

COSMECCA KOREA

1st Quarter 2024 IR Book





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Disclaimer

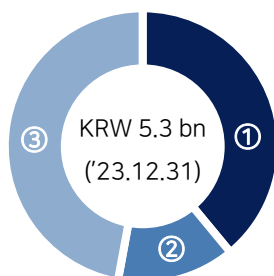
This document is to provide various Investor Relation information including, but not limited to general business and financial information regarding Cosmecca Korea Co., Ltd. It is drafted based on objective facts as much as possible. In deed, items in this document includes forecasting statement, current business prospects, plans strategies, opinions and many more Cosmecca Korea Co., Ltd. focused on. Continuingly this document also includes other contents that shows historical facts and prospects concerning future business performance. These judgements made by Cosmecca Korea Co., Ltd. based on information which obtained at this time includes a certain amount of risk and uncertainty.

Chapter 1.

Company Overview

About Us

Company Name	Cosmecca Korea Co., Ltd.
CEO	Im Rae Cho, Eun Hee Park
Date of Establishment	October 5 th , 1999
Listing Date	October 28 th , 2016
*Employees	1,108
Business Area	R&D / Manufacturing of Cosmetics(ODM · OEM)
Capital Stock	KRW 5.3 Billion
Homepage	www.cosmecca.com



Shareholders	**Shares	Ratio
① Major Shareholders and Related Parties	4,160	39.0%
② National Pension Service	1,250	11.7%
③ Others	5,269	49.3%
Total	10,680	100.0%

Mission & Vision

Vision

Global Best
OGM
Company

Mission

Becoming the World
Best Cosmetic
Technology Provider
through constant
development of
beauty technologies &
categories

*Includes Subsidiaries

**Unit : Thousands Shares

***OGM: Original Global Standard and Good Manufacturing

History



1999

- Establishment of Corporation



2001

- Central research center received national certification



2007

- CGMP Certified



2013

- Established of
 - Pangyo CIR(R&D) Center
 - Cosmecca Suzhou Corp. in China



2016

- Established of
 - Cosmecca China Corporation
 - Cosmecca Foshan Corporation
- IPO at KOSDAQ



2022

- Selected as K-Smart Lighthouse Factory



2019

- Operating Cosmecca China Pinghu Plant
- Englewood Lab Korea Received 'Volunatry Action Indicated' (VIA) from FDA (OTC)



