

Q3 2021 Results

November 2021



The Global Leader in Multiplex Molecular Diagnostics

Agenda

- **2021 Q3 Business Performance**
 - Q3'21 Highlights
 - Q3'21 Financial Review
 - Sales and OP Trend
 - Sales Breakdown by Product Type
 - Equipment Sales
 - Sales Breakdown by Region
 - Summarized B/S and C/F
 - Financial Ratio
 - [Appendix] Company Overview
 - ❖ Introductions of company including key products and core technology

2021 Q3 Business Performance



The Global Leader in Multiplex Molecular Diagnostics

Q3'21 Highlights

Finance

- **Q3 Sales of 305.3 B KRW:** Up 0.5% QoQ; Down 7% YoY
Gross Profit (margin): 206.4B KRW(68%), Operating Profit:128.6B KRW(42%), Net Profit: 93.2B KRW (31%)
- **YTD Revenue of 960.8 B KRW:** Up 41% YoY, account for 85% of '20 yearly revenue
Gross Profit (margin): 698B KRW(73%), Operating Profit: 466.7B KRW(49%), Net Profit: 374.2B KRW(39%)

Product & Market

- **Launched “Seegene Starlet-AIOS”, Fully Automated High-Throughput PCR Testing System**
 - First showcased at AACC, Annual Scientific Meeting & Clinical Lab expo in Atlanta
 - All-in-One System to incorporate Seegene’s cutting-edge high-multiplex syndromic assay
- **Announced to Transform into a “Platform Provider” to Support Regional Assay Development**
 - Platform to provide proprietary assay design software, integrated instruments, and expertise in multiples testing
 - In hands of local diagnostics experts, Seegene accelerates expansion of multiplex assay portfolio
- **Launched Novaplex™ SARS-CoV-2 Variant IV Assay (RUO), Novaplex™ SARS-CoV-2 Variant V Assay (RUO)**
 - New Assay Kits to screen major COVID variants including Delta/Delta Plus/Lambda Variant etc.
- **Key Sales Growth Countries (QoQ):**
 - Asia & Oceania: Vietnam(256%↑), Australia(129%↑), South Korea(46%↑), etc.
 - Europe: Israel(795%↑), Spain(360%↑), etc.
 - Latin America: Mexico(128%↑), etc.

Financial Review

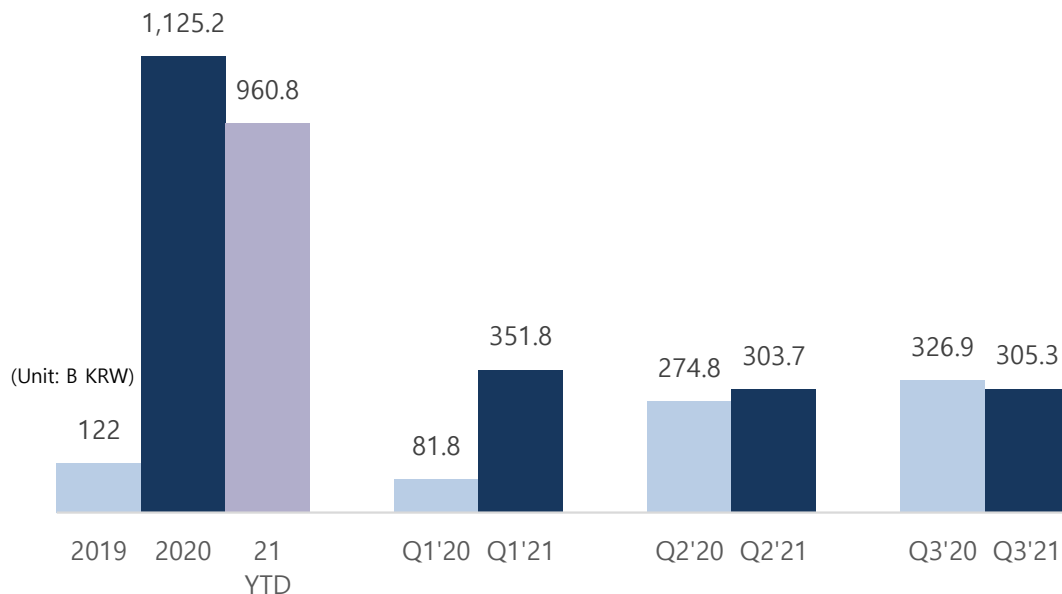
(Unit: B KRW)	Q2'21	Q3'21	Q3'20	QoQ	YoY
Revenue	303.7	305.3	326.9	0.5%	-7%
Cost of Good Sold	81.5	98.9	72.8		
	(%) 27%	32%	22%		
Gross Profit	222.2	206.4	254.0	-7%	-19%
SG&A Exp.	59.5	57.6	37.2		
	(%) 20%	19%	11%		
R&D Exp.	18.5	20.2	6.9		
	(%) 6%	7%	2%		
Operating Profit	144.2	128.6	209.9	-11%	-39%
	(%) 47%	42%	64%		
Non-Operating Gain/Loss	5.9	14.0	(2.4)		
Currency Exchange Gains (Loss)	9.9	7.9	(3.8)		
Income/(Loss) from Affiliates	2.0	5.3	1.0		
Other Non-Operating Inc. (Exp.)	(6.0)	0.8	0.4		
Pretax Income	150.6	142.6	207.5	-5%	-31%
	(%) 50%	47%	63%		
Income Tax Exp.	33.3	49.3	55.0		
Net Earnings	116.7	93.2	152.5	-20%	-39%
	(%) 38%	31%	47%		

- **Sales 305.3B KRW (QoQ▲0.5% & YoY ▼ 7%)**
 - Revenue advancement mainly buoyed by Asia & Domestic Sales
 - Mixed sales numbers in Europe; increase in Northern & decrease in Southern Europe
- **Operating Profit 128.6B KRW (QoQ ▼11% & YoY ▼ 39%)**
 - Predominantly attributable to price adjustments, increased COGS and strategic investments (Talent acquisition and R&D) for long-term growth
- **Non-Operating Gain KRW 14B KRW**
- **Net Profit 93.2B KRW (QoQ ▼ 20% & YoY ▼ 39%)**
 - Income Tax Expense 49.3B KRW

Sales & Operating Profit Trend

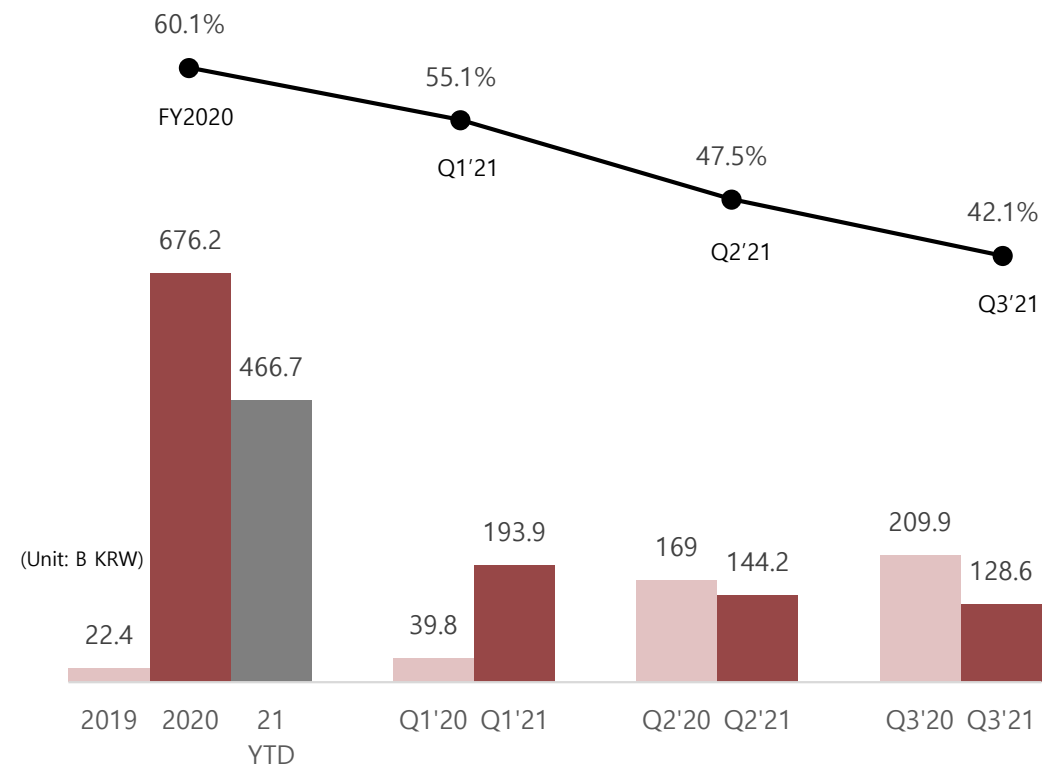
✿ Sales Trend

- Q3 sales of 305.3B KRW, increased 0.5% QoQ
- YTD revenue of 960.8B KRW, accounted 85% of FY20 sales
- 41% YTD revenue growth relative to Q3'20 YTD sales



