



AMARA HOLDINGS LIMITED

AND ITS SUBSIDIARIES

(Registration No. 197000732N)

**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS AND FULL YEAR ENDED**

31 DECEMBER 2021

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 – 21
F. Other Information Required by Listing Rule Appendix 7.2	22 – 26

AMARA HOLDINGS LIMITED

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

	Notes	Group					
		Second half		Change	Full year		Change
		2021	2020		2021	2020	
		\$'000	\$'000	%	\$'000	\$'000	%
Revenue	4	35,033	33,169	6	66,873	61,053	10
Fair value losses (net) of investments properties		(994)	(16,492)	(94)	(994)	(16,492)	(94)
Other income		2,458	3,166	(22)	2,999	3,556	(16)
Changes in inventories of finished goods		(5)	4	(225)	(19)	(96)	(80)
Cost of properties sold/consumables used		(4,090)	(1,824)	124	(6,899)	(3,773)	83
Staff costs		(7,100)	(5,966)	19	(13,895)	(14,313)	(3)
Depreciation		(4,917)	(4,797)	3	(10,038)	(10,391)	(3)
Finance costs		(4,339)	(5,508)	(21)	(8,313)	(10,740)	(23)
Other expenses		(9,918)	(10,206)	(3)	(19,596)	(19,970)	(2)
Share of results of jointly-controlled entities, net of tax		(168)	95	(277)	(167)	66	(353)
Profit/(Loss) before tax	6	5,960	(8,359)	(171)	9,951	(11,100)	(190)
Income tax expense	7	(1,286)	548	(335)	(2,401)	(345)	596
Profit/(Loss) for the period/year		4,674	(7,811)	(160)	7,550	(11,445)	(166)
Other comprehensive income/(loss):							
<i>Items that may be reclassified subsequently to profit or loss:</i>							
Exchange differences on translation of foreign operations, representing total other comprehensive income for the period/year		2,576	4,229	(39)	6,471	6,884	(6)
Total comprehensive income/(loss) for the period/year		7,250	(3,582)	(302)	14,021	(4,561)	(407)
Profit/(Loss) attributable to:							
Owners of the company		4,674	(7,811)	(160)	7,550	(11,445)	(166)
Total comprehensive income/(loss) attributable to:							
Owners of the company		7,250	(3,582)	(302)	14,021	(4,561)	(407)
Earnings/(Loss) per share for profit/(loss) for the period/year attributable to the owners of the company during the period/year:							
Basic and diluted (cents)		0.81	(1.36)	NM	1.31	(1.99)	NM

AMARA HOLDINGS LIMITED

B. Condensed Interim Statements of Financial Position

Notes	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Assets				
Current assets				
	16,069	11,646	28	31
	12,751	10,730	63,995	61,083
	429	448	-	-
10	110,091	107,186	-	-
	5,373	2,432	-	-
	144,713	132,442	64,023	61,114
Non-current assets				
	-	243	-	-
	928	867	161	167
11	1,178	1,178	-	-
12	7,600	540	-	-
	-	-	40,087	40,087
13	407,277	404,679	-	-
14	251,983	261,339	-	-
	5,714	5,822	-	-
	564	606	-	-
	675,244	675,274	40,248	40,254
	819,957	807,716	104,271	101,368
Total assets				
Liabilities and Equity				
Current liabilities				
	15,712	18,568	299	348
	1,210	-	-	-
	2,574	2,761	-	-
15	89,464	2,346	-	-
15	3,270	3,184	-	-
	112,230	26,859	299	348
Non-current liabilities				
	5,796	5,150	-	-
15	249,170	334,939	-	-
15	36,575	39,152	-	-
	14,329	13,780	-	-
	305,870	393,021	-	-
Capital and reserves				
16	125,646	125,646	125,646	125,646
	(996)	(996)	(996)	(996)
	277,207	263,186	(20,678)	(23,630)
	401,857	387,836	103,972	101,020
	819,957	807,716	104,271	101,368
Total liabilities and equity				

