

Unaudited Third Quarter Financial Statements for the Period Ended 30 September 2010

1(a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			Group		
	3rd Quarter Ended 2010	ended 30 September 2009	+ / (-) %	9 months Ended 2010	30 September 2009	+ / (-) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	31,670	33,055	(4.2)	96,271	92,085	4.5
Cost of sales	(12,905)	(13,342)	(3.3)	(40,077)	(37,875)	5.8
Gross profit	18,765	19,713	(4.8)	56,194	54,210	3.7
Other income	13,843	13,722	0.9	48,976	46,480	5.4
Sales and marketing expenses	(5,979)	(6,304)	(5.2)	(18,497)	(16,499)	12.1
Warehouse and delivery expenses	(106)	(116)	(8.6)	(314)	(339)	(7.4)
General and administrative expenses	(4,146)	(3,341)	24.1	(11,535)	(8,451)	36.5
Profit from operations	22,377	23,674	(5.5)	74,824	75,401	(0.8)
Share of results of associated companies/ Dilution gain	9,288	202	4,498.0	15,541	3,308	369.8
Profit before taxation	31,665	23,876	32.6	90,365	78,709	14.8
Taxation	(1,736)	(1,834)	(5.3)	(5,415)	(4,652)	16.4
Profit for the period	29,929	22,042	35.8	84,950	74,057	14.7
Attributable to:						
Equity holders of the Company	29,920	22,076	35.5	84,815	73,970	14.7
Minority interests	9	(34)	N/M	135	87	55.2
	29,929	22,042	35.8	84,950	74,057	14.7

A consolidated statement of comprehensive income for the 3rd quarter and 9 months ended 30 September 2010:

	Group			Group		
	3rd Quarter Ended 2010	ended 30 September 2009	+ / (-) %	9 months Ended 2010	30 September 2009	+ / (-) %
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period	29,929	22,042	35.8	84,950	74,057	14.7
Other comprehensive (expense)/income, after tax						
Fair value (losses)/gains on available-for-sale financial assets (net of tax)	(20,772)	137,982	N/M	(41,108)	346,039	N/M
Reclassification of fair value gains on disposal of available-for-sale financial assets	-	-	N/M	(1,413)	-	N/M
Currency exchange differences on translation of the financial statements of foreign entities (net)	(5,090)	(2,599)	(95.8)	(4,236)	(1,595)	(165.6)
Equity accounting of associated company's currency translation reserve	-	-	-	2,455	(1,614)	N/M
Equity accounting of associated company's other comprehensive income	-	-	-	(1,032)	-	-
Other comprehensive (expense)/income for the period, net of tax	(25,862)	135,383	N/M	(45,334)	342,830	N/M
Total comprehensive income for the period	4,067	157,425	(97.4)	39,616	416,887	(90.5)
Total comprehensive income/(expense) attributable to:						
Equity holders of the Company	4,056	157,626	(97.4)	39,310	416,799	(90.6)
Minority interests	11	(201)	N/M	306	88	247.7
	4,067	157,425	(97.4)	39,616	416,887	(90.5)

N/M - not meaningful

Note:

For the nine months ended 30 September 2010, the Group has accounted for the results of 17.34% owned associate, Hua Han Bio-Pharmaceutical Holdings Limited ("HHBP") up till 30 June 2010.

For the quarter ended 30 September 2010, the Group has not accounted for the results of HHBP as HHBP is not required to report quarterly. Under the Hong Kong listing rules, HHBP may not release its results only to the Group.



