

## Hyphens Pharma

### BUY

Share price (S\$)	0.285
Target price (S\$)	0.365
Up / downside (%)	28.1%

#### Company Profile

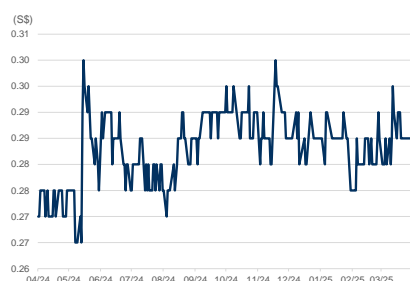
Hyphens Pharma is a specialty pharmaceutical and consumer healthcare group, with its core business in three key segments: Specialty Pharma Principals, Proprietary Brands and Medical Hypermart and Digital.

Ticker	HYP SP
Market cap (S\$m)	88.0
3M ADV (S\$'000)	13.9
Free float (m shares)	74.4
Total shares outstanding (m)	308.9
52W High / Low (S\$)	0.30 / 0.26
Top shareholders (%)	
Lim See Wah	47.8
Tan Kia King	28.1

#### Price performance (%)

1M	3M	12M
-	-	5.6

#### 52W price chart



#### Analyst (s)

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## Decent fundamentals, weak valuations

#### Investment Highlights

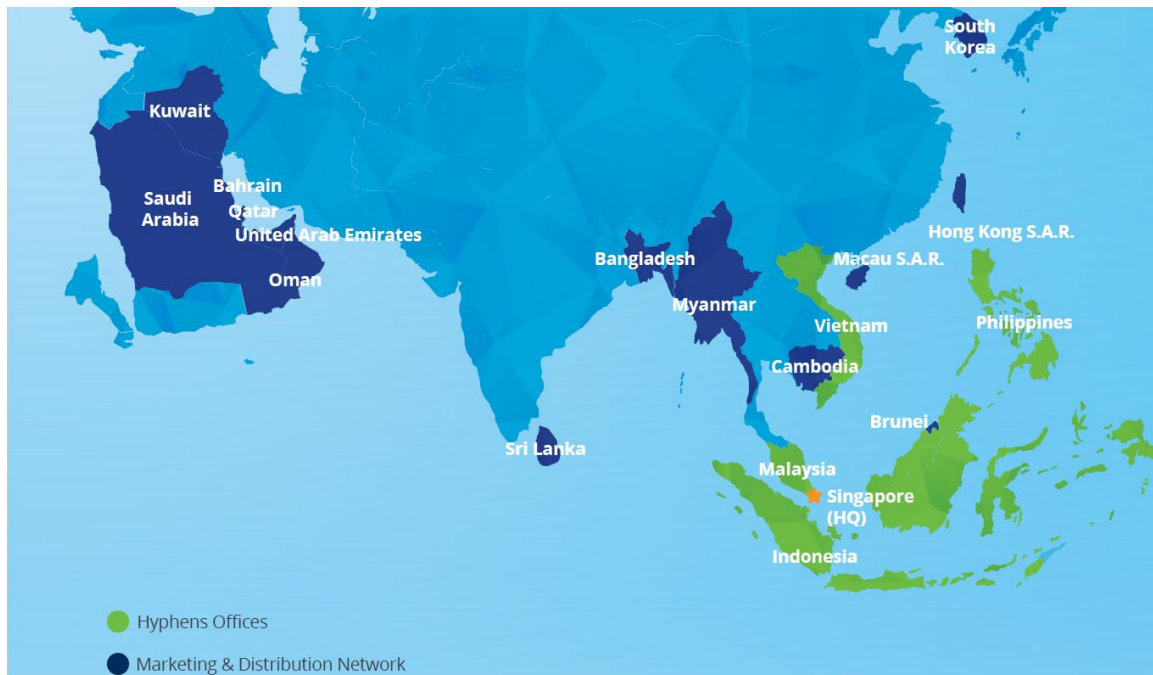
- **We initiate coverage on Hyphens Pharma with a TP of S\$0.365, pegged to 9.5x FY25E P/E and a 48% discount to Apex Healthcare. This represents an upside of approximately 28.1%.** Despite the firm's smaller size compared to peers, it commands decent margins and has shown historically stable growth. The business is asset-light and has remained in a net cash position since listing. Hence, its low trading multiple appears unwarranted and we opine that while Hyphens should trade below Apex and Kalbe Farma, it should minimally trade above Pharmaniaga.
- **Revenue growth has remained on an upward trajectory, even through COVID-19.** From FY19 to FY24, the firm's revenue growth has remained on an upward trajectory despite COVID-19, at a CAGR of 10.3%. Moving forward, while we do not foresee any major catalysts given the firm's track record, we expect the firm to continue scaling up through the expansion of its product portfolio on both the Specialty Pharma Principals and Proprietary Brands fronts. We have also chosen to be conservative with our forecasts given recent political and trade uncertainty which has increased the likelihood that near-term demand may be affected. Hence, we expect FY25E and FY26E revenue growth to taper to 7.1% and 5.2% YoY, respectively.
- **Non-core geographies showing some potential.** From FY19-24, Malaysia has been Hyphen's fastest growing geographical segment, with its revenue having grown by 3.2x. Per management, this appears to have been the result of organic demand growth, with one of its key products Ceradan having gained popularity amongst its Malaysian users without the firm injecting any additional marketing dollars. The firm has also been performing better in Indonesia, Philippines and Thailand as it ramps up its medical aesthetics portfolio.
- **Profitability growth has also been stable.** Between FY19-24, profitability grew in tandem with revenue as the firm kept margins stable, where EBITDA and PATMI grew at CAGRs of 10.4% and 9.2%, respectively. Moving forward, we expect profitability to continue growing in-line with revenue, with the firm to register EBITDA growth of 15.7% and 10.7% YoY for FY25E and FY26E, respectively. On the PATMI front, we expect PATMI growth to be around 14.8% and 11.7% YoY for FY25E and FY26E, respectively.

