

August 2020



Celltrion Healthcare

2Q20 Earnings Presentation



Contents

Section 01. **2Q20 Business Results**

Section 02. **Key Business Performance**

Appendix

Section 01

2Q20 Business Results

2Q20 Business Results

Income Statement

► **Revenue** : Improved on both quarterly & yearly basis with solid growth in EU & the US despite the challenges brought by COVID-19.

In particular, US Truxima® sales increases with strong market share uptake led to robust earnings

► **OP** : Achieved over 20% of OPM backed by the increase in higher-priced N.America sales following the first quarter

► **NP** : Increased by 446% year-on-year on the back of robust operating profit

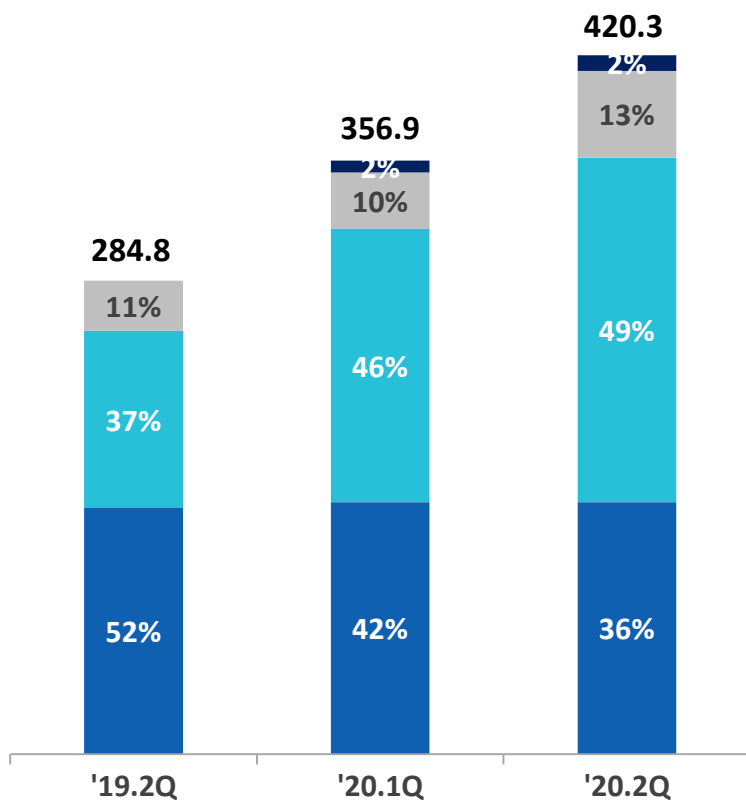
(KRW bn)	'19.2Q	'20.1Q	'20.2Q	%YoY	%QoQ
Revenue	284.8	356.9	420.3	47.6%	17.8%
Gross Profit	36.4	94.5	128.3	252.5%	35.8%
(%)	12.8%	26.5%	30.5%	17.7%p	4.0%p
SG&A	27.2	38.7	41.4	52.2%	7.0%
(%)	9.6%	10.8%	9.9%	0.3%p	-0.9%p
Personnel expenses	5.0	6.8	8.0	60.0%	17.6%
Research expenses	3.5	6.4	8.1	131.4%	26.6%
Advertising expenses	2.3	2.5	1.6	-30.4%	-36.0%
Commissions	5.4	9.4	12.0	122.2%	27.7%
Operating Profit	9.3	55.8	86.8	833.3%	55.6%
(%)	3.3%	15.6%	20.7%	17.4%p	5.1%p
EBIT	18.0	98.2	68.7	281.7%	-30.0%
Net Profit	8.5	76.2	46.4	445.9%	-39.1%

