



Huons Global

Investor Relations

2Q. 2020

Disclaimer

All information in this book including business performance and financial report is written by Korean-International Financial Reporting Standards(K-IFRS) .

This book includes a “forecast” about future. It is not about the past, but the future business plan including expected management status and financial performance, and sometimes there can be word such as ‘anticipation’, ‘forecast’, ‘plan’, ‘expectation’, and ‘(E)’.

A “forecast” can mean uncertain factors which can affect the company either positively or vice versa, and those can include:

- Domestic or international financial market trends including fluctuation of foreign exchange rate or interest rate.
- Company’s very important strategic decision such as M&A
- Unexpected business environment change in the main industry
- Other internal and external change that can affect the company’s management and finance.

Because of those uncertain risks, company’s actual business performance can be different from the “forecast” in this booklet. Also the information we provide is written as of the day we deliver the presentation, so it can be changed due to unexpected external status of industry or internal company’s revision of strategies without any prior notice in the future.

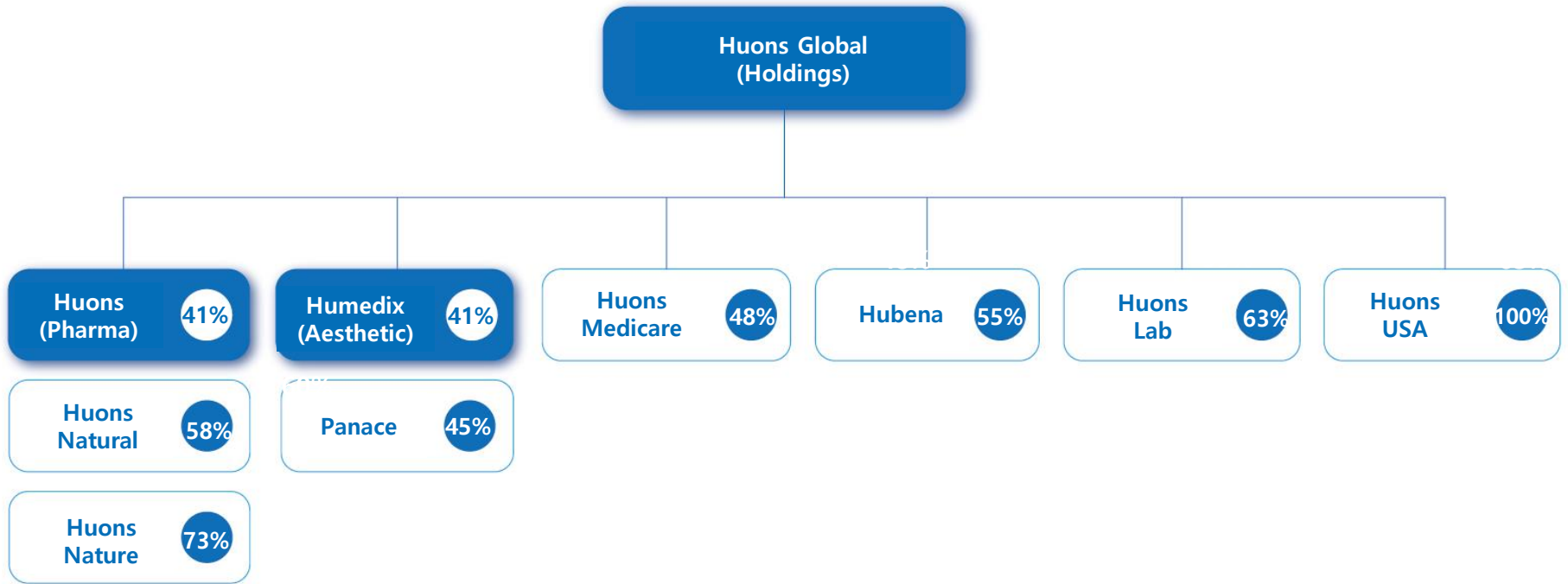


Huons Global

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“Total Healthcare Group include Pharma, Medical devices, Cosmetics, Health functional food”



**Huons Group
1,511 people**

KOSDAQ listed

※ Biotopia merged into Huons Nature by extra-ordinary shareholders' meeting in 27th Sep 2019 (Reference date: 29th Oct 2019)



Sung-Tae Yoon

**Vice Chairman
C.E.O**

C.E.O of Huons Global

IBM Korea

MS Project Mgt. at
Hanyang Univ.

W. Paul Kim

President

Director of Huons Global

BMS/GSK/AkzoNobel

MIT Research Fellow

PhD Biology at
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**President
Head of Financial
Mgt. Support
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Head of Financial Mgt.
Support Division

Jeil Pharmaceutical
Co., Ltd.

BA Business
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Kyu-Rae Lee

**Director
Outside Director**

Family Medicine Doctor
at
East Inccheon Gil Hospital

Head of Medical
Examination Center at
Baptist Hospital

Doctor of Medicine at
Yonsei Univ.

