



# Celltrion Healthcare

2023.2Q Earnings Presentation



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# 2Q23 Business Results

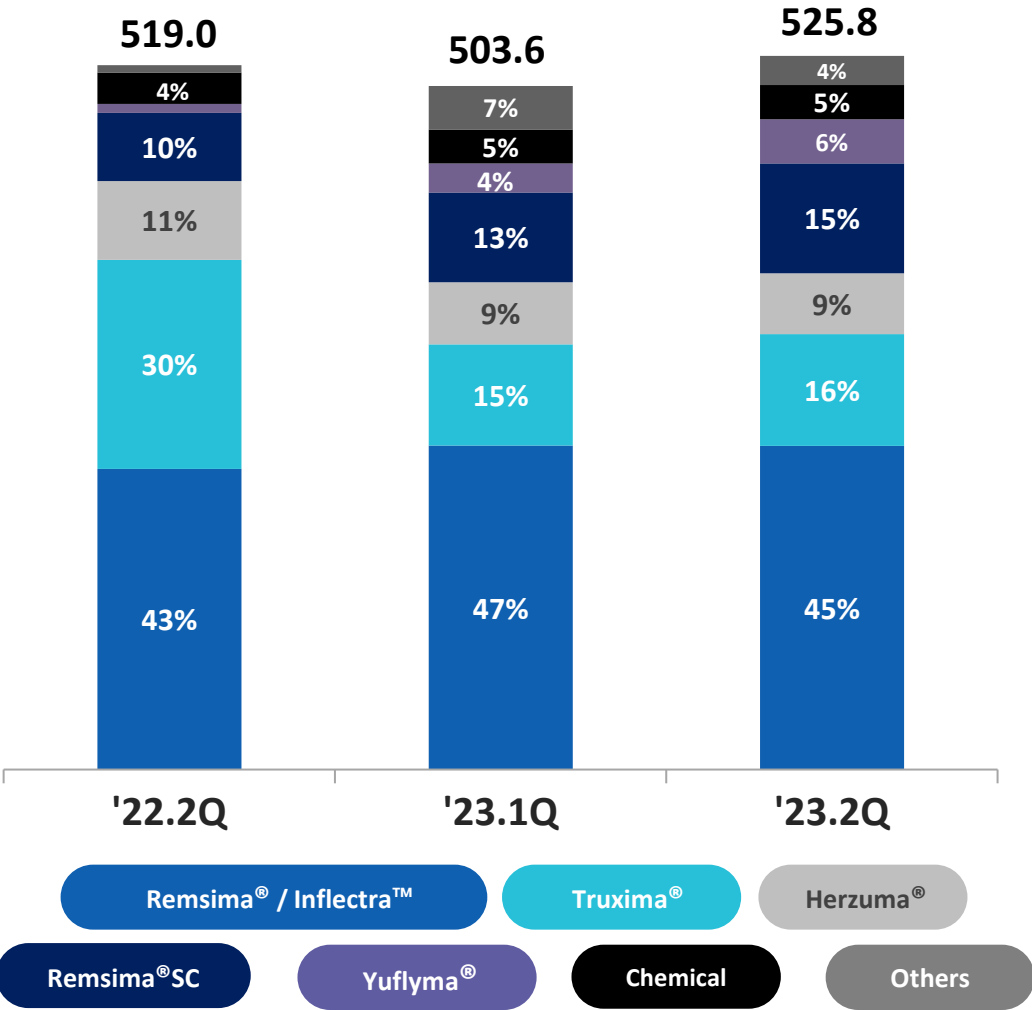
- ▶ **Revenue:** Increased both QoQ and YoY due to stable prescription of highly profitable products such as Remsima®, Remsima®SC and Yuflyma®
- ▶ **Operating Profit:** Cost increased by expansion of the direct sales and sales operations resulted in lower OP although the revenue was increased by the sales of high-margin products
- ▶ **Net Profit:** Inventory of subsidiary in Hungary purchased from the headquarter resulted in unrealized gain which increased the income tax rate, and NP decreased in a consequence

(KRW bn)	'22.2Q	'23.1Q	'23.2Q	%YoY	%QoQ
<b>Revenue</b>	<b>519.0</b>	<b>503.6</b>	<b>525.8</b>	<b>1.3%</b>	<b>4.4%</b>
Gross Profit	140.9	153.2	150.9	7.1%	-1.5%
(%)	27.1%	30.4%	28.7%	1.6%p	-1.7%p
SG&A	66.8	102.2	116.8	74.9%	14.3%
(%)	12.9%	20.3%	22.2%	9.3%p	1.9%p
Personnel expenses	13.7	18.1	19.7	43.8%	8.8%
Research expenses	0.8	4.6	9.4	1,075.0%	104.3%
Advertising expenses	6.6	10.2	15.5	134.8%	52.0%
Commissions	24.3	30.1	37.8	55.6%	25.6%
Transportation expenses	7.8	13.9	11.3	44.9%	-18.7%
<b>Operating Profit</b>	<b>74.1</b>	<b>51.0</b>	<b>34.1</b>	<b>-54.0%</b>	<b>-33.1%</b>
(%)	14.3%	10.1%	6.5%	-7.8%p	-3.6%p
<b>EBIT</b>	<b>95.2</b>	<b>120.1</b>	<b>32.1</b>	<b>-66.3%</b>	<b>-73.3%</b>
<b>Net Profit</b>	<b>39.1</b>	<b>54.1</b>	<b>17.4</b>	<b>-55.5%</b>	<b>-67.8%</b>

