Stock Code：1762

Chunghwa Chemical Synthesis & Biotech Co., Ltd.

C C S B

Second Quarter 2023 Investor Conference

August 29, 2023



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.

Company Highlight

- **Stock Code:1762**
- **Market Cap:5 billion**
- **Employee:360 (As of 2023/06/30)**
- **2023 /1/1-6/30 Revenue 1.3 billion**

- **Brief History**
- **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

Key Strength

- An API factory with bio-fermentation and chemical synthesis technology and equipment at the same time
- Comply with and pass the US FDA and European PIC/S regulations and related factory inspections
- Certified API master file DMF for a variety of products, Export products are competitive
- Entered the API market for small batch R&D

US DMF 註冊產品

8625 Dexbrompheniramine Maleate	13080 METHOCARBAMOL	14234 GUAIFENESIN	14235 PRAVASTATIN SODIUM	17399 RAPAMYCIN	17573 TRANDOLAPRIL
18494 MYCOPHENOLATE MOFETIL	18985 TACROLIMUS	23213 TACROLIMUS SD20	23434 METAXALONE	24372 MYCOPHENOLATE MOFETIL HCL	26271 ETHYL ICOSAPENTATE
26819 EVEROLIMUS PRE-MIX	27216 EVEROLIMUS	27585 CASPOFUNGIN ACETATE	31189 RAPAMYCIN (SIROLIMUS)	31276 CARFILZOMIB	33333 MYCOPHENOLATE MOFETIL (PROCESS B)
35848 MYCOPHENOLATE SODIUM	35849 FAVIPIRAVIR	36030 BARICITINIB	36174 RIBOCICLIB SUCCINATE	36640 MIDOSTAURIN	37532 TOFACITINIB CITRATE
37586 PALBOCICLIB	37597 OZANIMOD HCL	38111 EVEROLIMUS B02	38310 TACROLIMUS (PROCESS B)		

Key Products

- Active Pharmaceutical Ingredients (API) for brand drugs and generic drugs
  - Tacrolimus：As an immunosuppressant API, it is used to prevent organ transplant rejection
  - Everolimus：It is an anticancer drug or a cardiovascular stent coating drug and an immunosuppressive raw material drug.
  - Ethyl Icosapentate：Triglyceride lowering medication.

Consolidated Comprehensive Income Statement

Amount: NT$ Thousand

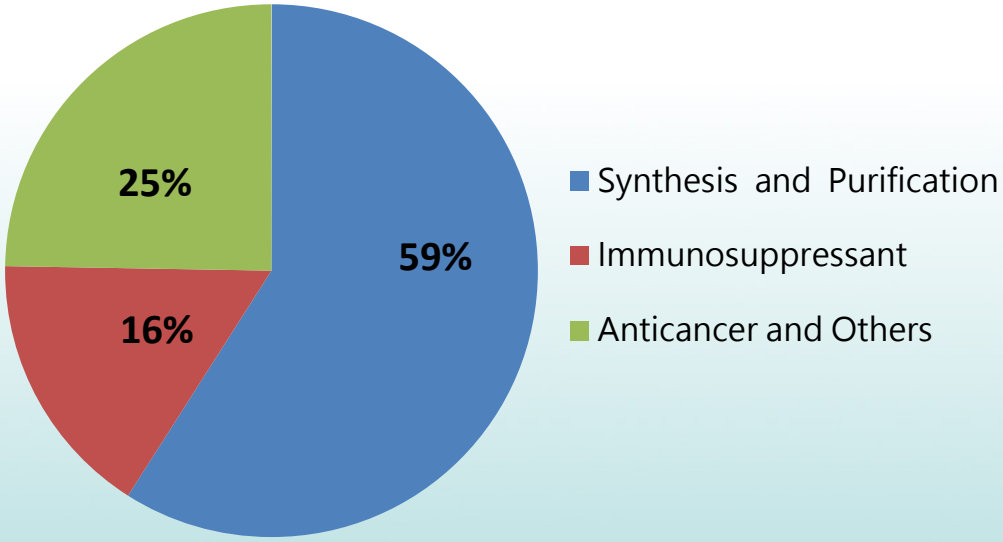
Item \ Year	2023/1/1-6/30		2022/1/1-6/30		YOY (%)
	Amount	%	Amount	%	
Net Sales	$1,291,890	100%	$1,108,934	100%	16%
Gross Profit	505,020	39%	530,098	48%	-5%
Operating Profit	236,031	18%	292,251	26%	-19%
Profit before Tax	271,374	21%	362,831	33%	-25%
Net Profit	$208,847	16%	$275,721	25%	-24%
Net Profit Attributable to Owners of Company	$208,847	16%	$275,556	25%	-24%
Basic EPS(NT$)	$2.69		$3.55		

