

(Maintain)	Buy
Target price	▼ W110,000
Current price (8/1/25)	W82,000
Upside	34.1%

OP (25F, Wbn)	72
Consensus OP (25F, Wbn)	69
EPS growth (25F, %)	-38.2
Market EPS growth (25F, %)	23.9
P/E (25F, x)	17.0
Market P/E (25F, x)	11.5
KOSPI	3,119.41

Market cap (Wbn)	1,132
Shares (mn)	14
Free float (%)	56.2
Foreign ownership (%)	13.8
Beta (12M)	0.45
52-week low (W)	71,200
52-week high (W)	121,128

(%)	1M	6M	12M
Absolute	-2.3	-5.3	-24.6
Relative	-3.2	-23.6	-32.9



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Chong Kun Dang

Focus on the potential of HDAC6 inhibitor

2Q25 review and 2025 outlook

For 2Q25, Chong Kun Dang posted preliminary standalone revenue of W429.6bn (+12% YoY; in line with the consensus) and operating profit of W22.2bn (-22% YoY; 6% above the consensus). Prolia (osteoporosis treatment) continued solid growth, and the newly introduced products Flexuclue (gastroesophageal reflux disease treatment) and Godex (liver disease treatment) saw rapid growth. Export revenue climbed to W24.6bn, aided by a W7bn milestone payment from Novartis following its IND submission for CKD-510.

Meanwhile, the COGS ratio rose to 69% (+4.2%p YoY) due to the strong growth of in-licensed products. Additionally, R&D expenses as a percentage of revenue increased to 10.3% (+1.2%p YoY) due to higher contract research expenses and clinical trial costs. As a result, OP margin shrank to 5.2% (-2.2%p YoY).

For 2025, we look for standalone revenue of W1.69tr (+8% YoY) and operating profit of W71.7bn (-19% YoY), which are 1% and 19% below our previous estimates, respectively. While top-line growth should resume due to continued strength in in-licensed products such as Prolia, Godex, and Flexuclue, the higher COGS from these products and increased R&D expenses led us to lower our operating profit estimate.

Meanwhile, there is speculation that Chong Kun Dang could handle domestic distribution of Wegovy (obesity drug) for Novo Nordisk, but nothing has been finalized; an update is expected around mid-August. While Wegovy distribution could add to revenue, margins for the business would likely be limited (low-single-digit range).

Cut TP to W110,000 (from W130,000); maintain Buy

In deriving our target price, we lowered our 12-month forward EBITDA estimate and applied the average EV/EBITDA (11.2x) of top domestic pharma companies excluding Yuhan. Our target price does not incorporate pipeline value.

Despite our target price reduction, we maintain our Buy recommendation. Based on the consensus, the stock is trading at a 2025F EV/EBITDA of 9x—the lowest level among top domestic pharma names—due to concerns about stagnant profit growth. However, the value of Chong Kun Dang's pipeline could come into focus as Novartis proceeds with the clinical development of CKD-510. With an IND filed in May, details on the phase 2 timeline and indications should soon be available to the public. We believe Novartis will target a cardiovascular disease indication (large addressable market).

Of note, recent *Nature* studies have highlighted the therapeutic potential of HDAC6 inhibition in triple-negative breast cancer (TNBC) and bone marrow fibrosis (BMF).

(Dec.)	2022	2023	2024	2025F	2026F
Revenue (Wbn)	1,472	1,650	1,559	1,690	1,774
OP (Wbn)	107	241	88	72	85
OP margin (%)	7.3	14.6	5.6	4.3	4.8
NP (Wbn)	83	209	108	67	86
EPS (W)	6,009	15,131	7,803	4,825	6,239
ROE (%)	14.1	29.3	12.7	7.3	8.8
P/E (x)	12.5	8.3	11.4	17.0	13.1
P/B (x)	1.6	2.0	1.3	1.1	1.1
Dividend yield (%)	1.2	0.8	1.2	1.3	1.3

Notes: Under non-consolidated K-IFRS; NP is attributable to owners of the parent

Source: Company data, Mirae Asset Securities Research estimates

Table 1. Valuation table

(Wbn, x)

