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Huons Global

Investor Relations

2Q. 2023.



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

01_Company Summary

02_History

03_Business Performance

04_Subsidiaries

05_R&D

06_Financial Statements

Appendix

Key Highlights

2Q.23 Results

Sales **193.7** bil KRW (YoY +15.6%)

Operating Profit **36.5** bil KRW (YoY +77.2%)

Biz performance

A record high in sales

- **High growth in the business sector of major subsidiaries:** Growth in sales of ETC (Huons), Increased demand and exports of aesthetics products such as Fillers and Toxin (Humedix)
- **Expansion of overseas exports:** An increase in the exports of injections to the U.S (Huons)

Improvement in yield

- **Achieved 18.9% operating profit ratio from mix sales of high-yield products:** An increased in exports of ETC (Injections), Strong performance of filler and botulinum toxin business

Expansion of production facilities

- **Expansion of pharmaceutical production facilities:** Eye drops (Expected to be operational in 4Q.23), Injections (Expected to be operational in the second half of 2025)
- **Construction of glass container manufacturing base in Vietnam**

Company summary

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

(As of June 30, 2023)

Company name	Huons Global Co., Ltd.
Representative	Soo-young Song
Establishment Date	1965. 7.
Industry	A holding company of a healthcare group
address	Head Office: Seongnam-si, Gyeonggi-do, KR Factory: Jecheon-si, Chungcheongbuk-do, KR
Website	www.huonglobal.com



Company **Toal 1,800 people**
KOSDAQ Listed

※ Percentage of shares is based on total number of issued shares including preferred shares.

Role within Huons's Group

- Set the strategy and direction of the group
- Discovering new growth engines & Expanding business area
- Growth through strategic M&A

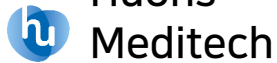


+ Aesthetic

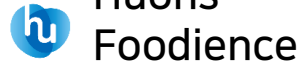
Pharmaceutical products



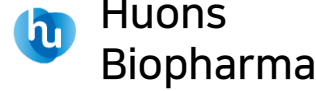
+ Medical devices



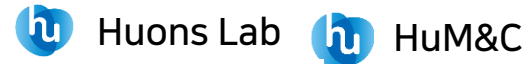
+ Health Functional Food



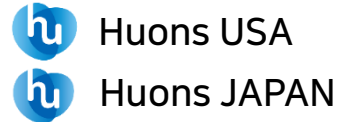
+ Biological Pharma



+ Healthcare subsidiaries



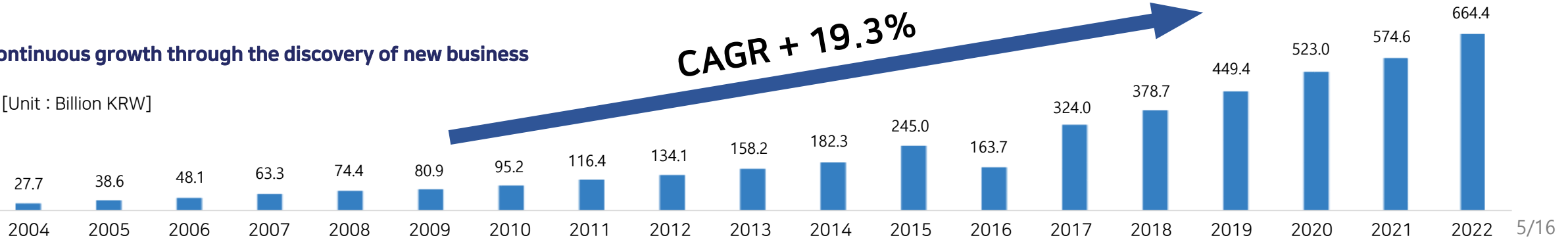
+ Strengthening overseas business



Continuous growth through the discovery of new business

[Unit : Billion KRW]