Key Financials (YE 31st Dec, S\$m)	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue	162.3	170.6	195.4	209.4	220.2	223.9
Gross Profit	62.8	61.9	69.5	74.5	79.4	81.9
EBITDA	17.3	13.6	16.6	19.2	21.2	22.7
PATMI	11.4	8.6	10.1	11.8	13.2	14.3
CFO	16.9	5.6	0.1	16.2	15.8	18.3
EPS (S cents)	2.8	3.7	3.3	3.3	3.8	4.3
DPS (S cents)	1.1	4.5	1.5	1.5	1.2	1.3
Dividend yield (%)	3.9%	15.6%	5.3%	5.2%	4.0%	4.5%
Net gearing (%)	Net cash	Net cash	Net cash	Net cash	Net cash	Net cash
P/E (x)	7.8	10.3	8.7	7.4	6.7	6.2
P/B (x)	1.3	1.4	1.2	1.1	1.0	0.9
ROE (%)	16.4%	13.6%	14.3%	15.2%	15.1%	14.6%
ROA (%)	9.9%	7.1%	7.5%	8.0%	8.2%	8.2%

Source: Evolve Capital, Company

## Company background

Hyphens Pharma is a Singapore-based specialty pharmaceutical and consumer healthcare group, with a direct presence in five ASEAN countries, including Singapore, Indonesia, Malaysia, the Philippines, and Vietnam. Through its marketing and distribution network, the company also covers 15 additional markets, including Bangladesh, Brunei, Cambodia, Hong Kong, Macau, Myanmar, South Korea, Sri Lanka, Thailand, and Gulf Cooperation Council countries, including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates.



Hyphens has three main business segments, namely:

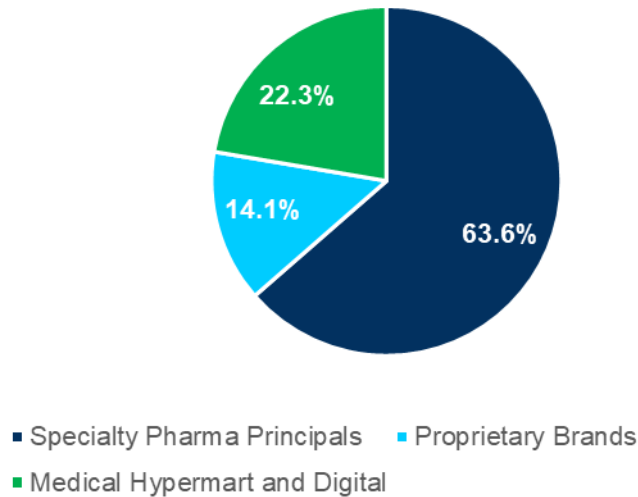
**Specialty Pharma Principals**, where Hyphens markets and distributes a wide range of specialty pharmaceutical products in selected ASEAN countries through exclusive distributorship or licensing and supply agreements with pharmaceutical companies primarily from Europe and the U.S. The company mainly focuses on specialty pharmaceutical products targeting dermatology, paediatrics and neonatology, allergy, otorhinolaryngology (ear, nose, and throat), orthopaedics and rheumatology, radiology, cardiology, ophthalmology, gastroenterology, child psychiatry, family medicine, and medical aesthetics. Key offerings from the portfolio includes contrast media products, Sterimar nasal spray, Bausch+Lomb eye drops, Vivomixx (probiotic food supplement), Fenosup Lidose (cholesterol reducing agent), and Piascledine (osteoarthritis drug). **This segment accounted for 59.9% of FY23 and 63.9% of FY24 revenue.**

**Proprietary Brands**, where Hyphens develops, markets, and sells a proprietary range of dermatological products under the Ceradan and TDF brands, health supplement products under the Ocean Health brand, and scalp care products under CG 210 brand. The company markets dermatological and scalp care products through medical professionals, while Ocean Health products are directly marketed to consumers through various retail channels. Through its retail reach, Ocean Health stands among Singapore's most widely distributed health supplement brands. **This segment accounted for 15% of FY23 and 14.1% of FY24 revenue.**

**Medical Hypermart and Digital**, where Hyphens offers a business-to-business (B2B) digital pharmacy solutions platform connecting healthcare stakeholders like practitioners and institutions with industry players like pharmaceutical companies and medical consumables manufacturers, through its DocMed platform. The digital pharmacy solutions platform is currently operating in Singapore, Malaysia, and Vietnam, facilitating

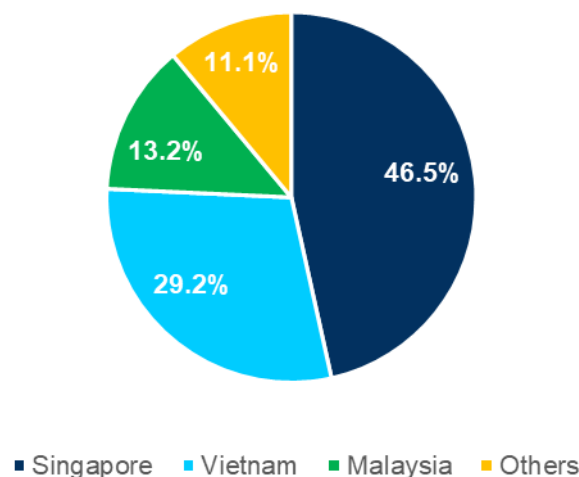
secure medical procurement transactions for over 25,000 healthcare professionals. DocMed also operates WellAway, Singapore’s premier and largest Health Sciences Authority (HSA) registered e-pharmacy. WellAway enables registered doctors to fill e-prescriptions and arrange for medicines to be delivered to patients’ doorsteps. **This segment accounted for 25.1% of FY23 and 22.3% of FY24 revenue.**

FY24 revenue by segment



In terms of geography, as of FY24, Hyphens earns the majority of its revenue from Singapore, followed by Vietnam and Malaysia.

