




# 2023 4Q Earnings

Consolidated financial statement K-IFRS

February 2, 2024

- The financial information in this document are consolidated earnings results based on K-IFRS.
- This document is provided for the convenience of investors only, before the external audit on our Q4 2023 financial results is completed. The audit outcomes may cause some parts of this document to change. Please note that Hanmi will not be responsible for individual investment decisions sole based on this material. In addition, Hanmi will not be responsible for update of this material which based on current business results.
- This presentation contains forward-looking statements with respect to the financial condition, results of operations and businesses of Hanmi Pharmaceutical Company. By their nature, forward-looking statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from that expressed or implied by these forward-looking statements. These factors include, among other things, the loss or expiration of patents, marketing exclusivity or trade marks; exchange rate fluctuations; the risk that R&D will not yield new products that achieve commercial success; the impact of competition, price controls and price reductions; taxation risks; the risk of substantial product liability claims; the impact of any failure by third parties to supply materials or services; the risk of delay to new product launches; the difficulties of obtaining and maintaining governmental approvals for products; the risk of failure to observe ongoing regulatory oversight; the risk that new products do not perform as we expect; and the risk of environmental liabilities.
- **Consolidated subsidiaries (K-IFRS)**
- : Beijing Hanmi Pharmaceutical Co., Ltd 73.68%, Hanmi Fine Chemical Co., Ltd 63.00%

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- A vertical grey bar with five white circles, serving as a navigation indicator for the table of contents.
- **Highlights**
  - **Key Events**
  - **Financial Results**
  - **Cost Analysis**
  - **Appendix**

- ✓ **2023 Sales KRW 1,490.9bn, Operating profit KRW 220.7bn**
  - Hanmi Pharm KRW 1,096.9bn, Beijing Hanmi KRW 397.7bn\*,  
Hanmi Fine Chem KRW 111.1bn
  - Consolidated Operating profit delivered +39.6% YoY growth
  
- ✓ **2023 R&D investment KRW 205.0bn**
  - Invested 13.8% of consolidated revenue
  - Hanmi Pharm KRW 164.9bn (15.0% of revenue),  
Beijing Hanmi KRW 32.3bn (8.1% of revenue)

## ✓ Key Updates

- NOV**
- Presented 2 poster presentations of <sup>LAPS</sup>IL-2 Analog(HM16390) at SITC
  - Presented a poster presentation on the <sup>LAPS</sup>Triple agonist in a liver inflammation and fibrosis animal model at AASLD
  - Merck announced 2 sub-analysis results of Phase 2a of <sup>LAPS</sup>Dual agonist at AASLD
- 
- DEC**
- Oral presentation of advanced data on phase 1/2 of AML treatment 'Tuspetinib(HM43239)' at ASH
- 
- JAN**
- Enrolled 1<sup>st</sup> patient in phase 3 trial of Korean GLP-1 Obesity Treatment, Efpeglenatide
  - Hanmi Pharm-AIGEN SCIENCE signed an MOU on 'R&D of New Anti-Cancer Drugs Using AI'

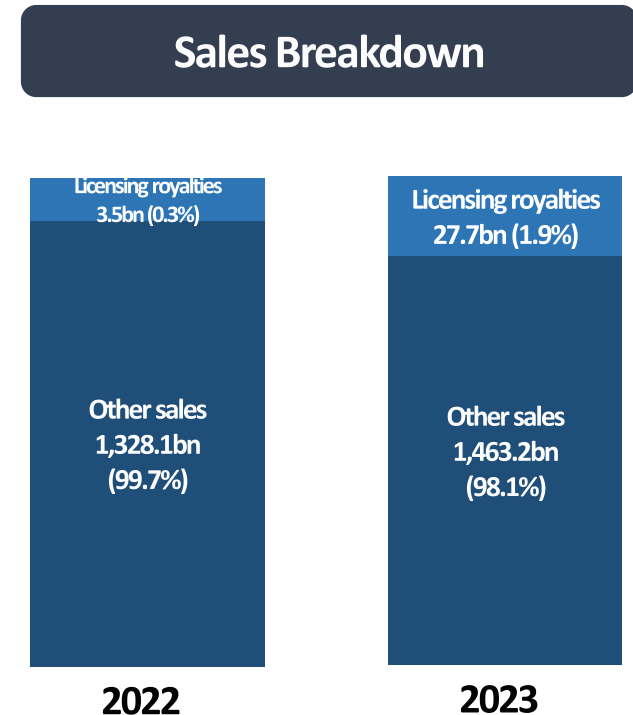
## ✓ Significant events

- Compliance Program (CP) AAA rating granted by the Fair Trade Commission for 5 consecutive years