# 2Q23 Business Results

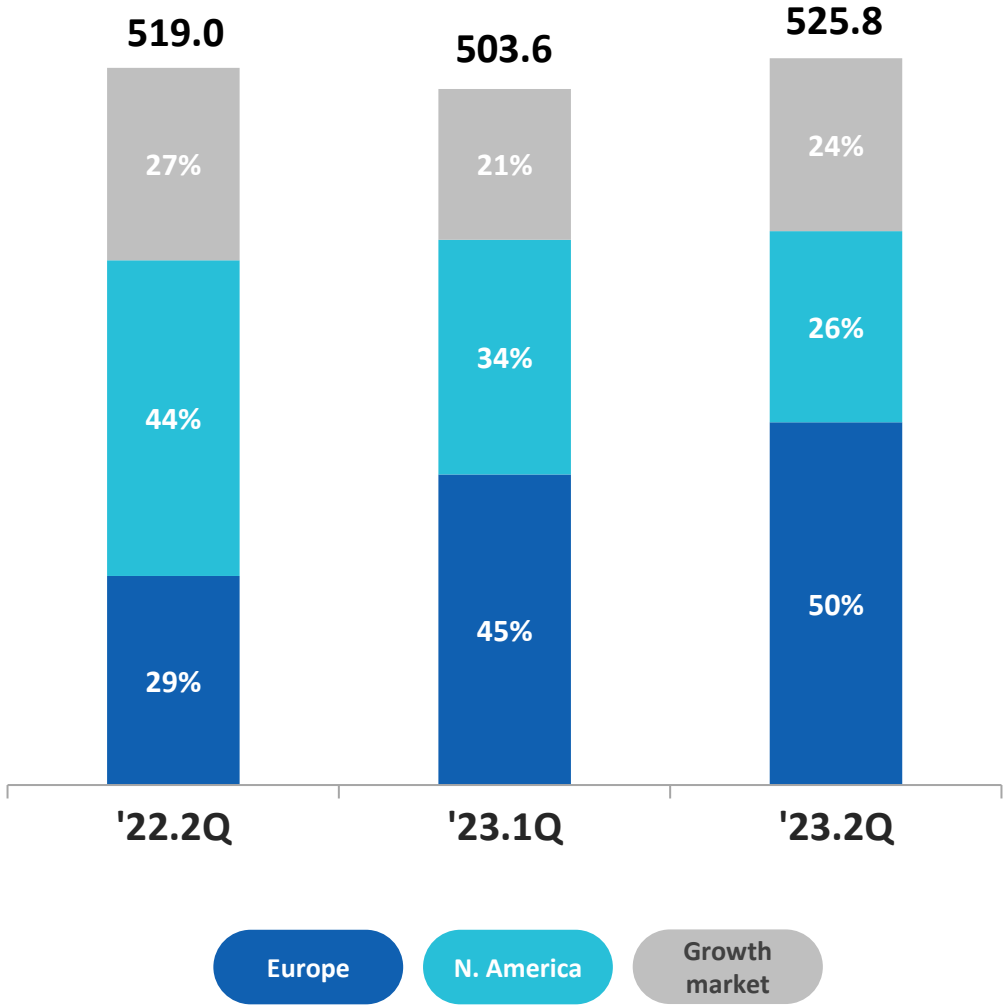
By Product

(Unit: KRW bn)



By Region

(Unit: KRW bn)



Note: Others included Vegzelma®, Regkirona™, Covid-19 kit and etc.

# 2Q23 Business Results

## Balance Sheet

(KRW bn)	'22	'2Q23	Change
<b>Total Assets</b>	<b>4,454.6</b>	<b>4,627.9</b>	<b>173.3</b>
Cash and Cash Equivalents	458.0	328.1	-129.9
Short Term Financial Assets	73.1	41.8	-31.3
Trade and Other Receivables	897.0	985.3	88.3
Inventories	2,352.9	2,587.4	234.5
<b>Total Liabilities</b>	<b>2,392.8</b>	<b>2,569.6</b>	<b>176.8</b>
<b>Total Equity</b>	<b>2,061.8</b>	<b>2,058.3</b>	<b>-3.5</b>
<b>Debt-to-Equity Ratio</b>	<b>116.1%</b>	<b>124.8%</b>	<b>8.7%p</b>

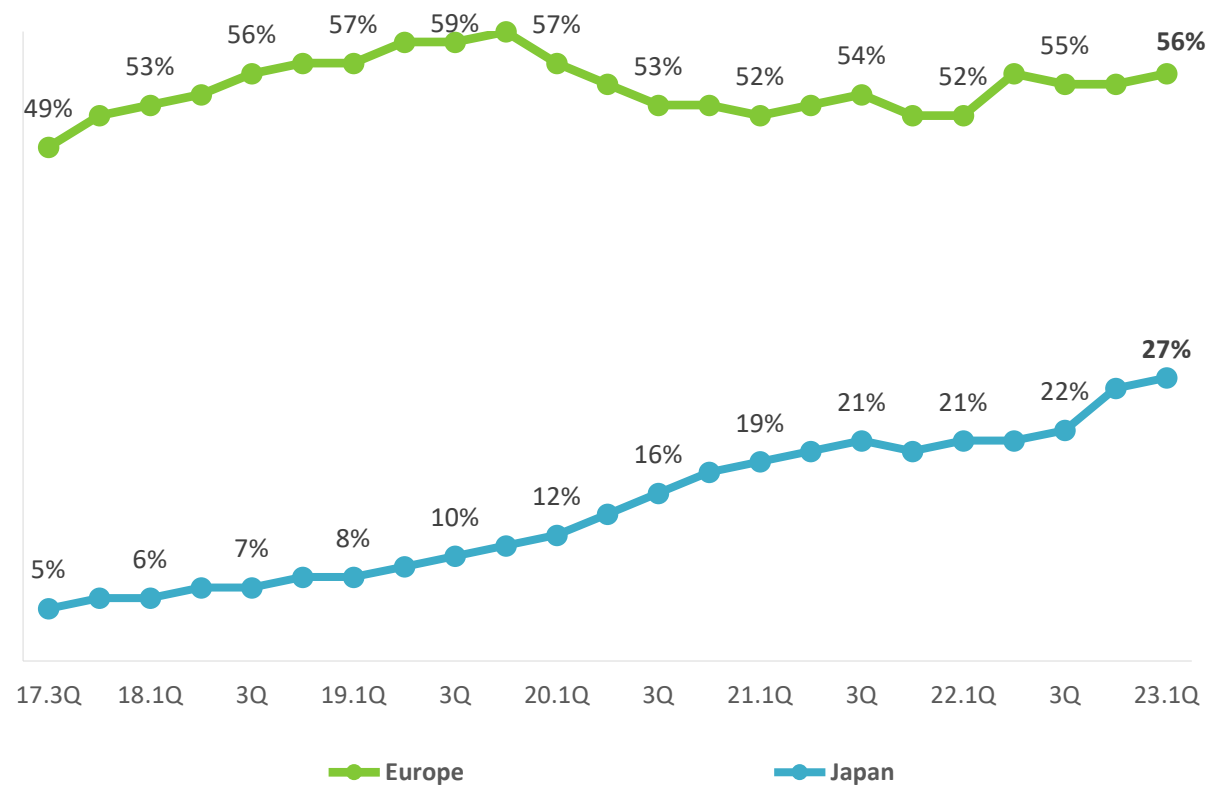
## Cash Flow

(KRW bn)	'22	'2Q23
<b>Cash at beginning of year</b>	<b>254.9</b>	<b>458.0</b>
<b>Operating</b>	<b>200.6</b>	<b>-75.1</b>
Operating profit	228.9	34.1
Working capital	6.5	-44.8
Others	-34.8	-64.4
<b>Investing</b>	<b>177.4</b>	<b>30.1</b>
Short term financial assets	190.7	33.8
Others	-13.3	-3.7
<b>Financing</b>	<b>-174.9</b>	<b>-84.9</b>
Borrowing and redemption	-43.4	-6.0
Share buyback	-91.0	-56.5
Cash Dividend	-39.9	-20.2
Share issue	3.5	0.3
Others	-4.1	-2.5
<b>Cash at the end of year</b>	<b>458.0</b>	<b>328.1</b>

