

# J&T Express (1519 HK)

## 2025 earnings beat expectations; Market share further expanded

J&T's adjusted after tax profit (excluding fair value change of financial liabilities and share-based expense) surged 112% YoY to US\$425mn in 2025, which is 22%/16% above our/Bloomberg consensus. This implies adjusted profit of US\$272mn in 2H25 (+151% YoY). It is worth noting that New market's adjusted EBIT turned positive in 2025. The strong results enhanced our confidence in J&T's global growth story. We revise up our 2026E/27E earnings forecasts by 5%/9%, due largely to higher parcel volume in SEA and higher overall unit margin. Our SOTP-based TP is revised up to HK\$14.7 (from HK\$13.4). Maintain **BUY** as we continue to like J&T's (1) unmatched competitive edge and market share gain potential in SEA (34.4% in 2025, +5.8ppts YoY), and (2) large potential in New markets such as Brazil and the Middle East.

### J&T's 2025 operating results highlights

	1H24	1H25	Change (YoY)	2H24	2H25	Change (YoY)
<b>Shipment volume (mn units of parcel)</b>						
Southeast Asia	2,043	3,226	57.9%	2,520	4,433	75.9%
China	8,836	10,599	20.0%	10,965	11,467	4.6%
New markets	136	166	21.8%	145	238	64.2%
<b>Total</b>	<b>11,015</b>	<b>13,991</b>	<b>27.0%</b>	<b>13,631</b>	<b>16,138</b>	<b>18.4%</b>
<b>ASP (US\$)</b>						
Southeast Asia	0.74	0.61	-17.9%	0.67	0.57	-15.4%
China	0.34	0.30	-12.8%	0.31	0.31	0.8%
New markets	2.14	2.18	2.0%	1.96	2.13	8.9%
Blended	0.44	0.39	-10.5%	0.39	0.41	3.9%
<b>(US\$ mn)</b>						
<b>Revenue</b>	<b>1H24</b>	<b>1H25</b>	<b>Change (YoY)</b>	<b>2H24</b>	<b>2H25</b>	<b>Change (YoY)</b>
Express delivery services	4,810	5,469	13.7%	5,375	6,612	23.0%
Southeast Asia	1,520	1,970	29.6%	1,701	2,531	48.8%
China	2,998	3,137	4.6%	3,390	3,573	5.4%
New markets	292	362	24.3%	284	508	78.8%
Cross-border services	52	29	-43.1%	23	47	105.5%
<b>Total</b>	<b>4,862</b>	<b>5,499</b>	<b>13.1%</b>	<b>5,397</b>	<b>6,659</b>	<b>23.4%</b>
<b>Gross margin (by region)</b>						
Southeast Asia	18.9%	17.8%	(1.1)	20.3%	20.2%	(0.2)
China	7.1%	4.5%	(2.7)	6.2%	8.6%	2.4
New markets	12.0%	12.0%	0.0	-1.9%	20.6%	22.5
Cross border	-0.9%	15.2%	16.1	-29.1%	4.6%	33.7
<b>Blended gross margin</b>	<b>11.0%</b>	<b>9.8%</b>	<b>(1.2)</b>	<b>10.1%</b>	<b>13.9%</b>	<b>3.8</b>
<b>(US\$ mn)</b>						
<b>Adjusted EBITDA</b>	<b>1H24</b>	<b>1H25</b>	<b>Change (YoY)</b>	<b>2H24</b>	<b>2H25</b>	<b>Change (YoY)</b>
SEA	208	313	50.5%	248	393	58.4%
China	199	155	-22.1%	228	208	-8.8%
New markets	-8	2	n/a	-35	47	n/a
Cross border	-7	3	n/a	-22	2	n/a
Unallocated	-41	-37	-10.1%	8	-36	n/a
<b>Total adjusted EBITDA</b>	<b>351</b>	<b>436</b>	<b>24.2%</b>	<b>427</b>	<b>613</b>	<b>43.5%</b>

