SECTOR UPDATE

2026. 3. 26

Alternative Investment Team

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Renewable Energy (OVERWEIGHT)

2026 wind power industry overview and outlook

- Interest in renewable energy has increased from the perspective of energy independence following the start of the Iran conflict.
- Both Korea and global (excluding China) wind power markets should continue their steep growth trajectories (GW installed basis) this year.
- We outline the growth strategies presented by leading companies during the Renewable Energy Corporate Day, along with takeaways for investors.

WHAT'S THE STORY?

Shifting perceptions towards renewables after start of Iran conflict: Amid a sharp rise in global oil prices triggered by the Iran conflict, rising expectations that demand for renewable energy will grow are positively influencing domestic renewable energy stock prices. As geopolitical tensions escalate, major countries worldwide are expected to intensify their pursuit of energy independence—renewable energy is set to emerge as the primary solution because once installed, renewables require minimal imports from other nations to keep them going, offering a high degree of energy self-sufficiency as a result.

Korea's wind power market on the cusp of expansion: As of Nov 2025, 103 offshore wind projects had received power generation permits in Korea, with a combined capacity of 35.6 GW. Given that the capex for fixed-bottom offshore wind is around KRW8t per GW, the total investment commitment has reached roughly KRW285t. In Dec 2025, the government unveiled a revised national strategy to accelerate both onshore and offshore wind deployment, setting clear targets for cumulative wind power installations—2.4 GW in 2025 (2 GW onshore and 0.4 GW offshore), 9 GW in 2030 (6 GW and 3 GW), and 37 GW in 2035 (12 GW and 25 GW).

Global wind market—growth accelerating outside of China: According to BNEF, new wind power installations outside of China will rise 26.4% in 2026 and 16.2% in 2027, led by growth in the US, Germany, and the UK. Global new wind power installations are projected to fall 4% in 2026 as China's wind installations (which account for about 70% of the global total) are set to shrink 17%. But global installations should resume growing again in 2027.

2026 Renewable Energy Corporate Day recap: Six companies participated in this year's Renewable Energy Corporate Day. All emphasized the growth potential of renewable energy markets—both domestically and globally—and presented their respective strategies to capitalize on these opportunities. For more details, please refer to the accompanying company-by-company analysis at the back of this report.

▶ AT A GLANCE

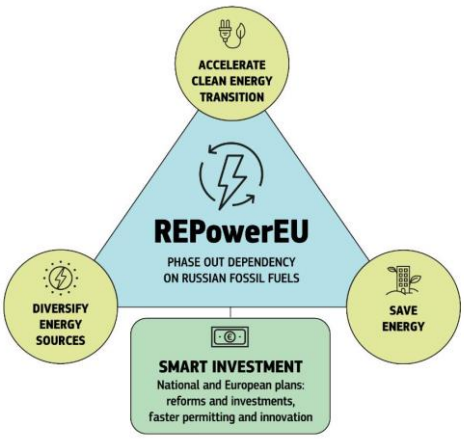
CS Wind (112610 KS, 63,300)		
Target price	KRW79,000	24.8%
BUY		
CS Bearing (297090 KQ, 7,890)		
Target price	KRW9,700	22.9%
BUY		
SK Eternix (475150 KS, 57,400)		
Target price	n/a	
Not Rated		
LS Marine Solution (060370 KQ, 30,000)		
Target price	n/a	
Not Rated		

Shifting perceptions towards renewable energy following the outbreak of the Iran conflict

Renewable energy as path to energy independence: Amid a surge in global oil prices triggered by the Iran conflict, expectations are growing that demand for renewable energy will rise significantly. This is because renewables (*eg*, solar and wind), once installed, reduce fuel imports, boosting a nation's energy self-sufficiency. As geopolitical tensions escalate, major countries worldwide are expected to increase their pursuit of energy independence, with renewable energy widely viewed as the most viable route. Indeed, in response to the Russia-Ukraine war, which triggered a severe energy crisis, the European Union (EU) adopted the REPowerEU Plan in May 2022, aiming to eliminate dependence on Russian fossil fuels by accelerating the deployment of renewable energy. Two years later (May 2024), European Commission President Ursula von der Leyen announced key achievements of the plan and reaffirmed the EU's commitment to phasing out Russian fossil fuel imports entirely, while continuing to advance secure, clean, and affordable energy to strengthen the region's industrial competitiveness. Beyond their low carbon emissions, renewables enhance energy security and contribute to energy price stability. Given these advantages, major economies are expected to significantly strengthen their commitment to deploying renewable energy.

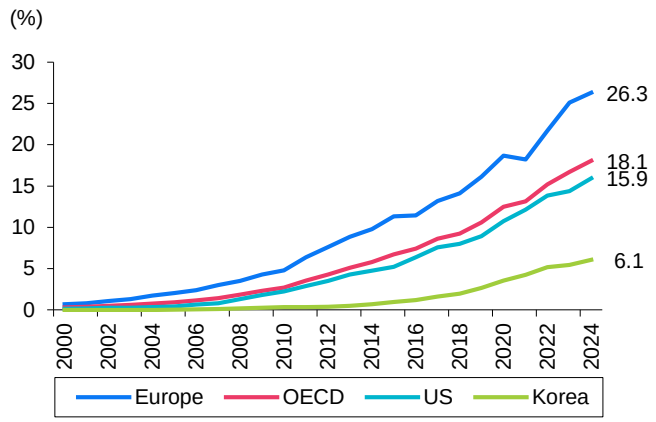
Domestic commitment to renewable energy deployment to strengthen further: Domestic momentum for renewable energy installations should grow significantly. Currently, Korea imports 94% of its total energy needs, and as of 2024, wind and solar power accounted for only 6.1% of total electricity generation—far below the OECD average of 18.1%. As a result, domestic energy prices remain highly vulnerable during periods of heightened geopolitical tension. In response, the government has recently announced a plan to accelerate maintenance work on six nuclear reactors (which are currently offline) and raise nuclear utilization rates from a mid-60% level to 80%. In addition, the Korean government said that the more fundamental solution to reducing its exposure to imported energy is transitioning to an electrified economy powered by renewable energy. To this end, the government has set an ambitious target of building 100 GW of renewable energy capacity by 2030—a positive development amid growing consensus on the strategic necessity of renewables for energy independence. Given that Korea's cumulative renewable capacity stood at 40 GW in 2024, achieving this 2030 goal would require adding 60 GW over the next five years. From a corporate perspective, this signals a major market opportunity—*ie*, new orders for wind and solar projects should surge from 2H26.

REPowerEU Plan



Source: European Commission

Percentage of electricity generated from wind and solar



Source: IEA, Samsung Securities

Korea's wind market status and outlook

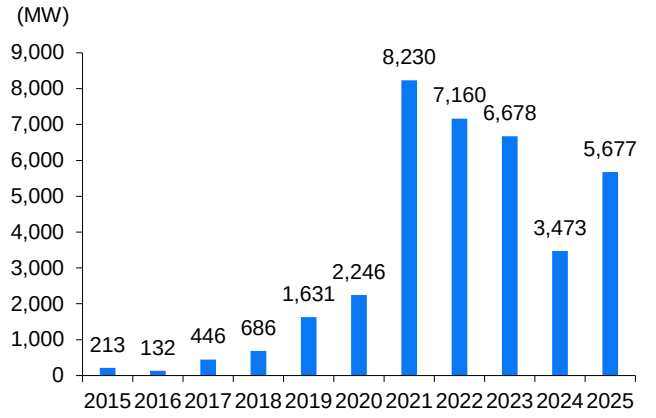
Domestic offshore wind power market to reach KRW300t

As of Nov 2025, 103 offshore wind projects had received power generation permits in Korea, with a combined capacity of 35.6 GW. Considering that the capex for fixed-bottom offshore wind is around KRW8t per GW (based on a forex assumption of KRW1,450/USD), the total investment commitment is roughly KRW285t. Once fully installed, these projects should generate annual operating expenses of about KRW7t (based on an operating expense of USD135 per kW *pa* for fixed-bottom systems).

Pace at which projects breaking ground still slow but to accelerate

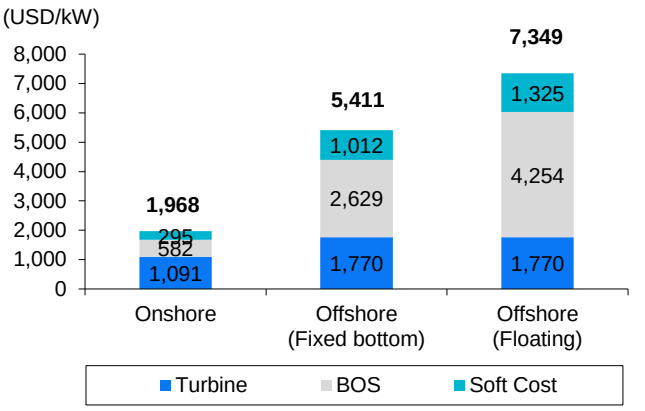
While permits have been granted for these projects, only a fraction of the permitted projects have broken ground. But momentum is building. The special act to promote offshore wind power and the industry as a whole (effective from Mar 26) and the special act to expand the nation's power grid (effective from Sep 26, 2026) are designed to streamline the permitting process. The government has identified four key barriers to wind deployment: 1) underdeveloped infrastructure (ports, specialized vessels, financing); 2) high electricity generation costs; (3) limited domestic turbine competitiveness; and 4) weak community acceptance. A less visible but critical obstacle is military operational compatibility. Before construction can proceed, offshore wind projects must undergo rigorous military assessments to ensure they do not interfere with defense operations, radar systems, or maritime navigation routes. The problem is that these reviews typically occur late in the development cycle, creating uncertainty and delays. For example, the 532 MW Anma offshore wind project—originally slated to break ground last year—has been postponed due to unresolved military concerns. However, recent reports indicate that the Agency for Defense Development and related agencies are now aligning their positions to facilitate project approvals. If Korea's largest offshore wind farm finally breaks ground, it could help accelerate the start of other projects across the country.

