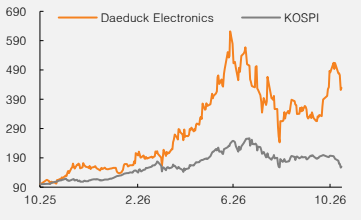
MIRAE ASSET Securities

Equity Research
October 19, 2026

(Maintain)	**Buy**
Target price	**W180,000**
Current price (10/16/26)	W131,700
Upside	36.7%

OP (26F, Wbn)	292
Consensus OP (26F, Wbn)	-
EPS growth (26F, %)	409.3
Market EPS growth (26F, %)	277.0
P/E (26F, x)	28.0
Market P/E (26F, x)	5.5
KOSPI	5,668.05
Market cap (Wbn)	6,508
Shares (mn)	49
Free float (%)	69.2
Foreign ownership (%)	16.9
Beta (12M)	0.76
52-week low (W)	31,400
52-week high (W)	190,900

(%)	1M	6M	12M
Absolute	29.5	41.2	295.5
Relative	53.5	55.1	161.5



Mirae Asset Securities Co., Ltd.

Junseo Park
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353200 KS • Electrical/Electronic Components

Daeduck Electronics

Conditions strengthen despite FX headwinds

3Q26 preview: Industry conditions strengthen despite FX/macro uncertainties

We maintain our target price of W180,000 for Daeduck Electronics (Daeduck). While FX and macro uncertainties persist, industry conditions continue to strengthen. For 3Q26, we estimate revenue at W419bn and operating profit at W80.4bn (OP margin of 19.2%), with the latter likely to exceed the consensus by 5%. Profitability is improving faster than expected, driven by a shift toward high-value products in the FC-BGA and multi-layer board (MLB) businesses coupled with price increases. Supply shortages and mix improvements are becoming more important earnings drivers than external uncertainties. With further price increases on the horizon, we expect upward earnings revisions to continue into 4Q26.

Capacity expansion centered on ABF; supplier pricing power extending to BT

The key driver of the current upturn is structural undersupply rather than a simple demand recovery. Global substrate suppliers are concentrating capacity investments in FC-BGAs, with some large-scale projects backed by customer advance payments or commitments to secure capacity. By contrast, investment in BT substrate capacity is relatively less attractive, limiting incentives for expansion. The industry's focus on FC-BGA expansion is therefore prolonging supply shortages in BT substrates.

Daeduck's high utilization and lengthening lead times further support this trend. Cost increases for raw materials such as T-glass, E-glass, and CCL are likely to be passed through to selling prices. Further price increases are already underway across various products, including MLBs, while the company is also pursuing price hikes for memory substrates in 4Q26. With supply shortages extending to BT substrates, we expect price increases to become a medium/long-term trend rather than a one-off event. Daeduck stands to benefit from both pricing gains and mix improvements as it expands production of high-value-added products.

Customer wins and capacity expansion to support volume growth in 2027

Daeduck remains in supply discussions with additional FC-BGA customers and is exploring favorable contract terms, including advance payments and capacity guarantees. The company is rapidly narrowing the technology gap with rivals through large-area products featuring roughly 20 layers. While global competitors' focus on FC-BGA capacity expansion is prolonging supply shortages in other substrate categories, Daeduck is adding capacity to capture further growth potential. With volume growth set to complement pricing gains and mix improvements in 2027, we believe investors should focus on the potential for further upward revisions to earnings estimates. We continue to recommend increasing exposure to the stock.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	892	1,065	1,617	2,091	2,447
OP (Wbn)	11	49	292	445	559
OP margin (%)	1.2	4.6	18.1	21.3	22.8
NP (Wbn)	24	48	242	360	476
EPS (W)	461	924	4,707	6,980	9,249
ROE (%)	2.7	5.4	24.1	28.1	28.7
P/E (x)	33.6	51.0	28.0	18.9	14.2
P/B (x)	0.9	2.7	6.1	4.7	3.6
Dividend yield (%)	2.6	1.1	0.5	0.6	0.8

Notes: Under non-consolidated K-IFRS; NP is attributable to owners of the parent
Source: Company data, Mirae Asset Securities Research estimates

