



Unaudited Third Quarter Financial Statement And Dividend Announcement for the Period Ended 30 September 2013

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1 (a) Consolidated Statement of Comprehensive Income

	Group					
	Third Quarter			Nine Months		
	30/09/2013	30/09/2012	Change	30/09/2013	30/09/2012	Change
\$'000	\$'000	%	\$'000	\$'000	%	
Revenue	18,512	20,797	(11)	60,971	52,526	16
Other income	228	37	NM	798	203	NM
Changes in inventories of finished goods	(6)	(36)	(83)	(36)	(35)	3
Cost of properties sold / consumables used	(2,217)	(4,531)	(51)	(11,637)	(9,170)	27
Staff costs	(4,278)	(4,078)	5	(13,106)	(12,909)	2
Depreciation	(1,052)	(1,060)	(1)	(3,175)	(3,331)	(5)
Finance costs	(891)	(1,121)	(21)	(2,868)	(3,014)	(5)
Other expenses	(5,653)	(5,278)	7	(17,361)	(15,121)	15
Profit before tax	4,643	4,730	(2)	13,586	9,149	48
Income tax expense	(795)	(1,065)	(25)	(2,631)	(2,074)	27
Profit for the year	3,848	3,665	5	10,955	7,075	55
Other comprehensive income / (loss), after tax :						
Currency translation differences on translation of financial statements of foreign subsidiaries	(215)	(1,575)	(86)	2,375	(2,828)	NM
Fair value gain on cash flow hedge	-	269	NM	232	802	(71)
Fair value gain / (loss) on available-for-sale financial assets	18	(4)	NM	66	41	61
Other comprehensive gain / (loss) for the year, net of tax	(197)	(1,310)	(85)	2,673	(1,985)	NM
Total comprehensive income for the period	3,651	2,355	55	13,628	5,090	NM
Profit attributable to :						
Equity holders of the Company	3,850	3,678	5	10,946	7,091	54
Non-controlling interests	(2)	(13)	(85)	9	(16)	NM
Total comprehensive income attributable to :	3,848	3,665	5	10,955	7,075	55
Equity holders of the Company	3,653	2,368	54	13,619	5,106	NM
Non-controlling interests	(2)	(13)	(85)	9	(16)	NM
	3,651	2,355	55	13,628	5,090	NM

Notes to Consolidated Statement of Comprehensive Income :

	Group					
	Third Quarter			Nine Months		
	30/09/2013	30/09/2012	Change	30/09/2013	30/09/2012	Change
\$'000	\$'000	%	\$'000	\$'000	%	
Profit before tax is arrived at after (charging) / crediting:						
Amortisation of other assets	(28)	(28)	-	(84)	(84)	-
(Allowance) / write-back of doubtful receivables, net	(15)	85	NM	(19)	116	NM
Depreciation of property, plant and equipment	(1,051)	(1,060)	(1)	(3,175)	(3,331)	(5)
Impairment loss on goodwill	-	(56)	NM	-	(56)	NM
Gain / (loss) on disposal / write off of property, plant and equipment	2	-	-	(315)	(45)	NM
Interest income	139	10	NM	415	53	NM
Net foreign exchange (loss)	(138)	(226)	(39)	(41)	(285)	(86)
Tax						
Adjustment for (under) / over-provision of tax in respect of prior years	0	-	-	(5)	10	NM

NM : Not meaningful

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1 (b) (i) Statements of Financial Position

