AMARA HOLDINGS LIMITED

Co. Regn. No. 197000732N

Unaudited Third Quarter Financial Statement And Dividend Announcement for the Period Ended 30 September 2016

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		
	30/09/2016	30/09/2015	Change	**30/09/2016**	30/09/2015	Change
	$'000	$'000	%	**$'000**	$'000	%
Revenue	**19,841**	19,010	4	**58,493**	61,897	(5)
Other income	**136**	1,323	(90)	**579**	1,995	(71)
Changes in inventories of finished goods	**16**	(19)	NM	**(17)**	87	NM
Cost of properties sold/consumables used	**(1,595)**	(1,271)	25	**(4,796)**	(7,671)	(37)
Staff costs	**(5,835)**	(5,355)	9	**(16,991)**	(16,849)	1
Depreciation	**(1,410)**	(1,353)	4	**(4,171)**	(3,417)	22
Finance costs	**(1,220)**	(1,709)	(29)	**(4,533)**	(4,481)	1
Other expenses	**(5,252)**	(6,962)	(25)	**(20,308)**	(20,468)	(1)
Share of results of a jointly-controlled entity, net of tax	**222**	-	NM	**30,155**	-	NM
Profit before tax	**4,903**	3,664	34	**38,411**	11,093	246
Income tax expense	**(934)**	(926)	1	**(2,486)**	(2,990)	(17)
Profit for the period	**3,969**	2,738	45	**35,925**	8,103	343
Other comprehensive income/(loss), after tax :						
Currency translation differences on translation of financial statements of foreign subsidiaries	**647**	2,277	(72)	**(5,165)**	3,574	NM
Fair value loss on available-for-sale financial assets, net	**(40)**	(149)	(73)	**(40)**	(140)	(71)
Other comprehensive income/(loss) for the period, net of tax	**607**	2,128	(71)	**(5,205)**	3,434	NM
Total comprehensive income for the period	**4,576**	4,866	(6)	**30,720**	11,537	166
Profit attributable to :						
Equity holders of the Company	**3,966**	2,745	44	**35,939**	8,127	342
Non-controlling interests	**3**	(7)	NM	**(14)**	(24)	(42)
	3,969	2,738	45	**35,925**	8,103	343
Total comprehensive income attributable to :						
Equity holders of the Company	**4,573**	4,873	(6)	**30,734**	11,561	166
Non-controlling interests	**3**	(7)	NM	**(14)**	(24)	(42)
	4,576	4,866	(6)	**30,720**	11,537	166

Notes to Consolidated Statement of Comprehensive Income :

	Group					
	Third Quarter			Nine Months		
	30/09/2016	30/09/2015	Change	**30/09/2016**	30/09/2015	Change
Profit before tax is arrived at after (charging)/crediting:	**$'000**	$'000	%	**$'000**	$'000	%
Amortisation of other assets	**(28)**	(28)	-	**(84)**	(84)	-
Gain on disposal of a subsidiary	**-**	-	-	**17**	-	NM
(Loss)/gain on disposal of available-for-sale financial assets	**-**	(2)	(100)	**13**	(1)	NM
Property, plant and equipment written off	**(1)**	(10)	(90)	**(8)**	(20)	(60)
Gain on disposal of property, plant and equipment	**-**	17	(100)	**130**	17	665
Income from available-for-sale financial assets	**4**	19	(79)	**22**	33	(33)
Interest income	**71**	139	(49)	**215**	422	(49)
Net foreign exchange gain/(loss)	**659**	978	(33)	**(2,377)**	805	NM
Over/(under) provision of prior years' tax	**1**	(25)	NM	**1**	(114)	NM

NM : Not meaningful

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1 (b) (i) Statements of Financial Position

