



虎豹 Haw par

HAW PAR CORPORATION LIMITED

ANNUAL REPORT 2024

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CORPORATE PROFILE

Haw Par Corporation Limited, a Singapore-grown multinational Group, is listed on the Singapore Exchange since 1969.

The Haw Par Group is an enterprise with a strong consumer healthcare business that promotes healthy lifestyles through its healthcare products.

Over the decades, the Group has been disciplined in asset rationalisation, organically growing its core businesses, and making selected acquisitions.

The largest contributor to the healthcare business comes from a brand that it owns – Tiger Balm. With a wide range of products available in over 100 countries, Tiger Balm is arguably the world's leading and most versatile topical analgesic brand. Besides the consumer healthcare business, the Group also engages in the leisure business and holds significant investments in securities and properties.

Leveraging its financial strength and global business network, the Group is well-placed in its strategic direction to further expand its portfolio of operating businesses and drive growth through alliances with multinational partners and acquisitions of complementary brands and compelling business platforms.

CHAIRMAN'S STATEMENT



“As we cast our gaze toward the year ahead, I am confident that our deep experience, robust balance sheet and strong cash position, will enable us to emerge even stronger.”

REVENUE

\$244.8
Million

EARNINGS

\$228.3
Million

Amid a backdrop of ongoing geopolitical tensions, persistent inflation concerns and slowing economic growth, 2024 presented challenges as well as opportunities. The Group delivered a 5% growth in earnings to \$228.3 million, driven largely by higher investment income from our strategic investments. Total revenue from operations also grew 5% to \$244.8 million. However, operating profits from our Healthcare and Leisure businesses experienced a slight decline, reflecting rising operating costs and margin pressures.

Healthcare's revenue increased by 6% to \$226.0 million, supported by strong demand for Tiger Balm products in ASEAN markets, as well as growth in sales from European and North American markets compared to 2023. Profit from Healthcare, however, decreased by 4% to \$62.6 million as gross margin was impacted by rising operating and freight costs following the onset of geopolitical conflicts in the Middle East.

Revenue from Leisure's Underwater World Pattaya declined, primarily due to weaker domestic sentiment. This decline was partially offset by a recovery in international visitor numbers, as Thailand's tourism sector continued on a recovery path in 2024. Despite this improvement, the combined effect of lower revenue and higher operating expenses led to a decrease in operating profit compared to 2023.

HIGHLIGHTS OF OPERATIONS

In response to ever-evolving consumer preferences, we successfully launched the Tiger Balm Sensorial Therapy range in Singapore and China (including Hong Kong SAR) in 2024. Early consumer feedback to the new product range has been encouraging, and we have plans to expand this product range to other markets in time to come, subject to regulatory approvals.

Our new healthcare manufacturing facility in Johor, Malaysia, commenced commercial production in September 2024 for certain markets, ahead of our original timeline of 2025. While the facility's production utilisation will take time to reach its optimal level due to varying regulatory requirements across different markets, the excess capacity in the interim will temporarily impact our gross margin. Nevertheless, the new facility strengthens our operational resilience and is expected to make a positive contribution to the Group's operating margin as capacity utilisation increases over time.

During the year, we initiated a series of rejuvenation works at our aquarium in Underwater World Pattaya, designed to enhance and revitalise key areas of the attraction. These upgrades are aimed at elevating the overall visitor experience. As of year-end, the improvement work remains underway.

The Property division experienced growth in both revenue and operating profit in 2024. Notably, we observed an improvement in average occupancy of our investment properties located in Singapore. However, occupancy at our office building in Kuala Lumpur, Malaysia, remained under pressure due to stiff competition from newly completed office spaces in the area, coupled with weak tenancy demand.

DIVIDEND

The Board is recommending a final dividend of 20 cents per share. Together with the interim dividend of 20 cents paid in September 2024, the total dividend for the financial year ended 31 December 2024 will be 40 cents per share.

In addition, as part of prudent capital management, the Board has recommended a special dividend of \$1.00 per share.

BUSINESS OUTLOOK AND STRATEGY

We anticipate a challenging year ahead. Escalating trade protectionism may disrupt global trade flows, potentially driving up the cost of goods and services.

Business sentiment could weaken and impact consumer spending. As a result, revenue growth could be subdued, and operating margins across our business units may face continued pressure.

To mitigate further erosion of our operating margins, we will strengthen our cost discipline. This will involve improving productivity and implementing stronger cost control measures, taking advantage of economies of scale to bolster financial performance.

Consumers are becoming more selective and discerning in their purchasing decisions. To address this, we will continue to innovate and enhance our product offerings. By leveraging Tiger Balm's strong brand equity, time-tested efficacy and pervasive market presence, we aim to elevate our value proposition and better meet the evolving preferences and expectations of today's consumers.

We recognise the need for Underwater World Pattaya to continually renew itself and improve visitor experience. With the completion of enhancement works and the introduction of new exhibits to Underwater World Pattaya, we are focused on attracting more domestic visitors and encouraging repeat visits to the aquarium.

Our Property division may face challenges if business sentiments worsen, prompting companies to reassess their traditional leasing requirements.

While we face these headwinds, the Group has successfully navigated similar conditions in the past and is well-equipped to overcome any challenges or potential turbulence. As we cast our gaze toward the year ahead, I am confident that our deep experience, robust balance sheet and strong cash position, will enable us to emerge even stronger.

ACKNOWLEDGEMENT

I am grateful to my fellow board members for their wise counsel and look forward to their continued guidance as we navigate the demanding year ahead. On behalf of the Board, I would also like to thank our customers, business partners and shareholders for their unswerving support, and our management and staff for their commitment and contributions to the Group.

WEE EE CHAO

Chairman
February 2025

主席
致辞



“展望未来的一年，
我坚信我们丰富的
经验、稳健的资产
负债表和强劲的
流动现金，将让
集团更上一层楼。”

营业额

2亿4480
万元

在地缘政治局势持续紧张、通胀压力持续存在、经济增长持续放缓的背景下，2024年既充满挑战，也蕴含机遇。集团盈利主要受策略投资收益增加的推动，增长5%至2亿2830万元。总营业额亦增长5%至2亿4480万元。然而，保健和休闲业务的营业利润出现小幅下滑，反映出营业成本和利润率压力的上升。

受东盟市场对虎标万金油产品的强劲需求推动，加之欧洲和北美市场销售额较2023年实现增长，保健业务的收入增长6%至2亿2600万元。然而，保健业务的盈利却受中东地缘政治冲突爆发导致的营运及货运成本上升影响，毛利率承压，下降了4%至6260万元。

休闲业务方面，芭堤雅海底世界则主要受到国内市场疲软影响，收入出现下滑。随着2024年泰国旅游业持续复苏，国际游客回流，部分抵销了收入降幅。尽管情况有所改善，然而收入减少与营运成本上升的双重影响，仍导致营业利润较2023年有所下降。

营运重点摘要

为满足消费者不断变化的喜好，我们于2024年在新加坡和中国（包括香港特别行政区）成功推出虎标馨香之悦（Sensorial Therapy）系列产品。消费者对新产品的早期反馈令人鼓舞，我们计划在取得相关监管批准后，将其扩展至其他市场。

我们在马来西亚柔佛州新建的保健产品生产设施已于2024年9月投入部分市场的商业生产，较原定的2025年时间表有所提前。鉴于各市场监管要求的差异性，设施的产能利用率需经历逐步提升达到最佳水平，在此期间，过剩产能将对我们的毛利率产生暂时性影响。尽管如此，随着产能利用率的持续优化，新设施不仅提升了我们的运营韧性，预计也将对集团的营业利润率作出积极贡献。

本年度，我们在芭堤雅海底世界启动了一系列振兴工程，旨在强化和焕新景点的核心区域。这些升级改造致力于提升游客的整体体验。截至年末，改善工程仍在持续推进中。

2024年，物业业务实现收入与营业利润双增长，尤其是新加坡的投资物业平均出租率有见提升。然而，马来西亚吉隆坡的办公楼则因该地区新增建的办公楼空间竞争加剧，加之租赁需求疲软，出租率持续承压。

股息

董事局建议派发年终股息每股20分。连同2024年9月份派发的中期股息每股20分，截至2024年12月31日财年的每股总计股息为40分。

此外，作为审慎资本管理的一部分，董事局建议派发每股1.00元的特别股息。

业务展望及策略

我们预计未来一年将面临诸多挑战。日益加剧的贸易保护主义可能会扰乱全球贸易流动，进而可能抬高商品及服务的成本。商业信心可能减弱，影响消费者支出。因此，收入增长或将受限，我们各业务部门的营业利润率也可能持续承压。

为遏制营业利润率进一步下滑，我们将加强成本管控，具体措施包括提高生产率和实施更有力的成本控制措施，利用规模经济效益改善财务表现。

消费者购买决策日益挑剔且眼光敏锐。为此，我们将继续推动产品创新与改进。依托虎标万金油强大的品牌价值、经久验证的产品功效和广泛的市场影响力，我们将着力提升价值主张，以更好地契合当下消费者不断演变的偏好与期望。

我们深知芭堤雅海底世界需持续革新以提升游客体验。随着芭堤雅海底世界改造工程的竣工以及新展品的推出，我们将着力吸引更多当地游客，并激励他们重访水族馆。

若商业信心恶化而导致企业租户重新评估其传统租赁需求，我们的物业业务或将面临挑战。

尽管我们面临这些不利因素，但集团过往已成功应对类似局面，并且具备充分能力以克服任何挑战或潜在动荡。展望未来的一年，我坚信我们丰富的经验、稳健的资产负债表和强劲的流动现金，将让集团更上一层楼。

致谢

我要感谢董事同仁提供的睿智建议，并期待他们继续提供指导，助力我们度过未来艰难的一年。同时，我谨代表董事局感谢我们的客户、商业伙伴和股东的坚定支持；亦感谢我们的管理层和员工对集团的付出和贡献。

黄一超

主席
2025年2月

BOARD
OF DIRECTORS



WEE EE CHAO
CHAIRMAN
NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR
FIRST APPOINTED AS A DIRECTOR: 8 JULY 2003
LAST RE-ELECTED AS A DIRECTOR: 25 APRIL 2023

Mr Wee Ee Chao, 70, is the Chairman of the Company.

Mr Wee is the Chairman and Managing Director of UOB-Kay Hian Holdings Limited. He joined Kay Hian & Co (Pte) in 1981 as Managing Director and became Chairman of Kay Hian Holdings Limited in 1996. He has been closely involved in the management and growth of UOB Kay Hian for over 40 years. In August 2000 when UOB-Kay Hian Holdings Limited was incorporated with the merger of Kay Hian Holdings Limited and UOB Securities (Pte) Ltd, Mr Wee was appointed Chairman of UOB-Kay Hian Holdings Limited.

Besides his stockbroking involvement in UOB Kay Hian, Mr Wee is also involved in investment and real estate development in the region. He serves on the Board of UOL Group Limited as a Non-Executive Director and is also a Director of Kheng Leong Company (Private) Limited and Wee Investment Group.

He was appointed Chairman of the Singapore Tourism Board from January 2002 to December 2004. He was also the First Vice President of the Real Estate Developers’ Association of Singapore (“REDAS”) from 2005 to 2006 and continued to serve on the committee of REDAS from 2007 to 2010.

BOARD COMMITTEE(S) SERVED ON:

- Nominating Committee (Member)
- Remuneration Committee (Member)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES (AS AT 31 DECEMBER 2024):

- UOB-Kay Hian Holdings Limited (Chairman and Managing Director)
- UOL Group Limited (Director)

OTHER MAJOR APPOINTMENTS/PRINCIPAL COMMITMENTS:

- Kheng Leong Company (Private) Limited (Director)
- Wee Foundation (Director)

PAST DIRECTORSHIPS IN LISTED COMPANIES AND PRINCIPAL COMMITMENTS HELD OVER THE PRECEDING FIVE YEARS (1 JANUARY 2020 TO 31 DECEMBER 2024):

Nil

PROFESSIONAL QUALIFICATIONS:

- Bachelor of Business Administration degree from The American University, Washington DC, USA



WEE EE LIM
PRESIDENT AND CHIEF EXECUTIVE OFFICER
EXECUTIVE AND NON-INDEPENDENT DIRECTOR
FIRST APPOINTED AS A DIRECTOR: 23 MARCH 1994
LAST RE-ELECTED AS A DIRECTOR: 23 APRIL 2024

Mr Wee Ee Lim, 63, is the President and Chief Executive Officer of the Company.

Mr Wee joined the Company in 1986 and was appointed to the Board in 1994 and to his current role of President and Chief Executive Officer in 2003. Mr Wee has been closely involved in the management and growth of the Haw Par Group for more than 30 years.

BOARD COMMITTEE(S) SERVED ON:

Nil

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES (AS AT 31 DECEMBER 2024):

- UOL Group Limited (Chairman)
- Singapore Land Group Limited (Chairman)
- United Overseas Bank Limited (Director)

OTHER MAJOR APPOINTMENTS/PRINCIPAL COMMITMENTS:

- Wee Foundation (Director)

PAST DIRECTORSHIPS IN LISTED COMPANIES AND PRINCIPAL COMMITMENTS HELD OVER THE PRECEDING FIVE YEARS (1 JANUARY 2020 TO 31 DECEMBER 2024):

Nil

PROFESSIONAL QUALIFICATIONS:

- Bachelor of Arts (Economics) degree from Clark University, USA



CHEW CHOON SOO
NON-EXECUTIVE AND INDEPENDENT DIRECTOR
FIRST APPOINTED AS A DIRECTOR: 28 FEBRUARY 2019
LAST RE-ELECTED AS A DIRECTOR: 27 APRIL 2022

Mr Chew Choon Soo, 67, is a Non-Executive and Independent Director of the Company. He has more than 23 years of senior executive search experience and has served in various senior management and committee roles. He is currently engaged in human capital advisory, focusing mainly on the healthcare industry in China.

BOARD COMMITTEE(S) SERVED ON:

- Audit and Risk Committee (Member)
- Remuneration Committee (Chairman)
- Nominating Committee (Chairman)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES (AS AT 31 DECEMBER 2024):

Nil

OTHER MAJOR APPOINTMENTS/PRINCIPAL COMMITMENTS:

Nil

PAST DIRECTORSHIPS IN LISTED COMPANIES AND PRINCIPAL COMMITMENTS HELD OVER THE PRECEDING FIVE YEARS (1 JANUARY 2020 TO 31 DECEMBER 2024):

- KS Energy Ltd (Non-Executive and Independent Director) (till October 2020)

PROFESSIONAL QUALIFICATIONS:

- BSc (Hons) in Economics and Accounting from Bristol University UK
- MBA from Wharton School of the University of Pennsylvania

BOARD
OF DIRECTORS



LOW WENG KEONG

NON-EXECUTIVE AND INDEPENDENT DIRECTOR
FIRST APPOINTED AS A DIRECTOR: 19 JUNE 2020
LAST RE-ELECTED AS A DIRECTOR: 23 APRIL 2024

Mr Low Weng Keong, 72, is a Non-Executive and Independent Director of the Company. He was formerly the country managing partner of Ernst & Young, Singapore, and a past global chairman and president of CPA Australia.

BOARD COMMITTEE(S) SERVED ON:
• Audit and Risk Committee (Chairman)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES (AS AT 31 DECEMBER 2024):
Nil

OTHER MAJOR APPOINTMENTS/PRINCIPAL COMMITMENTS:
Nil

PAST DIRECTORSHIPS IN LISTED COMPANIES AND PRINCIPAL COMMITMENTS HELD OVER THE PRECEDING FIVE YEARS (1 JANUARY 2020 TO 31 DECEMBER 2024):

- Riverstone Holdings Limited (Independent and Non-Executive Director) (till January 2022)
- UOL Group Limited (Independent and Non-Executive Director) (till January 2022)
- iX Biopharma Limited (Independent and Non-Executive Director) (till October 2022)
- Singapore Institute of Accredited Tax Professionals (Chairman) (till December 2023)

PROFESSIONAL QUALIFICATIONS:

- Fellow and Life member of CPA Australia
- Fellow of the Institute of Chartered Accountants in England & Wales
- Fellow of the Institute of Singapore Chartered Accountants
- Associate of the Chartered Institute of Taxation (United Kingdom)
- Accredited Tax Advisor of the Singapore Institute of Accredited Tax Professionals



ONG SIM HO

NON-EXECUTIVE AND INDEPENDENT DIRECTOR
FIRST APPOINTED AS A DIRECTOR: 10 NOVEMBER 2021
LAST RE-ELECTED AS A DIRECTOR: 27 APRIL 2022

Mr Ong Sim Ho, 56, is a Non-Executive and Independent Director of the Company. He is presently the Managing Director and Head of Corporate and Finance Department of Drew & Napier LLC.

Amongst his several board memberships, Mr Ong is a director of AIA Singapore Private Limited and Independent Director of Bukit Sembawang Estates Limited.

BOARD COMMITTEE(S) SERVED ON:

- Audit and Risk Committee (Member)
- Remuneration Committee (Member)
- Nominating Committee (Member)

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES (AS AT 31 DECEMBER 2024):

- Bukit Sembawang Estates Limited (Non-Executive and Independent Director)

OTHER MAJOR APPOINTMENTS/PRINCIPAL COMMITMENTS:

- Drew & Napier LLC (Managing Director and Head of Corporate and Finance Department)

PAST DIRECTORSHIPS IN LISTED COMPANIES AND PRINCIPAL COMMITMENTS HELD OVER THE PRECEDING FIVE YEARS (1 JANUARY 2020 TO 31 DECEMBER 2024):

- Sunningdale Tech Ltd (Independent Director & Chairman of Nominating Committee) (till June 2020)

PROFESSIONAL QUALIFICATIONS:

- Barrister-at-law of England and Wales, called by Lincoln’s Inn
- Advocate and Solicitor of the Supreme Court of Singapore
- Fellow Chartered Accountant in Singapore
- Member of the Singapore Institute of Directors



LEE HUEY JEE JENNY

NON-EXECUTIVE AND INDEPENDENT DIRECTOR
FIRST APPOINTED AS A DIRECTOR: 27 FEBRUARY 2024
LAST RE-ELECTED AS A DIRECTOR: 23 APRIL 2024

Ms Lee Huey Jee Jenny, 59, is a Non-Executive and Independent Director of the Company. She is currently Advisor to the President of Singapore University of Technology and Design.

Ms Lee was formerly the Vice President (Endowment and Institutional Development) at the National University of Singapore (“NUS”). She has extensive senior management experience and held various leadership roles in financial institutions. Prior to joining NUS in 2013, she was Senior Vice President with HSBC Insurance Singapore as responsible for high net worth and bank channel, and General Manager of Consumer Transaction Banking at Standard Chartered Bank Singapore.

BOARD COMMITTEE(S) SERVED ON:
Nil

PRESENT DIRECTORSHIPS IN OTHER LISTED COMPANIES (AS AT 31 DECEMBER 2024):
Nil

OTHER MAJOR APPOINTMENTS/PRINCIPAL COMMITMENTS:

- Advisor to the President of Singapore University of Technology and Design

PAST DIRECTORSHIPS IN LISTED COMPANIES AND PRINCIPAL COMMITMENTS HELD OVER THE PRECEDING FIVE YEARS (1 JANUARY 2020 TO 31 DECEMBER 2024):

- National University of Singapore (Vice President, Endowment and Institutional Development)

PROFESSIONAL QUALIFICATIONS:

- M.B.A. from Graduate School of Business, Stanford University
- B.S. Business Administration from Kelley School of Business, Indiana University Bloomington

CORPORATE
INFORMATION

DIRECTORS

WEE EE CHAO

Chairman (Non-Executive)

WEE EE LIM

President and Chief Executive Officer

CHEW CHOON SOO

Independent Director

LOW WENG KEONG

Independent Director

ONG SIM HO

Independent Director

LEE HUEY JEE JENNY

Independent Director

AUDIT AND RISK COMMITTEE

Low Weng Keong

Chairman

Chew Choon Soo

Ong Sim Ho

NOMINATING COMMITTEE

Chew Choon Soo

Chairman

Wee Ee Chao

Ong Sim Ho

REMUNERATION COMMITTEE

Chew Choon Soo

Chairman

Wee Ee Chao

Ong Sim Ho

COMPANY SECRETARY

Chiew Kun Long, Alvin

AUDITORS

PRICEWATERHOUSECOOPERS LLP

Choo Eng Beng

Audit Partner-in-charge

Year of Appointment: 2021

REGISTRAR

BOARDROOM CORPORATE &

ADVISORY SERVICES PTE LTD

1 Harbourfront Avenue

Keppel Bay Tower

#14-03/07

Singapore 098632

Tel : 6536 5355

Fax : 6536 1360

REGISTERED OFFICE

401 Commonwealth Drive

#03-03 Haw Par Technocentre

Singapore 149598

Tel : 6337 9102

Fax : 6336 9232

Website : www.hawpar.com

Reg. No : 196900437M

INVESTOR RELATIONS

Email: InvestorRelations@hawpar.com

KEY &
SENIOR EXECUTIVES

PAUL CHOW

Chief Financial Officer

Joined the Group in 2000 as Senior Investment Officer and promoted to Group Financial Controller in 2019. Promoted to present position in 2022.

Holds a Degree in Business Administration from National University of Singapore. A CFA charter holder.

BRIAN LOO

Group General Manager

Joined the Group in 2021 as Group General Manager.

Holds a Bachelor of Engineering (First Class Honours) from National University of Singapore and a Master of Science (Applied Finance) from Singapore Management University.

ALVIN CHIEW

Company Secretary & Group Finance Manager

Joined the Group in 2014 as Group Finance Manager and was appointed to present position in 2022.

Holds a Bachelor of Accountancy (Honours) with a second specialisation in Business Law from Nanyang Technological University. A Chartered Accountant of Australia and New Zealand and Chartered Accountant of Singapore.

LILY SU

Group Internal Audit Manager

Joined the Group in 2012 as Assistant Internal Audit Manager. Promoted to present position in 2022.

Holds a Bachelor of Commerce from the University of Melbourne. A Certified Practising Accountant with CPA Australia.

CINDY OW

Human Resource Director

Joined the Group in 2023 as Human Resource Director.

Holds a Bachelor of Business (Honours) from Nanyang Technological University and a Master of Human Capital Leadership from Singapore Management University.

JASMIN HONG

General Manager (Marketing), Healthcare

Joined Haw Par Healthcare in 2004 as Deputy General Manager (Marketing). Promoted to present position in 2014.

Holds a Bachelor of Commerce degree from the University of Melbourne.

KEETH CHUA

General Manager (Marketing), Healthcare

Joined Haw Par Healthcare in 2011 as Deputy General Manager (Marketing). Promoted to present position in 2019.

Holds a Bachelor of Business in Business Administration from the Royal Melbourne Institute of Technology.

KOW MUI LICK

Head (Quality & Regulatory Affairs), Healthcare

Joined Haw Par Healthcare in 1991 as QC/Laboratory Manager. Promoted to Senior Manager (QC & QA) in 2007 and appointed to Senior Manager (Quality & Regulatory Affairs) in 2011. Redesignated to present position in 2022.

Holds a Bachelor of Science (Chemistry) from the University of Singapore.

NG WAH TONG

General Manager (Manufacturing), Healthcare

Joined Haw Par Healthcare in 2009 as Production Manager. Promoted to Manufacturing Manager in 2012 and Deputy General Manager in 2013. Promoted to present position in 2024.

Holds a Bachelor of Science (Pharmacy) from the National University of Singapore.

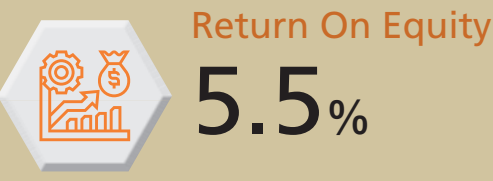
KELVIN WHANG

General Manager, Underwater World Pattaya

Joined Underwater World Pattaya in 2008 as Marketing Manager. Promoted to present position in 2011.

Attended college education at Dominion College, Ontario.

GROUP FINANCIAL HIGHLIGHTS



GROUP FINANCIAL HIGHLIGHTS

FINANCIAL HIGHLIGHTS

Group revenue grew 5% to \$244.8 million primarily due to higher demand for Healthcare's products. However, higher operating costs resulted in cost of sales increasing 14% compared to 2023. Consequently, gross margin dropped from 58% to 55%. Other income increased by 10% to \$180.2 million due mainly to 9% increase in dividend income from higher dividend rate and 16% increase in interest income. Earnings for the year of \$228.3 million was 5% above prior year mainly as a result of higher investment income partially offset by lower profit from operations.

Healthcare's revenue grew 6% to \$226.0 million on the back of rising consumer optimism in ASEAN markets and countries outside the continent. Despite higher revenue, operating profit from Healthcare decreased by 4% to \$62.6 million due mainly to lower gross margin and higher marketing expenses.

Revenue from other segments which comprise of Leisure and Property divisions increased 1% to \$18.8 million as the increase in rental income from higher occupancy at Property slightly outweighed the lower visitor numbers at Underwater World Pattaya. Operating profits from these segments increased 2% to \$10.2 million.

