



## **HAW PAR CORPORATION LIMITED**

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

### **CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED AND FULL YEAR ENDED 31 DECEMBER 2023**

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(Incorporated in the Republic of Singapore)

**Condensed Interim Consolidated Financial Statements for the Six Months and Full Year Ended 31 December 2023**
**CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT**

|   | Note | The Group                  |             |         | The Group                   |            |         |
|---|------|----------------------------|-------------|---------|-----------------------------|------------|---------|
|   |      | 6 Months Ended 31 December |             |         | Full Year Ended 31 December |            |         |
|   |      | 2023                       | 2022        | + / (-) | 2023                        | 2022       | + / (-) |
|   |      | S\$'000                    | S\$'000     | %       | S\$'000                     | S\$'000    | %       |
|   |      | (Unaudited)                | (Unaudited) |         | (Audited)                   | (Audited)  |         |
| <b>Revenue</b>  | 4    | <b>120,939</b>             | 86,566      | 39.7    | <b>232,062</b>              | 182,092    | 27.4    |
| Cost of sales   |      | <b>(49,003)</b>            | (39,915)    | 22.8    | <b>(97,174)</b>             | (83,526)   | 16.3    |
| <b>Gross profit</b>   |      | <b>71,936</b>              | 46,651      | 54.2    | <b>134,888</b>              | 98,566     | 36.9    |
| Other income  | 5    | <b>81,363</b>              | 53,397      | 52.4    | <b>163,426</b>              | 112,990    | 44.6    |
| Distribution and marketing expenses                                     |      | <b>(21,954)</b>            | (13,194)    | 66.4    | <b>(47,168)</b>             | (36,167)   | 30.4    |
| General and administrative expenses                                     |      | <b>(13,844)</b>            | (10,726)    | 29.1    | <b>(23,709)</b>             | (19,020)   | 24.7    |
| Finance expenses  |      | <b>(858)</b>               | (459)       | 86.9    | <b>(1,555)</b>              | (525)      | 196.2   |
| Share of profit of associated company                                   |      | <b>1,615</b>               | 1,465       | 10.2    | <b>3,512</b>                | 3,125      | 12.4    |
| <b>Profit before taxation</b>   |      | <b>118,258</b>             | 77,134      | 53.3    | <b>229,394</b>              | 158,969    | 44.3    |
| Taxation  | 7    | <b>(5,829)</b>             | (6,040)     | (3.5)   | <b>(12,825)</b>             | (10,653)   | 20.4    |
| <b>Profit for the financial period, net of tax</b>                      |      | <b>112,429</b>             | 71,094      | 58.1    | <b>216,569</b>              | 148,316    | 46.0    |
| <b>Earnings per share attributable to equity holders of the Company</b> |      |                            |             |         |                             |            |         |
| - Basic   |      | <b>50.8 cents</b>          | 32.1 cents  |         | <b>97.8 cents</b>           | 67.0 cents |         |
| - Diluted   |      | <b>50.8 cents</b>          | 32.1 cents  |         | <b>97.8 cents</b>           | 67.0 cents |         |

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

|   | The Group                  |             |         | The Group                   |           |         |
|---|----------------------------|-------------|---------|-----------------------------|-----------|---------|
|   | 6 Months Ended 31 December |             |         | Full Year Ended 31 December |           |         |
|   | 2023                       | 2022        | + / (-) | 2023                        | 2022      | + / (-) |
|   | S\$'000                    | S\$'000     | %       | S\$'000                     | S\$'000   | %       |
|   | (Unaudited)                | (Unaudited) |         | (Audited)                   | (Audited) |         |
| <b>Profit for the financial period, net of tax</b>                            | <b>112,429</b>             | 71,094      | 58.1    | <b>216,569</b>              | 148,316   | 46.0    |
| <b>Other comprehensive income/(loss)</b>                                      |                            |             |         |                             |           |         |
| <i>Items that may be reclassified subsequently to profit or loss:</i>         |                            |             |         |                             |           |         |
| Currency translation differences on consolidation of foreign entities (net)   | <b>(141)</b>               | (2,631)     | (94.6)  | <b>(4,432)</b>              | (4,060)   | 9.2     |
| <i>Items that will not be reclassified subsequently to profit or loss:</i>    |                            |             |         |                             |           |         |
| Fair value changes on investments (net)                                       | <b>14,441</b>              | 292,020     | (95.1)  | <b>(207,372)</b>            | 259,186   | N/M     |
| <b>Other comprehensive income/(loss) for the financial period, net of tax</b> | <b>14,300</b>              | 289,389     | (95.1)  | <b>(211,804)</b>            | 255,126   | N/M     |
| <b>Total comprehensive income/(loss) for the financial period</b>             | <b>126,729</b>             | 360,483     | (64.8)  | <b>4,765</b>                | 403,442   | (98.8)  |