FY24 revenue by geography



Hyphens’s history dates back to Sep 1998, when Inomed Holding and CEO Lim See Wah acquired the business of Pan-Malayan Pharmacy. Inomed Holding subsequently entered the specialty pharmaceutical industry through acquiring a 25% shareholding interest in Hyphens Singapore in Sep 2001.

The firm’s largest shareholder is the Founder, CEO and Chairman of the firm, Lim See Wah, with a shareholding of 47.75%. The second largest shareholder is Tan Kia King, a non-executive director, who owns 28.06% of the firm.

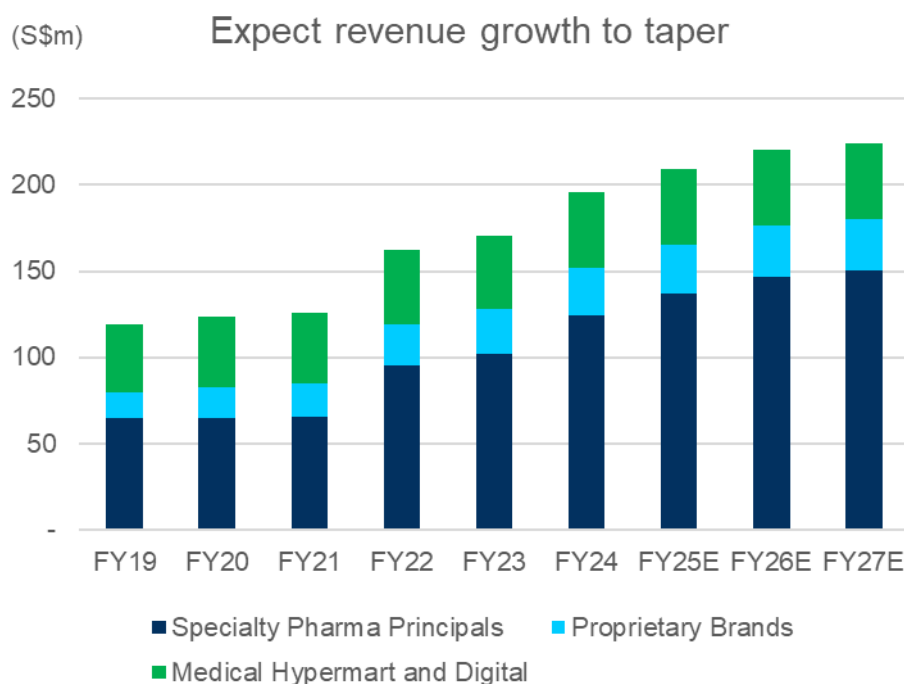
## Investment Merits

### Revenue growth has remained on an upward trajectory, even through COVID-19

From FY19 to FY24, the firm's revenue growth has remained on an upward trajectory despite COVID-19, at a CAGR of 10.3%. Notably, the firm was able to operate through the pandemic given that its operations were classified as essential services at the time. In FY22, with the acquisition of Novem and increased demand post-COVID, Hyphens experienced 29% YoY growth in revenue. In FY23, revenue growth declined to 5.1% YoY largely due to supply chain disruptions in 1H23 leading to shipment delays, as well as the discontinuation of partnership with Biosensors.

In 1H24, revenue growth reaccelerated to 33.4% YoY, largely driven by higher demand for its Specialty Pharma Principals and Proprietary Brands products, as well as the ease of supply chain disruptions. However, growth was somewhat flat in 2H24 on both HoH and YoY fronts, which was a drag on its overall FY24 performance. The rebound in growth in FY24 appears to be largely the result of a low base due to earlier supply chain disruptions. **As a result, the firm only grew by 14.6% YoY in FY24.**

Historically, Hyphens has steadily expanded its product offerings by procuring more licensing rights over time such as Wyzora, Amenalief and Metoject, to releasing more Proprietary Brand products such as Ceradan Advanced Hand Balm. Moving forward, while we do not foresee any major catalysts given the firm's track record, we expect the firm to continue scaling up through the expansion of its product portfolio on both the Specialty Pharma Principals and Proprietary Brands fronts. We have also chosen to be conservative with our forecasts given recent political and trade uncertainty which has increased the likelihood that near-term demand may be affected. Hence, we expect FY25E and FY26E revenue growth to taper to 7.1% and 5.2% YoY, respectively.

