

Futu Holdings (FUTU US)

4Q robust growth in-line; geographic diversification saw sequential improvement

BUY (Maintain)

Futu released 4Q/FY25 earnings results, with total revenue/non-GAAP net profit slightly beating our estimates by 2%/4% ([report](#)) to HK\$6.44bn/HK\$3.46bn in 4Q25, up 45%/77% YoY and 0.6%/4.3% QoQ. The bottom-line improvement was driven by strengthened expense controls in 4Q25, of which total costs and operating expenses slid 8.2%/8.3% QoQ to HK\$729mn/HK\$1.56bn, better than our estimates by 9%/2%, bringing the gross margin and operating margin to 88.7%/64.4%, up 1.1pct/3.4pct QoQ and 6.2pct/14.4pct YoY, both a record high since 2023. Key operating metrics were broadly in-line in 4Q25, and we see the call highlights centering on 1) a robust new client acquisition target of 800k in 2026 alongside a new market entry plan in Asia; 2) 1Q26 net asset inflows on track to reach an all-time high, with a double-digit sequential rise; 3) 4Q25 crypto trading volume reached HK\$20bn with the penetration in terms of trading clients lifting across HK, Singapore, and the US markets; 4) ADS trading volumes contributed <10% of US stock turnover in 4Q25, indicating a more diversified trading structure; 5) 55% of total funded accounts added from ex-Greater China markets, primarily led by SG and the US. Mgmt. also touched on progress of Airstar Bank and the phase II evaluation of VATP license, which would still require some time for regulatory clarity. To factor in continued strong net asset inflows and robust client acquisition, we modestly adjust our FY26-28E EPS forecasts to HK\$94/HK\$110/HK\$124. Maintain BUY with TP unchanged at US\$228.

Target Price US\$228.00
Up/Downside 59.4%
Current Price US\$143.01

China Financials

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Stock Data

Mkt Cap (US\$ mn)	161,814.1
Avg 3 mths t/o (US\$ mn)	221.9
52w High/Low (US\$)	199.04/74.81
Total Issued Shares (mn)	1131.5

Source: FactSet

Shareholding Structure

Hua Li	15.1%
BlackRock Inc	4.7%

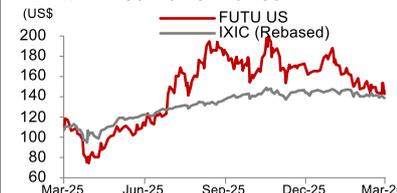
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-2.5%	-1.5%
3-mth	-16.6%	-13.3%
6-mth	-23.1%	-23.7%

Source: FactSet

12-mth Price Performance



Source: FactSet

Related reports:

1. Futu Holdings (FUTU US) - [4Q25 Preview: Resilient key metrics with modest sequential growth amid market turbulence](#), Mar 9, 2026
2. Futu Holdings (FUTU US) - [3Q earnings a strong beat, driven by resilient net asset inflows and NII recovery](#), Nov 20, 2025
3. Futu Holdings (FUTU US) - [Marketing feedback: short-term views mixed; 3Q EPS upside to reinforce long-term convictions](#), Oct 28, 2025
4. Futu Holdings (FUTU US) - [Pioneered one-stop financial services platform to ride on crypto advancements: Initiate BUY](#), Oct 14, 2025

■ 4Q25 Key Highlights:

[1] Top/bottom-line a slight beat: Total revenue recorded at HK\$6.44bn in 4Q25, a beat to our estimate of HK\$6.3bn by 2%. GAAP/Non-GAAP net income reported at HK\$3.4bn/HK\$3.5bn, up 5.0%/4.3% QoQ and 81%/77% YoY, outperforming our estimates by 4%/4%. 4Q25 topline growth was primarily driven by a surge in other income, up 42%/78% QoQ/YoY, thanks to higher fund distribution income and IPO subscription service charge. Brokerage commission income and interest income slid 4.9%/flat QoQ but up 35%/50% YoY in 4Q, due to increased market volatilities.

