



HAW PAR CORPORATION LIMITED

(Company Registration Number: 196900437M)

(Incorporated in the Republic of Singapore)

**INCORPORATION OF A WHOLLY OWNED SUBSIDIARY IN THE PEOPLE'S
REPUBLIC OF CHINA**

The Board of Directors of Haw Par Corporation Limited (the "Company") wishes to announce that its wholly owned subsidiary, Haw Par Healthcare Limited has incorporated a wholly owned subsidiary in the People's Republic of China, named Haw Par Healthcare (Xiamen) Co. Ltd. ("HPHXL") with a registered capital of US\$7,200,000 to be funded by internal resources.

The intended principal activities of HPHXL will be those of manufacturing and marketing of pharmaceutical products.

The incorporation of HPHXL is not expected to have any material impact on the consolidated earnings per share or consolidated net tangible assets per share of the Company for the financial year ended 31 December 2008.

None of the directors or substantial shareholders of the Company has any interest, direct or indirect in the incorporation of HPHXL.

Tan Thiam Hee
Company Secretary

24 April 2008