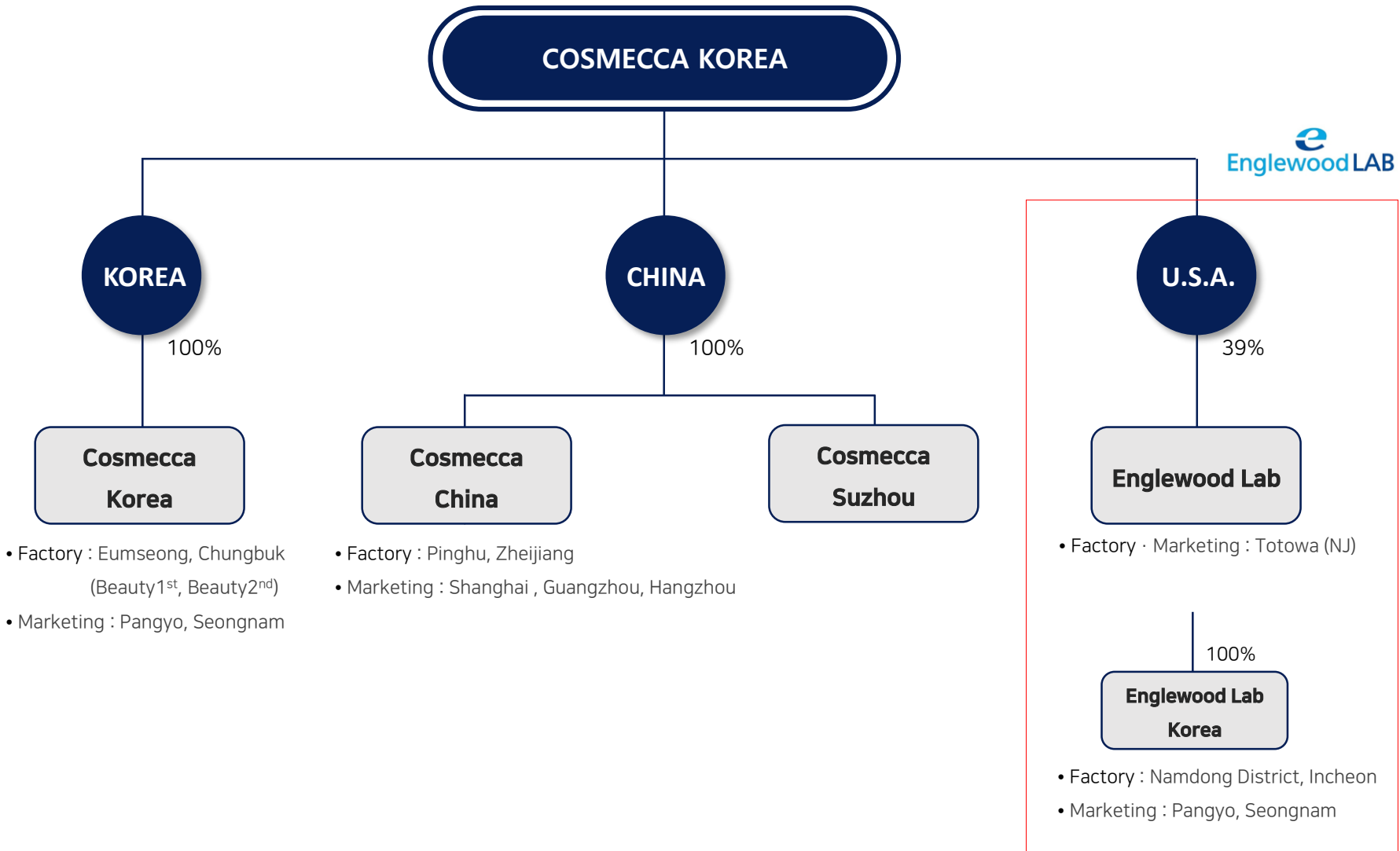
2018

- M&A of Englewood Lab
- Beauty 2nd Facility opened



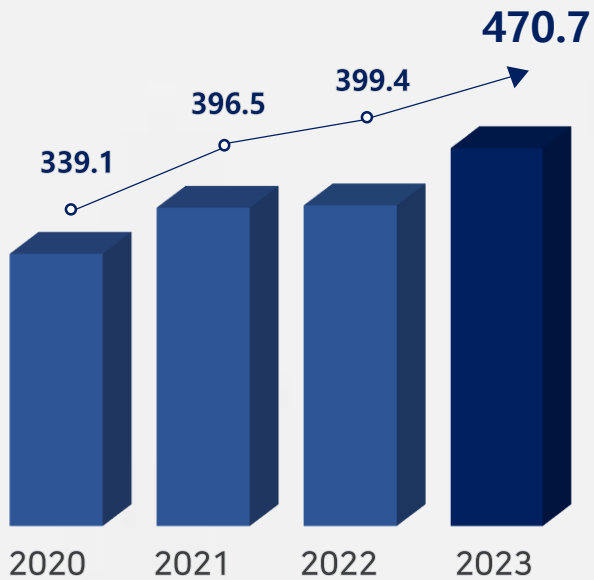
2017

- Ranked in the World-class 300



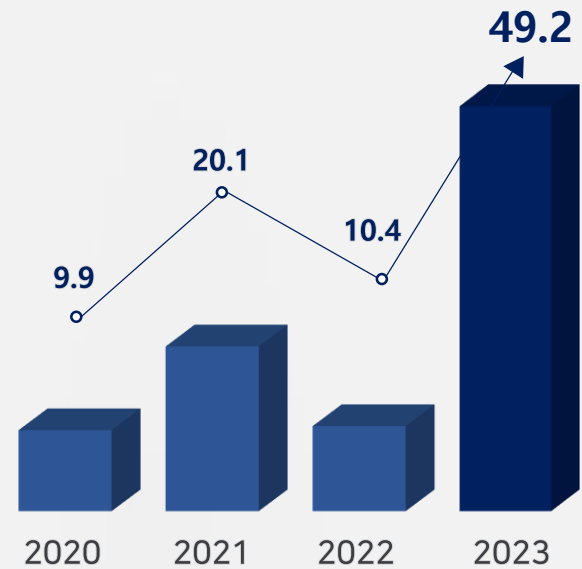
Revenue

(Unit: KRW billion)



Operating Profit Margin

(Unit: KRW billion)



ESG Performance

Cosmecca Korea's ESG Rating : AA

('23, Sustainvest)

SECTOR



MISSION

Make the world beautiful

Make people happy

Create the healthy company

ESG Activity



E
(Environmental)

- Developing recyclable containers
- ISO 14001(Environmental Management System Certification)
- Solar Power Plant Construction



S
(Social)

- Best Family Friendly Management Certification
- ISO45001(Safety and Health Management System Certification)
- ISO9001(Quality Management System Certification)



G
(Governance)

- Establishment of ESG Operation Committee
- Transparency of Disclosure
- Independence of the BOD and Responsible management

Chapter 2.

Business Competitiveness

OGM is an exclusive system developed by Cosmecca that provides total services optimized for a customer's global business needs.

OGM vs ODM·OEM

	OGM	ODM	OEM
Analysis of distributions systems in each country	●		
Review of legal limitations	●		
Establishment of marketing strategies & product concepts	●	○	
Product design	●	○	
Formula · Product research and development	●	○	
Production	●	○	○

*OGM: Original Global Standard and Good Manufacturing

One-stop Production Process

01



Client consulting & contract

02



Analysis of distribution system & regulation in each country

03



Establishment of marketing strategies & product concepts that reflect global trends

04



Product Development and Design

05



Provide local production (Korea/U.S.A./China)

06



Delivery

At the CIR center, experts are leading the future of the global beauty industry by advancing product market competitiveness. Collaborating with Cosmecca Korea's overseas research centers to enhance global research capacity.

