



AMARA HOLDINGS LIMITED

**NEWS RELEASE**

**AMARA REGISTERS REVENUE OF S\$29.1 MILLION IN 1HFY2010**

- ***Improved revenue from Hotel Investment and Management segment***
- ***Positive outlook on tourism sector in Singapore***

**Singapore, August 12, 2010 - Mainboard-listed Amara Holdings Limited** (“Amara” or the “Group”) (安国控股有限公司), a homegrown integrated lifestyle group, today reported revenue of S\$29.1 million for the six months ended June 30, 2010 (“1HFY2010”). In line with the improvement in visitor arrivals to Singapore, the Group’s Hotel Investment and Management segment generated higher revenue.

For 1HFY2010, revenue decreased by 55% as compared to the previous corresponding period (“1HFY2009”), mainly due to the lower revenue generated by the Group’s Property Investment and Development segment as there were no property launches during the period under review. Correspondingly, net profit declined 58% to S\$4.0 million in 1HFY2010.

Mr Albert Teo (张福泉), Chief Executive Officer of Amara commented: “The local tourism numbers for June this year surpassed expectations at 950,000 visitors. In line with the positive outlook of the local tourism sector, we are optimistic of the performance of our Hotel Investment and Management segment. Recently, we announced plans to develop a new 272-room hotel in Bangkok, Thailand, scheduled for opening in 2012. This marks the Group’s maiden entry into Thailand and we take a long term view for this vibrant market.”

## **Financial Performance**

For the period under review, Group revenue decreased 55% from S\$64.6 million in 1HFY2009 to S\$29.1 million in 1HFY2010. In line with the decrease in revenue, profit before tax decreased 44% from S\$9.0 million in 1HFY2009 to S\$5.1 million in 1HFY2010.

The Group achieved a 33% decrease in finance costs to S\$1.3 million in 1HFY2010, mainly due to lower interest rates and lower borrowings. Cost of properties sold and consumables used decreased by 93% from S\$36.0 million in 1HFY2009 to S\$2.6 million in 1HFY2010, as there were no property launches during the period under review. Other expenses increased by 14% to S\$9.1 million in 1HFY2010 as compared to S\$8.0 million in the same corresponding period in 2009. This was mainly due to the increased levels of activities in the Hotel Investment and Management segment.

The Group's borrowings reduced by S\$11.7 million from S\$157.1 million as at December 31, 2009 to S\$145.4 million as at June 30, 2010. As a result of higher revenue generated by the Hotel Investment and Management segment, trade and other receivables increased to S\$8.2 million in 1HFY2010 from S\$7.3 million as at December 31, 2009. As at June 30, 2010, the Group's cash and bank balances stands at S\$14.4 million.

## **Outlook**

For the first half of 2010, 5.5 million foreigners visited Singapore. With the robust tourism figures, the Singapore Tourism Board ("STB") is confident of meeting its projected figure of 11.5 million to 12.5 million visitors to Singapore for 2010, and expects current visitorship statistics to be sustainable through the next half of the year.

Mr Teo commented, “I am heartened by the positive outlook for the business environment and the local tourism sector. With the exciting schedule of events slated in the coming weeks, such as the Youth Olympic Games and the Singapore Grand Prix, we believe that the increased visitorship to the island will impact our hotel business segment positively.”

In addition, the Group has upcoming property developments in the pipeline and will be launched in subsequent quarters.

### **About Amara Holdings Limited**

Mainboard-listed Amara Holdings Limited (“Amara” or the “Group”), a homegrown integrated lifestyle group, is principally engaged in three business areas, namely, Hotel Investment and Management, Property Investment and Development, and Specialty Restaurants and Food Services.

### **Hotel Investment And Management**

Amara made its debut entry into Hotel Investment and Management with the development of Amara Hotel (“Amara Singapore”) in Singapore in 1986. The Group also broadened its presence with the development of Amara Sanctuary Resort, Sentosa, a boutique resort consisting of 121 beautifully designed guest rooms, Courtyard and Verandah Suites as well as villas, which opened in the second quarter of 2007. This marked the Group’s debut entry into the resort hotels business.

Amara’s solid foundation and established brand name will provide the platform to spur the Group towards its vision of being a leading player in Asia’s hospitality industry.

### **Property Investment And Development**

Amara's property investment and development operations span across retail, commercial and residential sectors. For each development, Amara aims to deliver creativity and value to its customers. The integration of aesthetics and functionality seen in the Group's property developments reflects its in-depth understanding of current market trends and needs. Its prized residential development, The Linear, conceptualised to provide a unique suburban living experience at Upper Bukit Timah, underscores the Group's astute property investment and development capabilities.

### **Specialty Restaurants And Food Services**

The Group's entry into specialty restaurants and food services stands strong. This is attributable to its excellent products and personalised service. Amara has developed a portfolio of concept restaurants including Thanying and Silk Road Restaurant. Both Thanying and Silk Road Restaurant have won numerous awards and are choice restaurants in the local dining scene.

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