

GLOBAL INNOVATIVE PARTNER OF
VACCINE AND BIOTECH

SK bioscience

Earnings Release 4Q 2024



Earnings Release 4Q24

DISCLAIMER

The financial information in this document are consolidated earnings results based on K-IFRS.

This document is provided for the convenience of investors only, before the external audit on our 4Q 2024 financial results is completed. The audit outcomes may cause some parts of this document to change.

- This document contains "forward-looking statements", which are addressed based on our current business environment and strategies. Certain risks and uncertainties in the future, such as changes in business environment and strategies, may cause actual results to be materially different from those expressed in this document.

Highlights of 2024



Acquisition of IDT Biologika

- Turn-around Expected in 2025
- Target sales of CAGR 17+ by 2028



PCV21 global phase 3 clinical trial initiation

- Phase 3 clinical trial in AU (Dec '24)
- IND approval of Phase 3 clinical trials in US and KR (Jan '25)



NextGen PCV Co-development Agreement

- Expanded agreement to develop NextGen pediatric/adult PCV
- Total €350M + Royalty



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Earnings Results



(1) Earnings Highlight (Consolidated)

New Consolidation of German CDMO IDT Biologika Led to YoY Sales Growth

(Unit : KRW 100mn)	'23. 4Q	'24. 4Q	YoY	2024	YoY
Revenue	906	1,568	662	2,675	(1,020)
- SKBS ¹⁾	906	456	(450)	1,563	(2,132)
Flu	108	58	(50)	446	(6)
Zoster	114	80	(34)	359	(55)
Varicella	19	29	10	157	67
Distribution and others	665	289	(376)	601	(2,138)
- SKBS Germany (IDT) ²⁾	-	1,112	1,112	1,112	1,112
Cost of Goods Sold	612	1,512	900	2,366	94
Gross Profit	294	56	(238)	310	(1,113)
SG&A	378	564	186	1,694	152
SG&A ex R&D	193	421	228	981	296
R&D	185	143	(42)	714	(143)
Operating Profit	(84)	(508)	(424)	(1,384)	(1,265)
- SKBS	(84)	(533)	(449)	(1,409)	(1,290)
- SKBS Germany (IDT)	-	25	25	25	25
Non-operating profit & loss	120	290	170	493	300
Profit before Income Tax	36	(217)	(253)	(891)	(965)
- SKBS	36	(521)	(557)	(1,195)	(1,269)
- SKBS Germany (IDT)	-	304	304	304	304
Net Profit	42	(27)	(69)	(501)	(725)

SKBS

4Q Sales YoY

[Increase]

- Increase in SKYVaricella exports to PAHO
- Continued growth in Sanofi vaccine distribution sales (3Q 7.5B → 4Q 8.4B KRW)

[Decrease]

- COVID-19 vaccine(Nuvaxovid) sales decrease
- Lowered prices due to intensified competition in the domestic flu vaccine market

※ R&D expense details (Unit: KRW 100mn)

	'23. 4Q	'24. 4Q	YoY
Total R&D	211	212	1
Funding	(26)	(69)	-43
R&D (SG&A)	185	143	-42

IDT

4Q Sales YoY

- IDT Biologika newly consolidated from Q4 2024.

1) SKBS : SK bioscience, SKBS USA

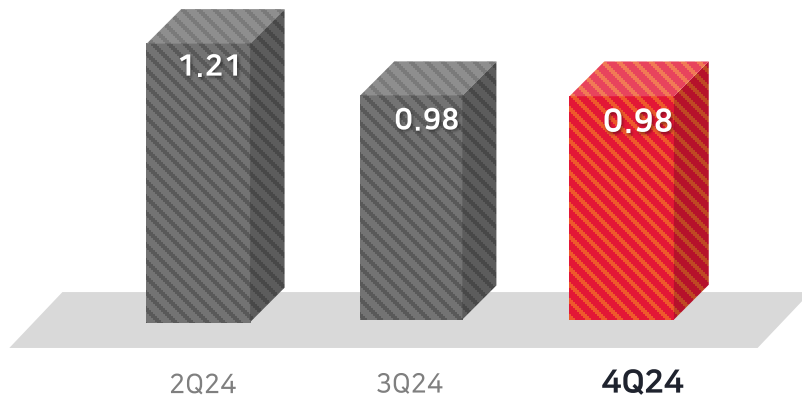
2) SKBS Germany (IDT) : SKBS Germany GmbH, IDT, TEW

