Hyphens Pharma International

In the midst of product portfolio review

- 1H25 core PATMI of S$5.8m (-7.4% yoy/+ 6.7% hoh) was in line, at 52.3% of our FY25F estimates, with record GP of S$35.3m (+1.5% yoy/+1.7% hoh).
- GP margin expanded 4.5% pts yoy to 39.4% in 1H25; we believe HYP shed low-margin products, which resulted in a revenue decline of 10.1% yoy.
- Reiterate Add, with a higher DCF-based TP of S$0.43 (WACC: 13.8%).

Singapore

ADD *(no change)*

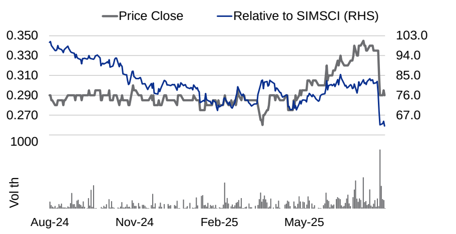
Consensus ratings*:	Buy 2	Hold 0	Sell 0

Current price:	S$0.29
Target price: ▲	S$0.43
Previous target:	S$0.35
Up/downside:	48.3%
CGSI / Consensus:	N/A
Reuters:	HYPH.SI
Bloomberg:	HYP SP
Market cap:	US$69.75m
	S$89.57m
Average daily turnover:	US$0.03m
	S$0.03m
Current shares o/s:	308.8m
Free float:	24.1%

**Source: Bloomberg*

Key changes in this note

- Increase FY25F EPS by 8.6%.
- Increase FY26F EPS by 11.6%.
- Increase FY27F EPS by 14.6%.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	-14.7	-1.7	0.0
Relative (%)	-16.0	-9.2	-37.9

Major shareholders	% held
INOMED HOLDINGS PTE LTD	47.8
Tan Kia King	28.0

One-off losses masked record gross profit

Hyphens Pharma International's (HYP) 1H25 headline net profit of S$1.7m (-69.0% yoy/-64.9% hoh) included one-off losses arising from allowances for inventory obsolescence of S$2.2m and foreign exchange translational losses of S$2.0m, both of which are non-cash in nature. Allowances for inventory obsolescence in 1H25 was recognised on HYP's inventory of nasal spray brand Sterimar, as a stockout situation in FY23 had led to excess inventory build-up in FY24. The slower sales momentum in 1H25 likely led to the recognition of allowances on inventory obsolescence, which we believe is pre-emptive as the losses would have been classified as inventory written-off if expired. The foreign exchange translational losses arose as a result of the weakening of VND and Rp against the €, which would have also led to pressure on GP margins as HYP procures pharmaceutical products from Europe while selling into Vietnam and Indonesia. Nevertheless, HYP was able to achieve record GP on the back of GP margin expansion in 1H25, although higher staff cost translated to a 7.4% yoy decline in 1H25 core PATMI.

Shifting towards higher-margin product portfolio

While HYP's 1H25 revenue decline of 10.1% yoy/6.5% hoh to S$89.5m may seem concerning, we believe it is a strategic decision to shift its portfolio towards higher-margin products. In its results announcement on 13 Aug 25, HYP mentioned that it has discontinued the distribution of Physiolac, an infant formula, in Cambodia and Myanmar 'by mutual and amicable agreement' with its owner, Laboratoires Gilbert (Unlisted), after c.2 years (since it started distribution from mid-2023), while highlighting that Physiolac contributed less than 1% of HYP's GP as of 1H25. HYP also highlighted that it has 'made a conscious effort to grow its product portfolio with a focus on higher GP margins.

Reiterate Add; portfolio review should translate to better growth

We increase our FY25F-27F EPS by 8.6-14.6% to reflect improved profitability profile following the optimisation of its product portfolio, which would more than offset the slower revenue momentum as HYP de-prioritise lower-margin products. Consequently, our DCF-TP (WACC: 13.8%) is lifted to S$0.43, implying an FY26F P/E of 10.3x, slightly below regional pharmaceutical peers', which reflects HYP's smaller scale. We reiterate our Add call as we see catalysts for growth for its medical aesthetics portfolio, which are higher-margin in nature as well. Other re-rating catalyst include significant contribution from commercialisation of new products (Fig 1). Downside risks: elevated levels of inventory write-offs, and crimped margins from weaker VND against €.

