



Unaudited Second Quarter Financial Statement And Dividend Announcement for the Period Ended 30 June 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					
	Second Quarter			Six Months		
	30/06/2013	30/06/2012	Change	30/06/2013	30/06/2012	Change
\$'000	\$'000	%	\$'000	\$'000	%	
Revenue	17,896	15,545	15	42,459	31,729	34
Other income	125	72	74	570	166	NM
Changes in inventories of finished goods	4	36	NM	(30)	1	NM
Cost of properties sold / consumables used	(2,806)	(2,226)	26	(9,420)	(4,639)	103
Staff costs	(4,387)	(4,493)	(2)	(8,828)	(8,831)	(0)
Depreciation	(1,062)	(1,116)	(5)	(2,123)	(2,271)	(7)
Finance costs	(916)	(974)	(6)	(1,977)	(1,893)	4
Other expenses	(5,988)	(4,959)	21	(11,708)	(9,843)	19
Profit before tax	2,866	1,885	52	8,943	4,419	102
Income tax expense	(743)	(483)	54	(1,836)	(1,009)	82
Profit for the year	2,123	1,402	51	7,107	3,410	108
Other comprehensive income / (loss), after tax :						
Currency translation differences on translation of financial statements of foreign subsidiaries	1,663	167	NM	2,590	(1,253)	NM
Fair value gain on cash flow hedge	-	264	(100)	231	533	(57)
Fair value gain on available-for-sale financial assets	(35)	(41)	(15)	48	45	7
Other comprehensive gain / (loss) for the year, net of tax	1,628	390	NM	2,869	(675)	NM
Total comprehensive income for the period	3,751	1,792	NM	9,976	2,735	NM
Profit attributable to :						
Equity holders of the Company	2,117	1,396	52	7,096	3,413	NM
Non-controlling interests	6	6	-	11	(3)	NM
	2,123	1,402	51	7,107	3,410	NM
Total comprehensive income attributable to :						
Equity holders of the Company	3,745	1,786	NM	9,965	2,738	NM
Non-controlling interests	6	6	-	11	(3)	NM
	3,751	1,792	NM	9,976	2,735	NM

Notes to Consolidated Statement of Comprehensive Income :

	Group					
	Second Quarter			Six Months		
	30/06/2013	30/06/2012	Change	30/06/2013	30/06/2012	Change
\$'000	\$'000	%	\$'000	\$'000	%	
Profit before tax is arrived at after (charging) / crediting:						
Amortisation of other assets	(28)	(28)	(0)	(56)	(56)	(0)
(Allowance) / write-back of doubtful receivables, net	-	(45)	(100)	(4)	31	NM
Depreciation of property, plant and equipment	(1,063)	(1,116)	(5)	(2,123)	(2,271)	(6)
Loss on disposal / write off of property, plant and equipment	(317)	(43)	NM	(317)	(45)	NM
Interest income	138	18	NM	276	43	NM
Net foreign exchange (loss) / gain	(93)	111	NM	97	(58)	NM
Tax						
Adjustment for (under) / over-provision of tax in respect of prior years	(19)	(1)	NM	(5)	10	NM

NM : Not meaningful

1 (b) (i) Statements of Financial Position

	Notes	Group		Company	
		30/06/2013 \$'000	31/12/2012 \$'000	30/06/2013 \$'000	31/12/2012 \$'000
Current assets					
Cash and bank balances	A	29,615	15,226	65	65
Trade and other receivables	B	12,780	7,890	37,240	40,957
Inventories		315	345	-	-
Development properties	C	49,777	67,783	-	-
Other current assets	D	2,426	1,481	2	5
		94,913	92,725	37,307	41,027
Non-current assets					
Available-for-sale financial assets		1,289	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		262,064	261,000	-	-
Property, plant and equipment		152,530	147,406	-	-
Goodwill		788	789	-	-
Other assets		6,857	6,912	-	-
Other receivables		30,433	29,892	-	-
Deferred income tax assets		524	505	-	-
		457,381	450,676	41,117	41,102
Total assets		552,294	543,401	78,424	82,129
Current liabilities					
Trade and other payables	E	22,935	26,552	136	214
Tax payables	F	5,347	3,256	-	-
Borrowings	G	11,785	42,748	-	-
		40,067	72,556	136	214
Non-current liabilities					
Trade and other payables	H	4,225	3,407	-	-
Borrowings	G	215,383	179,281	-	-
Deferred income tax liabilities		6,509	8,561	-	-
		226,117	191,249	-	-
Total liabilities		266,184	263,805	136	214
Net assets		286,110	279,596	78,288	81,915
Capital and reserves attributable to equity holders of the Company					
Share capital		125,646	125,646	125,646	125,646
Reserves		160,564	154,061	(47,358)	(43,731)
		286,210	279,707	78,288	81,915
Non-controlling interests		(100)	(111)	-	-
Total equity		286,110	279,596	78,288	81,915

