COMPANY UPDATE

2026. 1. 15

Alternative Investment Team

Jinhyun Hong
Analyst
jinhyun.hong@samsung.com

Scan to go to
Research Center report database

ITCEN Global (124500)

Earnings-based multiples to rise

- ITCEN Global posted a 1Q-3Q net profit of KRW90b (up 399% y-y). Its earnings likely grew further in 4Q.
- The firm should maintain its leadership position in the domestic gold distribution market, leveraging the structural advantages it has built.
- It has proactively established a Web3 value chain (though regulatory clarity is lacking), raising expectations for growth of its sales and earnings multiples.

WHAT'S THE STORY?

2025 overview: ITCEN Global recorded significant earnings growth over 1Q-3Q, with cumulative sales of KRW4.6t (up 134% y-y), operating profit of KRW120b (up 393% y-y), and net profit of KRW90b (up 399% y-y). The gold trading service business, centered on Korea Gold Exchange (KGE, which it acquired in 2018), was the main driver of this growth. With gold prices continuing to rise and trading volumes surging in 4Q, the gold-related business likely saw further earnings growth in 4Q. Elsewhere, in 2H, the IT business typically: 1) receives the bulk of its orders; and 2) recognizes most of its sales. Given the probable earnings improvement at the IT business in 4Q, the firm's full-year 2025 earnings likely grew rapidly y-y.

Gold business: ITCEN Global is logging structural and sustainable growth in the domestic gold distribution market. Its vertically-integrated gold business ensures both procurement stability and quality control. It commands an overwhelming market share and operates a nationwide distribution network. Its online and digital gold services offer high accessibility and liquidity.

(Continued on the next page)

AT A GLANCE

Not Rated

Target price	n/a
Current price	KRW33,600
Market Cap	KRW779.67b/USD527.7m
Shares (float)	23,204,527 (75.1%)
52-week high/low	KRW37,000/KRW4,690
Avg daily trading value (60-day)	KRW21.9b/ USD14.8m

ONE-YEAR PERFORMANCE

	1M	6M	12M
ITCEN Global (%)	27.0	69.5	555.0
Vs Kosdaq (%pts)	26.4	43.8	399.2

SAMSUNG vs THE STREET

No of estimates	n/a
Target price	n/a
Recommendation	n/a

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

SUMMARY FINANCIAL DATA

	2021	2022	2023	2024
Revenue (KRWb)	3,281	2,621	2,815	4,962
Operating profit (KRWb)	32	30	31	59
Net Profit (KRWb)	-3	31	-6	36
EPS (adj) (KRW)	-361	85	32	184
EPS (adj) growth (%)	Turned neg	Turned pos	-62.8	479.3
EBITDA margin (%)	1.3	1.6	1.5	1.4
ROE (%)	-12.6	3.1	1.1	5.8
P/E (adj) (x)	-13.9	42.1	234.4	28.3
P/B (x)	1.7	1.3	2.4	1.5
EV/EBITDA (x)	8.2	6.2	8.4	5.6
Dividend yield (%)	0	0	0	0

Source: Company data

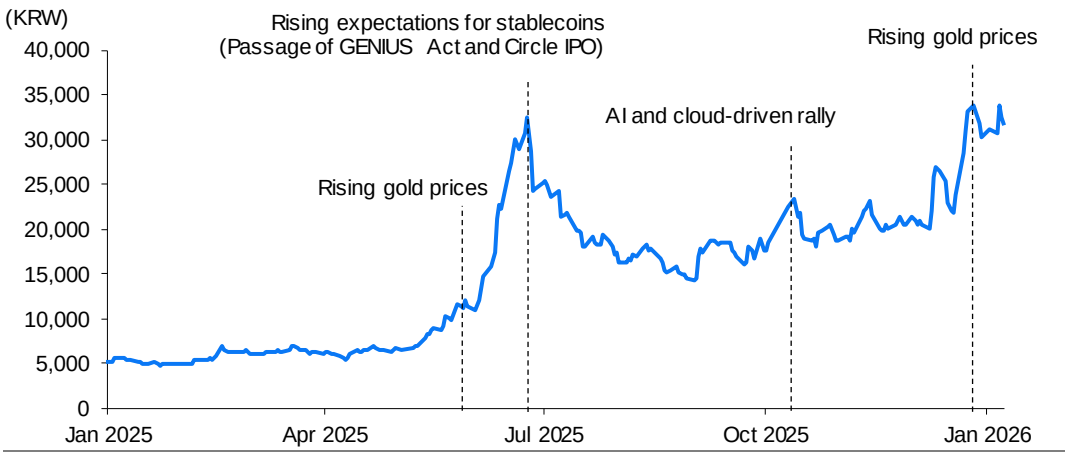
IT business: The IT business is enjoying structural growth on the back of margin expansion and recurring sales. The business has four key investment points: 1) vertical integration of its IT subsidiaries; 2) high market dominance and stable maintenance contracts within the public IT domain; 3) accelerated transition to AI and cloud technologies; and 4) synergies with Web3 and digital asset businesses.

Web3 business: The company has proactively established a Web3 value chain spanning BDAN, Creder, and BPMG. Its Web3 business is complemented by its gold (as a real-world asset), wallet, payments, and distribution businesses, and has the potential to create additional synergies with its gold and IT businesses. Preparations for real-world business implementation are underway through domestic and international partnerships. Upon gaining regulatory clarity, it should be able to quickly monetize its business models and see its earnings multiples rerate.

ITCEN Global surged 483% in 2025, significantly outperforming market indices (Kospi up 75.6% and Kosdaq up 36.5%). This rally was driven by three key catalysts: 1) rising gold prices; 2) AI and cloud-driven multiple expansions; and 3) Web3 initiatives, including stablecoins.

The company's strong performance was underpinned by both skyrocketing gold prices and increased trading volumes. Additionally, its long-standing IT business benefited from AI and cloud momentum. While its stablecoin and Web3 businesses have yet to contribute materially to its earnings, the company is strategically positioned across the entire value chain—from issuance and custody to payments and decentralized finance (DeFi)—offering long-term growth potential. Gold, IT, and Web3 are all highly promising sectors, and should provide a structural foundation for sustained growth over the long term.

