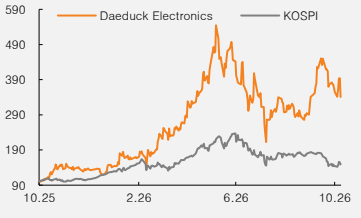
MIRAE ASSET Securities

Equity Research
November 2, 2026

(Maintain)	**Buy**
Target price	**W180,000**
Current price (10/30/26)	W119,400
Upside	50.8%

OP (26F, Wbn)	295
Consensus OP (26F, Wbn)	-
EPS growth (26F, %)	411.9
Market EPS growth (26F, %)	278.0
P/E (26F, x)	25.2
Market P/E (26F, x)	5.6
KOSPI	5,730.74
Market cap (Wbn)	5,900
Shares (mn)	49
Free float (%)	69.2
Foreign ownership (%)	13.3
Beta (12M)	0.75
52-week low (W)	37,150
52-week high (W)	190,900

(%)	1M	6M	12M
Absolute	-9.9	5.9	221.4
Relative	7.5	21.9	129.2



Mirae Asset Securities Co., Ltd.

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353200 KS · Electrical/Electronic Components

Daeduck Electronics

3Q26 review: Pricing gains offset FX headwinds

3Q26 review: Price increases offset FX headwinds

For 3Q26, Daeduck Electronics (Daeduck) reported operating profit of W87.9bn (+260% YoY), beating the consensus by 13%. OP margin improved 3.5%p QoQ to 21%, highlighting the company's focus on profitability-oriented growth. The key earnings drivers were price increases for non-memory substrates and a shift toward higher-value products.

Semiconductor package substrate revenue remained largely flat QoQ due to capacity constraints, but a larger contribution from high-margin FC-CSP products drove profitability improvement. Multi-layer board (MLB) revenue rose 25% QoQ to W71.8bn, with higher utilization beginning to translate into meaningful margin gains.

For 4Q26, we estimate operating profit at W85.2bn (+194% YoY; OP margin of 20%). While earnings are likely to decline slightly QoQ due to FX headwinds, we see further upside potential from additional price increases for certain products.

Supplier pricing power strengthening; further price increases possible

With substrate supply shortages persisting, we see significant room for further earnings growth from additional price increases. Daeduck is in talks to raise memory substrate prices further in 4Q26, with the earnings contribution expected to materialize from 1Q27. Key positives include rising volumes of DDR5 substrates, the highest-margin products in the company's memory portfolio, and growing demand for FC-CSP substrates used in SSD controllers. Discussions on long-term agreements involving customer advance payments are also expanding across the product portfolio, particularly in non-memory substrates. If further price increases are finalized, we see a strong likelihood of upward revisions to 2027 earnings estimates.

W1.4tr capacity expansion to drive growth from 2027

Daeduck's recently announced capacity investments totaling W1.4tr should take revenue growth and earnings capacity to the next level starting in 2027. The investment will be allocated roughly equally between FC-CSP and FC-BGA, at around W700bn each, with the first phase of expansion expected to contribute from 2Q-3Q27. FC-BGA capacity will expand primarily for large-area server substrates. The company is also preparing for mass production of new products for AI accelerators, LPUs, and CXL accelerators.

We expect a further boost to revenue once the second phase of expansion is completed in 2H28. With capacity additions set to complement pricing gains, visibility on Daeduck's medium/long-term growth continues to improve.

(Dec.)	2024	2025	2026F	2027F	2028F
Revenue (Wbn)	892	1,065	1,589	2,066	2,480
OP (Wbn)	11	49	295	451	582
OP margin (%)	1.2	4.6	18.6	21.8	23.5
NP (Wbn)	24	48	244	364	495
EPS (W)	461	924	4,731	7,065	9,604
ROE (%)	2.7	5.4	24.2	28.4	29.5
P/E (x)	33.6	51.0	25.2	16.9	12.4
P/B (x)	0.9	2.7	5.5	4.2	3.2
Dividend yield (%)	2.6	1.1	0.5	0.7	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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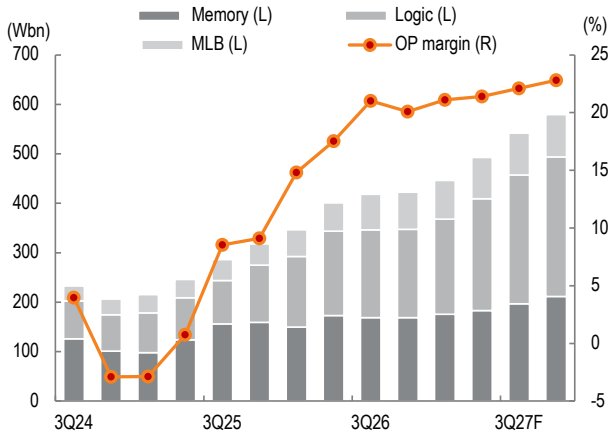
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Table 1. Quarterly and annual earnings (Wbn, %)

