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SECOND QUARTER 2021 RESULTS

Investor Presentation

1795.TT

AUGUST 2021

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Today's Agenda

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BUSINESS HIGLIGHTS

Q2’21

Petar Vazharov, CEO

A SOLID QUARTER WITH MAJOR MILESTONES ACHIEVED

Diversification of Revenue Streams Across Markets and Portfolio Supports Long Term Growth

BUSINESS GROWTH

✓ **Highest quarterly sales achieved** with a balanced contribution from Asian countries v.s Export business

- Top line **growth for 5 consecutive quarters** – increasing by 29% YoY & 4% QoQ
- **Asian business** maintaining decent growth **~6.4% YoY**
  - Strong performance of Qsymia leading overall anti-obesity portfolio to grow
  - Launches of licensed-in Stalevo/Comtan in most markets as schedule being additional driver
- Export business continuing to perform, increasing 68% YoY and accounting for ~50% of consolidated sales
  - **Oncology Export** sales >800% **growth** with record high supply revenues
  - **The market share in overall US Bup/Nal film market maintaining at 39%** throughout the quarter

PROFITABILITY IMPROVEMENT

✓ Focus on long term profitability

- **EPS achieving > NT$1 for 5 consecutive quarters,** based on diluted share capital after strategic private placement
- Operating Margin would stay >20% if excluding one-time R&D impairment. Impairment of 2 R&D projects negatively impacted EPS this quarter by NT$0.29
- **Q2'21 EPS would be NT$1.75** if excluding the impairments and based on the same share capital as Q1'21

CREATE LONG TERM VALUE

✓ **Consistent investment in R&D + submissions/approvals** strengthened product portfolio with diversification

- Methotrexate has been approved by US FDA in April as scheduled
- **1st successful NCE-1** ANDA submission, Midostaurin softgel, and its acceptance for review by the US FDA in Jun bringing **potential FTF opportunity** in the US market

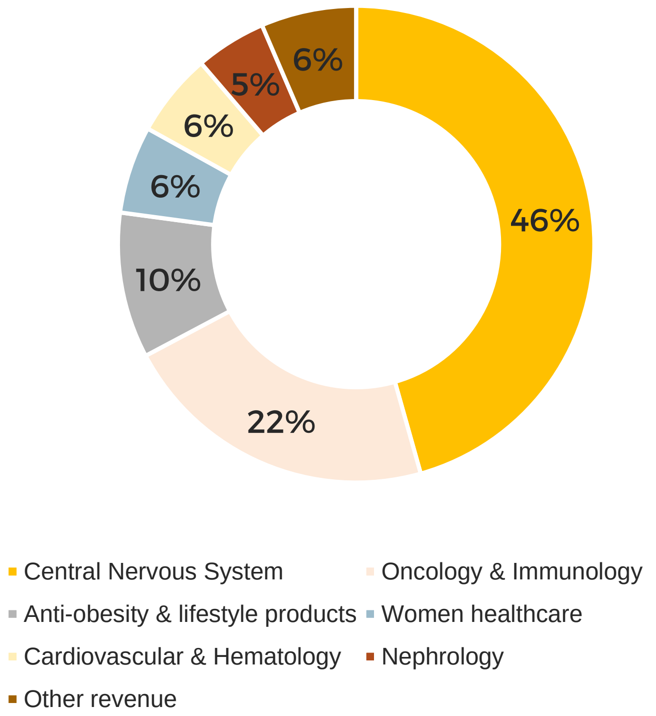
✓ **Commitment in quality** across all business lines despite COVID headwinds

- **3 successful regulatory inspections** for NCS, Lotus CRO operations in India, being completed within 6 months, including inspection by UK Medicines and Health products Regulatory Agency (MHRA), a clinical study as well as Bioanalytical inspection RRR from BIMO USFDA and OSIS USFDA with **"No Observations"**