Financial Summary	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Revenue (S$m)	170.6	195.4	190.0	197.3	205.1
Operating EBITDA (S$m)	10.30	13.52	15.00	15.99	17.04
Net Profit (S$m)	8.58	10.86	12.09	12.92	13.80
Core EPS (S$)	0.028	0.035	0.039	0.042	0.045
Core EPS Growth	(24.8%)	26.5%	11.4%	6.9%	6.8%
FD Core P/E (x)	10.44	8.25	7.41	6.93	6.49
DPS (S$)	0.045	0.015	0.015	0.015	0.015
Dividend Yield	15.4%	5.2%	5.2%	5.2%	5.2%
EV/EBITDA (x)	6.71	5.16	4.06	3.44	2.81
P/FCFE (x)	24.57	18.77	6.67	8.48	7.67
Net Gearing	(35.5%)	(31.5%)	(39.3%)	(42.3%)	(45.5%)
P/BV (x)	1.42	1.26	1.14	1.03	0.93
ROE	13.0%	16.2%	16.2%	15.7%	15.1%
% Change In Core EPS Estimates			8.6%	11.6%	14.6%
EPS/Consensus EPS (x)			1.03	1.05	1.15

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

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In the midst of product portfolio review

Additions to product pipeline YTD

In Jul 25, HYP launched Winlevi (a novel topical acne treatment) in Singapore and Malaysia, after entering into a licensing agreement with Winlevi's owner, Cassiopea SPA (Unlisted) in Dec 22 for the exclusive rights to develop and commercialise Winlevi across 10 countries in Southeast Asia. HYP continues to have other products within its pipeline as of Sep 24 (Fig 1), and has also entered into a marketing and distribution agreement with medac Gesellschaft für klinische Spezialpräparate mbH (Unlisted) for the exclusive rights to register and commercialise Metoject, a subcutaneous autoinjector pen used for the treatment of rheumatoid arthristis and plague psoriasis in Singapore, Malaysia, the Philippines, and Vietnam. However, as with Winlevi, we expect commercialisation to take 18-24 months before actual product launch in the respective markets.

Figure 1: HYP's product pipeline as of Aug 24

Product Pipeline

Assets	Month signed	Therapeutic areas	Geography	Features/Benefits
Winlevi®	Dec 2022	Derma.	10 ASEAN countries	• First-in-class • New anti-acne treatment in 4 decades
Byfavo®	May 2023	G.I.*	Singapore	• Works faster and better safety profile
Wynzora®	Mar 2024	Derma.	10 ASEAN countries	• Patented technology • Unique cream formulation • Better efficacy • Better adherence
Amenalief®	Jun 2024	Derma.	10 ASEAN countries	• Significantly less dosing • Safer for renal dysfunction patients
Ustefav (Ustekinumab biosimilar)	Jan 2024**	Derma.	Singapore, Malaysia and the Philippines	• For treatment of moderate to severe plaque psoriasis

G.I. - Gastroenterology
*Sedation during colonoscopy procedure
** Marketing authorization approved by EMA

