

COSMAX 1Q 2022 RESULTS



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1Q 2022 HIGHLIGHTS

Sales

397.9 KRW bn

▲ 15% YoY

Operating Profit

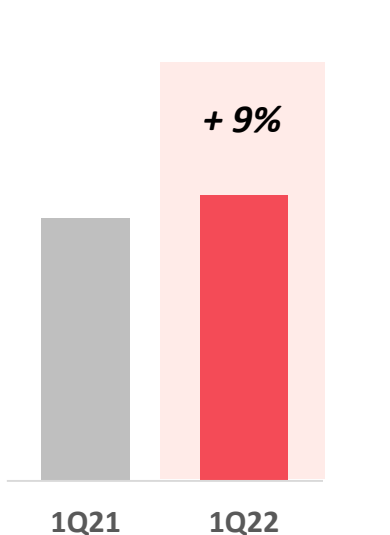
13.7 KRW bn

▼ 41% YoY

KOREA



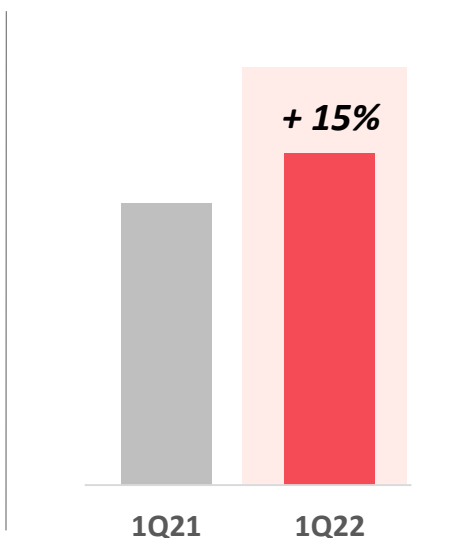
Sales 205.1 KRW bn



EAST