1(a) Notes to the Income Statement

	Group			Group		
	3rd Quarter Ended 30 September		+ / (-) %	9 months Ended 30 September		+ / (-) %
	2010 S\$'000	2009 S\$'000		2010 S\$'000	2009 S\$'000	
(i) Other income						
Investment income	13,075	13,031	0.3	44,802	44,300	1.1
Interest income	165	140	17.9	807	401	101.2
Gain on disposal of available-for-sale financial assets	271	-	N/M	1,746	-	N/M
Write-back of allowance for impairment in value of available-for-sale financial assets	-	-	N/M	464	-	N/M
Miscellaneous income	332	551	(39.7)	1,157	1,779	(35.0)
	13,843	13,722	0.9	48,976	46,480	5.4
(ii) The following were charged/(credited) to the income statement :						
Depreciation	1,242	898	38.3	3,678	2,352	56.4
Inventories written down, net	6	28	(78.6)	75	144	(47.9)
Foreign exchange loss/(gain), net	271	(104)	N/M	420	(64)	N/M
Prior years' overprovision of current taxation	(12)	(22)	45.5	(21)	(88)	(76.1)
Prior years' overprovision of deferred taxation						
- Change in tax rate	-	-	N/M	-	(752)	N/M
- Others	53	-	N/M	53	-	N/M
Loss/(gain) on disposal of property, plant and equipment	2	-	N/M	(8)	-	N/M
(iii) Segmental results						
<u>Revenue</u>						
Healthcare	19,195	20,576	(6.7)	58,835	54,533	7.9
Leisure	8,543	8,488	0.6	25,706	24,303	5.8
Property	3,932	3,991	(1.5)	11,730	13,249	(11.5)
	31,670	33,055	(4.2)	96,271	92,085	4.5
<u>Profit from operations</u>						
Healthcare	4,117	4,768	(13.7)	12,736	12,090	5.3
Leisure	3,044	3,517	(13.4)	9,151	10,816	(15.4)
Property	3,161	3,276	(3.5)	9,067	10,871	(16.6)
Investments	13,490	13,156	2.5	47,750	44,627	7.0
Unallocated expenses	(1,435)	(1,043)	37.6	(3,880)	(3,003)	29.2
	22,377	23,674	(5.5)	74,824	75,401	(0.8)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	30/09/10 S\$'000	31/12/09 S\$'000	30/09/10 S\$'000	31/12/09 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	43,640	45,367	-	-
Investment properties	166,264	164,878	-	-
Investment in subsidiaries	-	-	381,957	386,641
Investment in associated companies	84,664	72,837	2,895	2,895
Available-for-sale financial assets	1,220,903	1,217,708	431	431
Intangible assets	11,116	11,116	-	-
	<u>1,526,587</u>	<u>1,511,906</u>	<u>385,283</u>	<u>389,967</u>
Current assets				
Available-for-sale financial assets	335,120	379,715	-	-
Inventories	7,483	6,090	-	-
Trade and other receivables	32,173	18,538	111,777	138,204
Tax recoverable	147	124	21	-
Deposits with banks and financial institutions	75,693	64,059	60,672	48,502
Cash and bank balances	19,695	22,890	858	819
	<u>470,311</u>	<u>491,416</u>	<u>173,328</u>	<u>187,525</u>
Total assets	<u>1,996,898</u>	<u>2,003,322</u>	<u>558,611</u>	<u>577,492</u>
LIABILITIES				
Current liabilities				
Trade and other payables	(28,268)	(32,172)	(169,845)	(151,964)
Taxation	(6,801)	(6,924)	-	(73)
	<u>(35,069)</u>	<u>(39,096)</u>	<u>(169,845)</u>	<u>(152,037)</u>
Non-current liabilities				
Deferred income taxation	(50,194)	(54,279)	-	-
	<u>(50,194)</u>	<u>(54,279)</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>(85,263)</u>	<u>(93,375)</u>	<u>(169,845)</u>	<u>(152,037)</u>
NET ASSETS	<u>1,911,635</u>	<u>1,909,947</u>	<u>388,766</u>	<u>425,455</u>
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	240,838	239,541	240,838	239,541
Reserves	1,663,344	1,663,259	147,928	185,914
	<u>1,904,182</u>	<u>1,902,800</u>	<u>388,766</u>	<u>425,455</u>
Minority interests	7,453	7,147	-	-
Total equity	<u>1,911,635</u>	<u>1,909,947</u>	<u>388,766</u>	<u>425,455</u>

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

Amount repayable in one year or less, or on demand

As at 30/09/10		As at 31/12/09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Amount repayable after one year

As at 30/09/10		As at 31/12/09	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Details of any collateral

The Group has provided certain investment properties, available-for-sale financial assets and fixed deposits to secure its banking credit facilities that stood unutilised as at 30 September 2010, except for trade financing and banker's guarantee for operational use.