FINANCIAL POSITION

The Group further strengthened its financial position and shareholders' funds grew to \$4.1 billion as of 31 December 2024, driven mainly by the increase in market valuations of the Group's strategic and long term investments.

The positive cashflow generated from operations, together with dividend and interest income received during the year, contributed to cash reserve of \$745.8 million (2023: \$574.0 million) for the Group.

DIVIDENDS

The Board of Directors are recommending a final dividend of 20 cents per share and a special dividend of \$1.00 per share to be approved by shareholders at the forthcoming Annual General Meeting. Together with the interim dividend of 20 cents paid in September 2024, the total dividend per share for the financial year ended 31 December 2024 is \$1.40 per share (FY2023: 40 cents per share).

FINANCIAL CALENDAR

14 August 2024
Announcement of 2024 half-year results

10 September 2024
Payment of 2024 First & Interim dividend

21 February 2025
Announcement of 2024 full-year audited results

2 April 2025
Announcement of Notice of Annual General Meeting

23 April 2025
56th Annual General Meeting

6 May 2025
Record Date for proposed dividend entitlement

21 May 2025
Payment of proposed 2024 Second & Final dividend and Special dividend

HEALTHCARE OPERATIONS REVIEW

GLOBAL MARKET PERFORMANCE

Our businesses in key Asian markets showed signs of recovery in 2024, benefiting from a revitalised tourism sector and stronger local engagement, which helped drive broader product penetration and increased sales. In Thailand, Singapore, Malaysia, and the Indochina region, Tiger Balm recorded consistent growth, driven by domestic demand and improved labour market conditions.

In Germany, the United Kingdom and France, we saw positive sales results despite broader economic uncertainties. The USA market also continued to perform strongly with robust domestic consumption. With a large consumer base that uses Tiger Balm for physical activities, particularly sports, among younger consumers, Tiger Balm boasts a competitive advantage over leading national brands in the country.

However, a full recovery to pre-pandemic shopping levels was hindered by shifts in tourist demographics and changing spending behaviours. In China, economic slowdown and the devaluation of the Chinese currency, exacerbated by the property market downturn, contributed to reduced consumer spending.

Geopolitical conflicts, notably the ongoing tensions in the Middle East and the protracted Ukraine crisis, further disrupted logistics and drove up costs. While raw material costs remained stable, rising freight and operational expenses exerted pressure on gross margins.

Amid these challenges, Tiger Balm's total revenue across continents exceeded pre-pandemic levels, reflecting both steady demand and operational resilience.

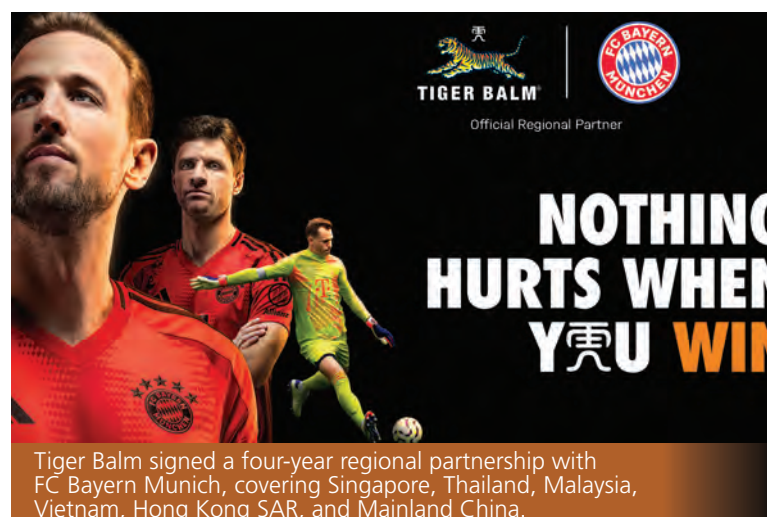
STRATEGIC MARKETING AND PRODUCT EXPANSION

Beyond topical pain relief, Tiger Balm blends time-honoured herbal formulations with modern innovations. In 2024, we launched a brand-new product range, Tiger Balm Sensorial Therapy, in Mainland China, Hong Kong SAR, and Singapore. Featuring five unique blends, the Sensorial Therapy range is formulated with high-quality pure essential oils and infused with the trusted therapeutic herbal formulation of Tiger Balm. This innovation marks our first step into the aromatherapy sphere to meet the evolving demands of today's consumers.

Across multiple markets, we also gained steady traction with the expansion of our product lines such as Tiger Balm Neck & Shoulder Rub, Tiger Balm Lotion,



Tiger Balm Sensorial Therapy blends our time-tested herbal formulation with high-quality pure essential oils.



Tiger Balm signed a four-year regional partnership with FC Bayern Munich, covering Singapore, Thailand, Malaysia, Vietnam, Hong Kong SAR, and Mainland China.



Consumer engagement activities in Taiwan and Vietnam.



Promoting Tiger Balm Neck & Shoulder Rub in Germany.

and Tiger Balm Inhaler. In India, the latest launch of Tiger Balm Oil generated considerable excitement and contributed positively to our overall performance. We also continued to expand our consumer base in Vietnam, Indonesia, and the Philippines, with the launch of Tiger Balm Plaster.

By leveraging omnichannel marketing strategies, including digital campaigns, integrated online-to-offline approaches, and sports sponsorships, we aim to enhance brand visibility and boost consumer engagement.

The implementation of Retail 4.0 technologies has also transformed shopping experiences, solidifying the brand's position in the topical analgesics category. In Singapore, the launch of the nation's first 3D anamorphic retail display at Changi Airport was well received for its creativity and impact, further elevating our market presence.

In the United Kingdom, strategic investments in media and in-store visibility programmes have driven notable sales growth. Cross-media campaigns and sports sponsorships in Germany and France have successfully bolstered Tiger Balm's presence, even in the face of heightened competition and macroeconomic challenges. The sports-centric approach has been particularly impactful in France, where we sponsored Football Club Villefranche Beaujolais and major marathon events, including the Marathon de Paris and the Marathon du Mont-Blanc. These concerted efforts have not only strengthened brand presence but also deepened our connection with consumers through sports-focused narratives.

In the USA, we forged significant partnerships, such as with the United Soccer League Championship, to raise brand prominence through national commercials, field-level signage, and in-stadium events.

We also signed a four-year regional partnership with FC Bayern Munich, covering key markets in Southeast Asia and China. This collaboration underscores Tiger Balm's alignment with globally recognised brands, boosting our appeal among younger, sports-oriented consumers across the region.

In addition, Tiger Balm fostered relationships with healthcare professionals, utilising in-clinic kiosks and blog contributions to expand our reach to physical therapy and chiropractic patients.

CHALLENGES AND OPPORTUNITIES

Ongoing geopolitical conflicts, coupled with the weakened purchasing power of consumers in Mainland China and



Tiger Balm advertisements in the Netherlands and China.



Singapore's first 3D anamorphic retail display at Changi Airport Terminal 2.

Singapore National Day Diplomatic Reception in Chennai, India.

Hong Kong SAR, may pose challenges to Tiger Balm's growth in the region in 2025. Regulatory delays in markets such as Indochina and political instability in Myanmar remain ongoing hurdles for our healthcare business.

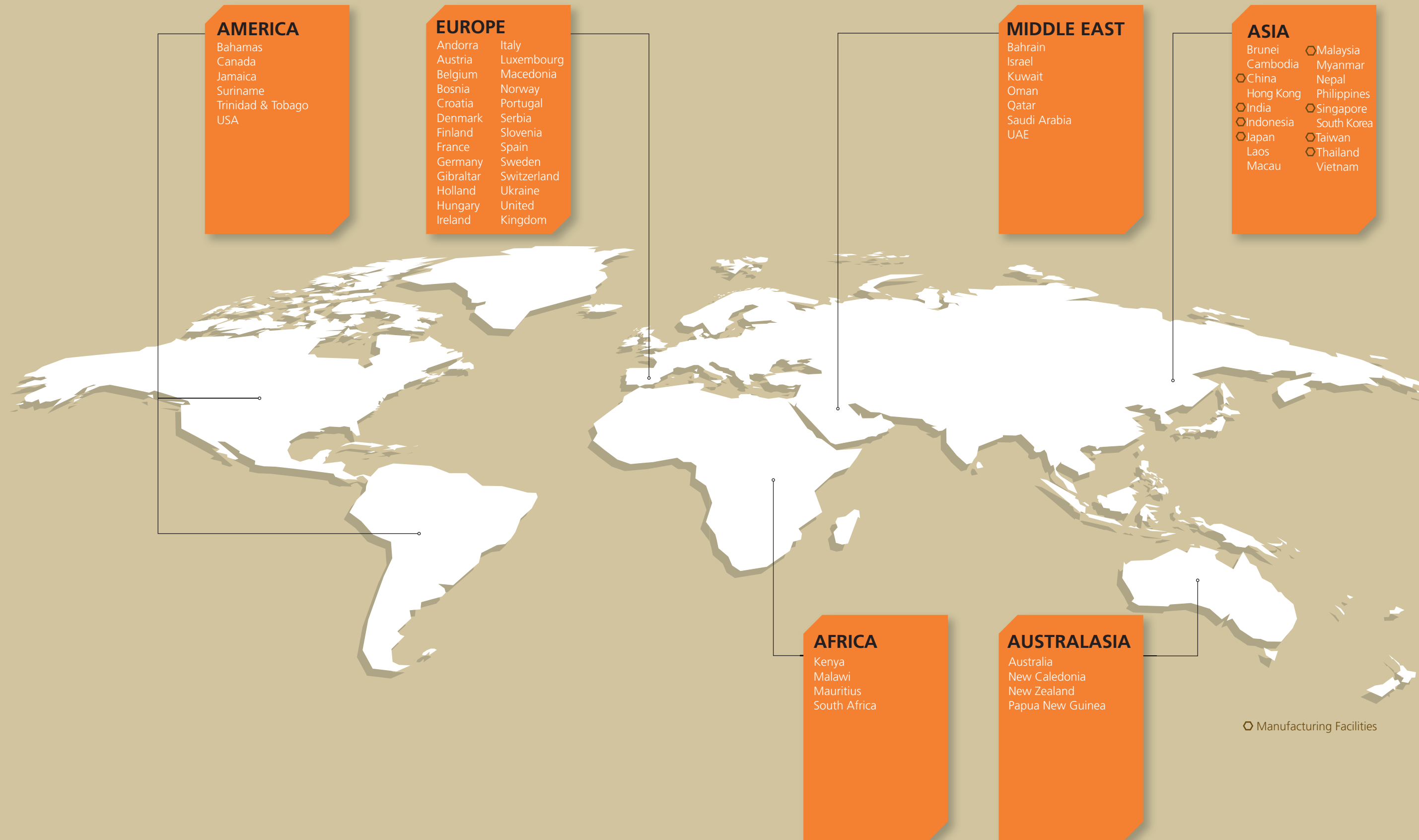
In the USA, stricter regulations in the analgesic sector are impacting both retailers and brand owners, while drugstore chains are facing profitability pressures due to declining sales and increasing competition from online platforms. Cautious consumer spending and value-driven shopping trends are also expected to influence market conditions in the coming year.

Despite these challenges, Tiger Balm sees an opportunity in the growing demand for natural products, particularly among younger consumers who prioritise convenience and ease of use.

Our long-term partnerships with distributors and major retail alliances remain a key pillar of our business success. By maintaining a focus on product innovation and strategic expansion, Tiger Balm is well-positioned for sustained growth across our markets. With a commitment to innovation, operational efficiency, and consumer satisfaction, we are poised to create lasting value for our stakeholders.

TIGER BALM

GLOBAL PLAYER



TIGER BALM COMMUNITY



Distributors from 36 markets participated in the Tiger Balm International Marketing Conference held in Singapore



Triathlon de Val de Saône, France



Kochi Marathon, India



VnExpress Marathon in Quy Nhơn, Vietnam



Pattaya Trail Race, Thailand



4Rivers 5K/10K Run, Cambodia



Tiger Balm Ultra 01, France



Marathon de Paris, France



United Soccer League Game, USA



Tai Po Dragon Boat Festival, Hong Kong SAR



Tiger Balm booth activities in celebration of Songkran Festival in Bang Saen and Chiang Mai, Thailand

INVESTMENT & PROPERTY OPERATIONS REVIEW

INVESTMENT

The Group has substantial investments that are managed under the supervision of the Board. These strategic assets have provided the Group with a stable source of recurring dividend income and financial strength over the years.

The key investments in the Group include:

Investment Portfolio Profile	No. of Shares		Fair Value		Dividend Income	
	2024	2023	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Quoted Equity Securities						
United Overseas Bank Limited	74,850,539	74,850,539	2,718,572	2,129,498	129,491	119,761
UOL Group Limited	72,044,768	72,044,768	371,031	451,721	14,409	12,968



PROPERTY

The property division holds the Group’s investment properties and manages leasing. The total lettable area of the property portfolio is 45,250 square metres which comprises commercial and industrial space in Singapore and Malaysia.

Singapore

There are three leasehold properties in our Singapore portfolio - Haw Par Centre, Haw Par Glass Tower and Haw Par Technocentre.



Strategically located in Clemenceau Avenue, Haw Par Centre and Haw Par Glass Tower have 13,412 square metres of lettable office space with average occupancy standing at about 66% and 94% respectively. Meanwhile, the light industrial building Haw Par Technocentre, which is situated in Commonwealth Avenue, reported an average occupancy of about 96% for its 15,707 square metres of lettable area.

Malaysia

Our freehold commercial property in Malaysia, Menara Haw Par, has been affected over the years by an influx of new suppliers and weak tenancy demand in the leasing market. Despite having a prime location in Kuala Lumpur’s Golden Triangle along Jalan Sultan Ismail, its 16,131 square metres of lettable area was only 47% occupied during the year.

LEISURE
OPERATIONS REVIEW

EMBRACING NEW GROWTH OPPORTUNITIES
IN A DYNAMIC TOURISM LANDSCAPE

Underwater World Pattaya, one of Thailand's earliest modern aquariums, has remained a prominent attraction since its opening in 2003. Known for its diverse marine life from Thailand and beyond, it continues to contribute positively to the Group.

Offering visitors an immersive experience beneath the sea, Underwater World Pattaya plays a vital role in marine education and conservation. Through its educational programmes, school visits, and ongoing initiatives, the aquarium was able to actively promote the preservation of marine biodiversity.

Underwater World Pattaya's educational programmes are designed to inspire the next generation of environmental stewards. The aquarium welcomes school groups throughout the year, offering guided tours and hands-on activities that emphasise marine life conservation. By having interactive exhibits and workshops, Underwater World Pattaya provides students with valuable insights into ocean ecosystems, the importance of preserving marine biodiversity, and the impact of human activity on the oceans. These efforts contribute to Underwater World Pattaya's reputation as both an education hub and a premier leisure destination, fostering a deeper connection between visitors and the natural world.

Throughout the year, a variety of festivals and events, such as Children's Day, Songkran, Halloween, and Christmas, were held to attract visitors while fostering a sense of community. These celebrations included special promotions, themed exhibits, and family-friendly activities that engaged both domestic and international guests.



Children enjoyed free admission on Children's Day.



Crowd-favourite mermaid performance entertaining kids and adults alike.



Underwater Santa went on social media.



Educational school tours offered first-hand experiences for young children.

CHALLENGES AND OPPORTUNITIES

In 2024, Underwater World Pattaya faced heightened challenges from a weak domestic market, leading to lower domestic visitor numbers. Although the tourism market continued on its path of recovery, it translated into weaker than expected spendings. This was further intensified by strong competition driven by lower pricing and improved offerings from neighbouring attractions, challenging Underwater World Pattaya's position in the market.

In response, Underwater World Pattaya adapted by leveraging multimedia and digital channels to engage both frequent and new visitors. Publicity efforts were particularly successful in attracting guests from India and other key international markets. Additionally, Underwater World Pattaya expanded its marketing reach into new markets such as Kazakhstan and South Asia, broadening its global audience and driving continued growth.

To remain competitive, Underwater World Pattaya plans to judiciously upgrade its exhibits and introduce new interactive experiences. Underwater World Pattaya is also collaborating with other local attractions to create more comprehensive and value-added tourism packages. These strategic initiatives will help Underwater World Pattaya maintain its leading position in Pattaya's dynamic tourism market.

PEOPLE & THE COMMUNITY

At Haw Par, we take pride in our enduring commitment to enriching lives and uplifting the communities we serve. By delivering innovative products and fostering initiatives that prioritise health and wellbeing, we continuously strive to make a positive impact on society and promote environmental conservation.

ENHANCING COMMUNITY WELLBEING

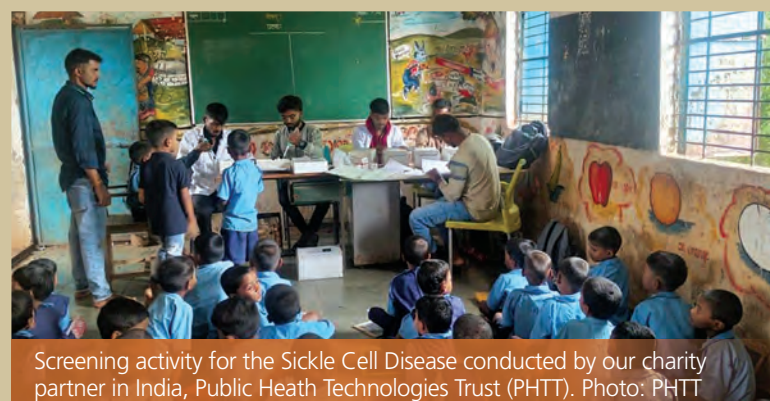
We believe in the power of sports to promote wellbeing and empowerment. Since 2015, we have partnered with the Singapore Disability Sports Council (SDSC), the national governing body for disabled sports in Singapore, to support their athletes.

In 2024, we contributed \$120,000 to several key initiatives of SDSC, including the Haw Par National Para Athletics Championship, Tiger Balm National Boccia Championships 2024 and Haw Par National Youth Para Swimming Championships. Other highlights included the National Youth Boccia Championships and the Singapore Disability Sports Awards.

Our steadfast support has played a role in achieving Singapore's best-ever performance at the Paris 2024 Paralympic Games, with Yip Pin Xiu winning two Gold medals and Jeralyn Tan making history by securing the nation's first Paralympic Boccia Silver medal.

Beyond Singapore, our commitment to inclusive sports was amplified in France, where Tiger Balm was a proud partner of the Tous Cap Association, a charity that empowers individuals with mental and associated disabilities to engage in sports. Through regular partnerships, we aim to create opportunities for active and healthier lives worldwide.

In India, our efforts focused on enhancing maternal and child health in underserved areas. Collaborating with organisations like Apnalaya and the Public Health Technologies Trust (PHTT), we have positively impacted over 4,500 beneficiaries. Our support included equipping healthcare workers with advanced technology for pregnancy screenings, growth monitoring in malnourished children, and providing assistive devices and nutrition kits to improve beneficiaries' overall health outcomes.



Screening activity for the Sickle Cell Disease conducted by our charity partner in India, Public Health Technologies Trust (PHTT). Photo: PHTT



Cheque presentation by Haw Par Corporation to Singapore Disability Sports Council (SDSC). Photo: SDSC



Haw Par National Youth Para Athletics Championships 2024. Photo: SDSC



Boccia athlete Jeralyn Tan clinched historic silver medal for Singapore at the Paris Paralympics 2024. Photo: SDSC



Winning athletes at Haw Par National Youth Para Swimming Championships 2024. Photo: SDSC



We partnered with Tous Cap in France to support para athletes in the participation of various sports competitions. Photo: Tous Cap



Our employees volunteering at Willing Hearts, a charity that cooks and distributes meals to the less privileged community in Singapore.



Children and staff at the Hand to Hand Foundation received complimentary entry to Underwater World Pattaya in celebration of Children's Day.

In a bid to expand our impact, we adopted a new charity in India during the year. Enabling children and adults with deafblindness, Sense International India provides regular medical check-ups and training programmes to improve the lives of those affected by deafblindness and multiple disabilities.

Additionally, Tiger Balm supported charitable and societal initiatives through year-round product donations to organisations such as Sports Singapore, Lion Befrienders, Changi General Hospital, and many more in Singapore and across the region.

PROMOTING BIODIVERSITY AND ENVIRONMENTAL AWARENESS

We recognise that our consumers' health is intertwined with the health of our planet. As such, we continuously seek ways to contribute to biodiversity conservation and education.

The tiger and leopard, namesakes of Haw Par and our founders, have been central to our conservation efforts. Since 1995 and 1986, respectively, we have sponsored the Malayan Tiger Exhibit and the Leopard Exhibit at the Singapore Zoo. In 2021, we extended our sponsorship by adopting twin Malayan tiger cubs born at Night Safari, marking the first successful birth of this critically endangered species at the attraction in 23 years.

These animals serve as ambassadors for their wild counterparts, raising awareness about the need to protect wildlife and their habitats. In 2024, we continued our sponsorship to support the protection of these endangered species. We also marked International Tiger Day on 29 July 2024 by raising awareness in India as the country now has the largest population of free roaming wild tigers in the world.

Our conservation efforts also extend to marine environments through our Blue Mission at Underwater World Pattaya, Thailand, which aims to inspire, educate, and conserve. Underwater World Pattaya plays a key role in this mission, showcasing various aquatic species and offering educational programmes like school tours and celebrating the World Ocean Day. These programmes help visitors appreciate the wonders of aquatic life and inspire them to protect it.

PEOPLE & THE COMMUNITY

Since 2009, Underwater World Pattaya has also been participating in the global Earth Hour movement, encouraging staff and guests to act against climate change by flipping the switch on all non-essential lights and equipment.

In our commitment to sustainability, we have been using recycled paper for majority of our product packaging since 2011. We remain dedicated to incorporating the principles of Reduce, Reuse, and Recycle into our business operations to minimise our environmental footprint.

SUSTAINABILITY REPORT

Haw Par's eighth Sustainability Report was updated and prepared with reference to the Global Reporting Initiative (GRI) standards and covers Environmental, Social and Governance (ESG) factors, which consists of areas including economic performance, compliance and good governance, occupational health and safety of employees, product quality and safety, labour practices and issues, supply chain and environmental factors.

Visit www.hawpar.com/sustainability/sr to read our Sustainability Report.



The United Nations adopted 17 Sustainable Development Goals in 2015 to achieve sustainable development for all by 2030. Haw Par continues to contribute to five of the goals.



Underwater World Pattaya has been joining the global Earth Hour movement for the past 15 years.



Haw Par has been a proud adopter of the Malayan Tiger Exhibit and Leopard Exhibit at the Singapore Zoo, supporting environmental education. Photo: Mandai Wildlife Group.



Celebrated International Tiger Day by raising awareness on social media in India.

FIVE-YEAR FINANCIAL SUMMARY

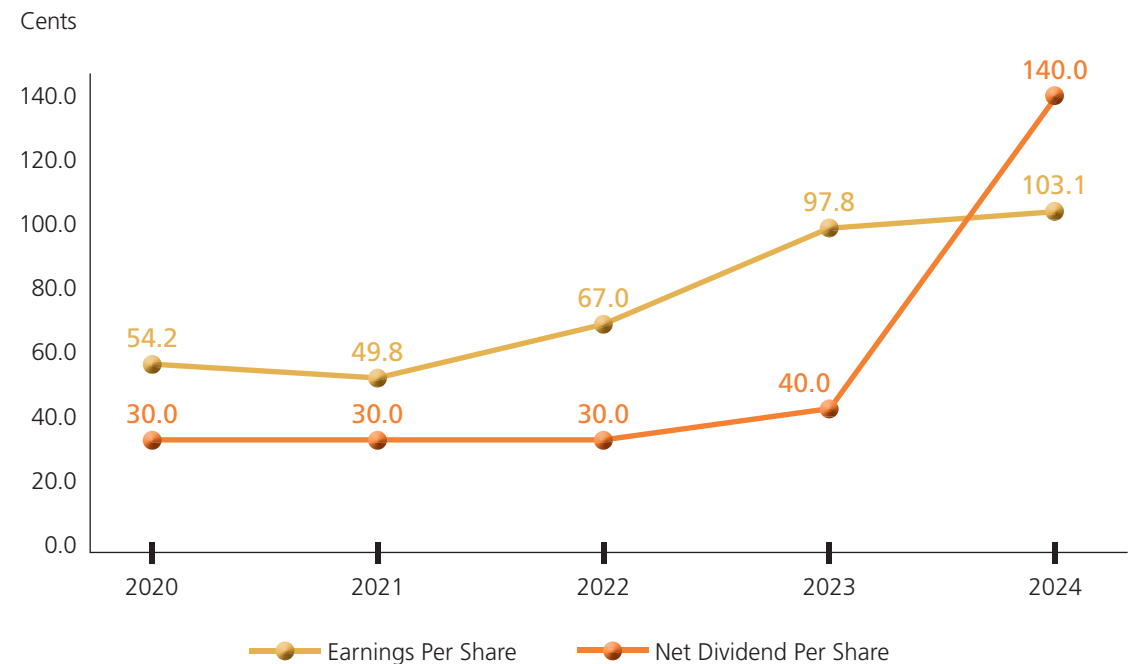
	2024	2023	2022	2021	2020
RESULTS (\$'000)					
Group revenue	244,824	232,062	182,092	141,180	111,032
Profit from operations	241,916	225,882	155,844	112,958	120,689
– Healthcare	62,566	64,839	40,209	21,328	16,200
– Investment	176,592	159,663	110,604	87,888	101,027
– Others ¹	10,239	10,034	10,311	8,878	9,139
– Unallocated expenses	(7,481)	(8,654)	(5,280)	(5,136)	(5,677)
Associate's contribution	4,202	3,512	3,125	3,222	3,517
Profit before taxation	246,118	229,394	158,969	116,180	124,206
Profit attributable to equity holders of the Company	228,274	216,569	148,316	110,103	119,773
PER SHARE					
Earnings (cents)	103.1	97.8	67.0	49.8	54.2
Dividend net (cents)	140²	40	30	30	30
Dividend cover (times)	0.7	2.4	2.2	1.7	1.8
STATEMENT OF FINANCIAL POSITION (\$'000)					
Strategic and long term investments	3,188,191	2,636,007	2,844,117	2,527,981	2,252,562
Investment properties	46,340	46,894	50,056	53,070	55,870
Property, plant and equipment	50,064	49,589	50,397	31,984	31,068
Associated company	19,083	18,881	15,769	13,044	10,222
Intangible assets	11,116	11,116	11,116	11,116	11,116
Other net assets	833,740	713,516	577,262	574,281	524,328
Net assets/Shareholders' funds	4,148,534	3,476,003	3,548,717	3,211,476	2,885,166
STATISTICS					
Return on equity (%)	5.5	6.2	4.2	3.4	4.2
Net assets per share (\$)	18.74	15.70	16.03	14.51	13.04
Share Price (\$)	11.15	9.75	9.58	11.35	10.70
Debt/Equity (%)	0.87	0.80	0.80	–	–
Number of shareholders	19,352	19,900	19,964	19,619	20,370

¹ Included in "Others" are property and leisure divisions which constitute less than 25% of the Group's revenue and other income.

