COMPANY UPDATE

2026. 3. 6

Finance/Consumer Goods Team

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Gamsung Corporation (036620)

Differentiated growth and shareholder returns

- Gamsung Corporation is expected to report 2026 sales of KRW310.6b (up 24%) and an operating profit of KRW60.1b (up 36%), continuing to demonstrate differentiated growth in the apparel industry.
- The company should benefit from: 1) sustained growth of the Snow Peak brand in the domestic outdoor market; and 2) greater contributions from its Chinese operation (thanks to new store openings).
- We initiate coverage of the company with a BUY rating and a target price of KRW8,000 (based on a target P/E of 15x).

2026 outlook—Double-digit growth to continue: Gamsung Corp should post 2026 sales of KRW310.6b (up 24%) and an operating profit of KRW60.1b (up 36%; for an operating margin of 19%), maintaining double-digit growth momentum.

Investment point 1. Expectations for sustained differentiated growth in domestic outdoor market: Domestic sales of the company's Snow Peak brand should reach KRW264.4b in 2026 (up 12%). Given the brand's relatively short history (vs established outdoor brands), it should continue to attract strong consumer interest, contributing to the company's growth story.

Investment point 2. China to start contributing in earnest: In 2026, Snow Peak's Chinese expansion is set to begin in earnest. The company plans to expand its store count in China to 37 this year, which increase should drive up the firm's exports to KRW40b (13% of its total sales; vs exports of KRW8b in 2025).

Investment point 3. Aggressive shareholder return policy driving re-rating: The firm's proactive shareholder return policy is noteworthy. It plans to allocate over 50% of its net profit to shareholder returns over 2025-2027, with a focus on dividends in 2026 (eg, its 2026 dividend payout ratio is set to hit 36%).

Initiating coverage at BUY with target price of KRW8,000: We initiate coverage of Gamsung Corp at BUY with a 12-month target price of KRW8,000 (based on a target P/E of 15x). This multiple is based on the average P/E seen by domestic fashion brands during periods of overseas growth (eg, F&F during MLB's China expansion [2021–2022]; Misto Holdings during its US growth [2018-2019]).

AT A GLANCE

BUY

Target price	KRW8,000	44.7%
Current price	KRW5,530	
Market cap	KRW500.49b/USD340.91m	
Shares (float)	90,503,771 (69.9%)	
52-week high/low	KRW7,370/KRW3,395	
Avg daily trading value (60-day)	KRW5.5b/ USD3.7m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Gamsung Corporation (%)	-15.1	-5.3	60.1
Vs Kosdaq (%pts)	-15.7	-31.2	7.1

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	Not Rated	
Target price	8,000	n/a	n/a
2025E EPS	384	n/a	n/a
2026E EPS	532	n/a	n/a

SAMSUNG vs THE STREET

No of estimates	2
Target price	7,850
Recommendation	4.0

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

Company overview

Runs apparel business of Snow Peak, a premium Japanese camping brand

Gamsung Corporation was established in Jul 1994 as VirtualTek, initially focusing on software development. It was listed on the Kosdaq in 2000. In 2019, it expanded its business portfolio by: 1) acquiring Vivawork, a company specializing in mobile accessories (*eg*, charging cables); and 2) signing a licensing agreement with Snow Peak (a premium camping brand established in Japan in 1958; known for its high brand recognition and premium pricing strategy; Snow Peak is primarily focused on mountaineering, fishing, and camping gear) to enter the apparel business in earnest.

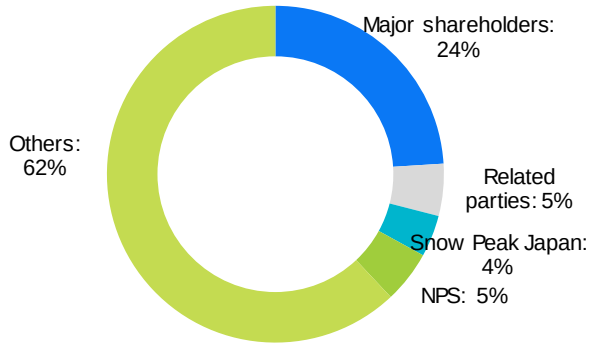
Currently, Gamsung Corp operates two main businesses: 1) Snow Peak apparel (accounting for 95% of its sales in 1H25), with sales primarily coming from Korea and China; and 2) mobile accessories (5% of its 1H25 sales). As of 3Q25, CEO Kim Ho-sun holds a 24% stake in Gamsung Corp, with Snow Peak Japan holding a 4% stake and the National Pension Service a 5% stake.

Company: History

Year	Month	Overview
1994	9	Established company
2000	1	Listed on Kosdaq
	8	Acquired Vivawork
	10	Signed licensing contract with Snow Peak Japan
2020	2	Launched Snow Peak apparel brand
2021	6	Changed company name to Gamsung Corporation
2023	5	Began exporting apparel to subsidiary Snow Peak Taiwan
	12	Opened its first store in China
2024	9	Began exporting apparel to subsidiary Snow Peak Japan
2025	2	Extended Snow Peak license for five more years Expanded licensing regions to Southeast Asia and India
	7	Completed buyback and cancelled KRW13.3b of treasury shares
	8	Changed the main model to 'V of BTS'
	9	Completed share buyback (KRW15b)

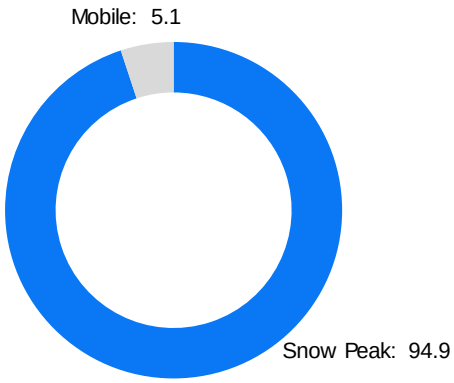
Source: Company data, Samsung Securities

Company: Shareholders



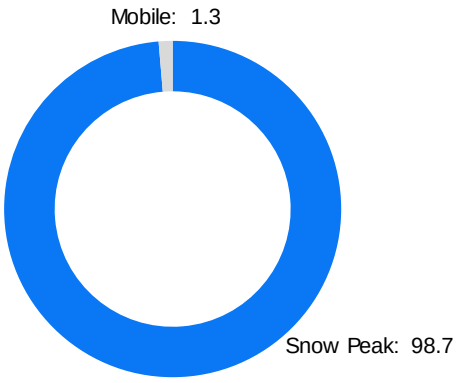
Note: As of 3Q25
Source: Company data, Samsung Securities

Sales as portion of total, by business



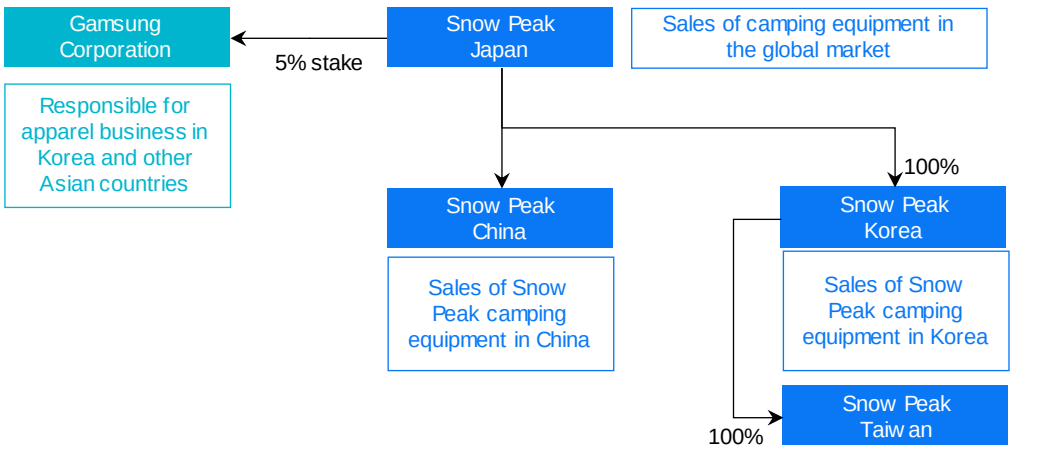
Note: 2024 basis
Source: Company data, Samsung Securities

Operating profit as portion of total, by business



Note: 2024 basis
Source: Company data, Samsung Securities

Business relationship between Snow Peak Japan and Gamsung Corporation



Source: Company data, Samsung Securities

Core competencies

Gamsung Corp's core strengths lie in its: 1) differentiated licensing sourcing capabilities; and 2) deep understanding of the outdoor industry, both thanks in part to the CEO's experience in tent ODM manufacturing.

