



**GLOBAL INNOVATIVE PARTNER
OF VACCINE AND BIOTECH**

SK bioscience

**Earnings Release
1Q 2022**



Earnings Release 1Q 2022

DISCLAIMER

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 1Q 2022 financial results is completed. The audit outcomes may cause some parts of this document to change.

- This document contains “forward-looking statements”, which are addressed based on our current business environment and strategies. Certain risks and uncertainties in the future, such as changes in business environment and strategies, may cause actual results to be materially different from those expressed in this document.

1Q 2022 Highlight

GBP510 Phase 3 Results Announced



- ➔ Neutralizing antibody levels 2.93 times higher than comparator vaccine, with 98% seroconversion rate (comparator 87%)
- ➔ Outstanding safety profile given safety evaluation criteria
 - ※ Advance purchase agreement signed with Korean Government (10m dz., '22.3.21)

Next Generation Vision Launched



“ Global Innovative Partner of Vaccine and Biotech ”

- ➔ COVID-19 & endemic response
- ➔ Expanding technology platforms & vaccine portfolio
- ➔ Global expansion via ‘glocalization’
- ➔ Biotech – CGT business aspirations
- ➔ Manufacturing and R&D infra upgrades



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Phase 3 Results

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Earnings Results



(1) Income Statement

Decreases in revenue & operating profit(YoY/QoQ) due to CMO QA Spot Issue

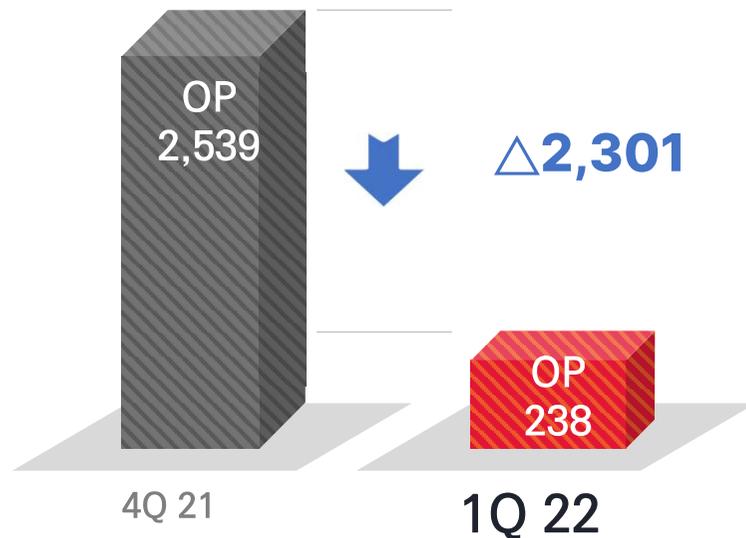
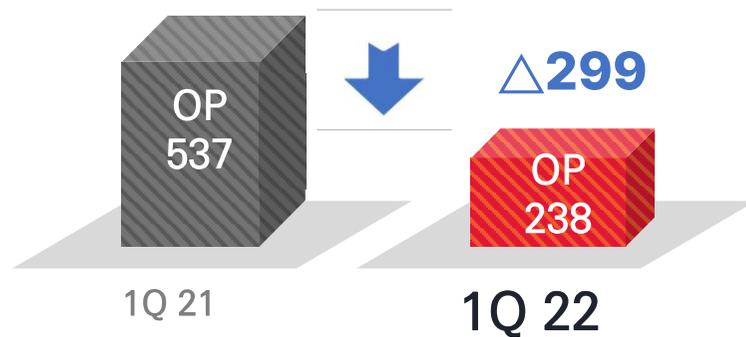
(unit : KRW 100Mn)