N/M - not meaningful

## CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

|   | Note | The Group            |                      | The Company          |                      |
|---|------|----------------------|----------------------|----------------------|----------------------|
|   |      | 31/12/2023           | 31/12/2022           | 31/12/2023           | 31/12/2022           |
|   |      | S\$'000<br>(Audited) | S\$'000<br>(Audited) | S\$'000<br>(Audited) | S\$'000<br>(Audited) |
| <b>ASSETS</b>   |      |                      |                      |                      |                      |
| Cash and bank balances                                      |      | 574,014              | 334,268              | 312,956              | 218,112              |
| Investment in debt securities                               |      | 185,923              | 294,957              | -                    | -                    |
| Trade and other receivables                                 |      | 48,487               | 26,871               | 380,548              | 368,054              |
| Inventories   |      | 19,005               | 19,248               | -                    | -                    |
| Tax recoverable   |      | 553                  | 197                  | -                    | -                    |
| Deferred income tax assets                                  |      | 2,709                | 3,130                | -                    | -                    |
| Associated company  |      | 18,881               | 15,769               | 2,895                | 2,895                |
| Subsidiaries  |      | -                    | -                    | 562,561              | 562,561              |
| Investment properties                                       |      | 46,894               | 50,056               | -                    | -                    |
| Property, plant and equipment                               |      | 49,589               | 50,397               | -                    | -                    |
| Intangible assets   |      | 11,116               | 11,116               | -                    | -                    |
| Strategic and long term investments                         | 9    | 2,636,007            | 2,844,117            | -                    | -                    |
| <b>Total assets</b>   |      | <b>3,593,178</b>     | <b>3,650,126</b>     | <b>1,258,960</b>     | <b>1,151,622</b>     |
| <b>LIABILITIES</b>  |      |                      |                      |                      |                      |
| Trade and other payables                                    |      | 77,461               | 64,538               | 60,645               | 57,636               |
| Borrowings  | 10   | 27,846               | 28,501               | 27,846               | 28,501               |
| Current income tax liabilities                              |      | 11,106               | 7,458                | 641                  | 1,150                |
| Deferred income tax liabilities                             |      | 762                  | 912                  | -                    | -                    |
| <b>Total liabilities</b>                                    |      | <b>117,175</b>       | <b>101,409</b>       | <b>89,132</b>        | <b>87,287</b>        |
| <b>NET ASSETS</b>   |      | <b>3,476,003</b>     | <b>3,548,717</b>     | <b>1,169,828</b>     | <b>1,064,335</b>     |
| <b>EQUITY</b>   |      |                      |                      |                      |                      |
| <b>Equity attributable to equity holders of the Company</b> |      |                      |                      |                      |                      |
| Share capital   | 11   | 268,911              | 268,911              | 268,911              | 268,911              |
| Retained profits  |      | 1,439,383            | 1,300,436            | 900,791              | 795,298              |
| Other reserves  |      | 1,767,709            | 1,979,370            | 126                  | 126                  |
| <b>Total equity</b>   |      | <b>3,476,003</b>     | <b>3,548,717</b>     | <b>1,169,828</b>     | <b>1,064,335</b>     |

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|  |      | ← Attributable to Equity Holders of the Company → |                                   |                    |                       |   |                     |                  |
|--|------|---|-----------------------------------|--------------------|-----------------------|---|---------------------|------------------|
|  |      | Share<br>Capital                                  | Statutory<br>Reserve <sup>1</sup> | Capital<br>Reserve | Fair Value<br>Reserve | Foreign<br>Currency<br>Translation<br>Reserve | Retained<br>Profits | Total<br>Equity  |
|  |      | \$'000  | \$'000                            | \$'000             | \$'000                | \$'000  | \$'000              | \$'000           |
| <b>The Group</b>   |      |   |                                   |                    |                       |   |                     |                  |
| <b>2023</b>  |      |   |                                   |                    |                       |   |                     |                  |
| <b>(Audited)</b>   |      |   |                                   |                    |                       |   |                     |                  |
|  | Note |   |                                   |                    |                       |   |                     |                  |
| <b>Balance at 1 January 2023</b>                         |      | 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   | 8    | -   | -                                 | -                  | -                     | -   | (77,479)            | (77,479)         |
| Total comprehensive income/(loss) for the financial year |      | -   | -                                 | -                  | (207,372)             | (4,432)                                       | 216,569             | 4,765            |
| <b>Balance at 31 December 2023</b>                       |      | <b>268,911</b>                                    | <b>2,873</b>                      | <b>38</b>          | <b>1,772,617</b>      | <b>(7,819)</b>                                | <b>1,439,383</b>    | <b>3,476,003</b> |
| <b>2022</b>  |      |   |                                   |                    |                       |   |                     |                  |
| <b>(Audited)</b>   |      |   |                                   |                    |                       |   |                     |                  |
| <b>Balance at 1 January 2022</b>                         |      | 268,702   | 2,507                             | 38                 | 1,720,803             | 673   | 1,218,753           | 3,211,476        |
| Issue of share capital                                   |      | 209   | -                                 | -                  | -                     | -   | -                   | 209              |
| Transfer from retained profits to statutory reserve      |      | -   | 223                               | -                  | -                     | -   | (223)               | -                |
| Dividends paid   | 8    | -   | -                                 | -                  | -                     | -   | (66,410)            | (66,410)         |
| Total comprehensive income/(loss) for the financial year |      | -   | -                                 | -                  | 259,186               | (4,060)                                       | 148,316             | 403,442          |
| <b>Balance at 31 December 2022</b>                       |      | <b>268,911</b>                                    | <b>2,730</b>                      | <b>38</b>          | <b>1,979,989</b>      | <b>(3,387)</b>                                | <b>1,300,436</b>    | <b>3,548,717</b> |

