SECTOR UPDATE

2025. 12. 5

Industrial Team

Jaeseung Baek
Senior Analyst
jaeseung.baek@samsung.com

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Steel / Nonferrous Metals

(NEUTRAL) (103140)

2026 outlook

- Market expectations for China's steel production cuts and restructuring rose repeatedly in 2025. Whether the country will again undertake large-scale restructuring in line with its 15th five-year plan remains the central question.
- Supported by Korea's increasingly protectionist trade policies, Korean steelmakers should see gradual earnings improvement in 2026.
- M&As among major global mining companies should also help keep nonferrous metal prices firm.

AT A GLANCE

Posco Holdings (005490 KS, 308,500)		
Target price	KRW420,000	36.1%
BUY		
Hyundai steel (004020 KS, 30,400)		
Target price	KRW44,000	44.7%
BUY		
Seah Besteel Holdings (001430 KS, 28,250)		
Target price	KRW38,000	34.5%
BUY		
Poonsan (103140 KS, 100,500)		
Target price	KRW135,000	34.3%
BUY		

WHAT'S THE STORY?

China's steel industry restructuring to remain a key issue in 2026: Throughout 2025, China's steel market remained sluggish due to weak demand, and expectations for supply controls resurfaced several times. In March, the National Development and Reform Commission pledged at the National People's Congress to promote steel industry restructuring and lower output, raising hopes for market improvement—but no concrete follow-up actions materialized. In early July, senior Chinese officials stressed the need to curb excessive price competition and phase out outdated capacity, fueling expectations for restructuring. Yet, the late-July politburo meeting proposed no specific targets. The fourth plenary session in late October also failed to present detailed production-cut or restructuring goals. Meanwhile, many countries have tightened import restrictions on Chinese steel, limiting Chinese producers' ability to offset weak domestic demand with exports. This increases the likelihood of gradual output cuts and restructuring. China's steel restructuring should remain a major focus in 2026.

Impact of Korea's protective measures to emerge gradually: In February, Korea's Trade Commission under the Ministry of Trade, Industry and Energy issued a preliminary decision proposing provisional anti-dumping duties of 27.91–38.02% on Chinese steel-plate imports. In late July, it released the final ruling from an early-March anti-dumping investigation into Chinese and Japanese HRC imports, imposing anti-dumping duties. Korean steelmakers have also filed a new anti-dumping petition targeting Chinese special steel bars. HRC prices should rebound from 2026 once the surplus inventory—built up through China's pre-tariff dumping—is largely absorbed. The Korean government's steel industry restructuring plan appears aimed at providing medium- to long-term policy direction rather than immediate impact. Korea's protective efforts (*eg*, the K-Steel

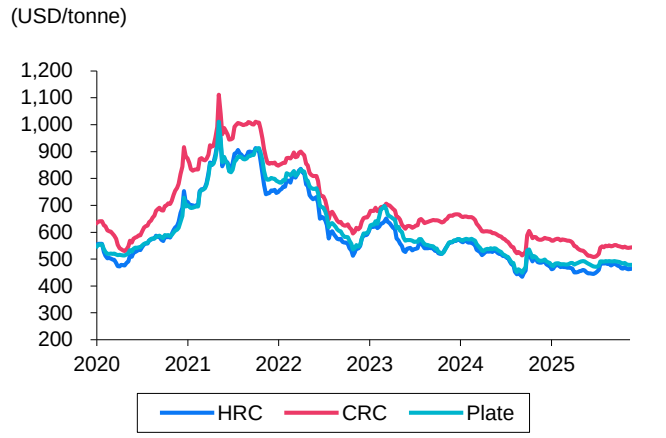
Act) should persist and support earnings improvement for Korean steelmakers in 2026.

Nonferrous metal prices to stay firm: Nonferrous metal prices remained relatively healthy throughout 2025. Copper rallied strongly on rising demand expectations—given its central role in electrification—and persistent supply shortages, reflected in the continued decline in spot treatment charges. In addition, M&As among major global mining companies (*eg*, Teck Resources seeking a merger with Anglo American, and Glencore exploring a tie-up with Rio Tinto) should strengthen their bargaining power and support metal prices in 2026. For Poongsan, share-price performance should depend more on earnings momentum at its defense business and movements in metal prices. While its US-bound ammunition exports may face headwinds from US tariff effects, this risk appears largely priced in. Poongsan is trading at a 42% discount to the K-defense sector average.

(Continued on the next page)

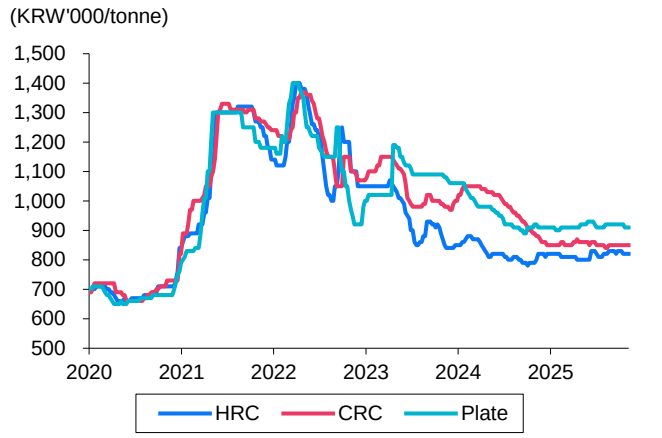
2026 Steel industry outlook

China steel prices: HRC vs CRC vs plate



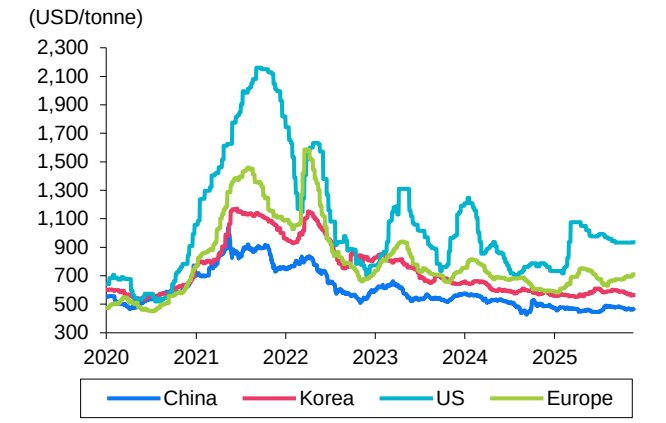
Source: Bloomberg, Samsung Securities

Korea steel prices: HRC vs CRC vs plate



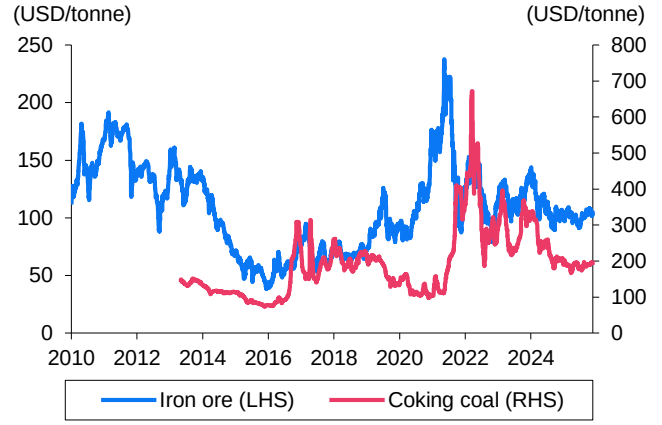
Source: SteelDaily, Bloomberg, Samsung Securities

HRC spreads in Korea, China, the US, and Europe



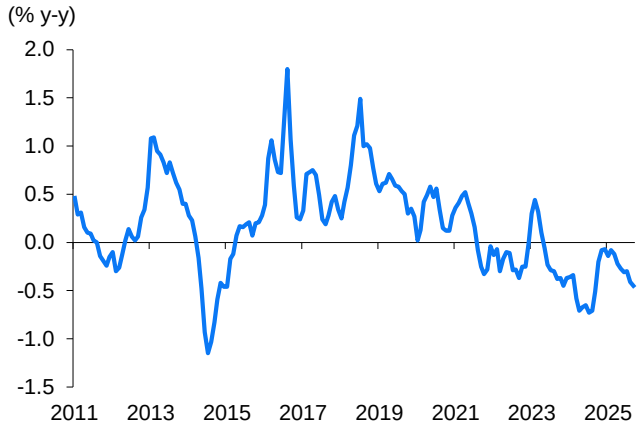
Source: Bloomberg, Samsung Securities

Iron ore price vs coking coal price



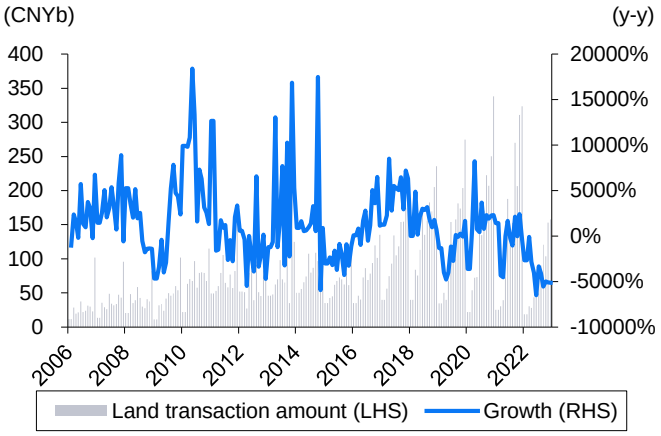
Source: Metal Bulletin, Samsung Securities

China: Housing prices growth



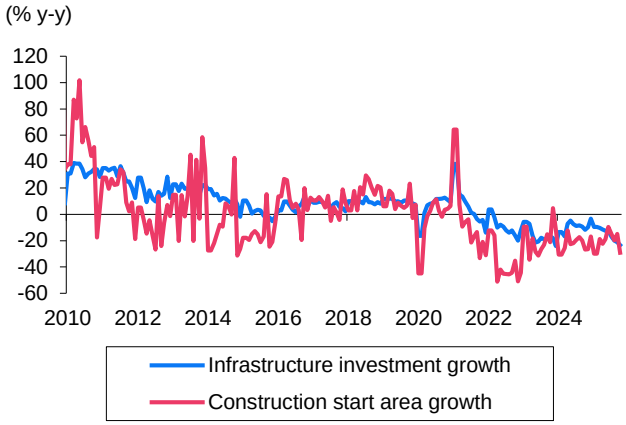
Source: Bloomberg, Samsung Securities

China: Land transaction amount



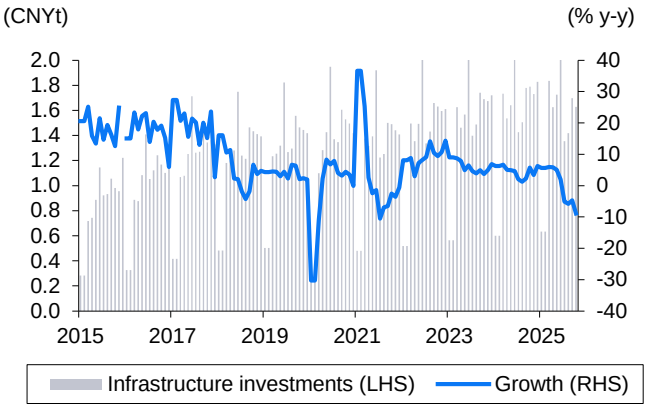
Source: CEIC, Samsung Securities

China: Construction start area growth vs infrastructure investment growth



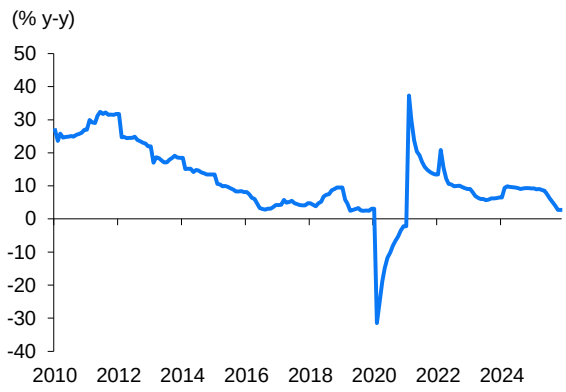
Source: CEIC, Samsung Securities

China: Infrastructure investments



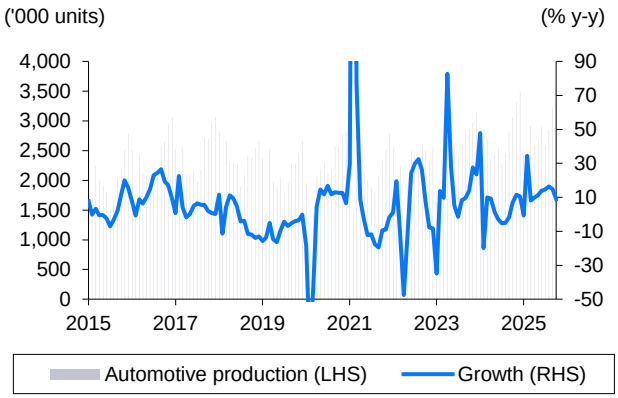
Source: CEIC, Samsung Securities

China: Fixed-asset investment growth (manufacturing)



Source: Bloomberg, Samsung Securities

China: Auto production



Source: Bloomberg, Samsung Securities

China: Steel demand forecasts

Change (% y-y)	Construction start area	Manufacturing fixed-asset investment	Auto production	Infrastructure investments	Industries	Nominal demand	Real demand
2011	17.1	44.4	2.7	2.8	18.6	8.7	9.1
2012	(5.6)	66.6	4.2	14.6	11.6	2.6	2.9
2013	13.6	17.2	13.9	22.9	14.9	8.7	12.3
2014	(12.5)	12.9	6.8	19.9	0.9	2.2	(4.1)
2015	(14.3)	10.6	4.6	(9.7)	(7.5)	(5.4)	(5.4)
2016	8.5	3.8	13.7	17.4	10.4	1.2	1.3
2017	7.3	7.8	3.6	17.8	9.1	10.2	13.6
2018	15.9	9.5	(3.1)	3.8	10.3	11.2	8.1
2019	8.3	3.1	(8.1)	3.8	5.4	7.5	9.1
2020	(8.8)	(2.2)	(1.9)	0.9	(4.8)	10.3	10.6
2021	(11.4)	13.5	3.9	0.4	(3.9)	(5.5)	(5.4)
2022	(39.4)	9.1	2.3	9.4	(8.8)	(2.4)	(2.9)
2023	(20.9)	6.5	11.9	5.9	(1.2)	(2.7)	(2.3)
2024	(22.5)	9.2	4.6	4.4	(1.1)	(3.2)	(5.4)
Jan-Apr 2025	(19.9)	2.7	12.3	(0.1)	(1.8)	(14.0)	
2025E	**(20.0)**	**2.0**	**10.0**	**1.0**	**(1.6)**		**(1.9)**
2026E	**(5.0)**	**3.0**	**5.0**	**2.5**	**1.6**		**0.2**

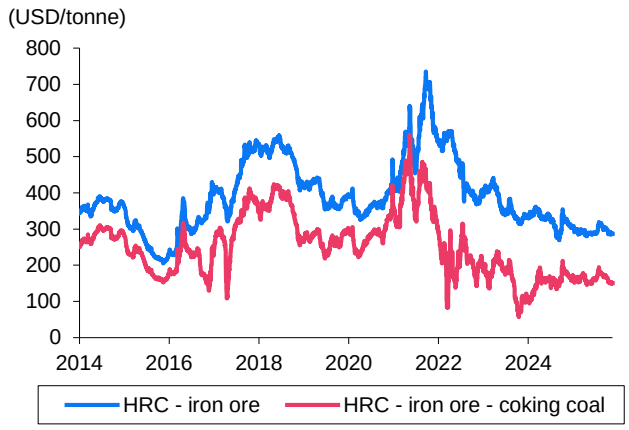
Source: CEIC, Samsung Securities estimates

China steel production, by year

(Mil tonnes)	Production	(% y-y)
2015	803.8	-2.3
2016	807.6	0.5
2017	831.7	3
2018	920	10.6
2019	996.3	8.3
2020	1,064.70	6.9
2021	1,032.80	-3
2022	1,019.10	-1.3
2023	1,019.10	0
2024	1,005.10	-1.4
2025E	??	??

