COMPANY UPDATE

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CJ CGV (079160)

Doubts linger despite efforts to lift financials

- The domestic film industry experienced a short-term rebound in 1Q led by a few box-office hits, but due to the absence of mid-tier successful films, it continues facing structural challenges.
- Despite operational efficiency improvements, the company keeps suffering financial burdens and uncertainties. We maintain our HOLD rating on the stock.

WHAT'S THE STORY?

Box-office rebound in 1Q, but structural weakness persists: After a slump last year due to the lack of a 10-million-attendance film, the domestic film industry experienced a box-office rebound in 1Q, led by the success of The King's Warden. Audience numbers rose 53.2% y-y and box-office revenue increased 58.7% y-y, confirming a short-term recovery. Disappointing, however, is that the rebound was heavily concentrated in a few titles and there were few mid-tier hits outside the blockbuster. Given the continued decline in the number of released films and sustained weak overall performance, the broader cinema industry has yet to see a meaningful turnaround. To address these structural issues, CJ CGV is strengthening its strategy around specialized screens (eg, ScreenX and 4DX), while also pursuing differentiated content acquisition through exclusive releases, expanding re-releases of classic films, and increasing screenings of live events including concerts, sports, and musicals.

(Continued on the next page)

AT A GLANCE

HOLD

Target price	KRW5,300	11.3%
Current price	**KRW4,760**	
Market cap	KRW788.17b/USD535.95m	
Shares (float)	165,582,366 (45.6%)	
52-week high/low	KRW6,570/KRW4,330	
Avg daily trading value (60-day)	KRW3.2b/ USD2.2m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
CJ CGV (%)	-5.4	-4.7	8.3
Vs Kospi (%pts)	-10.0	-42.4	-56.9

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	HOLD	HOLD	
Target price	5,300	6,000	-11.7%
2026E EPS	-921	-264	248.9%
2027E EPS	-604	81	-845.7%

SAMSUNG vs THE STREET

No of estimates	3
Target price	7,167
Recommendation	3.7

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

SUMMARY FINANCIAL DATA

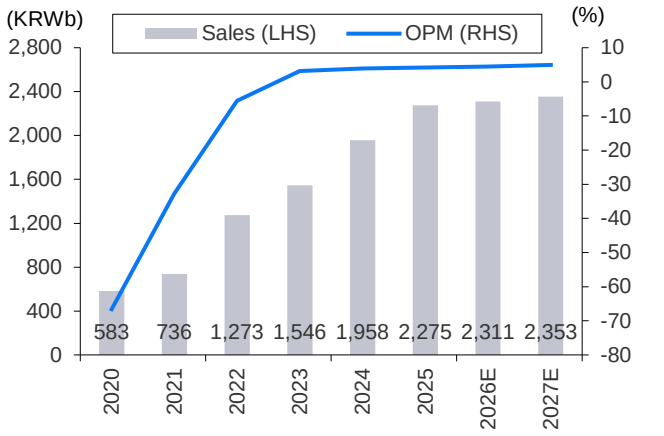
	2025	2026E	2027E	2028E
Revenue (KRWb)	2,275	2,311	2,353	2,389
Operating profit (KRWb)	96	103	117	126
Net profit (adj) (KRWb)	-143	-155	-107	-56
EPS (adj) (KRW)	-868	-921	-604	-310
EPS (adj) growth (% y-y)	nm	nm	nm	nm
EBITDA margin (%)	16.7	16.2	16.3	15.9
ROE (%)	-22.8	-31.1	-27.8	-18.1
P/E (adj) (x)	n/a	n/a	n/a	n/a
P/B (x)	1.7	1.9	2.5	3.0
EV/EBITDA (x)	7.8	7.6	7.6	7.4
Dividend yield (%)	0.0	0.0	0.0	0.0

Source: Company data, Samsung Securities estimates

Persistent financial burdens and uncertainties: Despite the continual intensive structural reforms, CJ CGV keeps suffering financial pressures and uncertainties. Regarding CGI Holdings, which oversees operations in Asia (China, Vietnam, Indonesia), CJ CGV has decided not to exercise its call option on the financial investors' (FIs) stakes. In response, the FIs have indicated their intent to invoke the drag-along right to force a full sale of the company. The likelihood and timing of this sale remain uncertain. Additionally, ahead of the scheduled step-up in interest rates on previously issued hybrid securities, CJ CGV has decided to issue new hybrid securities worth KRW300b each in April and May to support debt repayment and refinancing. Financial uncertainty continues to loom large.

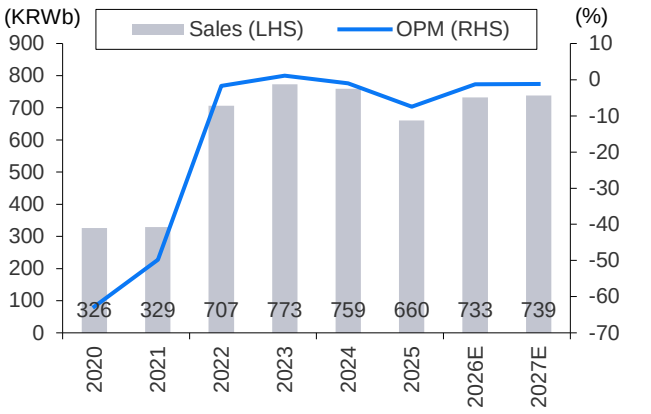
Maintaining Hold: While the company continues to try to improve its profit structure through expansion of specialty screens and enhanced operational efficiency across domestic and overseas multiplexes, its financial burden remains elevated. Clear, proactive improvements in operating performance and debt structure are necessary. Reflecting our new debt and earnings estimates, we lower our target price to KRW5,300 (based on SOTP method, see Table 8).

Chart 1. Sales and operating margin (consolidated)



Note: CJ OliveNetworks' results reflected from Jun 2024
Source: Company data, Samsung Securities

Chart 2. Sales and operating margin (parent basis)



Source: Company data, Samsung Securities

Chart 3. CGV: Special theaters—4DX (LHS), 4-sided ScreenX (RHS)

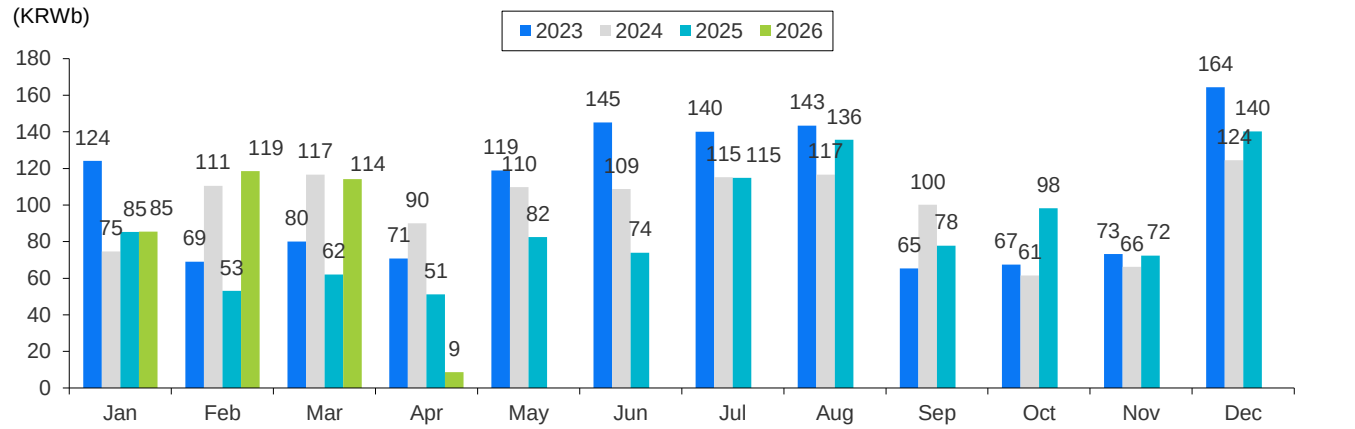
Source: Company data, Samsung Securities

Table 1. Box-office hits: 2023-2026

Rank	2023	Tickets ('000)	2024	Tickets ('000)	2025	Tickets ('000)	2026	Tickets ('000)
1	12.12: The Day	11,855	Exhuma	11,915	Zootopia 2	7,706	The King's Warden	15,997
2	The Roundup: No Way Out	10,683	The Roundup: Punishment	11,503	The Movie: Infinity Castle	5,692	Once We Were Us	2,474
3	Elemental	7,238	Inside Out 2	8,799	My Daughter is a Zombie	5,640	Avatar: Fire and Ash	2,175
4	Suzume	5,574	I, The Executioner	7,525	F1 the movie	5,215	HUMINT	1,982
5	Smugglers	5,143	Pilot	4,718	Avatar: Fire and Ash	4,570	Choir of God	1,518
Total		**125,136**		**123,125**		**106,089**		**32,698**

Note: 2025 box office figures are as of Apr 5, 2026
Source: KOFIC, Samsung Securities

Chart 4. Box-office comparison: 2022-2025



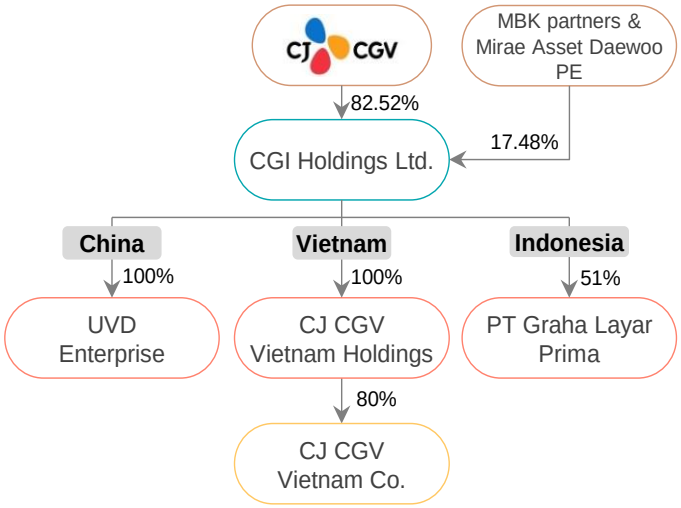
Note: Figure for Apr 2026 spans Apr 1-4 / Source: KOBIS, Samsung Securities

Table 2. Film release schedule in Korea

Title	Release	Distributor	Genre	Director
Zootopia 2	Nov 26	Walt Disney	Animation	Jared Bush
Avatar: Fire and Ash	Dec 2025	Walt Disney	SF, Action	James Cameron
Once We Were Us	Jan 2026	Showbox	Melo, romance	Kim Doyoung
Choir of God	Dec 2025	CJ CGV	Drama	Kim Hyunghyeop
Shinbi's Haunted House: One More Summon	Jan 2026	CJ ENM	Animation	Choi Wooseok
The King's Warden	Feb 2026	Showbox	Drama	Jang Hangjoon
HUMINT	Feb 2026	NEW	Action, Drama	Ryu Seungwan
Hoppers	Mar 2026	Walt Disney	Animation	Daniel Chong
Project Hail Mary	Mar 2026	Sony Pictures	SF	Phil lord
Salmokji: Whispering Water	Apr 8, 2026	Showbox	Thriller	Lee Sangmin
My name	Apr 15, 2026	CJ CGV	Drama	Jeong Jiyoung
The Voice of Hind Rajab	Apr 15, 2026	The Contents ON	Drama	Kaouther Ben Hania
AUDITION 109	Apr 22, 2026	By4M Studio	Drama	Jeong Woo
Super Mario Galaxy	Apr 29, 2026	Universal Pictures	Animation	Michael Jelenic
The Devil Wears Prada 2	Apr 2026	Walt Disney	Drama	David P
Michael	May 13, 2026	Universal Pictures	Drama	Anton Hukua
Star Wars: The Mandalorian and Grogu	May 2026	Walt Disney	SF	Jon Favreau
Toy Story 5	Jun 2026	Walt Disney	Animation	Andrew Stanton
Minions 3	Jul 2026	Universal Pictures	Animation	Pierre Coffin
Moana	Jul 2026	Walt Disney	Family, adventure	Thomas Kail
Odyssey	Jul 2026	Universal Pictures	Fantasy, historical	Christopher Nolan
Hope	Jul 2026	SF, action	SF, action	Na Hongjin

Source: KOBIS, Company data, Industry data, Samsung Securities

Chart 5. CGI Holdings: Governance structure



Note: A 2019 investment in CGI Holdings (by MBK Partners and Mirae Asset Daewoo PE) valued the firm at KRW1.15t;
CJ CGV on Jul 17 announced plans to acquire 198,830 CGI Holdings shares, raising its stake from 71.43% to 80.72%;
CJ CGV on Oct 15 announced plans to acquire 41,152 CGI Holdings shares, raising its stake from 80.72% to 82.42%;
Financial investors' drag-along right exercise notice, no call option exercised by CJ CGV; external sale of CGI Holdings conditional on valuation exceeding USD 400mn under right of first refusal (as of 3Q25)

Source: Company data, Samsung Securities

Table 3. Consolidated results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025E	2026E
Sales	392.9	429.9	547.0	588.0	533.6	491.6	583.1	667.1	569.7	505.3	592.1	643.7	1,957.9	2,275.4	2,310.9	2,352.7
COGS	246.6	272.7	373.9	383.6	378.7	347.1	400.5	438.6	410.4	379.2	432.8	488.7	1,276.8	1,565.0	1,711.1	1,748.4
Gross profit	146.3	157.3	173.1	204.4	154.9	144.5	182.6	228.5	159.3	126.1	159.3	155.0	681.1	710.4	599.8	604.3
SG&A costs	141.8	134.9	141.0	187.4	151.7	142.8	159.2	160.5	130.4	117.5	124.8	124.1	605.2	614.2	496.7	487.6
Operating profit	4.5	22.3	32.1	17.0	3.2	1.7	23.3	68.0	29.0	8.6	34.6	30.9	75.9	96.2	103.1	116.7
Operating margin	1.2	5.2	5.9	2.9	0.6	0.3	4.0	10.2	5.1	1.7	5.8	4.8	3.9	4.2	4.5	5.0
Pre-tax profit	-51.8	-4.9	8.0	-122.8	-32.0	-45.4	-8.2	-43.1	-5.6	-31.8	0.6	-107.3	-171.4	-135.5	-144.1	-93.9
Net profit (controlling)	-37.8	-3.7	4.2	-133.8	-37.8	-35.8	-30.0	-40.2	-6.0	-34.2	0.7	-113.1	-171.0	-143.8	-152.5	-99.9
Chg (% y-y)																
Sales	0.2	7.6	34.9	68.8	35.8	14.3	6.6	13.4	6.8	2.8	1.6	-3.5	26.7	16.2	1.6	1.8
COGS	-5.3	6.6	60.2	92.6	53.6	27.3	7.1	14.4	8.4	9.2	8.1	11.4	34.6	22.6	9.3	2.2
Gross profit	9.9	7.9	-0.6	42.1	5.9	-8.1	5.5	11.8	2.9	-12.7	-12.7	-32.1	14.1	4.3	-15.6	0.7
SG&A costs	-3.7	3.8	-1.8	47.6	7.0	5.8	12.9	-14.4	-14.1	-17.7	-21.7	-22.7	10.4	1.5	-19.1	-1.8
Operating profit	nm	36.4	2.2	20.4	-29.5	-92.3	-27.2	300.3	804.5	402.4	48.1	-54.5	54.8	26.7	7.2	13.2
Operating margin	4.4	1.1	-1.9	-1.2	-0.6	-4.8	-1.9	7.3	4.5	1.4	1.8	-5.4	0.7	0.4	0.2	0.5
Pre-tax profit	nm	nm	-82.9	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm
Net profit (controlling)	nm	nm	-78.3	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm	nm

Note: CJ OliveNetworks' results reflected from Jun 2024

Source: Company data, Samsung Securities

Table 4. Parent company: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025E	2026E
Sales	**180.1**	**193.7**	**209.3**	**175.6**	**128.3**	**141.8**	**196.2**	**194.1**	**192.8**	**148.9**	**200.1**	**190.8**	**758.8**	**660.4**	**732.6**	**738.6**
Box office	102.6	99.9	112.9	87.4	67.2	65.4	110.9	104.8	108.3	74.0	116.1	101.8	402.8	348.3	400.2	399.5
Concessions	36.9	41.2	43.3	34.7	25.4	28.1	45.3	46.6	44.0	33.0	46.9	44.4	156.2	145.5	168.3	173.9
Ads	26.3	38.3	39.2	39.4	22.1	32.4	24.1	27.8	25.8	27.7	22.7	29.8	143.3	106.4	106.0	103.9
Other	14.2	14.2	13.9	14.2	13.6	15.9	15.8	14.9	14.7	14.1	14.5	14.9	56.5	60.3	58.1	61.3
COGS	**113.3**	**109.9**	**117.5**	**102.3**	**84.9**	**87.2**	**117.6**	**110.1**	**108.4**	**91.9**	**114.9**	**112.7**	**442.9**	**399.7**	**427.9**	**432.9**
Film rental	53.0	52.1	61.6	46.0	35.6	34.1	90.5	53.6	55.5	37.6	60.3	52.1	212.7	179.7	205.6	205.0
Depreciation	27.4	27.1	26.9	27.2	25.8	25.8	21.0	26.0	25.8	26.1	25.9	26.2	108.5	103.4	104.1	104.8
Other	32.9	30.6	29.0	29.2	23.5	27.3	6.2	30.5	27.1	28.2	28.7	34.3	121.7	116.7	118.3	123.0
Gross profit	**66.9**	**83.8**	**91.8**	**73.3**	**43.4**	**54.6**	**78.6**	**84.0**	**84.4**	**56.9**	**85.2**	**78.2**	**315.8**	**260.7**	**304.7**	**305.8**
Operating profit	**-14.7**	**3.7**	**4.4**	**-1.1**	**-31.0**	**-17.3**	**-5.6**	4.4	5.0	-16.5	1.1	1.1	-7.6	-49.5	-9.3	-8.7
Operating margin (%)	-8.2	1.9	2.1	-0.6	-24.2	-12.2	-2.9	2.3	2.6	-11.1	0.5	0.6	-1.0	-7.5	-1.3	-1.2
Pre-tax profit	**-15.6**	**9.3**	**5.0**	**-230.2**	**11.4**	**-35.8**	**-20.6**	**-87.3**	**39.5**	**-31.8**	**-12.6**	**-97.6**	**-231.5**	**-132.3**	**-102.5**	**-113.0**
Net profit	**-15.6**	**9.3**	**5.0**	**-236.2**	**11.4**	**-35.8**	**-20.6**	**-66.5**	**33.5**	**-27.1**	**-10.7**	**-82.9**	**-237.6**	**-111.5**	**-87.1**	**-96.1**
Chg (% y-y)																
Sales	**2.1**	**-1.6**	**0.9**	**-8.9**	**-28.8**	**-26.8**	**-6.3**	**10.5**	**50.3**	**5.0**	**2.0**	**-1.7**	**-1.9**	**-13.0**	**10.9**	**0.8**
Box office	-0.5	-9.3	-0.9	-11.7	-34.5	-34.6	-1.7	19.9	61.2	13.2	4.6	-2.8	-5.5	-13.5	14.9	-0.2
Concessions	24.7	8.4	15.3	2.1	-31.1	-31.8	4.6	34.4	73.1	17.3	3.4	-4.7	12.2	-6.8	15.7	3.3
Ads	-1.4	15.0	-6.5	-5.2	-16.3	-15.6	-38.5	-29.4	16.8	-14.3	-5.8	7.0	-0.2	-25.8	-0.4	-1.9
Other	-16.2	-7.0	-0.7	-22.4	-4.3	12.3	13.7	5.2	7.7	-11.3	-8.7	-0.3	-12.4	6.7	-3.6	5.5
COGS	**-1.6**	**-3.5**	**3.5**	**-3.3**	**-25.0**	**-20.6**	**0.1**	**7.6**	**27.7**	**5.4**	**-2.3**	**2.4**	**-1.2**	**-9.7**	**7.0**	**1.2**
Film rental	-4.8	-8.7	3.9	-9.7	-32.9	-34.6	46.9	16.5	56.1	10.3	6.9	-2.7	-4.6	-15.5	14.4	-0.3
Depreciation	-6.9	-6.9	-9.2	-6.3	-5.5	-4.8	-22.0	-4.1	-0.1	1.3	0.6	0.7	-7.3	-4.7	0.6	0.7
Other	9.8	10.8	17.9	12.8	-28.6	-10.9	-78.7	4.4	15.4	3.3	-19.1	12.7	12.6	-4.2	1.4	4.0
Gross profit	**8.9**	**1.1**	**-2.2**	**-15.7**	**-35.1**	**-34.8**	**-14.4**	**14.5**	**94.3**	**4.2**	**8.5**	**-7.0**	**-2.9**	**-17.5**	**16.9**	**0.3**
Operating profit	**nm**	**-59.5**	**-66.5**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**	-75.8	**nm**	**nm**	**nm**	**nm**
Operating margin (%)	3.1	-2.8	-4.2	-3.7	-16.0	-14.1	-5.0	2.9	26.8	1.1	3.4	-1.7	-2.1	-6.5	6.2	0.1
Pre-tax profit	**nm**	**489.4**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**	**245.0**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**
Net profit	**nm**	**489.4**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**	**193.3**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**	**nm**

Source: Company data, Samsung Securities

Table 5. Overseas, 4DX and OliveNetworks: Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025E	2026E
Sales	226.6	254.2	391.2	449.7	452.9	373.0	432.7	529.5	421.1	398.8	439.7	501.0	1,321.7	1,788.1	1,760.6	1,799.1
China	75.8	49.5	70.1	56.5	105.0	38.4	71.3	75.4	64.1	46.9	72.3	57.6	251.9	290.1	240.9	234.1
Turkey	42.4	29.8	26.8	55.7	38.5	29.2	29.9	53.9	41.7	28.6	31.6	55.3	154.7	151.5	157.2	156.5
Vietnam	66.4	55.3	47.2	38.3	76.8	57.4	67.1	52.3	71.6	65.2	62.9	51.3	207.2	253.6	251.0	252.4
Indonesia	22.6	30.1	23.9	24.8	17.2	36.4	26.1	29.6	17.6	37.7	26.9	30.4	101.4	109.3	112.6	115.9
4DX business	19.4	23.4	40.2	40.2	26.5	30.0	34.0	55.9	34.2	35.4	38.2	39.7	123.2	146.4	147.6	172.1
OliveNetworks	-	66.1	183.0	234.2	188.9	181.6	204.3	262.4	191.8	185.1	207.8	266.8	483.3	837.2	851.4	868.0
Operating income	17.7	17.6	27.3	19.2	36.4	18.9	29.9	65.6	24.9	26.0	34.8	30.7	81.8	150.8	116.4	129.9
China	-1.1	-8.9	3.2	-9.4	18.9	-11.6	2.1	2.3	-1.5	-6.2	1.6	-3.8	-16.2	11.7	-9.8	-10.9
Turkey	3.7	-3.3	-3.2	1.3	-1.8	-5.2	-8.9	6.7	-0.8	-4.4	-3.6	3.0	-1.5	-9.2	-5.8	-5.8
Vietnam	11.2	8.7	3.2	3.2	12.9	8.0	14.7	1.8	10.2	10.1	13.0	1.0	26.3	37.4	34.4	35.4
Indonesia	2.6	7.0	2.6	0.5	-1.3	8.9	3.4	4.9	0.3	8.4	4.1	5.6	12.7	15.9	18.4	19.5
4DX business	1.3	5.0	5.1	6.0	-0.9	2.3	3.5	6.4	2.2	3.2	3.7	3.8	17.4	11.3	12.9	18.9
OliveNetworks	-	9.1	16.4	17.6	8.6	16.5	15.1	43.5	14.5	14.9	16.0	20.9	43.1	83.7	66.4	72.8

Note: CJ OliveNetworks' results reflected from Jun 2024 / Source: Company data, Samsung Securities

Table 6. Rights offering impact on outstanding shares

Category	Shares
Outstanding shares (as of Sep 1, 2023)	47,730,920
Newly listed shares (Sep 27, 2023)	74,700,000
Outstanding shares (Dec 31, 2025)	165,581,556*

Note: Due to conversions of CB, number of outstanding shares differs day to day
Source: DART, Samsung Securities

Table 7. Outstanding convertible bonds and change of conversion price

Convertible stocks	Balance (KRWm)	Conversion price (KRW)	Shares eligible for conversion	Exercise period
Outstanding convertible bonds (issued in Jun 2021)	221,887	21,455	10,341,499	Jul 8, 2021-May 8, 2051
Outstanding convertible bonds (issued in Jul 2022)	399,248	17,745	22,499,208	Aug 21, 2022-Jun 21, 2052
Total	621,125		32,840,378	
			Number of shares	
Outstanding shares			165,581,556	

Note: Number of outstanding shares reflects rights offering (as of Dec 31, 2025)
Due to conversions of CB, number of outstanding shares differs day to day. 32nd KRW 26,600→ 21,455, 35th KRW 22,000→ 17,745
Source: DART, Samsung Securities

Table 8. Sum-of-the-parts valuation

(KRWb)	NOPLAT	Multiple (x)	Value	Note
Operating value			2,165	
Korea	53	15	795	12MF earnings (include CJ OliveNetworks)
China	23	15	282	12MF earnings; CGI Holdings (82.42% stake)
Vietnam	3	15	37	12MF earnings; Mars Entertainment (75.24% stake)
Turkey	32	15	401	12MF earnings; CGI Holdings (82.42% stake)
Indonesia	23	15	283	2024E earnings; CGI Holdings (82.42% stake)
4DX			368	Based on our model (90% stake)
Net debt			1,294	Excludes leasing liabilities
EV			871	
Outstanding shares ('000)			165,582	Refer to note and table 6, 7
Fair value (KRW)			5,261	
Target price (KRW)			5,300	
Current price (Apr 3 KRW)			4,675	
Upside (%)			13.4	

