COMPANY UPDATE

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EV/Mobility Team

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AT A GLANCE

Not rated

Target price	n/a
Current price	**KRW11,880**
Market Cap	KRW160.22b/USD119.52m
Shares (float)	13,486,348 (45.0%)
52-week high/low	KRW15,570/KRW5,180
Avg daily trading value (60-day)	KRW2.5b/ USD1.9m

ONE-YEAR PERFORMANCE

	1M	6M	12M
Neooto (%)	17.0	39.6	100.7
Vs Kosdaq (%pts)	13.7	96.1	98.0

SAMSUNG vs THE STREET

No of estimates	n/a
Target price	n/a
Recommendation	n/a

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

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Neooto (212560)

Overcoming market neglect through share swap

- On Sep 4, Neooto's board of directors entered into a comprehensive share exchange agreement with Oto Industry (unlisted) to acquire 100% ownership and make it a wholly owned subsidiary.
- The transaction is aimed at increasing the company's scale sufficiently such that it qualifies for the Kosdaq's planned upper tier (when that classification is implemented). Given the two companies' respective operating profits, the exchange ratio appears reasonable. Following the share swap, potential overhang will amount to 16.98%.
- Following the share swap, Neooto should trade at around 10x P/E. Further rerating will likely depend on: 1) the speed of earnings growth (with a KRW1t revenue target for 2030); and 2) the pace of progress in new business initiatives, such as robotics reducers.

WHAT'S THE STORY?

Benefits of share swap: Neooto will issue new shares to exchange for all of Oto Industry's outstanding shares, thereby making the latter a wholly owned subsidiary. This transaction should highlight momentum for its new business initiatives.

- **Company-outlined objectives:** There are four main objectives.

  1. Vertical integration of value chain: Combine Oto Industry's capabilities in forging, turning, and materials with Neooto's proprietary gear-cutting and assembly technologies to create a fully integrated production system.

  2. Scale expansion: Facilitate expansion. Consolidated revenue is projected to grow 2.9x, from KRW230b in 2025 to KRW660b after the share swap. Operating profit is expected to increase 2.4x, from KRW13.7b to KRW32.3b. The transaction is aimed at increasing the company's scale sufficiently such that it qualifies for the Kosdaq's planned upper tier (when that classification is implemented) and overcome liquidity constraints typical of small-caps.

(Continued on the next page)

SUMMARY FINANCIAL DATA

(KRWb)	2022	2023	2024	2025
Revenue	164	198	219	232
Operating profit	8	10	13	14
Net profit	8	12	18	15
EPS (adj) (KRW)	665	1,009	1,500	1,260
EPS (adj) growth (%)	19.5	51.9	48.6	(16.0)
EBITDA margin (%)	13.3	10.8	10.4	10.5
ROE (%)	8.4	11.7	15.3	11.4
P/E (adj) (x)	6.6	6.2	3.5	7.0
P/B (x)	0.5	0.7	0.5	0.8
EV/EBITDA (x)	2.3	2.9	0.9	3.4
Dividend yield (%)	1.5	1.6	2.5	2.3

Source: Company data, Samsung Securities

3. **Funding new ventures:** Allocate resources toward the joint development of EV drivetrain modules and expansion of precision robotics reducers.

4. **Enhanced shareholder returns:** Increase its dividend payout ratio from 15.9% to over 20%.

- **Strengthened control by major shareholder:** Prior to the transaction, major shareholder Kim Sun-hyun holds 68.39% of Oto Industry and 38.76% of Neooto. After the share swap, she should have a 56.45% direct stake in the consolidated entity. Including related parties, total control rises to 61.88%.
- **Financial investor exit path:** Financial investors that invested KRW44b in Oto Industry (24.39% stake) should receive a 16.98% stake in Neooto. This stake will be eligible for sale after Feb 25, 2027.
- **Focus on potential to overcome market neglect:** Of particular note are Neooto's: 1) solid performance in reducers for EVs and hybrids; 2) active pursuit of precision reducers for robotics applications; and 3) potential to gain increased market attention as the largest reducer manufacturer among Korean peers. Further rerating will likely depend on success in new business initiatives and sustained earnings growth.

Key share-swap details: The exchange ratio was set at the lower end of a range proposed by an independent valuation agency. As this is an exchange between a listed and an unlisted company, the fact that the premium applied to Neooto's share price was limited to only 5% could be viewed as somewhat disappointing.

- **Valuation methodology:** Neooto was valued at KRW138.7b, a weighted average of the one-month average price, one-week average price, and the latest closing price, with a 5% premium added to protect existing shareholders. Oto Industry (unlisted) was valued using weighted average of asset value and earnings value at a ratio of 1:1.5. The combined estimated value of the two companies amounted to KRW205.5b.
- **Exchange ratio justified by the relative contribution to operating profit:** Neooto's posted a 2025 operating profit of KRW13.7b, while Oto Industry's reached KRW18.7b, the latter equating to 57.8% of the combined full year figure. Oto Industry's operating profit in 1H26 amounted to 62.3% of the two firm's combined figure. Related-party transactions accounted for 6-7% of total sales, which we deem to be negligible in the context of overall operations.
- **Final exchange ratio:** The final swap ratio is set at 91.366 Neooto shares for each share of Oto Industry (*ie*, 1:91.37), which is towards the lower end of the range (1:86.26 to 1:105.13) recommended by E-chon Accounting Corp, the independent valuation agency.
- **Share dilution:** Neooto will issue 19,978,890 new shares, increasing its total outstanding shares to 33,465,238 (resulting in 59.7% dilution).
- **Key timeline:** The notice period for dissenting shareholders is Dec 1-15, 2026. The shareholder meeting to approve the swap is scheduled for Dec 16, 2026. The appraisal rights exercise period runs from Dec 16, 2026 through Jan 5, 2027. The effective date of share exchange is Feb 1, 2027. Trading of newly listed shares is scheduled to commence on Feb 25, 2027.
- **Post-swap shareholder structure & overhang:** Major shareholders and related parties should hold a combined stake of 61.88%, while financial investors will hold 16.98% and minority