	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26F	2025	2026F	2027F
Revenue	215.4	245.9	286.2	317.9	346.3	401.1	418.1	423.8	1,065.3	1,589.4	2,065.6
(%, QoQ)	*4.3*	*14.2*	*16.4*	*11.1*	8.9	15.8	4.2	1.4			
(%, YoY)	*0.3*	*3.2*	*23.0*	*54.0*	60.8	63.1	46.1	33.3	19.4	49.2	30.0
Package substrates	176.6	208.2	243.8	273.7	290.9	343.6	346.3	350.6	902.3	1,331.4	1,736.2
MLB	38.8	37.7	42.4	44.1	55.4	57.5	71.8	73.2	163.0	257.9	329.4
FC-BGA	48.8	53.1	48.8	70.6	79.4	90.6	90.3	92.3	221.3	352.6	525.1
OP	-6.2	1.9	24.4	28.9	51.3	70.3	87.9	85.2	49.1	294.7	451.3
(%, QoQ)	*3.8*	*-130.1*	*1210.1*	*18.4*	77.2	37.1	25.0	-3.1			
(%, YoY)	*114.9*	*-82.9*	*165.2*	*-584.4*	-927.2	3667.8	259.5	194.3	335.7	500.7	53.1
OP margin (%)	-2.9	0.8	8.5	9.1	14.8	17.5	21.0	20.1	4.6	18.5	21.8
Pretax profit	-6.3	-1.9	28.9	32.7	59.6	67.6	88.2	99.1	53.4	314.5	466.7
NP attr. to owners	-5.7	4.4	23.3	25.6	45.5	53.1	68.3	76.8	47.6	243.7	364.0
Net margin (%)	-2.6	1.8	8.1	8.1	13.1	13.2	16.3	18.1	4.5	15.3	17.6

