

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::HALF YEARLY RESULTS

Issuer & Securities

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HYPHENS PHARMA INTERNATIONAL LIMITED

Securities

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This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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Additional Details

For Financial Period Ended

30/06/2025

Attachments

[Hyphens Half Yearly Results 1H2025.pdf](#)

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HYPHENS PHARMA INTERNATIONAL LIMITED
(Company Registration No. 201735688C)

Condensed Interim Financial Statements
For the six months ended 30 June 2025

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A. Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	<u>Notes</u>	<u>Group</u>		<u>Change</u>
		<u>6 months ended 30 June 2025</u>	<u>6 months ended 30 June 2024</u>	
		<u>\$'000</u>	<u>\$'000</u>	
Revenue	4	89,546	99,648	(10.1)
Cost of sales		(54,227)	(64,854)	(16.4)
Gross profit		<u>35,319</u>	<u>34,794</u>	1.5
Other income and gains		253	305	(17.0)
Distribution costs		(19,845)	(18,659)	6.4
Administrative expenses		(7,867)	(7,364)	6.8
Finance costs		(299)	(199)	50.3
Other losses		(4,676)	(1,420)	>100.0
Profit before tax	6	<u>2,885</u>	<u>7,457</u>	(61.3)
Income tax expense	7	(906)	(1,580)	(42.7)
Profit for the financial period, net of tax		<u>1,979</u>	<u>5,877</u>	(66.3)
<u>Other comprehensive income:</u>				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations, net of tax		172	143	20.3
Other comprehensive income for the period		<u>172</u>	<u>143</u>	20.3
Total comprehensive income		<u>2,151</u>	<u>6,020</u>	(64.3)
Profit attributable to:				
Equity holders of the Company		1,682	5,416	
Non-controlling interests		297	461	
Total comprehensive income attributable to:				
Equity holders of the Company		1,905	5,576	
Non-controlling interests		246	444	
Earnings per share for profit for the period attributable to equity holders of the Company				
Earnings per share currency unit		<u>Cents</u>	<u>Cents</u>	
Basic				
Continuing operations		<u>0.54</u>	<u>1.75</u>	
Diluted				
Continuing operations		<u>0.53</u>	<u>1.72</u>	

B. Condensed Interim Statements of Financial Position

	<u>Notes</u>	<u>Group</u>		<u>Company</u>	
		30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
		\$'000	\$'000	\$'000	\$'000
ASSETS					
<u>Non-current assets</u>					
Plant and equipment	11	4,225	4,898	6	8
Intangible assets	10	24,264	24,530	–	–
Investments in subsidiaries		–	–	19,986	19,986
Deferred tax assets		123	234	–	–
Total non-current assets		28,612	29,662	19,992	19,994
<u>Current assets</u>					
Inventories	13	26,313	34,445	–	–
Trade and other receivables	12	44,094	45,423	15,051	20,600
Prepayments		3,301	2,530	70	119
Other current financial assets		270	270	–	–
Cash and cash equivalents		18,787	23,420	90	106
Total current assets		92,765	106,088	15,211	20,825
Total assets		121,377	135,750	35,203	40,819
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	15	35,216	35,216	35,216	35,216
Treasury shares		(85)	(85)	(85)	(85)
Retained earnings		39,337	45,231	(626)	4,654
Other reserves		(9,241)	(9,464)	–	–
Equity attributable to equity holders of the Company		65,227	70,898	34,505	39,785
Non-controlling interests		2,495	3,568	–	–
Total equity		67,722	74,466	34,505	39,785
<u>Non-current liabilities</u>					
Deferred tax liabilities		942	1,024	–	–
Other financial liabilities, non-current	14	1,257	2,573	–	–
Total non-current liabilities		2,199	3,597	–	–
<u>Current liabilities</u>					
Income tax payable		2,712	2,576	–	–
Other financial liabilities, current	14	10,481	11,541	–	–
Trade and other payables		38,263	43,570	698	1,034
Total current liabilities		51,456	57,687	698	1,034
Total liabilities		53,655	61,284	698	1,034
Total equity and liabilities		121,377	135,750	35,203	40,819

C. Condensed Interim Statements of Changes in Equity

	<u>Share capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Other reserves</u>	<u>Attributable to equity holders of the Company Sub-total</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Group</u>							
Current period:							
Balance at 1 January 2025	35,216	(85)	45,231	(9,464)	70,898	3,568	74,466
Acquisition of non-controlling interests without a change in control (Note 16)	–	–	(2,943)	–	(2,943)	(472)	(3,415)
Total comprehensive income for the period	–	–	1,682	223	1,905	246	2,151
Dividends paid (Note 8)	–	–	(4,633)	–	(4,633)	(847)	(5,480)
Balance at 30 June 2025	<u>35,216</u>	<u>(85)</u>	<u>39,337</u>	<u>(9,241)</u>	<u>65,227</u>	<u>2,495</u>	<u>67,722</u>
Previous period:							
Balance at 1 January 2024	35,216	–	37,765	(9,995)	62,986	2,876	65,862
Share-based payment under Hyphens Share Plan	–	–	–	21	21	–	21
Purchase of treasury shares (Note 15)	–	(85)	–	–	(85)	–	(85)
Total comprehensive income for the period	–	–	5,416	160	5,576	444	6,020
Dividends paid (Note 8)	–	–	(2,656)	–	(2,656)	–	(2,656)
Balance at 30 June 2024	<u>35,216</u>	<u>(85)</u>	<u>40,525</u>	<u>(9,814)</u>	<u>65,842</u>	<u>3,320</u>	<u>69,162</u>

C. Condensed Interim Statements of Changes in Equity (cont'd)

	<u>Share capital</u>	<u>Treasury shares</u>	<u>Retained earnings</u>	<u>Other reserves</u>	<u>Total equity</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Company</u>					
Current period:					
Balance at 1 January 2025	35,216	(85)	4,654	–	39,785
Total comprehensive loss for the period	–	–	(647)	–	(647)
Dividends paid (Note 8)	–	–	(4,633)	–	(4,633)
Balance at 30 June 2025	35,216	(85)	(626)	–	34,505
Previous period:					
Balance at 1 January 2024	35,216	–	2,837	35	38,088
Share-based payment under Hyphens Share Plan	–	–	–	21	21
Purchase of treasury shares (Note 15)	–	(85)	–	–	(85)
Total comprehensive loss for the period	–	–	(323)	–	(323)
Dividends paid (Note 8)	–	–	(2,656)	–	(2,656)
Balance at 30 June 2024	35,216	(85)	(142)	56	35,045

