



**AMARA HOLDINGS LIMITED**

**AND ITS SUBSIDIARIES**

**(Registration No. 197000732N)**

**CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED**

**30 JUNE 2022**

## **Table of Contents**

	<u>PAGE</u>
A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	1
B. Condensed Interim Statements of Financial Position	2
C. Condensed Interim Statements of Changes in Equity	3 – 4
D. Condensed Interim Consolidated Statement of Cash Flows	5
E. Notes to Condensed Interim Consolidated Financial Statements	6 – 17
F. Other Information Required by Listing Rule Appendix 7.2	18 – 20

# AMARA HOLDINGS LIMITED

## A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Group		
		Six months ended		Change %
		30/06/2022 \$'000	30/06/2021 \$'000	
<b>Revenue</b>	4	<b>36,486</b>	31,840	15
Other income		<b>110</b>	541	(80)
Changes in inventories of finished goods		<b>(80)</b>	(14)	NM
Cost of properties sold/consumables used		<b>(7,259)</b>	(2,809)	NM
Staff costs		<b>(8,311)</b>	(6,795)	22
Depreciation		<b>(4,640)</b>	(5,121)	(9)
Finance costs		<b>(4,322)</b>	(3,974)	9
Other expenses		<b>(10,587)</b>	(9,678)	9
Share of results of jointly-controlled entities, net of tax		<b>(143)</b>	1	NM
<b>Profit before tax</b>	6	<b>1,254</b>	3,991	(69)
Income tax expense	7	<b>(1,152)</b>	(1,115)	3
<b>Profit for the period</b>		<b>102</b>	2,876	(96)
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translation of foreign operations, representing total other comprehensive (loss)/income for the period		<b>(3,475)</b>	3,895	NM
<b>Total comprehensive (loss)/income for the period</b>		<b>(3,373)</b>	6,771	NM
<b>Profit attributable to:</b>				
Owners of the company		<b>102</b>	2,876	(96)
<b>Total comprehensive (loss)/income attributable to:</b>				
Owners of the company		<b>(3,373)</b>	6,771	NM
<b>Earnings per share for profit for the period attributable to the owners of the company during the year:</b>				
Basic and diluted (cents)		<b>0.02</b>	0.50	(96)

NM: Not meaningful

# AMARA HOLDINGS LIMITED

## B. Condensed Interim Statements of Financial Position

Notes	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>				
<b>Current assets</b>				
	12,726	16,069	45	28
Cash and cash equivalents				
Trade and other receivables	12,029	12,751	60,784	63,995
Inventories	349	429	-	-
Development properties	10 108,041	110,091	-	-
Contract assets	11,042	5,373	-	-
Total current assets	144,187	144,713	60,829	64,023
<b>Non-current assets</b>				
Financial assets at fair value through profit or loss ("FVTPL")	11 877	928	151	161
Intangible assets	12 1,178	1,178	-	-
Investment in jointly-controlled entities	8,657	7,600	-	-
Investment in subsidiaries	-	-	40,087	40,087
Investment properties	13 405,756	407,277	-	-
Property, plant and equipment	14 244,337	251,983	-	-
Other asset	5,661	5,714	-	-
Deferred tax assets	568	564	-	-
Total non-current assets	667,034	675,244	40,238	40,248
<b>Total assets</b>	<b>811,221</b>	<b>819,957</b>	<b>101,067</b>	<b>104,271</b>
<b>Liabilities and Equity</b>				
<b>Current liabilities</b>				
Trade and other payables	17,170	15,712	198	299
Contract liabilities	1,210	1,210	-	-
Income tax payable	2,495	2,574	-	-
Bank loans	15 95,848	89,464	-	-
Lease liabilities	15 2,713	3,270	-	-
Total current liabilities	119,436	112,230	198	299
<b>Non-current liabilities</b>				
Trade and other payables	6,026	5,796	-	-
Bank loans	15 239,815	249,170	-	-
Lease liabilities	15 36,037	36,575	-	-
Deferred tax liabilities	14,298	14,329	-	-
Total non-current liabilities	296,176	305,870	-	-
<b>Capital and reserves</b>				
Share capital	16 125,646	125,646	125,646	125,646
Treasury shares	(996)	(996)	(996)	(996)
Reserves	270,959	277,207	(23,781)	(20,678)
Total equity	395,609	401,857	100,869	103,972
<b>Total liabilities and equity</b>	<b>811,221</b>	<b>819,957</b>	<b>101,067</b>	<b>104,271</b>

