

Leading global culture through K-Culture and K-Beauty collaboration



K-Beauty Global Distribution Platform

Business Plan

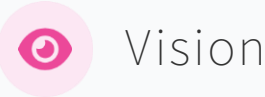
Building an Integrated Online & Offline Distribution Hub
Creating New Value in the Global Beauty Market

Co-organized by the K-Beauty Association and DataCity WeMarket Co., Ltd.

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Business Overview & Vision



Vision

Building a K-Beauty Global Distribution Hub Platform

Our goal is to build an innovative online & offline integrated distribution hub that connects K-Beauty brands with consumers worldwide. We present a strategy to create value for K-Beauty in the global market and achieve sustainable growth.



Global



Digital



Mission

Providing an Integrated Online & Offline K-Beauty Omnichannel Experience

By integrating digital technology with offline experiences, we highlight our market differentiation by offering consumers a rich and highly trusted K-Beauty experience.



Offline Experience



Data-Driven

Key Keywords



Global



Digital



Offline
Experience



Data-Driven



Revenue
Diversification

Key Keywords & Business Positioning

Key Keywords



Global

Building global market access and a multinational distribution network



Digital

Building an efficient distribution system through digital platforms and technology



Offline Experience

Direct product experience and consumer interaction through pop-up stores



Data-Driven

Providing personalized services through consumer data analysis



Revenue Diversification

Securing diverse revenue streams including platform fees, advertising & marketing, and subscription services

Business Positioning



Integrated Distribution Hub

We will secure a distinctive market position as an **Integrated Distribution Hub** connecting K-beauty brands with global consumers.



Market Differentiation

Unlike conventional online-focused distribution channels, we integrate digital technology with offline experiences to offer consumers a richer and more trustworthy K-Beauty experience.



Brand



Consumer



Partner

Global Beauty Market Overview



Global Beauty Market Growth Trend

- ✓ The global beauty market continues to show steady growth
- ✓ The digitalization of beauty consumption patterns combined with offline experiences is increasing
- ✓ Korean beauty brands are actively expanding into overseas markets

Currently, K-Beauty brands' overseas expansion is mainly sporadic, centered on offline pop-up stores



K-Beauty Demand Expansion Trend

Rising demand trend for K-beauty

Sustained growth



Innovation

Unique and experimental K-Beauty product design and technology



Quality

K-Beauty products boasting high quality and performance



Hallyu Cultural Influence

Spreading global popularity through K-Pop and K-Dramas

Market Opportunity Analysis

The overseas expansion of K-Beauty brands is currently sporadic, and the following market gaps represent golden opportunities.



Lack of Integrated Platform

The absence of an integrated distribution platform with multilingual support, global logistics integration, and systematic brand promotion makes it difficult for K-Beauty brands to effectively enter the global market.

+ solvable gap



Fragmented Overseas Expansion

The short-term and sporadic overseas expansion method centered on offline pop-up stores has limitations in building sustained brand awareness and acquiring customers.

+ limited approach



Emergence of New Consumption Patterns

A new beauty consumption pattern combining digital and offline is emerging as a global trend, increasing demand for platforms that provide such omnichannel experiences.

+ emerging trend



Conclusion: These gaps create a prime opportunity to lead a dedicated K-beauty Global Distribution Hub and build an omnichannel platform connecting brands, consumers, and partners.

Phased Market Entry Strategy

2025

2026

2027

Phase 1 (2025)

Initial Launch & MVP

- ✓ Online platform development + concurrent offline pop-up store strategy
- ✓ Omnichannel strategy combining digital accessibility and offline experience
- ✓ Acquiring initial loyal customers through Japan pop-up stores

Performance Targets
100,000 members in the first year,
50+ brands listed

Phase 2 (2026)

Global Expansion

- ✓ Entry into US and European markets and platform enhancement
- ✓ Expanding local customer touchpoints through global beauty trade show participation
- ✓ Launch of subscription service (regular beauty box)