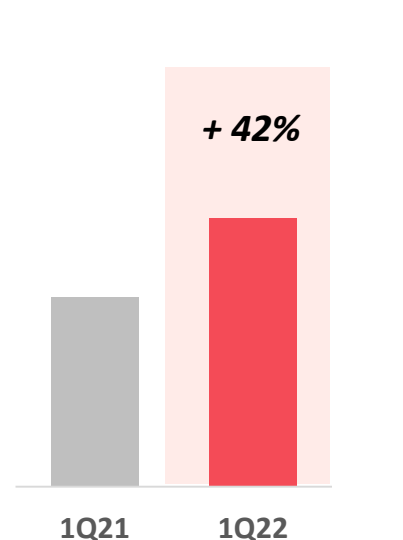
Sales 148.9 KRW bn



WEST



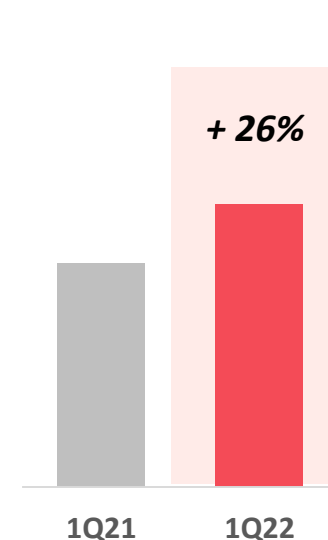
Sales 44.5 KRW bn



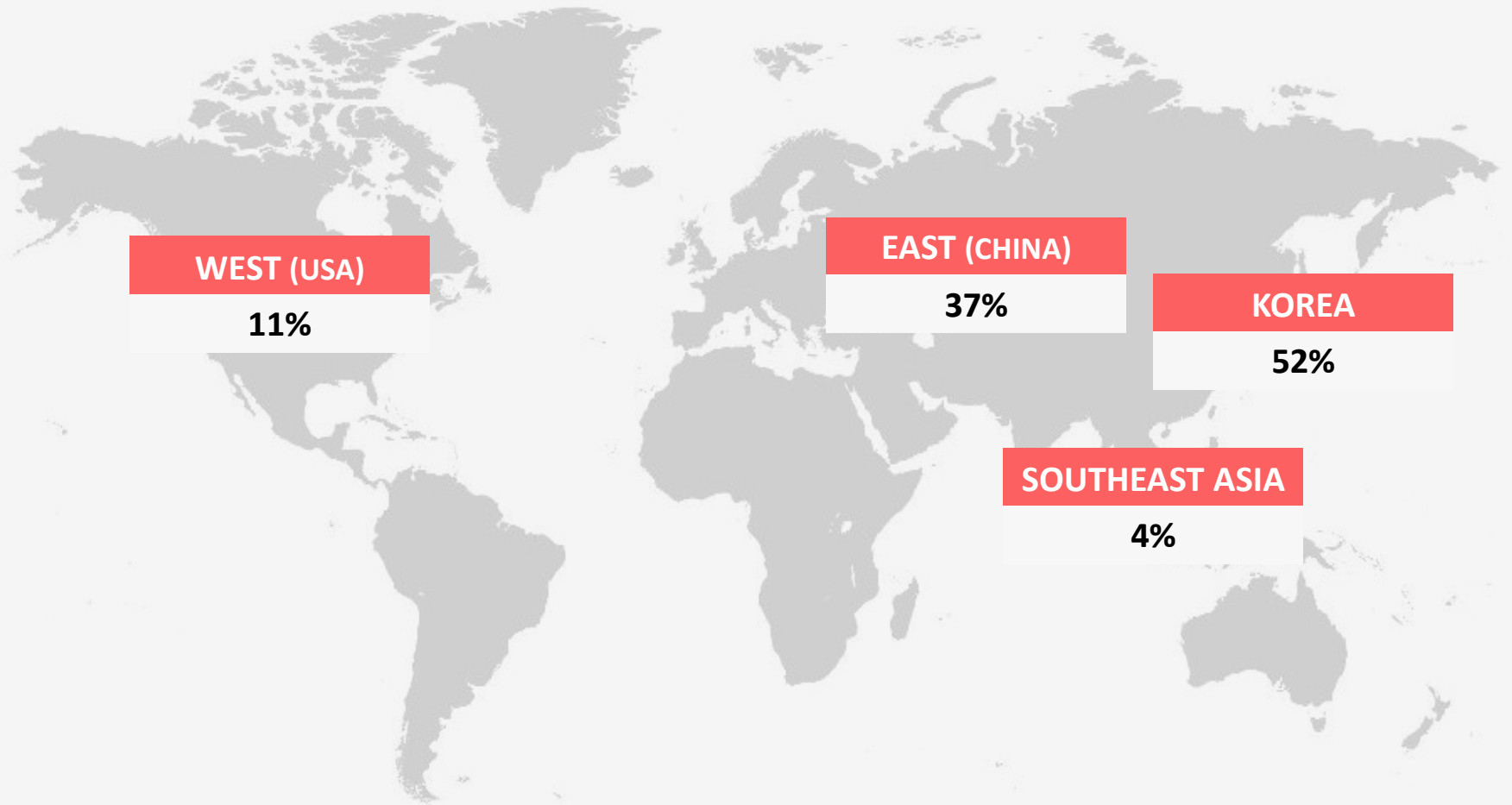
SOUTHEAST ASIA



Sales 17.0 KRW bn



1Q 2022 SALES BY REGION



* Consolidation adjustments not reflected

CONSOLIDATED EARNINGS SUMMARY

(KRW bn)

