



Overview Materials on Corporate Restructuring: Spin-Off



Disclaimer

This document has been prepared for the purpose of providing information to shareholders and investors regarding the corporate restructuring of PharmaResearch Co., Ltd. ("the Company") and is based on the Report on Major Issues disclosed on June 13, 2025.

This document contains forward-looking statements regarding the Company's future business environment and financial performance. Such statements are based on information and assumptions available as of the date hereof and are subject to various factors, including changes in economic conditions and the business environment. Accordingly, actual results may differ materially from those expressed or implied in the forward-looking statements.

Furthermore, future outlooks and projections contained in this document may be subject to change without prior notice due to changes in external conditions or adjustments in the Company's business strategies. Please be aware that if the underlying assumptions or criteria differ from those set forth in this document, the contents may also change accordingly.

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PART 1

Corporate Restructuring



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Overview

Seperation of Business and Investment Functions to Enhance Operation Efficiency

| PharmaResearchHoldings

Transitioning to a holding company focused on investments and subsidiary management.

| PharmaResearch

Specializing in the aesthetics business to accelerate growth and strengthen core capabilities.

Classification	Surviving Entity	New Entity
Name	PharmaResearchHoldings	PharmaResearch
Business Area	Holdings / Investments	Medical Device / Medicine / Cosmetics
Subsidiaries	PharmaResearchBio	NA
Ratio	0.7427944	0.2572056
Equity(Mil. KRW)	3,919	1,336
Face Value	500 KRW	500 KRW
Shares Outstanding	7,717,373 Shares	2,672,275 Shares

Background

PharmaResearch is currently positioned as a global aesthetics leader, operating its core businesses in medical devices, pharmaceuticals, and cosmetics, while simultaneously managing its subsidiaries and engaging in investment activities.



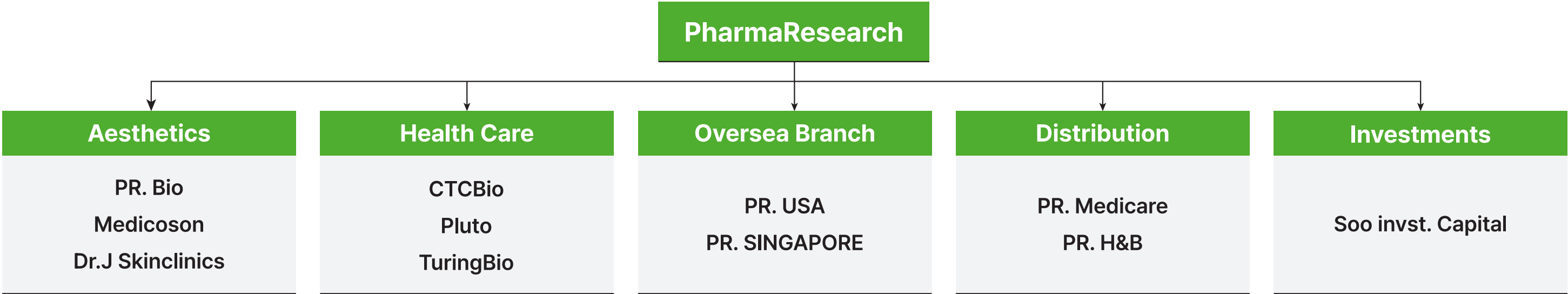
Operation Risk

A potential dilution of organizational focus and resource allocation may arise due to the expanded scope of managing and acquiring multiple affiliated entities.

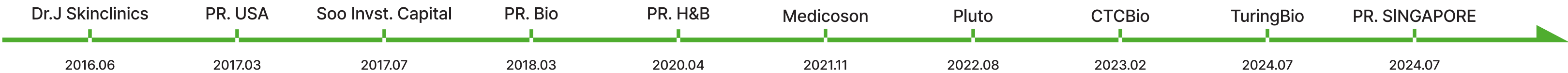


Strategic Risk

To safeguard the stability of core operations and protect shareholder value, effective risk management of new investments.

