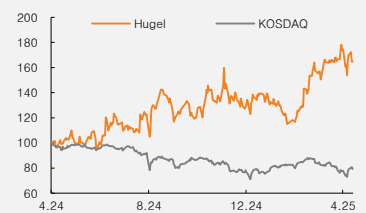


(Maintain)	Buy
Target price	W410,000
Current price (4/16/25)	W332,000
Upside	23.5%

OP (25F, Wbn)	203
Consensus OP (25F, Wbn)	223
EPS growth (25F, %)	10.4
Market EPS growth (25F, %)	24.8
P/E (25F, x)	27.4
Market P/E (25F, x)	8.9
KOSDAQ	699.11

Market cap (Wbn)	4,185
Shares (mn)	13
Free float (%)	42.6
Foreign ownership (%)	54.0
Beta (12M)	0.53
52-week low (W)	191,000
52-week high (W)	358,000

(%)	1M	6M	12M
Absolute	0.6	18.1	66.0
Relative	5.7	29.4	97.7



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Hugel

1Q25 preview: In-line results likely

1Q25 preview: Revenue of W90.6bn (+22% YoY) and OP of W40.7bn (+70% YoY)

For 1Q25, we expect Hugel to report revenue of W90.6bn (+22% YoY) and operating profit of W40.7bn (+70% YoY), in line with consensus estimates (W91.1bn and W40.2bn, respectively).

We estimate botulinum toxin revenue at W49.3bn (+43.9% YoY). While there were no US-bound shipments in 1Q25, the recognition of China revenue (which was absent in 1Q24) likely provided a boost. Of note, Chinese partner Sihuan Pharmaceutical announced that its medical aesthetics revenue in 2024 was up 65.4% compared to the 2023 level, supporting expectations for steady botulinum toxin sales in China. Exports to new markets are also set to increase, with Hugel planning to launch a botulinum toxin product in the UAE in 2Q25 and gain regulatory approval in Saudi Arabia in 3Q25. In the US, Letybo sales began in March, and we expect exports to resume in 2Q25.

We estimate filler revenue rose 7.1% YoY to W31.3bn, continuing steady growth both domestically and overseas. Cosmetics revenue likely grew 6% YoY to W10.1bn, supported by the brand's entry into Costco stores in Canada.

Maintain Buy and TP of W410,000

We maintain our Buy rating and target price of W410,000 on Hugel. For 2025, we forecast revenue at W431.7bn (+15.7% YoY) and operating profit at W202.7bn (+21.9% YoY).

This year, we expect valuation pressures to ease as earnings pick up. Stronger botulinum toxin exports to the US and China will likely be a key driver of earnings growth, boosting revenue and margins in 2025 and beyond. In addition, with the US International Trade Commission lawsuit now concluded, Hugel is likely to see a meaningful drop in commission fees, leading to a lower SG&A ratio (from 32% in 2024 to 30% in 2025).

While Hugel has advanced 26.5% YTD on expectations for solid botulinum toxin sales in the US, we believe there is still room for further upside. The stock is trading at a 12-month forward P/E of 27x, lower than the average of domestic peers such as PharmaResearch and Classys (31x). With US and China botulinum toxin revenue set to grow, we expect margins to expand in 2H25.

(Dec.)	2023	2024	2025F	2026F	2027F
Revenue (Wbn)	320	373	432	502	590
OP (Wbn)	118	166	203	254	310
OP margin (%)	36.9	44.5	47.0	50.6	52.5
NP (Wbn)	93	136	153	217	257
EPS (W)	7,517	10,985	12,132	17,193	20,359
ROE (%)	12.1	17.5	17.4	20.4	19.8
P/E (x)	19.9	25.5	27.4	19.3	16.3
P/B (x)	2.0	3.1	3.3	2.8	2.4
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0

Notes: Under consolidated K-IFRS; NP is attributable to owners of the parent

Source: Company data, Mirae Asset Securities Research estimates

Table 1. 1Q25 preview

(Wbn, %, %p)

	1Q24	4Q24	1Q25F		Growth	
			Mirae Asset	Consensus	YoY	QoQ
Revenue	74.3	98.2	90.6	91.1	22	-7.7
OP	24	46.5	40.7	40.2	70	-12.4
OP margin	32.2	47.3	44.9	44.1	12.7	-3.2
Pretax profit	29.4	35.3	38.4	44	30.7	8.9
Net profit	20.8	40	28.9	29.1	39.1	-27.6

