

# COSMAX Q1 2024 Earnings

2024.05.13



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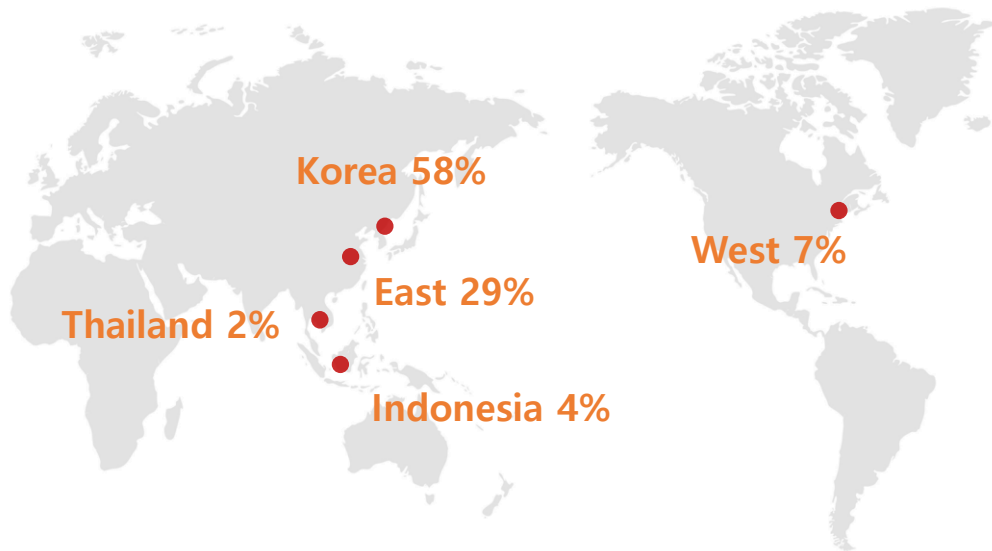
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# Q1 2024 HIGHLIGHTS