Notes to Statements of Financial Position:

- A) Increase was mainly due to refund of a tender deposit.
- B) Increase was mainly due to outstanding instalments not due yet for units sold in the Killiney project.
- C) Decrease was mainly due to full recognition to cost of sales for sold units upon completion of the Killiney project.
- D) Increase was mainly due to prepayment for more contract services and deposit for projects.
- E) Decrease was mainly due to repayment of liabilities and lower accrual for operating expenses.
- F) Increase was mainly due to tax provision for the current period.
- G) Increase in total borrowings was mainly due to draw down of funds for investment in projects. Decrease in current portion of borrowings was mainly due to refinancing of a term loan which had matured in the current period.
- H) Increase in non current trade and other payables were mainly due to collection of security deposits from tenants.

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

30/06/2013	
\$'000	
Secured	Unsecured
11,785	Nil

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

Amount repayable after one year

30/06/2013	
\$'000	
Secured	Unsecured
215,383	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		
	Second Quarter		Six Months		
	30/06/2013	30/06/2012	30/06/2013	30/06/2012	
	\$'000	\$'000	\$'000	\$'000	
Cash flows from operating activities					
Profit before tax	2,866	1,885	8,943	4,419	
Adjustments for:					
Amortisation of other assets	28	28	56	56	
Depreciation of property, plant and equipment	1,063	1,116	2,123	2,271	
Income from available-for-sale financial assets	(9)	(10)	(11)	(12)	
Interest expense	916	974	1,977	1,893	
Interest income	(138)	(18)	(276)	(43)	
Loss on disposal of financial assets	2	-	2	-	
Fair value gain on fair value reserve	(4)	-	(4)	-	
Loss on disposal / written off of property, plant and equipment	317	43	317	45	
Exchange difference	507	(10)	429	(39)	
Operating cash flow before working capital changes	5,548	4,008	13,556	8,590	
Changes in operating assets and liabilities :					
Development properties	A	406	(1,033)	18,006	(21,499)
Inventories		3	(21)	30	3
Payables	B	1,114	222	(2,232)	(379)
Receivables	C	499	(2,194)	(6,378)	(1,805)
Cash generated from / (used in) operations		7,570	982	22,982	(15,090)
Net income tax paid		(1,429)	(1,632)	(1,816)	(1,469)
Net cash generated from / (used in) operating activities		6,141	(650)	21,166	(16,559)
Cash flows from investing activities					
Income received from quoted equity investments		9	10	11	12
Interest received		138	18	276	43
Payments for property, plant and equipment	D	(3,390)	287	(5,873)	(3,466)
Proceeds from disposal of property, plant and equipment		130	-	131	-
Proceeds from sale of available-for-sale financial assets		33	-	33	-
Investment in an associate		(853)	(26,153)	-	(26,153)
Additional costs incurred on investments properties		-	(15,530)	(1,064)	(15,530)
Net cash used in investing activities		(3,933)	(41,368)	(6,486)	(45,094)
Cash flows from financing activities					
Interest paid		(916)	(974)	(1,977)	(1,893)
Payment of dividends to shareholders of Amara Holdings Limited		(3,462)	(3,462)	(3,462)	(3,462)
Net repayments of finance lease liabilities		(23)	(189)	(45)	(394)
Net draw down of bank borrowings	E	16,333	46,999	5,155	67,366
Net cash generated from financing activities		11,932	42,374	(329)	61,617
Net increase / (decrease) in cash and cash equivalents held		14,140	356	14,351	(36)
Cash and cash equivalents at beginning of financial period		15,452	10,898	15,226	11,443
Effect of exchange rate changes on cash and cash equivalents		23	34	38	(119)
Cash and cash equivalents at the end of financial period		29,615	11,288	29,615	11,288

Note to Consolidated Statement of Cash Flows :

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

	Group	
	30/06/2013	30/06/2012
	\$'000	\$'000
Cash and bank balances	29,615	11,288

Notes to Statements of Cash Flows:

- A) Decrease for the quarter was due to recognition to cost of sales for development properties sold.
- B) Increase for the quarter was due to accruals and trade payables.
- C) Decrease for the quarter was due to collections from buyers of Killiney project.
- D) Payments for the quarter was mainly for construction works in progress.
- E) Draw down of bank borrowings was mainly for funding of projects.

