Lotus

2023 Q1
EARNINGS RESULTS

Investor Presentation

1795.TT

May 2023

Safe Harbor Statement

Except for historical information contained herein, the matters set forth in this presentation are forward looking statements that are subject to risks and uncertainties that could cause actual results to differ materially. These forward looking statements are not based on historical facts but rather on management's expectations regarding future growth, results of operations, performance, future capital and other expenditures, competitive advantages, business prospects and opportunities. Statements in this presentation about our future plans and intentions, results, level of activities, performance, goals or achievements or other future events constitute forward looking statements. Wherever possible, words such as "anticipate", "believe", "expect", "may", "could", "will", "potential", "intend", "estimate", "should", "plan", "predict", or the negative or other variations of statements reflect management's current beliefs and assumptions and are based on the information currently available to our management. **Investors are cautioned not to place undue reliance on these forward looking statements, which are made as of the date of this presentation** and we assume no obligation to update or revise any forward looking statements.

Lotus

Today's Agenda

1 2023 Q1 BUSINESS HIGHLIGHTS

2 2023 Q1 FINANCIAL RESULTS

3 LOTUS WINNING FORMULA

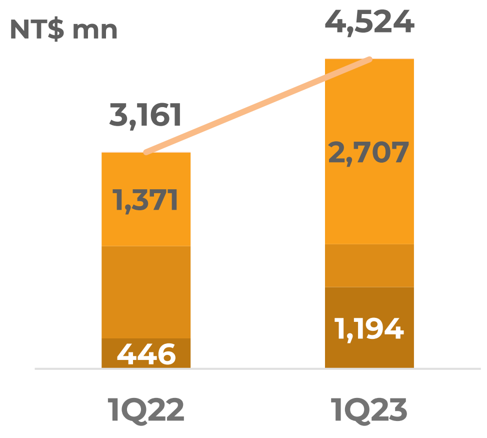
Lotus

BUSINESS HIGLIGHTS

2023 Q1

Petar Vazharov, CEO

2023 Q1 BUSINESS HIGHLIGHTS



Strong Frist Quarter Results

1. Revenue reached **4,524 mn** representing **43%** growth YoY
2. Gross Profit was **2,707 mn**; with remarkable **98%** growth YoY
3. Net Income more than doubled to **1,194 mn**; achieving **168%** growth YoY
4. EPS recorded **NT$4.58**, record high for the first quarter.

Balanced Two-Pronged Expansion of the Business

Asian business growth **30%** YoY contributed by Taiwan, Korea and Vietnam

- Strong growth momentum contributed by Cialis and Alimta in Taiwan with **124%** growth YoY
- First to launch Vinorelbine in Vietnam
- Launch of total **15** SKUs in Asia

Export business growth **60%** YoY driven by strong demand from America

- Lenalidomide – additional two strengths of 2.5mg and 20mg launch in the US
- Launch of total **11** SKUs outside of Asia

Lotus

2023 Q1 PORTFOLIO DEVELOPMENT HIGHLIGHTS

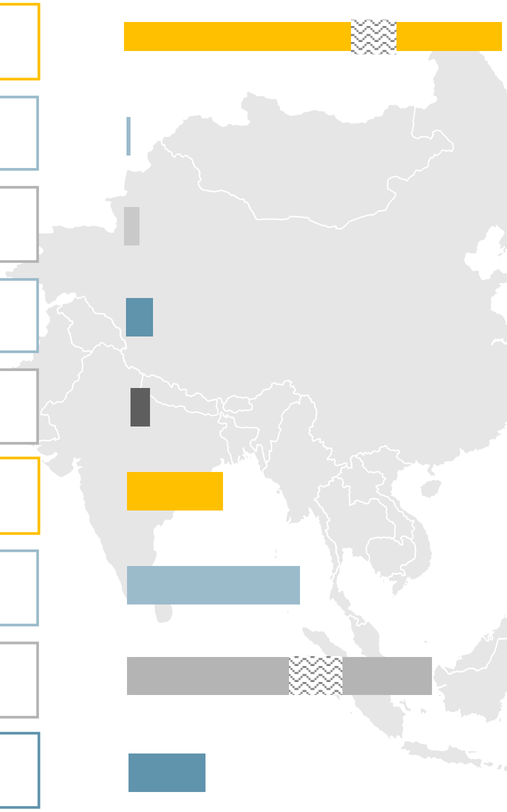
Lotus

- ✓ **US** FDA tentative approval of Nintedanib
- ✓ **Korea** MFDS approval of GRALISE® SR for Post-Herpetic Neuralgia
- ✓ **Korea** MFDS approval of FDC Sitagliptin/Dapagliflozin for diabetes
- ✓ Signed the exclusive license with Unicycive for Renazorb® in **Korea**

- In total, **11** approvals were obtained for markets within Asia and **6** approvals for markets outside of Asia.