# Remsima® & Inflectra™

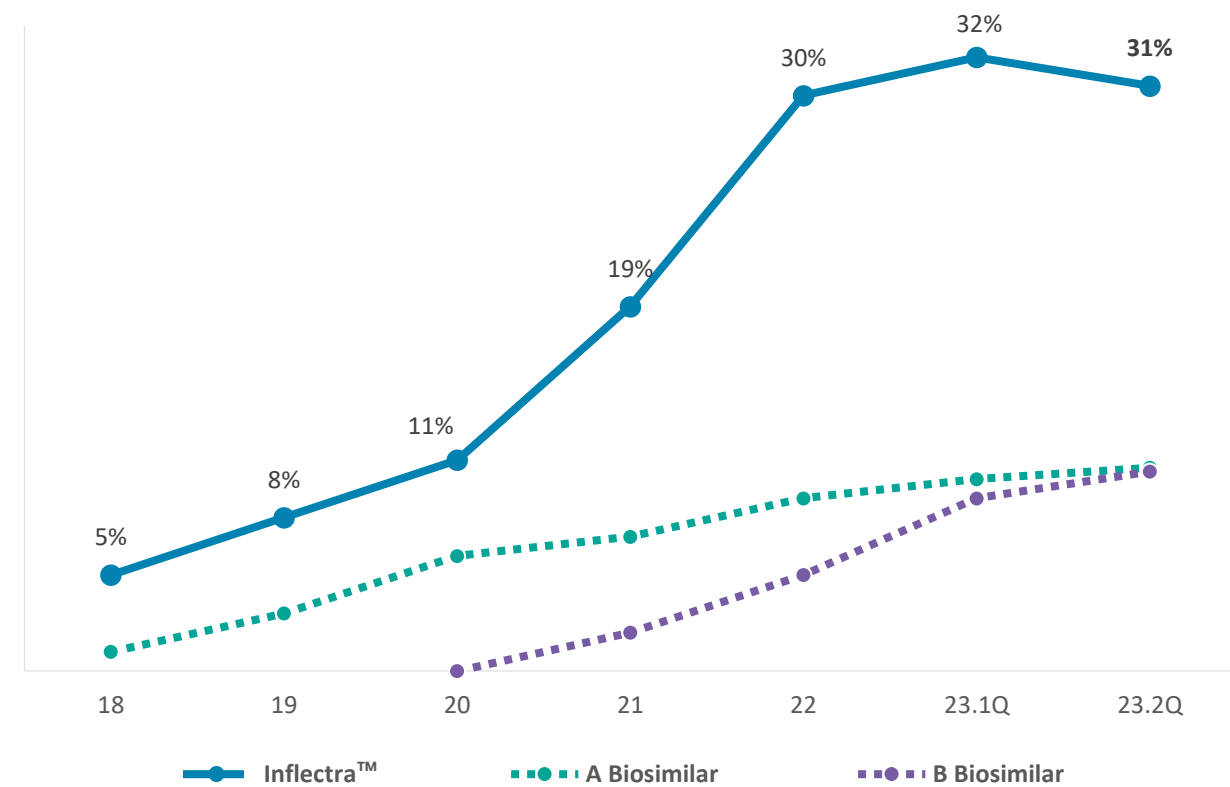
- ✓ Remsima® is the most prescribed Infliximab in EU and maintains stable M/S by the dual formulation strategy with Remsima®SC
- ✓ Inflectra™ maintains its status as a preferred drug of major US payers, and shows constant growth in the market; its M/S is approximately three times larger than competing biosimilars

