

Platform Business Team

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▶ AT A GLANCE

Recommend	BUY	
Target price	KRW103,000	34.1%
Current price	KRW76,800	
Market cap	KRW2.3t/USD1.8b	
Shares (float)	30,014,185 (45.1%)	
52-week high/low	KRW96,400/KRW63,200	
Avg daily trading value (60-day)	KRW9.3b/ USD7.1m	

▶ ONE-YEAR PERFORMANCE

	1M	6M	12M
Studio Dragon (%)	8.3	-3.9	-16.9
Vs Kosdaq (%pts)	-5.1	5.2	5.6

▶ KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	BUY	BUY	
Target price	103,000	103,000	0.0%
2022E EPS	2,285	2,227	2.6%
2023E EPS	2,756	2,743	0.5%

▶ SAMSUNG vs THE STREET

No of estimates	14
Target price	111,857
Recommendation	4.0
BUY★★★: 5 / BUY: 4 / HOLD: 3 / SELL: 2 / SELL★★★: 1	

Studio Dragon (253450)

Solid earnings underpin improving fundamentals

- Studio Dragon enjoyed record quarterly operating profit in 2Q, which leapt 95.7% y-y to KRW27b. It added Disney Plus as new distribution channel last quarter and began to supply old and new titles to the US OTT service provider.
- Its earnings generating capability has strengthened steadily. Its growth potential should be proven by supplying content to new distribution channels (eg, Coupang Play, Apple TV+, and Amazon Prime) in 2H.
- Strong popularity of K-content has enabled Studio Dragon to produce more dramas and increase its ASP. Producing more multi-season original content for global OTT platforms and more co-produced dramas with foreign firms should enhance its long-term growth potential. We reiterate BUY.

WHAT'S THE STORY?

2Q review: Studio Dragon reported 2Q sales of KRW157.5b (up 48.5% y-y) and operating profit of KRW27b (up 95.7% y-y), the latter topping consensus of KRW24.5b but meeting our estimate of KRW27.3b. It enjoyed a record quarterly operating profit based on improving bargaining power (ie, better sales margin) and distribution channel expansion. The remarkable earnings was attributable to: 1) a y-y rise in the number of dramas broadcast in 2Q (13 pieces, up 7 pieces y-y)—assuming 16 episodes per drama, 6.7 of the firm's shows aired in 2Q; and 2) addition of Disney Plus as a distribution channel. Several dramas aired simultaneously in 2Q—namely: 1) *Twenty-Five Twenty-One* (2 episodes), *Our Blues* (20 episodes), and *Alchemy of Souls* (4 episodes) on Netflix; and 2) *Link: Eat, Love, Kill* (8 episodes) on Disney Plus. Studio Dragon also supplied *The King of Pigs* (8 episodes), *Monstrous* (6 episodes), and *Yumi's Cells: Season 2* (6 episodes) to Tving as original content. It also provided 12 pieces of old titles to Disney Plus, positive to profitability. The company's 2Q operating margin came to 17.1%, up 4.1%pts y-y.

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SUMMARY 2Q RESULTS

(KRWb)	2Q22	Chg		Diff (%)	
		(% y-y)	(% q-q)	Samsung	Consensus
Sales	157.5	48.6	30.1	5.4	2.9
Operating profit	27.0	95.7	49.1	-1.1	10.4
Pre-tax profit	30.0	113.5	49.3	6.8	12.4
Net profit	25.6	170.4	63.9	20.5	43.0
Margins (%)					
Operating profit	17.1				
Pre-tax profit	19.0				
Net profit	16.3				

Source: Company data, FnGuide, Samsung Securities estimates

VALUATION SUMMARY

	2021	2022E	2023E
Valuations (x)			
P/E	69.9	33.6	27.9
P/B	4.0	2.9	2.6
EV/EBITDA	17.7	10.5	8.5
Div yield (%)	0.0	0.0	0.0
EPS growth (% y-y)	24.6	75.6	20.6
ROE (%)	6.0	9.3	10.0
Per-share data (KRW)			
EPS	1,301	2,285	2,756
BVPS	22,785	26,300	29,055
DPS	0	0	0

