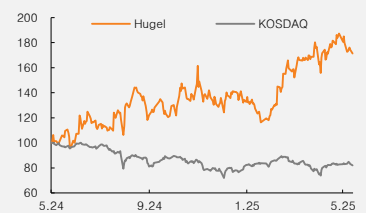


(Maintain)	Buy
Target price	▲ W480,000
Current price (5/19/25)	W340,500
Upside	41.0%

OP (25F, Wbn)	202
Consensus OP (25F, Wbn)	218
EPS growth (25F, %)	23.9
Market EPS growth (25F, %)	25.1
P/E (25F, x)	25.0
Market P/E (25F, x)	9.5
KOSDAQ	713.75

Market cap (Wbn)	4,292
Shares (mn)	12
Free float (%)	42.9
Foreign ownership (%)	53.7
Beta (12M)	0.52
52-week low (W)	191,000
52-week high (W)	372,000

(%)	1M	6M	12M
Absolute	0.1	24.5	69.0
Relative	0.7	19.7	102.4



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Hugel

Earnings improving both at home and abroad

1Q25 review: Revenue of W89.8bn (+20.9% YoY) and OP of W39bn (+54.5% YoY)

For 1Q25, Hugel reported revenue of W89.8bn (+20.9% YoY) and operating profit of W39bn (+54.5% YoY), in line with the consensus estimates. While there were no US-bound botulinum toxin exports during the quarter, domestic botulinum toxin and filler revenue grew on an increase in inbound tourism for aesthetic procedures. In addition, OP margin notably improved YoY to 43% (vs. 32% in 1Q24) on a reduction in commission fees paid and enhanced cost efficiency.

Botulinum toxin exports jumped 24.2% YoY to W21.3bn, aided by: 1) increased shipments to China to meet growing demand; 2) steady growth in Australia and Taiwan; and 3) new shipments to the UAE. In the domestic market, botulinum toxin revenue expanded 13.5% YoY to W19.5bn on rising inbound demand.

Filler export revenue grew 18.8% YoY to W27.2bn, backed by growth across Asia, Europe, and North and South America. In the domestic market, filler revenue grew 13.4% YoY to W7.2bn. Cosmetics revenue surged 38.9% YoY to W13.2bn, backed by the expanding presence of the Wellage brand; Wellage has now entered Costco in Canada (both online and offline), following its earlier launch on Costco's US online store.

Lift TP to W480,000 (from W410,000); maintain Buy

For 2025, we look for revenue of W433bn (+16% YoY) and operating profit of W201.9bn (+22% YoY). We lift our target price by 17% to W480,000 (from W410,000), as we raised our 2025F EPS to W13,613 (from W11,528). Our target P/E remains unchanged at 30x. The stock is trading at a 12-month forward P/E of 25x. While valuation pressure has increased following the recent rally, the stock is still trading at a discount to domestic aesthetic device peers PharmaResearch and Classys (average of 28x).

Letybo sales in the US began in March, and Hugel's Chinese partner is seeing rapid revenue growth. Of note, the current economic slowdown and resulting decline in consumer sentiment could work in Hugel's favor, as more consumers are likely to opt for mid-priced alternatives such as Letybo over premium products. Indeed, this trend was already evident in recent earnings releases, with 1Q25 botulinum toxin sales falling 12% YoY at AbbVie but expanding 16% YoY at Evolus. In the near term, we expect US-bound Letybo shipments to serve as a share price catalyst. Additional Letybo shipments to the US are expected in 2Q25.

(Dec.)	2023	2024	2025F	2026F	2027F
Revenue (Wbn)	320	373	433	509	598
OP (Wbn)	118	166	202	258	314
OP margin (%)	36.9	44.5	46.7	50.7	52.5
NP (Wbn)	93	136	169	220	260
EPS (W)	7,517	10,985	13,613	17,883	21,147
ROE (%)	12.1	17.5	19.1	20.4	19.7
P/E (x)	19.9	25.5	25.0	19.0	16.1
P/B (x)	2.0	3.1	3.2	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 review

(Wbn, %, %p)

	1Q24	4Q24	1Q25P		Growth	
			Actual	Consensus	YoY	QoQ
Revenue	74.3	98.2	89.8	91.6	20.9	-8.5
OP	24	46.5	39	40.4	62.6	-16.2
OP margin	32.2	47.3	43.4	44.1	11.2	-3.9
Pretax profit	29.4	35.3	41.1	42.8	39.7	16.4
Net profit	20.8	40	29.8	29.4	43.3	-25.4

