

Huons Global

Investor Relations
1Q. 2023.



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.

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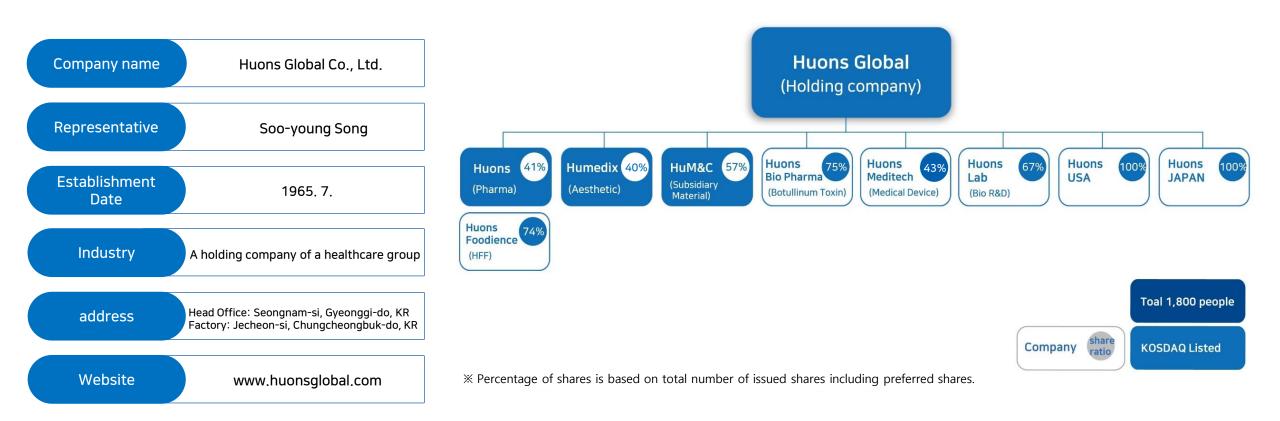
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Company summary

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



Vision

Global Total Healthcare Group:
Provides Medical Solutions for Human Being's Health

Group Strategy

- Discovering New Growth Engines & Expanding Business Area
- Reinforcement of In-House R&D with Open Innovation

Business Area

Pharma Bio-Pharma

Core Biz

- Comprehensive portfolio covering various fields
- R&D : **Open Innovation** + In-House R&D
- Pipelines of Bio-Pharma

Companies

Huons, Humedix Huons Bio Pharma Huons Meditech Huons Lab

Medical Device

New Growth

- Diversified products from medical to aesthetic
- Continuous R&D and patent acquisition

Companies

Huons Humedix Huons Meditech

Health Functional Food

New Growth

- Develop IAFF Ingredient
- Lactobacillus, beauty,
 Ginseng, diet, etc.
- Value chain (raw&new materials development, production, OEM/ODM, distribution)

Companies

Huons Huons Foodience

Medical Container & etc.

Expand & assistant

- Total subsidiaries for healthcare
- Develop overseas market
- Medical container

Companies

HuM&C HUONS USA HUONS JAPAN

Key Highlights

1Q.23 Results

Sales 174 bil KRW (YoY +11.5%)

Operating Profit 24.5 bil KRW (YoY +18.4%)

Biz performance

Continued growth of major subsidiaries

- Continuing High Growth in ETC / Aesthetic Businesses: Growth in sales of medicines such as cardiovascular agents, anesthetics, and eye drops, New line of vial injections in operation (Humedix)
- Expansion of overseas exports: An increase in the exports of injections to the U.S (Huons), Expansion of exports of aesthetic products such as filler botulinum toxin to the China, South America (Humedix)

Results of biopharmaceutical R&D performance

- HLB3-002 (Human gene recombination Hyaluronidase): Confirmation of the effectiveness of drug diffusion (A nonclinical toxicity trial) → Demonstrate comparable efficacy results compared to drugs on the market
- HLB1-006 (A treatment of short bowel syndrome): Confirmation of non-clinical efficacy of new drug candidates
 - → Posters released at 美 ASPEN in the U.S