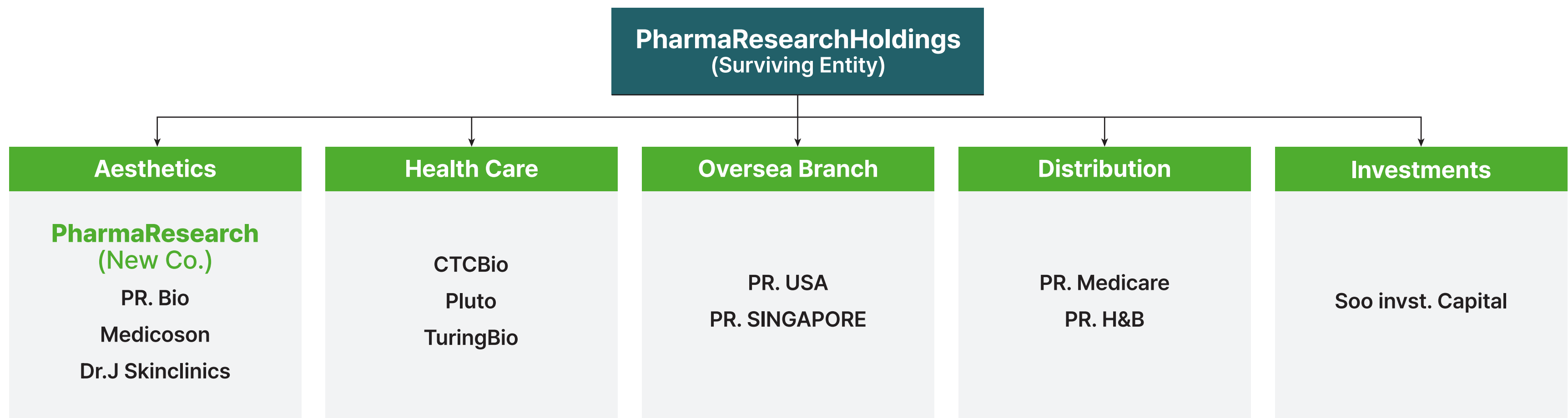


Timeline of Acquisition



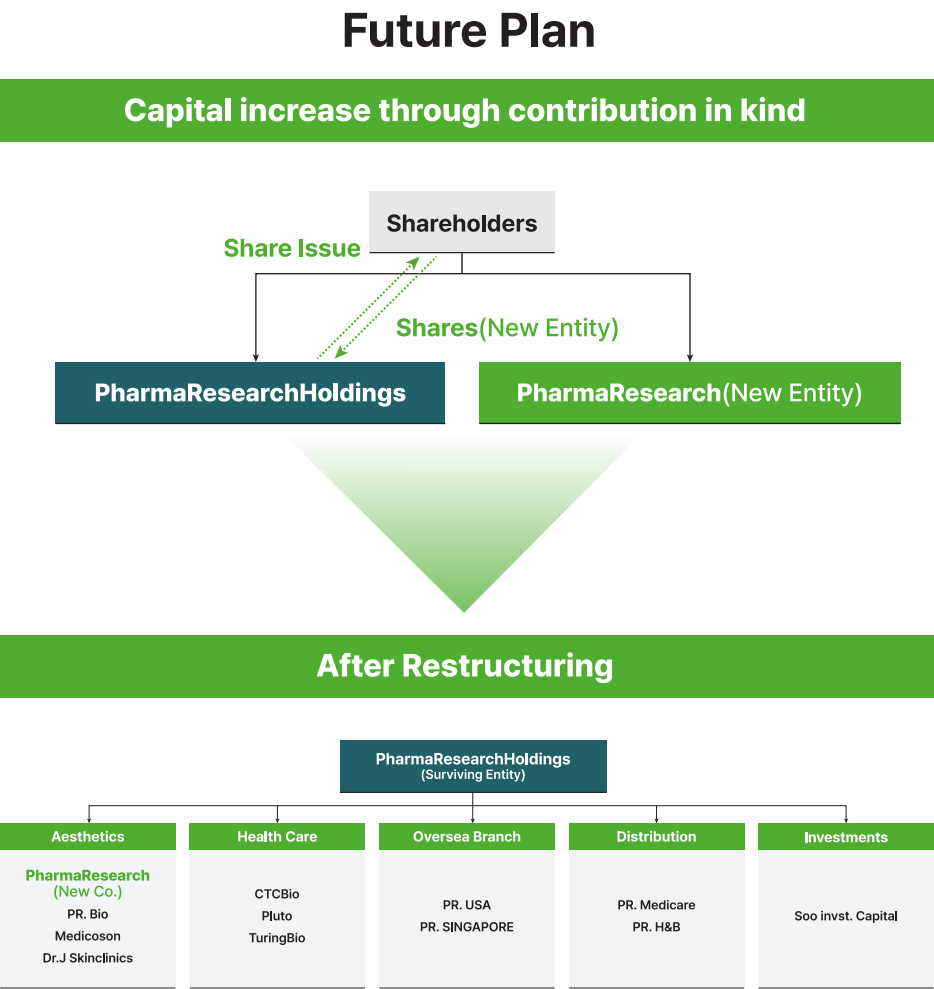
Purpose

Enhancing operation focus and establish clear valuation benchmarks for each business segment through the spin-off.



Process

- | The spin-off is scheduled to take effect on **November 1**.
- | Subject to approval of the spin-off at the Extraordinary General Meeting of Shareholders on **October 17**, shares of the surviving company and the new company will be allocated to shareholders of record as of **October 31**. The newly allocated shares are expected to be listed on **December 10**.
- | Along with the spin-off resolution, BoD has approved the cancellation of all treasury shares to enhance shareholder returns, with the cancellation scheduled for **June 20**.

