



Celltrion Healthcare

2Q22 Earnings Presentation



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Section 01

2Q22 Business Results

2Q22 Business Results

Income Statement

- ▶ **Revenue** : Despite temporary sales reduction due to transition for the direct-sales of Truxima® and Herzuma® in Europe, revenue in the second quarter surpassed 500bn won for the first time led by steady sales growth in every region including the N.America, LATAM and Asia
- ▶ **OP** : Achieved sound operating profit thanks to the stable prescription of profitable products such as Truxima® and Inflectra®
- ▶ **NP** : EBIT increased YoY and QoQ as a result of the increase in non-operating profit due to weak Won, net profit reduced due to corporation tax with the increased taxable income based on separate financial statements

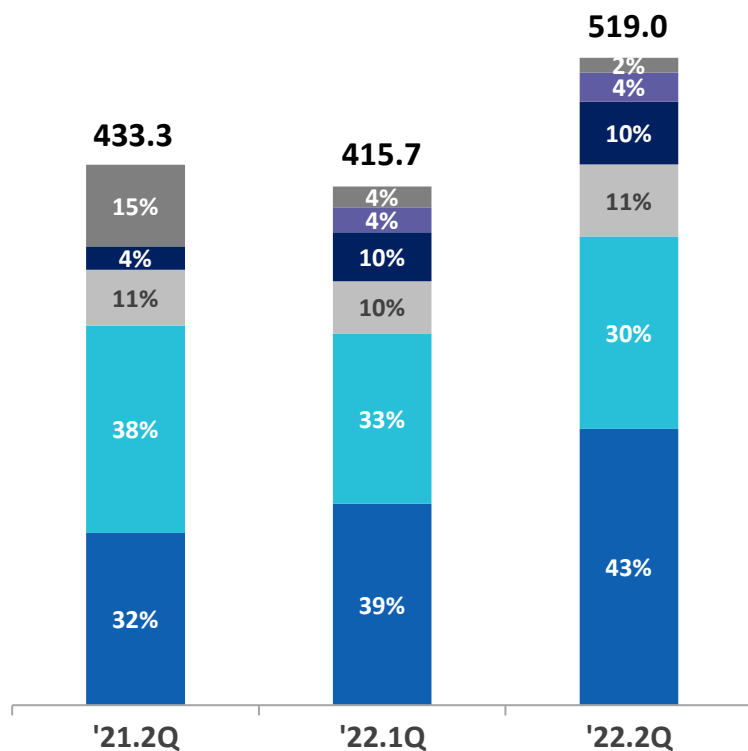
(KRW bn)	'21.2Q	'22.1Q	'22.2Q	%YoY	%QoQ
Revenue	433.3	415.7	519.0	19.8%	24.8%
Gross Profit	127.1	104.3	140.9	10.9%	35.1%
(%)	29.3%	25.1%	27.1%	-2.2%p	2.0%p
SG&A	50.9	59.2	66.8	31.2%	12.8%
(%)	11.7%	14.2%	12.9%	1.2%p	-1.3%p
Personnel expenses	10.5	12.5	13.7	30.5%	9.6%
Research expenses	6.5	5.0	0.8	-87.7%	-84.0%
Advertising expenses	4.2	2.9	6.6	57.1%	127.6%
Commissions	13.9	15.5	24.3	74.8%	56.8%
Operating Profit	76.2	45.0	74.1	-2.8%	64.7%
(%)	17.6%	10.8%	14.3%	-3.3%p	3.5%p
EBIT	87.8	61.3	95.2	8.4%	55.3%
Net Profit	63.7	43.6	39.1	-38.6%	-10.3%

2Q22 Business Results

Sales Breakdown

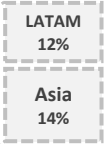
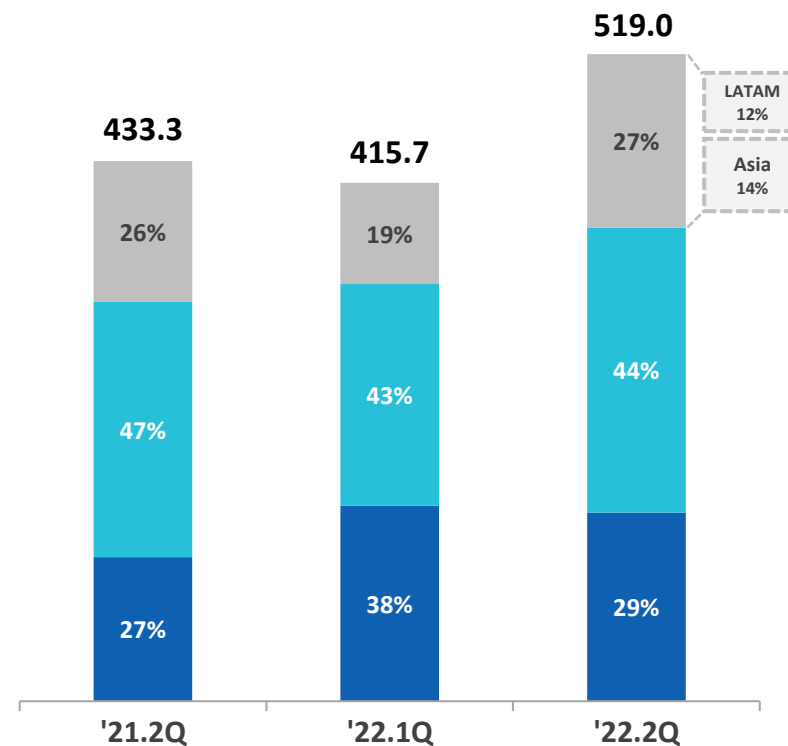
By Product

(Unit: KRW bn)



By Region

(Unit: KRW bn)



Note: Others included Regkirona®, Yuflyma®, and etc.

