SECTOR UPDATE

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Finance/Consumer Goods Team

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▶ AT A GLANCE

APR (278470 KS, 237,000)		
Target price	KRW334,000	48.8%
BUY		
Samyang Foods (003230 KS, 1,401,000)		
Target price	KRW1,800,000	28.5%
BUY		
Silicon2 (257720 KQ, 46,700)		
Target price	KRW63,000	34.9%
BUY		
Cosmecca Korea (241710 KQ, 72,300)		
Target price	KRW92,000	27.2%
BUY		
Amorepacific (090430 KS, 134,800)		
Target price	KRW156,000	15.7%
BUY		
Cosmax (192820 KS, 167,700)		
Target price	KRW235,000	40.1%
BUY		

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Cosmetics/F&B (OVERWEIGHT)

2026 outlook: Dopamine-boosting K-consumer goods marching into offline market!

- Demand for K-beauty and K-spicy stir-fried noodles—now staple items in the era of dopamine-driven consumption—should remain strong in 2026, supported by a superior 'K-system' that responds swiftly to consumer trends.
- As offline expansion accelerates, K-beauty exports to the US should rebound, exports to Europe should accelerate, and exports to the Middle East should commence. Demand for K-spicy stir-fried noodles should continue to outstrip supply.
- Our top picks are APR and Silicon2 in cosmetics, and Samyang Foods in F&B.

WHAT'S THE STORY?

Dopamine-era essentials—K-consumer goods: Dopamine-seeking behavior among consumers continues to intensify. Dopamine, a neurotransmitter that activates the brain's reward circuitry, motivates repeated engagement with stimuli that trigger pleasant sensations. As instant, stimulating content has become ubiquitous through simple clicks and scrolling, consumers increasingly require stronger stimuli to elicit the same levels of pleasure. This has driven demand for consumer goods that trigger a clear dopamine response. The popularity of K-beauty and K-spicy stir-fried noodles—offering novelty, variety, and vivid sensory appeal—aligns squarely with this consumption trend. While the superficial attributes of trending consumer goods (*eg*, colorful design) can fall out of favor quickly, K-consumer goods possess a competitive edge: a highly responsive system that adapts rapidly to shifting trends. This underpins sustainable growth and makes short-term competitive catch-up by other countries unlikely.

Full-scale offline expansion begins—US rebound; Europe acceleration; Middle East launch: Roughly two years after K-beauty's surge in US e-commerce in early 2024, global offline expansion appears set to begin in earnest in 2026. Investors who anticipated explosive growth in Europe after the US surge were somewhat disappointed in 2025, largely due to Europe's fragmented market structure, where offline channels account for 78% of sales. In 2026, offline expansion should drive a rebound in US export growth, while the Middle East emerges as an additional growth engine.

- **US:** We forecast 27% y-y export growth in 2026, driven by: 1) a full-scale rollout to major retailers such as Ulta Beauty, lifting K-beauty's offline penetration from 2% to 4%, with offline sales expected to grow 65% y-y; and 2) normalization of e-commerce inventories, which should support export growth. With 2025 e-

commerce sales up 41% y-y vs export growth of 16% y-y, we believe 2025 largely reflected the drawdown of inventory accumulated in the prior year.

- **Europe:** We forecast 52% y-y export growth in 2026. Despite rapid penetration gains, K-beauty's export market share remains low—ranked 7th in the EU and 4th in the UK. As expansion accelerates, y-y growth should re-accelerate. We expect K-beauty's export share to reach 7.7% in 2026 (EU 7.5%, UK 12%).

Top picks—APR, Samyang Foods, and Silicon2: Driven by industry seasonality and rotation into other sectors, valuations across K-consumer stocks have become attractive. After observing two years of recurring seasonal patterns in cosmetics, investors may enter the sector earlier, positioning ahead of anticipated 1H strength. We recommend accumulating stocks with strong growth visibility and compelling valuations. Our top picks are APR and Silicon2—the primary beneficiaries of US offline expansion, accelerating European growth, and the start of the Middle East cycle in 2026—and Samyang Foods, which continues to operate in a structurally excess-demand environment.

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K-beauty's 2026 growth outlook: Rebound in US, acceleration in Europe, launch in Middle East

US: Export growth to rebound to 27% y-y on offline penetration and inventory restocking
Europe: Offline or online, growth to truly begin in 2026; exports to grow 52% y-y
Middle East: Even Silicon2's warehouse begins full operation only in 2026

Buldak Ramen: Production to convert directly into sales again in 2026

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Cosmetics stocks move with seasonal industry cycles; next year's upturn could arrive earlier

Low valuations relative to growth: Be greedy when others are fearful

Top picks: APR, Samyang Foods, Silicon2; second pick Cosmecca Korea (top ODM pick)

Addendum: IPO pipeline to refresh sector sentiment; notable candidates for 2026-2027

Demand

Dopamine-era staples: K-beauty and K-spicy stir-fried noodles

Labubu, Moonbeam ice cream, Jellycat, matcha latte, mystery boxes, and K-consumer goods

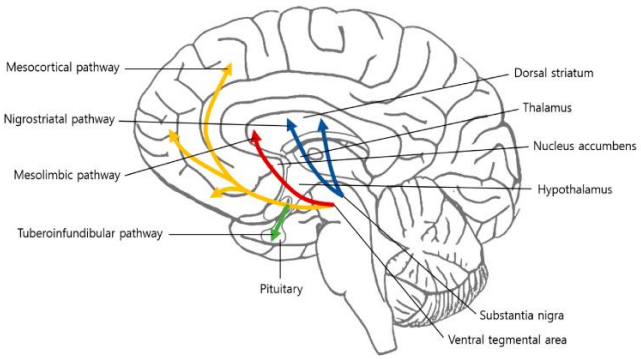
We are in the era of "dopamine consumption." Today's consumer-goods trends are difficult to explain without reference to dopamine, which plays a central role in the brain's reward system. When a pleasurable stimulus occurs, dopamine is released, reinforcing the behavior that led to that stimulus. For example, when someone tries a new food (behavior) and finds it enjoyable (pleasant stimulus), dopamine release encourages repeat consumption.

Historically, dopamine motivated humans to pursue behaviors essential for survival and reproduction. Today, however, consumers are surrounded by instantly accessible pleasures—food, entertainment, and sensory stimuli that require little effort or endurance.

As a result, dopamine-seeking behavior is intensifying. In *Dopamine Nation*, Dr. Anna Lembke argues that in an age of abundance, humans require increasingly strong rewards to experience the same level of pleasure. Cultural critic Ted Gioia similarly observes that activities once regarded as "cultural experiences"—exercise, videos, music, images, and even relationships—have evolved into instantly accessible stimuli delivered through simple clicks and scrolling.

Products that become "what's hot right now," or that emerge as "ten-bagger" stocks in the market, tend to share a common characteristic: they offer constant novelty and trigger stronger dopamine responses.

Dopamine pathway



Source: Brain Sciences (2020)

The rise of dopamine culture (Ted Gioia)

	Slow traditional culture	Fast modern culture	Dopamine culture
Athletics	Play a sport	Watch a sport	Gamble on a sport
Journalism	Newspaper	Multimedia	Clickbait
Video	Film & TV	Video	Short videos
Music	Albums	Tracks	TikToks
Images	View on gallery wall	View on phone	Scroll on a phone
Communication	Handwritten letters	Voice/Email/Memo	Short texts
Relationships	Courtship/Marriage	Sexual freedom	Swipe on an app

Source: The Honest Broker

Colorful, new, and diverse stimuli

Globally popular dopamine-triggering products among consumers in their teens to 30s typically share three attributes: 1) they are colorful, featuring bold and vibrant designs; 2) they are new, offering unfamiliar formats or frequent innovation; and 3) they are diverse, providing multiple formats, uses, or variations within a single product line.

When influencers perceived as "cool" are seen using a product voluntarily—such that consumers believe the exposure is not paid promotion—the product's popularity can surge, driven by an immediate dopamine response. While paid advertising can influence purchasing decisions, it does not generate the same dopamine-boosting effect as perceived organic adoption.

Pop Mart's (09992 HK) Labubu, the dreamy aesthetics of Moonbeam ice cream popularized by Benson Boone's music, the soft and comforting appeal of Jellycat, the visual and sensory stimulation of Dubai chocolate and matcha lattes, and the inherent unpredictability of mystery boxes can all be understood through this framework.

Dopamine era: Popular consumer goods

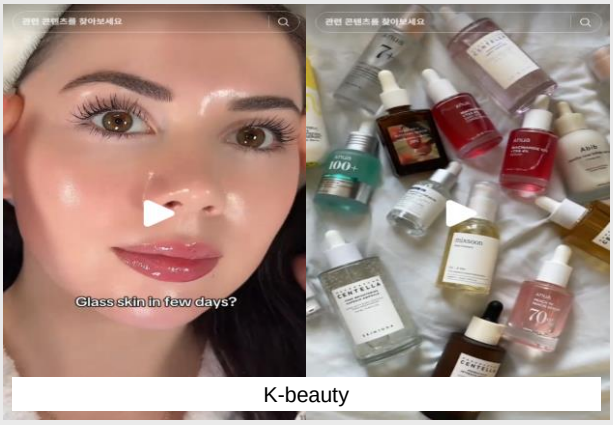
Source: Samsung Securities

K-beauty and Buldak Ramen fit squarely within the global dopamine-consumption trend.

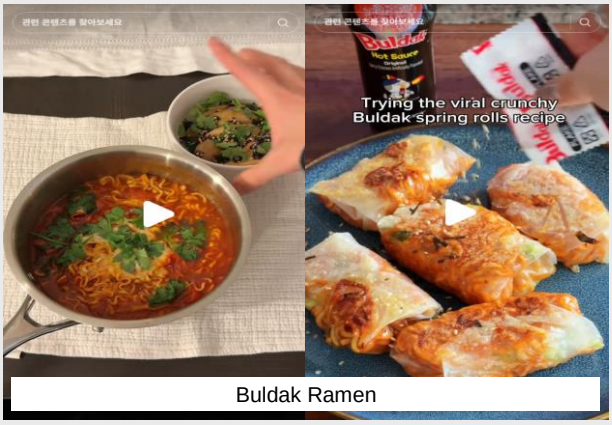
K-beauty is colorful, new, and highly diverse. A brief review of trending Korean skincare content on TikTok or Instagram reveals products in pink, gold, yellow, green, red, or white—often shiny or sparkling. Some feature popping capsules, others deliver instant glow, and some peel off as thin films. Such formats are rarely found in products from other countries. Pads, ampoules, creams, and milky toners allow for virtually limitless combinations.

Buldak Ramen has similarly created an entirely new food category: extremely spicy stir-fried noodles. Its intense heat and vivid red appearance provide strong sensory stimulation, while customization options—cheese, rice cakes, vegetables, or eggs—add further appeal.

Popular TikTok posts related to K-beauty and Buldak Ramen



K-beauty



Buldak Ramen

Source: TikTok

That said, these characteristics also carry inherent risk: consumers may tire of excessive color, seek simplicity over variety, or grow fatigued by constant novelty, prompting a return to more-classic products.

In other words, the superficial attributes currently defining K-beauty and Buldak Ramen do not, by themselves, guarantee longevity. The drivers of short-term popularity can shift quickly.

What is far more durable is the strength of the underlying 'system' that can repeatedly generate new hit products, largely independent of changes in consumer taste. This system underpins sustainable growth.

Endless novelty from the K-system; competitors cannot catch up quickly

K-beauty's value chain is globally unmatched for three reasons. First, product development and marketing execution are exceptionally fast—around three months in Korea versus at least one year in competing markets. Second, formulation quality is world-class, with Cosmax and Kolmar Korea ranked first and third globally among ODMs. Third, export-focused distributors materially enhance execution efficiency in overseas markets.

No other country has built a comparable value chain, making replication within the next two to three years highly unlikely.

Samyang Foods' Buldak Ramen similarly benefits from a long growth runway. As the category creator that introduced K-spicy stir-fried ramen to Western markets, the brand should continue to enjoy early-mover advantages for at least the next two to three years. While lower-priced imitations exist, Buldak's penetration remains relatively low, and retailers overwhelmingly continue to prioritize the original brand.

Supply

The offline expansion finally begins

Why European market entry took longer

Whether for K-beauty or K-spicy fried noodles, entry into Europe takes significantly longer than entry into the US or China.

After K-beauty and ramen exports to the US surged in 2024 (51.3% and 70.3% y-y, respectively), investors expected Europe—the next stage of expansion—to deliver similar growth in 2025. However, by Oct 2025, K-beauty and ramen exports to Europe had increased by only 43.7% and 4.2% y-y, respectively, heightening concerns that the explosive momentum seen in the US might not be replicated in Europe.

That said, despite longer supply lead times driven by structural factors, underlying consumer demand for K-beauty and K-spicy stir-fried noodles in Europe is comparable to that in the US. In the facial moisturizer category on Amazon, K-beauty accounts for a meaningful share of the top 50 products across major European markets—16% in the UK, 20% in France, and 26% in Germany (as of Nov 18, 2025). On Otto, a leading German e-commerce platform, seven of the top 50 facial skincare products are K-beauty brands (including Biodance, Axis-Y, Celimax, and d'Alba).

Europe: E-commerce skincare sales rankings

UK (Amazon)			France (Amazon)			Germany (Otto)		
Rank	Brand	Country of origin/OEM	Rank	Brand	Country of origin/OEM	Rank	Brand	Country of origin/OEM
1	Dots for Spots	Korea/T&L	1	Biodance	Korea/NCOS, ICURE	1	Garnier	France
2	CeraVe	US	2	CeraVe	US	2	Garnier	France
3	Biodance	Korea/NCOS, ICURE	3	Erborian	Korea/Kolmar Korea	3	Garnier	France
4	CeraVe	US	4	Garnier	France	4	L'Oréal Paris	France
5	Garnier	France	5	Mighty Patch	Korea/T&L	5	L'Oréal Paris	France
6	Acnecide	UK	6	Maybelline	US	6	L'Oréal Paris	France
7	Aveeno	US	7	Erborian	Korea/Kolmar Korea	7	L'Oréal Men	France
8	The Ordinary	Canada	8	Erborian	Korea/Kolmar Korea	8	Bedrop	Germany
9	Neutrogena	US	9	Mixa	France	9	Axis-Y	Korea/ENBS
10	Mighty Patch	Korea/T&L	10	L'Oréal Paris	France	10	L'Oréal Paris	France
11	CeraVe	US	11	CeraVe	US	11	L'Oréal Men	France
12	The Ordinary	Canada	12	Mixa	France	12	d'Alba	Korea/B&B Korea
13	CeraVe	US	13	Garnier	France	13	Celimax	Korea/ES Cosmetic
14	CeraVe	US	14	Mighty Patch	Korea/T&L	14	Garnier	France
15	The Ordinary	Canada	15	Melvita	France	15	L'Oréal Paris	France
16	Nivea	Germany	16	Dr.Althea	Korea/Kolmar Korea	16	Garnier	France
17	Johnson's	US	17	Feel Natural	Germany	17	Dr.Althea	Korea/Kolmar Korea
18	Bulldog	UK	18	Garnier	France	18	Celimax	Korea/ES Cosmetic
19	Simple	UK	19	Celimax	Korea/ES Cosmetic	19	Garnier	France
20	COSRX	Korea/KFCRC	20	L'Oréal Paris	France	20	L'Oréal Paris	France
21	Paula's Choice	US	21	L'Oréal Men	France	21	L'Oréal Paris	France
22	Nivea	Germany	22	L'Oréal Paris	France	22	L'Oréal Paris	France
23	Simple	UK	23	Paula's Choice	US	23	L'Oréal Men	France
24	Weleda	Switzerland	24	Mixa	France	24	Nivea	Germany
25	d'Alba	Korea/B&B Korea	25	Lotus	Greece	25	bedrop	Germany
26	BYOMA	UK	26	Cattier	France	26	L'Oréal Paris	France
27	L'Oréal Paris	France	27	La Provencale Bio	France	27	L'Oréal Paris	France
28	Aveeno	US	28	Diadermine	Germany	28	Nivea	Germany
29	CeraVe	US	29	Amazon Basics	US	29	L'Oréal Paris	France
30	L'Oréal Paris	France	30	CeraVe	US	30	L'Oréal Paris	France
31	The INKEY List	UK	31	Mixa	France	31	L'Oréal Paris	France
32	Simple	UK	32	CeraVe	US	32	Garnier	France
33	L'Oréal Paris	France	33	CeraVe	US	33	L'Oréal Paris	France
34	L'Oréal Men	France	34	CeraVe	US	34	L'Oréal Paris	France
35	L'Oréal Men	France	35	CeraVe	US	35	Garnier	France
36	Acnecide	UK	36	L'Oréal Paris	France	36	L'Oréal Paris	France
37	L'Oréal Paris	France	37	Nivea	Germany	37	The Ordinary	Canada
38	Nivea	Germany	38	Garnier	France	38	Nivea	Germany
39	Clean Skin Club	US	39	Demak'up	France	39	Beauty of Joseon	Korea/Kolmar Korea
40	The Ordinary	Canada	40	Eau Precieuse	France	40	Nivea	Germany
41	Nivea	Germany	41	Garnier	France	41	L'Oréal Men	France
42	L'Oréal Paris	France	42	Garnier	France	42	COSRX	Korea/KFCRC
43	Dr.Althea	Korea/Kolmar Korea	43	Nivea	Germany	43	Genius	US
44	CeraVe	US	44	CeraVe	US	44	Spectrum	Germany
45	Skin Choice	UK	45	Erborian	Korea/Kolmar Korea	45	L'Oréal Paris	France
46	Cetaphil	US	46	Topicream	France	46	L'Oréal Paris	France
47	Cetaphil	US	47	Carryboo	France	47	ISDIN	Spain
48	COSRX	Korea/Young Chemical	48	Erborian	Korea/Kolmar Korea	48	Nivea	Germany
49	Garnier	France	49	Mixa	France	49	L'Oréal Paris	France
50	Erborian	Korea/Kolmar Korea	50	Garnier	France	50	L'Oréal Paris	France

Note: As of Nov 18, 2025 Source: Amazon, Otto, Samsung Securities

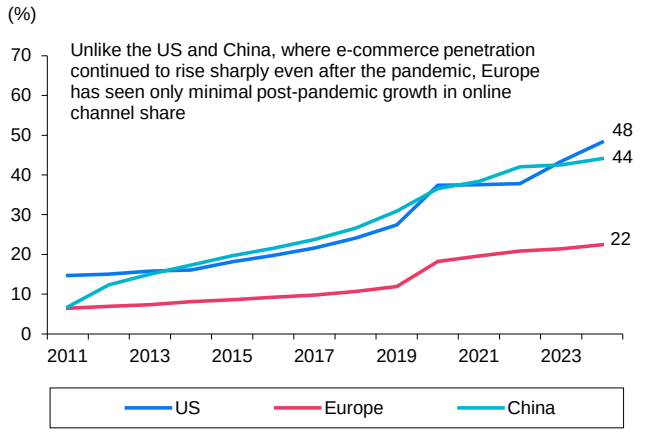
First, Europe is a market where offline is especially important.

Offline channels play an exceptionally dominant role in the European cosmetics market.

In major markets such as the US and China, e-commerce penetration surged during COVID-19 and has continued to expand. As of 2024, e-commerce penetration in skincare and suncare has reached 48% in the US and 44% in China, and 41% and 57%, respectively, in makeup. In both countries, online channels account for roughly half of total cosmetics sales, and in China's makeup segment the split has widened to 60:40 in favor of online.

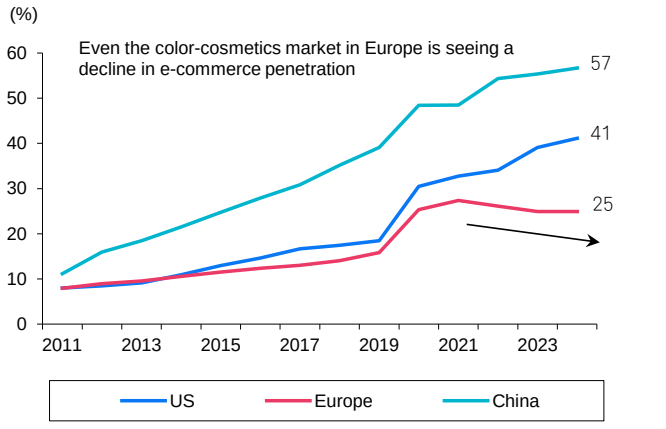
By contrast, Europe has seen only a modest post-pandemic increase in e-commerce penetration. In European skincare and suncare, online penetration stands at just 22%, implying that offline channels are still roughly 3.5x the size. More notably, e-commerce penetration in the European makeup market has declined since 2021.

E-commerce portion of skincare/suncare sales: Europe vs US vs China



Source: Euromonitor, Samsung Securities

E-commerce portion of makeup sales: Europe vs US vs China

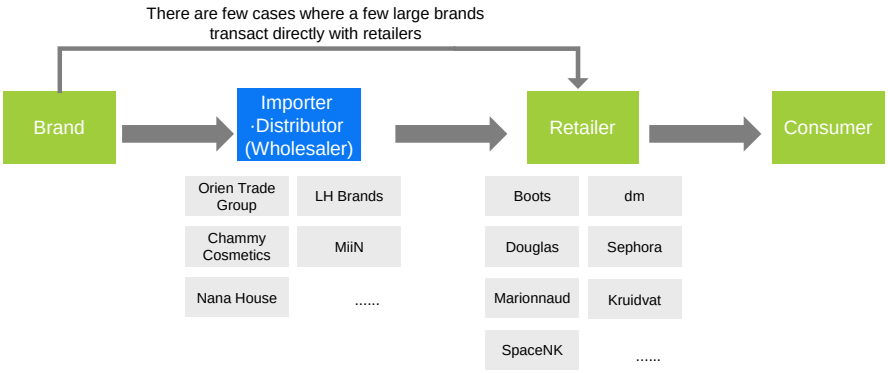


Source: Euromonitor, Samsung Securities

Unlike online sales—where direct-to-consumer (D2C) engagement is relatively straightforward—offline distribution involves significantly more complexity.

