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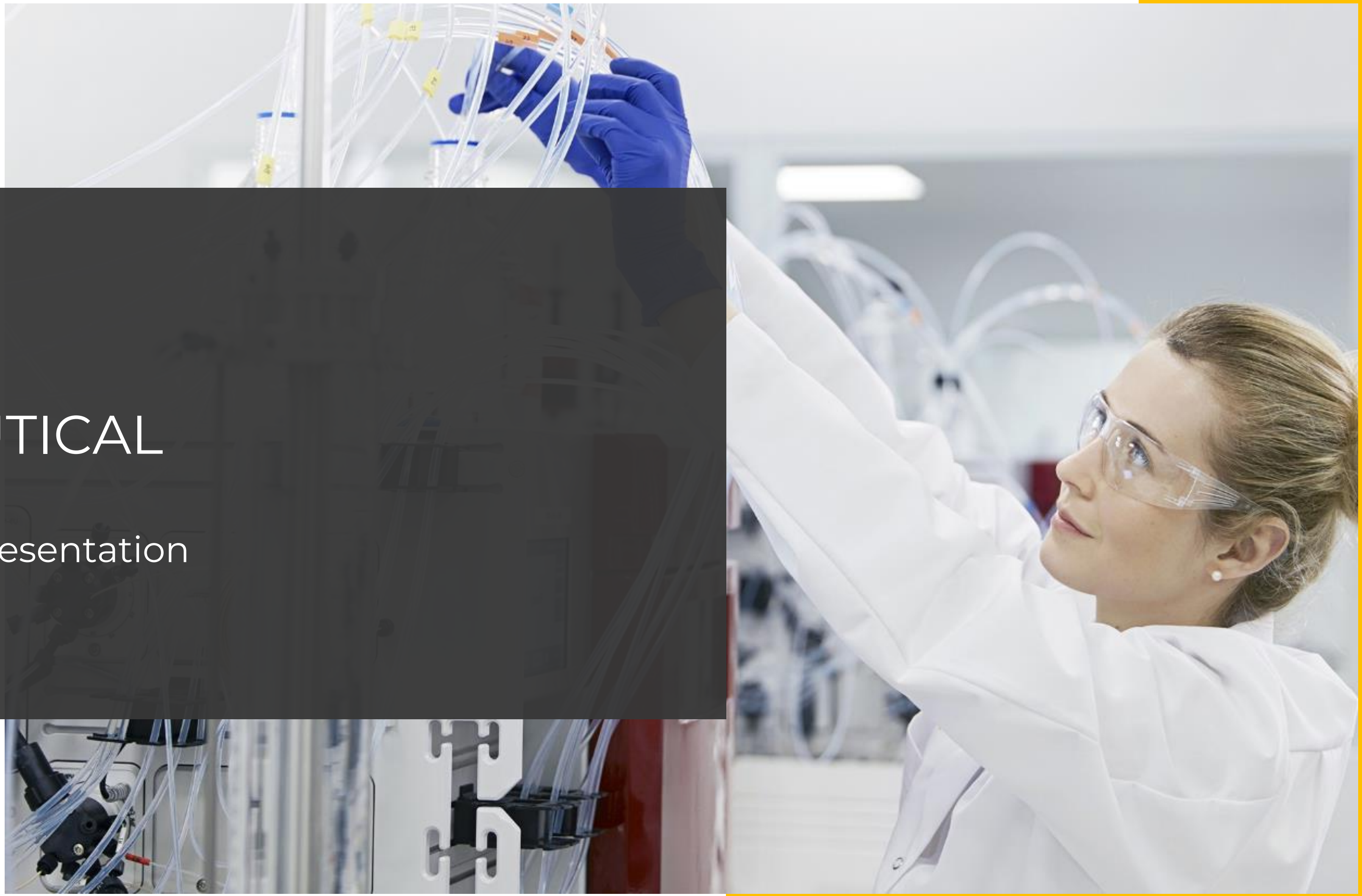
LOTUS PHARMACEUTICAL

Investor meeting Presentation

1795.TT

November 2024



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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.

Agenda

1. 3Q24 BUSINESS HIGHLIGHTS
2. 3Q24 FINANCIAL RESULTS
3. LOTUS BUSINESS OUTLOOK

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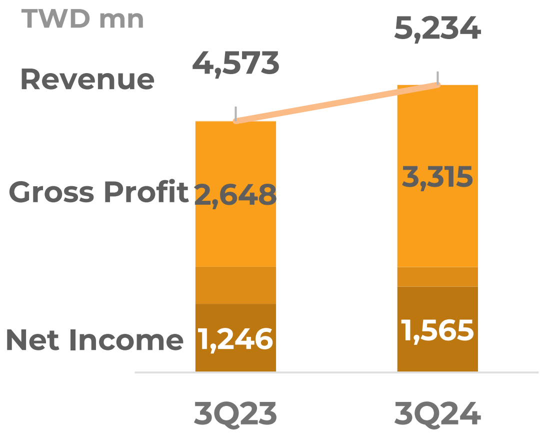
BUSINESS HIGLIGHTS

3Q24

Petar Vazharov, CEO

3Q24 BUSINESS HIGHLIGHTS



3Q24 Results

- **Revenue TWD 5,234 mn** (10% QoQ and 14% YoY) and **EPS TWD 5.98** (17% QoQ and 25% YoY).
- Gross margin **63%** (+3ppt QoQ and +5ppt YoY) and operating margin **40%**(+6ppt QoQ and 8ppt YoY), **second-highest** in the company history.
- Second SEA acquisition signed-**Alpha-Choay in Vietnam and Cambodia**.

