

CELL BIOTECH

Probiotics & Microbiome company



2022 3Q Earnings Release

2022. 11. 07.

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2022 3Q cumulative Earnings Summary

Revenue up 5.4% to KRW 367.2 billion, operating profit down 8% to KRW 45.8 billion

Domestic revenue down 7.9%, overseas revenue up 29.6%

Duolac brand sales up 2.0% to KRW 21.9 billion, OEM/ODM sales up 26% to KRW 10.6 billion,

Raw material sales down 2% to KRW 4.2 billion

(unit : KRW 100 mil)

	2021 3q cum.	% of revenue	2022 3q cum.	% of revenue	YoY(%)
Revenue	348.3		367.2		5.4
Domestic	224.7	64.5	207.0	56.4	-7.9
Overseas	123.6	35.5	160.2	43.6	29.6
	2021 3q cum	Profit margin (%)	2022 3q cum.	Profit margin (%)	YoY(%)
Operating Profit	49.8	14.3	45.8	12.5	-8.1
Net Profit	74.5	21.4	117.1	31.9	57.1

2022 3Q Earnings Summary

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Revenue down 2.6% to KRW 12.4 billion, operating profit down 31.3% to KRW 2.1 billion

Domestic revenue down 18.5%, overseas revenue up 25.5%

Duolac brand sales down 5.0% to KRW 7.12 billion, OEM/ODM sales up 3.8% to KRW 3.9 billion,

Raw material sales down 6.4% to KRW 1.4 billion

(unit : KRW 100 mil)

	2021 3q	% of revenue	2022 3q	% of revenue	YoY(%)
Revenue	127.5		124.2		-2.6
Domestic	81.2	63.7	66.2	53.3	-18.5
Overseas	46.3	36.3	58.0	46.7	25.5
	2021 3q	Profit margin (%)	2022 3q	Profit margin (%)	YoY(%)
Operating Profit	29.9	23.5	20.6	16.6	-31.3
Net Profit	38.9	30.5	55.3	44.5	42.3

Revenue trends

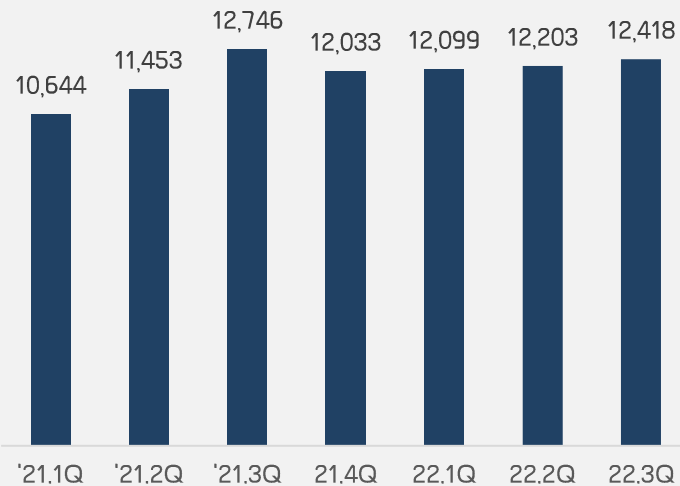
3q revenue KRW 12.4 billion, yoy -2.6%

Domestic sales decrease 18.5%, due to Doulac -9.5%

Overseas sales increase 25.5%, due to Duolac +41.9%, OEM/ODM +27.2%, and raw material +9.8%

