

**Unaudited Third Quarter Financial Statements for the Period Ended 30 September 2014**

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 30 September 2014	2013	+ / (-)	9 Months Ended 30 September 2014	2013	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Revenue</b>	<b>38,925</b>	37,452	3.9	<b>122,802</b>	110,512	11.1
Cost of sales	<b>(16,816)</b>	(16,054)	4.7	<b>(50,568)</b>	(47,198)	7.1
<b>Gross profit</b>	<b>22,109</b>	21,398	3.3	<b>72,234</b>	63,314	14.1
Other income	<b>18,286</b>	14,457	26.5	<b>67,947</b>	58,248	16.7
Distribution and marketing expenses	<b>(9,506)</b>	(8,571)	10.9	<b>(29,893)</b>	(25,289)	18.2
General and administrative expenses	<b>(2,565)</b>	(3,149)	(18.5)	<b>(7,712)</b>	(7,799)	(1.1)
Finance expenses	<b>(104)</b>	(68)	52.9	<b>(310)</b>	(200)	55.0
<b>Profit from operations</b>	<b>28,220</b>	24,067	17.3	<b>102,266</b>	88,274	15.9
Share of results of associated companies and gain on dilution of investment in associated company (net)	<b>81</b>	123	(34.1)	<b>4,881</b>	1,785	173.4
<b>Profit before taxation</b>	<b>28,301</b>	24,190	17.0	<b>107,147</b>	90,059	19.0
Taxation	<b>(1,661)</b>	(1,838)	(9.6)	<b>(6,653)</b>	(6,037)	10.2
<b>Profit for the period, net of tax</b>	<b>26,640</b>	22,352	19.2	<b>100,494</b>	84,022	19.6

A consolidated statement of comprehensive income for the 3rd quarter and 9 months ended 30 September 2014:

	Group			Group		
	3rd Quarter Ended 30 September 2014	2013	+ / (-)	9 Months Ended 30 September 2014	2013	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>Profit for the period, net of tax</b>	<b>26,640</b>	22,352	19.2	<b>100,494</b>	84,022	19.6
<b>Other comprehensive income, after tax, that may be reclassified subsequently to profit or loss:</b>						
Fair value (loss)/gain on available-for-sale financial assets (net)	<b>(2,347)</b>	32,643	(107.2)	<b>125,842</b>	78,703	59.9
Reclassification of fair value gain on disposal of available-for-sale financial assets	<b>(3,156)</b>	-	N/M	<b>(3,156)</b>	-	N/M
Currency translation differences on consolidation of foreign entities (net)	<b>2,782</b>	(3,226)	(186.2)	<b>1,264</b>	2,709	(53.3)
Share of associated company's currency translation reserve through equity accounting	-	-	-	<b>(740)</b>	2,871	(125.8)
Share of associated company's other comprehensive income through equity accounting	-	-	-	<b>1,942</b>	(34)	(5,811.8)
<b>Other comprehensive (losses)/income for the period, net of tax</b>	<b>(2,721)</b>	29,417	(109.2)	<b>125,152</b>	84,249	48.6
<b>Total comprehensive income for the period</b>	<b>23,919</b>	51,769	(53.8)	<b>225,646</b>	168,271	34.1

N/M - not meaningful

Note:

For the nine months ended 30 September 2014, the Group has accounted for the results of its associate, Hua Han Bio-Pharmaceutical Holdings Limited ("HHBP") up till 30 June 2014.

For the quarter ended 30 September 2014, 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 to a particular shareholder.

**1(a) Notes to the Income Statement**

	Group			Group		
	3rd Quarter Ended 30 September			9 Months Ended 30 September		
	2014	2013	+ / (-)	2014	2013	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
<b>(i) Other income</b>						
Investment income	14,016	13,792	1.6	62,258	56,325	10.5
Interest income	362	257	40.9	959	614	56.2
Miscellaneous income	508	408	24.5	1,330	1,309	1.6
Gain on disposal of available-for-sale financial assets	3,400	-	N/M	3,400	-	N/M
	<b>18,286</b>	<b>14,457</b>	<b>26.5</b>	<b>67,947</b>	<b>58,248</b>	<b>16.7</b>
<b>(ii) The following were charged/(credited) to the income statement :</b>						
Interest on borrowings	104	68	52.9	310	200	55.0
Depreciation of property, plant and equipment	1,342	1,354	(0.9)	4,063	4,027	0.9
Allowance for impairment of receivables	-	-	-	-	39	(100.0)
Inventories written off	37	29	N/M	76	34	N/M
Impairment in value of available-for-sale financial assets	-	210	N/M	-	210	N/M
Foreign exchange (gain)/loss, net	(384)	391	N/M	(28)	(195)	85.6
Prior years' overprovision of current taxation	(13)	(49)	N/M	(320)	(72)	N/M
Prior years' under/(over) provision of deferred taxation	1	(4)	N/M	53	166	N/M
Loss on disposal and write-off of property, plant and equipment	101	6	N/M	149	49	N/M
<b>(iii) Segmental results</b>						
<u>Revenue</u>						
Healthcare	31,391	28,449	10.3	98,572	81,955	20.3
Leisure	3,525	4,650	(24.2)	12,069	15,855	(23.9)
Property	4,009	4,353	(7.9)	12,161	12,702	(4.3)
	<b>38,925</b>	<b>37,452</b>	<b>3.9</b>	<b>122,802</b>	<b>110,512</b>	<b>11.1</b>
<u>Profit from operations</u>						
Healthcare	7,782	7,343	6.0	27,205	21,158	28.6
Leisure	443	565	(21.6)	2,217	3,463	(36.0)
Property	3,103	3,350	(7.4)	9,182	9,867	(6.9)
Investments	17,627	13,742	28.3	66,207	56,491	17.2
Unallocated expenses	(735)	(933)	21.2	(2,545)	(2,705)	5.9
	<b>28,220</b>	<b>24,067</b>	<b>17.3</b>	<b>102,266</b>	<b>88,274</b>	<b>15.9</b>

