COMPANY UPDATE

2025. 11. 13

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JYP Entertainment (035900)

Costs grow, but signals remain bright

- JYP Entertainment's 3Q consolidated operating profit of KRW40.8b (down 15.7% y-y) missed consensus due to rises in: 1) the sales portion of management revenue; and 2) expenses related with debuts of new artists in Korea and abroad.
- Its artists have remained active domestically and internationally. In its sixth world tour, Twice should put on 73 shows for now but could hold more shows. NMIXX is scheduled to embark on its first world tour in end-November. We maintain BUY rating.

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AT A GLANCE

BUY

Target price	KRW99,000	37.7%
Current price	KRW71,900	
Market cap	KRW2.6t/USD1.8b	
Shares (float)	35,532,492 (77.3%)	
52-week high/low	KRW85,100/KRW53,500	
Avg daily trading value (60-day)	KRW37.8b/ USD25.8m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
JYP Entertainment (%)	-4.3	6.8	34.4
Vs Kosdaq (%pts)	-9.2	-14.5	5.3

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	99,000	99,000	0.0%
2025E EPS	4,537	4,866	-6.8%
2026E EPS	3,836	3,747	2.4%

SAMSUNG vs THE STREET

No of estimates	15
Target price	99,333
Recommendation	4.0

※ Rating: 4 < → BUY, 3 = HOLD, 2 > → SELL

WHAT'S THE STORY?

3Q review: JYP Entertainment reported 3Q consolidated sales of KRW232.6b (up 36.5% y-y) and operating profit of KRW40.8b (down 15.7% y-y)—the former hitting an all-time high but the latter missing consensus. The COGS ratio climbed 16%pts y-y to 66.8%, above the usual level due to: 1) the portion of management revenue (from concerts, advertising and appearance fees; which tend to have higher artist payout ratios) jumping from 21.1% in 3Q24 to 37.5%; 2) increased promotion & content production costs related to rebranding of US girl group Girlset (previously, VCHA), the debut of a six-member Chinese boy group CIIU, and the debut of Korean artist Youngbin (subsidiary Innit Entertainment); and 3) the expenses of concerts and fan meetings in Korea. Sales from an OST of Netflix's K-Pop Demon Hunters (in which some members of Twice participated) was insignificant in 3Q but should be recognized gradually from 4Q. Subsidiary Blue Garage posted 3Q sales of KRW24b for an operating margin of 7%, indicating that profitability has largely stabilized y-y.

(Continued on the next page)

SUMMARY 3Q RESULTS

(KRWb)	3Q25	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	232.6	36.4	7.8	7.6	2.6
Operating profit	40.8	-15.7	-22.9	-21.7	-20.8
Pre-tax profit	42.7	-12.5	-11.8	-19.5	-23.1
Net profit	27.2	-29.9	-25.0	-31.6	-29.7
Margins (%)					
Operating profit	17.5				
Pre-tax profit	18.4				
Net profit	11.7				

Source: Company data, Fnguide, Samsung Securities estimates

VALUATION SUMMARY

	2024	2025E	2026E
Valuation (x)			
P/E	25.4	15.8	18.7
P/B	4.8	3.8	3.2
EV/EBITDA	16.0	13.6	11.0
Div yield (%)	0.8	1.0	1.0
EPS growth (% y-y)	-7.4	64.9	-15.5
ROE (%)	22.4	29.3	20.1
Per-share data (KRW)			
EPS	2,751	4,537	3,836
BVPS	14,445	18,755	22,155
DPS	534	714	724

To continue balanced growth: Twice launched its sixth world tour in July, with 73 shows scheduled so far—including 35 in North America—and more shows could be added. Meantime, following the October release of their fourth studio album, NMIXX has performed strongly on major Korean music charts and should kick off their first world tour in Korea at the end of this month. Armed with an established fanbase, the six-member girl group seems well-positioned to expand its global influence.

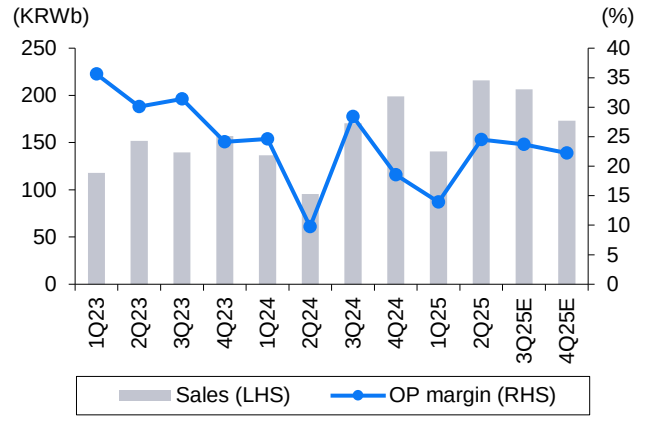
Maintaining BUY: JYP's major artists like Day6, Twice, and Stray Kids have showed strong growth, and its rookie groups have also been building their fan bases and expanding their presence at home and abroad. Stable earnings at FANS Shop (global fan platform) also serves as another positive.