D. Condensed Interim Consolidated Statement of Cash Flows

	<u>Group</u>	
	6 months ended 30 June 2025	6 months ended 30 June 2024
	\$'000	\$'000
<u>Cash flows from operating activities</u>		
Profit before tax	2,885	7,457
Adjustments for:		
Amortisation of intangible assets	517	518
Depreciation of plant and equipment	844	971
Interest income	(41)	(83)
Interest expense	299	199
Gain on disposal of plant and equipment	–	(5)
Share-based payment expenses	–	21
Net effect of exchange rate changes in consolidating foreign operations	123	188
Operating cash flows before changes in working capital	4,627	9,266
Trade and other receivables	1,329	(5,683)
Prepayments	(771)	(114)
Inventories	8,132	(9,062)
Trade and other payables	(5,307)	6,048
Net cash flows from operations	8,010	455
Income taxes paid	(741)	(878)
Net cash provided by (used in) operating activities	7,269	(423)
<u>Cash flows from investing activities</u>		
Acquisition of non-controlling interests (Note 16)	(3,415)	–
Purchase of plant and equipment (Note A)	(173)	(440)
Purchase of intangible assets	(251)	(1,796)
Proceeds from disposal of plant and equipment	–	9
Interest received	41	83
Net cash used in investing activities	(3,798)	(2,144)
<u>Cash flows from financing activities</u>		
Dividends paid to equity owners (Note 8)	(4,633)	(2,656)
Dividends paid to non-controlling interests	(847)	–
Payment of principal portion of lease liabilities	(647)	(660)
Interest paid	(299)	(199)
Proceeds from borrowings	9,900	1,347
Repayment of borrowings	(11,578)	(625)
Purchase of treasury shares (Note 15)	–	(85)
Net cash used in financing activities	(8,104)	(2,878)
Net decrease in cash and cash equivalents	(4,633)	(5,445)
Cash and cash equivalents, at beginning of the period	23,420	23,369
Cash and cash equivalents, at end of the period	18,787	17,924

E. Notes to Condensed Interim Consolidated Statement of Cash Flows

A. Purchase of plant and equipment

	1H2025	1H2024
	\$'000	\$'000
Acquisition of certain assets under plant and equipment under lease contracts	<u>12</u>	<u>797</u>

F. Notes to the Condensed Interim Consolidated Financial Statements

1. General

Hyphens Pharma International Limited (the “Company”) is a public limited company incorporated and domiciled in Singapore. The Company is listed on the Catalist Board of Singapore Exchange Securities Trading Limited.

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2025 are presented in Singapore dollars (which is the Company’s functional currency) and they cover the Company and the subsidiaries (collectively, the “Group”).

The Company’s principal activities are those of an investment holding company and the provision of management services. The principal activities of the subsidiaries are disclosed in Note 4 on segment and revenue information.

2. Basis of preparation

The condensed interim consolidated financial statements for the six months ended 30 June 2025 (“1H2025”) have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2024.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

2.1. New and amended standards adopted by the Group

A number of amendments to SFRS(I)s have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2. Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, revenue and expenses. Actual results could differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- Note 4 – Revenue recognition

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 10 - Assessment of impairment of goodwill
- Note 12 - Expected credit loss allowance on trade receivables
- Note 13 - Allowance on inventories

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is organised into the following main business segments:

- (1) Pharmaceutical and Medical Aesthetics segment ("Pharmaceutical and Medical Aesthetics"), previously named as "Specialty Pharma Principals segment", is in the business of marketing and selling a range of pharmaceutical and medical aesthetics products with exclusivity in the relevant ASEAN countries.
- (2) Proprietary Brands segment ("Proprietary Brands") which is in the business of developing, marketing and selling its own proprietary range of dermatological products and health supplement products.
- (3) Digital Platform and E-Pharmacy segment ("Digital Platform and E-Pharmacy"), previously named as "Medical Hypermart and Digital segment", is a digital platform servicing procurement needs of healthcare professionals, healthcare institutions and retail pharmacies, primarily in Singapore.

These operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision maker who is responsible for allocating resources and assessing performance of the operating segments. They are managed separately because each business requires different strategies.

4.1 Reportable segments

4.1.1 Profit or loss from continuing operations and reconciliations

	<u>Pharmaceutical and Medical Aesthetics</u>		<u>Proprietary Brands</u>		<u>Digital Platform and E-Pharmacy</u>		<u>Unallocated</u>		<u>Total</u>	
	<u>1H2025</u>	<u>1H2024</u>	<u>1H2025</u>	<u>1H2024</u>	<u>1H2025</u>	<u>1H2024</u>	<u>1H2025</u>	<u>1H2024</u>	<u>1H2025</u>	<u>1H2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Revenue by segment										
Total revenue by segment	51,688	63,705	17,458	14,256	20,400	21,687	–	–	89,546	99,648
Total revenue	51,688	63,705	17,458	14,256	20,400	21,687	–	–	89,546	99,648
EBITDA	3,890	8,521	2,614	2,555	227	(675)	(2,186)	(1,256)	4,545	9,145
Finance costs	–	–	–	–	–	–	(299)	(199)	(299)	(199)
Depreciation and amortisation	(310)	(306)	(206)	(212)	–	–	(845)	(971)	(1,361)	(1,489)
Profit (loss) before tax	3,733	7,590	1,181	2,174	(447)	(701)	(1,582)	(1,606)	2,885	7,457
Income tax expense									(906)	(1,580)
Profit net of tax									1,979	5,877

The unallocated expenses mainly included the Group's headquarters expenses such as employee benefits expenses, statutory and regulatory expenses and foreign exchange translation losses (Note 6.1). Foreign exchange differences are not reported as part of operating segments as they are considered as financial items.