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

	Group		Company	
	30/09/14 S\$'000	31/12/13 S\$'000	30/09/14 S\$'000	31/12/13 S\$'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	33,842	35,758	-	-
Investment properties	222,833	222,139	-	-
Investment in subsidiaries	-	-	381,957	381,957
Investment in associated companies	125,877	119,097	2,895	2,895
Available-for-sale financial assets	1,704,747	1,537,531	357	357
Deferred income tax assets	780	489	-	-
Intangible assets	11,116	11,116	-	-
	<b>2,099,195</b>	<b>1,926,130</b>	<b>385,209</b>	<b>385,209</b>
<b>Current assets</b>				
Available-for-sale financial assets	430,151	397,197	-	-
Inventories	9,601	9,711	-	-
Trade and other receivables	24,726	22,671	108,257	85,064
Cash and bank balances	213,391	210,267	187,544	185,581
	<b>677,869</b>	<b>639,846</b>	<b>295,801</b>	<b>270,645</b>
<b>Total assets</b>	<b>2,777,064</b>	<b>2,565,976</b>	<b>681,010</b>	<b>655,854</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	40,515	36,996	116,322	115,564
Taxation	7,206	6,901	247	186
Borrowings	43,419	23,784	43,419	23,784
	<b>91,140</b>	<b>67,681</b>	<b>159,988</b>	<b>139,534</b>
<b>Non-current liabilities</b>				
Deferred income tax liabilities	57,308	53,574	-	-
	<b>57,308</b>	<b>53,574</b>	-	-
<b>Total liabilities</b>	<b>148,448</b>	<b>121,255</b>	<b>159,988</b>	<b>139,534</b>
<b>NET ASSETS</b>	<b>2,628,616</b>	<b>2,444,721</b>	<b>521,022</b>	<b>516,320</b>
<b>EQUITY</b>				
<b>Equity attributable to equity holders of the Company</b>				
Share capital	248,675	246,848	248,675	246,848
Retained profits	868,887	812,182	268,883	266,219
Reserves	1,511,054	1,385,691	3,464	3,253
<b>Total equity</b>	<b>2,628,616</b>	<b>2,444,721</b>	<b>521,022</b>	<b>516,320</b>

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

**Amount repayable in one year or less, or on demand**

As at 30/09/14		As at 31/12/13	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
43,419	-	23,784	-