Korean offshore wind projects that have received power generation permits, by year



Source: Media, Samsung Securities

Wind power capex



Source: NREL, Samsung Securities

Wind power installation targets revised in Dec 2025

Under the 11th National Electricity Plan (unveiled in Mar 2025), the government aimed to install 18.3 GW of wind capacity by 2030—4 GW onshore and 14.3 GW offshore. However, in December, the Ministry of Climate, Energy, and Environment revised this target to 9 GW (6 GW onshore and 3 GW offshore). The offshore target was significantly scaled back, while the onshore target was raised 50%. The long-term goal remains ambitious: 37 GW of total wind capacity by 2035 (12 GW onshore and 25 GW offshore).

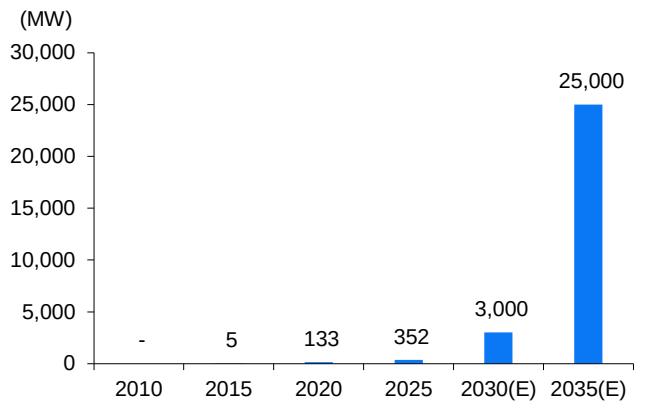
Korea's offshore wind power targets: 0.4 GW (2025) → 3 GW (2030) → 25 GW (2035)

The government estimates that only 3 GW of offshore wind capacity—including projects that have broken ground—will be deployed by 2030, due to: 1) inadequate infrastructure (ports, vessels, financing); 2) high power generation costs (due to regulatory uncertainty and complex permitting); 3) weak domestic turbine competitiveness; and 4) low public acceptance. To enable future growth, the government aims to build the infrastructure needed to install 4 GW of offshore wind annually from 2030. While cumulative offshore wind installations should reach only 3 GW by 2030, the plan calls for a steep ramp-up in wind installations after that point—additions should top 4 GW *pa* to achieve the 25 GW target by 2035. Starting the construction of 10.5 GW worth of offshore projects already in the pipeline by 2030 should mean a sharp increase in offshore wind power orders over 2H26-1H26.

Korea's onshore wind power targets: 2 GW (2025) → 6 GW (2030) → 12 GW (2035)

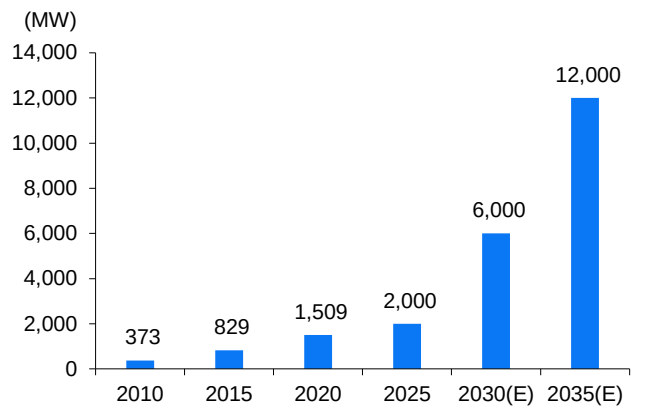
The onshore 2030 wind target has been raised by 50% (from 4 GW to 6 GW), with a further goal of 12 GW by 2035. At an estimated capex of KRW2.9t per GW, this implies roughly KRW29t in investments over the next decade. Roughly 70% of Korea's land area consists of mountainous terrain, offering strong wind resources in elevated regions. However, it also recognizes persistent challenges: Complex permitting processes and growing reliance on foreign turbine suppliers. To overcome these issues, the government plans to: 1) introduce a public-led site selection system to streamline land acquisition; 2) establish a cross-ministerial task force to accelerate onshore wind deployment; and 3) launch public competitive bidding mechanisms to foster a robust domestic supply chain and industrial ecosystem.

Korea's offshore wind power targets



Source: Ministry of Climate, Energy and Environment, Samsung Securities

Korea's onshore wind power targets



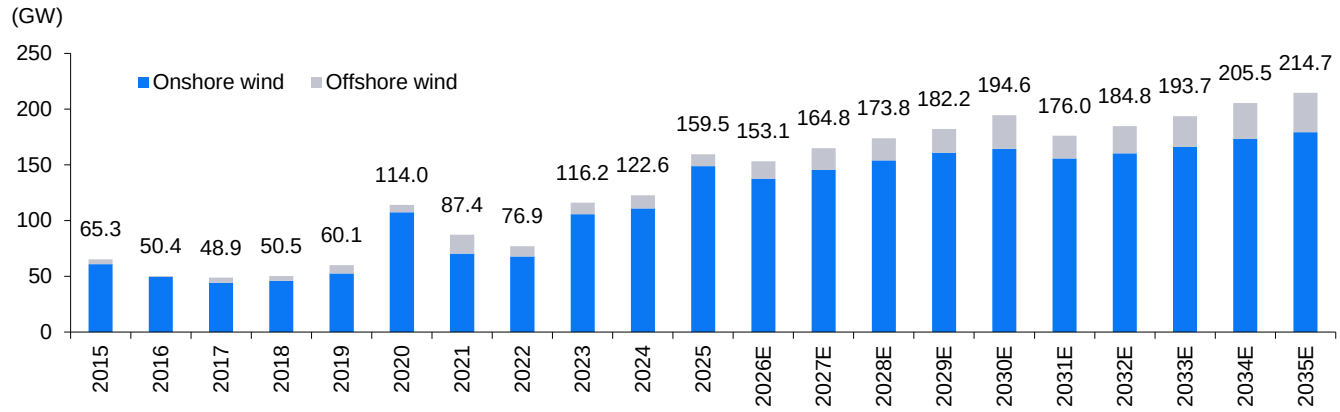
Source: Ministry of Climate, Energy and Environment, Samsung Securities

Global wind market status and outlook update

Global wind power annual installation trends and projections

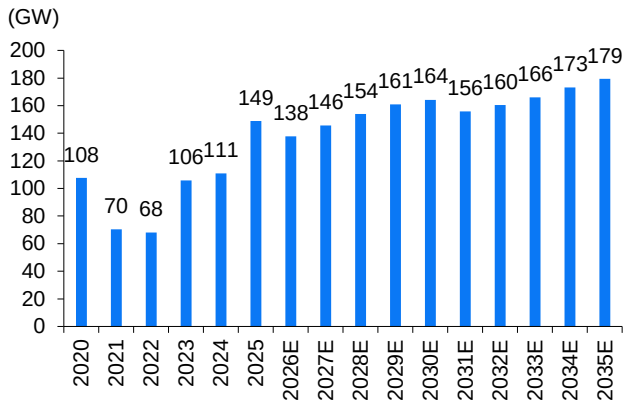
According to BNEF, global new wind power installations rose 30.1% to 159.5 GW in 2025 but are projected to fall 4% to 153.1 GW in 2026. The anticipated decline in 2026 is primarily because China's (which accounts for 60% of global wind power installations) is set to decline 17%. But growth should resume in 2027.