<sup>1</sup> 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.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

|   | Note | Share<br>Capital<br>\$'000 | Capital<br>Reserve<br>\$'000 | Retained<br>Profits<br>\$'000 | Total<br>Equity<br>\$'000 |
|---|------|----------------------------|------------------------------|-------------------------------|---------------------------|
| <b>The Company</b>                                |      |                            |                              |                               |                           |
| <b>2023</b>                                       |      |                            |                              |                               |                           |
| <b>Balance at 1 January 2023</b>                  |      | 268,911                    | 126                          | 795,298                       | 1,064,335                 |
| Dividends paid                                    | 8    | -                          | -                            | (77,479)                      | (77,479)                  |
| Total comprehensive income for the financial year |      | -                          | -                            | 182,972                       | 182,972                   |
| <b>Balance at 31 December 2023</b>                |      | <b>268,911</b>             | <b>126</b>                   | <b>900,791</b>                | <b>1,169,828</b>          |
| <b>2022</b>                                       |      |                            |                              |                               |                           |
| <b>Balance at 1 January 2022</b>                  |      | 268,702                    | 126                          | 751,684                       | 1,020,512                 |
| Issue of share capital                            |      | 209                        | -                            | -                             | 209                       |
| Dividends paid                                    | 8    | -                          | -                            | (66,410)                      | (66,410)                  |
| Total comprehensive income for the financial year |      | -                          | -                            | 110,024                       | 110,024                   |
| <b>Balance at 31 December 2022</b>                |      | <b>268,911</b>             | <b>126</b>                   | <b>795,298</b>                | <b>1,064,335</b>          |

**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

|   | <b>The Group</b>                   |                  |
|---|------------------------------------|------------------|
|   | <b>Full Year Ended 31 December</b> |                  |
|   | <b>2023</b>                        | <b>2022</b>      |
|   | <b>S\$'000</b>                     | <b>S\$'000</b>   |
|   | <b>(Audited)</b>                   | <b>(Audited)</b> |
| <b>Cash flows from operating activities</b>                             |                                    |                  |
| Profit before tax   | 229,394                            | 158,969          |
| Adjustments for:  |                                    |                  |
| Dividend income   | (136,627)                          | (103,970)        |
| Interest income   | (25,517)                           | (7,779)          |
| Depreciation of property, plant and equipment and investment properties | 6,048                              | 5,684            |
| Share of profit of associated company                                   | (3,512)                            | (3,125)          |
| Finance expenses  | 1,555                              | 525              |
| Inventories written down  | 480                                | 45               |
| Write-back of unclaimed dividends                                       | (240)                              | (517)            |
| Loss on disposal and write-off of property, plant and equipment         | -                                  | 22               |
| Unrealised currency translation losses                                  | 1,094                              | 1,966            |
| <b>Operating profit before working capital changes</b>                  | <b>72,675</b>                      | <b>51,820</b>    |
| Changes in working capital:   |                                    |                  |
| - inventories   | (237)                              | (6,118)          |
| - trade and other receivables   | (16,257)                           | 6,527            |
| - trade and other payables  | 15,482                             | (4,168)          |
| <b>Cash generated from operations</b>                                   | <b>71,663</b>                      | <b>48,061</b>    |
| Net taxation paid   | (8,979)                            | (7,119)          |
| <b>Net cash from operating activities</b>                               | <b>62,684</b>                      | <b>40,942</b>    |
| <b>Cash flows from investing activities</b>                             |                                    |                  |
| Proceeds from maturity of debt securities                               | 522,905                            | -                |
| Purchase of debt securities   | (413,185)                          | (292,787)        |
| Dividend income received  | 136,237                            | 103,636          |
| Interest income received  | 19,472                             | 4,357            |
| Purchase of property, plant and equipment                               | (7,768)                            | (19,734)         |
| Dividends from associated company                                       | 400                                | 400              |
| Improvements to investment properties                                   | (62)                               | (30)             |
| Proceeds from disposal of property, plant and equipment                 | 6                                  | -                |
| Purchase of long term investments                                       | -                                  | (57,425)         |
| <b>Net cash from/(used in) investing activities</b>                     | <b>258,005</b>                     | <b>(261,583)</b> |
| <b>Cash flows from financing activities</b>                             |                                    |                  |
| Payment of dividends to members of the Company                          | (77,479)                           | (66,410)         |
| Interest paid on borrowings and lease liabilities                       | (1,641)                            | (341)            |
| Principal payment of lease liabilities                                  | (183)                              | (179)            |
| Proceeds from borrowings  | -                                  | 61,236           |
| Repayment of borrowings   | -                                  | (32,284)         |
| Bank deposits pledged   | -                                  | (297)            |
| Proceeds from issuance of share capital for share options exercised     | -                                  | 209              |
| <b>Net cash used in financing activities</b>                            | <b>(79,303)</b>                    | <b>(38,066)</b>  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>             | <b>241,386</b>                     | <b>(258,707)</b> |
| Cash and cash equivalents at beginning of the financial year            | 333,778                            | 596,024          |
| Effects of currency translation on cash and cash equivalents            | (1,610)                            | (3,539)          |
| <b>Cash and cash equivalents at end of the financial year</b>           | <b>573,554</b>                     | <b>333,778</b>   |
| <b>Cash and cash equivalents comprised the following:</b>               |                                    |                  |
| Cash and bank balances  | 574,014                            | 334,268          |
| Less: Bank deposits pledged for banking facilities                      | (460)                              | (490)            |
|   | <b>573,554</b>                     | <b>333,778</b>   |



## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 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 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.

### 2. Basis of preparation

The condensed interim consolidated financial statements for the year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”). The condensed interim consolidated financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2022.

Except as disclosed below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 December 2022.

On 1 January 2023, the Group has adopted the new or amended SFRS(I)s and Interpretations to SFRS(I)s (“INT SFRS(I)s”) 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:

- SFRS(I) 17 *Insurance Contracts*
- Amendments to SFRS(I) 1-1 *Presentation of Financial Statements*
- Amendments to SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors*
- Amendments to SFRS(I) 1-12 *Income Taxes*

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 periods.

The condensed interim consolidated financial statements are presented in Singapore dollar which is the Company’s functional currency.