		Group		Company	
	Notes	30/09/2016	31/12/2015	30/09/2016	31/12/2015
		$'000	$'000	$'000	$'000
Current assets					
Cash and bank balances		**13,453**	13,455	**15**	64
Trade and other receivables	**A**	**10,452**	16,261	**47,630**	42,794
Inventories		**390**	407	**-**	-
Development properties	**B**	**65,734**	43,320	**-**	-
Other current assets		**1,469**	1,651	**16**	5
		91,498	75,094	**47,661**	42,863
Non-current assets					
Available-for-sale financial assets		**1,063**	1,109	**123**	125
Intangible assets		**441**	409	**-**	-
Investment in subsidiaries		**-**	-	**40,987**	40,937
Investment in a jointly-controlled entity	**C**	**32,031**	1,876	**-**	-
Investment properties		**342,692**	338,485	**-**	-
Property, plant and equipment		**215,615**	207,363	**-**	-
Land use rights		**6,572**	7,055	**-**	-
Goodwill		**789**	789	**-**	-
Other assets		**6,492**	6,576	**-**	-
Trade and other receivables	**D**	**24**	31,292	**-**	-
Other non-current assets		**146**	215	**-**	-
Deferred income tax assets		**250**	315	**-**	-
		606,115	595,484	**41,110**	41,062
Total assets		**697,613**	670,578	**88,771**	83,925
Current liabilities					
Trade and other payables		**18,814**	22,512	**332**	327
Tax payables		**2,600**	4,122	**-**	-
Borrowings		**29,198**	61,924	**-**	-
		50,612	88,558	**332**	327
Non-current liabilities					
Trade and other payables		**6,001**	4,978	**-**	-
Borrowings		**264,273**	225,421	**-**	-
Deferred income tax liabilities		**5,523**	5,386	**-**	-
		275,797	235,785	**-**	-
Total liabilities		**326,409**	324,343	**332**	327
Net assets		**371,204**	346,235	**88,439**	83,598
Capital and reserves attributable to equity holders of the Company					
Share capital		**125,646**	125,646	**125,646**	125,646
Treasury shares		**(913)**	(913)	**(913)**	(913)
Reserves		**246,616**	221,633	**(36,294)**	(41,135)
		371,349	346,366	**88,439**	83,598
Non-controlling interests		**(145)**	(131)	**-**	-
Total equity		**371,204**	346,235	**88,439**	83,598

Notes to Statements of Financial Position:

A Decrease was mainly due to receipts from sales of development project.

B Increase was mainly due to acquisition of land.

C Increase was due to higher share of results of a jointly-controlled entity.

D Decrease was mainly due to repayment of advances from a jointly-controlled entity.

(b) (ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

30/09/2016	
$'000	
Secured	**Unsecured**
29,198	**Nil**

31/12/2015	
$'000	
Secured	Unsecured
61,924	Nil

Amount repayable after one year

30/09/2016	
$'000	
Secured	**Unsecured**
264,273	**Nil**

31/12/2015	
$'000	
Secured	Unsecured
225,421	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 property;

(b) an assignment in escrow of interest in a subsidiary's lease and rental proceeds from its investment properties; a fixed and floating charge over its assets;