Global wind power installations and projections



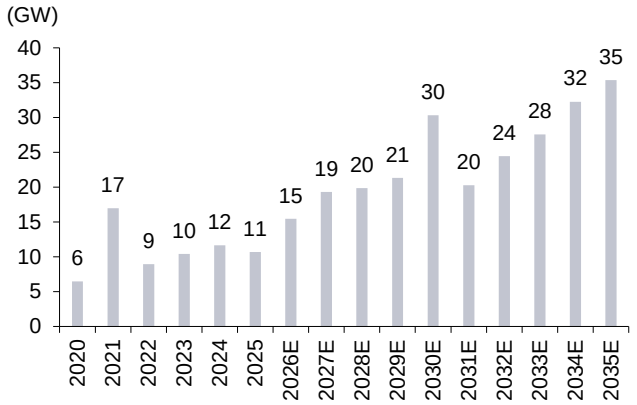
Source: BNEF, Samsung Securities

Global wind power installation trends and projections – onshore wind



Source: BNEF, Samsung Securities

Global wind power installation trends and projections – offshore wind

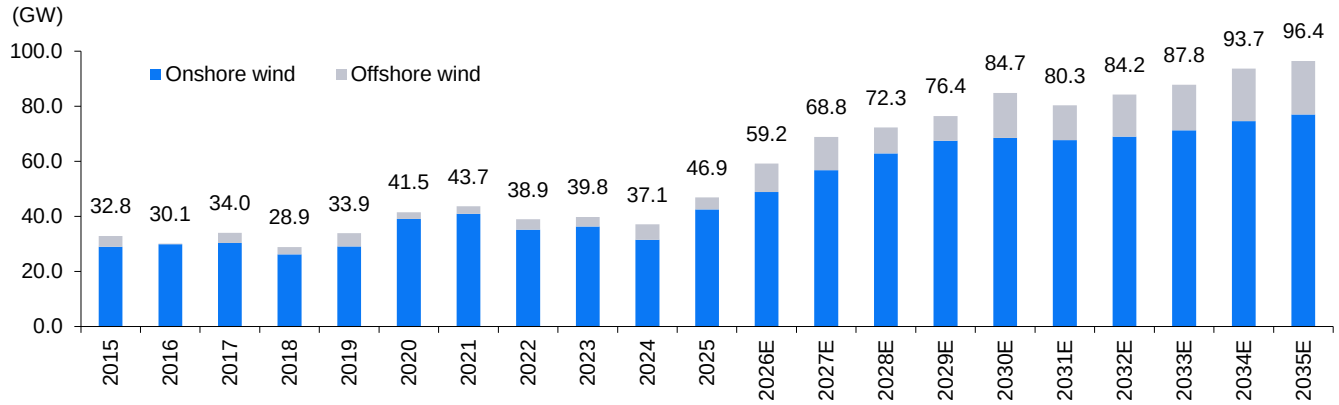


Source: BNEF, Samsung Securities

Ex-China wind power annual installation trends and projections

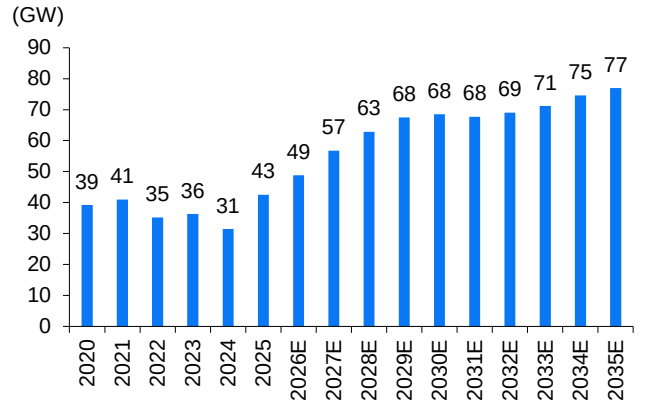
Excluding China, new wind power installations are projected to rise 26.4% to 59.2 GW in 2026 and expand 16.2% in 2027. It is encouraging that, led by Europe, offshore wind installations in 2026 are likely to exceed 10 GW for the first time.

Ex-China wind power installation trends and projections



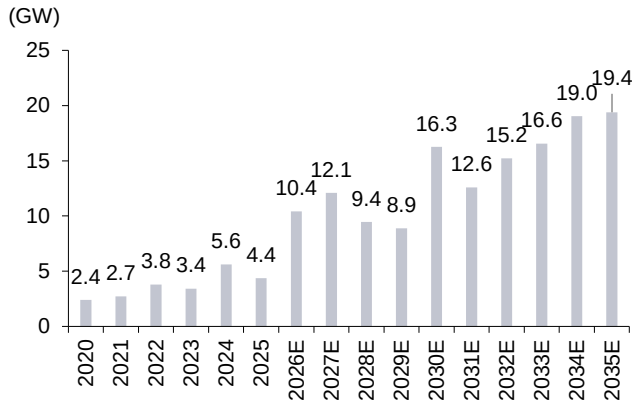
Source: BNEF, Samsung Securities

Ex-China wind power installation trends and projections – onshore wind



Source: BNEF, Samsung Securities

Ex-China wind power installation trends and projections – offshore wind



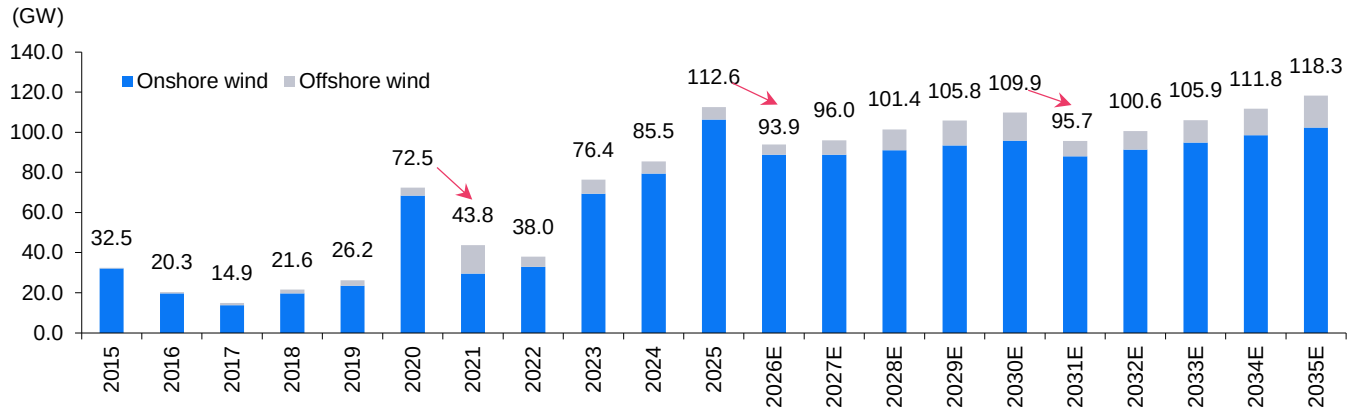
Source: BNEF, Samsung Securities

China's wind power installation trends and projections

China's new wind power installations in 2026 are projected to tumble 16.6% to 93.9 GW. Due to China's five-year planning cycle for energy strategy, installation volumes tend to dip in the fifth year of the cycle. However, installations should return to growth in 2027.

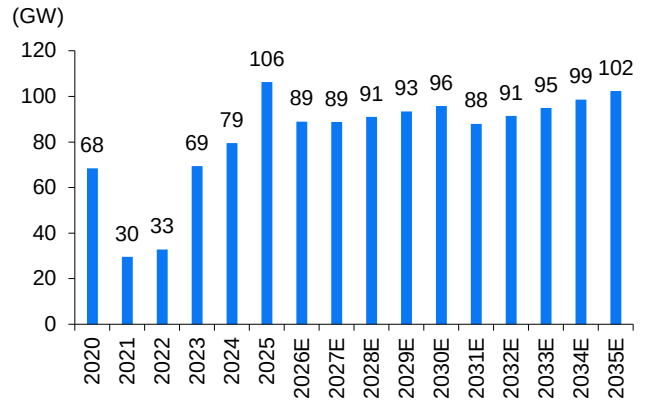
Meanwhile, as of 2025, China accounted for 70.6% of global wind installations, solidifying its position as the undisputed world leader in wind power. However, installation growth outside of China from 2026 should gradually trim China's share. By next year, its share is projected to fall to the 50% range.

China's wind power installation trends and projections



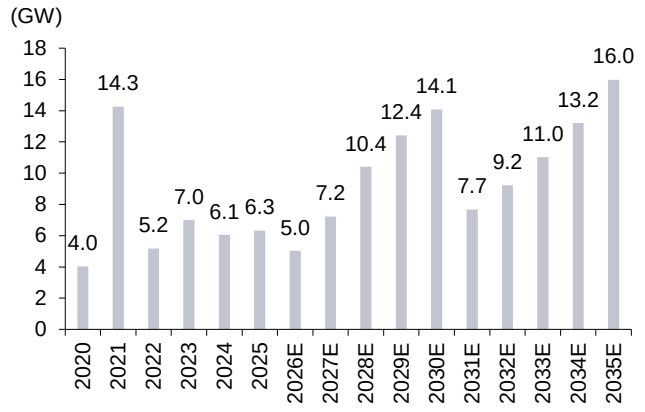
Source: BNEF, Samsung Securities

China's wind power installation trends and projections – onshore wind



Source: BNEF, Samsung Securities

China's wind power installation trends and projections – offshore wind



Source: BNEF, Samsung Securities

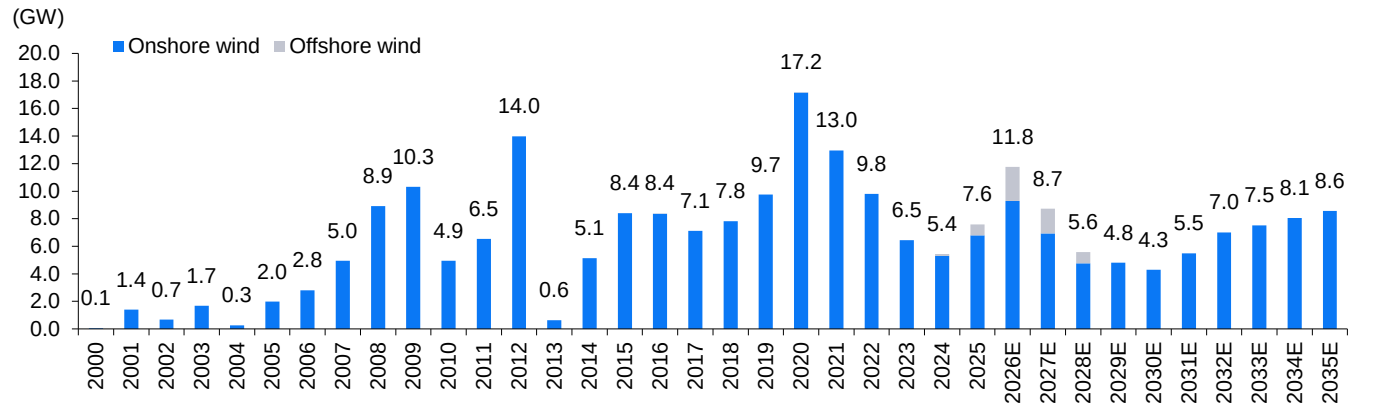
US wind power installation trends and projections

New wind power installations in the US are set to rise 54.9% to 11.8 GW in 2026. However, due to the scheduled expiration of the Advanced Manufacturing Production Credit (AMPC) in 2028, US wind installations may decline in 2027. That said, this projection is based on conservative estimates under Trump administration policies, and estimates may change depending on shifts in US leadership.