Differentiated licensing sourcing abilities—Securing Snow Peak brand

In 2019, Gamsung Corporation obtained the domestic apparel license to Snow Peak, a premium Japanese outdoor brand. This was made possible by CEO Kim Ho-sun—he has strong ties across the industry. Over 2008-2011, he served as CEO of Liveplex (now ES Cube), a tent ODM company for global outdoor bands, which position allowed him to build a direct relationship with Snow Peak Japan.

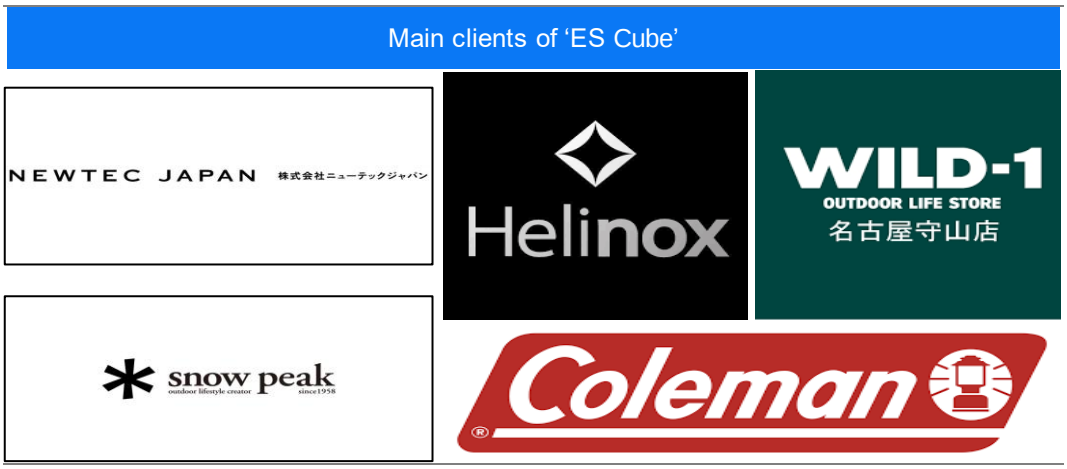
Prior to 2019, numerous companies had attempted to acquire the Snow Peak license, but to no avail. Gamsung Corporation's success was driven not only by its industry expertise but also by the trust-based relationships it had cultivated, going beyond mere distribution capabilities.

Understanding outdoor industry through tent ODM experience

CEO Kim's background in tent ODM manufacturing provides him with a deep understanding of the structural characteristics of the outdoor industry (*eg*, material properties, functional design, and seasonal demand patterns). This knowledge has been instrumental in Snow Peak apparel's success from the onset, and has provided a deep foundation for product planning and market response strategies.

Following the pandemic, as demand for camping and car camping surged, the company successfully expanded Snow Peak's global brand identity into the apparel category. Leveraging its manufacturing expertise and in-depth industry knowledge, Gamsung Corp ensured consistency in brand identity across product development, distribution, and marketing.

ES Cube (tent ODM): Clients



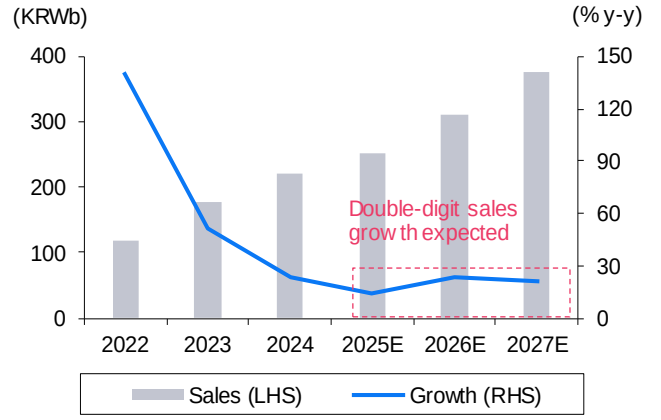
Source: Company data, Samsung Securities

Adds momentum by entering China

Gamsung Corp is set to record 2026 sales of KRW310.6b (up 24%) and an operating profit of KRW60.1b (up 36%; for an operating margin of 19%), extending the double-digit growth seen in 2025. The apparel business (Snow Peak) is projected to contribute sales of KRW303.8b (up 25%) and an operating profit of KRW59.8b (up 20%; for an operating margin of 19%).

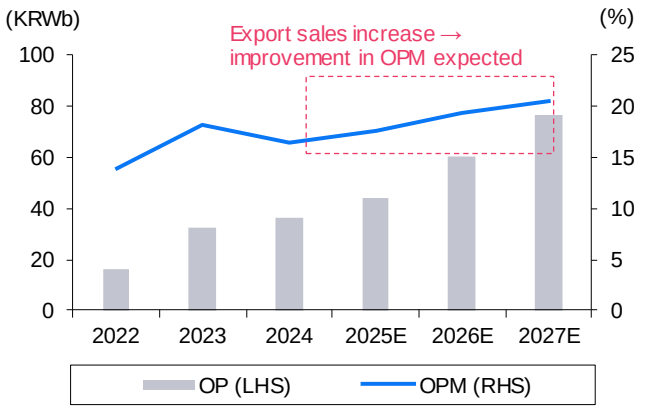
Key valuation growth drivers include: 1) continued differentiated growth of Snow Peak in the domestic outdoor market; 2) the opening of new Snow Peak stores in China; and 3) an aggressive shareholder return policy (*eg*, targeting to return 50% of the previous year's net profit by 2027), which could lead to a valuation re-rating.

Gamsung Corp: Sales vs sales growth



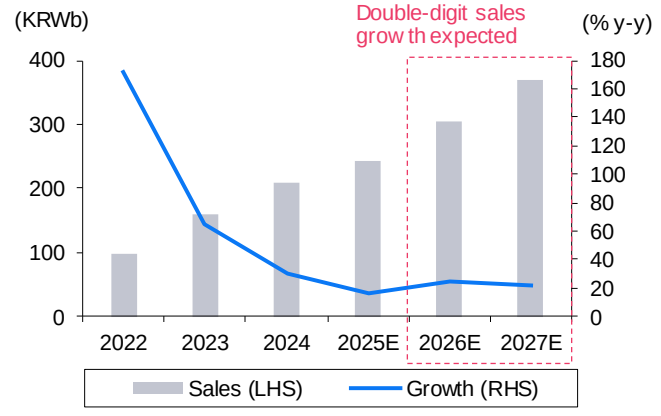
Source: Company data, Samsung Securities estimates

Gamsung Corp: Operating profit vs operating margin



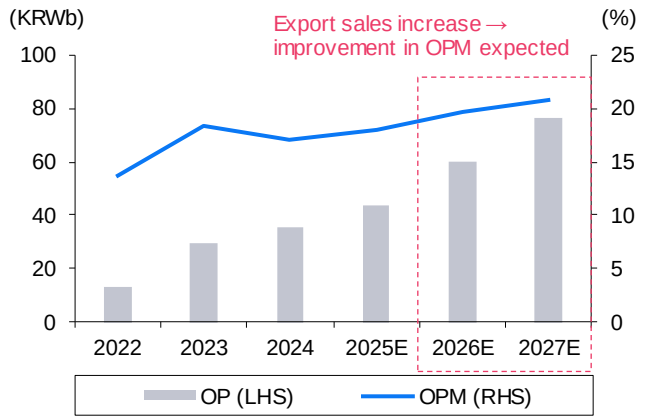
Source: Company data, Samsung Securities estimates