✿ Operating Profit and OPM Trend

- Operating profit of 128.6B KRW, reduced 11% QoQ
- Operating Profit Margin of 42%, down 5.3%p QoQ



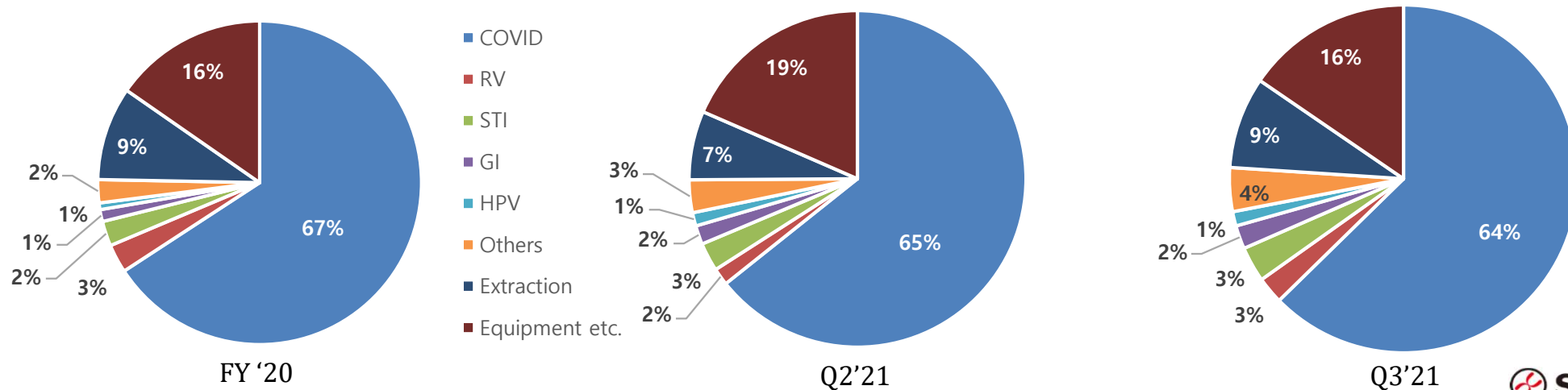
Sales Breakdown by Product Type

Reagent/Equipment Sales

(Unit: KRW Billion)	Q3'20	Q4'20	FY'20	Q1'21	Q2'21	Q3'21	QoQ	YTD
Reagent	283.2	376.7	950.5	282.5	246.6	257.1	▲4.3%	786.2
- COVID	219.6	308.2	749.3	224.8	198.8	195.6	▼1.6%	619.2
- Non-COVID	26.2	26.7	94.7	25.9	27.3	34.9	▲27.8%	88.1
RV	8.7	8.1	32.6	7.2	5.1	7.8	▲52.9%	20.1
STI	7.5	8.6	28.1	7.5	8.5	10.2	▲20.0%	26.2
GI	4.1	4.0	13.7	4.3	5.6	6.8	▲22.2%	16.7
HPV	2.8	3.1	7.7	3.5	4	4.2	▲5.0%	11.7
Others	3.1	2.9	12.6	3.4	4.1	5.9	▲42.7%	13.4
- Extraction	37.4	41.8	106.5	31.8	20.5	26.6	▲29.8%	78.9
Equipment etc.	43.6	65	174.7	69.3	57.1	48.2	▼15.6%	174.6
Total	326.9	441.7	1,125.2	351.8	303.7	305.3	▲0.5%	960.8

* Equipment etc.: Equipment, Accessories, Service

Reagent/Equipment Sales Contribution Trend

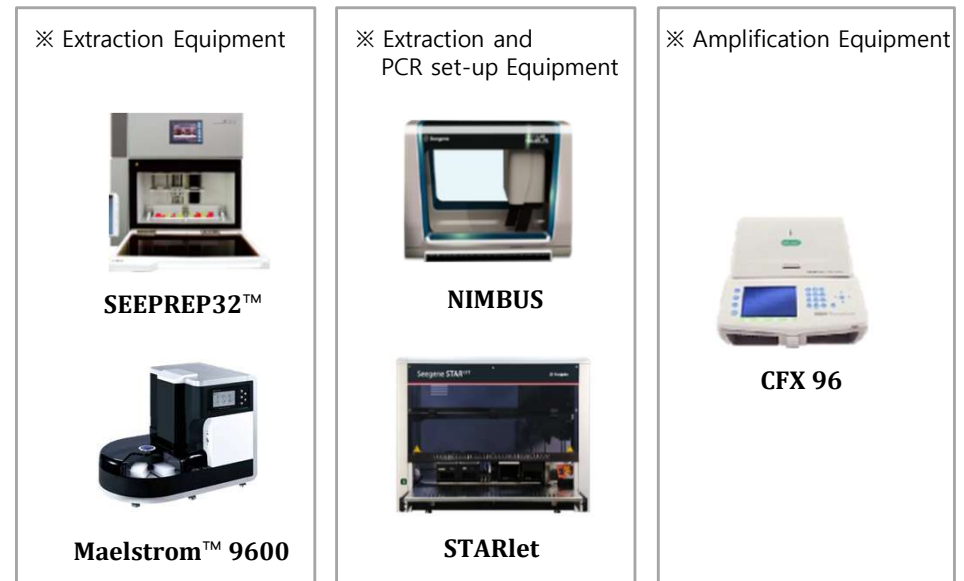
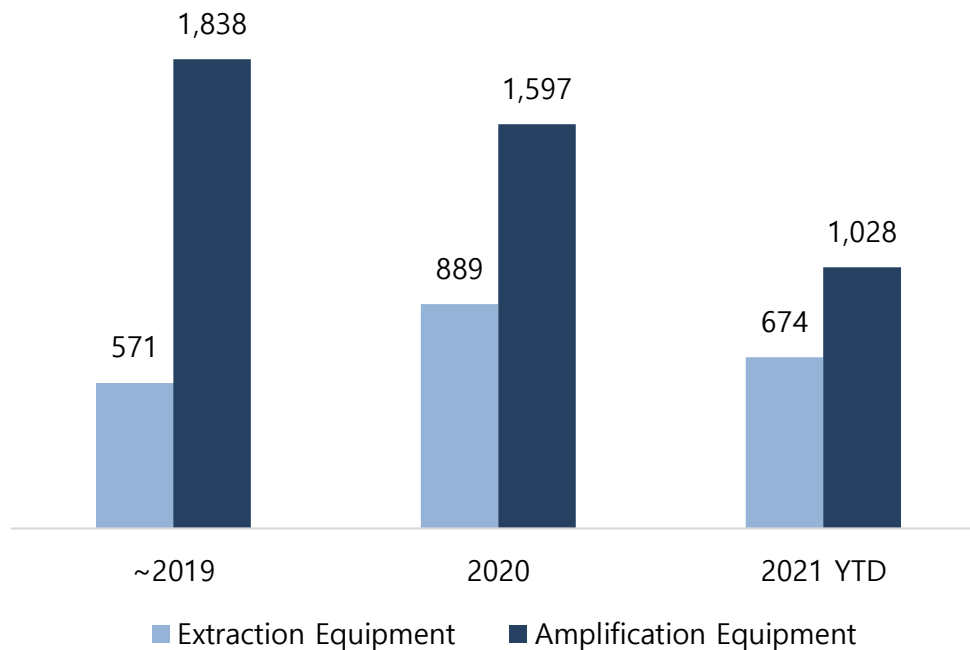


Equipment Sales

✿ Highlights

'21 YTD 1,702 units sold (extraction · amplification)

- Q3'21, extraction equipment (STARlet, NIMBUS, etc.) 186 units; amplification equipment (CFX96) 350 units newly installed
- Equipment installation marched upward in emerging markets including Asia (Malaysia, Thailand) and Central-South America (Chile, Brazil)
 - ※ Central-South America: recorded 29% YoY increase in '21 YTD equipment installation rate
 - Asia: 44% YoY increase in '21 YTD equipment installation rate