Source: Company data, CMBIGM estimates

### Earnings Summary

(YE 31 Dec)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue (US\$ mn)	10,259	12,158	14,117	16,354	18,704
YoY growth (%)	15.9	18.5	16.1	15.8	14.4
Adjusted net profit (US\$ mn)	200.3	425.4	614.9	829.8	989.8
EPS (Adjusted) (US\$ cents)	2.30	4.87	6.98	9.42	11.23
Consensus EPS (US\$ cents)	na	4.21	6.97	9.62	0.00
P/E (x)	100.4	51.1	18.9	14.0	11.7
P/B (x)	3.6	3.2	2.8	2.3	1.9
Yield (%)	0.0	0.0	0.0	0.0	0.0
ROE (%)	3.6	6.6	15.8	18.0	17.9
Net gearing (%)	(1.9)	8.5	(4.3)	(12.3)	(17.8)

Source: Company data, Bloomberg, CMBIGM estimates

**BUY (Maintain)**

<b>Target Price</b>	<b>HK\$14.70</b>
(Previous TP)	HK\$13.40)
<b>Up/Downside</b>	<b>61.9%</b>
<b>Current Price</b>	<b>HK\$9.08</b>

### China Logistics

**Wayne FUNG, CFA**

(852) 3900 0826

waynefung@cmbi.com.hk

### Stock Data

Mkt Cap (HK\$ mn)	80,014.5
Avg 3 mths t/o (HK\$ mn)	288.2
52w High/Low (HK\$)	12.00/4.68
Total Issued Shares (mn)	8812.2

Source: FactSet

### Shareholding Structure

Jet Jie Li 11.1%

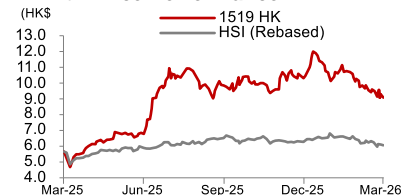
Source: HKEx

### Share Performance

	Absolute	Relative
1-mth	-11.6%	-4.9%
3-mth	-11.6%	-7.6%
6-mth	-7.2%	0.7%

Source: FactSet

### 12-mth Price Performance



Source: FactSet

### Related reports:

J&T Express (BUY) – Share-swap with SF to help expand new markets – 15 Jan 2026 ([link](#))

J&T Express (BUY) – Takeaways from Bangkok investor call – 12 Dec 2025 ([link](#))

J&T Express (BUY) – Parcel growth in SEA further accelerated in 3Q25 – 14 Oct 2025 ([link](#))

J&T Express (BUY) – 1H25 profit a mixed bag but growth story well intact – 1 Sep 2025 ([link](#))

**Figure 1: 2025 results highlights**

YE Dec 31(US\$ mn)	2024	2025	Change (YoY)	1H24	1H25	Change (YoY)	2H24	2H25	Change (YoY)
<b>Revenue</b>	<b>10,259</b>	<b>12,158</b>	<b>18.5%</b>	<b>4,862</b>	<b>5,499</b>	<b>13.1%</b>	<b>5,397</b>	<b>6,659</b>	<b>23.4%</b>
Cost of sales	-9,181	-10,695	16.5%	-4,326	-4,960	14.7%	-4,855	-5,735	18.1%
<b>Gross profit</b>	<b>1,078</b>	<b>1,463</b>	<b>35.7%</b>	<b>536</b>	<b>539</b>	<b>0.5%</b>	<b>542</b>	<b>924</b>	<b>70.3%</b>
SG&A expense	-827	-867	4.9%	-382	-383	0.4%	-445	0	n/a
R&D expense	-49	-62	27.7%	-24	-27	14.4%	-25	0	n/a
Asset impairment	-11	-27	138.5%	-12	-12	-7.1%	1	0	n/a
Other gains/(losses)	19	-33	n/a	-3	9	n/a	22	0	n/a
<b>EBIT</b>	<b>211</b>	<b>473</b>	<b>124.4%</b>	<b>115</b>	<b>125</b>	<b>9.0%</b>	<b>96</b>	<b>347</b>	<b>263.4%</b>
Net finance income/(cost)	-86	-103	20.0%	-45	-39	-13.5%	-41	-64	57.2%
Finance income	41	46	12.1%	17	26	53.4%	23	19	-18.4%
Finance expenses	-126	-148	17.5%	-62	-65	5.1%	-64	-83	29.5%
Fair value change	4	-106	n/a	-29	3	n/a	33	-109	n/a
Share of profit of JV and associates	-0	-0	-27.8%	-0	-0	48.9%	-0	-0	-55.0%
<b>Pretax profit</b>	<b>129</b>	<b>263</b>	<b>104.0%</b>	<b>41</b>	<b>89</b>	<b>117.7%</b>	<b>88</b>	<b>174</b>	<b>97.6%</b>
Income tax	-15	-38	146.6%	-10	-0	-95.5%	-5	-38	596.4%
<b>After tax profit</b>	<b>114</b>	<b>225</b>	<b>98.2%</b>	<b>31</b>	<b>89</b>	<b>186.6%</b>	<b>83</b>	<b>136</b>	<b>65.0%</b>
MI	-13	-27	104.8%	3	-3	n/a	-17	-24	46.9%
<b>Net profit attributable to shareholders</b>	<b>101</b>	<b>198</b>	<b>97.3%</b>	<b>34</b>	<b>86</b>	<b>150.6%</b>	<b>66</b>	<b>112</b>	<b>69.5%</b>
<b>Recurring net profit after tax</b>	<b>200</b>	<b>425</b>	<b>112.3%</b>	<b>92</b>	<b>153</b>	<b>66.3%</b>	<b>108</b>	<b>272</b>	<b>151.5%</b>
D&A	477	483	1.2%	233	240	3.2%	244	243	-0.6%
<b>EBITDA</b>	<b>692</b>	<b>937</b>	<b>35.4%</b>	<b>348</b>	<b>365</b>	<b>5.1%</b>	<b>344</b>	<b>571</b>	<b>66.0%</b>

