



HYPHENS PHARMA INTERNATIONAL LIMITED

Results Briefing 3Q2020



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AGENDA

1. Financial Results
2. Business Update



FINANCIAL RESULTS



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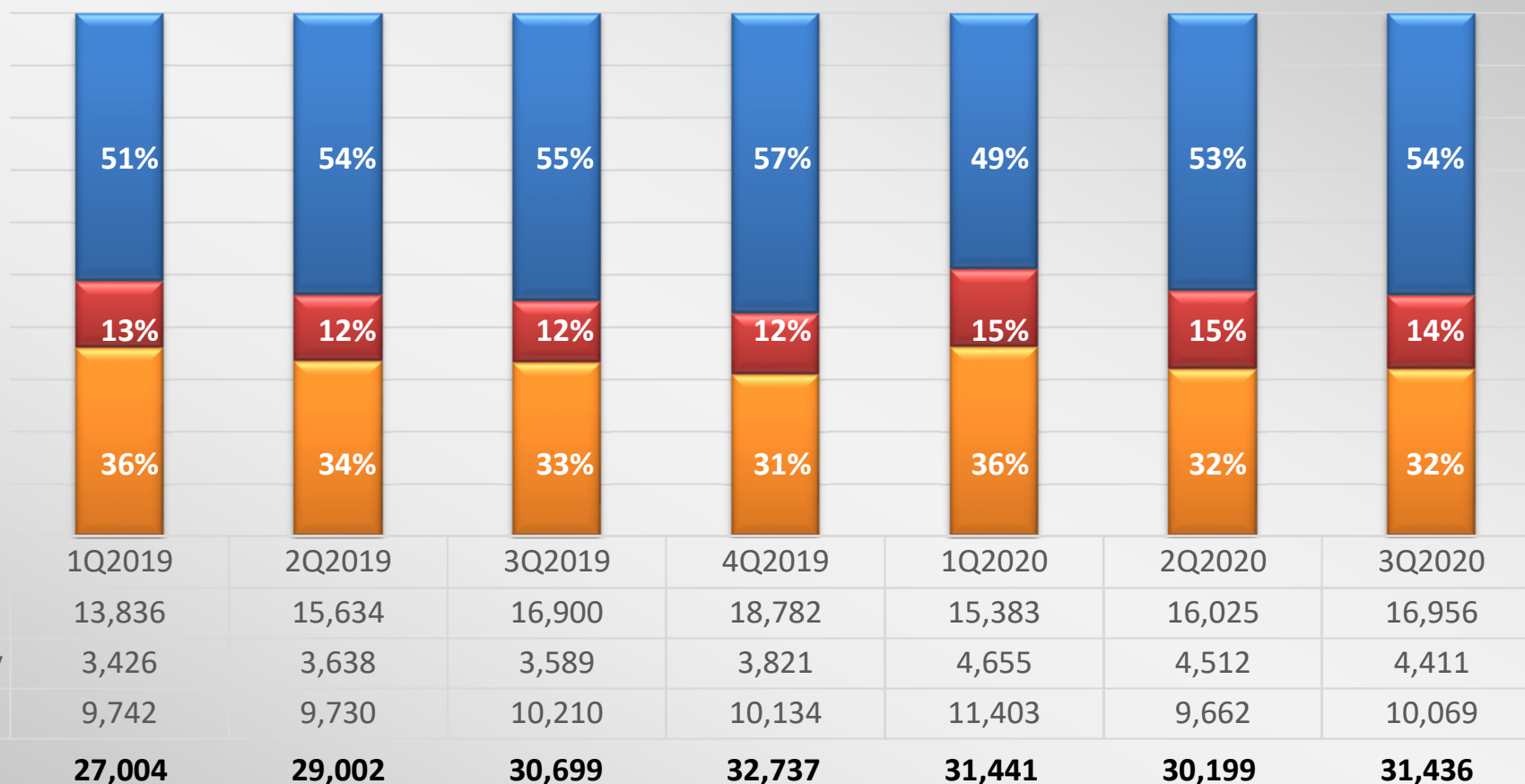
FINANCIAL STATEMENT

