



Hyphens Pharma International Limited

Results Briefing
4Q2018 / FY2018



HYPHENS PHARMA INTL LTD (SGX: 1J5)

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COMPANY SNAPSHOT



ON
18 MAY
2018

LISTED ON
THE
SGX-CATALIST

2018 REVENUE

\$121 MILLION



5 COUNTRIES

450 EMPLOYEES



14 of our products are
sold *every minute!*



**3 CORE
BUSINESSES**



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



SHARE STATISTICS

IPO Price
S\$0.26
With Market
Capitalisation of
S\$78m

SGX
Stock Code
1J5

Closing Price
on 4 March 2019
S\$0.19

**Cornerstone
Investors
@ IPO**

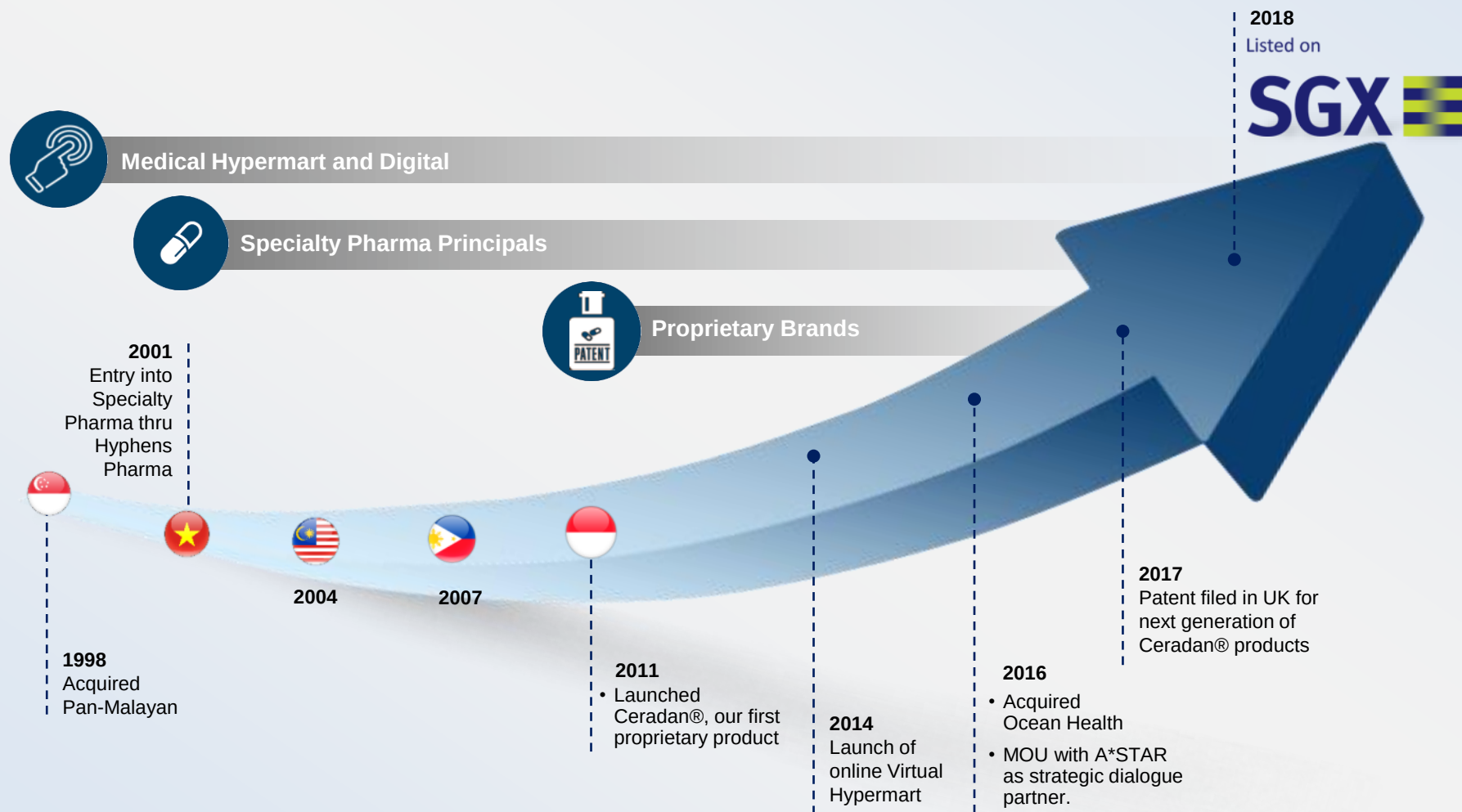
Bloomberg
