



AMORE PACIFIC

2024 Earnings Release

2025.2.6



AMORE PACIFIC CONTENTS

1 2024 Earnings Summary

- Domestic Business
- Overseas Business

2 4Q 2024 Earnings Summary

- Domestic Business
- Overseas Business

3 Financial Summary

DISCLAIMER

The financial information included in this document is interim consolidated earnings results based on K-IFRS. This document is provided for the convenience of investors as a reference; it contains financial information and data that have not yet been audited from the external auditor, and may cause some parts of this document to change during the final audit.

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FY 2024 Earnings Summary

Amorepacific revenue up 5.7% to KRW 3.9 trillion, operating profit up 103.8% to KRW 220.5 billion

Domestic revenue down 2.4%, operating profit up 1.3%. Overseas revenue up 20.6%, operating profit turned to profit

(Unit: KRW bn)

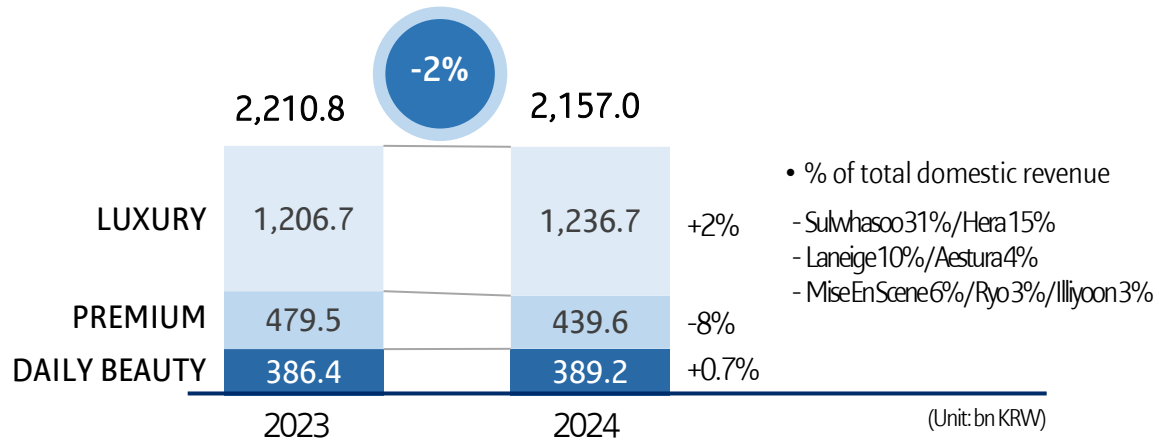
	2023	% of Revenue	2024	% of Revenue	YoY(%)
Revenue¹⁾	3,674.0	100.0	3,885.1	100.0	+5.7
Domestic Business	2,210.8	60.2	2,157.0	55.5	-2.4
Luxury	1,206.7	32.8	1,236.7	31.8	+2.5
Premium	479.5	13.1	439.6	11.3	-8.3
Daily Beauty	386.4	10.5	389.2	10.0	+0.7
Others ²⁾	138.2	3.8	91.5	2.4	-33.8
Overseas Business	1,391.8	37.9	1,678.9	43.2	+20.6
Western Region	338.5	9.2	694.9	17.9	+105.3
Other Asia	357.1	9.7	473.9	12.2	+32.7
Greater China	696.2	18.9	510.0	13.1	-26.7
Operating Profit	108.2	2.9	220.5	5.7	+103.8
Domestic Cosmetic Business	136.1	7.5	143.3	8.1	+5.3
Domestic Daily Beauty Business	10.3	2.7	5.0	1.3	-51.1
Overseas Business	-43.2	-3.1	104.2	6.2	Turned to Profit

1) Total revenue includes earnings from COSRX, other subsidiaries (Cosvision, Wedream etc.), and intercompany transactions.

2) OEM, Rental Income etc.

FY 2024 Domestic Business

LUXURY / PREMIUM / DAILY BEAUTY



LUXURY

- Travel retail channel revenue decreased but overall revenue posted growth due to reclassification* of domestic cosmetic brands
- Strengthened the presence and competitiveness of luxury brands through enhancement of customer experience, brand storytelling and renewal of main products including Sulwhasoo('Concentrated Ginseng', 'The Ultimate S'), Hera('Black Cushion Foundation'), Iope('Super vital') and AP Beauty brand

PREMIUM

- Despite overall revenue decline due to brand reclassification*, achieved new growth drivers in multi-brand shop and online channels through product innovation
- Strengthened leadership in slow-aging trend with Laneige('Bouncy & Firm') and Aestura('Regederm') as well as responsiveness to target customers through the launch of 'Mimo by Mamonde' at Daiso channel and Hanyul's toner pads

