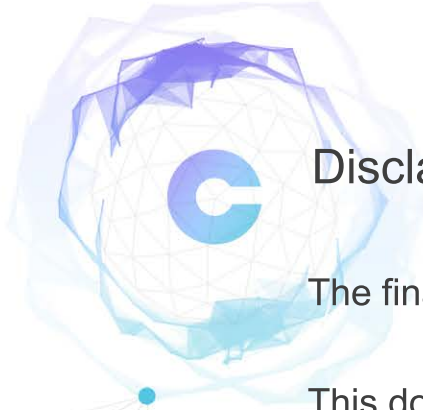




CELLTRION INC. SECOND-QUATER 2020 **EARNINGS RELEASE**

7 August, 2020



Disclaimer

The financial information contained in this document are consolidated earnings results based on K-IFRS.

This document is provided for the convenience of investors only, before the external audit is completed.

The audit outcomes may cause some changes in this document.

This document contains 'forward-looking statement' related to the business performance, market condition, future events and plan. Therefore, the recipients of this document shall be aware of that the forward-looking statement set forth herein may not correspond to the actual business performance of the company due to changes of business/industry environment and long-term business plan of the company.

The purpose of this document is not to recommend investment to the company. The company hereby expressly disclaims any and all liability resulting from investors' reliance on the information contained herein.



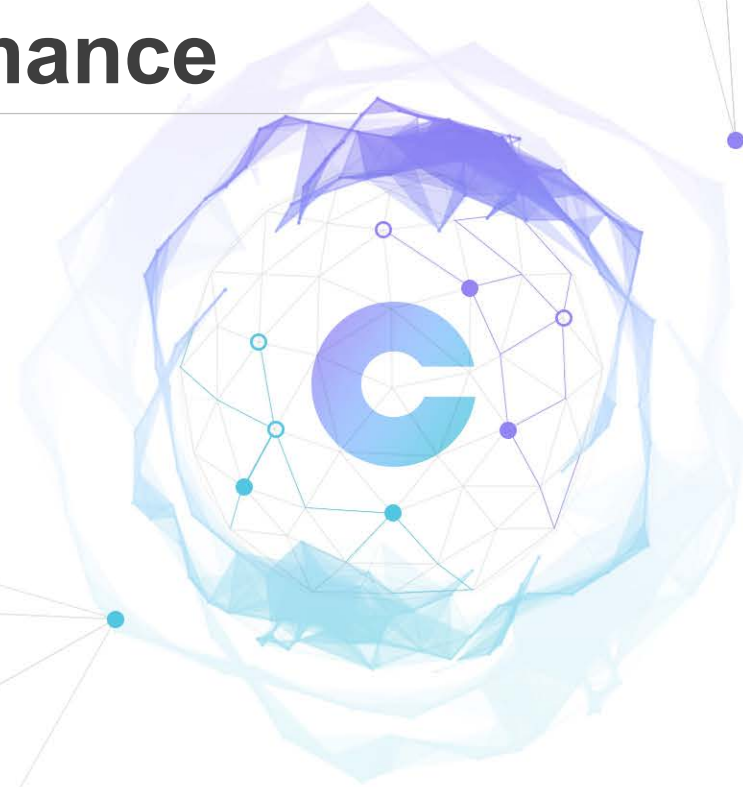
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02 Key Updates

03 Business Development

01 2Q20 Financial Performance



Earnings Summary Consolidated

Sales Growth in Biosimilars and Production Efficiency led to Increase in Sales and Operating Profit YoY

Unit: Bn KRW

	2Q20	1Q20	QoQ (%)	2Q19	YoY(%)
Sales	428.8	372.8	+15.0%	235.0	+82.5%
Operating Profit	181.8	120.2	+51.2%	83.4	+118.0%
OP Margin	42.4%	32.2%	+10.2%p	35.5%	+6.9%p



- **Solid sales growth of biosimilars resulted in +82.5% YoY**

- ✓ Maintained stable market share in Europe
- ✓ Penetrating US market centering around oncology



- **OP margin increased 118.0% YoY due to production efficiency and etc.**

- ✓ Profit growth led by sales increase
- ✓ Improvement in production efficiency of Remsima IV and Truxima from operating 1st plant's extended line led to gross-profit ratio increase of +6.2% QoQ
(1Q20 49.7% → 2Q20 55.9%)
- ✓ Reduction in marketing and sales expenses such as R&D expenses and advertisement

