COMPANY UPDATE

2026. 3. 11

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JYP Entertainment (035900)

Accelerating growth via global fandom leverage

- JYP Entertainment's 4Q operating profit of KRW41.9b (up 14% y-y) topped consensus thanks to increasing album sales (driven by robust growth in western countries) and the recognition of excess profits from the North American and European tours conducted in 2Q25-3Q25.
- Not only established artists but also newbie groups are showing sustained growth. We maintain BUY rating.

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AT A GLANCE

BUY

Target price	KRW94,000	50.2%
Current price	KRW62,600	
Market cap	KRW2.2t/USD1.5b	
Shares (float)	35,532,492 (77.3%)	
52-week high/low	KRW85,000/KRW57,400	
Avg daily trading value (60-day)	KRW29.9b/ USD20.4m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
JYP Entertainment (%)	-12.1	-18.7	-14.4
Vs Kosdaq (%pts)	-13.8	-40.5	-45.4

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	94,000	94,000	0.0%
2025E EPS	4,485	4,493	-0.2%
2026E EPS	3,689	3,714	-0.7%

SAMSUNG vs THE STREET

No of estimates	9
Target price	94,222
Recommendation	4.0

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

WHAT'S THE STORY?

4Q review: JYP Entertainment's 4Q consolidated sales of KRW232.6b (up 16.8% y-y) and operating profit of KRW41.9b (up 13.6% y-y) topped consensus. This result was particularly impressive given the high base from two accounting changes in 4Q24—ie, sales from: 1) a contact with a Chinese music platform, originally planned to be spread over three years, was recognized in full; and 2) concerts in Japan, previously booked at the time of settlement, should be recognized in the quarter. The solid performance was driven by three key factors. First, Stray Kids' album sales expanded in Western countries (higher-margin markets) as its global tour significantly strengthened its fanbase last year. Coupled with favorable exchange rates, album sales jumped 54.4% y-y, well above market expectations. Additionally, around KRW9b in European music streaming sales was reclassified as album sales in 4Q25. Second, concert sales rose 10% y-y on recognition of excess profits generated from final settlements from the North American and European tours conducted in 2Q25-3Q25. Third, merchandise sales leapt 11.5% y-y, fueled by diversified distribution channels and a broader range of offerings—eg, products for concerts and fan meetings, seasonal greetings, IP collaborations, and overseas pop-up stores.

(Continued on the next page)

SUMMARY 4Q RESULTS

(KRWb)	4Q25	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	232.6	16.8	-0.0	-0.0	16.6
Operating profit	41.9	13.5	2.7	-0.0	19.0
Pre-tax profit	35.3	-17.1	-17.3	0.0	-10.9
Net profit	26.7	2.0	-1.7	0.1	5.5
Margins (%)					
Operating profit	18.0				
Pre-tax profit	15.2				
Net profit	11.5				

Source: Company data, Fnguide, Samsung Securities estimates

VALUATION SUMMARY

	2024	2025E	2026E
Valuation (x)			
P/E	25.4	16.2	17.0
P/B	4.8	3.9	2.9
EV/EBITDA	16.0	13.4	9.6
Div yield (%)	0.8	1.2	1.1
EPS growth (% y-y)	-7.4	63.0	-17.8
ROE (%)	22.4	29.0	19.5
Per-share data (KRW)			
EPS	2,751	4,485	3,689
BVPS	14,445	18,700	21,779
DPS	534	877	717

Balanced growth across artist rosters: Established artists are capitalizing on their mainstream reach to diversify sales streams and enhance profitability, while rookie groups are steadily building loyal fanbases and driving incremental earnings. Twice is currently midway through its sixth world tour, featuring a 360-degree seated format, with 52 shows planned for the year—including major concerts across North America and Europe. In April, the nine-member girl group should make history as the first foreign artist to perform three consecutive nights at Japan National Stadium (80,000 capacity per show). Meantime, Stray Kids is expanding its footprint at major international festivals and deepening its IP licensing efforts. With their current schedule, a new world tour in 2H25 is highly probable. NMIXX set out on its first global tour, with clear signs of rising popularity across the Americas. Meanwhile, localized artists in Japan, China, and the US have been pursuing tailored growth strategies. Notably, Girlset—rebranded in 2025—has demonstrated consistent momentum with each new release.