Hyphens

SOURCES: CGSI RESEARCH, COMPANY REPORTS

Figure 2: Results comparison

FYE Dec 31 (S$m)	1H25	1H24	yoy % chg	2H24	hoh % chg	Prev. FY25F	Comments
Revenue	89.5	99.6	-10.1%	95.8	-6.5%	206.2	1H25 revenue fell short at only 43.4% of our FY25F estimates, as sales to Vietnam dropped 36.8% yoy, which we believe is a confluence of weaker VND against S$ as well as lower volume sales as a result of HYP optimising its portfolio towards higher-margin products.
Gross profit	**35.3**	**34.8**	**1.5%**	**34.7**	**1.7%**	**70.2**	1H25 GP grew to a record S$35.3m, likely supported by growth of higher-margin products such as medical aesthetics and prorietary brands.
GP margin (%)	*39.4%*	*34.9%*	*4.5% pts*	*36.2%*	*3.2% pts*	*34.1%*	Margins expanded 4.5% pts to 39.4% in 1H25 due to the changing sales mix, even on the back of weaker VND against Euro, which would have led to weaker margins.
Operating costs	(27.7)	(26.0)	6.5%	(28.9)	-4.3%	(55.7)	Operating costs increased 6.5% in 1H25 predominantly due to higher staff cost.
EBITDA	**4.5**	**9.1**	**-50.3%**	**7.4**	**-38.9%**	**16.2**	
EBITDA margin (%)	*5.1%*	*9.2%*	*-4.1% pts*	*7.8%*	*-2.7% pts*	*7.8%*	
Net interest income/(costs)	(0.3)	(0.2)	50.3%	(0.4)	-18.3%	(0.6)	
Other gains/(losses)	(4.4)	(1.1)	296.7%	0.1	-4394.2%	0.0	Other losses of S$4.4m included S$2.2m in allowance for inventory obsolescence of nasal spray Sterimar, as well as foreign exchange translational losses of S$2.0m, both of which are non-cash in nature.
Pretax profit	2.9	7.5	-61.3%	5.5	-47.6%	13.9	
Tax	(0.9)	(1.6)	-42.7%	(0.5)	72.9%	(2.8)	
Tax rate (%)	*31.4%*	*21.2%*	*10.2% pts*	*9.5%*	*21.9% pts*	*20.0%*	
Minority interests	0.3	0.5	n.m.	0.2	49.9%	-	
Net profit	**1.7**	**5.4**	**-69.0%**	**4.8**	**-64.9%**	**11.1**	**Net profit declined by 69.0% yoy in 1H25 due to other losses, that were non-cash in nature, incurred.**
Reported EPS (Scts)	0.54	1.75	-69.1%	1.55	-65.2%	3.60	
Core net profit	**5.8**	**6.3**	**-7.4%**	**5.5**	**6.7%**	**11.1**	**1H25 core net profit was in line at 52.3% of our FY25F estimates.**
Core EPS (Scts)	1.88	2.03	-7.4%	1.77	6.7%	3.60	

Revenue breakdown	1H25	1H24	yoy % chg	2H24	hoh % chg	Prev. FY25F	Comments
Pharmaceutical and medical aesthetics	51.7	63.7	-18.9%	60.5	-14.6%	125.7	Pharmaceutical and medical aesthetics revenue declined 18.9% yoy in 1H25 likely due to lower sales to public hospital sales in Vietnam, as well as the reclassification of probiotics product Visiopro (previously Vivomixx) and cholesterol drug Fenosup into their proprietary brands portfolio.
Proprietary brands	17.5	14.3	22.5%	13.3	31.4%	28.2	
Digital platform and e-pharmacy	20.4	21.7	-5.9%	21.9	-7.0%	43.7	
	89.5	**99.6**	**-10.1%**	**95.8**	**-6.5%**	**197.6**	

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Figure 3: EPS changes

FYE Dec 31 (S$m)	New FY25F	New FY26F	New FY27F	Old FY25F	Old FY26F	Old FY27F	% change FY25F	% change FY26F	% change FY27F
Revenue	190.0	197.3	205.1	206.2	211.21	216.37	-7.9%	-6.6%	-5.2%
Gross profit	**67.2**	**70.3**	**73.4**	**70.2**	**72.13**	**74.10**	**-4.2%**	**-2.6%**	**-0.9%**
GPM (%)	35.4%	35.6%	35.8%	34.1%	34.1%	34.2%	1.3% pts	1.5% pts	1.6% pts
EBIT	15.0	16.0	17.0	12.9	14.34	15.45	16.1%	11.5%	10.3%
Reported PATMI	**12.1**	**12.9**	**13.8**	**11.1**	**11.57**	**12.04**	**8.7%**	**11.7%**	**14.6%**
NPM (%)	6.4%	6.5%	6.7%	5.4%	5.5%	5.6%	1.0% pts	1.1% pts	1.2% pts
EPS (Scts)	**3.91**	**4.18**	**4.47**	**3.60**	**3.75**	**3.90**	**8.7%**	**11.7%**	**14.6%**

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Figure 4: HYP – DCF valuation

