

Unaudited Second Quarter Financial Statements for the Period Ended 30 June 2012

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		
	2nd Quarter Ended 2012	ended 2011	ended 30 June + / (-)	6 Months Ended 2012	ended 2011	ended 30 June + / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	36,507	31,652	15.3	68,914	64,920	6.2
Cost of sales	(15,426)	(14,061)	9.7	(29,147)	(29,800)	(2.2)
Gross profit	21,081	17,591	19.8	39,767	35,120	13.2
Other income	36,401	41,821	(13.0)	37,250	42,283	(11.9)
Sales and marketing expenses	(7,709)	(6,907)	11.6	(15,360)	(13,785)	11.4
Warehouse and delivery expenses	(197)	(136)	44.9	(362)	(238)	52.1
General and administrative expenses	(3,133)	(3,351)	(6.5)	(6,350)	(6,830)	(7.0)
Finance expenses	(57)	-	-	(109)	-	-
Profit from operations	46,386	49,018	(5.4)	54,836	56,550	(3.0)
Share of results of associated companies	176	3,951	(95.5)	459	4,398	(89.6)
Profit before taxation	46,562	52,969	(12.1)	55,295	60,948	(9.3)
Taxation	(2,072)	(1,220)	69.8	(3,513)	(2,419)	45.2
Profit for the period, net of tax	44,490	51,749	(14.0)	51,782	58,529	(11.5)
Attributable to:						
Equity holders of the Company	44,490	51,650	(13.9)	51,782	58,214	(11.0)
Non-controlling interests	-	99	(100.0)	-	315	(100.0)
	44,490	51,749	(14.0)	51,782	58,529	(11.5)

A consolidated statement of comprehensive income for the 2nd quarter and 6 months ended 30 June 2012:

	Group			Group		
	2nd Quarter Ended 2012	ended 2011	ended 30 June + / (-)	6 Months Ended 2012	ended 2011	ended 30 June + / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period, net of tax	44,490	51,749	(14.0)	51,782	58,529	(11.5)
Other comprehensive income/(expense), after tax						
Fair value gains on available-for-sale financial assets (net)	11,057	65,187	(83.0)	248,377	124,371	99.7
Currency translation differences on consolidation of foreign entities (net)	(1,178)	(4,158)	71.7	(4,905)	(9,547)	48.6
Share of associated company's currency translation reserve through equity accounting	-	478	(100.0)	-	478	(100.0)
Share of associated company's other comprehensive income through equity accounting	-	(373)	100.0	-	(373)	100.0
Other comprehensive income for the period, net of tax	9,879	61,134	(83.8)	243,472	114,929	111.8
Total comprehensive income for the period	54,369	112,883	(51.8)	295,254	173,458	70.2
Total comprehensive income/(expense) attributable to:						
Equity holders of the Company	54,369	113,148	(51.9)	295,254	173,858	69.8
Non-controlling interests	-	(265)	100.0	-	(400)	100.0
	54,369	112,883	(51.8)	295,254	173,458	70.2

N/M - not meaningful

Note:

For the six months ended 30 June 2012, the Group has not accounted for the results of 16.60% owned associate, Hua Han Bio-Pharmaceutical Holdings Limited ("HHBP"). Further announcement will be made when HHBP's results for the year ended 30 June 2012 becomes available.

The comparatives for 2nd quarter and six months ended 30 June 2012 have been updated for HHBP results in those periods.

Certain comparatives figures have been reclassified to conform to the current year's presentation.

1(a) Notes to the Income Statement

	<u>Group</u>			<u>Group</u>		
	<u>2nd Quarter Ended 30 June</u>			<u>6 Months Ended 30 June</u>		
	<u>2012</u>	<u>2011</u>	<u>+ / (-)</u>	<u>2012</u>	<u>2011</u>	<u>+ / (-)</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>%</u>
(i) Other income						
Investment income	35,567	41,304	(13.9)	35,708	41,304	(13.5)
Interest income	375	123	204.9	693	227	205.3
Miscellaneous income	459	394	16.5	849	752	12.9
	36,401	41,821	(13.0)	37,250	42,283	(11.9)
(ii) The following were charged/(credited) to the income statement :						
Interest on borrowings	57	-	-	109	-	-
Depreciation	1,052	1,280	(17.8)	2,122	2,572	(17.5)
Inventories written down	12	35	(65.7)	23	45	(48.9)
Foreign exchange loss, net	216	269	(19.7)	508	898	(43.4)
Prior years' under/(over)provision of current taxation	146	(431)	N/M	(156)	(1,050)	85.1
Prior years' (over)/underprovision of deferred taxation	(10)	(10)	-	29	43	(32.6)
Property, plant and equipment written off	7	63	(88.9)	30	77	(61.0)
Loss/(gain) on disposal of property, plant and equipment	-	-	-	25	(4)	N/M
(iii) Segmental results						
<u>Revenue</u>						
Healthcare	23,771	18,102	31.3	44,592	39,357	13.3
Leisure	8,411	9,282	(9.4)	15,652	17,056	(8.2)
Property	4,325	4,268	1.3	8,670	8,507	1.9
	36,507	31,652	15.3	68,914	64,920	6.2
<u>Profit from operations</u>						
Healthcare	4,741	2,159	119.6	8,099	5,595	44.8
Leisure	3,901	3,387	15.2	6,450	5,620	14.8
Property	3,182	3,457	(8.0)	6,721	6,780	(0.9)
Investments	35,866	41,345	(13.3)	36,171	41,325	(12.5)
Unallocated expenses	(1,304)	(1,330)	(2.0)	(2,605)	(2,770)	(6.0)
	46,386	49,018	(5.4)	54,836	56,550	(3.0)