4.1.2 Assets and reconciliations

	<u>Pharmaceutical and Medical Aesthetics</u>		<u>Proprietary Brands</u>		<u>Digital Platform and E-Pharmacy</u>		<u>Unallocated</u>		<u>Total</u>	
	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>	<u>30 Jun 2025</u>	<u>31 Dec 2024</u>
	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
Total assets for reportable segments	49,858	60,715	32,108	30,801	9,934	10,848	–	–	91,900	102,364
Unallocated:										
Plant and equipment	–	–	–	–	–	–	4,225	4,898	4,225	4,898
Prepayments	–	–	–	–	–	–	3,301	2,530	3,301	2,530
Other receivables	–	–	–	–	–	–	2,894	2,268	2,894	2,268
Other financial assets	–	–	–	–	–	–	270	270	270	270
Cash and cash equivalents	–	–	–	–	–	–	18,787	23,420	18,787	23,420
Total Group assets	49,858	60,715	32,108	30,801	9,934	10,848	29,477	33,386	121,377	135,750

4.1.3 Liabilities and reconciliations

	<u>Pharmaceutical and Medical Aesthetics</u>		<u>Proprietary Brands</u>		<u>Digital Platform and E-Pharmacy</u>		<u>Unallocated</u>		<u>Total</u>	
	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total liabilities for reportable segments	19,351	26,785	4,084	2,568	10,943	9,202	–	–	34,378	38,555
Unallocated:										
Deferred and current tax liabilities	–	–	–	–	–	–	3,654	3,600	3,654	3,600
Other financial liabilities	–	–	–	–	–	–	11,738	14,114	11,738	14,114
Trade and other payables	–	–	–	–	–	–	3,885	5,015	3,885	5,015
Total Group liabilities	19,351	26,785	4,084	2,568	10,943	9,202	19,277	22,729	53,655	61,284

4.1.4 Other material items and reconciliations

	<u>Pharmaceutical and Medical Aesthetics</u>		<u>Proprietary Brands</u>		<u>Digital Platform and E-Pharmacy</u>		<u>Unallocated</u>		<u>Total</u>	
	1H2025	1H2024	1H2025	1H2024	1H2025	1H2024	1H2025	1H2024	1H2025	1H2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Allowance for impairment on trade receivables and inventories loss	2,266	175	523	234	(106)	195	–	–	2,683	604
Expenditures for non-current assets	28	141	224	1,655	–	–	184	1,237	436	3,033

4.2 Disaggregation of revenue

	<u>Group</u>	
	1H2025	1H2024
	\$'000	\$'000
<i>Types of goods or service:</i>		
Sale of goods	89,187	99,183
Commission income	228	218
Marketing services fee and advertisement	120	239
Other revenue	11	8
Total revenue	89,546	99,648
<i>Geographical information:</i>		
Singapore	46,997	45,855
Vietnam	20,101	31,813
Malaysia	12,716	12,953
Others	9,732	9,027
Total revenue	89,546	99,648

Judgement is required in determining when the control of the inventories have passed to the distributors. Management has reviewed the Group's distribution agreements and arrangements with the distributors and concluded that the control of the inventories is passed to the distributors upon delivery unless for those inventories specified under consignment arrangements. The distributors are considered as a principal and not an agent because the distributors are independent operating parties that bear both the credit risk of their customers and inventory risk of the purchased goods. Accordingly, revenue is recognised based on point in time when delivery of goods has been made.

5. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2025 and 31 December 2024:

	<u>Group</u>		<u>Company</u>	
	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
	\$'000	\$'000	\$'000	\$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	63,151	68,843	15,141	20,706
Financial assets at fair value through profit and loss	270	270	–	–
	63,421	69,113	15,141	20,706
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	50,001	57,684	698	1,034
	50,001	57,684	698	1,034

6. Profit before taxation

6.1 Significant items

	<u>Group</u>	
	1H2025	1H2024
	\$'000	\$'000
<i>Income</i>		
Government grants	212	217
Interest income	41	83
<i>Expenses</i>		
Advertising and promotional expenses	3,728	3,768
Allowance for impairment on trade receivables	8	55
Allowance for inventories obsolescence	2,149	343
Depreciation and amortisation	1,361	1,489
Employee benefits expenses	15,558	14,299
Foreign exchange translation losses	1,993	814
Inventories written off	526	206
Research and development expenses	72	131

6.2 Related party transactions

There are no material related party transactions apart from those disclosed above and elsewhere in the financial statements. Intragroup transactions and balances that have been eliminated in these consolidated financial statements.

7. Taxation

Components of income tax expense recognised in profit or loss:

	<u>Group</u>	
	1H2025	1H2024
	\$'000	\$'000
<u>Current tax expense (income)</u>		
Current tax expense	1,104	1,706
Over adjustment in respect of prior periods	(226)	–
<u>Deferred tax expense (income)</u>		
Deferred tax expense (income)	28	(126)
Total income tax expense	906	1,580

8. Dividends

	<u>Group</u>	
	1H2025	1H2024
	\$'000	\$'000
Dividends paid during the reporting period:		
Paid by the Company to owners of the Company		
Final exempt (1-tier) dividends paid of 1.50 cents (1H2024: 0.86 cents) per share	4,633	2,656

No dividend has been declared or recommended for the current reporting period. On the grounds of prudence, the Board will review the dividend pay-out after close of the financial year.

9. Net asset value

	<u>Group</u>		<u>Company</u>	
	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
Net asset value per ordinary share (Singapore cents per share)	21.12	22.95	11.17	12.88

10. Intangible assets

	<u>Group</u>		
	Goodwill	Distribution rights and trademarks	Total
	\$'000	\$'000	\$'000
At 31 December 2024			
Cost	16,389	13,982	30,371
Accumulated impairment and amortisation	(993)	(4,848)	(5,841)
Net book value at 31 December 2024	15,396	9,134	24,530
6 months ended 30 June 2025			
<i>Cost:</i>			
As at 1 January 2025	16,389	13,982	30,371
Additions	–	251	251
Balance at 30 June 2025	16,389	14,233	30,622
<i>Accumulated impairment and amortisation:</i>			
As at 1 January 2025	993	4,848	5,841
Amortisation for the period	–	517	517
Balance at 30 June 2025	993	5,365	6,358
Net book value at 30 June 2025	15,396	8,868	24,264

10. Intangible assets (cont'd)

10.1 Goodwill

There was no movement in the amount of goodwill during the current reporting period. In assessing the goodwill impairment, management has determined the recoverable amount of the cash generating unit as at 30 June 2025 based on its value in use. Value in use was determined by discounting the future cash flows similar to the 31 December 2024 goodwill impairment test. There is no change to the key assumptions used.