2Q22 Business Results

Balance Sheet & Cash Flow

Balance Sheet

(KRW bn)	'21	'22.2Q	Change
Total Assets	3,914.7	4,154.1	239.4
Cash and Cash Equivalents	254.9	328.4	73.5
Short Term Financial Assets	270.5	196.0	-74.5
Trade and Other Receivables	584.1	571.4	-12.7
Inventories	2,065.7	2,209.5	143.8
Total Liabilities	1,808.9	2,086.8	277.9
Total Equity	2,105.8	2,067.3	-38.5
Debt-to-Equity Ratio	85.9%	100.9%	15.0%p

Cash Flow

(KRW bn)	'21	'22.2Q
Cash at beginning of year	231.5	254.9
Operating	-160.2	153.1
Operating profit	199.4	119.1
Working capital	-340.2	38.0
Others	-19.4	-4.0
Investing	-4.2	70.2
Short term financial assets	28.0	76.5
Others	-32.2	-6.3
Financing	187.8	-149.8
Borrowing and redemption	199.9	-18.3
Share buyback	-11.6	-91.0
Cash Dividend	-	-39.9
Share issue	3.0	1.4
Others	-3.5	-2.0
Cash at the end of year	254.9	328.4

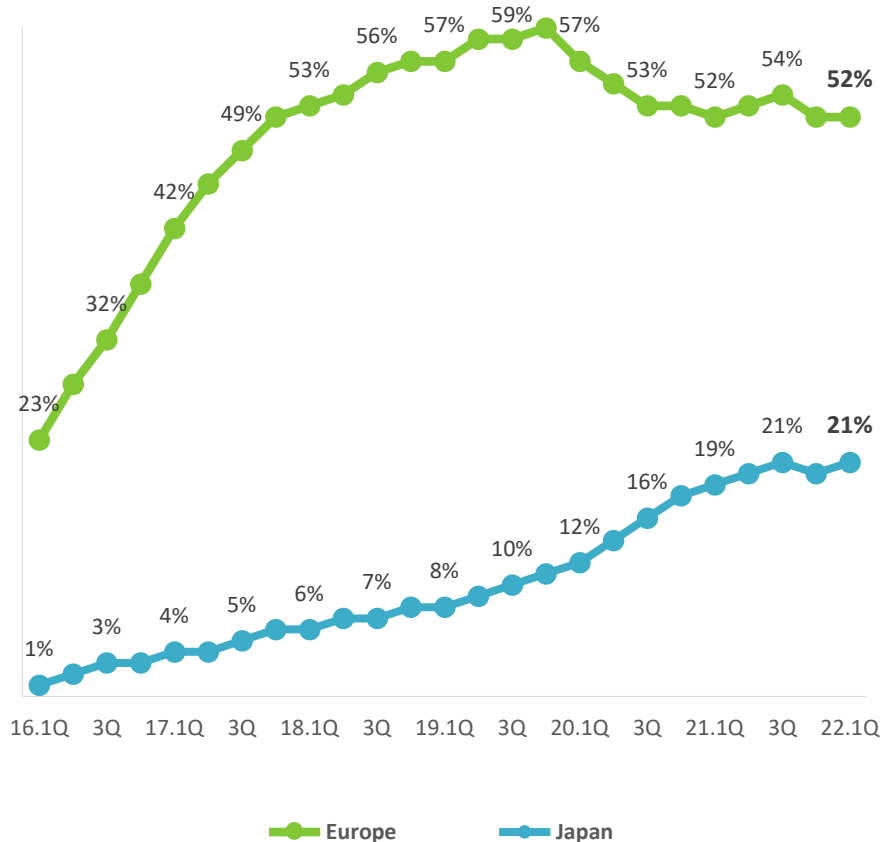
Section 02

Key Business Performance

Key Business Performance

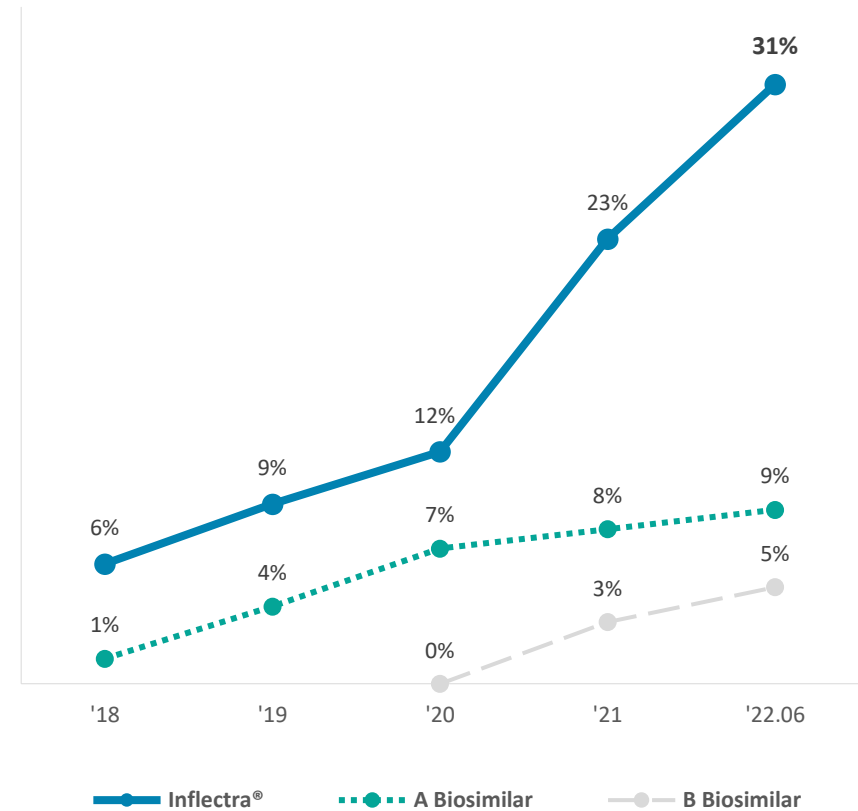
- ✓ Maintaining most prescribed Infliximab drug in Europe with the market share over 50% & continuously expanding prescription in Japan & LATAM
- ✓ Surpassed 30% of the market share in June 2022 led by accelerating prescription after additional listings at major US payers