ROLLOUT OF IN-HOUSE DEVELOPED PRODUCTS –2023 Q1 **11 APPROVALS**

Q1 activity (accumulated)	No. of approvals	No. of filings	Under Preparation	No. of launches	***Market potential* >US$10bn***
Lenalidomide	**0 (72)**	**0 (21)**	**12**	**3 (46)**	***US$10,000mn+***
Gefitinib	**2 (30)**	**0 (10)**	**2**	**0 (28)**	***US$4mn+***
Vinorelbine	**1 (44)**	**0 (3)**	**2**	**2 (26)**	***US$28mn+***
Enzalutamide	**6 (26)**	**4 (16)**	**31**	**0 (6)**	***US$145mn+***
Sunitinib	**1 (32)**	**1 (13)**	**20**	**-**	***US$45mn+***
Midostaurin	***0 (2)***	**0 (1)**	**13**	**-**	***US$510mn+***
Pomalidomide	**0 (1)**	**1 (10)**	**16**	**-**	***US$900mn+***
Nintedanib	**1 (0)**	**2 (23)**	**40**	**-**	***US$3,500mn+***
Tofacitinib	**0 (0)**	**0 (3)**	**29**	**-**	***US$380mn+***
Total	**11 (207)**	**8 (100)**	**165**	**5 (106)**	



**Source: IQVIA; EvaluatePharma except for Lenalidomide, which is based on REVLIMID® 2022 product sales in BMS financial statements*

Lotus

R&D PIPELINE EXECUTION – 2023 Q1 3 NEW PROJECTS

3 new projects kick-offs, **Tentative Approval from US FDA for Nintedanib**, and **Korea MFDS approval of Sitagliptin + Dapagliflozin**

	Formulation	Clinical Phase	Registration Process
TTL Pipeline =	***12***	***16***	***7***
US	**3** • LP767 (Melanoma/NSCLC) • LP693 (Nephritis) • LP679 (ATTR-CM)	**4** • IPR (Respiratory) • LP745 (Myelofibrosis) • LP751 (MS) • LP754 (AML)	**1** • Nintedanib - TA
JP		**3** • LP661 (MM) • LP117 (RA) • LP654 (IPF)	**1** • Lenalidomide
RoW	**9** • LP710 ((mCSPC) • LP694 (ALK mNSCLC) • LP718 (ovarian cancer) • LP644 (Prostate cancer) • LP120 (MCL/CLL/LL) • LP679 (ATTR-CM) • LP757 (RCC/HCC/DTC) • LP793 (CLL/AML) • LP767 (Melanoma/NSCLC)	**9** • LP745 (Myelofibrosis) • LP670 (Breast cancer) • LP751 (MS) • LP677 (HCC & DTC) • LP678 (ATTR-CM) • LP723 (CP/Ph+ CML) • LP715 (NSCLC) • LP764 (Myelofibrosis) • LP754 (AML)	**5** • Nintedanib • Tofacitinib • Pomalidomide • Midostaurin - TA • Dydrogesterone

Total addressable market size over **$27bn***

**Total 2022 IMS value of the brand products which are in our R&D pipeline except for* LP693, the market size is based on the originator's stated sales for 2022 in the financial statement

PIPELINES BEYOND OWN R&D:
FOCUS ON NOVEL PRODUCTS

	Terms negotiation	Regulatory/ Pre-launch	Commercial	
Big pharma brands	9	1	5	*Mercilon, Aclasta, Evista, Alimta, Cialis, Adcirca*
NCE	9	1	1	*Alyssa, Zepzelca*
505(b)2	3	7	11	*Qsymia, Kalimate Ryaltris, Gralise, Renazorb*
Biosimilar	11	2	2	*Bevacizumab, Teriparatide, Darbepoetin, Adalimumab*

BUSINESS HIGHLIGHTS IN APAC -2023 Q1 **15 LAUNCHED**

	Korea	**Taiwan**	**SEA**
Business highlights	• Launch of Bevacizumab (generic of Avastin®) • Strong YoY, QoQ growth trend of **Qsymia**® • Launch preparation for Sitagliptin/Dapagliflozin for diabetes, **GRALISE**® SR	• Strong uptake in drugstore, led by **Cialis**®, creating momentum for **OTC** brands and customers gain • Launch of **Alyssa**® • **Alimta**® leading entry into lung cancer, synergy with Gx portfolio	• 1st to launch Vinorelbine in **VN** • 1st oncology product(Lenalidomide) launched in the **PH**
No. of MA submissions	0	2	8
No. of MA approvals	3	1	7
No. of launches	9	2	4