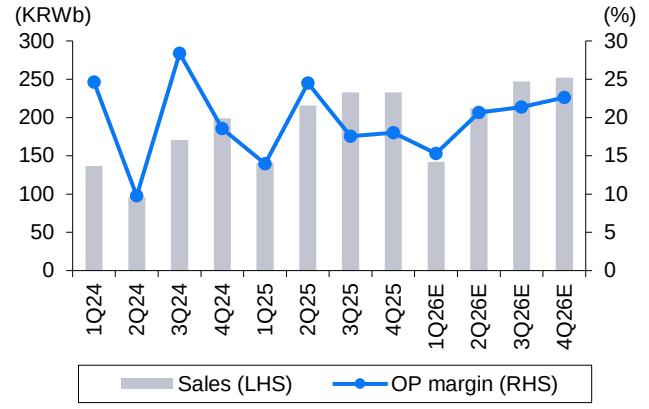
Maintain BUY: Building on strong popularity of its artists worldwide, JYP Entertainment is well-positioned to sustain its growth momentum. The agency should expand high-margin platform album releases and boost merchandise and licensing sales. This year alone, over 200 concerts are planned, and the rising momentum of newbie artists like NMIXX warrants close attention. We forecast 2026 sales and operating profit will reach KRW853b (up 3.8% y-y) and KRW175.3b (up 12.9% y-y), respectively. We maintain our target price of KRW94,000 (based on 25x forward P/E).

Table 1. Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2024	2025	2026E	2027E
Sales	**136.5**	**95.7**	**170.5**	**199.1**	**140.8**	**215.8**	**232.6**	**232.6**	**142.0**	**211.9**	**246.8**	**252.2**	**601.8**	**821.9**	**853.0**	**931.3**
Albums	46.7	26.4	68.3	75.8	44.7	38.6	80.4	94.3	20.0	65.3	73.6	88.4	217.2	257.9	247.2	254.8
Management	42.0	31.2	35.9	55.9	39.5	83.0	87.2	59.6	56.6	73.3	76.7	88.0	165.0	269.3	294.6	322.1
Concerts	29.4	14.0	22.1	38.0	21.7	62.0	63.3	41.8	35.8	50.7	53.3	69.5	103.6	188.9	209.3	233.5
Ads	7.9	9.2	8.4	8.8	9.0	11.3	12.8	11.9	12.5	12.1	12.0	10.9	34.3	45.0	47.6	48.7
Appearances	4.7	7.9	5.4	9.1	8.8	9.7	11.1	5.8	8.2	10.5	11.4	7.6	27.1	35.4	37.8	39.9
Merchandise	23.9	14.7	50.2	43.9	32.7	66.9	40.0	48.9	43.0	46.5	51.2	48.6	132.6	188.5	189.3	222.4
Others	23.9	23.5	16.0	23.5	23.9	27.4	25.1	29.9	22.4	26.9	45.3	27.2	86.9	106.2	121.8	131.9
COGS	75.8	62.4	86.6	120.5	89.1	125.7	155.3	148.4	84.7	130.8	155.6	155.0	345.4	518.4	526.2	579.5
Gross profit	**60.7**	**33.3**	**83.9**	**78.6**	**51.7**	**90.2**	**77.3**	**84.2**	**57.3**	**81.1**	**91.2**	**97.3**	**256.4**	**303.4**	**326.8**	**351.8**
SG&A costs	27.1	23.9	35.5	41.7	32.1	37.3	36.5	42.3	35.5	37.4	38.4	40.2	128.1	148.2	151.5	156.0
Operating profit	**33.6**	**9.3**	**48.4**	**36.9**	**19.6**	**52.9**	**40.8**	**41.9**	**21.7**	**43.7**	**52.8**	**57.1**	**128.3**	**155.2**	**175.3**	**195.8**
Operating margin (%)	24.6	9.8	28.4	18.5	13.9	24.5	17.5	18.0	15.3	20.6	21.4	22.6	21.3	18.9	20.6	21.0