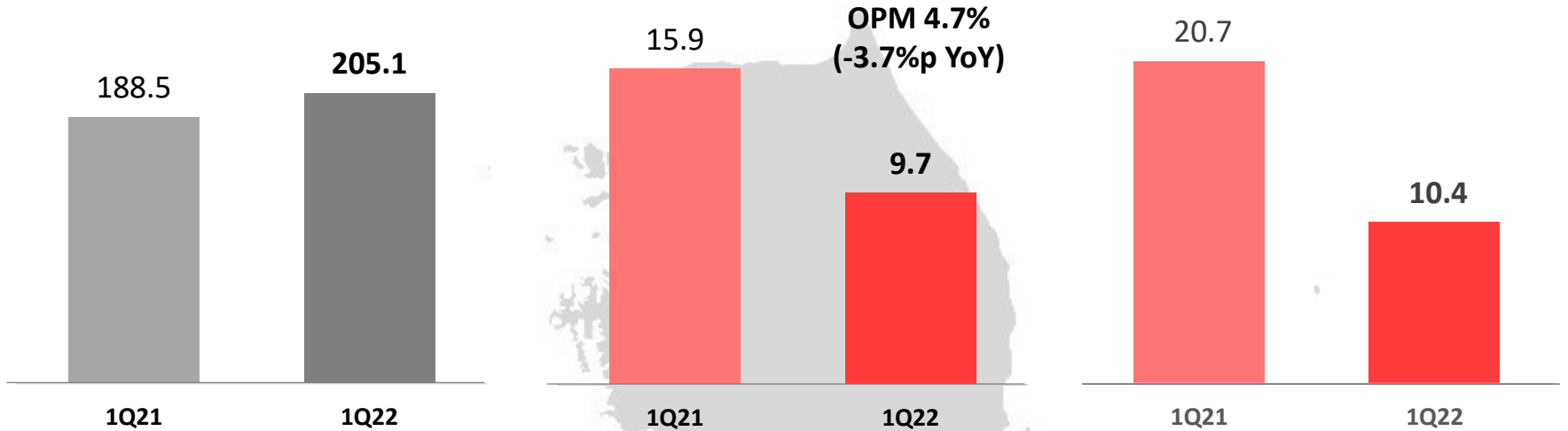
	1Q21	1Q22	YoY
Sales	345.0	397.9	+15%
Korea	188.5	205.1	+9%
East	129.5	148.9	+15%
West	31.4	44.5	+42%
Indonesia	7.1	14.3	+101%
Thailand	6.5	2.8	-57%
Operating Profit	23.3	13.7	-41%
Korea	15.9	9.7	-39%
Other subsidiaries ¹⁾	7.4	4.0	-45%
Net Profit	9.8	10.2	+4%
Korea	20.7	10.4	-50%
Other subsidiaries ¹⁾	(10.9)	(0.2)	Loss decreased
Controlling Shareholder NP	16.1	15.3	-5%

- **[Sales]**
Solid sales growth driven by good performance of major clients in Korea and China, increased sales in US and outstanding performance in Indonesia
- **[Operating Profit]**
Operating profit margin stood at 3.5%, reflecting the impact of hiked raw material price and labor cost
- **[Net Profit]**
G/L on foreign currency translation increased YoY (1.8 KRW bn), due to FX currency effect

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

DOMESTIC BUSINESS

(KRW bn)



Sales 205.1 KRW bn

▲ **9% YoY**

- Sales growth continued driven by good performance of key clients : Skin care +9% YoY, Color +12% YoY
- Direct export sales rebounded with strong performance of color cosmetics led by global clients

OP 9.7 KRW bn

▼ **39% YoY**

- Headwinds from higher costs (raw material price, labor cost, etc.) have negatively impacted the profit : Cost ratio + 1.6%p YoY, SG&A ratio +2.1%p YoY
- Operating margin contracted due to increased sales in low margin products

