

CELL BIOTECH

Probiotics & Microbiome company



2023 1Q Earnings Release

2023. 05. 10

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1q Earnings Summary

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Revenue up 6.2% to KRW 12.8 billion, operating profit down 48% to KRW 1 billion

Domestic revenue up 4.0%, overseas revenue up 9.3%

Duolac brand sales down 0.7% to KRW 7.6 billion, OEM/ODM sales up 13% to KRW 3.8 billion,

Raw material sales up 26% to KRW 1.3 billion

(unit : KRW 100 mil)

	2022 1q	% of revenue	2023 1q	% of revenue	YoY(%)
Revenue	121.0		128.5		6.2
Domestic	71.1	58.7	73.9	57.5	4.0
Overseas	49.9	41.3	54.5	42.5	9.3
	2022 1q	Profit margin (%)	2023 1q	Profit margin (%)	YoY(%)
Operating Profit	20.0	16.5	10.4	8.1	-48.3
Net Profit	30.1	24.9	28.6	22.2	-5.1

Revenue trends

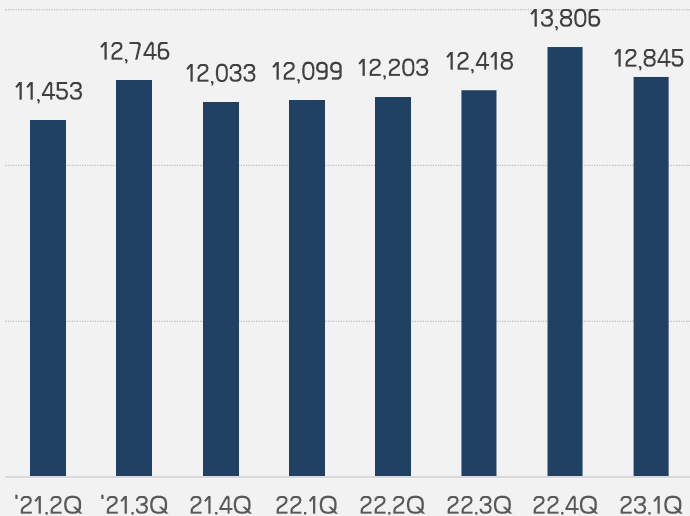
1q revenue KRW 12.8 billion, yoy +6.2%, qoq -7.0%

Domestic sales up 4.0%, due to Doulac -2.7%, OEM/ODM +481.2%, and raw material -12.0%

Overseas sales increase 9.3%, due to Duolac +12.9%, OEM/ODM +0.8%, and raw material +42.7%

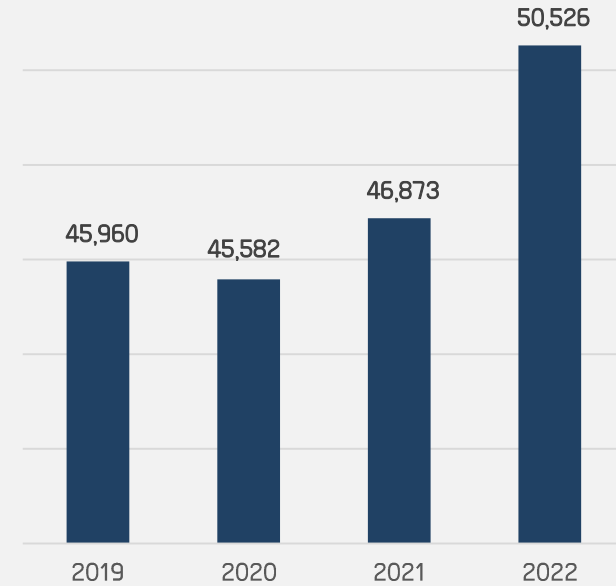
Quarterly revenue

(unit: KRW mil)



