

# Goertek (002241 CH)

## 3Q23 weakness in line; Margin recovery on track into 4Q/FY24E

Goertek's 3Q23 revenue/net profit growth of -6%/-73% YoY (+37%/+49% QoQ) was largely in line with previous market expectations. Impressive QoQ revenue growth was driven by Meta Quest 3 and new smartphone launches in 3Q23, and GPM improved 2.5ppts QoQ to 10.2% given higher utilization and new product ramp-up. Looking into 2H23E, we expect margin recovery to continue with better utilization and product mix, and revenue will sustain QoQ growth on PS5/Quest 3 momentum. In the longer term, we believe Goertek is set to benefit from AR/VR opportunities and Watch share gains, delivering 58%/13% YoY EPS growth in FY24/25E. To reflect 1H23 results and better margins, we adjust FY23/24/25E EPS by -4%/+9%/+9% and raise TP to RMB19.2, based on the same 25x FY24E P/E (7-yr hist. avg). Maintain BUY.

■ **3Q23 weakness expected; GPM recovery to accelerate in 3Q23.** 3Q sales/net profit declined 6%/73% YoY and increased 37%/49% QoQ, largely in line, and 3Q GPM improved QoQ to 10.2% (vs. 7.7%/7.0% in 2Q/1Q23), boosted by improving product mix and better utilization on new product ramp-up (Quest 3, PS5). We expect GPM to continue to recover to 10.2%/10.5% in FY24/25E (vs 8.4% in FY23E), given improving utilization and favourable product mix in FY24/25E.

■ **Acquisition of UPhoton to strengthen optics product portfolio.** Goertek announced its plan to acquire 100% of UPhoton by cash and share issuance. UPhoton is specialized in micro-nano optics (DOE, MLA), 3D structured light module, lighting vision/laser module and 3D sensing system solutions. We believe the acquisition will strengthen Goertek's vertical integration capability in global AR/VR/XR supply chain. The company also announced a RMB500-700mn share buyback plan for the employee share option incentive scheme, highlighting its confidence in long-term business outlook.

■ **2024/25 outlook: PS5/Quest 3, TWS recovery and XR/gaming consoles.** Riding on shipment momentum of PS5/ Quest 3, we believe Goertek's VR/AR and gaming segment will become major growth drivers in FY24/25E (64%/64% of FY24/25E sales), backed by new product launches and share gains in Meta, Pico and Sony supply chains. In the longer term, we believe Goertek is well-positioned to capture opportunities as a fully-integrated manufacturer in the global AR/VR/XR industry.

■ **Maintain BUY.** We think Goertek's 3Q results reflected better-than-feared earnings recovery, and Goertek's industry leadership and product roadmap in TWS/XR/acoustics/gaming segments will allow it to benefit from industry recovery and new MR product cycle in FY24/25E. Upcoming catalysts include Meta/Pico XR products and continued margin recovery.

### Earnings Summary

(YE 31 Dec)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue (RMB mn)	78,221	104,894	103,278	104,071	109,290
YoY growth (%)	35.5	34.1	(1.5)	0.8	5.0
Net profit (RMB mn)	4,274.7	1,749.2	1,464.4	2,629.8	2,950.3
EPS (Reported) (RMB)	1.29	0.52	0.43	0.77	0.86
YoY growth (%)	44.9	(59.7)	(17.7)	79.6	12.2
Consensus EPS (RMB)	N/A	N/A	0.55	0.88	1.09
P/E (x)	31.5	62.9	40.7	22.7	20.2
P/B (x)	5.0	3.7	1.9	1.8	1.6
Yield (%)	0.5	0.3	0.4	0.7	0.7
ROE (%)	17.9	6.0	4.7	8.0	8.4

Source: Company data, Bloomberg, CMBIGM estimates

## BUY (Maintain)

**Target Price** RMB19.22  
(Previous TP RMB17.59)  
**Up/Downside** 10.3%  
**Current Price** RMB17.43

### China Technology

**Alex NG**  
(852) 3900 0881  
alexng@cmbi.com.hk

**Claudia LIU**  
claudialiu@cmbi.com.hk

### Stock Data

Mkt Cap (RMB mn)	59,610.6
Avg 3 mths t/o (RMB mn)	1,059.4
52w High/Low (RMB)	24.46/14.42
Total Issued Shares (mn)	3420.0

