



HAW PAR CORPORATION LIMITED

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

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED AND FULL YEAR ENDED 31 DECEMBER 2021

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(Company Registration Number: 196900437M)
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Condensed Interim Financial Statements for the Six Months and Full Year Ended 31 December 2021

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

	Note	The Group			The Group		
		6 Months Ended 31 December			Full Year Ended 31 December		
		2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	+ / (-) %	2021 S\$'000 (Audited)	2020 S\$'000 (Audited)	+ / (-) %
Revenue	4	75,348	30,158	149.8	141,180	111,032	27.2
Cost of sales		(36,160)	(24,910)	45.2	(67,538)	(62,205)	8.6
Gross profit		39,188	5,248	646.7	73,642	48,827	50.8
Other income	5	46,940	32,544	44.2	88,288	106,835	(17.4)
Distribution and marketing expenses		(22,248)	(2,465)	802.6	(38,343)	(21,019)	82.4
General and administrative expenses		(4,838)	(9,384)	(48.4)	(10,602)	(13,878)	(23.6)
Finance expenses		(13)	(15)	(13.3)	(27)	(76)	(64.5)
Share of profit of associated company		1,568	1,974	(20.6)	3,222	3,517	(8.4)
Profit before taxation		60,597	27,902	117.2	116,180	124,206	(6.5)
Taxation	7	(3,471)	890	N/M	(6,077)	(4,433)	37.1
Profit for the financial period, net of tax		57,126	28,792	98.4	110,103	119,773	(8.1)
Earnings per share attributable to equity holders of the Company							
- Basic		25.8 cents	13.0 cents		49.8 cents	54.2 cents	
- Diluted		25.8 cents	13.0 cents		49.8 cents	54.2 cents	

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	The Group			The Group		
	6 Months Ended 31 December			Full Year Ended 31 December		
	2021 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	+ / (-) %	2021 S\$'000 (Audited)	2020 S\$'000 (Audited)	+ / (-) %
Profit for the financial period, net of tax	57,126	28,792	98.4	110,103	119,773	(8.1)
Other comprehensive income/(loss)						
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation differences on consolidation of foreign entities (net)	242	675	(64.1)	201	805	(75.0)
<i>Items that will not be reclassified subsequently to profit or loss:</i>						
Fair value changes on investments (net)	64,592	243,686	(73.5)	280,913	(326,493)	N/M
Other comprehensive income/(loss) for the financial period, net of tax	64,834	244,361	(73.5)	281,114	(325,688)	N/M
Total comprehensive income/(loss) for the financial period	121,960	273,153	(55.4)	391,217	(205,915)	N/M

N/M - not meaningful

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

		The Group		The Company	
		31/12/2021	31/12/2020	31/12/2021	31/12/2020
	Note	S\$'000	S\$'000	S\$'000	S\$'000
		(Audited)	(Audited)	(Audited)	(Audited)
ASSETS					
Cash and bank balances		596,226	554,412	487,058	450,191
Trade and other receivables		32,159	14,436	29,634	34,101
Inventories		13,175	15,323	-	-
Tax recoverable		523	511	-	-
Deferred income tax assets		4,283	3,648	-	-
Associated company		13,044	10,222	2,895	2,895
Subsidiaries		-	-	562,561	561,696
Investment properties		53,070	55,870	-	-
Property, plant and equipment		31,984	31,068	-	-
Intangible assets		11,116	11,116	-	-
Strategic investments	9	2,527,981	2,252,562	-	-
Total assets		3,283,561	2,949,168	1,082,148	1,048,883
LIABILITIES					
Trade and other payables		65,667	56,520	61,092	50,623
Current income tax liabilities		5,524	6,608	544	448
Deferred income tax liabilities		894	874	-	-
Total liabilities		72,085	64,002	61,636	51,071
NET ASSETS		3,211,476	2,885,166	1,020,512	997,812
EQUITY					
Equity attributable to equity holders of the Company					
Share capital	11	268,702	267,232	268,702	267,232
Retained profits		1,218,753	1,175,387	751,684	730,454
Other reserves		1,724,021	1,442,547	126	126
Total equity		3,211,476	2,885,166	1,020,512	997,812