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	
	30/06/12 S\$'000	31/12/11 S\$'000 (Restated)	31/12/10 S\$'000 (Restated)	30/06/12 S\$'000	31/12/11 S\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	36,872	37,865	43,848	-	-
Investment properties	186,249	187,039	181,642	-	-
Investment in subsidiaries	-	-	-	381,957	381,957
Investment in associated companies	98,032	100,468	91,702	2,895	2,895
Available-for-sale financial assets	1,319,641	1,117,520	1,239,779	427	427
Intangible assets	11,116	11,116	11,116	-	-
	1,651,910	1,454,008	1,568,087	385,279	385,279
Current assets					
Available-for-sale financial assets	356,200	304,161	335,082	-	-
Inventories	9,250	8,379	9,275	-	-
Trade and other receivables	22,828	21,017	18,597	101,509	135,289
Tax recoverable	-	-	4	-	-
Deposits with banks and financial institutions	102,807	72,952	87,579	87,914	55,719
Cash and bank balances	17,135	16,023	23,780	1,652	1,239
	508,220	422,532	474,317	191,075	192,247
Total assets	2,160,130	1,876,540	2,042,404	576,354	577,526
LIABILITIES					
Current liabilities					
Trade and other payables	(33,687)	(34,142)	(31,831)	(146,859)	(130,751)
Taxation	(6,671)	(6,393)	(7,388)	(254)	(310)
Borrowings	(18,050)	(12,407)	-	(18,050)	(12,407)
	(58,408)	(52,942)	(39,219)	(165,163)	(143,468)
Non-current liabilities					
Deferred income taxation	(45,036)	(34,628)	(43,537)	-	-
	(45,036)	(34,628)	(43,537)	-	-
Total liabilities	(103,444)	(87,570)	(82,756)	(165,163)	(143,468)
NET ASSETS	2,056,686	1,788,970	1,959,648	411,191	434,058
EQUITY					
Equity attributable to equity holders of the Company					
Share capital	242,221	242,127	241,355	242,221	242,127
Reserves	1,814,465	1,546,843	1,710,537	168,970	191,931
	2,056,686	1,788,970	1,951,892	411,191	434,058
Non-controlling interests	-	-	7,756	-	-
Total equity	2,056,686	1,788,970	1,959,648	411,191	434,058

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

Amount repayable in one year or less, or on demand

As at 30/06/12		As at 31/12/11	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
18,050	-	12,407	-

Amount repayable after one year

As at 30/06/12		As at 31/12/11	
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 borrowings and credit facilities.