Source: FactSet

### Shareholding Structure

Goertek Group	14.8%
Jiang Bin	8.4%

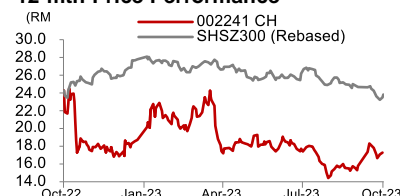
Source: Bloomberg

### Share Performance

	Absolute	Relative
1-mth	13.9%	18.3%
3-mth	0.1%	9.7%
6-mth	1.3%	13.5%

Source: FactSet

### 12-mth Price Performance



Source: FactSet

### Related reports:

- Goertek (002241 CH)-1H23 weakness in-line; Lower TP on slower demand recovery-30 Aug 2023 ([link](#))

## 3Q23 results review

Figure 1: 3Q23 review

RMB mn	FY22	1Q23	2Q23	3Q23	4Q23E	FY23E	FY24E
Revenue	104,894	24,122	21,050	28,775	29,330	103,278	109,333
...YoY	34%	20%	-10%	-6%	-5%	-2%	6%
Cost of sales	(93,233)	(22,439)	(19,438)	(25,856)	(26,886)	(94,619)	(98,149)
Gross profit	11,661	1,683	1,612	2,919	2,445	8,659	11,184
GPM (%)	11.1%	7.0%	7.7%	10.1%	8.3%	8.4%	10.2%
...YoY	5%	-39%	-44%	-29%	27%	-26%	29%
SG&A	(2,843)	(698)	(346)	(759)	(779)	(2,582)	(2,919)
...% of rev	2.7%	2.9%	1.6%	2.6%	2.7%	2.5%	2.7%
R&D	(5,227)	(961)	(1,081)	(1,300)	(1,769)	(5,112)	(5,357)
...% of rev	5.0%	4.0%	5.1%	4.5%	6.0%	5.0%	4.9%
Operating profit	1,610	(17)	268	486	395	1,132	2,760
OPM (%)	1.5%	-0.1%	1.3%	1.7%	1.3%	1.1%	2.5%
...YoY	-66%	-102%	-80%	-75%	-115%	-30%	144%
Net profit	1,749	106	316	470	572	1,464	2,630
NPM (%)	1.7%	0.4%	1.5%	1.6%	2.0%	1.4%	2.4%
...YoY	-59%	-88%	-73%	-73%	-127%	-16%	80%

Source: Company data, CMBIGM estimates

## Earnings Revision

Figure 2: Earnings revision

RMB mn	New			Old			Diff (%)		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Revenue	103,278	109,333	117,167	99,756	104,071	109,290	4%	5%	7%
Gross profit	8,659	11,184	12,252	8,423	10,322	11,039	3%	8%	11%
Operating profit	1,132	2,760	3,180	1,159	2,434	2,756	-2%	13%	15%
Net profit	1,464	2,630	2,950	1,522	2,407	2,714	-4%	9%	9%
EPS (RMB)	0.43	0.77	0.86	0.44	0.70	0.79	-4%	9%	9%
Gross margin	8.4%	10.2%	10.5%	8.4%	9.9%	10.1%	-0.1 ppt	0.3 ppt	0.4 ppt
Operating margin	1.1%	2.5%	2.7%	1.2%	2.3%	2.5%	-0.1 ppt	0.2 ppt	0.2 ppt
Net margin	1.4%	2.4%	2.5%	1.5%	2.3%	2.5%	-0.1 ppt	0.1 ppt	0 ppt