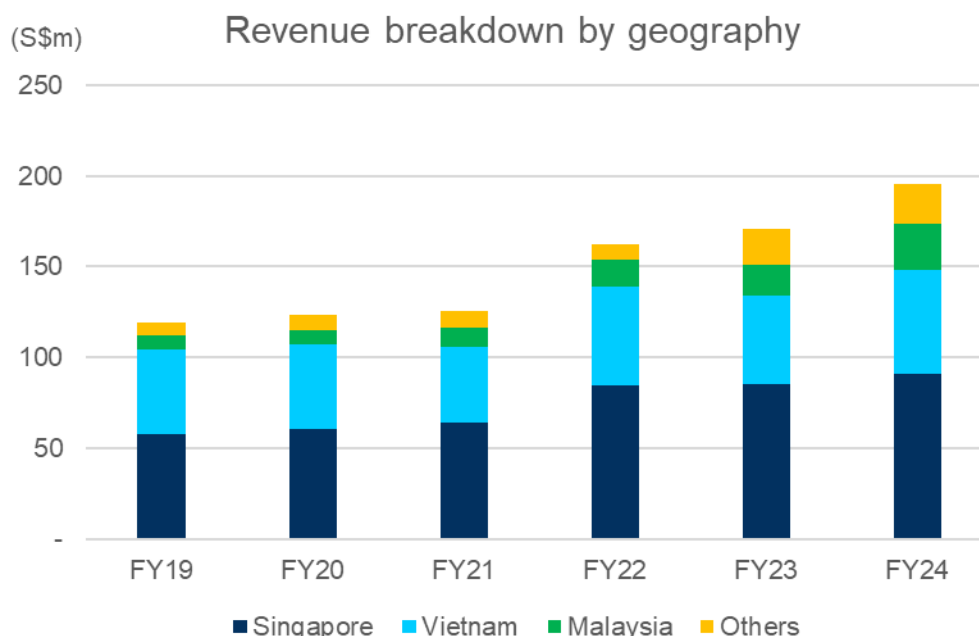


### But, non-core geographies are showing some potential

From FY19-24, Singapore and Vietnam accounted for the bulk of Hyphen’s revenue, where Singapore has averaged between 46-52% of total revenue while Vietnam’s contribution had gradually dwindled from 39.1% to 29.2%. On the other hand, Malaysia’s revenue contribution has grown from 6.7% to 13.2% over the same period. While there isn’t a breakdown regarding the sales of its individual segments in each geography, one of its key drivers was Ceradan, which has been selling well in Malaysia due to a recent increase in online exposure through social media channels such as Instagram and Tiktok. Per management, this was not sponsored and were organic reviews from its users, **indicating that Ceradan has become more popular amongst its Malaysian users.** Our checks indicate that most of Ceradan’s reviews on Tiktok appear to be from its Malaysia users while those on Instagram were mixed between Malaysia and Singapore. **As a result, between FY19-24, Malaysia has been Hyphen’s fastest growing geographical segment, with its revenue having grown by 3.2x.**

On the other hand, the firm has also been performing better in Indonesia, Philippines and Thailand as it ramps up its medical aesthetics portfolio. In 2023, Hyphens had acquired Ardence Pharma, a boutique pharmaceutical company specialising in aesthetic medicine, providing physicians and consumers with cutting-edge and clinically proven aesthetic products. Some of its key product offerings include Plinest, a medical aesthetic product from Mastelli which promotes bio-revitalisation and reverses signs of aging as well as Nabota, a premium high-purity botulinum toxin (Botox) from Daewoong Pharmaceutical. This led to the countries under Others accounting for 11.1% of FY24 revenue (vs. only 6% in FY19).

In recent years, the medical aesthetics sector in ASEAN has demonstrated robust growth, driven by a larger ageing population, evolving beauty standards and heightened self-awareness from social media exposure. According to Data Bridge Market Research, the Asia-Pacific medical aesthetics market is expected to grow at a CAGR of 13.8% from 2025 to 2032, which should serve as a tailwind to Hyphens’ medical aesthetics portfolio.

