

IR Presentation

Donga ST 2022 4Q

Forward Looking Statements

The business results for the 4th quarter of 2022, currently under audit review, are presented here for investors' convenience. Hence, please be advised that some of their contents may be altered in the course of audit.

This presentation may contain "forward-looking statements." Forecasts and projections contained in this material are based on current business environments and management strategies, and they may differ from the actual results upon changes and unaccounted variables. All forward-looking statements are based on information currently available to Dong-A ST, and we undertake no obligation to update any such forward-looking statements.






01. Overview

Summary

* as of 2022

Establishment	2013.03.01 (Spin-off)
Equity	42.3 Billion KRW
Market Cap.	513.6 Billion KRW
Revenue	635.8 Billion KRW
Employees	1,653
HQ	64, Cheonho-daero, Dongdaemun-gu, Seoul
Shareholders	Affiliated or Affiliated Persons 24.59%

Medicine Lineup

				
2002.12	2005.12	2011.12	2014.12	2015.9
Stillen	Zydena	Motilitone	Sivextro	Suganon

The company spun-off from Donga Socio Holdings as of Mar. 2013 and specializes in ethical drug(ETC) business.

Sales Breakdown

Business Sector

* as of 2022



Products

[Unit : 1 Billion KRW]

Product	Indication	'2022	
		Sales	% of Sales
Growtropin	Growth Failure	61.5	9.7%
Motilitone	Functional dyspepsia	34.1	5.4%
Jublia	Athlete's Foot / Tinea Pedis	27.9	4.4%
Opalmon	Ischemia	24.6	3.9%
Suganon	Type 2 Diabetes Mellitus	24.0	3.8%
Gaster	Peptic ulcer	23.4	3.7%
Bacchus	Vitality / Energy Drink	95.7	15.0%

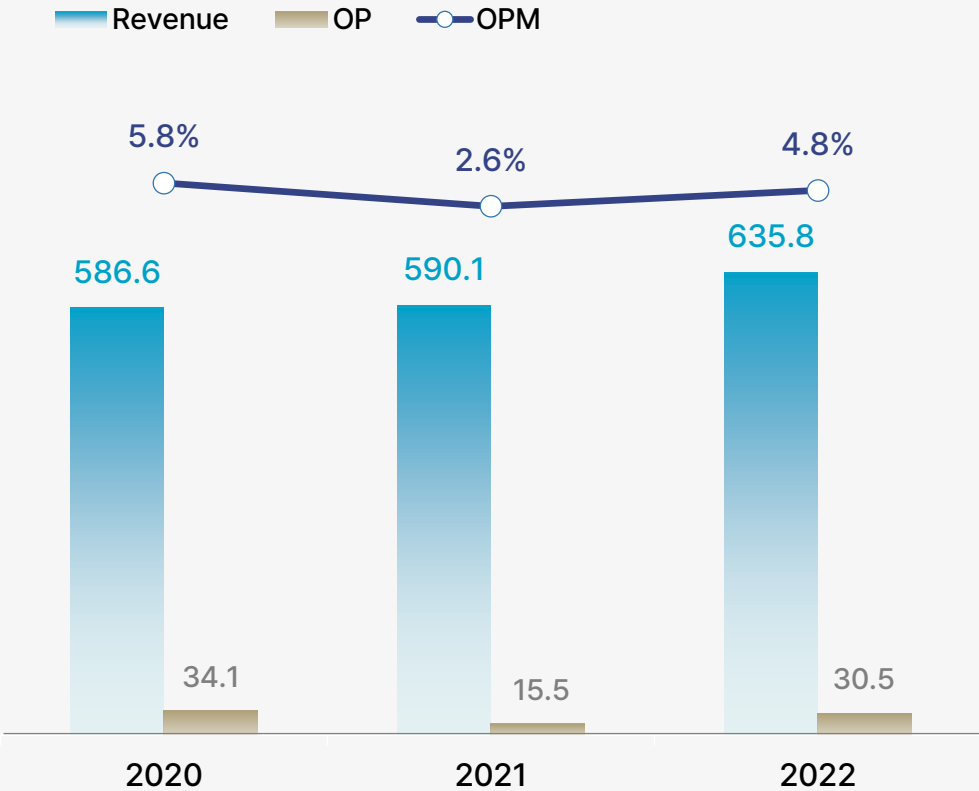
02. FY2022 FS (Separate)

Sales of all business sectors rose 7.7% YoY

Operating Profit rose 97.0% YoY

Accumulated Revenue reached 635.8 Billion KRW, OP 30.5 Billion KRW

Sales & Profit



[Unit : 1 Billion KRW]