Snow Peak business: Sales vs growth



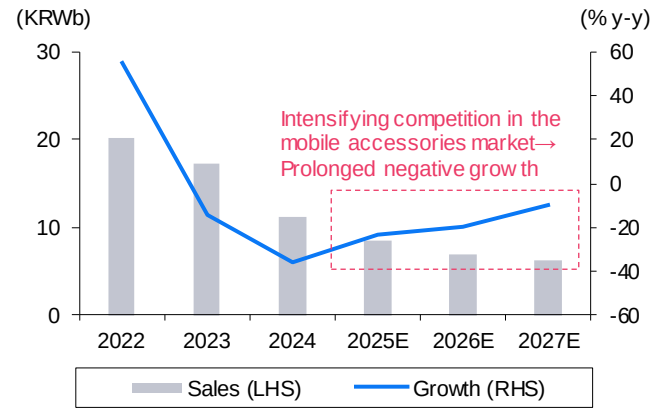
Source: Company data, Samsung Securities estimates

Snow Peak business: Operating profit vs operating margin



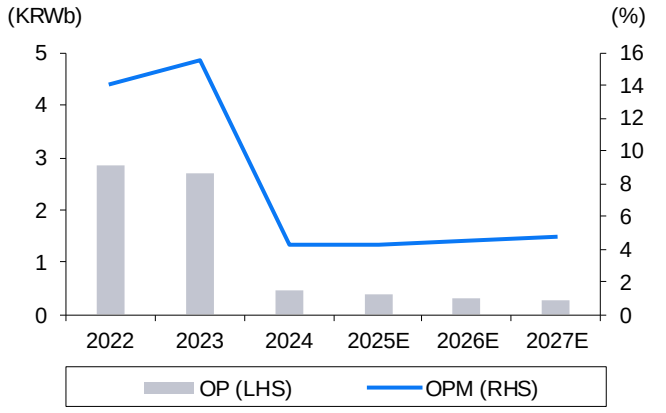
Source: Company data, Samsung Securities estimates

Mobile business: Sales vs sales growth



Source: Company data, Samsung Securities estimates

Mobile business: Operating profit vs operating margin



Source: Company data, Samsung Securities estimates

Company: Earnings forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025E	2026E	2027E
Sales	**37**	**50**	**43**	**90**	**47**	**54**	**46**	**105**	**54**	**61**	**72**	**124**	**220**	**251**	**311**	**376**
Apparel	34	47	40	88	45	52	44	103	52	59	70	123	20	243	304	370
Domestic	34	47	39	88	43	52	38	102	49	58	45	113	209	235	264	291
Exports	0.2	0.1	1.0	0.2	1.8	0.2	5.4	0.6	3.0	1.4	25.1	9.8	1.6	8.1	39.4	78.8
Mobile	2.9	2.8	2.9	2.5	2.1	1.9	2.5	2.1	1.7	1.7	1.7	1.7	11.2	8.6	6.9	6.2
Operating profit	5	10	5	16	7	9	6	22	9	11	14	27	36	44	60	77
Apparel	4.4	10.1	4.8	16.3	6.8	8.7	5.9	22.3	8.5	10.8	13.8	26.6	35.6	43.8	59.8	76.7
Mobile	0.2	-0.1	0.2	0.1	0.0	0.1	0.3	0.0	0.0	0.1	0.2	0.0	0.5	0.4	0.3	0.3
(Margins)																
OPM	12.4	20.0	11.7	18.1	14.7	16.3	13.5	21.2	15.8	17.9	19.6	21.4	16.4	17.6	19.3	20.5
Apparel	12.8	21.4	12.0	18.6	15.3	16.8	13.6	21.7	16.3	18.3	19.7	21.7	17.0	18.0	19.7	20.7
Mobile	7.7	(2.1)	8.1	3.1	0.4	3.3	11.7	0.4	0.4	3.1	14.0	0.5	4.3	4.3	4.5	4.7
Chg (% y-y)																
Sales	19.5	25.0	20.8	26.6	25.5	7.1	6.6	16.7	14.8	13.8	56.2	18.2	23.9	14.1	23.6	21.1
Apparel	32.1	32.4	26.2	30.5	30.3	9.4	8.2	17.7	16.4	14.7	61.1	19.0	30.3	16.0	25.1	21.8
Domestic	31.5	31.3	22.8	31.8	26.5	9.4	(2.1)	16.0	14.4	11.8	16.9	10.1	29.9	12.8	12.4	10.1
Exports	255.4	176.1	808.8	220.3	691.0	68.5	427.3	214.4	62.2	574.3	363.6	1427.2	452.1	409.5	385.8	100.1
Mobile	(43.2)	(35.6)	(24.1)	(36.4)	(29.3)	(31.1)	(15.4)	(15.4)	(17.5)	(11.5)	(30.0)	(18.7)	(35.5)	(23.0)	(20.0)	(10.0)
Operating profit	3.3	29.8	(2.7)	10.1	48.2	(12.9)	22.7	36.6	23.9	24.7	126.7	19.3	11.8	22.4	36.2	28.2
Apparel	23.3	42.2	5.0	13.8	55.6	(14.0)	22.7	37.2	23.9	25.0	133.6	19.3	20.4	23.0	36.6	28.4
Mobile	(75.0)	nm	(61.0)	(86.0)	(96.0)	nm	22.9	(87.8)	(16.3)	(16.3)	(16.3)	(16.3)	(82.2)	(23.0)	(16.3)	(6.0)

Source: Company data, Samsung Securities estimates

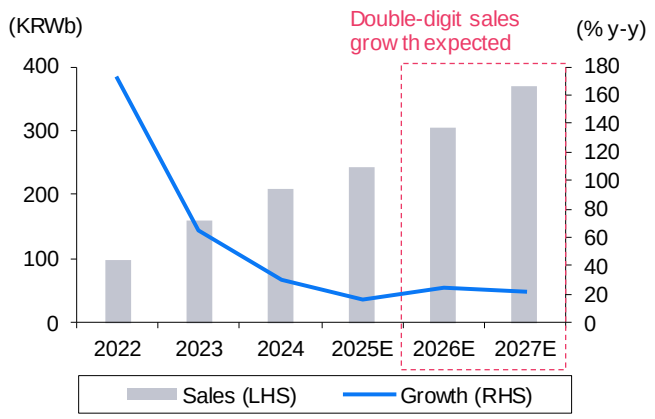
Expectations for continued differentiated growth in domestic outdoor market

Snow Peak's domestic sales to grow at double-digit pace in 2026

We project Snow Peak's domestic sales will grow 12% to KRW264.4b in 2026. The brand has thus far demonstrated continued differentiated growth in the domestic outdoor market, as evidenced by its 15% sales growth y-y over 1Q-3Q25, despite a 4% contraction in the domestic outdoor market.

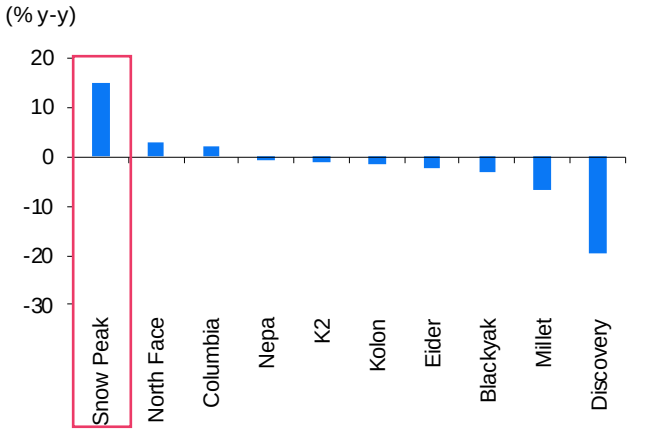
The differentiated growth should persist thanks to: 1) the brand's relatively short history (vs established players), which has helped it draw consumer interest; and 2) expanding consumer interest beyond apparel into accessories (*eg*, hats, bags, and shoes), which items offer the potential for product-mix diversification and sustained growth.