2Q20 Business Results

Sales Breakdown

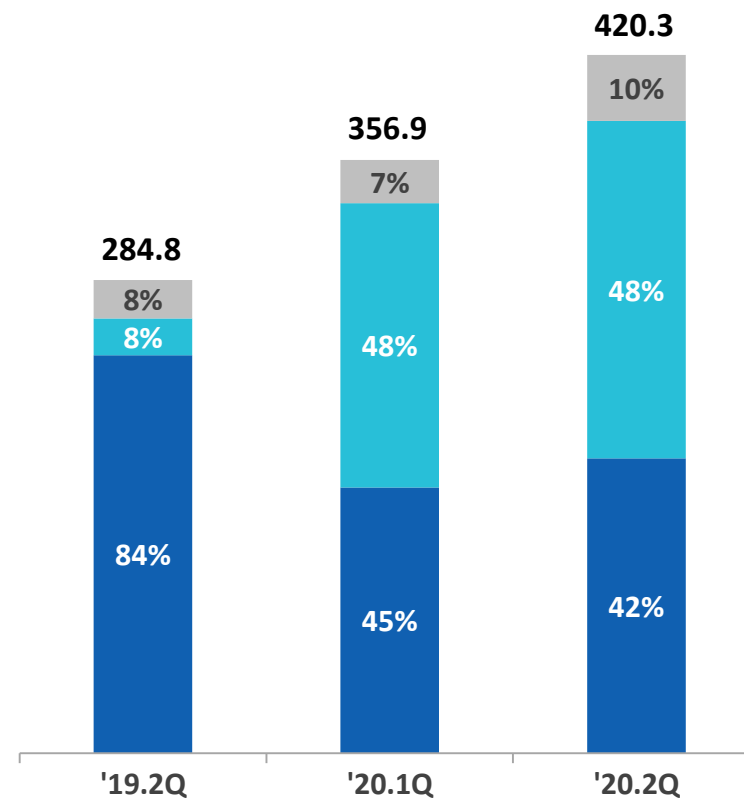
By Product

(Unit: KRW bn)



By Region

(Unit: KRW bn)



Reimsima® / Inflectra®

Truxima®

Herzuma®

Reimsima® SC

Europe

N. America

Others

2Q20 Business Results

Balance Sheet & Cash Flow

Balance Sheet

(KRW bn)	'19	'20.2Q	Change
Total Assets	2,848.9	3,328.3	479.4
Cash and Cash Equivalents	297.0	255.4	-41.6
Short Term Financial Assets	160.6	264.4	103.8
Trade and Other Receivables	390.0	407.1	17.1
Inventories	1,623.6	1,782.9	159.3
Total Liabilities	1,183.0	1,539.4	356.4
Total Equity	1,665.9	1,788.8	122.9
Debt-to-Equity Ratio	71.0%	86.1%	15.1%p

Cash Flow

(KRW bn)	'19	'20.2Q
Cash at beginning of year	240.4	297.0
Operating	-193.4	20.0
Operating profit	82.8	142.6
Working capital	-221.1	-131.9
Others	-55.1	9.3
Investing	164.2	-104.6
Short term financial assets	176.0	-102.5
Others	-11.8	-2.1
Financing	85.8	43.0
Borrowing and redemption	95.7	40.3
Share buyback	-17.9	-2.9
Share issue	9.7	6.7
Others	-1.7	-1.1
Cash at the end of year	297.0	255.4