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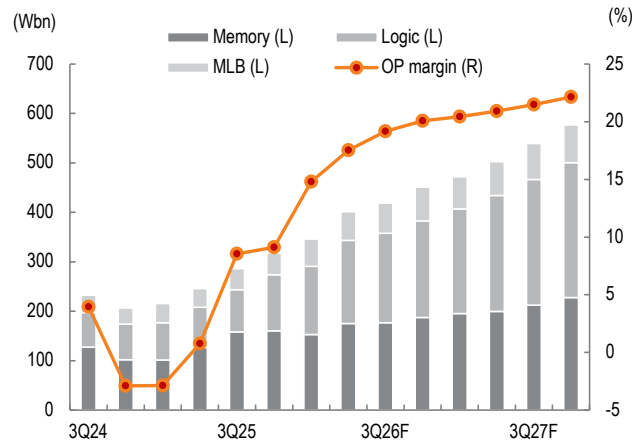
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Table 1. Quarterly and annual earnings (Wbn, %)

	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26F	4Q26F	2025	2026F	2027F
Revenue	215.4	245.9	286.2	317.9	346.3	401.1	419.0	450.9	1,065.3	1,567.4	2,090.6
(%, QoQ)	*4.3*	*14.2*	*16.4*	*11.1*	8.9	15.8	4.5	7.6			
(%, YoY)	*0.3*	*3.2*	*23.0*	*54.0*	60.8	63.1	46.4	41.8	19.4	47.1	33.4
Package substrates	176.6	208.2	243.8	273.7	290.9	343.6	358.0	382.6	902.3	1,375.1	1,808.1
MLB	38.8	37.7	42.4	44.1	5.5	57.5	61.0	68.3	163.0	192.3	282.4
FC-BGA	48.8	53.1	48.8	70.6	79.4	90.6	96.5	105.2	221.3	371.7	550.0
OP	-6.2	1.9	24.4	28.9	51.3	70.3	80.4	90.5	49.1	292.4	445.2
(%, QoQ)	*3.8*	*-130.1*	*1210.1*	*18.4*	77.2	37.1	14.3	12.6			
(%, YoY)	*114.9*	*-82.9*	*165.2*	*-584.4*	-927.2	3667.8	228.7	212.5	335.7	496.1	52.2
OP margin (%)	0.0	0.0	0.0	0.0	14.8	17.5	19.2	20.1	4.6	18.7	21.3
Pretax profit	-6.3	-1.9	28.9	32.7	59.6	67.6	80.6	105.1	5.8	70.4	101.4
NP attr. to owners	-5.7	4.4	23.3	25.6	45.5	53.1	62.5	81.4	47.6	242.5	359.5
Net margin (%)	-2.6	1.8	8.1	8.1	13.1	13.2	14.9	18.1	4.5	15.5	17.2

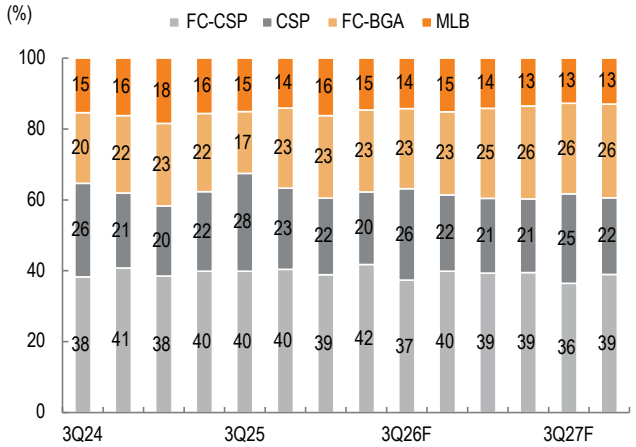
Source: Company data, Mirae Asset Securities Research