Source: CMBIGM estimates

Figure 3: CMBIGM estimates vs consensus

RMB mn	CMBIGM			Consensus			Diff (%)		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Revenue	103,278	109,333	117,167	101,539	110,563	121,231	2%	-1%	-3%
Gross profit	8,659	11,184	12,252	9,974	11,707	13,262	-13%	-4%	-8%
Operating profit	1,132	2,760	3,180	1,919	3,299	4,143	-41%	-16%	-23%
Net profit	1,464	2,630	2,950	1,909	3,053	3,788	-23%	-14%	-22%
EPS (RMB)	0.43	0.77	0.86	0.55	0.88	1.09	-22%	-13%	-21%
Gross margin	8.4%	10.2%	10.5%	9.8%	10.6%	10.9%	-1.4 ppt	-0.4 ppt	-0.5 ppt
Operating margin	1.1%	2.5%	2.7%	1.9%	3.0%	3.4%	-0.8 ppt	-0.5 ppt	-0.7 ppt
Net margin	1.4%	2.4%	2.5%	1.9%	2.8%	3.1%	-0.5 ppt	-0.4 ppt	-0.6 ppt

Source: Bloomberg, CMBIGM estimates

Figure 4: Revenue breakdown

RMB mn	FY21	FY22	FY23E	FY24E	FY25E
<b>Precision Components</b>	<b>13,840</b>	<b>14,004</b>	<b>14,413</b>	<b>15,006</b>	<b>15,623</b>
... YoY	13%	1%	3%	4%	4%
Speaker/receiver	8,151	8,396	8,563	8,820	9,085
MIC (ECM/MEMS)	3,618	3,726	3,801	3,915	4,032
MEMS sensor	417	430	451	474	498
Antenna	761	913	1,004	1,104	1,270
Optical component module	893	539	593	652	718
<b>Hearable Products</b>	<b>30,297</b>	<b>25,881</b>	<b>19,924</b>	<b>21,112</b>	<b>21,592</b>
... YoY	14%	-15%	-23%	6%	2%
Airpods	19,365	16,854	10,860	11,520	11,760
Android TWS	3,900	4,680	4,500	4,800	4,800
Smart Speaker	2,380	2,856	2,999	3,149	3,306
Others	4,652	1,491	1,565	1,644	1,726
<b>Smart Products</b>	<b>32,809</b>	<b>63,082</b>	<b>66,243</b>	<b>70,247</b>	<b>76,687</b>
... YoY	86%	92%	5%	6%	9%
Smart Watch	7,650	11,475	13,770	16,524	19,829
Gaming Console	2,016	6,842	7,137	6,250	6,250
AR/VR Headset	20,115	25,970	25,600	33,000	35,100
Robotics/UAV/smart light	3,028	18,796	19,736	20,723	21,759
<b>Non-main business</b>	<b>1,275</b>	<b>1,927</b>	<b>2,698</b>	<b>2,968</b>	<b>3,265</b>
... YoY	5%	51%	40%	10%	10%
<b>Total</b>	<b>78,221</b>	<b>104,894</b>	<b>103,278</b>	<b>109,333</b>	<b>117,167</b>
...YoY	35%	34%	-2%	6%	7%

Source: Company data, CMBIGM estimates

Figure 5: P&amp;L forecast

RMB mn	FY21	FY22	FY23E	FY24E	FY25E
<b>Revenue</b>	<b>78,221</b>	<b>104,894</b>	<b>103,278</b>	<b>109,333</b>	<b>117,167</b>
...YoY	35%	34%	-2%	6%	7%
Cost of sales	(67,168)	(93,233)	(94,619)	(98,149)	(104,915)
<b>Gross profit</b>	<b>11,054</b>	<b>11,661</b>	<b>8,659</b>	<b>11,184</b>	<b>12,252</b>
GPM (%)	14.1%	11.1%	8.4%	10.2%	10.5%
...YoY	19%	5%	-26%	29%	10%
SG&A	(2,397)	(2,843)	(2,582)	(2,919)	(3,164)
...% of rev	3.1%	2.7%	2.5%	2.7%	2.7%
R&D	(4,170)	(5,227)	(5,112)	(5,357)	(5,741)
...% of rev	5.3%	5.0%	5.0%	4.9%	4.9%
<b>Operating profit</b>	<b>4,683</b>	<b>1,610</b>	<b>1,132</b>	<b>2,760</b>	<b>3,180</b>
OPM (%)	6.0%	1.5%	1.1%	2.5%	2.7%
...YoY	44%	-66%	-30%	144%	15%
<b>Net profit</b>	<b>4,275</b>	<b>1,749</b>	<b>1,464</b>	<b>2,630</b>	<b>2,950</b>
NPM (%)	5.5%	1.7%	1.4%	2.4%	2.5%
...YoY	50%	-59%	-16%	80%	12%