Byung-Hoon Tak

**Director
Outside Director**

Commander of Seoul
Police Department

BS Fine Chemistry at
Seoul National
Univ. of Science &
Technology

“Continuous improvement from affiliated companies’ growth”

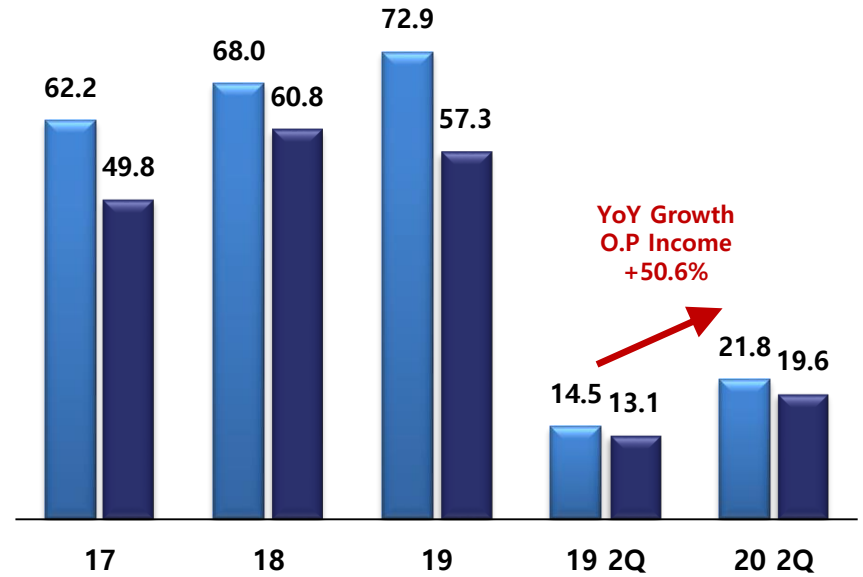
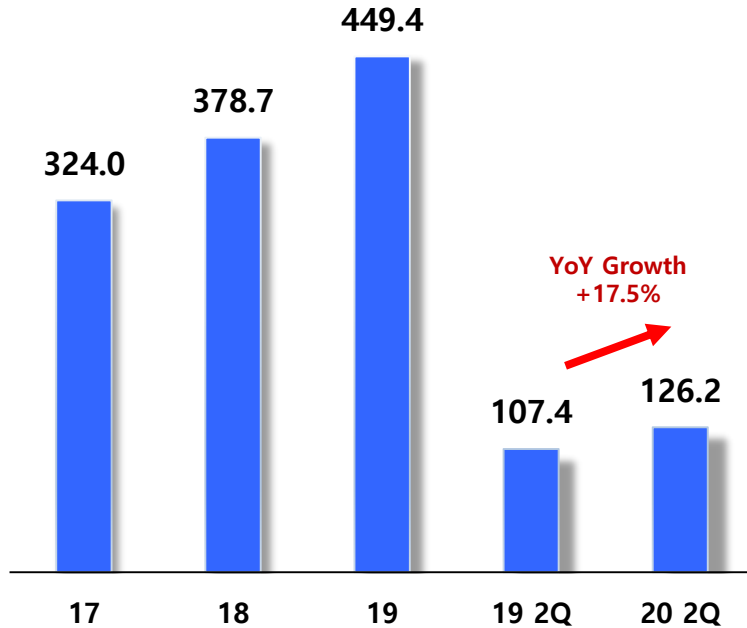
[Consolidated]

(Unit: Billion KRW, %)

■ Operating income

(Unit: Billion KRW, %)

■ Net income



[Seperate]

	2017	2018	2019	2Q 19	2Q 20	YoY
Sales	25.9	27.9	29.6	5.4	8.7	+62%
Operating income	12.1	11.6	9.1	0.7	2.1	+189%
Net income	10.2	10.8	9.9	1.1	2.1	+98%

Internal permission for Liztox, Wondertox lead improvement of sales & income in domestic business line



“Global sales by Huons”



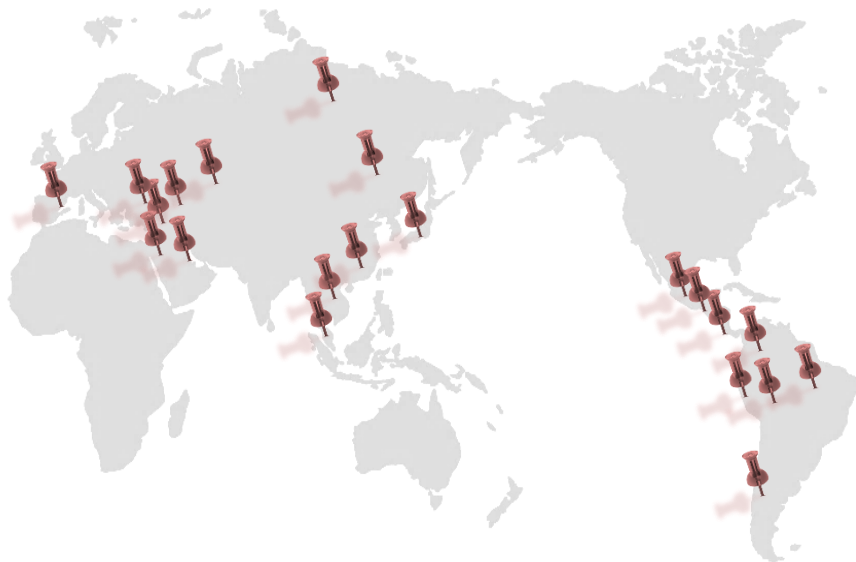
- Received approval for export license (Oct. 16)
- Export to **South-East Asia, Middle East, Latin America**

“Huons & Humedix”
Joint sales in domestic market



- Launch ‘Liztox’ in domestic market (Jun. 19)
- Non-aesthetic clinic
(general hospital, dentist etc)

“Hutox Partnerships by region”



“Overseas registration is gradually expected from 2021”

Nation	Date of contract	Nation	Date of contract
Europe	2018.04	Turkey	2019.02
Kuwait	2018.05	Singapore, Malaysia	2019.03
Brazil, Ukraine	2018.06	Dominican Republic, CIS	2019.06
Russia	2018.07		
Lebanon	2018.08	Peru, Chile, Pakistan	2019.08
China	2018.09	Bolivia, Colombia	2019.09
Mexico	2018.10	Panama, Nicaragua	2019.12
Japan	2018.11	Vietnam	2020.02

