# SECTOR UPDATE

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# MedTech/Cosmetics (241710)

## Brands beyond channels; channel-dominant distributor

- The co-expansion of medical-aesthetics booking platforms and omnichannel retail has created a self-reinforcing consumption loop for K-beauty. Investment opportunities lie in brands riding this channel growth and in listed B2B distributors.
- Amid channel diversification, negotiating power has shifted to top-tier brands and distributors. We recommend focusing on companies with strong customer loyalty—PharmaResearch and APR—and the B2B distribution platform Silicon2.

*(The Korean version of this report was published on Jun 24; the English versions of the attached company reports were published on Jun 30)*

### WHAT'S THE STORY?

**K-dermatology market growing alongside booking platforms—focus on category-leading procedures:** Since Babitalk's launch in 2014, followed by Gangnam Unni in 2015 and YeoTi in 2017, Korea's three leading medical-aesthetics booking platforms have grown their combined monthly active users (MAUs) from more than 200,000 in 2015 to nearly 500,000 in 2026. Since 2023, the recovery in inbound tourism has pushed dermatology's share of medical-tourism spending beyond 50%, while the patient base has diversified from China and Japan to the US, Southeast Asia, and beyond—underscoring the global competitiveness of Korean dermatological services. Patient experience often begins with a preference for market-leading products within a procedure category, then extend to consumption of cosmetic products containing the same active ingredients, forming a self-reinforcing cycle. Among medical-device companies, PharmaResearch is our top pick, given its portfolio of leading branded devices used in medical-tourism procedures and its expanding footprint in exports and cosmetics.

**Focus on brands with clear competitive advantages and distributors with exclusive channel control:** As channel fragmentation intensifies, negotiating power should increasingly concentrate among two types of players: 1) essential brands that consumers demand across platforms; and 2) distributors that control the full K-beauty value chain. APR is our top cosmetics pick, given its direct penetration of US and European beauty retail channels, including Amazon and Ulta, and its differentiation through the integration of devices and skin care. Silicon2 is our second pick. It has strong negotiating power through its supply of multiple popular K-beauty brands to European markets, where top brands typically cycle every three to five years.

*(Continued on the next page)*

### AT A GLANCE

| | | |
|---|---|---|
| **PharmaResearch** (214450 KQ, 309,000) | | |
| Target price | KRW400,000 | 29.4% |
| **BUY** | | |
| **APR** (278470 KS, 365,500) | | |
| Target price | KRW510,000 | 39.5% |
| **BUY** | | |
| **d'Alba Global** (483650 KS, 199,900) | | |
| Target price | KRW270,000 | 35.1% |
| **BUY** | | |
| **Silicon2** (257720 KQ, 35,550) | | |
| Target price | KRW50,000 | 40.6% |
| **BUY** | | |
| **Cosmax** (192820 KS, 173,500) | | |
| Target price | KRW230,000 | 32.6% |
| **BUY** | | |
| **Kolmar Korea** (161890 KS, 102,800) | | |
| Target price | KRW140,000 | 36.2% |
| **BUY** | | |
| **Cosmecca Korea** (241710 KQ, 85,500) | | |
| Target price | KRW110,000 | 28.7% |
| **BUY** | | |

*Target prices as of Jun 24

Samsung Securities

**Cosmetics distribution expanding—from multi-brand retailers to pharmacies—driving sustained K-beauty growth:** Olive Young, the leader in Korea's KRW25t beauty retail market, saw: 1) sales per flagship store leap 2.5x between 2019 and 2025; and 2) its market share surpass 20% in 2025, with revenue reaching KRW5.8t. It is now expanding overseas through Sephora in-store shops and its own direct-to-consumer e-commerce platform in the US. Domestically, Daiso and Musinsa are entering the market with second brands from legacy players and makeup cosmetics, respectively, while large pharmacies are emerging as new distribution channels for K-beauty by promoting medical-grade ingredients, such as PDRN, exosomes, and *centella asiatica*, linked to clinical treatments. Foreign visitor spending at Korean pharmacies has surged from KRW1.7b in Jan 2023 to KRW32.5b in May 2026, a more than 19-fold increase, with average spending per transaction rising over 115%.

**Risks:** Unlike in the US, where concentrated online marketing efforts yielded outsized returns, scaling offline channels in the US and expanding into Europe and the Middle East are expected to take longer. In Korea, intensifying channel-level competition could erode brand margins. Sustaining and extending brand loyalty from hit SKUs to a broader product portfolio should become increasingly important. Distributors, meanwhile, need to develop their own curation capabilities and inventory management systems.

### The era of channel diversification

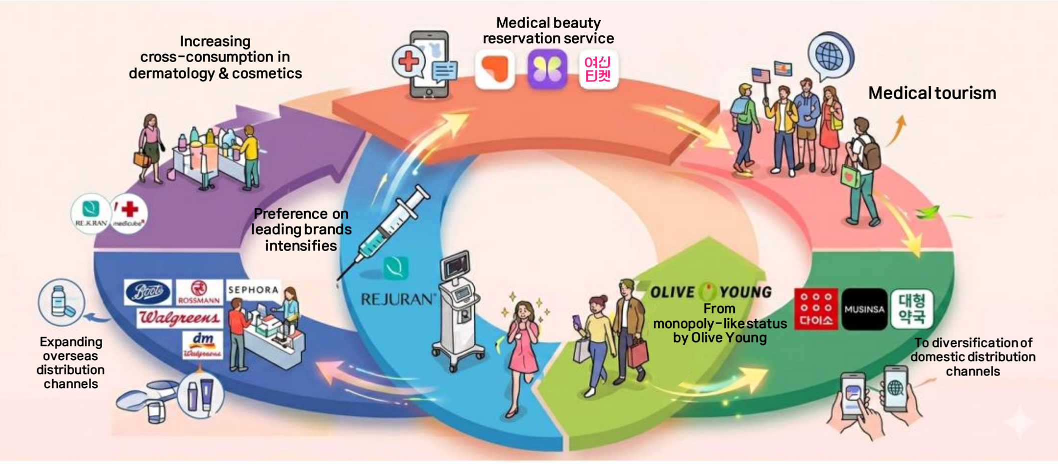
# Become the leading brand or the indispensable distribution partner

The global expansion of K-beauty has been underpinned by a proliferation of consumer access points, including online and offline retail platforms, appointment-based beauty services, and more. Yet these channels are merely the stage—not the investment target. The real value lies in the brands wielding negotiating power on that stage and in the B2B distributors capable of scaling their products globally.

This report evaluates the rise of key distribution channels, including medical-aesthetics mobile booking platforms and omnichannel cosmetics distributors, and identifies the ultimate beneficiaries. As most channel operators are private, the investment focus naturally falls on: 1) listed brand companies that have built strong consumer loyalty across multiple channels; and 2) B2B distributors capable of meeting surging global demand for K-beauty.

After mapping industry trends from dermatology clinics to cosmetics distribution networks, this report selects listed companies that transcend channel constraints. Within the medical-device sector, PharmaResearch is our top pick. In cosmetics, APR is our top pick and Silicon2 is our second choice.

**The K-beauty consumption loop: Dermatology → multi-brand shops → overseas distribution**




Source: Samsung Securities

## Key Korean beauty stocks: Overview

| (KRWb) | Mkt cap* | Performance metric | 2025 | 2026E | 2027E | 2026E chg (% y-y) | 2027E chg (%y-y) | Catalysts & risks |
|---|---|---|---|---|---|---|---|---|
| **Medical aesthetics** | | | | | | | | |
| PharmaResearch (BUY, TP: KRW400,000) | 2,909 | Revenue | 536 | 663 | 818 | 23.6 | 23.5 | (+) Top beneficiary of structural growth in domestic medical tourism; Rejuran export regions expanding from East Asia to Europe and the Middle East |
| | | Operating profit | 214 | 270 | 346 | 26.1 | 28.2 | (+) Brand-loyalty-driven US cosmetics growth (cosmetics nearing 30% of sales); EBD launch in 2H26 |
| | | Net profit (controlling) | 165 | 218 | 278 | 32.0 | 26.9 | Medical devices (2026E): domestic +13%, exports +32%; Cosmetics (2026E): domestic +37%, exports +49% |
| | | P/E (x) | 28.4 | 14.9 | 11.6 | | | (-) Intensifying domestic skin booster competition to slow q-q growth; pace of Rejuran export growth |
| Hugel (BUY, TP: KRW370,000) | 2,978 | Revenue | 425 | 508 | 597 | 19.6 | 17.4 | (+) Shift from indirect to direct sales in the US is lifting ASP; structural growth in China/Brazil |
| | | Operating profit | 201 | 207 | 252 | 3.0 | 21.8 | (+) Toxin-filler core business with expanding non-HA filler momentum (domestic collaboration with Hans Biomed) |
| | | Net profit (controlling) | 141 | 197 | 254 | 40.0 | 28.7 | Toxin (2026E): domestic +3%, exports +37%; Filler (2026E): domestic +22%, exports +6%; Cosmetics (2026E): +26% |
| | | P/E (x) | 21.3 | 15.1 | 11.7 | | | (-) US toxin market growth slowdown; pace of margin improvement hinges on upfront direct-sales cost outlays |
| Classys (BUY, TP: KRW76,000) | 2,861 | Revenue | 337 | 452 | 559 | 34.1 | 23.7 | (+) Solid overseas equipment exports on rising demand for minimally invasive procedures; expansion from Southeast Asia/Latin America into Europe/US |
| | | Operating profit | 171 | 204 | 256 | 19.8 | 25.2 | (+) Product line-up expansion via M&A (Quadessy, Reepot) and Latin America direct sales network expected to lift ASP |
| | | Net profit (controlling) | 132 | 171 | 209 | 29.7 | 22.2 | Equipment (2026E): domestic +0%, exports +30% Consumables (2026E): domestic +9%, exports +30% Cosmetics (2026E): +47% |
| | | P/E (x) | 21.8 | 16.7 | 13.7 | | | (-) Possibly slower growth until domestic core (HIFU) product launch; overhang issue |
| **Cosmetics** | | | | | | | | |
| APR (BUY, TP: KRW510,000) | 13,309 | Revenue | 1,527 | 2,884 | 3,926 | 88.8 | 36.1 | (+) US Amazon demand broadening from specific SKUs to brand-level consumption; room for offline expansion (10% of sales) |
| | | Operating profit | 366 | 733 | 1,018 | 100.6 | 38.9 | (+)B2B+B2C growth in Europe (Europe/Other sales exceeding KRW200b from 2Q26); Japan/Middle East as next growth drivers |
| | | Net profit (controlling) | 290 | 575 | 784 | 98.7 | 36.2 | 2026E: US +105%, Europe/Southeast Asia +205%, Japan +36%; cosmetics +153%, devices +51% |
| | | P/E (x) | 30.0 | 23.1 | 17.0 | | | (-) Valuation premium burden and quarterly margin volatility from US tariffs and marketing spend |
| d'Alba Global (BUY, TP: KRW270,000) | 2,587 | Revenue | 520 | 754 | 1,070 | 45.0 | 41.9 | (+) Growth led by expanding US/Europe Amazon top-100 SKU presence and offline entry into Costco and Ulta |
| | | Operating profit | 101 | 163 | 230 | 60.8 | 41.2 | (+) Higher ASP vs peers (mist +15%, serum +40%) and tight cost control drive superior margins |
| | | Net profit (controlling) | 79 | 133 | 179 | 68.2 | 34.5 | 2026E: Overseas +65% (North America +93%, Europe +78%, Japan +50%, Southeast Asia +47%), domestic +12% |
| | | P/E (x) | 22.4 | 19.4 | 14.4 | | | (-) Reliance on a single mist category (46% of sales) and high year-end promotion base raise growth slowdown concerns |
| Silicon2 (BUY, TP: KRW50,000) | 2,230 | Revenue | 1,116 | 1,569 | 2,076 | 40.6 | 32.3 | (+) 2020-2025 CAGR of 62% despite top-brand turnover; structural growth as an essential B2B distributor in Europe |
| | | Operating profit | 205 | 270 | 349 | 31.4 | 29.3 | (+) MOIDA offline expansion target; bulk inventory pre-purchases defend margins amid rising logistics costs |
| | | Net profit (controlling) | 169 | 212 | 274 | 25.9 | 29.0 | 2026E: Europe +84%, US/Canada +26%, CIS +56%, Latin America +46%, Middle East -20% |
| | | P/E (x) | 14.8 | 10.5 | 8.1 | | | (-) Glenwood's 4.4m-share RCPS overhang and concerns over key brand-client attrition; rising Middle East logistics costs |
| Cosmax (BUY, TP: KRW200,000) | 1,731 | Revenue | 2,399 | 2,709 | 3,058 | 12.9 | 12.9 | (+) Cash-cow expansion on domestic indie brand export growth and rising direct exports to multinationals (+30% y-y) |
| | | Operating profit | 196 | 224 | 260 | 14.4 | 16.1 | (+) Overseas turnaround as China Shanghai/Guangzhou stay profitable and US entity losses narrow |
| | | Net profit (controlling) | 123 | 149 | 175 | 21.0 | 17.5 | 2026E: Korea +13%, China +17% (Shanghai +18%), US +25%, Thailand +4% |
| | | P/E (x) | 15.0 | 11.6 | 9.9 | | | (-) Margin pressure from rising gel mask sales mix; China consumption recovery pace |
| Kolmar Korea (BUY, TP: KRW110,000) | 1,969 | Revenue | 2,722 | 3,042 | 3,348 | 11.7 | 10.0 | (+) Summer peak-season suncare orders boost Korea entity's operating leverage (2Q26E operating profit +16% y-y) |
| | | Operating profit | 240 | 296 | 376 | 23.5 | 27.5 | (+) Top-5 client concentration diversified to 34%; additional multinational clients secured, China entity turns profitable |
| | | Net profit (controlling) | 125 | 157 | 193 | 25.9 | 22.7 | 2026E: Korea +34%, China 0%, US -40%, Yonwoo -9%, HK inno.N +19% |
| | | P/E (x) | 11.7 | 12.5 | 9.7 | | | (-) Yonwoo losses from rising Middle East naphtha prices; US/Canada entity still in red |
| Cosmecca Korea (BUY, TP: KRW90,000) | 696 | Revenue | 641 | 782 | 886 | 22.1 | 13.2 | (+) Focus on orders from growth-stage K-indie brands; Korea entity's operating leverage kicks in |
| | | Operating profit | 84 | 102 | 117 | 22.0 | 15.0 | (+) Dual US production via Englewood Lab mitigates tariff risk and expands local indie brand base |
| | | Net profit (controlling) | 45 | 70 | 76 | 53.0 | 8.9 | 2026E: Standalone +29% (Korea brands +32%, overseas +14%), Englewood Lab +25%, China -12% |
| | | P/E (x) | 15.7 | 10.0 | 9.2 | | | (-) Margin burden before new SKU production stabilizes; China entity remains loss-making and EWLK client inventory adjustments |

Note: *As of Jun 23

Source: QuantiWise, Samsung Securities estimates

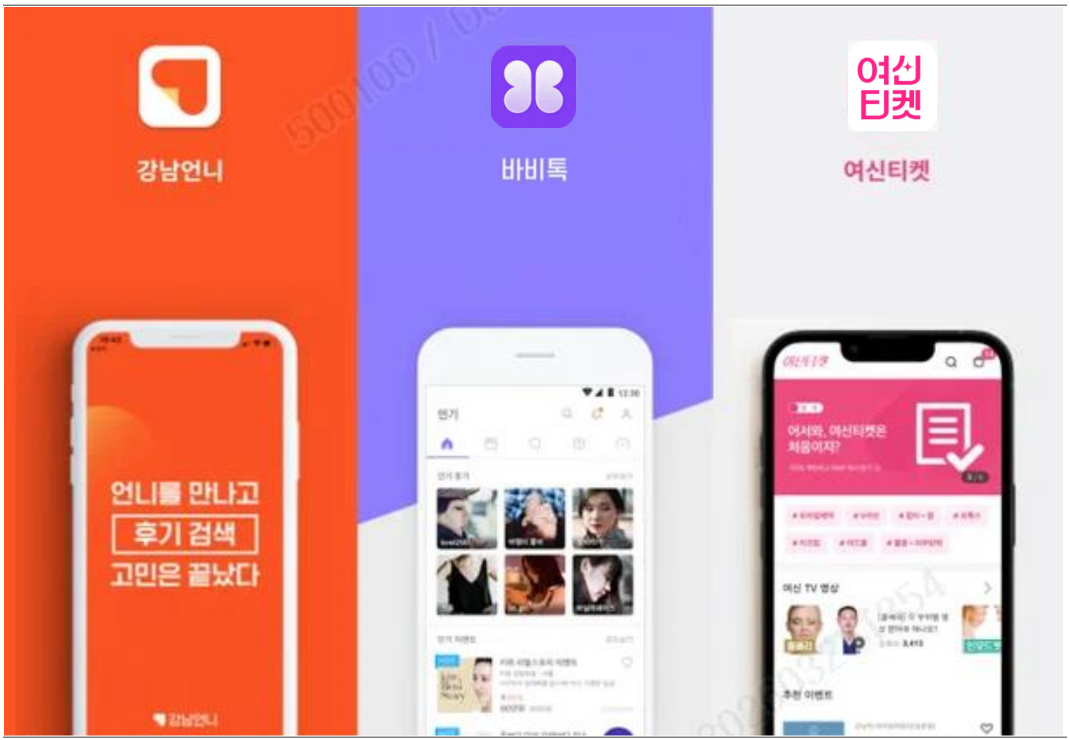
## Medical aesthetics booking platforms: Building trust & driving K-medical aesthetics growth

Korea's public health insurance system limits price-based competition in the "covered" services market by capping fees for covered medical procedures and materials. Dermatology and cosmetic surgery, by contrast, sit largely in the "non-covered" market, where services are consumed like general consumer goods—shaped by trends and personal preference—but lack standardized pricing or quality benchmarks. Even when clinics provide indicative price lists, final costs often vary significantly depending on promotional offers or bundled treatments, while post-procedure reviews have historically been confined to closed online communities, limiting transparency.

With the rapid spread of smartphones in the mid-2010s, platforms emerged to bridge this gap by offering patients transparent information on procedures and clinics while giving medical providers convenient mobile marketing and booking tools. Babitalk launched in 2014, followed by Gangnam Unni in 2015 and YeoTi in 2017, marking the start of a three-way competition in medical-aesthetics bookings. Monthly active users (MAUs), which stood at just over 200,000 in 2015, have grown to nearly 500,000 as of 2026, fueled by overseas expansion. Today, these platforms serve as critical entry points for first-time users, offering diverse clinic and procedure reviews, and have expanded multilingual support in English, Japanese, and Chinese to support medical tourism since 2025.

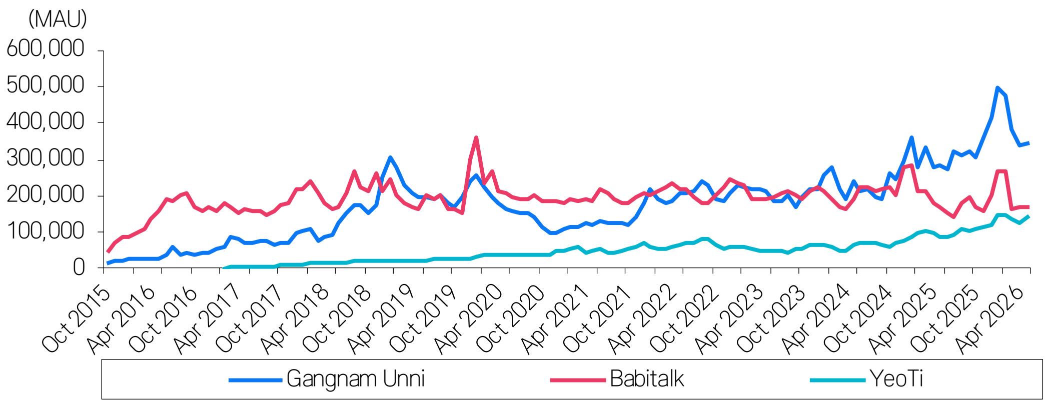
Their core revenue models are traffic-based advertising fees paid by clinics when users click on listings or view banner ads; commission-based revenue tied to transaction value is legally restricted under Korea's Medical Service Act.

**Korea's top 3 medical aesthetics booking services**




Source: Media, Samsung Securities

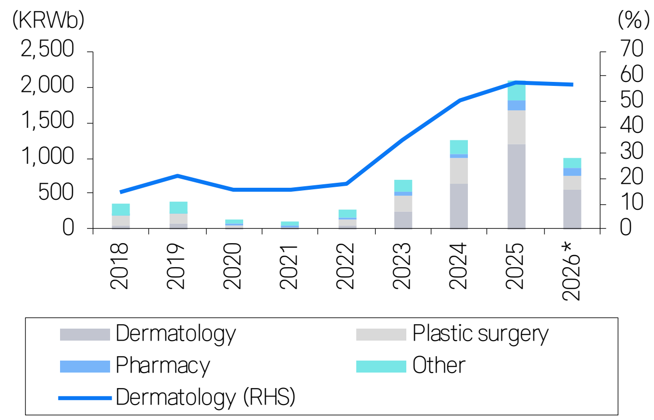
**Korea's top 3 medical aesthetics booking services: MAU**




Note: As of May 2026;
Global figures combine figures from Google Play and Apple App Store;
Gangnam Unni includes Japan-localized app 'カンナムオンニ'
Source: Sensor Tower, Samsung Securities

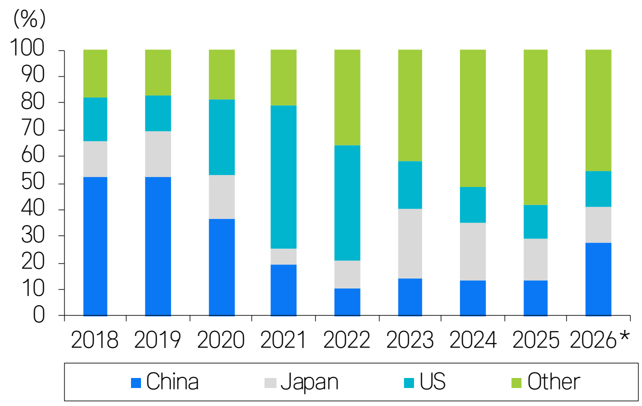
As reflected in MAU trends, all three platforms have delivered clear growth since 2023, driven primarily by the recovery in inbound demand. This resurgence has significantly enhanced global access to K-medical aesthetics. Dermatology now accounts for over 50% of total medical-tourism spending. Notably, inbound demand has diversified beyond traditional markets such as China and Japan to include Taiwan, Singapore, and Europe. While spending from legacy markets continues to rise, this diversification reflects growing global recognition of the competitiveness of Korean dermatological services and products. Domestic clinics are actively upgrading services for foreign patients to capture this expanding traffic.

**Korea: Medical tourism spending and dermatology share**




Note: *Jan-May 2026
Source: Korea Tourism Data Lab, Samsung Securities

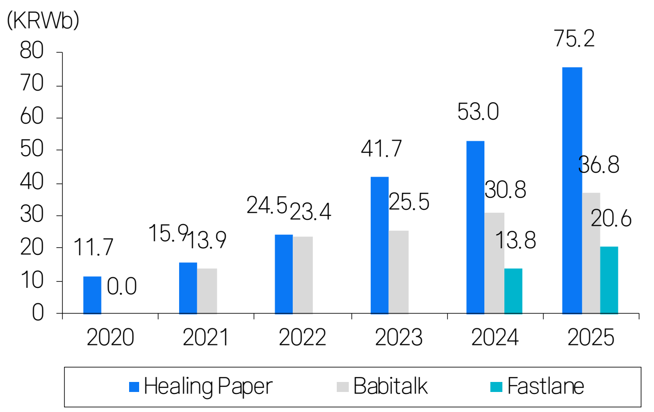
**Korea: Dermatology spending mix, by nationality**




Note: Value basis;
*Jan-May 2026
Source: Korea Tourism Data Lab, Samsung Securities

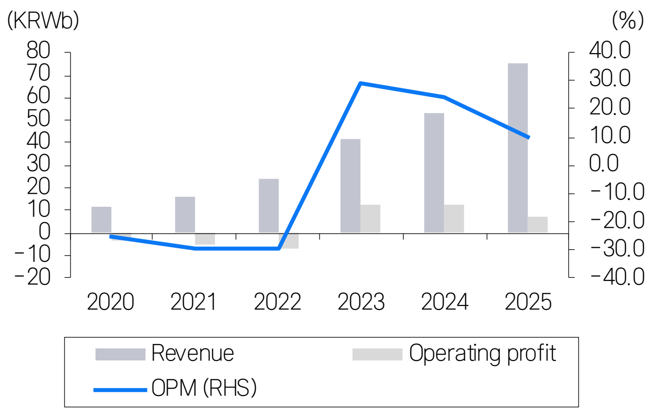
This growth has translated directly into corporate earnings performance. Healing Paper, operator of Gangnam Unni, saw revenue surge from KRW10b in 2020 to over KRW70b in 2025. After achieving an operating margin of nearly 30% in 2023, margins have dipped slightly due to overseas expansion (in Japan and Thailand) and the launch of CRM services. Babitalk, after being spun off from parent CareLabs in 2021, increased revenue from more than KRW13b in 2021 to KRW36.8b in 2025, with its operating margin stabilizing at around 20%, demonstrating strong alignment with market expansion. Fastlane, operator of YeoTi, has also entered the race, with revenue approaching KRW20b in 2025.

**Top-3 medical aesthetics booking services: Revenue**



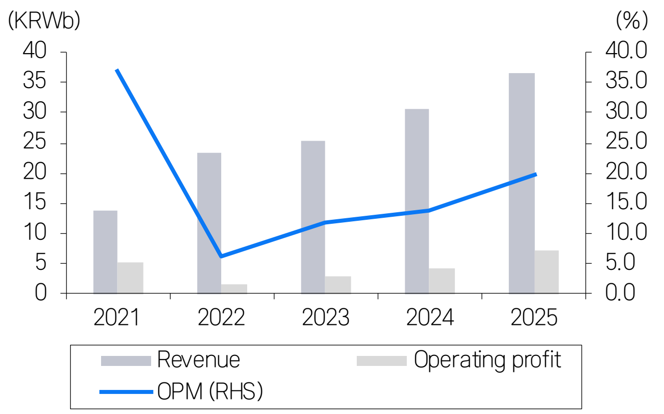

Source: QuantiWise, Samsung Securities

**Healing Paper: Operating performance**



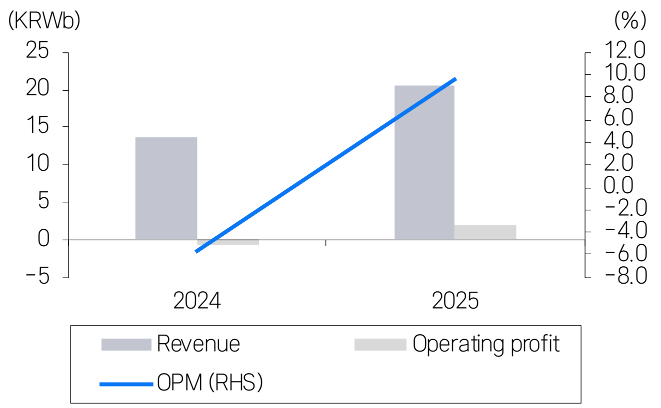

Source: QuantiWise, Samsung Securities

**Babitalk: Operating performance**




Note: Established via spin-off of Carelabs' beauty care division in 2021
Source: QuantiWise, Samsung Securities

**Fastlane: Operating performance**

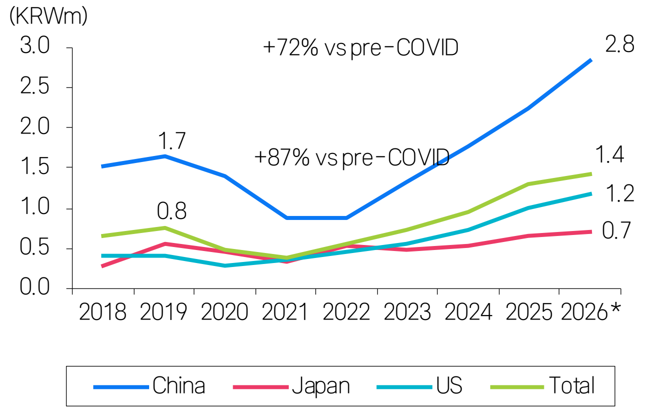



Note: Audit data available from 2025
Source: QuantiWise, Samsung Securities

The surge in medical-tourism demand is also reflected in per-procedure spending data. Average spending by Chinese patients has increased 72% versus pre-pandemic levels, while the overall average has risen 87%. Although imported devices and products often carry high costs and lower margins, they remain essential entry-point treatments, attracting patients through brand recognition and perceived quality.

Amid rising dermatology spending in medical tourism, demand for all K-beauty products was expected to rise. However, only a handful of products have shown measurable success—most notably Rejuran. In China, Rejuran lacks formal approval, with only topical use permitted; in Japan, it is used off-label at physicians' discretion; and in the US, FDA approval is targeted for 2030. As a result, Korea remains the most accessible market for these treatments. Survey data from major inbound markets consistently show a strong preference for established, pioneering treatments and products, including Rejuran and Thermage. PharmaResearch is our top pick in the medical-devices sector, as it is expanding its export footprint by leveraging more than a decade of brand recognition built in the domestic market.

**Korea: Per-procedure dermatology spending, by nationality**




Note: *As of May 2026
Source: Korea Tourism Data Lab, Samsung Securities

**Keywords in response to questions about preference in skin and beauty procedures: Two top brands mentioned**

| Country | Keywords | Per-procedure dermatology spending in 2026* (KRWm) |
|---|---|---|
| China | Dermatology, Thermage, Pores | 2.83 |
| Japan | Plastic surgery, Hair coloring, Dermatology | 0.71 |
| US | Nail, Hair care, Plastic surgery | 1.17 |
| Taiwan | Dermatology, Lifting, Filler | 1.59 |
| Philippines | Hair coloring, Haircut, Korean medicine clinic | 1.33 |
| Vietnam | Acne, Filler, Nail | 0.99 |
| Hong Kong | Dermatology, Hair transplant, Plastic surgery | 1.74 |
| Singapore | Hair coloring, Pores, Rejuran | 1.52 |
| Thailand | Moisture care, Glow skin care, Haircut | 1.21 |
| Indonesia | Nail, Plastic surgery, Acne | 1.25 |

Note: *As of May 2026
Source: Korea Tourism Organization's report *Recent Korea Tourism*, Korea Tourism Data Lab, Samsung Securities

## Brands and distributors lead K-Beauty's growth, supported by ODMs

Since 2000, the K-beauty ecosystem has evolved along distinct trajectories across segments—brands, ODMs, distributors, packaging, and raw materials. As shown by the moving-average trends on the following page, brands have sustained the longest growth momentum. While survivorship bias and the concentration of growth among the top five brands should be acknowledged, brand longevity has gradually extended alongside the global expansion of distribution channels. This trend supports our view that brand-led growth will remain a dominant driver in the coming years. Alongside brand expansion, distributors have also grown significantly. In Korea, Olive Young dominates with more than 50% of domestic sales; in terms of growth, however, Silicon2—focused on European e-commerce channels—leads decisively. Both companies have been primary engines of export- and inbound-tourism-driven revenue growth since the end of the pandemic.

ODMs, by contrast, have delivered consistent mid-teens annual growth for nearly two decades, with narrow performance dispersion of 9-13%pts across players. Although rising input costs and overseas expansion created structural margin pressure, the top three—Kolmar Korea, Cosmax, and Cosmecca Korea—have steadily recovered margins in the 2020s. Packaging and raw-material suppliers have maintained stable margins relative to other segments, but their sales growth has remained subdued, at below 10% annually. In 2026, their performance is being temporarily weighed down by elevated input costs.

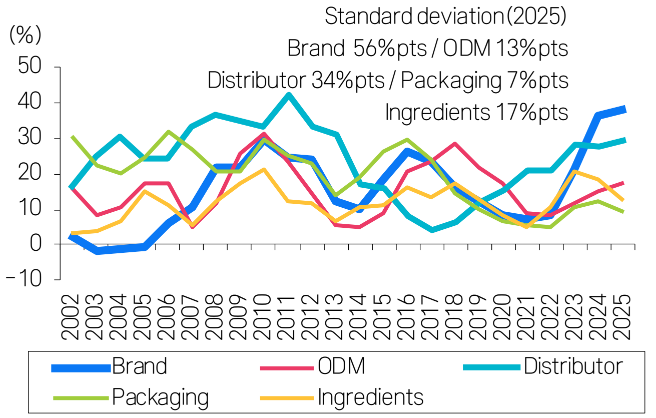
Ultimately, as distribution channels proliferate, the greatest beneficiaries are not the channels themselves, but the essential brands that consumers demand across all platforms and the distributors that can supply them at scale. APR remains our top pick in cosmetics for its strong negotiating power and low reliance on any single retail partner. Silicon2 is our second choice. It boasts a near-monopoly position as a B2B platform connecting K-beauty brands with European channels. For ODMs, investors should focus on domestic-business growth and earnings turnarounds at overseas operations, both underpinned by structural K-beauty expansion. For valuation, we apply P/E to brands and distributors, and EV/EBITDA to ODMs to exclude the distorting impact of depreciation from large-scale manufacturing assets.