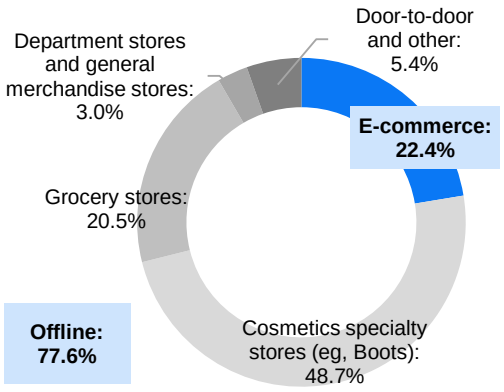
Europe's offline cosmetics supply chain remains rigidly structured as: manufacturer/brand → importer/distributor → retailer → consumer. Most brands grant exclusive or semi-exclusive distribution rights to wholesalers, who then supply retailers. Direct supply models are limited to a small number of large-scale players (*eg*, L'Oréal and Boots). According to SkinConsult, a Netherlands-based safety testing firm, identifying the right strategic distributor is the single most critical step in entering the European market.

Europe: Offline cosmetics supply chain



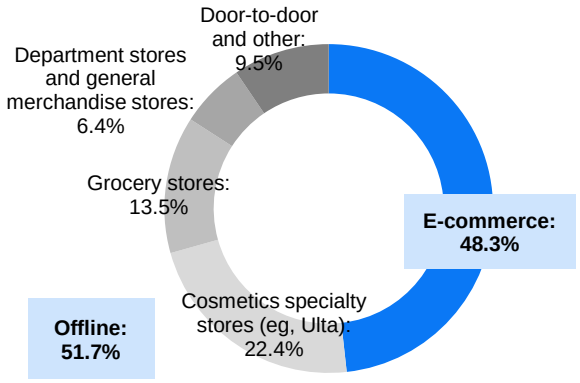
Source: Samsung Securities

Europe: Cosmetics market shares, by channel



Source: Euromonitor, Samsung Securities

US: Cosmetics market shares, by channel



Source: Euromonitor, Samsung Securities

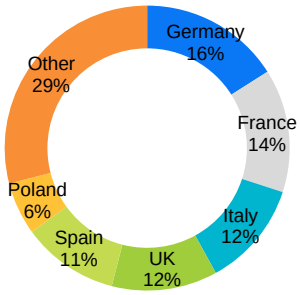
Second, Europe's market structure is highly fragmented.

Unlike the US, Europe lacks a dominant, large, pan-regional cosmetics retail giant. The region itself is fragmented by country—Germany (16%), France (14%), Italy (12%), the UK (12%), Spain (11%), and others—and within each country, market power is further dispersed across numerous retail chains.

In the US, offline cosmetics retail is concentrated among a handful of players, including Ulta Beauty and Sephora (multi-brand stores; MBS), Walgreens and CVS (drugstores), and Costco, Walmart, and Target (big-box retail). Europe, by contrast, features a different set of major retailers in each country, with a greater number of players per market. In Germany, for example, key players include dm, Rossmann, Douglas, Müller, and Budnikowsky. In the UK, Boots, Superdrug, and Lloyds dominate.

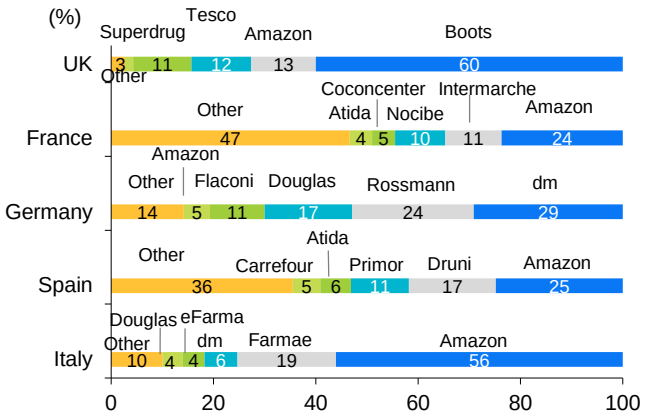
The e-commerce landscape is similarly fragmented, both across countries and within individual markets. In Germany, for instance, e-commerce market shares are held by dm (29%), Rossmann (24%), Douglas (17%), and Flaconi (11%). Amazon is not the dominant channel in Europe, with market shares of just 13% in the UK, 24% in France, 5% in Germany, and 25% in Spain, ranking second or even fifth in some markets.

Europe: Cosmetics market share, by country (2024)



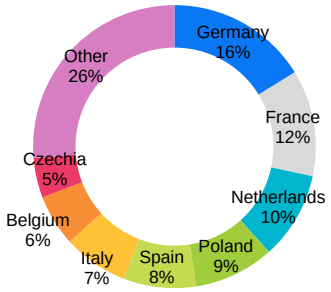
Source: Cosmetics Europe, Samsung Securities

Europe: Skincare/suncare e-commerce* channel mix, by country (2024)



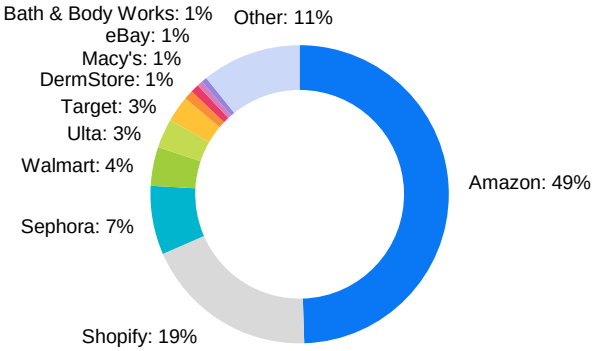
Source: MikMak, Samsung Securities

Europe: Cosmetics imports, by country (Jan-Aug 2025)



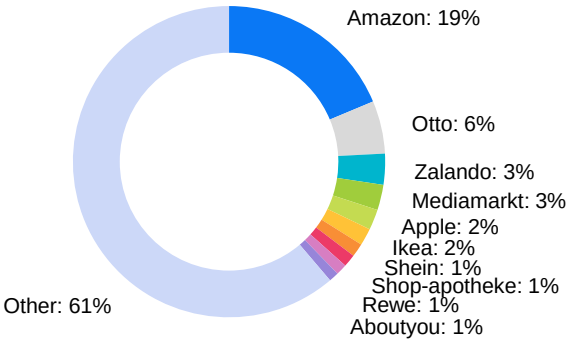
Source: Eurostat, Samsung Securities

US: Cosmetics e-commerce sales share, by retailer (1Q-3Q25)



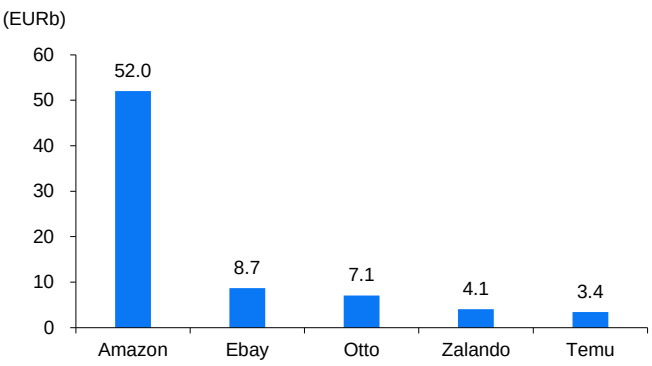
Source: Euromonitor, Samsung Securities

Germany: Online retail market shares (1P sales, 2024)



Note: All categories
Source: EHI Retail Institute, ECDB, Samsung Securities

Europe: Online retailers' transaction value (inc. 3P sales, 2024)



Note: All categories
Source: EHI Retail Institute, ECDB, Samsung Securities

Third, Europe suffers from significantly longer shipping routes.

Longer physical transit times also weigh on European export growth relative to the US.

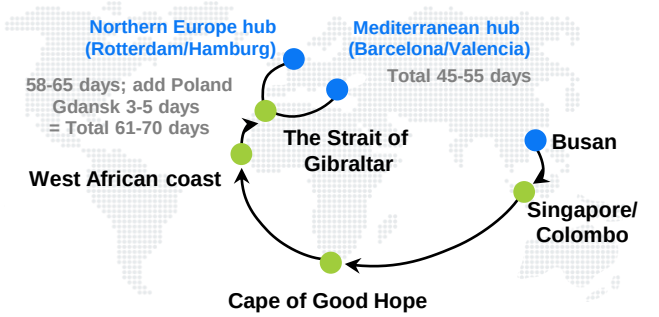
Shipping a container from Busan to Los Angeles typically takes 11-18 days, and to New York 25-35 days. Including domestic trucking and port waiting times, K-consumer goods generally reach US importers (*eg*, Silicon2 warehouses or local wholesalers) within 45-60 days.

By contrast, shipping from Busan to Gdansk, Poland takes 61-70 days, and including inland transport and delays, total lead times extend to 80-100 days. Most shipping lines have yet to resume Suez Canal routes, forcing vessels to detour via the Cape of Good Hope.

Given these extended transit times, supply planning during the early stages of market entry becomes particularly challenging. Rapid replenishment in response to local demand signals is effectively impossible, making logistics a key bottleneck in the initial phase of European expansion.

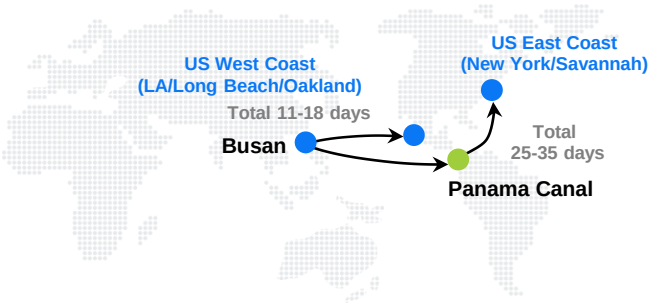
In many respects, Europe is simply a market that takes longer to penetrate.

Containership routes and transit times: Korea to Europe



Source: MSC, Samsung Securities

Containership routes and transit times: Korea to US



Source: MSC, Samsung Securities

K-beauty's 2026 growth outlook: Rebound in US, acceleration in Europe, launch in Middle East

US: Export growth to rebound to 27% y-y on offline penetration and inventory restocking

After growing 51% in 2024, K-beauty's US export growth decelerated sharply to a mid-teen percentage in 2025, disappointing investors and prompting concerns that the market's growth potential had been largely exhausted.

However, underlying demand remained robust. US e-commerce sales of K-beauty grew 50% y-y over 1Q-3Q25 (Euromonitor; skincare and suncare combined), with several leading brands reporting even stronger performance (APR saw US sales surge 256% y-y over 1Q-3Q25). This divergence makes the subdued export growth appear inconsistent.

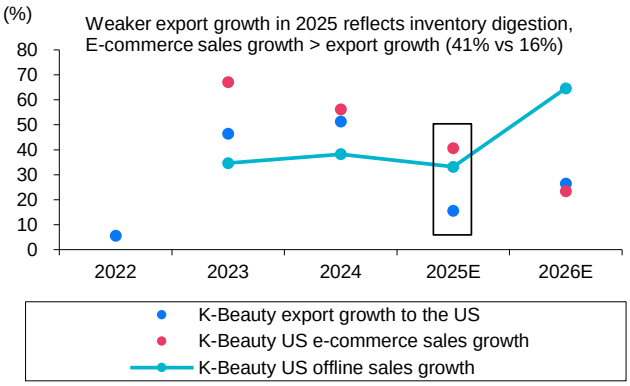
We attribute the gap primarily to inventory digestion: aggressive stocking in 2024 was largely worked through during 2025, allowing e-commerce sales to surge while export volumes failed to fully reflect end-demand. In addition, aggregate export data include weaker players—thus, inventory mismanagement by smaller distributors and brands likely weighed on overall export growth in 2025.

US: K-beauty growth and penetration

	2022	2023	2024	2025E	2026E
K-beauty sales growth in US (% y-y)					
Export	5.6	46.4	51.3	15.6	26.5
E-commerce		67.1	56.1	40.6	23.3
Offline		34.6	38.2	33.1	64.6
K-beauty penetration in US (%)					
E-commerce	3.3	4.4	6.0	7.4	8.2
Offline	0.9	1.3	1.9	2.4	3.9
MBS (ex. Ulta Beauty)					6.0
Supermarket (ex. Costco)					4.0
Total	1.8	2.6	3.9	5.0	5.9
US cosmetics market growth (% y-y)					
E-commerce	8.9	24.8	13.7	15.0	11.0
Offline	7.8	-1.2	-6.6	1.9	2.2
MBS (ex. Ulta Beauty)	13.9	5.1	-2.3	7.0	8.0
Supermarket (ex. Costco)	7.7	-2.7	-9.0	2.0	1.0
Department stores	8.7	-11.0	-16.8	-3.0	-3.0
D2D and other	-3.7	-3.8	-5.1	-7.0	-8.0
US cosmetics market channel shares (%)					
E-commerce	37.8	43.4	48.3	51.3	53.4
Offline	62.2	56.6	51.7	48.7	46.6
MBS (ex. Ulta Beauty)	24.2	23.4	22.4	22.1	22.4
Supermarket (ex. Costco)	16.9	15.1	13.5	12.7	12.0
Department stores	9.6	7.8	6.4	5.7	5.2
D2D and other	11.5	10.2	9.5	8.1	7.0

Note: 2025 figures are estimates based on the latest cumulative data (namely, exports over Jan 1-Nov 10, and e-commerce over 1Q-3Q);
Penetration based on skincare and suncare products combined
Source: Euromonitor, TRASS, Samsung Securities estimates

K-beauty: US-bound export growth vs online/offline retail sales growth



Note: 2025 figures are estimates based on the latest cumulative data (namely, exports over Jan 1-Nov 10, and e-commerce over 1Q-3Q)
Source: Euromonitor, Samsung Securities

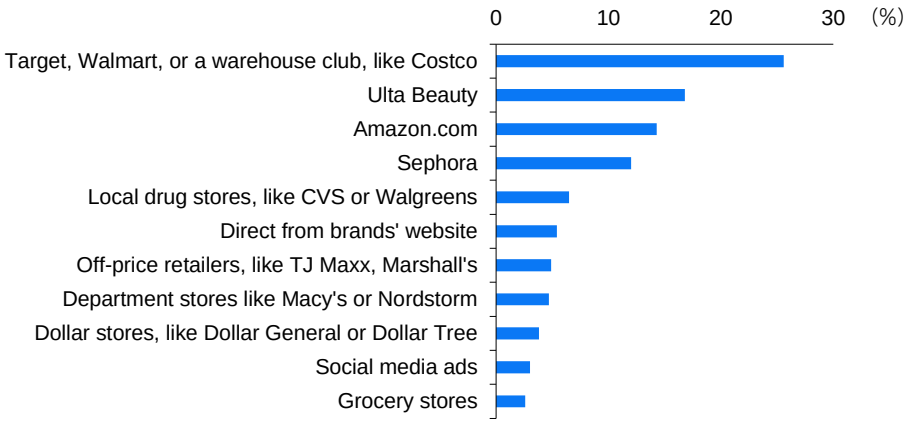
We forecast 27% y-y growth in US-bound exports in 2026, driven by restocking and offline expansion.

First, deliveries to major offline retailers, including Ulta Beauty and Costco, should begin in earnest. We forecast offline sales growth of 64.6% y-y in 2026 (vs around 30% y-y over 2023-2025). With K-beauty's e-commerce penetration reaching 7.4% in 2025 (Amazon 12.4%), we view assumptions of 6% penetration in MBS and 4% in big-box retail in 2026 as reasonable, based on recent retailer activity.

Second, given the sharp divergence between 2025 e-commerce sales growth (50%) and export growth (16%), inventory levels were likely depleted significantly in 2025, setting the stage for restocking in 2026.

In addition, the halo effect from offline expansion should further support online demand. MBS and big-box retailers consistently rank as the most preferred beauty shopping channels among US consumers, materially boosting brand awareness and driving subsequent multi-channel purchasing behavior.

US: Cosmetics consumers' favorite shopping channels (survey)



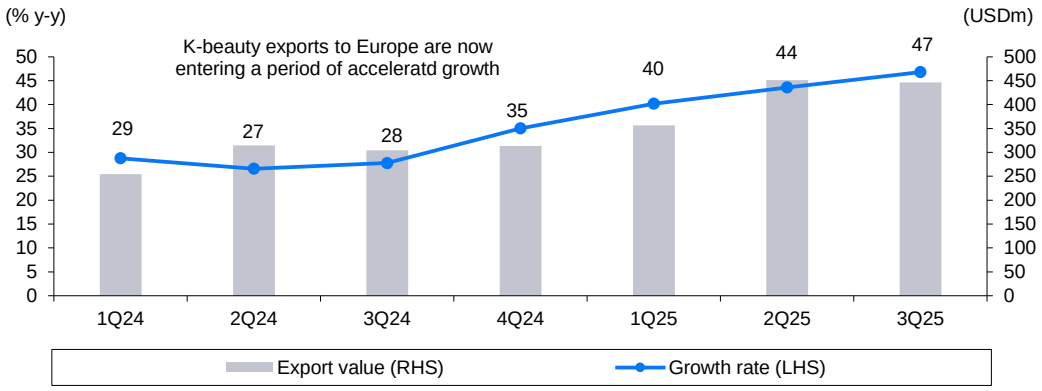
Note: N=1,000
Source: Bloomberg Intelligence, Samsung Securities

Europe: Offline or online, growth to truly begin in 2026; exports to grow 52% y-y

K-beauty's European expansion only began in earnest in 2025. The surge in consumer interest that took hold in the US in early 2024 has started to spill over into Europe this year, with many brands now positioning the region as their next strategic market after the US.

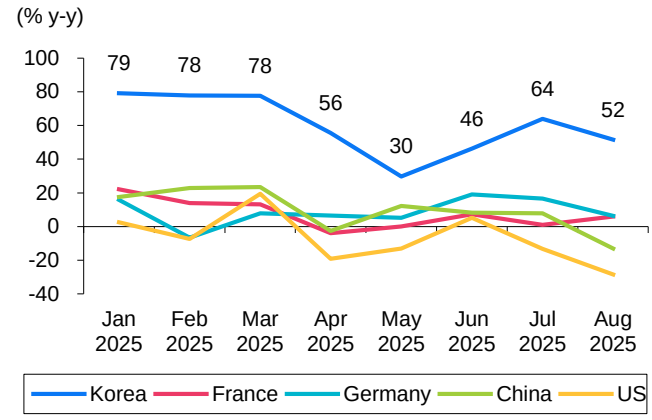
However, Europe's structural characteristics mean that market entry naturally takes longer. As a result, the explosive early-stage growth seen in the US in early 2024 was not replicated in Europe in early 2025 (US-bound exports grew 59% y-y in 1H25, while Europe-bound exports grew 42% y-y). Instead, European growth started at around 20% in 2024 and gradually accelerated to around 40% in 2025—reflecting steadily building momentum rather than a sharp spike.

K-beauty: Europe-bound exports



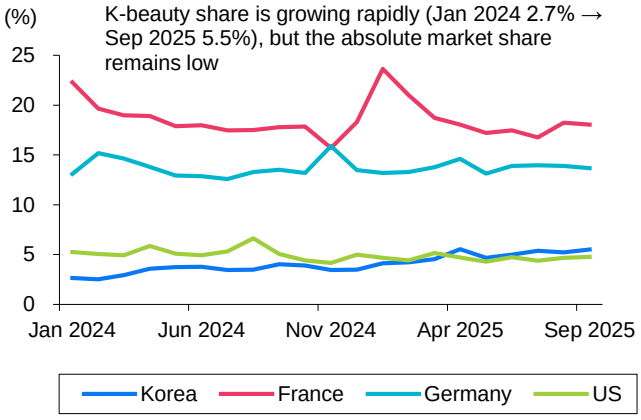
Source: TRASS, Samsung Securities

Major exporters to EU-27: Export growth



Source: Eurostat, Samsung Securities

Major exporters to EU-27: Market shares



Source: Eurostat, Samsung Securities

K-beauty's status in major markets (based on latest share of each country's imports)

Importer (%)	N. America		Europe								Asia						Middle East	
	US		EU-27		UK		France		Germany		China		Japan		Singapore		Saudi Arabia	
Rank	Country	M/S (%)	Country	M/S (%)	Country	M/S (%)	Country	M/S (%)	Country	M/S (%)	Country	M/S (%)	Country	M/S (%)	Country	M/S (%)	Country	M/S (%)
1	Korea	25.9	France	18.2	China	20.2	Italy	16.9	France	24.9	France	27.1	Korea	42.5	France	40.5	France	17.7
2	France	12.3	Germany	13.9	France	14.1	US	14.5	Poland	16.5	Japan	20.7	France	21.3	Korea	21.9	Italy	14.1
3	Canada	12.3	Netherlands	8.2	US	13.7	Germany	11.2	Netherlands	12.1	Korea	14.7	China	8.6	Japan	12.1	UAE	11.8
4	Italy	12.0	Italy	7.0	Korea	10.6	Netherlands	9.9	Italy	7.4	UK	8.9	US	7.8	US	5.4	Korea	8.9
5	China	8.0	Poland	6.5	Italy	8.8	China	7.1	Austria	6.0	US	8.0	Italy	6.2	Italy	3.7	China	7.9
6	Mexico	3.8	China	5.3	Poland	6.1	Spain	7.0	Switzerland	5.9	Italy	5.2	UK	1.7	Philippines	2.2	US	7.5
7	UK	3.5	Korea	5.2	Canada	4.6	Korea	6.1	China	4.7	Canada	2.2	Canada	1.5	UK	2.2	Germany	4.7
8	Germany	2.9	Belgium	4.8	Germany	4.2	Belgium	4.8	Czech	4.0	Belgium	2.0	Germany	1.4	Malaysia	1.3	Sweden	3.0
9	Sweden	2.8	US	4.7	Spain	1.7	Canada	3.5	Spain	2.8	Germany	2.0	Malaysia	1.3	Switzerland	1.3	Poland	2.8
10	Japan	2.7	Spain	4.0	Australia	1.5	Denmark	3.3	Belgium	2.1	Spain	1.4	Israel	1.2	Indonesia	1.3	UK	2.8
11	Taiwan	2.7	UK	3.3	Thailand	1.4	Switzerland	2.9	Korea*	1.3	Thailand	1.1	Taiwan	0.9	China	1.2	Australia	2.7

Note: Based on latest data (US as of Jul 2025, EU as of Aug 2025, UK/Japan/Singapore as of Sep 2025, China as of Oct 2025, Saudi Arabia as of Dec 2024) *#14
Source: ITC, Eurostat, Chinese customs, Samsung Securities

Despite this acceleration, penetration remains extremely low. While Korea is the only major exporting country posting strong growth (56% y-y over 1Q-3Q25), its share of the EU market stands at just 5.5%, ranking seventh, compared with 24% in the US.

As export momentum builds in 2026, we forecast K-beauty's export growth to Europe to reach 52% y-y. Within this, exports to the EU are projected to grow 64% y-y, while exports to the UK are expected to increase 29% y-y, implying that the EU will be the primary driver of overall growth.