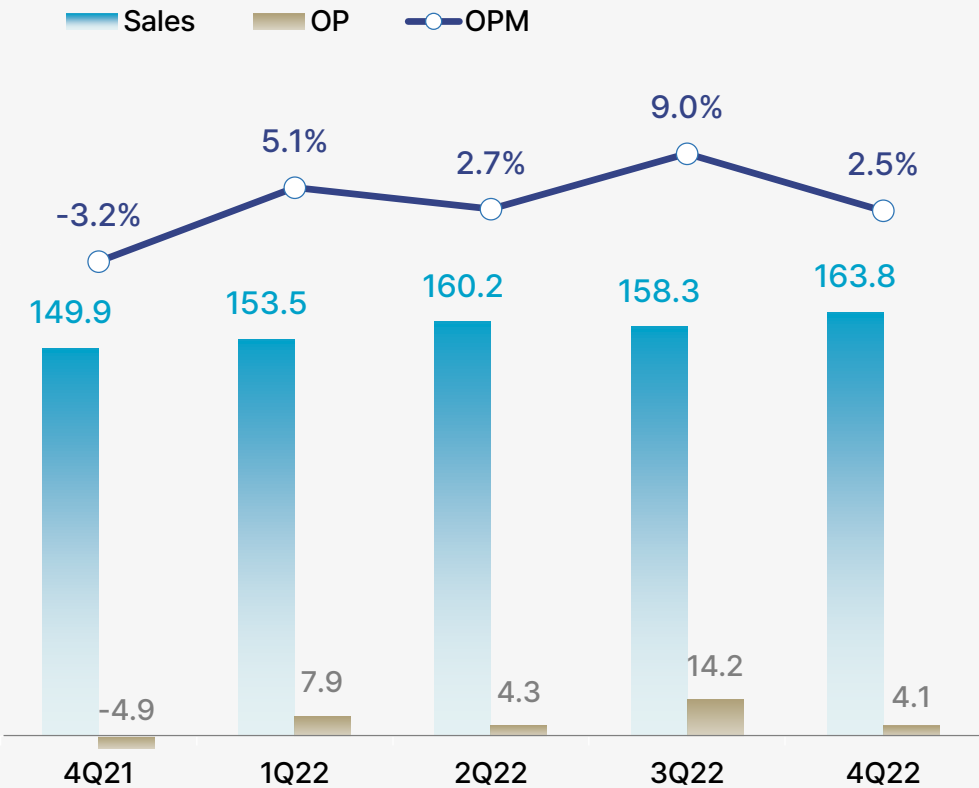
Account	2021	2022	YoY
Sales	590.1	635.8	7.7%
Cost of Goods Sold	297.5	312.4	5.0%
SG & A	194.8	206.1	5.8%
R&D Expenses	82.3	86.8	5.5%
Operating Profit	15.5	30.5	97.0%
EBT	11.3	13.5	19.5%
Net Profit	12.0	9.0	-24.6%

02. 4Q 2022 FS (Separate)

Growth of ETC and Oversea Business led to Sales growth of 9.3% YoY
Overall sales growth led to profit in operating profit

Sales 163.8 Billion KRW, OP 4.1 Billion KRW

Sales & Profit



[Unit : 1 Billion KRW]

Account	4Q21	4Q22	YoY
Sales	149.9	163.8	9.3%
Cost of Goods Sold	78.3	75.7	-3.4%
SG & A	53.3	56.0	5.0%
R&D Expenses	23.1	28.0	21.0%
Operating Profit	-4.9	4.1	Switch to Profit
EBT	-9.5	-20.4	-114.5%
Net Profit	-7.1	-17.5	-147.1%

02. FY2022 Balance Sheet (Separate)

BS

[Unit : 1 Billion KRW]

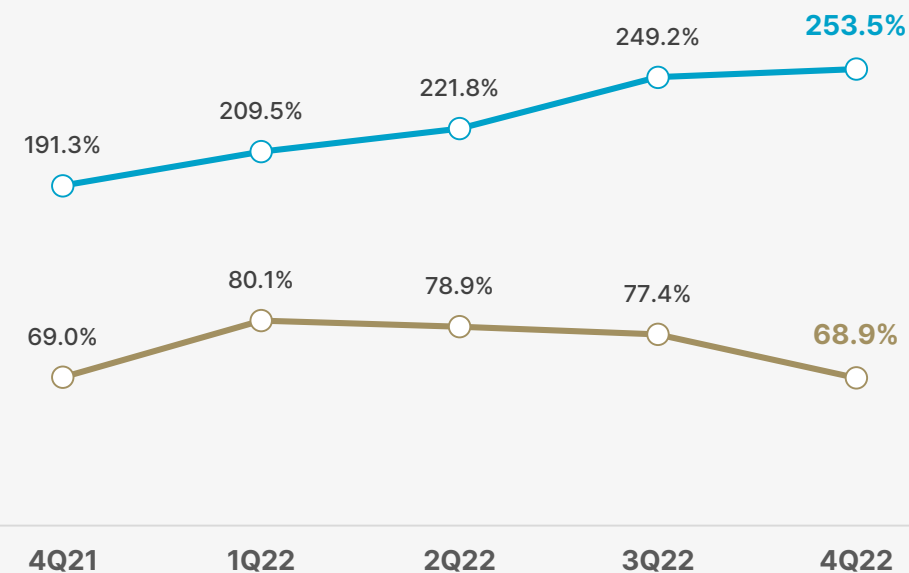
	4Q21	1Q22	2Q22	3Q22	4Q22	QoQ
Total Asset	1115.3	1176.4	1173.6	1200.6	1135.1	-5.5%
Current Asset	523.1	572.3	550.8	563.0	452.3	-19.7%
Cash & Cash Equivalent	190.0	201.3	198.1	209.7	218.6	4.3%
Non-current Asset	592.1	604.1	622.8	637.7	682.8	7.1%
Total Liabilities	455.5	523.3	517.7	523.7	463.2	-11.6%
Current Liabilities	273.5	273.1	248.3	225.9	178.4	-21.0%
Non-Current Liabilities	182.0	250.2	269.4	297.8	284.7	-4.4%
Total Borrowings	293.1	352.5	355.4	360.4	307.3	-14.7%
Total Equity	659.8	653.0	655.9	676.9	672.0	-0.7%

