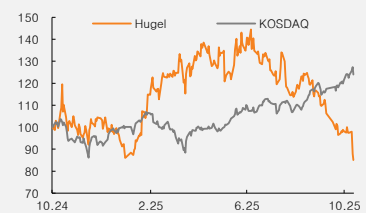


(Maintain)	Buy
Target price	▼ W390,000
Current price (11/5/25)	W228,500
Upside	70.7%

OP (25F, Wbn)	190
Consensus OP (25F, Wbn)	197
EPS growth (25F, %)	0.7
Market EPS growth (25F, %)	31.0
P/E (25F, x)	20.7
Market P/E (25F, x)	14.2
KOSDAQ	901.89

Market cap (Wbn)	2,811
Shares (mn)	12
Free float (%)	44.1
Foreign ownership (%)	55.4
Beta (12M)	0.56
52-week low (W)	228,500
52-week high (W)	388,000

(%)	1M	6M	12M
Absolute	-20.0	-38.6	-21.7
Relative	-24.2	-50.8	-34.8



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Hugel

Overseas revenue growth is key

3Q25 review: Revenue of W105.9bn (+0.8% YoY) and OP of W47.4bn (-11.2% YoY)

For 3Q25, Hugel reported below-consensus results, with revenue of W105.9bn (+0.8% YoY) and operating profit of W47.4bn (-11.2% YoY). Overseas, the company saw broad-based growth across botulinum toxin products, fillers, and cosmetics. However, overall top-line growth was limited due to lower domestic sales of botulinum toxin and filler products. Meanwhile, OP margin fell 6%p YoY to 45%, pressured by higher commissions/fees for cosmetics, ad expenses, and increased marketing in Korea and China.

Revenue from botulinum toxin exports came in at W45.6bn (+8.8% YoY), supported by: 1) increased shipments to the US and China; 2) continued growth in Australia and Taiwan; and 3) re-entry into the Brazilian market through a partnership with DermaDream. However, domestic botulinum toxin revenue fell 36.1% YoY to W14.6bn.

Filler export revenue was W27bn (+15.5% YoY), supported by growth across Asia, Europe, and the Americas. However, domestic filler revenue contracted 50.4% YoY to W3.2bn. Cosmetics revenue surged 65.6% YoY to W14.9bn.

Cut TP to W390,000 (from W480,000), but maintain Buy

For 2025, we look for revenue of W413.8bn (+11.0% YoY) and operating profit of W190.5bn (+14.6% YoY). We revised down our 2025 net profit estimate to W137.3bn (from W169bn) and accordingly cut our target price by 19% to W390,000 (P/E unchanged at 30x). While rising marketing costs and weaker domestic revenue are pressuring near-term earnings, overseas momentum remains solid, bolstering the medium/long-term earnings outlook. Moreover, valuation is attractive, with Hugel trading at a discount to domestic peers PharmaResearch and Classys.

Although lower domestic sales of botulinum toxin and filler products are raising some concerns, we believe that Hugel's decision not to engage in price competition with cheaper rival products—the main reason for the decline—should be viewed positively as a move to defend profitability. Going forward, rather than simply focusing on boosting domestic sales, we believe the company needs to pursue new growth strategies, such as portfolio expansion (via M&As, in-licensing, etc.).

(Dec.)	2023	2024	2025F	2026F	2027F
Revenue (Wbn)	320	373	414	492	576
OP (Wbn)	118	166	190	250	305
OP margin (%)	36.9	44.5	45.9	50.8	53.0
NP (Wbn)	93	136	137	187	231
EPS (W)	7,517	10,985	11,061	15,218	18,790
ROE (%)	12.1	17.5	15.8	18.3	18.7
P/E (x)	19.9	25.5	20.7	15.0	12.2
P/B (x)	2.0	3.1	2.3	2.0	1.7
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. 3Q25 review

(Wbn, %, %p)

	3Q24	2Q25	3Q25		Growth	
			Actual	Consensus	YoY	QoQ
Revenue	105	110	106	119	0.8	-3.9
OP	53	57	47	59	-11.2	-16.3
OP margin	50.8	51.4	44.8	49.6	-6.0	-6.6
Pretax profit	53	53	51	61	-3.7	-4.2
Net profit	40	36	36	49	-10.1	-0.7

