



Huons Global

Investor Relations

2021. 3Q



Huons Global

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” often means 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.

Contents

1

Introduction

2

Business Results

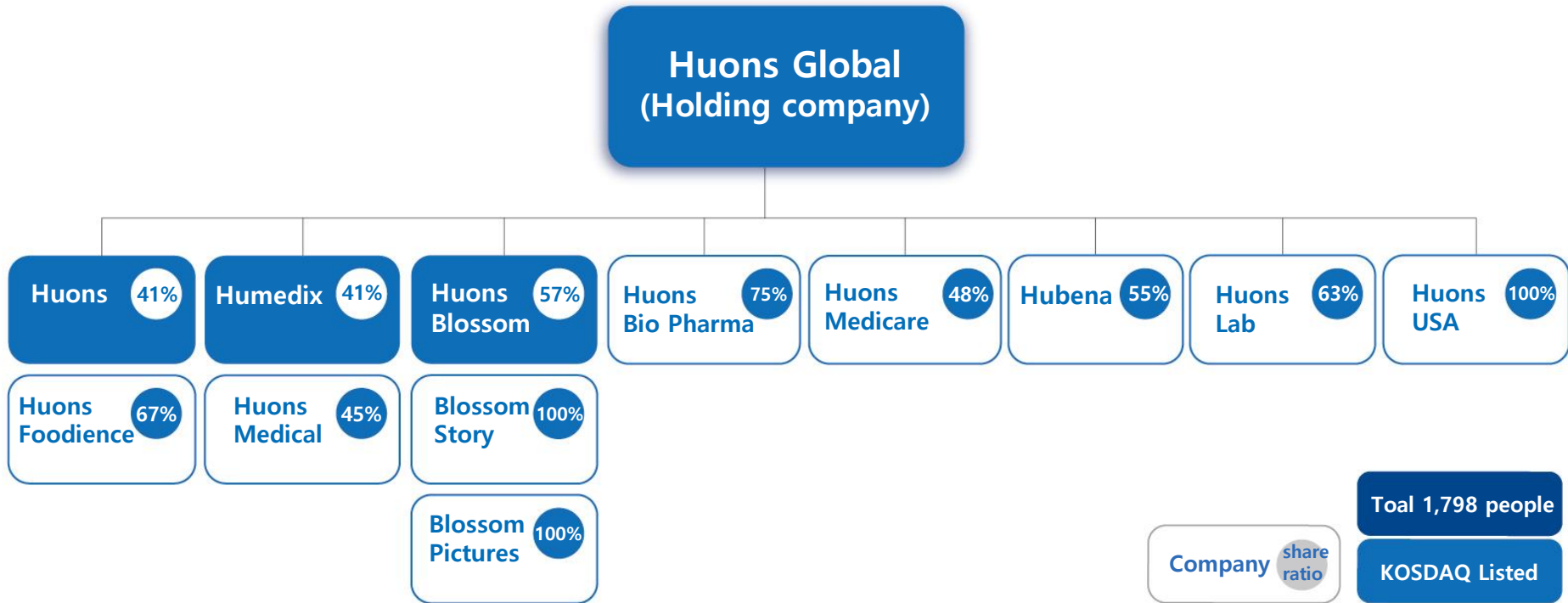
3

Subsidiaries

4

Financial Statements

“Total Healthcare Group”
Includes Pharma, Medical Device, Health Functional Food and Cosmetic business