**Major global cosmetics segments: Company valuations**

| Company | Mkt cap | P/E (x) | | | EV/EBITDA (x) | | |
|---|---|---|---|---|---|---|---|
| | (KRWb, USDm) | 2026E | 2027E | 12-month fwd | 2026E | 2027E | 12-month fwd |
| Kolmar Korea | 1,952 | 12 | 10 | 11 | 9 | 8 | 9 |
| Cosmax | 1,722 | 12 | 10 | 11 | 7 | 7 | 7 |
| Cosmecca Korea | 685 | 10 | 9 | 10 | 7 | 6 | 6 |
| Intercos | 1,366 | 17 | 15 | 16 | 8 | 7 | 8 |
| **ODM company avg** | | **13** | **11** | **12** | **8** | **7** | **8** |
| Silicon2 | 2,190 | 10 | 8 | 9 | 7 | 6 | 7 |
| Ulta Beauty | 19,993 | 18 | 16 | 17 | 11 | 10 | 10 |
| Yesasia | 150 | 5 | 4 | 4 | 3 | 2 | 3 |
| **Distributor avg** | | **11** | **9** | **10** | **7** | **6** | **7** |
| APR | 13,234 | 25 | 19 | 22 | 18 | 14 | 16 |
| Amorepacific | 5,592 | 17 | 15 | 16 | 7 | 6 | 7 |
| LG H&H | 3,325 | 21 | 16 | 18 | 5 | 4 | 4 |
| d'Alba Global | 2,550 | 20 | 15 | 18 | 15 | 11 | 13 |
| L'Oréal | 229,008 | 27 | 25 | 26 | 18 | 17 | 17 |
| Estée Lauder | 30,583 | 35 | 27 | 31 | 14 | 12 | 13 |
| Elf Beauty | 3,755 | 20 | 19 | 20 | 13 | 11 | 12 |
| **Brand company avg** | | **24** | **19** | **22** | **13** | **11** | **12** |
| Overall avg | | 16 | 13 | 15 | 9 | 8 | 9 |

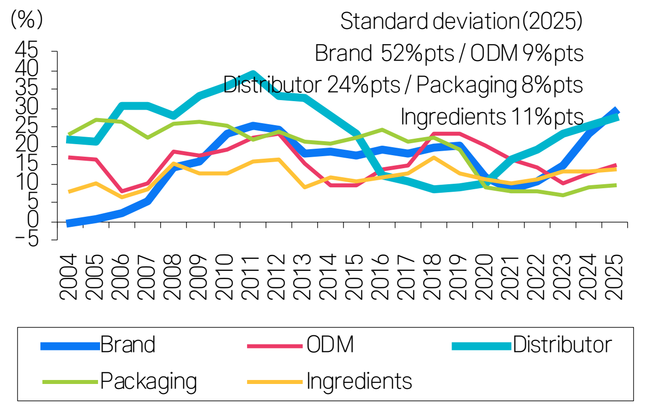
Note: As of Jun 23
Source: Bloomberg, Samsung Securities

### Korea: Cosmetics revenue growth, by segment (3yr MA)



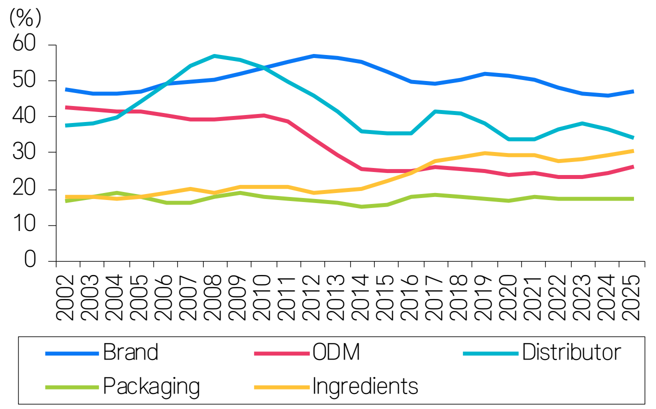

Note: Based on 76 listed/unlisted companies, excluding those with annual revenue below KRW10b and 3 consecutive annual losses; annual high/low excluded
Source: QuantiWise, DART, Samsung Securities

### Korea: Cosmetics revenue growth, by segment (5yr MA)



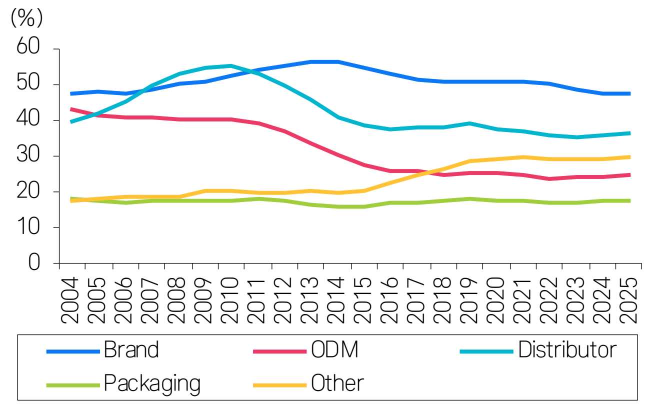

Note: Based on 76 listed/unlisted companies, excluding those with annual revenue below KRW10b and 3 consecutive annual losses; annual high/low excluded
Source: QuantiWise, DART, Samsung Securities

### Korea: Cosmetics gross margin, by segment (3yr MA)



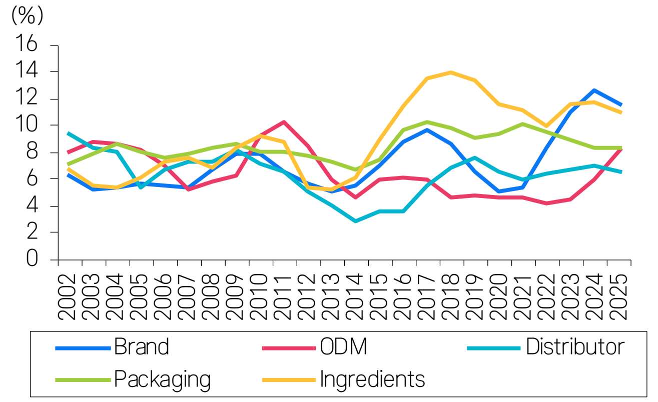

Note: Based on 76 listed/unlisted companies, excluding those with annual revenue below KRW10b and 3 consecutive annual losses; annual high/low excluded
Source: QuantiWise, DART, Samsung Securities

### Korea: Cosmetics gross margin, by segment (5yr MA)



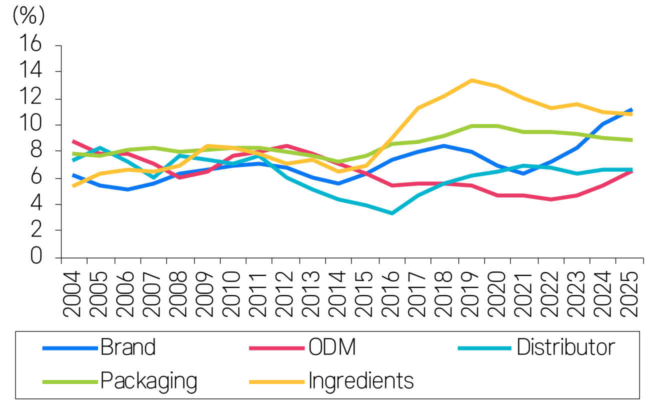

Note: Based on 76 listed/unlisted companies, excluding those with annual revenue below KRW10b and 3 consecutive annual losses; annual high/low excluded
Source: QuantiWise, DART, Samsung Securities

**Korea: Cosmetics operating margin, by segment (3yr MA)**




Note: Based on 76 listed/unlisted companies, excluding those with annual revenue below KRW10b and 3 consecutive annual losses; annual high/low excluded
Source: QuantiWise, DART, Samsung Securities

**Korea: Cosmetics operating margin, by segment (5yr MA)**

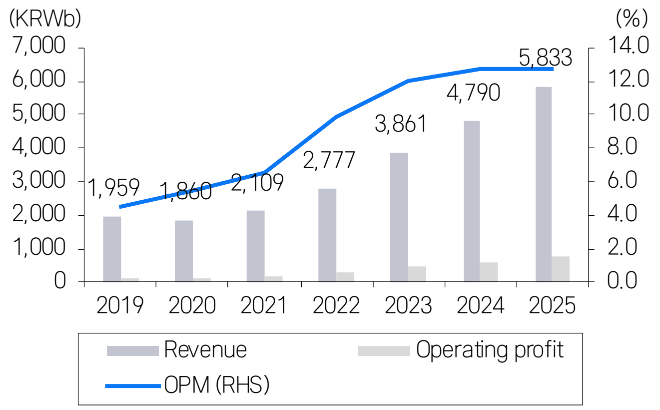



Note: Based on 76 listed/unlisted companies, excluding those with annual revenue below KRW10b and 3 consecutive annual losses; annual high/low excluded
Source: QuantiWise, DART, Samsung Securities

### Olive Young: The dominant force behind K-beauty's domestic growth

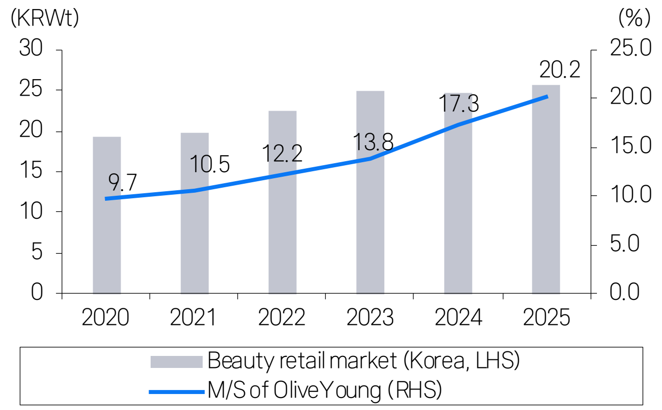
While dermatology and aesthetic clinics serve as the first channel connecting consumers with skincare solutions, retail distribution is the second, linking consumers with brands. As most Korean beauty retail channels, including market leader Olive Young, remain private, our focus is on identifying which listed brands and distributors benefit most from intensifying channel competition. Olive Young is the undisputed leader in Korea's KRW25t beauty retail market. Since its founding, it has outlasted the rise and fall of single-brand shops and multi-brand retailers, cementing its position as the preeminent distribution platform since 2020. It has also served as a critical incubator for K-indie beauty brands. Its sales surged from less than KRW2t before the pandemic to KRW5.8t by 2025, driven by a sharp rebound in inbound tourism from 2023 and the strategic positioning of stores in high-traffic areas frequented by foreign tourists, such as Myeongdong, Hongdae, Seongsu, and Gangnam. Sales per store have more than doubled since 2019, while its share of Korea's beauty retail market climbed from 9.7% to 20.2% over the same period.

**Olive Young: Operating performance**



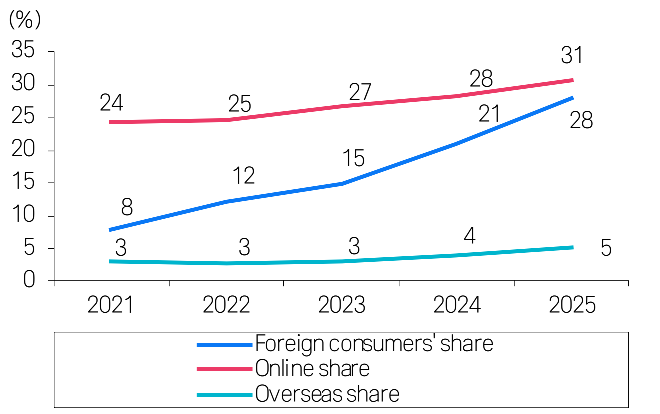

Source: QuantiWise, Samsung Securities

**Korea's beauty retail market size* vs Olive Young's M/S****



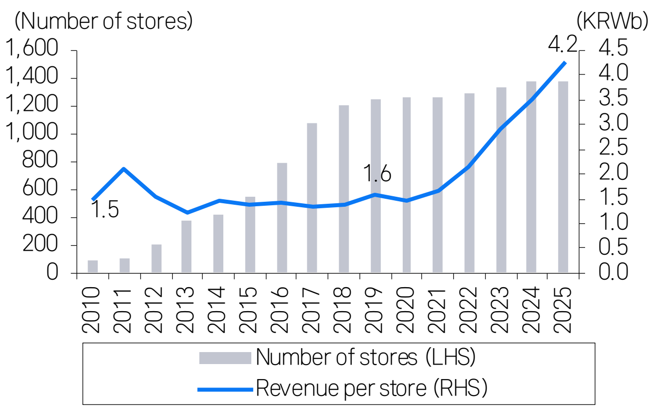

Note: *Based on revenue, Statistics Korea's retail sales by business type and online shopping survey
**Based on domestic retail-category GMV
Source: CJ, Samsung Securities

**Foreign consumers drive recent sales growth**




Note: *Global mall sales are recognized as domestic revenue
Source: CJ, DART, media reports, Samsung Securities

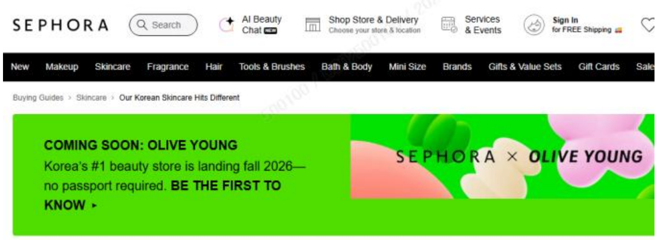
**Per-store sales growth concentrated in core commercial districts, driving overall earnings growth**




Source: CJ, media reports, Samsung Securities

While Olive Young's offline dominance remains strong, online sales have steadily grown to more than 30% of total revenue, reflecting rising global demand and persistent supply shortages in overseas markets. Shoppers are also increasingly buying baskets of K-beauty brands rather than focusing on individual labels. To capitalize on this trend overseas, Olive Young announced in early 2026 that it would partner with Sephora to launch curated "shops within shops" at select locations. These dedicated K-beauty corners, curated by Olive Young, are scheduled to launch in Sephora stores in 2H26. Beyond this, Olive Young opened its first two physical US stores—in Pasadena and Century City, Los Angeles—in May, and launched its US e-commerce platform. Together, these moves signal a comprehensive multichannel push into the US market, lowering the barriers for K-beauty brands seeking entry into North America.

**Sephora's K-beauty zone to be curated by Olive Young**




Note: From autumn 2026
Source: Sephora, Samsung Securities

**Crowds at opening of first US store in Pasadena (May 2026)**

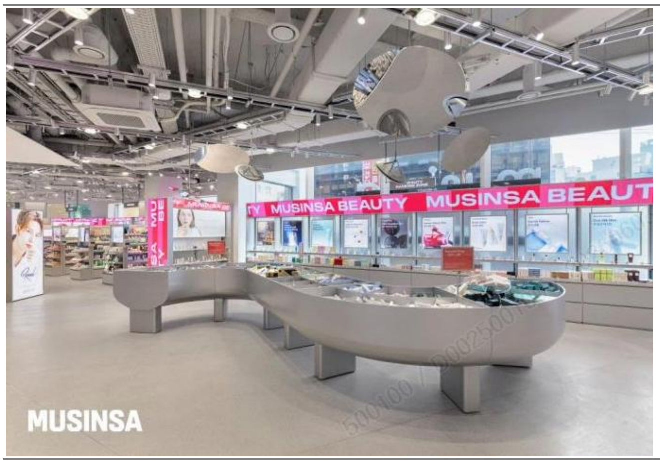
Source: CJ, media reports, Samsung Securities

## An era of intensifying distribution-channel competition: From Olive Young, Daiso, and Musinsa to pharmacies

Following the decline of single-brand shops, nearly all multi-brand beauty retailers—except Olive Young—have exited the market. However, amid the recent revival in inbound tourism and rising global demand for K-consumer goods, Daiso and Musinsa have launched cosmetics offerings, reigniting intense competition across distribution channels. Inbound demand is currently the common growth driver across all major channels. Yet if new entrants expand more quickly than the overall beauty retail market, a long-term slowdown in momentum looms. Without the ability to lock in consumers through differentiated value propositions, long-term sustainability remains uncertain—a principle already evident in medical aesthetics, and now increasingly relevant to beauty retail.

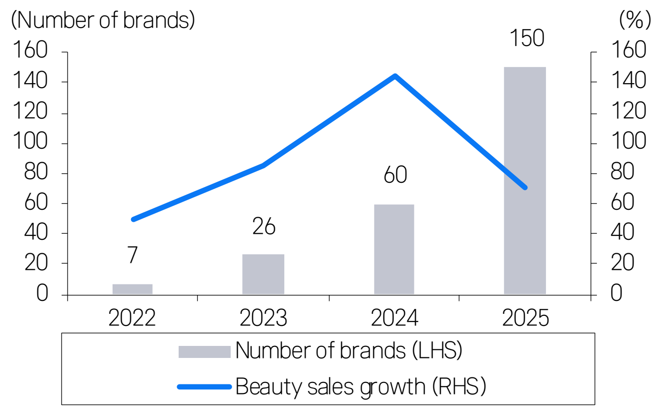
In April, Musinsa opened its first offline beauty store, deliberately curating lesser-known, emerging brands to differentiate itself from Olive Young. Rooted in fashion, it focuses heavily on makeup cosmetics. Daiso, meanwhile, has expanded beyond startups to include mid- to low-tier second brands from legacy players such as Amorepacific and LG H&H, positioning itself as a venue where both domestic and international consumers can casually test and bulk-purchase products. The number of beauty brands on Daiso's shelves surged from seven in 2022 to 150 in 2025. Although exact beauty sales figures are undisclosed, industry estimates suggest the category contributes roughly 10% of Daiso's total sales, which reached KRW4.5t in 2025.

**Musinsa Beauty, specializing in color cosmetics/fragrance**




Source: Musinsa

**Daiso Beauty: Growth led by affordable SKUs**




Source: Media reports, Samsung Securities

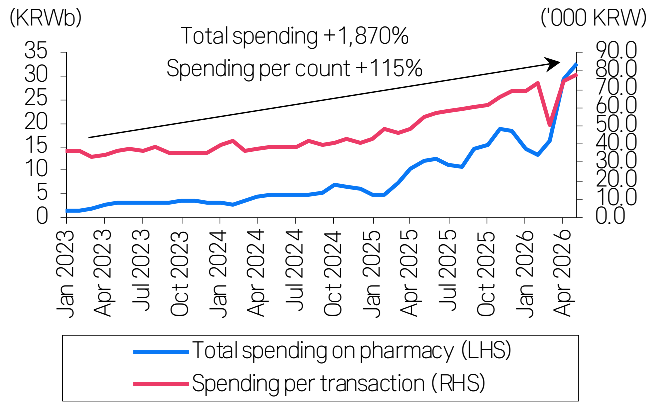
Pharmacies are also evolving into major retail channels, leveraging their foundation in essential medicines to expand into beauty. They are aggressively targeting K-beauty consumers with "pharmacy-grade" cosmetics. As consumer spending shifts from OTC medicines to nutraceuticals and cosmetics, foreign visitor spending at Korean pharmacies has surged from KRW1.7b in Jan 2023 to KRW32.5b in May 2026, a more than 19-fold increase, with average spending per transaction rising more than 115%.

Major pharmacy chains are rapidly expanding their store networks under distinct concepts: low-cost bulk retail ("Mega Factory"), K-beauty specialization ("Ready Young"), and health & beauty expertise ("Pharma Square").

These stores prominently feature cosmetics with procedure-linked ingredients, such as PDRN, exosomes, and *centella asiatica*, targeting skin regeneration, brightening, and acne treatment.

Larger, warehouse-style pharmacies—owned by licensed pharmacists—are opening primarily in the Seoul metropolitan area, attracting both domestic and international customers seeking bulk purchases of nutraceuticals and medicines. They are now emerging as a new force in beauty distribution. Korea's cosmetics retail landscape has clearly re-entered an era of intense competition.

**Korea: Foreign visitors' monthly pharmacy spend, total and per transaction**




Source: KTO Data Lab, Samsung Securities

**Major pharmacy chains: Overview**

| Brand | Concept | Number of stores |
|---|---|---|
| Megafactory | Low-price, high-volume warehouse format | 2 (Seongnam, Geumcheon) |
| Megatown | Megafactory's follow-on nationwide expansion | 5; targeting 20 stores within the year |
| Readyoung | K-beauty specialist, targeting foreign visitors | 5 in Seoul metropolitan area; plans to add stores in Busan |
| Optima Wellness Museum | Urban curation + bookstore complex | 3 (Gangnam, Jonggak, Bundang) |
| Pharma Square | H&B specialist (supplements + beauty + pets) | 1; preparing to add 2nd and 3rd stores |

Source: Samsung Securities

**Pharmacies, both complementary to and competing with multi-brand shops**


Source: Photographed directly

**PDRN/exosome/*centella*-based cosmetics for regeneration/brightening/acne care**


Source: Cosmorning

Unlike Korea, where regulations require medical institutions to be owned by physicians and pharmacies by pharmacists, overseas markets have long had large-scale drugstore chains. Boots, Rossmann, and Walgreens—key international gateways for K-beauty brands—are prime examples. (Boots, though acquired by Walgreens, operates independently). This is a natural extension of their historical foundation. Long before today's specialized cosmetics retail channels emerged, pharmacies were the primary source for skincare products, including creams, lotions, soaps, and baby powders—marketed not as beauty products, but for hygiene and dermatological well-being.

Unlike Sephora or Ulta Beauty, these drugstore chains are channels where consumers routinely buy OTC medicines and nutraceuticals as everyday goods, naturally leading them to purchase beauty products as well. Boots operates more than 1,800 stores in the UK, Rossmann more than 5,200 across Europe, and Walgreens roughly 8,000 across the Americas. For Korean brands seeking to reach a vast consumer base and establish daily-use status, these are essential entry points. Since 2H24, Boots has offered a dedicated "Korean Skincare" category, where brands such as Genabelle, Beauty of Joseon, Dr. Jart+, Medicube, and Skin1004 dominate sales.

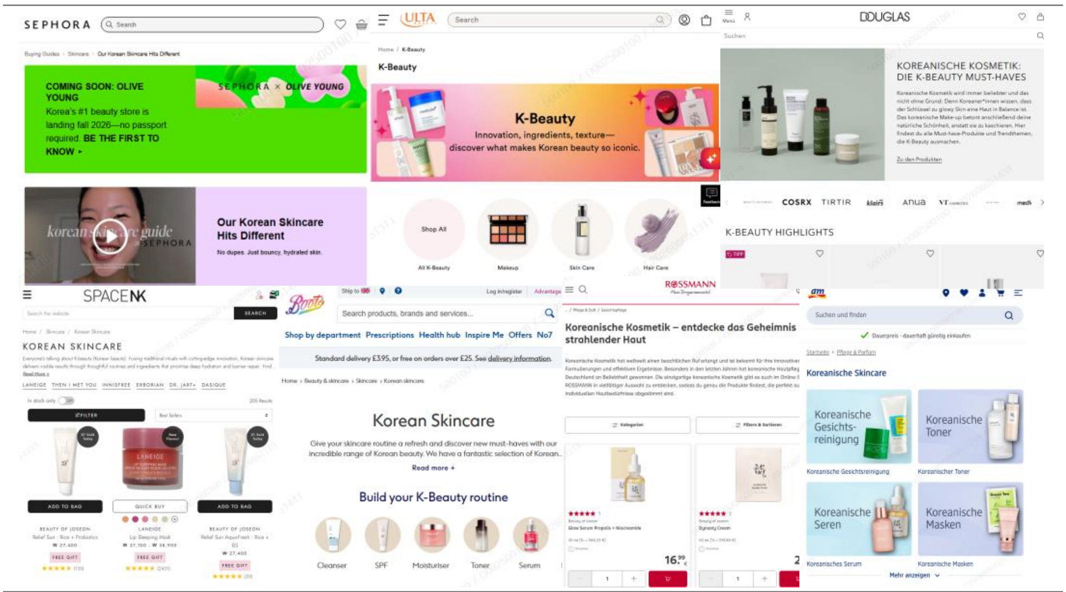
### Global beauty specialty retail channels and drugstore landscape

| Company | Annual revenue | Stores | Key characteristics | K-beauty corner | Top brands |
|---|---|---|---|---|---|
| Sephora (Global) | EUR18.4b[1)] | 2,700+ in 35 countries | Luxury/prestige curation; Strong brand-value uplift upon entry | ✓ | Biodance Beauty of Joseon, Innisfree |
| Ulta Beauty (US) | USD12.4b | 1,500+in US; Around 100 overseas | Combines prestige and mass in one store; Important channel for mass-market expansion in the US | ✓ | Medicube, Anua Hero Cosmetics |
| Douglas (Europe) | EUR4.6b[2)] | 1,850+ in 22 countries | One of Europe's largest premium beauty retailers Focused on fragrance/skincare/color cosmetics | ✓ | Beauty of Joseon, Dr. Jart+ COSRX |
| Sally Beauty (US/Global) | USD3.7b | Around 4,000 globally | Hair dye/Hair care/Salon Focused on professional-use products | x | |
| Space NK (UK) | GBP200m[3)] | 80+, mainly in the UK | Strength in luxury/indie/skincare curation Acquired by Ulta in 2025 | ✓ | Beauty of Joseon, Laneige, Biodance |
| Boots (UK) | GBP7.3b[4)] | 1,800+ | High beauty specialization among drugstores No7, derma, K-beauty expansion | ✓ | Genabel, Dr. Jart+ Beauty of Joseon |
| Rossmann (Germany/Europe) | EUR16.6b | 5,209 in Europe, including 2,342 in Germany | Large drugstore chain in Germany/Eastern Europe Strength in price/PB/household goods traffic | ✓ | Beauty of Joseon, Dr. Althea, SKIN1004 |
| dm-drogerie markt (Germany/Europe) | EUR19.2b[5)] | Around 4,200 in Europe, including around 2,100 in Germany | One of Germany's largest drugstores Balanced across beauty/health/baby/household goods | ✓ | Anua, Beauty of Joseon Dr. Althea |
| Walgreens (US) | USD115.8b[6)] | Around 8,000 in the US/Puerto Rico | Prescription-drug-centric revenue Beauty is a secondary category | x | |
| CVS Pharmacy (US) | USD402.1b[7)] | Around 9,000 | Pharmacy/PBM/insurance combined Healthcare-traffic-centric, more than beauty | x | |
| Watsons (Asia/Europe) | USD24.0b[8)] | 17,000+ in 30 markets | One of the world's largest H&B retail groups Owns Watsons, Superdrug, etc. | ✓ | |
| MatsukiyoCocokara (Japan) | JPY111.7b | 3000+ in Japan and throughout Asia | Japan inbound Core channel for cosmetics/pharmaceutical demand | ✓ | VT Innisfree |

Note: Top 5 beauty specialty retail channels—others are drugstores;
1) LVMH Selective Retailing FY25;
2) FY24/25;
3) FY24;
4) FY24 Boots UK;
5) FY24/25;
6) FY24 US Retail Pharmacy;
7) CVS Health;
8) A.S. Watson FY24
Source: Company data, Samsung Securities

Most major global cosmetics retailers and drugstore chains now operate dedicated K-beauty sections. Indie brands such as Beauty of Joseon, Medicube, Anua, and Biodance consistently rank among top sellers across all channel types. From prestige curated channels such as Sephora and Space NK to mass-market channels such as Ulta, Boots, Rossmann, and dm, K-beauty has penetrated the full spectrum of distribution. This demonstrates structural demand growth across the global distribution network, rather than dependence on any single channel.

**Global beauty specialty retail channels and drugstores: K-beauty corner**




Source: Company websites, Samsung Securities

## Become a leading brand—or an indispensable distribution partner

As online and offline distribution channels compete more intensely, the negotiating power of top brands has strengthened. Silicon2 has emerged as Korea's most influential omnichannel intermediary, successfully introducing and establishing numerous K-beauty brands in European markets. Since 2024, Silicon2 has opened offline MOIDA stores not merely to compete with existing distribution channels, but to promote K-beauty as a whole to both consumers and local B2B buyers, thereby expanding its own distribution volumes.

That there is significant overlap between Olive Young's domestic top-selling brands by product category and its global e-commerce bestsellers shows that domestic consumer preferences are closely aligned with those of international shoppers—suggesting rapid trend shifts in Korea can influence overseas performance. In Silicon2's annual top-10 brand rankings, new entrants account for 20-30% of the list each year. In a structure where hit SKUs and hit brands are periodically replaced, the distributor that controls the full K-beauty pipeline—not individual brands—gains a broader negotiating advantage.

That said, established brands such as Medicube, Beauty of Joseon, and Round Lab continue to maintain top positions across nearly all major domestic and international channels. This demonstrates that they have become essential listings driven by consumer demand. As multi-brand retailers, drugstores, and pharmacies specializing in K-beauty expand both domestically and internationally, competition among distribution channels to attract consumers should accelerate growth for top brands.

**Overseas customer brand preference, synchronized with domestic preference**

| Item | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|
| Skin/toner | Anua | Round Lab | Round Lab | Round Lab |
| | | | Anua | |
| Essence/ serum | isoi | isoi | Goodal | Torriden |
| | | | Goodal | VT, SKIN1004 |
| Cream | Dr. G | Dr. G | Torriden | Aestura |
| | | | Dr. G | |
| Mask pack | Mediheal | Mediheal | Torriden | Torriden |
| | | | Biodance | |
| Pad | Skinfood | Skinfood | Mediheal | Mediheal |
| | | | Mediheal | Mediheal |
| Cleansing | Manyo Factory | Manyo Factory | Manyo Factory | Manyo Factory |
| | | | Anua | |
| Suncare | Dr. G | Round Lab | Round Lab | Round Lab |
| | | | Round Lab | Round Lab |

Note: Blue denotes Olive Young's No.1 item by year; red denotes the Global Mall's best performer
Source: Olive Young, Samsung Securities

**Silicon2's top-selling brands: 2-3 changes each year**

| No. | 2022 | 2023 | 2024 | 2025 | 1Q26 |
|---|---|---|---|---|---|
| 1 | COSRX | Beauty of Joseon | Beauty of Joseon | Beauty of Joseon | Medicube |
| 2 | Some By Mi | COSRX | Anua | Medicube | Beauty of Joseon |
| 3 | Pyunkang Yul | Pyunkang Yul | COSRX | Anua | Dr. Althea |
| 4 | Beauty of Joseon | Heimish | Round Lab | Dr. Althea | Biodance |
| 5 | Heimish | Some By Mi | Tocobo | Biodance | Anua |
| 6 | Dr. Jart+ | Anua | TIRTIR | SKIN1004 | Celimax |
| 7 | Etude | rom&nd | SKIN1004 | Round Lab | Round Lab |
| 8 | rom&nd | Tocobo | Pyunkang Yul | Tocobo | COSRX |
| 9 | Innisfree | Round Lab | Heimish | COSRX | Tocobo |
| 10 | Miguhara | SKIN1004 | Numbuzin | d'Alba | SKIN1004 |

Note: Blue denotes brands newly entering the top 10
Source: Silicon2, Samsung Securities

## Risks

The growth of key hit brands such as Medicube and Beauty of Joseon on Amazon's US marketplace has been the primary driver of K-beauty's initial international expansion. The next challenge is to scale offline channels in the US and expand into Europe and the Middle East. Unlike in the US, where concentrated marketing efforts have delivered outsized returns, growth in these markets is expected to be slower. In addition, if channel expansion in Korea—through outlets such as Olive Young, Daiso, Musinsa, and pharmacies—outpaces overall beauty-demand growth, intensifying channel-level competition could erode margins for both brands and distributors. Consequently, sustaining and extending brand loyalty from hit SKUs to broader product portfolios should become critical.

PharmaResearch is diversifying revenue by expanding beyond Rejuran into skincare, pharmacy-grade cosmetics, and dermatological devices. APR, similarly, plans to sustain brand loyalty not only through continued expansion of its hit SKUs, but also through ongoing upgrades to its home beauty devices and the upcoming 2H26 launch of dermatology-grade equipment. Distributors, meanwhile, need to develop their own curation capabilities and actively expand their B2B customer bases as direct-purchase volumes increase. Silicon2 is a case in point, with the opening of MOIDA—a dedicated K-beauty retail concept store—and its development of proprietary bundled offerings to optimize inventory turnover.

## Korea's monthly cosmetics exports: all categories

| (USDm) | 2024 | | | | | | 2025 | | | | | | | | | | | | 2026 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun 1-20 |
| **By region** | | | | | | | | | | | | | | | | | | | | | | | | |
| Global | 685 | 684 | 773 | 875 | 762 | 734 | 630 | 740 | 789 | 850 | 799 | 779 | 807 | 704 | 961 | 759 | 765 | 889 | 845 | 754 | 977 | 1,117 | 989 | 699 |
| Global (ex China, Hong Kong, and Taiwan) | 484 | 498 | 495 | 505 | 522 | 495 | 440 | 518 | 548 | 587 | 582 | 594 | 629 | 516 | 690 | 574 | 586 | 665 | 610 | 593 | 752 | 870 | 756 | 547 |
| Asia | 387 | 380 | 468 | 587 | 463 | 438 | 375 | 433 | 458 | 477 | 418 | 389 | 394 | 364 | 503 | 378 | 389 | 466 | 455 | 360 | 478 | 525 | 443 | 318 |
| China, HK, TW | 201 | 186 | 278 | 369 | 240 | 239 | 189 | 221 | 241 | 263 | 217 | 185 | 178 | 188 | 271 | 185 | 179 | 224 | 235 | 161 | 224 | 247 | 233 | 151 |
| China | 140 | 135 | 221 | 298 | 164 | 152 | 121 | 145 | 180 | 185 | 149 | 112 | 115 | 121 | 172 | 117 | 106 | 127 | 156 | 91 | 150 | 151 | 151 | 97 |
| Hong Kong | 40 | 34 | 39 | 51 | 53 | 67 | 54 | 55 | 44 | 54 | 45 | 50 | 38 | 48 | 74 | 49 | 49 | 65 | 53 | 53 | 49 | 66 | 59 | 39 |
| Taiwan | 21 | 17 | 19 | 20 | 23 | 20 | 15 | 21 | 18 | 23 | 22 | 22 | 25 | 19 | 24 | 20 | 24 | 32 | 25 | 16 | 25 | 30 | 23 | 15 |
| Japan | 61 | 74 | 78 | 85 | 85 | 66 | 73 | 75 | 79 | 74 | 74 | 78 | 70 | 58 | 83 | 71 | 70 | 74 | 79 | 70 | 85 | 99 | 63 | 52 |
| Southeast Asia | 101 | 96 | 89 | 104 | 108 | 108 | 93 | 105 | 101 | 102 | 94 | 93 | 112 | 86 | 114 | 90 | 105 | 129 | 105 | 93 | 123 | 120 | 108 | 78 |
| Vietnam | 38 | 32 | 30 | 40 | 43 | 45 | 30 | 40 | 38 | 33 | 29 | 24 | 36 | 29 | 41 | 29 | 35 | 46 | 36 | 31 | 42 | 38 | 34 | 23 |
| Indonesia | 13 | 11 | 9 | 10 | 12 | 10 | 13 | 10 | 9 | 11 | 7 | 11 | 13 | 12 | 20 | 9 | 15 | 16 | 11 | 10 | 12 | 15 | 14 | 11 |
| Thailand | 14 | 15 | 16 | 15 | 17 | 16 | 15 | 16 | 18 | 18 | 18 | 17 | 18 | 14 | 16 | 18 | 19 | 20 | 15 | 17 | 21 | 17 | 17 | 13 |
| Singapore | 10 | 12 | 10 | 11 | 10 | 8 | 8 | 9 | 9 | 9 | 10 | 9 | 10 | 9 | 9 | 8 | 8 | 11 | 10 | 9 | 10 | 11 | 12 | 8 |
| Malaysia | 9 | 10 | 9 | 11 | 10 | 11 | 8 | 9 | 9 | 11 | 9 | 10 | 12 | 8 | 11 | 9 | 9 | 14 | 10 | 8 | 12 | 13 | 11 | 10 |
| Philippines | 7 | 6 | 7 | 7 | 6 | 8 | 8 | 9 | 5 | 8 | 7 | 8 | 10 | 7 | 8 | 8 | 8 | 10 | 8 | 6 | 8 | 10 | 8 | 6 |
| Other | 9 | 10 | 8 | 11 | 9 | 11 | 11 | 12 | 13 | 12 | 14 | 14 | 14 | 8 | 9 | 9 | 11 | 13 | 15 | 12 | 19 | 16 | 12 | 8 |
| Other Asia (inc India) | 24 | 25 | 23 | 28 | 30 | 24 | 20 | 32 | 36 | 38 | 33 | 33 | 33 | 32 | 35 | 33 | 35 | 38 | 36 | 36 | 45 | 59 | 39 | 36 |
| Middle East | 24 | 23 | 29 | 31 | 27 | 30 | 22 | 32 | 35 | 33 | 35 | 34 | 33 | 32 | 45 | 39 | 50 | 52 | 30 | 34 | 17 | 43 | 36 | 24 |
| North America | 148 | 167 | 153 | 140 | 137 | 138 | 113 | 129 | 138 | 164 | 177 | 167 | 179 | 153 | 221 | 173 | 142 | 155 | 168 | 162 | 207 | 218 | 234 | 160 |
| US | 138 | 158 | 146 | 132 | 129 | 127 | 104 | 118 | 126 | 150 | 166 | 151 | 168 | 144 | 204 | 162 | 124 | 137 | 152 | 150 | 186 | 198 | 219 | 144 |
| Canada | 10 | 9 | 8 | 8 | 9 | 10 | 10 | 10 | 12 | 13 | 11 | 16 | 11 | 9 | 17 | 11 | 18 | 18 | 16 | 12 | 21 | 20 | 15 | 16 |
| Europe | 107 | 98 | 99 | 96 | 114 | 104 | 101 | 121 | 134 | 153 | 142 | 156 | 167 | 125 | 154 | 138 | 150 | 173 | 156 | 163 | 233 | 268 | 231 | 164 |
| Russia | 29 | 24 | 27 | 28 | 35 | 28 | 23 | 25 | 29 | 36 | 32 | 28 | 38 | 30 | 34 | 29 | 27 | 32 | 26 | 30 | 31 | 43 | 33 | 25 |
| Poland | 10 | 11 | 9 | 6 | 11 | 13 | 14 | 15 | 24 | 23 | 22 | 30 | 23 | 12 | 14 | 18 | 28 | 22 | 18 | 21 | 41 | 46 | 51 | 30 |
| UK | 13 | 11 | 13 | 11 | 12 | 12 | 10 | 12 | 12 | 15 | 17 | 19 | 16 | 15 | 19 | 14 | 16 | 23 | 22 | 19 | 37 | 41 | 36 | 25 |
| Germany | 7 | 4 | 4 | 5 | 5 | 3 | 4 | 5 | 5 | 5 | 6 | 6 | 7 | 5 | 13 | 8 | 7 | 7 | 7 | 12 | 12 | 8 | 7 | 6 |
| Netherlands | 9 | 12 | 5 | 6 | 5 | 4 | 4 | 8 | 8 | 7 | 8 | 8 | 12 | 10 | 9 | 9 | 7 | 14 | 11 | 13 | 24 | 32 | 22 | 18 |
| France | 6 | 4 | 6 | 6 | 10 | 7 | 8 | 10 | 10 | 10 | 8 | 10 | 10 | 12 | 11 | 10 | 9 | 8 | 10 | 8 | 9 | 11 | 9 | 7 |
| Other | 33 | 30 | 35 | 34 | 37 | 36 | 38 | 47 | 46 | 58 | 49 | 55 | 62 | 40 | 53 | 49 | 56 | 68 | 60 | 60 | 79 | 87 | 73 | 53 |
| Oceania | 11 | 7 | 11 | 9 | 10 | 11 | 10 | 11 | 10 | 11 | 11 | 14 | 15 | 13 | 17 | 13 | 14 | 16 | 16 | 14 | 13 | 34 | 14 | 15 |
| Australia | 9 | 7 | 10 | 8 | 9 | 8 | 9 | 10 | 10 | 9 | 10 | 13 | 14 | 11 | 15 | 12 | 13 | 14 | 13 | 13 | 11 | 12 | 13 | 14 |
| Other | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 1 | 1 | 2 | 2 | 1 | 2 | 22 | 1 | 1 |
| Latin America | 6 | 6 | 10 | 9 | 9 | 12 | 6 | 11 | 12 | 11 | 12 | 18 | 16 | 15 | 19 | 14 | 16 | 22 | 17 | 16 | 25 | 26 | 28 | 15 |
| Africa & other | 2 | 3 | 2 | 2 | 3 | 2 | 1 | 3 | 2 | 2 | 3 | 2 | 3 | 2 | 3 | 3 | 4 | 4 | 3 | 4 | 3 | 4 | 4 | 2 |
| **By category** | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 685 | 684 | 773 | 875 | 762 | 734 | 630 | 740 | 789 | 850 | 799 | 779 | 807 | 704 | 961 | 759 | 765 | 889 | 845 | 754 | 977 | 1,117 | 989 | 699 |
| Skincare | 367 | 374 | 403 | 514 | 399 | 352 | 312 | 383 | 407 | 431 | 404 | 396 | 403 | 356 | 470 | 376 | 391 | 442 | 428 | 385 | 506 | 580 | 510 | 355 |
| Color cosmetics | 117 | 113 | 134 | 144 | 124 | 130 | 118 | 134 | 138 | 146 | 144 | 142 | 148 | 122 | 175 | 141 | 114 | 135 | 117 | 107 | 136 | 158 | 125 | 96 |
| Lip | 43 | 36 | 46 | 47 | 50 | 51 | 48 | 52 | 54 | 51 | 53 | 54 | 58 | 40 | 63 | 50 | 43 | 49 | 41 | 36 | 46 | 54 | 40 | 33 |
| Eye | 17 | 15 | 16 | 16 | 15 | 14 | 14 | 14 | 17 | 18 | 16 | 19 | 15 | 17 | 21 | 18 | 16 | 14 | 17 | 14 | 18 | 17 | 15 | 14 |
| Unclassified (inc suncare) | 201 | 197 | 236 | 217 | 239 | 252 | 200 | 222 | 244 | 273 | 251 | 241 | 256 | 226 | 316 | 242 | 261 | 312 | 299 | 262 | 335 | 379 | 354 | 248 |
| Skincare + suncare (est.) | 568 | 571 | 639 | 731 | 638 | 604 | 512 | 606 | 651 | 704 | 655 | 637 | 659 | 582 | 786 | 618 | 651 | 754 | 727 | 647 | 841 | 959 | 864 | 603 |