	Notes	Group		Company	
		30/09/2013 \$'000	31/12/2012 \$'000	30/09/2013 \$'000	31/12/2012 \$'000
Current assets					
Cash and bank balances	A	11,486	15,226	16	65
Trade and other receivables	B	13,829	7,890	37,245	40,957
Inventories		305	345	-	-
Development properties	C	44,833	67,783	-	-
Other current assets	D	2,356	1,481	13	5
		72,809	92,725	37,274	41,027
Non-current assets					
Available-for-sale financial assets		1,309	1,276	180	165
Intangible assets		357	357	-	-
Investment in subsidiaries		-	-	40,937	40,937
Investment in an associate		2,539	2,539	-	-
Investment properties		266,852	261,000	-	-
Property, plant and equipment	E	159,560	147,406	-	-
Goodwill		788	789	-	-
Other assets		6,829	6,912	-	-
Other receivables		30,530	29,892	-	-
Deferred income tax assets		504	505	-	-
		469,268	450,676	41,117	41,102
Total assets		542,077	543,401	78,391	82,129
Current liabilities					
Trade and other payables	F	20,821	26,552	177	214
Tax payables	G	5,266	3,256	-	-
Borrowings	H	12,704	42,748	-	-
		38,791	72,556	177	214
Non-current liabilities					
Trade and other payables	I	5,071	3,407	-	-
Borrowings	H	201,919	179,281	-	-
Deferred income tax liabilities	J	6,534	8,561	-	-
		213,524	191,249	-	-
Total liabilities		252,315	263,805	177	214
Net assets		289,762	279,596	78,214	81,915
Capital and reserves attributable to equity holders of the Company					
Share capital		125,646	125,646	125,646	125,646
Reserves		164,218	154,061	(47,432)	(43,731)
		289,864	279,707	78,214	81,915
Non-controlling interests		(102)	(111)	-	-
Total equity		289,762	279,596	78,214	81,915

Notes to Statements of Financial Position:

- A Decrease was due mainly to lower cash floats maintained in the various subsidiaries.
- B Increase was due mainly to outstanding instalments not yet due for units sold in a development project.
- C Decrease was due mainly to full recognition of cost of sales for sold units upon completion of a development project.
- D Increase was due mainly to prepayment for more contract services.
- E Increase was due to costs of construction for the ongoing projects in Bangkok and Shanghai.
- F Decrease was due mainly to repayment of liabilities and lower accruals.
- G Increase was due to tax provision for the current period.
- H Decrease in total bank borrowings was due to repayment of loans. Decrease in the current portion was due to refinancing of a term loan which had matured in the current period, and which is now classified as non-current.
- I Increase was due mainly to increase in security deposits from tenants of 100AM.
- J Decrease was due mainly to deferred income tax that is no longer required for a development project.

(b) (ii) Aggregate amount of group's borrowings and debt securities.**Amount repayable in one year or less, or on demand**

30/09/2013	
\$'000	
Secured	Unsecured
12,704	Nil

31/12/2012	
\$'000	
Secured	Unsecured
42,748	Nil

Amount repayable after one year

30/09/2013	
\$'000	
Secured	Unsecured
201,919	Nil

31/12/2012	
\$'000	
Secured	Unsecured
179,281	Nil

Details of any collateral

The borrowings are secured by the followings :

- (a) first legal mortgages on certain subsidiaries' property, plant and equipment and investment and development properties;
- (b) an assignment in escrow of interest in a subsidiary's lease and rental proceeds from its investment properties;
- (c) an assignment of certain subsidiaries' interest in sale and purchase agreements, tenancy agreements, insurance policies, building contracts, performance bonds and all monies standing to the credit in a subsidiary's project account in respect of development properties; and
- (d) corporate guarantee given by the Company and debenture over certain subsidiaries' hotels.

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1 (c) Consolidated Statement of Cash Flows