shareholders 18.31%. Oto Industry's pre-swap stake in Neooto (equivalent to 2.82% post-swap) should be disposed of within six months to eliminate cross-holdings.

- **Ability to offset overhang pressure to depend on growth of robotics business and operational performance**: Neooto's ability to expand into robotics reducers and achieve KRW1t in sales by 2030 (for a 2027-2030 CAGR of 12.8%) should be key.

Combined financials (2025): In 2025, the two companies' combined revenue and operating profit amounted to KRW662.3b and KRW32.4b respectively.

- **Neooto possesses gear cutting and machining technology:** Oto Industry purchases alloy steel (blends of carbon steel, tromanganese, and other materials), cuts it, and performs forging and turning. Neooto then carries out precision gear cutting (tooth profile formation) and heat treatment.
- **Tier-2 supplier:** Looking at its gear products (volume basis): 1) 70-80% are supplied to Hyundai Transys, which in turn delivers the products to Hyundai Motor (HMC) and Kia; 2) 10-20% are supplied directly to HMC and Kia; and 3) 10% are exported to international clients such as Stellantis and Volkswagen.
- After the share swap, Neooto should become Korea's largest gear manufacturer by revenue, surpassing peers such as DIC Corp, Daedong Gear, and Dongbo (unlisted), with consolidated revenue exceeding KRW600b.

Investment point 1. High automation and micro-precision machining capabilities

- **High automation and flexible production system:** When the plant was first built, high automation allowed just 1-2 operators to manage each production line. By 2025, sales per employee amounted to KRW1.23b—2.5 times the industry average—and the same line could flexibly switch between gear production for ICE vehicles, hybrids, and EVs.
- **Each factory has 40 production lines:** When foreign-made machine tools are used, capex ranges KRW2b-4b per line. Machine tools have a service life of 20-30 years. Its factory in Yesan produces 35m pinion gears pa (12-15 seconds per unit) and 1m annulus gears pa.
- **In-house mastery of precision gear cutting and machining technology:** It is capable of precision gear cutting and machining within a tolerance of ±5μm—just 1/20 the thickness of a human hair (~100μm).

Investment point 2. Solid profitability, backed by full depreciation of most equipment and high utilization rates

- **Depreciation complete—supplier of gears for automatic transmissions since 2010:** Its three plants have almost completed their depreciation cycles. In 2025, its depreciation costs equated 4.3% of its sales.
- **High utilization driven by orders for hybrid and EV gears:** Fully depreciated equipment, combined with high utilization, has supported an operating margin of around 6%.
- **Winning robot reducer orders could lead to early profitability:** Equipment investments would be necessary if it won robot reducer orders, but the use of the same foundational technology and high automation levels would allow rapid utilization improvements.

Investment point 3. Beneficiary of hybrid and EV growth

- **Only player in speed reducer value chain capable of machining internal helical gears:** HMC and Neooto are the only companies with proprietary technology to manufacture annulus gears needed in ICE and hybrid vehicle transmissions.
- **Hybrid/EV gears have 4-5x higher ASP than those in 6-speed automatic transmissions:** In a 6-speed automatic transmission, four small gears are mounted as a set in first gear. The annulus gear used in hybrids and the differential gear used in EVs command an ASP 4-5 times higher than the gears in 6-speed transmissions.
- **HMC/Kia's combined xEV sales in 1H26 total 1.057m units (up 23% y-y):** HMC/Kia's global sales reached 3.59m units in 1H (down 2% y-y), but their hybrid and EV sales increased to 691,000 units (up 29.1% y-y) and 362,000 units (up 12.8% y-y), respectively.
- **Order backlog as of end-2H25 at KRW1t (up 36.8%):** Orders in the company's backlog focus on HMC/Kia's hybrid and EV programs. To support the mass-production of the Genesis EREV model (to be launched in 2027), Neooto has built a fourth plant in Yesan. At 100% capacity, the facility will be able to generate sales of KRW94b pa. The facility is designed with a 50% capacity expansion in mind.

Investment point 4. Planetary gears to be increasingly used as reducers in QDD actuators

- **Three reasons behind growing adoption of QDD actuators in humanoid robots:** First, QDD actuators exhibit near-linear dynamics with low friction and minimal backlash, making them highly compatible with simplified joint models in simulation environments. This allows policies trained via reinforcement learning in simulations to transfer seamlessly to physical robots. In contrast, harmonic drives suffer from complex nonlinearities—flex spline elasticity, hysteresis, and variable friction—that are difficult to model accurately. Replicating their behavior requires additional neural networks, increasing development complexity. Second, reinforcement learning policies output joint torque commands. QDD actuators translate motor current almost directly into output torque, ensuring that simulated torque targets are faithfully reproduced in real-world environments. Third, QDD's mechanical design allows external impacts—such as ground contact while jumping or running—to be absorbed by motor inertia, protecting gears from damage. This enables aggressive, dynamic locomotion training.

