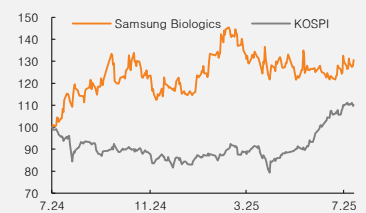


(Maintain)	Buy
Target price	▲ W1,400,000
Current price (7/23/25)	W1,064,000
Upside	31.6%

OP (25F, Wbn)	1,970		
Consensus OP (25F, Wbn)	1,740		
EPS growth (25F, %)	50.7		
Market EPS growth (25F, %)	24.6		
P/E (25F, x)	47.8		
Market P/E (25F, x)	11.7		
KOSPI	3,183.77		
Market cap (Wbn)	75,729		
Shares (mn)	71		
Free float (%)	25.4		
Foreign ownership (%)	12.9		
Beta (12M)	0.25		
52-week low (W)	848,000		
52-week high (W)	1,185,000		
(%)	1M	6M	12M
Absolute	7.3	1.0	25.5
Relative	1.6	-20.2	9.3



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Samsung Biologics

Positioning for the next leg of growth

Maintain Buy and raise TP to W1,400,000 (from W1,350,000)

We raise our target price for Samsung Biologics to W1,400,000 (from W1,350,000), which is based on sum of the values of the CDMO business (W91tr; vs. W88tr previously) and Samsung Bioepis (biosimilars; W8.9tr). We revised up our CDMO valuation due to a 9% increase in our 2025 operating profit forecast (reflecting the company's recent guidance upgrade); we arrived at our W91tr estimate by applying an EV/EBITDA of 35x to the present value of 2029F EBITDA (W2.61tr; 7.5% WACC). Our target EV/EBITDA represents a 50% premium to rival Lonza's five-year average multiple, as we forecast Samsung Biologics to perform more strongly in terms of revenue growth (+29% vs. +20-21% for Lonza) and EBITDA margin (53% vs. 30-31% for Lonza) this year. Our use of the present value of 2029F EBITDA reflects the full utilization of Plant 5.

We derived our W8.9tr valuation of the biosimilar business by applying a target EV/EBITDA of 21x (30% premium to Viatris at the time of its biosimilar asset sale) to our 12-month forward EBITDA estimate of W420bn. We believe the premium is justified, as the firm is a leading biosimilar player. For reference, leading biosimilar name Celltrion is trading at 12-month forward EV/EBITDA of 23x (based on the consensus).

There are ongoing concerns surrounding US policies (tariffs and drug price reductions) and Samsung Biologics' spin-off plan, but these issues appear likely to be resolved over time. Trump plans to make a final decision on drug tariffs by end-July but indicated that he would allow a grace period of 12 to 18 months before implementing any tariffs. As for the most-favored-nation (MFN) pricing proposal, we note that a similar rule was proposed during Trump's first term but was halted due to legal challenges and concerns that it exceeded the authority of the Centers for Medicare & Medicaid Services (CMS). Meanwhile, the newly passed budget reconciliation bill (OBDD) expands exemptions for orphan drugs under IRA price negotiations, further reducing policy overhang. In short, uncertainty around US policy is easing, and the impact on global pharma/biotech companies (including Samsung Biologics) is likely to be limited. Indeed, we have recently seen upward guidance revisions from Johnson & Johnson and Novartis (key customers of Samsung Biologics), as well as from Lonza (a competitor).

Regarding the planned spin-off, applying the proposed 65:35 ratio to the current market cap would imply valuations of roughly W50tr for Samsung Biologics and W25tr for Samsung Epis Holdings—contrasting sharply with our estimates of W91tr and W8.9tr, respectively. However, the post-spin-off value of Samsung Epis Holdings will reflect not only the biosimilar business but also potential medium/long-term contributions from new businesses (e.g., next-generation modalities and novel substances). As such, we believe that the combined post-spin-off value of Samsung Biologics and Samsung Epis Holdings will exceed the valuation of Samsung Biologics prior to the spin-off. Given this, we advise accumulating shares before the spin-off.