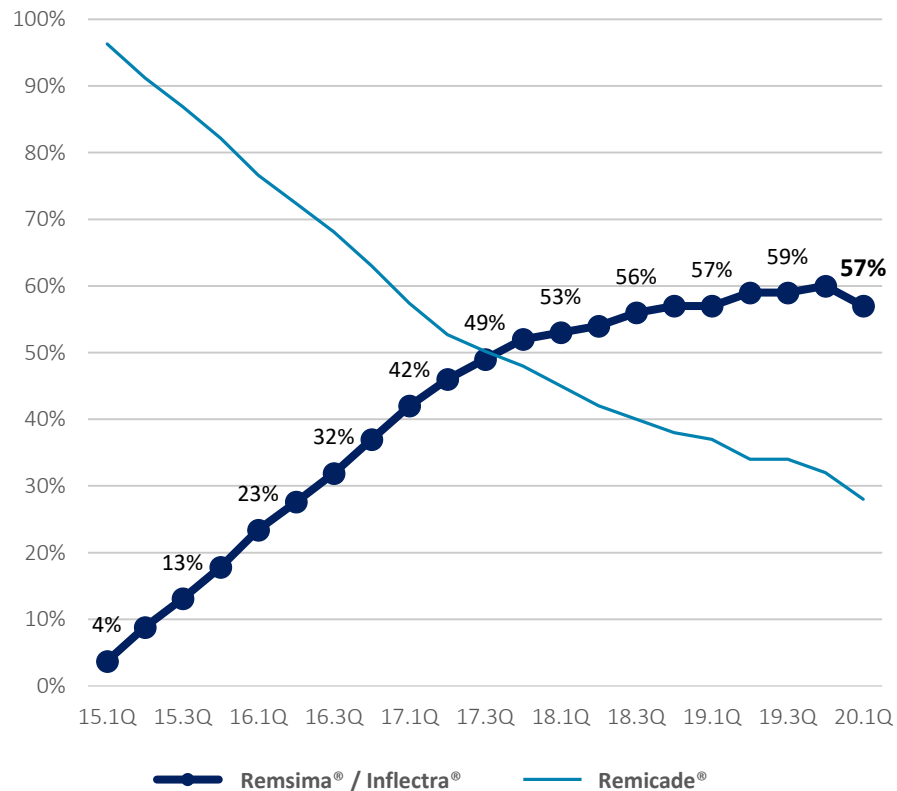
Section 02

Key Business Performance

Key Business Performance

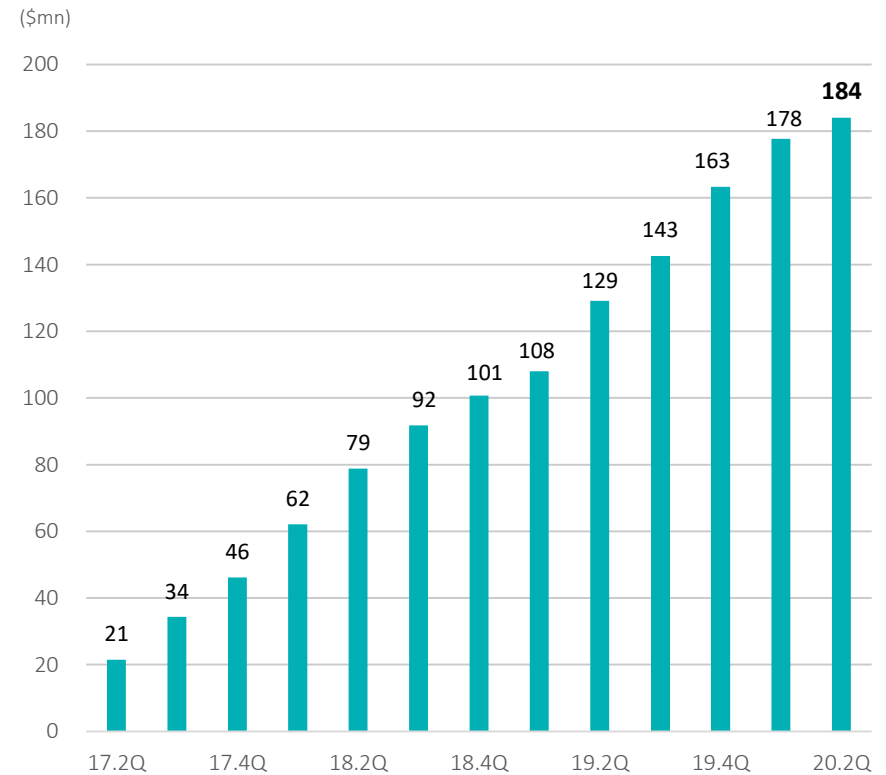
- ✓ The most prescribed Infiximab product in EU since 2017
- ✓ Prescription sales grow every quarter since its launch in the US

