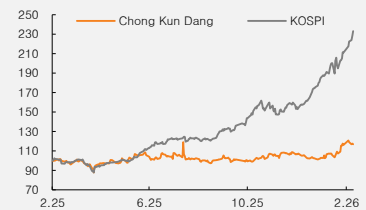


(Maintain)	Buy
Target price	▲ W155,000
Current price (2/25/26)	W94,700
Upside	63.7%

OP (25P, Wbn)	80
Consensus OP (25F, Wbn)	73
EPS growth (25P, %)	-19.2
Market EPS growth (25F, %)	36.0
P/E (25P, x)	13.1
Market P/E (25F, x)	20.8
KOSPI	6,083.86

Market cap (Wbn)	1,307
Shares (mn)	14
Free float (%)	55.7
Foreign ownership (%)	16.2
Beta (12M)	0.25
52-week low (W)	71,200
52-week high (W)	97,700

(%)	1M	6M	12M
Absolute	9.6	16.8	16.9
Relative	-10.1	-38.4	-49.5



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Chong Kun Dang

Atrial fibrillation asset newly reflected in pipeline value

Maintain Buy and raise TP to W155,000 (from W110,000)

Our target price for Chong Kun Dang is based on the sum of operating value (revised up to W1.7tr) and pipeline value (W210.7bn; newly reflected). In estimating operating value, we slightly raised our 12-month forward EBITDA estimate and applied an EV/EBITDA of 13.5x (vs. 11.2x previously), in line with the average multiple of top domestic pharma peers excluding Yuhan. Pipeline value reflects CKD-510 (PKN605), which the company licensed to Novartis in Nov. 2023. In Oct. 2025, Novartis initiated a phase 2 trial evaluating the drug for atrial fibrillation (AF). In its 4Q25 pipeline update, Novartis officially listed the drug as a phase 2 asset within its cardiovascular, renal, and metabolic (CRM) therapeutic area. Based on our assumptions in <Table 5>, we estimate the rNPV of CKD-510 at W210.7bn.

CKD-510: Pipeline value to come into focus as clinical development progresses

AF is the most common form of arrhythmia. Current pharmacological treatments are divided into direct oral anticoagulants (DOACs) for stroke prevention and anti-arrhythmic drugs (AADs) for rhythm control. Most existing AADs are ion channel blockers, which share a fundamental limitation: the risk of proarrhythmia, where the drug itself may induce arrhythmias. CKD-510 is a first-in-class rhythm control therapy with a novel mechanism of selective HDAC6 inhibition. Rather than directly inhibiting ion channels, it restores action potential duration (APD90) by stabilizing microtubules and normalizing calcium signaling. In studies of atrial tissue from AF patients, CKD-510 demonstrated superior APD90 recovery vs. dronedarone. For AF, Novartis appears to be simultaneously pursuing both anticoagulation (abelacimab; phase 3) and rhythm control (CKD-510; phase 2). Final phase 2 results for CKD-510 are expected in 2027-28, though interim updates are possible.

2026 outlook

For 2026, we expect Chong Kun Dang to post revenue of W1.9tr (+13% YoY) and operating profit of W85.8bn (+7% YoY). Contributions from newly in-licensed products, including Wegovy (W87bn) and Fexuclue (W86.4bn), are likely to drive top-line growth. That said, we forecast OP margin to narrow slightly to 4.5% (-0.3%p YoY), hurt by: 1) lower sales of major existing products (-10% YoY for Prolia) following patent expiry; and 2) a higher mix of in-licensed products (which have higher COGS ratios).

