

Unaudited Third Quarter Financial Results for the Period Ended 30 September 2015

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			9 Months Ended 30 September		
	2015	2014	+ / (-)	2015	2014	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	48,116	38,925	23.6	144,845	122,802	18.0
Cost of sales	(19,407)	(16,816)	15.4	(57,254)	(50,568)	13.2
Gross profit	28,709	22,109	29.9	87,591	72,234	21.3
Other income, net	22,597	18,286	23.6	72,050	67,947	6.0
Distribution and marketing expenses	(11,826)	(9,506)	24.4	(35,625)	(29,893)	19.2
General and administrative expenses	(2,030)	(2,565)	(20.9)	(7,577)	(7,712)	(1.8)
Finance expenses	(118)	(104)	13.5	(370)	(310)	19.4
Profit from operations	37,332	28,220	32.3	116,069	102,266	13.5
Equity accounting / gains on associated companies	107	81	32.1	56,138	4,881	1,050.1
Profit before taxation	37,439	28,301	32.3	172,207	107,147	60.7
Taxation	(2,514)	(1,661)	51.4	(7,950)	(6,653)	19.5
Profit for the period, net of tax	34,925	26,640	31.1	164,257	100,494	63.4

A consolidated statement of comprehensive income for the 3rd quarter and 9 months ended 30 September 2015:

	Group			Group		
	3rd Quarter Ended 30 September			9 Months Ended 30 September		
	2015	2014	+ / (-)	2015	2014	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Profit for the period, net of tax	34,925	26,640	31.1	164,257	100,494	63.4
Other comprehensive (expense)/ income, after tax, that may be reclassified subsequently to profit or loss:						
Fair value (losses)/gains on available-for-sale financial assets (net)	(430,513)	(2,347)	18,243.1	(497,226)	125,842	(495.1)
Reclassification of fair value losses/(gains) on disposal of available-for-sale financial assets	2,263	(3,156)	171.7	2,263	(3,156)	171.7
Currency translation differences on consolidation of foreign entities (net)	(3,269)	2,782	N/M	(2,637)	1,264	(308.6)
Share of associated company's currency translation reserve through equity accounting	(4,645)	-	N/M	(4,645)	(740)	527.7
Share of associated company's other comprehensive income through equity accounting	1,718	-	N/M	1,718	1,942	(11.5)
Reclassification of currency translation reserve to profit or loss on reclassification of associated company to available-for-sale financial assets	2,982	-	N/M	(4,543)	-	N/M
Other comprehensive (expense)/income for the period, net of tax	(431,464)	(2,721)	15,756.8	(505,070)	125,152	N/M
Total comprehensive (expense)/income for the period	(396,539)	23,919	N/M	(340,813)	225,646	N/M

N/M - not meaningful

1(a) Notes to the Income Statement

	<u>Group</u>			<u>Group</u>		
	<u>3rd Quarter Ended 30 September 2015</u>	<u>2014</u>	<u>+ / (-)</u>	<u>9 Months Ended 30 September 2015</u>	<u>2014</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	24,501	14,016	74.8	71,746	62,258	15.2
Interest income	749	362	106.9	1,909	959	99.1
(Loss)/gain on disposal of available-for-sale financial assets	(3,286)	3,400	196.6	(3,286)	3,400	196.6
Gain on sale of investment property	-	-	-	250	-	N/M
Miscellaneous income	633	508	24.6	1,431	1,330	7.6
	<u>22,597</u>	<u>18,286</u>	<u>23.6</u>	<u>72,050</u>	<u>67,947</u>	<u>6.0</u>
(ii) The following were charged/(credited) to the income statement :						
Interest on borrowings	118	104	13.5	370	310	19.4
Depreciation of property, plant and equipment	1,369	1,342	2.0	4,034	4,063	(0.7)
Loss on disposal and write-off of property, plant and equipment	7	101	(93.1)	32	149	(78.5)
Allowance for impairment of receivables	-	-	-	8	-	N/M
Inventories written down	18	37	(51.4)	85	76	11.8
Foreign exchange gain, net	(1,279)	(384)	233.1	(1,069)	(28)	3,717.9
Prior years' (over)/under provision of current taxation	(3)	(13)	(76.9)	5	(320)	N/M
Prior years' underprovision of deferred taxation	114	1	11,300.0	357	53	573.6
Gain on partial disposal of interest in associated company and deemed disposal on decognition of associated company	-	-	-	(55,999)	-	N/M
(iii) Segmental results						
<u>Revenue</u>						
Healthcare	41,742	31,391	33.0	124,783	98,572	26.6
Leisure	3,129	3,525	(11.2)	9,676	12,069	(19.8)
Property	3,245	4,009	(19.1)	10,386	12,161	(14.6)
	<u>48,116</u>	<u>38,925</u>	<u>23.6</u>	<u>144,845</u>	<u>122,802</u>	<u>18.0</u>
<u>Profit from operations</u>						
Healthcare	13,077	7,782	68.0	40,045	27,205	47.2
Leisure	2	443	(99.5)	296	2,217	(86.6)
Property	2,543	3,103	(18.0)	8,025	9,182	(12.6)
Investments	21,836	17,627	23.9	69,936	66,207	5.6
Unallocated expenses	(126)	(735)	(82.9)	(2,233)	(2,545)	(12.3)
	<u>37,332</u>	<u>28,220</u>	<u>32.3</u>	<u>116,069</u>	<u>102,266</u>	<u>13.5</u>