DAILY BEAUTY

- Maintained last year's sales level due to strong performance of key products in growth channels, despite decline of hypermarket sales
- Solid performance of key products in multi-brand shop channel led to overall sales growth of Illiyoan and Labo-H (ranked No.1 for body moisturizers and shampoo in Olive Young, respectively). These brands actively responded to new demands from global consumers, reinforcing the foundation for cross-border business in hair & body category



Sulwhasoo 'Concentrated Ginseng' launch event



Aestura achieved derma leadership in Olive Young



Illiyoan 'Ceramide Ato' line (Cream/Soothing Gel/Lotion)

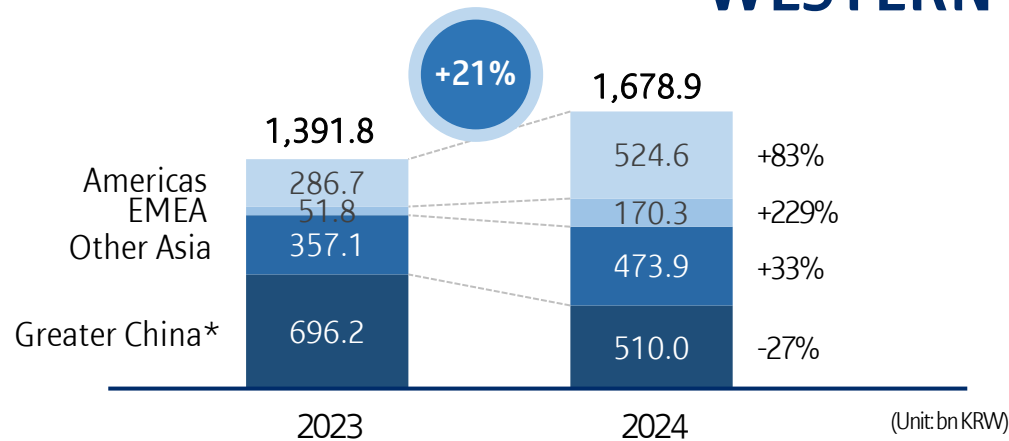


Mamonde entered Daiso with 'Mimo by Mamonde'

*Like-for-like growth 3% decline YoY for luxury business and 5% growth YoY for premium business, excluding the brand reclassification effect (IOPE, Holitua transferred to Luxury business)

FY 2024 Overseas Business

WESTERN REGION / ASIA



WESTERN REGION

- Americas sales increased by 83% driven by solid sales growth of major brands and consolidation of COSRX
 - Laneige maintained No.1 ranking in lip treatment category and accelerated skincare sales growth with strong performance of 'Bouncy&Firm' line
 - Innisfree and Sulwhasoo posted growth by increasing store coverage (Sephora, department stores) and driving sales growth for key products
- EMEA sales tripled, driven by triple digit sales growth of Laneige and COSRX acquisition effect
 - Laneige posted robust sales growth through channel diversification mainly in UK(Boots, ASOS, etc.) and increasing customer base
 - COSRX achieved strong sales growth by expanding into new countries and retail channels

ASIA

- Greater China revenue decreased 27%
 - Overall revenue declined due to downsizing inventory in major e-commerce channels, and optimizing offline stores for each brand to improve China business structure
 - Sulwhasoo ('Concentrated Ginseng' line) and Ryo ('Hairloss Expert Care Shampoo') enhanced competitiveness in key products and strengthened foundation for growth
- Other Asia (APAC, Japan) revenue increased 33%
 - APAC revenue grew driven by strengthening product competitiveness for Sulwhasoo ('Concentrated Ginseng') and Laneige ('Cream Skin', 'Lip', 'Bouncy&Firm'), new brand launches (Hera, Aestura, Illiyoan) and COSRX
 - Japan revenue increased by enhancing customer engagement through store expansions of Laneige, Aestura, and Hera, as well as strengthening collaborative marketing with retailers



Laneige introduced 'Bouncy&Firm' line (Global)



Innisfree x Sephora Collaborative Marketing (Americas)



Sulwhasoo renewed 'Concentrated Ginseng' line (China)



'Loft Amorepacific Festival (アモパシフェス)' (Japan)

* Greater China: China Mainland, Hong Kong SAR, Taiwan Region

4Q 2024 Revenue

Amorepacific revenue up 17.9% to 1.1 trillion KRW

Domestic revenue down 2.4%, Overseas revenue up 48.3% with strong revenue growth from Western Region and other Asia

(Unit: bn KRW)

	2023 4Q	% of Revenue	2024 4Q	% of Revenue	YoY(%)
Revenue ¹⁾	926.0	100.0	1,091.7	100.0	+17.9
Domestic Business	560.4	60.5	547.0	50.1	-2.4
Luxury	296.0	32.0	314.8	28.8	+6.3
Premium	136.6	14.8	101.6	9.3	-25.7
Daily Beauty	95.7	10.3	107.4	9.8	+12.2
Others ²⁾	32.0	3.5	23.2	2.1	-27.4
Overseas Business	356.9	38.5	529.3	48.5	+48.3
Western Region	94.2	10.2	229.6	21.0	+143.7
Other Asia	91.1	9.8	143.3	13.1	+57.2
Greater China	171.6	18.5	156.5	14.3	-8.8

1) Total revenue includes earnings from COSRX, other subsidiaries (Cosvision, Wedream etc.), and intercompany transactions.