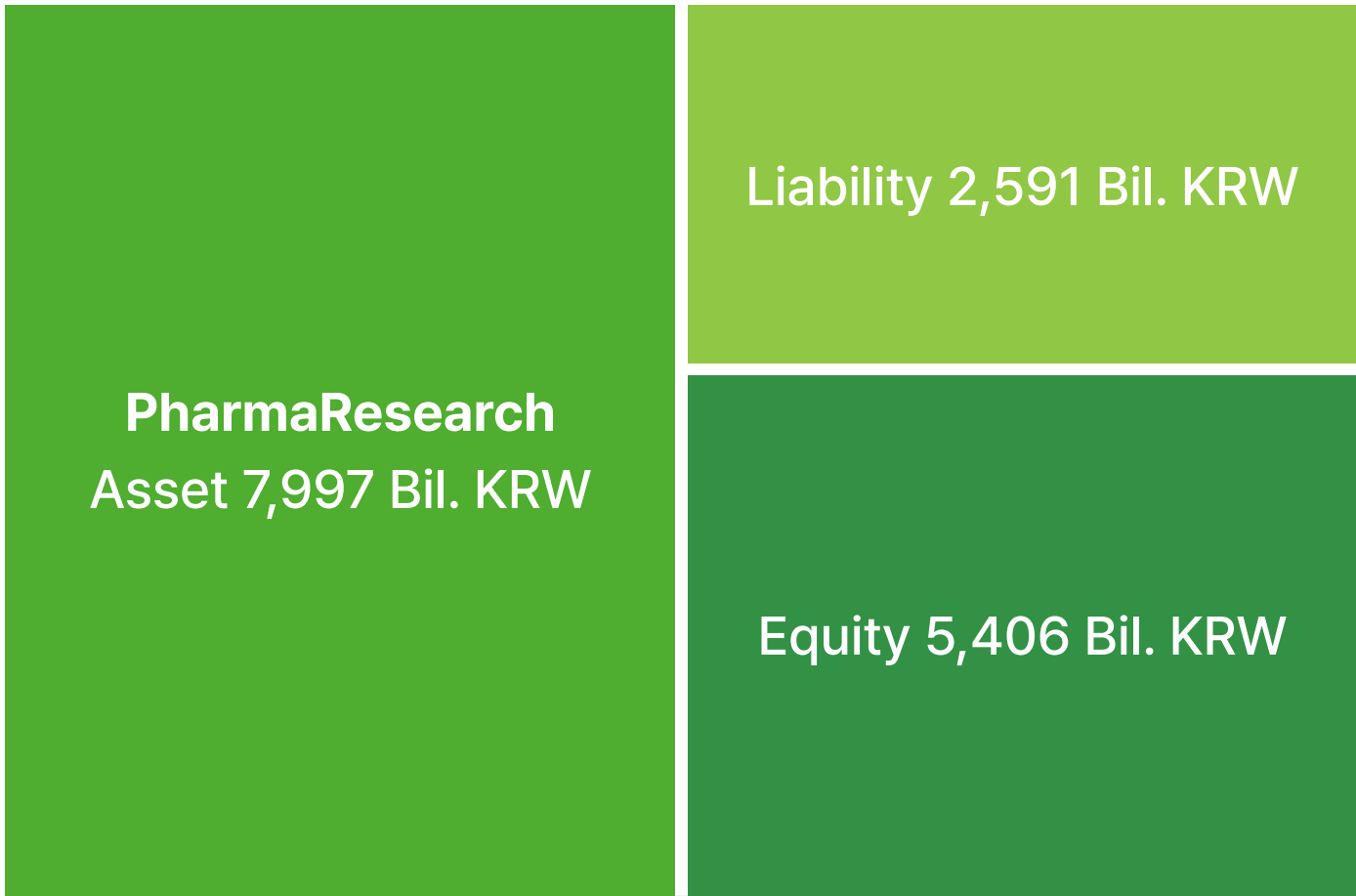


Financial Structure

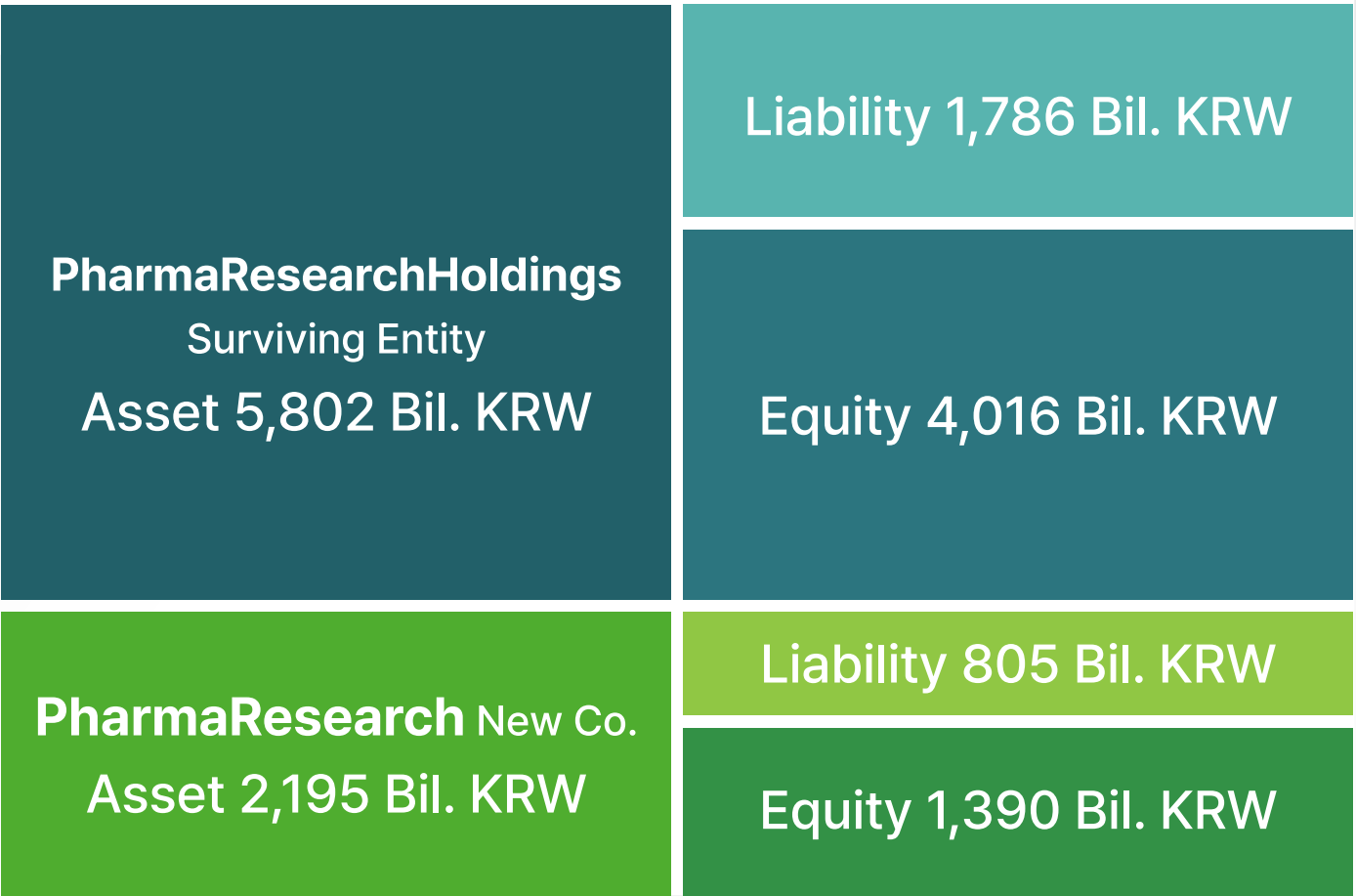
Assets and liabilities were allocated between the two entities based on business relevance and financial considerations.

PharmaResearchHoldings transitioned to a holding company structure through a spin-off and a capital increase via in-kind contribution.

Pre Spin-Off



Post Spin-Off



PART 2

Growth Plan

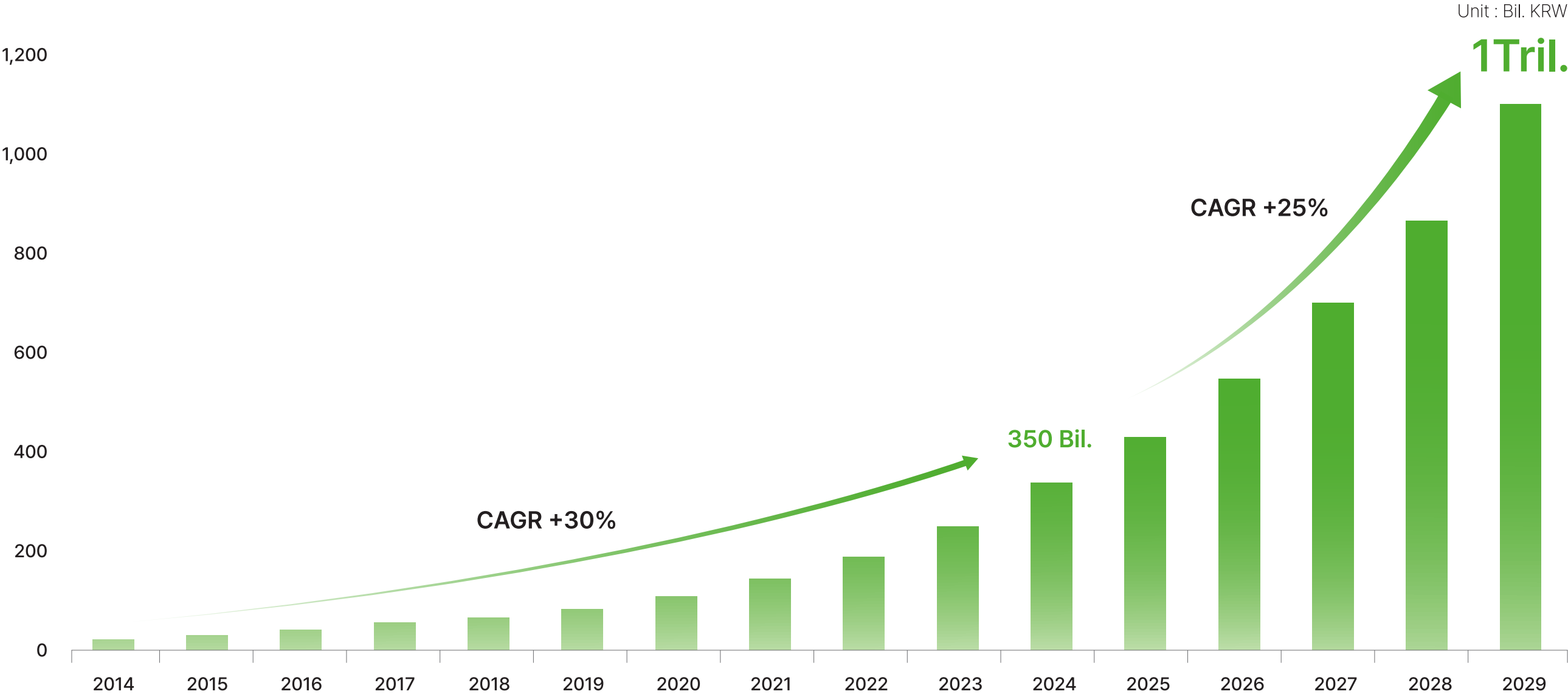


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PharmaResearch Group Roadmap

Achieved CAGR 30% Since 2014
Plan to grow at a CAGR 25% for next 5 Years
Expand into Overseas Markets + Drive Portfolio Diversification
Evolve into a Global, Top-Tier Healthcare Group



PharmaResearchHoldings Growth Plan

PR. Holdings aims to enhance corporate and shareholder value through effective subsidiary management and strategic business expansion.

