

Chunghwa Chemical Synthesis & Biotech Co., Ltd.



Third Quarter 2020 Investor Conference
November 25, 2020

Presenter : Eason Wang, Manager.

Safe Harbor Notice



- CCSB' s presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.
- The forward-looking statements in this release reflect the current belief of CCSB' s as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events or otherwise.

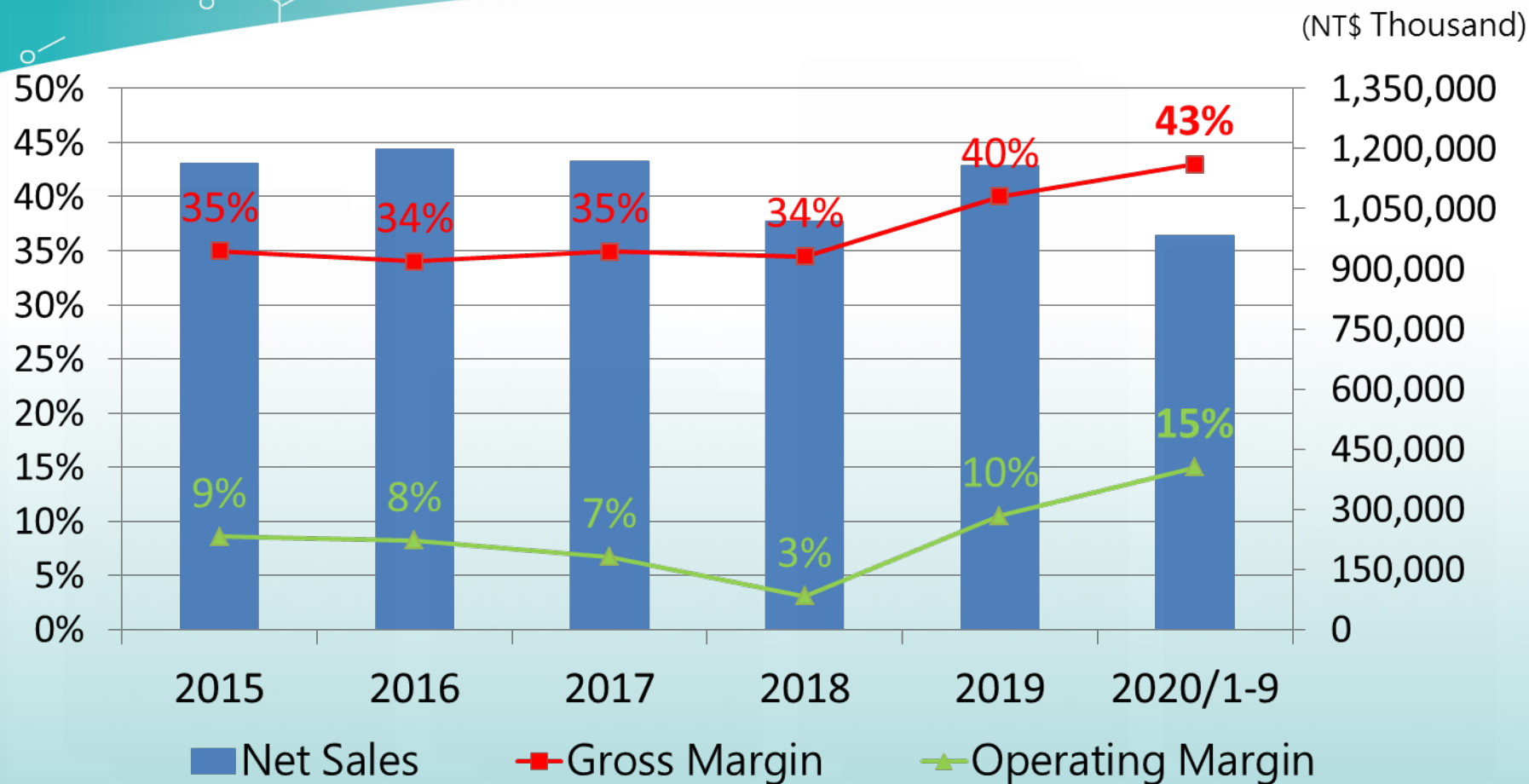
Third Quarter 2020 Consolidated Income Statement