DIVERSIFICATION ACROSS THERAPIES AND MARKETS

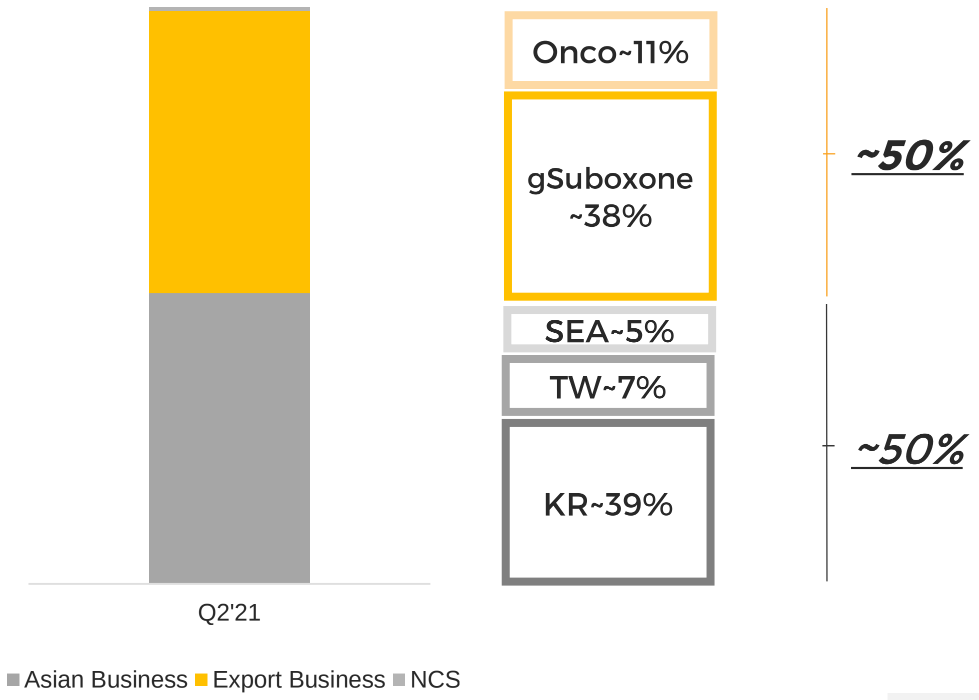
Diversified Portfolio

Q2'21 Revenue Breakdown by TA



Q2'21 Revenue Breakdown by Market

Q2'21 Revenue = NT$3,464mn



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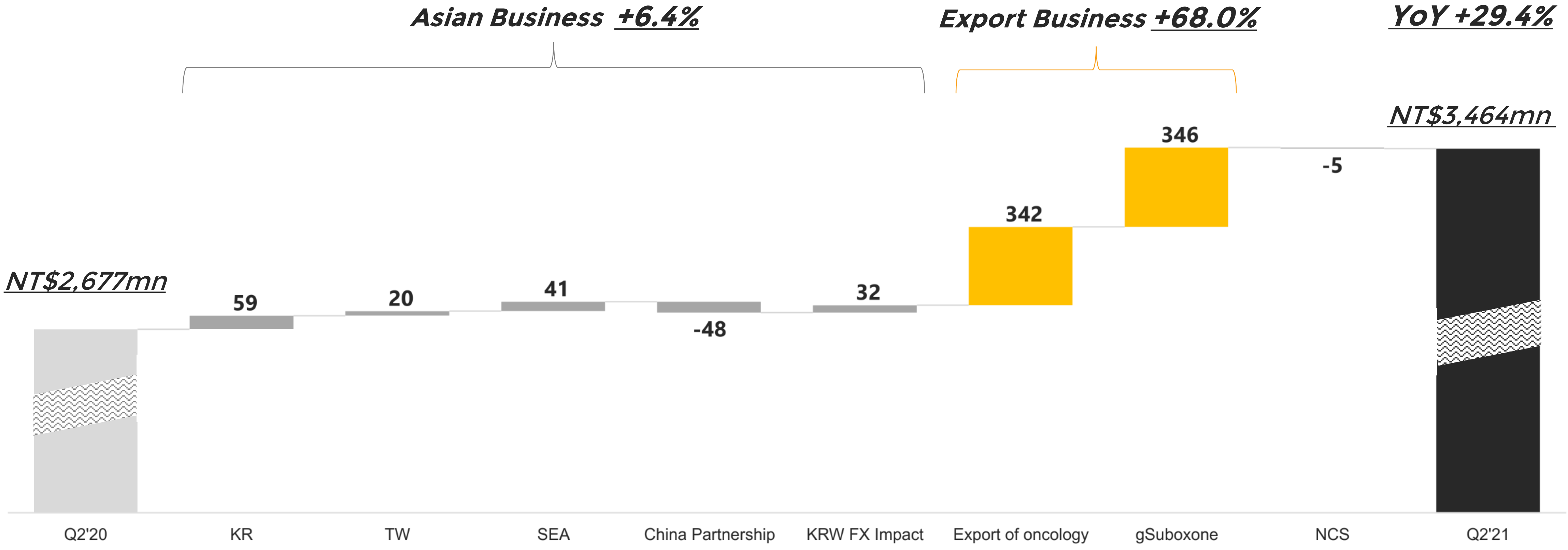
SALES BRIDGE OF Q2'21 YOY