1(c) A cashflow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	3rd Quarter Ended ended 30		9 months Ended 30 September	
	2010	2009	2010	2009
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Profit for the period	29,929	22,042	84,950	74,057
Adjustments for:				
Taxation	1,736	1,834	5,415	4,652
Share of results of associated companies	(174)	(202)	(6,427)	(3,308)
Dilution gain on an associated company	(9,114)	-	(9,114)	-
Investment and interest income	(13,240)	(13,171)	(45,609)	(44,701)
Depreciation of property, plant and equipment	1,242	898	3,678	2,352
Expensing of share options	127	29	324	174
Property, plant and equipment written off	40	14	76	36
Inventories written down, net	6	28	75	144
Gain on disposal of available-for-sale financial assets	(271)	-	(1,746)	-
Loss/(gain) on disposal of property, plant and equipment	2	-	(8)	-
Write-back of allowance for impairment in value of available-for-sale financial assets	-	-	(464)	-
Translation gains	(485)	(1,084)	(287)	(1,042)
Operating profit before working capital changes	9,798	10,388	30,863	32,364
Increase in inventories	(243)	(191)	(1,468)	(497)
(Increase)/decrease in trade and other receivables	(1,450)	(2,904)	(550)	1,853
(Decrease)/increase in trade and other payables	(665)	4,212	(3,904)	(1,523)
Cash generated from operations	7,440	11,505	24,941	32,197
Investment and interest income received	121	12,937	6,515	43,979
Net taxation paid	(2,306)	(2,250)	(5,729)	(5,681)
Net cash provided by operating activities	5,255	22,192	25,727	70,495
Cash flows from investing activities:				
Purchase of available-for-sale financial assets	(784)	-	(784)	-
Purchase of property, plant and equipment	(735)	(3,851)	(2,356)	(10,668)
Proceeds received from disposal of available-for-sale financial assets	1,044	-	23,443	-
Dividend received from associated companies	600	800	600	800
Proceeds from capital distribution of available-for-sale financial assets	-	-	464	-
Proceeds from sale of property, plant and equipment	3	-	13	-
Purchase of minority interest in subsidiary	-	-	-	(505)
Investment in associated company	-	-	-	(8,637)
Improvements to investment properties	(172)	(167)	(422)	(247)
Net cash (used in)/generated from investing activities	(44)	(3,218)	20,958	(19,257)
Cash flows from financing activities:				
Proceeds from issue of share capital	48	-	1,297	-
Payment of dividends to shareholders of the Company	(11,865)	(11,848)	(39,549)	(39,491)
Bank deposits pledged	-	-	(26)	(1,369)
Net cash used in financing activities	(11,817)	(11,848)	(38,278)	(40,860)
Net (decrease)/increase in cash and cash equivalents	(6,606)	7,126	8,407	10,378
Cash and cash equivalents at beginning of the period	100,471	70,213	85,458	66,961
Cash and cash equivalents at end of the period	93,865	77,339	93,865	77,339
Cash and cash equivalents comprised the following:				
Cash and bank balances	19,695	16,237	19,695	16,237
Deposits with banks and financial institutions	75,693	62,595	75,693	62,595
Less: Bank deposits pledged for banker's guarantee	(1,523)	(1,493)	(1,523)	(1,493)
	93,865	77,339	93,865	77,339

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.

	Attributable to equity shareholders of the Company							Total Equity S\$'000
	Share Capital S\$'000	Fair Value Reserve S\$'000	Other Reserve S\$'000	Foreign Currency Translation Reserve S\$'000	Revenue Reserve S\$'000	Total S\$'000	Minority Interests S\$'000	
The Group								
2010								
Balance at 1 January 2010	239,541	1,106,390	20,311	(4,484)	541,042	1,902,800	7,147	1,909,947
Issue of share capital	1,297	-	-	-	-	1,297	-	1,297
Expensing of share options	-	-	324	-	-	324	-	324
Dividends paid	-	-	-	-	(39,549)	(39,549)	-	(39,549)
Total comprehensive (expense)/income for the period	-	(42,521)	-	(1,952)	83,783	39,310	306	39,616
Balance at 30 September 2010	240,838	1,063,869	20,635	(6,436)	585,276	1,904,182	7,453	1,911,635
2009								
Balance at 1 January 2009	239,541	538,378	20,549	243	521,354	1,320,065	7,017	1,327,082
Expensing of share options	-	-	174	-	-	174	-	174
Purchase of minority interest in subsidiary	-	-	-	-	(505)	(505)	-	(505)
Dividends paid	-	-	-	-	(39,491)	(39,491)	-	(39,491)
Total comprehensive income/(expense) for the period	-	346,039	-	(3,210)	73,970	416,799	88	416,887
Balance at 30 September 2009	239,541	884,417	20,723	(2,967)	555,328	1,697,042	7,105	1,704,147

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.