Snow Peak: Sales and growth in Korean market



Source: Company data, Samsung Securities estimates

Domestic outdoor brands: 1Q-3Q25 sales growth y-y



Source: News, Company data, Samsung Securities

Domestic outdoor market: Brands secure stable sales once certain level of recognition achieved

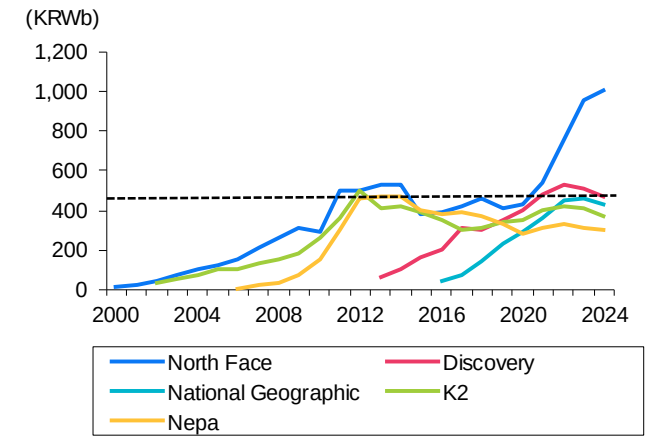
The domestic outdoor market is characterized by year-round demand and lifestyle-oriented consumption. Once a new brand achieves a certain level of recognition, it tends to maintain a stable revenue base even after recording high sales growth.

Domestic sales to surpass KRW300b *pa*

For example, The North Face booked sales of KRW300b in 2016, about 10 years after entering Korea (in 1997). Discovery reached sales of KRW532b in 2022, about 10 years after its launch (2012). K2 and Nepa have maintained stable sales of around KRW300b *pa* each even after their peak growth periods. These cases show that once brands secure a certain level of recognition and robust distribution networks, they tend to thereafter report stable sales.

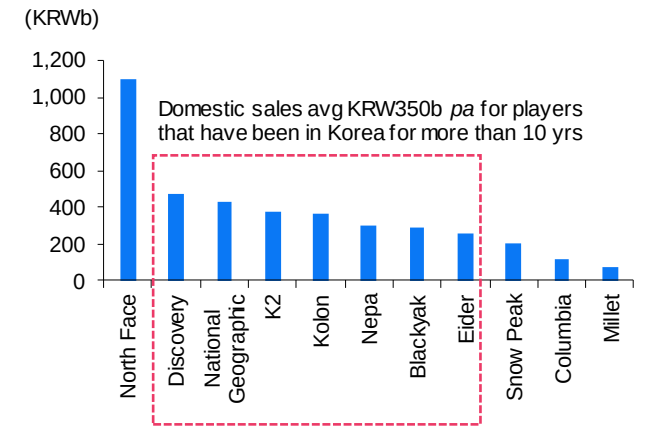
Gamsung Corp launched Snow Peak in Korea in 2020 and is projected to post domestic sales of KRW264.4b in 2026 (its 7th year). Given the growth trajectories of other domestic brands, the company is well positioned to achieve sales of KRW300b *pa* over the medium term.

Outdoor brands: Sales in Korean market



Source: Apparel news, dart, Samsung Securities

Korean outdoor brand: 2024 sales

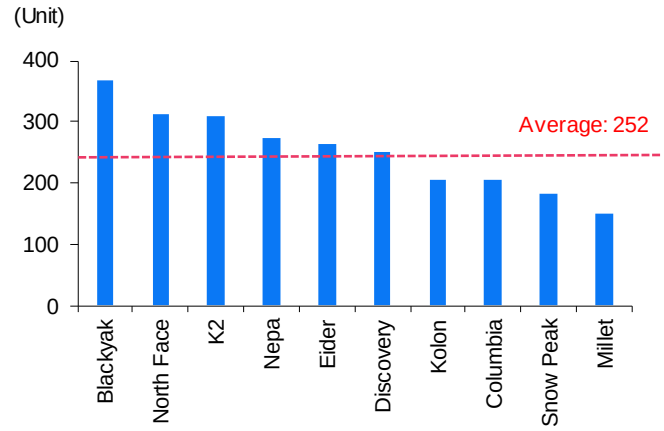


Source: Apparel news, dart, Samsung Securities

Store count: Ample room for expansion

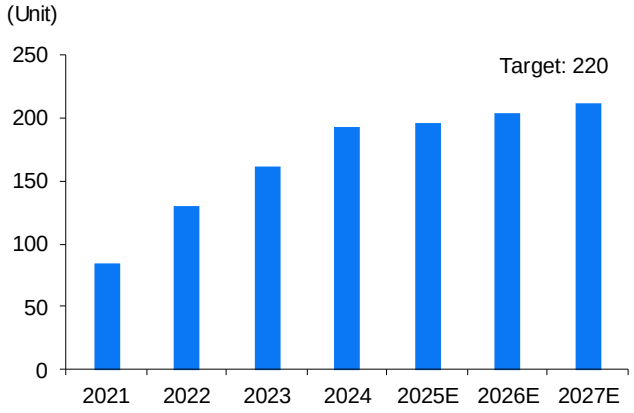
From a store count perspective, too, the company has ample room for growth. As of 2024, the average number of stores run by major domestic outdoor brands stood at around 252. As of late 2025, Gamsung Corp operated only 196 stores. With plans for further expansion, the company has considerable potential for medium-term growth through new-store openings.

Outdoor brands: Number of stores in Korea



Source: Apparel news, dart, Samsung Securities

Snow Peak: Number of stores and target



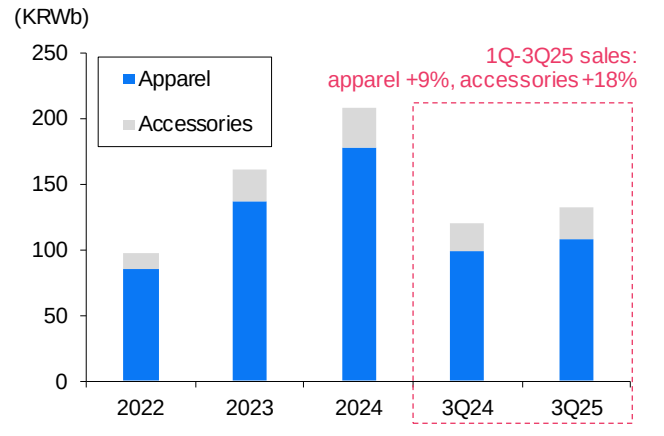
Source: Company data, Samsung Securities estimates

Consumer interest expanding beyond apparel into other categories

Consumer interest in Snow Peak is gradually shifting from its initial focus on apparel to include accessories such as hats, bags, and other items. In fact, over 1Q-3Q25, while apparel sales reached approximately KRW108.1b, accessories (bags, shoes, hats, *etc.*) sales hit KRW24.7b, growing 9% and 18% y-y, respectively.

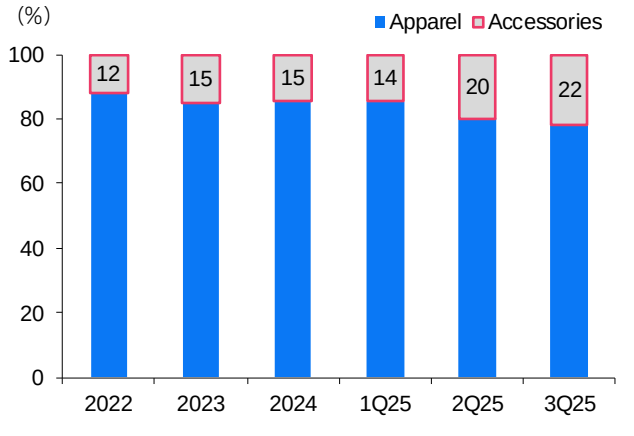
As of 3Q25, accessories accounted for about 22% of total domestic sales, up approximately 7%pts from 15% in 2024. This indicates that the brand has achieved a certain level of recognition through apparel products, and will likely achieve additional revenue growth via further diversification of its product mix—including hats, shoes, and bags.