Chart 1. ITCEN Global: Share performance



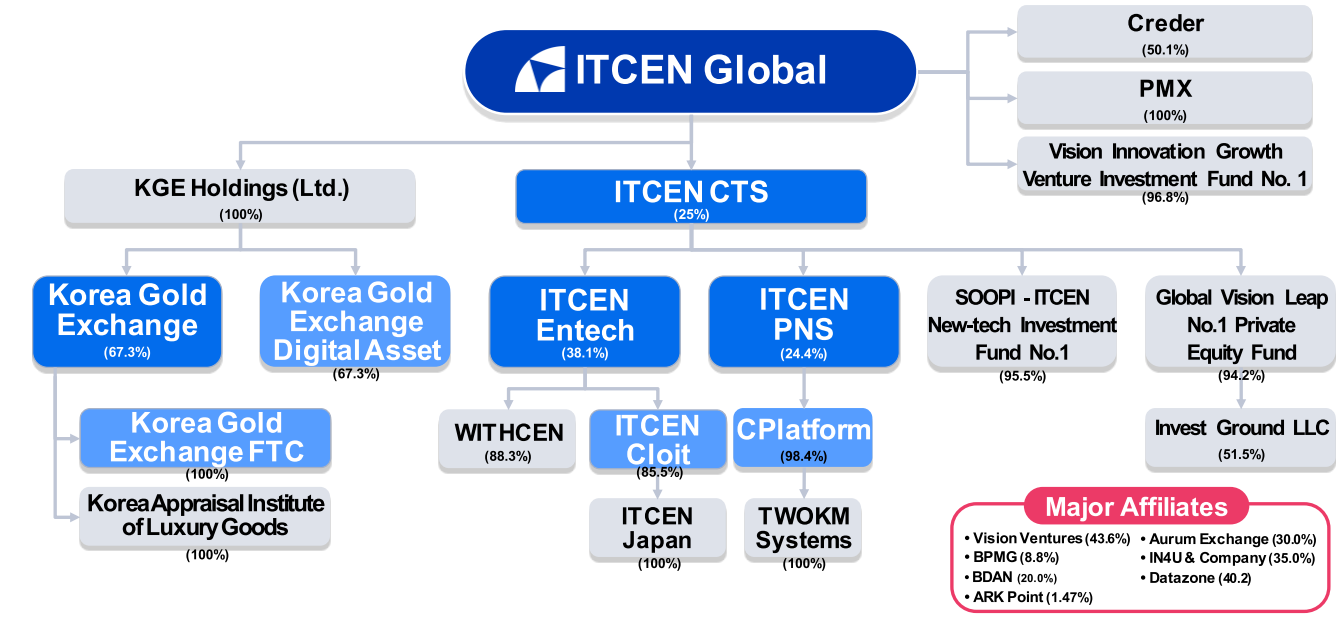
Source: Bloomberg, Samsung Securities

Table 1. ITCEN Global: Quarterly financial performance

(KRW)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2023	2024
Sales	605	644	661	905	911	1,260	1,285	1,506	1,637	1,267	1,727		2,815	4,962
Chg (% y-y)	*-18.5*	*18.7*	*21.5*	*14.3*	*50.6*	*95.5*	*94.4*	*66.5*	*79.7*	*0.6*	*34.4*		*7.4*	*76.3*
Web3	441	452	434	633	755	1,073	1,074	1,128	1,446	1,027	1,536		1,959	4,030
IT Service	209	201	266	272	182.0	199	235	379	229	280	274		947	995
Group management & investment	-	-	-	-	-	-	0.1	-	0.5	0.5	0.5		-	0.1
Others (Consolidation adjustment)	-45.2	-7.7	-38.3	-	-26.1	-12.3	-24.9	-	-38.7	-40.1	-83		-91.3	-63.3
Cost of goods sold	569	607	626	847	874	1,211	1,244	1,431	1,563	1,207	1,627		2,649	4,759
Chg (% y-y)	*-19.3*	*17.0*	*22.4*	*16.1*	*53.6*	*99.4*	*98.8*	*68.9*	*78.8*	*-0.3*	*30.8*		*7.4*	*79.6*
Gross profit	36	37	35	58	37	49	41	76	74	59	100		165.9	202.5
Chg (% y-y)	*-2.6*	*55.3*	*8.5*	*-7.2*	*2.8*	*31.8*	*16.3*	*31.3*	*101.6*	*21.4*	*143.3*		*6.8*	*22.1*
SG&A expenses	34.7	35.2	33.3	32.2	32.6	33.0	30.7	47.7	39.8	37.9	35.8		135.4	143.9
Chg (% y-y)	*19.2*	*22.1*	*12.7*	*-13.9*	*-6.0*	*-6.3*	*-7.9*	*48.2*	*21.9*	*15.1*	*16.9*		*8.4*	*6.3*
Operating profit	0.8	2.0	2.1	25.5	3.9	16.1	10.6	28.1	33.8	21.6	64.5		30.5	58.6
Chg (% y-y)	*-88.9*	*Turned pos*	*-31.4*	*2.9*	*376.1*	*684.5*	*393.2*	*10.0*	*772.2*	*34.3*	*510.4*		*0.2*	*91.9*
Net profit	-0.5	-2.3	5.3	-8.7	1.7	12.4	8.4	13.6	26.2	17.2	46.5		-6.2	36.1
Chg (% y-y)	*Turned neg*	*Remained neg*	*88.3*	*Turned neg*	*Turned pos*	*Turned pos*	*58.3*	*Turned pos*	*1400.2*	*38.9*	*453.6*		*Turned neg*	*Turned pos*

Note: Consolidated basis
Source: Company data, Samsung Securities

Chart 2. ITCEN Global: Ownership structure (as of 3Q25)



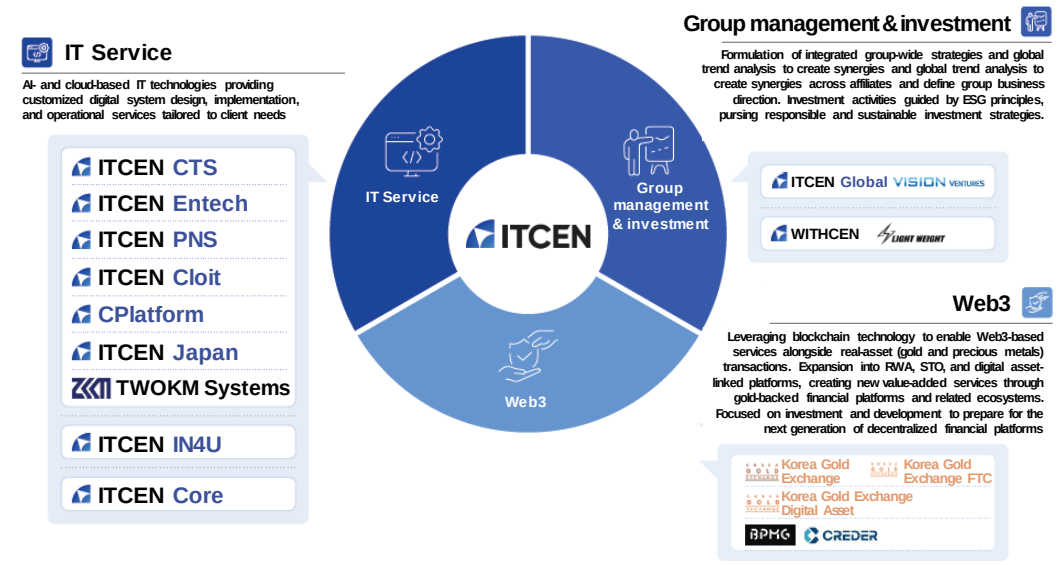
Note: Percentages in parentheses represent the simple aggregate of direct ownership stakes held by the controlling company in each consolidated subsidiary
Source: Company data, Samsung Securities

Table 2. Investment status of major subsidiaries and associates (3Q25)

	Ownership (%)	Value (KRWb)
ITCEN CTS	25.00	42.3
KGE Holdings	28.86	14.3
Vision Innovation Growth Venture Investment Fund No.1	96.77	3.0
BPMG	8.82	3.0
IN4U & Company	10.00	2.0
BDAN	20.00	2.0
Creder	50.10	0.7
Vision Ventures	48.62	0.5

Note: Direct ownership stake held by ITCEN Global / Source: Company data

Chart 3. ITCEN Global: Business segmentation



Source: Company data

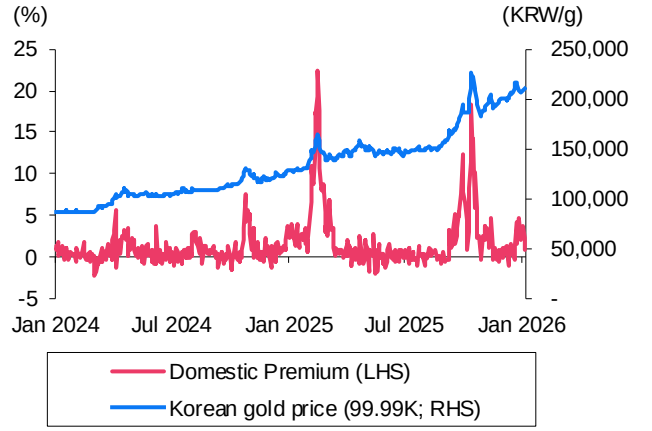
Gold business—Korea Gold Exchange, Korea Gold Exchange Digital Asset, and Korea Gold Exchange FTC

ITCEN Global's gold business accounted for 86.6% of the firm's 3Q25 sales (vs 81.2% in 2024 and 69.6% in 2023), making it the firm's core earnings generator. The gold business is vertically integrated across three entities: Korea Gold Exchange (KGE; gold distribution and trading), Korea Gold Exchange Digital Asset (KorDA; distribution and financial services), and Korea Gold Exchange FTC (KGE FTC; refining and processing). This vertical integration is complemented by the Web3 business (*eg*, BDAN and Creder), creating a comprehensive gold ecosystem spanning digital gold, real-world assets (RWA), and diversified distribution.

ITCEN Global's remarkable 2025 results were driven by rising gold prices and increased trading volumes, resulting in structural earnings growth.

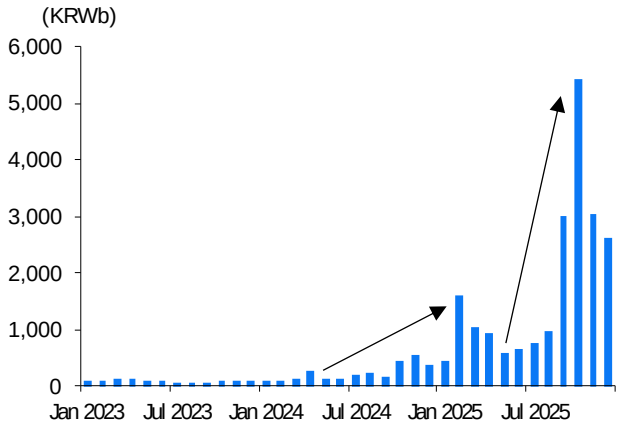
On the price side, the surge in global gold prices was compounded by local supply-demand imbalances, causing the domestic gold price to exceeded the international price by 15% in February and October. As the only reliable domestic firm that can source for gold at scale, KGE FTC became the primary gateway for gold distribution, directing demand toward KGE. This concentration of demand allowed KGE to directly benefit from the premium, reinforcing its dominant position in the domestic gold distribution market.

Chart 4. KRX gold price vs domestic premium



Source: Bloomberg, KRX, Samsung Securities

Chart 5. KRX gold market—monthly trading value



Source: KRX, Samsung Securities

In terms of trading volume in 2025, ITCEN Global benefited not only from increasing demand (stemming from strong gold prices) but also from: 1) a stable supply through KGE FTC's refining and processing capabilities; and 2) the launch of a gold trust product in partnership with Hana Bank.

KGE FTC specializes in metal refining and processing, a segment that has high entry barriers. Key requirements include: 1) high-purity refining technology; 2) consistent weight and stamping quality standards; and 3) traceability, security, and delivery processes spanning raw materials to finished products. Furthermore, the company complies with the quality standards set out by the Korea Minting and Security Printing Corporation. It is certified to UL ECVP 2809-2 environmental claim validation procedure for recycled content. Furthermore, it meets the OECD's Due Diligence Guidance and the global ethical and quality standards of the Responsible Jewellery Council (RJC) and International Organization for Standardization (ISO). It is now actively working towards satisfying the standards of the London Bullion Market Association (LBMA). Based on this certification framework, KGE FTC is expanding its metal export business and investing in capacity upgrades to support long-term volume growth. In addition, KGE holds a unique position in Korea as the only proprietary trading member of the KRX gold market. This status is underpinned by that fact that it has been vertically integrated with KGE FTC. By directly participating in physical transactions (using its inventory), KGE can help price discovery and liquidity management in the market.