Reduced borrowings & acquisition of cash-related assets to improve current & D/E ratio

Current Ratio 253.5%, D/E Ratio 68.9%

Financial Ratio

—○— Current —○— D/E



* Current Ratio = Current Asset / Current Liabilities

* D/E Ratio = Total Liabilities / Total Equity

03. Annual Sales by Business Areas

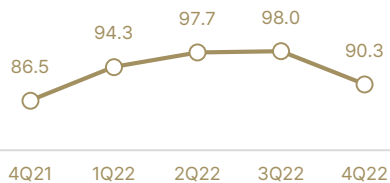
ETC



380.2 Bil. KRW

+ 4.5%

Growtropin, Motilitone led product sales growth
Suganon sales reduced due to production lag



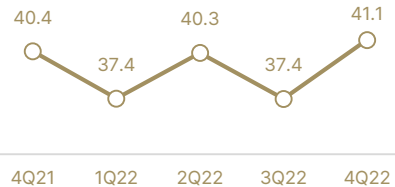
Overseas



156.2 Bil. KRW

+ 10.0%

Bacchus sales increase due normalization from COVID-19
Grotropin enters Brazilian tender market



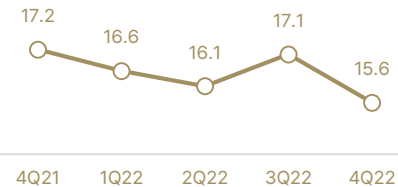
Medical Devices



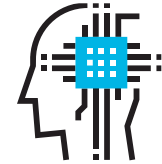
65.4 Bil. KRW

+ 4.6%

Increase in medical device equipment sales
Increased sales in immunology/chemicals and infection control



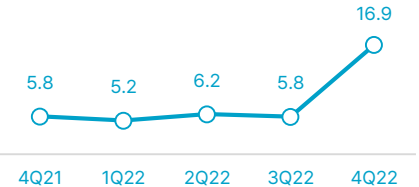
Others



34.1 Bil. KRW

+ 57.9%

DA-1241, DA-1726 License revenue
Technology export fees and rental revenue





ETC Business

2022 Sales 380.2 Billion KRW, + 4.5% YoY

Growtropin, Motilitone led product sales growth. Suganon sales reduced due to production lag. Removed Nisetyl

[Unit : 1 Billion KRW]

Type	Product	Indication	2022	2021	2022	YoY
Biopharm.	Growtropin	Growth Failure	61.5	44.3	61.5	38.8%
Original Medicine	Motilitone	Functional dyspepsia	34.1	31.2	34.1	9.3%
	Suganon	Type 2 Diabetes	24.0	30.4	24.0	-21.3%
	Stillen	Acute & chronic gastritis	20.4	19.5	20.4	4.4%
IMD	Amlodipine	Hypertension	5.7	6.0	5.7	-5.7%
Licensed In	Jublia	Athlete's Foot	27.9	27.3	27.9	2.3%
	Opalmon	Ischemia	24.6	23.4	24.6	5.4%
	Gaster	Peptic ulcer	23.4	23.7	23.4	-1.1%
	Edarbi	Hypertension	11.2	10.4	11.2	8.4%
	Flivas	Prostate hypertrophy	6.7	6.3	6.7	5.3%
	Nicetile	Brain Metabolism	3.0	6.6	3.0	-53.8%
Generic	Plavitor	platelet agglutination inhibitor	22.2	21.8	22.2	2.0%
	Lipinon	Hyperlipidemia	16.2	17.1	16.2	-5.1%
	Twolion	Antihistamine	9.1	7.3	9.1	25.0%









Overseas Business

2022 Sales 156.2 Billion KRW, + 10.0% YoY

Bacchus sales increase due normalization from COVID-19. Grotropin enters Brazilian tender market

■ 2022

[Unit: 1 Billion KRW]

Type	Product	Indication		2021	2022	YoY
Beverage	Bacchus (Cambodia)	Energy Drink	 95.7	81.8	95.7	17.0%
Biopharm.	Darbepoetin alfa (Japan)	Anemia	 13.3	12.5	13.3	6.0%
	Growtropin (Brazil)	Growth Failure	 8.7	2.1	8.7	317.9%
	Eporon (Turkiye)	Anemia	 3.3	5.5	3.3	-39.8%
Anti-tuberculosis	Closerin/ Clofazimine (Europe)	Tuberculosis	 7.9	13.7	7.9	-42.6%
	Cycloserine (Russia)	API	 2.6	3.1	2.6	-17.3%