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to Equity Holders of the Company						
		Share Capital	Statutory Reserve ¹	Capital Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Retained Profits	Total Equity
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group								
2021								
(Audited)								
Balance at 1 January 2021		267,232	2,389	38	1,439,648	472	1,175,387	2,885,166
Issue of share capital		1,470	-	-	-	-	-	1,470
Transfer of cumulative loss on disposal of investments to retained profits		-	-	-	242	-	(242)	-
Transfer from retained profits to statutory reserve		-	118	-	-	-	(118)	-
Dividends paid	8	-	-	-	-	-	(66,377)	(66,377)
Total comprehensive income for the financial year		-	-	-	280,913	201	110,103	391,217
Balance at 31 December 2021		268,702	2,507	38	1,720,803	673	1,218,753	3,211,476
2020								
(Audited)								
Balance at 1 January 2020		266,228	2,389	38	1,780,736	(333)	1,107,374	3,156,432
Issue of share capital		1,004	-	-	-	-	-	1,004
Transfer of cumulative gain on disposal of investments to retained profits		-	-	-	(14,595)	-	14,595	-
Dividends paid	8	-	-	-	-	-	(66,355)	(66,355)
Total comprehensive (loss)/income for the financial year		-	-	-	(326,493)	805	119,773	(205,915)
Balance at 31 December 2020		267,232	2,389	38	1,439,648	472	1,175,387	2,885,166

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

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Note	Share Capital \$'000	Capital Reserve \$'000	Retained Profits \$'000	Total Equity \$'000
The Company					
2021					
Balance at 1 January 2021		267,232	126	730,454	997,812
Issue of share capital		1,470	-	-	1,470
Dividends paid	8	-	-	(66,377)	(66,377)
Total comprehensive income for the financial year		-	-	87,607	87,607
Balance at 31 December 2021		268,702	126	751,684	1,020,512
2020					
Balance at 1 January 2020		266,228	126	654,630	920,984
Issue of share capital		1,004	-	-	1,004
Dividends paid	8	-	-	(66,355)	(66,355)
Total comprehensive income for the financial year		-	-	142,179	142,179
Balance at 31 December 2020		267,232	126	730,454	997,812

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	The Group	
	Full Year Ended 31 December	
	2021	2020
	S\$'000	S\$'000
	(Audited)	(Audited)
Cash flows from operating activities		
Profit before tax	116,180	124,206
Adjustments for:		
Dividend income	(84,909)	(97,937)
Depreciation of property, plant and equipment and investment properties	6,463	6,541
Share of profit of associated company	(3,222)	(3,517)
Interest income	(1,659)	(4,712)
Inventories written down	399	306
Write-back of unclaimed dividends	(270)	(257)
Finance expenses	27	76
Loss on disposal and write-off of property, plant and equipment	12	11
Allowance for impairment of receivables	-	4
Unrealised currency translation (gains)/losses	(226)	619
Operating profit before working capital changes	32,795	25,340
Decrease in inventories	1,749	4,507
(Increase)/decrease in trade and other receivables	(17,590)	14,410
Increase/(decrease) in trade and other payables	9,863	(7,781)
Cash generated from operations	26,817	36,476
Net taxation paid	(7,976)	(11,448)
Net cash from operating activities	18,841	25,028
Cash flows from investing activities		
Dividend income received	84,909	97,937
Proceeds from disposal of investments	5,541	64,049
Purchase of property, plant and equipment	(4,383)	(7,542)
Interest income received	1,512	6,159
Improvements to investment properties	(466)	(1,955)
Dividends from associated company	400	400
Proceeds from disposal of property, plant and equipment	3	-
Purchase of investments	-	(20,962)
Net cash from investing activities	87,516	138,086
Cash flows from financing activities		
Payment of dividends to members of the Company	(66,377)	(66,355)
Proceeds from issuance of share capital for share options exercised	1,470	1,004
Principal payment of lease liabilities	(175)	(174)
Interest paid on borrowings and lease liabilities	(27)	(82)
Bank deposits pledged	(6)	-
Repayment of borrowings	-	(8,197)
Net cash used in financing activities	(65,115)	(73,804)
Net increase in cash and cash equivalents	41,242	89,310
Cash and cash equivalents at beginning of the financial year	554,204	465,390
Effects of currency translation on cash and cash equivalents	578	(496)
Cash and cash equivalents at end of the financial year	596,024	554,204
Cash and cash equivalents comprised the following:		
Cash and bank balances	596,226	554,412
Less: Bank deposits pledged for banking facilities	(202)	(208)
	596,024	554,204



NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

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 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”). 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 2021.