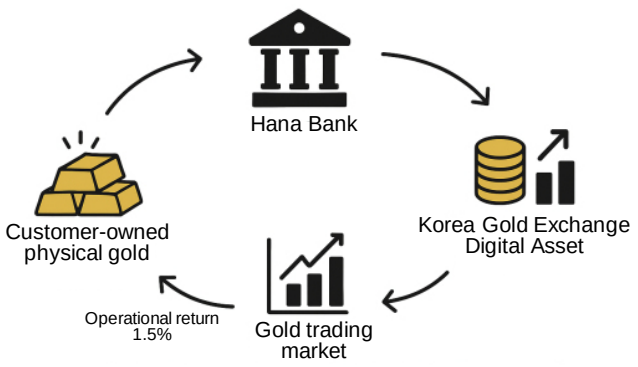
Hana Bank's Gold Trust product allows customers to deposit gold with the bank in a trust structure, which the bank then manages for a set period. At maturity, customers receive both the physical gold and operational returns (around 1.5%). As Korea's first physical gold management trust, it has garnered significant attention, with the 2025 offering of nine rounds (each worth KRW4b, totaling KRW36b) selling out quickly. In response to strong demand, the bank is considering increasing the number of sales rounds, raising the per-round sales limit, and expanding the number of branches offering the product. This should lay the groundwork for KGE FTC's tapping additional liquidity channels through gold trusts over the longer term.

Table 3. Korea Gold Exchange FTC- Licenses & certificates

Category	Detail
Complies with the standards of the Korea Minting and Security Printing Corporation	• Meets Korea Mint requirements for quality, security, traceability, and supply-chain control; prerequisite for institutional gold distribution
UL ECVP 2809-2 (UL Solutions, US)	• Third-part verification of recycled content, environment claims, and traceability (ESG-complaint gold)
OECD Due Diligence Guidance compliance	• Global standard for conflict-free, ethical sourcing and supply-chain due diligence in B2B transactions
RJC (Responsible Jewellery Council)	• Certification for ethics, human rights, environmental and supply-chain standards in the precious metals industry
ISO Certification (ISO 9001, ISO 14001)	• Quality and environmental management certifications ensuring stable operations and low-carbon production
SBMA	• Membership in Asia's bullion spot and wholesale trading network (Singapore)
LBMA GDL (Good Delivery List, In progress)	• London bullion market standard required for global mainstream gold trading

Source: Media, Company data, Samsung Securities

Chart 6. Hana Bank's Gold Trust operating structure



Source: Media

For KGE, the key watchpoints should be whether it can: 1) scale globally; and 2) meaningfully integrate its Web3 business. If these two things can be achieved, KGE should be able to transcend its traditional valuation as a mere gold distributor and receive a multiple premium that reflects its platform-like and midstream characteristics.

We conducted a comprehensive peer analysis by selecting: 1) three inventory-based distribution platforms as peers for KGE and KorDA; and 2) five metal refining, processing, and distribution companies as well as four global gold mining firms as peers for KGE FTC. Given the gold sector's high inventory burden and gold's price volatility, we focused on two key metrics: Capital ratio and asset turnover ratio.

The average capital ratio of these peers stood at 46% in 2024 and an estimated 48% in 2025. However, the combined capital ratio of KGE and KorDA came to 40% in 2024 and an estimated 34% in 2025. KGE FTC's capital ratio was estimated at 44% in 2024 and 33% in 2025. While these figures are slightly below or in line with industry averages, a capital ratio above 30% is generally considered sufficient for maintaining financial stability for normal operations.

In terms of asset turnover ratio, the figure for its 12 peers averaged 117% in 2024 and an estimated 128% in 2025. However, the combined asset turnover ratio of KGE and KorDA was significantly higher—1,420% in 2024 and 1,360% in 2025. KGE FTC also showed a dramatic improvement (52% in 2024 to 540% in 2025). This strong performance reflects structural advantages in inventory turnover and distribution efficiency (vs that at their peers). Based on superior capital efficiency and turnover ratios, the subsidiaries are well-positioned to command premiums vs their peers.

Table 4. Peer valuation table: Gold business

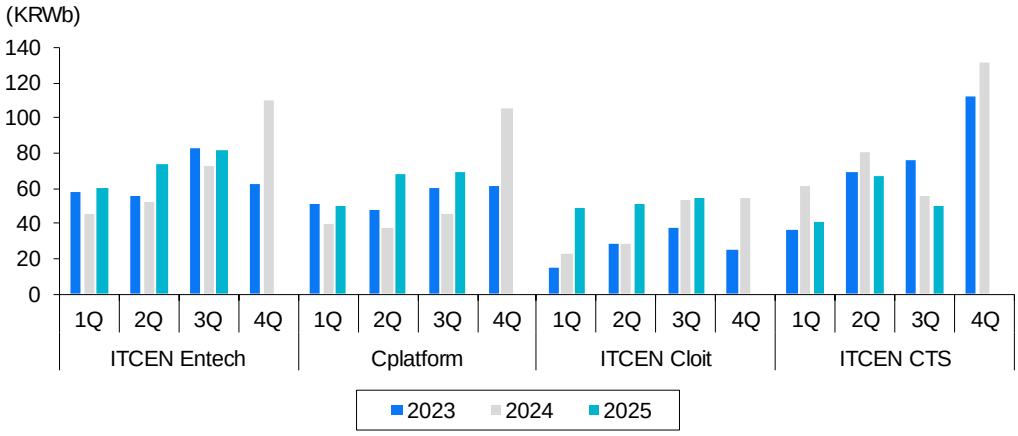
	Signet Jewelers	Gold.Com	Monex Group	Korea Zinc	Dowa Holdings	Mitsubishi Materials	Johnson Matthey	Umicore	Newmont Corp	Barrick Mining Corp	Kinross Gold Corp	Agnico Eagle Mines
Ticker	SIG US	GOLD US	8698 JP	010130 KS	5714 JP	5711 JP	JAMT LN	UMI BB	NEM US	B CN	KGC CN	AEM CN
Country	US	US	Japan	Korea	Japan	Japan	Britain	Belgium	US	US	US	Canada
Market Capitalization (In billions of local currency)	3.7	0.9	194	22,788	504	532	3.9	4.8	119	80	37	125
Total returns (%)												
1W	9.8	11.2	n/a	-7.8	7.9	7.9	6.9	8.7	7.2	7.9	6.2	6.1
1M	9.7	22.6	5.2	-10.0	31.4	22.9	16.2	25.1	21.7	16.3	11.4	7.0
1Y	18.1	37.7	-20.3	30.4	80.2	64.2	72.0	88.8	189.0	208.0	213.6	118.7
P/E (x)												
2023	6.3	5.9	153.9	19.1	10.1	13.9	13.8	15.6	26.0	21.0	15.8	12.8
2024	6.5	11.0	13.4	106.0	11.4	12.8	30.5	n/a	10.7	7.5	13.6	19.2
2025E[1]	9.6	26.7	n/a	32.7	10.2	9.4	6.3	16.1	16.8	20.5	17.7	22.4
P/B (x)												
2023	2.2	1.5	1.2	1.1	0.7	0.5	1.4	1.6	1.6	1.4	1.2	1.4
2024	2.1	1.2	1.7	2.5	0.9	0.6	1.4	1.2	1.4	1.1	1.7	1.9
2025E[1]	1.4	0.8	1.6	3.0	0.7	0.5	1.0	2.2	3.5	3.1	4.3	3.7
ROE (%)												
2023	21.9	28.7	3.3	5.7	7.6	3.5	11.1	10.7	-10.3	5.5	7.0	10.9
2024	41.7	11.4	27.1	2.3	7.8	4.8	4.4	-52.9	11.4	9.0	14.7	9.4
2025E[1]	-1.8	2.8	-2.1	9.9	7.0	5.1	16.0	14.0	22.1	15.5	25.9	18.0
ROA (%)												
2023	5.7	10.5	0.2	4.4	3.8	1.0	4.0	3.9	-5.3	2.8	4.0	7.4
2024	12.1	4.1	2.8	1.4	4.3	1.5	1.6	-15.3	6.0	4.6	8.9	6.5
2025E[1]	1.0	0.9	n/a	4.9	4.2	1.5	6.0	2.5	12.6	8.0	16.5	12.5
Equity ratio (%)												
2023	33.7	38.8	6.7	80.0	55.0	33.2	36.1	37.1	52.6	69.9	58.7	67.7
2024	41.4	36.2	17.5	51.3	61.4	31.6	37.6	20.4	53.4	69.8	64.4	69.5
2025E[2]	n/a	33.3	19.1	52.3	61.8	29.2	37.1	23.4	58.7	70.2	66.9	71.3
Asset turnover (%)												
2023	118.5	600.8	3.7	80.6	119.0	85.9	212.4	183.3	21.3	24.9	40.2	23.1
2024	105.3	530.6	8.7	81.5	113.3	71.1	202.7	157.8	33.2	27.1	47.4	27.6
2025E[2]	n/a	556.8	4.7	105.1	100.8	82.6	188.5	202.3	38.3	30.5	58.2	35.1

Note: As of Jan 7, 2026 1) Bloomberg Consensus 2) Simple annualization estimate. Equity ratio = Equity/Total assets. Asset Turnover = Revenue/Total assets
Source: Bloomberg, Samsung Securities

IT business: ITCEN CTS, ITCEN Entec, ITCEN PNS, *etc*

The company's IT business is primarily composed of subsidiaries ITCEN CTS, ITCEN Entec, and ITCEN PNS, which collectively account for around 20% of the company's total consolidated sales. This IT business exhibits seasonal characteristics, with most orders placed and most sales recognized in 2H due to the prevalence of public and enterprise projects. In 2025, the IT business saw improved earnings performance, driven by increased sales recognition from: 1) existing projects particularly through ITCEN Entec and ITCEN Cloit (a core subsidiary); and 2) operation and maintenance (O&M) sales growth. This improvement is attributed to the progress of ongoing projects and the growing contribution from high-margin subsidiaries.