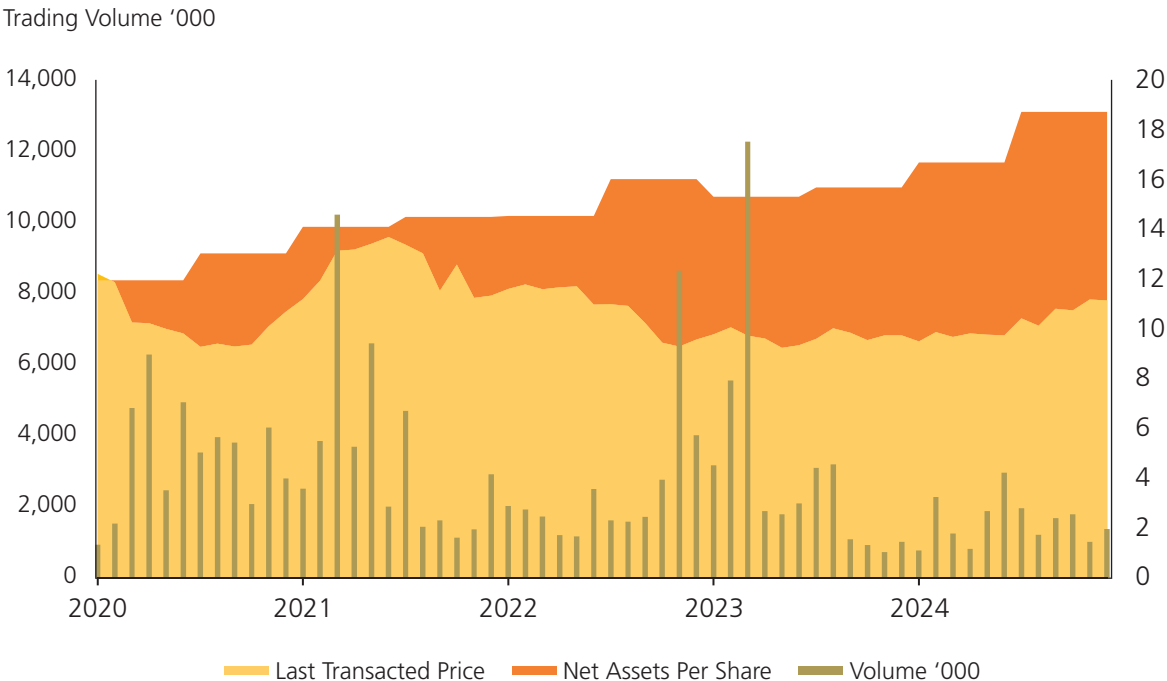
² Includes a special dividend of \$1.00 per share.

SHARE PRICE & TRADING VOLUME

EARNINGS PER SHARE AND NET DIVIDEND PER SHARE



TRADING VOLUME, SHARE PRICE & NET ASSETS PER SHARE



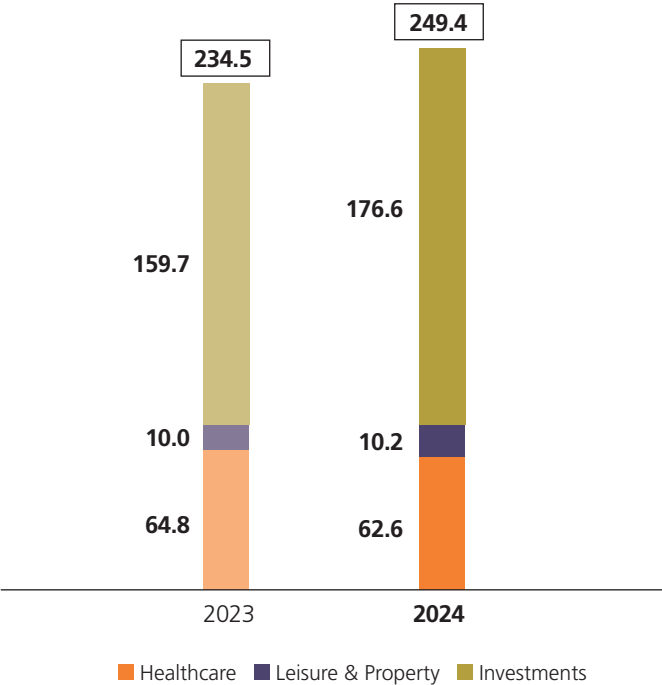
FINANCIAL REVIEW

OVERVIEW

The Group recorded a 5% increase in revenue to \$244.8 million as demand for Healthcare products remained strong. However, higher operating costs and marketing expenses impacted margins, which resulted in a 4% decline in operating profits to \$62.6 million at Healthcare. Revenue from Leisure and Property grew 1% to \$18.8 million primarily from improved occupancy at certain Singapore properties, slightly offset by lower local visitors at Underwater World Pattaya. The slight improvement in revenue, together with cost control strategies, led to a 2% increase in operating profits to \$10.2 million. Profit from Investment segment increased by 11% to \$176.6 million in 2024 due to the increase in dividend rates and higher interest income earned.

The Group's net profit increased by 5% to \$228.3 million (2023: \$216.6 million) and earnings per share increased to 103.1 cents (2023: 97.8 cents). The increase in market valuations of the Group's investment portfolio as at year end also contributed to a notable increase in net asset per share, which climbed from \$15.70 to \$18.74.

Segment Profits before Tax (\$ Million)

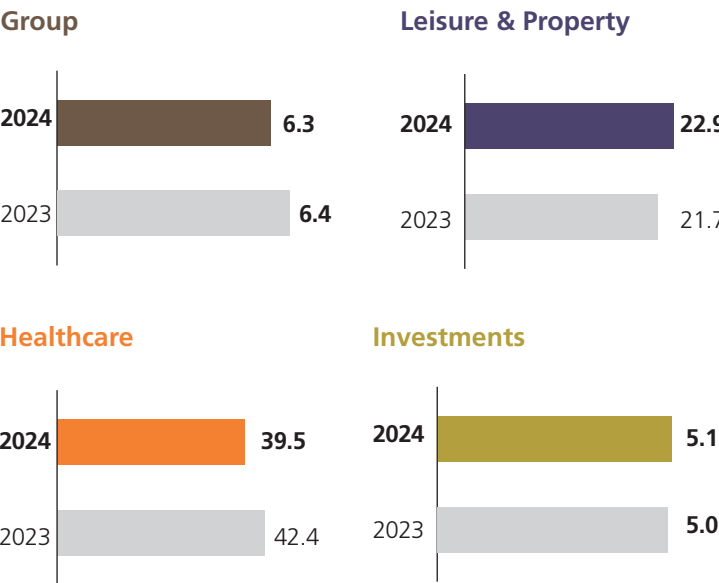


RETURN ON ASSETS EMPLOYED

The Group applies a Return of Assets Employed ("ROAE") measure to evaluate the performance of its business operations. The ROAE measures profitability of assets utilised by various segments.

The Group's ROAE remained stable at 6.3% (2023: 6.4%) as higher profits were counteracted by a larger asset base. Despite higher revenue, operating profit from Healthcare decreased to \$62.6 million due mainly to lower gross margin and higher marketing expenses, resulting in the decline of segment's ROAE to 39.5% (2023: 42.4%). Investment's ROAE increased marginally to 5.1% (2023: 5.0%) as the percentage increase in dividend yield slightly outweighed the increase in market valuations of strategic and long term investments at year-end. ROAE for Leisure and Property segment increased to 22.9% (2023: 21.7%) due mainly to improved operating margins coupled with lower asset base from the annual depreciation of investment properties accounted for at cost less accumulated depreciation.

Return on Assets Employed (%)



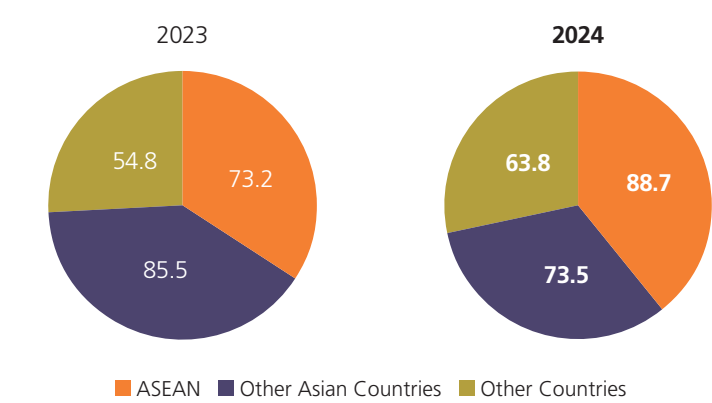
FINANCIAL
REVIEW

SEGMENTAL PERFORMANCE

Healthcare

Healthcare revenue grew 6% to \$226.0 million on the back of rising consumer optimism in ASEAN markets and countries outside the Asia continent. Sales to ASEAN markets spearheaded the increase in revenue by 21% to \$88.7 million, followed by sales to other countries, which increased 16% to \$63.8 million. Sales to other Asian countries dipped 14% to \$73.5 million. Notwithstanding, the overall increase in sales underscores the strong brand equity and reinforces confidence in our products.

Healthcare Sales by Region (\$ Million)

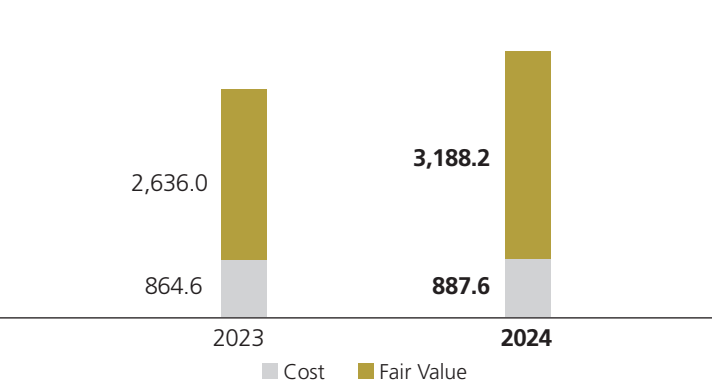


Investment

Fair value of the Group's investment portfolio experienced a notable upswing from \$2,636.0 million as of 31 December 2023 to \$3,188.2 million as of 31 December 2024 due mainly to higher market valuations as at year end. During the year, the Group expanded its portfolio with an additional \$23.0 million purchase of long term investments.

The Group's dividend income increased 9% to \$149.1 million due to higher dividend rate from strategic and long term investments.

Investments (Cost vs Fair Value) (\$ Million)

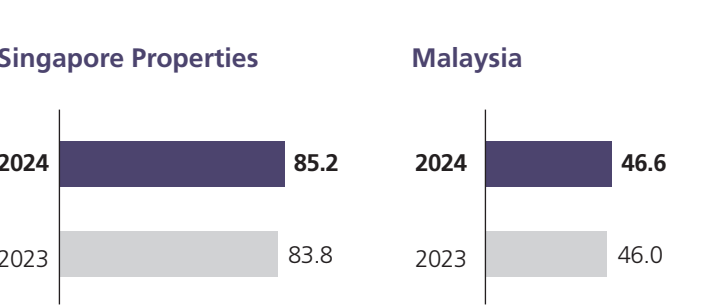


Property

Take up rate for vacant units improved towards the end of 2023, certain Singapore properties benefited from the flow on effect in 2024, further improving average occupancy to 85% which also translated to higher revenue for the year. Right-sizing of space amongst companies have affected the demand for office space, nonetheless Property segment continued to improve its facilities to retain tenants and attract new tenants.

Occupancy at our building in Malaysia remained below 50% in 2024. Leasing of office units in Kuala Lumpur continues to be a challenge with the oversupply of commercial space in the market.

Property (Average Occupancy) (%)



CORPORATE
GOVERNANCE
REPORT 2024

CORPORATE GOVERNANCE REPORT

Haw Par Corporation Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) is committed to upholding good corporate governance practices to enhance long-term shareholder value and safeguard the interests of its stakeholders. It has adopted a framework of corporate governance policies and practices in line with the principles and provisions of the Code of Corporate Governance 2018 (the “**Code**”), and taking into consideration, where applicable, the best practices of the accompanying Practice Guidance issued to the Code. The following sections describe the Group’s corporate governance practices and structures that were in place during the financial year ended 31 December 2024 (“**FY2024**”) and explain deviations from any provision of the Code.

BOARD MATTERS

Principle 1: Board’s Conduct of its Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The principal responsibilities of the Board include:

- approving strategic plans and annual budgets;
- approving major funding, acquisition, investment and divestment proposals;
- ensuring that management establishes and maintains a sound system of internal controls, risk management, financial reporting and statutory compliance in order to safeguard shareholders’ interests and the Group’s assets;
- reviewing the performance of management in attaining agreed goals and objectives;
- approving the announcement of financial results and declaring dividends;
- guiding, reviewing and approving corporate strategy and financial planning, including major capital expenditures, acquisitions and divestments;
- reviewing and approving material interested person transactions (“**IP**”) and related person transactions;
- ensuring succession planning; and
- establishing and upholding an appropriate culture, values and ethical standards at all levels of the Group.

All Board members bring their judgement and breadth of diversified knowledge and experience to bear on issues of strategy (including sustainability and environmental issues), performance, resources and standards of conduct. Board members understand the Company’s business as well as their directorship duties (including their roles as Executive, Non-Executive and Independent Directors), and exercise due diligence and discharge their duties and responsibilities objectively at all times as fiduciaries, in the best interests of the Company. They set an appropriate tone-from-the-top on the desired organisational culture, and to ensure proper accountability within the Company, they have put in place a Code of Business Conduct and Whistle Blowing Policy, more details of which are set out under the Code of Business Conduct and Whistle Blowing Policy section of this Annual Report.

The Board meets at least four times a year to review the performance and business strategy of the Group. Meetings are scheduled in advance. Ad-hoc meetings are called when there are important and urgent matters requiring the Board's consideration. Board approval is sometimes obtained between scheduled meetings by circular resolutions in writing.

The Group has adopted internal guidelines which set out specific matters requiring Board approval, which are clearly communicated to management in writing. These written guidelines also include financial and non-financial limits of authority given to management. Under the guidelines, Board approval is required for material transactions including joint ventures, mergers and acquisitions, and for the adoption and amendment of the Group risk management policy. In respect of matters in relation to which a Board member has a conflict of interest, such Board member recuses himself from any discussion or decision involving the issue of conflict.

On sustainability issues, the Sustainability Steering Committee ("**SSC**"), consisting of senior management and led by the President and Chief Executive Officer (the "**CEO**"), evaluates sustainability efforts and priorities within the Group. The SSC, chaired by the Group General Manager (the "**GGM**") acting as the Group's Chief Sustainability Officer (the "**CSO**"), reports through the CEO to the Board. The SSC also formed the Climate Change Sub-Committee to monitor market and regulatory related developments on climate reporting requirements that are consistent with the recommendations of the Task Force on Climate-related Financial Disclosures ("**TCFD**").

The SSC reports to the Board, which has considered sustainability issues as part of its overall strategy formulation, and has determined the Environmental, Social and Governance ("**ESG**") factors identified as material to the business of the Group. The Board oversees the management and monitoring of these ESG factors. The material ESG factors that are the focus in the sustainability reporting of the Group for FY2024 include economic performance, compliance and good governance, occupational health and safety of employees, product quality and safety, labour practices and issues, supply chain, and environmental factors. All members of the Board as at 31 December 2024 have undergone training on sustainability matters as prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

The sustainability report of the Company can be found on the Company's website at <https://www.hawpar.com/sustainability/sr>.

The Board has delegated specific responsibilities to three Board Committees, which are the Audit and Risk Committee, Nominating Committee and Remuneration Committee. Changes to the Board Committees' composition and appointments to the Board Committees are approved by the Board. Each of these Committees has its own written charter or terms of reference, setting out the Committee's compositions, authorities and duties, including reporting back to the Board. These are reviewed periodically to ensure their continued relevance. The delegation of authority by the Board to the Board Committees is as set out in the table of authority grid approved by the Board.

The Investment Committee ("**IC**") was disbanded during FY2024 following a review by the Board. Further to the disbanding of the IC, the Board revised and approved the table of authority grid to account for this change. The responsibilities previously delegated to the IC, including reviewing the performance of the Group's investments, evaluating potential acquisitions and disposals, assessing funding requirements and managing key financial risks, have been transferred to Management. These duties are now vested in a newly established Investment Management Committee ("**IMC**"), which is a management committee and not a board committee. The IMC is headed by the CEO and comprises the Chief Financial Officer ("**CFO**"), Group General Manager and the Company Secretary. The IMC holds bimonthly meetings.

CORPORATE GOVERNANCE REPORT

The Board held four meetings during FY2024. Directors attend and actively participate in Board and Board Committee meetings, and can attend Board and Board Committee meetings in person or virtually if they are unable to attend in person. The attendance of Directors at the Annual General Meeting (“**AGM**”), Board and Board Committee meetings held in FY2024 is as follows:

Table 1:

Number of meetings attended in FY2024

Name	Board	Audit and Risk Committee	Nominating Committee	Remuneration Committee	Investment Committee ⁽⁸⁾	AGM
	4	4	Number of Meetings Held		1	1
			Number of Meetings Attended			
Wee Ee Chao (Non-executive/ Non-independent)	3/4 ⁽¹⁾	N/A	1/1	1/1	N/A	1/1
Wee Ee Lim (Executive/ Non-independent)	4/4	4/4 ⁽²⁾	N/A	1/1 ⁽²⁾	1/1	1/1
Chew Choon Soo (Non-executive/ Independent)	4/4	4/4	1/1 ⁽¹⁾⁽³⁾	1/1 ⁽¹⁾⁽³⁾	N/A	1/1
Low Weng Keong (Non-executive/ Independent)	4/4	4/4 ⁽¹⁾	N/A	N/A	N/A	1/1
Ong Sim Ho (Non-executive/ Independent)	4/4	3/4 ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A	1/1
Lee Huey Jee Jenny (Non-executive/ Independent)	3/4 ⁽⁵⁾	N/A	N/A	N/A	N/A	1/1
Wee Cho Yaw ⁽⁶⁾ (Non-executive/ Non-independent)	0/4	N/A	N/A	N/A	N/A	0/1
Gn Hiang Meng ⁽⁷⁾ (Non-executive/ Independent)	1/4	1/4	1/1	1/1	N/A	1/1

Notes:

(1) Denotes Chairman of the Board/Board Committee.

(2) Mr Wee Ee Lim was in attendance to provide management’s perspective at the meetings of the Audit and Risk and Remuneration Committees although he is not a member of either Board Committee.

(3) Mr Chew Choon Soo was appointed Chairman of the Nominating Committee and the Remuneration Committee on 23 April 2024.

(4) Mr Ong Sim Ho was appointed as a member of the Audit and Risk Committee, the Nominating Committee and the Remuneration Committee on 23 April 2024. There was no meeting for the Nominating Committee and the Remuneration Committee between 23 April 2024 to 31 December 2024.

(5) Ms Lee Huey Jee Jenny was appointed to the Board on 27 February 2024.

(6) Dr Wee Cho Yaw ceased to be a Director upon his demise on 3 February 2024.

(7) Mr Gn Hiang Meng retired at the conclusion of the Annual General Meeting held on 23 April 2024.

(8) The Investment Committee was disbanded during FY2024 following an internal review by the Board.

The Board and Board Committees also make decisions by way of circulation of resolutions in writing as needed.

Directors are appointed by way of formal letters of appointment which set out their duties and obligations. The Company has in place a comprehensive orientation programme for newly appointed Directors. The programme is tailored according to the profile and experience of new Directors. It includes training in areas such as industry and operational knowledge or accounting updates, duties as Directors and how to discharge those duties as well as meetings with key personnel for new Directors to understand the Group's businesses, governance practices, strategic plans and objectives. Site visits are conducted as needed. The orientation programmes are conducted by the CEO, Company Secretary and various heads of business units and functions, in order to familiarise new Directors with the Group's operations, practices and Code of Business Conduct.

The Company is a corporate member of the Singapore Institute of Directors. The Company encourages Directors to keep abreast of relevant new laws, regulations, changing commercial risks and industry development from time to time, and arranges and funds the training of Directors to attend external courses and talks by professional organisations to develop and maintain their skills and knowledge, as and when relevant and needed. Directors are continuously updated by the CFO, Company Secretary and auditors on developments in the regulatory and business environment affecting the Group. In FY2024, the Directors were given updates on the changes to the Listing Rules of the SGX-ST, sustainability reporting and changes in the new accounting standards and reporting requirements. None of the Directors has appointed an alternate director.

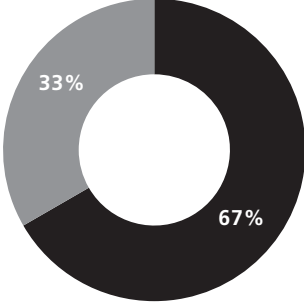
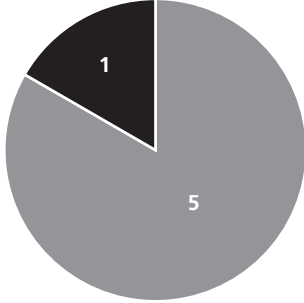
Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interest of the Company.

The Nominating Committee ("NC") implements the Board Diversity Policy which reflects the importance of diversity to the functioning of the Board. Our Diversity Policy seeks to include people with diversity of skills, industry and business experiences, core competencies, gender, seniority in age and experience, qualifications and other relevant attributes which the Board considers useful. The Board in FY2024 comprises a wide range of members in terms of age and background, who have been drawn from different industries, offering a diversity in skills and experience which enable them to serve the needs and plans of the Group. Such skills include core competencies in management, strategic planning and building a customer-focused experience, as well as in the areas of accounting, finance, legal and knowledge of the Group's businesses. For FY2024, the Board considers the board size of four Non-Executive and Independent Directors out of six board members to be of appropriate size and diversity mix.