Source: TRASS, Samsung Securities

## Korea's monthly cosmetics export growth (y-y): all categories

| (USDm) | 2024 | | | | | | 2025 | | | | | | | | | | | | 2026 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun 1-20 |
| **By region** | | | | | | | | | | | | | | | | | | | | | | | | |
| Global | 26.9 | 15.7 | 11.3 | 38.3 | 18.4 | 24.9 | -8.9 | 21.5 | 22.1 | 18.4 | 8.3 | 19.6 | 17.9 | 2.9 | 24.3 | -13.2 | 0.4 | 21.1 | 34.1 | 2.0 | 23.7 | 31.4 | 23.8 | 32.3 |
| Global (ex China, Hong Kong, and Taiwan) | 44.1 | 35.0 | 27.1 | 42.0 | 27.6 | 32.4 | 5.9 | 26.0 | 27.9 | 21.8 | 21.6 | 28.3 | 30.1 | 3.5 | 39.5 | 13.6 | 12.3 | 34.4 | 38.5 | 14.4 | 37.4 | 48.1 | 29.8 | 36.3 |
| Asia | 9.4 | -2.3 | 0.1 | 34.6 | 10.1 | 13.4 | -19.6 | 10.6 | 13.2 | 11.8 | -6.5 | 6.8 | 1.8 | -4.2 | 7.3 | -35.6 | -15.9 | 6.2 | 21.2 | -16.8 | 4.4 | 10.2 | 5.9 | 18.2 |
| China, HK, TW | -1.5 | -16.5 | -8.9 | 33.6 | 2.3 | 11.7 | -31.2 | 12.2 | 10.6 | 11.4 | -16.2 | -1.6 | -11.5 | 1.0 | -2.8 | -50.0 | -25.6 | -6.3 | 24.0 | -27.2 | -7.2 | -6.0 | 7.6 | 19.5 |
| China | -14.1 | -22.9 | -11.6 | 34.4 | -3.4 | -9.5 | -45.6 | -4.0 | 11.1 | 8.0 | -26.0 | -18.7 | -17.8 | -10.9 | -22.0 | -60.9 | -35.5 | -16.5 | 29.3 | -37.1 | -16.5 | -18.3 | 1.2 | 27.5 |
| Hong Kong | 43.0 | -2.1 | -5.1 | 29.5 | 15.5 | 155.4 | 51.7 | 70.3 | 14.9 | 17.9 | 15.0 | 39.4 | -6.6 | 42.0 | 89.2 | -4.6 | -7.1 | -2.3 | -0.2 | -3.2 | 12.7 | 21.2 | 30.2 | 6.6 |
| Taiwan | 59.6 | 34.3 | 28.0 | 33.0 | 21.7 | 2.5 | -15.8 | 53.5 | -1.0 | 26.1 | 27.2 | 61.3 | 20.5 | 14.9 | 32.2 | -2.3 | 3.0 | 58.0 | 67.9 | -21.9 | 37.5 | 28.5 | 4.9 | 9.7 |
| Japan | 27.6 | 20.3 | 32.3 | 60.3 | 36.8 | 29.5 | 21.3 | 8.6 | 16.6 | 4.9 | 15.6 | 34.8 | 15.3 | -21.5 | 5.4 | -16.8 | -17.2 | 12.0 | 8.1 | -6.2 | 7.0 | 33.0 | -14.9 | -11.7 |
| Southeast Asia | 21.6 | 12.1 | 6.1 | 19.3 | 5.4 | 4.6 | -16.6 | 3.6 | 7.9 | 9.6 | -3.9 | -0.6 | 11.9 | -10.1 | 28.3 | -13.9 | -2.3 | 19.2 | 13.2 | -11.0 | 22.2 | 17.5 | 14.5 | 24.8 |
| Vietnam | 14.2 | -13.1 | -9.5 | -0.6 | -10.5 | -14.3 | -34.9 | -2.1 | -9.9 | -17.5 | -22.0 | -24.7 | -5.4 | -10.3 | 33.9 | -26.4 | -19.6 | 2.3 | 18.8 | -21.3 | 9.4 | 16.5 | 14.7 | 43.1 |
| Indonesia | 88.2 | 51.2 | 23.9 | 97.0 | 37.7 | 80.8 | -12.4 | -23.5 | 327.6 | 138.7 | -4.2 | -5.7 | 4.1 | 6.7 | 119.8 | -5.2 | 27.1 | 57.6 | -17.8 | -2.8 | 33.4 | 37.6 | 97.8 | 56.3 |
| Thailand | 2.2 | 22.0 | 30.2 | 27.6 | 20.9 | 4.6 | 0.7 | -3.5 | 12.7 | 12.3 | 15.2 | 17.8 | 34.0 | -7.7 | 1.2 | 17.5 | 12.9 | 29.0 | -1.8 | 4.8 | 15.8 | -5.6 | -5.1 | 16.8 |
| Singapore | 13.0 | 28.1 | 5.6 | 23.4 | -3.5 | -14.4 | -28.4 | 4.3 | 0.0 | 0.2 | 11.1 | 2.7 | -6.4 | -26.2 | -7.7 | -30.0 | -18.6 | 34.9 | 25.2 | -8.1 | 12.1 | 16.8 | 25.4 | 40.7 |
| Malaysia | 11.4 | 44.8 | 12.0 | 20.6 | 35.9 | 23.6 | -8.5 | 24.0 | -0.5 | 25.5 | -3.6 | 10.6 | 24.9 | -23.7 | 22.5 | -15.2 | -9.9 | 28.3 | 34.7 | -10.8 | 32.1 | 19.8 | 17.7 | 28.5 |
| Philippines | 20.4 | 18.5 | 25.5 | 39.5 | 14.2 | 61.6 | 30.0 | 70.2 | -6.3 | 29.6 | 0.6 | 32.3 | 38.2 | 20.0 | 29.1 | 13.9 | 37.4 | 19.0 | 3.8 | -25.4 | 58.7 | 31.9 | 2.2 | 4.8 |
| Other | 60.1 | 25.2 | 0.3 | 40.3 | 16.1 | 41.9 | 17.3 | 27.5 | 31.3 | 42.2 | 15.5 | 20.3 | 47.3 | -17.0 | 10.6 | -19.5 | 14.1 | 18.1 | 37.6 | 2.7 | 46.6 | 26.5 | -7.6 | -17.6 |
| Other Asia (inc India) | 28.5 | 25.0 | 16.4 | 46.9 | 39.1 | 39.0 | 0.2 | 33.0 | 47.1 | 41.6 | 23.6 | 32.3 | 37.4 | 31.4 | 54.4 | 16.9 | 16.4 | 55.1 | 78.8 | 11.7 | 26.1 | 58.1 | 17.2 | 75.8 |
| Middle East | 149.0 | 106.9 | 97.4 | 129.7 | 74.0 | 70.4 | 32.4 | 80.5 | 73.9 | 71.8 | 49.7 | 32.7 | 35.2 | 39.6 | 54.7 | 25.2 | 87.4 | 77.0 | 37.7 | 5.5 | -51.1 | 30.8 | 2.5 | 10.2 |
| North America | 72.7 | 67.6 | 27.8 | 56.6 | 18.1 | 40.4 | 3.2 | 21.0 | 18.6 | 7.7 | 18.7 | 24.2 | 21.2 | -8.5 | 44.1 | 23.4 | 3.3 | 12.7 | 48.1 | 26.1 | 50.3 | 33.3 | 31.7 | 39.8 |
| US | 72.7 | 69.5 | 29.1 | 58.5 | 17.7 | 38.9 | 0.4 | 18.6 | 17.2 | 5.4 | 19.8 | 20.4 | 21.7 | -9.0 | 40.2 | 22.2 | -3.8 | 7.7 | 46.8 | 26.8 | 47.5 | 31.6 | 31.4 | 40.3 |
| Canada | 71.3 | 40.3 | 7.3 | 29.9 | 23.7 | 61.4 | 48.2 | 57.3 | 36.5 | 42.7 | 5.2 | 79.0 | 15.3 | -0.4 | 120.2 | 43.2 | 108.3 | 75.1 | 62.0 | 18.8 | 79.6 | 51.8 | 35.3 | 34.8 |
| Europe | 36.2 | 23.0 | 24.2 | 18.0 | 45.7 | 42.6 | 19.8 | 51.4 | 49.3 | 44.4 | 42.9 | 43.3 | 56.1 | 28.2 | 55.1 | 43.3 | 32.4 | 67.4 | 54.8 | 34.3 | 73.5 | 74.9 | 62.1 | 59.5 |
| Russia | 25.7 | -15.3 | 2.1 | 4.4 | 60.6 | 19.6 | 3.2 | 24.0 | 40.2 | 28.7 | 1.1 | 0.3 | 29.5 | 25.0 | 28.0 | 2.0 | -23.2 | 13.2 | 14.7 | 23.1 | 6.8 | 19.2 | 4.6 | 32.0 |
| Poland | 162.0 | 232.2 | 176.8 | 69.4 | 178.9 | 329.1 | 140.6 | 182.1 | 126.7 | 88.3 | 148.0 | 195.0 | 139.4 | 10.3 | 57.0 | 203.5 | 159.9 | 69.3 | 29.8 | 35.1 | 72.4 | 99.9 | 130.9 | 54.1 |
| UK | 61.0 | 33.0 | 22.2 | 28.1 | 11.5 | 58.1 | 13.7 | 24.4 | 20.4 | 30.7 | 67.9 | 74.1 | 17.2 | 35.6 | 47.0 | 32.9 | 42.6 | 84.0 | 116.1 | 65.1 | 202.6 | 166.9 | 115.5 | 76.1 |
| Germany | 120.5 | 56.6 | -8.6 | 34.7 | 2.5 | 0.7 | -6.5 | 55.4 | -9.6 | -22.1 | 9.0 | 8.6 | -2.6 | 6.5 | 221.5 | 78.2 | 43.4 | 124.9 | 80.7 | 126.9 | 141.8 | 64.2 | 25.2 | 23.3 |
| Netherlands | 44.3 | 19.0 | 21.2 | 2.4 | -0.6 | -26.7 | -33.6 | 71.2 | 17.6 | 22.9 | 52.1 | 26.1 | 41.8 | -11.3 | 58.1 | 52.4 | 47.1 | 273.5 | 192.7 | 63.5 | 195.8 | 381.4 | 160.5 | 250.4 |
| France | -7.3 | 21.3 | 62.5 | 14.0 | 64.5 | 27.8 | 85.5 | 155.3 | 156.4 | 38.1 | 112.7 | 125.6 | 62.9 | 174.8 | 83.1 | 46.9 | -11.3 | 12.2 | 34.5 | -18.8 | -10.4 | 12.5 | 6.4 | 48.0 |
| Other | 19.8 | 35.6 | 28.4 | 23.9 | 38.6 | 48.3 | 15.7 | 38.6 | 42.5 | 62.9 | 42.7 | 27.6 | 85.7 | 31.2 | 53.0 | 45.1 | 52.7 | 88.2 | 58.9 | 28.2 | 70.8 | 51.5 | 47.1 | 48.9 |
| Oceania | 43.6 | -6.9 | 149.7 | 45.0 | 18.0 | 79.8 | 39.7 | 51.5 | 23.2 | 15.1 | 25.5 | 77.4 | 46.3 | 69.9 | 55.1 | 39.9 | 37.4 | 51.8 | 54.1 | 29.8 | 25.2 | 220.4 | 21.6 | 88.7 |
| Australia | 37.9 | -5.5 | 161.6 | 47.8 | 21.3 | 58.4 | 43.4 | 55.2 | 29.6 | 9.1 | 30.8 | 76.2 | 51.0 | 66.1 | 54.1 | 39.9 | 37.8 | 71.0 | 42.7 | 28.7 | 14.8 | 26.1 | 24.1 | 88.8 |
| Other | 117.1 | -20.9 | 67.6 | 23.3 | -10.0 | 253.8 | 4.8 | 23.8 | -29.8 | 102.1 | -8.6 | 93.7 | 8.4 | 114.2 | 65.9 | 39.8 | 33.4 | -17.7 | 203.0 | 40.7 | 184.0 | 1751.0 | -1.5 | 88.2 |
| Latin America | 58.8 | 84.4 | 55.3 | 112.1 | 175.1 | 120.0 | 25.4 | 141.4 | 83.1 | 164.5 | 85.7 | 98.9 | 145.6 | 144.3 | 83.9 | 66.5 | 72.6 | 85.8 | 164.4 | 52.6 | 107.4 | 126.8 | 139.4 | 43.3 |
| Africa & other | 104.0 | 160.6 | 55.4 | 93.2 | 31.9 | 24.8 | 44.5 | 114.4 | 98.8 | 35.4 | 26.3 | 23.6 | 73.1 | -27.1 | 41.8 | 47.2 | 33.9 | 106.1 | 100.0 | 55.1 | 55.5 | 64.8 | 35.5 | 57.9 |
| **By category** | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 26.9 | 15.7 | 11.3 | 38.3 | 18.4 | 24.9 | -8.9 | 21.5 | 22.1 | 18.4 | 8.3 | 19.6 | 17.9 | 2.9 | 24.3 | -13.2 | 0.4 | 21.1 | 34.1 | 2.0 | 23.7 | 31.4 | 23.8 | 32.3 |
| Skincare | 27.8 | 14.5 | 4.1 | 50.3 | 16.9 | 16.5 | -16.5 | 23.2 | 22.2 | 9.3 | 2.9 | 18.8 | 10.0 | -4.9 | 16.7 | -26.8 | -2.1 | 25.5 | 37.4 | 0.5 | 24.3 | 34.5 | 26.2 | 29.9 |
| Color cosmetics | 29.6 | 14.9 | 31.2 | 41.3 | 18.1 | 32.6 | -2.5 | 21.9 | 24.6 | 24.2 | 12.5 | 26.5 | 26.7 | 8.3 | 30.3 | -2.3 | -8.5 | 4.3 | -0.3 | -19.8 | -1.6 | 8.1 | -13.1 | -1.4 |
| Lip | 49.5 | 29.3 | 41.5 | 51.5 | 44.3 | 56.9 | 33.1 | 43.5 | 46.3 | 23.3 | 45.3 | 59.2 | 35.9 | 13.1 | 36.9 | 5.0 | -12.7 | -5.2 | -14.2 | -31.0 | -15.0 | 5.1 | -25.3 | -14.5 |
| Eye | -8.9 | -15.5 | 2.8 | 9.1 | -14.0 | -11.0 | -17.8 | -15.1 | -10.0 | 10.7 | 2.3 | 25.1 | -12.3 | 14.4 | 25.8 | 13.4 | 6.3 | -0.8 | 20.6 | -4.6 | 3.2 | -5.1 | -6.5 | 8.8 |
| Unclassified (inc suncare) | 23.7 | 18.4 | 14.8 | 15.0 | 21.2 | 34.3 | 1.8 | 18.4 | 20.4 | 32.2 | 15.8 | 17.2 | 27.2 | 14.5 | 33.9 | 11.7 | 9.0 | 23.7 | 49.3 | 17.7 | 37.0 | 38.9 | 41.1 | 57.0 |
| Skincare + suncare (est.) | 26.3 | 15.8 | 7.8 | 37.7 | 18.5 | 23.3 | -10.2 | 21.4 | 21.5 | 17.2 | 7.5 | 18.2 | 16.1 | 1.8 | 23.0 | -15.4 | 2.1 | 24.8 | 42.1 | 6.8 | 29.1 | 36.2 | 31.9 | 39.9 |

Source: TRASS, Samsung Securities

## Korea's monthly cosmetics export growth (m-m): all categories

| (USDm) | 2024 | | | | | | 2025 | | | | | | | | | | | | 2026 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun 1-20 |
| **By region** | | | | | | | | | | | | | | | | | | | | | | | | |
| Global | 5.1 | -0.1 | 13.0 | 13.1 | -12.8 | -3.8 | -14.2 | 17.5 | 6.7 | 7.7 | -6.0 | -2.5 | 3.6 | -12.8 | 36.6 | -21.0 | 0.8 | 16.2 | -5.0 | -10.7 | 29.5 | 14.4 | -11.4 | 4.1 |
| Global | 4.4 | 3.1 | -0.7 | 2.1 | 3.4 | -5.3 | -11.0 | 17.8 | 5.7 | 7.2 | -0.9 | 2.0 | 5.9 | -18.0 | 33.8 | -16.8 | 2.1 | 13.4 | -8.3 | -2.7 | 26.8 | 15.6 | -13.1 | 18.8 |
| Asia | 6.1 | -1.8 | 23.2 | 25.2 | -21.1 | -5.3 | -14.3 | 15.4 | 5.7 | 4.1 | -12.2 | -6.9 | 1.2 | -7.6 | 38.0 | -24.8 | 2.9 | 19.6 | -2.3 | -20.8 | 32.6 | 9.8 | -15.6 | -6.0 |
| China, HK, TW | 6.9 | -7.6 | 49.8 | 32.7 | -35.0 | -0.4 | -20.8 | 16.8 | 9.1 | 8.8 | -17.4 | -14.7 | -3.9 | 5.5 | 44.2 | -31.7 | -3.3 | 25.3 | 4.8 | -31.4 | 39.2 | 10.2 | -5.5 | -28.0 |
| China | 1.2 | -3.0 | 62.8 | 35.3 | -45.1 | -7.2 | -20.5 | 20.0 | 23.8 | 3.1 | -19.4 | -24.8 | 2.4 | 5.0 | 42.6 | -32.2 | -9.5 | 20.3 | 23.1 | -41.6 | 64.3 | 0.9 | -0.2 | -38.3 |
| Hong Kong | 11.6 | -16.2 | 15.9 | 30.0 | 3.6 | 26.5 | -19.8 | 2.8 | -20.7 | 24.9 | -17.1 | 11.6 | -25.2 | 27.4 | 54.4 | -34.4 | 0.9 | 33.1 | -18.1 | -0.3 | -7.7 | 34.3 | -10.9 | 4.5 |
| Taiwan | 51.0 | -21.2 | 11.9 | 8.1 | 16.8 | -14.1 | -25.9 | 41.3 | -13.7 | 26.8 | -2.9 | 0.4 | 12.8 | -24.9 | 28.8 | -20.2 | 23.1 | 31.7 | -21.2 | -34.3 | 52.0 | 18.5 | -20.7 | -0.2 |
| Japan | 4.9 | 20.9 | 6.2 | 8.7 | -0.4 | -21.7 | 10.0 | 2.6 | 5.8 | -6.3 | -0.8 | 6.4 | -10.3 | -17.7 | 42.6 | -14.2 | -0.9 | 5.9 | 6.2 | -11.0 | 20.6 | 16.4 | -36.5 | 37.1 |
| Southeast Asia | 8.1 | -4.7 | -7.2 | 17.2 | 3.3 | 0.8 | -14.5 | 13.3 | -3.7 | 0.7 | -7.5 | -1.8 | 21.6 | -23.5 | 32.4 | -21.3 | 17.1 | 23.0 | -18.9 | -10.9 | 32.2 | -3.1 | -9.9 | 17.8 |
| Vietnam | 19.4 | -15.7 | -5.1 | 31.0 | 8.7 | 3.6 | -31.7 | 30.1 | -3.7 | -14.6 | -10.0 | -18.7 | 49.9 | -20.0 | 41.7 | -28.0 | 18.7 | 31.8 | -20.7 | -13.8 | 33.8 | -9.1 | -11.5 | 11.3 |
| Indonesia | 6.2 | -14.7 | -17.9 | 9.0 | 22.3 | -13.9 | 26.6 | -19.0 | -13.7 | 19.7 | -34.4 | 59.1 | 17.1 | -12.6 | 69.1 | -53.0 | 63.9 | 6.8 | -33.9 | -4.3 | 18.4 | 23.4 | -5.6 | 112.3 |
| Thailand | -6.1 | 10.1 | 8.0 | -5.0 | 12.3 | -8.5 | -4.5 | 6.1 | 13.4 | 1.4 | -2.9 | -4.5 | 6.8 | -24.2 | 18.4 | 10.3 | 7.9 | 4.6 | -27.3 | 13.3 | 25.3 | -17.3 | -2.4 | 5.6 |
| Singapore | 21.6 | 12.6 | -14.0 | 9.4 | -7.0 | -21.2 | -4.9 | 21.9 | -5.4 | 5.7 | 3.2 | -9.2 | 10.9 | -11.2 | 7.6 | -17.0 | 8.0 | 30.6 | -11.7 | -10.5 | 15.4 | 10.2 | 10.8 | -7.6 |
| Malaysia | 4.1 | 10.8 | -14.1 | 19.4 | -6.9 | 6.3 | -27.6 | 16.2 | -2.7 | 21.8 | -11.7 | 7.3 | 17.6 | -32.3 | 38.0 | -17.4 | -1.1 | 51.3 | -24.0 | -23.1 | 44.2 | 10.4 | -13.3 | 26.2 |
| Philippines | 22.3 | -14.7 | 5.0 | 5.4 | -15.4 | 40.1 | -3.8 | 10.5 | -38.4 | 45.4 | -4.8 | 6.8 | 27.7 | -26.0 | 13.0 | -7.0 | 2.0 | 21.3 | -16.1 | -20.6 | 31.0 | 20.8 | -26.2 | 25.1 |
| Other | -17.9 | 4.2 | -18.0 | 35.3 | -13.8 | 18.1 | 0.4 | 8.4 | 7.7 | -4.2 | 10.2 | 0.7 | 0.6 | -41.3 | 9.2 | -1.6 | 22.2 | 22.2 | 17.0 | -19.1 | 53.8 | -17.3 | -19.5 | 6.8 |
| Other Asia (inc India) | -4.2 | 2.1 | -7.6 | 22.5 | 8.1 | -19.1 | -17.0 | 57.1 | 13.0 | 4.5 | -11.1 | -0.1 | -0.5 | -2.3 | 8.5 | -7.2 | 7.7 | 7.7 | -4.3 | -1.9 | 27.5 | 31.1 | -34.1 | 52.0 |
| Middle East | -4.1 | -6.1 | 28.2 | 6.5 | -14.6 | 11.0 | -25.2 | 47.1 | 6.5 | -5.3 | 6.7 | -3.8 | -2.3 | -2.9 | 42.0 | -13.8 | 27.8 | 4.8 | -41.8 | 12.6 | -50.7 | 153.5 | -16.3 | -2.0 |
| North America | 9.9 | 12.9 | -8.2 | -8.4 | -2.1 | 0.2 | -17.7 | 13.4 | 7.4 | 18.5 | 8.5 | -6.0 | 7.3 | -14.8 | 44.7 | -21.6 | -18.1 | 9.4 | 8.2 | -3.4 | 28.0 | 5.1 | 7.2 | 7.1 |
| US | 9.8 | 14.4 | -7.8 | -9.0 | -2.9 | -1.0 | -18.6 | 14.0 | 6.8 | 19.1 | 10.7 | -9.1 | 11.0 | -14.4 | 42.0 | -20.7 | -23.6 | 10.9 | 10.9 | -1.5 | 24.2 | 6.3 | 10.6 | 2.9 |
| Canada | 11.0 | -7.3 | -15.0 | 3.5 | 10.4 | 17.8 | -5.8 | 7.0 | 15.1 | 12.2 | -17.0 | 40.4 | -28.5 | -19.9 | 88.0 | -32.7 | 60.6 | -0.9 | -12.8 | -21.6 | 74.1 | -5.1 | -26.0 | 67.5 |
| Europe | -1.4 | -8.8 | 1.5 | -2.7 | 17.7 | -8.7 | -2.7 | 20.4 | 10.5 | 14.2 | -7.0 | 9.3 | 7.4 | -25.1 | 22.8 | -10.1 | 8.7 | 15.4 | -10.0 | 4.5 | 42.7 | 15.1 | -13.8 | 21.9 |
| Russia | 2.6 | -16.0 | 9.8 | 5.3 | 24.2 | -18.8 | -18.8 | 6.8 | 17.1 | 24.2 | -10.8 | -11.2 | 32.5 | -18.9 | 12.5 | -16.1 | -6.5 | 19.7 | -17.7 | 14.6 | 1.6 | 38.6 | -21.7 | 23.6 |
| Poland | -4.3 | 11.9 | -16.4 | -33.1 | 79.7 | 17.3 | 11.4 | 7.6 | 56.0 | -4.5 | -3.9 | 36.2 | -22.3 | -48.4 | 19.0 | 29.3 | 53.9 | -23.6 | -14.6 | 12.1 | 99.0 | 10.8 | 11.0 | 20.8 |
| UK | 26.3 | -15.9 | 12.1 | -14.3 | 6.4 | 6.0 | -15.1 | 11.0 | 6.2 | 24.1 | 10.9 | 9.8 | -15.0 | -2.6 | 21.5 | -22.5 | 14.2 | 36.8 | -0.3 | -15.2 | 94.7 | 9.5 | -10.5 | 2.3 |
| Germany | 17.7 | -36.3 | -6.9 | 14.1 | -2.5 | -30.1 | 20.4 | 39.3 | -10.0 | 2.5 | 11.1 | 16.5 | 5.6 | -30.4 | 181.1 | -36.8 | -21.5 | 9.6 | -3.3 | 74.9 | -4.1 | -30.4 | -15.3 | 61.2 |
| Netherlands | 43.3 | 37.2 | -53.6 | 13.9 | -25.2 | -20.8 | 6.6 | 94.8 | 6.9 | -18.5 | 25.9 | -10.1 | 61.1 | -14.2 | -17.2 | 9.8 | -27.8 | 101.0 | -16.5 | 8.8 | 93.4 | 32.7 | -31.9 | 86.7 |
| France | 48.0 | -28.1 | 38.0 | 4.9 | 50.9 | -28.3 | 9.2 | 32.1 | -0.8 | -1.2 | -16.7 | 15.0 | 6.9 | 21.3 | -8.1 | -15.9 | -8.9 | -9.4 | 30.9 | -20.2 | 9.4 | 24.1 | -21.2 | 27.1 |
| Other | -23.8 | -8.2 | 14.5 | -2.6 | 9.0 | -2.0 | 3.9 | 24.2 | -1.5 | 25.5 | -14.3 | 12.1 | 10.9 | -35.2 | 33.5 | -7.6 | 14.7 | 20.8 | -12.3 | 0.2 | 31.2 | 11.4 | -16.8 | 15.1 |
| Oceania | 35.8 | -30.2 | 46.9 | -15.1 | 9.5 | 7.4 | -6.4 | 7.3 | -6.4 | 4.1 | 7.9 | 20.9 | 12.0 | -18.9 | 34.1 | -23.4 | 7.6 | 18.6 | -5.0 | -9.5 | -9.8 | 166.4 | -59.1 | 96.2 |
| Australia | 30.5 | -27.8 | 46.0 | -16.3 | 11.7 | -8.5 | 10.9 | 4.3 | -2.6 | -1.6 | 9.6 | 23.5 | 11.8 | -20.6 | 35.5 | -24.0 | 10.0 | 13.5 | -7.5 | -6.0 | -13.2 | 8.1 | 7.9 | 93.8 |
| Other | 104.1 | -49.2 | 57.3 | -2.5 | -10.5 | 190.8 | -69.2 | 47.4 | -41.1 | 91.0 | -5.6 | -2.9 | 14.2 | 0.3 | 21.9 | -17.9 | -14.6 | 79.4 | 13.5 | -31.5 | 18.8 | 1145.1 | -95.0 | 121.9 |
| Latin America | -29.1 | -3.0 | 71.1 | -17.2 | 8.3 | 23.2 | -44.8 | 65.4 | 16.1 | -7.6 | 3.5 | 51.1 | -12.5 | -3.6 | 28.8 | -25.1 | 12.3 | 32.6 | -21.4 | -4.5 | 57.8 | 1.1 | 9.2 | 7.2 |
| Africa & other | 13.3 | 84.1 | -44.0 | 17.5 | 29.1 | -23.6 | -34.0 | 93.6 | -20.6 | -1.2 | 30.2 | -29.9 | 58.6 | -22.4 | 8.9 | 21.9 | 17.4 | 17.7 | -36.0 | 50.1 | -20.4 | 4.7 | 7.0 | 2.9 |
| **By category** | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 5.1 | -0.1 | 13.0 | 13.1 | -12.8 | -3.8 | -14.2 | 17.5 | 6.7 | 7.7 | -6.0 | -2.5 | 3.6 | -12.8 | 36.6 | -21.0 | 0.8 | 16.2 | -5.0 | -10.7 | 29.5 | 14.4 | -11.4 | 4.1 |
| Skincare | 10.1 | 2.1 | 7.6 | 27.5 | -22.3 | -11.9 | -11.4 | 23.0 | 6.1 | 6.0 | -6.4 | -2.0 | 1.9 | -11.7 | 32.0 | -20.0 | 3.9 | 13.0 | -3.0 | -10.1 | 31.3 | 14.7 | -12.2 | 8.8 |
| Color cosmetics | 3.8 | -3.2 | 19.1 | 7.1 | -13.8 | 4.3 | -9.1 | 13.8 | 3.0 | 5.8 | -1.1 | -1.5 | 4.0 | -17.3 | 43.3 | -19.7 | -19.2 | 18.8 | -13.1 | -8.4 | 26.4 | 16.2 | -20.6 | -27.7 |
| Lip | 25.8 | -16.4 | 28.3 | 3.2 | 5.2 | 3.4 | -6.9 | 7.9 | 5.5 | -5.9 | 4.2 | 1.0 | 7.4 | -30.4 | 55.3 | -20.8 | -12.5 | 12.3 | -15.7 | -13.3 | 30.0 | 16.4 | -26.0 | 43.3 |
| Eye | 9.9 | -8.7 | 7.7 | -1.3 | -9.5 | -1.6 | -1.2 | 1.5 | 19.2 | 5.3 | -10.2 | 16.4 | -22.9 | 19.1 | 18.5 | -11.1 | -15.2 | -8.1 | 20.1 | -19.6 | 28.8 | -3.1 | -11.6 | 61.2 |
| Unclassified (inc suncare) | -2.2 | -2.2 | 19.8 | -8.1 | 10.2 | 5.6 | -20.7 | 11.1 | 9.9 | 11.6 | -8.0 | -3.9 | 6.2 | -12.0 | 40.1 | -23.3 | 7.5 | 19.8 | -4.3 | -12.4 | 28.0 | 13.2 | -6.5 | 16.7 |
| Skincare + suncare (est.) | 5.4 | 0.6 | 11.8 | 14.4 | -12.7 | -5.3 | -15.3 | 18.3 | 7.5 | 8.1 | -7.0 | -2.7 | 3.5 | -11.8 | 35.1 | -21.3 | 5.4 | 15.7 | -3.5 | -11.0 | 30.0 | 14.1 | -9.9 | 11.9 |