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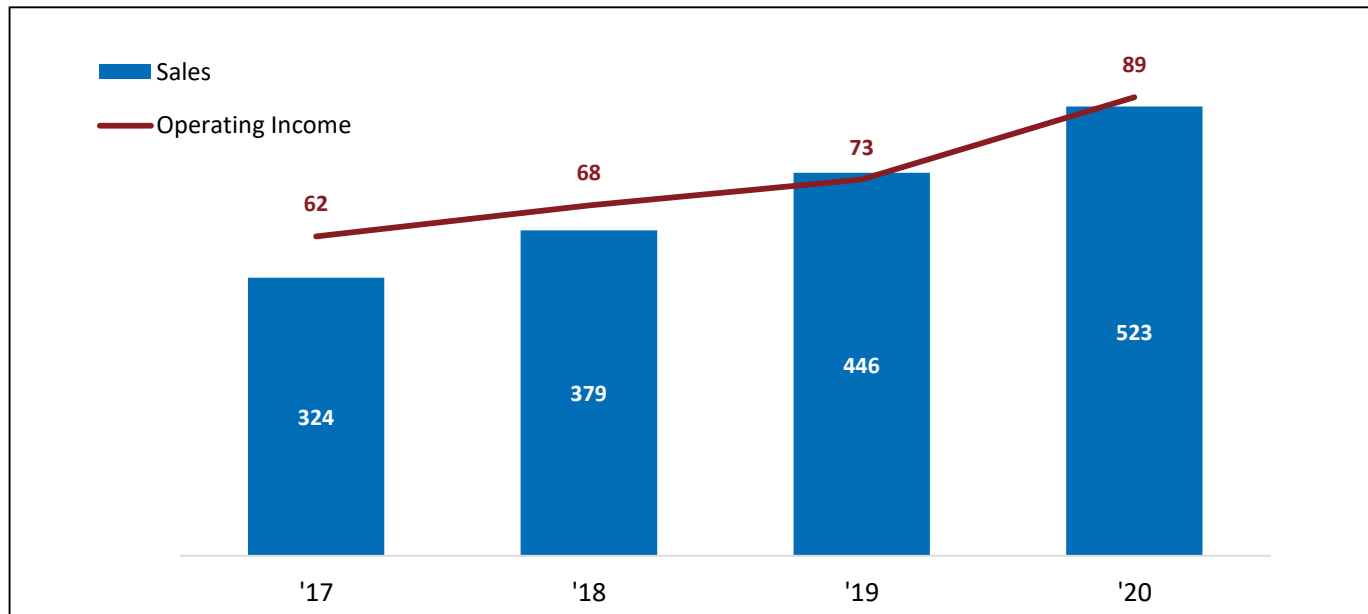
BS Fine Chemistry at
Seoul National
Univ. of Science &
Technology