Continued growth in ETC and Aesthetic businesses leads to record the highest quarterly operating profit



[Sales]

[Unit: billion KRW]

9.4%

15.7

13.1%

22.8

1Q23

-41.7%

-72.2

4Q22

174 bil KRW (YoY ▲11.5%, QoQ ▲0.5%)

- Growth of ETC (An increase in the exports of injections to the U.S)
- Increasing demand for aesthetic products (Fillers, Botulinum toxin) and expanding exports
- An increase in sales of well-being drugs, health functional food

[Operating Profit]

24.5 bil KRW (YoY ▲18.4%, QoQ ▼9.3%)

- Increase in sales of Aesthetic main business unit
- Improve productivity with factory operation rate due to increased sales of major businesses
- Increased marketing costs due to the launch of new health functional food businesses

[Net Profit]

22.8 bil KRW(YoY ▲77.8%, QoQ ▼131.5%)

- Gains on valuation and disposal of financial assets

the Huons Global 3. Business Results_Including subsidiaries

(Unit: Million KRW)

Classification			Sales				Ope	rating Pr	ofit				Net Profi	t		Reasons of fluctuation
Classification	1Q 23	4Q 22	1Q 22	QoQ	YoY	1Q 23	4Q 22	1Q 22	QoQ	YoY	1Q 23	4Q 22	1Q 22	QoQ	YoY	Reasons of fluctuation
Huons Global (Consolidated)	173,964	173,097	156,064	+0.5%	+11.5%	24,460	26,955	20,660	-9.3%	+18.4%	22,760	-72,189	12,803	Turn to profit	+77.8%	
Huons Global (Separated)	12,660	8,276	11,237	+53.0%	+12.7%	4,455	2,721	5,752	+63.7%	-22.6%	2,372	-8,770	4,267	Turn to profit	-44.4%	- Reflects 1Q Dividend Earnings - Increased advertising costs
Huons ¹⁾	127,919	129,314	115,870	-1.1%	+10.4%	11,187	16,240	11,732	-31.1%	-4.6%	13,869	3,764	8,718	+268.4%	+59.1%	 Sales rise: Injection Exports(U.S), OTC, HFF Fixed costs: expansion of production facilities Recovered HFF sales: Increased advertising costs
Humedix ²⁾	36,120	32,684	26,854	+10.5%	+34.5%	9,305	6,265	4,307	+48.5%	+116.0%	11,080	-1,868	11,409	Turn to profit	-2.9%	- Increasing demand for aesthetic products (Filler & Botulinum Toxin) - Exports increase in China and South America
HuM&C ³⁾	11,922	10,706	3,103	+11.4%	+284.2%	830	487	-121	+70.5%	Turn to profit	2,666	-27	-220	Turn to profit	Turn to profit	- Continuous Growth of Medical Glass Vessels - Increased demand : cosmeceutical market expansion
Huons Meditech	14,749	15,472	15,939	-4.7%	-7.5%	1,435	2,679	2,932	-46.4%	-51.1%	1,670	2,005	2,874	-16.7%	-41.9%	 Sales decrease: dropped test kit business & reduced exports Increased cost ratio & sales costs (clinical trials, etc.)
Huons Biopharma	10,829	11,996	4,278	-9.7%	+153.1%	3,805	2,209	496	+72.2%	+667.6%	3,624	2,174	599	+66.7%	+504.8%	- Reduced cost ratio (Increased proportion of high yield production lines)
Huons Lab	-	-	87	-	-100.0%	-1,239	-626	-1,190	Continued deficit	Continued deficit	-1,283	-1,091	-1,233	Continued deficit	Continued deficit	- Increased R&D costs
Huons USA	156	99	_	+57.3%	-	-1	-145	-175	Reduced deficit	Reduced deficit	-0.4	779	-138	Turn to loss	Continued deficit	
Huons JAPAN	141	75	_	+88.6%	-	15	-35	-	Turn to profit	-	15	-35	-	Turn to profit	-	

