



Celltrion Healthcare

Efficient multi-currency payment solution for fast growing pharmaceutical company

Celltrion Healthcare is a fast-growing biopharmaceutical company headquartered in Incheon, South Korea. It conducts worldwide marketing, sales and distribution of biological medicines, including the breakthrough antibody biosimilar Remsima, which provides treatment for autoimmune diseases.

The company has grown considerably over the last several years, and now has subsidiaries in 30 countries and sales in over 110 countries. Its supply chain model has also grown accordingly, with Korea sourcing active drug ingredients, Germany handling the packaging, the U.S. managing production and quality inspection, and Hungary operating as the logistic and treasury hub. www.celltrionhealthcare.com.

The challenge

As Celltrion continued to grow and expand across Europe, the regional treasury hub in Hungary became the primary purchasing entity. This Hungarian center would sell the purchased products to Celltrion subsidiaries around the world, receiving payment from the subsidiaries in each of their local currencies.

Celltrion Healthcare did not wish to open accounts in all the currencies of the subsidiaries, as it knew that this would be complicated and costly from an efficiency perspective. Instead, it sought an automated solution which would provide FX centralization, full control, and instant visibility so that it could mitigate currency risks and more effectively manage cash.

The currencies initially in scope were Danish Krone, Swedish Krona, Norwegian Krone, Swiss Franc, Pound Sterling and Romania Leu.

The solution

Citi has been providing Celltrion with global cash management since 2018, and we have formed a strong relationship with the company that allowed us to understand the challenges and suggest an integrated FX solution that could simplify operations.

Citi proposed a process for Celltrion Hungary whereby FX spreads could be pre-agreed and locked in when the subsidiaries were sending local currency payments. The Hungarian entity would receive the payments in a single currency, at the expected exchange rates, without having to open multiple accounts.

The speed of implementation was also important for Celltrion. Citi was able to set up the solution in under 24 hours, and the day after implementation the company was up and running, immediately benefiting from the solution.

After the success of the initial currencies in scope, Celltrion has already started adding more, such as Canadian Dollar, and continues to look for further opportunities.

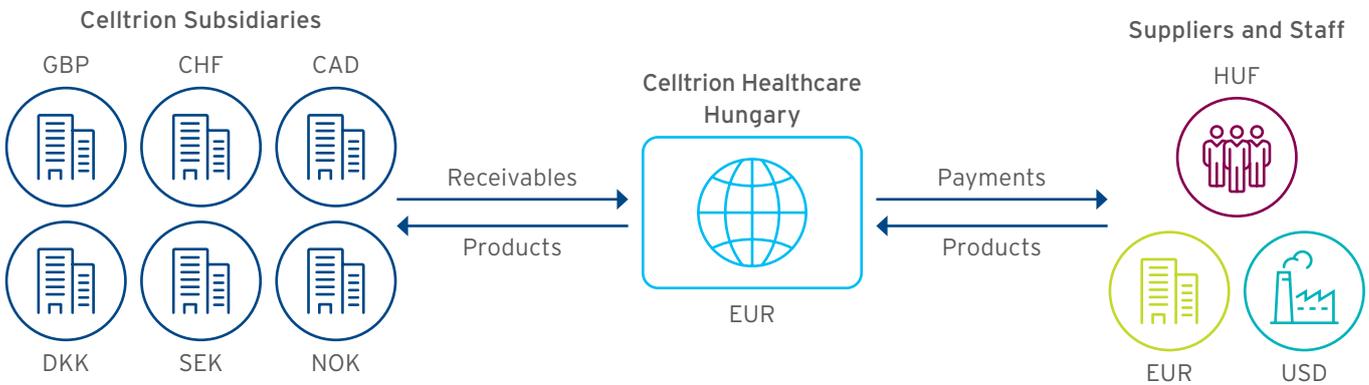
The benefits

- **Speed:** No technological implementation needed
- **Automation:** Automated FX conversion without manual interruption
- **Cost efficiency:** Negotiated pricing in advance, no foreign exchange markups from suppliers, and reduced 3rd party bank charges on local currency payments
- **Simplicity:** Simple, straight through wire payments that allowed the company to redeploy resources to other important tasks

“Citi provides a simple, cost efficient solution to our company for FX transactions in a transparent way, with pre-agreed conditions. It saves us a lot of time and effort.”

Balazs Frank, Celltrion Healthcare’s Treasury specialist in Hungary.

Challenge: Manage foreign currency receivables and payments without opening multiple accounts



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CBS36153 01/22