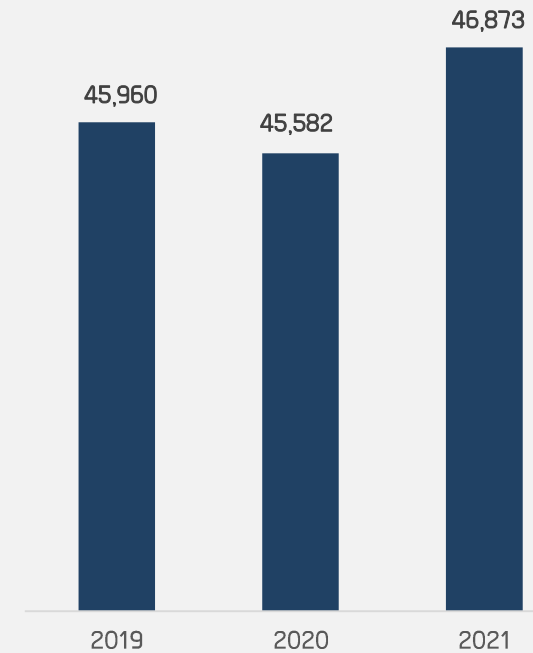
Quarterly revenue

(unit: KRW mil)



Full year revenue

(unit : KRW mil)

