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Co. Reg. No.: 201735688C GST Reg. No.: 201735688C

Media Release

Hyphens Pharma 1H2026 net profit rises 132.5% to S$4.6 million

- **Proprietary Brands continued to deliver strong 17.9% growth, supported by portfolio expansion and higher demand for Ceradan® dermatological products and Ocean Health® health supplements**
- **Gross profit and gross profit margin achieved new highs due to portfolio optimisation initiatives**
- **Significant year-on-year growth in net operating cashflow to S$9.2 million**

Singapore, 13 August 2026 – 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 2026 ("**1H2026**").

Financial Highlights			
S$ million	**1H2026**	**1H2025**	**Change (%)**
Revenue	89.1	89.5	(0.5)
Gross Profit	37.7	35.3	6.6
GP Margin (%)	*42.3*	*39.4*	*2.9 ppt*
Profit Before Tax	6.3	2.9	119.7
Profit After Tax	4.6	2.0	132.5
PAT Margin (%)	*5.2*	*2.2*	*3.0 ppt*

Commenting on the 1H2026 results, **Mr Lim See Wah (林世华), Executive Chairman and CEO of Hyphens Pharma,** said: "*Our 1H2026 financial performance benefitted from the optimisation of our product portfolio to focus on higher margins, an initiative that we started last year. In tandem with this portfolio revamp, we have, since the second half of 2025, been in a phase of deliberate capability building, including deepening the bench strength of our senior management team to support the Group's next stage of growth. This is set against a challenging operating environment, with current geopolitical tensions and trade policy uncertainties impacting freight rates and packaging material prices, and tariff developments and related currency volatility fuelling further cost uncertainty. While we closely watch external developments, we are confident in our ability to adapt and adjust our operations to mitigate their impact. We are cautiously optimistic going forward and will continue to invest in our capabilities and be focused on sustainable business growth, margin quality improvement, cash generation and risk management for long-term value creation for all our stakeholders.*"

Financial Review

The Group's revenue for 1H2026 was relatively stable, recording a slight 0.5% decrease to S$89.1 million from S$89.5 million for the six months ended 30 June 2025 ("**1H2025**"). This was due to lower revenue contributions from the Pharmaceutical and Medical Aesthetics segment as well as the Digital Platform and E-Pharmacy segment, which was mitigated by revenue growth in the Proprietary Brands segment.

The revenue from the Pharmaceutical and Medical Aesthetics segment decreased by 5.4% due to the winding down of Vivomixx® sales following the transition of the brand Vivomixx® to Visiopro®, with Vivomixx® sales classified under the Pharmaceutical and Medical Aesthetics segment, and sales of Visiopro® classified under the Proprietary Brands segment; as well as changes in the product portfolio with a focus on higher gross profit margins.

The Digital Platform and E-Pharmacy segment's revenue decreased marginally by 4.1%, reflecting the Group's strategy to improve portfolio mix to achieve a higher gross profit margin.

Proprietary Brands, on the other hand, grew 17.9%. This came from an expanded portfolio — notably Visiopro® and Winlevi® — as well as stronger demand for Ceradan® and Ocean Health® products.

Gross profit rose 6.6% to S$37.7 million in 1H2026 from S$35.3 million in 1H2025, with gross profit margins improving from 39.4% to 42.3% for the period under review, due to changes in sales mix as the Group made a conscious effort to grow its product portfolios to focus on higher gross profit margins.

Segmental Revenue			
S$ million	**1H2026**	**1H2025**	**Change (%)**
Pharmaceutical and Medical Aesthetics	48.9	51.7	(5.4)
Proprietary Brands	20.6	17.4	17.9
Digital Platform and E-Pharmacy	19.6	20.4	(4.1)
Total	89.1	89.5	(0.5)

Other income and gains increased by 4.7% to S$265,000 in 1H2026 from S$253,000 in 1H2025 due to increased government grants, which was partially offset by reduced interest income.

Distribution costs increased by 10.1% to S$21.8 million in 1H2026 from S$19.8 million in 1H2025 mainly due to increased advertising and promotional expenses and continued investment in human capital to support the Group's long-term growth strategy.

Administrative expenses increased marginally by 2.7% to S$8.1 million in 1H2026 from S$7.9 million in 1H2025 primarily driven by higher R&D-related costs and depreciation from office expansion.

Other losses reduced by 68.5% to S$1.4 million in 1H2026 from S$4.7 million in 1H2025, mainly due to a reduction in foreign exchange translation losses and inventory obsolescence provision.

As a result of the above, the Group's net profit after tax increased by 132.5% to S$4.6 million in 1H2026 from S$2.0 million in 1H2025, which translates to a basic earnings per share of 1.41 Singapore cents for 1H2026 (1H2025: 0.54 Singapore cents).

In 1H2026, the Group generated S$9.2 million in net cash from operating activities, which was a significant year-on-year improvement and reflected the Group's ongoing efforts to enhance its working capital efficiency. As at 30 June 2026, the Group had cash and cash equivalents of S$23.3 million (31 December 2025: S$26.8 million). The movement in cash during the period reflected the deployment of operating cash flows towards the acquisition of Ardence Aesthetics for S$5.2 million, dividends of S$4.6 million paid to shareholders, and capital expenditure and other investing and financing outflows.

