



No.1 Worldwide
K-Beauty
Platform
SILICON2



Silicon2

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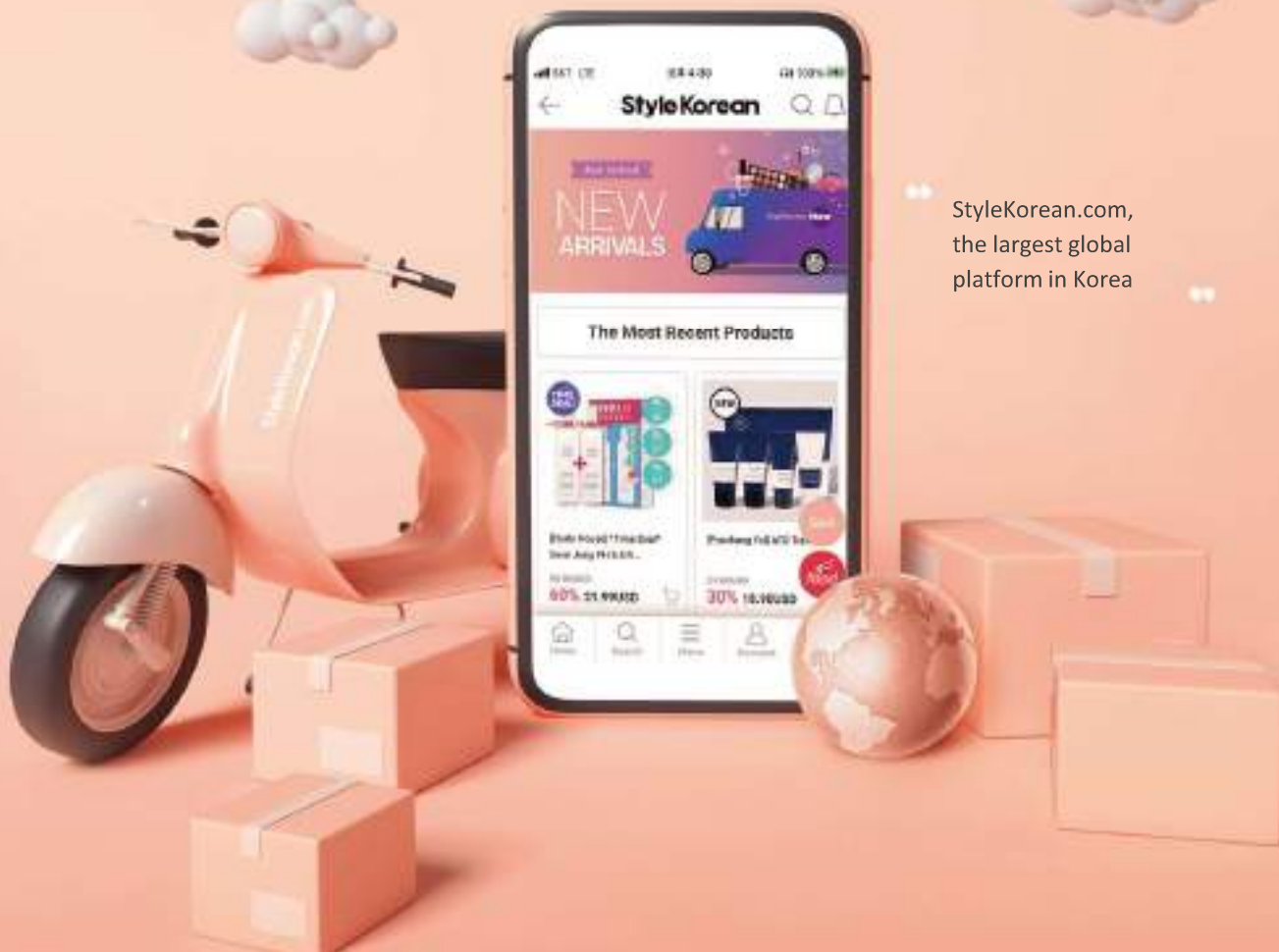
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StyleKorean.com,
the largest global
platform in Korea

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Rise of K-Culture and SILICON2

K-Game



Ranked 1st in global annual revenues and entry into the Indian market

K-Movie



'Decision to Leave' won Best Director Award at Cannes

K-Drama



'Bargain' won Best Screenplay Award at Canneseries

K-Pop



BTS, Super M, Stray kids won four Billboard Music Awards

K-Beauty



Hidden heroes behind great success

Publisher



Distributor



Entertainment Agency



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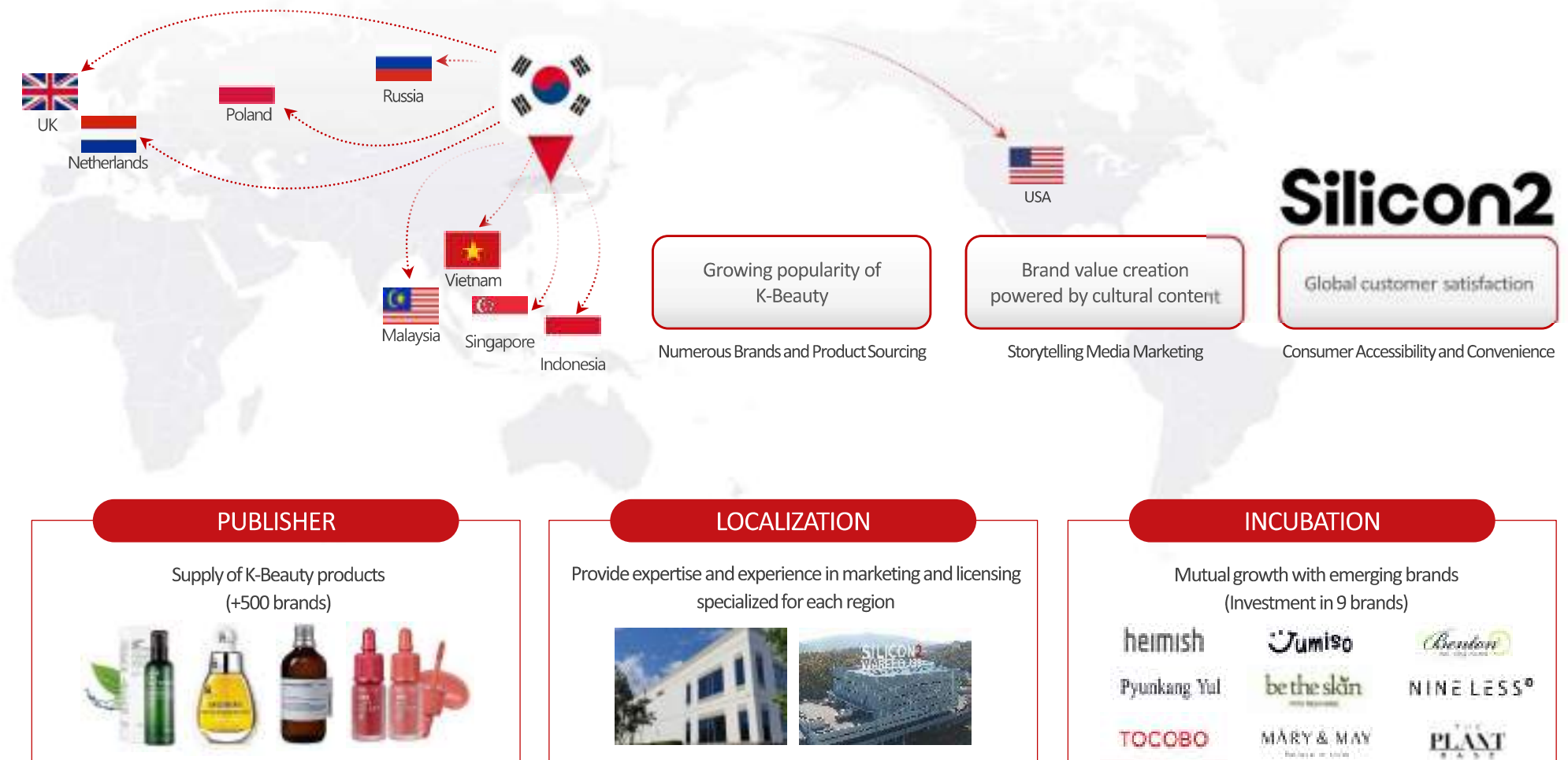