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	
	30/09/2015 S\$'000	31/12/2014 S\$'000	30/09/2015 S\$'000	31/12/2014 S\$'000
ASSETS				
Non-current assets				
Property, plant and equipment	30,108	33,187	-	-
Investment properties	212,609	225,249	-	-
Investment in subsidiaries	-	-	381,957	381,957
Investment in associated companies	4,020	137,690	2,895	2,895
Available-for-sale financial assets	1,614,076	1,842,662	330	330
Deferred income tax assets	217	263	-	-
Intangible assets	11,116	11,116	-	-
	1,872,146	2,250,167	385,182	385,182
Current assets				
Available-for-sale financial assets	357,027	468,830	-	-
Inventories	9,898	10,720	-	-
Trade and other receivables	35,274	19,911	145,540	121,464
Cash and bank balances	308,031	224,666	263,052	194,270
	710,230	724,127	408,592	315,734
Total assets	2,582,376	2,974,294	793,774	700,916
LIABILITIES				
Current liabilities				
Trade and other payables	52,442	39,066	166,960	72,286
Current income tax liabilities	7,907	7,587	237	283
Borrowings	52,672	56,332	52,672	56,332
	113,021	102,985	219,869	128,901
Non-current liabilities				
Deferred income tax liabilities	45,192	63,844	-	-
	45,192	63,844	-	-
Total liabilities	158,213	166,829	219,869	128,901
NET ASSETS	2,424,163	2,807,465	573,905	572,015
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	249,852	248,722	249,852	248,722
Retained profits	1,011,264	887,171	320,319	319,762
Other Reserves	1,163,047	1,671,572	3,734	3,531
Total equity	2,424,163	2,807,465	573,905	572,015

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

Amount repayable in one year or less, or on demand

As at 30/9/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
52,672	-	56,332	-