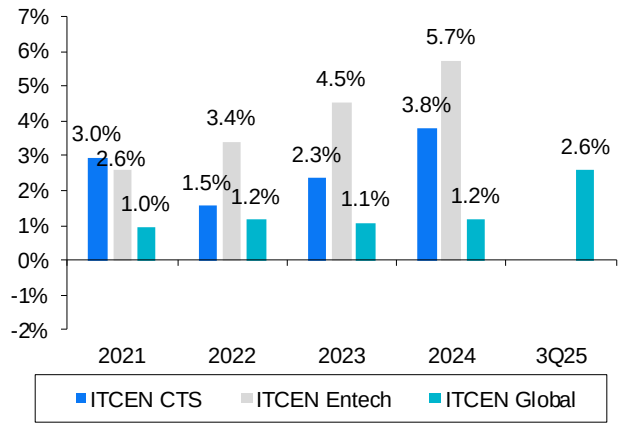
Chart 7. IT business: Revenue, by subsidiary



Note: Non-consolidated basis / Source: Each companies, Bloomberg, Samsung Securities

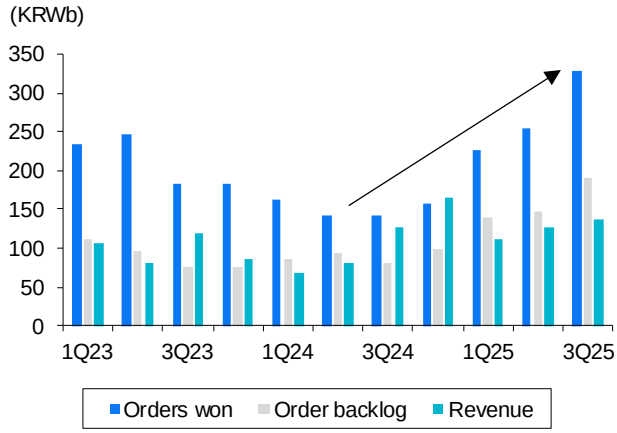
Despite having operated in the IT arena for an extended period, the company has historically received a lower valuation than its peers. This is primarily due to: 1) the majority of its sales coming from public sector projects, which typically have lower margins due to the nature of public system integration (SI) contracts; and 2) a high portion of project-based sales, which has led to the perception that the business is dependent on external contracts. However, the business portfolio is gradually shifting as the company increasingly secures IT, cloud, and O&M projects from private enterprises. Private sector projects offer greater pricing power and opportunities for additional scope, lifting margins.

Chart 8. IT business: Operating margin



Note: ITCEN Global-Consolidated basis, ITCEN CTS-Non-consolidated basis, ITCEN Entech-Non-consolidated basis
Source: Each company, Bloomberg, Samsung Securities

Chart 9. ITCEN Entech: Orders



Note: Only contracts with order value exceeding 5% of prior-year revenue are disclosed
Source: Company data, Samsung Securities

Table 5. ITCEN Entech: Order backlog

Item	Order date	Completion date	Order amount (KRWm)	Recognized sales (KRWm)	Order backlog (KRWm)
Link-22 system development	Mar 1, 2023	Sep 30, 2028	15,060	9,731	5,329
Integrated IT system operation & maintenance	Jun 1, 2023	May 31, 2026	14,815	11,332	3,483
2024 integrated IT system operation & maintenance project	Jun 1, 2024	May 31, 2026	41,865	27,272	14,593
2024-2025 NEIS Infrastructure Maintenance	Jul 1, 2024	Dec 31, 2025	23,531	19,385	4,146
Korea Resources Corporation-IT system operation & maintenance	Oct 4, 2024	Oct 3, 2027	21,225	6,899	14,356
HUG next-generation IT system construction	Dec 13, 2024	Jun 1, 2027	30,479	9,431	21,048
AI teaching & Learning platform – Phase 1 implementation	Jun 18, 2024	Feb 7, 2026	12,431	9,448	2,983
Establishment of a Lottery System for the 5th Lottery Trustee (2nd Year)	Jan 1, 2025	Jan 31, 2026	23,953	15,948	8,005
Gwangju City IT system operation & maintenance	Mar 13, 2025	Dec 31, 2026	21,694	6,650	15,044
Local government shared platform & disaster recovery operation & maintenance (2025)	Jan 1, 2025	Dec 31, 2025	11,089	9,258	1,831
NEIS application SW maintenance (2025-2026)	Apr 1, 2025	Mar 31, 2027	10,838	2,258	8,580
(Gwangju) 2025 First intergovernmental information resource integration HW	Apr 29, 2025	Nov 28, 2025	14,383	1,792	12,591
Employment information network operation & maintenance (2025-2026)	Jun 1, 2025	Mar 31, 2027	13,513	2,689	10,824
KCTC advanced military training system upgrade	Aug 12, 2025	Aug 11, 2027	44,173	-	44,173
Integrated information system reconstruction for digital transformation	Jul 1, 2025	Dec 27, 2027	28,882	5,200	23,682
Total			**327,931**	**137,293**	**190,668**

Note: As of 3Q25. Only contracts with order value exceeding 5% of prior-year revenue are disclosed. Figures are presented exclusive of VAT
Source: Company data

Table 6. ITCEN PNS: Order backlog

Item	Order date	Completion date	Order amount (KRWm)	Recognized sales (KRWm)	Order backlog (KRWm)
Korea Development Bank: Global standard banking system renewal & risk management	Aug 27, 2024	Apr 12, 2027	2,299	1,049	1,250
Hana Bank: H.I.T platform development for IT stability compliance	Mar 31, 2025	Dec 30, 2025	1,235	660	575
2025 KRS Projects	May 1, 2025	Dec 31, 2025	915	702	213
IBK Bank: IBK Card application operations outsourcing	Apr 1, 2025	Dec 31, 2026	2,125	752	1,373
Citibank Korea: Consumer finance IT BAU integration & maintenance	Sep 1, 2025	Nov 30, 2027	4,410	167	4,243
Total			**10,984**	**3,331**	**7,654**

Note: Non-consolidated basis
Source: Company data

Key investment points for the IT business: 1) vertical integration of IT subsidiaries; 2) high market share and recurring O&M sales for public IT projects; 3) AI + cloud momentum; and 4) synergy with the Web3 business.

1. Vertical integration of IT subsidiaries: The company's IT value chain has been vertically integrated, with each stage of business having been internalized within the group. The business is organized into independent units covering infrastructure development, system implementation, cloud migration, security and certification, operation and distribution, and platform services. This structure allows for multi-stage sales generation, moving away from a single-project-centric, one-time contract-based business model.

Table 7. Vertical integration of IT subsidiaries

Entity	Detail
ITCEN Global	• Holding, strategy • Oversees strategy, investment decisions and portfolio allocation across the entire IT value chain
ITCEN CTS	• Infrastructure • Responsible for building and maintaining network infrastructure (NI) across corporate, financial, public and healthcare sectors • Provides foundational infrastructure for IT projects
ITCEN Entec	• System integration • Executes core system integration (SI) projects for government and public-sector clients, including defense, pensions, insurance, administration and education • Focuses on high-entry-barrier public IT domains and mission-critical system
ITCEN Cloit	• Cloud and operations • Conducts cloud migration for existing systems, including infrastructure design, implementation, operations, and maintenance
ITCEN PNS	• Security • Provides authentication, digital signature, and security solutions required for digital finance and public-sector systems
CPlatform	• Distribution • Acts as a distribution hub for cloud and IT solutions • Drives standardization, market expansion, and incremental revenue generation from deployed solutions
ITCEN Core	• Platform operations • Provides long-term involvement in clients operations through industry-specific ERP, internal accounting, ESG platforms, ITO outsourcing, and security control systems

Source: Each company, Samsung Securities

2. High market share and recurring O&M sales from public IT projects: The company has long-standing experience in building and operating core IT systems for public administration, pensions, insurance, and education. Its deep understanding of existing systems and accumulated operational experience have created a position that is difficult to replace. Public IT systems see repeated regulatory changes, security enhancements, incident responses, and functional expansions even after the initial implementation. The systems thus require ongoing maintenance, security upgrades, and functional enhancements, which are often handled by the original vendor. This creates a stable recurring revenue stream and predictable cash flow, independent of its landing new projects.

3. AI + cloud momentum: The company's AI and cloud momentum is not focused on developing new platforms but rather on integrating its AI capabilities and cloud operations into existing public and financial IT systems. ITCEN Entec's AI enhancements are primarily driven by upselling to existing clients, while ITCEN Cloit's cloud migration and managed service provider (MSP) services are transforming one-time SI projects into recurring, long-term revenue streams. This improves the quality of sales (repeatability, margins, and cash flow visibility) and reduces the need to win new projects. This momentum is expected to upgrade the profitability structure of the IT business and lead to expansions in its multiples.

4. Synergy with Web3 business: The company's IT and Web3 businesses are synergistic in that the company leverages its traditional IT system development and operational expertise to provide infrastructure support for tokenized assets, digital finance, and Web3 services, including system stability, security, and regulatory compliance capabilities. While regulatory uncertainty limits the Web3 business's short-term performance, the integration of IT and Web3 is seen as a strategic move to build a structural foundation for future revenue models and higher valuations once the regulatory environment clears.