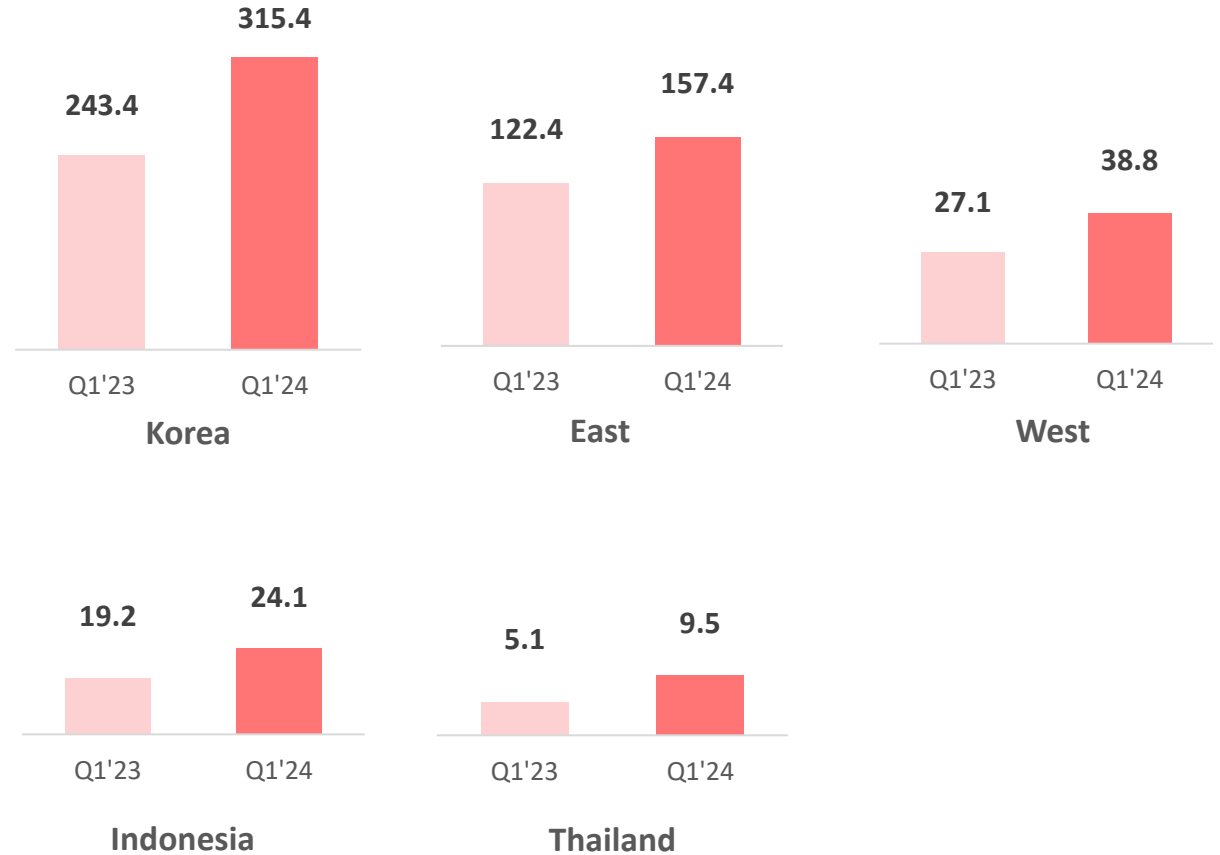
CONSOLIDATED

Sales 526.8 KRW bn ▲30.6%YoY    OP 45.5 KRW bn ▲229%YoY



※ Consolidation adjustments not reflected

[Sales by Region, KRW bn]



# CONSOLIDATED EARNINGS SUMMARY

[KRW bn]

	Q1'23	Q1'24	YoY
<b>Sales</b>	<b>403.3</b>	<b>526.8</b>	<b>31%</b>
Korea	243.4	315.4	30%
East	122.4	157.4	29%
West	27.1	38.8	43%
Indonesia	19.2	24.1	26%
Thailand	5.1	9.5	87%
<b>Operating Profit</b>	<b>13.8</b>	<b>45.5</b>	<b>229%</b>
Korea	13.0	30.1	131%
Other Subsidiaries <sup>1)</sup>	0.8	15.4	1825%
<b>Net Profit</b>	<b>0.7</b>	<b>19.6</b>	<b>2654%</b>
Korea	22.7	29.0	28%
East	3.6	5.8	60%
West	(13.2)	(13.8)	Loss Continued
Indonesia	3.4	2.3	-31%
Thailand	(0.7)	(0.8)	Loss Continued
<b>Controlling Shareholder NP</b>	<b>6.7</b>	<b>19.2</b>	<b>187%</b>

1) Includes intercompany transactions, revenue and profit from overseas and other subsidiaries

## [Sales]

- Achieved strong sales growth across all regions. Korea led top line growth as domestic demand recovered, brands that export to US/Japan outperformed, and direct export increased.
- China's growth is centered around makeup category and indie brands. Yatsen JV's earnings will be reflected in consolidated financial statements from Q1.
- US and Thailand displayed high growth rate thanks to low base, Indonesia sales grew on the back of high-margin product lines.

## [Operating Profit]

- Cost efficiency improved
- Profit leverage effect from increased revenue

## [Net Profit]

- Foreign exchange-related gain of 2.9 KRW bn
- Corporate income tax of 14.3 KRW bn