The US wind market is characterized by both doubts and optimism. Among the key concerns are the early termination of the AMPC, which termination threatens to slow the pace of US wind installations. Additionally, a series of presidential orders halting offshore wind projects since President Trump's election have raised fears that the US offshore wind market faces severe contraction.

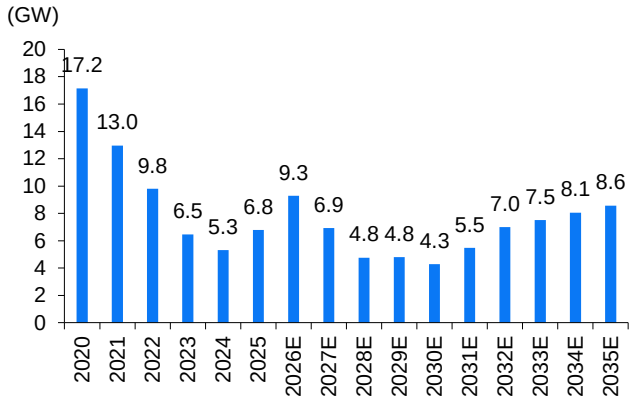
However, recent developments have struck a more optimistic note. Following recent events in Iran, there has been a notable shift in perceptions towards renewable energy, which will probably lead to upward revisions in US onshore wind installation forecasts. Additionally, in February, the US District Court for the District of Columbia overturned the Trump administration's order halting offshore wind projects, granting a preliminary injunction that allows construction to resume while the lawsuit progresses. As a result, currently active offshore wind sites are expected to continue development as planned. The main challenge remains the high cost of offshore wind power generation in the US. However, considering the recent shift in perceptions towards renewable energy (due to the situation in Iran), US offshore wind installation forecasts may be revised upward in the near future.

US wind power installation trends and projections



Source: BNEF, Samsung Securities

US wind power installation trends and projections – onshore wind



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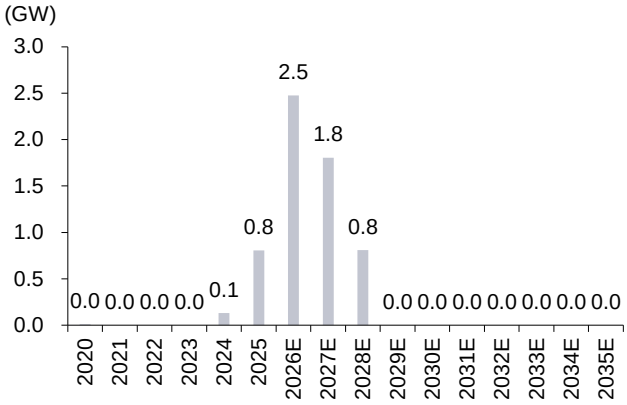
US wind power installation trends and projections – offshore wind

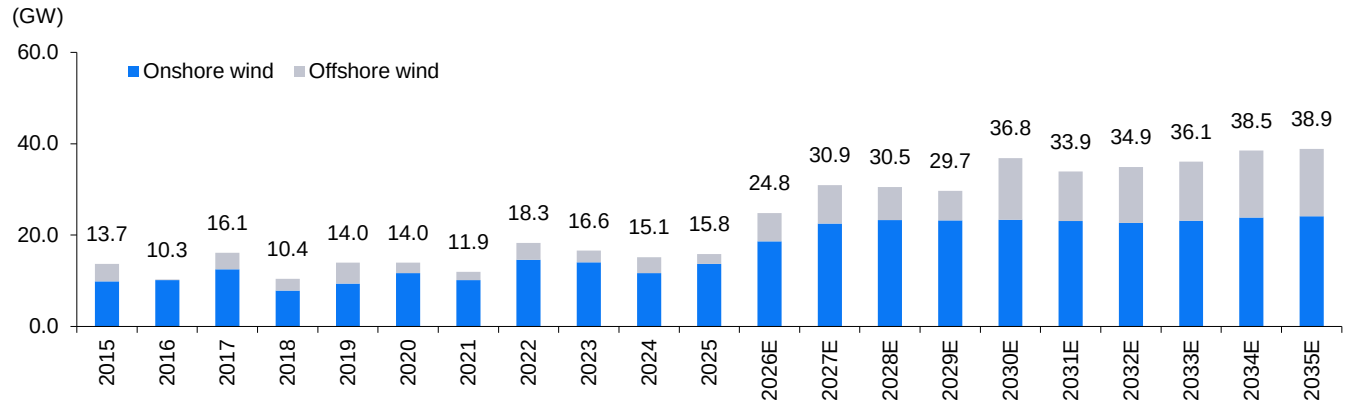


Source: BNEF, Samsung Securities

Europe's wind power installation trends and projections

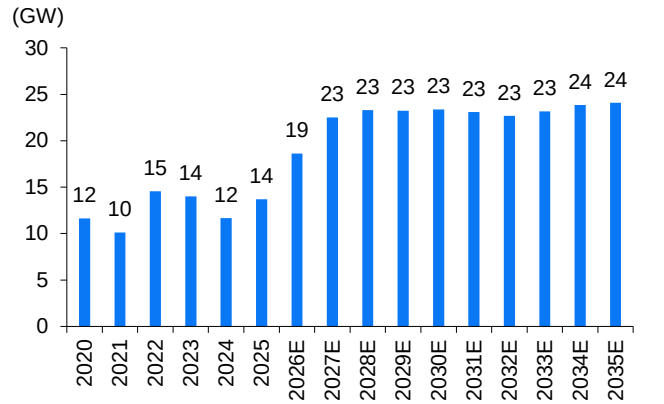
Europe's new wind power installations in 2026 are projected to increase 56.6% to 24.8 GW in 2026, and rise 24.7% in 2027. This year, Germany's onshore wind installations are likely to exceed 10 GW for the first time, while offshore wind installations in the UK are also rising. Installation growth is expected to be seen across most European countries.

Europe's wind power installation trends and projections



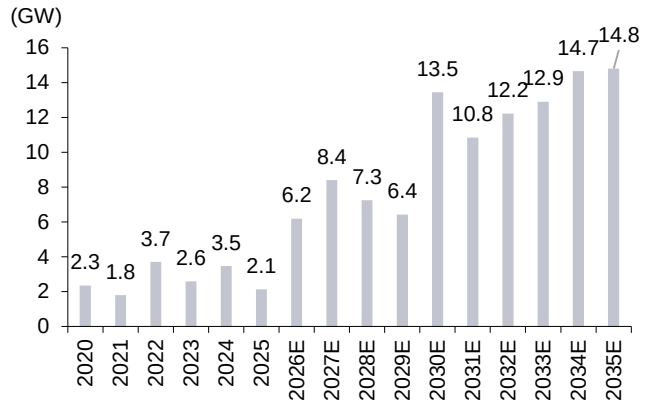
Source: BNEF, Samsung Securities

Europe's wind power installation trends and projections – onshore wind



Source: BNEF, Samsung Securities

Europe's wind power installation trends and projections – offshore wind



Source: BNEF, Samsung Securities

COMPANY UPDATE

2026. 3. 26

Alternative Investment Team

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CS Wind (112610)

2026 Renewable Energy Corporate Day recap

- CS Wind's tower business should grow this year after winning a series of orders in 2H25. Sales from the foundation business are set to fall but the division's profitability should remain solid on incentive payment from its clients.
- This year should be critical to establishing CS Wind's long-term growth path. Reflecting a rise in the valuation of its global turbine peers (average of 23.3x 2026 P/E), we raise our 12-month target price by 31.7% to KRW79,000.

WHAT'S THE STORY?

2025 review: CS Wind reported 2025 consolidated sales of KRW2.93t (down 4.6%) and an operating profit of KRW322.4b (up 26.2%). Its full-year consolidated sales fell on a decline in sales at the foundation business, but operating profit leapt on incentive payments from its customers.

• **Tower business:** New orders at the tower business totaled USD1.52b last year, reaching 95% of its target (USD1.6b). Order momentum was soft in 1H25 due to policy uncertainty, but rebounded strongly in 2H25, fueled by robust demand for onshore wind projects in the US and offshore wind projects in Europe. Thanks to its sufficient order backlog, the tower business should achieve double-digit sales growth this year. Profitability is also set to improve, supported by expanded production and higher AMPC at the US facility and productivity improvements at key manufacturing sites.

• **Foundation business:** The company stopped the Lindo plant (Denmark) late last year, which should push down sales at the foundation division this year. However, its profitability should stay strong on incentive payments from clients (to be evenly distributed in 2026). CS Wind is bidding for two major offshore wind projects in Europe, and a win could restore the division's sales growth in 2027.

(Continued on the next page)

SUMMARY FINANCIAL DATA

	2023	2024	2025	2026E
Revenue (KRWb)	1,520	3,073	2,932	2,943
Operating profit (KRWb)	104	255	322	249
Net profit (adj) (KRWb)	18	144	53	149
EPS (adj) (KRW)	460	3,374	1,300	3,402
EPS (adj) growth (% y-y)	916.1	634.2	-61.5	161.8
EBITDA margin (%)	11.8	13.7	16.6	13.5
ROE (%)	2.2	13.9	4.8	11.9
P/E (adj) (x)	152.8	12.4	32.0	18.6
P/B (x)	3.2	1.5	1.5	2.1
EV/EBITDA (x)	20.8	6.9	5.5	8.5
Dividend yield (%)	0.7	2.4	2.4	1.6

Source: Company data, Samsung Securities estimates

AT A GLANCE

BUY

Target price	KRW79,000	24.8%
Current price	**KRW63,300**	
Market cap	KRW2.7t/USD1.8b	
Shares (float)	42,171,403 (58.4%)	
52-week high/low	KRW66,100/KRW30,450	
Avg daily trading value (60-day)	KRW23.3b/ USD15.3m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
CS Wind (%)	30.2	42.4	69.7
Vs Kospi (%pts)	40.9	-8.2	-17.0

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	79,000	60,000	31.7%
2025 EPS	1,300	1,300	0.0%
2026E EPS	3,402	3,402	0.0%

SAMSUNG vs THE STREET

No of estimates	8
Target price	65,875
Recommendation	4.0

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

Corporate Day recap: In the wake of the Iran war, major nations are likely to strengthen their commitment to energy independence, fueling long-term demand for wind power. Against this backdrop, 2026 is set to be the year CS Wind lays the foundation for its longer-term growth.