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

### 4. Revenue

(a) Revenue consists of the following:

|                       | <b>The Group</b>      |             |                        |           |
|-----------------------|-----------------------|-------------|------------------------|-----------|
|                       | <b>6 months ended</b> |             | <b>Full Year ended</b> |           |
|                       | <b>31 December</b>    |             | <b>31 December</b>     |           |
|                       | <b>2023</b>           | 2022        | <b>2023</b>            | 2022      |
|                       | <b>\$'000</b>         | \$'000      | <b>\$'000</b>          | \$'000    |
|                       | <b>(Unaudited)</b>    | (Unaudited) | <b>(Audited)</b>       | (Audited) |
| Sale of goods         | <b>111,937</b>        | 77,544      | <b>213,969</b>         | 164,527   |
| Rendering of services | <b>1,198</b>          | 1,181       | <b>2,600</b>           | 1,949     |
| Rental income         | <b>7,804</b>          | 7,841       | <b>15,493</b>          | 15,616    |
| <b>Total revenue</b>  | <b>120,939</b>        | 86,566      | <b>232,062</b>         | 182,092   |

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.

Except for rental income of \$7,804,000 (2022: \$7,841,000) for the six months ended 31 December 2023 and \$15,493,000 (2022: \$15,616,000) for the full year ended 31 December 2023, the remaining revenue relates to revenue from contracts with customers under SFRS(I) 15.

(b) A breakdown of sales:

|  | <b>The Group</b>   |             |              |
|--|--------------------|-------------|--------------|
|  | <b>2023</b>        | 2022        | <b>+/(-)</b> |
|  | <b>\$'000</b>      | \$'000      | <b>%</b>     |
|  | <b>(Unaudited)</b> | (Unaudited) |              |
| Sales reported for the first half year                   | <b>111,123</b>     | 95,526      | <b>16.3</b>  |
| Operating profit after tax reported for first half year  | <b>104,140</b>     | 77,222      | <b>34.9</b>  |
| Sales reported for the second half year                  | <b>120,939</b>     | 86,566      | <b>39.7</b>  |
| Operating profit after tax reported for second half year | <b>112,429</b>     | 71,094      | <b>58.1</b>  |



## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 5. Other income

|                           | <b>The Group</b>      |             |                        |           |
|---------------------------|-----------------------|-------------|------------------------|-----------|
|                           | <b>6 months ended</b> |             | <b>Full Year ended</b> |           |
|                           | <b>31 December</b>    |             | <b>31 December</b>     |           |
|                           | <b>2023</b>           | 2022        | <b>2023</b>            | 2022      |
|                           | \$'000                | \$'000      | \$'000                 | \$'000    |
|                           | <b>(Unaudited)</b>    | (Unaudited) | <b>(Audited)</b>       | (Audited) |
| Dividend income           | <b>66,576</b>         | 46,392      | <b>136,627</b>         | 103,970   |
| Interest income           | <b>14,141</b>         | 6,124       | <b>25,517</b>          | 7,779     |
| Miscellaneous income      | <b>646</b>            | 881         | <b>1,282</b>           | 1,241     |
| <b>Total other income</b> | <b>81,363</b>         | 53,397      | <b>163,426</b>         | 112,990   |

### 6. Selected expenses

The following were charged/ (credited) to the income statement:

|   | <b>The Group</b>      |             |                        |           |
|---|-----------------------|-------------|------------------------|-----------|
|   | <b>6 months ended</b> |             | <b>Full Year ended</b> |           |
|   | <b>31 December</b>    |             | <b>31 December</b>     |           |
|   | <b>2023</b>           | 2022        | <b>2023</b>            | 2022      |
|   | \$'000                | \$'000      | \$'000                 | \$'000    |
|   | <b>(Unaudited)</b>    | (Unaudited) | <b>(Audited)</b>       | (Audited) |
| Interest on borrowings  | <b>842</b>            | 446         | <b>1,524</b>           | 501       |
| Depreciation of property, plant and equipment and investment properties | <b>3,101</b>          | 2,831       | <b>6,048</b>           | 5,684     |
| Inventories written down  | <b>405</b>            | 176         | <b>480</b>             | 45        |
| Foreign exchange loss, net  | <b>980</b>            | 2,149       | <b>1,294</b>           | 2,441     |
| Loss on disposal and write-off of property plant and equipment          | <b>3</b>              | 19          | -                      | 22        |

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 7. Taxation

|   | <b>The Group</b>      |                  |                        |        |
|---|-----------------------|------------------|------------------------|--------|
|   | <b>6 months ended</b> |                  | <b>Full Year ended</b> |        |
|   | <b>31 December</b>    |                  | <b>31 December</b>     |        |
|   | <b>2023</b>           | 2022             | <b>2023</b>            | 2022   |
| <b>\$'000</b>                                       | \$'000                | <b>\$'000</b>    | \$'000                 |        |
| <b>(Unaudited)</b>                                  | (Unaudited)           | <b>(Audited)</b> | (Audited)              |        |
| Tax expense attributable to profit is made up of:   |                       |                  |                        |        |
| <b>Current taxation:</b>                            |                       |                  |                        |        |
| Current year  | <b>6,295</b>          | 5,234            | <b>12,660</b>          | 9,700  |
| Under/(over) provision in respect of previous years | <b>51</b>             | (80)             | <b>(50)</b>            | (3)    |
|   | <b>6,346</b>          | 5,154            | <b>12,610</b>          | 9,697  |
| <b>Deferred taxation:</b>                           |                       |                  |                        |        |
| Origination and reversal of temporary differences   | <b>258</b>            | 870              | <b>990</b>             | 885    |
| (Over)/under provision in respect of previous years | <b>(775)</b>          | 16               | <b>(775)</b>           | 71     |
|   | <b>(517)</b>          | 886              | <b>215</b>             | 956    |
|   | <b>5,829</b>          | 6,040            | <b>12,825</b>          | 10,653 |