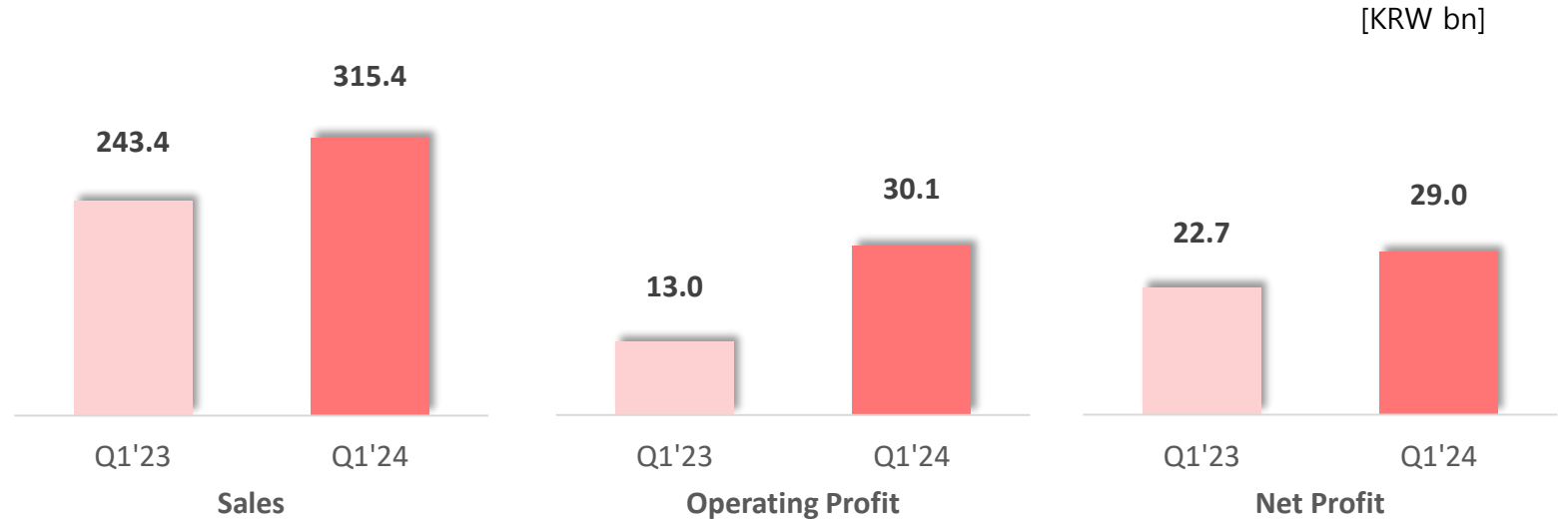
# DOMESTIC BUSINESS

## Korea

Sales 315.4 KRW bn ▲ 29.6%YoY

OP 30.1 KRW bn ▲ 130.7%YoY

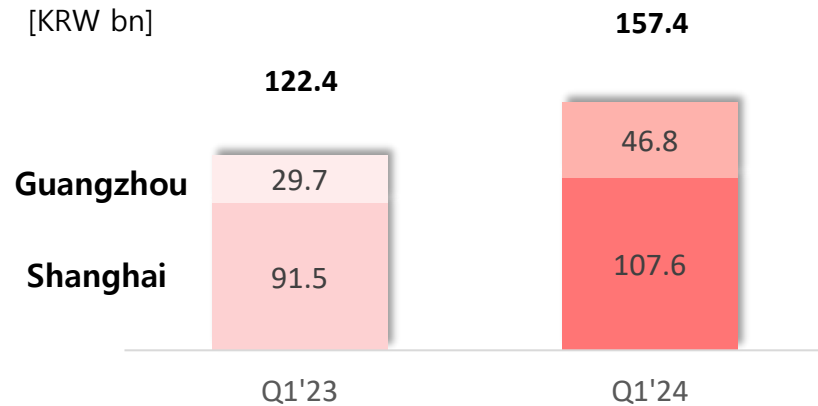
NP 29.0 KRW bn ▲ 27.6%YoY



- Strong performance in both **direct and indirect exports**, increase in **foreign visitors to Korea** drove domestic sales growth
- **Profit leverage effect** from revenue growth, better **cost efficiency**
- Higher OPM as product mix improved and high-margin product lines expanded
- Foreign exchange-related gain of 11.7 KRW bn, corporate income tax expense of 12.4 KRW bn

# OVERSEAS BUSINESS

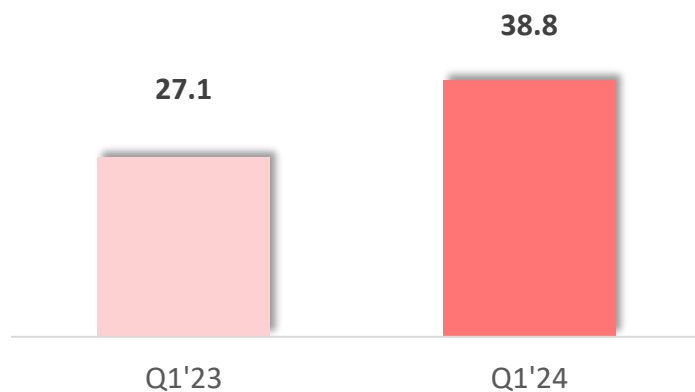
## East



**Sales 157.4 KRW bn ▲ 28.5%YoY**

- Shanghai (+17.5%YoY): Growth centered around **makeup category** and **indie brands**
- Guangzhou (+57.7%YoY): Growth driven by **indie brands**, pre-production of Q2 volume  
Yatsen JV performance **consolidated from Q1**