Performance Targets
1 million cumulative members, 200+
global brands listed

Phase 3 (2027)

Mass Marketing & Offline Expansion

- ✓ Global marketing campaigns and large-scale pop-up store expansion
- ✓ Integrated analysis of online & offline customer data
- ✓ Introduction of membership program and VIP experience events

Performance Targets
5 million+ cumulative members, 500+
global brands listed

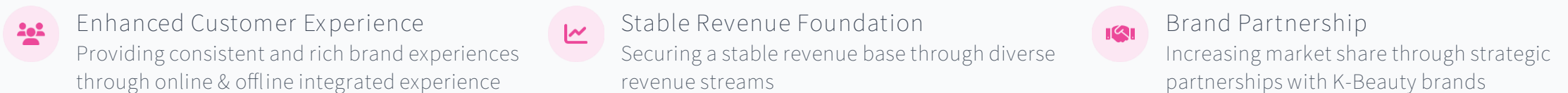
Business Model Overview

Integrated Distribution Hub Model

Omnichannel strategy connecting K-Beauty brands with global consumers



Value of the Business Model



Core Online Platform Features



Multilingual & Multi-currency Support

- ✓ Enabling consumers worldwide to shop in their native language and currency
- ✓ Enhanced accessibility for multinational consumers
- ✓ Global payment system integration

Korean English Chinese Japanse



Global Payment System

- ✓ Enabling easy global access to K-Beauty products
- ✓ Building a secure payment processing system
- ✓ Support for diverse payment methods

Credit Card Digital Wallet Bank Transfer



Brand Story Showcase Space

- ✓ Providing a platform to showcase brand stories and products
- ✓ Brand-specific customizable space
- ✓ Chat/inquiry system for consumer interaction

Brand Story Product Information Promotional Content



Global Logistics Integration System

- ✓ Global logistics integration
- ✓ Real-time inventory management system
- ✓ Shipping tracking and notification system

Worldwide Shipping Tracking Logistics

Offline Pop-up Store Strategy

Pop-up Store Strategy

Pop-up stores operating in major global cities provide consumers with opportunities to directly experience K-Beauty products and interact with them.

Strategic Purpose

- ✔ Strengthening brand trust and loyalty
- ✔ Maximizing online conversions
- ✔ Building sustained brand awareness



Strengthening interaction with digital channels through offline experiences

Worldwide Pop-up Store Operations



Pop-up Store Operation Method



Various Events

Operating programs including experiential events, workshops, and live beauty shows



Target Customer Customization

Customized experience programs tailored to each country's skin type and culture



Online-Offline Integration

Integrated marketing strategy linking offline experience with online purchases

Revenue Model Diversification Strategy

The platform builds the following diversified revenue model to secure a stable revenue base and reduce reliance on any single revenue stream.

Platform Commission

- ✓ A platform commission of 10%~20% of the sales amount is charged when K-Beauty brands sell their products on the platform
- ✓ Generating additional revenue by offering paid options such as premium product placement and top search result positioning

Advertising & Marketing

- ✓ Securing brand promotion and marketing fees through partnerships with global influencers (YouTubers, TikTokers)
- ✓ Selling feed and banner advertising products within the platform
- ✓ Providing targeted marketing and campaign agency services for listed brands

Subscription Service

- ✓ Operating a subscription service for regularly receiving K-Beauty product sets to generate consistent revenue
- ✓ Increasing customer loyalty and generating additional revenue through membership discounts and premium membership programs

Off line Event Revenue

- ✓ Securing revenue generated from global beauty exhibitions, trade shows, and pop-up store operations
- ✓ Revenue diversification through brand promotion direct sales and event participation fees

The diversified revenue model ensures the platform's sustained growth and stability

