



HAW PAR CORPORATION LIMITED

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

Audited Full Year Financial Results and Dividend Announcement for the Year Ended 31 December 2020

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

	Group		
	Year Ended 31 December		
	2020	2019	+ / (-)
	S\$'000	S\$'000	%
Revenue	111,032	243,987	(54.5)
Cost of sales	(62,205)	(104,537)	(40.5)
Gross profit	48,827	139,450	(65.0)
Other income	106,835	116,466	(8.3)
Distribution and marketing expenses	(21,019)	(46,241)	(54.5)
General and administrative expenses	(13,878)	(14,277)	(2.8)
Finance expenses	(76)	(196)	(61.2)
Share of profit of associated company	3,517	1,765	99.3
Profit before taxation	124,206	196,967	(36.9)
Taxation	(4,433)	(14,760)	(70.0)
Profit for the financial year, net of tax	119,773	182,207	(34.3)

A consolidated statement of comprehensive income for the financial year ended 31 December 2020:

	Group		
	Year Ended 31 December		
	2020	2019	+ / (-)
	S\$'000	S\$'000	%
Profit for the financial year, net of tax	119,773	182,207	(34.3)
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)	805	(58)	N/M
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Fair value changes on investments (net)	(326,493)	298,414	N/M
Other comprehensive (loss)/income for the financial year, net of tax	(325,688)	298,356	N/M
Total comprehensive (loss)/income for the financial year	(205,915)	480,563	N/M

N/M - not meaningful

1(a) Notes to the Income Statement

	Group		
	Year Ended 31 December		
	2020	2019	+ / (-)
	S\$'000	S\$'000	%
(i) Other income			
Dividend income	97,937	106,323	(7.9)
Interest income	4,712	8,497	(44.5)
Miscellaneous income	4,186	1,646	154.3
	106,835	116,466	(8.3)
(ii) The following were charged/(credited) to the income statement :			
Interest on borrowings	46	164	(72.0)
Depreciation of property, plant and equipment and investment properties	6,541	6,463	1.2
Allowance for impairment of receivables	4	-	N/M
Inventories written down	306	46	565.2
Foreign exchange loss, net	2,349	313	650.5
Prior years' under/(over) provision of current taxation	426	(497)	N/M
Prior years' under/(over) provision of deferred taxation	179	(3)	N/M
Loss on disposal and write-off of property, plant and equipment	11	13	(15.4)

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

	Group		Company	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Cash and bank balances	554,412	465,599	450,191	366,408
Trade and other receivables	14,436	30,350	34,101	47,068
Inventories	15,323	20,136	-	-
Tax recoverable	511	-	-	-
Deferred income tax assets	3,648	2,093	-	-
Associated company	10,222	7,105	2,895	2,895
Subsidiaries	-	-	561,696	562,561
Investment properties	55,870	56,263	-	-
Property, plant and equipment	31,068	26,813	-	-
Intangible assets	11,116	11,116	-	-
Strategic investments	2,252,562	2,621,786	-	-
Total assets	2,949,168	3,241,261	1,048,883	978,932
LIABILITIES				
Trade and other payables	56,520	64,544	50,623	48,987
Borrowings	-	7,822	-	7,822
Current income tax liabilities	6,608	11,643	448	1,139
Deferred income tax liabilities	874	820	-	-
Total liabilities	64,002	84,829	51,071	57,948
NET ASSETS	2,885,166	3,156,432	997,812	920,984
EQUITY				
Equity attributable to equity holders of the Company				
Share capital	267,232	266,228	267,232	266,228
Retained profits	1,175,387	1,107,374	730,454	654,630
Other reserves	1,442,547	1,782,830	126	126
Total equity	2,885,166	3,156,432	997,812	920,984

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

Amount repayable in one year or less, or on demand

As at 31/12/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	7,822	-

Amount repayable after one year

As at 31/12/2020		As at 31/12/2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