	Value	Notes
12MF EBITDA	115	
EV/EBITDA	11.2	Avg. of top domestic pharmas (excluding Yuhan)
EV	1,286	
Net cash	160	2025F
Pipeline value	-	
CKD-510 (HDAC6 inhibitor)	-	
Fair value	1,446	
No. of shares ('000)	13,176	
Fair value/share (W)	109,773	TP: W110,000
Current price (W)	82,000	
Upside	34.1%	

Source: Mirae Asset Securities Research

Table 2. Peer valuation table (consensus)

(Wbn, %, x)

Company	Market cap (Wtr)	Revenue		OP		OP margin		NP		ROE		P/E		P/B		EV/EBITDA		P/S	
		FY1	FY2	FY1	FY2	FY1	FY2	FY1	FY2	FY1	FY2	FY1	FY2	FY1	FY2	FY1	FY2	FY1	FY2
Yuhan	8.4	2,251	2,448	112	179	5.0	7.3	102	161	4.6	6.7	90.3	58.0	4.1	3.9	51.2	37.1	4.1	3.7
Hanmi	3.4	1,582	1,710	248	277	15.7	16.2	169	192	13.3	13.3	21.1	18.5	2.8	2.5	10.8	9.6	2.2	2.0
Daewoong	1.6	1,435	1,529	182	207	12.7	13.5	126	150	14.2	14.5	12.8	10.8	1.8	1.6	9.5	8.3	1.2	1.1
GC Biopharma	1.6	1,823	1,968	72	96	3.9	4.9	50	58	4.0	4.6	32.2	27.1	1.3	1.3	15.5	13.9	0.9	0.8
HK inno.N	1.3	1,095	1,127	108	124	9.8	11.0	74	91	6.0	6.9	17.1	14.0	1.0	1.0	10.7	9.2	1.2	1.1
CKD	1.1	1,669	1,716	79	86	4.7	5.0	72	80	7.4	7.5	17.4	16.2	1.3	1.2	9.4	8.6	0.7	0.7
Dong-A ST	0.4	716	774	32	44	4.4	5.7	13	29	2.0	4.1	30.0	14.3	0.6	0.6	12.5	10.4	0.6	0.5
Avg.	2.5					8.0	9.1			7.4	8.2	31.5	22.7	1.9	1.7	17.1	13.9	1.5	1.4

Source: FactSet, Mirae Asset Securities Research

Table 3. 2Q25 review

(Wbn, %, %p)

	2Q24	1Q25	2Q25P			Growth	
			Preliminary	Consensus	Diff.	YoY	QoQ
Revenue	385	399.1	429.6	420.7	2.1	11.6	7.6
GP	131.6	122.4	133.1	133.5	-0.3	1.1	8.8
Gross margin	34.2	30.7	31.0	31.7	-0.7	-3.2	0.3
OP	28.4	12.8	22.2	20.9	6.1	-21.9	72.7
OP margin	7.4	3.2	5.2	5.0	0.2	-2.2	1.9
NP	53.2	14	19.5	19.2	1.2	-63.4	38.9

Source: FnGuide, Mirae Asset Securities Research

Table 4. Earnings forecast revisions

(Wbn, %)

	Previous		Revised		Chg.	
	2025F	2026F	2025F	2026F	2025F	2026F
Revenue	1,712	1,832	1,690	1,774	-1.3	-3.2
OP	88	107	72	85	-18.8	-20.1
EBITDA	122	139	106	118	-13.6	-15.4
NP	86	111	67	86	-22.5	-22.2