  QDD actuators have lower torque density compared to alternatives, imposing a physical upper limit on payload capacity. While Chinese robotic actuators offer cost advantages, they typically support much lower payloads. Boston Dynamics' Atlas overcomes this by increasing magnetic flux density in its motors and employing Halbach arrays to boost torque output.
- **Application in Atlas:** The Atlas robot uses 31 QDD actuators with integrated planetary gears, compressed into two size variants—all are rotational QDD designs. Hyundai Mobis targets an actuator cost of USD500–1,000/unit. The gear unit accounts for 30% of each actuator's total cost.

Valuation: Neooto and Oto Industry

(KRWb)	Valuation	Portion of combined value (%)
Neooto	138.7	40.3
Oto Industry	205.5	59.7
Total	344.2	100.0

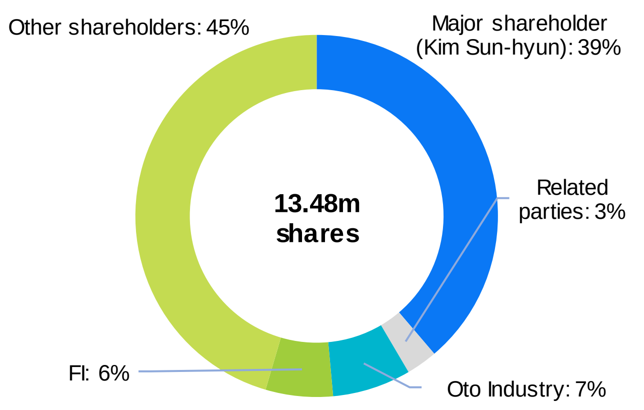
Source: Company data, Samsung Securities

Performance summary: Neooto and Oto Industry

(KRWb)		Neooto	Oto Industry	Combined
2025	Revenue	232.1	430.2	662.3
	Operating profit	13.7	18.7	32.4
	Net profit	14.9	10.9	25.8
	Operating margin (%)	5.9	4.3	4.9
	Net margin (%)	6.4	2.5	3.9
1H26	Revenue	123.8	241.3	365.1
	Operating profit	7.8	12.8	20.6
	Net profit	6.7	13.3	20
	Operating margin (%)	6.3	5.3	5.6
	Net margin (%)	5.4	5.5	5.5

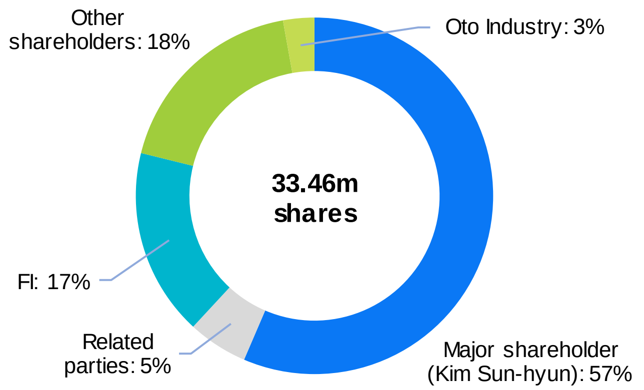
Source: Company data, Samsung Securities

Neooto: Shareholder structure (pre-share swap)



Source: Company data, Samsung Securities

Neooto: Shareholder structure (post-share swap)