Earnings generating capabilities getting stronger: Studio Dragon's earnings momentum is gaining ground, backed by its distribution channel diversification and production of more dramas. In 2H, it should start supplying content to new domestic and overseas OTT platforms and achieve earnings improvement. Its sitcom *Unicom* should be aired as Coupang Play Original in August and *Big Door Prize* (a drama series co-produced with US company Skydance Television) should start streaming service on Apple TV+ in the year-end. It will likely produce Disney Plus Original content, and two of its dramas are simultaneously broadcast on other networks (one on tvN and one on MBC) in 3Q. The Korean drama company is reportedly in talks with other OTT service providers (eg, Amazon Prime) over content contracts. In 2H, producing more Original content and a rising number of dramas aired simultaneously should translate to robust growth in overseas distribution sales and also prove the firm's strong earnings generating capacity.

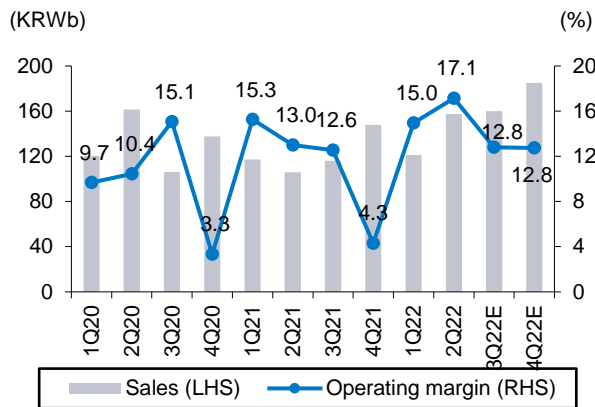
Maintaining BUY: Thanks to strong popularity of K-content, Studio Dragon is producing more pieces of dramas and successfully raising ASP based on stronger bargaining power. It is going to produce Netflix Original *Sweet Home* Season 2 and 3. Producing more multi-season original content for global OTT platforms should enhance earnings stability. The company should also make more co-produced dramas with foreign firms (eg, *Plotters*), a move that should enhance long-term growth potential. We maintain BUY rating and KRW103,000 target price (based on 12.2x 12-month forward P/E; a 15% discount to the peer average).