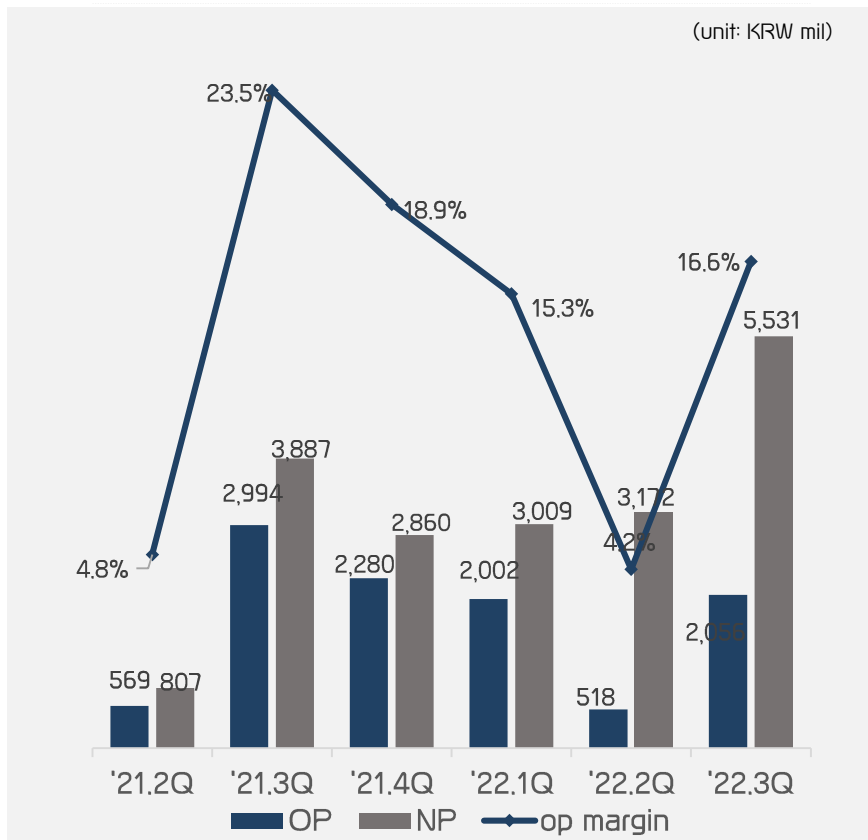


Profit trends

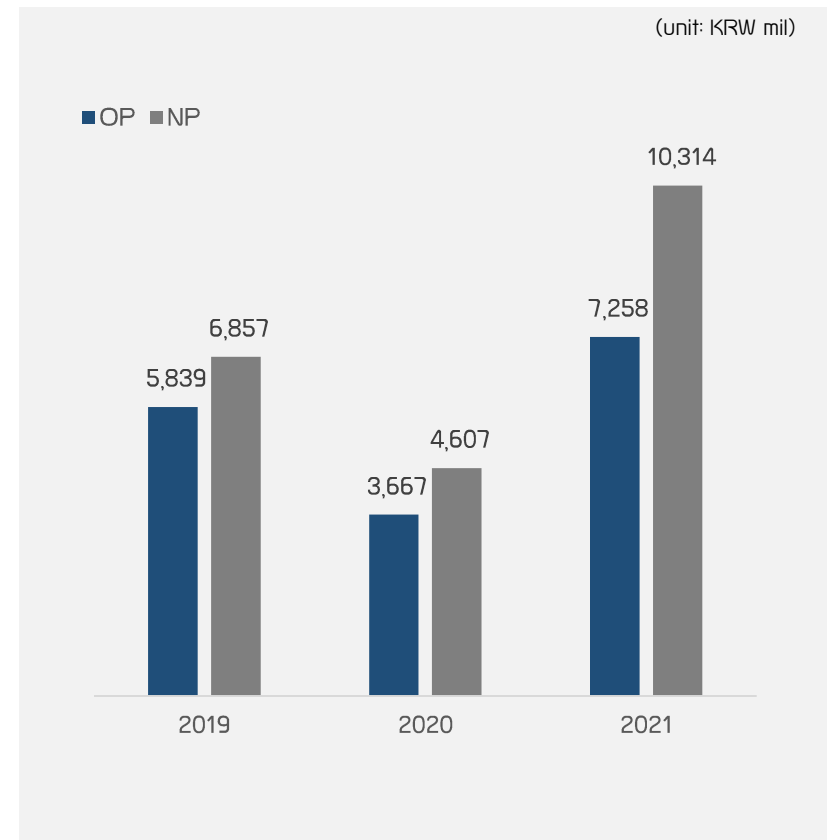
3q operating profit KRW 20.6 billion, yoy -31.3%

Net non operating profit KRW +4.84 bil. (net interest income +0.8 bil.)