Stock Code
HYP:SP

Market
Capitalisation
S\$57m
(P/E excl IPO
exp approx. 9x)

Nikko Asset Management
Qilin Asset Management
Maxi-Harvest Group



BUSINESS EVOLUTION TIMELINE



OUR BUSINESS SEGMENTS

**Specialty Pharma
Principals**

1

**Proprietary
Brands**

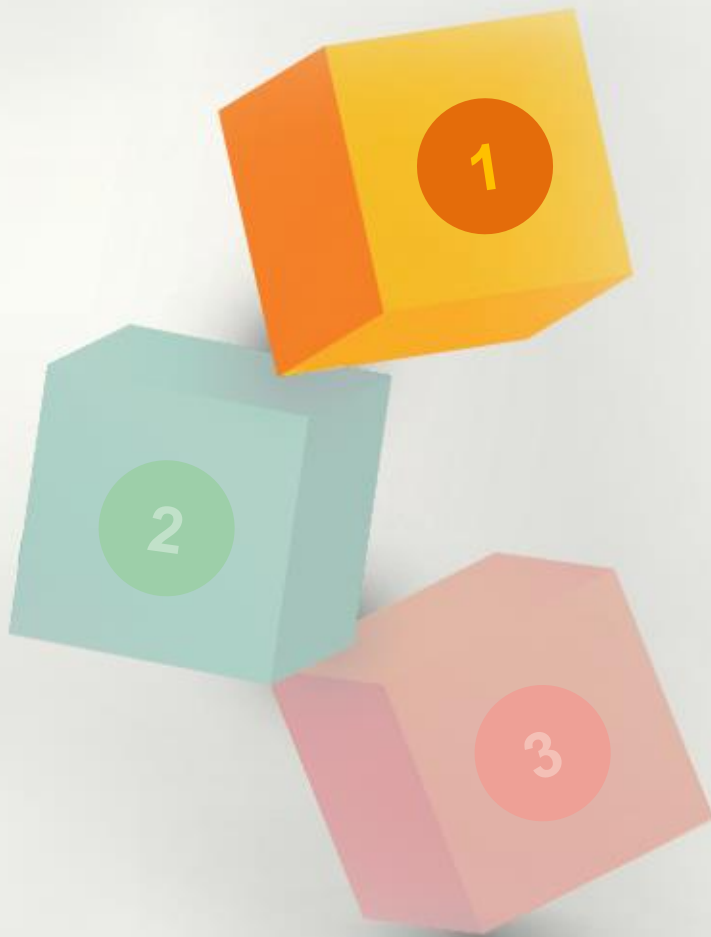
2

**Medical
Hypermart and
Digital**

3



SPECIALTY PHARMA PRINCIPALS



What We Do

1. Handle specialised products, under exclusive agreements with our principals from Europe and the US.
2. Register and hold product licenses with local authorities.
3. Promote products through medical representatives to specialists and GPs.