¹⁾ Consolidated results including Huons Foodience

²⁾ Humedix earning results are separate performances

³⁾ HuM&C earning results are separate performances

Business area: ETC with stable expanding to related businesses

ETC

- Medications
- Comprehensive portfolio
- Expanding overseas markets (anesthetics)



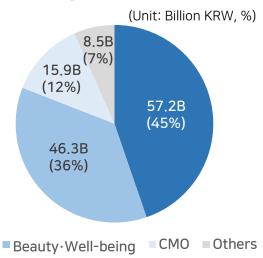
- Non-benefit Medications
- Health Functional Food
- Medical Device



- Eye drops, Injections, etc.
- Customers : Domestic and foreign pharmaceutical companies



Sales Composition ('23,1Q)



Subsidiary "Huons Foodience"

- Health functional food company
- Business in OEM/ODM, Own brand and export
- Building Value chain from raw materials to logistics
- Continuous development in raw materials

Financial Performance

(Consolidated, Unit: Million, %)

classification	2020	2021	2022	2022 1Q	2023 1Q	YoY
Sales	406,678	436,911	492,387	115,870	127,919	+10.4%
Operating Profit	54,125	45,282	40,867	11,732	11,187	-4.6%
OP ratio	13.3%	10.4%	8.3%	10.1%	8.7%	-1.4%p
Net Profit	56,586	30,581	22,608	8,718	13,869	+59.1%
NP ratio	13.9%	7.0%	4.6%	7.5%	10.8%	+3.3%p

- > Sales growth: Growth in ETC, Beauty-Well-being
 - Anesthetic: 5.7bil KRW of 1Q U.S. exports(continuous growth) and 13.7 bil KRW in total sales
 - Circulation system: YoY +10%, due to revitalization of chronic disease.
 - Non-benefit drugs followed by increased social activities. (vitamin injections, etc)
 - HFF: Menolacto Premium Launched, Expanding Online Sales.
- > OP ratio: Reduced(QoQ) due to production cost and increased marketing costs
 - Cost input before commercial production at 2nd factory (expect to improve in the second half)
 - Subsidiary Huons Foodience's cost ratio rises (Reduced utilization due to off-season)
 - SG&A expenses: Increased advertising and commission costs due to launching new HFF and normalizing home shopping operations
- > Expansion of Production Line at 2nd factory: Expect higher returns on continued expansion of ETC sales and exports
 - Eye drops: increased +50%, GMP certification and 2nd factory scheduled to operate 4Q in 23
 - Injections: Increased (vial line +204%, cartridge line +52%) & GMP certification (first half of 2025)



Business area: Aesthetic and Pharmaceutical products using HA·PDRN

Filler ·Toxin

- Beauty and healthcare
- (wrinkle improvement)
- Registered in China and Europe



- Non-benefit medications
- 1 shot arthritis PFS
- New business(HFF, Medical device)



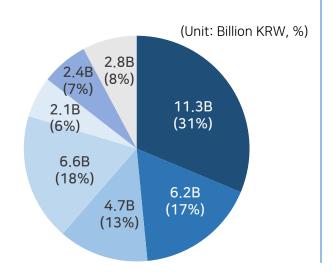
 Functional cosmetics (HA-PDRN), Achieved approval in China



Sales Composition ('23,1Q)



- Botulinum Toxin
- Eye drops
- **ETC**
- Biosimilar API
- Arthritic injection
- Cosmetic, Etc.



Financial Performance

(Seperated, Unit: Million, %)

classification	2020	2021	2022	2022 1Q	2023 1Q	YoY
Sales	80,351	93,693	123,173	26,854	36,120	+34.5%
Operating Profit	12,187	12,196	26,043	4,307	9,305	+116.0%
OP ratio	15.2%	13.0%	21.1%	16.0%	25.8%	+9.7%p
Net Profit	13,278	8,990	21,154	11,409	11,080	-2.9%
NP ratio	16.5%	9.6%	17.2%	42.5%	30.7%	-11.8%p

- > Sales growth: Highest quarterly performance, Aesthetic&CMO Division Leads Sales
 - Aesthetic: Increased demand, centered on fillers and botulinum toxin
 - Diversification of the demand base
 - Expansion of overseas filler exports (China, Brazil and South America)
 - CMO: Increased sales of ETC and orders for eye drops
 - New Vial Injection Production Line Operates → diversification of items
- > Increased in operating profit: YoY +116%, Operating Rate and Productivity Improvement Effects of Sales Growth
 - Increase sales and orders for main product lines
- > Mid- to long-term growth: Discovery of new business
 - Localization of Heparin Sodium Raw Materials: FDA raw material drug registration and release expected in second half of 2023
 - Joint research and development with bio-venture, introduction of pipelines, etc.