Figure 1. Revenue and OP margin



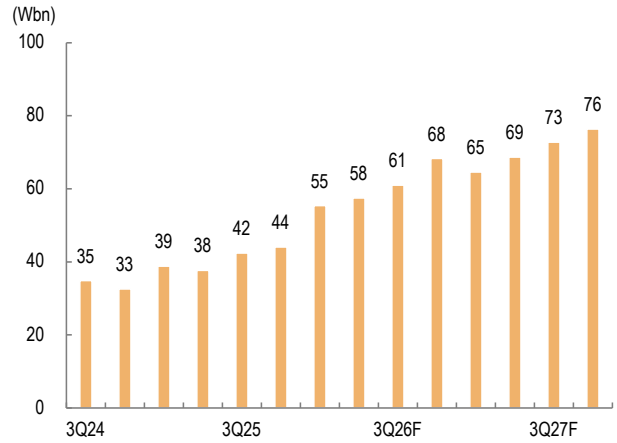
Source: Mirae Asset Securities Research

Figure 2. Revenue breakdown



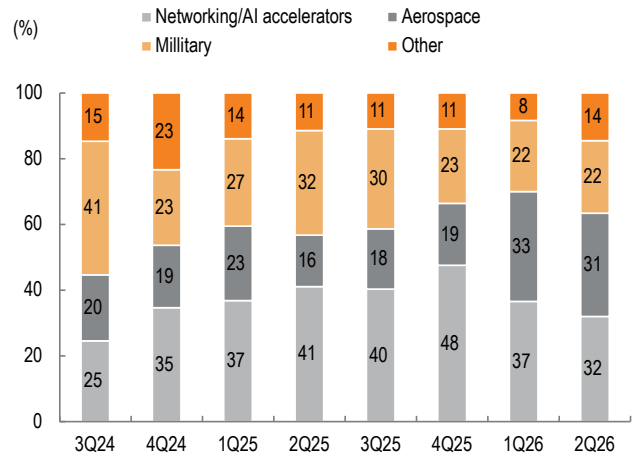
Source: Mirae Asset Securities Research

Figure 3. MLB revenue



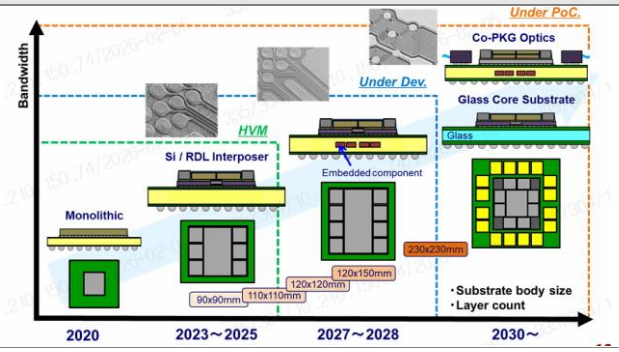
Source: Mirae Asset Securities Research

Figure 4. MLB revenue breakdown



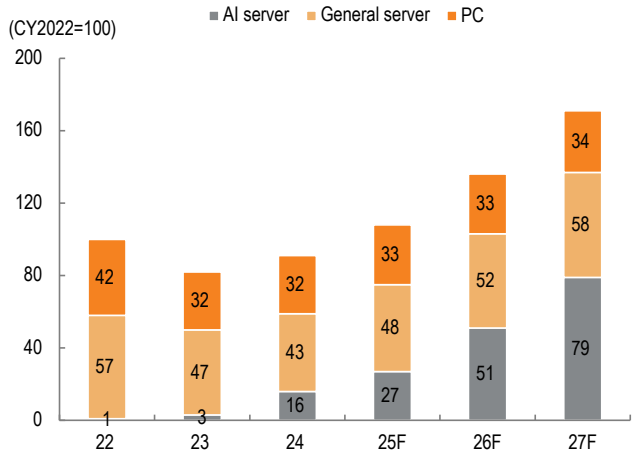
Source: Mirae Asset Securities Research

Figure 5. ABF substrate technology road map



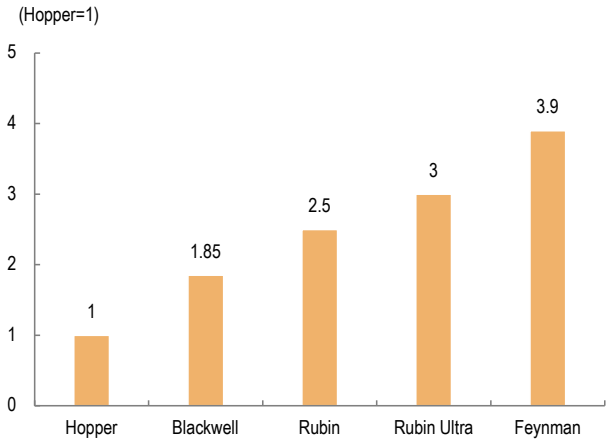
Source: Ibiden, Mirae Asset Securities Research