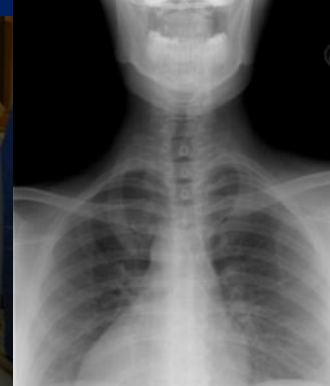


OUR REGIONAL FOOTPRINT



CONTRAST MEDIA PRODUCTS

GUERBET – XENETIX® • DOTAREM® • LIPIODOL®



Our products
are used for:

- X-Rays
- CT Scans
- MRI

Participation in
Scientific
Congresses

25 years of
working
relationship

2018 Revenue
Contribution: **13.7%**



Booth Presence



Symposiums



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



ENT (EAR, NOSE, THROAT) & ALLERGY



OTHER SPECIALTY PHARMA PRODUCTS

Interventional Cardiology
(Biosensors Coronary Stents)

Gastroenterology

Otorhinolaryngology

Obstetrics & Gynaecology

Rheumatology

Ophthalmology

Neuroscience & Psychiatry

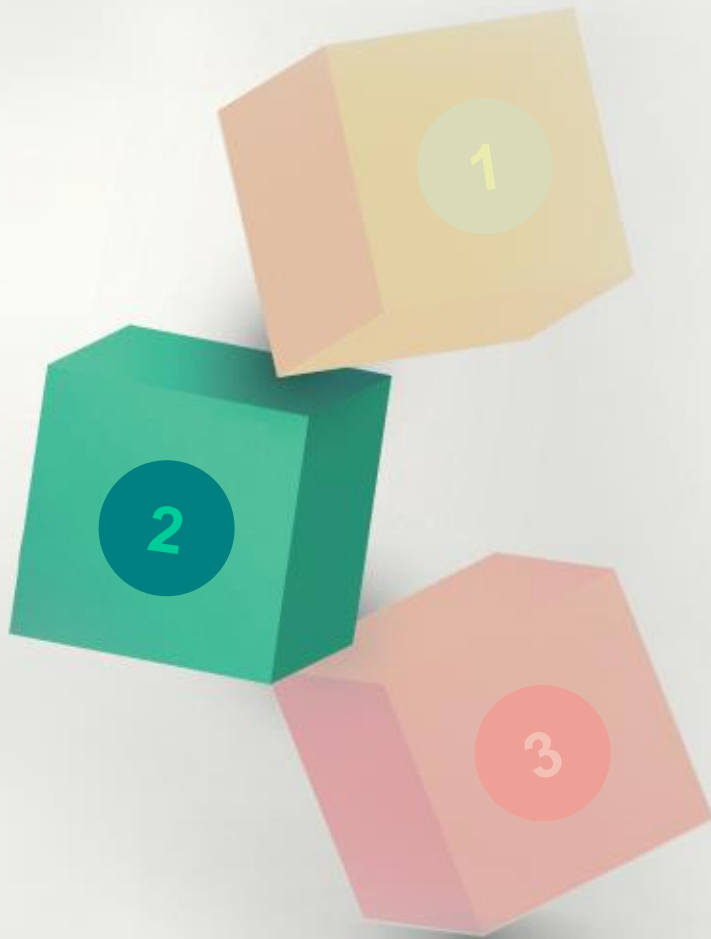
Family Medicine



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



PROPRIETARY BRANDS



What We Do

1. Direct ownership of the products under various brand names and market them to the world.
2. Constantly engaged in product research & development.
3. Contract manufacture these products, bearing our trademarks.



BRANDS WE OWN



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



Ceradan® ATOPIC DERMATITIS RANGE



Gentle
Non-Soap Wash

Maintenance
Therapy

Specially-Formulated
Mosquito Repellent For AD

Triple Protective Action
Against Diaper Rash



Menthol Gel to Calm &
Soothe Itchy Skin

Ceramide-Dominant Therapeutic Moisturiser

*IQVIA 2018 Q3 Survey on Top-of-Mind Awareness on 31 Private Dermatologists in Singapore



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



Ceradan® **CLINICALLY TESTED PRODUCTS**

- Clinical collaborations with **KK Women's and Children's Hospital** and **National Skin Centre** on Ceradan® regimen
- Publication in Journal of Dermatology and Therapy