(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

	Notes	Group Third Quarter		Group Nine Months	
		30/09/2016	30/09/2015	**30/09/2016**	30/09/2015
		$'000	$'000	**$'000**	$'000
Cash flows from operating activities					
Profit before tax		**4,903**	3,664	**38,411**	11,093
Adjustments for:					
Amortisation of other assets		**28**	28	**84**	84
Depreciation of property, plant and equipment		**1,410**	1,353	**4,171**	3,417
Property, plant and equipment written off		**1**	10	**8**	20
Gain on disposal of property, plant and equipment		**-**	(17)	**(130)**	(17)
Income from available-for-sale financial assets		**(4)**	(19)	**(22)**	(33)
Loss/(gain) on disposal of available-for-sale financial assets		**-**	2	**(13)**	1
Interest income		**(71)**	(139)	**(215)**	(422)
Interest expense		**1,220**	1,709	**4,533**	4,481
Gain on disposal of a subsidiary		**-**	-	**(17)**	-
Share of results of a jointly-controlled entity, net of tax		**(222)**	-	**(30,155)**	-
Exchange difference		**(611)**	786	**1,609**	783
Operating cash flow before working capital changes		**6,654**	7,377	**18,264**	19,407
Changes in operating assets and liabilities :					
Inventories		**(16)**	16	**17**	(87)
Receivables		**2,323**	(561)	**37,220**	(1,234)
Payables		**58**	386	**(2,675)**	(1,723)
Development properties		**(1,407)**	(92)	**(22,414)**	3,064
Cash generated from operations		**7,612**	7,126	**30,412**	19,427
Income tax paid, net		**(1,798)**	(1,701)	**(3,806)**	(3,670)
Net cash generated from operating activities		**5,814**	5,425	**26,606**	15,757
Cash flows from investing activities					
Proceeds from sale of available-for-sale financial assets		**-**	6	**23**	7
Purchase of available-for-sale financial assets		**-**	(1)	**(4)**	(5)
Purchase of intangible assets		**-**	-	**(32)**	(52)
Payments for property, plant and equipment	**A**	**(5,784)**	(7,655)	**(16,291)**	(24,833)
Proceeds from disposal of property, plant and equipment		**-**	16	**157**	17
Additional costs incurred on investment properties		**(2,106)**	-	**(6,428)**	-
Repayment from a third party		**36**	36	**108**	108
Income received from quoted equity investments		**4**	19	**22**	33
Interest received		**71**	139	**215**	422
Net cash used in investing activities		**(7,779)**	(7,440)	**(22,230)**	(24,303)
Cash flows from financing activities					
Interest paid		**(1,220)**	(1,709)	**(4,533)**	(4,481)
Purchase of treasury shares		**-**	(359)	**-**	(862)
Payment of dividends on ordinary shares		**-**	-	**(5,751)**	(6,912)
Repayment of finance lease liabilities		**(65)**	(38)	**(133)**	(132)
Proceeds from bank borrowings	**B**	**18,700**	15,185	**91,000**	63,284
Repayment from bank borrowings	**B**	**(14,520)**	(8,272)	**(85,130)**	(36,016)
Net cash generated from/(used in) financing activities		**2,895**	4,807	**(4,547)**	14,881
Net increase/(decrease) in cash and cash equivalents held		**930**	2,792	**(171)**	6,335
Cash and cash equivalents at beginning of financial period		**12,555**	16,547	**13,455**	12,813
Effect of exchange rate changes on cash and cash equivalents		**(32)**	(708)	**169**	(517)
Cash and cash equivalents at the end of financial period		**13,453**	18,631	**13,453**	18,631

Note to Consolidated Statement of Cash Flows :

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

	Group	
	30/09/2016	30/09/2015
	$'000	$'000
Cash and bank balances	**13,453**	18,631

Notes to Statement of Cash Flows:

A During the financial period, the Group acquired property, plant and equipment with an aggregate cost of $16,544,000 (2015: $25,003,000) of which $253,000 (2015: $170,000) was financed by means of finance lease. Cash payment of $16,291,000 (2015: $24,833,000) was made to purchase property, plant and equipment.

B Net decrease was due to higher repayment of certain facilities.