Medical Device Business

2022 Sales 65.4 Billion KRW, + 4.6% YoY

Increased sales of medical device equipment, immunology/chemicals, and infection control

■ 2022

[Unit: 1 Billion KRW]

Type	Product		2021	2022	YoY
Medical Devices	Electrosurgical Machines, etc.	 12.9	9.6	12.9	35.1%
Cardiothoracic Surgery	Prosthetic heart valves, etc.	 2.8	3.5	2.8	-21.1%
Becton Dickinson	Microbiology diagnostic equipment	 31.0	31.3	31.0	-1.0%
Thermo Fisher	Disinfectant wipes, cleaners, etc.	 6.0	5.6	6.0	6.5%
Diasorin	Diagnostic Equipment for Immunoassays	 4.6	4.4	4.6	4.2%
Infection Control	Diagnostic equipment for specialty chemical analysis	 1.7	1.7	1.7	1.8%

4Q 2022
R&D Status

04. R&D Status

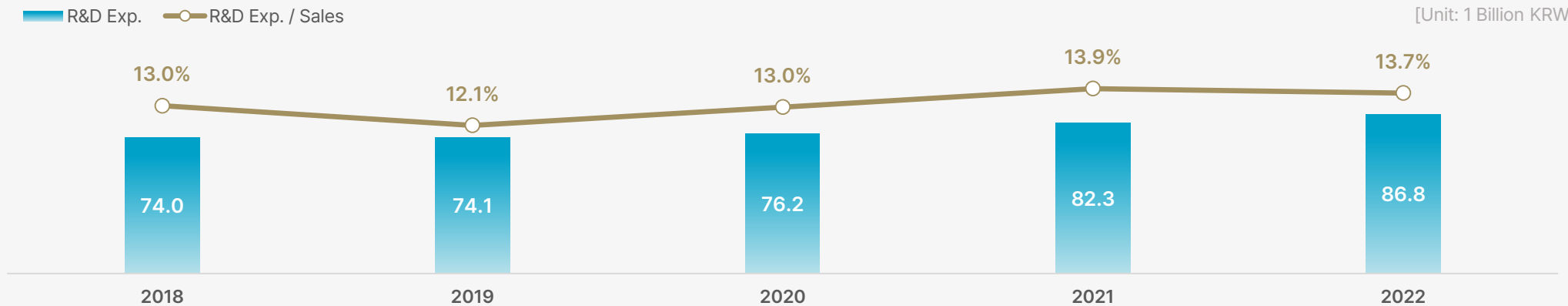
R&D Overview

[as of 2022]

Team	No. of Members			Total
	Ph.D	Master's	Etc.	
R&D Strategy	6	14	27	47
Research	47	123	13	183
Development	1	27	56	84
Total	54	164	96	314

R&D Investments

[Unit: 1 Billion KRW]