Source: Company data, FnGuide, Mirae Asset Securities Research

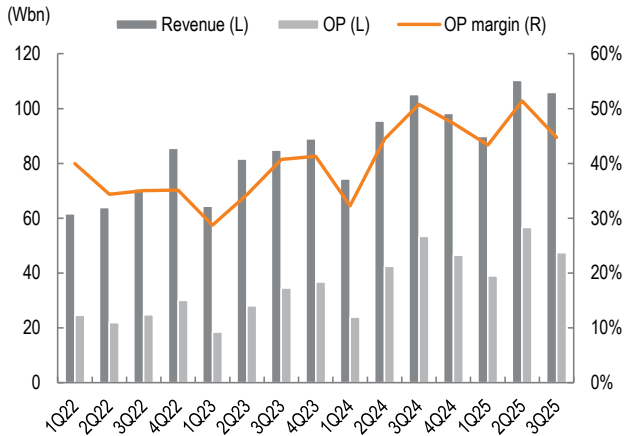
Table 2. Quarterly/annual earnings and forecasts

(Wbn)

	1Q25	2Q25	3Q25	4Q25F	1Q26F	2Q26F	3Q26F	4Q26F	2025F	2026F	2027F
Revenue	89.9	110.3	105.9	107.8	109.0	128.0	126.6	128.2	413.8	491.7	576.2
YoY	20.9%	15.6%	0.8%	9.8%	21.3%	16.0%	19.5%	18.9%	11.0%	18.8%	17.2%
Botulinum toxin	40.7	61.2	60.2	61.7	55.6	74.4	76.1	77.2	223.8	283.3	351.2
YoY	18.8%	20.0%	-7.0%	15.8%	36.5%	21.6%	26.5%	25.2%	10.1%	26.6%	24.0%
Fillers	34.4	34.1	30.2	32.6	37.9	37.8	34.2	36.8	131.4	146.6	161.3
YoY	17.7%	-6.5%	1.1%	2.2%	10.0%	10.7%	13.2%	12.7%	3.0%	11.6%	10.0%
Cosmetics	13.2	13.6	14.9	12.1	13.9	14.3	15.6	12.7	53.8	56.4	58.1
YoY	38.9%	106.1%	65.6%	3.0%	5.0%	5.0%	5.0%	5.0%	46.1%	5.0%	3.0%
OP	39.0	56.7	47.4	47.4	53.3	66.4	65.2	65.4	190.5	250.2	305.4
YoY	62.6%	33.6%	-11.2%	2.1%	36.8%	17.2%	37.5%	37.9%	14.6%	31.4%	22.0%
OP margin	43.4%	51.4%	44.8%	44.0%	48.9%	51.9%	51.5%	51.0%	46.0%	50.9%	53.0%

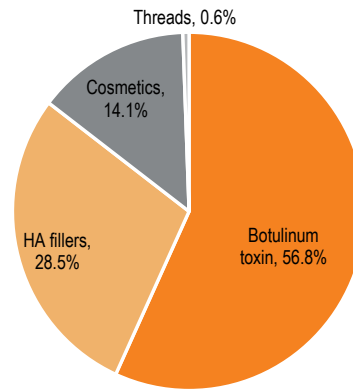
Source: Company data, Mirae Asset Securities Research estimates

Figure 1. Quarterly revenue and OP



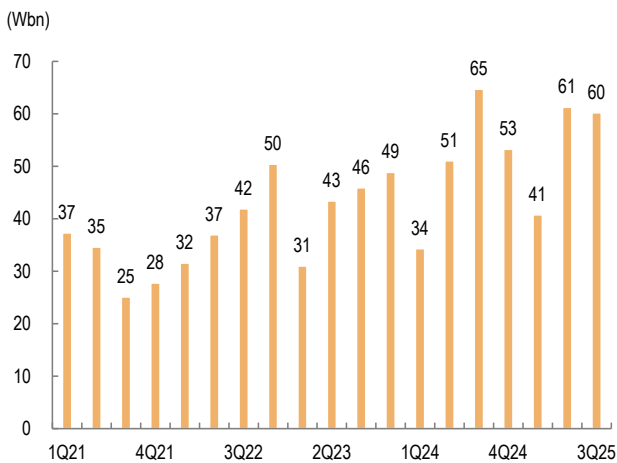
Source: Company data, Mirae Asset Securities Research

