

Standard Chem & Pharm Co., Ltd.
Stock Symbol : 1720

2026 Investor Conference
03/12/2026



生達化學製藥

Standard Chem & Pharm CO., LTD.

免責聲明 Safe Harbor Notice



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Agenda

- **Introduction of Standard Group**
- **2025 Operating Results**
- **Future Operation Strategy**
- **Environmental, Social, and Governance(ESG)**



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SCP and Related / Affiliated Companies



Western medicine

Syn-Tech (1982; 2005 Over-The-Counter OTC)

Syngen(1999; 2016 OTC)

SCP(1967; 1995 listed stock)

Souriree(1997)

Taiwan Biosim(2017)

佑全 Your Chance (Invested in 2013; 2024.03 OTC)

Healthcare nutrition

Syngen(1999)

Sun-you(1994)

Multipower (Invested in 2012)

Medical-devices

Ho Yao Biopharm (2021)
Obtained CRO certification In October 2023



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International Accreditation



The first pharmaceutical company in Taiwan to receive ISO 9001 certification in 1998.



The first TW company to pass **US** FDA inspection in 2000

Subsequent US FDA GMP inspections : no 483 Last Inspection : 2022/10/31



SCP received **JP** PMDA's "Certificate of Foreign Drug Manufacturer" in 2008

Passed **JP** PMDA GMP inspection in 2018(Follow-up inspection passed in May 2025)



2009

SCP's API plant passed **AU** TGA inspection



2010 SCP passed **TW** PIC/S GMP inspection
2012 SCP is certified GDP by the T-FDA



2012 SCP passed **K**-FDA inspection



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Consolidated Income Statement

Items (Unless otherwise specified, expressed in thousands of New Taiwan Dollars)	2025	2024	Diff.	Annual changes (%)
Operating revenue	7,023,025	6,789,223	233,802	3.4%
Gross profit	2,908,809	2,988,691	(79,882)	(2.7%)
Gross profit margin	41.42%	44.02%		(2.6%)
Operating expenses	1,546,017	1,592,375	(46,358)	(2.9%)
Operating profit	1,362,792	1,396,316	(33,524)	(2.4%)
Non-operating income and expenses	151,084	231,043	(79,959)	(34.6%)
Profit before income tax	1,513,876	1,627,359	(113,483)	(7.0%)
Profit for the year	1,255,529	1,294,310	(38,781)	(3.0%)
Profit attributable to Shareholders of the parent	927,659	880,501	47,158	5.4%
EPS(NTD)	5.19	4.93	0.26	5.4%



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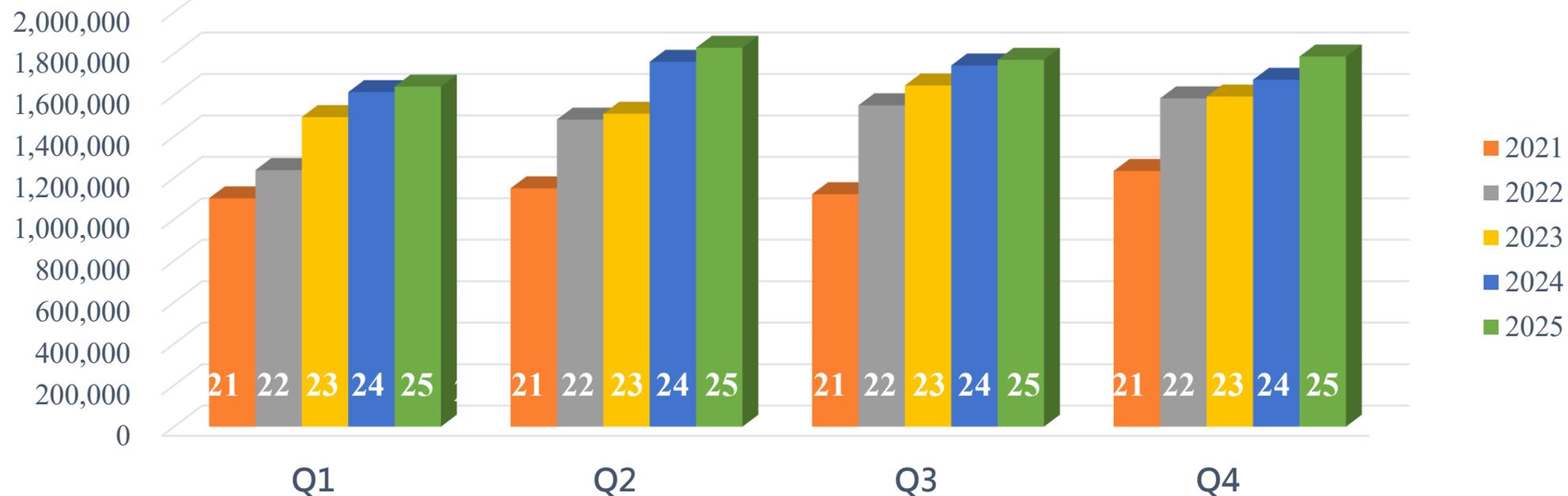
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Comparison of Quarterly Revenue of Past 5 Years (Consolidated)