- ▶ 2023 Revenue KRW 1,490.9bn
- ▶ Operating profit KRW 220.7bn, Net profit KRW 159.3bn
- ▶ Sales grew +12.0% YoY, OP grew +39.6% YoY thanks to solid growth in domestic and Beijing Hanmi and increased licensing royalties

Unit: Billion KRW

	2023	2022	YoY
Sales	1,490.9	1,331.5	12.0%
Operating Profit (%)	220.7 (14.8%)	158.1 (11.9%)	39.6%
Pre-tax Profit (%)	194.0 (13.0%)	121.0 (9.1%)	60.3%
Net Profit (%)	159.3 (10.7%)	101.6 (7.6%)	56.8%



# Quarterly Results Consolidated Business Results



- ▶ 4Q23 Sales KRW 422.4bn, +20.3% YoY
- ▶ Operating profit KRW 70.1bn, Net profit KRW 30.3bn
- ▶ OP delivered +80.5% YoY growth thanks to solid growth in domestic and Beijing Hanmi and increased milestone payments

Unit: Billion KRW

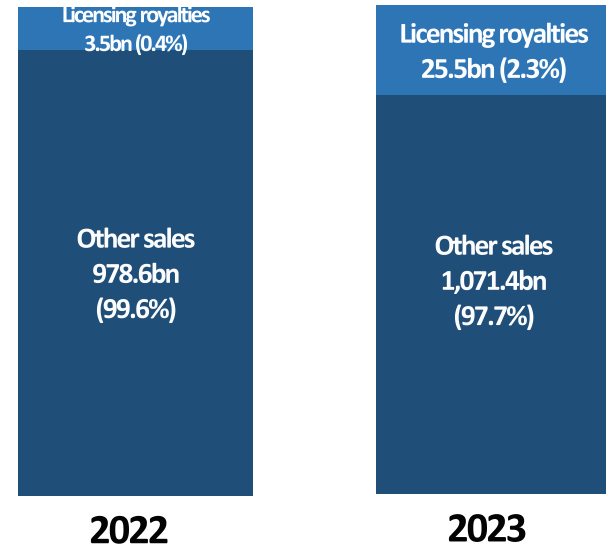
	2023 4Q	2022 4Q	YoY	2023 3Q	QoQ
Sales	422.4	351.2	20.3%	364.6	15.8%
Operating Profit (%)	70.1 (16.6%)	38.8 (11.1%)	80.5%	57.5 (15.8%)	21.9%
Pre-tax Profit (%)	56.9 (13.5%)	20.7 (5.9%)	175.4%	56.3 (15.4%)	1.1%
Net Profit (%)	30.3 (7.2%)	22.6 (6.4%)	34.4%	60.5 (16.6%)	-49.9%

- ▶ 2023 Revenue KRW 1,096.9bn
- ▶ Operating profit KRW 129.6bn, Net profit KRW 103.1bn
- ▶ OP delivered +63.9% YoY growth driven by solid growth of value-added products in domestic business and increased licensing royalties

Unit: Billion KRW

	2023	2022	YoY
Sales	1,096.9	982.0	11.7%
Operating Profit (%)	129.6 (11.8%)	79.1 (8.1%)	63.9%
Pre-tax Profit (%)	127.3 (11.6%)	59.4 (6.1%)	114.2%
Net Profit (%)	103.1 (9.4%)	50.3 (5.1%)	104.7%

## Sales Breakdown





- ▶ 4Q23 Sales KRW 320.9bn, +20.3% YoY, +18.0% QoQ
- ▶ Operating profit KRW 53.6bn, Net profit KRW 20.4bn
- ▶ Sales breakdown: Finished products 77%, Merchandise 15%, Royalties/Milestones 6%

