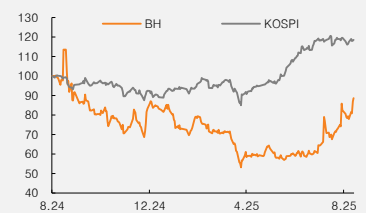


(Maintain)	Buy
Target price	▲ W23,000
Current price (8/28/25)	W18,610
Upside	23.6%

OP (25F, Wbn)	50
Consensus OP (25F, Wbn)	57
EPS growth (25F, %)	-60.6
Market EPS growth (25F, %)	23.0
P/E (25F, x)	24.3
Market P/E (25F, x)	11.8
KOSPI	3,196.32

Market cap (Wbn)	641
Shares (mn)	34
Free float (%)	68.0
Foreign ownership (%)	12.9
Beta (12M)	1.35
52-week low (W)	11,160
52-week high (W)	23,850

(%)	1M	6M	12M
Absolute	24.9	23.9	-9.9
Relative	25.4	-1.8	-24.2



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BH

Poised to benefit from foldable iPhone launch

Raise TP to W23,000

We raise our target price for BH to W23,000 (from W22,000), reflecting a change in our EPS base year from 2025 to 2026. Our target price is based on a P/E of 9.5x, a 30% premium to the stock's 10-year average multiple (7.3x). The premium is consistent with the level seen in 2024, when optimism over greater OLED adoption in IT devices drove valuations higher. Looking ahead, we anticipate structural EPS growth driven by: 1) the supply of FPCBs for foldable iPhones starting in 2026; and 2) broader IT OLED adoption.

Foldable-related sales and IT OLED business recovery to support earnings

We forecast BH to post operating profit of W96.6bn in 2026 and W112.6bn in 2027, supported by foldable-related sales and the normalization of the IT OLED business (i.e., FPCBs for OLED displays in tablets/computers).

We expect FPCBs for foldable iPhone models to generate revenue of W157.1bn in 2026 and W302.9bn in 2027 (assuming foldable model shipments of 5mn units in 2026 and 10mn units in 2027). Samsung Display is likely to be the exclusive supplier of panels for foldable iPhone models, and we believe that BH will secure the vast majority of all of the related FPCB orders—100% for panels manufactured in-house by Samsung Display and around 80% for panels produced externally. This dominant positioning should allow the company to sustain revenue growth.

Additionally, the IT OLED business is likely to resume growth in 2026. The unit reported operating losses of W12bn in 1Q25 and W10bn in 2Q25 and is likely to report a full-year loss of W30bn. However, with OLED adoption expanding in mini-sized tablets and Mac products, we expect the business to break even in 2026. As fixed cost pressures ease, its contribution to overall earnings should improve visibly.

3Q25 preview: New model launches to trigger seasonal demand peak

For 3Q25, we estimate revenue at W543.8bn (+8.9% YoY) and operating profit at W49.6bn (-5.7% YoY), in line with the consensus estimates. Some shipments were deferred from 2Q25 due to delays in customer negotiations, which should lead to higher revenue in 3Q25. However, the expansion of IT OLED volumes has yet to fully materialize, which should limit margin improvement. That said, with new model launches in 3Q25 likely to trigger a seasonal peak in demand, we expect a more meaningful earnings recovery to take shape from 4Q25.

(Dec.)	2023	2024	2025F	2026F	2027F
Revenue (Wbn)	1,592	1,754	1,742	1,908	2,141
OP (Wbn)	85	87	50	97	113
OP margin (%)	5.3	5.0	2.9	5.1	5.3
NP (Wbn)	91	67	26	82	92
EPS (W)	2,631	1,945	766	2,379	2,662
ROE (%)	15.1	9.9	3.7	11.1	11.2
P/E (x)	8.0	8.9	24.3	7.8	7.0
P/B (x)	1.0	0.8	0.8	0.8	0.7
Dividend yield (%)	1.2	1.4	1.3	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. Quarterly and annual earnings

(Wbn, %, %p)