AMARA HOLDINGS LIMITED

C. Condensed Interim Statements of Changes in Equity

Group	Note	Share capital \$'000	Treasury shares \$'000	Foreign currency translation reserve \$'000	Retained earnings and other reserve* \$'000	Total reserves \$'000	Equity attributable to owners of the company \$'000
Balance at 1 January 2021		125,646	(996)	(3,342)	266,528	263,186	387,836
Total comprehensive income for the year:							
Profit for the year		-	-	-	7,550	7,550	7,550
Other comprehensive income		-	-	6,471	-	6,471	6,471
Total		-	-	6,471	7,550	14,021	14,021
Balance at 31 December 2021		125,646	(996)	3,129	274,078	277,207	401,857
Balance at 1 January 2020		125,646	(996)	(10,226)	289,472	279,246	403,896
Total comprehensive (loss)/income for the year:							
Loss for the year		-	-	-	(11,445)	(11,445)	(11,445)
Other comprehensive income		-	-	6,884	-	6,884	6,884
Total		-	-	6,884	(11,445)	(4,561)	(4,561)
Transactions with owners, recognised directly in equity:							
Dividends paid relating to 2019, representing total transactions with owners, recognised directly in equity	8	-	-	-	(11,499)	(11,499)	(11,499)
Balance at 31 December 2020		125,646	(996)	(3,342)	266,528	263,186	387,836

* Includes other reserves of \$112,000 as at 31 December 2021 (31 December 2020: \$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>	<u>Treasury shares</u>	<u>Accumulated losses</u>	<u>Other reserves</u>	<u>Total reserves</u>	<u>Total</u>
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2021		125,646	(996)	(24,556)	926	(23,630)	101,020
Profit for the year, representing total comprehensive income for the year		-	-	2,952	-	2,952	2,952
Balance at 31 December 2021		125,646	(996)	(21,604)	926	(20,678)	103,972
Balance at 1 January 2020		125,646	(996)	(11,739)	926	(10,813)	113,837
Loss for the period, representing total comprehensive loss for the year		-	-	(1,318)	-	(1,318)	(1,318)
Dividends paid relating to 2019, representing total transactions with owners recognised directly in equity	8	-	-	(11,499)	-	(11,499)	(11,499)
Balance at 31 December 2020		125,646	(996)	(24,556)	926	(23,630)	101,020

AMARA HOLDINGS LIMITED

D. Condensed Interim Consolidated Statement of Cash Flows

		Group	
		Full year	
	<u>Notes</u>	2021	2020
		\$'000	\$'000
Operating activities			
Profit/(Loss) before tax		9,951	(11,100)
Adjustments for:			
Fair value losses (net) of investments properties		994	16,492
Amortisation of other asset	6	108	310
Depreciation of property, plant and equipment		10,038	10,391
Property, plant and equipment written off		18	75
Gain on disposal of property, plant and equipment	6	(190)	(2,785)
Dividend income from financial assets at FVTPL	6	(36)	(29)
Gain on disposal of financial assets at FVTPL	6	(73)	-*
(Gain)/Loss on fair value adjustment of financial assets at FVTPL	6	(78)	7
Interest income - fixed deposits	6	(24)	(14)
Interest expense		8,313	10,740
Impairment loss on property, plant and equipment		257	-
Loss allowance	6	313	338
Share of results of jointly-controlled entities, net of tax		167	(66)
Exchange differences		(70)	(518)
Operating cash flows before movements in working capital		29,688	23,841
Inventories		19	90
Trade and other receivables		(2,393)	1,204
Trade and other payables		(2,541)	(903)
Contract assets/liabilities		(1,731)	(78)
Development properties		(2,905)	(2,936)
Cash generated from operations		20,137	21,218
Income tax paid		(2,358)	(2,981)
Net cash from operating activities		17,779	18,237
Investing activities			
Advances to a jointly-controlled entity		(7,227)	-
Investment in a jointly-controlled entity		-*	-
Proceeds on disposal of financial assets at FVTPL		90	92
Proceeds on disposal of property, plant and equipment		577	3,050
Payments for property, plant and equipment		(762)	(465)
Dividend received from financial assets at FVTPL		36	29
Interest received		24	14
Net cash (used in)/from investing activities		(7,262)	2,720
Financing activities			
Interest paid		(7,768)	(9,036)
Payment of dividends on ordinary shares		-	(11,499)
Repayment of lease liabilities		(1,763)	(939)
Repayment of bank borrowings		(7,844)	(51,306)
Proceeds from bank borrowings		11,008	53,138
Net cash used in financing activities		(6,367)	(19,642)
Net increase in cash and cash equivalents		4,150	1,315
Cash and cash equivalents at beginning of year		11,646	10,211
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies		273	120
Cash and cash equivalents at end of year		16,069	11,646

* Amount less than \$1,000

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 31 December 2021 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 31 December 2021 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 interim financial statements for the period ended 30 June 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 2020.