Company Overview

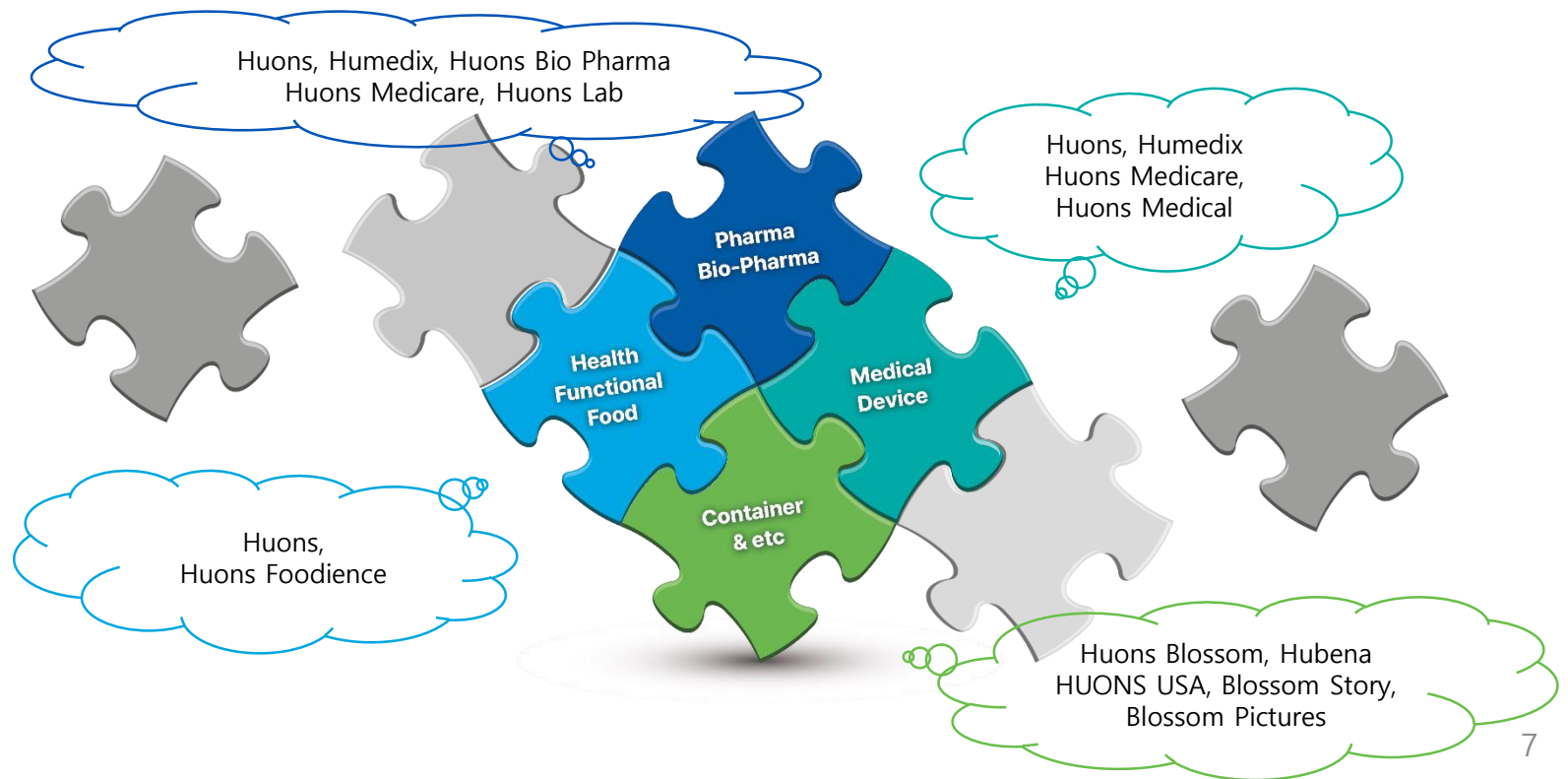
- ✓ Consolidated sales CAGR 12.7%, operating income CAGR 9.4% since 2016
- ✓ Converted to a holding company in 2016 and now has 8 subsidiaries and 6 sub-subsidiaries
- ✓ Spun off the bio business division in April 2021 and became a pure holding company

(Consolidated, billion KRW)



Company Overview

- ✓ Group Vision : **Total Healthcare Group**
- ✓ Group Strategy : **Open Innovation & In-house R&D**
- ✓ By merging subsidiaries, plan to specialize in Health Functional Food and Medical Device business





Continuous growth based on the steady growth of subsidiaries

(Unit : billion KRW)	Sales			Operating Income		
	3Q 21	3Q 20	YoY	3Q 21	3Q 20	YoY
Huons Global (Consolidated)	145	137	+6.0%	19	24	△21.0%
Huons Global	6	10	△43.1%	0.1	4	△96.7%
Huons	104	95	+9.5%	14	13	+10.1%
Humedix	23	17	+32.0%	3	3	+3.1%
Huons Blossom	33	3	+35.0%	0.1	△4	-
Huons Bio Pharma	6	-	-	2	-	-
Hubena	6	5	+13.8%	0.5	0.6	△23.0%
Huons Medicare	11	11	△0.2%	2	2	△26.9%
Huons Lab	-	-	-	△0.9	△0.6	△45.7%
HUONS USA, INC.	0	5	-	0	0	-
Huons Natural	5	4	+18.1%	0.5	0.5	△9.4%
Huons Nature	6	8	△31.9%	0.1	0.9	△89.6%
Huons Medical	4	5	△20.4%	0.6	1	△39.9%

※ Separate financial statements before elimination of insider transactions

Sales composition

(billion KRW)	Sales		
	3Q 21	3Q 20	YoY
Service	4	3	+45.5%
Brand	2	1	+3.7%
Royalty and other	-	0.5	△77.8%
Dividend	-	0	-
Rental	0.6	0.1	419.4%
Product	-	6	-
Total	6	10	△43.1%

※ Bio business division was spun off in April, product sales are excluded since 2Q 21.

