COMPANY UPDATE

2026. 8. 28

Alternative Investment Team

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▸ AT A GLANCE

HOLD

Target price	**KRW42,000**	**8.1%**
Current price	**KRW38,850**	
Market cap	KRW914.29b/USD662.1m	
Shares (float)	23,533,928 (31.5%)	
52-week high/low	KRW51,400/KRW28,550	
Avg daily trading value (60-day)	KRW1.8b/ USD1.3m	

▸ ONE-YEAR PERFORMANCE

	1M	6M	12M
Hanssem (%)	0.4	-21.8	-7.5
Vs Kospi (%pts)	-1.9	-29.3	-57.4

▸ KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	HOLD	HOLD	
Target price	42,000	48,500	-13.4%
2026E EPS	688	651	5.7%
2027E EPS	977	n/a	n/a

▸ SAMSUNG vs THE STREET

No of estimates	6
Target price	47,500
Recommendation	3.5

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

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Hanssem (009240)

Housing market recovery key to profitability

- Hanssem's 2Q operating profit (KRW11.3b) missed consensus (KRW12.1b).
- The B2C segment put in solid performances, but the B2B segment suffered another quarter of profitability deterioration.
- Market conditions (eg, declining home transactions and move-in volumes) should remain unfavorable for both segments. We revise down our earnings estimates and cut our target price to KRW42,000 and maintain HOLD rating.

WHAT'S THE STORY?

2Q review: Hanssem reported 2Q consolidated sales of KRW417.2b (-9.2% y-y) and an operating profit of KRW11.3b (+400% y-y), the latter missing consensus (KRW12.1b;FnGuide) by 6.8%. The B2C unit delivered solid results, but the company's earnings missed consensus as the B2B segment recorded its lowest quarterly margins due to sluggish sales.

- **B2C:** Hanssem's B2C sales rose 6.7% y-y to KRW274.7b, with a y-y turn to operating profit of KRW11.2b (operating margin of 4.1%). Rehaus sales remained solid on increased housing transaction volume and a rising sales portion of premium products. Home furnishing sales declined y-y across both online and offline channels. Given that weekly apartment transaction volumes resumed their downward trend from July, we do not think the B2C unit's earnings improvement will be sustainable in 2H26.
- **B2B:** Its B2B sales declined 29% y-y to KRW81.4b in 2Q, with a y-y turn to operating loss of KRW1.7b (operating margin of -2.1%)—marking the fourth consecutive quarter of profitability deterioration. The ongoing slowdown in the housing move-in volume, compounded by sluggish recovery in construction permits amid rising interest rates, suggests continued headwinds. Business conditions for B2B operation should remain challenging in the near term.

(Continued on the next page)