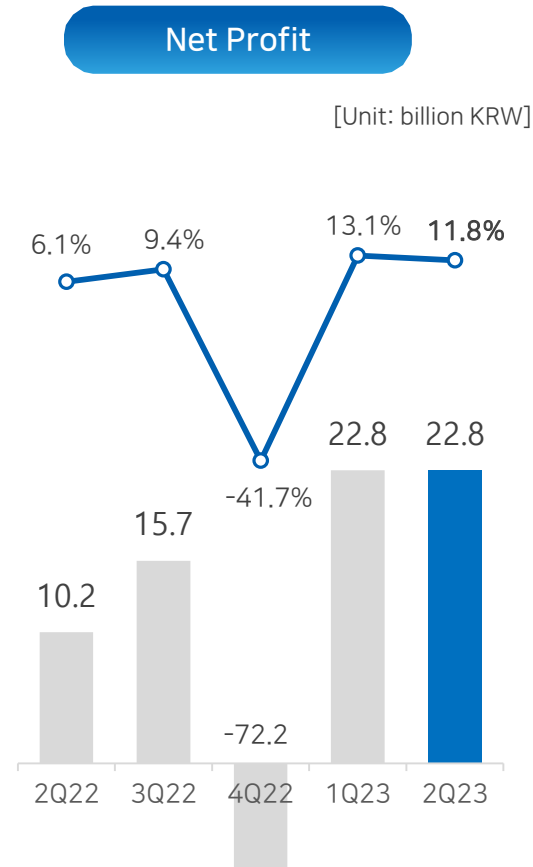
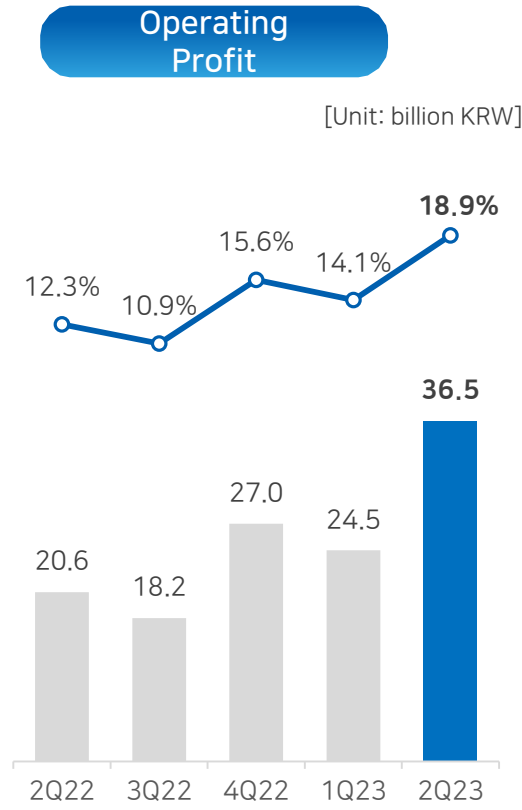
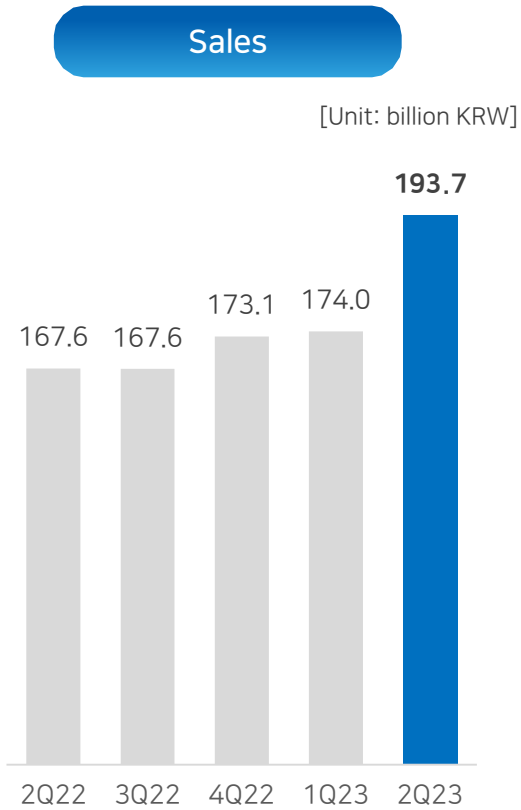
CAGR + 19.3%



(Unit: Million KRW)

Classification	Sales					Operating Profit					Net Profit				
	2Q 23	1Q 23	2Q 22	QoQ	YoY	2Q 23	1Q 23	2Q 22	QoQ	YoY	2Q 23	1Q 23	2Q 22	QoQ	YoY
Huons Global (Consolidated)	193,744	173,964	167,638	+11.4%	+15.6%	36,549	24,460	20,631	+49.4%	+77.2%	22,802	22,760	10,192	+0.2%	+123.7%
Huons Global (Separated)	8,067	12,660	6,251	-36.3%	+29.1%	1,726	4,455	762	-61.2%	+126.6%	-22	2,372	8,872	-100.9%	-100.2%
Huons (Consolidated)	140,697	127,919	124,074	+10.0%	+13.4%	17,876	11,187	10,870	+59.8%	+64.5%	14,863	13,869	7,498	+7.2%	+98.2%
Humedix (Separated)	39,763	36,120	31,744	+10.1%	+25.3%	11,393	9,305	7,624	+22.4%	+49.4%	3,280	11,080	5,406	-70.4%	-39.3%
HuM&C (Separated)	12,629	11,922	11,541	+5.9%	+9.4%	1,432	830	1,039	+72.5%	+37.8%	2,670	2,666	782	+0.1%	+241.5%
Huons Meditech	15,096	14,749	16,211	+2.4%	-6.9%	1,429	1,435	1,840	-0.5%	-22.3%	1,817	1,670	1,074	+8.9%	+69.2%
Huons Biopharma	12,699	10,829	8,567	+17.3%	+48.2%	4,437	3,805	1,929	+16.6%	+130.0%	4,880	3,624	1,763	+34.7%	+176.8%
Huons Lab	-	-	-	-	-	-757	-1,239	-1,475	-	-	-806	-1,283	-1,493	-	-
Huons USA	201	156	-	+28.7%	-	-14	-1	-223	-	A reduction in the deficit	-1,846	-	-176	-	-
Huons JAPAN	112	141	-	-20.5%	-	3	15	-60	-78.9%	Turn to profit	3	15	-60	-78.8%	Turn to profit