Item	2020/1-9		2020/1-6		2019/1-9		Amount: NT\$ Thousand	
							QOQ %	YOY %
Net Sales	983,975	100%	699,352	100%	880,509	100%	41%	12%
Cost of Goods Sold	561,231	57%	400,746	58%	546,325	62%	40%	3%
Gross Profit	422,744	43%	298,606	42%	334,184	38%	42%	27%
Operating Expense	276,706	28%	183,668	26%	257,454	30%	51%	7%
Operating Profit	146,038	15%	114,938	16%	76,730	8%	27%	90%
Net Non-operating Income(Expenses) (Note)	377,401	38%	368,015	53%	24,185	3%	3%	1460%
Profit before Tax	523,439	53%	482,953	69%	100,915	11%	8%	419%
Net Profit	433,411	44%	398,976	57%	80,134	9%	9%	441%
Net Profit Attributable to Owners of Company	433,317	44%	398,903	57%	80,041	9%	9%	441%
Basic EPS(NT\$)	5.59		5.14		1.03		9%	443%

Note : Gain on disposal of land of 2020 amounting NT\$ 346,722 thousand dollars.

Profitability Of The Latest 5 Years & Third Quarter 2020 (Consolidated)



Note 1 : Gross margin and operating margin for the period of January to September 2020 are better than the latest 5 years.

Note 2 : Net sales from January to October 2020 amounting NTD\$1,224,760 thousand dollars, a 27% increase over the same period compared to last year.

Brief History of CCSB



1, Tung-Hsing St., Shu-Lin Dist., New Taipei City 23850, Taiwan.

Profile

➤ Founded in 1964

- ✓ First registered and one of the largest bulk pharmaceutical chemical manufacturers in Taiwan
- ✓ First FDA approved plant (1984) in Taiwan

➤ Turning Points

- ✓ Formed the New Management Team in 1997, 4 cGMP Plants for Synthetic Products and 2 cGMP Plants for Biotechnology Products
- ✓ Established US Sales Office- Pharmaports in 2000
- ✓ Initial public offering on December 20, 2010

➤ Products

Active Pharmaceutical Ingredients (API) for brand drug and generic drug

- Antifungal
- Immunosuppressant
- Oncology
- Cardiovascular
- Peptide Drug

Business scope



Supply Chain



CCSB focuses on APIs, provide the high level of quality and regulatory compliance

Production life cycle



Global Distributor Partner



Equipment



Reactors



50 L Glass Lined Reactor



3,000 L Glass Lined Reactors



75 L Stainless Steel Reactor



Stainless Steel Reactors



Freeze Dryers



6 inch MPLC system



50 L Cone Dryer & 25" Centrifuge

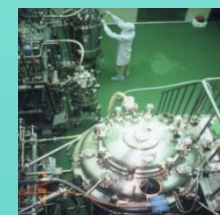
Dryer
Mills
Centrifuges

Synthesis

Fermentation



20,000 L & 30,000 L Fermenters



ABEC 75L, 250L & 1250 L Bioreactors



Purification Equipment



Ultra Filtration



Autoclave



Biosafety Cabinet

Biotech

Active US DMF List



13080

METHOCARBAMOL

23144

GUAIFENESIN

14235

PRAVASTATIN SODIUM

17399

RAPAMYCIN

17573

TRANDOLAPRIL

18494

MYCOPHENOLATE
MOFETIL

18985

TACROLIMUS

22430

OLOPATADINE HCL

23213

TACROLIMUS SD20

23434

METAXALONE

24372

MYCOPHENOLATE
MOFETIL HCL

26271

ETHYL ICOSAPENTATE

26819

EVEROLIMUS PRE-MIX

27216

EVEROLIMUS

27585

CASPOFUNGIN ACETATE

30103

OMEGA-3-
CARBOXYLIC ACIDS

31189

RAPAMYCIN
(SIROLIMUS)

31276

CARFILZOMIB

33333

MYCOPHENOLATE
MOFETIL (PROCESS B)



Latest News



US FDA approved customer's ANDA of Icosapent Ethyl, antihypertriglyceridemic drugs license for Capsules, 1 gm and 500mg. CCSB Invested a new product line and bring into production in 2021.