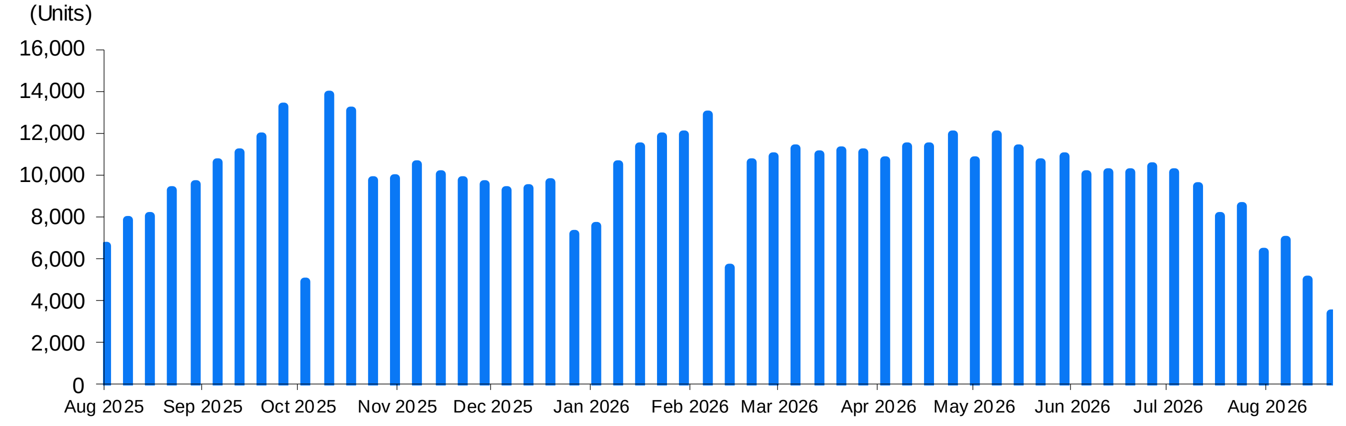
SUMMARY FINANCIAL DATA

	2024	2025	2026E	2027E
Revenue (KRWb)	1,908	1,745	1,702	1,780
Operating profit (KRWb)	31	18	37	39
Net profit (adj) (KRWb)	151	46	16	23
EPS (adj) (KRW)	6,422	1,967	688	977
EPS (adj) growth (% y-y)	nm	-69.4	-65.0	42.1
EBITDA margin (%)	5.5	5.1	5.7	4.9
ROE (%)	43.6	12.3	4.1	6.0
P/E (adj) (x)	7.4	23.5	56.5	39.8
P/B (x)	2.3	1.9	1.6	1.6
EV/EBITDA (x)	11.0	11.6	8.1	8.6
Dividend yield (%)	17.9	0.0	6.4	5.1

Source: Company data, Samsung Securities estimates

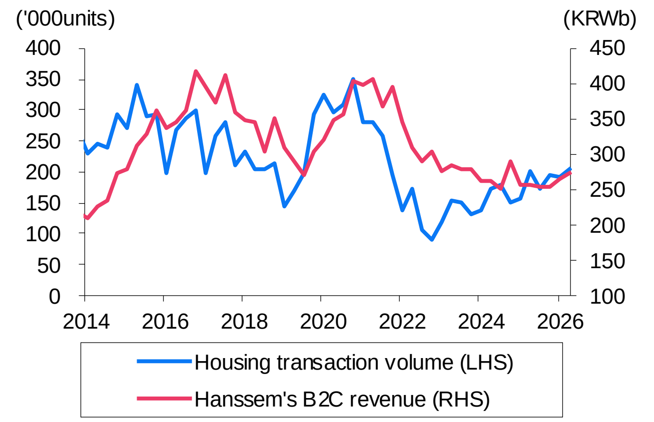
Maintaining HOLD rating: While cost stabilization and improved sales mix have boosted profitability, further growth should hinge on recovery of the housing market. Declining home transactions and move-in volumes should keep weighing on the B2C and B2B operations for a while longer, and 2H earnings are likely to slow due to the costs related to the merger of subsidiary Hanssem Nexus and increased marketing expenses. We revise down our earnings estimates and cut our target price to KRW42,000 and maintain HOLD rating.

Chart 1. Weekly apartment transaction volume



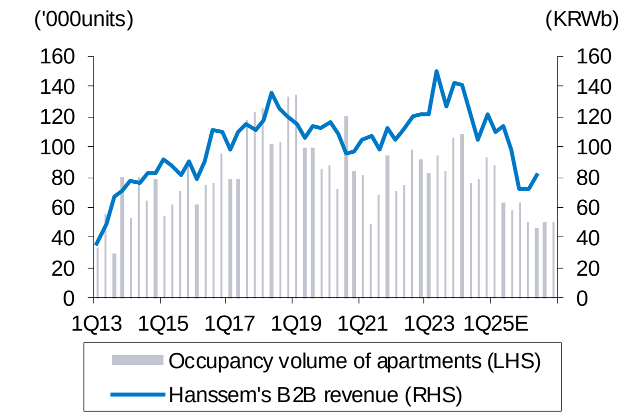
Source: MOLIT, Samsung Securities

Chart 2. B2C revenue vs housing transaction volume



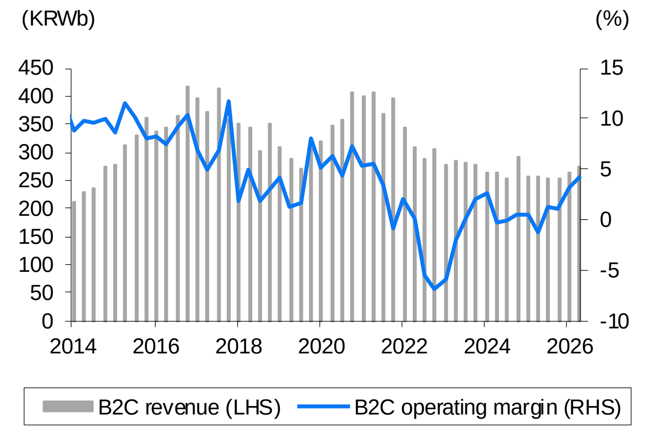
Source: MOLIT, Company data, Samsung Securities