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 development 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 properties under development

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 is disclosed in Note 4.2.

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 \$'000	Property investment and development \$'000	Specialty restaurants and food services \$'000	Others \$'000	Eliminations \$'000	Group \$'000
<u>1 July 2021 to 31 December 2021</u>						
Segment revenue						
Sales to external customers	21,442	13,231	354	6	-	35,033
Intersegment sales/income	654	72	-	-	(726)	-
Total revenue	<u>22,096</u>	<u>13,303</u>	<u>354</u>	<u>6</u>	<u>(726)</u>	<u>35,033</u>
Depreciation and amortisation	(4,951)	-	(20)	-	-	(4,971)
Fair value loss of investment properties	-	(994)	-	-	-	(994)
Share of results of jointly-controlled entities	-	(168)	-	-	-	(168)
Other significant non-cash expenses	-	(313)	(257)	-	-	(570)
Segment profit/(loss)	5,932	4,748	(338)	136	-	10,478
Interest income						14
Interest expense on borrowings						(4,339)
Unallocated corporate expenses						(193)
Profit before tax						5,960
Taxation						(1,286)
Profit for the period						<u>4,674</u>
Segment assets	274,863	543,066	490	974	-	819,393
Deferred tax assets						564
Total assets						<u>819,957</u>
<i>Segment assets include:</i>						
Investment in jointly-controlled entities	-	7,600	-	-	-	7,600
Additions to						
- Property, plant and equipment	645	-	4	-	-	649
Segment liabilities	(10,021)	(12,180)	(216)	(301)	-	(22,718)
Income tax payable						(2,574)
Deferred tax liabilities						(14,329)
Corporate borrowings						(378,479)
Total liabilities						<u>(418,100)</u>

AMARA HOLDINGS LIMITED

4.1 Reportable segments (cont'd)

	Hotel investment and management \$'000	Property investment and development \$'000	Specialty restaurants and food services \$'000	Others \$'000	Eliminations \$'000	Group \$'000
<u>1 July 2020 to 31 December 2020</u>						
Segment revenue						
Sales to external customers	22,637	10,083	445	4	-	33,169
Intersegment sales/income	746	112	-	-	(858)	-
Total revenue	<u>23,383</u>	<u>10,195</u>	<u>445</u>	<u>4</u>	<u>(858)</u>	<u>33,169</u>
Depreciation and amortisation	(5,019)	-	(32)	-	-	(5,051)
Fair value loss of investment properties	-	(16,492)	-	-	-	(16,492)
Share of results of a jointly-controlled entity	-	95	-	-	-	95
Other significant non-cash expenses	(231)	(187)	-	-	-	(418)
Segment profit/(loss)	8,402	(11,212)	(20)	133	-	(2,697)
Interest income						6
Interest expense on borrowings						(5,508)
Unallocated corporate expenses						(160)
Loss before tax						(8,359)
Taxation						548
Loss for the period						<u>(7,811)</u>
Segment assets	281,025	524,332	843	910	-	807,110
Deferred tax assets						606
Total assets						<u>807,716</u>
<i>Segment assets include:</i>						
Investment in a jointly-controlled entity	-	540	-	-	-	540
Additions to - Property, plant and equipment	5,224	-	30	-	-	5,254
Segment liabilities	(11,506)	(11,586)	(275)	(351)	-	(23,718)
Income tax payable						(2,761)
Deferred tax liabilities						(13,780)
Corporate borrowings						(379,621)
Total liabilities						<u>(419,880)</u>