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 2020.

On 1 January 2021, the Group has adopted the new or amended SFRS(I) and Interpretations to SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Group’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s and INT SFRS(I)s including the following:

- Amendments to SFRS(I) 9 *Financial Instruments*, SFRS(I) 1-39 *Financial Instruments: Recognition and Measurement*, and SFRS(I) 7 *Financial Instruments: Disclosures*
- Amendments to SFRS(I) 16 *Leases* (effective 1 April 2021)

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.

3. Seasonal operations

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

4. Revenue

(a) Revenue consists of the following:

	The Group			
	6 months ended 31 December		Full Year ended 31 December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Sale of goods	67,124	21,204	124,500	93,297
Rendering of services	147	671	212	1,227
Rental income	8,077	8,283	16,468	16,508
Total revenue	75,348	30,158	141,180	111,032

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 \$8,077,000 (2020: \$8,283,000) for the six months ended 31 December 2021 and \$16,468,000 (2020: \$16,508,000) for the full year ended 31 December 2021, the remaining revenue relates to revenue from contracts with customers under SFRS(I) 15.

(b) A breakdown of sales:

	The Group		
	2021	2020	+/(−)
	\$'000	\$'000	%
	(Unaudited)	(Unaudited)	
Sales reported for the first half year	65,832	80,874	(18.6)
Operating profit after tax reported for first half year	52,977	90,981	(41.8)
Sales reported for the second half year	75,348	30,158	149.8
Operating profit after tax reported for second half year	57,126	28,792	98.4

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

5. Other income

	The Group			
	6 months ended 31 December		Full Year ended 31 December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Dividend income	44,911	29,191	84,909	97,937
Interest income	982	1,323	1,659	4,712
Miscellaneous income	1,047	2,030	1,720	4,186
Total other income	46,940	32,544	88,288	106,835

6. Selected expenses

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

	The Group			
	6 months ended 31 December		Full Year ended 31 December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Interest on borrowings	-	-	-	46
Depreciation of property, plant and equipment and investment properties	3,176	3,302	6,463	6,541
Allowance for impairment of receivables	-	4	-	4
Inventories written down	386	291	399	306
Foreign exchange (gain)/loss, net	(637)	2,887	(921)	2,349
Loss on disposal and write-off of property plant and equipment	4	7	12	11

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

7. Taxation

	The Group			
	6 months ended 31 December		Full Year ended 31 December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Tax expense attributable to profit is made up of:				
Current taxation:				
Current year	4,305	454	6,942	5,521
Under/(over) provision in respect previous years	82	(138)	(8)	426
	4,387	316	6,934	5,947
Deferred taxation:				
Origination and reversal of temporary differences	(902)	(1,385)	(939)	(1,693)
(Over)/under provision in respect previous years	(14)	179	82	179
	(916)	(1,206)	(857)	(1,514)
	3,471	(890)	6,077	4,433

8. Dividends

	The Group	
	2021	2020
	\$'000	\$'000
(Audited)		
<i>Ordinary dividends paid:</i>		
Final exempt 2020 dividend of 15 cents per share (2020: Final exempt 2019 dividend of 15 cents per share)	33,188	33,177
Interim exempt 2021 dividend of 15 cents per share (2020: Interim exempt 2020 dividend of 15 cents per share)	33,189	33,178
	66,377	66,355
Dividend per share (net of tax)	30 cents	30 cents

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

9. Strategic investments

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

	The Group	
	31/12/2021 \$'000	31/12/2020 \$'000
(Audited)		
Singapore listed equity securities		
- United Overseas Bank Limited	2,013,480	1,690,874
- UOL Group Limited	510,077	554,024
	2,523,557	2,244,898
Others	4,424	7,664
	2,527,981	2,252,562

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.