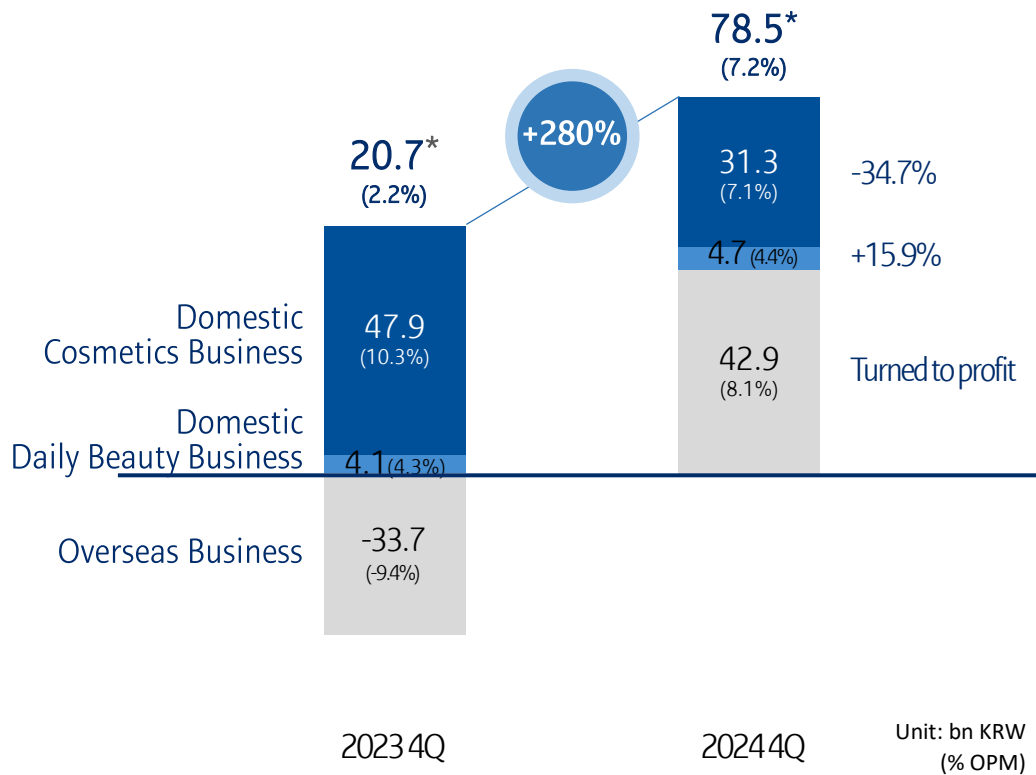
2) OEM, Rental Income etc.

4Q 2024 Operating Profit

Amorepacific operating profit up 279.6% to 78.5 billion KRW

Domestic operating profit down 31% due to decline in Cosmetics business operating profit despite Daily Beauty business profit increase

Overseas operating profit turned to profit with strong sales of major brands in Western Region, mitigated losses in China and consolidation of COSRX earnings



Domestic Business

- Cosmetics operating profit declined due to increased personnel costs by booking increased allowance for employee incentives as well as decline in travel retail sales (travel retail channel accounts for 19% of total domestic revenue)
- Daily Beauty business operating profit increased driven by sales growth of premium products and reinforcement of product portfolio centered on emerging channels

Overseas Business

- Western region(Americas, EMEA) operating profit posted growth due to accelerated revenue growth and consolidation of COSRX earnings
- Greater China mitigated operating loss resulting from business restructuring, and other Asia saw improvement in profitability with revenue growth and consolidation of COSRX earnings

* Total operating profit includes earnings from COSRX, other subsidiaries (Cosvision, Wedream etc.), and intercompany transactions

4Q 2024 Income Statement

Gross profit margin enhanced by improving product mix and reducing discounts. Personnel expense up 31% due to incentive provision for domestic business and increased personnel costs for overseas business. Marketing expense down 9% by cost efficient marketing implemented in Domestic and China business

(Unit: bn KRW)

	2023 4Q	% of Revenue	2024 4Q	% of Revenue	YoY(%)
Revenue	926.0	100.0	1,091.7	100.0	+17.9
Cost of Sales	279.0	30.1	312.2	28.6	+11.9
Gross Profit	647.1	69.9	779.5	71.4	+20.5
SG&A Expenses	626.4	67.6	701.0	64.2	+11.9
Personnel Expense ¹⁾	145.7	15.7	191.4	17.5	+31.4
Marketing Expense ²⁾	155.4	16.8	141.4	13.0	-9.0
Commission ³⁾	186.2	20.1	191.6	17.5	+2.9
Depreciation Cost ⁴⁾	44.2	4.8	50.6	4.6	+14.3
Operating Profit	20.7	2.2	78.5	7.2	+279.6
Net Income	38.2	4.1	-46.2	-4.2	Turned to red