Financials	1Q21	4Q21	1Q22	YoY (%)	QoQ (%)
<u>Revenue</u>	1,127	4,509	871	△23%	△81%
COGs	393	1,684	393	-	-
<u>Gross Profit</u>	734	2,825	478	△35%	△83%
(%)	65%	63%	55%	△10%p	△8%p
SG&A expenses	197	286	240	-	-
<u>Operating Profit</u>	537	2,539	238	△56%	△91%
(%)	48%	56%	27%	△21%p	△29%p
Non-operating profit & loss	13	△23	90	-	-
<u>Profit before Income Tax</u>	550	2,516	328	△40%	△87%
Income tax	131	676	50	-	-
<u>Net Profit</u>	419	1,840	278	△34%	△85%

(2) Profit Analysis

Key Profit Analysis

(unit : KRW 100Mn)



YoY $\Delta 299$

- Realization of revenue from AZ CMO contract in 1Q21 (contract ended EoY 2021)
- Profit realization postponed due to CMO QA Spot Issue (postponement to 2Q22)

* Task delay from QA(Quality assurance) institution

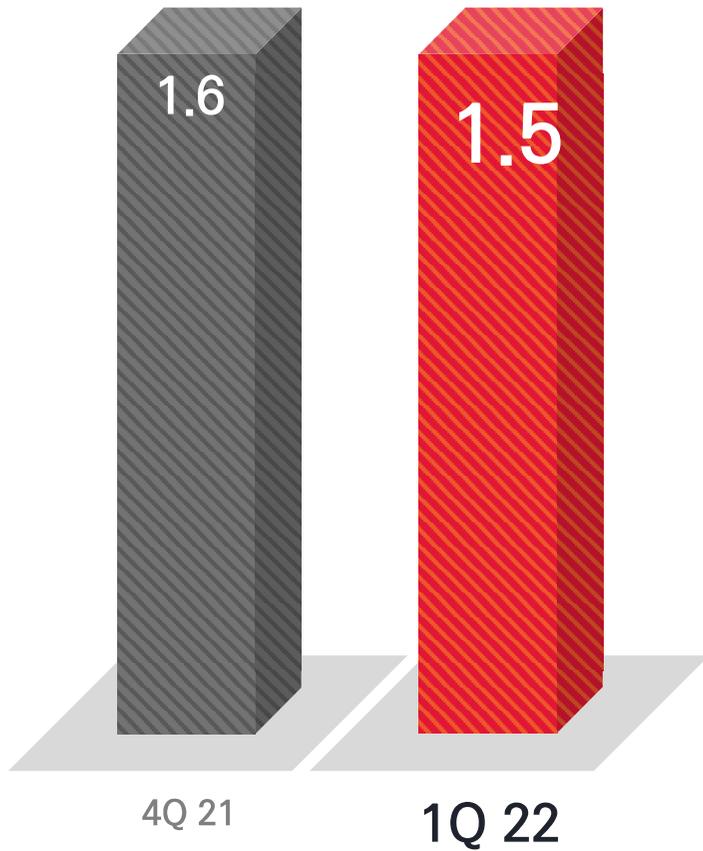
QoQ $\Delta 2,301$

- High performance in 4Q21 due to realization of revenue from Novavax L/I (DS)
- Profit realization postponed due to CMO QA Spot Issue (postponement to 2Q22)

(3) Balance Sheet Highlight

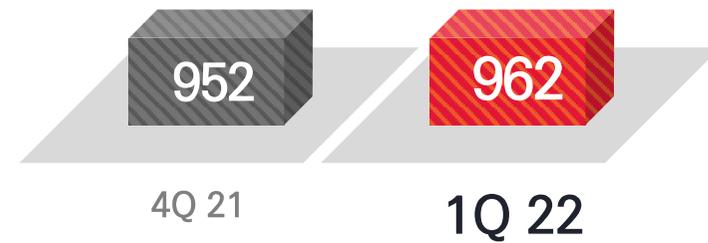
Cash

(unit : KRW trillion)



Loan Payable

(unit : KRW 100Mn)