Korea's export share across Europe is projected to rise from 4.2% in 2024 and an estimated 5.5% in 2025 to 7.7% in 2026. Across individual European markets, Korea's export share is already trending sharply higher. As seen in the table above, as of Aug 2025, it had reached 5.2% in the EU (seventh among exporting countries), and as of Sep 2025, 10.6% in the UK (fourth). Based on the continued improvement through the year, we estimate full-year 2025 export shares of 5.5% for Europe overall, 5% for the EU, and 9.6% for the UK. Given current growth momentum, it is reasonable to expect Korea's export share to rise further in 2026, to around 7.5% (fourth) in the EU and 12% (third) in the UK.

Europe: K-beauty growth and penetration

(%, % y-y)	2024	2025E	2026E
K-beauty's share of imports			
Europe	4.2	5.5	7.7
EU	3.4	5.0	7.5
UK	9.3	9.6	12.0
Other European countries	4.7	5.0	5.5
Import growth			
Cosmetics imports			
Europe	8.8	8.0	8.2
EU	8.3	9.2	9.0
UK	11.7	2.2	3.0
Other European countries	9.3	5.7	7.5
Cosmetics imported from Korea (USDm)			
Europe	29.5	39.8	52.2
EU	52.7	59.4	63.5
UK	46.5	38.8	29.0
Other European countries	-22.6	11.4	18.3
Share of cosmetics imports			
Cosmetics imports			
Europe			
EU	76.7	77.5	78.1
UK	11.0	10.4	9.9
Other European countries	12.4	12.1	12.0
Cosmetics imported from Korea (USDm)			
Europe			
EU	62.1	70.8	76.0
UK	24.1	18.2	15.4
Other European countries	13.9	11.1	8.6

Source: ITC, TRASS, Samsung Securities estimates

Middle East: Even Silicon2's warehouse begins full operation only in 2026

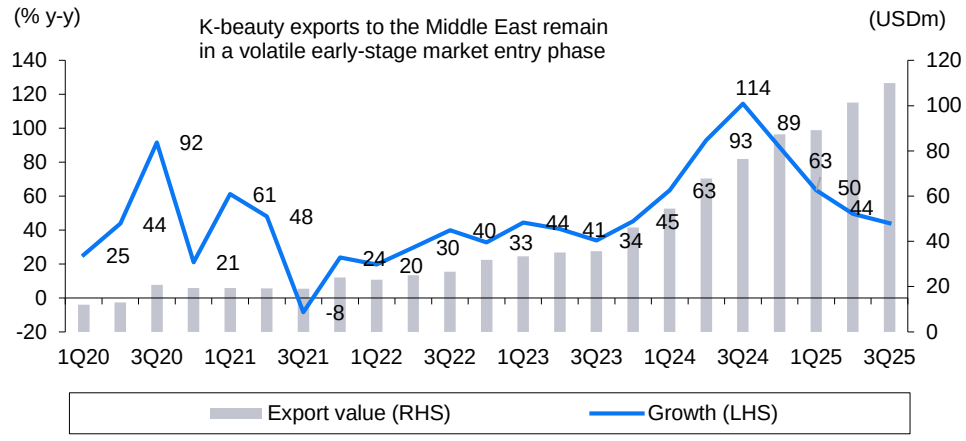
K-beauty's expansion into the Middle East is only just beginning. Through 2026, growth rates are likely to remain volatile given early-stage dynamics, but the longer-term trajectory is clearly upward.

The Middle East accounts for roughly 5% of global cosmetics import demand, and interest in K-beauty is rising rapidly. Gold Apple UAE launched a dedicated K-beauty section on its online mall in 2025, and K-beauty products now feature prominently among bestsellers. Google Trends data show K-beauty-related keywords (*eg*, "Korean skincare," "Medicube") leading growth in skincare-related searches.

That said, supply infrastructure remains underdeveloped, as industry players have prioritized the US and Europe. In the case of K-spicy stir-fried noodles, even the US and China are experiencing supply shortages, leaving the Middle East a lower near-term priority.

Silicon2, the largest B2B export distributor for K-beauty, is scheduled to commence Middle East warehouse operations in 2026. After establishing its UAE entity in Mar 2025, the warehouse facility was physically completed by Nov 2025, but licensing and office setup are still in progress. Full-scale on-site operations are expected to begin in 1H26, after which growth should accelerate to levels comparable to—or potentially exceeding—those seen in the US and Europe.

K-beauty exports to the Middle East



Source: TRASS, Samsung Securities

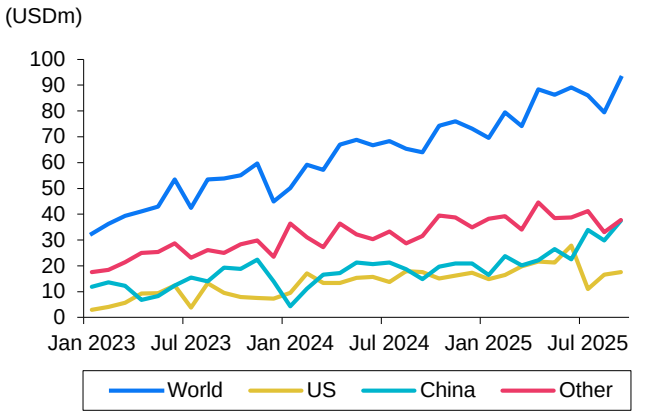
Buldak Ramen: Production to convert directly into sales again in 2026

Samyang Foods' Buldak Ramen pioneered the global spicy stir-fried ramen category. Penetration continues to rise, and repeat consumption is now well established among existing buyers.

We expect excess demand to persist through 2026. At this early stage of category development, consumers continue to favor the original Buldak over lower-priced substitutes. As of Nov 2025, expansion across US mainstream channels and deeper penetration into China's tier-2 cities continues apace.

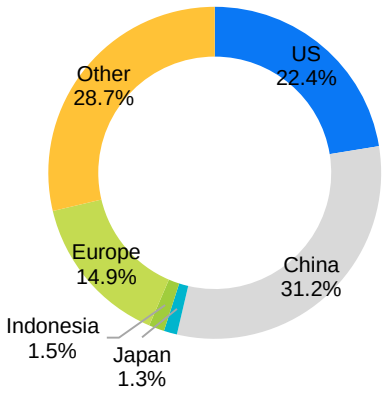
On Nov 19, 2025, Samyang announced additional production-line investments at its China plant—materially raising the company's growth potential for 2027—expanding the planned capacity from six to eight lines and increasing capex from KRW201.4b to KRW207.2b. This decision reflects stronger-than-expected demand, as the newly constructed Milyang Plant #2 reached near-full utilization for bag noodles almost immediately after commencing operations in 3Q25.

Ramen exports from locations* where Samyang Foods has factories (monthly data)



Note: *Wonju (Gangwon), Iksan (Jeonbuk), Milyang (Gyeongnam), Seongbuk (Seoul)
Source: TRASS, Samsung Securities

Ramen exports from locations* where Samyang Foods has factories, by destination



Note: Jan-Sep 2025; *Wonju (Gangwon), Iksan (Jeonbuk), Milyang (Gyeongnam), Seongbuk (Seoul)
Source: TRASS, Samsung Securities

Stocks

Known cycles arrive faster; need to buy ahead of 1H catalysts

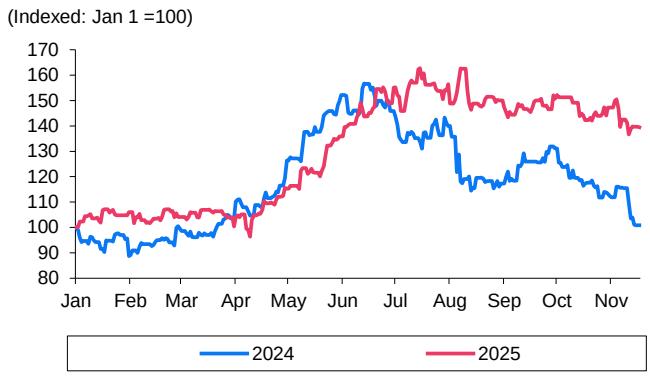
Cosmetics shares, which reflect seasonality, could see next upturn begin earlier in 2026

Investors with two consecutive years of exposure to K-beauty have begun to internalize the recurring seasonality in share prices. On a y-y basis, industry growth tends to be stronger in the first half, and share prices have historically tracked this pattern.

Cosmetics companies typically start the year by launching new products with the new year's manufacturing date, effectively building inventory for the year. A limited number of brands enjoy sufficiently strong demand to support repeated reorders throughout the year and deliver peak performance during year-end sales. However, for most brands, given low entry barriers and intense competition, slow-moving inventory accumulates and many SKUs are eventually discontinued. As a result, industry-wide reorder momentum typically fades in the second half, leaving y-y growth rates structurally stronger in the first half than in the second.

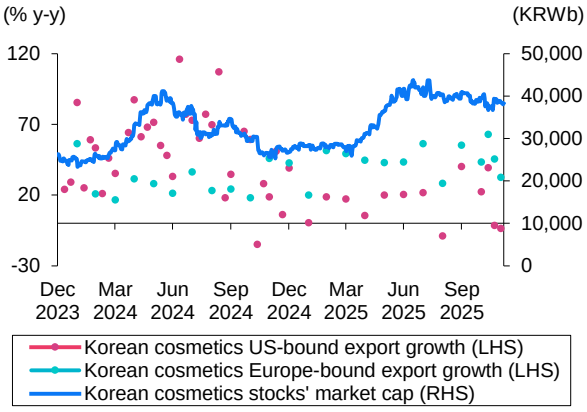
In 2024, 2H share price weakness was particularly pronounced. While seasonality was a key factor, many investors—experiencing this pattern for the first time—interpreted the 2H slowdown as a structural "peaking" risk. As 2024 marked the first year of full-scale US market entry, the deceleration in export growth into 2H was widely viewed as evidence of structural deterioration rather than normal seasonality. In effect, the market had not yet fully accepted K-beauty's global expansion as a structural growth shift.

K-beauty-related firms' market cap: 2024 vs 2025



Source: Samsung Securities

K-beauty-related firms' market cap vs US-/Europe-bound export growth



Source: TRASS, Samsung Securities

In 2025, as investor understanding of K-beauty's structural growth improved, 2H share price declines were more muted. Strengthening demand trends made it increasingly difficult to deny K-beauty's rising global positioning. Nevertheless, industry seasonality persists, and several companies missed market expectations in 3Q, triggering profit-taking in 2H. At the same time, fund flows rotated into other sectors, including semiconductors, adding further pressure on cosmetics share prices.

However, there is now a clear shift in the investor base compared with end-2024. At this stage, visibly more investors (than a year ago) are looking to accumulate shares ahead of strong 1H results. At end-2024, the market was still debating whether K-beauty had peaked; by end-2025, many investors have come to accept structural growth as a given and are instead focused on timing their entry. While concerns remain that 2026 growth rates may moderate versus 2025, the nature of that concern has evolved.

Repeated learning tends to produce more-agile behavior. As a result, we see a high likelihood that the upturn will begin earlier in 2026 than it did in 2025. With sector-wide valuations having corrected to attractive levels, we view the current period as an opportunity to selectively accumulate next year's growth leaders.

High growth vs low valuation: Be greedy when others are fearful

Following rotation into other sectors and profit-taking during the seasonal off-peak, valuations across cosmetics and food & beverage have retreated to attractive levels. Even APR, which offers the strongest earnings growth among cosmetics brands, is trading at around 19x P/E, while ODMs, packaging players, and export distributors are broadly valued at 11-13x P/E. We view current levels as an attractive entry point into companies with strong growth visibility in 2026.

When buying interest returns to the sector, we expect investors to gravitate first toward stocks with the highest earnings growth, whether in cosmetics or ramen. Ultimately, the core investment case for the sector lies in the ability to deliver high growth driven by export momentum.

Cosmetics peer valuations

		ODM					Distributor			Packaging	Brand						
		Cosmax*	Kolmar Korea*	C&C Int'l*	Cos-mecca*	Inter-cos	Silicon2*	Ulta Beauty	Yes Asia	Pum-tech Korea	Amore-Pacific*	LG H&H*	APR*	VT	d'Alba	iFamily SC	Clio
Ticker		192820	161890	352480	241710	ICOS IM	257720	ULTA US	2209 HK	251970	278470	090430	051900	182090	483650	114840	237880
Share price	(Local)	163,400	65,400	32,350	69,500	11.1	43,900	496.4	4.8	56,100	252,500	125,400	276,000	19,660	131,200	14,900	13,650
Market cap	(USDm)	1,260	1,049	300	504	1,235	1,824	22,260	255	473	6,420	4,982	2,869	467	1,100	175	168
	(Local)	1,855	1,544	441	742	1,072	2,685	22,260	1,983	696	9,451	7,335	4,223	687	1,620	258	247
P/E* (x)	2022	88.9	-68.1	19.7	279.1	20.5	237.3	28.7	nm	36.4	59.8	64.4	20.7	60.9	nm	16.4	24.2
	2023	32.5	288.1	10.3	33.3	18.7	69.6	21.6	nm	25.8	22.5	48.1	34.3	25.3	21.5	6.4	8.9
	2024	21.6	17.1	10.0	17.3	18.4	22.1	19.5	11.9	21.3	88.8	14.6	24.5	7.2	91.9	9.1	8.9
	2025E	26.4	15.4	19.7	14.5	17.5	16.8	20.7	7.8	15.9	33.1	25.4	26.7	10.5	19.7	10.8	17.1
	2026E	9.8	10.8	11.4	11.4	14.7	11.9	20.2	5.3	13.4	20.4	19.1	20.8	9.9	13.5	8.6	13.5
	12m fwd	**11.3**	**11.2**	**12.1**	**11.7**	**14.9**	**12.3**	**20.3**	**5.5**	**13.7**	**21.5**	**19.7**	**21.3**	**9.9**	**14.1**	**8.8**	**13.8**
Sales growth (% y-y)	2022	0.5	17.6	43.1	0.7	22.1	26.2	42.8	nm	6.6	53.5	-15.0	-11.2	5.9	nm	19.2	17.1
	2023	11.1	15.5	68.7	17.9	20.7	107.5	16.4	nm	20.2	31.7	-11.1	-5.3	23.0	nm	74.2	21.3
	2024	21.9	13.7	28.4	11.4	7.5	101.7	11.6	nm	18.6	38.0	5.7	0.1	46.1	53.9	37.8	6.3
	2025E	9.8	10.6	1.8	19.3	0.9	55.9	0.7	48.3	17.4	100.8	9.4	-4.6	3.4	64.3	10.2	4.4
	2026E	10.5	9.5	16.4	15.2	5.6	38.6	7.4	37.0	17.0	53.9	11.7	1.4	11.6	39.8	14.3	9.6
EBIT growth (% y-y)	2022	-56.7	-13.0	674.9	-48.4	28.5	62.6	380.2	nm	1.5	174.8	-37.6	-44.9	-10.8	nm	69.8	28.6
	2023	117.9	85.8	83.9	374.1	17.4	235.8	25.8	nm	33.3	165.6	-49.5	-31.5	93.4	nm	152.4	89.1
	2024	51.6	42.4	-9.7	22.8	2.2	187.8	4.7	nm	37.1	17.8	103.8	-5.7	143.5	84.4	40.2	-27.2
	2025E	7.5	23.1	0.6	41.4	13.0	50.0	-9.9	50.0	30.1	188.4	73.6	-38.4	-18.2	71.7	-13.6	-1.5
	2026E	32.5	16.9	44.2	17.6	10.2	41.9	-1.8	54.1	16.6	57.2	15.3	34.4	1.8	48.4	25.3	29.0
EPS growth (% y-y)	2022	-73.3	-161.4	-351.8	-70.1	31.6	-80.1	617.7	nm	7.9	157.3	-30.6	-72.0	-25.6	nm	-14.4	5.6
	2023	174.0	-123.6	90.8	739.4	6.4	241.1	33.1	nm	41.1	166.3	33.9	-39.7	140.2	nm	157.5	171.3
	2024	50.2	1,581.0	3.3	91.7	4.5	214.3	10.6	nm	21.1	-74.7	229.4	40.1	253.0	-76.7	-29.5	0.6
	2025E	-18.0	11.2	-49.4	19.6	6.3	31.4	-5.7	53.1	34.0	168.0	-42.6	-8.3	-31.5	367.4	-15.7	-48.3
	2026E	169.0	42.5	72.9	26.7	23.5	41.5	2.1	60.0	18.1	62.5	33.0	28.3	5.9	45.2	25.4	26.7
OPM (%)	2022	3.3	3.9	13.4	2.6	9.2	8.6	14.6	nm	11.2	9.9	5.2	9.9	9.8	nm	11.1	6.6
	2023	6.5	6.3	14.6	10.4	9.0	13.9	15.7	nm	12.4	19.9	2.9	7.2	15.4	16.2	16.1	10.2
	2024	8.1	7.9	10.2	11.5	8.5	19.9	14.8	7.3	14.3	17.0	5.7	6.7	25.7	19.4	16.4	7.0
	2025E	7.9	8.8	10.1	13.6	9.6	19.1	13.2	7.3	15.9	24.4	9.0	4.3	20.3	20.2	12.9	6.6
	2026E	9.5	9.4	12.5	13.9	10.0	19.6	12.1	8.3	15.8	24.9	9.3	5.8	18.6	21.5	14.1	7.8

Note: As of Nov 20, 2025;
*Based on Samsung estimates (market consensus otherwise)
Source: FnGuide, Bloomberg, Samsung Securities estimates

When a stock trades at a low valuation despite strong expected growth, it typically reflects lingering investor skepticism. Where the underlying evidence—channel expansion, robust demand, and other indicators—is sufficiently clear, it is prudent to position for that growth while others remain fearful.

Against this backdrop, APR and Silicon2 are our top picks in cosmetics, and Samyang Foods is our top pick in F&B. Cosmecca Korea is our preferred second-tier name and top pick among ODMs.

In our view, APR and Silicon2 are the primary beneficiaries of K-beauty's US offline expansion, the full-scale acceleration of European exports, and the early-stage growth of exports to the Middle East, as outlined in the industry discussion above.

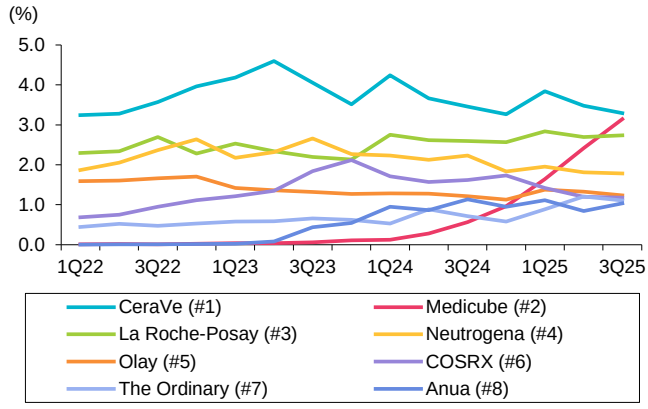
APR: We forecast APR's 2026 sales at KRW2.23t (up 54% y-y) and its operating profit at KRW555.6b (up 57% y-y), expecting such strong growth to continue into 2027 (when we have sales hitting KRW3.1t). Despite this outlook, shares have recently fallen to trade at 20.5x forward P/E, which we find attractive given the firm's growth profile.

APR's flagship brand, Medicube, is the clear No.1 K-beauty brand globally and currently ranks No.2 in US Amazon skincare by sales. Its market share (3.1% as of 3Q25) is now comparable to that of the category leader, CeraVe (3.3%), and Medicube is delivering the fastest growth among major brands on the platform. While some smaller brands post higher growth from a low base, Medicube is effectively the only brand to have climbed to No.2 by sales within just one year of launch.

With brand awareness now high enough to drive voluntary influencer adoption, channel expansion should accelerate in 2026. Initial shipments to Ulta Beauty in 2Q25 are already seeing volumes roughly double each quarter, and we estimate that Ulta and the broader MBS channel alone can generate over KRW115b in sales in 2026. As APR adds offline channels to an already fast-growing online business, we forecast its US sales at KRW892b in 2026 (up 70% y-y) and KRW1.29t in 2027 (up 44.5% y-y).

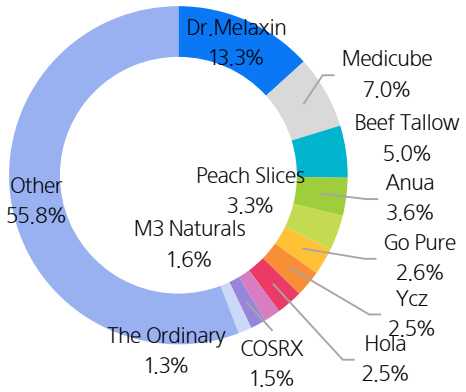
European e-commerce entry and marketing investment are also set to ramp up. To date, European growth has been driven almost entirely by B2B distributors responding to APR's US performance, with limited direct marketing support. Given that APR's key competitive advantage—and the primary driver of its outperformance of peers—is demand creation through marketing, we view 2026 as the true starting point for meaningful European expansion. We forecast sales from Europe and other regions at KRW669.6b in 2026 (up 106.8% y-y) and KRW1t in 2027 (up 52% y-y).