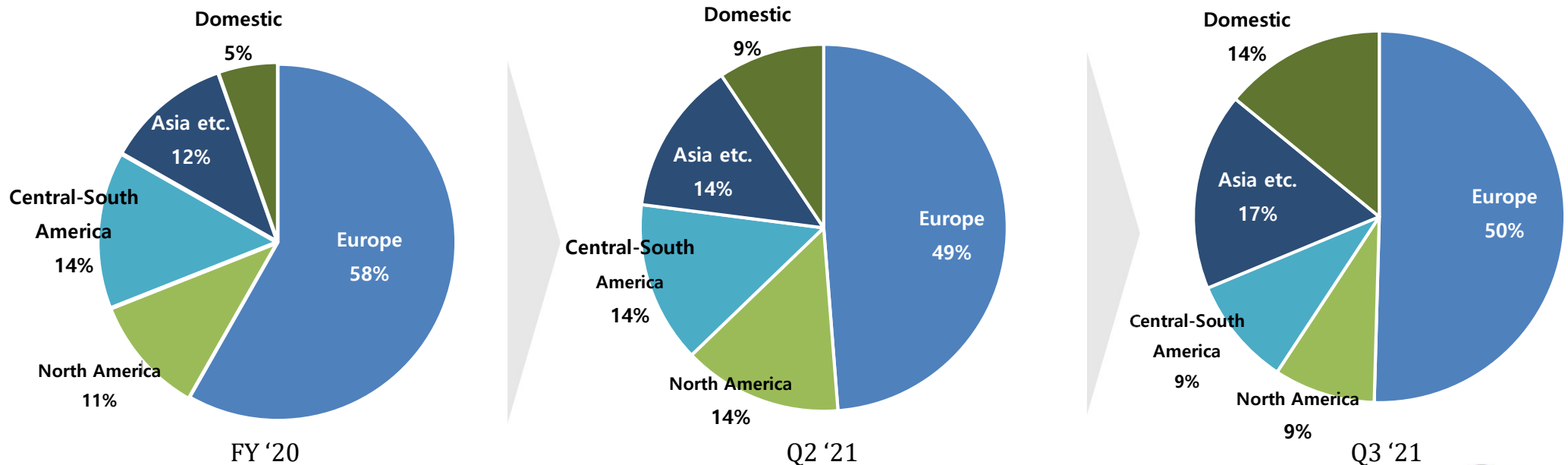
Sales Breakdown by Region

✿ Sales by Region

(Unit: KRW B)	Q3'20	Q4'20	FY 2020	Q1'21	Q2'21	Q3'21	QoQ	YoY	YTD
Europe	198.8	293.8	655.3	221.6	148.1	154.0	▲4.0%	▼22.6%	523.8
North America	32.9	57.4	121.1	43.6	42.6	26.9	▼36.9%	▼18.3%	113.1
Central-South America	42.6	35.7	160.0	25.2	43.2	28.9	▼33.1%	▼32.2%	97.3
Asia etc.	35.7	32.4	128.3	34.1	41.2	52.5	▲27.4%	▲47.1%	127.8
Domestic	16.8	22.5	60.5	27.2	28.6	43.0	▲50.3%	▲156.0%	98.8
Total	326.9	441.7	1,125.2	351.8	303.7	305.3	▲.5%	▼6.6%	960.8

* Asia etc: Asia, Africa, Oceania

✿ Regional Sales Contribution Trend



Summarized B/S and C/F

(Unit: B KRW)

Category	Q3'21	Q2'21	Q3'20
Asset	1,267.9	1,227.1	800.2
· Cash and Equivalents	383.9	264.0	199.9
· Account/other Receivables	208.7	240.6	245.3
· Inventory	250.7	280.6	94.3
· Accounts Receivable Long-Term	23.2	23.8	12.2
· Gross PP&E	221.9	208.4	168.5
· Other Assets	179.5	209.6	80.1
Total Assets	1,267.9	1,227.1	800.2
Liabilities	337.7	355.3	338.6
· Account/other Payables	76.2	114.0	99.6
· Short-term Borrowings	39.5	39.5	41.0
· Curr. Port. Of LT Debt	1.0	0.9	0.8
· Income Taxes Payable	108.7	86.9	108.2
· Long-Term Debt	43.7	43.9	41.3
· Other Liabilities	68.6	70.1	47.7
Equity	930.2	871.9	461.6
· Common Stock	26.1	26.1	13.1
· Additional Paid In Capital	27.5	42.5	67.2
· Retained Earnings	873.6	801.6	379.1
· Minority Interest	2.5	2.0	2.2
Total Liabilities and Equity	1,267.9	1,227.1	800.2

(Unit: B KRW)

Category	Q3'21	Q2'21	Q3'20
Beginning Cash Balance	264.0	312.5	49.1
Cashflow From Operations	182.3	17.0	228.4
· Net Income	93.2	116.7	317.8
· Change in Net Capital Mngt	42.2	(41.1)	(185.6)
· Income Tax Paid	(6.9)	(97.9)	(16.4)
Cashflow From Investments	(27.1)	(13.5)	(149.4)
· Sale (Purchse) of PP&E	(17.6)	(8.2)	(150.2)
· Sale (Purchase) of Intangible Assets	(0.2)	(3.3)	(1.3)
Cashflow From Finance	(37.8)	(54.0)	74.0
· Short Term Debt Issued (Repaid)	(0)	2.5	35.2
· Long Term Debt Issued (Repaid)	(0.5)	0.2	40.1
· Repurchase of Common Stock	(15.0)	(14.6)	0.0
· Dividends Paid	(20.7)	(39.0)	(2.6)
Net Change in Cash	119.9	(48.5)	150.8
Ending Cash Balance	383.9	264.0	199.9

Key Ratios

Profitability Ratios

	Q3'21	Q2'21
OPM	42.0%	47.5%
Net Profit Margin	31.0%	38.4%
EBITDA Margin*	44.0%	49.9%
ROE	43.0%	56.8%
Profitability (Net Profit/Sales)	0.31	0.38
Asset Turnover (Sales/Asset)	1.03	0.99
Leverage (Asset/Equity)	1.36	1.51

* EBITDA = Operating Profit + Depreciation + Amortization

Liquidity Ratios

Current Ratio (Current Asset/Current Liabilities)	347.2%	318.7%
Debt Ratio (Total Debt/Equity)	36.3%	40.8%
Borrowing Ratio (IBD*/Equity)	9.1%	9.7%
Inventory Turnover**	6.6x	5.8x

* Interest Bearing Debt: Short-term Borrowings + Curr. Port. Of LT Debt + Long-Term Debt

** Inventory Turnover: [Annualized Sales ÷ {(Beg. Inv + End. Inv)÷2}]

[Appendix] Company Overview



The Global Leader in Multiplex Molecular Diagnostics



▪ **[Appendix] Company Overview**



- About Company
- Stock Information
- Multiplex Molecular Diagnostics Solution
- Seegene STARlet-AIOS
- Top selling Multiplex Assay
- COVID-19 Variants Assay
- HPV Assay
- Assay Pipeline and Approval Status
- Global IVD outlook
- Global MDx segment outlook
- Seegene's Proprietary PCR Technologies: DPO™, TOCE™, MuDT™, mTOCE™

About Company

Seegene Inc.