### 8. Dividends

|  | <b>The Group</b> |          |
|--|------------------|----------|
|  | <b>2023</b>      | 2022     |
| <b>(Audited)</b>   | <b>\$'000</b>    | \$'000   |
| <i>Ordinary dividends paid:</i>  |                  |          |
| Final exempt 2022 dividend of 15 cents per share<br>(2022: Final exempt 2021 dividend of 15 cents per share)     | <b>33,205</b>    | 33,205   |
| Interim exempt 2023 dividend of 20 cents per share<br>(2022: Interim exempt 2022 dividend of 15 cents per share) | <b>44,274</b>    | 33,205   |
|  | <b>77,479</b>    | 66,410   |
| Dividend per share (net of tax)  | <b>35 cents</b>  | 30 cents |

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 9. Strategic and long term investments

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

|                                | <b>The Group</b>  |                   |
|--------------------------------|-------------------|-------------------|
|                                | <b>31/12/2023</b> | <b>31/12/2022</b> |
| <b>(Audited)</b>               | <b>\$'000</b>     | <b>\$'000</b>     |
| <u>Strategic investments</u>   |                   |                   |
| - United Overseas Bank Limited | <b>2,129,498</b>  | 2,297,912         |
| - UOL Group Limited            | <b>451,721</b>    | 484,140           |
|                                | <b>2,581,219</b>  | 2,782,052         |
| Other long term investments    | <b>54,788</b>     | 62,065            |
|                                | <b>2,636,007</b>  | 2,844,117         |

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.

### 10. Borrowings

|   | <b>The Group and<br/>The Company</b> |                   |
|---|--------------------------------------|-------------------|
|   | <b>31/12/2023</b>                    | <b>31/12/2022</b> |
| <b>(Audited)</b>  | <b>\$'000</b>                        | <b>\$'000</b>     |
| <u>Amount repayable in one year or less, or on demand</u> |                                      |                   |
| Secured   | <b>27,846</b>                        | 28,501            |
| Unsecured   | -                                    | -                 |
| <u>Amount repayable after one year</u>                    |                                      |                   |
| Secured   | -                                    | -                 |
| Unsecured   | -                                    | -                 |

The Group has provided certain investment properties to secure its credit facilities.

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 11. Share capital

| (a)   | <b>The Group and the Company</b>       |                          |  |                          |
|---|--|--------------------------|--|--------------------------|
|   | <b>31/12/2023</b>                      |                          | <b>31/12/2022</b>                      |                          |
|   | <b>Number<br/>of issued<br/>shares</b> | <b>Amount<br/>\$'000</b> | <b>Number<br/>of issued<br/>shares</b> | <b>Amount<br/>\$'000</b> |
| <b>(Audited)</b>  |  |                          |  |                          |
| Beginning of financial year                                     | <b>221,368,173</b>                     | <b>268,911</b>           | 221,347,173                            | 268,702                  |
| Issue of ordinary shares by virtue of exercise of share options | -                                      | -                        | 21,000                                 | 209                      |
| End of financial year   | <b>221,368,173</b>                     | <b>268,911</b>           | 221,368,173                            | 268,911                  |

- (b) There were no outstanding convertibles as at 31 December 2023 and 31 December 2022. All remaining share options previously granted under the Haw Par Corporation Group 2002 Share Option Scheme have been exercised. There are no unissued shares covered by share options and no outstanding share options.

The Company did not hold any treasury shares and there were no subsidiary holdings as at 31 December 2023 and 31 December 2022.

### 12. Net asset value

|                                    | <b>The Group</b>  |                   | <b>The Company</b> |                   |
|------------------------------------|-------------------|-------------------|--------------------|-------------------|
|                                    | <b>31/12/2023</b> | <b>31/12/2022</b> | <b>31/12/2023</b>  | <b>31/12/2022</b> |
|                                    | <b>\$</b>         | <b>\$</b>         | <b>\$</b>          | <b>\$</b>         |
| Net asset value per ordinary share | <b>15.70</b>      | 16.03             | <b>5.28</b>        | 4.81              |

### 13. Related party transactions

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

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 14. Segment information

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 and Investment Committee whose members are responsible for allocating resources and assessing performance of the operating segments.

#### (a) Reportable segments

|  | <u>Healthcare<br/>products</u><br>\$'000 | <u>Investments</u><br>\$'000 | <u>Others</u> <sup>1</sup><br>\$'000 | <u>Consolidated</u><br>\$'000 |
|--|--|------------------------------|--------------------------------------|-------------------------------|
| <b>6 months ended 31 December 2023<br/>(Unaudited)</b> |  |                              |                                      |                               |
| Total segment revenue                                  | 111,722                                  | -                            | 9,715                                | 121,437                       |
| Inter-segment revenue                                  | -  | -                            | (498)                                | (498)                         |
| Revenue from external parties                          | 111,722                                  | -                            | 9,217                                | 120,939                       |
| Dividend income  | -  | 66,576                       | -                                    | 66,576                        |
| Interest income  | -  | 14,141                       | -                                    | 14,141                        |
| Miscellaneous income                                   | 123                                      | 251                          | 272                                  | 646                           |
| Total other income                                     | 123                                      | 80,968                       | 272                                  | 81,363                        |
| Total revenue and other income                         | <u>111,845</u>                           | <u>80,968</u>                | <u>9,489</u>                         | <u>202,302</u>                |
| Depreciation   | 1,824                                    | 55                           | 1,222                                | 3,101                         |
| Finance expenses                                       | 16                                       | 842                          | -                                    | 858                           |
| Segment profit   | <u>35,699</u>                            | <u>79,463</u>                | <u>4,909</u>                         | 120,071                       |
| Unallocated expenses                                   |  |                              |                                      | (3,428)                       |
| Share of profit of associated company                  | -  | 1,615                        | -                                    | <u>1,615</u>                  |
| Profit before taxation                                 |  |                              |                                      | 118,258                       |
| Taxation   |  |                              |                                      | <u>(5,829)</u>                |
| Earnings for the interim period                        |  |                              |                                      | <u>112,429</u>                |