(4) Profitability Index

1Q21 | 2Q21 | 3Q21 | 4Q21 | 1Q22

GP Margin



OP Margin



OP



(5) Financial Statement

Balance Sheet

(Unit : KRW Mn)

Category	2020.12.31	2021.12.31	2022.03.31
Total Assets	562,232	2,110,123	2,001,425
Current Assets	333,902	1,837,804	1,703,675
Cash & cash equivalents	215,898	1,645,663	1,481,789
Account receivable & other receivable	45,838	48,135	57,536
Inventories	70,275	135,046	149,823
Other current assets	1,891	8,960	14,527
Non-current Assets	228,330	272,319	297,750
PP&E	180,992	210,265	227,303
Intangible assets	17,858	17,061	16,942
Other non-current assets	29,480	44,993	53,505
Total Liabilities	298,442	508,811	367,793
Current Liabilities	180,640	459,952	311,184
Account payable & other payable	39,153	102,185	33,422
Short-term borrowings	-	11,671	11,920
Current bonds	10,995	47,978	47,987
Current contract liabilities	94,899	98,789	114,620
Other current liabilities	35,593	199,329	103,235
Non-current Liabilities	117,802	48,859	56,609
Bonds	80,473	35,503	36,273
Long-term borrowings	21,760	-	-
Other non-current liabilities	15,569	13,356	20,336
Total Equity	263,790	1,601,312	1,633,632
Capital stock	30,600	38,250	38,300
Capital surplus	180,518	1,157,064	1,158,089
Other equity	901	901	4,104
Accumulated other comprehensive income	△1,465	△208	28
Retained earnings	53,236	405,305	433,111
Net Cash	102,671	1,550,512	1,385,608

※ Net Cash = Cash & Cash equivalents + Deposits - Debt (except Lease Liabilities)

Income Statement

(Unit : KRW Mn)

Category	1Q21	2Q21	3Q21	4Q21	2021 Cum.	1Q 22
Revenue	112,710	144,604	220,829	450,858	929,001	87,091
COGS	39,308	61,566	89,476	168,368	358,718	39,283
Gross Profit	73,402	83,038	131,353	282,490	570,283	47,808
SG&A expenses	19,687	16,884	30,946	28,546	96,063	24,056
Operating Profit	53,715	66,155	100,406	253,944	474,220	23,752
Non-operating profit & loss	1,327	1,737	△3,834	△2,322	△3,092	9,005
Profit before Income Tax	55,042	67,892	96,572	251,622	471,128	32,757
Income tax	13,117	15,080	20,135	67,656	115,989	4,951
Net Income	41,925	52,812	76,437	183,966	355,139	27,806



