

GENERAL ANNOUNCEMENT::RESULTS BRIEFING FY2022**Issuer & Securities****Issuer/ Manager**

HYPHENS PHARMA INTERNATIONAL LIMITED

Securities

HYPHENS PHARMA INTL LIMITED - SG1EE4000006 - 1J5

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No

Announcement Details**Announcement Title**

General Announcement

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RESULTS BRIEFING FY2022

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Submitted By (Co./ Ind. Name)

Lim See Wah

Designation

Executive Chairman and CEO

Description (Please provide a detailed description of the event in the box below)

Please refer to the attached announcement.

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The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.

Attachments[Hyphens Results Briefing FY2022 2023.03.06.pdf](#)

Total size =2942K MB



HYPHENS PHARMA INTERNATIONAL LIMITED

Results Briefing FY2022

6 March 2023



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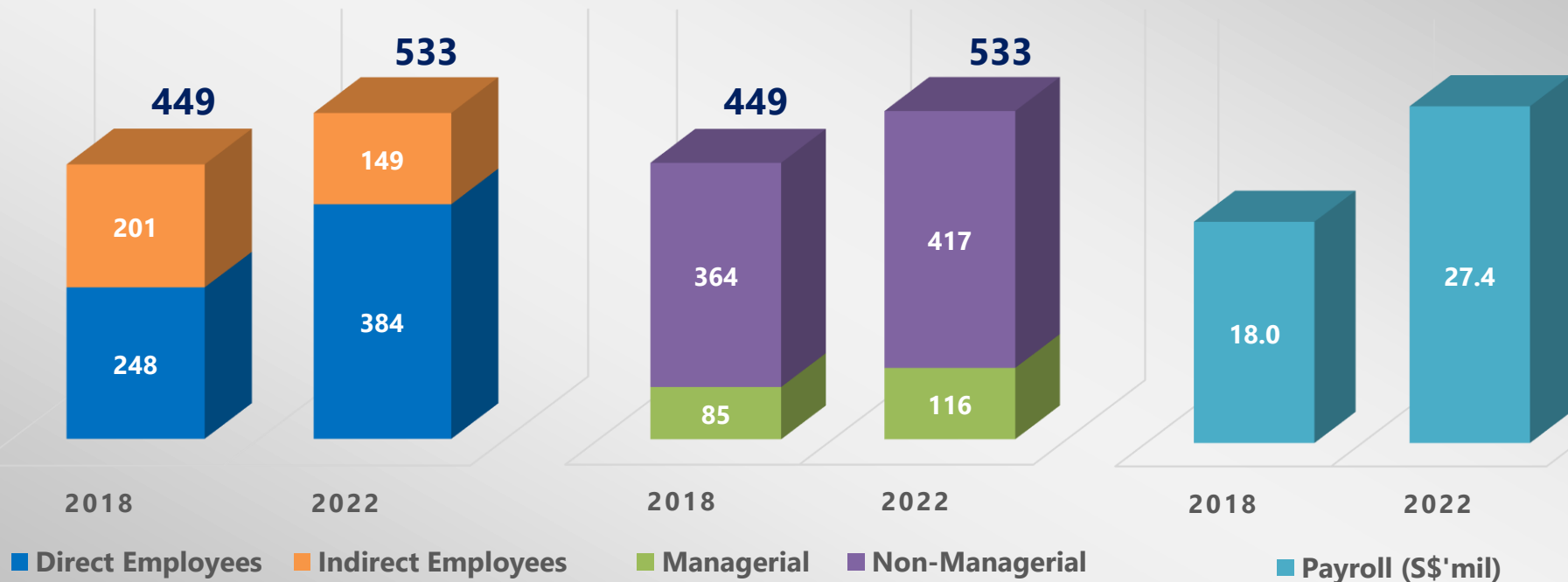
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HOW HAS THE BUSINESS CHANGED OVER THE PAST 5 YEARS?