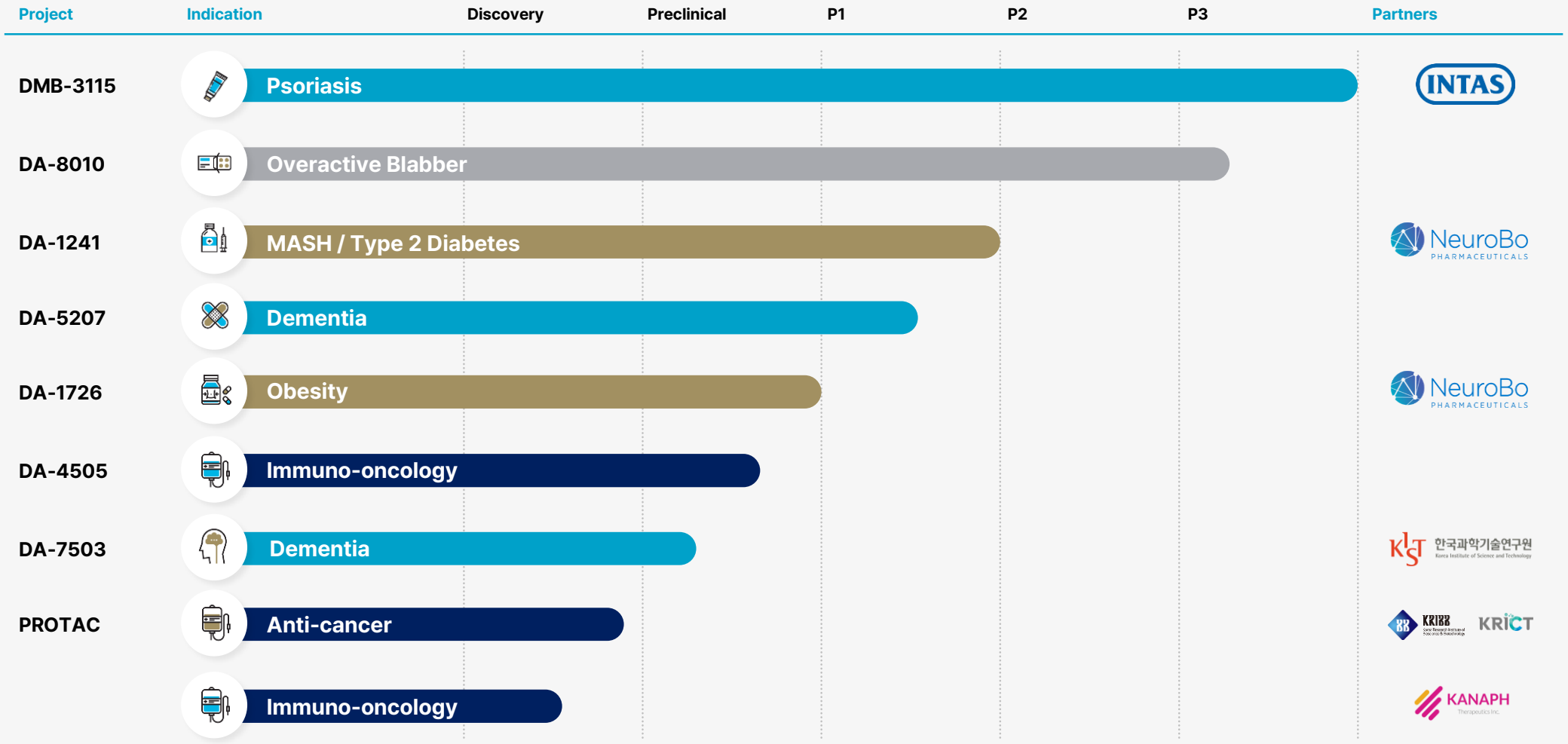
04. R&D Pipelines

Financial Statement

Business Review

R&D Developments

Appendix



■ Immune/Degenerative
 ■ Others
 ■ Endocrine
 ■ Anticancer



DMB-3115

Psoriasis Treatment

Blockbuster Autoimmune Disease Treatment Stelara(Ustekinumab) Biosimilar

Financial Statement

Business Review

R&D Developments

Appendix

- **Active Indication** Psoriasis, Psoriatic Arthritis, Crohn Disease, Ulcerative Colitis
- **Mechanism** IL-12/IL-23 inhibitors
- **Market Size** Global Stelara®(J&J) Sales as of 2022: \$17.8 Billion(23 Trillion KRW)¹⁾
- **Development Status** Completed Phase 3 Clinical Trial, Scheduled for EU EMA & US FDA NDA submission
- **Highlight** Licensed out(L/O) with Intas(Jul. 2021) for Global sales. Upfront/Milestone: \$10 Million/\$95 Million (with double-digit royalties)
* Intas Pharmaceuticals: Multinational pharmaceutical company in India operating in 85 countries.

Primary Endpoint of Clinical Phase 3 Results: Therapeutic Equivalence with Stelara® confirmed under EMA & FDA Standards

EMA Primary Endpoint Results

PASI ²⁾ from Baseline to Week 8 : -0.35% [-3.60%, 2.90%]
95% Confidential Interval(CI) within Equivalence Limit range(±15%)

[EMA] Percent Change in Psoriasis Area and Severity Index (PASI) from Baseline to Week 8	
(DMB-3115 – Stelara)	
LS Mean Difference	-0.35
95% CI for LS Mean Difference	(-3.60, 2.90)

FDA Primary Endpoint Results

PASI from Baseline to Week 2 : -0.04% [-2.16%, 2.07%]
90% Confidential Interval(CI) within Equivalence Limit range(±10%)

[FDA] Percent Change in Psoriasis Area and Severity Index (PASI) from Baseline to Week 12	
(DMB-3115 – Stelara)	
LS Mean Difference	-0.04
90% CI for LS Mean Difference	(-2.16, 2.07)



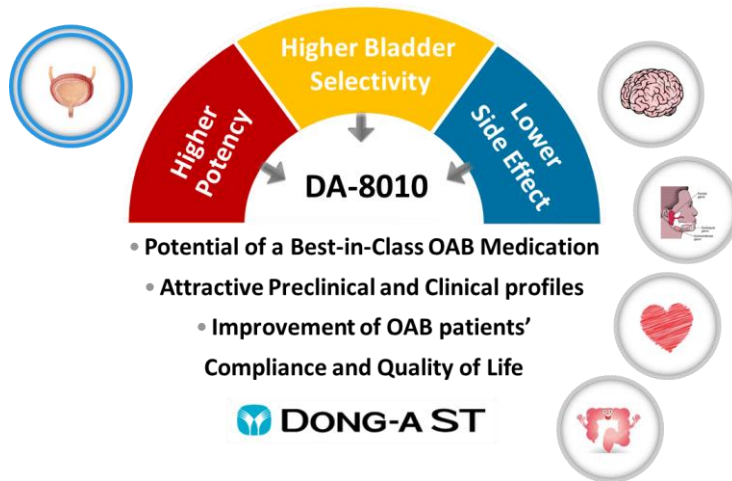
DA-8010

OAB Treatment

Best-in-Class Potential Treatment for Overactive Bladder

- **Active Indication** Overactive Bladder(OAB)
- **Mechanism** Muscarinic M3 receptor antagonist
- **Market Size** Current OAB Treatment Market = \$4.4 Billion (Global) // 93.2 Billion KRW (S. Korea) ¹⁾
- **Development Status** Completed Phase 1 Clinical Trial(UK) & Phase 2 Clinical Trial(S. Korea). Ongoing Phase 3 Trial(S. Korea)
- **Highlight** Superior potency than anti-muscarinic treatments. Less side effects due to high selectivity over salivary gland, etc.