Chart 3. Occupancy volume vs Hanssem's B2B revenue



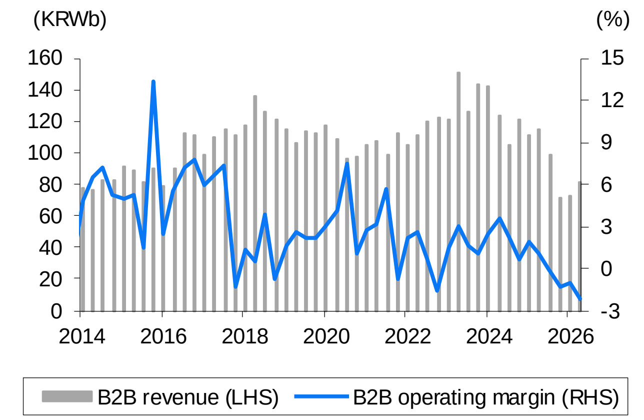
Source: MOLIT, Company data, Samsung Securities

Chart 4. Revenue vs operating margin: B2C



Source: Company data, Samsung Securities

Chart 5. Revenue vs operating margin: B2B



Source: Company data, Samsung Securities

Hanssem: Results and forecasts

(KRWb)	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26E	4Q26E	2022	2023	2024	2025	2026E	2027E
Sales	**443.4**	**459.4**	**441.4**	**400.3**	**399.4**	**417.2**	**428.2**	**457.0**	**2,000.9**	**1,966.9**	**1,908.4**	**1,744.6**	**1,701.9**	**1,780.2**
Growth (% q-q)	-9.6	3.6	-3.9	-9.3	-0.2	4.5	2.6	6.7						
Growth (% y-y)	-8.7	-3.9	-2.8	-18.4	-9.9	-9.2	-3.0	14.2	-10.3	-1.7	-3.0	-8.6	-2.4	4.6
B2C	**257.8**	**257.4**	**253.9**	**252.8**	**264.1**	**274.7**	**269.0**	**290.3**	**1,248.8**	**1,120.1**	**1,068.7**	**1,021.9**	**1,098.1**	**1,105.4**
Rehaus	114.7	147.4	137.1	144.9	129.8	166.3	149.0	151.3	667.8	590.9	518.9	544.1	596.4	628.8
Home furnishing	143.1	110.0	116.8	107.9	134.3	108.4	120.0	139.0	581.0	529.2	549.8	477.8	501.7	476.6
B2B	**110.6**	**114.6**	**98.6**	**71.9**	**73.0**	**81.4**	**79.8**	**82.2**	**457.9**	**541.3**	**490.8**	**395.7**	**316.4**	**346.8**
Affiliates & other	**75.0**	**87.4**	**88.9**	**75.6**	**62.3**	**61.1**	**79.4**	**84.5**	**294.2**	**305.5**	**348.9**	**327.0**	**287.3**	**328.0**
Operating profit	**6.4**	**2.3**	**6.8**	**3.0**	**10.1**	**11.3**	**7.2**	**8.3**	**-21.7**	**1.9**	**31.2**	**18.5**	**36.8**	**39.1**
Operating margin (%)	**1.5**	**0.5**	**1.6**	**0.7**	**2.5**	**2.7**	**1.7**	**1.8**	**-1.1**	**0.1**	**1.6**	**1.1**	**2.2**	**2.2**
Growth (% q-q)	66.9	-65.0	203.4	-56.9	241.3	12.0	-36.6	15.6						
Growth (% y-y)	-50.4	-68.2	-6.1	-23.5	56.4	400.2	4.5	180.2	TTL	TTP	1,504.3	-40.8	98.9	6.3
Net profit	**9.6**	**32.2**	**-0.1**	**4.6**	**2.6**	**4.8**	**4.0**	**4.8**	**-71.3**	**-62.2**	**151.1**	**46.3**	**16.2**	**23.0**
Net margin (%)	**2.2**	**7.0**	**-0.0**	**1.1**	**0.7**	**1.1**	**0.9**	**1.0**	**-3.6**	**-3.2**	**7.9**	**2.7**	**1.0**	**1.3**
Growth (% q-q)	TTP	235.1	TTL	TTP	-42.8	81.7	-15.5	18.2						
Growth (% y-y)	-80.2	137.5	TTL	TTP	-72.6	-85.2	TTP	3.8	TTL	RL	TTP	-69.4	-65.0	42.1