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	
	2nd Quarter Ended 30 June		6 Months Ended 30 June	
	2012	2011	2012	2011
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Profit for the period, net of tax	44,490	51,749	51,782	58,529
Adjustments for:				
Taxation	2,072	1,220	3,513	2,419
Share of results of associated companies	(176)	(3,951)	(459)	(4,398)
Investment income	(35,567)	(41,304)	(35,708)	(41,304)
Interest income	(375)	(123)	(693)	(227)
Finance expenses	57	-	109	-
Depreciation of property, plant and equipment	1,052	1,280	2,122	2,572
Expensing of share options	43	68	92	155
Property, plant and equipment written off	7	63	30	77
Loss/(gain) on disposal of property, plant and equipment	-	-	25	(4)
Inventories written down, net	12	35	23	45
Write back of unclaimed dividends	(18)	-	(18)	-
Currency translation losses	165	304	620	552
Operating profit before working capital changes	11,762	9,341	21,438	18,416
Decrease/(increase) in inventories	21	35	(894)	1,051
Increase in trade and other receivables	(80)	(5,061)	(3,257)	(7,059)
Increase/(decrease) in trade and other payables	2,382	1,266	422	(2,427)
Cash generated from operations	14,085	5,581	17,709	9,981
Investment income received	35,580	8,245	35,676	8,246
Interest income received	97	127	476	206
Interest expense paid	(39)	-	(118)	-
Net taxation paid	(2,714)	(2,745)	(4,645)	(2,552)
Net cash provided by operating activities	47,009	11,208	49,098	15,881
Cash flows from investing activities:				
Purchase of available-for-sale financial assets	-	-	(5,996)	-
Improvements to investment properties	-	(107)	(175)	(181)
Purchase of property, plant and equipment	(657)	(1,444)	(1,830)	(3,899)
Proceeds from sale of property, plant and equipment	-	11	-	58
Dividends from an associated company	-	-	1,905	1,409
Proceeds from disposal of available-for-sale financial assets	10,552	-	10,552	-
Net cash provided by/(used in) investing activities	9,895	(1,540)	4,456	(2,613)
Cash flows from financing activities:				
Proceeds from issue of share capital	-	375	94	772
Proceeds from borrowings	-	-	5,997	-
Payment of dividends to shareholders of the Company	(27,724)	(27,722)	(27,724)	(27,722)
Bank deposits pledged	(6)	22	(6)	22
Net cash used in financing activities	(27,730)	(27,325)	(21,639)	(26,928)
Net increase/(decrease) in cash and cash equivalents	29,174	(17,657)	31,915	(13,660)
Cash and cash equivalents at beginning of the financial year	89,628	112,862	87,430	109,837
Effects of currency translation on cash and cash equivalents	(410)	(943)	(953)	(1,915)
Cash and cash equivalents at end of the financial year	118,392	94,262	118,392	94,262
Cash and cash equivalents comprised the following:				
Cash and bank balances	17,135	16,839	17,135	16,839
Deposits with banks and financial institutions	102,807	78,921	102,807	78,921
Less: Bank deposits pledged for banker's guarantee	(1,550)	(1,498)	(1,550)	(1,498)
	118,392	94,262	118,392	94,262

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 Holders of the Company →					Total	Non-controlling Interests	Total Equity
	Share Capital	Fair Value Reserve	Other Reserve	Foreign Currency Translation Reserve	Revenue Reserve			
	\$'000	\$'000	\$'000	\$'000	\$'000			
The Group								
2012								
Balance at 1 January 2012, as previously reported	242,127	864,675	21,461	(4,308)	655,979	1,779,934	-	1,779,934
Effects of adopting Amendments to FRS 12	-	-	-	-	9,036	9,036	-	9,036
Balance at 1 January 2012, as restated	242,127	864,675	21,461	(4,308)	665,015	1,788,970	-	1,788,970
Issue of share capital	94	-	-	-	-	94	-	94
Expensing of share options	-	-	92	-	-	92	-	92
Dividends paid	-	-	-	-	(27,724)	(27,724)	-	(27,724)
Total comprehensive income/(expense) for the period	-	248,377	-	(4,905)	51,782	295,254	-	295,254
Balance at 30 June 2012	242,221	1,113,052	21,553	(9,213)	689,073	2,056,686	-	2,056,686
2011								
Balance at 1 January 2011, as previously reported	241,355	1,073,321	20,761	(6,512)	612,968	1,941,893	7,756	1,949,649
Effects of adopting Amendments to FRS 12	-	-	-	-	9,999	9,999	-	9,999
Balance at 1 January 2011, as restated	241,355	1,073,321	20,761	(6,512)	622,967	1,951,892	7,756	1,959,648
Issue of share capital	772	-	-	-	-	772	-	772
Expensing of share options	-	-	155	-	-	155	-	155
Dividends paid	-	-	-	-	(27,722)	(27,722)	-	(27,722)
Total comprehensive income/(expense) for the period	-	124,371	-	(8,354)	57,841	173,858	(400)	173,458
Balance at 30 June 2011	242,127	1,197,692	20,916	(14,866)	653,086	2,098,955	7,356	2,106,311

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
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>The Company</u>					
2012					
Balance at 1 January 2012	242,127	(27)	2,736	189,222	434,058
Issue of share capital	94	-	-	-	94
Expensing of share options	-	-	92	-	92
Dividends paid	-	-	-	(27,724)	(27,724)
Total comprehensive income for the period	-	-	-	4,671	4,671
Balance at 30 June 2012	242,221	(27)	2,828	166,169	411,191
2011					
Balance at 1 January 2011	241,355	1	2,462	170,248	414,066
Issue of share capital	772	-	-	-	772
Expensing of share options	-	-	155	-	155
Dividends paid	-	-	-	(27,722)	(27,722)
Total comprehensive income for the period	-	-	-	873	873
Balance at 30 June 2011	242,127	1	2,617	143,399	388,144

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.

The Company did not issue any shares since 31 March 2012.

As at 30 June 2012, unissued shares under the share option scheme of the Company were as follows:

	<u>30/06/12</u>	<u>31/12/11</u>
The Haw Par Corporation Group 2002 Share Option Scheme	1,138,000	1,239,000
	<u>1,138,000</u>	<u>1,239,000</u>

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.