(Dec.)	2023	2024	2025P	2026F	2027F
Revenue (Wbn)	1,650	1,559	1,681	1,898	2,088
OP (Wbn)	241	88	80	86	92
OP margin (%)	14.6	5.6	4.8	4.5	4.4
NP (Wbn)	209	108	87	92	113
EPS (W)	15,131	7,803	6,308	6,633	8,185
ROE (%)	29.3	12.7	9.5	9.2	10.4
P/E (x)	8.3	11.4	13.1	14.3	11.6
P/B (x)	2.0	1.3	1.1	1.2	1.1
Dividend yield (%)	0.8	1.2	1.3	1.1	1.1

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	128	
EV/EBITDA	13.5	Avg. of top domestic pharmas (excluding Yuhan)
EV	1,729	
Net cash	110	2026F
Pipeline value	211	
CKD-510 (HDAC6 inhibitor)	211	
Fair value	2,049	
No. of shares ('000)	13,176	
Fair value/share (W)	155,542	TP: W155,000
Current price (W)	94,700	
Upside	63.7%	

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	9.0	2,221	2,393	120	157	5.4	6.5	170	253	7.2	9.9	54.0	37.6	3.9	3.6	39.9	28.0	3.8	3.4
Hanmi Pharm	7.6	1,671	1,829	275	315	16.5	17.2	197	230	14.6	14.8	38.6	33.0	5.3	4.6	21.1	18.6	4.5	4.1
Daewoong	2.1	1,576	1,689	199	223	12.6	13.2	165	187	15.7	15.4	13.6	11.6	1.9	1.7	10.3	8.9	1.3	1.2
GC Biopharma	2.0	1,967	2,107	66	96	3.4	4.5	66	48	2.7	3.8	58.1	40.6	1.6	1.5	20.0	17.0	1.0	0.9
HK inno.N	1.6	1,055	1,125	109	125	10.3	11.1	86	107	6.3	7.4	18.5	15.1	1.2	1.1	11.0	8.9	1.4	1.3
CKD	1.3	1,692	1,765	81	89	4.8	5.0	78	72	8.7	7.8	16.2	17.5	1.5	1.4	10.8	9.9	0.8	0.7
Dong-A ST	0.5	745	852	27	41	3.7	4.9	6	18	1.0	2.0	85.7	29.1	0.8	0.8	15.7	12.9	0.7	0.6
Avg.						8.1	8.9			8.0	8.7	40.7	26.3	2.3	2.1	18.4	14.9	1.9	1.8

Source: Bloomberg, Mirae Asset Securities Research

Table 3. 4Q25 review

(Wbn, %, %p)

	4Q24	3Q25	4Q25P			Growth	
			Preliminary	Consensus	Diff.	YoY	QoQ
Revenue	412	427	425	427	-0.5	3.1	-0.5
GP	129	135	130	133	-2.4	0.7	-3.5
Gross margin	31.3	31.5	30.6	31.2	-0.6	-0.7	-0.9
OP	8	21	25	17	41.0	216.7	19.8
OP margin	1.9	4.8	5.8	4.1	1.7	3.9	1.0
NP	8	20	33	16	111.0	321.8	65.6

Source: FnGuide, Mirae Asset Securities Research

Table 4. Quarterly and annual earnings

(Wbn, %)

