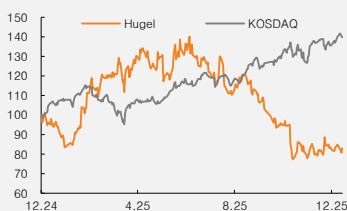


(Maintain)	Buy
Target price	▼ W350,000
Current price (1/8/26)	W230,000
Upside	52.2%

OP (25F, Wbn)	194
Consensus OP (25F, Wbn)	194
EPS growth (25F, %)	-1.8
Market EPS growth (25F, %)	35.0
P/E (25F, x)	21.4
Market P/E (25F, x)	15.6
KOSDAQ	944.06

Market cap (Wbn)	2,830
Shares (mn)	12
Free float (%)	44.2
Foreign ownership (%)	55.5
Beta (12M)	0.86
52-week low (W)	214,000
52-week high (W)	388,000

(%)	1M	6M	12M
Absolute	4.8	-35.8	-12.5
Relative	3.0	-46.6	-33.3



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Hugel

4Q25 preview: Domestic recovery and overseas expansion

4Q25 preview: Revenue of W110.7bn (+13% YoY) and OP of W50.9bn (+10% YoY)

For 4Q25, we expect Hugel to post revenue of W110.7bn (+12.7% YoY) and operating profit of W50.9bn (+9.6% YoY), broadly in line with market expectations (consensus: revenue of W111.6bn and OP of W51.3bn).

We estimate revenue from botulinum toxin products at W64.6bn (+21.3% YoY). Shipments to the four key markets—the US, Europe, Brazil, and China—continued in 4Q25 and were likely reflected in earnings. In China, cumulative sales through 3Q25 had already exceeded full-year 2024 levels, with additional shipments made in 4Q25. In Brazil, commercial sales commenced in 3Q25.

Domestic botulinum toxin and filler revenue likely recovered 13% QoQ and 24% QoQ, respectively. In 3Q25, domestic botulinum toxin revenue fell 36.1% YoY to W14.6bn following price cuts by a key competitor. We believe Hugel was able to achieve a QoQ recovery in 4Q25 through its medical marketing event (H.E.L.F. symposium) held in September, as well as promotional pricing. In particular, volume discounts on 150-unit and 300-unit products (non-core segments for the competitor) appear to have partially offset revenue lost in the 100-unit segment.

In SG&A, we estimate share-based compensation expenses increased by approximately W2bn QoQ in 4Q25, and expect them to be recognized at around W4bn per quarter from 2026 onward. We see no other material one-off expenses.

Cut TP to W350,000, but maintain Buy

We forecast Hugel's 2026 revenue at W492.8bn (+18.2% YoY) and operating profit at W239.5bn (+23.5% YoY). Reflecting a lower target multiple (P/E cut to 28x from 30x), we lower our target price to W350,000 (from W390,000). However, with our target price implying 52.2% upside potential, we reiterate our Buy rating. The share price has declined amid weaker 3Q25 domestic botulinum toxin and filler sales and share price corrections among peers (Classys and PharmaResearch). While weaker domestic sales continue to weigh on near-term earnings, we note that domestic revenue showed signs of recovery in 4Q25, and expect growth in the four key overseas markets to accelerate in 2026. As such, we view the current valuation (12-month forward P/E of 19x) as undemanding. We believe that restoring domestic earnings momentum, alongside sustained confidence in the medium- to long-term growth of overseas botulinum toxin sales, will also be key going forward. Valuation is attractive, with Hugel continuing to trade at lower multiples than domestic peers PharmaResearch and Classys.

(Dec.)	2023	2024	2025F	2026F	2027F
Revenue (Wbn)	320	373	417	493	578
OP (Wbn)	118	166	194	240	303
OP margin (%)	36.9	44.5	46.5	48.7	52.4
NP (Wbn)	93	136	134	148	188
EPS (W)	7,517	10,985	10,792	12,042	15,245
ROE (%)	12.1	17.5	15.4	14.6	15.9
P/E (x)	19.9	25.5	21.4	19.1	15.1
P/B (x)	2.0	3.1	2.4	2.1	1.8
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

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Table 1. 4Q25 preview

(W100mn, %, %p)