Expressed in thousands of NTD



	Q1	Q2	Q3	Q4	Total	Growth(%)
2021	1,101,113	1,149,060	1,120,840	1,233,069	4,604,082	+6.9%
2022	1,237,170	1,481,061	1,549,872	1,583,265	5,851,368	+27.1%
2023	1,493,025	1,509,004	1,645,531	1,592,208	6,239,768	+6.6%
2024	1,613,535	1,760,104	1,742,442	1,673,142	6,789,223	+8.8%
2025	1,640,034	1,827,915	1,769,689	1,785,387	7,023,025	+3.4%



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Consolidated Balance Sheet

Items <i>(Expressed in thousands of NTD)</i>	2025		2024		Diff.	Annual changes(%)
	Amount	%	Amount	%		
Cash and cash equivalents	1,833,746	15.5%	1,520,128	13.6%	313,618	20.6%
Accounts receivable	1,370,646	11.6%	1,339,410	12.0%	31,236	2.3%
Inventories	1,569,221	13.3%	1,720,381	15.4%	(151,160)	(8.8%)
Investments	1,769,848	15.0%	1,499,821	13.4%	270,027	18.0%
Property, plant and equipment	4,225,363	35.8%	4,128,811	36.9%	96,552	2.3%
Others	1,027,079	8.7%	966,994	8.7%	60,085	6.2%
Total Assets	11,795,903	100.0%	11,175,545	100.0%	620,358	5.6%
Current Liabilities	2,156,966	18.3%	1,660,932	14.9%	496,034	29.9%
Non-current Liabilities	352,128	3.0%	538,545	4.8%	(186,417)	(34.6%)
Total liabilities	2,509,094	21.3%	2,199,477	19.7%	309,617	14.1%
Total shareholder's equity	9,286,809	78.7%	8,976,068	80.3%	310,741	3.5%
Debt Ratio(Liabilities/Assets)		21.3%		19.7%		



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Consolidated Cash Flows

Items	2025	2024
<i>(Expressed in thousands of NTD)</i>		
Cash at beginning of year	1,520,128	2,036,743
Cash flows from operating activities	1,766,827	1,694,941
Investment	(542,247)	(192,351)
Acquisition of property, plant and equipment	(492,866)	(596,477)
Cash dividends	(500,349)	(482,479)
Short & long-term borrowings	390,973	(749,027)
Others	(308,720)	(191,222)
Cash at end of year	1,833,746	1,520,128
Free cash flow (Cash flows from operating activities-Acquisition of property, plant and equipment)	1,273,961	1,098,464