Unit: Billion KRW

	2023 4Q	2022 4Q	YoY	2023 3Q	QoQ
<b>Sales</b>	<b>320.9</b>	<b>266.7</b>	<b>20.3%</b>	<b>272.1</b>	<b>18.0%</b>
Finished products	247.9	221.7	11.9%	228.4	8.5%
Merchandise	46.7	37.4	24.9%	37.1	25.8%
Upfront/Milestones	19.7	3.0	545.0%	2.2	776.7%
Others	6.6	4.6	44.0%	4.3	54.4%
<b>Operating Profit</b> (%)	<b>53.6</b> <b>(16.7%)</b>	<b>25.4</b> <b>(9.5%)</b>	<b>111.1%</b>	<b>32.5</b> <b>(12.0%)</b>	<b>64.7%</b>
<b>Pre-tax Income</b> (%)	<b>47.3</b> <b>(14.8%)</b>	<b>7.8</b> <b>(2.9%)</b>	<b>509.0%</b>	<b>20.1</b> <b>(7.4%)</b>	<b>135.0%</b>
<b>Net Income</b> (%)	<b>20.4</b> <b>(6.4%)</b>	<b>11.8</b> <b>(4.4%)</b>	<b>73.5%</b>	<b>27.9</b> <b>(10.3%)</b>	<b>-26.9%</b>

- ▶ ‘Rosuzet’, ‘Amosartan family’ maintained total revenue above KRW 100bn for 4 consecutive years
- ▶ ‘Rosuzet’ reached all-time high sales of KRW 178.8bn

Unit: Billion KRW

	Product	2023	2022	YoY	2023 4Q	2023 3Q	QoQ
ETC	Rosuzet	178.8	149.9	19.3%	47.9	45.5	5.3%
	Amosartan family	141.9	135.4	4.8%	36.2	35.2	2.8%
	Esomezol family	64.2	62.4	3.0%	16.5	15.9	3.7%
	Pal Pal	42.5	40.6	4.5%	11.0	10.6	3.9%
	Hanmi Tams/OD	40.5	35.6	13.7%	10.9	10.3	5.9%
	Naxozol	26.8	25.9	3.5%	6.7	6.7	0.1%
	Amodipin	24.8	24.6	1.1%	6.2	6.2	1.2%
	Gugu	21.7	18.9	14.7%	5.9	5.5	8.4%
	Hyalu Mini	20.3	17.8	13.9%	6.1	4.8	25.9%
	Pidogul	17.7	16.3	8.9%	4.8	4.5	6.5%

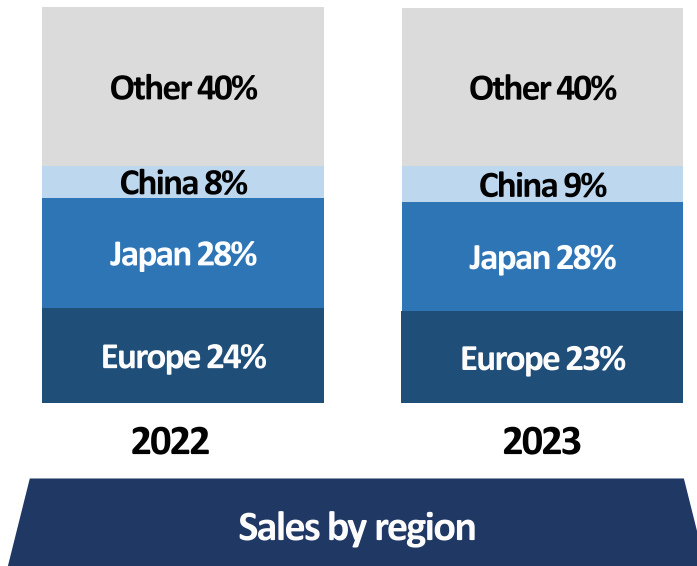
## ► 2023 exports\* KRW 186.1bn, +17.5% YoY

Unit : Billion KRW

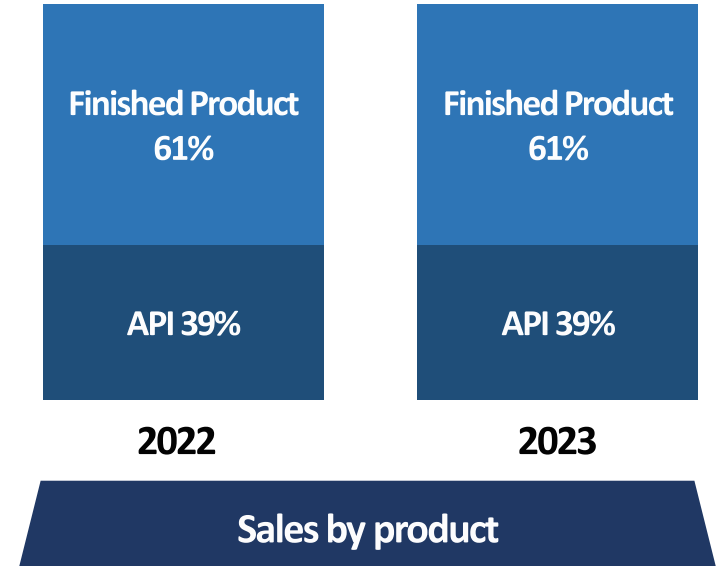
	2023	2022	YoY	2023 4Q	2023 3Q	QoQ
Domestic	885.3	820.2	7.9%	255.3	225.6	13.2%
Export	186.1	158.4	17.5%	45.9	44.2	3.9%