	Group		Group		
	Third Quarter		Nine Months		
	30/09/2013	30/09/2012	30/09/2013	30/09/2012	
	\$'000	\$'000	\$'000	\$'000	
Cash flows from operating activities					
Profit before tax	4,643	4,730	13,586	9,149	
Adjustments for:					
Amortisation of other assets	28	28	84	84	
Depreciation of property, plant and equipment	1,051	1,060	3,175	3,331	
Income from available-for-sale financial assets	(10)	(6)	(21)	(18)	
Interest expense	891	1,121	2,868	3,014	
Interest income	(139)	(10)	(415)	(53)	
Impairment loss on goodwill	-	56	-	56	
Loss on disposal of financial assets	-	-	2	-	
Fair value gain on fair value reserve	4	-	-	-	
Gain / (loss) on disposal / written off of property, plant and equipment	(2)	-	315	45	
Exchange difference	14	(77)	441	(118)	
Operating cash flow before working capital changes	6,480	6,902	20,035	15,490	
Changes in operating assets and liabilities :					
Development properties	A	264	(3,600)	18,270	(25,099)
Inventories		10	45	40	48
Payables	B	(1,228)	1,479	(3,460)	1,100
Receivables	C	(1,076)	(804)	(7,454)	(2,609)
Cash generated from / (used in) operations		4,450	4,022	27,431	(11,070)
Net income tax paid		(829)	(812)	(2,645)	(2,281)
Net cash generated from / (used in) operating activities		3,621	3,210	24,786	(13,351)
Cash flows from investing activities					
Income received from quoted equity investments		10	6	21	18
Interest received		139	10	415	53
Payments for property, plant and equipment	D	(8,141)	(2,213)	(14,014)	(5,679)
Proceeds from disposal of property, plant and equipment		4	-	135	-
Proceeds from sale of available-for-sale financial assets		-	-	33	-
Purchase of available-for-sale financial assets		(2)	-	(2)	-
Investment in an associate		-	(781)	-	(26,934)
Additional costs incurred on investments properties		(108)	(7,427)	(1,172)	(22,957)
Net cash used in investing activities		(8,098)	(10,405)	(14,584)	(55,499)
Cash flows from financing activities					
Interest paid		(891)	(1,121)	(2,868)	(3,014)
Payment of dividends to shareholders of Amara Holdings Limited		-	-	(3,462)	(3,462)
Net repayments of finance lease liabilities		(26)	(132)	(71)	(525)
Net draw down/repayment of bank borrowings	E	(12,708)	8,674	(7,552)	76,040
Net cash (used in) / generated from financing activities		(13,625)	7,421	(13,953)	69,039
Net (decrease) / increase in cash and cash equivalents held		(18,102)	226	(3,751)	189
Cash and cash equivalents at beginning of financial period		29,615	11,288	15,226	11,443
Effect of exchange rate changes on cash and cash equivalents		(27)	(156)	11	(274)
Cash and cash equivalents at the end of financial period		11,486	11,358	11,486	11,358

Note to Consolidated Statement of Cash Flows :

Cash and cash equivalents at the end of the financial year comprise the following :

	Group	
	30/09/2013	30/09/2012
	\$'000	\$'000
Cash and bank balances	11,486	11,358

Notes to Statements of Cash Flows:

- A Decrease for the quarter was due to recognition of cost of sales for development properties sold.
- B Decrease for the quarter was due to payments.
- C Increase for the quarter was mainly due to sale of units in a development project and other increases.
- D Payments for the quarter were for construction of the projects in Bangkok and Shanghai.
- E Bank borrowings were reduced by net principal loan repayments in the quarter.

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1 (d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity - Group

	Equity attributable to equity holders of the Company							Non-controlling Interests	Total Equity	
	Share Capital	Retained Earnings & Other Reserves*	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Fair Value Reserve	Hedging Reserve	Total Reserves			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at 1 Jan 2013	125,646	144,745	9,773	92	(317)	(232)	154,061	279,707	(111)	279,596
Profit for the period	-	10,946	-	-	-	-	10,946	10,946	9	10,955
Other comprehensive income, net of tax										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	2,375	-	-	2,375	2,375	-	2,375
Fair value gain on cash flow hedge	-	-	-	-	-	232	232	232	-	232
Fair value gain on available-for-sale financial assets	-	-	-	-	66	-	66	66	-	66
Other comprehensive income for the period, net of tax	-	-	-	2,375	66	232	2,673	2,673	-	2,673
Total comprehensive income for the period	-	10,946	-	2,375	66	232	13,619	13,619	9	13,628
Dividend relating to 2012	-	(3,462)	-	-	-	-	(3,462)	(3,462)	-	(3,462)
Balance at 30 September 2013	125,646	152,229	9,773	2,467	(251)	-	164,218	289,864	(102)	289,762

* Includes other reserves of \$112,000 as at 30 September 2013.