AMARA HOLDINGS LIMITED

4.1 Reportable segments (cont'd)

	Hotel investment and management \$'000	Property investment and development \$'000	Specialty restaurants and food services \$'000	Others \$'000	Eliminations \$'000	Group \$'000
<u>From 1 January 2021 to 31 December 2021</u>						
Segment revenue						
Sales to external customers	41,409	24,648	809	7	-	66,873
Intersegment sales/income	1,218	156	-	-	(1,374)	-
Total revenue	<u>42,627</u>	<u>24,804</u>	<u>809</u>	<u>7</u>	<u>(1,374)</u>	<u>66,873</u>
Depreciation and amortisation	(10,095)	-	(51)	-	-	(10,146)
Fair value loss of investment properties	-	(994)	-	-	-	(994)
Share of results of jointly-controlled entities	-	(167)	-	-	-	(167)
Other significant non-cash expenses	-	(313)	(257)	-	-	(570)
Segment profit/(loss)	7,542	11,195	(348)	193	-	18,582
Interest income						24
Interest expense on borrowings						(8,313)
Unallocated corporate expenses						(342)
Profit before tax						<u>9,951</u>
Taxation						<u>(2,401)</u>
Profit for the period						<u><u>7,550</u></u>
Segment assets	274,863	543,066	490	974	-	819,393
Deferred tax assets						564
Total assets						<u><u>819,957</u></u>
<i>Segment assets include:</i>						
Investment in jointly-controlled entities	-	7,600	-	-	-	7,600
Additions to						
- Property, plant and Equipment	756	-	6	-	-	762
Segment liabilities	(10,021)	(12,180)	(216)	(301)	-	(22,718)
Income tax payable						(2,574)
Deferred tax liabilities						(14,329)
Corporate borrowings						<u>(378,479)</u>
Total liabilities						<u><u>(418,100)</u></u>

AMARA HOLDINGS LIMITED

4.1 Reportable segments (cont'd)

	Hotel investment and management \$'000	Property investment and development \$'000	Specialty restaurants and food services \$'000	Others \$'000	Eliminations \$'000	Group \$'000
<u>From 1 January 2020 to 31 December 2020</u>						
Segment revenue						
Sales to external customers	39,966	20,277	806	4	-	61,053
Intersegment sales/income	1,338	148	-	-	(1,486)	-
Total revenue	<u>41,304</u>	<u>20,425</u>	<u>806</u>	<u>4</u>	<u>(1,486)</u>	<u>61,053</u>
Depreciation and amortisation	(10,636)	-	(65)	-	-	(10,701)
Fair value loss of investment properties	-	(16,492)	-	-	-	(16,492)
Share of results of a jointly-controlled entity	-	66	-	-	-	66
Other significant non-cash expenses	(231)	(187)	-	-	-	(418)
Segment profit/(loss)	6,171	(6,050)	(115)	22	-	28
Interest income						14
Interest expense on borrowings						(10,740)
Unallocated corporate expenses						(402)
Loss before tax						(11,100)
Taxation						(345)
Loss for the period						<u>(11,445)</u>
Segment assets	281,025	524,332	843	910	-	807,110
Deferred tax assets						606
Total assets						<u>807,716</u>
<i>Segment assets include:</i>						
Investment in a jointly-controlled entity	-	540	-	-	-	540
Additions to						
- Property, plant and Equipment	5,431	-	31	-	-	5,462
Segment liabilities	(11,506)	(11,586)	(275)	(351)	-	(23,718)
Income tax payable						(2,761)
Deferred tax liabilities						(13,780)
Corporate borrowings						(379,621)
Total liabilities						<u>(419,880)</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
<u>Second half ended 31 December 2021</u>					
Types of goods or services					
Hotel investment and management	21,442	-	-	-	21,442
Sales of development properties under construction	-	3,565	-	-	3,565
Rental income of investment properties	-	9,666	-	-	9,666
Food and beverage revenue	-	-	354	-	354
Others	-	-	-	6	6
Total revenue	21,442	13,231	354	6	35,033
Timing of revenue recognition					
At point of time	21,442	-	354	6	21,802
Over time	-	13,231	-	-	13,231
Total revenue	21,442	13,231	354	6	35,033
Geographical information					
Singapore	13,145	11,260	354	6	24,765
PRC	7,514	1,971	-	-	9,485
Thailand	783	-	-	-	783
Total revenue	21,442	13,231	354	6	35,033