CORPORATE GOVERNANCE REPORT

The Company's board diversity targets, plans and timelines for achieving the targets and progress are as follows:

Diversity Target, Plan and Timeline	Progress								
<u>Board Composition</u> Independent Directors make up a majority of the Board.	Target achieved/maintained – Majority of the Board are Independent Directors.  <p>■ Independent Directors ■ Non-Independent Directors</p>								
<u>Tenure</u> Tenure of Independent Directors fall within at least two of the three tenure groups: <ul style="list-style-type: none"> - Less than or equal to 3 years; - More than 3 years to 6 years; - More than 6 years to 9 years. 	Target achieved/maintained – Tenures of Independent Directors fall within at least two of the three tenure groups. <table border="1"> <thead> <tr> <th>Tenure Group</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>> 6 to ≤ 9 years</td> <td>0</td> </tr> <tr> <td>> 3 to ≤ 6 years</td> <td>3</td> </tr> <tr> <td>≤ 3 years</td> <td>1</td> </tr> </tbody> </table>	Tenure Group	Count	> 6 to ≤ 9 years	0	> 3 to ≤ 6 years	3	≤ 3 years	1
Tenure Group	Count								
> 6 to ≤ 9 years	0								
> 3 to ≤ 6 years	3								
≤ 3 years	1								
<u>Age</u> Directors fall within at least two of the three age groups: <ul style="list-style-type: none"> - 60 years old and below; - Between 61 to 70 years old; - Above 70 years old. 	Target achieved/maintained – The Directors fall within all three age groups. <table border="1"> <thead> <tr> <th>Age Group</th> <th>Count</th> </tr> </thead> <tbody> <tr> <td>71 and above</td> <td>1</td> </tr> <tr> <td>61 to 70</td> <td>3</td> </tr> <tr> <td>60 and below</td> <td>2</td> </tr> </tbody> </table>	Age Group	Count	71 and above	1	61 to 70	3	60 and below	2
Age Group	Count								
71 and above	1								
61 to 70	3								
60 and below	2								
<u>Gender</u> At least one female representation on the Board as and when the opportunity arises in the coming years.	Target achieved as at 31 December 2024. 1 out of 6 Directors is female.  <p>■ Male ■ Female</p>								

Diversity Target, Plan and Timeline	Progress
<p><u>Experience and skillsets</u> The Directors as a group possess a variety of skills and experience which would enable them to serve the needs and plans of the Group.</p> <p>When considering new directors for appointment to the Board, the NC will take into account the skillsets and experience of potential candidates which would enhance the variety of skills and experience of the Directors and serve the needs and plans of the Group.</p>	<p>Target achieved/maintained – The Board comprises of Directors with a variety of skills and experience in areas including:</p> <ul style="list-style-type: none"> - Business Management - Financial Services - Real Estate - Human Capital Management - Legal - Accounting and Tax

The Board has made progress and achieved its target for gender diversity in the composition of the Board in FY2024, and has met and continued to maintain its other board diversity targets for FY2024. The composition of the Board will continue to be assessed annually taking into consideration the Board Diversity Policy, targets and the needs of the Company. Nonetheless, all Board appointments will always be made based on merit.

The NC, having regard to the relevant rules of the Listing Manual of the SGX-ST, the Code's guidance for assessing independence and the relevant Practice Guidance, has determined that the Board comprised a majority of Independent Directors throughout FY2024. The Non-Executive Directors during FY2024 considered as independent by the Board are Mr Chew Choon Soo, Mr Low Weng Keong, Mr Ong Sim Ho and Ms Lee Huey Jee Jenny as indicated in Table 1 above. The Board is of the view that they maintained their independence throughout FY2024.

Independent Directors are independent in conduct, character and judgement, and have no relationships with the Company, its related corporations, its substantial shareholders or its officers which could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company. They are not substantial shareholders and are independent of the substantial shareholders of the Company.

The Independent Directors are not family members of any substantial shareholder of the Company and were not directly associated with any substantial shareholder in FY2024 or the immediate past financial year. They and their immediate family members did not have any financial dealings with the Group whether in FY2024 or the immediate past financial year, nor were they or any of their immediate family members, during FY2024 or the immediate past financial year, a substantial shareholder of, or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation to which the Group made, or from which the Group received, significant payments or material services (including auditing, banking, consulting and legal services) in FY2024 or the immediate past financial year. Also, neither they nor any of their immediate family members were employed by the Group at any time during FY2024 or during the previous three financial years. In addition, they and their immediate family members did not receive any significant compensation (of more than S\$50,000) from the Company or any of its related corporations for the provision of services during FY2024 or during the immediate past financial year other than as Directors' fees for their services on the Board.

As of 31 December 2024, no Independent Director has served on the Board for an aggregate period of more than nine years.

CORPORATE GOVERNANCE REPORT

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

There is a clear division of the roles and responsibilities between the Non-Executive Chairman of the Board and the CEO, who is the brother of the Chairman. The Chairman's principal role is to lead and guide the Board. The scope of responsibilities and limits of authority of the CEO are set out in writing. The CEO executes the strategic directions set by the Board and is responsible for the Group's day-to-day operations. A table of authority grid approved by the Board sets out such division of responsibilities between the Chairman and the CEO.

Although the Chairman and CEO are related, the Board is of the opinion that it is not necessary to appoint a lead independent director for the reasons specified in this paragraph. A shareholder can approach any Independent Director for assistance through the Company Secretary, if he or she has any concerns or issues that affect shareholders generally. Where necessary, the Independent Directors also have the discretion to meet without the presence of other Directors and can provide objective feedback to the Chairman following such meetings. The chairmen of the Board Committees have sufficient standing and authority to look into any matter which management or the Executive Director fails to resolve. The Non-Executive Directors and/or the Independent Directors meet without the presence of management as and when necessary and provide feedback to the Board and/or Chairman as appropriate after such meetings.

Nominating Committee

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

The NC comprised three members, namely Mr Gn Hiang Meng, Mr Wee Ee Chao and Mr Chew Choon Soo during the period from 1 January 2024 to 23 April 2024, with Mr Gn appointed as Chairman of the NC. Mr Gn retired as a director of the Company on 23 April 2024 and consequently stepped down as Chairman and member of the NC. On 23 April 2024, Mr Chew Choon Soo was appointed Chairman of the NC and Mr Ong Sim Ho was appointed as a member of the NC. The NC currently comprises three members, namely Mr Chew Choon Soo, Mr Wee Ee Chao and Mr Ong Sim Ho. Throughout FY2024, the NC comprised at least three Directors, the majority of whom, including the Chairman of the NC, are Independent Directors.

The principal responsibilities of the NC are to:

- review appointments/reappointments of Directors and Key Management Personnel¹ ("KMPs");
- review the composition of the Board and Board Committees;
- review the succession plans for Directors, in particular for the Chairman, and KMPs and make recommendations to the Board on the same;
- assess the independence of Directors;

¹ The term "Key Management Personnel" shall mean the Chief Executive Officer and other persons having authority and responsibility for planning, directing and controlling the activities of the Company.

- evaluate the performance of the Board and Board Committees (including whether a Director is able to and has been adequately carrying out his or her duties as a Director), and review the process and criteria for such evaluation;
- set objectives for achieving board diversity and review the Company's progress towards achieving these objectives; and
- review training and professional development programmes for Directors, and make recommendations to the Board on the same.

The charter of the NC provides that the NC shall comprise not less than three members, all non-executive, of which the majority shall be independent.

Each year, the NC reviews the composition of the Board as part of its succession planning. Suitable candidates are identified through personal and professional networks. The NC reviews each candidate objectively. When assessing potential candidates, the NC takes into account the existing Board composition, and the candidate's background, qualification, experience, time commitment and his/her ability to contribute to the Board's collective skills, knowledge and experience. Where a candidate is assessed to be suitable, the NC makes a recommendation for the Board to approve the formal appointment.

The NC makes annual recommendations to the Board on the re-election of existing Directors having regard to their competencies, commitment, contributions and performance on a qualitative basis. All Directors submit themselves for re-nomination and re-appointment at regular intervals and at least once every three years. Each year, one-third of the Board retires from office by rotation. New Directors submit themselves for re-election at the AGM immediately following their appointment by the Board.

In its review of the Directors' ability to commit sufficient time to attend to the Company's affairs, the NC has considered whether it is necessary to impose a limit on the number of boards of other listed companies that Directors can sit on. The NC decided that it was not necessary to prescribe such a limit. Although some Directors sit on multiple boards of listed companies and have other principal commitments, none of them has more than four listed company directorships and the NC is satisfied that each Director is able to and has devoted sufficient time and attention to the Company's affairs to adequately and competently carry out his duties as a Director of the Company. For a full list of each Director's directorships in listed companies and principal commitments, please refer to the "Board of Directors" section of this Annual Report.

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC recommends for the Board's approval the objective performance criteria and process for the evaluation of the effectiveness of each Board Committee and of the Board as a whole, as well as the contribution by the Chairman and each individual Director to the Board.

The process of assessing the Board, the Board Committees and each Director involves each Director completing board evaluation forms to provide his/her view on the composition, practices and conduct of the Board and the Board Committees, and how the Board and each Board Committee adds value to the Company. The responses to the board evaluation forms are compiled by the Company Secretary and thereafter presented to the NC. No external facilitator has been used.

CORPORATE GOVERNANCE REPORT

For FY2024, the NC evaluated and assessed the effectiveness of the Board's performance as a whole, taking into consideration, amongst other matters, the Board's discharge of its principal responsibilities, and the earnings of the Group, return on equity and the share price performance of the Company over a five-year period. These performance criteria also include the performance of the Company as compared to industry peers and are linked to long term shareholder value. The NC is of the opinion that the Board as a whole has performed well during FY2024 and that the Chairman and each Director has contributed to the overall effectiveness of the Board.

For FY2024, the NC evaluated and reviewed the performance of the Board Committees (except the NC itself). It is satisfied with the matters dealt with by the Board and Board Committees and the depth and frequency of such deliberations. All Board members have access to the evaluation performed by the NC.

The Chairman of the Board and the Chairman of the NC evaluated the collective performance, commitment and contribution of all Directors based on each Director's attendance and contribution at Board meetings. They also reviewed the contribution of the Executive Director and are of the view that his performance has been satisfactory.

Access to Information

Management provides Directors with complete and adequate information on the Group's financials and operations in a timely manner, both on an on-going basis and prior to meetings. Comprehensive information including information on strategic, financial, key operational and compliance matters is provided to Directors on a monthly and quarterly basis to enable them to make informed decisions and discharge their duties and responsibilities. Matters requiring the Board's decision are generally sent to Directors at least five working days prior to Board meetings. The Company uses an electronic portal to which electronic board papers are uploaded for Board and Board Committee meetings. This has increased the Board's control over confidential and price sensitive information and has helped to create a secure environment, while contributing to the Company's sustainability efforts by reducing paper usage. The electronic portal also contains a library of resources, including constitutional documents, documents relating to past Board meetings and annual reports as well as communication tools which enable Directors to easily access relevant information and have it at their fingertips throughout the year.

Regular Board meetings are scheduled in November each year for the following year while urgent Board meetings, if needed, are normally scheduled at least five working days in advance. The Board is also provided with opportunities to meet with managers and heads of divisions on at least a half-yearly basis to understand the businesses of the Group. In the event a new business project or matter requires the Board's input, the relevant head of division and/or subject expert will be present in person at the relevant Board meeting to facilitate the Board's decision-making. Non-Executive Directors constructively challenge management's proposals on strategy and review the performance of management in meeting short and long-term business goals.

Directors have separate, independent and unrestricted access to management, the Company Secretary and external advisors (where necessary) at the Company's expense. The Company Secretary is required to attend and attends all Board meetings as well as the Audit and Risk Committee meetings. The CFO attends all Board and Board Committee meetings. They ensure that Board procedures are followed and the rules and regulations applicable to the Board are complied with. The Company Secretary and CFO are responsible for ensuring adequate information flows within the Board and Board Committees and between senior management and Non-Executive Directors, advising the Board on all governance matters, as well as facilitating orientation and assisting with professional development as required. Under the Constitution of the Company ("**Constitution**"), the decision to appoint or remove the Company Secretary rests with the Board as a whole. Directors may take independent professional advice, if necessary.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and KMPs. No director is involved in deciding his or her own remuneration.

Procedures for Developing Remuneration Policies

The Remuneration Committee (“RC”) comprised three members, namely Mr Gn Hiang Meng, Mr Wee Ee Chao and Mr Chew Choon Soo during the period from 1 January 2024 to 23 April 2024, with Mr Gn appointed as Chairman of the RC. Mr Gn retired as a director of the Company on 23 April 2024 and consequently stepped down as Chairman and member of the RC. On 23 April 2024, Mr Chew Choon Soo was appointed Chairman of the RC and Mr Ong Sim Ho was appointed as a member of the RC. The RC currently comprises three members, namely Mr Chew Choon Soo, Mr Wee Ee Chao and Mr Ong Sim Ho.

Under the RC Charter, the majority of the RC, including the Chairman of the RC, shall be Independent Directors. All the members of the RC are Non-Executive Directors. The RC is supported by the Human Resource Director and/or external consultants if needed. No external consultants were engaged by the RC in FY2024.

The RC considers all aspects of remuneration, including termination terms, to ensure they are fair. The principal responsibilities of the RC include:

- in consultation with the Chairman of the Board, reviewing and recommending to the Board for its endorsement, a framework of remuneration for the Board and the KMPs of the Company;
- reviewing and recommending to the Board for its endorsement the remuneration packages/fees of each Director;
- reviewing the remuneration packages for KMPs; and
- administering the Company’s long term incentive plan.

During FY2024, the RC reviewed the amount of Directors’ fees payable to the Non-Executive Directors to be recommended for shareholders’ approval. It also assessed the performance of and determined all aspects of remuneration of the Executive Director, and reviewed the remuneration packages for KMPs.

The RC has reviewed the Group’s obligations arising in the event of termination of the service contracts of the Executive Director and KMPs, to ensure that such service contracts contain fair and reasonable termination clauses which are not overly generous. The RC considered whether contractual provisions are necessary to allow the Company to reclaim incentive components of remuneration from the Executive Director and KMPs. Based on the terms and conditions of the variable components of the remuneration of the Executive Director and KMPs, the RC is of the view that there is no need for express contractual provisions in the service contracts of the Executive Director and KMPs to allow the Company to reclaim incentive components of their remuneration paid in prior years in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss. In addition, the Executive Director owes a fiduciary duty to the Company, and the Company should be able to avail itself of appropriate remedies should there be any breach of fiduciary duties on the part of the Executive Director.

CORPORATE GOVERNANCE REPORT

Principle 7: Level and Mix of Remuneration and Disclosure on Remuneration

The level and structure of remuneration for the Directors and KMPs are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Principle 8: Disclosure of Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationship between remuneration, performance and value creation.

The RC takes into consideration current industry norms on compensation and adopts a remuneration policy in line with industry practices.

None of the Non-Executive Directors has any service contract or consultancy agreement with the Company. Non-Executive Directors, including the Chairman of the Board, are paid Directors' fees which comprise a basic fee and additional fees for serving on Board Committees. None of the Board members or RC members is involved in deliberations relating to any remuneration, fees, options and/or benefits to be granted to him individually. The RC recommends Directors' fees to the Board for endorsement prior to submission to shareholders for approval at each AGM. In the process, the RC takes into consideration the complexity of the Group, the workload of each Board Committee member, the effort, time spent and responsibilities of each Non-Executive Director, as well as market trends before recommending the fee structure to the Board, so as to ensure that the remuneration of Non-Executive Directors is appropriate to the level of contribution.

The Directors' fee structure⁽¹⁾ for Non-Executive Directors for FY2024 is as follows:

Board	S\$
- Chairman	110,000
- Deputy Chairman	71,500
- Member	55,000
Audit and Risk Committee	
- Chairman	38,500
- Member	22,000
Nominating and Remuneration Committees	
- Chairman	22,000
- Member	16,500

⁽¹⁾ The fee structure of the Non-Executive Directors is based solely on a retainer fee basis, with additional fees for membership of Board Committees which are commensurate with the effort and time required for the performance of their additional duties.

The Group generally remunerates its employees at market competitive levels, commensurate with their performance and contribution to the long-term interests and success of the Group. The Group's remuneration policies take into account the risk policies of the Group, including risk outcomes and the time horizon of risks. The remuneration package normally comprises fixed and variable components. The fixed component comprises basic salary, allowances and central provident fund contributions. The variable component comprises a variable bonus based on the Group's and each individual's performance and grants under the Haw Par Long Term Cash Award Plan ("**HPLTI Plan**"). A variable bonus scheme is in place for each business unit. This economic value-added based bonus scheme takes into consideration working capital efficiency, productivity and current year earnings in order to derive a pool for distribution in accordance with the individual's performance and his/her contributions towards meeting the respective work plans for the year. In determining the pool, investment income which comprises dividend income from the Group's strategic investments and interest income/expense from the Group's central treasury function are excluded. Eligible employees are also entitled to receive grants under the HPLTI Plan, which places emphasis on rewarding individual employees based on their performance (as explained in greater detail below).

In the annual review of the remuneration of the CEO and KMPs (who are not Directors or the CEO), the RC takes into consideration the performance of the individual as an important factor in its review and the comparative remuneration of similarly placed persons in the market. The performance criteria for the CEO includes achievement of financial objectives using financial indicators such as overall profitability and return on assets over a period of time, which criteria were chosen in order to incentivise the CEO and align his interests with that of the Group. These criteria were satisfactorily met during FY2024. The remuneration of the CEO and KMPs (who are not Directors or the CEO) is reviewed annually by the RC and includes a variable bonus component which is performance-based as described above. The level and structure of remuneration for the CEO is aligned with the long term interests of the Group.

The HPLTI Plan was put in place and was approved by the Board in FY2017 to take effect from 1 January 2018. The objective of the HPLTI Plan is to incentivise KMPs to drive long term business priorities and shareholder value creation. Under the HPLTI Plan, targets are set in advance over a two-year performance period. Participants will receive cash awards based on the level of achievement of the targets at the end of the performance period and with the RC's approval. Appropriate weightage is given to revenue and operating profit growth, and total shareholder returns, with defined superior, target and threshold performance metrics based on two-year rolling budgets approved by the Board. The RC reviews the definition of superior, target and threshold performance metrics before annual grants are awarded and will continue to review annually the relevance of the above key performance metrics.

As a whole, a significant and appropriate portion of the CEO's and KMPs' (who are not Directors or the CEO) remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of shareholders and other stakeholders and promotes the long-term success of the Company. Further, remuneration is appropriate to attract, retain and motivate the Director(s) to provide effective stewardship of the Company, the CEO and KMPs (who are not Directors or the CEO) to successfully manage the Company for the long term.

CORPORATE GOVERNANCE REPORT

The details of the remuneration of each Director for FY2024 are as follows:

Table 2:

Name	Total Remuneration	Directors' Fees ¹	Base or fixed salary	Variable bonus	HPLTI Plan	Benefits- in-kind and others ²	Total remuneration
	S\$'000	%	%	%	%	%	%
Wee Ee Lim	3,335	–	38	53	5	4	100
Wee Ee Chao	137	100	–	–	–	–	100
Chew Choon Soo	118	100	–	–	–	–	100
Low Weng Keong	94	100	–	–	–	–	100
Ong Sim Ho	93	100	–	–	–	–	100
Lee Huey Jee Jenny	46	100	–	–	–	–	100
Wee Cho Yaw	10	100	–	–	–	–	100
Gn Hiang Meng	38	100	–	–	–	–	100

Notes:

1. Directors' fees are subject to shareholders' approval at the forthcoming AGM on 23 April 2025.
2. There were no stock options or share-based incentives and award granted by the Company to any Director (including the CEO) in FY2024.

The remuneration of, each of, the top five KMPs (who are not Directors or the CEO) for FY2024, in no order of quantum sum, is as follows:

Table 3:

Name/Position	Base or fixed salary	Variable bonus and HPLTI Plan	Benefits-in kind and others	Total
	%	%	%	%
S\$500,001 – S\$750,000				
Loo Liat Khiang Brian, GGM	56	38	6	100
Chow Say Suan, CFO	54	42	4	100
Jasmin Hong, GM – Marketing	54	41	5	100
Keeth Chua, GM – Marketing	54	41	5	100
S\$250,000 – S\$500,000				
Ng Wah Tong, GM – Manufacturing	52	41	7	100

The total remuneration paid/accrued to the top five KMPs (who are not Directors or CEO) is S\$2,729,122.

The aggregate amount of termination, retirement and post-employment benefits that may be granted to the CEO, and the KMPs (who are not Directors or the CEO) is about S\$670,000.

Save as disclosed below, there is no employee (other than the CEO) who is a substantial shareholder of the Company, or an immediate family member of a Director, the CEO or a substantial shareholder and whose remuneration exceeds S\$100,000 in FY2024. A relative of the CEO, Mr Kelvin Whang, who is the General Manager of Underwater World Pattaya, received annual remuneration (including benefits-in-kind) of between S\$200,000 and S\$300,000. As at 7 March 2025, there is one employee who is a substantial shareholder of the Company, namely the CEO and Executive Director, Mr Wee Ee Lim.

ACCOUNTABILITY AND AUDIT

The Board provides shareholders with a balanced and clear assessment of the Group's performance, position and prospects through announcements of its periodic and full-year results as well as timely announcements of any price-sensitive information through disclosure via SGXNET and various other forms of media, including press releases posted on the Company's website. Internal guidelines are in place to comply with legislative and regulatory requirements. Management provides the Board with management reports of the Group on a monthly basis and additional details as the Board may require from time to time. The management reports, containing sufficient details and comparisons to planned budgets, provide the Directors with a means to monitor and make balanced and informed assessment of the Group's performance, position and prospects.

Audit and Risk Committee ("ARC")

Principle 10: Audit Committee

The Board has an Audit Committee ("AC") which discharges its duties objectively.

The ARC comprised three members, namely, Mr Low Weng Keong, Mr Gn Hiang Meng and Mr Chew Choon Soo during the period from 1 January 2024 to 23 April 2024. Mr Gn Hiang Meng retired as a director of the Company on 23 April 2024 and consequently stepped down as a member of the ARC. On 23 April 2024, Mr Ong Sim Ho was appointed as a member of the ARC. The ARC currently comprises three members, namely Mr Low Weng Keong, Mr Chew Choon Soo and Mr Ong Sim Ho. Throughout FY2024, the ARC comprised at least three Directors, all of whom are Non-Executive Independent Directors. The Chairman of the ARC, Mr Low Weng Keong, was formerly the country managing partner of a Big Four accounting firm in Singapore, and a past global chairman and president of CPA Australia. Mr Chew Choon Soo has more than 23 years of senior executive search and assessment experience and served in various regional and global management and committee roles. Mr Ong Sim Ho is the Managing Director and Head of Corporate and Finance department of Drew & Napier LLC and he is dual-qualified as a lawyer and Chartered Accountant.

The charter of the ARC provides that the ARC shall comprise not less than three members, all non-executive, and the majority of whom shall be independent. At least two members of the ARC, including the Chairman, shall have recent and relevant accounting or financial management expertise or experience. None of the current and former ARC members were partners or directors of the Company's existing auditors in the last 24 months, or had or has had any financial interest in the Company's existing auditors, PricewaterhouseCoopers LLP.

The principal responsibilities of the ARC include:

- reviewing the audit plans with the internal and external auditors;
- reviewing the audit report of the external auditors and the results of the internal audit procedures;
- making recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of external auditors, and the compensation and terms of engagement of the external auditors;

CORPORATE GOVERNANCE REPORT

- reviewing annually the adequacy, effectiveness, independence, scope, results and objectivity of the external auditors, the cost effectiveness of the audit, and the nature and extent of non-audit services;
- approving the hiring, removal and compensation of the Group Internal Audit Manager and evaluating the performance of the Group Internal Audit Manager;
- ensuring that the internal audit function is adequately resourced and has appropriate standing within the Group;
- reviewing the adequacy, effectiveness, independence, scope and results of the internal audit function annually;
- reviewing the Group's periodic and full year results and annual financial statements prior to approval by the Board, and the appropriateness and consistency of accounting principles and policies adopted across the Group, including significant financial reporting issues and judgements;
- reviewing any announcements relating to the Company's performance;
- reviewing annually the adequacy and effectiveness of the Company's system of internal controls, including accounting controls, and addressing financial, operational, compliance and information technology ("IT") risks and risk management processes;
- reviewing the assurance from the CEO and the CFO as to the proper maintenance of financial records and that the financial statements give a true and fair view of the Group's operations;
- reviewing IPTs and related party transactions;
- oversight and reviewing whistle-blowing reports; and
- reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The ARC has full authority to investigate any matter, including, but not restricted to, issues of internal controls, suspected fraud or irregularity. It has access to and full co-operation of the management and may invite any Director or executive officer to attend its meetings.

During FY2024, the ARC held four meetings during which it performed its responsibilities as set out above. The Group's internal and external auditors were also present at the regular quarterly meetings. The ARC met the external and internal auditors separately without the presence of management to discuss the competency and adequacy of the Company's finance function and the level of co-operation provided by management and inquired into material weaknesses or control deficiencies noted during the course of their work. There was no adverse feedback from these meetings.

In its review of the financial statements, the ARC discussed with management the key accounting policies applied and areas where judgement and critical estimates were involved. After extensive discussions, the ARC was satisfied with the measurement and disclosure of the related financial instruments in the Group's financial statements in all material aspects. The ARC also discussed with the external auditors all significant matters noted during their audit which were contained in their report to the ARC. The valuation of financial assets was a key audit matter highlighted by the auditors in their audit report and the ARC was satisfied with the extent of work performed by the auditors. Following the review and discussions, the ARC recommended to the Board to approve the full year financial statements.

In reviewing non-audit services, the ARC was satisfied that the amount of non-audit services provided by the external auditors was not material and would not impair the independence of the external auditors. The ARC has confirmed that the Company has complied with Rule 712 and Rule 715/716 of the Listing Manual of SGX-ST which set out the requirements on the appointment of the auditors. The ARC has recommended to the Board the re-appointment of PricewaterhouseCoopers LLP as the Group's auditors for the ensuing year. The aggregate amount of fees paid/payable to PricewaterhouseCoopers LLP for FY2024 is approximately S\$347,000. The breakdown of fees paid/payable for audit and non-audit services is approximately S\$343,000 and S\$4,000 respectively. The ARC has reviewed and is satisfied with the independence and objectivity of the external auditors.

The ARC and the Board has reviewed the suitability of the external auditors, PricewaterhouseCoopers LLP for their role by assessing a wide range of factors including the quality of their work, their expertise and resources for a job involving the size and complexity of the Company's operations, and whether their own quality control procedures are dedicated to upholding the Code. The ARC has reviewed and is satisfied with the independence and objectivity of the external auditors.

