194 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Segment assets** | 21,589 | 5,032 | 94,535 | 28,957 | 71,207 | 59,260 | 98,725 | 379,305 |
| *Included in the measure of segment assets are:* | | | | | | | | |
| Addition to non-current assets other than financial instruments and deferred tax assets | - | - | - | - | - | - | - | - |

# Cost of acquisition relates to the fair value adjustment in relation to the inventories upon the acquisition of certain subsidiaries of the Group. The cost of acquisition written down is charged to profit or loss as part of cost of sales upon the sales of these inventories.

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

| **Profit or loss** | **US$'000** |
|---|---:|
| Total loss for reportable segments | (5,041) |
| Other non-reportable segments | (34) |
| **Consolidated loss before taxation** | (5,075) |

**Operating Segments – ended 31 December 2015 - 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$'000 | Urban DNA Sdn. Bhd. US$'000 | Hoa Lam-Shangri-La Healthcare Group US$'000 | Total US$'000 |
|---|---|---|---|---|---|---|---|---|
| **Segment profit/(loss) before taxation** | (297) | 79 | (9,168) | 4,156 | 1,621 | (863) | (16,090) | (20,562) |
| *Included in the measure of segment profit/(loss) are:* | | | | | | | | |
| Revenue | - | 1,322 | - | 20,774 | - | - | - | 22,096 |
| Revenue from hotel operations | - | - | 3,701 | - | 18,314 | - | - | 22,015 |
| Revenue from mall operations | - | - | 1,033 | - | - | - | - | 1,033 |
| Revenue from hospital operations | - | - | - | - | - | - | 4,244 | 4,244 |
| Cost of acquisition written down # | - | (103) | (3,199) | (3,089) | - | - | - | (6,391) |
| Impairment of goodwill | - | - | (1,397) | (168) | - | - | - | (1,565) |
| Marketing expenses | - | - | - | (57) | - | (231) | - | (288) |
| Expenses from hotel operations | - | - | (4,256) | - | (12,351) | - | - | (16,607) |
| Expenses from mall operations | - | - | (1,401) | - | - | - | - | (1,401) |
| Expenses from hospital operations | - | - | - | - | - | - | (11,110) | (11,110) |
| Depreciation of property, plant and equipment | - | - | (7) | - | (7) | - | (90) | (104) |
| Finance costs | - | - | (3,635) | - | (4,133) | - | (3,263) | (11,031) |
| Finance income | 19 | 2 | 268 | 19 | 4 | 7 | 34 | 353 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Segment assets** | 26,589 | 3,903 | 80,392 | 22,271 | 62,112 | 56,776 | 98,362 | 350,405 |
| *Included in the measure of segment assets are:* | | | | | | | | |
| Addition to non-current assets other than financial instruments and deferred tax assets | - | - | - | - | - | - | - | - |

# Cost of acquisition relates to the fair value adjustment in relation to the inventories upon the acquisition of certain subsidiaries of the Group. The cost of acquisition written down is charged to profit or loss as part of cost of sales upon the sales of these inventories.

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

| **Profit or loss** | **US$'000** |
|---|---:|
| Total loss for reportable segments | (20,562) |
| Other non-reportable segments | (91) |
| Depreciation | (1) |
| Finance cost | - |
| Finance income | 2 |
| **Consolidated loss before taxation** | (20,652) |

| **30 June 2016 - Unaudited US$'000** | **Revenue** | **Depreciation** | **Finance costs** | **Finance income** | **Segment assets** | **Addition to non-current assets** |
|---|---|---|---|---|---|---|
| Total reportable segment | **3,873** | **(51)** | **(5,682)** | **210** | **294,778** | **-** |
| Other non-reportable segments | **-** | **-** | **(81)** | **64** | **122,963*** | **-** |
| Consolidated total | **3,873** | **(51)** | **(5,763)** | **274** | **417,741** | **-** |

* Included in segment assets for other non-reporting segment is US102.46 million (RM413.13 million) represent the consideration received for the disposal of Aloft Hotel which had been transferred by the buyer into Silver Sparrow's bank account as at 23 June 2016. Subsequent to 30 June 2016, the Group had redeemed the MTN for Series 3 amounting US$66.71 million (RM269.00 million) and MTN for Series 2 amounting US$31.00 million (RM125.00 million) by using the consideration received.