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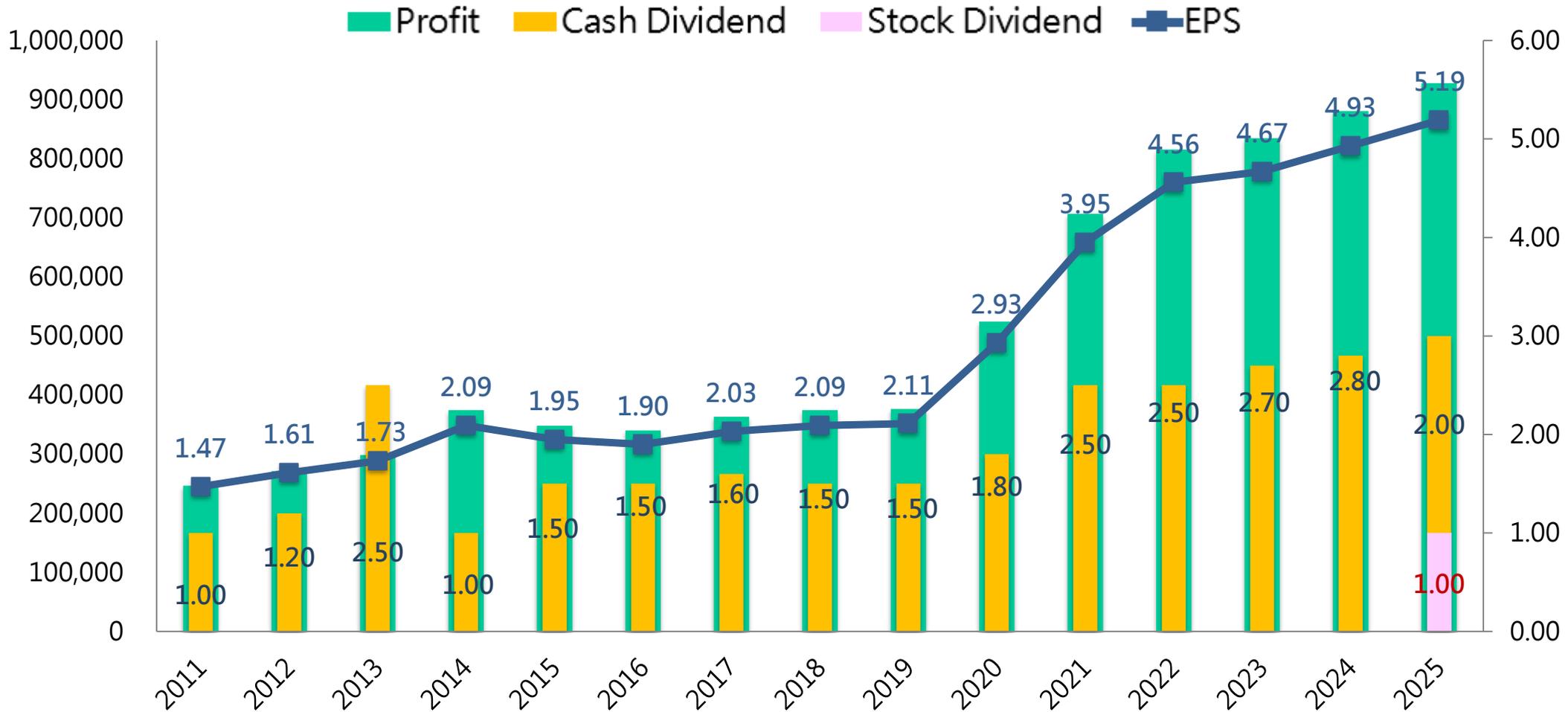
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1720 SCP net profit after tax and EPS in 2025