Source: Company data, CMBIGM estimates

**Figure 2: Quarterly parcel volume**

	1Q24	1Q25	Change YoY	2Q24	2Q25	Change YoY	3Q24	3Q25	Change YoY	4Q24	4Q25	Change YoY
<b>Shipment volume</b>												
(mn units of parcel)												
Southeast Asia	1,026	1,538	50.0%	1,017	1,688	65.9%	1,117	1,997	78.7%	1,403	2,436	73.6%
China	3,942	4,985	26.5%	4,894	5,614	14.7%	5,051	5,576	10.4%	5,914	5,891	-0.4%
New markets	64	77	19.5%	72	89	23.8%	70	104	48.0%	75	134	79.5%
<b>Total</b>	<b>5,032</b>	<b>6,600</b>	<b>31.2%</b>	<b>5,983</b>	<b>7,392</b>	<b>23.5%</b>	<b>6,239</b>	<b>7,677</b>	<b>23.1%</b>	<b>7,392</b>	<b>8,461</b>	<b>14.5%</b>

Source: Company data, CMBIGM estimates

**Figure 3: Change in key assumptions**

	Old			New			Change		
	2026E	2027E	2028E	2026E	2027E	2028E	2026E	2027E	2028E
<b>Shipment volume (mn units of parcel)</b>									
Southeast Asia	9,254	11,290	-	10,339	12,924	15,509	11.7%	14.5%	-
China	26,870	30,095	-	24,493	27,432	30,724	-8.8%	-8.8%	-
New markets	543	750	-	545	752	1,038	0.4%	0.4%	-
<b>Total</b>	<b>36,668</b>	<b>42,134</b>	-	<b>35,378</b>	<b>41,109</b>	<b>47,272</b>	<b>-3.5%</b>	<b>-2.4%</b>	<b>-</b>
<b>ASP (US\$)</b>									
Southeast Asia	0.57	0.54	-	0.54	0.52	0.50	-4.7%	-4.7%	-
China	0.28	0.28	-	0.30	0.29	0.29	4.6%	4.6%	-
New markets	2.08	2.05	-	2.11	2.07	2.03	1.7%	1.2%	-
<b>Blended</b>	<b>0.38</b>	<b>0.38</b>	-	<b>0.40</b>	<b>0.40</b>	<b>0.39</b>	<b>3.7%</b>	<b>3.7%</b>	<b>-</b>
<b>Unit cost of express delivery by region (US\$)</b>									
Southeast Asia	-0.47	-0.46	-	-0.44	-0.43	-0.42	-5.2%	-5.1%	-
China	-0.27	-0.26	-	-0.28	-0.27	-0.26	4.0%	4.3%	-
New markets	-1.81	-1.79	-	-1.76	-1.72	-1.69	-2.9%	-4.1%	-
<b>Average</b>	<b>-0.34</b>	<b>-0.34</b>	-	<b>-0.35</b>	<b>-0.35</b>	<b>-0.35</b>	<b>2.5%</b>	<b>2.5%</b>	<b>-</b>
<b>Unit gross margin (US\$)</b>									
Southeast Asia	0.10	0.09	-	0.10	0.09	0.08	-2.2%	-2.4%	-
China	0.02	0.02	-	0.02	0.02	0.02	13.2%	8.6%	-
New markets	0.27	0.25	-	0.35	0.35	0.34	33.1%	38.2%	-
<b>Average</b>	<b>0.04</b>	<b>0.04</b>	-	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>13.6%</b>	<b>13.0%</b>	<b>-</b>
<b>(US\$ mn)</b>									
<b>Revenue</b>									
<b>Express delivery services</b>									
Southeast Asia	5,250	6,148	-	5,591	6,709	7,729	6.5%	9.1%	-
China	7,658	8,405	-	7,299	8,011	8,793	-4.7%	-4.7%	-
New markets	1,128	1,533	-	1,151	1,557	2,106	2.1%	1.5%	-
Cross-border services	75	75	-	76	76	76	2.1%	2.1%	-
<b>Total</b>	<b>14,110</b>	<b>16,162</b>	-	<b>14,117</b>	<b>16,354</b>	<b>18,704</b>	<b>0.1%</b>	<b>1.2%</b>	<b>-</b>
<b>Gross margin (by region)</b>									
Southeast Asia	17%	16%	-	18%	17%	16%	ppt	0.4	-
China	6%	7%	-	7%	8%	8%	0.5	0.3	-
New markets	13%	12%	-	17%	17%	17%	4.0	4.5	-
Cross border	10%	10%	-	10%	10%	10%	(0.0)	(0.0)	-
<b>Blended gross margin</b>	<b>11%</b>	<b>11%</b>	-	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>1.0</b>	<b>1.0</b>	<b>-</b>
<b>Recurring net profit after tax</b>	<b>583</b>	<b>761</b>	-	<b>615</b>	<b>830</b>	<b>990</b>	<b>5.4%</b>	<b>9.1%</b>	<b>-</b>