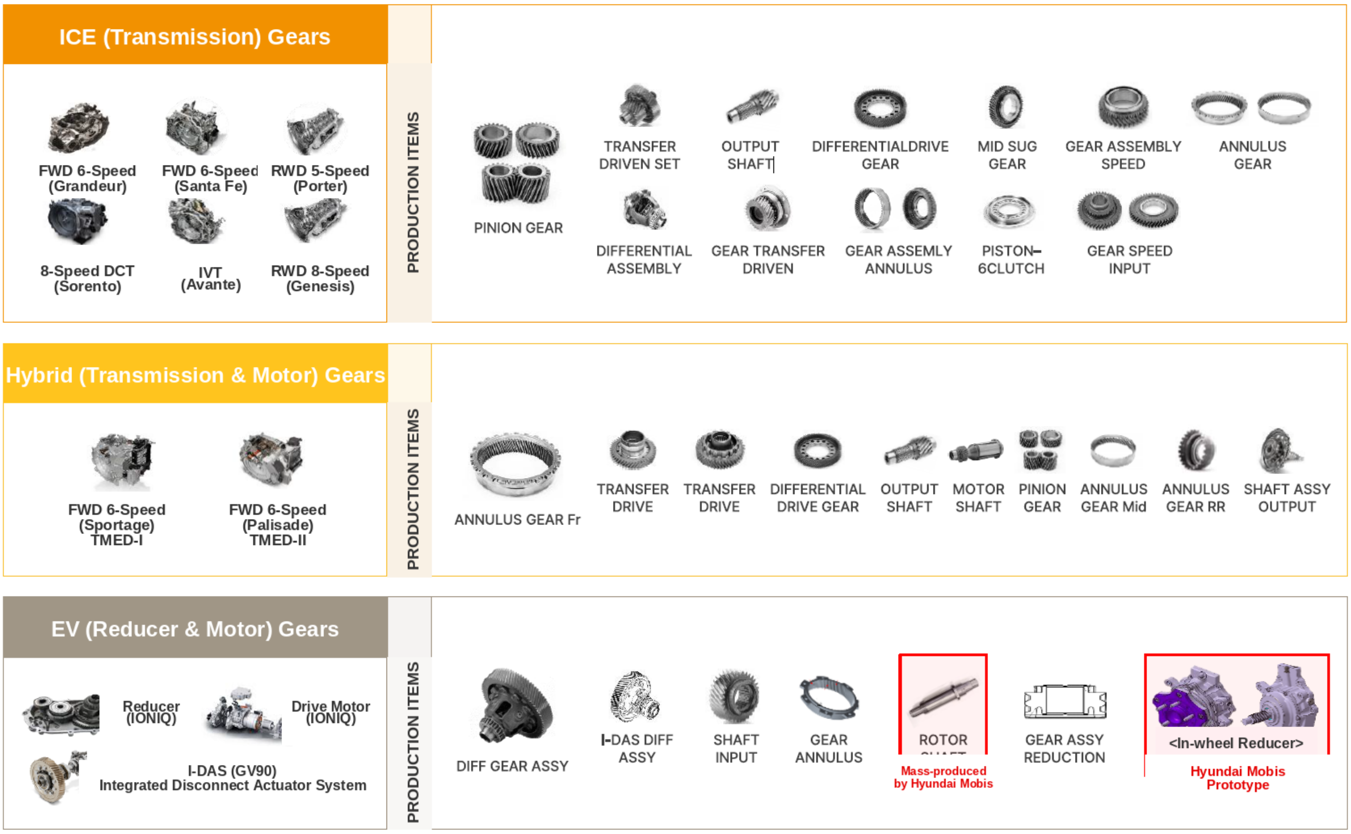
Source: Company data, Samsung Securities

Neooto: Peer group comparison

(KRWm)	Neooto	DIC Corp	Daedong Gear	Dongbo (unlisted)
Sales	232,116	406,814	220,939	438,548
Gross profit	27,362	32,448	12,195	28,283
Margin (%)	11.8	8.0	5.5	6.4
Operating profit	13,666	2,296	162	10,520
Margin (%)	5.9	0.6	0.1	2.4
Net profit	14,883	(14,982)	(4,740)	16,910
Margin (%)	6.4	(3.7)	(2.1)	3.9
Debt to equity ratio	63.1	464.7	240.6	59.6
Net debt	(34.93)	213.39	78.81	(28.18)
P/E	7.25	n/a	n/a	n/a
P/B	0.78	1.59	1.20	n/a
ROE	11.38	-17.37	-5.76	n/a

Note: As of 2025 parent-based result, Sep 4 close
Source: Dart, Samsung Securities

Neooto: Main products

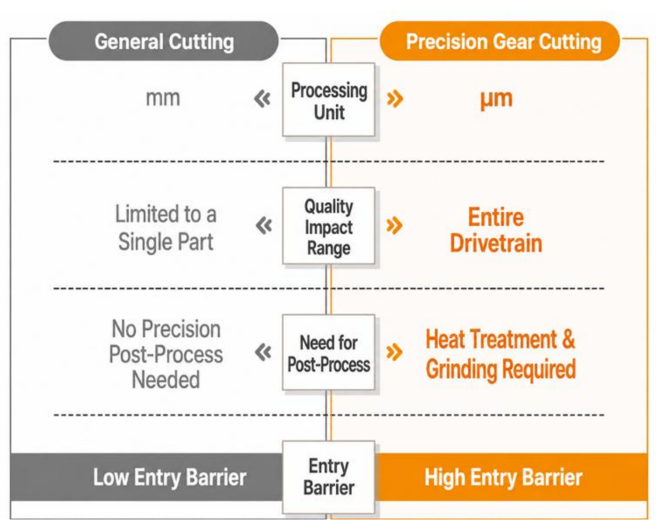


Source: Company data, Samsung Securities

Neooto: Automation of production facilities

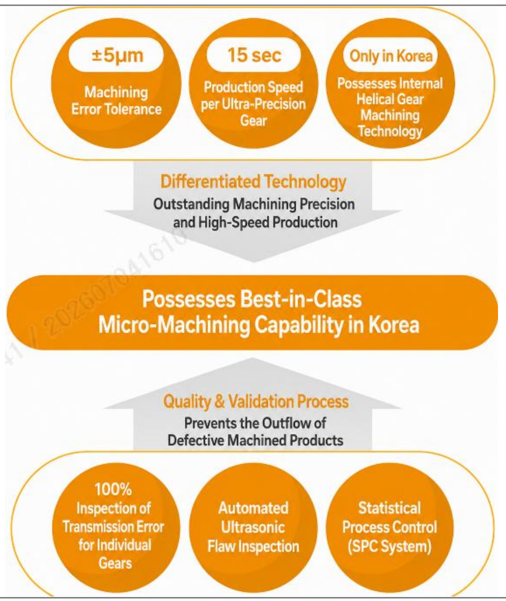
Source: Company data, Samsung Securities