NTD Thousand



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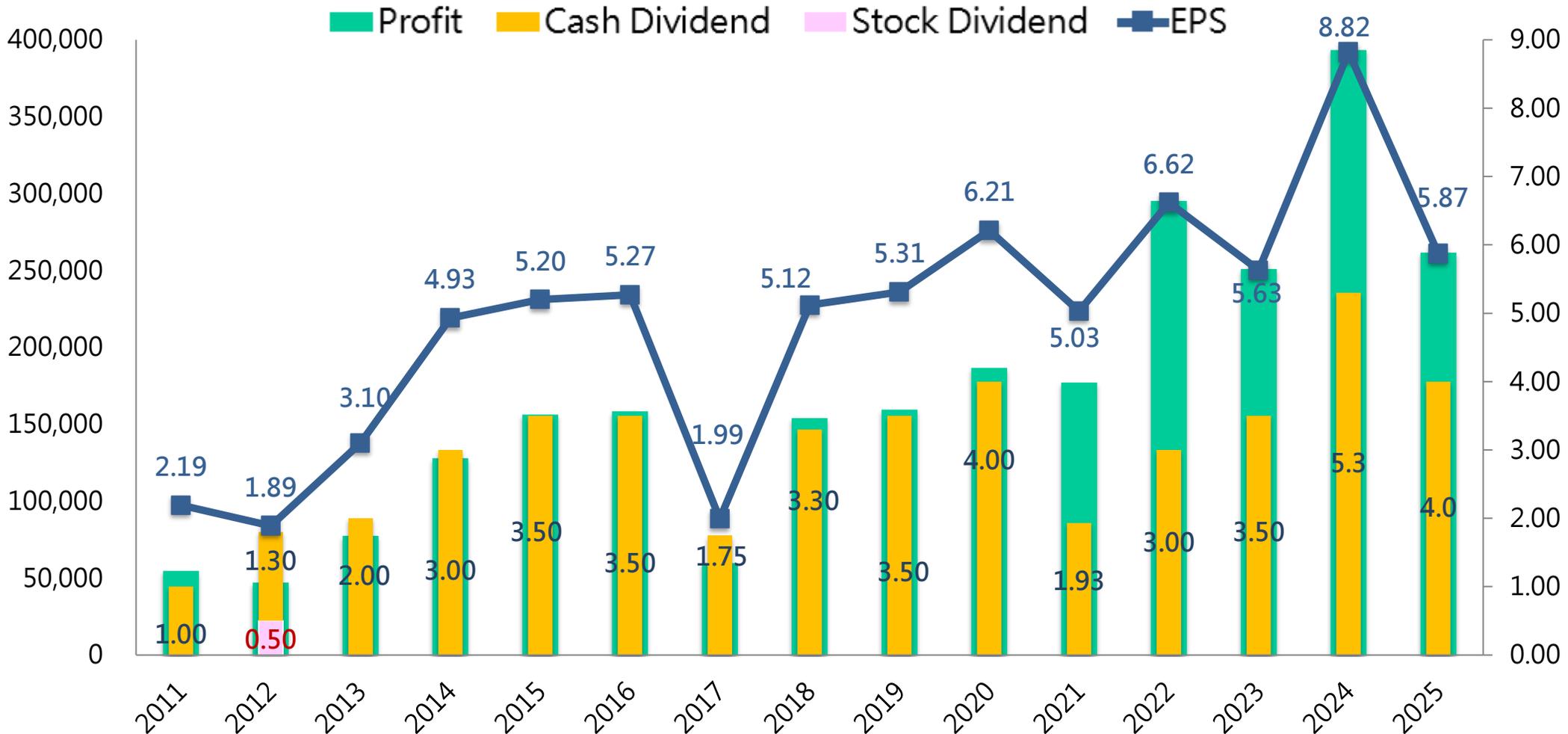


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1777 SYN-TECH's net profit after tax and EPS in 2025