Product Portfolio Consolidated



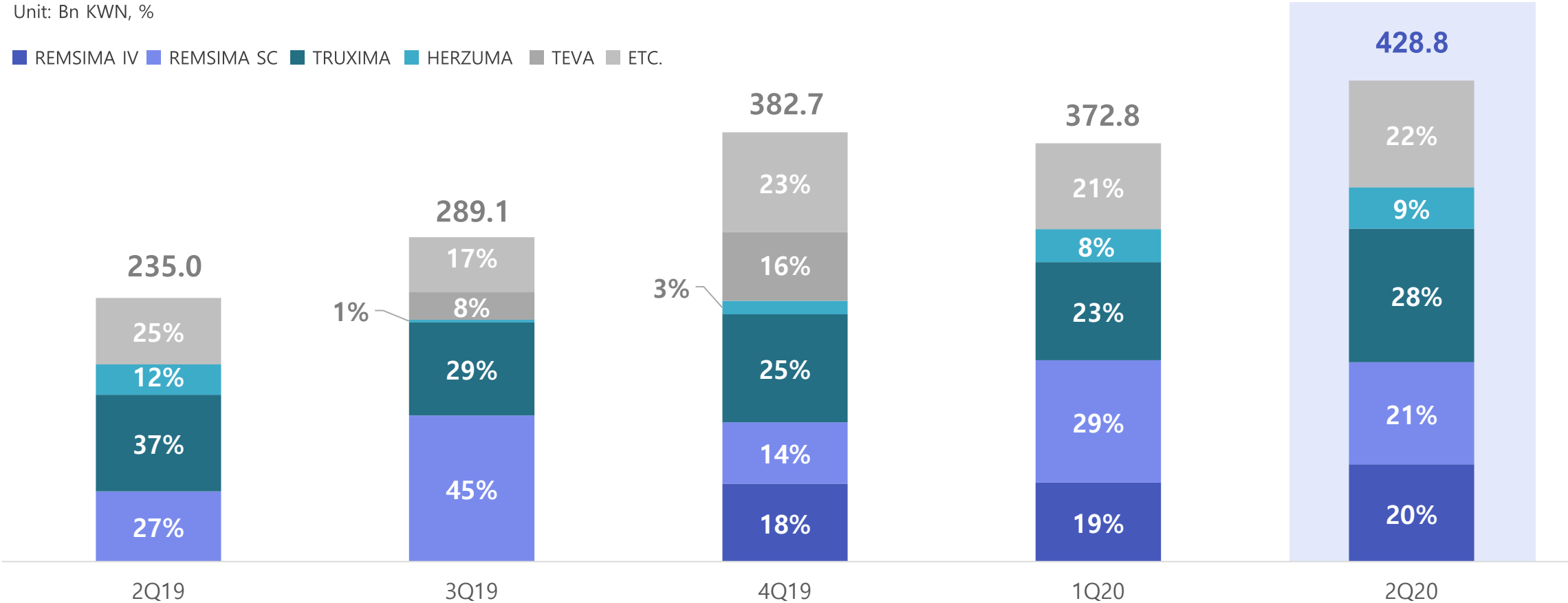
Sales Mix

Whilst balanced growth throughout the portfolio, Truxima’s sales share increased with its dramatic M/S pick up in the US