Source: Mirae Asset Securities Research

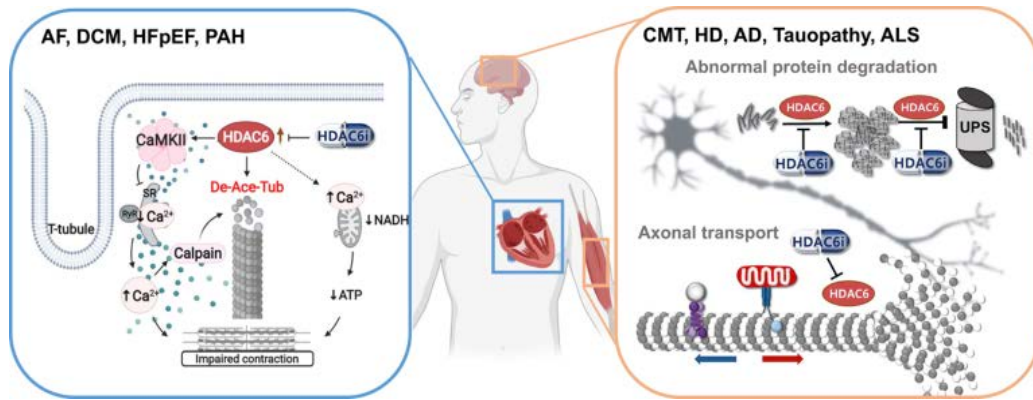
Table 5. Quarterly and annual earnings

(Wbn, %)

	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25P	3Q25F	4Q25F	2022	2023	2024	2025F
Revenue	354	385	409	412	399	430	430	431	1,472	1,650	1,559	1,690
YoY	-1.9	-1.7	3.1	-17.8	12.9	11.6	5.2	4.5	10.4	12.0	-5.5	8.4
Januvia (diabetes)	20	23	20	18	18	19	17	15	139	113	80	69
YoY	-33.7	-28.0	-30.2	-20.3	-7.2	-19.5	-15.0	-15.0	-9.9	-18.5	-28.5	-14.4
K-Cab (gastroesophageal)									122	138		
YoY									13.2	12.7		
Prolia (osteoporosis)	33	33	36	35	45	37	40	39	96	116	137	162
YoY	24.8	14.0	17.0	16.8	34.9	13.7	13.0	12.0	26.9	21.1	18.0	18.2
Gliatilin (cognitive disorders)	22	25	23	22	21	23	24	23	82	87	93	91
YoY	7.2	13.9	-1.3	6.4	-6.0	-8.7	3.0	3.0	10.5	6.3	6.4	-2.4
Atozet (hyperlipidemia)	23	28	26	26	27	28	26	26	80	89	103	107
YoY	16.0	24.4	15.7	5.6	15.9	0.5	0.5	0.5	4.3	11.2	15.2	3.9
Dilatrend (hypertension)	19	18	16	14	12	17	15	13	53	60	67	57
YoY	38.5	22.7	-9.5	0.7	-36.6	-8.6	-7.0	-5.0	1.7	13.5	11.7	-15.4
Godex (liver disease)	7	11	14	19	17	19	20	20			51	76
YoY					148.2	73.5	40.0	10.0				51.1
Fexuclue (GERD)		7	19	19	19	19	19	19			44	76
YoY						188.7	1.0	2.0				72.0
Exports	12	8	11	16	14	25	13	17	55	263	47	68
YoY	-12.2	-45.1	22.6	-93.1	10.7	211.4	10.0	10.0	7.9	382.0	-82.1	43.9
GP	127	132	127	129	122	133	133	134	535	652	515	522
YoY	-4.5	-7.1	-13.2	-44.0	-3.8	1.1	5.0	3.4	8.8	21.7	-21.0	1.4
Gross margin	36.0	34.2	31.0	31.3	30.7	31.0	31.0	31.0	36.4	39.5	33.0	30.9
OP	27	28	25	8	13	22	21	15	107	241	88	72
YoY	-11.0	-34.6	-52.5	-93.2	-52.0	-21.9	-15.2	96.4	13.8	124.8	-63.4	-18.7
OP margin	7.6	7.4	6.2	1.9	3.2	5.2	5.0	3.5	7.3	14.6	5.7	4.2
EBITDA	36	38	36	18	24	30	30	21	138	276	127	106
YoY	-6.5	-27.3	-42.6	-85.3	-33.6	-19.6	-14.7	17.0	15.9	99.8	-53.8	-17.0
EBITDA margin	10.2	9.8	8.7	4.4	6.0	7.1	7.0	4.9	9.4	16.7	8.2	6.3
NP	25	53	22	8	14	20	20	13	83	209	108	67
YoY	-28.1	27.2	-50.6	-91.1	-44.2	-63.4	-6.0	63.4	110.4	151.8	-48.4	-38.2