Amount repayable after one year

As at 30/9/2015		As at 31/12/2014	
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	9 Months Ended 30 September	2014
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Profit before tax	37,439	28,301	172,207	107,147
Adjustments for:				
Equity accounting / gains on associated companies	(107)	(81)	(56,138)	(4,881)
Investment income	(24,501)	(14,016)	(71,746)	(62,258)
Depreciation of property, plant and equipment	1,369	1,342	4,034	4,063
Interest income	(749)	(362)	(1,909)	(959)
Gain on sale of investment property	-	-	(250)	-
Finance expenses	118	104	370	310
Expensing of share options	48	76	203	211
Inventories written down	18	37	85	76
Loss on disposal and write-off of property, plant and equipment	7	101	32	149
Allowance for impairment of receivables	-	-	8	-
Loss /(gain) on disposal of available-for-sale financial assets (net)	3,286	(3,400)	3,286	(3,400)
Currency translation losses /(gains)	1	(358)	149	(291)
Operating profit before working capital changes	16,929	11,744	50,331	40,167
(Increase)/decrease in inventories	(52)	301	737	34
Increase /(decrease) in trade and other receivables	2,107	2,110	(14,333)	(6,749)
Increase in trade and other payables	8,442	872	13,485	3,669
Cash generated from operations	27,426	15,027	50,220	37,121
Investment income received (Note)	24,501	14,076	63,243	14,517
Interest income received	799	179	1,434	672
Net taxation paid	(2,814)	(2,745)	(7,929)	(6,692)
Net cash provided by operating activities	49,912	26,537	106,968	45,618
Cash flows from investing activities:				
Proceeds from partial disposal of interest in associated company	-	-	99,322	-
Proceeds from sale of investment property	-	-	10,045	-
Dividends from an associated company	-	-	3,669	4,960
Purchase of additional interest in associated company	-	-	(72,755)	-
Purchase of available-for-sale financial assets	-	-	(20,256)	(33,853)
Purchase of property, plant and equipment	(237)	(1,025)	(672)	(2,376)
Improvements to investment properties	(1,808)	(44)	(2,022)	(44)
Proceeds from sale of property, plant and equipment	-	-	-	8
Proceeds from disposal of available-for-sale financial assets	9,082	9,494	9,082	9,494
Net cash provided by/(used in) investing activities	7,037	8,425	26,413	(21,811)
Cash flows from financing activities:				
Proceeds from issue of share capital	103	73	1,130	1,827
Bank deposits pledged	-	55	73	57
Payment of dividends to shareholders of the Company	(13,147)	(13,137)	(43,822)	(43,789)
Interest expense paid	(117)	(104)	(373)	(324)
Proceeds from borrowings	-	-	-	33,856
Repayment of borrowings	(6,324)	(6,911)	(6,324)	(12,413)
Net cash used in financing activities	(19,485)	(20,024)	(49,316)	(20,786)
Net increase in cash and cash equivalents	37,464	14,938	84,065	3,021
Cash and cash equivalents at beginning of the period	269,476	196,413	223,061	208,606
Effects of currency translation on cash and cash equivalents	(432)	436	(618)	160
Cash and cash equivalents at end of the period	306,508	211,787	306,508	211,787
Cash and cash equivalents comprised the following:				
Cash and bank balances	308,031	213,391	308,031	213,391
Less: Bank deposits pledged for banker's guarantee	(1,523)	(1,604)	(1,523)	(1,604)
	306,508	211,787	306,508	211,787

Note: During the financial period, approximately \$8.5m (2014: \$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
<u>The Group</u>						
2015						
Balance at 1 January 2015	248,722	1,648,605	26,046	(3,079)	887,171	2,807,465
Issue of share capital	1,130	-	-	-	-	1,130
Expensing of share options	-	-	203	-	-	203
Reclassification from share option reserve to retained profits on reclassification of investment in associated company to available-for-sale financial assets	-	-	(3,658)	-	3,658	-
Dividends paid	-	-	-	-	(43,822)	(43,822)
Total comprehensive (expense)/income for the period	-	(494,963)	1,718	(11,825)	164,257	(340,813)
Balance at 30 September 2015	249,852	1,153,642	24,309	(14,904)	1,011,264	2,424,163
2014						
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
Balance at 30 September 2014	248,675	1,491,483	25,905	(6,334)	868,887	2,628,616

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
<u>The Company</u>					
2015					
Balance at 1 January 2015	248,722	76	3,455	319,762	572,015
Issue of share capital	1,130	-	-	-	1,130
Expensing of share options	-	-	203	-	203
Dividends paid	-	-	-	(43,822)	(43,822)
Total comprehensive income for the period	-	-	-	44,379	44,379
Balance at 30 September 2015	249,852	76	3,658	320,319	573,905
2014					
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
Balance at 30 September 2014	248,675	103	3,361	268,883	521,022

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 2015, 17,000 shares were issued pursuant to the exercise of share options.

As at 30 September 2015, unissued shares under the share option scheme of the Company were as follows:

	<u>30/09/15</u>	<u>30/09/14</u>
The Haw Par Corporation Group 2002 Share Option Scheme	1,369,000	1,011,000
	<u>1,369,000</u>	<u>1,011,000</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>30/09/15</u>	<u>31/12/14</u>
Total number of issued shares	<u>219,125,173</u>	<u>218,962,173</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 results have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recently audited annual financial statements for the year ended 31 December 2014, except 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.