11. Plant and equipment

	<u>Group</u>				
	Plant and equipment \$'000	Hardware and software \$'000	Fixtures and equipment \$'000	Motor vehicles \$'000	Total \$'000
<u>Cost:</u>					
At 1 January 2024	4,812	1,751	3,705	367	10,635
Additions	874	819	319	45	2,057
Disposals	(425)	(115)	(135)	(46)	(721)
Foreign exchange adjustments	7	3	5	–	15
At 31 December 2024	5,268	2,458	3,894	366	11,986
Additions	12	123	33	17	185
Disposals	–	(2)	–	–	(2)
Foreign exchange adjustments	(18)	(3)	(3)	(8)	(32)
At 30 June 2025	5,262	2,576	3,924	375	12,137
<u>Accumulated depreciation:</u>					
At 1 January 2024	1,167	1,068	3,402	134	5,771
Depreciation for the year	1,544	234	164	70	2,012
Disposals	(425)	(115)	(130)	(46)	(716)
Foreign exchange adjustments	12	2	7	–	21
At 31 December 2024	2,298	1,189	3,443	158	7,088
Depreciation for the period	589	149	69	37	844
Disposals	–	(2)	–	–	(2)
Foreign exchange adjustments	(11)	(2)	(2)	(3)	(18)
At 30 June 2025	2,876	1,334	3,510	192	7,912
<u>Carrying value:</u>					
At 1 January 2024	3,645	683	303	233	4,864
At 31 December 2024	2,970	1,269	451	208	4,898
At 30 June 2025	2,386	1,242	414	183	4,225

11. Plant and equipment (cont'd)

	<u>Company</u>		
	Hardware and software \$'000	Fixtures and equipment \$'000	Total \$'000
<u>Cost:</u>			
At 1 January 2024	15	221	236
Additions	4	–	4
At 31 December 2024	19	221	240
Disposals	(2)	–	(2)
At 30 June 2025	17	221	238
<u>Accumulated depreciation:</u>			
At 1 January 2024	6	221	227
Depreciation for the year	5	–	5
At 31 December 2024	11	221	232
Depreciation for the period	2	–	2
Disposals	(2)	–	(2)
At 30 June 2025	11	221	232
<u>Carrying value:</u>			
At 1 January 2024	9	–	9
At 31 December 2024	8	–	8
At 30 June 2025	6	–	6

12. Trade and other receivables

	<u>Group</u>		<u>Company</u>	
	30 Jun 2025 \$'000	31 Dec 2024 \$'000	30 Jun 2025 \$'000	31 Dec 2024 \$'000
<u>Trade receivables:</u>				
Outside parties	41,498	43,445	–	–
Less allowance for impairment	(298)	(290)	–	–
Subsidiaries	–	–	64	430
Net trade receivables - subtotal	41,200	43,155	64	430
<u>Other receivables:</u>				
Staff advances	49	13	–	–
Deposits to secure services	730	699	–	–
Subsidiaries	–	–	14,947	20,130
Goods and services tax receivables	172	136	–	–
Other receivables	1,943	1,420	40	40
Other receivables – subtotal	2,894	2,268	14,987	20,170
Total trade and other receivables	44,094	45,423	15,051	20,600

12. Trade and other receivables (cont'd)

	<u>Group</u>		<u>Company</u>	
	30 Jun 2025 \$'000	31 Dec 2024 \$'000	30 Jun 2025 \$'000	31 Dec 2024 \$'000
Movements in above allowance:				
At beginning of the period/year	290	214	–	–
Allowance charged to profit or loss included in other losses	8	76	–	–
At end of the period/year	<u>298</u>	<u>290</u>	<u>–</u>	<u>–</u>

The expected credit losses (“ECL”) on the above trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all trade receivables recognised from initial recognition of these assets. These assets are grouped based on shared credit risk characteristics and the days past due for measuring the ECL. The allowance matrix is based on the historical observed default rates (over a period of 36 months) over the expected life of the trade receivables and is adjusted for forward-looking. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The receivables have common risk characteristics as compared to previous years. There were no significant bad debts noted in the previous years. The Group assesses the credit risk of major customers and risk of default rates of the customers using audited financial statements, management accounts, and available press information about the customers and applying experienced credit judgement.

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period. There is no collateral held as security and other credit enhancements for the trade receivables.

13. Inventories

	<u>Group</u>	
	30 Jun 2025 \$'000	31 Dec 2024 \$'000
Raw materials and supplies	1,342	1,184
Finished goods and goods for resale ⁽¹⁾	24,971	33,261
	<u>26,313</u>	<u>34,445</u>
Inventories are stated after allowance.		
Movement in allowance:		
At beginning of the year	1,089	817
Charge to profit or loss included in other losses	2,149	489
Used	(73)	(217)
At end of the period/year	<u>3,165</u>	<u>1,089</u>
The amount of inventories included in cost of sales	53,942	124,899
The inventories written off charged to profit or loss included in other losses	<u>526</u>	<u>774</u>

13. Inventories (cont'd)

Management applied judgement in determining the appropriate allowance for inventories by taking into consideration various factors, including the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories.

There are no inventories pledged as security for liabilities.

(1) Included in finished goods and goods for resale are inventories under consignment with distributors amounted to \$2,455,000 (31 December 2024: \$8,168,000).

14. Other financial liabilities

	Group			
	30 Jun 2025		31 Dec 2024	
	Secured	Unsecured	Secured	Unsecured
	\$'000	\$'000	\$'000	\$'000
Repayable in one year or less, or on demand:				
Bank borrowings	–	9,150	–	10,259
Lease liabilities	30	1,301	45	1,237
Subtotal	<u>30</u>	<u>10,451</u>	<u>45</u>	<u>11,496</u>
Repayable after one year:				
Bank borrowings	–	104	–	729
Lease liabilities	4	1,149	13	1,831
Subtotal	<u>4</u>	<u>1,253</u>	<u>13</u>	<u>2,560</u>
Total	<u>34</u>	<u>11,704</u>	<u>58</u>	<u>14,056</u>

Details of any collaterals:

All banking facilities are covered by corporate guarantee provided by the Company and its subsidiaries Hyphens Pharma Pte. Ltd. or Pan-Malayan Pharmaceuticals Pte Ltd.

Secured lease liabilities relate to leased assets under finance leases. All leases are on fixed repayment basis and no arrangements have been entered into for contingent rental payments. The obligations under finance leases are secured by the lessor's charge over the leased assets.

15. Share capital

	<u>Group and Company</u>			
	<u>Number of</u>	<u>Share</u>	<u>Treasury</u>	<u>Total</u>
	<u>shares issued</u>	<u>capital</u>	<u>shares</u>	<u>Total</u>
	<u>'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
<u>Ordinary shares of no par value:</u>				
Balance at 1 January 2024	309,198	35,216	–	35,216
Purchase of treasury shares	<u>(321)</u>	<u>–</u>	<u>(85)</u>	<u>(85)</u>
Balance at 31 December 2024 and 30 June 2025	<u>308,877</u>	<u>35,216</u>	<u>(85)</u>	<u>35,131</u>

During 2024, the Company purchased 321,200 treasury shares.

There has been no change in the Company's share capital since 31 December 2024.

The total number of issued shares as at 30 June 2025 was 309,198,200 (31 December 2024: 309,198,200), of which 321,200 were held by the Company as treasury shares (30 June 2024 and 31 December 2024: 321,200).