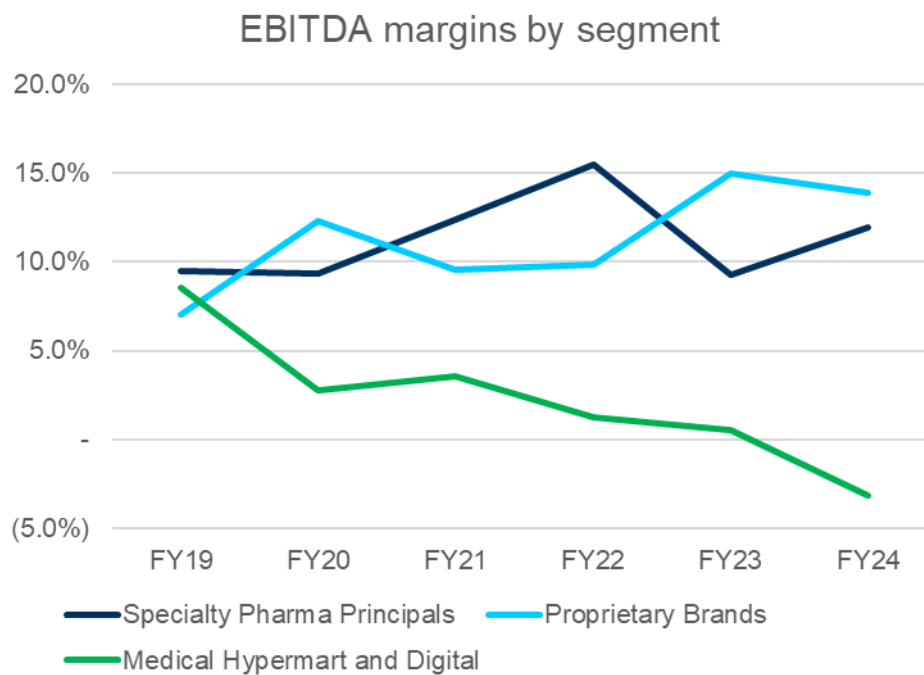


### Profitability growth has also been stable

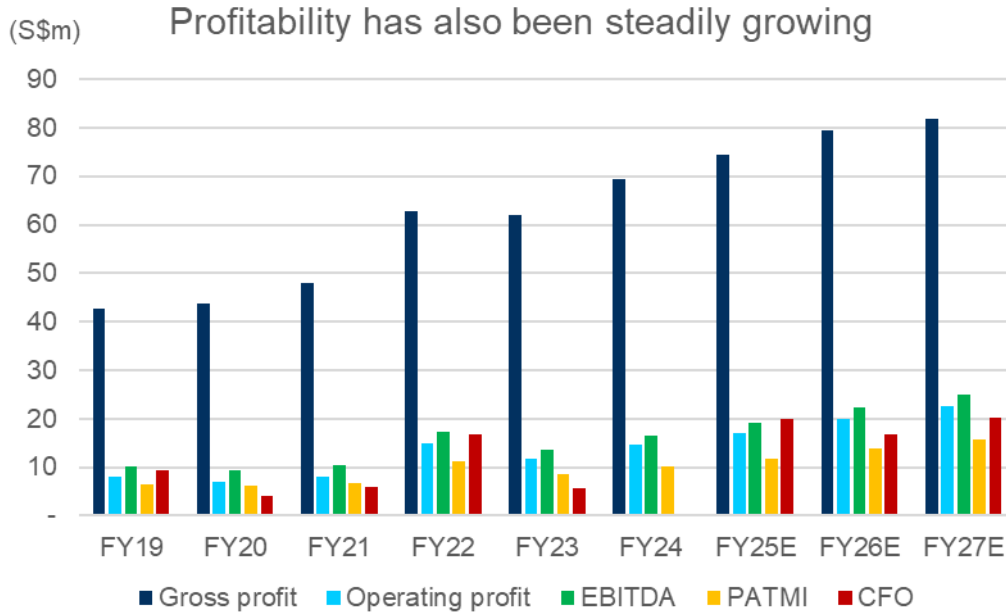
The firm’s distributorship and licensing agreements with its Specialty Pharma Principals are usually for a fixed term, subject to renewal and typically include certain purchase price agreements. The prices of the products are negotiated, agreed upon upfront as well as fixed for the term of the agreement. Principals will also be made known of Hyphens’ commercialization strategy. Hence, the firm isn’t likely to have as much control over the prices of its Specialty Pharma Principal products as it does on its Proprietary Brands.

Price controls on its products vary depending on geography as well. For example, many of its pharmaceutical products are subjected to government price controls in Vietnam, and Hyphens is unable to increase prices on such products without prior approval of the Drug Administration of Vietnam. Hence, margins in the longer term should remain relatively stable as long as costs are kept under control.

Notably, between FY19-24, EBITDA margins for its Specialty Pharma Principals have been relatively rangebound, except for FY22-23 due to an increase in cost of sales and a change in product mix due to the discontinuation of its Biosensors partnership. On the other hand, EBITDA margins for its Proprietary Brands segment have been gradually inching up, increasing by 6.9ppts over the same period.

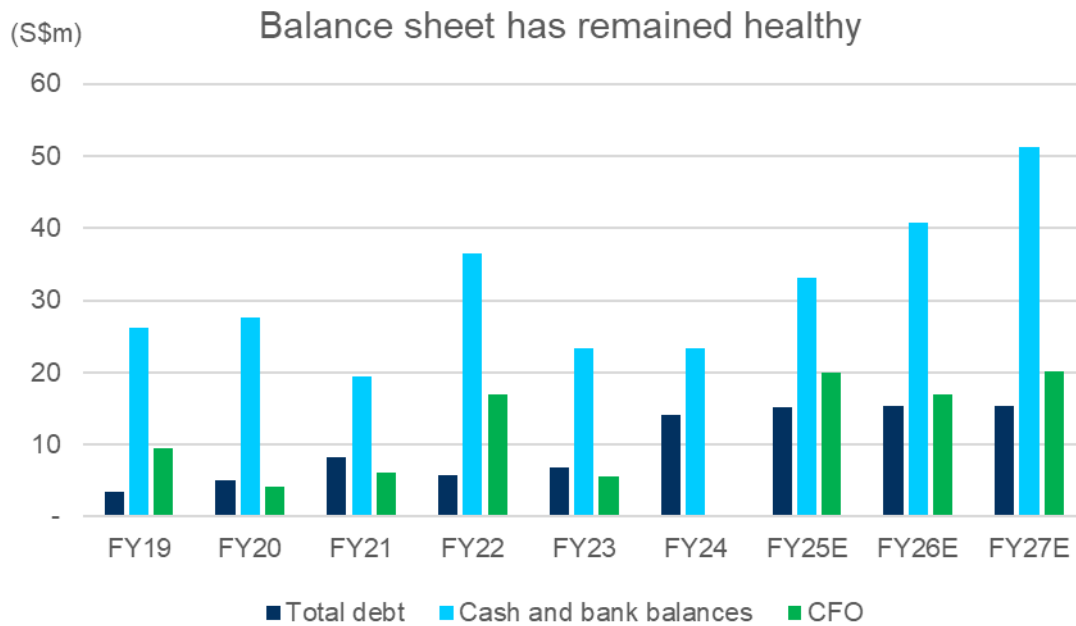


Between FY19-24, profitability grew in tandem with revenue as the firm kept costs stable, where EBITDA and PATMI grew at CAGRs of 10.4% and 9.2%, respectively. Moving forward, we expect profitability to continue growing in-line with revenue, with the firm to register EBITDA growth of 15.7% and 10.7% YoY for FY25E and FY26E, respectively. On the PATMI front, we expect PATMI growth to be around 14.8% and 11.7% YoY for FY25E and FY26E, respectively.