Source: TRASS, Samsung Securities

### Korea's monthly cosmetics exports by region/category share: all categories

| (USDm) | 2024 | | | | | | 2025 | | | | | | | | | | | | 2026 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun 1-20 |
| **By region** | | | | | | | | | | | | | | | | | | | | | | | | |
| Global | | | | | | | | | | | | | | | | | | | | | | | | |
| Global (ex China, Hong Kong, and Taiwan) | 70.6 | 72.8 | 64.0 | 57.8 | 68.5 | 67.4 | 69.9 | 70.1 | 69.4 | 69.1 | 72.9 | 76.2 | 78.0 | 73.3 | 71.8 | 75.7 | 76.6 | 74.8 | 72.2 | 78.7 | 77.0 | 77.9 | 76.4 | 78.3 |
| Asia | 56.5 | 55.6 | 60.6 | 67.1 | 60.7 | 59.7 | 59.6 | 58.6 | 58.0 | 56.0 | 52.3 | 50.0 | 48.8 | 51.7 | 52.3 | 49.8 | 50.9 | 52.4 | 53.9 | 47.8 | 48.9 | 47.0 | 44.8 | 45.5 |
| China, HK, TW | 29.4 | 27.2 | 36.0 | 42.2 | 31.5 | 32.6 | 30.1 | 29.9 | 30.6 | 30.9 | 27.1 | 23.8 | 22.0 | 26.7 | 28.2 | 24.3 | 23.4 | 25.2 | 27.8 | 21.3 | 23.0 | 22.1 | 23.6 | 21.7 |
| China | 20.4 | 19.8 | 28.5 | 34.1 | 21.5 | 20.7 | 19.2 | 19.6 | 22.8 | 21.8 | 18.7 | 14.4 | 14.2 | 17.1 | 17.9 | 15.4 | 13.8 | 14.3 | 18.5 | 12.1 | 15.4 | 13.6 | 15.3 | 13.9 |
| Hong Kong | 5.9 | 4.9 | 5.1 | 5.8 | 6.9 | 9.1 | 8.5 | 7.4 | 5.5 | 6.4 | 5.7 | 6.5 | 4.7 | 6.8 | 7.7 | 6.4 | 6.4 | 7.3 | 6.3 | 7.1 | 5.0 | 5.9 | 5.9 | 5.6 |
| Taiwan | 3.1 | 2.4 | 2.4 | 2.3 | 3.1 | 2.7 | 2.4 | 2.8 | 2.3 | 2.7 | 2.8 | 2.9 | 3.1 | 2.7 | 2.5 | 2.6 | 3.1 | 3.6 | 3.0 | 2.2 | 2.6 | 2.6 | 2.4 | 2.1 |
| Japan | 8.9 | 10.8 | 10.1 | 9.7 | 11.1 | 9.1 | 11.6 | 10.1 | 10.1 | 8.7 | 9.2 | 10.1 | 8.7 | 8.2 | 8.6 | 9.3 | 9.2 | 8.4 | 9.4 | 9.3 | 8.7 | 8.9 | 6.3 | 7.5 |
| Southeast Asia | 14.7 | 14.0 | 11.5 | 11.9 | 14.1 | 14.8 | 14.7 | 14.2 | 12.8 | 12.0 | 11.8 | 11.9 | 13.9 | 12.2 | 11.9 | 11.8 | 13.7 | 14.5 | 12.4 | 12.4 | 12.6 | 10.7 | 10.9 | 11.2 |
| Vietnam | 5.5 | 4.7 | 3.9 | 4.5 | 5.7 | 6.1 | 4.8 | 5.4 | 4.8 | 3.8 | 3.7 | 3.1 | 4.4 | 4.1 | 4.2 | 3.8 | 4.5 | 5.1 | 4.3 | 4.1 | 4.3 | 3.4 | 3.4 | 3.3 |
| Indonesia | 1.9 | 1.6 | 1.2 | 1.1 | 1.6 | 1.4 | 2.1 | 1.4 | 1.1 | 1.3 | 0.9 | 1.5 | 1.6 | 1.6 | 2.0 | 1.2 | 2.0 | 1.8 | 1.3 | 1.4 | 1.2 | 1.3 | 1.4 | 1.5 |
| Thailand | 2.0 | 2.2 | 2.1 | 1.7 | 2.3 | 2.1 | 2.4 | 2.2 | 2.3 | 2.2 | 2.2 | 2.2 | 2.2 | 2.0 | 1.7 | 2.4 | 2.5 | 2.3 | 1.7 | 2.2 | 2.1 | 1.5 | 1.7 | 1.8 |
| Singapore | 1.5 | 1.7 | 1.3 | 1.3 | 1.4 | 1.1 | 1.2 | 1.3 | 1.1 | 1.1 | 1.2 | 1.1 | 1.2 | 1.2 | 1.0 | 1.0 | 1.1 | 1.2 | 1.1 | 1.1 | 1.0 | 1.0 | 1.2 | 1.1 |
| Malaysia | 1.4 | 1.5 | 1.2 | 1.2 | 1.3 | 1.5 | 1.2 | 1.2 | 1.1 | 1.2 | 1.2 | 1.3 | 1.5 | 1.1 | 1.1 | 1.2 | 1.2 | 1.5 | 1.2 | 1.1 | 1.2 | 1.1 | 1.1 | 1.4 |
| Philippines | 1.1 | 0.9 | 0.8 | 0.8 | 0.8 | 1.1 | 1.2 | 1.2 | 0.7 | 0.9 | 0.9 | 1.0 | 1.2 | 1.1 | 0.9 | 1.0 | 1.0 | 1.1 | 1.0 | 0.9 | 0.9 | 0.9 | 0.8 | 0.9 |
| Other | 1.4 | 1.4 | 1.0 | 1.2 | 1.2 | 1.5 | 1.7 | 1.6 | 1.6 | 1.4 | 1.7 | 1.7 | 1.7 | 1.1 | 0.9 | 1.1 | 1.4 | 1.5 | 1.8 | 1.6 | 1.9 | 1.4 | 1.3 | 1.2 |
| Other Asia (inc India) | 3.5 | 3.6 | 3.0 | 3.2 | 4.0 | 3.3 | 3.2 | 4.3 | 4.6 | 4.4 | 4.2 | 4.3 | 4.1 | 4.6 | 3.7 | 4.3 | 4.6 | 4.3 | 4.3 | 4.7 | 4.6 | 5.3 | 4.0 | 5.2 |
| Middle East | 3.6 | 3.3 | 3.8 | 3.6 | 3.5 | 4.0 | 3.5 | 4.4 | 4.4 | 3.9 | 4.4 | 4.3 | 4.1 | 4.5 | 4.7 | 5.1 | 6.5 | 5.9 | 3.6 | 4.5 | 1.7 | 3.8 | 3.6 | 3.4 |
| North America | 21.6 | 24.4 | 19.8 | 16.0 | 18.0 | 18.8 | 18.0 | 17.4 | 17.5 | 19.2 | 22.2 | 21.4 | 22.2 | 21.7 | 23.0 | 22.8 | 18.5 | 17.5 | 19.9 | 21.5 | 21.2 | 19.5 | 23.6 | 22.9 |
| US | 20.2 | 23.1 | 18.8 | 15.1 | 16.9 | 17.4 | 16.5 | 16.0 | 16.0 | 17.7 | 20.8 | 19.4 | 20.8 | 20.4 | 21.2 | 21.3 | 16.2 | 15.4 | 18.0 | 19.9 | 19.1 | 17.7 | 22.1 | 20.6 |
| Canada | 1.4 | 1.3 | 1.0 | 0.9 | 1.1 | 1.4 | 1.5 | 1.4 | 1.5 | 1.6 | 1.4 | 2.0 | 1.4 | 1.3 | 1.7 | 1.5 | 2.4 | 2.0 | 1.9 | 1.6 | 2.2 | 1.8 | 1.5 | 2.3 |
| Europe | 15.6 | 14.3 | 12.8 | 11.0 | 14.9 | 14.1 | 16.0 | 16.4 | 17.0 | 18.0 | 17.8 | 20.0 | 20.7 | 17.8 | 16.0 | 18.2 | 19.6 | 19.5 | 18.5 | 21.6 | 23.8 | 24.0 | 23.3 | 23.5 |
| Russia | 4.2 | 3.6 | 3.5 | 3.2 | 4.6 | 3.9 | 3.7 | 3.3 | 3.7 | 4.2 | 4.0 | 3.6 | 4.7 | 4.3 | 3.6 | 3.8 | 3.5 | 3.6 | 3.1 | 4.0 | 3.2 | 3.8 | 3.4 | 3.5 |
| Poland | 1.4 | 1.6 | 1.2 | 0.7 | 1.4 | 1.7 | 2.3 | 2.1 | 3.0 | 2.7 | 2.7 | 3.8 | 2.9 | 1.7 | 1.5 | 2.4 | 3.7 | 2.4 | 2.2 | 2.7 | 4.2 | 4.1 | 5.1 | 4.3 |
| UK | 2.0 | 1.7 | 1.6 | 1.2 | 1.5 | 1.7 | 1.7 | 1.6 | 1.6 | 1.8 | 2.1 | 2.4 | 1.9 | 2.2 | 1.9 | 1.9 | 2.2 | 2.5 | 2.7 | 2.5 | 3.8 | 3.6 | 3.7 | 3.6 |
| Germany | 1.0 | 0.7 | 0.5 | 0.5 | 0.6 | 0.4 | 0.6 | 0.7 | 0.6 | 0.6 | 0.7 | 0.8 | 0.8 | 0.7 | 1.4 | 1.1 | 0.9 | 0.8 | 0.8 | 1.6 | 1.2 | 0.7 | 0.7 | 0.8 |
| Netherlands | 1.3 | 1.7 | 0.7 | 0.7 | 0.6 | 0.5 | 0.6 | 1.0 | 1.0 | 0.8 | 1.1 | 1.0 | 1.5 | 1.5 | 0.9 | 1.2 | 0.9 | 1.5 | 1.4 | 1.7 | 2.5 | 2.9 | 2.2 | 2.6 |
| France | 0.9 | 0.7 | 0.8 | 0.7 | 1.3 | 1.0 | 1.2 | 1.4 | 1.3 | 1.2 | 1.0 | 1.2 | 1.3 | 1.8 | 1.2 | 1.3 | 1.1 | 0.9 | 1.2 | 1.1 | 0.9 | 1.0 | 0.9 | 1.1 |
| Other | 4.8 | 4.4 | 4.5 | 3.9 | 4.8 | 4.9 | 6.0 | 6.3 | 5.8 | 6.8 | 6.2 | 7.1 | 7.6 | 5.7 | 5.5 | 6.5 | 7.4 | 7.7 | 7.1 | 7.9 | 8.0 | 7.8 | 7.4 | 7.6 |
| Oceania | 1.5 | 1.1 | 1.4 | 1.1 | 1.3 | 1.5 | 1.6 | 1.5 | 1.3 | 1.2 | 1.4 | 1.8 | 1.9 | 1.8 | 1.7 | 1.7 | 1.8 | 1.8 | 1.8 | 1.9 | 1.3 | 3.0 | 1.4 | 2.2 |
| Australia | 1.4 | 1.0 | 1.3 | 0.9 | 1.2 | 1.2 | 1.5 | 1.3 | 1.2 | 1.1 | 1.3 | 1.6 | 1.8 | 1.6 | 1.6 | 1.5 | 1.7 | 1.6 | 1.6 | 1.7 | 1.1 | 1.1 | 1.3 | 2.0 |
| Other | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.1 | 0.2 | 0.3 | 0.2 | 0.2 | 2.0 | 0.1 | 0.2 |
| Latin America | 0.9 | 0.9 | 1.4 | 1.0 | 1.2 | 1.6 | 1.0 | 1.4 | 1.6 | 1.3 | 1.5 | 2.3 | 1.9 | 2.1 | 2.0 | 1.9 | 2.1 | 2.4 | 2.0 | 2.1 | 2.6 | 2.3 | 2.8 | 2.2 |
| Africa & other | 0.3 | 0.5 | 0.2 | 0.2 | 0.4 | 0.3 | 0.2 | 0.4 | 0.3 | 0.3 | 0.4 | 0.3 | 0.4 | 0.3 | 0.3 | 0.4 | 0.5 | 0.5 | 0.3 | 0.6 | 0.3 | 0.3 | 0.4 | 0.3 |
| **By category** | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | | | | | | | | | | | | | | | | | | | | | | | | |
| Skincare | 53.5 | 54.7 | 52.1 | 58.7 | 52.4 | 47.9 | 49.5 | 51.8 | 51.6 | 50.7 | 50.5 | 50.8 | 49.9 | 50.6 | 48.9 | 49.5 | 51.1 | 49.7 | 50.7 | 51.1 | 51.8 | 51.9 | 51.5 | 50.8 |
| Color cosmetics | 17.0 | 16.5 | 17.4 | 16.5 | 16.3 | 17.7 | 18.7 | 18.1 | 17.5 | 17.2 | 18.1 | 18.2 | 18.3 | 17.4 | 18.2 | 18.5 | 14.9 | 15.2 | 13.9 | 14.2 | 13.9 | 14.1 | 12.7 | 13.7 |
| Lip | 6.2 | 5.2 | 5.9 | 5.4 | 6.5 | 7.0 | 7.6 | 7.0 | 6.9 | 6.0 | 6.7 | 6.9 | 7.2 | 5.7 | 6.5 | 6.5 | 5.7 | 5.5 | 4.9 | 4.7 | 4.7 | 4.8 | 4.0 | 4.7 |
| Eye | 2.4 | 2.2 | 2.1 | 1.8 | 1.9 | 2.0 | 2.3 | 2.0 | 2.2 | 2.1 | 2.0 | 2.4 | 1.8 | 2.5 | 2.1 | 2.4 | 2.0 | 1.6 | 2.0 | 1.8 | 1.8 | 1.5 | 1.5 | 2.0 |
| Unclassified (inc suncare) | 29.4 | 28.8 | 30.5 | 24.8 | 31.3 | 34.4 | 31.8 | 30.1 | 31.0 | 32.1 | 31.4 | 31.0 | 31.7 | 32.0 | 32.9 | 31.9 | 34.1 | 35.1 | 35.4 | 34.7 | 34.3 | 33.9 | 35.8 | 35.5 |
| Skincare + suncare (est.) | 83.0 | 83.5 | 82.6 | 83.5 | 83.7 | 82.3 | 81.3 | 81.9 | 82.5 | 82.8 | 81.9 | 81.8 | 81.7 | 82.6 | 81.8 | 81.5 | 85.1 | 84.8 | 86.1 | 85.8 | 86.1 | 85.9 | 87.3 | 86.3 |

Source: TRASS, Samsung Securities

# COMPANY UPDATE

2026. 6. 30

Innovation Team

**Donghee Jeong**
Analyst
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Scan to go to
Research Center report database

# PharmaResearch (214450)

## Medical tourism with a cosmetics growth engine

- PharmaResearch is reducing its dependence on domestic Rejuran sales by expanding internationally and growing its cosmetics business.
- We cut our target price to KRW400,000 but maintain BUY on the stock. Even after adjusting our target to reflect supply-demand imbalances and a short-term lull in momentum, we continue to view the company as attractively valued.

*(The original report has been published in June 24th)*

### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| Target price | KRW400,000 | 14.6% |
| **Current price** | **KRW349,000** | |
| Market cap | KRW3.6t/USD2.3b | |
| Shares (float) | 10,389,648 (65.0%) | |
| 52-week high/low | KRW711,000/KRW259,000 | |
| Avg daily trading value (60-day) | KRW32.6b/ USD21.1m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| PharmaResearch (%) | 18.3 | -12.9 | -28.1 |
| Vs Kosdaq (%pts) | 38.1 | -11.7 | -39.0 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 400,000 | 500,000 | -20.0% |
| 2026E EPS | 18,834 | 19,484 | -3.3% |
| 2027E EPS | 24,041 | 24,231 | -0.8% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 14 |
| Target price | 481,429 |
| Recommendation | 4.0 |

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

### WHAT'S THE STORY?

**Still the largest beneficiary of Korea's medical tourism:** PharmaResearch's Rejuran, which launched in Korea more than a decade ago, has become a staple in dermatology clinics despite modest procedural margins and is among the few Korean products widely purchased by medical tourists visiting these clinics. Upcoming launches of energy-based devices (EBDs; products that combine microneedling RF with Rejuran) in 2H and high-concentration Rejuran in 2027-2028 are expected to reignite domestic demand and build longer-term export momentum. Rejuran's clinical credibility, once largely confined to East Asia, now extends across Europe and the Middle East. Exports to Ukraine, shipped via Lithuania, jumped 167.3% y-y to USD9.5m in 2025, while exports to Australia surged 348% y-y to USD4.3m, pointing to adoption beyond Rejuran's traditional Asian user base. Even amid geopolitical tensions, shipments to the UAE rose 62.8% q-q to USD0.37m in 1Q. Shipments to Western Europe reached USD2.2m in Apr 2026, exceeding minimum order quantities, with additional shipments expected in June.

*(Continued on the next page)*

### SUMMARY FINANCIAL DATA

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue (KRWb) | 536 | 663 | 818 | 950 |
| Operating profit (KRWb) | 214 | 270 | 346 | 407 |
| Net profit (adj) (KRWb) | 168 | 223 | 285 | 341 |
| EPS (adj) (KRW) | 14,209 | 18,834 | 24,041 | 28,814 |
| EPS (adj) growth (% y-y) | 65.1 | 32.6 | 27.7 | 19.9 |
| EBITDA margin (%) | 42.9 | 43.2 | 44.0 | 44.8 |
| ROE (%) | 26.9 | 28.0 | 28.5 | 27.6 |
| P/E (adj) (x) | 28.4 | 18.5 | 14.5 | 12.1 |
| P/B (x) | 6.8 | 4.7 | 3.7 | 3.0 |
| EV/EBITDA (x) | 17.1 | 11.4 | 8.5 | 6.7 |
| Dividend yield (%) | 0.9 | 1.5 | 2.2 | 2.9 |

Source: Company data, Samsung Securities estimates

**Skincare business growing into a core pillar:** In 2025, the brand stepped up its US marketing in response to rising unprompted demand. Moving beyond Amazon-centric distribution, it made its official offline debut in 2026 through Sephora. US-bound exports have grown explosively, from USD0.4m in 2024 to USD9.3m in 2025 and USD7.6m in 2026 as of May. The brand has also gained meaningful visibility, with its skincare products ranking in the top two on Olive Young US, which recently opened its first physical store and online mall simultaneously. Increased shipments ahead of Amazon Prime Day in June are likely to lift 2Q26 cosmetics sales to KRW30.5b (up 13.5% q-q and 56.5% y-y). Cosmetics are now projected to account for 29% of total sales in 2026, up 4%pts y-y.

**Lowering target price due to limited short-term momentum, but maintaining BUY:** We leave our annual forecasts largely unchanged. However, with momentum briefly slowing around the 1Q earnings release and investor focus remaining on large caps, we cut the multiple applied to our forward EBITDA estimate by 25%, yielding a target price of KRW400,000. Key points to watch this year include: 1) structural growth in shipments to Western Europe; 2) export-volume expansion as more countries grant regulatory approval; 3) domestic demand recovery fueled by rising medical tourism; and 4) the impact of broader cosmetics distribution channels.

### PharmaResearch: Valuation

| (KRWb) | Calculation | Value |
|---|---|---|
| Forward EBITDA | (A = B x D + C x (1 - D)) | 320.7 |
| 2026E EBITDA | (B) | 286 |
| 2027E EBITDA | (C) | 360 |
| 2026 weighting | (D) | 53.3% |
| Target EV/EBITDA multiple* (x) | (E) | 12.9 |
| Enterprise value | (F = A x E) | 4,136.7 |
| Net debt | (G) | -502.0 |
| Equity value | (H = F - G) | 4,638.6 |
| Shares outstanding ('000) | (I) | 11,565 |
| Fair value per share (KRW) | (H/I) | 401,080 |
| Target price (KRW) | | 400,000 |

Note: *25% discount to average multiple over Mar-May 2025, when the market expected growth in both inbound visitors to Korea and PharmaResearch's exports
Source: Bloomberg, Samsung Securities estimates

### PharmaResearch: Results and forecasts (consolidated)

| (KRWb) | 2025 | 2026E | 2027E | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26E | 3Q26E | 4Q26E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | **536.3** | **662.8** | **818.3** | **74.7** | **83.1** | **89.2** | **103.1** | **116.9** | **140.6** | **135.4** | **143.3** | **146.1** | **165.3** | **167.1** | **184.2** |
| **Pharmaceuticals** | 82.5 | 93.6 | 115.4 | 16.3 | 18.1 | 16.1 | 14.2 | 17.2 | 20.5 | 22.0 | 22.9 | 21.4 | 23.9 | 23.6 | 24.7 |
| Domestic | 51.1 | 52.7 | 62.2 | 10.1 | 9.6 | 10.0 | 8.7 | 10.6 | 13.4 | 13.3 | 13.7 | 11.2 | 13.5 | 13.5 | 14.5 |
| Exports | 31.5 | 40.9 | 53.2 | 6.2 | 8.5 | 6.1 | 5.5 | 6.6 | 7.0 | 8.6 | 9.2 | 10.2 | 10.4 | 10.1 | 10.1 |
| **Medical devices** | 314.4 | 371.0 | 442.2 | 38.4 | 43.0 | 50.7 | 61.5 | 69.5 | 85.0 | 76.7 | 83.2 | 79.5 | 92.0 | 94.3 | 105.2 |
| Domestic | 225.9 | 254.3 | 284.8 | 28.1 | 31.4 | 36.0 | 41.9 | 48.3 | 60.7 | 57.2 | 59.7 | 58.4 | 63.5 | 63.4 | 69.0 |
| Exports | 88.6 | 116.7 | 157.4 | 10.3 | 11.6 | 14.7 | 19.6 | 21.2 | 24.3 | 19.6 | 23.6 | 21.1 | 28.5 | 30.9 | 36.1 |
| **Cosmetics** | 131.5 | 190.2 | 252.4 | 17.7 | 19.9 | 16.9 | 22.8 | 27.9 | 30.8 | 35.2 | 37.6 | 42.2 | 46.8 | 47.5 | 53.8 |
| Domestic | 47.2 | 64.9 | 84.3 | 8.2 | 7.9 | 5.9 | 8.8 | 10.7 | 11.3 | 13.2 | 12.0 | 15.3 | 16.3 | 15.9 | 17.3 |
| Exports | 84.3 | 125.4 | 168.1 | 9.5 | 12.0 | 11.1 | 14.0 | 17.2 | 19.5 | 21.9 | 25.6 | 26.9 | 30.5 | 31.5 | 36.5 |
| **Other** | 7.2 | 8.0 | 8.4 | 2.3 | 2.3 | 5.5 | 4.2 | 2.4 | 4.4 | 1.5 | -1.0 | 3.0 | 2.6 | 1.8 | 0.7 |
| **Gross profit** | **411.2** | **511.3** | **634.9** | **51.8** | **59.2** | **64.6** | **75.7** | **85.4** | **107.2** | **109.1** | **109.4** | **112.9** | **127.1** | **128.8** | **142.5** |
| **Operating profit** | **214.4** | **270.3** | **346.5** | **26.7** | **30.8** | **34.9** | **33.7** | **44.7** | **55.9** | **61.9** | **51.9** | **57.3** | **66.0** | **68.4** | **78.6** |
| **Pre-tax profit** | **216.5** | **288.8** | **365.3** | **23.3** | **38.0** | **31.0** | **23.6** | **45.9** | **55.8** | **64.8** | **49.9** | **68.0** | **68.4** | **70.8** | **81.6** |
| **Net profit (controlling)** | **165.1** | **217.8** | **278.0** | **17.2** | **31.4** | **24.7** | **18.7** | **36.2** | **47.4** | **49.0** | **32.6** | **47.6** | **52.7** | **54.6** | **62.9** |
| **Growth (% y-y)** | | | | | | | | | | | | | | | |
| **Sales** | **53.2** | **23.6** | **23.5** | **34.8** | **24.4** | **29.7** | **47.3** | **56.5** | **69.2** | **51.8** | **39.1** | **25.0** | **17.5** | **23.4** | **28.5** |
| **Pharmaceuticals** | 27.6 | 13.4 | 23.3 | 32.7 | 33.7 | 8.5 | 3.2 | 5.4 | 13.1 | 36.4 | 61.7 | 24.7 | 16.7 | 7.4 | 7.6 |
| Domestic | 33.1 | 3.1 | 18.1 | 30.3 | 13.9 | 10.1 | 5.2 | 4.7 | 40.5 | 32.9 | 58.5 | 5.5 | 0.6 | 1.0 | 5.9 |
| Exports | 19.6 | 30.0 | 30.0 | 36.6 | 66.2 | 5.8 | 0.0 | 6.6 | -17.5 | 42.0 | 66.9 | 55.4 | 47.6 | 17.4 | 10.2 |
| **Medical devices** | 62.4 | 18.0 | 19.2 | 27.2 | 24.2 | 46.8 | 67.1 | 81.0 | 97.6 | 51.5 | 35.3 | 14.5 | 8.2 | 22.9 | 26.3 |
| Domestic | 64.4 | 12.6 | 12.0 | 41.7 | 36.0 | 45.4 | 53.5 | 71.9 | 93.4 | 58.7 | 42.5 | 20.9 | 4.5 | 10.9 | 15.7 |
| Exports | 57.7 | 31.7 | 34.9 | -0.7 | 0.5 | 50.4 | 105.9 | 105.9 | 109.1 | 33.7 | 20.0 | -0.1 | 17.5 | 57.7 | 53.4 |
| **Cosmetics** | 70.1 | 44.6 | 32.7 | 61.1 | 18.1 | 0.3 | 48.6 | 57.5 | 54.7 | 108.1 | 65.2 | 51.0 | 52.2 | 34.9 | 42.8 |
| Domestic | 53.5 | 37.4 | 29.9 | 27.4 | -14.4 | -23.3 | 29.1 | 29.8 | 42.7 | 126.4 | 36.7 | 43.3 | 44.9 | 20.3 | 44.1 |
| Exports | 81.1 | 48.7 | 34.1 | 109.2 | 57.4 | 19.8 | 64.0 | 81.6 | 62.7 | 98.5 | 83.0 | 55.8 | 56.5 | 43.8 | 42.2 |
| **Other** | -49.4 | 10.0 | 5.0 | 38.5 | 28.4 | 114.7 | 2.8 | 1.5 | 90.3 | -72.6 | -124.5 | 25.8 | -41.4 | 16.5 | -164.8 |
| **Gross profit** | **63.7** | **24.3** | **24.2** | **28.1** | **18.8** | **27.6** | **53.1** | **65.0** | **81.0** | **69.0** | **44.6** | **32.2** | **18.5** | **18.0** | **30.2** |
| **Operating profit** | **70.1** | **26.1** | **28.2** | **28.6** | **30.1** | **27.0** | **65.4** | **67.7** | **81.7** | **77.2** | **54.1** | **28.1** | **18.1** | **10.5** | **51.5** |
| **Pre-tax profit** | **87.0** | **33.4** | **26.5** | **1.9** | **63.1** | **-9.5** | **16.1** | **97.6** | **47.1** | **108.9** | **111.7** | **48.0** | **22.5** | **9.3** | **63.4** |
| **Net profit (controlling)** | **79.4** | **31.9** | **27.7** | **-2.6** | **87.6** | **-7.4** | **21.3** | **109.8** | **51.0** | **98.1** | **74.2** | **31.5** | **11.3** | **11.5** | **93.1** |
| **Margins (%)** | | | | | | | | | | | | | | | |
| **Gross profit** | **76.7** | **77.1** | **77.6** | **69.3** | **71.3** | **72.4** | **73.4** | **73.1** | **76.2** | **80.6** | **76.3** | **77.3** | **76.9** | **77.1** | **77.3** |
| **Operating profit** | **40.0** | **40.8** | **42.3** | **35.7** | **37.0** | **39.1** | **32.7** | **38.3** | **39.7** | **45.7** | **36.2** | **39.2** | **39.9** | **40.9** | **42.7** |
| **Pre-tax profit** | **40.4** | **43.6** | **44.6** | **31.1** | **45.7** | **34.8** | **22.9** | **39.3** | **39.7** | **47.9** | **34.8** | **46.6** | **41.4** | **42.4** | **44.3** |
| **Net profit (controlling)** | **30.8** | **32.9** | **34.0** | **23.1** | **37.8** | **27.7** | **18.1** | **30.9** | **33.7** | **36.2** | **22.7** | **32.6** | **31.9** | **32.7** | **34.1** |

Source: Company data, Samsung Securities estimates

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **350** | **536** | **663** | **818** | **950** |
| Cost of goods sold | 99 | 125 | 151 | 183 | 212 |
| **Gross profit** | **251** | **411** | **511** | **635** | **739** |
| Gross margin (%) | 71.8 | 76.7 | 77.1 | 77.6 | 77.7 |
| SG&A expenses | 125 | 197 | 241 | 288 | 332 |
| **Operating profit** | **126** | **214** | **270** | **346** | **407** |
| Operating margin (%) | 36.0 | 40.0 | 40.8 | 42.3 | 42.8 |
| **Non-operating gains (losses)** | **-10** | **2** | **19** | **19** | **31** |
| Financial profit | 25 | 30 | 35 | 28 | 39 |
| Financial costs | 41 | 21 | 15 | 10 | 9 |
| Equity-method gains (losses) | 6 | 0 | 0 | 0 | 0 |
| Other | -0 | -7 | -2 | 0 | 0 |
| **Pre-tax profit** | **116** | **217** | **289** | **365** | **438** |
| Taxes | 27 | 48 | 66 | 80 | 96 |
| Effective tax rate (%) | 23.2 | 22.3 | 22.7 | 22.0 | 22.0 |
| Profit from continuing operations | 89 | 168 | 223 | 285 | 341 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **89** | **168** | **223** | **285** | **341** |
| Net margin (%) | 25.4 | 31.4 | 33.7 | 34.8 | 35.9 |
| Net profit (controlling interests) | 92 | 165 | 218 | 278 | 333 |
| Net profit (non-controlling interests) | -3 | 3 | 5 | 7 | 8 |
| EBITDA | 140 | 230 | 286 | 360 | 426 |
| EBITDA margin (%) | 39.9 | 42.9 | 43.2 | 44.0 | 44.8 |
| EPS (parent-based) (KRW) | 8,608 | 14,209 | 18,834 | 24,041 | 28,814 |
| EPS (consolidated) (KRW) | 8,319 | 14,478 | 19,299 | 24,635 | 29,525 |
| Adjusted EPS (KRW)* | 8,608 | 14,209 | 18,834 | 24,041 | 28,814 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **555** | **760** | **909** | **1,133** | **1,398** |
| Cash & equivalents | 165 | 176 | 208 | 319 | 449 |
| Accounts receivable | 38 | 44 | 57 | 68 | 81 |
| Inventories | 57 | 83 | 106 | 126 | 150 |
| Other current assets | 293 | 457 | 538 | 620 | 719 |
| **Fixed assets** | **301** | **284** | **350** | **375** | **396** |
| Investment assets | 88 | 51 | 82 | 91 | 102 |
| Tangible assets | 147 | 175 | 214 | 234 | 246 |
| Intangible assets | 33 | 31 | 28 | 25 | 22 |
| Other long-term assets | 32 | 27 | 26 | 26 | 26 |
| **Total assets** | **856** | **1,044** | **1,259** | **1,508** | **1,794** |
| **Current liabilities** | **83** | **110** | **138** | **162** | **191** |
| Accounts payable | 11 | 11 | 15 | 17 | 21 |
| Short-term debt | 0 | 0 | 0 | 0 | 0 |
| Other current liabilities | 71 | 99 | 123 | 144 | 171 |
| **Long-term liabilities** | **203** | **210** | **215** | **216** | **218** |
| Bonds & long-term debt | 1 | 0 | 0 | 0 | 0 |
| Other long-term liabilities | 202 | 209 | 214 | 216 | 217 |
| **Total liabilities** | **286** | **320** | **352** | **378** | **409** |
| **Owners of parent equity** | **539** | **689** | **867** | **1,084** | **1,330** |
| Capital stock | 5 | 5 | 5 | 5 | 5 |
| Capital surplus | 197 | 194 | 194 | 194 | 194 |
| Retained earnings | 343 | 492 | 669 | 886 | 1,132 |
| Other | -6 | -2 | -1 | -1 | -1 |
| **Non-controlling interests' equity** | **30** | **35** | **40** | **47** | **55** |
| **Total equity** | **569** | **724** | **907** | **1,130** | **1,385** |
| Net debt | -197 | -290 | -414 | -603 | -826 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **138** | **183** | **186** | **290** | **349** |
| Net profit | 89 | 168 | 223 | 285 | 341 |
| Non-cash profit and expenses | 61 | 66 | 66 | 75 | 84 |
| Depreciation | 10 | 11 | 12 | 10 | 16 |
| Amortization | 4 | 4 | 4 | 3 | 3 |
| Other | 47 | 50 | 50 | 62 | 66 |
| Changes in A/L from operating activities | 0 | -25 | -51 | -9 | -11 |
| **Cash flow from investments** | **-226** | **-156** | **-137** | **-110** | **-125** |
| Change in tangible assets | -36 | -30 | -50 | -30 | -28 |
| Change in financial assets | -180 | -90 | -96 | -80 | -97 |
| Other | -10 | -37 | 10 | 0 | -0 |
| **Cash flow from financing** | **183** | **-15** | **-44** | **-60** | **-85** |
| Change in debt | 179 | 4 | 3 | 2 | 2 |
| Change in equity | 22 | -4 | 0 | 0 | 0 |
| Dividends | -10 | -12 | -43 | -62 | -87 |
| Other | -9 | -4 | -4 | 0 | 0 |
| Change in cash | 98 | 10 | 32 | 111 | 130 |
| Cash at beginning of year | 67 | 165 | 176 | 208 | 319 |
| Cash at end of year | 165 | 176 | 208 | 319 | 449 |
| **Gross cash flow** | **150** | **234** | **289** | **360** | **426** |
| **Free cash flow** | **102** | **153** | **136** | **260** | **321** |

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

## Financial ratios

| Year-end Dec 31 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%)** | | | | | |
| Sales | 34.1 | 53.2 | 23.6 | 23.5 | 16.1 |
| Operating profit | 36.6 | 70.1 | 26.1 | 28.2 | 17.5 |
| Net profit | 15.1 | 89.2 | 32.7 | 27.7 | 19.9 |
| Adjusted EPS** | 15.1 | 65.1 | 32.6 | 27.7 | 19.9 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | 8,608 | 14,209 | 18,834 | 24,041 | 28,814 |
| EPS (consolidated) | 8,319 | 14,478 | 19,299 | 24,635 | 29,525 |
| Adjusted EPS** | 8,608 | 14,209 | 18,834 | 24,041 | 28,814 |
| BVPS | 46,640 | 59,603 | 74,978 | 93,696 | 114,975 |
| DPS (common) | 1,100 | 3,700 | 5,371 | 7,678 | 10,189 |
| **Valuations (x)** | | | | | |
| P/E*** | 30.5 | 28.4 | 18.5 | 14.5 | 12.1 |
| P/B*** | 5.6 | 6.8 | 4.7 | 3.7 | 3.0 |
| EV/EBITDA | 18.6 | 17.1 | 11.4 | 8.5 | 6.7 |
| **Ratios (%)** | | | | | |
| ROE | 18.9 | 26.9 | 28.0 | 28.5 | 27.6 |
| ROA | 12.8 | 17.7 | 19.4 | 20.6 | 20.7 |
| ROIC | 44.5 | 70.1 | 75.1 | 85.6 | 93.4 |
| Payout ratio | 12.4 | 23.3 | 25.6 | 28.7 | 31.8 |
| Dividend yield (common) | 0.4 | 0.9 | 1.5 | 2.2 | 2.9 |
| Net debt to equity | -34.6 | -40.0 | -45.6 | -53.3 | -59.6 |
| Interest coverage (x) | 27.2 | 20.6 | 26.2 | 36.3 | 46.8 |

# COMPANY UPDATE

2026. 6. 30


Innovation Team

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# APR (278470)

## More than a channel story

- APR controls its own distribution across both online and offline channels. With a more diversified global supply network coming online in 2026, the company is well positioned to deliver revenue growth and margin expansion.
- We initiate coverage of APR at BUY, with a target price of KRW510,000. Building on Medicube's brand equity in the US, APR is scaling rapidly across Europe and the Middle East while pursuing sustainable growth through new home-beauty and dermatology-grade products.

*(The originial report has been published in June 24th)*

### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| Target price | KRW510,000 | 32.1% |
| **Current price** | **KRW386,000** | |
| Market cap | KRW14.5t/USD9.4b | |
| Shares (float) | 37,438,155 (64.9%) | |
| 52-week high/low | KRW459,000/KRW137,800 | |
| Avg daily trading value (60-day) | KRW124.7b/ USD80.7m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| APR (%) | -2.4 | 64.6 | 159.6 |
| Vs Kospi (%pts) | -1.5 | -17.2 | -5.5 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 510,000 | 500,000 | 2.0% |
| 2026E EPS | 15,371 | 15,679 | -2.4% |
| 2027E EPS | 20,938 | 23,628 | -11.4% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 18 |
| Target price | 517,778 |
| Recommendation | 4.0 |

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

### WHAT'S THE STORY?

**Beyond the US—Our top pick across global beauty distribution channels:** Sales through Amazon US, APR's largest growth driver, are no longer dependent on a handful of hit products. The number of APR products ranked in Amazon's US skincare top 100 has increased to seven to eight, signaling a shift from product-driven to brand-driven consumer preference. Given that offline channels account for 60% of the US beauty market—while APR's US offline sales currently represent only around 10%—the company has considerable scope to expand its offline footprint.

Building on its US success, APR is rapidly expanding into Europe, having launched on Amazon and TikTok Shop in the UK in 4Q25, followed by Germany, France, Spain, and Italy in 1Q. B2B sales through leading K-beauty distributors are growing alongside B2C online sales, putting quarterly sales in Europe and other regions on track to potentially exceed KRW200b in 2Q. Japan, where the focus is on increasing per-store sales, and the Middle East, where pharmacy channels dominate, are likely to emerge as the next growth markets from 2026.

*(Continued on the next page)*

### SUMMARY FINANCIAL DATA

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue (KRWb) | 1,527 | 2,884 | 3,926 | 4,907 |
| Operating profit (KRWb) | 366 | 733 | 1,018 | 1,302 |
| Net profit (adj) (KRWb) | 290 | 575 | 784 | 1,001 |
| EPS (adj) (KRW) | 7,704 | 15,371 | 20,938 | 26,744 |
| EPS (adj) growth (% y-y) | 171.1 | 99.5 | 36.2 | 27.7 |
| EBITDA margin (%) | 25.9 | 26.3 | 26.9 | 27.3 |
| ROE (%) | 75.3 | 97.3 | 87.6 | 79.9 |
| P/E (adj) (x) | 30.0 | 25.1 | 18.4 | 14.4 |
| P/B (x) | 19.4 | 19.6 | 13.7 | 9.9 |
| EV/EBITDA (x) | 21.6 | n/a | n/a | n/a |
| Dividend yield (%) | 2.2 | 1.8 | 2.2 | 2.8 |

Source: Company data, Samsung Securities estimates

**Initiating coverage at BUY with KRW510,000 target price:** Over the past two years, APR has delivered the strongest growth in the sector, effectively dispelling skepticism over its valuation premium. Its proven ability to generate operating leverage through highly efficient marketing spend should continue beyond 2026, supporting a gradual rise in operating margin from 23.9% in 2025 to 25.4% in 2026 and 25.9% in 2027. One headwind to US growth—tariffs—should be mitigated by an approximately KRW20b refund, to be distributed quarterly this year. With an expanding portfolio of high-performing SKUs and new growth drivers—including the US launch of Booster Pro X2 in mid-2026 and the domestic rollout of a dermatology-grade energy-based device (EBD) in 2H26—APR has the attributes needed to sustain earnings upside. Its frequent shareholder returns, including dividends and share buybacks, further reinforce its appeal as a well-rounded investment.