Table 1. Results and forecasts

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	2023	2024	2025E	2026E
Sales	**118.0**	**151.7**	**139.7**	**157.1**	**136.5**	**95.7**	**170.5**	**199.1**	**140.8**	**215.8**	**232.6**	**179.7**	**566.5**	**601.8**	**768.9**	**825.9**
Albums	51.9	86.6	57.7	66.6	46.7	26.4	68.3	75.8	44.7	38.6	80.4	58.5	262.8	217.2	222.1	224.6
Management	14.2	24.3	24.7	42.6	42.0	31.2	35.9	55.9	39.5	83.0	87.2	57.2	105.8	165.0	266.9	285.5
Concerts	6.8	14.5	11.8	30.2	29.4	14.0	22.1	38.0	21.7	62.0	63.3	33.8	63.2	103.6	180.9	182.9
Ads	5.4	7.1	8.1	7.7	7.9	9.2	8.4	8.8	9.0	11.3	12.8	12.6	28.4	34.3	45.7	59.5
Appearances	2.1	2.7	4.8	4.7	4.7	7.9	5.4	9.1	8.8	9.7	11.1	10.8	14.3	27.1	40.4	43.1
Merchandise	27.5	21.7	31.9	33.5	23.9	14.7	50.2	43.9	32.7	66.9	40.0	38.1	114.6	132.6	177.7	201.0
Others	24.4	19.1	25.4	14.5	23.9	23.5	16.0	23.5	23.9	27.4	25.1	25.8	83.3	86.9	102.2	114.8
COGS	57.8	79.4	72.8	88.1	75.8	62.4	86.6	120.5	89.1	125.7	155.3	101.7	298.2	345.4	471.7	496.4
Gross profit	**60.2**	**72.3**	**66.8**	**68.9**	**60.7**	**33.3**	**83.9**	**78.6**	**51.7**	**90.2**	**77.3**	**78.0**	**268.3**	**256.4**	**297.2**	**329.5**
SG&A costs	18.2	26.6	23.0	31.0	27.1	23.9	35.5	41.7	32.1	37.3	36.5	40.7	98.8	128.1	146.6	150.1
Operating profit	**42.0**	**45.7**	**43.8**	**37.9**	**33.6**	**9.3**	**48.4**	**36.9**	**19.6**	**52.9**	**40.8**	**37.3**	**169.4**	**128.3**	**150.6**	**179.4**
Operating margin (%)	35.6	30.1	31.4	24.1	24.6	9.8	28.4	18.5	13.9	24.5	17.5	20.8	29.9	21.3	19.6	21.7
Non-operating gains (losses)	10.6	-6.4	0.5	-18.4	5.3	-3.4	0.4	5.7	77.4	-4.5	1.9	0.2	-13.8	7.9	75.0	10.1
Pre-tax profit	52.6	39.3	44.3	19.5	38.9	5.9	48.8	42.6	97.0	48.4	42.7	37.5	155.7	136.2	225.6	189.5
Net profit (controlling)	**41.5**	**25.6**	**34.5**	**3.9**	**31.7**	**1.4**	**38.7**	**25.9**	**69.4**	**36.4**	**27.1**	**28.6**	**105.5**	**97.8**	**161.4**	**136.7**
Growth (% y-y)																
Sales	**74.1**	**123.9**	**46.8**	**36.3**	**15.6**	**-36.9**	**22.1**	**26.8**	**3.1**	**125.5**	**36.5**	**-9.8**	**63.8**	**6.2**	**27.8**	**7.4**
Albums	54.2	194.2	22.6	3.1	-10.0	-69.6	18.4	13.8	-4.4	46.3	17.6	-22.8	50.4	-17.3	2.3	1.1
Management	11.2	47.6	64.0	219.2	195.9	28.4	45.2	31.3	-6.0	166.2	142.9	2.4	83.5	56.0	61.7	6.9
Concerts	105.7	44.1	68.4	607.6	335.1	-3.1	87.6	26.0	-26.3	342.3	186.8	-11.0	157.0	63.9	74.6	1.1
Ads	8.9	39.5	46.0	24.9	46.9	29.4	3.6	13.7	14.6	22.4	52.1	42.8	30.1	21.0	33.1	30.2
Guarantees	-54.5	106.6	91.3	61.9	127.3	194.4	12.0	95.0	86.1	22.1	104.4	19.3	26.6	90.2	48.7	6.8
Appearances	273.7	151.4	102.5	95.8	-13.2	-32.5	57.6	31.2	37.1	355.9	-20.5	-13.2	134.6	15.8	33.9	13.2
Others	74.6	44.5	46.8	-28.4	-2.2	23.0	-36.9	62.7	-0.0	16.5	56.9	9.8	28.8	4.3	17.6	12.3
COGS	74.1	123.9	46.8	36.3	31.1	-21.4	18.9	36.8	17.5	101.2	79.3	-15.6	57.5	15.8	36.6	5.2
Gross profit	**54.2**	**194.2**	**22.6**	**3.1**	**0.8**	**-54.0**	**25.5**	**14.0**	**-14.8**	**171.1**	**-7.8**	**-0.7**	**71.4**	**-4.4**	**15.9**	**10.9**
SG&A costs	11.2	47.6	64.0	219.2	48.9	-10.2	54.3	34.2	18.4	55.8	3.0	-2.3	64.9	29.6	14.4	2.4
Operating profit	**105.7**	**44.1**	**68.4**	**607.6**	**-20.0**	**-79.6**	**10.4**	**-2.6**	**-41.6**	**466.3**	**-15.7**	**1.0**	**75.4**	**-24.3**	**17.4**	**19.1**
Operating margin (%pts)	8.9	39.5	46.0	24.9	-11.0	-20.4	-3.0	-5.6	-10.7	14.8	-10.9	2.2	2.0	-8.6	-1.7	2.1
Non-operating gains (losses)	-54.5	106.6	91.3	61.9	-50.3	nm	-10.9	nm	1,370.7	nm	355.3	-96.0	nm	nm	849.6	-86.6
Pre-tax profit	273.7	151.4	102.5	95.8	-26.1	-85.0	10.2	118.7	149.5	720.6	-12.6	-11.9	65.4	-12.5	65.7	-16.0
Net profit (controlling)	**74.6**	**44.5**	**46.8**	**-28.4**	**-23.6**	**-94.4**	**12.2**	**562.7**	**118.9**	**2,445.7**	**-30.0**	**10.2**	**56.3**	**-7.3**	**65.1**	**-15.3**