Table 1. Results and forecasts

(KRWb)	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22E	4Q22E	2020	2021	2022E	2023E
Sales	120.3	161.4	106.3	137.7	117.1	106.0	116.1	147.9	121.1	157.5	160.2	185.0	525.7	487.1	623.7	733.8
Programing	45.2	65.4	45.7	40.7	43.8	28.2	36.2	53.2	35.4	43.8	56.0	46.7	197.0	161.3	182.0	200.7
Distribution	66.9	75.7	50.9	86.3	63.2	67.5	64.9	79.8	77.7	103.9	91.5	126.5	279.7	275.5	399.7	485.8
Other	8.2	20.3	9.7	10.7	10.1	10.3	15.0	14.9	8.0	9.8	12.6	11.8	48.9	50.3	42.1	47.3
Gross profit	16.7	21.8	21.3	15.0	23.7	20.3	21.0	14.8	25.5	35.4	28.6	32.5	74.8	79.8	122.0	141.6
SG&A costs	5.1	4.9	5.3	10.4	5.8	6.5	6.4	8.4	7.4	8.4	8.1	8.9	25.7	27.2	32.8	35.3
Operating profit	11.6	16.9	16.0	4.6	17.9	13.8	14.6	6.3	18.1	27.0	20.5	23.6	49.1	52.6	89.2	106.2
Non-operating profit	0.4	0.3	-0.8	-7.5	3.2	0.3	3.9	-7.9	2.0	3.0	0.3	-5.8	-7.6	-0.6	-0.5	3.2
Pre-tax profit	12.0	17.2	15.2	-2.9	21.1	14.0	18.5	-1.6	20.1	30.0	20.8	17.8	41.5	52.0	88.7	109.4
Net profit (controlling)	8.5	13.4	10.6	-2.9	15.6	9.5	14.8	-0.8	15.6	25.6	15.2	12.2	29.6	39.0	68.6	82.7
Gross margin	13.8	13.5	20.0	10.9	20.2	19.2	18.1	10.0	21.1	22.5	17.8	17.6	14.2	16.4	19.6	19.3
Operating margin	9.7	10.4	15.1	3.3	15.3	13.0	12.6	4.3	15.0	17.1	12.8	12.8	9.3	10.8	14.3	14.5
Net margin (controlling)	7.1	8.3	10.0	-2.1	13.3	8.9	12.8	-0.5	12.9	16.2	9.5	6.6	5.6	8.0	11.0	11.3
Chg (% y-y)																
Sales	7.6	25.9	-19.0	41.3	-2.7	-34.3	9.2	7.4	3.4	48.5	38.0	25.1	12.2	-7.3	28.0	17.6
Programing	2.5	12.6	-24.9	-10.9	-3.2	-56.9	-20.8	30.7	-19.1	55.4	54.8	-12.1	-5.6	-18.1	12.8	10.3
Distribution	19.1	25.5	-15.2	101.6	-5.5	-10.8	27.7	-7.5	23.0	53.8	40.9	58.5	27.6	-1.5	45.1	21.5
Other	-29.2	107.1	-6.4	20.2	24.0	-49.3	54.0	39.3	-21.5	-5.1	-15.7	-21.1	20.4	2.9	-16.3	12.3
Gross profit	11.1	41.7	39.2	585.3	42.2	-6.9	-1.3	-1.7	7.8	74.0	36.2	120.1	56.2	6.7	52.9	16.1
SG&A costs	28.4	5.8	21.3	67.6	14.0	33.6	21.0	-19.1	27.7	28.1	25.9	5.7	34.0	5.8	20.6	7.8
Operating profit	5.5	56.3	46.8	nm	53.6	-18.2	-9.0	37.6	1.4	95.7	40.8	271.8	71.1	7.0	69.7	19.1
Non-operating profit	-79.7	-69.4	nm	nm	642.7	-20.8	nm	nm	-37.8	1,085.2	-92.8	nm	nm	nm	nm	nm
Pre-tax profit	-9.2	44.5	16.2	nm	75.3	-18.2	21.3	nm	-4.6	113.7	12.7	nm	25.4	25.2	70.5	23.4
Net profit (controlling)	-7.3	82.1	-8.0	nm	82.2	-29.1	39.6	nm	0.4	170.2	2.8	nm	12.1	31.8	75.6	20.6
Gross margin	0.4	1.5	8.4	8.7	6.4	5.7	-1.9	-0.9	0.9	3.3	-0.2	7.6	4.0	2.2	3.2	-0.3
Operating margin	-0.2	2.0	6.8	7.5	5.6	2.6	-2.5	0.9	-0.3	4.1	0.3	8.5	3.2	1.5	3.5	0.2
Net margin (controlling)	-1.1	2.6	1.2	-0.4	6.2	0.7	2.8	1.6	-0.4	7.3	-3.3	7.1	-0.0	2.4	3.0	0.3

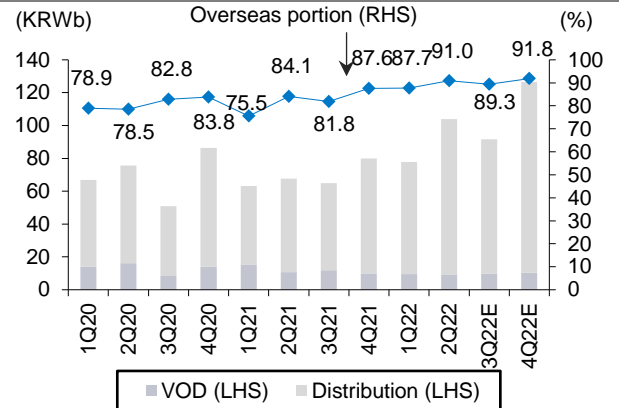
Source: Company data, Samsung Securities

Chart 1. Quarterly sales and operating margin



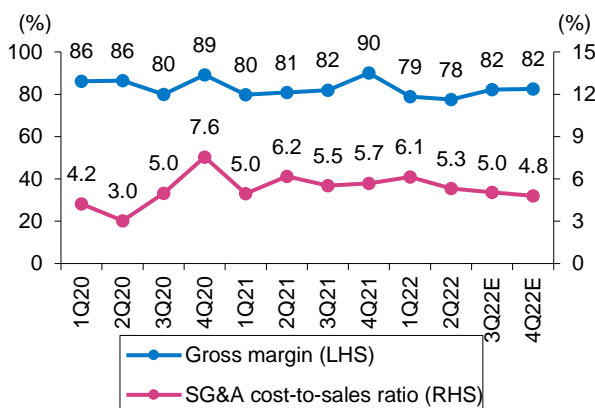
Source: Company data, Samsung Securities