Tuons Global 4. Subsidiaries_ 3) HuM&C

Business area: Healthcare total subsidiaries

Medical container

- Manufacture medical glass containers through special glass technology
- 120 clients (including Huons Group)

Cosmetic packaging

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



Chemical equipment

- Chemical equipment distribution
- Regional agencies and online malls



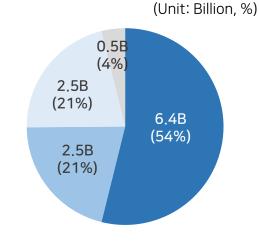


Sales Composition ('23.1Q)



- cosmetic packaging
- Physical and chemical equipment distribution

■ Others



| Financial performance

(Seperated, Unit: Million, %)

Classification	2020	2020 2021		2022 1Q	2023 1Q	YoY
Sales	12,684	12,479	28,169	3,103	11,922	+284.2%
Operating Profit	-8,313	-1,601	750	-121	830	Turn to profit
OP ratio	-65.5%	-12.8%	2.7%	-3.9%	7.0%	+10.8%p
Net Profit	-39,446	-5,381	-332	-220	2,666	Turn to profit
NP ratio	-311.0%	-43.1%	-1.2%	-7.1%	22.4%	+29.4%p

- > Sales growth: Leading the medical container business, 284% year-on-year growth
 - A medical glass container: Growth of medical glass containers such as glass, ampoule, and vial
- > Improvement in operating profit : Turn to profit
 - Merger of corporation (Hubena) → Build new businesses and improve profitability
- > Business reorganization and management efficiency through M&A
 - Strengthen target business: Portfolio incorporation of medical container business, Building Healthcare Sub-Material Areas
 - Focus on the main business : Selling Media Subsidiaries (Blossom Pictures, Blossomstory)



Huons Global 4. Subsidiaries_ 4) Huons Biopharma

Business area: Biological Pharma including botulinum toxin

- Established by split-off ('21.04) from Huons Global's bio business division.
- Attracting 155.4 bil KRW Investment from China's IMEIK('21.06),
- Shareholding ratio (Huons global 74.6%, IMEIK 25.4%)
- Expansion of Research and Development of Pharmaceutical Indications→ Development of small molecular drug and expansion of indications (Cosmetic → Therapeutic)

R&D status: Expansion of indications and development of small molecule formulations

Pipe-line	Indications	Discovery	Pre- clinical	Phase I	Phase II	Phase III	Registration
	Glabellar lines						Finished
	Crow's feet lines						Finished
HBPB1-001 (900kDa)	Post stroke- upper limb spasticity					In progress	
	Benign masseteric hypertrophy				Finished		
HBPB1-002 (150kDa)	Glabellar lines				In progress		
HBPB1-004	Glabellar lines	In progress					
HBPB1-005	Glabellar lines	In progress					
HBPB3-003	Cellulite	In progress					

Financial Performance

(Seperated, Unit: million KRW, %)

classification	2021	2022	2022 1Q	2023 1Q	YoY
Sales	15,155	31,596	4,278	10,829	+153.1%
Operating Profit	2,803	6,183	496	3,805	+667.6%
OP ratio	18.5%	19.6%	11.6%	35.1%	+23.6%p
Net Profit	2,503	6,145	599	3,624	+504.8%
NP ratio	16.5%	19.4%	14.0%	33.5%	+19.5%p

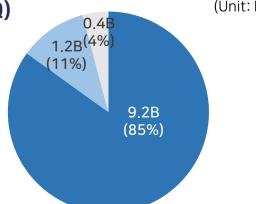
- > Sales: Increase in domestic sales and exports, Reduced CMO sales
- > Operating profit : Operating profit ratio rises due to lower cost ratio
 - Increased proportion of high yield line products, Improvement of Low yield Rate Line Products and Efficient Production Planning
- > Continuous progress of overseas product licensing(China, Germany), export 12 bil KRW(YoY +289%)





- Other sales: Royalty, rental income, etc.
- Major exporting country: Russia, Ecuador, Dominica, etc.