**Balance sheet has remained healthy**

From FY19 to FY24, the firm has managed to keep a healthy balance sheet, consistently remaining in a net cash position. Moving forward, barring any supply chain shocks, we expect the firm to remain net cash.



## Peer Comparison

### Peer overview

Hyphens does not have any comparable listed peers within the SGX space. However, within the APAC region, some of its closest peers would be **Apex Healthcare Bhd** and **Pharmaniaga Bhd** given the similarity in their business models as well as product offerings.

### Apex Healthcare

Apex Healthcare has a commercial footprint in over 20 countries worldwide. The firm manufactures a wide range of pharmaceuticals, consumer healthcare products and medical devices under eight proprietary brands as of FY23. The firm also offers regulatory, sales, marketing and distribution services for pharmaceuticals, consumer healthcare products and medical devices from its business partners. Both its proprietary products and those under the brands of its business partners are distributed via its distribution channels encompassing hospitals, clinics, independent and chain pharmacies, supermarkets and health stores.

Reporting Segments	Business Operations	Operating Companies
Manufacturing	Manufacturing and Marketing of Pharmaceuticals, Consumer Healthcare Products and Medical Devices	<ul style="list-style-type: none"> <li>Xepa-Soul Pattinson (Malaysia) Sdn Bhd</li> <li>Xepa-Soul Pattinson (S) Pte Ltd</li> </ul> <i>The above two entities are collectively referred to as 'XEPA'</i>
Distribution	Wholesale, Marketing and Distribution of Pharmaceuticals, Consumer Healthcare Products and Medical Devices	<ul style="list-style-type: none"> <li>Apex Pharmacy Marketing Sdn Bhd ('APM')</li> <li>Apex Pharma Marketing Pte Ltd ('APS')</li> </ul> <i>The above two entities are collectively referred to as 'APEX'</i> <ul style="list-style-type: none"> <li>ABio Marketing Sdn Bhd ('ABIO')</li> </ul>
Corporate	<p>Group Properties</p> <p>Contract Manufacturing of Orthopaedic Devices</p>	<ul style="list-style-type: none"> <li>Apex Retail Sdn Bhd</li> <li>Apex Pharmacy Corporate Sdn Bhd</li> <li>Straits Apex Group Sdn Bhd ('SAG')</li> </ul>

### Pharmaniaga

Pharmaniaga, the pharmaceutical arm of Boustead Holdings Berhad Group of Companies, is one of the largest pharmaceutical distributors in Malaysia. The company has an extensive logistics and distribution network in Malaysia and Indonesia.

### Peer comparison

The table below compares Hyphens and its peers based on their respective FY24 figures, with the following key takeaways:

- **In terms of history**, Apex Healthcare is the oldest of the lot, followed by Pharmaniaga then Hyphens Pharma.
- Although each firm categorizes their operating segments differently, they were similar in terms of their product offerings, where Apex Healthcare distributes pharmaceuticals, consumer healthcare products and medical devices. It also manufactures its own proprietary brands of pharmaceuticals and medical advices. Pharmaniaga also distributes pharmaceutical products while manufacturing some of its own brands.
- **In terms of geographical presence**, Hyphens' key markets are Singapore, Vietnam and Malaysia while Apex is mainly in Malaysia and Singapore. Pharmaniaga's business is mainly in Malaysia and Indonesia.



- **In terms of key therapeutic focus areas**, each company has a wide range of therapeutic focuses given the variety of their product offerings. Some of Hyphens' key therapeutic focus areas include dermatology, paediatrics and neonatology, amongst others. Apex appears to have a more specific focus, on areas such as respiratory, dermatology, cardiovascular and GI.

Key operating metrics (FY24)	Hyphens Pharma	Apex Healthcare	Pharmaniaga Bhd
Year of establishment	1998	1962	1994
Revenue contribution by segment	Specialty Pharma Principals (64%), Proprietary Brands (14%), Medical Hypermart (22%)	Manufacturing (11%), Distribution (91%)	Malaysia logistics, distribution and manufacturing (69%), Indonesia manufacturing and distribution (31%)
Key geographical markets	SG, VN, MY	MY, SG	MY, ID
Key therapeutic focus areas	Dermatology, paediatrics and neonatology, allergy, otorhinolaryngology, orthopaedics and rheumatology	Respiratory, Dermatology, Cardiovascular, GI	Anaesthetics, Analgesics, Antiasthmatics & Respiratory, Cardiovascular, Antibiotics, Anti-diabetic
Revenue (S\$m)	195.4	291.4	1,139.2
Gross profit (S\$m)	69.5	68.4	163.8
EBITDA (S\$m)	16.6	35.9	91.6
PATMI (S\$m)	10.1	23.2	39.9
CFO (S\$m)	0.1	20.9	12.9

Source: Bloomberg, Company, Evolve Capital

- **In terms of revenue growth**, Hyphens has generally been at the top of its peer set, particularly in FY22 as a result of its Novem acquisition.
- **In terms of profitability growth**, Hyphens has generally been leading its peer set as well, with the exception of FY23 where it was heavily impacted by supply chain disruptions and a change in product mix due to the discontinued Biosensors partnership.