Quarterly Sales & Product Mix

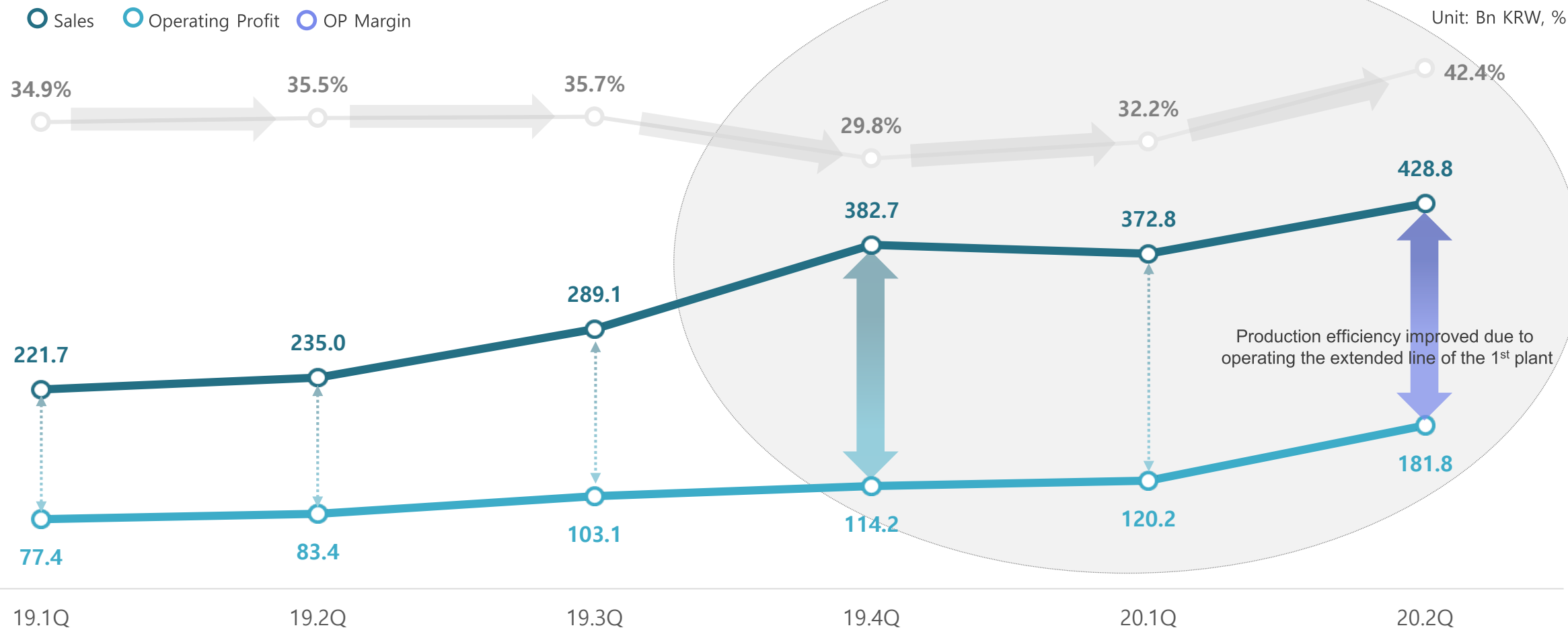
Unit: Bn KWN, %

REMSIMA IV REMSIMA SC TRUXIMA HERZUMA TEVA ETC.



※ Sales percentage before price adjustment ※ Etc: Fill and Finish Service, Subsidiary, Etc.

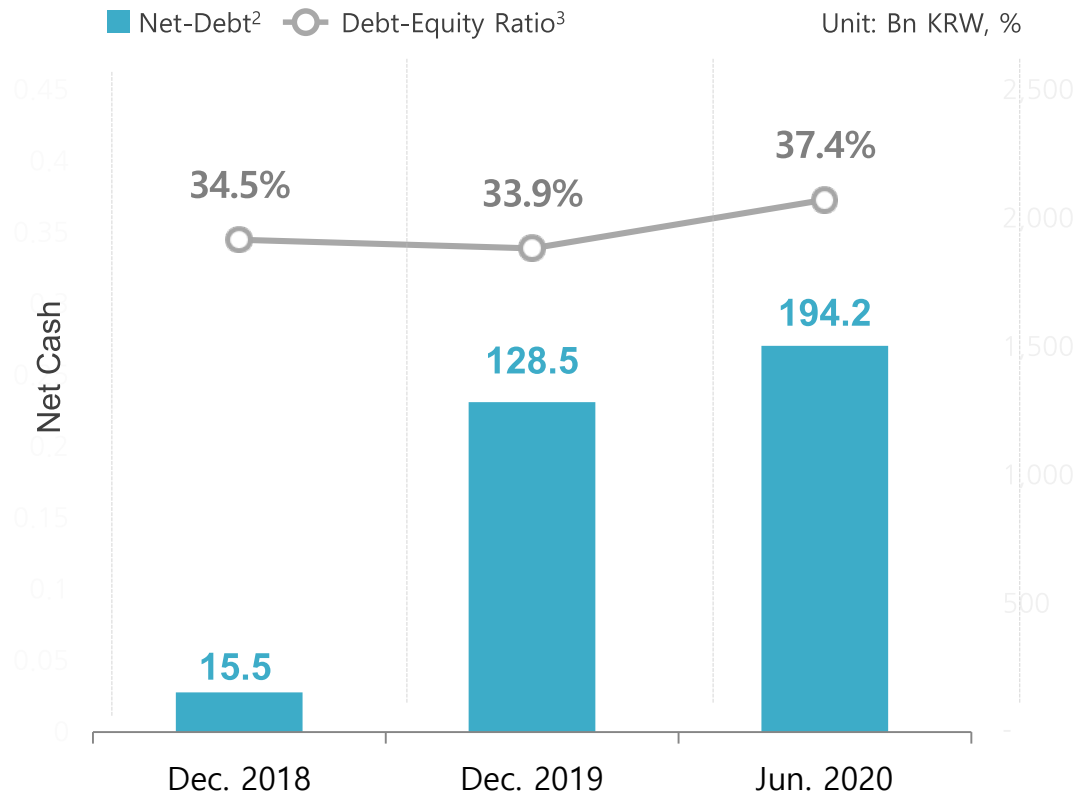
Improvement in Quarterly Sales Continued



Balance Sheet Consolidated

Continuous Improvement in Financial Stability

- Cash reserves increased, stable debt to equity ratio maintained



Unit : Mn KRW

	Jun. 2020	Dec. 2019
Total Assets	4,349,748	3,893,691
• Current Assets	2,182,116	1,787,340
- Cashable Assets ¹	726,537	627,819
• Non-Current Assets	2,167,632	2,106,351
Total Liabilities	1,184,288	986,733
• Current Liabilities	826,643	657,226
• Non-Current Liabilities	357,645	329,507
※Borrowings (Long & Short term)	532,373	499,331