1) Personnel Expense: Salaries, Retirement Benefits, Employee Benefits

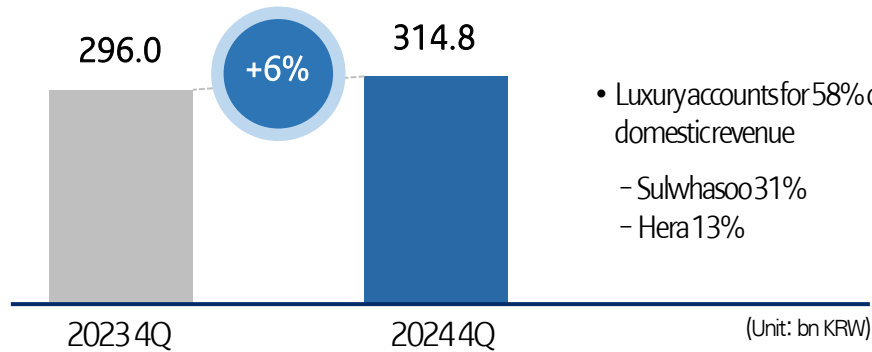
2) Marketing Expense: Advertisement and Promotional Expense

3) Commission: Service Fees and Distribution Commission

4) Depreciation Cost: Depreciation and Amortization

4Q 2024 Domestic Business

LUXURY

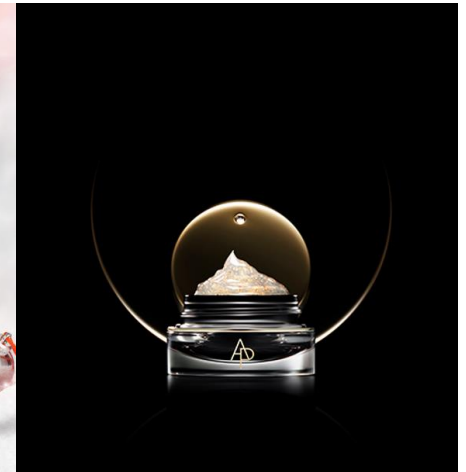


- Luxury accounts for 58% of total domestic revenue
 - Sulwhasoo 31%
 - Hera 13%

- Overall luxury segment revenue posted growth due to reclassification* of domestic cosmetic brands as well as increase in sales of pure domestic channels(excluding travel retail) by enhancing marketing activities for holiday season
- Created buzz and drove strong sales with the launch of key product's seasonal collection
 - [Sulwhasoo] Posted sales growth for 'Concentrate Ginseng' line driven by the launch of 'Pearly Snowy Holidays' edition and focused marketing efforts like pop-up stores, beauty class and live-commerce in key channels
 - [Hera] Enhanced brand presence as a luxury make-up brand with sell-out of 'Dreamscape Voyage' collection(cushion case). Overall sales continued growth driven by key categories('cushion,' 'lip')
 - [AP Beauty] Launched high-end limited edition 'Prime Reserve Elixir' (sold out)
- Strengthened target customer and channel responsiveness for each brand
 - [Sulwhasoo] Strengthened omni channel marketing with e-commerce platforms('Beauty Curly Festa,' Kakao event at House of Sulwhasoo in Bukchon), expanded brand experience and increased customer visits by launching skincare diagnostic service at department stores
 - [Iope] Expanded target customer base by renewal of key product line 'Super Vital'
 - [Primera] Drove sales growth by launching new products('Mild and Perfect Cleansing Oil-to-Foam', 'Mild and Perfect Pore Peeling Pad') in key growth categories(cleanser, pad) in multi-brand shop channel



Sulwhasoo 'Concentrated Ginseng Rejuvenating Cream Holiday Edition'



AP 'Prime Reserve Reternity Night Elixir'