Figure 2. Revenue breakdown (3Q25)



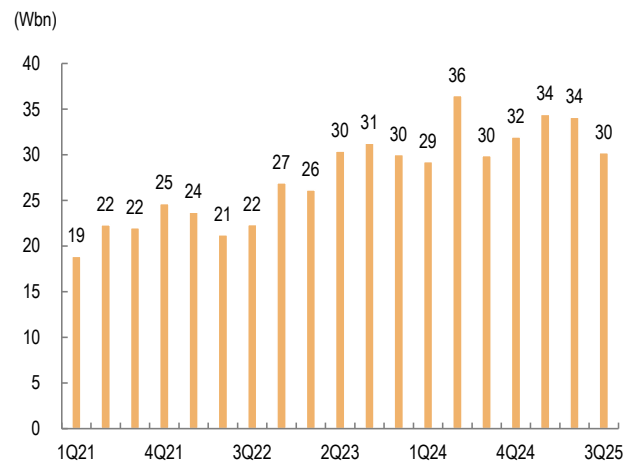
Source: Company data, Mirae Asset Securities Research

Figure 3. Botulinum toxin revenue



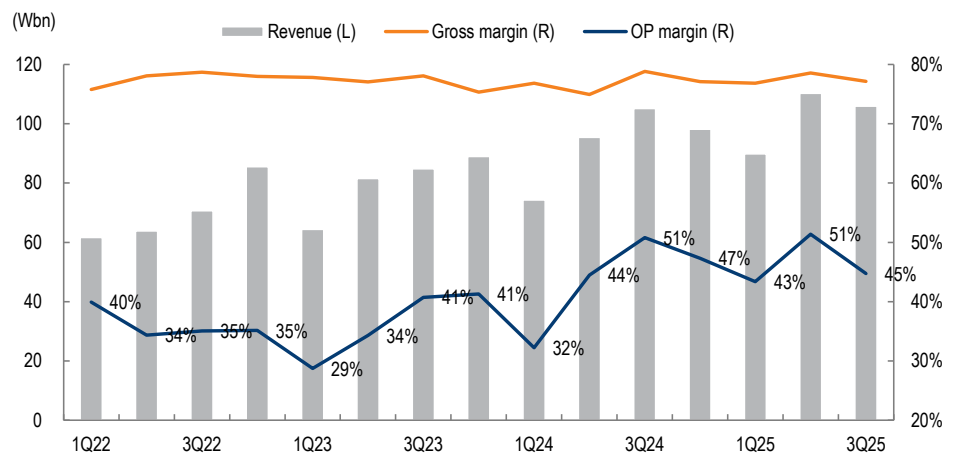
Source: Company data, Mirae Asset Securities Research

Figure 4. Filler revenue



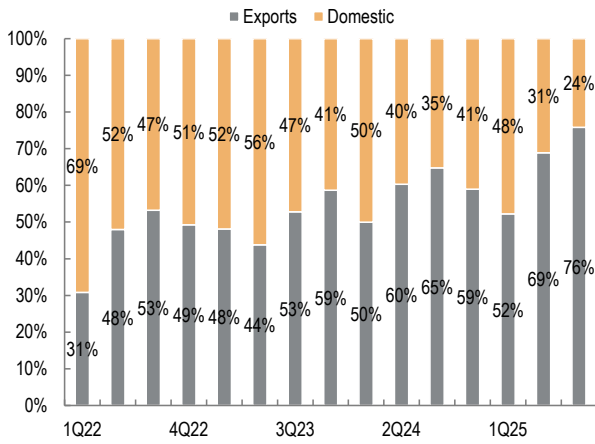
Source: Company data, Mirae Asset Securities Research