Case Study in Indonesia – Ceradan® Diaper Cream

Mild cases

Day 1



Day 3



Day 7



Moderate to severe cases

Day 1



Day 3



Day 7



ATOPIC DERMATITIS TREATMENT MARKET SIZE (USD\$)

Market Report from Future Market Insights, 2017

Global: \$5.8B



ASEAN
\$210M

2016

Global: \$24B



ASEAN
\$596M

2027



TDF® DERMA FORMULA

HOME CARE



OILY & ACNE

DRY &
SENSITIVE

HYPER-
PIGMENTATION

AGE DEFENSE



CHEMICAL PEEL





A WELL-REGARDED BRAND BY CONSUMERS

- ✓ Brand that I can trust[#]
- ✓ Good value for money[#]



SINGAPORE'S NO. 1* OMEGA-3



[#] 2018 Nielsen Survey – A Comprehensive and Holistic Understanding of the Health Supplement Market

* Best selling fish oil (Omega-3) supplement awarded by Guardian, Unity & Watsons (since 2013)



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group





NUTRITIONAL SUPPLEMENTS



Clinical Series is a professional range of health supplement products to meet the clinical nutrition needs of patients



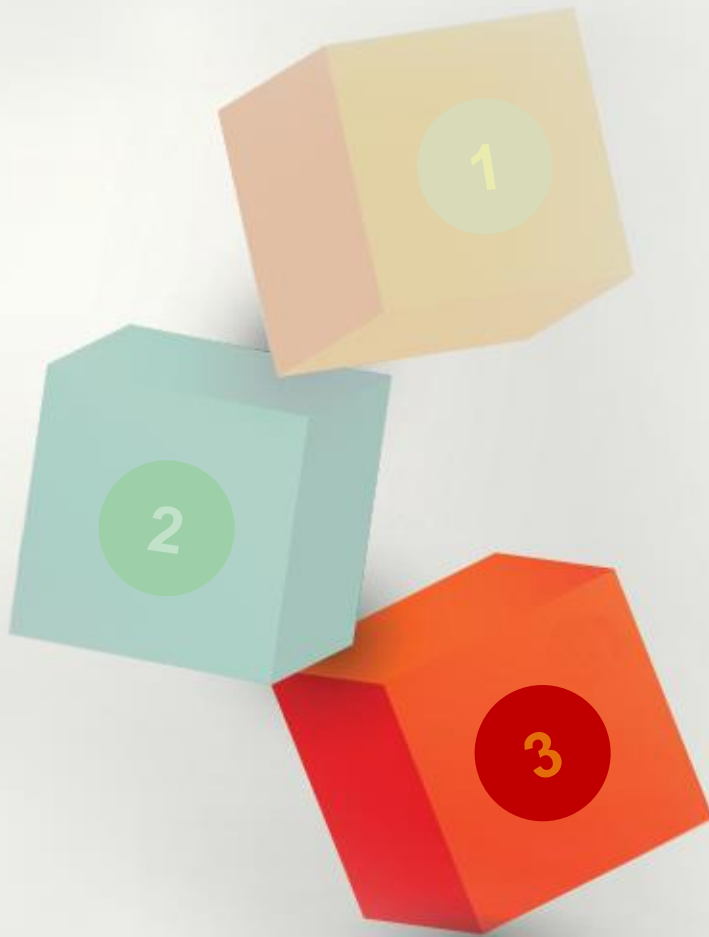
WE MARKET OUR BRANDS IN



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



MEDICAL HYPERMART AND DIGITAL



What We Do

1. Wholesaler of pharmaceutical products and medical supplies.
2. Cater largely to private clinics and pharmacies.
3. > 3,000 customers and > 4,000 items in our inventory.
4. Have B2B e-commerce platform that facilitates 24/7 ordering.
5. Only in Singapore at the moment.



MEDICAL HYPERMART AND DIGITAL



Over 1,500
members
on Medical
Hypermart!