Competitor Analysis – Silicone Two

Business Model



B2B

Direct purchase and global distribution of K-Beauty products



B2C

Operating reverse-commerce mall StyleKorean.com



Fulfillment

AGV-based automated logistics system



Brand Incubation

Discovering and nurturing new K-Beauty brands while supporting global marketing

Financial Performance

2024 Revenue

KRW 691.5 billion

2024 Operating Profit

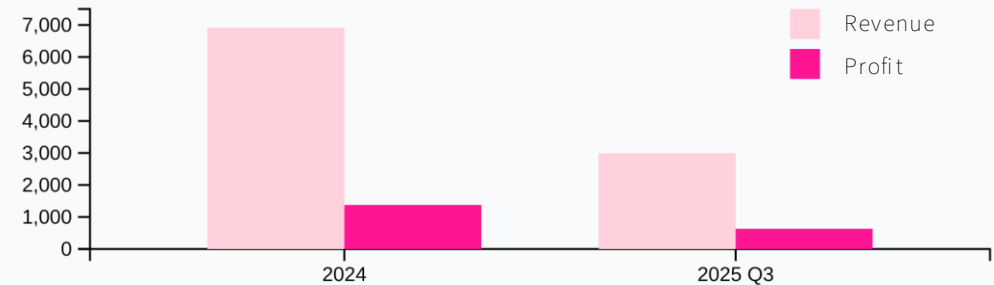
KRW 137.6 billion

Q3 2025 Revenue

KRW 299.4 billion (+60.4%)

Q3 2025 Operating Profit

KRW 63.1 billion (+48.1%)



Market Cap

KRW 2.5~2.8 trillion

Operating Margin

19~21%

ROE

60.9%

Differentiation Strategy & Competitive Advantage

	K-Beauty Global Distribution Platform	Silicon2
 Online & Offline Integration	Our platform differentiates itself through an omnichannel strategy that combines digital and offline experiences.	Silicon2 mainly focuses on online channels.
 Omnichannel Experience	We organically connect our online platform and offline pop-up stores to provide a consistent and rich brand experience.	Silicon2 operates offline pop-up stores but has not achieved a complete omnichannel experience.
 Integrated Data Analytics	We integrate and analyze online & offline customer data to execute personalized targeted marketing.	Silicon2 takes a data-driven approach but lacks an integrated analytics system.
 Global Distribution Hub	We build an integrated distribution hub connecting K-Beauty brands with global consumers.	Silicon2 has 7,000+ clients in 175 countries.
 Brand Management & Promotion Tools	We provide powerful tools that enable listed brands to independently manage product information, plan promotions, and conduct marketing activities.	Silicon2 mainly focuses on brand incubation.
 Global Logistics Integration	We integrate with various logistics partners to build a stable supply chain for efficient global shipping and inventory management.	Silicon2 has an automated logistics system based on AGV (Autonomous Guided Vehicles).

Integrated Marketing Strategy

We expand customer touchpoints through an omnichannel marketing strategy that organically combines digital and offline channels, and execute personalized marketing by integrating and analyzing online & offline customer data.

Digital Marketing

Global Fashion/Beauty Influencer Partnership

 We collaborate with influential influencers on major social media platforms like YouTube and TikTok to produce K-Beauty brand stories and tutorial videos.

Content Localization

 We create customized content tailored to each country's skin type and cultural characteristics to build resonance with local consumers.

Offline Marketing

Participation in Global Beauty Trade Shows and Industry Events

 We participate in major international beauty trade shows to raise awareness of the K-Beauty platform and expand touchpoints with potential partners and consumers.

K-Beauty Experience Pop-up Store Operations

 We operate K-Beauty experience pop-up stores in major cities including New York, Paris, London, and Singapore to provide consumers with opportunities to directly experience products.

Integrated analysis of online & offline customer data

By integrating and analyzing customer data collected from our online platform and pop-up stores, we deliver personalized messages by country, skin type, and age group. We maximize the offline purchase conversion rate through digital promotion.

Global Influencer Partnership



Global Influencer Collaboration

We collaborate with influential influencers on major social media platforms like YouTube and TikTok to produce K-Beauty brand stories and tutorial videos.



YouTube Influencers

We produce in-depth K-Beauty content through partnerships with professional makeup artists and beauty columnists.