Raising target price: Reflecting higher valuations of its global turbine peers (which are now averaging 23.3x 2026 P/E), we increase our target price by 31.7% to KRW79,000. With the US midterm elections set to take place at year-end, stock-price volatility may increase.

CS Wind: Target-price calculation

(KRW)		Note
EPS	3,402	2026E
Target P/E (x)	23.3	Average 2026E P/E at which global turbine manufacturers (Vestas, Nordex, GE Vernova) are trading
Current price	63,300	Mar 25 close
Target price	**79,000**	
Upside (%)	24.8	

Source: Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2022	2023	2024	2025	2026E
Sales	**1,375**	**1,520**	**3,073**	**2,932**	**2,943**
Cost of goods sold	1,239	1,313	2,668	2,472	2,557
Gross profit	**136**	**207**	**404**	**460**	**387**
Gross margin (%)	9.9	13.6	13.2	15.7	13.1
SG&A expenses	94	103	149	137	137
Operating profit	**42**	**104**	**255**	**322**	**249**
Operating margin (%)	3.1	6.9	8.3	11.0	8.5
Non-operating gains (losses)	**-39**	**-81**	**-84**	**-267**	**-56**
Financial profit	59	40	44	93	92
Financial costs	100	94	136	129	68
Equity-method gains (losses)	-2	-4	-3	2	0
Other	4	-23	11	-232	-80
Pre-tax profit	**3**	**23**	**172**	**56**	**193**
Taxes	10	5	28	2	45
Effective tax rate (%)	365.0	21.3	16.4	4.3	23.1
Profit from continuing operations	-6	18	144	53	149
Profit from discontinued operations	-1	0	0	0	0
Net profit	**-7**	**18**	**144**	**53**	**149**
Net margin (%)	-0.5	1.2	4.7	1.8	5.1
Net profit (controlling interests)	2	19	142	55	143
Net profit (non-controlling interests)	-9	-1	1	-1	5
EBITDA	108	180	420	487	399
EBITDA margin (%)	7.8	11.8	13.7	16.6	13.5
EPS (parent-based) (KRW)	45	460	3,374	1,300	3,402
EPS (consolidated) (KRW)	-165	437	3,407	1,264	3,526
Adjusted EPS (KRW)*	45	460	3,374	1,300	3,402

Balance sheet

Year-end Dec 31 (KRWb)	2022	2023	2024	2025	2026E
Current assets	**1,011**	**1,368**	**1,828**	**1,686**	**1,779**
Cash & equivalents	192	207	359	300	499
Accounts receivable	362	309	361	531	470
Inventories	382	582	657	597	555
Other current assets	76	269	451	259	255
Fixed assets	**773**	**1,502**	**1,781**	**1,746**	**1,674**
Investment assets	15	30	40	44	42
Tangible assets	529	929	1,133	1,105	1,047
Intangible assets	117	274	262	252	241
Other long-term assets	111	268	347	344	344
Total assets	**1,784**	**2,869**	**3,609**	**3,432**	**3,453**
Current liabilities	**624**	**1,431**	**1,481**	**1,427**	**1,345**
Accounts payable	272	474	455	511	448
Short-term debt	233	384	425	242	242
Other current liabilities	119	573	600	673	654
Long-term liabilities	**233**	**495**	**929**	**813**	**808**
Bonds & long-term debt	174	303	656	531	531
Other long-term liabilities	59	191	273	282	277
Total liabilities	**857**	**1,925**	**2,409**	**2,240**	**2,153**
Owners of parent equity	**880**	**896**	**1,149**	**1,152**	**1,254**
Capital stock	21	21	21	21	21
Capital surplus	610	611	655	450	450
Retained earnings	242	241	361	575	677
Other	7	23	111	106	106
Non-controlling interests' equity	**48**	**48**	**52**	**41**	**46**
Total equity	**928**	**944**	**1,200**	**1,192**	**1,300**
Net debt	284	736	1,066	889	689

Cash flow statement

Year-end Dec 31 (KRWb)	2022	2023	2024	2025	2026E
Cash flow from operations	**151**	**111**	**49**	**387**	**318**
Net profit	-7	18	144	53	149
Non-cash profit and expenses	126	171	299	224	230
Depreciation	51	59	128	142	138
Amortization	15	16	37	23	11
Other	61	95	134	59	81
Changes in A/L from operating activities	68	-57	-304	157	20
Cash flow from investments	**-105**	**-236**	**-212**	**-121**	**-77**
Change in tangible assets	-94	-188	-196	-89	-80
Change in financial assets	14	-22	-5	-5	3
Other	-25	-26	-11	-26	0
Cash flow from financing	**-95**	**141**	**291**	**-323**	**-43**
Change in debt	36	480	480	-234	-2
Change in equity	12	2	44	-206	0
Dividends	-25	-21	-21	-41	-41
Other	-118	-320	-211	158	0
Change in cash	-70	16	152	-59	199
Cash at beginning of year	262	192	207	359	300
Cash at end of year	192	207	359	300	499
Gross cash flow	**119**	**189**	**442**	**277**	**379**
Free cash flow	**52**	**-81**	**-151**	**297**	**238**

Financial ratios

Year-end Dec 31	2022	2023	2024	2025	2026E
Growth (%)					
Sales	15.1	10.6	102.1	-4.6	0.4
Operating profit	-58.3	147.4	145.2	26.2	-22.6
Net profit	nm	nm	679.0	-62.9	178.9
Adjusted EPS**	-97.2	916.1	634.2	-61.5	161.8
Per-share data (KRW)					
EPS (parent-based)	45	460	3,374	1,300	3,402
EPS (consolidated)	-165	437	3,407	1,264	3,526
Adjusted EPS**	45	460	3,374	1,300	3,402
BVPS	21,229	21,635	27,720	27,791	30,254
DPS (common)	500	500	1,000	1,000	1,000
Valuations (x)					
P/E***	1,521.1	152.8	12.4	32.0	18.6
P/B***	3.2	3.2	1.5	1.5	2.1
EV/EBITDA	30.0	20.8	6.9	5.5	8.5
Ratios (%)					
ROE	0.2	2.2	13.9	4.8	11.9
ROA	-0.4	0.8	4.4	1.5	4.3
ROIC	-4.5	5.7	10.8	14.3	9.6
Payout ratio	1,086.0	106.9	29.1	75.6	28.9
Dividend yield (common)	0.7	0.7	2.4	2.4	1.6
Net debt to equity	30.6	77.9	88.8	74.5	53.0
Interest coverage (x)	2.9	3.0	3.6	4.3	3.7

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

COMPANY UPDATE

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CS Bearing (297090)

2026 Renewable Energy Corporate Day recap

- CS Bearing saw utilization rates recover to 80% in 4Q25, and the company expects the figure to reach 95% this year.
- Client diversification is underway, having begun with Vestas and now includes Nordex and Enercon.
- It is willing to expand production capacity if further orders are secured.

WHAT'S THE STORY?

Client diversification in progress: GE Vernova accounted for 93.4% of CS Bearing's sales in 2024 and a low 80% figure in 2025. Customer diversification should unfold gradually, with meaningful sales contributions from Vestas set to begin in 2027, followed by both Enercon and Nordex in 2028. Having secured European customers, the company aims to increase its market share in Europe from 3% (current) to 36% by 2030. It also plans to expand across the Asia-Pacific region.

Product portfolio expansion underway: Currently, the company's core offerings are onshore wind bearings in the 2-3 MW range. It aims to increase the sales contribution of 5-6 MW products, while achieving client qualification for offshore wind bearings—thereby expanding its product portfolio. This shift towards higher-priced, higher-margin products should drive both quantitative and qualitative growth.

Corporate Day takeaways: 2025 was a year defined by improved profitability resulting from its production moving to Vietnam. In 2026, the company will likely start seeing the results from its adding new customers and expanding its product portfolio. It should be able to deliver longer-term growth after receiving product approval from its major customers and scaling up production capacity.