(Dec.)	2023	2024	2025F	2026F	2027F
Revenue (Wbn)	2,939	3,497	4,494	5,118	6,297
OP (Wbn)	1,204	1,321	1,970	2,046	2,421
OP margin (%)	41.0	37.8	43.8	40.0	38.4
NP (Wbn)	946	1,051	1,584	1,705	2,003
EPS (W)	13,290	14,766	22,258	23,951	28,136
ROE (%)	12.2	12.0	15.7	14.5	14.8
P/E (x)	57.2	64.3	47.8	44.4	37.8
P/B (x)	6.6	7.3	7.0	6.0	5.2
Dividend yield (%)	0.0	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

Looking ahead, key points/events to watch include US tariff developments and the company's strategic response (e.g., potential investments in the US), additional order wins with the start-up of Plant 5, the announcement of Plant 6 investment plans, and business development strategies for new subsidiaries under Samsung Epis Holdings.

2Q25 review and 2025 outlook

For 2Q25, Samsung Biologics posted non-consolidated revenue of W1.01tr (+25% YoY; 6% below the consensus), operating profit of W477bn (+45% YoY; 9% above the consensus), an OP margin of 47% (+6.4%p YoY), and an EBITDA margin of 56.4% (+6.7%p YoY). We attribute the strong results to the full operation of Plants 1, 2, and 3, expanding operations at Plant 4 (full operation of the 60,000-liter facility and ramp-up of the 180,000-liter facility), and favorable FX. While top line was weighed down slightly by the deferral of some batch revenue recognition to 3Q25, margins improved significantly thanks to the faster-than-expected ramp-up of Plant 4 and the resulting operating leverage. Based on 1H25 results, the company raised its 2025 revenue growth guidance to 25–30% (from 20–25%).

For 2025, we expect Samsung Biologics to deliver revenue of W4.49tr (+29% YoY; unchanged) and operating profit of W1.97tr (+49% YoY; 9% above our previous estimate). We expect Plants 1, 2, and 3 to continue running at full capacity, while the 180,000-liter facility at Plant 4 is likely to reach full utilization in 4Q25. We revised up our margin assumptions to reflect the faster-than-expected ramp-up of Plant 4 and the resulting operating leverage. For 3Q25, we expect the company to post revenue of W1.24tr (vs. consensus of W1.13tr) and operating profit of W573.9bn (vs. consensus of W454.1bn), with margins likely to remain high.

Meanwhile, Samsung Bioepis reported revenue of W401bn (-24% YoY), operating profit of W89.8bn (-65% YoY), and an OP margin of 22.4% (-26.1%p YoY), affected by a high base stemming from the recognition of milestone payments (Stelara biosimilar approval) in 2Q24. Excluding the milestone impact, however, revenue and operating profit were actually up YoY (with revenue rising 28% on growing sales of the Stelara and Soliris biosimilars). The company maintained its 2025 revenue growth guidance (excluding milestones) at 20%.

For 2025, we expect Samsung Bioepis to post revenue of W1.54tr (flat YoY) and operating profit of W341.3bn (-22% YoY), unchanged from our previous forecasts. Excluding milestones (W270bn in 2024 and W30bn in 3Q25F), we expect revenue to grow 19% YoY, driven by robust sales of existing biosimilars and contributions from new products (Soliris and Stelara biosimilars).