Source: Company data, CMBIGM estimates

## Valuation

### Maintain BUY with new TP of RMB19.22

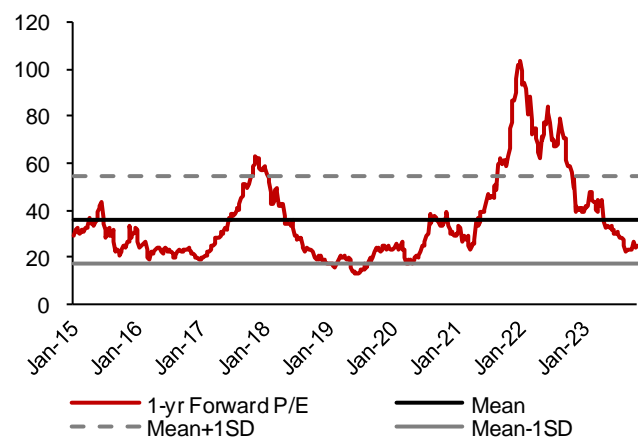
Our new TP of RMB19.22 is based on the same 25x FY24E P/E (7-year hist. avg.). Overall, we believe Goertek's industry leadership and product roadmap in TWS/XR/acoustics/gaming segments will allow the company to benefit from industry recovery and market share gain in FY24/25E. Upcoming catalysts include Apple's product launches, Meta/Pico XR products and margin recovery.

Figure 6: Peers' valuation

Company	Ticker	Rating	Market Cap US\$(mn)	Price (LC)	TP (LC)	Up/ Down -side	P/E (x)		P/B (x)		ROE (%)	
							FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
<b>A-listed components</b>												
Goertek	002241 CH	BUY	8,488	17.43	19.2	10%	40.7	22.7	1.9	1.8	4.7	8.0
Luxshare	002475 CH	BUY	32,992	33.78	47.0	39%	21.8	17.2	2.4	2.1	10.9	12.3
O-film	002456 CH	NR	4,763	10.70	NA	NA	-	-	12.0	11.3	(33.3)	(19.1)
Sunway	300136 CH	NR	3,504	26.50	NA	NA	31.7	24.0	3.5	3.0	11.5	13.3
BOE	000725 CH	NR	20,809	4.02	NA	NA	22.7	12.9	1.1	1.0	4.0	8.7
Hans Laser	002008 CH	NR	3,090	21.49	NA	NA	20.4	15.4	1.5	1.4	7.2	9.0
Lens Tech	300433 CH	NR	8,982	13.19	NA	NA	21.0	15.9	1.4	1.3	6.8	8.5
Everwin	300115 CH	NR	1,812	11.02	NA	NA	30.4	14.7	2.2	1.9	7.1	13.2
Holitech	002217 CH	NR	1,452	3.41	NA	NA	-	-	-	-	-	-
<b>Average</b>							<b>27.2</b>	<b>17.3</b>	<b>3.2</b>	<b>3.0</b>	<b>2.4</b>	<b>6.8</b>
<b>H-listed components</b>												
FIT Hon Teng	6088 HK	BUY	997	1.07	2.1	93%	7.1	5.7	0.4	0.4	5.2	6.3
AAC Tech	2018 HK	HOLD	2,237	14.60	14.0	-4%	25.7	14.7	0.7	0.7	2.7	4.6
Sunny Optical	2382 HK	HOLD	9,718	69.30	78.3	13%	37.4	24.3	2.9	2.7	7.8	11.2
Tongda	698 HK	BUY	141	0.11	0.2	50%	6.3	3.9	0.1	0.1	2.3	3.5
BYDE	285 HK	BUY	10,443	36.25	42.0	16%	21.1	17.1	2.5	2.2	11.9	13.0
Q tech	1478 HK	BUY	615	4.06	3.6	-11%	14.6	7.6	0.9	0.8	5.9	10.3
TK Group	2283 HK	BUY	144	1.35	3.1	129%	4.8	-	0.6	-	13.3	17.0
Truly	732 HK	NR	323	0.80	NA	NA	-	-	-	-	-	-
SMIC	981 HK	NR	34,162	24.15	NA	NA	25.5	25.1	1.2	1.1	4.8	4.4
YOFC	6869 HK	NR	2,243	10.34	NA	NA	5.6	5.0	0.7	0.6	11.1	11.3
Cowell	1415 HK	NR	2,096	19.30	NA	NA	31.6	18.1	4.9	3.9	15.2	22.9
<b>Average</b>							<b>18.0</b>	<b>13.5</b>	<b>1.5</b>	<b>1.4</b>	<b>8.0</b>	<b>10.5</b>