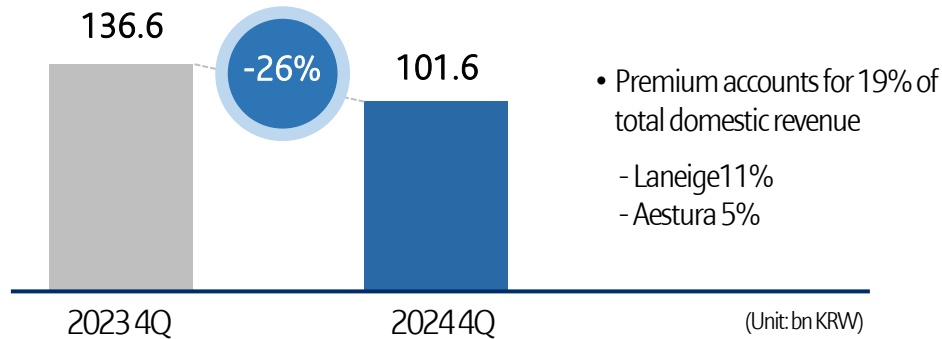
Hera 'Dreamscape Voyage' Collection



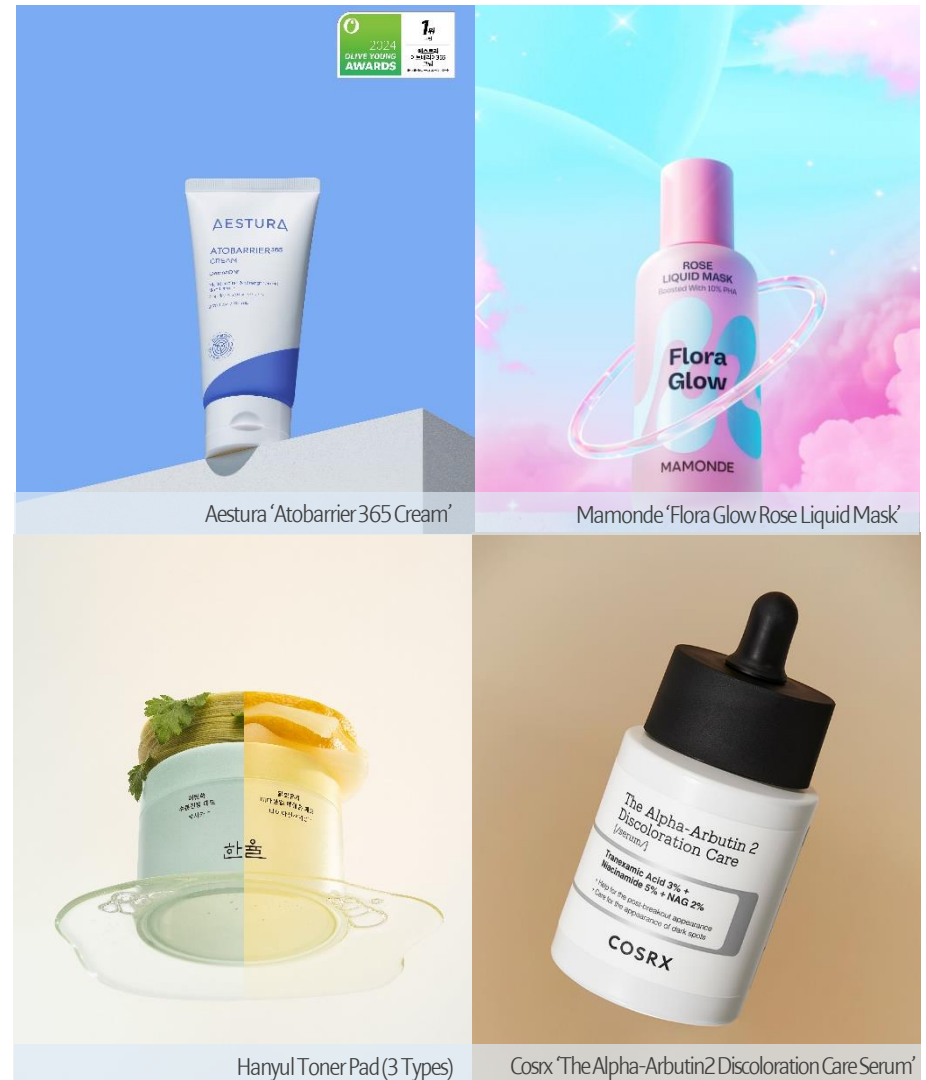
Iope 6th Generation 'Super Vital' Cream & Serum