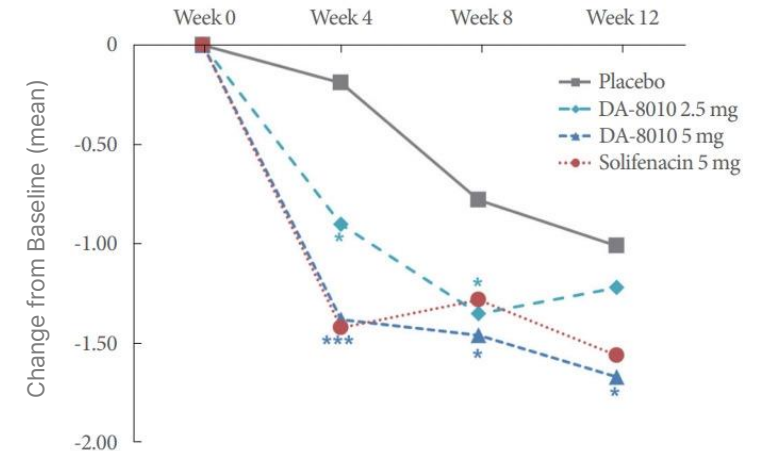
Competitiveness



High in-vivo selectivity over urinary bladder than anti-muscarinic treatments, decreased potential for adverse effects

1) IQVIA

Phase 2 Clinical Trial Results



Confirmed Efficacy : Significant decline in urination frequency vs. placebo
Confirmed Safety and Tolerability



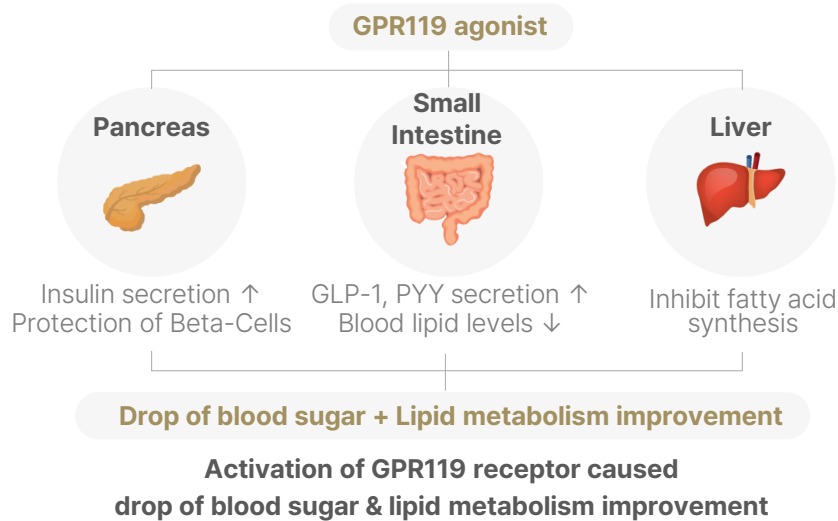
DA-1241

NASH/Type 2 Diabetes Treatment

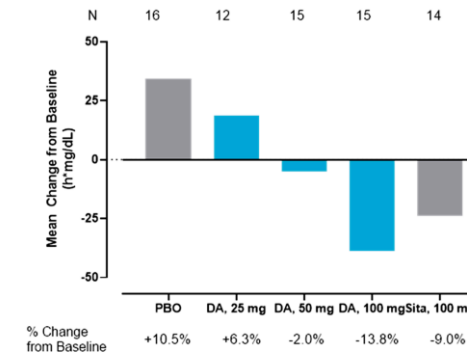
MASH/Type 2 Diabetes Treatment with GPR119 Agonist

- **Active Indication** NASH, Type 2 Diabetes
- **Mechanism** GRP119 Agonist
- **Market Size** Market Size Outlook for 2028 = \$5.4 Billion (NASH), \$68.7 Billion (Type 2 Diabetes) [Evaluate Pharma]
- **Development Status** Completed Phase 1a/1b Clinical Trial(US). Scheduled for Phase 2 Clinical Trial(US)¹⁾
- **Highlight** Observed lipid & glycemic metabolism improvements, and MASH treatment efficacy through anti-inflammatory properties
* NeuroBo Pharmaceuticals: Acquired as Dong-A ST subsidiary in 2022. Successfully raised \$32.3 Million in US(Nov. 2022)

MOA



US Trial 1b (8-week) Results : Significant improvement in postprandial glycemia compared to placebo