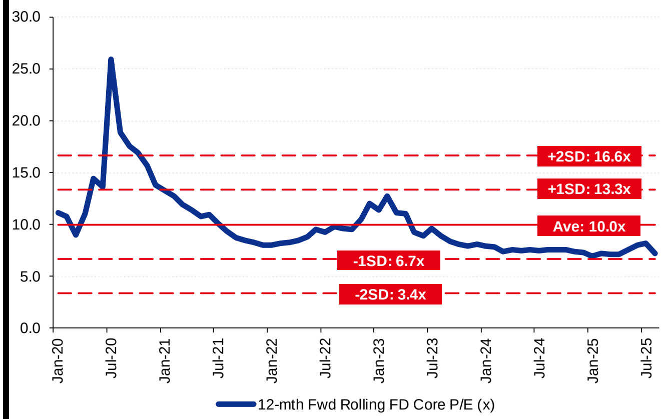
FCF calculation (S$m)	FY25F	FY26F	FY27F	FY28F	FY29F	FY30F	Terminal Value
FCF	13.43	10.56	11.68	12.84	14.04	14.32	110.48
PV of the FCFs	13.43	9.28	9.01	8.70	8.36	7.49	57.80
Year	0	1	2	3	4	5	
Discount Factor	1.00	0.88	0.77	0.68	0.60	0.52	

Valuation	
Enterprise value	114.08
Less: net debt/(cash)	(18.10)
Less: minority interest	-
Add: associates	-
Equity value	**132.18**
Number of shares	308.88
Equity value per share (S$)	**0.430**
Implied FY26F P/E (x)	**10.3**

WACC	13.8%
Rf	2.0%
Terminal growth	1.0%
Equity risk premium	12.0%
Beta	1.3
Cost of equity	**15.0%**
Debt-to-equity	0.10
Cost of debt	4.0%
Tax rate	17.0%
Effective cost of debt	**3.3%**

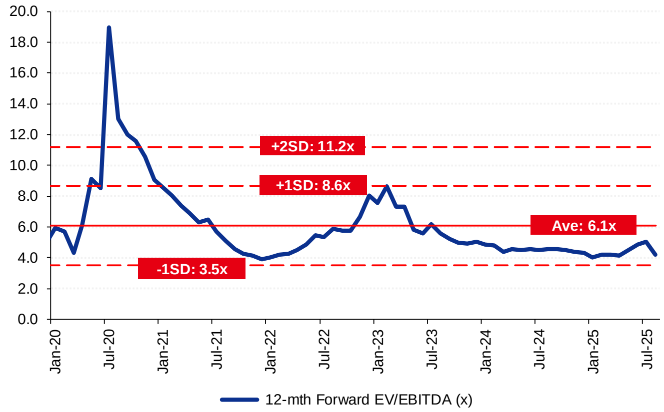
SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

Figure 5: HYP's 12-mth rolling fwd core P/E (x)



SOURCES: CGSI RESEARCH, COMPANY REPORTS, BLOOMBERG

Figure 6: HYP's 12-mth rolling fwd EV/EBITDA (x)



SOURCES: CGSI RESEARCH, COMPANY REPORTS, BLOOMBERG

Figure 7: Peer comparison (as at 20 Aug 25)