	4Q24	3Q25	4Q25F		Growth	
			Mirae Asset	Consensus	YoY	QoQ
Revenue	982	1,059	1,107	1,116	12.7	4.5
OP	465	474	509	513	9.6	7.4
OP margin	47.3	44.8	46.0	46.0	-2.8	2.8
Pretax profit	353	511	444	590	25.7	-13.2
NP	400	368	317	403	-20.7	-13.9

Source: Company data, FnGuide, Mirae Asset Securities Research

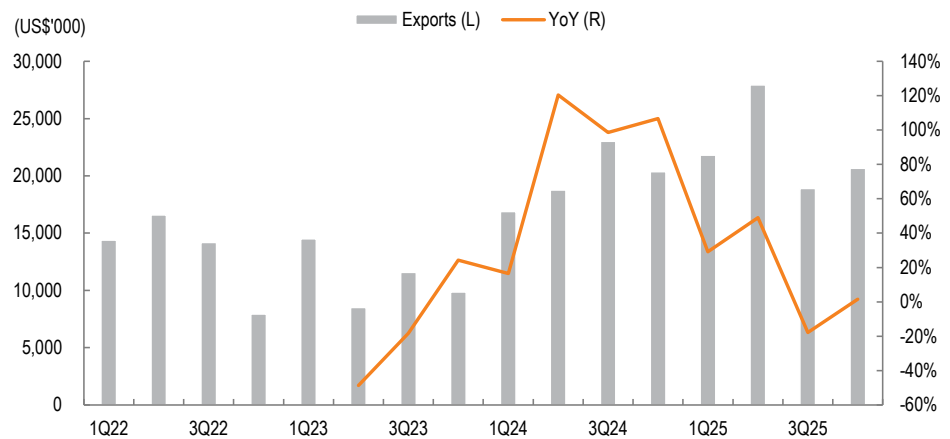
Table 2. Quarterly/annual earnings and forecasts

(W100mn)

	1Q25	2Q25	3Q25	4Q25F	1Q26F	2Q26F	3Q26F	4Q26F	2025F	2026F	2027F
Revenue	899	1,103	1,059	1,107	1,045	1,257	1,302	1,323	4,167	4,928	5,777
YoY	20.9%	15.6%	0.8%	12.7%	16.3%	14.0%	23.0%	19.5%	11.7%	18.2%	17.2%
Botulinum toxin	407	612	602	646	537	725	783	811	2,267	2,855	3,540
YoY	18.8%	20.0%	-7.0%	21.3%	31.7%	18.4%	30.1%	25.6%	11.5%	25.9%	24.0%
Fillers	344	341	302	326	353	374	357	370	1,314	1,454	1,600
YoY	17.7%	-6.5%	1.1%	2.2%	2.6%	9.7%	18.0%	13.3%	3.0%	10.7%	10.0%
Cosmetics	132	136	149	121	139	143	156	127	538	564	581
YoY	38.9%	106.1%	65.6%	3.0%	5.0%	5.0%	5.0%	5.0%	46.1%	5.0%	3.0%
OP	390	567	474	509	460	616	651	668	1,939	2,395	3,033
YoY	62.6%	33.6%	-11.2%	9.6%	18.0%	8.7%	37.4%	31.2%	16.7%	23.5%	26.6%
OP margin	43.4%	51.4%	44.8%	46.0%	44.0%	49.0%	50.0%	50.5%	46.5%	48.6%	52.5%

Source: Company data, Mirae Asset Securities Research estimates

Figure 1. US-bound botulinum toxin export data



Source: TRASS, Mirae Asset Securities Research

Hugel (145020 KQ)

Income statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Revenue	373	417	493	578
Cost of revenue	86	95	118	133
GP	287	322	375	445
SG&A expenses	121	127	135	142
OP (adj.)	166	194	240	303
OP	166	194	240	303
Non-operating profit	-1	-4	-32	-41
Net financial income	14	-7	-32	-41
Net income from associates	0	0	0	0
Pretax profit	165	190	208	262
Income tax	22	50	55	68
Profit from continuing operations	143	140	153	194
Profit from discontinued operations	0	0	0	0
NP	143	140	153	194
Attributable to owners	136	134	148	188
Attributable to minority interests	7	6	5	6
Total comprehensive income	161	141	153	194
Attributable to owners	153	136	149	188
Attributable to minority interests	7	6	4	5
EBITDA	181	214	259	321
FCF	137	166	163	202
EBITDA margin (%)	48.5	51.3	52.5	55.5
OP margin (%)	44.5	46.5	48.7	52.4
Net margin (%)	36.5	32.1	30.0	32.5