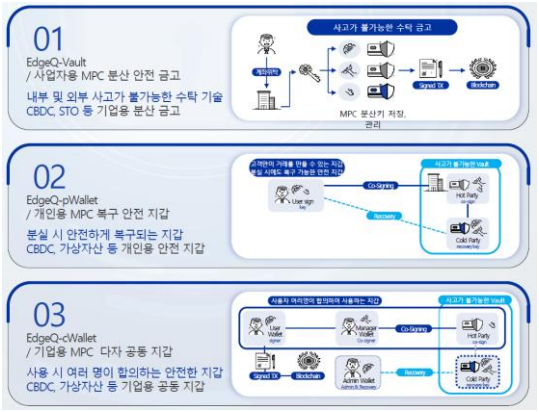
Chart 10. MOU for joint development of AI solutions specialized for public institutions

Participants: ITCEN Entec, Tunip, NHN, Vessel AI, Cyonic AI, etc

Source: Company data

Chart 11. ITCEN PNS's EdgeQwallet: Incorporating Post-quantum Cryptography (PQC)

Utilizing blockchain technology combined with quantum-resistant cryptography (PQC).



Source: Company data

Table 8. Peer valuation table: IT business

	Saltlux	Konan Technology Incorporation	Hancom	Samsung SDS	LG CNS	Hanwha Systems	Booz Allen Hamilton	Snowflake	Capgemini SE	Palantir Technologies
Ticker	304100 KS	402030 KS	030520 KS	0180260 KS	064400 KS	272210 KS	BAH US	SNOW US	CAP FP	PLTR US
Country	Korea	Korea	Korea	Korea	Korea	Korea	US	US	France	US
Market Capitalization (In billions of local currency)	332	249	540	13,495	5,881	12,185	11	77	25	421
Total return										
1W	-1.3	0.1	-3.3	2.6	-1.1	11.8	10.7	0.8	3.0	-2.2
1M	-15.6	-9.6	-8.2	0.1	-5.5	25.7	3.2	-0.7	1.6	-2.6
1Y	12.9	-8.6	2.5	34.9	n/a	144.7	-27.6	39.0	-6.5	159.2
P/E (x)										
2023	n/a	n/a	22.5	19.0	n/a	8.3	22.2	n/a	19.5	181.6
2024	n/a	n/a	36.7	13.1	n/a	8.7	29.2	n/a	16.1	385.4
2025E[1)]	n/a	n/a	13.2	17.3	14.3	56.1	14.7	313.9	12.6	244.3
P/B (x)										
2023	4.4	11.8	1.0	1.5	n/a	1.5	12.3	9.3	3.1	10.9
2024	3.8	11.4	1.5	1.1	n/a	1.7	18.4	12.6	2.3	35.4
2025E[1)]	n/a	n/a	1.4	1.4	2.0	3.4	9.5	24.0	2.3	59.1
ROE (%)										
2023	-15.2	-27.3	4.6	8.2	19.0	16.9	26.7	-15.2	16.5	6.9
2024	-6.6	-53.3	4.1	8.4	18.3	19.6	59.4	-15.7	15.0	10.9
2025E[1)]	n/a	n/a	11.2	8.1	16.3	7.1	75.6	-10.2	15.6	27.8
ROA (%)										
2023	-9.9	-20.1	2.3	5.7	8.4	8.3	4.3	-11.1	6.6	5.3
2024	-5.0	-29.4	2.1	5.9	8.5	8.9	9.2	-10.5	6.6	8.5
2025E[1)]	n/a	n/a	5.6	5.9	8.4	3.1	11.9	-10.4	6.2	18.9

Note: As of Jan 9, 2026 1) Bloomberg Consensus

Source: Bloomberg, Samsung Securities

Web3 business (BDAN, Creder, BPMG, *etc*)

ITCEN Global's Web3 business—besides its gold exchanges (KGE, KorDA, KGE FTC)—currently contributes very little to the firm's total revenue due to regulatory uncertainty. However, ITCEN Global is building a presence in multiple value chains in digital assets both domestically and internationally, covering areas such as stablecoin issuance, virtual asset distribution, custody, decentralized finance (DeFi), and security token offerings (STO). This approach is seen as being a part of a strategic move to accumulate structural and longer-term options that can be monetized quickly once regulations become clearer. With IT capabilities and well-established financial and transaction infrastructure, the company is well-positioned to enter new businesses rapidly once the regulatory environment stabilizes. Notably, the early establishment of a presence in multiple value chains across various digital asset domains is a premium factor that could support higher valuations in the long term.

1. Busan Digital Asset Exchange (BDAN)

ITCEN Global is the second-largest shareholder with a 20% stake in Busan Digital Asset Exchange (BDAN). KorDA issues e-gold (digital gold tokens), while KGE handles the storage, management, and quality standards of physical gold. In detail, BDAN operates the CENGold platform, which oversees tokenization design, service operations, and the settlement process. The city of Busan plays a public-led and supportive role, enhancing the project's credibility through public sector involvement. Digital token storage and management are handled by BDACS, a virtual asset service provider (VASP). KGE acts as the custodian of physical gold, while VASP is the custodian of digital assets, creating a dual custody structure that ensures regulatory compliance.

CENGold's gold trading service is similar to that of KGE, but it is different in that it enables digital asset transactions without the physical transfer of their underlying asset. While gold trading occurs on the CENGold platform, balances and ownership are recorded on blockchain ledgers, maintaining a transparent link between digital tokens and the physical gold they represent. The blockchain infrastructure is based on a private/consortium chain built on Avalanche, which blockchain was chosen to meet domestic regulatory requirements for real-name verification, KYC, and control measures.

BDAN and CENGold are proactively establishing structural options that will let them expand into RWA and STO as institutionalization progresses. The most immediate requirement is the clarification of relevant legislation. Five additional key developments to watch include: 1) entry into the payment market; 2) global connectivity; 3) VASP licensing; 4) over-the-counter (OTC) trading; and 5) diversification of listed assets.

1) Entry into the payment market: The BDAN Jumoni Web3 digital wallet, a collaboration between Naver Pay, Hashed, and BDAN, is significant in that it brings together payment technology (Hashed and BDAN) with Naver Pay's extensive payment infrastructure (which serves more than 34m users). Currently, CENGold does not support stablecoin payments, limiting its integration with the payment system. However, once stablecoin trading is permitted, linking BDAN Jumoni with CENGold could drive user acquisitions and increase transaction volumes. This would expand the use case of digital gold from investment to payment. However, collaboration with banks (reserve assets, payment market, compliance) is essential to ensuring stability in terms of issuance and settlement.

2) Global connectivity: BDAN has established partnerships with BitGo, ADDX (Singapore), Osaka Digital Asset Exchange (ODX), GreenX (Malaysia), TokenX (Thailand), and MKEX (Mekong Digital Exchange; Cambodia). While the goal is to unify order books and co-list assets, this is viewed as a medium- to long-term strategy due to regulatory and institutional constraints. That said, even the blockchain-level integration of assets significantly enhances liquidity and opens channels for global investor participation—a factor that can redefine BDAN as an RWA distribution hub.

Japan stands out as the most visible international connection. ITCEN Global, through its Japanese subsidiary (ITCEN Japan), is a member of the Japan Security Token Association and the sole official Korean partner of JPYC, the issuer of a yen-pegged stablecoin. Collaboration spans technology, operations, and RWA. This opens up the

possibility of linking (between Korea and Japan) regulated digital asset liquidity, offering the potential to collaborate (by way of infrastructure, exchanges, or stablecoins) and generate synergies more quickly than with any other country.

3) Acquisition of VASP status: Currently, operating the CENGold business does not require a VASP license. However, obtaining VASP status would open up new avenues for expansion. With the right type of VASP license, it becomes possible to list virtual assets (*eg*, Bitcoin), expand the scope of RWAs, distribute and integrate stablecoins, and evolve into a platform-based revenue model that encompasses trading, settlement, and custody services.

4) Distribution through OTC exchange: On Jan 7, 2025, the Korea Exchange-Koscom consortium, which includes BDAN, was selected as an OTC trading platform operator for STO. The opening of a regulated distribution channel for RWAs and STOs should give the firm a significant structural advantage. CENGold is likely to be integrated into the KRX OTC market once the regulatory framework is in place, while BDAN is more likely to benefit as a provider of asset supply, blockchain integration, and settlement infrastructure rather than as the final market operator.

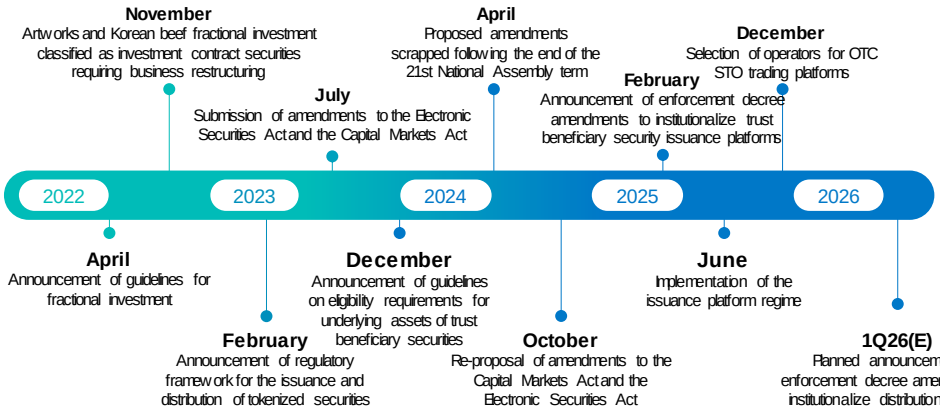
5) Diversification of listed assets: Expanding the range of listed assets should drive market activity and trading volume. If a VASP license is obtained for a virtual asset exchange, it should be possible to trade virtual assets (*eg*, BTC) and later RWA tokens (*eg*, using digital gold tokens to buy BTC) in the longer term. Furthermore, listing various RWAs (*eg*, carbon credits, copyright, ownership of tangible and intangible assets, and bonds) should also become possible. However, as the asset base grows, regulations surrounding custody, reserve assets, valuation, and auditing are likely to tighten, requiring strong capabilities in asset structure design, custody separation, and regulatory compliance.