Business Outlook

Reshaped Pharmaceutical and Medical Aesthetics Portfolio Delivering a Better Margin Mix

The Group's portfolio optimisation exercise, which was initiated in FY2025, continued to deliver benefits in 1H2026. Revenue from the Pharmaceutical and Medical Aesthetics segment decreased year-on-year and, besides the brand transition of Visiopro® to Proprietary Brands, the decrease also reflected the deliberate rationalisation and discontinuation of lower-margin and non-core product lines. Notwithstanding the lower revenue, the segment recorded an increase in EBITDA and an improvement in EBITDA margin, reflecting the improved profitability of the remaining portfolio.

The Medical Aesthetics business continued to grow in 1H2026, although this growth was moderated from the pace recorded in FY2025 as earlier markets matured and competition intensified. The Group will continue to scale the business selectively, with an emphasis on markets and channels where sustainable returns and pricing discipline can be maintained.

The Group's inventory levels decreased during 1H2026, while it continued to generate positive operating cashflow, supported by working capital movements. Over the next reporting period and the next 12 months, the Group will continue to focus on growing its core, higher-margin brands, maintaining disciplined inventory and receivables management, and pursuing further supply chain efficiencies. These initiatives are intended to support the improved margin mix. However, the Group remains exposed to foreign exchange volatility, particularly movements in USD and EUR currencies against VND, PHP and IDR currencies, which may affect purchase costs and the translation of in-market revenue. To mitigate these effects, the Group will continue to consider prudent pricing adjustments, while hedging high-risk currencies and actively managing costs.

Growing the Proprietary Brands

The Group's Proprietary Brands segment was its strongest performer in 1H2026, with revenue increasing 17.9% year-on-year. Both Ceradan®, the Group's flagship dermatological range, and Ocean Health®, the Group's health supplement brand, achieved encouraging year-on-year growth. These brands remain key pillars of the Group's Proprietary Brand portfolio and will continue to be a key area of focus.

Winlevi®, a first-in-class treatment for acne that was launched in Singapore and Malaysia in FY2025, has continued to gain traction among dermatologists and general practitioners, with sequential growth recorded in each quarter since its launch. Subject to obtaining the relevant in-market regulatory approvals, the Group plans to progressively introduce Winlevi® in selected additional markets over the next 12 months. Following the out-licensing of Cerapro® MED to Louis Widmer for six European countries in early 2026, the Group will continue to evaluate further out-licensing and selective geographic expansion opportunities to support the long-term development of its Proprietary Brand portfolio.

<u>Digital Platform and E-Pharmacy — A Stable Core with Emerging Growth</u>

The Group's pharmaceutical distribution and retail pharmacy business under Pan-Malayan Pharmaceuticals remains a stable, cash-generative core of the Digital Platform and E-Pharmacy segment, with broadly steady revenue year-on-year. To support the segment's margins and cash contribution over the next 12 months, management will continue to prioritise operational efficiency, including warehouse and logistics productivity, tighter inventory and order management, and better utilisation of the Group's distribution infrastructure. Furthermore, the Group's WellAway e-pharmacy continues to record encouraging adoption and strong growth, albeit from a low base. The Group will continue to develop the WellAway platform and pursue the relevant business opportunities.

<u>Selective Expansion through Acquisitions</u>

The Group continues to assess potential acquisition and strategic investment opportunities that are consistent with its long-term growth priorities. To this end, management will maintain a disciplined approach by focusing on opportunities with a clear strategic fit and the potential to complement the Group's existing capabilities, extend its geographic reach or strengthen its specialty product offerings.

Geopolitical, Supply Chain and Cost Headwinds

The Group's operating environment continues to be shaped by geopolitical tensions and trade policy uncertainties. Shipping route disruptions have placed upward pressure on inbound and outbound freight rates, while tight supply and higher prices for plastics and other packaging materials may affect both the Group's proprietary manufactured products and, where passed through by principals, its distributed product portfolio. Moreover, tariff developments and related currency volatility also add further cost uncertainty. While the financial impact of these factors has not been significant to the Group to date, it nevertheless continues to monitor these developments closely.

Barring unforeseen circumstances and any material deterioration in the external environment, the Group is cautiously optimistic moving forward and will remain focused on steadily growing its business, improving margin quality, generating cash and managing risks, while navigating near-term cost and currency uncertainties.

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, driven by the belief that everyone deserves access to a better quality of life.

From its headquarters in Singapore, it maintains a direct presence in Malaysia, Vietnam, Indonesia and the Philippines, with extended reach into Thailand, Cambodia, Brunei, Bangladesh, Myanmar, Hong Kong S.A.R. and Oman. Its six key entities — Hyphens Pharma, Pan-Malayan, DocMed Technology, Ocean Health, Novem, and Ardence Aesthetics, collectively advance three core business areas: Pharmaceutical and Medical Aesthetics, Proprietary Brands, and Digital Platform and E-Pharmacy.

Beyond marketing and distributing specialty pharmaceutical products across selected ASEAN markets through exclusive partnerships with global brand principals, the Group develops and commercialises proprietary dermatological and health supplement products. The Group's integrated ecosystem extends to a medical hypermart and digital pharmacy platform, enabling seamless prescription fulfilment and direct-to-patient medication delivery for healthcare providers.

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