Shareholder`s Equity	3,165,460	2,906,958
- Capital Stock	134,939	128,338
- Retained Earnings	2,233,561	1,996,891

Income Statement Summary

2Q20 Consolidated

Unit: Mn KRW

	Quarterly				
	2Q20	1Q20	2Q19	QoQ	YoY
Sales	428,799	372,847	234,975	15.0%	82.5%
COGS	189,099	187,478	93,538	0.9%	102.2%
Gross profit	239,700	185,369	141,437	29.3%	69.5%
(GP Margin)	55.9%	49.7%	60.2%	6.2%p	-4.3%p
SG&A	57,858	65,128	58,075	-11.2%	-0.4%
(R&D Expenses)	(28,328)	(34,013)	(21,804)	-16.7%	29.9%
Operating Profit	181,842	120,241	83,362	51.2%	118.1%
(OP Margin)	42.4%	32.2%	35.5%	10.2%p	6.9%p
Other Non-operating Profit/Loss	-1,774	16,077	822	-	-
Financial Income/Loss	-2,599	5,102	976	-	-
Profit before Income Tax	180,588	138,432	85,707	30.5%	110.7%
Net Profit	138,608	105,292	78,291	31.6%	77.0%
(NP Margin)	32.3%	28.2%	33.3%	4.1%p	-1.0%p