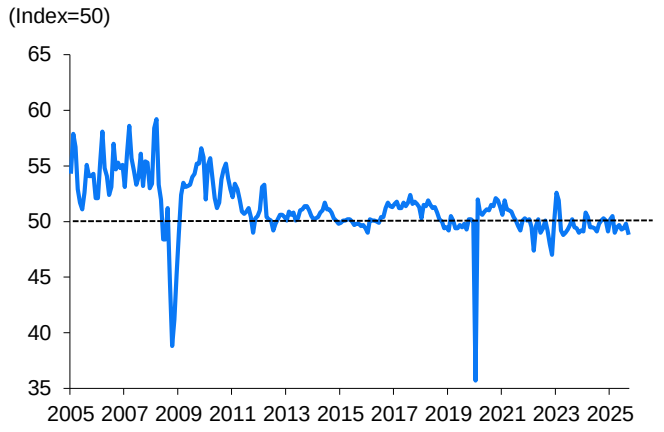
Note: Jan-Oct 2025 production down by 3.9% y-y
Source: Samsung Securities

China: HRC spreads



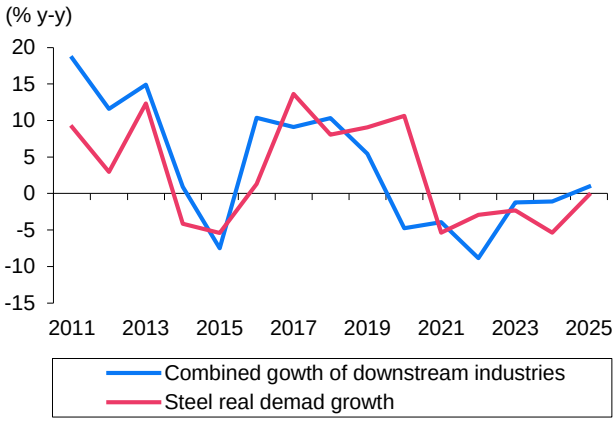
Source: Metal Bulletin, Bloomberg, Samsung Securities

China: Manufacturing PMI



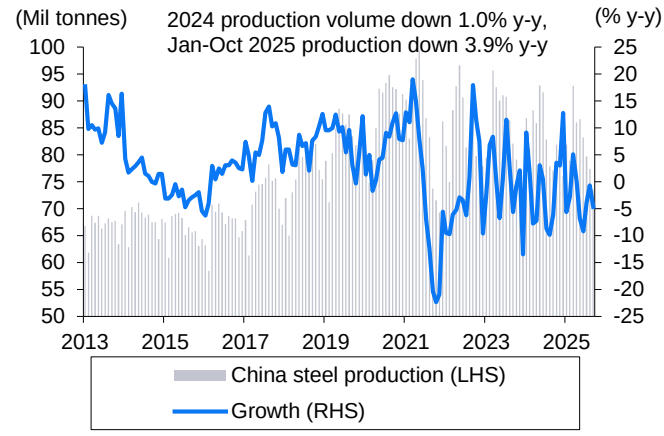
Source: Bloomberg, Samsung Securities

China: Downstream industries vs steel real demand



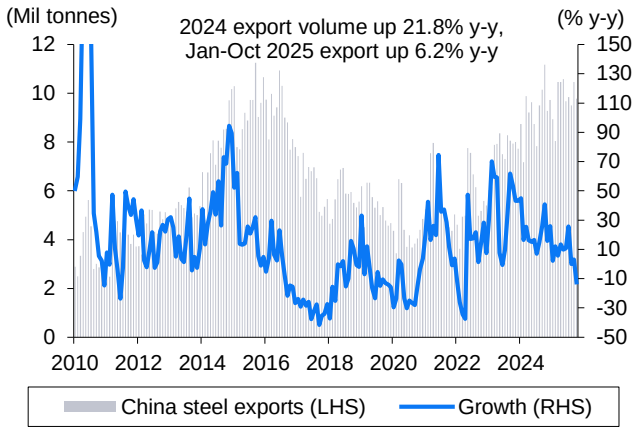
Source: Bloomberg, Samsung Securities

China: Steel production (monthly)



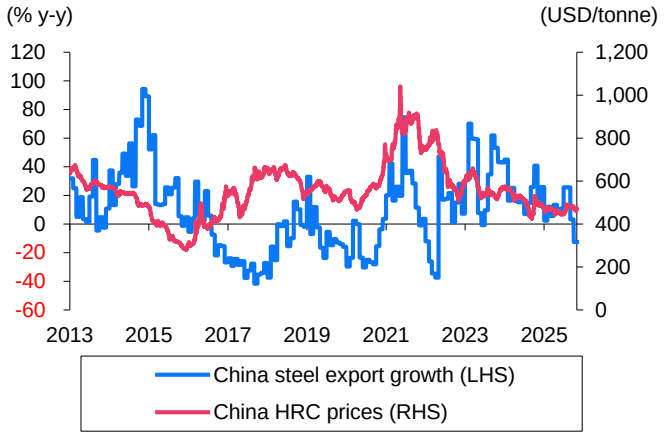
Source: Bloomberg, Samsung Securities

China: Steel exports (monthly)



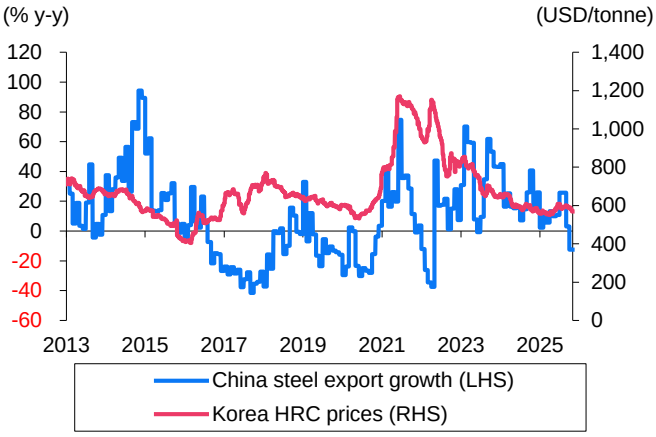
Source: Bloomberg, Samsung Securities

China steel export growth vs China HRC prices



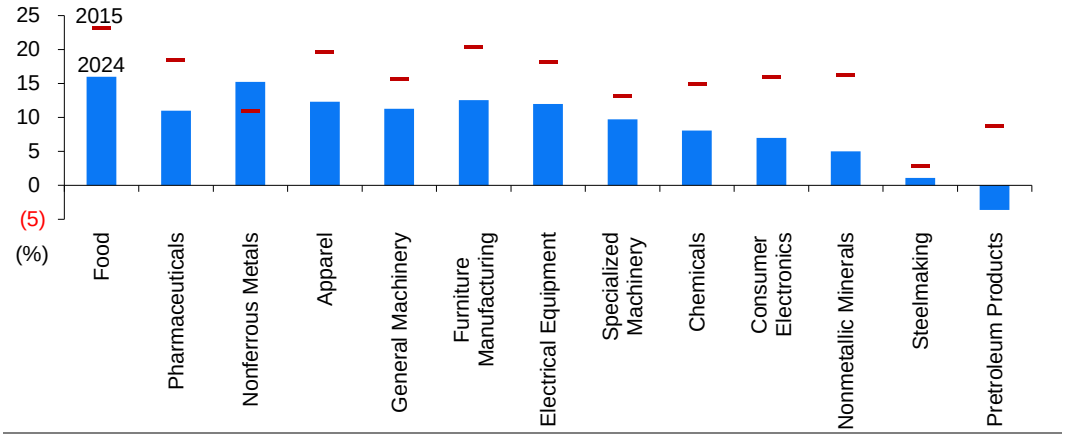
Source: Bloomberg, Samsung Securities

China steel export growth vs Korea HRC prices



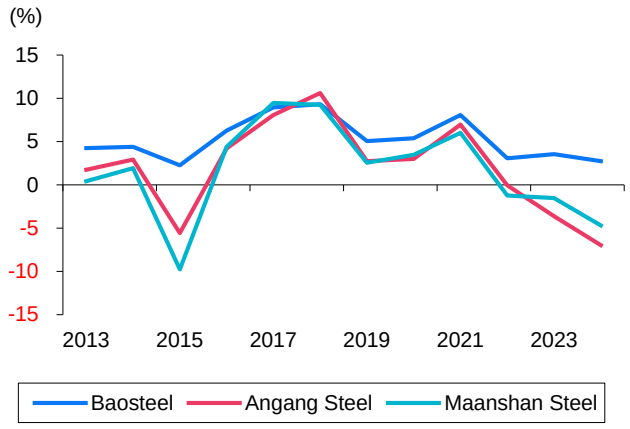
Source: Bloomberg, Samsung Securities

China industries: ROE comparison (2015 vs 2024)



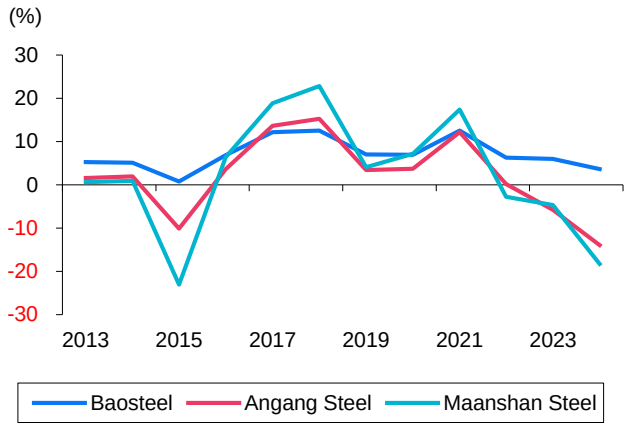
Source: CEIC

Major Chinese steelmakers: Operating margin



Source: Bloomberg

Major Chinese steelmakers: ROE

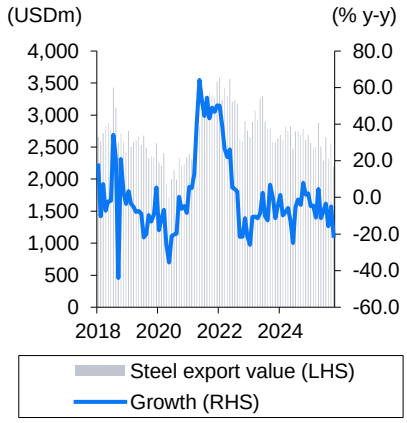


Source: Bloomberg

China HRC prices: Long-term trends

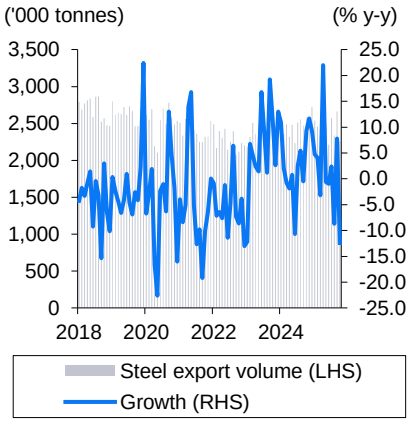
Source: Bloomberg, Samsung Securities

Korea: Total steel export value



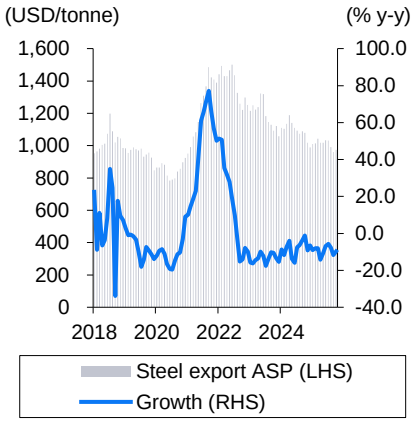
Note: Export value down 5.5% y-y in 2024 and 8% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: Total steel export volume



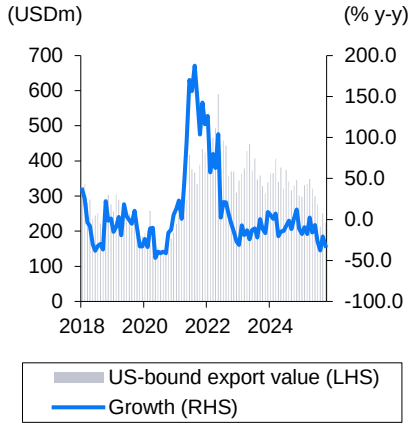
Note: Export volume up 3% y-y in 2024 and 1.3% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: Total steel export ASPs



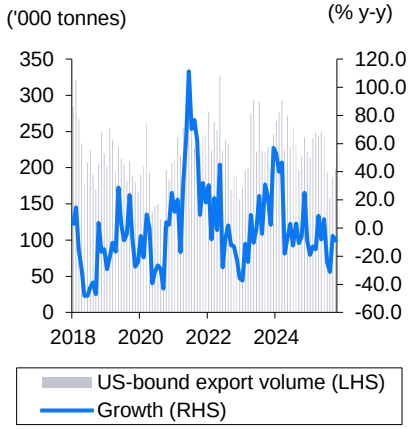
Note: Export ASPs down 8.1% y-y in 2024 and 9.2% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: US-bound steel export value



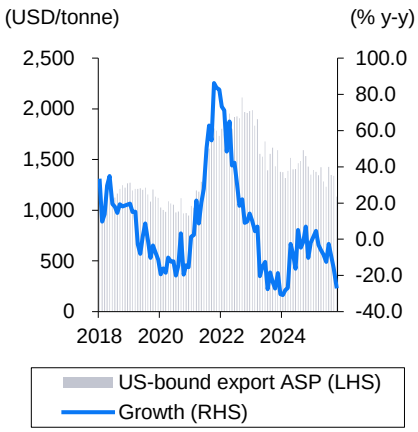
Note: Export value down 5.3% y-y in 2024 and 18.2% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: US-bound steel export volume



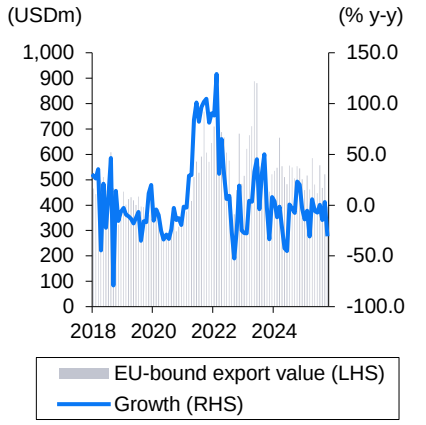
Note: Export volume up 5.7% y-y in 2024 but down 11.5% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: US-bound steel export ASPs



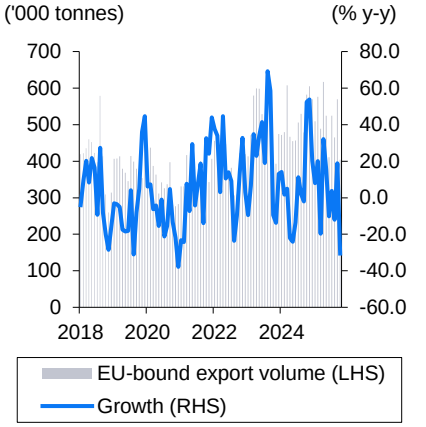
Note: Export ASPs down 11.3% y-y in 2024 and 8.1% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: EU-bound steel export value



Note: Export value down 11.9% y-y in 2024 and 10.3% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: EU-bound steel export volume

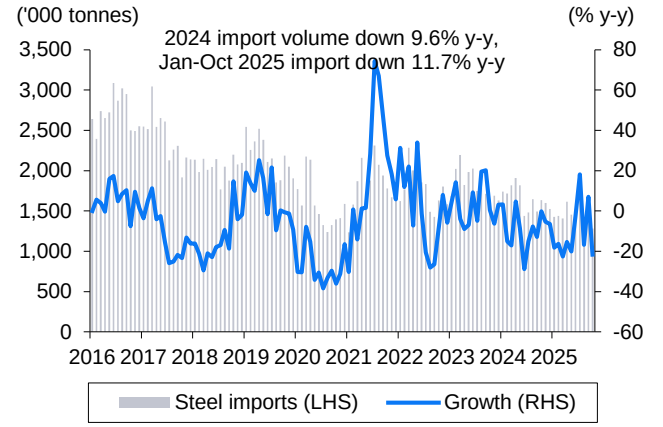


Note: Export volume up 5.2% y-y in 2024 and 1.1% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: EU-bound steel export ASPs

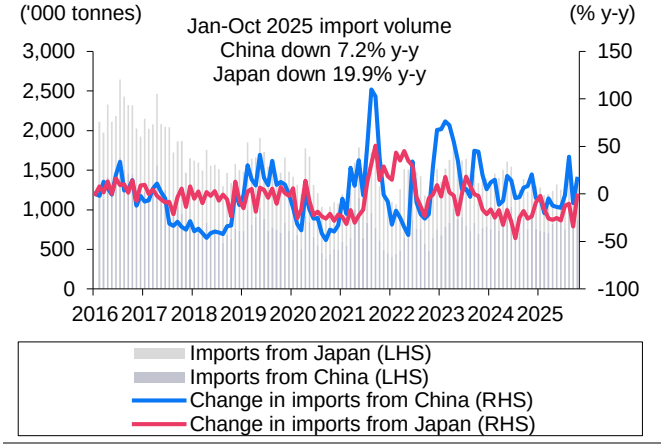
Note: Export ASPs down 15.2% y-y in 2024 and 11.2% y-y over Jan-Oct 2025
Source: Korea Iron & Steel Association, Samsung Securities

Korea: Steel imports (monthly)



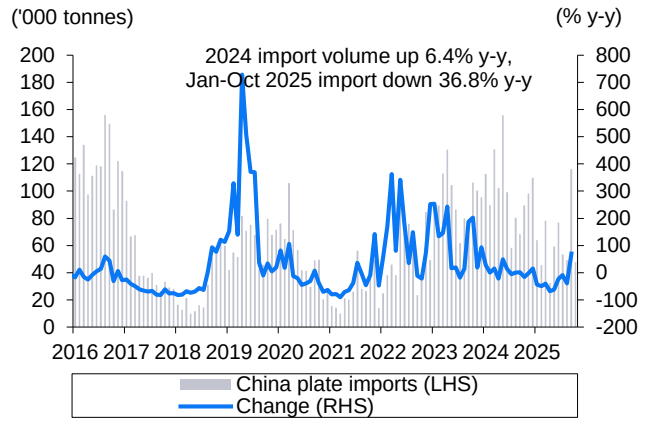
Source: Korea Iron & Steel Association, Samsung Securities