Export Business Consistently Creating Growth on top of Stable Asian Business



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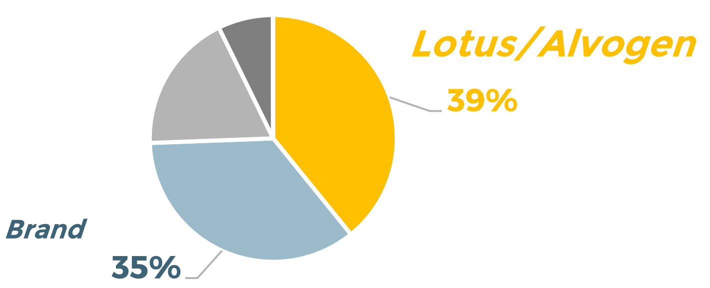
MARKET LEADERSHIP MAINTAINED WITH UPSIDE POTENTIALS FROM KEY PRODUCTS

Buprenorphine/Naloxone Film Market in US

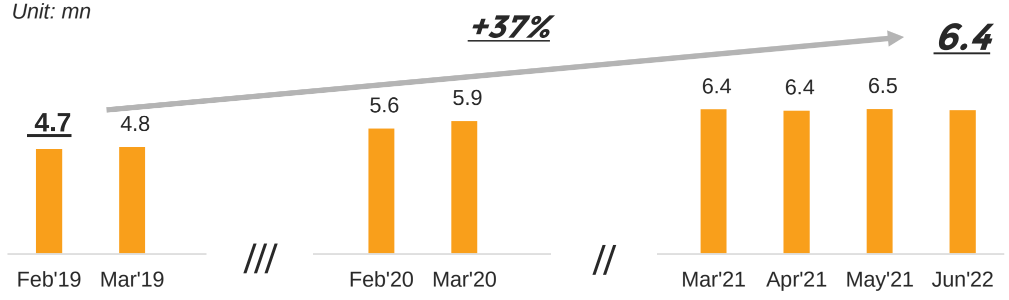
- Lotus/Alvogen **market share** has **become the leader among ALL players since end of 2020**