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	149	174	163	202
NP	143	140	153	194
Non-cash income/expenses	48	79	106	127
Depreciation	10	14	14	12
Amortization	5	6	6	5
Other	33	59	86	110
Chg. in working capital	-19	13	-9	-9
Chg. in AR & other receivables	-2	-8	-11	-11
Chg. in inventory	-9	-8	-9	-10
Chg. in AP & other payables	0	4	1	1
Income tax	-39	-58	-55	-68
Cash flow from investing activities	42	-47	-65	-68
Chg. in PP&E	-12	-9	0	0
Chg. in intangible assets	-21	-14	0	0
Chg. in financial assets	82	-37	-65	-68
Other	-7	13	0	0
Cash flow from financing activities	-172	-37	1	1
Chg. in financial liabilities	-53	0	1	1
Chg. in equity	67	43	0	0
Dividends	0	0	0	0
Other	-186	-80	0	0
Chg. in cash	24	90	99	134
Beginning balance	106	130	220	319
Ending balance	130	220	319	453

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	523	661	845	1,069
Cash & equivalents	130	220	319	453
AR & other receivables	50	57	68	79
Inventory	43	48	57	67
Other current assets	300	336	401	470
Non-current assets	417	412	395	380
Investments in associates	5	6	7	9
PP&E	151	148	134	122
Intangible assets	196	196	190	185
Total assets	939	1,073	1,241	1,449
Current liabilities	61	94	108	122
AP & other payables	13	14	17	20
Short-term financial liabilities	5	31	33	34
Other current liabilities	43	49	58	68
Non-current liabilities	38	12	13	13
Long-term financial liabilities	35	9	9	9
Other non-current liabilities	3	3	4	4
Total liabilities	99	106	120	135
Equity attributable to owners	804	937	1,085	1,273
Capital stock	7	7	7	7
Capital surplus	394	437	437	437
Retained earnings	1,071	1,154	1,302	1,489
Minority interests	37	30	35	41
Shareholders' equity	841	967	1,120	1,314

Key valuation metrics/ratios

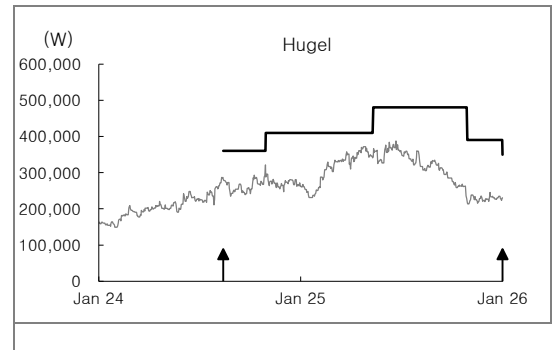
	2024	2025F	2026F	2027F
P/E (x)	25.5	21.4	19.1	15.1
P/CF (x)	18.1	13.1	10.9	8.8
P/B (x)	3.1	2.4	2.1	1.8
EV/EBITDA (x)	17.6	11.0	8.5	6.2
EPS (W)	10,985	10,792	12,042	15,245
CFPS (W)	15,478	17,599	21,045	26,086
BPS (W)	89,876	98,056	110,098	125,343
DPS (W)	0	0	0	0
Dividend payout ratio (%)	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0
Revenue growth (%)	16.7	11.7	18.3	17.2
EBITDA growth (%)	37.7	17.8	21.3	24.0
OP growth (%)	41.1	16.7	23.5	26.6
EPS growth (%)	46.1	-1.8	11.6	26.6
AR turnover (x)	8.1	8.1	8.2	8.2
Inventory turnover (x)	9.7	9.2	9.3	9.3
AP turnover (x)	23.5	20.6	22.0	20.9
ROA (%)	15.3	13.9	13.2	14.4
ROE (%)	17.5	15.4	14.6	15.9
ROIC (%)	38.5	35.5	45.1	58.6
Debt-to-equity ratio (%)	11.7	11.0	10.8	10.3
Current ratio (%)	856.1	701.8	785.0	877.1
Net debt-to-equity ratio (%)	-44.9	-52.6	-59.7	-66.1
Interest coverage ratio (x)	141.1	-543.1	-164.9	-202.8

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Hugel (145020)	01/09/26	Buy	350,000
	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	79.76%	1.19%	19.05%	0%
Investment banking services	83.33%	0%	16.67%	0%

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

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