The treasury shares held by the Company represented 0.1% of the total number of issued shares (excluding treasury shares) as at 30 June 2025 and 31 December 2024.

The Company did not hold any other convertible instruments as at 30 June 2025, 31 December 2024 and 30 June 2024.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2025, 31 December 2024 and 30 June 2024.

16. Acquisition of non-controlling interests ("NCI")

On 9 May 2025, the Group acquired an additional 17% interest in Ardence Pharma Sdn. Bhd. ("Ardence Pharma"), increasing its ownership from 65% to 82%. The carrying amount of Ardence Pharma's net assets in the Group's consolidated financial statements on the date of the acquisition was \$2,776,000.

	\$'000
Carrying amount of NCI acquired	472
Consideration paid to NCI	3,415
Decrease in equity attributable to owners of the Company	<u>(2,943)</u>

17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

G. Other Information Required by Appendix 7C of the Catalyst Rules

1. Review

The condensed interim statements of financial position of Hyphens Pharma International Limited (the “Company”) and its subsidiaries (collectively, the “Group”) as at 30 June 2025 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

The Group’s latest audited financial statements for the financial year ended 31 December 2024 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group’s business.

Consolidated Statement of Comprehensive Income

1H2025 compared to 1H2024

	1H2025	1H2024	Change
	\$'000	\$'000	%
Revenue by business segments			
Pharmaceutical and Medical Aesthetics	51,688	63,705	(18.9)
Proprietary Brands	17,458	14,256	22.5
Digital Platform and E-Pharmacy	20,400	21,687	(5.9)
	<u>89,546</u>	<u>99,648</u>	(10.1)

	1H2025	1H2024	Change
	\$'000	\$'000	%
Revenue by geographical locations			
Singapore	46,997	45,855	2.5
Vietnam	20,101	31,813	(36.8)
Malaysia	12,716	12,953	(1.8)
Others	9,732	9,027	7.8
	<u>89,546</u>	<u>99,648</u>	(10.1)

Consolidated Statement of Comprehensive Income (cont'd)

1H2025 compared to 1H2024 (cont'd)

Revenue

The Group's revenue reduced by 10.1% or \$10.1 million from \$99.6 million in 1H2024 to \$89.5 million in 1H2025.

The drop in revenue was attributable to reduced revenue in both Pharmaceutical and Medical Aesthetics segment and Digital Platform and E-pharmacy segment, mitigated by increased revenue in Proprietary Brands segment:

- Revenue from Pharmaceutical and Medical Aesthetics segment decreased by 18.9%, due to the following reasons:
 - transition of the brand Vivomixx® to Visipro®. The sales of Vivomixx® is classified under Pharmaceutical and Medical Aesthetics segment, while the sale of Visipro® is classified under Proprietary Brands segment*;
 - Fenosup® which was previously classified under Pharmaceutical and Medical Aesthetics segment is classified under Proprietary Brands segment during 1H2025*;
 - reduction in sales in Vietnam.
- Digital Platform and E-Pharmacy segment revenue dropped marginally by 5.9%, reflecting the Group's strategy to improve portfolio mix to achieve higher gross profit margin.
- Revenue from Proprietary Brands segment grew by 22.5%, contributed by expansion of portfolio (Visipro® and Fenosup®) and higher demand for Ceradan® dermatological products and Ocean Health® health supplements.

* Please refer to Item 4 of this Section G for further details.

Gross profit

Gross profit increased by 1.5% or \$0.5 million from \$34.8 million in 1H2024 to \$35.3 million in 1H2025.

Gross profit margin has improved by 4.5% as compared to 1H2024 from 34.9% in 1H2024 to 39.4% in 1H2025 due to change in sales mix. The Group has made a conscious effort to grow its product portfolios with a focus on higher gross profit margins.

Other income and gains

Other income and gains decreased by 17.0% or \$52,000 from \$305,000 in 1H2024 to \$253,000 in 1H2025 due to reduced interest income.

Distribution costs

Distribution costs increased by 6.4% or \$1.1 million from \$18.7 million in 1H2024 to \$19.8 million in 1H2025 mainly due to continued investment in human capital to support our long-term growth strategy and new product launch expenses relating to Winlevi®.

Consolidated Statement of Comprehensive Income (cont'd)

1H2025 compared to 1H2024 (cont'd)

Administrative expenses

Administrative expenses increased by 6.8% or \$0.5 million from \$7.4 million in 1H2024 to \$7.9 million in 1H2025 primarily driven by higher IT related costs and increased headcount to support business growth.

Other losses

Other losses increased by 229.3% or \$3.3 million from \$1.4 million in 1H2024 to \$4.7 million in 1H2025, mainly due to increased foreign exchange translation losses and inventory obsolescence provision. Strengthened EUR coupled with weakened IDR and VND had resulted in the foreign exchange losses of \$2.0 million in 1H2025 (1H2024: \$0.8 million).

During current period, the Group has made an inventory obsolescence provision of \$2.0 million for the current high stock holding of Sterimar®. In FY 2023, there were stockout issues for this brand, which led to a mismatch with the expected surge in demand, resulting in excess stock of Sterimar® built up in FY 2024. The Group has prudently decided to make provisions for the excessive stocks that may be subject to write-off.

Profit before tax

Profit before tax reduced by 61.3% or \$4.6 million from \$7.5 million in 1H2024 to \$2.9 million in 1H2025, mainly due to increased distribution costs, administrative expenses and other losses, partially offset by the improved gross profit margin.

Income tax expense

Income tax expense decreased by \$0.7 million from \$1.6 million in 1H2024 to \$0.9 million in 1H2025 as a result of lower profit for the period.

Profit after tax

As a result of the foregoing, the Group's net profit after tax reduced by 66.3% or \$3.9 million, from \$5.9 million in 1H2024 to \$2.0 million in 1H2025.

Consolidated Statements of Financial Position

The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 30 June 2025 and 31 December 2024.

Non-current assets

The Group's non-current assets decreased by \$1.1 million from \$29.7 million as at 31 December 2024 to \$28.6 million as at 30 June 2025 primarily due to depreciation of plant and equipment of \$0.8 million, amortisation of distribution rights and trademarks of \$0.5 million, partially offset by the acquisition of trademarks and in-licencing rights as well as plant and equipment of \$0.4 million.

Current assets

The Group's current assets decreased by \$13.3 million from \$106.1 million as at 31 December 2024 to \$92.8 million as at 30 June 2025 mainly due to decrease in inventories by \$8.1 million, cash and cash equivalents by \$4.6 million and trade and other receivables by \$1.3 million, partially offset by increase in prepayments by \$0.8 million.