Table 9. Gold trading platform comparison

Category	Korea Gold Exchange	BDAN	Creder
Underlying Asset	Physical gold	Physical gold (RWA)	Gold-pegged coin (GPC)
Liquidity characteristics	Offline and online gold trading service	Gold-based RWA/tokenized liquidity	On-chain gold RWA infrastructure
Blockchain usage	Not used	Private/consortium blockchains	Public blockchain
Settlement currency	KRW	KRW (potential diversification in the future)	GPC single token
Legal positioning	Electronic commerce/ gold distribution	Potential linkage with STO and OTC secondary markets	Web3 structure outside the traditional regulatory perimeter
DeFi utilization	Not available	Limited	Available (expanded use cases such as collateralization)

Source: Each company, Samsung Securities

Chart 12. Legislative process for STOs in Korea



Source: Samsung Securities

2. Creder

Creder, a joint venture between ITCEN Global and BPMG, has been set up as an overseas entity, with global payment and digital asset integration in mind. The decision appears not aimed at bypassing regulations, but at facilitating public blockchain-based asset distribution and payments. At the core of Creder's business is Gold Station, a platform for gold-based digital assets. It allows physical gold to be digitized, distributed, and used all under one roof (within one platform).

Gold Station is more than just a gold trading platform. It is more like a financial and payment rail for gold, connecting the purchase, storage, exchange, and settlement of physical gold with a digital asset format. One key difference between KGE and BDAN—Gold Station uses a public blockchain, which makes it easier to access foreign liquidity. While traditional financial institutions offer gold-based financial services (*eg*, Hana Bank Gold Trust), Creder is bringing gold to DeFi, allowing investors to stake, lend, or lock up their digitized gold to earn a yield.

Creder is steadily building global RWA distribution partnerships. First, its collaboration with GreenX in Malaysia involves the co-building of a pipeline for tokenizing and distributing gold RWA, including gold mining rights and physical gold. This allows Gold Station to support not only Creder's own gold-backed token (Gold-pegged coin (GPC)), but also non-affiliated gold RWAs on-chain. Second, its connection with Zipang Coin, which is issued by a subsidiary of Japan's trading company Mitsui & Co, represents a case where gold RWA's underlying asset existence, custody, and distribution networks converge with Japan's established commercial infrastructure.

Creder has established a gold-based on-chain business even though clear regulatory frameworks are lacking. As STO and RWA regulations develop, the company is well positioned to leverage its accumulated business experience and system structure to connect with the infrastructure of regulated players such as BDAN and the KGE for synergies.

Chart 13. Creder's Gold Station

Source: Company data

Chart 14. Strategic partnerships between ITCEN Global and Japanese companies

Source: Company data

3. BPMG

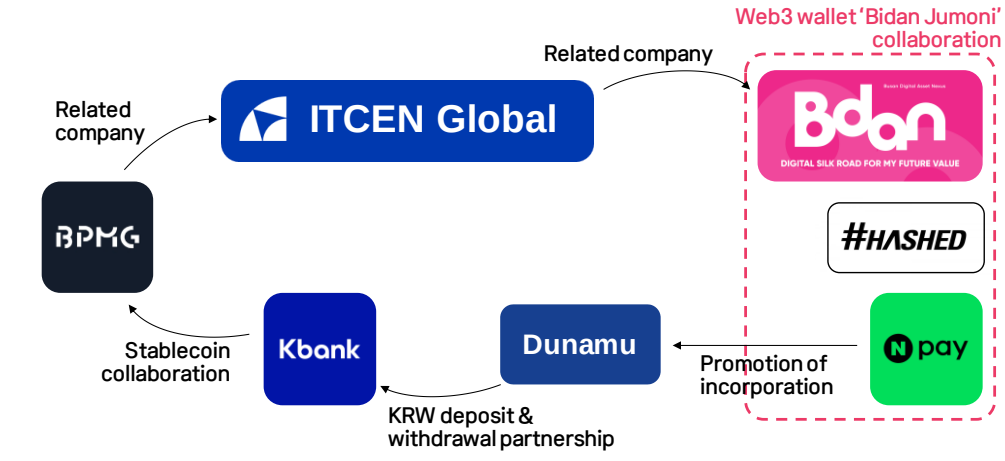
BPMG is a Web3 company in which ITCEN Group has invested approximately KRW3b in equity. BPMG focuses on building blockchain-based service infrastructure, including Web3 gaming platforms and multi-chain electronic wallets.

Recently, its three key business initiatives have gained attention: 1) collaboration with Kbank to explore the feasibility of issuing stablecoins; 2) partnerships with entities in Thailand and the UAE to develop cross-border remittance and digital asset payment infrastructure, along with compliance solutions tailored to local regulations; and 3) collaboration with companies like Aiden Labs to build a platform that integrates AI with Web3, aiming to incorporate AI-driven user analytics and recommendation features into Web3 services.

Among the three, the most significant potential for BPMG lies in its ability to use stablecoins to enter the payment market. If regulatory clarity is achieved in Korea regarding payment-type stablecoins, BPMG could leverage its existing experience in cross-border remittances and digital asset payment infrastructure to quickly set up business operations. Its partnerships in Thailand and the Middle East provide real-world experience in cross-border payments and liquidity integration, which should enhance both its credibility and execution capability once regulations have been formalized.

Notably, the interconnected structure (spanning Kbank to BPMG, ITCEN Global, and BDAN) combined with a broader financial and fintech network (including BDAN, Naver Pay, Dunamu, and Kbank) suggests that a realistic foundation for a bank-led stablecoin issuance and distribution consortium is already in place. The domestic stablecoin payment value chain is well-aligned and ready to be activated quickly upon regulatory approval.

Chart 15. Corporate relationships



Source: Samsung Securities

Table 9. Quarterly performance of major subsidiary: ITCEN CTS

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2022	2023	2024
Sales	36	69	76	113	61	81	56	132	41	67	50		213	294	329
Chg (% y-y)	*36.4*	*89.4*	*49.7*	*13.2*	*68.4*	*16.7*	*-26.0*	*16.7*	*-32.9*	*-17.5*	*-10.2*		*6.1*	*37.8*	*12.0*
Operating profit	-5.2	-0.1	2.9	9.2	0.9	4.3	1.8	5.4	-5.4	-1.3	1.3		3.3	6.9	12.4
Chg (% y-y)	*Remained neg*	*Remained neg*	*9.7*	*38.2*	*Turned pos*	*Turned pos*	*-38.6*	*-41.8*	*Turned neg*	*Turned neg*	*-29.4*		*-44.8*	*109.4*	*80.6*
Net profit	-4.4	-0.2	3.4	5.1	1.7	4.0	2.6	2.2	-3.2	-0.5	2.0		18.1	4.0	10.5
Chg (% y-y)	*Remained neg*	*Turned neg*	*11.4*	*-73.1*	*Turned pos*	*Turned pos*	*-24.0*	*-57.2*	*Turned neg*	*Turned neg*	*-22.3*		*230.8*	*-77.9*	*162.0*

Note: Non-consolidated basis / Source: Company data, Samsung Securities

Table 10. Quarterly performance of major subsidiary: ITCEN Entec

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2022	2023	2024
Sales	58	55	82	63	45	53	73	110	60	74	81		260	258	280
Chg (% y-y)	*6.4*	*18.6*	*51.8*	*-40.3*	*-21.3*	*-4.5*	*-11.9*	*74.1*	*33.0*	*39.5*	*12.0*		*26.9*	*-0.9*	*8.6*
Operating profit	3.2	0.5	-0.1	8.1	0.1	0.9	8.5	6.6	3.4	4.1	11.3		8.9	11.7	16.1
Chg (% y-y)	*Turned pos*	*Turned pos*	*Turned neg*	*-23.1*	*-95.6*	*63.0*	*Turned pos*	*-19.0*	*2321.4*	*361.4*	*32.4*		*65.5*	*32.0*	*37.3*
Net profit	4.1	-0.5	0.3	4.3	1.4	-0.3	9.4	7.0	4.5	2.0	11.1		9.4	8.1	17.5
Chg (% y-y)	*4962.5*	*Remained neg*	*-81.4*	*-57.6*	*-65.7*	*Remained neg*	*3366.7*	*61.5*	*225.2*	*Turned pos*	*18.7*		*4597.0*	*-13.8*	*115.6*