YoY growth (%)	Hyphens Pharma	Apex Healthcare	Pharmaniaga Bhd
<b>FY24</b>			
Revenue	14.6%	2.7%	10.4%
Gross profit	12.3%	5.0%	75.6%
EBITDA	21.5%	30.2%	1322.1%
PATMI	18.3%	(80.8%)	n.m.
CFO	(98.7%)	5.8%	(9.1%)
<b>FY23</b>			
Revenue	5.1%	6.7%	(3.0%)
Gross profit	(1.4%)	8.7%	n.m.
EBITDA	(20.9%)	(2.5%)	n.m.
PATMI	(24.5%)	294.1%	(86.8%)
CFO	(66.6%)	(9.7%)	n.m.
<b>FY22</b>			
Revenue	28.9%	13.9%	(27.1%)
Gross profit	30.6%	22.7%	n.m.
EBITDA	63.4%	33.1%	n.m.
PATMI	65.8%	69.9%	n.m.
CFO	179.5%	16.7%	122.2%

Source: Bloomberg, Company, Evolve Capital

- **In terms of margins**, although Hyphens commands higher gross margins compared to its peers, Apex has better cost control measures, resulting in the highest EBITDA and PATMI margins out of its peer set.

Margins (%)	Hyphens Pharma	Apex Healthcare	Pharmaniaga Bhd
<b>FY24</b>			
Gross profit	35.6%	23.5%	14.4%
EBITDA	8.5%	12.3%	8.0%
PATMI	5.2%	8.0%	3.5%
CFO	0.04%	7.2%	1.1%
<b>FY23</b>			
Gross profit	36.3%	22.9%	9.0%
EBITDA	8.0%	9.7%	0.6%
PATMI	5.0%	42.5%	(2.4%)
CFO	3.3%	7.0%	1.4%
<b>FY22</b>			
Gross profit	38.7%	22.5%	(5.1%)
EBITDA	10.6%	10.6%	(15.3%)
PATMI	7.0%	11.5%	(17.3%)
CFO	10.4%	8.2%	(4.1%)

Source: Bloomberg, Company, Evolve Capital

## Valuations

Based on our earnings assumptions, Hyphens currently trades at around 7.4x FY25E and 6.7x FY26E P/E while its peers trade at a weighted average of 16.2x FY25E and 14.9x FY26x P/E per consensus estimates. Note that we have also included Kalbe Farma, one of the largest Indonesian integrated consumer health and nutrition enterprises.

The peer average is largely pulled up by Apex Healthcare and Kalbe Farma given that they trade at a premium to both Hyphens and Pharmaniaga. On the other hand, despite being much larger in operating scale compared to Hyphens, Pharmaniaga's margins have been lagging as the firm struggles to recover from its over-reliance on the sale of COVID-19 vaccines, resulting in the firm having to write off its entire unused inventory of COVID-19 vaccines to the tune of RM552.3m. As of FY24, Pharmaniaga still remains under financial distress as the firm has entered a compulsory restructuring process.

Company name	Price	MCap (S\$m)	P/E (25E)	P/E (26E)	P/E (27E)	Rev Growth (25E, %)	Profit Growth (25E, %)
Hyphens Pharma International L	0.285	88	7.4	6.7	6.2	7.1	16.9
<b>Mcap Weighted avg</b>			<b>16.2</b>	<b>14.9</b>	<b>12.7</b>		
Apex Healthcare Bhd	2.17	471	18.1	16.7	15.5	5.8	12.1
Pharmaniaga Bhd	0.240	104	7.5	7.1		(4.9)	(65.0)
Kalbe Farma Tbk PT	1,135	4,297	15.3	14.1	12.9	8.2	5.8

Source: Bloomberg, Company, Evolve Capital

**We initiate coverage on Hyphens Pharma with a TP of S\$0.365, pegged to 9.5x FY25E P/E and a 48% discount to Apex. This represents an upside of approximately 28.1%.** Despite the firm's smaller size compared to peers, it commands decent margins and has shown historically stable growth. The business is asset-light and has remained in a net cash position since listing. Hence, its low trading multiple appears unwarranted and we opine that while Hyphens should trade below Apex and Kalbe Farma, it should minimally trade above Pharmaniaga. Our earnings assumptions have also been conservative given that we have not factored in any major product catalysts, which would be the upside risk.

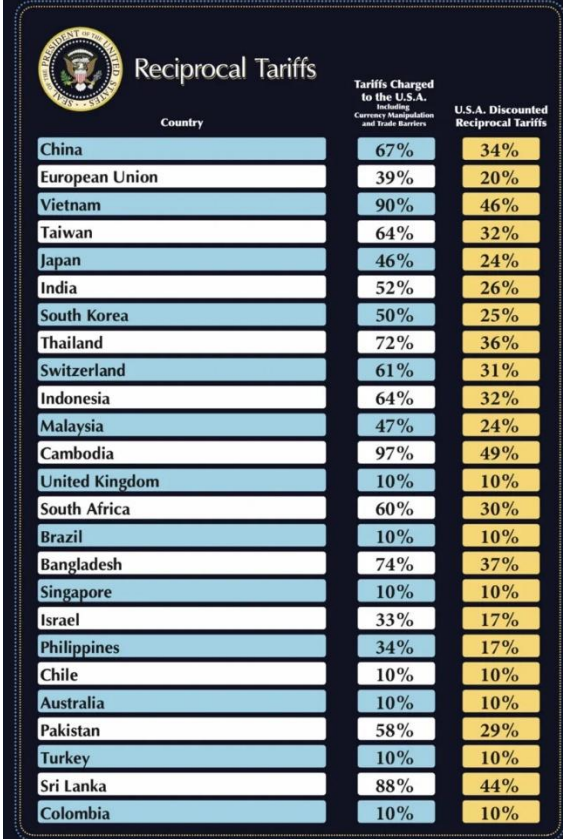
## Key Risks

### Widening losses from Medical Hypermart and Digital

Although management has mentioned its intention to continue focusing on growing its Medical Hypermart business, revenue for the segment has remained largely stagnant between FY19-24 while its EBITDA has been declining, turning negative in FY24. As the road to profitability for the segment remains unclear to us, this could potentially become a drag on overall profitability in the longer term should its current trend continue.