[2] Total/new funded accounts: 234k new funded accounts have been added in 4Q, bringing the full-year addition to 954k, marking a 19.3% increase vs. mgmt. year-start guidance of 800k. Total number of funded accounts amounted to 3.4mn, up 39.6% YoY/7.5% QoQ. HK and Malaysia sustained the two largest contributors, totalling >50% of new client acquisition while SG/JP/US markets made up in teens. Geographic diversification continued to enhance, for which total number of funded accounts in ex-Greater China markets accounted for 55% in 4Q25, a record high.

[3] Robust client AUM: Total client AUM recorded at HK\$1.23tn, up 66% YoY/flat QoQ, in line with our estimate ([Table](#)). Net asset inflows moderated QoQ with the depreciation of HK stock holdings, which collectively weighed on AUM growth. WM balance grew 2.3% QoQ and 62% YoY to HK\$179.6bn (15% mix), while clients' idle cash sequentially dropped 11% to HK\$113bn (9% mix) and stock holding was flat QoQ at HK\$937bn (76% mix). Client AUM in Greater China regions remained above 80% (CMBI est), but sequentially improved amid geographic diversification.

[4] Stock trading volume mixed in US/HK: In 4Q25, total trading volume reached a historical high of HK\$3.98tn in 4Q25, up 38% YoY/2% QoQ, among which US stock turnover trended up 17% QoQ to HK\$3.04tn (77% mix) driven by strong client interest in AI-themed stocks. HK stock turnover dipped 31% QoQ in 4Q25, dragged by subdued market sentiment (i.e. 4Q25 HSI/HSTECH: -5%/-15%), partially offset by increased momentum in gold and precious metal-related trading activities. 4Q's trading velocity (net of WM balance) fell to 15x (vs. our estimate: 14.8x), broadly in line. Blended commission yield dropped by 0.5bps QoQ to 7.0bps, given the dilution of clients' trading in a greater amount of higher-priced US stocks and options. Notably, ADS trading volume made up less than 10% of total US turnover in 4Q25.

[5] Resilient interest income despite Fed rate cuts. Interest income rose 50% YoY/flat QoQ at HK\$3.04bn in 4Q25, driven by higher contributions from securities

lending, bank deposits and margin financing. MFSL balance grew 7.3% QoQ to HK\$67.7bn, thanks to higher interest in US stock margin trading. Despite 50bps rate cuts, we see avg. 3M HIBOR normalized back to above 3.3% in 4Q25, which supported Futu's interest yield for bank deposits and margin financing businesses.

[6] OpEx improvement supporting margin expansion. OpEx declined 8.3% QoQ to HK\$1.56bn in 4Q25, with R&D and S&M expenses each contracting 11.8%/ 13.5% QoQ to HK\$507mn/HK\$507mn, a positive surprise to our forecasts. OPM rose 3.4pct QoQ/14.4pct YoY to 64.4% in 4Q25, marking a record high. Cost per client acquisition (CAC) fell 6% QoQ to HK\$2,165 by end-4Q25, 13% below the lower-bound of the mgmt. guided range of HK\$2,500-3,000 at year-start. The CAC guidance in 2026 will sustain at HK\$2,500-3,000 with the plan of new market entry.

[7] Expanding product pipeline catering to demands of local demographic. Futu ramped up product pipeline across HK, Singapore, Malaysia, and the US in 4Q25. In HK, Futu HK lined up high-dividend funds and lowered min. investment threshold for retail investors to structured products. Moomoo SG introduced SG-listed equity funds and short-duration bond funds. Moomoo MY launched Shariah-complaint gold tracker funds catering to demands of local demographic. In the US, Moomoo rolled out features for active traders, with the number of options traded, stocks and crypto trading volume all marking double-digit sequential upticks, per mgmt. Moomoo US's avg. client AUM booked the fastest sequential growth across all markets in 4Q25, leading to a 0.33% market share of turnover by our estimate.