Table 1. Valuation table

(Wbn)

		Notes
Samsung Biologics (CDMO)	91,295	- Present value of 2029F EBITDA (W2.6tr; WACC of 7.5%); Plant 5 expected to start operating at full capacity in 2029 - Target EV/EBITDA of 35x (50% premium to Lonza's five-year avg. EV/EBITDA) - Valuation premium (50%) reflects higher EBITDA growth and EBITDA margins vs. Lonza
Samsung Bioepis (biosimilars)	8,930	- 12MF EV/EBITDA - Target multiple of 21x (30% premium to Viatrix at the time of its biosimilar asset sale) - Premium justified given that the firm is a leading biosimilar player
Net cash	130	
Fair value	100,326	
No. of shares ('000)	71,174	
Fair value/share (W)	1,404,583	- TP: 1,400,000
Current price (W)	1,064,000	
Upside	31.6%	

Source: Mirae Asset Securities Research

Table 2. 2Q25 review

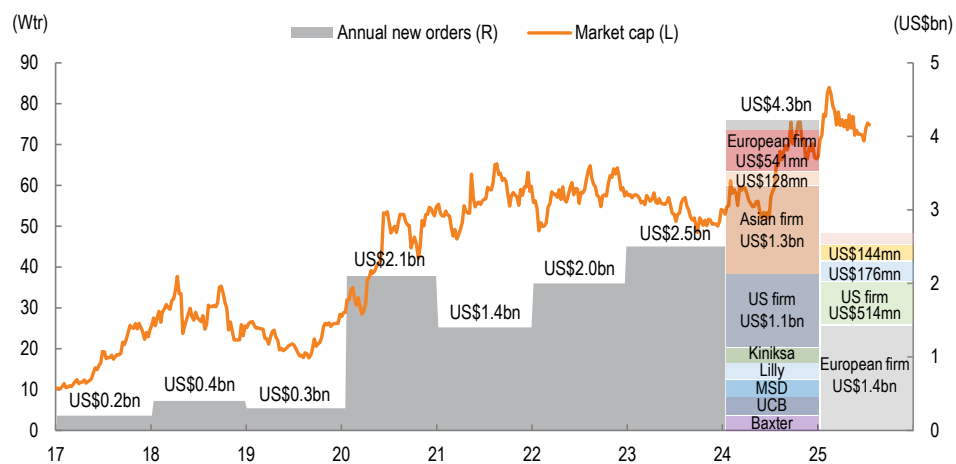
(Wbn, %, %p)

	2Q24	1Q25	2Q25P			Growth	
			Preliminary	Consensus	Diff.	YoY	QoQ
Revenue	810.2	999.5	1,014.2	1,076.1	-5.8	25.2	1.5
OP	329.2	430.0	477.0	437.8	9.0	44.9	10.9
OP margin	40.6	43.0	47.0	40.7	6.4	6.4	4.0
NP	271.5	319.6	333.6	358.0	-6.8	22.9	4.4
Net margin	33.5	32.0	32.9	33.3	-0.4	-0.6	0.9

Note: Under non-consolidated K-IFRS

Source: QuantiWise, Mirae Asset Securities Research

Figure 1. Annual CMO order intake (new + revisions) and market cap



Source: Dart, Mirae Asset Securities Research

Table 3. Earnings forecast revisions

(Wbn, %)

	Previous		Revised		Chg.	
	2025F	2026F	2025F	2026F	2025F	2026F
Revenue	4,485.2	5,123.5	4,493.8	5,118.3	0.2	-0.1
OP	1,813.6	1,999.3	1,970.3	2,046.3	8.6	2.3
EBITDA	2,134.3	2,286.2	2,361.8	2,482.8	10.7	8.6

Source: Mirae Asset Securities Research

Table 4. Samsung Biologics: Quarterly/annual earnings and forecasts

(Wbn, %)