Two-Pronged of the Business

- Asian business grow **5%** QoQ and maintain similar level YoY.
  - QoQ growth mainly contributed by SEA and Korea market, driven Teva Thailand contribution since August, new products and new hospital listings in Korea.
  - **11** SKUs launched in Asia in 3Q24.

- Export business grow **16**% QoQ and **32**% YoY due to strong oncology products outside US and Lenalidomide sales in the US.
  - Robust growth of lenalidomide offset decline of Buprenorphine/Naloxone.
  - **8** SKUs launched in 3Q24.

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Significant advancements have been made in ESG

Rankings	FTSE Russell 0-5	MSCI (CCC B BB BBB A AA AAA) CCC- AAA	S&P Global 0-100	SUSTAINALYTICS Risk Vales* 100-0
2023 Mar	1.9	-	21	37.88
2024 Mar	1.9	BBB	23	36.8
2024 Oct	**2.6**	**A**	**44**	**36.79**

*The lower risk values the better performance

Improvements:

FTSE
- Labour Standards
- Anti-Corruption
- Corporate Governance

MSCI
- Human Capital Development
- Quality Initiatives
- Corporate Governance

S&P
- Talent Attraction & Retention
- Business Ethics
- Corporate Governance

3Q24 KEY business ACHIEVEMENT

19 approvals and 7 INN launched

Key fillings, approvals and launches

- **Pomalidomide** launched in Switzerland and Isreal.
- **Nintedanib** approved in Canada and UK.
- **Tofacitinib** approved in Canada.

Manufacturing facility

- Successfully complete US FDA and Brazil ANVISA inspection and received "Compliant" rating

R&D and BD progress

R&D

- **1** PK study completed
- **1** new oncology project initiated
- 2 submission planned in 4Q24

BD

- **1 brand acquisition**-Alpha Choay in Vietnam and Cambodia
- **2** generic products

SEA Acquisitions

Alpha Choay acquisition in Vietnam and Cambodia

- One of the most popular brands in Vietnam in anti-inflammatory treatment
- 30-year leading brand with 25% market share.
- 2023 sales reached US$22mn.
- Significant expansion Lotus presence in Vietnam
- Expand Vietnam revenue from NT$ 200-300mn to ~NT$800-1000mn
- Transaction to be closing in 1H25.

Portfolio Expansion

More in the SEA M&A pipeline for 2024/1H25

- A portfolio acquisition-expected to sign in 4Q24
- 4 assets under evaluation

Global Rollout Of Commercial Products

Product	Indications	Brand sales(US$mn)*	# of market already launched	# of markets to launch in next 5 years	% of target markets launched
Enzalutamide	Prostate cancer	145+	11	15	42%
Sunitinib	Rare kidney cancer	45+	9	5	64%
Pomalidomide	Multiple myeloma	900+	5	22	18%
Nintedanib	Idiopathic pulmonary fibrosis	3,500+		43	NA
Midostaurin	Acute myeloid leukemia	510+		9	NA
Tofacitinib	Rheumatoid arthritis	380+		20+	NA
LP754	CML	180		Dossier submission in 4Q24/1Q25	NA
LP670	Breast cancer	1,400			NA
LP764	Myeloid fibrosis	3,000			NA