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Statement of Changes in Equity - Group

	Equity attributable to equity holders of the Company								Non-controlling Interests	Total Equity
	Share Capital	Retained Earnings & Other Reserves*	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Fair Value Reserve	Hedging Reserve	Total Reserves	Total		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Balance at 1 Jan 2012 (As previously restated)	125,646	90,543	9,773	2,539	(434)	(1,273)	101,148	226,794	(88)	226,706
Cumulative effects of adopting Amendments to FRS 12	-	28,238	-	-	-	-	28,238	28,238	-	28,238
Balance at 1 Jan 2012 (As restated)	125,646	118,781	9,773	2,539	(434)	(1,273)	129,386	255,032	(88)	254,944
Profit / (loss) for the period	-	7,091	-	-	-	-	7,091	7,091	(16)	7,075
Other comprehensive (loss) / income, net of tax										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	(2,828)	-	-	(2,828)	(2,828)	-	(2,828)
Fair value gains on cash flow hedge	-	-	-	-	-	802	802	802	-	802
Fair value losses on available-for-sale financial assets	-	-	-	-	41	-	41	41	-	41
Other comprehensive (loss) / income for the period, net of tax	-	-	-	(2,828)	41	802	(1,985)	(1,985)	-	(1,985)
Total comprehensive (loss) / income for the period	-	7,091	-	(2,828)	41	802	5,106	5,106	(16)	5,090
Dividend relating to 2011	-	(3,462)	-	-	-	-	(3,462)	(3,462)	-	(3,462)
Balance at 30 September 2012	125,646	122,410	9,773	(289)	(393)	(471)	131,030	256,676	(104)	256,572

* Includes other reserves of \$112,000 as at 30 September 2012.

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Statement of Changes in Equity - Company

	<u>Share Capital</u> \$'000	<u>Accumulated Losses</u> \$'000	<u>Fair Value Reserve</u> \$'000	<u>Other Reserve</u> \$'000	<u>Total Reserves</u> \$'000	<u>Total</u> \$'000
Balance at 1 Jan 2013	125,646	(44,661)	4	926	(43,731)	81,915
Loss for the period	-	(256)	-	-	(256)	(256)
Fair value gain on available-for-sale financial assets	-	-	17	-	17	17
Total comprehensive (loss) / income for the period	-	(256)	17	-	(239)	(239)
Dividend relating to 2012	-	(3,462)	-	-	(3,462)	(3,462)
Balance at 30 September 2013	125,646	(48,379)	21	926	(47,432)	78,214

	<u>Share Capital</u> \$'000	<u>Accumulated Losses</u> \$'000	<u>Fair Value Reserve</u> \$'000	<u>Other Reserve</u> \$'000	<u>Total Reserves</u> \$'000	<u>Total</u> \$'000
Balance at 1 January 2012	125,646	(44,881)	3	926	(43,952)	81,694
Loss for the period	-	(246)	-	-	(246)	(246)
Fair value gain on available-for-sale financial assets	-	-	2	-	2	2
Total comprehensive income / (loss) for the period	-	(246)	2	-	(244)	(244)
Dividend relating to 2011	-	(3,462)	-	-	(3,462)	(3,462)
Balance at 30 September 2012	125,646	(48,589)	5	926	(47,658)	77,988

- 1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the share capital since the end of the previous period reported on.

	Number of shares	Amount
	'000	\$'000
Balance at 1 January and 30 September 2013	576,936	125,646

There were no treasury shares in issue and there was no conversion of any shares during the financial period.

- 1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

Please refer to 1 (d)(ii) above.

- 1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.

- 2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

- 3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

- 4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current period as compared with the audited financial statements for the year ended 31 December 2012 except for the adoption of certain Financial Reporting Standard ("FRS") and Interpretation ("INT FRS") that are mandatory for the financial year beginning on or after 1 January 2013.

- 5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of FRS and INT FRS as highlighted in item 4 has no significant impact on the financial statements, except for FRS 113 which provides consistent guidance across FRS on how fair value should be determined and which disclosures should be made in the financial statements. The Group has yet to assess the full impact of FRS 113 and intends to adopt the standard for the financial year beginning on 1 January 2013.