Details of any collateral

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

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

	Group	
	Year Ended 31 December	
	2020 S\$'000	2019 S\$'000
Cash flows from operating activities		
Profit before tax	124,206	196,967
Adjustments for:		
Dividend income	(97,937)	(106,323)
Depreciation of property, plant and equipment and investment properties	6,541	6,463
Interest income	(4,712)	(8,497)
Share of profit of associated company	(3,517)	(1,765)
Inventories written down	306	46
Write-back of unclaimed dividends	(257)	(252)
Finance expenses	76	196
Loss on disposal and write-off of property, plant and equipment	11	13
Allowance for impairment of receivables	4	-
Unrealised currency translation losses	619	284
Operating profit before working capital changes	25,340	87,132
Decrease in inventories	4,507	4,297
Decrease in trade and other receivables	14,410	10,121
Decrease in trade and other payables	(7,781)	(2,230)
Cash generated from operations	36,476	99,320
Net taxation paid	(11,448)	(15,168)
Net cash from operating activities	25,028	84,152
Cash flows from investing activities		
Dividend income received	97,937	106,323
Proceeds from disposal of investments	64,049	20,342
Purchase of investments	(20,962)	-
Purchase of property, plant and equipment	(7,542)	(2,965)
Interest income received	6,159	8,402
Improvements to investment properties	(1,955)	(1,920)
Dividends from associated company	400	400
Proceeds from disposal of property, plant and equipment	-	2
Net cash from investing activities	138,086	130,584
Cash flows from financing activities		
Payment of dividends to members of the Company	(66,355)	(254,219)
Repayment of borrowings	(8,197)	(16,186)
Proceeds from issue of share capital for share options exercised	1,004	2,055
Principal payment of lease liabilities	(174)	(148)
Interest paid on borrowings and lease liabilities	(82)	(206)
Net cash used in financing activities	(73,804)	(268,704)
Net increase/(decrease) in cash and cash equivalents	89,310	(53,968)
Cash and cash equivalents at beginning of the financial year	465,390	519,427
Effects of currency translation on cash and cash equivalents	(496)	(69)
Cash and cash equivalents at end of the financial year	554,204	465,390
Cash and cash equivalents comprised the following:		
Cash and bank balances	554,412	465,599
Less: Bank deposits pledged for banking facilities	(208)	(209)
	554,204	465,390

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

	Share Capital	Fair Value Reserve	Other Reserves	Foreign Currency Translation Reserve	Retained Profits	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
The Group						
2020						
Balance at 1 January 2020	266,228	1,780,736	2,427	(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	-	-	-	-	(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	1,439,648	2,427	472	1,175,387	2,885,166
2019						
Balance at 1 January 2019	264,173	1,486,478	2,427	(275)	1,175,230	2,928,033
Issue of share capital	2,055	-	-	-	-	2,055
Transfer of cumulative gain on disposal of investments to retained profits	-	(4,156)	-	-	4,156	-
Dividends paid	-	-	-	-	(254,219)	(254,219)
Total comprehensive income/(loss) for the financial year	-	298,414	-	(58)	182,207	480,563
Balance at 31 December 2019	266,228	1,780,736	2,427	(333)	1,107,374	3,156,432

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

	Share Capital	Other Reserves	Retained Profits	Total Equity
	\$'000	\$'000	\$'000	\$'000
The Company				
2020				
Balance at 1 January 2020	266,228	126	654,630	920,984
Issue of share capital	1,004	-	-	1,004
Dividends paid	-	-	(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
2019				
Balance at 1 January 2019	264,173	38	733,330	997,541
Issue of share capital	2,055	-	-	2,055
Transfer of indirectly held subsidiary to Company	-	88	-	88
Dividends paid	-	-	(254,219)	(254,219)
Total comprehensive income for the financial year	-	-	175,519	175,519
Balance at 31 December 2019	266,228	126	654,630	920,984

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

Since 30 June 2020, 8,000 shares were issued pursuant to the exercise of share options.

As at 31 December 2020, unissued shares under the share option scheme of the Company were as follows:

	<u>31/12/2020</u>	<u>31/12/2019</u>
The Haw Par Corporation Group 2002 Share Option Scheme	<u>177,000</u>	<u>296,000</u>

The Company did not hold any treasury shares and there were no subsidiary holdings as at 31 December 2020 and 31 December 2019.

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

	<u>31/12/2020</u>	<u>31/12/2019</u>
Total number of issued shares	<u>221,191,173</u>	<u>221,072,173</u>

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

Not applicable.

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

Not applicable.