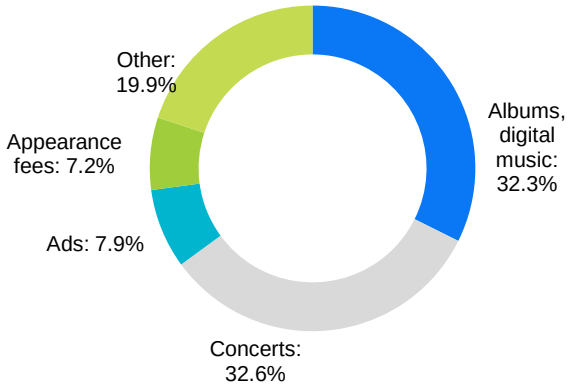
Source: Company data, Samsung Securities

Chart 1. Sales and operating margin



Source: Company data, Samsung Securities

Chart 2. Sales, by segment (1H25)



Source: Company data, Samsung Securities

Table 2. Album sales: 3Q25 vs 3Q24

3Q25				3Q24			
Rank	**Artists**	**Key album**	**Sales (units)**	**Rank**	**Artists**	**Key album**	**Sales (units)**
1	Stray Kids	Total	3,813,017	1	Stray Kids	Total	3,157,228
		Karma	3,362,236			ATE	2,864,468
2	Twice	Total	793,632	2	NMIXX	Total	636,345
		This Is For	746,749			Fe3O4: STICK OUT	580,739
3	KickFlip	Total	405,122	3	Tzuyu	Total	426,806
		My First Flip	245,757		(Twice)	abouTZU	389,613
4	Day6	Total	271,749	4	Day6	Total	157,744
		The DECADE	184,002			Band Aid	116,398
5	Chaeyoung	Total	183,792	5	Nayeon	Total	9,314
	(Twice)	LIL FANTASY Vol.1	174,816		(Twice)	NA	9,314
Total			**5,484,281**				**4,387,437**

Note: Based on Circle Chart Top 100 / Source: Company data, Circle Chart, Samsung

Table 3. Album sales: 4Q25 vs 4Q24

4Q25				4Q24			
Rank	**Artists**	**Key album**	**Sales (units)**	**Rank**	**Artists**	**Key album**	**Sales (units)**
1	NMIXX	Total	678,376	1	Stray Kids	Total	2,282,574
		Blue Valentine	538,919			Hop	2,041,231
2	NEXZ	Total	353,336	2	TWICE	Total	936,926
		Beat-Boxer	278,988			Strategy	864,316
3	TWICE	Total	353,244	3	ITZY	Total	705,440
		TEN: The Story Goes On	323,244			Gold	674,761
4	Xdinary Heroes	Total	93,316	4	NEXZ	Total	164,619
		LXVE to DEATH	67,093			Nallina	147,839
5	Stray Kids	Total	67,199	5	Xdinary Heroes	Total	97,048
		KARMA	10,860			LIVE and FALL	85,272
Total			**1,571,085**				**4,250,713**

Note: Based on Circle Chart Top 100 / Source: Company data, Circle Chart, Samsung