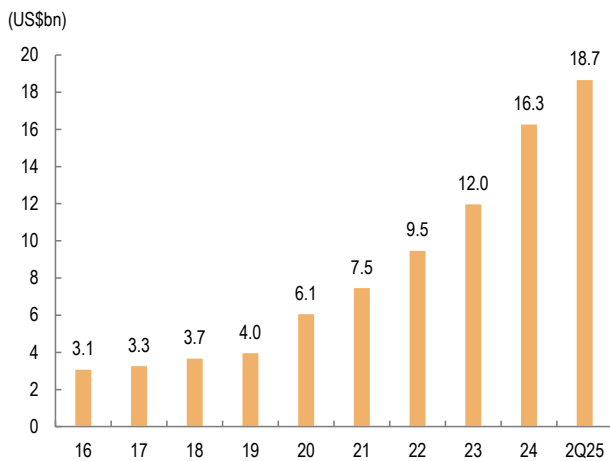
	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25P	3Q25F	4Q25F	2023	2024	2025F	2026F
Revenue	669.5	810.2	1,067.1	950.4	999.5	1,014.2	1,239.0	1,241.2	2,938.8	3,497.2	4,493.8	5,118.3
YoY	13.3	27.2	20.9	14.8	49.3	25.2	16.1	30.6	20.6	19.0	28.5	13.9
Plant 1	85.2	88.2	99.5	99.5	106.8	120.4	114.6	107.8	388.8	394.0	450.6	473.8
Plant 2	218.1	248.0	292.5	260.5	270.4	303.2	305.3	305.3	1,023.1	1,071.5	1,202.5	1,199.3
Plant 3	223.4	286.2	368.8	327.8	320.1	335.4	346.1	346.1	1,169.1	1,302.9	1,354.6	1,291.4
Plant 4	50.6	48.0	129.8	220.8	263.0	356.8	383.0	401.9	153.9	661.6	1,538.1	1,715.1
Plant 5												278.6
Services	28.7	24.8	27.2	30.6	78.1	90.0	90.0	80.0	278.7	111.3	338.1	350.0
GP	300.4	405.4	521.7	485.5	542.2	566.2	700.0	608.0	1,490.4	1,713.0	2,416.4	2,756.7
YoY	2.4	28.8	14.9	13.3	80.5	39.7	34.2	25.2	24.2	14.9	41.1	14.1
Gross margin	44.9	50.0	48.9	51.1	54.2	55.8	56.5	49.0	50.7	49.0	53.8	53.9
OP	232.7	329.2	444.7	314.7	430.0	477.0	573.9	489.3	1,204.2	1,321.4	1,970.3	2,046.3
YoY	-0.7	29.6	16.5	-5.8	84.8	44.9	29.0	55.5	24.4	9.7	49.1	3.9
OP margin	34.8	40.6	41.7	33.1	43.0	47.0	46.3	39.4	41.0	37.8	43.8	40.0
EBITDA	304.5	401.7	526.2	388.1	514.1	571.9	680.6	595.1	1,459.1	1,620.5	2,361.8	2,482.8
YoY	5.6	27.8	16.9	-4.4	68.8	42.4	29.3	53.3	27.0	11.1	45.7	5.1
EBITDA margin	45.5	49.6	49.3	40.8	51.4	56.4	54.9	47.9	49.6	46.3	52.6	48.5
NP	183.6	272.6	323.5	271.3	319.6	333.6	468.6	462.4	945.9	1,051.0	1,584.2	1,704.7
YoY	0.7	40.9	14.3	-5.5	74.1	22.4	44.9	70.4	37.7	11.1	50.7	7.6
Net margin	27.4	33.6	30.3	28.5	32.0	32.9	37.8	37.3	32.2	30.1	35.3	33.3

Notes: Under non-consolidated K-IFRS; revenue figures by plant are not disclosed by the company and are therefore estimates.

