

<b>Name</b>	<b>Danawa</b>	Number of Shares	6,418,587
<b>Ticker</b>	<b>119860</b>	Market Cap	60,206,346
Market Price	9.38	Cash	2,000,000
Target Market Price	9.38	Debt	1,000,000
App./(Dep.)	0.00%	Net Cash	1,000,000
<b>SNV Opinion:</b>	<b>BUY</b>	Enterprise Value	59,206,346
		EBIT	5,000,000
		EV/EBIT	11.84

\*Figures converted using USDKRW 1000 FX rate.

**Business Overview**

Website that provides price comparisons for the electronic stores historically in the Yongsan area, but provides services for companies nationwide. Generates revenue from ads, and retail customer fees..

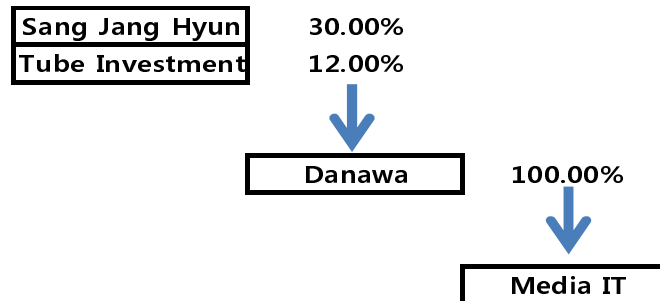
**Shareholder**

Sang Jang Hyun 사장현, CEO, owns 30%, other employees own 25%, Tube Investments owns 12%, 1900 shareholders own 15%.

**Subsidiaries**

Media IT – 100% owned and has 1.3BB KRW in asset, -455MM KRW in earnings.

**Holdings Diagram**



**Cash flow**

Op. Cash flow is 5BB and cap ex is difficult to categorize, but we estimate about 1BB, so 6% FCF/Price yield. 2012 FY numbers reflect 25BB KRW in revenue, 100% GM, 20% EBIT, 20% NI.

**Dividend**

Co. pays out 1.3BB KRW in dividend, or a 2.2% dividend yield.

**Valuation**

Net tangible book value, excluding cash, is near 46BB KRW. Add on top of this 8 years of op. cash flow and you have 86BB KRW, which is 143% of market value. 75% downside protection, with most in cash/financial products.

**Summary**

The company is cheap, but not sure if there is a catalyst to propel the stock. The stock has moved up nicely since last August, from KRW 6,000 to the present KRW 9,380. We believe there is still further unlocking in value, so we will add in our portfolio. It reminds us of a RIMG situation – a lot of cash on hand but questionable growth.

## SN Valuation Korean Portfolio

As of 2013-07-22

### Buy

Name	Ticker	Market Price*	Entry Price	Date	Gain/(Loss)
Idis Holdings	054800	14.20	13.00	07/16/2013	9.23%
Moatech	033200	3.74	3.61	07/12/2013	3.46%
Danawa	119860	9.38	9.38	07/22/2013	0.00%

### Follow

Name	Ticker	Market Price*	Entry Price	Date	Gain/(Loss)
China King	900120	2.27	2.30	07/17/2013	-1.30%

\*Intraday Market Price