Remsima® / Inflectra® market share in Europe



Note: market share is based on volume
Source : IQVIA

Inflectra® prescription sales in the US

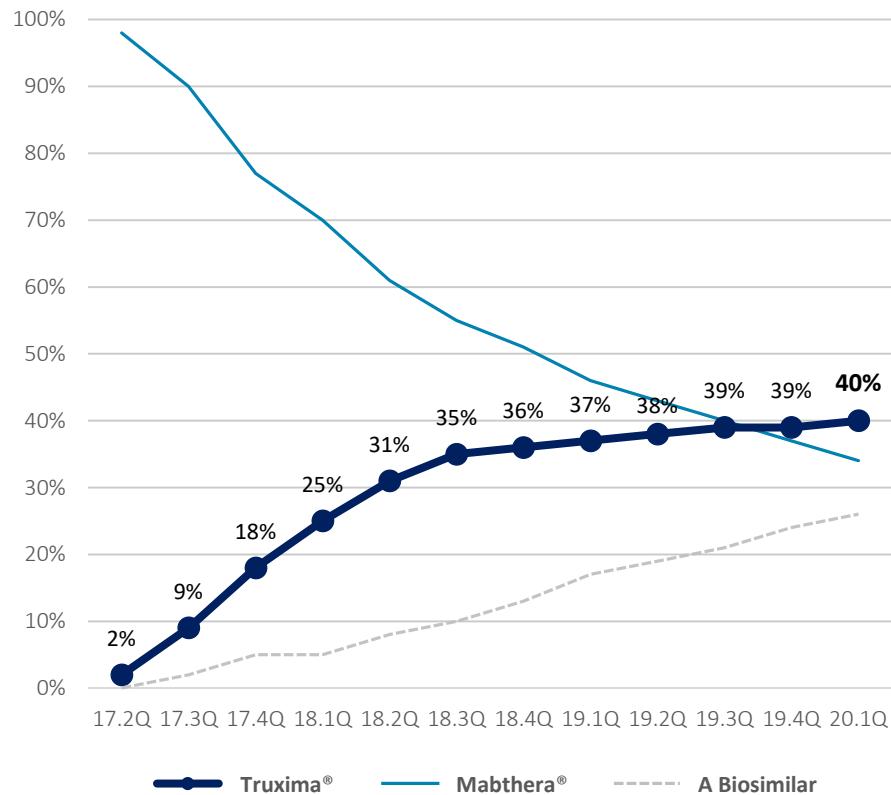


Note: prescription sales is based on WAC
Source : Symphony Health

Key Business Performance

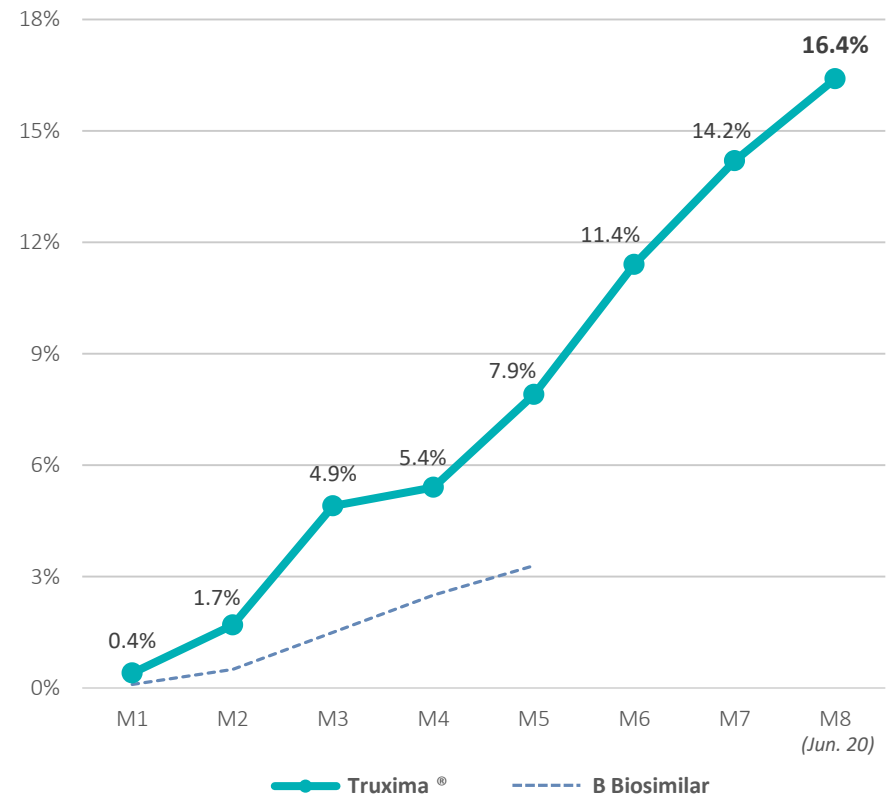
- ✓ The most prescribed Rituximab product in EU since 4Q19
- ✓ Acceleration of prescription in the US with 16.4% of market share amid competitor's entry