The ARC members are regularly updated by management and the auditors (both internal and external) on changes to accounting standards and issues which have a direct impact on financial statements, compliance with legislation and accounting-related matters.

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

The Group has established a formal risk management framework across the entire organisation to provide a structured approach for managing risks. The framework enables management to have a formal structure for risk management and assessment. The framework is designed to ensure that risks are identified, assessed, monitored and effectively managed. It is in line with the best practices as contained in the Risk Governance Guidance for Listed Boards, issued by the Corporate Governance Council in May 2012.

The Board has overall responsibility for the governance of risk and determination of risk policies. The Board, assisted by the ARC, is responsible for determining the Company's level of risk tolerance (including the nature and extent of significant risks which the Company is willing to take in achieving its strategic objectives and value creation) and oversees the management in implementing the risk management and internal controls system.

The Risk Management Committee is chaired by the CEO and comprises the CEO, the CFO and the GGM. The Group Internal Audit Manager is also in attendance at the Risk Management Committee meetings.

It performs the following roles:

- oversees the development of risk management policies;
- provides overall leadership, vision, framework and direction for risk management;
- promotes a risk management culture through human resources, use of technology and organisation structure;
- monitors the effectiveness of risk management and makes refinements as and when necessary;

CORPORATE GOVERNANCE REPORT

- ensures that risks are properly addressed; and
- reports to the ARC and the Board twice a year on risk management activities and attestation undertaken.

Risks are analysed and assessed in terms of risk impact and risk likelihood. Risk impact includes financial, operational (business interruption), regulatory/legal and reputational impact. Risk likelihood includes both quantitative and qualitative appraisals and classified as 'Low', 'Moderate', 'High' and 'Critical'. Management evaluates the options and controls needed to deal with identified risks, depending on the risk impact, likelihood and related costs and benefits. These risks are reviewed both against the entity level parameters and from the Group's perspective. The ARC monitors the Risk Management Committee's activities on behalf of the Board to ensure that identified risks are effectively managed.

Risks are broadly categorised as follows:

Strategic risks

These include most of the inherent risks of each operating unit and the relevant macro-environment such as brand protection, competition and epidemic outbreak risks. All such risks are reported to the ARC and the Board. Measures taken to manage risks include diversifying either geographically or in product offerings, putting in place business continuity plans and ensuring sufficient insurance coverage for various types of risks.

Operational risks

These relate to day-to-day operations and include security threats, product quality, employee attrition, capacity management, and supply disruption and concentration risk of key suppliers. The general manager of each operating unit implements policies and procedures to monitor such risks.

Compliance risks

Each operating unit is subject to various degrees of regulatory controls, particularly the Healthcare division. Compliance with local laws and regulations in various geographical locations is monitored by the operating unit and the functional departments in Singapore.

Financial risks

Financial risks are mitigated by using appropriate hedging instruments when necessary and actively managing foreign exchange and credit exposures. Financial risks are monitored by the Investment Management Committee. Generally, the Group is conservative in its financial dealings and does not engage in speculative instruments that would expose the Group to unnecessary financial risks.

Information Technology risks

In pursuit of an IT environment that is robust, resilient and secure, improving the Group's IT infrastructure continues to be the focus of IT operations. Adequate measures including proper authorisation access, back-up systems and equipment are in place to safeguard against prolonged disruptions to businesses due to IT failures and loss of confidential data. The Group, in consultation with cyber security vendors, progressively enhances its IT infrastructure to deal with the evolving cyber risks that are presenting themselves in various forms to enhance the Group's cyber resilience. While management is cognisant of these risks, the way forward is to deal with these risks while harnessing the benefits of IT.

Emerging risk trends

While the Group's current risk management process already takes into account overall business risks, the Risk Management Committee also keeps abreast of specific emerging risk trends such as climate-related risks. The Climate Change Sub-Committee monitors market and regulatory related developments on climate reporting requirements that are consistent with the recommendations of the TCFD. The Risk Management Committee continues to assess the materiality of ESG and related risks to the Group as the ESG landscape continues to evolve.

The Board (assisted by the ARC) reviews the adequacy and effectiveness of the Group's risk management and internal control systems, including financial, operational, compliance and IT controls twice a year.

For FY2024, the Board has received assurances from:

- (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) the CEO and the Risk Management Committee that the Group's risk management and internal control systems are adequate and effective in all material respects as at 31 December 2024.

Based on work performed by the internal and external auditors and reviews undertaken by the Risk Management Committee and the ARC, the Board, with the concurrence of the ARC, is of the opinion that the internal controls addressing financial, operational, compliance and IT risks and risk management systems and processes were adequate and effective for the Group as at 31 December 2024.

The Group's internal controls and risk management systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any reasonably foreseeable event. The Board recognises that no system of internal controls and risk management can provide absolute assurance.

Code of Business Conduct and Whistle Blowing Policy

The Group has in place a Code of Business Conduct that sets out the business practices, procedures and ethical conduct expected of all employees in their course of employment and in dealings with customers, suppliers and consultants. The Code of Business Conduct is sent to all employees and a separate briefing is conducted for newly hired employees.

In line with the Code of Business Conduct, the Group has in place a Whistle Blowing Policy and process under which employees and external parties may report to the ARC any improprieties or suspected wrong-doing by management or other staff without fear of reprisal. The ARC is responsible for oversight and monitoring of whistleblowing. Whistleblowing reports marked "Private and Confidential" may be sent to the Group Internal Audit Manager at Haw Par Corporation Limited, 401 Commonwealth Drive, #03-03 Haw Par Technocentre, Singapore 149598, or by email to whistleblowing@hawpar.com. The Group is committed to ensure protection of whistleblowers who have acted in good faith against detrimental or unfair treatment. All reports received are accorded confidentiality and independently investigated by the whistleblowing unit, comprising the Human Resource Director and Group Internal Audit Manager. Details of the Whistle Blowing Policy are posted on the Company's intranet. New employees are briefed on the policy during their orientation. Existing employees are reminded of the policy from time to time in order to raise awareness of the availability of the channel of reporting. The Code of Business Conduct is effectively communicated and integrated into the Company's strategy and operations, including risk management systems and remuneration structures.

CORPORATE GOVERNANCE REPORT

Internal Audit

The Company has an internal audit (“IA”) department, which is staffed with professionally qualified personnel. The Group Internal Audit Manager reports directly to the Chairman of the ARC. The majority of the staff in the IA department are members of the Institute of Internal Auditors. The appointment, removal, evaluation of performance and compensation of the Group Internal Audit Manager rests with the ARC.

The IA function follows the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The IA function adopts an Internal Audit Charter that is reviewed annually and has strict procedures in reporting its audit findings to the management and the ARC.

The role of the IA function is to render support to the ARC in ensuring that the Group maintains a sound system of internal controls by performing regular monitoring and testing of key controls and procedures, reviewing operational and financial activities and undertaking investigations as requested by the ARC.

The IA department submits its internal audit plan to the ARC for approval at the beginning of each year. Audit reviews are carried out on all significant business units in the Group and a summary of findings and recommendations is discussed during each ARC meeting. The IA function has unfettered access to the ARC and to all documents, records, properties and personnel for the purposes of its audit. The ARC is of the view that the IA function is adequately resourced, independent, effective and staffed with persons with the relevant qualifications and experience and has appropriate standing within the Group.

Shareholders Rights and Engagement with Shareholders

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Principle 12: Engagement with Shareholders

The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Group is guided by an investor relations policy which allows for an ongoing exchange of views and that aims to promote regular, effective and fair communication with shareholders. Communication of relevant announcements of the Group is generally made through annual reports, SGXNET announcements, press releases and the Group’s corporate website at www.hawpar.com. In line with its sustainability efforts, the Company’s Annual Report and the Notice of AGM are available through the Group’s website and SGXNET and may be accessed by entering the URL set out in the Company’s letter to shareholders. The URL at which the Annual Report may be accessed is also set out in the Notice of AGM. By filling in a copy of the Request Form, shareholders may request for a physical copy of the Annual Report. Physical copies of the Company’s letter to shareholders, containing information on how shareholders may access electronic copies of the Annual Report, the Request Form and the Notice of AGM are circulated to all shareholders.

To allow the Company's shareholders to communicate their views on various matters affecting the Company and contact the Company with questions, and in order to solicit and understand the views of shareholders, the Company has a dedicated communications channel with the Investor Relations Department which is available to shareholders and can be reached via email at investorrelations@hawpar.com. The Investor Relations Department is required to respond to shareholders' queries in a timely and effective manner. When matters requiring shareholders' meetings are to be held, notices and reports/circulars are communicated in a timely manner to all shareholders. Shareholders are informed of the rules, including voting procedures, which govern the shareholders' meetings. The Constitution does not allow for absentia voting at general meetings, except through the appointment of a proxy or in the case of a corporation, a corporate representative, to cast the registered shareholder's vote in their stead. The results of the votes for all resolutions tabled at AGMs and other general meetings of shareholders are validated by independent scrutineers and are broadcast at the said meetings. The results are also announced on SGXNET after the meetings. The minutes of general meetings of shareholders are published on the Company's website and on SGXNET as soon as practicable after such meetings. The minutes record, among others, substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management.

The Company's dividend policy seeks to provide shareholders with a stable and efficient form of capital distribution relative to earnings. For more than 30 years, the Company has maintained sustainable dividend payments.

The Company holds regular meetings (outside of black-out periods) with research analysts, fund managers and institutional investors to understand the views of shareholders, review the Company's performance and provide investors with a better understanding of the Group's businesses, as needed.

Conduct of Shareholder Meetings

The Company gives shareholders the opportunity to participate effectively in and vote at general meetings and encourages the attendance of shareholders at general meetings. The notices of general meetings setting out the agenda, and if necessary, letters to shareholders on the items of special business, are communicated to shareholders at least 14 clear days before general meetings called to pass ordinary resolutions or 21 clear days before general meetings called to pass special resolutions. Each item of special business included in the notice of the meeting will be accompanied by a full explanation regarding the effect of the proposed resolution in respect of such business. Separate resolutions are proposed for each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Absent extenuating circumstances, all Directors (in particular, the chairmen of the ARC, NC and RC) as well as the external auditors and KMPs are present at general meetings, at which matters affecting the Group, the conduct of external audit and the preparation and content of the auditors' report, are addressed. The Company Secretary ensures that the applicable procedures such as those under the Constitution and the Listing Manual of the SGX-ST are followed.

A registered shareholder who is unable to attend a general meeting can appoint up to two proxies to attend, participate and vote at the general meeting on his/her behalf. In addition, a member which is a relevant intermediary, which generally includes Singapore banks and nominee or custodial service providers, as well as the Central Provident Fund Board, may appoint more than two proxies so that shareholders who hold shares through such members can attend, participate and vote at general meetings as proxies, in accordance with the provisions of the Constitution. Investors whose shares are held through relevant intermediaries can submit their requests to attend, participate and vote at each general meeting within the stipulated time period as required by such relevant intermediaries, who will then communicate such requests to the Company not less than 72 hours before the general meeting is held.

CORPORATE GOVERNANCE REPORT

Forthcoming 2025 AGM to be convened and held by physical means

The forthcoming 2025 AGM will be held in a wholly physical format and there will be no option for shareholders to participate virtually. Arrangements relating to attendance at the 2025 AGM are set out in the notes to the Notice of AGM.

Engagement with Stakeholders

Principle 13: Managing Stakeholders Relationships

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Haw Par's management approach hinges on the commitments to our key stakeholders who are identified based on the significance of their respective impacts on the Company. We believe communication with relevant stakeholders is vital to the long term success of our businesses.

The basis for determining who is considered a key stakeholder begins with understanding our value chain and thereafter determining which stakeholders Haw Par has an impact on, and conversely which stakeholders have an impact on our businesses.

For more information on our approach, please refer to our sustainability website at: <https://www.hawpar.com/sustainability/our-approach>.

The sustainability report of the Company can be found on the Company's website at <https://www.hawpar.com/sustainability/sr>.

We welcome feedback from our stakeholders on our sustainability reports at sustainability@hawpar.com.

OTHER GOVERNANCE PRACTICES

Interested Person Transactions

The Group does not have any general mandate from shareholders pursuant to Rule 920 of the Listing Manual of the SGX-ST with regard to IPTs. There were no IPTs entered into by the Group and any interested persons that require disclosure under the SGX-ST Listing Rules in FY2024.

Material Contracts

Except as disclosed in the financial statements, there were no other material contracts entered into by the Company or its subsidiaries involving the interests of the CEO, any Director or controlling shareholder of the Company.

Dealings in Securities

The Group adopts best practices with respect to dealings in securities set out in Rule 1207(19) of the Listing Manual of the SGX-ST. It has a policy which prohibits its officers from dealing in the securities of the Company during the period commencing one month before the announcement of the half-year and full year results. The Company Secretary issues guidelines periodically to Directors and employees to remind them of the prohibitions in dealing with the Company's securities on short-term considerations or while in possession of material unpublished price-sensitive information, and to comply with insider trading laws at all times. There are also internal policies and guidelines on confidentiality and safeguards for the handling of confidential information.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2024

The Directors present their statement to the members of the Company together with the audited financial statements of the Group for the financial year ended 31 December 2024 and the statement of financial position of the Company as at 31 December 2024.

In the opinion of the Directors,

- (a) the statement of financial position of the Company and the consolidated financial statements of the Group are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2024 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The Directors of the Company in office at the date of this statement are as follows:

Wee Ee Chao	<i>(Chairman)</i>
Wee Ee Lim	<i>(President & Chief Executive Officer)</i>
Chew Choon Soo	
Low Weng Keong	
Ong Sim Ho	
Lee Huey Jee Jenny	(appointed on 27 February 2024)

Arrangements to enable Directors to acquire shares and debentures

Neither at the end of, nor at any time during the financial year was the Company a party to any arrangement whose object was, or one of whose objects was, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2024

Directors' interests in shares or debentures

- (a) The Directors holding office at 31 December 2024 are also the Directors holding office at the date of this statement. According to the register of Directors' shareholdings, none of the Directors holding office at the end of the financial year had any interest in the shares in, or debentures of, the Company or its related corporations except as follows:

	Holdings registered in name of Director or nominee		Holdings in which Director is deemed to have an interest	
	31.12.2024	1.1.2024	31.12.2024	1.1.2024
<u>Interest in the Company's ordinary shares</u>				
Wee Ee Lim	573,738	437,192	75,001,783	75,001,783
Wee Ee Chao	150,372	13,826	75,135,381	75,135,381
Lee Huey Jee Jenny	200	–	–	–

- (b) By virtue of Section 7 of the Companies Act 1967, Wee Ee Lim and Wee Ee Chao, who by virtue of their interest of not less than 20% in the issued capital of the Company, are also deemed to have an interest in the shares of the various subsidiary companies held by the Company.
- (c) The Directors' interests in the ordinary shares of the Company as at 21 January 2025 were the same as those as at 31 December 2024.

Share options

The Company does not have any share option scheme in place, or such scheme that entitled holders to participate, by virtue of the scheme, in any share issue of any other corporation during the financial year ended 31 December 2024.

There were no options granted during the financial year to subscribe for unissued shares of the Company or any of its subsidiary corporations.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or any of its subsidiary corporations.

There were no unissued shares of the Company or any of its subsidiary corporations under option as at the end of the financial year.

DIRECTORS' STATEMENT

For the financial year ended 31 December 2024

Audit and Risk Committee

The Audit and Risk Committee (the "Committee") comprises three members, all of whom are independent non-executive Directors. The members of the Committee are as follows:

Low Weng Keong	(Chairman)
Chew Choon Soo	
Ong Sim Ho	(appointed as a member of the Committee on 23 April 2024)

In accordance with Section 201B(5) of the Companies Act, the Committee has reviewed with the Company's internal auditors their audit plan and the scope and results of their internal audit procedures. The Committee has also reviewed with the Company's independent auditor, PricewaterhouseCoopers LLP, their audit plan, their evaluation of the system of internal accounting controls, their audit report on the statement of financial position of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2024 and the assistance given by the management of the Group to them. The statement of financial position of the Company and the consolidated financial statements of the Group, as well as the independent auditor's report on the same, have been reviewed by the Committee prior to their submission to the Board of Directors.

The Committee has recommended to the Board of Directors the re-appointment of PricewaterhouseCoopers LLP as independent auditor of the Company, at the forthcoming Annual General Meeting of the Company.

Independent auditor

PricewaterhouseCoopers LLP has expressed its willingness to accept re-appointment as independent auditor of the Company and a resolution proposing its re-appointment will be submitted at the forthcoming Annual General Meeting.

On behalf of the Directors

Wee Ee Chao
Chairman

Wee Ee Lim
President & Chief Executive Officer

Singapore, 21 February 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAW PAR CORPORATION LIMITED

For the financial year ended 31 December 2024

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Haw Par Corporation Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act"), and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated income statement of the Group for the financial year ended 31 December 2024;
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2024;
- the statements of financial position of the Group and of the Company as at 31 December 2024;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including material accounting policy information.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAW PAR CORPORATION LIMITED

For the financial year ended 31 December 2024

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Ownership and valuation of strategic and long term investments (Note 9 of the financial statements)</p> <p>As at 31 December 2024, the Group's strategic and long term investments, classified as financial assets carried at fair value through other comprehensive income ("FVOCI"), amounted to \$3,188 million (2023: \$2,636 million), representing 75% and 77% (2023: 73% and 76%) of the Group's total assets and net assets respectively. These strategic and long term investments comprise primarily quoted equity investments.</p> <p>A material misstatement in the strategic and long term investments balance can arise either from the recognition of an investment which the Group does not own or an inaccurate determination of the fair value of an investment.</p>	<p>We obtained confirmations from the respective custodians, including The Central Depository Pte Ltd to verify the quantity of each investment held by the Group.</p> <p>For investments with readily available market price at year-end, we verified the unit price to the closing bid price listed on the respective stock exchanges or data published by Bloomberg.</p> <p>Based on the procedures performed, we found the Group's recognition of the strategic and long term investments and determination of fair values to be appropriate.</p>

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report (the "Other Sections"), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAW PAR CORPORATION LIMITED

For the financial year ended 31 December 2024

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAW PAR CORPORATION LIMITED

For the financial year ended 31 December 2024

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Choo Eng Beng.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 21 February 2025

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2024

		The Group	
Note		2024 \$'000	2023 \$'000
	Revenue		
	Cost of sales		
	Gross profit		
	Other income		
	Distribution and marketing expenses		
	General and administrative expenses		
	Finance expenses		
	Share of profit of associated company		
	Profit before taxation		
	Taxation		
	Profit for the financial year, net of tax		
	Earnings per share attributable to equity holders of the Company		
	– Basic and diluted		
3		244,824	232,062
		(110,737)	(97,174)
		134,087	134,888
3		180,159	163,426
		(52,718)	(47,168)
		(17,527)	(23,709)
		(2,085)	(1,555)
		4,202	3,512
		246,118	229,394
6		(17,844)	(12,825)
		228,274	216,569
8		103.1 cents	97.8 cents

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	The Group	
	2024	2023
	\$'000	\$'000
Profit for the financial year, net of tax	228,274	216,569
Other comprehensive income/(loss)		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Currency translation differences on consolidation of foreign entities (net)	4,297	(4,432)
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Fair value changes on investments (net)	528,507	(207,372)
Other comprehensive income/(loss) for the financial year, net of tax	532,804	(211,804)
Total comprehensive income for the financial year	761,078	4,765

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

		The Group		The Company	
	Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
ASSETS					
Cash and bank balances	14	745,784	574,014	464,847	312,956
Investment in debt securities	10	143,437	185,923	–	–
Trade and other receivables	14	47,822	48,487	357,681	380,548
Inventories	14	23,301	19,005	–	–
Tax recoverable		546	553	–	–
Deferred income tax assets	6	1,324	2,709	–	–
Associated company	17	19,083	18,881	2,895	2,895
Subsidiaries	17	–	–	555,039	562,561
Investment properties	13	46,340	46,894	–	–
Property, plant and equipment	12	50,064	49,589	–	–
Intangible assets	11	11,116	11,116	–	–
Strategic and long term investments	9	3,188,191	2,636,007	–	–
Total assets		4,277,008	3,593,178	1,380,462	1,258,960
LIABILITIES					
Trade and other payables	14	77,772	77,461	31,839	60,645
Borrowings	14	36,295	27,846	36,295	27,846
Current income tax liabilities		13,591	11,106	2,776	641
Deferred income tax liabilities	6	816	762	–	–
Total liabilities		128,474	117,175	70,910	89,132
NET ASSETS		4,148,534	3,476,003	1,309,552	1,169,828
EQUITY					
Equity attributable to equity holders of the Company					
Share capital	15	268,911	268,911	268,911	268,911
Retained profits		1,578,963	1,439,383	1,040,515	900,791
Other reserves		2,300,660	1,767,709	126	126
Total equity		4,148,534	3,476,003	1,309,552	1,169,828

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

	Attributable to equity holders of the Company						
	Share capital	Statutory reserve ¹	Capital reserve	Fair value reserve	Foreign currency translation reserve	Retained profits	Total equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2024							
Balance at 1 January 2024	268,911	2,873	38	1,772,617	(7,819)	1,439,383	3,476,003
Transfer from retained profits to statutory reserve	—	147	—	—	—	(147)	—
Dividends paid (Note 7)	—	—	—	—	—	(88,547)	(88,547)
Total comprehensive income for the financial year	—	—	—	528,507	4,297	228,274	761,078
Balance at 31 December 2024	268,911	3,020	38	2,301,124	(3,522)	1,578,963	4,148,534
2023							
Balance at 1 January 2023	268,911	2,730	38	1,979,989	(3,387)	1,300,436	3,548,717
Transfer from retained profits to statutory reserve	—	143	—	—	—	(143)	—
Dividends paid (Note 7)	—	—	—	—	—	(77,479)	(77,479)
Total comprehensive income/(loss) for the financial year	—	—	—	(207,372)	(4,432)	216,569	4,765
Balance at 31 December 2023	268,911	2,873	38	1,772,617	(7,819)	1,439,383	3,476,003

¹ The statutory reserve is legally required to be set aside in the countries of incorporation of certain subsidiaries. Those laws restrict the distribution and use of the reserve.

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

		The Group	
	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Profit before tax		246,118	229,394
Adjustments for:			
Dividend income	3	(149,120)	(136,627)
Interest income	3	(29,665)	(25,517)
Depreciation of property, plant and equipment and investment properties		6,111	6,048
Share of profit of associated company		(4,202)	(3,512)
Finance expenses		2,085	1,555
Inventories written down, net	14	343	480
Write-back of unclaimed dividends		(301)	(240)
Loss on disposal and write-off of property, plant and equipment, net		29	–
Unrealised currency translation losses		302	1,094
Operating profit before working capital changes		71,700	72,675
Changes in working capital:			
– inventories		(4,639)	(237)
– trade and other receivables		(1,154)	(16,257)
– trade and other payables		1,757	15,482
Cash generated from operations		67,664	71,663
Net taxation paid		(13,878)	(8,979)
Net cash from operating activities		53,786	62,684
Cash flows from investing activities			
Proceeds from maturity of debt securities		505,142	522,905
Purchase of debt securities		(463,598)	(413,185)
Dividend income received		149,120	136,237
Interest income received		32,426	19,472
Purchase of long term investments		(22,990)	–
Dividends from associated company		4,000	400
Purchase of property, plant and equipment		(3,456)	(7,768)
Improvements to investment properties		(834)	(62)
Proceeds from disposal of property, plant and equipment		11	6
Net cash from investing activities		199,821	258,005
Cash flows from financing activities			
Payment of dividends to members of the Company	7	(88,547)	(77,479)
Proceeds from borrowings		7,820	–
Interest paid on borrowings and lease liabilities		(1,872)	(1,641)
Principal payment of lease liabilities		(192)	(183)
Net cash used in financing activities		(82,791)	(79,303)
Net increase in cash and cash equivalents		170,816	241,386
Cash and cash equivalents at beginning of financial year		573,554	333,778
Effects of currency translation on cash and cash equivalents		928	(1,610)
Cash and cash equivalents at end of financial year	14	745,298	573,554

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

Haw Par Corporation Limited (the “Company”) is incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of its registered office is as follows:

401 Commonwealth Drive
#03-03 Haw Par Technocentre
Singapore 149598

The Company is the owner of the “Tiger” trademarks and is the holding company of the Group.

The principal activities of the Company are licensing of the “Tiger” trademarks and owning and holding strategic investments for the long term.

The principal activities of the Group are as follows:

- (a) manufacturing, marketing and trading healthcare products;
- (b) providing leisure-related goods and services; and
- (c) investing in properties and securities.

Principal activities of significant subsidiaries are listed in Note 17.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) issued by the Accounting Standards Council. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies in Note 18.