0% 25% 50% 75% 100%

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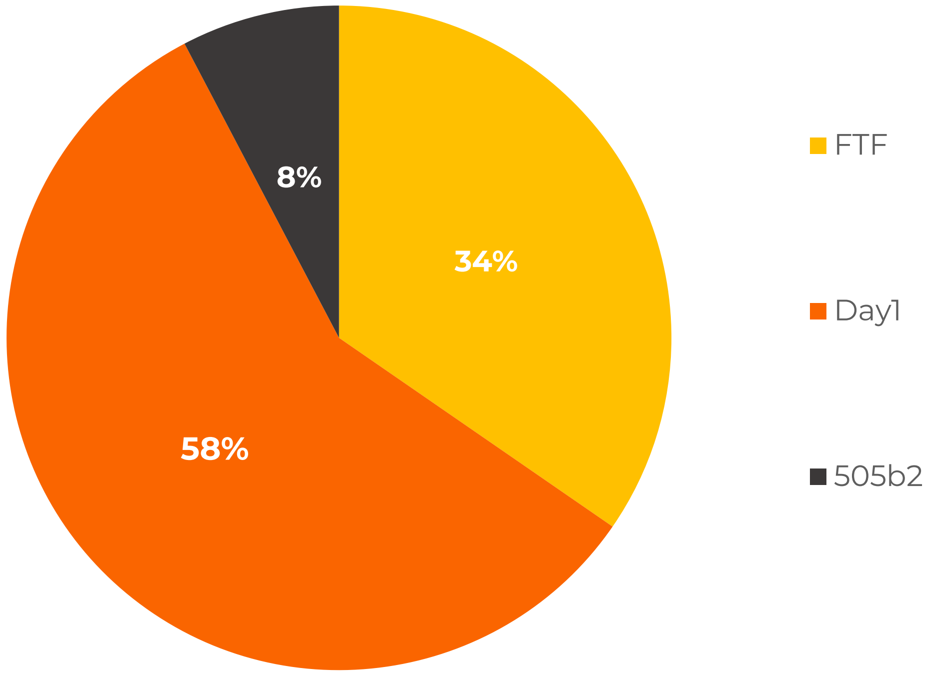
*Only included brand sale in Target market by IQVIA

High-barrier R&D pipelines focus on oncology products

	R&D pipelines
Oncology & Immunology	19
Central Nervous System	
Primary Care & Lifestyle	6
Women healthcare	
Nephrology	1

Product type in RD pipelines

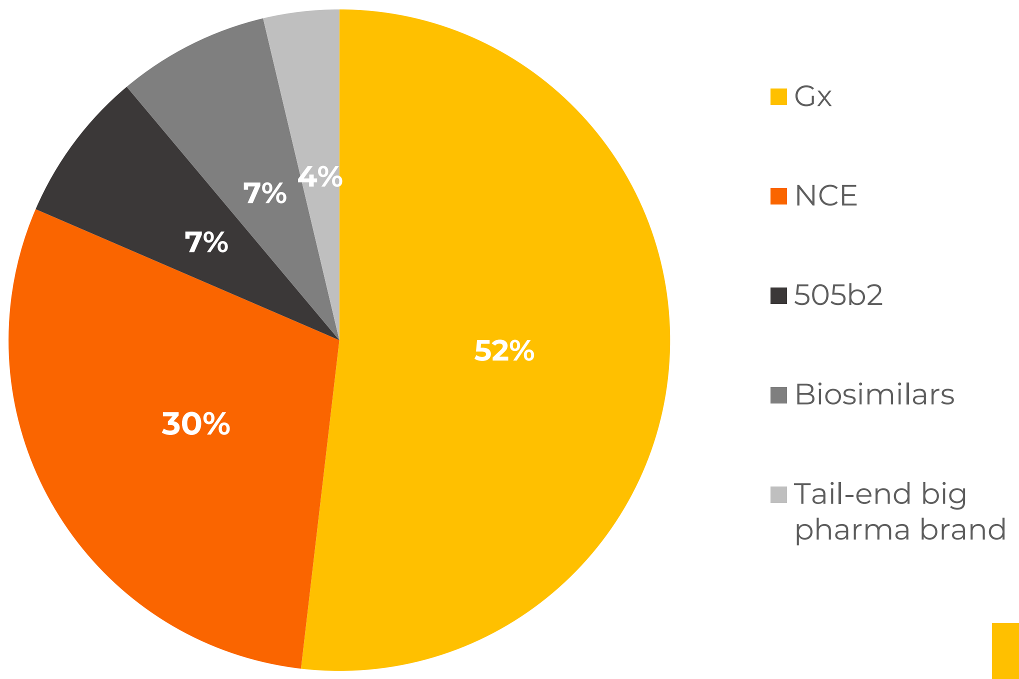


**Primary Care & Lifestyle: Anti-obesity, Cardiovascular, Respiratory & Allergy, Endocrinology & Diabetes, Others Therapeutic Area*
***as of 3Q24*

Building Hybrid Pipeline Portfolio Through Strong Business Development Ability

	BD deals (including advance discussion)
Oncology & Immunology	7
Central Nervous System	4
Primary Care & Lifestyle	13
Women healthcare	1
Nephrology	2

Product type in BD pipelines



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**Primary Care & Lifestyle: Anti-obesity, Cardiovascular, Respiratory & Allergy, Endocrinology & Diabetes, Others Therapeutic Area*
**as of 3Q24*

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FINANCIAL RESULTS
3Q24

Bjartur Shen, Strategies & Finance VP

3Q24 Financial Results

(in NTD millions, except for EPS)

Key Financials	3Q24	YoY Change	QoQ Change
Net Sales	**5,234**	14%	10%
Cost of Goods	(1,919)	0%	-3%
Gross Profits	**3,315**	25%	15%
%	63%	5%	3%
SG&A	(1,052)	13%	3%
R&D	(151)	-36%	-32%
Operating Expenses	**(1,203)**	3%	-3%
Operating Income	**2,112**	43%	29%
%	40%	*8%*	*6%*
Non-OP			
Net of other gain/loss	(99)	(309)	(243)
Finance costs	(115)	10	1
Earnings Before Tax	**1,898**	21%	14%
Net Income	**1,565**	26%	18%
Basic EPS (NTD)	**5.98**	25%	17%