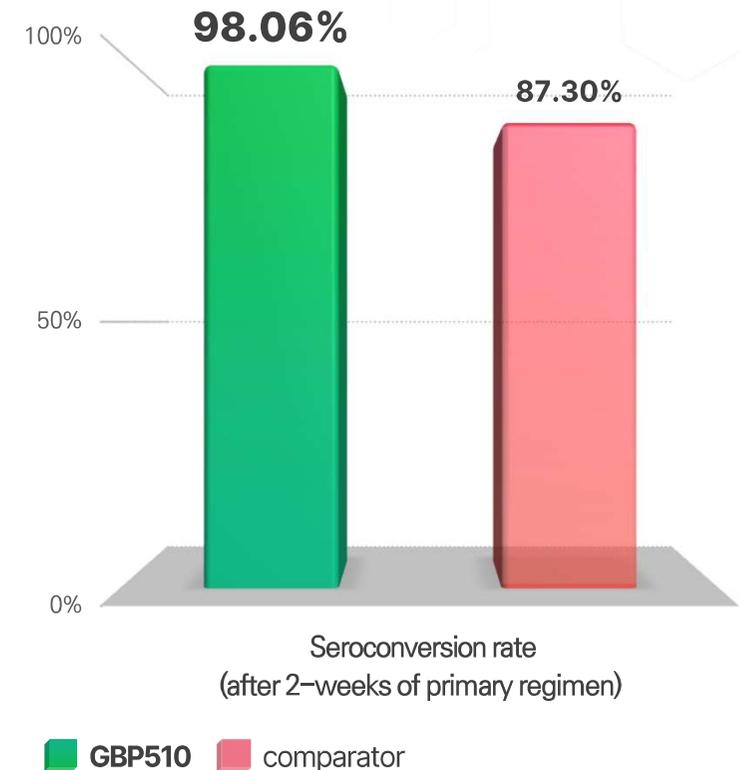
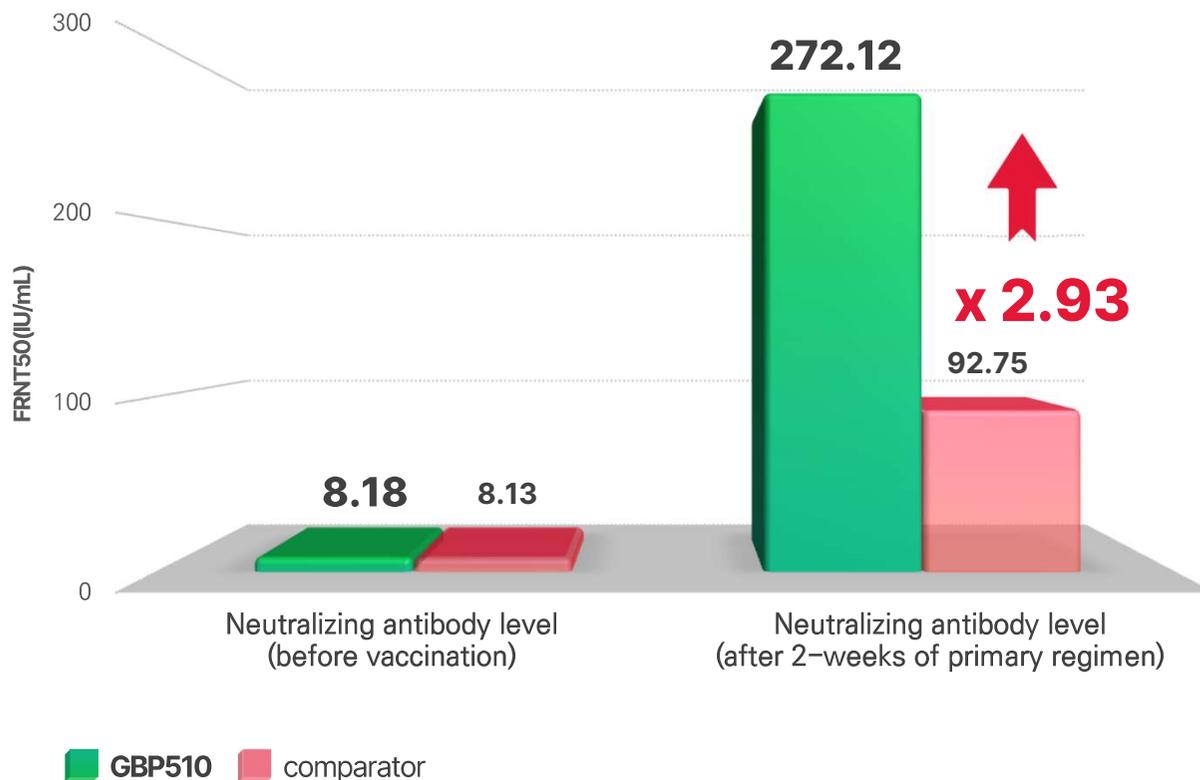
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**GBP510
Phase 3 Results**