Non-operating gains (losses)	5.3	-3.4	0.4	5.7	77.4	-4.5	1.9	-6.6	2.2	1.8	2.6	2.0	7.9	68.1	8.6	9.0
Pre-tax profit	38.9	5.9	48.8	42.6	97.0	48.4	42.7	35.3	24.0	45.6	55.3	59.0	136.2	223.4	183.9	204.7
Net profit (controlling)	**31.7**	**1.4**	**38.7**	**25.9**	**69.4**	**36.4**	**27.1**	**27.7**	**17.2**	**32.5**	**39.4**	**42.0**	**97.8**	**160.6**	**131.1**	**145.7**
Growth (% y-y)																
Sales	**15.6**	**-36.9**	**22.1**	**26.8**	**3.1**	**125.5**	**36.5**	**16.8**	**0.9**	**-1.8**	**6.1**	**8.4**	**6.2**	**36.6**	**3.8**	**9.2**
Albums	-10.0	-69.6	18.4	13.8	-4.4	46.3	17.6	24.4	-55.3	69.4	-8.4	-6.3	-17.3	18.7	-4.1	3.1
Management	195.9	28.4	45.2	31.3	-6.0	166.2	142.9	6.5	43.3	-11.7	-12.0	47.8	56.0	63.2	9.4	9.3
Concerts	335.1	-3.1	87.6	26.0	-26.3	342.3	186.8	10.0	65.2	-18.2	-15.9	66.1	63.9	82.4	10.8	11.6
Ads	46.9	29.4	3.6	13.7	14.6	22.4	52.1	35.2	38.6	6.7	-5.7	-8.2	21.0	31.2	5.7	2.4
Guarantees	127.3	194.4	12.0	95.0	86.1	22.1	104.4	-35.9	-6.1	8.4	3.0	31.2	90.2	30.3	6.9	5.6
Appearances	-13.2	-32.5	57.6	31.2	37.1	355.9	-20.5	11.5	31.5	-30.6	28.2	-0.7	15.8	42.1	0.4	17.5
Others	-2.2	23.0	-36.9	62.7	-0.0	16.5	56.9	26.9	-6.1	-1.8	80.4	-8.8	4.3	22.2	14.7	8.3
COGS	31.1	-21.4	18.9	36.8	17.5	101.2	79.3	23.1	-4.9	4.1	0.2	4.4	15.8	50.1	1.5	10.1
Gross profit	**0.8**	**-54.0**	**25.5**	**14.0**	**-14.8**	**171.1**	**-7.8**	**7.2**	**10.8**	**-10.1**	**17.9**	**15.4**	**-4.4**	**18.4**	**7.7**	**7.7**
SG&A costs	48.9	-10.2	54.3	34.2	18.4	55.8	3.0	1.6	10.8	0.2	5.2	-5.0	29.6	15.7	2.2	3.0
Operating profit	**-20.0**	**-79.6**	**10.4**	**-2.6**	**-41.6**	**466.3**	**-15.7**	**13.6**	**10.8**	**-17.4**	**29.4**	**36.1**	**-24.3**	**21.0**	**12.9**	**11.7**
Operating margin (%pts)	-11.0	-20.4	-3.0	-5.6	-10.7	14.8	-10.9	-0.5	1.4	-3.9	3.8	4.6	-8.6	-2.4	1.7	0.5
Non-operating gains (losses)	-50.3	nm	-10.9	nm	1,370.7	nm	355.2	nm	-97.1	nm	37.1	nm	nm	762.7	-87.4	4.7
Pre-tax profit	-26.1	-85.0	10.2	118.7	149.5	720.6	-12.6	-17.1	-75.3	-5.9	29.7	67.2	-12.5	64.0	-17.7	11.4
Net profit (controlling)	**-23.6**	**-94.4**	**12.2**	**562.7**	**118.9**	**2,445.7**	**-30.0**	**6.8**	**-75.2**	**-10.8**	**45.4**	**51.8**	**-7.3**	**64.2**	**-18.4**	**11.2**

