



HAW PAR CORPORATION LIMITED

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

Audited Full Year Financial Results and Dividend Announcement for the Year Ended 31 December 2019

1(a) An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	Year Ended 31 December		
	2019	2018	+ / (-)
	S\$'000	S\$'000	%
Revenue	243,987	237,814	2.6
Cost of sales	(104,537)	(92,083)	13.5
Gross profit	139,450	145,731	(4.3)
Other income	116,466	107,967	7.9
Distribution and marketing expenses	(46,241)	(49,520)	(6.6)
General and administrative expenses	(14,277)	(12,956)	10.2
Finance expenses	(196)	(233)	(15.9)
Share of profit of associated company	1,765	1,290	36.8
Profit before taxation	196,967	192,279	2.4
Taxation	(14,760)	(13,211)	11.7
Profit for the financial year, net of tax	182,207	179,068	1.8

A consolidated statement of comprehensive income for the financial year ended 31 December 2019:

	Group		
	Year Ended 31 December		
	2019	2018	+ / (-)
	S\$'000	S\$'000	%
Profit for the financial year, net of tax	182,207	179,068	1.8
Other comprehensive income/(expense)			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation differences on consolidation of foreign entities (net)	(58)	(369)	(84.3)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Fair value changes on investments (net)	298,414	(280,009)	N/M
Other comprehensive income/(expense) for the financial year, net of tax	298,356	(280,378)	N/M
Total comprehensive income/(expense) for the financial year	480,563	(101,310)	N/M

N/M - not meaningful

1(a) Notes to the Income Statement

	Group		
	Year Ended 31 December		
	2019 S\$'000	2018 S\$'000	+ / (-) %
(i) Other income			
Dividend income	106,323	97,795	8.7
Interest income	8,497	7,343	15.7
Miscellaneous income	1,646	2,829	(41.8)
	116,466	107,967	7.9
(ii) The following were charged/(credited) to the income statement :			
Interest on borrowings	164	233	(29.6)
Depreciation of property, plant and equipment and investment properties	6,463	6,310	2.4
Inventories written down	46	79	(41.8)
Foreign exchange loss/(gain), net	313	(981)	N/M
Prior years' overprovision of current taxation	(497)	(814)	(38.9)
Prior years' overprovision of deferred taxation	(3)	(1,335)	(99.8)
Loss on disposal and write-off of property, plant and equipment	13	5	160.0

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

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Cash and bank balances	465,599	519,627	366,408	446,164
Trade and other receivables	30,350	40,881	47,068	63,402
Inventories	20,136	24,479	-	-
Deferred income tax assets	2,093	2,082	-	-
Associated company	7,105	5,740	2,895	2,895
Subsidiaries	-	-	562,561	555,834
Investment properties	56,263	56,569	-	-
Property, plant and equipment	26,813	26,983	-	-
Intangible assets	11,116	11,116	-	-
Strategic investments	2,621,786	2,342,975	-	-
Total assets	3,241,261	3,030,452	978,932	1,068,295
LIABILITIES				
Trade and other payables	64,544	65,788	48,987	46,530
Borrowings	7,822	23,251	7,822	23,251
Current income tax liabilities	11,643	12,655	1,139	973
Deferred income tax liabilities	820	725	-	-
Total liabilities	84,829	102,419	57,948	70,754
NET ASSETS	3,156,432	2,928,033	920,984	997,541
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	266,228	264,173	266,228	264,173
Retained profits	1,107,374	1,175,230	654,630	733,330
Other reserves	1,782,830	1,488,630	126	38
Total equity	3,156,432	2,928,033	920,984	997,541

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

Amount repayable in one year or less, or on demand

As at 31/12/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
7,822	-	23,251	-

Amount repayable after one year

As at 31/12/2019		As at 31/12/2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Details of any collateral