Sales of apparel & accessories



Source: Company data, Samsung Securities

Apparel & accessories as portion of total sales



Source: Company data, Samsung Securities

Earnings from Chinese business to start contributing in earnest

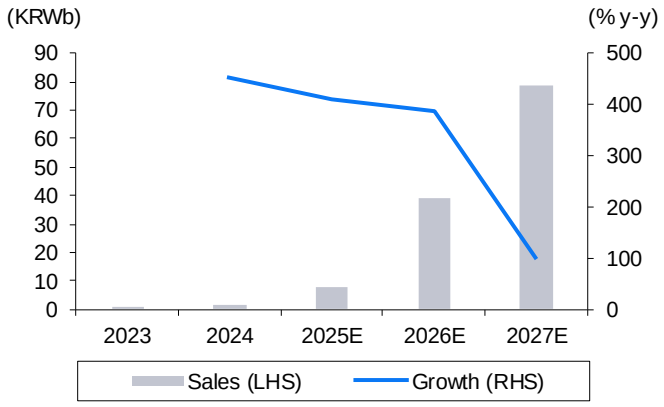
Chinese business to provide alpha

Gamsung Corporation plans to aggressively expand its store network in China from 2026. This year, it is likely to enjoy a stable domestic performance, with momentum stemming from its Chinese expansion providing alpha in terms of its overall earnings.

Snow Peak is sold in Japan, Taiwan, and China, but among these markets, China has seen the slowest pace of new-store rollouts due to challenges in securing premium locations and issues involving its local business operational structure. In China, after opening its first store in Dec 2023 in Shanghai's Taikoo Li Qiantan mall, the company faced delays in securing suitable premium retail space (2024-2025). Additionally, coordination challenges in terms of operating Snow Peak China (a subsidiary of Snow Peak Japan) in China has further limited additional store openings.

However, the company plans to open its second store in Guangzhou's Taikoo Li mall in 2026 (store construction work is underway), and aims to open approximately 37 stores in China this year. Given that past delays were largely due to the time required to secure a suitable site, we believe that the company's China expansion plan will normalize this year, leading to gradual growth in terms of the Chinese unit's contributions to its overall earnings.

Snow Peak: Export forecasts



Source: Company data, Samsung Securities estimates

Snow Peak: Strategy to expand overseas market

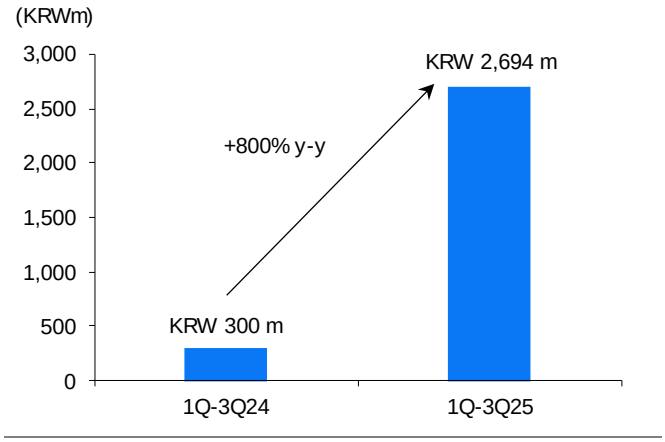
Source: Company data, Samsung Securities

1. Demand in China confirmed ahead of full-scale store openings

Demand for Snow Peak in China has already been confirmed through several channels. First, in 2025, duty-free channel sales of Snow Peak apparel grew 35%, with over 60% of this growth attributed to Chinese consumer demand. Second, Snow Peak exports to China over 1Q-3Q25 reached KRW2.7b, representing a nearly 9x hike y-y, clearly indicating growing demand in China.

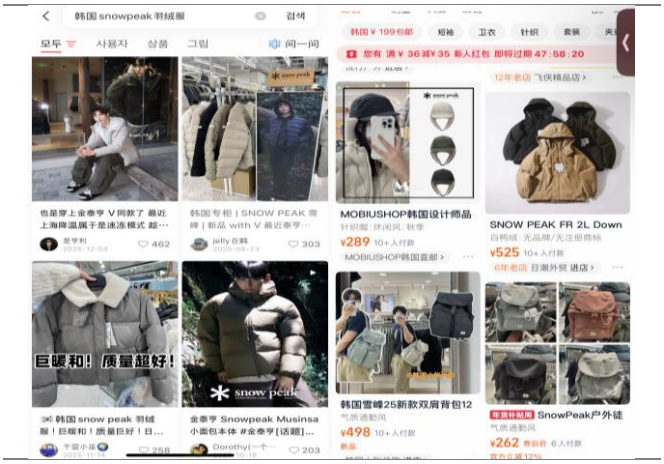
In addition, reviews from both online and offline channels in China have been positive. Third, although the company has not yet launched an official online channel there, some products are already being distributed through major e-commerce platforms in the country. This suggests that genuine consumer demand for Snow Peak already exists. Such demand is likely to positively influence the initial sales performance of the stores that are scheduled to be opened in China this year.

Snow Peak: Exports to China



Source: Company data, Samsung Securities

Snow Peak featured in Chinese e-commerce sites



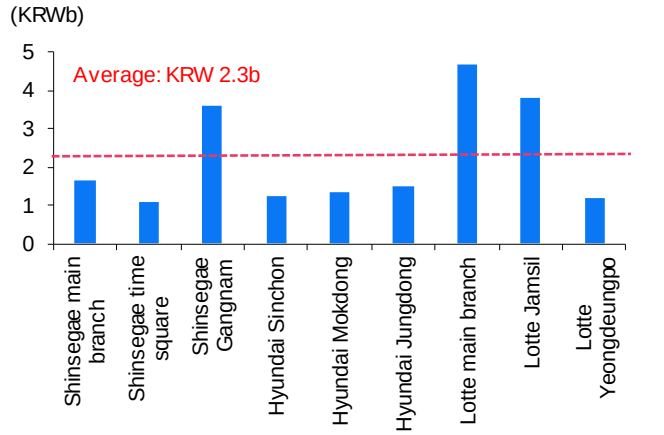
Source: Tmall, RedNote, Samsung Securities

2. Opening 37 stores in China in 2026 to add KRW30b in exports

We estimate that the opening of 37 stores in China in 2026 will add around KRW30b to the firm's exports. The company plans to have another 37 franchise stores in China by year-end, and as the effects of these openings begin to materialize in 2026, the company's exports to China should show meaningful growth.

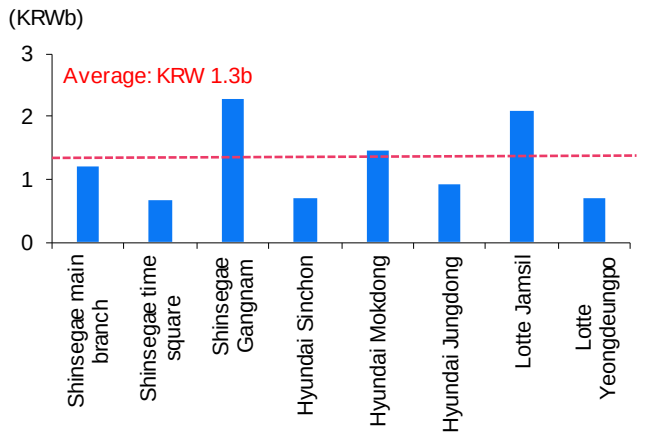
We project that each store in China will generate exports of KRW1.1b–1.2b *pa*, as: 1) in 2024, the average per-store sales of major outdoor brands in the Seoul Metropolitan Area (SMA) were KRW2.3b; 2) Kolon Sport's per-store sales in China hit KRW2.6b in 2024; and 3) the average export supply price for domestic brands is typically 40-50% of the retail price. Taking into account the quarterly differences in store-opening schedules and the associated sales recognition periods, we believe that the firm's exports to China will rise KRW30b in 2026.