Source: Company data, Mirae Asset Securities Research

Figure 1. HDAC6 inhibitor CKD-510: Mechanism of action



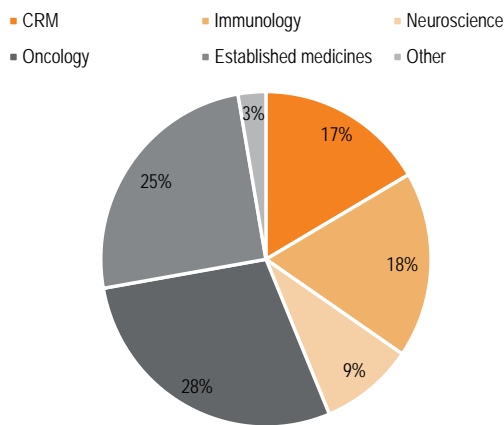
Source: Company materials, Mirae Asset Securities Research

Figure 2. Novartis mentioned CRM partnership with Chong Kun Dang during 2025 JPM Healthcare Conference



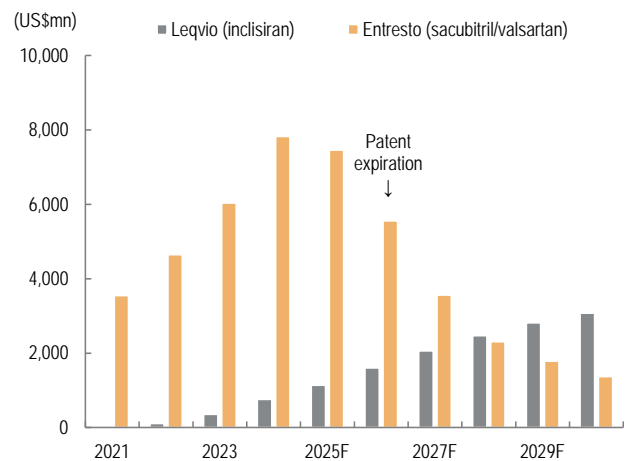
Source: Novartis, Mirae Asset Securities Research

Figure 3. Novartis: Revenue breakdown by division (2024)



Source: Bloomberg, Mirae Asset Securities Research

Figure 4. Novartis: Annual revenue outlook for CRM unit



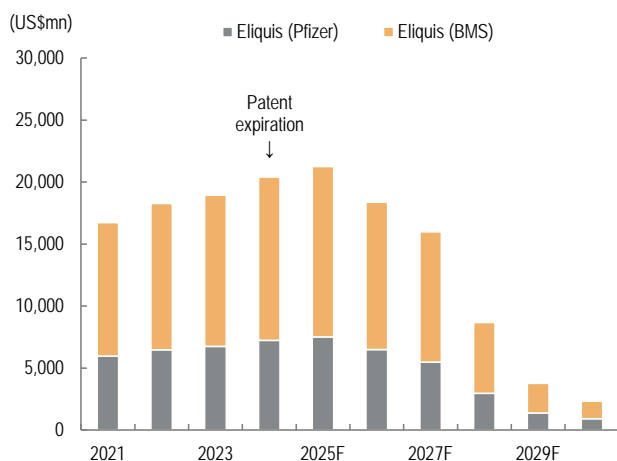
Source: Bloomberg, Mirae Asset Securities Research