Market share of Remsima® in Europe and Japan



Note: The market share is based on volume
Source : IQVIA

Market share of Inflectra® in the US

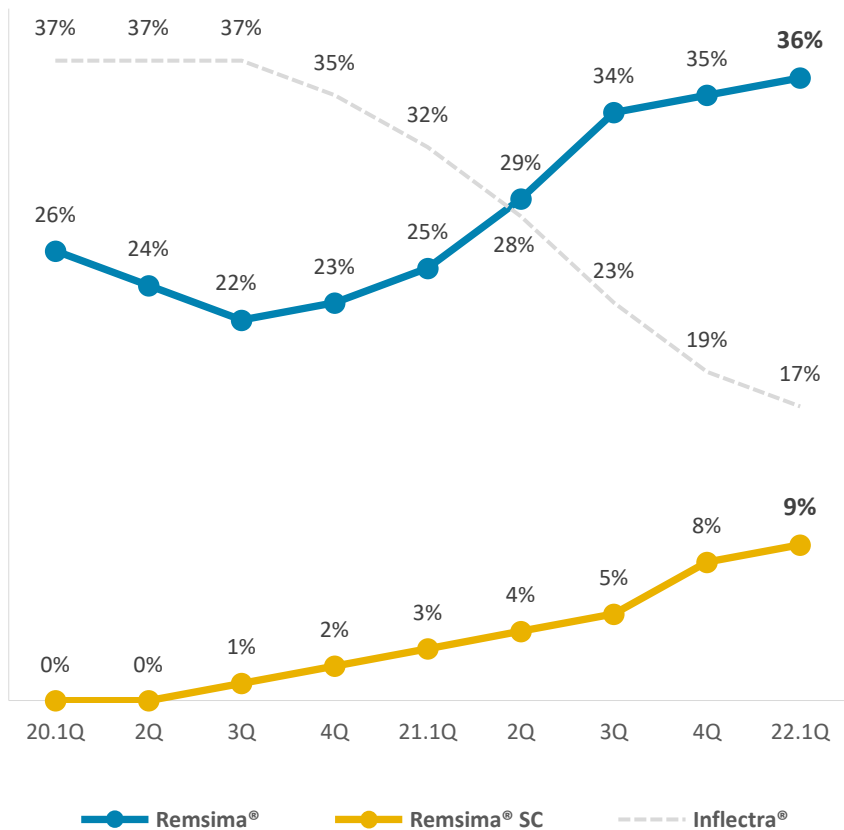


Note: The market share is based on volume
Source : Symphony Health

Key Business Performance

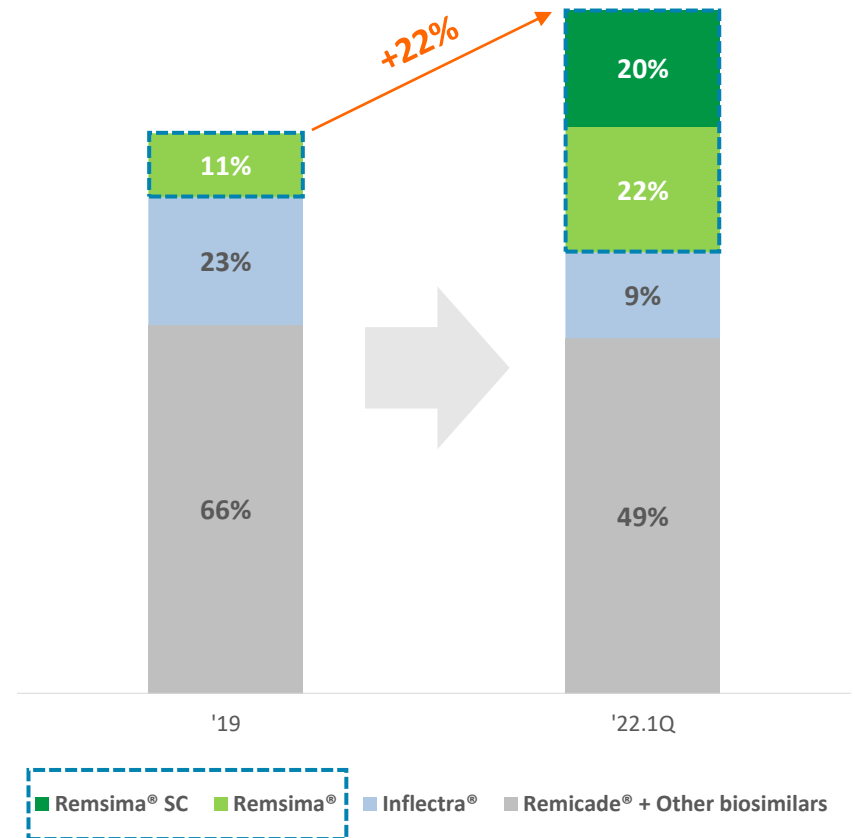
- ✓ Remsima® SC prescription has been expanding since its launch in 2020, driving the growth of Infliximab market in Europe
- ✓ Switching from Inflectra® to Remsima® led to the increase of prescription of Remsima® SC