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

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 14. Segment information (continued)

#### (a) Reportable segments (continued)

|  | <b>Healthcare<br/>products</b> | <b>Investments</b> | <b>Others<sup>1</sup></b> | <b>Consolidated</b> |
|--|--------------------------------|--------------------|---------------------------|---------------------|
|  | <b>\$'000</b>                  | <b>\$'000</b>      | <b>\$'000</b>             | <b>\$'000</b>       |
| <b>6 months ended 31 December 2022<br/>(Unaudited)</b> |                                |                    |                           |                     |
| Total segment revenue                                  | 77,270                         | -                  | 9,786                     | 87,056              |
| Inter-segment revenue                                  | -                              | -                  | (490)                     | (490)               |
| Revenue from external parties                          | 77,270                         | -                  | 9,296                     | 86,566              |
| Dividend income  | -                              | 46,392             | -                         | 46,392              |
| Interest income  | -                              | 6,124              | -                         | 6,124               |
| Miscellaneous income                                   | 107                            | 521                | 253                       | 881                 |
| Total other income                                     | 107                            | 53,037             | 253                       | 53,397              |
| Total revenue and other income                         | <u>77,377</u>                  | <u>53,037</u>      | <u>9,549</u>              | <u>139,963</u>      |
| Depreciation   | 1,517                          | 52                 | 1,262                     | 2,831               |
| Finance expenses                                       | 13                             | 446                | -                         | 459                 |
| Segment profit   | <u>22,432</u>                  | <u>50,510</u>      | <u>5,333</u>              | <u>78,275</u>       |
| Unallocated expenses                                   |                                |                    |                           | (2,606)             |
| Share of profit of associated company                  | -                              | 1,465              | -                         | 1,465               |
| Profit before taxation                                 |                                |                    |                           | <u>77,134</u>       |
| Taxation   |                                |                    |                           | (6,040)             |
| Earnings for the interim period                        |                                |                    |                           | <u>71,094</u>       |
| <b>Full Year ended 31 December 2023 (Audited)</b>      |                                |                    |                           |                     |
| 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                         | <u>213,960</u>                 | <u>162,410</u>     | <u>19,118</u>             | <u>395,488</u>      |
| Depreciation   | 3,489                          | 110                | 2,449                     | 6,048               |
| Finance expenses                                       | 30                             | 1,525              | -                         | 1,555               |
| Segment profit   | <u>64,839</u>                  | <u>159,663</u>     | <u>10,034</u>             | <u>234,536</u>      |
| Unallocated expenses                                   |                                |                    |                           | (8,654)             |
| Share of profit of associated company                  | -                              | 3,512              | -                         | 3,512               |
| Profit before taxation                                 |                                |                    |                           | <u>229,394</u>      |
| Taxation   |                                |                    |                           | (12,825)            |
| Earnings for the financial year                        |                                |                    |                           | <u>216,569</u>      |

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

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 14. Segment information (continued)

#### (a) Reportable segments (continued)

|   | <u>Healthcare<br/>products</u> | <u>Investments</u> | <u>Others</u> <sup>1</sup> | <u>Consolidated</u> |
|---|--------------------------------|--------------------|----------------------------|---------------------|
|   | \$'000                         | \$'000             | \$'000                     | \$'000              |
| <b>As at 31 December 2023 (Audited)</b>               |                                |                    |                            |                     |
| 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      |                                |                    |                            | <u>3,593,178</u>    |
| Expenditures for segment non-current assets           |                                |                    |                            |                     |
| - Additions to property, plant and equipment          | 5,594                          | 143                | 37                         | 5,774               |
| - Investment properties improvements                  | -                              | -                  | 62                         | 62                  |
|   | <u>5,594</u>                   | <u>143</u>         | <u>99</u>                  | <u>5,836</u>        |
| Segment liabilities                                   | <u>62,703</u>                  | <u>36,687</u>      | <u>5,917</u>               | 105,307             |
| Current income tax liabilities                        |                                |                    |                            | 11,106              |
| Deferred income tax liabilities                       |                                |                    |                            | 762                 |
| Total liabilities per statement of financial position |                                |                    |                            | <u>117,175</u>      |
| <b>Full Year ended 31 December 2022 (Audited)</b>     |                                |                    |                            |                     |
| Total segment revenue                                 | 164,059                        | -                  | 18,992                     | 183,051             |
| Inter-segment revenue                                 | -                              | -                  | (959)                      | (959)               |
| Revenue from external parties                         | 164,059                        | -                  | 18,033                     | 182,092             |
| Dividend income                                       | -                              | 103,970            | -                          | 103,970             |
| Interest income                                       | -                              | 7,779              | -                          | 7,779               |
| Miscellaneous income                                  | 204                            | 541                | 496                        | 1,241               |
| Total other income                                    | 204                            | 112,290            | 496                        | 112,990             |
| Total revenue and other income                        | <u>164,263</u>                 | <u>112,290</u>     | <u>18,529</u>              | <u>295,082</u>      |
| Depreciation  | <u>3,056</u>                   | <u>105</u>         | <u>2,523</u>               | <u>5,684</u>        |
| Finance expenses                                      | <u>24</u>                      | <u>501</u>         | <u>-</u>                   | <u>525</u>          |
| Segment profit  | <u>40,209</u>                  | <u>110,604</u>     | <u>10,311</u>              | 161,124             |
| Unallocated expenses                                  |                                |                    |                            | (5,280)             |
| Share of profit of associated company                 | -                              | 3,125              | -                          | 3,125               |
| Profit before taxation                                |                                |                    |                            | 158,969             |
| Taxation  |                                |                    |                            | (10,653)            |
| Earnings for the financial year                       |                                |                    |                            | <u>148,316</u>      |