Neooto: Internalization of precision gear cutting technology



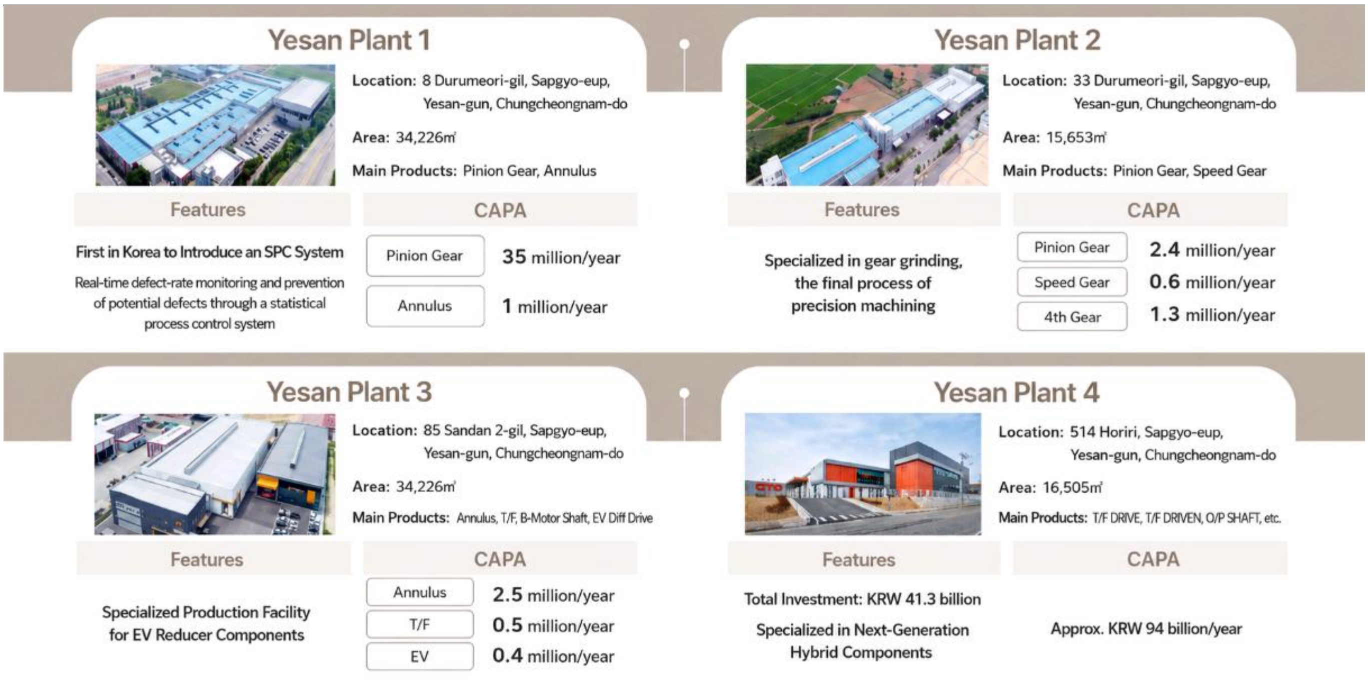
Source: Company data, Samsung Securities

Neooto: Micro-machining capabilities



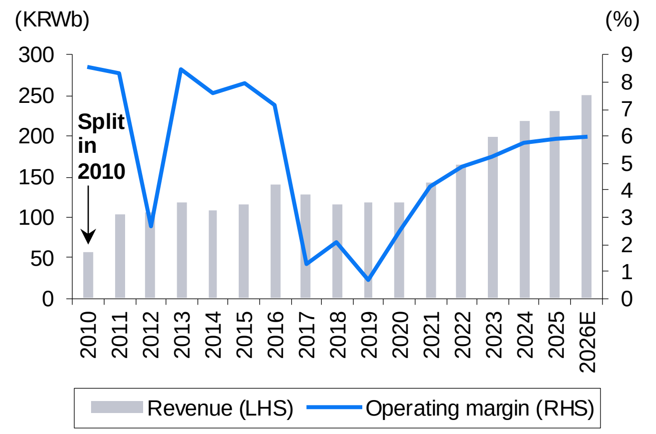
Source: Company data, Samsung Securities

Neooto: New Yesan plant 4



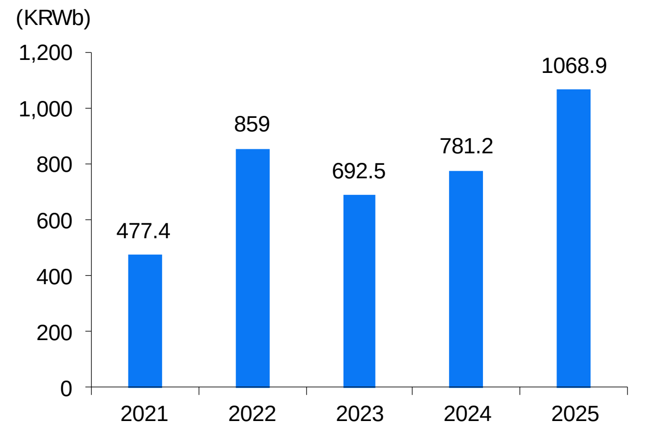
Source: Company data, Samsung Securities