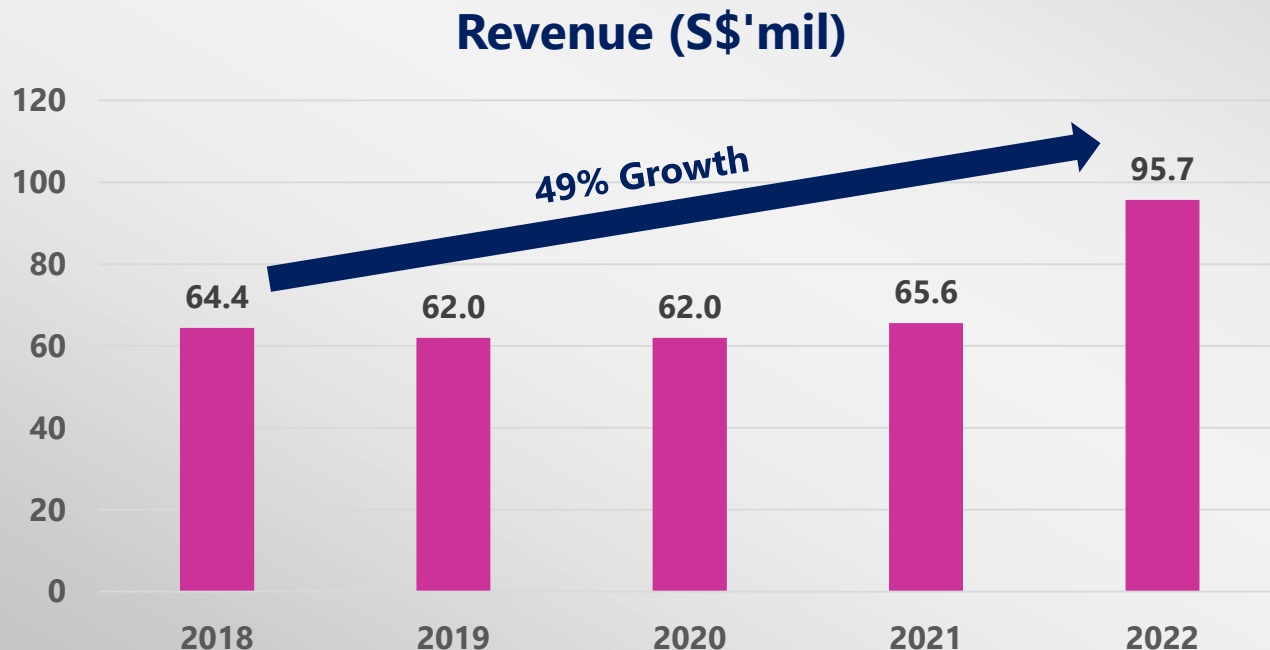
PEOPLE – THE BEDROCK OF OUR SUCCESS



PRODUCTS

Growing the core; Nurturing the new, seeding the future

How our specialty pharma products have grown (2018 – 2022)



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



PRODUCTS

Growing the core; Nurturing the new, seeding the future

How our proprietary products have grown (2018 – 2022)



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



SEEDING OUR FUTURE

- **Nabota:** Just approved in Singapore (Jan 2023)
- **Meradan:** Launched in Indonesia (4Q2022)
- **Pipeline products:**
 - Ustekinumab, Lederlon and Winlevi
 - Those that Novem has licensed
- Numerous new products in the **Ceradan® / Ocean Health®** stable



HOW OUR MARKETING HAS EVOLVED

#1: E-commerce and digital marketing

#2: Consumer healthcare ("CHC") trade marketing

- Ocean Health® and Ceradan® updated look and feel
- Expanded our CHC trade marketing to Malaysia and Indonesia (*online and offline promotions – instore displays, collaborations with pharmacies, consumer roadshows, influencer marketing, social media live interactions, webinars, etc.*)



CSR (2018 – 2022)



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



MAINTAINING DIVIDEND POLICY

Five-Year Dividend Payout

S\$'000	FY2018	FY2019	FY2020	FY2021	FY2022 (Proposed)
HPIL proposed / final dividends	1,650	3,004	1,863	2,069	3,427
Profit to shareholders	5,410	6,530	6,163	6,846	11,351
Dividend payout*	30.5%	46.0%	30.2%	30.2%	30.2%

Number of issued shares at RD 300,000,000 300,430,400 300,430,400 308,776,200 308,776,200

Dividend per share (in cents) **0.55** **1.00** **0.62** **0.67** **1.11**

**Dividend policy: to pay at least 30% of its net profits attributable to shareholders, subject to the Board's approval.*