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

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2023

### 14. Segment information (continued)

#### (a) Reportable segments (continued)

|   | <u>Healthcare<br/>products</u> | <u>Investments</u> | <u>Others</u> <sup>1</sup> | <u>Consolidated</u> |
|---|--------------------------------|--------------------|----------------------------|---------------------|
|   | \$'000                         | \$'000             | \$'000                     | \$'000              |
| <b>As at 31 December 2022 (Audited)</b>               |                                |                    |                            |                     |
| Segment assets  | 123,524                        | 3,470,125          | 53,150                     | 3,646,799           |
| Tax recoverable                                       |                                |                    |                            | 197                 |
| Deferred income tax assets                            |                                |                    |                            | 3,130               |
| Total assets per statement of financial position      |                                |                    |                            | <u>3,650,126</u>    |
| Expenditures for segment non-current assets           |                                |                    |                            |                     |
| - Additions to property, plant and equipment          | 23,219                         | 61                 | 64                         | 23,344              |
| - Investment properties improvements                  | -                              | -                  | 13                         | 13                  |
|   | <u>23,219</u>                  | <u>61</u>          | <u>77</u>                  | <u>23,357</u>       |
| Segment liabilities                                   | 51,561                         | 35,790             | 5,688                      | 93,039              |
| Current income tax liabilities                        |                                |                    |                            | 7,458               |
| Deferred income tax liabilities                       |                                |                    |                            | 912                 |
| Total liabilities per statement of financial position |                                |                    |                            | <u>101,409</u>      |

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

#### (b) Geographical Information (excluding strategic and long term investments)

|   | <b>The Group</b>              |                |
|---|-------------------------------|----------------|
|   | <b>Year ended 31 December</b> |                |
|   | <b>2023</b>                   | <b>2022</b>    |
|   | \$'000                        | \$'000         |
| <b>(Audited)</b>                          |                               |                |
| <b>Revenue</b> <sup>(i)</sup>             |                               |                |
| Singapore                                 | 29,953                        | 27,196         |
| Other ASEAN countries                     | 61,806                        | 39,618         |
| Other Asian countries                     | 85,463                        | 59,600         |
| Other countries                           | 54,840                        | 55,678         |
| Total                                     | <u>232,062</u>                | <u>182,092</u> |
| <b>Non-current assets</b> <sup>(ii)</sup> |                               |                |
| Singapore                                 | 73,123                        | 73,000         |
| Malaysia                                  | 45,564                        | 45,842         |
| Other ASEAN countries                     | 282                           | 321            |
| Other Asian countries                     | 7,511                         | 8,175          |
| Total                                     | <u>126,480</u>                | <u>127,338</u> |

(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.





## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

*For the six months and full year ended 31 December 2023*

### 14. Segment information (continued)

#### (c) Major customers

Revenue of approximately \$121,145,000 (2022: \$60,523,000) was contributed from three external customers (2022: two external customers). These revenues are attributable to the sale of Healthcare products to distributors belonging to the same group of companies.

## OTHER INFORMATION

### 15. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

#### Full year ended 31 December 2023

The figures for the full year ended 31 December 2023 have been extracted from the Company's full financial statements and audited by the Company's independent auditor in accordance with Singapore Standards on Auditing.

### 16. Where the figures have been audited or reviewed, the auditor's report (including any emphasis of a matter)

The independent auditor's report on the full financial statements of Haw Par Corporation Limited for the financial year ended 31 December 2023 is as follows:

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

*For the financial year ended 31 December 2023*

#### **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 2023 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 2023;
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2023;
- the statements of financial position of the Group and of the Company as at 31 December 2023;
- 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.

**OTHER INFORMATION**

**16. Where the figures have been audited or reviewed, the auditor’s report (including any emphasis of a matter) (continued)**

**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF HAW PAR CORPORATION LIMITED (continued)**

*For the financial year ended 31 December 2023*

*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 2023. 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.

| <b>Key Audit Matter</b>  | <b>How our audit addressed the Key Audit Matter</b>   |
|--|---|
| <p><b>Ownership and valuation of strategic and long term investments</b> (Note 9 of the financial statements)</p> <p>As at 31 December 2023, the Group’s strategic and long term investments, classified as financial assets carried at fair value through other comprehensive income (“FVOCI”), amounted to \$2,636 million (2022: \$2,844 million), representing 73% and 76% (2022: 78% and 80%) 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.