	1Q25	2Q25	3Q25	4Q25P	1Q26F	2Q26F	3Q26F	4Q26F	2023	2024	2025P	2026F
Revenue	399	430	427	425	438	485	490	485	1,650	1,559	1,681	1,898
YoY	12.9	11.6	4.6	3.1	9.8	13.0	14.5	14.1	12.0	-5.5	7.8	12.9
Januvia (diabetes)	18	19	19	18	18	19	19	18	113	81	74	74
YoY	-7.2	-19.5	-4.5	1.5	-1.5	0.0	-0.8	-0.4	-18.5	-28.5	-8.2	-0.4
K-Cab (gastroesophageal)									138			
YoY									12.7			
Prolia (osteoporosis)	45	37	33	32	36	35	31	30	116	137	147	133
YoY	34.9	13.7	-7.4	-9.9	-20.0	-5.0	-5.0	-5.0	21.1	18.0	7.3	-9.6
Gliatilin (cognitive disorders)	21	23	23	13	18	21	21	14	87	93	81	74
YoY	-6.0	-8.7	-0.9	-38.9	-15.0	-10.0	-10.0	5.0	6.3	6.4	-13.2	-8.8
Atozet (hyperlipidemia)	27	28	28	27	28	29	30	28	89	103	110	116
YoY	15.9	0.5	7.6	5.3	5.3	5.3	5.3	5.3	11.2	15.2	6.9	5.3
Dilatrend (hypertension)	12	17	15	13	11	16	14	12	60	67	56	53
YoY	-36.6	-8.6	-8.7	-7.1	-5.0	-5.0	-5.0	-5.0	13.5	11.7	-16.2	-5.0
Godex (liver disease)	17	19	18	18	18	20	19	18		51	72	75
YoY	148.2	73.5	27.5	-5.4	5.0	5.0	5.0	5.0			42.0	5.0
Fexuclue (GERD)	19	19	19	20	21	21	22	23		44	77	86
YoY	0.0	188.7	1.1	6.3	10.0	10.0	15.0	15.0			73.9	12.5
Wegovy (obesity)				9	15	20	25	27			9	87
YoY												845.7
Exports	14	25	13	8	15	27	14	8	263	47	58	64
YoY	10.7	211.4	10.5	-51.9	10.0	10.0	10.0	10.0	382.0	-82.1	23.6	10.0
GP	122	133	135	130	133	147	148	147	652	515	520	576
YoY	-3.8	1.1	6.4	0.7	8.8	10.7	10.0	12.8	21.7	-21.0	1.1	10.6
Gross margin	30.7	31.0	31.5	30.6	30.4	30.4	30.3	30.3	39.5	33.0	31.0	30.3
OP	13	22	21	25	11	24	21	29	241	88	80	86
YoY	-52.0	-21.9	-18.7	216.7	-13.3	9.3	3.9	18.7	124.8	-63.4	-9.1	7.2
OP margin	3.2	5.2	4.8	5.8	2.5	5.0	4.4	6.0	14.6	5.7	4.8	4.5
EBITDA	24	33	32	33	22	35	33	38	276	127	121	128
YoY	-33.6	-12.6	-11.1	81.6	-6.2	6.9	3.3	14.6	99.8	-53.8	-4.7	5.5
EBITDA margin	6.0	7.7	7.4	7.7	5.1	7.3	6.7	7.8	16.7	8.2	7.2	6.7
NP	14	20	20	34	10	24	21	37	209	108	87	92
YoY	-44.2	-63.4	-6.6	325.4	-25.7	20.8	3.8	10.8	151.8	-48.4	-19.2	5.5

Source: Mirae Asset Securities Research

Table 5. Key assumptions for CKD-510 (PKN605) rNPV

Assumptions	
①	Launch in 2033 (currently in phase 2)
②	Addressable market: AAD-treated portion (70%) of the rhythm control segment (30%) among non-permanent AF patients (50% of total AF population); peak market share of 30% seven years after launch
③	Milestones totaling US\$130mn tied to phase 3 entry (2028) and launch (2032); sales-based milestones of US\$50mn per tranche upon achieving cumulative sales of US\$1bn, US\$3bn, US\$5bn, US\$7bn, US\$10bn, US\$15bn, and US\$20bn
④	10% royalty rate
⑤	10% discount rate, 20% tax rate
⑥	15% probability of commercialization; USD/KRW assumption: 1,400

Source: Mirae Asset Securities Research

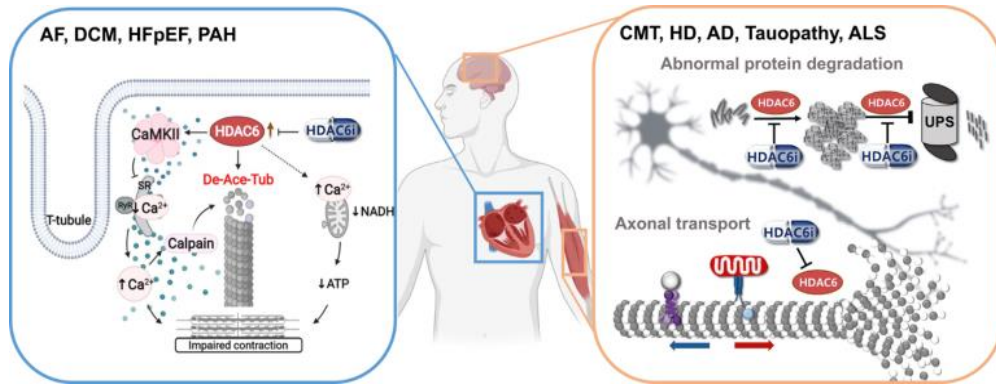
Table 6. CKD-510 (PKN605): Risk-adjusted NPV