Figure 6. FC-BGA demand by application



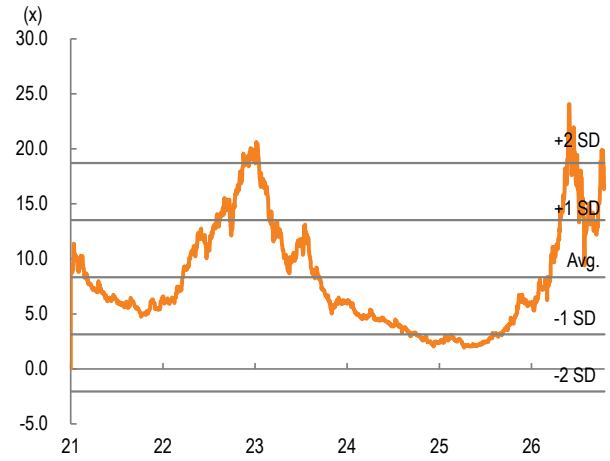
Source: Mirae Asset Securities Research

Figure 7. FC-BGA requirements expanding



Source: Mirae Asset Securities Research

Figure 8. P/E trend with standard deviations



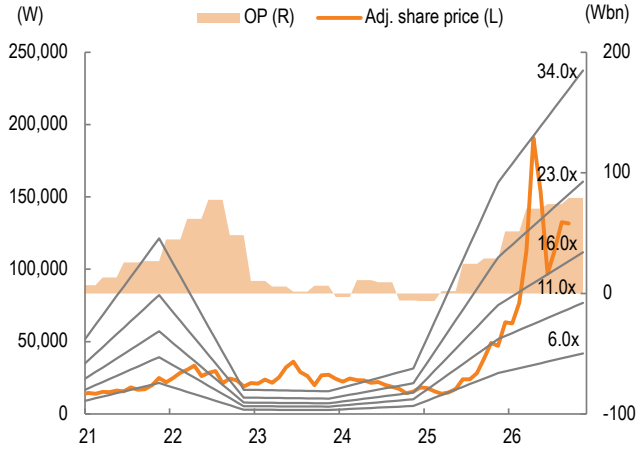
Source: Mirae Asset Securities Research

Figure 9. P/B trend with standard deviations



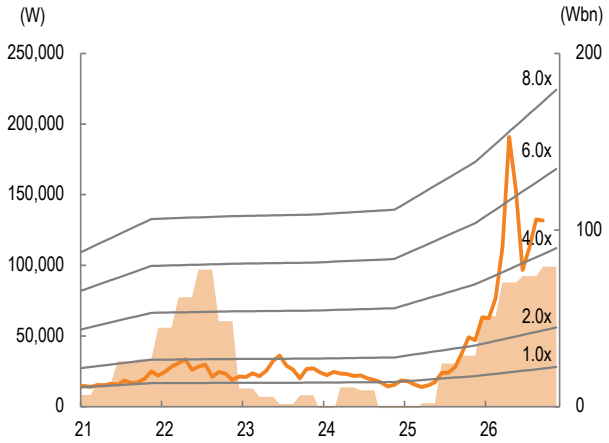
Source: Mirae Asset Securities Research

Figure 10. P/E band chart



Source: Mirae Asset Securities Research

Figure 11. P/B band chart



Source: Mirae Asset Securities Research

Daeduck Electronics (353200 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	**1,065**	**1,617**	**2,091**	**2,447**
Cost of revenue	**957**	**1,233**	**1,530**	**1,753**
GP	**108**	**384**	**561**	**694**
SG&A expenses	**59**	**91**	**116**	**135**
OP (adj.)	**49**	**292**	**445**	**559**
OP	**49**	**292**	**445**	**559**
Non-operating profit	**4**	**21**	**16**	**33**
Net financial income	6	9	13	24
Net income from associates	0	0	0	0
Pretax profit	53	313	461	592
Income tax	6	70	101	115
Profit from continuing operations	48	242	360	476
Profit from discontinued operations	0	0	0	0
NP	**48**	**242**	**360**	**476**
Attributable to owners	48	242	360	476
Attributable to minority interests	0	0	0	0
Total comprehensive income	**42**	**244**	**360**	**476**
Attributable to owners	42	244	360	476
Attributable to minority interests	0	0	0	0
EBITDA	150	386	528	631
FCF	7	101	229	443
EBITDA margin (%)	14.1	23.9	25.3	25.8
OP margin (%)	4.6	18.1	21.3	22.8
Net margin (%)	4.5	15.0	17.2	19.5