Design, Distribute and Promote K-Beauty by **Silicon2**

→ SILICON2 is a global E-Commerce platform for K-Beauty

Value Creator Beyond E-Commerce, SILICON2

SILICON2 is expanding overseas with a constant and diverse stream of emerging K-Beauty brands and products





Chapter 01

K-Beauty & E-Commerce

01_ Growth Factors of K-Beauty

02_ Risks of K-Beauty

Growth Factors of K-Beauty

Satisfying various trends and global demands through online channel expansion with K-Beauty's massive infrastructure

Optimized production infrastructure for the growing beauty industry

Strong Upstream Environment in the Cosmetics Industry



Increase in exports to China



Increase in OEM · ODM cosmetics manufacturers



Increase in container · subsidiary material manufacturers



+20,000 cosmetic brands

Expansion of production infrastructure
→ Easier to create one-person brand

K-Brand Growth

Entertainment Powerhouse

BTS, BLACKPINK

Super M, Stray kids

Technology Powerhouse

Samsung Electronics, Hyundai Motors

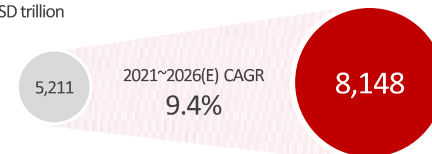


Growing K-Brand competitiveness in technology and cultural entertainment

E-Commerce Growth

Global E-Commerce Market Size

Unit: USD trillion



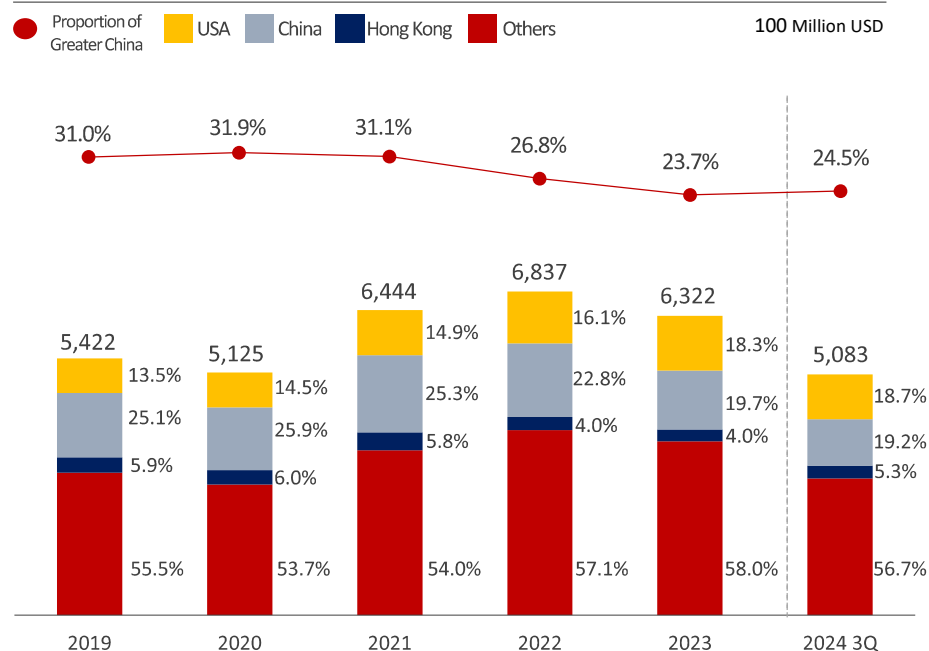
Online channel growth
→ Improved accessibility for small business brands



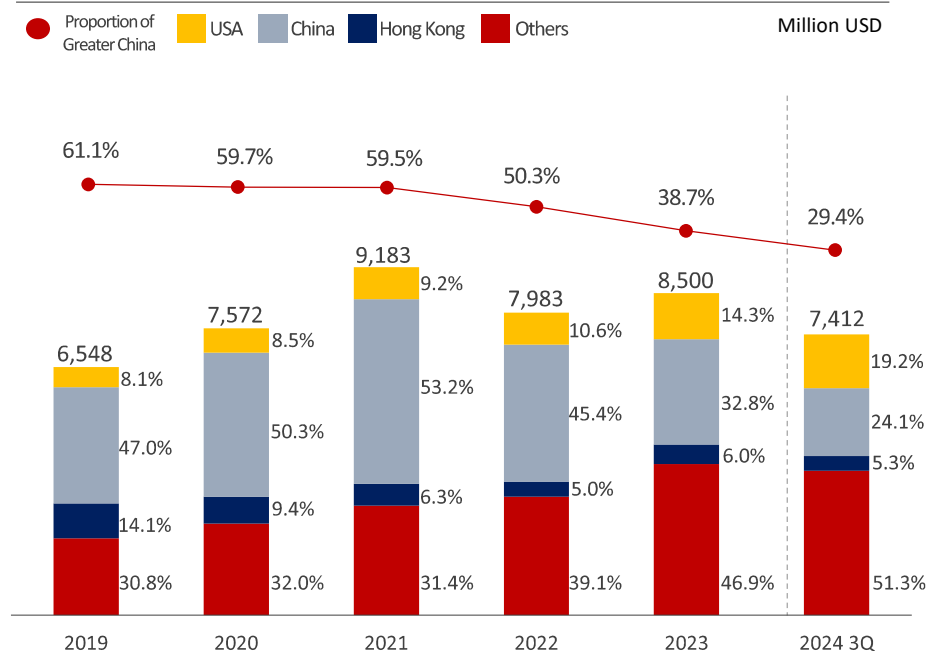
'Made in Korea' with K-content and technology
→ Shared growth with K-Beauty, K-POP, K-Food, K-Fashion

Korea's share of total exports and cosmetics exports (by country)

Total export market share by USA and Greater China



Global cosmetics export market share by USA and Greater China



Logistics threat + Guo Chao craze ⇒
Decline in China market exports = Decline in China market cosmetics export

Source : KCI, Unipass Import/Export Trade Statistics

Guo Chao Craze : Rising incomes and patriotic education drive the Chinese MZ generation to use domestic products