- CEO/CTO: Dr. Jong-Yoon Chun
- Established: Sept. 15, 2000 / Listed: Sept. 10, 2010
- Capital: KRW 26,113mn
- Number of employees: 985 (HQ, as of Sept. 30, 2021)
- Product: Molecular Diagnostics (MDx) Reagent
- Key proprietary MDx technologies:
DPO™(2004), TOCE™(2011), MuDT™(2015)

Main Products

Reagent Product	Equipment
 <p>DNA/RNA Extraction Kit Multiplex Assay</p> <ul style="list-style-type: none"> ▪ Infectious Disease ▪ Antibiotic-resistance Typing ▪ SNP Genotyping 	 <p>Nimbus (Hamilton) CFX96 (Bio-Rad)</p> <p>STARlet (Hamilton)</p> <p>[Extraction] [Real-time PCR]</p>

Global Network

- 7 Foreign subsidiaries (Employees: 210) ※including 6 HQ dispatched
: Italy, UAE, US, Canada, Germany, Brazil, Mexico

Over 100 distributors worldwide

Subsidiaries	Date of est.
Arrow Diagnostics (Italy)	Jan. 2014
Seegene Middle East (UAE)	Oct. 2014
Seegene Technologies (USA)	Apr. 2015
Seegene Canada (Canada)	Jul. 2015
Seegene Mexico (Mexico)	Apr. 2016
Seegene Germany GmbH (Germany)	Jul. 2016
Seegene Brazil (Brazil)	Jun. 2019

Foreign Offices

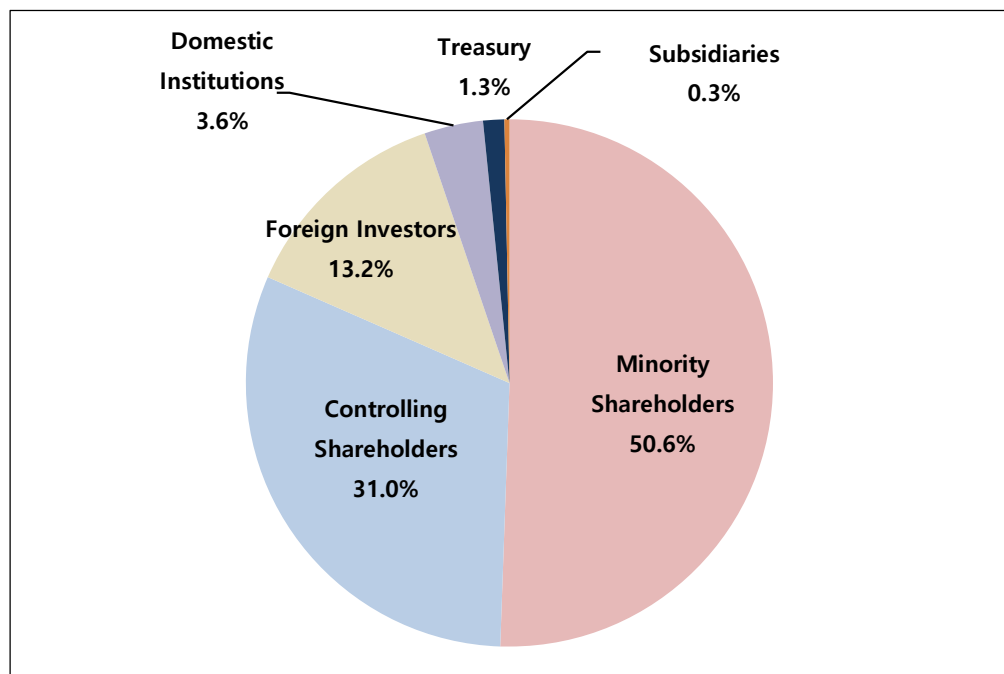


Stock Information

Snapshot

- Ticker: 096530 (KOSDAQ)
- Shares Outstanding: 52,225,994
- Par value: KRW 500
- Market Cap: KRW 3.14 Tr (as of Sept. 30, 2021)
- Avg. Daily Trading Volume: 1,477,682 (Most recent 3months avg.)
- 52 week High / Low: KRW 144,750 / 48,200

Shareholder Structure



Voting Right Status

Classification	Type of Shares	# of Shares	Note
Shares Outstanding (A)	Common Shares	52,225,994	-
	Preferred Shares	-	-
Non-Voting Shares(B)	Common Shares	430,521	Treasury Stock
	Preferred Shares	-	-
Voting Shares(C=A-B)	Common Shares	51,795,473	-
	Preferred Shares	-	-

※ As of April 26, '21, the total number of shares increased from 26,234,020 shares to 25,991,974 shares as a result of the free capital increase (100%)

Dividend Payout

Classification	2019	2020	2021 2Q (Quarterly Div.)	2021 3Q (Quarterly Div.)
Dividend Payment (Unit: mm KRW)	2,599	38,988	20,718	10,313
Div. Per Share (Unit: KRW)	100	1,500	400	200

※ As quarterly dividends are implemented from the 2nd quarter, the 2nd quarter dividend is the amount that takes into account the unpaid 1st quarter.

Multiplex Molecular Diagnostics Solution

All MDx Assays in One Platform

- ✓ Seegene's **All in One Platform** provides one-step testing solution via single platform compatible with all SG multiplex assay menu

Automated extraction & PCR setup

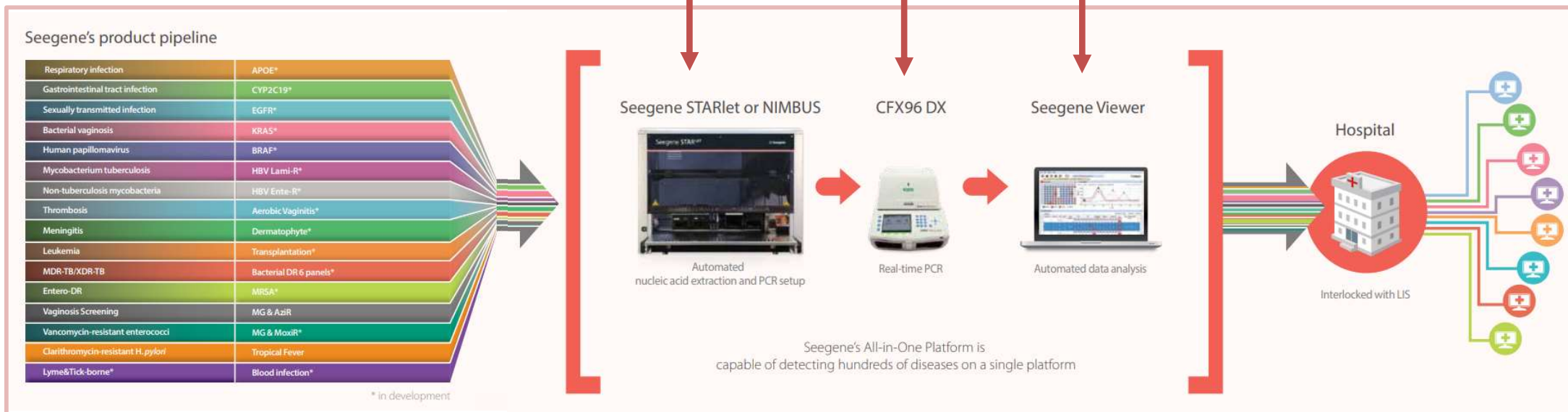
- One-step process of Nucleic acid extraction & PCR setup
- applicable with wide range of specimen sample type
- All equipment compatible with SG launcher and viewer

Real-time PCR

- Accurate multiplex real-time PCR results driven by DPO™, TOCE™, MuDT™
- Availability of over 120 assay menus
- Multiplex assay with qualitative and quantitative result

Automatic analysis of test results

- Interface optimized for high-multiplex MDx test
- Convenient result analysis with Melting curve analysis and Ct value
- Lab Information System(LIS) connectivity




Seegene STARlet-AIOS

 Fully automated workflow from sample-in to result-out

Modular design system

for simple upgrade, high flexibility & easy maintenance



Extraction & PCR Setup (Seegene STARlet)

IT Solution

Elevator Robot

Real-time PCR


Plate Handler Robot

Plate Soaker

Compact size

that can fit in a small space

**Approximately 30% space saving compared to the conventional TTA (Task Targeted Automation) system*



800mm


1,500mm

1,780mm

Syndromic-based automation solution

to detect the exact cause of symptoms at once

All Seegene's High Multiplex Real-time PCR Assays are compatible



Dry cough

Fever

Headache

Diarrhea

Pneumonia

Symptoms

SARS-CoV-2

Respiratory

Gastrointestinal

Meningitis

Vaginitis

Tropical Fever

Sexually Transmitted

Human Papilloma Virus

Drug Resistance

Tuberculosis

Seegene STARlet-AIOS

*Available products may vary depending on region

Top selling Multiplex Assay



Seeplex[®] Multiplex PCR line

H.pylori-ClaR ACE Detection

VRE ACE Detection

RV15 Onestep ACE Detection

RV15 ACE Detection

MTB/NTM ACE Detection

STI Master ACE Detection

STD6 ACE Detection

Diarrhea-V ACE Detection

Diarrhea-B1 ACE Detection

Diarrhea-B2 ACE Detection

HPV4A ACE Screening

HSV2 ACE Detection

Meningitis-V1 ACE Detection

Meningitis-V2 ACE Detection

Meningitis-B ACE Detection

Leukemia BCR/ABL

ApoE ACE Genotyping



Anyplex[™] High Multiplex Real-time PCR line

CT/NG Real-time Detection

FluA/B Typing Real-time Detection

MERS-CoV (upE & orf1a)
Real-time Detection

BRAF V600E Real-time Detection

VanR Real-time Detection



Anyplex[™] II High Multiplex Real-time PCR line

HPV28 Detection

HPV HR Detection

RV16 Detection

RB5 Detection

MTB/MDR Detection

MTB/XDR Detection

MTB/MDR/XDR Detection

STI-7 Detection

STI-5 Detection

Thrombosis SNP Panel Assay



Allplex[™] The Next Generation Real-time PCR line

Respiratory Panel Assays

RV Essential Assay

SARS-CoV-2 Master Assay

SARS-CoV-2 Variant I Assay

SARS-CoV-2 Variant II Assay

SARS-CoV-2/FluA/B/RSV Assay

MTB/MDRe Detection

MTB/MDR/XDRe Detection

Gastrointestinal Panel Assays

GI-Helminth(I) Assay

GI-EB Screening Assay

Entero-DR Assay

STI/BV Panel Assays

STI Essential Assay Q (MH, UU)