	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25F	4Q25F	2024	2025F	2026F
Revenue	298.9	468.5	499.2	487.9	332.4	389.7	543.8	476.5	1,754.4	1,742.4	1,907.9
QoQ	-42.2	56.8	6.6	-2.3	-31.9	17.2	39.5	-12.4			
YoY	-4.8	53.5	9.5	-5.6	11.2	-16.8	8.9	-2.3	10.2	-0.7	9.5
N. America smartphone display FPCB	133.5	215.0	364.5	340.0	182.0	215.0	402.3	343.2	1,053.0	1,142.5	1,242.5
Ex-N. America smartphone display FPCB	53.0	60.3	32.8	44.0	42.5	60.3	39.8	40.5	190.1	183.1	186.7
Battery PCM	6.2	5.0	3.5	2.8	4.5	5.0	3.5	2.8	17.5	15.8	16.0
Other - MX	2.9	4.0	3.2	2.8	3.0	4.0	3.2	3.3	12.9	13.5	13.8
Other - camera modules	1.8	4.3	4.0	2.5	3.5	4.3	4.0	2.6	12.6	14.4	14.8
IT OLED			0.0	8.2	4.5	6.0	5.0	6.5	8.2	22.0	59.4
Automotive FPCB	11.0	0.7	8.5	4.0	3.0	0.7	5.2	4.5	24.2	13.4	20.1
Auto OLED	0.9	2.0	0.9	0.5	2.0	2.0	2.8	1.8	4.3	8.6	9.0
BH EVS	89.5	92.4	81.8	83.0	87.4	92.4	78.0	71.3	346.7	329.1	345.6
OP	8.4	31.3	52.6	-5.3	-25.4	16.0	49.6	9.4	87.1	49.6	96.6
QoQ	-45.2	272.1	67.8	-110.1	379.1	-163.2	209.2	-81.1			
YoY	-5.5	222.9	3.5	-134.5	-401.1	-48.8	-5.7	-277.2	2.7	-43.0	94.6
OP margin	2.8	6.7	10.5	-1.1	-7.6	4.1	9.1	2.0	5.0	2.8	5.1
Pretax profit	15.6	34.3	48.6	7.0	-24.5	5.4	49.6	14.8	105.5	45.2	99.6
NP attr. to owners of the parent	11.5	26.5	34.0	-4.9	-28.3	2.1	40.5	12.1	67.0	26.4	82.0
Net margin	3.8	5.6	6.8	-1.0	-8.5	0.5	7.5	2.5	3.8	1.5	4.3

Source: Company data, Mirae Asset Securities Research

Table 2. Apple's OLED adoption road map

Hardware	Model	2024	2025	2026	2027	2028
iPad	Pro 11"	From 2024				
	Pro 13"	From 2024				
	Mini			From 2026		
	Air 11"			From 2027		
	Air 13"			From 2027		
MacBook	Pro 14.3"			From 2026		
	Pro 16.3"			From 2026		
	Air 13.8"					From 2028
	Air 15.5"					

Source: Omdia, Mirae Asset Securities Research

Table 3. Valuation table

	Value	Notes
EPS (W)	2,379	2026F
Target P/E (x)	9.5x	30% premium to the stock's 10-year average multiple of 7.3x
Fair value/share (W)	22,600	(premium reflects exposure to foldables)
Target price (W)	23,000	
Current price (W)	18,610	
Upside (%)	23.6	