(2) Balance Sheet Highlight

<Cash and Cash Equivalents>

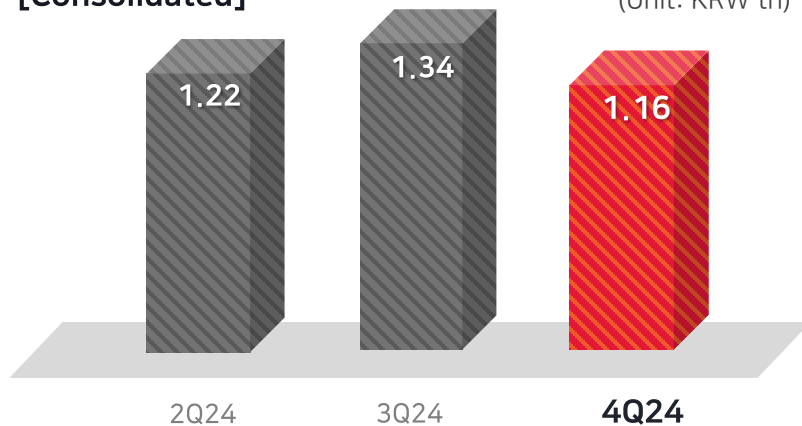
[Separate]

(Unit: KRW tn)



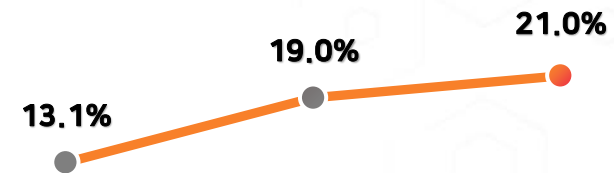
[Consolidated]

(Unit: KRW tn)

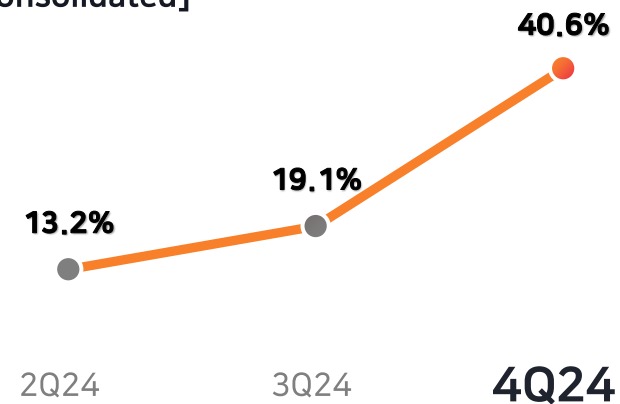


<Debt to Equity Ratio>

[Separate]



[Consolidated]



(3) Consolidated Financial Statement

Balance Sheet

(Unit : KRW mn)	2022	2023	2024
Total Assets	2,141,931	1,852,439	2,843,596
Current Assets	1,783,694	1,382,969	1,576,673
Cash & cash equivalents	1,480,806	1,274,141	1,158,108
Account receivable & other receivable	89,661	22,342	188,396
Inventories	187,406	80,649	211,126
Other current assets	25,822	5,836	19,043
Non-current Assets	358,237	469,470	1,266,923
PP&E	264,158	296,288	972,923
Intangible assets	18,181	22,459	124,548
Other non-current assets	75,898	150,723	169,453
Total Liabilities	400,229	148,584	821,144
Current Liabilities	380,037	135,620	310,589
Account payable & other payable	55,705	45,602	106,057
Short-term borrowings	45,550	-	-
Current bonds	38,008	-	-
Current contract liabilities	155,676	52,195	120,003
Other current liabilities	85,098	37,823	84,529
Non-current Liabilities	20,192	12,964	510,554
Bonds	-	-	-
Long-term borrowings	-	-	383,331
Other non-current liabilities	20,192	12,964	127,223
Total Equity	1,741,702	1,703,855	2,022,452
Capital stock	38,392	38,414	39,174
Capital surplus	1,160,008	1,160,456	1,235,376
Other equity	9,848	10,351	10,351
Accumulated other comprehensive income	77	(54,786)	17,907
Retained earnings	533,378	549,421	499,757
Non-controlling interest	-	-	219,887
Net Cash	1,397,247	1,274,141	774,777

※ Net Cash = Cash & Cash Equivalents + Deposits – Debt (ex Lease Liabilities)

Income Statement

(Unit : KRW mn)	2023 (Cum.)	1Q24	2Q24	3Q24	4Q24	2024 (Cum.)
Revenue	369,506	22,271	26,777	61,648	156,849	267,545
COGS	227,263	16,874	8,643	59,821	151,231	236,569
Gross Profit	142,243	5,396	18,134	1,827	5,618	30,976
SG&A expenses	154,231	33,498	38,074	41,440	56,395	169,407
Operating Profit	(11,988)	(28,102)	(19,940)	(39,614)	(50,776)	(138,431)
Non-operating profit & loss	19,315	8,296	3,039	8,956	29,033	49,324
Profit before Income Tax	7,327	(19,806)	(16,901)	(30,657)	(21,743)	(89,107)
Income tax	(14,990)	(6,088)	(5,492)	(8,340)	(19,070)	(38,990)
Net Income	22,318	(13,718)	(11,409)	(22,317)	(2,673)	(50,117)

