Aekyung 2024.4Q Earnings Release

LOVE & RESPECT

2025

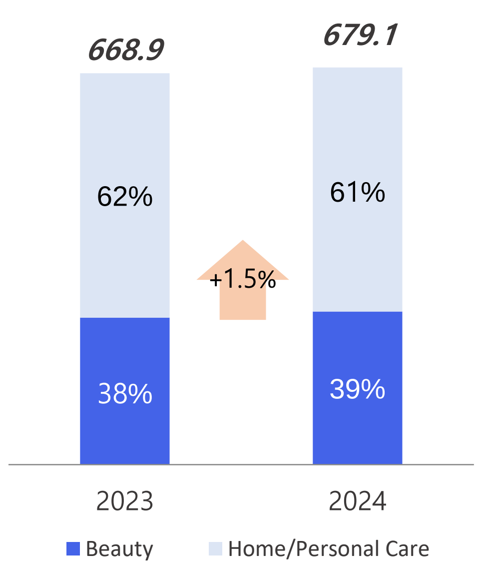
This material is made before finalizing independent auditor review and provided for investors' convenience.
Therefore, some information is subject to change according to audit review result.

01. 2024 Yearly Business Performance Summary

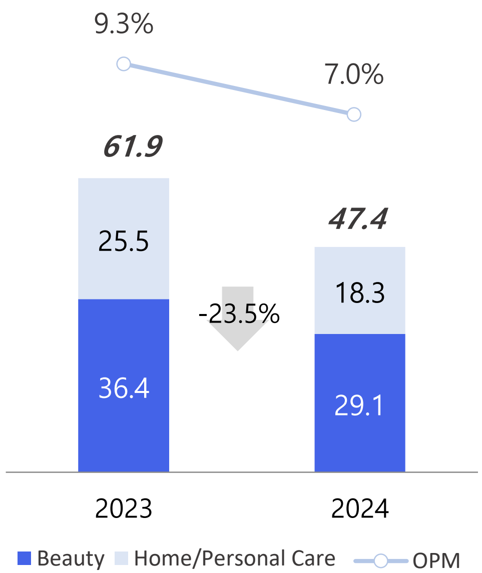
Consolidated revenue KRW 679.1bn YoY +1.5%, OP KRW 47.4bn YoY -23.5%

- **Beauty:** Revenue KRW 261.5bn (YoY +4.1%), OP KRW 29.1bn (YoY -20.0%)
- **Home/Personal Care:** Revenue KRW 417.6bn (YoY flat), OP KRW 18.3bn (YoY -28.5%)

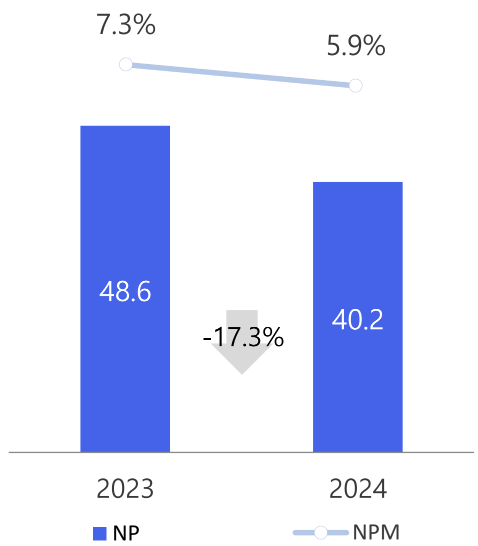
Revenue (Unit: KRW bn)



Operating Profit (Unit: KRW bn)



Net Profit (Unit: KRW bn)