Source: Company data, FnGuide, Mirae Asset Securities Research

Table 2. Quarterly/annual earnings and forecasts

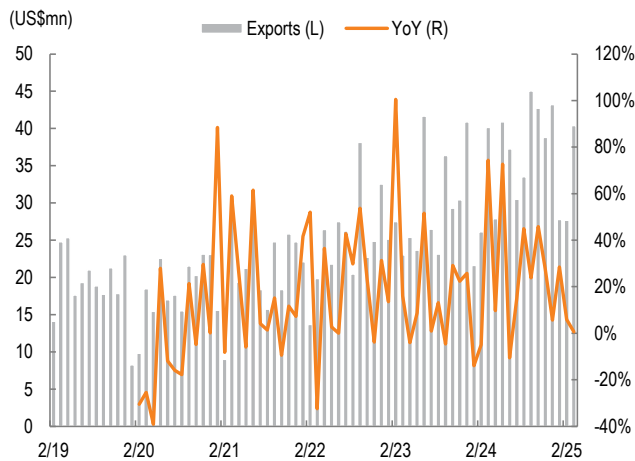
(Wbn)

	1Q24	2Q24	3Q24	4Q24	1Q25F	2Q25F	3Q25F	4Q25F	2024	2025F	2026F
Revenue	74.3	95.4	105	98.2	90.6	121	109	111	373	432	502
YoY	15.4%	17.0%	23.9%	10.4%	22.0%	27.1%	3.2%	13.4%	16.7%	15.7%	16.3%
Botulinum toxin	34.3	51	64.7	53.2	47.9	69.8	64.6	62.7	203	245	295
YoY	10.6%	17.6%	40.9%	9.0%	39.7%	36.8%	-0.1%	17.7%	20.2%	20.5%	20.5%
Fillers	29.3	36.5	29.9	31.9	31.3	40.1	32.5	35.2	128	139	156
YoY	11.9%	20.0%	-4.4%	6.4%	7.1%	10.0%	8.6%	10.2%	8.3%	9.1%	12.4%
Cosmetics	9.5	6.6	9	11.7	10.1	9.9	9.7	12.1	36.8	41.7	43.8
YoY	50.8%	10.0%	36.4%	48.1%	6.0%	50.0%	8.0%	3.0%	37.3%	13.4%	5.0%
OP	24	42.4	53.4	46.5	40.7	58.1	51.5	52.3	166	203	254
YoY	29.5%	51.6%	54.5%	26.4%	70.0%	37.0%	-3.6%	12.6%	41.1%	21.9%	25.3%
OP margin	32.2%	44.5%	50.8%	47.3%	44.9%	47.9%	47.5%	47.0%	44.6%	46.9%	50.6%

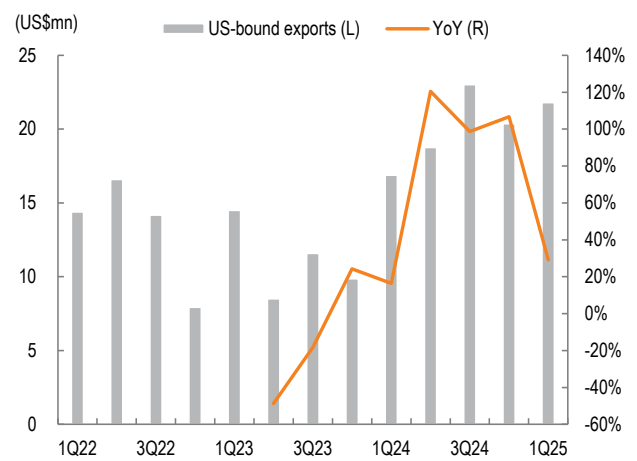
Source: Company data, Mirae Asset Securities Research estimates

Figure 1. Korea's botulinum toxin exports

Figure 2. Korea's US-bound botulinum toxin exports



Source: TRASS, Mirae Asset Securities Research



Source: TRASS, Mirae Asset Securities Research

Hugel (145020 KQ)

Income statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Revenue	373	432	502	590
Cost of revenue	86	100	117	142
GP	287	332	385	448
SG&A expenses	121	129	130	139
OP (adj.)	166	203	254	310
OP	166	203	254	310
Non-operating profit	-1	-8	23	31
Net financial income	14	17	23	31
Net income from associates	0	0	0	0
Pretax profit	165	195	277	341
Income tax	22	37	52	75
Profit from continuing operations	143	158	224	266
Profit from discontinued operations	0	0	0	0
NP	143	158	224	266
Attributable to owners	136	153	217	257
Attributable to minority interests	7	5	8	9
Total comprehensive income	161	158	224	266
Attributable to owners	153	154	219	259
Attributable to minority interests	7	4	6	7
EBITDA	181	212	263	318
FCF	137	163	226	265
EBITDA margin (%)	48.5	49.1	52.4	53.9
OP margin (%)	44.5	47.0	50.6	52.5
Net margin (%)	36.5	35.4	43.2	43.6

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	523	694	936	1,222
Cash & equivalents	130	250	426	623
AR & other receivables	50	57	65	77
Inventory	43	48	56	65
Other current assets	300	339	389	457
Non-current assets	417	408	402	396
Investments in associates	5	6	7	8
PP&E	151	143	137	130
Intangible assets	196	194	192	190
Total assets	939	1,103	1,338	1,618
Current liabilities	61	69	80	94
AP & other payables	13	15	17	20
Short-term financial liabilities	5	6	7	8
Other current liabilities	43	48	56	66
Non-current liabilities	38	38	38	39
Long-term financial liabilities	35	35	35	35
Other non-current liabilities	3	3	3	4
Total liabilities	99	107	118	133
Equity attributable to owners	804	953	1,170	1,427
Capital stock	7	7	7	7
Capital surplus	394	394	394	394
Retained earnings	1,071	1,223	1,440	1,697
Minority interests	37	43	50	59
Shareholders' equity	841	996	1,220	1,486

