

GENERAL ANNOUNCEMENT::BUSINESS UPDATE AND RESULTS BRIEFING FOR THE FIRST QUARTER ENDED 31 MARCH 2023**Issuer & Securities****Issuer/ Manager**

HYPHENS PHARMA INTERNATIONAL LIMITED

Securities

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No

Announcement Details**Announcement Title**

General Announcement

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BUSINESS UPDATE AND RESULTS BRIEFING FOR THE FIRST QUARTER ENDED 31 MARCH 2023

Announcement Reference

SG230511OTHRGFLJ

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.

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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 Quarterly Business Updates Q1FY2023.pdf](#)

[Results Briefing 1Q2023.pdf](#)

Total size =1338K MB

HYPHENS PHARMA INTERNATIONAL LIMITED

(Company Registration No. 201735688C)
(Incorporated in the Republic of Singapore)

Business Update for the First Quarter Ended 31 March 2023

The Group wishes to provide the investing community with business update for the first quarter ended 31 March 2023 ("1Q2023").

Financial Highlights

	1Q2023 S\$'000	1Q2022 S\$'000	Change %
Revenue	33,234	39,168	(15.2)
Gross profit	13,115	15,024	(12.7)
Profit before tax	1,616	4,183	(61.4)
Profit, net of tax	1,379	3,198	(56.9)

Financial Review

The Group's revenue reduced by 15.2% or S\$6.0 million from S\$39.2 million in 1Q2022 to S\$33.2 million in 1Q2023.

Key factors driving the change in revenue:

1. Revenue from specialty pharma principals segment decreased by 27%, primarily due to cessation of distributorship of Biosensors products and delay in shipment for some of the key products sold in Vietnam, mitigated by increased demand in Singapore.
2. Revenue increased by 16% in proprietary brands segment attributable to higher demand for Ceradan® dermatological products.

Gross profit correspondingly decreased by 12.7% from S\$15.0 million in 1Q2022 to S\$13.1 million in 1Q2023. Gross profit margin however, has improved to 39.5% (1Q2022: 38.4%) due to lower sales contribution from Vietnam which has a lower gross profit margin.

The Group's net profit after tax in 1Q2023 reduced by 56.9% to S\$1.4 million. This was the consequence of decreased gross profit coupled with increased travelling and higher research and development costs.

Outlook

Growing our Proprietary Brands

Proprietary Brand business remains the Group's key focus. Hyphens' brands, including Ocean Health®, Ceradan®, TDF® and CG 210® have enjoyed robust growth in sales and brand equity. The Group will continue to nurture these brands in markets where it already has presence, seek out new international partnership opportunities to enter new markets, and invest into innovation to further develop new and improved products under the respective brands.

In tandem with the Group's regional expansion, the Group has also been innovating its Proprietary Brands portfolio in pursuit of its goals. Ceradan® and Ocean Health® have a pipeline of new products to be launched this year. The Group has launched Ceradan® Advanced Emollient Wash in Singapore and Malaysia during 1Q2023.

Going Digital

The Group's subsidiary, DocMed Technology Pte Ltd ("DocMed"), is actively pursuing strategic collaboration opportunities with like-minded partners to develop an integrated digital healthtech platform, incorporating various healthtech solutions, to cater to various healthcare stakeholders in Singapore and the Asia-Pacific region. In April 2023, DocMed, has entered into a joint venture to develop a B2B virtual medical hypermart for pharmaceutical supplies in Vietnam.

Expanding through Acquisitions

As part of its long-term growth strategy, the Group has been and will continue to be prudent and disciplined in its approach to acquisitions, seeking out opportunities that are accretive for its business and/or in alignment to its strategic goals.

Strengthening Specialty Pharma Portfolio

The Group remains focused on further cementing its leadership position and deepening its presence in the ASEAN region and is actively seeking licencing opportunities for new products.

Other Updates

The global environment remains volatile and challenging due to ongoing supply chain challenges and inflationary pressure. The Group will remain agile and vigilant to respond to changing market conditions.

BY ORDER OF THE BOARD

Lim See Wah

Chairman and Chief Executive Officer

11 May 2023

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HYPHENS PHARMA INTERNATIONAL LIMITED

Results Briefing 1Q2023

15 May 2023



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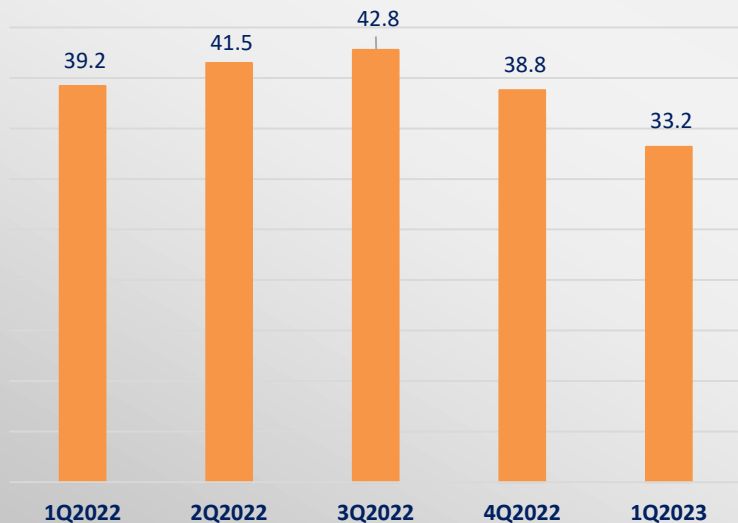
FINANCIAL RESULTS



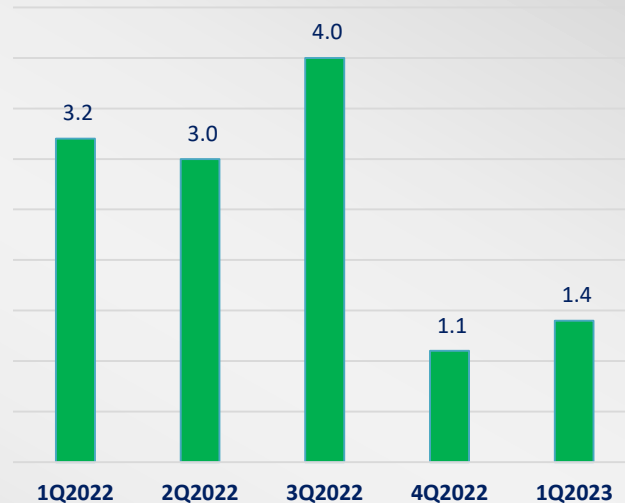


1.1 FINANCIAL PERFORMANCE

Revenue (S\$'mil)



Profit After Tax (S\$'mil)



1.2 FINANCIAL HIGHLIGHTS

S\$'000	1Q2023	1Q2022	QoQ
Revenue	33,234	39,168	(15.2%)
Gross Profit	13,115	15,024	(12.7%)
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Profit after tax	1,379	3,198	(56.9%)



BUSINESS OUTLOOK



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



OUR GROWTH STRATEGY

1. Growing our proprietary brands
2. Going Digital
3. Expanding through acquisitions
4. Strengthening specialty pharma portfolio



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



QUESTIONS & ANSWERS





Hyphens Pharma International Limited (SGX: 1J5)
16 Tai Seng Street, Level 4, Singapore 534138
www.hyphensgroup.com

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