M/S Trend of Remsima® & Remsima® SC in EU5



Note: The market share is based on volume of EU5 region
Source : IQVIA

Prescription of Remsima® & Remsima® SC in Germany

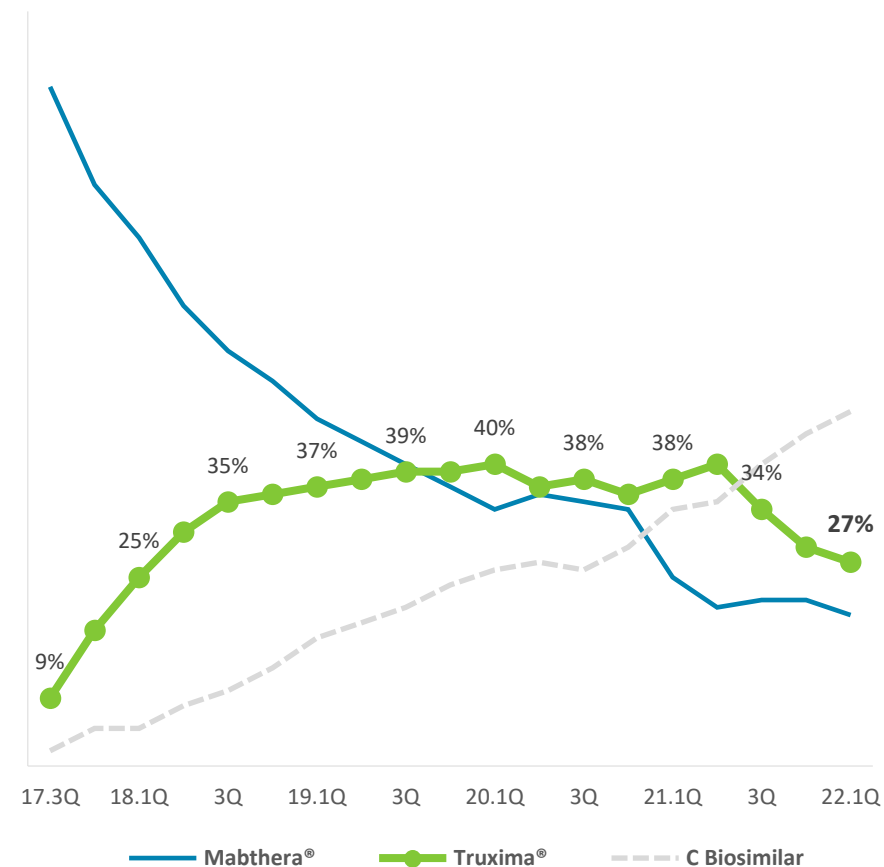


Note: 1) The market share is based on volume
2) The market size of 22.1Q is based on 22.1QMAT(21.2Q to 22.1Q)
Source : IQVIA

Key Business Performance

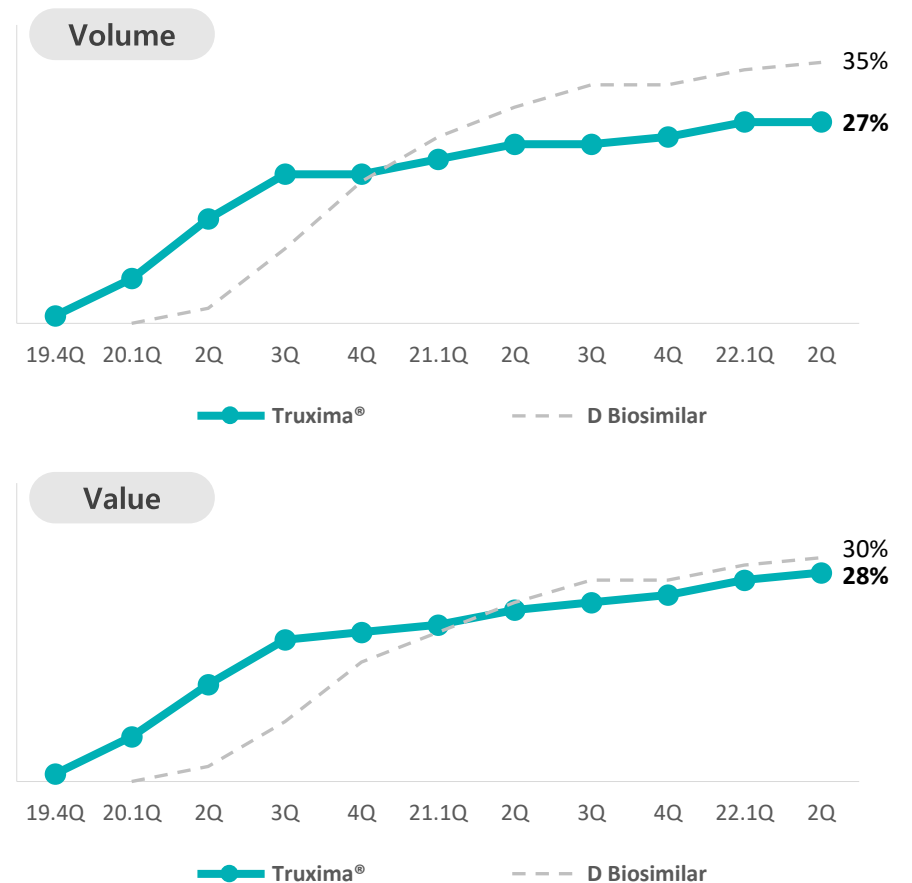
- ✓ Sales and the market share decreased temporarily due to the preparation for the additional direct sales as well as strategically participating in tenders to secure profitability in Europe
- ✓ Optimal pricing strategy in the US contributed to securing profitability & maintaining stable market share