As of July 2021



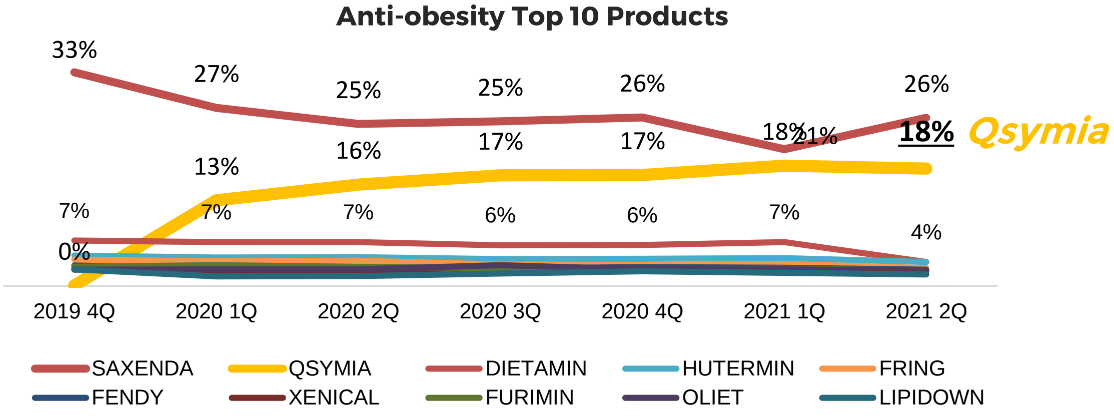
- The whole market continues to expand with **increasing Avg. Weekly EUTRx**

Unit: mn



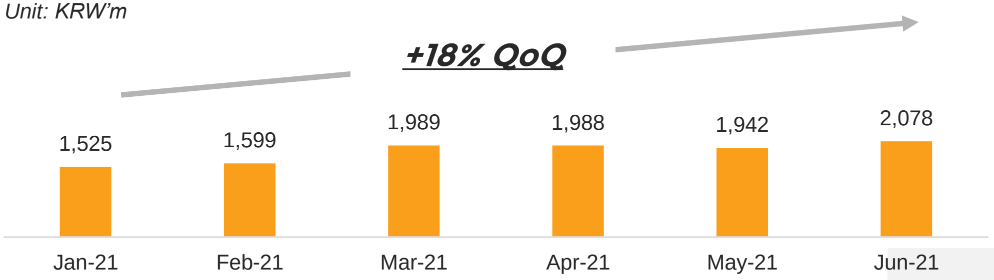
Top Anti-obesity Products in KR

- Overwhelming market acceptance has made Qsymia become **#2 among ALL** anti-obesity products



- Qsymia has been steadily growing in major channel in Q2

Unit: KRW'm



Source: IQVIA; UBIST; Company data

REGULATORY REGISTRATION UPDATE

Consistent Submissions + Approvals Strengthen Portfolio Diversification

- During Q2'21 –

	APAC/ own-brand	B2B Partners
26 submissions	***15*** submitted by Lotus Group ✓ 1st NCE-1 oncology project with potential FTF opportunity ▪ Midostaurin softgel in US ✓ Asian portfolio enhancement ▪ New project indicated for MM in TW ▪ Licensed-in biosimilar Darbepoetin Alfa in TH, VN	***11*** in EU, LATAM, and South Africa ✓ More market access for oncology pipeline ▪ Submissions cover Lenalidomide, Enzalutamide, Gefitinib, Vinorelbine, Pazopanib and Temozolomide ▪ New project indicated for MM in South Africa
26 approvals	***5*** across the region ✓ Oncology portfolio extension ▪ Pazopanib in TW ▪ Vinorelbine full strengths in TW, capturing the largest market worldwide in oral form	***21*** in more than 20 countries around the world ✓ Continuous built-up for global oncology ▪ Lenalidomide in 7 markets for more major W-EU markets secured, including UK ▪ Sunitinib in 3 markets, including LATAM ▪ Pazopanib in 5 markets, mainly in EU area

R&D PIPELINE EXECUTION

Continuously Investment in Building up Differentiated Portfolio

- YTD'21 –
  - 1st **NCE-1 submission filed on due date and being accepted for review** by the US FDA in June
  - Agreement with Fuji Pharma signed in July to pursue more market potentials of 1st high value generic drug in JP
  - 1 new project kicked off for China market, submission made for LP661 (MM) in Taiwan and South Africa, PV completed for LP117 (RA), and pilot BE completed for LP715 (NSCLC)
  - **8 more 505(b)2 and 12 generics** projects under R&D evaluation