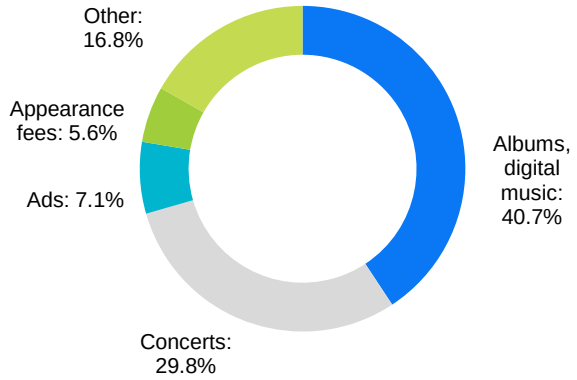
Source: Company data, Samsung Securities

Chart 1. Sales and operating margin



Source: Company data, Samsung Securities

Chart 2. Sales, by segment (2025)



Source: Company data, Samsung Securities

Table 2. Album sales: 4Q25 vs 4Q24

4Q25				4Q24			
Rank	**Artists**	**Key album**	**Sales (units)**	**Rank**	**Artists**	**Key album**	**Sales (units)**
1	Stray Kids	Total	2,784,061	1	Stray Kids	Total	2,282,574
		DO IT	2,314,271			Hop	2,041,231
2	NMIXX	Total	678,376	2	TWICE	Total	936,926
		Blue Valentine	538,919			Strategy	864,316
3	ITZY	Total	413,045	3	ITZY	Total	705,440
		TUNNEL VISION	325,980			Gold	674,761
4	TWICE	Total	389,713	4	NEXZ	Total	164,619
		TEN: The Story Goes On	330,006			Nallina	147,839
5	NEXZ	Total	360,176	5	Xdinary Heroes	Total	97,048
		Beat-Boxer	285,828			LIVE and FALL	85,272
Total			**4,757,607**				**4,250,713**

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

Table 3. Album sales: 1Q26 vs 1Q25

1Q26 (Jan)				1Q25			
Rank	**Artists**	**Key album**	**Sales (units)**	**Rank**	**Artists**	**Key album**	**Sales (units)**
1	Stray Kids	Total	192,484	1	NMIXX	Total	728,808
		Do It (Plve)	32,990			Fe3o4: Forward	646,071
2	TWICE	Total	12,755	2	Kickflip	Total	328,077
		Ten: The Story Goes On	6,741			Flip It, Kick It!	316,879
3				3	Yezy (ITZY)	Total	317,118
						AIR	268,521
4				4	Niziu	Total	125,206
						LOVE LINE	108,604
5				5	Stray Kids	Total	113,255
						MAXIDENT	25,268
Total			**205,239**				**1,781,060**

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

Table 4. Albums launches scheduled for 4Q25 and 2026

Artists	Album	Release date	Category	Sales (units)*
ITZY	Collector	Oct 8	Japanese 2nd EP	
Twice	TEN: The story Goes On	Oct 10	10th anniversary special album	377,961
Nmixx	Blue valentine	Oct 13	1st album	678,376
Xdinary Heroes	LXVE to DEATH	Oct 24	7th EP	106,622
NEXZ	Beat-boxer	Oct 27	3rd EP	353,336
Park Jinyoung	Happy Hour	Nov 5	Digital single	
ITZY	Tunnel vision	Nov 10	11th EP	413,045
Girlset*	Little Miss	Nov 14	Digital single	
NiziU	New Emotion	Nov 19	Japanese 3rd album	
Stray Kids	Do It	Nov 21	SKZ it tape	2,620,758
Wooyoung (2PM)	3650.zip	Nov 26	Japanese 1st best album	
CIIU	Like U	Dec 22	Chinese digital single	
KickFlip	From KickFlip, To WeFlip	Jan 20	Digital single	
Dodree*	Just like a dream	Jan 21	Digital single	
Misamo (twice)	Play	Feb 4	Japanese 1st album	
Nmixx	TIC TIC (Feat. Pabllo Vittar)	Feb 26	Digital single	
Girlset	Tweak	Mar 6	Digital single	
KickFlip	Twenty	Mar 9	4th EP's pre-release single	
Yuna(ITZY)	Ice Cream	Mar 23	1st EP (solo debut album)	
Wonpil(DAY6)	Unpiltered	Mar 30	1st EP	
NiziU	GOOD GIRL NOT FOR YOU	Apr 1	Japanese 2nd EP	
KickFlip	My First Kick	Apr 6	4th EP	
NEXZ	TBD	Late April to early May	TBD	

Note: Sales volume based on Circle Chart Top 100 on Jan 31, 2026;
*Dodree is artist of subsidiary Innit entertainment
Source: Local media, Company data, Circle Chart, Hanteo Chart, Samsung Securities