Market share of Truxima® in Europe



Note: The market share is based on volume
Source : IQVIA

Market share of Truxima® in the US

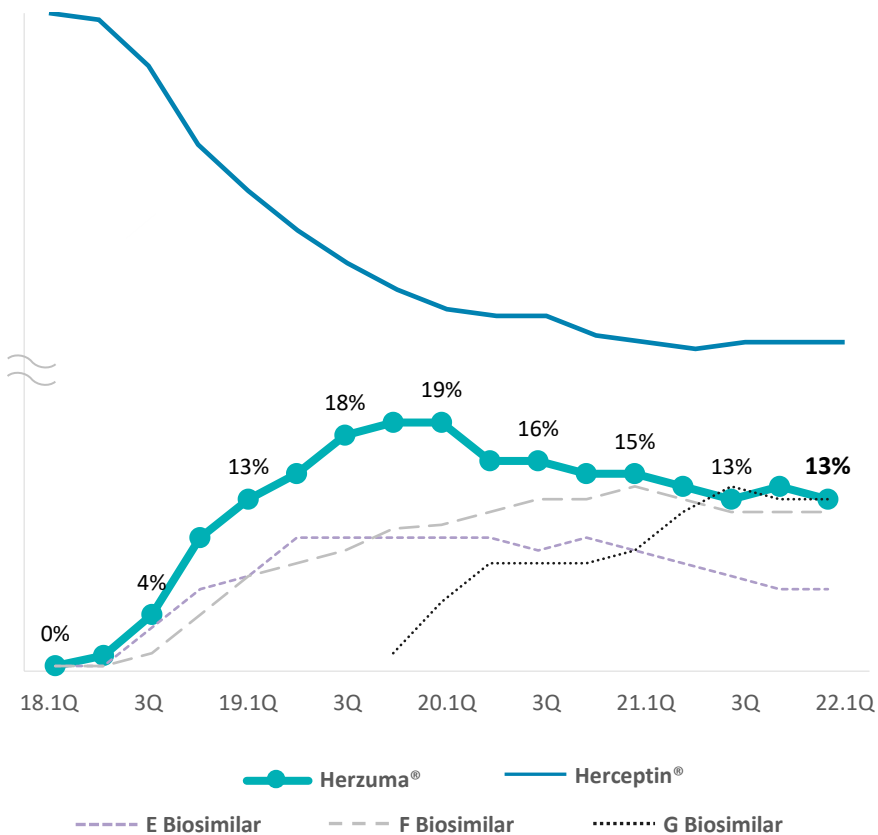


Source : Symphony Health

Key Business Performance

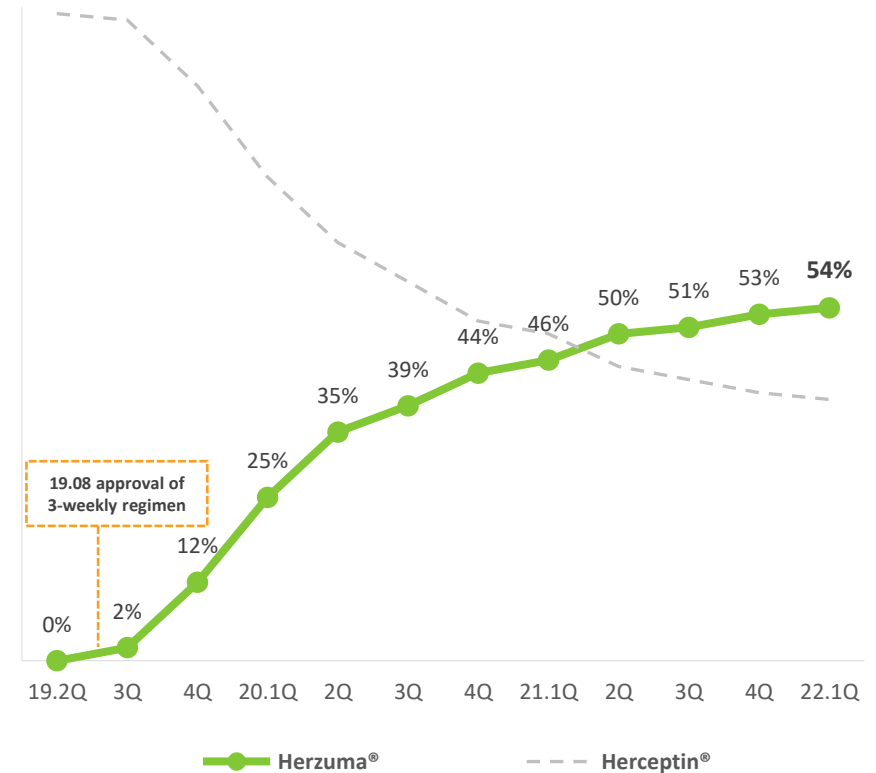
- ✓ Securing profitability by strategic participation in tenders as a leading Herceptin® biosimilar in Europe
- ✓ Surpassed the market share of Herceptin® in Japan & Increasing demands in LATAM boosted the sales growth

Market share of Herzuma® in Europe



Note: The market share is based on volume
Source : IQVIA

Market share of Herzuma® in Japan



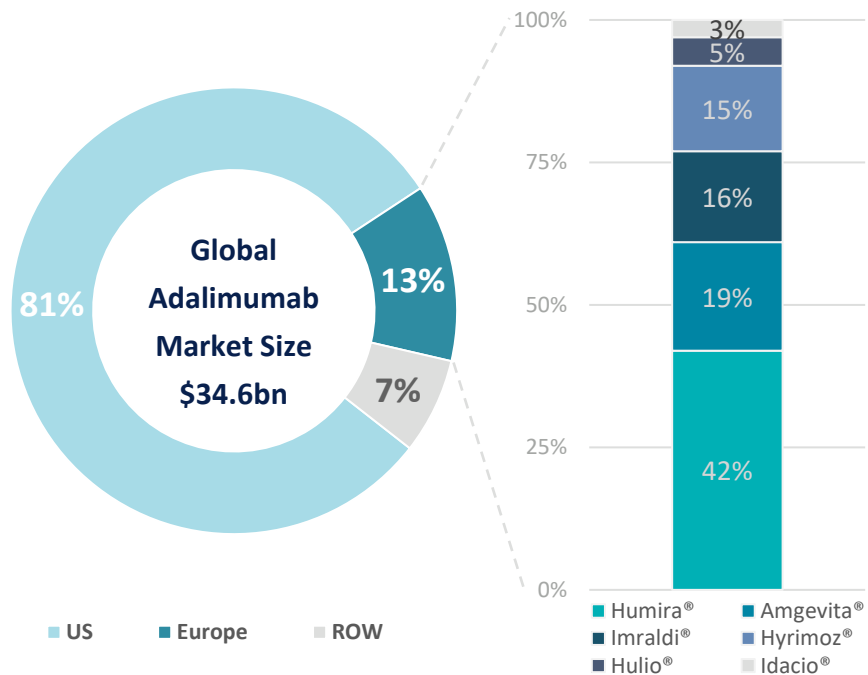
Note: The market share is based on volume
Source : IQVIA