## APR: Results and forecasts

| (KRWb) | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26E | 3Q26E | 4Q26E | 2023 | 2024 | 2025 | 2026E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | 148.9 | 155.5 | 174.1 | 244.2 | 266.0 | 327.7 | 385.9 | 547.6 | 593.4 | 651.9 | 735.2 | 903.3 | 523.8 | 722.8 | 1,527.3 | 2,883.8 | 3,925.8 |
| **US** | 24.7 | 24.9 | 39.6 | 69.0 | 70.9 | 96.2 | 150.5 | 255.1 | 248.5 | 264.3 | 296.5 | 363.6 | 67.9 | 158.3 | 572.7 | 1,172.8 | 1,516.3 |
| Cosmetics | 11.0 | 13.0 | 24.8 | 37.3 | 53.9 | 76.9 | 127.9 | 220.8 | 223.6 | 236.3 | 261.3 | 311.8 | 36.2 | 86.1 | 479.5 | 1,033.0 | 1,320.5 |
| Devices | 13.8 | 11.9 | 14.8 | 31.7 | 17.0 | 19.2 | 22.6 | 34.3 | 24.8 | 28.0 | 35.2 | 51.8 | 31.7 | 72.2 | 93.1 | 139.8 | 195.8 |
| **Europe, Southeast Asia, *etc* (B2B)** | 13.8 | 19.5 | 23.7 | 44.2 | 65.6 | 79.7 | 85.4 | 118.8 | 190.0 | 236.1 | 280.3 | 358.5 | 34.8 | 101.2 | 349.4 | 1,065.0 | 1,744.1 |
| Cosmetics | 9.0 | 9.1 | 11.3 | 23.8 | 43.3 | 57.4 | 64.0 | 96.2 | 133.0 | 209.4 | 254.9 | 331.1 | 26.8 | 53.1 | 260.9 | 928.5 | 1,559.8 |
| Devices | 4.7 | 10.4 | 12.3 | 20.4 | 22.3 | 22.3 | 21.3 | 22.6 | 57.0 | 26.7 | 25.4 | 27.4 | 7.5 | 47.7 | 88.5 | 136.5 | 184.3 |
| **Japan** | 9.8 | 9.4 | 15.2 | 17.7 | 29.3 | 43.9 | 46.6 | 69.0 | 58.9 | 57.4 | 59.8 | 81.2 | 33.2 | 52.2 | 188.8 | 257.2 | 332.2 |
| Cosmetics | 3.7 | 5.6 | 7.5 | 10.6 | 18.5 | 28.5 | 23.9 | 39.9 | 29.4 | 33.3 | 32.3 | 46.3 | 12.1 | 27.4 | 110.8 | 141.3 | 190.8 |
| Devices | 5.5 | 3.5 | 7.6 | 6.9 | 10.8 | 15.4 | 22.7 | 29.1 | 29.4 | 24.1 | 27.5 | 34.9 | 17.8 | 23.5 | 78.0 | 115.9 | 141.4 |
| **China, Hong Kong, and Taiwan** | 20.4 | 25.9 | 24.0 | 29.0 | 28.4 | 34.7 | 27.4 | 31.8 | 30.7 | 32.7 | 30.1 | 32.4 | 75.3 | 99.2 | 122.3 | 125.9 | 132.2 |
| **Domestic** | 82.8 | 78.4 | 73.9 | 88.0 | 76.8 | 73.2 | 76.0 | 73.1 | 65.3 | 61.4 | 68.6 | 67.6 | 318.6 | 323.1 | 299.1 | 262.8 | 272.9 |
| Cosmetics | 35.3 | 34.9 | 30.8 | 30.5 | 36.2 | 36.3 | 38.0 | 30.7 | 45.0 | 30.9 | 32.3 | 31.3 | 108.0 | 131.5 | 141.2 | 139.4 | 142.2 |
| Devices | 34.8 | 32.6 | 29.2 | 33.3 | 30.4 | 26.3 | 30.9 | 30.4 | 12.2 | 25.8 | 31.6 | 31.0 | 138.8 | 129.9 | 118.0 | 100.6 | 112.6 |
| Other | 12.7 | 10.9 | 13.8 | 24.2 | 10.1 | 10.6 | 10.5 | 12.0 | 8.1 | 4.8 | 4.7 | 5.3 | 71.9 | 61.7 | 43.2 | 22.8 | 18.0 |
| Operating profit | 27.8 | 28.0 | 27.2 | 39.7 | 54.6 | 84.6 | 96.1 | 130.3 | 152.3 | 153.0 | 187.9 | 240.1 | 104.2 | 122.7 | 365.5 | 733.3 | 1,018.4 |
| Net profit (controlling) | 24.1 | 24.1 | 16.0 | 43.4 | 49.9 | 66.3 | 74.6 | 98.8 | 117.3 | 121.8 | 148.4 | 188.0 | 81.5 | 107.6 | 289.7 | 575.5 | 783.9 |
| Operating margin (%) | 18.6 | 18.0 | 15.6 | 16.3 | 20.5 | 25.8 | 24.9 | 23.8 | 25.7 | 23.5 | 25.6 | 26.6 | 19.9 | 17.0 | 23.9 | 25.4 | 25.9 |
| Net margin (%) | 16.2 | 15.5 | 9.2 | 17.8 | 18.8 | 20.2 | 19.3 | 18.0 | 19.8 | 18.7 | 20.2 | 20.8 | 15.6 | 14.9 | 19.0 | 20.0 | 20.0 |
| **Growth (% y-y)** | | | | | | | | | | | | | | | | | |
| **Sales** | 21.9 | 21.8 | 42.8 | 60.6 | 78.6 | 110.8 | 121.7 | 124.2 | 123.0 | 98.9 | 90.5 | 64.9 | 31.7 | 38.0 | 111.3 | 88.8 | 36.1 |
| **US** | 196.0 | 108.8 | 123.3 | 130.7 | 186.5 | 285.8 | 280.1 | 269.7 | 250.5 | 174.8 | 97.0 | 42.6 | 127.3 | 133.0 | 261.8 | 104.8 | 29.3 |
| Cosmetics | 95.5 | 78.6 | 145.9 | 182.0 | 390.7 | 491.3 | 415.4 | 492.6 | 315.0 | 207.1 | 104.2 | 41.2 | 67.7 | 137.7 | 457.1 | 115.4 | 27.8 |
| Devices | 401.6 | 156.0 | 93.5 | 90.1 | 23.6 | 61.4 | 52.9 | 8.1 | 46.0 | 45.6 | 55.9 | 51.0 | 282.7 | 127.6 | 29.0 | 50.2 | 40.0 |
| **Europe, Southeast Asia, *etc* (B2B)** | 80.8 | 139.3 | 184.0 | 315.6 | 374.4 | 308.0 | 260.2 | 169.0 | 189.8 | 196.2 | 228.3 | 201.8 | 25.1 | 191.0 | 245.2 | 204.8 | 63.8 |
| Cosmetics | 42.6 | 33.3 | 80.2 | 221.0 | 380.2 | 533.6 | 465.8 | 305.0 | 207.4 | 264.9 | 298.0 | 244.1 | 7.5 | 98.3 | 391.0 | 255.8 | 68.0 |
| Devices | 308.4 | 706.8 | 534.9 | 543.4 | 376.8 | 114.1 | 74.0 | 10.9 | 155.7 | 19.5 | 19.1 | 21.5 | 171.0 | 533.5 | 85.5 | 54.2 | 35.0 |
| **Japan** | 16.1 | 13.2 | 78.6 | 125.0 | 198.3 | 366.1 | 206.5 | 289.3 | 100.8 | 30.8 | 28.3 | 17.7 | -11.1 | 57.2 | 261.9 | 36.3 | 29.1 |
| Cosmetics | 5.6 | 82.6 | 137.7 | 343.1 | 400.5 | 412.1 | 216.7 | 275.6 | 59.4 | 16.7 | 35.2 | 16.2 | -23.2 | 126.4 | 303.9 | 27.6 | 35.0 |
| Devices | 32.8 | -16.0 | 66.2 | 41.5 | 95.7 | 334.5 | 199.5 | 323.4 | 171.4 | 57.0 | 21.0 | 19.8 | 4.6 | 32.2 | 231.5 | 48.5 | 22.0 |
| **China, Hong Kong, and Taiwan** | nm | nm | nm | nm | 39.4 | 34.4 | 14.3 | 9.5 | 8.1 | -5.8 | 9.7 | 2.0 | nm | 31.7 | 23.3 | 2.9 | 5.0 |
| **Domestic** | -1.5 | -5.7 | 12.3 | 2.9 | -7.3 | -6.7 | 2.9 | -17.0 | -14.9 | -16.1 | -9.8 | -7.5 | 25.4 | 1.4 | -7.4 | -12.1 | 3.8 |
| Cosmetics | 34.5 | 23.2 | 5.4 | 26.1 | 2.7 | 4.1 | 23.4 | 0.5 | 24.2 | -15.0 | -15.0 | 2.0 | 30.3 | 21.8 | 7.4 | -1.2 | 2.0 |
| Devices | -13.6 | -4.4 | 19.1 | -16.5 | -12.6 | -19.4 | 5.9 | -8.6 | -59.7 | -2.0 | 2.0 | 2.0 | 62.5 | -6.4 | -9.1 | -14.8 | 12.0 |
| Other | -27.6 | -47.3 | 14.9 | 12.8 | -20.6 | -2.8 | -24.2 | -50.5 | -20.4 | -55.0 | -55.0 | -56.0 | -16.2 | -14.1 | -30.0 | -47.2 | -21.0 |
| Operating profit | 19.7 | 13.0 | 24.6 | 15.5 | 96.5 | 201.9 | 252.8 | 228.3 | 179.0 | 81.0 | 95.5 | 84.3 | 165.6 | 17.8 | 197.9 | 100.6 | 38.9 |
| Net profit (controlling) | 18.7 | 28.4 | -12.9 | 80.0 | 107.3 | 175.2 | 366.3 | 127.6 | 134.8 | 83.7 | 98.8 | 90.3 | 172.2 | 31.9 | 169.2 | 98.7 | 36.2 |
| **Growth (% q-q)** | | | | | | | | | | | | | | | | | |
| **Sales** | -2.0 | 4.4 | 12.0 | 40.3 | 8.9 | 23.2 | 17.8 | 41.9 | 8.3 | 9.9 | 12.8 | 22.9 | | | | | |
| US | -17.3 | 0.8 | 58.8 | 74.3 | 2.8 | 35.7 | 56.5 | 69.5 | -2.6 | 6.4 | 12.2 | 22.7 | | | | | |
| Cosmetics | -16.9 | 18.5 | 90.8 | 50.1 | 44.6 | 42.8 | 66.3 | 72.6 | 1.3 | 5.7 | 10.6 | 19.3 | | | | | |
| Devices | -17.6 | -13.4 | 23.9 | 114.9 | -46.4 | 13.1 | 17.4 | 52.0 | -27.6 | 12.7 | 25.7 | 47.2 | | | | | |
| **Europe, Southeast Asia, *etc* (B2B)** | 30.1 | 41.3 | 21.4 | 86.2 | 48.5 | 21.5 | 7.1 | 39.1 | 60.0 | 24.2 | 18.7 | 27.9 | | | | | |
| Cosmetics | 21.8 | 0.5 | 25.0 | 109.8 | 82.2 | 32.6 | 11.6 | 50.2 | 38.3 | 57.4 | 21.7 | 29.9 | | | | | |
| Devices | 47.8 | 122.9 | 17.7 | 66.0 | 9.5 | 0.1 | -4.3 | 5.7 | 152.6 | -53.2 | -4.7 | 7.8 | | | | | |
| **Japan** | 24.8 | -4.1 | 61.3 | 16.5 | 65.5 | 49.8 | 6.1 | 48.0 | -14.7 | -2.4 | 4.1 | 35.8 | | | | | |
| Cosmetics | 54.0 | 51.1 | 35.4 | 40.6 | 74.0 | 54.6 | -16.3 | 66.8 | -26.2 | 13.2 | -3.0 | 43.3 | | | | | |
| Devices | 14.1 | -36.2 | 114.2 | -9.3 | 57.8 | 41.7 | 47.7 | 28.2 | 1.1 | -18.0 | 13.8 | 27.0 | | | | | |
| **China, Hong Kong, and Taiwan** | nm | 26.9 | -7.2 | 20.8 | -2.1 | 22.3 | -21.1 | 15.8 | -3.3 | 6.6 | -8.1 | 7.7 | | | | | |
| **Domestic** | -3.2 | -5.3 | -5.8 | 19.2 | -12.8 | -4.6 | 3.9 | -3.9 | -10.6 | -6.0 | 11.7 | -1.5 | | | | | |
| Cosmetics | 45.7 | -1.1 | -11.7 | -0.9 | 18.7 | 0.2 | 4.7 | -19.3 | 46.7 | -31.4 | 4.7 | -3.1 | | | | | |
| Devices | -12.7 | -6.2 | -10.4 | 13.8 | -8.6 | -13.6 | 17.7 | -1.8 | -59.7 | 110.4 | 22.5 | -1.8 | | | | | |
| Other | -40.7 | -14.3 | 26.7 | 75.0 | -58.2 | 5.0 | -1.2 | 14.3 | -32.9 | -40.6 | -1.2 | 11.7 | | | | | |
| Operating profit | -19.2 | 0.9 | -2.7 | 45.7 | 37.5 | 54.9 | 13.7 | 35.5 | 16.9 | 0.5 | 22.8 | 27.8 | | | | | |
| Net profit (controlling) | -0.1 | 0.0 | -33.6 | 171.1 | 15.1 | 32.8 | 12.6 | 32.3 | 18.7 | 3.9 | 21.8 | 26.7 | | | | | |

Source: Company data, Samsung Securities estimates

## APR: Valuation

| (KRW) | Calculation | Value |
|---|---|---|
| Forward EPS | (A = B x D + C x (1 - D)) | 17,973 |
| 2026E EPS | (B) | 15,371 |
| 2027E EPS | (C) | 20,938 |
| 2026 weighting | (D) | 53.3% |
| Target P/E multiple* (x) | (E) | 28.6 |
| Target price | (A x E) | 510,000 |

Note: *30% premium to average consensus forward P/E multiple at which brand peers are trading
Source: Bloomberg, Samsung Securities estimates

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **723** | **1,527** | **2,884** | **3,926** | **4,907** |
| Cost of goods sold | 179 | 357 | 663 | 911 | 1,129 |
| **Gross profit** | **544** | **1,171** | **2,221** | **3,015** | **3,778** |
| Gross margin (%) | 75.2 | 76.6 | 77.0 | 76.8 | 77.0 |
| SG&A expenses | 421 | 805 | 1,494 | 1,997 | 2,476 |
| **Operating profit** | **123** | **366** | **733** | **1,018** | **1,302** |
| Operating margin (%) | 17.0 | 23.9 | 25.4 | 25.9 | 26.5 |
| **Non-operating gains (losses)** | **11** | **-1** | **17** | **-0** | **-2** |
| Financial profit | 29 | 33 | 25 | 32 | 33 |
| Financial costs | 17 | 31 | 7 | 32 | 35 |
| Equity-method gains (losses) | 0 | 0 | 0 | 0 | 0 |
| Other | -1 | -3 | -1 | 0 | 0 |
| **Pre-tax profit** | **133** | **364** | **751** | **1,018** | **1,300** |
| Taxes | 26 | 75 | 175 | 234 | 299 |
| Effective tax rate (%) | 19.3 | 20.5 | 23.3 | 23.0 | 23.0 |
| Profit from continuing operations | 108 | 290 | 575 | 784 | 1,001 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **108** | **290** | **575** | **784** | **1,001** |
| Net margin (%) | 14.9 | 19.0 | 20.0 | 20.0 | 20.4 |
| Net profit (controlling interests) | 108 | 290 | 575 | 784 | 1,001 |
| Net profit (non-controlling interests) | 0 | 0 | n/a | n/a | n/a |
| EBITDA | 145 | 396 | 758 | 1,057 | 1,341 |
| EBITDA margin (%) | 20.1 | 25.9 | 26.3 | 26.9 | 27.3 |
| EPS (parent-based) (KRW) | 2,842 | 7,704 | 15,371 | 20,938 | 26,744 |
| EPS (consolidated) (KRW) | 2,842 | 7,704 | 15,371 | 20,938 | 26,744 |
| Adjusted EPS (KRW)* | 2,842 | 7,704 | 15,371 | 20,938 | 26,744 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **286** | **546** | **807** | **1,190** | **1,664** |
| Cash & equivalents | 90 | 154 | 132 | 244 | 450 |
| Accounts receivable | 39 | 78 | 174 | 258 | 323 |
| Inventories | 110 | 165 | 356 | 538 | 739 |
| Other current assets | 47 | 148 | 146 | 150 | 152 |
| **Fixed assets** | **279** | **226** | **322** | **352** | **341** |
| Investment assets | 62 | 45 | 68 | 69 | 69 |
| Tangible assets | 51 | 60 | 70 | 84 | 96 |
| Intangible assets | 6 | 7 | 7 | 8 | 8 |
| Other long-term assets | 160 | 114 | 176 | 191 | 168 |
| **Total assets** | **565** | **772** | **1,129** | **1,542** | **2,005** |
| **Current liabilities** | **145** | **238** | **287** | **365** | **424** |
| Accounts payable | 34 | 64 | 142 | 215 | 269 |
| Short-term debt | 0 | 0 | n/a | n/a | n/a |
| Other current liabilities | 111 | 174 | n/a | n/a | n/a |
| **Long-term liabilities** | **96** | **88** | **105** | **125** | **126** |
| Bonds & long-term debt | 0 | 0 | 0 | 0 | 0 |
| Other long-term liabilities | 96 | 88 | 105 | 125 | 126 |
| **Total liabilities** | **242** | **326** | **392** | **491** | **550** |
| **Owners of parent equity** | **324** | **446** | **737** | **1,051** | **1,454** |
| Capital stock | 4 | 4 | 4 | 4 | 4 |
| Capital surplus | 137 | 13 | 15 | 16 | 17 |
| Retained earnings | 229 | 427 | 748 | 1,071 | 1,482 |
| Other | -46 | 1 | -29 | -39 | -49 |
| **Non-controlling interests' equity** | **0** | **0** | **n/a** | **n/a** | **n/a** |
| **Total equity** | **324** | **446** | **737** | **1,051** | **1,454** |
| Net debt | -2 | -85 | -133 | -226 | -434 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **79** | **341** | **310** | **532** | **755** |
| Net profit | 108 | 290 | 575 | 784 | 1,001 |
| Non-cash profit and expenses | 55 | 102 | 67 | 80 | 84 |
| Depreciation | 22 | 29 | 30 | 37 | 37 |
| Amortization | 1 | 1 | 1 | 1 | 1 |
| Other | 32 | 71 | 36 | 41 | 45 |
| Changes in A/L from operating activities | -58 | -32 | -318 | -313 | -311 |
| **Cash flow from investments** | **-110** | **-94** | **-59** | **-72** | **-78** |
| Change in tangible assets | -45 | -15 | -18 | -21 | -19 |
| Change in financial assets | -39 | 7 | -39 | -49 | -57 |
| Other | -26 | -86 | -2 | -2 | -2 |
| **Cash flow from financing** | **-5** | **-182** | **-273** | **-349** | **-472** |
| Change in debt | 90 | -12 | 6 | -1 | 0 |
| Change in equity | 76 | -123 | 0 | 0 | 0 |
| Dividends | 0 | -134 | -262 | -318 | -412 |
| Other | -170 | 88 | -17 | -30 | -60 |
| Change in cash | -35 | 64 | -22 | 112 | 206 |
| Cash at beginning of year | 125 | 90 | 154 | 132 | 244 |
| Cash at end of year | 90 | 154 | 132 | 244 | 450 |
| **Gross cash flow** | **162** | **391** | **643** | **864** | **1,085** |
| **Free cash flow** | **34** | **326** | **292** | **511** | **737** |

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

## Financial ratios

| Year-end Dec 31 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%)** | | | | | |
| Sales | 38.0 | 111.3 | 88.8 | 36.1 | 25.0 |
| Operating profit | 17.8 | 197.9 | 100.6 | 38.9 | 27.9 |
| Net profit | 31.9 | 169.2 | 98.7 | 36.2 | 27.7 |
| Adjusted EPS** | 26.4 | 171.1 | 99.5 | 36.2 | 27.7 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | 2,842 | 7,704 | 15,371 | 20,938 | 26,744 |
| EPS (consolidated) | 2,842 | 7,704 | 15,371 | 20,938 | 26,744 |
| Adjusted EPS** | 2,842 | 7,704 | 15,371 | 20,938 | 26,744 |
| BVPS | 8,687 | 11,910 | 19,696 | 28,085 | 38,847 |
| DPS (common) | 0 | 5,090 | 7,000 | 8,500 | 11,000 |
| **Valuations (x)** | | | | | |
| P/E*** | 17.6 | 30.0 | 25.1 | 18.4 | 14.4 |
| P/B*** | 5.8 | 19.4 | 19.6 | 13.7 | 9.9 |
| EV/EBITDA | 13.1 | 21.6 | n/a | n/a | n/a |
| **Ratios (%)** | | | | | |
| ROE | 41.3 | 75.3 | 97.3 | 87.6 | 79.9 |
| ROA | 25.2 | 43.3 | 60.5 | 58.7 | 56.5 |
| ROIC | 71.1 | 130.4 | 159.2 | 133.8 | 127.0 |
| Payout ratio | 0.0 | 65.8 | 45.5 | 40.6 | 41.1 |
| Dividend yield (common) | 0.0 | 2.2 | 1.8 | 2.2 | 2.8 |
| Net debt to equity | -0.6 | -19.2 | -18.0 | -21.5 | -29.8 |
| Interest coverage (x) | 32.6 | 103.7 | 160.2 | 189.6 | 242.4 |

# COMPANY UPDATE

2026. 6. 30

**Innovation Team**

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# d'Alba Global (483650)

## Cultivating loyalty through premium branding

- d'Alba Global is delivering both top-line growth and margin expansion by focusing on higher ASPs and stronger repeat-purchase rates than other Korean beauty brands.
- We initiate coverage with a BUY rating and KRW270,000 target price. The company is transitioning from reliance on a few breakout SKUs to a diversified product portfolio, underpinned by strong brand loyalty. The stock offers solid upside.

*(The originial report has been published in June 24th)*

### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| **Target price** | **KRW270,000** | **15.9%** |
| **Current price** | **KRW233,000** | |
| Market cap | KRW2.9t/USD1.9b | |
| Shares (float) | 12,484,665 (72.7%) | |
| 52-week high/low | KRW260,000/KRW121,200 | |
| Avg daily trading value (60-day) | KRW45.5b/ USD29.5m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| d'Alba Global (%) | 18.3 | 61.0 | 25.9 |
| Vs Kospi (%pts) | 19.4 | -19.0 | -54.2 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 270,000 | 280,000 | -3.5% |
| 2026E EPS | 10,707 | 10,099 | 6.0% |
| 2027E EPS | 14,396 | 13,876 | 3.7% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 12 |
| Target price | 288,417 |
| Recommendation | 4.0 |

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

### WHAT'S THE STORY?

**A model of balanced growth:** d'Alba Global began its international expansion in neighboring markets—Japan in 2018, Russia in 2019, and Southeast Asia in 2020—with a focus on premium, ingredient-driven products. After laying the groundwork for entry into major markets such as the US and China, the company accelerated growth in North America from 2022 through rising sales on Amazon and TikTok Shop, alongside offline expansion into Costco and Ulta Beauty. In 2023, it focused on China's online channels, including Douyin and Tmall, gradually diversifying its regional revenue mix. In a fast-moving consumer goods market where brand perception can shift rapidly, d'Alba has prioritized deepening repeat purchases over indiscriminate expansion. This disciplined approach led the firm's revenue to grow at a 2020-2025 CAGR of 61%. By product, the company is expanding beyond its core mist category, which represented 46% of 2025 sales, into sunscreens and multi-balms, while also evaluating new brand launches.

*(Continued on the next page)*

### SUMMARY FINANCIAL DATA

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue (KRWb) | 520 | 754 | 1,070 | 1,406 |
| Operating profit (KRWb) | 101 | 163 | 230 | 295 |
| Net profit (adj) (KRWb) | 79 | 133 | 179 | 228 |
| EPS (adj) (KRW) | 6,599 | 10,707 | 14,396 | 18,352 |
| EPS (adj) growth (% y-y) | 362.6 | 62.2 | 34.5 | 27.5 |
| EBITDA margin (%) | 19.8 | 21.8 | 21.7 | 21.1 |
| ROE (%) | 52.6 | 56.4 | 54.0 | 48.6 |
| P/E (adj) (x) | 22.4 | 21.8 | 16.2 | 12.7 |
| P/B (x) | 9.2 | 10.5 | 7.4 | 5.2 |
| EV/EBITDA (x) | 16.8 | n/a | n/a | n/a |
| Dividend yield (%) | 1.8 | 1.2 | 1.3 | 1.5 |

Source: Company data, Samsung Securities estimates

**Initiating coverage at BUY with KRW270,000 target price:** Among listed K-beauty indie brands, d'Alba Global stands out for its balanced regional revenue distribution and sustained quarterly y-y growth of more than 50%. The firm's premium positioning, anchored in high-quality ingredients and all-in-one formulations, supports industry-leading ASPs, with mists priced 15% above peers' offerings and serums 40% higher. Tight control over manufacturing costs and distribution channels has enabled superior gross and operating margins, translating into durable free cash flow generation. We expect 2026 to mark an inflection point for offline growth, with expansion into Amazon's top 100 SKUs across North America and Europe, and further retail penetration through Costco and Ulta Beauty. We forecast that sales and operating profit will grow 44.9% and 56.5%, respectively, in 2026. Concerns that mist sales would slow after the 4Q25 promotional cycle have proved unfounded, with revenue up 29% y-y in 1Q26, demonstrating resilient demand. In addition, the initial VC lock-up period has largely expired, with approximately 36%pts of the original 40% VC-held stake absorbed by the market. The remaining 5.2%pts saw its one-year lock-up expire in May 2026, leaving minimal near-term overhang.

### d'Alba Global: Results and forecasts

| (KRWb) | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26E | 3Q26E | 4Q26E | 2023 | 2024 | 2025 | 2026E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | **66.2** | **73.9** | **73.7** | **95.3** | **113.8** | **128.4** | **114.2** | **163.4** | **171.2** | **182.5** | **177.7** | **222.3** | **200.8** | **309.1** | **519.7** | **753.7** | **1,069.7** |
| Domestic | 45.2 | 41.2 | 34.3 | 47.5 | 50.2 | 47.1 | 40.7 | 55.7 | 53.6 | 54.3 | 47.0 | 61.3 | 156.1 | 168.1 | 193.7 | 216.2 | 235.0 |
| Overseas | 21.0 | 32.7 | 39.4 | 47.9 | 63.6 | 81.2 | 73.5 | 107.7 | 117.7 | 128.2 | 130.7 | 160.9 | 44.7 | 141.0 | 326.0 | 537.5 | 834.7 |
| Japan | 6.0 | 5.5 | 7.5 | 12.5 | 22.1 | 25.8 | 18.4 | 31.4 | 36.8 | 34.9 | 31.8 | 42.5 | 10.0 | 31.5 | 97.7 | 146.1 | 193.0 |
| Russia | 2.9 | 13.3 | 14.3 | 9.9 | 10.6 | 18.7 | 11.6 | 12.8 | 10.7 | 17.2 | 16.0 | 19.0 | 17.2 | 40.4 | 53.6 | 62.9 | 72.4 |
| North America | 5.2 | 5.3 | 6.4 | 8.5 | 8.3 | 12.7 | 17.6 | 26.1 | 24.3 | 32.0 | 33.0 | 36.6 | 10.0 | 25.4 | 64.8 | 125.9 | 232.3 |
| Europe (ex Russia) | 0.5 | 1.0 | 2.0 | 3.0 | 3.9 | 5.3 | 5.2 | 8.4 | 13.8 | 12.1 | 12.5 | 16.5 | 0.6 | 6.5 | 22.9 | 54.9 | 97.7 |
| Southeast Asia | 5.6 | 5.1 | 5.8 | 9.7 | 12.7 | 11.2 | 14.4 | 17.4 | 18.2 | 17.9 | 23.4 | 27.5 | 5.9 | 26.1 | 55.7 | 87.0 | 127.4 |
| China, Taiwan, and Hong Kong | 0.4 | 2.0 | 2.1 | 4.2 | 4.4 | 5.8 | 3.4 | 6.5 | 9.7 | 7.8 | 4.3 | 7.9 | 0.3 | 8.7 | 20.0 | 29.7 | 34.2 |
| Other | 0.4 | 0.5 | 1.3 | 0.1 | 1.6 | 1.8 | 2.8 | 5.1 | 4.1 | 6.4 | 9.7 | 10.8 | 0.7 | 2.2 | 11.3 | 31.1 | 77.7 |
| **Gross profit** | **49.4** | **57.0** | **56.8** | **71.2** | **85.8** | **99.5** | **85.7** | **123.4** | **131.5** | **140.5** | **134.3** | **170.0** | **146.9** | **234.4** | **394.4** | **576.4** | **810.8** |
| **Operating profit** | **14.7** | **17.6** | **14.0** | **13.5** | **30.1** | **29.2** | **16.7** | **25.5** | **45.1** | **40.7** | **32.4** | **45.0** | **32.4** | **59.8** | **101.5** | **163.1** | **230.4** |
| **Net profit (controlling)** | **13.6** | **-20.9** | **9.6** | **13.0** | **24.7** | **19.8** | **14.0** | **20.5** | **36.3** | **33.2** | **26.7** | **36.7** | **13.6** | **15.4** | **79.1** | **133.0** | **178.8** |
| **Growth (% y-y)** | | | | | | | | | | | | | | | | | |
| Sales | 34.5 | 45.3 | 91.6 | 53.0 | 71.9 | 73.8 | 55.0 | 71.4 | 50.5 | 42.2 | 55.6 | 36.0 | 38.2 | 53.9 | 68.2 | 45.0 | 41.9 |
| Domestic | 4.9 | -0.4 | 24.2 | 7.7 | 11.1 | 14.3 | 18.8 | 17.4 | 6.7 | 15.2 | 15.5 | 10.1 | 23.8 | 7.7 | 15.2 | 11.6 | 8.7 |
| Overseas | 242.3 | 244.4 | 263.0 | 162.7 | 202.4 | 148.7 | 86.5 | 125.0 | 85.1 | 57.8 | 77.9 | 49.4 | 133.3 | 215.4 | 131.3 | 64.9 | 55.3 |
| Japan | 226.7 | 165.9 | 248.1 | 216.1 | 267.4 | 366.3 | 146.2 | 151.1 | 67.1 | 35.0 | 72.5 | 35.5 | 63.9 | 214.5 | 209.9 | 49.5 | 32.1 |
| Russia | 14.8 | 175.4 | 197.9 | 96.3 | 263.0 | 40.5 | -19.3 | 29.5 | 0.8 | -8.1 | 38.3 | 48.9 | 98.9 | 134.9 | 32.7 | 17.3 | 15.2 |
| North America | 304.7 | 232.9 | 235.1 | 61.7 | 59.9 | 140.0 | 175.4 | 208.1 | 192.0 | 152.4 | 87.2 | 40.1 | 216.2 | 152.9 | 155.3 | 94.4 | 84.5 |
| Europe (ex Russia) | 771.4 | 1,557.6 | 1,019.4 | 819.8 | 700.8 | 444.4 | 159.2 | 178.6 | 253.1 | 127.3 | 139.3 | 95.8 | | 942.8 | 251.7 | 139.9 | 78.0 |
| Southeast Asia | 1,654.2 | 621.9 | 241.7 | 204.8 | 126.1 | 119.6 | 150.9 | 80.3 | 42.8 | 60.1 | 62.1 | 58.0 | | 344.5 | 113.3 | 56.0 | 46.5 |
| China, Taiwan, and Hong Kong | 1,090.9 | 4,518.6 | 4,295.8 | 2,849.3 | 1,006.9 | 189.8 | 61.0 | 52.5 | 123.8 | 35.2 | 25.7 | 22.5 | | 3,159.7 | 128.7 | 48.7 | 15.0 |
| Other | 483.3 | 179.3 | 1,851.8 | -74.8 | 317.6 | 268.7 | 115.3 | 5,660.1 | 157.7 | 257.5 | 250.0 | 112.0 | | 241.6 | 401.6 | 175.6 | 150.0 |
| Gross profit | 35.9 | 57.7 | 104.8 | 52.6 | 73.5 | 74.5 | 51.0 | 73.4 | 53.4 | 41.2 | 56.7 | 37.8 | 39.2 | 59.6 | 68.3 | 46.1 | 40.7 |
| Operating profit | 48.9 | 95.0 | 163.7 | 64.1 | 104.3 | 66.0 | 18.6 | 89.5 | 50.0 | 39.1 | 94.5 | 76.3 | 121.2 | 84.4 | 69.6 | 60.8 | 41.2 |
| **Net profit (controlling)** | 80.1 | -995.7 | -305.9 | 54.9 | 81.9 | -194.6 | 45.7 | 57.7 | 46.8 | 67.9 | 90.7 | 79.1 | 1,435.4 | 13.3 | 413.0 | 68.2 | 34.5 |
| **Sales contributions (%)** | | | | | | | | | | | | | | | | | |
| Domestic | 68.2 | 55.8 | 46.5 | 49.8 | 44.1 | 36.7 | 35.7 | 34.1 | 31.3 | 29.7 | 26.5 | 27.6 | 77.7 | 54.4 | 37.3 | 28.7 | 22.0 |
| Overseas | 31.8 | 44.2 | 53.5 | 50.2 | 55.9 | 63.3 | 64.3 | 65.9 | 68.7 | 70.3 | 73.5 | 72.4 | 22.3 | 45.6 | 62.7 | 71.3 | 78.0 |
| Japan | 9.1 | 7.5 | 10.2 | 13.1 | 19.4 | 20.1 | 16.2 | 19.2 | 21.5 | 19.1 | 17.9 | 19.1 | 5.0 | 10.2 | 18.8 | 19.4 | 18.0 |
| Russia | 4.4 | 18.0 | 19.5 | 10.3 | 9.3 | 14.6 | 10.1 | 7.8 | 6.2 | 9.4 | 9.0 | 8.5 | 8.6 | 13.1 | 10.3 | 8.3 | 6.8 |
| North America | 7.9 | 7.2 | 8.7 | 8.9 | 7.3 | 9.9 | 15.4 | 16.0 | 14.2 | 17.5 | 18.6 | 16.5 | 5.0 | 8.2 | 12.5 | 16.7 | 21.7 |
| Europe (ex Russia) | 0.7 | 1.3 | 2.7 | 3.2 | 3.4 | 4.1 | 4.6 | 5.2 | 8.1 | 6.6 | 7.0 | 7.4 | 0.3 | 2.1 | 4.4 | 7.3 | 9.1 |
| Southeast Asia | 8.5 | 6.9 | 7.8 | 10.1 | 11.2 | 8.7 | 12.6 | 10.7 | 10.6 | 9.8 | 13.2 | 12.4 | 2.9 | 8.5 | 10.7 | 11.5 | 11.9 |
| China, Taiwan, and Hong Kong | 0.6 | 2.7 | 2.9 | 4.5 | 3.8 | 4.5 | 3.0 | 4.0 | 5.7 | 4.3 | 2.4 | 3.6 | 0.1 | 2.8 | 3.8 | 3.9 | 3.2 |
| Other | 0.6 | 0.7 | 1.7 | 0.1 | 1.4 | 1.4 | 2.4 | 3.1 | 2.4 | 3.5 | 5.5 | 4.9 | 0.3 | 0.7 | 2.2 | 4.1 | 7.3 |
| **Margins (%)** | | | | | | | | | | | | | | | | | |
| Gross margin | 74.7 | 77.2 | 77.1 | 74.7 | 75.4 | 77.5 | 75.1 | 75.5 | 76.8 | 77.0 | 75.6 | 76.5 | 73.1 | 75.8 | 75.9 | 76.5 | 75.8 |
| Operating margin | 22.2 | 23.8 | 19.1 | 14.1 | 26.4 | 22.8 | 14.6 | 15.6 | 26.3 | 22.3 | 18.2 | 20.3 | 16.2 | 19.4 | 19.5 | 21.6 | 21.5 |
| Net margin | 20.6 | -28.3 | 13.1 | 13.6 | 21.8 | 15.4 | 12.3 | 12.5 | 21.2 | 18.2 | 15.0 | 16.5 | 6.8 | 5.0 | 15.2 | 17.6 | 16.7 |