Source: Company data, CMBIGM estimates

Figure 4: Key operating assumptions

	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
<b>Shipment volume (mn units of parcel)</b>									
Southeast Asia	1,154	2,161	2,513	3,240	4,563	7,659	10,339	12,924	15,509
China	2,084	8,334	12,026	15,341	19,801	22,066	24,493	27,432	30,724
New markets	-	-	49	230	281	404	545	752	1,038
<b>Total</b>	<b>3,237</b>	<b>10,495</b>	<b>14,588</b>	<b>18,812</b>	<b>24,646</b>	<b>30,129</b>	<b>35,378</b>	<b>41,109</b>	<b>47,272</b>
<b>Change (YoY)</b>									
Southeast Asia	-	87.3%	16.3%	28.9%	40.8%	67.8%	35.0%	25.0%	20.0%
China	-	300.0%	44.3%	27.6%	29.1%	11.4%	11.0%	12.0%	12.0%
New markets	-	-	-	369.0%	22.1%	43.6%	35.0%	38.0%	38.0%
<b>Average</b>	<b>-</b>	<b>224.2%</b>	<b>39.0%</b>	<b>29.0%</b>	<b>31.0%</b>	<b>22.2%</b>	<b>17.4%</b>	<b>16.2%</b>	<b>15.0%</b>
<b>ASP (US\$)</b>									
Southeast Asia	0.91	1.10	0.95	0.81	0.71	0.59	0.54	0.52	0.50
China	0.23	0.26	0.34	0.34	0.32	0.30	0.30	0.29	0.29
New markets	-	-	1.67	1.42	2.05	2.15	2.11	2.07	2.03
Blended	0.47	0.43	0.45	0.44	0.41	0.40	0.40	0.40	0.39
<b>Change (YoY)</b>									
Southeast Asia	-	21.3%	-13.9%	-14.2%	-13.2%	-16.7%	-8.0%	-4.0%	-4.0%
China	-	13.9%	30.1%	0.1%	-5.4%	-5.7%	-2.0%	-2.0%	-2.0%
New markets	-	-	-	-14.8%	44.2%	5.3%	-2.0%	-2.0%	-2.0%
<b>Average</b>	<b>-</b>	<b>-7.8%</b>	<b>3.5%</b>	<b>-3.2%</b>	<b>-5.1%</b>	<b>-3.0%</b>	<b>-1.0%</b>	<b>-0.2%</b>	<b>-0.5%</b>
<b>Unit cost of express delivery by region (US\$)</b>									
Southeast Asia	-0.64	-0.79	-0.76	-0.67	-0.57	-0.48	-0.44	-0.43	-0.42
China	-0.51	-0.41	-0.40	-0.34	-0.30	-0.28	-0.28	-0.27	-0.26
New markets	-	-	-2.06	-1.41	-1.94	-1.79	-1.76	-1.72	-1.69
<b>Average</b>	<b>-0.55</b>	<b>-0.49</b>	<b>-0.46</b>	<b>-0.41</b>	<b>-0.37</b>	<b>-0.35</b>	<b>-0.35</b>	<b>-0.35</b>	<b>-0.35</b>
<b>Change (YoY)</b>									
Southeast Asia	-	24.7%	-4.5%	-12.0%	-15.1%	-16.2%	-6.6%	-2.7%	-2.7%
China	-	-19.5%	-3.0%	-14.9%	-10.6%	-5.8%	-2.2%	-2.8%	-2.9%
New markets	-	-	-	-31.4%	37.5%	-7.9%	-1.7%	-2.1%	-1.6%
<b>Average</b>	<b>-</b>	<b>-11.9%</b>	<b>-4.8%</b>	<b>-12.2%</b>	<b>-9.3%</b>	<b>-4.5%</b>	<b>-1.0%</b>	<b>-0.5%</b>	<b>-0.6%</b>
<b>Unit gross margin (US\$)</b>									
Southeast Asia	0.27	0.31	0.19	0.15	0.14	0.11	0.10	0.09	0.08
China	-0.28	-0.15	-0.06	0.00	0.02	0.02	0.02	0.02	0.02
New markets	-	-	-0.39	0.01	0.11	0.37	0.35	0.35	0.34
<b>Average</b>	<b>-0.08</b>	<b>-0.05</b>	<b>-0.01</b>	<b>0.03</b>	<b>0.04</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>	<b>0.05</b>