Acquisition and Strategic Investments

- | **Diversification of Business Portfolio**
Aesthetics, Bio&Healthcare companies
- | **Collaboration with Startup**
in Related Business Area

Enhance Subsidiary Management System

- | **Strengthening Core Business**
- | **Implementing Sophisticated
Management System**

Align Profit with Shareholders

- | **Strengthening Corporate
Governance**
- | **Enhancing ESG and Brand
Management**

PharmaResearch New Co. | Growth Plan

Driving expansion of an aesthetics-centered product portfolio through ongoing R&D

: Skinboosters(Everwinkle, Collagen, S-REJURAN), EBD

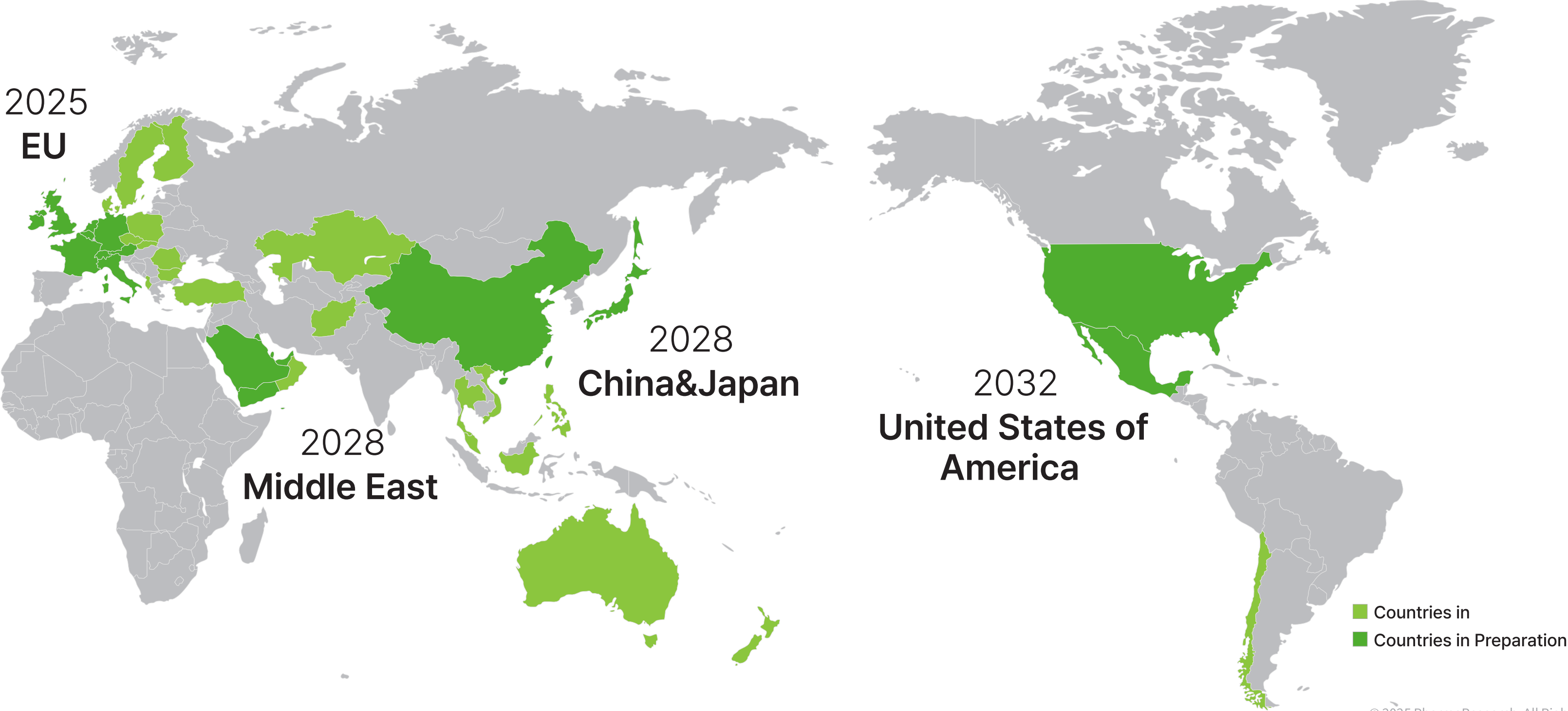
→ Broadening consumer experience via synergy with Rejuran procedures

| Global Total Aesthetics Company



PharmaResearch Growth Plan

Thrive Rejuran Expansion through G4 Penetration
| Timeline |
2025 EU → 2028 China, Japan, Middle East, South America → 2032 United States of America



Value-up Plan

Enhancing Corporate Value

| Treasury shares

- Full retirement of treasury shares held

| Implementation of Value-up for Core Business

- Promoting transparent governance and trust-based shareholder return policies
- New Co. and PharmaResearchBio shareholder return ratio 30%

* Dividen Payout Ratio : 2022 16.2% → 2023 12.7% → 2024 14.6%

Enhancing Management Transparency

| Fostering Investor Relations

- Quarterly IR Activities
- Implement electronic voting system

| Corporate Governance

- Publishment of Sustainability Report
- Ethical Management Certifications(Ex. ISO 37001)

FAQ

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Q. What is the purpose and rationale behind the spin-off?

The company is currently engaged in not only its core businesses—medical devices, pharmaceuticals, and cosmetics—but also business expansion activities such as acquiring other companies, making new investments, and managing subsidiaries. This diversified business model aligned with the company’s long-term strategy in the early stages, when investment frequency and acquisition volume were relatively low. However, as both the number and scale of investments have grown, internal resources have become increasingly strained. To address these challenges, the company plans to implement a spin-off to separate the risks inherent in new investments from the stable growth of its core business. After the spin-off, the surviving entity will become a holding company focused on strategic investments and the management of subsidiaries, while the new entity will dedicate its efforts to core operations, thereby maximizing operational efficiency.

Q. What are the key expected benefits of the spin-off?

The primary benefit of the spin-off is the separation of investment-related risks—such as new M&A activities and equity acquisitions—from the stable growth of the core business. The newly established entity will be able to focus exclusively on its core businesses—medical devices, pharmaceuticals and cosmetics—thereby enhancing operational efficiency. Meanwhile, the surviving entity will transition into a holding company and concentrate on new investments and the management of subsidiaries, helping to secure long-term growth drivers at the group level. Ultimately, the spin-off is expected to accelerate PharmaResearch Group’s transformation into a global aesthetics leader, enhancing both corporate value and shareholder returns.

Q. Why is the spin-off being pursued at this time?

The acquisition of management control of CTCBio — initiated in 2023 and completed in 2025 — was a key part of the Group’s strategy to diversify its business portfolio. However, the process involved unexpected complications and created market noise. These developments led major institutional investors and analysts to raise concerns about the broader risks such investment activities could pose to the company. Internally, the prolonged and complex acquisition process also reinforced the need to separate investment risks from core operations. As the company continues to pursue M&A and strategic investments in line with its goal of becoming a global aesthetics leader, it has determined that now is the appropriate time to implement the spin-off and restructure its governance to better manage those risks.

Q. How will the governance structure and shareholding relationships change?

As this is a spin-off in which shareholders receive shares of the new entity in proportion to their existing ownership as of the record date, the shareholder structure of both the surviving and new companies will remain the same as before the spin-off. The newly established company will assume all existing business operations of PharmaResearch Co., Ltd., while the surviving company will retain ownership of financial assets, including equity stakes in other entities. Consequently, all subsidiaries and affiliates previously under PharmaResearch will now fall under the umbrella of the surviving entity, PharmaResearchHoldings. Following the spin-off, PharmaResearchHoldings will execute a paid-in capital increase through an in-kind contribution — receiving shares of the newly created company in exchange for issuing new shares. Once this transaction is completed, the new company, PharmaResearch Co., Ltd., will become a subsidiary of PharmaResearchHoldings in accordance with the Monopoly Regulation and Fair Trade Act.