Key Business Performance

Yuflyma® / Vegzelma®

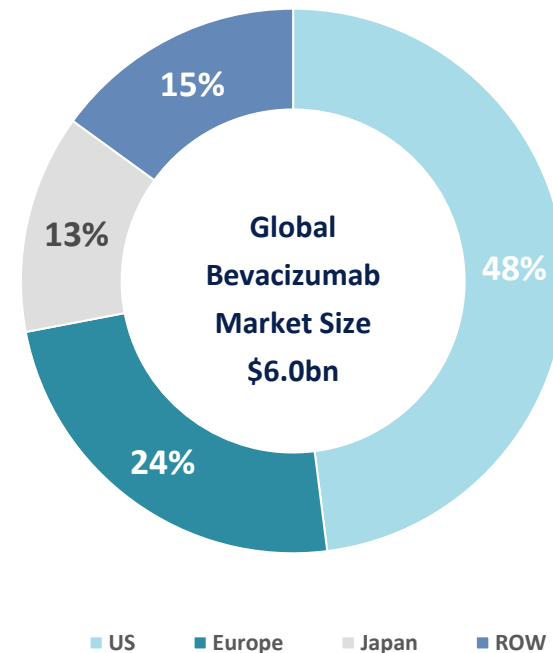
- ✓ Yuflyma®, the low volume & citrate-free Adalimumab biosimilar, started to enter in EU in 2022
- ✓ Filed IND application with the US FDA for a global Phase 3 clinical trial to demonstrate the interchangeability of Yuflyma® with Humira®
- ✓ Vegzelma® aims to launch in EU and the US in 2H22, 1H23 respectively with its price competitiveness