Steel imports from China and Japan



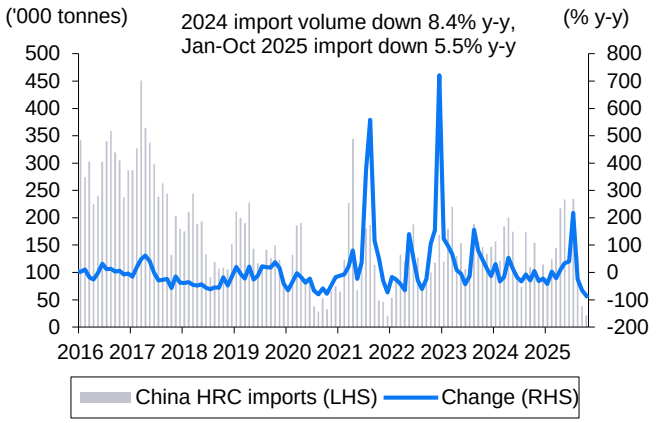
Source: Korea Iron & Steel Association, Samsung Securities

Plate imports from China



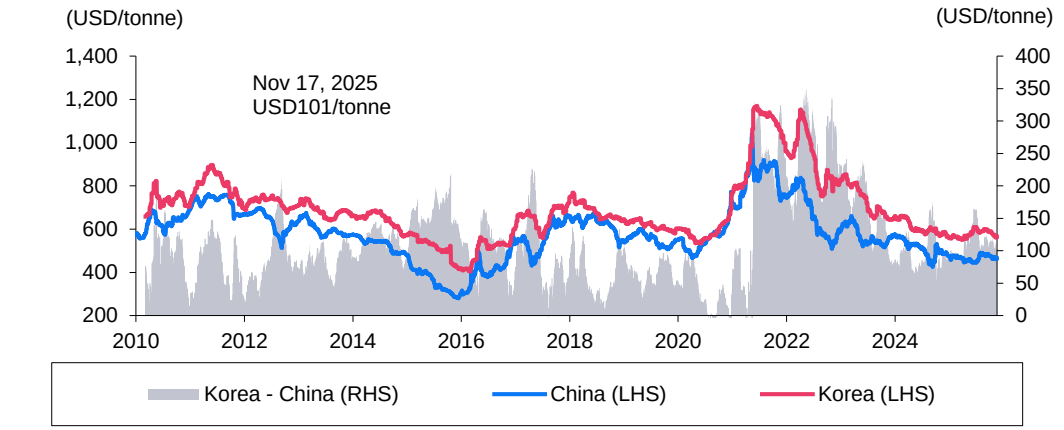
Source: Korea Iron & Steel Association, Samsung Securities

HRC imports from China



Source: Korea Iron & Steel Association, Samsung Securities

HRC spreads: Korea vs China



Source: Bloomberg, Samsung Securities

Korea: Steel exports

('000 tonnes)	2020	2021	2022	2023	2024	2025*	2024*
Total	**30,277**	**28,806**	**27,209**	**28,829**	**29,703**	**24,734**	**24,418**
HRC	7,396	6,069	5,855	6,921	6,798	6,191	5,476
CRC	4,851	5,061	4,580	4,437	4,528	3,846	3,745
GI	3,993	4,231	4,071	4,371	4,569	3,657	3,783
PPGI	1,152	1,348	1,201	1,229	1,425	1,224	1,208
Plate	3,106	2,491	2,445	3,066	3,286	2,390	2,717
H-beam	889	743	691	595	795	669	659
Steel pipe	1,536	1,647	1,839	1,806	1,840	1,445	1,493
Other	7,354	7,216	6,527	6,404	6,462	5,312	5,337
US	**2,119**	**2,842**	**2,737**	**2,766**	**2,924**	**2,177**	**2,459**
HRC	448	536	356	441	504	303	428
CRC	75	85	87	95	105	82	91
GI	101	135	118	110	135	102	121
PPGI	114	134	138	129	153	152	129
Plate	67	231	183	239	188	108	161
H-beam	103	116	163	129	102	134	60
Steel pipe	615	975	1,019	994	1,089	822	883
Other	596	630	673	629	648	474	586
EU	**2,856**	**3,032**	**3,590**	**3,844**	**4,354**	**3,407**	**3,582**
HRC	463	638	760	865	853	671	684
CRC	540	495	513	532	623	524	526
GI	676	668	657	795	778	687	633
PPGI	208	263	296	268	361	304	304
Plate	285	187	406	662	861	419	738
H-beam	28	20	25	19	60	27	34
Steel pipe	22	20	35	30	29	21	25
Other	634	741	898	673	789	754	638
Japan	**3,385**	**3,613**	**3,342**	**3,813**	**3,824**	**2,958**	**3,228**
HRC	739	815	807	857	869	677	735
CRC	554	708	610	637	666	516	563
GI	564	616	634	808	866	701	737
PPGI	26	21	23	23	28	24	24
Plate	480	442	342	402	430	331	362
H-beam	77	38	15	33	38	13	31
Steel pipe	116	109	116	93	107	101	87
Other	829	864	795	960	820	595	689

('000 tonnes)	2020	2021	2022	2023	2024	2025*	2024*
China	**5,559**	**3,710**	**3,072**	**2,593**	**2,247**	**1,628**	**1,865**
HRC	1,100	513	434	335	279	201	226
CRC	1,420	1,013	797	483	510	385	420
GI	737	726	618	513	432	268	351
PPGI	43	39	23	15	10	8	9
Plate	800	392	433	517	348	253	312
H-beam	72	32	7	0	1	2	1
Steel pipe	84	76	41	32	45	24	38
Other	1,303	919	719	698	622	487	508
SE Asia	**7,626**	**6,658**	**5,576**	**5,477**	**6,002**	**5,190**	**4,842**
HRC	2,257	1,626	1,395	1,566	1,783	1,753	1,399
CRC	1,124	1,287	1,118	1,110	1,155	1,035	947
GI	555	499	563	474	491	402	409
PPGI	177	183	136	127	130	114	109
Plate	719	582	385	374	469	486	335
H-beam	217	181	108	67	95	71	86
Steel pipe	282	198	197	195	188	150	148
Other	2,295	2,102	1,674	1,564	1,691	1,179	1,409
Latin America	**2,336**	**2,775**	**2,603**	**3,097**	**2,961**	**2,816**	**2,516**
HRC	382	395	464	662	421	771	376
CRC	514	705	671	728	763	700	609
GI	576	663	588	642	675	525	574
PPGI	180	262	220	231	223	180	192
Plate	94	88	53	101	62	45	54
H-beam	68	85	70	61	75	25	0
Steel pipe	38	33	46	38	32	24	27
Other	484	544	491	634	710	546	684
Other	**6,396**	**6,176**	**6,289**	**7,239**	**7,391**	**6,558**	**5,926**
HRC	2,007	1,546	1,639	2,195	2,089	1,815	1,628
CRC	624	768	784	852	706	604	589
GI	784	924	893	1,029	1,192	972	958
PPGI	404	446	365	436	520	442	441
Plate	661	569	643	771	928	748	755
H-beam	324	271	303	286	424	397	447
Steel pipe	379	236	385	424	350	303	285
Other	1,213	1,416	1,277	1,246	1,182	1,277	823

Note: *Jan-Oct exports volume

Source: Korea Iron & Steel Association, Samsung Securities

Korea: Steel export growth

(% y-y)	2021	2022	2023	2024	2025*
Total	**(4.9)**	**(5.5)**	**6.0**	**3.0**	**1.3**
HRC	(17.9)	(3.5)	18.2	(1.8)	13.1
CRC	4.3	(9.5)	(3.1)	2.1	2.7
GI	6.0	(3.8)	7.4	4.5	(3.3)
PPGI	17.0	(10.9)	2.3	15.9	1.3
Plate	(19.8)	(1.8)	25.4	7.2	(12.0)
H-beam	(16.4)	(7.0)	(13.9)	33.6	1.5
Steel pipe	7.2	11.7	(1.8)	1.9	(3.2)
Other	(1.9)	(9.5)	(1.9)	0.9	(0.5)
US	**34.1**	**(3.7)**	**1.1**	**5.7**	**(11.5)**
HRC	19.6	(33.6)	23.9	14.3	(29.2)
CRC	13.3	2.4	9.2	10.5	(9.9)
GI	33.7	(12.6)	(6.8)	22.7	(15.7)
PPGI	17.5	3.0	(6.5)	18.6	17.8
Plate	244.8	(20.8)	30.6	(21.3)	(32.9)
H-beam	12.6	40.5	(20.9)	(20.9)	123.3
Steel pipe	58.5	4.5	(2.5)	9.6	(6.9)
Other	5.7	6.8	(6.5)	3.0	(19.1)
EU	**6.2**	**18.4**	**7.1**	**13.3**	**(4.9)**
HRC	37.8	19.1	13.8	(1.4)	(1.9)
CRC	(8.3)	3.6	3.7	17.1	(0.4)
GI	(1.2)	(1.6)	21.0	(2.1)	8.5
PPGI	26.4	12.5	(9.5)	34.7	0.0
Plate	(34.4)	117.1	63.1	30.1	(43.2)
H-beam	(28.6)	25.0	(24.0)	215.8	(20.6)
Steel pipe	(9.1)	75.0	(14.3)	(3.3)	(16.0)
Other	16.9	21.2	(25.1)	17.2	18.2
Japan	**6.7**	**(7.5)**	**14.1**	**0.3**	**(8.4)**
HRC	10.3	(1.0)	6.2	1.4	(7.9)
CRC	27.8	(13.8)	4.4	4.6	(8.3)
GI	9.2	2.9	27.4	7.2	(4.9)
PPGI	(19.2)	9.5	0.0	21.7	0.0
Plate	(7.9)	(22.6)	17.5	7.0	(8.6)
H-beam	(50.6)	(60.5)	120.0	15.2	(58.1)
Steel pipe	(6.0)	6.4	(19.8)	15.1	16.1
Other	4.2	(8.0)	20.8	(14.6)	(13.6)

(% y-y)	2021	2022	2023	2024	2025*
China	**(33.3)**	**(17.2)**	**(15.6)**	**(13.3)**	**(12.7)**
HRC	(53.4)	(15.4)	(22.8)	(16.7)	(11.1)
CRC	(28.7)	(21.3)	(39.4)	5.6	(8.3)
GI	(1.5)	(14.9)	(17.0)	(15.8)	(23.6)
PPGI	(9.3)	(41.0)	(34.8)	(33.3)	(11.1)
Plate	(51.0)	10.5	19.4	(32.7)	(18.9)
H-beam	(55.6)	(78.1)	(100.0)	n/a	100.0
Steel pipe	(9.5)	(46.1)	(22.0)	40.6	(36.8)
Other	(29.5)	(21.8)	(2.9)	(10.9)	(4.1)
SE Asia	**(12.7)**	**(16.3)**	**(1.8)**	**9.6**	**7.2**
HRC	(28.0)	(14.2)	12.3	13.9	25.3
CRC	14.5	(13.1)	(0.7)	4.1	9.3
GI	(10.1)	12.8	(15.8)	3.6	(1.7)
PPGI	3.4	(25.7)	(6.6)	2.4	4.6
Plate	(19.1)	(33.8)	(2.9)	25.4	45.1
H-beam	(16.6)	(40.3)	(38.0)	41.8	(17.4)
Steel pipe	(29.8)	(0.5)	(1.0)	(3.6)	1.4
Other	(8.4)	(20.4)	(6.6)	8.1	(16.3)
Latin America	**18.8**	**(6.2)**	**19.0**	**(4.4)**	**11.9**
HRC	3.4	17.5	42.7	(36.4)	105.1
CRC	37.2	(4.8)	8.5	4.8	14.9
GI	15.1	(11.3)	9.2	5.1	(8.5)
PPGI	45.6	(16.0)	5.0	(3.5)	(6.3)
Plate	(6.4)	(39.8)	90.6	(38.6)	(16.7)
H-beam	25.0	(17.6)	(12.9)	23.0	n/a
Steel pipe	(13.2)	39.4	(17.4)	(15.8)	(11.1)
Other	12.4	(9.7)	29.1	12.0	(20.2)
Other	**(3.4)**	**1.8**	**15.1**	**2.1**	**10.7**
HRC	(23.0)	6.0	33.9	(4.8)	11.5
CRC	23.1	2.1	8.7	(17.1)	2.5
GI	17.9	(3.4)	15.2	15.8	1.5
PPGI	10.4	(18.2)	19.5	19.3	0.2
Plate	(13.9)	13.0	19.9	20.4	(0.9)
H-beam	(16.4)	11.8	(5.6)	48.3	(11.2)
Steel pipe	(37.7)	63.1	10.1	(17.5)	6.3
Other	16.7	(9.8)	(2.4)	(5.1)	55.2

Note: *Jan-Oct exports volume growth
Source: Korea Iron & Steel Association, Samsung Securities

Korea: Steel imports

('000 tonnes)	2020	2021	2022	2023	2024	2025*	2024*
Total	**18,974**	**21,767**	**21,431**	**22,105**	**19,832**	**14,749**	**16,707**
HRC	3,365	3,395	3,395	4,222	3,730	2,555	3,146
CRC	739	774	579	770	905	714	788
GI	902	1,259	957	1,336	1,445	1,075	1,237
PPGI	298	413	308	207	206	142	175
Plate	1,378	1,301	1,952	2,271	2,101	1,316	1,774
Rebar	475	946	619	486	219	90	180
H-beam	422	417	445	429	365	238	287
Steel pipe	435	508	550	491	445	351	374
Other	10,960	12,754	12,626	11,893	10,416	8,268	8,746
China	**7,049**	**8,541**	**7,770**	**9,887**	**10,214**	**8,099**	**8,727**
HRC	1,055	1,547	1,421	1,790	1,641	1,356	1,434
CRC	460	585	341	496	607	525	529
GI	804	1,145	849	1,200	1,285	977	1,099
PPGI	296	410	306	204	203	141	172
Plate	724	446	813	1,310	1,381	667	1,158
Rebar	274	384	0	225	52	13	34
H-beam	3	54	69	129	61	43	38
Steel pipe	341	414	449	402	381	299	320
Other	3,092	3,556	3,522	4,131	4,603	4,078	3,943
Japan	**7,788**	**7,909**	**8,655**	**8,357**	**6,380**	**4,232**	**5,282**
HRC	1,910	1,518	1,707	2,217	1,946	1,042	1,589
CRC	118	128	76	53	54	51	46
GI	91	105	94	110	135	84	115
PPGI	1	0	0	0	0	0	0
Plate	572	784	1,056	905	653	586	559
Rebar	0	0	379	230	135	65	81
H-beam	166	144	188	139	156	116	128
Steel pipe	55	65	67	58	40	31	35
Other	4,875	5,165	5,088	4,645	3,261	2,257	2,729

('000 tonnes)	2020	2021	2022	2023	2024	2025*	2024*
SE Asia	**1,482**	**1,959**	**2,285**	**1,502**	**1,608**	**1,121**	**1,309**
HRC	351	200	232	171	108	142	98
CRC	137	44	145	180	213	118	189
GI	1	3	6	14	17	6	14
PPGI	1	1	0	1	0	0	0
Plate	15	9	24	8	19	11	18
Rebar	32	162	40	30	32	1	29
H-beam	177	154	128	128	132	77	96
Steel pipe	7	4	8	7	10	9	8
Other	761	1,382	1,702	963	1,077	757	857
India	**212**	**480**	**276**	**270**	**305**	**235**	**249**
HRC	3	103	1	20	21	1	18
CRC	1	1	0	19	15	5	11
GI	0	1	0	0	0	0	0
PPGI	1	1	0	0	1	1	1
Plate	10	4	5	9	5	7	3
Rebar	0	0	0	0	0	0	0
H-beam	0	0	0	0	0	0	0
Steel pipe	1	2	1	0	1	1	1
Other	196	368	269	222	262	220	215
Other	**2,443**	**2,878**	**2,445**	**2,089**	**1,325**	**1,062**	**1,140**
HRC	46	27	34	24	14	14	7
CRC	23	16	17	22	16	15	13
GI	6	5	8	12	8	8	9
PPGI	(1)	1	2	2	2	0	2
Plate	57	58	54	39	43	45	36
Rebar	169	400	200	1	0	11	36
H-beam	76	65	60	33	16	2	25
Steel pipe	31	23	25	24	13	11	10
Other	2,036	2,283	2,045	1,932	1,213	956	1,002