Chapter 02

SILICON2, E-Commerce Platform Connecting K-Beauty with the World

- 01_ No.1 K-Beauty E-Commerce Platform Company
- 02_ Successful Growth Driven by Change and Innovation
- 03_ Business Model Differentiation
- 04_ Achieving Solid and Sustainable Business Performance (1), (2), (3), (4)

No.1 K-Beauty E-Commerce Platform Company

SILICON2, the largest K-Beauty E-commerce platform business in Korea

Company Overview

Company Name	SILICON2 CO., LTD.
CEO	Kim, Sung Woon
Establishment	Jan 19, 2002
Capital Stock	KRW 30.5billion
No. of Employees	245 (excluding overseas personnel in USA, Indonesia and others)
Business Area	K-Beauty Wholesale, Retail, V-Commerce
Headquarters	S-907, H-SQUARE 231, Pangyoyeok St , Bundang-Gu, Seongnam-City, Gyeonggi-Do, Republic of Korea
Website	www.siliconii.com

Senior Management



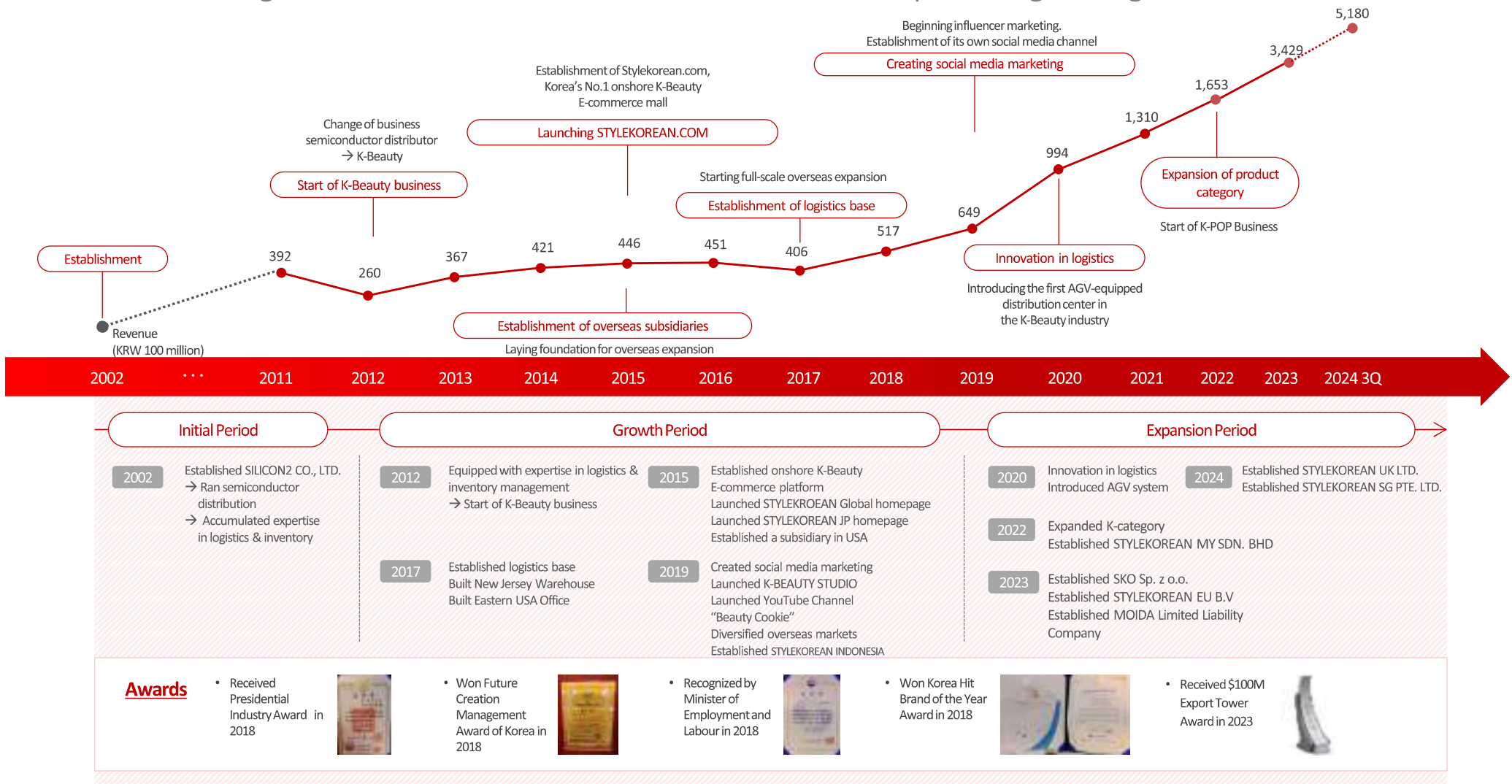
Kim, Sung Woon Chairman & Founder

- 2002~ present
SILICON2 CO., LTD. Chairman & Founder
- 2018
 - Recognized by Minister of Trade, Industry and Energy at E-commerce Export Market on Trade Day
 - Recognized by Minister of Employment and Labour
 - Won 2018 Future Creation Management Award of Korea
- 2019
 - Won 2018 Korea Superb Brand Awards