- Highest quarterly results on even growth in key business divisions



[Sales]

- 193.7 bil KRW** (YoY ▲15.6%, QoQ ▲11.4%)
- Increased exports of injections to the U.S. and growth of HFF business
 - Increased demand and export of aesthetic products (Filler & Botox)

[Operating Profit]

36.5 bil KRW (YoY ▲77.2%, QoQ ▲49.4%)

[Net Profit]

22.8 bil KRW (YoY ▲123.7%, QoQ ▲0.2%)

- Increased in sales of high-yield items
- Improvement cost ratio by increasing operating rate due to sales growth

Business area : ETC with stable expanding to related businesses

ETC

- Various prescription medications
- Local anesthetic (Injections)

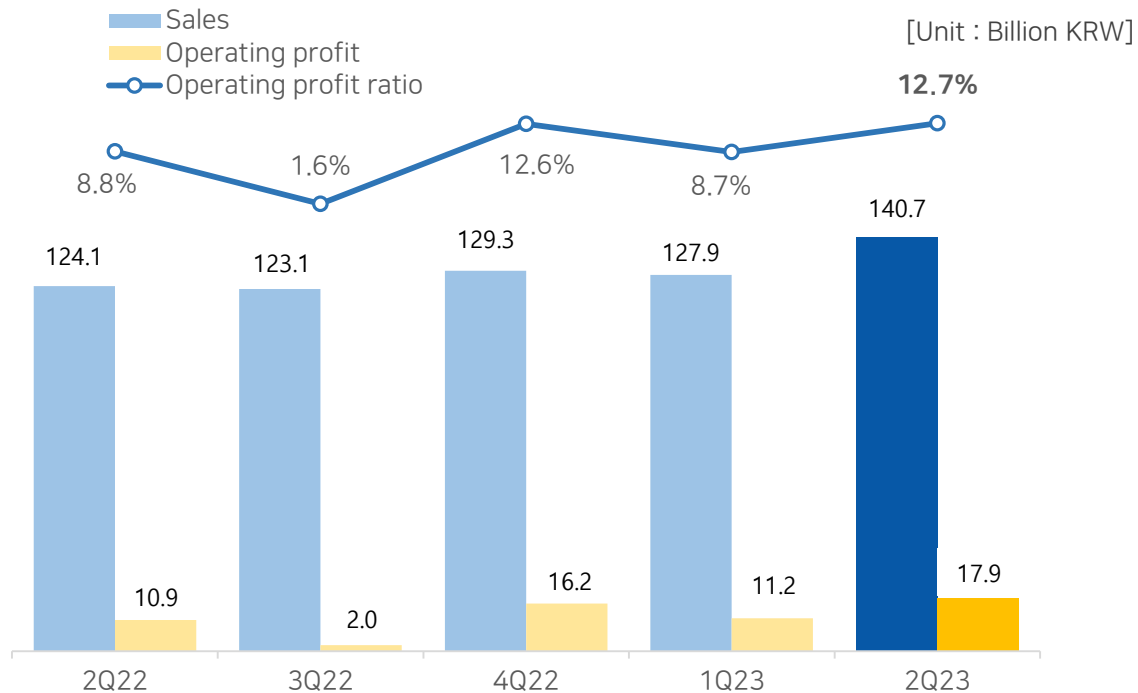
Beauty Well-being

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

CMO

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

Sales Composition



Financial Performance

classification	2Q22	3Q22	4Q22	1Q23	2Q23	YoY	QoQ
ETC	50,169	52,753	59,103	57,223	66,311	+32.2%	+15.9%
Beauty·Well-being	45,456	44,600	44,157	46,294	49,436	+8.8%	+6.8%
CMO	19,225	14,871	16,006	15,913	16,840	-12.4%	+5.8%
Subsidiary company	10,397	12,716	12,316	9,691	10,626	+2.2%	+9.6%
Capital Adjustments	-1,175	-1,811	-2,268	-1,201	-2,516	-	-
Total	124,074	123,129	129,314	127,919	140,697	+13.4%	+10.0%