Note: * Jan-Oct import volume

Source: Korea Iron & Steel Association, Samsung Securities

Korea: Steel import growth

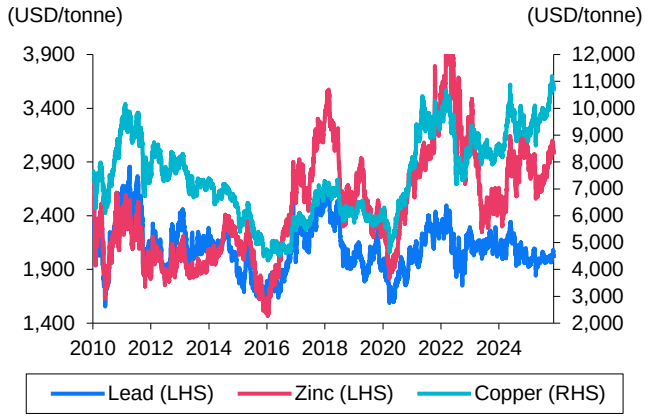
(% y-y)	2021	2022	2023	2024	2025*
Total	**14.7**	**(1.5)**	**3.1**	**(10.3)**	**(11.7)**
HRC	0.9	0.0	24.4	(11.7)	(18.8)
CRC	4.7	(25.2)	33.0	17.5	(9.4)
GI	39.6	(24.0)	39.6	8.2	(13.1)
PPGI	38.6	(25.4)	(32.8)	(0.5)	(18.9)
Plate	(5.6)	50.0	16.3	(7.5)	(25.8)
Rebar	99.2	(34.6)	(21.5)	(54.9)	(50.0)
H-beam	(1.2)	6.7	(3.6)	(14.9)	(17.1)
Steel pipe	16.8	8.3	(10.7)	(9.4)	(6.1)
Other	16.4	(1.0)	(5.8)	(12.4)	(5.5)
China	**21.2**	**(9.0)**	**27.2**	**3.3**	**(7.2)**
HRC	46.6	(8.1)	26.0	(8.3)	(5.4)
CRC	27.2	(41.7)	45.5	22.4	(0.8)
GI	42.4	(25.9)	41.3	7.1	(11.1)
PPGI	38.5	(25.4)	(33.3)	(0.5)	(18.0)
Plate	(38.4)	82.3	61.1	5.4	(42.4)
Rebar	40.1	(100.0)	n/a	(76.9)	(61.8)
H-beam	1,700.0	27.8	87.0	(52.7)	13.2
Steel pipe	21.4	8.5	(10.5)	(5.2)	(6.6)
Other	15.0	(1.0)	17.3	11.4	3.4
Japan	**1.6**	**9.4**	**(3.4)**	**(23.7)**	**(19.9)**
HRC	(20.5)	12.5	29.9	(12.2)	(34.4)
CRC	8.5	(40.6)	(30.3)	1.9	10.9
GI	15.4	(10.5)	17.0	22.7	(27.0)
PPGI	(100.0)	n/a	n/a	n/a	n/a
Plate	37.1	34.7	(14.3)	(27.8)	4.8
Rebar	n/a	n/a	(39.3)	(41.3)	(19.8)
H-beam	(13.3)	30.6	(26.1)	12.2	(9.4)
Steel pipe	18.2	3.1	(13.4)	(31.0)	(11.4)
Other	5.9	(1.5)	(8.7)	(29.8)	(17.3)

(% y-y)	2021	2022	2023	2024	2025*
SE Asia	**32.2**	**16.6**	**(34.3)**	**7.1**	**(14.4)**
HRC	(43.0)	16.0	(26.3)	(36.8)	44.9
CRC	(67.9)	229.5	24.1	18.3	(37.6)
GI	200.0	100.0	133.3	21.4	(57.1)
PPGI	0.0	(100.0)	n/a	(100.0)	n/a
Plate	(40.0)	166.7	(66.7)	137.5	(38.9)
Rebar	406.3	(75.3)	(25.0)	6.7	(96.6)
H-beam	(13.0)	(16.9)	0.0	3.1	(19.8)
Steel pipe	(42.9)	100.0	(12.5)	42.9	12.5
Other	81.6	23.2	(43.4)	11.8	(11.7)
India	**126.4**	**(42.5)**	**(2.2)**	**13.0**	**(5.6)**
HRC	3,333.3	(99.0)	1,900.0	5.0	(94.4)
CRC	0.0	(100.0)	n/a	(21.1)	(54.5)
GI	n/a	(100.0)	n/a	n/a	n/a
PPGI	0.0	(100.0)	n/a	n/a	0.0
Plate	(60.0)	25.0	80.0	(44.4)	133.3
Rebar	n/a	n/a	n/a	n/a	n/a
H-beam	n/a	n/a	n/a	n/a	n/a
Steel pipe	100.0	(50.0)	(100.0)	n/a	0.0
Other	87.8	(26.9)	(17.5)	18.0	2.3
Other	**17.8**	**(15.0)**	**(14.6)**	**(36.6)**	**(6.8)**
HRC	(41.3)	25.9	(29.4)	(41.7)	100.0
CRC	(30.4)	6.3	29.4	(27.3)	15.4
GI	(16.7)	60.0	50.0	(33.3)	(11.1)
PPGI	(200.0)	100.0	0.0	0.0	(100.0)
Plate	1.8	(6.9)	(27.8)	10.3	25.0
Rebar	136.7	(50.0)	(99.5)	(100.0)	(69.4)
H-beam	(14.5)	(7.7)	(45.0)	(51.5)	(92.0)
Steel pipe	(25.8)	8.7	(4.0)	(45.8)	10.0
Other	12.1	(10.4)	(5.5)	(37.2)	(4.6)

Note: *Jan-Oct import volume growth
Source: Korea Iron & Steel Association, Samsung Securities

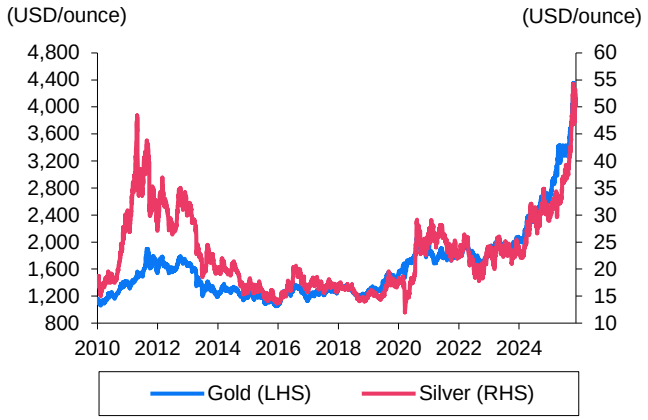
2026 Nonferrous metals industry outlook

Metal prices: Zinc vs lead vs copper



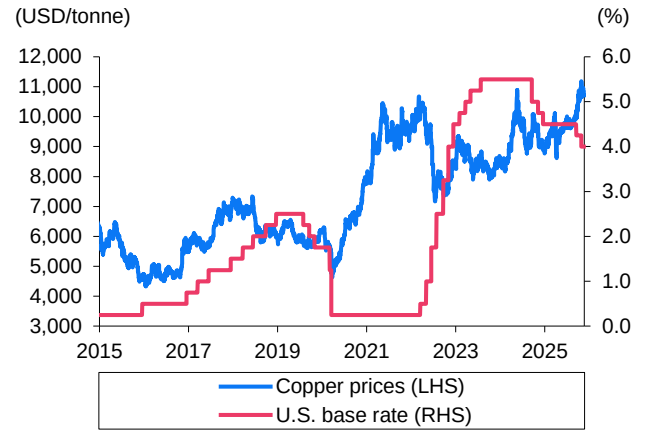
Source: Bloomberg, Samsung Securities

Metal prices: Gold vs silver



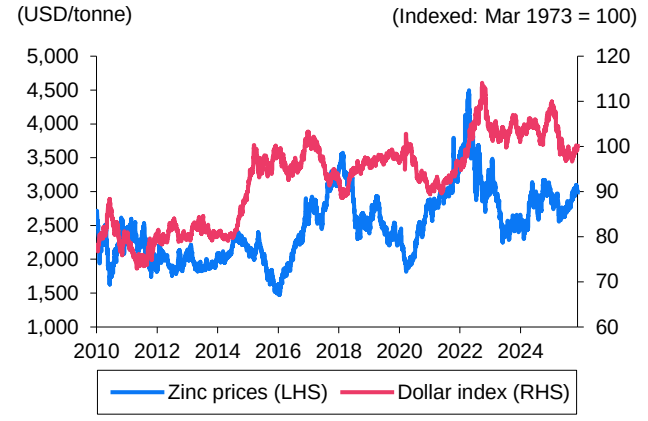
Source: Bloomberg, Samsung Securities

Copper prices vs U.S. base rate



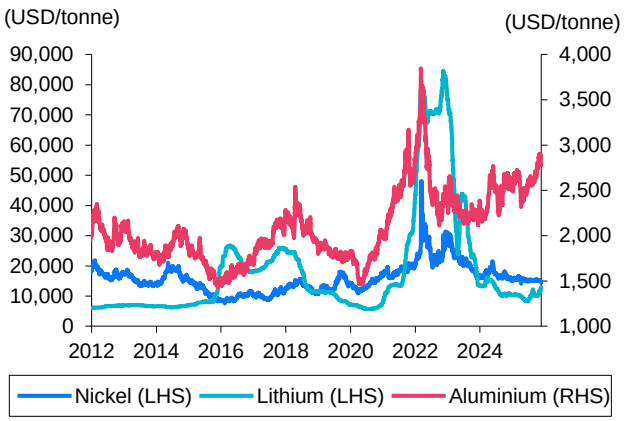
Source: Bloomberg, Samsung Securities

Zinc prices vs dollar index



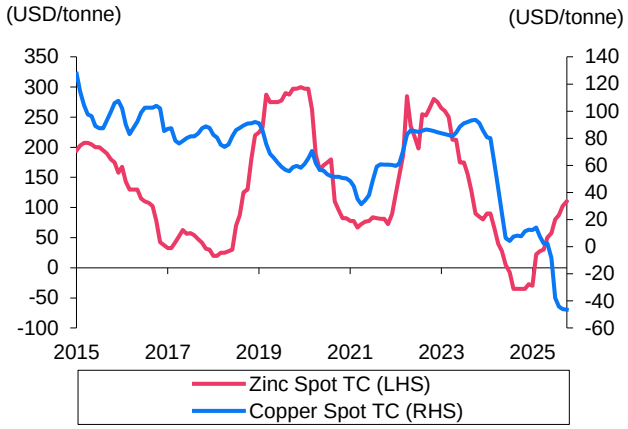
Source: Bloomberg, Samsung Securities

Rechargeable battery material prices



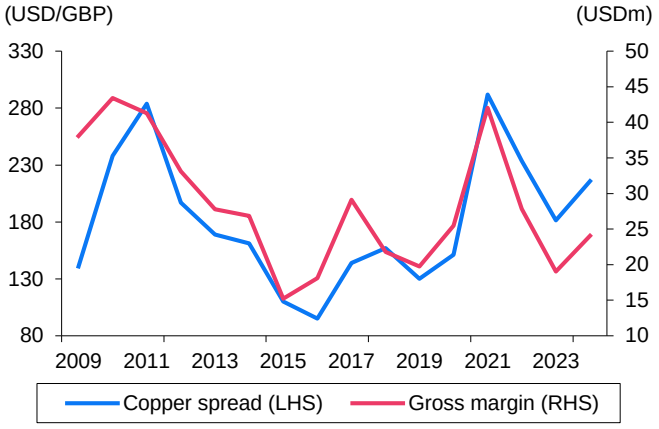
Source: Bloomberg, Samsung Securities

Spot TCs: Zin vs copper



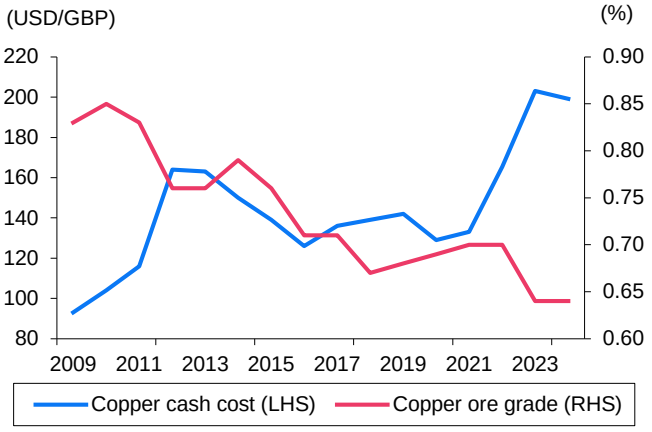
Source: Bloomberg, Samsung Securities

Codelco: Copper spread* vs gross margin



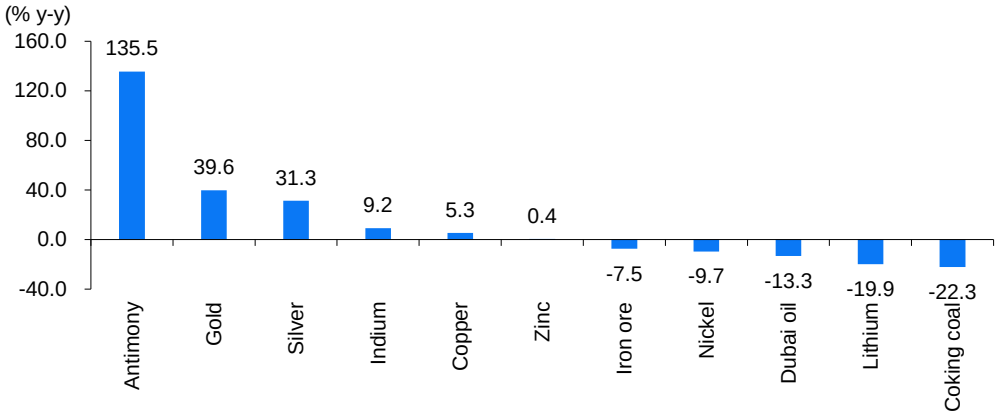
Note: *Copper price – cash cost
Source: Codelco, Samsung Securities

Codelco: Copper spread* vs copper ore grade



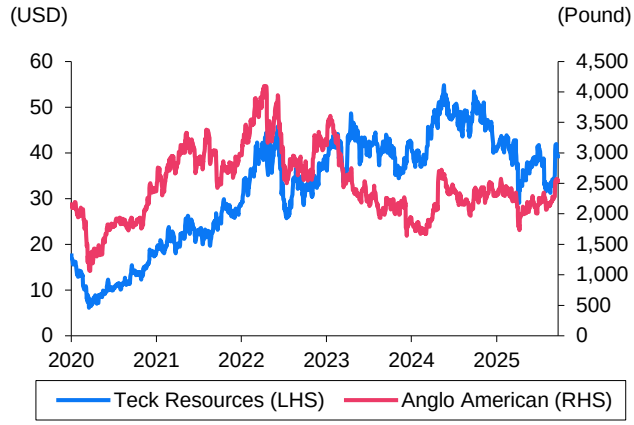
Source: Codelco, Samsung Securities

2025 ytd* change in prices of steel, iron ore, various metals, crude oil, and coking coal



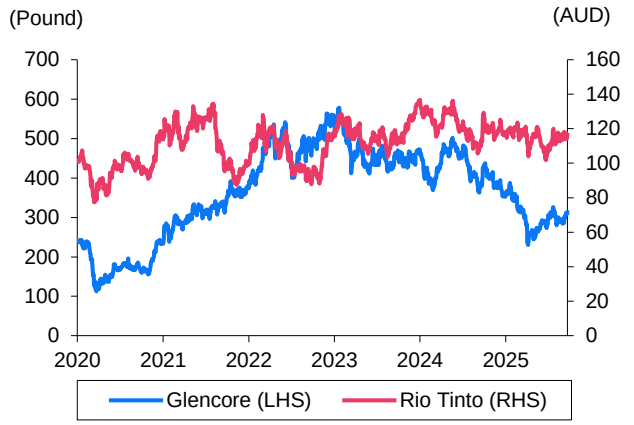
Note: *As of Nov 19, 2025
Source: Bloomberg, Samsung Securities

Stock prices: Teck Resources vs Anglo American



Source: Bloomberg, Samsung Securities

Stock prices: Glencore vs Rio Tinto



Source: Bloomberg, Samsung Securities

Teck Resources: Production

('000 tonnes)	2024	2023
Copper	446	296
Zinc concentrate	616	644
Zinc (refined)	256	267

Source: Company data

Anglo American: Production

	2024	2023
Copper ('000 tonnes)	773	826
Iron ore (mil tonnes)	61	60
Platinum group metals ('000 oz)	3,553	3,806
Diamond (mil carats)	25	32
Steelmaking coal (mil tonnes)	15	16
Nickel ('000 tonnes)	39	40
Manganese ore ('000 tonnes)	2,288	3,671

Source: Company data

Rio Tinto: Production

('000 tonnes)		2024
Principal commodities		
Alumina		7,303
Aluminium (primary)		3,296
Bauxite		58,653
Borates		504
Copper (consolidated)		793
Iron ore		287,676
Titanium dioxide slag		990
Other Metals & Minerals		
Diamonds	('000 carats)	2,759
Gold - mined	('000 oz)	282
Gold - refined	('000 oz)	144
Molybdenum		3
Salt		5,823
Silver (mined)	('000 oz)	4,236
Silver (refined)	('000 oz)	2,314

Source: Company data

Glencore: Production

('000 tonnes)	2024	2023
Copper	952	1,010
Cobalt	38	41
Zinc	905	919
Lead	186	183
Nickel	82	98
Gold ('000 oz)	738	747
Silver ('000 oz)	19,286	20,011
Ferrochrome	1,166	1,162
Steelmaking coal (mil tonnes)	19.9	7.5
Energy coal (mil tonnes)	99.6	106.1
Oil (entitlement interest basis) (kboe)	3,973	4,743

Source: Company data

COMPANY UPDATE

2025. 12. 5

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Industrial Team

Jaeseung Baek
Senior Analyst
jaeseung.baek@samsung.com

Posco Holdings (005490)

A welcome rebound in lithium prices

- While a full recovery in the steel market depends on China's restructuring efforts, we expect Posco Holdings to post y-y improvement in 2026, supported by Korea's protectionist trade measures.
- The company's long-term commitment to rechargeable battery materials has been reaffirmed by its recent plans to: 1) acquire a stake in a JV with Australian lithium miner Mineral Resources; and 2) purchase NRG Metals' mining rights in Argentina's Hombre Muerto salt lake.
- Reflecting stronger lithium prices and higher peer multiples, we raise our target price by 12% to KRW420,000 (based on a sum-of-the-parts valuation).

WHAT'S THE STORY?

Steel earnings to pick up despite challenging environment: Despite difficult industry conditions in 2025, Posco Holdings saw earnings improve h-h in 2H thanks to the lagged impact of lower raw material prices. Korea imposed anti-dumping duties on Chinese thick plates from end-April and on Chinese and Japanese HRC imports from end-September—measures that should lift domestic HRC prices from 1Q26. While a full market recovery hinges on whether China follows through on production cuts and restructuring, we expect Korea's protectionist actions to support Posco Holdings' steel earnings in 2026.