Table 5. Concerts scheduled for 4Q25 and 2026

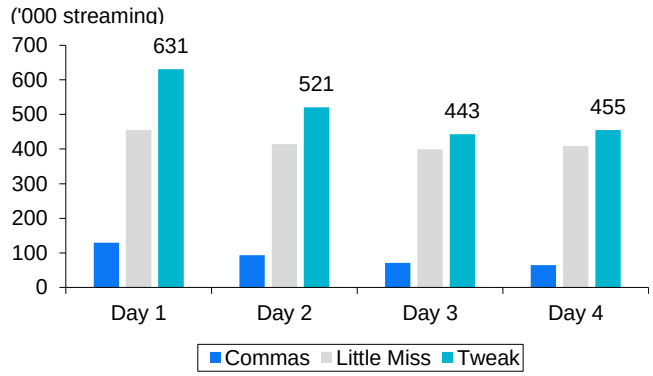
Artists	Country	Concert/fan meeting	Dates	Cities	Sessions
NiziU	Japan	Niziu Live With U	Oct 2-Nov 23	16 Japanese cities	22
Twice	Global	This Is For	Oct 4-Dec 14	6 Asian cities, 2 Australian cities	14
Day6	Vietnam	The Decade	Oct 18	Hochimin	1
Twice	Korea	(Fan Meeting) 10ve Universe	Oct 18	Seoul	1
Stray Kids	Korea	Dominate	Oct 18-19	Incheon	2
NexZ	Korea	One Beat	Oct 25-26	Seoul	2
Xdinary Heroes	Korea	Beautiful Mind	Nov 21-23	Seoul	3
Woo young (2PM)	Japan	Half half	Nov 29-Dec 28	Tokyo, Hyogo	2
Nmixx	Korea	Zero Frontier	Nov 29-30	Seoul	2
Park Jinyoung	Korea	Half Hour	Dec 13-14	Seoul	2
Day6	Korea	The Present	Dec 19-21	Seoul	3
NexZ	Asia	One Beat	Jan 3	Taipei	1
Twice	Global	This Is For	Jan 9-Mar 31, 2026	15 US cities	29
KickFlip	Korea	(Fan-con) From Kickflip, To WeFlip	Jan 17-Feb 28	5 Korean cities	12
Day6	Asia	The DECADE	Jan 17-Jan 31	3 Korean cities, 3 Asia cities	11
Park Jin Young	Japan	Happy Hour	Feb 5	Tokyo	1
NiziU	Japan	Niziu Live With U 2026	Feb 14 – Mar 29	5 Japanese cities	12
Itzy	Korea	Tunnel Vision	Feb 13-15	Seoul	3
Wooyoung (2PM)	Asia	Half Half	Mar 8	Taipei	1
Nmixx	Global	Zero Frontier	Mar 17-31	5 European cities, 2 US cities	7
Stray Kids	Korea	(Fan-meeting) Stay In Our Little House	Mar 28-29	Incheon	2
Nmixx	US	Zero Frontier	Apr 2-9	4 US cities	4
Twice	Global	This Is For	Apr 3- Jun 4	6 US cities, 1 Japanese cities, 8 European cities	23
Stray Kids	Korea	(Fan-meeting) Stay In Our Little House	Apr 4-5	Incheon	2
Itzy	Global	Tunnel Vision	Apr 17-Jun 27	3 Australian cities, 3 Asian cities	7
Day6	Asia	The Decade	Apr 25-Jun 21	2 Japanese cities, Busan	6
2PM	Japan	The Return	May 9-10	Tokyo	2
NEXZ	Japan	Nexz Live Tour 2026	May 30-Jun 13	Tokyo, Osaka	4
NiziU	Japan	Niziu Live With U 2026	Jun 6-14	Tokyo, Osaka	4
Itzy	Asia	Tunnel Vision	Jul 4-11	Bangkok, Manila	2
2PM	Japan	Japan 15th anniversary concert	TBD	Japan	2

Note: Sales volume based on Circle Chart Top 100 on Dec 31, 2025;
*Vcha has reduced its lineup from six members to four and rebranded as Girlset;
**Dodree is artist of subsidiary Innit entertainment
Source: Local media, Company data, Circle Chart, Hanteo Chart, Samsung Securities

Chart 3. Expand digital (platform) album releases

Source: Company data, Samsung Securities

Chart 4. Girlset's Spotify streaming trends



Source: Company data, Samsung Securities

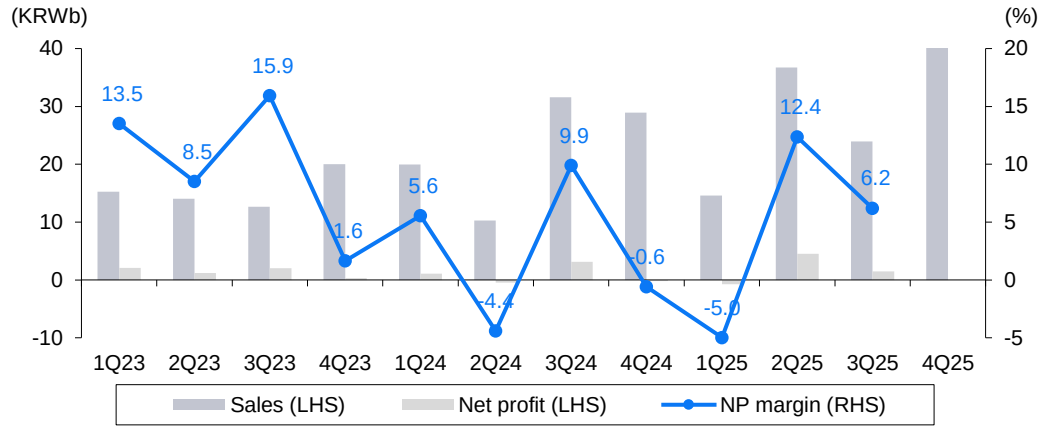
Chart 5. Stray Kids with *Zootopia 2* merchandise