FY2022 HIGHLIGHTS



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



CREATING NEW VALUE AS HEALTHCARE DIGITALISES



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



SUCCESSFUL IN-LICENSING OF WINLEVI® FOR 10 ASEAN COUNTRIES FROM COSMO PHARMACEUTICALS

- New type of acne prescription medication approved by the U.S. FDA in nearly 40 years
- Only topical cream that treats hormonal acne directly in the skin
- Access to all future product extension of Winlevi® for acne treatment
- Our opportunity to enter other countries where we don't have a presence, e.g., Thailand



FINANCIAL RESULTS



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



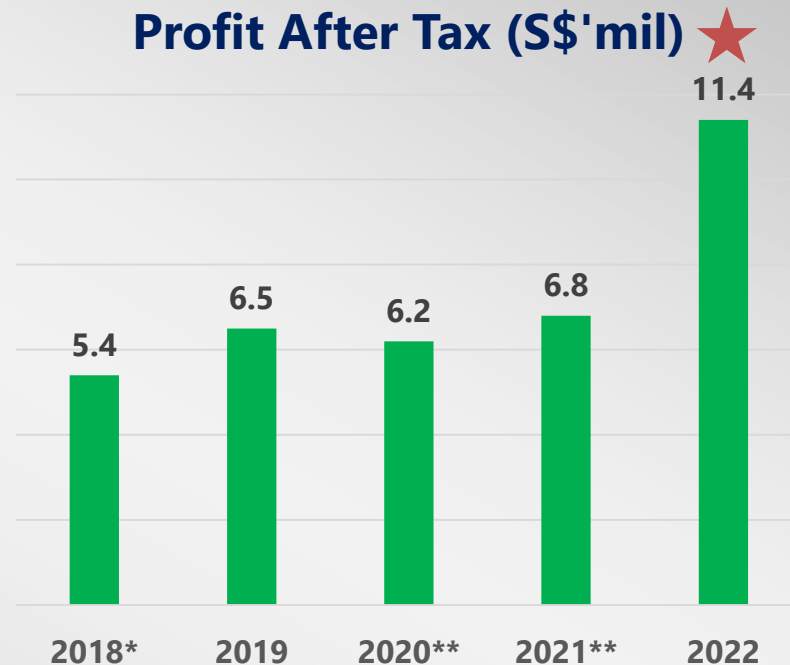
1.1 FINANCIAL PERFORMANCE

Revenue (S\$'mil)



#Restated for FY2018-FY2020 to be consistent with FY2021 and FY2022

Profit After Tax (S\$'mil)



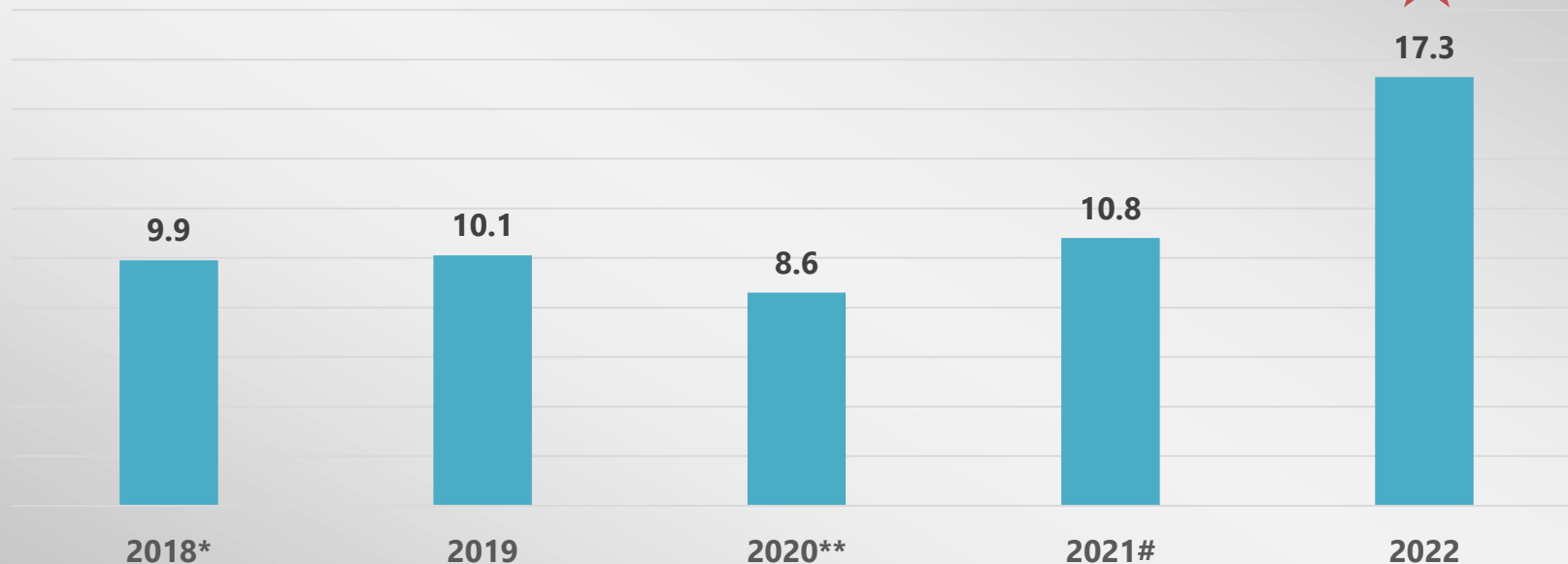
*Incl IPO exp S\$0.9 million; **Incl JSS & Covid-related stock prov