Amazon (US): Top-8 brands' market shares



Source: Euromonitor, Samsung Securities

TikTok Shop (US): Skincare brand market shares (3Q25)



Source: Euromonitor, Samsung Securities

APR: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025E	2026E	2027E
Sales	**148.9**	**155.5**	**174.1**	**244.2**	**266.0**	**327.7**	**385.9**	**471.4**	**472.9**	**509.5**	**511.8**	**739.5**	**523.8**	**722.8**	**1,451.1**	**2,233.7**	**3,070.3**
US	24.7	24.9	39.6	69.0	70.9	96.2	150.5	207.5	196.2	191.0	206.1	298.6	67.9	158.3	525.1	892.0	1,288.9
Cosmetics	11.0	13.0	24.8	37.3	53.9	76.9	127.9	171.0	174.6	167.0	178.1	253.4	36.2	86.1	429.8	773.1	1,126.0
Devices	13.8	11.9	14.8	31.7	17.0	19.2	22.6	36.5	21.6	24.0	28.0	45.3	31.7	72.2	95.3	118.9	162.9
Europe, Southeast Asia, *etc* (B2B)	**13.8**	**19.5**	**23.7**	**44.2**	**65.6**	**79.7**	**85.4**	**93.1**	**117.6**	**143.1**	**171.0**	**237.9**	**34.8**	**101.2**	**323.8**	**669.6**	**1,016.2**
Cosmetics	9.0	9.1	11.3	23.8	43.3	57.4	64.0	68.9	91.1	116.6	145.6	207.6	26.8	53.1	233.6	560.8	869.3
Devices	4.7	10.4	12.3	20.4	22.3	22.3	21.3	24.2	26.5	26.6	25.4	30.3	7.5	47.7	90.2	108.8	146.8
Japan	**9.8**	**9.4**	**15.2**	**17.7**	**29.3**	**43.9**	**46.6**	**60.4**	**56.9**	**62.2**	**60.0**	**86.6**	**33.2**	**52.2**	**180.2**	**265.6**	**328.4**
Cosmetics	3.7	5.6	7.5	10.6	18.5	28.5	23.9	32.9	35.2	32.2	28.0	47.0	12.1	27.4	103.8	142.4	178.0
Devices	5.5	3.5	7.6	6.9	10.8	15.4	22.7	27.5	21.7	30.0	32.0	39.6	17.8	23.5	76.4	123.2	150.4
China, Taiwan, Hong Kong	**20.4**	**25.9**	**24.0**	**29.0**	**28.4**	**34.7**	**27.4**	**32.5**	**31.5**	**38.6**	**29.3**	**34.8**	**75.3**	**99.2**	**123.0**	**134.2**	**146.3**
Domestic	82.8	78.4	73.9	88.0	76.8	73.2	76.0	80.8	73.9	71.7	74.7	80.7	318.6	323.1	306.8	301.0	319.5
Cosmetics	35.3	34.9	30.8	30.5	36.2	36.3	38.0	34.2	37.0	37.2	38.4	36.6	108.0	131.5	144.7	149.2	152.2
Devices	34.8	32.6	29.2	33.3	30.4	26.3	30.9	35.6	32.3	29.8	31.6	39.2	138.8	129.9	123.2	132.8	148.7
Other	12.7	10.9	13.8	24.2	10.1	10.6	10.5	11.0	4.6	4.8	4.7	5.0	71.9	61.7	42.3	19.0	15.0
Operating profit	27.8	28.0	27.2	39.7	54.6	84.6	96.1	118.7	112.8	126.1	130.3	193.8	104.2	122.7	353.9	556.4	752.0
Net profit	24.1	24.1	16.0	43.4	49.9	66.3	74.6	96.9	92.2	102.9	106.4	157.8	81.5	107.6	287.0	463.2	621.3
Operating margin (%)	18.6	18.0	15.6	16.3	20.5	25.8	24.9	25.2	23.9	24.7	25.5	26.2	19.9	17.0	24.4	24.9	24.5
Net margin (%)	16.2	15.5	9.2	17.8	18.8	20.2	19.3	20.6	19.5	20.2	20.8	21.3	15.6	14.9	19.8	20.7	20.2
Growth (% y-y)																	
Sales	21.9	21.8	42.8	60.6	78.6	110.8	121.7	93.0	77.8	55.5	32.6	56.9	31.7	38.0	100.8	53.9	37.5
US	196.0	108.8	123.3	130.7	186.5	285.8	280.1	200.7	176.8	98.6	37.0	43.9	127.3	133.0	231.8	69.9	44.5
Cosmetics	95.5	78.6	145.9	182.0	390.7	491.3	415.4	359.0	224.1	117.0	39.2	48.2	67.7	137.7	399.3	79.9	45.6
Devices	401.6	156.0	93.5	90.1	23.6	61.4	52.9	15.0	27.0	25.0	24.0	24.0	282.7	127.6	32.0	24.7	37.0
Europe, Southeast Asia, *etc* (B2B)	**80.8**	**139.3**	**184.0**	**315.6**	**374.4**	**308.0**	**260.2**	**110.9**	**79.4**	**79.6**	**100.2**	**155.5**	**25.1**	**191.0**	**219.9**	**106.8**	**51.8**
Cosmetics	42.6	33.3	80.2	221.0	380.2	533.6	465.8	190.0	110.5	103.2	127.3	201.3	7.5	98.3	339.6	140.1	55.0
Devices	308.4	706.8	534.9	543.4	376.8	114.1	74.0	19.0	19.0	19.0	19.0	25.0	171.0	533.5	89.0	20.6	35.0
Japan	**16.1**	**13.2**	**78.6**	**125.0**	**198.3**	**366.1**	**206.5**	**241.0**	**94.1**	**41.6**	**28.8**	**43.4**	**-11.1**	**57.2**	**245.5**	**47.4**	**23.6**
Cosmetics	5.6	82.6	137.7	343.1	400.5	412.1	216.7	210.0	90.6	12.8	17.2	42.9	-23.2	126.4	278.6	37.2	25.0
Devices	32.8	-16.0	66.2	41.5	95.7	334.5	199.5	300.0	100.0	95.0	41.0	44.0	4.6	32.2	224.7	61.3	22.0
China, Taiwan, Hong Kong	**nm**	**nm**	**nm**	**nm**	**39.4**	**34.4**	**14.3**	**12.0**	**11.0**	**11.0**	**7.0**	**7.0**	**nm**	**31.7**	**24.0**	**9.1**	**9.0**
Domestic	-1.5	-5.7	12.3	2.9	-7.3	-6.7	2.9	-8.2	-3.8	-2.0	-1.8	-0.1	25.4	1.4	-5.0	-1.9	6.2
Cosmetics	34.5	23.2	5.4	26.1	2.7	4.1	23.4	12.0	2.2	2.5	1.0	7.0	30.3	21.8	10.1	3.1	2.0
Devices	-13.6	-4.4	19.1	-16.5	-12.6	-19.4	5.9	7.0	6.2	13.2	2.0	10.0	62.5	-6.4	-5.1	7.7	12.0
Other	-27.6	-47.3	14.9	12.8	-20.6	-2.8	-24.2	-54.5	-55.0	-55.0	-55.0	-55.0	-16.2	-14.1	-31.5	-55.0	-21.1
Operating profit	19.7	13.0	24.6	15.5	96.5	201.9	252.8	199.1	106.8	49.1	35.6	63.3	165.6	17.8	188.4	57.2	35.2
Net profit	18.7	28.4	-12.9	80.0	107.3	175.2	366.3	123.4	84.6	55.2	42.5	62.8	172.2	31.9	166.7	61.4	34.1
Growth (% q-q)																	
Sales	**-2.0**	**4.4**	**12.0**	**40.3**	**8.9**	**23.2**	**17.8**	**22.1**	**0.3**	**7.8**	**0.4**	**44.5**					
US	-17.3	0.8	58.8	74.3	2.8	35.7	56.5	37.9	-5.4	-2.7	7.9	44.9					
Cosmetics	-16.9	18.5	90.8	50.1	44.6	42.8	66.3	33.7	2.1	-4.4	6.7	42.2					
Devices	-17.6	-13.4	23.9	114.9	-46.4	13.1	17.4	61.7	-40.8	11.3	16.4	61.7					
Europe, Southeast Asia, *etc* (B2B)	**30.1**	**41.3**	**21.4**	**86.2**	**48.5**	**21.5**	**7.1**	**9.0**	**26.3**	**21.7**	**19.5**	**39.1**					
Cosmetics	21.8	0.5	25.0	109.8	82.2	32.6	11.6	7.6	32.2	28.0	24.9	42.6					
Devices	47.8	122.9	17.7	66.0	9.5	0.1	-4.3	13.5	9.5	0.1	-4.3	19.2					
Japan	**24.8**	**-4.1**	**61.3**	**16.5**	**65.5**	**49.8**	**6.1**	**29.6**	**-5.8**	**9.3**	**-3.5**	**44.3**					
Cosmetics	54.0	51.1	35.4	40.6	74.0	54.6	-16.3	37.7	7.0	-8.5	-13.0	67.9					
Devices	14.1	-36.2	114.2	-9.3	57.8	41.7	47.7	21.1	-21.1	38.2	6.8	23.7					
China, Taiwan, Hong Kong	**nm**	**26.9**	**-7.2**	**20.8**	**-2.1**	**22.3**	**-21.1**	**18.4**	**-2.9**	**22.3**	**-23.9**	**18.4**					
Domestic	-3.2	-5.3	-5.8	19.2	-12.8	-4.6	3.9	6.3	-8.6	-2.9	4.1	8.1					
Cosmetics	45.7	-1.1	-11.7	-0.9	18.7	0.2	4.7	-10.0	8.3	0.5	3.2	-4.7					
Devices	-12.7	-6.2	-10.4	13.8	-8.6	-13.6	17.7	15.0	-9.3	-7.9	6.1	24.1					
Other	-40.7	-14.3	26.7	75.0	-58.2	5.0	-1.2	5.0	-58.7	5.0	-1.2	5.0					
Operating profit	-19.2	0.9	-2.7	45.7	37.5	54.9	13.7	23.5	-4.9	11.7	3.4	48.7					
Net profit	-0.1	0.0	-33.6	171.1	15.1	32.8	12.6	29.9	-4.9	11.6	3.3	48.4					

Source: Company data, Samsung securities estimates

Silicon2: We anticipate solid growth in Europe, rising deliveries to major US retailers, and the start-up of its Middle East warehouse. In our view, Silicon2 is the purest listed proxy for the 2026 K-beauty growth theme outlined above. We forecast 2026 sales growth of 39% y-y and operating profit growth of 42% y-y.

We expect US and Canada sales to increase 27% y-y in 2026. Agreements with major retailers such as Ulta Beauty gained traction in 2H25, driving a rebound in US and Canada sales growth to 48.5% q-q and 12% y-y in 3Q25. The company has already demonstrated that passing higher tariffs through to prices does not impede demand. We estimate that major retailers accounted for around 20% of US and Canada sales in 3Q25. In 2026, we expect a meaningful increase in the number of brands and SKUs supplied to these retailers, which should drive volume growth and alleviate investor concerns around customer concentration and churn that emerged in 2025.

We forecast that European sales will grow 55% y-y in 2026, with the region accounting for roughly 40% of total sales and remaining the largest growth driver. As discussed in the industry section of this report, Europe is a market where offline channels dominate and even online distribution is highly fragmented. In this environment, it is more efficient for multiple K-beauty brands to leverage a scaled distributor such as Silicon2 rather than attempting to build direct relationships with each local retailer.

We expect Middle East sales to grow 50% y-y in 2026 as the new warehouse ramps up and Silicon2 begins to play a genuine pioneering role in the region. Given strong and rapidly rising interest in K-beauty alongside still-limited supply infrastructure, we believe stable growth is achievable once initial administrative and licensing hurdles are cleared.

Samyang Foods: We forecast 2026 sales and operating profit growth of 31% and 42% y-y, respectively, with operating margin rising to around 25% on improved operating leverage. As discussed, Buldak Ramen is the category creator that introduced K-spicy stir-fried ramen to consumers worldwide. Penetration continues to rise as many consumers have yet to try the product, while repeat purchases remain strong as it becomes embedded in regular eating habits. Still in the early growth phase, we expect consumers to continue favoring the original Buldak product over copycats, viewing it as the benchmark for taste.

We therefore expect the company to continue benefiting from excess demand through 2026. There remains scope to further lift effective capacity through: 1) reinstating overtime and weekend shifts; 2) ramping utilization on the two remaining cup-noodle lines at Milyang Plant #2; and 3) reallocating capacity away from lower-utilization lines (*eg*, snacks).

In addition, the recently announced capacity expansion at the China plant materially increases upside for 2027. We forecast 2027 sales growth of 35% y-y and operating profit growth of 40% y-y. Recognizing the persistence of excess demand, management has increased the number of production lines at the China plant from six to eight, raising planned capacity from 820m servings to 1.13b. Milyang Plant #2, which began operations on Jun 11, 2025, is already running its bag-noodle lines at near-full utilization, underscoring the strength of underlying demand.

Cosmecca Korea: We forecast 2026 sales and operating profit growth at 15% and 18% y-y, respectively. After several strong years for the industry, the company has built a solid track record in manufacturing bestsellers and is now closing the gap with top-tier peers in terms of capabilities. Among ODMs, Cosmecca is the only name where we see meaningful upside to next year's margin profile. As capabilities improve and orders increase, utilization is rising and operating leverage is expanding. With cost competitiveness already well established, downside pressure appears limited. Given its growth trajectory, we believe the stock merits a valuation premium to peers. (For details, see page 38.)

Amorepacific: We forecast 2026 sales growth of 11.7% y-y and operating profit growth of 15% y-y. Strong performance from Laneige and the newly launched Aestura in Western markets should remain the key earnings drivers. For COSRX, the key question is whether new "hero" products (*eg*, eye patches) can fully offset the sales gap created by the normalization of its existing hit Snail line. We raise our target price 2.6% to KRW156,000, which we derive by applying a target P/E multiple of 24.5x to our forward EPS forecast of KRW6,375.

Amorepacific: Target-price calculation

(KRW)	Calculation	
12-month-forward EPS	(A=B*D+C*(1-D))	6,375
2025E EPS	(B)	4,930
2026E EPS	(C)	6,555
2025 weighting* (%)	(D)	11
Target P/E (x)**	(E)	24.5
Target price	(F=A*E)	156,000
Last price*	(G)	134,800
Upside (%)	(F/G-1)	15.7

Note: *As of Nov 21, 2025;
**15% discount to peer average
Source: Bloomberg, FnGuide, Samsung Securities estimates

Silicon2: Results and forecasts (consolidated)

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E	2027E
Sales	**149.9**	**181.4**	**186.7**	**173.6**	**245.7**	**265.3**	**299.4**	**267.7**	**342.9**	**691.5**	**1,078.0**	**1,493.8**	**1,930.7**
US/Canada	56.9	62.4	65.0	37.3	45.2	48.9	72.6	52.4	130.9	221.6	219.1	278.3	336.7
Europe	28.3	44.4	42.9	47.1	81.3	107.3	101.9	95.1	53.3	162.7	385.6	597.7	807.0
Asia	37.1	37.4	35.2	41.7	52.9	44.7	52.8	46.7	101.5	151.4	197.1	226.7	253.9
Middle East	9.9	14.5	19.7	20.1	32.3	28.0	30.5	32.2	10.5	64.2	123.0	184.4	247.1
Oceania	6.0	6.2	7.5	7.5	6.8	6.7	8.2	8.3	18.7	27.2	30.0	33.2	36.8
CIS	6.1	8.5	5.9	7.9	12.0	12.8	14.8	11.8	15.0	28.4	51.4	79.6	114.3
Africa	1.9	1.7	2.2	3.3	2.7	3.0	3.3	4.7	5.0	9.1	13.7	21.2	29.9
Central and South America	3.7	6.3	8.3	8.7	12.5	13.9	15.3	16.5	8.0	26.9	58.2	72.7	105.0
Gross profit	50.6	61.6	64.5	56.2	77.7	87.3	94.5	85.1	115.1	232.8	344.6	485.5	629.4
Operating profit	29.4	38.9	42.6	26.6	47.7	52.2	63.1	43.4	47.8	137.6	206.3	292.8	380.4
Pre-tax profit	31.8	41.2	37.6	38.1	48.2	43.8	70.8	46.3	48.1	148.7	209.1	295.8	383.4
Net profit	25.5	33.3	29.9	32.0	38.8	35.6	58.4	38.2	38.0	120.7	171.0	241.9	313.5
Margins (%)													
Gross profit	33.7	34.0	34.5	32.4	31.6	32.9	31.6	31.8	33.6	33.7	32.0	32.5	32.6
Operating profit	19.6	21.5	22.8	15.3	19.4	19.7	21.1	16.2	13.9	19.9	19.1	19.6	19.7
Pre-tax profit	21.2	22.7	20.1	22.0	19.6	16.5	23.6	17.3	14.0	21.5	19.4	19.8	19.9
Net profit	17.0	18.4	16.0	18.4	15.8	13.4	19.5	14.3	11.1	17.5	15.9	16.2	16.2
Growth (% y-y)													
Sales	**158.4**	**131.9**	**84.9**	**64.2**	**63.9**	**46.3**	**60.4**	**54.2**	**107.5**	**101.7**	**55.9**	**38.6**	**29.2**
US/Canada	191.8	127.7	64.6	-16.2	-20.6	-21.6	11.7	40.5	147.4	69.3	-1.1	27.0	21.0
Europe	267.5	241.5	146.6	209.9	187.3	141.7	137.5	102.0	177.6	205.3	137.0	55.0	35.0
Asia	91.2	48.4	19.3	52.2	42.6	19.5	50.0	12.0	66.4	49.2	30.2	15.0	12.0
Middle East	1,137.5	705.6	688.0	272.2	226.3	93.1	54.8	60.0	262.1	511.4	91.5	50.0	34.0
Oceania	42.9	63.2	41.5	38.9	13.3	8.1	9.3	10.0	79.8	45.5	10.1	10.7	11.1
CIS	56.4	107.3	59.5	139.4	96.7	50.6	150.8	49.0	24.0	89.3	80.9	55.0	43.5
Africa	58.3	54.5	100.0	106.3	42.1	76.5	50.0	42.2	61.3	82.0	50.5	55.0	41.0
Central and South America	184.1	243.9	324.0	201.0	234.7	121.8	84.6	91.0	116.8	238.2	116.1	25.0	44.4
Gross profit	167.4	145.5	96.4	46.8	53.5	41.8	46.5	51.6	118.1	102.3	48.0	40.9	29.6
Operating profit	297.1	275.1	181.5	78.7	62.1	34.0	48.1	63.1	235.8	187.8	50.0	41.9	29.9
Pre-tax profit	287.1	276.6	120.4	219.8	51.6	6.4	88.5	21.3	237.3	209.0	40.6	41.5	29.6
Net profit	303.6	289.2	127.2	220.6	51.9	6.7	95.6	19.3	240.8	217.6	41.6	41.5	29.6
Growth (% q-q)													
Sales	**41.9**	**21.0**	**2.9**	**-7.0**	**41.6**	**8.0**	**12.8**	**-10.6**					
US/Canada	27.9	9.7	4.2	-42.6	21.2	8.2	48.5	-27.8					
Europe	86.2	56.9	-3.4	9.8	72.6	32.0	-5.0	-6.6					
Asia	35.4	0.8	-5.9	18.5	26.9	-15.5	18.1	-11.5					
Middle East	83.3	46.5	35.9	2.0	60.7	-13.3	8.9	5.4					
Oceania	11.1	3.3	21.0	0.0	-9.3	-1.5	22.4	0.6					
CIS	84.8	39.3	-30.6	33.9	51.9	6.7	15.6	-20.5					
Africa	18.8	-10.5	29.4	50.0	-18.2	11.1	10.0	42.2					
Central and South America	29.5	68.0	32.2	4.7	44.1	11.3	10.0	8.3					
Gross profit	32.3	21.7	4.7	-12.9	38.3	12.5	8.2	-9.9					
Operating profit	97.9	32.2	9.4	-37.6	79.5	9.3	20.9	-31.3					
Pre-tax profit	166.7	29.6	-8.9	1.5	26.4	-9.0	61.4	-34.6					
Net profit	155.8	30.6	-10.5	7.2	21.2	-8.2	64.1	-34.6					
Sales proportion (%)													
US/Canada	38.0	34.4	34.8	21.5	18.4	18.4	24.3	19.6	38.2	32.0	20.3	18.6	17.4
Europe	18.9	24.5	23.0	27.1	33.1	40.4	34.0	35.5	15.5	23.5	35.8	40.0	41.8
Asia	24.7	20.6	18.9	24.0	21.5	16.8	17.6	17.4	29.6	21.9	18.3	15.2	13.1
Middle East	6.6	8.0	10.6	11.6	13.1	10.6	10.2	12.0	3.1	9.3	11.4	12.3	12.8
Oceania	4.0	3.4	4.0	4.3	2.8	2.5	2.7	3.1	5.5	3.9	2.8	2.2	1.9
CIS	4.1	4.7	3.2	4.6	4.9	4.8	4.9	4.4	4.4	4.1	4.8	5.3	5.9
Africa	1.3	0.9	1.2	1.9	1.1	1.1	1.1	1.8	1.5	1.3	1.3	1.4	1.5
Central and South America	2.5	3.5	4.4	5.0	5.1	5.2	5.1	6.2	2.3	3.9	5.4	4.9	5.4

Source: Company data, Samsung securities estimates

Samyang Foods: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E	2027E
Sales	**385.7**	**424.4**	**439.0**	**478.9**	**529.0**	**553.1**	**632.0**	**662.8**	**1,192.9**	**1,728.0**	**2,376.9**	**3,118.3**	**4,222.2**
Domestic	96.8	92.3	98.1	104.9	105.0	112.8	121.5	124.8	383.6	392.1	464.1	477.6	489.5
Overseas	288.9	332.1	340.9	374.0	424.0	440.2	510.5	538.0	809.3	1,335.9	1,912.8	2,640.8	3,732.7
China	92.7	94.2	115.3	108.9	122.0	125.5	184.6	190.3	n/a	411.1	622.5	732.1	999.2
US	75.0	97.6	95.7	110.4	132.7	132.2	155.5	176.3	n/a	378.7	596.7	849.2	1,138.1
Japan	5.9	6.3	6.2	8.0	7.4	8.8	8.0	9.2	n/a	26.4	33.4	37.1	39.0
Indonesia	3.1	4.1	2.8	3.5	4.6	7.2	6.4	6.7	n/a	13.5	24.9	27.6	31.1
Europe	0.0	0.0	2.7	30.0	24.6	50.3	52.5	53.3	n/a	32.7	180.8	494.7	979.2
Other	112.4	130.0	121.0	143.1	132.7	116.1	103.6	102.2	n/a	506.5	454.6	500.1	546.1
Gross profit	163.5	192.4	191.1	176.1	244.9	255.5	261.2	304.4	416.7	723.2	1,154.8	1,478.8	2,019.8
Operating profit	80.1	89.5	87.3	87.7	134.0	120.1	130.9	150.3	147.5	344.6	535.3	758.1	1,064.0
Net profit	66.5	70.5	58.9	76.1	99.1	84.5	110.2	126.9	126.3	272.0	420.7	597.3	815.2
Margins (%)													
Gross profit	42.4	45.3	43.5	36.8	46.3	46.2	41.3	45.9	34.9	41.9	48.6	47.4	47.8
Operating profit	20.8	21.1	19.9	18.3	25.3	21.7	20.7	22.7	12.4	19.9	22.5	24.3	25.2
Net profit	17.2	16.6	13.4	15.9	18.7	15.3	17.4	19.1	10.6	15.7	17.7	19.2	19.3
Growth (% y-y)													
Sales	**57.1**	**48.7**	**30.9**	**46.6**	**37.1**	**30.3**	**44.0**	**38.4**	**31.2**	**44.9**	**37.5**	**31.2**	**35.4**
Domestic			-25.6	-0.2	8.4	22.2	23.9	19.0	26.5	2.2	18.4	2.9	2.5
Overseas	17.6	16.4	67.6	68.7	46.8	32.6	49.8	43.9	33.6	65.1	43.2	38.1	41.3
China	nm	nm	nm	nm	31.6	33.3	60.1	74.8	nm	nm	51.4	17.6	36.5
US	nm	nm	nm	nm	76.9	35.4	62.5	59.7	nm	nm	57.6	42.3	34.0
Japan	nm	nm	nm	nm	25.4	40.5	28.4	14.7	nm	nm	26.5	11.1	5.2
Indonesia	nm	nm	nm	nm	48.4	75.4	128.6	90.6	nm	nm	84.2	10.9	12.7
Europe	nm	nm	nm	nm	nm	nm	1,844.4	77.8	nm	nm	452.8	173.6	98.0
Other	nm	nm	nm	nm	18.1	-10.7	-14.4	-28.6	nm	nm	-10.3	10.0	9.2
Gross profit	132.4	90.9	63.1	37.2	49.8	32.8	36.7	72.8	65.9	73.5	59.7	28.1	36.6
Operating profit	235.8	103.1	101.0	142.4	67.2	34.2	49.9	71.4	63.2	133.6	55.3	41.6	40.4
Net profit	197.9	102.4	55.9	142.9	49.0	19.8	87.2	66.8	58.2	115.4	54.7	42.0	36.5
Growth (% q-q)													
Sales	**18.1**	**10.0**	**3.4**	**9.1**	**10.5**	**4.5**	**14.3**	**4.9**					
Domestic	-7.8	-4.7	6.2	6.9	0.2	7.4	7.7	2.7					
Overseas	30.3	15.0	2.6	9.7	13.4	3.8	16.0	5.4					
China	nm	1.6	22.4	-5.6	12.0	2.9	47.0	3.1					
US	nm	30.1	-1.9	15.4	20.2	-0.4	17.6	13.4					
Japan	nm	6.8	-1.6	29.0	-7.5	19.6	-10.0	15.3					
Indonesia	nm	32.3	-31.7	25.0	31.4	56.3	-11.0	4.3					
Europe	nm	nm	nm	1,011.1	-18.0	104.6	4.3	1.6					
Other	nm	15.7	-6.9	18.3	-7.3	-12.5	-10.8	-1.3					
Gross profit	27.4	17.7	-0.7	-7.9	39.1	4.3	2.3	16.5					
Operating profit	121.5	11.7	-2.4	0.4	52.8	-10.4	9.0	14.8					
Net profit	112.4	6.1	-16.5	29.2	30.3	-14.7	30.3	15.2					