Full year revenue

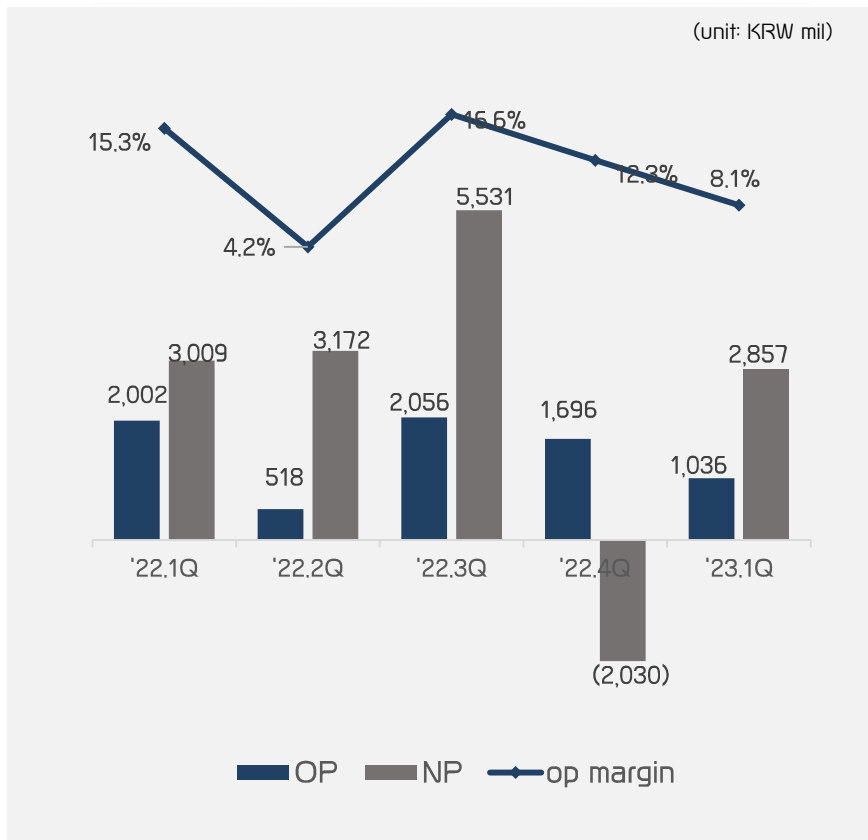
(unit : KRW mil)



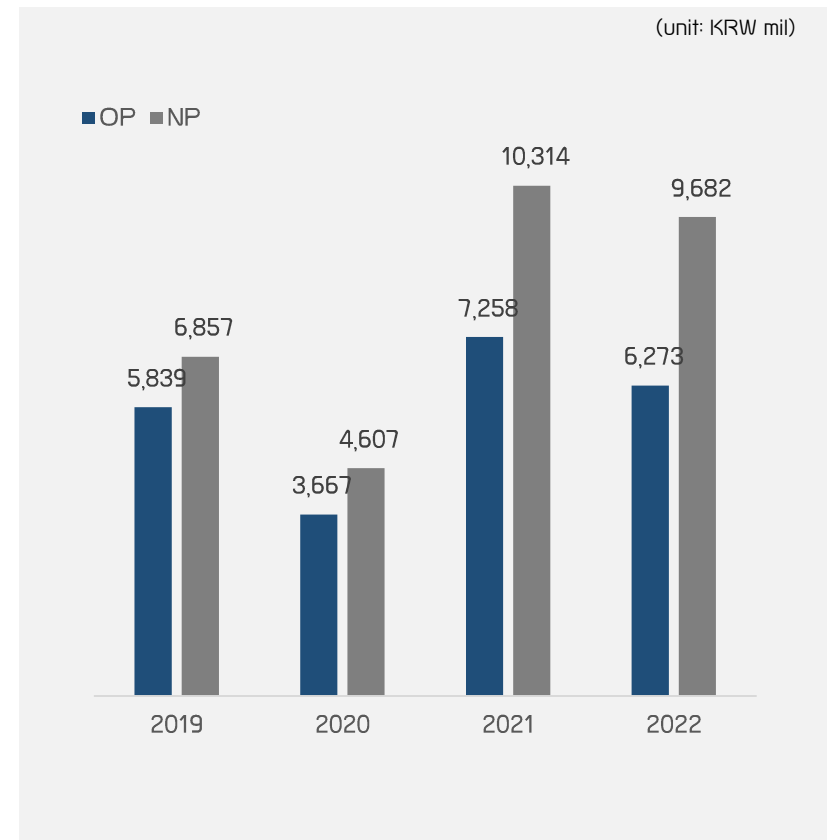
Profit trends

1q operating profit KRW 1.0 billion, yoy -48%, cost related to new brand DUOLAB has increased
 Net non operating profit KRW +2.6 bil. (net interest income +1.3 bil.)