<b>Change (YoY)</b>									
Southeast Asia	-	13.3%	-38.2%	-23.4%	-4.4%	-19.0%	-13.8%	-10.1%	-10.6%
China	-	-	-	-	-	-5.1%	0.1%	8.6%	9.6%
New markets	-	-	-	-	-	248.2%	-3.6%	-1.3%	-3.9%
<b>Average</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.1%</b>	<b>9.7%</b>	<b>-1.1%</b>	<b>1.4%</b>	<b>0.3%</b>
<b>(US\$ mn)</b>									
<b>Revenue</b>									
Express delivery services	1,525	4,559	6,560	8,189	10,185	12,082	14,041	16,278	18,628
Southeast Asia	1,047	2,378	2,382	2,633	3,221	4,502	5,591	6,709	7,729
China	479	2,181	4,096	5,229	6,388	6,710	7,299	8,011	8,793
New markets	-	-	82	327	576	870	1,151	1,557	2,106
Cross-border services	10	292	708	660	75	76	76	76	76
<b>Total</b>	<b>1,535</b>	<b>4,852</b>	<b>7,267</b>	<b>8,849</b>	<b>10,259</b>	<b>12,158</b>	<b>14,117</b>	<b>16,354</b>	<b>18,704</b>
<b>Revenue growth (by segment)</b>									
Express delivery services	-	198.9%	43.9%	24.8%	24.4%	18.6%	16.2%	15.9%	14.4%
Southeast Asia	-	127.2%	0.2%	10.6%	22.3%	39.8%	24.2%	20.0%	15.2%
China	-	355.5%	87.8%	27.7%	22.2%	5.0%	8.8%	9.8%	9.8%
New markets	-	-	-	299.5%	76.1%	51.2%	32.3%	35.2%	35.2%
Cross-border services	-	2797.5%	142.5%	-6.8%	-88.7%	2.1%	0.0%	0.0%	0.0%
<b>Average</b>	<b>-</b>	<b>216.0%</b>	<b>49.8%</b>	<b>21.8%</b>	<b>15.9%</b>	<b>18.5%</b>	<b>16.1%</b>	<b>15.8%</b>	<b>14.4%</b>
<b>Gross margin (by region)</b>									
Southeast Asia	29.8%	27.8%	20.0%	17.9%	19.7%	19.1%	17.9%	16.8%	15.6%
China	-120.4%	-55.9%	-16.2%	1.1%	6.6%	6.7%	6.8%	7.5%	8.4%
New markets	0.0%	0.0%	-23.5%	0.5%	5.2%	17.0%	16.8%	16.9%	16.6%
Cross border	32.5%	4.1%	-8.8%	-8.8%	-9.5%	8.7%	10.0%	10.0%	10.0%
<b>Blended gross margin</b>	<b>-17.0%</b>	<b>-11.2%</b>	<b>-3.7%</b>	<b>5.3%</b>	<b>10.5%</b>	<b>12.0%</b>	<b>12.0%</b>	<b>12.2%</b>	<b>12.3%</b>
<b>(US\$ mn)</b>									
<b>Adjusted EBITDA</b>									
SEA	267	427	332	376	456	706	897	1,032	1,072
China	-616	-1,206	-723	31	427	363	369	463	556
New markets	0	0	-74	-82	-43	48	94	133	179
Cross border	2	-14	-95	-107	-29	4	7	7	7
Unallocated	27	-2	-334	-71	-33	-73	-60	-60	-60
<b>Total adjusted EBITDA</b>	<b>-321</b>	<b>-794</b>	<b>-894</b>	<b>147</b>	<b>778</b>	<b>1,049</b>	<b>1,308</b>	<b>1,576</b>	<b>1,754</b>
Share-based payments and expenses	-188	-619	-281	-1,462	-87	-113	0	0	0
Listing expense	0	-12	-10	-8	0	0	0	0	0
Others	0	-1	302	0	0	0	0	0	0
<b>Reported EBITDA</b>	<b>-509</b>	<b>-1,427</b>	<b>-884</b>	<b>-1,324</b>	<b>692</b>	<b>937</b>	<b>1,308</b>	<b>1,576</b>	<b>1,754</b>