Huons Global 4. Subsidiaries_ 5) Huons Meditech

Business area: Disinfectants, Medical disinfectors, Sterilizers and other medical devices

Therapy

- Extracorporeal shockwave therapy 'URO-EMX', 'URO-EX', 'IMPO 88'
- 'JILL'SOF' for Vaginal dryness



Beauty

- 'Derma Shine' for Autsko-Injection (MPA, Europe CE, AustrailiChina Na TGA certification)
- 'Derma AKNE' for acne treatment (Europe CE certification)



Antiseptic and Pharma(ETC)

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



Medical Sterilizers

'Huen Single'



Space Sterilizers

'HUEN IVH ER' (Europe CE certification)



Financial Performance

(Seperated, Unit: million KRW, %)

Classification	2020	20 2021 2022 2022		2022 1Q	2023 1Q	YoY
Sales	57,897	60,621	62,075	15,939	14,749	-7.5%
Operating Profit	9,239	9,891	9,796	2,932	1,435	-51.1%
OP ratio	16.0%	16.3%	15.8%	18.4%	9.7%	-8.7%p
Net Profit	7,944	6,457	7,821	2,874	1,670	-41.9%
NP ratio	13.7%	10.7%	12.6%	18.0%	11.3%	-6.7%p

- > Focus on medical devices (core business) and strengthen capabilities
 - Enhancement and Renewal New Product Development (Lithotriptor, sterilizer, etc), aim to be released in the second half of the year
 - Building diversity in medical device portfolio (Beauty-treatment, general-profession, etc)
- > A decrease in sales volume and operating profit: Test kit business suspended due to endemic, Reduced sales in the pharmaceutical business
- > Continuous discovery of new businesses





Subsidiary specialized in R&D of Biopharmaceuticals

- Hold 5 types of biological drugs pipelines
- Research and develop new peptide and recombinant protein medicines

Group	Indication	Discovery	Pre-Clinical
	Metabolism (Short Bowel Syndrome)	HLB1-001	4Q, 23
New Biological	Fibrosis (Skin)	HLB3-002	Ongoing
Drug	Alzheimer's disease	HLB1-006	4Q, 25
	Obesity	HLB1-007	4Q, 23
Biosimilar	Osteoporosis	HLB3-001	1Q, 24



Local subsidiaries to expand businesses in the U.S. and North America

- Signed a contract to supply topical anesthetic (lidocaine) with McKesson
- High quality propagation of Huons injections through large distribution networks
- · Expansion of product line targeting U.S. market with shortage of basic drug supply



Local Corporation to Enter the Japanese Healthcare Market

- Local distribution and sale of medicines, medical devices, health functional foods, etc
- Joint R&D and drug technology introduction will be promoted in exchange with local companies

[As of March 31th, 2023]