Source: Company data, Samsung Securities estimates

Hanssem: Sum-of-the-parts valuation

(KRWb)	12MF EBITDA	Multiple (x)	EV	Note
Operating value (A)	86.6	8.0	691.1	40% discount to 2019 average multiple
Asset value (B=a+b)			150.3	
Treasury stock (a)			127.4	30% discount
Investment properties (b)			22.8	30% discount to book value
Net debt(C)			-135.8	As of end-2026E
Fair market cap (A+B-C)			977.2	
Outstanding shares ('000)			23,533.9	Including treasury stock
Target price (KRW)			**42,000**	
Current price (KRW)			38,850	As of Aug 27 close
Upside (%)			8.1	

Source: Company data, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025	2026E	2027E
Sales	**1,967**	**1,908**	**1,745**	**1,702**	**1,780**
Cost of goods sold	1,535	1,465	1,312	1,247	1,304
Gross profit	**432**	**444**	**432**	**455**	**477**
Gross margin (%)	22.0	23.3	24.8	26.7	26.8
SG&A expenses	430	413	414	418	438
Operating profit	**2**	**31**	**18**	**37**	**39**
Operating margin (%)	0.1	1.6	1.1	2.2	2.2
Non-operating gains (losses)	**-51**	**159**	**30**	**-13**	**-4**
Financial profit	8	9	11	6	0
Financial costs	14	17	17	10	4
Equity-method gains (losses)	0	-20	0	0	0
Other	-46	186	37	-8	0
Pre-tax profit	**-49**	**190**	**49**	**24**	**35**
Taxes	13	39	2	8	12
Effective tax rate (%)	-25.8	20.5	5.1	33.3	34.5
Profit from continuing operations	-62	151	46	16	23
Profit from discontinued operations	0	0	0	0	0
Net profit	**-62**	**151**	**46**	**16**	**23**
Net margin (%)	-3.2	7.9	2.7	1.0	1.3
Net profit (controlling interests)	-62	151	46	16	23
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	78	106	89	96	87
EBITDA margin (%)	4.0	5.5	5.1	5.7	4.9
EPS (parent-based) (KRW)	-2,641	6,422	1,967	688	977
EPS (consolidated) (KRW)	-2,641	6,422	1,967	688	977
Adjusted EPS (KRW)*	-2,641	6,422	1,967	688	977

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025	2026E	2027E
Current assets	**368**	**512**	**500**	**583**	**604**
Cash & equivalents	82	60	98	124	170
Accounts receivable	119	89	56	64	60
Inventories	110	105	77	88	83
Other current assets	57	259	269	307	290
Fixed assets	**684**	**555**	**493**	**420**	**369**
Investment assets	84	87	67	75	71
Tangible assets	415	338	305	246	201
Intangible assets	21	17	11	7	5
Other long-term assets	163	113	110	92	92
Total assets	**1,052**	**1,067**	**993**	**1,003**	**973**
Current liabilities	**523**	**472**	**407**	**404**	**385**
Accounts payable	183	157	125	143	135
Short-term debt	44	88	51	50	50
Other current liabilities	295	227	231	212	200
Long-term liabilities	**186**	**245**	**186**	**214**	**212**
Bonds & long-term debt	30	40	0	46	46
Other long-term liabilities	156	205	186	168	166
Total liabilities	**709**	**717**	**593**	**618**	**597**
Owners of parent equity	**343**	**351**	**400**	**385**	**376**
Capital stock	24	24	24	24	24
Capital surplus	44	44	44	44	44
Retained earnings	548	553	607	599	590
Other	-273	-271	-275	-281	-281
Non-controlling interests' equity	**0**	**0**	**0**	**0**	**0**
Total equity	**343**	**351**	**400**	**385**	**376**
Net debt	156	50	-57	-136	-169

