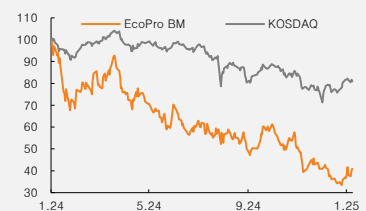


(Maintain)	Buy
Target price	W175,000
Current price (1/15/25)	W129,300
Upside	35.3%

OP (24F, Wbn)	-46
Consensus OP (24F, Wbn)	-39
EPS growth (24F, %)	RR
Market EPS growth (24F, %)	69.7
P/E (24F, x)	-
Market P/E (24F, x)	10.5
KOSDAQ	711.61
Market cap (Wbn)	12,646
Shares (mn)	98
Free float (%)	48.3
Foreign ownership (%)	11.7
Beta (12M)	1.69
52-week low (W)	105,500
52-week high (W)	296,500

(%)	1M	6M	12M
Absolute	-1.3	-33.5	-55.8
Relative	-3.8	-20.3	-46.6



Mirae Asset Securities Co., Ltd.

Chuljoong Kim
chuljoong.kim@miraeasset.com

247540 KQ • EV Batteries

EcoPro BM

Earnings likely bottomed in 4Q24

Maintain TP at W175,000

We maintain our target price of W175,000 on EcoPro BM. While the company is likely to report weak 4Q24 results (in line with our estimates), we believe the quarter marked a bottom for ASP, shipments, and operating profit.

Looking ahead, we see SK On-bound shipments increasing starting in 1Q25, given SK On's relatively low inventory levels. Also, we project lithium and nickel prices to remain stable at the current levels, which should help cathode materials ASP stabilize from 1Q25 (following a sharp decline since Oct. 2022).

With quarterly earnings likely to have hit bottom, we recommend gradually accumulating shares of EcoPro BM. Meanwhile, the potential transfer of the stock's listing from the KOSDAQ to the KOSPI, while unrelated to fundamentals, could contribute to short-term price volatility. As such, it will be important to monitor developments related to this issue from February.

4Q24 preview: Soft earnings likely, in line with expectations

For 4Q24, we expect EcoPro BM to post revenue of W461.1bn (-12% QoQ) and an operating loss of W15bn (remaining in the red QoQ). Shipments were likely sluggish due to year-end inventory adjustments at key customers. That said, we reduced our operating loss estimate by W13bn to reflect a reversal of provisions against inventory valuation losses.

OP to turn positive in 1Q25; earnings to improve significantly in 2H25

For 1Q25, we look for revenue of W526.1bn (+14% QoQ) and operating profit of W5.2bn (turning to profit QoQ). While battery makers' shipments will likely remain sluggish through 1Q25 (with improvement likely in 2Q25), material suppliers should see a gradual recovery in shipment volumes starting in 1Q25. We expect EcoPro BM to resume shipments to SK On from 1Q25, given SK On's low inventory levels.

Prices of key metals such as lithium and nickel have remained largely flat since Sep. 2024. As these prices serve as leading indicators of cathode materials prices, we expect cathode materials ASP to bottom out in 1Q25. Anticipated supply adjustments in the lithium and nickel markets should further reduce the likelihood of additional price declines. With shipment volumes set to recover and prices stabilizing, we believe the worst is over for EcoPro BM and hence recommend gradually accumulating shares.

(Dec.)	2022	2023	2024F	2025F	2026F
Revenue (Wbn)	5,358	6,901	2,763	3,059	4,243
OP (Wbn)	381	156	-46	75	181
OP margin (%)	7.1	2.3	-1.7	2.5	4.3
NP (Wbn)	232	-9	-89	21	106
EPS (W)	2,433	-89	-912	219	1,082
ROE (%)	24.3	-0.6	-6.7	1.7	7.8
P/E (x)	37.9	-	-	590.6	119.5
P/B (x)	6.5	20.3	8.3	9.6	8.9
Dividend yield (%)	0.5	0.0	0.0	0.0	0.0

Notes: Under non-consolidated K-IFRS; NP is attributable to owners of the parent
Source: Company data, Mirae Asset Securities Research estimates

Analysts who prepared this report are registered as research analysts in Korea but not in any other jurisdiction, including the US. Please see analyst certifications and important disclosures & disclaimers in Appendix 1 at the end of the report.