Neooto: Sales and operating margin



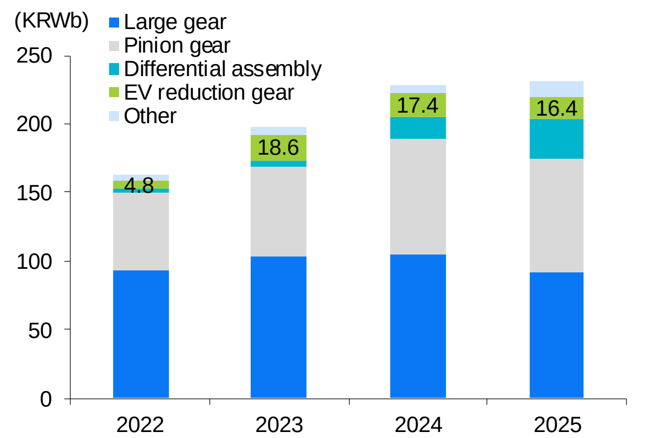
Source: Company data, Samsung Securities

Neooto: Order backlog



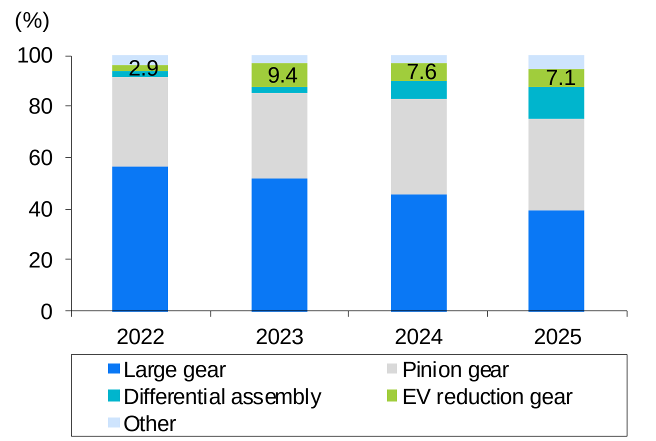
Source: Company data, Samsung Securities

Neooto: Sales, by product



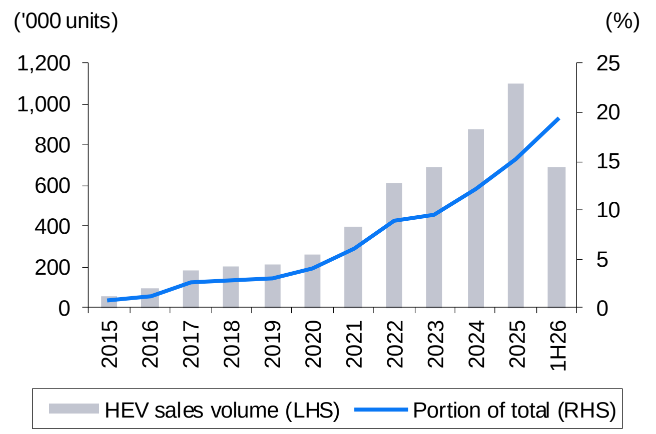
Source: Company data, Samsung Securities

Neooto: Sales portion, by product



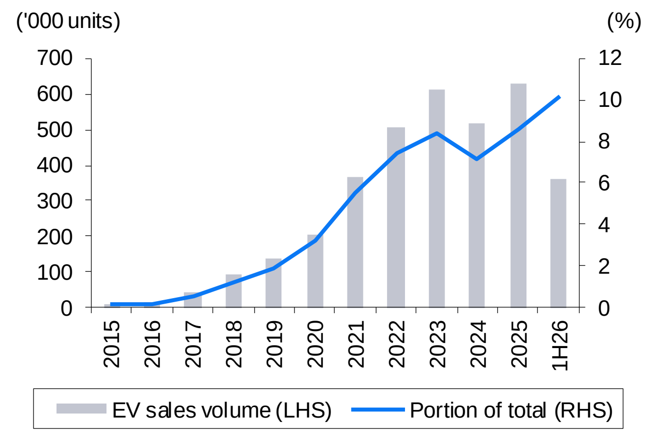
Source: Company data, Samsung Securities

HMC/Kia: Hybrid sales and as portion of total sales



Source: Company data, Samsung Securities

HMC/Kia: EV sales and as portion of total sales



Source: Company data, Samsung Securities

Transmission vs reducer vs QDD: Comparison of technical elements

Process/Capability	Automatic transmission (AT)	EV e-Axle reducer	QDD
Tooth design & modification	Multi-stage combination design, crowning/shift design for NVH	Micro-geometry for high-speed rotation, whine noise suppression	Low-backlash/high-efficiency tooth profile, lightweight thin-wall design
Materials & heat treatment	Carburizing/quenching of carburizing steel (SCM415/420 grade), deformation correction	Same series + combined high-frequency/nitriding	Based on same carburizing tech; deformation management of small parts is key
Tooth machining	Hobbing + shaving, internal gear broaching	Standardization of hobbing + grinding (hard finishing), expansion of gear skiving	Precision hobbing/grinding for small modules, internal skiving
Load distribution	Load sharing of 3-5 pinions, carrier pin-hole position tolerance	Same principle, rigidity management for high-speed response	Same principle; absolute tolerance values are stricter due to miniaturization
Backlash/ transmission error	Relatively lenient	Managed from noise perspective	Directly linked to control performance; managed in arc-min units
Mass-production	IATF 16949, quality control for tens of millions of sets per year	Same system maintained	Automotive-grade cost/quality system is the core competitiveness

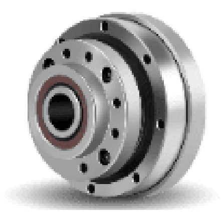
Source: Media, Engineering data, Samsung Securities