	Hotel investment and management \$'000	Property investment and development \$'000	Specialty restaurants and food services \$'000	Others \$'000	Group \$'000
<u>Second half ended 31 December 2020</u>					
Types of goods or services					
Hotel investment and management	22,637	-	-	-	22,637
Sales of development properties under construction	-	647	-	-	647
Rental income of investment properties	-	9,436	-	-	9,436
Food and beverage revenue	-	-	445	-	445
Others	-	-	-	4	4
Total revenue	22,637	10,083	445	4	33,169
Timing of revenue recognition					
At point of time	22,637	-	445	4	23,086
Over time	-	10,083	-	-	10,083
Total revenue	22,637	10,083	445	4	33,169
Geographical information					
Singapore	13,786	8,904	445	4	23,139
PRC	8,096	1,179	-	-	9,275
Thailand	755	-	-	-	755
Total revenue	22,637	10,083	445	4	33,169

AMARA HOLDINGS LIMITED

4.2 Disaggregation of revenue (cont'd)

	Hotel investment and management	Property investment and development	Specialty restaurants and food services	Others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
Full year ended 31 December 2021					
Types of goods or services					
Hotel investment and management	41,409	-	-	-	41,409
Sales of development properties under construction	-	5,744	-	-	5,744
Rental income of investment properties	-	18,904	-	-	18,904
Food and beverage revenue	-	-	809	-	809
Others	-	-	-	7	7
Total revenue	41,409	24,648	809	7	66,873
Timing of revenue recognition					
At point of time	41,409	-	809	7	42,225
Over time	-	24,648	-	-	24,648
Total revenue	41,409	24,648	809	7	66,873
Geographical information					
Singapore	25,061	21,313	809	7	47,190
PRC	14,796	3,335	-	-	18,131
Thailand	1,552	-	-	-	1,552
Total revenue	41,409	24,648	809	7	66,873

	Hotel investment and management	Property investment and development	Specialty restaurants and food services	Others	Group
	\$'000	\$'000	\$'000	\$'000	\$'000
Full year ended 31 December 2020					
Types of goods or services					
Hotel investment and management	39,966	-	-	-	39,966
Sales of development properties under construction	-	1,821	-	-	1,821
Rental income of investment properties	-	18,456	-	-	18,456
Food and beverage revenue	-	-	806	-	806
Others	-	-	-	4	4
Total revenue	39,966	20,277	806	4	61,053
Timing of revenue recognition					
At point of time	39,966	-	806	4	40,776
Over time	-	20,277	-	-	20,277
Total revenue	39,966	20,277	806	4	61,053
Geographical information					
Singapore	25,703	17,667	806	4	44,180
PRC	11,326	2,610	-	-	13,936
Thailand	2,937	-	-	-	2,937
Total revenue	39,966	20,277	806	4	61,053

AMARA HOLDINGS LIMITED

A breakdown of sales:

	Group		
	2021	2020	
	\$'000	\$'000	
		Increase/ (Decrease)	
		\$'000	
Sales reported for first half year	31,840	27,884	3,956
Operating profit/(loss) after tax before deducting non-controlling interest for first half year	2,876	(3,634)	6,510
Sales reported for second half year	35,033	33,169	1,864
Operating profit/(loss) after tax before deducting non-controlling interest for second half year	4,674	(7,811)	12,485

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2021 and 31 December 2020:

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Financial assets				
At amortised cost	31,420	16,711	64,005	61,105
At FVTPL	928	867	161	167
	32,348	17,578	64,166	61,272
Financial liabilities				
Financial liabilities at amortised cost	356,380	355,372	299	348
Lease liabilities	39,845	42,336	-	-
	396,225	397,708	299	348

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.