Source: Company data, CMBIGM estimates

## Valuation

We apply different EV/EBITDA multiples for different markets to better reflect their respective growth outlook. We revise up our SOTP-based TP to HK\$14.7.

- **SEA:** We assign a target multiple of 14x, which is ~80% premium over the global integrated logistics operators. Our larger target premium is to reflect J&T's strong pricing power and continuous market share gains in the region.
- **China:** We assign a target multiple of 6.5x, in line with the major peers. We expect the “anti-involution” campaign will lend support to the valuation.
- **New markets.** We assign a target multiple unchanged at 20x. Our valuation premium is to reflect the strong growth potential in the Latin America and the Middle East markets.

**Figure 5: Target equity valuation**

Breakdown	Methodology	2026E		Multiple	Value	% of total
		(US\$ mn)				
SEA	EV/EBITDA	EBITDA	897	14	12,563	75%
China	EV/EBITDA	EBITDA	369	6.5	2,399	14%
New markets	EV/EBITDA	EBITDA	94	20	1,882	11%
<b>Total EV</b>					<b>16,845</b>	100%
Add: Net cash (end 2025)					-269	
Minus: MI					0	
<b>Equity value</b>					<b>16,575</b>	
<b>Target price</b>						
<b>US\$</b>					<b>1.88</b>	
<b>HK\$</b>					<b>14.7</b>	