SUMMARY FINANCIAL DATA

	2023	2024	2025	2026E
Revenue (KRWb)	77	105	126	153
Operating profit (KRWb)	0	2	11	17
Net profit (adj) (KRWb)	-2	3	11	14
EPS (adj) (KRW)	-59	92	412	500
EPS (adj) growth (% y-y)	nm	nm	347.8	21.3
EBITDA margin (%)	4.6	5.2	11.7	13.5
ROE (%)	-1.9	2.8	11.7	12.9
P/E (adj) (x)	n/a	47.6	14.7	16.1
P/B (x)	3.5	1.3	1.7	1.9
EV/EBITDA (x)	92.1	22.5	8.9	8.0
Dividend yield (%)	0.0	0.0	0.0	0.0

Source: Company data, Samsung Securities estimates

AT A GLANCE

BUY

Target price	KRW9,700	22.9%
Current price	KRW7,890	
Market cap	KRW218.98b/USD144.32m	
Shares (float)	27,270,000 (44.0%)	
52-week high/low	KRW8,690/KRW4,300	
Avg daily trading value (60-day)	KRW3.4b/ USD2.3m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
CS Bearing (%)	19.3	17.7	58.1
Vs Kosdaq (%pts)	25.3	-6.4	3.7

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	9,700	9,700	0.0%
2025 EPS	412	412	0.0%
2026E EPS	500	500	0.0%

SAMSUNG vs THE STREET

No of estimates	2
Target price	9,800
Recommendation	4.0

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

Income statement

Year-end Dec 31 (KRWb)	2022	2023	2024	2025	2026E
Sales	**49**	**77**	**105**	**126**	**153**
Cost of goods sold	49	69	93	103	123
Gross profit	**-0**	**8**	**13**	**23**	**30**
Gross margin (%)	-0.1	10.4	11.9	18.2	19.5
SG&A expenses	9	8	10	12	13
Operating profit	**-9**	**0**	**2**	**11**	**17**
Operating margin (%)	-18.0	0.1	2.0	8.8	11.3
Non-operating gains (losses)	**-10**	**-2**	**3**	**-1**	**-0**
Financial profit	9	6	9	6	3
Financial costs	10	8	10	7	3
Equity-method gains (losses)	0	0	0	0	0
Other	-9	-0	4	0	0
Pre-tax profit	**-19**	**-2**	**5**	**10**	**17**
Taxes	-1	-1	2	-1	4
Effective tax rate (%)	6.5	30.9	48.7	-12.1	20.9
Profit from continuing operations	-17	-2	3	11	14
Profit from discontinued operations	0	0	0	0	0
Net profit	**-17**	**-2**	**3**	**11**	**14**
Net margin (%)	-35.5	-2.1	2.4	8.9	8.9
Net profit (controlling interests)	-17	-2	3	11	14
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	-4	3	6	15	21
EBITDA margin (%)	-9.1	4.6	5.2	11.7	13.5
EPS (parent-based) (KRW)	-729	-59	92	412	500
EPS (consolidated) (KRW)	-729	-59	92	412	500
Adjusted EPS (KRW)*	-729	-59	92	412	500

Balance sheet

Year-end Dec 31 (KRWb)	2022	2023	2024	2025	2026E
Current assets	**82**	**89**	**85**	**100**	**124**
Cash & equivalents	33	24	14	58	78
Accounts receivable	10	11	35	19	23
Inventories	30	30	33	19	23
Other current assets	10	25	2	3	0
Fixed assets	**74**	**60**	**63**	**59**	**55**
Investment assets	0	0	0	0	0
Tangible assets	60	56	62	57	54
Intangible assets	0	0	0	0	0
Other long-term assets	13	4	1	1	1
Total assets	**156**	**150**	**148**	**159**	**180**
Current liabilities	**65**	**63**	**53**	**59**	**66**
Accounts payable	15	13	34	34	40
Short-term debt	34	38	17	23	23
Other current liabilities	16	12	2	2	3
Long-term liabilities	**4**	**1**	**1**	**1**	**1**
Bonds & long-term debt	3	0	0	0	0
Other long-term liabilities	1	1	1	1	1
Total liabilities	**69**	**64**	**54**	**60**	**67**
Owners of parent equity	**87**	**86**	**94**	**99**	**113**
Capital stock	14	14	14	14	14
Capital surplus	90	91	91	91	91
Retained earnings	-13	-15	-12	-1	13
Other	-3	-4	2	-4	-4
Non-controlling interests' equity	**0**	**0**	**0**	**0**	**0**
Total equity	**87**	**86**	**94**	**99**	**113**
Net debt	20	21	4	-34	-54

Cash flow statement

Year-end Dec 31 (KRWb)	2022	2023	2024	2025	2026E
Cash flow from operations	**-2**	**-3**	**2**	**41**	**20**
Net profit	-17	-2	3	11	14
Non-cash profit and expenses	17	7	5	8	6
Depreciation	4	3	3	4	3
Amortization	0	0	0	0	0
Other	13	4	2	4	3
Changes in A/L from operating activities	1	-5	-4	22	3
Cash flow from investments	**-12**	**-4**	**20**	**-4**	**0**
Change in tangible assets	-10	-1	-4	-4	0
Change in financial assets	1	-5	5	0	0
Other	-2	1	20	-0	0
Cash flow from financing	**37**	**-2**	**-32**	**7**	**0**
Change in debt	-11	-3	-31	6	0
Change in equity	51	1	-0	0	0
Dividends	0	0	0	0	0
Other	-3	1	-1	1	0
Change in cash	22	-9	-9	44	20
Cash at beginning of year	11	33	24	14	58
Cash at end of year	33	24	14	58	78
Gross cash flow	**-0**	**5**	**8**	**19**	**20**
Free cash flow	**-13**	**-4**	**-2**	**37**	**20**

Financial ratios

Year-end Dec 31	2022	2023	2024	2025	2026E
Growth (%)					
Sales	-48.7	56.3	37.6	19.7	21.5
Operating profit	nm	nm	3,596.4	425.5	55.8
Net profit	nm	nm	nm	347.8	21.3
Adjusted EPS**	nm	nm	nm	347.8	21.3
Per-share data (KRW)					
EPS (parent-based)	-729	-59	92	412	500
EPS (consolidated)	-729	-59	92	412	500
Adjusted EPS**	-729	-59	92	412	500
BVPS	3,227	3,142	3,441	3,626	4,125
DPS (common)	0	0	0	0	0
Valuations (x)					
P/E***	n/a	n/a	47.6	14.7	16.1
P/B***	2.5	3.5	1.3	1.7	1.9
EV/EBITDA	n/a	92.1	22.5	8.9	8.0
Ratios (%)					
ROE	-24.3	-1.9	2.8	11.7	12.9
ROA	-11.9	-1.1	1.7	7.3	8.0
ROIC	-8.1	0.0	1.1	15.3	22.2
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	22.5	24.7	4.7	-34.3	-47.7
Interest coverage (x)	-3.3	0.0	1.2	8.8	18.9

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

COMPANY UPDATE

2026. 3. 26

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SK Eternix (475150)

2026 Renewable Energy Corporate Day recap

- SK Eternix is well positioned for rapid growth, with business segments spanning solar power, wind energy, fuel cells, and energy storage systems (ESS).
- The company plans to shift away from its construction-focused operations towards a higher-margin business model that is centered on development services and electricity transactions.

WHAT'S THE STORY?

2025 review: SK Eternix reported 2025 sales of KRW385.6b (up 16.1%) and an operating profit of KRW53b (up 40.8%). Sales and operating profit surged thanks to the signing of solar power purchase agreements (PPA), development services for the Shinan Ui offshore wind project, fuel cell deliveries, and BESS development services.

- **Solar power:** This business involves directly acquiring and structuring existing small- and medium-sized solar power plants scattered across the country, rather than developing new ones. The revenue model consists of development services (short term) and electricity resales (long term).
- **Wind power:** The key wind power pipelines include onshore projects in Gunwi Pungbaek and Uiseong Hwangaksan, as well as offshore projects in Shinan Ui and Incheon Gureopdo. In the short term, revenue should come from construction sales and development services. In the long term, the company expects to generate equity-method income (derived from electricity sales) alongside operations and maintenance (O&M) sales.

(Continued on the next page)

AT A GLANCE

Not Rated

Target price	n/a
Current price	**KRW57,400**
Market Cap	KRW1.8t/USD1.2b
Shares (float)	33,754,042 (56.4%)
52-week high/low	KRW59,900/KRW12,510
Avg daily trading value (60-day)	KRW72.4b/ USD47.7m

ONE-YEAR PERFORMANCE

	1M	6M	12M
SK eternix (%)	81.8	126.5	285.7
Vs Kospi (%pts)	96.6	46.1	88.6

SAMSUNG vs THE STREET

No of estimates	4
Target price	37,750
Recommendation	4.0

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

SUMMARY FINANCIAL DATA

	2022	2023	2024	2025
Revenue (KRWb)	0	0	332	386
Operating profit (KRWb)	0	0	38	53
Net Profit (KRWb)	0	0	22	31
EPS (adj) (KRW)	n/a	n/a	n/a	n/a
EPS (adj) growth (%)	nm	nm	nm	nm
EBITDA margin (%)	n/a	n/a	18.1	20.7
ROE (%)	n/a	n/a	18.5	11.9
P/E (adj) (x)	n/a	n/a	n/a	n/a
P/B (x)	n/a	n/a	n/a	n/a
EV/EBITDA (x)	n/a	n/a	4.0	4.6
Dividend yield (%)	n/a	n/a	n/a	n/a

Source: Company data, Samsung Securities estimates

- **Fuel cell:** The company holds the exclusive distribution rights for Bloom Energy's fuel cells in Korea and utilizes the products as the cornerstone of its development projects. It aims to consistently secure 40-50 MW *pa* from the government's tendered capacity of 170-180 MW *pa*.
- **ESS:** By leading site selection, permitting, and bidding processes, the company earns development service sales and recognizes profit accordingly. Ahead of the third round of bidding (540 MW) scheduled for this year, it is actively positioning itself to secure additional contracts, primarily on Jeju Island and in Jeolla province.

Future outlook: This year, the company expects to achieve its highest-ever sales, supported by fuel-cell deliveries (KRW310b from Daesowon/Paju) and wind power deliveries (KRW119b from Uiseong). Operating profit is likely to get a substantial boost from the strong margins of Solarnix (targeting 200 MW this year, with projected sales of KRW40b-50b). SK Eternix plans to shift away from its construction-focused operations towards a higher-margin business model centered on development services and electricity resale.