AMARA HOLDINGS LIMITED

6. Profit/(Loss) before tax

6.1 Significant items

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

	Group					
	Second half		Change %	Full year		Change %
	2021	2020		2021	2020	
	\$'000	\$'000		\$'000	\$'000	
Amortisation of other asset	(54)	(254)	(79)	(108)	(310)	(65)
Gain on disposal of property, plant and equipment	156	2,794	(94)	190	2,785	(93)
Gain on fair value adjustments of financial assets at FVTPL	31	143	NM	78	(7)	NM
Gain on disposal of financial assets at FVTPL	73	-*	NM	73	-*	NM
Grant income	1,957	-	NM	1,957	-	NM
Dividend income from financial assets at FVTPL	28	15	87	36	29	24
Interest income – fixed deposits	14	6	133	24	14	71
Loss allowance	(313)	(338)	(7)	(313)	(338)	(7)
Foreign exchange gain, net	260	244	7	142	421	(66)
Over provision of prior year's income tax	77	166	(54)	77	164	(53)

* Amount less than \$1,000

6.2 Related party transactions

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

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:

	Group					
	Second half		Change %	Full year		Change %
	2021	2020		2021	2020	
	\$'000	\$'000		\$'000	\$'000	
Tax expense attributable to the results is made up of:						
Current income tax	1,200	794	51	2,248	1,668	35
Deferred income tax	163	(1,176)	(114)	230	(1,159)	(120)
	1,363	(382)	(457)	2,478	509	387
Over provision in preceding financial years:						
- Current income tax	(77)	(166)	(54)	(77)	(164)	(53)
	1,286	(548)	(335)	2,401	345	596

AMARA HOLDINGS LIMITED

8. Dividends

	Group and Company	
	2021	2020
	\$'000	\$'000
Ordinary dividends		
Final tax exempt dividend of \$Nil cent per share (2020 : 1 cent per share) in respect of previous financial year	-	5,750
Special tax exempt dividend of \$Nil cent per share (2020 : 1 cent per share) in respect of previous financial year	-	5,749
	-	11,499

9. Net asset value

	Group		Company	
	2021	2020	2021	2020
	Cents	Cents	Cents	Cents
Net asset value per ordinary share	69.89	67.45	18.08	17.57

10. Development properties

	Group	
	2021	2020
	\$'000	\$'000
Properties under development	82,788	79,628
Completed properties held for sale	27,303	27,558
	110,091	107,186

11. Financial assets at fair value through profit or loss

	Group		Company	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Quoted equity shares at fair value through profit or loss	928	867	161	167

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.

AMARA HOLDINGS LIMITED

12. Intangible assets

	Group	
	2021	2020
	\$'000	\$'000
Club memberships	564	564
Less: Impairment loss	(175)	(175)
	389	389
Goodwill	789	789
	1,178	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	
	2021	2020
	\$'000	\$'000
At beginning of year	404,679	417,477
Loss from fair value adjustments included in profit or loss	(994)	(16,492)
Currency realignment	3,592	3,694
At end of year	407,277	404,679

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.

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 5.63% (2020: 3.50% to 4.50%) per annum.

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

AMARA HOLDINGS LIMITED

14. Property, plant and equipment

During the six months ended 31 December 2021, the Group acquired assets amounting to \$649,000 (31 December 2020: \$5,254,000) and disposed assets amounting to \$20,000 (31 December 2020: \$331,000).

15. Borrowings

Aggregate amount of Group's borrowings and debt securities

	Group	
	2021	2020
	\$'000	\$'000
Amount repayable in one year or less, or on demand		
Secured	92,734	5,530
Unsecured	-	-
	92,734	5,530
Amount repayable after one year		
Secured	285,745	374,091
Unsecured	-	-
	285,745	374,091

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.

Included in secured borrowings as at 31 December 2021 are current lease liabilities of \$3,270,000 (31 December 2020: \$3,184,000) and non-current lease liabilities of \$36,575,000 (31 December 2020: \$39,152,000) which are secured on the right-of-use assets.

Subsequent to year end, the Group has obtained approval from the bank on renewal of borrowings amounting to \$37.2 million which is classified as current liabilities as at 31 December 2021.

AMARA HOLDINGS LIMITED

16. Share capital

	Group and Company			
	2021		2020	
	No. of shares issued '000	\$'000	No. of shares issued '000	\$'000
At beginning and end of period	576,936	125,646	576,936	125,646

As at 31 December 2021 and 31 December 2020, 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 year 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 31 December 2021 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

Full year ended 31 December 2021 ("FY 2021") vs Full year ended 31 December 2020 ("FY 2020")

Group revenue for FY 2021 increased by 10% to \$66.9 million, from \$61.1 million in FY 2020. This was mainly due to higher revenue from the Hotel Investment and Management segment and sales of development properties.