### Heightened geopolitical risks

US President Trump has recently [unveiled](#) his tariff plan on 2<sup>nd</sup> Apr 25, with a baseline tariff of 10% on most goods imported to the US, along with higher duties on several countries, ranging from rivals to allies. The tariffs are expected to come into effect around mid-April, per media reports. This has further intensified global tensions, in which major players such as China and the EU have [mentioned](#) that they will be enacting counter-measures. Notably, Hyphens' key markets were not spared, with Singapore, Malaysia and Vietnam hit with tariffs of 10%, 24% and 46%, respectively. While the effects of the reciprocal tariffs have yet to be quantified, this may potentially result in increased raw material prices or supply chain disruptions.



Country	Tariffs Charged to the U.S.A. Including Currency Manipulation and Trade Barriers	U.S.A. Discounted Reciprocal Tariffs
China	67%	34%
European Union	39%	20%
Vietnam	90%	46%
Taiwan	64%	32%
Japan	46%	24%
India	52%	26%
South Korea	50%	25%
Thailand	72%	36%
Switzerland	61%	31%
Indonesia	64%	32%
Malaysia	47%	24%
Cambodia	97%	49%
United Kingdom	10%	10%
South Africa	60%	30%
Brazil	10%	10%
Bangladesh	74%	37%
Singapore	10%	10%
Israel	33%	17%
Philippines	34%	17%
Chile	10%	10%
Australia	10%	10%
Pakistan	58%	29%
Turkey	10%	10%
Sri Lanka	88%	44%
Colombia	10%	10%

## Key Financial Items

### Income statement

YE 31st Dec, S\$m	FY22	FY23	FY24	FY25E	FY26E	FY27E
Revenue	162.3	170.6	195.4	209.4	220.2	223.9
Gross profit	62.8	61.9	69.5	74.5	79.4	81.9
EBITDA	17.3	13.6	16.6	19.2	21.2	22.7
PATMI	11.4	8.6	10.1	11.6	13.0	14.1
<b>Margins (%)</b>						
Gross profit	38.7%	36.3%	35.6%	35.6%	36.1%	36.6%
EBITDA	10.6%	8.0%	8.5%	9.2%	9.6%	10.1%
PATMI	7.0%	5.0%	5.2%	5.6%	5.9%	6.3%
<b>YoY Growth (%)</b>						
Revenue		5.1%	14.6%	7.1%	5.2%	1.7%
Gross profit		(1.4%)	12.3%	7.1%	6.6%	3.1%
EBITDA		(20.9%)	21.5%	15.7%	10.7%	6.9%
PATMI		(24.5%)	18.3%	14.8%	11.7%	8.2%

Source: Evolve Capital, Company

### Balance sheet

YE 31st Dec, S\$m	FY22	FY23	FY24	FY25E	FY26E	FY27E
PPE	3.0	4.9	4.9	6.0	7.2	9.0
Inventories	21.3	25.5	34.4	35.1	36.6	37.0
Trade receivables	31.1	41.1	45.4	48.8	51.3	52.1
Cash and bank deposits	36.5	23.4	23.4	30.0	36.2	44.3
Others	22.6	25.9	27.6	29.1	30.5	31.3
<b>Total assets</b>	<b>114.5</b>	<b>120.8</b>	<b>135.8</b>	<b>148.9</b>	<b>161.8</b>	<b>173.6</b>
<b>Non-current liabilities</b>						
Borrowings	3.2	2.0	0.7	-	-	-
Lease liabilities	0.1	2.4	1.8	2.2	2.3	2.3
Others	0.8	1.3	1.0	1.0	1.0	1.0
<b>Current liabilities</b>						
Borrowings	1.3	1.3	10.3	11.6	11.6	11.6
Lease liabilities	1.1	1.2	1.3	1.4	1.4	1.5
Trade and notes payables	35.1	44.3	43.6	47.6	49.7	50.1
Others	2.7	2.5	2.6	2.6	2.6	2.6
<b>Total liabilities</b>	<b>44.2</b>	<b>54.9</b>	<b>61.3</b>	<b>66.4</b>	<b>68.6</b>	<b>69.1</b>
Share capital	35.1	35.2	35.1	35.1	35.1	35.1
Treasury shares	-	-	-	-	-	-
Retained earnings	43.8	37.8	45.2	52.5	62.1	72.5
Other reserves	(9.8)	(10.0)	(9.5)	(9.5)	(9.5)	(9.5)
<b>Total shareholders' equity</b>	<b>69.0</b>	<b>63.0</b>	<b>70.9</b>	<b>78.1</b>	<b>87.8</b>	<b>98.1</b>
NCI	1.2	2.9	3.6	4.4	5.3	6.4
<b>Total equity</b>	<b>70.3</b>	<b>65.9</b>	<b>74.5</b>	<b>82.6</b>	<b>93.2</b>	<b>104.5</b>

Source: Evolve Capital, Company

### Cash flows

YE 31st Dec, S\$m	FY22	FY23	FY24	FY25E	FY26E	FY27E
CFO	16.9	5.6	0.1	16.2	15.8	18.3
CFI	(1.0)	(1.5)	(3.0)	(5.6)	(5.6)	(5.7)
CFF	1.1	(17.3)	3.0	(4.1)	(4.0)	(4.5)
Net change in cash	17.0	(13.1)	0.1	6.5	6.2	8.1
Cash and cash equivalents	36.5	23.4	23.4	30.0	36.2	44.3

Source: Evolve Capital, Company

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