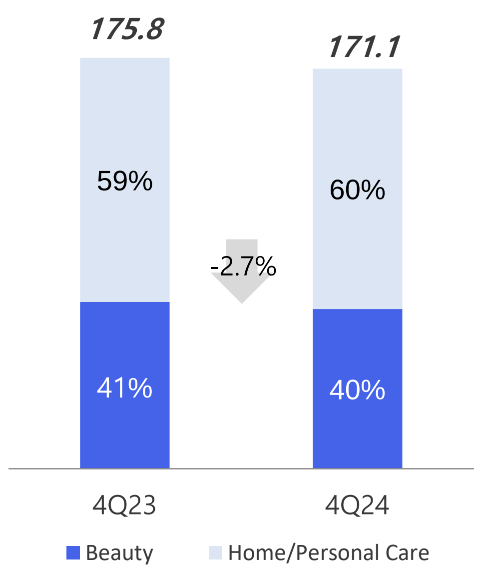
* Consolidated basis

02. 4Q24 Business Performance Summary

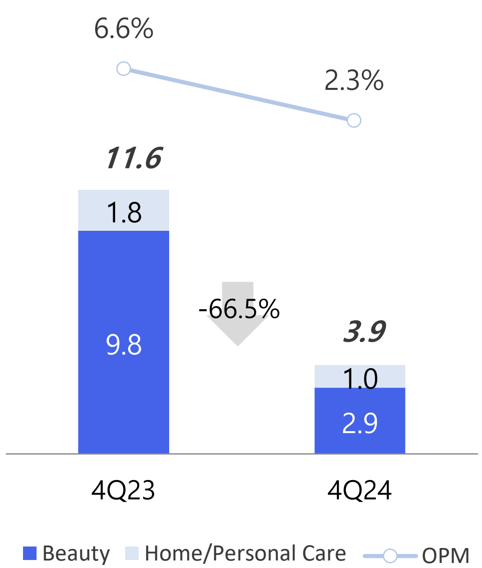
Consolidated revenue KRW 171.1bn YoY -2.7%, OP KRW 3.9bn YoY -66.5%

- **Beauty:** Revenue KRW 68.3bn (YoY -4.2%), OP KRW 2.9bn (YoY -70.4%)
- **Home/Personal Care:** Revenue KRW 102.8bn (YoY -1.6%), OP KRW 1.0bn (YoY -45.7%)

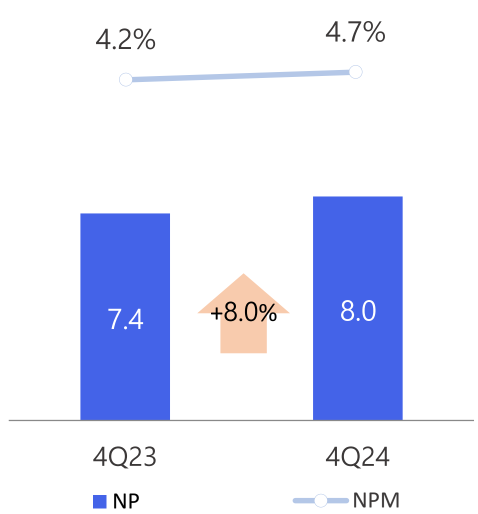
Revenue (Unit: KRW bn)



Operating Profit (Unit: KRW bn)

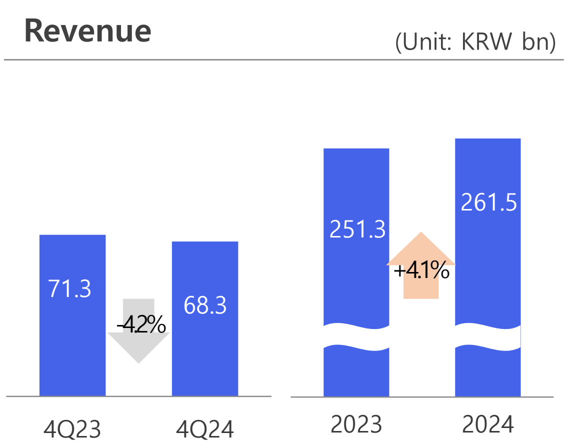


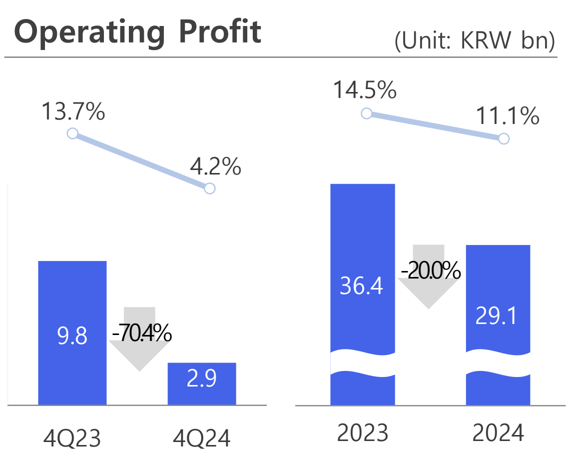
Net Profit (Unit: KRW bn)