 **SK bioscience**

(1) GBP510 Phase 3 Results – Immunogenicity

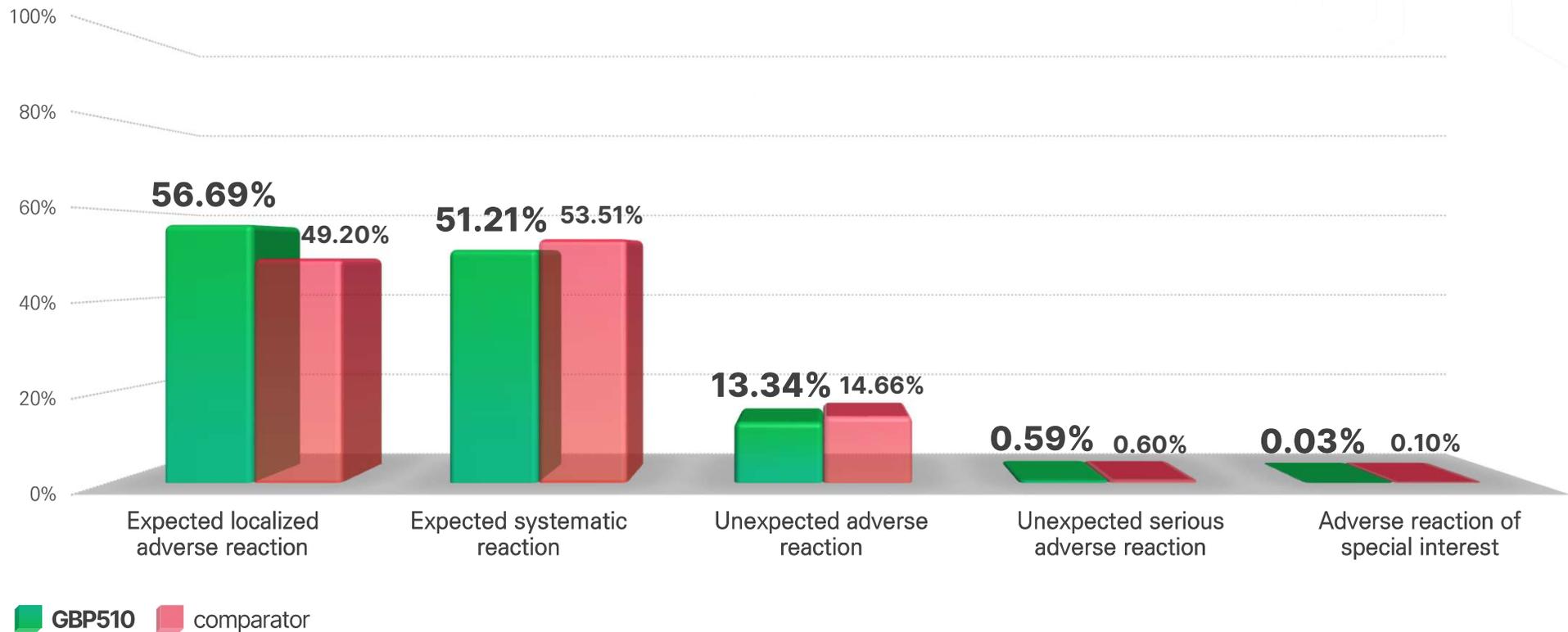
- ✓ GBP510's neutralizing antibody level was **2.93 times** higher than comparator vaccine, compared two weeks after primary regimen (two doses at 4-week interval), satisfying superiority thesis
- ✓ Seroconversion rate¹⁾ was higher to a statistically significant margin than comparator (**10% points higher**)



1) Seroconversion rate : proportion of participants with more than 4 times the antibody level increase