Source: Company data, Samsung securities estimates

Cosmecca Korea: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025E	2026E	2027E
Sales	**125.6**	**143.8**	**126.6**	**128.3**	**118.4**	**161.7**	**182.4**	**162.8**	**158.5**	**180.1**	**201.7**	**179.9**	**470.7**	**524.3**	**625.3**	**720.2**	**810.0**
Parent	68.8	94.6	82.5	82.8	74.3	110.0	129.8	114.1	109.7	121.4	144.3	125.9	268.6	328.7	428.3	501.3	571.6
Korea brand	55.4	77.1	68.2	66.8	59.5	91.7	110.5	94.0	93.3	100.8	122.6	103.4	216.7	267.6	355.6	420.2	481.1
Overseas brand	13.3	17.6	14.3	15.9	14.9	18.3	19.4	20.1	16.4	20.5	21.7	22.5	52.0	61.1	72.7	81.1	90.5
China entity	12.2	10.7	9.3	8.2	8.7	8.6	8.1	8.0	8.1	7.9	7.4	7.7	50.4	40.4	33.5	31.1	29.5
Englewood Lab	52.6	46.0	41.1	42.2	42.5	57.5	61.8	52.9	52.1	68.0	68.2	59.6	206.8	182.2	200.4	247.9	275.5
US (Totowa)	33.8	28.4	26.1	24.2	27.3	31.6	30.4	29.9	30.6	35.7	33.7	34.4	106.2	112.7	119.2	134.4	149.8
Incheon	18.9	17.9	15.8	18.2	16.3	26.7	31.7	23.0	21.5	32.3	34.5	25.2	100.8	70.7	97.7	113.5	125.7
Operating profit	**13.7**	**18.1**	**15.2**	**13.3**	**12.3**	**23.0**	**27.2**	**22.8**	**19.4**	**25.8**	**31.5**	**23.6**	**49.2**	**60.4**	**85.3**	**100.4**	**116.6**
Parent	7.4	14.3	12.0	10.7	8.0	13.8	14.5	15.1	13.5	15.8	20.7	15.9	22.9	44.5	51.5	65.9	77.7
China entity	0.0	-0.1	-0.3	-0.7	-0.6	-1.1	-0.6	-0.5	-0.7	-0.8	-0.9	-0.8	0.1	-1.1	-2.8	-3.2	-3.8
Englewood Lab	6.6	4.3	4.1	3.7	4.6	10.1	13.2	8.4	6.8	10.9	11.9	8.6	28.9	18.8	36.2	38.1	43.1
US (Totowa)	2.3	0.3	0.3	-0.6	0.3	2.1	3.0	2.5	1.1	2.0	1.7	1.8	4.6	2.3	7.9	6.7	9.6
Incheon	4.3	4.0	3.9	4.2	4.3	8.2	9.7	5.9	5.6	8.9	10.1	6.8	24.3	16.5	28.1	31.4	33.5
Net profit	**8.8**	**13.7**	**8.5**	**11.8**	**7.6**	**9.3**	**16.7**	**17.5**	**12.7**	**16.5**	**20.3**	**15.3**	**22.3**	**42.8**	**51.2**	**64.9**	**75.3**
Operating margin (%)																	
Operating profit	**10.9**	**12.6**	**12.0**	**10.4**	**10.4**	**14.2**	**14.9**	**14.0**	**12.3**	**14.3**	**15.6**	**13.1**	**10.4**	**11.5**	**13.6**	**13.9**	**14.4**
Parent	10.8	15.2	14.5	12.9	10.8	12.6	11.2	13.2	12.3	13.0	14.3	12.6	8.5	13.5	12.0	13.1	13.6
China entity	0.1	-1.0	-2.8	-8.7	-6.8	-13.2	-7.3	-6.3	-8.9	-9.7	-12.5	-10.2	0.2	-2.6	-8.4	-10.3	-12.8
Englewood Lab	12.6	9.4	9.9	8.8	10.8	17.5	21.4	15.8	13.0	16.0	17.4	14.5	14.0	10.3	18.1	15.4	15.6
US (Totowa)	6.8	1.0	1.1	-2.5	1.0	6.8	10.0	8.3	3.7	5.7	5.1	5.3	4.3	2.1	6.6	5.0	6.4
Incheon	22.9	22.7	24.7	23.1	26.3	30.9	30.7	25.6	26.1	27.5	29.3	27.0	24.1	23.3	28.8	27.7	26.6
Net profit	**7.0**	**9.5**	**6.7**	**9.2**	**6.4**	**5.8**	**9.2**	**10.7**	**8.0**	**9.2**	**10.1**	**8.5**	**4.7**	**8.2**	**8.2**	**9.0**	**9.3**
Growth (% y-y)																	
Sales	**8.3**	**24.3**	**8.8**	**4.6**	**-5.8**	**12.5**	**44.0**	**26.9**	**33.9**	**11.4**	**10.6**	**10.5**	**17.9**	**11.4**	**19.3**	**15.2**	**12.5**
Parent	4.3	41.9	24.3	18.8	8.1	16.2	57.4	37.8	47.6	10.3	11.1	10.4	18.1	22.3	30.3	17.1	14.0
Korea brand	4.7	51.6	23.2	16.2	7.2	19.0	61.9	40.6	57.0	10.0	11.0	10.0	10.7	23.5	32.9	18.2	14.5
Overseas brand	2.7	10.8	29.7	31.3	11.8	4.3	35.8	26.1	10.0	12.0	12.0	12.0	64.2	17.6	19.0	11.6	11.6
China entity	-5.1	-3.5	-25.5	-41.2	-28.0	-20.0	-12.8	-2.8	-7.5	-8.2	-8.5	-3.5	6.6	-19.8	-17.2	-7.0	-5.2
Englewood Lab	14.2	-6.7	-24.4	-26.3	-19.1	25.0	50.3	25.4	22.5	18.3	10.4	12.6	36.5	-11.9	10.0	23.7	11.1
US (Totowa)	10.6	5.6	4.6	2.3	-19.1	11.5	16.2	23.6	12.0	13.0	11.0	15.0	-3.6	6.2	5.7	12.8	11.5
Incheon	21.5	-20.6	-46.5	-45.9	-13.4	49.4	100.9	26.4	31.5	21.1	9.0	9.5	141.3	-29.8	38.1	16.2	10.7
Operating profit	**48.4**	**62.1**	**11.0**	**-11.3**	**-10.5**	**27.2**	**78.8**	**71.4**	**58.1**	**12.1**	**15.9**	**3.5**	**374.1**	**22.8**	**41.4**	**17.6**	**16.1**
Parent	61.9	126.4	153.3	47.6	8.4	-3.5	20.8	40.9	67.7	13.9	42.7	5.5	198.0	94.1	15.8	28.0	17.9
China entity	-105.0	-81.0	-155.1	-234.4	-3,623	967.9	125.4	-30.1	22.3	-32.4	56.3	57.5	-102.3	-1,110	163.5	13.9	17.6
Englewood Lab	19.2	-30.8	-55.5	-53.4	-31.0	133.5	224.9	125.8	47.7	8.4	-10.4	3.0	192.0	-34.9	92.8	5.2	13.0
US (Totowa)	21.4	-76.1	-71.4	-251.5	-88.2	621.5	949.7	-504.5	320.4	-4.9	-42.9	-26.2	-3.0	-48.7	237.8	-14.9	42.9
Incheon	24.9	-18.7	-51.9	-46.5	-0.4	103.5	150.0	40.2	30.6	7.7	4.2	15.4	369.4	-32.2	71.0	11.6	6.6
Net profit	**96.5**	**132.1**	**16.5**	**153.5**	**-13.4**	**-32.0**	**97.4**	**48.1**	**66.7**	**76.9**	**21.3**	**-12.3**	**740.3**	**91.8**	**19.6**	**26.7**	**16.1**

Source: Company data, Samsung securities estimates

Amorepacific: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E	2027E
Sales	**911.5**	**904.8**	**977.2**	**1,091.7**	**1,067.5**	**1,005.0**	**1,016.9**	**1,148.2**	**3,674.0**	**3,885.1**	**4,252.1**	**4,750.1**	**5,326.3**
Amorepacific (ex COSRX)	911.5	807.7	826.6	954.0	965.9	912.6	913.2	1,031.1	3,674.0	3,446.2	3,784.5	4,261.3	4,820.4
Domestic	563.6	506.3	531.5	545.0	572.5	550.6	553.3	543.0	2,210.8	2,146.4	2,219.4	2,339.4	2,453.9
E-commerce	169.1	171.2	164.8	187.5	189.5	183.8	183.4	195.8	672.1	692.7	752.6	821.2	893.0
Duty-free	115.0	83.0	85.5	103.9	98.1	99.6	94.6	106.0	452.1	387.5	398.4	408.0	417.8
Other domestic	279.5	252.1	281.2	253.5	284.8	267.1	275.2	241.2	1,086.6	1,066.3	1,068.4	1,110.1	1,143.2
Overseas	336.8	288.2	283.7	391.1	376.2	347.0	354.1	474.5	1,391.8	1,299.8	1,565.1	1,921.9	2,366.5
Asia	231.7	188.3	182.6	267.1	232.4	248.0	219.0	314.0	1,053.2	869.7	1,013.3	1,193.0	1,437.0
China & Taiwan	148.2	107.7	97.6	156.5	132.8	132.7	106.0	169.0	696.2	510.0	540.5	578.4	607.3
Other Asia	83.5	80.6	85.0	110.6	99.6	115.3	113.0	145.0	357.0	359.7	472.8	614.6	829.7
Western market	105.1	99.9	101.1	123.9	143.9	112.3	135.1	160.5	338.6	430.1	551.8	728.9	929.5
US	87.8	82.0	81.3	103.2	114.1	90.2	107.3	134.2	286.8	354.3	445.8	557.3	675.4
EMEA	17.3	17.9	19.8	20.7	29.8	22.1	27.8	26.3	51.8	75.7	105.9	171.6	254.0
COSRX (consolidated portion)		97.1	150.6	137.7	101.6	92.4	103.7	117.0		392.9	414.7	427.2	435.7
Operating profit	**72.7**	**4.2**	**65.2**	**78.5**	**117.7**	**73.7**	**91.9**	**99.5**	**108.2**	**220.5**	**382.7**	**441.2**	**494.2**
Amorepacific (ex COSRX)	72.7	-20.0	20.0	44.1	90.3	50.1	67.0	76.1	108.2	116.7	283.5	351.5	415.8
COSRX (consolidated portion)		24.2	45.2	34.4	27.4	23.6	24.9	23.4		103.8	99.3	89.7	78.4
Pretax profit	102.2	513.8	54.4	-49.7	141.0	52.4	98.8	100.5	280.6	620.8	392.7	473.1	526.2
Net profit (controlling)	78.6	531.5	37.6	-54.5	110.8	35.8	66.0	75.8	180.1	593.2	288.4	383.4	433.9
Growth (% y-y)													
Sales	**-0.2**	**-4.3**	**9.9**	**17.9**	**17.1**	**11.1**	**4.1**	**5.2**	**-11.1**	**5.7**	**9.4**	**11.7**	**12.1**
Amorepacific (ex COSRX)	-0.2	-14.6	-7.0	3.0	6.0	13.0	10.5	8.1	-11.1	-6.2	9.8	12.6	13.1
Domestic	2.1	-8.8	-2.2	-2.7	1.6	8.7	4.1	-0.4	-14.4	-2.9	3.4	5.4	4.9
E-commerce	-6.1	0.7	9.2	10.3	12.1	7.4	11.3	4.4	-23.4	3.1	8.7	9.1	8.7
Duty-free	38.8	-25.2	-30.9	-22.7	-14.7	20.1	10.6	2.0	-30.1	-14.3	2.8	2.4	2.4
Other domestic	-3.4	-8.0	4.7	-0.9	1.9	6.0	-2.1	-4.9	2.9	-1.9	0.2	3.9	3.0
Overseas	-2.3	-22.6	-10.7	9.6	11.7	20.4	24.8	21.3	-5.8	-6.6	20.4	22.8	23.1
Asia	-14.4	-34.0	-22.2	1.7	0.3	31.7	19.9	17.5	-16.8	-17.4	16.5	17.7	20.5
China & Taiwan	-19.3	-44.3	-33.9	-8.8	-10.4	23.2	8.6	8.0	-9.0	-26.7	6.0	7.0	5.0
Other Asia	-4.1	-12.2	-2.3	21.5	19.3	43.0	32.9	31.0	-28.7	0.8	31.4	30.0	35.0
Western markets	41.6	14.7	21.7	31.6	36.9	12.4	33.6	29.5	59.1	27.0	28.3	32.1	27.5
US	39.8	10.9	15.0	30.0	30.0	10.0	32.0	30.0	58.1	23.5	25.8	25.0	21.2
EMEA	51.8	35.5	60.0	40.0	72.0	23.6	40.0	27.0	65.0	46.2	39.9	62.0	48.0
COSRX (company total)	77.6	36.9	5.3	-10.0	-35.0	-34.0	-31.1	-15.0	138.2	20.1	-29.1	3.0	2.0
Operating profit	**12.9**	**-29.5**	**277.7**	**279.6**	**62.0**	**1,673.4**	**41.0**	**26.7**	**-49.5**	**103.8**	**73.6**	**15.3**	**12.0**
Amorepacific (ex COSRX)	12.9	nm	15.9	113.1	24.2	nm	235.1	72.6	-49.5	7.9	142.9	24.0	18.3
COSRX (consolidated portion)						-2.7	-44.9	-32.0			-4.4	-9.6	-12.6
Pretax profit	**3.2**	**2,575.4**	**42.5**	**nm**	**37.9**	**-89.8**	**81.6**	**nm**	**25.0**	**121.2**	**-36.7**	**20.5**	**11.2**
Net profit (controlling)	**-9.9**	**2,304.6**	**34.4**	**nm**	**41.0**	**-93.3**	**75.4**	**nm**	**33.9**	**229.4**	**-51.4**	**33.0**	**13.2**
Margin (%)													
Operating profit	**8.0**	**0.5**	**6.7**	**7.2**	**11.0**	**7.3**	**9.0**	**8.7**	**2.9**	**5.7**	**9.0**	**9.3**	**9.3**
Amorepacific (ex COSRX)		-2.5	2.4	4.6	9.3	5.5	7.3	7.4	2.9	3.4	7.5	8.2	8.6
COSRX (company total)		28.6	30.0	25.0	27.0	25.5	24.0	20.0		30.4	23.9	21.0	18.0
Pre-tax profit	**11.2**	**56.8**	**5.6**	**-4.6**	**13.2**	**5.2**	**9.7**	**8.8**	**7.6**	**16.0**	**9.2**	**10.0**	**9.9**
Net profit (controlling)	**8.6**	**58.7**	**3.9**	**-5.0**	**10.4**	**3.6**	**6.5**	**6.6**	**4.9**	**15.3**	**6.8**	**8.1**	**8.1**

Source: Company data, Samsung securities estimates

Cosmax: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E
Sales	**526.8**	**551.5**	**529.8**	**558.0**	**588.6**	**623.6**	**585.6**	**588.9**	**1,777.5**	**2,166.1**	**2,379.1**	**2,628.5**
Korea headquarters (parent)	315.4	348.2	346.3	346.3	362.8	420.5	383.5	379.2	1,057.5	1,356.2	1,546.0	1,716.1
China entities	157.4	147.6	114.4	155.0	162.7	148.6	140.0	150.8	547.4	574.4	594.5	650.4
Shanghai	107.6	97.5	72.0	95.3	109.0	108.6	91.0	96.3	399.7	372.4	404.9	449.4
Guangzhou	46.8	49.5	39.7	48.7	48.5	41.1	45.5	54.5	140.6	184.7	189.6	201.0
US entity	38.8	36.0	32.5	29.8	28.7	30.0	36.9	37.3	139.9	137.1	132.9	135.5
Indonesia entity	24.1	25.4	32.3	31.4	29.6	20.9	21.5	23.9	85.5	113.2	95.9	97.8
Thailand entity	9.5	10.3	11.1	12.6	23.9	23.1	15.2	15.8	25.5	43.5	78.0	102.2
Operating profit	45.5	46.7	43.4	39.8	51.3	60.8	42.7	33.6	115.7	175.4	188.5	239.2
Korea headquarters (parent)	30.1	34.5	39.5	34.6	34.3	49.9	34.3	28.4	86.8	138.7	146.9	156.2
Overseas entities and adjustment	15.4	12.2	3.9	5.2	17.0	10.9	8.4	5.2	28.9	36.7	41.6	83.0
Net profit (controlling)	19.2	33.6	21.1	11.9	8.1	20.9	9.0	14.2	57.1	85.8	70.4	189.3
Korea headquarters (parent)	29.0	29.9	17.1	30.7	16.5	25.7	27.6	23.9	18.2	106.7	93.7	139.0
China entities	5.8	-1.1	-7.4	1.3	-4.9	-0.3	-1.7	-2.9	19.7	-1.4	26.0	44.8
Shanghai	5.1	3.4	-3.1	-2.1	7.2	5.3	3.8	1.0	18.7	3.3	17.3	32.4
Guangzhou	6.6	2.2	3.1	-5.6	3.9	1.7	2.0	1.1	15.1	6.3	8.7	12.5
US entity	-13.8	-9.6	-9.2	-14.7	-11.7	-20.4	-7.4	-5.6	-50.0	-47.3	-45.1	-13.6
Indonesia entity	2.3	2.5	9.7	-1.7	2.7	2.4	0.6	1.2	5.6	12.8	6.9	11.9
Thailand entity	-0.8	0.1	2.7	2.8	2.1	2.2	0.8	1.3	-2.4	4.8	6.4	13.7
Margins (%)												
Operating profit	**8.6**	**8.5**	**8.2**	**7.1**	**8.7**	**9.8**	**7.3**	**5.7**	**6.5**	**8.1**	**7.9**	**9.1**
Korea headquarters (parent)	9.5	9.9	11.4	10.0	9.5	11.9	8.9	7.5	8.2	10.2	9.5	9.1
Overseas entities and adjustment	7.3	6.0	2.1	2.5	7.6	5.4	4.2	2.5	4.0	4.5	5.0	9.1
Net profit (controlling)	3.7	6.1	4.0	2.1	1.4	3.4	1.5	2.4	3.2	4.0	3.0	7.2
Korea headquarters (parent)	9.2	8.6	4.9	8.9	4.5	6.1	7.2	6.3	1.7	7.9	6.1	8.1
China entities	3.7	-0.7	-6.5	0.8	-3.0	-0.2	-1.2	-2.0	3.6	-0.2	4.4	6.9
Shanghai	4.8	3.5	-4.3	-2.2	6.6	4.9	4.2	1.0	4.7	0.9	4.3	7.2
Guangzhou	14.1	4.4	7.8	-11.5	8.0	4.1	4.4	2.0	10.7	3.4	4.6	6.2
US entity	-35.6	-26.7	-28.3	-49.3	-40.8	-68.0	-20.1	-15.0	-35.7	-34.5	-33.9	-10.0
Indonesia entity	9.5	9.8	30.0	-5.4	9.1	11.5	2.8	5.0	6.5	11.3	7.2	12.2
Thailand entity	-8.4	1.0	24.3	22.2	8.8	9.5	5.3	8.0	-9.3	11.0	8.2	13.4
Growth (% y-y)												
Sales	**30.6**	**15.1**	**15.6**	**27.8**	**11.7**	**13.1**	**10.5**	**5.5**	**11.1**	**21.9**	**9.8**	**10.5**
Korea headquarters (parent)	29.6	25.1	20.2	39.7	15.0	20.8	10.7	9.5	23.8	28.2	14.0	11.0
China entities	28.6	-4.0	-7.5	5.1	3.4	0.7	22.4	-2.7	-1.7	4.9	3.5	9.4
Shanghai	17.6	-12.9	-15.8	-14.0	1.3	11.4	26.4	1.0	-7.5	-6.8	8.7	11.0
Guangzhou	57.6	23.7	7.6	43.2	3.6	-17.0	14.6	12.0	18.9	31.4	2.7	6.0
US entity	43.2	-5.6	-11.8	-21.3	-26.0	-16.7	13.5	25.0	-14.6	-2.0	-3.1	2.0
Indonesia entity	26.2	23.1	38.8	39.6	22.8	-17.7	-33.4	-24.0	28.0	32.4	-15.3	2.0
Thailand entity	86.3	51.8	69.1	77.5	151.6	124.3	36.9	25.0	31.5	70.3	79.2	31.1
Operating profit	229.1	1.4	30.4	76.8	13.0	30.2	-1.6	-15.6	117.9	51.6	7.5	26.9
Korea headquarters (parent)	130.7	13.6	52.9	97.6	14.0	44.5	-13.2	-17.8	102.5	59.8	5.9	6.3
Overseas entities and adjustment	1,877.7	-22.2	-47.6	4.0	10.9	-10.4	115.4	-0.8	182.1	26.9	13.3	99.8