Chart 2. VOD sales and distribution sales



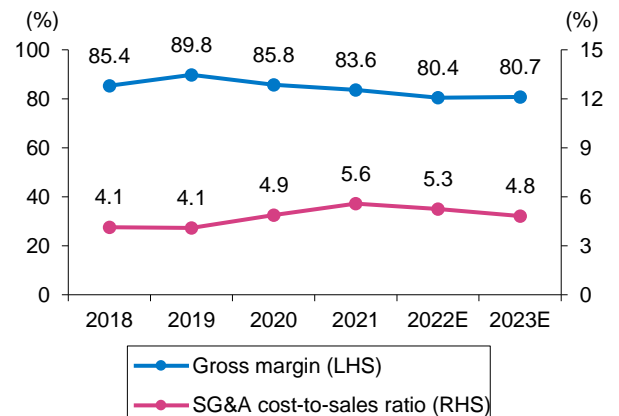
Source: Company data, Samsung Securities

Chart 3. Quarterly gross margin vs SG&A cost-to-sales ratio



Source: Company data, Samsung Securities

Chart 4. Annual gross margin vs SG&A cost-to-sales ratio



Source: Company data, Samsung Securities

Chart 5. 2H22 growth strategy



Source: Company data, Samsung Securities

Table 2. Drama lineup

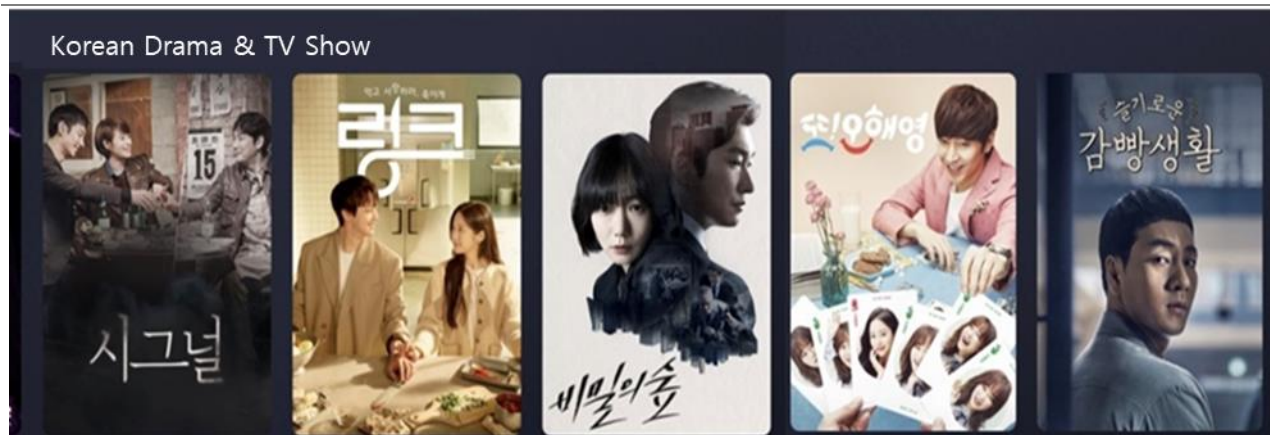
Year	No.	Channel	Title	Dates to be aired	Episodes	Writers	Director	Cast	Days
2022	1	tvN	Bad and Crazy	Dec 17, 2021-Jan 28, 2022	12	Kim Sae-bom	Yoo Seon-dong	Lee Dong-wook, Wi Ha-joon	Fri, Sat
	2		Bulgasal: The Immortal Souls	Dec 18, 2021-Feb 6, 2022	16	Kwon So-ra	Jang Yeong-woo	Lee Jin-wook, Kwon Na-ra	Sat, Sun
	3		Ghost Doctor	Jan 3-Feb 22	16	Kim Sun-soo	Boo Seong-cheol	Jung Ji-hoon, Kim Beom	Mon, Tue
	4		Twenty-Five Twenty-One	Feb 12-Apr 3	16	Kwon Do-eun	Jung Ji-hyun	Kim Tae-ri, Nam Joo-hyuk	Sat, Sun
	5		Military Prosecutor Doberman	Feb 28-Apr 26	16	Yoon Hyeon-ho	Jin Chang-gyoo	Ahn Bo-hyun, Jo Bo-ah	Mon, Tue
	6		Our Blues	Apr 9-Jun 12	20	Noh Hee-kyung	Kim Kyu-tae	Lee Byung-hun, Han Ji-min	Sat, Sun
	7		Shooting Stars	Apr 22-Jun 11	16	Choi Young-woo	Lee Soo-hyun	Lee Sung-kyung	Fri, Sat
	8		The Murderer's Shopping List	Apr 27-May 19	8	Han Ji-wan	Lee Eon-hee	Lee Kwang-soo, Seolhyun	Wed, Thu
	9		Eve	Jun 1-Jul 21	16	Yoon Young-mi	Park Bong-seob	Seo Ye-ji, Park Byung-eun	Wed, Thu
	10		Link: Eat, Love, Die	Jun 6~Jul 26	16	Kwon Ki-yeong	Hong Jong-chan	Yeo Jin-goo, Moon Ga-young	Mon, Tue
	11		Soul Marriage	Jun 18-Aug 21	20	Hong sisters	Park Joon-hwa	Lee Jae-wook, Hwang Min-hyeon	Sat, Sun
	12		Adamas	Jul 27-Sep 15	16	Choi Tae Kang	Park Seung Woo	Ji Sung, Seo Ji Hye	Wed, Thu
	13		Joseon Psychiatrist Yoo Se Poong (multi-season program)	Aug 1-Sep 6	12	Park Seul-Ki	Park Won-Gook	Kim Min Jae, Kim Hyang Gi, Kim Sang Kyung	Mon, Tue
	14		Little Women	Aug 27-Oct 2	12	Jung Seo Kyung	Kim Hee Won	Kim Go Eun, Nam Ji Hyun	Sat, Sun
	15		Mental Coach Je Gal Gil	Sep 19-Nov 8	16	Kim Ban Di	Son Jung Hyun	Jung Woo, Lee Yoo Mi, Kwon Yool	Mon, Tue
	16		Blind	Sep 16-Nov 5	16	Kwon Ki Kyung	Shin Yong Hwi	Ok Taec Yeon, Ha Seok Jin, Jung Eun Ji	Fri, Sat