('000, US\$mn, Wbn)

	2026F	2028F...	2032F	2033F	2035F	2036F	2037F	2038F	2039F	2040F
US population aged 18-64	206,145	208,311	212,710	213,824	216,070	217,202	218,340	219,483	220,633	221,789
US population aged 65+	63,561	65,965	70,903	72,166	74,724	76,021	77,329	78,648	79,980	81,323
Diagnosed AF patients aged 18-64 (2%)	3,298	3,333	3,403	3,421	3,457	3,475	3,493	3,512	3,530	3,549
Diagnosed AF patients aged 65+ (15%)	9,534	9,895	10,635	10,825	11,209	11,403	11,599	11,797	11,997	12,198
Total diagnosed AF patients	12,833	13,228	14,039	14,246	14,666	14,878	15,093	15,309	15,527	15,747
1) Non-permanent AF patients	6,468	6,667	7,076	7,180	7,392	7,499	7,607	7,716	7,826	7,936
2) Rhythm control	1,940	2,000	2,123	2,154	2,217	2,250	2,282	2,315	2,348	2,381
3) AAD	1,358	1,400	1,486	1,508	1,552	1,575	1,597	1,620	1,643	1,667
Penetration (1% → 30%)				1%	9%	13%	18%	22%	26%	30%
Treated patient population				15,078	144,135	211,463	280,689	351,837	424,932	499,999
WAC (benchmark: Multaq)	9,364	9,742	10,545	10,756	11,190	11,414	11,642	11,875	12,113	12,355
Rebate/discount (30% → 40%)				30%	33%	34%	36%	37%	39%	40%
Annual net price				7,529	7,514	7,501	7,484	7,464	7,441	7,413
US revenue				114	1,083	1,586	2,101	2,626	3,162	3,707
EU revenue (30% of US)				34	325	476	630	788	949	1,112
Total revenue				148	1,408	2,062	2,731	3,414	4,110	4,818
Royalty income				15	141	206	273	341	411	482
Milestone income		30	100	30	50		100	50	50	50
FCF (20% tax rate)		24	80	36	153	165	298	313	369	425
PV of FCF (10% discount rate)		20	45	18	65	64	105	100	107	112
Sum of PV	664									TV
PV of terminal value	340									1,418
rNPV (15% probability of success)	150									
Value (Wbn; USD/KRW: 1,400)	211									

Source: Mirae Asset Securities Research

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



Source: Company materials, Mirae Asset Securities Research

Figure 2. Novartis: Revenue breakdown by division (2025)

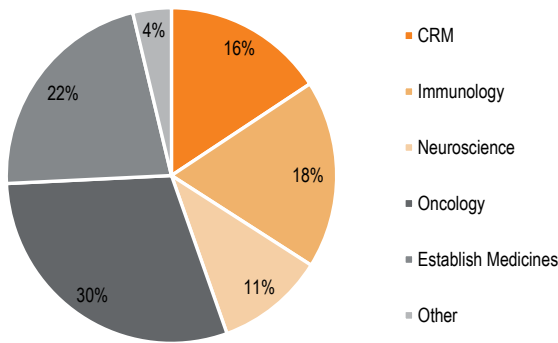
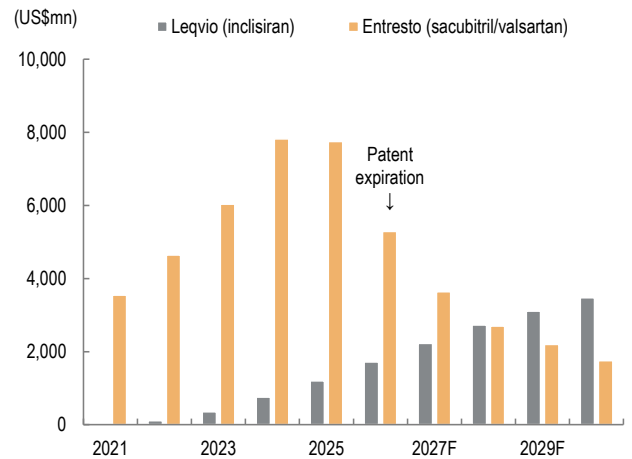