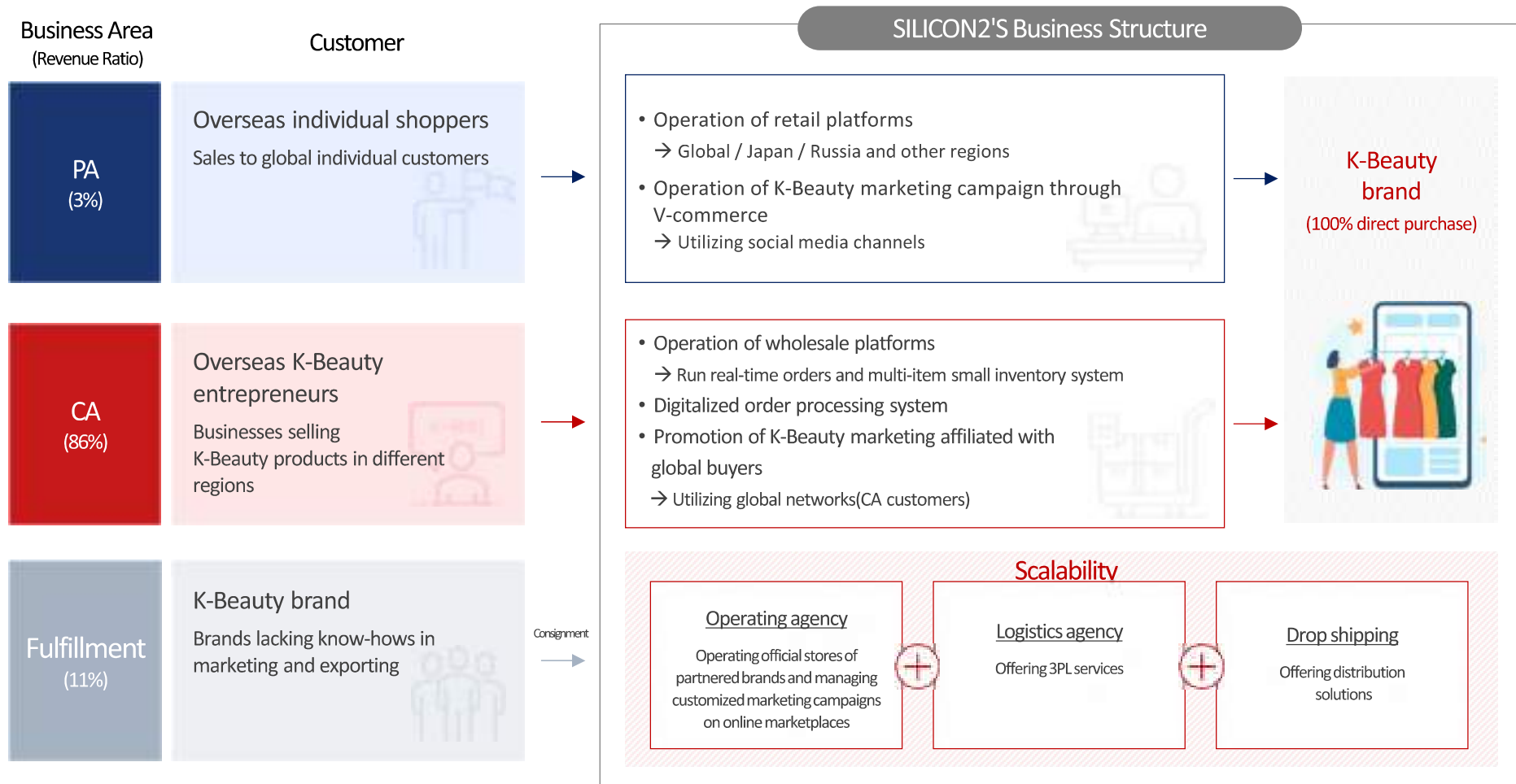
Name	Title	Role	Career and Work Experiences
Son, In Ho	Vice President	CFO	<ul style="list-style-type: none"> • 2016 ~ Present : SILICON2 CO., LTD. • 2009 ~ 2014 : Stonebridge Capital Inc.(CFO) • 2007 ~ 2009 : Goldman Sachs Asset Management Korea (CMO) • 2000 ~ 2007 : Macquarie IMM Asset Management(CFO) • 1998 ~ 2000 : IMM Investment (Co-founder)
Choi, Jin Ho	Vice President	COO	<ul style="list-style-type: none"> • 2012 ~ Present : SILICON2 CO., LTD. • 1998 ~ 2011 : Dong-woon International Inc. • 1996 ~ 1998 : YOUNG POONG Precision Inc.

Successful Growth Driven by Change and Innovation

Leading the E-commerce onshore market for K-Brands with expertise in global logistics



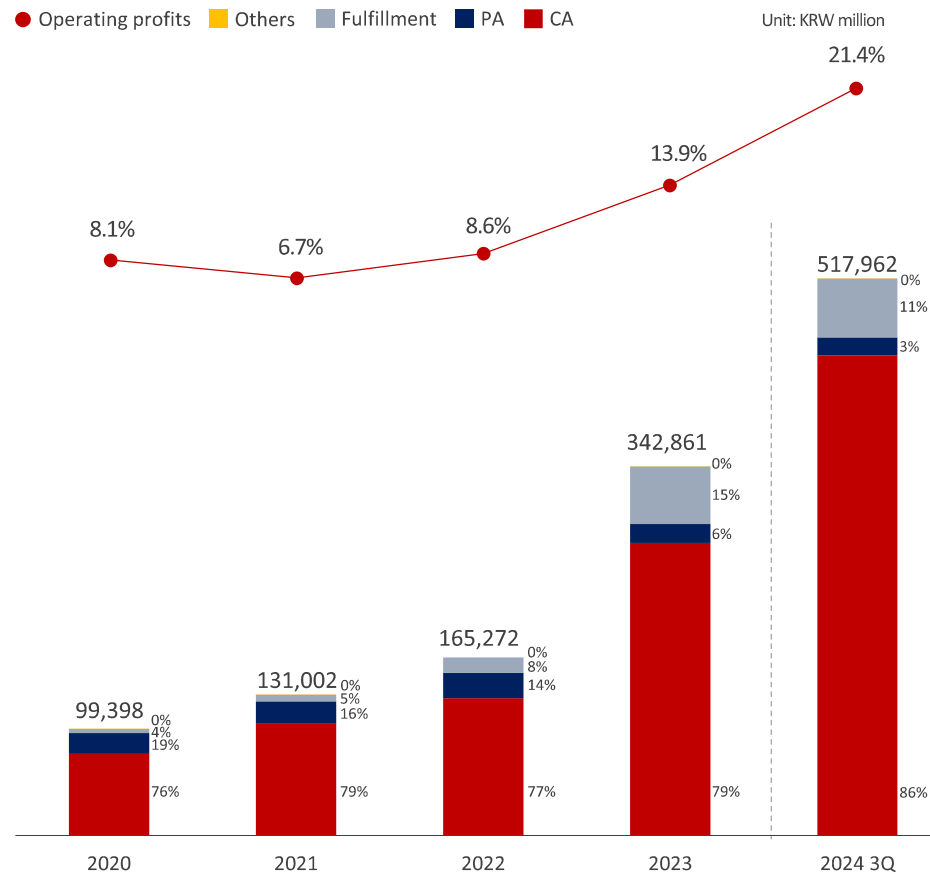
Creating Value through the E-commerce platform that best fulfils customer needs



Achieving Solid and Sustainable Business Performance (1)

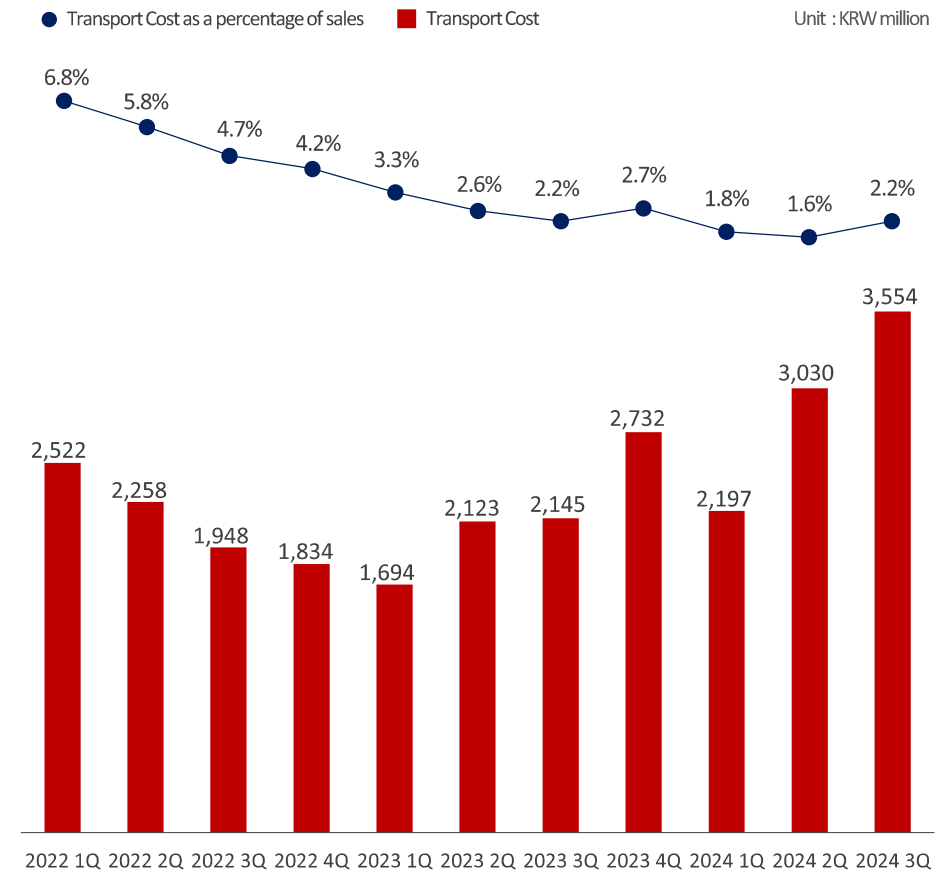
Achieving robust performance driven by synergy between business units

