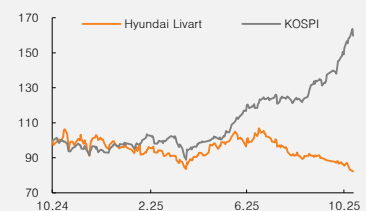


(Downgrade)	Hold
Target price	▼ W7,800
Current price (11/4/25)	W6,550
Upside	19.1%

OP (25F, Wbn)	18
Consensus OP (25F, Wbn)	27
EPS growth (25F, %)	-30.0
Market EPS growth (25F, %)	-
P/E (25F, x)	12.7
Market P/E (25F, x)	14.6
KOSPI	4,121.74

Market cap (Wbn)	135
Shares (mn)	21
Free float (%)	56.8
Foreign ownership (%)	3.5
Beta (12M)	0.35
52-week low (W)	6,550
52-week high (W)	8,490

(%)	1M	6M	12M
Absolute	-7.0	-9.8	-17.3
Relative	-19.9	-44.0	-48.1



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Hyundai Livart

Earnings miss due to challenging market conditions

3Q25 review: OP misses consensus by 53%

For 3Q25, Hyundai Livart announced consolidated revenue of W340.7bn (-25% YoY) and operating profit of W3.7bn (-62%, YoY), with the latter missing the consensus (W7.9bn) by 53%. B2B furniture revenue fell 28% YoY, continuing to reflect the impact of the downtrend in apartment presales. Revenue in the B2B unit also declined 28% YoY, affected by the completion of major overseas temporary construction projects and the lack of new project starts. On the cost side, higher profitability in built-in furniture supported COGS ratio improvement, but the SG&A ratio rose due to lower revenue and higher labor/commission costs. Pretax profit included roughly W2bn in FX gains.

Continued pressure from B2B top-line contraction

While Hyundai Livart swung to profitability last year, we forecast operating profit to decline in 2025. The sharp fall in apartment presales since 2023 and the subsequent decline in move-ins from 2025 should lead to continued top-line contraction in the B2B furniture business. In the overseas temporary construction segment, the company cut its 2025 order target from two projects to one; we expect a gap in revenue from this segment until new orders are won and begin generating revenue.

In the B2C segment, results should hinge on whether the positive effects of 2Q25 marketing campaigns can be sustained. With no additional marketing initiatives planned for the rest of the year, any increase in offline sales is likely to be limited. Amid limited B2B and B2C growth, the fixed-cost burden from slowing sales should weigh on earnings.

Downgrade to Hold and cut TP to W7,800

We downgrade our rating for Hyundai Livart from Buy to Hold and cut our target price by 19.6% to W7,800 (from W9,700). Reflecting recent move-in and real estate transaction trends, we lowered our target P/B from 0.48x to 0.38x, the average multiple since 2024. Tighter real estate and lending regulations (including the stricter household debt management measures announced on Jun. 27) are likely to delay recoveries in both the B2B and B2C building materials markets.

(Dec.)	2023	2024	2025F	2026F	2027F
Revenue (Wbn)	1,586	1,871	1,567	1,581	1,638
OP (Wbn)	-20	24	18	18	22
OP margin (%)	-1.3	1.3	1.1	1.1	1.3
NP (Wbn)	-34	15	11	12	17
EPS (W)	-1,662	739	518	603	806
ROE (%)	-8.1	3.7	2.6	2.9	3.8
P/E (x)	-	10.3	12.7	10.9	8.1
P/B (x)	0.4	0.4	0.3	0.3	0.3
Dividend yield (%)	0.0	1.7	2.0	2.0	2.0

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

Source: Company data, Mirae Asset Securities Research estimates

Table 1. Hyundai Livart: Quarterly earnings

(Wbn)

	3Q24	4Q24	1Q25	2Q25	3Q25P	YoY	QoQ	Consensus	Diff.
Revenue	454	415	438	410	341	-25.0%	-16.9%	382	-10.8%
OP	10	-1	10	5	4	-61.7%	-26.4%	8	-52.7%
Pretax profit	6	0	8	1	4	-32.6%	364.2%	6	-36.0%
NP attributable to owners of the parent	4	1	7	1	3	-28.9%	385.8%	6	-49.1%
OP margin	2.2%	-0.2%	2.2%	1.2%	1.1%			2.1%	
Pretax margin	1.3%	0.1%	1.9%	0.2%	1.2%			1.6%	
Net margin	0.9%	0.1%	1.5%	0.2%	0.9%			1.5%	