During the financial year, the Group disposed of an equity investment in a listed company that was compulsorily acquired by its majority shareholder and privatised. The investment had a fair value of approximately \$5,541,000 at the date of disposal. The cumulative loss on disposal of \$242,000 was reclassified from fair value reserve to retained profits.

In 2020, the Group disposed of certain of its investments for cash and realised the capital appreciation. These investments had a fair value of approximately \$64,049,000 at the date of disposal. The cumulative gain on disposal of \$14,595,000 was reclassified from fair value reserve to retained profits.

10. Borrowings

	The Group and The Company	
	31/12/2021 \$'000	31/12/2020 \$'000
(Audited)		
<u>Amount repayable in one year or less, or on demand</u>		
Secured	-	-
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 2021

11. Share capital

	The Group and the Company			
	31/12/2021		31/12/2020	
	Number of issued shares	Amount \$'000	Number of issued shares	Amount \$'000
(Audited)				
Beginning of financial year	221,191,173	267,232	221,072,173	266,228
Issue of ordinary shares by virtue of exercise of share options	156,000	1,470	119,000	1,004
End of financial year	221,347,173	268,702	221,191,173	267,232

- (b) Since 30 June 2021, 91,000 shares were issued pursuant to the exercise of share options.

As at 31 December 2021, unissued shares under the share option scheme of the Company were as follows:

	The Group and the Company	
	31/12/2021	31/12/2020
Haw Par Corporation Group 2002 Share Option Scheme	21,000	177,000

The Company did not hold any treasury shares and there were no subsidiary holdings as at 31 December 2021 and 31 December 2020.

12. Net asset value

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	\$	\$	\$	\$
Net asset value per ordinary share	14.51	13.04	4.61	4.51

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 2021

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 products</u> \$'000	<u>Investments</u> \$'000	<u>Others</u> ¹ \$'000	<u>Consolidated</u> \$'000
6 months ended 31 December 2021 (Unaudited)				
Total segment revenue	67,085	-	8,726	75,811
Inter-segment revenue	-	-	(463)	(463)
Revenue from external parties	67,085	-	8,263	75,348
Dividend income	-	44,911	-	44,911
Interest income	-	982	-	982
Miscellaneous income	509	271	267	1,047
Total other income	509	46,164	267	46,940
Total revenue and other income	67,594	46,164	8,530	122,288
Depreciation	1,532	68	1,576	3,176
Finance expense	13	-	-	13
Segment profit	9,815	46,839	4,366	61,020
Unallocated expenses				(1,991)
Share of profit of associated company	-	1,568	-	1,568
Profit before taxation				60,597
Taxation				(3,471)
Earnings for the interim period				57,126

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

14. Segment information (continued)

(a) Reportable segments (continued)

	Healthcare products \$'000	Investments \$'000	Others ¹ \$'000	Consolidated \$'000
6 months ended 31 December 2020 (Unaudited)				
Total segment revenue	21,024	-	9,555	30,579
Inter-segment revenue	-	-	(421)	(421)
Revenue from external parties	21,024	-	9,134	30,158
Dividend income	-	29,191	-	29,191
Interest income	-	1,323	-	1,323
Miscellaneous income	1,129	493	408	2,030
Total other income	1,129	31,007	408	32,544
Total revenue and other income	22,153	31,007	9,542	62,702
Depreciation	1,617	52	1,633	3,302
Finance expense	15	-	-	15
Segment (loss)/profit	(3,293)	28,362	4,825	29,894
Unallocated expenses				(3,966)
Share of profit of associated company	-	1,974	-	1,974
Profit before taxation				27,902
Taxation				890
Earnings for the interim period				28,792
Full Year ended 31 December 2021 (Audited)				
Total segment revenue	124,440	-	17,632	142,072
Inter-segment revenue	-	-	(892)	(892)
Revenue from external parties	124,440	-	16,740	141,180
Dividend income	-	84,909	-	84,909
Interest income	-	1,659	-	1,659
Miscellaneous income	844	321	555	1,720
Total other income	844	86,889	555	88,288
Total revenue and other income	125,284	86,889	17,295	229,468
Depreciation	3,120	116	3,227	6,463
Finance expense	27	-	-	27
Segment profit	21,328	87,888	8,878	118,094
Unallocated expenses				(5,136)
Share of profit of associated company	-	3,222	-	3,222
Profit before taxation				116,180
Taxation				(6,077)
Earnings for the financial year				110,103