Market Share of Remsima® in Europe and Japan



Note: Market share is based on volume  
Source: IQVIA

Market Share of Inflectra™ in the US

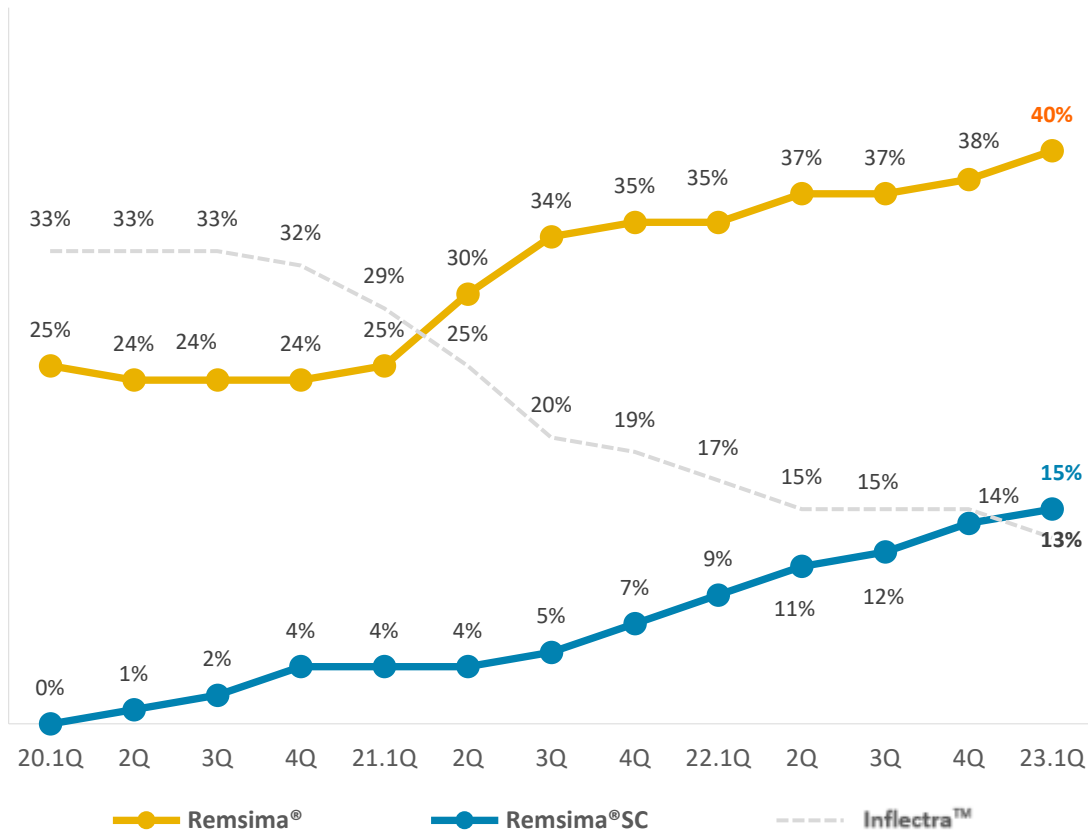


Note: Market share is based on volume  
Source: Symphony Health

# Remsima® SC

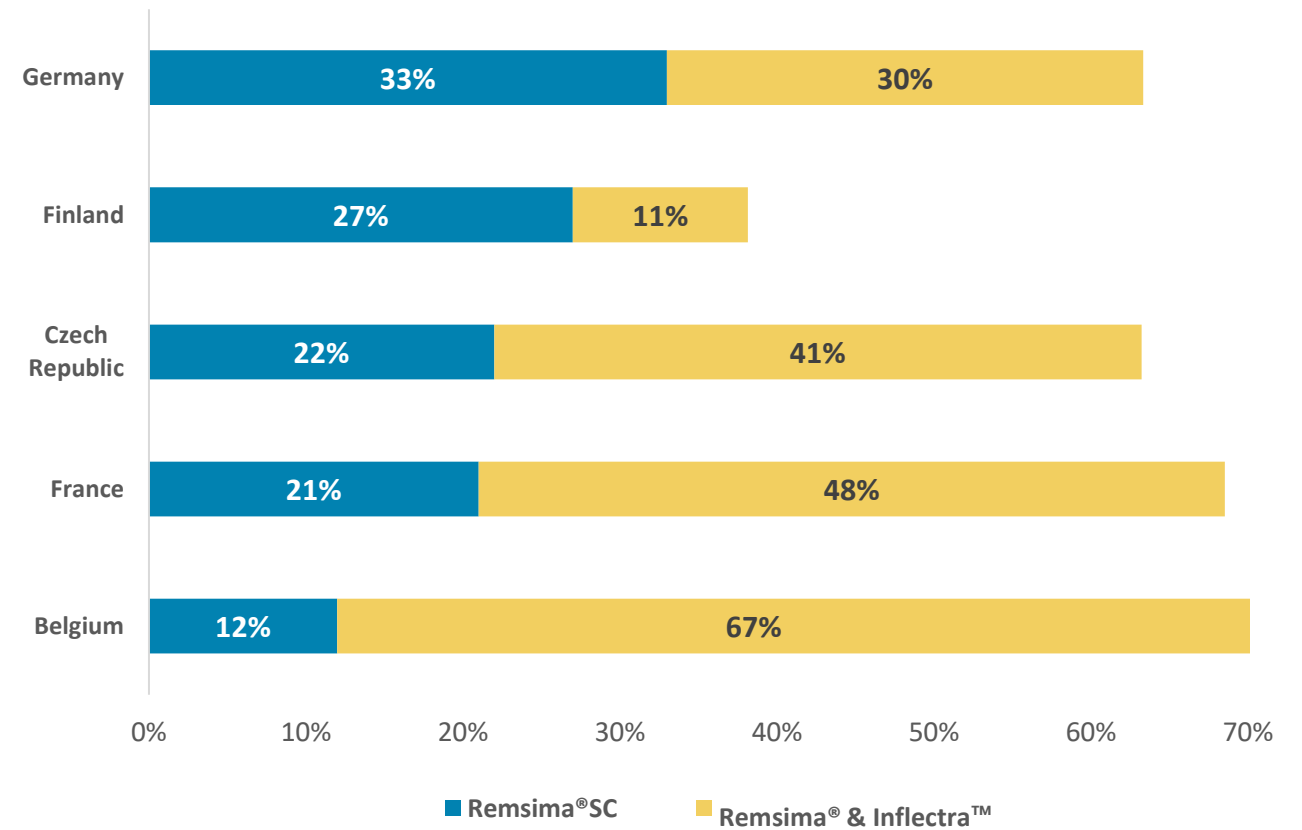
- ✓ Both Remsima® and Remsima® SC's market share has increased in the entire European market
- ✓ Remsima® SC will be launched in 1H24 as a new drug in the US

M/S trend of CTHC's Infliximab products in Europe



Note: The market share is based on the combined volume of European countries Remsima® SC has been launched  
Source: IQVIA, Market Data, etc.