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW420,000	36.1%
Current price	**KRW308,500**	
Market cap	KRW25.0t/USD17.0b	
Shares (float)	80,932,952 (83.8%)	
52-week high/low	KRW335,000/KRW230,500	
Avg daily trading value (60-day)	KRW100.6b/ USD68.6m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Posco Holdings (%)	-1.0	26.4	12.0
Vs Kospi (%pts)	3.6	-15.5	-30.6

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	420,000	375,000	12.0%
2025E EPS	11,656	9,743	19.6%
2026E EPS	29,436	29,788	-1.2%

SAMSUNG vs THE STREET

No of estimates	20
Target price	439,050
Recommendation	4.0

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

SUMMARY FINANCIAL DATA

(KRWb)	2024	2025E	2026E	2027E
Revenue	72,688	68,826	71,718	72,852
Operating profit	2,174	2,319	3,699	4,122
Net profit (adj)	948	1,104	2,366	2,667
EPS (adj) (KRW)	13,073	11,656	29,436	32,959
EPS (adj) growth (% y-y)	-34.9	-10.8	152.6	12.0
EBITDA margin (%)	8.5	9.6	11.5	12.1
ROE (%)	2.0	1.7	3.5	4.6
P/E (adj) (x)	19.4	26.5	10.5	9.4
P/B (x)	0.3	0.5	0.4	0.4
EV/EBITDA (x)	6.2	6.7	5.4	5.1
Dividend yield (%)	3.9	3.2	3.2	3.2

Source: Company data, Samsung Securities estimates

Rechargeable battery materials to contribute from 2026: The company's lithium business posted sizeable operating losses this year, as weak demand amid an EV market slowdown (caused by a gap in the EV adoption curve) led to inventory valuation losses and a higher fixed-cost burden. However, earnings contributions should begin to materialize next year, supported by: 1) the ramp-up of its first-phase brine project in Argentina; and 2) the expected start-up of its Gwangyang lithium smelters after customer quality certification. As the lithium unit is unlikely to turn profitable at current price levels, improving market conditions and higher lithium prices are key. The company has nonetheless reinforced its long-term growth commitment to rechargeable battery materials through its plans to invest in a JV with Mineral Resources and acquire NRG Metals' mining rights at Argentina's Hombre Muerto salt lake. Reflecting higher lithium-business value (following the recent price rebound) and rising peer multiples, we raise our target price by 12% to KRW420,000 (based on a sum-of-the-parts valuation) and reiterate our BUY rating on the stock.

Posco Holdings: Results and forecasts (consolidated)

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Sales	**17,436.8**	**17,555.6**	**17,261.0**	**16,572.6**	**18,049.0**	**18,216.8**	**17,723.8**	**17,728.7**	**72,688.1**	**68,826.0**	**71,718.3**
Steel	8,884.5	8,854.1	8,702.2	8,211.0	8,926.2	9,068.2	8,975.6	9,069.1	37,194.1	34,651.7	36,039.0
Trading	7,008.9	7,056.5	7,269.5	7,033.9	7,553.8	7,556.9	7,428.2	7,301.0	26,980.5	28,368.7	29,839.9
Construction	1,183.5	1,235.5	777.5	771.2	1,002.1	1,048.9	805.6	799.2	6,946.9	3,967.6	3,655.7
Other	360.0	409.6	512.0	556.5	567.0	542.8	514.4	559.4	1,566.6	1,838.1	2,183.7
Operating profit	**568.4**	**607.2**	**638.8**	**504.1**	**818.8**	**919.7**	**1,006.1**	**954.0**	**2,173.6**	**2,318.5**	**3,698.6**
Steel	424.4	596.7	656.8	572.7	732.4	754.5	808.0	801.6	1,466.2	2,250.6	3,096.6
Trading	189.4	233.0	235.2	162.1	206.7	242.0	241.1	181.2	804.0	819.7	871.0
Construction	26.6	-88.4	-192.4	-135.4	-43.9	-11.6	12.0	26.2	75.5	-389.6	-17.3
Other	-72.0	-134.1	-60.8	-95.2	-76.4	-65.1	-55.0	-55.0	-172.1	-362.2	-251.6
Net profit	**344.2**	**83.8**	**386.9**	**288.7**	**526.4**	**589.6**	**629.1**	**620.6**	**947.6**	**1,103.7**	**2,365.8**
Change (% y-y)											
Sales	**-3.4**	**-5.2**	**-5.8**	**-6.9**	**3.5**	**3.8**	**2.7**	**7.0**	**-5.8**	**-5.3**	**4.2**
Steel	-5.8	-3.8	-7.2	-10.6	0.5	2.4	3.1	10.5	-3.6	-6.8	4.0
Trading	8.7	1.3	3.0	8.0	7.8	7.1	2.2	3.8	-7.7	5.1	5.2
Construction	-31.8	-36.9	-49.8	-54.8	-15.3	-15.1	3.6	3.6	-15.0	-42.9	-7.9
Other	-17.7	6.5	48.2	39.4	57.5	32.5	0.5	0.5	36.5	17.3	18.8
Operating profit	**-2.5**	**-19.3**	**-14.0**	**428.5**	**44.1**	**51.5**	**57.5**	**89.2**	**-38.5**	**6.7**	**59.5**
Steel	42.7	38.0	52.0	88.1	72.6	26.4	23.0	40.0	-37.5	53.5	37.6
Trading	-2.7	-13.4	-14.9	153.9	9.1	3.9	2.5	11.8	-12.2	2.0	6.3
Construction	-25.9	-285.6	-487.7	134.9	-264.9	-86.8	-106.2	-119.4	-60.9	-616.0	-95.5
Other	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Net profit	**-43.4**	**-84.6**	**-22.1**	**-141.0**	**52.9**	**603.2**	**62.6**	**115.0**	**-48.7**	**16.5**	**114.4**
Margins (%)											
Operating profit	**3.3**	**3.5**	**3.7**	**3.0**	**4.5**	**5.0**	**5.7**	**5.4**	**3.0**	**3.4**	**5.2**
Steel	4.8	6.7	7.5	7.0	8.2	8.3	9.0	8.8	3.9	6.5	8.6
Trading	2.7	3.3	3.2	2.3	2.7	3.2	3.2	2.5	3.0	2.9	2.9
Construction	2.2	-7.2	-24.7	-17.6	-4.4	-1.1	1.5	3.3	1.1	-9.8	-0.5
Other	-20.0	-32.8	-11.9	-17.1	-13.5	-12.0	-10.7	-9.8	-11.0	-19.7	-11.5
Net profit	**2.0**	**0.5**	**2.2**	**1.7**	**2.9**	**3.2**	**3.5**	**3.5**	**1.3**	**1.6**	**3.3**

Source: Company data, Samsung Securities estimates

Posco Holdings: Sum-of-the-parts valuation

(KRWb)	
Listed*	**9,615.4**
Unlisted	**20,720.1**
Posco (steel)	17,127.7
Equity	35,159.5
Target P/B (x)**	0.49
Posco E&C	309.0
Equity	3,089.7
Target P/B (x)	0.1
Lithium business	2,501.4
Equity	3,377.0
Target P/B (x)***	0.7
Other unlisted subsidiaries	782.0
Equity	7,820.3
Target P/B (x)	0.1
Net cash	**1,904.8**
Treasury shares**	**1,199.2**
Equity value	**33,439.5**
Outstanding shares	80,932,952
Target price (KRW)	420,000

Note: *50% discount to equity value of listed subsidiaries (based on Nov 11 closing prices);
**Based on global peer valuation and historical correlation with ROE;
***60% discount to global peer average;
****30% discount to market value
Source: Bloomberg, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**77,127**	**72,688**	**68,826**	**71,718**	**72,852**
Cost of goods sold	70,710	67,275	63,247	64,595	65,179
Gross profit	**6,417**	**5,413**	**5,579**	**7,124**	**7,673**
Gross margin (%)	8.3	7.4	8.1	9.9	10.5
SG&A expenses	2,885	3,239	3,261	3,425	3,551
Operating profit	**3,531**	**2,174**	**2,319**	**3,699**	**4,122**
Operating margin (%)	4.6	3.0	3.4	5.2	5.7
Non-operating gains (losses)	**-896**	**-922**	**-651**	**-319**	**-312**
Financial profit	3,831	5,212	2,657	1,430	1,388
Financial costs	4,203	5,081	3,323	1,749	1,699
Equity-method gains (losses)	270	-256	323	354	354
Other	-794	-797	-307	-354	-354
Pre-tax profit	**2,635**	**1,251**	**1,668**	**3,380**	**3,811**
Taxes	789	304	564	1,014	1,143
Effective tax rate (%)	30.0	24.3	33.8	30.0	30.0
Profit from continuing operations	1,846	948	1,104	2,366	2,667
Profit from discontinued operations	0	0	0	0	0
Net profit	**1,846**	**948**	**1,104**	**2,366**	**2,667**
Net margin (%)	2.4	1.3	1.6	3.3	3.7
Net profit (controlling interests)	1,698	1,095	1,118	1,989	2,667
Net profit (non-controlling interests)	148	-147	-15	377	0
EBITDA	7,376	6,158	6,629	8,217	8,849
EBITDA margin (%)	9.6	8.5	9.6	11.5	12.1
EPS (parent-based) (KRW)	20,079	13,073	11,656	29,436	32,959
EPS (consolidated) (KRW)	21,826	11,314	13,594	29,760	32,959
Adjusted EPS (KRW)*	20,079	13,073	11,656	29,436	32,959

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**46,212**	**44,030**	**43,082**	**44,616**	**45,823**
Cash & equivalents	6,671	6,768	5,692	6,637	6,909
Accounts receivable	11,015	10,822	11,127	11,597	12,271
Inventories	13,826	14,143	14,424	14,923	15,611
Other current assets	14,701	12,297	11,839	11,459	11,033
Fixed assets	**54,733**	**59,374**	**61,489**	**64,090**	**66,997**
Investment assets	8,423	8,015	15,044	15,840	16,919
Tangible assets	35,206	39,847	41,671	43,475	45,304
Intangible assets	4,715	4,775	4,775	4,775	4,775
Other long-term assets	6,389	6,738	0	0	0
Total assets	**100,945**	**103,404**	**104,571**	**108,707**	**112,820**
Current liabilities	**21,862**	**22,780**	**22,971**	**23,742**	**24,369**
Accounts payable	5,783	6,159	6,219	6,603	6,893
Short-term debt	4,959	5,733	5,733	5,733	5,733
Other current liabilities	11,119	10,888	11,019	11,406	11,743
Long-term liabilities	**19,420**	**19,174**	**19,614**	**21,161**	**22,520**
Bonds & long-term debt	15,011	14,882	15,726	16,226	16,226
Other long-term liabilities	4,409	4,292	3,888	4,934	6,294
Total liabilities	**41,281**	**41,954**	**42,592**	**44,910**	**46,898**
Owners of parent equity	**54,181**	**55,394**	**55,802**	**57,496**	**59,496**
Capital stock	482	482	482	482	482
Capital surplus	1,663	1,649	1,649	1,649	1,649
Retained earnings	53,858	53,658	54,066	55,760	57,760
Other	-1,822	-395	-395	-395	-395
Non-controlling interests' equity	**5,483**	**6,056**	**6,177**	**6,301**	**6,427**
Total equity	**59,664**	**61,450**	**61,979**	**63,797**	**65,923**
Net debt	8,908	11,444	13,232	13,288	13,517

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**6,168**	**6,664**	**6,135**	**7,753**	**7,847**
Net profit	1,846	948	1,104	2,366	2,667
Non-cash profit and expenses	6,030	5,646	5,832	6,134	6,402
Depreciation	3,346	3,531	3,857	4,065	4,273
Amortization	498	454	454	454	454
Other	2,185	1,661	1,521	1,616	1,675
Changes in A/L from operating activities	-1,087	337	-800	-747	-1,222
Cash flow from investments	**-7,388**	**-4,487**	**-6,401**	**-6,718**	**-6,989**
Change in tangible assets	-6,745	-7,626	-7,175	-7,097	-7,203
Change in financial assets	-665	2,884	1,247	848	688
Other	22	254	-473	-468	-474
Cash flow from financing	**-179**	**-2,302**	**-1,033**	**-312**	**-808**
Change in debt	1,902	-125	803	500	0
Change in equity	263	-14	0	0	0
Dividends	-815	-844	0	0	0
Other	-1,528	-1,319	-1,836	-812	-808
Change in cash	-1,382	97	-1,076	945	272
Cash at beginning of year	8,053	6,671	6,768	5,692	6,637
Cash at end of year	6,671	6,768	5,692	6,637	6,909
Gross cash flow	**7,876**	**6,594**	**6,936**	**8,500**	**9,069**
Free cash flow	**-577**	**-1,006**	**-1,054**	**636**	**618**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	-9.0	-5.8	-5.3	4.2	1.6
Operating profit	-27.2	-38.5	6.7	59.5	11.5
Net profit	-48.2	-48.7	16.5	114.4	12.8
Adjusted EPS**	-44.9	-34.9	-10.8	152.6	12.0
Per-share data (KRW)					
EPS (parent-based)	20,079	13,073	11,656	29,436	32,959
EPS (consolidated)	21,826	11,314	13,594	29,760	32,959
Adjusted EPS**	20,079	13,073	11,656	29,436	32,959
BVPS	714,069	732,527	684,804	712,595	786,769
DPS (common)	10,000	10,000	10,000	10,000	10,000
Valuations (x)					
P/E***	24.9	19.4	26.5	10.5	9.4
P/B***	0.7	0.3	0.5	0.4	0.4
EV/EBITDA	7.7	6.2	6.7	5.4	5.1
Ratios (%)					
ROE	3.8	2.0	1.7	3.5	4.6
ROA	1.9	0.9	1.1	2.2	2.4
ROIC	4.3	2.7	2.7	5.0	5.4
Payout ratio	588.9	913.3	687.6	38.0	28.3
Dividend yield (common)	2.0	3.9	3.2	3.2	3.2
Net debt to equity	14.9	18.6	21.3	20.8	20.5
Interest coverage (x)	3.5	2.1	2.2	3.7	4.4

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

Source: Company data, Samsung Securities estimates

COMPANY UPDATE

2025. 12. 5

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Industrial Team

Jaeseung Baek
Senior Analyst
jaeseung.baek@samsung.com

Hyundai Steel (004020)

Monitoring shifts in Chinese market conditions

- Hyundai Steel's flat-product spreads have gradually widened in 2025, but its long-product spreads have remained sluggish.
- Key determinants of 2026 earnings should be: 1) China's steel industry restructuring for flat-product spreads; and 2) a recovery in the domestic construction market for long- and section-product spreads.
- Although the company needs to strengthen its earnings-generating capability, its low valuation still stands out.

WHAT'S THE STORY?

Flat-product results depend on Chinese restructuring: Despite sluggish industry conditions, flat-product spreads have improved slowly in 2025 on the lagged effect of lower raw material prices. We expect spreads to widen further, supported by Korea's anti-dumping duties on imported HRC. However, a full recovery in the steel market would require meaningful production cuts and structural reforms in China's steel industry, which remains the main source of global oversupply.

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW44,000	44.7%
Current price	KRW30,400	
Market cap	KRW4.1t/USD2.8b	
Shares (float)	133,445,785 (62.6%)	
52-week high/low	KRW37,600/KRW19,900	
Avg daily trading value (60-day)	KRW14.8b/ USD10.1m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Hyundai Steel (%)	-6.2	10.7	39.4
Vs Kospi (%pts)	-1.9	-25.9	-13.6

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	44,000	47,000	-6.4%
2025E EPS	949	949	0.0%
2026E EPS	3,318	3,318	0.0%

SAMSUNG vs THE STREET

No of estimates	18
Target price	47,167
Recommendation	4.0

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

SUMMARY FINANCIAL DATA

(KRWb)	2024	2025E	2026E	2027E
Revenue	23,226	23,151	23,475	23,691
Operating profit	159	336	842	990
Net profit (adj)	9	71	443	554
EPS (adj) (KRW)	-87	949	3,318	4,003
EPS (adj) growth (% y-y)	nm	nm	249.8	20.7
EBITDA margin (%)	8.1	8.5	10.9	11.8
ROE (%)	-0.1	0.7	2.3	2.7
P/E (adj) (x)	n/a	32.0	9.2	7.6
P/B (x)	0.1	0.2	0.2	0.2
EV/EBITDA (x)	6.1	6.0	4.6	4.2
Dividend yield (%)	3.6	2.5	2.5	2.5

Source: Company data, Samsung Securities estimates

Recovery of domestic construction market essential for long-, section-product earnings: In 2025, long- and section-product spreads showed little improvement, due to a sustained downturn in the domestic construction market. To stabilize supply-demand conditions, Hyundai Steel temporarily halted operations at some rebar plants several times during the year. Still, a recovery in long- and section-product earnings is likely to take time, as the timing of a construction-sector turnaround is difficult to predict. In the Korean government's Steel Industry Advancement Plan, rebar has been designated as a key target for capacity adjustment. Close monitoring is warranted to assess how steelmakers respond to this initiative.