4Q 2024 Domestic Business

PREMIUM



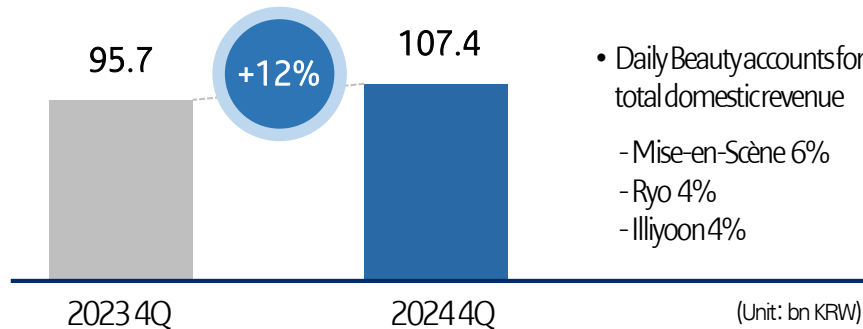
- Overall premium segment revenue declined due to reclassification* of domestic cosmetics brand, while sales in major channels (online, multi-brand shop) of key brands posted solid growth
- Recorded robust sales for key products through enhanced responsiveness to online seasonal promotions
 - [Laneige] 'Cream Skin' sales posted growth driven by collaborative campaign with BTS 'Jin', re-launched 'Lip Glowly Balm' in the domestic market and created buzz through pre-launches in major online channels (AmoreMall, Kakao, etc.)
 - [Aestura] 'AtobARRIER 365 Cream' achieved strong sales, ranking No.2 in facial cream category during Amazon Black Friday & Cyber Monday
 - [COSRX] Achieved record-high sales in livestreaming channel with influencer ('Minsco') by strengthening digital content marketing for key products ('6 Peptide Skin Booster Serum') and new products ('Alpha-Arbutin 2 Discoloration Care Serum') of the 'RX Line'
- Strengthened competitiveness of growth categories and expanded new customers base
 - [Hanyul] Strengthened competitiveness in 'functional toner pad category' and increased customer base driven by marketing campaign on essence toner pads (3 types)
 - [Mamonde] Posted strong sales growth for 'Flora Glow Rose Liquid Mask,' which grew by 5 times YoY



*Like-for-like growth for premium business excluding the brand redefinition effect (IOPE, Holital transferred to Luxury business) is 1% decrease YoY

4Q 2024 Domestic Business

DAILY BEAUTY



- Daily Beauty accounts for 20% of total domestic revenue
 - Mise-en-Scène 6%
 - Ryo 4%
 - Illiyoön 4%

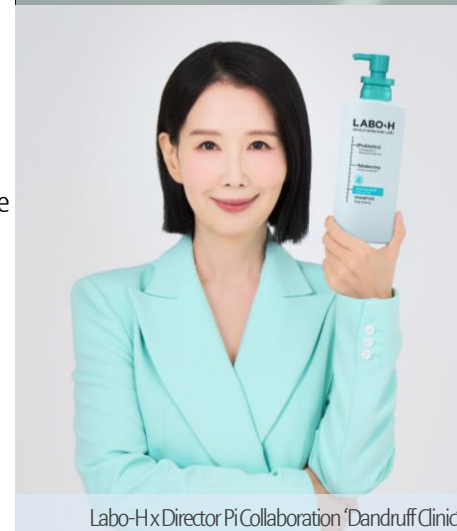
- All major brands achieved sales growth resulting from product portfolio reorganization
 - [Ryo] Strengthened collaborative content with KOL, resulting in triple growth of 'Root:Gen Hair Loss Care Scalp Essence' and overall sales growth
 - [Labo-H] Posted continued sales growth from 'Scalp Strengthening' line and diversified product line up by launching collaborative product 'Dandruff Clinic' with 'Director Pi'
 - [Illiyoön] Sales increased by conducting winter season marketing campaign of 'Ceramide Ato' line and strengthened product portfolio by introducing functional new product ('Red-itch Intensive Moisturizing Wash')
 - [HappyBath] Experienced sales growth by launching new product ('Deep Musk Body Oil') in 'SkinU' line and reinforcing product portfolio across different price range
- Posted growth in both online and offline channels including multi-brand shop and rising online platforms
 - In Olive Young, Ryo achieved record-high sales (November), Mise-en-Scène received Haircare Award for 10 consecutive years for 'Perfect Serum' line, and Labo-H ranked No.1 for 3 consecutive years in shampoo category
 - Achieved e-commerce sales growth by expanding collaborations with major domestic online platforms (Naver, Kakao, Musinsa, etc.), through early launches of new products and operating exclusive products (special edition from Ryo Root:Gen, Happy Bath, etc.)
 - Recorded strong sales growth by responding to global haircare demand by operating cross border channels (Amazon, Tmall Global: Amazon Black Friday sales of Mise En Scène increased more than 10 times, Longtake was recognized as 'New brand of Tmall Global' in China)
- Strengthened content based marketing targeting young customers and enhanced brand newness
 - [Mise-en-Scène] Launched 'Perfect Serum x Zzang-gu Collaborative Edition' and increased customer base
 - [Longtake] Increased sales and raised brand awareness by introducing collaborative goods with 'Wicked' IP



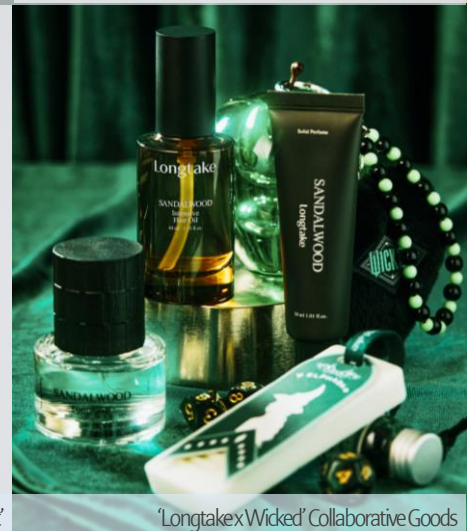
Ryo 'Root:Gen Hair Loss Care Scalp Essence'