Non-current liabilities

The Group's non-current liabilities decreased by \$1.4 million from \$3.6 million as at 31 December 2024 to \$2.2 million as at 30 June 2025 mainly due to the recognition of the current portion of loan and lease liabilities under current liabilities.

Current liabilities

The Group's current liabilities decreased by \$6.2 million from \$57.7 million as at 31 December 2024 to \$51.5 million as at 30 June 2025. This was mainly attributable to the decrease in trade and other payables by \$5.3 million and decrease in financial liabilities by \$1.0 million.

Consolidated Statements of Cash Flows

1H2025

The Group generated net cash of \$7.3 million from operating activities in 1H2025, mainly due to operating cash flows before changes in working capital of \$4.6 million and net working capital inflows of \$3.4 million, partially offset by income taxes paid of \$0.7 million.

The net working capital inflows were attributable to (i) decrease in inventories of \$8.1 million, (ii) increase in trade and other receivables of \$1.3 million, partially offset by (iii) decrease in trade and other payables of \$5.3 million and (iv) increase in prepayments of \$0.8 million.

Net cash flows used in investing activities amounted to \$3.8 million during 1H2025, mainly attributable to (i) acquisition cost of \$3.4 million for 17% stake in Ardence Pharma, and (ii) plant and equipment addition and acquisition of trademark and in-licensing rights.

Net cash flows used in financing activities amounted to \$8.1 million during 1H2025, resulting mainly from (i) repayment of borrowings of \$11.6 million, (ii) dividend payment of \$5.5 million, and, partially offset by (iii) proceeds from borrowings of \$9.9 million.

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

There was no forecast or a prospect statement.

4. 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

Growing Our Proprietary Brands

Growing Hyphens' Proprietary Brands and unlocking their long-term brand value remains a core strategic pillar for the Group. From 1 January 2025, we have made notable progress in expanding both our portfolio and market reach.

In July 2025, we successfully launched Winlevi®, a novel topical acne treatment, in Singapore and Malaysia. Winlevi® represents a significant addition to our dermatology portfolio and further strengthens our positioning in the region's medical dermatology segment. Hyphens have obtained exclusive license and supply rights across 10 ASEAN countries. Registration in other Southeast Asian markets is currently underway.

We have also expanded our proprietary brand portfolio with the acquisitions of two trademarks, which were previously classified under our pharmaceutical and medical aesthetics portfolio:

- Visiopro®, previously marketed as Vivomixx®, with trademark obtained in Singapore.
- Fenosup® has been reclassified from the Pharmaceutical and Medical Aesthetics segment to the Proprietary Brands segment to better reflect our strategic approach to intellectual property ownership. Historically, our portfolio included relatively few products over which we held full or partial ownership through trademark rights. However, with the increasing number of such cases, we recognise the importance of intellectual property ownership as a distinct and valuable asset, warranting a distinct classification under Proprietary Brands.

These additions represent our continued commitment to building a robust and defensible portfolio of proprietary brands. We are confident in their long-term commercial potential and synergistic fit with our existing therapeutic focus areas.

Strengthening Pharmaceutical and Medical Aesthetics Portfolio

Our Pharmaceutical and Medical Aesthetics business remains a key contributor to Group revenue and a significant driver of overall profitability. In the first half of 2025, we continued to focus on refining our product mix to achieve improved profit margins.

Our Medical Aesthetics portfolio continues to grow at a remarkable pace, supported by robust demand across multiple ASEAN markets. We are encouraged by the sustained momentum and growing market acceptance of our offerings in this high-potential segment.

Beyond driving profitability, we are also actively renewing and optimizing our portfolio to ensure strategic fit, operational focus, and long-term value creation.

In March 2025, the Group has entered into a marketing and distribution agreement with medac Gesellschaft für klinische Spezialpräparate m.b.H. ("medac") for the exclusive rights to register and commercialise Metoject® subcutaneous autoinjector pen in Singapore, Malaysia, the Philippines, and Vietnam for the treatment of rheumatoid arthritis and plaque psoriasis.

As part of our ongoing portfolio optimisation, and by mutual and amicable agreement with Laboratoires Gilbert S.A.S., the Group will discontinue the distribution of Physiolac®, an infant formula, in Cambodia and Myanmar. The gross profit contribution from Physiolac® in these markets accounted for less than 1% of the Group's total gross profit and is therefore not expected to have any material impact on the Group's financial performance.

Going Digital

Our digital transformation continues to be led by DocMed Technology Pte Ltd (“DocMed”), which has been managing and improving its pharmaceutical product marketplace (“POM”) and WellAway platforms.

In July 2025, we launched the latest version of POM, a significant upgrade to our digital business-to-business (“B2B”) pharmaceutical platform. Unlike earlier versions, which focused primarily on transactions, the new POM centres on deeper engagement with healthcare professionals through interactive features, educational content, and community building.

We will continue to improve the operational efficiency of DocMed, by streamlining processes, optimising resource allocation, and strengthening platform performance to support scalable and sustainable growth.

Expanding through Acquisitions

Strategic acquisitions continue to be a cornerstone of Hyphens’ growth strategy, enhancing our market position, capabilities, and product offerings across the ASEAN region. During 1H2025, the Group successfully completed Tranche 2 of its acquisition of Ardence Pharma, acquiring an additional 17% of the company and increasing our total stake in Ardence Pharma to 82%.

Ardence Pharma, a boutique specialist in medical aesthetics, has delivered a significant performance since our initial acquisition. The increased shareholding reinforces our control, and strengthens the synergy between Hyphens’ regional presence and Ardence Pharma’s established clinic networks. Ardence Pharma is expected to contribute meaningfully to the Group’s long-term earnings and growth potential.

We remain committed to pursuing prudent and accretive acquisition opportunities to drive business expansion and deliver sustainable value to our stakeholders.

Navigating a Challenging Business Environment

Looking ahead, we expect the operating environment to remain challenging due to the combination of external macroeconomic and geopolitical pressures. Ongoing geopolitical tensions and rising trade protectionism have continued to weigh on global supply chains and regional trade flows, contributing to higher input and logistics costs.

A key challenge for the Group during the first half of 2025 was the drastic depreciation of local ASEAN currencies against the EUR, which is our primary payment currency for supplier transactions. This currency mismatch has impacted our gross margins, as procurement is largely denominated in foreign currency while sales are in local currencies. We need to be diligent in managing the recent currency volatility and will continue to explore ways to mitigate its impact through pricing strategies, cost optimisation, and operational efficiency.

In addition, global inflationary pressures and elevated manufacturing costs have led to sustained increases in procurement prices from our principals. We are actively working with our partners to optimise cost structures and improve operational efficiency to mitigate these headwinds. However, these external factors are expected to remain a drag on margins in the near term.