Truxima® market share in Europe



Note: market share is based on volume
Source : IQVIA

Truxima® market share in the US

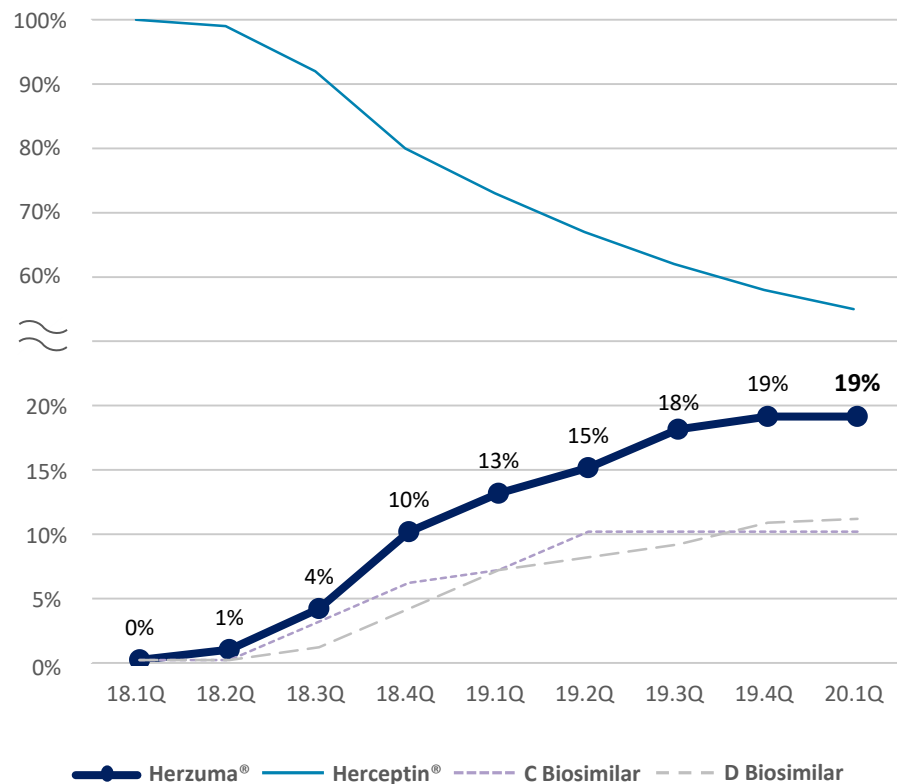


Note: market share is based on unit
Source : Symphony Health

Key Business Performance

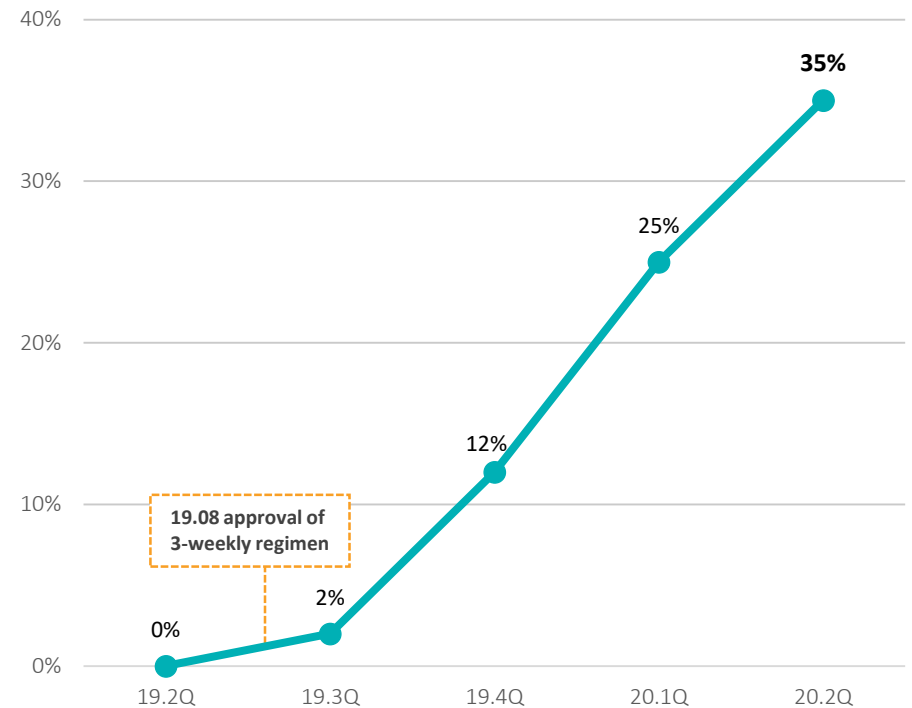
- ✓ Retaining the highest market share among Herceptin® biosimilars launched in EU
- ✓ Strong market share uptake following the approval of 3-weekly regimen for breast cancer in Japan