Outdoor brand sales at major metropolitan department stores



Note: As of 2024, average of 10-11 brands in Korea
Source: Apparel news, Samsung Securities

Snow Peak sales at major metropolitan department stores



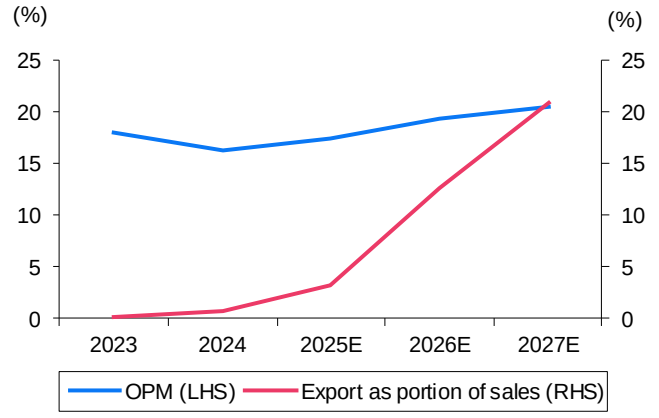
Note: As of 2024
Source: Apparel news, Samsung Securities

3. Franchise model to also support profit improvement

Its expansion in China should not only boost the company's top-line growth but also lift its operating margin 1.8%pts to 19.3% in 2026 (vs 17.6% in 2025). The company has adopted a franchise model for its China expansion, which model should minimize its fixed costs (such as labor and rent) compared to its fixed costs under directly-run operations. This structure allows for a direct translation of sales growth into profit growth, enabling simultaneous sales and earnings growth.

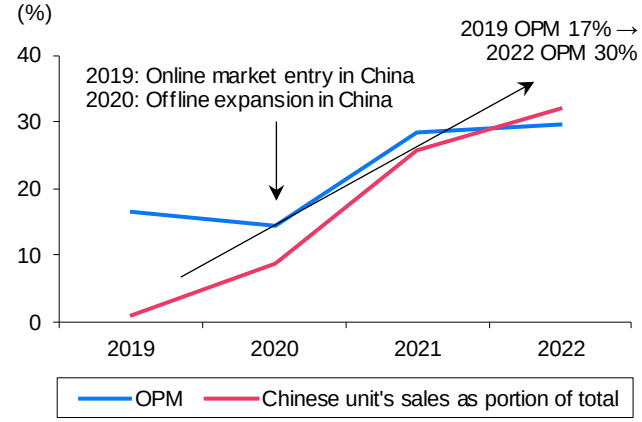
A similar case is F&F. Before entering the Chinese market, F&F's operating margin stood at 17% in 2019. However, in 2020, the company adopted a franchise-based store expansion strategy in China, achieving operating margins above 20%. Given that Gamsung Corp is also set to see a gradual increase in its overseas sales portion from 2026, we believe that its profitability will gradual improve.

Snow Peak: Exports as portion of sales vs operating margin



Source: Company data, Samsung Securities estimates

F&F: Exports as portion of sales vs operating margin



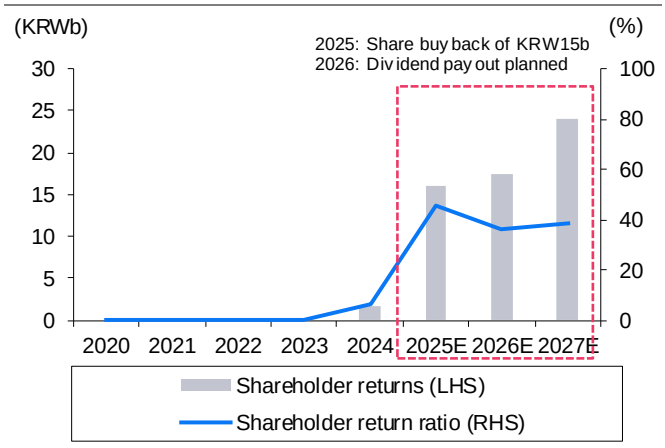
Source: F&F, Samsung Securities

Aggressive shareholder return policy

The company is implementing a proactive shareholder return policy, planning to allocate over 50% of its net profit to shareholders over 2025-2027. In detail, it: 1) bought back KRW16b worth of shares (50% of its 2024 net profit) in 2025 and cancelled KRW13.3b of them (3.23% of total shares outstanding) at end-2025; and 2) plans to return value to shareholders through dividends in 2026, utilizing 50% of its 2025 net profit (using this capital to pay these dividends).

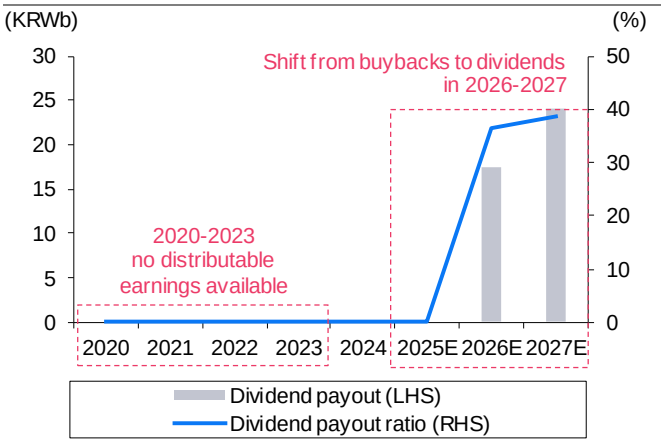
This policy (if fully implemented) should drive a valuation re-rating, particularly given the strong correlation between dividend payout ratio and valuation multiple in the apparel industry. The firm's dividend payout ratio is projected to hit 36% in 2026 vs the global sports brand average of 26%.

Shareholders return amount and return ratio



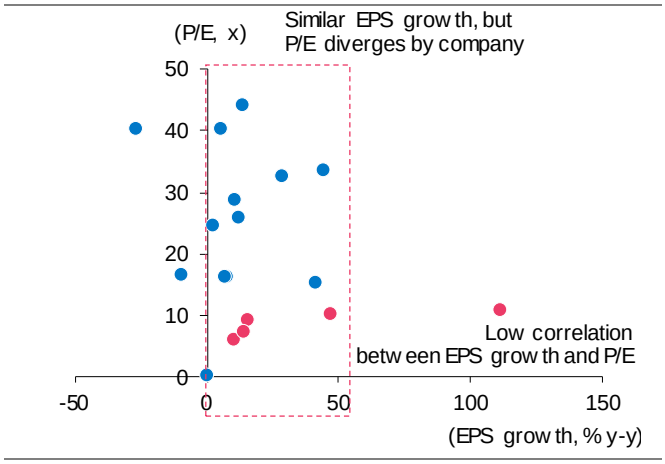
Source: Company data, Samsung Securities estimates

Dividend amount and dividend payout ratio



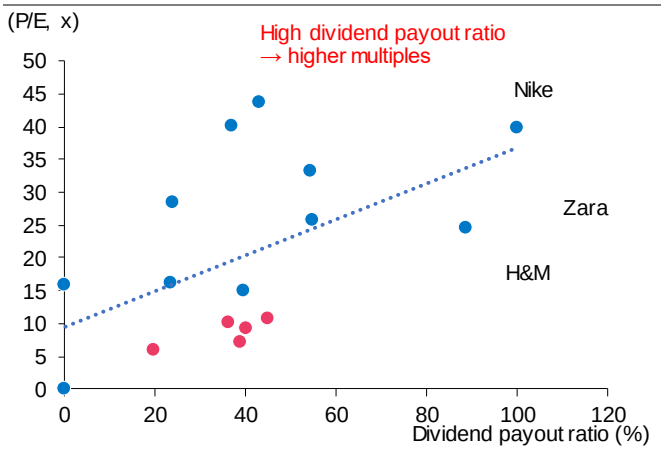
Source: Company data, Samsung Securities estimates