Expansion of Indications & Development of Low molecular Botulinum Toxin Product

Indication
expansion

Crow's Feet lines (Expected date of approval in 4Q 2020)

 **"Expansion of Therapeutic Indication"**

Post-Stroke Upper limb spasticity
(Expected completion date of clinical trial(phase I) in 4Q. 2020)

Benign Masseteric Hypertrophy
(IND Approval for clinical trial(phase II) in 2Q,2020, On-going 'Phase II' studying)

Low
molecular
Botulinum
Toxin
product

 **"150kDa":** Low molecular Botulinum Toxin that lowers immunogenicity compared to the 900kDa of original product

2020.1Q IND Approval for clinical trial(phase I) of Glabellar Lines
2020.4Q Completed clinical trial(phase I) of Glabellar Lines

Diverse
manufacture
unit

Submission for NDA application of 50unit / 200unit on Sep. 2020.

Business Line

Pharma 47% of Sales

- Registered more than 300 pharmaceutical products (Diversified Portfolio)
- Developing 1st improvement medicine, generic medicine and secure sales priority
- Provide Total Solution with Well-being drugs, medical devices

Beauty/ Well-being/ Others 39% of Sales

- Leader of Well-being infusion solution products by vitamin, mineral injection items
- Provide customized protocol based on diverse obesity products
- In pain field, have diverse products and provide Total Solution with ETC line

CMO 15% of Sales

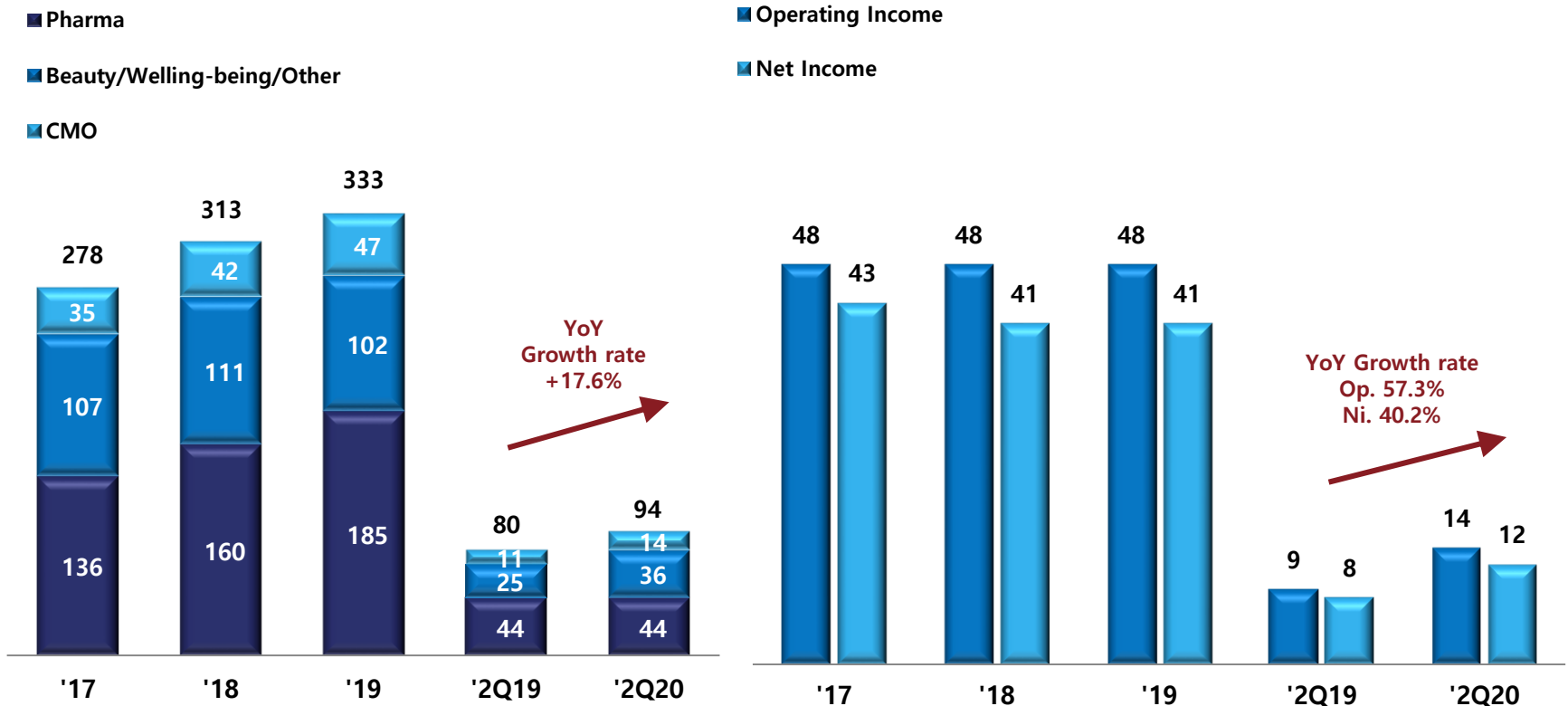
- 205 different items in Injections, tablets
- Manufacturing facility in compliance with cGMP standard
- New facility for disposable eye drops constructed in Apr. 2019('19.04)
※ Annual capacity 150mil ⇒ 300mil tubes

Export

- 5 items get FDA ANDA permission as first of Korean injection product
- 1 injection item applied in FDA ANDA permission
- Expected additional ANDA application for US shortage drug items

“Sustaining Solid Sales growth & Stable profit”

(Unit: Billion KRW)



[Consolidated]