[8] Crypto trading volume relatively solid despite sector headwinds. In 4Q25, Futu's crypto trading volume amounted to HK\$20bn, translating into 0.5% of stock turnover, with penetration among trading clients rising across these three licensed markets. If assuming a similar drawdown in crypto trading velocity as stocks in 4Q, we estimate the platform's crypto AuC could reduce to approx. 0.2% of client AUM.

[9] Airstar Bank progressed on track. In 4Q, the company continued to enhance internal infrastructure build-up and user experience for Airstar Bank. In the near term, mgmt. will eye on new product launches and technology infrastructure build-up for the digital bank to broaden synergies with Futu's brokerage business, before advancing to traditional capital-intensive businesses. In 4Q, high-net-worth clients' net asset inflows sustained in strong momentum across HK and SG, which we think this can bridge the bank's WM businesses with Futu's established ecosystem.

■ 1Q26-To-Date Dynamics and 2026E Outlook:

[1] A record high net asset inflows in 1Q26E: Net client asset inflows could book a double-digit sequential rise in 1Q26E, achieving a record high despite heightened market volatilities. We expect strong net asset inflows to offset MTM depreciation of clients' asset holdings, as HSTECH/ NASDAQ indices dipped 7%/3% in Feb and further retreated 3%/2% in early-March. Client AUM could moderately rise in 1Q26.

[2] Maintained 800k client acquisition target in 2026. Considering a new market entry plan, mgmt. sustained a bullish new client acquisition target in 2026E at 800k, which could drive total number of paying clients to 4.2mn by year-end. We expect HK and Malaysia to remain the two largest contributors for achieving this target.

[3] Expect 1Q26E client AUM to modestly rise. We expect total client assets to sequentially rise in single-digit in 1Q26, given the mixed ends of strong net inflows offset by potential MTM fair value losses. We expect 1Q26 trading volume to grow in a low single digit to ~HK\$4tn, with trading velocity and blended rate flattish QoQ.

[4] CAC unchanged at HK\$2.5-3k. In 1Q26E, we expect Futu's CAC to land at ~HK\$2.3k on top of a low base in 4Q25 driven by new product ramp-up and offline market campaigns across overseas markets. The launch of new market entry could also boost the figure but we think Futu withholds strengths in leveraging efficiency.

[5] Await for good news on VATP license in 1H26E. Upon receiving the full license, Futu plans to roll out crypto staking and crypto margin financing services to its HNW clients by using their stocks as collaterals. In 4Q25, Futu posted double-digit sequential growth in total number of crypto trading clients across HK/SG/US, with penetration rising to a level of high-single digit to low-double digit, per mgmt.

■ **Valuation/Forecast updates.** We modestly adjust our FY26E-28E EPS estimates to HK\$94/110/124 (+0.1%/+1.3%/+0.2%) to factor in the in-line 4Q25 results. We

roll forward to FY26E earnings and adopt a 19x forward P/E multiple with reference to a peers' average ([Table](#)) and a 10% discount, which we think will be reasonable. The stock is trading at 12x FY26E P/E, representing a 50% discount to key global peers and lower than its own average 12mth P/E since 4Q21, which marks a good entry point from a long-term accumulation perspective. Maintain BUY at US\$228.

- **Downside risks.** 1) lower-than-expected stock turnover amid easing sentiment; 2) softening trends in client asset inflows across key markets; 3) interest rate shocks; 4) significant drawdowns in US/HK stock and crypto markets; 5) slower-than-expected progress in new market entry; and 6) tightening regulatory oversight, etc.