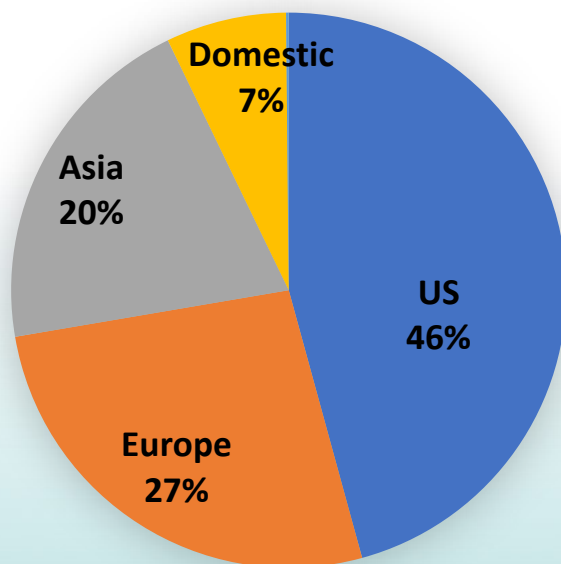
Invest NTD500,000,000 for biotechnology manufacture plant, including fermentation and purification equipment.

US FDA approved customer's ANDA of Everolimus, breast cancer drugs license (First Generic Drug Approvals), including 2.5mg, 5mg, 7.5mg drugs license.

Manufacture accomplished customer's inspection from Switzerland、Japan、Canada、Europe、India、Greece、Germany、Taiwan、USA、Ireland、Hong Kong and ANSM (French National Agency for Medicines and Health Products Safety).

Obtained US patent of crystal form B for Ribociclib Succinate, breast cancer API.

2020 Q1-Q3 Sales Distribution By Region



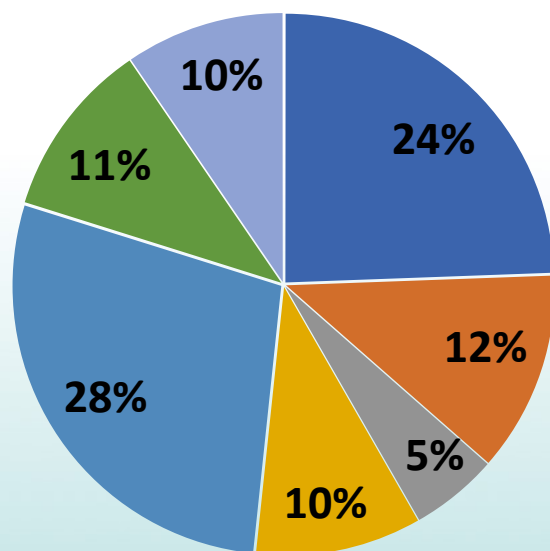
■ US ■ Europe ■ Asia ■ Domestic

- **US:**
MMF, EVE, MCB, Rapa
- **Domestic:**
FK506, GGE, MCB
- **Asia:**
FK506, EVE, Rapa
- **Europe:**
CAS, EVE