**16. Where the figures have been audited or reviewed, the auditor's report (including any emphasis of a matter) (continued)****INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
HAW PAR CORPORATION LIMITED (continued)**

*For the financial year ended 31 December 2023*

**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.
- 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.



## OTHER INFORMATION

### 16. Where the figures have been audited or reviewed, the auditor's report (including any emphasis of a matter) (continued)

#### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAW PAR CORPORATION LIMITED** (continued)

*For the financial year ended 31 December 2023*

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

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 Choo Eng Beng.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 26 February 2024

**17. Review of performance of the Group**6 months ended 31 December 2023 (“2H2023”) v 6 months ended 31 December 2022 (“2H2022”)

2H2023 Group revenue increased 39.7% to \$120.9m as Healthcare sales continues to recover in certain key Asian markets. In line with the sales recovery, cost of sales increased 22.8% to \$49.0m. Improved utilisation of production capacity from higher volume led to an increase in gross margin from 53.9% in 2H2022 to 59.5% in 2H2023.

Other income increased 52.4% to \$81.4m due mainly to higher dividend yield from strategic and long term investments and higher interest income from the continued elevated interest rate environment.

Distribution and marketing expenses increased 66.4% to \$22.0m due mainly to the increase in marketing expenditure.

General and administrative expenses increased 29.1% to \$13.8m due mainly to general costs of new Healthcare manufacturing facility in Malaysia which has not commenced commercial production and increase in staff costs.

Finance expenses increased 86.9% due mainly to higher interest rates on borrowings.

Full year ended 31 December 2023 – Income statement and segmental information

Group revenue increased 27.4% to \$232.1m and cost of sales increased 16.3% to \$97.2m driven mainly by higher consumer spend on Healthcare’s products. Gross margin improved to 58.1% as production overheads are allocated to higher production volume.

Healthcare revenue increased 30.1% to \$213.5m fueled by sales recovery in Asian markets and operating profits increased 61.3% to \$64.8m from the flow on effect of improved gross margin from market mix and higher utilisation of production capacity. Revenue from other segments which comprise of Leisure and Property divisions increased 3.1% to \$18.6m, driven mainly by Underwater World Pattaya (“UWP”) as the Thai tourism industry gradually recovered in 2023. UWP’s revenue growth was partially offset by Property division with lower occupancy at certain properties. Despite slight growth in revenue, operating profit of other segments decreased by 2.7% to \$10.0m due mainly to higher operating expenses and maintenance costs incurred at UWP and investment properties.

Other income increased 44.6% to \$163.4m contributed by higher dividend rate from strategic investments, coupled with higher interest income earned from the elevated interest rate environment during the year.

Distribution and marketing expenses increased 30.4% to \$47.2m due mainly to higher advertising and promotional expenses incurred to drive Healthcare sales growth.

General and administrative expenses increased 24.7% to \$23.7m due mainly to one-off donation to LKY Centennial Fund and general costs of new Healthcare factory, partially offset by lower unfavourable foreign exchange differences.

Finance expenses increased to \$1.6m due mainly to higher interest rates, and longer borrowing tenure as the loan was drawn down in the second quarter of 2022.

**17. Review of performance of the Group (continued)**Statements of financial position

Cash and bank balances increased 71.7% to \$574.0m due mainly to net proceeds received from maturity of debt securities and higher dividend income received.

Investments in debt securities decreased 37.0% to \$185.9m as treasury bills, which matured during the year, were placed in fixed deposits in response to the tapering of interest yield in treasury bills.

Trade and other receivables increased 80.4% to \$48.5m due mainly to higher trade receivables from higher sales at Healthcare and timing difference of sales and collection.

Trade and other payables increased 20.0% to \$77.5m due mainly to higher accrued marketing expenses.

**18. 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 previously made in respect of the six months and full year ended 31 December 2023 results.

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

The recovery momentum gained by our Healthcare business may be tempered by ongoing geopolitical tensions and uncertainties globally.

Potential shifts in central banks' monetary policies may present more volatility in the valuation of the Group's strategic investments.

**20. Dividend information**

|                           | 2023   |   | 2022  |   |
|---------------------------|--|---|---|---|
|                           | Second & Final (Proposed)                                | First & Interim                                   | Second & Final                                    | First & Interim                                   |
| Name of Dividend          |  |   |   |   |
| Dividend Type             | Cash   | Cash  | Cash  | Cash  |
| Dividend amount per share | <b>20 cents per ordinary share tax-exempt (one-tier)</b> | 20 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) |

Subject to shareholder’s approval for the payment of the proposed Second & Final Dividend, the 2023 Second & Final Dividend will be paid on 21 May 2024.

The Share Transfer Books and Register of Members of the Company will be closed on 6 May 2024, 5.00 pm. 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 pm on 6 May 2024 will be registered to determine shareholders’ entitlement to the Second & Final Dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited which are credited with Shares as at 5.00 pm on 6 May 2024 will be entitled to such proposed dividend.

**21. Interested Person Transactions Mandate**

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

**22. 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 has received 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.

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

Other than those stated in Item 17 above, there were no major factors leading to material changes in contributions to turnover and earnings by the business or geographical segments.



**OTHER INFORMATION**

**24. Disclosure of persons occupying managerial positions who are related to a director, CEO or substantial shareholder.**

| <b>Name</b>           | <b>Age</b> | <b>Family relationship with any director and/or substantial shareholder</b>   | <b>Current position and duties and the year the position was held</b>   | <b>Details of changes in duties and position held, if any, during the year</b>                    |
|-----------------------|------------|---|---|---|
| Wee Ee Lim            | 62         | Mr Wee Ee Lim, is the son of the late Dr Wee Cho Yaw, the Non-Executive Chairman and a substantial shareholder of the Company before his cessation on 3 February 2024. He is also the brother of Mr Wee Ee Chao, the Non-Executive Chairman (appointed on 26 February 2024) and a 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 2023. |
| Kelvin Whang Sung Tze | 62         | 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 2023. |

**BY ORDER OF THE BOARD**

Chiew Kun Long Alvin  
Company Secretary  
26 February 2024