Figure 5. Quarterly margin trends



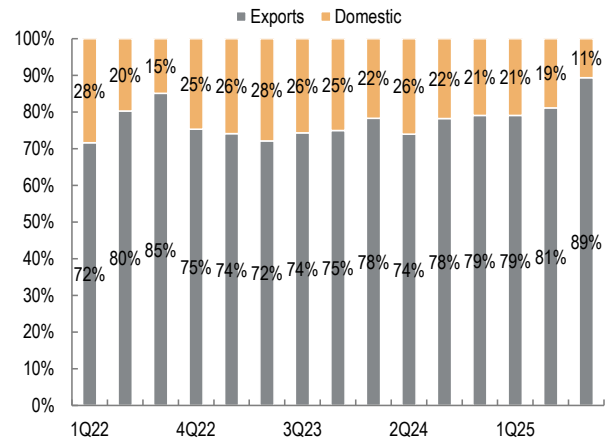
Source: Company data, Mirae Asset Securities Research

Figure 6. Botulinum toxin revenue breakdown: Exports vs. domestic



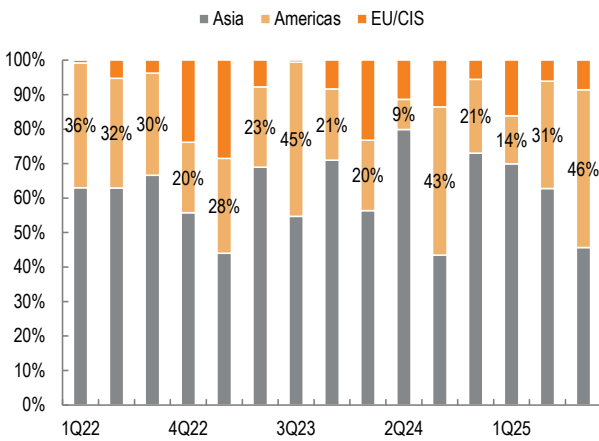
Source: Company data, Mirae Asset Securities Research

Figure 7. Filler revenue breakdown: Exports vs. domestic



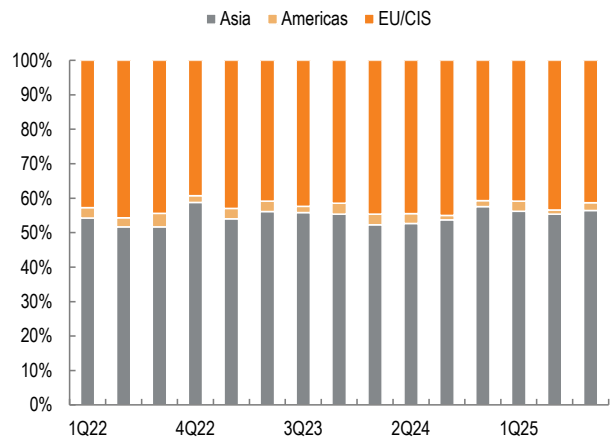
Source: Company data, Mirae Asset Securities Research

Figure 8. Botulinum toxin export breakdown by region



Source: Company data, Mirae Asset Securities Research

Figure 9. Filler export breakdown by region



Source: Company data, Mirae Asset Securities Research

Table 3. Valuation table

	Value	Notes
P/E (x)	30	
NP forecast (Wbn)	137	W169bn previously
Fair value (Wbn)	4,119	
No. of shares ('000)	10,627	
Fair value per share (W)	387,611	
Target price (W)	390,000	

Source: Mirae Asset Securities Research

Hugel (145020 KQ)

Income statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Revenue	373	414	492	576
Cost of revenue	86	96	115	138
GP	287	318	377	438
SG&A expenses	121	128	126	133
OP (adj.)	166	190	250	305
OP	166	190	250	305
Non-operating profit	-1	6	17	23
Net financial income	14	12	16	22
Net income from associates	0	0	0	0
Pretax profit	165	196	267	328
Income tax	22	52	70	85
Profit from continuing operations	143	144	196	243
Profit from discontinued operations	0	0	0	0
NP	143	144	196	243
Attributable to owners	136	137	187	231
Attributable to minority interests	7	7	9	11
Total comprehensive income	161	139	196	243
Attributable to owners	153	131	183	227
Attributable to minority interests	7	9	13	16
EBITDA	181	210	269	323
FCF	137	140	207	251
EBITDA margin (%)	48.5	50.7	54.7	56.1
OP margin (%)	44.5	45.9	50.8	53.0
Net margin (%)	36.5	33.1	38.0	40.1