Income Statement Summary

2Q20 Non - Consolidated



Unit: Mn KRW

	Quarterly				
	2Q20	1Q20	2Q19	QoQ	YoY
Sales	404,274	345,694	196,824	16.9%	105.4%
COGS	168,609	167,383	72,971	0.7%	131.1%
Gross profit	235,665	178,312	123,854	32.2%	90.3%
(GP Margin)	58.3%	51.6%	62.9%	6.7%p	-4.6%p
SG&A	46,146	52,105	45,246	-11.4%	2.0%
(R&D Expenses)	(26,962)	(33,964)	(20,883)	-20.6%	29.1%
Operating Profit	189,518	126,206	78,608	50.2%	141.1%
(OP Margin)	46.9%	36.5%	39.9%	10.4%p	7.0%p
Other Non-operating Profit/Loss	-1,736	16,163	1,372	-	-
Financial Income/Loss	-1,658	6,335	2,191	-	-
Profit before Income Tax	186,125	148,705	82,172	25.2%	126.5%
Net Profit	143,507	113,627	75,547	26.3%	90.0%
(NP Margin)	35.5%	32.9%	38.4%	2.6%p	-2.9%p

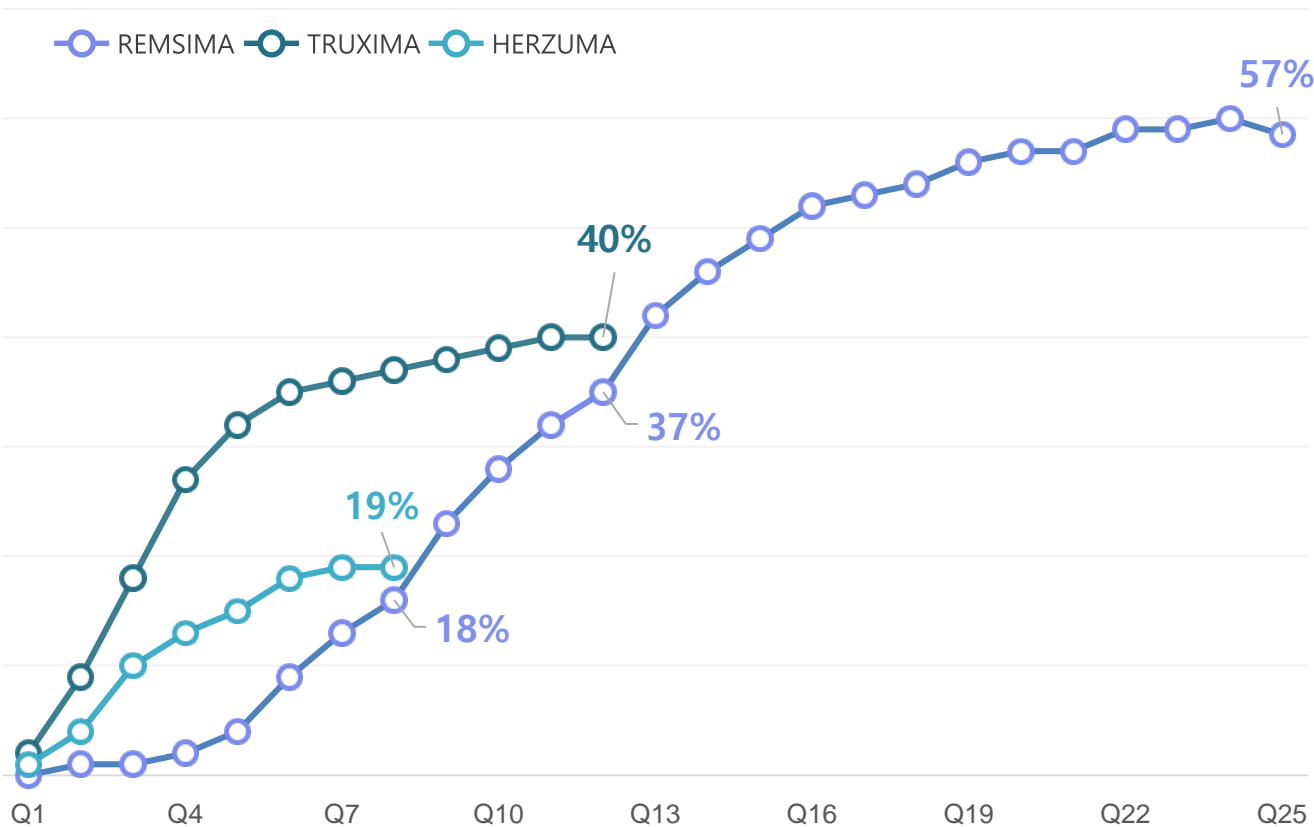
02 Key Updates



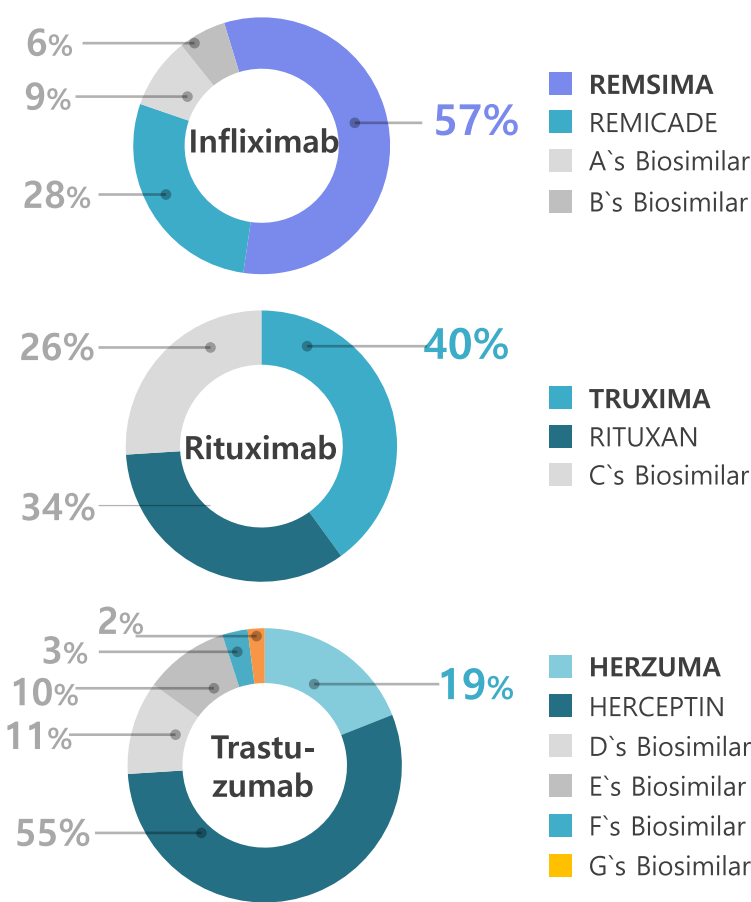
Market Share in Europe

Stable Market Share Maintained

1Q20 Market Share Trend in Europe (Volume based)