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	149	163	226	265
NP	143	158	224	266
Non-cash income/expenses	48	30	38	52
Depreciation	10	8	7	6
Amortization	5	2	2	2
Other	33	20	29	44
Chg. in working capital	-19	-6	-7	-9
Chg. in AR & other receivables	-2	-6	-8	-11
Chg. in inventory	-9	-6	-7	-10
Chg. in AP & other payables	0	1	1	1
Income tax	-39	-37	-52	-75
Cash flow from investing activities	42	-39	-50	-67
Chg. in PP&E	-12	0	0	0
Chg. in intangible assets	-21	0	0	0
Chg. in financial assets	82	-39	-50	-67
Other	-7	0	0	0
Cash flow from financing activities	-172	1	1	1
Chg. in financial liabilities	-53	1	1	1
Chg. in equity	67	0	0	0
Dividends	0	0	0	0
Other	-186	0	0	0
Chg. in cash	24	119	176	197
Beginning balance	106	130	250	426
Ending balance	130	250	426	623

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

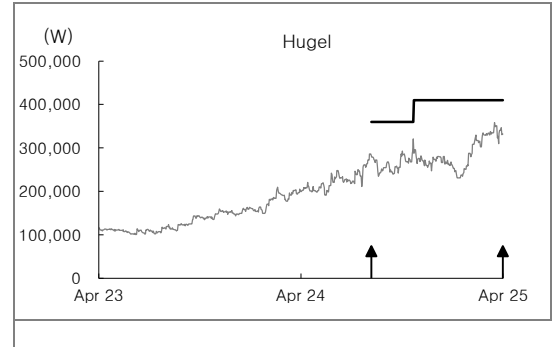
	2024	2025F	2026F	2027F
P/E (x)	25.5	27.4	19.3	16.3
P/CF (x)	18.1	22.2	15.9	13.2
P/B (x)	3.1	3.3	2.8	2.4
EV/EBITDA (x)	17.6	17.4	13.2	10.1
EPS (W)	10,985	12,132	17,193	20,359
CFPS (W)	15,478	14,940	20,852	25,219
BPS (W)	89,876	101,714	118,907	139,266
DPS (W)	0	0	0	0
Dividend payout ratio (%)	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0
Revenue growth (%)	16.7	15.7	16.3	17.5
EBITDA growth (%)	37.7	17.1	23.8	20.9
OP growth (%)	41.1	21.9	25.3	22.0
EPS growth (%)	46.1	10.4	41.7	18.4
AR turnover (x)	8.1	8.4	8.5	8.6
Inventory turnover (x)	9.7	9.5	9.7	9.7
AP turnover (x)	23.5	21.6	22.2	23.0
ROA (%)	15.3	15.5	18.4	18.0
ROE (%)	17.5	17.4	20.4	19.8
ROIC (%)	38.5	41.9	52.8	61.9
Debt-to-equity ratio (%)	11.7	10.8	9.7	8.9
Current ratio (%)	856.1	1,002.4	1,175.1	1,305.0
Net debt-to-equity ratio (%)	-44.9	-54.3	-62.7	-69.1
Interest coverage ratio (x)	141.1	6,297.3	7,649.7	9,092.3

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Hugel (145020)	11/07/24	Buy	410,000
	08/22/24	Buy	360,000



Stock ratings

Buy	Expected 12-month performance: +20% or greater
Trading Buy	Expected 12-month performance: +10% to +20%
Hold	Expected 12-month performance: -10% to +10%
Sell	Expected 12-month performance: -10% or worse

Sector ratings

Overweight	Expected to outperform the market over 12 months
Neutral	Expected to perform in line with the market over 12 months
Underweight	Expected to underperform the market over 12 months

Rating and TP history: Share price (—), TP (—), Not Rated (■), Buy (▲), Trading Buy (■), Hold (●), Sell (◆)

* Our investment rating is a guide to the expected return of the stock over the next 12 months.

* Outside of the official ratings of Mirae Asset Securities Co., Ltd., analysts may call trading opportunities should technical or short-term material developments arise.

* The TP was determined by the research analyst through valuation methods discussed in this report, in part based on estimates of future earnings.

* TP achievement may be impeded by risks related to the subject securities and companies, as well as general market and economic conditions.

Ratings distribution and investment banking services

	Buy	Trading Buy	Hold	Sell
Ratings distribution	83.98%	6.63%	8.84%	0.55%
Investment banking services	88.24%	0%	11.76%	0%

* Based on recommendations in the last 12-months (as of March 31, 2025)

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