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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									
	Share Capital	Treasury Shares	Retained Earnings & Other Reserves*	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Fair Value Reserve	Total Reserves	Total	Non-controlling Interests	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 1 January 2016	125,646	(913)	205,031	9,773	6,736	93	221,633	346,366	(131)	346,235
Profit for the period	-	-	35,939	-	-	-	35,939	35,939	(14)	35,925
Other comprehensive loss										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	-	(5,165)	-	(5,165)	(5,165)	-	(5,165)
Fair value loss on available-for-sale financial assets, net	-	-	-	-	-	(40)	(40)	(40)	-	(40)
Other comprehensive loss for the period, net of tax	-	-	-	-	(5,165)	(40)	(5,205)	(5,205)	-	(5,205)
Total comprehensive income/(loss) for the period	-	-	35,939	-	(5,165)	(40)	30,734	30,734	(14)	30,720
Dividend relating to 2015	-	-	(5,751)	-	-	-	(5,751)	(5,751)	-	(5,751)
Balance at 30 September 2016	125,646	(913)	235,219	9,773	1,571	53	246,616	371,349	(145)	371,204

* Includes other reserves of $112,000 as at 30 September 2016.

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Statement of Changes in Equity - Group

	Equity attributable to equity holders of the Company									
	Share Capital $'000	Treasury Shares $'000	Retained Earnings & Other Reserves* $'000	Asset Revaluation Reserve $'000	Foreign Currency Translation Reserve $'000	Fair Value Reserve $'000	Total Reserves $'000	Total $'000	Non-controlling Interests $'000	Total Equity $'000
Balance at 1 January 2015	125,646	(51)	197,611	9,773	5,111	154	212,649	338,244	(105)	338,139
Profit for the period	-	-	8,127	-	-	-	8,127	8,127	(24)	8,103
Other comprehensive income/(loss)										
Currency translation differences on translation of financial statements of foreign subsidiaries	-	-	-	-	3,574	-	3,574	3,574	-	3,574
Fair value loss on available-for-sale financial assets, net	-	-	-	-	-	(140)	(140)	(140)	-	(140)
Other comprehensive income/(loss) for the period, net of tax	-	-	-	-	3,574	(140)	3,434	3,434	-	3,434
Total comprehensive income/(loss) for the period	-	-	8,127	-	3,574	(140)	11,561	11,561	(24)	11,537
Purchase of treasury shares	-	(862)	-	-	-	-	-	(862)	-	(862)
Dividend relating to 2014	-	-	(6,912)	-	-	-	(6,912)	(6,912)	-	(6,912)
Balance at 30 September 2015	125,646	(913)	198,826	9,773	8,685	14	217,298	342,031	(129)	341,902

* Includes other reserves of $112,000 as at 30 September 2015.

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Statement of Changes in Equity - Company

	Share Capital $'000	Treasury Shares $'000	Accumulated Losses $'000	Fair Value Reserve $'000	Other Reserve $'000	Total Reserves $'000	Total $'000
Balance at 1 January 2016	125,646	(913)	(42,060)	(1)	926	(41,135)	83,598
Profit for the period	-	-	10,588	-	-	10,588	10,588
Other comprehensive income							
Fair value gain on available-for-sale financial assets, net	-	-	-	4	-	4	4
Total comprehensive income for the period	-	-	10,588	4	-	10,592	10,592
Dividend relating to 2015	-	-	(5,751)	-	-	(5,751)	(5,751)
Balance at 30 September 2016	125,646	(913)	(37,223)	3	926	(36,294)	88,439

	Share Capital $'000	Treasury Shares $'000	Accumulated Losses $'000	Fair Value Reserve $'000	Other Reserve $'000	Total Reserves $'000	Total $'000
Balance at 1 January 2015	125,646	(51)	(41,118)	25	926	(40,167)	85,428
Loss for the period	-	-	(451)	-	-	(451)	(451)
Other comprehensive loss							
Fair value loss on available-for-sale financial assets, net	-	-	-	(26)	-	(26)	(26)
Total comprehensive loss for the period	-	-	(451)	(26)	-	(477)	(477)
Purchase of treasury shares	-	(862)	-	-	-	-	(862)
Dividend relating to 2014	-	-	(6,912)	-	-	(6,912)	(6,912)
Balance at 30 September 2015	125,646	(913)	(48,481)	(1)	926	(47,556)	77,177

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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 2016	576,936	125,646

As at 30 September 2016 and 30 September 2015, the number of ordinary shares in issue was 576,936,000 of which 1,800,400 were held by the Company as treasury shares.