The preparation of financial statements in conformity with SFRS(I) requires management to exercise its judgement in the process of applying the Group’s accounting policies. It also requires the use of certain critical accounting estimates and assumptions. There are no areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. BASIS OF PREPARATION (CONTINUED)

(a) Interpretations and amendments to published standards effective in 2024

On 1 January 2024, the Group has adopted the new or amended SFRS(I) and Interpretations to SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s and INT SFRS(I)s including the following:

- Amendments to SFRS(I) 1-1 *Presentation of Financial Statements*
- Amendments to SFRS(I) 1-7 and SFRS (I) 7 *Statement of Cash Flows and Financial Instruments: Disclosures*
- Amendments to SFRS(I) 16 *Leases*

The adoption of new standards, amendments to standards and interpretations did not result in any substantial changes to the Group's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

(b) New accounting standards and SFRS(I) Interpretations and Amendments effective in 2025 or after

Effective for financial periods beginning on or after 1 January 2025

- Amendments to SFRS(I) 1-21 *The Effects of Changes in Foreign Exchange Rates*
- Amendments to SFRS(I) 9 and SFRS(I) 7 *Financial Instruments and Financial Instruments Disclosures*
- SFRS(I) 18 *Presentation and Disclosure in Financial Statements*
- SFRS(I) 19 *Subsidiaries without Public Accountability: Disclosures*

The new standards are not expected to have any material impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. SEGMENTAL REPORTING

The Group is organised into the following main business segments:

- Manufacturing, marketing and trading of healthcare products;
- Investments in securities;
- Property rental; and
- Provision of leisure-related goods and services.

Healthcare division principally manufactures and distributes topical analgesic products under the “Tiger Balm” and “Kwan Loong” brand.

Investment division engages in long term investing activities, mainly in quoted securities in Asia. These investments are accounted for as financial assets at fair value through other comprehensive income (FVOCI).

Property division owns and leases out several investment properties in Asia.

Leisure division provides family and tourist oriented leisure activities mainly in the form of oceanariums.

Inter-segment transactions are determined on an arm’s length basis. Unallocated costs represent corporate expenses. Segment assets consist primarily of strategic and long term investments, investment properties, property, plant and equipment, intangible assets, inventories, receivables, investments in debt securities and cash and bank balances. Segment liabilities comprise operating liabilities and exclude tax liabilities. Capital expenditure on non-current assets comprises additions to investment properties, property, plant and equipment, intangible assets and investment in associated companies.

The Group evaluates performance of its segments on the basis of profit or loss from operations before tax expenses and management fees charged internally and excludes non-recurring gains and losses.

The Group accounts for inter-segment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

The Group’s reportable segments comprise three segments, namely “Healthcare segment”, “Investments segment” and an “Others segment” which aggregates the results of the property and leisure divisions. The Group considers its reportable segments based on contribution to either the Group’s revenue and other income, profit or assets. These operating segments are reported in a manner consistent with internal reporting provided to the management committee whose members are responsible for allocating resources and assessing performance of the operating segments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. SEGMENTAL REPORTING (CONTINUED)

(a) Reportable segments

	Healthcare	Investments	Others ¹	Consolidated
	\$'000	\$'000	\$'000	\$'000
2024				
Total segment revenue	226,002	–	19,818	245,820
Inter-segment revenue	–	–	(996)	(996)
Revenue from external parties	226,002	–	18,822	244,824
Dividend income	–	149,120	–	149,120
Interest income	–	29,665	–	29,665
Miscellaneous income, net	470	376	528	1,374
Total other income	470	179,161	528	180,159
Total revenue and other income	226,472	179,161	19,350	424,983
Depreciation	3,563	130	2,418	6,111
Finance expenses	27	2,058	–	2,085
Segment profit	62,566	176,592	10,239	249,397
Unallocated expenses				(7,481)
Share of profit of associated company	–	4,202	–	4,202
Profit before taxation				246,118
Taxation				(17,844)
Earnings for the financial year				228,274
Segment assets	162,530	4,062,199	50,409	4,275,138
Tax recoverable				546
Deferred income tax assets				1,324
Total assets per statement of financial position				4,277,008
Expenditures for segment non-current assets				
– Additions to property, plant and equipment	1,686	173	143	2,002
– Investment properties improvements	–	–	1,100	1,100
	1,686	173	1,243	3,102
Segment liabilities	62,094	45,871	6,102	114,067
Current income tax liabilities				13,591
Deferred income tax liabilities				816
Total liabilities per statement of financial position				128,474

¹ Included in "Others" are property and leisure divisions which constitute less than 25% of the Group's revenue and other income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. SEGMENTAL REPORTING (CONTINUED)

(a) Reportable segments (continued)

	Healthcare	Investments	Others ¹	Consolidated
	\$'000	\$'000	\$'000	\$'000
2023				
Total segment revenue	213,476	–	19,575	233,051
Inter-segment revenue	–	–	(989)	(989)
Revenue from external parties	213,476	–	18,586	232,062
Dividend income	–	136,627	–	136,627
Interest income	–	25,517	–	25,517
Miscellaneous income	484	266	532	1,282
Total other income	484	162,410	532	163,426
Total revenue and other income	213,960	162,410	19,118	395,488
Depreciation	3,489	110	2,449	6,048
Finance expenses	30	1,525	–	1,555
Segment profit	64,839	159,663	10,034	234,536
Unallocated expenses				(8,654)
Share of profit of associated company	–	3,512	–	3,512
Profit before taxation				229,394
Taxation				(12,825)
Earnings for the financial year				216,569
Segment assets	152,991	3,385,485	51,440	3,589,916
Tax recoverable				553
Deferred income tax assets				2,709
Total assets per statement of financial position				3,593,178
Expenditures for segment non-current assets				
– Additions to property, plant and equipment	5,594	143	37	5,774
– Investment properties improvements	–	–	62	62
	5,594	143	99	5,836
Segment liabilities	62,703	36,687	5,917	105,307
Current income tax liabilities				11,106
Deferred income tax liabilities				762
Total liabilities per statement of financial position				117,175

¹ Included in "Others" are property and leisure divisions which constitute less than 25% of the Group's revenue and other income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. SEGMENTAL REPORTING (CONTINUED)

(a) Reportable segments (continued)

Revenue consists of the following:

	The Group	
	2024 \$'000	2023 \$'000
Sale of goods	226,410	213,969
Rendering of services	2,307	2,600
Rental income	16,107	15,493
Total revenue	244,824	232,062

(b) Geographical information (excluding strategic and long term investments)

	The Group	
	2024 \$'000	2023 \$'000
Revenue ⁽ⁱ⁾		
Singapore	33,112	29,953
Other ASEAN countries	74,442	61,806
Other Asian countries	73,511	85,463
Other countries	63,759	54,840
Total	244,824	232,062
Non-current assets ⁽ⁱⁱ⁾		
Singapore	71,696	73,123
Malaysia	47,089	45,564
Other ASEAN countries	373	282
Other Asian countries	7,445	7,511
Total	126,603	126,480

(i) Revenues are attributable to countries in which the income is derived.

(ii) Non-current assets, which include property, plant and equipment, investment properties, investment in associated company and intangible assets, are shown by the geographical area where the assets are located.

Revenue or non-current asset contribution from one single country is disclosed separately when it exceeds 20% of the Group's revenue and other income or non-current assets respectively.

Except for rental income of \$16,107,000 (2023: \$15,493,000) which is mainly earned in Singapore, the remaining revenue by segment relates to revenue from contracts with customers under SFRS(I) 15.

(c) Major customers

Revenue of approximately \$125,370,000 (2023: \$121,145,000) was contributed from three external customers (2023: three external customers). These revenues are attributable to the sale of Healthcare products to distributors belonging to the same group of companies.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to market risk (including price risk, currency risk and interest rate risk) and credit risk. The Group's overall risk management strategy seeks to minimise adverse effects from the unpredictability of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management committee then establishes the detailed policies, such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

Regular reports that contain the Group's exposure to each type of financial risks are submitted to the management committee.

(a) Foreign currency risk

The Group operates in Asia and through distributors in other parts of the world, with its principal operations in Singapore. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies"). Under the guidance of the management committee, foreign currency exposure is managed by a policy of matching, as far as possible, receipts and payments in each individual currency. As such, working capital of the Group is not exposed to significant currency risks.

The Group also has available forward contract facilities to hedge future foreign exchange exposure. The surplus of convertible currencies are either further matched with future foreign currency requirements or exchanged for Singapore Dollar.

The management committee also monitors the foreign currency fluctuations on non-financial assets including net foreign currency exposure on investment in overseas subsidiaries.

The Group's currency exposure of financial assets/liabilities net of those denominated in the respective entities' functional currency based on the information provided to key management is as follows:

	USD	HKD	EUR	Others	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Group					
<u>At 31 December 2024</u>					
Cash and cash equivalents and financial assets (FVOCI)	59,033	96,981	13,136	11,477	180,627
Borrowings	–	(36,295)	–	–	(36,295)
Currency exposure on financial assets and liabilities	59,033	60,686	13,136	11,477	144,332
<u>At 31 December 2023</u>					
Cash and cash equivalents and financial assets (FVOCI)	66,832	53,358	11,255	13,245	144,690
Borrowings	–	(27,846)	–	–	(27,846)
Currency exposure on financial assets and liabilities	66,832	25,512	11,255	13,245	116,844

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Foreign currency risk (continued)

The Company's currency exposure of financial assets/liabilities net of those denominated in its functional currency based on the information provided to key management is as follows:

	HKD \$'000	Others \$'000	Total \$'000
Company			
<u>At 31 December 2024</u>			
Cash and cash equivalents	1,798	4	1,802
Borrowings	(36,295)	–	(36,295)
Currency exposure on financial assets and liabilities	(34,497)	4	(34,493)
<u>At 31 December 2023</u>			
Cash and cash equivalents	1,804	9	1,813
Borrowings	(27,846)	–	(27,846)
Currency exposure on financial assets and liabilities	(26,042)	9	(26,033)

A 10% (2023: 10%) weakening of Singapore Dollar against the following currencies at reporting date would increase/(decrease) profit or loss or other comprehensive income by the amounts shown below, with all other variables including tax rate being held constant:

	USD \$'000	HKD \$'000	EUR \$'000	Others \$'000	Total \$'000
Group					
<u>At 31 December 2024</u>					
Profit or loss, after tax	4,689	181	1,107	967	6,944
Other comprehensive income	342	5,888	–	–	6,230
<u>At 31 December 2023</u>					
Profit or loss, after tax	5,360	181	949	1,117	7,607
Other comprehensive income	324	2,370	–	–	2,694

	HKD \$'000	Others \$'000	Total \$'000
Company			
<u>At 31 December 2024</u>			
Profit or loss, after tax	(3,450)	1	(3,449)
<u>At 31 December 2023</u>			
Profit or loss, after tax	(2,604)	1	(2,603)

A 10% (2023: 10%) strengthening of Singapore Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

It is the Group's policy to transact with creditworthy counterparties. In addition, the granting of material credit limits to counterparties is reviewed and approved by senior management. The Group does not expect to incur any material credit losses on its financial assets or other financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

The Group considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information including

- External credit rating;
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations; and
- Significant delay in the payment status of counterparty.

A significant increase in credit risk is presumed if a debtor is more than 3 months past due in making a contractual payment.

A default on a financial asset is when the counterparty fails to make contractual payments within 12 months of when they fall due and there is no reasonable expectation of recovery.

(c) Interest rate risk

The Group does not have financial assets and financial liabilities that are exposed to significant interest rate risks. The Company periodically reviews its liabilities and monitors interest rate fluctuations to ensure that the exposure to interest rate risk is within acceptable levels.

The Group does not expect to incur material losses due to changes in interest rate of the bank borrowings.

Details of various risk exposure in terms of market price risk and credit risk, can be found in Notes 9(a) and 14(b) respectively.

(d) Financial instruments by category

The financial instruments of the Group and of the Company include the following:

		The Group		The Company	
	Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Financial Assets					
Strategic and long term investments (FVOCI)	9	3,188,191	2,636,007	–	–
Investment in debt securities (Amortised cost)	10	143,437	185,923	–	–
Cash and bank balances and trade and other receivables (Amortised cost)		792,108	621,924	822,516	693,495
		4,123,736	3,443,854	822,516	693,495
Financial Liabilities					
Trade and other payables and borrowings (Amortised cost)		114,067	105,307	68,134	88,491

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5. EXPENSES

(a) Breakdown by expenses

	The Group	
	2024 \$'000	2023 \$'000
Purchase of inventories	62,744	56,691
Changes in inventories	(4,639)	(237)
	58,105	56,454
Sales and marketing expenses	43,366	39,741
Employee costs (Note 5(b))	41,131	38,310
Depreciation		
– property, plant and equipment (Note 12)	3,754	3,669
– investment properties (Note 13)	2,357	2,379
Repair and maintenance	3,414	3,001
Utilities	3,295	3,231
Property tax	2,123	2,108
Professional and legal fees	1,215	1,155
Auditors' remuneration:		
– Auditor of the Company:		
– audit fees	343	326
– non-audit fees	4	4
– Other auditors:		
– audit fees	24	25
– non-audit fees	10	11
Trademark expenses	386	327
Inventories written down, net	343	480
Finance expenses		
– borrowings	2,058	1,524
– lease liabilities	27	31
Loss on disposal and write-off of property, plant and equipment, net	29	–
Foreign exchange loss, net	588	1,294

(b) Employee costs (including Executive Director)

	The Group	
	2024 \$'000	2023 \$'000
Salaries and other short-term employee benefits (including directors' fees)	37,964	35,742
– Key management	6,507	6,655
– Other employees	31,457	29,087
Employer's contribution to Central Provident Fund and other defined contribution plans	3,167	2,568
– Key management	93	83
– Other employees	3,074	2,485
	41,131	38,310

Total compensation to Directors of the Company included in the above amounted to \$3,871,000 (2023: \$3,934,000).

(c) Related parties transactions

There are no other material related party transactions apart from those disclosed elsewhere in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6. TAXATION

(a) Tax expense

Tax expense attributable to profit is made up of:

Current taxation

Current year:

- Singapore
- Overseas

(Over)/under provision in respect of previous years:

- Singapore
- Overseas

Deferred taxation

Origination and reversal of temporary differences:

- Singapore
- Overseas

Under/(over) provision in respect of previous years:

- Singapore
- Overseas

The Group	
2024	2023
\$'000	\$'000
12,431	10,834
4,520	1,826
16,951	12,660
(500)	(120)
(94)	70
(594)	(50)
757	(182)
707	1,172
1,464	990
49	(733)
(26)	(42)
23	(775)
17,844	12,825

The tax expense on accounting profit differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	2024	2023
	\$'000	\$'000
Profit before taxation	246,118	229,394
Share of profit of associated company	(4,202)	(3,512)
Profit before taxation and share of profit of associated company	241,916	225,882
Taxation at applicable Singapore tax rate of 17% (2023: 17%)	41,126	38,400
Adjustments:		
– Tax rate difference in foreign subsidiaries	659	429
– Withholding taxes	1,873	643
– Tax effect of expenses not deductible for tax purposes	1,588	1,283
– Tax effect of income not subject to tax	(25,441)	(23,347)
– Tax rebates, exemptions and incentives	(1,310)	(1,958)
– Utilisation of previously unrecognised deferred taxes	(100)	(1,800)
– Deferred income tax asset not recognised	20	–
– Over provision in respect of previous years	(571)	(825)
Taxation expense	17,844	12,825

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6. TAXATION (CONTINUED)

(b) Deferred tax

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statement of financial position as follows:

		The Group	
		2024	2023
		\$'000	\$'000
Deferred tax liabilities		816	762
Deferred tax assets		(1,324)	(2,709)
		(508)	(1,947)

The movements in the deferred income tax assets and liabilities (prior to offsetting of balances within the same jurisdiction) during the financial year are as follows:

	Deferred income tax liabilities		Deferred income tax assets			
	Accelerated tax depreciation	Total	Provisions	Others	Total	Net
The Group	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2024						
Beginning of financial year	2,243	2,243	(2,299)	(1,891)	(4,190)	(1,947)
Charged to profit or loss	229	229	26	1,232	1,258	1,487
Currency translation differences	74	74	(53)	(69)	(122)	(48)
End of financial year	2,546	2,546	(2,326)	(728)	(3,054)	(508)
2023						
Beginning of financial year	1,118	1,118	(1,510)	(1,826)	(3,336)	(2,218)
Charged/ (credited) to profit or loss	1,202	1,202	(852)	(135)	(987)	215
Currency translation differences	(77)	(77)	63	70	133	56
End of financial year	2,243	2,243	(2,299)	(1,891)	(4,190)	(1,947)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6. TAXATION (CONTINUED)

(b) Deferred tax (continued)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefits through future taxable profits is probable. The Group has unrecognised deferred income tax assets arising from tax losses of \$7.6 million (2023: \$8.0 million) at the end of the reporting period. These tax losses can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies in their respective countries of incorporation. These tax losses have no expiry date except for \$0.3 million which will expire between 2025 and 2029 (2023: \$0.2 million which will expire between 2025 and 2027).

7. DIVIDENDS

	The Group	
	2024	2023
	\$'000	\$'000
<i>Ordinary dividends paid:</i>		
Final exempt 2023 dividend of 20 cents per share (2023: Final exempt 2022 dividend of 15 cents per share)	44,274	33,205
Interim exempt 2024 dividend of 20 cents per share (2023: Interim exempt 2023 dividend of 20 cents per share)	44,273	44,274
	88,547	77,479
Dividend per share (net of tax)	40 cents	35 cents

Final dividends to the Company's shareholders are recognised when the dividends are approved by the shareholders. The Directors recommend a final tax exempt one-tier dividend of 20 cents per share and a special tax exempt one-tier dividend of \$1.00 per share, amounting to approximately \$265.6 million to be paid for the financial year ended 31 December 2024 (2023: 20 cents per share, amounting to approximately \$44.3 million). These financial statements do not reflect the proposed final tax exempt dividends, which will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 December 2025.

In accordance with the Constitution of the Company, unclaimed dividends outstanding for more than 6 years of about \$301,000 (2023: \$240,000) were written back.

8. EARNINGS PER SHARE

	The Group	
	2024	2023
	\$'000	\$'000
Earnings for the financial year	228,274	216,569
	'000	'000
Weighted average number of ordinary shares for calculation of basic and diluted earnings per share	221,368	221,368
Earnings per share attributable to equity holders of the Company		
– Basic and diluted	103.1 cents	97.8 cents

Basic and diluted earnings per share are calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year. The Company had no potentially dilutive ordinary shares for financial years 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. STRATEGIC AND LONG TERM INVESTMENTS

Strategic and long term investments comprise of financial assets at fair value through other comprehensive income as follows:

	The Group	
	2024 \$'000	2023 \$'000
<u>Strategic investments</u>		
United Overseas Bank Limited	2,718,572	2,129,498
UOL Group Limited	371,031	451,721
	3,089,603	2,581,219
Other long term investments	98,588	54,788
	3,188,191	2,636,007

- (a) The market price risk associated with these investments is the potential gain or loss in fair value resulting from the change in market prices of these securities. If prices for equity securities listed in Singapore and listed overseas change by 10% (2023: 10%) with all other variables including tax rate being held constant, the Group's equity and other comprehensive income will be affected by:

	2024 \$'000	2023 \$'000
<u>Listed in Singapore</u>		
– increased by	308,960	258,122
– decreased by	(308,960)	(258,122)
<u>Listed overseas</u>		
– increased by	9,517	5,154
– decreased by	(9,517)	(5,154)

- (b) The Group holds a 10% interest in a company, Hua Han Health Industry Holdings Limited ("Hua Han"), which was previously listed on Hong Kong Stock Exchange ("HKSE") but trading in its shares had been suspended since September 2016. In 2019, provisional liquidators were appointed, and the Hong Kong High Court ordered that the company be wound up. During the 2020 financial year, the HKSE informed Hua Han that its Listing Committee had decided to cancel the Hua Han's listing and the listing of its shares was cancelled on 16 December 2020. As at 31 December 2024, the liquidation is still ongoing.

Due to the prolonged lack of clarity on its financial status and based on the latest available public information, management has continued to assess the fair value of this investment to be nil (2023: nil).

10. INVESTMENT IN DEBT SECURITIES

	The Group	
	2024 \$'000	2023 \$'000
Singapore Government Treasury Bills	143,437	185,923

Singapore Government Treasury Bills are classified and measured at amortised cost. The carrying amounts approximate their fair values as they will mature within 12 months from the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

11. INTANGIBLE ASSETS

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Goodwill on consolidation	11,116	11,116	–	–
Trademarks	–	–	–	–
	11,116	11,116	–	–

(a) Goodwill on consolidation

	The Group	
	2024 \$'000	2023 \$'000
Cost		
Balance at beginning and end of financial year	11,116	11,116

Impairment test for goodwill

Goodwill arose from the privatisation of Haw Par Healthcare Limited in 2003. The goodwill is allocated to the healthcare division of the Group, which is regarded as a cash-generating unit ("CGU").

During the financial year, the Group has determined that there was no impairment of its CGU containing the goodwill given the profitability of the healthcare division (See Note 3). The recoverable amount (i.e. higher of value-in-use and fair value less costs to sell) of the CGU is determined on the basis of value-in-use calculations. These calculations incorporate cash flow projections by management covering a five-year period.

Key assumptions used for value-in-use calculations:

Discount rate	9.5%	(2023: 10.5%) per annum
Growth rate	0.0%	(2023: 0.0%) per annum

The pre-tax discount rate used reflects specific risks relating to the healthcare division. Based on the sensitivity analysis performed, any reasonable change in the key assumptions would not result in any impairment adjustments.

(b) Trademarks

The Company and its wholly-owned subsidiary, Haw Par Brothers International (HK) Ltd ("HPBIHK") own the "Tiger" (Cost: \$2.0 million) and "Kwan Loong" ("Double Lion") (Cost: HK\$5.58 million) trademarks respectively. The Company and HPBIHK (together "the Licensors"), licensed to Haw Par Healthcare Limited ("HPH"), another wholly-owned subsidiary, the exclusive right to manufacture, distribute, market and sell "Tiger" and "Kwan Loong" products worldwide until 31 December 2037 and can be renewed for a further period of 25 years on terms to be mutually agreed between the Licensors and HPH. The costs of these trademarks have been fully amortised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Plant and equipment	Assets under construction	Total
	\$'000	\$'000	\$'000	\$'000
The Group				
<i>Cost</i>				
At 1 January 2024	60,162	41,682	–	101,844
Additions	27	1,866	109	2,002
Modification of lease liability	3	16	–	19
Disposals/write-offs	–	(1,163)	–	(1,163)
Currency translation differences	2,339	440	6	2,785
At 31 December 2024	62,531	42,841	115	105,487
<i>Accumulated depreciation</i>				
At 1 January 2024	20,190	32,065	–	52,255
Depreciation charge for the year	1,460	2,294	–	3,754
Disposals/write-offs	–	(1,123)	–	(1,123)
Currency translation differences	350	187	–	537
At 31 December 2024	22,000	33,423	–	55,423
Net book value				
At 31 December 2024	40,531	9,418	115	50,064
<i>Cost</i>				
At 1 January 2023	36,497	39,730	25,657	101,884
Additions	602	3,188	1,984	5,774
Modification of lease liability	(11)	–	–	(11)
Transfer	27,221	827	(28,048)	–
Disposals/write-offs	(674)	(1,384)	–	(2,058)
Currency translation differences	(3,473)	(679)	407	(3,745)
At 31 December 2023	60,162	41,682	–	101,844
<i>Accumulated depreciation</i>				
At 1 January 2023	19,823	31,664	–	51,487
Depreciation charge for the year	1,376	2,293	–	3,669
Disposals/write-offs	(674)	(1,378)	–	(2,052)
Currency translation differences	(335)	(514)	–	(849)
At 31 December 2023	20,190	32,065	–	52,255
Net book value				
At 31 December 2023	39,972	9,617	–	49,589

Included in land and buildings is freehold land amounting to \$7,159,000 (2023: \$6,734,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Leases – The Group as a lessee

The Group leases land, building and office space for its operations. The right-of-use of assets under leasing arrangements are presented together with the owned assets of the same class.

- (i) Carrying amounts and movement of right-of-use assets classified within property, plant and equipment:

	Land and buildings	Plant and equipment	Total
	\$'000	\$'000	\$'000
At 1 January 2024	1,361	11	1,372
Modification of lease liability	3	16	19
Currency translation differences	4	–	4
Depreciation expense	(190)	(27)	(217)
At 31 December 2024	1,178	–	1,178
At 1 January 2023	1,494	–	1,494
Additions	101	38	139
Modification of lease liability	(11)	–	(11)
Currency translation differences	(36)	–	(36)
Depreciation expense	(187)	(27)	(214)
At 31 December 2023	1,361	11	1,372

- (ii) Expenses relating to short-term and low-value leases not recognised as right-of-use assets and lease liabilities amounted to \$340,000 (2023: \$263,000) and \$31,000 (2023: \$32,000) respectively. Total cash outflow for all leases was \$590,000 (2023: \$509,000).
- (iii) Certain property leases contain extension options exercisable by the Group, for which the related lease payments had not been included in lease liabilities as the Group is not certain whether to exercise the extension option. Where practicable, the Group negotiates to include extension options in leases to provide operational flexibility.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. INVESTMENT PROPERTIES

The Group's investment properties consist of both commercial and industrial properties, held for long-term rental yields and/or capital appreciation and are not substantially occupied by the Group. They are mainly leased to third parties under operating leases.