Source: CMBIGM estimates

## Financial Summary

INCOME STATEMENT	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (US\$ mn)						
<b>Revenue</b>	<b>8,849</b>	<b>10,259</b>	<b>12,158</b>	<b>14,117</b>	<b>16,354</b>	<b>18,704</b>
Cost of goods sold	(8,376)	(9,181)	(10,695)	(12,418)	(14,353)	(16,398)
<b>Gross profit</b>	<b>473</b>	<b>1,078</b>	<b>1,463</b>	<b>1,699</b>	<b>2,001</b>	<b>2,306</b>
<b>Operating profit</b>	<b>(1,767)</b>	<b>211</b>	<b>473</b>	<b>817</b>	<b>1,058</b>	<b>1,239</b>
Share of (losses)/profits of associates/JV	(0)	(0)	(0)	0	0	0
Interest income	25	41	46	52	57	63
Interest expense	(105)	(126)	(148)	(145)	(138)	(138)
<b>Net Interest income/(expense)</b>	<b>(80)</b>	<b>(86)</b>	<b>(103)</b>	<b>(94)</b>	<b>(82)</b>	<b>(75)</b>
Others	708	4	(106)	0	0	0
<b>Pre-tax profit</b>	<b>(1,139)</b>	<b>129</b>	<b>263</b>	<b>723</b>	<b>976</b>	<b>1,164</b>
Income tax	(17)	(15)	(38)	(109)	(146)	(175)
<b>After tax profit</b>	<b>(1,156)</b>	<b>114</b>	<b>225</b>	<b>615</b>	<b>830</b>	<b>990</b>
Minority interest	55	(13)	(27)	(74)	(100)	(119)
<b>Net profit</b>	<b>(1,101)</b>	<b>101</b>	<b>198</b>	<b>541</b>	<b>730</b>	<b>871</b>
<b>Adjusted net profit</b>	<b>(432)</b>	<b>200</b>	<b>425</b>	<b>615</b>	<b>830</b>	<b>990</b>
Gross dividends	0	0	0	0	0	0
BALANCE SHEET	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (US\$ mn)						
<b>Current assets</b>	<b>3,137</b>	<b>3,613</b>	<b>4,505</b>	<b>4,710</b>	<b>5,646</b>	<b>6,424</b>
Cash & equivalents	1,483	1,597	2,009	2,240	2,623	3,022
Restricted cash	42	41	130	130	130	130
Account receivables	556	680	953	594	1,019	1,031
Inventories	35	22	21	34	29	52
Prepayment	971	1,172	1,271	1,591	1,724	2,068
Financial assets at FVTPL	50	101	121	121	121	121
Other current assets	0	0	0	0	0	0
<b>Non-current assets</b>	<b>3,464</b>	<b>3,682</b>	<b>4,296</b>	<b>4,453</b>	<b>4,622</b>	<b>4,794</b>
PP&E	1,179	1,386	1,771	2,127	2,496	2,838
Right-of-use assets	503	477	566	386	206	56
Deferred income tax	54	75	108	108	108	108
Investment in JVs & assos	0	0	0	0	0	0
Intangibles	975	1,119	1,112	1,093	1,073	1,053
Financial assets at FVTPL	726	573	658	658	658	658
Other non-current assets	28	53	81	81	81	81
<b>Total assets</b>	<b>6,601</b>	<b>7,295</b>	<b>8,801</b>	<b>9,163</b>	<b>10,268</b>	<b>11,218</b>
<b>Current liabilities</b>	<b>2,085</b>	<b>2,418</b>	<b>3,455</b>	<b>3,402</b>	<b>3,678</b>	<b>3,638</b>
Short-term borrowings	211	263	814	814	814	814
Account payables	467	590	741	688	964	923
Tax payable	31	35	23	23	23	23
Other current liabilities	11	11	5	5	5	5
Lease liabilities	204	172	166	166	166	166
Contract liabilities	272	322	346	346	346	346
Accrued expenses	889	1,024	1,361	1,361	1,361	1,361
<b>Non-current liabilities</b>	<b>2,037</b>	<b>2,354</b>	<b>2,501</b>	<b>2,301</b>	<b>2,301</b>	<b>2,301</b>
Long-term borrowings	1,071	1,321	1,595	1,395	1,395	1,395
Obligations under finance leases	304	297	331	331	331	331
Other non-current liabilities	661	737	575	575	575	575
<b>Total liabilities</b>	<b>4,122</b>	<b>4,772</b>	<b>5,956</b>	<b>5,703</b>	<b>5,979</b>	<b>5,939</b>
<b>Total shareholders equity</b>	<b>2,750</b>	<b>2,825</b>	<b>3,155</b>	<b>3,696</b>	<b>4,427</b>	<b>5,298</b>
Minority interest	(270)	(303)	(311)	(237)	(138)	(19)