Source: Company data, Samsung securities estimates

Addendum: IPO pipeline to refresh sector sentiment (notable candidates for 2026-2027)

(KRWb)	Business	Underwriter	Sales		Operating profit	Net profit	Pre-IPO EV*	Prospective EV
			2024	2025E				
Benow	Brand operation (Numbuzin, Fwee)	Samsung Securities	266.4	n/a	75.1	69	900	≥1,000
Goodai Global	Brand operation (Beauty of Joseon, Tirtir, Skin1004, *etc*)	n/a	330.9	1,700	285.3	219	3,800-4,000	~10,000
Memebox	Brand operation (I Dew Care, Kaja, Pony Effect)	Samsung Securities	30.3	n/a	-28.5	-9	500	n/a
B&B Korea	ODM	Mirae Asset Securities	80.3	n/a	166.6	-21.2	124	500-600
Egongegong	Retailer	Korea Investment & Securities	46.9	100	2	0.01	100	n/a
Geni-us	Branding/Marketing	Eugene Securities	104.2	n/a	21.3	8.3	200	n/a
Grace	Retailer	Korea Investment & Securities	135.5	n/a	13.3	11.1	80	n/a

Note: Sales estimates for 2025 are based on press reports;

*Implied by last investment (press reports)—namely, Sep 2025 for Benow; Aug 2025 for Goodai Global; Dec 2025 for Memebox; Sep 2024 for B&B Korea; Jul 2023 for Aromatica; May 2025 for Egongegong; Oct 2024 for Genius; and Oct 2022 for Grace

0Source: Company data, press reports, Samsung Securities

APR: Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**524**	**723**	**1,451**	**2,234**	**3,070**
Cost of goods sold	128	179	346	532	737
Gross profit	**395**	**544**	**1,105**	**1,702**	**2,333**
Gross margin (%)	75.5	75.2	76.1	76.2	76
SG&A expenses	291	421	751	1,146	1,581
Operating profit	**104**	**123**	**354**	**556**	**752**
Operating margin (%)	19.9	17	24.4	24.9	24.5
Non-operating gains (losses)	**2**	**11**	**-2**	**16**	**15**
Financial profit	9	29	21	31	30
Financial costs	7	17	23	16	15
Equity-method gains (losses)	0	0	0	0	0
Other	-1	-1	0	0	0
Pre-tax profit	**106**	**133**	**352**	**572**	**767**
Taxes	24	26	65	109	146
Effective tax rate (%)	22.9	19.3	18.6	19	19
Profit from continuing operations	82	108	287	463	621
Profit from discontinued operations	0	0	0	0	0
Net profit	**82**	**108**	**287**	**463**	**621**
Net margin (%)	15.6	14.9	19.8	20.7	20.2
Net profit (controlling interests)	82	108	287	463	621
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	118	145	382	588	790
EBITDA margin (%)	22.5	20.1	26.3	26.3	25.7
EPS (parent-based) (KRW)	2,249	2,842	7,633	12,375	16,599
EPS (consolidated) (KRW)	2,249	2,842	7,633	12,375	16,599
Adjusted EPS (KRW)*	2,249	2,842	7,633	12,375	16,599

APR: Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**219**	**286**	**374**	**556**	**775**
Cash & equivalents	125	90	25	30	52
Accounts receivable	22	39	80	135	202
Inventories	57	110	219	337	463
Other current assets	15	47	51	55	59
Fixed assets	**68**	**279**	**201**	**334**	**538**
Investment assets	18	62	67	68	69
Tangible assets	14	51	54	61	66
Intangible assets	4	6	6	7	8
Other long-term assets	32	160	74	197	394
Total assets	**287**	**565**	**575**	**889**	**1,314**
Current liabilities	**82**	**145**	**157**	**200**	**261**
Accounts payable	12	34	72	110	168
Short-term debt	8	0	0	0	0
Other current liabilities	63	111	86	90	93
Long-term liabilities	**8**	**96**	**91**	**104**	**124**
Bonds & long-term debt	0	0	0	0	0
Other long-term liabilities	8	96	91	104	124
Total liabilities	**90**	**242**	**249**	**303**	**385**
Owners of parent equity	**197**	**324**	**327**	**586**	**928**
Capital stock	4	4	4	4	4
Capital surplus	61	137	2	4	5
Retained earnings	124	229	366	622	962
Other	9	-46	-45	-44	-42
Non-controlling interests' equity	**0**	**0**	**0**	**0**	**0**
Total equity	**197**	**324**	**327**	**586**	**928**
Net debt	-109	-2	58	63	60

APR: Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**108**	**79**	**144**	**292**	**429**
Net profit	82	108	287	463	621
Non-cash profit and expenses	40	55	48	54	63
Depreciation	13	22	27	30	37
Amortization	0	1	1	1	1
Other	26	32	19	23	25
Changes in A/L from operating activities	1	-58	-179	-211	-240
Cash flow from investments	**-28**	**-110**	**-42**	**-69**	**-114**
Change in tangible assets	-10	-45	-20	-42	-81
Change in financial assets	-11	-39	-21	-25	-31
Other	-7	-26	-2	-2	-2
Cash flow from financing	**-11**	**-5**	**-167**	**-219**	**-292**
Change in debt	-12	90	5	1	-1
Change in equity	9	76	0	0	0
Dividends	0	0	-150	-206	-281
Other	-9	-170	-22	-13	-11
Change in cash	68	-35	-65	4	22
Cash at beginning of year	57	125	90	25	30
Cash at end of year	125	90	25	30	52
Gross cash flow	**121**	**162**	**335**	**518**	**685**
Free cash flow	**98**	**34**	**124**	**250**	**348**

APR: Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	31.7	38	100.8	53.9	37.5
Operating profit	165.6	17.8	188.4	57.2	35.2
Net profit	172.2	31.9	166.7	61.4	34.1
Adjusted EPS**	166.3	26.4	168.6	62.1	34.1
Per-share data (KRW)					
EPS (parent-based)	2,249	2,842	7,633	12,375	16,599
EPS (consolidated)	2,249	2,842	7,633	12,375	16,599
Adjusted EPS**	2,249	2,842	7,633	12,375	16,599
BVPS	5,414	8,687	8,727	15,655	24,803
DPS (common)	0	0	4,000	5,500	7,500
Valuations (x)					
P/E***	n/a	17.6	31.1	19.2	14.3
P/B***	n/a	5.8	27.2	15.1	9.6
EV/EBITDA	n/a	13.1	23.4	15.2	11.3
Ratios (%)					
ROE	54.9	41.3	88.3	101.5	82.1
ROA	34.6	25.2	50.3	63.3	56.4
ROIC	135.3	71.1	125.2	122.4	92.2
Payout ratio	0	0	52.2	44.4	45.2
Dividend yield (common)	n/a	0	1.7	2.3	3.2
Net debt to equity	-55.4	-0.6	17.8	10.8	6.4
Interest coverage (x)	82.3	32.6	85.3	118.6	126.9

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Silicon2: Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**343**	**692**	**1,078**	**1,494**	**1,931**
Cost of goods sold	228	459	733	1,008	1,301
Gross profit	**115**	**233**	**345**	**486**	**629**
Gross margin (%)	33.6	33.7	32	32.5	32.6
SG&A expenses	67	95	138	193	249
Operating profit	**48**	**138**	**206**	**293**	**380**
Operating margin (%)	13.9	19.9	19.1	19.6	19.7
Non-operating gains (losses)	**0**	**11**	**3**	**3**	**3**
Financial profit	5	21	31	2	2
Financial costs	5	13	32	2	2
Equity-method gains (losses)	2	1	4	3	3
Other	0	2	0	0	0
Pre-tax profit	**48**	**149**	**209**	**296**	**383**
Taxes	10	28	38	54	70
Effective tax rate (%)	21	18.8	18.2	18.2	18.2
Profit from continuing operations	38	121	171	242	313
Profit from discontinued operations	0	0	0	0	0
Net profit	**38**	**121**	**171**	**242**	**313**
Net margin (%)	11.1	17.5	15.9	16.2	16.2
Net profit (controlling interests)	38	121	171	242	313
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	52	143	215	305	396
EBITDA margin (%)	15	21	20	20	21
EPS (parent-based) (KRW)	631	1,990	2,645	3,688	4,780
EPS (consolidated) (KRW)	631	1,990	2,645	3,688	4,780
Adjusted EPS (KRW)*	631	1,990	2,645	3,688	4,780

Silicon2: Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**136**	**297**	**500**	**738**	**986**
Cash & equivalents	17	86	169	283	398
Accounts receivable	21	42	89	123	159
Inventories	79	146	241	332	428
Other current assets	19	23	1	1	1
Fixed assets	**79**	**161**	**211**	**220**	**290**
Investment assets	18	25	21	21	21
Tangible assets	54	107	157	166	236
Intangible assets	1	2	2	2	2
Other long-term assets	7	27	31	31	31
Total assets	**215**	**458**	**711**	**959**	**1,276**
Current liabilities	**74**	**189**	**132**	**147**	**161**
Accounts payable	1	1	12	17	21
Short-term debt	55	145	80	90	100
Other current liabilities	19	43	40	40	40
Long-term liabilities	**6**	**7**	**120**	**111**	**100**
Bonds & long-term debt	4	0	0	0	0
Other long-term liabilities	3	7	120	111	100
Total liabilities	**80**	**196**	**252**	**258**	**261**
Owners of parent equity	**135**	**262**	**459**	**701**	**1,015**
Capital stock	30	31	31	31	31
Capital surplus	30	31	31	31	31
Retained earnings	71	192	363	604	918
Other	4	9	35	35	35
Non-controlling interests' equity	**0**	**0**	**0**	**0**	**0**
Total equity	**135**	**262**	**459**	**701**	**1,015**
Net debt	31	68	-89	-193	-298

Silicon2: Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**-18**	**60**	**35**	**120**	**188**
Net profit	38	121	171	242	313
Non-cash profit and expenses	15	30	-6	-2	1
Depreciation	4	6	8	12	15
Amortization	0	0	0	0	0
Other	11	24	-14	-14	-14
Changes in A/L from operating activities	-67	-65	-93	-82	-89
Cash flow from investments	**-18**	**-72**	**-31**	**-17**	**-83**
Change in tangible assets	-13	-63	-50	-10	-70
Change in financial assets	0	12	0	0	0
Other	-5	-21	19	-7	-13
Cash flow from financing	**33**	**81**	**79**	**10**	**10**
Change in debt	39	91	-65	10	10
Change in equity	1	1	0	0	0
Dividends	0	0	0	0	0
Other	-6	-12	144	0	0
Change in cash	-4	69	83	113	115
Cash at beginning of year	21	17	86	169	283
Cash at end of year	17	86	169	283	398
Gross cash flow	**53**	**150**	**165**	**240**	**315**
Free cash flow	**-37**	**-16**	**-15**	**111**	**118**

Silicon2: Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	107.5	101.7	55.9	38.6	29.2
Operating profit	235.8	187.8	50	41.9	29.9
Net profit	240.8	217.6	41.6	41.5	29.6
Adjusted EPS**	241.2	215.7	32.9	39.4	29.6
Per-share data (KRW)					
EPS (parent-based)	631	1,990	2,645	3,688	4,780
EPS (consolidated)	631	1,990	2,645	3,688	4,780
Adjusted EPS**	631	1,990	2,645	3,688	4,780
BVPS	2,235	4,297	7,005	10,693	15,473
DPS (common)	0	0	0	0	0
Valuations (x)					
P/E***	12.2	16.4	17.7	12.7	9.8
P/B***	3.5	7.6	6.7	4.4	3
EV/EBITDA	9.7	14.4	12.9	8.7	6.5
Ratios (%)					
ROE	32.9	60.9	47.4	41.7	36.5
ROA	22.1	35.9	29.3	29	28.1
ROIC	34.2	51.5	44.7	44.9	44.6
Payout ratio	0	0	0	0	0
Dividend yield (common)	0	0	0	0	0
Net debt to equity	23.3	25.9	-19.4	-27.5	-29.3
Interest coverage (x)	67.2	24.7	37.1	52.6	68.4

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Samyang Foods: Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**1,193**	**1,728**	**2,377**	**3,118**	**4,222**
Cost of goods sold	776	1,005	1,222	1,640	2,202
Gross profit	**417**	**723**	**1,155**	**1,479**	**2,020**
Gross margin (%)	34.9	41.9	48.6	47.4	47.8
SG&A expenses	269	379	493	721	956
Operating profit	**148**	**345**	**535**	**758**	**1,064**
Operating margin (%)	12.4	19.9	22.5	24.3	25.2
Non-operating gains (losses)	**9**	**7**	**14**	**24**	**5**
Financial profit	6	10	22	21	8
Financial costs	12	29	11	4	5
Equity-method gains (losses)	6	0	0	0	0
Other	10	25	3	7	2
Pre-tax profit	**156**	**352**	**549**	**782**	**1,069**
Taxes	30	80	129	185	254
Effective tax rate (%)	19	22.9	23.6	23.7	23.8
Profit from continuing operations	127	271	420	597	815
Profit from discontinued operations	0	0	0	0	0
Net profit	**127**	**271**	**420**	**597**	**815**
Net margin (%)	10.6	15.7	17.7	19.1	19.3
Net profit (controlling interests)	126	272	421	597	815
Net profit (non-controlling interests)	0	-1	-1	0	0
EBITDA	180	391	707	807	1,170
EBITDA margin (%)	15.1	22.6	29.7	25.9	27.7
EPS (parent-based) (KRW)	16,761	36,106	55,854	79,290	108,216
EPS (consolidated) (KRW)	16,805	36,009	55,735	79,236	108,163
Adjusted EPS (KRW)*	16,761	36,106	55,854	79,290	108,216

Samyang Foods: Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**497**	**682**	**899**	**1,138**	**1,234**
Cash & equivalents	219	335	402	499	347
Accounts receivable	80	137	228	299	440
Inventories	142	148	201	270	362
Other current assets	57	62	68	70	85
Fixed assets	**673**	**913**	**1,252**	**1,395**	**1,448**
Investment assets	11	16	11	11	12
Tangible assets	543	748	1,083	1,223	1,273
Intangible assets	55	58	65	65	66
Other long-term assets	64	91	94	96	97
Total assets	**1,170**	**1,595**	**2,151**	**2,533**	**2,681**
Current liabilities	**402**	**492**	**608**	**659**	**734**
Accounts payable	107	145	177	225	296
Short-term debt	76	78	121	122	122
Other current liabilities	220	270	309	313	316
Long-term liabilities	**192**	**274**	**434**	**435**	**435**
Bonds & long-term debt	141	211	373	400	400
Other long-term liabilities	51	64	61	35	35
Total liabilities	**594**	**767**	**1,042**	**1,094**	**1,169**
Owners of parent equity	**565**	**817**	**1,094**	**1,424**	**1,497**
Capital stock	38	38	38	38	38
Capital surplus	11	11	11	11	11
Retained earnings	522	770	1,035	1,365	1,438
Other	-6	-2	10	10	10
Non-controlling interests' equity	**12**	**11**	**15**	**15**	**15**
Total equity	**577**	**828**	**1,109**	**1,439**	**1,512**
Net debt	103	36	213	143	288

Samyang Foods: Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**168**	**358**	**299**	**177**	**316**
Net profit	127	271	420	597	815
Non-cash profit and expenses	77	139	171	159	223
Depreciation	32	46	45	49	106
Amortization	0	0	0	0	0
Other	45	93	126	110	118
Changes in A/L from operating activities	-8	-7	-162	-393	-468
Cash flow from investments	**-24**	**-214**	**-413**	**-176**	**-206**
Change in tangible assets	-45	-228	-335	-140	-50
Change in financial assets	-7	4	31	11	17
Other	29	10	-109	-46	-173
Cash flow from financing	**-20**	**-35**	**180**	**96**	**-263**
Change in debt	61	42	246	28	1
Change in equity	0	0	0	0	0
Dividends	-12	-19	-38	-49	-64
Other	-69	-58	-28	117	-200
Change in cash	122	116	67	97	-152
Cash at beginning of year	97	219	335	402	499
Cash at end of year	219	335	402	499	347
Gross cash flow	**204**	**410**	**591**	**756**	**1,038**
Free cash flow	**123**	**129**	**-36**	**37**	**266**

Samyang Foods: Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	31.2	44.9	37.5	31.2	35.4
Operating profit	63.2	133.6	55.3	41.6	40.4
Net profit	57.7	114.3	54.8	42.2	36.5
Adjusted EPS**	58.2	115.4	54.7	42	36.5
Per-share data (KRW)					
EPS (parent-based)	16,761	36,106	55,854	79,290	108,216
EPS (consolidated)	16,805	36,009	55,735	79,236	108,163
Adjusted EPS**	16,761	36,106	55,854	79,290	108,216
BVPS	75,732	109,524	146,655	190,926	200,698
DPS (common)	2,100	3,300	4,000	4,000	8,500
Valuations (x)					
P/E***	12.9	21.2	25.1	17.7	12.9
P/B***	2.9	7	9.6	7.3	7
EV/EBITDA	9.7	14.9	15.2	13.3	9.3
Ratios (%)					
ROE	24.8	39.4	44	47.4	55.8
ROA	12.1	19.6	22.4	25.5	31.3
ROIC	18.7	34.9	38	40.7	49.3
Payout ratio	12.4	9	7.1	5	7.8
Dividend yield (common)	1	0.4	0.3	0.3	0.6
Net debt to equity	17.8	4.3	19.2	9.9	19.1
Interest coverage (x)	12.1	23.9	21.4	29	40.6

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Cosmecca Korea: Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**471**	**524**	**625**	**720**	**810**
Cost of goods sold	364	400	467	539	606
Gross profit	**107**	**125**	**158**	**181**	**204**
Gross margin (%)	22.8	23.7	25.3	25.2	25.2
SG&A expenses	58	64	73	81	88
Operating profit	**49**	**60**	**85**	**100**	**117**
Operating margin (%)	10.4	11.5	13.6	13.9	14.4
Non-operating gains (losses)	**-3**	**7**	**-4**	**2**	**2**
Financial profit	3	11	6	6	6
Financial costs	7	4	10	4	4
Equity-method gains (losses)	0	0	0	0	0
Other	1	0	1	0	0
Pre-tax profit	**46**	**68**	**81**	**102**	**119**
Taxes	12	14	17	21	24
Effective tax rate (%)	26.5	20.6	21.1	20.6	20.6
Profit from continuing operations	34	54	64	81	94
Profit from discontinued operations	0	0	0	0	0
Net profit	**34**	**54**	**64**	**81**	**94**
Net margin (%)	7.2	10.2	10.3	11.3	11.6
Net profit (controlling interests)	22	43	51	65	75
Net profit (non-controlling interests)	12	11	13	16	19
EBITDA	66	78	105	121	137
EBITDA margin (%)	14	14.9	16.8	16.8	16.9
EPS (parent-based) (KRW)	2,090	4,007	4,791	6,073	7,049
EPS (consolidated) (KRW)	3,173	5,027	6,013	7,591	8,812
Adjusted EPS (KRW)*	2,090	4,007	4,791	6,073	7,049

Cosmecca Korea: Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**221**	**255**	**310**	**352**	**409**
Cash & equivalents	33	54	67	79	104
Accounts receivable	109	114	137	158	178
Inventories	66	67	82	93	103
Other current assets	14	20	24	23	24
Fixed assets	**211**	**262**	**297**	**334**	**353**
Investment assets	3	3	3	3	3
Tangible assets	153	196	234	272	294
Intangible assets	38	36	37	37	37
Other long-term assets	18	27	23	22	20
Total assets	**433**	**518**	**606**	**686**	**762**
Current liabilities	**155**	**171**	**183**	**170**	**150**
Accounts payable	44	39	52	59	58
Short-term debt	57	78	70	50	41
Other current liabilities	54	54	61	61	51
Long-term liabilities	**36**	**40**	**49**	**53**	**61**
Bonds & long-term debt	28	26	32	39	48
Other long-term liabilities	8	14	17	14	12
Total liabilities	**190**	**210**	**232**	**223**	**211**
Owners of parent equity	**170**	**218**	**259**	**324**	**399**
Capital stock	5	5	5	5	5
Capital surplus	58	69	63	63	63
Retained earnings	100	132	183	248	324
Other	6	12	7	7	7
Non-controlling interests' equity	**73**	**89**	**115**	**139**	**152**
Total equity	**242**	**308**	**374**	**463**	**551**
Net debt	69	61	45	21	-5

Cosmecca Korea: Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**42**	**69**	**62**	**61**	**48**
Net profit	34	54	64	81	94
Non-cash profit and expenses	38	35	31	33	35
Depreciation	14	14	17	18	18
Amortization	3	3	3	3	3
Other	21	17	11	12	15
Changes in A/L from operating activities	-22	-3	-14	-24	-43
Cash flow from investments	**-22**	**-53**	**-39**	**-37**	**-22**
Change in tangible assets	-17	-49	-38	-38	-22
Change in financial assets	-6	-1	-1	1	0
Other	1	-3	0	0	0
Cash flow from financing	**-13**	**2**	**-10**	**-12**	**0**
Change in debt	-12	14	-10	-12	0
Change in equity	0	11	0	0	0
Dividends	0	-1	-2	-1	-1
Other	-1	-21	2	1	1
Change in cash	7	21	13	12	25
Cash at beginning of year	26	33	54	67	79
Cash at end of year	33	54	67	79	104
Gross cash flow	**72**	**88**	**95**	**114**	**130**
Free cash flow	**23**	**21**	**24**	**23**	**26**