**Amount repayable after one year**

As at 30/09/14		As at 31/12/13	
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 statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		Group	
	3rd Quarter Ended 30 September 2014 S\$'000	2013 S\$'000	9 Months Ended 30 September 2014 S\$'000	2013 S\$'000
<b>Cash flows from operating activities:</b>				
Profit before tax	28,301	24,190	107,147	90,059
Adjustments for:				
Investment income	(14,016)	(13,792)	(62,258)	(56,325)
Share of results of associated companies and gain on dilution of investment in associated company (net)	(81)	(123)	(4,881)	(1,785)
Depreciation of property, plant and equipment	1,342	1,354	4,063	4,027
Gain on disposal of available-for-sale financial assets	(3,400)	-	(3,400)	-
Interest income	(362)	(257)	(959)	(614)
Finance expenses	104	68	310	200
Expensing of share options	76	64	211	177
Loss on disposal and write-off of property, plant and equipment	101	6	149	49
Inventories written off	37	29	76	34
Allowance for impairment of receivables	-	-	-	39
Impairment in value of available-for-sale financial assets	-	210	-	210
Currency translation (gains)/losses	(358)	160	(291)	(100)
<b>Operating profit before working capital changes</b>	<b>11,744</b>	<b>11,909</b>	<b>40,167</b>	<b>35,971</b>
Decrease in inventories	301	1,012	34	1,030
Decrease/(increase) in trade and other receivables	2,110	4,033	(6,749)	(3,221)
Increase/(decrease) in trade and other payables	872	1,118	3,669	(36)
<b>Cash generated from operations</b>	<b>15,027</b>	<b>18,072</b>	<b>37,121</b>	<b>33,744</b>
Investment income received (Note)	14,076	13,793	14,517	56,276
Interest income received	179	103	672	477
Net taxation paid	(2,745)	(3,084)	(6,692)	(6,993)
<b>Net cash provided by operating activities</b>	<b>26,537</b>	<b>28,884</b>	<b>45,618</b>	<b>83,504</b>
<b>Cash flows from investing activities:</b>				
Dividends from an associated company	-	-	4,960	5,375
Purchase of property, plant and equipment	(1,025)	(679)	(2,376)	(2,238)
Improvements to investment properties	(44)	(38)	(44)	(876)
Proceeds from sale of property, plant and equipment	-	-	8	2
Proceeds from disposal of available-for-sale financial assets	9,494	-	9,494	-
Purchase of available-for-sale financial assets	-	-	(33,853)	-
<b>Net cash (used in)/provided by investing activities</b>	<b>8,425</b>	<b>(717)</b>	<b>(21,811)</b>	<b>2,263</b>
<b>Cash flows from financing activities:</b>				
Payment of dividends to shareholders of the Company	(13,137)	(13,120)	(43,789)	(40,949)
Proceeds from issue of share capital	73	-	1,827	3,699
Interest expense paid	(104)	(71)	(324)	(205)
Bank deposits pledged	55	(1)	57	(13)
Repayment of borrowings	(6,911)	-	(12,413)	-
Proceeds from borrowings	-	-	33,856	-
<b>Net cash used in financing activities</b>	<b>(20,024)</b>	<b>(13,192)</b>	<b>(20,786)</b>	<b>(37,468)</b>
<b>Net increase in cash and cash equivalents</b>	<b>14,938</b>	<b>14,975</b>	<b>3,021</b>	<b>48,299</b>
Cash and cash equivalents at beginning of the period	196,413	183,002	208,606	149,460
Effects of currency translation on cash and cash equivalents	436	(249)	160	(31)
<b>Cash and cash equivalents at end of the period</b>	<b>211,787</b>	<b>197,728</b>	<b>211,787</b>	<b>197,728</b>
<b>Cash and cash equivalents comprised the following:</b>				
Cash and bank balances	213,391	199,393	213,391	199,393
Less: Bank deposits pledged for banker's guarantee	(1,604)	(1,665)	(1,604)	(1,665)
	<b>211,787</b>	<b>197,728</b>	<b>211,787</b>	<b>197,728</b>

**Note :** During the financial period, approximately \$47.7m of investment income was received as non-cash available-for-sale financial assets in lieu of dividends.

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	Foreign Currency Translation Reserve	Retained Profits	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>The Group</b>						
<b>2014</b>						
Balance at 1 January 2014	246,848	1,368,797	23,752	(6,858)	812,182	2,444,721
Issue of share capital	1,827	-	-	-	-	1,827
Expensing of share options	-	-	211	-	-	211
Dividends paid	-	-	-	-	(43,789)	(43,789)
Total comprehensive income for the period	-	122,686	1,942	524	100,494	225,646
<b>Balance at 30 September 2014</b>	<b>248,675</b>	<b>1,491,483</b>	<b>25,905</b>	<b>(6,334)</b>	<b>868,887</b>	<b>2,628,616</b>
<b>2013</b>						
Balance at 1 January 2013	243,114	1,254,885	23,446	(13,539)	745,311	2,253,217
Issue of share capital	3,699	-	-	-	-	3,699
Expensing of share options	-	-	177	-	-	177
Dividends paid	-	-	-	-	(40,949)	(40,949)
Total comprehensive income/(expense) for the period	-	78,703	(34)	5,580	84,022	168,271
Balance at 30 September 2013	246,813	1,333,588	23,589	(7,959)	788,384	2,384,415

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	Retained Profits	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>The Company</u></b>					
<b>2014</b>					
Balance at 1 January 2014	246,848	103	3,150	266,219	516,320
Issue of share capital	1,827	-	-	-	1,827
Expensing of share options	-	-	211	-	211
Dividends paid	-	-	-	(43,789)	(43,789)
Total comprehensive income for the period	-	-	-	46,453	46,453
<b>Balance at 30 September 2014</b>	<b>248,675</b>	<b>103</b>	<b>3,361</b>	<b>268,883</b>	<b>521,022</b>
<b>2013</b>					
Balance at 1 January 2013	243,114	(53)	2,909	209,838	455,808
Issue of share capital	3,699	-	-	-	3,699
Expensing of share options	-	-	177	-	177
Dividends paid	-	-	-	(40,949)	(40,949)
Total comprehensive income for the period	-	200	-	16,212	16,412
Balance at 30 September 2013	246,813	147	3,086	185,101	435,147

**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 2014, 10,000 shares were issued pursuant to the exercise of share options.