The Group adopted a number of new standards, amendments to standards and interpretations that are effective for annual periods beginning on or after 1 January 2015. The adoption of new standards, amendments to standards and interpretations did not result in any significant impact on the financial results of the Group.

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 30 September 2015	2014	9 Months Ended 30 September 2015	2014
Earnings per ordinary share:				
(a) Based on the weighted average number of ordinary shares on issue	15.9 cts	12.2 cts	75.0 cts	45.9 cts
(b) On a fully diluted basis	15.9 cts	12.2 cts	75.0 cts	45.9 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	
	30/09/15	31/12/14	30/09/15	31/12/14
Net asset value per ordinary share (S\$)	11.06	12.82	2.62	2.61

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.**

Income statement and statement of comprehensive income

3rd quarter ended 30th September 2015

Group revenue increased 23.6% from \$38.95m to \$48.1m for 3Q2015 mainly from Healthcare. Earnings increased 31.1% to \$34.9m due to higher profit from operations and higher investment income.

Healthcare's revenue of \$41.7m increased by 33.0% compared to 3Q2014 due to increase in sales from key markets. Its operating profit increased by 68.0% to \$13.0m due to higher sales and more favourable exchange rates. Leisure's revenue decreased 11.2% from lower visitorship due to weaker tourist arrivals and intense competition for both Underwater World Singapore and Pattaya. Profit from Leisure decreased 99.5% as a result of lower revenue. Revenue from Property of \$3.2m decreased 19.1% compared to 3Q2014 due to lower occupancy rates. Property's profit of \$2.5m decreased 18.0% as a result of lower revenue.

Other income of \$22.6m was 23.6% higher than 3Q2014 mainly due to higher interim dividends from the Group's equity investments.

Distribution and marketing expenses of \$11.8m was 24.4% higher than 3Q2014 mainly due to higher marketing costs in Healthcare.

General and administrative expenses of \$2.0m was 20.9% lower than 3Q2014 due to favourable foreign exchange differences on foreign currency denominated working capital.

Taxation expenses of \$2.5m was 51.4% higher due to higher taxable income.

9 months ended 30 September 2015

Revenue increased 18% to \$144.8m and profit from operations increased 13.5% to \$116.1m were mainly contributed by increase in sales from Healthcare.

Healthcare's revenue of \$124.8m and profit of \$40.0m increased 26.6% and 47.2% respectively over last year due to higher sales and margins in key markets. Leisure showed a decline of 19.8% in revenue to \$9.7m and 86.6% in profit to \$296k respectively due to lower visitorship. Property's revenue of \$10.4m and profit of \$8.0m were 14.6% and 12.6% respectively lower than last year due to lower occupancy.

Distribution and marketing expenses of \$35.6m increased \$5.8m or 19.2% mainly from the increased in promotion and advertising expenses in Healthcare.

Higher gains on associated companies of \$56.1m was mainly due to partial disposal of interests and subsequent reclassification of Hua Han to available-for-sale financial asset.

Statements of financial position and cashflow (30 September 2015 vs 31 December 2014)

In June 2015, the Group reclassified one of its associated companies, Hua Han to available-for-sale financial assets, which resulted in a reduction in investment in associated companies and an increase in available-for-sale financial assets.

Trade and other receivables increased \$16.4m or 77% mainly due to increase in sales from Healthcare.

Cash and bank balances increased 37.1% to \$308m mainly from the increase in cash generated from operations, investment income received and disposal of an investment property.

Trade and other payables increased \$13.4m mainly due to increase in accruals and trade payables of Healthcare.

As at 30 September 2015, available-for-sale financial assets were lower than valuations at 31 December 2014 as a result of equity market volatility, which contributed mainly to the reduction in net asset per share from \$12.82 to \$11.06.

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 2015 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.**

Uncertainties remain globally and this could have a dampening effect on our operating business.

Leisure is likely to continue be adversely affected by weak tourism outlook in Singapore and intense competition.

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.)**

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.**

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 9 months ended 30 September 2015 to be false or misleading.

BY ORDER OF THE BOARD

Zann Lim
Company Secretary
4 November 2015