## ► Export details

*Similar Sales proportion by region*



*Maintained Proportion of product sales*



- ▶ 4Q23 Sales KRW 103.3bn, +22.5% YoY, +10.7% QoQ
- ▶ OP rose +69.6% YoY thanks to respiratory products growth due to outbreak of M. pneumoniae, while decline -26.8% QoQ due to increased R&D and SG&A expenses

Unit : Billion KRW

		2023 4Q	2022 4Q	YoY	2023 3Q	QoQ
Billion KRW	Sales	103.3	84.3	22.5%	93.3	10.7%
	Operating Profit (%)	19.1 (18.4%)	11.2 (13.3%)	69.6%	26.0 (27.9%)	-26.8%
	Pre-tax Income (%)	6.6 (6.4%)	11.7 (13.8%)	-43.4%	27.3 (29.2%)	-75.8%
	Net Income (%)	6.2 (6.0%)	10.0 (11.9%)	-37.6%	23.8 (25.5%)	-73.8%
1,000 RMB	Sales	565,626	442,173	27.9%	516,795	9.4%
	Operating Profit	104,756	59,150	77.1%	144,036	-27.3%
	Pre-tax Income	37,208	61,354	-39.4%	150,750	-75.3%
	Net Income	35,088	52,678	-33.4%	131,667	-73.4%

- ▶ 4Q23 Sales KRW 33.6bn, +13.5% YoY, +56.0% QoQ
- ▶ Profitable CDMO leads to sales increase, resulting in a shift to QoQ profitability

Unit: Billion KRW

	2023 4Q	2022 4Q	YoY	2023 3Q	QoQ
Sales	33.6	29.6	13.5%	21.6	56.0%
Operating Profit (%)	1.6 (4.9%)	1.3 (4.3%)	30.4%	-1.5 (-6.9%)	TTB
Pre-tax Income (%)	1.3 (3.8%)	1.2 (3.9%)	11.0%	-1.3 (-6.2%)	TTB
Net Income (%)	1.4 (4.1%)	0.9 (3.1%)	47.8%	-1.4 (-6.3%)	TTB

# Cost Analysis



- ▶ 2023 R&D investment KRW 205.0bn, 13.8% of revenue
- ▶ 4Q23 R&D investment : KRW 68.7bn (16.3% of revenue)

Unit: Billion KRW

		2023	2022	YoY	2023 4Q	2023 3Q	QoQ
Consol.	SG&A	426.8	406.1	5.1%	113.8	101.3	12.3%
	R&D Investment	205.0	177.9	15.2%	68.7	45.1	52.5%
Hanmi Pharm	SG&A	251.6	241.6	4.1%	68.5	63.8	7.3%
	R&D Investment	164.9	138.6	18.9%	49.7	37.8	31.4%
Beijing Hanmi	SG&A	169.1	158.7	6.6%	44.5	35.9	23.8%
	R&D Investment	32.3	33.9	-4.7%	16.9	5.4	212.2%
Hanmi Fine Chem	SG&A	7.7	7.1	8.5%	1.9	1.7	8.0%
	R&D Investment	7.8	5.4	44.8%	2.2	1.8	18.5%



# Appendix

# Income Statement Consolidated Business Results



Unit: Billion KRW

	2023	2022	YoY	2023 4Q	2023 3Q	QoQ
Sales	1,490.9	1,331.5	12.0%	422.4	364.6	15.8%
COGS	661.6	613.0	7.9%	179.2	165.8	8.1%
%	44.4%	46.0%		42.4%	45.5%	
SG&A	426.8	406.1	5.1%	113.8	101.3	12.3%
%	28.6%	30.5%		26.9%	27.8%	
Operating profit	220.7	158.1	39.6%	70.1	57.5	21.9%
%	14.8%	11.9%		16.6%	15.8%	
Pre-tax income	194.0	121.0	60.3%	56.9	56.3	1.1%
%	13.0%	9.1%		13.5%	15.4%	
Net income	159.3	101.6	56.8%	30.3	60.5	-49.9%
%	10.7%	7.6%		7.2%	16.6%	