Cosmecca Korea: Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	17.9	11.4	19.3	15.2	12.5
Operating profit	374.1	22.8	41.4	17.6	16.1
Net profit	464.5	58.4	19.6	26.3	16.1
Adjusted EPS**	740.3	91.8	19.6	26.7	16.1
Per-share data (KRW)					
EPS (parent-based)	2,090	4,007	4,791	6,073	7,049
EPS (consolidated)	3,173	5,027	6,013	7,591	8,812
Adjusted EPS**	2,090	4,007	4,791	6,073	7,049
BVPS	15,874	20,450	24,244	30,317	37,366
DPS (common)	0	100	100	100	100
Valuations (x)					
P/E***	17.4	13.8	15.1	11.9	10.3
P/B***	2.3	2.7	3	2.4	1.9
EV/EBITDA	8	9.5	8.9	7.7	6.7
Ratios (%)					
ROE	14.1	22.1	21.4	22.3	20.8
ROA	8.2	11.3	11.4	12.5	13
ROIC	12	14.4	17.7	18.3	18.5
Payout ratio	0	2.5	2.1	1.6	1.4
Dividend yield (common)	0	0.2	0.1	0.1	0.1
Net debt to equity	28.5	19.8	12	4.5	-0.9
Interest coverage (x)	12.2	18.9	26.6	30.2	35.1

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Amorepacific: Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**3,674**	**3,885**	**4,238**	**4,750**	**5,326**
Cost of goods sold	1,155	1,138	1,193	1,378	1,486
Gross profit	**2,519**	**2,747**	**3,045**	**3,373**	**3,840**
Gross margin (%)	68.6	70.7	71.8	71	72.1
SG&A expenses	2,411	2,526	2,662	2,931	3,346
Operating profit	**108**	**220**	**383**	**441**	**494**
Operating margin (%)	2.9	5.7	9	9.3	9.3
Non-operating gains (losses)	**172**	**400**	**10**	**32**	**32**
Financial profit	162	124	36	30	30
Financial costs	19	43	26	21	21
Equity-method gains (losses)	42	16	0	23	23
Other	-12	302	0	0	0
Pre-tax profit	**281**	**621**	**393**	**473**	**526**
Taxes	107	19	89	70	70
Effective tax rate (%)	38	3.1	22.8	14.8	13.3
Profit from continuing operations	174	602	303	403	456
Profit from discontinued operations	0	0	0	0	0
Net profit	**174**	**602**	**303**	**403**	**456**
Net margin (%)	4.7	15.5	7.2	8.5	8.6
Net profit (controlling interests)	180	593	288	383	434
Net profit (non-controlling interests)	-6	8	15	20	22
EBITDA	360	478	626	690	749
EBITDA margin (%)	9.8	12.3	14.8	14.5	14.1
EPS (parent-based) (KRW)	3,079	8,591	4,930	6,555	6,284
EPS (consolidated) (KRW)	2,973	8,713	5,183	6,892	6,606
Adjusted EPS (KRW)*	3,079	8,591	4,930	6,555	6,284

Amorepacific: Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**1,952**	**1,735**	**1,936**	**2,194**	**2,477**
Cash & equivalents	506	452	671	806	989
Accounts receivable	293	386	408	455	511
Inventories	394	498	490	566	611
Other current assets	759	399	367	367	367
Fixed assets	**3,934**	**5,049**	**5,186**	**5,243**	**5,299**
Investment assets	380	74	74	74	74
Tangible assets	2,442	2,296	2,434	2,490	2,547
Intangible assets	341	1,774	1,774	1,774	1,774
Other long-term assets	772	905	905	905	905
Total assets	**5,887**	**6,784**	**7,122**	**7,437**	**7,776**
Current liabilities	**813**	**1,096**	**1,290**	**1,376**	**1,413**
Accounts payable	86	96	131	151	163
Short-term debt	244	306	249	249	249
Other current liabilities	483	694	910	975	1,001
Long-term liabilities	**201**	**362**	**373**	**373**	**373**
Bonds & long-term debt	0	0	0	0	0
Other long-term liabilities	201	362	373	373	373
Total liabilities	**1,014**	**1,457**	**1,663**	**1,748**	**1,786**
Owners of parent equity	**4,898**	**5,252**	**5,422**	**5,651**	**5,953**
Capital stock	35	35	35	35	35
Capital surplus	794	623	580	540	540
Retained earnings	4,101	4,601	4,807	5,076	5,378
Other	-32	-6	0	0	0
Non-controlling interests' equity	**-25**	**74**	**38**	**38**	**38**
Total equity	**4,873**	**5,326**	**5,459**	**5,689**	**5,991**
Net debt	-330	-79	-745	-880	-1,063

Amorepacific: Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**348**	**335**	**563**	**544**	**624**
Net profit	174	602	303	403	456
Non-cash profit and expenses	267	-28	207	229	240
Depreciation	252	257	243	249	255
Amortization	0	0	0	0	0
Other	16	-286	-36	-20	-15
Changes in A/L from operating activities	-36	-192	53	-103	-88
Cash flow from investments	**-186**	**-312**	**-223**	**-228**	**-228**
Change in tangible assets	-108	-80	-76	-78	-78
Change in financial assets	-107	132	0	0	0
Other	29	-364	-147	-150	-150
Cash flow from financing	**-99**	**-99**	**-121**	**-182**	**-213**
Change in debt	-7	90	2	2	2
Change in equity	2	-171	0	0	0
Dividends	-47	-63	-78	-107	-139
Other	-47	45	-45	-76	-76
Change in cash	57	-55	219	135	183
Cash at beginning of year	450	506	452	671	806
Cash at end of year	506	452	671	806	989
Gross cash flow	**441**	**573**	**510**	**632**	**696**
Free cash flow	**214**	**254**	**485**	**464**	**544**

Amorepacific: Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	-11.1	5.7	9.1	12.1	12.1
Operating profit	-49.5	103.8	73.6	15.3	12
Net profit	34.5	246	-49.6	33	13.2
Adjusted EPS**	33.9	179	-42.6	33	-4.1
Per-share data (KRW)					
EPS (parent-based)	3,079	8,591	4,930	6,555	6,284
EPS (consolidated)	2,973	8,713	5,183	6,892	6,606
Adjusted EPS**	3,079	8,591	4,930	6,555	6,284
BVPS	70,961	76,149	78,588	81,913	86,289
DPS (common)	910	1,125	1,555	2,005	2,270
Valuations (x)					
P/E***	47.1	12.2	27.3	20.6	21.5
P/B***	2	1.4	1.7	1.6	1.6
EV/EBITDA	23.6	13.5	12.3	11	9.8
Ratios (%)					
ROE	3.7	11.7	5.4	6.9	7.5
ROA	3	9.5	4.4	5.5	6
ROIC	2	5.4	6.6	8.4	9.4
Payout ratio	29.5	11.1	31.5	30.6	30.6
Dividend yield (common)	0.6	1.1	1.2	1.5	1.7
Net debt to equity	-6.8	-1.5	-13.7	-15.5	-17.7
Interest coverage (x)	6.6	7.8	10	21.3	23.8

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Cosmax: Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**1,777**	**2,166**	**2,379**	**2,629**	**2,907**
Cost of goods sold	1,484	1,748	1,942	2,111	2,334
Gross profit	**294**	**418**	**437**	**518**	**573**
Gross margin (%)	16.5	19.3	18.4	19.7	19.7
SG&A expenses	178	243	249	268	296
Operating profit	**116**	**175**	**189**	**250**	**276**
Operating margin (%)	6.5	8.1	7.9	9.5	9.5
Non-operating gains (losses)	**-31**	**-38**	**-41**	**-52**	**-66**
Financial profit	21	47	26	31	32
Financial costs	44	68	67	83	98
Equity-method gains (losses)	-2	0	0	0	0
Other	-6	-17	0	0	0
Pre-tax profit	**84**	**138**	**147**	**198**	**211**
Taxes	46	49	90	7	9
Effective tax rate (%)	55.1	35.8	61.2	3.6	4.4
Profit from continuing operations	38	88	57	190	201
Profit from discontinued operations	0	0	0	0	0
Net profit	**38**	**88**	**57**	**190**	**201**
Net margin (%)	2.1	4.1	2.4	7.2	6.9
Net profit (controlling interests)	57	86	70	189	200
Net profit (non-controlling interests)	-19	3	-13	1	1
EBITDA	175	244	287	358	395
EBITDA margin (%)	9.9	11.3	12.1	13.6	13.6
EPS (parent-based) (KRW)	5,034	7,560	6,200	16,676	17,620
EPS (consolidated) (KRW)	3,331	7,790	5,034	16,772	17,740
Adjusted EPS (KRW)*	5,034	7,560	6,200	16,676	17,620

Cosmax: Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**822**	**943**	**968**	**1,153**	**1,387**
Cash & equivalents	257	256	198	307	452
Accounts receivable	272	349	396	445	499
Inventories	218	257	293	318	352
Other current assets	75	80	81	83	85
Fixed assets	**735**	**991**	**1,153**	**1,254**	**1,364**
Investment assets	82	56	1	1	1
Tangible assets	547	778	934	1,028	1,130
Intangible assets	54	63	69	76	84
Other long-term assets	53	94	149	149	149
Total assets	**1,557**	**1,934**	**2,121**	**2,407**	**2,751**
Current liabilities	**989**	**1,114**	**1,239**	**1,384**	**1,592**
Accounts payable	241	231	266	289	320
Short-term debt	403	464	485	492	492
Other current liabilities	346	419	488	603	780
Long-term liabilities	**209**	**311**	**337**	**349**	**349**
Bonds & long-term debt	106	188	189	191	191
Other long-term liabilities	103	123	148	158	158
Total liabilities	**1,199**	**1,425**	**1,576**	**1,733**	**1,941**
Owners of parent equity	**363**	**473**	**511**	**641**	**778**
Capital stock	6	6	6	6	6
Capital surplus	29	28	28	28	28
Retained earnings	313	384	421	552	688
Other	15	56	56	56	56
Non-controlling interests' equity	**-4**	**35**	**34**	**32**	**32**
Total equity	**359**	**509**	**545**	**673**	**810**
Net debt	442	615	571	483	338

Cosmax: Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**231**	**73**	**151**	**293**	**308**
Net profit	38	88	57	190	201
Non-cash profit and expenses	161	186	215	227	238
Depreciation	56	64	93	103	113
Amortization	4	5	5	5	6
Other	102	117	117	119	119
Changes in A/L from operating activities	79	-127	-47	-51	-57
Cash flow from investments	**-105**	**-160**	**-198**	**-169**	**-138**
Change in tangible assets	-81	-161	-197	-167	-136
Change in financial assets	-17	-2	0	0	0
Other	-6	3	-1	-2	-2
Cash flow from financing	**-39**	**68**	**-11**	**-15**	**-26**
Change in debt	105	166	12	11	0
Change in equity	-258	0	0	0	0
Dividends	0	-6	-33	-59	-63
Other	114	-93	10	33	38
Change in cash	88	-1	-58	109	144
Cash at beginning of year	169	257	256	198	307
Cash at end of year	257	256	198	307	452
Gross cash flow	**199**	**274**	**272**	**417**	**439**
Free cash flow	**145**	**-92**	**-50**	**122**	**168**

Cosmax: Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	11.1	21.9	9.8	10.5	10.6
Operating profit	117.9	51.6	7.5	32.5	10.6
Net profit	흑전	133.9	-35.4	233.2	5.8
Adjusted EPS**	174.1	50.2	-18	169	5.7
Per-share data (KRW)					
EPS (parent-based)	5,034	7,560	6,200	16,676	17,620
EPS (consolidated)	3,331	7,790	5,034	16,772	17,740
Adjusted EPS**	5,034	7,560	6,200	16,676	17,620
BVPS	31,952	41,725	45,056	56,536	68,580
DPS (common)	500	2,300	2,870	5,200	5,580
Valuations (x)					
P/E***	25.1	19.7	27.1	10.1	9.5
P/B***	4	3.6	3.7	3	2.4
EV/EBITDA	10.7	9.6	8.7	6.8	5.8
Ratios (%)					
ROE	12.1	20.5	14.3	32.8	28.2
ROA	2.6	5.1	2.8	8.4	7.8
ROIC	6.8	12.7	6.5	19.7	21.3
Payout ratio	9.9	30.4	46.3	31.2	31.7
Dividend yield (common)	0.4	1.5	1.7	3.1	3.3
Net debt to equity	123.2	120.9	104.7	71.7	41.8
Interest coverage (x)	3.6	3.9	3.8	4.9	5.7

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

COMPANY UPDATE

2025. 11. 28

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Cosmecca Korea (241710)

A latecomer's comeback

- A sustained industry upturn has allowed Cosmecca Korea to accumulate opportunities to manufacture bestsellers, enabling it to catch up with top-tier players' capabilities.
- Among ODMs, Cosmecca Korea is the only one with clear margin upside: its capabilities are building, its order intake is rising, its utilization is expanding, and its operating leverage is growing. As the firm already boasts unit-price competitiveness, downside pressure is limited.
- We initiate coverage at BUY, with a target price of KRW92,000. Cosmecca Korea is our top pick among cosmetics ODMs.

AT A GLANCE

BUY

Target price	KRW92,000	31.5%
Current price	**KRW70,700**	
Market cap	KRW755.1b/USD511.8m	
Shares (float)	10,680,000 (60.0%)	
52-week high/low	KRW76,900/KRW40,100	
Avg daily trading value (60-day)	KRW6.5b/ USD4.5m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Cosmecca Korea (%)	15.0	60.1	14.2
Vs Kosdaq (%pts)	8.6	31.8	-13.3

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	Not Rated	
Target price	92,000	n/a	n/a
2025E EPS	4,791	4,791	0.0%
2026E EPS	6,073	6,073	0.0%

SAMSUNG vs THE STREET

No of estimates	10
Target price	96,300
Recommendation	4.0

※ Rating: 4 < → BUY, 3 = HOLD, 2 > → SELL

WHAT'S THE STORY?

Successive successes and capability gains—the start of a comeback: As a latecomer—established 7-9 years after top-tier competitors—Cosmecca Korea had a high proportion of lower-value-added products (such as low-priced sheet masks) in its sales mix until 2023. As K-beauty brands expanded during the boom and began diversifying their manufacturers, sales to popular indie brands increased. In that process, Cosmecca Korea's formulation capabilities rose to the point of their being competitive with leading peers. As of 3Q25, most of the firm's sales consisted of volumes for leading indie brands, and formulations proposed by the company have long remained bestsellers on Amazon and TikTok Shop (as of Nov 2025).

The only ODM with margin upside: Unlike top-tier competitors whose margin expansion has been limited despite sales growth, Cosmecca Korea can expand margins in tandem with top-line growth.

(Continued on the next page)

SUMMARY FINANCIAL DATA

(KRWb)	2024	2025E	2026E	2027E
Revenue	524	625	720	810
Operating profit	60	85	100	117
Net profit (adj)	54	64	81	94
EPS (adj) (KRW)	4,007	4,791	6,073	7,049
EPS (adj) growth (% y-y)	91.8	19.6	26.7	16.1
EBITDA margin (%)	14.9	16.8	16.8	16.9
ROE (%)	22.1	21.4	22.3	20.8
P/E (adj) (x)	13.8	15.1	11.9	10.3
P/B (x)	2.7	3.0	2.4	1.9
EV/EBITDA (x)	9.5	8.9	7.7	6.7
Dividend yield (%)	0.2	0.1	0.1	0.1

Source: Company data, Samsung Securities estimates

- **Utilization finally set to rise; operating-leverage expansion phase begins:** While top-tier competitors already operate at utilization rates of 70-80% (effectively full), Cosmecca Korea's utilization remains low at 28% standalone and 43% at Englewood Lab (2025 ytd). Lower utilization was due to insufficient order volumes, stemming from capability gaps versus peers. But with capabilities now backed by global bestseller successes, the company has entered a phase in which utilization and operating margin rise proportionately.
- **Already boasts unit-price competitiveness:** Whereas top-tier competitors with higher ASPs are now facing ASP-downside pressure due to intensifying competition, Cosmecca Korea already possesses sufficient price competitiveness. Historically, even with low pricing, order wins were limited due to formulation capability gaps, but now the company possesses both formulation and pricing competitiveness. Conditions are ideal for a comeback.

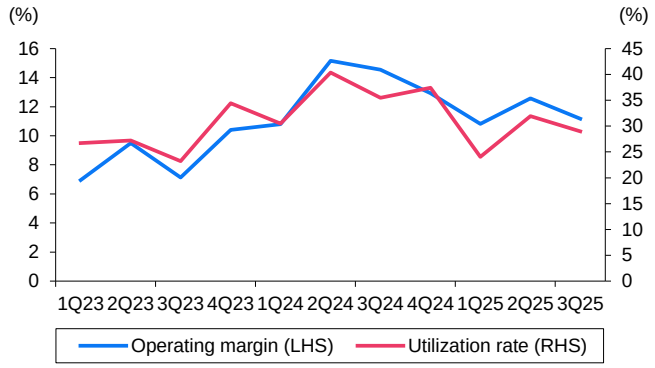
Initiating coverage at BUT with KRW92,000 target; our top pick among ODMs: Given the continued strength of leading K-skincare brands into 2026, we expect Cosmecca Korea—armed with capabilities, pricing competitiveness, and sufficient production capacity—to benefit the most among ODMs. We initiate coverage of the stock at BUY, with a 12-month target price of KRW92,000 (derived by applying a target P/E multiple of 15.6x to our forward EPS forecast of KRW5,911). Cosmecca Korea is our top pick among ODMs.

Cosmecca Korea: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025E	2026E	2027E
Sales	**125.6**	**143.8**	**126.6**	**128.3**	**118.4**	**161.7**	**182.4**	**162.8**	**158.5**	**180.1**	**201.7**	**179.9**	**470.7**	**524.3**	**625.3**	**720.2**	**810.0**
Parent	68.8	94.6	82.5	82.8	74.3	110.0	129.8	114.1	109.7	121.4	144.3	125.9	268.6	328.7	428.3	501.3	571.6
Korea brand	55.4	77.1	68.2	66.8	59.5	91.7	110.5	94.0	93.3	100.8	122.6	103.4	216.7	267.6	355.6	420.2	481.1
Overseas brand	13.3	17.6	14.3	15.9	14.9	18.3	19.4	20.1	16.4	20.5	21.7	22.5	52.0	61.1	72.7	81.1	90.5
China entity	12.2	10.7	9.3	8.2	8.7	8.6	8.1	8.0	8.1	7.9	7.4	7.7	50.4	40.4	33.5	31.1	29.5
Englewood Lab	52.6	46.0	41.1	42.2	42.5	57.5	61.8	52.9	52.1	68.0	68.2	59.6	206.8	182.2	200.4	247.9	275.5
US (Totowa)	33.8	28.4	26.1	24.2	27.3	31.6	30.4	29.9	30.6	35.7	33.7	34.4	106.2	112.7	119.2	134.4	149.8
Incheon	18.9	17.9	15.8	18.2	16.3	26.7	31.7	23.0	21.5	32.3	34.5	25.2	100.8	70.7	97.7	113.5	125.7
Operating profit	**13.7**	**18.1**	**15.2**	**13.3**	**12.3**	**23.0**	**27.2**	**22.8**	**19.4**	**25.8**	**31.5**	**23.6**	**49.2**	**60.4**	**85.3**	**100.4**	**116.6**
Parent	7.4	14.3	12.0	10.7	8.0	13.8	14.5	15.1	13.5	15.8	20.7	15.9	22.9	44.5	51.5	65.9	77.7
China entity	0.0	-0.1	-0.3	-0.7	-0.6	-1.1	-0.6	-0.5	-0.7	-0.8	-0.9	-0.8	0.1	-1.1	-2.8	-3.2	-3.8
Englewood Lab	6.6	4.3	4.1	3.7	4.6	10.1	13.2	8.4	6.8	10.9	11.9	8.6	28.9	18.8	36.2	38.1	43.1
US (Totowa)	2.3	0.3	0.3	-0.6	0.3	2.1	3.0	2.5	1.1	2.0	1.7	1.8	4.6	2.3	7.9	6.7	9.6
Incheon	4.3	4.0	3.9	4.2	4.3	8.2	9.7	5.9	5.6	8.9	10.1	6.8	24.3	16.5	28.1	31.4	33.5
Net profit	**8.8**	**13.7**	**8.5**	**11.8**	**7.6**	**9.3**	**16.7**	**17.5**	**12.7**	**16.5**	**20.3**	**15.3**	**22.3**	**42.8**	**51.2**	**64.9**	**75.3**
Operating margin (%)																	
Operating profit	**10.9**	**12.6**	**12.0**	**10.4**	**10.4**	**14.2**	**14.9**	**14.0**	**12.3**	**14.3**	**15.6**	**13.1**	**10.4**	**11.5**	**13.6**	**13.9**	**14.4**
Parent	10.8	15.2	14.5	12.9	10.8	12.6	11.2	13.2	12.3	13.0	14.3	12.6	8.5	13.5	12.0	13.1	13.6
China entity	0.1	-1.0	-2.8	-8.7	-6.8	-13.2	-7.3	-6.3	-8.9	-9.7	-12.5	-10.2	0.2	-2.6	-8.4	-10.3	-12.8
Englewood Lab	12.6	9.4	9.9	8.8	10.8	17.5	21.4	15.8	13.0	16.0	17.4	14.5	14.0	10.3	18.1	15.4	15.6
US (Totowa)	6.8	1.0	1.1	-2.5	1.0	6.8	10.0	8.3	3.7	5.7	5.1	5.3	4.3	2.1	6.6	5.0	6.4
Incheon	22.9	22.7	24.7	23.1	26.3	30.9	30.7	25.6	26.1	27.5	29.3	27.0	24.1	23.3	28.8	27.7	26.6
Net profit	**7.0**	**9.5**	**6.7**	**9.2**	**6.4**	**5.8**	**9.2**	**10.7**	**8.0**	**9.2**	**10.1**	**8.5**	**4.7**	**8.2**	**8.2**	**9.0**	**9.3**
Growth (% y-y)																	
Sales	**8.3**	**24.3**	**8.8**	**4.6**	**-5.8**	**12.5**	**44.0**	**26.9**	**33.9**	**11.4**	**10.6**	**10.5**	**17.9**	**11.4**	**19.3**	**15.2**	**12.5**
Parent	4.3	41.9	24.3	18.8	8.1	16.2	57.4	37.8	47.6	10.3	11.1	10.4	18.1	22.3	30.3	17.1	14.0
Korea brand	4.7	51.6	23.2	16.2	7.2	19.0	61.9	40.6	57.0	10.0	11.0	10.0	10.7	23.5	32.9	18.2	14.5
Overseas brand	2.7	10.8	29.7	31.3	11.8	4.3	35.8	26.1	10.0	12.0	12.0	12.0	64.2	17.6	19.0	11.6	11.6
China entity	-5.1	-3.5	-25.5	-41.2	-28.0	-20.0	-12.8	-2.8	-7.5	-8.2	-8.5	-3.5	6.6	-19.8	-17.2	-7.0	-5.2
Englewood Lab	14.2	-6.7	-24.4	-26.3	-19.1	25.0	50.3	25.4	22.5	18.3	10.4	12.6	36.5	-11.9	10.0	23.7	11.1
US (Totowa)	10.6	5.6	4.6	2.3	-19.1	11.5	16.2	23.6	12.0	13.0	11.0	15.0	-3.6	6.2	5.7	12.8	11.5
Incheon	21.5	-20.6	-46.5	-45.9	-13.4	49.4	100.9	26.4	31.5	21.1	9.0	9.5	141.3	-29.8	38.1	16.2	10.7
Operating profit	**48.4**	**62.1**	**11.0**	**-11.3**	**-10.5**	**27.2**	**78.8**	**71.4**	**58.1**	**12.1**	**15.9**	**3.5**	**374.1**	**22.8**	**41.4**	**17.6**	**16.1**
Parent	61.9	126.4	153.3	47.6	8.4	-3.5	20.8	40.9	67.7	13.9	42.7	5.5	198.0	94.1	15.8	28.0	17.9
China entity	-105.0	-81.0	-155.1	-234.4	-3,623	967.9	125.4	-30.1	22.3	-32.4	56.3	57.5	-102.3	-1,110	163.5	13.9	17.6
Englewood Lab	19.2	-30.8	-55.5	-53.4	-31.0	133.5	224.9	125.8	47.7	8.4	-10.4	3.0	192.0	-34.9	92.8	5.2	13.0
US (Totowa)	21.4	-76.1	-71.4	-251.5	-88.2	621.5	949.7	-504.5	320.4	-4.9	-42.9	-26.2	-3.0	-48.7	237.8	-14.9	42.9
Incheon	24.9	-18.7	-51.9	-46.5	-0.4	103.5	150.0	40.2	30.6	7.7	4.2	15.4	369.4	-32.2	71.0	11.6	6.6
Net profit	**96.5**	**132.1**	**16.5**	**153.5**	**-13.4**	**-32.0**	**97.4**	**48.1**	**66.7**	**76.9**	**21.3**	**-12.3**	**740.3**	**91.8**	**19.6**	**26.7**	**16.1**