Top 5 European Countries with the Highest M/S of Remsima® SC

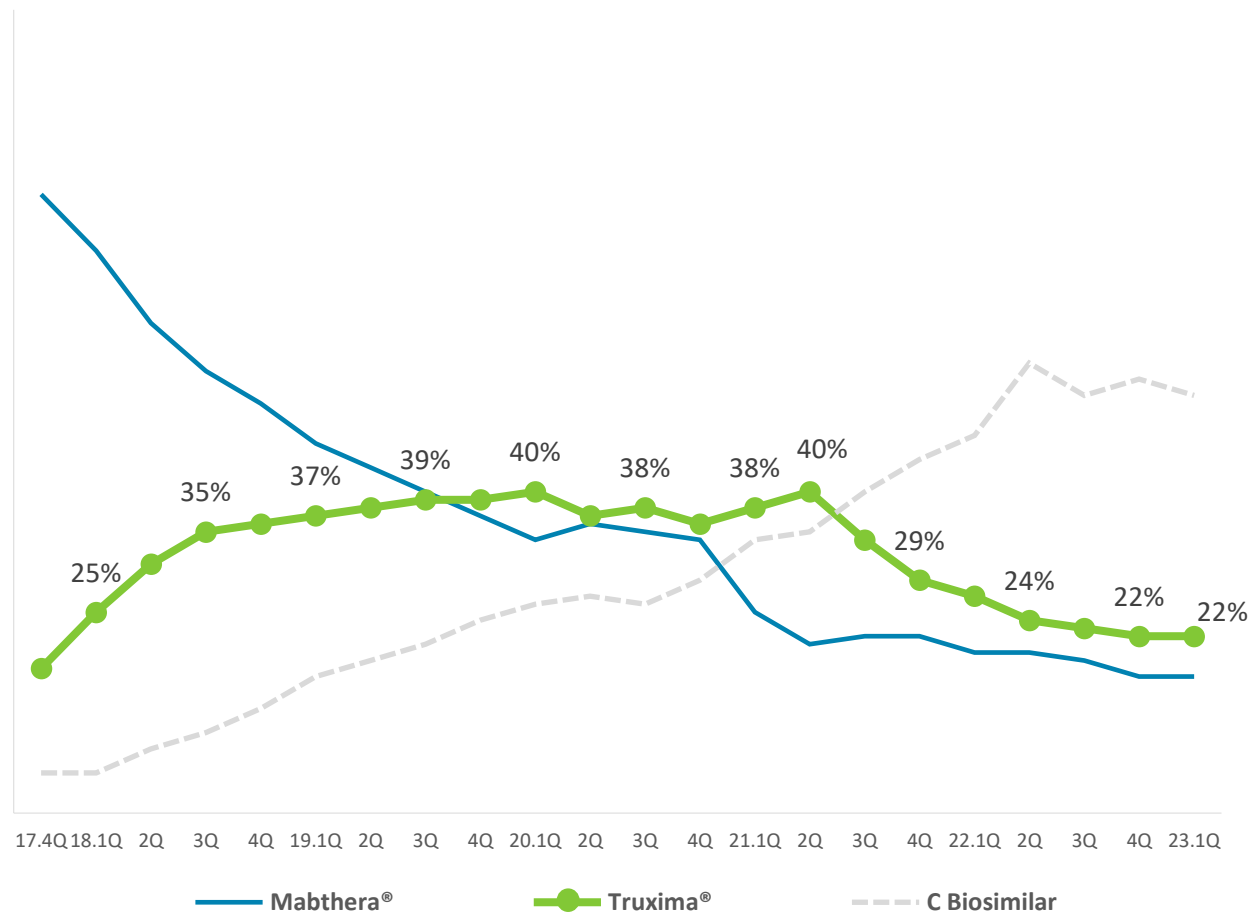


Note: The market share is based on the volume  
Source: Market Data, etc.

# Truxima®

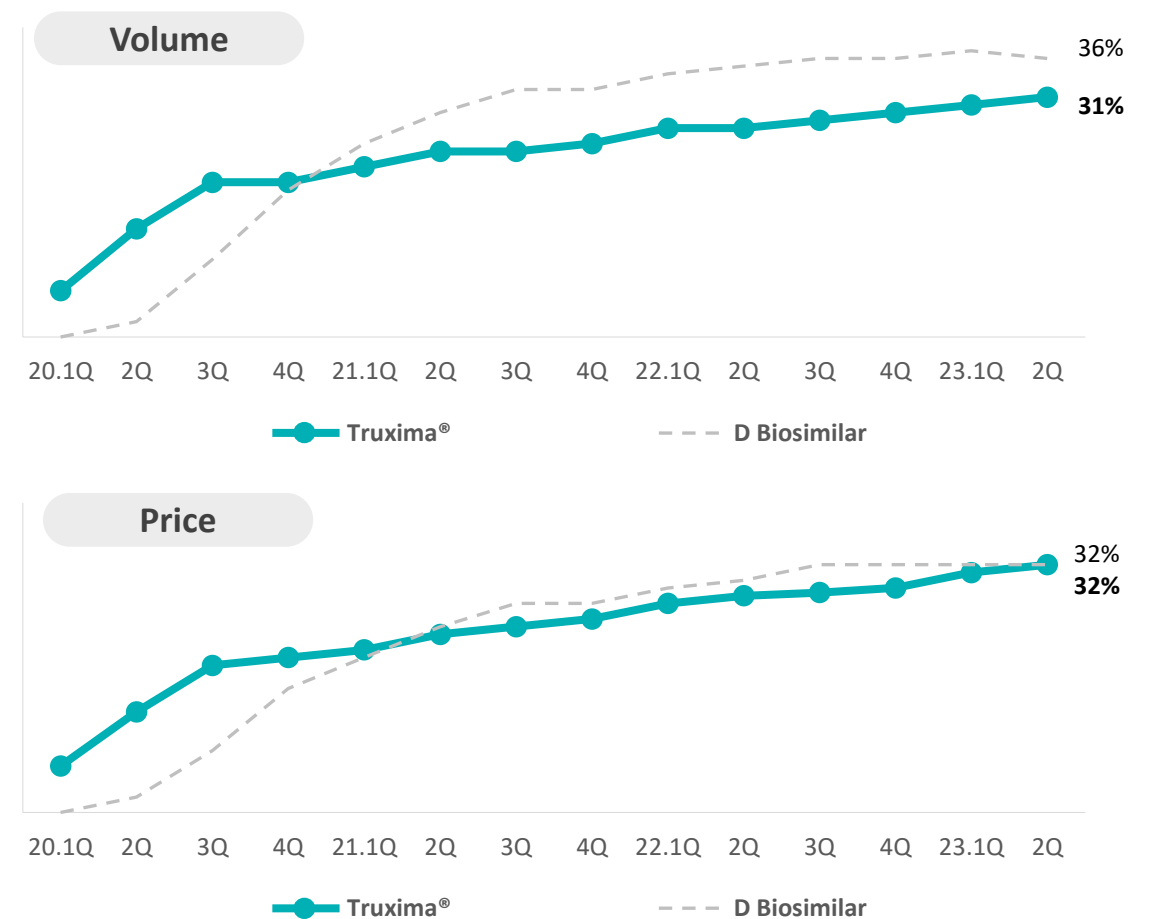
- ✓ Started direct sales in the EU since 2H22, revenue has recovered by the active bid participation
- ✓ Maintained stable M/S and the profitability in the US markets by adopting an optimal price strategy