| **30 June 2015 - Unaudited US$'000** | **Revenue** | **Depreciation** | **Finance costs** | **Finance income** | **Segment assets** | **Addition to non-current assets** |
|---|---|---|---|---|---|---|
| Total reportable segment | 16,891 | (53) | (5,565) | 194 | 379,305 | - |
| Other non-reportable segments | - | - | - | - | 35,800 | - |
| Consolidated total | 16,891 | (53) | (5,565) | 194 | 415,105 | - |

| **31 December 2015 - Audited US$'000** | **Revenue** | **Depreciation** | **Finance costs** | **Finance income** | **Segment assets** | **Addition to non-current assets** |
|---|---|---|---|---|---|---|
| Total reportable segment | 22,096 | (104) | (11,031) | 353 | 350,405 | - |
| Other non-reportable segments | - | (1) | - | 2 | 18,568 | - |
| Consolidated total | 22,096 | (105) | (11,031) | 355 | 368,973 | - |

**Geographical Information – ended 30 June 2016 - Unaudited**

| | Malaysia US$'000 | Vietnam US$'000 | Consolidated US$'000 |
|---|---|---|---|
| Revenue | **3,873** | **-** | **3,873** |
| Non-current assets | **2,216** | **15,001** | **17,217** |

For the financial period ended 30 June 2016, no single customer exceeded 10% of the Group's total revenue.

**Geographical Information – ended 30 June 2015 - Unaudited**

| | Malaysia US$'000 | Vietnam US$'000 | Consolidated US$'000 |
|---|---|---|---|
| Revenue | 16,891 | - | 16,891 |
| Non-current assets | 3,932 | 19,166 | 23,098 |

For the financial period ended 30 June 2015, no single customer exceeded 10% of the Group's total revenue.

**Geographical Information – ended 31 December 2015 - Audited**

| | Malaysia US$'000 | Vietnam US$'000 | Consolidated US$'000 |
|---|---|---|---|
| Revenue | 22,096 | - | 22,096 |
| Non-current assets | 2,172 | 17,176 | 19,348 |

For the financial year ended 31 December 2015, no single customer exceeded 10% of the Group's total revenue.

## 4 SEASONALITY

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

## 5 COST OF SALES

| | Unaudited Six months ended 30 June 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|
| Direct costs attributable: | | | |
| Completed units | **2,930** | 12,594 | 20,047 |
| Impairment of intangible assets | **110** | 129 | 1,565 |
| | **3,040** | 12,723 | 21,612 |

## 6 FOREIGN EXCHANGE (LOSS)/GAIN

| | Unaudited Six months ended 30 June 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|
| Foreign exchange (loss)/gain comprises: | | | |
| Realised foreign exchange gain/(loss) | **19** | (171) | (371) |
| Unrealised foreign exchange (loss)/gain | **(596)** | 718 | (2,544) |
| | **(577)** | 547 | (2,915) |

## 7 TAXATION

| | Unaudited Six months ended 30 June 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|
| Current tax expense | **238** | 1,637 | 1,241 |
| Deferred tax (credit)/expense | **(11)** | (95) | 37 |
| **Total tax expense for the period/year** | **227** | 1,542 | 1,278 |

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 2016 US$'000** | **Unaudited Six months ended 30 June 2015 US$'000** | **Audited Year Ended 31 December 2015 US$'000** |
|---|---|---|---|
| Net profit/(loss) before taxation | **29,156** | (5,075) | (20,652) |
| Income tax at a rate of 24% (30 June 2015: 25%; 31 December 2015: 25%) | **6,997** | (1,269) | (5,163) |
| **Add :** | | | |
| Tax effect of expenses not deductible in determining taxable profit | **2,756** | 1,241 | 3,689 |
| Current year losses and other tax benefits for which no deferred tax asset was recognised | **1,149** | 1,284 | 2,449 |
| Tax effect of different tax rates in subsidiaries | **837** | 1,025 | 2,703 |
| **Less :** | | | |
| Tax effect of income not taxable in determining taxable profit | **(11,512)** | (499) | (1,532) |
| Over provision in respect of prior period/year | **-** | (240) | (868) |
| **Total tax expense for the period/year** | **227** | 1,542 | 1,278 |

The applicable corporate tax rate in Malaysia is 24%.

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

The applicable corporate tax rates in Singapore and Vietnam are 17% and 22% respectively.