<h2>01 KOREA</h2> <p>A leader in the development of new formulations</p> <ul style="list-style-type: none"> • Continuous investment in R&D • Ability to develop products in line with global trends 	<h2>02 U.S.A.(Englewood Lab)</h2> <p>Provide high-quality OTC products that maximize client satisfaction</p> <ul style="list-style-type: none"> • R&D capabilities trusted by global customers • Global OTC development and FDA review ability 	<h2>03 CHINA</h2> <p>Optimized for local customers by prompt service</p> <ul style="list-style-type: none"> • Maximizes the satisfaction of local customers by localization service • Quick responses to consumer by operating Sales Office in China
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Competitiveness

Cosmeceutical	Zeta potential	Triple-function BB Cream	Tone-up cream	
Hair loss	Quasi-drugs for pets	Multicolor facts Grinding facts	Anti-Pollution Maskproof	Acne Care

CIR Center : Patents · Utility models · Design Patents

Patents		Utility models		Design Patents	
Application	Registration	Application	Registration	Application	Registration
377	171	4	2	42	33

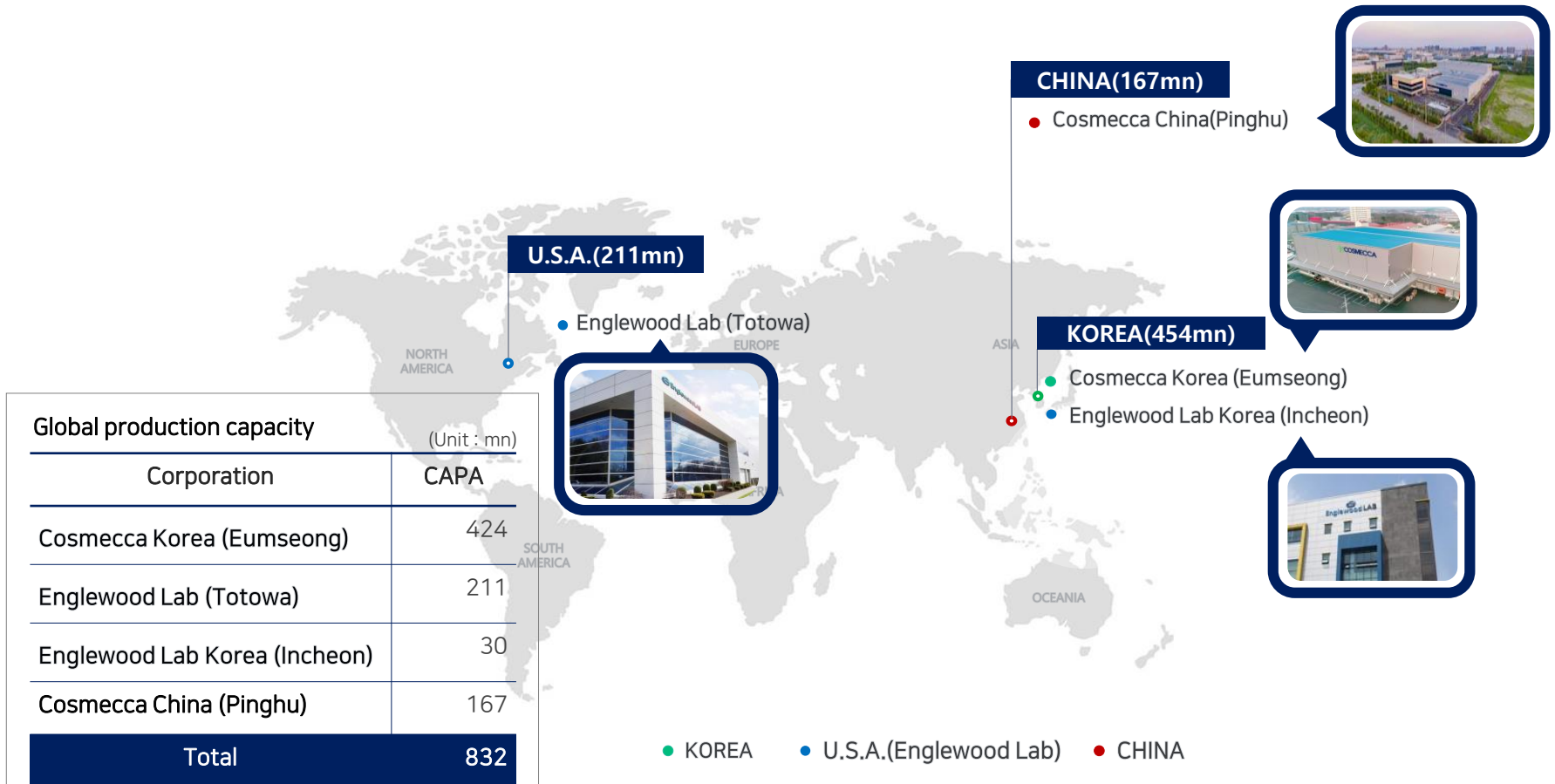
CIR Center : Number of Cosmeceutical Approval

1,576

*CIR: Creative Innovation Research Center

Production Capacity(CAPA)

Cosmecca Korea currently operates factories in Korea, China and the United States.
 The annual production capacity of Cosmecca Korea has surpassed *832 million units.