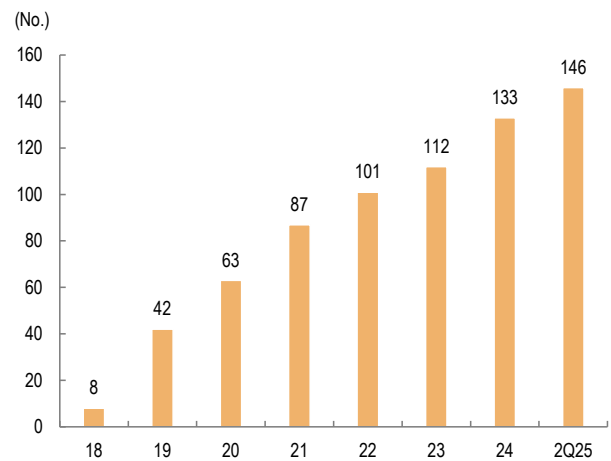
Source: Mirae Asset Securities Research

Figure 2. Cumulative CMO order value

Figure 3. Cumulative CDO orders



Source: Company data, Mirae Asset Securities Research



Source: Company data, Mirae Asset Securities Research

Table 5. Samsung Biologics: Annual earnings and forecasts

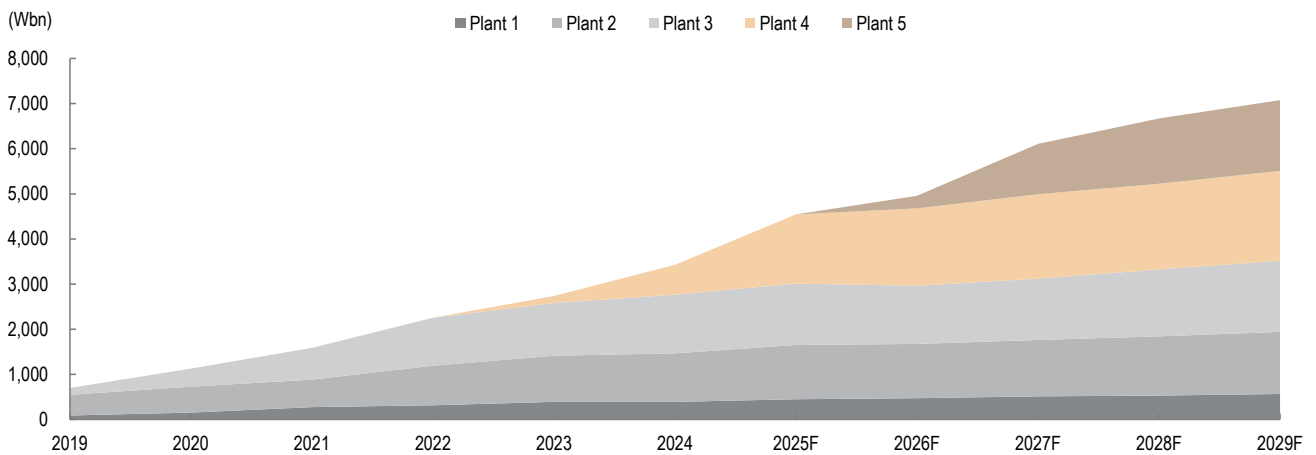
(Wbn, %)

	2019	2020	2021	2022	2023	2024	2025F	2026F	2027F	2028F	2029F
Revenue	702	1,165	1,568	2,437	2,939	3,497	4,494	5,118	6,297	7,026	7,478
YoY	30.9	66.0	34.6	55.4	20.6	19.0	28.5	13.9	23.0	11.6	6.4
Plant 1	87	156	273	318	389	394	451	474	512	532	564
Utilization	75%	80%	83%	86%	86%	80%	81%	80%	80%	80%	80%
Plant 2	464	575	613	873	1,023	1,071	1,202	1,199	1,248	1,312	1,378
Utilization	73%	80%	80%	75%	85%	84%	87%	83%	82%	84%	84%
Plant 3	149	396	701	1,065	1,169	1,303	1,355	1,291	1,362	1,483	1,573
Utilization	23%	46%	76%	83%	83%	82%	87%	82%	81%	85%	85%
Plant 4					154	662	1,538	1,715	1,867	1,898	1,993
Utilization					13%	36%	78%	85%	85%	84%	84%
Plant 5								279	1,119	1,442	1,571
Utilization								15%	33%	65%	83%
Services	53	62	126	176	279	111	338	350	420	455	485
OP	92	293	536	968	1,204	1,321.3	1,970	2,046	2,421	2,830	3,013
YoY		218.9	83.4	80.4	24.4	9.7	49.1	3.9	18.3	16.9	6.4
OP margin	13.1	25.1	34.2	39.7	41.0	37.8	43.8	40.0	38.5	40.3	40.3
EBITDA	225	436	697	1,149	1,459	1,620	2,362	2,483	2,881	3,300	3,502
YoY	52.7	94.2	59.7	64.9	27.0	11.1	45.8	5.1	16.0	14.6	6.1
EBITDA margin	32.0	37.4	44.4	47.1	49.6	46.3	52.6	48.5	45.7	47.0	46.8