Note: Non-consolidated basis / Source: Company data, Samsung Securities

Table 11. Quarterly performance of major subsidiary: ITCEN PNS

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2022	2023	2024
Sales	4.5	3.3	3.5	4.9	4.1	4.4	4.9	5.3	4.0	6.8	6.5		40	16	19
Chg (% y-y)	*-33.2*	*-60.8*	*-71.8*	*-59.1*	*-10.4*	*33.4*	*39.7*	*8.6*	*-0.5*	*54.2*	*33.5*			*-59.0*	*15.1*
Operating profit	-0.8	-0.0	-0.7	0.2	-1.3	-0.6	-0.4	0.0	-0.8	-0.0	-0.5		2.2	-1.3	-2.3
Chg (% y-y)	*Remained neg*	*Turned neg*	*Turned neg*	*-82.5*	*Remained neg*	*Remained neg*	*Remained neg*	*-87.5*	*Remained neg*	*Remained neg*	*Remained neg*			*Turned neg*	*Remained neg*
Net profit	-0.7		-0.7	0.4	-1.2	-0.6	-0.4	-0.3	-1.0	-0.1	-0.8		2.2	-1.0	-2.5
Chg (% y-y)	*Remained neg*	*n/a*	*Turned neg*	*-69.8*	*Remained neg*	*Turned neg*	*Remained neg*	*Turned neg*	*Remained neg*	*Remained neg*	*Remained neg*			*Turned neg*	*Remained neg*

Note: Non-consolidated basis / Source: Company data, Samsung Securities

Table 12. Quarterly performance of major subsidiary: CPlatform

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2023	2024
Sales	51	48	61	62	40	37	46	105	50	68	69		221	228
Chg (% y-y)					*-21.4*	*-22.6*	*-24.4*	*70.0*	*24.5*	*84.4*	*51.2*			*3.1*
Net profit	0.3	0.1	0.5	-0.1	0.5	-0.8	-1.1	-0.3	-0.9	0.8	-0.8		0.8	-1.7
Chg (% y-y)					*72.1*	*Turned neg*	*Turned neg*	*Remained neg*	*Turned neg*	*Turned pos*	*Remained neg*			*Turned neg*

Note: Non-consolidated basis / Source: Company data, Samsung Securities

Table 13. Quarterly performance of major subsidiary: Korea Gold Exchange

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2023	2024
Sales	380	434	411	610	729	1,044	1,049	1,099	1,412	995	1,465		1,836	3,920
Chg (% y-y)					*91.8*	*140.3*	*154.9*	*80.1*	*93.8*	*-4.7*	*39.7*			*113.5*
Net profit	1.7	3.0	0.5	1.8	2.6	9.8	-0.1	8.2	29.3	27.3	28.9		7.0	20.5
Chg (% y-y)					*52.9*	*226.7*	*Turned neg*	*355.6*	*1026.9*	*178.6*	*Turned pos*			*192.4*
Total assets	161	155	157	141	186	230	249	217	259	297	467		141	217
Total equity	85	88	79	80	83	71	70	79	88	115	172		80	79

Note: Non-consolidated basis / Source: Company data, Samsung Securities

Table 14. Quarterly performance of major subsidiary: Korea Gold Exchange Digital Asset

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2023	2024
Sales	21	16	20	20	24	28	26	29	32	27	19		77	107
Chg (% y-y)					*16.7*	*71.7*	*26.9*	*43.9*	*31.6*	*-2.6*	*-26.9*			*38.0*
Net profit	-0.2	-0.8	-0.5	-0.9	0.2	0.7	0.7	-7.1	7.8	-5.5	2.5		-2.4	-5.5
Chg (% y-y)					*Turned pos*	*Turned pos*	*Turned pos*	*Remained neg*	*4901.9*	*Turned neg*	*252.1*			*Remained neg*
Total assets	50	48	55	52	56	66	68	66	82	20	36		52	66
Total equity	15	15	14	12	12	13	14	7	9	9	5		12	7

Note: Non-consolidated basis / Source: Company data, Samsung Securities

Table 15. Quarterly performance of major subsidiary: Korea Gold Exchange FTC

(KRWb)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	2023	2024
Sales	1.0	0.8	1.9	3.2	1.9	1.9			2.5	2.9	52.1		6.9	3.8
Chg (% y-y)					*90.5*	*136.0*	*n/a*	*n/a*	*26.3*	*57.5*	*n/a*			*-45*
Net profit	-0.1	-0.4	-0.2	0.0	0.2	-0.0			0.2	0.3			-0.7	0.1
Chg (% y-y)					*Turned pos*	*Remained neg*	*n/a*	*n/a*	*28*	*Turned pos*	*n/a*			*Turned pos*
Total assets	6.8	6.6	7.7	7.2	6.7	7.4	7.4	7.4	7.3	7.9	27.4		7.2	7.4
Total equity	3.6	3.2	3.1	3.1	3.1	3.2	3.2	3.2	3.5	3.8	6.6		3.1	3.2

Note: Non-consolidated basis / Source: Company data, Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2020	2021	2022	2023	2024
Sales	**2,275**	**3,281**	**2,621**	**2,815**	**4,962**
Cost of goods sold	2,183	3,138	2,466	2,649	4,759
Gross profit	92	143	155	166	203
Gross margin (%)	4.1	4.4	5.9	5.9	4.1
SG&A expenses	78	112	125	135	144
Operating profit	15	32	30	31	59
Operating margin (%)	0.6	1.0	1.2	1.1	1.2
Non-operating Gains (Losses)	**(3)**	**(24)**	**11**	**(30)**	**(11)**
Financial Profit	16	8	19	14	22
Financial Costs	21	13	25	33	33
Gains (Losses) in Equity Method	(1)	(2)	2	4	0
Other	3	(17)	15	(14)	0
Pre-tax profit	**12**	**7**	**41**	**1**	**48**
Taxes	9	10	10	7	12
Effective tax rate (%)	75.1	137.6	24.1	1,131.1	24.6
Profit from continuing operations	3	(3)	31	(6)	36
Profit from discontinued operations	1	0	0	0	0
Net profit	**3**	**(3)**	**31**	**(6)**	**36**
Net margin (%)	0.1	(0.1)	1.2	(0.2)	0.7
Net profit (Controlling Interests)	6	(7)	2	1	4
Net profit (Non-controlling Interests)	(3)	4	29	(7)	32
EBITDA	21	42	41	43	70
EBITDA margin (%)	0.9	1.3	1.6	1.5	1.4
EPS (parent) (KRW)	312	(361)	85	32	184
EPS (consolidated) (KRW)	160	(137)	1,566	(303)	1,558
Adjusted EPS (KRW)*	312	(361)	85	32	184

Balance sheet

Year-end Dec 31 (KRWb)	2020	2021	2022	2023	2024
Current assets	**313**	**440**	**578**	**563**	**657**
Cash & equivalents	91	79	183	138	176
Accounts receivable	114	131	163	180	222
Inventories	64	149	135	149	117
Other current assets	44	81	97	95	142
Fixed assets	**229**	**246**	**252**	**215**	**289**
Investment assets	58	76	90	63	74
Tangible assets	60	66	73	74	136
Intangible assets	87	75	69	53	49
Other long-term assets	25	29	20	25	30
Total assets	**542**	**687**	**831**	**777**	**945**
Current liabilities	**227**	**338**	**495**	**481**	**550**
Accounts payable	92	96	176	148	176
Short-term debt	45	43	45	87	116
Other current liabilities	90	199	274	246	257
Long-term liabilities	**116**	**108**	**61**	**12**	**73**
Bond & long-term debt	58	67	32	0	62
Other long-term liabilities	59	41	29	11	11
Total liabilities	**343**	**446**	**556**	**493**	**623**
Owners of parent equity	**56**	**57**	**53**	**69**	**78**
Capital stock	10	10	10	11	12
Capital surplus	40	43	40	54	60
Retained earnings	6	4	4	4	9
Other	0	0	(0)	(1)	(3)
Non-controlling interests equity	**142**	**184**	**221**	**215**	**245**
Total equity	**198**	**241**	**274**	**284**	**322**
Net debt	48	62	(38)	(25)	28

Cash flow statement

Year-end Dec 31 (KRWb)	2020	2021	2022	2023	2024
Cash flow from operations	**18**	**4**	**123**	**(29)**	**26**
Net profit	3	(3)	31	(6)	36
Non-Cash Profit and Expense	38	55	22	62	52
Depreciation	4	6	7	9	10
Amortization	2	5	3	3	2
Others	32	45	11	50	40
Changes in A/L from Operating Activities	(16)	(37)	80	(62)	(51)
Cash flow from investments	**3**	**(47)**	**(14)**	**(20)**	**(63)**
Change in Tangible Assets	4	(7)	9	(6)	(72)
Change in Financial Assets	(7)	(17)	(15)	4	11
Other	6	(24)	(9)	(18)	(2)
Cash flow from financing	**31**	**32**	**(5)**	**4**	**74**
Change in debt	29	(1)	13	(9)	79
Change in equity	21	3	(3)	15	7
Dividends	(0)	(0)	0	0	(1)
Other	(19)	29	(15)	(2)	(11)
Change in cash	51	(12)	104	(45)	38
Cash at beginning of year	40	91	79	183	138
Cash at end of year	91	79	183	138	176
Gross cash flow	**41**	**53**	**53**	**56**	**88**
Free cash flow	**10**	**(4)**	**108**	**(35)**	**(46)**