1Q20 Market Share Comparison in Europe

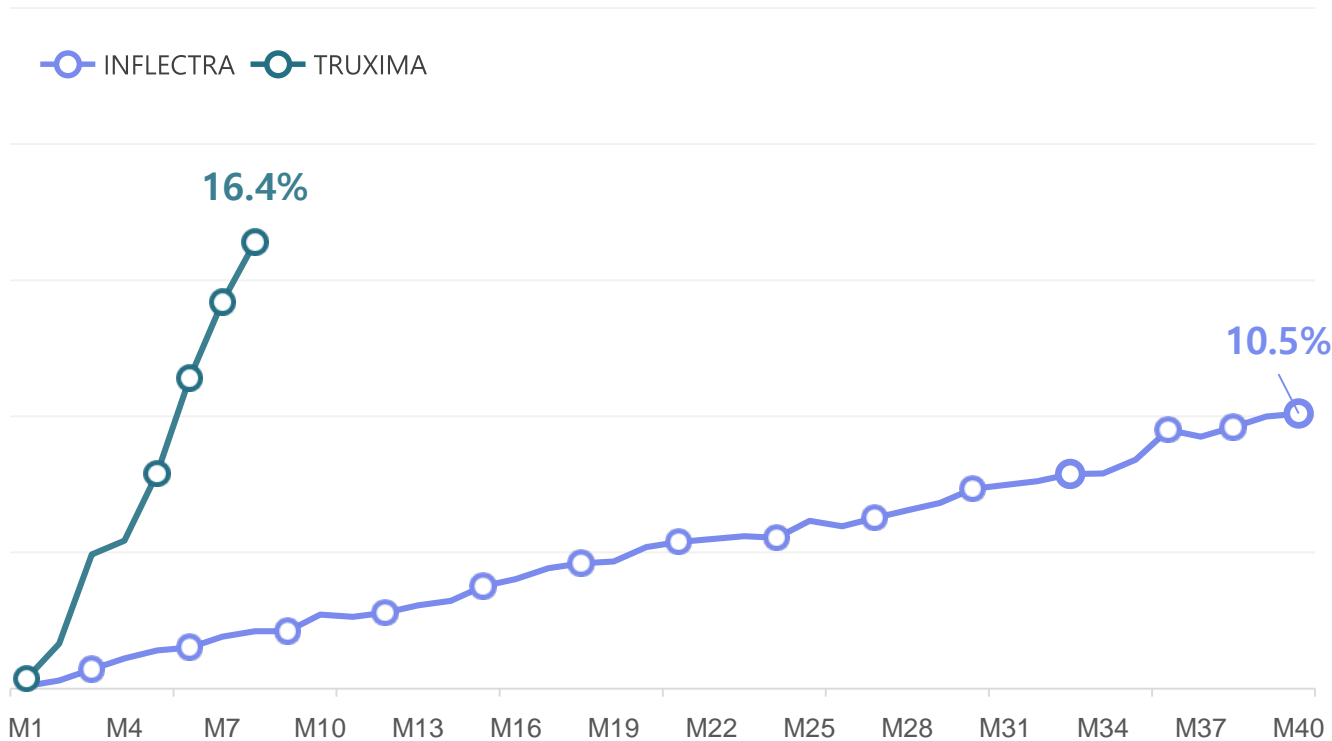


Market Share in US

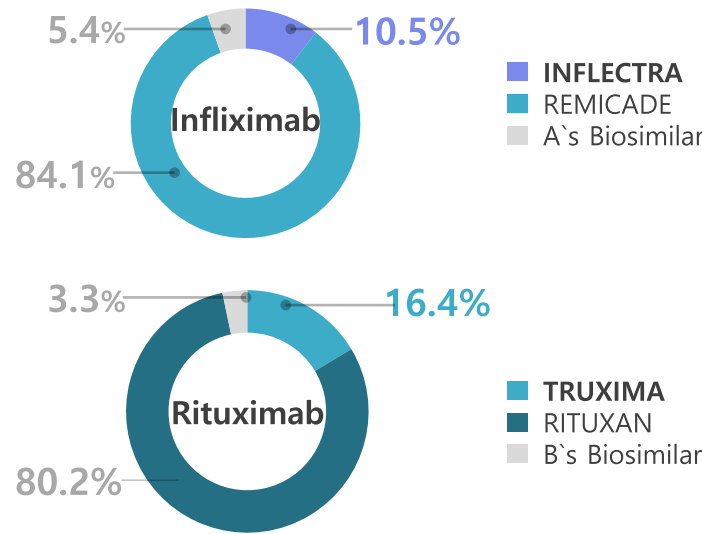
US Sales Expansion

Truxima reached M/S of 16.4% only in 8 months after the launch(Nov.2019)

2Q20 Market Share Trend in US (Volume based)



2Q20 Market Share Comparison in US



Herzuma achieved M/S of 0.4%, 3 months after the launch

Biosimilar Development Status

Expected to complete approval of more than one product every year by 2030

Approved and Commercialized

In Evaluation

In Trials



REMSIMA IV



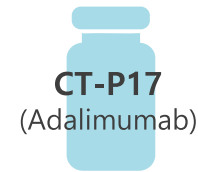
TRUXIMA



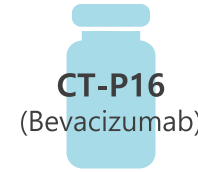
HERZUMA



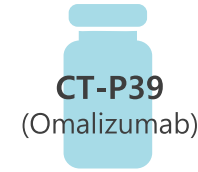
REMSIMA SC



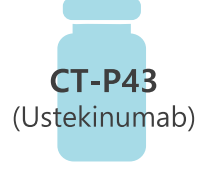
CT-P17
(Adalimumab)



CT-P16
(Bevacizumab)



CT-P39
(Omalizumab)



CT-P43
(Ustekinumab)

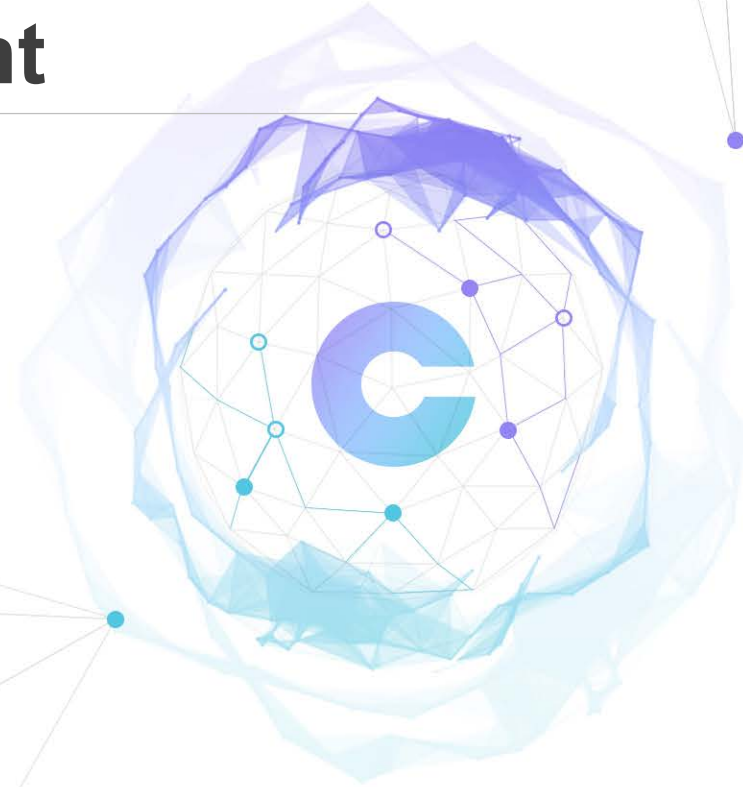
(Unit: Bn \$)