Meanwhile, KKR recently agreed to acquire a 43.5% stake in SK Eternix from SK Discovery and Hahn & Company for KRW348b. SK Group is advancing plans to establish a joint venture with KKR. SK Eternix is likely to serve as KKR's strategic foothold for entering Korea's clean energy market.

Income statement

Year-end Dec 31	2021	2022	2023	2024	2025
Sales	**0**	**0**	**0**	**332**	**386**
Cost of goods sold	**0**	**0**	**0**	276	308
Gross profit	**0**	**0**	**0**	**56**	**78**
Gross margin (%)	**0**	**0**	**0**	17.0	20.2
SG&A expenses	**0**	**0**	**0**	19	25
Operating profit	**0**	**0**	**0**	**38**	**53**
Operating margin (%)	**0**	**0**	**0**	11.3	13.7
Non-operating Gains (Losses)	**0**	**0**	**0**	**(10)**	**(15)**
Financial Profit	**0**	**0**	**0**	10	25
Financial Costs	**0**	**0**	**0**	19	38
Gains (Losses) in Equity Method	**0**	**0**	**0**	(3)	(9)
Other	**0**	**0**	**0**	3	7
Pre-tax profit	**0**	**0**	**0**	**27**	**38**
Taxes	**0**	**0**	**0**	5	7
Effective tax rate (%)	**0**	**0**	**0**	18.6	19.3
Profit from continuing operations	**0**	**0**	**0**	22	31
Profit from discontinued operations	**0**	**0**	**0**	0	0
Net profit	**0**	**0**	**0**	**22**	**31**
Net margin (%)	**0**	**0**	**0**	6.7	8.0
Net profit (Controlling Interests)	**0**	**0**	**0**	22	31
Net profit (Non-controlling Interests)	**0**	**0**	**0**	0	0
EBITDA	**0**	**0**	**0**	60	80
EBITDA margin (%)	**0**	**0**	**0**	18.1	20.7
EPS (parent) (KRW)	**0**	**0**	**0**	n/a	n/a
EPS (consolidated) (KRW)	**0**	**0**	**0**	n/a	n/a
Adjusted EPS (KRW)*	**0**	**0**	**0**	n/a	n/a

Balance sheet

Year-end Dec 31	2021	2022	2023	2024	2025
Current assets	**0**	**0**	**0**	**255**	**722**
Cash & equivalents	0	0	0	67	88
Accounts receivable	0	0	0	17	56
Inventories	0	0	0	59	399
Other current assets	0	0	0	112	178
Fixed assets	**0**	**0**	**0**	**477**	**595**
Investment assets	0	0	0	197	281
Tangible assets	0	0	0	236	210
Intangible assets	0	0	0	7	6
Other long-term assets	0	0	0	37	99
Total assets	**0**	**0**	**0**	**732**	**1,317**
Current liabilities	**0**	**0**	**0**	**297**	**813**
Accounts payable	0	0	0	32	6
Short-term debt	0	0	0	9	99
Other current liabilities	0	0	0	256	708
Long-term liabilities	**0**	**0**	**0**	**193**	**231**
Bond & long-term debt	0	0	0	146	187
Other long-term liabilities	0	0	0	47	44
Total liabilities	**0**	**0**	**0**	**490**	**1,044**
Owners of parent equity	**0**	**0**	**0**	**242**	**273**
Capital stock	0	0	0	7	7
Capital surplus	0	0	0	214	214
Retained earnings	0	0	0	21	52
Other	0	0	0	0	0
Non-controlling interests equity	**0**	**0**	**0**	**0**	**0**
Total equity	**0**	**0**	**0**	**242**	**273**
Net debt	0	0	0	239	370

Cash flow statement

Year-end Dec 31	2021	2022	2023	2024	2025
Cash flow from operations	**0**	**0**	**0**	**67**	**(25)**
Net profit	**0**	**0**	**0**	22	31
Non-Cash Profit and Expense	**0**	**0**	**0**	41	65
Depreciation	**0**	**0**	**0**	22	26
Amortization	**0**	**0**	**0**	1	1
Others	**0**	**0**	**0**	18	38
Changes in A/L from Operating Activities	**0**	**0**	**0**	15	(99)
Cash flow from investments	**0**	**0**	**0**	**(67)**	**(120)**
Change in Tangible Assets	**0**	**0**	**0**	(12)	(13)
Change in Financial Assets	**0**	**0**	**0**	(34)	(59)
Other	**0**	**0**	**0**	(21)	(49)
Cash flow from financing	**0**	**0**	**0**	**(50)**	**168**
Change in debt	**0**	**0**	**0**	324	166
Change in equity	**0**	**0**	**0**	n/a	n/a
Dividends	**0**	**0**	**0**	0	0
Other	**0**	**0**	**0**	n/a	n/a
Change in cash	**0**	**0**	**0**	(50)	22
Cash at beginning of year	**0**	**0**	**0**	117	67
Cash at end of year	**0**	**0**	**0**	67	88
Gross cash flow	**0**	**0**	**0**	**63**	**96**
Free cash flow	**0**	**0**	**0**	**54**	**(39)**

Financial ratios

Year-end Dec 31	2021	2022	2023	2024	2025
Growth (%)					
Sales	nm	nm	nm	nm	16.1
Operating profit	nm	nm	nm	nm	40.8
Net profit	nm	nm	nm	nm	37.3
Adjusted EPS**	nm	nm	nm	nm	nm
Per share data (KRW)					
EPS (parent)	n/a	n/a	n/a	n/a	n/a
EPS (consolidated)	n/a	n/a	n/a	n/a	n/a
Adjusted EPS **	n/a	n/a	n/a	n/a	n/a
BPS	n/a	n/a	n/a	n/a	n/a
DPS (common)	n/a	n/a	n/a	n/a	n/a
Valuations (x)					
P/E***	n/a	n/a	n/a	n/a	n/a
P/B***	n/a	n/a	n/a	n/a	n/a
EV/EBITDA	n/a	n/a	n/a	4.0	4.6
Ratios					
ROE (%)	n/a	n/a	n/a	18.5	11.9
ROA (%)	n/a	n/a	n/a	6.1	3.0
ROIC (%)	n/a	n/a	n/a	21.3	13.0
Payout ratio (%)	n/a	n/a	n/a	n/a	n/a
Dividend yield (Common, %)	n/a	n/a	n/a	n/a	n/a
Net debt to equity (%)	n/a	n/a	n/a	98.7	135.7
Interest coverage (x)	n/a	n/a	n/a	2.0	2.1

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

Source: Company data, Samsung Securities estimates

COMPANY UPDATE

2026. 3. 26

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LS Marine Solution (060370)

2026 Renewable Energy Corporate Day recap

- LS Marine Solution provides integrated cable installation for power and communications, both offshore and onshore, with plans to grow internationally.
- To meet strong demand, the company is investing in vessels and equipment to scale capacity.

WHAT'S THE STORY?

2025 review: LS Marine Solution logged 2025 sales of KRW244.2b (up 87.4%) on the consolidation of LS BuildWin (which it acquired in Aug 2024). But its full-year operating profit slumped 43.4% to KRW7b as a high-margin offshore wind project in South Jeolla Province was completed.

Integrated capabilities across power, communications, and environments: LS Marine Solutions operates in both offshore power and communications markets. Following the acquisition of LS BuildWin, LS Marine Solutions now offers full-scale installation capabilities for both submarine and land-based cables. As global demand for offshore wind power installations continues to grow and AI fuels rising data traffic worldwide, the submarine power and communications sectors are expected to experience strong, long-term expansion. To meet this demand, LS Marine Solutions is positioning itself to deliver turnkey solutions that combine submarine and underground cable installation under a single contract.

(Continued on the next page)

Alternative Investment Team

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AT A GLANCE

Not Rated

Target price	n/a
Current price	KRW25,050
Market Cap	KRW1.5t/USD1.0b
Shares (float)	52,238,854 (29.2%)
52-week high/low	KRW36,500/KRW11,471
Avg daily trading value (60-day)	KRW9.6b/ USD6.3m

ONE-YEAR PERFORMANCE

	1M	6M	12M
LS Marine Solution (%)	-6.6	21.8	109.7
Vs Kosdaq (%pts)	-1.9	-3.1	37.6

SAMSUNG vs THE STREET

No of estimates	1
Target price	40,000
Recommendation	4.0

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

SUMMARY FINANCIAL DATA

	2022	2023	2024	2025
Revenue (KRWb)	0	71	130	244
Operating profit (KRWb)	0	13	12	7
Net Profit (KRWb)	0	12	13	8
EPS (adj) (KRW)	0	530	603	382
EPS (adj) growth (%)	nm	nm	13.6	(36.7)
EBITDA margin (%)	n/a	27.6	16.3	6.8
ROE (%)	n/a	18.9	8.0	2.0
P/E (adj) (x)	n/a	n/a	n/a	n/a
P/B (x)	n/a	n/a	n/a	n/a
EV/EBITDA (x)	n/a	(1.8)	(3.7)	(19.9)
Dividend yield (%)	n/a	n/a	n/a	n/a

Source: Company data, Samsung Securities estimates

To benefit from domestic and global offshore wind market growth: LS Marine Solutions has been named the preferred bidder for four Korean offshore wind projects: Anma, Sinan Ui, Taean, and Haesong. The Anma project signed its main contract in Jul 2025. The Sinan Ui and Taean projects should follow this year, with the Haesong project targeting contract finalization in 2028. The associated transmission infrastructure—so called 'energy highways' connecting these sites to the grid—should further strengthen the company's long-term growth prospects. Meanwhile, the company is preparing to enter international markets, having already established sales offices in Taiwan and Vietnam. It is currently evaluating opportunities to expand into cable installation markets in Singapore, North America, and Europe. With offshore wind cable projects offering strong margins, the firm is likely to enjoy both quantitative and qualitative growth as these initiatives are ramped up.