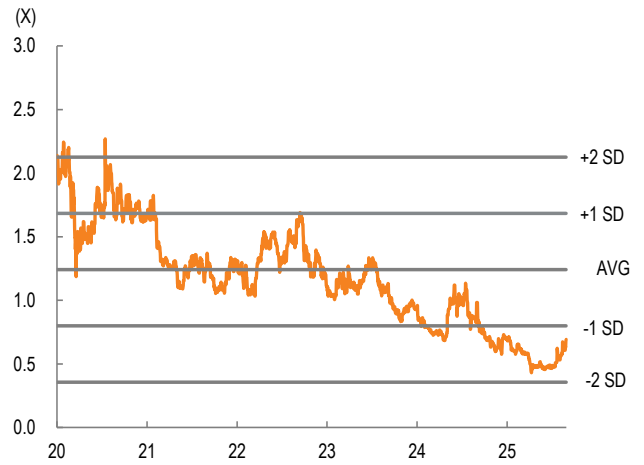
Source: Mirae Asset Securities Research

Figure 1. 12-month forward P/E ± 2 SD



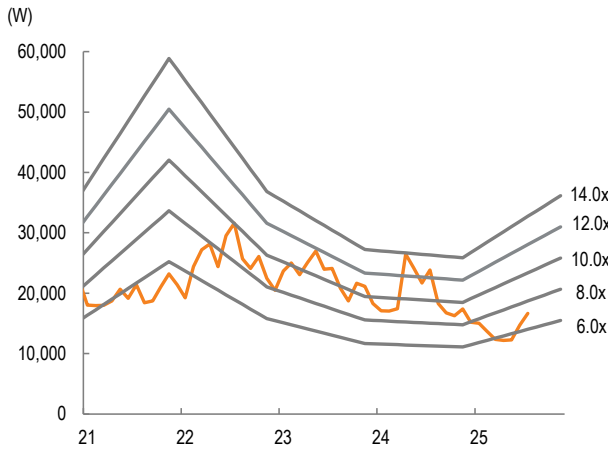
Note: Based on Bloomberg consensus
 Source: Bloomberg, Mirae Asset Securities Research

Figure 2. 12-month forward P/B ± 2 SD



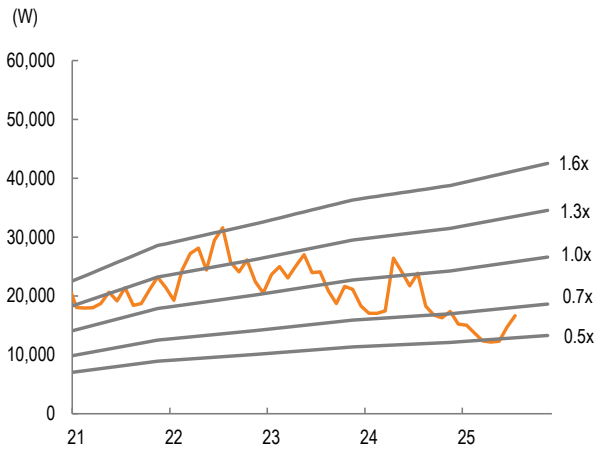
Note: Based on Bloomberg consensus
 Source: Bloomberg, Mirae Asset Securities Research

Figure 3. 12-month forward P/E band chart



Source: DataGuide, Mirae Asset Securities Research

Figure 4. 12-month forward P/B band chart



Source: DataGuide, Mirae Asset Securities Research

BH (090460 KS)

Income statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Revenue	1,754	1,742	1,908	2,141
Cost of revenue	1,588	1,614	1,725	1,932
GP	166	128	183	209
SG&A expenses	79	78	86	96
OP (adj.)	87	50	97	113
OP	87	50	97	113
Non-operating profit	18	-5	3	-2
Net financial income	-8	-8	-6	-5
Net income from associates	3	0	0	0
Pretax profit	105	45	100	111
Income tax	28	12	16	18
Profit from continuing operations	78	34	84	94
Profit from discontinued operations	0	0	0	0
NP	78	34	84	94
Attributable to owners	67	26	82	92
Attributable to minority interests	11	7	2	2
Total comprehensive income	103	2	84	94
Attributable to owners	92	2	56	62
Attributable to minority interests	11	1	28	31
EBITDA	146	112	153	167
FCF	109	38	92	79
EBITDA margin (%)	8.3	6.4	8.0	7.8
OP margin (%)	5.0	2.9	5.1	5.3
Net margin (%)	3.8	1.5	4.3	4.3