(Category	Droject	Indication			Developr	nent Phase		
Company	Sector	Project	indication	Discovery	Preclinical	Phase I	Phase II	Phase III	Registration
		HUC1-394	Dry eye						
	New	HUC1-259	Liver disease		•				
	Chemical	HUC1-288	Heart failure						
	Entities	HUC1-454	Prostate cancer						
Huons		HUC1-505	Non-alcoholic steatohepatitis		_				
		HUC2-007	Dry eye						
		HUC2-344	Diabetes						
		HUC2-364	Gastric reflux						
	Incrementally	HUC3-487	Glaucoma treatment						
	Modified Drug	HUC2-511	Dry eye						
		HUC2-518	Epileptic bladder inflammation						
		HUC2-540	Hair loss						
		HUC2-541	Immunosuppressive effect						
		HMC2-073	Obesity treatment						
	Medication	HMC3-039	Increased tissue penetration						
Lives a div		HMC3-078	Double jaw improvement						
Humedix		HMM1-021	osteoarthritis						
	Medical appliances	HMM1-047	Fine wrinkles on the neck						
		HMM1-079	chin improvement						
		HBPB1-001	upper extremity muscle stiffness						
Huons	D. I	HBPB1-001	Hypertrophy of the masseter						
Biopharma	Biomedicine	HBPB1-002	wrinkles between the eyes						
		HBPB1-004	wrinkles between the eyes(liquid type)						
		HLB1-001	metabolism						
	n.	HLB1-006	Alzheimer's (disease)						
Huons Lab	Bio new medicine	HLB1-007	Obesity treatment						
		HLB3-002	Skin/Drug proliferation		-				
	Biosimilar	HLB3-001	osteoporosis						



5. R&D_Development status of major biopharmaceuticals

HLB3-002 (Hyaluronidase)

sector	Indication	Development Phase							
Sector	maication	Discovery	Preclinical	Phase I	Phase II	Phase III	Registration		
Bio Pharma	Skin/Drug proliferation								

Progress

Non-clinical toxicity trials in progress

Target

Beauty: Removal pain and edma by hyaluronic acid decomposition in subcutaneous tissue, diffusion and reabsorption of substances

Medical treatment: Improve convenience by changing administration route (from vein to subcutaneous)

Classification	Previous	After changing
texture	An intravenous injection (IV)	A subcutaneous injection (SC)
The time required	A few hours	Within 10 minutes

Market

Approximately 1 tril KRW (2022) → 2 tril KRW (2026)

HLB1-001 (A treatment for short bowel syndrome)

sector	Indication		Development Phase							
		Discovery	Preclinical	Phase I	Phase II	Phase III	Registration			
Bio Pharma	osteoporosis									

Progress

Confirmation of non-clinical efficacy

Target

Patients with reduced nutritional digestive absorption due to short intestine

Market

Approximately 1.4 tril KRW (2021) \rightarrow 3.3 tril KRW (2026)

Characte ristics

Dual Function:

GLP-2 (Prevention of cell proliferation and apoptosis in intestinal villi) + GLP-1(Promote intestinal villi cell division)

ightarrow High treatment effect compared to other candidate substances due to double action effect



Consolidated Statement of Financial Position

[Unit: million KRW]

Classificaton	FY2020	FY2021	FY2022	1Q23
Assets	949,023	1,283,748	1,243,109	1,223,154
Current assets	427,322	618,519	611,226	585,663
Non-current assets	521,700	665,228	631,883	637,491
Liabilities	293,624	432,627	457,234	418,098
Current liabilities	237,373	347,001	367,562	333,087
Non-current liabilities	56,251	85,626	89,671	85,011
Equity	655,399	851,120	785,876	805,056
Equity attributable to shareholders of the parent company	412,828	537,838	464,316	466,792
Issued capital	5,732	6,015	6,311	6,311
Capital surplus	247,877	374,578	374,526	376,160
Capital adjustments	-25,323	-26,605	-33,682	-33,539
Other comprehensive income accumulated	409	539	316	432
Retained earnings	184,132	183,311	116,845	117,427
Non-controlling interests	242,570	313,282	321,559	338,264
Total equity and liabilities	949,023	1,283,748	1,243,109	1,223,154

Financial Statements of Comprehensive Income

[Unit: million KRW]