Source: Company data, FnGuide, Mirae Asset Securities Research

Table 2. Quarterly/annual earnings and forecasts

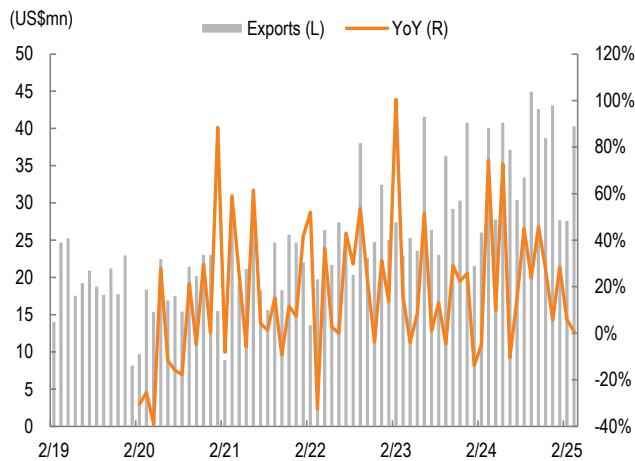
(Wbn)

	1Q25P	2Q25F	3Q25F	4Q25F	1Q26F	2Q26F	3Q26F	4Q26F	2025F	2026F	2027F
Revenue	89.9	121.8	109.1	112.3	109	144.4	126.7	129.1	433	509.2	597.6
YoY	20.90%	27.70%	3.80%	14.40%	21.30%	18.60%	16.10%	15.00%	16.10%	17.60%	17.40%
Botulinum toxin	40.7	69.8	64.6	62.7	55.6	86.8	77.5	74.4	237.8	294.2	364.8
YoY	18.80%	36.80%	-0.10%	17.70%	36.50%	24.40%	19.80%	18.70%	17.00%	23.70%	24.00%
Fillers	34.4	40.7	33.1	36.1	37.9	45.7	37.2	40.5	144.3	161.3	177.4
YoY	17.70%	11.50%	10.70%	13.10%	10.00%	12.20%	12.50%	12.20%	13.10%	11.70%	10.00%
Cosmetics	13.2	9.9	9.7	12.1	13.9	10.4	10.2	12.7	44.9	47.1	48.5
YoY	38.90%	50.00%	8.00%	3.00%	5.00%	5.00%	5.00%	5.00%	21.90%	5.00%	3.00%
OP	39	58.4	51.8	52.8	55.4	73.4	64.3	64.6	201.9	257.7	313.7
YoY	62.60%	37.60%	-3.00%	13.60%	42.20%	25.70%	24.20%	22.40%	21.50%	27.60%	21.80%
OP margin	43.40%	47.90%	47.50%	47.00%	50.80%	50.80%	50.80%	50.00%	46.60%	50.60%	52.50%

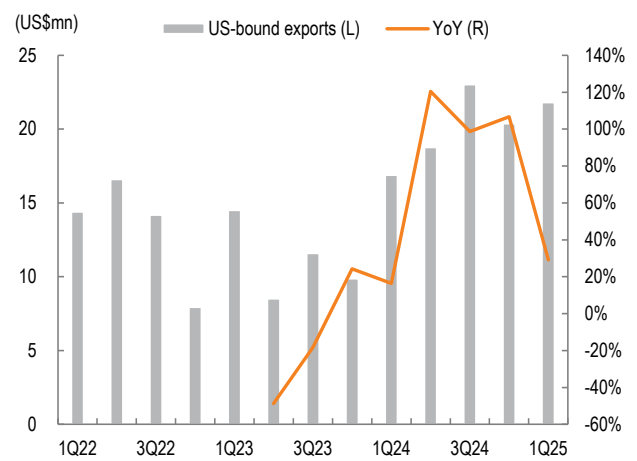
Source: Company data, Mirae Asset Securities Research estimates

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	433	509	598
Cost of revenue	86	100	119	143
GP	287	333	390	455
SG&A expenses	121	131	132	140
OP (adj.)	166	202	258	314
OP	166	202	258	314
Non-operating profit	-1	15	23	32
Net financial income	14	17	24	32
Net income from associates	0	1	0	0
Pretax profit	165	217	281	346
Income tax	22	42	53	76
Profit from continuing operations	143	175	228	270
Profit from discontinued operations	0	0	0	0
NP	143	175	228	270
Attributable to owners	136	169	220	260
Attributable to minority interests	7	6	8	9
Total comprehensive income	161	175	228	270
Attributable to owners	153	171	222	263
Attributable to minority interests	7	5	6	7
EBITDA	181	212	267	322
FCF	137	179	230	268
EBITDA margin (%)	48.5	49.0	52.5	53.8
OP margin (%)	44.5	46.7	50.7	52.5
Net margin (%)	36.5	39.0	43.2	43.5