Maintaining BUY: To mitigate US tariff risk, Hyundai Steel is pushing ahead with plans to build an integrated electric-arc-furnace steel mill in the US, targeted for completion in 2029. While uncertainties over operation and production remain for now, more clarity on the project's equity structure should emerge in the near term, easing investor concerns and providing a short-term positive catalyst. Reflecting lingering uncertainty over long- and section-product markets, we lower our target P/B multiple to 0.3x and trim our target price by 6% to KRW44,000. Our BUY rating remains unchanged, underpinned by: 1) the prospect of gradual earnings improvement on the back of Korea's trade protection measures—the firm's ROE is projected to rebound to 2.8% in 2027; and 2) an undemanding valuation, with shares trading at 0.2x P/B.

Hyundai Steel: Results and forecasts (parent basis)

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Sales	**4,289.9**	**4,680.0**	**4,532.5**	**4,685.1**	**4,512.3**	**4,811.8**	**4,610.6**	**4,803.9**	**18,617.6**	**18,187.5**	**18,738.5**
Gross profit	**186.1**	**237.0**	**309.4**	**364.5**	**353.7**	**434.4**	**433.7**	**472.2**	**990.0**	**1,097.0**	**1,694.0**
Operating profit	**-56.1**	**-7.5**	**47.1**	**113.9**	**103.0**	**181.4**	**162.1**	**212.6**	**15.0**	**97.4**	**659.1**
Pre-tax profit	-62.3	-62.3	5.8	52.1	98.4	139.2	107.3	152.3	-155.9	-66.7	497.3
Net profit	-38.0	-18.2	-2.7	37.8	71.4	101.0	77.8	110.4	-65.0	-21.1	360.5
Change (% y-y)											
Sales	-11.0	-3.5	1.6	4.5	5.2	2.8	1.7	2.5	-13.8	-2.3	3.0
Operating profit	n/a	-116.3	46.8	n/a	n/a	-2,529.6	244.1	86.6	-97.7	550.8	576.5
Net profit	n/a	n/a	n/a	n/a	n/a	n/a	-2,981.0	192.3	-117.8	-67.5	-1,806.3
Margins (%)											
Gross profit	4.3	5.1	6.8	7.8	7.8	9.0	9.4	9.8	5.3	6.0	9.0
Operating profit	**-1.3**	**-0.2**	**1.0**	**2.4**	**2.3**	**3.8**	**3.5**	**4.4**	**0.1**	**0.5**	**3.5**
Net profit	-0.9	-0.4	-0.1	0.8	1.6	2.1	1.7	2.3	-0.3	-0.1	1.9
Roll margin											
Carbon steel sales (KRWb)	2,737.4	3,036.9	3,011.7	3,016.5	2,945.1	3,103.0	3,022.9	3,091.2	12,062.3	11,802.5	12,162.2
Carbon steel sales volume ('000 tonnes)	2,681.0	2,955.0	2,897.0	2,901.3	2,825.5	2,953.1	2,864.2	2,930.3	11,179.0	11,434.3	11,573.0
Carbon steel ASP	1,021.0	1,027.7	1,039.6	1,039.7	1,042.3	1,050.7	1,055.4	1,054.9	1,079.0	1,032.2	1,050.9
Raw material price	546.6	536.4	518.9	511.0	511.2	506.3	498.1	493.2	595.3	528.2	502.2
BF roll margin (KRW1,000/tonne)	474.4	491.3	520.7	528.7	531.1	544.5	557.3	561.7	483.7	504.0	548.7
(Chg q-q)	-16.8	16.9	29.4	8.0	2.4	13.4	12.9	4.4	-22.6	20.3	44.7
Long product sales (KRWb)	1,086.6	1,168.6	1,075.7	1,203.0	1,125.7	1,227.6	1,137.0	1,241.8	4,648.2	4,533.8	4,732.1
Long product sales volume ('000 tonnes)	1,068.5	1,173.5	1,082.1	1,217.3	1,116.4	1,232.2	1,136.2	1,250.4	4,412.7	4,541.4	4,735.1
Long product ASP	1,016.9	995.8	994.1	988.2	1,008.3	996.3	1,000.8	993.2	1,053.4	998.3	999.4
Raw material prices	500.5	479.5	478.3	480.0	480.0	480.0	480.0	480.0	547.1	484.6	480.0
EF roll margin (KRW1,000/tonne)	516.4	516.3	515.8	508.2	528.3	516.3	520.8	513.2	506.3	513.8	519.4
(Chg q-q)	-5.9	-0.0	-0.5	-7.6	20.0	-12.0	4.5	-7.6	-15.5	7.5	5.6
Average roll margin (KRW1,000/tonne)	486.4	498.4	519.4	522.7	530.3	536.2	546.9	547.2	490.1	506.8	540.1
(Chg q-q)	-13.3	12.1	21.0	3.3	7.6	5.9	10.8	0.2	-21.3	16.7	33.4
Operating profit (KRWb)	-56.1	-7.5	47.1	113.9	103.0	181.4	162.1	212.6	15.0	97.4	659.1
Operating profit per tonne*	-12.7	0.9	15.2	30.2	28.1	44.8	43.0	52.5	1.0	6.1	40.4
(Chg q-q)	24.2	13.5	14.3	15.0	-2.1	16.7	-1.8	9.5	-38.9	5.1	34.3

Note: *Excludes specialty steel unit

Source: Company data, Samsung Securities estimates

Hyundai Steel: Results and forecasts (consolidated)

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Sales	**5,563.5**	**5,945.6**	**5,734.4**	**5,908.0**	**5,670.9**	**5,991.7**	**5,797.3**	**6,015.0**	**23,226.1**	**23,151.4**	**23,474.9**
Parent	4,289.9	4,680.0	4,532.5	4,685.1	4,512.3	4,811.8	4,610.6	4,803.9	18,617.6	18,187.5	18,738.5
Subsidiaries	1,273.6	1,265.6	1,201.9	1,222.8	1,158.6	1,179.9	1,186.7	1,211.1	4,608.5	4,963.9	4,736.4
Gross profit	**291.9**	**411.8**	**425.3**	**489.3**	**473.5**	**550.2**	**554.2**	**601.7**	**1,394.0**	**1,618.3**	**2,179.5**
Parent	186.1	237.0	309.4	364.5	353.7	434.4	433.7	472.2	990.0	1,097.0	1,694.0
Subsidiaries	105.8	174.8	115.9	124.8	119.8	115.8	120.5	129.5	403.9	521.3	485.5
Operating profit	**-19.0**	**101.8**	**93.2**	**159.8**	**149.3**	**226.8**	**207.9**	**258.0**	**159.5**	**335.8**	**841.9**
Parent	-56.1	-7.5	47.1	113.9	103.0	181.4	162.1	212.6	15.0	97.4	659.1
Subsidiaries	37.1	109.2	46.1	45.9	46.2	45.4	45.9	45.4	144.5	238.3	182.9
Pre-tax profit	-67.0	5.8	30.0	96.7	96.2	171.3	145.6	197.5	-59.5	65.5	610.7
Parent	-62.3	-62.3	5.8	52.1	98.4	139.2	107.3	152.3	-155.9	-66.7	497.3
Subsidiaries	-4.6	68.1	24.2	44.6	-2.2	32.0	38.4	45.3	96.4	132.2	113.4
Net profit	**-54.4**	**37.4**	**17.8**	**70.1**	**69.8**	**124.2**	**105.6**	**143.2**	**8.8**	**70.9**	**442.7**
Parent	-38.0	-18.2	-2.7	37.8	71.4	101.0	77.8	110.4	-65.0	-21.1	360.5
Subsidiaries	-16.4	55.6	20.5	32.3	-1.6	23.2	27.8	32.8	73.8	92.0	82.2
Net profit (controlling interests)	-55.1	33.8	17.1	65.1	64.8	119.2	100.6	138.2	-11.6	60.9	422.7
Change (% y-y)											
Sales	-6.5	-1.6	2.0	5.3	1.9	0.8	1.1	1.8	-10.4	-0.3	1.4
Operating profit	n/a	3.9	80.8	n/a	n/a	122.8	123.1	61.4	-80.0	110.5	150.8
Net profit	n/a	2,664.6	n/a	n/a	n/a	232.0	493.2	104.3	-98.0	704.3	524.5
Net profit (controlling interests)	n/a	n/a	n/a	n/a	n/a	252.2	488.3	112.4	n/a	n/a	594.2
Margins (%)											
Gross profit	5.2	6.9	7.4	8.3	8.3	9.2	9.6	10.0	6.0	7.0	9.3
Operating profit	-0.3	1.7	1.6	2.7	2.6	3.8	3.6	4.3	0.7	1.5	3.6
Net profit	-1.0	0.6	0.3	1.1	1.1	2.0	1.7	2.3	-0.1	0.3	1.8

Source: Company data, Samsung Securities estimates

Hyundai Steel: P/B valuation

	(KRWb)
Operating value (consolidated)	**5,831**
- 2026E net asset value	19,235
- Target P/B* (x)	0.30
Outstanding shares	133,445,785
Target price (KRW)	**44,000**

Note: 25% discount to 2016-2019 average

Source: Company data, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**25,915**	**23,226**	**23,151**	**23,475**	**23,691**
Cost of goods sold	23,782	21,832	21,533	21,295	21,306
Gross profit	**2,132**	**1,394**	**1,618**	**2,179**	**2,384**
Gross margin (%)	8.2	6.0	7.0	9.3	10.1
SG&A expenses	1,334	1,234	1,282	1,338	1,395
Operating profit	**798**	**159**	**336**	**842**	**990**
Operating margin (%)	3.1	0.7	1.5	3.6	4.2
Non-operating gains (losses)	**-266**	**-219**	**-270**	**-231**	**-225**
Financial profit	372	384	247	133	132
Financial costs	651	664	481	362	355
Equity-method gains (losses)	5	12	-0	-2	-2
Other	7	49	-35	0	-0
Pre-tax profit	**532**	**-59**	**65**	**611**	**764**
Taxes	89	-68	-5	168	210
Effective tax rate (%)	16.7	114.8	-8.2	27.5	27.5
Profit from continuing operations	443	9	71	443	554
Profit from discontinued operations	0	0	0	0	0
Net profit	**443**	**9**	**71**	**443**	**554**
Net margin (%)	1.7	0.0	0.3	1.9	2.3
Net profit (controlling interests)	461	-12	61	423	534
Net profit (non-controlling interests)	-18	20	10	20	20
EBITDA	2,441	1,870	1,976	2,564	2,785
EBITDA margin (%)	9.4	8.1	8.5	10.9	11.8
EPS (parent-based) (KRW)	4,172	-87	949	3,318	4,003
EPS (consolidated) (KRW)	3,320	66	531	3,318	4,153
Adjusted EPS (KRW)*	4,172	-87	949	3,318	4,003

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**11,954**	**11,460**	**11,701**	**12,089**	**12,515**
Cash & equivalents	1,386	1,296	1,282	1,340	1,469
Accounts receivable	2,929	2,524	2,619	2,777	2,900
Inventories	6,279	6,291	6,438	6,594	6,749
Other current assets	1,359	1,350	1,362	1,379	1,396
Fixed assets	**23,265**	**23,284**	**23,441**	**23,626**	**23,815**
Investment assets	2,200	2,292	2,231	2,247	2,264
Tangible assets	18,250	18,431	18,572	18,740	18,913
Intangible assets	1,438	1,402	1,402	1,402	1,402
Other long-term assets	1,378	1,160	1,237	1,237	1,237
Total assets	**35,219**	**34,744**	**35,141**	**35,715**	**36,330**
Current liabilities	**7,984**	**7,699**	**7,760**	**7,988**	**8,314**
Accounts payable	1,330	1,467	1,507	1,576	1,639
Short-term debt	1,289	1,216	1,116	1,116	1,116
Other current liabilities	5,366	5,017	5,137	5,297	5,559
Long-term liabilities	**7,739**	**7,711**	**8,075**	**8,077**	**7,944**
Bonds & long-term debt	5,843	6,159	6,159	6,159	6,159
Other long-term liabilities	1,896	1,552	1,916	1,918	1,785
Total liabilities	**15,723**	**15,410**	**15,836**	**16,065**	**16,258**
Owners of parent equity	**19,100**	**18,918**	**18,891**	**19,235**	**19,657**
Capital stock	667	667	667	667	667
Capital surplus	3,906	3,905	3,905	3,905	3,905
Retained earnings	13,639	13,400	13,372	13,716	14,139
Other	888	946	946	946	946
Non-controlling interests' equity	**396**	**415**	**415**	**415**	**415**
Total equity	**19,496**	**19,334**	**19,306**	**19,650**	**20,073**
Net debt	8,404	8,258	7,363	7,306	7,177

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**1,948**	**1,777**	**1,657**	**1,855**	**1,996**
Net profit	443	9	71	443	554
Non-cash profit and expenses	1,955	1,921	1,833	1,760	1,721
Depreciation	1,555	1,621	1,596	1,675	1,746
Amortization	87	90	44	46	49
Other	312	210	193	39	-74
Changes in A/L from operating activities	304	276	-247	-349	-279
Cash flow from investments	**-132**	**-1,503**	**-1,458**	**-1,735**	**-1,772**
Change in tangible assets	-800	-1,650	-1,612	-1,888	-1,923
Change in financial assets	-298	-285	163	163	163
Other	966	432	-9	-11	-12
Cash flow from financing	**-2,121**	**-354**	**-202**	**-52**	**-84**
Change in debt	-1,941	-33	-150	0	0
Change in equity	0	-1	0	0	0
Dividends	-132	-132	0	0	0
Other	-47	-188	-52	-52	-84
Change in cash	-313	-90	-14	57	129
Cash at beginning of year	1,699	1,386	1,296	1,282	1,340
Cash at end of year	1,386	1,296	1,282	1,340	1,469
Gross cash flow	**2,398**	**1,930**	**1,904**	**2,203**	**2,275**
Free cash flow	**1,124**	**105**	**23**	**-56**	**51**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	-5.2	-10.4	-0.3	1.4	0.9
Operating profit	-50.6	-80.0	110.5	150.8	17.6
Net profit	-57.3	-98.0	704.3	524.5	25.2
Adjusted EPS**	-54.5	nm	nm	249.8	20.7
Per-share data (KRW)					
EPS (parent-based)	4,172	-87	949	3,318	4,003
EPS (consolidated)	3,320	66	531	3,318	4,153
Adjusted EPS**	4,172	-87	949	3,318	4,003
BVPS	144,720	143,815	144,776	145,961	149,433
DPS (common)	1,000	750	750	750	750
Valuations (x)					
P/E***	8.7	n/a	32.0	9.2	7.6
P/B***	0.3	0.1	0.2	0.2	0.2
EV/EBITDA	5.6	6.1	6.0	4.6	4.2
Ratios (%)					
ROE	2.9	-0.1	0.7	2.3	2.7
ROA	1.2	0.0	0.2	1.2	1.5
ROIC	2.5	-0.1	1.4	2.4	2.8
Payout ratio	28.5	-849.0	162.0	23.3	18.5
Dividend yield (common)	2.7	3.6	2.5	2.5	2.5
Net debt to equity	43.1	42.7	38.1	37.2	35.8
Interest coverage (x)	1.9	0.4	0.9	2.3	2.8

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

Source: Company data, Samsung Securities estimates

COMPANY UPDATE

2025. 12. 5

Industrial Team

Jaeseung Baek
Senior Analyst
jaeseung.baek@samsung.com

Scan to go to
Research Center report database

Seah Besteel Holdings (001430)

Focusing on long-term growth drivers

- Whether Korea imposes antidumping duties on Chinese special bar imports should determine Seah Besteel Holdings' 2026 earnings performance.
- The imminent completion of the firm's US nickel alloy plant and growth in the domestic cask market brighten the outlook for the firm's new businesses.
- Looking ahead, positives include the firm's expansion into areas promising longer-term structural growth in demand—*eg*, Seah Aerospace & Defense's capacity expansion.

WHAT'S THE STORY?

Korea's tariff decision to dictate 2026 earnings at core business: It remains difficult to say that market conditions for Seah Besteel Holdings' core business are improving. However, after Korea imposed anti-dumping duties on imported thick plates and HRC in 2025, the company filed a complaint about China dumping special steel bars. The Ministry of Trade, Industry and Energy must decide within this year whether to open an investigation, ahead of any preliminary ruling. Given Korea's protectionist stance for steelmakers in 2025, market expectations for the imposition of anti-dumping duties should rise if an investigation is initiated. Actual implementation of duties would lift the company's 2026 ASP, likely prompting an upward revision to our earnings forecasts.

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW38,000	34.5%
Current price	KRW28,250	
Market cap	KRW1.0t/USD0.7b	
Shares (float)	35,862,119 (35.3%)	
52-week high/low	KRW34,350/KRW15,140	
Avg daily trading value (60-day)	KRW2.9b/ USD2.0m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Seah Besteel Holdings (%)	5.2	24.4	25.3
Vs Kospi (%pts)	10.1	-16.8	-22.4

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	38,000	38,000	0.0%
2025E EPS	1,719	1,719	0.0%
2026E EPS	2,533	2,533	0.0%

SAMSUNG vs THE STREET

No of estimates	13
Target price	36,769
Recommendation	4.0

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

SUMMARY FINANCIAL DATA

(KRWb)	2024	2025E	2026E	2027E
Revenue	3,636	3,694	3,836	3,942
Operating profit	52	113	155	200
Net profit (adj)	20	69	91	124
EPS (adj) (KRW)	564	1,719	2,533	3,455
EPS (adj) growth (% y-y)	-84.5	204.6	47.4	36.4
EBITDA margin (%)	4.7	6.0	6.8	7.9
ROE (%)	1.0	3.5	4.6	6.0
P/E (adj) (x)	35.0	16.4	11.2	8.2
P/B (x)	0.4	0.5	0.5	0.5
EV/EBITDA (x)	9.3	8.4	7.0	5.8
Dividend yield (%)	6.1	4.2	4.2	4.2

Source: Company data, Samsung Securities estimates

Several positives in store: The company's nickel alloy plant in the US is scheduled for completion in mid-2026. Materials from the plant will be supplied to the aerospace sector, where structural demand growth should translate into strong profitability. In addition, growth in the domestic dry-storage cask market and Seah Aerospace & Defense's capacity expansion should support medium- to long-term growth. The company's gradually increasing exposure to products that require rigorous client quality certification should further underscore its manufacturing technology prowess. We maintain our BUY rating on the stock.