구 분	1Q22	2Q22	3Q22	4Q22	1Q23
Sales	156,064	167,638	167,565	173,097	173,964
Cost of sales	135,405	147,007	149,336	146,142	149,503
Personnel expenses	13,627	13,564	13,678	13,655	14,302
R&D expenses	12,434	14,595	12,908	12,608	12,782
Commissions paid	7,310	9,628	9,799	8,553	10,244
Advertising expenses	5,336	6,417	6,033	5,066	6,904
Sales commission	18,844	16,186	18,807	18,773	18,664
Other operating cost	77,854	86,617	88,111	87,487	86,609
Operating Profit	20,660	20,631	18,230	26,955	24,460
Gain on Valuation using equity method	591	369	224	(369)	306
Other gains	816	2,217	5,642	(789)	2,257
Other losses	566	1,882	894	80,356	2,258
Financial income	2,183	8,415	3,659	11,398	15,075
Financial cost	5,321	11,430	7,258	12,469	6,483
Profit before tax	18,362	18,320	19,603	(55,630)	33,357
Income tax expense	5,553	7,953	4,474	15,760	10,597
Profit from Continuing Operations	12,810	10,366	15,128	(71,389)	22,760
Discontinued operations net income	(6)	(174)	602	(800)	-
Net income	12,803	10,192	15,730	(72,189)	22,760

Huons Global Appendix_Board of Directors

Board Members

(As of March 31th, 2023)

	Soo-Young Song	Sung-Tae Yoon	In-Sang Yoon	Kyu-yeon Lee	Jin-Woo Chang	Jong-Hyuk Bae
Position	President C.E.O	Chairman Director	Director	Outside Director	Outside Director	Outside Director
Current	C.E.O. of Huons Global and Huons	Board Chairman of KPBMA (Korea Pharmaceutical and Bio-Pharma Manufacturers Association)	Director of Strategic Planning Huons Global	Advisor of law firm Lee&Ko	Director of YonSei Univ. Brain Research Institute	Representative lawyer of lawfirm Daehwan
Recent & Past	C.E.O. of Deloitte Consulting Korea C.E.O of Deloitte Consulting Japan Senior Vice President of PwC Japan	C.E.O of Huons Global IBM Korea MS Project Mgt. at Hanyang Univ.	Department of Local Sales & Marketing & Regulatory Affairs of Huons	Managing Director of KRX	Professor of YonSei Univ. College of Medicine	Chief prosecutor of Seoul High Prosecutors' Office Dispute settlement commissioner (FSS)

Audit Committee

Chairman Kyu-Yeon Lee

Member Jin-Woo Chang

Member Jong-Hyuk Bae

ESG Committee

Soo-Young Song Chairman

Member Kyu-Yeon Lee

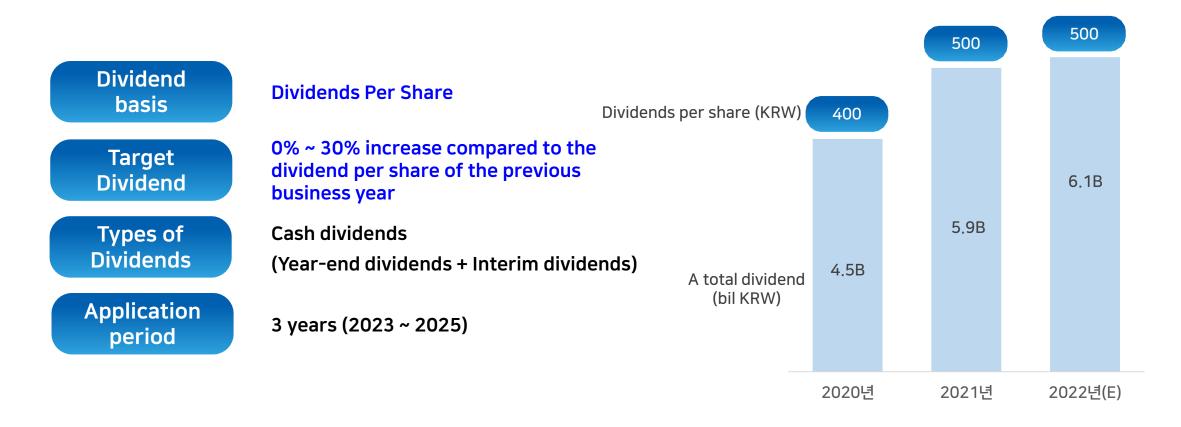
Member Jin-Woo Chang



Aims to Raise DPS and Conduct Interim Dividend

Reinforcing shareholder return policy and improving dividend predictability

[Status of 3-year cash dividends]



Thank you