NTD Thousand

NTD



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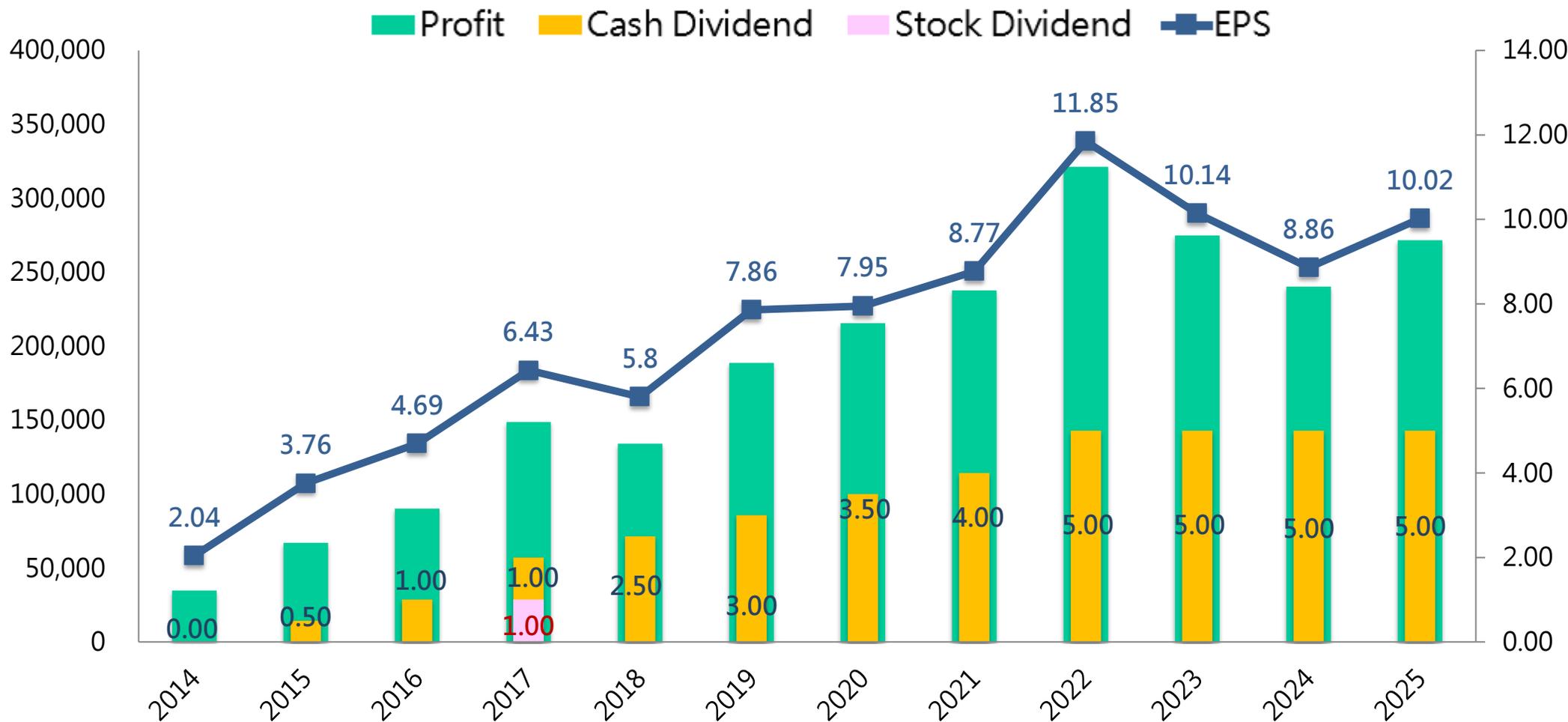
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8279 Syngen's net profit after tax and EPS in 2025

NTD Thousand



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Future Milestone



From Taiwan to International
From Generics to Better than Generics (BTG)



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Revenue Growth Strategy - Taiwan



Company	EPS 2025
SCP (1720)	5.19
Syn-Tech (1777)	5.87
Syngen (8279)	10.02

- Focusing on four key business areas with excellent operational capabilities and a strong management team.
 - Western medicine formulations, APIs, health supplements, and retail chain channels.



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Significant Business Activities in Recent Years

Taiwan



- **6 Products** Expected to Launch in 2026
- First-to-Market OAB Product: 1 products
- CNS: 2 products
- Diabetes drug: 1 Product
- Gastrointestinal: 1 Product
- Expectorant: 1 Product
- 2026 Global Marketing Team:
 - Taiwan team: 180 members
 - Vietnam team: 25members
 - Philippines team: 19 members

China



- Cumulative In-House Marketing Authorizations: **3 cases** (Erectile dysfunction, diabetes, and ALS)
- Accumulated technology transfer licenses: **3 cases**
- Consistency Evaluation(GQCE) reviews in progress: **1 cases.**
- In Development: **3 cases.**

Japan



- Continues to be sold: **2 cases** (bronchiolitis and oral anti-inflammatory and pain relief medications.)
- Contracts in progress: **2 cases**
- In Development: **4 cases**
- CDMO Under Discussion **1 cases**
- New in-licensed drug: **1 cases (Gout)**



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International Market Expansion and Collaboration Model

International Market Expansion

- Primary sales markets: Southeast Asian countries, South Korea, Japan, and China.
- Actively expanding into Europe, the U.S., and Canada.

Licensing Collaboration

- Adopting a diversified collaboration approach by licensing registered products to local partners for sales.
- Seeking original brand agency rights to enhance competitiveness in the Taiwan market.

CDMO / CMO

- In recent years, collaboration with major Japanese pharmaceutical companies on CDMO projects has laid a solid foundation for SCP presence in the Japanese market.
- Actively pursuing additional CDMO / CMO partnerships to continuously drive revenue growth.