Quarterly profit

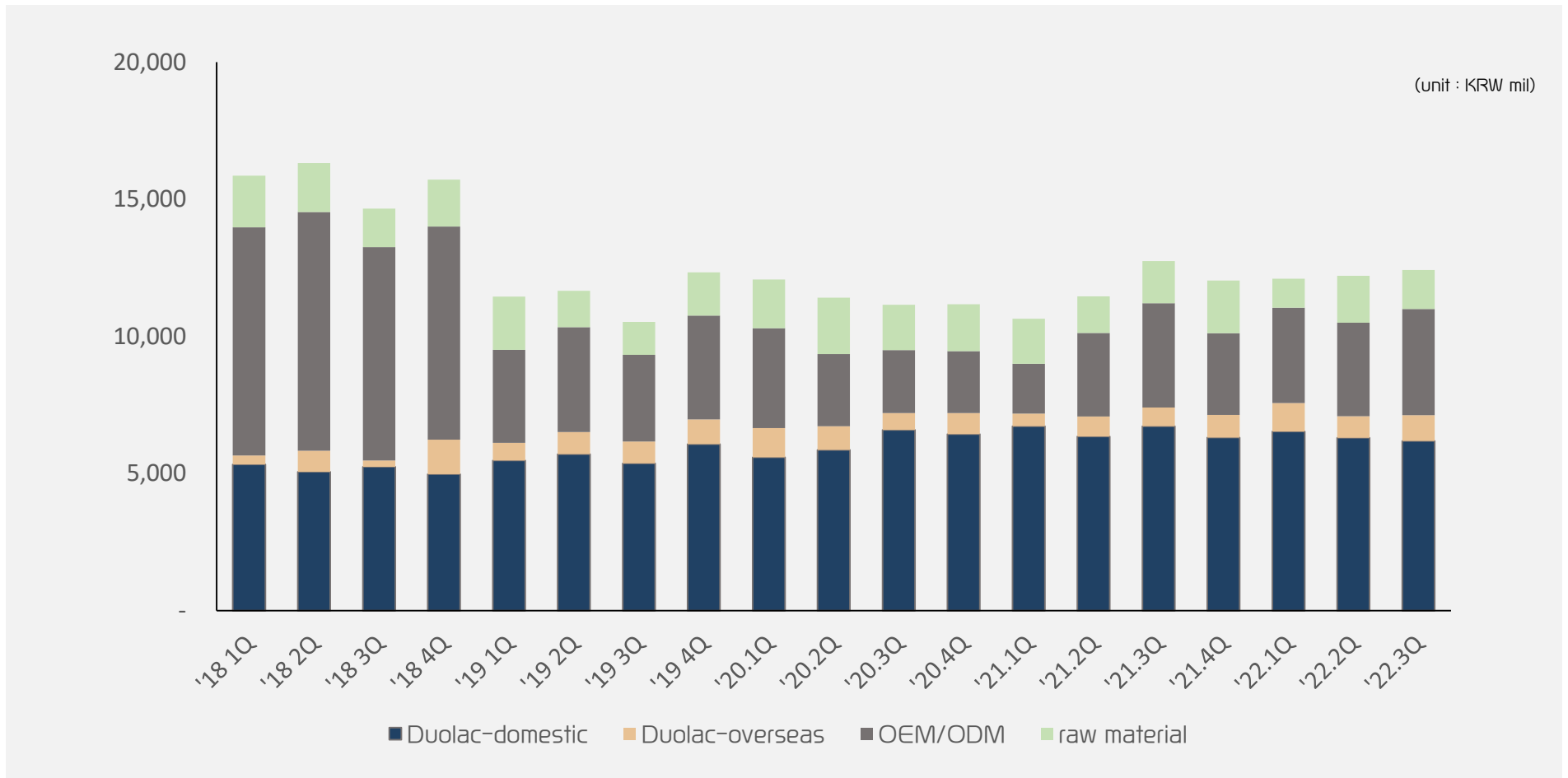


Full year profit



Revenue breakdown

3q revenue of Duolac brand -5% to KRW 7.1 bil., OEM/ODM +3.8% to KRW 3.9 bil., and raw material -6.4% to KRW 1.4 bil.
revenue increase in Asia +55% and Europe +7%



Microbiome R&D

- 1) Microbiome First-in-Class anticancer pipeline 'PP-P8' clinical phase 1 IND submitted (Mar 5, 2021)



- 2) Acquisition European patent of PP-P8 (Apr 1, 2021) (patent number EP3453718)
- 3) Presentation of a dissertation to a journal (May 31, 2021)
A synthetic probiotic engineered for colorectal cancer therapy modulates gut microbiota. Microbiome 2021
- 4) GMP facilities for LBP completed due diligence (1H 2021)

Microbiome business activity

- 1) The 43th Probiotics seminar for pharmacist (Oct 20~22, 2022)



New Product – Duolac Vita Immune Gummi



- Duolac Vita Immune Gummi (22.08.09)
- vitamins, minerals and probiotics for kids

Consolidated Financial Summary

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Income statement

(unit : KRW 100 mil., %)

	2021 3q		2022 3q	
	Amount	Ratio	Amount	Ratio
Revenue	127.5	100.0	124.2	100.0
Gross profit	94.5	74.1	91.1	73.4
SG&A expenses	64.6	50.6	70.6	56.8
Operating profit	29.9	23.5	20.6	16.6
Non operating profit/expense	18.8	14.8	48.4	39.0
Profit before tax	48.8	38.3	68.9	55.5
Consolidated net income	38.9	30.5	55.3	44.5

Statement of financial position

(unit : KRW 100 mil., %)

	2021. 12	2022. 06
Assets	1,129	1,112
Current Assets	675	628
Non current Assets	454	483
Liabilities	62	63
Current Liabilities	58	62
Non current Liabilities	4	1
Shareholder's Equity	1,067	1,048
Capital Stock	47	47
Retained Earnings	1,099	1,129