* Consolidated basis

03. Business Performance by Division (Beauty)





Yearly Revenue KRW 261.5bn (YoY 4.1%), OP KRW 29.1bn (YoY -20.0%)

4Q24 Highlight

- **Regional diversification and marketing investment expanded for strengthening global business**
  - China) Efforts to recover sales by utilizing livestream and targeting major platforms such as TikTok and Tmall
  - Japan) Run LUNA pop-up stores (Tokyo Shibuya MODI, Tokyo/Osaka @cosme) and conduct active communication and marketing w/ local consumers by holding events TISLO (wearable perfume brand)'s new expansion centered on variety shops
  - USA) AGE20'S Essence Pact color expansion (11 shades) and product composition renewal Perform active marketing investment centered on Amazon and TikTok w/ influencers

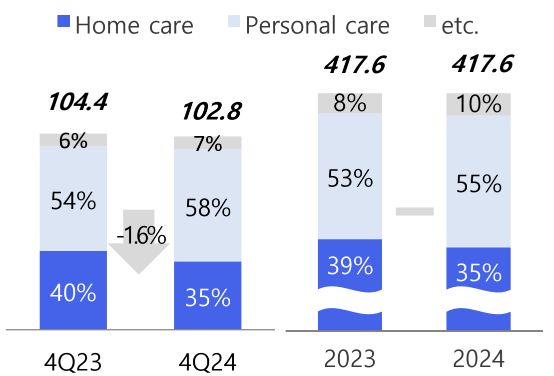
- **Actively deal with market by launching new products w/ trend and consumer needs, and segmented operation strategies**
  - Launch AGE20'S Essence Pact Holiday Edition and Cushion Black Label Edition
  - Digital channel performance increased by in-house brand mall growth and e-commerce diversification
  - Launch twoedit (cover-touchup makeup brand) at Daiso, targeting Gen-Zalpha
  - Launch various new products that meet consumer needs (LUNA 10 types of glow layer blur cheek, point& soy enzyme cleansing powder, and etc.)

* Consolidated basis

04. Business Performance by Division (Home/Personal Care)

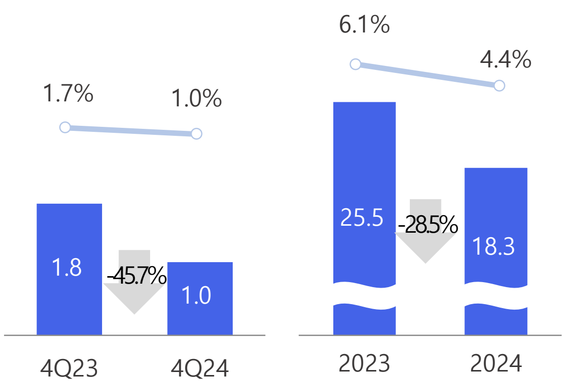
Revenue

(Unit: KRW bn)



Operating Profit

(Unit: KRW bn)



Yearly Revenue KRW 417.6bn (YoY flat), OP KRW 18.3bn (YoY -28.5%)

4Q24 Highlight

- **Efforts to improve channel efficiency and profitability in order to overcome sluggish domestic consumption**
  - Continue differentiated product operations and marketing efficiency by each channel
  - Stable growth of Personal care category by strengthening / premiumizing key brands' lineup such as KERASYS and 2080
  - Continuous products launching to strengthen the strategic channel position of new brands (BYCOLOR Wicked limited edition, LUV SCENT perfume body lotion, and etc.)

- **Steady expansion of global business by channel expansion and product localization**
  - Channel expansion and digital marketing activities centered on strategic countries such as USA, Japan, and Europe
  - Perform Personal care's category diversification and products localization by each country
    USA) Main products' category expansion (Shower mate, KERASYS) and offline channel expansion
    Japan) Increased entry of new body care brand (LUV SCENT) into variety shops and GMS
    China) KERASYS Propolis category expansion and branding

* Consolidated basis

Appendix. Brief Consolidated Financial Statement

1. Consolidated Balance Sheet

(Unit: KRW mn)

Type	2023.12	2024.12
Total assets	**482,373**	**485,783**
Current assets	268,473	283,938
- Cash and cash equivalents	115,478	55,620
Non-current assets	213,900	201,845
Total liabilities	**94,746**	**87,805**
Current liabilities	90,411	83,331
Non-current liabilities	4,335	4,473
Total equity	**387,627**	**397,979**
Issued capital	26,410	26,410
Capital surplus	143,348	142,385
Elements of other stockholder's equity	(19,902)	(29,956)
Retained earnings	236,991	258,094
Other Comprehensive income/loss accumu-lated amount	296	854

(Note 1) The above 'cash and cash equivalents' are the sum of 'cash and cash equivalents' and 'short-term financial instruments'.