Vaginitis Screening Assay

Bacterial Vaginosis plus Assay

CT/NG/MG/TV Assay

MG & AziR Assay

MG & MoxiR Assay

H. pylori & ClaiR Assay

Meningitis Panel Assays

*ACE: Auto- Capillary Electrophoresis

COVID-19 Variants Detection Products

Product	Target	Detection												
Allplex™ SARS-CoV-2 Variant I	N501Y	■	■		■						■			■
	69/70del	■				■								
	E484K		■	■	■	■					■	■		■
Allplex™ SARS-CoV-2 Variant II	L452R						■	■	■				■	
	W152C						■							
	K417N				■				■					
	K417T		■											
Novaplex™ SARS-CoV-2 / P681R	P681R							■	■					
Novaplex™ SARS-CoV-2 Variant IV	L452R						■	■	■				■	
	P681R							■	■					
	K417N				■				■					
Novaplex™ SARS-CoV-2 Variant V	L452Q									■				
	F490S									■				
	P681R							■	■					
	L452R						■	■	■					
Novaplex™ SARS-CoV-2 Variant VI	L452Q									■				
	F490S									■				
	R346K										■			
	D950N										■			
Associate Variants		B.1.1.7	P.1	P.2	B.1.351	B.1.525	B.1.429/ B.1.427	B.1.617.2	AY.1&2	C.37	B.1.621	B.1.618	B.1.526.1	P.3
WHO Label		Alpha	Gamma	Zeta	Beta	Eta	Epsilon	Delta	Delta Plus	Lambda	Mu	-	Iota	Theta

HPV Assay

Comparison of Cervical cancer(HPV) Products "Much more informative with 1 product"



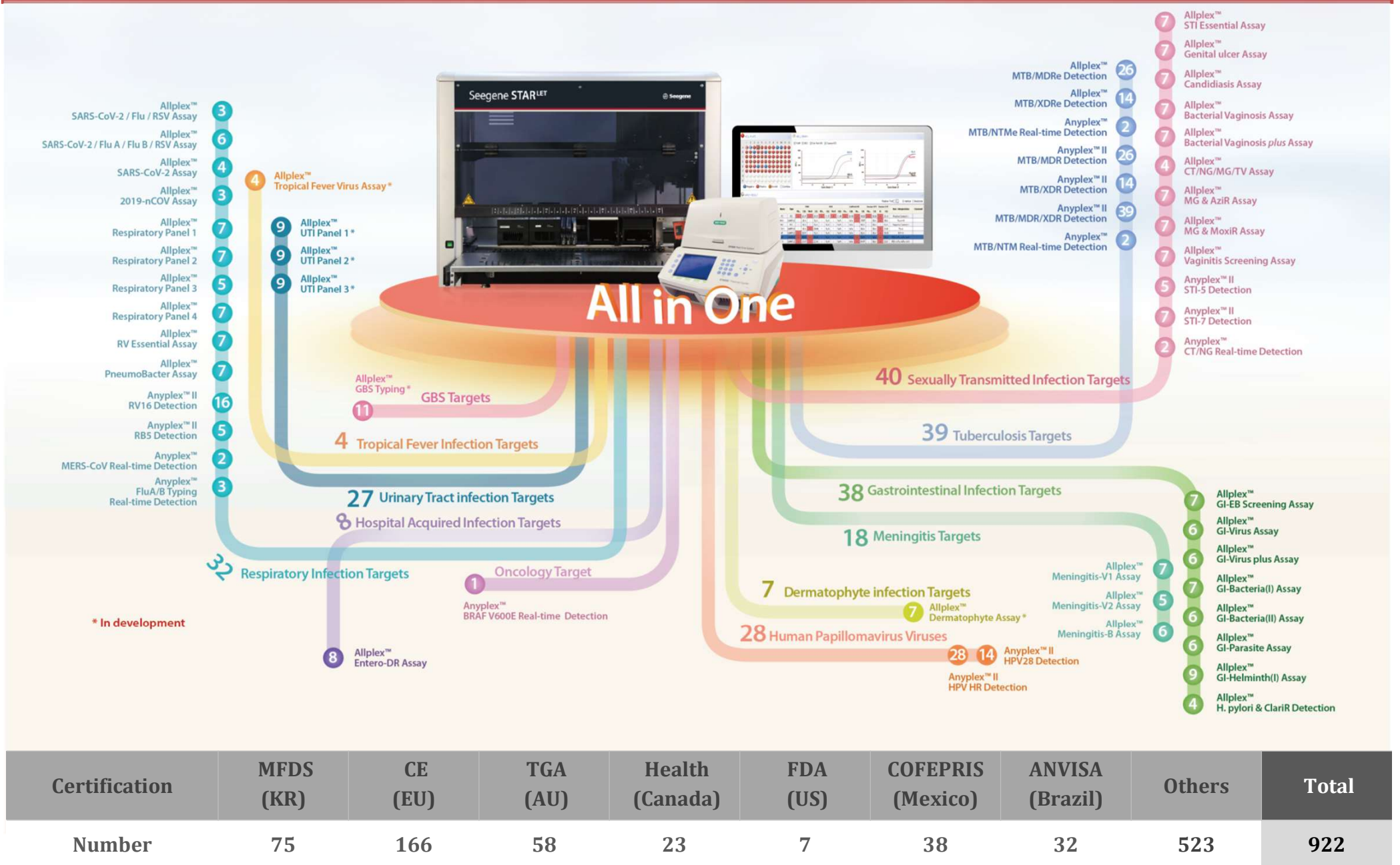
Performance of Cervical cancer(HPV) products "More accurate"

WHO LabNet 2014 HPV DNA Proficiency study, 2015 IPV conference, Portugal, 2015

- 100% proficiency at all 11 Lab participants.
- Detection of all 5 HPV subtypes and its multiple co-infection
- The best Results regarding Sensitivity, Specificity and Reproducibility

Type of HPV assay	No. of datasets	100% proficient	99-90%	89-80%	<80 %	Not proficient
All assays	148	89	14	9	5	31
Anyplex II HPV28 (Seegene)	11	11	0	0	0	0
Onclarity (BD)	5	5	0	0	0	0
Linear Array (Roche)	14	7	1	1	0	5
HPV Direct Flow-chip (Master Diagnostica)	14	9	0	0	0	5
Papillocheck (Greiner)	5	4	0	1	0	0
CLART HPV 2/3 (Genomica)	4	0	1	1	2	0
In- house PCR (Luminex)	8	3	1	1	0	3
Realtime PCR (Abbott)	3	1	0	2	0	0