Notes: Under non-consolidated K-IFRS; revenue figures by plant are not disclosed by the company and are therefore estimates.

Source: Mirae Asset Securities Research

Figure 4. Revenue estimates by plant



Source: Mirae Asset Securities Research

Table 6. Samsung Bioepis: Earnings and forecasts

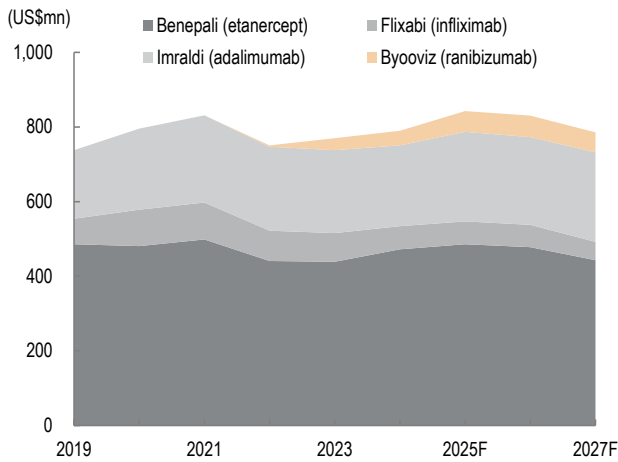
(US\$m, Wbn, %)

	2019	2020	2021	2022	2023	2024	2025F	2026F
Benepali (etanercept)	486	481	498	441	439	472	486	478
Flixabi (infliximab)	68	98	99	81	77	62	61	60
Imraldi (adalimumab)	184	217	233	225	222	217	240	235
Byooviz (ranibizumab)				4	32	39	56	58
Renflexis (infliximab)	97	152	186	226	278	285	290	305
Ontruzant (trastuzumab)	83	134	126	122	155	160	140	135
Brenzys (etanercept)	73	66	63	75	73	90	85	80
Aybintio (bevacizumab)			36	39	43	35	36	37
Hadlima (adalimumab)			15	19	44	140	175	200
Pyzchiva (ustekinumab)						5	60	120
Epysqli (eculizumab)						6	50	80
Partner revenue (total)	991	1,127	1,256	1,262	1,363	1,511	1,679	1,788
Samsung Bioepis revenue	766	777	846	946	1,020	1,538	1,541	1,616
YoY	107.7	1.5	8.8	11.8	7.8	50.7	0.2	4.8
OP	123	145	192	232	205	435	341	363
YoY	-219.5	18.1	32.3	20.7	-11.3	112.0	-21.6	6.2
OP margin	16.0	18.7	22.7	24.5	20.1	28.3	22.1	22.4
EBITDA	177	203	257	278	255	489	398	423
YoY	-396.1	15.1	26.3	8.2	-8.1	91.7	-18.7	6.3
EBITDA margin	23.1	26.1	30.3	29.3	25.0	31.8	25.8	26.2