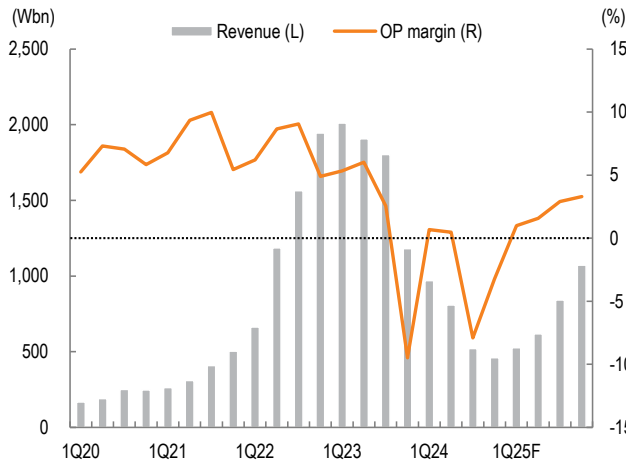
Table 1. Quarterly and annual earnings

(Wbn, %)

	1Q24	2Q24	3Q24	4Q24F	1Q25F	2Q25F	3Q25F	4Q25F	2024F	2025F
Revenue	970.5	809.5	521.9	461.1	526.1	618.6	841.3	1,072.7	2,763	3,059
OP	6.7	3.9	-41.2	-14.9	5.2	14.8	31.5	44.6	-46	75
EBIT	-6.5	-13.6	-72.3	-13.1	-24.9	-15.6	10.8	24.8	-105	30
NP	-17.7	-3.8	-57.7	-10.4	-25.4	-11.9	8.3	19.0	-89	21
OP margin	0.7	0.5	-7.9	-3.2	1.0	2.4	3.7	4.2	-2	2
EBIT margin	-0.7	-1.7	-13.9	-2.8	-4.7	-2.5	1.3	2.3	-4	1
Net margin	-1.8	-0.5	-11.0	-2.3	-4.8	-1.9	1.0	1.8	-3	1
Growth (QoQ/YoY)										
Revenue	-17.8	-16.6	-35.5	-11.6	14.1	17.6	36.0	27.5	-60	11
OP	TTB	-41.8	TTR	201.0	TTB	187.0	112.1	41.6	TTR	TTB
EBIT	RR	RR	RR	RR	RR	RR	TTB	129.8	TTR	TTB
NP	RR	RR	RR	RR	RR	RR	TTB	129.8	RR	TTB

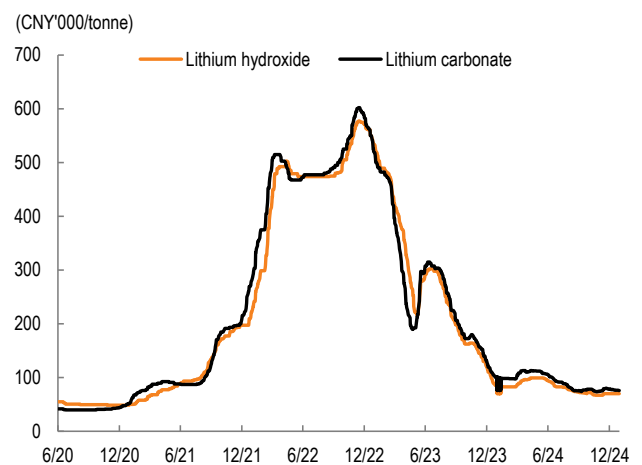
Source: Company data, Mirae Asset Securities Research

