

# **Aestura's Merger with Amorepacific Corp.**

2021.6.21

# CONTENTS

1

Executive Summary

2

Aestura Company Overview

3

Aestura Financial Summary

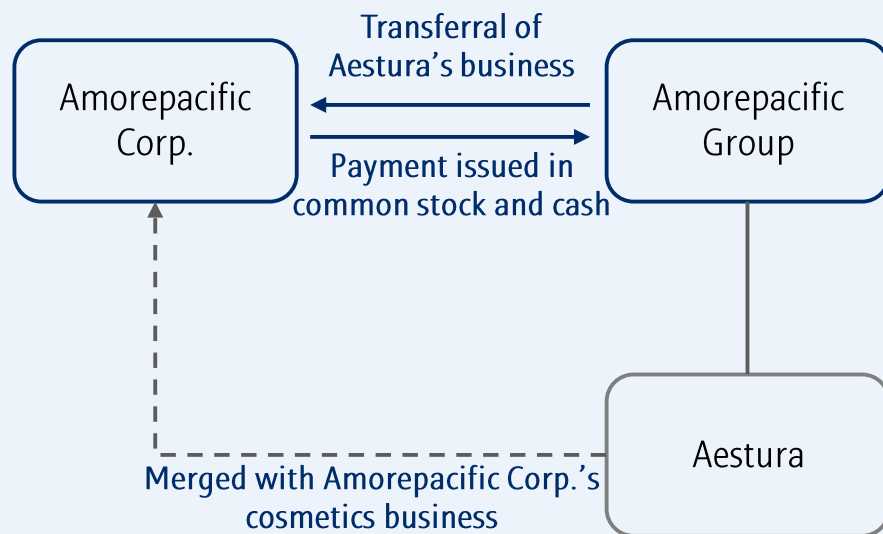


# 1. Executive Summary

Key objective is to enhance managerial effectiveness by restructuring organizational structure and to strengthen business synergies between the two companies

## Business Deal Summary

- Aestura, 100% owned by Amorepacific Group, will merge with Amorepacific Corp.
- Aestura will be transferred to Amorepacific Corp.'s cosmetics business



## Exchange Ratio

- Executed in accordance with Korean Capital Market Act
  - Merger ratio determination date: June 18th, 2021
- Amorepacific Corp. Stock Price
  - Common Stock 282,644 KRW, Preferred Stock 100,061 KRW
- Aestura's Value per Stock
  - Common Stock 55,460 KRW, Preferred Stock 19,634 KRW

	Amorepacific Corp. Merger Ratio	Method of Payment
Aestura Common Stock	Per Aestura Common Stock, 0.1962185 Amorepacific Common Stock  1 : 0.1962185	413,814 shares of Amorepacific Common Stock
Aestura Preferred Stock	Per Aestura Preferred Stock, 0.1962185 Amorepacific Preferred Stock  1 : 0.1962185	4.32 billion KRW in cash

## 2. Aestura Company Overview

### Company Overview

#### Business

- Cosmetics company and OEM of Amorepacific Corp.'s health supplement brands (Vital Beautie, Cube Me etc.)
- Sales portion (as of 2020): Aestura 31.4%, OEM revenue of health supplements 66.7%

#### Address

- Office: 100, Hangang-Daero, Yongsan-Gu, Seoul
- Factory: 36, Gongdan 1-Ro, Anseong

#### Shareholder Status

- 100% owned by Amorepacific Group
  - Number of Common Stock: 2,108,947
  - Number of Preferred Stock: 220,000

### Business History

Date	History
Dec. 1982	• Company founded as 'Pacific Pharma'
Jun. 1989	• Built Anseong GMP factory
Jun. 2012	• Launched beauty brand 'AESTURA'
Mar. 2013	• Became subsidiary of 'Amorepacific Group'
Jan. 2014	• Constructed health supplements manufacturing factory
Mar. 2015	• Changed company name to 'Aestura'

# 3. Aestura Financial Summary

## Income Statement

## Statement of Financial Position

(Unit: 1,000 KRW)

(Unit: 1,000 KRW)

	2018	2019	2020
Revenue	100,137,160	111,138,876	98,953,753
Cost of sales	82,645,442	85,379,418	71,869,867
Gross Profit	17,491,717	25,759,458	27,083,887
SG&A Expenses	16,595,339	18,989,551	26,665,350
Operating Profit	896,379	6,769,908	418,536
Non-Operating Profit/Expense	3,925,074	402,945	-928,481
Profit Before Tax	4,821,452	7,172,852	-509,945
Consolidated Net Income	3,541,690	5,511,862	-263,017

	2018	2019	2020
<b>Assets</b>	113,745,615	127,357,840	133,230,595
Current Assets	54,168,227	63,322,957	72,619,706
Cash and Cash Equivalent	22,046,035	14,559,882	23,918,595
Trade receivables	8,621,537	11,940,982	8,896,088
Inventories	21,393,451	19,917,667	22,282,804
Non-current Assets	59,577,388	64,034,883	60,610,889
Property, Plant and Equipment	56,426,990	55,254,442	52,096,036
Intangible Assets	465,544	589,084	673,019
<b>Liabilities</b>	18,567,758	26,724,084	32,742,762
Current Liabilities	15,769,527	19,996,642	27,015,509
Non-current Liabilities	2,798,230	6,727,442	5,727,253
<b>Shareholder's Equity</b>	95,177,857	100,633,756	100,487,833
Capital Stock	11,644,735	11,644,735	11,644,735
Retained Earnings	81,733,354	87,233,977	87,077,908