(4) Separate Financial Statement

Balance Sheet

(Unit : KRW mn)	2022	2023	2024
Total Assets	2,142,189	1,854,403	2,154,169
Current Assets	1,777,402	1,379,372	1,185,018
Cash & cash equivalents	1,474,513	1,270,549	975,660
Account receivable & other receivable	89,660	22,340	111,453
Inventories	187,406	80,649	86,209
Other current assets	25,822	5,834	11,696
Non-current Assets	364,788	475,031	969,151
PP&E	264,158	295,954	436,012
Intangible assets	18,181	22,459	24,440
Other non-current assets	82,449	156,619	508,699
Total Liabilities	399,934	148,036	373,595
Current Liabilities	379,742	135,304	178,926
Account payable & other payable	55,410	45,433	39,390
Short-term borrowings	45,550	-	-
Current bonds	38,008	-	-
Current contract liabilities	155,676	52,195	103,014
Other current liabilities	85,098	37,676	36,523
Non-current Liabilities	20,192	12,732	194,668
Bonds	-	-	-
Long-term borrowings	-	-	192,240
Other non-current liabilities	20,192	12,732	2,428
Total Equity	1,742,255	1,706,368	1,780,574
Capital stock	38,392	38,414	39,174
Capital surplus	1,160,008	1,160,456	1,235,376
Other equity	9,848	10,351	10,351
Accumulated other comprehensive income	265	(54,727)	6,652
Retained earnings	533,742	551,874	489,021
Non-controlling interest	-	-	-
Net Cash	1,390,955	1,270,549	783,420

Income Statement

(Unit : KRW mn)	2023 (Cum.)	1Q24	2Q24	3Q24	4Q24	2024 (Cum.)
Revenue	369,506	22,271	26,777	61,648	45,591	156,286
COGS	227,263	16,874	8,643	59,821	61,962	147,300
Gross Profit	142,243	5,396	18,134	1,827	(16,371)	8,986
SG&A expenses	152,033	32,941	37,489	40,957	31,193	142,580
Operating Profit	(9,790)	(27,544)	(19,355)	(39,130)	(47,565)	(133,594)
Non-operating profit & loss	19,207	8,288	3,026	8,952	1,310	21,576
Profit before Income Tax	9,416	(19,256)	(16,329)	(30,178)	(46,254)	(112,018)
Income tax	(14,990)	(6,088)	(5,492)	(8,340)	(25,436)	(45,356)
Net Income	24,407	(13,169)	(10,837)	(21,838)	(20,819)	(66,662)

※ Net Cash = Cash & Cash Equivalents + Deposits – Debt (ex Lease Liabilities)



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Business Update



(1) SKYVAX Update

SKYCellflu Awarded 'Next-Generation World-Class Product of Korea' SKYVaricella Expands 4Q Exports and Secures New PAHO Orders

SKYCellflu

Next-Generation World-Class Product¹⁾ (Nov '24)

- The world's first quadrivalent cell-culture flu vaccine surpasses cumulative sales of **390B KRW** since launch

SKYZoster

Demand for Zoster Vaccine Continues

- 4Q sales increased by **2.9B KRW QoQ**
- SKYZoster's price competitiveness and ease of single-dose vaccination highlighted

SKYVaricella

Expansion of PAHO Exports

- '24 cumulative sales: **15.7B KRW** (74% ↑ YoY)
- '25 ~'27 orders worth approximately **55B KRW**

SKYTyphoid

Global expansion with WHO PQ

- Co-developed with IVI, supported by BMGF
- Plan to participate in the public procurement market bids

1) The Ministry of Trade, Industry and Energy selects items with high potential to enter the top 5 global market share within the next 7 years and supports their globalization.

(2) Sanofi Vaccine Distribution Update

Sales Increase of 5 Key Sanofi Vaccines Expand Partnership for RSV and Hepatitis A Prevention Medicines

sanofi

5 Sanofi Vaccines



New Product

RSV Antibody



Beyfortus

Hep A



Avaxim

- Sales of 5 Sanofi vaccines in 2024 : 22.9B KRW ('24. 2Q 7.0B → 3Q 7.5B → 4Q 8.4B)
- The distribution of 5 vaccines has expanded to 7 products with new additions.
- **Beyfortus targeting all infants**, broadening the RSV preventive medicine market beyond the previously limited high-risk groups.
- **Hexaxim was officially included in the NIP in Jan '25**, driving further sales growth.