1.1 FINANCIAL PERFORMANCE (CONT'D)

Recurring EBITDA (S\$'mil)



**excl IPO exp (S\$0.9m) **excl JSS & COVID-related stock prov (S\$0.7m net gain) #excl JSS & Novem acquisition exp (S\$0.3m net exp)*



1.2 INCOME STATEMENT

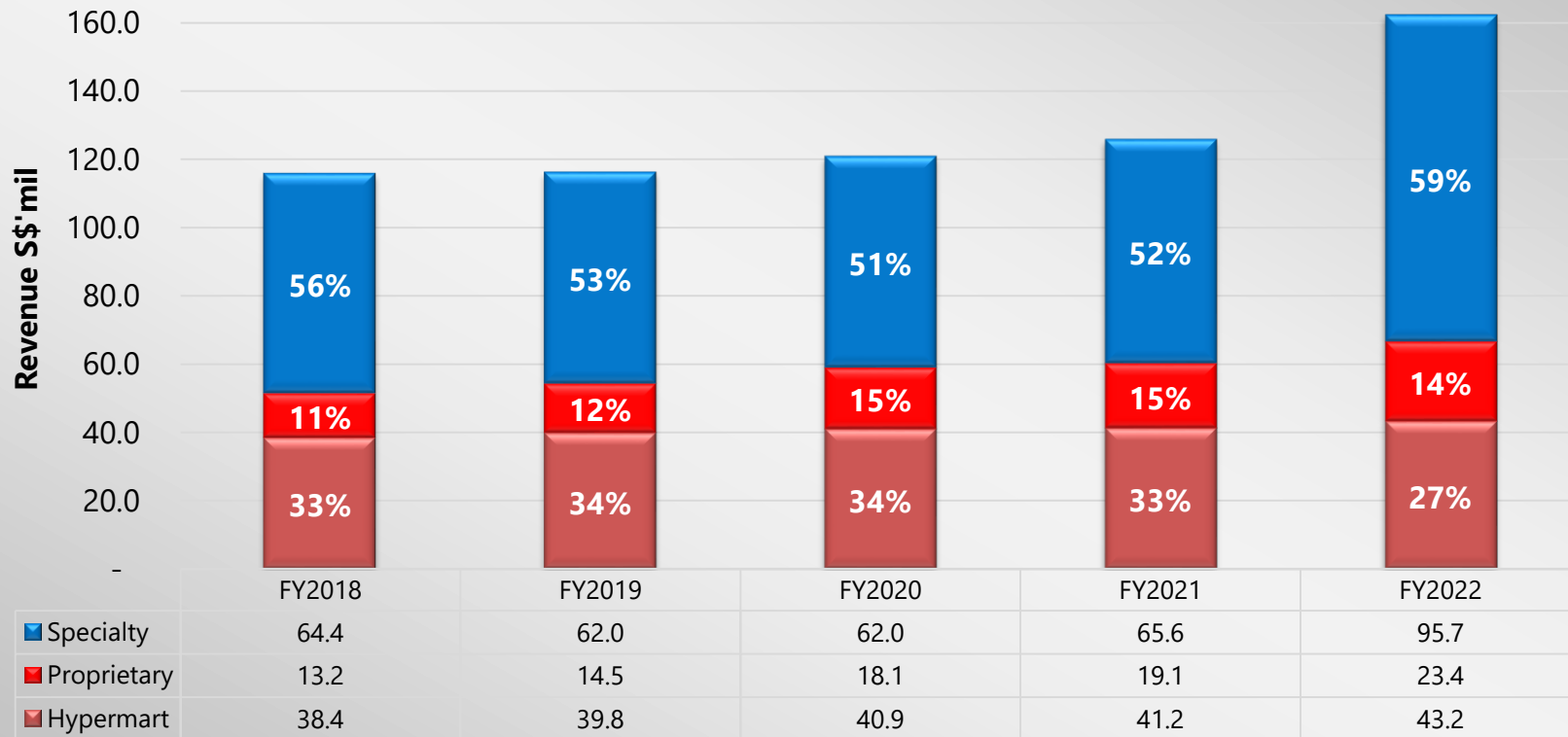
S\$'000	FY2022	FY2021	YoY
Revenue	162,316	125,883	28.9%
Gross Profit	62,809	48,083	30.6%
Other income & gains	658	964	-31.7%
Share of assoc profit	474	17	N.M.
<u>Operating expenses</u>			
Distribution costs	(33,267)	(28,394)	17.2%
Admin expenses	(14,561)	(11,639)	25.1%
Finance costs	(238)	(95)	150.5%
Other losses	(1,584)	(680)	132.9%
Profit before tax	14,291	8,256	73.1%
Profit after tax	11,409	6,846	66.7%
EPS (cents)	3.68	2.27	62.1%