The Group has provided certain investment properties to secure its borrowings.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group	
	Year Ended 31 December	
	2019	2018
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	196,967	192,279
Adjustments for:		
Dividend income	(106,323)	(97,795)
Interest income	(8,497)	(7,343)
Depreciation of property, plant and equipment and investment properties	6,463	6,310
Share of profit of associated company	(1,765)	(1,290)
Write-back of unclaimed dividends	(252)	(243)
Finance expenses	196	233
Inventories written down	46	79
Loss on disposal and write-off of property, plant and equipment	13	5
Unrealised currency translation losses/(gains)	284	(1,039)
Operating profit before working capital changes	87,132	91,196
Decrease/(increase) in inventories	4,297	(7,432)
Decrease/(increase) in trade and other receivables	10,121	(7,904)
(Decrease)/increase in trade and other payables	(2,230)	8,287
Cash generated from operations	99,320	84,147
Net taxation paid	(15,168)	(14,600)
Net cash from operating activities	84,152	69,547
Cash flows from investing activities		
Dividend income received	106,323	50,186
Proceeds from disposal of investments	20,342	66,821
Interest income received	8,402	6,676
Purchase of property, plant and equipment	(2,965)	(3,361)
Improvements to investment properties	(1,920)	(316)
Dividends from associated company	400	400
Proceeds from disposal of property, plant and equipment	2	7
Net cash from investing activities	130,584	120,413
Cash flows from financing activities		
Payment of dividends to shareholders of the Company	(254,219)	(55,180)
Repayment of borrowings	(16,186)	(23,110)
Proceeds from issue of share capital for share options exercised	2,055	6,230
Interest paid on borrowings and lease liabilities	(206)	(248)
Principal payment of lease liabilities	(148)	-
Bank deposits released from pledge	-	222
Net cash used in financing activities	(268,704)	(72,086)
Net (decrease)/increase in cash and cash equivalents	(53,968)	117,874
Cash and cash equivalents at beginning of the financial year	519,427	400,562
Effects of currency translation on cash and cash equivalents	(69)	991
Cash and cash equivalents at end of the financial year	465,390	519,427
Cash and cash equivalents comprised the following:		
Cash and bank balances	465,599	519,627
Less: Bank deposits pledged for banking facilities	(209)	(200)
	465,390	519,427

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share Capital \$'000	Fair Value Reserve \$'000	Other Reserves \$'000	Foreign Currency Translation Reserve \$'000	Retained Profits \$'000	Total Equity \$'000
The Group						
2019						
Balance at 1 January 2019	264,173	1,486,478	2,427	(275)	1,175,230	2,928,033
Issue of share capital	2,055	-	-	-	-	2,055
Transfer of cumulative gain on disposal of investments to retained profits	-	(4,156)	-	-	4,156	-
Dividends paid	-	-	-	-	(254,219)	(254,219)
Total comprehensive income/(expense) for the financial year	-	298,414	-	(58)	182,207	480,563
Balance at 31 December 2019	266,228	1,780,736	2,427	(333)	1,107,374	3,156,432
2018						
Balance at 1 January 2018	257,943	1,789,809	23,728	94	1,006,719	3,078,293
Issue of share capital	6,230	-	-	-	-	6,230
Transfer from share option reserve and capital reserve to retained profits ¹	-	-	(21,508)	-	21,508	-
Transfer of cumulative gain on disposal of investments to retained profits	-	(23,322)	-	-	23,322	-
Transfer from retained profits to statutory reserve	-	-	207	-	(207)	-
Dividends paid	-	-	-	-	(55,180)	(55,180)
Total comprehensive (expense)/income for the financial year	-	(280,009)	-	(369)	179,068	(101,310)
Balance at 31 December 2018	264,173	1,486,478	2,427	(275)	1,175,230	2,928,033

¹ The share option reserve was reclassified to retained profits upon cessation of the share option scheme of the Company. Capital reserve was reclassified to retained profits due to the change in certain subsidiaries' Constitution.

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share Capital \$'000	Fair Value Reserve \$'000	Other Reserves \$'000	Retained Profits \$'000	Total Equity \$'000
The Company					
2019					
Balance at 1 January 2019	264,173	-	38	733,330	997,541
Issue of share capital	2,055	-	-	-	2,055
Transfer of indirectly held subsidiary to the Company	-	-	88	-	88
Dividends paid	-	-	-	(254,219)	(254,219)
Total comprehensive income for the financial year	-	-	-	175,519	175,519
Balance at 31 December 2019	266,228	-	126	654,630	920,984
2018					
Balance at 1 January 2018	257,943	33	4,769	714,155	976,900
Issue of share capital	6,230	-	-	-	6,230
Transfer from share option reserve to retained profits ²	-	-	(4,731)	4,731	-
Dividends paid	-	-	-	(55,180)	(55,180)
Total comprehensive (expense)/income for the financial year	-	(33)	-	69,624	69,591
Balance at 31 December 2018	264,173	-	38	733,330	997,541

² The share option reserve was reclassified to retained profits upon cessation of the share option scheme of the Company.