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China's Generic Pharmaceutical Market – Transformation Toward Higher Quality and Differentiation

Market Overview

Policy Direction: High-Quality Development

- NMPA emphasizes quality and efficiency in generic drug consistency evaluation
- Strengthened quality supervision for products selected under centralized procurement

Market Orientation: Encouraging

Differentiated Products

- Four batches of recommended generic drug lists have been released
- Focus on products with expiring patents and insufficient supply

Operational Challenges: Policy and Pricing Pressure

- Ongoing expansion of centralized procurement intensifies price competition
- Regulatory review and technical requirements becoming more stringent
- Increasing project risks and uncertainties

Industry Transformation: Rapid Growth of Innovative Drugs

- Parallel development of innovative R&D and overseas licensing
- Market shifting from price competition to value competition



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China's Generic Pharmaceutical Market – Opportunities for SCP

Strategic Response and Growth Drivers

- Focus on high-quality and high-barrier products to avoid low-price competition.
- Strengthen API strategic alliances to enhance supply stability and cost advantages.
- Establish a differentiated positioning of “Manufactured in Taiwan, Imported into China.”



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U.S. Generic Pharmaceutical Market

Market Overview

Rising Drug Pricing Policy and Market Pressure

- Drug pricing continues to receive significant political and policy attention. Following the implementation of the Inflation Reduction Act (IRA), market expectations for pricing have become more conservative.

Intensifying Market Competition

- Fierce competition among first generics, with faster price erosion after product launch. The number of market entrants and timing of entry are key factors determining project economics.

Project Economics Challenges

- Accelerating price erosion shortens the investment payback period. Product selection and differentiation capabilities have become critical success factors.

Increasingly Stringent Regulatory and Quality Requirements

- The FDA has raised expectations for data integrity and regulatory compliance. Post-launch supply reliability and quality track record have become key partnership thresholds.



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U.S. Generic Pharmaceutical Market – Opportunities for SCP

Strategic Initiatives

- Leverage patent challenges and proprietary patent portfolio to establish dual market entry barriers and strengthen market exclusivity.
- Adopt a multi-regional partnering strategy to diversify market and pricing risks and extend the investment payback period.
- Form strategic alliances with API manufacturers to enhance cost competitiveness and supply stability.



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Japan's Generic Pharmaceutical Market – AG and Bio-AG Pricing Policy Adjustments

Generic Pharmaceutical Reform: AG and Bio-AG Pricing Policy Adjustments

Current System: Priced in line with generic drug pricing rules

- AG products have the same ingredients, API, excipients, and manufacturing process as the originator drugs and currently hold a dominant market share.
- Current pricing: AG at 50% of the originator drug price; Bio-AG at 70%.

After Reform: Same pricing as originator drugs

- Market reshuffling expected: As the pricing advantage of AG products diminishes, generic manufacturers with strong in-house R&D capabilities or superior cost control may regain market share.



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Japan's Generic Pharmaceutical Market – Opportunities for SCP

Market Positioning and Differentiation Strategy

1. Establish deep collaborations and strategic alliances with API manufacturers to ensure stable supply and effective cost control.
2. Focus on high-margin generic drugs by avoiding originator patents and filing applications at the earliest opportunity, while pursuing formulation differentiation to meet the needs of an aging market.

“Centering on technology and R&D, the Company focuses on differentiated generic drugs and strengthens cost and supply chain competitiveness through strategic alliances with API manufacturers. By partnering with CDMO collaborators, it aims to expand production capacity and broaden its presence in the Japanese market.”



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Revenue Growth Strategy - China



Strategy

- Own brand and tech transfer simultaneously
- CDMO
- Expand the number of collaborative projects and pharmaceutical companies



Medium-term targets

- Self-developed products submission
- Tech transfer profit sharing revenue



Cooperation

- Tech-transfer
- Joint ownership of License
- Cooperative production and marketing
- Profit-sharing Partnerships



Achievements in getting licenses

- 3 cases for tech transfer
- 3 case for import license



NMPA Consistency Evaluation

- 1 cases submitted for evaluation



Project initiation/Research in progress

- 3 cases in progress



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Revenue Growth Strategy - Japan



Collaboration Model

- CDMO / CMO
- Japan marketing partner



Strategy

- Distribution of Originator Innovative Drugs.
- Collaboration with Japanese Pharmaceutical Companies in Other Markets.
- Strategic Alliances / Vertical Integration with API Manufacturers



Current State

- 2 items continue sales
- 2 under PMDA review
- 4 products currently under development
- Actively pursuing CMO partnerships and innovative drug licensing



On Going

- CDMO/CMO
- Common items for China/ Southeast Asia/ Japan are under discussion



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Revenue Growth Strategy - U.S.