Revenue Trends by Business Unit



Source: K-IFRS

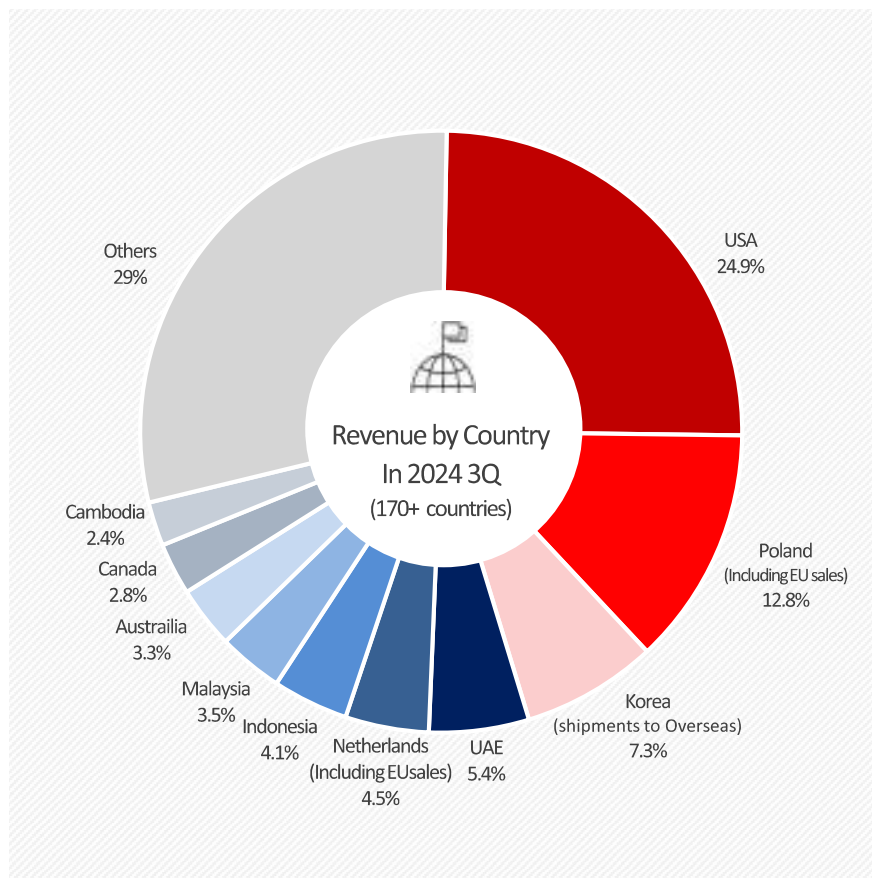
Transportation Cost Trends



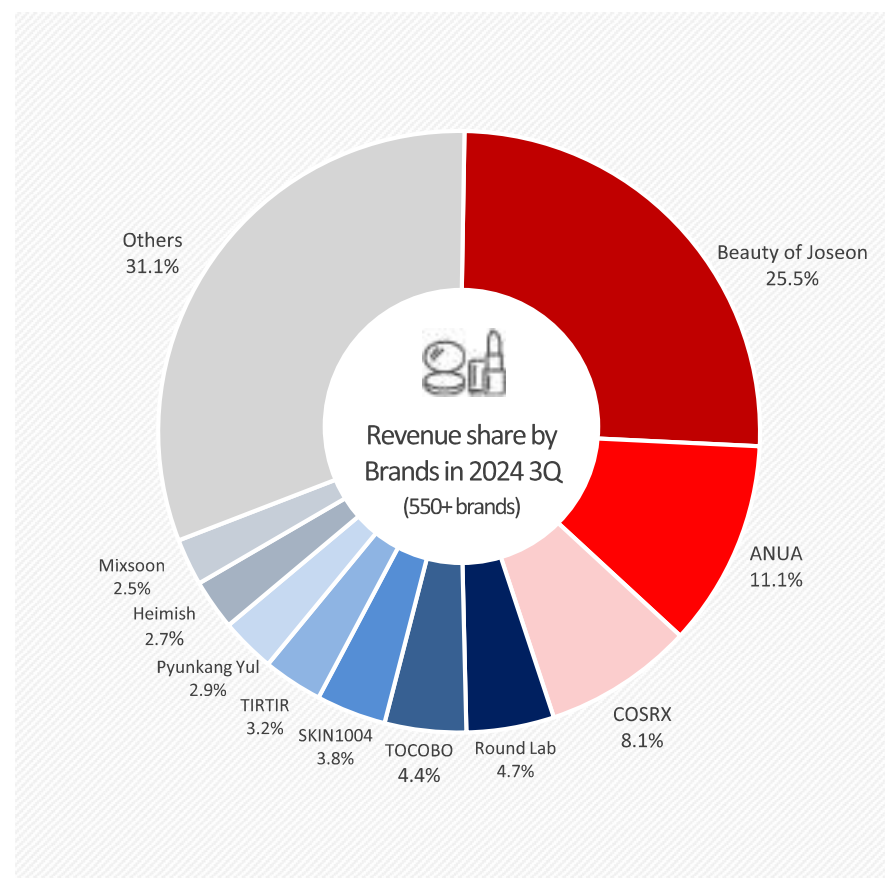
Achieving Solid and Sustainable Business Performance (2)

Minimizing risks by diversifying export markets (0% export to China) → Achieve robust business performance

Revenue Share by Country



Revenue Share by Top 10 Brands

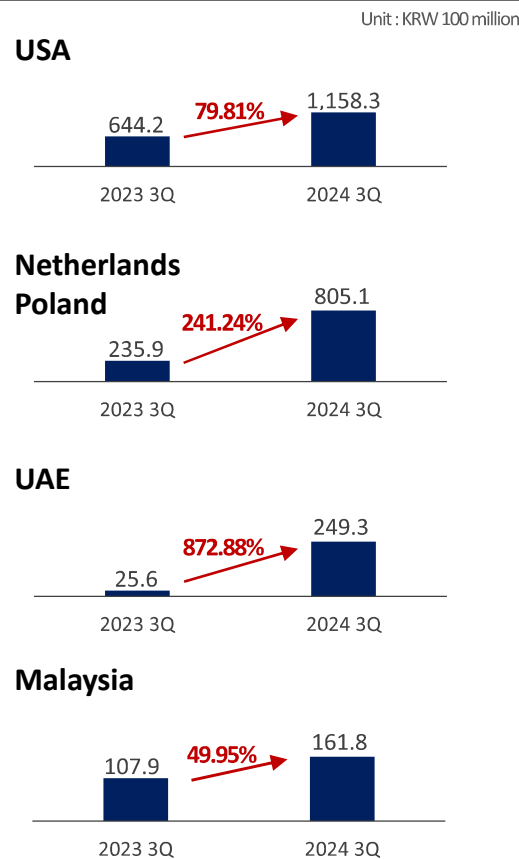


Source : Cumulative Annual Sales of Our Entire Business Based on Fulfilled Orders from Our Internal ERP System