	The Group	
	2024 \$'000	2023 \$'000
<i>Cost</i>		
Beginning of financial year	122,929	124,816
Improvements	1,100	62
Disposals/write-offs	–	(30)
Currency translation differences	1,501	(1,919)
End of financial year	125,530	122,929
<i>Accumulated depreciation and impairment losses</i>		
Beginning of financial year	76,035	74,760
Depreciation charge for the year	2,357	2,379
Disposals/write-offs	–	(30)
Currency translation differences	798	(1,074)
End of financial year	79,190	76,035
<i>Net book value</i>		
As at 31 December	46,340	46,894
<i>At valuation:</i>		
Freehold properties	32,421	30,353
Leasehold properties	183,800	183,800

(a) Valuation

The Group engages external, independent and qualified valuers to determine the fair value of the Group's properties at the end of every financial year based on the property's highest and best use. Discussions on the valuation process, key inputs applied in the valuation approach and the reasons for the fair value changes are held between the finance department and the independent valuer annually.

The fair value of the Group's investment properties is determined based on significant unobservable inputs and categorised under Level 3 of the fair value measurement hierarchy. Level 3 fair value has been derived using the income capitalisation approach where the net rental income after property tax is capitalised at a rate which reflects the present and potential income growth over the unexpired lease term. The most significant input into the income capitalisation valuation approach is the capitalisation rate of 5.25% to 7% (2023: 5.25% to 7%) per annum.

An increase in capitalisation rate will result in a decrease to the fair value of the investment property.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. INVESTMENT PROPERTIES (CONTINUED)

(b) The following amounts are recognised in profit or loss:

	The Group	
	2024	2023
	\$'000	\$'000
Rental income (Note 3)	16,107	15,493
Direct operating expenses arising from investment properties that generated rental income	(7,711)	(7,667)

(c) Certain investment properties with a carrying value of \$35,293,000 (2023: \$36,168,000) and fair value of \$183,800,000 (2023: \$183,800,000) are pledged to the banks as security for bank credit facilities.

(d) The details of the Group's investment properties as at 31 December 2024 are as follows:

Investment properties	Description	Tenure of land	Independent valuer
Haw Par Glass Tower 178 Clemenceau Avenue Singapore 239926	9-storey office building on a land area of 899 square metres. The lettable area is 3,316 square metres.	99-year lease from 2 June 1970	Edmund Tie & Company (SEA) Pte Ltd
Haw Par Centre 180 Clemenceau Avenue Singapore 239922	6-storey office building on a land area of 2,464 square metres. The lettable area is 10,096 square metres.	99-year lease from 1 September 1952	Edmund Tie & Company (SEA) Pte Ltd
Haw Par Technocentre 401 Commonwealth Drive Singapore 149598	7-storey industrial building on a land area of 8,131 square metres. The lettable area is 15,707 square metres.	99-year lease from 1 March 1963	Edmund Tie & Company (SEA) Pte Ltd
Menara Haw Par Lot 242, Jalan Sultan Ismail, 50250 Kuala Lumpur Malaysia	32-storey office building on a land area of 2,636 square metres and a parcel of commercial land of 1,294 square metres. The lettable area of the building is 16,131 square metres.	Freehold	Nawawi Tie Leung Property Consultants Sdn Bhd

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. INVESTMENT PROPERTIES (CONTINUED)

- (e) Investment properties are tenanted under non-cancellable lease arrangements. Future undiscounted lease payments to be received from the operating leases as of 31 December are as follows:

	The Group	
	2024 \$'000	2023 \$'000
Less than one year	14,506	14,628
One to two years	8,080	10,445
Two to three years	3,967	3,972
Three to four years	2,602	1,008
Four to five years	2,276	699
After five years	2,801	812
Total undiscounted lease payment	34,232	31,564

14. WORKING CAPITAL BALANCES

- (a) Cash and bank balances

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Short term bank deposits	685,678	523,102	462,514	311,034
Cash at bank and on-hand	60,106	50,912	2,333	1,922
	745,784	574,014	464,847	312,956

The cash and deposits, together with the available unutilised credit facilities, are expected to be sufficient to meet the funding requirements of the Group's operations.

Included in the cash and bank balances are bank deposits and cash on hand amounting to \$18,806,000 (2023: \$21,329,000) which are not freely remittable for use by the Group because of currency exchange restrictions. Bank deposits are considered to have low credit risk as they are placed with banks with high credit-ratings assigned by international credit rating agencies.

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

	The Group	
	2024 \$'000	2023 \$'000
Cash and bank balances (as above)	745,784	574,014
Less: Bank deposits pledged for banking facilities	(486)	(460)
Cash and cash equivalents per consolidated statement of cash flows	745,298	573,554

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. WORKING CAPITAL BALANCES (CONTINUED)

(b) Trade and other receivables

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade receivables	37,415	37,689	4,584	4,311
Advances to subsidiaries	–	–	348,679	373,027
Other receivables	10,407	10,798	4,418	3,210
	47,822	48,487	357,681	380,548

The Group's other receivables mainly comprise of interest receivable of approximately \$5,217,000 (2023: interest receivable of approximately \$7,036,000).

As at 1 January 2023, the Group and the Company's trade receivables amounted to \$18,968,000 and \$3,322,000 respectively.

Advances to subsidiaries by the Company are non-trade, unsecured, interest-free and are repayable on demand.

The carrying amounts of advances, trade and other receivables approximate their fair values as they are expected to be recovered within 12 months from the reporting date.

(i) *Credit risk*

The Group applies the simplified approach to providing for expected credit losses, which permits the use of the lifetime expected loss provision for all trade receivables. The expected loss on trade receivables at the reporting date is insignificant as majority of the balances are current. The loss allowance provision as at 31 December is determined as follows:

	Current	Past due within 1 month	Past due 1 to 3 months	Past due more than 3 months	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
The Group 2024					
Expected loss rate	-%	-%	-%	1%	
Gross carrying amount	37,152	160	103	–	37,415
Loss allowance provision	–	–	–	–	–
2023					
Expected loss rate	-%	-%	-%	1%	
Gross carrying amount	36,579	1,082	28	–	37,689
Loss allowance provision	–	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. WORKING CAPITAL BALANCES (CONTINUED)

(b) Trade and other receivables (continued)

(i) *Credit risk (continued)*

Cash balances, advances to subsidiaries, other receivables and investment in debt securities are measured on 12-month expected credit losses as these debtors have a low risk of default and a strong capacity to meet contractual cashflows. There is no significant increase in credit risk during the year and they are subject to immaterial credit losses.

The maximum exposure of the Group and the Company to credit risk in the event that the counterparties fail to perform their obligations as of 31 December 2024 and 2023 in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the statements of financial position.

(c) Inventories

	The Group	
	2024	2023
	\$'000	\$'000
Manufacturing stocks	13,676	10,862
Work in progress	5,130	3,373
Finished stocks	4,495	4,770
	23,301	19,005

The cost of inventories recognised as expense and included in "Cost of sales" amounted to \$58,105,000 (2023: \$56,454,000) (Note 5).

During the financial year, the Group recognised inventories write down of \$343,000 (2023: \$480,000). The inventories written down have been included in "Cost of sales" in profit or loss.

(d) Trade and other payables

	The Group		The Company	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Trade payables	4,452	3,913	—	—
Other payables and accruals	72,849	72,910	5,194	4,954
Lease liabilities (Note 14(d)(i))	471	638	—	—
Advances from subsidiaries	—	—	26,645	55,691
	77,772	77,461	31,839	60,645

Trade and other payables, excluding lease liabilities, represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Other payables and accruals mainly comprise of accrued sales and marketing expenses, and accrued employee compensation.

Trade and other payables are initially recognised at fair value, and subsequently measured at amortised cost, using the effective interest method. The carrying values of trade and other payables approximate their fair values.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. WORKING CAPITAL BALANCES (CONTINUED)

(d) Trade and other payables (continued)

Advances from subsidiaries are non-trade, unsecured, interest free and are repayable on demand.

The Group does not have any material financial liabilities, maturing more than 12 months from 31 December 2024.

(i) Lease liability

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the interest rate implicit in the lease or the Group's incremental borrowing rate.

	The Group	
	2024	2023
	\$'000	\$'000
Lease liability		
Beginning of financial year	638	699
Additions during the year	–	139
Modification of lease liability	19	(11)
Principal and interest payment	(219)	(214)
Interest expense	27	31
Effects of changes in foreign exchange rates	6	(6)
End of financial year	471	638

(e) Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

The bank borrowings of the Group and the Company are exposed to interest rate changes and contractual repricing in less than 6 months from the reporting date for both financial years.

Bank borrowings and credit facilities of the Group are secured over certain investment properties (Note 13) and pledged deposits (Note 14(a)).

The carrying value of bank borrowings approximates its fair value as they are expected to be settled within 12 months from the reporting date.

Reconciliation of liabilities arising from financing activities

Details of changes in the Group's liabilities from financing activities are set out in the table below and in Note 14(d)(i):

	The Group and the Company	
	2024	2023
	\$'000	\$'000
Borrowings		
Beginning of financial year	27,846	28,501
Proceeds from borrowings	7,820	–
Effects of changes in foreign exchange rates	629	(655)
End of financial year	36,295	27,846

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

15. SHARE CAPITAL

	The Group and the Company			
	2024		2023	
	Number of shares '000	Amount \$'000	Number of shares '000	Amount \$'000
Beginning and end of financial year	221,368	268,911	221,368	268,911

Ordinary shares are classified as equity. All issued ordinary shares are fully paid. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

Capital risk

In managing capital, the Group's objectives are to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to members, buy back issued shares or obtain new borrowings.

Management monitors capital based on ability of the Group to generate sustainable profits and availability of retained profits for dividend payments to members. The Group's overall strategy remains unchanged from 2023.

The Group and the Company are in compliance with all externally imposed capital requirements, which are based on the ratios of consolidated borrowings to consolidated assets or tangible net worth, for the financial years ended 31 December 2024 and 2023.

16. CONTINGENCIES AND COMMITMENTS

(a) Contingent liabilities

The Group has no material contingent liabilities as at year end.

(b) Commitments

Capital commitments

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Property, plant and equipment	1,304	204	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

17. SUBSIDIARIES AND ASSOCIATED COMPANY

Investment in subsidiaries and an associated company are stated at cost less accumulated impairment losses. On disposal of these investments, the difference between net disposal proceeds and the carrying amount of the net investments is recognised in profit or loss.

(a) Investment in subsidiaries

	The Company	
	2024	2023
	\$'000	\$'000
Equity investments at cost:		
Unquoted, at written down cost	569,182	601,155
Allowance for impairment in value	(14,143)	(38,594)
	555,039	562,561

Significant subsidiaries in the Group

Name of Company	Country of incorporation	Principal activities	Effective equity interest held by Group	
			2024	2023
			%	%
SUBSIDIARIES				
Healthcare products				
Haw Par Healthcare Limited	Singapore	Manufacturing, marketing and distributing healthcare products	100.0	100.0
* Tiger Balm (Malaysia) Sdn. Bhd. +	Malaysia	Manufacturing, marketing and distributing pharmaceutical products	100.0	100.0
* Xiamen Tiger Medicals Co., Ltd. ++	The People's Republic of China	Manufacturing, marketing and distributing pharmaceutical products	100.0	100.0
Leisure products and services				
Haw Par Leisure Pte Ltd	Singapore	Investment holding	100.0	100.0
* Underwater World Pattaya Ltd +	Thailand	Owning and operating oceanarium	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

17. SUBSIDIARIES AND ASSOCIATED COMPANY (CONTINUED)

(a) Investment in subsidiaries (continued)

Significant subsidiaries in the Group (continued)

Name of Company	Country of incorporation	Principal activities	Effective equity interest held by Group	
			2024 %	2023 %
Property				
Haw Par Properties (Singapore) Private Limited	Singapore	Property development and owning and letting properties	100.0	100.0
Haw Par Centre Private Ltd	Singapore	Property development and owning and letting properties	100.0	100.0
Setron Pte. Ltd.	Singapore	Property development and owning and letting properties	100.0	100.0
Haw Par Land (Malaysia) Sdn. Bhd. +	Malaysia	Investment in properties and letting out of office space	100.0	100.0
Investments				
Haw Par Capital Pte Ltd	Singapore	Investment holding	100.0	100.0
Haw Par Equities Pte Ltd	Singapore	Investment holding	100.0	100.0
Haw Par Investment Holdings Private Limited	Singapore	Investment holding	100.0	100.0
Haw Par Pharmaceutical Holdings Pte. Ltd.	Singapore	Investment holding	100.0	100.0
Haw Par Securities (Private) Limited	Singapore	Investment holding	100.0	100.0
Haw Par Trading Pte Ltd	Singapore	Investment holding	100.0	100.0
M & G Maritime Services Pte. Ltd.	Singapore	Investment holding	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

17. SUBSIDIARIES AND ASSOCIATED COMPANY (CONTINUED)

(a) Investment in subsidiaries (continued)

Significant subsidiaries in the Group (continued)

Name of Company	Country of incorporation	Principal activities	Effective equity interest held by Group	
			2024 %	2023 %
Pickwick Securities Private Limited	Singapore	Investment holding	100.0	100.0
Straits Maritime Leasing Private Limited	Singapore	Investment holding	100.0	100.0
Haw Par Brothers International (H.K.) Limited ++	Hong Kong, The People's Republic of China	Investment holding and licensing of "Kwan Loong" trademark	100.0	100.0
Haw Par Management Services Pte. Ltd.	Singapore	Provision of management support services	100.0	100.0

Notes

- (i) Companies indicated with a (*) are indirectly held by Haw Par Corporation Limited.
- (ii) Companies indicated with a (+) are audited by PricewaterhouseCoopers member firms outside Singapore.
- (iii) Companies indicated with a (++) are audited by other firms. These foreign – incorporated companies are not considered as significant foreign-incorporated subsidiaries under the Singapore Exchange Securities Trading Limited – Listing Rules. Accordingly, Rule 716 of the Listing Manual has been complied with.
- (iv) All the above subsidiaries and associated company operate in their respective countries of incorporation.

(b) Investment in an associated company

	The Group		The Company	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Investment in an associated company	19,083	18,881	2,895	2,895

Name of associated company	Country of incorporation	Principal activities	Effective equity interest held by Group	
			2024 %	2023 %
UIC Technologies Pte Ltd	Singapore	Investment holding	40.0	40.0

The Group's investment in associated company is not material to the Group. There are no contingent liabilities relating to the Group's interest in the associated company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Revenue and other income recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services, in the ordinary course of the Group's activities, net of goods and services tax, rebates and discounts. Revenue is recognised as follows:

Revenue from contracts with customers comprises of:

(i) *Sale of goods*

Revenue from sale of goods is recognised generally on shipment (at a point in time) and collection of related receivables is generally within 60 days.

(ii) *Rendering of services*

Revenue from services is recognised upon rendering of services (over time) and payment is due immediately.

Revenue from leasing of investment properties:

(iii) *Rental income*

Rental income from operating leases on investment properties is recognised on a straight-line basis over the lease term when collectability of the related receivable is reasonably assured.

Other income is recognised as follows:

(iv) *Dividend income*

Dividend income from investments, subsidiaries and associated company is recognised when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the dividend amount can be reliably measured.

(v) *Interest income*

Interest income is recognised on a time proportion basis using the effective interest method.

(b) Income taxes

Current and deferred income taxes for current and prior periods are recognised at the amounts expected to be paid to or recovered from the tax authorities, using the applicable tax rates.

Current and deferred income taxes are recognised as income or expenses in profit or loss for the period except for those relating to fair value changes of financial assets at fair value through other comprehensive income which are recognised in other comprehensive income.

Deferred income tax are recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Income taxes (continued)

Deferred income tax liability is recognised on temporary differences arising on distributable reserves from investments in subsidiaries and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

(c) Investments and other financial assets

Classification and measurement

The Group classifies its financial assets in the following measurement categories:

- Fair value (either through other comprehensive income, or through profit or loss), and
- Amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

At initial recognition

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset.

The Group has elected at the time of initial recognition to classify its equity investments as financial assets at fair value through other comprehensive income because these are strategic and long term investments.

Subsequent measurement and derecognition

(i) Equity investments

The Group subsequently measures all its equity investments at fair value with gains and losses recognised in other comprehensive income. The fair value of the investments is based primarily on quoted market prices at the end of the reporting period. The quoted market price used is the current bid price and is classified as Level 1 under fair value hierarchy set out in the relevant accounting standards.

When a portion of the equity investment portfolio is hedged, the fair value changes on the portion of the hedging instrument designated as fair value hedges are recognised within the same line item as the fair value changes of the hedged item. Impairment losses (and reversal of impairment losses) on equity investments measured at fair value through comprehensive income are not reported separately from other changes in fair value. Upon disposal, any balance within the fair value reserve is reclassified directly to retained profits and not reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Investments and other financial assets (continued)

Subsequent measurement and derecognition (continued)

(i) Equity investments (continued)

The Group documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objective and strategies for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, on whether the hedging relationship meets the hedge effectiveness requirement under SFRS (I) 9.

(ii) Other financial assets

Other financial assets mainly comprise of "Trade and other receivables" (Note 14), "Cash and bank balances" (Note 14) and "Investments in debt securities" (Note 10) and are subsequently recognised at amortised cost.

Other financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. On disposal of other financial assets, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

For impairment of trade receivables, the Group applies the simplified expected credit loss model as disclosed in Note 14(b)(i).

(d) Intangible assets

(i) *Goodwill*

Goodwill is carried at cost less accumulated impairment losses. Goodwill on acquisition of subsidiaries and business, represents the excess of (i) the sum of consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the identifiable net assets acquired.

(ii) *Trademarks*

Trademarks are carried at cost less accumulated amortisation and/or accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the cost of trademarks over a period not exceeding 20 years. These have been fully amortised as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Property, plant and equipment Investment properties

(i) *Measurement*

Property, plant and equipment and investment properties are stated at cost less accumulated depreciation and accumulated impairment losses. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

The cost of an item of property, plant and equipment and investment property includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The projected cost of dismantlement, removal or restoration is also included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

The cost of right-of-use assets comprises the initial measurement of lease liabilities (Note 18(i)(i)) adjusted for any lease payments made at or before the commencement date. Any initial direct costs that would not have been incurred but for the lease are added to the carrying amount of the right-of-use assets.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The cost of major renovations and improvements is capitalised as additions and the carrying amounts of the replaced components are written off to profit or loss. All other repair and maintenance expense is recognised in profit or loss when incurred.

On disposal, the difference between the net disposal proceeds and its carrying amount is recognised in profit or loss.

(ii) *Depreciation*

Depreciation is calculated using a straight-line method to allocate the depreciable amounts of asset over their estimated useful lives as follows:

Freehold land	No depreciation
Leasehold land	Over the term of the lease
Buildings	20 – 50 years or over the term of the lease, whichever is shorter
Plant and equipment	4 to 10 years

Construction-in-progress assets are not depreciated until they are brought to use. Fully depreciated assets are retained in the financial statements until they are no longer in use.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Property, plant and equipment Investment properties (continued)

(ii) *Depreciation (continued)*

The residual values, estimated useful lives and depreciation method of the assets are reviewed, and adjusted as appropriate, at each financial year-end to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment and investment properties. The effects of any revision are recognised in profit or loss for the financial year in which the changes arise.

(f) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined on a weighted average basis. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity).

(g) Group accounting

(i) *Subsidiaries*

(1) *Consolidation*

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity including those entities which the Group has less than 50% equity interest.

Subsidiaries are consolidated from the date on which control is transferred to the Group and de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(2) *Acquisitions*

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred, equity interests issued by the Group, the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Group accounting (continued)

(i) *Subsidiaries (continued)*

(2) *Acquisitions (continued)*

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill (Note 18(d)(i)).

(3) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

(ii) *Associated companies*

Associated companies are entities over which the Group has significant influence, but not control, generally accompanied by a shareholding of 20% or more of the voting rights. Investments in associated companies in the consolidated statement of financial position include goodwill (net of accumulated impairment loss) identified on acquisition, where applicable.

(1) *Equity method of accounting*

Investments in associated companies are accounted for in the consolidated financial statements using the equity method of accounting less impairment losses, if any. The Group's share of its associated companies' post-acquisition profits or losses are recognised in profit or loss and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. These post-acquisition movements and distributions received from the associated companies are adjusted against the carrying amount of the investments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Group accounting (continued)

(ii) *Associated companies (continued)*

(2) *Disposals*

Gains and losses arising from partial disposals or dilutions in investments in associated companies in which significant influence is retained are recognised in profit or loss.

Investments in associated companies are derecognised when the Group ceases to have significant influence. If the retained equity interest in the former associated company is a financial asset, the retained equity interest is measured at fair value. The difference between the carrying amount of the retained interest at the date when significant influence ceases and its fair value is recognised in profit or loss.

(h) Impairment of non-financial assets

Goodwill, Intangible assets, Property, plant and equipment, Right-of-use assets, Investment properties and Investments in subsidiaries and associated company

Goodwill, recognised separately as an intangible asset, is tested annually for impairment and whenever there is any indication that the goodwill may be impaired. The rest of the non-financial assets are reviewed for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash generating units ("CGU") expected to benefit from synergies of the business combination.

For the purpose of impairment testing of the other non-financial assets (apart from goodwill), recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs.

An impairment loss is recognised when the carrying amount of the asset (or CGU), including the goodwill, exceeds the recoverable amount of the asset (or CGU). Recoverable amount of the asset (or CGU) is the higher of the asset (or CGU)'s fair value less cost to sell and value-in-use.

An impairment loss (and any subsequent reversal) on non-financial assets is recognised in profit or loss. An impairment loss on goodwill is recognised as an expense and is not reversed in a subsequent period.

(i) Leases

(i) *When a group company is the lessee*

At inception of a contract, the Group assesses whether the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Leases (continued)

(i) *When a group company is the lessee (continued)*

Leases, except for short-term leases and leases of low value assets, are recognised as a right-of-use asset (Note 18(e)) and corresponding lease liability at the date which the underlying asset is available for use.

Lease liability is initially measured at the present value of the lease payments discounted using the implicit rate in the lease, or the Group's incremental borrowing rate, if the implicit rate cannot be readily determined. Lease liability is remeasured, with a corresponding adjustment to the right-of-use asset, if there is a modification or change in the lease terms or intentions.

Right-of-use assets are presented within "Property, plant and equipment" (Note 12) while lease liabilities are presented within "Trade and other payables" (Note 14).

Short-term and low value assets

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value assets. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

(ii) *When a group company is the lessor*

Leases of investment properties to third parties where the Group retains substantially all risks and rewards incidental to ownership of the leased assets are classified as operating leases.

(j) Fair value estimation

The fair values of current financial assets and liabilities, carried at amortised cost, are assumed to approximate their carrying amounts.

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices obtained from stock exchange at the end of the reporting period. The fair value of financial instruments that do not have readily available quoted price are determined by using valuation techniques. The Group uses a variety of methods such as estimated discounted cash flow analysis.

(k) Currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements of the Group are presented in Singapore Dollar, which is the Company's functional currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(k) Currency translation (continued)

(ii) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing exchange rates at the end of the reporting period are recognised in profit or loss, except for currency translation differences on the net investment in foreign operations, borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges for foreign operations, which are included in other comprehensive income and accumulated in the foreign currency translation reserve within equity.

When a foreign operation is disposed of or any borrowings forming part of the net investment of the foreign operation are repaid, a proportionate share of the accumulated translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Currency translation differences on non-monetary items whereby gains or losses are recognised in other comprehensive income, such as equity investments classified as fair value through other comprehensive income financial assets are included in the fair value reserve.

(iii) *Translation of Group entities' financial statements*

The results and financial position of Group entities that are in functional currencies different from the presentation currency are translated into the presentation currency as follows:

- (1) Assets and liabilities are translated at the closing exchange rates at the reporting date;
- (2) Income and expenses are translated at the dates of the transactions; and
- (3) All resulting currency exchange differences are recognised in other comprehensive income and accumulated in currency translation reserve within equity. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

19. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements are authorised for issue in accordance with a resolution of the Board of Directors of Haw Par Corporation Limited on 21 February 2025.

GROUP OFFICES

CORPORATE OFFICE

Haw Par Corporation Limited

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Fax: (65) 6336 9232
www.hawpar.com

HEALTHCARE

Haw Par Healthcare Limited

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#03-03 Haw Par Technocentre
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Fax: (65) 6262 3436
www.tigerbalm.com

Tiger Balm (Malaysia) Sdn. Bhd.

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Malaysia

Xiamen Tiger Medicals Co., Ltd

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Hai Cang District
Xiamen City 361027
The People's Republic of China

LEISURE

Haw Par Leisure Pte Ltd

401 Commonwealth Drive
#03-03 Haw Par Technocentre
Singapore 149598

Underwater World Pattaya Ltd

22/22 Moo 11
Sukhumvit Road
Nongprue, Banglamung
Chonburi 20150
Thailand
Tel: (66) (038) 756 876
www.underwaterworldpattaya.com

PROPERTY & INVESTMENT

Haw Par Properties (Singapore) Private Limited

401 Commonwealth Drive
#03-03 Haw Par Technocentre
Singapore 149598
Tel: (65) 6337 9102
Fax: (65) 6336 9232

Haw Par Land (Malaysia) Sdn. Bhd.