	2017	2018	2019	2Q19	2Q20
Sales	285	329	365	87	104
Operating Income	36	45	48	9	13
Net Income	35	45	37	8	11

Next generation growth strategy “Open Innovation”

- Signed joint research agreement with companies in various fields
- Goal of acquiring next generation growth engine through joint R&D

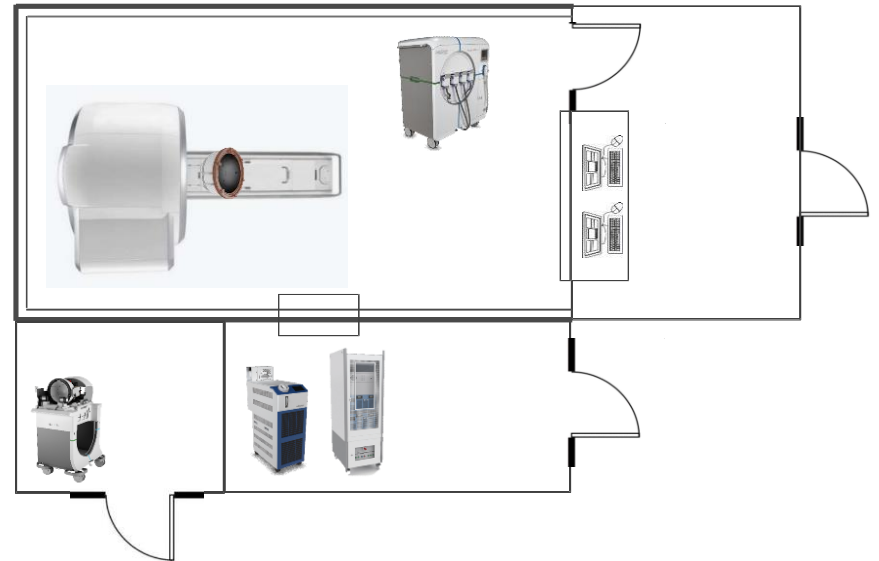
Exclusive right of sales in domestic	Joint R&D MOU	
 Insulin pump  Biosimilar  Bladder Cancer Treatment  Peptide medicine  MRgFUS	 Proteolysis-Targeting Chimaera New medicine for heart failure  Microbiome Medicine & Health functional food  Health functional food  Natural medicine & food	 Peptide Medicine  Natural medicine & Health functional food  Electronic medicine  AI based New Treatment

New R&D Theme

- CNS – Social anxiety Treatment
- Eye diseases(Presbyopia, myopia) Treatment
- Medical device for treating bladder cancer
- Cancer – Diagnosis, Treatment, Assistance

ExAblate® Neuro with INSIGHTEC

- World's first Incisionless Surgery platform which uses focused ultrasound with submillimeter accuracy to treat deep in the brain— all without making a single incision.
- Only focused ultrasound device with FDA approval to treat in the brain
- Operates in 60 major hospitals around the world including US, Europe and Asia
- Current indications – essential tremor, tremor-dominant Parkinson's disease
- **Proceed in 2020**

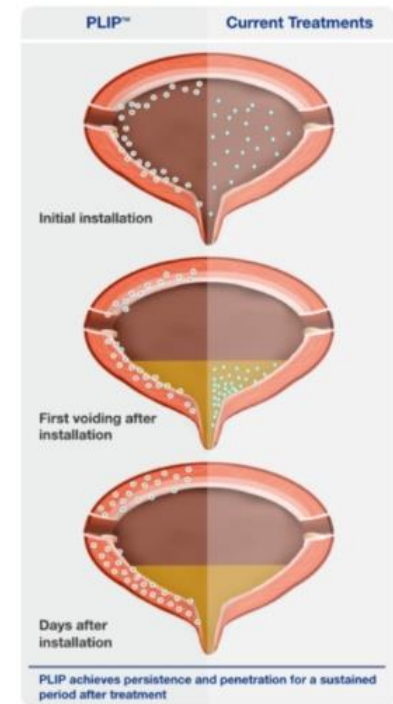
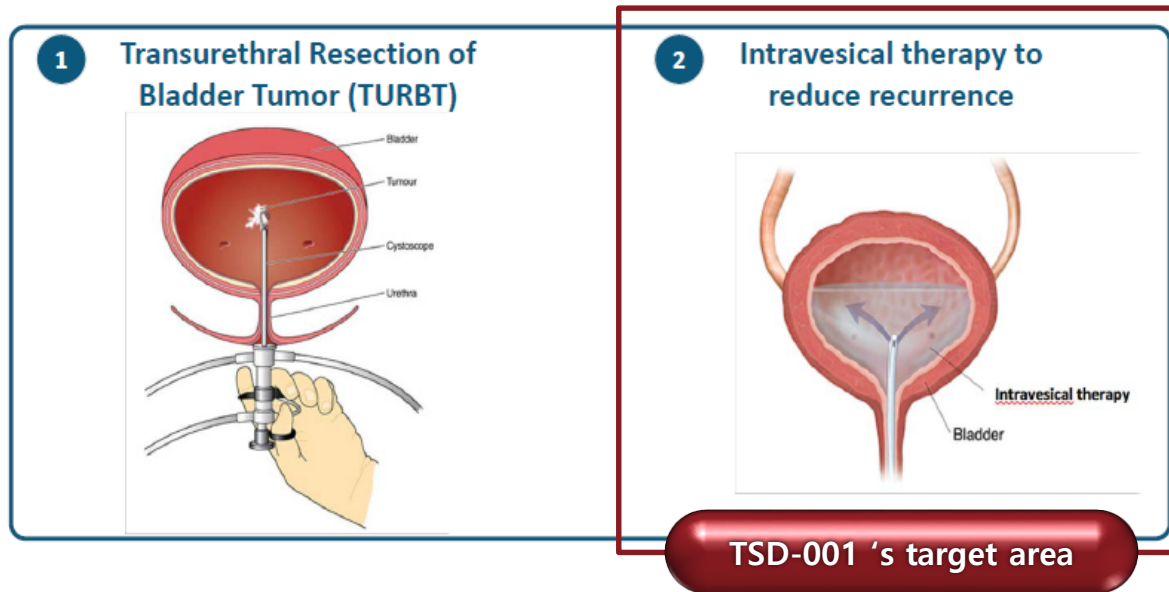