Q. How will the number of shares allocated to each shareholder be calculated?

Share allocations will be determined by multiplying the number of shares held as of the spin-off record date — October 31, 2025 — by the respective allocation ratios. For the new entity, a spin-off allocation ratio of 0.2572056 will be applied, and any resulting fractional shares will be rounded down and settled in cash. For the surviving company, a consolidation ratio of 0.7427944 will apply, and any resulting fractional shares will likewise be settled in cash.

Q. How will fractional shares be handled?

Fractional shares may arise during the spin-off due to the consolidation of shares in the surviving company and the allocation of shares in the new company. Any fractional shares of less than one full share will be settled in cash. The cash value will be calculated based on the closing price of PharmaResearchHoldings on the first trading day after the change in listing, and the closing price of PharmaResearch Co., Ltd. on the first day of its re-listing. These fractional shares will be acquired and retired by each respective company as treasury stock.

Q. By when must shares be held to be eligible for the benefits of the spin-off?

To be eligible for the spin-off share allocation, shareholders must be recorded as registered shareholders of PharmaResearch Co., Ltd. as of the record date, October 31, 2025. Accordingly, to secure eligibility, shareholders must hold their shares no later than October 29, 2025, which is two trading days before the record date due to the standard settlement cycle.

Q. What is the trading suspension period?

Trading will be suspended starting October 30, 2025, the trading day immediately preceding the spin-off record date (October 31, 2025). The suspension will remain in effect until the business day prior to the re-listing of PharmaResearchHoldings and the initial listing of PharmaResearch Co., Ltd..

Q. How is the share price expected to behave after the spin-off?

The spin-off is expected to enable a clearer market valuation for each business, as the separation of operating and investment functions allows both entities to be assessed independently. PharmaResearch Co., Ltd., the new entity, will no longer be affected by earnings dilution from affiliates or exposed to investment-related risks. This is expected to make the growth potential of its core business more visible to the market. PharmaResearchHoldings Co., Ltd., the surviving entity, will take on a group-level strategic role focused on investments and M&A. As such, its valuation is expected to reflect its function as a specialized investment and governance platform.

Q. What is the listing plan and key timeline for the spin-off company?

The company plans to submit a preliminary re-listing application to the Korea Exchange on June 13, 2025. An extraordinary general meeting (EGM) to approve the spin-off is scheduled for October 17, and the spin-off will become effective on November 1. The newly issued shares of PharmaResearch Co., Ltd. are expected to be listed in December 2025, following regulatory clearance. Please note that this timeline is subject to change based on discussions with relevant authorities and final regulatory approval.

Q. What is the post spin-off operating strategy for the surviving company?

The surviving entity, PharmaResearchHoldings Co., Ltd., will serve as a strategic investment and governance platform, driving the Group's transformation into a global, top-tier healthcare enterprise. Its post spin-off strategy focuses on securing new growth engines through:

- Proactive investments in promising biotech and healthcare companies
- Facilitation of joint R&D and overseas market expansion across group affiliates
- Business restructuring to improve capital efficiency

As a corporate accelerator, PharmaResearchHoldings will also identify early-stage startups and pursue joint commercialization models to secure long-term growth potential. Key revenue sources will include dividends from subsidiaries and shared service center (SSC) fees derived from business support services provided to group companies. The company will utilize both retained capital at the time of the spin-off and future capital inflows to implement its group-level growth initiatives.

Q. What is the business strategy of the newly established company?

The newly established entity, PharmaResearch Co., Ltd., will operate independently from investment functions and focus on strengthening its position as a global aesthetics leader. The company plans to expand into the European market by 2025. In addition, regulatory approvals for the Rejuran product line are actively being pursued in countries such as Uzbekistan, Israel, and Japan, as part of its broader global expansion strategy. In existing markets, the company will implement targeted strategies to accelerate sales of Rejuran, Rejuran Cosmetics, and other core aesthetic products.

Q. Are there any other potential risks of shareholder rights infringement, and how will the company address them?

The company is committed to safeguarding the rights and interests of all shareholders, including minority shareholders, by strictly complying with all applicable laws and regulatory procedures. If necessary, the company will consider additional institutional and policy measures to ensure that shareholder rights are fully protected throughout the spin-off process and beyond.

Q. How is the dividend policy being considered following the spin-off?

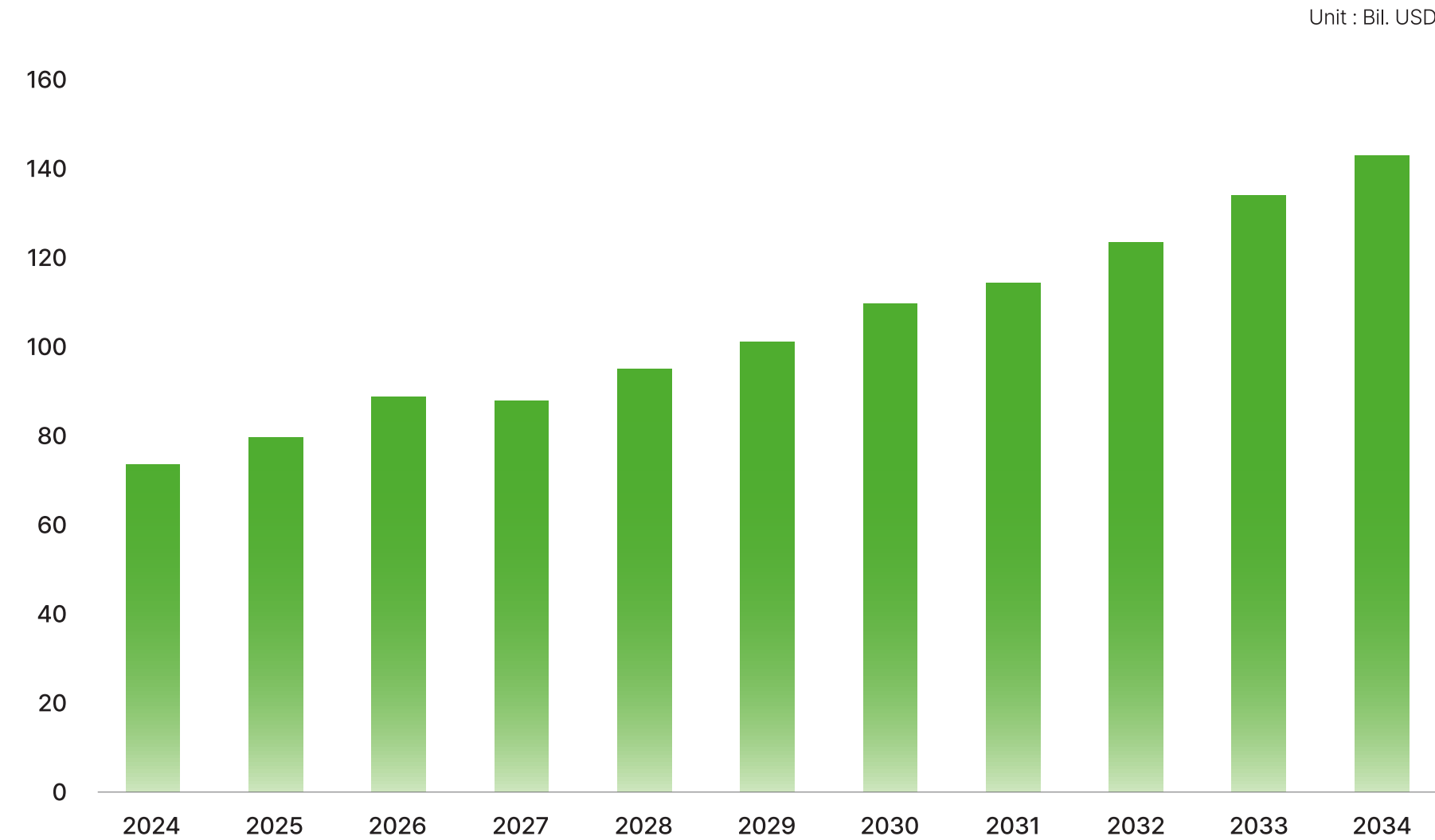
PharmaResearch Co., Ltd. and PharmaResearchBio intend to adopt a shareholder return policy targeting the distribution of 30% of annual net income as dividends. This policy reflects the company's commitment to enhancing shareholder value based on stable operating results. For PharmaResearchHoldings Co., Ltd., the surviving entity, no specific dividend policy has been established at this time. Due to the nature of its business, significant cash outflows are expected in the early stages following the spin-off, primarily related to investment and acquisition activities. The company plans to formulate and disclose a concrete dividend policy once its business operations and cash flow structure have sufficiently stabilized.