※ Sales increase YoY +27.4% when product sales are excluded.

Capital Allocation Plan

1 Shareholder Return

Continuous annual dividends(cash, stock)

Continuing Shareholder Return Policy since listed in 2006

2 Investment

1. Acquire IP rights

Finding & investing items that can maximize business value

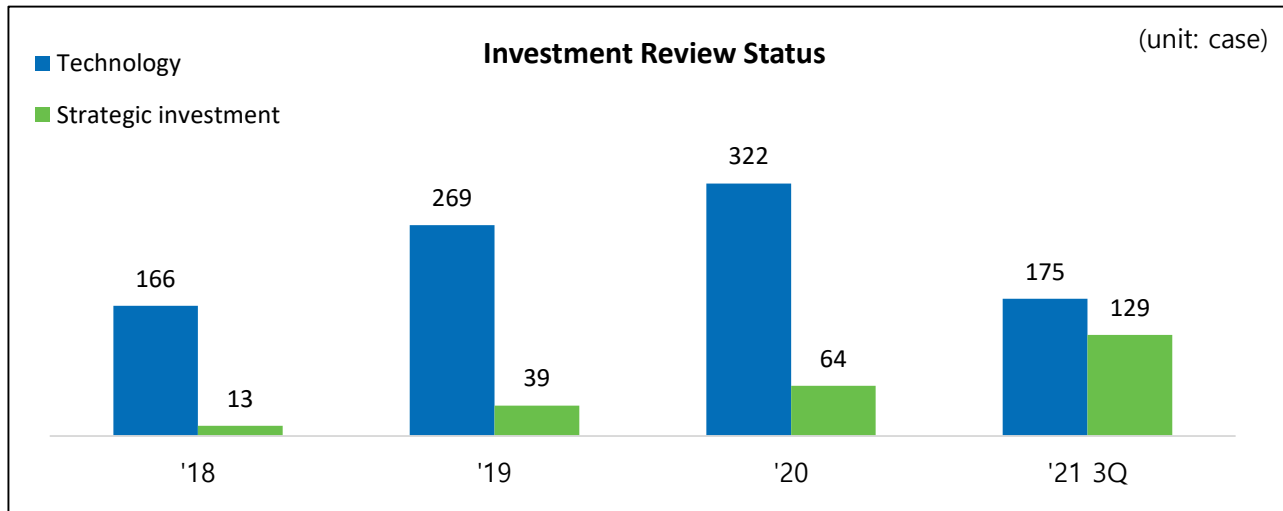
2. M&A

Finding businesses to expand healthcare-related portfolios and value chains

Capital Allocation Plan – Investment for growth

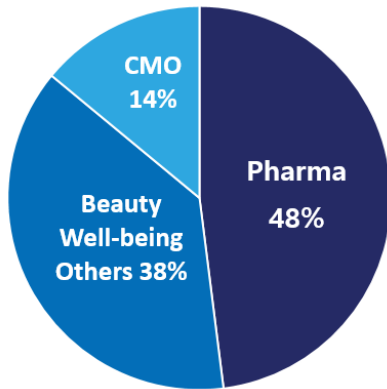
Strengthen investment to continue growth(Aquire IP rights)

- ✓ Strengthening In-house R&D & Seeking Open-Innovation.
- ✓ Finding new business items through License In/Out, Strategic Investment.
- ✓ **After converting to a pure holding company, Huons Global will lead investment in new business areas.**