Figure 3. Novartis: Annual revenue outlook for CRM unit



Source: Bloomberg, Mirae Asset Securities Research

Source: Bloomberg, Mirae Asset Securities Research

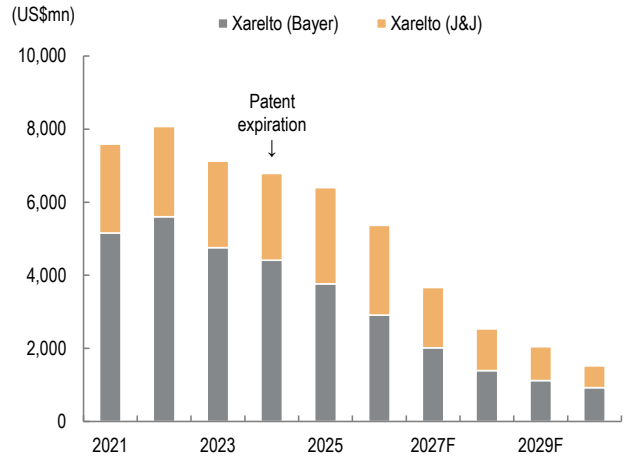
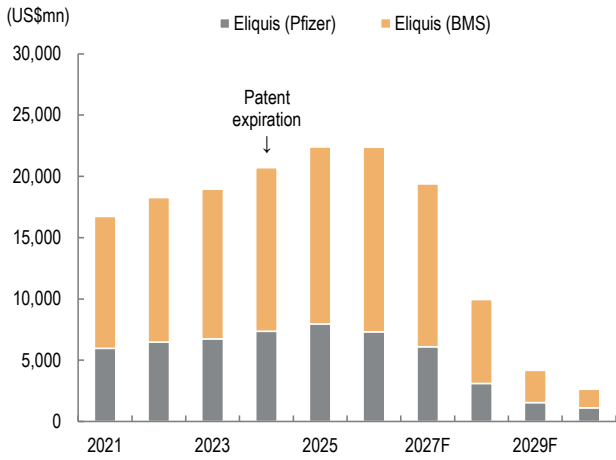
Table 7. Novartis: Clinical-stage CRM pipeline

Code	Item	Mechanism	Indication	Stage
FUB523	Zigakibart	anti-APRIL	IgA nephropathy	Phase 3
KJX839	Leqvio	siRNA (regulation of LDL-C)	Cardiovascular risk reduction (CVRR), primary/secondary prevention, hyperlipidemia	Phase 3
LNP023	Fabhalta	CFB inhibitor	C3 glomerulopathy (C3G), IC-MPGN Lupus nephritis, ANCA-associated vasculitis	Phase 3 Phase 2
MAA868	Abelacimab	FXI inhibitor	AF	Phase 3
TQJ230	Pelacarsen	ASO targeting Lp(a)	CVRR-Lp(a); secondary prevention	Phase 3
DII235	-	siRNA targeting Lp(a), mRNA	CVRR-Lp(a)	Phase 2
LTP001	-	SMURF1 inhibitor	Idiopathic pulmonary fibrosis Pulmonary arterial hypertension	Phase 2 Phase 1/2
PAC001	Pacibekitug	Anti-IL-6 mAb	Atherosclerotic cardiovascular disease	Phase 2
CKD-510 (PKN605)	-	HDAC6 inhibitor	AF	Phase 2
QCZ484	-	-	Hypertension	Phase 2
TIN816	-	ATP modulator	Acute kidney injury	Phase 2
CYX082	Farabursen	MIR17 inhibitor	Autosomal dominant polycystic kidney disease	Phase 1
OJR520	-	-	CKD	Phase 1
YMI024	-	-	CVRR	Phase 1