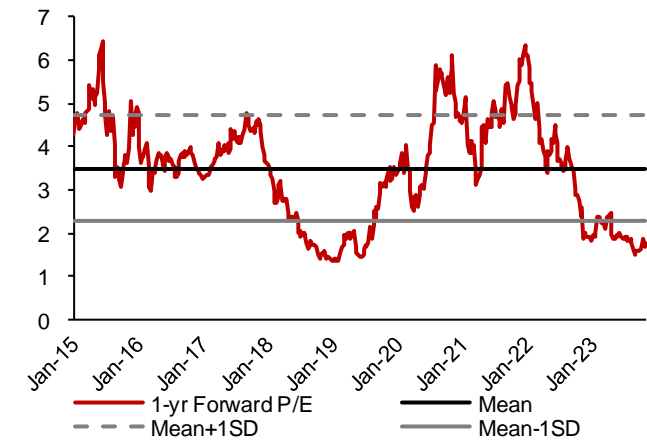
Source: Bloomberg, CMBIGM estimates. \*TP under review.

Figure 7: 12M forward P/E band



Source: Bloomberg, CMBIGM

Figure 8: 12M forward P/B band



Source: Bloomberg, CMBIGM

## Financial Summary

INCOME STATEMENT	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec (RMB mn)						
<b>Revenue</b>	<b>57,743</b>	<b>78,221</b>	<b>104,894</b>	<b>103,278</b>	<b>104,071</b>	<b>109,290</b>
Cost of goods sold	(48,484)	(67,168)	(93,233)	(94,619)	(93,749)	(98,251)
<b>Gross profit</b>	<b>9,259</b>	<b>11,054</b>	<b>11,661</b>	<b>8,659</b>	<b>10,322</b>	<b>11,039</b>
Selling expense	(476)	(445)	(548)	(516)	(416)	(437)
Admin expense	(1,630)	(1,952)	(2,295)	(2,066)	(2,290)	(2,404)
R&D expense	(3,426)	(4,170)	(5,227)	(5,112)	(4,891)	(5,137)
Other income	225	467	373	373	373	373
Other expense	(236)	(271)	(1,797)	186	(114)	(114)
Investment gain/loss	139	469	(36)	(36)	(36)	(36)
Other gains/(losses)	98	(80)	(105)	52	52	52
<b>EBIT</b>	<b>3,261</b>	<b>4,683</b>	<b>1,610</b>	<b>1,132</b>	<b>2,434</b>	<b>2,756</b>
<b>Net Interest income/(expense)</b>	<b>(491)</b>	<b>(167)</b>	<b>(149)</b>	<b>(149)</b>	<b>(149)</b>	<b>(149)</b>
Other income/expense	(39)	(77)	144	144	144	144
<b>Pre-tax profit</b>	<b>3,222</b>	<b>4,606</b>	<b>1,509</b>	<b>1,276</b>	<b>2,904</b>	<b>3,325</b>
Income tax	(370)	(299)	282	230	(232)	(332)
<b>After tax profit</b>	<b>2,852</b>	<b>4,307</b>	<b>1,791</b>	<b>1,506</b>	<b>2,672</b>	<b>2,992</b>
Minority interest	4	32	42	42	42	42
<b>Net profit</b>	<b>2,848</b>	<b>4,275</b>	<b>1,749</b>	<b>1,464</b>	<b>2,630</b>	<b>2,950</b>
BALANCE SHEET	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec (RMB mn)						
<b>Current assets</b>	<b>28,129</b>	<b>35,162</b>	<b>45,563</b>	<b>46,913</b>	<b>48,582</b>	<b>51,043</b>
Cash & equivalents	7,788	10,049	12,683	18,901	13,646	22,140
Account receivables	10,045	11,949	14,444	15,160	15,677	15,645