Herzuma® market share in Europe



Note: market share is based on volume
Source : IQVIA

Herzuma® market share in Japan

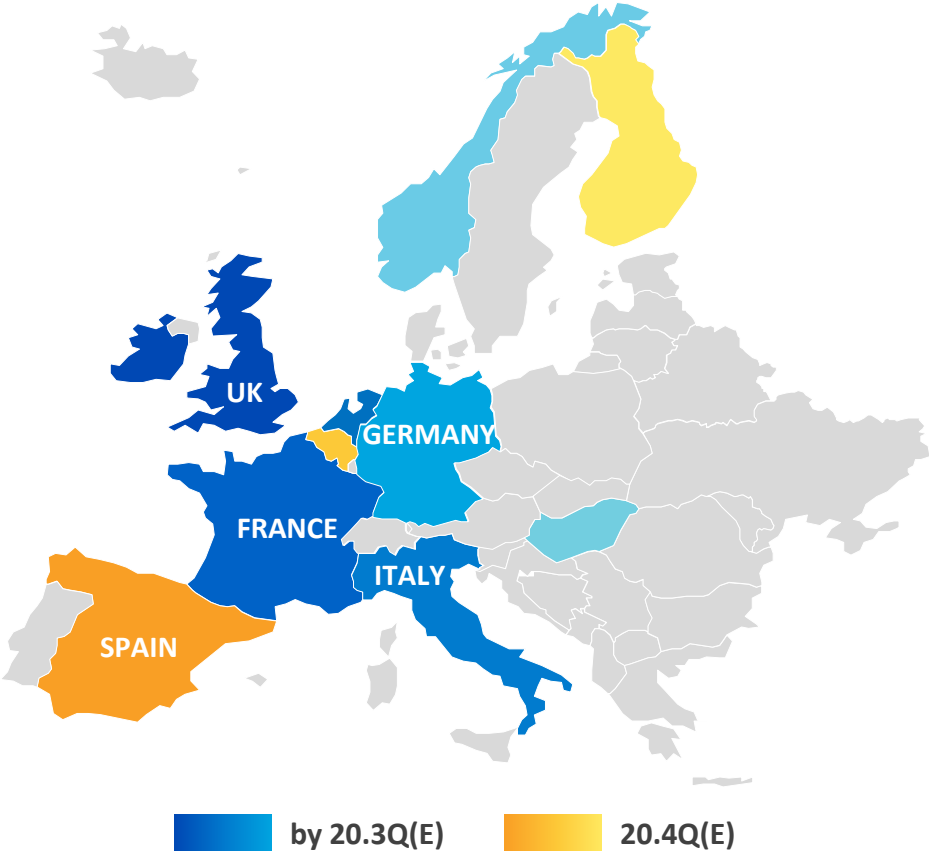


Note: market share is based on volume
Source : IQVIA

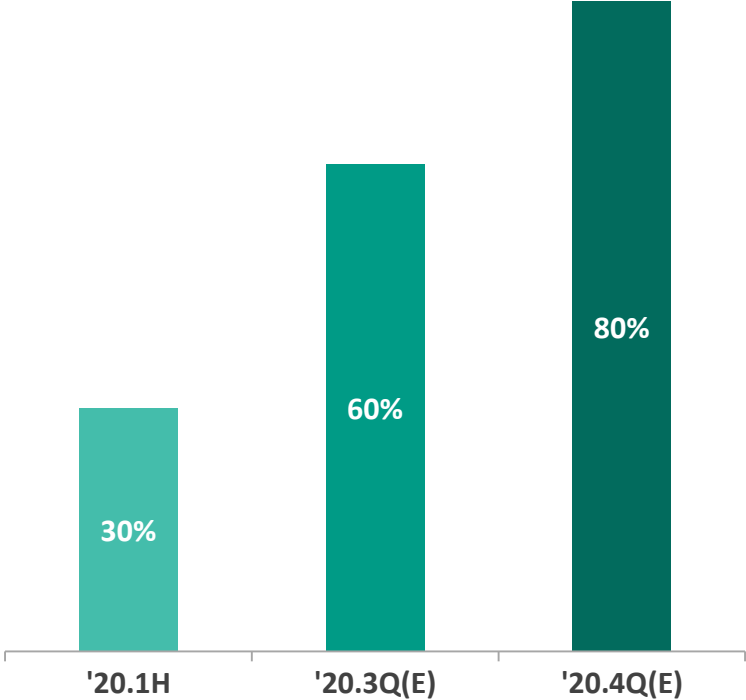
Key Business Performance

- ✓ Spur on launching with full-label approval by EMA : RA(Nov.19), all other indications including IBD(Jul.20)
- ✓ Planning to launch into the 80% of total Infiximab market including EU5 By 2020

Remsima® SC launching timeline by country



EU Infiximab market covered by Remsima® SC



Appendix

Summary Income Statement

(KRW bn)	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	'17	'18	'19
Revenue	128.4	183.8	212.7	188.7	220.5	284.8	282.0	313.6	356.9	420.3	920.9	713.5	1,100.9
Cost of Sales	102.8	144.9	168.8	228.1	186.6	248.3	233.1	223.5	262.4	292.0	696.8	644.6	891.6