Based on Pharma(ETC), stably growing through expansion of related businesses

Sales Composition



Pharma(ETC)

- Medications that require prescription
- Comprehensive portfolio covering various fields
- Expanding markets(export local anesthetics to the U.S)

Beauty·Well-being·Others

- Medications and others for health maintenance
- Expanding portfolio to related items(Health Functional Food and Medical Device)

CMO

- Produce multiple items(eye drops, injections, etc)
- Customers : Multiple domestic and foreign pharmaceutical companies

Highlights

Health functional food

Menolacto Probiotics

- Approved as an individually recognized functional Ingredients in Oct. 19, for menopausal women’s health
- Product launched in Apr.20, 2020 Sales 17 bil KRW



Medical Device

CGMS Dexcom G6

- Product launched in Oct.20
- Expect increase in user after price cut in Jul.21.07



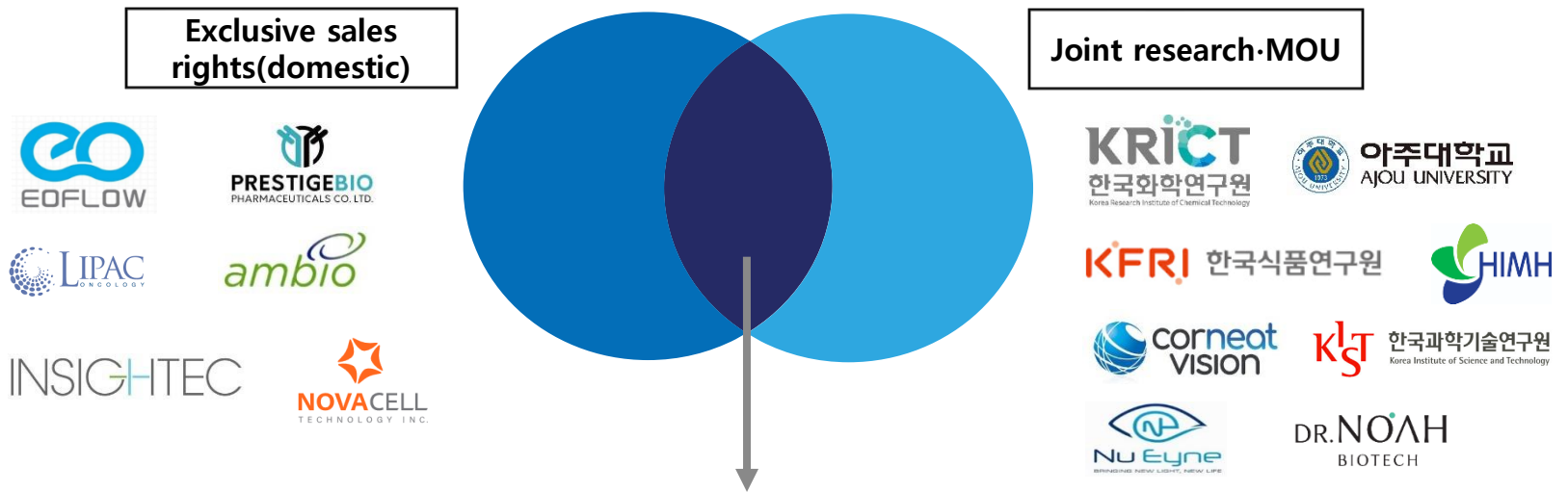
Wearable Insulin Pump EO patch

- Product launched in Apr.21, 1st patch-type insulin pump in Korea
- Negotiating payment of health insurance benefits



Open Innovation

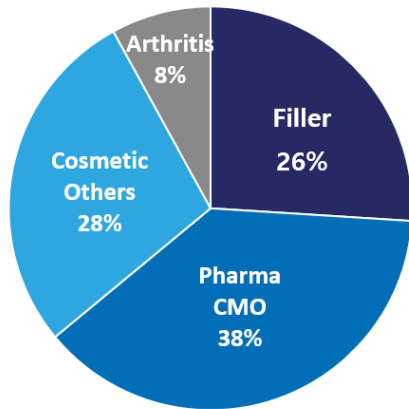
- Make an exclusive domestic sales rights contracts and Joint research agreements
- Aim to find a next-generation growth-engine through Open Innovation