Source: Company data, Samsung Securities estimates

**d'Alba Global: Valuation**

| (KRW) | Calculation | Value |
|---|---|---|
| Forward EPS | (A = B x D + C x (1 - D)) | 12,429 |
| 2026E EPS | (B) | 10,706 |
| 2027E EPS | (C) | 14,396 |
| 2026 weighting | (D) | 53.3% |
| Target P/E multiple* (x) | (E) | 22.0 |
| Target price | (A x E) | 270,000 |

Note: *Average consensus forward P/E multiple at which brand peers are trading
Source: Bloomberg, Samsung Securities estimates

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **309** | **520** | **754** | **1,070** | **1,406** |
| Cost of goods sold | 75 | 125 | 177 | 259 | 337 |
| **Gross profit** | **234** | **394** | **576** | **811** | **1,068** |
| Gross margin (%) | 75.8 | 75.9 | 76.5 | 75.8 | 76.0 |
| SG&A expenses | 175 | 293 | 413 | 580 | 773 |
| **Operating profit** | **60** | **101** | **163** | **230** | **295** |
| Operating margin (%) | 19.4 | 19.5 | 21.6 | 21.5 | 21.0 |
| **Non-operating gains (losses)** | **-31** | **1** | **8** | **2** | **2** |
| Financial profit | 6 | 8 | 13 | 8 | 8 |
| Financial costs | 37 | 6 | 5 | 6 | 6 |
| Equity-method gains (losses) | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | -0 | 0 | 0 | 0 |
| **Pre-tax profit** | **29** | **103** | **171** | **232** | **297** |
| Taxes | 14 | 24 | 38 | 53 | 69 |
| Effective tax rate (%) | 47.0 | 23.2 | 22.1 | 23.0 | 23.2 |
| Profit from continuing operations | 15 | 79 | 133 | 179 | 228 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **15** | **79** | **133** | **179** | **228** |
| Net margin (%) | 5.0 | 15.2 | 17.6 | 16.7 | 16.2 |
| Net profit (controlling interests) | 15 | 79 | 133 | 179 | 228 |
| Net profit (non-controlling interests) | 0 | 0 | n/a | n/a | n/a |
| EBITDA | 61 | 103 | 165 | 232 | 297 |
| EBITDA margin (%) | 19.6 | 19.8 | 21.8 | 21.7 | 21.1 |
| EPS (parent-based) (KRW) | 1,427 | 6,599 | 10,707 | 14,396 | 18,352 |
| EPS (consolidated) (KRW) | 1,427 | 6,599 | 10,707 | 14,396 | 18,352 |
| Adjusted EPS (KRW)* | 1,427 | 6,599 | 10,707 | 14,396 | 18,352 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **128** | **239** | **346** | **498** | **694** |
| Cash & equivalents | 54 | 101 | 137 | 221 | 339 |
| Accounts receivable | 20 | 40 | 58 | 82 | 108 |
| Inventories | 48 | 66 | 107 | 142 | 185 |
| Other current assets | 6 | 32 | 44 | 54 | 62 |
| **Fixed assets** | **8** | **16** | **16** | **16** | **17** |
| Investment assets | 0 | 4 | 4 | 4 | 4 |
| Tangible assets | 1 | 1 | 1 | 1 | 1 |
| Intangible assets | 0 | 0 | 0 | 0 | 0 |
| Other long-term assets | 6 | 11 | 11 | 11 | 11 |
| **Total assets** | **136** | **255** | **362** | **515** | **710** |
| **Current liabilities** | **31** | **54** | **86** | **122** | **158** |
| Accounts payable | 8 | 15 | 21 | 30 | 40 |
| Short-term debt | 0 | 0 | 0 | 0 | 0 |
| Other current liabilities | 23 | 39 | 65 | 92 | 118 |
| **Long-term liabilities** | **3** | **3** | **3** | **3** | **3** |
| Bonds & long-term debt | 0 | 0 | 0 | 0 | 0 |
| Other long-term liabilities | 3 | 3 | 3 | 3 | 3 |
| **Total liabilities** | **34** | **57** | **89** | **125** | **161** |
| **Owners of parent equity** | **102** | **199** | **273** | **390** | **549** |
| Capital stock | 1 | 1 | 1 | 1 | 1 |
| Capital surplus | 74 | 91 | 92 | 92 | 92 |
| Retained earnings | 26 | 101 | 176 | 292 | 452 |
| Other | 1 | 5 | 4 | 4 | 4 |
| **Non-controlling interests' equity** | **0** | **0** | **n/a** | **n/a** | **n/a** |
| **Total equity** | **102** | **199** | **273** | **390** | **549** |
| Net debt | -51 | -98 | -135 | -217 | -334 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **16** | **68** | **82** | **131** | **170** |
| Net profit | 15 | 79 | 133 | 179 | 228 |
| Non-cash profit and expenses | 48 | 30 | 2 | 2 | 2 |
| Depreciation | 1 | 1 | 1 | 2 | 2 |
| Amortization | 0 | 0 | 0 | 0 | 0 |
| Other | 47 | 28 | 0 | 0 | 0 |
| Changes in A/L from operating activities | -42 | -24 | -52 | -50 | -60 |
| **Cash flow from investments** | **-2** | **-30** | **-12** | **-10** | **-8** |
| Change in tangible assets | -1 | -0 | -0 | -0 | -0 |
| Change in financial assets | 0 | 0 | -12 | -10 | -8 |
| Other | -1 | -30 | -0 | 0 | 0 |
| **Cash flow from financing** | **-2** | **9** | **-34** | **-37** | **-43** |
| Change in debt | -37 | 0 | 0 | 0 | 0 |
| Change in equity | 74 | 17 | 0 | 0 | 0 |
| Dividends | -2 | -31 | -34 | -37 | -43 |
| Other | -36 | 23 | 0 | 0 | 0 |
| Change in cash | 13 | 47 | 36 | 83 | 118 |
| Cash at beginning of year | 41 | 54 | 101 | 137 | 221 |
| Cash at end of year | 54 | 101 | 137 | 221 | 339 |
| **Gross cash flow** | **63** | **109** | **134** | **180** | **230** |
| **Free cash flow** | **15** | **68** | **82** | **131** | **170** |

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

## Financial ratios

| Year-end Dec 31 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%)** | | | | | |
| Sales | 53.9 | 68.2 | 45.0 | 41.9 | 31.4 |
| Operating profit | 84.4 | 69.6 | 60.8 | 41.2 | 28.1 |
| Net profit | 13.3 | 413.0 | 68.2 | 34.5 | 27.5 |
| Adjusted EPS** | -2.7 | 362.6 | 62.2 | 34.5 | 27.5 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | 1,427 | 6,599 | 10,707 | 14,396 | 18,352 |
| EPS (consolidated) | 1,427 | 6,599 | 10,707 | 14,396 | 18,352 |
| Adjusted EPS** | 1,427 | 6,599 | 10,707 | 14,396 | 18,352 |
| BVPS | 8,902 | 16,022 | 22,127 | 31,574 | 44,500 |
| DPS (common) | 305 | 2,629 | 2,700 | 3,000 | 3,500 |
| **Valuations (x)** | | | | | |
| P/E*** | n/a | 22.4 | 21.8 | 16.2 | 12.7 |
| P/B*** | n/a | 9.2 | 10.5 | 7.4 | 5.2 |
| EV/EBITDA | -0.8- | 16.8 | n/a | n/a | n/a |
| **Ratios (%)** | | | | | |
| ROE | 26.2 | 52.6 | 56.4 | 54.0 | 48.6 |
| ROA | 14.4 | 40.4 | 43.1 | 40.8 | 37.2 |
| ROIC | 94.6 | 134.0 | 237.0 | 310.2 | 237.0 |
| Payout ratio | 22.7 | 41.1 | 25.2 | 20.8 | 19.1 |
| Dividend yield (common) | n/a | 1.8 | 1.2 | 1.3 | 1.5 |
| Net debt to equity | -50.1 | -49.4 | -49.3 | -55.7 | -60.8 |
| Interest coverage (x) | 76.4 | 410.1 | 163.1 | 230.4 | 295.0 |

# COMPANY UPDATE

2026. 6. 30

Innovation Team

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# Silicon2 (257720)

## Brands change; the platform endures

- Despite diversification in K-beauty trends, Silicon2 continues to deliver structural sales growth as an essential B2B distributor in Europe.
- We initiate coverage of Silicon2 at BUY and with a KRW50,000 target price. The stock has declined due to several headwinds, including share-overhang risk and rising logistics costs, but the company retains strong momentum through margin defense and retail customer expansion.

*(The originial report has been published in June 24th)*

### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| Target price | KRW50,000 | 53.1% |
| Current price | KRW32,650 | |
| Market cap | KRW2.1t/USD1.4b | |
| Shares (float) | 65,576,252 (56.4%) | |
| 52-week high/low | KRW61,700/KRW30,400 | |
| Avg daily trading value (60-day) | KRW29.3b/ USD18.9m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| Silicon2 (%) | -9.7 | -14.5 | -41.5 |
| Vs Kosdaq (%pts) | 5.4 | -13.4 | -50.3 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 50,000 | 63,000 | -20.6% |
| 2026E EPS | 3,236 | 3,180 | 1.8% |
| 2027E EPS | 4,174 | 4,159 | 0.4% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 6 |
| Target price | 56,333 |
| Recommendation | 4.0 |

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

### WHAT'S THE STORY?

**Maintaining structural growth despite turnover in leading brands:** Silicon2 has evolved into the primary global distribution partner for K-beauty indie brands. Although its top revenue contributors have changed steadily over the past five years—from COSRX to Beauty of Joseon and then to Medicube—silicon2 delivered a 62% sales CAGR over 2020-2025. This growth reflects not only broad-based demand for K-beauty but also Silicon2's ability to translate real-time consumer feedback into agile product and inventory decisions, creating self-sustaining growth cycles.

*(Continued on the next page)*

### SUMMARY FINANCIAL DATA

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue (KRWb) | 1,116 | 1,569 | 2,076 | 2,667 |
| Operating profit (KRWb) | 205 | 270 | 349 | 435 |
| Net profit (adj) (KRWb) | 169 | 212 | 274 | 341 |
| EPS (adj) (KRW) | 2,609 | 3,236 | 4,174 | 5,193 |
| EPS (adj) growth (% y-y) | 31.1 | 24.1 | 29.0 | 24.4 |
| EBITDA margin (%) | 19.2 | 18.0 | 17.6 | 17.1 |
| ROE (%) | 46.9 | 38.4 | 35.4 | 32.4 |
| P/E (adj) (x) | 14.8 | 10.1 | 7.8 | 6.3 |
| P/B (x) | 5.5 | 3.3 | 2.4 | 1.8 |
| EV/EBITDA (x) | 11.3 | 7.7 | 5.9 | 4.6 |
| Dividend yield (%) | 0.8 | 1.1 | 1.2 | 1.5 |

Source: Company data, Samsung Securities estimates

Samsung Securities

**Defending margins through strategic inventory pre-purchases; unlocking demand through offline retail:** Amid sustained increases in oil prices and freight costs since 1Q26, many brands have raised prices. Silicon2, however, mitigated margin pressure by pre-purchasing large volumes of inventory ahead of cost spikes. Its gross margin declined 1.6%pts y-y to 30% in 1Q26, but improved 1.5%pts q-q. As a high-volume shipper handling 40-50 containers per month, the company secured favorable shipping terms during peak-rate periods, outperforming peers. In Jun 2024, Silicon2 launched MOIDA, a dedicated K-beauty retail concept store. With 18 locations globally, MOIDA is more than a bulk-inventory outlet: it serves as a brand-education platform and a gateway to local retail partnerships. Leveraging deep expertise across top-tier indie brands, MOIDA enhances consumer perception of K-beauty while facilitating direct engagement with regional retailers. The company targets 50 stores by year-end.

**Initiating coverage at BUY, with KRW50,000 target price:** Following Glenwood Credit's full conversion of redeemable convertible preferred shares into common shares in April at a conversion price of KRW32,695, totaling 4.4m shares, the stock has declined more than 40% from its peak due to overhang concerns, fears of losing some key brand clients, and rising logistics costs. We derive our KRW50,000 target price by applying a 10% discount to the cosmetics sector's average EV/EBITDA multiple, reflecting Silicon2's ongoing need, as a B2B distributor, to secure large-scale clients. To offset the overhang and restore investor confidence, the company needs to demonstrate the full benefits of European expansion, and tangible progress on US distribution partnerships with major retailers.

## Silicon2: Results and forecasts

| (KRWb) | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26E | 3Q26E | 4Q26E | 2023 | 2024 | 2025E | 2026E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | **245.7** | **265.3** | **299.4** | **305.9** | **346.6** | **369.2** | **433.7** | **420.0** | **342.9** | **691.5** | **1,116.3** | **1,569.4** | **2,076.3** |
| US/Canada | 45.2 | 48.9 | 72.6 | 66.3 | 64.3 | 75.0 | 82.0 | 72.0 | 130.9 | 221.6 | 233.0 | 293.3 | 354.9 |
| Europe | 81.3 | 107.3 | 101.9 | 115.4 | 161.8 | 172.2 | 210.0 | 201.1 | 53.3 | 162.7 | 405.9 | 745.1 | 1,005.9 |
| Asia | 52.9 | 44.7 | 52.8 | 51.5 | 44.4 | 52.0 | 57.0 | 52.0 | 101.5 | 151.4 | 201.9 | 205.4 | 230.0 |
| Middle East | 32.3 | 28.0 | 30.5 | 26.7 | 25.0 | 15.0 | 17.0 | 37.0 | 10.5 | 64.2 | 117.5 | 94.0 | 164.5 |
| Oceania | 6.8 | 6.7 | 8.2 | 8.5 | 7.6 | 9.1 | 9.7 | 9.2 | 18.7 | 27.2 | 30.2 | 35.6 | 39.6 |
| CIS | 12.0 | 12.8 | 14.8 | 17.3 | 21.9 | 22.5 | 25.3 | 19.0 | 15.0 | 28.4 | 56.9 | 88.7 | 127.3 |
| Africa | 2.7 | 3.0 | 3.3 | 4.0 | 3.6 | 4.3 | 7.5 | 7.7 | 5.0 | 9.1 | 13.0 | 23.1 | 32.6 |
| Central and South America | 12.5 | 13.9 | 15.3 | 16.2 | 17.9 | 19.1 | 25.2 | 22.0 | 8.0 | 26.9 | 57.9 | 84.2 | 121.6 |
| **Gross profit** | **77.7** | **87.3** | **94.5** | **87.3** | **103.9** | **118.1** | **130.1** | **119.7** | **115.1** | **232.8** | **346.8** | **471.9** | **643.7** |
| **Operating profit** | **47.7** | **52.2** | **63.1** | **42.4** | **64.5** | **67.6** | **78.9** | **58.8** | **47.8** | **137.6** | **205.4** | **269.8** | **348.8** |
| **Net profit** | **38.8** | **35.6** | **58.4** | **35.8** | **54.3** | **43.2** | **65.9** | **48.8** | **38.0** | **120.7** | **168.6** | **212.2** | **273.7** |
| **Margins (%)** | | | | | | | | | | | | | |
| Gross profit | 31.6 | 32.9 | 31.6 | 28.5 | 30.0 | 32.0 | 30.0 | 28.5 | 33.6 | 33.7 | 31.1 | 30.1 | 31.0 |
| Operating profit | 19.4 | 19.7 | 21.1 | 13.9 | 18.6 | 18.3 | 18.2 | 14.0 | 13.9 | 19.9 | 18.4 | 17.2 | 16.8 |
| Net profit | 15.8 | 13.4 | 19.5 | 11.7 | 15.7 | 11.7 | 15.2 | 11.6 | 11.1 | 17.5 | 15.1 | 13.5 | 13.2 |
| **Growth (% y-y)** | | | | | | | | | | | | | |
| Sales | 63.9 | 46.3 | 60.4 | 76.3 | 41.1 | 39.2 | 44.9 | 37.3 | 107.5 | 101.7 | 61.4 | 40.6 | 32.3 |
| US/Canada | -20.6 | -21.6 | 11.7 | 77.7 | 42.3 | 53.4 | 12.9 | 8.6 | 147.4 | 69.3 | 5.1 | 25.9 | 21.0 |
| Europe | 187.3 | 141.7 | 137.5 | 145.0 | 99.0 | 60.5 | 106.1 | 74.3 | 177.6 | 205.3 | 149.5 | 83.6 | 35.0 |
| Asia | 42.6 | 19.5 | 50.0 | 23.5 | -16.1 | 16.3 | 8.0 | 1.0 | 66.4 | 49.2 | 33.4 | 1.7 | 12.0 |
| Middle East | 226.3 | 93.1 | 54.8 | 32.8 | -22.6 | -46.4 | -44.3 | 38.6 | 262.1 | 511.4 | 83.0 | -20.0 | 75.0 |
| Oceania | 13.3 | 8.1 | 9.3 | 13.3 | 11.8 | 35.8 | 18.3 | 8.2 | 79.8 | 45.5 | 11.0 | 17.9 | 11.1 |
| CIS | 96.7 | 50.6 | 150.8 | 119.0 | 82.5 | 75.8 | 70.9 | 9.8 | 24.0 | 89.3 | 100.4 | 55.9 | 43.5 |
| Africa | 42.1 | 76.5 | 50.0 | 21.2 | 33.3 | 43.3 | 127.3 | 92.5 | 61.3 | 82.0 | 42.9 | 77.7 | 41.0 |
| Central and South America | 234.7 | 121.8 | 84.6 | 87.6 | 43.5 | 37.5 | 65.0 | 35.4 | 116.8 | 238.2 | 115.0 | 45.5 | 44.4 |
| Gross profit | 53.5 | 41.8 | 46.5 | 55.4 | 33.8 | 35.3 | 37.7 | 37.1 | 118.1 | 102.3 | 48.9 | 36.1 | 36.4 |
| Operating profit | 62.1 | 34.0 | 48.1 | 59.4 | 35.2 | 29.5 | 25.1 | 38.8 | 235.8 | 187.8 | 49.3 | 31.4 | 29.3 |
| Net profit | 51.9 | 6.7 | 95.6 | 11.9 | 40.1 | 21.4 | 12.8 | 36.2 | 240.8 | 217.6 | 39.6 | 25.9 | 29.0 |
| **Growth (% q-q)** | | | | | | | | | | | | | |
| Sales | 41.6 | 8.0 | 12.8 | 2.2 | 13.3 | 6.5 | 17.5 | -3.2 | | | | | |
| US/Canada | 21.2 | 8.2 | 48.5 | -8.7 | -3.0 | 16.6 | 9.3 | -12.2 | | | | | |
| Europe | 72.6 | 32.0 | -5.0 | 13.2 | 40.2 | 6.4 | 22.0 | -4.2 | | | | | |
| Asia | 26.9 | -15.5 | 18.1 | -2.5 | -13.8 | 17.1 | 9.6 | -8.8 | | | | | |
| Middle East | 60.7 | -13.3 | 8.9 | -12.5 | -6.4 | -40.0 | 13.3 | 117.6 | | | | | |
| Oceania | -9.3 | -1.5 | 22.4 | 3.7 | -10.6 | 19.7 | 6.6 | -5.2 | | | | | |
| CIS | 51.9 | 6.7 | 15.6 | 16.9 | 26.6 | 2.7 | 12.4 | -24.9 | | | | | |
| Africa | -18.2 | 11.1 | 10.0 | 21.2 | -10.0 | 19.4 | 74.4 | 2.7 | | | | | |
| Central and South America | 44.1 | 11.3 | 10.0 | 6.4 | 10.2 | 6.7 | 31.9 | -12.7 | | | | | |
| Gross profit | 38.3 | 12.5 | 8.2 | -7.6 | 19.0 | 13.7 | 10.1 | -8.0 | | | | | |
| Operating profit | 79.5 | 9.3 | 20.9 | -32.8 | 52.3 | 4.7 | 16.8 | -25.5 | | | | | |
| Net profit | 21.2 | -8.2 | 64.1 | -38.7 | 51.8 | -20.5 | 52.5 | -26.0 | | | | | |
| **Sales contributions (%)** | | | | | | | | | | | | | |
| US/Canada | 18.4 | 18.4 | 24.3 | 21.7 | 18.6 | 20.3 | 18.9 | 17.1 | 38.2 | 32.0 | 20.9 | 18.7 | 17.1 |
| Europe | 33.1 | 40.4 | 34.0 | 37.7 | 46.7 | 46.6 | 48.4 | 47.9 | 15.5 | 23.5 | 36.4 | 47.5 | 48.4 |
| Asia | 21.5 | 16.8 | 17.6 | 16.8 | 12.8 | 14.1 | 13.1 | 12.4 | 29.6 | 21.9 | 18.1 | 13.1 | 11.1 |
| Middle East | 13.1 | 10.6 | 10.2 | 8.7 | 7.2 | 4.1 | 3.9 | 8.8 | 3.1 | 9.3 | 10.5 | 6.0 | 7.9 |
| Oceania | 2.8 | 2.5 | 2.7 | 2.8 | 2.2 | 2.5 | 2.2 | 2.2 | 5.5 | 3.9 | 2.7 | 2.3 | 1.9 |
| CIS | 4.9 | 4.8 | 4.9 | 5.7 | 6.3 | 6.1 | 5.8 | 4.5 | 4.4 | 4.1 | 5.1 | 5.7 | 6.1 |
| Africa | 1.1 | 1.1 | 1.1 | 1.3 | 1.0 | 1.2 | 1.7 | 1.8 | 1.5 | 1.3 | 1.2 | 1.5 | 1.6 |
| Central and South America | 5.1 | 5.2 | 5.1 | 5.3 | 5.2 | 5.2 | 5.8 | 5.2 | 2.3 | 3.9 | 5.2 | 5.4 | 5.9 |

Source: Company data, Samsung Securities

### Silicon2: Valuation

| (KRW) | Calculation | Value |
|---|---|---|
| Forward EPS | (A = B x D + C x (1 - D)) | 3,674 |
| 2026E EPS | (B) | 3,236 |
| 2027E EPS | (C) | 4,174 |
| 2026 weighting | (D) | 53.3% |
| Target P/E multiple* (x) | (E) | 13.5 |
| Target price | (A x E) | 50,000 |

Note: *10% discount to global cosmetics industry peer average, reflecting Silicon2's need to secure large, stable customers
Source: Bloomberg, Samsung Securities estimates

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **692** | **1,116** | **1,569** | **2,076** | **2,667** |
| Cost of goods sold | 459 | 770 | 1,098 | 1,433 | 1,854 |
| **Gross profit** | **233** | **347** | **472** | **644** | **814** |
| Gross margin (%) | 33.7 | 31.1 | 30.1 | 31.0 | 30.5 |
| SG&A expenses | 95 | 141 | 202 | 295 | 379 |
| **Operating profit** | **138** | **205** | **270** | **349** | **435** |
| Operating margin (%) | 19.9 | 18.4 | 17.2 | 16.8 | 16.3 |
| **Non-operating gains (losses)** | **11** | **11** | **3** | **3** | **3** |
| Financial profit | 21 | 39 | 2 | 2 | 2 |
| Financial costs | 13 | 36 | 2 | 2 | 2 |
| Equity-method gains (losses) | 1 | 1 | 3 | 3 | 3 |
| Other | 2 | 7 | 0 | 0 | 0 |
| **Pre-tax profit** | **149** | **217** | **273** | **352** | **438** |
| Taxes | 28 | 48 | 61 | 78 | 97 |
| Effective tax rate (%) | 18.8 | 22.2 | 22.2 | 22.2 | 22.2 |
| Profit from continuing operations | 121 | 169 | 212 | 274 | 341 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **121** | **169** | **212** | **274** | **341** |
| Net margin (%) | 17.5 | 15.1 | 13.5 | 13.2 | 12.8 |
| Net profit (controlling interests) | 121 | 169 | 212 | 274 | 341 |
| Net profit (non-controlling interests) | 0 | 0 | 0 | 0 | 0 |
| EBITDA | 143 | 214 | 282 | 365 | 456 |
| EBITDA margin (%) | 20.7 | 19.2 | 18.0 | 17.6 | 17.1 |
| EPS (parent-based) (KRW) | 1,990 | 2,609 | 3,236 | 4,174 | 5,193 |
| EPS (consolidated) (KRW) | 1,990 | 2,609 | 3,237 | 4,174 | 5,193 |
| Adjusted EPS (KRW)* | 1,990 | 2,609 | 3,236 | 4,174 | 5,193 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **297** | **553** | **749** | **939** | **1,200** |
| Cash & equivalents | 86 | 77 | 157 | 177 | 228 |
| Accounts receivable | 42 | 96 | 129 | 171 | 219 |
| Inventories | 146 | 300 | 421 | 550 | 711 |
| Other current assets | 23 | 79 | 42 | 42 | 42 |
| **Fixed assets** | **161** | **157** | **166** | **236** | **306** |
| Investment assets | 25 | 21 | 16 | 16 | 16 |
| Tangible assets | 107 | 108 | 118 | 188 | 258 |
| Intangible assets | 2 | 2 | 2 | 2 | 2 |
| Other long-term assets | 27 | 25 | 30 | 30 | 30 |
| **Total assets** | **458** | **709** | **915** | **1,175** | **1,506** |
| **Current liabilities** | **189** | **122** | **179** | **195** | **210** |
| Accounts payable | 1 | 6 | 18 | 24 | 30 |
| Short-term debt | 145 | 42 | 90 | 100 | 108 |
| Other current liabilities | 43 | 74 | 71 | 71 | 71 |
| **Long-term liabilities** | **7** | **130** | **88** | **83** | **90** |
| Bonds & long-term debt | 0 | 0 | 0 | 0 | 0 |
| Other long-term liabilities | 7 | 130 | 88 | 83 | 90 |
| **Total liabilities** | **196** | **252** | **267** | **278** | **300** |
| **Owners of parent equity** | **262** | **457** | **648** | **897** | **1,206** |
| Capital stock | 31 | 31 | 31 | 31 | 31 |
| Capital surplus | 31 | 58 | 58 | 58 | 58 |
| Retained earnings | 192 | 360 | 550 | 799 | 1,109 |
| Other | 9 | 9 | 9 | 9 | 9 |
| **Non-controlling interests' equity** | **0** | **0** | **0** | **0** | **0** |
| **Total equity** | **262** | **457** | **648** | **897** | **1,206** |
| Net debt | 68 | 60 | 29 | 19 | -24 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **60** | **1** | **51** | **93** | **126** |
| Net profit | 121 | 169 | 212 | 274 | 341 |
| Non-cash profit and expenses | 30 | 60 | 13 | 17 | 22 |
| Depreciation | 6 | 9 | 12 | 17 | 21 |
| Amortization | 0 | 0 | 0 | 0 | 0 |
| Other | 24 | 52 | 1 | 1 | 1 |
| Changes in A/L from operating activities | -65 | -191 | -138 | -161 | -200 |
| **Cash flow from investments** | **-72** | **-43** | **2** | **-59** | **-53** |
| Change in tangible assets | -63 | -7 | -10 | -70 | -70 |
| Change in financial assets | 12 | -42 | 0 | 0 | 0 |
| Other | -21 | 6 | 11 | 11 | 17 |
| **Cash flow from financing** | **81** | **34** | **27** | **-14** | **-23** |
| Change in debt | 91 | 24 | 48 | 10 | 8 |
| Change in equity | 1 | 27 | 0 | 0 | 0 |
| Dividends | 0 | 0 | -21 | -24 | -31 |
| Other | -12 | -17 | 0 | 0 | 0 |
| Change in cash | 69 | -9 | 79 | 20 | 51 |
| Cash at beginning of year | 17 | 86 | 77 | 157 | 177 |
| Cash at end of year | 86 | 77 | 157 | 177 | 228 |
| **Gross cash flow** | **150** | **229** | **225** | **291** | **362** |
| **Free cash flow** | **-16** | **-6** | **41** | **23** | **56** |

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

## Financial ratios

| Year-end Dec 31 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%)** | | | | | |
| Sales | 101.7 | 61.4 | 40.6 | 32.3 | 28.5 |
| Operating profit | 187.8 | 49.3 | 31.4 | 29.3 | 24.6 |
| Net profit | 217.6 | 39.6 | 25.9 | 28.9 | 24.4 |
| Adjusted EPS** | 215.7 | 31.1 | 24.1 | 29.0 | 24.4 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | 1,990 | 2,609 | 3,236 | 4,174 | 5,193 |
| EPS (consolidated) | 1,990 | 2,609 | 3,237 | 4,174 | 5,193 |
| Adjusted EPS** | 1,990 | 2,609 | 3,236 | 4,174 | 5,193 |
| BVPS | 4,297 | 6,976 | 9,899 | 13,702 | 18,433 |
| DPS (common) | 0 | 306 | 350 | 400 | 500 |
| **Valuations (x)** | | | | | |
| P/E*** | 16.4 | 14.8 | 10.1 | 7.8 | 6.3 |
| P/B*** | 7.6 | 5.5 | 3.3 | 2.4 | 1.8 |
| EV/EBITDA | 14.4 | 11.3 | 7.7 | 5.9 | 4.6 |
| **Ratios (%)** | | | | | |
| ROE | 60.9 | 46.9 | 38.4 | 35.4 | 32.4 |
| ROA | 35.9 | 28.9 | 26.1 | 26.2 | 25.4 |
| ROIC | 51.5 | 41.1 | 37.9 | 36.9 | 34.2 |
| Payout ratio | 0.0 | 11.1 | 10.8 | 9.6 | 9.6 |
| Dividend yield (common) | 0.0 | 0.8 | 1.1 | 1.2 | 1.5 |
| Net debt to equity | 25.9 | 13.1 | 4.4 | 2.1 | -2.0 |
| Interest coverage (x) | 24.7 | 24.5 | 48.5 | 62.7 | 78.2 |

# COMPANY UPDATE

2026. 6. 30

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Research Center report database

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# Cosmax (192820)

## From K-beauty incubator to global beauty partner

- Cosmax is benefiting from rising exports by K-beauty indie brands and growing orders from indie brands placed with its operations in the US, China, and Europe.
- We initiate coverage with a BUY rating and a KRW200,000 target price. The company should benefit from strong revenue leverage from top-tier K-beauty clients and improving profitability at its subsidiaries in the US and China.

*(The originial report has been published in June 24th)*

### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| Target price | KRW200,000 | 25.7% |
| Current price | KRW159,100 | |
| Market cap | KRW1.8t/USD1.2b | |
| Shares (float) | 11,349,509 (72.2%) | |
| 52-week high/low | KRW279,500/KRW144,900 | |
| Avg daily trading value (60-day) | KRW15.9b/ USD10.3m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| Cosmax (%) | -8.4 | -4.0 | -41.2 |
| Vs Kospi (%pts) | -7.5 | -51.7 | -78.6 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 200,000 | 235,000 | -14.9% |
| 2026E EPS | 13,121 | 11,125 | 17.9% |
| 2027E EPS | 15,415 | 12,704 | 21.3% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 19 |
| Target price | 247,000 |
| Recommendation | 4.0 |

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

### WHAT'S THE STORY?

**K-beauty's global ascent and strategic collaborations with multinationals and C-beauty players:** In 2025, domestic sales accounted for 64% of Cosmax's revenue, driven primarily by indie brands focused on skincare categories such as cleansers, gel masks, and creams. The company is expanding direct exports to multinationals, with shipments to these clients rising 30% y-y in 1Q26 and creating a more stable, high-margin revenue base. In China, where many Korean brands struggled in the late 2010s, Cosmax has successfully pivoted to supplying C-beauty makeup brands, enabling its Shanghai and Guangzhou subsidiaries to sustain operating margins of over 7% in 1Q26. This dual-track strategy—supporting K-beauty's global rise while deepening regional diversification—has strengthened earnings resilience. In the US, growing orders from indie brands have narrowed the operating loss at the company's US subsidiary. Although a rising gel mask portion of production is weighing on domestic margins, we expect margins to improve gradually, supported by increasing orders from multinationals (placed with the Korean operation) and from US indie brands (placed with the US subsidiary).

### SUMMARY FINANCIAL DATA

*(Continued on the next page)*

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue (KRWb) | 2,399 | 2,709 | 3,058 | 3,479 |
| Operating profit (KRWb) | 196 | 224 | 260 | 306 |
| Net profit (adj) (KRWb) | 131 | 152 | 176 | 211 |
| EPS (adj) (KRW) | 10,843 | 13,121 | 15,415 | 18,471 |
| EPS (adj) growth (% y-y) | 43.4 | 21.0 | 17.5 | 19.8 |
| EBITDA margin (%) | 11.3 | 12.2 | 12.3 | 12.5 |
| ROE (%) | 23.9 | 24.3 | 23.7 | 23.5 |
| P/E (adj) (x) | 15.0 | 12.1 | 10.3 | 8.6 |
| P/B (x) | 3.3 | 2.7 | 2.2 | 1.8 |
| EV/EBITDA (x) | 10.2 | 7.5 | 6.4 | 5.4 |
| Dividend yield (%) | 2.0 | 2.1 | 2.1 | 2.1 |

Source: Company data, Samsung Securities estimates

**Initiating coverage at BUY with KRW200,000 target price:** Cosmax is a direct beneficiary of K-beauty brands' aggressive expansion into offline retail channels in the US and Europe, as well as the emergence of new indie brands. Management is targeting a 2026 operating margin of 10%; we conservatively forecast 8.3%. Key catalysts in 2H26 include: 1) expansion of the Pyeongtaek plant in Korea, a KRW60b investment that will add new skincare production lines; and 2) the commissioning of a new plant in Thailand in Sep 2026, which will lift annual production capacity from 100m units to 230m. Whether Keminova, an Italy-based ODM acquired in early 2026, will be consolidated into results remains under review. If consolidated, it could add around KRW15b in annual revenue and create cross-selling opportunities between Korean and European clients. Despite a steady share-price decline since 2Q25, driven by investor rotation away from ODMs and into brands, Cosmax's valuation remains attractive relative to its position as the world's largest publicly listed beauty ODM. With a diversified client base supporting earnings resilience and limiting downside, we view the stock as a compelling opportunity.