Product Name	Reference Drug	Originator	Indications	Global Market Size	US	EU
REMSIMA SC (CT-P13 SC)	-	Celltrion	Autoimmune Disease	46.8 ¹⁾	In Phase 3	✓ All Additional Indications Approved (Jul.2020, Pediatric usage non-included)
CT-P17	HUMIRA (Adalimumab)	AbbVie	Autoimmune Disease	26.5	Preparing Approval Application	Application Submitted (Mar. 2020)
CT-P16	AVASTIN (Bevacizumab)	Roche	Colorectal Cancer, Etc.	6.4	In Global Clinical Phase 3 (Aiming for patient recruitment and clinical trials to be completed in 3Q20 and 1H21, respectively)	
CT-P39	XOLAIR (Omalizumab)	Genentech	Allergic Asthma, CIU	3.1	✓ Global Clinical Phase 3 Initiated (July. 2020~)	
CT-P43	STELARA (Ustekinumab)	J&J	Autoimmune Disease	8.7	✓ Global Clinical Phase 1 Initiated (June. 2020~)	

1) Combined TNF-α Blocker sales in 2019 (Infliximab, Adalimumab, Etanercept)

- Global market size is based on annual sales in 2019 (source: IQVIA Analytics Link)
- Addition to the ones listed above, 17 biosimilars are in cell-line and process development (7 immunology, 6 oncology, 4 other)

03 Business Development



Novel Pipeline: CT-P43 Clinical Phase 1 Initiated (STELARA BIOSIMILAR)

- Commercialized/in development blockbuster biosimilar

Ranking	Product Name	Sales(Bn \$)
1	HUMIRA	26.5
⋮		
7	STELARA	8.7
⋮		
12	REMICADE	6.8
13	AVASTIN	6.4
14	MABTHERA	5.8
⋮		
19	HERCEPTIN	5.4
⋮		
49	XOLAIR	3.1
⋮		



Indications

PsO 58%

PsA 28%

CD 14%



Marketability

- Global sales grew with a **CAGR of 33%** during the recent 5 years
- Ranked No.1 in Psoriasis sales**
- Growth driver gained from **adding CD, UC indications** in 2016



Development Strategies

- Rapid development (**First Mover among Biosimilar Big Players**)
- Expected to **finish development before the expiration of molecule patent** by 2023 (Europe: expiration in 2024)
- Expect **synergies applied by the previous development and sales know-hows on autoimmune products** such as Remsima and Humira
- Extending pipeline) to 2nd line treatment** from the autoimmune 1st line(TNF-a blocker

Novel Pipeline: CT-P39 Clinical Phase 3 Initiated(XOLAIR BIOSIMIILAR)

- Commercialized/in development blockbuster biosimilar

Ranking	Product Name	Sales(Bn \$)
1	HUMIRA	26.5
	⋮	
7	STELARA	8.7
	⋮	
12	REMICADE	6.8
13	AVASTIN	6.4
14	MABTHERA	5.8
	⋮	
19	HERCEPTIN	5.4
	⋮	
49	XOLAIR	3.1
	⋮	



Indications

Allergic Asthma 68%

CIU 31%



Marketability

- Global sales grew with a **CAGR of 16%** during the recent 5 years
- Ranked No.1 in Allergic Asthma and CIU sales**
- Growth driver gained from **adding Pollen Allergy(Japan) and Chronic Sinusitis indications** in 2019 and 2020 respectively



Development Strategies

- Rapid development (**First Mover among Biosimilar Big Players**)
- Expected to **finish development before the expiration of molecule patent** in Europe by 2024 (US: expiration in 2025)
- Expecting reduction in R&D expenses from **optimizing clinical design**

Business Status: Global Chemical

Accelerating global chemical business in pursuit of a global pharmaceutical company

Takeda Acquirement

12 ETC in Hypertension and Diabetes + 6 OTC



- From the acquisition contract in June 2020, **diabetes and hypertension** drugs to be added in the portfolio along with business expansion to the **APAC*** region
- Acquired assets created **sales of 160.5bn KRW** and **20% EBIT margin in FY2019**
- Plan to expand mid-to-long term growth potential by **developing advanced drugs based on Edarbi and Nesina's patent**

• Korea, Thailand, Taiwan, Hong Kong, Macao, Malaysia, Philippines, Singapore, Australia



In-house Development

Expanding Portfolio Targeting
US and International Procurement Market

Developed
7

- **2 products approved** in 2020
 - ✓ Epilepsy treatment, CT-G04(Generic), approved in US
 - ✓ HIV treatment, CT-G07(modified), approved in US and international procurement contract signed

In-process
18

- **Novel, modified, and generics** for various diseases are under development
- Additional candidates are under planning

Purchased
24

- **Sales right and licensure purchased continuously** for rapid and efficient portfolio expansion