# AMARA HOLDINGS LIMITED

## C. Condensed Interim Statements of Changes in Equity

<b>Group</b>	<b>Note</b>	<b>Share capital \$'000</b>	<b>Treasury shares \$'000</b>	<b>Foreign currency translation reserve \$'000</b>	<b>Retained earnings and other reserves* \$'000</b>	<b>Total reserves \$'000</b>	<b>Equity attributable to owners of the company \$'000</b>
Balance at 1 January 2022		125,646	(996)	3,129	274,078	277,207	401,857
Total comprehensive income/(loss) for the period:							
Profit for the period		-	-	-	102	102	102
Other comprehensive loss		-	-	(3,475)	-	(3,475)	(3,475)
Total		-	-	(3,475)	102	(3,373)	(3,373)
Transactions with owners, recognised directly in equity:							
Dividends paid relating to 2021, representing total transactions with owners, recognised directly in equity	8	-	-	-	(2,875)	(2,875)	(2,875)
<b>Balance at 30 June 2022</b>		<b>125,646</b>	<b>(996)</b>	<b>(346)</b>	<b>271,305</b>	<b>270,959</b>	<b>395,609</b>
Balance at 1 January 2021		125,646	(996)	(3,342)	266,528	263,186	387,836
Total comprehensive income for the period:							
Profit for the period		-	-	-	2,876	2,876	2,876
Other comprehensive income		-	-	3,895	-	3,895	3,895
Total		-	-	3,895	2,876	6,771	6,771
<b>Balance at 30 June 2021</b>		<b>125,646</b>	<b>(996)</b>	<b>553</b>	<b>269,404</b>	<b>269,957</b>	<b>394,607</b>

\* Includes other reserves of \$112,000 as at 30 June 2022 (30 June 2021: \$112,000).

# AMARA HOLDINGS LIMITED

## C. Condensed Interim Statements of Changes in Equity (cont'd)

<u>Company</u>	<u>Note</u>	<u>Share capital</u> \$'000	<u>Treasury shares</u> \$'000	<u>Accumulated losses</u> \$'000	<u>Other reserves</u> \$'000	<u>Total reserves</u> \$'000	<u>Total</u> \$'000
Balance at 1 January 2022		125,646	(996)	(21,604)	926	(20,678)	103,972
Loss for the period, representing total comprehensive loss for the period		-	-	(228)	-	(228)	(228)
Dividends paid relating to 2021, representing total transactions with owners recognised directly in equity	8	-	-	(2,875)	-	(2,875)	(2,875)
<b>Balance at 30 June 2022</b>		<b>125,646</b>	<b>(996)</b>	<b>(24,707)</b>	<b>926</b>	<b>(23,781)</b>	<b>100,869</b>
Balance at 1 January 2021		125,646	(996)	(24,556)	926	(23,630)	101,020
Loss for the period, representing total comprehensive loss for the period		-	-	(152)	-	(152)	(152)
<b>Balance at 30 June 2021</b>		<b>125,646</b>	<b>(996)</b>	<b>(24,708)</b>	<b>926</b>	<b>(23,782)</b>	<b>100,868</b>