Earnings Summary

(YE 31 Dec)	FY24A	FY25A	FY26E	FY27E	FY28E
Adjusted net profit (HK\$ mn)	5,768	11,645	13,641	15,899	18,040
EPS (Reported) (HK\$)	38.9	80.2	94.1	109.6	124.0
Consensus EPS (HK\$)	n.a	n.a	92.3	110.2	125.0
P/E (x)	28.6	13.9	11.9	10.3	9.1
P/B (x)	5.7	4.0	3.0	2.4	1.9
ROE (%)	20.7	33.3	28.6	25.5	22.7

Source: Company data, Bloomberg, CMBIGM estimates | Note: stock price data quoted by market close on March 12, 2026 (Thu).

4Q25 Key Forecasts Snapshot vs Our estimates

(HK\$m, %)	4Q24	1Q25	2Q25	3Q25	4Q25	QoQ%	YoY%	4Q25 CMBI est.	Diff.
Brokerage commission income	2,057	2,310	2,579	2,914	2,770	-4.9%	34.6%	2,849	-2.8%
Interest income	2,022	2,070	2,288	3,045	3,038	-0.2%	50.2%	3,010	0.9%
Other income	353	314	444	444	630	42.0%	78.7%	425	48.3%
Total revenue	4,433	4,695	5,311	6,403	6,438	0.6%	45.3%	6,284	2.4%
Brokerage commission expenses	(112)	(144)	(161)	(161)	(141)	-12.0%	25.9%	(157)	-10.0%
Interest expenses	(513)	(469)	(378)	(474)	(437)	-7.8%	-14.9%	(497)	-12.1%
Processing and servicing costs	(150)	(136)	(133)	(159)	(150)	-5.6%	0.0%	(142)	5.6%
Total Costs	(776)	(749)	(671)	(794)	(729)	-8.2%	-6.1%	(797)	-8.5%
Gross profit	3,657	3,946	4,640	5,609	5,710	1.8%	56.2%	5,487	4.1%
Research and development expenses	(399)	(386)	(442)	(574)	(507)	-11.8%	26.8%	(540)	-6.1%
Selling and marketing expenses	(464)	(459)	(429)	(586)	(507)	-13.5%	9.2%	(533)	-4.9%
General and administrative expenses	(576)	(415)	(425)	(545)	(549)	0.8%	-4.5%	(518)	6.1%
Operating expenses	(1,439)	(1,260)	(1,296)	(1,705)	(1,563)	-8.3%	8.6%	(1,590)	-1.7%
Operating profit	2,217	2,685	3,344	3,904	4,147	6.2%	87.0%	3,897	6.4%
Other income/(expense)	56	(21)	(168)	(35)	(144)	315.1%	-357.8%	0	n.a
Income before tax	2,273	2,665	3,176	3,870	4,003	3.4%	76.1%	3,897	2.7%
Income tax	(358)	(491)	(580)	(633)	(656)	3.6%	82.9%	(638)	2.8%
Share of profit/(Loss) from equity method investments	(45)	(31)	(24)	(19)	22	-214.9%	-149.0%	(19)	-214.1%
Net income/(losses)	1,869	2,143	2,573	3,217	3,369	4.7%	80.2%	3,240	4.0%
Net income/(losses) to shareholders	1,872	2,145	2,574	3,228	3,390	5.0%	81.1%	3,251	4.3%
Non-GAAP net income	1,952	2,217	2,660	3,312	3,456	4.3%	77.0%	3,330	3.8%
Key operating metrics:	4Q24	1Q25	2Q25	3Q25	4Q25	QoQ%	YoY%	CMBI est	Diff.
Quarterly new paying clients (k)	214.7	261.8	204.0	254.3	234.0	-8.0%	9.0%	220.3	6.2%
No. of paying clients (k)	2,411	2,673	2,877	3,131	3,365	7.5%	39.6%	3,352	0.4%
Total client assets (HK\$ bn)	743	830	974	1,240	1,230	-0.8%	65.5%	1,234	-0.4%
Avg. client assets per paying client (HK\$ mn)	0.31	0.31	0.34	0.40	0.37	-7.7%	18.6%	0.37	-0.8%
Total trading volume (HK\$ bn)	2,886	3,213	3,590	3,900	3,977	2.0%	37.8%	3,918	1.5%
- US stocks	2,080	2,250	2,700	2,600	3,045	17.1%	46.4%		
- HK stocks	755	916	834	1,190	821	-31.0%	8.8%		
Trading velocity of client assets (x)	18.8x	19.4x	19.1x	16.6x	15.0x	(1.6)	(3.7)	14.8x	0.2x
Blended commission rate (bps)	7.1bps	7.2bps	7.2bps	7.5bps	7.0bps	(0.5)	(0.1)	7.3bps	(0.3)
HK trading volume (HK\$bn)	11,586	14,564	14,261	18,613	14,018	-24.7%	21.0%		
Futu's market share in HK stock market (%)	3.26%	3.14%	2.92%	3.20%	2.93%	-0.27 bp	-0.33 bp		
US trading volume (US\$bn)	52,394	44,028	49,808	52,950	59,282	12.0%	13.1%		
Futu's market share in US stock market (%)	0.26%	0.33%	0.35%	0.32%	0.33%	0.01 bp	0.05 bp		
MFSL balance (HK\$bn)	50.9	50.3	51.4	63.1	67.7	7.3%	33.0%	72.4	-6.5%
MSFL balance as % of total client assets	6.8%	6.1%	5.3%	5.1%	5.5%	0.4pct	-1.3pct	5.9%	-0.4%
WM asset balance (HK\$bn)	110.9	139.2	163.2	175.6	179.6	2.3%	61.9%	177.3	1.3%
WM balance as % of total client assets	14.9%	16.8%	16.8%	14.2%	14.6%	0.4pct	-0.3pct	14.4%	0.2%
Client idle cash (HK\$bn)	68.6	88.2	105.3	127.6	113.4	-11.1%	65.2%	128.2	-11.6%
Client idle cash as % of total client assets	9.2%	10.6%	10.8%	10.3%	9.2%	-1.1pct	0.0pct	10.4%	-1.2%
Client acquisition costs (CAC, HK\$ 000')	2.16	1.75	2.10	2.30	2.17	-6.0%	0.2%	2.42	-10.4%
Number of IPO and IR clients	482	498	517	561	600	7.0%	24.5%		