Source: Novartis, Mirae Asset Securities Research

Figure 4. Eliquis (atrial fibrillation DOAC) revenue

Figure 5. Xarelto (atrial fibrillation DOAC) revenue



Source: Bloomberg, Mirae Asset Securities Research

Source: Bloomberg, Mirae Asset Securities Research

Figure 6. CKD-702 phase 1 design

Figure 7. CKD-702 phase 1a data

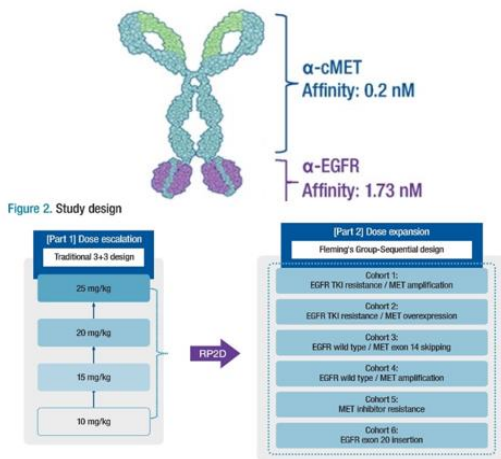
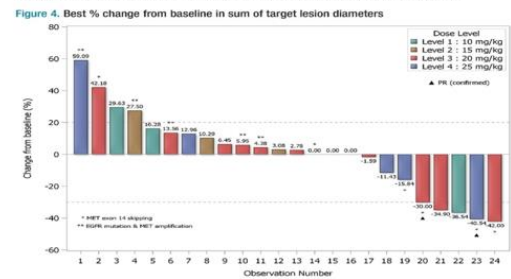


Table 2. Adverse events summary

Adverse Events, n (%)	Total (n=24)
Treatment-Related Adverse Events (TEAEs)	24 (100)
Treatment-related AEs	24 (100)
Grade ≥ 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 generalized edema, 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).



Source: ESMO 2022, Mirae Asset Securities Research

Source: ESMO 2022, Mirae Asset Securities Research

Chong Kun Dang (185750 KS)

Income statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Revenue	1,559	1,681	1,898	2,088
Cost of revenue	1,045	1,161	1,322	1,457
GP	514	520	576	631
SG&A expenses	427	440	490	539
OP (adj.)	88	80	86	92
OP	88	80	86	92
Non-operating profit	8	-1	3	12
Net financial income	5	6	8	12
Net income from associates	5	0	0	0
Pretax profit	96	79	89	104
Income tax	-12	-8	-3	-9
Profit from continuing operations	108	87	92	113
Profit from discontinued operations	0	0	0	0
NP	108	87	92	113
Attributable to owners	108	87	92	113
Attributable to minority interests	0	0	0	0
Total comprehensive income	106	87	92	113
Attributable to owners	106	87	92	113
Attributable to minority interests	0	0	0	0
EBITDA	127	121	128	135
FCF	16	78	96	122
EBITDA margin (%)	8.1	7.2	6.7	6.5
OP margin (%)	5.6	4.8	4.5	4.4
Net margin (%)	6.9	5.2	4.8	5.4

Cash flow statement (summarized)

(Wbn)	2024	2025F	2026F	2027F
Operating cash flow	54	104	96	122
NP	108	87	92	113
Non-cash income/expenses	50	30	33	22
Depreciation	35	35	35	36
Amortization	5	7	7	8
Other	10	-12	-9	-22
Chg. in working capital	-75	-27	-40	-35
Chg. in AR & other receivables	11	-21	-37	-32
Chg. in inventory	-114	-27	-49	-43
Chg. in AP & other payables	18	16	28	24
Income tax	-35	8	3	9
Cash flow from investing activities	3	-32	-10	-9
Chg. in PP&E	-38	-26	0	0
Chg. in intangible assets	-27	0	0	0
Chg. in financial assets	72	-6	-10	-9
Other	-4	0	0	0
Cash flow from financing activities	-59	-9	-18	-13
Chg. in financial liabilities	-29	5	-5	0
Chg. in equity	0	0	0	0
Dividends	-13	-14	-14	-14
Other	-17	0	1	1
Chg. in cash	2	61	64	98
Beginning balance	213	215	276	340
Ending balance	215	276	340	438