NP 10.4 KRW bn

▼ **50% YoY**

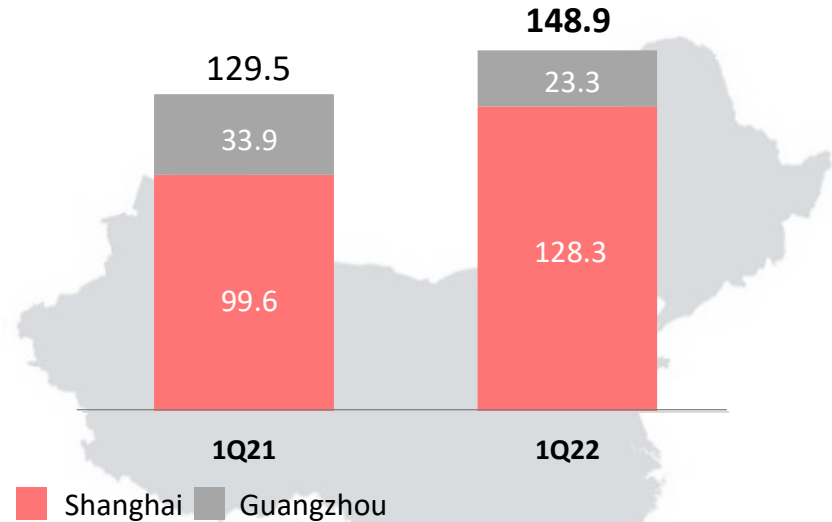
- G/L on foreign currency translation increased YoY (9.2 KRW bn)
- Recognized allowance for bad debt associated with subsidiaries (8.5 KRW bn)

OVERSEAS BUSINESS

EAST

Sales

(KRW bn)



Sales 148.9 KRW bn

▲ 15% YoY

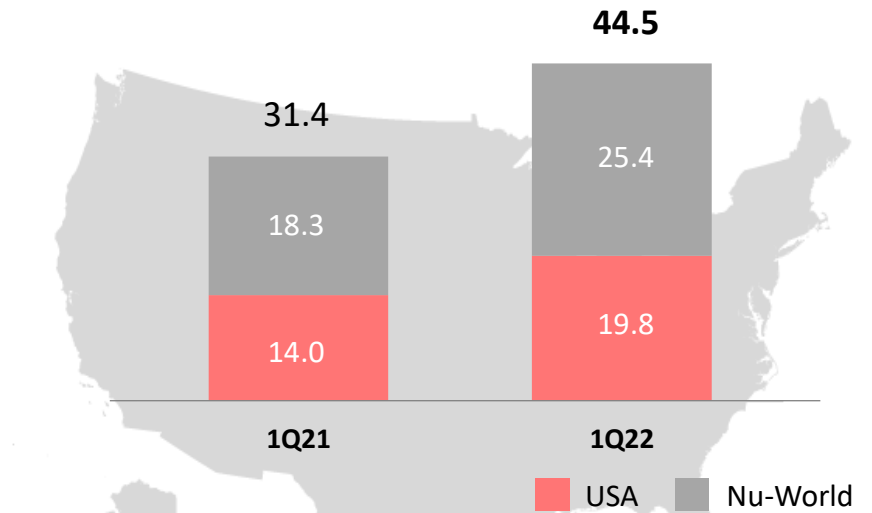
- SH: Achieved strong sales benefited from key shopping events by outpacing sluggish Q1 China onshore market growth
- GZ: Sales declined due to weak orders from its' major client, prolonged recession in the region and strict Covid restrictions

*SH/GZ Consolidation adjustments not reflected

WEST

Sales

(KRW bn)



Sales 44.5 KRW bn

▲ 42% YoY

- Sales increased by recognizing backorders from 4Q21 and improved business climate with eased Covid situation in US
- Profit loss caused by hiked manufacturing and logistics costs was partially offset by biz. restructuring and cost saving efforts