M/S of Truxima® in Europe



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

M/S of Truxima® in the US



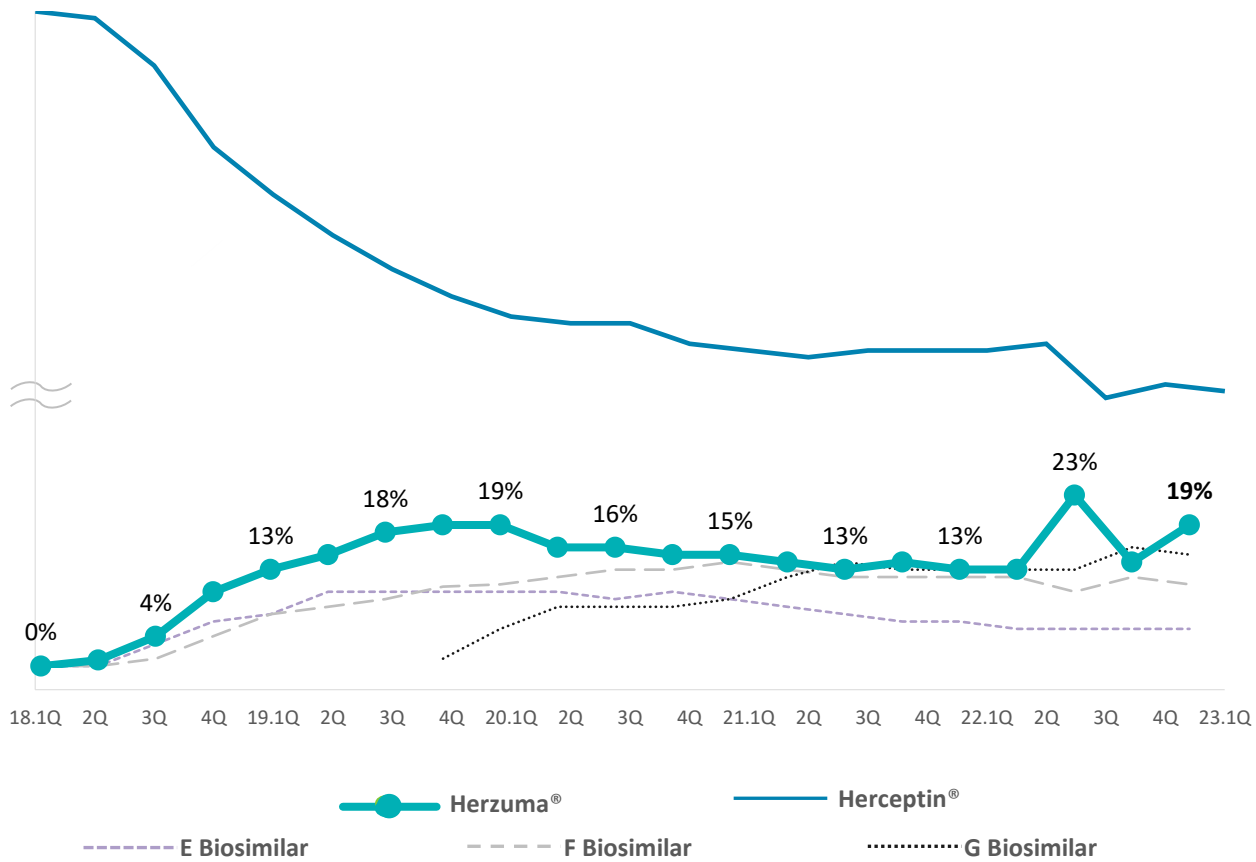
Source : Symphony Health



# Herzuma®

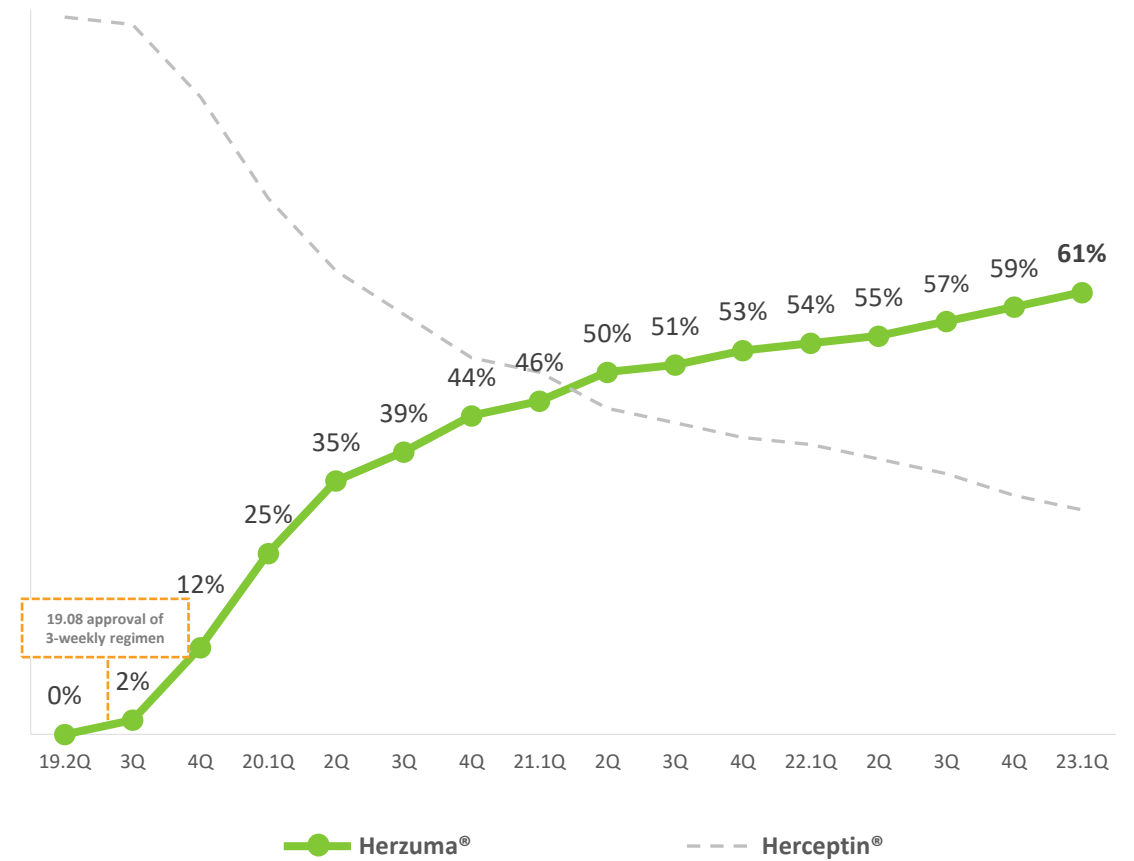
- ✓ Started direct sales since 2H22 in Europe, recovered the revenue by obtaining the increased number of tenders in EU countries
- ✓ M/S in Japan exceeded the original's and continues to increase; Continuous winning from the tender in LATAM