* '24 Expected Production CAPA . Basis on 2 shift

COSMECCA KOREA's Production System(CPS)

The CPS is production system unique to Cosmecca Korea for maximum efficiency and quality products.



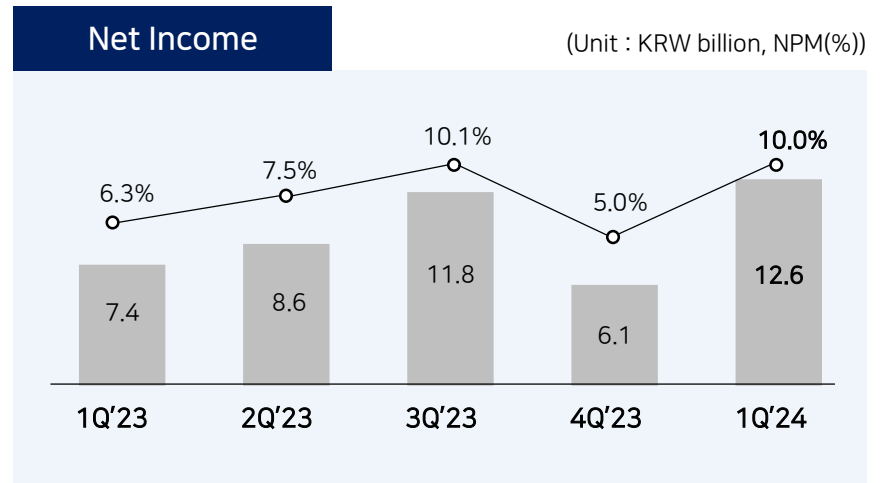
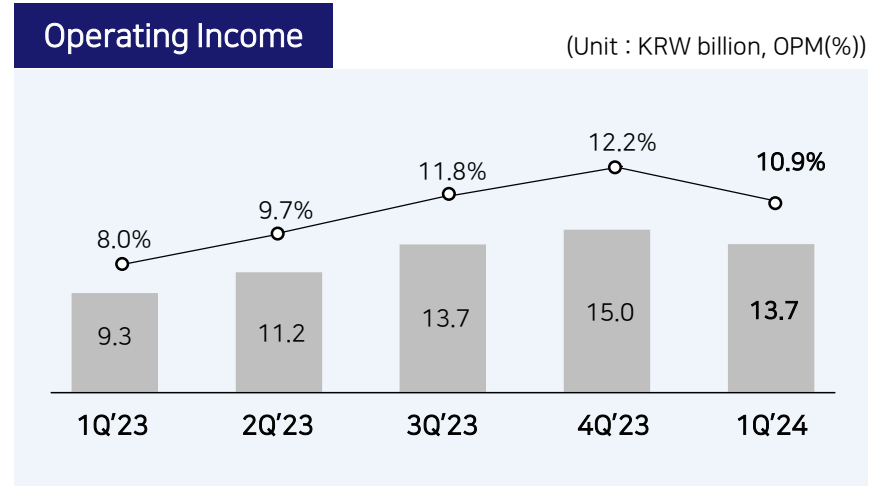
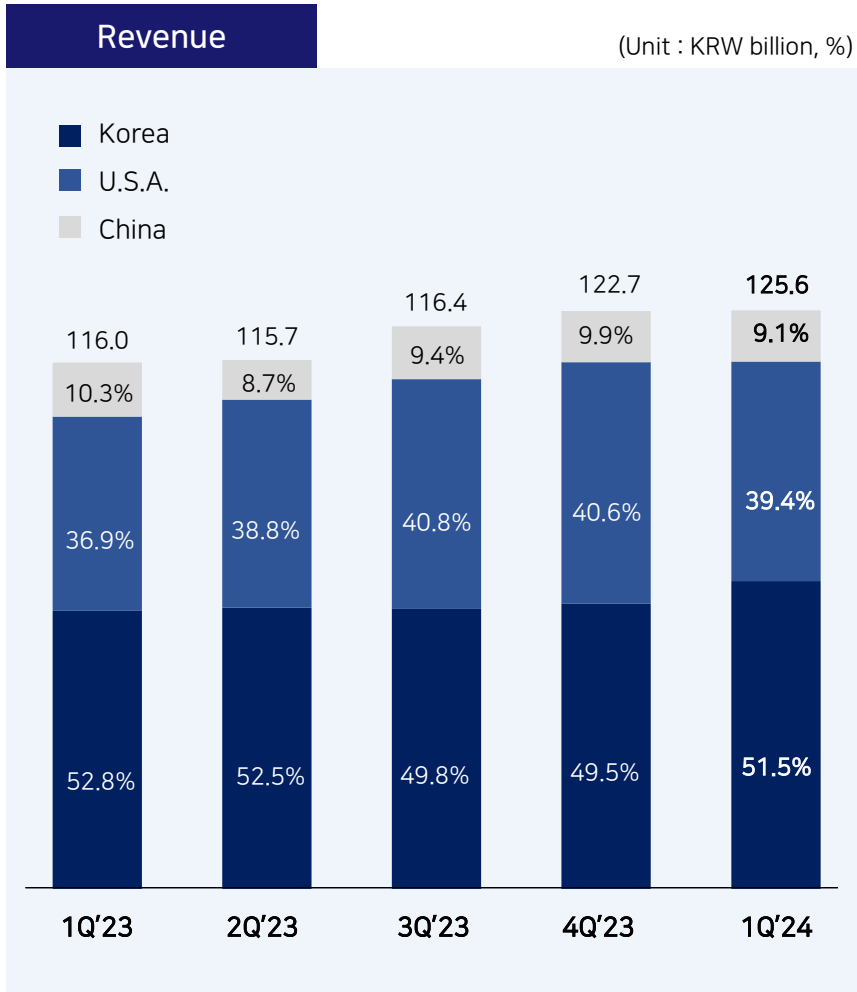
Chapter 3.
1Q'24 Snapshot