# AMARA HOLDINGS LIMITED

## D. Condensed Interim Consolidated Statement of Cash Flows

	Note	Group	
		Six months ended	
		30/06/2022	30/06/2021
		\$'000	\$'000
<b>Operating activities</b>			
Profit before tax		1,254	3,991
Adjustments for:			
Amortisation of other asset	6	53	54
Depreciation of property, plant and equipment		4,640	5,121
Gain on disposal of property, plant and equipment	6	(5)	(34)
Dividend income from financial assets at FVTPL	6	(13)	(8)
Gain on disposal of financial assets at FVTPL	6	(2)	-*
Loss/(Gain) on fair value adjustment of financial assets at FVTPL	6	31	(47)
Interest income - fixed deposits	6	(17)	(10)
Interest expense		4,322	3,974
Share of results of jointly-controlled entities, net of tax		143	(1)
Exchange differences		307	160
Operating cash flows before movements in working capital		10,713	13,200
Inventories		80	14
Trade and other receivables		722	(829)
Trade and other payables		1,260	205
Contract assets		(5,669)	(1,776)
Development properties		2,050	(2,340)
Cash generated from operations		9,156	8,474
Income tax paid		(1,113)	(1,835)
Net cash from operating activities		8,043	6,639
<b>Investing activities</b>			
Advances to a jointly-controlled entity		(800)	(7,227)
Additional investment in a jointly-controlled entity		(400)	-*
Proceeds on disposal of financial assets at FVTPL		22	18
Proceeds on disposal of property, plant and equipment		8	180
Payments for property, plant and equipment		(337)	(113)
Dividend received from financial assets at FVTPL		13	8
Interest received		17	10
Net cash used in investing activities		(1,477)	(7,124)
<b>Financing activities</b>			
Interest paid		(3,841)	(3,974)
Payment of dividends on ordinary shares		(2,875)	-
Repayment of lease liabilities		(766)	(851)
Repayment of bank borrowings		(7,339)	(3,357)
Proceeds from bank borrowings		5,100	9,914
Net cash (used in)/from financing activities		(9,721)	1,732
Net (decrease)/increase in cash and cash equivalents		(3,155)	1,247
Cash and cash equivalents at beginning of period		16,069	11,646
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies		(188)	158
<b>Cash and cash equivalents at end of period</b>		<b>12,726</b>	<b>13,051</b>

\* Amount less than \$1,000

# AMARA HOLDINGS LIMITED

## E. Notes to Condensed Interim Consolidated Financial Statements

### 1. Corporate information

Amara Holdings Limited (the Company) is incorporated and domiciled in Singapore and whose shares are publicly traded on the Mainboard of the Singapore Exchange.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 comprise the Company and its subsidiaries (collectively, the Group).

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are:

- (a) hotelier and restaurateur;
- (b) property investment, development and provision of construction services;
- (c) investment holding; and
- (d) provision of management and technical advisory services for the management and development of hotels and resorts.

### 2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore dollar which is the Company's functional currency.

#### 2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### 2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



# AMARA HOLDINGS LIMITED

## 2. Basis of Preparation (cont'd)

### 2.2 Use of judgements and estimates (cont'd)

Management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements apart from those involving estimates which are dealt with below.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### Valuation for investment properties

The Group carries its investment properties at fair value, with changes in fair values being recognised in profit or loss. The Group engaged independent valuation specialists to determine the investment properties' fair values. In determining the fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties include market-corroborated capitalisation yield. In relying on the valuation reports, Management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of current market conditions.

The valuation technique and inputs used to determine the fair value of the investment properties are further explained in Note 13.

The external valuers highlighted that given the unprecedented set of circumstances on which to base a judgment, less certainty and higher degree of caution should be attached to their valuation than would normally be the case. Due to the unknown future impact that COVID-19 pandemic might have on the real estate market, the external valuers have also recommended to keep the valuation of these properties under frequent review. This is cautionary and does not invalidate the valuation.

The carrying amounts of the Group's investment properties at the end of the reporting period are disclosed in Note 13.

#### Valuation of development properties under construction and completed properties for sale

Development properties are stated at cost less allowance for impairment in value or at the lower of cost and net realisable values.

When it is probable that the total project costs will exceed the total projected revenue net of selling expenses, i.e. net realisable value, the amount in excess of net realisable value is recognised as an expense immediately.

The process of evaluating the net realisable value for each property is subject to Management's judgement and the effect of assumptions in respect of development plans, timing of sale, the prevailing market conditions and based on recent transacted sales of the existing units as well as similar properties in the surrounding location. Management performs cost studies for each project, taking into account the costs incurred to date, the development status and costs to complete each development project. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

The carrying amount of the Group's development properties at the end of the reporting period is disclosed in Note 10.