<b>CASH FLOW</b>	<b>2023A</b>	<b>2024A</b>	<b>2025A</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
<b>YE 31 Dec (US\$ mn)</b>						
<b>Operating</b>						
Profit before taxation	(1,139)	129	263	723	976	1,164
Depreciation & amortization	246	263	291	310	338	365
Tax paid	(82)	(64)	(38)	(109)	(146)	(175)
Change in working capital	205	65	(219)	(28)	(277)	(419)
Others	1,113	415	791	274	262	225
<b>Net cash from operations</b>	<b>342</b>	<b>807</b>	<b>1,088</b>	<b>1,171</b>	<b>1,152</b>	<b>1,161</b>
<b>Investing</b>						
Capital expenditure	(417)	(502)	(594)	(640)	(680)	(680)
Acquisition of subsidiaries/ investments	(62)	11	0	0	0	0
Others	(380)	(83)	(70)	45	50	56
<b>Net cash from investing</b>	<b>(859)</b>	<b>(574)</b>	<b>(664)</b>	<b>(595)</b>	<b>(630)</b>	<b>(624)</b>
<b>Financing</b>						
Dividend paid	(29)	0	0	0	0	0
Net borrowings	184	301	826	(200)	0	0
Proceeds from share issues	486	0	(43)	0	0	0
Others	(141)	(401)	(783)	(145)	(138)	(138)
<b>Net cash from financing</b>	<b>501</b>	<b>(100)</b>	<b>(1)</b>	<b>(345)</b>	<b>(138)</b>	<b>(138)</b>
<b>Net change in cash</b>						
Cash at the beginning of the year	1,504	1,483	1,597	2,009	2,240	2,623
Exchange difference	(5)	(20)	(11)	0	0	0
<b>Cash at the end of the year</b>	<b>1,483</b>	<b>1,597</b>	<b>2,009</b>	<b>2,240</b>	<b>2,623</b>	<b>3,022</b>
<b>GROWTH</b>	<b>2023A</b>	<b>2024A</b>	<b>2025A</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
<b>YE 31 Dec</b>						
Revenue	21.8%	15.9%	18.5%	16.1%	15.8%	14.4%
Gross profit	na	128.0%	35.7%	16.2%	17.8%	15.2%
Operating profit	na	na	124.4%	72.9%	29.4%	17.2%
Net profit	na	na	97.3%	172.7%	34.9%	19.3%
Adj. net profit	na	na	112.3%	44.6%	34.9%	19.3%
<b>PROFITABILITY</b>	<b>2023A</b>	<b>2024A</b>	<b>2025A</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
<b>YE 31 Dec</b>						
Gross profit margin	5.3%	10.5%	12.0%	12.0%	12.2%	12.3%
Operating margin	(20.0%)	2.1%	3.9%	5.8%	6.5%	6.6%
Adj. net profit margin	(4.9%)	2.0%	3.5%	4.4%	5.1%	5.3%
Return on equity (ROE)	na	3.6%	6.6%	15.8%	18.0%	17.9%
<b>GEARING/LIQUIDITY/ACTIVITIES</b>	<b>2023A</b>	<b>2024A</b>	<b>2025A</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
<b>YE 31 Dec</b>						
Net debt to equity (x)	(0.1)	(0.0)	0.1	(0.0)	(0.1)	(0.2)
Current ratio (x)	1.5	1.5	1.3	1.4	1.5	1.8
Receivable turnover days	22.1	22.0	24.5	20.0	18.0	20.0
Inventory turnover days	1.4	1.1	0.7	0.8	0.8	0.9
Payable turnover days	20.7	21.0	22.7	21.0	21.0	21.0
<b>VALUATION</b>	<b>2023A</b>	<b>2024A</b>	<b>2025A</b>	<b>2026E</b>	<b>2027E</b>	<b>2028E</b>
<b>YE 31 Dec</b>						
P/E	ns	100.4	51.1	18.9	14.0	11.7
P/B	3.7	3.6	3.2	2.8	2.3	1.9
Div yield (%)	0.0	0.0	0.0	0.0	0.0	0.0

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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