1st pharmaceutical wholesaler in Singapore to establish an online platform and capture new digital opportunities



Singapore's Leading Specialty Pharmaceutical and Consumer Healthcare Group



FINANCIAL SNAPSHOT AS AT 31 DEC 2018

FY2018

REVENUE

S\$120.9m

PROFIT

S\$5.4m

(after IPO expense of S\$0.9m)

S\$7.5m

cash inflow from
operating activities

S\$22.4m

cash and cash equivalent



7.7%

gearing ratio¹

¹ Total Debt / Total Equity



**Strong Cash
Generative Business**



Low Gearing Ratio

0.55c
dividend per share

>30%
dividend payout

At Least **30%** of Net Profits Attributable to Shareholders in FY2018 and
FY2019 Intended to be Distributed as Dividends



FINANCIAL REVIEW & HIGHLIGHTS

4Q2018 vs 4Q2017

- Revenue for 4Q2018 **↑** by 12.8% to S\$30.0 million (4Q2017: S\$26.6 million)
- Revenue **↑** was mainly due to an **↑** in sales in specialty pharma principals & proprietary brand segments
 - Higher demand for coronary stents and radiology products
 - Higher demand for proprietary brands' dermatological products.
- Profit before tax **↑** by 97.2% to S\$1.2 million in 4Q2018 (4Q2017: S\$0.6 million).
- Profit attributable to shareholders for 4Q2018 was S\$0.8 million (4Q2017: S\$0.6 million)
- Net cash generated from operating activities of S\$3.3 million in 4Q2018 compared to net cash used of S\$1.8 million in 4Q2017