Figure 1. Quarterly earnings



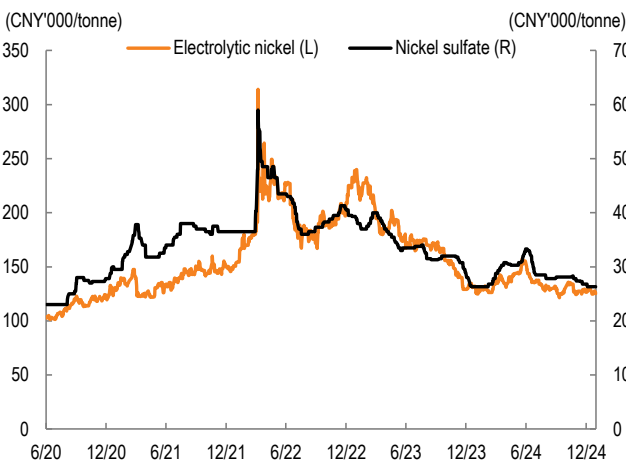
Source: Mirae Asset Securities Research

Figure 2. Lithium price trends



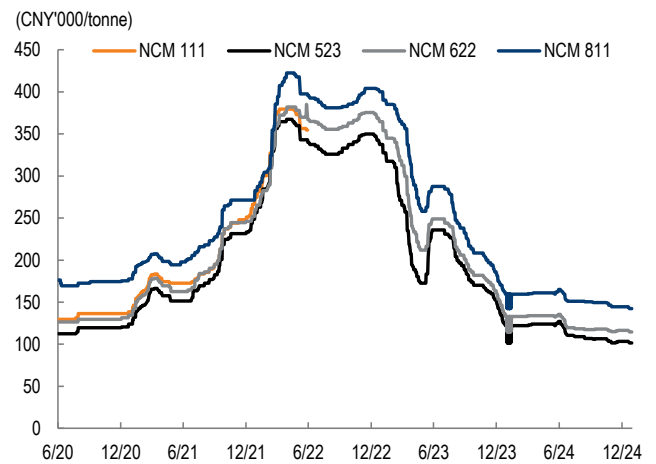
Source: ICC Battery, Mirae Asset Securities Research

Figure 3. Nickel price trends



Source: ICC Battery, Mirae Asset Securities Research

Figure 4. NCM cathode materials price trends



Source: ICC Battery, Mirae Asset Securities Research

EcoPro BM (247540 KQ)

Income statement (summarized)

(Wbn)	2023	2024F	2025F	2026F
Revenue	6,901	2,763	3,059	4,243
Cost of revenue	6,607	2,661	2,825	3,888
GP	294	102	234	355
SG&A expenses	137	147	159	174
OP (adj.)	156	-46	75	181
OP	156	-46	75	181
Non-operating profit	-78	-59	-45	-43
Net financial income	-58	-69	-68	-71
Net income from associates	7	0	0	0
Pretax profit	78	-105	30	138
Income tax	23	-49	5	21
Profit from continuing operations	55	-56	26	118
Profit from discontinued operations	0	0	0	0
NP	55	-56	26	118
Attributable to owners	-9	-89	21	106
Attributable to minority interests	63	33	4	12
Total comprehensive income	69	-59	26	118
Attributable to owners	6	-91	28	127
Attributable to minority interests	63	32	-2	-10
EBITDA	249	-18	193	332
FCF	-736	-253	226	-174
EBITDA margin (%)	3.6	-0.7	6.3	7.8
OP margin (%)	2.3	-1.7	2.5	4.3
Net margin (%)	-0.1	-3.2	0.7	2.5

Balance sheet (summarized)