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

14. Segment information (continued)

(a) Reportable segments (continued)

	Healthcare products \$'000	Investments \$'000	Others ¹ \$'000	Consolidated \$'000
Full Year ended 31 December 2021 (Audited) (continued)				
Segment assets	180,868	3,040,452	57,435	3,278,755
Tax recoverable				523
Deferred income tax assets				4,283
Total assets per statement of financial position				<u>3,283,561</u>
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	4,316	69	45	4,430
- Investment properties improvements	-	-	113	113
	<u>4,316</u>	<u>69</u>	<u>158</u>	<u>4,543</u>
Segment liabilities	53,359	6,724	5,584	65,667
Current income tax liabilities				5,524
Deferred income tax liabilities				894
Total liabilities per statement of financial position				<u>72,085</u>
Full Year ended 31 December 2020 (Audited)				
Total segment revenue	93,008	-	18,874	111,882
Inter-segment revenue	-	-	(850)	(850)
Revenue from external parties	93,008	-	18,024	111,032
Dividend income	-	97,937	-	97,937
Interest income	-	4,712	-	4,712
Miscellaneous income	2,718	702	766	4,186
Total other income	2,718	103,351	766	106,835
Total revenue and other income	<u>95,726</u>	<u>103,351</u>	<u>18,790</u>	<u>217,867</u>
Depreciation	3,234	102	3,205	6,541
Finance expense	30	46	-	76
Segment profit	16,200	101,027	9,139	126,366
Unallocated expenses				(5,677)
Share of profit of associated company	-	3,517	-	3,517
Profit before taxation				124,206
Taxation				(4,433)
Earnings for the financial year				<u>119,773</u>

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months and full year ended 31 December 2021

14. Segment information (continued)

(a) Reportable segments (continued)

	Healthcare products \$'000	Investments \$'000	Others ¹ \$'000	Consolidated \$'000
As at 31 December 2020 (Audited)				
Segment assets	157,658	2,725,435	61,916	2,945,009
Tax recoverable				511
Deferred income tax assets				3,648
Total assets per statement of financial position				<u>2,949,168</u>
Expenditures for segment non-current assets				
- Additions to property, plant and equipment	7,277	39	350	7,666
- Investment properties improvements	-	-	2,044	2,044
	<u>7,277</u>	<u>39</u>	<u>2,394</u>	<u>9,710</u>
Segment liabilities	43,767	6,231	6,522	56,520
Current income tax liabilities				6,608
Deferred income tax liabilities				874
Total liabilities per statement of financial position				<u>64,002</u>

¹ 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 investments)

	The Group	
	Year ended 31 December	
	2021	2020
(Audited)	\$'000	\$'000
Revenue⁽ⁱ⁾		
Singapore	17,654	23,225
Other ASEAN countries	15,610	16,079
Other Asian countries	50,934	26,397
Other countries	56,982	45,331
Total	<u>141,180</u>	<u>111,032</u>
Non-current assets⁽ⁱⁱ⁾		
Singapore	73,862	74,625
Malaysia	25,187	22,559
Other ASEAN countries	365	955
Other Asian countries	9,800	10,137
Total	<u>109,214</u>	<u>108,276</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 2021

14. Segment information (continued)

(c) Major customers

Revenue of approximately \$46,366,000 (2020: \$22,776,000) was contributed from two external customers (2020: one external customer). 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 2021

The figures for the full year ended 31 December 2021 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 2021 is as follows:

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

For the financial year ended 31 December 2021

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 2021 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 2021;
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2021;
- the statements of financial position of the Group and of the Company as at 31 December 2021;
- 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.

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 2021

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 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Ownership and valuation of strategic investments (Note 9 of the financial statements)</p> <p>As at 31 December 2021, the Group's strategic investments, classified as financial assets carried at fair value through other comprehensive income ("FVOCI"), amounted to \$2,528 million (2020: \$2,253 million), representing 77% and 79% (2020: 76% and 78%) of the Group's total assets and net assets respectively. These strategic investments comprise primarily quoted equity investments.</p> <p>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.</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 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 2021

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 2021

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, 25 February 2022

17. Review of performance of the Group6 months ended 31 December 2021 ("2H2021") v 6 months ended 31 December 2020 ("2H2020")

Many countries gradually eased restrictions in 2H2021 as the population's vaccination rates increased. In contrast with 2H2020, most countries were tightening restrictions to control the spread of COVID-19. Consumer spending also picked up in the six months ended 31 December 2021 with the Group recording revenue of \$75.3m, an increase of 149.8% compared to 2H2020.