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	523	667	893	1,165
Cash & equivalents	130	230	376	561
AR & other receivables	50	55	66	77
Inventory	43	47	56	65
Other current assets	300	335	395	462
Non-current assets	417	400	383	368
Investments in associates	5	6	7	8
PP&E	151	145	132	120
Intangible assets	196	191	186	181
Total assets	939	1,067	1,276	1,533
Current liabilities	61	67	80	93
AP & other payables	13	14	17	20
Short-term financial liabilities	5	6	7	8
Other current liabilities	43	47	56	65
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	105	118	132
Equity attributable to owners	804	931	1,118	1,350
Capital stock	7	7	7	7
Capital surplus	394	437	437	437
Retained earnings	1,071	1,157	1,344	1,575
Minority interests	37	31	40	51
Shareholders' equity	841	962	1,158	1,401

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	149	146	207	251
NP	143	144	196	243
Non-cash income/expenses	48	69	73	80
Depreciation	10	14	13	12
Amortization	5	6	6	5
Other	33	49	54	63
Chg. in working capital	-19	-26	-9	-9
Chg. in AR & other receivables	-2	-6	-10	-11
Chg. in inventory	-9	-6	-9	-10
Chg. in AP & other payables	0	0	1	1
Income tax	-39	-53	-70	-85
Cash flow from investing activities	42	-39	-61	-66
Chg. in PP&E	-12	-6	0	0
Chg. in intangible assets	-21	-13	0	0
Chg. in financial assets	82	-29	-61	-66
Other	-7	9	0	0
Cash flow from financing activities	-172	-4	1	1
Chg. in financial liabilities	-53	0	1	1
Chg. in equity	67	43	0	0
Dividends	0	0	0	0
Other	-186	-47	0	0
Chg. in cash	24	100	146	185
Beginning balance	106	130	230	376
Ending balance	130	230	376	561

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

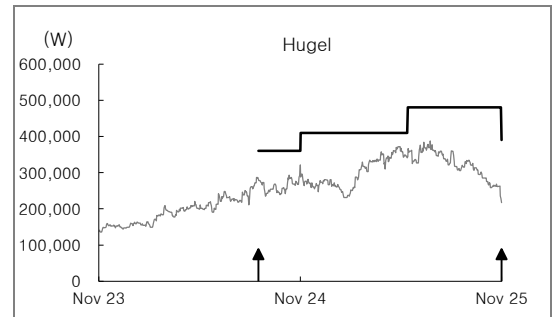
	2024	2025F	2026F	2027F
P/E (x)	25.5	20.7	15.0	12.2
P/CF (x)	18.1	13.3	10.4	8.7
P/B (x)	3.1	2.3	2.0	1.7
EV/EBITDA (x)	17.6	11.1	7.9	5.9
EPS (W)	10,985	11,061	15,218	18,790
CFPS (W)	15,478	17,179	21,880	26,225
BPS (W)	89,876	97,614	112,832	131,622
DPS (W)	0	0	0	0
Dividend payout ratio (%)	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0
Revenue growth (%)	16.7	10.9	18.8	17.2
EBITDA growth (%)	37.7	15.7	28.3	19.9
OP growth (%)	41.1	14.6	31.4	22.0
EPS growth (%)	46.1	0.7	37.6	23.5
AR turnover (x)	8.1	8.2	8.5	8.4
Inventory turnover (x)	9.7	9.3	9.6	9.5
AP turnover (x)	23.5	21.0	22.1	22.4
ROA (%)	15.3	14.4	16.8	17.3
ROE (%)	17.5	15.8	18.3	18.7
ROIC (%)	38.5	36.0	48.2	60.3
Debt-to-equity ratio (%)	11.7	10.9	10.2	9.4
Current ratio (%)	856.1	995.3	1,120.4	1,246.7
Net debt-to-equity ratio (%)	-44.9	-53.8	-62.3	-69.2
Interest coverage ratio (x)	141.1	179.8	173.5	205.9

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Hugel (145020)	11/06/25	Buy	390,000
	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	78.61%	1.73%	19.08%	0.58%
Investment banking services	84.62%	0%	15.38%	0%

* Based on recommendations in the last 12-months (as of September 30, 2025)

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