# AMARA HOLDINGS LIMITED

## 2. Basis of Preparation (cont'd)

### 2.2 Use of judgements and estimates (cont'd)

#### Revenue recognition for sales of development properties under construction

Revenue and costs arising from contracts are recognised using the percentage of completion method determined by reference to the proportion of contract costs incurred for work performed to date relative to the estimated total construction costs at the end of each reporting period. Management exercises considerable judgement in estimating the projected total costs to completion, including the likely amounts at which additional claims from the contractors would eventually be settled. Total revenue recognised based on percentage of completion amounted to \$6,888,000 (30 June 2021: \$2,179,000).

For development properties whereby the Group has no enforceable right to payment, revenue is recognised when the property is completed and delivered to the customer. The revenue is measured at the transaction price agreed under the contract.

## 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

## 4. Segment and revenue information

For management purposes, the Group is organised into business segments based on their products and services and the Group has three reportable operating segments as follows:

- Hotel investment and management
- Property investment and development
- Specialty restaurants and food services

Another area of the Group's business comprises investment holding which does not constitute a separate reportable segment.

Management monitors the operating results of its business segments separately for the purpose of making decisions about allocation of resources and assessment of performance of each segment.

### **Segment results**

Performance of each segment is evaluated based on segment profit or loss which is measured differently from the net profit before tax in the consolidated financial statements. Interest income and finance expenses are not allocated to segments as financing is managed on a Group basis.

### **Segment assets**

The amounts provided to Management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purposes of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments other than investments, deferred income tax assets and interest bearing receivables which are classified as unallocated assets.

# AMARA HOLDINGS LIMITED

## 4. Segment and revenue information (cont'd)

### Segment liabilities

The amounts provided to Management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments other than taxation, deferred income tax liabilities and corporate borrowings. These liabilities are classified as unallocated liabilities.

### Geographical segments

The Group operates in three main geographical areas, namely Singapore, the People's Republic of China ("PRC") and Thailand.

The main areas of operations undertaken by the Group in each country are as follows:

- Singapore - hotel investment and management, property investment and development, specialty restaurants and food services
- PRC - hotel investment and management and property investment
- Thailand - hotel investment and management

# AMARA HOLDINGS LIMITED

## 4.1 Reportable segments

	Hotel investment and management	Property investment and development	Specialty restaurants and food services	Others	Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Six months ended 30 June 2022</b>						
Segment revenue						
Sales to external customers	18,300	17,409	773	4	-	36,486
Intersegment sales/income	409	84	-	-	(493)	-
Total revenue	<u>18,709</u>	<u>17,493</u>	<u>773</u>	<u>4</u>	<u>(493)</u>	<u>36,486</u>
Depreciation and amortisation	(4,682)	(1)	(10)	-	-	(4,693)
Share of results of jointly- controlled entities	-	(143)	-	-	-	(143)
Segment (loss)/profit	(900)	6,422	270	(8)	-	5,784
Interest income						17
Interest expense on borrowings						(4,322)
Unallocated corporate expenses						(225)
Profit before tax						<u>1,254</u>
Taxation						<u>(1,152)</u>
Profit for the period						<u>102</u>
Segment assets	261,709	547,350	662	932	-	810,653
Deferred tax assets						568
Total assets						<u>811,221</u>
<i>Segment assets include:</i>						
Investment in jointly-controlled entities	-	8,657	-	-	-	8,657
Additions to - Property, plant and Equipment	337	-	18	4	-	359
Segment liabilities	(10,858)	(13,146)	(205)	(197)	-	(24,406)
Income tax payable						(2,495)
Deferred tax liabilities						(14,298)
Corporate borrowings						<u>(374,413)</u>
Total liabilities						<u>(415,612)</u>