	Share Capital	Fair Value Reserve	Other Reserve	Revenue Reserve	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<u>The Company</u>					
2010					
Balance at 1 January 2010	239,541	(22)	2,012	183,924	425,455
Issue of share capital	1,297	-	-	-	1,297
Expensing of share options	-	-	324	-	324
Dividends paid	-	-	-	(39,549)	(39,549)
Total comprehensive income for the period	-	-	-	1,239	1,239
Balance at 30 September 2010	240,838	(22)	2,336	145,614	388,766
2009					
Balance at 1 January 2009	239,541	(95)	1,798	143,913	385,157
Expensing of share options	-	-	174	-	174
Dividends paid	-	-	-	(39,491)	(39,491)
Total comprehensive income for the period	-	-	-	2,311	2,311
Balance at 30 September 2009	239,541	(95)	1,972	106,733	348,151

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 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.

Since 30 June 2010, 11,000 shares were issued pursuant to the exercise of share options.

The share capital of the Company as at 30 September 2010 comprised 197,763,654 ordinary shares.
(31 December 2009 : 197,454,654)

As at 30 September 2010, unissued shares under the share option scheme of the Company were as follows:

	<u>30/09/10</u>	<u>31/12/09</u>
The Haw Par Corporation Group 2002 Share Option	1,109,000	1,086,000
	<u>1,109,000</u>	<u>1,086,000</u>

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures as shown in the announcement have not been audited nor reviewed by the Company's auditor.

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 accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

These financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recently audited annual financial statements, except for accounting of associated companies as set out on Page 1.

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.

None.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group		Group	
	3rd Quarter Ended 2010	30 September 2009	9 months Ended 2010	30 September 2009
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue	15.1 cts	11.2 cts	42.9 cts	37.5 cts
(b) On a fully diluted basis	15.1 cts	11.2 cts	42.9 cts	37.4 cts

7. Net asset value (for the issuer and group) per ordinary share based on the issued share capital of the issuer at the end of the:-
 (a) current financial period reported on; and
 (b) immediately preceding financial year.

	Group		Company	
	30/09/10	31/12/09	30/09/10	31/12/09
Net asset value per ordinary share (S\$)	9.63	9.64	1.97	2.15

As at 30 September 2010, the Company had a total of 197,763,654 ordinary shares. (31 December 2009: 197,454,654)

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.**

3rd quarter ended 30 September 2010

Group earnings of \$29.9m in 3Q2010 is 35.5% higher than last year due mainly to a gain in dilution in investment in an associated company of \$9.1m. Excluding this gain, earnings of \$20.8m would have been 5.8% below 3Q2009.

Revenue for 3Q2010 of \$31.7m was 4.2% lower than 3Q2009, mainly due to lower contribution from Healthcare and Property divisions. Profit from operations decreased by 5.5% to \$22.4m with lower revenue and higher operating expenses.

Healthcare reported 6.7% lower sales to \$19.2m compared to \$20.6m last year. The lower sales, together with higher operating expenses, resulted in 13.7% lower profits from 3Q2009 to \$4.1m. Profits of Leisure division decreased by 13.4% to \$3.0m from last year due to higher operating expenses. Property division saw rental revenue and profits decrease by 1.5% and 3.5% respectively as compared to 3Q2009 due to lower occupancy and rental rates and higher operating expenses.

9 months ended 30 September 2010

Group earnings at \$84.8m were 14.7% higher than same period last year, mainly due to a gain in dilution of associated company.

Revenue for the Group increased by 4.5% to \$96.3m, contributed by the Healthcare and Leisure divisions. Profits from operations were almost flat at \$74.8m with higher investment income, offset by lower profitability from Leisure and Property divisions.

Profit contribution from Healthcare division increased by 5.3% from last year, driven by increase in sales to most key markets as sales momentum rides on improved consumer sentiments. Leisure recorded a 15.4% decline in profits as compared with last year due to lower visitorship and higher operating expenses. Impacted by the softening of rental market and higher operating expenses, Property division had a 16.6% decrease in profit contribution to \$9.1m.

Net asset per share decreased from \$9.64 to \$9.63 mainly due to the decrease in fair value of available for sale financial assets.

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

No forecast or prospect statement was made previously in respect of 3Q 2010 results.

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.**

Despite the apparent recovery and positive outlook of the global economy, there remain many uncertainties. The group may benefit from improving consumer confidence but the entire operating environment will likely become more competitive and challenging.



11. Dividend

(a) Current Financial Period Reported On

Any dividend declared/recommended for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year ? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend is declared by the Company for the quarter ended 30 September 2010.

CONFIRMATION BY THE BOARD

The Board of Directors hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results of the Group for the 9 months and 3rd quarter ended 30 September 2010 to be false or misleading.

BY ORDER OF THE BOARD

Zann Lim
Company Secretary
4 November 2010