Inventories	9,171	12,082	17,349	11,765	18,092	12,139
Prepayment	296	98	51	51	51	51
Financial assets at FVTPL	251	119	339	339	339	339
Other current assets	579	850	698	698	698	698
<b>Non-current assets</b>	<b>20,989</b>	<b>25,917</b>	<b>31,613</b>	<b>34,914</b>	<b>37,538</b>	<b>39,862</b>
PP&E	16,753	20,250	23,884	27,503	30,128	32,452
Deferred income tax	276	495	1,370	1,370	1,370	1,370
Investment in JVs & assos	0	437	361	361	361	361
Intangibles	2,730	3,094	3,301	3,301	3,301	3,301
Goodwill	17	17	17	17	17	17
Financial assets at FVTPL	357	466	699	699	699	699
Other non-current assets	518	652	1,663	1,663	1,663	1,663
<b>Total assets</b>	<b>49,118</b>	<b>61,079</b>	<b>77,176</b>	<b>81,827</b>	<b>86,120</b>	<b>90,906</b>
<b>Current liabilities</b>	<b>22,736</b>	<b>29,803</b>	<b>42,721</b>	<b>45,866</b>	<b>48,065</b>	<b>50,543</b>
Short-term borrowings	3,190	4,285	7,121	9,121	11,121	13,121
Account payables	17,324	21,272	30,599	31,745	31,943	32,421
Tax payable	195	357	285	285	285	285
Other current liabilities	882	2,822	3,676	3,676	3,676	3,676
Accrued expenses	1,145	1,067	1,040	1,040	1,040	1,040
<b>Non-current liabilities</b>	<b>6,648</b>	<b>3,345</b>	<b>4,197</b>	<b>4,197</b>	<b>4,197</b>	<b>4,197</b>
Long-term borrowings	2,754	2,204	2,206	2,206	2,206	2,206
Bond payables	3,031	210	471	471	471	471
Deferred income	323	390	816	816	816	816
Other non-current liabilities	539	540	705	705	705	705
<b>Total liabilities</b>	<b>29,384</b>	<b>33,148</b>	<b>46,919</b>	<b>50,064</b>	<b>52,262</b>	<b>54,741</b>
Share capital	3,275	3,416	3,420	3,420	3,420	3,420
Retained earnings	3,812	9,478	10,281	10,281	10,281	10,281
Other reserves	13,082	16,725	18,083	19,588	21,824	24,331
<b>Total shareholders equity</b>	<b>19,734</b>	<b>27,931</b>	<b>30,258</b>	<b>31,763</b>	<b>33,858</b>	<b>36,165</b>
Minority interest	80	604	766	766	766	766
<b>Total equity and liabilities</b>	<b>49,118</b>	<b>61,079</b>	<b>77,176</b>	<b>81,827</b>	<b>86,120</b>	<b>90,906</b>