# AMARA HOLDINGS LIMITED

## 4.1 Reportable segments (cont'd)

	Hotel investment and management	Property investment and development	Specialty restaurants and food services	Others	Eliminations	Group
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Six months ended 30 June 2021</b>						
Segment revenue						
Sales to external customers	19,967	11,417	455	1	-	31,840
Intersegment sales/income	564	84	-	-	(648)	-
Total revenue	<u>20,531</u>	<u>11,501</u>	<u>455</u>	<u>1</u>	<u>(648)</u>	<u>31,840</u>
Depreciation and amortisation	(5,144)	-	(31)	-	-	(5,175)
Share of results of a jointly- controlled entity	-	1	-	-	-	1
Segment profit/(loss)	1,610	6,447	(10)	57	-	8,104
Interest income						10
Interest expense on borrowings						(3,974)
Unallocated corporate expenses						(149)
Profit before tax						<u>3,991</u>
Taxation						<u>(1,115)</u>
Profit for the period						<u>2,876</u>
Segment assets	267,931	548,408	758	917	-	818,014
Deferred tax assets						641
Total assets						<u>818,655</u>
<i>Segment assets include:</i>						
Investment in a jointly-controlled entity	-	541	-	-	-	541
Additions to - Property, plant and equipment	111	-	2	-	-	113
Segment liabilities	(11,654)	(11,857)	(222)	(225)	-	(23,958)
Income tax payable						(1,974)
Deferred tax liabilities						(14,088)
Corporate borrowings						<u>(384,028)</u>
Total liabilities						<u>(424,048)</u>

# AMARA HOLDINGS LIMITED

## 4.2 Disaggregation of revenue

	Hotel investment and management \$'000	Property investment and development \$'000	Specialty restaurants and food services \$'000	Others \$'000	Group \$'000
<b><u>Six months ended 30 June 2022</u></b>					
Types of goods or services					
Hotel investment and management	18,300	-	-	-	18,300
Sales of development properties under construction and completed properties for sale	-	7,937	-	-	7,937
Rental income of investment properties	-	9,355	-	-	9,355
Food and beverage revenue	-	-	773	-	773
Others	-	118	-	3	121
<b>Total revenue</b>	<b>18,300</b>	<b>17,410</b>	<b>773</b>	<b>3</b>	<b>36,486</b>
Timing of revenue recognition					
At point of time	18,300	-	773	3	19,076
Over time	-	17,410	-	-	17,410
<b>Total revenue</b>	<b>18,300</b>	<b>17,410</b>	<b>773</b>	<b>3</b>	<b>36,486</b>
Geographical information					
Singapore	12,924	15,880	773	3	29,580
PRC	4,224	1,530	-	-	5,754
Thailand	1,152	-	-	-	1,152
<b>Total revenue</b>	<b>18,300</b>	<b>17,410</b>	<b>773</b>	<b>3</b>	<b>36,486</b>

	Hotel investment and management \$'000	Property investment and development \$'000	Specialty restaurants and food services \$'000	Others \$'000	Group \$'000
<b><u>Six months ended 30 June 2021</u></b>					
Types of goods or services					
Hotel investment and management	19,967	-	-	-	19,967
Sales of development properties under construction	-	2,179	-	-	2,179
Rental income of investment properties	-	9,238	-	-	9,238
Food and beverage revenue	-	-	455	-	455
Others	-	-	-	1	1
<b>Total revenue</b>	<b>19,967</b>	<b>11,417</b>	<b>455</b>	<b>1</b>	<b>31,840</b>
Timing of revenue recognition					
At point of time	19,967	-	455	1	20,423
Over time	-	11,417	-	-	11,417
<b>Total revenue</b>	<b>19,967</b>	<b>11,417</b>	<b>455</b>	<b>1</b>	<b>31,840</b>
Geographical information					
Singapore	11,917	10,053	455	1	22,426
PRC	7,282	1,364	-	-	8,646
Thailand	768	-	-	-	768
<b>Total revenue</b>	<b>19,967</b>	<b>11,417</b>	<b>455</b>	<b>1</b>	<b>31,840</b>

# AMARA HOLDINGS LIMITED

## 5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2022 and 31 December 2021:

	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
At amortised cost	<b>30,732</b>	31,420	<b>60,819</b>	64,005
At FVTPL	<b>877</b>	928	<b>151</b>	161
	<b>31,609</b>	32,348	<b>60,970</b>	64,166

### Financial liabilities

Financial liabilities at amortised cost	<b>354,998</b>	356,380	<b>198</b>	299
Lease liabilities	<b>38,750</b>	39,845	-	-
	<b>393,748</b>	396,225	<b>198</b>	299

The carrying amounts of cash and cash equivalents, trade and other receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The carrying amounts of bank loans and lease liabilities are reasonable approximation of fair values as they are floating rate instruments that are repriced to market interest rates on or near the end of the reporting period.