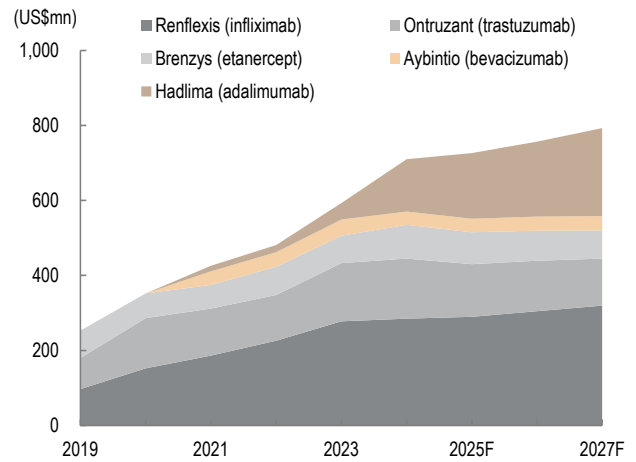
Source: FactSet, Mirae Asset Securities Research

Figure 5. Organon (partner of Samsung Bioepis): Biosimilar revenue forecasts

Figure 6. Biogen (partner of Samsung Bioepis): Biosimilar revenue forecasts



Source: Bloomberg, Mirae Asset Securities Research



Source: Bloomberg, Mirae Asset Securities Research

Samsung Biologics (207940 KS)

Income statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Revenue	3,497	4,494	5,118	6,297
Cost of revenue	1,784	2,077	2,362	2,900
GP	1,713	2,417	2,756	3,397
SG&A expenses	392	446	710	976
OP (adj.)	1,321	1,970	2,046	2,421
OP	1,321	1,970	2,046	2,421
Non-operating profit	81	10	85	136
Net financial income	20	34	85	136
Net income from associates	0	0	0	0
Pretax profit	1,402	1,980	2,131	2,557
Income tax	351	396	426	555
Profit from continuing operations	1,051	1,584	1,705	2,003
Profit from discontinued operations	0	0	0	0
NP	1,051	1,584	1,705	2,003
Attributable to owners	1,051	1,584	1,705	2,003
Attributable to minority interests	0	0	0	0
Total comprehensive income	1,042	1,584	1,705	2,003
Attributable to owners	1,042	1,584	1,705	2,003
Attributable to minority interests	0	0	0	0
EBITDA	1,620	2,362	2,483	2,858
FCF	86	2,057	2,177	2,507
EBITDA margin (%)	46.3	52.6	48.5	45.4
OP margin (%)	37.8	43.8	40.0	38.4
Net margin (%)	30.1	35.2	33.3	31.8

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	3,992	6,176	8,273	10,629
Cash & equivalents	300	1,431	2,869	3,980
AR & other receivables	0	0	0	0
Inventory	1,883	2,420	2,756	3,390
Other current assets	1,809	2,325	2,648	3,259
Non-current assets	9,325	9,611	9,773	10,467
Investments in associates	3,328	4,277	4,871	5,993
PP&E	5,048	4,671	4,250	3,829
Intangible assets	65	50	35	19
Total assets	13,317	15,787	18,046	21,096
Current liabilities	2,679	3,443	3,921	4,825
AP & other payables	852	1,095	1,247	1,534
Short-term financial liabilities	137	176	201	247
Other current liabilities	1,690	2,172	2,473	3,044
Non-current liabilities	1,357	1,479	1,555	1,699
Long-term financial liabilities	930	930	930	930
Other non-current liabilities	427	549	625	769
Total liabilities	4,036	4,922	5,476	6,524
Equity attributable to owners	9,281	10,865	12,570	14,572
Capital stock	178	178	178	178
Capital surplus	5,672	5,672	5,672	5,672
Retained earnings	3,450	5,034	6,739	8,741
Minority interests	0	0	0	0
Shareholders' equity	9,281	10,865	12,570	14,572