2. Consolidated Income Statement

(Unit: KRW mn)

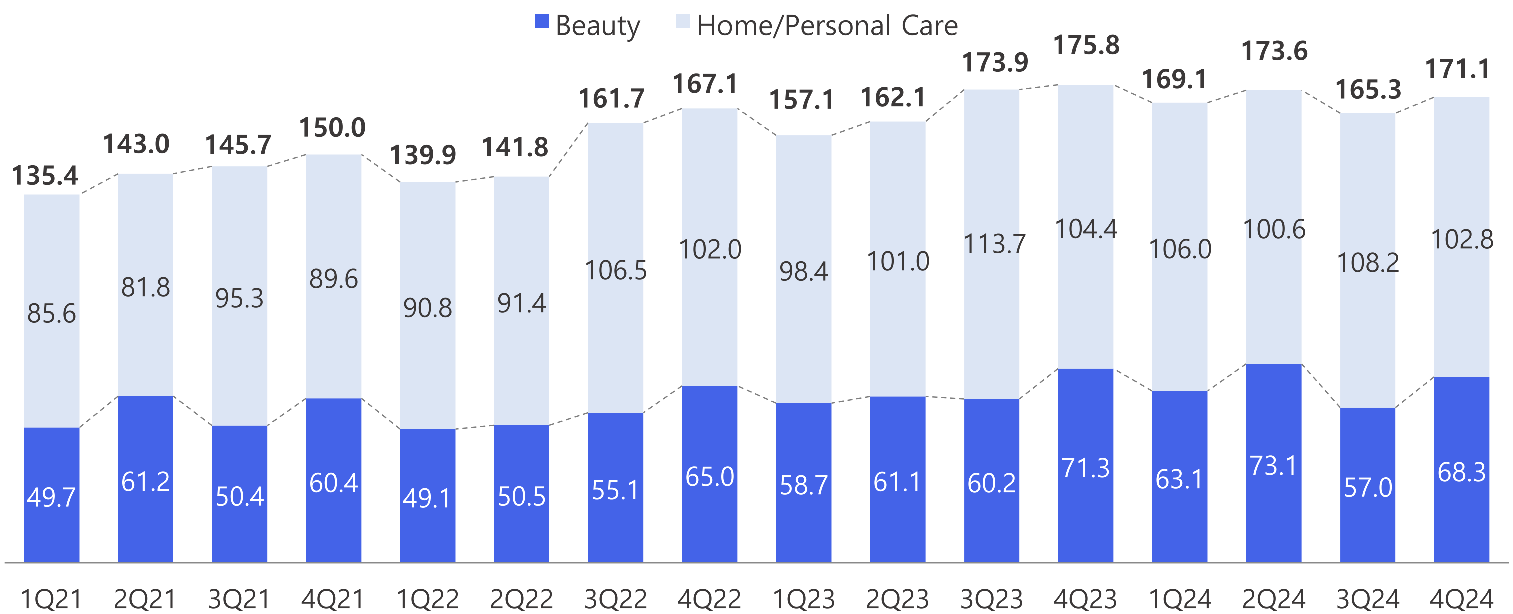
Type	2023. 4Q	2024. 4Q
Revenue	**175,758**	**171,076**
Gross profit	83,040	77,223
SG&A	71,443	73,334
Operation profit	**11,598**	**3,888**
Other gain / loss	(5,255)	5,068
Profit before tax	6,343	8,956
Tax expense	(1,027)	(994)
Net profit	**7,370**	**7,962**

Appendix. Quarterly Business Performance Trend

4Q24's Consolidated revenue KRW 171.1bn QoQ +3.5%, OP KRW 3.9bn QoQ -59.3%

Revenue and Operating Profit

(Unit: KRW bn)



	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
OP	7.7	5.8	6.2	4.7	7.8	4.2	15.2	11.8	15.4	16.6	18.4	11.6	16.5	17.5	9.6	3.9
OPM	5.7%	4.1%	4.2%	3.1%	5.6%	3.0%	9.4%	7.1%	9.8%	10.2%	10.6%	6.6%	9.7%	10.1%	5.8%	2.3%