3Q24 Performance

- **Net sales increased 14% YoY and 10% QoQ** mainly driven by lenalidomide sales in the US and oncology product sales outside of the US.
- **Gross margin of 63%, +5ppt YoY and +3ppt QoQ**, the change was affected by increase volume of high-margin product lenalidomide.
- **Operating expenses increased 3% YoY and decrease 3% QoQ.**
  - R&D cost decrease 36% YoY and 32% QoQ, the decrease is related to one-off charges related to the termination of the NRX co-development in 2Q24, and impairment charge for a R&D project (Nilotinib) in 3Q23.
  - SG&A YoY increased by marketing and promotion expense, and RSA.
- **Non-operating expense** were primarily affected by unfavorable FX movements and interest, resulting in an EPS impact of approximately NT$0.7

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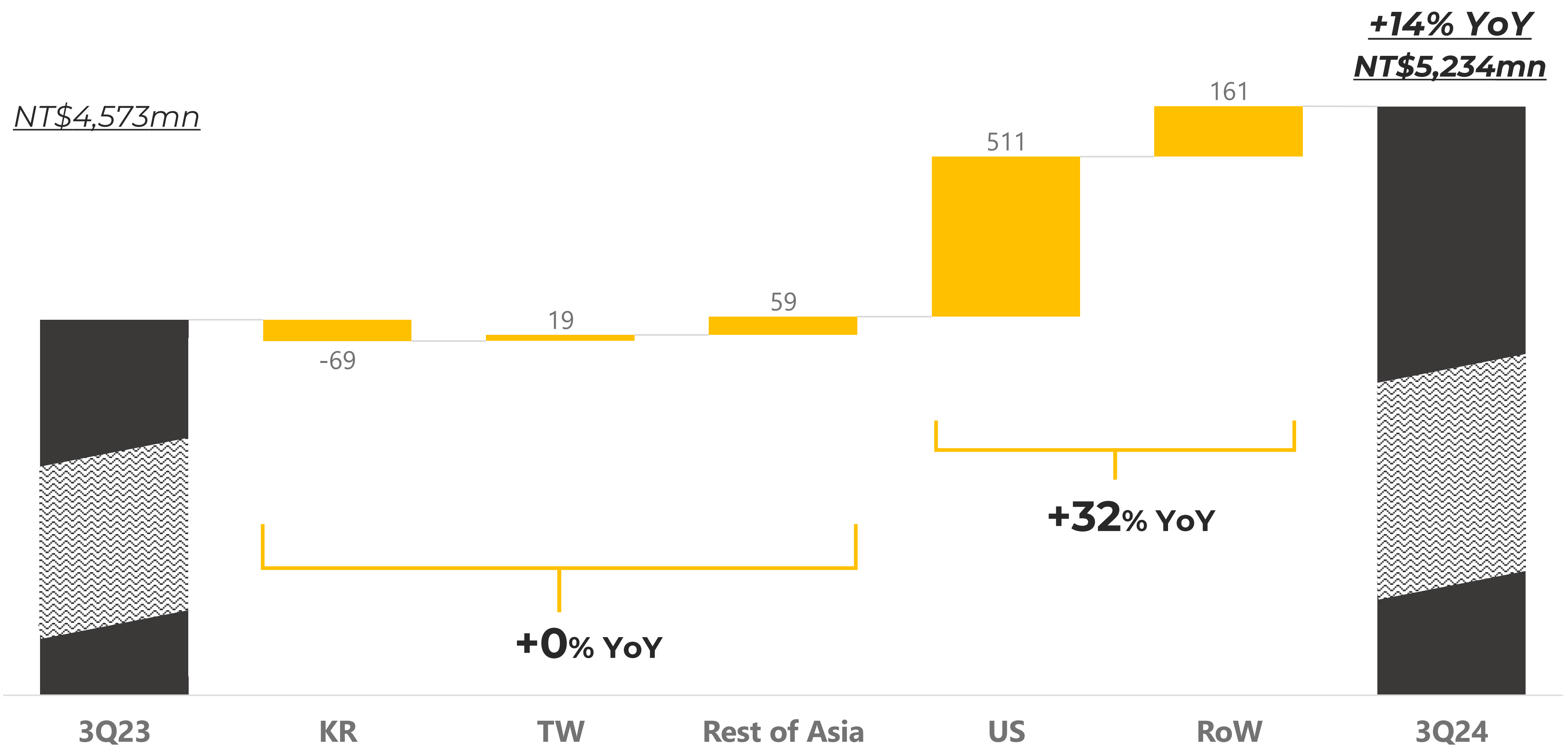
3Q24 Sales Expansion YoY