## Cosmax: Results and forecasts

| (KRWb) | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26E | 3Q26E | 4Q26E | 2023 | 2024 | 2025 | 2026E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | **588.6** | **623.6** | **585.6** | **601.0** | **682.0** | **729.5** | **646.4** | **651.4** | **1,777.5** | **2,166.1** | **2,398.8** | **2,709.4** | **3,058.2** |
| Korea headquarters (parent) | 362.8 | 420.5 | 383.5 | 359.7 | 423.2 | 488.6 | 424.2 | 395.7 | 1,057.5 | 1,356.2 | 1,526.5 | 1,731.6 | 1,974.1 |
| China entities | 162.7 | 148.6 | 140.0 | 181.4 | 194.7 | 180.9 | 164.3 | 196.9 | 547.4 | 574.4 | 632.7 | 736.8 | 799.6 |
| Shanghai | 109.0 | 108.6 | 91.0 | 116.8 | 123.1 | 132.5 | 110.1 | 134.3 | 399.7 | 372.4 | 425.4 | 500.0 | 592.6 |
| Guangzhou | 48.5 | 41.1 | 45.5 | 53.1 | 41.2 | 44.8 | 49.6 | 57.9 | 140.6 | 184.7 | 188.2 | 193.5 | 207.0 |
| US entity | 28.7 | 30.0 | 36.9 | 37.0 | 42.0 | 37.5 | 42.4 | 43.3 | 139.9 | 137.1 | 132.6 | 165.2 | 190.5 |
| Indonesia entity | 29.6 | 20.9 | 21.5 | 25.7 | 22.7 | 19.9 | 21.1 | 24.4 | 85.5 | 113.2 | 97.7 | 88.0 | 92.4 |
| Thailand entity | 23.9 | 23.1 | 15.2 | 11.1 | 24.3 | 23.8 | 17.0 | 11.2 | 25.5 | 43.5 | 73.3 | 76.4 | 85.6 |
| **Operating profit** | **51.3** | **60.8** | **42.7** | **40.9** | **53.0** | **67.4** | **49.9** | **53.6** | **115.7** | **175.4** | **195.8** | **224.0** | **259.9** |
| Korea headquarters (parent) | 34.3 | 49.9 | 34.3 | 36.0 | 38.0 | 53.7 | 37.3 | 37.6 | 86.8 | 138.7 | 154.5 | 166.7 | 187.5 |
| Overseas entities and adjustment | 17.0 | 10.9 | 8.4 | 4.9 | 15.0 | 13.6 | 12.6 | 16.0 | 28.9 | 36.7 | 41.3 | 57.3 | 72.4 |
| **Net profit (controlling)** | **8.1** | **20.9** | **9.0** | **85.1** | **41.6** | **44.4** | **28.0** | **34.9** | **57.1** | **85.8** | **123.1** | **148.9** | **174.9** |
| Korea headquarters (parent) | 16.5 | 25.7 | 27.6 | 61.4 | 52.3 | 47.9 | 32.2 | 32.8 | 18.2 | 106.7 | 131.2 | 165.3 | 157.9 |
| China entities | -4.9 | -0.3 | -1.7 | 20.9 | 1.7 | 5.1 | 1.4 | 5.4 | 19.7 | -1.4 | 14.0 | 13.6 | 32.9 |
| Shanghai | 7.2 | 5.3 | 3.8 | 7.1 | 9.0 | 8.7 | 4.4 | 8.1 | 18.7 | 3.3 | 23.4 | 30.2 | 35.6 |
| Guangzhou | 3.9 | 1.7 | 2.0 | 1.0 | 2.9 | 1.3 | 2.0 | 2.3 | 15.1 | 6.3 | 8.6 | 8.5 | 9.3 |
| US entity | -11.7 | -20.4 | -7.4 | -8.5 | -7.8 | -1.9 | 2.1 | 1.7 | -50.0 | -47.3 | -48.0 | -5.8 | 1.9 |
| Indonesia entity | 2.7 | 2.4 | 0.6 | 1.6 | 0.5 | 0.4 | 0.5 | 1.0 | 5.6 | 12.8 | 7.3 | 2.4 | 3.2 |
| Thailand entity | 2.1 | 2.2 | 0.8 | -0.4 | 0.8 | 1.2 | 0.3 | 0.2 | -2.4 | 4.8 | 4.7 | 2.5 | 3.4 |
| **Margins (%)** | | | | | | | | | | | | | |
| Operating profit | 8.7 | 9.8 | 7.3 | 6.8 | 7.8 | 9.2 | 7.7 | 8.2 | 6.5 | 8.1 | 8.2 | 8.3 | 8.5 |
| Korea headquarters (parent) | 9.5 | 11.9 | 8.9 | 10.0 | 9.0 | 11.0 | 8.8 | 9.5 | 8.2 | 10.2 | 10.1 | 9.6 | 9.5 |
| Overseas entities and adjustment | 7.6 | 5.4 | 4.2 | 2.0 | 5.8 | 5.7 | 5.7 | 6.3 | 4.0 | 4.5 | 4.7 | 5.9 | 6.7 |
| Net profit (controlling) | 1.4 | 3.4 | 1.5 | 14.2 | 6.1 | 6.1 | 4.3 | 5.4 | 3.2 | 4.0 | 5.1 | 5.5 | 5.7 |
| Korea headquarters (parent) | 4.5 | 6.1 | 7.2 | 17.1 | 12.4 | 9.8 | 7.6 | 8.3 | 1.7 | 7.9 | 8.6 | 9.5 | 8.0 |
| China entities | -3.0 | -0.2 | -1.2 | 11.5 | 0.9 | 2.8 | 0.8 | 2.7 | 3.6 | -0.2 | 2.2 | 1.8 | 4.1 |
| Shanghai | 6.6 | 4.9 | 4.2 | 6.1 | 7.3 | 6.6 | 4.0 | 6.0 | 4.7 | 0.9 | 5.5 | 6.0 | 6.0 |
| Guangzhou | 8.0 | 4.1 | 4.4 | 1.9 | 7.0 | 3.0 | 4.0 | 4.0 | 10.7 | 3.4 | 4.6 | 4.4 | 4.5 |
| US entity | -40.8 | -68.0 | -20.1 | -23.0 | -18.6 | -5.0 | 5.0 | 4.0 | -35.7 | -34.5 | -36.2 | -3.5 | 1.0 |
| Indonesia entity | 9.1 | 11.5 | 2.8 | 6.2 | 2.3 | 2.0 | 2.5 | 4.0 | 6.5 | 11.3 | 7.5 | 2.7 | 3.5 |
| Thailand entity | 8.8 | 9.5 | 5.3 | -3.6 | 3.3 | 5.0 | 2.0 | 1.5 | -9.3 | 11.0 | 6.4 | 3.3 | 4.0 |
| **Growth (% y-y)** | | | | | | | | | | | | | |
| Sales | 11.7 | 13.1 | 10.5 | 7.7 | 15.9 | 17.0 | 10.4 | 8.4 | 11.1 | 21.9 | 10.7 | 12.9 | 12.9 |
| Korea headquarters (parent) | 15.0 | 20.8 | 10.7 | 3.9 | 16.6 | 16.2 | 10.6 | 10.0 | 23.8 | 28.2 | 12.6 | 13.4 | 14.0 |
| China entities | 3.4 | 0.7 | 22.4 | 17.0 | 19.7 | 21.8 | 17.3 | 8.5 | -1.7 | 4.9 | 10.1 | 16.5 | 8.5 |
| Shanghai | 1.3 | 11.4 | 26.4 | 22.6 | 13.0 | 22.0 | 21.0 | 15.0 | -7.5 | -6.8 | 14.2 | 17.5 | 18.5 |
| Guangzhou | 3.6 | -17.0 | 14.6 | 9.0 | -15.1 | 9.0 | 9.0 | 9.0 | 18.9 | 31.4 | 1.9 | 2.8 | 7.0 |
| US entity | -26.0 | -16.7 | 13.5 | 24.2 | 46.3 | 25.0 | 15.0 | 17.0 | -14.6 | -2.0 | -3.3 | 24.6 | 15.3 |
| Indonesia entity | 22.8 | -17.7 | -33.4 | -18.2 | -23.3 | -5.0 | -2.0 | -5.0 | 28.0 | 32.4 | -13.7 | -9.9 | 5.0 |
| Thailand entity | 151.6 | 124.3 | 36.9 | -11.9 | 1.7 | 3.0 | 12.0 | 1.2 | 31.5 | 70.3 | 68.5 | 4.2 | 12.1 |
| Operating profit | 13.0 | 30.2 | -1.6 | 2.7 | 3.3 | 10.8 | 16.9 | 31.1 | 117.9 | 51.6 | 11.6 | 14.4 | 16.1 |
| Korea headquarters (parent) | 14.0 | 44.5 | -13.2 | 4.0 | 10.8 | 7.7 | 8.8 | 4.4 | 102.5 | 59.8 | 11.4 | 7.9 | 12.5 |
| Overseas entities and adjustment | 10.9 | -10.4 | 115.4 | -6.0 | -11.8 | 24.9 | 49.7 | 226.7 | 182.1 | 26.9 | 12.6 | 38.8 | 26.4 |

Source: Company data, Samsung Securities estimates

**Cosmax: Valuation**

| (KRWb) | Calculation | Value |
|---|---|---|
| Forward EBITDA | (A = B x D + C x (1 - D)) | 352 |
| 2026E EBITDA | (B) | 331 |
| 2027E EBITDA | (C) | 377 |
| 2026 weighting (%) | (D) | 53.3% |
| Target EV/EBTIDA multiple* (x) | (E) | 8.0 |
| Enterprise value | (F = A x E) | 2,820 |
| Net debt | (G) | 582 |
| Equity value | (H = F - G) | 2,238 |
| Shares outstanding ('000) | (I) | 11,350 |
| Fair value per share (KRW) | (H/I) | 197,156 |
| Target price (KRW) | | 200,000 |

Note: *Average forward EV/EBITDA multiple at which global ODM peers are trading
Source: Bloomberg, Samsung Securities estimates

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **2,166** | **2,399** | **2,709** | **3,058** | **3,479** |
| Cost of goods sold | 1,748 | 1,990 | 2,234 | 2,517 | 2,853 |
| **Gross profit** | **418** | **409** | **475** | **541** | **626** |
| Gross margin (%) | 19.3 | 17.1 | 17.5 | 17.7 | 18.0 |
| SG&A expenses | 243 | 213 | 251 | 281 | 320 |
| **Operating profit** | **175** | **196** | **224** | **260** | **306** |
| Operating margin (%) | 8.1 | 8.2 | 8.3 | 8.5 | 8.8 |
| **Non-operating gains (losses)** | **-38** | **-39** | **-22** | **-34** | **-37** |
| Financial profit | 47 | 64 | 60 | 64 | 65 |
| Financial costs | 68 | 99 | 83 | 98 | 103 |
| Equity-method gains (losses) | -0 | -0 | 0 | 0 | 0 |
| Other | -17 | -5 | 0 | 0 | 0 |
| **Pre-tax profit** | **138** | **157** | **202** | **226** | **269** |
| Taxes | 49 | 25 | 50 | 50 | 58 |
| Effective tax rate (%) | 35.8 | 16.3 | 24.8 | 22.1 | 21.5 |
| Profit from continuing operations | 88 | 131 | 152 | 176 | 211 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **88** | **131** | **152** | **176** | **211** |
| Net margin (%) | 4.1 | 5.5 | 5.6 | 5.8 | 6.1 |
| Net profit (controlling interests) | 86 | 123 | 149 | 175 | 210 |
| Net profit (non-controlling interests) | 3 | 8 | 3 | 1 | 1 |
| EBITDA | 244 | 270 | 331 | 377 | 435 |
| EBITDA margin (%) | 11.3 | 11.3 | 12.2 | 12.3 | 12.5 |
| EPS (parent-based) (KRW) | 7,560 | 10,843 | 13,121 | 15,415 | 18,471 |
| EPS (consolidated) (KRW) | 7,790 | 11,549 | 13,356 | 15,508 | 18,599 |
| Adjusted EPS (KRW)* | 7,560 | 10,843 | 13,121 | 15,415 | 18,471 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **943** | **975** | **1,056** | **1,244** | **1,443** |
| Cash & equivalents | 256 | 192 | 161 | 233 | 295 |
| Accounts receivable | 349 | 427 | 466 | 534 | 616 |
| Inventories | 257 | 271 | 337 | 379 | 430 |
| Other current assets | 80 | 85 | 93 | 97 | 102 |
| **Fixed assets** | **991** | **1,150** | **1,249** | **1,358** | **1,478** |
| Investment assets | 56 | 53 | 1 | 1 | 1 |
| Tangible assets | 778 | 926 | 1,018 | 1,120 | 1,232 |
| Intangible assets | 63 | 64 | 70 | 77 | 85 |
| Other long-term assets | 94 | 108 | 160 | 160 | 160 |
| **Total assets** | **1,934** | **2,125** | **2,306** | **2,602** | **2,921** |
| **Current liabilities** | **1,114** | **1,201** | **1,237** | **1,396** | **1,541** |
| Accounts payable | 231 | 271 | 306 | 345 | 391 |
| Short-term debt | 464 | 499 | 492 | 492 | 493 |
| Other current liabilities | 419 | 431 | 439 | 559 | 657 |
| **Long-term liabilities** | **311** | **312** | **367** | **367** | **369** |
| Bonds & long-term debt | 188 | 195 | 217 | 217 | 218 |
| Other long-term liabilities | 123 | 117 | 150 | 150 | 151 |
| **Total liabilities** | **1,425** | **1,513** | **1,604** | **1,763** | **1,910** |
| **Owners of parent equity** | **473** | **558** | **670** | **807** | **979** |
| Capital stock | 6 | 6 | 6 | 6 | 6 |
| Capital surplus | 28 | 13 | 13 | 13 | 13 |
| Retained earnings | 384 | 483 | 595 | 732 | 905 |
| Other | 56 | 56 | 56 | 56 | 56 |
| **Non-controlling interests' equity** | **35** | **54** | **32** | **32** | **32** |
| **Total equity** | **509** | **612** | **702** | **839** | **1,011** |
| Net debt | 705 | 846 | 655 | 582 | 524 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **73** | **87** | **188** | **221** | **256** |
| Net profit | 88 | 131 | 152 | 176 | 211 |
| Non-cash profit and expenses | 186 | 147 | 210 | 221 | 236 |
| Depreciation | 64 | 69 | 102 | 112 | 123 |
| Amortization | 5 | 5 | 5 | 5 | 6 |
| Other | 117 | 72 | 103 | 103 | 106 |
| Changes in A/L from operating activities | -127 | -87 | -70 | -72 | -86 |
| **Cash flow from investments** | **-160** | **-179** | **-184** | **-149** | **-199** |
| Change in tangible assets | -161 | -183 | -176 | -147 | -198 |
| Change in financial assets | -2 | 7 | 0 | 0 | 0 |
| Other | 3 | -4 | -8 | -2 | -1 |
| **Cash flow from financing** | **68** | **28** | **-36** | **0** | **4** |
| Change in debt | 256 | 76 | -32 | 0 | 3 |
| Change in equity | -0 | -16 | 0 | 0 | 0 |
| Dividends | -6 | -26 | -37 | -37 | -37 |
| Other | -183 | -6 | 33 | 38 | 39 |
| Change in cash | -1 | -64 | -32 | 73 | 62 |
| Cash at beginning of year | 257 | 256 | 192 | 161 | 233 |
| Cash at end of year | 256 | 192 | 161 | 233 | 295 |
| **Gross cash flow** | **274** | **278** | **362** | **397** | **447** |
| **Free cash flow** | **-92** | **-100** | **8** | **70** | **54** |

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

## Financial ratios

| Year-end Dec 31 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%)** | | | | | |
| Sales | 21.9 | 10.7 | 12.9 | 12.9 | 13.8 |
| Operating profit | 51.6 | 11.6 | 14.4 | 16.1 | 17.8 |
| Net profit | 133.9 | 48.2 | 15.6 | 16.1 | 19.9 |
| Adjusted EPS** | 50.2 | 43.4 | 21.0 | 17.5 | 19.8 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | 7,560 | 10,843 | 13,121 | 15,415 | 18,471 |
| EPS (consolidated) | 7,790 | 11,549 | 13,356 | 15,508 | 18,599 |
| Adjusted EPS** | 7,560 | 10,843 | 13,121 | 15,415 | 18,471 |
| BVPS | 41,725 | 49,196 | 59,020 | 71,139 | 86,315 |
| DPS (common) | 2,300 | 3,300 | 3,300 | 3,300 | 3,300 |
| **Valuations (x)** | | | | | |
| P/E*** | 19.7 | 15.0 | 12.1 | 10.3 | 8.6 |
| P/B*** | 3.6 | 3.3 | 2.7 | 2.2 | 1.8 |
| EV/EBITDA | 10.0 | 10.2 | 7.5 | 6.4 | 5.4 |
| **Ratios (%)** | | | | | |
| ROE | 20.5 | 23.9 | 24.3 | 23.7 | 23.5 |
| ROA | 5.1 | 6.5 | 6.8 | 7.2 | 7.6 |
| ROIC | 12.1 | 13.1 | 12.0 | 13.8 | 15.4 |
| Payout ratio | 30.4 | 30.4 | 25.2 | 21.4 | 17.9 |
| Dividend yield (common) | 1.5 | 2.0 | 2.1 | 2.1 | 2.1 |
| Net debt to equity | 138.5 | 138.1 | 93.4 | 69.4 | 51.8 |
| Interest coverage (x) | 3.9 | 4.2 | 4.5 | 4.9 | 5.8 |

# COMPANY UPDATE

2026. 6. 30

Innovation Team

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# Kolmar Korea (161890)

## Suncare season brings earnings into focus

- Kolmar Korea is gaining momentum from rising suncare demand in Korea and an expanding customer base in China.
- Initiating coverage at BUY with KRW110,000 target price: With a strong suncare positioning heading into peak season, the company's valuation looks increasingly attractive, while earnings improvements at its subsidiaries should help limit downside.

*(The originial report has been published in June 24th)*

### WHAT'S THE STORY?

**Seasonally stronger sales mix boosts margins at Korean operations:** Kolmar Korea had a strong 1Q, driven by increased orders for suncare products ahead of the summer peak season. Its Korean operations delivered sales of KRW343b (up 28% q-q and 25% y-y) and an operating profit of KRW51.2b (up 130% q-q and 51% y-y), demonstrating significant operating leverage and serving as the primary earnings driver. Its Chinese subsidiary generated sales of KRW47.3b (up 14% y-y and 44% q-q), supported by new customer acquisitions, while losses continued at the US and Canadian subsidiaries and at cosmetics packaging subsidiary Yonwoo.

*(Continued on the next page)*

### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| Target price | KRW110,000 | 10.7% |
| Current price | KRW99,400 | |
| Market cap | KRW2.3t/USD1.5b | |
| Shares (float) | 23,605,077 (73.4%) | |
| 52-week high/low | KRW109,200/KRW61,100 | |
| Avg daily trading value (60-day) | KRW21.7b/ USD14.0m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| Kolmar Korea (%) | 16.3 | 60.1 | 8.4 |
| Vs Kospi (%pts) | 17.4 | -19.5 | -60.5 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 110,000 | 109,000 | 0.9% |
| 2026E EPS | 6,664 | 6,309 | 5.6% |
| 2027E EPS | 8,598 | 7,847 | 9.6% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 19 |
| Target price | 121,842 |
| Recommendation | 4.0 |

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

### SUMMARY FINANCIAL DATA

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue (KRWb) | 2,722 | 3,042 | 3,348 | 3,734 |
| Operating profit (KRWb) | 240 | 296 | 376 | 427 |
| Net profit (adj) (KRWb) | 168 | 213 | 254 | 289 |
| EPS (adj) (KRW) | 5,299 | 6,664 | 8,598 | 10,071 |
| EPS (adj) growth (% y-y) | 38.3 | 25.8 | 29.0 | 17.1 |
| EBITDA margin (%) | 12.6 | 13.3 | 11.2 | 11.4 |
| ROE (%) | 14.7 | 16.1 | 17.5 | 17.4 |
| P/E (adj) (x) | 11.7 | 14.9 | 11.6 | 9.9 |
| P/B (x) | 1.6 | 2.2 | 1.9 | 1.6 |
| EV/EBITDA (x) | 9.1 | 10.1 | 9.9 | 8.4 |
| Dividend yield (%) | 1.4 | 1.0 | 1.2 | 1.4 |

Source: Company data, Samsung Securities estimates

Samsung Securities

**ODM client diversification and subsidiary normalization:** In its core cosmetics ODM business, the top five customers now account for 34% of sales, down from 40-50% previously, reflecting gradual customer diversification. The business is poised for further growth through additional multinational client wins and a turnaround at the Chinese subsidiary. Cosmetics packaging subsidiary Yonwoo is also on track to return to profitability in 2026, supported by increased indie-brand orders, while HK inno.N's stable earnings—backed by expanding indications for K-CAB and growth in the H&B division—enhance the downside resilience of Kolmar Korea's earnings. Although competitors are accelerating their entry into the suncare market, success overseas requires more than manufacturing capability; it also demands expertise in regulation, prescription, and quality management—areas in which Kolmar Korea maintains a durable competitive edge. We expect the company to enjoy solid growth in 2026, with sales climbing 11% to KRW3.04t, and operating profit rising 11.7% to KRW295.9b.

**Initiating coverage at BUY with KRW110,000 target price:** Despite a 20% pullback from recent highs—driven by short-term momentum exhaustion after a 1Q earnings surprise and continued market leadership by large caps—we set our target price at KRW110,000. This is based on a 20% premium to the peer group's average forward EBITDA multiple, reflecting the Kolmar Korea's unrivaled position in suncare and strong earnings growth trajectory. In June, the FDA approved bemotrizinol, a new suncare ingredient already commercialized in Korea and Europe, boosting expectations for improved manufacturing efficiency in 2H. Together, easing conflict in the Middle East—which should reduce cost pressures for Yonwoo, supporting a turnaround—and Kolmar Korea's continued progress in securing multinational clients sets the stage for a share-price rerating.

### Kolmar Korea: Results and forecasts

| (KRWb) | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26E | 3Q26E | 4Q26E | 2023 | 2024 | 2025 | 2026E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | **653.1** | **730.8** | **683.0** | **655.5** | **728.0** | **813.5** | **787.1** | **713.2** | **2,155.7** | **2,452.1** | **2,722.4** | **3,041.8** | **3,348.2** |
| Cosmetics ODM/OEM | 346.3 | 406.4 | 371.1 | 315.9 | 412.1 | 477.5 | 450.1 | 366.8 | 1,116.7 | 1,315.9 | 1,359.7 | 1,706.5 | 1,932.6 |
| Domestic entity (parent) | 274.3 | 328.1 | 322.0 | 268.3 | 343.0 | 401.2 | 395.1 | 320.2 | 856.8 | 1,059.7 | 1,086.3 | 1,459.5 | 1,671.1 |
| China entity | 41.6 | 49.9 | 31.8 | 32.9 | 47.3 | 48.5 | 34.9 | 29.8 | 158.2 | 153.7 | 160.8 | 160.5 | 168.8 |
| US entity | 21.7 | 18.4 | 8.1 | 6.7 | 13.4 | 15.4 | 8.0 | 7.0 | 37.4 | 57.9 | 72.6 | 43.8 | 48.9 |
| Canada entity | 8.7 | 10.0 | 9.2 | 8.0 | 8.4 | 12.3 | 12.1 | 9.9 | 45.9 | 39.5 | 39.2 | 42.7 | 43.8 |
| Cosmetic packaging (Yonwoo) | 63.7 | 70.7 | 61.8 | 54.7 | 62.4 | 65.6 | 64.2 | 55.1 | 236.4 | 275.5 | 272.0 | 247.4 | 249.8 |
| Pharma (HK Inno.N) | 247.4 | 263.1 | 260.8 | 291.9 | 258.7 | 275.8 | 278.1 | 296.0 | 828.9 | 897.1 | 931.9 | 1,108.6 | 1,182.7 |
| **Operating profit** | **59.9** | **73.5** | **58.3** | **47.8** | **78.9** | **86.2** | **75.1** | **55.7** | **136.1** | **193.9** | **239.6** | **295.9** | **376.3** |
| Cosmetics ODM/OEM | 37.2 | 55.2 | 35.0 | 9.3 | 49.0 | 58.1 | 46.5 | 21.8 | 81.0 | 117.5 | 134.7 | 175.4 | 243.0 |
| Domestic entity (parent) | 33.9 | 49.0 | 44.3 | 22.3 | 51.2 | 56.1 | 51.8 | 27.8 | 79.7 | 122.4 | 133.5 | 186.9 | 236.0 |
| China entity | 3.1 | 6.1 | -1.6 | -1.6 | 3.2 | 5.3 | 0.7 | -0.3 | 12.7 | 8.0 | 9.3 | 8.9 | 8.4 |
| US entity | 1.5 | -0.2 | -6.4 | -8.3 | -3.7 | -1.5 | -4.2 | -4.2 | -9.5 | -6.0 | -2.0 | -13.6 | -1.0 |
| Canada entity | -1.3 | 0.3 | -1.3 | -3.1 | -1.7 | -1.8 | -1.8 | -1.5 | -1.9 | -6.9 | -6.1 | -6.8 | -0.4 |
| Cosmetic packaging (Yonwoo) | -1.0 | 0.8 | -0.2 | 0.8 | -0.3 | 0.3 | 0.3 | 0.6 | 0.4 | 1.4 | 0.4 | 0.8 | 0.7 |
| Pharma (HK Inno.N) | 25.4 | 19.5 | 25.9 | 40.1 | 33.2 | 31.3 | 31.5 | 35.7 | 65.0 | 88.2 | 96.4 | 131.7 | 148.2 |
| **Net profit (controlling)** | **13.2** | **34.9** | **31.8** | **45.1** | **45.2** | **50.3** | **39.3** | **22.5** | **5.2** | **90.1** | **125.1** | **157.3** | **202.9** |
| **Margins (%)** | | | | | | | | | | | | | |
| **Operating profit** | **9.2** | **10.1** | **8.5** | **7.3** | **10.8** | **10.6** | **9.5** | **7.8** | **6.3** | **7.9** | **8.8** | **9.7** | **11.2** |
| Cosmetics ODM/OEM | 10.7 | 13.6 | 9.4 | 2.9 | 11.9 | 12.2 | 10.3 | 5.9 | 7.2 | 8.9 | 9.9 | 10.3 | 12.6 |
| Domestic entity (parent) | 12.4 | 14.9 | 13.8 | 8.3 | 14.9 | 14.0 | 13.1 | 8.7 | 9.3 | 11.5 | 12.3 | 12.8 | 14.1 |
| China entity | 7.5 | 12.2 | -5.0 | -4.9 | 6.8 | 11.0 | 2.0 | -1.0 | 8.0 | 5.2 | 5.8 | 5.6 | 5.0 |
| US entity | 6.9 | -1.1 | -79.0 | -123.9 | -27.6 | -10.0 | -52.5 | -60.0 | -25.4 | -10.4 | -2.8 | -31.1 | -2.0 |
| Canada entity | -14.9 | 3.0 | -14.1 | -38.8 | -20.2 | -14.9 | -14.9 | -14.9 | -4.1 | -17.5 | -15.5 | -16.0 | -1.0 |
| Cosmetic packaging (Yonwoo) | -1.6 | 1.1 | -0.3 | 1.5 | -0.5 | 0.5 | 0.4 | 1.0 | 0.2 | 0.5 | 0.1 | 0.3 | 0.3 |
| Pharma (HK Inno.N) | 10.3 | 7.4 | 9.9 | 13.7 | 12.8 | 11.4 | 11.3 | 12.1 | 7.8 | 9.8 | 10.3 | 11.9 | 12.5 |
| **Net profit (controlling)** | **2.0** | **4.8** | **4.7** | **6.9** | **6.2** | **6.2** | **5.0** | **3.2** | **0.2** | **3.7** | **4.6** | **5.2** | **6.1** |
| **Growth (% y-y)** | | | | | | | | | | | | | |
| **Sales** | **13.6** | **10.7** | **9.0** | **11.0** | **11.5** | **11.3** | **15.2** | **8.8** | **15.5** | **13.7** | **11.0** | **11.7** | **10.1** |
| Cosmetics ODM/OEM | 14.5 | 7.9 | 10.1 | 5.3 | 19.0 | 17.5 | 21.3 | 16.1 | 20.4 | 17.8 | 3.3 | 25.5 | 13.2 |
| Domestic entity (parent) | 10.7 | 10.5 | 17.7 | 11.2 | 25.0 | 22.3 | 22.7 | 19.3 | 18.2 | 23.7 | 2.5 | 34.4 | 14.5 |
| China entity | 20.4 | -5.2 | -13.1 | 10.0 | 13.7 | -2.7 | 9.6 | -9.5 | 41.2 | -2.8 | 4.6 | -0.2 | 5.2 |
| US entity | 210.9 | 37.5 | -53.7 | -66.5 | -38.2 | -16.1 | -1.2 | 4.5 | 45.8 | 54.6 | 25.4 | -39.6 | 11.5 |
| Canada entity | -3.0 | -20.9 | 0.0 | -8.0 | -3.4 | 23.4 | 31.6 | 23.5 | -5.2 | -14.0 | -0.7 | 8.9 | 2.5 |
| Cosmetic packaging (Yonwoo) | -5.3 | -4.4 | -15.1 | -11.1 | -2.0 | -7.1 | 3.8 | 0.8 | 0.6 | 16.5 | -1.3 | -9.0 | 1.0 |
| Pharma (HK Inno.N) | 16.3 | 20.0 | 13.7 | 23.8 | 4.6 | 4.8 | 6.6 | 1.4 | -2.1 | 8.2 | 3.9 | 19.0 | 6.7 |
| **Operating profit** | **84.8** | **2.4** | **7.0** | **36.2** | **31.6** | **17.3** | **28.8** | **16.4** | **85.8** | **42.4** | **23.6** | **23.5** | **27.2** |
| Cosmetics ODM/OEM | 85.7 | 13.3 | 5.9 | -40.8 | 31.7 | 5.2 | 32.9 | 134.2 | 79.6 | 45.1 | 14.6 | 30.2 | 38.6 |
| Domestic entity (parent) | 48.5 | 10.8 | 19.0 | 23.2 | 51.0 | 14.5 | 17.0 | 24.4 | 15.3 | 53.7 | 9.0 | 40.0 | 26.3 |
| China entity | 72.2 | -9.0 | nm | nm | 3.2 | -12.5 | nm | nm | nm | -37.0 | 16.3 | -3.9 | -5.6 |
| US entity | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Canada entity | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm | nm |
| Cosmetic packaging (Yonwoo) | nm | -33.3 | nm | nm | nm | -59.0 | nm | -31.1 | -60.0 | 252.5 | -71.6 | 109.1 | -10.4 |
| Pharma (HK Inno.N) | 47.2 | -19.9 | 16.5 | 64.2 | 30.7 | 60.7 | 21.6 | -10.9 | 22.6 | 35.7 | 9.2 | 36.7 | 12.5 |

Source: Company data, Samsung Securities estimates

### Kolmar Korea: Valuation

| (KRWb) | Calculation | Value |
|---|---|---|
| **Fair value of cosmetics ODM/packaging business** | **(A = B x F)** | **2,744.5** |
| Forward EBITDA (ex. HK Inno.N) | (B = C x E + D x (1 - E)) | 285.9 |
| 2026E | (C) | 253.9 |
| 2027E | (D) | 322.4 |
| 2026 weighting | (E) | 53.3% |
| Target EV/EBITDA multiple* (x) | (F) | 9.6 |
| Equity value of HK Inno.N stake | (G = H x I x (1 - J)) | 231.5 |
| HK Inno.N market cap | (H) | 1,076.5 |
| Equity stake (%) | (I) | 43.01% |
| Discount rate (%) | (J) | 50% |
| Net debt | (K) | 429 |
| **Target market cap** | **(L = A + G - K)** | **2,547.2** |
| Shares outstanding ('000) | (M) | 23,605 |
| Target price (KRW) | (L/M) | 110,000 |

Note: *20% premium to global ODM average, reflecting Kolmar Korea's leading position in sunscreen and its profit growth potential
Source: Bloomberg, Samsung Securities

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **2,452** | **2,722** | **3,042** | **3,348** | **3,734** |
| Cost of goods sold | 1,753 | 1,931 | 2,167 | 2,368 | 2,636 |
| **Gross profit** | **699** | **791** | **875** | **980** | **1,098** |
| Gross margin (%) | 28.5 | 29.1 | 28.8 | 29.3 | 29.4 |
| SG&A expenses | 505 | 552 | 579 | 604 | 671 |
| **Operating profit** | **194** | **240** | **296** | **376** | **427** |
| Operating margin (%) | 7.9 | 8.8 | 9.7 | 11.2 | 11.4 |
| **Non-operating gains (losses)** | **-54** | **-28** | **-24** | **-50** | **-54** |
| Financial profit | 30 | 28 | 18 | 9 | 10 |
| Financial costs | 54 | 54 | 42 | 50 | 55 |
| Equity-method gains (losses) | 12 | 1 | 2 | 1 | 1 |
| Other | -42 | -2 | -1 | -10 | -10 |
| **Pre-tax profit** | **140** | **212** | **272** | **326** | **373** |
| Taxes | 14 | 44 | 59 | 72 | 84 |
| Effective tax rate (%) | 10.3 | 20.5 | 21.8 | 22.1 | 22.5 |
| Profit from continuing operations | 125 | 168 | 213 | 254 | 289 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **125** | **168** | **213** | **254** | **289** |
| Net margin (%) | 5.1 | 6.2 | 7.0 | 7.6 | 7.7 |
| Net profit (controlling interests) | 90 | 125 | 157 | 203 | 238 |
| Net profit (non-controlling interests) | 35 | 43 | 55 | 51 | 51 |
| EBITDA | 286 | 344 | 406 | 376 | 427 |
| EBITDA margin (%) | 11.7 | 12.6 | 13.3 | 11.2 | 11.4 |
| EPS (parent-based) (KRW) | 3,830 | 5,299 | 6,664 | 8,598 | 10,071 |
| EPS (consolidated) (KRW) | 5,329 | 7,126 | 9,007 | 10,770 | 12,244 |
| Adjusted EPS (KRW)* | 3,830 | 5,299 | 6,664 | 8,598 | 10,071 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **859** | **1,010** | **1,272** | **1,412** | **1,784** |
| Cash & equivalents | 142 | 225 | 322 | 426 | 707 |
| Accounts receivable | 284 | 333 | 441 | 449 | 501 |
| Inventories | 328 | 325 | 389 | 413 | 460 |
| Other current assets | 105 | 126 | 120 | 124 | 115 |
| **Fixed assets** | **2,268** | **2,448** | **2,468** | **2,577** | **2,577** |
| Investment assets | 55 | 135 | 142 | 142 | 142 |
| Tangible assets | 811 | 902 | 913 | 1,033 | 1,033 |
| Intangible assets | 1,249 | 1,243 | 1,244 | 1,244 | 1,244 |
| Other long-term assets | 153 | 168 | 169 | 159 | 159 |
| **Total assets** | **3,127** | **3,458** | **3,740** | **3,990** | **4,361** |
| **Current liabilities** | **1,215** | **1,360** | **1,549** | **1,501** | **1,518** |
| Accounts payable | 188 | 231 | 267 | 324 | 361 |
| Short-term debt | 667 | 639 | 810 | 600 | 550 |
| Other current liabilities | 361 | 490 | 472 | 577 | 607 |
| **Long-term liabilities** | **406** | **430** | **369** | **442** | **592** |
| Bonds & long-term debt | 309 | 330 | 275 | 330 | 480 |
| Other long-term liabilities | 97 | 100 | 94 | 112 | 112 |
| **Total liabilities** | **1,621** | **1,790** | **1,917** | **1,943** | **2,109** |
| **Owners of parent equity** | **793** | **910** | **1,047** | **1,267** | **1,472** |
| Capital stock | 12 | 12 | 12 | 12 | 12 |
| Capital surplus | 295 | 301 | 256 | 300 | 300 |
| Retained earnings | 488 | 593 | 781 | 956 | 1,161 |
| Other | -2 | 5 | -2 | -1 | -1 |
| **Non-controlling interests' equity** | **713** | **757** | **775** | **780** | **780** |
| **Total equity** | **1,506** | **1,667** | **1,822** | **2,047** | **2,252** |
| Net debt | 952 | 917 | 957 | 614 | 442 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **215** | **291** | **327** | **486** | **498** |
| Net profit | 125 | 168 | 213 | 254 | 289 |
| Non-cash profit and expenses | 195 | 203 | 223 | 233 | 232 |
| Depreciation | 69 | 81 | 84 | 0 | 0 |
| Amortization | 23 | 24 | 26 | 0 | 0 |
| Other | 103 | 98 | 114 | 233 | 232 |
| Changes in A/L from operating activities | -40 | 0 | -46 | 55 | 37 |
| **Cash flow from investments** | **-205** | **-248** | **-193** | **-182** | **-252** |
| Change in tangible assets | -245 | -162 | -133 | -180 | -250 |
| Change in financial assets | 43 | -36 | 0 | -2 | -2 |
| Other | -3 | -50 | -60 | 0 | 0 |
| **Cash flow from financing** | **-43** | **40** | **-39** | **-198** | **36** |
| Change in debt | 48 | 82 | 10 | -173 | 61 |
| Change in equity | 33 | 6 | 0 | 0 | 0 |
| Dividends | -19 | -23 | -19 | -25 | -25 |
| Other | -104 | -26 | -30 | 0 | 0 |
| Change in cash | -29 | 83 | 96 | 106 | 282 |
| Cash at beginning of year | 171 | 142 | 225 | 322 | 426 |
| Cash at end of year | 142 | 225 | 322 | 426 | 707 |
| **Gross cash flow** | **320** | **371** | **436** | **487** | **521** |
| **Free cash flow** | **-32** | **127** | **193** | **306** | **248** |

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

## Financial ratios

| Year-end Dec 31 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%)** | | | | | |
| Sales | 13.7 | 11.0 | 11.7 | 10.1 | 11.5 |
| Operating profit | 42.4 | 23.6 | 23.5 | 27.2 | 13.4 |
| Net profit | 398.5 | 34.2 | 26.4 | 19.6 | 13.7 |
| Adjusted EPS** | 1,588.1 | 38.3 | 25.8 | 29.0 | 17.1 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | 3,830 | 5,299 | 6,664 | 8,598 | 10,071 |
| EPS (consolidated) | 5,329 | 7,126 | 9,007 | 10,770 | 12,244 |
| Adjusted EPS** | 3,830 | 5,299 | 6,664 | 8,598 | 10,071 |
| BVPS | 33,579 | 38,566 | 44,367 | 53,675 | 62,346 |
| DPS (common) | 720 | 864 | 1,030 | 1,200 | 1,400 |
| **Valuations (x)** | | | | | |
| P/E*** | 14.4 | 11.7 | 14.9 | 11.6 | 9.9 |
| P/B*** | 1.6 | 1.6 | 2.2 | 1.9 | 1.6 |
| EV/EBITDA | 10.4 | 9.1 | 10.1 | 9.9 | 8.4 |
| **Ratios (%)** | | | | | |
| ROE | 12.5 | 14.7 | 16.1 | 17.5 | 17.4 |
| ROA | 4.1 | 5.1 | 5.9 | 6.6 | 6.9 |
| ROIC | 7.6 | 7.9 | 9.2 | 11.5 | 13.1 |
| Payout ratio | 18.9 | 16.3 | 16.3 | 14.0 | 13.9 |
| Dividend yield (common) | 1.3 | 1.4 | 1.0 | 1.2 | 1.4 |
| Net debt to equity | 63.2 | 55.0 | 52.5 | 30.0 | 19.6 |
| Interest coverage (x) | 4.2 | 6.2 | 7.4 | n/a | n/a |

# COMPANY UPDATE

2026. 6. 30

Innovation Team

**Donghee Jeong**
Analyst
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### AT A GLANCE

**BUY**

| | | |
|---|---|---|
| Target price | KRW90,000 | 26.6% |
| **Current price** | **KRW71,100** | |
| Market cap | KRW759.35b/USD491.43m | |
| Shares (float) | 10,680,000 (60.0%) | |
| 52-week high/low | KRW103,000/KRW55,800 | |
| Avg daily trading value (60-day) | KRW6.0b/ USD3.9m | |

### ONE-YEAR PERFORMANCE

| | 1M | 6M | 12M |
|---|---|---|---|
| Cosmecca Korea (%) | -0.4 | 5.2 | 22.6 |
| Vs Kosdaq (%pts) | 16.3 | 6.6 | 4.1 |

### KEY CHANGES

| (KRW) | New | Old | Diff |
|---|---|---|---|
| Recommend. | BUY | BUY | |
| Target price | 90,000 | 125,000 | -28.0% |
| 2026E EPS | 6,511 | 6,545 | -0.5% |
| 2027E EPS | 7,090 | 7,707 | -8.0% |

### SAMSUNG vs THE STREET

| | |
|---|---|
| No of estimates | 10 |
| Target price | 114,400 |
| Recommendation | 4.0 |

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

Samsung Securities

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# Cosmecca Korea (241710)

## K-beauty's trend-sensitive ODM

- Among Korea's top three ODMs, Cosmecca Korea has secured significant order volume from early-stage K-beauty indie brands while maintaining a diversified client base across US-based indie brands.
- We initiate coverage with a BUY rating and a KRW90,000 target price, supported by expanding operating leverage at the Korean business, favorable 2H seasonality among US clients, and potential new orders from multinationals for the China operation.