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

The figures for the year ended 31 December 2020 have been audited by the Company's independent auditor in accordance with Singapore Standards on Auditing.

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

The independent auditor's report is as follows:

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

for the financial year ended 31 December 2020

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying consolidated financial statements of Haw Par Corporation Limited (the "Company") and its subsidiaries (the "Group") and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 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 2020;
- the consolidated statement of comprehensive income of the Group for the financial year ended 31 December 2020;
- the statements of financial position of the Group and of the Company as at 31 December 2020;
- the consolidated statement of changes in equity of the Group for the financial year then ended;
- the consolidated statement of cash flows of the Group for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

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

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

Independence

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2020. 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 2020, the Group's strategic investments, classified as financial assets carried at fair value through other comprehensive income ("FVOCI"), amounted to \$2,253 million (2019: \$2,622 million), representing 76% and 78% (2019: 81% and 83%) 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>

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

for the financial year ended 31 December 2020 (continued)

Other information

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

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

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

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

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

Responsibilities of Management and the Directors for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

for the financial year ended 31 December 2020 (continued)

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Yeoh Oon Jin.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
22 February 2021

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

Not applicable.

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

These financial results have been prepared based on accounting policies and methods of computation consistent with those adopted in the most recently audited annual financial statements for the year ended 31 December 2019, except as stated in Note 5.

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

On 1 January 2020, 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 in the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I) including the following:

- Amendments to SFRS(I) 3 Business Combinations
- 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 June 2020)

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

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

	<u>Group</u>	
	Year Ended 31 December 2020	2019
Earnings per ordinary share:		
(a) Based on the weighted average number of ordinary shares on issue	54.2 cts	82.4 cts
(b) On a fully diluted basis	<u>54.2 cts</u>	<u>82.4 cts</u>

7. Net asset value (for the issuer and group) per ordinary share based on the issued share capital of the issuer at the end of the:-
- current financial period reported on; and
 - immediately preceding financial year.

	<u>Group</u>		<u>Company</u>	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Net asset value per ordinary share (S\$)	<u>13.04</u>	<u>14.28</u>	<u>4.51</u>	<u>4.17</u>

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

Income statement and segmental information

The COVID-19 pandemic has disrupted global economic activity with many countries facing resurges in infection and governments reimposing lockdown measures. The resultant effect on consumer spending led to a 54.5% decrease in the Group's revenue to \$111.0m. Gross margin reduced from 57.2% to 44.0% due mainly to lower utilisation of production capacity at Healthcare.

Revenue from Healthcare decreased by 58.5% to \$93.0m as consumer demand for products was severely impacted by movement restrictions and international tourism industry remaining at a standstill. The drastic drop in demand for Healthcare products resulted in lower gross margin mainly due to excess capacity at its manufacturing facilities. Consequently, Healthcare's operating profit dropped 78.3% to \$16.2m.

Revenue from other segments which comprise of Leisure and Property divisions decreased by 9.8% to \$18.0m due mainly to Underwater World Pattaya ("UWP") as Thai borders were largely closed to international tourists and domestic travel restrictions from March 2020 onwards, partially offset by higher average occupancy at the Group's Singapore properties. Total net operating profit from these segments decreased by 15.5% to \$9.1m due to operating loss at UWP.

Distribution and marketing expenses decreased by 54.5% to \$21.0m due mainly to lower sales and the curtailment of advertising and promotion activities as markets experienced lockdowns and travel restrictions during the year.

Finance expense decreased 61.2% to \$76k due mainly to full repayment of bank borrowing in first half of 2020.

Statements of financial position

Cash and cash equivalents increased by 19.1% to \$554.4m due mainly to cash dividends received from strategic investments, proceeds from the net sales and purchase of investments and cash generated from operations, partially offset by dividends paid to shareholders and purchase of property, plant and equipment.

Trade and other receivables decreased by 52.4% to \$14.4m, consistent with weaker sales performance.

Inventories decreased by 23.9% to \$15.3m due mainly to lower production, in line with the low consumer demand.

Tax recoverable balance as of 31 December 2020 is mainly due to estimated tax paid in advance for some overseas subsidiaries in accordance to local tax laws.

Property, plant and equipment increased by 15.9% to \$31.1m due mainly to purchase of freehold land at Healthcare.