Table 6. Novartis: Clinical-stage CRM pipeline

Item	Mechanism	Indication	Development stage
Zigakibart	Anti-APRIL	IgA nephropathy	Phase 3
Leqvio	siRNA (regulation of LDL-C)	Cardiovascular risk reduction (CVRR), primary/secondary prevention, hyperlipidemia	Phase 3
Fabhalta	CFB inhibitor	C3 glomerulopathy (C3G), IC-MPGN Lupus nephritis, ANCA-associated vasculitis	Phase 3 Phase 2
Abelacimab	FXI inhibitor	Atrial fibrillation	Phase 3
Pelacarsen	ASO targeting Lp(a)	CVRR-Lp(a); secondary prevention	Phase 3
DFV890	NLRP3 inhibitor	CVRR	Phase 2
LTP001	SMURF1 inhibitor	Idiopathic pulmonary fibrosis Pulmonary arterial hypertension	Phase 2 Phase 1/2
QCZ484	-	Hypertension	Phase 2
TIN816	ATP modulator	Acute kidney injury	Phase 2
Farabursen	MIR17 inhibitor	Autosomal dominant polycystic kidney disease	Phase 1

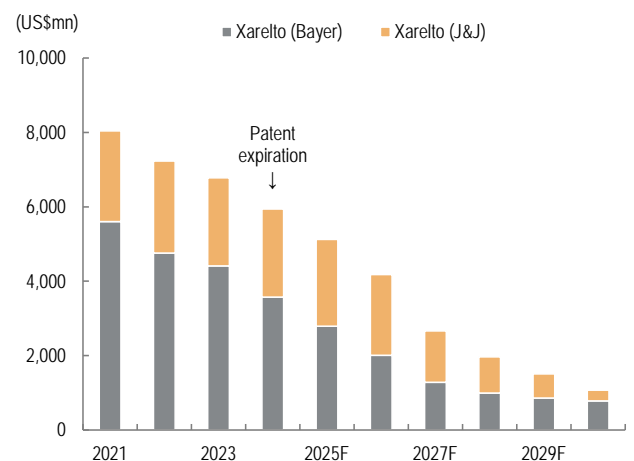
Source: Novartis, Mirae Asset Securities Research

Figure 5. Eliquis (atrial fibrillation NOAC) revenue



Source: Bloomberg, Mirae Asset Securities Research

Figure 6. Xarelto (atrial fibrillation NOAC) revenue



Source: Bloomberg, Mirae Asset Securities Research

Figure 7. Therapeutic potential of HDAC6 inhibition in TNBC

Article | [Open access](#) | Published: 28 July 2025

Inhibition of HDAC6 alters fumarate hydratase activity and mitochondrial structure

[Andrew Roe](#), [Catriona M. Dowling](#), [Cian D'Arcy](#), [Daniel Alencar Rodrigues](#), [Yu Wang](#), [Matthew Hiller](#), [Carl Keogh](#), [Kate E. R. Hollinshead](#), [Massimiliano Garre](#), [Brenton Cavanagh](#), [Kieran Wynne](#), [Tianyan Liu](#), [Zhixing Chen](#), [Emma Kerr](#), [Marie McIlroy](#), [Jochen H. M. Prehn](#), [Ingmar Schoen](#) & [Triona Ní Chonghaile](#) ✉

Nature Communications **16**, Article number: 6923 (2025) | [Cite this article](#)

29 Altmetric | [Metrics](#)

Results

HDAC6 inhibition or knockdown causes altered mitochondrial structure in TNBC

Source: Nature, Mirae Asset Securities Research

Figure 8. Therapeutic potential of HDAC6 inhibition in BMF

Article | [Open access](#) | Published: 01 August 2025

High-selective HDAC6 inhibitor alleviates bone marrow fibrosis through inhibiting collagen formation and extracellular matrix deposition

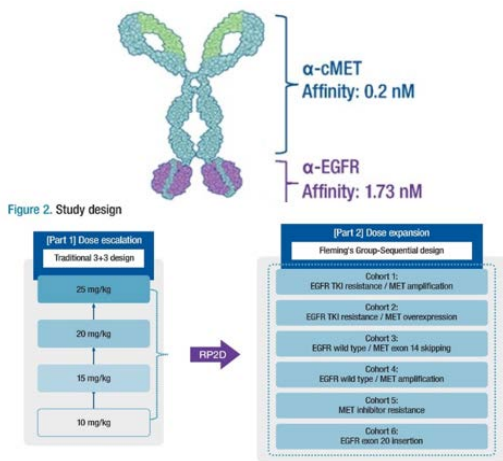
[Chiao-Hsu Ke](#), [Mao-En Huang](#), [Hsin-Yi Wu](#), [Chao-Wu Yu](#), [Shuei-Liong Lin](#), [Shau-Ping Lin](#), [Shu-Han Yu](#), [Chih-Hung Huang](#) & [Chen-Si Lin](#)