(Wbn)	2023	2024F	2025F	2026F
Current assets	2,443	1,344	1,704	1,793
Cash & equivalents	513	519	647	587
AR & other receivables	784	229	533	599
Inventory	1,109	544	453	534
Other current assets	37	52	71	73
Non-current assets	1,918	2,838	3,122	3,371
Investments in associates	0	0	0	0
PP&E	1,824	2,698	2,980	3,228
Intangible assets	14	13	13	13
Total assets	4,362	4,181	4,827	5,164
Current liabilities	2,131	1,600	2,181	2,200
AP & other payables	833	398	927	944
Short-term financial liabilities	1,232	1,167	1,175	1,175
Other current liabilities	66	35	79	81
Non-current liabilities	631	1,035	1,073	1,274
Long-term financial liabilities	596	1,006	1,006	1,206
Other non-current liabilities	35	29	67	68
Total liabilities	2,762	2,635	3,254	3,474
Equity attributable to owners	1,371	1,286	1,307	1,413
Capital stock	49	49	49	49
Capital surplus	914	914	914	914
Retained earnings	375	283	305	411
Minority interests	228	260	265	277
Shareholders' equity	1,599	1,546	1,572	1,690

Cash flow statement (summarized)

(Wbn)	2023	2024F	2025F	2026F
Operating cash flow	21	766	626	226
NP	55	-56	26	118
Non-cash income/expenses	385	637	205	258
Depreciation	89	27	118	152
Amortization	4	0	0	0
Other	292	610	87	106
Chg. in working capital	-360	221	399	-129
Chg. in AR & other receivables	83	28	-278	-66
Chg. in inventory	-418	136	92	-81
Chg. in AP & other payables	-98	61	380	12
Income tax	-58	-36	-5	-21
Cash flow from investing activities	-673	-1,011	-395	-369
Chg. in PP&E	-756	-1,019	-400	-400
Chg. in intangible assets	0	0	0	0
Chg. in financial assets	30	-14	-22	-1
Other	53	22	27	32
Cash flow from financing activities	847	256	-86	99
Chg. in financial liabilities	879	346	8	200
Chg. in equity	36	0	0	0
Dividends	-44	0	0	0
Other	-24	-90	-94	-101
Chg. in cash	192	6	129	-60
Beginning balance	320	513	519	647
Ending balance	513	519	647	587

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

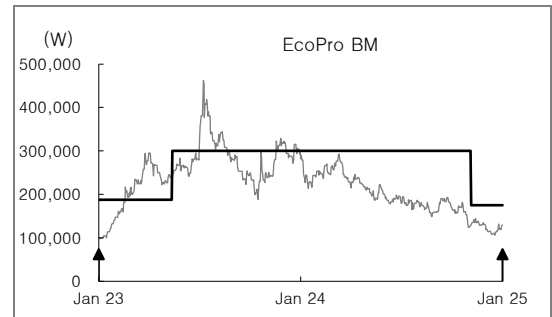
	2023	2024F	2025F	2026F
P/E (x)	-	-	590.6	119.5
P/CF (x)	64.1	18.5	54.8	33.7
P/B (x)	20.3	8.3	9.6	8.9
EV/EBITDA (x)	119.4	-	74.7	44.2
EPS (W)	-89	-912	219	1,082
CFPS (W)	4,492	5,944	2,361	3,836
BPS (W)	14,176	13,302	13,521	14,603
DPS (W)	0	0	0	0
Dividend payout ratio (%)	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0
Revenue growth (%)	28.8	-60.0	10.7	38.7
EBITDA growth (%)	-44.2	TTR	TTB	72.2
OP growth (%)	-59.0	TTR	TTB	141.3
EPS growth (%)	TTR	RR	TTB	394.2
AR turnover (x)	8.4	5.7	8.8	8.1
Inventory turnover (x)	7.0	3.3	6.1	8.6
AP turnover (x)	9.0	5.2	5.9	5.8
ROA (%)	1.4	-1.3	0.6	2.4
ROE (%)	-0.6	-6.7	1.7	7.8
ROIC (%)	4.5	-2.8	2.2	4.8
Debt-to-equity ratio (%)	172.7	170.4	207.0	205.6
Current ratio (%)	114.6	84.0	78.1	81.5
Net debt-to-equity ratio (%)	82.2	106.1	95.4	104.2
Interest coverage ratio (x)	2.2	-0.5	0.8	1.8