Notes

- Revenue increased across all business segments and most geographical locations
- Novem contributed S\$17m in revenue
- Decline in other income due to absence of FX gain, offset by write-back inventory allowance
- Increase in distribution costs in tandem with increased revenue
- Increase in admin exp due to higher cost base with inclusion of Novem, increased R&D and staff costs
- Increase in other losses due mainly to foreign exchange translation losses
- Share of profit of associate related to associate acquired as part of Novem acquisition

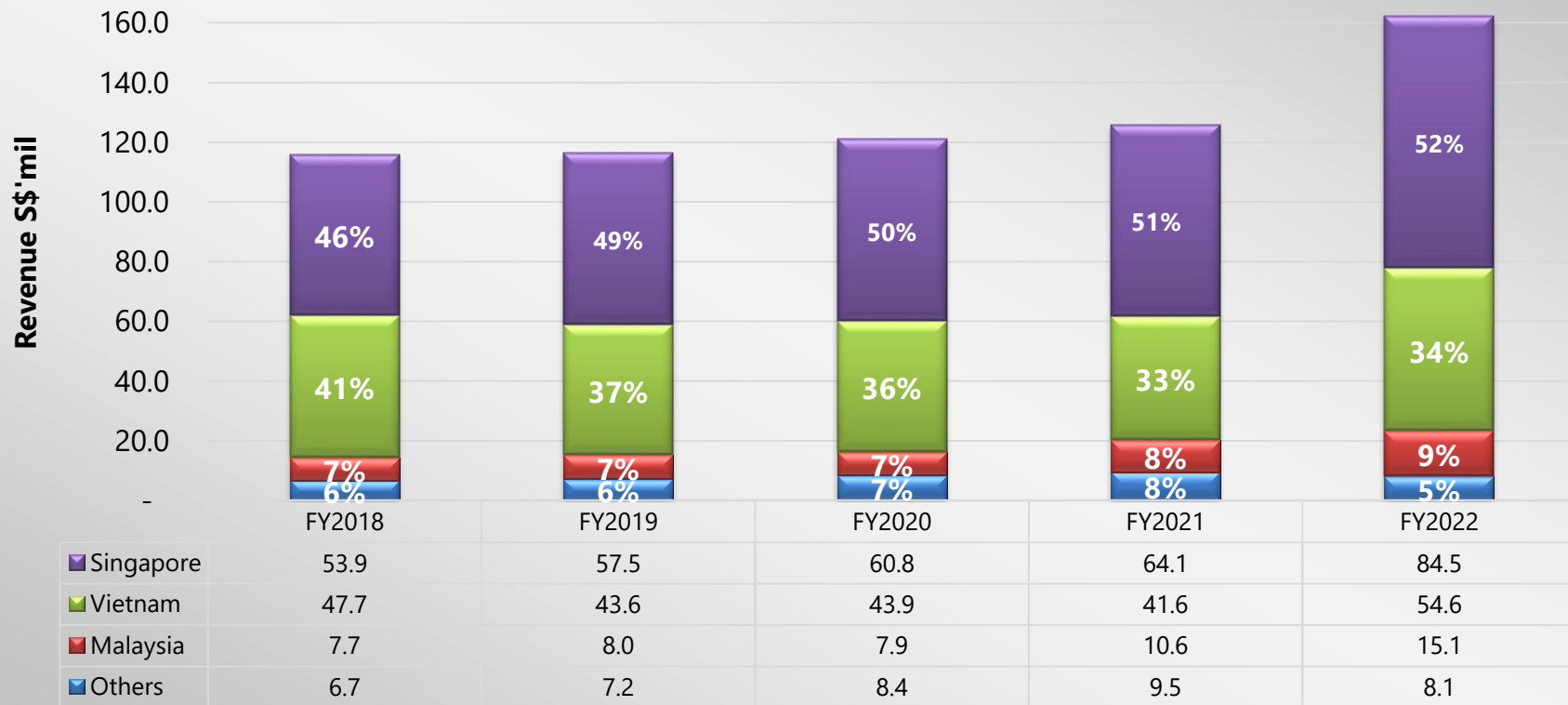


1.3 REVENUE BY BUSINESS SEGMENTS





1.4 REVENUE BY GEOGRAPHICAL SEGMENTS





FINANCIAL POSITION

S\$'000	31 Dec 2022	31 Dec 2021*
Total assets	114,469	99,191
Inventories	21,260	25,290
Trade & other receivables	31,106	28,722
Cash & cash equivalents	36,480	19,461
Total liabilities	44,197	44,455
Trade & other payables	35,077	33,563
Bank borrowings	4,479	6,075
Total equity	70,272	54,736
NAV per share (cents)	22.36	17.73

**Restated due to PPA adjustments for Novem acquisition*





CASHFLOW STATEMENT

S\$'000	FY2022	FY2021
<u>Cashflow from operating activities</u>		
Profit before tax	14,291	8,256
Adjustments for non-cash items / non-op items	2,596	2,661