Development Status: COVID 19 TREATMENT

Completed

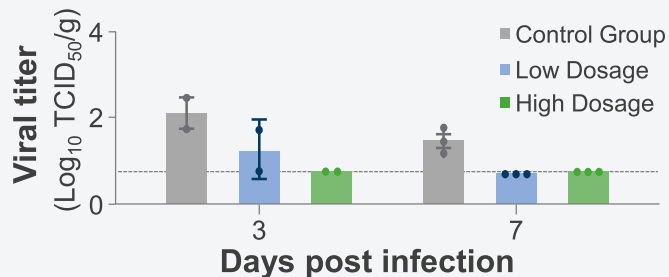


In Process

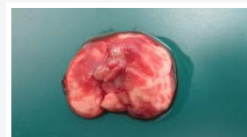


Pre-Clinical Trials Result (Ferret/Hamster)

- Virus titer decreased significantly in both high and low dosage



- Confirmed definite decrease of lung inflammation in dosing group



Control Group

VS



Dosing Group

Clinical Design

Healthy subjects

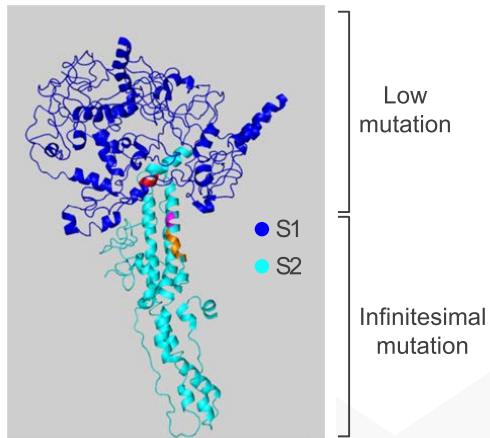
- To evaluate safety with 32 healthy subjects

Mild patients

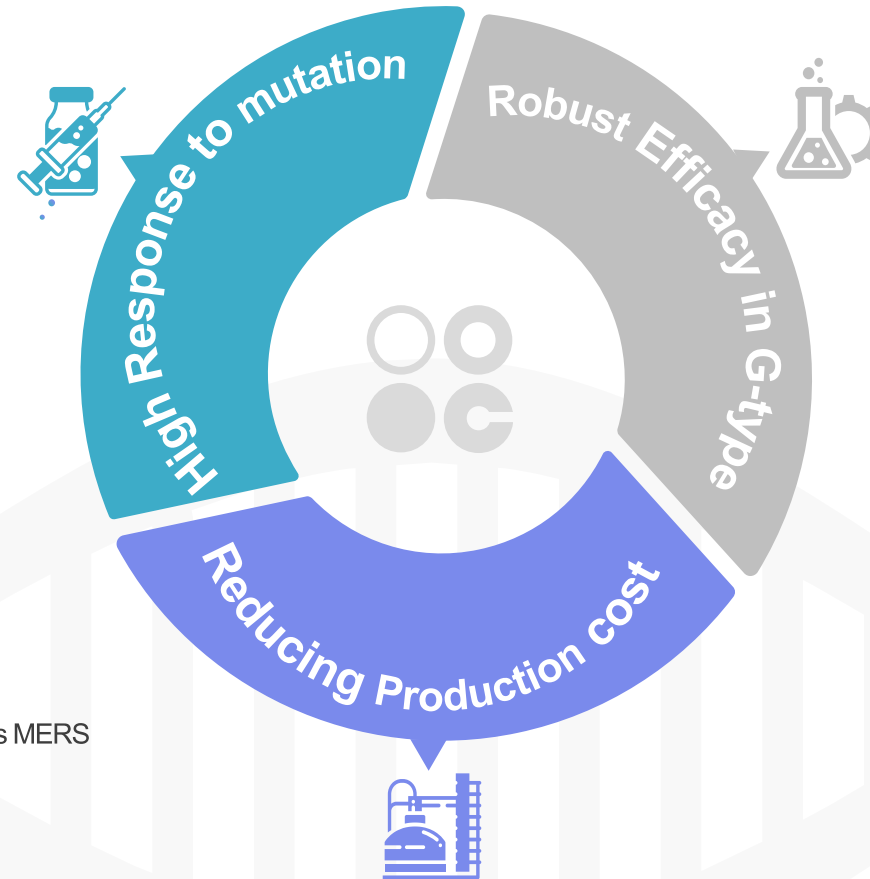
- To evaluate safety and efficacy with 18 mild COVID19 patients
- 3 domestic and 3 UK institutions progress simultaneously

COVID 19 Treatment Competencies

- Neutralizes by binding to S1 protein
- Neutralization demonstrated in the mutated viruses
- Planning to develop super-antibody, targeting S2 protein



* S2 part maintains similar amino acid sequence in COVID 19 like the other SARS-COV-2 virus such as MERS



- Higher neutralization confirmed in G-type virus that is high in spreadability

*G-type accounts for 70% of the confirmed cases in Europe and US, and holds spreadability 6 times faster than the other mutants

- Able to achieve high titer and production yield from the experience in Influenza and MERS antibody development

The background features a central sphere composed of a complex network of blue and purple triangles, creating a wireframe effect. This sphere is surrounded by faint, larger-scale network patterns of lines and dots in the corners. The text "THANK YOU" is centered within the sphere.

THANK YOU