	Bloomberg		Price	Target Price	Market Cap	P/E (x)			3-year EPS	Recurring ROE (%)		EV/EBITDA (x)		Dividend Yield (%)	
Company	**Ticker**	**Recom.**	**(lcl curr)**	**(lcl curr)**	**(US$m)**	**CY25F**	**CY26F**	**CY27F**	**CAGR (%)**	**CY25F**	**CY26F**	**CY25F**	**CY26F**	**CY25F**	**CY26F**
Regional Hospitals															
IHH Healthcare Bhd	IHH MK	Add	6.88	7.75	14,382	25.9	21.0	19.4	38.3%	7.4%	8.8%	12.6	10.9	1.2%	1.4%
Sunway Bhd	SWB MK	Add	4.80	5.80	7,069	25.6	24.6	23.4	4.7%	7.5%	7.5%	19.9	17.8	1.7%	1.9%
KPJ Healthcare	KPJ MK	Add	2.78	3.35	2,870	32.0	28.6	26.4	10.1%	14.4%	15.1%	12.0	11.0	1.7%	1.8%
TMC Life Sciences Bhd	TMCL MK	Not Rated	0.40	N.A.	165	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mitra Keluarga Karyasehat	MIKA IJ	Add	2,420	2,800	2,068	27.2	23.8	20.9	11.4%	18.3%	18.7%	16.8	14.6	2.0%	2.2%
Siloam International Hospitals	SILO IJ	Hold	2,170	2,300	1,734	26.8	25.1	20.3	14.6%	11.7%	11.4%	12.2	10.7	0.7%	0.8%
Medikaloka Hermina	HEAL IJ	Hold	1,750	1,330	1,653	46.0	40.9	36.9	7.9%	12.4%	12.5%	15.8	14.6	0.5%	0.6%
Raffles Medical Group	RFMD SP	Add	1.03	1.20	1,481	26.6	24.3	21.8	10.5%	6.5%	6.8%	12.3	10.9	2.0%	2.1%
Thomson Medical Group Ltd	TMG SP	Not Rated	0.05	N.A.	925	N.A.	N.A.	N.A.	31.3%	-0.9%	1.5%	27.0	24.6	N.A.	N.A.
Bangkok Dusit Med Service	BDMS TB	Add	21.30	28.50	10,417	20.8	20.2	18.7	7.3%	15.5%	16.0%	13.6	13.0	3.8%	4.2%
Bumrungrad Hospital	BH TB	Reduce	181.0	152.0	4,428	21.2	21.6	21.1	1.2%	22.7%	20.6%	13.4	13.4	2.9%	2.8%
Bangkok Chain Hospital	BCH TB	Hold	13.40	14.20	1,028	21.1	18.8	17.3	18.1%	11.5%	12.5%	10.2	9.4	2.4%	2.7%
Ramkhamhaeng Hospital	RAM TB	Hold	18.00	17.90	665	17.7	14.9	13.6	33.0%	6.4%	7.6%	9.0	8.4	3.4%	4.0%
Chularat Hospital	CHG TB	Hold	1.67	1.70	565	19.2	16.7	15.7	9.7%	12.3%	14.8%	10.7	9.6	4.1%	4.7%
Praram 9 Hospital	PR9 TB	Add	22.80	33.50	552	20.3	17.7	16.2	18.4%	15.2%	16.3%	10.6	9.1	2.2%	2.5%
Average						**25.4**	**22.9**	**20.9**	**15.5%**	**11.5%**	**12.1%**	**14.0**	**12.7**	**2.2%**	**2.5%**
Regional Pharmaceuticals															
Duopharma Biotech Bhd	DBB MK	Add	1.35	1.74	307	15.1	12.9	12.1	22.8%	11.5%	12.7%	8.6	7.9	3.0%	2.9%
Kotra Industries Bhd	KTRI MK	Not Rated	4.22	N.A.	148	13.4	N.A.	N.A.	-25.9%	N.A.	N.A.	7.0	N.A.	6.2%	N.A.
Apex Healthcare Bhd	APEX MK	Not Rated	2.52	N.A.	430	21.0	19.4	17.6	10.2%	10.6%	11.1%	14.6	14.0	2.9%	3.2%
Pharmaniaga Bhd	PHRM MK	Not Rated	0.18	N.A.	272	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
YSP Southeast Asia Holdings Bh	YSP MK	Not Rated	2.06	N.A.	69	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Kalbe Farma	KLBF IJ	Add	1,400	1,650	4,028	18.3	16.3	14.5	10.1%	15.3%	15.7%	11.4	10.1	3.0%	3.4%
Industri Jamu Dan Farmasi Sido Munci	SIDO IJ	Hold	535.0	510.0	986	15.1	14.4	13.8	-1.6%	30.8%	31.4%	10.6	9.9	6.0%	6.3%
Hyphens Pharma International	HYP SP	Add	0.29	0.43	70	7.4	6.9	6.5	9.8%	15.7%	15.7%	4.1	3.4	5.2%	5.2%
Mega Lifesciences	MEGA TB	Add	29.75	33.00	798	13.3	12.8	11.9	2.6%	18.4%	18.3%	7.3	6.6	4.4%	4.7%
Interpharma PCL	IP TB	Not Rated	3.36	N.A.	62	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Average						**14.8**	**13.8**	**12.7**	**4.0%**	**17.0%**	**17.5%**	**9.1**	**8.7**	**4.4%**	**4.3%**
Regional Specialty Healthcare															
Optimax Holdings	OPTIMAX MK	Add	0.58	0.81	75	18.1	17.4	15.6	14.4%	24.1%	23.6%	7.6	7.3	3.8%	2.9%
Q&M Dental Group	QNM SP	Add	0.46	0.49	339	23.8	21.7	18.6	12.1%	15.9%	16.3%	14.5	13.0	1.7%	1.8%
Klinique Medical Clinic	KLINIQ TB	Add	25.75	29.20	174	15.8	13.9	13.3	12.9%	20.2%	23.3%	7.1	6.6	6.0%	6.8%
Average						**19.3**	**17.7**	**15.8**	**13.1%**	**20.1%**	**21.1%**	**9.8**	**9.0**	**3.8%**	**3.8%**
Simple Average						**21.4**	**19.7**	**18.0**	**11.8%**	**14.1%**	**14.7%**	**12.0**	**11.2**	**3.1%**	**3.1%**

