



---

**CLARIFICATION ON UNAUDITED RESULTS FOR YEAR ENDED 31 DECEMBER 2012**

---

In response to queries by the Singapore Exchange Securities Trading Limited (“SGX-ST”) on the full year ended 31 December 2012 announcement dated 31 January 2013, the Board of Directors of Hwa Hong Corporation Limited would like to announce the following:-

(i) Identity of the associate

The associate is Scotts Spazio Pte. Ltd. for which the Group holds 50% interest.

(ii) Nature of the loan

The loan relates to shareholder loan and the other shareholders of Scotts Spazio Pte. Ltd. also provided their equivalent shareholder loans to this associate.

(iii) Reason for the reversal of interest receivable

An exercise was conducted to determine an appropriate market interest rate for the shareholder loans extended to this associate. Arising from this exercise, it was determined that the original interest rate had to be revised. Accordingly, all the shareholders agreed to vary the interest rate from 20% to 5% per annum retrospectively. This resulted in a reversal of interest receivable in the Group’s results.

Submitted by

Lee Soo Wei  
Chief Financial Officer  
22 February 2013