Bladder cancer treatment (TSD-001) with

- TSD-001 : Expect 1st FDA approval of treatment for Non-Muscle Invasive Bladder Cancer(NMIBC)
- In 2020, Clinical trial 1/2A in USA completed, global **Clinical Phase 2B/3** are planned in 2021
- Goal is to release it in 2024 (Global Market)

Current Standards of Care (SOC): Adjunct intravesical therapies are used post surgery to reduce occurrence of NMIBC

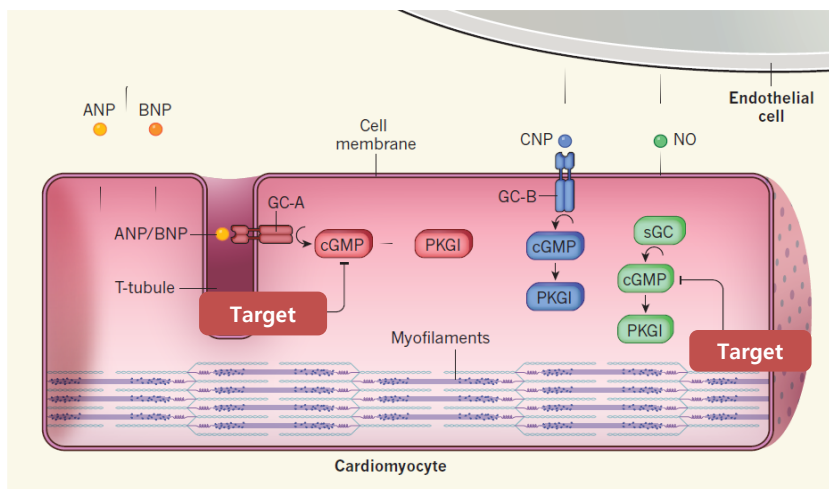


Development of Synthetic New Drugs

with



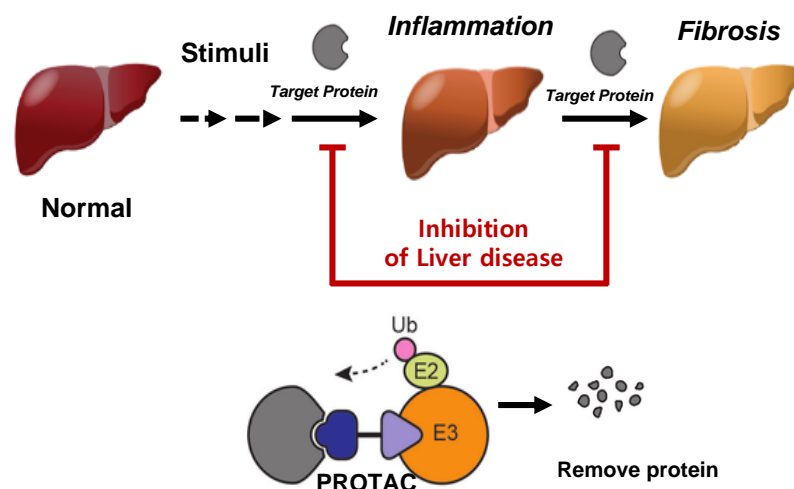
Heart Failure



Nature, vol. 26, pages 416-417 (2015)

- Develop a synthetic new drug that can improve heart failure symptoms by controlling cGMP and PKGI activities that protect the heart
- **Selection of candidate materials in 2020**

Fatty liver



- Based on **PROTAC(Proteolysis-targeting chimaera)**
- Development of a drug that can improve the symptoms and control progress of liver disease by removing the target protein that causes liver disease
- **Securing leading materials in 2020**



Menolacto Probiotics

- 2019. 10 Certified as a Functional Ingredients
(Authorized function : Help menopausal women’s health)
- Korea’s first and only one female menopausal health improvement Individually recognized Probiotics
- Deposit germ at KMCC(KCCM11808P) : *L.acidophilus* YT1
- Registered as Korean Patent, and Applied for Patents in US/EU/Japan

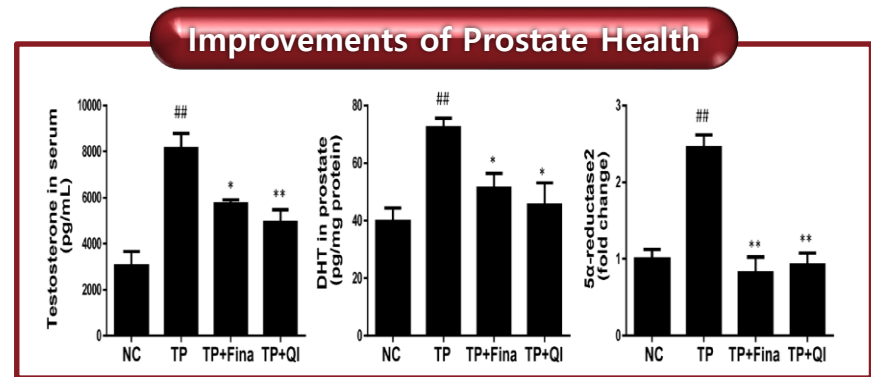
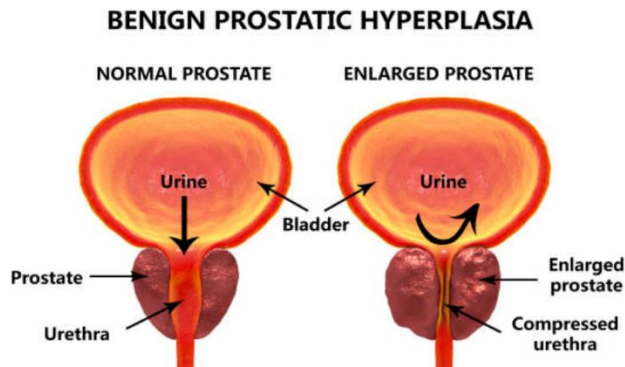
Improvement for menopause