Superior postprandial glycemic improvement similar to competitive drugs

1) Data Bridge Market Research, 2022

2) The Insight Partners



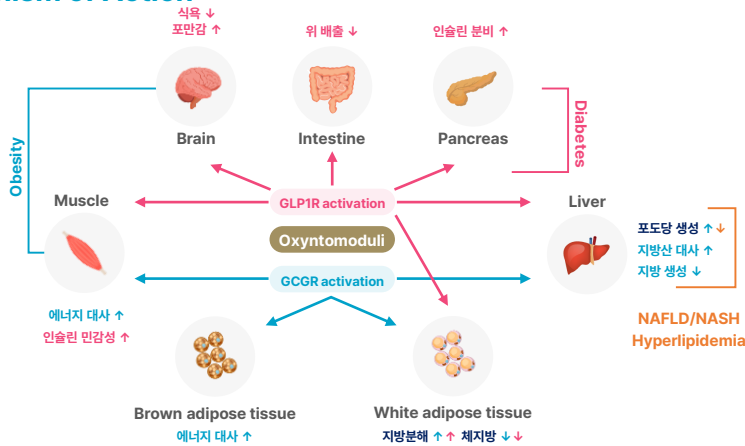
DA-1726

Obesity Treatment

Oxyntomodulin Analogue based Obesity Treatment

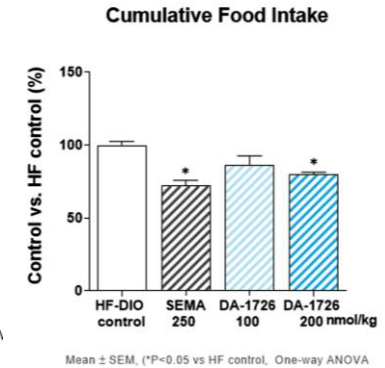
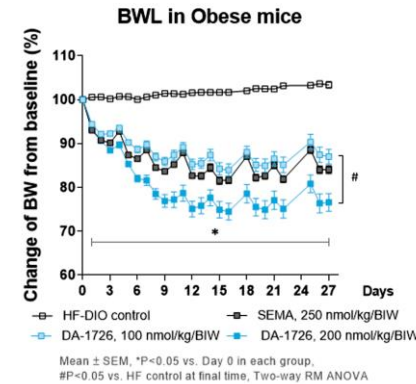
- **Active Indication** Obesity, NASH
- **Mechanism** GLP1R / GCGR Dual Agonist
- **Market Size** Global Market Size Outlook for 2028 = \$16.7 Billion (from \$2.8 Billion in 2022) [Evaluate Pharma]
- **Development Status** Completed Pre-clinical Trial. Scheduled for Phase 1 IND(US)
- **Highlight** L/O contracted with Neurobo Pharmaceuticals in Sept. 2022

Mechanism of Action



Activation of both receptors increases energy metabolism, suppresses appetite, regulates blood sugar, and improves lipid metabolism

Pre-clinical Trial Results - ADA (2022.06)



05. Income Statement (Separate)

[Unit : 1 Billion KRW]

	4Q21	2021	1Q22	2Q22	3Q22	4Q22	2022	YoY	QoQ
Revenue	149.9	590.1	153.5	160.2	158.3	163.8	635.8	9.3%	3.5%
Cost of Goods Sold	78.3	297.5	78.9	80.7	77.2	75.7	312.4	-3.4%	-2.0%
Gross Profit	71.6	292.6	74.7	79.5	81.1	88.2	323.4	23.1%	8.8%
SG & A Expense	53.3	194.8	49.3	55.3	45.4	56.0	206.1	5.0%	23.3%
R&D Expense	23.1	82.3	17.4	19.9	21.5	28.0	86.8	21.0%	30.3%
Operation Profit	-4.9	15.5	7.9	4.3	14.2	4.1	30.5	Switch to Gain	-70.7%
Non-operating Income	5.7	7.0	1.0	1.1	0.1	2.0	4.2	-64.2%	1841.7%
Non-operating Cost	7.4	8.2	1.5	2.1	0.4	18.3	22.3	148.3%	4232.5%
Financial Income	1.4	11.9	3.2	6.9	14.7	-6.1	18.7	-544.2%	-141.8%
Financial Cost	4.4	14.9	3.3	5.7	6.4	2.1	17.5	-51.6%	-66.8%
Earnings Before Tax	-9.5	11.3	7.2	4.5	22.2	-20.4	13.5	-114.5%	Switch to Loss
Net Profit	-7.1	12.0	1.9	3.3	21.4	-17.5	9.0	-147.1%	Switch to Loss
<hr/>									
Gross Profit Margin	47.8%	49.6%	48.6%	49.6%	51.2%	53.8%	50.9%	6.1%p	2.6%p
Operating Profit Margin	-	2.6%	5.1%	2.7%	9.0%	2.5%	4.8%	Switch to Gain	-6.4%p
EBT Margin	-	1.9%	4.7%	2.8%	14.0%	-	2.1%	-	-
Net Profit Margin	-	2.0%	1.2%	2.0%	13.5%	-	1.4%	-	-

05. Balance Sheet (Separate)

[Unit : 1 Billion KRW]