Classification	Indication	Status
New Chemical Entities	Liver disease	Selection of candidate materials in 2023
	Heart failure	Planning to start non-clinical in 2022
	Ocular disease	Planning to start IND in 2023

Stably growing based on Aesthetic and Pharmaceutical products using HA-PDRN

Sales Composition



Filler

- Used for beauty and healthcare such as wrinkle improvement
- Registered in China and Europe

Pharma-CMO

- ETC based on PFS, Amp, Vial, Eye drops
- Finding new API(Active Pharmaceutical Ingredients)

Cosmetic, Ohters

- Functional cosmetics using HA-PDRN, Achieved approval in China
- Launched LIZTOX('19.06)

Arthritis(HA)

- Launched 1 shot arthritis(2nd in Domestic), L/O to China, EU CE certification

Highlights

Package marketing strategy (Filler+Medical device+Liztox)

- Target marketing by diversification fo filler products
- Expanding nationwide aesthetic sales network



Eye drops facility expansion

- Expand CMO business by adding eye drop production line(annual capacity 150 mil)

Add Vaccine CMO facility

- New Vial production line for Vaccine under preperation

Plan to expand API business expansion

HA

- DMF approval for HA API(2008)
- Used for fillers, Osteoarthritis treatment, eye drops, etc.



PDRN

- DMF approval for PDRN API(2018)
- Used in cosmetic field for cell regeneration



Others

- Heparin Sodium(plan for DMF approval in 2022)
 - animal-derived raw material drugs for the first time in Korea
- Hyaluronidase(plan for DMF approval in 2022)
 - high-purity hyaluronidase with less side effects

Product Diversification

Filler

Arthritis

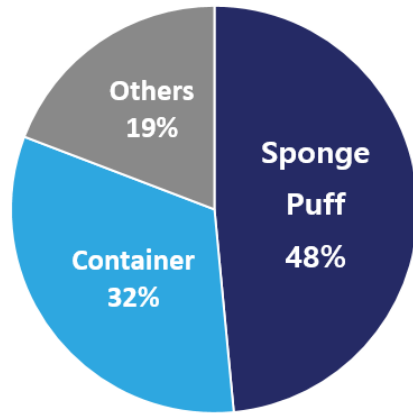
Eye drops

Pharma



New subsidiary which conducts cosmetic packaging business

Sales



Cosmetic packaging business(Puff,Sponge, Container)

- Manufacture puff, sponge, container for make-up
- Supplying materials to cosmetics companies(domestic&foreign)



Highlights

Developing Cosmetic packaging materials

- Expanding the product with various materials except NBR sponge
- Develop new products, renewals, and find new customers

Developing new busienss

- Collaboration with affiliates, Improvement to increase profitability

Conduct Biological Pharma business include botulinum toxin

- Bio business division was spun off from Huons Global('21.04)
- Attracted 155.4 billion KRW investment from IMEIK(China) ('21.06)

Manufacturing Facilities

- Facilities in Jecheon – Plant 1(1 mil Vials), Plant 2(5 mil Vials)
- ※ selected as an institution of merit for biosafety management('20.10)

Product line-up

- Hutox(export), Liztox(domestic)
- ※ Hutox approval for export('16.10), Launched Liztox('19.06)
- ※ Liztox co-sales in domestic market : Huons and Humedix
- 50unit('21.06), 100unit('19.04), 200unit('21.07) approved



Overseas Business

- 32 countries, 26 partner contracts('21.09)
- License and Supply Agreement with AQUAVIT HOLDINGS in US('21.04)
- License and Supply Agreement with HAEMATO PHARM in EU('21.10)