TikTok Influencers

We effectively deliver progressive and engaging K-Beauty trend content to younger consumer segments.

Content Goals

♥ Increasing Brand Loyalty

🔗 Social Media Virality



Country-specific Localization Content

We create customized content tailored to each country's skin type and cultural characteristics to form resonance with local consumers and encourage engagement.



Skin-Type Tailored Content

We create content featuring K-Beauty product recommendations and usage guides tailored to the main skin concerns and types in each country.



Cultural Adaptation

We increase local consumer understanding with content that reflects regional cultural characteristics and makeup trends.

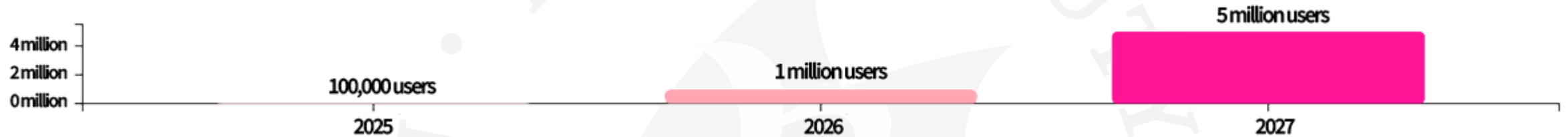


Regional Strategies

We establish differentiated influencer partnership strategies for regions including Asia, Europe, and the Americas.

Phased User Acquisition Plan

The K-Beauty Global Distribution Platform will execute a systematic user acquisition strategy in 3 phases from 2025 to 2027, setting clear performance targets for each phase to accelerate business growth.



Phase 1 (2025)

Initial Launch & MVP Phase

- ✓ Target: Global early adopters interested in beauty, especially K-Hallyu fans in Japan, the US, and Europe
- ✓ Influencer-led brand storytelling
- ✓ Offline experience through Japan pop-up store operations
- ✓ SNS advertising and free sample experience events

100,000

Phase 2 (2026)

Global Expansion Phase

- ✓ Market expansion: Entry into US and European markets and platform enhancement
- ✓ Expanding local touchpoints via global beauty expos
- ✓ Beauty box subscription launch
- ✓ Localized content by skin type and culture

1 million

Phase 3 (2027)