# Balance Sheet Consolidated Business Results



Unit: Billion KRW

	As of Dec 2023	As of Dec 2022	YoY
Current Asset	730.6	694.2	5.3%
Non-Current Asset	1,161.5	1,230.4	-5.6%
<i>Total Asset</i>	<i>1,892.2</i>	<i>1,924.6</i>	<i>-1.7%</i>
Current Liability	704.3	676.7	4.1%
Non-Current Liability	93.8	238.6	-60.7%
<i>Total Liability</i>	<i>798.0</i>	<i>915.4</i>	<i>-12.8%</i>
<i>Total Equity</i>	<i>1,094.1</i>	<i>1,009.2</i>	<i>8.4%</i>

# Income Statement - Hanmi Science Consolidated



Unit: Billion KRW

	2023	2022	YoY	2023 4Q	2023 3Q	QoQ
Sales	1,247.9	1,046.1	19.3%	331.9	309.4	7.3%
COGS	1,190.9	1,017.9	17.0%	313.8	297.2	5.6%
Operating profit	125.1	67.6	85.0%	31.6	35.8	-11.6%
Pre-tax income	132.1	73.2	80.6%	46.8	33.1	41.4%
Net income	115.8	69.0	67.8%	35.3	30.8	14.6%

	Pre-clinical	Phase 1	Phase 2	Phase 3	Registration	Approved
<b>Obesity/ Metabolism</b>	<b>LAPSGlucagon Combo</b> [HM15136+Efpeglenatide] Obesity/Metabolic disease		<b>LAPSGLP/GCG</b> [Efinopegdutide] MASH, formerly NASH	<b>LAPSExd4 Analog</b> [Efpeglenatide] T2DM/Obesity		
	<b>LA-GLP/GIP/GCG</b> [HM15275] Obesity		<b>LAPSTriple Agonist</b> [Efocipegtrutide] MASH, formerly NASH			
<b>Oncology</b>	<b>SOS1</b> [HM99462] Solid tumors	<b>Rolvedon®</b> [Eflapegrastim] Chemotherapy-induced Neutropenia (Same Day Administration)	<b>pan-RAF Inhibitor</b> [Belvarafenib] BRAF mutant/fusion solid tumor	<b>pan-HER Inhibitor</b> [Pozotinib] HER2 exon 20-mutated NSCLC (2 <sup>nd</sup> line)	<b>Oraxol®</b> [Paclitaxel+Encequidar] Solid tumors (breast cancer)	<b>Rolvedon®</b> [Eflapegrastim] Chemotherapy-induced Neutropenia
	<b>LAPSL-2 Analog</b> [HM16390] Solid tumors	<b>pan-RAF Inhibitor</b> [Belvarafenib] Solid tumors (melanoma)	<b>CCR4 Antagonist</b> [FLX475] Solid tumors 			
		<b>PD-1/HER2 BsAb</b> [BH2950] Solid tumors	<b>BTK</b> [Poseltinib] B-cell lymphoma			
		<b>MKI</b> [Tuspetinib] Acute Myeloid Leukemia				
		<b>EZH1/2 Inhibitor</b> [HM97662] Solid tumors, hematologic cancers				
		<b>PD-L1/4-1BB BsAb</b> [BH3120] Solid tumors				
	<b>LAPSTriple Agonist</b> [HM15211] Idiopathic Pulmonary Fibrosis		<b>LAPSGlucagon Analog</b> [HM15136] Congenital Hyperinsulinism			<b>Synjoynt®</b> [Sodium hyaluronate] Pain in osteoarthritis of the knee
<b>Rare Diseases/ Other</b>	<b>Long-acting GLA</b> [HM15421] Fabry disease		<b>LAPSGLP-2 Analog</b> [HM15912] Short Bowel Syndrome			
			<b>LAPShGH</b> [Efpegsomatropin] Growth Hormone Deficiency			
			<b>Luminate®</b> [ALG-1001] Dry Age-related Macular Degeneration			

**Thank You**

 **Hanmi Pharmaceutical**