Appendix

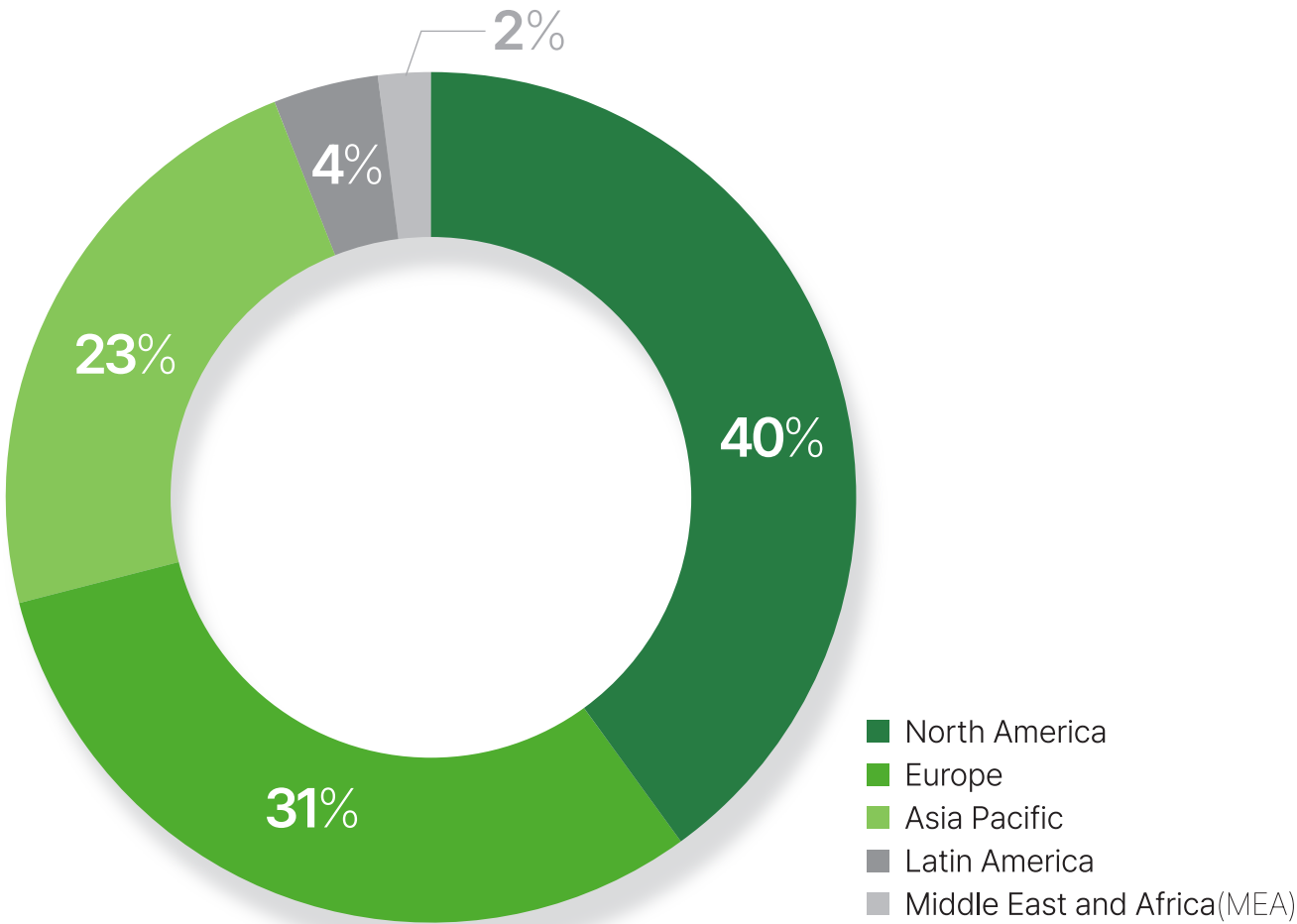
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Aesthetics Industry Outlook