Share of Revenue by Key Products

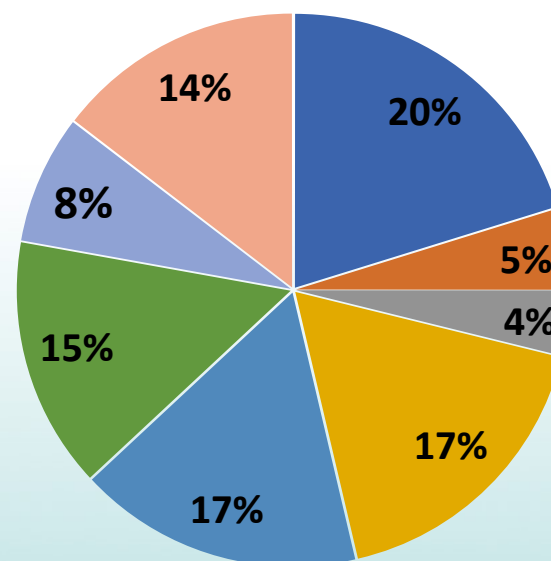


2019 Q1-Q3



- MMF
- MCB
- RAPA
- FK506
- EVE
- CAS
- Others

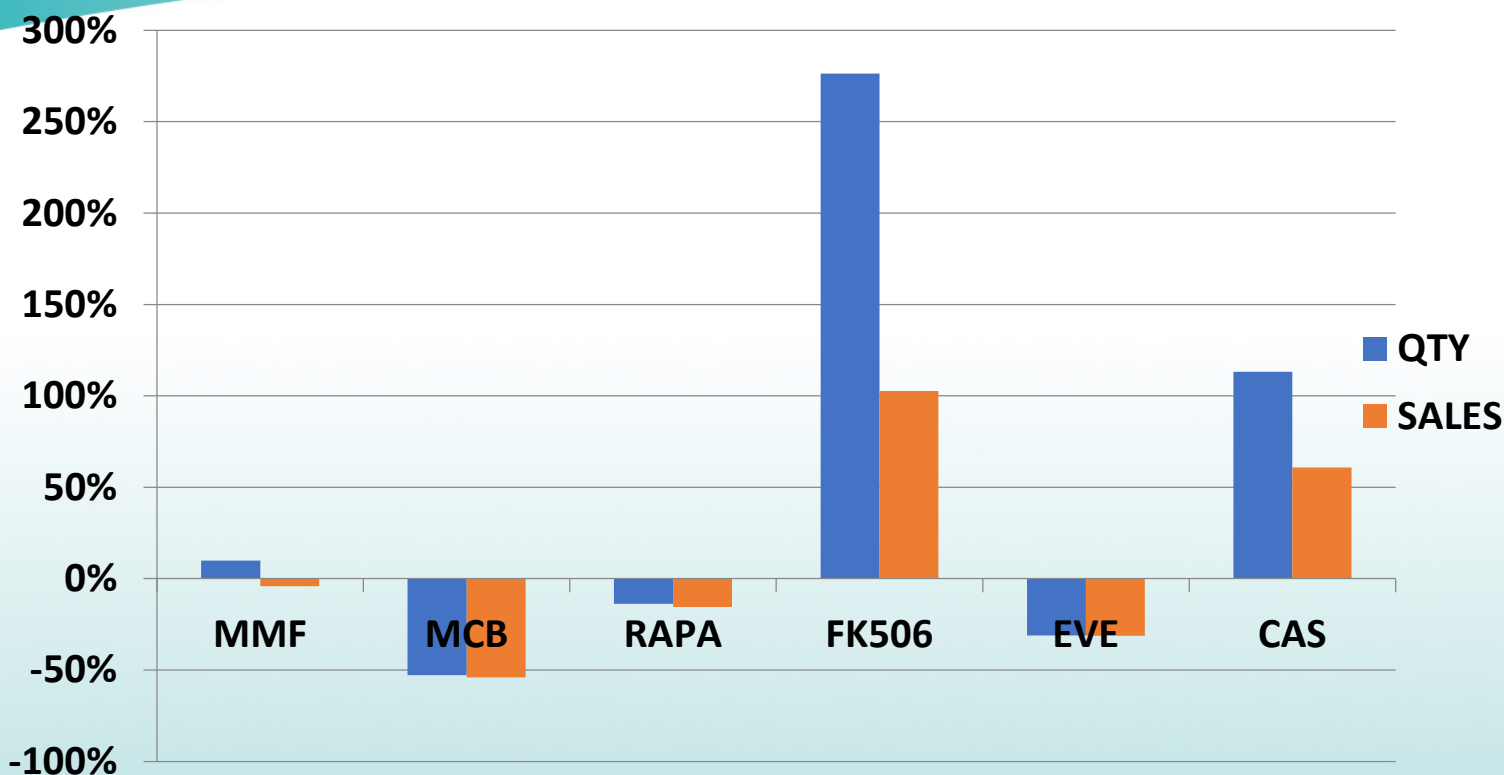
2020 Q1-Q3



- MMF
- MCB
- RAPA
- FK506
- EVE
- CAS
- EPAE
- Others

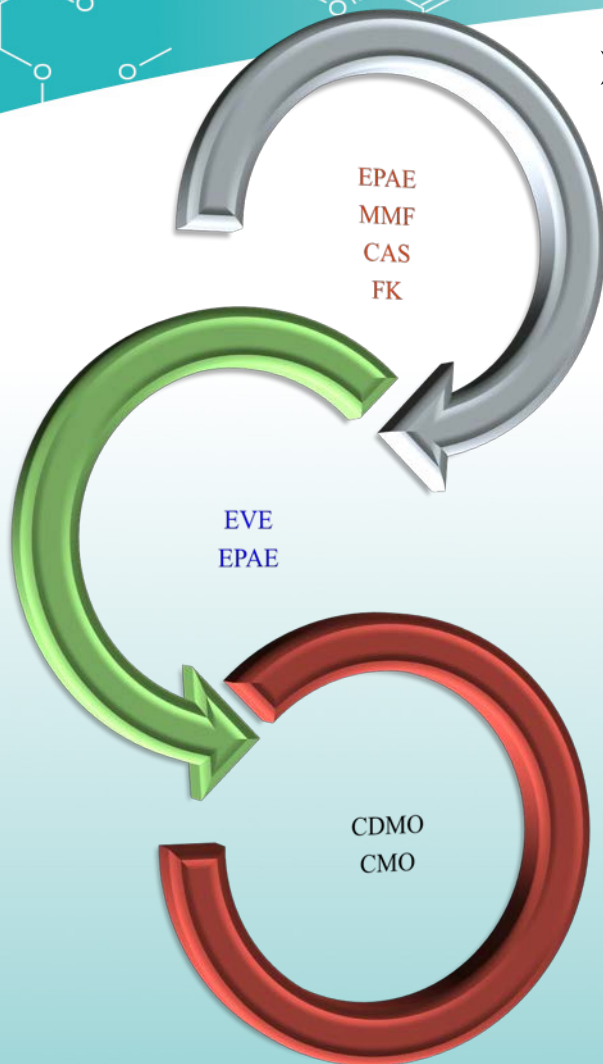
Growth of Key Product

2020 Q1-Q3 vs 2019 Q1-Q3



	MMF	MCB	RAPA	FK506	EVE	CAS
QTY	10%	-53%	-14%	276%	-31%	113%
SALES	-4%	-54%	-15%	103%	-31%	61%

Future Outlook (1/3)



- Process optimization, strain improvement and capacity increase of key products, Icoaspanet, Everolimus, Tacrolimus, Mycophenolate, Caspofungin and Icosapent will be completed continuous flow production (CFP) process, which will further boost market penetration and share.
- Launch of P4 products, Everolimus and Icosapent, for organ transplantation, breast cancer and hyperlipidemia, which will boost income and profit over the next 3 years.