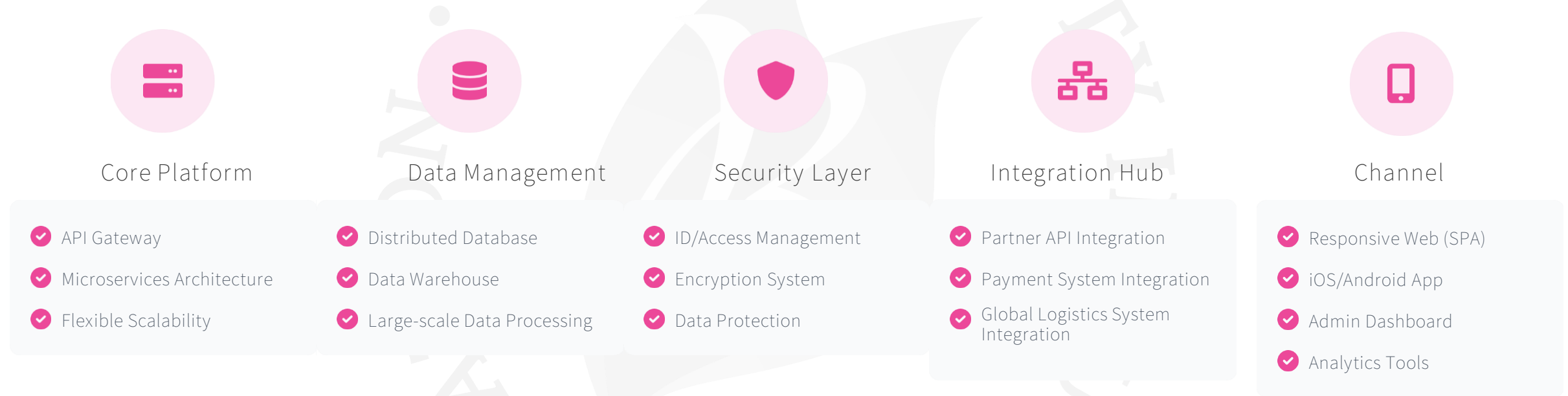
Initial Launch & MVP Phase

- ✓ Global user acquisition strategy
- ✓ Expanded operation of pop-up stores in major cities
- ✓ Integrated online-offline data analysis
- ✓ Introduction of membership program

5 million

Technology Development Roadmap

The K-Beauty Global Distribution Platform establishes a development roadmap to provide users with an optimized experience, based on a stable and scalable technology architecture.

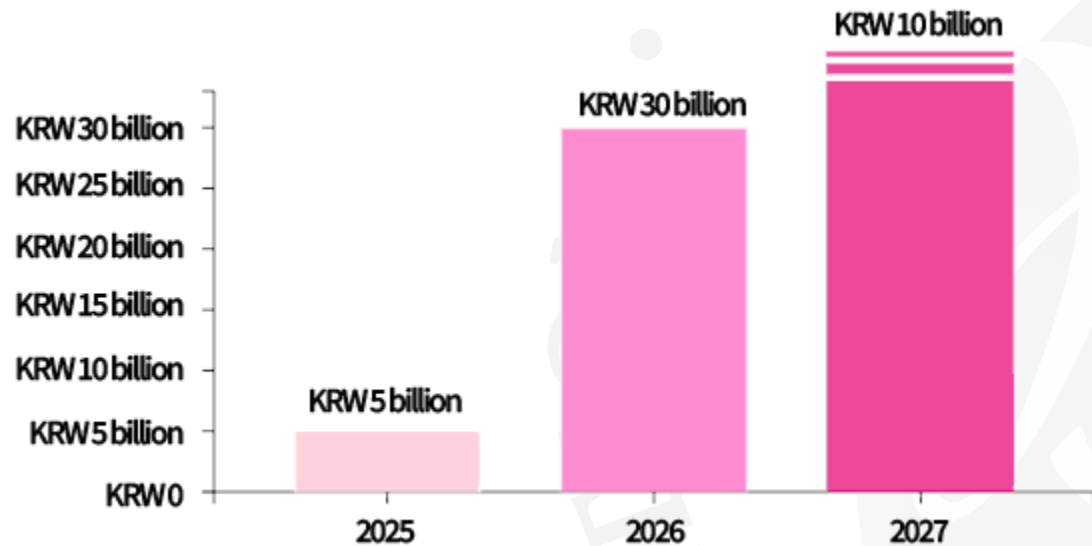


Technology Development Timeline



Phased Investment Plan

The K-Beauty Global Distribution Platform has established a KRW 35 billion investment plan for the period from 2025 to 2027.



2025
KRW 5 billion
(1st Investment)

2026
KRW 30 billion
(2nd Investment)

2027
Additional
Investment
(3rd Investment)

2025 (1st Investment: KRW 5 billion)

Building and developing the MVP (Minimum Viable Product) platform foundation. Focuses on online platform development, testing, initial marketing campaigns, and establishing a core partner collaboration framework.

2026 (2nd Investment: KRW 30 billion)