Fashion brands: Correlation between EPS growth and P/E



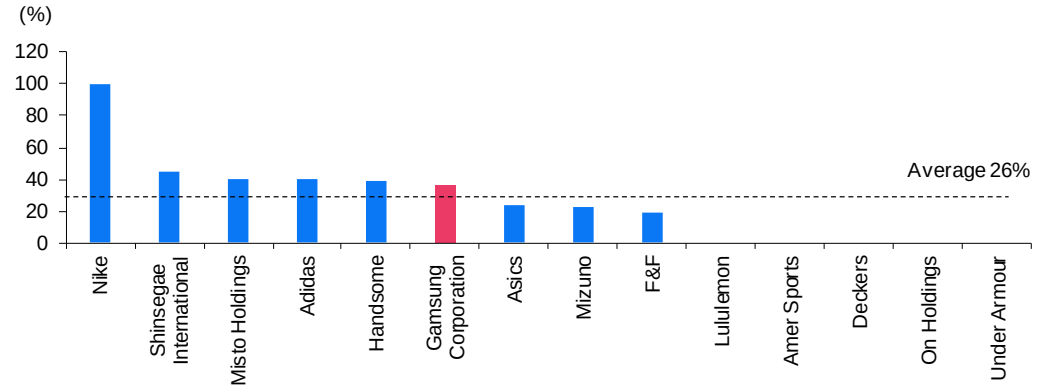
Note: Red dots are Korean companies
Source: Bloomberg, Samsung Securities

Fashion brands: Correlation between dividend payout ratio and P/E



Source: Bloomberg, Samsung Securities

Fashion brands: 2026E dividend payout ratio



Source: Bloomberg, Samsung Securities

Initiating coverage at BUY with target price of KRW8,000

Setting target price at KRW8,000 based on 15x P/E

We initiate coverage of Gamsung Corp at BUY with a 12-month target price of KRW8,000 (based on a target P/E of 15x). The multiple is derived from the valuations achieved by domestic fashion brands during periods of overseas expansion. For example:

F&F: During 2021-2022, when MLB penetrated China and recorded strong earnings growth (sales up 21% in 2022), the stock traded at a P/E of 15–17x.

Misto Holdings: Over 2018-2019, the company achieved high growth in the US thanks to hit products, with sales increasing 17% in 2018 and in 2019, and the stock traded at a P/E of 14-15x.

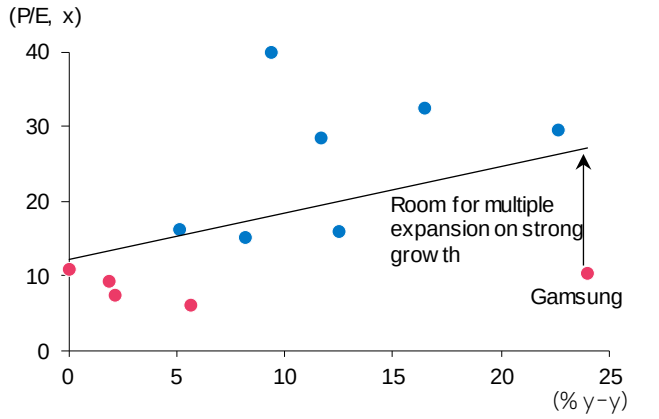
Currently, Gamsung Corp is trading at a 2026 P/E of 12x, which is higher than the domestic brand average of 11x. However, we believe this premium is justified given: 1) the company's sustained double-digit growth in the domestic market; and 2) expectations that overseas markets, particularly China, will contribute 13% of its total revenue in 2026. We see further potential for a valuation re-rating, considering the strong correlation between sales growth and P/E in the fashion industry and the company's projected sales growth of 23% in 2026.

P/E valuation

		Overview
EPS (KRW)	532	2026E EPS
Target P/E (x)	15	Average multiple applied when Korean brands expanded overseas
Target price (KRW)	8,000	

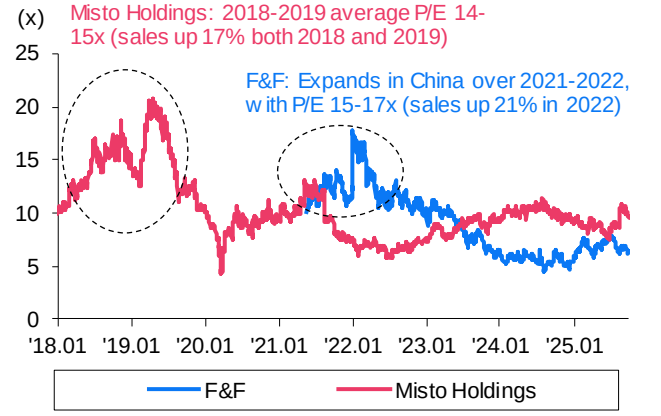
Source: Bloomberg, Samsung Securities

Brands: 2026 sales growth vs 2026E P/E



Source: Bloomberg, Samsung Securities

Korean brands: P/E



Source: QuantiWise, Samsung Securities

Global brands peer valuation

Company	Market cap	P/E (x)		EPS Growth (%)		P/B (x)		ROE (%)		Dividend payout ratio (%)	
	(KRWb)	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E	2026E	2027E
F&F	2,781	6.9	6.5	9.1	6.8	1.3	1.1	20.5	18.6	20.9	20.9
Misto Holdings	2,809	11.1	10.2	23.6	9.3	1.3	1.1	12.7	12.2	38.8	38.7
Gamsung corporation	595	12.7	9.9	36.8	28.8	3.4	2.6	30.7	30.2	9.7	15.0
Shinsegae International	448	14.1	10.5	146.0	34.0	0.5	0.5	3.7	4.9	45.9	35.3
Handsome	471	7.8	6.5	28.2	20.2	0.3	0.3	4.0	4.7	31.7	28.6
Korean average		10.5	8.7	48.7	19.8	1.3	1.1	14.3	14.1	29.4	27.7
Nike	135,032	40.0	26.9	(27.0)	48.5	7.0	6.9	17.4	24.2	100.1	72.4
Adidas	48,479	15.0	12.6	39.7	18.7	3.8	3.3	26.4	26.2	38.6	39.4
Lululemon	30,207	13.7	14.1	(9.5)	(2.9)	4.2	3.6	33.0	27.5	0.0	0.0
Amer Sports	32,422	34.5	27.2	25.0	27.0	3.6	3.1	10.9	12.0	0.0	0.0
Asics	33,032	30.3	26.5	23.5	14.3	10.1	8.2	37.8	34.8	23.0	23.2
Deckers	24,252	17.2	16.1	16.1	6.5	6.7	5.3	39.4	35.5	0.0	0.0
On Holdings	22,645	28.2	21.6	69.8	30.2	5.8	4.5	22.1	22.5	0.0	0.0
Under Armour	4,669	68.6	33.1	(59.3)	107.2	2.1	2.0	3.1	6.2	0.0	0.0
Mizuno	2,971	18.0	16.6	9.9	8.3	1.8	1.7	10.6	10.8	25.9	26.3
Global average		29.5	21.6	9.8	28.6	5.0	4.3	22.3	22.2	20.9	17.9

Note: As of Feb 24, 2026
Source: Bloomberg, Samsung Securities

Risk factors

The main risk factors include: 1) intensifying competition from domestic and international outdoor brands; and 2) the potential expiration of the Snow Peak brand license. However, backed by CEO Kim Ho-sun's extensive experience in the outdoor market and ability to differentiate products, the firm's Snow Peak brand faces limited risk in terms of sales growth slowing (even if competition intensifies).

In addition, Gamsung Corp renewed its licensing agreement with Snow Peak Japan in Jan 2025, covering key Asian markets including Korea, Taiwan, and China. It has also secured licenses for Southeast Asia and India, supporting its possible expansion into new markets.