➤ The highest sales, Improvement in profitability

- Sales 140.7 bil KRW / OP 17.9 bil KRW(OPM 12.7%, YoY +64.5%, QoQ +59.8%)

➤ Growth of the ETC division due to increased sales of high-yield products

- Increased sales of injections exported to the U.S. : Continued growth with 12.7 bil KRW in the first half of 2023

- Expansion of export drug line-up (Acquisition 2% Lidocaine FDA ANDA)

➤ Business growth due to the launch of new HFF products : Quarterly revenue reached 20 bil KRW

- Sales growth due to the addition of new product lineup (Menolacto premium, Sagunja)

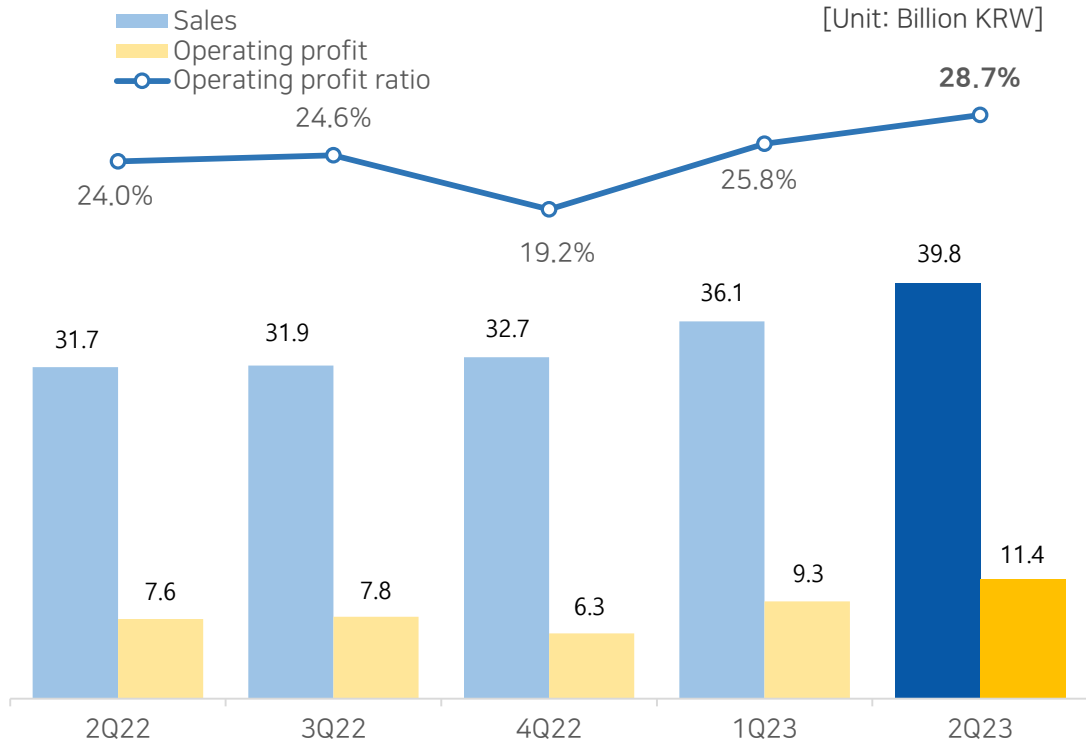
- Increase profitability by expanding online channels

➤ The turnaround of a subsidiary's profit (Huons Foodience)

Business area : Aesthetic and Pharmaceutical products using HA·PDRN

Filler ·Toxin	ETC·CMO	Cosmetics· etc.
<ul style="list-style-type: none"> ▪ Beauty and healthcare (wrinkle improvement) ▪ Registered in China and Europe 	<ul style="list-style-type: none"> ▪ Non-benefit medications ▪ 1 shot arthritis PFS ▪ New business (HFF, Medical device) 	<ul style="list-style-type: none"> ▪ Functional cosmetics (HA·PDRN), Achieved approval in China