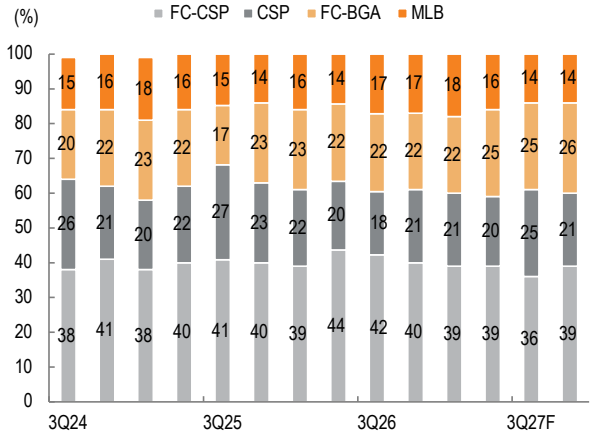
Source: Mirae Asset Securities Research

Figure 1. Revenue and OP margin



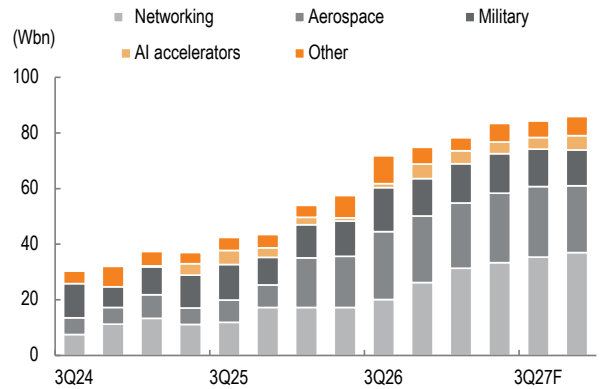
Source: Mirae Asset Securities Research

Figure 2. Revenue breakdown



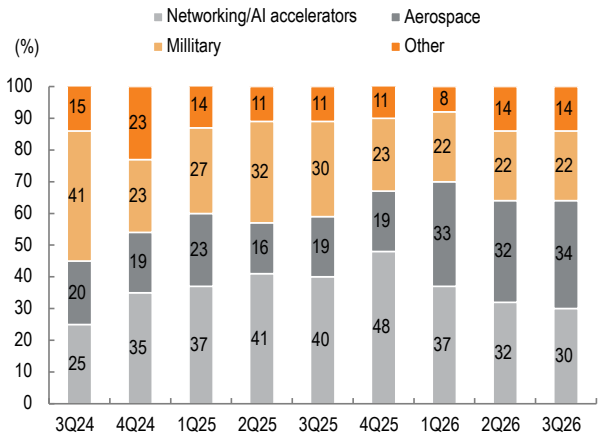
Source: Mirae Asset Securities Research

Figure 3. MLB revenue



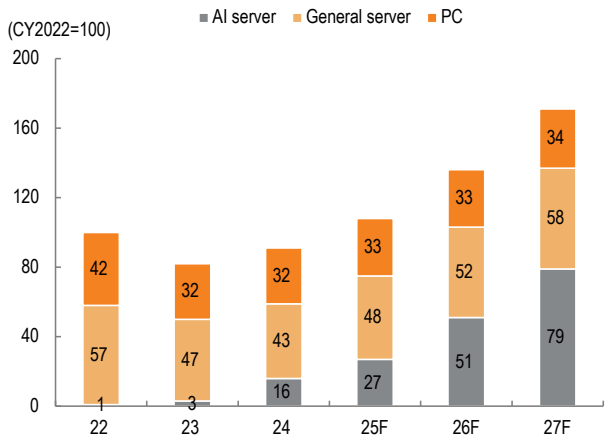
Source: Mirae Asset Securities Research

Figure 4. MLB revenue



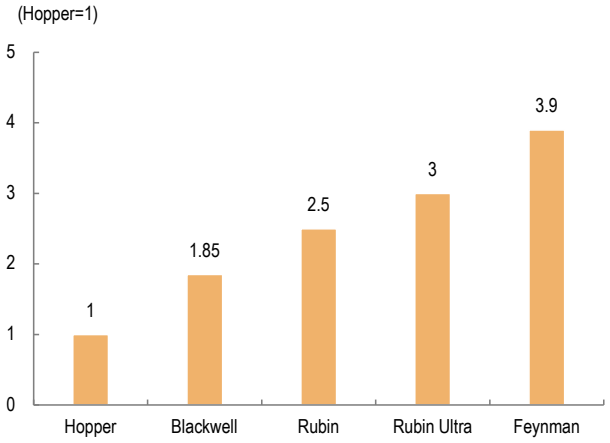
Source: Mirae Asset Securities Research

Figure 5. FC-BGA demand by application



Source: Mirae Asset Securities Research

Figure 6. FC-BGA requirements expanding



Source: Mirae Asset Securities Research

Figure 7. P/E trend with standard deviations



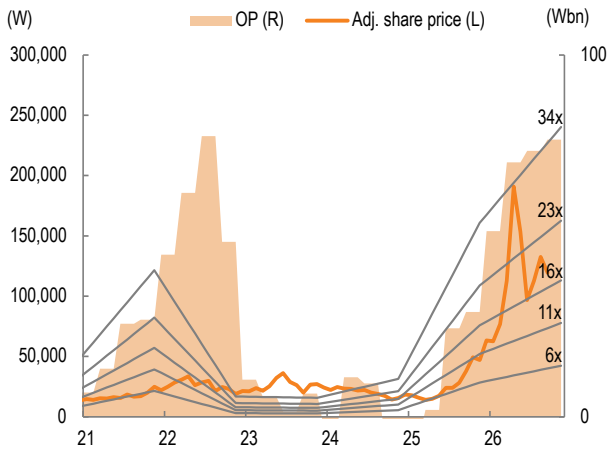
Source: Mirae Asset Securities Research

Figure 8. P/B trend with standard deviations



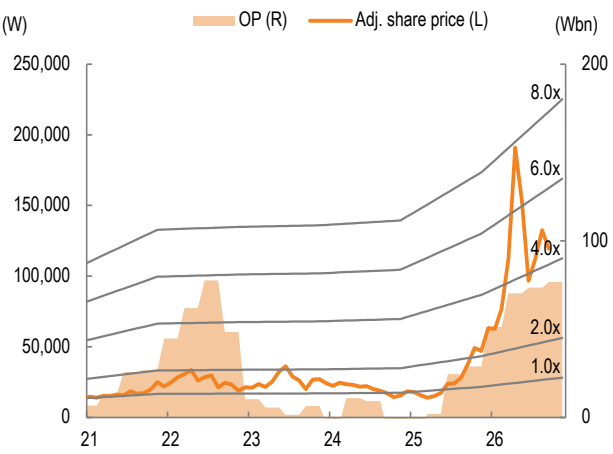
Source: Mirae Asset Securities Research

Figure 9. P/E band chart



Source: Mirae Asset Securities Research

Figure 10. P/B band chart



Source: Mirae Asset Securities Research

Daeduck Electronics (353200 KS)