R&D PIPELINE & STATUS

	Early Stage	Clinical Phase	Registration Process
TTL Pipeline =	***>15***	***9***	***9***
US	1 • LP776 (Type II diabetes) *More Under Evaluation*	3 • Pazopanib • IPR (Respiratory) • LP654 (IPF)	1 • Midostaurin (AML)
EU/RoW	10+ • LP644 (Prostate cancer) • LP670 (Breast cancer) • LP664 (Ph+ CML) • LP179 (Women Health) • LP723 (CP/Ph+ CML) • LP677 (HCC & DTC) • AK-R217 (Type II diabetes) • AK-R218 (Type II diabetes) • LP678 (ATTR-CM) • LP725 (OAB) FDC • …	6 • **Lenalidomide (JP)** • LP654 (IPF) • LP777 (OAB) • LP117 (RA) • AK-R216 (Type II diabetes) • LP715 (NSCLC)	3 • Enzalutamide (2 – MENA, CA) • LP661 (MM) *5 CN* • Oseltimivir • Melphalan • Pyridostigmine • Temozolomide • Lenalidomide

GREAT MARKET POTENTIALS TO BE CAPTURED WITH LEADING PORTFOLIO

Market potentials >US$16,000mn

	Approved*	Under Registration*	Under Preparation*		Market Potentials**	Launched*
Lenalidomide	52 + 1 TA (US)	28	14	95	US$12,000mn+	✓ 22
Gefitinib	33	10	11	54	US$300mn+	✓ 24
Vinorelbine	30	11	7	48	US$160mn+	✓ 17
Enzalutamide	3	12	25	40	US$2,300mn+	-
Sunitinib	10	9	20	39	US$560mn+	-
Pazopanib	8	1	16	25	US$130mn+	-
Midostaurin	-	2	-	2	US$500mn+	-
LP661	-	2	2	4	US$900mn+	-

** Total accumulated number of countries as of Q2'21*

*** Source: IQVIA; EvaluatePharma*

MARKET EXPANSION THROUGH INCREASING PARTNERSHIP WITH INDUSTRY LEADERS GLOBALLY

Global Partnership

# of Deals Signed*	176	+5
# of molecules Launched*	3	

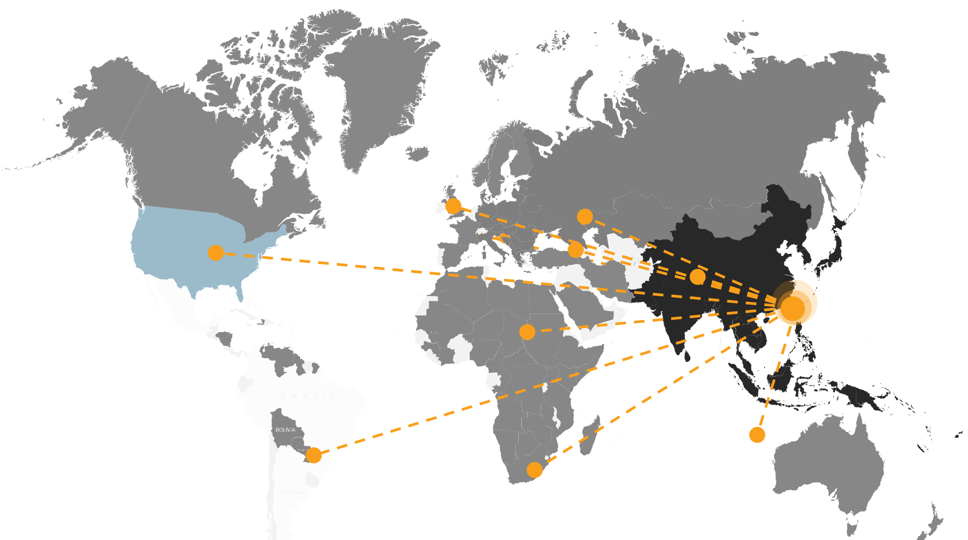
* *Accumulated number since 2017*

# of Submissions**	27	+11
# of Approvals**	49	+21

* *Accumulated number YTD2021*

150+ licensing deals are signed to cover more than **130** markets

Lenalidomide | **Gefitinib** | **Vinorelbine** | **Enzalutamide** | **Sunitinib** | **Pazopanib…**