Sales Composition



Financial Performance

Classification	2Q22	3Q22	4Q22	1Q23	2Q23	YoY	QoQ
Fiiler	7,756	9,710	10,008	11,307	11,393	+46.9%	+0.8%
Botulinum Toxin	5,000	6,600	5,800	6,100	7,700	+54.0%	+26.2%
Eye drops	5,441	4,820	4,711	4,662	5,654	+3.9%	+21.3%
ETC	5,326	3,873	5,818	6,596	7,203	+35.2%	+9.2%
Others	8,221	6,888	6,347	7,455	7,813	-5.0%	+4.8%
Total	31,744	31,891	32,684	36,120	39,763	+25.3%	+10.1%

- **The highest sales, Sustained growth**
 - Sales 39.8 bil KRW / OP 11.4 bil KRW(OPM 28.7%, YoY +56.5%, QoQ +22.6%)
- **Positive performance of major business segments**
 - Expansion of overseas filler exports (China, Brazil and South America)
 - Improvement of business environment due to the endemic
- **The growth of the CMO division**
 - Increased sales of new vial injections
 - Increased orders of ETC and Eye drops

Business area : Healthcare total subsidiaries

Medical container

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

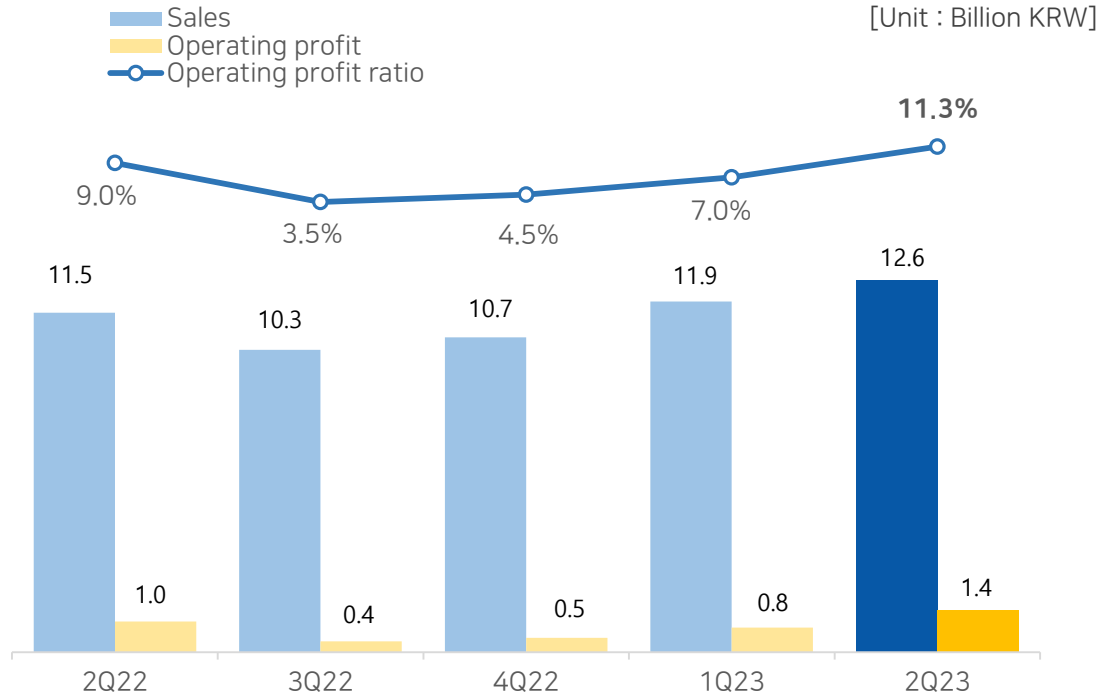
Cosmetic packaging

- 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



Financial performance

Classification	2Q22	3Q22	4Q22	1Q23	2Q23	YoY	QoQ
Medical container	7,462	7,546	7,783	8,980	9,281	+24.4%	+103.4%
Cosmetic packaging	4,079	2,734	2,923	2,942	3,348	-17.9%	+113.8%
Total	11,541	10,280	10,706	11,922	12,629	+9.4%	+105.9%

※ Sales other business (Drama production, etc.) in February 2023

➤ Performance improvement and profit margin growth

- Sales 12.6 bil KRW (YoY +9.4%, QoQ +105.9%)
- OP 1.4 bil KRW (OPM 11.3%, YoY +37.8%, QoQ +72.5%)

➤ Positive performance of major business segments

- Growth of glass business (Expansion of medical/aesthetic markets in Botox and Filler)
- Sales decline of COVID-19 testing kits