Global market size of Adalimumab



Note: The market size is as of 2021
Source : IQVIA

Global Market size of Bevacizumab

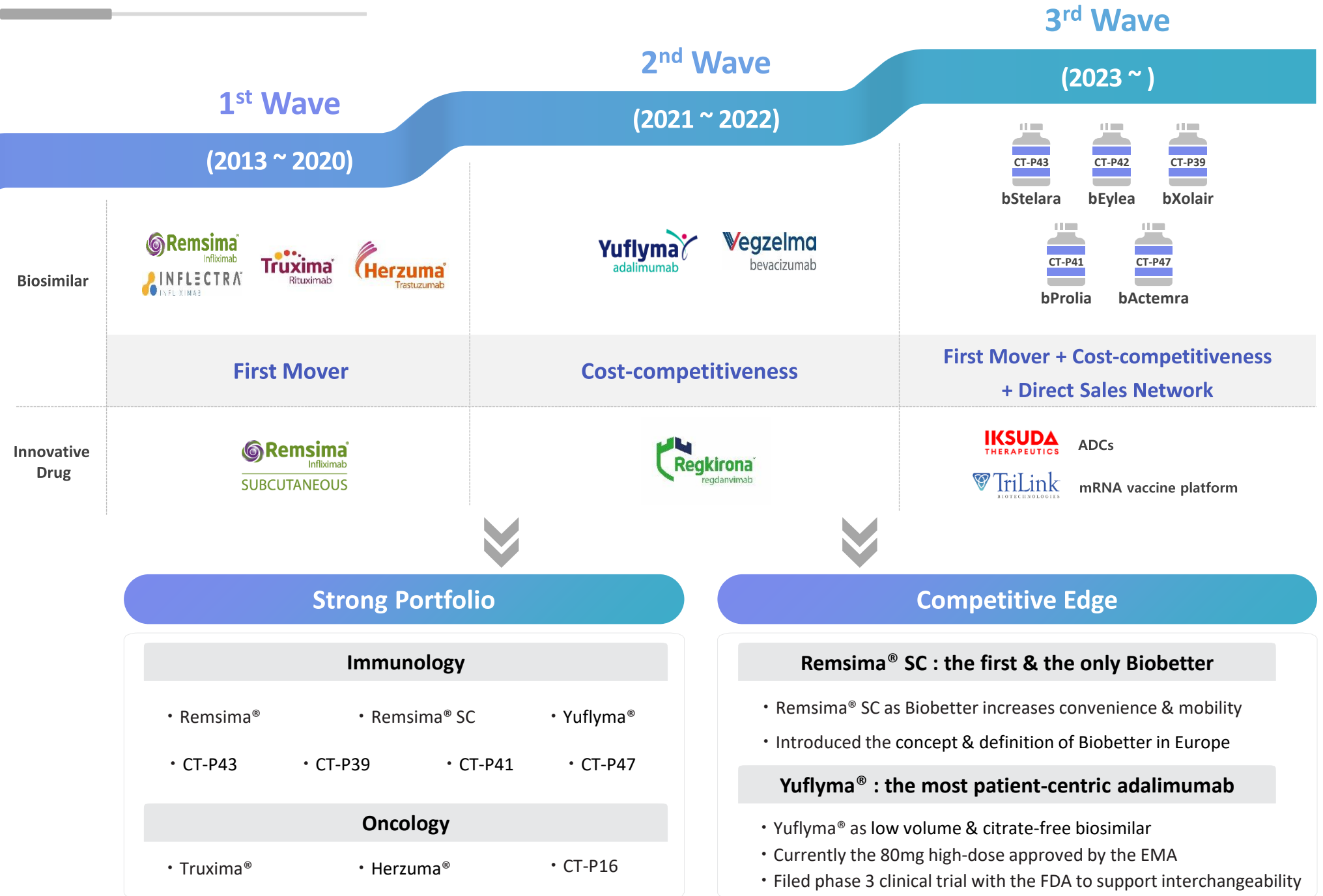


Note: The market size is as of 2021
Source : IQVIA

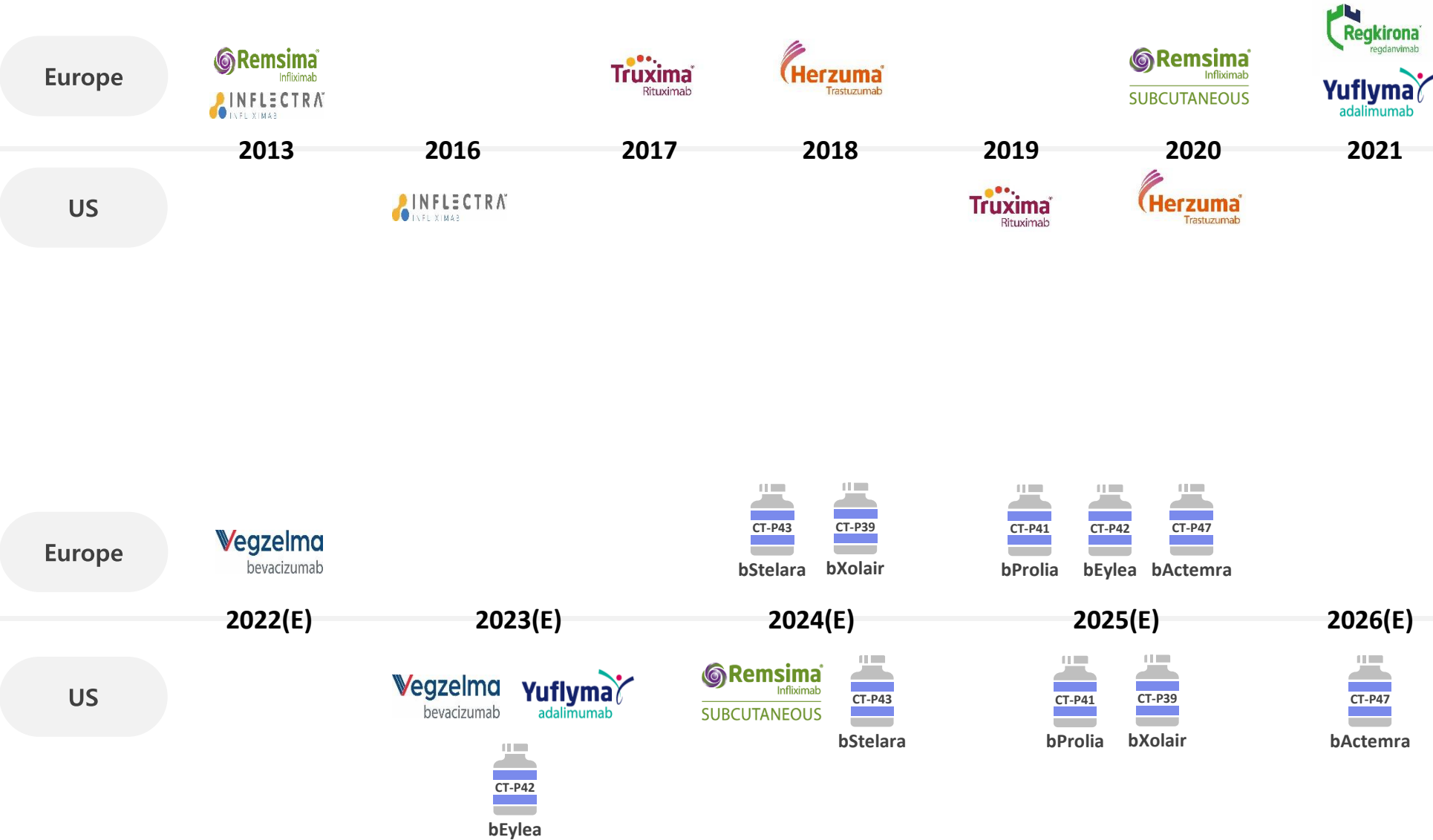
Section 03

Business Plan & Vision

Heading to the Third Wave of Biosimilars & Beyond



Launching Timeline by Product

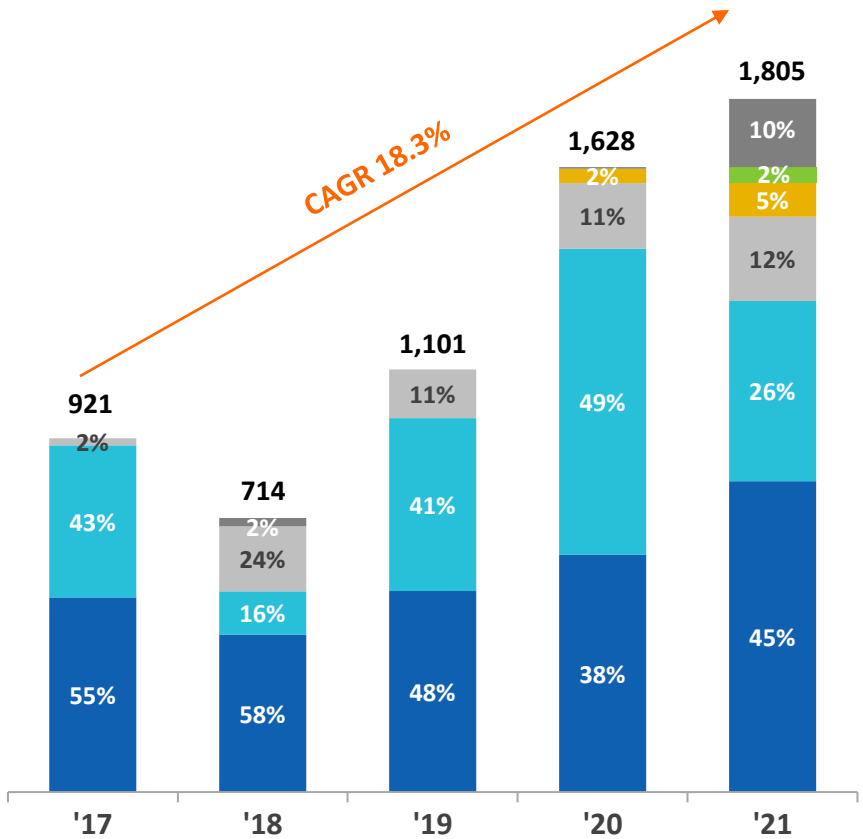


Note: 1) The logo of Inflectra™ is owned by Pfizer
 2) Launching plan could be subjective to the approval