Table 4. Albums launches and concerts scheduled for 2025 and 2026

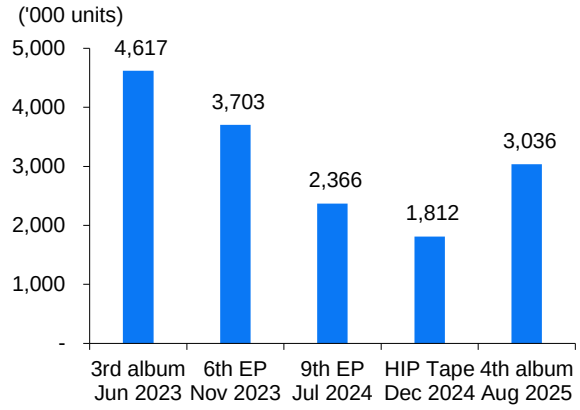
Artists	Album	Release date	Category	Sales (units)*
Xdinary Heroes	FiRE	Jul 7	Digital single	
Twice	THIS IS FOR	Jul 11	4th album	793,632
NexZ	One Bite	Jul 16	Japanese 2nd EP	
CIIU	我们的出发	Aug 22	1st EP	
Stray Kids	KARMA	Aug 22	4th album	3,673,096
Twice	ENEMY	Aug 26	Japanese 6th album	
Girlset	Commas	Aug 29	Digital single	
JunK (2PM)	Dear my muse	Sep 1	4th EP	
Day6	The DECADE	Sep 5	4th album	293,057
Chaeyoung (Twice)	LIL FANTASY vol.1	Sep 12	1th EP	183,792
Wooyoung (2PM)	I'm into	Sep 15	3rd EP	11,314
KickFlip	My First Flip	Sep 22	3rd EP	405,122
ITZY	Collector	Oct 8	Japanese 2nd EP	
Twice	TEN: The story Goes On	Oct 10	10th anniversary special album	251,600*
Nmixx	Blue valentine	Oct 13	1st album	644,800*
Xdinary Heroes	LXVE to DEATH	Oct 24	7th EP	
NEXZ	Beat-boxer	Oct 27	3rd EP	
Park Jinyoung	Happy Hour	Nov 5	Digital single	
ITZY	Tunnel vision	Nov 10	11th EP	
Girlset	Little Miss	Nov 14	Digital single	
Stray Kids	Do it	Nov 21	SKZ IT Tape	

Artists	Country	Concert/fan meeting	Dates	Cities	Sessions
Stray Kids	Europe	Dominate	Jul 11-30	6 European cities	8
Xdinary Heroes	Global	Beautiful Mind	Jul 11-Aug 24	4 Asian cities, 6 US cities	10
Nmixx	Korea	(Fan Meeting) Nswer Vacation	Jul 12	Seoul	2
Day6	Korea	(Fan Meeting) Pier 10: All Myy Days	Jul 18-27	Seoul	6
Twice	Asia	This Is For	Jul 19-Sep 28	6 Asian cities	12
NexZ	Japan	Nexz Live Tour 2025	Jul 25-Aug 21	7 Japanese cities	11
JunK (2PM)	Asia	Summer Room	Aug 9-23	Osaka, Yokohama, Taipei	5
Day6	Asia	The Decade	Aug 30-Sep 27	Goyang, Bangkok	3
NiziU	Japan	Niziu Live With U	Sep 6-28	7 Japanese cities	10
Woo young (2PM)	Korea	Half half	Sep 27-28	Seoul	2
NiziU	Japan	Niziu Live With U	Oct 2-Nov 23	16 Japanese cities	22
Twice	Global	This Is For	Oct 4-Dec 14	6 Asian cities, 2 Australian cities	14
Day6	Vietnam	The Decade	Oct 18	Hochimin	1
Twice	Korea	(Fan Meeting) 10ve Universe	Oct 18	Seoul	1
Stray Kids	Korea	Dominate	Oct 18-19	Incheon	2
NexZ	Korea	One Beat	Oct 25-26	Seoul	2
Xdinary Heroes	Korea	Beautiful Mind	Nov 21-23	Seoul	3
Woo young (2PM)	Japan	Half half	Nov 29-Dec 28	Tokyo, Hyogo	2
Nmixx	Korea	Zero Frontier	Nov 29-30	Seoul	2
Park Jinyoung	Korea	Half Hour	Dec 13-14	Seoul	2
Day6	Korea	The Present	Dec 19-21	Seoul	
Twice	Global	This Is For	Jan 9-Mar 31, 2026	15 US cities	27
Day6	Asia	The Decade	Jan 17-31, 2026	Hongkong, Manila, Kuala Lumpur	3
Itzy	Korea	Tunnel Vision	Feb 13-15, 2026	Seoul	3
Twice	Global	This Is For	Apr 3-Jun 4, 2026	6 US cities, 8 European cities	20

Note: Sales volume based on Circle Chart Top 100 on Oct 31, 2025;
Vcha has reduced its lineup from six members to four and rebranded as Girlset;
Source: Local media, Company data, Circle Chart, Hanteo Chart, Samsung Securities