Collaboration Model

- CDMO: Partner holds the license and manages commercialization
- CMO



Strategy

- Distribution of Originator Innovative Drugs.
- Strategic Alliances with API
- Vertical Integration with Syn-Tech and API Operations



Current State

- 2 items continue sales (Lipid-Lowering Therapy, ALS)
- 2 Products in Development; **Actively Seeking Partners**
- Actively pursuing innovative drug distribution opportunities



On Going

- CDMO/CMO



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Strategies for Addressing Globalization Challenges

Strategic Alliance

Strengthen Supply
Stability and Cost
Advantage

Self-Challenge

Complex / Patent-
Challenged
Generics

First-to-File

Gaining the Early
Market Entry
Advantage

Agency for Branded Drugs

Fulfilling Market
Needs for
Pharmaceuticals



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- **Environmental, Social, and Governance(ESG)**

Net Zero Emissions and Sustainable Development

Energy Management

- Replacement of 180 T5 fluorescent grid ceiling lights with LED panel lights.
- Upgrade of 25HP fixed-speed air compressor to 30HP variable-speed air compressor at the Liquid High Plant.
- By implementing regular maintenance, conducting wastewater quality testing, improving system parameters, and optimizing water production conditions, we effectively reduce carbon emissions, enhance cost efficiency, and conserve energy.

Water Resource Management

- Give priority to the use of water-saving equipment to reduce water loss.
- Ensure regular maintenance and inspection of pipelines to minimize water leakage and wastage.
- Periodically disclose the company's water consumption to raise employee awareness on the importance of conserving water resources.

Waste Management

- Engaged qualified waste disposal and recycling companies for waste removal and resource recovery.
- A waste disposal plan is submitted in accordance with regulations and implemented upon official approval. Only legally registered waste transporters and treatment facilities with Class A certification are selected for handling and processing.

- Optimize production processes and product design to reduce water usage and enhance production efficiency.
- Treated wastewater from the wastewater treatment plant was supplied to the Environmental Protection Bureau for street cleaning, providing 304 tons of water in 2025.



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Awarded the Taiwan BIO Awards – Outstanding Company of the Year

Awarded the Gold Award 3 times (2014, 2021, and 2025)



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Recognized as an Outstanding Enterprise for Green Procurement



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Invited to the Tainan City Environmental Protection Excellence Awards Ceremony (Dec. 18, 2025) and honored as the 2024 Outstanding Green Procurement Enterprise of Tainan City.



Protecting the Ocean : Beach Cleanup Activity

- For two consecutive years, employees have voluntarily initiated beach cleanup activities, with a total of 108 participants. A cumulative 1,092 meters of shoreline were cleaned, and 126 kilograms of trash were removed.



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Social Care and Engagement - Fan Dao Nan Foundation



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Introduction to the foundation

- Established in 1987
- Endowment Fund: NT\$202.26 Million
- Annual Budget: NT\$14 Million

Principal Activities

- Cultural and educational development activities
- Scholarships and Talent Cultivation
- Public education affairs
- Children's education and happiness



Rewards and Honors Received

- 2011: Special Recognition Award – Ministry of Education
- 2012: Tainan City Govt. Grant for Scholarship Program
- 2013: National Special Selection Award for After-School Program – Dept. of Education
- 2022: Group Award on Social Education Contribution by Ministry Of Education

Social Care and Community Engagement – 2025 Social Welfare Contributions: NT\$13.91 million



Scholarships

- High school :
8 schools, totaled 144 students
- Middle school :
59 schools, totaled 785 students
- Elementary school :
233 schools, totaled 2,629 students