Source: Company data, Samsung Securities

Chart 6. Twice and Nmixx's world tour pop-up store

Source: Company data, Samsung Securities

Chart 7. Blue Garage: Quarterly sales and net profit



Note: 2025 sales of KRW122.4b and OPM of 7.9%; net profit not announced
Source: Company data, Samsung Securities

Table 6. Stray Kids' world tour since debuting

Category	Tour	Date	Sessions	Details
1st world tour	District 9: Unlock	Nov 23, 2019 – Feb 16, 2020	10	Concerts canceled since mid-Feb due to Pandemic
Online concert	Unlock: Go Live in Life	Nov 22, 2020	1	Beyond Live online concert
2nd world tour	Maniac	Apr 29, 2022 – Apr 2, 2023	42	
*Japan dome tour	5-Star Dome Tour 2023	Aug 16 – Oct 29, 2023	10	
3rd world tour	dominATE	Aug 24, 2024 – Jul 30, 2025	54	56 sessions in 35 cities (include additional concert)
*additional concert	dominATE: CelebrATE	Oct 18-19, 2025	2	
2026 new tour	TBD	TBD		Mentioned new tour on 'Step Out 2026' video

Source: Company data, Samsung Securities

Table 7. Twice: World tour 'This Is For'

2023-2024 world tour 'Ready To Be'			2025-2026 World tour 'This Is For'		
Dates	**Location**	**Sessions**	**Dates**	**Location**	**Sessions**
Apr 15-16, 2023	Seoul	2	Jul 19-20, 2025	Incheon	2
May 2-3	Sydney	2	Jul 26-27	Osaka	2
May 6-7	Melbourne	2	Aug 23-24	Aichi	2
May 13-14	Osaka	2	Aug 30-31	Fukuoka	2
May 20-21	Tokyo	2	Sep 16-17	Tokyo	2
Jun 10	LA	1	Sep 27-28	Macao	2
Jun 12-13	Oakland	2	Oct 4	Bulacan	1
Jun 16	Seattle	1	Oct 11-12	Singapore	2
Jun 21	Dallas	1	Oct 205	Kuala Lumpur	1
Jun 24-25	Huston	2	Nov 1-2	Sydney	2
Jun 28-29	Chicago	2	Nov 8-9	Melbourne	2
Jul 2-3	Toronto	2	Nov 22-23	Gashing	2
Jul 6	New York	1	Dec 6-7	Hongkong	2
Jul 9	Atlanta	1	Dec 13-14	Bangkok	2
Sep 2-3	Singapore	2	Jan 9-10, 2026	Vancouver	2
Sep 7-8	London	2	Jan 13-14	Seattle	2
Sep 11	Paris	1	Jan 17-18	Oakland	2
Sep 13-14	Berlin	2	Jan 21-25	LA	4
Sep 23-24	Bangkok	2	Jan 28	Phoenix	1
Sep 30-Oct 1	Bulacan	2	Jan 31-Feb 1	Dallas	2
Nov 4	Melbourne	1	Feb 13-14	Washington D.C	2
Dec 16-17	Nagoya	2	Feb 18-21	New York	3
Dec 23	Jakarta	1	Feb 24	Philadelphia	1
Dec 27-28	Fukuoka	2	Feb 27	Atlanta	1
Feb 2-3, 2024	Mexico City	2	Mar 3	Montreal	1
Feb 6-7	Sao Paulo	2	Mar 6-7	Hamilton	2
Mar 16	Las Vegas	1	Mar 21	Taipei	1
Jul 13-14	Osaka	2	Mar 27-28	Orlando	2
Jul 20-21	Tokyo	2	Mar 31	Charlotte	1
Jul 27-28	Yokohama	2	Apr 3-4	Boston	2
			Apr 6-7	Chicago	2
			Apr 10	Detroit	1
			Apr 12	Saint Paul	1
			Apr 14	Denver	1
			Apr 17-18	Ostin	2
			Apr 25-28	Tokyo	3
			May 9	Lisbon	1
			May 12	Barcelona	1
			May 16-17	Paris	2
			May 20	Torino	1
			May 23	Berlin	1
			May 26	Cologne	1
			May 30-31	Amsterdam	2
			Jun 3-4	London	2
Total 51 concerts			Total 78+ concerts		

