



AMARA HOLDINGS LIMITED

NEWS RELEASE

**AMARA ACHIEVES NET PROFIT OF S\$29.4 MILLION IN FY2012**

- ***Group Revenue up by 46% to S\$90.3 million, mainly due to higher sales of development properties***
- ***Excluding fair value gain on investment properties in FY2011 and FY2012, Group Net Profit surges 118.1% to S\$18.1 million in FY2012 from S\$8.3 million in FY2011***
- ***New mall, 100 AM, to contribute strongly to Property Investment and Development***
- ***Hotel Investment and Management segment continues to contribute positively to Group Revenue***
- ***Proposes final dividend of 0.6 cent per ordinary share***

**Singapore, February 27, 2013** – Mainboard-listed Amara Holdings Limited (“Amara” or the “Group”) (安国控股有限公司), a homegrown integrated lifestyle group, today announced a net profit of S\$29.4 million for the full year ended December 31, 2012 (“FY2012”), on the back of a 46% surge in revenue to S\$90.3 million in FY2012 from S\$61.8 million in the previous corresponding year (“FY2011”).

Mr Albert Teo (张福泉), Chief Executive Officer of Amara said, “Our robust sale of development properties amounting to approximately S\$26.0 million contributed positively to our strong revenue growth. Operationally, without fair value adjustments for both years, our bottomline has improved tremendously. This is reflective of the market’s growing demand for Amara’s property offerings, which are synonymous with value, quality and style. We launched CityLife@Tampines together with our JV partners in November 2012, which received an overwhelming response, with most units snapped up within the first day of launch. We have also completed extensive

renovation for our rebranded 100 AM shopping centre, which is now close to full occupancy.”

## **Performance Review**

The Group reported favourable operating results for FY2012 as compared to FY2011.

Group revenue for FY2012 increased 46% to S\$90.3 million, from S\$61.8 million in FY2011. Hotel Investment and Management segment contributed 61.9% or S\$55.9 million while Property Investment and Development segment made up 34.1% or S\$30.8 million. Specialty Restaurants and Food Services segment constituted 4% or S\$3.6 million to Group Revenue in FY2012.

The Group's fair value gain on investment properties of S\$11.3 million was lower in FY2012 as compared to FY2011 due to lower gains from valuation of investment properties. Cost of properties sold/consumables used increased to S\$20.6 million in FY2012 from S\$6.5 million in FY2011 in line with the increase in sale of development properties. Finance costs increased to S\$4.2 million in FY2012 from S\$3.3 million in FY2011 as the group had higher borrowings for funding of the Group's new and ongoing projects.

The Group's profit before tax dipped by a marginal 2% to S\$33.9 million in FY2012 from \$34.6 million in FY2011. Income tax expenses increased to \$4.5 million due to higher provision for taxable income for the Group. Correspondingly, net profit after tax declined to S\$29.4 million in FY2012 from S\$33.6 million (restated) in FY2011. Excluding fair value gain on investment properties, the Group's net profit surges 118.1% to S\$18.1 million from S\$8.3 million.

As at December 31, 2012, the Group maintained a healthy balance sheet with cash and bank balances at S\$15.2 million. The Group also achieved earnings per share of 5.10 cents for FY2012, as compared to 5.84 cents (restated) in the previous

corresponding period. Net asset value per share also rose to 48.48 cents compared to 44.20 cents (restated) in FY2011.

## **Proposed Dividend**

The Directors have recommended a first and final cash dividend of 0.6 cent per ordinary share for the full year ended December 31, 2012, which is unchanged from the dividend payout in the immediate preceding financial year.

## **Outlook**

Changi Airport, which handled a record 51.2 million passengers last year, plans to build Terminal 4 as well as expand Terminal 1, in response to growth in air transport over the next 20 years.<sup>1</sup> According to International Air Transport Association (“IATA”), Asia-Pacific is likely to account for 33% of global passengers in 2016.<sup>2</sup>

With Singapore Tourism Board targeting to achieve tourism receipts of S\$30 billion and visitor arrivals of 17 million in 2015, Singapore will continue to be a favoured destination, attracting visitors and businesses.<sup>3</sup>

Mr Albert Teo added, “While business conditions are likely to remain challenging amidst prevailing uncertainties in the major economies, the hospitality sector in Singapore is expected to benefit from upcoming attractions such as Maritime Experiential Museum, River Safari and Marine Life Park, as well as an increase in business and leisure tourist arrivals from the Asia-Pacific region. Amara has in place strategies to improve contributions in our Hotel Investment and Management segment through its expansion in regional markets of Asia and Asean.

*Source:*

(1) *Asia’s aircraft fleet ‘to more than double’ in next 20 years – Straits Times, Feb 26*

(2) *Asia-Pacific to buy US\$1.6t of new planes – Business Times, Feb 26*

(3) *Tourism 2015 – <https://app.stb.gov.sg/asp/abo/abo08.asp>*

“As for Property Investment, our rebranded 100 AM is the only full fledged mall in Tanjong Pagar district. With 100 AM enjoying close to full occupancy and higher rental yields, the mall is expected to contribute strongly to this segment’s earnings. We believe that the Group’s strategic developments in FY2012 will continue to contribute to the Group’s performance going forward.”

## **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 140 beautifully designed guest rooms, Courtyard Suites, Verandah Suites and 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.

In the fourth quarter of 2012, Amara, together with its JV partners, has also successfully launched CityLife@Tampines, Singapore's First Luxury Hotel-Inspired Executive Condominium. 100 AM, located at 100 Tras Street, also opened in the fourth quarter of 2012. 100 AM is the only lifestyle mall in Tanjong Pagar redefining quality of inner city living with the mall's F&B and Lifestyle Brands.

### **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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