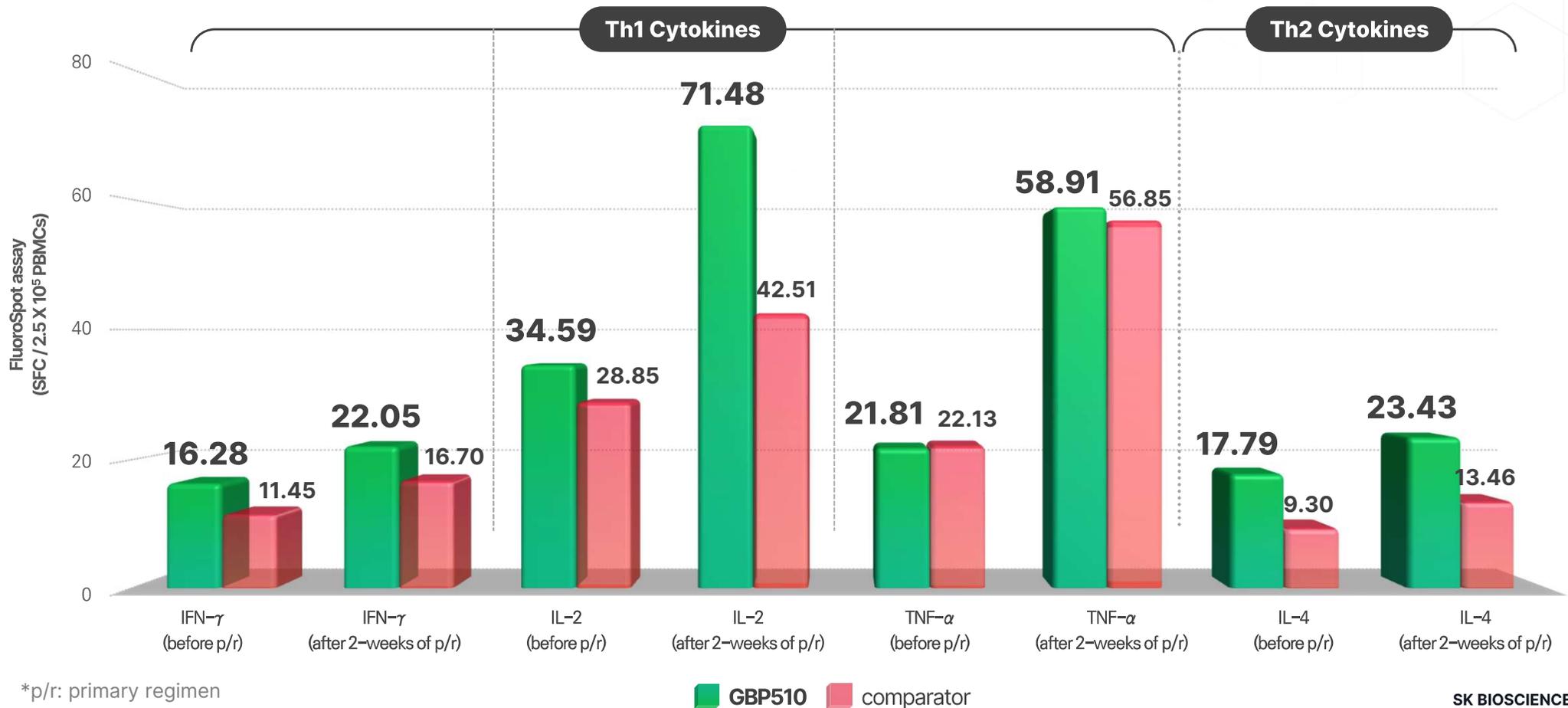
(1) GBP510 Phase 3 Results – Safety

- ✓ Most of adverse reactions from GBP510 were mild or moderate, assessed in a 4-week safety evaluation after primary regimen (two doses at 4-week interval)
- ✓ To date, zero notable safety issues reported for GBP510



(1) GBP510 Phase 3 Results – Cell Immune Response

- ✓ GBP510's Th1 (T helper type 1) cell response – a central indicator of COVID-19 prevention – was also higher, than that of comparator measured 2 weeks following primary regimen
- ✓ Th2 (T helper type 2) cell response was comparatively lower, indicating Th1 dominant cell immune response



(2) Follow-on Clinical Trials