	1Q2020	2Q2020	3Q2020	3Q2019	9M2020	9M2019	Change
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	%
Revenue	31,441	30,199	31,436	30,699	93,076	86,705	7.3%
Cost of sales	(20,539)	(19,996)	(21,089)	(19,826)	(61,624)	(56,208)	9.6%
Gross profit	10,902	10,203	10,347	10,873	31,452	30,497	3.1%
Other income and gains	81	1,159	459	246	1,699	341	398.2%
Distribution costs	(6,238)	(6,135)	(6,325)	(6,190)	(18,698)	(17,258)	8.3%
Administrative expenses	(2,227)	(2,489)	(2,537)	(2,395)	(7,253)	(7,245)	0.1%
Finance costs	(23)	(28)	(26)	(32)	(77)	(106)	-27.4%
Other losses	94	(150)	(865)	(293)	(921)	(305)	202.0%
Profit before tax	2,589	2,560	1,053	2,209	6,202	5,924	4.7%
Income tax expense	(465)	(402)	(206)	(408)	(1,073)	(1,059)	1.3%
Profit, net of tax	2,124	2,158	847	1,801	5,129	4,865	5.4%





REVENUE BY BUSINESS SEGMENT



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GROSS PROFIT

S\$'000	1Q2020	2Q2020	3Q2020	3Q2019	9M2020	9M2019
Gross profit	10,902	10,203	10,347	10,873	31,452	30,497
Addback: PPE NRV adjmt	-	330	80	-	410	-
Normalised gross profit	10,902	10,533	10,427	10,873	31,862	30,497
Normalised GPM	34.7%	34.9%	↓ 33.2%	35.4%	34.2%	35.2%

Higher Proprietary
Brands Contribution

Hypermart had
higher GPM in 2019





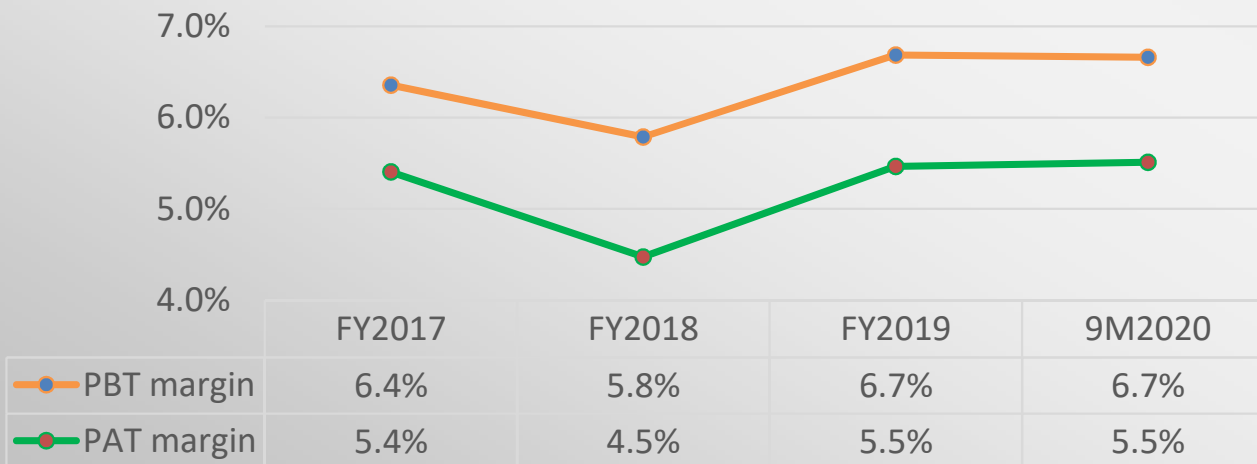
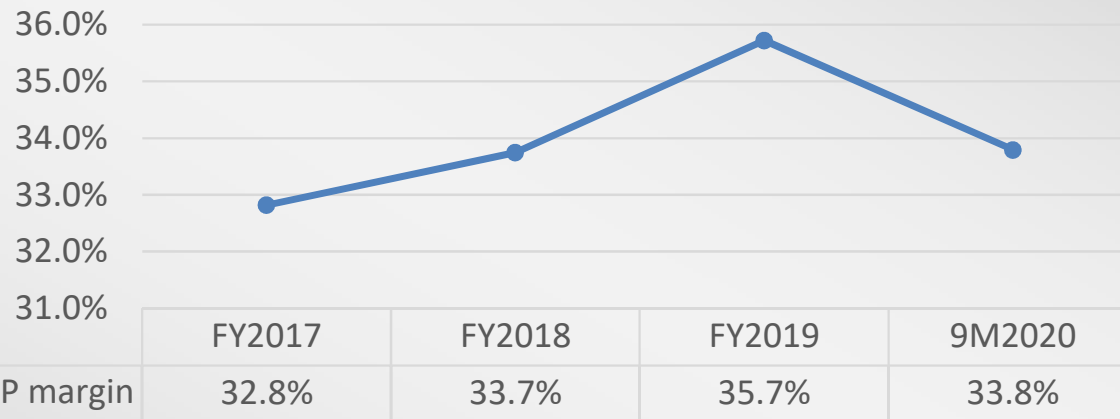
3 OPERATING EXPENSES