➤ Production CAPA expansion

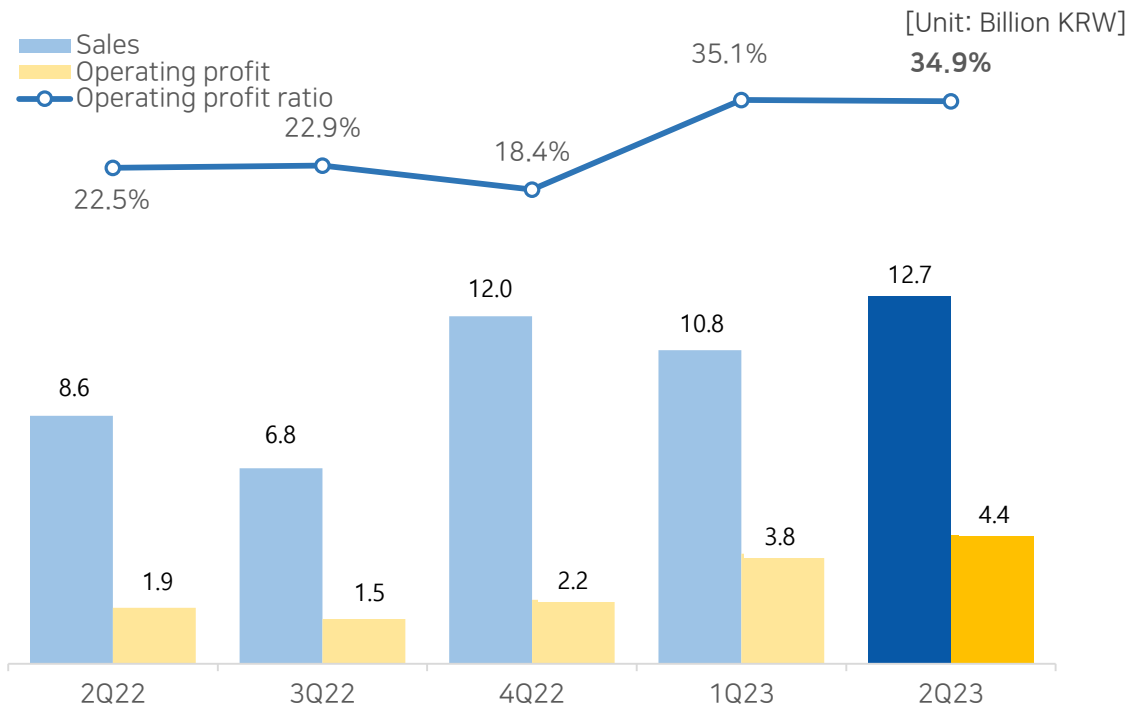
- Construction of a production base in Vietnam

hu Huons Biopharma

Business area : Biological Pharma including botulinum toxin

- Continued growth in performance : Increase in domestic sales and exports, Increased operating profit
- First half sales 23.5 bil KRW(YoY +83%) / OP 8.2 bil KRW(YoY +240%)
- The expansion of the market : First half sales 2.7 bil KRW(YoY +270%)
- Approval in progress after completion of phase 2 clinical trials in China