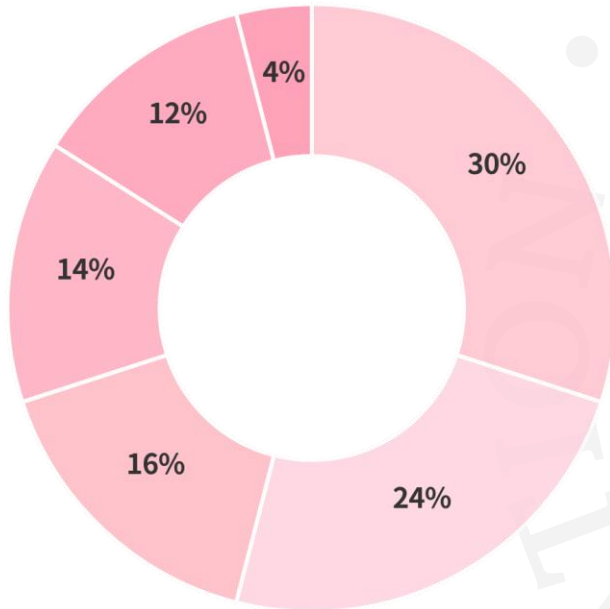
Platform advancement and global logistics system development. Targeting connection with global beauty brands in 50+ countries based on the MVP.

2027 (3rd Investment)

Executing large-scale global marketing campaigns and expanding pop-up stores and offline events. Targeting market entry into 300+ countries.

Initial Fund Utilization Plan

1st Investment Fund Utilization Plan



Platform Development

KRW 1.2 billion

Web/App development, UI/UX, payment/security system development, maintenance, QA



Personnel Operating Costs

KRW 1.5 billion

Personnel costs including development, planning/design, marketing, operations/CS, and management support



Global Marketing

KRW 800 million

SNS, influencer collaborations, content production, translation, PR



Offline Events

KRW 700 million

Japan pop-up store operations, trade show participation, logistics/equipment, operating costs



Brand Sourcing & Inventory

KRW 600 million

Direct purchasing of listed brands, sample production, logistics costs



Legal/Accounting/Patent

KRW 200 million

Legal consultation, accounting audits, trademark/patent registration

KRW 5 billion

1st Investment Fund

2025 Utilization Plan

Risk Management Strategy

The K-Beauty Global Distribution Platform provides investors with a stable investment environment through a systematic risk management strategy.



Market Volatility

- ✓ Risk diversification through multi-country/diversification strategy
- ✓ Local market adaptation through localization strategy
- ✓ Trend monitoring and rapid response through monthly market reports



Intensifying Competition

- ✓ Differentiation through digital and offline integrated distribution model
- ✓ Creating lock-in effects through strategic partnerships with K-Beauty brands
- ✓ Securing resilience against market fluctuations through a diversified revenue model



Regulatory Risk

- ✓ Continuous monitoring of beauty regulatory trends in each country
- ✓ Building a compliance framework in collaboration with international legal experts
- ✓ Building rapid response mechanisms for regulatory changes



Operational/Supply Chain Risk

Building a multinational supply chain risk management system and implementing a systematic security system to protect customer data



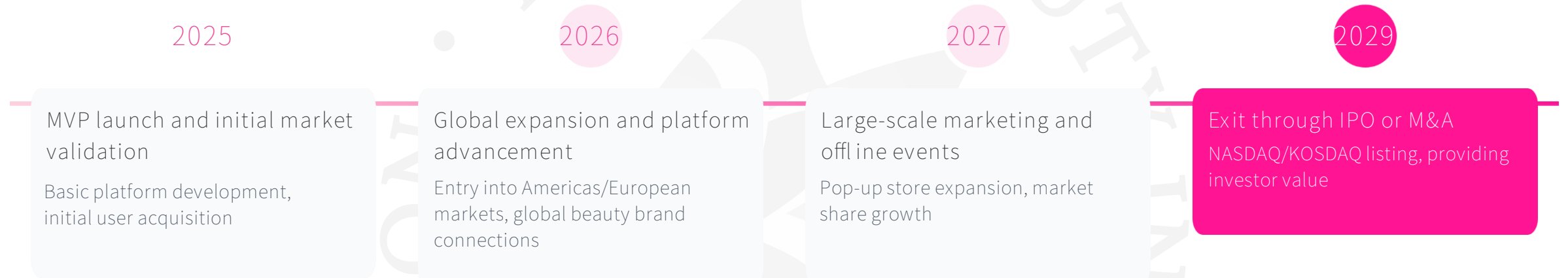
Financial Risk

Establishing a funding strategy aligned with the 2025~2027 investment schedule, managing cash flow through monthly financial reports, and strengthening IR