Note: black – direct market; grey & blue – b2b parterships

57	NA+ LATAM
57	EU
35	MENA
15	AFRICA
8	ASIA
4	OCEANIA

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FINANCIAL RESULTS
Q2’21

Bjartur Shen, Strategies & Finance VP

SECOND QUARTER 2021

FINANCIAL HIGHLIGHTS

Key Financials (in NTD millions, except for EPS)	Q2'21	Q2'20	YoY %	Q1'21	QoQ %
Net Sales	**3,464**	**2,677**	**29.4%**	**3,324**	**4.2%**
Cost of Goods	(2,015)	(1,600)	**26.0%**	(1,828)	**10.3%**
Gross Profits	**1,449**	**1,077**	**34.5%**	**1,497**	**-3.2%**
%	*41.8%*	*40.2%*		*45.0%*	
R&D	-175	-86	103.7%	-78	125.0%
SG&A	-669	-575	16.4%	-705	-5.1%
Operating Expenses	-844	-661	27.7%	-783	7.8%
Operating Income	**605**	**416**	**45.3%**	**714**	**-15.3%**
%	*17.5%*	*15.6%*		*21.5%*	
Non-OPEX					
Finance costs	-77	-83	-6.5%	-70	10.2%
Net of other gain/loss	-44	42		-51	
Earnings Before Tax	484	375	28.9%	593	-18.5%
Net Income	**355**	**299**	**18.7%**	**449**	**-21.0%**
Basic EPS (NTD)	**1.38**	**1.23**	**12.2%**	**1.85**	**-25.4%**

Growth momentum continued in sales :
- YoY increase by both Asian & Export
- Strong Global Oncology with increasing supply revenue

Key impact on Gross Margin:
- Product mix + impacts from gSuboxone sales adjustment

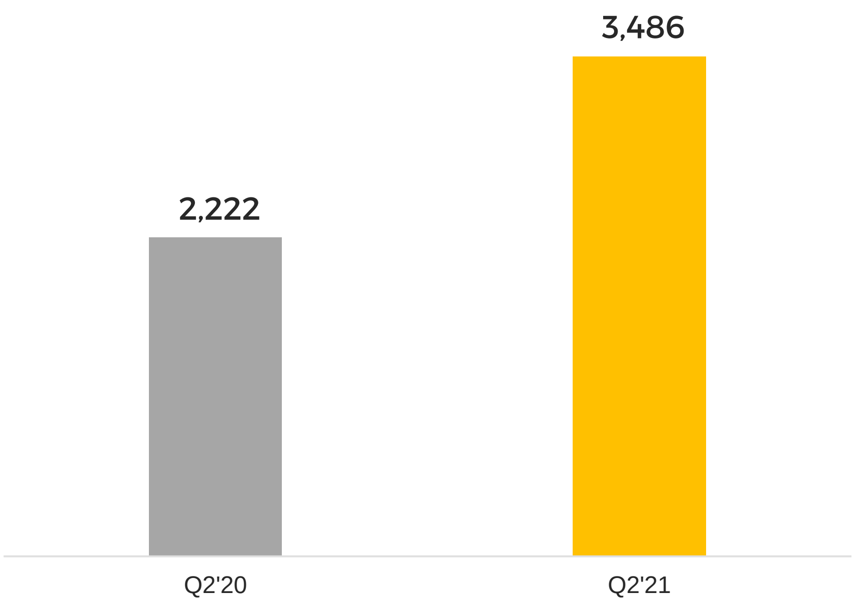
OPEX:
- Overall efficiency maintained at 24% OPEX ratio
  - R&D expenses included one-time impairment of NT$100 million

Non-OPEX items:
- Finance costs increased by 10% QoQ in response to increased outstanding debt balance and higher interest rate in KR
- Other loss mainly resulted from FX exchange loss of NT$20 million related to ALK's capital reduction to Lotus in May