Source: Company data, HKEx, CBOE, and CMBIGM estimates | Note: For column of difference, we calculate by actual results vs. our estimates in 4Q25.

Key financial metrics:	4Q24	1Q25	2Q25	3Q25	4Q25	QoQ%	YoY%	CMBI est	Diff.
Gross margin	82.5%	84.0%	87.4%	87.6%	88.7%	1.1pct	6.2pct	87.3%	1.4%
Operating margin	50.0%	57.2%	63.0%	61.0%	64.4%	3.4pct	14.4pct	62.0%	2.4%
Net margin	42.2%	45.7%	48.5%	50.4%	52.7%	2.2pct	10.4pct	51.7%	0.9%
Effective tax rate (ETR, %)	15.8%	18.4%	18.3%	16.4%	16.4%	0.0pct	0.6pct	16.4%	0.0%
ROA	5.0%	5.1%	5.4%	5.8%	5.7%	-0.1pct	0.8pct	5.2%	0.5%
ROE	26.5%	29.4%	32.4%	37.0%	35.5%	-1.5pct	8.9pct	34.1%	1.3%
Assets/Equity (financial leverage, x)	5.4x	5.8x	6.0x	6.3x	6.2x	(0.16)	0.82	6.6x	(0.38)
Assets/Equity (excl. client funds, x)	2.7x	2.9x	2.7x	2.7x	2.7x	(0.03)	(0.02)	2.8x	(0.16)