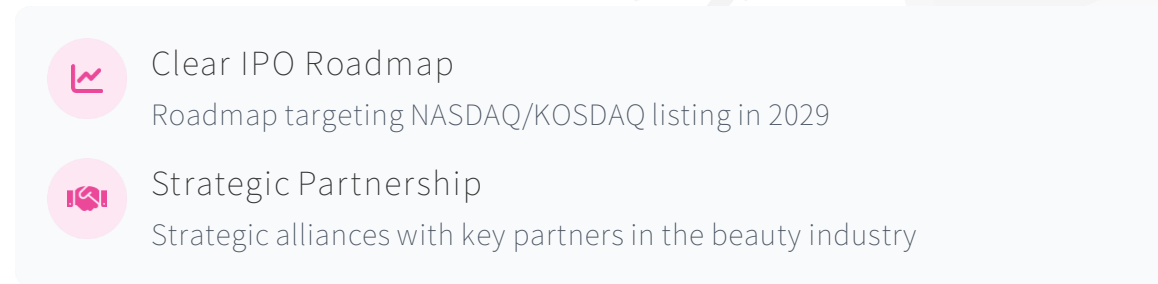
“Risks can be transformed into opportunities. Through systematic management, we ensure the sustainability of the K-Beauty Global Distribution Platform.”

Growth Roadmap & Exit Strategy

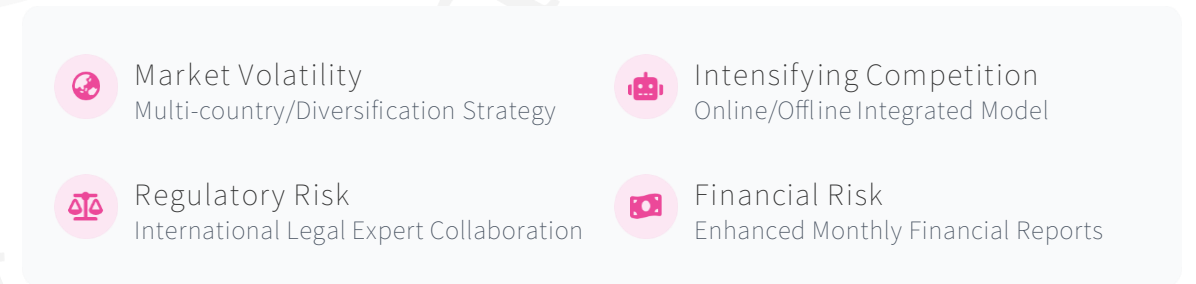
IPO Roadmap



Exit Strategy



Risk Management Plan



Investment Appeal & Expected Outcomes

Investment Appeal



Exclusive Global Beauty Market Opportunity

Currently, K-Beauty brands' overseas expansion is fragmented, and opportunities are hidden due to the absence of an integrated distribution platform. We will effectively fill this market gap.



Online & Offline Integrated Differentiation Model

With a unique business model integrating digital technology with offline experiences, we will secure a differentiated market position and create lock-in effects.



Clear Growth Roadmap & Exit Strategy

Following systematic expansion through a phased growth strategy over 3 years from 2025 to 2027, we have a clear exit strategy targeting NASDAQ/KOSDAQ listing in 2029.

Expected Outcomes



Member & Brand Expansion

We will dramatically expand market share with 5 million+ cumulative members and 500+ global brands listed by 2027.



Diversified Revenue Model

We will secure diverse revenue streams and form a stable revenue base through platform fees, advertising marketing, subscription services, and offline events.



Data-Driven Beauty Ecosystem

Through trend analysis and personalized recommendation systems using customer data, we will predict consumer behavior patterns and reflect them in brand strategies.

Join us in the opportunity to showcase the new value of K-Beauty in the global market