Despite the challenges, we remain committed to maintaining financial discipline, leveraging our diversified portfolio, and executing our long-term strategy to deliver sustainable value to our stakeholders. We will continue to engage our investment community proactively to unlock shareholder value and remain confident in our ability to navigate volatility with resilience and focus.

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

The Group does not have a general mandate from shareholders for interested person transactions.

- 6. Dividend**

- (a) Any dividend declared for the current financial period reported on?**

No dividend has been declared or recommended for 1H2025. On the grounds of prudence, the Board will review the dividend pay-out after close of the financial year.

- (b) Corresponding period of the immediately preceding financial year**

No.

- (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.)**

Not applicable.

- (d) Date payable**

Not applicable.

- (e) Record date**

Not applicable.

- 7. Negative confirmation of Interim Financial Results pursuant to Rule 705(5) of the Catalist Rules**

The Board of Directors of the Company confirms that to the best of their knowledge, nothing has come to their attention which may render the unaudited financial statements of the Company and the Group for 1H2025 to be false or misleading in any material aspect.

- 8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7(H) under Rule 720(1) of the Catalist Rules**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Rules.

9. Disclosures on acquisition or sale of shares pursuant to Rule 706A of the Catalist Rules

The Group has completed the Tranche 2 acquisition of Ardence Pharma on 9 May 2025. Accordingly, subsequent to the Tranche 2 Completion, the latest shareholding held by the Group in Ardence Pharma is 82%. Please refer to announcements dated 17 October 2023, 19 October 2023, 8 November 2023 and 9 May 2025 for more information.

BY ORDER OF THE BOARD

Flora Zhang
Chief Financial Officer

13 August 2025

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Lee Khai Yinn (Tel: (65) 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

Media Release

Hyphens Pharma records S\$2.0 million net profit for 1H2025

- Proprietary brands achieve 22.5% sales growth with portfolio expansion
- The Group remains resilient amid headwinds, with cost control, operational efficiency and portfolio optimisation remaining priorities

Singapore, 13 August 2025 – Hyphens Pharma International Limited (“Hyphens Pharma”, “凯帆药剂国际有限公司”, or the “Company”, and together with its subsidiaries, the “Group”), Singapore’s leading specialty pharmaceutical and consumer healthcare group, today announced its results for the six months ended 30 June 2025 (“1H2025”).

Financial Highlights			
S\$ million	1H2025	1H2024	Change (%)
Revenue	89.5	99.6	(10.1)
Gross Profit	35.3	34.8	1.5
GP Margin (%)	39.4	34.9	4.5 ppt
Profit Before Tax	2.9	7.5	(61.3)
Profit After Tax	2.0	5.9	(66.3)
PAT Margin (%)	2.2	5.9	(3.7 ppt)

Commenting on the 1H2025 results, **Mr Lim See Wah (林世华), Executive Chairman and CEO of Hyphens Pharma said:** “While we are not directly exposed to US tariffs, the current external macroeconomic and geopolitical uncertainties have caused inflationary pressures and a drastic depreciation of ASEAN currencies against the EUR, all of which has unfortunately adversely impacted us. We will continue to be diligent in managing the impact of foreign exchange volatility and increased procurement pricing. We are

consciously making efforts to optimise our sales mix, which contributed to our improved gross profit and gross profit margin for 1H2025. We continue to build our future with the launch of new products like Winlevi® and others in our product registration pipeline. Our medical aesthetics business continues to show promising growth as we invest in its geographical expansion, and we will continue to improve DocMed's operational efficiency to support its scalable and sustainable growth. Despite the challenging business environment, we remain committed to leveraging our diversified portfolio, maintaining financial discipline and executing our long-term strategy to deliver sustainable value to our stakeholders. We will continue to proactively engage the investment community to unlock shareholder value and are confident in our ability to navigate this current market volatility with resilience and focus."

Financial Review

In 1H2025, the Group recorded a 10% decrease in revenue to S\$89.5 million from S\$99.6 million in the six months ended 30 June 2024 ("1H2024"). The revenue decrease was due to reduced revenue from the Pharmaceutical and Medical Aesthetics segment and Digital Platform and E-pharmacy segment, which was mitigated by the revenue increase in the Proprietary Brands segment.

The 18.9% revenue decrease in the Pharmaceutical and Medical Aesthetics segment was mainly due to lower sales in Vietnam and the reclassification of Visiopro® and Fenosup® under the Proprietary Brands segment. The Digital Platform and E-Pharmacy segment saw a marginal revenue decrease of 5.9%, this reflects the Group strategy to improve portfolio mix to achieve higher gross profit margin. The Proprietary Brands segment grew by 22.5%, with the expansion of its portfolio with the addition of Visiopro® and Fenosup®, and higher demand for Ceradan® dermatological products and Ocean Health® health supplements.

However, overall gross profit rose 1.5% to S\$35.3 million in 1H2025, with gross profit margins improving from 34.9% to 39.4% for the period under review, due to sales mix optimisation with the Group's conscious effort to grow its portfolio with a focus on higher profit margin products.

Segmental Revenue			
S\$ million	1H2025	1H2024	Change (%)
Pharmaceutical and Medical Aesthetics	51.7	63.7	(18.9)
Proprietary Brands	17.4	14.2	22.5
Digital Platform and E-Pharmacy	20.4	21.7	(5.9)
Total	89.5	99.6	(10.1)

Distribution costs increased by 6.4% to S\$19.8 million in 1H2025 due to the Group's continued investment in human capital to support its long-term growth strategy and new product launch expenses for Winlevi®. Administrative expenses rose by 6.8% to S\$7.9 million in 1H2025, primarily driven by higher IT-related costs and increased headcount to support business growth initiatives. Other losses went up to S\$4.7 million in 1H2025 from \$1.4 million in the prior period, mainly attributed to foreign exchange translation losses of S\$2.0 million resulting from the strengthened EUR coupled with a weakened IDR and VND, as well as a S\$2.0 million provision for inventory obsolescence of Sterimar®.

As a result of the above, particularly with the substantial foreign exchange translation and one-off inventory obsolescence provision, the Group's net profit after tax declined by 66.3% to S\$2.0 million in 1H2025 from S\$5.9 million in 1H2024, which translated to a basic earnings per share of 0.54 Singapore cents for 1H2025 (1H2024: 1.75 Singapore cents).

In 1H2025, the Group generated S\$7.3 million in net cash from operating activities, representing a significant year-on-year improvement and reflecting the Group's ongoing efforts to enhance working capital efficiency.

