

CELL BIOTECH

Probiotics & Microbiome company



2022 Earnings Release

2023. 02. 17.

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2022 Earnings Summary

Revenue up 7.8% to KRW 50.5 billion, operating profit down 14% to KRW 6.3 billion

Domestic revenue down 5.5%, overseas revenue up 30.7%

Duolac brand sales up 0.7% to KRW 29.6 billion, OEM/ODM sales up 40% to KRW 15.5 billion,

Raw material sales down 15.5% to KRW 5.4 billion

(unit : KRW 100 mil)

| | 2021 | % of revenue | 2022 | % of revenue | YoY(%) |
|-------------------------|--------------|-------------------|--------------|-------------------|--------------|
| Revenue | 468.8 | | 505.3 | | 7.8 |
| Domestic | 297.0 | 63.4 | 280.7 | 55.6 | -5.5 |
| Overseas | 171.7 | 36.6 | 224.5 | 44.4 | 30.7 |
| | 2021 | Profit margin (%) | 2022 | Profit margin (%) | YoY(%) |
| Operating Profit | 72.6 | 15.5 | 62.7 | 12.4 | -13.6 |
| Net Profit | 103.8 | 22.1 | 96.8 | 19.2 | -6.8 |

2022 4Q Earnings Summary

Revenue up 14.7% to KRW 13.8 billion, operating profit down 25.6% to KRW 1.7 billion

Domestic revenue up 2.1%, overseas revenue up 33.6%

Duolac brand sales up 6.7% to KRW 7.73 billion, OEM/ODM sales up 68.6% to KRW 4.9 billion,

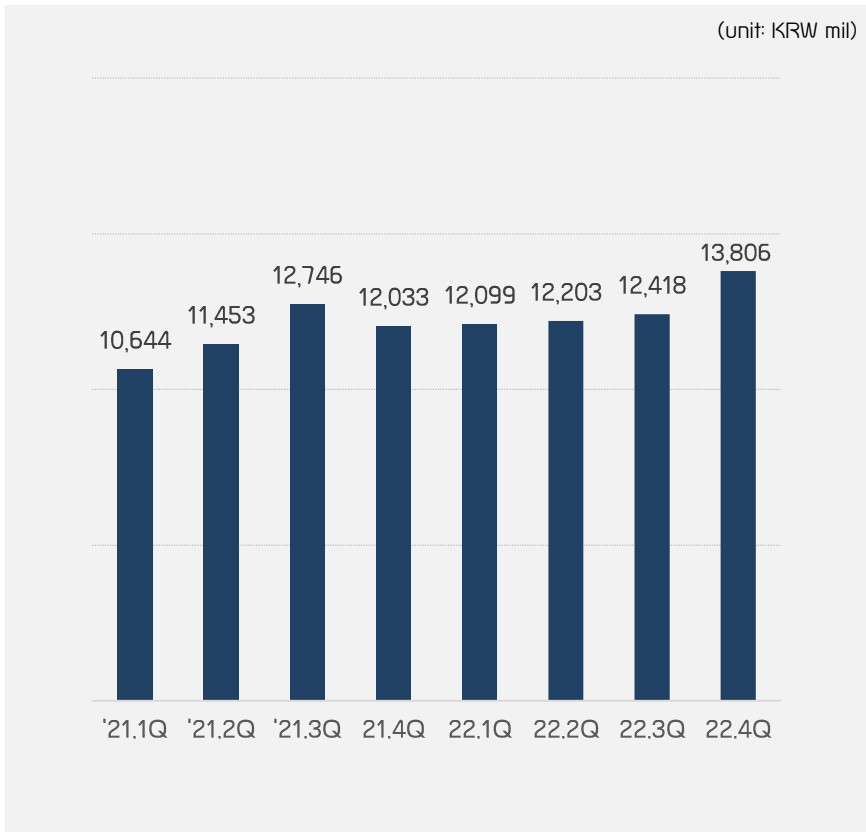
Raw material sales down 37.2% to KRW 1.2 billion

(unit : KRW 100 mil)

| | 2021 4q | % of revenue | 2022 4q | % of revenue | YoY(%) |
|-------------------------|--------------|-------------------|--------------|-------------------|-----------------|
| Revenue | 120.3 | | 138.1 | | 14.7 |
| Domestic | 72.3 | 60.0 | 73.8 | 53.4 | 2.1 |
| Overseas | 48.1 | 40.0 | 64.3 | 46.6 | 33.6 |
| | 2021 4q | Profit margin (%) | 2022 4q | Profit margin (%) | YoY(%) |
| Operating Profit | 22.8 | 19.0 | 17.0 | 12.3 | -25.6 |
| Net Profit | 29.3 | 24.4 | -20.3 | -14.7 | Turn Red |