Anti-Aging Market is estimated to be 140 Bil. USD by 2034 with high CAGR



Projection of Global Anti-Aging Market

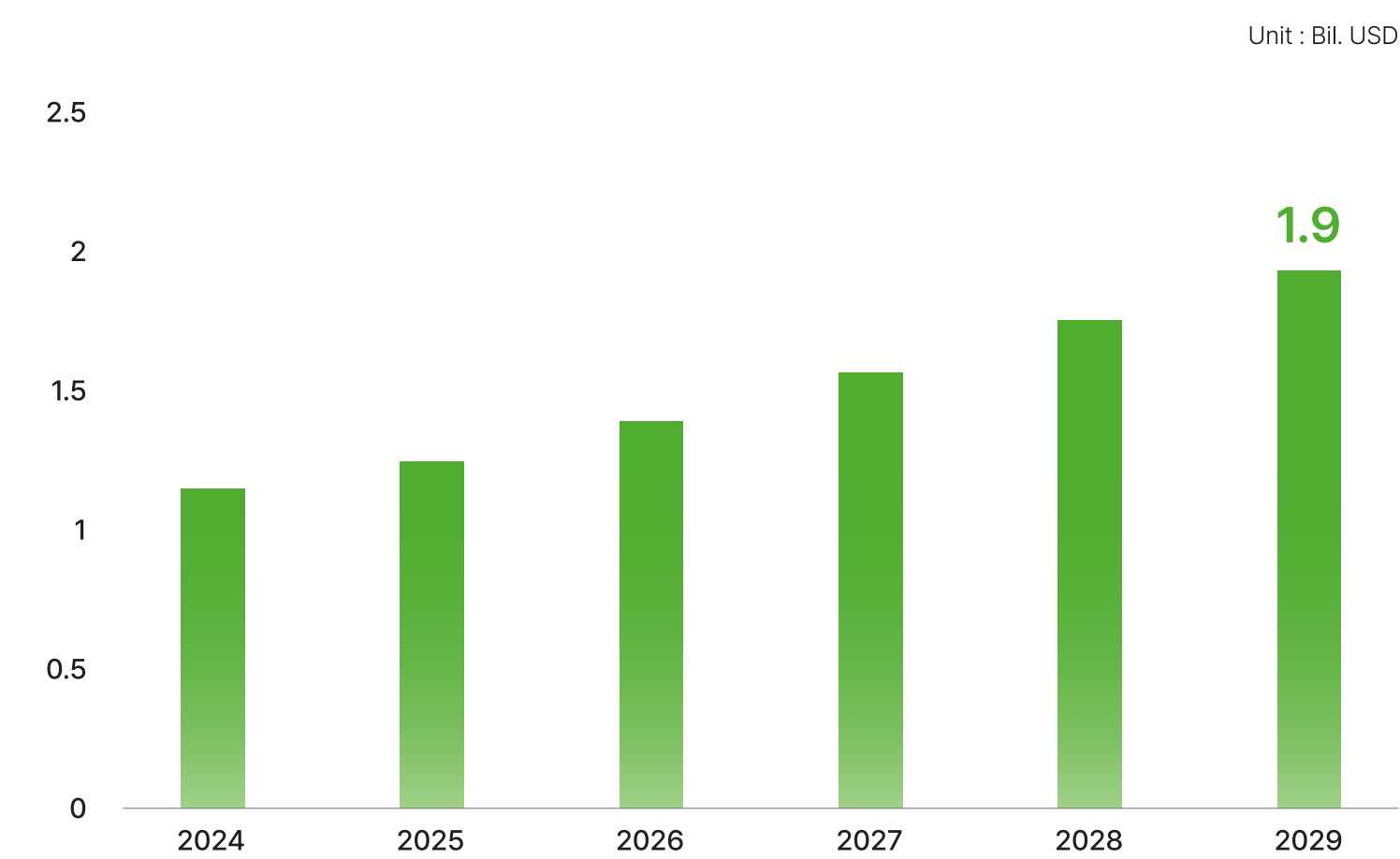


Anti-Aging Market by Region(2024)

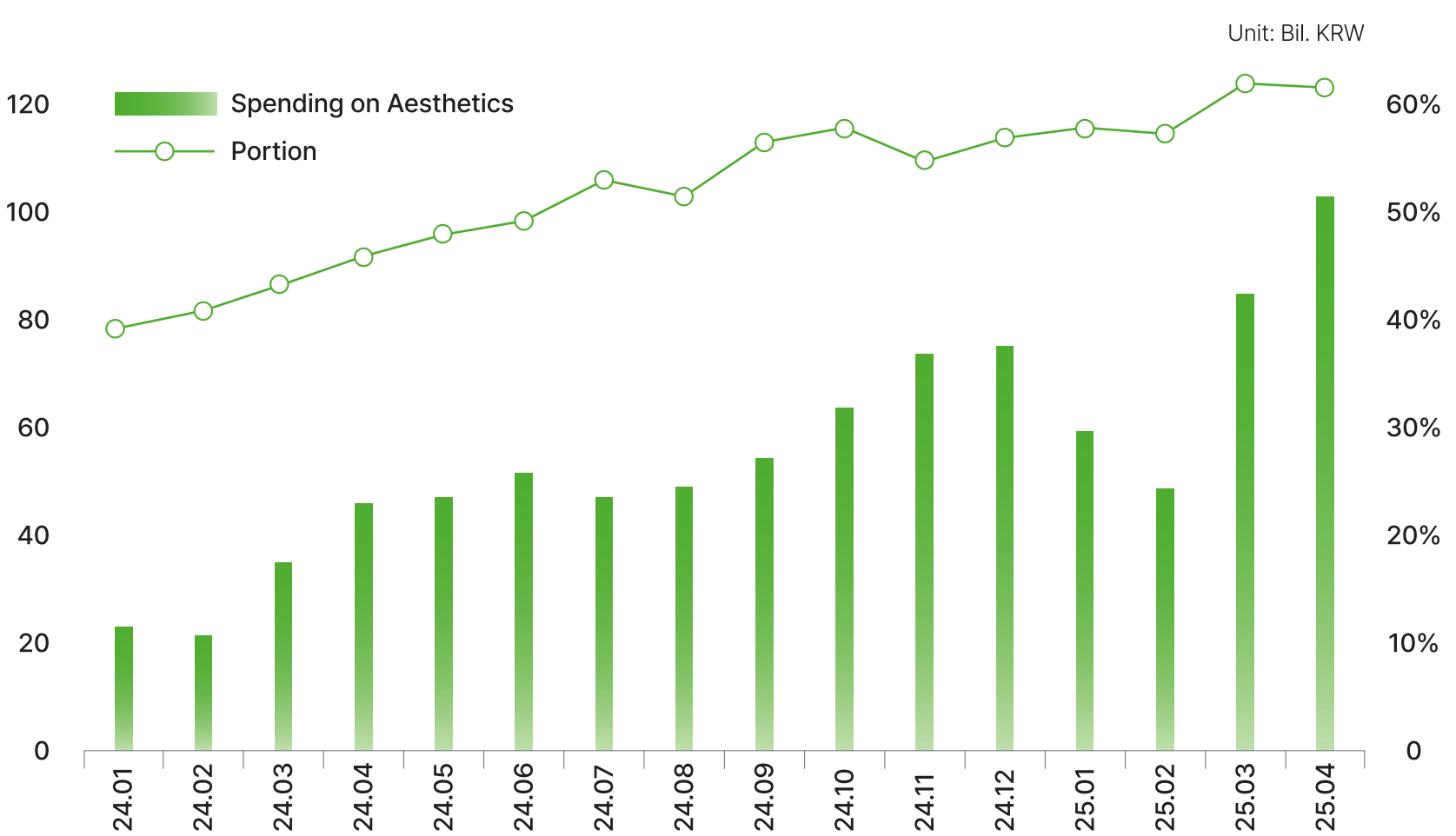
Skinbooster Industry Outlook

Global skinbooster market is estimated to be 1.2 Bil. USD and **Projected to be 1.9 Bil. USD(CAGR+10.9%)**

Growing interest in Korean skincare is driving momentum in **both domestic and export markets.**