There was no conversion of 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.

	30/09/2016	31/12/2015
Total issued ordinary shares (including treasury shares)	576,936,000	576,936,000
Less: Treasury shares	(1,800,400)	(1,800,400)
Total issued ordinary shares (excluding treasury shares)	**575,135,600**	575,135,600

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.

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on (January to September 2015: purchased 1,700,400 treasury shares).

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 acconting policies and methods of computations 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 2015 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 2016.

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.

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.

	Group		**Group**	
	Third Quarter		**Nine Months**	
	30/09/2016	30/09/2015	**30/09/2016**	30/09/2015
	Cents	Cents	**Cents**	Cents
(i) Based on the weighted average number of ordinary shares on issue	**0.69**	0.48	**6.24**	1.41
(ii) On a fully diluted basis	**0.69**	0.48	**6.24**	1.41

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		**Company**	
	30/09/2016	31/12/2015	**30/09/2016**	31/12/2015
	Cents	Cents	**Cents**	Cents
Net asset value per ordinary share based on issued share capital at the end of the period/year	**64.57**	60.22	**15.38**	14.54

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.

Third Quarter 2016 ("3Q 2016") vs Third Quarter 2015 ("3Q 2015")

Group revenue for 3Q 2016 increased by 4% to $19.8 million, from $19.0 million in 3Q 2015. This was due to higher revenue from Hotel Investment and Management segment, partially offset against decrease in rental income in the Property Investment and Development segment.

Other income comprised mainly foreign exchange gain of $1.1 million in 3Q 2015.

Cost of properties sold / consumables used for 3Q 2016 increased by 25% to $1.6 million, from $1.3 million in 3Q 2015. The increase was due to higher consumables used in 3Q 2016.

Higher repayment of loan caused finance costs for 3Q 2016 to decrease by 29% to $1.2 million, from $1.7 million in 3Q 2015.

Other expenses for 3Q 2016 decreased by 25% to $5.3 million, from $7.0 million in 3Q 2015. This was mainly due to lower operational cost in 3Q 2016.

Share of results of a jointly-controlled entity, net of tax in 3Q 2016 was from a development project.

Year to date September 2016 ("YTD Sep 2016") vs Year to date September 2015 ("YTD Sep 2015")

Group revenue for YTD Sep 2016 decreased by 5% to $58.5 million, from $61.9 million in YTD Sep 2015. This was mainly due to absence of development property sold in YTD Sep 2016.

Other income comprised mainly foreign exchange gain of $1.3 million in YTD Sep 2015.

Cost of properties sold / consumables used for YTD Sep 2016 decreased by 37% to $4.8 million, from $7.7 million in YTD Sep 2015. The decrease was mainly due to absence of development property sold in YTD Sep 2016.

Depreciation charge for YTD Sep 2016 increased by 22% to $4.2 million, from $3.4 million in YTD Sep 2015. This was due to additions of property, plant and equipment.

Share of results of a jointly-controlled entity, net of tax in YTD Sep 2016 was from a development project.

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

The results of third quarter 2016 are generally in line with the statement made in the last results announcement.

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.

According to Singapore Tourism Board (“STB”), the growth in visitor arrivals from January to August 2016 was 10.3% at 11.28 million. The increase was able to soak up the new inventories added in 2016 but rates were compressed leading to decreased RevPar industry wide.

The hospitality industry remains highly competitive and challenging.

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 2016 financial results to be false or misleading in all material aspects.

15 CONFIRMATION OF PROCUREMENT OF UNDERTAKINGS FROM ALL DIRECTORS AND EXECUTIVE OFFICERS

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD
Ms Susan Teo Geok Tin / Ms Foo Soon Soo
Company Secretaries
11 November 2016