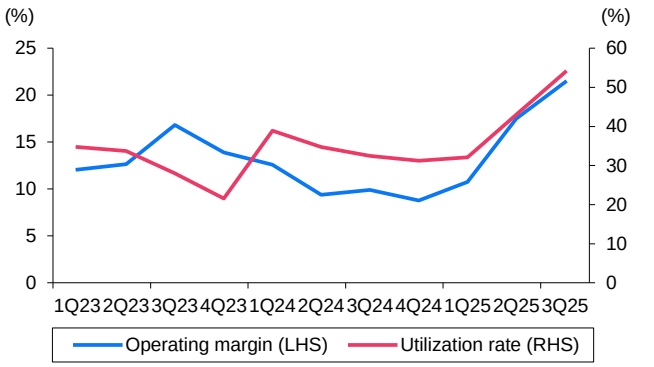
Source: Company data, Samsung securities estimates

Cosmecca Korea (parent): OPM vs utilization rate



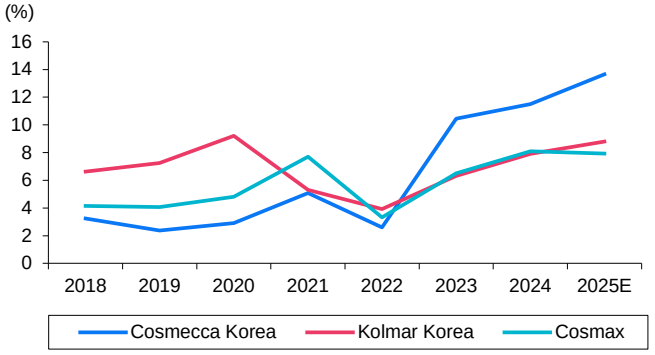
Source: Cosmecca Korea, Samsung Securities

Englewood Lab: OPM vs utilization rate



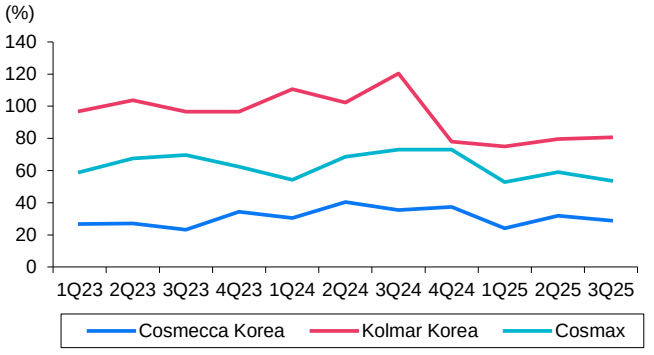
Source: Cosmecca Korea, Samsung Securities

ODM companies: OPM



Source: Company data, Samsung Securities

ODM companies: Utilization rate



Source: Company data, Samsung Securities

Cosmecca Korea: Target-price calculation

(KRW)	Calculation	
12-month-forward EPS	(A=B*D+C*(1-D))	5,911
2025E EPS	(B)	4,791
2026E EPS	(C)	6,073
2025 weighting* (%)	(D)	12.6
Target P/E (x)**	(E)	15.6
Target price	(F=A*E)	93,000
Last price*	(G)	70,700
Upside	(F/G-1)	31.5

Note: *As of Nov 20, 2025;
**25% discount to peer average
Source: Bloomberg, FnGuide, Samsung Securities estimates

Cosmetics peer valuations

		ODM					Distributor			Packaging	Brand						
		Cosmax*	Kolmar Korea*	C&C Int'l*	Cos-mecca*	Inter cos	Silicon2*	Ulta Beauty	Yes Asia	Pum-tech Korea	Amore-pacific*	LG H&H*	APR*	VT	d'Alba	iFamily SC	Clio
Ticker		192820	161890	352480	241710	ICOS IM	257720	ULTA US	2209 HK	251970	90430	51900	278470	182090	483650	114840	237880
Share price	(Local)	167,700	66,200	32,800	72,300	11.1	46,700	496.4	4.8	55,900	134,800	296,500	237,000	20,550	133,300	14,920	13,510
Market cap	(USDm)	1,293	1,061	304	524	1,235	1,940	22,260	255	471	5,356	3,082	6,026	488	1,118	176	166
	(Local)	1,903	1,563	447	772	1,072	2,857	22,260	1,983	693	7,885	4,537	8,871	718	1,645	258	244
P/E* (x)	2022	91.3	-68.9	20	290.4	20.5	252.4	28.7	nm	36.2	69.2	22.2	56.1	63.6	nm	16.5	23.9
	2023	33.3	291.6	10.5	34.6	18.7	74	21.6	nm	25.7	51.7	36.8	21.1	26.5	21.8	6.4	8.8
	2024	22.2	17.3	10.1	18	18.4	23.5	19.5	11.9	21.2	15.7	26.3	83.4	7.5	93.4	9.1	8.8
	2025E	27.1	15.6	20	15.1	17.5	17.9	20.7	7.8	15.8	27.3	28.6	31.1	10.9	20	10.3	17
	2026E	10.1	10.9	11.6	11.9	14.7	12.7	20.2	5.3	13.4	20.6	22.3	19.2	10.3	13.8	8.2	13.4
	12m fwd	**11.9**	**11.5**	**12.5**	**12.3**	**15**	**13.2**	**20.3**	**5.6**	**13.7**	**21.3**	**23**	**20.5**	**10.4**	**14.5**	**8.4**	**13.8**
Sales growth (% y-y)	2022	0.5	17.6	43.1	0.7	22.1	26.2	42.8	nm	6.6	-15	-11.2	53.5	5.9	nm	19.2	17.1
	2023	11.1	15.5	68.7	17.9	20.7	107.5	16.4	nm	20.2	-11.1	-5.3	31.7	23	nm	74.2	21.3
	2024	21.9	13.7	28.4	11.4	7.5	101.7	11.6	nm	18.6	5.7	0.1	38	46.1	53.9	37.8	6.3
	2025E	9.8	10.6	1.8	19.3	0.9	55.9	0.7	48.3	17.5	9.4	-4.6	100.7	3.4	64.3	12.3	4.4
	2026E	10.5	9.5	16.4	15.2	5.6	38.6	7.4	37	16.5	11.7	1.4	54	11.6	39.8	16	9.6
EBIT growth (% y-y)	2022	-56.7	-13	674.9	-48.4	28.5	62.6	380.2	nm	1.5	-37.6	-44.9	174.8	-10.8	nm	69.8	28.6
	2023	117.9	85.8	83.9	374.1	17.4	235.8	25.8	nm	33.3	-49.5	-31.5	165.6	93.4	nm	152.4	89.1
	2024	51.6	42.4	-9.7	22.8	2.2	187.8	4.7	nm	37.1	103.8	-5.7	17.8	143.5	84.4	40.2	-27.2
	2025E	7.5	23.1	0.6	41.4	13	50	-9.9	50	30.7	73.6	-38.4	188.4	-18.2	71.7	-10.1	-1.5
	2026E	32.5	16.9	44.2	17.6	10.2	41.9	-1.8	54.1	16.9	15.3	34.4	57.2	1.8	48.4	25.4	29
EPS growth (% y-y)	2022	-73.3	-161.4	-351.8	-70.1	31.6	-80.1	617.7	nm	7.9	-30.6	-72	157.3	-25.6	nm	-14.4	5.6
	2023	174	-123.6	90.8	739.4	6.4	241.1	33.1	nm	41.1	33.9	-39.7	166.3	140.2	nm	157.5	171.3
	2024	50.2	1,581.00	3.3	91.7	4.5	214.3	10.6	nm	21.1	229.4	40.1	-74.7	253	-76.7	-29.5	0.6
	2025E	-18	11.2	-49.4	19.6	6.3	31.4	-5.7	53.1	34.1	-42.6	-8.3	168	-31.5	367.4	-12.2	-48.3
	2026E	169	42.5	72.9	26.7	23.5	41.5	2.1	60	18.1	33	28.3	62.5	5.9	45.2	26.2	26.7
OPM (%)	2022	3.3	3.9	13.4	2.6	9.2	8.6	14.6	nm	11.2	5.2	9.9	9.9	9.8	nm	11.1	6.6
	2023	6.5	6.3	14.6	10.4	9	13.9	15.7	nm	12.4	2.9	7.2	19.9	15.4	16.2	16.1	10.2
	2024	8.1	7.9	10.2	11.5	8.5	19.9	14.8	7.3	14.3	5.7	6.7	17	25.7	19.4	16.4	7
	2025E	7.9	8.8	10.1	13.6	9.6	19.1	13.2	7.3	15.9	9	4.3	24.4	20.3	20.2	13.1	6.6
	2026E	9.5	9.4	12.5	13.9	10	19.6	12.1	8.3	16	9.3	5.8	24.9	18.6	21.5	14.2	7.8

Note: As of Nov 20, 2025;
*Based on Samsung estimates (Market consensus otherwise)
Source: FnGuide, Bloomberg, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**471**	**524**	**625**	**720**	**810**
Cost of goods sold	364	400	467	539	606
Gross profit	**107**	**125**	**158**	**181**	**204**
Gross margin (%)	22.8	23.7	25.3	25.2	25.2
SG&A expenses	58	64	73	81	88
Operating profit	**49**	**60**	**85**	**100**	**117**
Operating margin (%)	10.4	11.5	13.6	13.9	14.4
Non-operating gains (losses)	**-3**	**7**	**-4**	**2**	**2**
Financial profit	3	11	6	6	6
Financial costs	7	4	10	4	4
Equity-method gains (losses)	0	0	0	0	0
Other	1	0	1	0	0
Pre-tax profit	**46**	**68**	**81**	**102**	**119**
Taxes	12	14	17	21	24
Effective tax rate (%)	26.5	20.6	21.1	20.6	20.6
Profit from continuing operations	34	54	64	81	94
Profit from discontinued operations	0	0	0	0	0
Net profit	**34**	**54**	**64**	**81**	**94**
Net margin (%)	7.2	10.2	10.3	11.3	11.6
Net profit (controlling interests)	22	43	51	65	75
Net profit (non-controlling interests)	12	11	13	16	19
EBITDA	66	78	105	121	137
EBITDA margin (%)	14.0	14.9	16.8	16.8	16.9
EPS (parent-based) (KRW)	2,090	4,007	4,791	6,073	7,049
EPS (consolidated) (KRW)	3,173	5,027	6,013	7,591	8,812
Adjusted EPS (KRW)*	2,090	4,007	4,791	6,073	7,049

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**221**	**255**	**310**	**352**	**409**
Cash & equivalents	33	54	67	79	104
Accounts receivable	109	114	137	158	178
Inventories	66	67	82	93	103
Other current assets	14	20	24	23	24
Fixed assets	**211**	**262**	**297**	**334**	**353**
Investment assets	3	3	3	3	3
Tangible assets	153	196	234	272	294
Intangible assets	38	36	37	37	37
Other long-term assets	18	27	23	22	20
Total assets	**433**	**518**	**606**	**686**	**762**
Current liabilities	**155**	**171**	**183**	**170**	**150**
Accounts payable	44	39	52	59	58
Short-term debt	57	78	70	50	41
Other current liabilities	54	54	61	61	51
Long-term liabilities	**36**	**40**	**49**	**53**	**61**
Bonds & long-term debt	28	26	32	39	48
Other long-term liabilities	8	14	17	14	12
Total liabilities	**190**	**210**	**232**	**223**	**211**
Owners of parent equity	**170**	**218**	**259**	**324**	**399**
Capital stock	5	5	5	5	5
Capital surplus	58	69	63	63	63
Retained earnings	100	132	183	248	324
Other	6	12	7	7	7
Non-controlling interests' equity	**73**	**89**	**115**	**139**	**152**
Total equity	**242**	**308**	**374**	**463**	**551**
Net debt	69	61	45	21	-5

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**42**	**69**	**62**	**61**	**48**
Net profit	34	54	64	81	94
Non-cash profit and expenses	38	35	31	33	35
Depreciation	14	14	17	18	18
Amortization	3	3	3	3	3
Other	21	17	11	12	15
Changes in A/L from operating activities	-22	-3	-14	-24	-43
Cash flow from investments	**-22**	**-53**	**-39**	**-37**	**-22**
Change in tangible assets	-17	-49	-38	-38	-22
Change in financial assets	-6	-1	-1	1	-0
Other	1	-3	-0	0	-0
Cash flow from financing	**-13**	**2**	**-10**	**-12**	**-0**
Change in debt	-12	14	-10	-12	-0
Change in equity	0	11	0	0	0
Dividends	0	-1	-2	-1	-1
Other	-1	-21	2	1	1
Change in cash	7	21	13	12	25
Cash at beginning of year	26	33	54	67	79
Cash at end of year	33	54	67	79	104
Gross cash flow	**72**	**88**	**95**	**114**	**130**
Free cash flow	**23**	**21**	**24**	**23**	**26**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	17.9	11.4	19.3	15.2	12.5
Operating profit	374.1	22.8	41.4	17.6	16.1
Net profit	464.5	58.4	19.6	26.3	16.1
Adjusted EPS**	740.3	91.8	19.6	26.7	16.1
Per-share data (KRW)					
EPS (parent-based)	2,090	4,007	4,791	6,073	7,049
EPS (consolidated)	3,173	5,027	6,013	7,591	8,812
Adjusted EPS**	2,090	4,007	4,791	6,073	7,049
BVPS	15,874	20,450	24,244	30,317	37,366
DPS (common)	0	100	100	100	100
Valuations (x)					
P/E***	17.4	13.8	14.7	11.6	10.0
P/B***	2.3	2.7	2.9	2.3	1.9
EV/EBITDA	8.0	9.5	8.7	7.5	6.5
Ratios (%)					
ROE	14.1	22.1	21.4	22.3	20.8
ROA	8.2	11.3	11.4	12.5	13.0
ROIC	12.0	14.4	17.7	18.3	18.5
Payout ratio	0.0	2.5	2.1	1.6	1.4
Dividend yield (common)	0.0	0.2	0.1	0.1	0.1
Net debt to equity	28.5	19.8	12.0	4.5	-0.9
Interest coverage (x)	12.2	18.9	26.6	30.2	35.1

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

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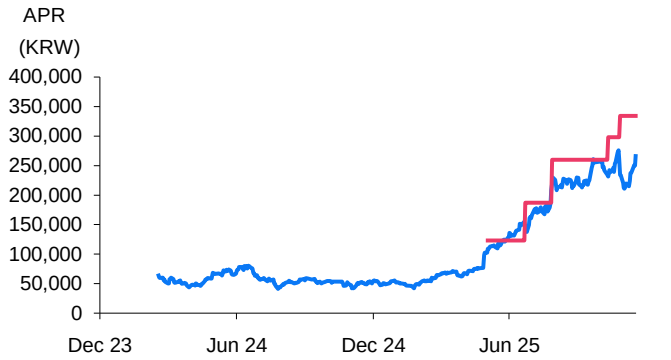
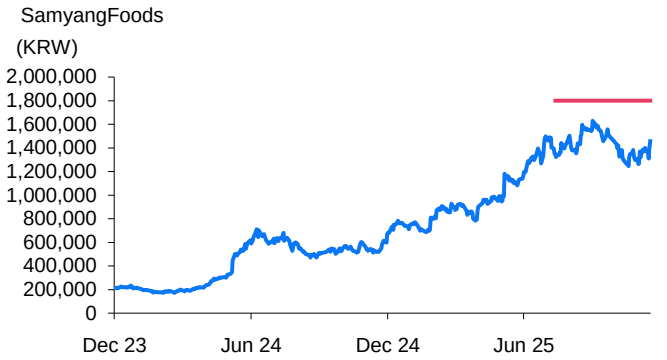
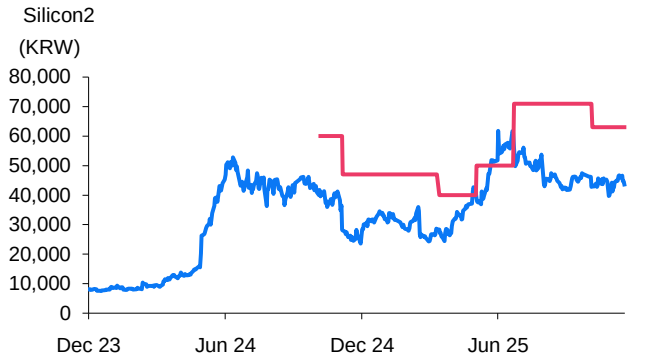
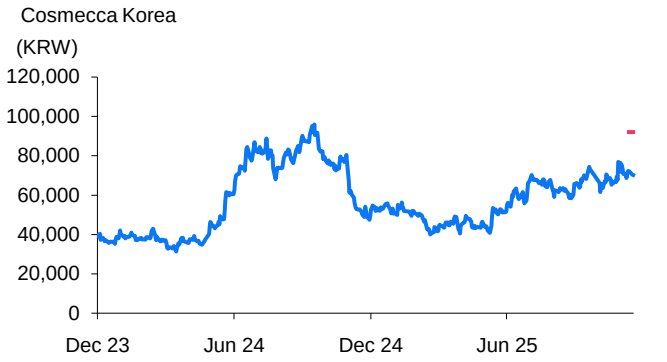
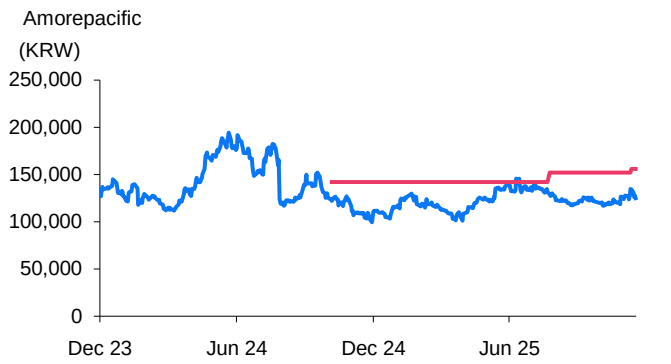
Target price changes in past two years

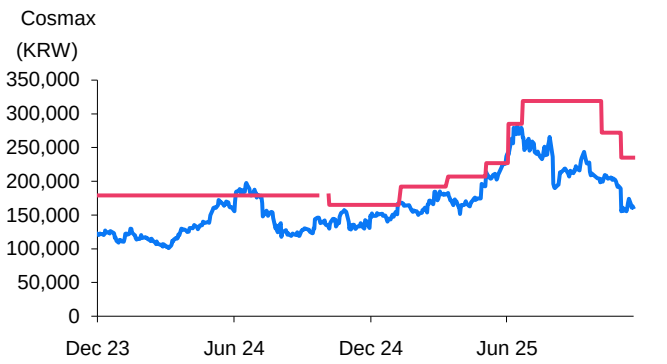












Rating changes over past two years (adjusted share prices)

APR									
Date	2025/5/13	7/2	8/7	10/21	11/6				
Recommendation	BUY	BUY	BUY	BUY	BUY				
Target price (KRW)	123000	187000	260000	298000	334000				
Gap* (average)	3.84	-8.36	-12.52	-15.68					
(max or min)**	25.37	11.50	0.38	-7.38					
Samyang Foods									
Date	2025/7/23								
Recommendation	BUY								
Target price (KRW)	1800000								
Gap* (average)									
(max or min)**									
Silicon2									
Date	2024/10/16	11/15	2025/3/24	5/13	7/2	10/15			
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY			
Target price (KRW)	60000	47000	40000	50000	71000	63000			
Gap* (average)	-36.45	-37.76	-20.46	-0.05	-33.10				
(max or min)**	-31.17	-23.51	6.63	23.60	-20.99				
Cosmecca Korea									
Date	2025/11/21								
Recommendation	BUY								
Target price (KRW)	92000								
Gap* (average)									
(max or min)**									
Amorepacific									
Date	2024/10/16	2025/8/4	11/21						
Recommendation	BUY	BUY	BUY						
Target price (KRW)	142000	152000	156000						
Gap* (average)	-15.20	-19.44							
(max or min)**	2.61	-11.32							
Cosmax									
Date	2023/11/14	2024/10/16	2025/1/20	3/24	5/14	6/13	7/2	10/16	11/11
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	179000	165000	192000	207000	227000	285000	319000	272000	235000
Gap* (average)	-24.80	-12.63	-13.29	-17.08	-5.16	-5.12	-28.33	-25.91	
(max or min)**	10.50	1.52	-3.70	-5.27	6.83	-1.05	-16.61	-22.98	

- Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
  ** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

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HOLD	Expected to increase/decrease in value by less than 15% within 12 months
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Industry

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NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

Percentage of ratings in 12 months prior to 2025.09.30

BUY (83.5%)·HOLD (16.5%)·SELL (0%)

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