	17		Umbrella	Oct 8-Nov 27	16	Park Bara	Kim Hyung Sik	Kim Hye Soo, Bae Hyun Sung	Sat, Sun
	18		Youth Monthly Talk	2022	-	Jung Hyun-jung	Lee Jong-jae	Park Hyung-sik, Jeon So-ny	
	19		Island (Tving Original)	2022	12	Jang Yoon-mi	Park Bae-jong	Kim Nam-gil, Lee Da-hee	
	20		Call My Agent!	2022	-	Park So Young	Baek Seung Ryong	Lee Seo Jin, Kwak Sun Young	
	21	Big Mouse	Jul 29-Sep 17	16	Ha Ram	Oh Choong Hwan	Lee Jong Suk, Im Yoon Ah	Fri, Sat	
22	OCN	A Superior Day	Mar 13-May 1	8	Lee Ji-hyun	Jo Nam-hyung	Jin-goo, Ha Do-kwon	Sun	
23	Tving	The King of Pigs	Mar 18-Apr 22	12	Tak Jae-young	Kim Dae-jin	Kim Dong-wook, Chae Jeong-ahn	Fri	
24		Strange	Apr 29	6	Yeon Sang-ho	Jang Geon-jae	Shin Hyun-bin, Koo Kyo-hwan	Fri	
25		Yumi's Cells 2	Jun 10-Jul 22	14	Kim Yoon-joo	Lee Sang-yeob	Kim Go-eun, Jinyoung	Fri	
26		Ants are Riding	Aug 12	12	Lim Yeon-soo	Choi Ji-young	Hong Jong-hyun, Han Ji-eun	Fri	
27	Coupang Play	Unicorn	Aug 26-Sep 29	12	In Ji-Hye	Kim Hye Young	Shin Ha Kyun, Won Jin-A		
28	Disney+	Old detective	2022	6		Han Dong-hee	Lee Sung-hee, JIN GOO		
29		Connect	2022	6	Miike Takashi	-	Jung Hae In, Go Kyung Pyo		
30	Apple TV+	The Big Door Prize	2022	10	David West Read	-	Christ O'Dowd		
31	Netflix	Juvenile Judgement	Feb 25	10	Kim Min-seok	Hong Jong-chan	Kim Hye-soo, Kim Mu-yeol		
32		The Glory 1	2022	8	Kim Eun-sook	Ahn Gil-ho	Song Hye-kyo, Lee Do-hyun		
33		Celebrity	2022	12	Kim I-yeong	Kim Cheol-gyoo	Lee Chung-ah, Park Gyu-young		
2023	1	tvN	Ask the Stars	2023		-	-	Lee Min ho, Gong Hyo Jin	
	2		Tale of the Nine-Tailed Season 2	2023		Han Woo-ri	Kang Shin Hyo	Lee Dong Wook, Kim So Yeon, Kim Bum	
	3		Soul Marriage 2	2023	10	Hong sisters	Park Joon-hwa	Lee Jae-wook, Hwang Min-hyeon	
	4		One Hit Scandal	2023		Yang Hee-seung	Yoo Je-won	Jeon Do-yeon, Jung Kyung Ho	
	5		Arthdal Chronicles Season 2	2023		Kim Young-hyun, Park Sang-yun	Kim Gwang-sik		
	6	TVING	Duty After School	2022	10	Lee Nam-gyu	Seong Yong-il	Shin Hyun-soo	
	7	Netflix	Song of the Bandits	TBD		Han Jung Hoon	Hwang Joon Hyuk	Kim Nam Gil, Seo Hyun	
	8		The Glory 2	2023	8	Kim Eun-sook	Ahn Gil-ho	Song Hye-kyo, Lee Do-hyun	
	9		The Girl Downstairs	2023	8		Lee Jeong Hyo	Bae Suzy, Yang Se-jong	
	10		Sweet Home 2,3	2023				Park Gyu-young, Lee Si-young	