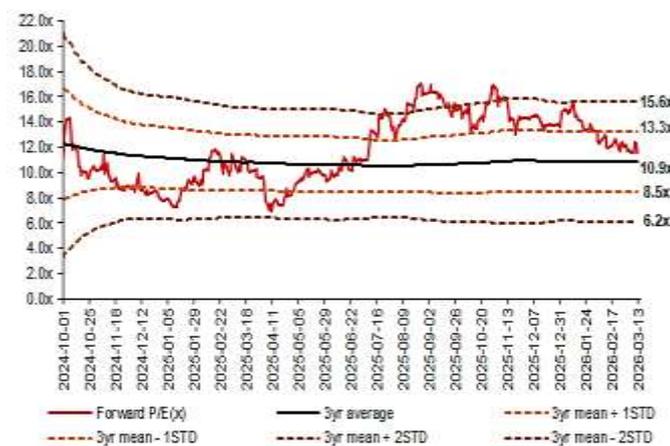
Source: Company data and CMBIGM estimates | Note: For column of difference, we calculate by actual results vs. our estimates in 4Q25.

Peers' comp table of P/E(x) in FY25E-28E vs. Futu Holdings

Company	Ticker	Last price (LC)	2026E	2027E	2028E
Up Fintech Holdings	TIGR US	7.35	6.7x	5.6x	5.9x
Robinhood Markets Inc.	HOOD US	76.12	32.1x	26.7x	21.8x
Interactive Brokers	IBKR US	66.92	27.0x	24.4x	21.2x
Charles Schwab	SCHW US	91.24	15.6x	13.4x	11.5x
East Money	East Money	21.36	23.7x	21.6x	19.5x
		Median	23.7x	21.6x	19.5x
		Mean	21.0x	18.4x	16.0x
Futu Holdings Ltd.	FUTU US	143.01	11.9x	10.3x	9.1x
		<i>Discount vs peers median</i>	-49.5%	-52.6%	-53.5%

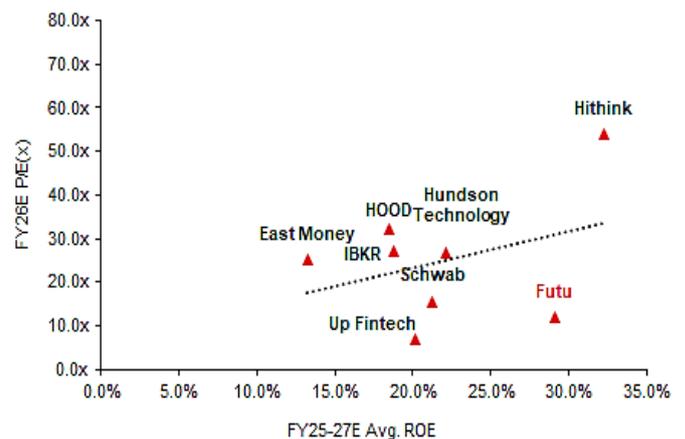
Source: Bloomberg, CMBIGM | Note: stock price data quoted by market close on March 12, 2026 (Thu). FY25-28E EPS estimates of Up Fintech, Robinhood, Interactive Brokers, Charles Schwab, and East Money are quoted from Bloomberg consensus as of March 12, 2026.

Figure 1: Futu's P/E(x) valuation trading band



Source: Bloomberg, Wind, CMBIGM estimates | Note: Stock price data quoted by market close on March 12, 2026 (Thu).

Figure 2: Futu's FY26E P/E and ROE vs. major peers



Source: Bloomberg, CMBIGM estimates
Note: The estimates of Futu's peer companies quoted from Bloomberg consensus.