M/S of Herzuma® in Europe



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

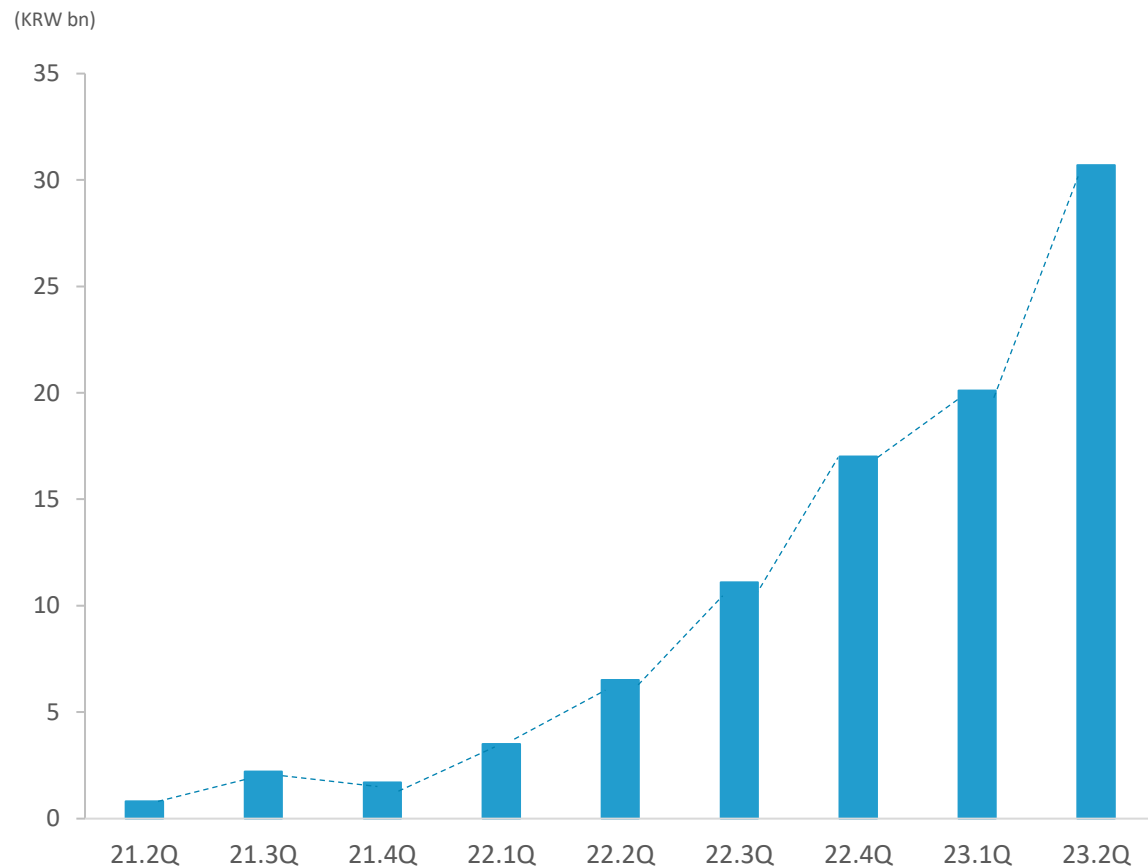
M/S of Herzuma® in Japan



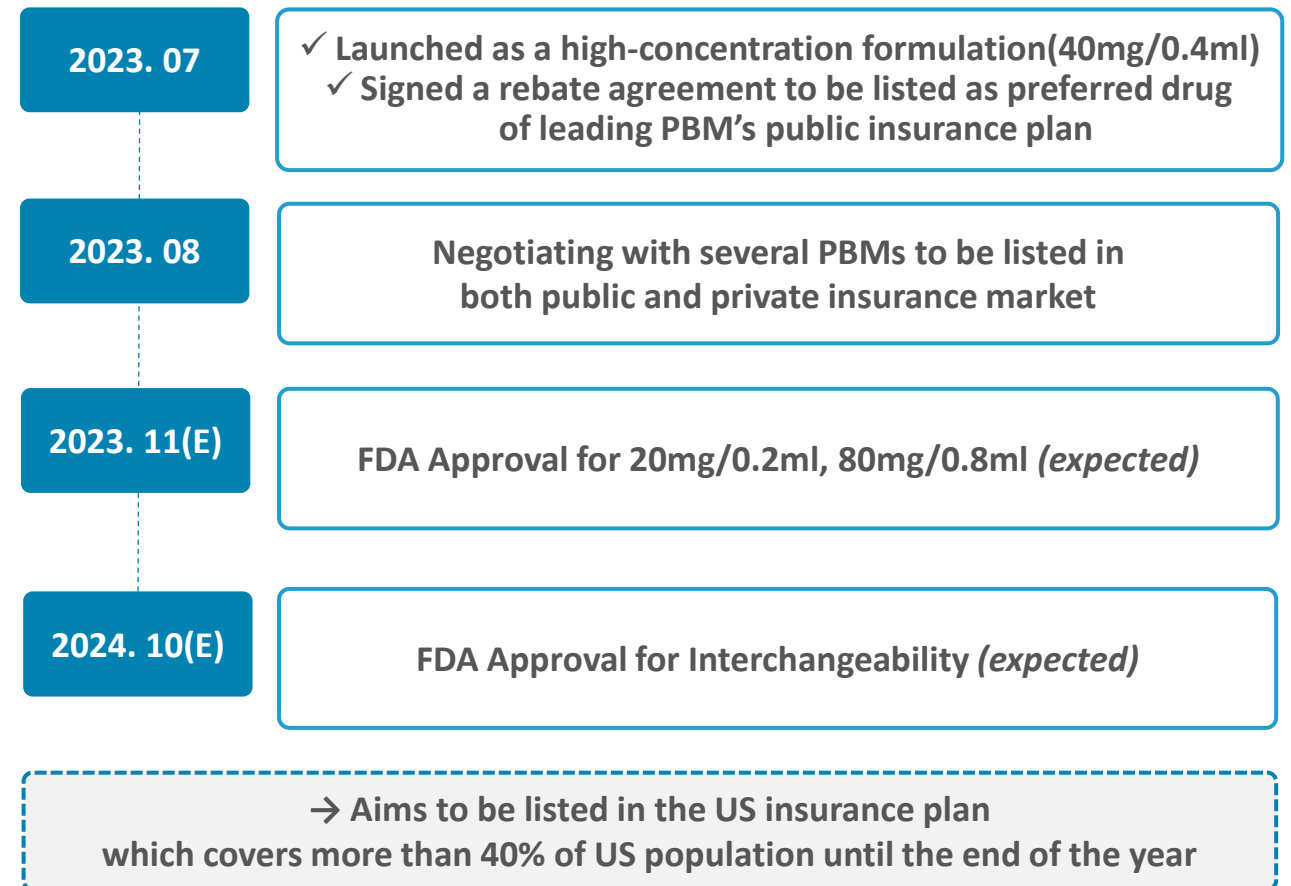
Note: The market share is based on volume  
Source: IQVIA

- ✓ Prescription has been increased due to its product competitiveness with its high concentration formulation, diverse strength and device options provided in the EU
- ✓ Launched in the US market in July 2023; currently in the process of discussion with the stakeholders including PBMs

## Sales Growth of Yuflyma® in Europe

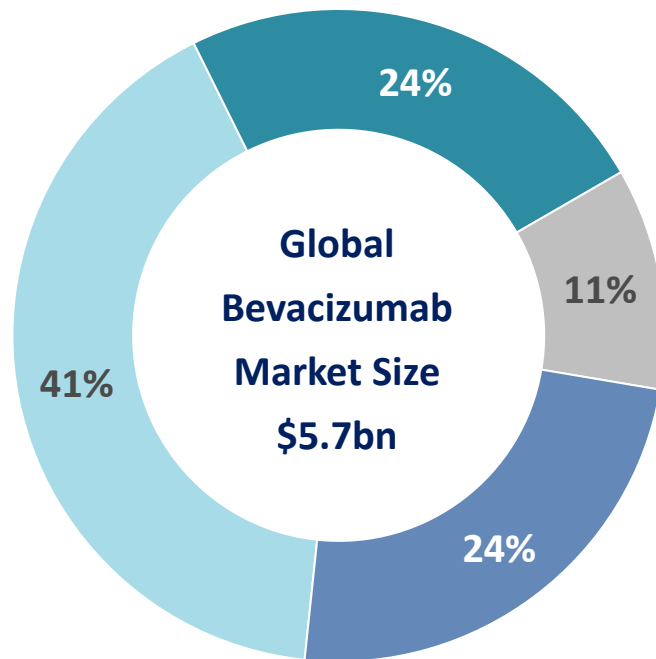


## Timeline After Yuflyma® launch in US



- ✓ In Europe, actively participated in the tender based on its price advantage and the synergy with existing oncology products
- ✓ Launched in April 2023, it has registered with Medicare and is currently in the process of discussion to be listed on the plans