Other income for FY 2021 decreased by 16% to \$3.0 million, from \$3.6 million. This was mainly due to lower gain on disposal of property, plant and equipment, offset by government grant in FY2021.

Cost of properties sold / consumables used for FY 2021 increased by 83% to \$6.9 million, from \$3.8 million in FY 2020. This was mainly due to progressive recognition of development costs in the Property Investment and Development segment.

Staff costs for FY 2021 decreased by 3% to \$13.9 million, from \$14.3 million in FY 2020. This was mainly due to cost control measures for COVID-19 implemented by the Group and government grants received under the Jobs Support Scheme for FY 2021.

Depreciation charge for FY 2021 decreased by 3% to \$10.0 million, from \$10.4 million in FY 2020. This was mainly due to certain plant and equipment which have been fully depreciated in the year 2020.

Finance costs for FY 2021 decreased by 23% to \$8.3 million, from \$10.7 million in FY 2020. This was mainly due to lower interest rate on bank borrowings.

Income tax expense for FY 2021 increased by 596% to \$2.4 million, from \$0.3 million in FY 2020. This was mainly due to higher tax expense arising from the Hotel Investment and Management segment in FY 2021 and there was an offset of deferred tax credit arising from fair value loss of investment properties in FY 2020.

Other comprehensive income for FY 2021 decreased by 6% to \$6.5 million, from \$6.9 million in FY 2020. The lower exchange gain on translation of foreign operation in China was mainly due to a slower pace of appreciation of Chinese Yuan (Renminbi) against the Singapore Dollar in FY 2021 as compared to FY 2020.

Statement of Financial Position

Investment in jointly-controlled entities increased from \$0.5 million as at 31 December 2020 to \$7.6 million as at 31 December 2021, mainly due to advances of \$7.2 million to a jointly-controlled entity for land purchase and related stamp duties.

Investment properties increased from \$404.7 million as at 31 December 2020 to \$407.3 million as at 31 December 2021. This was mainly attributable to exchange gain on translation of the investment property in China arising from appreciation of Chinese Yuan (Renminbi) against the Singapore Dollar.

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 January 2022, global growth is expected to moderate from 5.9% in 2021 to 4.4% in 2022, half a percentage point lower for 2022 than in the October 2021 WEO. A lower growth rate is expected for 2022 as the Omicron Covid-19 variant spreads, and higher inflation anticipated in emerging markets and developing economies as a result of rising energy prices and supply disruptions.

Singapore economy grew by a higher than expected 7.6% for 2021, as announced by the Ministry of Trade and Industry in mid-February 2022, while the growth forecast for 2022 has been maintained at 3% to 5%. The higher growth rate for 2021 was mainly driven by the manufacturing, finance and insurance and wholesale trade sectors.

For the Hotel segment, it will likely see further recovery in 2022 as air travel and visitor arrivals are expected to improve with many global economies embarking to reopen their respective borders in view of growing vaccination rates. For the Singapore market, the recent announcements of simplification of Covid-19 curbs and resumption and expansion of Vaccinated Travel Lanes ('VTLs') will help to accelerate the recovery of the accommodation, food and beverage and MICE services.

For the Residential Properties segment, Urban Redevelopment Authority's ('URA') real estate statistics released in end January 2022 indicated a 10.6% increase in prices of private residential properties for the full year of 2021. The pace of growth for private residential property prices is likely to slow down in 2022 following the property cooling measures introduced by the Government in mid-December 2021 and rising interest rates.

The pace of recovery of the global economy is still subject to uncertainty as the Covid-19 pandemic continues to evolve. The Group will continue to monitor closely the market developments for each of its business segments and drive operational efficiency while strengthening its financial position.

5. Dividend information

5a. Current Financial Period Reported on:

Any dividend recommended for the current financial period reported on? Yes

Name of Dividend	Final
Dividend Type	Cash
Dividend per share (in cents)	0.5
Tax rate	Tax exempt

5b. Corresponding Period of the Immediate Preceding Financial Year: None

5c. Date Payable:

Date payable will be announced at a later date.