Mise-en-Scène, 'Perfect Serum x Zzang-gu Collaborative Edition'



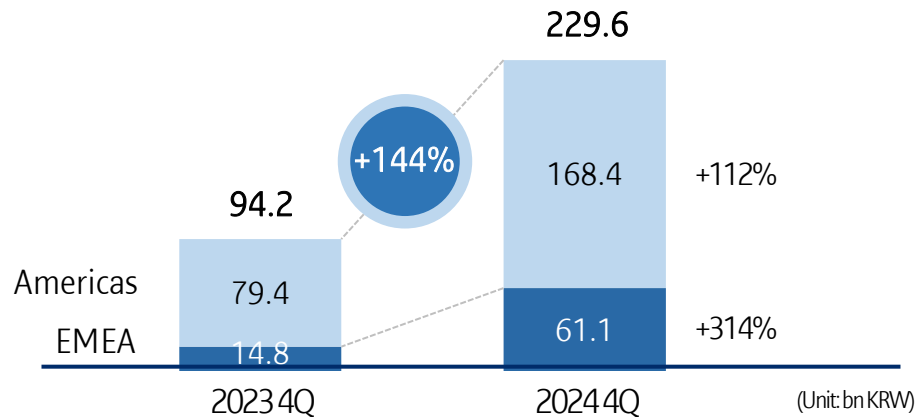
Labo-H x Director Pi Collaboration 'Dandruff Clinic'



'Longtake x Wicked' Collaborative Goods

4Q 2024 Overseas Business

WESTERN REGION



- Americas revenue increased 112% due to strong performance during major shopping festivals/holiday season and consolidation of COSRX
 - Achieved record-high sales and strong sales growth from Laneige(+127%), Sulwhasoo(+308%), Innisfree(+70%) during Amazon Black Friday & Cyber Monday
 - Laneige sales increased in both lip and skincare category by introducing holiday limited edition 'Candy Cane Lip Sleeping Mask/Lip Glowly Balm' and conducting marketing campaign focused on Water Bank Cream ('Water Bank Is The Answer')
 - Innisfree posted sales growth by launching 'Vitamin C Green Tea Enzyme Brightening Toner Pads' and strengthening collaboration with KOLs for 'Green Tea' line
 - Sulwhasoo boosted sales with strong performance of 'First Care Activation Serum' and 'Concentrated Ginseng' during holiday edition
 - COSRX achieved robust sales of 'The Peptide Serum' and reinforced 'The RX' line by launching 'Alpha-Arbutin 2 Discoloration Care Serum'
- EMEA revenue quadrupled driven by strong growth of Laneige and consolidation effect of COSRX
 - Laneige gained new customers through enhanced collaborative marketing with major retailers(Boots, Sephora) and doubled its sales driven by significant sales growth in e-commerce during Black Friday & Cyber Monday
 - Innisfree boosted sales by diversifying e-commerce channels(ASOS, UK) and recorded solid sales during Black Friday
 - COSRX achieved robust sales by expanding retail channels and strengthening 'TikTok Challenge' marketing in collaboration with influencers



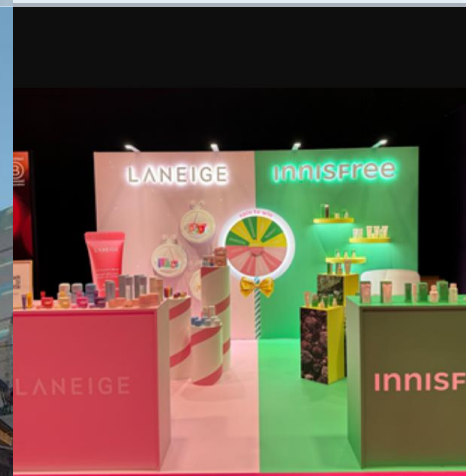
Laneige 'Water Bank Is The Answer' Campaign (Global)



Innisfree 'Vitamin C Brightening Toner Pad' (Americas)