- 6 Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

- (i) Based on the weighted average number of ordinary shares on issue
(ii) On a fully diluted basis

Group	
Third Quarter	
30/09/2013	30/09/2012
<u>Cents</u> 0.67	<u>Cents</u> 0.64
0.67	0.64

Group	
Nine months	
30/09/2013	30/09/2012
<u>Cents</u> 1.90	<u>Cents</u> 1.23
1.90	1.23

- 7 Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :

- (a) current financial period reported on; and
(b) immediately preceding financial year

Group	
30/09/2013	31/12/2012
<u>Cents</u> 50.24	<u>Cents</u> 48.48

Company	
30/09/2013	31/12/2012
<u>Cents</u> 13.56	<u>Cents</u> 14.20

Net asset value per ordinary share based on issued share capital at the end of the period/year

- 8 **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group's revenue increased by 16% to \$61.0m for the 9 months ended 30 Sep 2013 ("3Q2013"), from \$52.5m for the corresponding period in 2012 ("3Q2012"), mainly due to higher contribution from the Property Investment & Development segment. This was due to rental revenue from the re-opening of 100 AM in November 2012 and the sale of development properties. Revenue from the Hotel Investment and Management segment decreased slightly.

Other income increased to \$0.8m for 3Q2013 from \$0.2m for 3Q2012, due to increased interest income and foreign exchange gains.

Increase in cost of properties sold was mainly due to progressive recognition of development costs.

There were no significant variances for staff costs, depreciation and finance costs for 3Q2013.

Other expenses increased to \$17.4m for 3Q2013 from \$15.1m for 3Q2012 mainly due to higher operating costs for 100 AM shopping mall, since its re-opening in November 2012.

Higher income tax for 3Q2013 was due to higher taxable income for the period as compared to 3Q2012.

- 9 **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

In the Company's second quarter 2013 results, it was stated that:

"The expected increase in room supply over the coming quarters could affect the hospitality sector in Singapore. The uncertain economic conditions in the United States, the Eurozone countries and the slowdown in the growth of China shall have an effect on hotel room rates and occupancy. The Group shall continue to focus on our core competencies, branding, cost controls and pricing strategies to meet the challenging conditions.

The residential property market in Singapore is expected to soften due to expected interest rate increases, as well as the series of cooling measures, the latest being the cap on total debt servicing ratio implemented in June 2013. Sales of our development projects would be affected. However, rental from our newly renovated 100 AM shopping mall and office tower shall continue to provide stable contribution to our Property Investment and Development segment."

The results of third quarter 2013 are generally in line with the above statement.

- 10 **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The challenging and uncertain global and regional economic conditions, together with the expected increase in supply of hotel rooms in Singapore, are expected to continue to weigh on the performance of our Hotel Investment and Management segment. To meet these challenges, we are continually upgrading our services and product offering. This includes a recent major renovation of one of our Food & Beverage outlet.

In our Property Investment and Management segment, rental from our newly renovated 100 AM shopping mall and office tower shall continue to provide stable revenue contribution. We plan to launch a new residential property project in the forthcoming quarters, and we shall expect progressive contribution from sales of this project in the forthcoming quarters.

- 11 **Dividend**

- (a) **Current Financial Period Reported On** : None
- (b) **Corresponding Period of the Immediately Preceding Financial Year** : None
- (c) **Date payable** : Not applicable
- (d) **Books closure date** : Not applicable

- 12 **If no dividend has been declared/recommended, a statement to that effect.**

Not applicable

- 13 **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

There is no general mandate from shareholders for IPTs.

- 14 **STATEMENT BY DIRECTORS**

Pursuant to SGX Listing Rule 705(5)

To the best of the directors' knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited third quarter 2013 financial results to be false or misleading in all material aspects.

BY ORDER OF THE BOARD

Ms Susan Teo Geok Tin / Ms Foo Soon Soo

Company Secretaries

12 November 2013