FINANCIAL REVIEW & HIGHLIGHTS

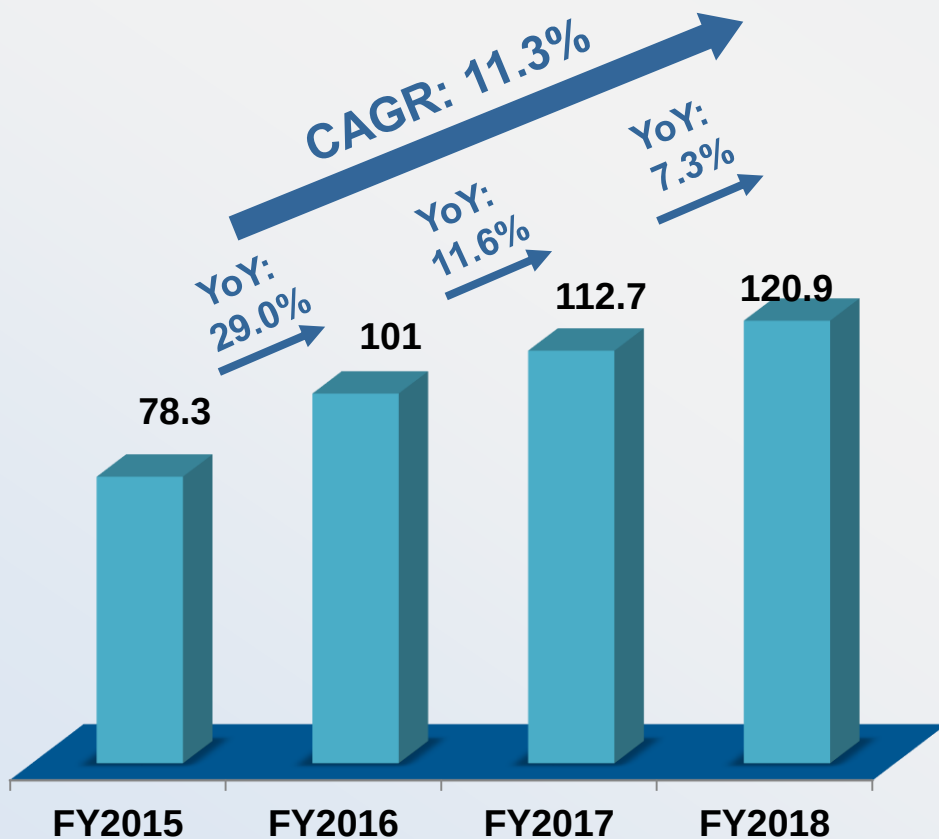
FY2018 vs FY2017

- Revenue for FY2018 **↑** by 7.3% to S\$120.9 million (FY2017: S\$112.7 million)
- Revenue **↑** was mainly due to an **↑** in sales of specialty pharma principals & proprietary brand segments
 - Higher demand for allergy, radiology and musculoskeletal products
 - Improvement in sales of proprietary brands' dermatological products
- Profit before tax **↓** to S\$7.0 million in FY2018 (FY2017: S\$7.2 million)
 - Mostly due to one-off IPO expenses of approx. S\$0.9 million (FY2017: \$0.3 million); &
 - Impairment loss on goodwill of approx. S\$1.0 million in FY2018 (FY2017: \$nil)
- Profit attributable to shareholders for FY2018 was S\$5.5 million (FY2017: S\$6.1 million)
- Net cash generated from operating activities increased by 63.2% to S\$7.5 million in FY2018 as compared to S\$4.6 million in FY2017
- Dividend payout for FY2018: 30.6% of net profit attributable to shareholders

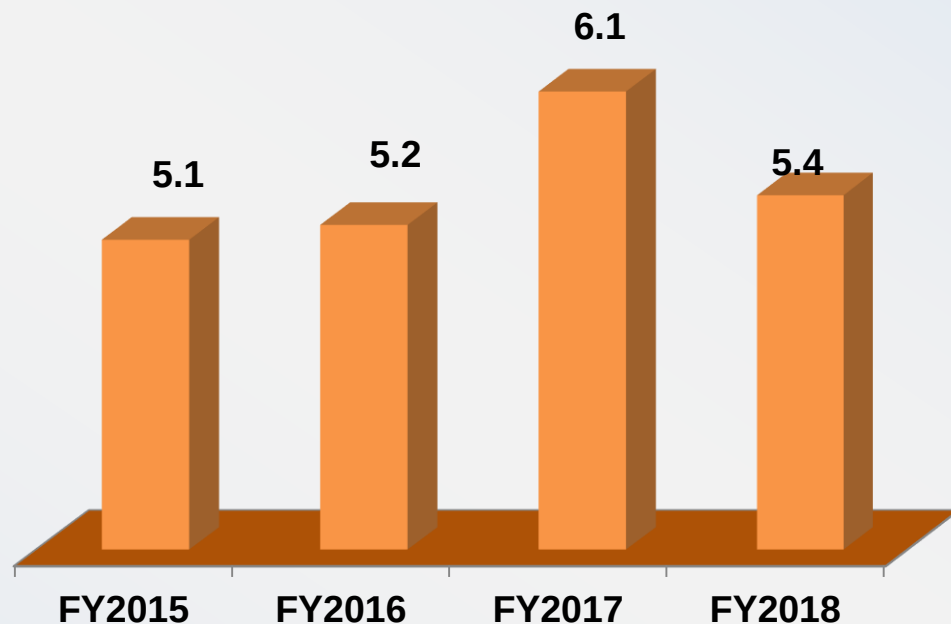


FINANCIAL HIGHLIGHTS

Revenue (S\$'m)