Source: Company data, FnGuide, Mirae Asset Securities Research

Table 2. Hyundai Livart: Quarterly and annual earnings

(Wbn)

	1Q24	2Q24	3Q24	4Q24	2024	1Q25	2Q25	3Q25P	4Q25F	2025F	2026F
Revenue	505	497	454	415	1,871	438	410	341	379	1,567	1,581
1) Furniture	328	313	280	241	1,162	301	260	237	229	1,027	977
- B2C	82	79	78	82	322	90	79	80	81	331	322
- B2B	190	183	154	116	643	157	132	112	107	508	470
- Materials/other	56	51	48	43	198	36	35	10	25	107	102
2) B2B	167	171	161	160	659	145	149	126	136	556	546
3) Overseas subsidiaries	14	16	16	17	62	14	16	16	17	64	65
4) Consolidation adjustments	-4	-3	-2	-3	-12	-1	-2	-1	-2	-6	-6
COGS	433	425	382	346	1,585	362	336	271	304	1,273	1,281
COGS ratio	85.8%	85.5%	84.1%	83.3%	84.8%	82.6%	82.1%	79.5%	80.2%	81.2%	81.0%
GP	71	72	72	69	285	76	73	70	75	294	300
SG&A	65	64	63	70	261	67	68	66	76	277	282
SG&A ratio	12.8%	12.9%	13.8%	16.9%	14.0%	15.2%	16.7%	19.4%	20.0%	17.7%	17.8%
OP	7	8	10	-1	24	10	5	4	-1	18	18
OP margin	1.3%	1.6%	2.2%	-0.2%	1.3%	2.2%	1.2%	1.1%	-0.2%	1.1%	1.2%
Pretax profit	6	7	6	0	20	8	1	4	1	14	17
NP attributable to owners of the parent	5	6	4	1	15	7	1	3	0	11	12
Net margin	0.9%	1.2%	0.9%	0.1%	0.8%	1.5%	0.2%	0.9%	0.1%	0.7%	0.8%

Source: Mirae Asset Securities Research estimates

Table 3. Hyundai Livart: TP calculation

(W, x)

	Value	Notes
BPS	20,473	2025F
Target P/B	0.38	Avg. since 2024 (reflecting move-in and real estate transaction data)
TP	7,800	
CP	6,550	Nov. 4 closing price
Upside	19%	

Source: Mirae Asset Securities Research

Hyundai Livart (079430 KS)

Income statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Revenue	1,871	1,567	1,581	1,638
Cost of revenue	1,585	1,273	1,281	1,325
GP	286	294	300	313
SG&A expenses	261	277	282	290
OP (adj.)	24	18	18	22
OP	24	18	18	22
Non-operating profit	-4	-4	-1	0
Net financial income	-7	-5	-4	-3
Net income from associates	0	0	0	0
Pretax profit	20	14	17	22
Income tax	5	3	4	6
Profit from continuing operations	15	11	12	17
Profit from discontinued operations	0	0	0	0
NP	15	11	12	17
Attributable to owners	15	11	12	17
Attributable to minority interests	0	0	0	0
Total comprehensive income	9	8	10	15
Attributable to owners	9	8	10	15
Attributable to minority interests	0	0	0	0
EBITDA	53	48	50	54
FCF	37	33	42	31
EBITDA margin (%)	2.8	3.1	3.2	3.3
OP margin (%)	1.3	1.1	1.1	1.3
Net margin (%)	0.8	0.7	0.8	1.0