A subsidiary of the Group, Hoa Lam-Shangri-La Healthcare Ltd Liability Co is granted preferential corporate tax rate of 10% for the results of the hospital operations. The preferential income tax is given by the government of Vietnam due to the subsidiary's involvement in the healthcare industry.

A Goods and Services Tax was introduced in Jersey in May 2008. The Company has been registered as an International Services Entity so 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 EARNINGS/(LOSS) PER SHARE

**Basic and diluted earnings/(loss) per ordinary share**

The calculation of basic and diluted earnings/(loss) per ordinary share for the period/year ended was based on the profit/(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 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|
| Earnings/(loss) attributable to equity holders of the parent | **30,829** | (4,428) | (15,784) |
| Weighted average number of shares | **212,025** | 212,025 | 212,025 |
| **Earnings/(loss) per share** | | | |
| **Basic and diluted (US cents)** | **14.54** | (2.09) | (7.44) |

## 9 LOANS AND BORROWINGS

| | Unaudited As at 30 June 2016 US$'000 | Unaudited As at 30 June 2015 US$'000 | Audited As at 31 December 2015 US$'000 |
|---|---|---|---|
| **Non-current** | | | |
| Bank loans | **54,362** | 55,518 | 55,813 |
| Finance lease liabilities | **1** | 18 | 10 |
| | **54,363** | 55,536 | 55,823 |
| **Current** | | | |
| Bank loans | **8,545** | 14,400 | 13,489 |
| Finance lease liabilities | **4** | 12 | 11 |
| | **8,549** | 14,412 | 13,500 |
| | **62,912** | 69,948 | 69,323 |

The effective interest rates on the bank loans and finance lease arrangement for the period ranged from 5.00% to 12.50% (30 June 2015: 5.25% to 12.50%; 31 December 2015: 5.25% to 12.50%) per annum and 2.50% (30 June 2015: 2.50%; 31 December 2015: 2.50% to 3.50%) per annum respectively.

Borrowings are denominated in Malaysian Ringgit, United States Dollars and Vietnamese 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:

| **Unaudited** | **Future minimum lease payment 30 June 2016 US$'000** | **Interest 30 June 2016 US$'000** | **Present value of minimum lease payment 30 June 2016 US$'000** |
|---|---|---|---|
| Within one year | **5** | **1** | **4** |
| Between one and five years | **1** | **-** | **1** |
| | **6** | **1** | **5** |

| **Unaudited** | **Future minimum lease payment 30 June 2015 US$'000** | **Interest 30 June 2015 US$'000** | **Present value of minimum lease payment 30 June 2015 US$'000** |
|---|---|---|---|
| Within one year | 14 | 2 | 12 |
| Between one and five years | 21 | 3 | 18 |
| | 35 | 5 | 30 |

| **Audited** | **Future minimum lease payment 31 December 2015 US$'000** | **Interest 31 December 2015 US$'000** | **Present value of minimum lease payment 31 December 2015 US$'000** |
|---|---|---|---|
| Within one year | 12 | 1 | 11 |
| Between one and five years | 12 | 2 | 10 |
| | 24 | 3 | 21 |

## 10 MEDIUM TERM NOTES

| | Unaudited As at 30 June 2016 US$'000 | Unaudited As at 30 June 2015 US$'000 | Audited As at 31 December 2015 US$'000 |
|---|---|---|---|
| Outstanding medium term notes | **127,472** | 136,210 | 119,711 |
| Net transaction costs | **(1,341)** | (1,556) | (1,191) |
| Less: | | | |
| Repayment due within twelve months* | **(115,142)** | (124,285) | (108,190) |
| Repayment due after twelve months | **10,989** | 10,369 | 10,330 |

* Includes net transaction costs in relation to medium term notes due within twelve months US$1.17 million.

The medium term notes ("MTN") were issued pursuant to a programme with a tenure of ten (10) years from the first issue date of the notes. The 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$60.76 million (RM245.00 million) was drawn down in 2011 for Sandakan Harbour Square. US$3.72 million (RM15.00 million) was drawn down in 2012 for Aloft Kuala Lumpur Sentral Hotel and the remaining US$62.90 million (RM254 million) in 2013. The Group secured a rollover of MTN amounting US$6.20 million (RM25 million) and US$56.79 million (RM229 million) which were due for repayment on 29 January 2016 and 8 April 2016 to be repaid on 31 January 2017 and 10 April 2017 respectively.