Botulinum toxin R&D

- Expansion of indications and development of small molecule formulations

Code	Indications	Discovery	Pre-clinical	Phase I	Phase II	Phase III	Registration	
HBP1-001 (900kDa)	Glabellar lines						●	
	Crow's feet lines						●	
	Post stroke-upper limb spasticity	“Expansion of therapeutic indications”					●	
	Benign masseteric hypertrophy				●			
HBPB1-002 (150kDa)	Glabellar lines				●			
HBPB3-003	Cellulite	●					17	

Manufacture medical disinfectors, disinfectants and sterilizers

Antiseptic and Pharma(ETC)

- Antiseptic products for artificial kidney, endoscope instrument sterilization, body/hands tissue, and etc.
- Eyedrops, ETC for dyslipidemia and digestive system etc.



+ Expand business area to Medical/Space Sterilizers

Medical Sterilizers

- Huen Single domestic approval('20.06), under overseas registration
- "single use and discard" system
- Target on general hospital and overseas market



Space Sterilizers

- 'HUEN IVH ER' Europe CE Certification('21.03)
- Nano-sized vapor spray and high level safety
- Increasing demand on sterilization, prevention for medical infection



Manufacture and distribute Medical container(Ampulem, Vial, Cartridge)

Medical container

- Manufacture medical glass containers through special glass technology
- 120 clients including Huons Group
- **Planning to supply vaccine vials to Huons Global consortium**



Physical and chemical equipment distribution

- Merged Suju Science in Jan,19
- Aiming for total solution company in raw and subsidiary materials
- Distribute by establishing regional agencies and online malls



Subsidiary specialized in R&D of Biopharmaceuticals

- Hold 6 types of biological drugs pipelines
- Research and develop new peptide and recombinant protein medicines intensively

Group	Indication	Pipe Line	Non-Clinical
New Biological Drug	Metabolism (Short Bowel Syndrome)	HLB1-001	2Q, 22
	Breast Cancer	HLB1-004	2Q, 23
	Fibrosis(Skin)	HLB1-002 (Drug Delivery)	2Q, 22
		HLB1-003	1Q, 23
		HLB1-005	2Q, 23
Biosimilar	Osteoporosis	HLB3-001	1Q, 23

Consolidated Financial Information

(Unit: Million KRW)

Classification	2021.3Q	2020
Assets		
Current assets	536,813	427,322
Non-current assets	689,014	521,700
Total Assets	1,225,827	949,023
Liabilities		
Current liabilities	267,506	237,373
Non-current liabilities	89,781	56,251
Total liabilities	357,286	293,624
Equity		
Dominant business owner's equity	554,693	412,828
Non-controlling interests	313,847	242,570
Total equity	868,540	655,399
Total equity and liabilities	1,225,827	949,023
Classification	2021.3Q	2020
Revenue(Sales)	420,781	523,048
Cost of sales	361,630	433,799
Operating Income	59,151	89,249
Profit(loss) before tax	72,934	111,793
Corporate tax	28,296	20,750
Net income	44,637	91,043

Separate Financial Information

(Unit: Million KRW)

Classification	2021.3Q	2020
Assets		
Current assets	70,034	53,250
Non-current assets	433,607	339,163
Total Assets	503,641	392,414
Liabilities		
Current liabilities	125,379	62,974
Non-current liabilities	3,586	5,436
Total liabilities	128,966	68,409
Equity		
Capital	6,015	5,732
Capital surplus	242,472	242,472
Capital adjustment	(12,489)	(11,029)
Earned surplus	138,677	86,829
Total equity	374,676	324,004
Total equity and liabilities	503,641	392,414
Classification	2021.3Q	2020
Revenue(Sales)	25,488	41,867
Cost of sales	18,148	26,797
Operating Income	7,339	15,070
Profit(loss) before tax	73,674	16,878
Corporate tax	17,014	2,072
Net income	56,660	14,807

Thank you