NTD 7.72 million



Hope After-school Class

- Weekday afternoons
- 21 schools, 1,018 students

NTD 1.19 million



Sunflower Wednesdays

- Every Wednesday afternoons
- 8 Schools, 410 students

NTD 0.40 million



Other Sponsorships

- Sponsor 17 public welfare organizations.
(Chi Po-lin Foundation、Tainan City Social Affairs Bureau – Child and Youth Savings Account Program, Donations for Typhoon Danas Relief – Xinying District Office, Yijhu Township Office, and others)

NTD 1.31 million



Meal-Assistance

- Provided 6,630 meals



NTD 0.64 million



Charity

- SCP Children’s Drawing Competition NTD 0.54 million
- SCP National Table Tennis Competition NTD 2.11 million
(Estimated Expenses)

NTD 2.65 million



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Social Care and Engagement - The 40th SCP Children's Drawing Competition

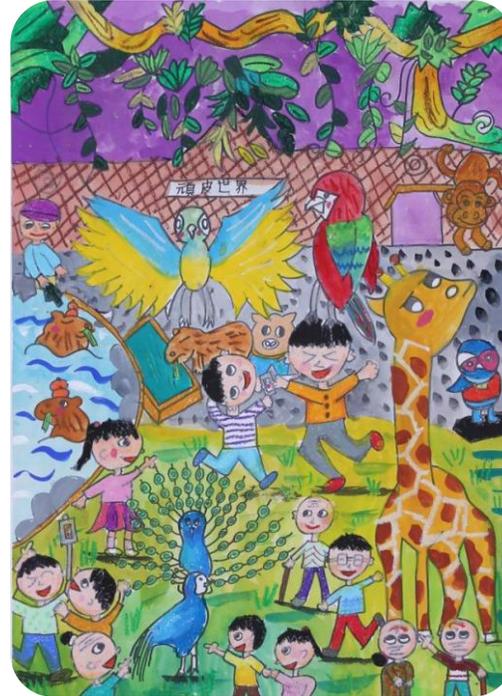
- Held on September 27, 2025, at Wanpi World Safari Zoo, with 530 participating students and 576 accompanying teachers and parents, totaling 1,106 people.



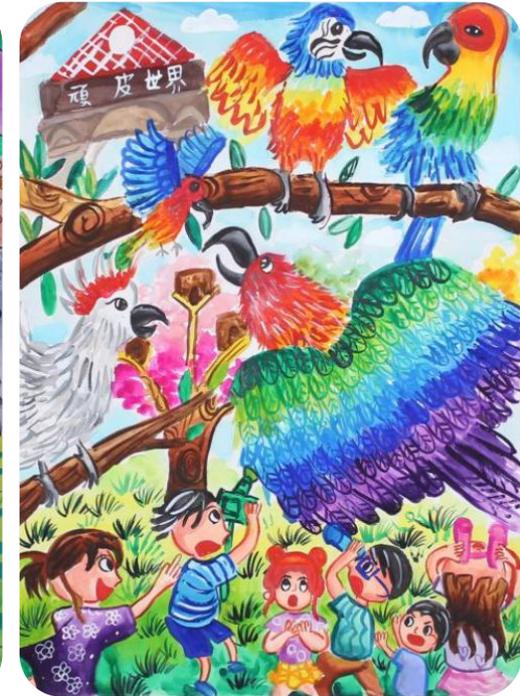
Kindergarten Category -
Gold Award



Lower Grade Category -
Gold Award



Middle Grade Category -
Gold Award



Upper Grade Category -
Gold Award



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Social Care and Engagement - The 40th SCP National Table Tennis Competition



A total of 293 teams and 2,177 participants competed in the event held for three consecutive days starting December 5, 2025, at the Tainan Municipal Xinying Stadium.



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Social Care and Engagement - Senior Gym - Dotcom Sports & Health Center



Year 2025

- Total usage reached 170,226 visits.
- Held 42 “Healthy and Active Living” seminars (Including 28 physical fitness classes and 14 health seminars), providing nutritional care education, strength training, and fitness programs for the elderly.
- Awarded the 2024 Tainan City Public Health Bureau Silver Club Program – Sustainable Management Award.



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Social Care and Engagement - Annual Blood Donation Drive with Group Employees

- 196,000 cc of Blood Donated Over the Past Three Years



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Q & A