Comparison of requirement specifications

Item	AT planetary gear set	e-Axle reducer	QDD planetary gear (robotics)
Reduction ratio	Diverse via gear combinations	Around 8-12:1 (2-stage)	Around 6-10:1 (1-stage)
Input speed	Up to 7,000rpm class	15,000-20,000rpm class	0 to '000s of rpm (low speed)
Dominant requirements	Durability, efficiency, shift quality	High-speed response, NVH (Whine)	Low backlash, back-drivability, lightweight
Module (tooth size)	Medium to Large	Medium	Small (around 1.0 mm or below)
Annual volume	Tens of millions of sets	Growing to millions of sets	Currently tens of thousands to hundreds of thousands
Pricing logic	Cost reduction competition	Balance of cost and precision	Cost disruption vs Harmonic drive is the reason for adoption

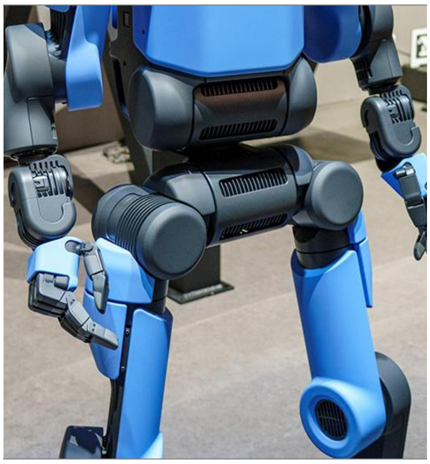
Source: Media, Engineering data, Samsung Securities

Comparison of main reducers used in humanoid robots

	Harmonic reducer	RV reducer	Planetary reducer
Image			
Structure	Flex spline, wave generator, rigid spline	Two-stage transmission structure	Sun gear + planetary gear + internal ring gear
Company	HDSI (Japan), Nidec-Shimpo (Japan), Leader Drive (China), SPG (Korea), SBB Tech (Korea)	Nabtesco (Japan), Sumitomo (Japan), Nabdrive (China), Xianjiwei (China), *etc*	ATG (Taiwan), APEX (Taiwan), Nidec-Shimpo (Japan), *etc*
Size	Small	Large	Small
Torque (Nm)	3.5-800	40-6,000	40-1,000
Backlash	Nearly 0 (ultra-precision)	Very small (similar to harmonic reducer)	Medium (higher than harmonic reducer)
Reduction ratio	High reduction ratio (30:1 - 320:1), single stage	Mid-high reduction ratio (50:1 - 200:1)	Low reduction ratio (~ 10: 1), single stage
Price (USD)	~150-700	~700-1,150	~55-230
Advantages	High gear ratios achievable; enables ultra-precision control	High durability; high torque	Simple structure, high efficiency
Shortcomings	Vulnerable to fatigue; low durability (prone to breaking)	Complex structure; large and heavy	Limited precision; low gear ratio requires multi-stage configuration
Application	(Low payload) Collaborative/industrial robot, humanoid	Vertical articulated robot (ship/auto plant), construction machinery, *etc*	Mobile robot, drone, humanoid lower body

Source: Media

Atlas: Hips and waist



Source: Boston Dynamics

Atlas: Knees and ankles

Source: Boston Dynamics

Atlas: Gripper

Source: Boston Dynamics

Rotary actuator: Cost breakdown

Component	Unit cost (USD)	Quantity	Total cost (USD)	Portion (%)
Harmonic/Planetary gearbox	165	1	165	29
Frameless torque motor	138	1	138	25
Torque sensor	83	1	83	15
Drive	69	1	69	12
Encoder	28	2	55	10
Brake	21	1	21	4
Bearing	7	3	21	4
Housing and other	10	1	10	2
Total	**-**	**-**	**561**	**100**

Source: CITIC Securities, Samsung Securities

Atlas: Cost breakdown (estimates)

Item	Unit cost (USD)	Quantity	Total cost (USD)
Rotary actuator	561	31	17,391
Vision sensor	41	3	123
Nvidia Thor chip	800	1	800
Gripper	800	2	1,600
Battery pack	200	4 kWh	200
Body			2,000
Subtotal			**22,114**
Data center depreciation*			26,666
Factory depreciation			442
Other operating costs			1,769
Total			**50,991**

Note: Assumes 10,000 units produced;
*Assumes usage of one-third of 50,000 Blackwell GPUs
Source: Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2021	2022	2023	2024	2025
Sales	**142**	**164**	**198**	**219**	**232**
Cost of goods sold	127	147	177	191	205
Gross profit	**15**	**17**	**22**	**27**	**27**
Gross margin (%)	10.7	10.3	10.9	12.5	11.8
SG&A expenses	9	9	11	15	14
Operating profit	**6**	**8**	**10**	**13**	**14**
Operating margin (%)	4.2	4.9	5.2	5.8	5.9
Non-operating gains (losses)	**2**	**2**	**4**	**8**	**(0)**
Financial profit	0	1	2	7	2
Financial costs	1	1	1	2	6
Equity-method gains (losses)	0	0	0	0	0
Other	2	2	3	4	4
Pre-tax profit	**8**	**10**	**14**	**21**	**14**
Taxes	1	2	2	3	(1)
Effective tax rate (%)	16.6	23.9	17.2	16.1	(9.1)
Profit from continuing operations	7	8	12	18	15
Profit from discontinued operations	0	0	0	0	0
Net profit	**7**	**8**	**12**	**18**	**15**
Net margin (%)	4.6	4.8	6.0	8.1	6.4
Net profit (controlling interests)	7	8	12	18	15
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	20	22	21	23	24
EBITDA margin (%)	13.7	13.3	10.8	10.4	10.5
EPS (parent-based) (KRW)	556	665	1,009	1,500	1,260
EPS (consolidated) (KRW)	556	665	1,009	1,500	1,260
Adjusted EPS (KRW)*	556	665	1,009	1,500	1,260