Source: Company data, Mirae Asset Securities Research estimates

Balance sheet (summarized)

(Wbn)	2024	2025F	2026F	2027F
Current assets	939	1,061	1,226	1,413
Cash & equivalents	215	276	340	438
AR & other receivables	295	322	364	400
Inventory	350	377	425	468
Other current assets	79	86	97	107
Non-current assets	491	477	436	394
Investments in associates	6	6	7	8
PP&E	306	297	262	226
Intangible assets	76	69	62	54
Total assets	1,430	1,538	1,662	1,806
Current liabilities	358	386	423	459
AP & other payables	234	252	284	313
Short-term financial liabilities	64	70	65	65
Other current liabilities	60	64	74	81
Non-current liabilities	187	193	204	213
Long-term financial liabilities	113	113	113	113
Other non-current liabilities	74	80	91	100
Total liabilities	546	580	626	671
Equity attributable to owners	885	958	1,036	1,135
Capital stock	33	33	33	33
Capital surplus	262	262	262	262
Retained earnings	662	735	813	912
Minority interests	0	0	0	0
Shareholders' equity	885	958	1,036	1,135

Key valuation metrics/ratios

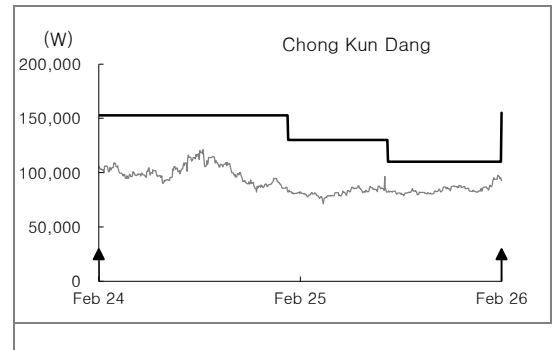
	2024	2025F	2026F	2027F
P/E (x)	11.4	13.1	14.3	11.6
P/CF (x)	7.8	9.8	10.5	9.7
P/B (x)	1.3	1.1	1.2	1.1
EV/EBITDA (x)	8.3	8.0	8.2	7.0
EPS (W)	7,803	6,308	6,633	8,185
CFPS (W)	11,448	8,495	9,007	9,803
BPS (W)	68,741	74,048	79,679	86,861
DPS (W)	1,050	1,050	1,050	1,050
Dividend payout ratio (%)	12.8	15.9	15.1	12.2
Dividend yield (%)	1.2	1.3	1.1	1.1
Revenue growth (%)	-5.5	7.8	12.9	10.0
EBITDA growth (%)	-53.8	-4.7	5.5	5.7
OP growth (%)	-63.4	-9.1	7.2	7.0
EPS growth (%)	-48.4	-19.2	5.2	23.4
AR turnover (x)	5.9	6.1	6.3	6.2
Inventory turnover (x)	5.1	4.6	4.7	4.7
AP turnover (x)	5.5	5.6	5.8	5.7
ROA (%)	7.7	5.9	5.7	6.5
ROE (%)	12.7	9.5	9.2	10.4
ROIC (%)	14.5	11.6	11.6	12.9
Debt-to-equity ratio (%)	61.7	60.5	60.5	59.2
Current ratio (%)	262.1	274.5	290.1	307.9
Net debt-to-equity ratio (%)	-12.4	-18.0	-24.2	-31.5
Interest coverage ratio (x)	12.0	11.7	12.5	13.5

Appendix 1

Important disclosures and disclaimers

Two-year rating and TP history

Company	Date	Rating	TP (W)
Chong Kun Dang (185750)	02/26/26	Buy	155,000
	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



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	79.76%	1.19%	19.05%	0%
Investment banking services	83.33%	0%	16.67%	0%

* Based on recommendations in the last 12-months (as of December 31, 2025)

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