

CELL BIOTECH

Probiotics & Microbiome company



2023 1H Earnings Release

2023. 08. 04

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1H Earnings Summary

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Revenue up 4.0% to KRW 25.3 billion, operating profit KRW -2 billion

Domestic revenue up 2.8%, overseas revenue up 5.8%

Duolac brand sales up 2.0% to KRW 14.8 billion, OEM/ODM sales up 18% to KRW 8.0 billion,

Raw material sales down 9% to KRW 2.5 billion

(unit : KRW 100 mil)

	2022 1H	% of revenue	2023 1H	% of revenue	YoY(%)
Revenue	243.0		252.9		
Domestic	140.8	57.9	144.7	57.2	2.8
Overseas	102.2	42.1	108.2	42.8	5.8
	2022 1H	Profit margin (%)	2023 1H	Profit margin (%)	YoY(%)
Operating Profit	25.1	10.3	-19.7	-7.8	Turn to Red
Net Profit	61.8	25.4	7.1	2.8	-88.5

Revenue trends

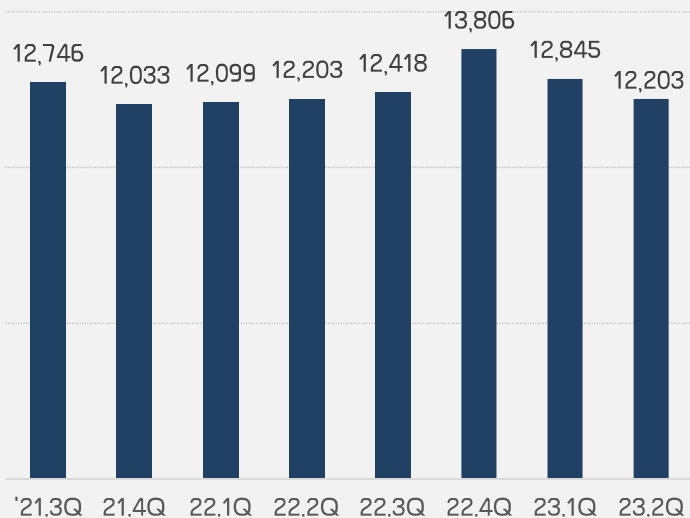
1H revenue KRW 25.3 billion, yoy +4.0%

Domestic sales up 2.8%, due to Doulac -1%, OEM/ODM +244%, and raw material -13%

Overseas sales increase 5.8%, due to Duolac +11%, OEM/ODM +8%, and raw material -7%

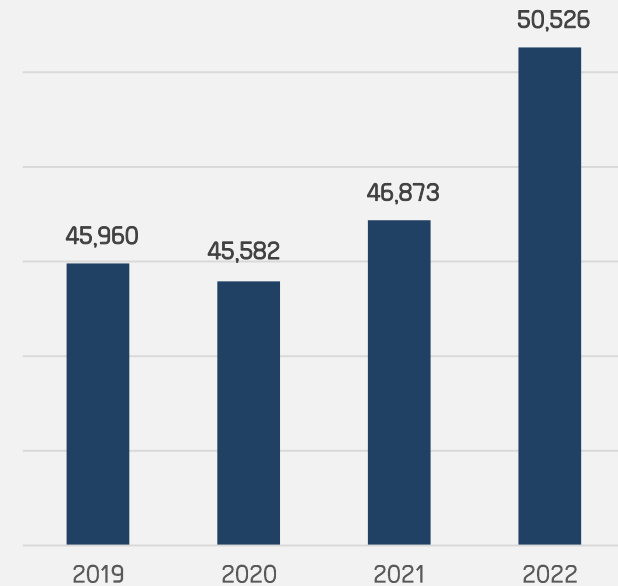
Quarterly revenue

(unit: KRW mil)