## West



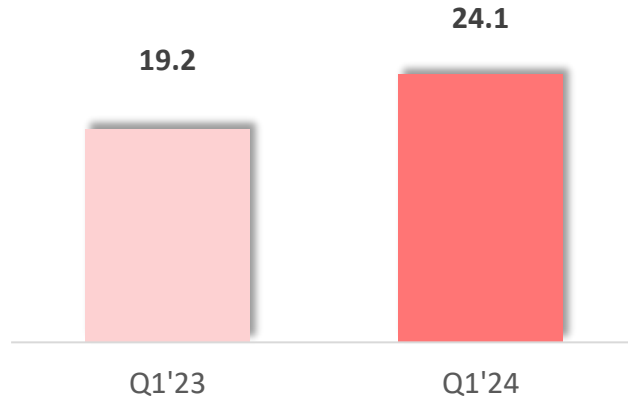
**Sales 38.8 KRW bn ▲ 43.2%YoY**

- **Base effect** from Q1'23 and partial **pre-production** of 2nd quarter orders resulted in high growth rate
- Clients from east coast showing meaningful revenue growth
- OP **approached break-even point**, miscellaneous loss of 8 KRW bn

# OVERSEAS BUSINESS

## Indonesia

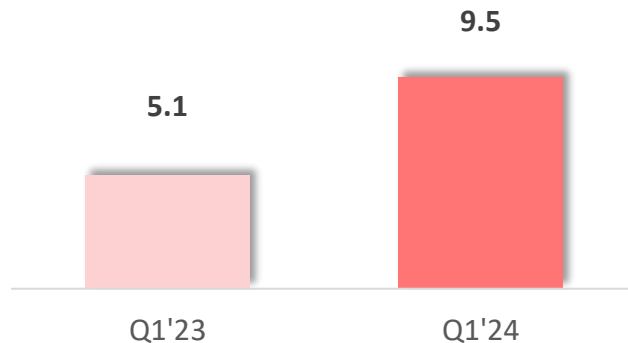
[KRW bn]



**Sales 24.1 KRW bn ▲ 25.8%YoY**

- Top-line grew thanks to main local brands and new client orders
- Rise in OPM thanks to increased sales of **high-margin products** such as cushion and cream
- Foreign exchange loss of 1.2 KRW bn due to the depreciation of IDR vs USD

## Thailand



**Sales 9.5 KRW bn ▲ 87.5%YoY**

- Favorable macro environment (consumer sentiment index, inflation rate, etc.)
- Sharp increase in skincare and cushion sales, low base led to high growth
- Operating profit **reached break-even point**

# CONSOLIDATED EARNINGS SUMMARY

## Income Statement

[KRW bn]

	1Q'23	1Q'24	%YoY
<b>Sales</b>	<b>403.3</b>	<b>526.8</b>	<b>30.6%</b>
COGS	347.7	426.2	22.6%
Gross Profit	55.5	100.6	81.2%
SG&A Expenses	41.7	55.1	32.2%
<b>Operating Profit</b>	<b>13.8</b>	<b>45.5</b>	<b>229.1%</b>
Non-Operating Profit/Expense	(4.0)	(11.6)	190.8%
<b>Profit Before Tax</b>	<b>9.8</b>	<b>33.9</b>	<b>244.6%</b>
<b>Net Income</b>	<b>0.7</b>	<b>19.6</b>	<b>2654.3%</b>
<b>Controlling Shareholder NP</b>	<b>6.7</b>	<b>19.2</b>	<b>187.0%</b>

## Balance Sheet

[KRW bn]

	2023	1Q'24
<b>Asset</b>	<b>1,557.0</b>	<b>1,731.7</b>
Current Asset	821.6	905.2
Non-Current Asset	735.4	826.5
<b>Liability</b>	<b>1,198.5</b>	<b>1,313.2</b>
Current Liability	873.8	1,063.7
Non-Current Liability	324.7	249.5
<b>Equity</b>	<b>358.6</b>	<b>418.5</b>
<b>Capital</b>	<b>5.7</b>	<b>5.7</b>
<b>Retained Earnings</b>	<b>313.1</b>	<b>326.6</b>
<b>Non-Controlling Interest</b>	<b>(4.0)</b>	<b>30.9</b>



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