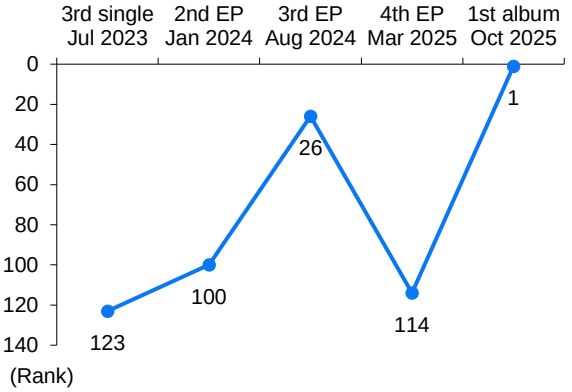
Securities

Chart 3. Stray Kids: First week sales of five most-recent albums



Source: Hanteo Chart, Samsung Securities

Chart 4. NMIXX: Peak chart positions of most recent title tracks



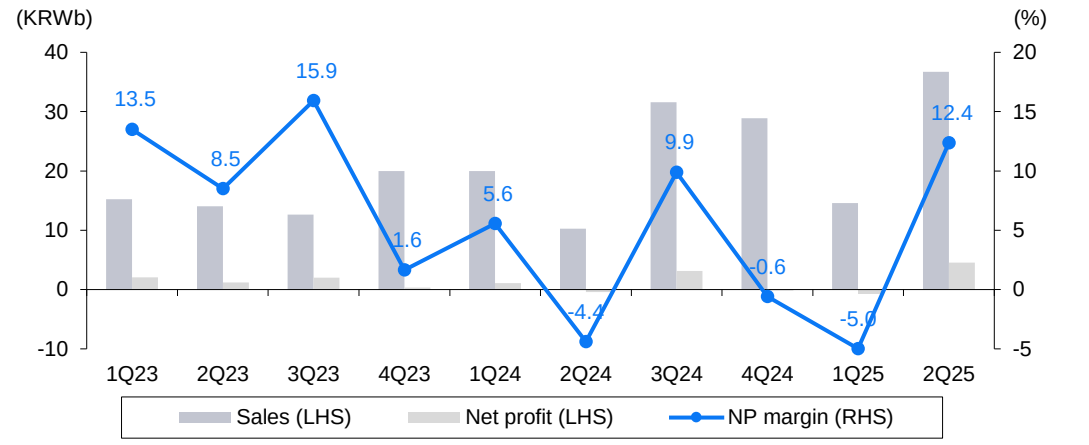
Note: Based on highest rankings on Melon's daily chart
Source: Melon, Samsung Securities

Table 5. Subsidiaries: Quarterly results

Company	(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
JYP Japan	Sales	22.3	24.8	33.2	22	38.7	18.7	35.0	53.1	41.3	44.0
	Net income	8.8	-3.1	7.6	-2.9	7.0	-1.3	6.4	3.1	5.5	1.9
Blue Garage	Sales	15.2	14.0	12.6	20	20.0	10.3	31.6	28.9	14.6	36.7
	Net income	2.1	1.2	2.0	18.7	1.1	-0.5	3.1	-0.2	-0.7	4.5
JYP USA	Sales	-	-	0.0	1.9	0.8	0.7	0.4	0.7	0.7	0.6
	Net income	-0.5	-2.3	-1.5	-1.1	-1.0	-0.2	-1.0	-0.6	-0.4	-0.6
JYP Publishing	Sales	4.9	1.4	3.9	4.6	2.1	2.2	2.3	2.7	2.6	3.2
	Net income	1.0	0.6	-1.2	0.8	0.1	1.4	-0.9	-0.9	0.1	0.4
JYP Partners	Sales	-	-	-	-	-	-	-	-	-	-
	Net income	0.0	-0.1	-0.2	-0.2	-0.2	-0.1	-0.1	-0.1	-0.2	-0.2

Source: Company data, Samsung Securities

Chart 5. Blue Garage: Quarterly sales and net profit



Note: 3Q sales of KRW24b and 3Q OPM of 7%; 1Q-3Q25 OPM around 8.8%
Source: Company data, Samsung Securities

Chart 6. Stray Kids 4th album (Aug 22)

Source: Company data, Samsung Securities

Chart 7. Day6 4th album (Sep 5)

Source: Company data, Samsung Securities

Chart 8. Chaeyoung 1st EP (Sep 12)

Source: Company data, Samsung Securities

Chart 9. Twice recorded <Take down> of K-POP Demon Hunters

Source: Company data, Netflix, Samsung Securities

Chart 10. Itzy, participate in 'Kppoed' in AppleTV+ (Aug 29)

Source: Company data, Netflix, Samsung Securities

Chart 11. CIIU, reveals their debut in stage in China at TIMA/TMEA

Source: Company data, Netflix, Samsung Securities

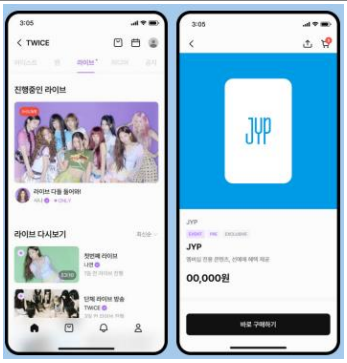
Chart 12. Growth strategy <Album>: high value-added album

Source: Company data, Netflix, Samsung Securities

Chart 13. Growth strategy <MD>: enhance global partnership

Source: Company data, Netflix, Samsung Securities

Chart 14. Growth strategy <Platform>: paid subscription-based membership service



Source: Company data, Netflix, Samsung Securities

Table 6. Twice: World tour 'This Is For'