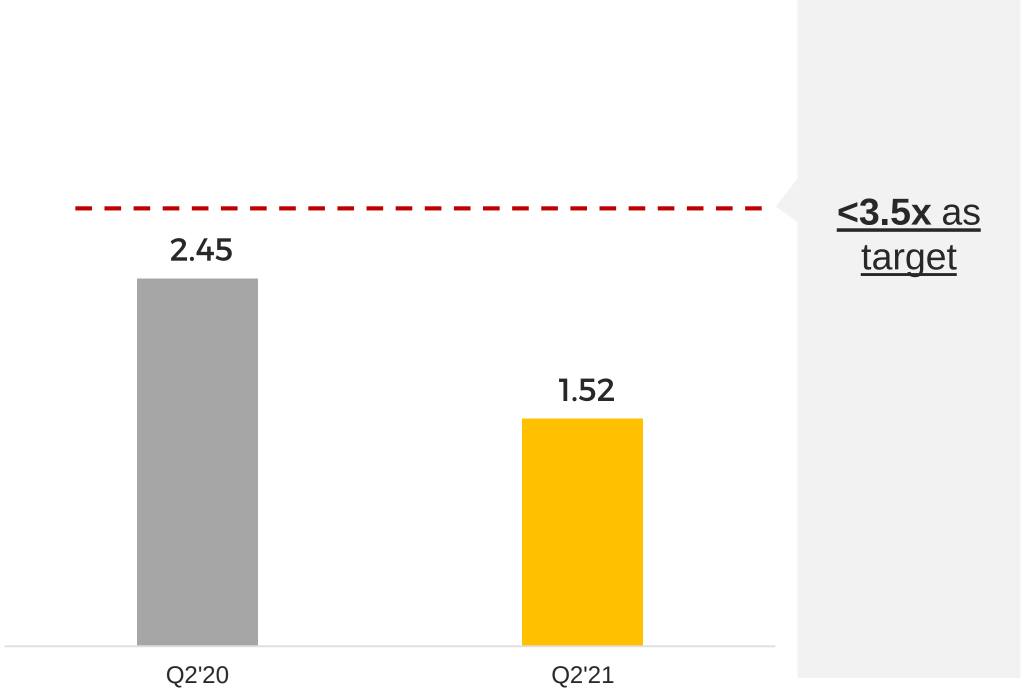
Net Income & EPS:
- Q2'21 EPS was calculated based on the diluted share capital after PTT private placement

CAPTIAL STRUCTURE CONTINED TO IMPROVE BY STEADILY GROWING OPERATIONS

LTM EBITDA* (NT$mn)



NET DEBT/LTM EBITDA*



*EBITDA =EBIT + Depreciation + Amortization + Non-cash provisions

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STRATEGIC DELIVERABLES
Q2'21

Petar Vazharov, CEO

MAJOR DELIVERABLES ACHIEVED AS SCHEDULED YTD'21

Pipeline & Portfolio

Continuous investment in product portfolio + infrastructure for long term growth

- ✓ 10% of revenue to be reinvested into R&D & new products
  - ✓ 2 submissions made, including 1 NCE-1 ANDA in US; 2 more under preparation to be filed by year end
  - ✓ Acquisition of Evista Taiwan (Brand product) to reinforce women healthcare/osteoporosis portfolio

Business Expansion

Delivery of major launch + pipeline enhancement for Export Oncology

- ✓ 1st agreement signed with Fuji Pharma for a high value generic in JP
- ✓ 10 in-licensing deals signed + 16 contracts under advanced negotiation
- ✓ To be ready for Lenalidomide launch in EU throughout 2021 and the US market some time after March 2022
  - ✓ Production/logistics all set on track for 3 customers, 19 countries, shipment >95,000 units expected for EU launches throughout 2021

ASEAN as expansion priority to complete Asian Business

- ✓ Set-up of Malaysia subsidiary completed in May to penetrate into local market; Philippines to be the next

Operational efficiency

Improvement of efficiency to maximize shareholders' value

- ✓ KR plant & lab consolidation completed as planned
- ✓ New AR lab has been operational from June

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