- 1) Identify the improvement for Kupperman index, KMI)
- 2) Confirm the significant improvement for Modified KI
- 3) Confire the improvement for MENQOL



Develop ingredients for improving Prostate Health

- Application functionality : Prostate Health
- Apply for Korean Patent
- Estimated Submission of approval application as a ingredient(Dec. 2019)



Everything You Need To Know About Benign Prostatic Hyperplasia
 June 25, 2018/in Blog /by Georgia UrologyBy Dr. Lewis S. Kritekman

Business Line

Filler

28% of Sales

- High purity HA ingredient
- High purity HA raw material refinement sales rise
- Superior viscosity/elasticity/durability
- Registered in CFDA (Mar. '15)
- Export manufacturing techniques to Spain Sesderma (Nov.'18)

Korean HA raw material refinement industry become active from discontinued Japanese manufacturer's production

Arthritis

15% of Sales

- Exported the technique of 1 shot arthritis medication to China
- Humiaju®: Approved as an once injection type
 - ⇒ For joint synovia (HA ingredient)
 - ⇒ Strengthen exercise capacity, Less pain

Cosmetics

2% of Sales

- 'Derma Elravie' Brand marketing
- Functional cosmetics (HA specialty)
 - ⇒ wrinkle care, whitening etc.
- Expansion for Chinese cosmetic market with CKH Health Corp.

The others

55% of Sales

- Approved PDRN injection 'Revitalex' in Apr. 2018, MFDS.
 - ⇒ Entered into regenerative medicine market
- Ethical drugs (anemia, internal secretion etc.)
- Derma Shine (aesthetic injections machine)

Business Line

New Business

- ☆ **Panace(Humedix's subsidiary) acquire 'Urontech'(2020.03)**
: **Urontech - Extracorporeal shock wave lithotripsy machine manufacturer**
- ▷ **Extracorporeal shock wave lithotripsy machine**
: **By shock wave energy, crush stone in kidney and urinary tract**
- ▷ **Export to overseas 7 countries(Indonesia, Vietnam and Uzbekistan etc.) including domestic line**



Extracorporeal shock wave lithotripsy machine (URO-EMX)



Impotence treatment machine (IMP088)

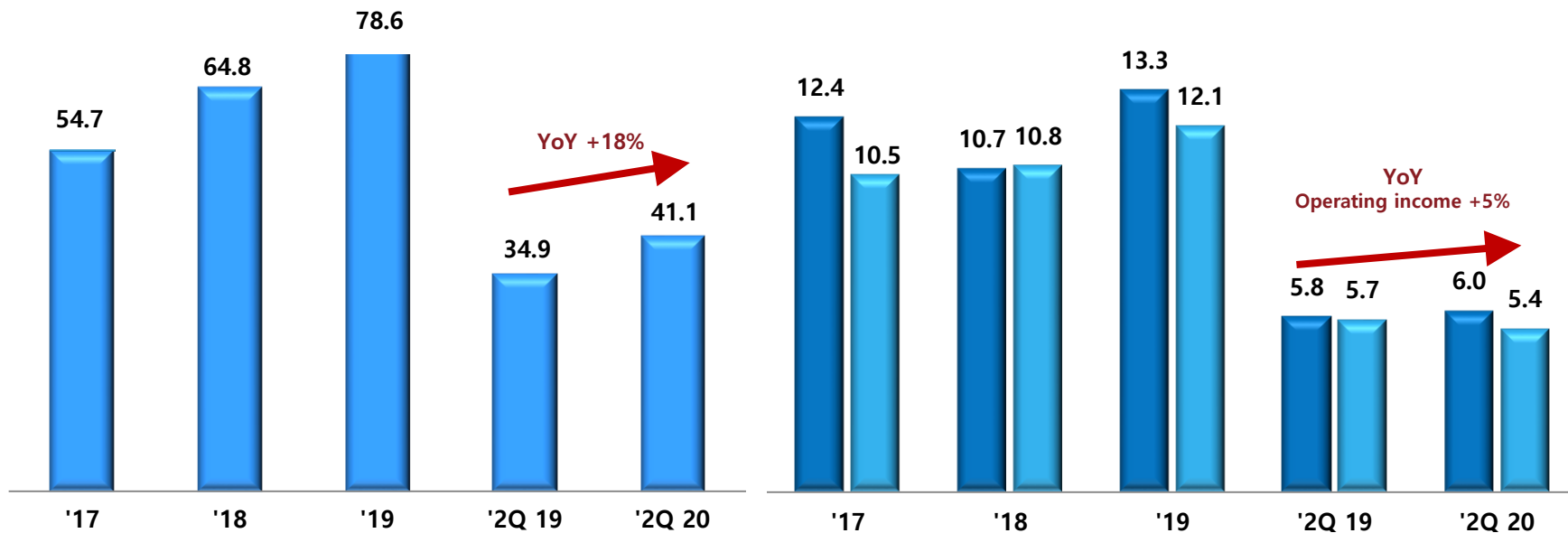
“Sales Growth & Profit Improvement”