TBD	1	Immortal Days	TBD	-	-
	2	Greenhouse at the End of the Earth	TBD		
	3	Plotters (Joint with Universal Studios)	TBD		

Note: Titles highlighted are streaming through Netflix (green), iQiyi Global (grey), Tving (light blue), and Disney+(orange)

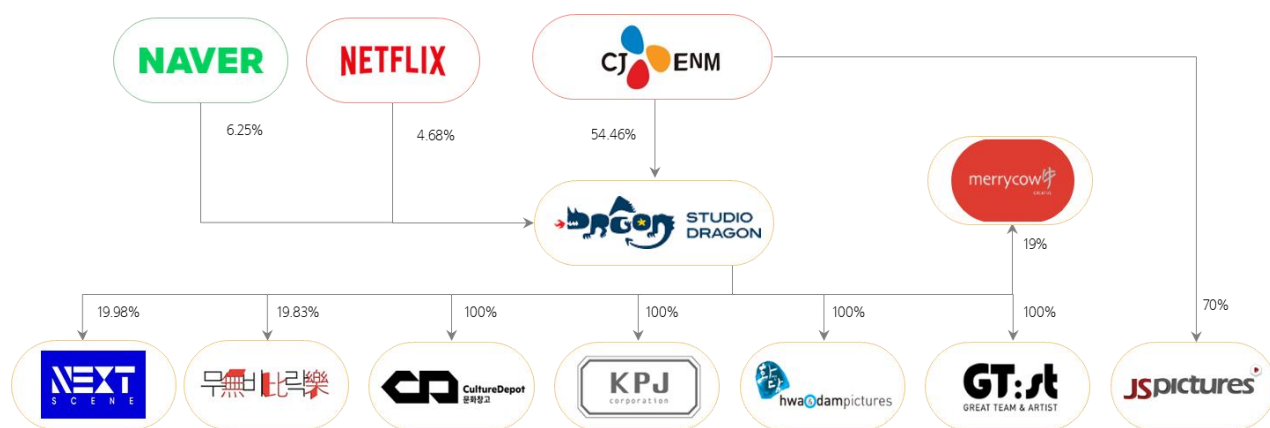
Source: Company data, Samsung Securities

Chart 6. Contents produced by Studio Dragon updated on Disney Plus (New & Old)



