

Good morning. Welcome to ST Pharm's quarterly earnings call. We will be announcing our financial results for the full year ended on December 31, 2025.

We'll begin with the financial and operational highlights for the quarter, followed by a Q&A session after the announcement. Please remain in listen-only mode during the announcement. For the convenience of our investors, the full transcript of the prepared remarks will be uploaded to our website.

Please be advised that the financial figures and metrics presented today are preliminary. During the call, we may make forward-looking statements regarding our future financial performance, business strategies, and plans. These statements are based on current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those projected. We undertake no obligation to update these statements.

First, we will start with our consolidated financial results for the full calendar year of 2025:

Overall, ST Pharm reported annual Revenue of 331.6 billion won, Operating Profit of 55.1 billion won, and Net Income of 54.5 billion won.

These figures reflect 21.1% annual revenue growth compared to the previous year. Annual operating profit grew by 98.9%, while net income increased by 67.9% compared to previous year of 2024.

Strong revenue and profit in the third quarter were primarily driven by continued growth in Oligo CDMO business. Following second and third quarter, the large portion of Oligo CDMO in total revenue for the period contributed greatly to both topline growth and margin improvement.

The increase in operating profit came from several elements. First is the growth of our Oligo CDMO business which reports higher margin than Small Molecules or Generic CDMO businesses. Business recovery from our CRO, where losses declined from 10.5 billion won in 2024 to 1.8 billion won in 2025,

also contributed to our margin improvements. Lastly, high level of USD-to-KRW exchange rate was favorable to our business since 90% of our sales occur from abroad and receive most of the payments in USD.

Next, we will move on to results for each of the business segments:

Oligo CDMO reported sales of 237.6 billion won annually, growing by 35.0% compared to its previous year.

73% of Oligo sales came from commercial projects and commercial project sales grew by 41.6% annually in 2025 compared to 2024. Revenue from clinical projects increased by 19.6% from 52.9 billion won in 2024 to 63.3 billion won in 2025. In the mid and long term, we expect commercial project sales to maintain its sales portion with the Oligo business segment at around early to mid 70%.

We've been highlighting that our Oligo portfolio has been diversifying and expanding at the same time since third quarter of 2025. A few years back, one or two projects dominated our revenue, but as we enter 2026, we feel more confident in the resilience of our business operation. Even if growth of one project slows, we have other CDMO projects to sustain growth trajectory. This is because some of our commercial projects have been expanding their market share or indication, therefore rapidly growing in demand. We have also focused on bolstering our clinical projects last year so that they act as seeding programs to fuel growth 3-to-5-years later.

Moving on, Small Molecule CDMO reported sales of 26.3 billion won in 2025, representing 2.3% growth from 2024.

Since we had effectively one major project within the business segment generating business until last year, the issue related to the program affected the lower-than-expected growth. Although the one project we had last year was approved as a new drug in November, we had expected that timing to occur earlier in 2025 and ship a larger quantity of commercial batches. Due to the minor delay in NDA approval, some of those commercial batch shipments are planned to be executed this year. In addition, we are now ready to ship commercial API batches for a new project we won in 2024. We expect these two projects to be our core growth drivers for the Small

Molecule business in 2026.

Our CRO subsidiaries also recovered, reporting 38.4 billion won in revenue throughout 2025. It switched to profit in the fourth quarter alone while significantly reducing losses throughout 2025 compared to 2024. We remain conservative over our CROs so that they maintain at this level and continue to optimize operations.

Our backlog, as you may see from the bottom of the slide, remains strong despite revenue recognition adjustments in 2025. We have already finalized a major product order contract for one of our cardiovascular commercial projects this year. Its batches are scheduled to be shipped out within the year and recognized into revenue. Overall demand from our Oligo projects is expected to grow either from expanding market share from our client's side or advancing clinical stage throughout the next one or two years. We are also targeting to win 10 new projects in 2026 in addition to the new 13 projects we finalized in 2025. So, we are confident in maintaining growth momentum based on our expanding backlog.

Lastly, Phase 2a of our HIV medication Pirmitegravir is undergoing trial in the United States. We are nearly finished gathering participants to analyze the full data and expect topline report to be disclosed by second to third quarter this year.

That is the end of our presentation for today.

Thank you everyone for participating in today's event.