Revenue up 8.3% to KRW 125.6 billion, Operating Profit up 48.4% to KRW 13.7 billion

(Unit : KRW billion, %)

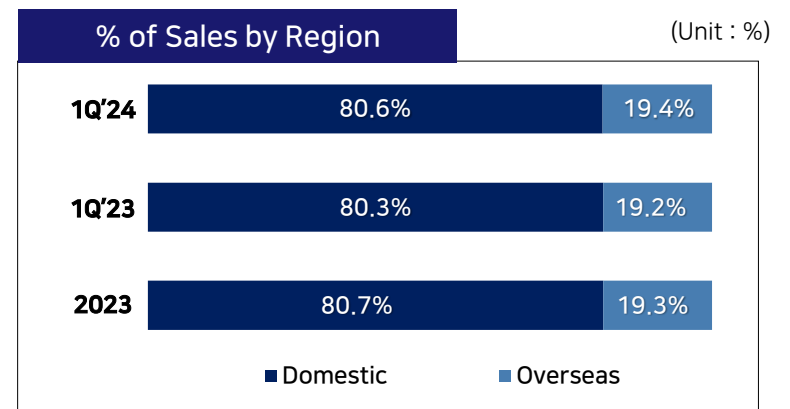
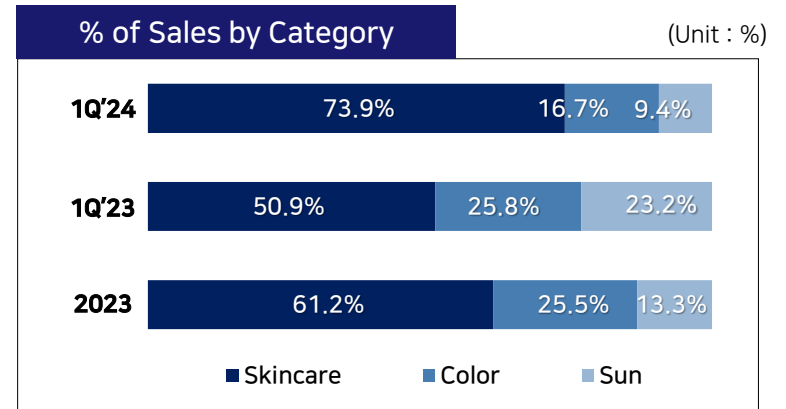
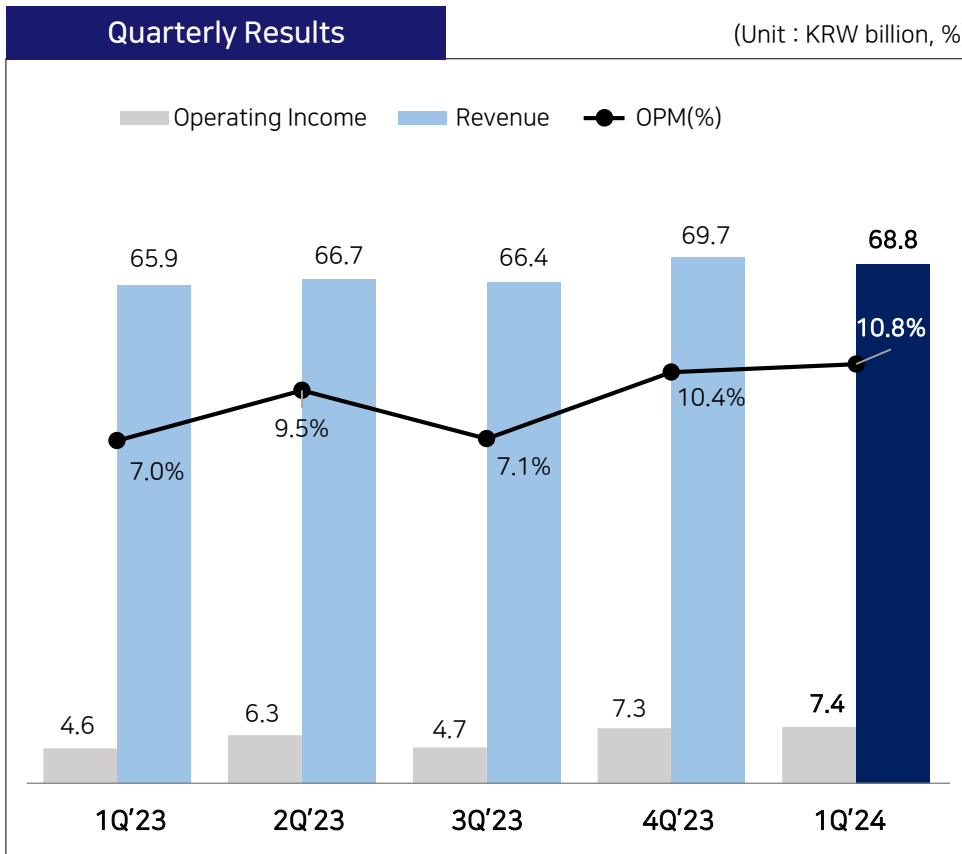
	1Q 2023	% of Revenue	1Q 2024	% of Revenue	YoY(%)
Revenue*	115.9	100.0%	125.6	100.0%	8.3%
KOREA	65.9	52.8%	68.8	51.5%	4.3%
U.S.A.	46.0	36.9%	52.6	39.4%	14.2%
CHINA	12.8	10.3%	12.2	9.1%	-5.1%
	1Q 2023	OP Margin(%)	1Q 2024	OP Margin(%)	YoY(%)
Operating Income*	9.3	8.0%	13.7	10.9%	48.4%
KOREA	4.6	7.0%	7.4	10.8%	61.9%
U.S.A.	5.6	12.1%	6.6	12.6%	19.2%
CHINA	-0.3	-2.6%	0.0	0.1%	Turned to Profit
Net Income	7.4	6.3%	12.6	10.0%	70.6%
Net Income Attributable to the Shareholders of Parent Company	4.5	3.9%	8.8	7.0%	96.5%