## 6. Profit before tax

### 6.1 Significant items

Profit before tax is arrived at after crediting/(charging):

	Group	
	30/06/2022	30/06/2021
	\$'000	\$'000
Amortisation of other asset	<b>(53)</b>	(54)
Gain on disposal of property, plant and equipment	<b>5</b>	34
(Loss)/Gain on fair value adjustments of financial assets at FVTPL	<b>(31)</b>	47
Gain on disposal of financial assets at FVTPL	<b>2</b>	-*
Dividend income from financial assets at FVTPL	<b>13</b>	8
Interest income – fixed deposits	<b>17</b>	10
Bad debts written off	-	(3)
Foreign exchange loss, net	<b>(226)</b>	(118)
Over provision of prior year's income tax	<b>27</b>	-

\* Amount less than \$1,000

### 6.2 Related party transactions

There are no material related party transactions for the financial period.

# AMARA HOLDINGS LIMITED

## 7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	<b>Group</b>	
	<b>Six months ended</b>	
	<b>30/06/2022</b>	30/06/2021
	<b>\$'000</b>	\$'000
Tax expense attributable to the results is made up of:		
Current income tax	<b>1,045</b>	1,048
Deferred income tax	<b>134</b>	67
	<b>1,179</b>	1,115
Over provision in preceding financial years:		
- Current income tax	<b>(12)</b>	-
- Deferred income tax	<b>(15)</b>	-
	<b>1,152</b>	1,115

## 8. Dividends

	<b>Group and Company</b>	
	<b>Six months ended</b>	
	<b>30/06/2022</b>	30/06/2021
	<b>\$'000</b>	\$'000
<b>Ordinary dividends</b>		
Final tax exempt dividend of 0.5 cent per share (30 June 2021 : NIL cent per share) in respect of previous financial year	<b>2,875</b>	-
	<b>2,875</b>	-

## 9. Net asset value

	<b>Group</b>		<b>Company</b>	
	<b>30/06/2022</b>	31/12/2021	<b>30/06/2022</b>	31/12/2021
	<b>Cents</b>	Cents	<b>Cents</b>	Cents
Net asset value per ordinary share	<b>68.81</b>	69.89	<b>17.54</b>	18.08

## 10. Development properties

	<b>Group</b>	
	<b>30/06/2022</b>	31/12/2021
	<b>\$'000</b>	\$'000
Properties under development	<b>81,534</b>	82,788
Completed properties held for sale	<b>26,507</b>	27,303
	<b>108,041</b>	110,091



# AMARA HOLDINGS LIMITED

## 11. Financial assets at fair value through profit or loss

	Group		Company	
	30/06/2022	31/12/2021	30/06/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
Quoted equity shares at fair value through profit or loss	<b>877</b>	928	<b>151</b>	161

The investments above pertain to investments in quoted equity securities that offer the Group the opportunity for return through dividend income and fair value gain. They have no fixed maturity or coupon rate. The fair values of these securities are based on closing quoted market prices on the last market day of the financial period. Changes in fair value are recognised in profit or loss "other income" line item.

## 12. Intangible assets

	Group	
	30/06/2022	31/12/2021
	\$'000	\$'000
Club memberships	<b>564</b>	564
Less: Impairment loss	<b>(175)</b>	(175)
	<b>389</b>	389
Goodwill	<b>789</b>	789
	<b>1,178</b>	1,178

The Group tests for impairment annually or more frequently if there are indicators that the intangible asset might be impaired. The recoverable amount of intangible asset is determined from market value of comparable club memberships.

Goodwill acquired in a business combination is allocated to the cash-generating unit ("CGU") that is expected to benefit from that business combination. The carrying amount of the goodwill (net of impairment) relates to the hotel investment and management segment in the People's Republic of China.