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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 January 2013	125,646	144,745	9,773	92	(317)	(232)	154,061	279,707	(111)	279,596
Profit for the period	-	7,096	-	-	-	-	7,096	7,096	11	7,107
Other comprehensive income, net of tax										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	2,590	-	-	2,590	2,590	-	2,590
Fair value gain on cash flow hedge	-	-	-	-	-	231	231	231	-	231
Fair value gain on available-for-sale financial assets	-	-	-	-	48	-	48	48	-	48
Other comprehensive income for the period, net of tax	-	-	-	2,590	48	231	2,869	2,869	-	2,869
Total comprehensive income for the period	-	7,096	-	2,590	48	231	9,965	9,965	11	9,976
Dividend relating to 2012	-	(3,462)	-	-	-	-	(3,462)	(3,462)	-	(3,462)
Balance at 30 June 2013	125,646	148,379	9,773	2,682	(269)	(1)	160,564	286,210	(100)	286,110

* Includes other reserves of \$112,000 as at 30 June 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 January 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 January 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	-	3,413	-	-	-	-	3,413	3,413	(3)	3,410
Other comprehensive (loss) / income, net of tax										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	(1,253)	-	-	(1,253)	(1,253)	-	(1,253)
Fair value gains on cash flow hedge	-	-	-	-	-	533	533	533	-	533
Fair value losses on available-for-sale financial assets	-	-	-	-	45	-	45	45	-	45
Other comprehensive (loss) / income for the period, net of tax	-	-	-	(1,253)	45	533	(675)	(675)	-	(675)
Total comprehensive (loss) / income for the period	-	3,413	-	(1,253)	45	533	2,738	2,738	(3)	2,735
Dividend relating to 2011	-	(3,462)	-	-	-	-	(3,462)	(3,462)	-	(3,462)
Balance at 30 June 2012	125,646	118,732	9,773	1,286	(389)	(740)	128,662	254,308	(91)	254,217

* Includes other reserves of \$112,000 as at 30 June 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 January 2013	125,646	(44,661)	4	926	(43,731)	81,915
Loss for the period	-	(182)	-	-	(182)	(182)
Fair value gain on available-for-sale financial assets	-	-	17	-	17	17
Total comprehensive (loss) / income for the period	-	(182)	17	-	(165)	(165)
Dividend relating to 2012	-	(3,462)	-	-	(3,462)	(3,462)
Balance at 30 June 2013	125,646	(48,305)	21	926	(47,358)	78,288

	<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	-	(172)	-	-	(172)	(172)
Fair value gain on available-for-sale financial assets	-	-	6	-	6	6
Total comprehensive income / (loss) for the period	-	(172)	6	-	(166)	(166)
Dividend relating to 2011	-	(3,462)	-	-	(3,462)	(3,462)
Balance at 30 June 2012	125,646	(48,515)	9	926	(47,580)	78,066

- 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 June 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	
Second Quarter	
30/06/2013	30/06/2012
<u>Cents</u> 0.37	<u>Cents</u> 0.24
0.37	0.24

Group	
Six months	
30/06/2013	30/06/2012
<u>Cents</u> 1.23	<u>Cents</u> 0.59
1.23	0.59

- 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	
30/06/2013	31/12/2012
<u>Cents</u> 49.61	<u>Cents</u> 48.48

Company	
30/06/2013	31/12/2012
<u>Cents</u> 13.57	<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 34% to \$42.5m for the 1st half year ended 30 June 2013 ("1H2013"), from \$31.7m for the corresponding period in 2012 ("1H2012"), 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. There was no significant variance in revenue from the Hotel Investment and Management segment.

Other income of \$0.6m comprised mainly interest income and foreign exchange gains.

Increase in cost of properties sold was mainly due to higher cost of properties sold for the development properties.

There were no significant variances for staff costs, depreciation and finance costs for 1H2013.

Other expenses increased to \$11.7m in 1H2013 from \$9.8m in 1H2012 mainly due to higher operating costs for 100 AM shopping mall, since its re-opening in November 2012.

Higher income tax in 1H2013 was due to higher taxable income for the period.

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 first quarter 2013 results, it was stated that:

"In Singapore's hospitality sector, growth is expected to slow in the coming years. Room inventories is slated to grow by over 20% within the next 3 years. Increased levies on costs and increasing labour shortages shall also provide challenges to the hospitality sector. We shall focus on maintaining occupancy rates and our market share, as well as improving productivity, so that our Hotel Investment and Management segment can meet these challenges and continue to provide stable contribution to the Group.

In the Property Development and Investment segment, our newly re-opened 100 AM shopping mall is now almost close to full occupancy and shall provide strong contribution. The residential property market in Singapore had been affected by the cooling measures implemented by the government and our development projects could be similarly affected."

The results of second 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 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.

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 second 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

13 August 2013