Assay Product Pipeline and Approval Status



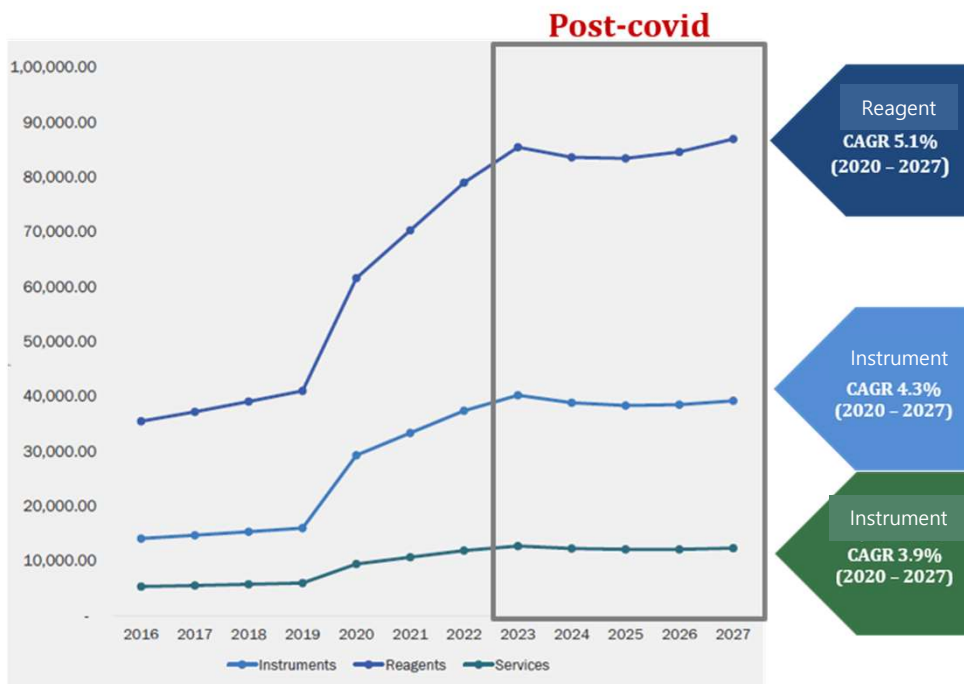
※ Acquired and in progress certifications in more than 30 other countries

※ As of 2021.07

Global In-vitro Diagnostics(IVD) Market Outlook

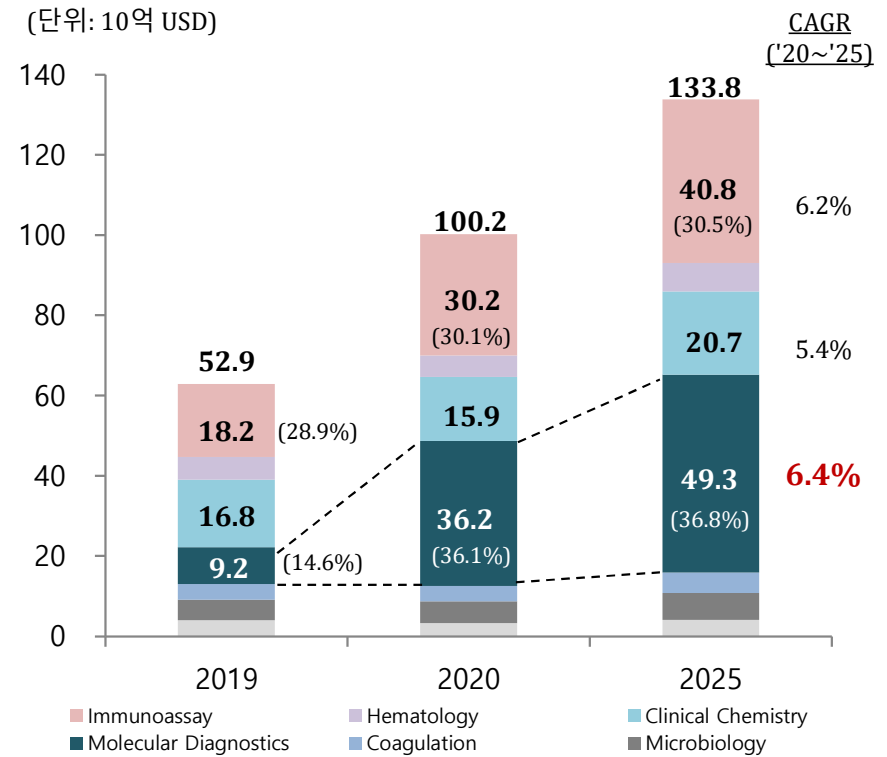
 **Global IVD Total Value: 100.2 B USD (2020); 133.8 B USD (2025), CAGR: 6.0%**
(Grand View Research, 2021)

Global IVD Market Outlook by product



Source: Grand View Research (2021)

Global IVD Market Outlook by technology

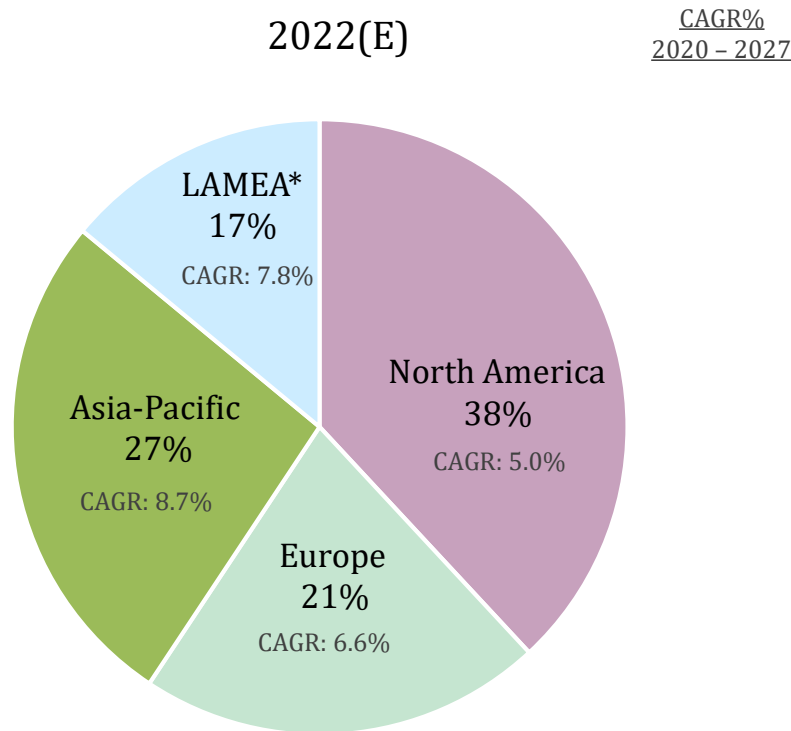


Source: Seegene, Grand View Research (2021)

Global Molecular Diagnostics(MDx) Segment Outlook

✿ **Global MDx Total Value: 36.2 B USD (2020); 49.3M USD (2025), CAGR: 6.4%**
 (Grand View Research, 2021)

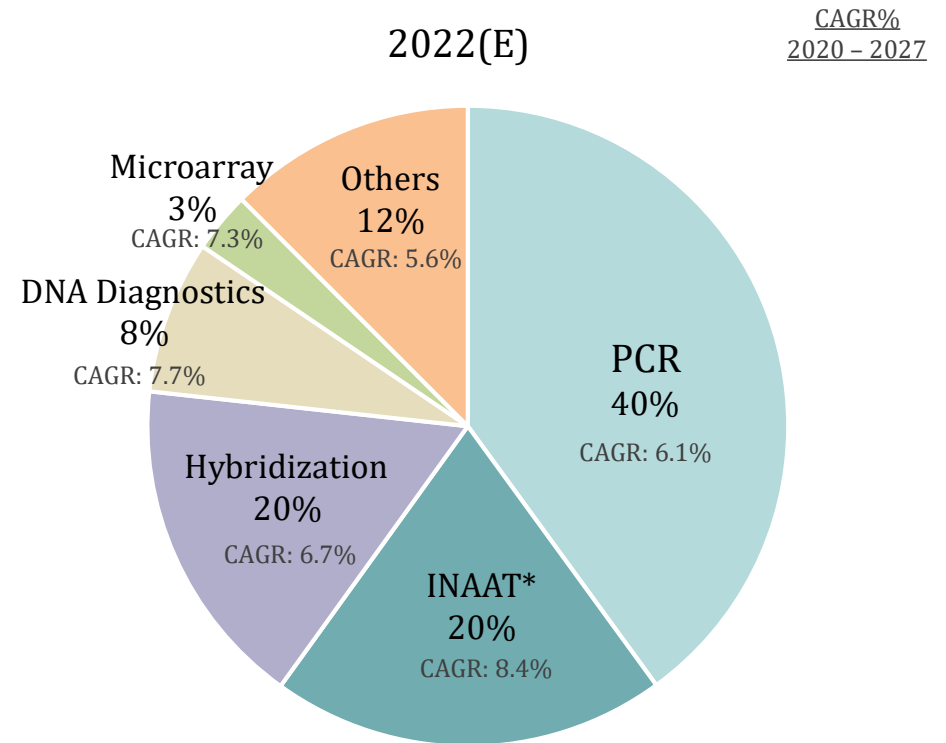
✿ Global MDx by region



*LAMEA: Latin America, Middle East & Africa

Source: Market Allied Research (2020)