## 13. Investment properties

The Group's investment properties consist of commercial properties, held for long-term rental yields and/or capital appreciation. They are mainly leased to third parties under operating leases.

	Group	
	30/06/2022	31/12/2021
	\$'000	\$'000
At beginning of period/year	<b>407,277</b>	404,679
Loss from fair value adjustments included in profit or loss	-	(994)
Currency realignment	<b>(1,521)</b>	3,592
At end of period/year	<b>405,756</b>	407,277

### 13.1 Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of the reporting period based on the property's highest and best use. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between the management and the independent valuers.

# AMARA HOLDINGS LIMITED

## 13. Investment properties (cont'd)

The fair value of the Group's investment properties is determined based on significant unobservable inputs and is categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the income capitalisation approach where the net rental income after property tax is capitalised at a rate which reflects the present and potential income growth over the unexpired lease term. The most significant input into the income capitalisation valuation approach is the capitalisation rate of 3.35% to 5.93% (2021: 3.35% to 5.93%) per annum.

An increase in capitalisation rate will result in a decrease to the fair value of the investment property.

Desktop valuations were prepared by external, independent and qualified valuers to determine the fair values of investment properties as of 30 June 2022. The desktop valuations were based mainly on the terms of the leasing contracts and current market conditions. There were no changes to the terms of the leasing contracts and there were also no material changes to the condition of the properties. Based on these factors, there were no significant changes to the fair values of the investment properties.

## 14. Property, plant and equipment

During the six months ended 30 June 2022, the Group acquired assets amounting to \$359,000 (30 June 2021: \$113,000) of which \$22,000 (30 June 2021: \$NIL) was financed by finance lease and disposed assets amounting to \$3,000 (30 June 2021: \$146,000).

## 15. Borrowings

### Aggregate amount of Group's borrowings and debt securities

	Group	
	30/06/2022	31/12/2021
	\$'000	\$'000
<b>Amount repayable in one year or less, or on demand</b>		
Secured	98,561	92,734
Unsecured	-	-
	<b>98,561</b>	<b>92,734</b>
<b>Amount repayable after one year</b>		
Secured	275,852	285,745
Unsecured	-	-
	<b>275,852</b>	<b>285,745</b>

### Details of any collateral

- first mortgages on certain subsidiaries' property, plant and equipment, right-of-use assets, investment and development properties;
- an assignment in escrow of interest in a subsidiary's lease and rental proceeds from its investment properties and a fixed and floating charge over its assets;
- 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
- corporate guarantee given by the Company and debenture over certain subsidiaries' hotels.

# AMARA HOLDINGS LIMITED

## 15. Borrowings (cont'd)

Included in secured borrowings as at 30 June 2022 are current lease liabilities of \$2,713,000 (31 December 2021: \$3,270,000) and non-current lease liabilities of \$36,037,000 (31 December 2021: \$36,575,000) which are secured on the right-of-use assets.

## 16. Share capital

	<b>Group and Company</b>			
	<b>30/06/2022</b>		<b>31/12/2021</b>	
	<b>No. of shares issued '000</b>	<b>\$'000</b>	No. of shares issued '000	\$'000
At beginning and end of interim period	<b>576,936</b>	<b>125,646</b>	576,936	125,646

As at 30 June 2022 and 31 December 2021, the number of ordinary shares in issue was 576,936,000 of which 1,967,800 were held by the Company as treasury shares.

There was no conversion of shares during the financial period.

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

## 17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

# AMARA HOLDINGS LIMITED

## F. Other Information Required by Listing Rule Appendix 7.2

### 1. Review

The condensed consolidated statement of financial position of Amara Holdings Limited and its subsidiaries as at 30 June 2022 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

### 2. Review of performance of the Group

#### Consolidated Statement of Profit or Loss and Other Comprehensive Income

#### First half ended 30 June 2022 ("1H 2022") vs First half ended 30 June 2021 ("1H 2021")

Group revenue for 1H 2022 increased by 15% to \$36.5 million, from \$31.8 million in 1H 2021. This was mainly due to higher revenue in the Property Investment and Development segment, partially offset by the lower revenue in Hotel Investment and Management segment.