[Consolidated]

■ Operating income

(Unit : Billion KRW)

■ Profit



[Separate]

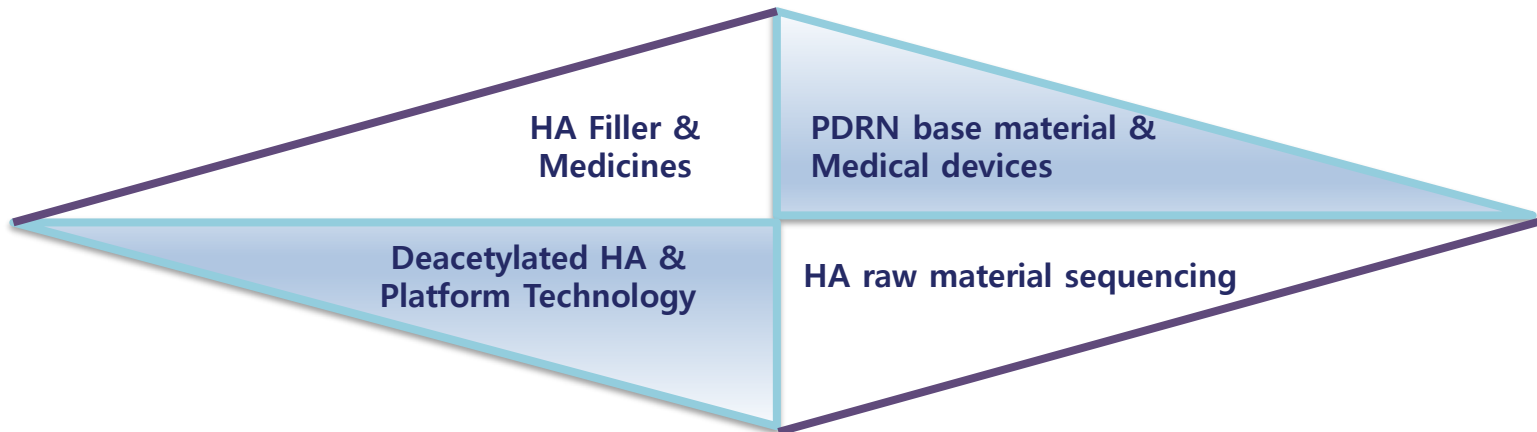
	2017	2018	2019	2Q 2019	2Q 2020
Revenue	50.3	57.6	69.0	29.5	35.5
Operating income	11.2	7.5	9.4	3.1	4.9
Profit	10.1	7.7	8.8	3.6	4.5

Filler + Medical devices + Botulinum Toxin ➡ **Competitive power**

Sales Package



Diversified product portfolio



HA Diversification

PDRN
(PolyDeoxyRiboNucleotide)

Volumizing Filler

Filler for Urinary system

**PN Joint injection,
PN Eye drops**

HA based/ natural polymers
 Diversified materials
 Clinical trial phase III completed (3Q 2018)
 Final approval (1Q 2019)

Highly improved safety
 Verified safety/efficacy by clinical trial
 - Clinical trial phase III completed (4Q 2018)
 - Expected final approval (1Q 2020)

Apply for high purity nucleic acid naturally derived
 - medicines, filler, cosmetics
 Extract high-purity nucleic acid From salmon testis
 PDRN raw materials: KFDA(2Q 2018)
 PN Joint injection : IND applied (1Q 2020)

Expectations

Expectations

Expectations

Improved safety
 - Reduced HA, Cross-linker
 Volumizing effect on face
 - High viscosity/elasticity/persistence

Expand HA Filler market from new indications

Reduced wound healing time
 Accelerate collagen/cell differentiation
 Blood vessel endothelial proliferation factor induction

- Produce & Sales medical disinfectant, disinfectants and sterilizer
- Produce & Export Auto endoscope reprocessors

◆ Antiseptic products

- Hemoclean (exclusive for artificial kidney, US FDA/EU CE certification)
- Scotelin, Ophiclean, TeraClean (endoscope instrument sterilization)
- TBXzyme (intermediate-level disinfection for skin & hard-surface)
- Hexywipes
(OTC, antiseptic body/hands tissue as CHG 2%, 4%)

◆ Medical sterilizers

- MTW-01 (minimal function, Target on regional clinic)
- **“HUEN Single” get domestic permission in Jun 2020**
- **“Single use and discard” system**
(Target on single use, general hospital, overseas market)
- “HUEN Single” under overseas registration

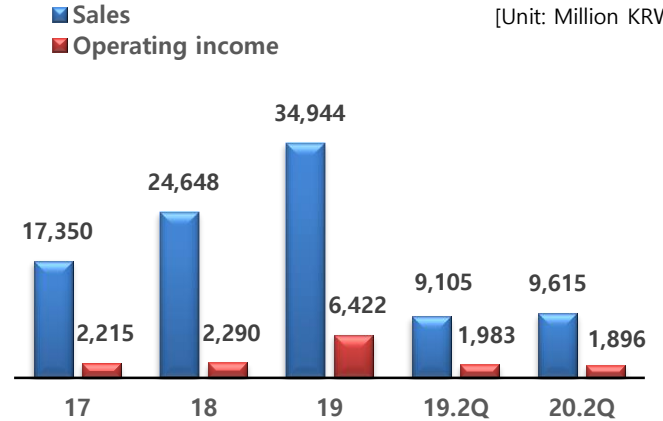
◆ Space sterilizers

- Increasing demand on sterilization, prevention for medical infection
(pharmaceutical GMP, hospital, food maker etc.)
- Nano-sized vapor spray, High level safety