Source: Local media, Samsung Securities

Table 8. Artist lineup

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

Source: Company data, Samsung Securities

Table 9. Dividend policy

Category	Details
Current policy	- To enhance shareholder value, we have maintained a dividend payout ratio of 16-18% (based on consolidated net profit) every year since 2018, considering the financial situation, the business environment, and our investments
FY2025-28 policy	- To maintain a dividend payout ratio of 15-20% (based on annual consolidated net profit)

Source: Company data, Samsung Securities

Table 10. Revisions to 2026 and 2027 forecasts

(KRWb)	2026E			2027E		
	Old	New	Chg (%)	Old	New	Chg %
Sales	822.1	853.0	3.8	886.2	931.3	5.1
Operating profit	170.0	175.3	3.1	185.8	195.8	5.4
Operating margin (%, %pts)	20.7	20.6	-0.1	21.0	21.0	0.1
Pre-tax profit	183.5	183.9	0.2	200.2	204.7	2.3
Net profit (controlling)	132.0	131.1	-0.7	143.7	145.7	1.4

Source: Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**567**	**602**	**822**	**853**	**931**
Cost of goods sold	298	345	518	526	579
Gross profit	**268**	**256**	**303**	**327**	**352**
Gross margin (%)	47.4	42.6	36.9	38.3	37.8
SG&A expenses	99	128	148	152	156
Operating profit	**169**	**128**	**155**	**175**	**196**
Operating margin (%)	29.9	21.3	18.9	20.6	21.0
Non-operating gains (losses)	**-14**	**8**	**68**	**9**	**9**
Financial profit	6	14	13	16	16
Financial costs	18	5	17	9	9
Equity-method gains (losses)	4	3	75	4	5
Other	-6	-4	-3	-2	-2
Pre-tax profit	**156**	**136**	**223**	**184**	**205**
Taxes	51	38	64	52	57
Effective tax rate (%)	32.5	28.2	28.6	28.0	28.0
Profit from continuing operations	105	98	159	132	147
Profit from discontinued operations	0	0	0	0	0
Net profit	**105**	**98**	**159**	**132**	**147**
Net margin (%)	18.5	16.2	19.4	15.5	15.8
Net profit (controlling interests)	105	98	159	131	146
Net profit (non-controlling interests)	-0	-0	0	1	2
EBITDA	180	143	167	185	204
EBITDA margin (%)	31.9	23.8	20.4	21.7	21.9
EPS (parent-based) (KRW)	2,971	2,751	4,485	3,689	4,100
EPS (consolidated) (KRW)	2,958	2,750	4,485	3,723	4,146
Adjusted EPS (KRW)*	2,971	2,751	4,485	3,689	4,100

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**369**	**362**	**558**	**677**	**824**
Cash & equivalents	217	191	323	434	558
Accounts receivable	15	49	67	70	76
Inventories	24	14	20	20	22
Other current assets	112	108	148	153	167
Fixed assets	**203**	**317**	**332**	**326**	**327**
Investment assets	97	105	132	136	145
Tangible assets	56	140	133	127	122
Intangible assets	41	60	55	51	48
Other long-term assets	9	12	12	12	12
Total assets	**572**	**679**	**889**	**1,002**	**1,151**
Current liabilities	**154**	**175**	**239**	**248**	**271**
Accounts payable	38	57	78	81	89
Short-term debt	0	0	0	0	0
Other current liabilities	117	117	160	166	182
Long-term liabilities	**19**	**21**	**27**	**28**	**30**
Bonds & long-term debt	0	0	0	0	0
Other long-term liabilities	19	21	27	28	30
Total liabilities	**173**	**196**	**266**	**275**	**300**
Owners of parent equity	**394**	**479**	**620**	**722**	**844**
Capital stock	18	18	18	18	18
Capital surplus	78	79	79	79	79
Retained earnings	311	390	531	633	755
Other	-13	-8	-9	-9	-9
Non-controlling interests' equity	**4**	**4**	**4**	**5**	**7**
Total equity	**398**	**483**	**624**	**727**	**851**
Net debt	-252	-207	-348	-459	-587