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
EcoPro BM (247540)	11/20/24	Buy	175,000
	05/30/24	One year	300,000
	05/30/23	Buy	300,000
	07/22/22	Buy	187,500



Stock ratings

Buy	Expected 12-month performance: +20% or greater
Trading Buy	Expected 12-month performance: +10% to +20%
Hold	Expected 12-month performance: -10% to +10%
Sell	Expected 12-month performance: -10% or worse

Sector ratings

Overweight	Expected to outperform the market over 12 months
Neutral	Expected to perform in line with the market over 12 months
Underweight	Expected to underperform the market over 12 months

Rating and TP history: Share price (—), TP (—), Not Rated (■), Buy (▲), Trading Buy (■), Hold (●), Sell (◆)

* Our investment rating is a guide to the expected return of the stock over the next 12 months.

* Outside of the official ratings of Mirae Asset Securities Co., Ltd., analysts may call trading opportunities should technical or short-term material developments arise.

* The TP was determined by the research analyst through valuation methods discussed in this report, in part based on estimates of future earnings.

* TP achievement may be impeded by risks related to the subject securities and companies, as well as general market and economic conditions.

Ratings distribution and investment banking services

	Buy	Trading Buy	Hold	Sell
Ratings distribution	84.62%	7.14%	8.24%	0%
Investment banking services	85.71%	0%	14.29%	0%

* Based on recommendations in the last 12-months (as of December 31, 2024)

Disclosures

As of the publication date, Mirae Asset Securities Co., Ltd. has acted as a liquidity provider for equity-linked warrants backed by shares of EcoPro BM as an underlying asset; other than this, Mirae Asset Securities has no other special interests in the covered companies.

Analyst certification

The research analysts who prepared this report (the "Analysts") are registered with the Korea Financial Investment Association and are subject to Korean securities regulations. They are neither registered as research analysts in any other jurisdiction nor subject to the laws or regulations thereof. Each Analyst responsible for the preparation of this report certifies that (i) all views expressed in this report accurately reflect the personal views of the Analyst about any and all of the issuers and securities named in this report and (ii) no part of the compensation of the Analyst was, is, or will be directly or indirectly related to the specific recommendations or views contained in this report. Mirae Asset Securities Co., Ltd. ("Mirae Asset Securities") policy prohibits its Analysts and members of their households from owning securities of any company in the Analyst's area of coverage, and the Analysts do not serve as an officer, director, or advisory board member of the subject companies. Except as otherwise specified herein, the Analysts have not received any compensation or any other benefits from the subject companies in the past 12 months and have not been promised the same in connection with this report. Like all employees of Mirae Asset Securities, the Analysts receive compensation that is determined by overall firm profitability, which includes revenues from, among other business units, the institutional equities, investment banking, proprietary trading, and private client divisions. At the time of publication of this report, the Analysts do not know or have reason to know of any actual, material conflict of interest of the Analyst or Mirae Asset Securities except as otherwise stated herein.

Disclaimers

This report was prepared by Mirae Asset Securities, a broker-dealer registered in the Republic of Korea and a member of the Korea Exchange. Information and opinions contained herein have been compiled in good faith and from sources believed to be reliable, but such information has not been independently verified and Mirae Asset Securities makes no guarantee, representation or warranty, express or implied, as to the fairness, accuracy, completeness, or correctness of the information and opinions contained herein or of any translation into English from the Korean language. In case of an English translation of a report prepared in the Korean language, the original Korean language report may have been made available to investors in advance of this report.

The intended recipients of this report are sophisticated institutional investors who have substantial knowledge of the local business environment, its common practices, laws, and accounting principles, and no person whose receipt or use of this report would violate any laws or regulations or subject Mirae Asset Securities or any of its affiliates to registration or licensing requirements in any jurisdiction shall receive or make any use hereof.