Source: Disney Plus, Samsung Securities

Chart 7. Ownership structure



Note: As of 1Q22

Source: Company data, Samsung Securities

Table 3. Earnings revisions

(KRWb)	2022E			2023E		
	Old	New	Chg (%)	Old	New	Chg (%)
Sales	617.1	623.7	1.1	716.1	733.8	2.5
Operating profit	83.3	89.2	7.0	102.9	106.2	3.2
Operating margin (% , %pts)	13.5	14.3	0.8	14.4	14.5	0.1
Pre-tax profit	87.8	88.7	1.0	108.9	109.4	0.5
Net profit (controlling)	66.8	68.6	2.6	82.3	82.7	0.5

Source: Company data, Samsung Securities

Income statement

Year-end Dec 31 (KRWb)	2020	2021	2022E	2023E	2024E
Sales	526	487	624	734	850
Cost of goods sold	451	407	502	592	680
Gross profit	75	80	122	142	170
Gross margin (%)	14.2	16.4	19.6	19.3	19.9
SG&A expenses	26	27	33	35	38
Operating profit	49	53	89	106	132
Operating margin (%)	9.3	10.8	14.3	14.5	15.5
Non-operating gains (losses)	-8	-1	-1	3	4
Financial profit	10	14	17	17	19
Financial costs	14	10	12	10	8
Equity-method gains (losses)	0	0	0	0	0
Other	-4	-5	-6	-5	-7
Pre-tax profit	42	52	89	109	136
Taxes	12	13	20	27	33
Effective tax rate (%)	28.7	24.9	22.7	24.4	24.4
Profit from continuing operations	30	39	69	83	103
Profit from discontinued operations	0	0	0	0	0
Net profit	30	39	69	83	103
Net margin (%)	5.6	8.0	11.0	11.3	12.1
Net profit (controlling interests)	30	39	69	83	103
Net profit (non-controlling interests)	0	0	0	0	0
EBITDA	165	152	205	244	277
EBITDA margin (%)	31.4	31.1	32.8	33.3	32.6
EPS (parent-based) (KRW)	1,044	1,301	2,285	2,756	3,420
EPS (consolidated) (KRW)	1,044	1,301	2,285	2,756	3,420
Adjusted EPS (KRW)*	1,044	1,301	2,285	2,756	3,420

Cash flow statement

Year-end Dec 31 (KRWb)	2020	2021	2022E	2023E	2024E
Cash flow from operations	5	-8	164	235	235
Net profit	30	39	69	83	103
Non-cash profit and expenses	135	119	134	162	175
Depreciation	3	4	2	1	1
Amortization	113	95	113	136	145
Other	19	20	19	24	29
Changes in A/L from operating activities	-144	-155	-19	17	-9
Cash flow from investments	-16	27	-128	-142	-161
Change in tangible assets	-7	-2	0	0	0
Change in financial assets	47	0	0	0	0
Other	-56	28	-128	-142	-161
Cash flow from financing	0	-3	-5	-1	-1
Change in debt	1	0	-4	0	0
Change in equity	149	0	0	0	0
Dividends	0	0	0	0	0
Other	-150	-4	-1	-1	-1
Change in cash	-11	16	91	84	66
Cash at beginning of year	60	49	65	155	239
Cash at end of year	49	65	155	239	304
Gross cash flow	165	158	203	244	277
Free cash flow	-2	-11	164	235	235

Note: * Excluding one-off items

** Fully diluted, excluding one-off items

*** From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

Balance sheet

Year-end Dec 31 (KRWb)	2020	2021	2022E	2023E	2024E
Current assets	228	233	320	422	491
Cash & equivalents	49	65	155	239	304
Accounts receivable	107	124	133	143	150
Inventories	0	0	0	0	0
Other current assets	73	44	32	40	37
Fixed assets	529	652	647	663	692
Investment assets	180	241	221	230	239
Tangible assets	8	8	5	4	3
Intangible assets	230	298	310	316	332
Other long-term assets	111	105	110	113	118
Total assets	757	884	967	1,085	1,183
Current liabilities	132	184	159	193	186
Accounts payable	6	17	15	24	26
Short-term debt	0	0	0	0	0
Other current liabilities	126	167	144	169	160
Long-term liabilities	16	17	18	21	22
Bonds & long-term debt	0	0	0	0	0
Other long-term liabilities	16	17	18	21	22
Total liabilities	148	200	178	213	208
Owners of parent equity	609	684	789	872	975
Capital stock	15	15	15	15	15
Capital surplus	470	470	470	470	470
Retained earnings	123	162	230	313	416
Other	1	37	74	74	74
Non-controlling interests' equity	0	0	0	0	0
Total equity	609	684	789	872	975
Net debt	-38	-54	-148	-232	-297