Income statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Revenue	**1,065**	**1,589**	**2,066**	**2,480**
Cost of revenue	**957**	**1,205**	**1,500**	**1,761**
GP	**108**	**384**	**566**	**719**
SG&A expenses	**59**	**90**	**114**	**137**
OP (adj.)	**49**	**295**	**451**	**582**
OP	**49**	**295**	**451**	**582**
Non-operating profit	**4**	**19**	**16**	**33**
Net financial income	6	9	13	24
Net income from associates	0	0	0	0
Pretax profit	53	314	467	615
Income tax	6	71	103	120
Profit from continuing operations	48	244	364	495
Profit from discontinued operations	0	0	0	0
NP	**48**	**244**	**364**	**495**
Attributable to owners	48	244	364	495
Attributable to minority interests	0	0	0	0
Total comprehensive income	**42**	**245**	**364**	**495**
Attributable to owners	42	245	364	495
Attributable to minority interests	0	0	0	0
EBITDA	150	388	534	654
FCF	7	94	228	444
EBITDA margin (%)	14.1	24.4	25.8	26.4
OP margin (%)	4.6	18.6	21.8	23.5
Net margin (%)	4.5	15.4	17.6	20.0

Balance sheet (summarized)

(Wbn)	2025	2026F	2027F	2028F
Current assets	**588**	**867**	**1,230**	**1,786**
Cash & equivalents	34	79	231	601
AR & other receivables	200	309	401	482
Inventory	149	230	299	359
Other current assets	205	249	299	344
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**	**1,666**	**2,011**	**2,510**
Current liabilities	**248**	**505**	**505**	**539**
AP & other payables	81	108	141	169
Short-term financial liabilities	41	32	32	32
Other current liabilities	126	365	332	338
Non-current liabilities	**33**	**43**	**56**	**68**
Long-term financial liabilities	0	0	0	0
Other non-current liabilities	33	43	56	68
Total liabilities	**281**	**549**	**561**	**607**
Equity attributable to owners	**897**	**1,117**	**1,450**	**1,903**
Capital stock	26	26	26	26
Capital surplus	545	545	545	545
Retained earnings	325	543	876	1,330
Minority interests	**0**	**0**	**0**	**0**
Shareholders' equity	**897**	**1,117**	**1,450**	**1,903**

Cash flow statement (summarized)

(Wbn)	2025	2026F	2027F	2028F
Operating cash flow	**72**	**399**	**293**	**459**
NP	48	244	364	495
Non-cash income/expenses	141	155	170	160
Depreciation	97	90	80	71
Amortization	4	3	3	2
Other	40	62	87	87
Chg. in working capital	-125	53	-151	-99
Chg. in AR & other receivables	-70	-102	-91	-79
Chg. in inventory	-60	-81	-69	-60
Chg. in AP & other payables	23	21	26	23
Income tax	0	-62	-103	-120
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**	**45**	**152**	**370**
Beginning balance	38	34	79	231
Ending balance	34	79	231	601

Key valuation metrics/ratios

	2025	2026F	2027F	2028F
P/E (x)	51.0	25.2	16.9	12.4
P/CF (x)	12.8	15.4	11.5	9.4
P/B (x)	2.7	5.5	4.2	3.2
EV/EBITDA (x)	14.5	14.6	10.2	7.7
EPS (W)	924	4,731	7,065	9,604
CFPS (W)	3,667	7,736	10,366	12,705
BPS (W)	17,419	21,681	28,146	36,950
DPS (W)	500	600	800	1,000
Dividend payout ratio (%)	51.9	12.2	10.9	10.0
Dividend yield (%)	1.1	0.5	0.7	0.8
Revenue growth (%)	19.4	49.2	30.0	20.0
EBITDA growth (%)	16.2	159.6	37.5	22.6
OP growth (%)	335.7	500.7	53.1	28.9
EPS growth (%)	100.3	411.9	49.4	35.9
AR turnover (x)	6.6	6.3	5.9	5.7
Inventory turnover (x)	8.6	8.4	7.8	7.5
AP turnover (x)	17.8	15.9	15.0	14.2
ROA (%)	4.2	17.1	19.8	21.9
ROE (%)	5.4	24.2	28.4	29.5
ROIC (%)	6.1	29.0	37.4	44.9
Debt-to-equity ratio (%)	31.3	49.1	38.7	31.9
Current ratio (%)	237.2	171.5	243.6	331.5
Net debt-to-equity ratio (%)	-20.9	-25.1	-33.1	-46.9
Interest coverage ratio (x)	39.8	530.2	935.4	1,206.7

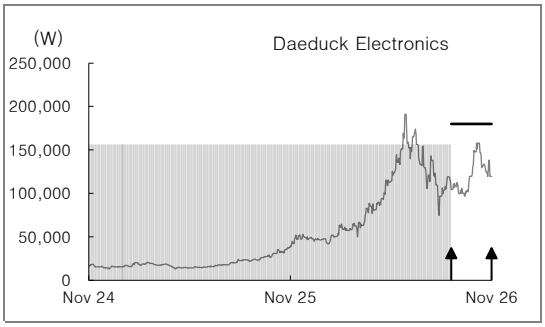
Source: Company data, Mirae Asset Securities Research estimates

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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