Financial ratios

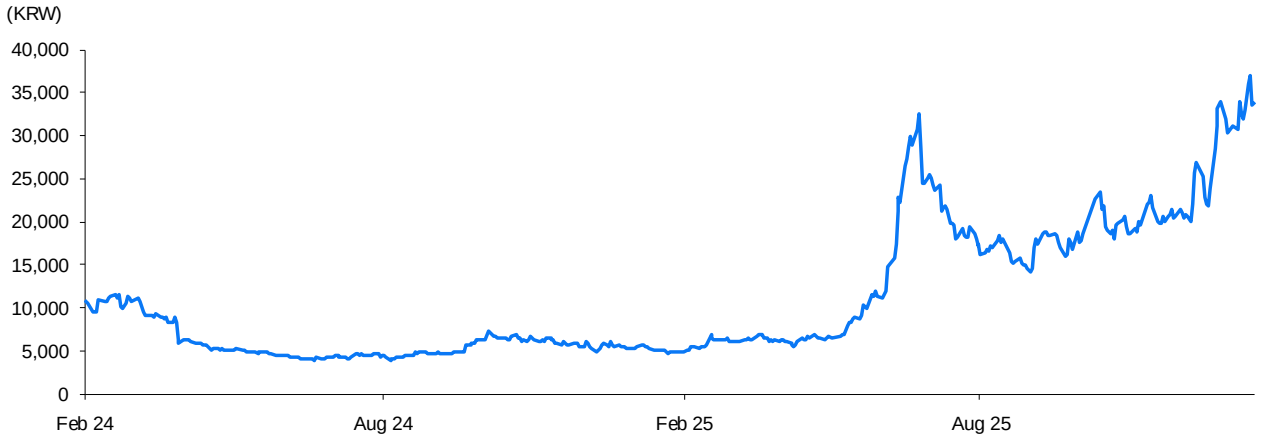
Year-end Dec 31	2020	2021	2022	2023	2024
Growth (%)					
Sales	48.3	44.2	(20.1)	7.4	76.3
Operating profit	(42.2)	116.6	(3.5)	0.2	91.9
Net profit	(43.5)	Turned neg	Turned pos	Turned neg	Turned pos
Adjusted EPS**	1,410.5	Turned neg	Turned pos	(62.8)	479.3
Per share data (KRW)					
EPS (parent)	312	(361)	85	32	184
EPS (consolidated)	160	(137)	1,566	(303)	1,558
Adjusted EPS **	312	(361)	85	32	184
BPS	2,832	2,873	2,681	3,038	3,358
DPS (common)	0	0	0	0	0
Valuations (x)					
P/E***	16.8	(13.9)	42.1	234.4	28.3
P/B***	1.9	1.7	1.3	2.4	1.5
EV/EBITDA	14.1	8.2	6.2	8.4	5.6
Ratios					
ROE (%)	14.1	(12.6)	3.1	1.1	5.8
ROA (%)	0.7	(0.4)	4.1	(0.8)	4.2
ROIC (%)	1.7	(6.1)	13.5	(193.4)	20.7
Payout ratio (%)	0.0	0.0	0.0	0.0	0.0
Dividend yield (Common, %)	0.0	0.0	0.0	0.0	0.0
Net debt to equity (%)	24.4	25.6	(14.0)	(8.6)	8.6
Interest coverage (x)	2.8	5.0	5.5	4.0	6.2

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

Compliance notice

- As of 1/14 2026, the covering analyst(s) did not own any shares, or debt instruments convertible into shares, of any company covered in this report.
- As of 1/14 2026, Samsung Securities' holdings of shares and debt instruments convertible into shares of each company covered in this report would not, if such debt instruments were converted, exceed 1% of each company's outstanding shares.
- This report has been prepared without any undue external influence or interference, and accurately reflects the views of the analyst(s) covering the company or companies herein.
- All material presented in this report, unless specifically indicated otherwise, is under copyright to Samsung Securities.
- Neither the material nor its content (including copies) may be altered in any form, or by any means transmitted, copied, or distributed to another party, without prior express written permission from Samsung Securities.
- This memorandum is based upon information available to the public. While we have taken all reasonable care to ensure its reliability, we do not guarantee its accuracy or completeness. This memorandum is not intended to be an offer, or a solicitation of any offer, to buy or sell the securities mentioned herein. Samsung Securities shall not be liable whatsoever for any loss, direct or consequential, arising from the use of this memorandum or its contents. Statements made regarding affiliates of Samsung Securities are also based upon publicly available information and do not necessarily represent the views of management at such affiliates.
- This material has not been distributed to institutional investors or other third parties prior to its publication.

Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2026/1/15
Recommendation	Not Rated
Target price (KRW)	n/a
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

Samsung Securities uses the following investment ratings*

Company

BUY	Expected to increase in value by 15% or more within 12 months and is highly attractive within sector
HOLD	Expected to increase/decrease in value by less than 15% within 12 months
SELL	Expected to decrease in value by 15% or more within 12 months

Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

Percentage of ratings in 12 months prior to 2025.12.31

BUY (85.8%)·HOLD (14.2%)·SELL (0%)

Global Disclosures & Disclaimers

General

This research report is for information purposes only. It is not and should not be construed as an offer or solicitation of an offer to purchase or sell any securities or other financial instruments or to participate in any trading strategy. This report does not provide individually tailored investment advice. This report does not take into account individual client circumstances, objectives, or needs and is not intended as recommendations of particular securities, financial instruments or strategies to any particular client. The securities and other financial instruments discussed in this report may not be suitable for all investors. The recipient of this report must make its own independent decisions regarding any securities or financial instruments mentioned herein and investors should seek the advice of a financial adviser.

This report may not be altered, reproduced, distributed, transmitted or published in whole or in part for any purpose. References to "Samsung Securities" are references to any company in the Samsung Securities, Co., Ltd. group of companies.

Samsung Securities and/or other affiliated companies, its and their directors, officers, representatives, or employees may have long or short positions in any of the securities or other financial instruments mentioned in this report or of issuers described herein and may purchase and/or sell, or offer to purchase and/or sell, at any time, such securities or other financial instruments in the open market or otherwise, as either a principal or agent. Any pricing of securities or other financial instrument contained herein is as of the close of market for such day, unless otherwise stated. Opinions and estimates contained herein constitute our judgment as of the date of this report and are subject to change without notice.

The information provided in this report is provided "AS IS". Although the information contained herein has been obtained from sources believed to be reliable, no representation or warranty, either expressed or implied, is provided by Samsung Securities in relation to the accuracy, completeness or reliability of such information or that such information was provided for any particular purpose and Samsung Securities expressly disclaims any warranties of merchantability or fitness for a particular purpose. Furthermore, this report is not intended to be a complete statement or summary of the securities, markets or developments referred to herein.

Samsung Securities does not undertake that investors will obtain any profits, nor will it share with investors any investment profits. Samsung Securities, its affiliates, or any of its and their affiliates, directors, officers, employees or agents disclaim any and all responsibility or liability whatsoever for any loss (direct or consequential) or damage arising out of the use of all or any part of this report or its contents or otherwise arising in connection therewith. Information and opinions contained herein are subject to change without notice. Past performance is not indicative of future results. Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned in this report. For investment advice, trade execution or other enquiries, clients should contact their local sales representative. Any opinions expressed in this report are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or groups of Samsung Securities. Any analysis contained herein is based on numerous assumptions. Different assumptions may result in materially different results. Samsung Securities is under no obligation to update or keep current the information contained herein. Samsung Securities relies on information barriers to control the flow of information contained in one or more areas or groups within Samsung Securities into other areas or groups of Samsung Securities. Any prices stated in this report are for information purposes only and do not represent valuations for individual securities or other financial instruments. Samsung Securities makes no representation that any transaction can or could have been effected at those prices and any prices contained herein may not reflect Samsung Securities' internal books and records or theoretical model-based valuations and may be based on certain assumptions. Different assumptions by Samsung Securities or any other source may yield substantially different results. Additional information is available upon request.

For reports to be distributed to US:

Securities research is prepared, issued and exclusively distributed by Samsung Securities Co., Ltd., an organization licensed with the Financial Supervisory Service of South Korea. This research may be distributed in the United States only to major institutional investors as defined in Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended, and may not be circulated to any other person otherwise. All transactions by U.S. investors involving securities discussed in this report must be effected through Samsung Securities (America) Inc., a broker-dealer registered with the U.S. Securities & Exchange Commission and a member of the Financial Industry Regulatory Authority/SIPC, and not through any non-U.S. affiliate thereof. The analysts listed [on the front of this report] are employees of Samsung Securities Co., Ltd., or a non-U.S. affiliate thereof, and are not registered/qualified as research analysts under applicable U.S. rules and regulations and may not be subject to U.S. restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

For reports to be distributed to UK:

This report is not an invitation nor is it intended to be an inducement to engage in investment activity for the purpose of section 21 of the Financial Services and Markets Act 2000 of the United Kingdom ("FSMA"). To the extent that this report does constitute such an invitation or inducement, it is directed only at (i) persons who are investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) of the United Kingdom (the "Financial Promotion Order"); (ii) persons who fall within Articles 49(2)(a) to (d) ("high-net-worth companies, unincorporated associations etc.") of the Financial Promotion Order; and (iii) any other persons to whom this report can, for the purposes of section 21 of FSMA, otherwise lawfully be made (all such persons together being referred to as "relevant persons").

Any investment or investment activity to which this report relates is available only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons must not act or rely on this report.

For reports to be distributed to Korea:

This report is for private circulation only, not for sale, and is issued and distributed only to persons permitted under the laws and regulations of Korea.

For reports to be distributed to Singapore:

This report is provided pursuant to the financial advisory licensing exemption under Regulation 27(1)(e) of the Financial Advisers Regulation of Singapore and accordingly may only be provided to persons in Singapore who are "institutional investors" as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This report is intended only for the person to whom Samsung Securities has provided this report and such person may not send, forward or transmit in any way this report or any copy of this report to any other person.

Analyst certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of such analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research report. The analyst(s) principally responsible for the preparation of this research report receives compensation based on determination by research management and senior management (not including investment banking), based on the overall revenues, including investment banking revenues of Samsung Securities Co., Ltd. and its related entities and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Copyright © 2010 Samsung Securities Co., Ltd. All rights reserved. This report or any portion hereof may not be reprinted, sold or redistributed without the prior written consent of Samsung Securities America Inc

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

Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA