COMPANY UPDATE

2026. 7. 14

Tech Team

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▶ AT A GLANCE

BUY

Target price	KRW77,000	51.9%
Current price	**KRW50,700**	
Market cap	KRW1.8t/USD1.2b	
Shares (float)	35,532,492 (77.3%)	
52-week high/low	KRW85,000/KRW47,900	
Avg daily trading value (60-day)	KRW12.4b/ USD8.3m	

▶ ONE-YEAR PERFORMANCE

	1M	6M	12M
JYP Entertainment (%)	-2.1	-26.9	-28.6
Vs Kosdaq (%pts)	11.2	-17.3	-32.0

▶ KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	77,000	87,000	-11.5%
2026E EPS	3,814	3,814	0.0%
2027E EPS	4,075	4,075	0.0%

▶ SAMSUNG vs THE STREET

No of estimates	17
Target price	88,588
Recommendation	4.0

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

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JYP Entertainment (035900)

The next step in global IP expansion

- We believe JYP Entertainment's 2Q earnings missed consensus, primarily due to the delayed recognition of Stray Kids' merchandise revenue.
- The company's profit should improve in 2H following Stray Kids' comeback. But the firm's sustained artist monetization remains unproven. Reflecting industry-wide valuation compression, we cut our 12-month target price 11.5%.

WHAT'S THE STORY?

2Q preview—temper earnings expectations: We forecast JYP Entertainment will post 2Q consolidated sales of KRW197.2b (down 8.6% y-y) and an operating profit of KRW38.2b (down 27.8% y-y), with both figures missing consensus. Album sales likely reached roughly 2.35m units (sustaining y-y growth), driven by new releases by KickFlip, NEXZ, Nmixx, and ITZY, and reissues by Stray Kids. However, average sales per album likely remained below 0.5m units, limiting cost leverage and profitability improvements (given production costs per album). For live performances, Twice's global tour likely continued to drive momentum, while 2PM, NiziU, and NEXZ successfully held concerts across Japan. The merchandise segment likely benefited from Twice's city-specific pop-up stores tied to tour locations. However, online merchandise sales generated at Stray Kids' fan meetings, held in late March and early April, are set to be recognized in 3Q rather than in 2Q.

2H outlook: Stray Kids released a pre-release single at end-2Q and the band is poised to drive company-wide growth in 2H thanks to a new album, a comeback, and a global tour (to be announced in 3Q). The merchandise segment continues to strengthen its performance thanks to strategic diversification efforts—in addition to artist-character pop-ups, the company is launching city-themed pop-ups tied to concert locations, creating further potential for revenue growth.

(Continued on the next page)

SUMMARY FINANCIAL DATA

	2025	2026E	2027E	2028E
Revenue (KRWb)	822	864	932	971
Operating profit (KRWb)	155	172	191	197
Net profit (adj) (KRWb)	161	136	145	151
EPS (adj) (KRW)	4,519	3,814	4,075	4,223
EPS (adj) growth (% y-y)	64.2	-15.6	6.8	3.6
EBITDA margin (%)	21.5	21.8	21.9	21.4
ROE (%)	29.2	20.1	18.4	16.5
P/E (adj) (x)	16.1	13.3	12.4	12.0
P/B (x)	3.9	2.3	2.0	1.7
EV/EBITDA (x)	12.8	7.2	6.0	5.3
Dividend yield (%)	1.2	1.4	1.6	1.7

Source: Company data, Samsung Securities estimates

Need proof of rookie artists' growth: Stray Kids' upcoming 2026 tour is primarily focused on Asia, with meaningful expansion into Western markets not expected until 2027 at the earliest. The growth trajectory and monetization speed of newer artists—Nmixx, NEXZ, and KickFlip—have yet to be substantiated. Given these uncertainties, we revise down our target price to KRW77,000 (12-month forward P/E of 20x, in line with the average of its global peers; Bloomberg basis; previously 22x). This reduction reflects broader industry-wide valuation compression.

Table 1. Quarterly results vs consensus

(KRWb)	2Q25	1Q26	2Q26E	Chg (% q-q)	Chg (% y-y)	Consensus	Diff (%)
Sales	215.8	186.0	197.2	6.0	-8.6	204.9	-3.8
Operating income	52.9	33.4	38.2	14.4	-27.8	43.1	-11.4
Operating margin (%)	24.5	17.9	19.4	1.4	-5.1	21.0	-1.7
Pre-tax income	48.4	42.6	40.9	-4.0	-15.6	39.8	2.8
Net profit (controlling)	36.4	32.0	29.3	-8.6	-19.6	32.9	-11.0

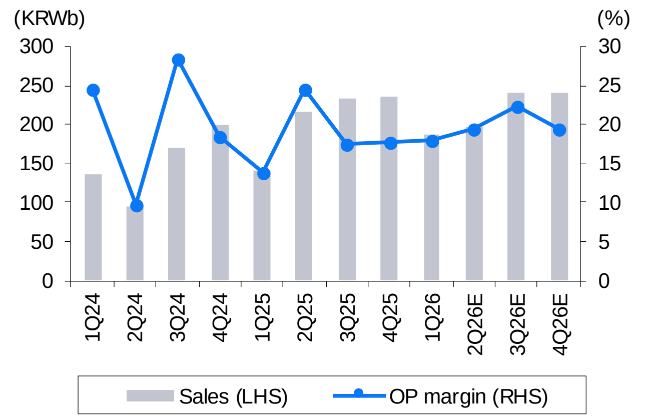
Source: Company data, FnGuide, Samsung Securities

Table 2. Results and forecasts

(KRWb)	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26E	3Q26E	4Q26E	2024	2025	2026E	2027E
Sales	**136.5**	**95.7**	**170.5**	**199.1**	**140.8**	**215.8**	**232.6**	**235.6**	**186.0**	**197.2**	**241.2**	**239.5**	**601.8**	**824.8**	**863.8**	**931.9**
Albums	46.7	26.4	68.3	75.8	44.7	38.6	80.4	94.3	45.0	52.9	74.1	75.1	217.2	257.9	247.1	249.0
Management	42.0	31.2	35.9	55.9	39.5	83.0	87.2	62.5	59.8	72.1	73.7	72.2	165.0	272.2	277.8	304.0
Concerts	29.4	14.0	22.1	38.0	21.7	62.0	63.3	41.8	40.9	50.6	49.6	53.7	103.6	188.9	194.8	221.2
Ads	7.9	9.2	8.4	8.8	9.0	11.3	12.8	11.9	13.6	13.0	12.6	8.6	34.3	45.0	47.9	47.7
Appearances	4.7	7.9	5.4	9.1	8.8	9.7	11.1	8.8	5.3	8.5	11.5	9.8	27.1	38.3	35.1	35.2
Merchandise	23.9	14.7	50.2	43.9	32.7	66.9	40.0	48.9	60.6	49.9	68.0	61.6	132.6	188.5	240.1	274.8
Others	23.9	23.5	16.0	23.5	23.9	27.4	25.1	29.9	20.6	22.2	25.5	30.7	86.9	106.2	98.9	104.1
COGS	75.8	62.4	86.6	120.5	89.1	125.7	155.3	148.4	113.6	120.6	147.4	151.9	345.4	518.4	533.5	579.2
Gross profit	**60.7**	**33.3**	**83.9**	**78.6**	**51.7**	**90.2**	**77.3**	**84.2**	**72.4**	**76.6**	**93.8**	**87.6**	**256.4**	**303.4**	**330.4**	**352.8**
SG&A costs	27.1	23.9	35.5	41.7	32.1	37.3	36.5	42.3	39.0	38.4	39.7	41.2	128.1	148.2	158.3	161.8
Operating profit	**33.6**	**9.3**	**48.4**	**36.9**	**19.6**	**52.9**	**40.8**	**41.9**	**33.4**	**38.2**	**54.1**	**46.4**	**128.3**	**155.2**	**172.1**	**191.0**
Operating margin (%)	24.6	9.8	28.4	18.5	13.9	24.5	17.5	17.8	17.9	19.4	22.4	19.4	21.3	18.8	19.9	20.5
Non-operating gains (losses)	5.3	-3.4	0.4	5.7	77.4	-4.5	1.9	-6.6	9.2	2.7	3.2	0.0	7.9	68.1	15.1	10.9
Pre-tax profit	38.9	5.9	48.8	42.6	97.0	48.4	42.7	35.3	42.6	40.9	57.3	46.4	136.2	223.4	187.1	201.9
Net profit (controlling)	**31.7**	**1.4**	**38.7**	**25.9**	**69.4**	**36.4**	**27.1**	**27.7**	**32.0**	**29.3**	**41.0**	**33.2**	**97.8**	**160.6**	**135.5**	**144.8**
Growth (% y-y)																
Sales	**15.6**	**-36.9**	**22.1**	**26.8**	**3.1**	**125.5**	**36.5**	**18.3**	**32.1**	**-8.6**	**3.7**	**1.6**	**6.2**	**37.1**	**4.7**	**7.9**
Albums	-10.0	-69.6	18.4	13.8	-4.4	46.3	17.6	24.4	0.7	37.2	-7.8	-20.4	-17.3	18.7	-4.2	0.8
Management	195.9	28.4	45.2	31.3	-6.0	166.2	142.9	11.8	51.5	-13.1	-15.5	15.4	56.0	64.9	2.0	9.4
Concerts	335.1	-3.1	87.6	26.0	-26.3	342.3	186.8	10.0	88.7	-18.4	-21.8	28.4	63.9	82.4	3.1	13.5
Ads	46.9	29.4	3.6	13.7	14.6	22.4	52.1	35.2	50.9	15.3	-1.3	-27.5	21.0	31.2	6.4	-0.5
Guarantees	127.3	194.4	12.0	95.0	86.1	22.1	104.4	-3.3	-39.8	-12.2	3.7	11.5	90.2	41.2	-8.5	0.3
Appearances	-13.2	-32.5	57.6	31.2	37.1	355.9	-20.5	11.5	85.2	-25.3	70.1	25.8	15.8	42.1	27.4	14.5
Others	-2.2	23.0	-36.9	62.7	-0.0	16.5	56.9	26.9	-13.8	-19.0	1.4	2.7	4.3	22.2	-6.9	5.3
COGS	31.1	-21.4	18.9	36.8	17.5	101.2	79.3	23.1	27.5	-4.1	-5.1	2.4	15.8	50.1	2.9	8.6
Gross profit	**0.8**	**-54.0**	**25.5**	**14.0**	**-14.8**	**171.1**	**-7.8**	**7.2**	**40.0**	**-15.0**	**21.3**	**4.0**	**-4.4**	**18.4**	**8.9**	**6.8**
SG&A costs	48.9	-10.2	54.3	34.2	18.4	55.8	3.0	1.6	21.6	3.1	8.6	-2.6	29.6	15.7	6.8	2.2
Operating profit	**-20.0**	**-79.6**	**10.4**	**-2.6**	**-41.6**	**466.3**	**-15.7**	**13.6**	**70.0**	**-27.8**	**32.7**	**10.6**	**-24.3**	**21.0**	**10.8**	**11.0**
Operating margin (%pts)	-11.0	-20.4	-3.0	-5.6	-10.7	14.8	-10.9	-0.7	4.0	-5.1	4.9	1.6	-8.6	-2.5	1.1	0.6
Non-operating gains (losses)	-50.3	nm	-10.9	nm	1,370.7	nm	355.2	nm	-88.1	nm	69.6	nm	nm	762.7	-77.9	-27.5
Pre-tax profit	-26.1	-85.0	10.2	118.7	149.5	720.6	-12.6	-17.1	-56.1	-15.6	34.3	31.5	-12.5	64.0	-16.2	7.9
Net profit (controlling)	**-23.6**	**-94.4**	**12.2**	**562.7**	**118.9**	**2,445.7**	**-30.0**	**6.8**	**-53.8**	**-19.6**	**51.3**	**19.9**	**-7.3**	**64.2**	**-15.6**	**6.8**

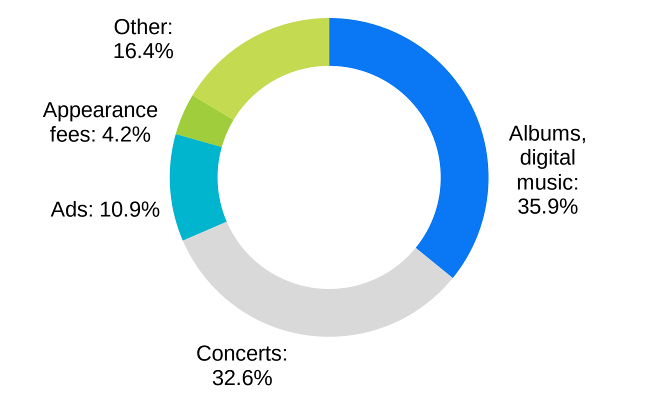
Note: 1Q25 earnings included a one-off gain from the sale of an 8% stake in DearU (KRW73.5b)
Source: Company data, Samsung Securities estimates

Chart 1. Sales and operating margin



Source: Company data, Samsung Securities

Chart 2. Sales, by segment (1Q26)



Source: Company data, Samsung Securities

Table 3. Album sales: 2Q26 vs 2Q25

2Q26				2Q25			
Rank	**Artist**	**Key album**	**Sales (units)**	**Rank**	**Artist**	**Key album**	**Sales (units)**
1	KickFlip	Total	469,753	1	ITZY	Total	498,600
		My First Kick	240,411			Girls Will Be Girls	411,237
2	NEXZ	Total	443,870	2	KickFlip	Total	361,249
		Mmchk	347,270			Kick Out, Flip Now!	351,498
3	Stray Kids	Total	422,655	3	NEXZ	Total	258,794
		DO IT	139,131			O-RLY?	204,272
4	NMIXX	Total	376,977	4	Stray Kids	Total	117,254
		Heavy Serenade	281,453			合 (HOP)	23,354
5	ITZY	Total	356,429	5	NiziU	Total	40,629
		Motto	251,538			LOVE LINE	40,629
Total			**2,345,812**				**1,316,215**

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

Table 4. Album launches scheduled for 2026

Artist	Album	Release date	Category	Sales (units)*
Stray Kids	STAY	Mar 25	Digital single	
Xdinary Heroes	X room	Mar 25	8th EP's pre-release single	
Wonpil (DAY6)	Unpiltered	Mar 30	1st EP	173,319
NiziU	GOOD GIRL NOT FOR YOU	Apr 1	Japanese 2nd EP	
KickFlip	My First Kick	Apr 6	4th EP	469,753
Xdinary Heroes	DEAD AND	Apr 17	8th EP	181,435
NEXZ	Mmchk	Apr 27	Digital single	443,870
Nmixx	Crescendo	Apr 28	5th EP's pre-release single	
CIIU	Heartpick	May 6	Digital single	
Nmixx	Heavy Serenade	May 11	5th EP	376,977
ITZY	Motto	May 18	12th EP	356,429
Jun.K	Midnight Ticket	Jun 15	Digital single	
Stray Kids	Run it	Jun 24	Digital single	
Dodree	HAWWAH	Jul 6	Digital single	
JYP	0	Jul 23	Digital single	
Girlset	CHAT	Jul 24	4th single	
Young K (DAY6)	YOUNGEST	Jul 24	2nd album	
Stray Kids	This & That	Aug 7	10th EP	
OURBIRTHDAY	TBD			

Note: Sales volume based on Circle Chart Top 100 on Jun 30, 2026;
*Dodree is an artist signed to subsidiary Innit Entertainment
Source: Local media, company data, Circle Chart, Hanteo Chart, Samsung Securities

Table 5. Concerts scheduled for 2026

Artist	Country	Concert/fan meeting	Dates	Cities	Sessions
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 18-Jun 21	2 Japanese cities, Busan	8
Wonpil (DAY6)	Korea	Unplitered	May 1-May 3	Seoul	3
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
Day6	Asia	The Decade	Jul 3-Jul 5	Seoul	3
Itzy	Asia	Tunnel Vision	Jul 4-Sep 17	Asia 4 cities, Europe 4 cities	8
Twice	Global	This Is For	Jul 10-Jul 12	Seoul	3
Nmixx	Asia	Zero Frontier	Jul 11-Aug 9	Japan, Hong Kong	5
Stray Kids	Asia	RUN IT	Jul 25-Sep 20	Seoul, Japan	11
2PM		THE RETURN	Aug 8-9	Seoul	2
Nmixx	Asia	Zero Frontier	Aug 8-9	Kaohsiung, Hongkong, Tokyo	5
Itzy	Global	Tunnel Vision	Oct 3	Singapore	1
Stray Kids	Asia	RUN IT	Oct 24-Dec 12	Japan, Hong Kong, Taiwan	3
Stray Kids	Asia	RUN IT	Jan 16-Mar 7	Bankok, Singapore	4

Source: Company data, Circle Chart, Hanteo Chart, Samsung Securities

Chart 3. Stray Kids, SKZOO Global Pop-up Store

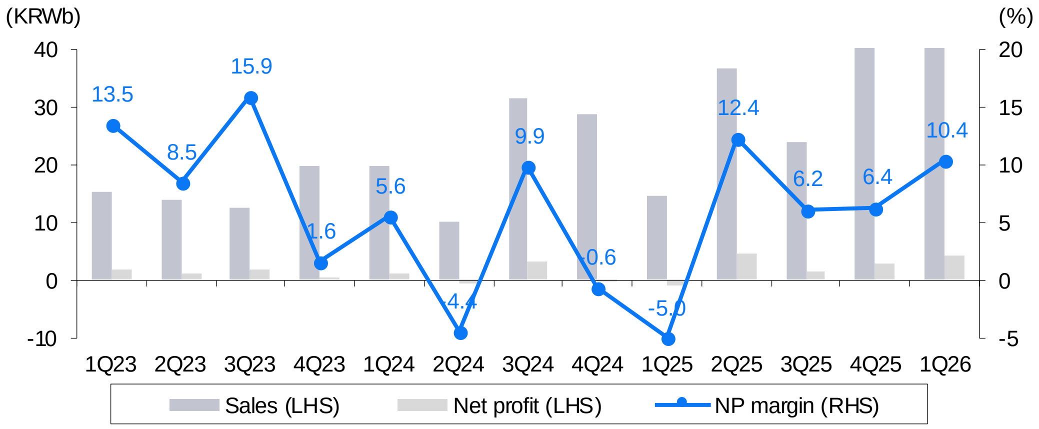
Source: Company data, Samsung Securities

Chart 4. Logo Motion of New Project 'OURBIRTHDAY'

Note: On July 2, the OURBIRTHDAY logo motion was released via official SNS. Since the subsidiary INIT Entertainment is following the official channel, it is presumed to be under INIT Entertainment.

Source: Company data, Samsung Securities

Chart 5. Blue Garage: Quarterly sales and net profit



Source: Company data, Samsung Securities

Table 6. Stray Kids: World tours since debuting

Category	Tour	Date	Sessions	Details
1st world tour	District 9: Unlock	Nov 23, 2019 – Feb 16, 2020	10	Concerts canceled since mid-February 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 – Oct 19, 2025	56	56 dates in 35 cities (include additional concerts)
4th world tour	RUN IT	Jul 25, 2026-Mar 7, 2027 (+add)	18	Asia 9 cities

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	2
			May 30-31	Amsterdam	2
			Jun 3-4	London	2
			Jul 10-Jul 12	Seoul	3
Total 51 concerts			Total 81+ 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

Note: ITZY renewed contracts early in Sep 2025, ahead of 2026 expiration;
Timing of new group (New Project) launch undisclosed
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
2025-2028 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	871.1	863.8	-0.8	921.7	931.9	1.1
Operating profit	175.6	172.1	-2.0	190.6	191.0	0.2
Operating margin (%, %pts)	20.2	19.9	-0.2	20.7	20.5	-0.2
Pre-tax profit	195.3	187.1	-4.2	208.0	201.9	-2.9
Net profit (controlling)	141.3	135.5	-4.1	149.2	144.8	-2.9

Source: Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Sales	**602**	**822**	**864**	**932**	**971**
Cost of goods sold	345	518	533	579	608
Gross profit	**256**	**303**	**330**	**353**	**363**
Gross margin (%)	42.6	36.9	38.2	37.9	37.4
SG&A expenses	128	148	158	162	166
Operating profit	**128**	**155**	**172**	**191**	**197**
Operating margin (%)	21.3	18.9	19.9	20.5	20.3
Non-operating gains (losses)	**8**	**68**	**15**	**11**	**12**
Financial profit	14	13	20	19	20
Financial costs	5	17	12	14	14
Equity-method gains (losses)	3	75	5	5	5
Other	-4	-3	2	1	1
Pre-tax profit	**136**	**223**	**187**	**202**	**209**
Taxes	38	63	51	57	59
Effective tax rate (%)	28.2	28.1	27.5	28.0	28.0
Profit from continuing operations	98	161	136	145	151
Profit from discontinued operations	0	0	0	0	0
Net profit	**98**	**161**	**136**	**145**	**151**
Net margin (%)	16.2	19.5	15.7	15.6	15.5
Net profit (controlling interests)	98	161	136	145	150
Net profit (non-controlling interests)	-0	0	0	1	1
EBITDA	143	176	189	204	207
EBITDA margin (%)	23.8	21.5	21.8	21.9	21.4
EPS (parent-based) (KRW)	2,751	4,519	3,814	4,075	4,223
EPS (consolidated) (KRW)	2,750	4,519	3,819	4,091	4,239
Adjusted EPS (KRW)*	2,751	4,519	3,814	4,075	4,223

Balance sheet

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Current assets	**362**	**496**	**625**	**769**	**909**
Cash & equivalents	191	294	413	540	670
Accounts receivable	49	38	40	43	44
Inventories	14	20	21	23	24
Other current assets	108	144	152	163	170
Fixed assets	**317**	**355**	**343**	**339**	**334**
Investment assets	105	131	136	145	150
Tangible assets	140	142	133	126	121
Intangible assets	60	67	59	53	48
Other long-term assets	12	15	15	15	15
Total assets	**679**	**851**	**968**	**1,108**	**1,243**
Current liabilities	**175**	**206**	**217**	**234**	**244**
Accounts payable	57	51	54	58	60
Short-term debt	0	0	0	0	0
Other current liabilities	117	155	163	176	183
Long-term liabilities	**21**	**20**	**21**	**22**	**23**
Bonds & long-term debt	0	0	0	0	0
Other long-term liabilities	21	20	21	22	23
Total liabilities	**196**	**226**	**237**	**256**	**266**
Owners of parent equity	**479**	**621**	**726**	**847**	**971**
Capital stock	18	18	18	18	18
Capital surplus	79	79	79	79	79
Retained earnings	390	533	639	760	884
Other	-8	-9	-10	-10	-10
Non-controlling interests' equity	**4**	**4**	**5**	**5**	**6**
Total equity	**483**	**625**	**731**	**852**	**977**
Net debt	-207	-328	-448	-578	-710

Cash flow statement

Year-end Dec 31 (KRWb)	2024	2025	2026E	2027E	2028E
Cash flow from operations	**89**	**124**	**155**	**163**	**163**
Net profit	98	161	136	145	151
Non-cash profit and expenses	52	15	60	60	56
Depreciation	9	11	9	7	5
Amortization	6	10	8	6	5
Other	38	-6	44	47	46
Changes in A/L from operating activities	-7	-8	3	5	3
Cash flow from investments	**-100**	**3**	**-6**	**-9**	**-5**
Change in tangible assets	-87	-6	0	0	0
Change in financial assets	21	-70	-6	-9	-5
Other	-33	79	0	0	0
Cash flow from financing	**-22**	**-22**	**-29**	**-23**	**-26**
Change in debt	-1	-0	0	0	0
Change in equity	1	0	0	0	0
Dividends	-19	-18	-29	-24	-26
Other	-3	-5	0	0	0
Change in cash	-27	104	118	127	130
Cash at beginning of year	217	191	294	413	540
Cash at end of year	191	294	413	540	670
Gross cash flow	**150**	**176**	**196**	**205**	**207**
Free cash flow	**2**	**118**	**155**	**163**	**163**