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Since 30 September 2019, no shares were issued pursuant to the exercise of share options.

As at 31 December 2019, unissued shares under the share option scheme of the Company were as follows:

	<u>31/12/2019</u>	<u>31/12/2018</u>
The Haw Par Corporation Group 2002 Share Option Scheme	<u>296,000</u>	<u>527,000</u>

The Company did not hold any treasury shares and there were no subsidiary holdings as at 31 December 2019 and 31 December 2018.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	<u>31/12/2019</u>	<u>31/12/2018</u>
Total number of issued shares	<u>221,072,173</u>	<u>220,841,173</u>

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

- 1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures for the year ended 31 December 2019 have been audited by the Company's independent auditor in accordance with Singapore Standards on Auditing.

3. **Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

The independent auditor's report is as follows:

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

for the financial year ended 31 December 2019

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, Chapter 50 (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 2019 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 2019;
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2019;
- the statements of financial position of the Group and of the Company as at 31 December 2019;
- 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 a summary of significant accounting policies.

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.

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 2019. 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
Ownership and valuation of strategic investments (Note 9 of the financial statements) As at 31 December 2019, the Group's strategic investments, classified as financial assets carried at fair value through other comprehensive income ("FVOCI"), amounted to \$2,622 million (2018: \$2,343 million), representing 81% and 83% (2018: 77% and 80%) of the Group's total assets and net assets respectively. These strategic investments comprise primarily quoted equity investments. A material misstatement in the strategic 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.	We obtained confirmations from custodians and The Central Depository Pte Ltd to verify the quantity of each investment held by the Group. 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. For investments with no readily available quoted price at year-end, we reviewed management's basis and assumptions in determining the fair value for reasonableness. Based on the procedures performed, we found the Group's recognition of the strategic investments and determination of fair values to be appropriate.

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

for the financial year ended 31 December 2019 (continued)

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.

Responsibilities of Management and the 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.

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

for the financial year ended 31 December 2019 (continued)

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

- 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated 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, related safeguards.

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 Yeoh Oon Jin.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
27 February 2020

- 3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-
- Updates on the efforts taken to resolve each outstanding audit issue.
 - Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

These financial results have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recently audited annual financial statements for the year ended 31 December 2018, except as stated in Note 5.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

On 1 January 2019, the Group adopted new or amended SFRS(I)s and Interpretations of SFRS(I) ("INT SFRS(I)") that are mandatory for application for the financial year, including SFRS(I) 16 Leases. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I).

Upon the adoption of SFRS(I) 16, the Group applied certain transition reliefs under a simplified approach and did not restate comparative amounts for leases previously classified as operating leases on 1 January 2019.

The Group chose to recognise right-of-use ("ROU") assets at an amount equivalent to its lease liabilities of approximately \$978,000 on the statement of financial position on 1 January 2019 by discounting the remaining lease payments as at 1 January 2019 using the Group's incremental borrowing rate.

Recognition exemptions for short-term leases and leases of low-value items are used as permitted by the standard. Under SFRS(I) 16, the recognition of operating expenses on a straight-line basis is replaced with the combination of depreciation expenses for ROU assets and interest expense on lease liabilities.

The adoption of the new standard, SFRS(I) 16 Leases had no material effect on the amounts reported for the current or prior financial years.

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	Year Ended 31 December	
	2019	2018
Earnings per ordinary share:		
(a) Based on the weighted average number of ordinary shares on issue	82.4 cts	81.2 cts
(b) On a fully diluted basis	82.4 cts	81.1 cts

7. Net asset value (for the issuer and group) per ordinary share based on the issued share capital of the issuer at the end of the:-

- current financial period reported on; and
- immediately preceding financial year.

	Group		Company	
	31/12/2019	31/12/2018	31/12/2019	31/12/2018
Net asset value per ordinary share (S\$)	14.28	13.26	4.17	4.52

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Income statement and segmental information

Group revenue increased by 2.6% to \$244.0m due mainly to higher sales from Healthcare in the first half of 2019. However, gross profit margin fell from 61.3% to 57.2% as cost of sales increased by 13.5% to \$104.5m from higher production costs at Healthcare.