Gross Profit	25.6	38.8	43.9	(39.4)	33.9	36.4	48.9	90.1	94.5	128.3	224.1	68.9	209.3
SG&A	17.1	23.6	23.8	29.5	24.5	27.2	27.6	47.2	38.7	41.4	70.5	94.1	126.5
Operating Income	8.4	15.2	20.0	(68.9)	9.4	9.3	21.3	42.8	55.8	86.8	153.7	(25.2)	82.8
Non-operating Income	74.1	0.7	(11.0)	(14.2)	(0.8)	8.7	5.1	(19.8)	42.4	(18.1)	52.5	49.6	(6.7)
Financial Income	74.2	10.5	(6.3)	(6.2)	4.9	6.8	7.3	1.0	22.8	3.6	114.6	70.5	20.0
Financial Expenses	6.4	4.7	3.4	0.6	5.1	13.6	5.9	4.9	7.4	16.9	47.1	13.3	29.5
Other Income	11.0	0.9	4.0	0.9	2.1	16.3	10.2	(7.8)	32.5	11.7	16.8	14.2	20.8
Other Expenses	4.7	6.0	5.3	8.4	2.6	0.8	6.5	8.1	5.5	16.5	31.8	21.7	18.0
Profit (Loss) before Taxes	82.5	16.0	9.1	(83.1)	8.6	18.0	26.4	22.4	98.2	68.7	206.1	24.4	75.4
Tax Expense (Benefit)	22.0	5.0	2.7	(16.5)	2.8	9.5	16.3	(18.2)	22.0	22.2	48.7	13.0	10.4
Net Profit (Loss)	60.5	11.0	6.4	(66.6)	5.8	8.5	10.1	40.6	76.2	46.4	157.4	11.4	65.0

Thank You