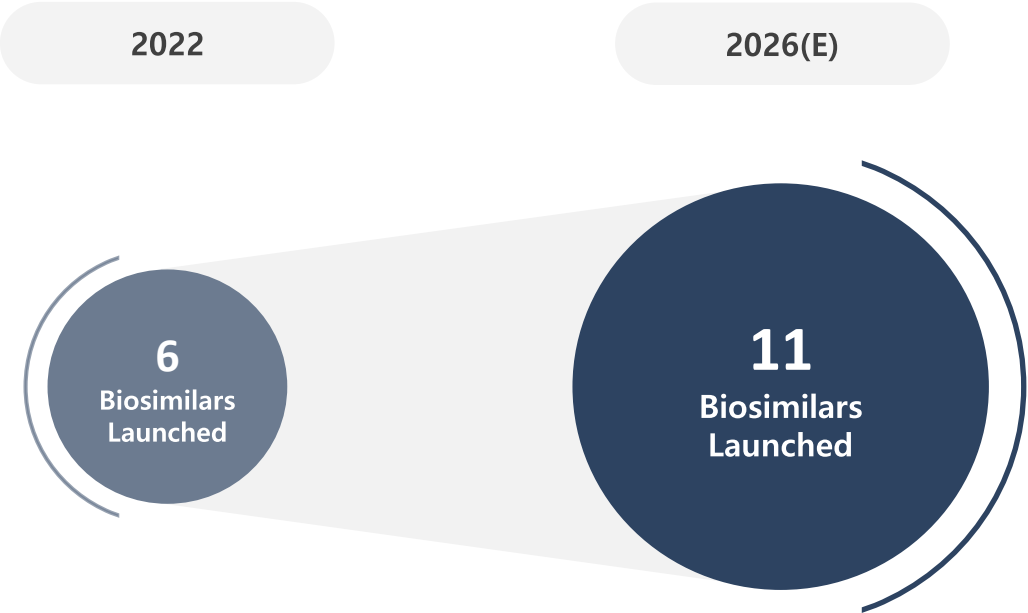
Continuing Revenue Growth by Expanding Portfolio

Annual revenue trend

(Unit : KRW bn)



Expanding biosimilar portfolio



Note: Others included Regkirona®, Yuflyma®, and etc.

Global Sales Network

✓ Expanding direct sales network & strong partnerships optimizes distribution and marketing practices



- Distribution in 110+ nations
- Sales strategy tailored to the region
- Experienced Sales Representatives
- Management efficiency by expanding direct sales

Appendix

Pipeline

Product Name	Reference Drug	Manufacturer	Global Market size (\$bn)	US	EU
Remsima® SC	-	Celltrion	52.9	In phase 3 clinical trial (Mar.2019~)	All indications approved (Jul.2020, Pediatric usage non-included)
Yuflyma® (CT-P17)	Humira® (Adalimumab)	AbbVie	34.6	Application submitted (Nov.2020) IND application for phase 3 clinical trial to support interchangeability filed (Aug.2022)	Received European Commission approval (Feb.2021)
Vegzelma® (CT-P16)	Avastin® (Bevacizumab)	Roche	6.1	Application submitted (Sep.2021)	Received CHMP positive opinion (Jun.2022)
CT-P43	Stelara® (Ustekinumab)	Johnson & Johnson	14.1	In phase 3 clinical trial (Sep.2020~)	
CT-P39	Xolair® (Omalizumab)	Genentech	3.7	In phase 3 clinical trial (Jul.2020~)	
CT-P42	Eylea® (Aflibercept)	Bayer & Regeneron	4.8	In phase 3 clinical trial (Nov.2020~)	
CT-P41	Prolia® (Denosumab)	Amgen	5.8	In phase 3 clinical trial (Jan.2021~)	
CT-P47	Actemra® (Tocilizumab)	Roche	3.6	-	IND application for phase 3 clinical trial approved (Jul.2022)

Note: Global market size is as of 2021

Source : IQVIA

Summary Income Statement

(KRW bn)	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	'19	'20	'21
Revenue	356.9	420.3	463.4	387.0	356.3	433.3	409.1	605.8	415.7	519.0	1,100.9	1,627.6	1,804.5
Cost of Sales	262.4	292.0	289.4	242.0	274.0	306.1	334.4	459.5	311.4	378.1	891.6	1,085.8	1,374.0
Gross Profit	94.5	128.3	174.0	145.0	82.3	127.1	74.7	146.4	104.3	140.9	209.3	541.8	430.5
SG&A	38.7	41.4	46.3	53.3	50.8	50.9	52.7	76.7	59.2	66.8	126.5	179.7	231.1
Operating Income (Loss)	55.8	86.8	127.7	91.8	31.5	76.2	22.0	69.7	45.0	74.1	82.8	362.1	199.4
Non-operating Income	42.4	(18.1)	(7.0)	(64.5)	3.6	11.8	30.5	(45.9)	16.5	21.2	(6.7)	(47.2)	0.0
Financial Income	22.8	3.6	3.1	9.2	5.5	4.6	2.2	0.8	4.3	3.4	20.0	38.7	13.1
Financial Expenses	7.4	16.9	8.2	1.4	12.5	3.5	18.5	(2.8)	5.0	13.9	29.5	33.9	31.7
Other Income	32.5	11.7	7.4	(13.2)	27.0	15.6	51.8	(22.6)	30.9	38.8	20.8	38.4	71.8
Other Expenses	5.5	16.5	9.3	59.1	16.4	4.9	5.0	26.9	13.7	7.1	18.0	90.4	53.2
Profit before Taxes	98.2	68.7	120.6	27.2	35.0	87.8	52.5	23.0	61.3	95.2	75.4	314.7	198.3
Tax Expense (Benefit)	22.0	22.2	34.5	(4.4)	3.5	24.1	11.9	(85.2)	17.7	56.1	10.4	74.3	(45.7)
Net Profit	76.2	46.4	86.1	31.7	31.5	63.7	40.6	16.8	43.6	39.1	65.0	240.4	152.6

Thank You