2023-2024 world tour 'Ready To Be'			2025-2026 World tour 'This Is For'		
Dates	**Location**	**Sessions**	**Dates**	**Location**	**Sessions**
Apr 15-16, 2023	Seoul	2	Jul 19-20, 2025	Incheon	2
May 2-3	Sydney	2	Jul 26-27	Osaka	2
May 6-7	Melbourne	2	Aug 23-24	Aichi	2
May 13-14	Osaka	2	Aug 30-31	Fukuoka	2
May 20-21	Tokyo	2	Sep 16-17	Tokyo	2
Jun 10	LA	1	Sep 27-28	Macau	2
Jun 12-13	Oakland	2	Oct 4	Bulacan	1
Jun 16	Seattle	1	Oct 11-12	Singapore	2
Jun 21	Dallas	1	Oct 205	Kuala Lumpur	1
Jun 24-25	Huston	2	Nov 1-2	Sydney	2
Jun 28-29	Chicago	2	Nov 8-9	Melbourne	2
Jul 2-3	Toronto	2	Nov 22-23	Gashing	1
Jul 6	New York	1	Dec 6-7	Hongkong	1
Jul 9	Atlanta	1	Dec 13-14	Bangkok	2
Sep 2-3	Singapore	2	Jan 9-10, 2026	Vancouver	2
Sep 7-8	London	2	Jan 13-14	Seattle	2
Sep 11	Paris	1	Jan 17-18	Oakland	2
Sep 13-14	Berlin	2	Jan 21-25	LA	4
Sep 23-24	Bangkok	2	Jan 28	Phoenix	1
Sep 30-Oct 1	Bullacan	2	Jan 3-Feb 1	Dallas	2
Nov 4	Melbourne	1	Feb 13-14	Washington D.C	2
Dec 16-17	Nagoya	2	Feb 18-21	Newyork	3
Dec 23	Jakarta	1	Feb 24	Philadelphia	1
Dec 27-28	Fukuoka	2	Feb 27	Atalanta	1
Feb 2-3, 2024	Mexico City	2	Mar 3	Montreal	1
Feb 6-7	Sao Paulo	2	Mar 6-7	Hamilton	2
Mar 16	Las Vegas	1	Mar 21	Taipei	1
Jul 13-14	Osaka	2	Mar 27-28	Orlando	2
Jul 20-21	Tokyo	2	Mar 31	Charlotte	1
Jul 27-28	Yokohama	2	Apr 3-4	Boston	2
			Apr 6-7	Chicago	2
			Apr 10	Detroit	1
			Apr 12	Saint Paul	1
			Apr 14	Denver	1
			Apr 17-18	Ostin	2
			May 9	Lisbon	1
			May 12	Barcelona	1
			May 16-17	Paris	2
			May 20	Torino	1
			May 23	Berlin	1
			May 26	Cologne	1
			May 30-31	Amsterdam	2
			Jun 3-4	London	2
Total 51 concerts			Total 73+ concerts		

Source: Local media, Samsung Securities

Table 7. Stray Kids: World tour 'dominATE'

2022-2023 world tour 'Maniac'			2024-2025 World tour 'doninATE'		
Dates	**Location**	**Sessions**	**Dates**	**Location**	**Sessions**
Apr 29-May 1, 2022	Seoul	2	Aug 24-Sep 1, 2024	Seoul	4
Jun 11-12	Kobe	2	Sep 28	Singapore	1
Jun 18-18	Tokyo	2	Oct 19	Melbourne	1
Jun 28-29	Newark	2	Oct 26	Sydney	1
Jul 1	Chicago	1	Nov 2	Kaohsiung	1
Jul 9-10	LA	2	Nov 14-17	Tokyo	3
Jul 12	Oakland	1	Nov 23	Manila	1
Jul 14-15	Seattle	2	Nov 29-30	Macau	2
Jul 19-20	Anaheim	2	Dec 5-8	Osaka	3
Jul 26-27	Tokyo	2	Dec 14	Bangkok	1
Sep 17-18	Seoul	2	Dec 21	Jakarta	1
Nov 11-13	Jakarta	2	Jan 18-19, 2025	Hongkong	2
Feb 2-3, 2023	Bangkok	2	Mar 27-28	Santiago	2
Feb 5	Singapore	1	Apr 1	Rio de Janeiro	1
Feb 11-12	Tokyo	2	Apr 5-6	Sao Paulo	2
Feb 17-18	Melbourne	2	Apr 9	Lima	1
Feb 21-22	Sidney	2	Apr 12-13	Mexico City	2
Feb 25-26	Osaka	2	May 10-18	Shizuoka	4
Mar 11-12	Manila	2	May 24	Seattle	1
Mar 22-23	Atlanta	2	May 28	San Francisco	1
Mar 26-27	Potwin	2	May 31-Jun 1	LA	2
Mar 31-Apr 2	LA	2	Jun 6-7	Arlington	2
			Jun 10	Atlanta	1
			Jun 14	Orlando	1
			Jun 18-19	New York	2
			Jun 23	Washington D.C	1
			Jun 26	Chicago	1
			Jun 29	Toronto	1
			Jul 11	Amsterdam	1
			Jul 15	Frankfurt	1
			Jul 18-19	London	2
			Jul 22-23	Madrid	2
			Jul 26-27	Paris	2
			Jul 30	Roma	1
			Oct 18-19	Incheon	2
Total 42 concerts			Total 56 concerts		