	4Q21	1Q22	2Q22	3Q22	4Q22	YoY	QoQ
Total Asset	1115.3	1173.6	1173.6	1200.6	1135.1	1.8%	-5.5%
Current Asset	523.1	550.8	550.8	563.0	452.3	-13.5%	-19.7%
Cash & Cash Equivalent	190.0	198.1	198.1	209.7	218.6	15.1%	4.3%
Accounts Receivables	86.8	84.1	84.1	85.5	86.4	-0.5%	1.0%
Inventory	101.9	94.7	94.7	96.2	97.1	-4.6%	0.9%
Non-current Asset	592.1	622.8	622.8	637.7	682.8	15.3%	7.1%
Total Liabilities	455.5	517.7	517.7	523.7	463.2	1.7%	-11.6%
Current Liabilities	273.5	248.3	248.3	225.9	178.4	-34.8%	-21.0%
Non-current Liabilities	182.0	269.4	269.4	297.8	284.7	56.5%	-4.4%
Borrowings(Debt)	293.1	355.4	355.4	360.4	307.3	4.8%	-14.7%
Total Equity	659.8	655.9	655.9	676.9	672.0	1.8%	-0.7%
D/E Ratio	69.0%	78.9%	78.9%	77.4%	68.9%	4.6%p	-1.6%p
Borrowings / Equity	44.4%	54.2%	54.2%	53.2%	45.7%	8.9%p	-0.9%p
Net Borrowings / Equity	15.6%	24.0%	24.0%	22.3%	13.2%	9.0%p	-1.7%p

05. Business Sector Review

[Unit : 1 Billion KRW]

Business Sector	4Q21	2021	1Q22	2Q22	3Q22	4Q22	2022	YoY	QoQ
ETC	86.5	364.0	94.3	97.7	98.0	90.3	380.2	4.4%	-7.8%
Overseas	40.4	142.0	37.4	40.3	37.4	41.1	156.2	1.8%	9.7%
Medical Devices	17.2	62.5	16.6	16.1	17.1	15.6	65.4	-9.5%	-8.7%
Medical Devices	3.0	13.1	4.4	3.8	3.9	3.6	15.7	22.0%	-8.0%
Diagnosis	14.3	49.4	12.2	12.3	13.2	12.0	49.6	-16.1%	-9.0%
Others	5.8	21.6	5.2	6.2	5.8	16.9	34.1	189.3%	191.2%
Total	149.9	590.1	153.5	160.2	158.3	163.8	635.8	9.3%	3.5%

05. ETC Product Sales

[Unit : 1 Billion KRW]

Product	4Q21	2021	1Q22	2Q22	3Q22	4Q22	2022	YoY	QoQ
Growtropin	12.2	44.3	12.7	14.7	16.2	17.8	61.5	46.3%	9.8%
Motilitone	8.0	31.2	8.0	8.5	8.5	9.1	34.1	14.0%	7.1%
Suganon	7.3	30.4	8.0	7.8	4.9	3.2	24.0	-56.1%	-34.3%
Stillen	4.9	19.5	5.0	5.1	5.2	5.0	20.4	2.2%	-4.2%
Amlodipine	1.5	6.0	1.4	1.5	1.4	1.3	5.7	-11.1%	-2.5%
Jublia	6.0	27.3	6.2	7.8	8.2	5.8	27.9	-3.8%	-29.9%
Opalmon	6.2	23.4	5.6	6.4	6.4	6.2	24.6	1.0%	-2.0%
Gaster	2.3	23.7	5.7	5.7	5.6	6.4	23.4	179.3%	14.3%
Edarbi	2.6	10.4	2.7	2.8	3.0	2.7	11.2	5.0%	-9.3%
Flivas	1.6	6.3	1.6	1.6	1.7	1.8	6.7	12.6%	9.3%
Nicetile	1.7	6.6	1.6	1.5	0.4	-0.5	3.0	-127.4%	-208.0%
Plavitor	5.8	21.8	5.9	5.9	5.9	4.6	22.2	-21.8%	-22.9%
Lipinon	4.2	17.1	4.2	3.9	4.0	4.2	16.2	-1.8%	3.4%
Twolion	1.9	7.3	2.5	1.9	2.2	2.5	9.1	31.1%	15.9%

05. Overseas Product Sales

[Unit : 1 Billion KRW]

Product	4Q21	2021	1Q22	2Q22	3Q22	4Q22	2022	YoY	QoQ
Bacchus	21.1	81.8	26.8	22.9	26.6	19.4	95.7	-8.0%	-26.9%
Darbepoetin alfa	6.1	12.5	3.3	3.1	1.3	5.5	13.3	-8.9%	330.3%
Growtropin	1.7	2.1	1.5	2.9	2.9	1.4	8.7	-17.1%	-50.8%
Eporon	1.0	5.5	0.4	1.1	0.8	1.0	3.3	2.9%	36.4%
Closerin/ Clofazimine	1.0	13.7	1.1	2.1	1.7	3.0	7.9	210.9%	71.8%
Cycloserine	1.2	3.1	1.0	0.9	0.3	0.4	2.6	-67.2%	24.3%

Thank you

Investor Relations
ir@donga.co.kr