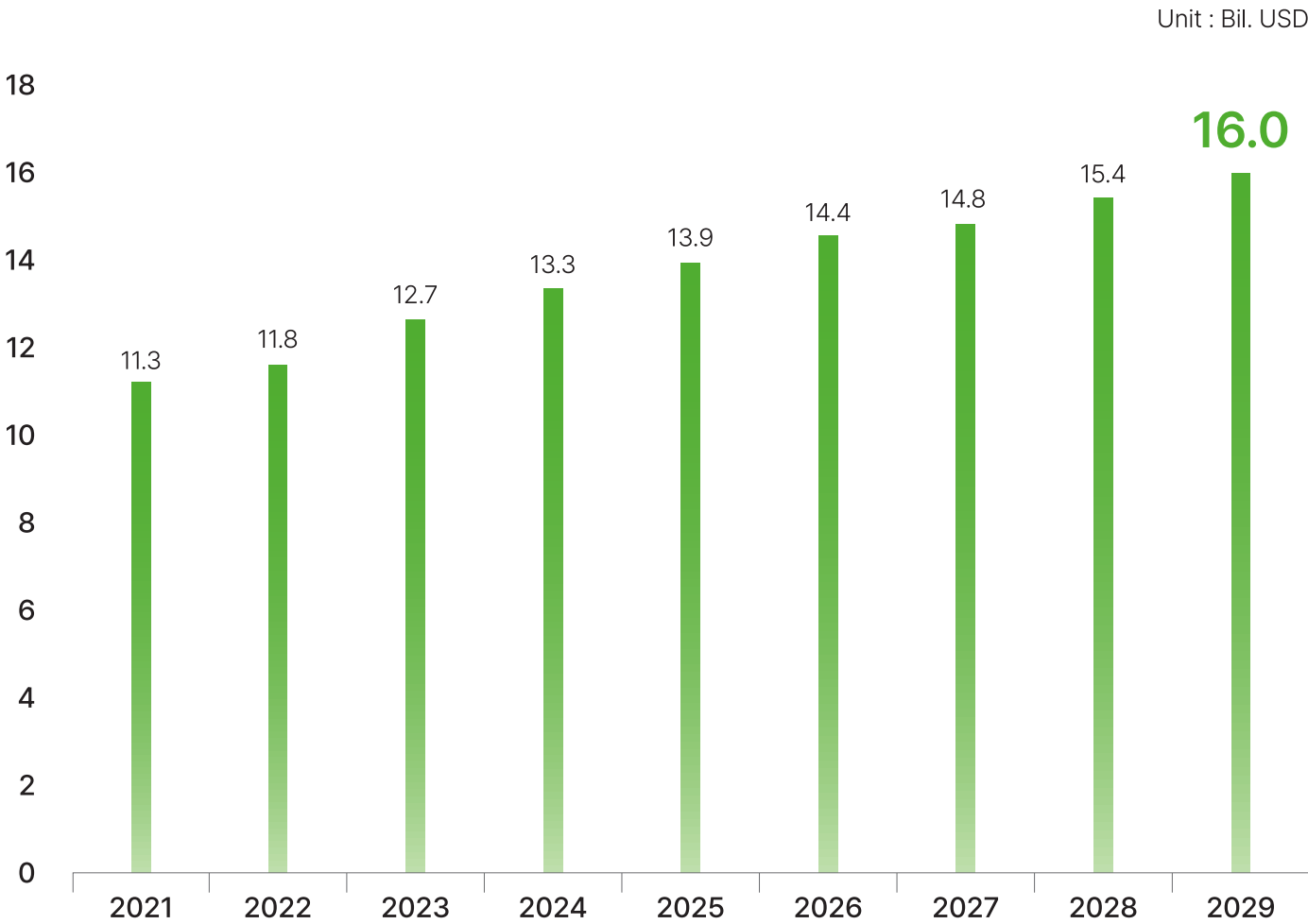
Outlook of Global Skinbooster Market



Spending and portion of Foreign Tourists on Aesthetic Procedures

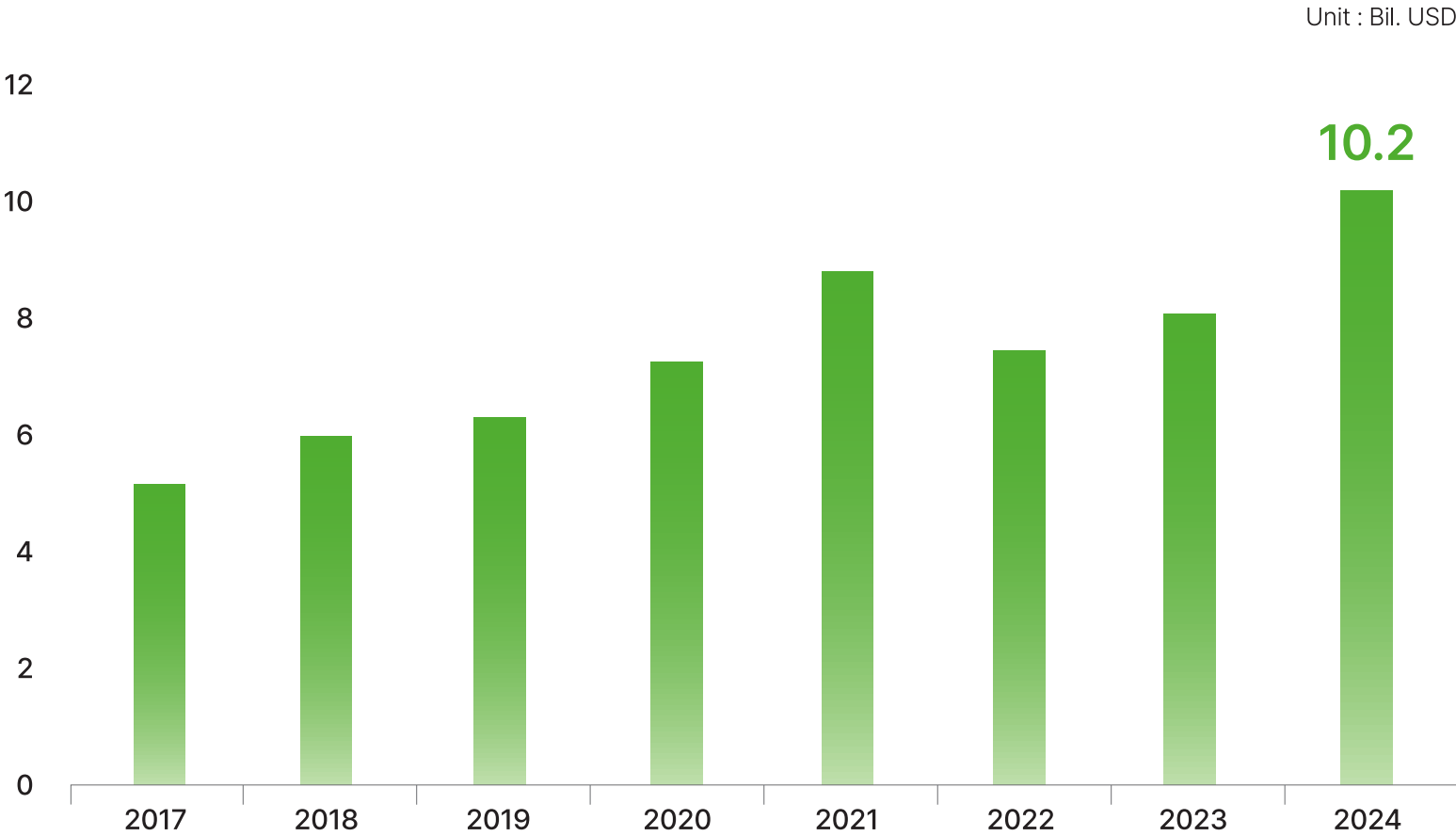
Cosmetics Industry Outlook

The Korean cosmetics market is projected to reach 16 Bil. USD by 2029.
Exports exceeded 10 Bil. USD in 2024.



Projection on Korean Cosmetics Market

Source: Euromonitor International, Samil PwC



Exports of Korean Cosmetics

Source: Korea Trade Statistics Promotion Institution

Financial Statements Before and After the Spin-Off

Unit : Mil. KRW

Classification	Before	After	
		PR. Holdings	PR
Current Assets	456,493	329,144	127,349
Accounts Receivable	39,022	0	39,022
Inventories	52,728	0	52,728
Non-current Assets	343,274	251,086	92,187
Investment Assets	217,355	217,355	0
Property, Plant and Equipment	107,168	19,688	87,480
Intangible Assets	7,595	6,213	1,381
Other Non-current Assets	11,156	7,831	3,325
Total Assets	799,766	580,231	219,536
Current Liabilities	60,946	31,591	29,355
Accounts Payable	11,052	0	11,052
Short-term Borrowings	0	0	0
Non-current Liabilities	198,175	147,051	51,124
Long-term Borrowings	0	0	0
Total Liabilities	259,121	178,642	80,479
Share Capital	5,255	3,919	1,336
Paid-in Capital	194,046	56,325	137,721
Retained Earnings	343,931	339,292	0
Total Equity	540,646	401,588	139,057

Thank you

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