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	1,383	2,057	2,177	2,507
NP	1,051	1,584	1,705	2,003
Non-cash income/expenses	641	778	778	855
Depreciation	286	376	421	421
Amortization	13	15	15	15
Other	342	387	342	419
Chg. in working capital	-65	57	36	68
Chg. in AR & other receivables	-367	0	0	0
Chg. in inventory	-261	-537	-336	-635
Chg. in AP & other payables	210	50	31	59
Income tax	-277	-396	-426	-555
Cash flow from investing activities	-1,181	-294	-169	-320
Chg. in PP&E	-1,297	0	0	0
Chg. in intangible assets	-27	0	0	0
Chg. in financial assets	761	-270	-169	-320
Other	-618	-24	0	0
Cash flow from financing activities	-154	39	24	46
Chg. in financial liabilities	-164	39	24	46
Chg. in equity	0	0	0	0
Dividends	0	0	0	0
Other	10	0	0	0
Chg. in cash	69	1,131	1,438	1,112
Beginning balance	231	300	1,431	2,869
Ending balance	300	1,431	2,869	3,980

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

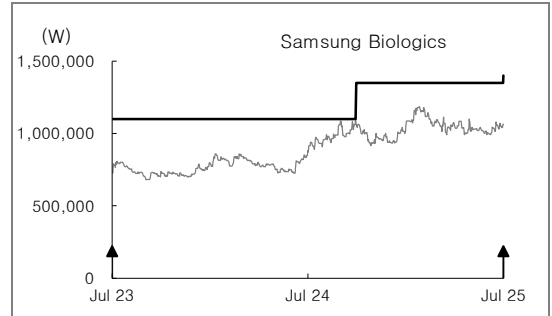
	2024	2025F	2026F	2027F
P/E (x)	64.3	47.8	44.4	37.8
P/CF (x)	39.9	32.1	30.5	26.5
P/B (x)	7.3	7.0	6.0	5.2
EV/EBITDA (x)	41.6	31.4	29.3	24.9
EPS (W)	14,766	22,258	23,951	28,136
CFPS (W)	23,773	33,183	34,884	40,155
BPS (W)	130,397	152,655	176,606	204,742
DPS (W)	0	0	0	0
Dividend payout ratio (%)	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0
Revenue growth (%)	19.0	28.5	13.9	23.0
EBITDA growth (%)	11.1	45.7	5.1	15.1
OP growth (%)	9.7	49.1	3.9	18.3
EPS growth (%)	11.1	50.7	7.6	17.5
AR turnover (x)	0.0	0.0	0.0	0.0
Inventory turnover (x)	2.0	2.1	2.0	2.0
AP turnover (x)	10.3	10.5	9.9	10.2
ROA (%)	8.4	10.9	10.1	10.2
ROE (%)	12.0	15.7	14.5	14.8
ROIC (%)	19.7	27.9	30.9	38.6
Debt-to-equity ratio (%)	43.5	45.3	43.6	44.8
Current ratio (%)	149.0	179.4	211.0	220.3
Net debt-to-equity ratio (%)	-1.7	-13.9	-24.6	-30.7
Interest coverage ratio (x)	38.8	61.2	61.7	70.8

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Samsung Biologics (207940)	07/24/25	Buy	1,400,000
	10/22/24	Buy	1,350,000
	01/30/24	One year	1,100,000
	01/30/23	Buy	1,100,000



Stock ratings		Sector ratings	
Buy	Expected 12-month return: +20% or greater	Overweight	Expected to outperform the market over 12 months
Hold	Expected 12-month return: Greater than -10% and less than +10%	Neutral	Expected to perform in line with the market over 12 months
Sell	Expected 12-month return: -10% or less	Underweight	Expected to underperform the market over 12 months

As of May 12, 2025, the Trading Buy rating category has been removed from our investment rating system.

Stocks expected to deliver a 12-month return between +10% and less than +20% may be rated either Buy or Hold at the discretion of the research analyst.

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	84.91%	5.59%	8.94%	0.56%
Investment banking services	88.89%	0%	11.11%	0%

* Based on recommendations in the last 12-months (as of June 30, 2025)

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 Samsung Biologics as an underlying asset; other than this, Mirae Asset Securities has no other special interests in the covered companies.

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