CONTINUOUS DEVELOP EXPORT BUSINESSES - 2023 Q1 **7 DEALS SIGNED**

2023 Q1	2019 to date	
▪ Lenalidomide additional two strengths of 2.5mg and 20mg launch in the US ▪ Lenalidomide global launch continue expanding ▪ 7 licensing deals signed for 6 products	**247**	Licensing deals signed
	160+	Markets
	30+	Products

STADA ZENTIVA SANDOZ A Novartis Division
JAMP PHARMA GROUP eurofarma sua vida move a nossa Alvogen

Lotus

Lotus

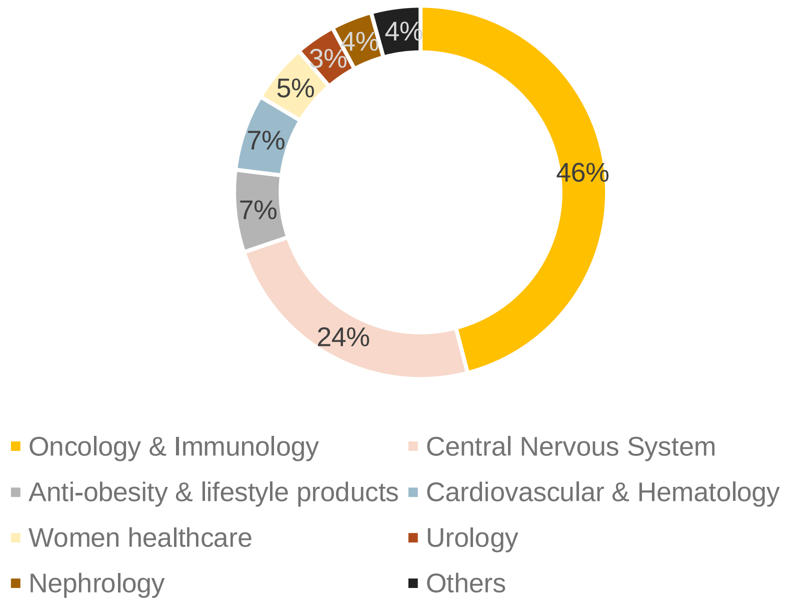
FINANCIAL RESULTS
2023 Q1

Bjartur Shen, Strategies & Finance VP

DIVERSIFICATION ACROSS THERAPIES AND MARKETS

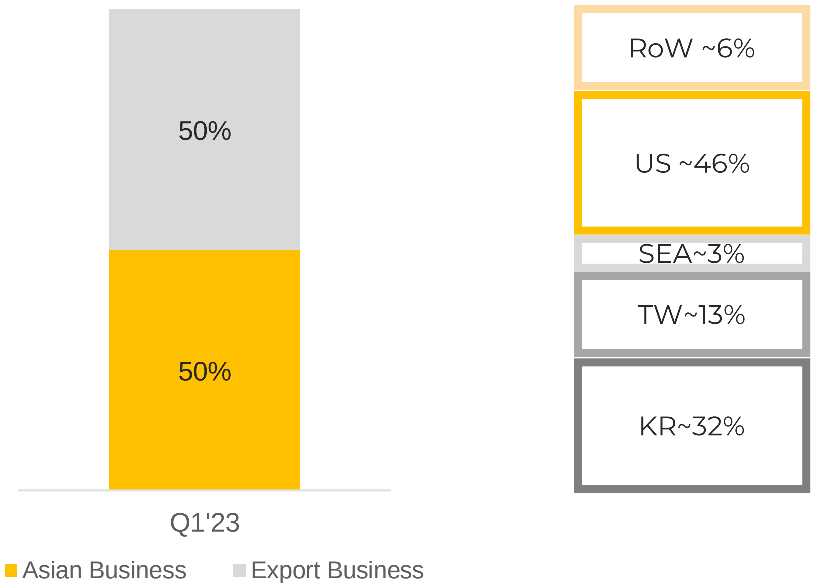
Diversified Portfolio

Q1'23 Revenue Breakdown by TA



Revenue Breakdown by Market

Q1'23 Revenue = NT$4,524mn



Lotus

SALES EXPANSION OF 2023 Q1 YOY

2023 Q1 FINANCIAL HIGHLIGHTS

Key Financials (in NTD millions, except for EPS)	**Q1'23**	**QoQ %**	**YoY %**
Net Sales	**4,524**	**43%**	**43%**
Cost of Goods	(1,816)	2%	1%
Gross Profits	**2,707**	**94%**	**98%**
%	*59.8%*	*15.7%*	*16.5%*
R&D	(165)	51%	64%
SG&A	(879)	-6%	36%
Operating Expenses	(1,044)	0%	40%
Operating Income	**1,664**	**367%**	**167%**
%	*36.8%*	*25.5%*	*17.1%*
Non-OPEX			
Finance costs	(127)	13%	62%
Net of other gain/loss	(32)		
Earnings Before Tax	1,505	410%	156%
Net Income	**1,194**	**612%**	**168%**
Basic EPS (NTD)	**4.58**	**612%**	**167%**