Note: Ownership stake as of end of 2025
43,147,043 new shares issued via third-party allotment at CJ OliveNetworks (Jun 2024)
3. Due to conversions of CB, number of outstanding shares differs day to day (32nd Jul 2021, 35th Jul 2022)
Source: DART, Samsung Securities

Table 9. Revisions to 2025 and 2026 forecasts

(KRWb)	2026E			2027E		
	Old	New	Chg (%)	Old	New	Chg %
Sales	**2,262.8**	**2,310.9**	**2.1**	**2,335.0**	**2,352.7**	**0.8**
Operating profit	90.0	103.1	14.5	116.5	116.7	0.2
Operating margin (%, %pts)	4.0	4.5	0.5	5.0	5.0	-0.0
Pre-tax profit	-32.2	-144.1	nm	11.4	-93.9	nm
Net profit (controlling)	-43.8	-152.5	nm	13.4	-99.9	nm

Source: Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Sales	**1,958**	**2,275**	**2,311**	**2,353**	**2,389**
Cost of goods sold	0	0	0	0	0
Gross profit	**1,958**	**2,275**	**2,311**	**2,353**	**2,389**
Gross margin (%)	100.0	100.0	100.0	100.0	100.0
SG&A expenses	1,882	2,179	2,208	2,236	2,262
Operating profit	**76**	**96**	**103**	**117**	**126**
Operating margin (%)	3.9	4.2	4.5	5.0	5.3
Non-operating gains (losses)	**-248**	**-230**	**-247**	**-211**	**-175**
Financial profit	117	35	35	33	32
Financial costs	302	198	190	188	189
Equity-method gains (losses)	-2	-2	-2	-3	-3
Other	-61	-66	-90	-54	-16
Pre-tax profit	**-172**	**-134**	**-144**	**-94**	**-49**
Taxes	3	9	11	13	7
Effective tax rate (%)	-1.9	-6.8	-7.9	-13.9	-14.7
Profit from continuing operations	-167	-145	-155	-107	-56
Profit from discontinued operations	-9	1	0	0	0
Net profit	**-175**	**-143**	**-155**	**-107**	**-56**
Net margin (%)	-9.0	-6.3	-6.7	-4.5	-2.4
Net profit (controlling interests)	-171	-144	-153	-100	-51
Net profit (non-controlling interests)	-4	0	-3	-7	-5
EBITDA	355	381	375	383	380
EBITDA margin (%)	18.1	16.7	16.2	16.3	15.9
EPS (parent-based) (KRW)	-1,163	-868	-921	-604	-310
EPS (consolidated) (KRW)	-1,193	-866	-939	-646	-340
Adjusted EPS (KRW)*	-1,163	-868	-921	-604	-310

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Current assets	**779**	**1,162**	**1,064**	**1,086**	**1,181**
Cash & equivalents	231	511	442	434	540
Accounts receivable	293	271	295	297	300
Inventories	21	21	21	22	22
Other current assets	234	359	306	334	320
Fixed assets	**3,218**	**2,960**	**2,895**	**2,942**	**2,886**
Investment assets	258	252	259	257	259
Tangible assets	812	786	753	739	706
Intangible assets	576	535	532	530	529
Other long-term assets	1,572	1,387	1,351	1,416	1,392
Total assets	**3,997**	**4,123**	**3,959**	**4,028**	**4,067**
Current liabilities	**1,703**	**1,758**	**1,769**	**1,766**	**1,818**
Accounts payable	144	155	173	182	195
Short-term debt	564	670	692	641	665
Other current liabilities	995	933	904	943	958
Long-term liabilities	**1,717**	**1,714**	**1,703**	**1,882**	**1,925**
Bonds & long-term debt	143	300	300	315	315
Other long-term liabilities	1,574	1,414	1,402	1,566	1,610
Total liabilities	**3,420**	**3,472**	**3,472**	**3,648**	**3,743**
Owners of parent equity	**692**	**570**	**410**	**310**	**258**
Capital stock	83	83	83	83	83
Capital surplus	1,336	1,336	1,336	1,336	1,336
Retained earnings	-1,418	-1,580	-1,732	-1,832	-1,884
Other	692	731	724	724	724
Non-controlling interests' equity	**-115**	**80**	**77**	**70**	**65**
Total equity	**577**	**650**	**487**	**380**	**324**
Net debt	2,267	1,895	1,979	2,054	1,966

Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Cash flow from operations	**191**	**215**	**144**	**252**	**301**
Net profit	-175	-143	-155	-107	-56
Non-cash profit and expenses	538	528	425	425	407
Depreciation	259	260	248	242	230
Amortization	20	25	24	24	24
Other	259	243	153	158	153
Changes in A/L from operating activities	-45	2	14	79	89
Cash flow from investments	**-231**	**-197**	**-184**	**-336**	**-183**
Change in tangible assets	-41	-86	-215	-228	-196
Change in financial assets	-188	-87	45	-20	13
Other	-3	-24	-14	-88	0
Cash flow from financing	**79**	**253**	**-47**	**75**	**-11**
Change in debt	134	8	-34	89	3
Change in equity	440	0	0	0	0
Dividends	-19	0	0	0	0
Other	-476	245	-14	-14	-14
Change in cash	40	280	-69	-8	106
Cash at beginning of year	191	231	511	442	434
Cash at end of year	231	511	442	434	540
Gross cash flow	**363**	**384**	**269**	**318**	**351**
Free cash flow	**150**	**128**	**-71**	**24**	**105**

Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
Growth (%)					
Sales	26.7	16.2	1.6	1.8	1.5
Operating profit	54.8	26.7	7.2	13.2	8.3
Net profit	nm	nm	nm	nm	nm
Adjusted EPS**	nm	nm	nm	nm	nm
Per-share data (KRW)					
EPS (parent-based)	-1,163	-868	-921	-604	-310
EPS (consolidated)	-1,193	-866	-939	-646	-340
Adjusted EPS**	-1,163	-868	-921	-604	-310
BVPS	4,177	3,444	2,475	1,871	1,561
DPS (common)	0	0	0	0	0
Valuations (x)					
P/E***	n/a	n/a	n/a	n/a	n/a
P/B***	1.3	1.7	1.9	2.5	3.0
EV/EBITDA	8.5	7.8	7.6	7.6	7.4
Ratios (%)					
ROE	-30.7	-22.8	-31.1	-27.8	-18.1
ROA	-4.9	-3.5	-3.8	-2.7	-1.4
ROIC	3.2	4.3	5.1	6.2	7.1
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	393.1	291.3	406.4	540.6	607.1
Interest coverage (x)	0.5	0.6	0.6	0.7	0.7

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

Source: Company data, Samsung Securities estimates

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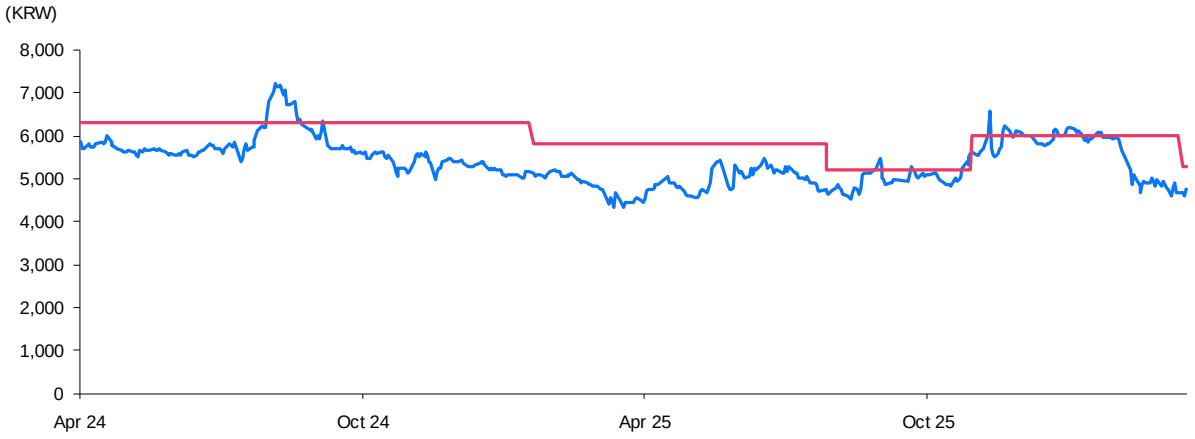
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2023/11/14	2024/11/14	2025/2/10	8/19	11/21	2026/4/6
Recommendation	HOLD	HOLD	HOLD	HOLD	HOLD	HOLD
Target price (KRW)	6300	6300	5800	5200	6000	5300
Gap* (average)	-8.73	-15.89	-15.09	-4.00	-5.93	
(max or min)**	14.29	-10.63	-5.86	7.69	9.50	

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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