Business Outlook

Growing the Proprietary Brands

Growing Hyphens Pharma's proprietary brands and unlocking their long-term value remains a core strategic pillar, and in 2025 to date, the Group has made notable progress expanding both its portfolio and market reach.

In July 2025, the Group successfully launched Winlevi®, a novel topical acne treatment, in Singapore and Malaysia, which significantly strengthens its dermatology portfolio and regional medical dermatology positioning. The Group has exclusive license and supply rights for Winlevi® across 10 ASEAN countries and registrations in the other ASEAN markets is underway.

The Group also expanded its proprietary brand portfolio with two trademark acquisition which were previously classified under Pharmaceutical and Medical Aesthetics segment:

- Visiopro® (previously marketed as Vivomixx®) – Singapore trademark
- Fenosup® – reclassified to the Proprietary Brands segment to better reflect our strategic approach to intellectual property ownership.

These additions demonstrate a continued commitment to building a robust proprietary brand portfolio with a strong long-term commercial potential and synergistic fit for the Group's existing therapeutic focus areas.

Strengthening the Pharmaceutical and Medical Aesthetics Portfolio

The Pharmaceutical and Medical Aesthetics business remains a key revenue contributor and profitability driver, and in 1H2025, the Group focused on refining its product mix to improve profit margins. Beyond driving profitability, the Group is also actively renewing and optimising its portfolio to ensure strategic fit, operational focus, and long-term value creation.

The Medical Aesthetics portfolio continues growing at a remarkable pace, supported by robust ASEAN market demand. The Group is encouraged by the sustained momentum and growing market acceptance of its product offerings in this high-potential segment.

In March 2025, the Group entered a marketing and distribution agreement with medac Gesellschaft für klinische Spezialpräparate m.b.H. for exclusive rights to register and commercialise the Metoject® subcutaneous autoinjector pen in Singapore, Malaysia, the Philippines, and Vietnam for rheumatoid arthritis and plaque psoriasis treatment.

The Group will discontinue its distribution of Physirolac® infant formula in Cambodia and Myanmar by mutual and amicable agreement with Laboratoires Gilbert S.A.S. as part of its ongoing portfolio optimisation. As the gross profit contribution of Physirolac® in these markets is less than 1% of total gross profit, the discontinuation is not expected to have any material impact on the Group's profitability.

Going Digital

The Group's digital transformation continues through its subsidiary, DocMed Technology Pte Ltd ("**DocMed**"), which has been managing and improving its pharmaceutical product marketplace ("**POM**")¹ and WellAway² platforms. The Group will continue improving DocMed's operational efficiency by streamlining processes and optimising resource allocation to support scalable and sustainable growth.

In July 2025, the Group launched its latest POM version, which is a significant upgrade of its digital B2B pharmaceutical platform. Unlike earlier transaction-focused versions, the new POM centres on deeper healthcare professional engagement through interactive features, educational content, and community building.

Expanding through Acquisitions

Strategic acquisitions remain a cornerstone to the Group's growth strategy by enhancing its market position, capabilities and offerings across ASEAN. The Group remains committed to pursuing prudent, accretive acquisitions to drive expansion and deliver sustainable stakeholder value.

During 1H2025, the Group completed Tranche 2 of its Ardence Pharma Sdn Bhd ("**Ardence Pharma**") acquisition, acquiring an additional 17% shareholding and increasing its total stake in Ardence Pharma to 82%. Ardence Pharma, a medical aesthetics specialist, has delivered significant performance since its initial acquisition. The increased shareholding strengthens synergies between the Group's regional presence and Ardence Pharma's clinic networks, thereby contributing meaningfully to long-term earnings and growth potential.

¹ POM is a B2B digital pharmacy solutions platform that connects healthcare stakeholders like healthcare practitioners and institutions with industry stakeholders such as pharmaceutical companies and medical consumables manufacturers, to empower them to meet patients' needs more efficiently. POM has established a presence in Singapore, Malaysia, and Vietnam.

² WellAway is Singapore's first Health Sciences Authority registered e-pharmacy. It is a digital platform where patients can receive e-prescriptions from a qualified medical doctor and have the prescribed medicine delivered directly to them in a safe and secure manner.

Navigating a Challenging Business Environment

The Group expects its operating environment to remain challenging due to macroeconomic and geopolitical pressures. Ongoing tensions and trade protectionism continue to weigh on supply chains and trade flows, contributing to higher input and logistics costs.

A key 1H2025 challenge for the Group is the drastic ASEAN local currency depreciations against EUR, which is its primary supplier payment currency. Gross margin has been impacted due to currency mismatch as procurement is foreign currency-denominated while revenues are primarily generated in local currencies. The Group will need to diligently manage the recent currency volatility and continue to mitigate its impact through pricing strategies, cost optimisation, and operational efficiency.

Global inflationary pressures and elevated manufacturing costs have also led to sustained increased procurement prices from principals. While the Group is working with its partners to optimise cost structures and improve efficiency, these external factors will likely affect margins for the near term.

Despite all these challenges, Hyphens Pharma remains committed to financial discipline, leveraging its diversified portfolio, and executing its long-term strategy to deliver sustainable stakeholder value while navigating volatility with resilience and focus.

End.

Note: This media release is to be read in conjunction with the SGXNET announcement issued on the same day.

About Hyphens Pharma International Limited (www.hyphensgroup.com)

Hyphens Pharma International Limited and its subsidiaries (the "Group") is Singapore's leading specialty pharmaceutical and consumer healthcare group, leveraging its diverse footprint in ASEAN countries. The Group has a direct presence in Singapore, Vietnam, Malaysia, Indonesia and the Philippines, and is supplemented by a marketing and distribution network covering 15 other markets – Bangladesh, Brunei, Cambodia, Hong Kong S.A.R., Macau S.A.R., Myanmar, South Korea, Sri Lanka, Thailand and Gulf Cooperation Council countries, including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates.

The Group is headquartered in Singapore, where its strategic planning, finance, regulatory affairs, research and development, legal, business development and logistics operations are based. The Group's core business comprises the following segments: Pharmaceutical and Medical Aesthetics, Proprietary Brands, and Digital Platform and E-Pharmacy. Besides marketing and selling a range of specialty pharmaceutical products in selected ASEAN countries through exclusive distributorship or licensing and supply agreements with brand principals mainly from Europe and the United States, the Group also develops, markets and sells its own proprietary range of dermatological products and health supplement products. In addition, the Group operates a medical hypermart for healthcare professionals, healthcare institutions and retail pharmacies, to supply pharmaceutical products and medical supplies and an online pharmacy for doctors to prescribe and have medications delivered to their patients' homes.

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