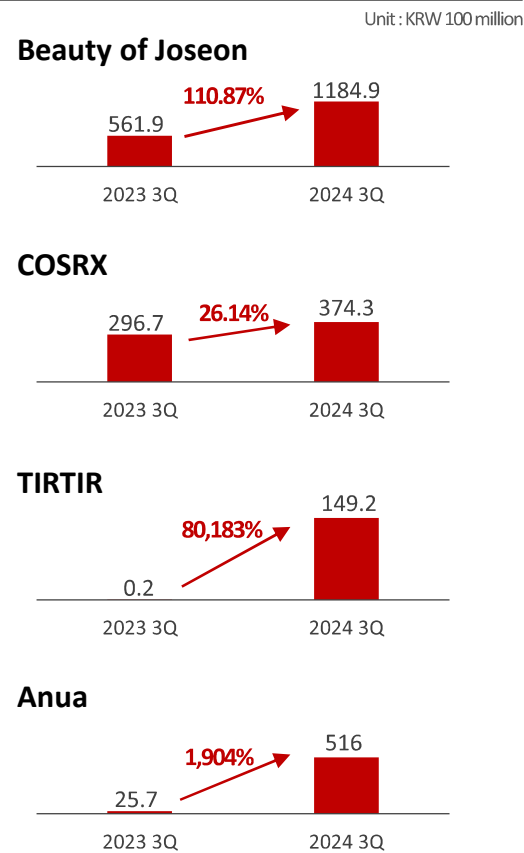
Achieving Solid and Sustainable Business Performance (3)

Solid sales growth by country and brand

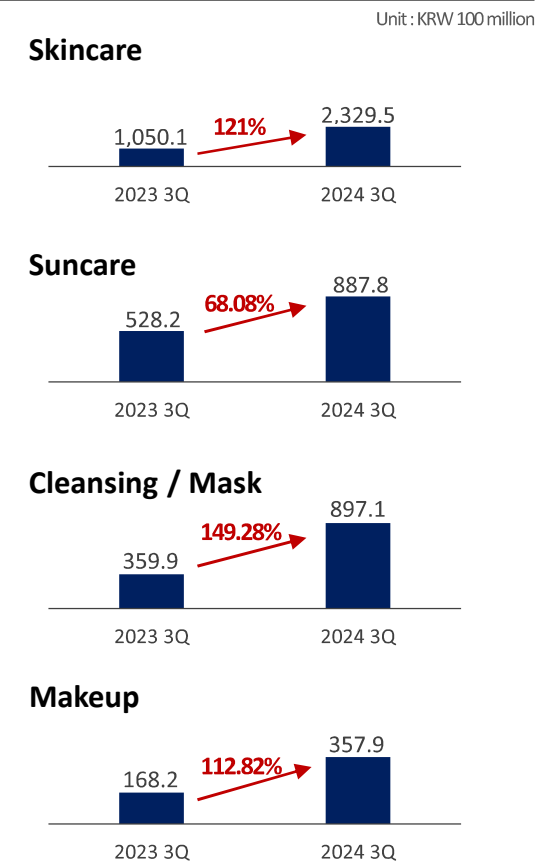
Sales Growth by Major Country



Sales Growth by Major Brand



Sales Growth by Types of Cosmetics



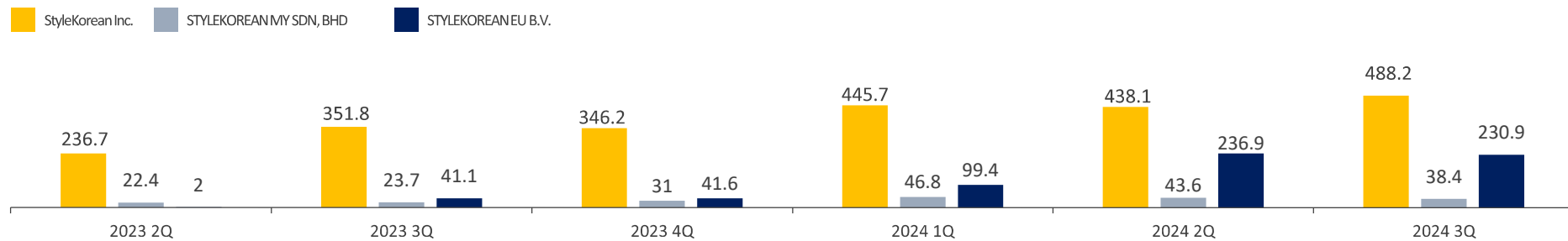
Source : Cumulative Annual Sales of Our Entire Business Based on Fulfilled Orders from Our Internal ERP System

Achieving Solid and Sustainable Business Performance (4)

Continuous growth of branches overseas

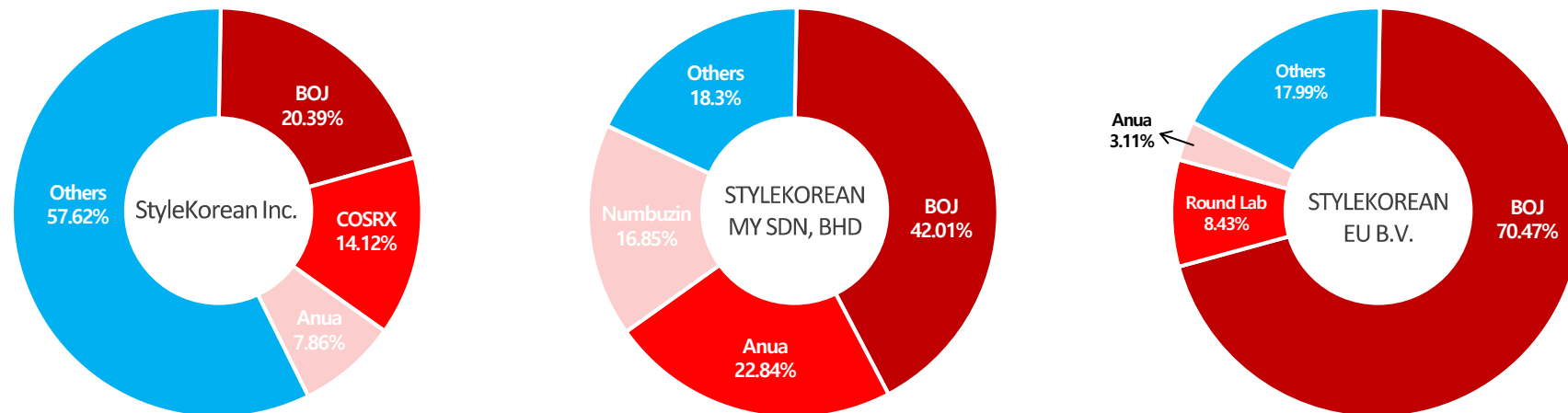
Sales Trends by Branch

Unit : KRW 100 Million



Top 3 Brand Sales by Branch

Based on 2024.3Q



Source : Cumulative Annual Sales of Our Entire Business Based on Fulfilled Orders from Our Internal ERP System