Financial Summary

INCOME STATEMENT	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (HK\$ mn)						
Revenue	10,008	13,590	22,847	25,888	29,715	33,898
Cost of goods sold	(1,536)	(2,445)	(2,942)	(3,374)	(3,807)	(4,272)
Gross profit	8,472	11,145	19,905	22,514	25,908	29,626
Operating expenses	(3,465)	(4,523)	(5,824)	(6,773)	(7,575)	(8,888)
Selling expense	(710)	(1,409)	(1,980)	(2,053)	(1,949)	(2,180)
Admin expense	(1,313)	(1,620)	(1,935)	(2,427)	(2,839)	(3,321)
R&D expense	(1,441)	(1,494)	(1,909)	(2,293)	(2,787)	(3,387)
Operating profit	5,007	6,622	14,081	15,741	18,333	20,738
Other income	33	(86)	(367)	0	0	0
Pre-tax profit	5,041	6,535	13,713	15,741	18,333	20,738
Income tax	(748)	(998)	(2,360)	(2,579)	(3,003)	(3,397)
Others	(13)	(104)	(52)	87	102	115
Net profit	4,281	5,443	11,338	13,333	15,528	17,565
Adjusted net profit	4,570	5,768	11,645	13,641	15,899	18,040

BALANCE SHEET	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (HK\$ mn)						
Cash & equivalents	4,938	11,688	10,466	27,468	38,098	50,546
Cash held on behalf of clients	44,369	68,640	113,398	138,862	161,781	179,750
Restricted cash	1	1	3	3	3	3
Receivables	10,148	22,843	27,670	31,772	36,347	41,521
Loans and advances	32,547	49,714	64,747	83,499	101,986	120,787
Prepaid assets	55	63	78	95	115	140
ST bank deposits	6	5	0	0	0	0
Other current assets	3,383	2,949	7,429	7,703	7,995	8,299
Right-of-use assets	224	253	570	74	29	7
Long-term investments	239	573	615	640	666	693
Other non-current assets	1,227	2,026	3,461	3,602	3,748	3,900
Total assets	97,136	158,757	228,437	293,718	350,768	405,645
Amounts due to related parties	69	79	67	67	67	67
Payables	64,654	117,174	166,019	215,876	254,464	288,223
Lease liabilities	238	277	594	594	594	594
Securities purchased under agreements to repurchase	0	2,575	4,743	4,743	4,743	4,743
Accrued expenses	1,939	4,937	4,527	5,544	6,459	7,176
Long-term borrowings	5,652	5,702	12,143	13,194	15,186	17,990
Other non-current liabilities	12	8	22	23	24	25
Total liabilities	72,564	130,752	188,116	240,041	281,536	318,818
Share capital	0	0	0	0	0	0
Retained earnings	11,361	14,653	25,991	39,241	54,672	72,128
Other reserves	13,208	13,358	14,010	14,010	14,010	14,010
Total shareholders' equity	24,569	28,011	40,001	53,251	68,683	86,138
Minority interest	3	(7)	320	426	549	689
Total equity and liabilities	97,136	158,757	228,437	293,718	350,768	405,645

CASH FLOW	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (HK\$ mn)						
Net change in cash	(6,474)	31,171	43,537	42,203	33,289	30,001
Cash at the beginning of the year	55,716	49,308	80,329	124,129	166,593	200,296
Exchange difference	66	(150)	0	0	0	0
Cash at the end of the year	49,308	80,329	123,867	166,332	199,882	230,298
PROFITABILITY	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Gross profit margin (GPM)	84.7%	82.0%	87.1%	87.0%	87.2%	87.4%
Operating margin (OPM)	50.0%	48.7%	61.6%	60.8%	61.7%	61.2%
Non-GAAP net margin (Adj. NPM)	45.7%	42.4%	51.0%	52.7%	53.5%	53.2%
Return on equity (ROE)	18.8%	20.7%	33.3%	28.6%	25.5%	22.7%
VALUATION	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
P/E (x)	36.5	28.6	13.9	11.9	10.3	9.1
P/B (x)	6.5	5.7	4.0	3.0	2.4	1.9
EV/EBITDA (x)	24.1	18.7	9.2	8.0	6.8	6.0

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets. | Note: stock price data quoted by market close on March 12, 2026 (Thu).

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