As at 30 September 2014, unissued shares under the share option scheme of the Company were as follows:

	<u>30/09/14</u>	<u>30/09/13</u>
The Haw Par Corporation Group 2002 Share Option Scheme	1,011,000	795,000
	<u>1,011,000</u>	<u>795,000</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>30/09/14</u>	<u>31/12/13</u>
Total number of issued shares	218,954,173	218,664,173

**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.**

From 1 January 2014, the Group adopted FRS 110 *Consolidated Financial Statements* and FRS 112 *Disclosure of Interests in Other Entities*.

FRS 110 replaces all of the guidance on control and consolidation in FRS 27 “Consolidated and Separate Financial Statements” and INT FRS 12 “Consolidation – Special Purpose Entities”. The same criteria are now applied to all entities to determine control. Additional guidance is also provided to assist in the determination of control where this is difficult to assess.

FRS 112 requires disclosure of information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity’s interests in (1) subsidiaries, (2) associates, (3) joint arrangements and (4) unconsolidated structured entities.

There was no material impact to the consolidated financial statements as a result of adopting the new FRSes.

**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.**

	<u>Group</u>		<u>Group</u>	
	<u>3rd Quarter Ended 30 September 2014</u>	<u>2013</u>	<u>9 Months Ended 30 September 2014</u>	<u>2013</u>
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue	<b>12.2 cts</b>	10.2 cts	<b>45.9 cts</b>	38.5 cts
(b) On a fully diluted basis	<b>12.2 cts</b>	10.2 cts	<b>45.9 cts</b>	38.4 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.**

	<u>Group</u>		<u>Company</u>	
	<u>30/09/14</u>	<u>31/12/13</u>	<u>30/09/14</u>	<u>31/12/13</u>
Net asset value per ordinary share (S\$)	<b>12.01</b>	11.18	<b>2.38</b>	2.36

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 2014**

Group revenues of \$38.9m were 3.9% higher than 3Q2013. Profit from operations increased by 17.3% to \$28.2m. This was mainly contributed by increase in sales from Healthcare division and gains on disposal of certain available-for-sale financial assets.

Healthcare division achieved a 10.3% increase in sales to \$31.4m with a profit contribution of \$7.8m due to increase in sales. Leisure division reported a 24.2% drop in revenue to \$3.5m and a corresponding 21.6% decrease in profits to \$0.4m compared to the corresponding previous quarter due mainly to weaker tourist sentiments and intense competition. Property division was affected by lower occupancy during the quarter compared to 3Q2013 which resulted in a 7.9% decrease in revenue to \$4.0m and a 7.4% decrease in profit to \$3.1m.

**9 months ended 30 September 2014**

Group revenue increased 11.1% from \$110.5m to \$122.8m mainly from contribution of Healthcare division. Profit from operations increased 15.9% to \$102.3m. The increase was contributed by Healthcare division, higher dividend income and gains on disposal of available-for-sale financial assets.

Healthcare division's revenue of \$98.6m and profit of \$27.2m increased by 20.3% and 28.6% respectively compared to 9M2013 due to increase in sales. Leisure division had a decrease in revenue and profit from operations of 23.9% and 36.0% to \$12.1m and \$2.2m respectively. Property division's revenue of \$12.2m decreased 4.3%. Profit decreased 6.9% due to lower occupancy.

Other income increased \$9.7m mainly from higher dividend income and gains on disposal of available-for-sale financial assets.

Distribution and marketing expenses increased 18.2% mainly in Healthcare division due to increase in promotion and advertising expenses.

Contribution from associated companies benefited from higher share of results up to 30 June 2014 as compared to the previous period.

Non-current available-for-sale financial assets increased \$167.2m mainly due to increase in fair value of quoted equity securities and purchase of new investments.

Borrowings increased 82.6% to \$43.4m due to financing for foreign currency denominated 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 2014 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.**

The operating environment will remain volatile amid continuing economic uncertainties and geo-political tensions.

Leisure division which is facing intense competition, may be particularly vulnerable to additional adverse impact.

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

- (a) Whether an interim (final) ordinary dividend has been declared (recommended); and - No
- (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.)

Not applicable.

(d) The date the dividend is payable

Not applicable.

(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.

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 2014.

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 9 months ended 30 September 2014 to be false or misleading.

**BY ORDER OF THE BOARD**

Zann Lim  
Company Secretary  
13 November 2014