Expanding production capacity: To meet strong demand in the offshore wind sector, LS Marine Solution is expanding its operational capabilities. It is upgrading its cable-laying vessel GL2030, increasing its load capacity from 4,000 to 7,000 tonnes. The work is expected to be completed in March. It is also waiting for the delivery of a new vessel—the country's first vessel capable of high-voltage direct current (HVDC) installation—which is scheduled for Mar 2028 and certified to lift 13,000 tonnes.

Income statement

Year-end Dec 31	2021	2022	2023	2024	2025
Sales	**0**	**0**	**71**	**130**	**244**
Cost of goods sold	0	0	51	113	228
Gross profit	**0**	**0**	**20**	**17**	**16**
Gross margin (%)	n/a	n/a	28.3	12.9	6.6
SG&A expenses	0	0	7	4	9
Operating profit	**0**	**0**	**13**	**12**	**7**
Operating margin (%)	n/a	n/a	18.5	9.5	2.9
Non-operating Gains (Losses)	**0**	**0**	**1**	**4**	**4**
Financial Profit	0	0	3	7	32
Financial Costs	0	0	1	3	7
Gains (Losses) in Equity Method	0	0	0	0	0
Other	0	0	0	1	(21)
Pre-tax profit	**0**	**0**	**15**	**17**	**11**
Taxes	0	0	3	4	3
Effective tax rate (%)	n/a	n/a	19.9	21.7	24.3
Profit from continuing operations	0	0	12	13	8
Profit from discontinued operations	0	0	0	0	0
Net profit	**0**	**0**	**12**	**13**	**8**
Net margin (%)	n/a	n/a	16.4	10.1	3.4
Net profit (Controlling Interests)	0	0	12	13	8
Net profit (Non-controlling Interests)	0	0	0	0	0
EBITDA	0	0	20	21	17
EBITDA margin (%)	n/a	n/a	27.6	16.3	6.8
EPS (parent) (KRW)	0	0	530	603	382
EPS (consolidated) (KRW)	0	0	530	603	382
Adjusted EPS (KRW)*	0	0	530	603	382

Balance sheet

Year-end Dec 31	2021	2022	2023	2024	2025
Current assets	**0**	**0**	**67**	**164**	**463**
Cash & equivalents	0	0	34	78	74
Accounts receivable	0	0	19	35	50
Inventories	0	0	2	2	1
Other current assets	0	0	12	49	339
Fixed assets	**0**	**0**	**80**	**91**	**276**
Investment assets	0	0	0	1	124
Tangible assets	0	0	74	77	140
Intangible assets	0	0	0	5	5
Other long-term assets	0	0	5	7	6
Total assets	**0**	**0**	**147**	**254**	**739**
Current liabilities	**0**	**0**	**24**	**44**	**65**
Accounts payable	0	0	0	7	19
Short-term debt	0	0	0	0	0
Other current liabilities	0	0	24	36	45
Long-term liabilities	**0**	**0**	**0**	**2**	**46**
Bond & long-term debt	0	0	0	0	35
Other long-term liabilities	0	0	0	2	12
Total liabilities	**0**	**0**	**24**	**46**	**111**
Owners of parent equity	**0**	**0**	**123**	**208**	**628**
Capital stock	0	0	26	33	52
Capital surplus	0	0	34	103	501
Retained earnings	0	0	65	74	77
Other	0	0	(2)	(2)	(2)
Non-controlling interests equity	**0**	**0**	**0**	**0**	**0**
Total equity	**0**	**0**	**123**	**208**	**628**
Net debt	0	0	(35)	(78)	(331)

Cash flow statement

Year-end Dec 31	2021	2022	2023	2024	2025
Cash flow from operations	**0**	**0**	**17**	**(7)**	**20**
Net profit	0	0	12	13	8
Non-Cash Profit and Expense	0	0	10	7	10
Depreciation	0	0	6	9	10
Amortization	0	0	0	0	0
Others	0	0	3	(2)	0
Changes in A/L from Operating Activities	0	0	(6)	(26)	3
Cash flow from investments	**0**	**0**	**(52)**	**19**	**(472)**
Change in Tangible Assets	0	0	(54)	(9)	(76)
Change in Financial Assets	0	0	(1)	(0)	(417)
Other	0	0	3	27	21
Cash flow from financing	**0**	**0**	**(1)**	**31**	**447**
Change in debt	0	0	0	1	35
Change in equity	n/a	n/a	n/a	n/a	n/a
Dividends	0	0	(1)	(4)	(5)
Other	n/a	n/a	n/a	n/a	n/a
Change in cash	0	0	(36)	44	(5)
Cash at beginning of year	0	0	70	34	78
Cash at end of year	0	0	34	78	74
Gross cash flow	**0**	**0**	**21**	**20**	**18**
Free cash flow	**0**	**0**	**(37)**	**(15)**	**(57)**

Financial ratios

Year-end Dec 31	2021	2022	2023	2024	2025
Growth (%)					
Sales	nm	nm	nm	84.1	87.4
Operating profit	nm	nm	nm	(5.3)	(43.4)
Net profit	nm	nm	nm	13.6	(36.7)
Adjusted EPS**	nm	nm	nm	13.6	(36.7)
Per share data (KRW)					
EPS (parent)	0	0	530	603	382
EPS (consolidated)	0	0	530	603	382
Adjusted EPS **	0	0	530	603	382
BPS	0	0	5,147	8,736	26,359
DPS (common)	n/a	n/a	n/a	n/a	n/a
Valuations (x)					
P/E***	n/a	n/a	n/a	n/a	n/a
P/B***	n/a	n/a	n/a	n/a	n/a
EV/EBITDA	n/a	n/a	(1.8)	(3.7)	(19.9)
Ratios					
ROE (%)	n/a	n/a	18.9	8.0	2.0
ROA (%)	n/a	n/a	15.8	6.6	1.7
ROIC (%)	n/a	n/a	24.3	8.9	3.3
Payout ratio (%)	n/a	n/a	n/a	n/a	n/a
Dividend yield (Common, %)	n/a	n/a	n/a	n/a	n/a
Net debt to equity (%)	n/a	n/a	(28.3)	(37.3)	(52.8)
Interest coverage (x)	n/a	n/a	916.6	560.9	62.3

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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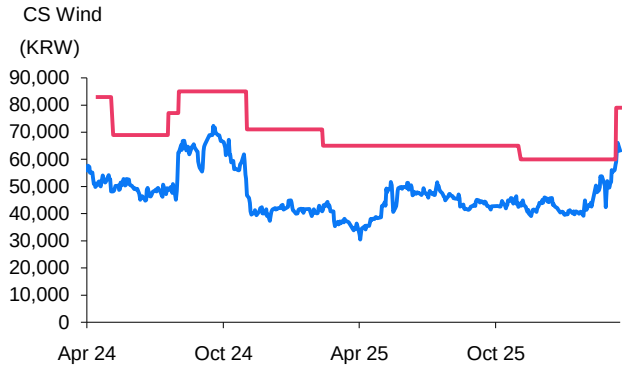
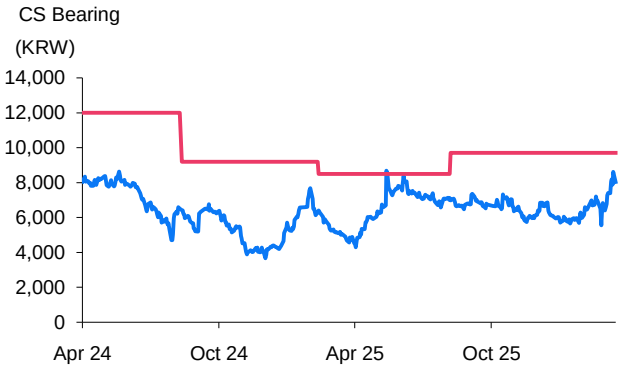
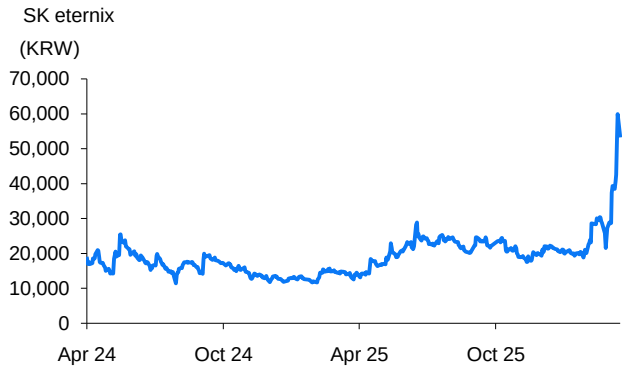
Target price changes in past two years







Rating changes over past two years (adjusted share prices)

CS Wind								
Date	2024/2/20	5/13	7/26	8/9	11/8	2025/2/18	11/10	2026/3/18
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	83000	69000	77000	85000	71000	65000	60000	79000
Gap* (average)	-37.05	-29.41	-34.25	-26.12	-41.86	-33.54	-26.51	
(max or min)**	-30.48	-23.48	-18.83	-14.94	-35.49	-20.46	-3.17	
CS Bearing								
Date	2024/2/14	8/19	2025/2/18	8/14				
Recommendation	BUY	BUY	BUY	BUY				
Target price (KRW)	12000	9200	8500	9700				
Gap* (average)	-37.59	-41.34	-24.53					
(max or min)**	-26.08	-16.52	2.24					
SK Eternix								
Date	2026/3/26							
Recommendation	Not Rated							
Target price (KRW)	n/a							
Gap* (average)								
(max or min)**								
LS Marine Solution								
Date	2026/3/26							
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

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Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
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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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