DATA AS OF 20 AUG 25
SOURCES: CGSI RESEARCH ESTIMATES, BLOOMBERG, COMPANY REPORTS
Note: Forecasts for Not Rated companies are based on Bloomberg consensus' estimates

ESG in a nutshell

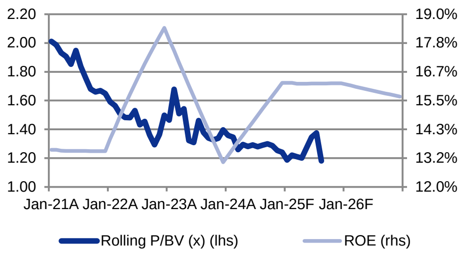
HYP's ESG efforts are not rated by LSEG or MSCI. Nevertheless, according to its FY23 annual report, HYP has been actively working on E, S, and G pillars via sourcing for sustainable products, taking on initiatives with social causes to reach out to the needy, as well as abiding by its corporate governance policies. Since its listing in 2018, HYP has not been implicated in any controversy.

Keep your eye on	Implications
HYP has not faced any controversy since its listing in 2018. HYP operates within the pharmaceutical and health supplements industry that is regulated by the Ministry of Health (MOH) and Health Sciences Authority (HSA) of Singapore. It is subject to the relevant standards applicable to each of its products or risk product recalls that could adversely impact its business.	As a pharmaceutical distributor and manufacturer, customer reputation is especially pertinent to HYP. With no instances of adverse events, such as product recalls, HYP appears to have high quality standards, which we believe are positive for HYP's brand equity. However, we have not ascribed a value to the brand premium as its presence remains limited within the local market.
ESG highlights	**Implications**
In terms of governance, HYP has a zero-tolerance policy towards corruption and has put in place policies governing workplace ethics and business conduct. Consequently, there have been no reported cases of breaches in the code of corporate governance, corruption, and bribery in FY24.	We think HYP's solid governance record is backed by a strong management team that has been effectively communicating expectations to its stakeholders. This is positive for HYP, in our view.
Trends	**Implications**
In terms of environment, in FY21, HYP launched a refill pack for its Ocean Health Omega-3 Fish Oil 1000mg product. This refill pack is the first refill pouch in Singapore's health supplement category and it uses 90% less plastic compared to the large Ocean Health Omega-3 Fish Oil bottle, according to the company.	Should the refill pack be accepted favourably by consumers, HYP will consider using the more environmentally-friendly refill pack for other supplements, as indicated in its FY21 annual report. We have not factored this into our valuations of HYP.