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	187	101	112	119
NP	78	34	84	94
Non-cash income/expenses	99	98	69	74
Depreciation	51	53	47	46
Amortization	8	9	9	9
Other	40	36	13	19
Chg. in working capital	41	8	-18	-25
Chg. in AR & other receivables	-28	-21	-23	-32
Chg. in inventory	-11	-17	-16	-22
Chg. in AP & other payables	57	35	23	32
Income tax	-15	-32	-16	-18
Cash flow from investing activities	-89	-72	-19	-44
Chg. in PP&E	-77	-63	-20	-40
Chg. in intangible assets	-10	-7	-8	-8
Chg. in financial assets	-1	0	0	0
Other	-1	-2	9	4
Cash flow from financing activities	-10	-21	-8	-8
Chg. in financial liabilities	49	-9	0	0
Chg. in equity	3	0	0	0
Dividends	-8	-8	-8	-8
Other	-54	-4	0	0
Chg. in cash	89	9	78	57
Beginning balance	139	227	237	315
Ending balance	227	237	315	372

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	752	749	876	1,001
Cash & equivalents	227	237	315	372
AR & other receivables	246	241	264	296
Inventory	171	167	182	205
Other current assets	108	104	115	128
Non-current assets	568	546	525	530
Investments in associates	80	78	86	96
PP&E	320	300	273	267
Intangible assets	130	130	130	129
Total assets	1,320	1,295	1,402	1,531
Current liabilities	472	462	491	532
AP & other payables	257	251	275	309
Short-term financial liabilities	161	158	158	158
Other current liabilities	54	53	58	65
Non-current liabilities	107	100	102	104
Long-term financial liabilities	88	81	81	81
Other non-current liabilities	19	19	21	23
Total liabilities	579	562	593	636
Equity attributable to owners	715	700	774	859
Capital stock	17	17	17	17
Capital surplus	94	95	95	95
Retained earnings	627	645	720	804
Minority interests	26	33	35	36
Shareholders' equity	741	733	809	895

Key valuation metrics/ratios

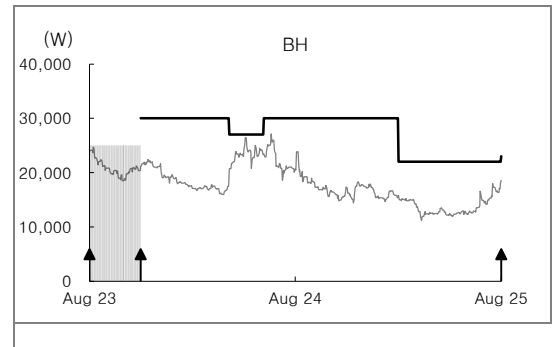
	2024	2025F	2026F	2027F
P/E (x)	8.9	24.3	7.8	7.0
P/CF (x)	3.4	4.9	4.2	3.8
P/B (x)	0.8	0.8	0.8	0.7
EV/EBITDA (x)	4.4	6.0	3.9	3.3
EPS (W)	1,945	766	2,379	2,662
CFPS (W)	5,121	3,829	4,426	4,851
BPS (W)	22,697	22,344	24,500	26,939
DPS (W)	250	250	250	250
Dividend payout ratio (%)	10.1	22.9	9.2	8.2
Dividend yield (%)	1.4	1.4	1.4	1.4
Revenue growth (%)	10.2	-0.7	9.5	12.2
EBITDA growth (%)	6.2	-23.5	36.6	9.6
OP growth (%)	2.7	-43.0	94.6	16.6
EPS growth (%)	-26.1	-60.6	210.5	11.9
AR turnover (x)	8.2	7.2	7.6	7.7
Inventory turnover (x)	11.4	10.3	10.9	11.1
AP turnover (x)	7.6	6.6	6.8	6.9
ROA (%)	6.4	2.6	6.2	6.4
ROE (%)	9.9	3.7	11.1	11.2
ROIC (%)	9.8	5.1	12.6	14.6
Debt-to-equity ratio (%)	78.1	76.6	73.2	71.0
Current ratio (%)	159.4	162.1	178.5	188.3
Net debt-to-equity ratio (%)	2.7	0.2	-9.6	-15.0
Interest coverage ratio (x)	6.6	4.2	8.4	9.8

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
BH (090460)	08/28/25	Buy	23,000
	02/27/25	Buy	22,000
	07/03/24	Buy	30,000
	05/03/24	Buy	27,000
	11/28/23	Buy	30,000
	07/31/23	No Coverage	



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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