Seah Besteel Holdings: Results and forecasts (consolidated)

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Sales	**899.9**	**964.5**	**925.9**	**903.9**	**935.9**	**1,026.6**	**955.0**	**918.4**	**3,636.1**	**3,694.2**	**3,835.9**
Parent company	498.3	541.6	496.6	467.5	484.8	539.8	493.1	474.2	2,024.9	2,004.1	1,991.9
Subsidiary	401.6	422.9	429.3	436.4	451.1	486.8	461.9	444.2	1,611.1	1,690.1	1,844.0
Gross profit	74.9	95.0	77.5	67.0	75.5	96.6	82.7	76.1	258.0	314.4	330.9
Parent company	34.1	51.3	32.4	37.0	44.8	58.1	47.1	46.5	153.7	154.9	196.5
Subsidiary	40.8	43.7	45.1	30.0	30.7	38.5	35.5	29.6	104.3	159.5	134.3
Operating profit	**18.1**	**44.5**	**26.7**	**23.5**	**31.8**	**52.5**	**38.5**	**31.9**	**52.3**	**112.9**	**154.7**
Parent company	5.2	22.0	4.6	8.2	15.1	28.1	18.5	17.0	41.6	40.0	78.7
Subsidiary	12.9	22.5	22.2	15.3	16.7	24.4	20.0	14.9	10.7	72.9	76.1
Pre-tax profit	8.9	24.4	46.1	16.0	24.4	44.7	31.6	24.5	23.2	95.3	125.3
Parent company	0.5	19.8	-2.7	2.4	12.0	22.8	13.3	11.8	12.7	19.9	59.9
Subsidiary	8.4	4.6	48.8	13.6	12.4	21.9	18.3	12.8	10.5	75.4	65.4
Net profit	**6.0**	**18.2**	**33.6**	**11.6**	**17.7**	**32.4**	**22.9**	**17.8**	**20.3**	**69.4**	**90.8**
Parent company	1.9	10.7	17.1	1.8	9.0	17.1	10.0	8.8	29.8	31.4	44.9
Subsidiary	4.1	7.5	16.6	9.8	8.7	15.3	12.9	9.0	-9.5	38.0	45.9
Net profit (controlling interests)	**6.1**	**17.9**	**33.5**	**11.6**	**17.7**	**32.4**	**22.9**	**17.8**	**20.2**	**69.1**	**90.8**
Change (% y-y)											
Sales	**-5.6**	**-0.6**	**4.8**	**9.0**	**4.0**	**6.4**	**3.1**	**1.6**	**-11.0**	**1.6**	**3.8**
Parent company	-9.3	-1.9	4.8	4.1	-2.7	-0.3	-0.7	1.4	-12.4	-1.0	-0.6
Subsidiary	-0.5	1.2	4.8	14.8	12.3	15.1	7.6	1.8	-9.1	4.9	9.1
Operating profit	**-14.9**	**-30.1**	**9.5**	**n/a**	**75.6**	**18.0**	**44.1**	**35.6**	**-73.4**	**115.7**	**37.1**
Parent company	-8.6	-50.4	-65.4	n/a	190.9	27.5	305.3	107.2	-62.5	-3.9	96.8
Subsidiary	-17.2	16.5	97.3	n/a	29.3	8.7	-9.7	-2.8	-87.5	579.3	4.3
Net profit	**-62.6**	**-61.0**	**195.9**	**n/a**	**195.2**	**78.2**	**-31.9**	**53.2**	**-83.9**	**242.6**	**30.8**
Parent company	-64.7	-68.8	201.5	n/a	384.7	59.7	n/a	n/a	-63.8	5.5	43.0
Subsidiary	n/a	-39.4	190.5	n/a	n/a	104.8	-22.0	-8.8	n/a	n/a	20.7
Net profit (controlling interests)	**-62.2**	**-61.6**	**198.7**	**n/a**	**190.8**	**81.2**	**-31.6**	**53.2**	**-84.2**	**241.3**	**31.5**
Margins (%)											
Operating profit	**2.0**	**4.6**	**2.9**	**2.6**	**3.4**	**5.1**	**4.0**	**3.5**	**1.4**	**3.1**	**4.0**
Parent company	1.0	4.1	0.9	1.8	3.1	5.2	3.8	3.6	2.1	2.0	4.0
Subsidiary	3.2	5.3	5.2	3.5	3.7	5.0	4.3	3.4	0.7	4.3	4.1
Net profit	**0.7**	**1.9**	**3.6**	**1.3**	**1.9**	**3.2**	**2.4**	**1.9**	**0.6**	**1.9**	**2.4**
Parent company	0.4	2.0	3.4	0.4	1.9	3.2	2.0	1.9	1.5	1.6	2.3
Subsidiary	1.0	1.8	3.9	2.3	1.9	3.1	2.8	2.0	-0.6	2.2	2.5
Net profit (controlling interests)	**0.7**	**1.9**	**3.6**	**1.3**	**1.9**	**3.2**	**2.4**	**1.9**	**0.6**	**1.9**	**2.4**

Source: Company data, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**4,083**	**3,636**	**3,694**	**3,836**	**3,942**
Cost of goods sold	3,677	3,378	3,380	3,505	3,575
Gross profit	**406**	**258**	**314**	**331**	**367**
Gross margin (%)	9.9	7.1	8.5	8.6	9.3
SG&A expenses	209	206	202	176	167
Operating profit	**197**	**52**	**113**	**155**	**200**
Operating margin (%)	4.8	1.4	3.1	4.0	5.1
Non-operating gains (losses)	**-41**	**-29**	**-18**	**-29**	**-29**
Financial profit	41	83	53	6	6
Financial costs	74	84	88	35	35
Equity-method gains (losses)	-7	-4	-2	0	0
Other	-1	-25	20	-0	0
Pre-tax profit	**155**	**23**	**95**	**125**	**171**
Taxes	29	3	26	34	47
Effective tax rate (%)	18.9	12.7	27.1	27.5	27.5
Profit from continuing operations	126	20	69	91	124
Profit from discontinued operations	0	0	0	0	0
Net profit	**126**	**20**	**69**	**91**	**124**
Net margin (%)	3.1	0.6	1.9	2.4	3.1
Net profit (controlling interests)	128	20	69	91	124
Net profit (non-controlling interests)	-2	0	0	0	0
EBITDA	302	169	220	262	310
EBITDA margin (%)	7.4	4.7	6.0	6.8	7.9
EPS (parent-based) (KRW)	3,639	564	1,719	2,533	3,455
EPS (consolidated) (KRW)	3,576	565	1,926	2,533	3,455
Adjusted EPS (KRW)*	3,639	564	1,719	2,533	3,455

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**0**	**0**	**277**	**267**	**288**
Net profit	126	20	69	91	124
Non-cash profit and expenses	233	243	259	238	241
Depreciation	103	113	106	107	109
Amortization	2	4	1	1	1
Other	127	126	151	130	131
Changes in A/L from operating activities	-54	137	-51	-62	-76
Cash flow from investments	**-146**	**-248**	**-208**	**-216**	**-225**
Change in tangible assets	-93	-165	-171	-179	-188
Change in financial assets	3	-21	-13	-13	-13
Other	-56	-63	-24	-24	-24
Cash flow from financing	**-123**	**91**	**-40**	**-40**	**-40**
Change in debt	-85	150	0	0	0
Change in equity	-0	0	0	0	0
Dividends	-38	-37	0	0	0
Other	-1	-22	-40	-40	-40
Change in cash	-40	166	35	17	29
Cash at beginning of year	137	97	264	298	315
Cash at end of year	97	264	298	315	344
Gross cash flow	**359**	**263**	**328**	**329**	**365**
Free cash flow	**0**	**0**	**90**	**73**	**89**

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation
Source: Company data, Samsung Securities estimates

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**1,664**	**1,713**	**1,822**	**1,925**	**2,042**
Cash & equivalents	97	264	298	315	344
Accounts receivable	424	396	423	448	483
Inventories	1,105	970	1,015	1,075	1,127
Other current assets	38	83	86	86	88
Fixed assets	**2,001**	**2,114**	**2,129**	**2,137**	**2,155**
Investment assets	143	192	357	364	371
Tangible assets	1,652	1,683	1,687	1,692	1,702
Intangible assets	51	77	77	77	77
Other long-term assets	155	161	7	4	5
Total assets	**3,665**	**3,827**	**3,951**	**4,062**	**4,197**
Current liabilities	**749**	**1,137**	**1,201**	**1,267**	**1,325**
Accounts payable	269	230	254	278	294
Short-term debt	123	142	142	142	142
Other current liabilities	357	765	805	847	888
Long-term liabilities	**877**	**658**	**705**	**697**	**690**
Bonds & long-term debt	613	490	491	491	491
Other long-term liabilities	264	168	213	206	199
Total liabilities	**1,626**	**1,795**	**1,906**	**1,964**	**2,014**
Owners of parent equity	**1,955**	**1,940**	**1,953**	**2,005**	**2,091**
Capital stock	219	219	219	219	219
Capital surplus	306	306	306	306	306
Retained earnings	1,290	1,264	1,295	1,347	1,432
Other	141	151	134	134	134
Non-controlling interests' equity	**84**	**92**	**92**	**92**	**92**
Total equity	**2,039**	**2,031**	**2,045**	**2,097**	**2,183**
Net debt	805	772	736	720	691

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	-6.9	-11.0	1.6	3.8	2.8
Operating profit	53.8	-73.4	115.7	37.1	29.1
Net profit	42.7	-83.9	242.6	30.8	36.4
Adjusted EPS**	19.0	-84.5	204.6	47.4	36.4
Per-share data (KRW)					
EPS (parent-based)	3,639	564	1,719	2,533	3,455
EPS (consolidated)	3,576	565	1,926	2,533	3,455
Adjusted EPS**	3,639	564	1,719	2,533	3,455
BVPS	55,920	54,089	54,275	55,189	57,108
DPS (common)	1,200	1,200	1,200	1,200	1,200
Valuations (x)					
P/E***	6.8	35.0	16.4	11.2	8.2
P/B***	0.4	0.4	0.5	0.5	0.5
EV/EBITDA	5.9	9.3	8.4	7.0	5.8
Ratios (%)					
ROE	6.7	1.0	3.5	4.6	6.0
ROA	3.4	0.5	1.8	2.3	3.0
ROIC	5.6	1.6	3.1	4.4	5.6
Payout ratio	30.0	190.4	55.8	42.4	31.1
Dividend yield (common)	4.8	6.1	4.2	4.2	4.2
Net debt to equity	39.5	38.0	36.0	34.3	31.7
Interest coverage (x)	6.0	1.5	2.9	4.4	5.8

COMPANY UPDATE

2025. 12. 5

Industrial Team

Jaeseung Baek
Senior Analyst
jaeseung.baek@samsung.com

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Poongsan (103140)

Despite sentiment swings, defense earnings still solid

- Poongsan enjoyed a favorable defense-export environment in 2025 and secured additional shell orders from key domestic defense companies, but short-term earnings uncertainty emerged due to US reciprocal tariffs.
- Its copper business should put in a solid performance in 2026, supported by an uptrend in copper prices. Defense exports should also remain robust on the back of new orders secured in 2025.
- With US reciprocal tariffs reflected in earnings from 2Q25, additional sharp deterioration appears unlikely. Given the stock's low valuation versus the K-defense sector, we recommend a trading approach.

WHAT'S THE STORY?

2025 review—Additional orders positive; earnings uncertainty elevated: Following the outbreak of war in Ukraine, Poongsan's defense-export business benefited from tight supply of large-caliber artillery shells, driving strong profitability. Earnings moved to a higher level after 2024, supported by high-margin Poland-bound shell exports. Coming into 2025, earnings growth remained solid; notably, additional large-caliber shell orders from Hanwha Aerospace (February) and Hyundai Rotem (September) should support robust exports over the medium-to-long term. Meanwhile, US reciprocal tariffs, raised from 2Q25, drove volatility in the firm's US-bound defense exports and contributed to the company's consensus-miss in 3Q. With the tariff rate now fixed at 15%, the risk of further deterioration in US-bound exports is low.

(Continued on the next page)

AT A GLANCE

BUY

Target price	KRW135,000	34.3%
Current price	KRW100,500	
Market cap	KRW2.8t/USD1.9b	
Shares (float)	28,024,278 (59.4%)	
52-week high/low	KRW165,000/KRW46,150	
Avg daily trading value (60-day)	KRW33.3b/ USD22.7m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Poongsan (%)	-13.7	60.3	87.2
Vs Kospi (%pts)	-9.7	7.2	15.9

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	135,000	135,000	0.0%
2025E EPS	6,743	6,743	0.0%
2026E EPS	7,904	7,904	0.0%

SAMSUNG vs THE STREET

No of estimates	14
Target price	152,357
Recommendation	3.9

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

SUMMARY FINANCIAL DATA

(KRWb)	2024	2025E	2026E	2027E
Revenue	4,554	5,069	5,213	5,293
Operating profit	324	279	328	382
Net profit (adj)	236	185	221	262
EPS (adj) (KRW)	8,423	6,743	7,904	9,384
EPS (adj) growth (% y-y)	48.2	-19.9	17.2	18.7
EBITDA margin (%)	9.1	7.3	8.1	8.9
ROE (%)	11.3	8.4	9.2	10.2
P/E (adj) (x)	5.9	14.9	12.7	10.7
P/B (x)	0.6	1.2	1.2	1.1
EV/EBITDA (x)	4.5	8.9	8.1	7.2
Dividend yield (%)	5.2	2.0	2.3	2.6

Source: Company data, Samsung Securities estimates

2026 outlook—Focus on valuation merit until new orders arrive: Supported by tight supply, copper prices should remain elevated into 2026, helping the parent company's copper business maintain stable profitability. In addition, the US imposition of 50% import tariffs on copper products should ultimately benefit Poongsan's US subsidiary, PMX Industries. Reflecting lower valuations across industry peers, we cut our target price by 11% to KRW135,000. However, we reiterate our BUY rating, as a trading approach remains valid: shares are trading at just 12x 2026 P/E, a 44% discount to the K-defense sector average of 21.6x (Bloomberg). New overseas orders would meaningfully narrow this discount, making close monitoring of order-taking performance essential.

Poongsan: Results and forecasts (parent basis)

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Sales	**826.4**	**1,014.0**	**871.4**	**1,135.1**	**890.5**	**1,072.2**	**943.3**	**1,124.8**	**3,502.6**	**3,846.9**	**4,030.8**
Copper business	620.5	666.2	642.1	689.7	667.2	694.4	665.4	677.4	2,313.7	2,618.6	2,704.4
Defense business	205.9	347.8	229.3	445.4	223.3	377.8	277.9	447.4	1,188.9	1,228.3	1,326.4
Exports	422.1	570.7	473.2	513.1	472.6	624.3	511.4	540.9	2,026.7	1,979.1	2,149.2
Copper business	336.8	372.0	359.9	380.1	361.7	385.8	369.8	374.6	1,315.7	1,448.8	1,492.0
Defense business	85.3	198.7	113.3	133.0	110.9	238.4	141.6	166.3	711.0	530.3	657.2
Domestic	404.3	443.3	398.2	622.0	417.9	448.0	431.9	583.9	1,475.9	1,867.8	1,881.6
Copper business	283.7	294.2	282.2	309.6	305.5	308.6	295.6	302.8	998.0	1,169.8	1,212.4
Defense business	120.6	149.1	116.0	312.4	112.4	139.4	136.3	281.1	477.9	698.0	669.2
Gross profit	82.8	128.3	84.8	122.1	80.0	138.0	113.5	129.9	501.9	418.1	461.4
Operating profit	**44.7**	**88.0**	**42.4**	**63.8**	**40.6**	**104.7**	**69.6**	**69.5**	**314.1**	**239.0**	**284.3**
Pre-tax profit	50.6	74.9	41.5	57.1	33.3	96.5	62.2	62.7	317.5	224.1	254.7
Net profit	**41.6**	**64.2**	**32.6**	**43.4**	**25.3**	**73.4**	**47.2**	**47.7**	**235.6**	**181.7**	**193.6**
Chg (% y-y)											
Sales	**15.6**	**3.7**	**5.0**	**15.8**	**7.8**	**5.7**	**8.3**	**-0.9**	**13.0**	**9.8**	**4.8**
Copper business	15.3	4.6	15.6	18.4	7.5	4.2	3.6	-1.8	10.1	13.2	3.3
Defense business	16.5	2.1	-16.4	12.0	8.5	8.6	21.2	0.5	19.0	3.3	8.0
Exports	7.2	-2.7	-2.7	-8.4	12.0	9.4	8.1	5.4	24.8	-2.3	8.6
Copper business	12.8	3.4	12.8	12.3	7.4	3.7	2.8	-1.4	16.2	10.1	3.0
Defense business	-10.4	-12.3	-32.4	-40.0	30.0	20.0	25.0	25.0	44.5	-25.4	23.9
Domestic	25.8	13.3	16.0	48.1	3.4	1.0	8.5	-6.1	-0.0	26.6	0.7
Copper business	18.3	6.1	19.3	26.8	7.7	4.9	4.7	-2.2	3.0	17.2	3.6
Defense business	48.0	30.8	8.8	77.6	-6.8	-6.5	17.5	-10.0	-5.7	46.0	-4.1
Gross profit	17.7	-28.3	-23.5	-13.9	-3.4	7.6	33.8	6.4	51.7	-16.7	10.4
Operating profit	27.0	-37.6	-40.0	-5.1	-9.3	19.0	64.1	8.8	65.0	-23.9	19.0
Pre-tax profit	9.5	-50.1	-34.5	-1.4	-34.3	28.8	49.9	9.9	66.0	-29.4	13.6
Net profit	12.6	-42.3	-31.6	9.0	-39.1	14.3	45.0	9.9	50.7	-22.9	6.5
Margins (%)											
Gross profit	10.0	12.7	9.7	10.8	9.0	12.9	12.0	11.5	14.3	10.9	11.4
Operating profit	5.4	8.7	4.9	5.6	4.6	9.8	7.4	6.2	9.0	6.2	7.1
Pre-tax profit	6.1	7.4	4.8	5.0	3.7	9.0	6.6	5.6	9.1	5.8	6.3
Net profit	5.0	6.3	3.7	3.8	2.8	6.8	5.0	4.2	6.7	4.7	4.8