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025	2026E	2027E
Cash flow from operations	**80**	**49**	**69**	**114**	**61**
Net profit	-62	151	46	16	23
Non-cash profit and expenses	166	-15	73	84	60
Depreciation	71	68	64	56	45
Amortization	5	7	6	4	2
Other	90	-90	2	24	12
Changes in A/L from operating activities	-20	-68	9	24	-9
Cash flow from investments	**25**	**91**	**31**	**-40**	**19**
Change in tangible assets	-27	130	-14	-5	0
Change in financial assets	14	-204	1	-44	19
Other	37	165	45	9	0
Cash flow from financing	**-60**	**-163**	**-63**	**-48**	**-34**
Change in debt	11	74	-51	-18	-2
Change in equity	10	0	0	0	0
Dividends	-74	-141	0	-25	-32
Other	-7	-96	-12	-6	0
Change in cash	44	-22	39	26	46
Cash at beginning of year	37	82	60	98	124
Cash at end of year	82	60	98	124	170
Gross cash flow	**104**	**136**	**119**	**100**	**83**
Free cash flow	**53**	**38**	**54**	**109**	**61**

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	2023	2024	2025	2026E	2027E
Growth (%)					
Sales	-1.7	-3.0	-8.6	-2.4	4.6
Operating profit	nm	1,504.3	-40.8	98.9	6.3
Net profit	nm	nm	-69.4	-65.0	42.1
Adjusted EPS**	nm	nm	-69.4	-65.0	42.1
Per-share data (KRW)					
EPS (parent-based)	-2,641	6,422	1,967	688	977
EPS (consolidated)	-2,641	6,422	1,967	688	977
Adjusted EPS**	-2,641	6,422	1,967	688	977
BVPS	20,648	21,124	24,081	24,235	23,682
DPS (common)	4,500	8,530	0	2,500	2,000
Valuations (x)					
P/E***	n/a	7.4	23.5	56.5	39.8
P/B***	2.6	2.3	1.9	1.6	1.6
EV/EBITDA	18.1	11.0	11.6	8.1	8.6
Ratios (%)					
ROE	-15.8	43.6	12.3	4.1	6.0
ROA	-5.8	14.3	4.5	1.6	2.3
ROIC	0.5	6.8	6.1	10.9	16.1
Payout ratio	-120.2	93.7	0.0	250.4	138.2
Dividend yield (common)	8.4	17.9	0.0	6.4	5.1
Net debt to equity	45.4	14.3	-14.2	-35.3	-44.9
Interest coverage (x)	0.1	1.9	1.1	n/a	n/a

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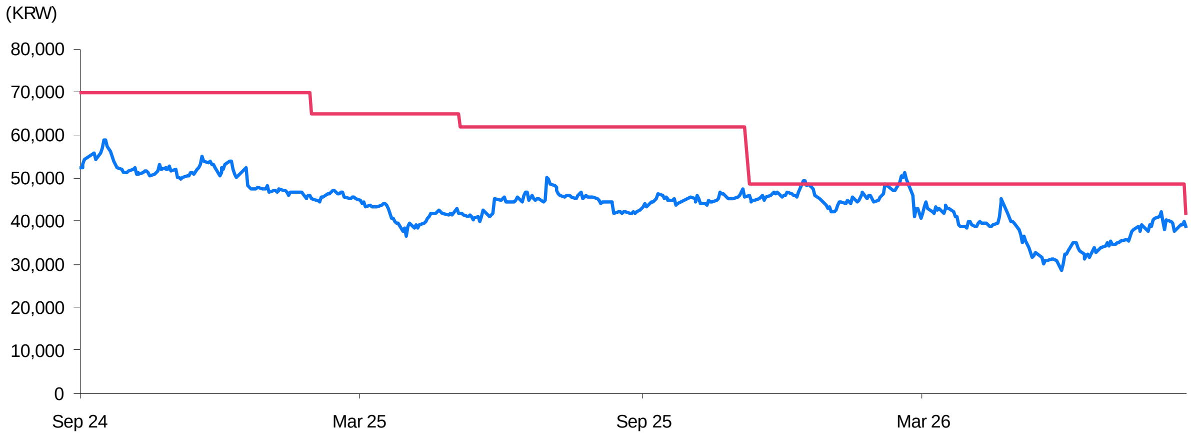
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2024/8/13	2025/2/7	5/14	11/17	2026/8/28
Recommendation	BUY	BUY	BUY	HOLD	HOLD
Target price (KRW)	70000	65000	62000	48500	42000
Gap* (average)	-26.03	-34.19	-27.99	-16.38	
(max or min)**	-15.14	-27.54	-19.03	5.98	

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

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* 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 2026.06.30

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