✿ Global MDx by technology



*INAAT: Isothermal nucleic acid amplification technology

Source: Market Allied Research (2020)

Seegene's Proprietary PCR Technology

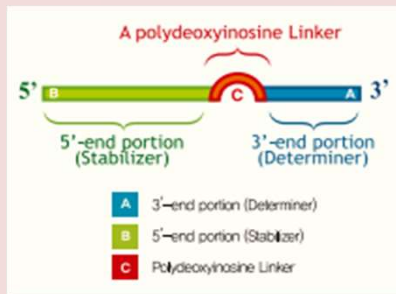
Amplification

Seeplex™

DPO™

Dual Priming Oligonucleotide

2006



- ✓ Only target genes can be specifically amplified through Dual Priming

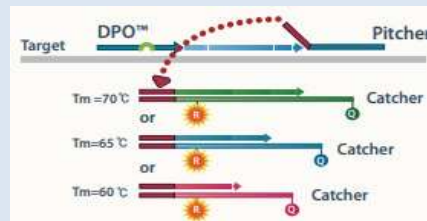
Detection

AnyplexII™

TOCE™

Tagging Oligonucleotide Cleavage & Extension

2011



- ✓ Diagnostic technology that expands the ability to amplify multiple genes at the same time

Multiple melting peaks with Elaborately Defined T_m Values in a single channel

✘ Currently patented in over 40 countries

✘ Currently patented in over 40 countries

Analysis

Allplex™

MuDT™

Multiple Detection Temperatures

2014

- ✓ Provide multiple Ct values in one channel

Multiple Ct Value in a single channel

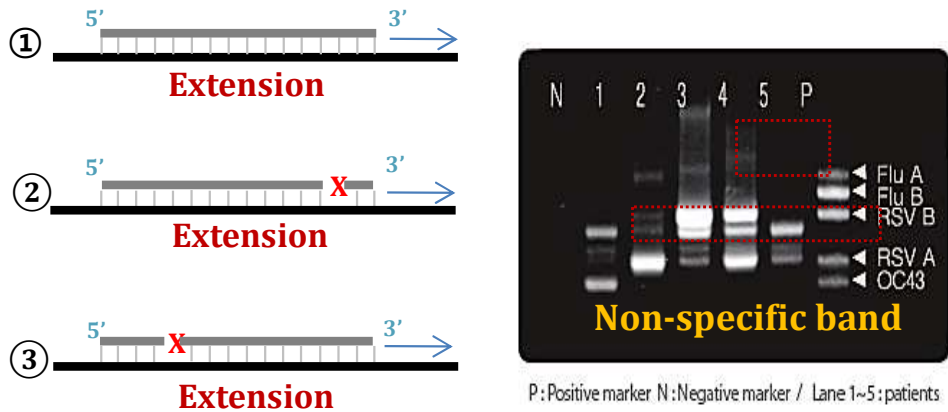
✘ International patent application completed

Multiplex Target Amplification with Dramatic Specificity

DPO™ (Dual Priming Oligonucleotide)

Conventional PCR

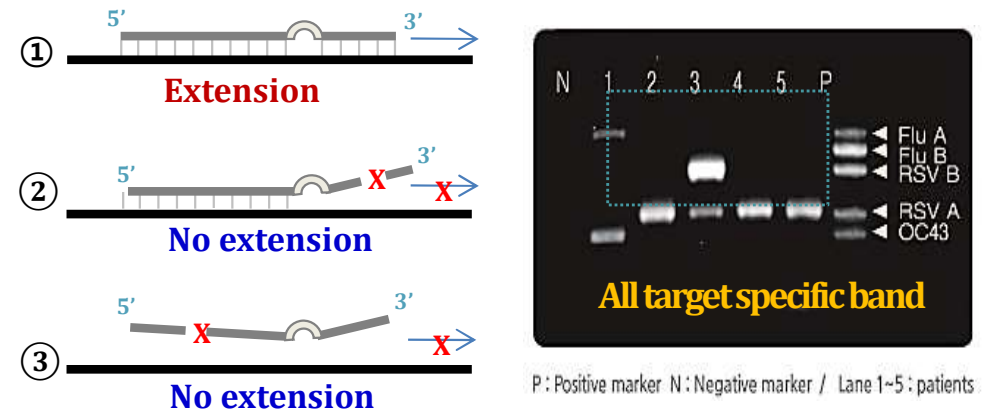
<Conventional Primer>



- Non-target genes are amplified together
- Limited multiplexing

DPO PCR

<DPO Primer>

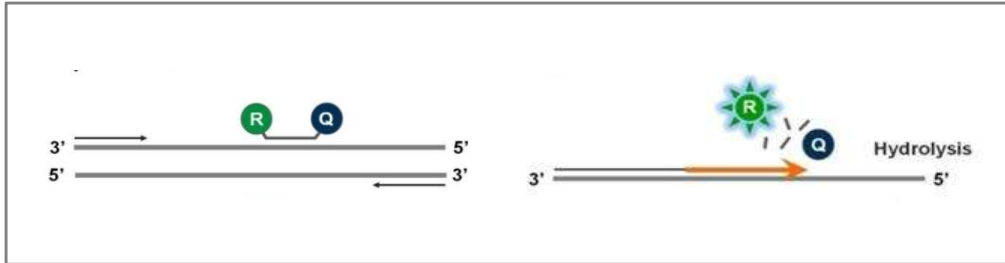


- Only the target gene is specifically amplified
- Highly reliable multiple target amplification

Multiplex + High Accuracy = Realization of Multiplex MDx

TOCE™ (Tagging Oligonucleotide Cleavage & Extension)

Conventional Real-time PCR



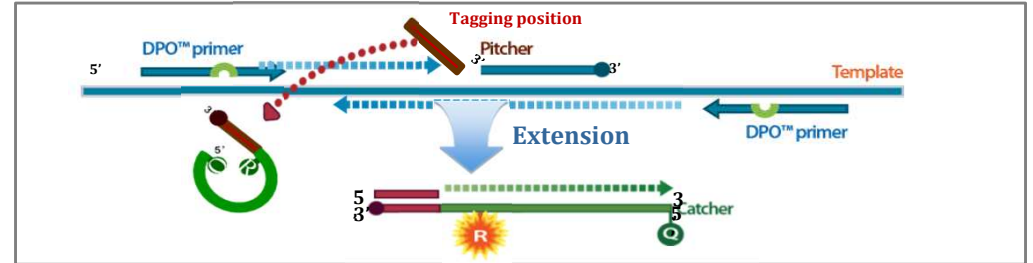
Detect 1 pathogen per 1 channel
→ Detect 4 pathogens using 4 fluorescence channel

virus1
virus2
virus3
virus4

virus4
virus3
virus2
virus1

- Detection of 1 target per a single channel
- The Maximum limit 4 targets

TOCE Real-time PCR



Detect 5 pathogen per 1 channel
→ Detect **20** pathogens using 4 fluorescence channel

virus 1
virus 2
virus 3
virus 4
virus 5

virus 6
virus 7
virus 8
virus 9
virus 10

virus 11
virus 12
virus 13
virus 14
virus 15

virus 16
virus 17
virus 18
virus 19
virus 20

Melting curve Analysis

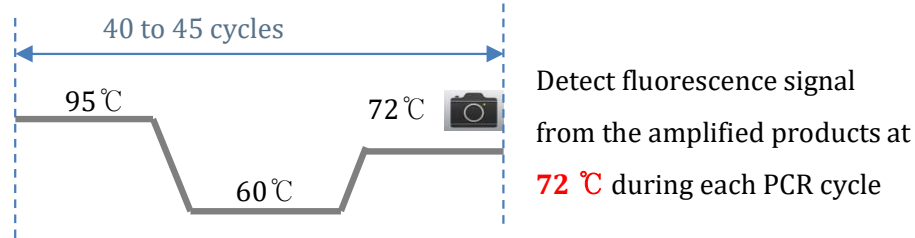
- Detection of 5 targets per a single channel
- Multiplex in a single channel using Catcher-Tm
- As sensitive as singleplex real-time PCR

High Multiplex Real-time PCR + Quantitative Analysis(Melting Curve Analysis)

MuDT™ (Multiple Detection Temperatures)