1) * : Includes intercompany transactions



1) * : Includes intercompany transactions

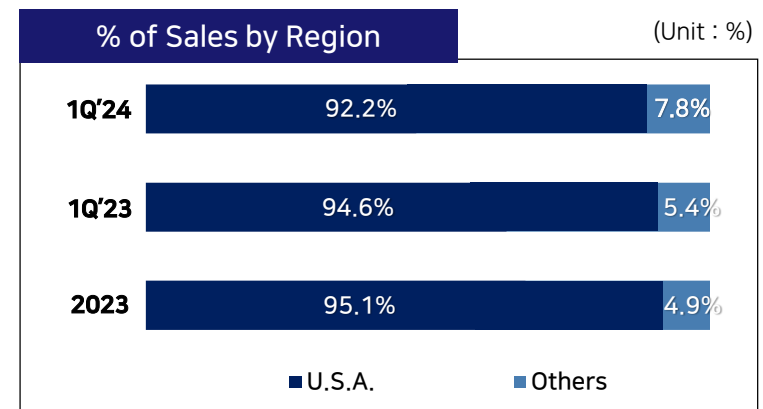
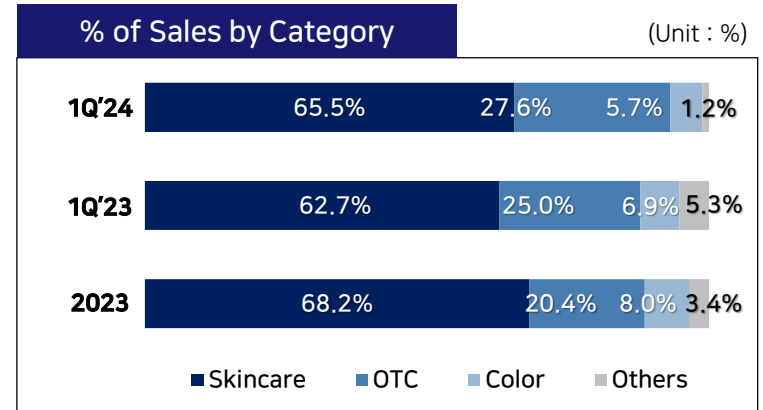
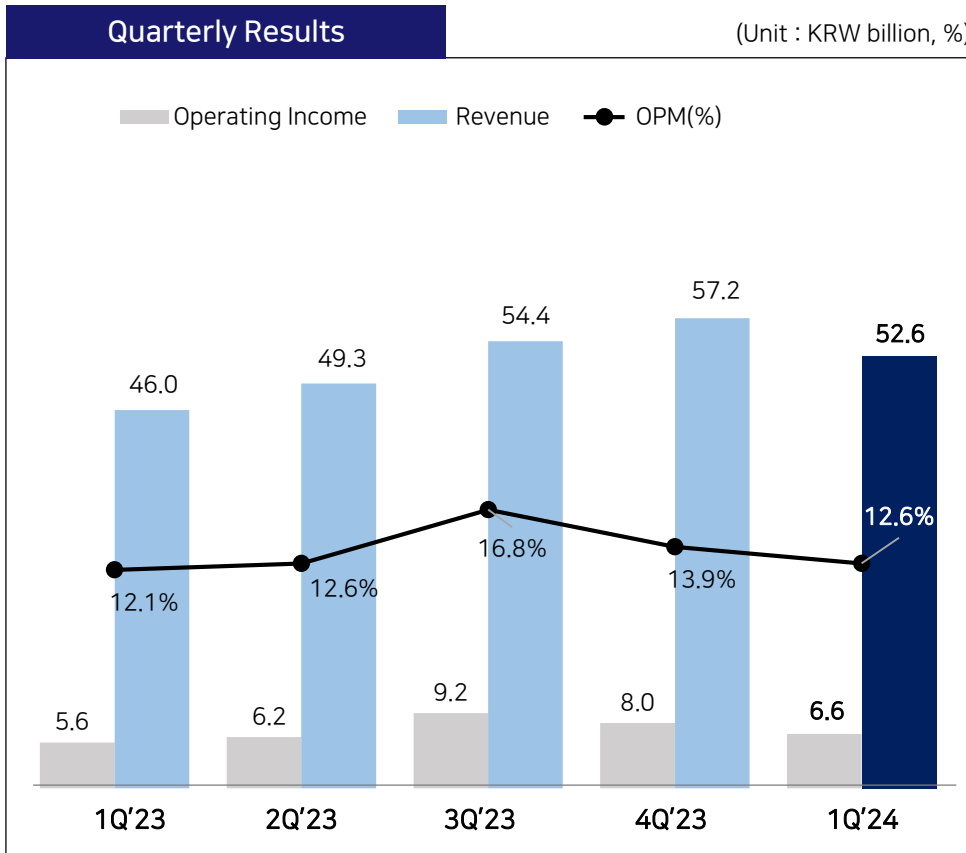
Revenue up 4.3% to KRW 68.8 billion, Operating profit up 61.9% to KRW 7.4 billion



1) Reported basis on year-over-year(YoY)

Revenue up 14.2% to KRW 52.6 billion, Operating profit up 19.2% to KRW 6.6 billion