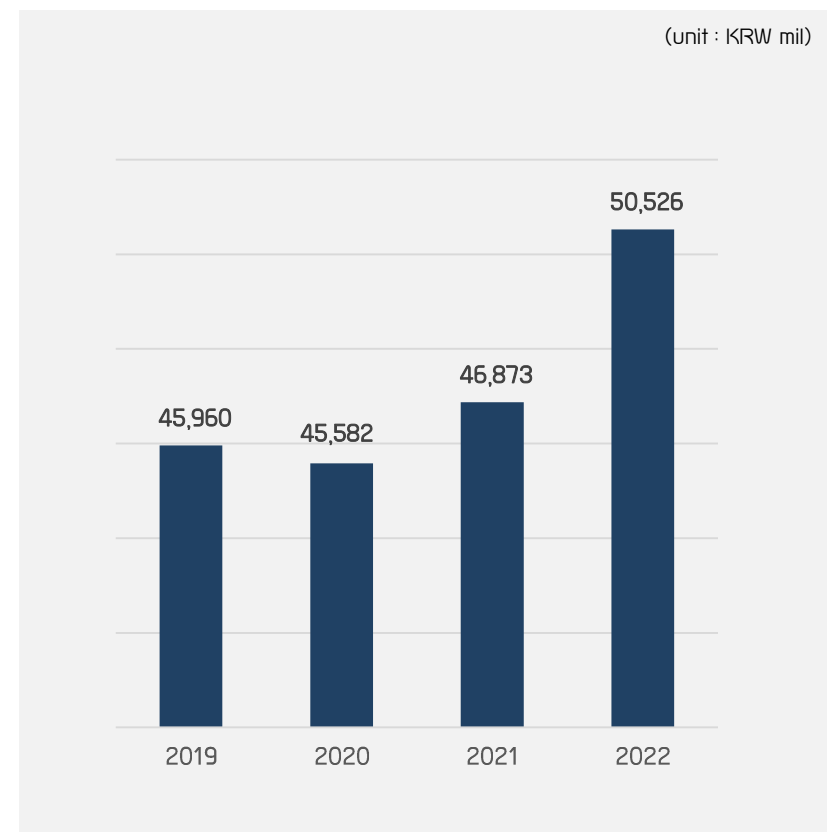
4q revenue KRW 13.8 billion, yoy +14.7%
Domestic sales up 2.1%, Overseas sales up 33.6%
Duolac +6.7%, OEM/ODM +68.6%, and raw material -37.2%

Quarterly revenue



Full year revenue KRW 50.5 billion, yoy +7.8%
Domestic sales down 5.5%, Overseas sales up 30.7%
Duolac +0.7%, OEM/ODM +40.0%, and raw material -15.5%