## The global market size of Bevacizumab



■ US ■ Europe ■ Japan ■ ROW

**Europe**

**Launched in October 2022**

**Obtained the tender with price and the portfolio advantages**

- Received orders from Finland, Italy, and Belgium
- More participation in a tender of other EU countries

**US**

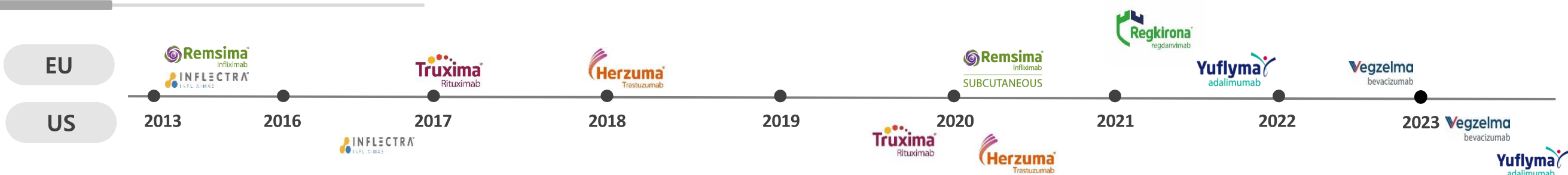
**Launched in April 2023**







- Listed in Medicare which covers 20% of the population
- Negotiating with the number of payers to be registered in the list

Note: Market size is as of 2022

Source: IQVIA

# Main Portfolio



Product Name	Reference Drug	Indications	Launching Timeline	
			EU	US
	Remicade® (Infliximab)	Rheumatoid Arthritis(RA), Ulcerative Colitis(UC), Crohn’s disease(CD), etc.	Sep 2013	Nov 2016
	Rituxan®(MabThera®) (Rituximab)	Non-Hodgkin's Lymphoma(NHL), Chronic Lymphocytic Leukemia(CLL), etc.	Apr 2017	Nov 2019
	Herceptin® (Trastuzumab)	HER2-Positive Metastatic Breast Cancer, Early Breast Cancer(EBC), etc.	May 2018	Mar 2020
	- (Infliximab)	Rheumatoid Arthritis(RA), Ulcerative Colitis(UC), Crohn’s disease(CD), etc.	Feb 2020	1H24(E)
	Humira® (Adalimumab)	Rheumatoid Arthritis(RA), Ulcerative Colitis(UC), Crohn’s disease(CD), etc.	Aug 2021	July 2023
	Avastin® (Bevacizumab)	Metastatic Colorectal Cancer(MCC), Non-Small Cell Lung Cancer(NSNLC), etc.	Oct 2022	Apr 2023

Note: Inflectra™ logo belongs to Pfizer

# Pipeline

Product Name	Reference Drug	Manufacturer	Indication	Global Market Size (\$bn)	US	EU
CT-P43	Stelara® (Ustekinumab)	Johnson & Johnson	Autoimmune Disease	17.7	Application Submitted (May 2023)	Application Submitted (May 2023)
CT-P39	Xolair® (Omalizumab)	Genentech	Asthma, Chronic Idiopathic Urticaria	3.8	Completed Global Phase 3 Clinical Trials (Apr 2023)	Application Submitted (Apr 2023)
CT-P42	Eylea® (Aflibercept)	Bayer & Regeneron	Aged Macular Degeneration	9.6	Application Submitted (June 2023)	Completed Global Phase 3 Clinical Trials (Apr 2023)
CT-P41	Prolia® (Denosumab)	Amgen	Osteoporosis	6.2	In Global Phase 3 Clinical Trials	
CT-P47	Actemra® (Tocilizumab)	Roche	Autoimmune Disease	2.8	In Global Phase 3 Clinical Trials	
CT-P53	Ocrevus® (Ocrelizumab)	Roche	Multiple Sclerosis	6.7	Application Submitted for Global Phase 3 Clinical Trials	

Note: 1) Global market size is as of 2022, 2) Launching plan could be subjective to the approval

Source: IQVIA, Regeneron(Eylea)

# Summary in Income Statement

(KRW bn)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	'21	'22
<b>Revenue</b>	<b>415.7</b>	<b>519.0</b>	<b>496.4</b>	<b>541.1</b>	<b>503.6</b>	<b>525.8</b>	<b>1,804.5</b>	<b>1,972.2</b>
Cost of Sales	311.5	378.1	343.3	377.5	350.4	374.9	1,374.0	1,410.4
Gross Profit	104.2	140.9	153.1	163.6	153.2	150.9	430.5	561.8
SG&A	59.2	66.8	80.6	126.3	102.2	116.8	231.1	332.9
<b>Operating Income</b>	<b>45.0</b>	<b>74.1</b>	<b>72.5</b>	<b>37.3</b>	<b>51.0</b>	<b>34.1</b>	<b>199.4</b>	<b>228.9</b>
Non-operating Income	16.3	21.1	112.7	(149.4)	69.1	(1.9)	(1.1)	0.7
Financial Income	4.3	3.4	22.8	(11.8)	11.2	7.9	13.1	18.7
Financial Expenses	5.0	13.9	17.2	23.3	5.7	6.0	31.7	59.4
Other Income	30.9	38.8	114.0	(80.7)	79.4	28.8	71.8	103.0
Other Expenses	13.7	7.1	6.7	33.4	15.7	32.6	53.2	60.9
<b>Profit before Taxes</b>	<b>61.3</b>	<b>95.2</b>	<b>185.2</b>	<b>(112.1)</b>	<b>120.1</b>	<b>32.1</b>	<b>198.3</b>	<b>229.6</b>
Tax Expense (Benefit)	17.7	56.1	47.6	(39.0)	66.0	14.6	45.7	82.4
<b>Net Profit (Loss)</b>	<b>43.6</b>	<b>39.1</b>	<b>137.6</b>	<b>(73.1)</b>	<b>54.1</b>	<b>17.4</b>	<b>152.6</b>	<b>147.2</b>

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**Thank You**

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