Full year revenue

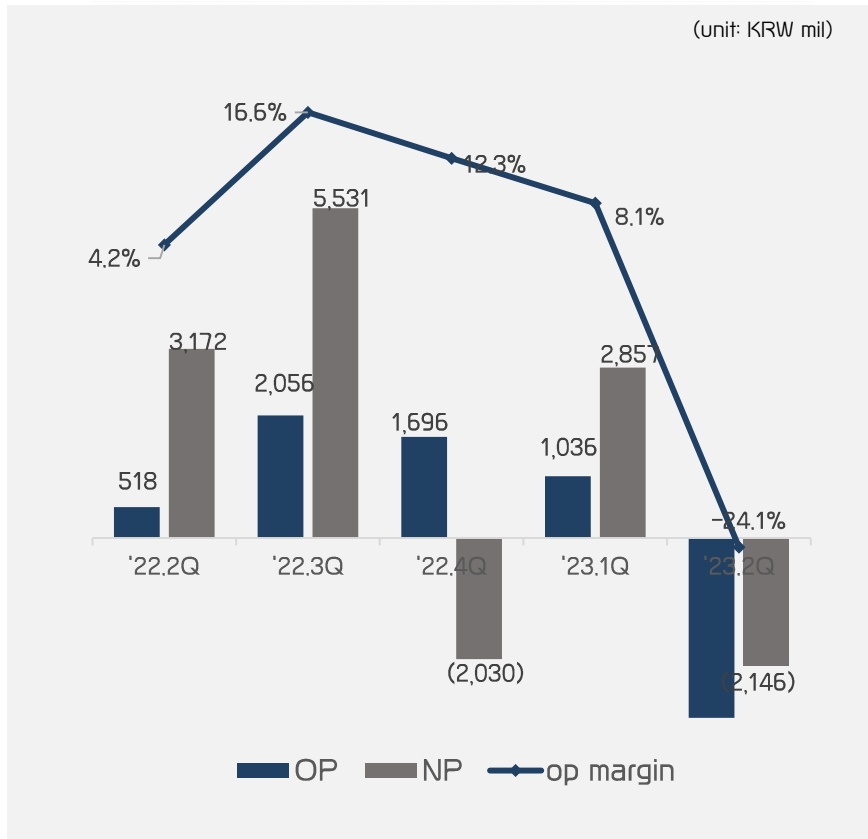
(unit : KRW mil)



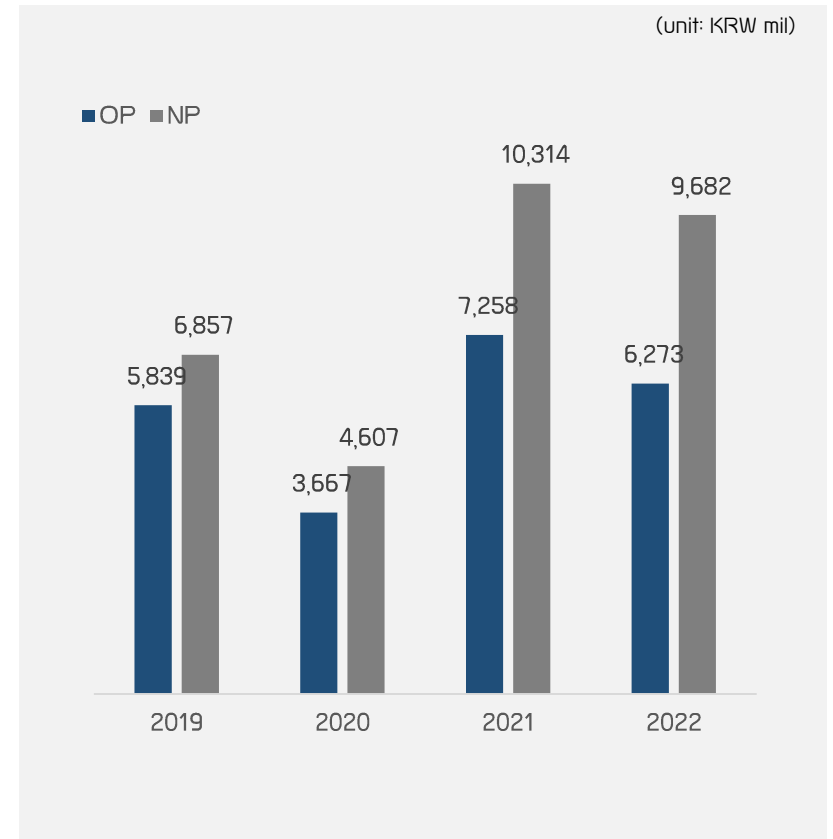
Profit trends

1H operating profit KRW -2 billion, cost related to new brand DUOLAB has increased
 Net non operating profit KRW +3.2 bil. (net interest income +1.7 bil.)