Cost of sales increased by 45.2% to \$36.2m with higher sales. Gross margin improved from 17.4% to 52.0% as production capacity utilisation improved significantly in 2H2021 compared to 2H2020.

Other income increased 44.2% to \$46.9m due to higher dividend rate from strategic investments.

Distribution and marketing expenses increased significantly to \$22.2m due to higher accrued marketing expenses as marketing activities could be carried out with the easing of restrictions in 2H2021.

General and administrative expenses decreased 48.4% to \$4.8m due mainly to foreign exchange gain in 2H2021 as compared to foreign exchange loss in 2H2020.

Finance expenses relate to the unwinding of the discount factor on lease liabilities which reduced as lease liabilities decrease during the lease period.

Year ended 31 December 2021- Income statement and segmental information

Group revenue for the year increased 27.2% to \$141.2m due mainly to recovery of Healthcare's business. Gross profit for the year improved from 44.0% to 52.2% as production volume improved. Revenue from Healthcare increased by 33.8% to \$124.4m as consumer demand for its products improved. With higher vaccination rates, governments of certain key markets eased their restriction measures, which helped boost consumer spending. Stronger revenue, coupled with prudent cost management, has led to a 31.7% increase in Healthcare's net operating profit.

Revenue from other segments which comprise of Leisure and Property divisions decreased by 7.1% due mainly to Underwater World Pattaya ("UWP"). The surge in COVID-19 cases during the year has resulted in tightening of movement restrictions locally and adversely affected UWP's operations. Property division remained stable, with both revenue and operating profit on par with previous year. Net operating profit from these segments dropped 2.9% due mainly to higher operating loss at UWP.

Other income decreased by 17.4% to \$88.3m due mainly to reduced overall dividend rate from strategic investments and drop in interest income from the low interest rate environment.

Distribution and marketing expenses increased by 82.4% to \$38.3m due mainly to higher accrued marketing expenses as sales recovered and movement restrictions lifted.

General and administrative expenses decreased by 23.6% to \$10.6m due mainly to favourable foreign exchange gain in 2021 as compared to foreign exchange loss in 2020.

17. Review of performance of the Group (continued)

Finance expense decreased by 64.5% to \$27k due mainly to absence of interest on borrowings as the Group's bank borrowing was fully repaid in first half of 2020.

Statements of financial position

Cash and bank balances increased by 7.5% to \$596.2m due mainly to cash generated from operations and dividends from strategic investments.

Trade and other receivables increased by 122.8% to \$32.2m due mainly to stronger sales recorded in the second half of 2021 compared to same period last year.

Inventories decreased by 14.0% due mainly to lower quantity of raw materials as sales demand improved at Healthcare.

Strategic investments increased by 12.2% to \$2.5b due mainly to higher market valuations of investment as at year end.

Trade and other payables increased by 16.2% to \$65.7m 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 2021 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 Group anticipates to benefit from the recovering economies and more border reopening. However, any worsening of the pandemic situation and/or a heightening of political tensions may disrupt the recovery trajectory.

The valuation of the Group's strategic investments may also be affected by a disrupted economic recovery.

20. Dividend information

	2021		2020	
Name of Dividend	Second & Final (Proposed)	First & Interim	Second & Final	First & Interim
Dividend Type	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)	15 cents per ordinary share tax-exempt (one-tier)

Subject to shareholder's approval for the payment of the proposed Second & Final Dividend, the 2021 Second & Final Dividend will be paid on 26 May 2022.

The Share Transfer Books and Register of Members of the Company will be closed on 10 May 2022, 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 10 May 2022 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 10 May 2022 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.

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	60	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 2021.
Kelvin Whang Sung Tze	60	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 2021.

BY ORDER OF THE BOARD

Lee Kay Swee
Company Secretary
25 February 2022