No repayments were made in the current financial period.

The weighted average interest rate of the MTN was 6.17% per annum at the statement of financial position date. The effective interest rates of the MTN and their outstanding amounts are as follows:

| | Maturity Dates | Interest rate % per annum | US$'000 |
|---|---|---|---|
| Series 1 Tranche FG 003 | 8 December 2017 | 5.90 | 6,200 |
| Series 1 Tranche BG 003 | 8 December 2017 | 5.85 | 4,960 |
| Series 1 Tranche FG 004 | 7 December 2016 | 6.25 | 11,160 |
| Series 1 Tranche BG 004 | 7 December 2016 | 6.15 | 7,440 |
| Series 2 Tranche FG 002 | 7 December 2016 | 6.25 | 17,360 |
| Series 2 Tranche BG 002 | 7 December 2016 | 6.15 | 13,640 |
| Series 3 Tranche FG004 | 30 September 2016 | 6.03 | 2,480 |
| Series 3 Tranche BG004 | 30 September 2016 | 6.00 | 1,240 |
| Series 3 Tranche FG005 | 31 January 2017 | 6.25 | 3,720 |
| Series 3 Tranche BG005 | 31 January 2017 | 6.15 | 2,480 |
| Series 3 Tranche FG006 | 10 April 2017 | 6.25 | 31,992 |
| Series 3 Tranche BG006 | 10 April 2017 | 6.15 | 24,800 |
| | | | 127,472 |

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 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.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the Directors of the Group, and certain members of senior management of the Group.

| | **Unaudited Six months ended 30 June 2016 US$'000** | **Unaudited Six months ended 30 June 2015 US$'000** | **Audited Year ended 31 December 2015 US$'000** |
|---|---|---|---|
| **ICB Group of Companies** | | | |
| Accounting and financial reporting services fee charged by an ICB subsidiary | **25** | 25 | 50 |
| Advance payment to the contractors of an ICB subsidiary | **947** | - | 833 |
| Construction progress claims charged by an ICB subsidiary | **4,359** | 2,708 | 6,423 |
| Acquisition of SENI Mont' Kiara units by an ICB subsidiary | **-** | - | 2,008 |
| Acquisition of Tiffani by i-Zen unit by an ICB subsidiary | **508** | - | - |
| Management contractor services charged by an ICB subsidiary | **55** | - | - |
| Management fees charged by an ICB subsidiary | **1,409** | 1,598 | 3,115 |
| Marketing commission charged by an ICB subsidiary | **154** | 104 | 281 |
| Project management fees charged by an ICB subsidiary | **31** | - | - |
| Project staff costs reimbursed to an ICB subsidiary | **70** | 170 | 289 |
| Rental expenses charged by an ICB subsidiary | **-** | 4 | 4 |
| Rental expenses paid on behalf of ICB | **252** | - | 512 |
| Secretarial and administrative services fee charged by an ICB subsidiary | **25** | 25 | 50 |
| | | | |
| **Key management personnel** | | | |
| Remuneration of key management personnel – Directors' fees | **159** | 159 | 317 |
| Remuneration of key management personnel – Salaries | **22** | 21 | 49 |

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

| | Unaudited Six months ended 30 June 2016 US$'000 | Unaudited Six months ended 30 June 2015 US$'000 | Audited Year ended 31 December 2015 US$'000 |
|---|---|---|---|
| **Non-controlling interests** | | | |
| Advances – non-interest bearing | **2,875** | 772 | 1,067 |
| Capitalisation of amount due to non-controlling interests as share capital | **-** | - | 1,440 |

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 2016, 30 June 2015 and 31 December 2015 are as follows:

| | Note | Unaudited As at 30 June 2016 US$'000 | Unaudited As at 30 June 2015 US$'000 | Audited As at 31 December 2015 US$'000 |
|---|---|---|---|---|
| Amount due from an ICB subsidiary for advance payment to its contractors | (ii) | **2,566** | - | 1,997 |
| Amount due to an ICB subsidiary for construction progress claims charged | (i) | **(821)** | (232) | (38) |
| Amount due from an ICB subsidiary for acquisition of SENI Mont' Kiara units | (i) | **1,959** | - | 1,840 |
| Amount due from an ICB subsidiary for acquisition of Tiffani by i-Zen unit | (i) | **376** | - | - |
| Amount due to an ICB subsidiary for management contractor services | (ii) | **(55)** | - | - |
| Amount due from an ICB subsidiary for management fees | (ii) | **161** | - | 25 |
| Amount due to an ICB subsidiary for marketing commissions | (ii) | **(28)** | - | (43) |
| Amount due to ICB subsidiary for project management fees | (ii) | **(32)** | - | - |
| Amount due to ICB subsidiary for reimbursement of project staff costs | (ii) | **(9)** | (29) | (24) |
| Amount due to an ICB subsidiary for rental expenses | (ii) | **-** | (3) | (3) |
| Amount due from ICB for rental expenses paid on behalf | (ii) | **1,760** | - | 1,415 |