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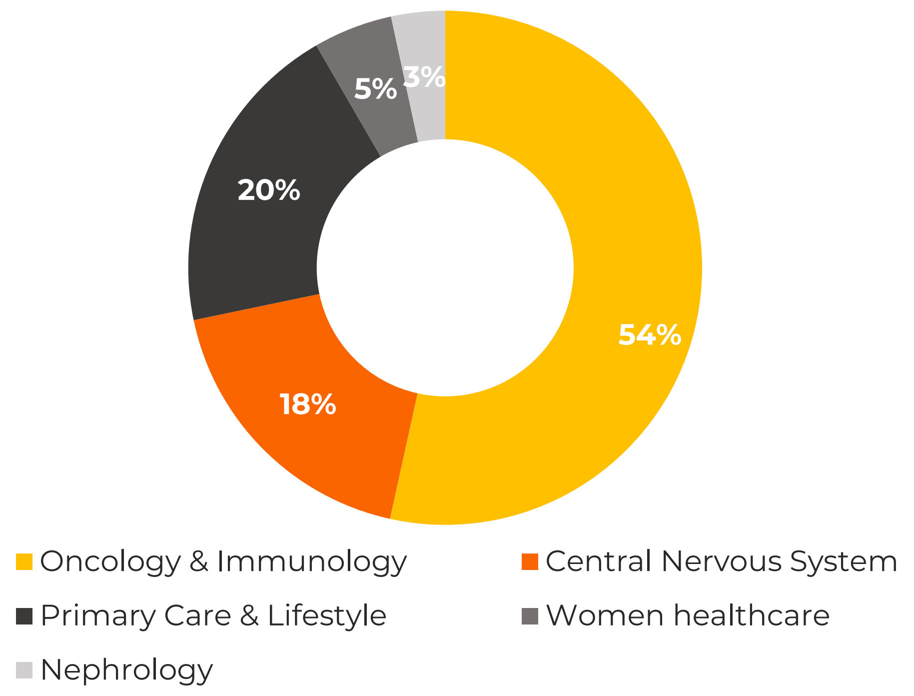
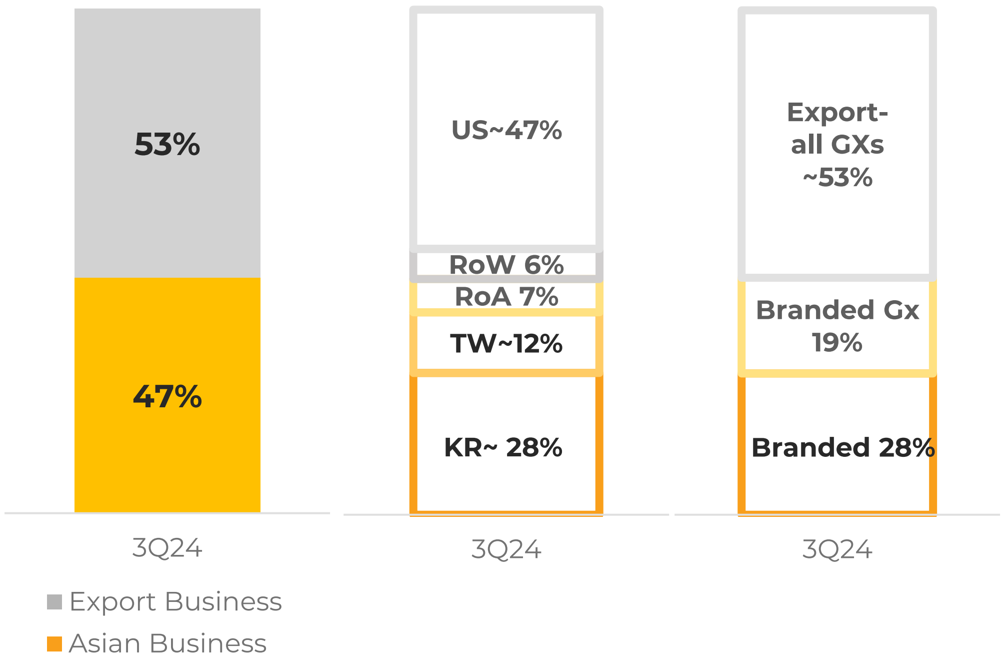
Diversification Across Therapies And Markets