Net sales:

- Driven by strong momentum from domestic market and Lenalidomide sales from America

Gross Margin:

- Contributed by more profitable export portfolio and higher portion of branded products

OPEX:

- Increased R&D expenses were due to one-off expense accrual on a European regulatory project
- SG&A expenses YoY growth mainly came from more amortization for acquired brand assets, growing promotional and business activities post covid and employee cost increase

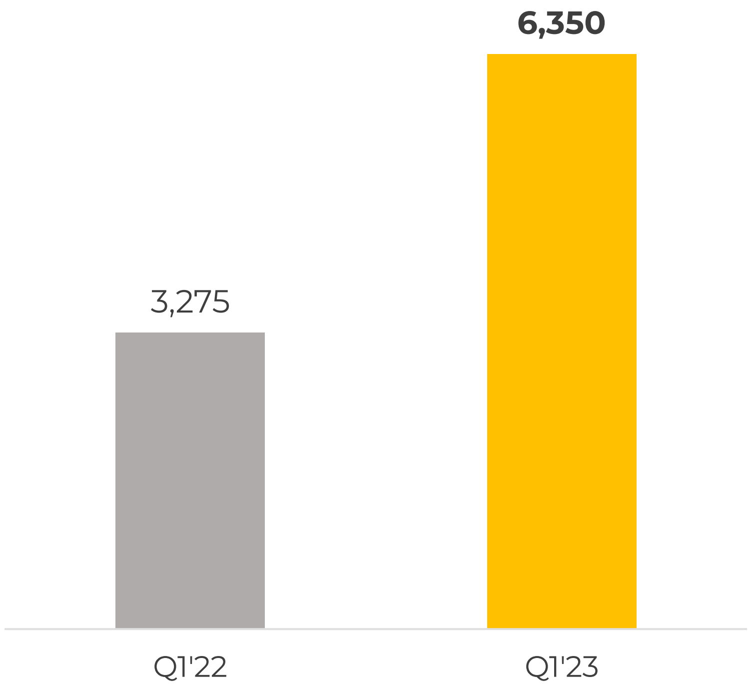
Non-OPEX items:

- Finance costs increased as a result of increased bank facilities from syndication loans and interest rate hike
- Net of other gain mainly due to foreign exchange loss

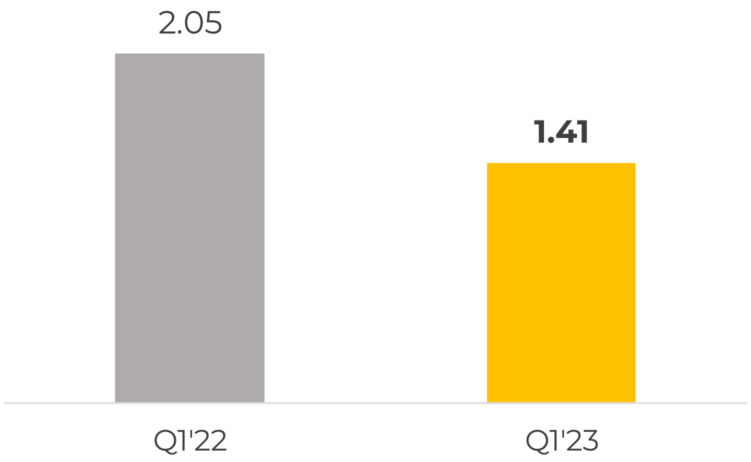
Lotus

CAPTIAL STRUCTURE REMAINED STRONG - BY STEADILY GROWING OPERATIONS

LTM EBITDA* (NT$mn)



NET DEBT/LTM EBITDA*



*EBITDA =EBIT + Depreciation + Amortization + Impairment + Shared Based Payment

Lotus

LOTUS WINNING FORMULA

Petar Vazharov, CEO

EXECUTING LOTUS "WINNING FORMULA"

Well-defined product selection and robust pipelines

Manufacturing excellence with focus on oral oncology products and flexibility to leverage robust external CMO for portfolio diversification

Highly experienced R&D team focus on oral oncology supplemented by global in-licensing & co-development for Novel & complex products

Demonstrated ability to navigate IP, regulatory and market access

Strong B2C presence in APAC and B2B commercial network

Experienced management team to drive sustainable growth