No.1 Worldwide K-Beauty Platform

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Chapter 03

SILICON2's Grounded Confidence

01_ Global Marketing, Branding
through Social Media

02_ Global Fulfillment & Cross-border Logistics

03

Global Marketing, Branding through Social Media

Raising brand awareness and boosting growth for small and medium-sized brands through content creation optimized for global marketing

SILICON2's Owned Media



Instagram
stylekorean_arabia

Youtube
MOIDA

Tiktok
stylekorean_official

4M+ followers through diverse social media channels

Effective marketing with various channels, 'One source multi-use'

- Securing diverse channels such as YouTube, Instagram, Facebook, Tiktok, Twitter and others
- Producing and distributing contents through two owned studios

Influencer Pool



25,000+ influencers in 68 countries

Leading trends of K-culture, K-pop culture & K-Beauty

- Planning and producing K-Beauty & entertainment contents with famous beauty influencers in every country
- Organizing local influencer fan meetings
- Effective exposure through partnership with leading influencers

V-Commerce



Influencer promotion
(LUCKY BOX)



Influencer Live Stream

Running live-commerce and home shopping shows through partnership with influencers

Brand exposure through diverse promotions

Running brand /product seeding marketing

- Attracting customers through free product promotions around the world such as Try Me Review Me or Giveaways.
- Organizing viral marketing with video contests joined by foreign influencers (GURUS)

Promotional Box Marketing



Collaboration with an Influencer



Laying the foundation for LaaS business(Logistics-as-a Service) by strengthening end-to-end service capacity

What is Fulfillment?

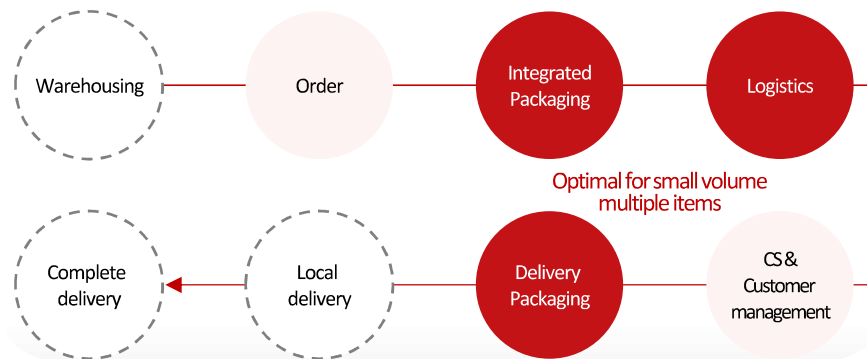
A comprehensive process that handles services ranging from warehousing to inventory management, sorting, delivery as well as follow-up services



*AGV : Automated Guided Vehicle

SILICON2'S Automatic Logistics System

Self-developed optimized solution → Establishment of automatic logistics system
→ Enables expansion of Fulfillment



Expected Benefits

- 01_ Systematic inventory management and fast delivery
- 02_ Digitalized platform for order, payment and delivery
- 03_ Labor cost reduction and improved efficiency by AGV





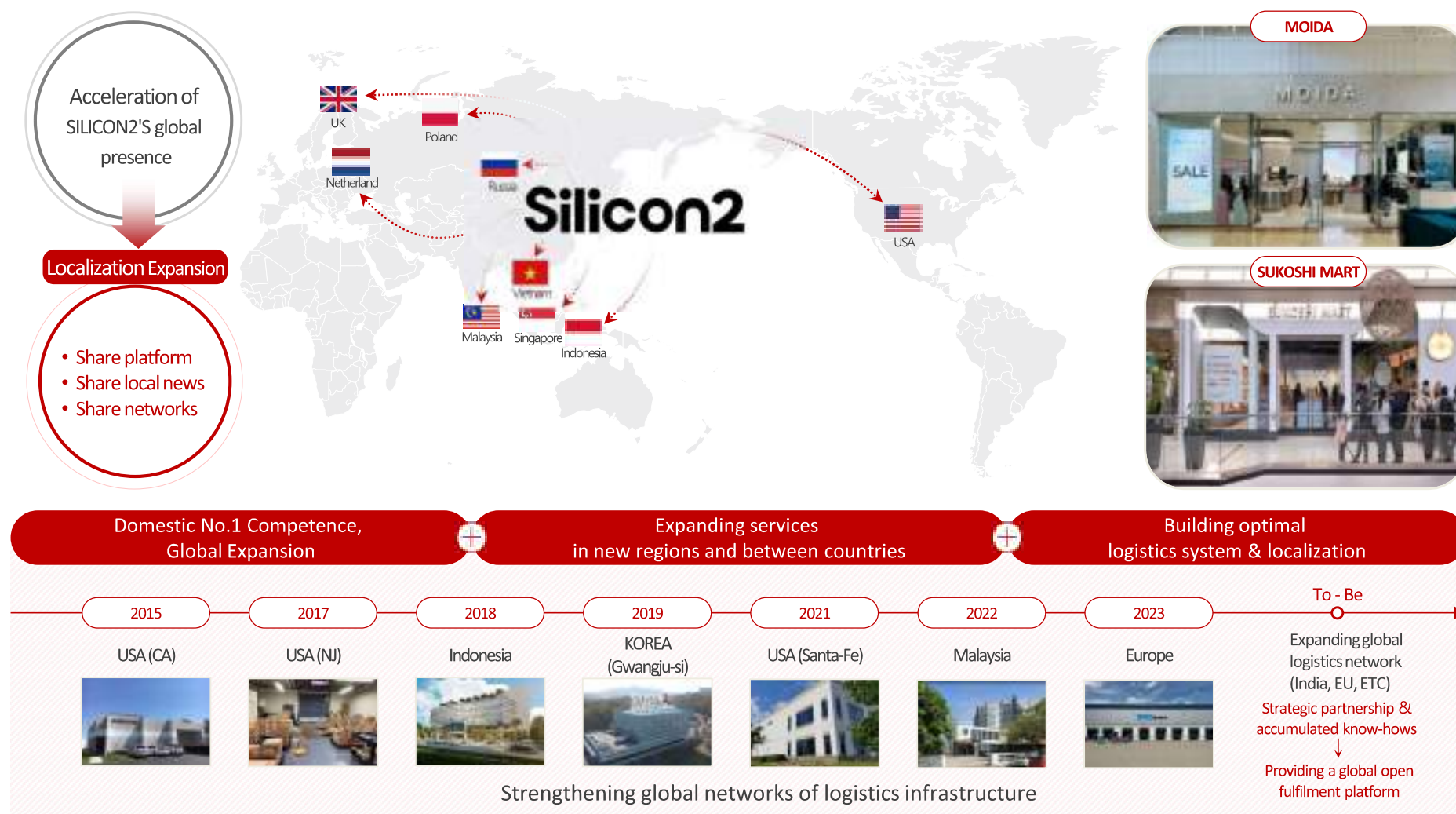
Chapter 04

SILICON2, Leading K-Beauty Worldwide

- 01_ Expanding Localization through Accelerating Global Bases
- 02_ Expansion of Category to K-Food, K-Fashion and K-Style
- 03_ Mutual Growth through Equity Investment in K-Brand Shares