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	523	711	957	1,247
Cash & equivalents	130	263	442	644
AR & other receivables	50	57	66	77
Inventory	43	49	56	66
Other current assets	300	342	393	460
Non-current assets	417	409	402	396
Investments in associates	5	6	7	8
PP&E	151	143	137	130
Intangible assets	196	194	192	190
Total assets	939	1,120	1,359	1,643
Current liabilities	61	70	80	94
AP & other payables	13	15	17	20
Short-term financial liabilities	5	6	7	8
Other current liabilities	43	49	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	108	119	133
Equity attributable to owners	804	969	1,189	1,450
Capital stock	7	7	7	7
Capital surplus	394	394	394	394
Retained earnings	1,071	1,240	1,460	1,720
Minority interests	37	43	51	60
Shareholders' equity	841	1,012	1,240	1,510

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	149	179	230	268
NP	143	175	228	270
Non-cash income/expenses	48	35	39	52
Depreciation	10	8	7	6
Amortization	5	2	2	2
Other	33	25	30	44
Chg. in working capital	-19	-6	-7	-9
Chg. in AR & other receivables	-2	-7	-8	-11
Chg. in inventory	-9	-6	-7	-10
Chg. in AP & other payables	0	1	1	1
Income tax	-39	-42	-53	-76
Cash flow from investing activities	42	-42	-50	-67
Chg. in PP&E	-12	0	0	0
Chg. in intangible assets	-21	0	0	0
Chg. in financial assets	82	-42	-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	133	179	201
Beginning balance	106	130	263	442
Ending balance	130	263	442	644

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

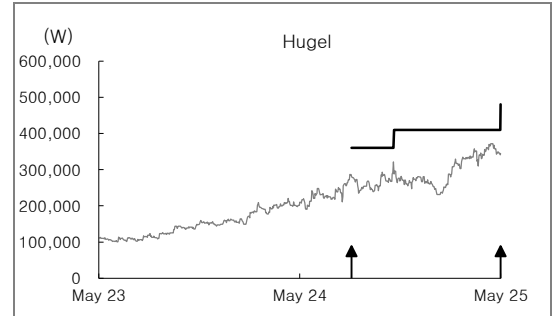
	2024	2025F	2026F	2027F
P/E (x)	25.5	25.0	19.0	16.1
P/CF (x)	18.1	20.1	15.7	13.0
P/B (x)	3.1	3.2	2.8	2.4
EV/EBITDA (x)	17.6	17.9	13.4	10.3
EPS (W)	10,985	13,613	17,883	21,147
CFPS (W)	15,478	16,910	21,662	26,161
BPS (W)	89,876	105,503	123,385	144,532
DPS (W)	0	0	0	0
Dividend payout ratio (%)	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0
Revenue growth (%)	16.7	16.1	17.6	17.4
EBITDA growth (%)	37.7	16.7	26.0	20.8
OP growth (%)	41.1	21.5	27.6	21.8
EPS growth (%)	46.1	23.9	31.4	18.3
AR turnover (x)	8.1	8.4	8.6	8.6
Inventory turnover (x)	9.7	9.5	9.7	9.8
AP turnover (x)	23.5	21.6	22.3	23.1
ROA (%)	15.3	17.0	18.4	18.0
ROE (%)	17.5	19.1	20.4	19.7
ROIC (%)	38.5	41.5	53.5	62.6
Debt-to-equity ratio (%)	11.7	10.6	9.6	8.8
Current ratio (%)	856.1	1,018.8	1,191.8	1,322.8
Net debt-to-equity ratio (%)	-44.9	-55.0	-63.2	-69.5
Interest coverage ratio (x)	141.1	6,271.1	7,738.7	9,183.6

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Hugel (145020)	05/20/25	Buy	480,000
	11/07/24	Buy	410,000
	08/22/24	Buy	360,000



Stock ratings

Buy	Expected 12-month return: +20% or greater
Hold	Expected 12-month return: Greater than -10% and less than +10%
Sell	Expected 12-month return: -10% or less

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

As of May 12, 2025, the Trading Buy rating category has been removed from our investment rating system.

Stocks expected to deliver a 12-month return between +10% and less than +20% may be rated either Buy or Hold at the discretion of the research analyst.

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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