Diversified Portfolio

3Q24 Revenue Breakdown by TA



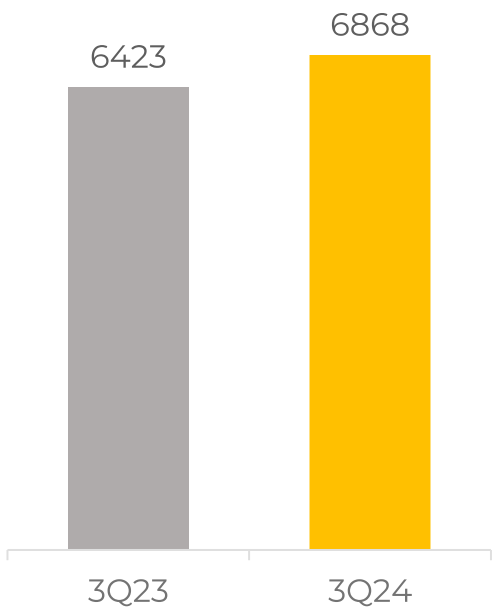
Revenue Breakdown by Market



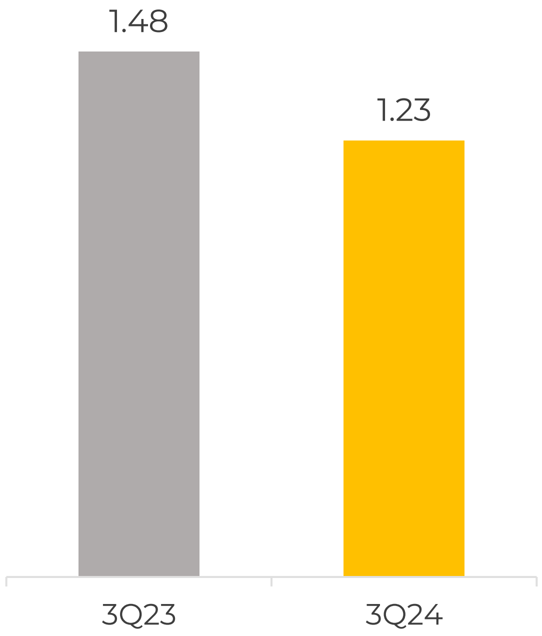
Note: From Q3'23, Anti-obesity, Cardiovascular, Urology, Allergy and others consolidated into "Primary Care and Lifestyle"
RoA= rest of Asia, including SEA, China, Japan, India sales

Strong Capital Structure

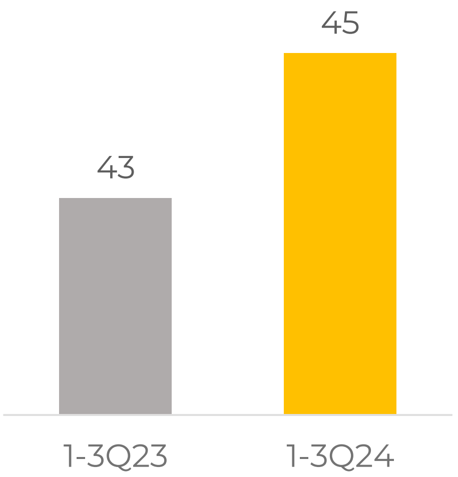
LTM EBITDA* (NT$mn)



NET DEBT/LTM EBITDA*



YTD EBITDA margin (%)



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

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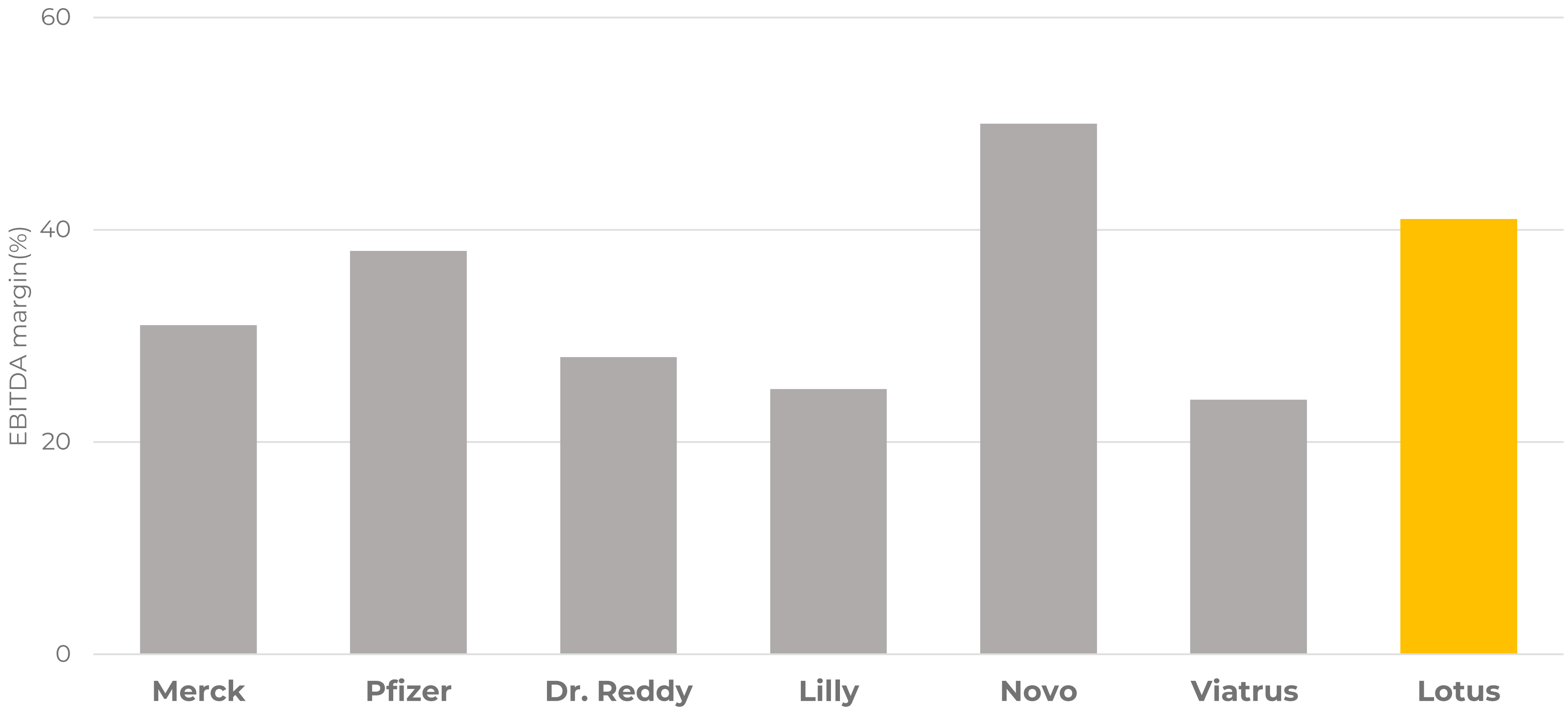
EBITDA margin comparable to industry leaders