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

Financial ratios

Year-end Dec 31	2024	2025	2026E	2027E	2028E
Growth (%)					
Sales	6.2	36.6	5.1	7.9	4.2
Operating profit	-24.3	21.0	10.8	11.0	3.3
Net profit	-7.0	64.3	-15.5	7.1	3.6
Adjusted EPS**	-7.4	64.2	-15.6	6.8	3.6
Per-share data (KRW)					
EPS (parent-based)	2,751	4,519	3,814	4,075	4,223
EPS (consolidated)	2,750	4,519	3,819	4,091	4,239
Adjusted EPS**	2,751	4,519	3,814	4,075	4,223
BVPS	14,445	18,730	21,920	25,573	29,310
DPS (common)	534	877	717	792	887
Valuations (x)					
P/E***	25.4	16.1	13.3	12.4	12.0
P/B***	4.8	3.9	2.3	2.0	1.7
EV/EBITDA	16.0	12.8	7.2	6.0	5.3
Ratios (%)					
ROE	22.4	29.2	20.1	18.4	16.5
ROA	15.6	21.0	14.9	14.0	12.8
ROIC	80.6	65.3	79.4	98.5	113.3
Payout ratio	18.1	18.1	17.5	18.1	19.6
Dividend yield (common)	0.8	1.2	1.4	1.6	1.7
Net debt to equity	-42.9	-52.4	-61.3	-67.8	-72.7
Interest coverage (x)	635.2	906.8	1,004.4	1,079.6	1,082.4

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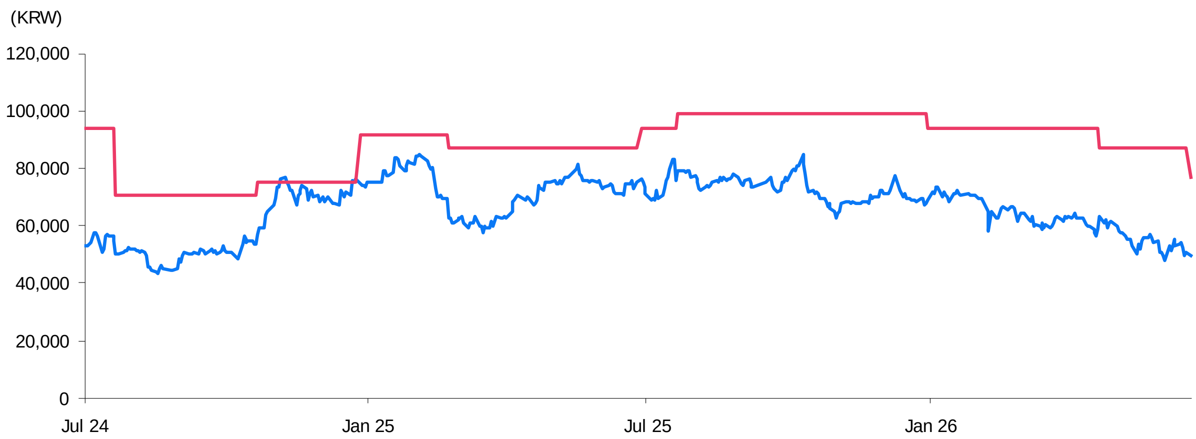
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2024/5/13	8/14	11/14	2025/1/20	3/18	7/21	8/14	2026/1/23	5/15	7/13
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	94000	71000	75000	92000	87000	94000	99000	94000	87000	77000
Gap* (average)	-39.49	-29.35	-5.93	-14.83	-19.99	-21.19	-26.40	-30.89	-36.90	
(max or min)**	-35.53	-20.14	2.80	-7.50	-6.44	-11.60	-14.14	-21.49	-28.62	

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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