5d. Books Closure Date:

Notice of books closure for determining shareholders entitlement of the proposed dividend will be announced at a later date

AMARA HOLDINGS LIMITED

6. Interested person transactions

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

7. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Teo Hock Chuan	70+	Brother of Teo Kwee Chuan, Teo Geok Tin, Teo Siew Bee, Teo Chew Chuan and Teo Hin Chuan, all substantial shareholders of Amara Holdings Limited ("AHL") Brother-in-law of Lawrence Mok Kwok Wah, director	<ul style="list-style-type: none"> • Chief Executive Officer of AHL (1989) • Executive Director of AHL (1982) • Director of majority of the subsidiaries • Manages and oversees the Group 	NIL
Teo Kwee Chuan	60+	Brother of Teo Hock Chuan, director and substantial shareholder	<ul style="list-style-type: none"> • Director, Property Division (1980) • Director of Thanying Restaurant Singapore Pte. Ltd. (1988) • Director of Julius Estates Pte. Ltd. (1992) • Director of Amara Shanghai Pte. Ltd. (1997) • Director of Shanghai Amara Hotel Co., Ltd. (2004) • Director of Amara Hospitality (Thailand) Co., Ltd. (2013) • Director of Amara Investments (Europe) Pte. Ltd. (2014) • In charge of technical matters of the Group 	NIL
Teo Geok Tin	60+	Sister of Teo Hock Chuan, director and substantial shareholder	<ul style="list-style-type: none"> • Company Secretary of AHL (1984) • Director of AHL (1995) • Director/Company Secretary of majority of the subsidiaries • In charge of the Group's corporate affairs which include finance, treasury, company secretarial matters, human resource and administration 	NIL
Lawrence Mok Kwok Wah	60+	Brother-in-law of Teo Hock Chuan, director and substantial shareholder Spouse of Teo Siew Bee, substantial shareholder	<ul style="list-style-type: none"> • Director of AHL (1995) • Director of Amara Hotel Properties Pte Ltd (1997) • Director of Amara Hospitality Capital Pte. Ltd. (1998) • Director of Shanghai Amara Hotel Co., Ltd. (2007) • Non-Executive Director 	NIL

AMARA HOLDINGS LIMITED

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Teo Siew Bee	60+	Sister of Teo Hock Chuan, director and substantial shareholder Spouse of Lawrence Mok Kwok Wah, director	<ul style="list-style-type: none"> • Group Quality and Systems Manager (1994) • Alternate Director to Teo Peng Chuan in Amara Hotel Properties Pte Ltd (1997) • Alternate Director to Teo Hock Chuan in Creative Investments Pte Ltd (1999) • Alternate Director to Teo Hock Chuan in TTH Development Pte Ltd (2000) • Director of Julius Estates Pte. Ltd. (2004) • Director of Shanghai Amara Hotel Co., Ltd (2005) • Director of Amara Investments (Europe) Pte. Ltd. (2014) • Responsible for the Group's management information system, public relations and quality standards 	NIL

The following directors of the Company have confirmed that as at 31 December 2021, they do not have any relatives who are holding a managerial position in the Company or any of its principal subsidiaries:-

Foo Ko Hing
Chia Kwok Ping
Tan Tiong Cheng

8. 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

9. Additional Information Pursuant to Rule 706A

During FY2021 and as announced on 4 March 2021, the Company's wholly-owned subsidiary Creative Investments Pte Ltd ("CIPL"), Santarli Capital Venture Pte. Ltd. ("SCVPL") and Kay Lim Realty Pte. Ltd. ("KLRPL") have incorporated a joint venture company to acquire a residential development at 2 Surrey Road, Singapore 307742, details of which are set out below:

Name	:	ASK Development Pte. Ltd.	
Place of incorporation	:	Singapore	
Date of incorporation	:	4 March 2021	
Issued & paid up capital	:	S\$100	
Shareholders	:	<u>Name</u>	<u>Shareholdings</u>
		CIPL	S\$40 (40%)
		SCVPL	S\$30 (30%)
		KLRPL	S\$30 (30%)
Principal Activity	:	Real estate development	

BY ORDER OF THE BOARD

Ms Teo Geok Tin / Ms Foo Soon Soo
Company Secretaries
1 March 2022