*Most recent disclosure from Bloomberg

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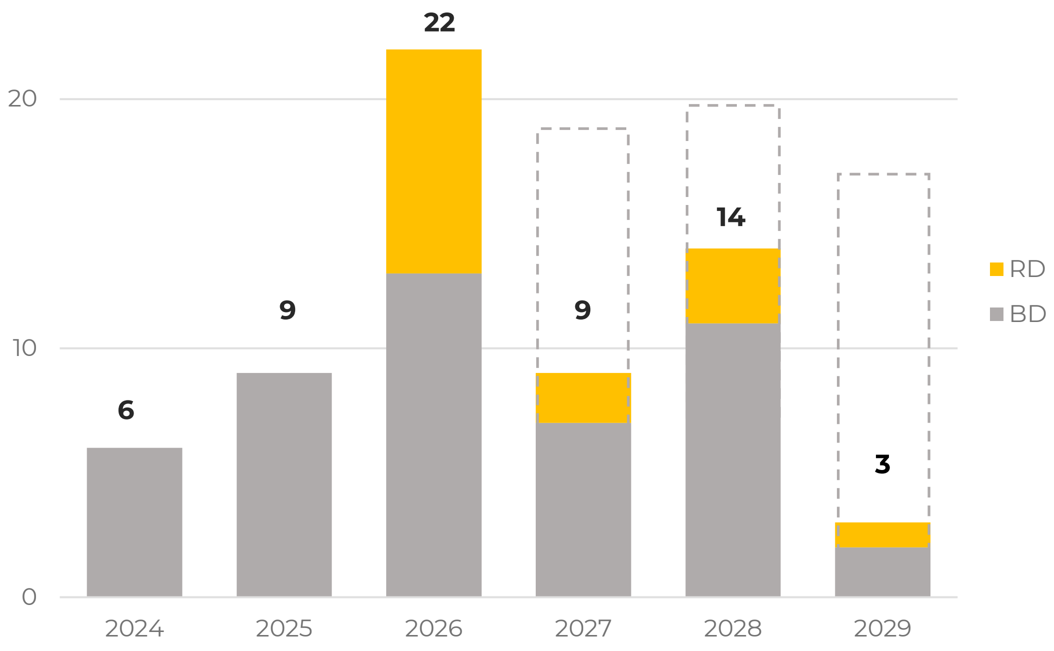
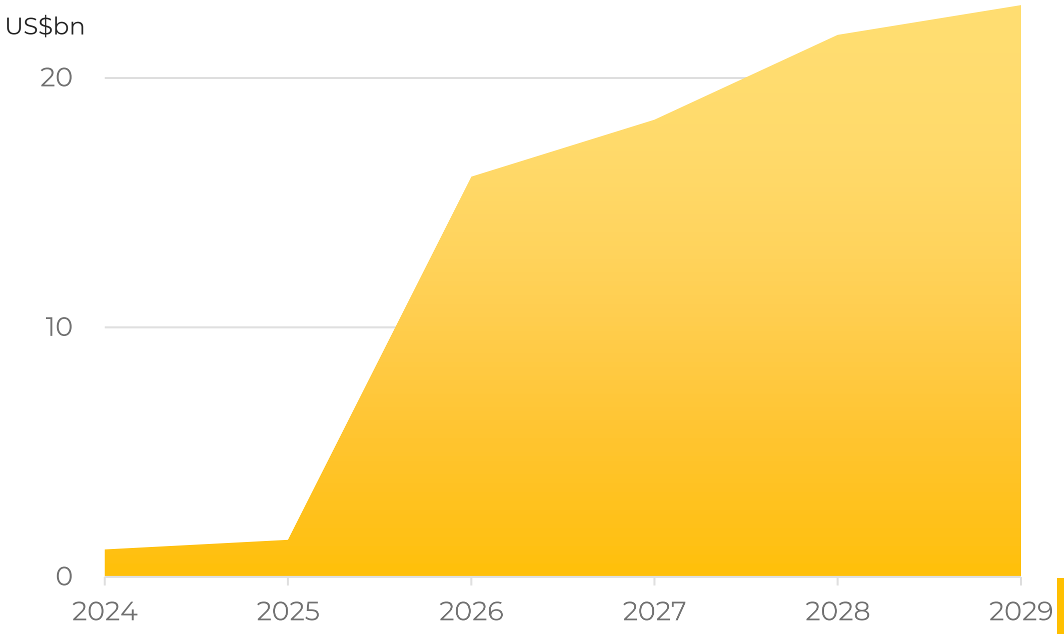
BUSINESS OUTLOOK