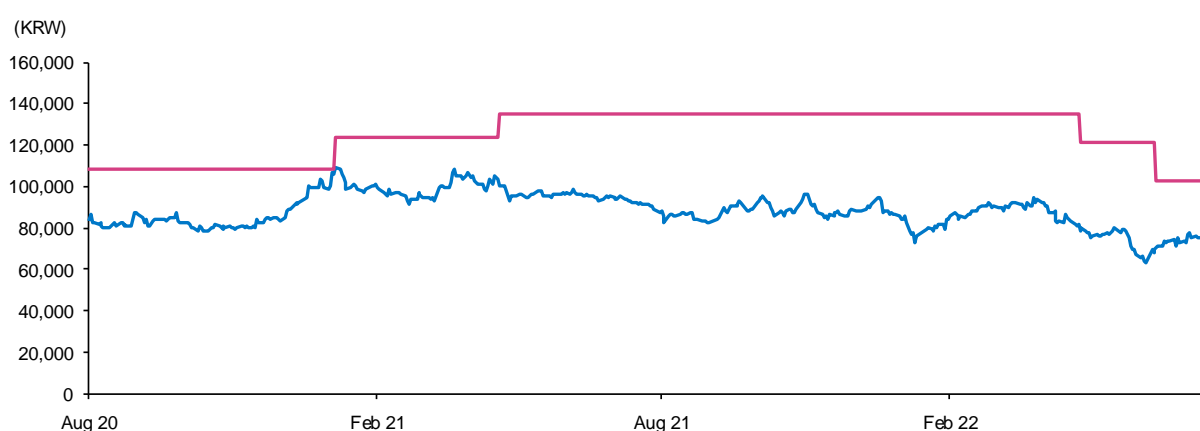
Financial ratios

Year-end Dec 31	2020	2021	2022E	2023E	2024E
Growth (%)					
Sales	12.2	-7.3	28.0	17.6	15.8
Operating profit	71.1	7.0	69.7	19.1	23.8
Net profit	12.1	31.8	75.6	20.6	24.1
Adjusted EPS**	10.9	24.6	75.6	20.6	24.1
Per-share data (KRW)					
EPS (parent-based)	1,044	1,301	2,285	2,756	3,420
EPS (consolidated)	1,044	1,301	2,285	2,756	3,420
Adjusted EPS**	1,044	1,301	2,285	2,756	3,420
BVPS	20,309	22,785	26,300	29,055	32,475
DPS (common)	0	0	0	0	0
Valuations (x)					
P/E***	88.7	69.9	33.6	27.9	22.5
P/B***	4.6	4.0	2.9	2.6	2.4
EV/EBITDA	16.6	17.7	10.5	8.5	7.2
Ratios (%)					
ROE	5.7	6.0	9.3	10.0	11.1
ROA	4.4	4.8	7.4	8.1	9.1
ROIC	11.2	10.9	17.0	19.3	23.2
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	-6.3	-7.8	-18.8	-26.6	-30.5
Interest coverage (x)	84.8	67.6	136.7	208.0	257.6

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Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2020/1/14	2021/1/14	2021/1/22	5/7	2022/5/12	6/30
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY
Target price (KRW)	108000	108000	124000	135000	121000	103000
Gap* (average)	-23.70	-5.37	-19.74	-33.60	-39.04	
(max or min)**	-3.98	-1.02	-12.50	-25.78	-33.88	

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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Company

BUY	Expected to increase in value by 10% or more within 12 months and is highly attractive within sector
HOLD	Expected to increase/decrease in value by less than 10% within 12 months
SELL	Expected to decrease in value by 10% or more within 12 months

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

Percentage of ratings in 12 months prior to 2022.06.30

BUY(84.2%)-HOLD(15.8%)-SELL(0%)

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