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	**588**	**876**	**1,237**	**1,770**
Cash & equivalents	34	87	240	610
AR & other receivables	200	310	399	467
Inventory	149	230	298	348
Other current assets	205	249	300	345
Non-current assets	**590**	**799**	**781**	**724**
Investments in associates	0	0	0	0
PP&E	536	755	739	683
Intangible assets	12	9	7	5
Total assets	**1,178**	**1,675**	**2,018**	**2,494**
Current liabilities	**248**	**513**	**514**	**545**
AP & other payables	81	115	149	174
Short-term financial liabilities	41	32	32	32
Other current liabilities	126	366	333	339
Non-current liabilities	**33**	**46**	**60**	**70**
Long-term financial liabilities	0	0	0	0
Other non-current liabilities	33	46	60	70
Total liabilities	**281**	**559**	**574**	**615**
Equity attributable to owners	**897**	**1,116**	**1,444**	**1,879**
Capital stock	26	26	26	26
Capital surplus	545	545	545	545
Retained earnings	325	542	870	1,306
Minority interests	**0**	**0**	**0**	**0**
Shareholders' equity	**897**	**1,116**	**1,444**	**1,879**

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	**72**	**406**	**294**	**458**
NP	48	242	360	476
Non-cash income/expenses	141	154	168	155
Depreciation	97	90	80	71
Amortization	4	3	3	2
Other	40	61	85	82
Chg. in working capital	-125	62	-146	-81
Chg. in AR & other receivables	-70	-102	-89	-67
Chg. in inventory	-60	-81	-67	-51
Chg. in AP & other payables	23	26	27	20
Income tax	0	-61	-101	-115
Cash flow from investing activities	**-80**	**-344**	**-110**	**-48**
Chg. in PP&E	-64	-304	-65	-15
Chg. in intangible assets	-2	-2	0	0
Chg. in financial assets	-12	-39	-47	-42
Other	-2	1	2	9
Cash flow from financing activities	**4**	**-10**	**-31**	**-41**
Chg. in financial liabilities	25	-10	0	0
Chg. in equity	0	0	0	0
Dividends	-21	0	-31	-41
Other	0	0	0	0
Chg. in cash	**-4**	**53**	**154**	**370**
Beginning balance	38	34	87	240
Ending balance	34	87	240	610

Key valuation metrics/ratios

	2025	2026F	2027F	2028F
P/E (x)	51.0	28.0	18.9	14.2
P/CF (x)	12.8	17.1	12.9	10.7
P/B (x)	2.7	6.1	4.7	3.6
EV/EBITDA (x)	14.5	16.2	11.5	9.0
EPS (W)	924	4,707	6,980	9,249
CFPS (W)	3,667	7,701	10,248	12,257
BPS (W)	17,419	21,657	28,037	36,486
DPS (W)	500	600	800	1,000
Dividend payout ratio (%)	51.9	12.2	11.0	10.4
Dividend yield (%)	1.1	0.5	0.7	0.8
Revenue growth (%)	19.4	51.8	29.3	17.0
EBITDA growth (%)	16.2	158.1	36.7	19.6
OP growth (%)	335.7	496.1	52.2	25.5
EPS growth (%)	100.3	409.3	48.3	32.5
AR turnover (x)	6.6	6.5	6.0	5.7
Inventory turnover (x)	8.6	8.5	7.9	7.6
AP turnover (x)	17.8	15.7	14.5	13.5
ROA (%)	4.2	17.0	19.5	21.1
ROE (%)	5.4	24.1	28.1	28.7
ROIC (%)	6.1	28.9	37.2	44.0
Debt-to-equity ratio (%)	31.3	50.1	39.7	32.7
Current ratio (%)	237.2	170.8	240.6	325.0
Net debt-to-equity ratio (%)	-20.9	-25.8	-33.8	-47.9
Interest coverage ratio (x)	39.8	526.1	922.4	1,158.6

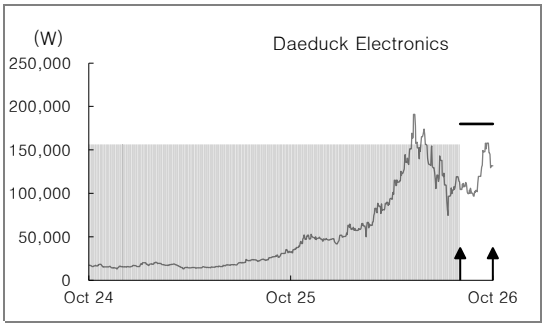
Source: Company data, Mirae Asset Securities Research estimates

Appendix 1

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Two-year rating and TP history

Company	Date	Rating	TP (W)
Daeduck Electronics (353200)	08/21/26	Buy	180,000



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	89.66%	0%	9.77%	0.57%
Investment banking services	92.86%	0%	7.14%	0%

* Based on recommendations in the last 12 months (as of September 30, 2026)

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