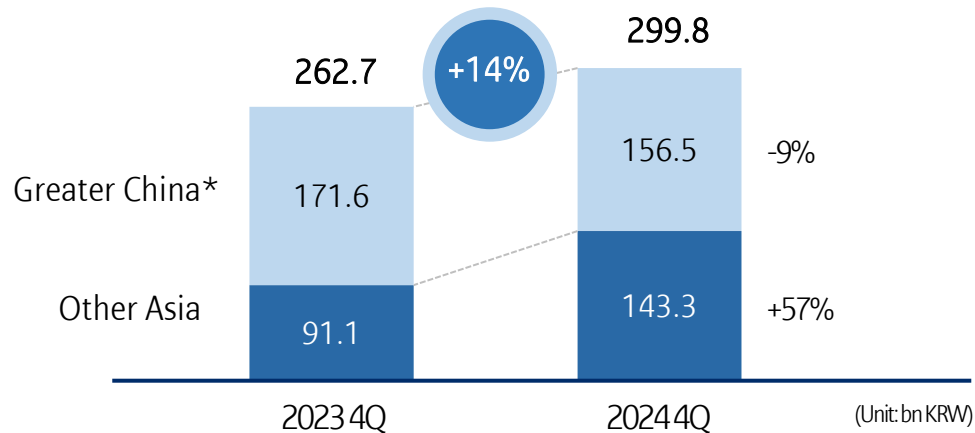
COSRX 'The Alpha-Arbutin 2 Discoloration Care Serum' New York Times Square Billboard Marketing (Americas)



Laneige, Innisfree, Boots 'All Together Beauty' (UK)

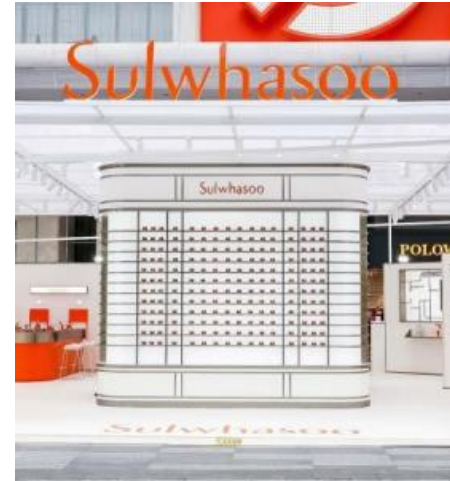
4Q 2024 Overseas Business

ASIA



- Greater China revenue declined 9%
 - Overall sales decreased due to streamlining offline channels and executing restructuring initiatives to improve the profitability of China business
 - Sulwhasoo posted sales growth driven by new customer acquisition in offline channel by operating pop-up stores and hosting beauty workshops for VIPs, as well as strong sales of key products ('Concentrated Ginseng duo set', 'Concentrated Ginseng cream')
 - Ryo revenue increased double digit by strong growth from its key product ('Hair Loss Expert Care Shampoo'), and enhanced brand competitiveness by emphasizing its expertise in hair loss and scalp care
- Other Asia (APAC, Japan) revenue increased 57%
 - [APAC] Sulwhasoo 'Concentrated Ginseng Rejuvenating Cream' sales increased and expanded its presence as a luxury anti-aging cream in key markets (Thailand etc.) through omni-channel marketing, Laneige achieved sales growth driven by key products ('Cream Skin', 'Lip Glow Balm', 'Bouncy and Firm'), Aestura and Illiyoon recorded strong sales performance through store expansion
 - [Japan] Laneige led 'Cream Skin' campaign resulting in strong performance (ranked No.1 in skincare at Loft in November), and Aestura 'AtobARRIER 365 cream' achieved record-high sales (Qoo10 Mega Sale in November)

* Greater China: China Mainland, Hong Kong SAR, Taiwan Region



Sulwhasoo 'Concentrated Ginseng' pop-up store in Guangzhou (China)



Ryo 'Hair Loss Expert Care Shampoo' & 'Super Revital Nutri Care Shampoo' (China)



Laneige 'Cream Skin' campaign (APAC, Japan)



Aestura 'AtobARRIER 365' Holiday Edition (Japan)

Financial Summary

Income Statement

(Unit: bn KRW, %)

	2023		2024	
	Amount	% of Sales	Amount	% of Sales
Revenue	3,674.0	100.0	3,885.1	100.0
Cost of Sales	1,155.1	31.4	1,138.4	29.3
Gross Profit	2,518.9	68.6	2,746.7	70.7
SG&A Expenses	2,410.7	65.6	2,526.3	65.0
Operating Profit	108.2	2.9	220.5	5.7
Other Income	172.5		400.3	
Profit Before Tax	280.6	7.6	620.8	16.0
Consolidated Net Income	173.9	4.7	601.6	15.5

Statement of Financial Position

(Unit: bn KRW)

	2023.12	2024.12
Assets	5,886.5	6,783.5
Current Assets	1,952.2	1,734.8
Trade Receivables	292.9	386.3
Inventories	394.3	497.8
Non-current Assets	3,934.3	5,048.7
Property, Plant and Equipment	2,441.6	2,296.4
Intangible Assets	340.7	1,773.9
Investment in Associates	287.1	5.8
Liabilities	1,013.8	1,457.5
Current Liabilities	813.3	1,095.7
Non-current Liabilities	200.5	361.8
Shareholder's Equity	4,872.7	5,326.0
Capital Stock	34.5	34.5
Retained Earnings	4,101.4	4,601.0
Non-controlling Interest	-25.3	73.6