2023/1/1-6/30 Sales Distribution By Region

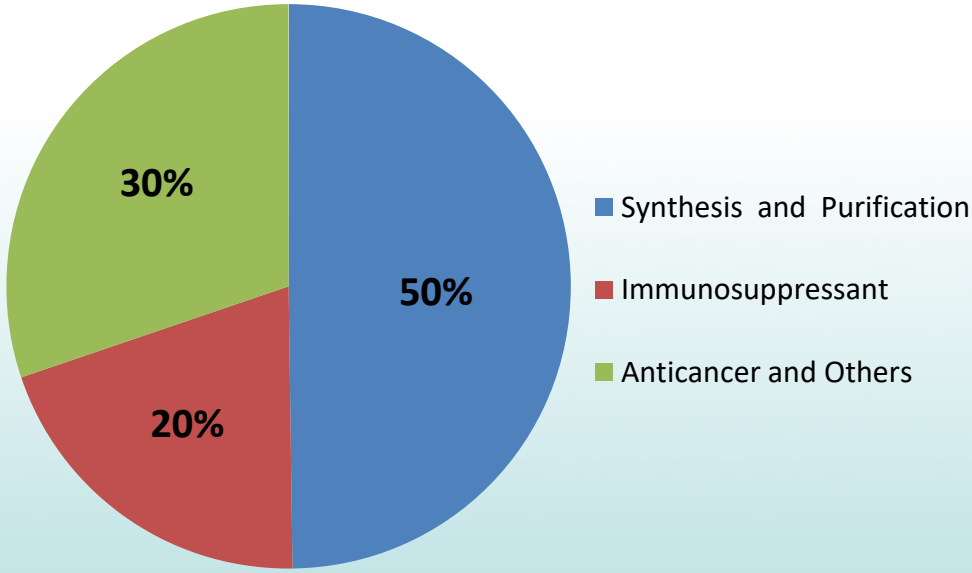
Region/ Product	%	EPAE	EVE	FK506	MMF	RAPA	CAS	MCB
US	67%	●	●		●	●		
Asia	16%		●	●		●		
Europe	16%		●			●	●	●
Taiwan	1%			●				