This report is for general information purposes only and is not and shall not be construed as an offer or a solicitation of an offer to effect transactions in any securities or other financial instruments. The report does not constitute investment advice to any person, and such person shall not be treated as a client of Mirae Asset Securities by virtue of receiving this report. This report does not take into account the particular investment objectives, financial situations, or needs of individual clients. The report is not to be relied upon in substitution for the exercise of independent judgment. Information and opinions contained herein are as of the date hereof and are subject to change without notice. The price and value of the investments referred to in this report and the income from them may depreciate or appreciate, and investors may incur losses on investments. Past performance is not a guide to future performance. Future returns are not guaranteed, and a loss of original capital may occur. Mirae Asset Securities, its affiliates, and their directors, officers, employees, and agents do not accept any liability for any loss arising out of the use hereof.

Mirae Asset Securities may have issued other reports that are inconsistent with, and reach different conclusions from, the opinions presented in this report. The reports may reflect different assumptions, views, and analytical methods of the analysts who prepared them. Mirae Asset Securities may make investment decisions that are inconsistent with the opinions and views expressed in this research report. Mirae Asset Securities, its affiliates, and their directors, officers, employees, and agents may have long or short positions in any of the subject securities at any time and may make a purchase or sale, or offer to make a purchase or sale, of any such securities or other financial instruments from time to time in the open market or otherwise, in each case either as principals or agents. Mirae Asset Securities and its affiliates may have had, or may be expecting to enter into, business relationships with the subject companies to provide investment banking, market-making, or other financial services as are permitted under applicable laws and regulations.

No part of this document may be copied or reproduced in any manner or form or redistributed or published, in whole or in part, without the prior written consent of Mirae Asset Securities. For further information regarding company-specific information as it pertains to the representations and disclosures in this Appendix 1, please contact compliance@miraeasset.us.com or +1 (212) 407-1000.

Distribution

United Kingdom: This report is being distributed by Mirae Asset Securities (UK) Ltd. in the United Kingdom only to (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), and (ii) high net worth companies and other persons to whom it may lawfully be communicated, falling within Article 49(2)(A) to (E) of the Order (all such persons together being referred to as "Relevant Persons"). This report is directed only at Relevant Persons. Any person who is not a Relevant Person should not act or rely on this report or any of its contents.

United States: Mirae Asset Securities is not a registered broker-dealer in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This report is distributed in the U.S. by Mirae Asset Securities (USA) Inc., a member of FINRA/SIPC, to "major U.S. institutional investors" in reliance on the exemption from registration provided by Rule 15a-6(b)(4) under the U.S. Securities Exchange Act of 1934, as amended. All U.S. persons that receive this document by their acceptance hereof represent and warrant that they are a major U.S. institutional investor and have not received this report under any express or implied understanding that they will direct commission income to Mirae Asset Securities or its affiliates. Any U.S. recipient of this document wishing to effect a transaction in any securities discussed herein should contact and place orders with Mirae Asset Securities (USA) Inc. Mirae Asset Securities (USA) Inc. accepts responsibility for the contents of this report in the U.S., subject to the terms hereof, to the extent that it is delivered to a U.S. person other than a major U.S. institutional investor. Under no circumstances should any recipient of this research report effect any transaction to buy or sell securities or related financial instruments through Mirae Asset Securities. The securities described in this report may not have been registered under the U.S. Securities Act of 1933, as amended, and, in such case, may not be offered or sold in the U.S. or to U.S. persons absent registration or an applicable exemption from the registration requirements.

Hong Kong: This report is distributed in Hong Kong by Mirae Asset Securities (HK) Limited, which is regulated by the Hong Kong Securities and Futures Commission. The contents of this report have not been reviewed by any regulatory authority in Hong Kong. This report is for distribution only to professional investors within the meaning of Part I of Schedule 1 to the Securities and Futures Ordinance of Hong Kong (Cap. 571, Laws of Hong Kong) and any rules made thereunder and may not be redistributed in whole or in part in Hong Kong to any person.