Source: Local media, Samsung Securities

Table 8. Dividend policy

Category	Details
Current policy (2023-2025)	- To enhance shareholder value, we have maintained a dividend payout ratio of 16-18% (based on consolidated net profit) every year since 2018, considering the financial situation, the business environment, and our investments - We are planning to construct new facilities to enhance artist development and business advancement - Therefore, considering our capex plans, our dividend policy for the next three years is: - To maintain a dividend payout ratio of 15-20% (based on annual consolidated net profit)
Future policy	- Given our facility construction plans, we intend to disclose a new dividend policy after 2025 - We will strive to enhance shareholder returns and value through a stable and visible dividend policy

Source: Company data, Samsung Securities

Table 9. Artist lineup

Artist	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025E	2026E
2PM				Renewal						Renewal		
Day6	Debut							Renewal			Renewal	
Twice	Debut							Renewal				
Stray Kids				Debut							Renewal	
Boy Story (China)				Debut							Renewal	
Itzy					Debut							Renewal
NiziU (Japan)						Debut						
Xdinary Heroes							Debut					
Nmixx								Debut				
VCHA (US)										Debut		
NexZ (Japan)										Debut		
KickFlip											1Q25 debut	
Project C (China)											3Q25 debut	
L2K (Latin)												2026 launch
New Project												2026 launch

Source: Company data, Samsung Securities

Table 10. Revisions to 2025 and 2026 forecasts

(KRWb)	2025E			2026E		
	Old	New	Chg (%)	Old	New	Chg %
Sales	744.5	768.9	3.3	805.7	825.9	2.5
Operating profit	161.3	150.6	-6.6	176.7	179.4	1.5
Operating margin (%, %pts)	21.7	19.6	-2.1	21.9	21.7	-0.2
Pre-tax profit	235.2	225.6	-4.1	185.1	189.5	2.4
Net profit (controlling)	173.2	161.4	-6.8	133.5	136.7	2.4

Source: Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**567**	**602**	**769**	**826**	**889**
Cost of goods sold	298	345	472	496	532
Gross profit	**268**	**256**	**297**	**330**	**357**
Gross margin (%)	47.4	42.6	38.7	39.9	40.1
SG&A expenses	99	128	147	150	157
Operating profit	**169**	**128**	**151**	**179**	**199**
Operating margin (%)	29.9	21.3	19.6	21.7	22.4
Non-operating gains (losses)	**-14**	**8**	**75**	**10**	**11**
Financial profit	6	14	17	20	21
Financial costs	18	5	12	8	8
Equity-method gains (losses)	4	3	73	1	1
Other	-6	-4	-3	-4	-4
Pre-tax profit	**156**	**136**	**226**	**189**	**210**
Taxes	51	38	64	53	59
Effective tax rate (%)	32.5	28.2	28.6	28.1	28.1
Profit from continuing operations	105	98	161	136	151
Profit from discontinued operations	0	0	0	0	0
Net profit	**105**	**98**	**161**	**136**	**151**
Net margin (%)	18.5	16.2	21.0	16.5	17.0
Net profit (controlling interests)	105	98	161	136	151
Net profit (non-controlling interests)	-0	-0	-0	-0	-0
EBITDA	180	143	163	189	208
EBITDA margin (%)	31.9	23.8	21.2	22.9	23.4
EPS (parent-based) (KRW)	2,971	2,751	4,537	3,836	4,251
EPS (consolidated) (KRW)	2,958	2,750	4,535	3,834	4,249
Adjusted EPS (KRW)*	2,971	2,751	4,537	3,836	4,251

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**369**	**362**	**549**	**683**	**830**
Cash & equivalents	217	191	330	447	577
Accounts receivable	15	49	63	68	73
Inventories	24	14	18	20	21
Other current assets	112	108	138	148	160
Fixed assets	**203**	**317**	**325**	**322**	**322**
Investment assets	97	105	125	132	140
Tangible assets	56	140	133	127	122
Intangible assets	41	60	55	51	48
Other long-term assets	9	12	12	12	12
Total assets	**572**	**679**	**874**	**1,005**	**1,152**
Current liabilities	**154**	**175**	**223**	**240**	**258**
Accounts payable	38	57	73	79	85
Short-term debt	0	0	0	0	0
Other current liabilities	117	117	150	161	173
Long-term liabilities	**19**	**21**	**25**	**27**	**29**
Bonds & long-term debt	0	0	0	0	0
Other long-term liabilities	19	21	25	27	29
Total liabilities	**173**	**196**	**249**	**267**	**287**
Owners of parent equity	**394**	**479**	**621**	**734**	**861**
Capital stock	18	18	18	18	18
Capital surplus	78	79	79	79	79
Retained earnings	311	390	533	646	773
Other	-13	-8	-9	-9	-9
Non-controlling interests' equity	**4**	**4**	**4**	**4**	**4**
Total equity	**398**	**483**	**626**	**738**	**865**
Net debt	-252	-207	-353	-472	-604