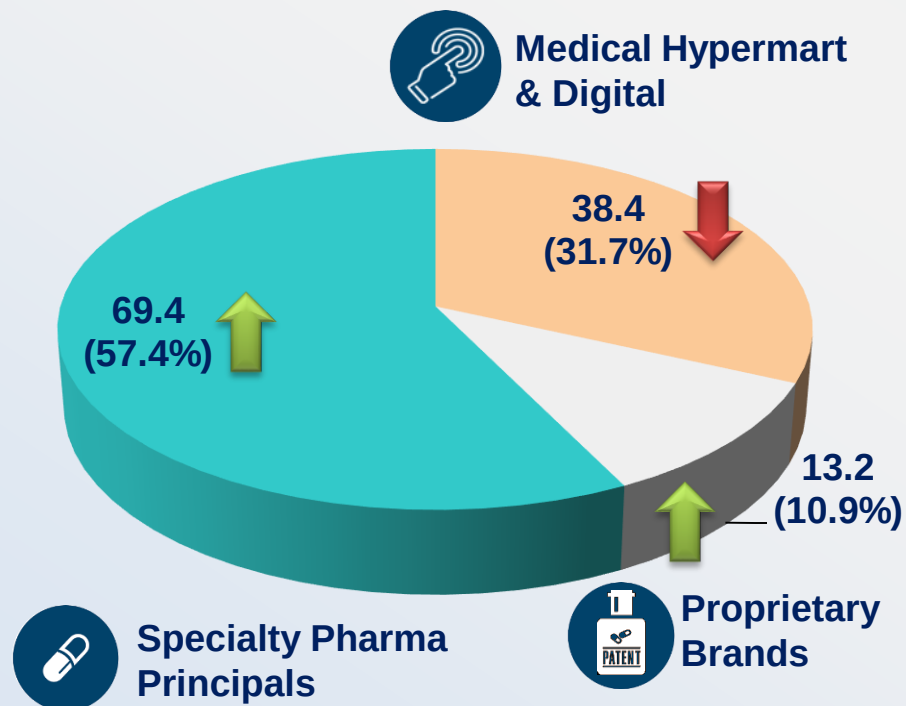


Profit After Tax (S\$'m)

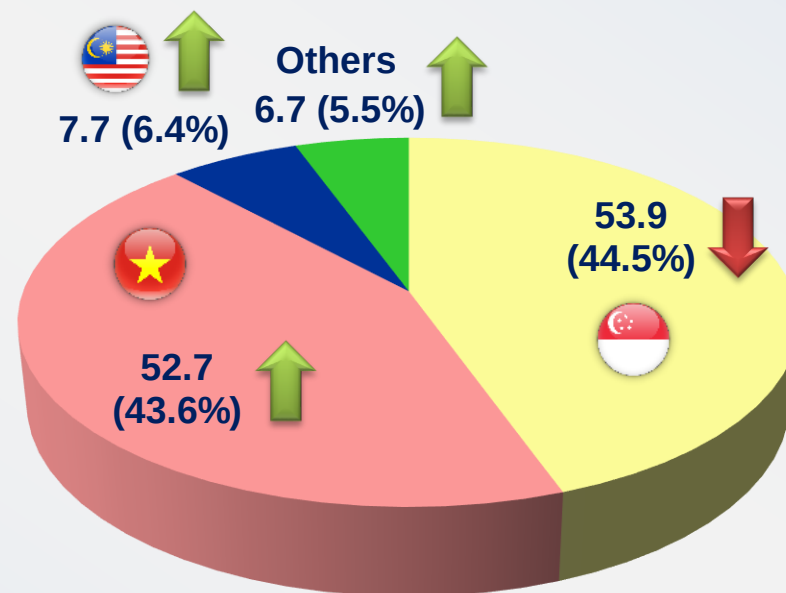


REVENUE SEGMENT BREAKDOWN BY BUSINESS & GEOGRAPHY

FY18 Revenue Breakdown by Business (S\$'m)



FY18 Revenue Breakdown by Geography (S\$'m)



FUTURE GROWTH

- **New product launches**

- Products with patented and patent pending technologies to grow the skin health business
- Continue to enhance product offerings through licencing and research collaborations
- Launching new specialty pharma products in regional markets

- **Establishing a broader geographical footprint**

- Cementing leadership position in Singapore and deepening ASEAN presence
- Marketing development in countries already operating in
- Expanding international footprint

- **Digital technologies**

- Exploring potential opportunities within this segment

- **Driven by enhanced human capital**

- Investing in manpower to support expansion plans



PRODUCT PIPELINE



Atopic Dermatitis



Pigmentation



Acne

2019

Development
in-Progress

Pending
Registration

Pending
Commercialisation

Ceradan Advanced

TDF® Fairence T-Complex

HYP1101

HYP1102

HYP1302

HYP1304

HYP1306



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