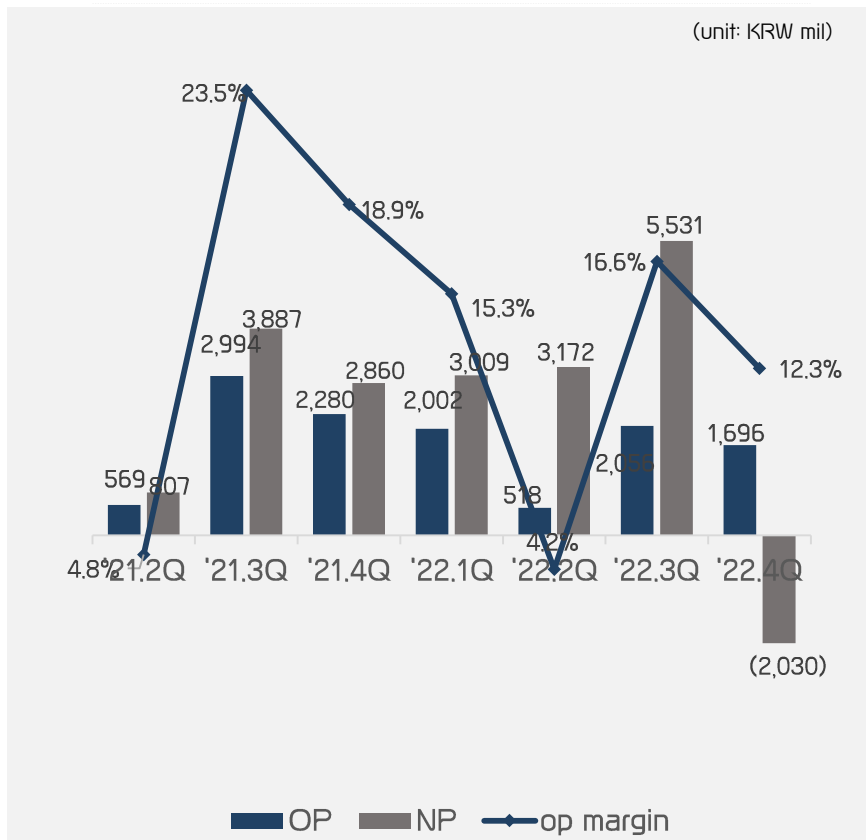
Full year revenue



Profit trends

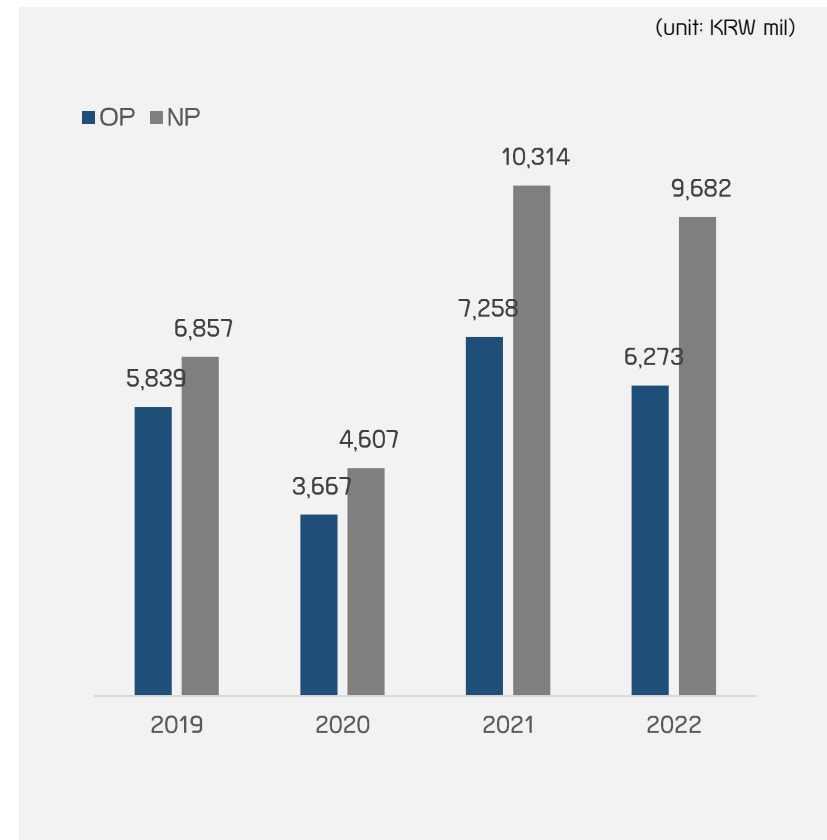
4q operating profit KRW 1.7 billion, yoy -25.6%
 Net non operating profit KRW +4.3 bil.
 (net interest income +0.5 bil.)
 Net Profit KRW -2.03 bil.

Quarterly profit



Full year op. profit KRW 6.3 billion, yoy -13.6%
 Net non operating profit KRW +5.5 bil.
 (net interest income +2.2 bil.)
 Net Profit KRW 9.7 bil.