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**151**	**89**	**186**	**144**	**161**
Net profit	105	98	159	132	147
Non-cash profit and expenses	74	52	73	57	59
Depreciation	6	9	7	6	5
Amortization	5	6	5	4	3
Other	63	38	61	47	51
Changes in A/L from operating activities	15	-7	15	2	5
Cash flow from investments	**-61**	**-100**	**-16**	**-2**	**-6**
Change in tangible assets	-12	-87	0	0	0
Change in financial assets	-34	21	-16	-2	-6
Other	-14	-33	-0	0	0
Cash flow from financing	**-13**	**-22**	**-16**	**-29**	**-23**
Change in debt	6	-1	2	0	1
Change in equity	1	1	0	0	0
Dividends	-12	-19	-18	-29	-24
Other	-8	-3	0	0	0
Change in cash	78	-27	133	110	125
Cash at beginning of year	140	217	191	323	434
Cash at end of year	217	191	323	434	558
Gross cash flow	**179**	**150**	**232**	**189**	**207**
Free cash flow	**139**	**2**	**186**	**144**	**161**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	63.8	6.2	36.6	3.8	9.2
Operating profit	75.4	-24.3	21.0	12.9	11.7
Net profit	55.6	-7.0	63.1	-17.0	11.4
Adjusted EPS**	56.3	-7.4	63.0	-17.8	11.2
Per-share data (KRW)					
EPS (parent-based)	2,971	2,751	4,485	3,689	4,100
EPS (consolidated)	2,958	2,750	4,485	3,723	4,146
Adjusted EPS**	2,971	2,751	4,485	3,689	4,100
BVPS	11,897	14,445	18,700	21,779	25,459
DPS (common)	574	534	877	717	792
Valuations (x)					
P/E***	34.1	25.4	16.2	17.0	15.3
P/B***	8.5	4.8	3.9	2.9	2.5
EV/EBITDA	18.6	16.0	13.4	9.6	8.1
Ratios (%)					
ROE	30.4	22.4	29.0	19.5	18.6
ROA	21.4	15.6	20.3	14.0	13.7
ROIC	206.2	80.6	67.3	85.0	102.9
Payout ratio	18.0	18.1	18.2	18.1	18.0
Dividend yield (common)	0.6	0.8	1.2	1.1	1.3
Net debt to equity	-63.3	-42.9	-55.8	-63.2	-69.0
Interest coverage (x)	640.8	635.2	734.4	762.4	822.5

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

Source: Company data, Samsung Securities estimates

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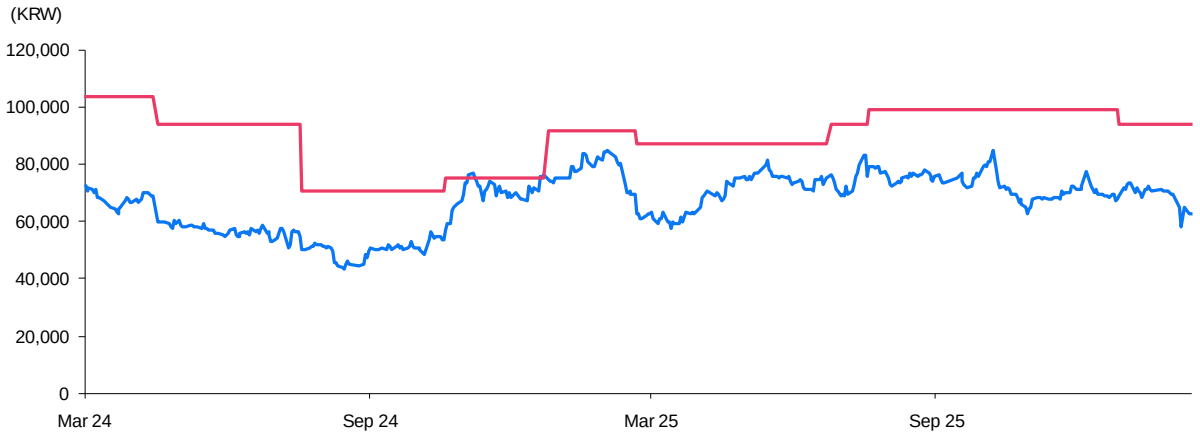
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2024/1/17	3/20	5/13	8/14	11/14	2025/1/20	3/18	7/21	8/14	2026/1/23
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	128000	104000	94000	71000	75000	92000	87000	94000	99000	94000
Gap* (average)	-41.07	-34.65	-39.49	-29.35	-5.93	-14.83	-19.99	-21.19	-26.40	
(max or min)**	-33.91	-30.29	-35.53	-20.14	2.80	-7.50	-6.44	-11.60	-14.14	

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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