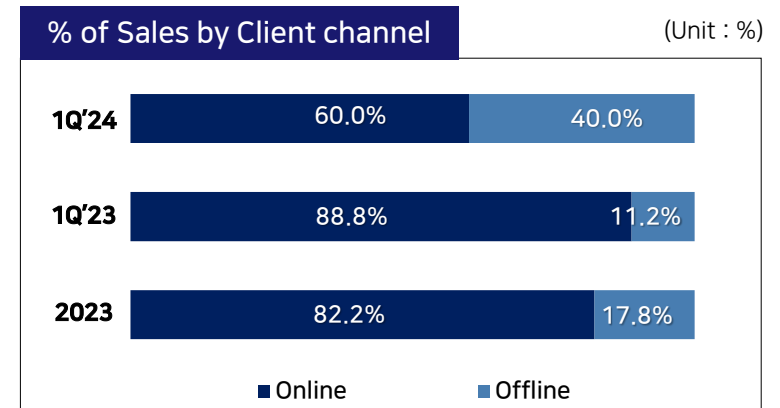
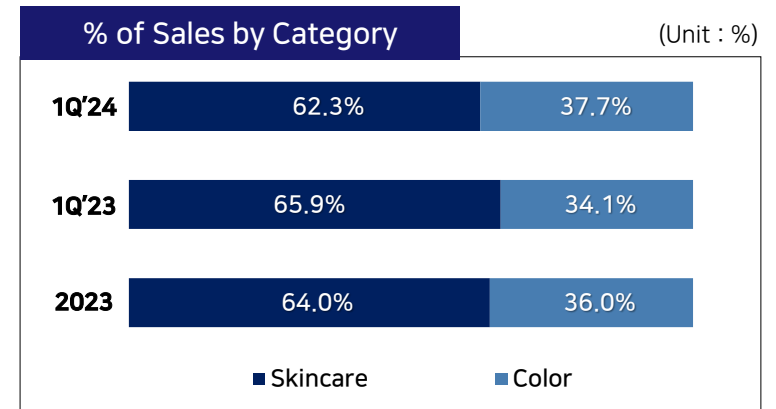
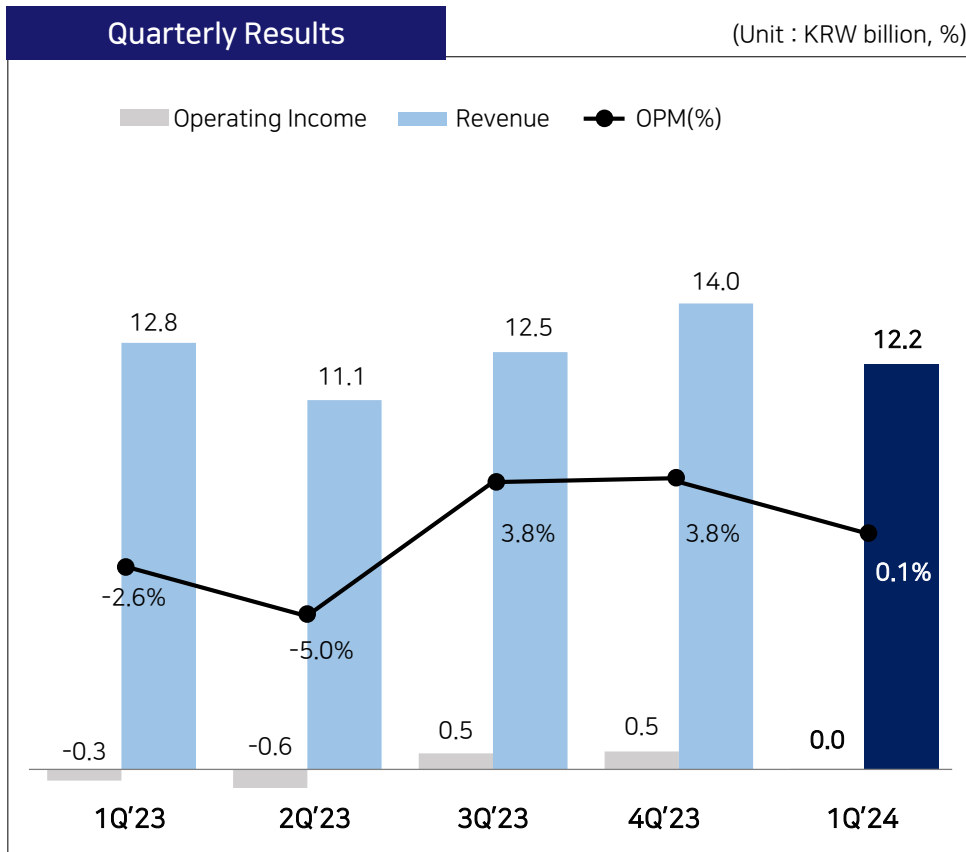
EWL Revenue KRW 33.8 bn, OP KRW 2.3 bn. EWLK Revenue KRW 18.9 bn, OP KRW 4.3 bn



1) Reported basis on year-over-year(YoY)

2) EWL : Englewood LAB, Inc. | EWLK : Englewood LAB Korea Co., Ltd.(Subsidiary)

Revenue down 5.1% to KRW 12.2 billion, Operating profit turned into a surplus



1) Reported basis on year-over-year(YoY)

Chapter 4.

Appendix

Financial Summary

Consolidated financial statements

(Unit : KRW billion)

	2021	2022	2023
Total Assets	391.6	392.8	432.6
Current Assets	183.3	186.8	221.2
Noncurrent Assets	208.3	206.0	211.4
Total Liabilities	195.2	185.7	190.5
Current Liabilities	135.4	143.0	154.6
Noncurrent Liabilities	59.8	42.7	35.9
Shareholder's Equity	196.3	207.0	242.2
Capital Stock	5.3	5.3	5.3
	2021.01.01~ 2021.12.31	2022.01.01~ 2022.12.31	2023.01.01~ 2023.12.31
Sales	396.5	399.4	470.7
COGS	323.7	334.3	363.6
Gross Profit	72.7	65.1	107.1
SG&A	52.6	54.7	58.0
Operating Income	20.1	10.4	49.2
Earnings before Interest and Tax	17.5	6.4	46.1
Net income	17.0	6.0	33.9

Separate financial statements

(Unit : KRW billion)

	2021	2022	2023
Total Assets	248.6	263.5	285.8
Current Assets	69.3	79.3	96.6
Noncurrent Assets	179.3	184.2	189.3
Total Liabilities	109.9	119.8	124.9
Current Liabilities	73.2	87.1	99.7
Noncurrent Liabilities	36.7	32.7	25.3
Shareholder's Equity	138.6	143.7	160.9
Capital Stock	5.3	5.3	5.3
	2021.01.01~ 2021.12.31	2022.01.01~ 2022.12.31	2023.01.01~ 2023.12.31
Sales	217.4	227.4	268.6
COGS	181.3	189.2	213.0
Gross Profit	36.1	38.2	55.6
SG&A	27.7	30.5	32.7
Operating Income	8.4	7.7	22.9
Earnings before Interest and Tax	3.3	5.0	21.0
Net income	2.1	5.0	17.1