	<u>30/06/12</u>	<u>31/12/11</u>
Total number of issued shares	<u>198,031,654</u>	<u>198,015,654</u>

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.

Not applicable.

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 and as stated in Note 5.

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.

On 1 January 2012, the Group adopted the amendments to FRS 12 Income Taxes which are relevant and effective for annual periods beginning on or after 1 January 2012.

The amendment introduces a presumption that an investment property is recoverable through its sale. Previously, the Group had recognised deferred tax liability on revaluation of its investment properties.

Under the amendment, the deferred tax liabilities on the Group's investment properties will be recognised on the basis of recovery through sale. This change in accounting policy has been applied retrospectively. Accordingly, the comparatives have been restated. However, there is no impact on the 2Q2011 and 6M2011 results, as there were no changes in fair value of investment properties during the first 6 months of the year.

The effects on the comparatives arising from the adoption of the amendments to FRS 12 are as follows:

Effect on consolidated statement of financial position

	Group	
	31/12/2011 S\$'000	31/12/2010 S\$'000
Increase in revenue reserves	9,036	9,999
Decrease in deferred income taxation	(9,036)	(9,999)

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	
	2nd Quarter Ended 30 June		6 Months Ended 30 June	
	2012	2011	2012	2011
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue	22.5 cts	26.1 cts	26.1 cts	29.4 cts
(b) On a fully diluted basis	22.5 cts	26.1 cts	26.1 cts	29.4 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	
	30/06/12	31/12/11 (restated)	31/12/10 (restated)	30/06/12	31/12/11
Net asset value per ordinary share (S\$)	10.39	9.03	9.86	2.08	2.19

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.**

2nd quarter ended 30 June 2012

Revenue for the Group increased by 15% to \$36.5m from 2Q2011, mainly contributed by Healthcare division. Profit from operations however, decreased by 5.4% to \$46.4m, due to lower investment income received during the quarter.

Revenue of healthcare division increased 31.3% to \$23.8m mainly due to higher sales to Middle Eastern countries and Asian markets. Its profit of \$4.7m in 2Q2012 was 120% higher than 2Q2011 due to improved margins and lower operating expenses. Leisure division reported a 15.2% increase in profit contribution to \$3.9m due to cessation of business at Chengdu Oceanarium. Property division's profit was 8% lower due to increase in maintenance & utilities expenses. Investment income was 13.3% lower than 2Q2011 due to lower dividend income received.

6 months ended 30 June 2012

Revenue for 6M2012 was 6.2% higher than 6M2011 at \$68.9m. Profit from operations decreased by 3% to \$54.8m mainly due to lower investment income. Net earnings for the period will only be finalised after the Hong Kong listed associate's results become available.

Healthcare division's turnover and profit contribution increased by 13.3% and 44.8% to \$44.6m and \$8.1m respectively when compared to 6M2011. Growth in classic range of products took place in Asia and Middle East and launch of new products contributed to higher sales. Leisure division's profit was 14.8% higher than 6M2011 at \$6.5m due to cessation of business at Chengdu Oceanarium. Property division's profit was maintained at around \$6.7m. Investment income was 12.5% lower at \$36.2m.

Net asset per share increased from \$9.03 to \$10.39, mainly due to improved 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 2Q 2012 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.**

With the global economic outlook remaining uncertain and growth of major Asian economies slowing, the Group's operations will continue to be challenging. Increased competition and a strong Singapore dollar may adversely impact competitiveness of both Healthcare and Leisure divisions.

11. If a decision regarding dividend has been made: -

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and -

(b) (i) Amount per share :

(ii) Previous corresponding period:

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated.)

	2012	2011
Name of Dividend	First & Interim	First & Interim
Dividend Type	Cash	Cash
Dividend amount per share	6 cents per ordinary share tax-exempt (one-tier)	6 cents per ordinary share tax-exempt (one-tier)
Tax Rate	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)

(d) The date the dividend is payable

First & Interim Dividend - 12 September 2012

(e) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend are determined.

The Share Transfer Books and Register of Members of the Company will be closed on 29 August 2012. Duly completed transfers received by the Company's Share Registrar up to 5.00 pm on 28 August 2012 will be registered to determine shareholders' entitlement to the First & Interim Dividend. In respect of ordinary shares in securities accounts with The Central Depository (Pte) Ltd ("CDP"), the First & Interim Dividend will be paid to CDP, which will in turn distribute the dividend entitlement to the shareholders concerned.

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.

The Group does not have any general mandate from shareholders pursuant to Rule 920.

14. Negative confirmation pursuant to Rule 705 (5) of the Listing Manual

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 6 months ended 30 June 2012 to be false or misleading.

BY ORDER OF THE BOARD

Zann Lim
Company Secretary
8 August 2012