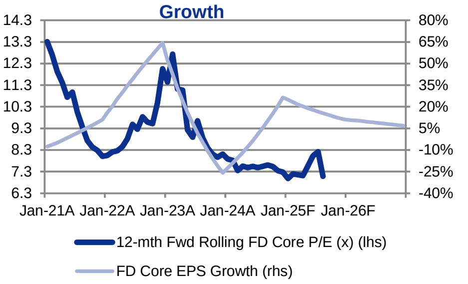
SOURCES: CGSI RESEARCH, LSEG

BY THE NUMBERS

P/BV vs ROE



12-mth Fwd FD Core P/E vs FD Core EPS Growth



Profit & Loss

(S$m)	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Total Net Revenues	**171.3**	**196.1**	**190.0**	**197.3**	**205.1**
Gross Profit	**62.6**	**70.2**	**67.2**	**70.3**	**73.4**
Operating EBITDA	**10.3**	**13.5**	**15.0**	**16.0**	**17.0**
Depreciation And Amortisation	0.0	0.0	0.0	0.0	0.0
Operating EBIT	**10.3**	**13.5**	**15.0**	**16.0**	**17.0**
Financial Income/(Expense)	(0.3)	(0.6)	(0.6)	(0.6)	(0.6)
Pretax Income/(Loss) from Assoc.	0.5	0.0	0.0	0.0	0.0
Non-Operating Income/(Expense)	0.0	0.0	0.0	0.0	0.0
Profit Before Tax (pre-EI)	**10.6**	**13.0**	**14.4**	**15.4**	**16.5**
Exceptional Items					
Pre-tax Profit	**10.6**	**13.0**	**14.4**	**15.4**	**16.5**
Taxation	(2.0)	(2.1)	(2.3)	(2.5)	(2.7)
Exceptional Income - post-tax					
Profit After Tax	**8.6**	**10.9**	**12.1**	**12.9**	**13.8**
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	**8.6**	**10.9**	**12.1**	**12.9**	**13.8**
Recurring Net Profit	8.6	10.9	12.1	12.9	13.8
Fully Diluted Recurring Net Profit	**8.6**	**10.9**	**12.1**	**12.9**	**13.8**

Cash Flow

(S$m)	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
EBITDA	10.30	13.52	15.00	15.99	17.04
Cash Flow from Invt. & Assoc.					
Change In Working Capital	-4.24	-14.49	3.07	-1.32	-1.39
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	-0.70	-1.04	0.00	0.00	0.00
Other Operating Cashflow	2.53	3.54	1.50	1.80	2.10
Net Interest (Paid)/Received	-0.28	-0.57	-0.57	-0.57	-0.57
Tax Paid	-2.60	-2.36	-2.58	-2.34	-2.51
Cashflow From Operations	**5.01**	**-1.38**	**16.43**	**13.56**	**14.68**
Capex	-0.30	-1.18	-3.00	-3.00	-3.00
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments	0.12	0.00	0.00	0.00	0.00
Other Investing Cashflow	0.35	0.16	0.00	0.00	0.00
Cash Flow From Investing	**0.17**	**-1.02**	**-3.00**	**-3.00**	**-3.00**
Debt Raised/(repaid)	-1.53	7.18	0.00	0.00	0.00
Proceeds From Issue Of Shares	0.00	-0.19	0.00	0.00	0.00
Shares Repurchased					
Dividends Paid	-14.56	-2.66	-4.63	-4.63	-4.63
Preferred Dividends					
Other Financing Cashflow	-1.19	-1.34	0.00	0.00	0.00
Cash Flow From Financing	**-17.28**	**3.00**	**-4.63**	**-4.63**	**-4.63**
Total Cash Generated	-12.10	0.59	8.80	5.93	7.05
Free Cashflow To Equity	**3.64**	**4.77**	**13.43**	**10.56**	**11.68**
Free Cashflow To Firm	**5.45**	**-1.84**	**13.99**	**11.13**	**12.25**

SOURCES: CGSI RESEARCH ESTIMATES, COMPANY REPORTS

BY THE NUMBERS… cont'd

Balance Sheet

(S$m)	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Total Cash And Equivalents	23.37	23.42	32.21	38.15	45.19
Total Debtors	41.11	45.42	41.63	43.25	44.95
Inventories	25.53	34.45	31.94	33.07	34.26
Total Other Current Assets	2.06	2.53	2.53	2.53	2.53
Total Current Assets	**92.06**	**105.82**	**108.32**	**117.00**	**126.94**
Fixed Assets	4.86	4.90	6.40	7.60	8.50
Total Investments	0.00	0.00	0.00	0.00	0.00
Intangible Assets	23.58	24.53	24.53	24.53	24.53
Total Other Non-Current Assets	0.17	0.23	0.23	0.23	0.23
Total Non-current Assets	**28.61**	**29.66**	**31.16**	**32.36**	**33.27**
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	46.71	55.11	51.89	53.32	54.82
Other Current Liabilities	2.54	2.58	2.34	2.51	2.67
Total Current Liabilities	**49.24**	**57.69**	**54.23**	**55.82**	**57.50**
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	4.41	2.57	2.57	2.57	2.57
Total Non-current Liabilities	**4.41**	**2.57**	**2.57**	**2.57**	**2.57**
Total Provisions	1.25	1.02	1.02	1.02	1.02
Total Liabilities	**54.90**	**61.28**	**57.83**	**59.42**	**61.09**
Shareholders' Equity	**62.99**	**70.90**	**78.36**	**86.65**	**95.81**
Minority Interests	2.88	3.57	3.57	3.57	3.57
Total Equity	**65.86**	**74.47**	**81.92**	**90.22**	**99.38**