Sales Composition

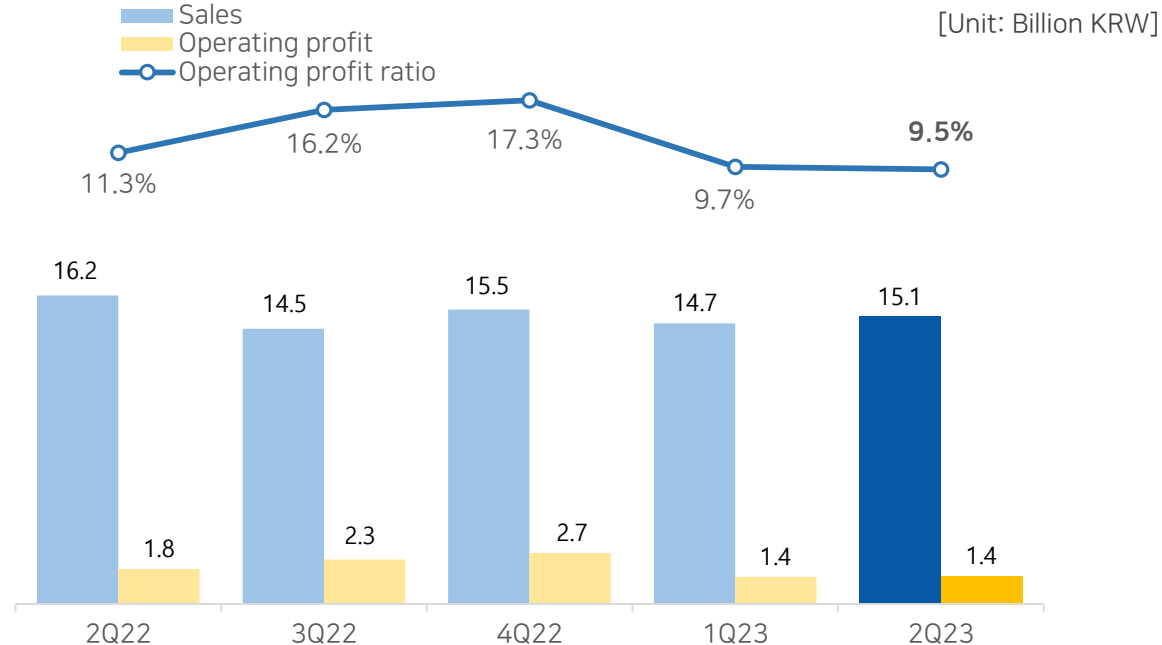


hu Huons Meditech

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

Therapy	Beauty	Others
<ul style="list-style-type: none"> ▪ Extracorporeal shockwave therapy 'URO-EMX', 'URO-EX', 'IMPO 88' ▪ 'JILL'SOF' for Vaginal dryness 	<ul style="list-style-type: none"> ▪ 'Derma Shine' for Autsko-Injection ▪ Derma AKNE' for acne treatment 	<ul style="list-style-type: none"> ▪ Medical Sterilizers ▪ Space Sterilizers ▪ Antiseptic and Pharma(ETC)

Sales Composition



hu Huonslab

Subsidiary specialized in R&D of Biopharmaceuticals

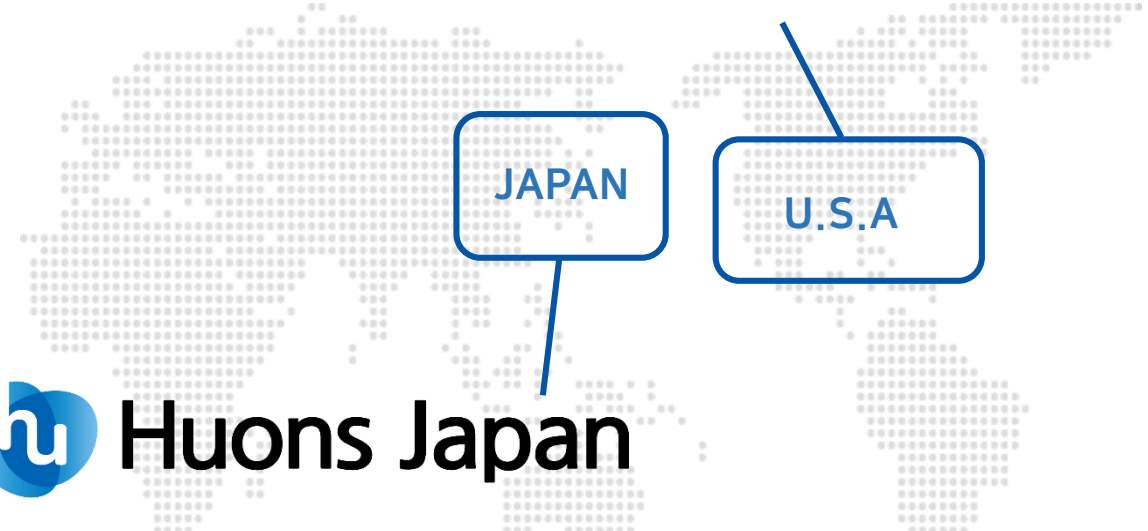
- Hold 5 types of biological drugs pipelines
- Research and develop new peptide and recombinant protein medicines intensively

Group	Indication	Discovery	Pre-Clinical
New Biological Drug	Metabolism (Short Bowel Syndrome)	HLB1-006	4Q. 23
	Fibrosis (Skin)	HLB3-002	Ongoing ¹⁾
	Alzheimer's disease	HLB1-014	4Q. 25
	Obesity	HLB1-015	4Q. 23
Biosimilar	Osteoporosis	HLB3-013	1Q. 24

¹⁾ Non-clinical trials are currently under way. (Clinical trials scheduled for 2Q.24)