(i) These amounts are trade in nature and subject to normal trade terms.
(ii) These amounts are non-trade in nature and are unsecured, interest-free and repayable on demand.

The outstanding amounts due from/ (to) the other significant related parties as at 30 June 2016, 30 June 2015 and 31 December 2015 are as follows:

| | **Unaudited As at 30 June 2016 US$'000** | **Unaudited As at 30 June 2015 US$'000** | **Audited As at 31 December 2015 US$'000** |
|---|---|---|---|
| **Non-controlling interests** | | | |
| Advances – non-interest bearing | **(13,234)** | (11,645) | (10,014) |

Transactions between the parent company and its subsidiaries are eliminated in these consolidated financial statements.

## 12 DISPOSAL OF A SUBSIDIARY

During the financial period, the Group entered into a sale and purchase agreement to dispose of the Aloft Kuala Lumpur Sentral Hotel ("Aloft Hotel") to Prosper Group Holdings Limited. The total consideration of US$103.78 million (RM417.04 million) to dispose Aloft Hotel included US$36.84 million (RM148.04 million) to disposed of the entire issued share capital of ASPL M3B Limited and Iringan Flora Sdn. Bhd and a repayment of amount due to Silver Sparrow Berhad, a subsidiary of the Group amounting US$66.94 million (RM269.00 million). The loan was provided by Silver Sparrow Berhad to Iringan Flora Sdn. Bhd. in previous financial years to fund its development project known as Aloft Kuala Lumpur Sentral Hotel in Malaysia.

The condition precedent for the completion of the disposal of Aloft Hotel was met on 23 June 2016 when the transfer of shares was effected.

The details of the gain on disposal are as follows:

**Analysis of assets and liabilities over which control was lost:**

| | **2016** **US$'000** |
|---|---|
| Non-current assets | |
| Property, plant & equipment | 12 |
| | |
| Current assets | |
| Inventories – Completed unit | 64,742 |
| Trade and other receivables | 2,089 |
| Cash and cash equivalents | 550 |
| | |
| Current liabilities | |
| Trade and other payables | (1,687) |
| Finance lease liabilities | (11) |
| Net assets disposed of | 65,695 |
| | |
| Gain on disposal of a subsidiary | |
| Consideration received | 103,780 |
| Incidental expenses | (1,777) |
| Net consideration received | 102,003 |
| Net assets disposed of | (65,695) |
| Gain on disposal | 36,308 |
| | |
| Net cash inflow on disposal of a subsidiary | |
| Consideration received * | 102,003 |
| Cash and cash equivalent disposed of | (550) |
| | 101,453 |

* Out of the total consideration received of US$102.00, US$66.940.00 million will be used to redeem the MTN amounting US$66.940.00 million (RM269.00 million) upon disposal of the subsidiary. The remaining consideration received of US$35.06 million is the consideration paid for the entire issued share capital of ASPL M3B Limited and Iringan Flora Sdn. Bhd..

## 13 DIVIDENDS

The Company has not paid or declared any dividends during the financial period ended 30 June 2016.

## 14 EVENT AFTER THE STATEMENT OF FINANCIAL POSITION DATE

Subsequent to 30 June 2016, the Group had redeemed the MTN for Series 3 amounting US$66.71 million (RM269.00 million) and MTN for Series 2 amounting US$28.52 million (RM115.00 million) at US$68.27 million (RM275.29 million) and US$28.83 (RM116.23 million) on 28 July 2016 and 29 July 2016 respectively. On 19 August 2016, the Group had redeemed the remaining US$2.48 million (RM10.00 million) of the MTN for Series 2 at US$2.54 million (RM10.24 million).

## 15 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 2015, 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 |

25 August 2016