Key Ratios

	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Revenue Growth	5.1%	14.6%	(2.8%)	3.9%	3.9%
Operating EBITDA Growth	(26.5%)	31.3%	10.9%	6.6%	6.5%
Operating EBITDA Margin	6.04%	6.92%	7.90%	8.11%	8.31%
Net Cash Per Share (S$)	0.08	0.08	0.10	0.12	0.15
BVPS (S$)	0.20	0.23	0.25	0.28	0.31
Gross Interest Cover	37.04	23.94	26.55	28.31	30.15
Effective Tax Rate	18.8%	16.2%	16.2%	16.2%	16.2%
Net Dividend Payout Ratio	170%	24%	38%	36%	34%
Accounts Receivables Days	77.26	81.03	83.64	78.50	78.49
Inventory Days	78.56	87.17	98.73	93.37	93.35
Accounts Payables Days	133.3	127.7	124.8	117.9	117.9
ROIC (%)	23.7%	23.6%	23.1%	25.3%	25.8%
ROCE (%)	14.9%	19.0%	18.9%	18.4%	17.8%
Return On Average Assets	7.49%	8.84%	9.14%	9.28%	9.22%

Key Drivers

	Dec-23A	Dec-24A	Dec-25F	Dec-26F	Dec-27F
Specialty pharma principals gross margin	0.4	0.4	0.4	0.4	0.4
Proprietary brands gross margin	0.6	0.6	0.6	0.6	0.6
Medical hypermart and digital gross margin	0.2	0.2	0.2	0.2	0.2

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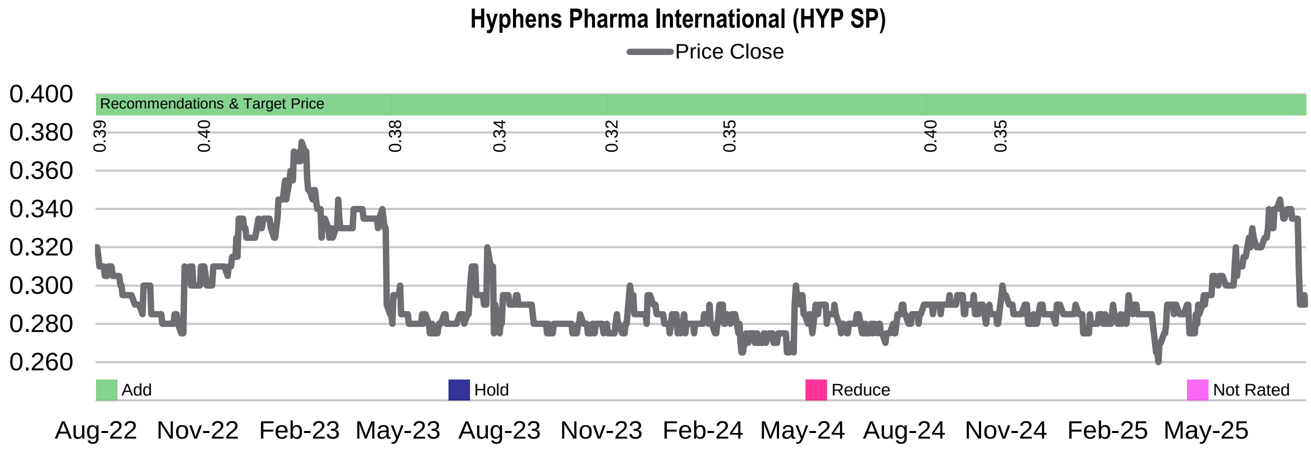
Distribution of stock ratings and investment banking clients for quarter ended on 30 June 2025 561 companies under coverage for quarter ended on 30 June 2025		
	Rating Distribution (%)	Investment Banking clients (%)
Add	70.6%	1.1%
Hold	20.5%	0.5%
Reduce	8.9%	0.5%

Spitzer Chart for stock being researched (2-year data)



Recommendation Framework	
Stock Ratings	Definition:
Add	The stock's total return is expected to exceed 10% over the next 12 months.
Hold	The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
Reduce	The stock's total return is expected to fall below 0% or more over the next 12 months.
The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.	
Sector Ratings	Definition:
Overweight	An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
Neutral	A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
Underweight	An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.
Country Ratings	Definition:
Overweight	An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
Neutral	A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
Underweight	An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.