Share of Revenue by Key Products

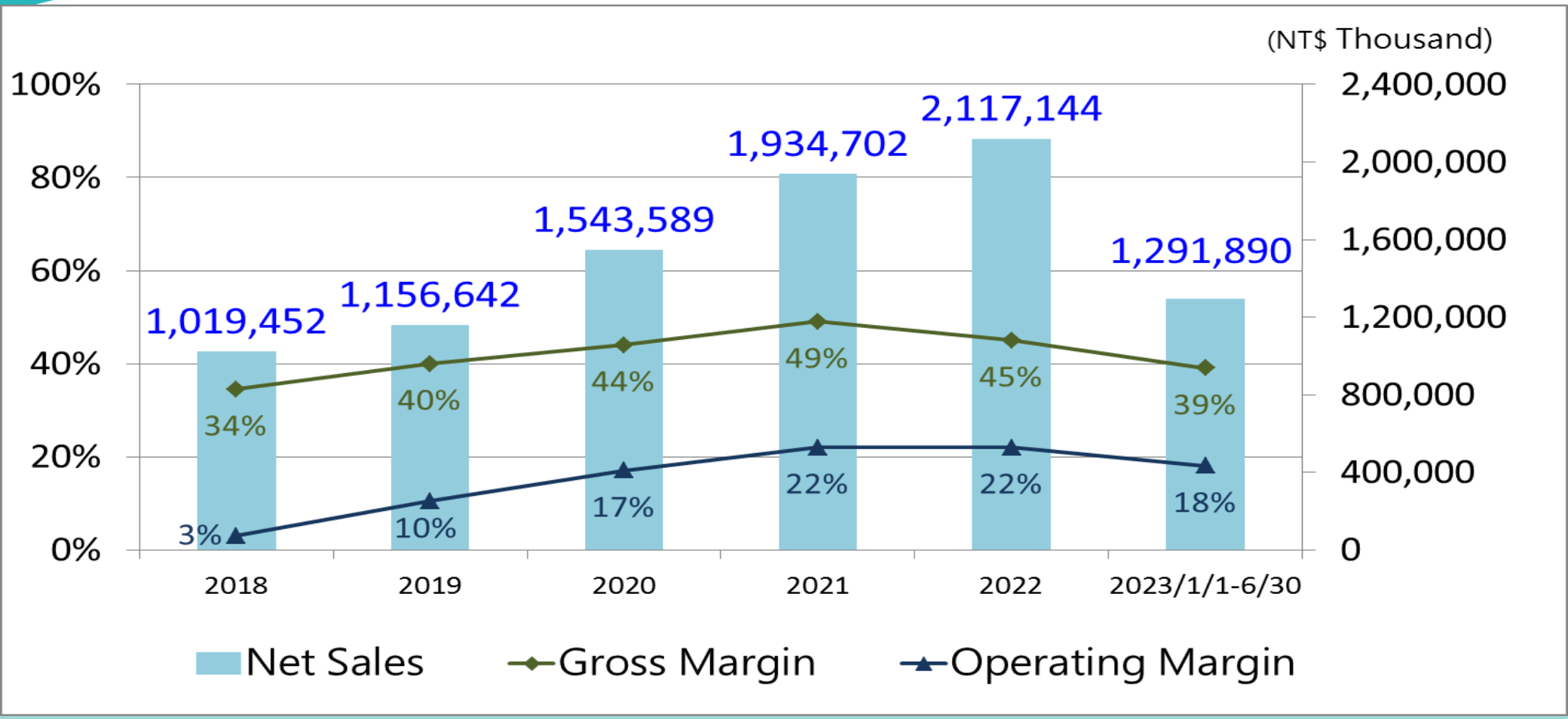
2023/1/1-6/30



2022/1/1-6/30



Consolidated Profitability Of The Latest 5 Years and Jan~Jun 2023



Consolidated Balance Sheet

Amount: NT$ Thousand

Item \ Year	2023/06/30		2022/06/30	
	Amount	%	**Amount**	%
Cash and Cash Equivalents	304,386	6%	286,819	7%
Accounts Receiable	351,655	7%	316,149	7%
Inventory	841,867	17%	725,713	16%
Investments accounted for using equity method	992,644	20%	937,671	21%
Property, Plant & Equipment	2,251,958	46%	1,943,670	44%
Total Assets	**4,927,377**	**100%**	**4,401,515**	**100%**
Short and Long Term Loan	820,000	16%	600,000	13%
Accounts Payable/Other payables	419,442	9%	465,335	11%
Deferred tax liabilities	259,843	5%	254,179	6%
Total Liabilities	**1,612,287**	**33%**	**1,411,351**	**32%**
Total Shareholder's Equity	**3,315,090**	**67%**	**2,990,164**	**68%**
Debt to Total Asset Ratio	33%		32%	
Current Ratio	246%		257%	

Latest News

Capacity

- Invested the new equipment to increase product competitiveness of Caspofungin and Everolimus.

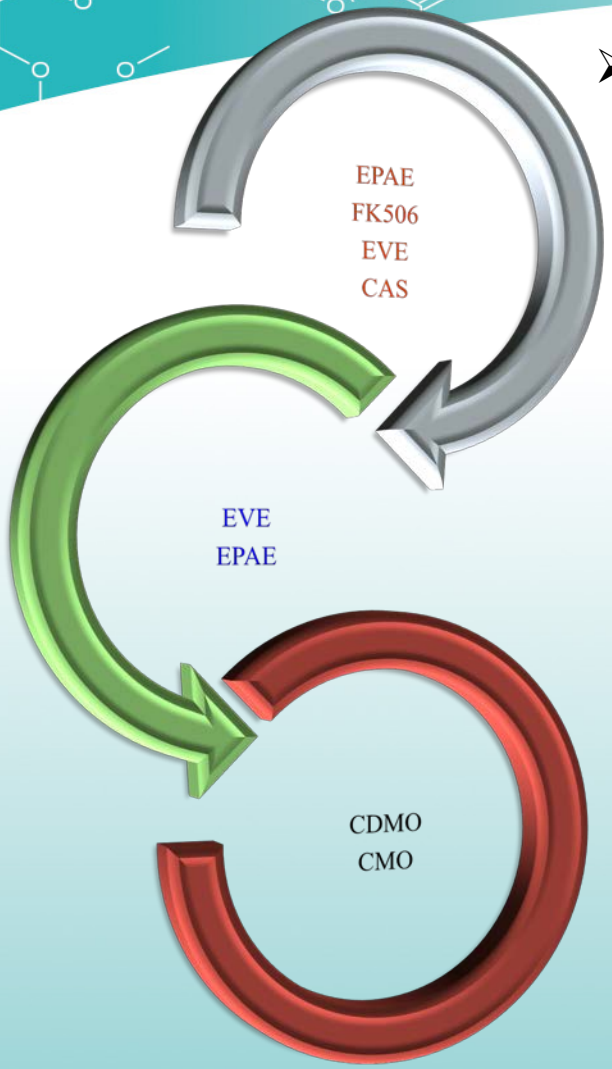
Regulatory

- Accomplished the US DMF application for Everolimus B02 and Tacrolimus (process B).
- Accomplished customer’ s remote on-sited inspection from Taiwan, Japan and TFDA.