hu Huons USA

- 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



hu Huons Japan

- 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

Category		Project	Indication	Development Phase						
Company	Sector			Discovery	Preclinical	Phase I	Phase II	Phase III	Registration	
Huons	New Chemical Entities	HUC1-394	Dry eye	█						
		HUC1-259	Liver disease	█						
		HUC1-288	Heart failure	█						
		HUC1-454	Prostate cancer	█						
		HUC1-505	Non-alcoholic steatohepatitis	█						
	Incrementally Modified Drug	HUC2-007	Dry eye	█						
		HUC2-344	Diabetes	█						
		HUC2-364	Gastric reflux	█						
		HUC3-487	Glaucoma treatment	█						
		HUC2-511	Dry eye	█						
		HUC2-518	Epileptic bladder inflammation	█						
		HUC2-540	Hair loss	█						
Humedix	Medication	HMC2-073	Obesity treatment	█						
		HMC3-039	Increased tissue penetration	█						
		HMC3-078	Double jaw improvement	█						
	Medical appliances	HMM1-021	osteoarthritis	█						
		HMM1-047	Fine wrinkles on the neck	█						
		HMM1-079	chin improvement	█						
Huons Biopharma	Biomedicine	HBPB1-001	upper extremity muscle stiffness	█						
		HBPB1-001	Hypertrophy of the masseter	█						
		HBPB1-002	wrinkles between the eyes	█						
		HBPB1-004	wrinkles between the eyes(liquid type)	█						
Huons Lab	Bio new medicine	HLB1-006	metabolism	█						
		HLB1-014	Alzheimer's (disease)	█						
		HLB1-015	Obesity treatment	█						
		HLB3-002	Skin/Drug proliferation	█						
	Biosimilar	HLB3-013	osteoporosis	█						

Consolidated Statement of Financial Position

[Unit: million KRW]

Classification	FY2020	FY2021	FY2022	2Q23
Assets	949,023	1,283,748	1,243,109	1,242,941
Current assets	427,322	618,519	611,226	586,850
Non-current assets	521,700	665,228	631,883	656,091
Liabilities	293,624	432,627	457,234	393,660
Current liabilities	237,373	347,001	367,562	306,249
Non-current liabilities	56,251	85,626	89,671	87,411
Equity	655,399	851,120	785,876	849,281
Equity attributable to shareholders of the parent company	412,828	537,838	464,316	478,746
Issued capital	5,732	6,015	6,311	6,311
Capital surplus	247,877	374,578	374,526	380,411
Capital adjustments	-25,323	-26,605	-33,682	-3,349
Other comprehensive income accumulated	409	539	316	215
Retained earnings	184,132	183,311	116,845	125,298
Non-controlling interests	242,570	313,282	321,559	370,534
Total equity and liabilities	949,023	1,283,748	1,243,109	1,242,941

Financial Statements of Comprehensive Income

[Unit: million KRW]

Classification	2Q22	3Q22	4Q22	1Q23	2Q23
Sales	167,638	167,565	173,097	173,964	193,744
Cost of sales	147,007	149,336	146,142	149,503	157,196
Personnel expenses	13,564	13,678	13,655	14,302	14,549
R&D expenses	14,595	12,908	12,608	12,782	12,268
Commissions paid	9,628	9,799	8,553	10,244	9,977
Advertising expenses	6,417	6,033	5,066	6,904	7,310
Sales commission	16,186	18,807	18,773	18,664	19,014
Other operating cost	86,617	88,111	87,487	86,609	94,078
Operating profit	20,631	18,230	26,955	24,460	36,549
Gain on valuation using equity method	503	295	(420)	306	(166)
Other gains	2,217	5,642	(739)	2,257	3,801
Other losses	2,016	965	80,356	2,258	1,463
Financial income	8,415	3,659	11,398	15,075	256
Financial cost	11,430	7,258	12,469	6,483	7,875
Profit before tax	18,320	19,603	(55,630)	33,357	31,101
Income tax expense	7,953	4,474	15,760	10,597	8,299
Profit from continuing operations	10,366	15,128	(71,389)	22,760	22,802
Discontinued operations	(174)	602	(800)	-	-
Net Income	10,192	15,730	(72,189)	22,760	22,802

Conduct Interim dividend

- Implementation of a shareholder return policy to enhance corporate value
- An annual dividend (Year-end dividends) → A dividend of two times (Interim dividend + Year-end dividend)

[Interim dividend of the year]

Dividend in Distribution	Cash Dividend
Dividend per share(KRW)	250
Dividend Ratio to Market Value ¹⁾	1.19%
Total Dividend Amount (KRW)	3,062,018,750
Dividend Record Date	2023.06.30
Date Of Board Of Directors Resolution(Decision Date)	2023. 08. 08
Scheduled Dividend Payment Date	2023. 08.25

[Mid-to-long-term shareholder return policy]

Dividend basis

Dividends Per Share

Target dividend

0% ~ 30% increase compared to the dividend per share of the previous business year

Type of dividends

Cash dividends
(Year-end dividends + Interim dividends)

Application period

3 years (2023 ~2025)

1) 'Dividend Ratio To Market Value' above refers to the ratio of dividend per share to average of closing price for the days between two trading days before record date and a week prior to the date.

Board Members

(As of June 30, 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

Chairman Soo-Young Song

Member Kyu-Yeon Lee

Member Jin-Woo Chang

Thank you