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50250 Kuala Lumpur
Malaysia
Tel: (60) (3) 2070 1855
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Haw Par Securities (Private) Limited

401 Commonwealth Drive
#03-03 Haw Par Technocentre
Singapore 149598

MAJOR PRODUCTS & SERVICES

As at 31 December 2024

HEALTHCARE PRODUCTS

Tiger Balm Brand Products

Tiger Balm White Ointment
 Tiger Balm Red Ointment
 Tiger Balm Ultra
 Tiger Balm Soft
 Tiger Balm Plaster (Warm)
 Tiger Balm Plaster (Cool)
 Tiger Balm Back Pain Patch
 Tiger Balm Muscle Rub
 Tiger Balm Joint Rub
 Tiger Balm Neck & Shoulder Rub
 Tiger Balm Neck & Shoulder Rub Boost
 Tiger Balm Mosquito Repellent Spray
 Tiger Balm Mosquito Repellent Aerosol
 Tiger Balm Mosquito Repellent Patch
 Tiger Balm Fever Patch
 Tiger Balm Liniment/Oil
 Tiger Balm Lotion
 Tiger Balm ACTIVE Muscle Gel
 Tiger Balm ACTIVE Muscle Rub
 Tiger Balm ACTIVE Muscle Spray
 Tiger Balm Inhaler
 Tiger Balm Relief
 Tiger Balm Sensorial Therapy

Kwan Loong Brand Products

Kwan Loong Medicated Oil
 Kwan Loong Refresher

LEISURE FACILITY

Underwater World Pattaya*
 22/22 Moo 11
 Sukhumvit Road
 Nongprue, Banglamung
 Chonburi 20150
 Thailand
 • Aquarium building
 • Leasehold
 Remaining Lease: 7 years

PROPERTIES

Haw Par Centre
 180 Clemenceau Avenue
 Singapore 239922
 • Six-storey commercial building
 • Leasehold
 Remaining Lease: 27 years

Haw Par Glass Tower
 178 Clemenceau Avenue
 Singapore 239926
 • Eight-storey commercial building with basement
 • Leasehold
 Remaining Lease: 45 years

Haw Par Technocentre
 401 Commonwealth Drive
 Singapore 149598
 • Seven-storey industrial building
 • Leasehold
 Remaining Lease: 38 years

Menara Haw Par
 Lot 242, Jalan Sultan Ismail
 50250 Kuala Lumpur
 Malaysia
 • Thirty-two storey commercial building
 • Freehold

Haw Par Tiger Balm Building*
 2 Chia Ping Road
 Singapore 619968
 • Nine-storey industrial building
 • Leasehold
 Remaining Lease: 5 years

Xiamen Tiger Medicals Co. Ltd*
 No. 289 Yang Guang West Road
 Hai Cang District
 Xiamen City 361027
 The People's Republic of China
 • Three-storey industrial building
 • Leasehold
 Remaining Lease: 34 years

Tiger Balm Malaysia*
 No. 53 Jalan I-Park SAC 7
 Persiaran SAC, Taman Perindustrian I-Park
 81400 Senai, Johor
 Malaysia
 • Two-storey industrial building
 • Freehold

* Properties used by operations are included in Property, Plant and Equipment.

STATISTICS OF SHAREHOLDINGS

As at 7 March 2025

SHARE CAPITAL

Number of Issued and Fully Paid Shares	:	221,368,173
Class of Shares	:	Ordinary Share
Voting Rights	:	One vote per share
No. of Treasury Shares	:	Nil
No. of Subsidiary Holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	8,759	45.48	259,887	0.12
100 – 1,000	5,739	29.80	2,421,999	1.09
1,001 – 10,000	4,114	21.36	12,647,347	5.71
10,001 – 1,000,000	630	3.27	28,486,514	12.87
1,000,001 AND ABOVE	16	0.09	177,552,426	80.21
TOTAL	19,258	100.00	221,368,173	100.00

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	WEE INVESTMENTS (PTE) LIMITED	62,907,926	28.42
2	DBSN SERVICES PTE. LTD.	23,495,437	10.61
3	TYE HUA NOMINEES PRIVATE LIMITED	17,435,534	7.88
4	UOB KAY HIAN PRIVATE LIMITED	15,639,312	7.06
5	CITIBANK NOMINEES SINGAPORE PTE LTD	12,162,649	5.49
6	RAFFLES NOMINEES (PTE.) LIMITED	11,262,763	5.09
7	HSBC (SINGAPORE) NOMINEES PTE LTD	9,005,506	4.07
8	DBS NOMINEES (PRIVATE) LIMITED	8,534,034	3.86
9	UNITED OVERSEAS INSURANCE LIMITED – SHF	4,274,600	1.93
10	WAH HIN & CO PTE LTD	3,652,655	1.65
11	DB NOMINEES (SINGAPORE) PTE LTD	1,887,020	0.85
12	PHILLIP SECURITIES PTE LTD	1,701,233	0.77
13	C.Y. WEE & COMPANY PRIVATE LIMITED	1,643,148	0.74
14	SG INVESTMENTS PTE LTD	1,617,000	0.73
15	BPSS NOMINEES SINGAPORE (PTE.) LTD.	1,176,403	0.53
16	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	1,157,206	0.52
17	ABN AMRO CLEARING BANK N.V.	937,510	0.42
18	HOW KOK KOOI	704,000	0.32
19	SINGAPORE REINSURANCE CORPORATION LTD – SHAREHOLDERS	675,000	0.30
20	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	648,923	0.29
TOTAL		180,517,859	81.55

STATISTICS OF SHAREHOLDINGS

As at 7 March 2025

FREE FLOAT

Based on the information available to the Company as at 7 March 2025, approximately 44.74% of the issued ordinary shares of the Company is held by the public and therefore, the Company has complied with Rule 723 of the SGX-ST Listing Manual.

SUBSTANTIAL SHAREHOLDERS AS AT 7 MARCH 2025

	NO. OF SHARES HELD			
	DIRECT	DEEMED	TOTAL	%
Wee Ee Lim	573,738	76,644,365	77,218,103	34.88 ⁽¹⁾⁽²⁾
Wee Ee Cheong	265,403	76,678,311	76,943,714	34.76 ⁽¹⁾⁽²⁾⁽³⁾
Wee Ee Chao	150,372	75,134,135	75,284,507	34.01 ⁽¹⁾⁽⁴⁾
Wee Investments (Pte) Limited	62,907,926	–	62,907,926	28.42
Supreme Island Corporation	12,085,601	–	12,085,601	5.46
First Eagle Investment Management, LLC	–	21,951,517	21,951,517	9.92 ⁽⁶⁾
United Overseas Bank Limited	–	21,708,537	21,708,537	9.81 ⁽⁷⁾

(1) Messrs Wee Ee Lim, Wee Ee Cheong and Wee Ee Chao are deemed to be interested in the shares held by Wee Investments (Pte) Limited, Supreme Island Corporation and Kheng Leong Company (Private) Limited.

(2) Messrs Wee Ee Lim and Wee Ee Cheong are deemed to have an interest in the shares held by C.Y. Wee & Company Private Limited.

(3) Mr Wee Ee Cheong is deemed to have an interest in the shares held by E.C. Wee Pte Ltd.

(4) Mr Wee Ee Chao is deemed to have an interest in the shares held by Protheus Investment Holdings Pte Ltd.

(5) Kheng Leong Company (Private) Limited, C.Y. Wee & Company Private Limited, E.C. Wee Pte Ltd and Protheus Investment Holdings Pte Ltd are not substantial shareholders of the Company.

(6) First Eagle Investment Management, LLC is a U.S. investment adviser, holding the shares on behalf of its clients. One of its mutual funds, First Eagle Overseas Fund holds 21,951,517 shares amounting to a shareholding of 9.92%.

(7) United Overseas Bank Limited is deemed to have an interest in 17,433,937 shares held by Tye Hua Nominees (Pte) Limited and 4,274,600 shares held by United Overseas Insurance Limited – SHF.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 56th Annual General Meeting (the “**AGM**”) of Haw Par Corporation Limited (the “**Company**”) will be held at PARKROYAL on Beach Road, Grand Ballroom, Level 1, 7500 Beach Road, Singapore 199591 on Wednesday, 23 April 2025 at 2.00 p.m. to transact the following business:

AS ORDINARY BUSINESS

- Resolution 1** To receive and adopt the Directors’ Statement and Audited Financial Statements for the financial year ended 31 December 2024 (“**FY2024**”) together with the Auditor’s Report.
- Resolution 2** To declare a Second and Final tax-exempt (one-tier) dividend of 20 cents per ordinary share and a Special tax-exempt (one-tier) dividend of S\$1.00 per ordinary share for FY2024.
- Resolution 3** To re-elect Mr Chew Choon Soo, who is retiring by rotation pursuant to Article 94 of the Company’s Constitution, and who, being eligible, offers himself for re-election.
- Resolution 4** To re-elect Mr Ong Sim Ho, who is retiring by rotation pursuant to Article 94 of the Company’s Constitution, and who, being eligible, offers himself for re-election.
- Resolution 5** To approve Directors’ fees of S\$536,001 for FY2024 (FY2023: S\$594,092).
- Resolution 6** To re-appoint PricewaterhouseCoopers LLP as Auditor of the Company to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix its remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following as an ordinary resolution:

- Resolution 7** That authority be and is hereby given to the Directors of the Company to:
- (a) (i) issue shares of the Company (“**shares**”) (whether by way of rights, bonus or otherwise); and/or
 - (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,
 - at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and
 - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to shareholders of the Company ("**Shareholders**") (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifteen per cent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**")) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed, and
 - (ii) any subsequent bonus issue, consolidation or subdivision of shares,
 and, in sub-paragraph (1) above and this sub-paragraph (2), "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the listing rules of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

By Order of the Board

Chiew Kun Long, Alvin
Company Secretary

Singapore, 2 April 2025

NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES TO RESOLUTIONS

Resolution 2 is to approve the declaration of a Second and Final tax-exempt (one-tier) dividend of 20 cents per ordinary share and a Special tax-exempt (one-tier) dividend of S\$1.00 per ordinary share (collectively, the “**Dividends**”). Together with the interim tax-exempt dividend of 20 cents per ordinary share paid on 10 September 2024 and subject to Shareholders’ approval of the Dividends, the total tax-exempt dividend for FY2024 will be S\$1.40 per ordinary share (FY2023: 40 cents tax-exempt).

Subject to Shareholders’ approval of the Dividends, the Share Transfer Books and Register of Members of the Company will be closed* on **6 May 2025 at 5.00 p.m.**, and the Dividends will be payable on **21 May 2025**.

Duly completed transfers received in respect of ordinary shares of the Company by the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte Ltd at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632 up to **5.00 p.m. on **6 May 2025** will be registered to determine shareholders’ entitlement to the Dividends and shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with shares as at **5.00 p.m.** on **6 May 2025** will be entitled to the Dividends.*

Resolution 3 Mr Chew Choon Soo is a Non-Executive and Independent Director. He will upon re-election, continue as the Chairman of the Remuneration Committee and the Nominating Committee, and as a member of the Audit and Risk Committee. The Board considers Mr Chew Choon Soo to be an independent director.

Resolution 4 Mr Ong Sim Ho is a Non-Executive and Independent Director. He will upon re-election, continue as a member of the Audit and Risk Committee, the Remuneration Committee and the Nominating Committee. The Board considers Mr Ong Sim Ho to be an independent director.

Please refer to the “Board of Directors” section and “Additional Information on Directors Seeking Re-election” section of the Company’s Annual Report 2024 for information on the current directorships in other listed companies and principal commitments of these Directors. The Company’s Annual Report 2024 is available at <https://www.hawpar.com/AR2024>.

Resolution 6 The Audit and Risk Committee undertook a review of the fees and expenses of the audit and non-audit services provided by the external auditor, PricewaterhouseCoopers LLP. It assessed whether the nature and extent of the non-audit services might prejudice the independence and objectivity of the external auditor before confirming its re-nomination. It was satisfied that such services did not affect the independence of the external auditor.

Resolution 7 is to authorise the Directors to issue shares and to make or grant Instruments (such as warrants, debentures or other securities) convertible into shares, and to issue shares in pursuance of such Instruments from the date of this Annual General Meeting until the date the next Annual General Meeting of the Company is held or required by law to be held, whichever is the earlier, unless such authority is earlier revoked or varied by the Shareholders at a general meeting. The aggregate number of shares which the Directors may issue (including shares to be issued pursuant to convertibles) under Ordinary Resolution 7 must not exceed fifty per cent (50%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) with a sub-limit of fifteen per cent (15%) for issues other than on a pro-rata basis. For Shareholders’ information, this fifteen per cent (15%) limit is lower than the twenty per cent (20%) presently permitted under the listing rules of the SGX-ST. For the purpose of determining the aggregate number of shares that may be issued, the total number of issued shares (excluding treasury shares and subsidiary holdings) will be calculated as described.

NOTICE OF ANNUAL GENERAL MEETING

NOTES:

Format of Meeting

- (1) The 56th AGM of the Company will be held in a wholly physical format at PARKROYAL on Beach Road, Grand Ballroom, Level 1, 7500 Beach Road, Singapore 199591 on Wednesday, 23 April 2025 at 2.00 p.m. Members, including Central Provident Fund ("CPF") and Supplementary Retirement Scheme ("SRS") investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the AGM in person. There will be no option for members to participate virtually.

Please note that there will be no food or vouchers at the AGM. Only coffee and tea will be served after the AGM.

Printed copies of this Notice and the Proxy Form relating to the AGM will be sent by post to members. These documents will also be published on the Company's corporate website at <https://www.hawpar.com/agm2025> and on the SGX website at <https://www.sgx.com/securities/company-announcements>.

Appointment of Proxy(ies)

- (2) (a) A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy.
- (b) A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member of the Company who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set out below.

- (3) A proxy need not be a member of the Company. A member of the Company may choose to appoint the Chairman of the Meeting as his/her/its proxy.

The instrument appointing a proxy(ies) must be submitted to the Company (i) via post to **401 Commonwealth Drive, #03-03 Haw Par Technocentre, Singapore 149598** or (ii) via electronic mail to agm@hawpar.com, and in each case must be received by the Company by **20 April 2025, 2.00 p.m.** (being 72 hours before the time appointed for the holding of the 56th AGM).

The submission of the instrument appointing a proxy(ies) by a member does not preclude him from attending and voting in person at the AGM if the member is able to do so. In such event, the relevant instrument appointing a proxy(ies) will be deemed to be revoked.

- (4) CPF and SRS investors:

- (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
- (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM, in which case they should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **5.00 p.m. on 11 April 2025**.

For the avoidance of doubt, CPF and SRS investors will not be able to appoint third party proxy(ies) (i.e., persons other than the Chairman of the Meeting) to attend, speak and/or vote at the AGM on their behalf.

- (5) Persons who hold the Company's shares through relevant intermediaries (as defined in Section 181 of the Companies Act 1967), other than CPF and SRS investors, and who wish to participate in the AGM should contact the relevant intermediary through which they hold such shares as soon as possible in order for the necessary arrangements to be made for their participation in the AGM.

NOTICE OF ANNUAL GENERAL MEETING

Submission of Questions

- (6) Members, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at the 56th AGM in advance of the AGM:

- (a) Via email to agm@hawpar.com, or
- (b) By post to 401 Commonwealth Drive #03-03 Haw Par Technocentre Singapore 149598 (Attention: Company Secretary).

When submitting questions via email or by post, members should also provide us with the following details for verification purposes: (i) full name (as per CDP/CPF/SRS/Scrip-based records); (ii) address; and (iii) the manner in which the member holds shares in the Company (e.g., CDP, CPF, SRS and/or scrip).

All questions submitted in advance must be received by **5.00 p.m. on 10 April 2025**.

The Company will address substantial and relevant questions received from members by the 10 April 2025 submission deadline by publishing its responses to such questions on the Company's website at <https://www.hawpar.com/agm2025> and the SGX website at <https://www.sgx.com/securities/company-announcements> by **17 April 2025**. The Company will address any subsequent clarifications sought, or substantial and relevant follow-up questions (which are related to the resolutions to be tabled for approval at the AGM) received after the 10 April 2025 submission deadline which have not already been addressed prior to the AGM, at the AGM itself. **Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.**

- (7) Members, including CPF and SRS investors, and (where applicable) duly appointed proxies may also ask the Chairman of the Meeting substantial and relevant questions related to the resolutions to be tabled for approval at the 56th AGM, at the AGM itself.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data (including, but not limited to, name, personal identification number, address, telephone number) by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to update its scrip holders' information (if applicable) and to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines (collectively, the "Purposes") and acknowledges that photography and video and/or audio recordings may be taken for the purposes of the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting and/or any adjournment thereof, (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The following information relating to Mr Chew Choon Soo and Mr Ong Sim Ho, each of whom is standing for re-election as a Director of the Company at the 56th Annual General Meeting (“**AGM**”) to be held on Wednesday, 23 April 2025, is provided pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited and is to be read in conjunction with their respective biographies in the “Board of Directors” section of the Annual Report.

Name	Chew Choon Soo	Ong Sim Ho
Date of appointment	28 February 2019	10 November 2021
Date last re-elected (if applicable)	27 April 2022	27 April 2022
Age (as at date of the upcoming AGM)	67	56
Country of principal residence	Singapore	Singapore
The Board’s comments on the re-election	The Board, having considered the Nominating Committee’s recommendation and assessment, is satisfied that Mr Chew will continue to contribute to the Board.	The Board, having considered the Nominating Committee’s recommendation and assessment, is satisfied that Mr Ong will continue to contribute to the Board.
Whether appointment is executive and if so, the area of responsibility	Non-Executive	Non-Executive
Job title	<ul style="list-style-type: none"> • Non-Executive and Independent Director • Audit and Risk Committee (Member) • Remuneration Committee (Chairman) • Nominating Committee (Chairman) 	<ul style="list-style-type: none"> • Non-Executive and Independent Director • Audit and Risk Committee (Member) • Remuneration Committee (Member) • Nominating Committee (Member)
Professional qualifications	Please refer to the “Board of Directors” section of the Annual Report.	Please refer to the “Board of Directors” section of the Annual Report.
Working experience and occupation(s) during the past 10 years	<p>Mr Chew has more than 23 years of senior executive search and assessment experience and served in various regional and global management and committee roles.</p> <p>He is currently engaged in human capital advisory, focusing mainly on the healthcare industry in China.</p>	<p>Mr Ong is presently the Managing Director and Head of Corporate and Finance department of Drew & Napier LLC.</p> <p>Amongst his several board memberships, Mr Ong is a Director of AIA Singapore Private Limited and independent director of Bukit Sembawang Estates Limited.</p>
Shareholding interest in the Company and its subsidiaries	None	None

Name	Chew Choon Soo	Ong Sim Ho
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the Company and/or substantial shareholder of the Company or of any of its principal subsidiaries	No	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the Company	Yes	Yes
Other principal commitments (including directorships) – Present	Please refer to the “Board of Directors” section of the Annual Report.	Please refer to the “Board of Directors” section of the Annual Report.
Other principal commitments (including directorships) – Past, for the last 5 years	Please refer to the “Board of Directors” section of the Annual Report.	Please refer to the “Board of Directors” section of the Annual Report.

Each of Mr Chew Choon Soo and Mr Ong Sim Ho has confirmed that his answer to each of the questions set out under the section titled “Information required” in Appendix 7.4.1 of the SGX-ST Listing Manual is in the negative:

- (a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?
- (b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?
- (c) Whether there is any unsatisfied judgement against him?
- (d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?
- (e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

- (f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?
- (g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?
- (h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?
- (i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?
- (j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–
 - (i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or
 - (ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or
 - (iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or
 - (iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,

in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?
- (k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?

PROXY FORM



HAW PAR CORPORATION LIMITED

(Incorporated in the Republic of Singapore)
Company Registration Number: 196900437M

FIFTY-SIXTH ANNUAL GENERAL MEETING

(BEFORE COMPLETING THIS FORM, PLEASE READ
THE NOTES BEHIND)

IMPORTANT:

1. This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by investors holding shares of Haw Par Corporation Limited through relevant intermediaries (as defined in Section 181 of the Companies Act 1967) or depository agents (as defined in Section 81SF of the Securities and Futures Act 2001) (each, a "Relevant Intermediary"), including CPFIS/SRS investors. Such investors (including CPFIS/SRS investors) should contact their respective Relevant Intermediary, CPF Agent Bank or SRS Operator as soon as possible if they have any queries regarding their appointment as proxies.
2. Personal data privacy. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 2 April 2025.
3. Please note that there will be no food or vouchers at the AGM.

*I/We, _____ (Name) _____ (*NRIC/Passport/Co Reg No.)

of _____ (Address)

being a *member/members of Haw Par Corporation Limited (the "**Company**"), hereby appoint:

NAME	ADDRESS	NRIC/PASSPORT NUMBER	PROPORTION OF SHAREHOLDING	
			No. of Shares	%

and/or*

--	--	--	--	--

or failing him/her/them, the Chairman of the Meeting, as my/our proxy(ies) to attend, speak and vote for me/us on my/our behalf at the 56th Annual General Meeting ("**AGM**") to be held at PARKROYAL on Beach Road, Grand Ballroom, Level 1, 7500 Beach Road, Singapore 199591 on Wednesday, 23 April 2025 at 2.00 p.m. and at any adjournment thereof. I/We direct my/our proxy(ies) to vote for or against (or to abstain from voting on) the Resolutions to be proposed at the AGM as indicated below. If no specific direction as to voting is given in respect of a resolution, the proxy(ies) will vote or abstain from voting at his/her/their discretion, as he/she/they will on any other matter arising at the AGM and at any adjournment thereof.

NO.	RESOLUTION	FOR [#]	AGAINST [#]	ABSTAIN [#]
Ordinary Business				
1	To adopt the Directors' Statement, Audited Financial Statements and Auditor's Report			
2	To declare a Second and Final Dividend and a Special Dividend			
3	To re-elect Mr Chew Choon Soo as Director			
4	To re-elect Mr Ong Sim Ho as Director			
5	To approve Directors' fees			
6	To re-appoint PricewaterhouseCoopers LLP as Auditor			
Special Business				
7	To authorise Directors to issue shares (General Share Issue Mandate)			

[#] Voting will be conducted by poll. If you wish your proxy(ies) to cast all your votes "For" or "Against" a resolution, please indicate with a tick (✓) in the box provided. Alternatively, please insert the relevant number of shares "For" or "Against" in the "For" or "Against" box provided in respect of that resolution. If you wish your proxy(ies) to abstain from voting a resolution, please indicate with a tick (✓) in the box provided in respect of that resolution. Alternatively, please insert the relevant number of shares in the "Abstain" box provided in respect of that resolution. In any other case, the proxy(ies) may vote or abstain as the proxy(ies) deems fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the AGM.

Dated this _____ day of _____ 2025

Shares in:	Total No. of Shares Held
(a) Depository Register	
(b) Register of Members	
Total	

Signature(s) or Common Seal of Member(s)

Notes:

1. A member of the Company should insert the total number of shares held. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by the member in both the Depository Register and the Register of Members.
2. A member of the Company who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM in his/her/its stead. Where such member's form of proxy appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy, failing which the form of proxy may be treated as invalid.
3. A member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's form of proxy appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.
4. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.
5. A member of the Company who wishes to appoint a proxy(ies) must complete the instrument appointing proxy(ies), before submitting it in the manner set out below.
6. A proxy need not be a member of the Company. A member of the Company may choose to appoint the Chairman of the Meeting as his/her/its proxy.
7. Completion and submission of this instrument appointing a proxy(ies) shall not preclude a member from attending and voting at the AGM. Any appointment of a proxy(ies) will be deemed to be revoked if a member attends the AGM in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under this instrument of proxy, to the AGM.
8. This instrument appointing a proxy(ies) must be submitted to the Company (i) via post to 401 Commonwealth Drive, #03-03 Haw Par Technocentre, Singapore 149598 or (ii) via electronic mail to agm@hawpar.com, and in each case must be received by the Company by **20 April 2025, 2.00 p.m.** (being 72 hours before the time appointed for the holding of the AGM).
9. This instrument appointing a proxy(ies) must be signed by the appointor or by his/her duly authorised attorney or, if the appointor is a corporation, executed under its common seal or signed by its duly authorised attorney or officer. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument appointing a proxy or proxies, failing which the instrument may be treated as invalid.
10. A corporation which is a member may appoint, by resolution of its directors or other governing body, such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Companies Act 1967.
11. Any alteration made in this instrument appointing a proxy(ies) must be initialised by the person who signs it.
12. The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of a member whose shares are entered against his/her/its name in the Depository Register, the Company shall be entitled to reject any instrument appointing a proxy(ies) lodged or submitted if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Fold here

Fold here

PROXY FORM

Please
affix
postage
stamp

The Company Secretary
Haw Par Corporation Limited
401 Commonwealth Drive
#03-03 Haw Par Technocentre
Singapore 149598

Fold and glue overleaf. Do not staple.

HAW PAR CORPORATION LIMITED

(Incorporated in the Republic of Singapore)

Company Registration Number: 196900437M

401 Commonwealth Drive
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