



## **Jacobson Pharma Announces FY2019 Interim Results**

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**Profit from Operations Leapt by 40.7% to HK\$158.6 Million**

**Declares Interim Dividend of HK1.5 cents per share**

**Growth Strategies to Tap Innovative Pharma Market and  
Expand Regional Presence**

(Hong Kong, 21 November 2018) **Jacobson Pharma Corporation Limited** (“**Jacobson Pharma**” or the “**Company**”; **Stock Code: 2633**), a leading company engaged in the research, development, production, marketing and sale of generic drugs and proprietary medicines, today announced its unaudited interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2018 (the “**reporting period**”).

During the reporting period, the Group’s revenue and gross profit increased by 9.9% and 14.3% to HK\$816.3 million (1H2017: HK\$743.0 million) and HK\$318.7 million (1H2017: HK\$278.9 million) respectively. Profit from operations leapt by 40.7% to HK\$158.6 million (1H2017: HK\$112.7 million). Profit attributable to the shareholders of the Company rose by 21.4% to HK\$97.5 million (1H2017: HK\$80.3 million). Basic and diluted earnings per share were HK5.28 cents (1H2017: HK4.42 cents).

The Group maintains a healthy financial position with cash and cash equivalents of HK\$791.4 million at the end of the reporting period. The Board has declared payment of an interim dividend for the six months ended 30 September 2018 of HK1.5 cents per share (1H2017: HK0.9 cent).

**Mr. Derek Sum, Chairman and Chief Executive Officer** of Jacobson Pharma, said, “We take a disciplined and effective approach on R&D investment to the ends of helping us enhance our product portfolio and broaden our geographical reach in Asia. At the same time we continue to pursue merger & acquisition opportunities in a sensible manner, aiming to build long term strategic values upon our existing business portfolio.”

### **Sustained Growth in Generic Drugs**

With an expanded product portfolio, a broadened customer base and enhanced production capacity delivering a steady stock supply in both the Private and Public Sectors, the Group's generic drugs business achieved revenue of approximately HK\$595.3 million, up by 9.8% compared with the last corresponding period, with a growth of 10.4% to HK\$395.2 million from the Private Sector and 8.7% to HK\$200.1 million from the Public Sector during the reporting period. Sub-sector markets such as those for cardiovascular and central nervous system treatments also recorded strong growth, attributable to the increasing prevalence of chronic diseases and the aging population.

In addition, the Group enjoys a strong market position in a number of the high performing therapeutic categories. Supplementing its R&D pipeline and strengthening its leadership in specific categories, the Group has actively collaborated with pharmaceutical suppliers in Spain, Korea, and Taiwan for introducing new and specialized products including sterile injections, specialty drugs, and biosimilars alike, to cater for the emerging demand for healthcare services and innovative medicines in Asia. Currently, 46 such products have been secured and are undergoing different stages of new product registration in Hong Kong.

### **Building Strong Brands for Proprietary Medicines**

Building strong brands has continued to be a major strategy of for the Group for realising growth in its proprietary medicines business. During the reporting period, the total revenue from the proprietary medicines segment of the Group amounted to HK\$110.7 million. Despite the sluggish market sentiments during the period, Po Chai Pills (保濟丸) was able to strengthen its leadership position in the gastro-intestinal Chinese medicine category at the Group's persistent and assiduous marketing and brand building efforts, seeing a healthy organic growth of 7.0% in sales revenue in the local market as compared with the same period of last year. Overseas sales of Po Chai Pills in markets like Singapore, Malaysia and Thailand also registered an encouraging growth of 34.8% during the reporting period.

Medicated oils business of the Group also boasted remarkable growth during the period. As a result of strengthened distribution management and advertising drive, the sales revenue of Flying Eagle Woodlok Oil (飛鷹活絡油) and Shiling Oil (十靈油) recorded robust double digit growth of 91.9% and 67.6% respectively over the same period of last year.

### **Product Development and Innovative Diagnostic Technology**

Adopting a disciplined and effective management approach, the Group continued to make good R&D progress boosting constantly its product development pipeline. A total of 11 products were registered during the reporting period and are ready for launch and supply in Hong Kong. As at the end of September 2018, there are 102 products in the Group's R&D pipeline.

Jacobson Pharma also made good progress on a number of collaboration projects with various R&D institutions, including finalising an IP transfer and licensing agreement on collaborative development of an innovative, non-invasive, accurate diagnostic test of prostate cancer. This innovative home-based and non-invasive screening device for prostate cancer will target the global market with commercial roll-out starting in Hong Kong and Macau in 2019.

Mr. Sum remarked, “Just about two months ago we celebrated the 20th anniversary of Jacobson Pharma, and we talked about how the scientific and technological advances would impact dynamics of the healthcare market, and how one should seize opportunities and take lead in the burgeoning field of technologies. We see a market full of opportunities, thanks to the breakthroughs and advances in science, most notably in genomics and also some exciting new frontiers such as clinical diagnostics and biologics.

“Looking ahead, we will continue to boost the strengths of the Group to forge a platform for future success, for our core businesses to create sustainable strategic values and drive the Group’s overall performance. R&D output and in-licensing capabilities are therefore deemed as growth drivers of the Group in the next few years. The management shall remain agile and apply its best foresight to seize opportunities bred by scientific advances in the industry.”

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**About Jacobson Pharma Corporation Limited (雅各臣科研製藥有限公司 ; Stock Code: 2633)**

Jacobson Pharma is the largest generic drug company in Hong Kong with over 30% share of the total generic drug market for each year since 2012. The Group’s proprietary medicines, notably being Po Chai Pills (「保濟丸」), Tong Tai Chung Woodlok Oil (「唐太宗活絡油」), Ho Chai Kung Tji Thung San (「何濟公止痛退熱散」), Contractubex Scar Gel (「秀碧除疤膏」) Doan’s Ointment (「兜安氏藥膏」), Flying Eagle Wood Lok Medicated Oil (「飛鷹活絡油」), Saplingtan (「十靈丹」), Shiling Oil (「十靈油」) and Col-gan Tablet (「傷風克」) have been widely recognised by the market. Jacobson Pharma has been a constituent stock of MSCI Hong Kong Micro Cap Index since 1 June 2017. For more details about Jacobson Pharma, please visit the Group’s website: <http://www.jacobsonpharma.com>

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