<b>CASH FLOW</b>	<b>2020A</b>	<b>2021A</b>	<b>2022A</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>
<b>YE 31 Dec (RMB mn)</b>						
<b>Operating</b>						
Profit before taxation	3,222	4,606	1,509	1,276	2,904	3,325
Depreciation & amortization	2,188	2,918	3,651	2,460	2,875	3,176
Tax paid	(370)	(299)	282	230	(232)	(332)
Change in working capital	2,268	1,186	924	6,013	(6,865)	6,309
Others	374	187	1,951	149	149	149
<b>Net cash from operations</b>	<b>7,682</b>	<b>8,598</b>	<b>8,317</b>	<b>10,087</b>	<b>(1,211)</b>	<b>12,585</b>
<b>Investing</b>						
Capital expenditure	(5,599)	(6,962)	(8,090)	(5,500)	(5,500)	(5,500)
Acquisition of subsidiaries/ investments	(208)	(3,083)	(2,118)	0	0	0
Net proceeds from disposal of short-term investments	205	3,102	1,061	0	0	0
Others	300	174	71	0	0	0
<b>Net cash from investing</b>	<b>(5,301)</b>	<b>(6,768)</b>	<b>(9,077)</b>	<b>(5,500)</b>	<b>(5,500)</b>	<b>(5,500)</b>
<b>Financing</b>						
Dividend paid	(572)	(675)	(953)	(220)	(394)	(443)
Net borrowings	(1,002)	913	3,197	2,000	2,000	2,000
Proceeds from share issues	51	2,179	395	0	0	0
Others	3,166	(2,030)	(631)	(149)	(149)	(149)
<b>Net cash from financing</b>	<b>1,642</b>	<b>387</b>	<b>2,008</b>	<b>1,631</b>	<b>1,456</b>	<b>1,408</b>
<b>Net change in cash</b>						
Cash at the beginning of the year	3,095	6,913	9,138	10,800	17,018	11,764
Exchange difference	(205)	7	414	0	0	0
<b>Cash at the end of the year</b>	<b>6,913</b>	<b>9,138</b>	<b>10,800</b>	<b>17,018</b>	<b>11,764</b>	<b>20,257</b>
<b>GROWTH</b>	<b>2020A</b>	<b>2021A</b>	<b>2022A</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>
<b>YE 31 Dec</b>						
Revenue	64.3%	35.5%	34.1%	(1.5%)	0.8%	5.0%
Gross profit	70.8%	19.4%	5.5%	(25.7%)	19.2%	6.9%
EBIT	117.9%	43.6%	(65.6%)	(29.7%)	114.9%	13.3%
Net profit	122.4%	50.1%	(59.1%)	(16.3%)	79.6%	12.2%
<b>PROFITABILITY</b>	<b>2020A</b>	<b>2021A</b>	<b>2022A</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>
<b>YE 31 Dec</b>						
Gross profit margin	16.0%	14.1%	11.1%	8.4%	9.9%	10.1%
Return on equity (ROE)	15.9%	17.9%	6.0%	4.7%	8.0%	8.4%
<b>GEARING/LIQUIDITY/ACTIVITIES</b>	<b>2020A</b>	<b>2021A</b>	<b>2022A</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>
<b>YE 31 Dec</b>						
Current ratio (x)	1.2	1.2	1.1	1.0	1.0	1.0
Receivable turnover days	57.5	51.3	45.9	45.9	45.9	45.9
Inventory turnover days	54.5	57.7	57.6	57.6	57.6	57.6
Payable turnover days	101.6	104.9	101.5	101.5	101.5	101.5
<b>VALUATION</b>	<b>2020A</b>	<b>2021A</b>	<b>2022A</b>	<b>2023E</b>	<b>2024E</b>	<b>2025E</b>
<b>YE 31 Dec</b>						
P/E	34.5	31.5	62.9	40.7	22.7	20.2
P/B	5.1	5.0	3.7	1.9	1.8	1.6
Div yield (%)	0.5	0.5	0.3	0.4	0.7	0.7

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.



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## CMB International Global Markets Limited

**Address:** 45/F, Champion Tower, 3 Garden Road, Hong Kong. Tel: (852) 3900 0888 Fax: (852) 3900 0800

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