Changes in working capital	2,142	(3,464)
Tax paid	(2,152)	(1,415)
Cashflow from operating activities	16,877	6,038
Cashflow used in investing activities	(1,007)	(14,917)
Cashflow from financing activities	1,149	814
Net cash inflow	17,019	(8,065)
Cash & equiv, beginning balance	19,461	27,526
Cash & equiv, ending balance	36,480	19,461





PROPOSED DIVIDEND

S\$'000	Dividend	Yield*	Div / Net Profit
FY2022 (subj to shareholders' approval)	1.11 cents	3.1%	30.2%
FY2021	0.67 cent	1.9%	30.2%
FY2020	0.62 cent	1.7%	30.2%
FY2019	1 cent	2.8%	46.0%
FY2018	0.55 cent	1.5%	30.5%

**Yield is computed based on total dividends declared for the financial year divided by closing price of S\$0.355 @ 1 Mar 2023.*

Dividend policy: to pay at least 30% of its net profits attributable to shareholders, subject to the Board's approval.



BUSINESS OUTLOOK



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



OUR GROWTH STRATEGY

1. Investment in proprietary brands
2. Internationalisation
3. Strengthen specialty pharma portfolio
4. Going Digital
5. Acquisitions
6. Embarked on flagship growth programme

Scale-Up SG by Enterprise Singapore



QUESTIONS & ANSWERS





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