Strategic investments decreased by 14.1% to \$2.3b due mainly to lower market valuations as at year end.

Trade and other payables decreased by 12.4% to \$56.5m due mainly to lower trade-related payables and lower employee variable compensation accrued.

Borrowings decreased due to full repayment of loan during the financial year.

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

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

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

Recovery of the Group's operating businesses is expected to be slow due to the protracted COVID-19 pandemic crisis and the weak global economy.

Valuation of the Group's strategic investments will continue to experience volatility from the uncertainties in economic recovery.

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

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

Name of Dividend	2020		2019	
	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)
Tax Rate	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)	Tax-Exempt (one-tier)

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

First & Interim Dividend - 8 September 2020
 Second & Final Dividend - 19 May 2021
 (Subject to shareholders' approval for the payment of the proposed Second & Final Dividend)

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

The Share Transfer Books and Register of Members of the Company will be closed on 3 May 2021, 5.00 p.m. . Duly completed transfers in respect of ordinary shares in the capital of the Company ("Shares") received by the Company's Registrar up to 5.00 p.m. on 3 May 2021 will be registered to determine shareholders' entitlement to the proposed Second & Final Dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on 3 May 2021 will be entitled to such proposed dividends.

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

Not applicable.

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

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

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

Not required for announcement on full year results.

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

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

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

	Healthcare products S\$'000	Investments S\$'000	Others ¹ S\$'000	Consolidated S\$'000
(a) Business segments				
2020				
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	95,726	103,351	18,790	217,867
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				119,773
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				2,949,168
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
	7,277	39	2,394	9,710
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				64,002

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

Segmental Reporting (cont'd)

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

16. Segmental Reporting (cont'd)

(b) Geographical segments

	2020	2019
	S\$'000	S\$'000
Revenue⁽ⁱ⁾		
Singapore	23,225	31,293
Other ASEAN countries	16,079	89,996
Other Asian countries	26,397	76,855
Other countries	45,331	45,843
Total	111,032	243,987
Non-current assets⁽ⁱⁱ⁾		
Singapore	74,625	73,459
Malaysia	22,559	16,149
Other ASEAN countries	955	1,273
Other Asian countries	10,137	10,416
Total	108,276	101,297

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

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

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

(c) Major customers

Revenue of approximately \$22,776,000 (2019: \$121,286,000) was contributed from one external customer (2019: two groups). These revenues are attributable to the sale of Healthcare products to distributors belonging to the same group of companies.

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

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

18. A breakdown of sales.

		Group		
		Year Ended 31 December		
		2020	2019	+ / (-)
		S\$'000	S\$'000	%
(a)	Sales reported for first half year	80,874	143,461	(43.6)
(b)	Operating profit after tax reported for first half year	90,981	112,524	(19.1)
(c)	Sales reported for second half year	30,158	100,526	(70.0)
(d)	Operating profit after tax reported for second half year	28,792	69,683	(58.7)

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

	2020 S\$'000	2019 S\$'000
(a) Ordinary	66,355	254,219
(b) Preference	-	-
(c) Total	<u>66,355</u>	<u>254,219</u>

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

Name	Age	Family Relationship with any director and/or substantial shareholder	Current position and duties and the year the position was held	Details of changes in duties and position held, if any, during the year
Wee Ee Lim	59	Mr Wee Ee Lim is the son of Dr Wee Cho Yaw, the Non-executive Chairman and a substantial shareholder of the Company. He is also the brother of Mr Wee Ee-chao, a Non-executive Deputy Chairman and substantial shareholder of the Company.	Mr Wee is the President and Chief Executive Officer of the Company since 2003. He is responsible for the day-to-day operations and management of the Group.	There was no change in duties and position held during the financial year ended 31 December 2020.
Kelvin Whang Sung Tze	59	Mr Whang is the brother-in-law of Mr Wee Ee Lim who is the President and Chief Executive Officer and substantial shareholder of Haw Par Corporation Limited.	Mr Whang is the General Manager of Underwater World Pattaya Ltd ("UWP"), a Thai subsidiary in the Group. He is responsible for the day-to-day operations and management of UWP.	There was no change in duties and position held during the financial year ended 31 December 2020.

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

Lee Kay Swee
Company Secretary
22 February 2021