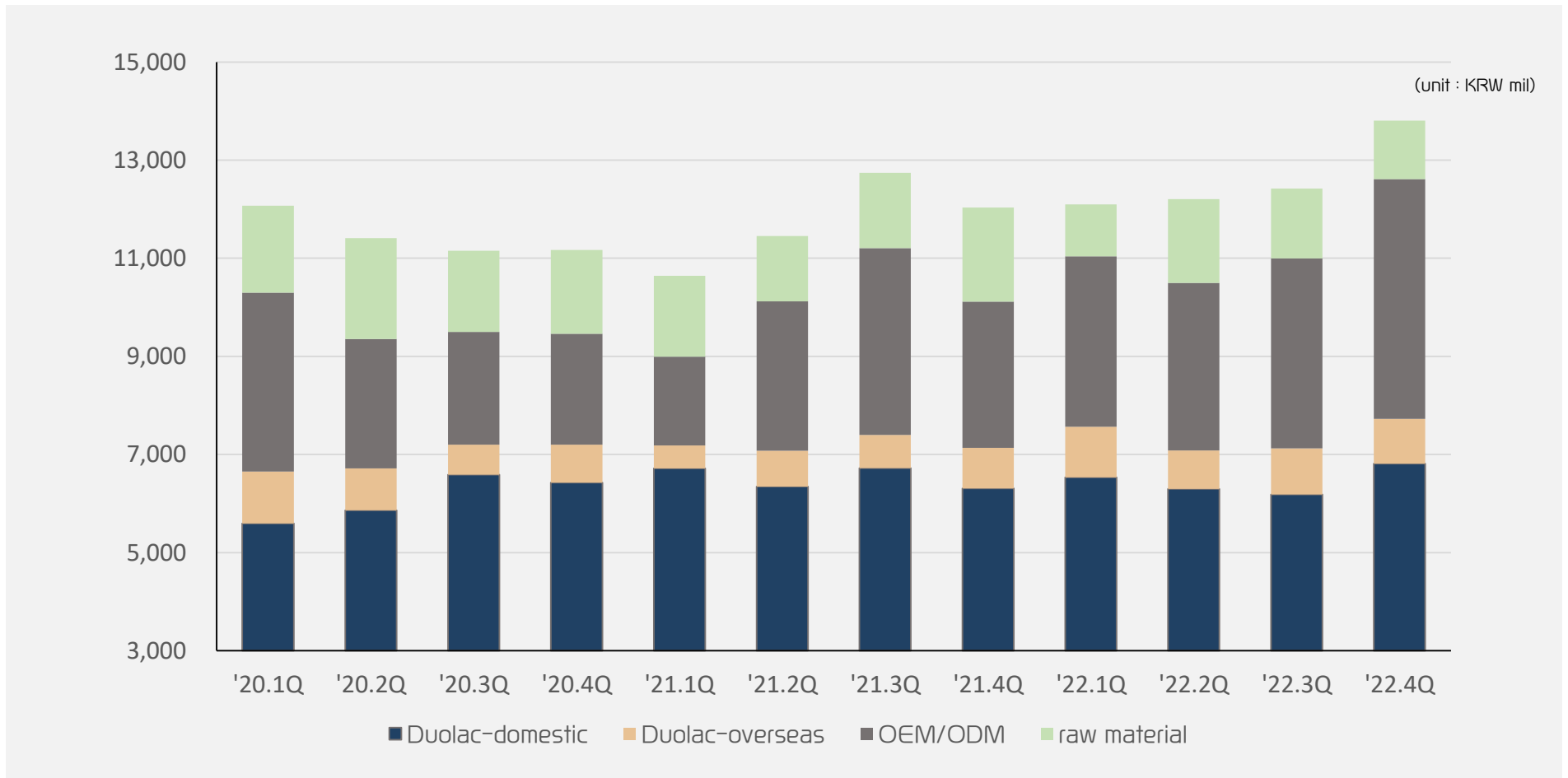
Full year profit



Revenue breakdown

4q revenue of Duolac brand +6.7% to KRW 7.7 bil., OEM/ODM +68.6% to KRW 4.9 bil., and raw material -37.2% to KRW 1.2 bil.

revenue increase in Europe +58% and Asia +5%



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)

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

CELL BIOTECH

Income statement

(unit : KRW 100 mil., %)

| | 2021 | | 2022 | |
|------------------------------|--------|-------|--------|-------|
| | Amount | Ratio | Amount | Ratio |
| Revenue | 468.7 | 100.0 | 505.3 | 100.0 |
| Gross profit | 356.8 | 76.1 | 382.4 | 75.7 |
| SG&A expenses | 284.3 | 60.6 | 319.7 | 63.3 |
| Operating profit | 72.6 | 15.5 | 62.7 | 12.4 |
| Non operating profit/expense | 48.3 | 10.3 | 55.2 | 10.9 |
| Profit before tax | 120.9 | 25.8 | 117.9 | 23.3 |
| Consolidated net income | 103.8 | 22.2 | 96.8 | 19.2 |

Statement of financial position

(unit : KRW 100 mil., %)

| | 2021. 12 | 2022. 12 |
|-------------------------|----------|----------|
| Assets | 1,129 | 1,168 |
| Current Assets | 675 | 761 |
| Non current Assets | 454 | 407 |
| Liabilities | 62 | 87 |
| Current Liabilities | 58 | 83 |
| Non current Liabilities | 4 | 4 |
| Shareholder's Equity | 1,067 | 1,081 |
| Capital Stock | 47 | 47 |
| Retained Earnings | 1,099 | 1,164 |