Quarterly profit



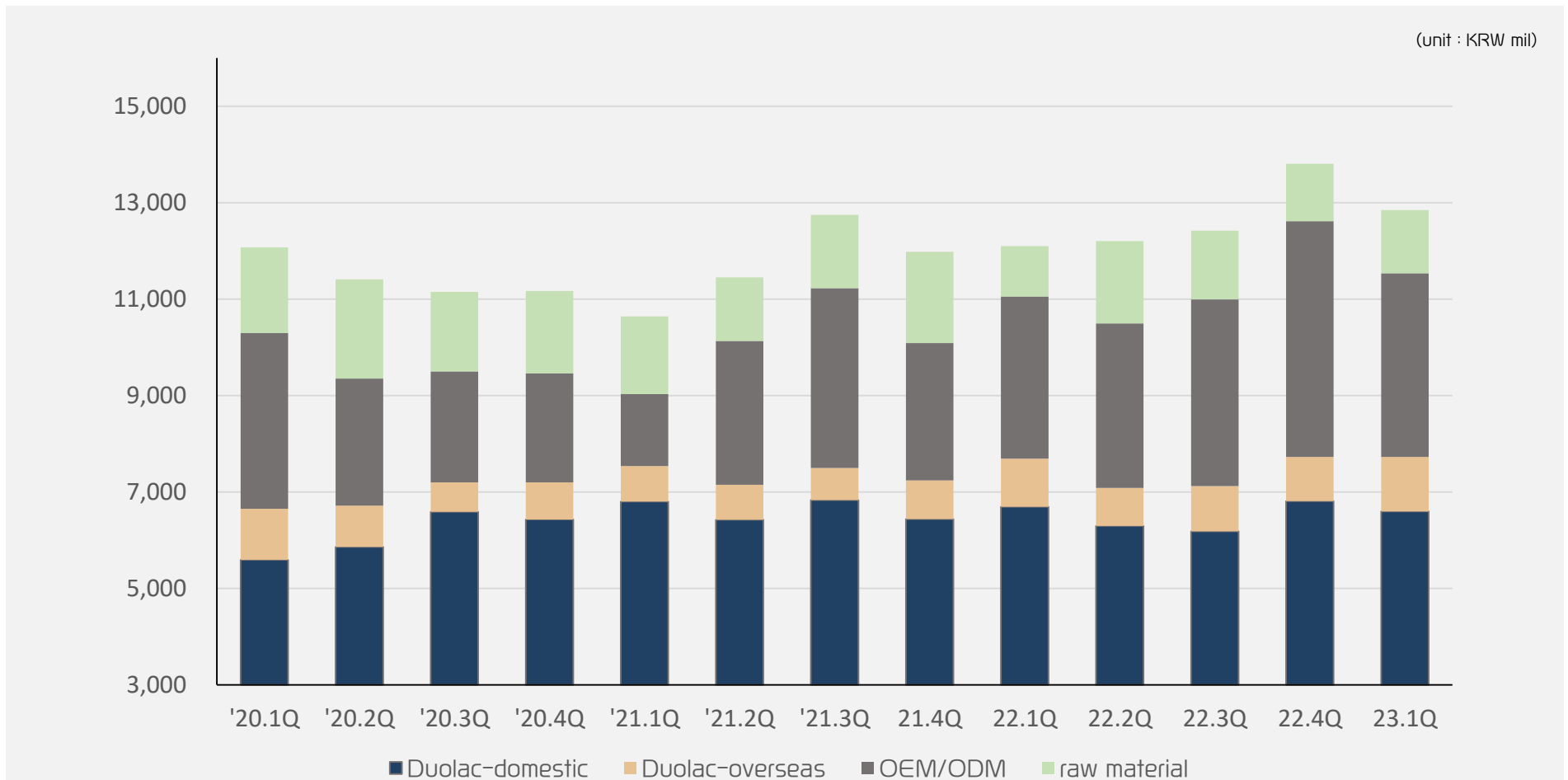
Full year profit



Revenue breakdown

1q revenue of Duolac brand +0.4% to 7.7 KRW bil., OEM/ODM +13% to 3.8 KRW bil., and raw material +26% to 1.3 KRW bil.

Revenue increase in Europe 6% and Asia 10%



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

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Income statement

(unit : KRW 100 mil., %)

	2022 1q		2023 1q	
	Amount	Ratio	Amount	Ratio
Revenue	121.0	100.0	128.4	100.0
Gross profit	91.1	75.3	94.5	73.5
SG&A expenses	71.1	58.8	84.1	65.5
Operating profit	20.0	16.5	10.4	8.1
Non operating profit/expense	16.5	13.6	26.0	20.2
Profit before tax	36.5	30.2	36.3	28.3
Consolidated net income	30.1	24.9	28.6	22.2

Statement of financial position

(unit : KRW 100 mil., %)

	2022. 12	2023. 3
Assets	1,158	1,157
Current Assets	756	755
Non current Assets	402	402
Liabilities	77	78
Current Liabilities	74	76
Non current Liabilities	3	2
Shareholder's Equity	1,081	1,079
Capital Stock	47	47
Retained Earnings	1,150	1,148