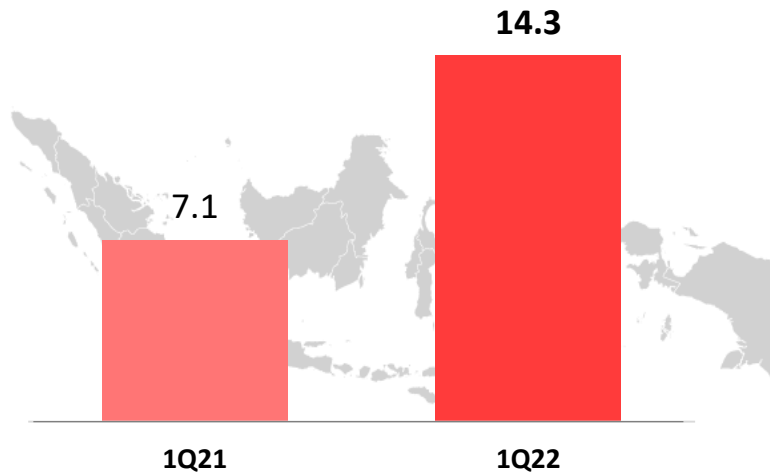
*USA/Nu-World Consolidation adjustments not reflected

OVERSEAS BUSINESS

INDONESIA

Sales

(KRW bn)



Sales 14.3 KRW bn

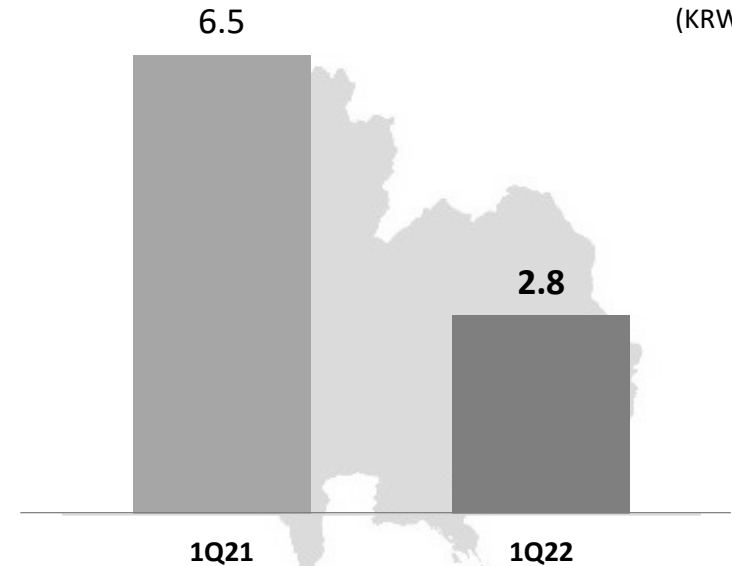
▲ 101% YoY

- Achieved excellent sales growth led by major clients' strong performance: Sales from Top5 clients grew +115% YoY
- Net profit turned positive followed by leverage effect and cost saving efforts

THAILAND

Sales

(KRW bn)



Sales 2.8 KRW bn

▼ 57% YoY

- Sales dropped from the order decline by major clients and low market sentiment in the nearby region due to Covid
- Net loss fueled by inflationary manufacturing and logistics costs with higher pressure to cover fixed cost as sales declined

CONSOLIDATED FINANCIAL SUMMARY

Income Statement

(KRW bn)

	1Q21	1Q22
Sales	345.0	397.9
COGS	285.2	339.7
Gross Profit	59.8	58.2
SG & A Expenses	36.5	44.5
Operating Profit	23.3	13.7
Non-Operating Profit / Expense	(1.2)	(0.4)
Profit Before Tax	22.1	13.3
Net Income	9.8	10.2
Controlling shareholder NP	16.1	15.3

Balance Sheet

(KRW bn)

	2021	1Q22
Asset	1,411.9	1,433.3
Current Asset	792.2	798.2
Non-Current Asset	619.7	635.1
Liability	946.5	957.1
Current Liability	787.6	798.8
Non-current Liability	158.9	158.3
Equity	465.4	476.2
Capital	5.7	5.7
Retained Earnings	248.1	257.1
Non-controlling Interest	(95.9)	(103.4)



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