India: This report is being distributed by Mirae Asset Capital Markets (India) Private Limited ("MACM") in India to the customers based in India and is personal information only for those authorised recipient(s). MACM is inter alia a Securities and Exchange Board of India ("SEBI") registered Research Analyst in India and is not registered outside India. MACM and Mirae Asset, Korea are group entities. MACM makes no guarantee, representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information and opinions contained herein. The user assumes the entire risk of any use made of this information. This report has been provided for assistance only and is not intended to be and must not alone be taken as the basis for an investment decision. Recipient must read the entire Appendix 1 to the report carefully for Important Disclosures & Disclaimers.

All other jurisdictions: Customers in all other countries who wish to effect a transaction in any securities referenced in this report should contact Mirae Asset Securities or its affiliates only if distribution to or use by such customer of this report would not violate applicable laws and regulations and not subject Mirae Asset Securities and its affiliates to any registration or licensing requirement within such jurisdiction.

Mirae Asset Securities International Network

Mirae Asset Securities Co., Ltd. (Seoul)

One-Asia Equity Sales Team
Mirae Asset Center 1 Building
26 Eulji-ro 5-gil, Jung-gu, Seoul 04539
Korea

Tel: 82-2-3774-2124

Mirae Asset Securities (USA) Inc.

810 Seventh Avenue, 37th Floor
New York, NY 10019
USA

Tel: 1-212-407-1000

Mirae Asset Securities (Singapore) Pte. Ltd.

6 Battery Road, #11-01
Singapore 049909
Republic of Singapore

Tel: 65-6671-9845

Mirae Asset Investment Advisory (Beijing) Co., Ltd

2401B, 24th Floor, East Tower, Twin Towers
B12 Jianguomenwai Avenue, Chaoyang District
Beijing 100022
China

Tel: 86-10-6567-9699

Ho Chi Minh Representative Office

7F, Saigon Royal Building
91 Pasteur St.
District 1, Ben Nghe Ward, Ho Chi Minh City
Vietnam

Tel: 84-8-3910-7715

Mirae Asset Securities (HK) Ltd.

Units 8501, 8507-8508, 85/F
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong
Tel: 852-2845-6332

Mirae Asset Wealth Management (Brazil) CCTVM

Rua Funchal, 418, 18th Floor, E-Tower Building
Vila Olimpia
Sao Paulo - SP
04551-060
Brazil
Tel: 55-11-2789-2100

Mirae Asset Securities (Vietnam) LLC

7F, Saigon Royal Building
91 Pasteur St.
District 1, Ben Nghe Ward, Ho Chi Minh City
Vietnam

Tel: 84-8-3911-0633 (ext.110)

Beijing Representative Office

2401A, 24th Floor, East Tower, Twin Towers
B12 Jianguomenwai Avenue, Chaoyang District
Beijing 100022
China

Tel: 86-10-6567-9699 (ext. 3300)

Mirae Asset Capital Markets (India) Pvt Ltd

1st Floor, Tower 4, Equinox Business Park,
LBS Marg, Off BKC, Kurla (West), Mumbai - 400 070
India

Tel: 91-22-62661300 / 48821300

Mirae Asset Securities (UK) Ltd.

41st Floor, Tower 42
25 Old Broad Street,
London EC2N 1HQ
United Kingdom

Tel: 44-20-7982-8000

PT. Mirae Asset Sekuritas Indonesia

District 8, Treasury Tower Building Lt. 50
Sudirman Central Business District
Jl. Jend. Sudirman, Kav. 52-54
Jakarta Selatan 12190
Indonesia
Tel: 62-21-5088-7000

Mirae Asset Securities Mongolia UTsk LLC

#406, Blue Sky Tower, Peace Avenue 17
1 Khoroo, Sukhbaatar District
Ulaanbaatar 14240
Mongolia

Tel: 976-7011-0806

Shanghai Representative Office

38T31, 38F, Shanghai World Financial Center
100 Century Avenue, Pudong New Area
Shanghai 200120
China

Tel: 86-21-5013-6392