*(The originial report has been published in June 24th)*

### WHAT'S THE STORY?

**K-beauty production hub and overseas expansion:** Cosmecca Korea reported 2025 consolidated sales of KRW640.9b and operating profit of KRW83.5b, up 22% and 38%, respectively, for an operating margin of 13%. This was driven by an accelerating global K-beauty expansion and operating leverage from strong top-line growth at the parent. In 1Q26, consolidated sales rose 4% q-q and 56% y-y to KRW185.1b, while operating profit increased 4% q-q and 78% y-y to KRW21.9b, for an operating margin of 11.8%. The parent, which houses the Korean operation, delivered record quarterly results, with 1Q sales of KRW142.2b (up 91% y-y), and operating profit of KRW17.8b, for a 12.5% margin, supported by new orders from early-stage K-beauty indie brands. The US operation reported 1Q sales of KRW49.7b (down 9% q-q but up 17% y-y), and operating profit of KRW5.6b, for a margin of 11.3%. The China operation logged KRW6.4b in revenue (down 27% y-y) and incurred another quarterly operating loss, but it may win new orders from multinationals that previously awarded contracts only to the parent.

*(Continued on the next page)*

### SUMMARY FINANCIAL DATA

| | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|
| Revenue (KRWb) | 641 | 782 | 886 | 1,013 |
| Operating profit (KRWb) | 84 | 102 | 117 | 145 |
| Net profit (adj) (KRWb) | 58 | 85 | 95 | 117 |
| EPS (adj) (KRW) | 4,255 | 6,511 | 7,090 | 8,743 |
| EPS (adj) growth (% y-y) | 6.2 | 53.0 | 8.9 | 23.3 |
| EBITDA margin (%) | 15.6 | 16.0 | 15.9 | 16.9 |
| ROE (%) | 19.3 | 24.3 | 21.2 | 21.1 |
| P/E (adj) (x) | 15.7 | 10.9 | 10.0 | 8.1 |
| P/B (x) | 2.8 | 2.4 | 1.9 | 1.6 |
| EV/EBITDA (x) | 8.9 | 7.9 | 6.9 | 5.6 |
| Dividend yield (%) | 0.6 | 0.5 | 0.5 | 0.5 |

Source: Company data, Samsung Securities estimates

**Beneficiary of K-beauty indie-brand expansion and client diversification:** While Korea's large ODMs have advantages in global production networks and brand references, Cosmecca Korea's key differentiators are its high earnings sensitivity to K-beauty indie-brand growth and rapid client acquisition. Despite a drop in sales from its top two clients in 1Q26, revenue from all other clients expanded 23% q-q, easing concerns over client concentration. The company's strategic diversification through US subsidiary Englewood Lab enables dual-sourcing for US production, expands its capabilities to OTC cosmetics, and mitigates tariff exposure—advantages peers have not replicated.

**Initiating coverage at BUY with KRW90,000 target price:** Following the 1Q results announcement, shares pulled back amid a lack of near-term catalysts and a large-cap-led market rally. Our target price of KRW90,000 is based on 6.4x 2027 EV/EBITDA, below the peer average of 7x. The recent acquisition of the Ochang facility (for KRW64b) confirms additional capacity-expansion potential. Key risks to monitor include: 1) margin pressure from production for new brands; 2) revenue volatility at Englewood Lab, given its heavy reliance on a limited client base; and 3) how quickly the China operating manages to narrow its losses.

### Cosmecca Korea: Results and forecasts

| (KRWb) | 1Q24 | 2Q24 | 3Q24 | 4Q24 | 1Q25 | 2Q25 | 3Q25 | 4Q25 | 1Q26 | 2Q26E | 3Q26E | 4Q26E | 2023 | 2024 | 2025 | 2026E | 2027E |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Sales** | **125.6** | **143.8** | **126.6** | **128.3** | **118.4** | **161.7** | **182.4** | **178.5** | **185.1** | **196.0** | **201.1** | **200.1** | **470.7** | **524.3** | **640.9** | **782.4** | **885.5** |
| Parent | 68.8 | 94.6 | 82.5 | 82.8 | 74.3 | 110.0 | 129.8 | 127.3 | 142.2 | 144.3 | 143.8 | 139.9 | 268.6 | 328.7 | 441.5 | 570.1 | 650.6 |
| Korea brand | 55.4 | 77.1 | 68.2 | 66.8 | 59.5 | 91.7 | 110.5 | 110.0 | 124.2 | 123.8 | 122.1 | 120.4 | 216.7 | 267.6 | 371.6 | 490.4 | 561.7 |
| Overseas brand | 13.3 | 17.6 | 14.3 | 15.9 | 14.9 | 18.3 | 19.4 | 17.3 | 18.0 | 20.5 | 21.7 | 19.4 | 52.0 | 61.1 | 69.9 | 79.7 | 88.9 |
| China entity | 12.2 | 10.7 | 9.3 | 8.2 | 8.7 | 8.6 | 8.1 | 8.5 | 6.4 | 7.9 | 7.4 | 8.2 | 50.4 | 40.4 | 34.0 | 29.9 | 28.4 |
| Englewood Lab | 52.6 | 46.0 | 41.1 | 42.2 | 42.5 | 57.5 | 61.8 | 54.5 | 49.7 | 60.2 | 68.2 | 71.5 | 206.8 | 182.2 | 200.4 | 249.6 | 277.7 |
| US (Totowa) | 33.8 | 28.4 | 26.1 | 24.2 | 27.3 | 31.6 | 30.4 | 30.2 | 30.7 | 29.4 | 33.7 | 34.8 | 106.2 | 112.7 | 119.5 | 128.6 | 143.5 |
| Incheon | 18.9 | 17.9 | 15.8 | 18.2 | 16.3 | 26.7 | 31.7 | 24.6 | 19.6 | 30.8 | 34.5 | 36.7 | 100.8 | 70.7 | 99.3 | 121.6 | 134.2 |
| **Operating profit** | **13.7** | **18.1** | **15.2** | **13.3** | **12.3** | **23.0** | **27.2** | **21.0** | **21.9** | **24.2** | **29.1** | **26.8** | **49.2** | **60.4** | **83.5** | **101.9** | **117.2** |
| Parent | 7.4 | 14.3 | 12.0 | 10.7 | 8.0 | 13.8 | 14.5 | 11.7 | 17.8 | 19.7 | 21.2 | 14.4 | 22.9 | 44.5 | 48.1 | 73.1 | 88.9 |
| China entity | 0.0 | -0.1 | -0.3 | -0.7 | -0.6 | -1.1 | -0.6 | 0.2 | -1.3 | -0.7 | -1.0 | -0.4 | 0.1 | -1.1 | -2.1 | -3.4 | -2.7 |
| Englewood Lab | 6.6 | 4.3 | 4.1 | 3.7 | 4.6 | 10.1 | 13.2 | 9.3 | 5.6 | 5.3 | 8.9 | 12.9 | 28.9 | 18.8 | 37.2 | 32.7 | 31.5 |
| US (Totowa) | 2.3 | 0.3 | 0.3 | -0.6 | 0.3 | 2.1 | 3.0 | 1.2 | 1.8 | 1.1 | 1.7 | 1.9 | 4.6 | 2.3 | 6.7 | 6.5 | 8.6 |
| Incheon | 4.3 | 4.0 | 3.9 | 4.2 | 4.3 | 8.2 | 9.7 | 8.3 | 4.0 | 4.2 | 7.2 | 11.0 | 24.3 | 16.5 | 30.6 | 26.5 | 22.8 |
| **Net profit (controlling)** | **8.8** | **13.7** | **8.5** | **11.8** | **7.6** | **9.3** | **16.7** | **11.8** | **17.3** | **15.9** | **18.8** | **17.6** | **22.3** | **42.8** | **45.4** | **69.5** | **75.7** |
| **Margins (%)** | | | | | | | | | | | | | | | | | |
| **Operating profit** | **10.9** | **12.6** | **12.0** | **10.4** | **10.4** | **14.2** | **14.9** | **11.8** | **11.8** | **12.3** | **14.5** | **13.4** | **10.4** | **11.5** | **13.0** | **13.0** | **13.2** |
| Parent | 10.8 | 15.2 | 14.5 | 12.9 | 10.8 | 12.6 | 11.2 | 9.2 | 12.5 | 13.7 | 14.8 | 10.3 | 8.5 | 13.5 | 10.9 | 12.8 | 13.7 |
| China entity | 0.1 | -1.0 | -2.8 | -8.7 | -6.8 | -13.2 | -7.3 | 2.7 | -21.1 | -8.7 | -12.9 | -4.9 | 0.2 | -2.6 | -6.1 | -11.3 | -9.6 |
| Englewood Lab | 12.6 | 9.4 | 9.9 | 8.8 | 10.8 | 17.5 | 21.4 | 17.0 | 11.3 | 8.8 | 13.1 | 18.1 | 14.0 | 10.3 | 18.5 | 13.1 | 11.3 |
| US (Totowa) | 6.8 | 1.0 | 1.1 | -2.5 | 1.0 | 6.8 | 10.0 | 4.1 | 6.0 | 3.6 | 5.1 | 5.4 | 4.3 | 2.1 | 5.6 | 5.1 | 6.0 |
| Incheon | 22.9 | 22.7 | 24.7 | 23.1 | 26.3 | 30.9 | 30.7 | 33.8 | 20.6 | 13.7 | 20.9 | 30.1 | 24.1 | 23.3 | 30.8 | 21.8 | 17.0 |
| **Net profit (controlling)** | **7.0** | **9.5** | **6.7** | **9.2** | **6.4** | **5.8** | **9.2** | **6.6** | **9.3** | **8.1** | **9.3** | **8.8** | **4.7** | **8.2** | **7.1** | **8.9** | **8.6** |
| **Growth (% y-y)** | | | | | | | | | | | | | | | | | |
| **Sales** | **8.3** | **24.3** | **8.8** | **4.6** | **-5.8** | **12.5** | **44.0** | **39.0** | **56.4** | **21.2** | **10.3** | **12.1** | **17.9** | **11.4** | **22.2** | **22.1** | **13.2** |
| Parent | 4.3 | 41.9 | 24.3 | 18.8 | 8.1 | 16.2 | 57.4 | 53.8 | 91.3 | 31.2 | 10.7 | 9.8 | 18.1 | 22.3 | 34.3 | 29.1 | 14.1 |
| Korea brand | 4.7 | 51.6 | 23.2 | 16.2 | 7.2 | 19.0 | 61.9 | 64.6 | 108.9 | 35.0 | 10.5 | 9.5 | 10.7 | 23.5 | 38.9 | 32.0 | 14.5 |
| Overseas brand | 2.7 | 10.8 | 29.7 | 31.3 | 11.8 | 4.3 | 35.8 | 8.7 | 21.2 | 12.0 | 12.0 | 12.0 | 64.2 | 17.6 | 14.5 | 14.0 | 11.5 |
| China entity | -5.1 | -3.5 | -25.5 | -41.2 | -28.0 | -20.0 | -12.8 | 3.9 | -27.1 | -8.2 | -8.5 | -3.5 | 6.6 | -19.8 | -15.9 | -12.0 | -5.2 |
| Englewood Lab | 14.2 | -6.7 | -24.4 | -26.3 | -19.1 | 25.0 | 50.3 | 29.2 | 16.9 | 4.7 | 10.4 | 31.1 | 36.5 | -11.9 | 10.0 | 24.5 | 11.3 |
| US (Totowa) | 10.6 | 5.6 | 4.6 | 2.3 | -19.1 | 11.5 | 16.2 | 25.1 | 12.3 | -7.0 | 11.0 | 15.0 | -3.6 | 6.2 | 6.1 | 7.5 | 11.6 |
| Incheon | 21.5 | -20.6 | -46.5 | -45.9 | -13.4 | 49.4 | 100.9 | 35.2 | 19.8 | 15.4 | 9.0 | 49.0 | 141.3 | -29.8 | 40.4 | 22.4 | 10.4 |
| **Operating profit** | **48.4** | **62.1** | **11.0** | **-11.3** | **-10.5** | **27.2** | **78.8** | **57.8** | **78.0** | **5.1** | **6.9** | **27.4** | **374.1** | **22.8** | **38.4** | **22.0** | **15.0** |
| Parent | 61.9 | 126.4 | 153.3 | 47.6 | 8.4 | -3.5 | 20.8 | 9.1 | 120.8 | 42.3 | 46.3 | 23.3 | 198.0 | 94.1 | 8.1 | 52.0 | 21.6 |
| China entity | -105.0 | -81.0 | -155.1 | -234.4 | -3,623 | 967.9 | 125.4 | -132.0 | 126.9 | -39.3 | 60.6 | -277.1 | -102.3 | -1,110 | 95.3 | 62.4 | -19.4 |
| Englewood Lab | 19.2 | -30.8 | -55.5 | -53.4 | -31.0 | 133.5 | 224.9 | 150.8 | 22.5 | -47.6 | -32.6 | 38.9 | 192.0 | -34.9 | 97.7 | -12.0 | -3.8 |
| US (Totowa) | 21.4 | -76.1 | -71.4 | -251.5 | -88.2 | 621.5 | 949.7 | -301.0 | 573.5 | -50.7 | -42.9 | 53.5 | -3.0 | -48.7 | 184.5 | -2.5 | 33.0 |
| Incheon | 24.9 | -18.7 | -51.9 | -46.5 | -0.4 | 103.5 | 150.0 | 98.3 | -6.1 | -48.8 | -25.9 | 32.4 | 369.4 | -32.2 | 85.8 | -13.4 | -13.8 |
| **Net profit (controlling)** | **96.5** | **132.1** | **16.5** | **153.5** | **-13.4** | **-32.0** | **97.4** | **-0.4** | **127.0** | **69.9** | **12.2** | **49.9** | **740.3** | **91.8** | **6.2** | **53.0** | **8.9** |

Source: Company data, Samsung securities estimates

### Cosmecca Korea: Valuation

| (KRWb) | Calculation | Value |
|---|---|---|
| Fwd EBITDA | (A = B x D + C x (1 - D)) | 133 |
| 2026E EBITDA | (B) | 125 |
| 2027E EBITDA | (C) | 141 |
| 2026 weighting | (D) | 53.3% |
| Target EV/EBITDA multiple* (x) | (E) | 8.0 |
| Enterprise value | (F = A x E) | 1,062 |
| Net debt | (G) | 99 |
| Equity value | (H = F - G) | 962 |
| Shares outstanding ('000) | (I) | 10,680 |
| Fair value per share (KRW) | (H/I) | 90,104 |
| Target price (KRW) | | 90,000 |

Note: *Average multiple at which global ODMs are trading
Source: Bloomberg, Samsung Securities estimates

## Income statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Sales** | **524** | **641** | **782** | **886** | **1,013** |
| Cost of goods sold | 400 | 483 | 600 | 681 | 773 |
| **Gross profit** | **125** | **158** | **183** | **205** | **240** |
| Gross margin (%) | 23.7 | 24.7 | 23.3 | 23.1 | 23.7 |
| SG&A expenses | 64 | 75 | 81 | 88 | 95 |
| **Operating profit** | **60** | **84** | **102** | **117** | **145** |
| Operating margin (%) | 11.5 | 13.0 | 13.0 | 13.2 | 14.3 |
| **Non-operating gains (losses)** | **7** | **-6** | **6** | **2** | **4** |
| Financial profit | 11 | 9 | 11 | 6 | 9 |
| Financial costs | 4 | 12 | 5 | 4 | 5 |
| Equity-method gains (losses) | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | -3 | -0 | 0 | 0 |
| **Pre-tax profit** | **68** | **78** | **108** | **119** | **149** |
| Taxes | 14 | 20 | 23 | 25 | 32 |
| Effective tax rate (%) | 20.6 | 25.7 | 21.1 | 20.6 | 21.7 |
| Profit from continuing operations | 54 | 58 | 85 | 95 | 117 |
| Profit from discontinued operations | 0 | 0 | 0 | 0 | 0 |
| **Net profit** | **54** | **58** | **85** | **95** | **117** |
| Net margin (%) | 10.2 | 9.0 | 10.9 | 10.7 | 11.5 |
| Net profit (controlling interests) | 43 | 45 | 70 | 76 | 93 |
| Net profit (non-controlling interests) | 11 | 12 | 15 | 19 | 23 |
| EBITDA | 78 | 100 | 125 | 141 | 171 |
| EBITDA margin (%) | 14.9 | 15.6 | 16.0 | 15.9 | 16.9 |
| EPS (parent-based) (KRW) | 4,007 | 4,255 | 6,511 | 7,090 | 8,743 |
| EPS (consolidated) (KRW) | 5,027 | 5,416 | 7,955 | 8,862 | 10,929 |
| Adjusted EPS (KRW)* | 4,007 | 4,255 | 6,511 | 7,090 | 8,743 |

## Balance sheet

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Current assets** | **255** | **331** | **427** | **462** | **559** |
| Cash & equivalents | 54 | 69 | 130 | 127 | 179 |
| Accounts receivable | 114 | 155 | 171 | 194 | 222 |
| Inventories | 67 | 79 | 104 | 116 | 131 |
| Other current assets | 20 | 28 | 23 | 24 | 27 |
| **Fixed assets** | **262** | **300** | **376** | **410** | **446** |
| Investment assets | 3 | 3 | 4 | 5 | 5 |
| Tangible assets | 196 | 240 | 314 | 350 | 382 |
| Intangible assets | 36 | 36 | 37 | 37 | 38 |
| Other long-term assets | 27 | 23 | 21 | 18 | 21 |
| **Total assets** | **518** | **632** | **804** | **871** | **1,005** |
| **Current liabilities** | **171** | **249** | **299** | **288** | **305** |
| Accounts payable | 39 | 61 | 66 | 65 | 74 |
| Short-term debt | 78 | 132 | 163 | 145 | 152 |
| Other current liabilities | 54 | 57 | 71 | 77 | 79 |
| **Long-term liabilities** | **40** | **47** | **71** | **59** | **55** |
| Bonds & long-term debt | 26 | 30 | 60 | 48 | 43 |
| Other long-term liabilities | 14 | 17 | 11 | 10 | 13 |
| **Total liabilities** | **210** | **296** | **371** | **346** | **361** |
| **Owners of parent equity** | **218** | **253** | **319** | **394** | **490** |
| Capital stock | 5 | 5 | 5 | 5 | 5 |
| Capital surplus | 69 | 63 | 63 | 63 | 64 |
| Retained earnings | 132 | 174 | 243 | 319 | 412 |
| Other | 12 | 11 | 7 | 7 | 8 |
| **Non-controlling interests' equity** | **89** | **84** | **114** | **130** | **155** |
| **Total equity** | **308** | **336** | **433** | **525** | **645** |
| Net debt | 61 | 93 | 111 | 86 | 35 |

## Cash flow statement

| Year-end Dec 31 (KRWb) | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Cash flow from operations** | **69** | **55** | **65** | **62** | **85** |
| Net profit | 54 | 58 | 85 | 95 | 117 |
| Non-cash profit and expenses | 35 | 46 | 36 | 39 | 41 |
| Depreciation | 14 | 15 | 20 | 21 | 23 |
| Amortization | 3 | 1 | 3 | 3 | 3 |
| Other | 17 | 30 | 12 | 15 | 15 |
| Changes in A/L from operating activities | -3 | -29 | -26 | -33 | -34 |
| **Cash flow from investments** | **-53** | **-64** | **-70** | **-36** | **-34** |
| Change in tangible assets | -49 | -61 | -74 | -36 | -32 |
| Change in financial assets | -1 | -3 | 5 | -0 | -2 |
| Other | -3 | 0 | -0 | 0 | 0 |
| **Cash flow from financing** | **2** | **24** | **66** | **-27** | **1** |
| Change in debt | 14 | 50 | 66 | -27 | 1 |
| Change in equity | 11 | -6 | 0 | 0 | 0 |
| Dividends | -1 | -2 | n/a | n/a | n/a |
| Other | -21 | -17 | n/a | n/a | n/a |
| Change in cash | 21 | 15 | 61 | -2 | 52 |
| Cash at beginning of year | 33 | 54 | 69 | 130 | 127 |
| Cash at end of year | 54 | 69 | 130 | 127 | 179 |
| **Gross cash flow** | **88** | **104** | **120** | **134** | **158** |
| **Free cash flow** | **21** | **-6** | **-9** | **25** | **52** |

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

## Financial ratios

| Year-end Dec 31 | 2024 | 2025 | 2026E | 2027E | 2028E |
|---|---|---|---|---|---|
| **Growth (%)** | | | | | |
| Sales | 11.4 | 22.2 | 22.1 | 13.2 | 14.4 |
| Operating profit | 22.8 | 38.4 | 22.0 | 15.0 | 23.6 |
| Net profit | 58.4 | 7.7 | 46.9 | 11.4 | 23.3 |
| Adjusted EPS** | 91.8 | 6.2 | 53.0 | 8.9 | 23.3 |
| **Per-share data (KRW)** | | | | | |
| EPS (parent-based) | 4,007 | 4,255 | 6,511 | 7,090 | 8,743 |
| EPS (consolidated) | 5,027 | 5,416 | 7,955 | 8,862 | 10,929 |
| Adjusted EPS** | 4,007 | 4,255 | 6,511 | 7,090 | 8,743 |
| BVPS | 20,450 | 23,663 | 29,844 | 36,933 | 45,863 |
| DPS (common) | 100 | 370 | 370 | 370 | 370 |
| **Valuations (x)** | | | | | |
| P/E*** | 13.8 | 15.7 | 10.9 | 10.0 | 8.1 |
| P/B*** | 2.7 | 2.8 | 2.4 | 1.9 | 1.6 |
| EV/EBITDA | 9.5 | 8.9 | 7.9 | 6.9 | 5.6 |
| **Ratios (%)** | | | | | |
| ROE | 22.1 | 19.3 | 24.3 | 21.2 | 21.1 |
| ROA | 11.3 | 10.1 | 11.8 | 11.3 | 12.4 |
| ROIC | 14.4 | 15.9 | 17.0 | 16.7 | 18.1 |
| Payout ratio | 2.5 | 8.7 | 5.7 | 5.2 | 4.2 |
| Dividend yield (common) | 0.2 | 0.6 | 0.5 | 0.5 | 0.5 |
| Net debt to equity | 19.8 | 27.6 | 25.6 | 16.3 | 5.5 |
| Interest coverage (x) | 18.9 | 23.6 | 14.0 | 15.5 | 19.4 |

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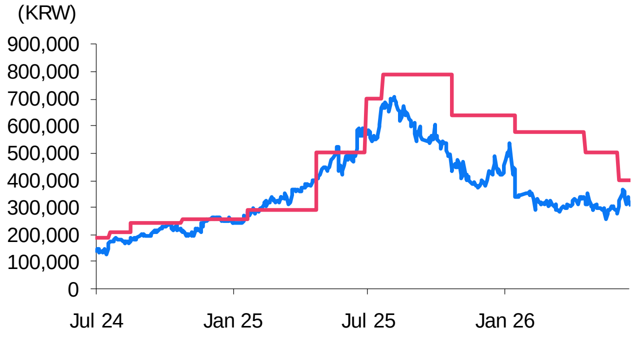
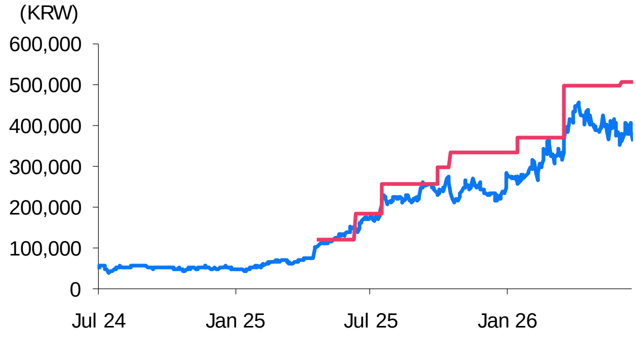
## Target price changes in past two years

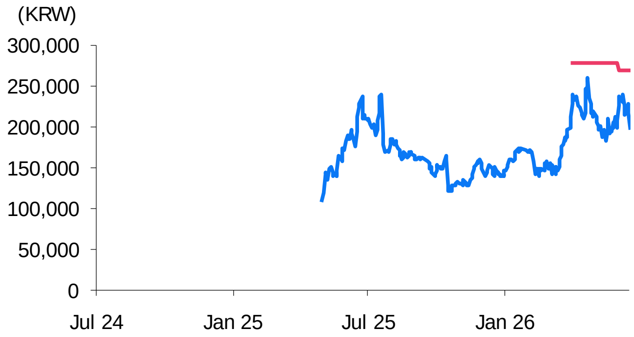
PharmaResearch



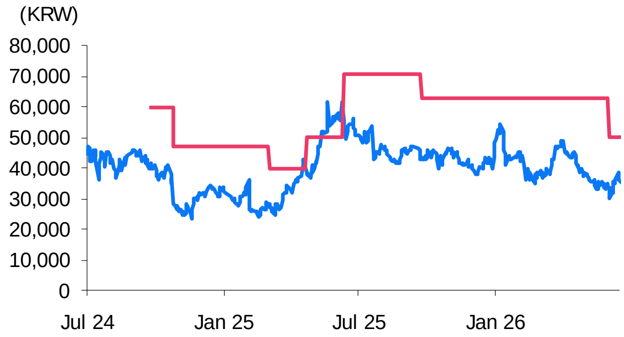

APR



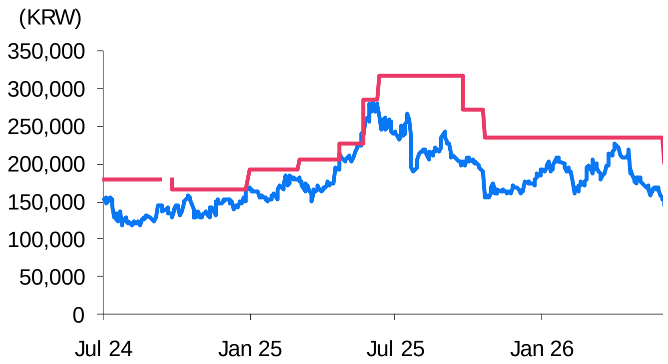

d'Alba Global



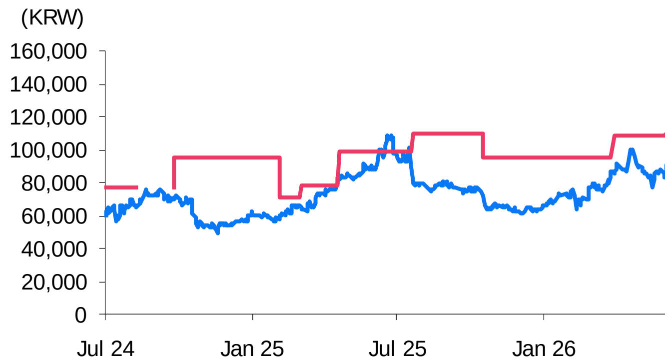

Silicon2



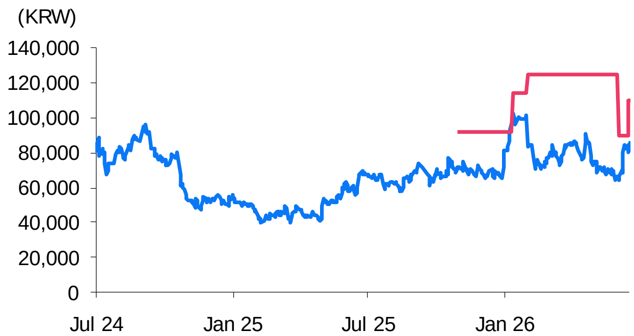

Cosmax



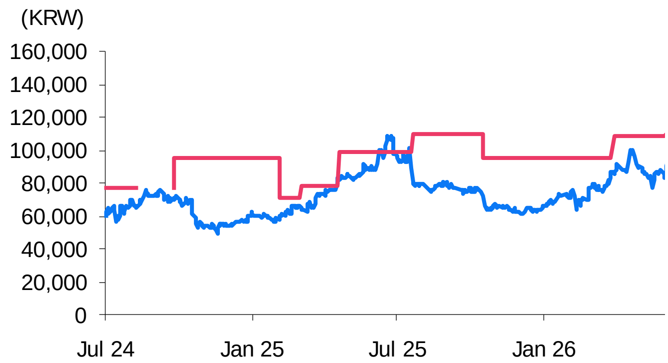

Kolmar Korea




Cosmecca Korea




Kolmar Korea



## Rating changes over past two years (adjusted share prices)

| PharmaResearch | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Date** | 2023/9/25 | 2024/8/8 | 9/6 | 11/14 | 2025/2/11 | 5/14 | 7/21 | 8/11 | 11/12 | 2026/2/5 | 5/11 | 6/24 |
| **Recommendation** | BUY | BUY | BUY | BUY | HOLD | BUY | BUY | BUY | BUY | BUY | BUY | BUY |
| **Target price (KRW)** | 190000 | 210000 | 240000 | 260000 | 290000 | 500000 | 700000 | 790000 | 640000 | 580000 | 500000 | 400000 |
| Gap* (average) | -37.31 | -15.85 | -11.50 | -8.18 | 15.36 | -2.42 | -17.83 | -24.23 | -32.93 | -44.87 | -40.37 | |
| (max or min)** | -12.16 | -10.43 | -1.88 | 5.19 | 38.45 | 18.80 | -5.14 | -10.00 | -16.56 | -38.53 | -29.80 | |

| APR | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Date** | 2025/5/13 | 7/2 | 8/7 | 10/21 | 11/6 | 2026/2/5 | 4/9 | 6/24 |
| **Recommendation** | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY |
| **Target price (KRW)** | 123000 | 187000 | 260000 | 298000 | 334000 | 370000 | 500000 | 510000 |
| Gap* (average) | 3.84 | -8.36 | -12.52 | -15.68 | -26.88 | -15.48 | -18.38 | |
| (max or min)** | 25.37 | 11.50 | 0.38 | -7.38 | -14.37 | -0.27 | -8.20 | |

| d'Alba Global | | |
|---|---|---|
| **Date** | 2026/4/23 | 6/24 |
| **Recommendation** | BUY | BUY |
| **Target price (KRW)** | 280000 | 270000 |
| Gap* (average) | -23.46 | |
| (max or min)** | -7.14 | |

| Silicon2 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Date** | 2024/10/16 | 11/15 | 2025/3/24 | 5/13 | 7/2 | 10/15 | 2026/6/24 |
| **Recommendation** | BUY | BUY | BUY | BUY | BUY | BUY | BUY |
| **Target price (KRW)** | 60000 | 47000 | 40000 | 50000 | 71000 | 63000 | 50000 |
| Gap* (average) | -36.45 | -37.76 | -20.46 | -0.05 | -33.10 | -33.60 | |
| (max or min)** | -31.17 | -23.51 | 6.63 | 23.60 | -20.99 | -13.97 | |

| Cosmax | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Date** | 2023/11/14 | 2024/10/16 | 2025/1/20 | 3/24 | 5/14 | 6/13 | 7/2 | 10/16 | 11/11 | 2026/6/24 | 7/8 | 7/10 |
| **Recommendation** | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY |
| **Target price (KRW)** | 179000 | 165000 | 192000 | 207000 | 227000 | 285000 | 319000 | 272000 | 235000 | 200000 | 230000 | 200000 |
| Gap* (average) | -24.80 | -12.63 | -13.29 | -17.08 | -5.16 | -5.12 | -28.33 | -25.91 | -22.47 | -18.39 | -24.57 | |
| (max or min)** | 10.50 | 1.52 | -3.70 | -5.27 | 6.83 | -1.05 | -16.61 | -22.98 | -3.40 | -8.50 | -24.57 | |

## Rating changes over past two years (adjusted share prices)

**Kolmar Korea**

| Date | 2023/8/14 | 2024/8/14 | 2024/10/16 | 2025/2/26 | 3/24 | 5/12 | 8/11 | 11/7 | 2026/4/20 | 6/24 | 7/8 | 7/10 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Recommendation | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY | BUY |
| Target price (KRW) | 77000 | 77000 | 96000 | 71000 | 79000 | 99000 | 110000 | 95000 | 109000 | 110000 | 140000 | 110000 |
| Gap* (average) | -30.26 | -13.28 | -38.69 | -10.11 | -10.29 | -6.37 | -29.65 | -27.19 | -18.72 | -4.45 | -26.57 | |
| (max or min)** | -5.19 | -8.31 | -24.90 | -6.06 | 5.82 | 10.30 | -26.64 | -8.63 | -7.52 | 7.09 | -26.57 | |

**Cosmecca Korea**

| Date | 2025/11/21 | 2026/2/2 | 2/23 | 6/24 | 7/8 | 7/10 |
|---|---|---|---|---|---|---|
| Recommendation | BUY | BUY | BUY | BUY | BUY | BUY |
| Target price (KRW) | 92000 | 114000 | 125000 | 90000 | 110000 | 90000 |
| Gap* (average) | -22.12 | -12.42 | -38.40 | -15.53 | -22.27 | |
| (max or min)** | 4.78 | -9.65 | -27.04 | -6.22 | -22.27 | |

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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**BUY** Expected to increase in value by 15% or more within 12 months and is highly attractive within sector

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

**SELL** Expected to decrease in value by 15% or more within 12 months

**Industry**

**OVERWEIGHT** Expected to outperform market by 5% or more within 12 months

**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 2026.06.30**

BUY(85.5%)·HOLD(14.5%)·SELL(0%)

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