Other income for 1H 2022 decreased mainly due to loss on fair value adjustments of financial assets at FVTPL.

Cost of properties sold / consumables used increased from \$2.8 million in 1H 2021 to \$7.3 million in 1H 2022. This was mainly due to higher sales and/or progressive recognition of development costs in the Property Investment and Development segment.

Staff costs for 1H 2022 increased by 22% to \$8.3 million, from \$6.8 million in 1H 2021. This was mainly due to lower government grants received under the Jobs Support Scheme for 1H 2022.

Depreciation charge for 1H 2022 decreased by 9% to \$4.6 million, from \$5.1 million in 1H 2021. This was mainly due to certain plant and equipment which have been fully depreciated in the year 2021.

Finance costs for 1H 2022 increased by 9% to \$4.3 million, from \$4.0 million in 1H 2021. This was mainly due to higher interest rate on bank borrowings.

Other expenses for 1H 2022 increased by 9% to \$10.6 million, from \$9.7 million in 1H 2021. This was mainly due to higher commission charges and utilities.

Income tax expense for 1H 2022 increased by 3% or \$0.04 million despite lower profit before tax as a result of low business activities for certain Group entities due to tighter travel restrictions as compared to 1H 2021. The higher tax expense in 1H 2022 was mainly due to higher tax expense in Property Investment and Development segment.

Other comprehensive loss of \$3.5 million in 1H 2022 was mainly due to exchange loss on translation of foreign operation in China arising from depreciation of Chinese Yuan (Renminbi) against the Singapore Dollar. Other comprehensive gain of \$3.9 million in 1H 2021 was mainly due to exchange gain on translation of foreign operation in China arising from appreciation of Chinese Yuan (Renminbi) against the Singapore Dollar.

#### Statements of Financial Position

Contract assets increased from \$5.4 million as at 31 December 2021 to \$11.0 million as at 30 June 2022 was mainly due to progressive recognition of development revenue.

## AMARA HOLDINGS LIMITED

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

No prospect statement was made.

### 4. 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 operating period and the next 12 months

According to the International Monetary Fund's latest World Economic Outlook ('WEO') in July 2022, global growth is expected to slow from 6.1% in 2021 to 3.2% in 2022. The lower growth rate forecasted is mainly due to the contraction of global output in second quarter of 2022, higher-than-expected inflation and tightening of monetary and financial conditions.

Based on the advance estimates reported by The Ministry of Trade and Industry in mid July 2022, Singapore economy grew by 4.8% on a year-on-year basis in second quarter of 2022, extending the 4.0% growth in first quarter of 2022. On a quarter-on-quarter seasonally-adjusted basis, GDP was unchanged in the second quarter, after posting an expansion of 0.9% in the first quarter.

For the Hotel segment, with many countries reopening their borders in view of growing vaccination rates and pent-up demand, air travel and visitor arrivals have improved. For Singapore, Singapore Tourism Board expects 4 to 6 million international visitor arrivals for 2022. In addition, the number of passengers that passed through Changi Airport in June 2022 exceeded half of pre-pandemic figures, ahead of the 50% year-end target.

The gradual recovery of the global economy is complicated by the higher inflation, rising interest rates and the ongoing Ukraine war. The Group will continue to monitor closely the market developments for each of its business segments and be disciplined in costs management and prudent capital management.

### 5. Dividend information

5a. Current Financial Period Reported on:	None
5b. Corresponding Period of the Immediate Preceding Financial Year:	None
5c. Date Payable:	Not applicable
5d. Books Closure Date:	Not applicable

No dividend has been declared/recommended for the period ended 30 June 2022 as it is not the usual practice of the Group to declare interim dividends.

### 6. Interested person transactions

The Group has not obtained a general mandate from shareholders of the Company for Interested Person Transactions.

### 7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has received undertaking from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

# AMARA HOLDINGS LIMITED

## 8. 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 interim financial statements to be false or misleading in any material aspects.

ON BEHALF OF THE BOARD OF DIRECTORS

Susan Teo Geok Tin  
Director

George Seow Ewe Keong  
Director

10 August 2022