Quarterly profit



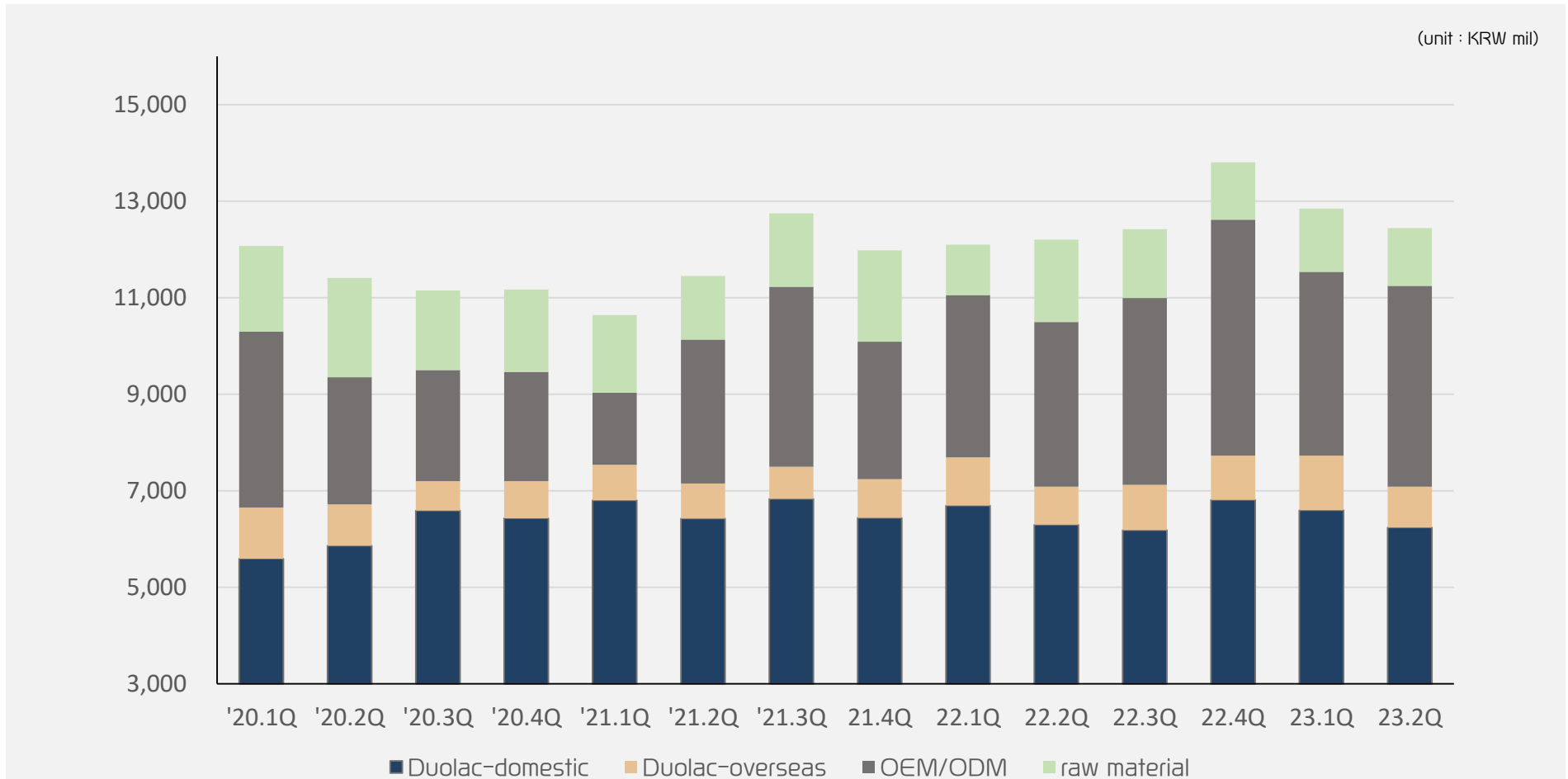
Full year profit



Revenue breakdown

2q revenue of Duolac brand +0.0% to 7.1 KRW bil., OEM/ODM +22% to 4.2 KRW bil., and raw material -30% to 1.2 KRW bil.

Revenue increase in Europe 13% and Asia -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) Acquired US patent for Probiotics drug delivery system (22. 12. 20)
- 4) GMP facilities for LBP completed due diligence (1H 2021)
- 5) P8 Anticancer MOA paper published (23.06.07)
Anti-Cancer Roles of Probiotic-Derived P8 Protein in Colorectal Cancer Cell Line DLD-1, Int. J. Mol. Sci, 2023

Microbiome business activity

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



New Brand – DUOLAB



- Launched nutritional supplement brand DUOLAB (22.11.15)
- Improved nutrient absorption rate with probiotic technology

Consolidated Financial Summary

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Income statement

(unit : KRW 100 mil., %)

	2022 1H		2023 1H	
	Amount	Ratio	Amount	Ratio
Revenue	243.0	100.0	252.9	100.0
Gross profit	185.1	76.2	185.7	73.4
SG&A expenses	155.9	64.2	205.4	81.2
Operating profit	25.2	10.4	-19.7	-7.8
Non operating profit/expense	49.4	20.3	33.3	13.2
Profit before tax	74.6	30.7	13.6	5.4
Consolidated net income	61.8	25.4	7.1	2.8

Statement of financial position

(unit : KRW 100 mil., %)

	2022. 12	2023. 06
Assets	1,158	1,134
Current Assets	756	730
Non current Assets	402	404
Liabilities	77	76
Current Liabilities	74	74
Non current Liabilities	3	2
Shareholder's Equity	1,081	1,058
Capital Stock	47	47
Retained Earnings	1,150	1,126