Plan

- Sterilizer IVH ER is expected to be authorized by KC(Korea), CE(EU) and CQC(China)

[Unit: Million KRW]



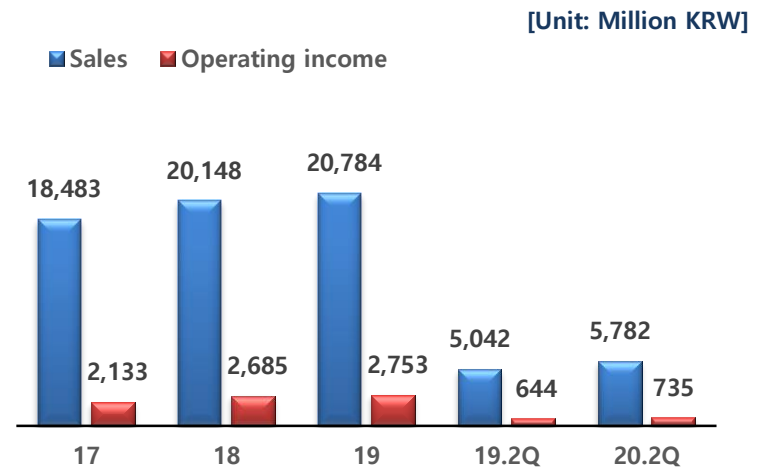
- A specialized medical glass container (ampule, vial, and cartridge) manufacturer & supplier
- As a front-runner in the glass packing industry, merged Suju Science (lab experiment and analytic tools business), become a total solution company for supplying glass containers and raw/subsidiary materials

Ampule

Item	Raw materials standard: 10.0~24.5Ø , Production standard: 1.0cc ~ 20.0cc
Feature	<ul style="list-style-type: none"> ▪ Type: Pattern C (ISO 9187-1) ▪ Cutting: One point cutting (OPC ISO 9187-2), color brake, score brake

Vial & Cartridge

Item	Raw materials standard: 8.65Φ ~ 50.0Ø , Production standard: 1.0cc ~ 100.0cc
Feature	<ul style="list-style-type: none"> ▪ Type : Injection (ISO 8362-1), Screw (ISO 11418-7), Blow back, Freeze drying










Take-over Suju Science

- Since Jan.2019, taking over finished and beginning Hubena-Suju sales record on Feb.2019
 - ☞ Sales of 2019 : 1.6 bil KRW, 1H 2020 : 1.5 bil KRW(accumulated)
- Expected enhancement of sales growth by constructing sales agencies by region
- Open online shopping mall website: ease of use for the customers

- Hold 9 biological medicine's pipelines
- Research and develop biosimilar and new peptide/protein medicines intensively
- HL07's clinical PII is about to begin

[Biomedicine Pipelines]

(2Q, 2020)

Group	Indication	Pipe Line	Discovery	Non-clinical	Clinical PI	Clinical PII	Clinical PIII	
New Protein Drug	Dry Eye Syndrome (DES)	HL07 (rh-Thymosin β -4)					Commissioned Research Project from Huons	
	Fibrosis (Skin)	HL10 (rh-protease)						
New Peptide Drug	Short Bowel Syndrome (SBS)	HL06 (modified GLP2)						
Biosimilar	Macular Degeneration (wet AMD)	HL01 (Aflibercept)						
	Osteoporosis	HL02 (Denosumab)						
	Drug Adjuvant	HL04 (rhHyaluronidase)						
	Anemia	HL05 (Darbepoetin alfa)						
Bioactive Substance	Brain Function Improvement	HL11 (Porcine Brain Peptide)	Drug approval (2022) / Drug product launching (Domestic, 2023)					
	Gastric Ulcer	HL12 (Glycan Complex)						

Consolidated Financial Information

(Unit: Million KRW)

Classification	2020. 1H	2019
Assets		
Current assets	382,983	281,439
Non-current assets	478,841	460,714
Total Assets	861,824	742,153
Liabilities		
Current liabilities	241,514	138,285
Non-current liabilities	11,591	22,069
Total liabilities	253,105	160,354
Equity		
Dominant business owner's equity	390,777	378,527
Non-controlling interests	217,943	203,271
Total equity	608,719	581,799
Total equity and liabilities	861,824	742,153

Classification	2020. 1H	2019
Revenue(Sales)	242,819	449,423
Cost of sales	202,117	376,511
Operating Income	40,702	72,912
Profit(loss) before tax	43,903	71,150
Corporate tax	9,670	13,802
Net income	34,233	57,349

Separate Financial Information

(Unit: Million KRW)

Classification	2020. 1H	2019
Assets		
Current assets	53,611	18,919
Non-current assets	335,242	333,308
Total Assets	388,853	352,228
Liabilities		
Current liabilities	68,266	21,923
Non-current liabilities	333	14,463
Total liabilities	68,599	36,387
Equity		
Capital	5,732	5,461
Capital surplus	242,472	242,472
Capital adjustment	(8,799)	(8,728)
Earned surplus	80,848	76,636
Total equity	320,254	315,841
Total equity and liabilities	388,853	352,228

Classification	2020. 1H	2019
Revenue(Sales)	23,151	29,636
Cost of sales	13,700	20,510
Operating Income	9,451	9,126
Profit(loss) before tax	9,958	10,864
Corporate tax	1,133	937
Net income	8,825	9,927

Thank you