Petar Vazharov, CEO

High market potential pipelines to support future growth

63 INN to launch 2024-29	RD products with US$23bn market value to launch 2024-29





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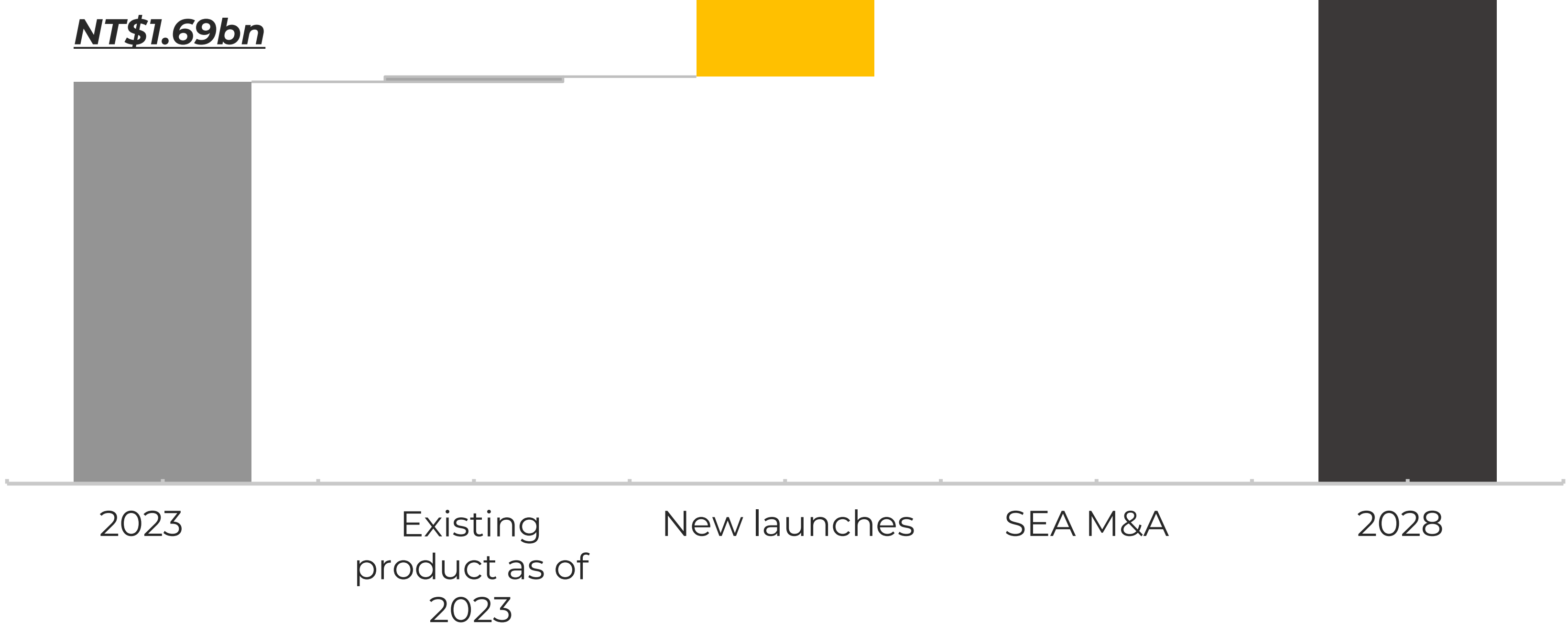
Near term business highlights

2024		2025			
3Q	4Q	1Q	2Q	3Q	4Q

- R&D center launch in Hyderabad
- A branded generic portfolio deal
- Alpha-Choay transaction closing
- SEA sales platform and product acquisition
- Pomalidomide EU launch in 2025
- Lenalidomide, Qsymia, Alimta, Cialis and other key brands sustainable growth
- Continue expand product portfolio including complex generics, 505b2, biosimilar and NCEs via business development activity and partnership

Fueling Sustainable, Double-Digit Profit Growth



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