ESG

- Held the "Embrace Life" public welfare activity to care for the elderly in the community and implement ESG social care in June.

Future Outlook (1/2)



- Process optimization, strain improvement and capacity increase of key products Everolimus, Tacrolimus, Caspofungin and new capacity of Ethyl Icosapentate will be installed, which will further boost market penetration and share.
- Launch of P4 products, Everolimus and Ethyl Icosapentate, 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 (2/2)

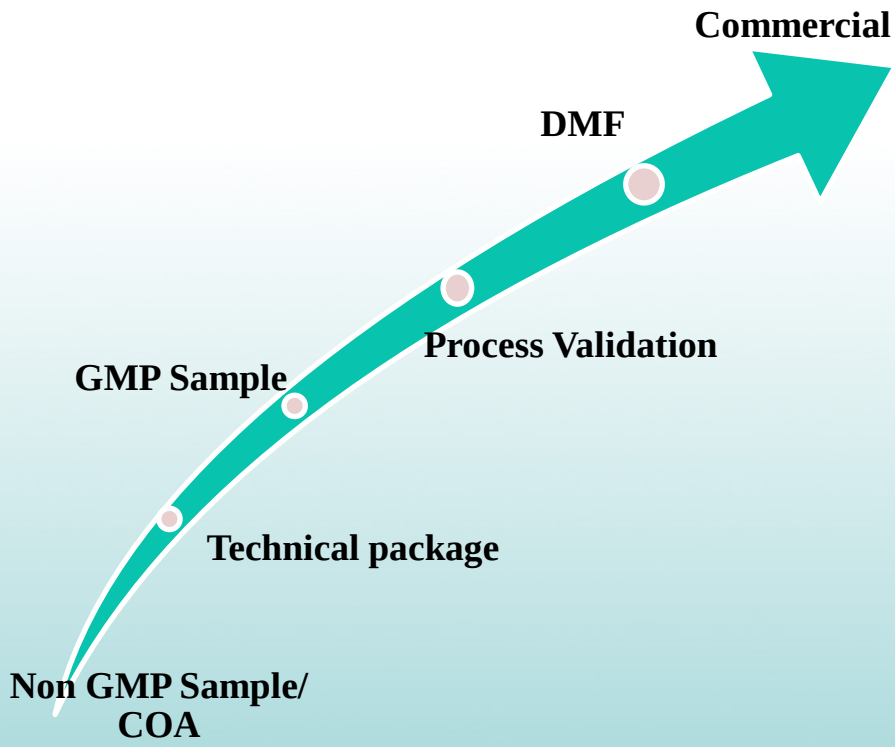
P4 Product (5-10 year launch)

- CKD-Associated Pruritus
  Difelikefalin Acetate
- Multiple Sclerosis
  Ozanimod HCl
- Genetic Obesity
  Setmelanotide Acetate

P3 Product (3-5year launch)

- Anti-coagulant
  Edoxaban Tosylate Monohydrate
- Epilepsy, Seizures
  Eslicarbazepine Acetate, Brivaracetam
- Hematology
  Eltrombopag Olamine
- Oncology
  Midostaurin
- Breast cancer
  Palbociclib, Ribociclib Succinate
- Rheumatoid Arthritis
  Baricitinib, Tofacitinib Citrate

◆ **Development Milestones**



List of Abbreviations

Abbreviation	Full name	Treatment for
EPAE	Ethyl Icosapentate	Hypertriglyceridemia, Cardiovascular Risk Reduction
EVE	Everolimus	Renal Cell Carcinoma, Breast Cancer, Neuroendocrine Carcinoma Organ Transplant, Rejection Prophylaxis
FK	Tacrolimus	Organ Transplant, Rejection Prophylaxis
MMF	Mycophenolate Mofetil	Organ Transplant, Rejection Prophylaxis
RAPA	Rapamycin (Sirolimus)	Immunosuppressant
CAS	Caspofungin Acetate	Antifungal
MCB	Methocarbamol	Muscle relaxer

Always a Team Player







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