Expanding Localization through Accelerating Global Bases

Sharing an end-to-end service worldwide → Boosting growth through localization



Expansion of Category to K-Food, K-Fashion and K-Style

Utilizing the success of K-Beauty to diversify product line ups through supplying various K-Brands

Expansion of K-Brand Line Ups

- Accumulating data on sales and global/local customers highly interested in K-Brands
- Utilizing SILICON2's experience in global marketing and exports
- Developing competitive domestic small and medium-sized brands



High Scalability empowered by platform

StyleKorean.com

Diversification of product line ups
by expanding K-Brand category

K-Beauty



K-Food

K-Fashion

K-Style

Various K-Brand line-ups launching in 2024

K-Food



Health Functional
Foods



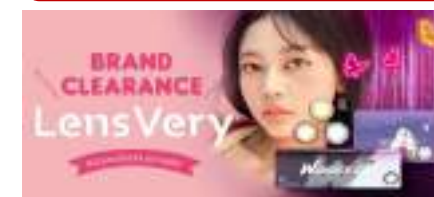
K-POP



K-Fashion



K-Style



Source: Company internal data

Mutual Growth through Equity Investment in K-Brands

Seeking to grow together with major K-Brands by equity investment and partnership

Synergy Effects from Partnership with K-Beauty Brands

K-Beauty Brand







- Product Planning Capability
- Product Manufacturing Capability

SILICON 2

- Marketing Capability
- Logistics Infrastructure
- Global Networks

Nurturing K-Brands with high potential for success in global expansion

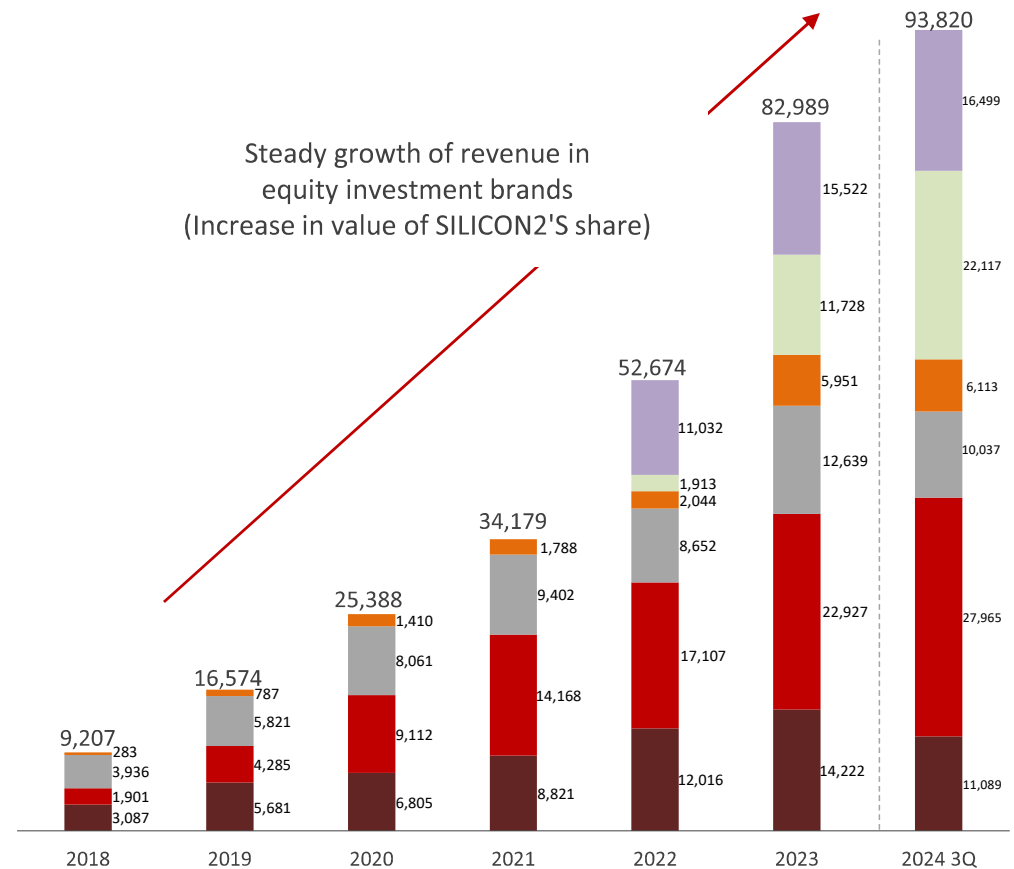
unit: KRW million

Category	ONEAND	Benton	Pyunkang Yul	Hello Skin	Picton	Aid Korea Company
						
Initial Investment Date	2016.03	2016.11	2017.12	2018.02	2021.05	2021.10
Investment Amount (Share ratio)	400 (23.4%)	300 (25%)	300 (10%)	50 (25%)	300 (30%)	1,300 (31.25%)
Revenue CAGR ('20~'23)	20.23%	11.9%	12.79%	35.06%	454.18%	14.17%

Investment of Additional Brands
(JCN Company, BE THE SKIN, The Plant Base, Hyaah)

Revenue Trends of Equity Investment Brands

ONEAND Pyunkang Yul Benton Hello Skin Picton Aid Korea Company unit: KRW million



VISION



APPENDIX

Statement of Comprehensive Income [Abstract]

100 million Won

	2024 3Q	2023	2022
	2024. 1. 1. ~	2023. 1. 1. ~	2022. 1. 1. ~
	2024. 9. 30.	2023. 12. 31.	2022. 12. 31.
Revenue	5,179.6	3,429	1,652.7
Gross profit	1,766.8	1,151	527.6
% Margin	34.11	33.6	31.9
Operating income	1,109.9	478	142.4
% Margin	21.43	13.9	8.6
Profit before tax	1,105.8	481	142.7
% Margin	21.35	14.0	8.6
Profit	887.4	380	111.6
% Margin	17.13	11.1	6.8

Statement of Financial Position [Abstract]

100 million Won

	2024 3Q	2023	2022
	2024. 9. 30.	2023. 12. 31.	2022. 12. 31.
[Current assets]	2,580.1	1,363.9	732.3
• Quick assets	1,349.6	578.6	446.3
• Current inventories	1,230.5	785.4	286.0
[Non-current assets]	1,591.1	788.8	559.9
• Investment assets	244.1	162.3	103.5
• Property, plant and equipment	1,319.3	592.1	441.1
• Intangible assets	15.2	6.6	0.9
• Other non-current assets	12.6	27.8	14.3
Total assets	4,171.2	2,152.7	1,292.2
[Current liabilities]	1,841.4	741.8	286.1
[Non-current liabilities]	99.9	61.4	42.2
Total liabilities	1,941.4	803.2	328.3
[Issued capital]	305.4	303	301.9
[Capital surplus]	308.0	301.8	296.3
[Other Comprehensive income/loss accumulated amount]	17.8	28.4	27.1
[Elements of other stockholder's equity]	3.2	8.4	10.7
[Retained earnings]	1,595.4	708.1	327.9
Total equity	2,229.9	1,349.5	963.9