

ST Pharm 2024 4th Quarter Earnings Result

1. Summary

1) 2024.4Q

Revenue: KRW 117.9 Billion (YoY -2.2%)

Operating Profit: KRW 25.2 Billion (YoY +17.2%)

2) 2024 Full Year

Revenue: KRW 275.9 Billion (YoY -3.2%)

Operating Profit: KRW 30.2 Billion (YoY -10.0%)

2. Earnings Result Comments

Revenue in Q4 decreased by 2.2% year-on-year to KRW 117.9 billion. This was primarily due to lower Generic API sales, while the main business, Oligonucleotide API Business, increased by 6.2% year-on-year, and the Small Molecule API Business increased by 3.3% year-on-year. Sales from subsidiary CRO in Europe also switched to profit as sales recovered growth.

Operating profit increased by 17.5% year-on-year to KRW 25.2 billion, due to an increase in the proportion of sales from the higher-margin Oligo segment, which accounted for approximately 70% of total sales.

Oligonucleotide API Business reported Q4 sales of KRW 81.3 billion, representing a 6.2% year-on-year increase. This includes KRW 22.6 billion from sales from MDS project, KRW 32.7 billion from the Hyperlipidemia project, KRW 7.5 billion from products for Rare Cardiovascular Treatment project, KRW 5.9 billion from products for Atherosclerosis project, and KRW 7.3 billion from nucleotide-monomers sales. Cumulative sales in 2024 increased by 3.3% to KRW175.2 billion from KRW169.6 billion in '23. It is anticipated that the accumulated backlog of \$1.6 billion as of 24.3Q will have a positive effect on results in 2025.

Small Molecule API Business reported total sales of KRW 10.9 billion. Sales of Mitochondrial Deficiency Syndrome project stood at KRW 6.3 billion. The project is expected to be commercialized in the second half of 2025. The combined total for the full year was KRW 25.7 billion, representing an 18.5% year-on-year growth. Positive results are expected in 2025, driven by sales of Mitochondrial Deficiency Syndrome projects and newly added projects.

mRNA CDMO Business reported sales of KRW 300 million. Following the recent agreement with Quantoom Biosciences and SmartCap and the strategic partnership with Evonik Industries, CDMO Platform sales is set to experience growth with SmartCap supply from 2025 onward.

Among other major issues, ST Pharm completed liquidation of Levatio Therapeutics, US-based

biotech subsidiary focusing on research of circular RNA. All rights of assets such as pipelines under development will be transferred to ST Pharm.

3. Events in 2025

New Drug API CDMO

We expect 2 more new drug approvals from the US FDA; 1 project in Oligo and 1 project in Small Molecule. By the end of 2024, we had 4 commercialized Oligo projects under management. In 2025, we expect that 3 more commercialized projects to be added to our portfolio (1 from Oligo, 2 from Small Molecule). Such increase in commercialized projects is anticipated to stimulate sustainable growth.

We also expect Rare Cardiovascular Oligo project to report major readout to expand indication within 2025.

Capex

Construction of 2nd Oligo Plant is reaching its completion, with several internal installations of machineries and qualification of overall plant facility to be carried out for next 9 months. Operations are planned for the 4th quarter in 2025. Installation for sgRNA production line is also expected to be completed within the year.

In-house New Drug Pipeline

HIV AIDS treatment STP-0404 (Pirmitegravir) will report interim data within 2025. Readout is scheduled by 3rd quarter of 2025.

Cautionary Statement regarding Forward-looking Statement

This release contains forward-looking statements from Dong-A Socio Group ("the Group") that include, but are not limited to, statements regarding our future financial performance, business strategies, market opportunities, product development, and operational plans. Words such as "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," "will," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effects on the Group. Such forward-looking statements are inherently subject to risks, uncertainties, and assumptions that could cause actual results to differ materially from those expressed in these forward-looking statements. We caution investors not to place undue reliance on any forward-looking statements. These statements speak only as of the date they are made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law. Additionally, please note that the financial figures and metrics presented in these Investor Relations materials are preliminary and have not yet been audited by an independent auditor. These numbers may be

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