Balance sheet

Year-end Dec 31 (KRWb)	2021	2022	2023	2024	2025
Current assets	**52**	**62**	**88**	**132**	**105**
Cash & equivalents	17	20	26	34	29
Accounts receivable	21	23	32	35	34
Inventories	10	12	11	14	14
Other current assets	4	7	19	49	29
Fixed assets	**94**	**93**	**88**	**85**	**119**
Investment assets	0	7	7	1	1
Tangible assets	90	81	76	78	108
Intangible assets	1	1	1	1	1
Other long-term assets	3	4	5	5	10
Total assets	**147**	**155**	**176**	**217**	**224**
Current liabilities	**36**	**48**	**56**	**86**	**78**
Accounts payable	15	20	25	36	34
Short-term debt	0	0	2	12	6
Other current liabilities	20	28	30	39	38
Long-term liabilities	**22**	**10**	**12**	**6**	**8**
Bonds & long-term debt	20	10	11	6	8
Other long-term liabilities	1	0	0	0	1
Total liabilities	**57**	**58**	**68**	**93**	**87**
Owners of parent equity	**89**	**97**	**108**	**124**	**138**
Capital stock	4	4	4	4	6
Capital surplus	11	11	11	11	9
Retained earnings	73	80	91	108	121
Other	1	2	2	1	1
Non-controlling interests' equity	**0**	**0**	**0**	**0**	**0**
Total equity	**89**	**97**	**108**	**124**	**138**
Net debt	12	(3)	(11)	(42)	(22)

Cash flow statement

Year-end Dec 31 (KRWb)	2021	2022	2023	2024	2025
Cash flow from operations	**17**	**27**	**20**	**30**	**25**
Net profit	7	8	12	18	15
Non-cash profit and expenses	17	18	13	9	14
Depreciation	14	14	11	10	10
Amortization	0	0	0	0	0
Other	4	4	2	(1)	3
Changes in A/L from operating activities	(5)	4	(1)	3	(2)
Cash flow from investments	**(14)**	**(14)**	**(18)**	**(29)**	**(20)**
Change in tangible assets	(12)	(5)	(7)	(9)	(38)
Change in financial assets	(1)	(3)	(7)	(31)	19
Other	(0)	(6)	(5)	10	(0)
Cash flow from financing	**(8)**	**(9)**	**4**	**8**	**(10)**
Change in debt	(8)	(9)	5	8	(4)
Change in equity	0	0	0	0	0
Dividends	(0)	(1)	(1)	(1)	(2)
Other	(0)	(0)	(0)	1	(5)
Change in cash	(5)	3	6	8	(5)
Cash at beginning of year	21	17	20	26	34
Cash at end of year	17	20	26	34	29
Gross cash flow	**24**	**25**	**25**	**27**	**29**
Free cash flow	**5**	**21**	**13**	**22**	**(13)**

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

Source: Company data, Samsung Securities

Financial ratios

Year-end Dec 31	2021	2022	2023	2024	2025
Growth (%)					
Sales	21.2	15.2	20.8	10.3	6.2
Operating profit	100.3	34.5	30.3	21.8	8.1
Net profit	85.3	19.5	51.9	48.6	(16.0)
Adjusted EPS**	85.3	19.5	51.9	48.6	(16.0)
Per-share data (KRW)					
EPS (parent-based)	556	665	1,009	1,500	1,260
EPS (consolidated)	556	665	1,009	1,500	1,260
Adjusted EPS**	556	665	1,009	1,500	1,260
BVPS	7,541	8,201	9,126	10,505	11,647
DPS (common)	47	67	100	133	200
Valuations (x)					
P/E***	7.9	6.6	6.2	3.5	7.0
P/B***	0.6	0.5	0.7	0.5	0.8
EV/EBITDA	3.3	2.3	2.9	0.9	3.4
Ratios (%)					
ROE	7.6	8.4	11.7	15.3	11.4
ROA	4.5	5.2	7.2	9.0	6.7
ROIC	5.0	6.6	10.3	13.3	16.4
Payout ratio	8.4	10.0	9.9	8.9	15.9
Dividend yield (common)	1.1	1.5	1.6	2.5	2.3
Net debt to equity	13.2	(2.8)	(10.4)	(33.6)	(16.0)
Interest coverage (x)	9.3	12.2	13.6	7.3	15.6

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Target price changes in past two years

Rating changes over past two years (adjusted share prices)

Date	2026/9/8
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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HOLD	Expected to increase/decrease in value by less than 15% within 12 months
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Industry

OVERWEIGHT	Expected to outperform market by 5% or more within 12 months
NEUTRAL	Expected to outperform/underperform market by less than 5% within 12 months
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 2026.06.30

BUY (85.5%)·HOLD (14.5%)·SELL (0%)

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