- Short term increase of revenue from CDMO/CMO. Develop the drugs substances in advance and involve the Internarial new drugs R&D.

Future Outlook (2/3)



P4 Product (5-10 year launch)

- Multiple Sclerosis

Ozanimod HCl

- Oncology

Midostaurin

- Breast cancer

Ribociclib succinate

P3 Product (3-5 year launch)

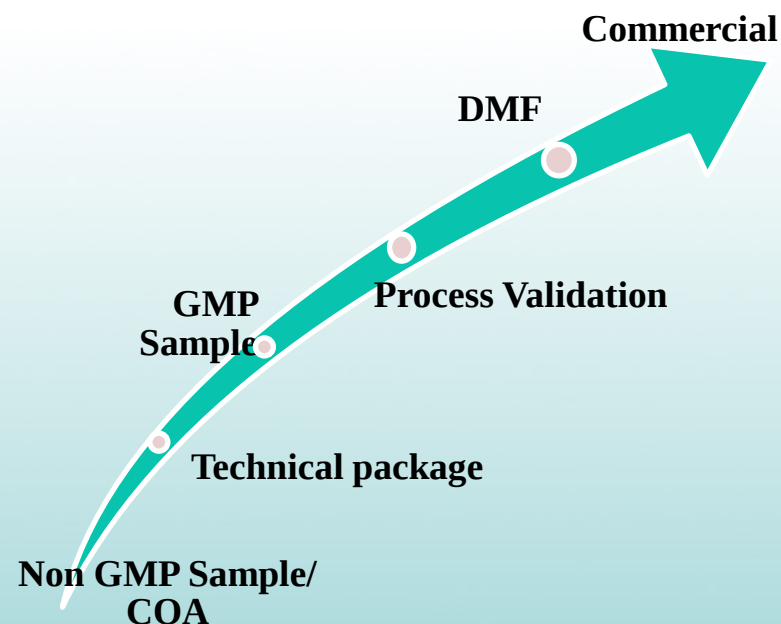
- Anti-coagulant

Edoxaban tosylate monohydrate

- Breast cancer

Palbociclib

◆ Development Milestones



Future Outlook (3/3)



Synthetic Peptide

- Osteoporosis
Abaloparatide
- Acromegaly & Neuroendocrine Tumors
Lanreotide acetate
- Chronic Kidney Disease
Etelcalcetide HCl



Negative pressure glovebox



Filter reactor



Nano filtration



MPLC

Always a Team Player



Thanks for your attention

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