- 1) Tetraxim (4-valent) : diphtheria, tetanus, pertussis, and polio prevention
- 2) Pentaxim (5-valent) : Tetraxim + invasive infections caused by Haemophilus influenzae type b prevention
- 3) Hexaxim (6-valent) : Pentaxim + Hepatitis B prevention

(3) SKBS 3.0 Progress & Plan

	2024	2025~
Vaccine Portfolio	<ul style="list-style-type: none"> PCV21 Phase 3 clinical trial initiated in AU Expanded Partnership to Develop NextGen PCV with Sanofi 	<ul style="list-style-type: none"> PCV21 Phase 3 trials initiation in US ·KR·EU SKYVaricella supplies PAHO with approx. 55B KRW Differentiated flu, Pan-Sarbeco clinical trial initiation
R&D/Infra Upgrade	<ul style="list-style-type: none"> Songdo R&PD center Pilot Plant under construction Andong site expansion to diversify products and increase production Acquisition of German CDMO IDT Biologika('24.10) 	<ul style="list-style-type: none"> Andong site cGMP upgrade to strengthen global supply capacity SKBS – IDT Biologika synergy Enhancement
SKYShield	<ul style="list-style-type: none"> Establishment of a Thai JV to expand into the Southern Hemisphere SKYTyphoid receives WHO PQ certification 	<ul style="list-style-type: none"> Continuing the SKYShield Strategy
Next Pandemic Preparedness	<ul style="list-style-type: none"> CEPI mRNA vaccine Pjt. continues - required technology secured JEV vaccine Phase 1/2 clinical trial CTA approved in AU ('24.12) 	<ul style="list-style-type: none"> CEPI mRNA vaccine(JEV) clinical trial initiated
Bio Biz. Expansion	<ul style="list-style-type: none"> IDT Biologika secured as a key foothold for entry into new bio sectors 	<ul style="list-style-type: none"> Refining strategies for new business areas



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Appendix



(1) SKBS Pipeline

SKBS Pipeline Includes Various Projects Based on Continuous R&D Investment,
Targeting the Global Market with Promising Blockbuster Potential

		Pre-clinical	Phase 1	Phase 2	Phase 3	Registration
● Premium						
● Routine						
● COVID/Pandemic						
PCV 21	sanofi				✓ Global	
RSV		✓				
Recombinant Zoster		✓				
HPV 10	Sunflower THERAPEUTICS	✓				
Value-Up Flu Vaccine		✓				
PCV 13						✓
SKYCellflu(Trivalent)						✓
SKYCellflu(Quadrivalent)						✓
SKYZoster						✓
SKYVaricella						✓
SKYTyphoid(TCV)	International Vaccine Institute					✓
	BILL & MELINDA GATES foundation					
HPV 4	Sunflower THERAPEUTICS		✓			
Rotavirus Pentavalent			✓			
JEV mRNA	CEPI	✓				
Hep A, etc.		✓				
SKYCovione (COVID-19)	CEPI					✓
	BILL & MELINDA GATES foundation					
Pan-Sarbeco (Sarbecovirus)	CEPI	✓				
	INSTITUTE FOR Protein Design UNIVERSITY OF WASHINGTON					
Lassa Fever mRNA	CEPI	✓				
Nasal Spray	INSTITUTE FOR Protein Design UNIVERSITY OF WASHINGTON	✓				
	BILL & MELINDA GATES foundation					
	iaVi					

(2) ESG Management

**MSCI ESG Rating A for Two Consecutive Years,
the Highest Level in the Domestic Bio Industry**

ESG Report



| ESG Homepage

- ✓ Improved accessibility and created user-friendly environment ('24.07)
 - Reflected ESG information trends to enhance timeliness, scalability, and accessibility
 - Implementing environmental management through Zero-waste practices



| ESG Management

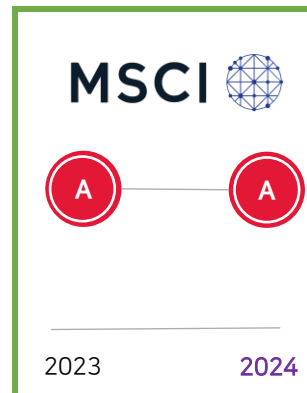
- ✓ Efforts to respond to climate change
 - Signed a power purchase agreement (PPA) for renewable energy ('24.05)
- ✓ Commitment to Mutual Growth
 - Supporting ESG initiatives for partners
 - Expanding human rights impact assessments for partners and local communities

ESG Rating



| KCGS ESG Evaluation

- ✓ '22 First ESG Grade A
- ✓ '23 Grade A for two consecutive years
- ✓ '24 Grade A for three consecutive years



| MSCI ESG Evaluation

- ✓ ESG rating A for two consecutive years

Q&A