Concerns over single-brand risk overblown

Some investors have raised concerns about the company's reliance on a single brand, Snow Peak. Given that the company has not announced plans to launch new brands over the longer term, its dependence on a single brand could be seen as a structural limitation.

However, we believe these concerns are somewhat overstated. Our reasoning is as follows: 1) Snow Peak still has significant growth potential in the domestic market; 2) the company's overseas expansion is just beginning—in particular, the company's entry into China, a key Asian market, is still in its initial phase, suggesting that its overseas performance will strengthen over time; and 3) the company has recently expanded its Snow Peak license to include India as well as EMs in Southeast Asia, effectively broadening its geographic reach.

This geographic expansion strategy with a single brand should allow Gamsung Corp to maintain growth momentum without needing brand diversification. Considering the continued growth potential of the Snow Peak brand both domestically and internationally, we believe that focusing on the brand's further expansion opportunities is more rational than pursuing brand diversification at this time.

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**178**	**220**	**251**	**311**	**376**
Cost of goods sold	57	68	74	89	105
Gross profit	**121**	**153**	**177**	**222**	**271**
Gross margin (%)	67.8	69.2	70.5	71.4	72.2
SG&A expenses	88	117	133	162	194
Operating profit	**32**	**36**	**44**	**60**	**77**
Operating margin (%)	18.1	16.4	17.6	19.3	20.5
Non-operating gains (losses)	**-3**	**1**	**0**	**1**	**2**
Financial profit	1	4	1	3	5
Financial costs	3	2	1	2	3
Equity-method gains (losses)	0	0	0	0	0
Other	-0	-1	-0	-0	0
Pre-tax profit	**30**	**37**	**44**	**61**	**79**
Taxes	5	8	9	13	17
Effective tax rate (%)	18.4	20.9	20.9	20.9	20.9
Profit from continuing operations	24	29	35	48	62
Profit from discontinued operations	0	0	0	0	0
Net profit	**24**	**29**	**35**	**48**	**62**
Net margin (%)	13.6	13.3	14.0	15.5	16.6
Net profit (controlling interests)	24	29	35	48	62
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	37	42	50	65	82
EBITDA margin (%)	20.8	19.0	20.0	21.0	21.7
EPS (parent-based) (KRW)	268	322	384	532	690
EPS (consolidated) (KRW)	268	322	384	532	690
Adjusted EPS (KRW)*	268	322	384	532	690

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**27**	**6**	**32**	**40**	**49**
Net profit	24	29	35	48	62
Non-cash profit and expenses	14	14	17	16	18
Depreciation	5	6	6	5	5
Amortization	0	0	0	0	0
Other	10	9	10	11	14
Changes in A/L from operating activities	-10	-30	-9	-14	-18
Cash flow from investments	**-5**	**-3**	**-7**	**-8**	**-9**
Change in tangible assets	-3	-6	-4	-8	-8
Change in financial assets	-0	1	-0	-0	-1
Other	-2	2	-3	-0	-0
Cash flow from financing	**-4**	**-3**	**-11**	**12**	**-18**
Change in debt	-3	1	3	30	6
Change in equity	3	8	2	0	0
Dividends	0	0	0	-18	-24
Other	-4	-12	-16	0	0
Change in cash	18	-0	13	44	23
Cash at beginning of year	9	27	27	40	84
Cash at end of year	27	27	40	84	107
Gross cash flow	**39**	**44**	**52**	**64**	**81**
Free cash flow	**24**	**-0**	**28**	**32**	**41**

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	**96**	**127**	**155**	**219**	**268**
Cash & equivalents	27	27	40	84	107
Accounts receivable	22	34	39	46	56
Inventories	39	60	70	83	100
Other current assets	8	6	5	5	6
Fixed assets	**18**	**27**	**30**	**33**	**37**
Investment assets	4	3	4	4	5
Tangible assets	7	9	10	13	16
Intangible assets	4	3	3	3	3
Other long-term assets	4	11	13	13	13
Total assets	**115**	**154**	**184**	**252**	**305**
Current liabilities	**31**	**28**	**38**	**58**	**65**
Accounts payable	2	3	3	4	5
Short-term debt	0	0	8	15	15
Other current liabilities	28	26	26	39	46
Long-term liabilities	**6**	**13**	**13**	**29**	**37**
Bonds & long-term debt	0	0	0	15	21
Other long-term liabilities	6	13	13	14	16
Total liabilities	**37**	**42**	**51**	**87**	**102**
Owners of parent equity	**78**	**112**	**134**	**164**	**203**
Capital stock	45	47	47	47	47
Capital surplus	30	37	38	38	38
Retained earnings	21	48	70	101	139
Other	-18	-19	-21	-21	-21
Non-controlling interests' equity	**0**	**0**	**0**	**0**	**0**
Total equity	**78**	**112**	**134**	**164**	**203**
Net debt	-21	-19	-29	-43	-59

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	51.6	23.9	14.1	23.6	21.1
Operating profit	98.5	11.8	22.4	36.2	28.2
Net profit	60.3	21.0	20.1	37.1	29.6
Adjusted EPS**	48.6	20.0	19.2	38.8	29.6
Per-share data (KRW)					
EPS (parent-based)	268	322	384	532	690
EPS (consolidated)	268	322	384	532	690
Adjusted EPS**	268	322	384	532	690
BVPS	859	1,210	1,482	1,822	2,248
DPS (common)	0	0	0	194	266
Valuations (x)					
P/E***	11.8	9.6	15.0	10.4	8.0
P/B***	3.7	2.5	3.9	3.0	2.5
EV/EBITDA	7.2	6.3	9.8	7.0	5.4
Ratios (%)					
ROE	37.5	30.7	28.6	32.3	34.0
ROA	24.4	21.8	20.8	22.1	22.4
ROIC	49.8	37.8	34.0	40.0	43.6
Payout ratio	0.0	0.0	0.0	36.4	38.5
Dividend yield (common)	0.0	0.0	0.0	3.5	4.8
Net debt to equity	-26.6	-16.9	-21.6	-26.0	-29.3
Interest coverage (x)	28.5	34.2	96.0	49.6	46.2

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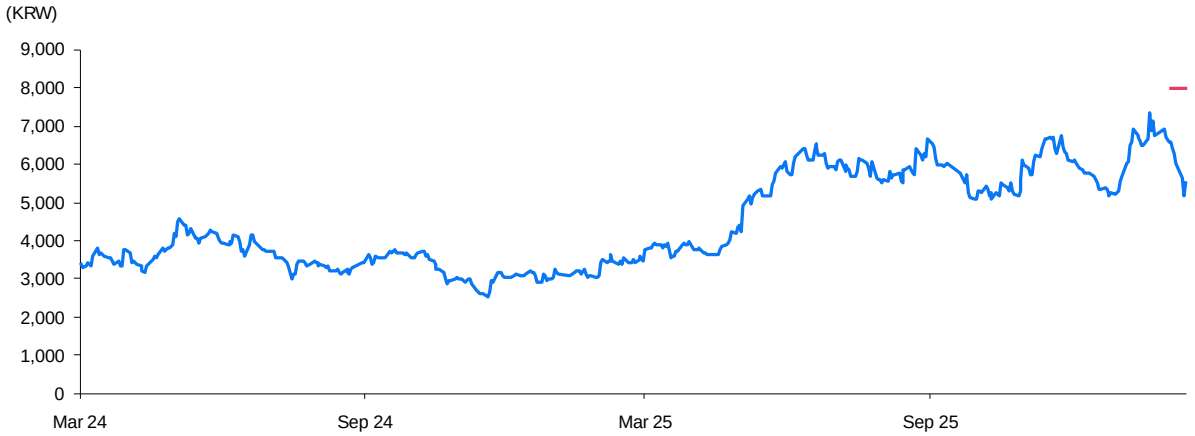
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2026/2/24
Recommendation	BUY
Target price (KRW)	8000
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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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%)

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