Revenue from Healthcare increased by 3.3% to \$224.0m due to growth in most markets in the first half of the financial year, partially offset by lower demand in certain markets in the second half of the year. As a result of lower sales in the second half of the year and higher production costs, profit from Healthcare decreased by 3.2% to \$74.8m.

Revenue from Property and Leisure decreased by 4.3% to \$20.0m due mainly to lower occupancy at Property. The decrease was partially offset by the increase in revenue at Underwater World Pattaya from higher visitorship. Profit from Property and Leisure decreased by 12.2% to \$10.8m, largely attributable to the flow on effect of lower rental income at Property.

General and administrative expenses increased by 10.2% to \$14.3m due mainly to foreign exchange losses in 2019 compared to exchange gains in 2018.

Finance expenses decreased by 15.9% to \$0.2m due mainly to partial repayment of borrowings, partially offset by interest expense recognised on lease liabilities following the adoption of SFRS(I) 16 Leases.

Statements of financial position

Cash and cash equivalents decreased by 10.4% to \$465.6m due mainly to special dividend paid to shareholders during the year and repayment of borrowings, partially offset by cash generated from operations, higher cash dividends received from strategic investments and proceeds from disposal of certain investments.

Trade and other receivables decreased by 25.8% to \$30.4m due mainly to lower sales from Healthcare towards the end of the year.

Inventories decreased by 17.7% to \$20.1m due mainly to lower production.

Strategic investments increased 11.9% to \$2.6b due mainly to higher market valuations as at 31 December 2019. Disposal of an investment yielded a \$4.2m gain that was recognised directly in retained profits.

Borrowings decreased 66.4% to \$7.8m due to repayment of loan.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement was made previously in respect of full year results.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The rapid spread of COVID-19, if not contained, could negatively impact economic growth in the region, particularly tourism, and this will significantly impact the Group's operating businesses.

The Group's strategic investments will continue to be affected by volatility in equity markets.

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

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended); and -**
 (b) **(i) Amount per share:**
(ii) Previous corresponding period:
 (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of the shareholders, this must be stated.)**

	2019		2018		
	Second & Final (Proposed)	First & Interim	Second & Final	Special	First & Interim
Name of Dividend					
Dividend Type	Cash	Cash	Cash	Cash	Cash
Dividend amount per share	15 cents per ordinary share tax-exempt (one-tier)	15 cents per ordinary share tax-exempt (one-tier)	15 cents per ordinary share tax-exempt (one-tier)	85 cents per ordinary share tax-exempt (one-tier)	15 cents per ordinary share tax-exempt (one-tier)
Tax Rate	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)

- (d) **The date the dividend is payable**

First & Interim Dividend - 4 September 2019
 Second & Final Dividend - 14 May 2020
 (Subject to shareholders' approval for the payment of the proposed Second & Final Dividend)

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

The Share Transfer Books and Register of Members of the Company will be closed on 5 May 2020, 5.00 p.m. . Duly completed transfers in respect of ordinary shares in the capital of the Company ("Shares") received by the Company's Registrar up to 5.00 p.m. on 5 May 2020 will be registered to determine shareholders' entitlement to the proposed Second & Final Dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 5 May 2020 will be entitled to such proposed dividends.

12. **If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

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

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

Not required for announcement on full year results.

15. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Healthcare products S\$'000	Investments S\$'000	Others ³ S\$'000	Consolidated S\$'000
(a) Business segments				
2019				
Total segment revenue	224,011	-	20,833	244,844
Inter-segment revenue	-	-	(857)	(857)
Revenue from external parties	224,011	-	19,976	243,987
Dividend income	-	106,323	-	106,323
Interest income	-	8,497	-	8,497
Miscellaneous income	239	643	764	1,646
Total other income	239	115,463	764	116,466
Total revenue and other income	224,250	115,463	20,740	360,453
Depreciation	3,296	103	3,064	6,463
Finance expense	32	164	-	196
Segment profit	74,777	114,102	10,815	199,694
Unallocated expenses				(4,492)
Share of profit of associated company	-	1,765	-	1,765
Profit before taxation				196,967
Taxation				(14,760)
Earnings for the financial year				182,207
Segment assets	167,593	3,009,002	62,573	3,239,168
Deferred income tax assets				2,093
Total assets per statement of financial position				3,241,261
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	2,973	50	54	3,077
- Investment properties improvements	-	-	2,204	2,204
	2,973	50	2,258	5,281
Segment liabilities	49,351	16,191	6,824	72,366
Current income tax liabilities				11,643
Deferred income tax liabilities				820
Total liabilities per statement of financial position				84,829

³ Included in "Others" are property and leisure divisions which constitute less than 25% of the Group's revenue.

Segmental Reporting (cont'd)

	Healthcare products S\$'000	Investments S\$'000	Others ³ S\$'000	Consolidated S\$'000
2018				
Total segment revenue	216,941	-	21,701	238,642
Inter-segment revenue	-	-	(828)	(828)
Revenue from external parties	216,941	-	20,873	237,814
Dividend income	-	97,795	-	97,795
Interest income	-	7,343	-	7,343
Miscellaneous income	1,694	296	839	2,829
Total other income	1,694	105,434	839	107,967
Total revenue and other income	218,635	105,434	21,712	345,781
Depreciation	3,127	112	3,071	6,310
Finance expense	-	233	-	233
Segment profit	77,252	105,508	12,322	195,082
Unallocated expenses				(4,093)
Share of profit of associated company	-	1,290	-	1,290
Profit before taxation				192,279
Taxation				(13,211)
Earnings for the financial year				179,068
Segment assets	155,773	2,809,670	62,927	3,028,370
Deferred income tax assets				2,082
Total assets per statement of financial position				3,030,452
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	2,418	52	121	2,591
- Investment properties improvements	-	-	316	316
	2,418	52	437	2,907
Segment liabilities	53,025	29,545	6,469	89,039
Current income tax liabilities				12,655
Deferred income tax liabilities				725
Total liabilities per statement of financial position				102,419

16. Segmental Reporting (cont'd)

	Singapore S\$'000	Other ASEAN countries S\$'000	Other Asian countries S\$'000	Other countries S\$'000	Consolidated S\$'000
(b) Geographical segments					
2019					
Revenue ⁽ⁱ⁾	31,293	89,996	76,855	45,843	243,987
Non-current assets ⁽ⁱⁱ⁾	73,459	17,422	10,416	-	101,297
2018					
Revenue ⁽ⁱ⁾	31,815	89,855	73,009	43,135	237,814
Non-current assets ⁽ⁱⁱ⁾	72,078	16,854	11,476	-	100,408

⁽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.

(c) **Major customers**

Revenues of approximately \$121,286,000 (2018: \$122,772,000) were contributed from two groups of external customers (2018: two groups). These revenues are attributable to the sale of Healthcare products in Asia to distributors belonging to the same group of companies.

17. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Other than those stated in item 8 above, there were no major factors leading to material changes in contributions to turnover and earnings by the business or geographical segments.

18. **A breakdown of sales.**

		Group Year Ended 31 December		
		2019 S\$'000	2018 S\$'000	+ / (-) %
(a)	Sales reported for first half year	143,461	124,142	15.6
(b)	Operating profit after tax reported for first half year	112,524	101,399	11.0
(c)	Sales reported for second half year	100,526	113,672	(11.6)
(d)	Operating profit after tax reported for second half year	69,683	77,669	(10.3)

19. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

		2019 S\$'000	2018 S\$'000
(a)	Ordinary	254,219	55,180
(b)	Preference	-	-
(c)	Total	254,219	55,180

20. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family Relationship with any director and/or substantial shareholder	Current position and duties and the year the position was held	Details of changes in duties and position held, if any, during the year
Wee Ee Lim	59	Mr Wee Ee Lim is the son of Dr Wee Cho Yaw, the Non-executive Chairman and a substantial shareholder of the Company. He is also the brother of Mr Wee Ee-chao, a Non-executive Deputy Chairman and substantial shareholder of the Company.	Mr Wee is the President and Chief Executive Officer of the Company since 2003. He is responsible for the day-to-day operations and management of the Group.	There was no change in duties and position held during the financial year ended 31 December 2019.
Kelvin Whang Sung Tze	59	Mr Whang is the brother-in-law of Mr Wee Ee Lim who is the President and Chief Executive Officer and substantial shareholder of Haw Par Corporation Limited.	Mr Whang is the General Manager of Underwater World Pattaya Ltd ("UWP"), a Thai subsidiary in the Group. He is responsible for the day-to-day operations and management of UWP.	There was no change in duties and position held during the financial year ended 31 December 2019.

**BY ORDER OF THE BOARD
HAW PAR CORPORATION LIMITED**

Lee Kay Swee
Company Secretary
27 February 2020