Scientific Reports **15**, Article number: 28105 (2025) | [Cite this article](#)

Novel HDAC 6 inhibitor induced early apoptosis in BM-derived fibroblasts

Source: Nature, Mirae Asset Securities Research

Figure 9. CKD-702 phase 1 design **Figure 10. CKD-702 phase 1a data**



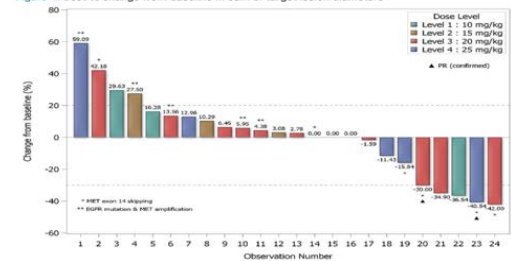
Source: ESMO 2022, Mirae Asset Securities Research

Table 2. Adverse events summary

Adverse Events, n (%)	Total (n=24)
Treatment-Emergent Adverse Events (TEAEs)	24 (100)
Treatment-related AEs	24 (100)
Grade \geq 3 TEAEs	10 (42)
Grade $>$ 3 Treatment-related AEs	6 (25)
Serious TEAEs	22 (92)
Treatment-related SAEs*	4 (17)
TEAE leading to death*	1 (4)
TEAEs leading to discontinuation*	4 (17)

*One case each of generalised oedema, pyrexia, duodenal ulcer, and pneumonitis. *One case of pneumonitis (4%) which was considered treatment-related. *Two cases of rash (8%), and one each of pneumonitis (4%), and pneumonitis (4%); these correspond to treatment-related AEs (except 1 case of pneumonitis).

Figure 4. Best % change from baseline in sum of target lesion diameters



Source: ESMO 2022, Mirae Asset Securities Research

Chong Kun Dang (185750 KS)

Income statement (summarized)

(Wbn)	2023	2024	2025F	2026F
Revenue	1,650	1,559	1,690	1,774
Cost of revenue	998	1,045	1,167	1,226
GP	652	514	523	548
SG&A expenses	411	427	450	463
OP (adj.)	241	88	72	85
OP	241	88	72	85
Non-operating profit	-4	8	-1	3
Net financial income	-1	5	5	8
Net income from associates	0	5	0	0
Pretax profit	237	96	71	88
Income tax	28	-12	4	2
Profit from continuing operations	209	108	67	86
Profit from discontinued operations	0	0	0	0
NP	209	108	67	86
Attributable to owners	209	108	67	86
Attributable to minority interests	0	0	0	0
Total comprehensive income	208	106	67	86
Attributable to owners	208	106	67	86
Attributable to minority interests	0	0	0	0
EBITDA	276	127	106	117
FCF	268	16	68	105
EBITDA margin (%)	16.7	8.1	6.3	6.6
OP margin (%)	14.6	5.6	4.3	4.8
Net margin (%)	12.7	6.9	4.0	4.8

Balance sheet (summarized)

(Wbn)	2023	2024	2025F	2026F
Current assets	931	939	1,052	1,171
Cash & equivalents	213	215	263	343
AR & other receivables	306	295	324	340
Inventory	258	350	379	398
Other current assets	154	79	86	90
Non-current assets	446	491	467	435
Investments in associates	0	6	6	7
PP&E	303	306	282	250
Intangible assets	52	76	74	74
Total assets	1,377	1,430	1,519	1,607
Current liabilities	494	358	388	399
AP & other payables	218	234	253	266
Short-term financial liabilities	171	64	70	65
Other current liabilities	105	60	65	68
Non-current liabilities	75	187	194	198
Long-term financial liabilities	35	113	113	113
Other non-current liabilities	40	74	81	85
Total liabilities	569	546	582	597
Equity attributable to owners	808	885	937	1,010
Capital stock	31	33	33	33
Capital surplus	263	262	262	262
Retained earnings	569	662	715	787
Minority interests	0	0	0	0
Shareholders' equity	808	885	937	1,010