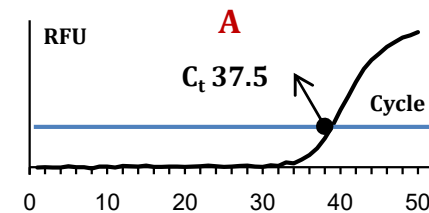
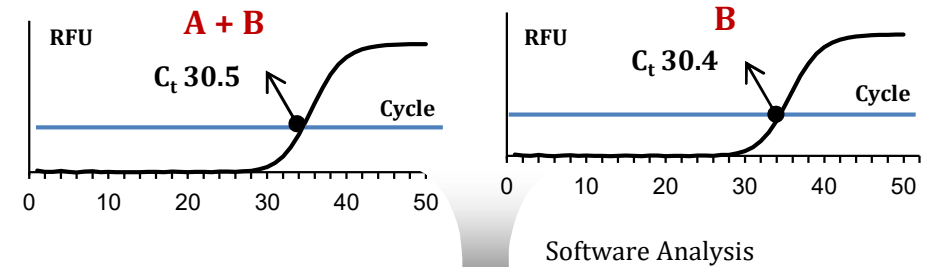
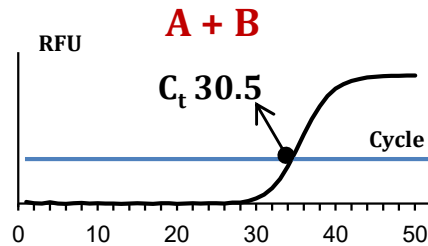
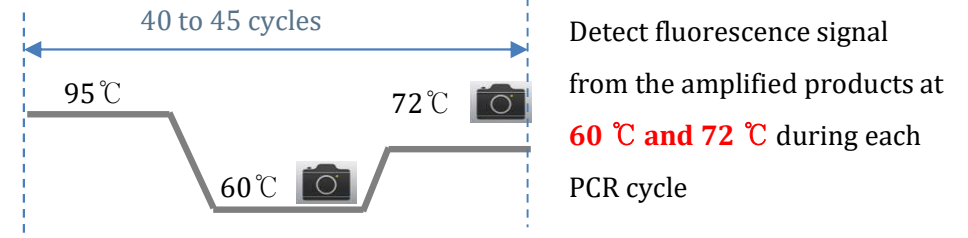
Conventional Real-time PCR

[PCR cycle]



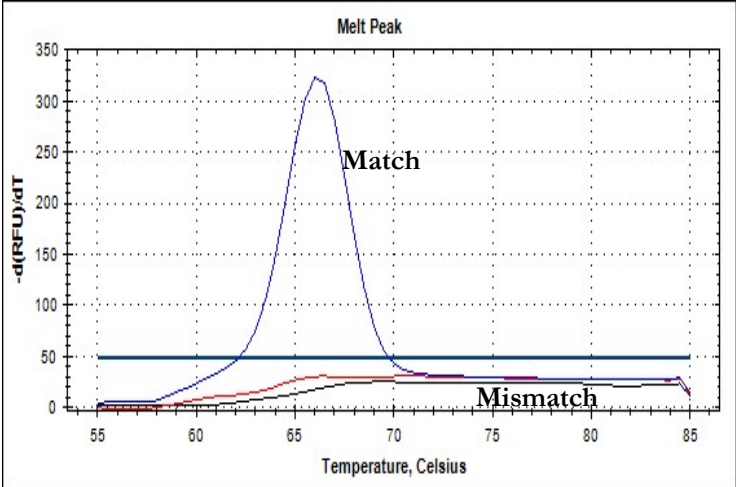
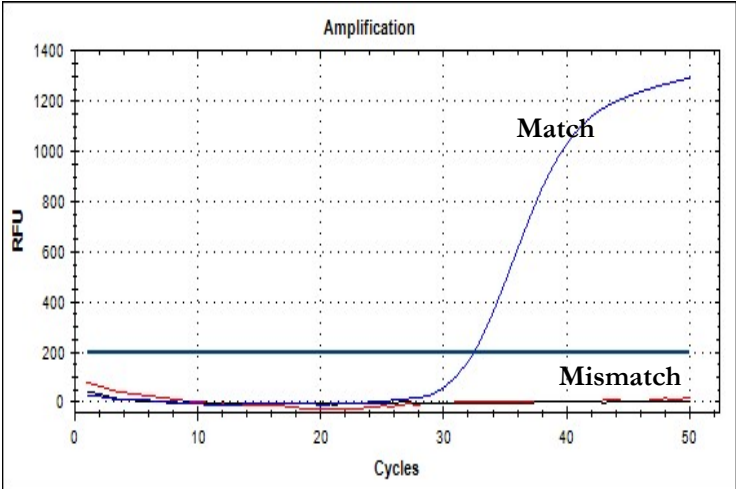
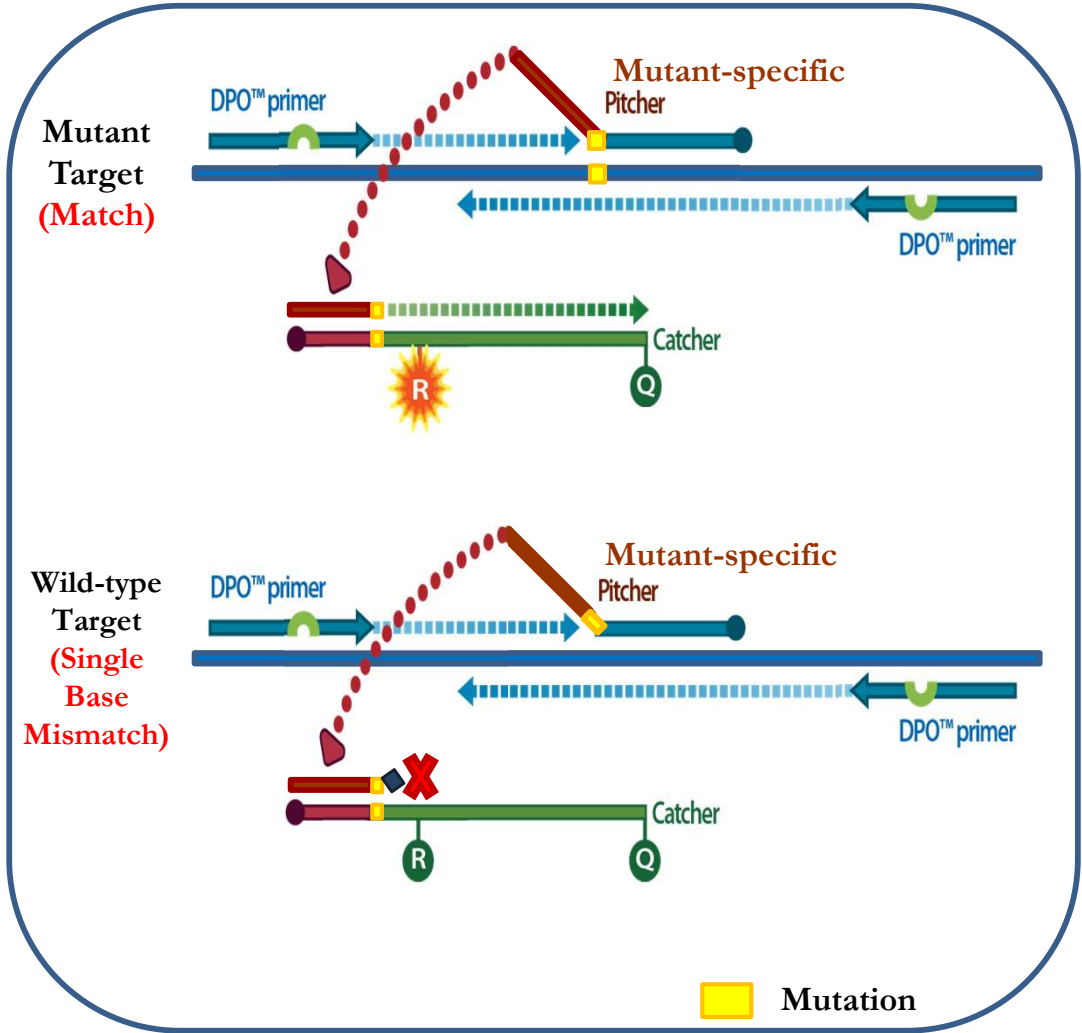
MuDT Real-time PCR

[PCR cycle]



Multi qualitative/quantitative Analysis in Single channel = **Multi Ct value in Single channel**

mTOCE™ – Mutation Detection



Identical results amid unique and various melting temperatures → Enables detection of numerous variants