Source: Company data, Samsung Securities estimates

Poongsan: Results and forecasts (consolidated)

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E
Sales	**1,155.9**	**1,294.0**	**1,174.2**	**1,445.1**	**1,187.7**	**1,371.9**	**1,235.1**	**1,418.4**	**4,554.4**	**5,069.2**	**5,213.0**
Parent	826.4	1,014.0	871.4	1,135.1	890.5	1,072.2	943.3	1,124.8	3,502.6	3,846.9	4,030.8
Subsidiaries	329.5	280.0	302.8	310.0	297.3	299.6	291.7	293.5	1,051.8	1,222.3	1,182.2
Gross profit	130.2	153.6	105.4	157.1	112.1	175.7	145.9	166.8	615.9	546.3	600.5
Parent	82.8	128.3	84.8	122.1	80.0	138.0	113.5	129.9	501.9	418.1	461.4
Subsidiaries	47.4	25.3	20.5	35.0	32.1	37.7	32.3	36.9	114.0	128.2	139.0
Operating profit	**69.7**	**93.6**	**42.6**	**72.8**	**50.6**	**115.1**	**80.8**	**81.1**	**323.8**	**278.7**	**327.6**
Parent	44.7	88.0	42.4	63.8	40.6	104.7	69.6	69.5	314.1	239.0	284.3
Subsidiaries	25.0	5.6	0.2	9.0	10.0	10.5	11.2	11.6	9.7	39.8	43.3
Pre-tax profit	57.8	77.4	40.7	62.8	42.1	106.3	72.8	73.3	318.3	238.8	294.4
Parent	50.6	74.9	41.5	57.1	33.3	96.5	62.2	62.7	317.5	224.1	254.7
Subsidiaries	7.2	2.5	-0.7	5.7	8.8	9.7	10.7	10.5	0.8	14.7	39.7
Net profit	**41.6**	**64.2**	**32.6**	**47.1**	**31.5**	**79.7**	**54.6**	**54.9**	**236.0**	**185.5**	**220.8**
Parent	41.6	64.2	32.6	43.4	25.3	73.4	47.2	47.7	235.6	181.7	193.6
Subsidiaries	0.0	0.0	0.0	3.7	6.2	6.3	7.4	7.3	0.5	3.7	27.2
Net profit attributable to parent company	41.6	64.2	32.6	47.1	31.5	79.7	54.6	54.9	236.0	185.5	220.8
Chg (% y-y)											
Sales	20.0	4.9	4.0	17.7	2.8	6.0	5.2	-1.9	10.4	11.3	2.8
Operating profit	28.5	-42.0	-42.7	115.0	-27.5	23.0	89.8	11.3	41.6	-13.9	17.5
Net profit	12.6	-42.3	-31.6	17.0	-24.1	24.1	67.7	16.6	50.9	-21.4	19.1
Net profit attributable to parent company	12.6	-42.3	-31.6	17.0	-24.1	24.1	67.7	16.6	50.9	-21.4	19.1
Margins (%)											
Gross profit	11.3	11.9	9.0	10.9	9.4	12.8	11.8	11.8	13.5	10.8	11.5
Operating profit	6.0	7.2	3.6	5.0	4.3	8.4	6.5	5.7	7.1	5.5	6.3
Net profit	3.6	5.0	2.8	3.3	2.7	5.8	4.4	3.9	5.2	3.7	4.2

Source: Company data, Samsung Securities estimates

Poongsan: SOTP valuation

	(KRWb)
Enterprise value	**3,744.9**
1) Defense business	**3,469.9**
- 2025E-2026E average net profit	**189.1**
- Target P/E*	**18.3**
2) Copper business	**274.9**
- 2025E-2026E average net profit	**31.7**
- Target P/E**	**8.7**
Outstanding shares	**28,024,278**
Target price (KRW)	**135,000**

Note: *15% discount to peer average;
** 20% discount to peer average
Source: Bloomberg, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**4,125**	**4,554**	**5,069**	**5,213**	**5,293**
Cost of goods sold	3,684	3,938	4,523	4,613	4,633
Gross profit	**441**	**616**	**546**	**600**	**660**
Gross margin (%)	10.7	13.5	10.8	11.5	12.5
SG&A expenses	212	292	268	273	278
Operating profit	**229**	**324**	**279**	**328**	**382**
Operating margin (%)	5.5	7.1	5.5	6.3	7.2
Non-operating gains (losses)	**-28**	**-5**	**-40**	**-33**	**-32**
Financial profit	15	19	14	9	9
Financial costs	50	47	45	37	36
Equity-method gains (losses)	0	0	0	0	0
Other	8	23	-9	-5	-5
Pre-tax profit	**201**	**318**	**239**	**294**	**350**
Taxes	45	82	53	74	87
Effective tax rate (%)	22.2	25.8	22.3	25.0	25.0
Profit from continuing operations	156	236	185	221	262
Profit from discontinued operations	0	0	0	0	0
Net profit	**156**	**236**	**185**	**221**	**262**
Net margin (%)	3.8	5.2	3.7	4.2	5.0
Net profit (controlling interests)	156	236	185	221	262
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	319	413	372	420	472
EBITDA margin (%)	7.7	9.1	7.3	8.1	8.9
EPS (parent-based) (KRW)	5,682	8,423	6,743	7,904	9,384
EPS (consolidated) (KRW)	5,582	8,423	6,618	7,879	9,358
Adjusted EPS (KRW)*	5,682	8,423	6,743	7,904	9,384

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**696**	**40**	**209**	**90**	**213**
Net profit	156	236	185	221	262
Non-cash profit and expenses	205	252	253	255	253
Depreciation	90	89	93	92	90
Amortization	1	1	0	0	0
Other	115	162	160	163	163
Changes in A/L from operating activities	454	-343	-229	-386	-303
Cash flow from investments	**-137**	**-217**	**-189**	**-168**	**-165**
Change in tangible assets	-136	-195	-173	-153	-150
Change in financial assets	8	-17	-15	-15	-15
Other	-9	-5	-0	-1	-0
Cash flow from financing	**-306**	**90**	**-67**	**-46**	**-57**
Change in debt	-302	136	-2	0	0
Change in equity	0	0	0	0	0
Dividends	0	0	0	0	0
Other	-4	-46	-65	-46	-57
Change in cash	253	-63	-22	-100	15
Cash at beginning of year	155	408	345	323	223
Cash at end of year	408	345	323	223	238
Gross cash flow	**362**	**488**	**438**	**476**	**516**
Free cash flow	**560**	**-156**	**35**	**-63**	**62**

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

Source: Company data, Samsung Securities estimates

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**2,239**	**2,562**	**2,685**	**2,900**	**3,155**
Cash & equivalents	408	345	323	223	238
Accounts receivable	517	602	665	777	888
Inventories	1,227	1,459	1,539	1,729	1,855
Other current assets	87	155	158	170	174
Fixed assets	**1,421**	**1,535**	**1,596**	**1,651**	**1,707**
Investment assets	36	48	184	169	156
Tangible assets	1,183	1,309	1,384	1,450	1,515
Intangible assets	12	13	13	13	13
Other long-term assets	189	165	15	19	22
Total assets	**3,661**	**4,097**	**4,281**	**4,550**	**4,862**
Current liabilities	**1,352**	**1,359**	**1,411**	**1,482**	**1,563**
Accounts payable	183	185	208	243	282
Short-term debt	328	393	393	393	393
Other current liabilities	842	780	810	846	888
Long-term liabilities	**342**	**539**	**556**	**590**	**623**
Bonds & long-term debt	227	240	240	240	240
Other long-term liabilities	115	299	316	350	383
Total liabilities	**1,695**	**1,897**	**1,967**	**2,072**	**2,185**
Owners of parent equity	**1,966**	**2,199**	**2,314**	**2,479**	**2,676**
Capital stock	140	140	140	140	140
Capital surplus	495	495	495	495	495
Retained earnings	1,315	1,491	1,605	1,770	1,968
Other	16	74	74	74	74
Non-controlling interests' equity	**0**	**0**	**0**	**0**	**0**
Total equity	**1,966**	**2,199**	**2,314**	**2,479**	**2,676**
Net debt	288	480	494	594	579

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	-5.7	10.4	11.3	2.8	1.5
Operating profit	-1.3	41.6	-13.9	17.5	16.6
Net profit	-10.7	50.9	-21.4	19.1	18.8
Adjusted EPS**	-13.6	48.2	-19.9	17.2	18.7
Per-share data (KRW)					
EPS (parent-based)	5,682	8,423	6,743	7,904	9,384
EPS (consolidated)	5,582	8,423	6,618	7,879	9,358
Adjusted EPS**	5,682	8,423	6,743	7,904	9,384
BVPS	67,945	80,518	80,520	85,502	91,971
DPS (common)	1,200	2,600	2,000	2,300	2,600
Valuations (x)					
P/E***	6.9	5.9	14.9	12.7	10.7
P/B***	0.6	0.6	1.2	1.2	1.1
EV/EBITDA	4.3	4.5	8.9	8.1	7.2
Ratios (%)					
ROE	8.4	11.3	8.4	9.2	10.2
ROA	4.4	6.1	4.4	5.0	5.6
ROIC	7.4	9.7	8.4	10.0	10.9
Payout ratio	21.0	30.1	30.2	29.2	27.8
Dividend yield (common)	3.1	5.2	2.0	2.3	2.6
Net debt to equity	14.7	21.8	21.4	24.0	21.6
Interest coverage (x)	5.8	8.6	7.4	8.9	10.6

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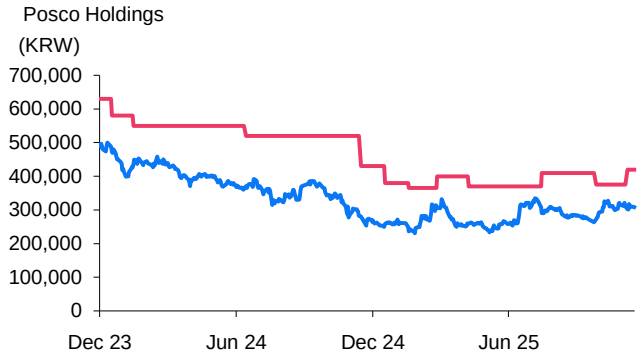
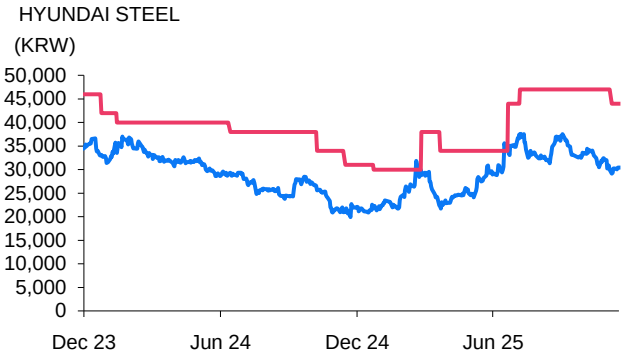
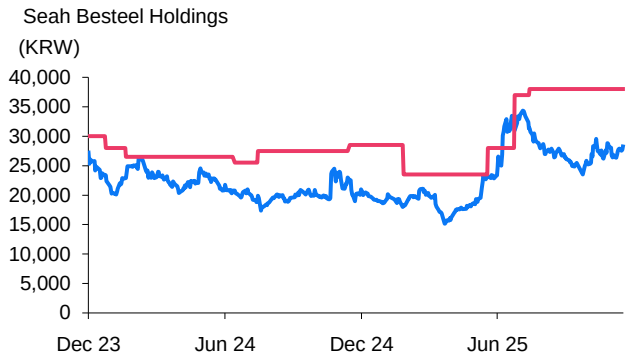
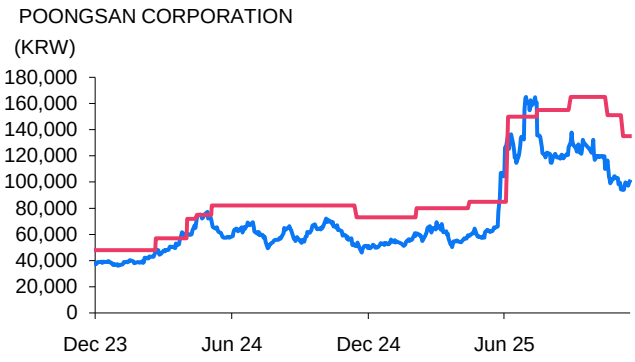
Target price changes in past two years









Rating changes over past two years (adjusted share prices)

Posco Holdings												
Date	2023/10/25	2024/1/3	2/1	7/1	12/2	2025/1/3	2/4	3/14	4/25	8/1	10/13	11/24
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	630000	580000	550000	520000	430000	380000	365000	400000	370000	410000	375000	420000
Gap* (average)	-26.07	-25.38	-25.99	-33.75	-38.55	-31.43	-26.15	-30.72	-25.24	-29.73	-17.87	
(max or min)**	-17.14	-17.24	-16.73	-24.62	-35.93	-28.68	-13.15	-17.00	-9.46	-24.63	-12.80	

Hyundai steel												
Date	2023/10/26	2024/1/10	1/31	7/1	10/25	12/2	2025/1/9	3/14	4/8	7/8	7/24	11/24
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	46000	42000	40000	38000	34000	31000	30000	38000	34000	44000	47000	44000
Gap* (average)	-24.78	-21.75	-19.57	-29.71	-32.37	-30.44	-18.38	-29.88	-21.00	-19.98	-28.39	
(max or min)**	-20.43	-15.00	-7.50	-22.76	-24.41	-26.77	6.17	-22.37	4.56	-14.89	-20.00	

Seah Besteel Holdings												
Date	2023/11/2	2024/1/10	2/6	7/1	8/1	12/2	2025/2/12	6/5	7/11	7/31		
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY		
Target price (KRW)	30000	28000	26500	25500	27500	28500	23500	28000	37000	38000		
Gap* (average)	-17.84	-23.49	-14.11	-21.83	-26.25	-31.15	-20.15	-0.22	-10.24			
(max or min)**	-9.17	-18.21	-0.75	-17.65	-10.91	-20.88	-0.43	19.46	-7.16			

Poonsan												
Date	2023/9/26	2024/3/8	4/19	5/2	5/22	12/2	2025/2/20	5/2	6/23	8/1	9/15	11/3
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	48000	57000	72000	75000	82000	73000	80000	85000	150000	155000	165000	151000
Gap* (average)	-21.76	-9.81	-13.81	-1.18	-25.26	-27.48	-25.43	-13.70	-5.09	-21.59	-24.93	-32.49
(max or min)**	-3.96	8.07	-7.08	3.07	-12.07	-16.44	-13.25	48.82	10.00	-12.58	-16.48	-26.49

Date	11/24
Recommendation	BUY
Target price (KRW)	135000
Gap* (average)	
(max or min)**	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

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Industry

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Percentage of ratings in 12 months prior to 2025.09.30

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Samsung Securities

SAMSUNG SECURITIES

Samsung Electronics Bldg., 11, 74-gil,
Seochodae-ro, Seocho-gu, Seoul, Korea 06620
Tel: 02 2020 8000 / www.samsungpop.com

Family Center: 1588 2323

Voice Of Customer: 080 911 0900

For more information,
please call our sales representatives:

LONDON

Samsung Securities Europe Limited
1st Floor, 30 Gresham Street, London EC2V 7PG UK
Tel. 44-207-776-4311
Fax. 44-203-837-9219

NEW YORK

Samsung Securities America Limited
1330 Avenue of the Americas. 10th Floor. New York,
NY 10019
Tel: 1-212-972-2454
Fax: 1-212-972-2704

HONG KONG

Samsung Securities (Asia) Limited
Suite 4511, Two International Finance Center,
8 Finance Street, Central, Hong Kong
Tel: 852-3411-3608
Fax: 852-2114-0290

BEIJING

Samsung Securities Beijing Representative Office
Rm. 910, The Exchange Building No 118 JianGuo Lu, Chao Yang District, Beijing, China
Tel: 86-10-6522-1855 (extension 7891)
Fax: 86-10-6522-1855 (extension 7889)

TOKYO

Samsung Securities Tokyo Representative Office
#106-8532 19F, Roppongi T-Cube 3-1-1,
Roppongi Minato-ku Tokyo, Japan
Tel: 81-3-6333-2952
Fax: 81-3-6333-2953

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