Cash flow statement (summarized)

(Wbn)	2023	2024	2025F	2026F
Operating cash flow	309	54	75	105
NP	209	108	67	86
Non-cash income/expenses	86	50	35	28
Depreciation	32	35	31	32
Amortization	3	5	3	0
Other	51	10	1	-4
Chg. in working capital	27	-75	-28	-16
Chg. in AR & other receivables	-33	11	-22	-14
Chg. in inventory	-4	-114	-29	-19
Chg. in AP & other payables	43	18	17	11
Income tax	-12	-35	-4	-2
Cash flow from investing activities	-171	3	-15	-4
Chg. in PP&E	-40	-38	-7	0
Chg. in intangible assets	-28	-27	-2	0
Chg. in financial assets	-135	72	-6	-4
Other	32	-4	0	0
Cash flow from financing activities	-35	-59	-9	-19
Chg. in financial liabilities	-7	-29	5	-5
Chg. in equity	0	0	0	0
Dividends	-12	-13	-14	-14
Other	-16	-17	0	0
Chg. in cash	102	2	48	80
Beginning balance	111	213	215	263
Ending balance	213	215	263	343

Source: Company data, Mirae Asset Securities Research estimates

Key valuation metrics/ratios

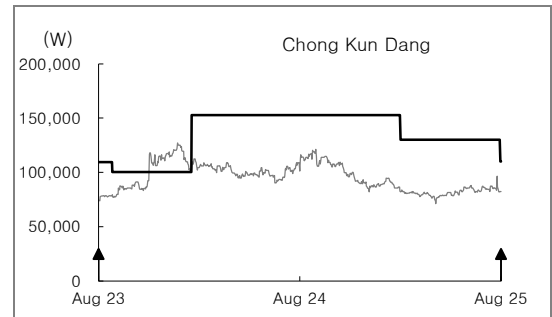
	2023	2024	2025F	2026F
P/E (x)	8.3	11.4	17.0	13.1
P/CF (x)	5.8	7.8	11.1	10.0
P/B (x)	2.0	1.3	1.1	1.1
EV/EBITDA (x)	5.4	8.3	9.2	7.5
EPS (W)	15,131	7,803	4,825	6,239
CFPS (W)	21,394	11,448	7,360	8,240
BPS (W)	62,004	68,741	72,565	77,801
DPS (W)	1,002	1,050	1,050	1,050
Dividend payout ratio (%)	6.4	12.8	20.8	16.1
Dividend yield (%)	0.8	1.2	1.3	1.3
Revenue growth (%)	12.0	-5.5	8.3	5.0
EBITDA growth (%)	99.8	-53.8	-17.0	11.1
OP growth (%)	124.8	-63.4	-18.7	19.0
EPS growth (%)	151.8	-48.4	-38.2	29.3
AR turnover (x)	6.5	5.9	6.2	6.1
Inventory turnover (x)	6.3	5.1	4.6	4.6
AP turnover (x)	6.1	5.5	5.6	5.6
ROA (%)	16.9	7.7	4.5	5.5
ROE (%)	29.3	12.7	7.3	8.8
ROIC (%)	34.1	14.5	9.0	11.2
Debt-to-equity ratio (%)	70.5	61.7	62.1	59.1
Current ratio (%)	188.5	262.1	271.2	293.5
Net debt-to-equity ratio (%)	-18.6	-12.4	-17.1	-24.6
Interest coverage ratio (x)	31.0	12.0	10.4	12.4

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Chong Kun Dang (185750)	08/04/25	Buy	110,000
	02/04/25	Buy	130,000
	01/22/25	One year	152,843
	01/22/24	Buy	152,843
	08/31/23	Buy	100,282
	02/06/23	Buy	109,399



Stock ratings

Buy	Expected 12-month return: +20% or greater
Hold	Expected 12-month return: Greater than -10% and less than +10%
Sell	Expected 12-month return: -10% or less

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

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)

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