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**151**	**89**	**185**	**150**	**164**
Net profit	105	98	161	136	151
Non-cash profit and expenses	74	52	73	58	61
Depreciation	6	9	7	6	5
Amortization	5	6	5	4	3
Other	63	38	61	48	53
Changes in A/L from operating activities	15	-7	11	4	4
Cash flow from investments	**-61**	**-100**	**-12**	**-4**	**-5**
Change in tangible assets	-12	-87	0	0	0
Change in financial assets	-34	21	-12	-4	-5
Other	-14	-33	-0	0	-0
Cash flow from financing	**-13**	**-22**	**-16**	**-23**	**-24**
Change in debt	6	-1	1	0	0
Change in equity	1	1	0	0	0
Dividends	-12	-19	-18	-24	-24
Other	-8	-3	0	-0	-0
Change in cash	78	-27	139	117	129
Cash at beginning of year	140	217	191	330	447
Cash at end of year	217	191	330	447	577
Gross cash flow	**179**	**150**	**234**	**195**	**212**
Free cash flow	**139**	**2**	**185**	**150**	**164**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	63.8	6.2	27.8	7.4	7.6
Operating profit	75.4	-24.3	17.4	19.1	11.1
Net profit	55.6	-7.0	64.9	-15.5	10.8
Adjusted EPS**	56.3	-7.4	64.9	-15.5	10.8
Per-share data (KRW)					
EPS (parent-based)	2,971	2,751	4,537	3,836	4,251
EPS (consolidated)	2,958	2,750	4,535	3,834	4,249
Adjusted EPS**	2,971	2,751	4,537	3,836	4,251
BVPS	11,897	14,445	18,755	22,155	25,989
DPS (common)	574	534	714	724	784
Valuations (x)					
P/E***	34.1	25.4	15.8	18.7	16.9
P/B***	8.5	4.8	3.8	3.2	2.8
EV/EBITDA	18.6	16.0	13.6	11.0	9.4
Ratios (%)					
ROE	30.4	22.4	29.3	20.1	18.9
ROA	21.4	15.6	20.7	14.5	14.0
ROIC	206.2	80.6	64.9	86.0	103.6
Payout ratio	18.0	18.1	14.7	17.6	17.2
Dividend yield (common)	0.6	0.8	1.0	1.0	1.1
Net debt to equity	-63.3	-42.9	-56.4	-63.9	-69.8
Interest coverage (x)	640.8	635.2	725.9	800.7	856.0

Note: *Excluding one-off items
**Fully diluted, excluding one-off items
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

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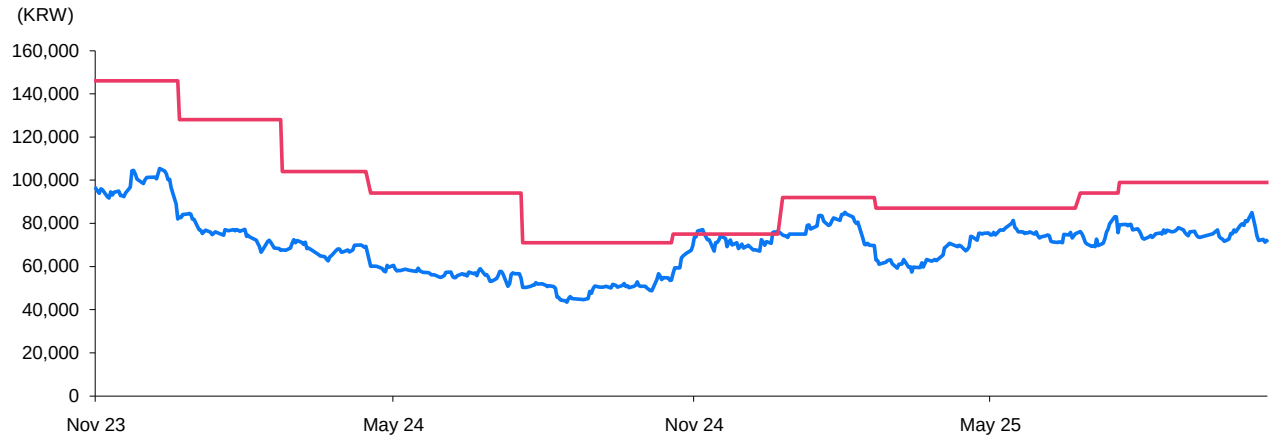

Rating changes over past two years (adjusted share prices)

Date	2023/11/13	2024/1/17	3/20	5/13	8/14	11/14	2025/1/20	3/18	7/21	8/14
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	146000	128000	104000	94000	71000	75000	92000	87000	94000	99000
Gap* (average)	-33.51	-41.07	-34.65	-39.49	-29.35	-5.93	-14.83	-19.99	-21.19	
(max or min)**	-27.81	-33.91	-30.29	-35.53	-20.14	2.80	-7.50	-6.44	-11.60	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
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