- + Distribution costs: consistent at approx. 20% of revenue
- + Admin expenses: higher in 3Q2020 due to higher R&D costs
- + Other losses in 3Q2020 were mainly:
 - + FX losses S\$217k, due to strengthening of EUR vs SGD and weakening of local currencies like IDR vs SGD
 - + Prov for stock obsolescence S\$565k, comprising
 - + COVID-19 test kits S\$0.3m (Note: S\$0.2m balance in prepayments)
 - + Hypermart stocks S\$0.2m
 - + Philippines stocks S\$0.1m





PROFIT MARGINS



Negative impact from COVID-19 in 9M2020

- NRV w/d on PPE -S\$0.4m
- Prov for test kits -S\$0.3m
- Prov on other stocks due to lower demand -S\$0.3m
- Total = -S\$1.0m





FINANCIAL POSITION

S\$'000	30 Sep 2020	31 Dec 2019
Total assets	88,509	80,131
Inventories	19,273	11,431
Trade & other receivables	32,979	28,654
Cash & cash equivalents	22,505	26,165
Total liabilities	42,388	36,055
Trade & other payables	37,093	30,628
Bank borrowings	410	300
Total equity	46,121	44,076
NAV per share (cents)	15.35	14.67



BUSINESS UPDATE



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NEW DISTRIBUTOR FOR CERADAN®

- + Appointment of Shanghai Good Luck 上海古腊国际贸易有限公司 as exclusive distributor of Ceradan® in Mainland China



Virtual signing ceremony
on 12 Nov 2020



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NEW DISTRIBUTORS FOR OCEAN HEALTH®

- + Appointment of **Healthguard Pharmacy Limited** as exclusive distributor of Ocean Health® in Sri Lanka
- + Appointment of **SUTL HK** as exclusive distributor of Ocean Health® supplements in Hong Kong, Macau and Duty-Free Channels in China

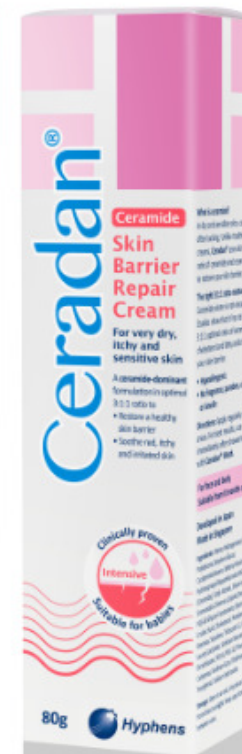


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CERADAN FACELIFT

3:1:1
CERAMIDE
DOMINANT
RATIO



OCEAN HEALTH NEW LAUNCH



JUST KEEP MOVING

Drink up for muscle strength!

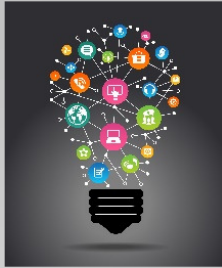
-  **High-Quality Protein with Vit D**
Rapidly absorbed to rebuild muscle
-  **Neutral Taste**
Can be added to beverages
-  **Convenient Powder Sachet**



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DIGITAL BUSINESS



New talents who have joined us to lead new digital initiatives:

- + Senior Manager, Digital Transformation, Hyphens
- + Business Development Manager, Pan-Malayan
- + Associate Business Development Manager & Pharmacist, Pan-Malayan

Stay Tuned...



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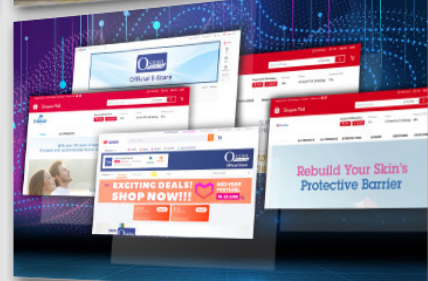


QUESTIONS & ANSWERS



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

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