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	41	49	43	47
NP	15	11	12	17
Non-cash income/expenses	43	45	39	40
Depreciation	28	30	30	31
Amortization	1	1	1	1
Other	14	14	8	8
Chg. in working capital	-10	-1	0	-1
Chg. in AR & other receivables	30	18	-1	-2
Chg. in inventory	-5	22	-1	-2
Chg. in AP & other payables	-28	-21	1	1
Income tax	0	-1	-4	-6
Cash flow from investing activities	-2	-9	3	-16
Chg. in PP&E	-4	-3	3	-15
Chg. in intangible assets	0	-2	-2	0
Chg. in financial assets	2	2	0	-2
Other	0	-6	2	1
Cash flow from financing activities	-41	-24	-12	-13
Chg. in financial liabilities	-32	-18	-9	-10
Chg. in equity	0	0	0	0
Dividends	0	-3	-3	-3
Other	-9	-3	0	0
Chg. in cash	-2	-1	2	1
Beginning balance	21	19	18	19
Ending balance	19	18	19	21

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	478	436	439	446
Cash & equivalents	19	18	19	21
AR & other receivables	223	204	205	207
Inventory	219	197	198	200
Other current assets	17	17	17	18
Non-current assets	380	368	365	364
Investments in associates	0	0	0	0
PP&E	290	282	281	282
Intangible assets	26	27	27	27
Total assets	858	804	804	810
Current liabilities	386	353	346	339
AP & other payables	239	218	219	220
Short-term financial liabilities	93	101	93	85
Other current liabilities	54	34	34	34
Non-current liabilities	60	34	34	34
Long-term financial liabilities	54	28	27	25
Other non-current liabilities	6	6	7	9
Total liabilities	447	387	380	373
Equity attributable to owners	412	417	425	437
Capital stock	21	21	21	21
Capital surplus	102	102	102	102
Retained earnings	292	300	310	324
Minority interests	0	0	0	0
Shareholders' equity	412	417	425	437

Key valuation metrics/ratios

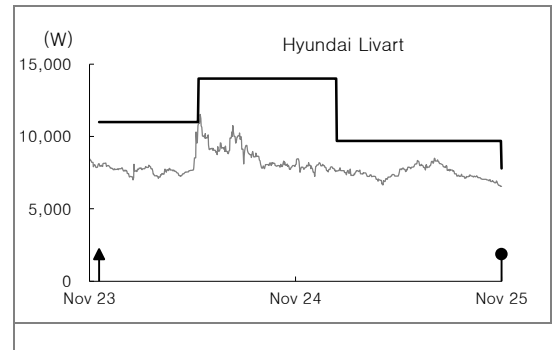
	2024	2025F	2026F	2027F
P/E (x)	10.3	12.7	10.9	8.1
P/CF (x)	2.7	2.4	2.6	2.4
P/B (x)	0.4	0.3	0.3	0.3
EV/EBITDA (x)	5.2	4.9	4.6	3.9
EPS (W)	739	518	603	806
CFPS (W)	2,853	2,728	2,513	2,770
BPS (W)	20,213	20,473	20,851	21,432
DPS (W)	130	130	130	130
Dividend payout ratio (%)	17.2	24.6	21.1	15.8
Dividend yield (%)	1.7	1.9	1.9	1.9
Revenue growth (%)	18.0	-16.2	0.9	3.6
EBITDA growth (%)	403.4	-9.1	2.3	9.4
OP growth (%)	TTB	-26.9	5.1	20.8
EPS growth (%)	TTB	-30.0	16.5	33.7
AR turnover (x)	7.8	7.4	7.8	8.0
Inventory turnover (x)	8.6	7.5	8.0	8.2
AP turnover (x)	7.1	6.4	6.8	7.0
ROA (%)	1.7	1.3	1.5	2.0
ROE (%)	3.7	2.6	2.9	3.8
ROIC (%)	3.5	3.0	3.0	3.2
Debt-to-equity ratio (%)	108.5	92.7	89.4	85.4
Current ratio (%)	123.8	123.7	127.1	131.6
Net debt-to-equity ratio (%)	28.6	24.3	21.5	18.1
Interest coverage ratio (x)	2.9	2.7	3.5	4.6

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (₩)
Hyundai Livart (079430)	11/05/25	Hold	7,800
	01/17/25	Buy	9,700
	05/17/24	Buy	14,000
	11/23/23	Buy	11,000



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	78.61%	1.73%	19.08%	0.58%
Investment banking services	84.62%	0%	15.38%	0%

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

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