

Js Global Lifestyle (1691 HK)

No FY23E guidance but the risk-reward is there

Both sales growth and margin were under massive pressure in 4Q22, due to pandemic and industry-wide de-stocking. Even though management provides no guidance for FY23E, we do agree that there are more tailwinds (e.g. cheaper input costs and freight rate, better discounts) than headwinds (macroeconomic risks and potential tariffs). And the long-term growth story is still valid.

- **FY22 result roughly inline but dividend missed.** JS Global's sales fell by 2% YoY to US\$ 5.0bn and its net profit also dropped by 21% YoY to US\$ 332mn, both were inline with the Company's latest guidance. We believe the weak result was due to: 1) Joyoung's sales decline in 4Q22 under the pandemic, and 2) SharkNinja's margin pressure, esp. when industry becomes rather promotional (some peers had offered retail discounts as much as 50%-60% to destock but SN was light on that), plus 3) the one-off bonus paid to management (about US\$ 34mn). Noted that no dividend was proposed this time, because the management believes that would unnecessarily distort the financials before potential spin-off. Even though we do suspect the de-stocking cycle could last for another 6 to 12 months, SharkNinja's inventory days already fell back to 82 days (vs 108 days in 1H22), not too far from the 71 days in FY19.
- **No numbers were provided for 1Q23E but we expect no surprises.** Based on industry trend and our estimates, we believe sales growth in 1Q23E could be flattish or slight positive for JS global (positive for Joyoung and flattish or slight drop for SharkNinja). Management did state that they are comfortable with the trend in 1Q23E.
- **No specific guidance for FY23E but management is confident on GP margin expansion.** Assuming no distortion from the import tariffs (still one of the major swing factors), GP margin in FY23E should have a nice expansion (CMBI est. 1ppt). The reason is that various headwinds have now turned into tailwinds, namely: 1) the shipping costs, as freight rate had tanked from ~US\$ 16K to just ~US\$ 1.8K per container, 2) lowered costs for raw materials and key components (e.g. batteries, electronics parts) and 3) a less promotional environment (as de-stocking may ease in 2H23E) and 4) mild benefits from the CNY depreciation in 1H23E.
- **Maintain BUY with TP to HK\$ 9.72.** We cut FY23E/ 24E net profit forecasts by 9%/ 6% to factor in: 1) drags on Joyoung during pandemic, 2) slower than expected US and EU sales growth and 3) better GP margin expansion ahead. Our new TP is based on 11x FY23E P/E (up from 10x). Its valuation is not demanding at 9x FY23E P/E, compared to 5 years average of 17x.

Earnings Summary

(YE 31 Dec)	FY21A	FY22A	FY23E	FY24E	FY25E
Revenue (US\$ mn)	5,151	5,041	5,306	5,763	6,179
YoY growth (%)	22.8	(2.1)	5.3	8.6	7.2
Operating profit (US\$ mn)	611	509	577	669	738
Net profit (US\$ mn)	460.7	357.5	424.1	511.9	590.8
Net profit att. (US\$ mn)	420.5	332.3	384.4	468.2	545.5
EPS (Reported) (US\$ cents)	12.29	9.43	11.52	13.63	15.43
YoY growth (%)	27.2	(23.3)	22.1	18.4	13.2
P/E (x)	7.4	9.0	8.9	7.5	6.7
P/B (x)	1.7	1.3	1.2	1.0	0.8
Yield (%)	5.2	0.0	4.3	5.3	5.9
ROE (%)	20.1	12.7	12.7	12.7	11.9
Net gearing (%)	18.1	Net cash	Net cash	Net cash	Net cash

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price **HK\$9.72**
(Previous TP) HK\$9.51
Up/Downside **19.0%**
Current Price **HK\$8.06**

China Consumer Discretionary

Walter WOO
(852) 3761 8776
walterwoo@cmbi.com.hk

Raphael TSE
(852) 3900 0856
raphaeltse@cmbi.com.hk

Stock Data

Mkt Cap (HK\$ mn) 28,166.6
Avg 3 mths t/o (HK\$ mn) 9.1
52w High/Low (HK\$) 11.10/6.32
Total Issued Shares (mn) 3494.6
Source: FactSet

Shareholding Structure

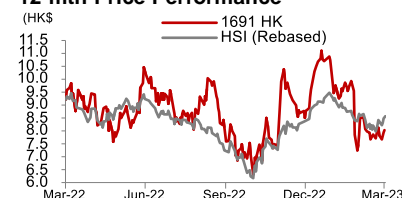
Mr. Wang Xuning & concert party 56.4%
Mr. Mark Rosenzweig 7.9%
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	8.2%	4.9%
3-mth	-8.1%	-10.9%
6-mth	6.2%	-10.3%

Source: FactSet

12-mth Price Performance



Source: FactSet

- **The long-term growth story is still intact (market shares gains, new categories and new regions, synergies).** JS global is still the world's no. 3 small appliance only company, in terms of market shares in FY22, just after Dyson and SEB. Considering its continuous investments in talents (hired a new President for UK & Europe from Jabra and a new President for APAC from Dyson) and new products (already now 21 sub-categories in FY22), as well as the synergies between SharkNinja and Joyoung (which will have no material changes after the spin-off), we do concur with the management's view that SharkNinja is still able to challenge the no.1 spot in small appliance in the long run. The spin-off proposal was approved by HKEX and will now be voted by the shareholders in the upcoming AGMs in 2Q23E.

Earnings revision

Figure 1: Earnings revision

US\$ mn	New			Old			Diff (%)		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Revenue	5,306	5,763	6,179	5,595	6,086	n/a	-5.2%	-5.3%	n/a
Gross profit	2,032	2,224	2,386	2,100	2,303	n/a	-3.2%	-3.4%	n/a
EBIT	577	669	738	589	679	n/a	-2.0%	-1.5%	n/a
Adjusted NP att.	399	472	529	437	503	n/a	-8.8%	-6.2%	n/a
Adjusted EPS (US\$)	0.113	0.134	0.150	0.123	0.141	n/a	-7.7%	-5.1%	n/a
Gross margin	38.3%	38.6%	38.6%	37.5%	37.8%	n/a	0.8ppt	0.8ppt	n/a
EBIT margin	10.9%	11.6%	11.9%	10.5%	11.2%	n/a	0.3ppt	0.4ppt	n/a
Net profit att. margin	7.5%	8.2%	8.6%	7.8%	8.3%	n/a	-0.3ppt	-0.1ppt	n/a

Source: Company data, CMBIGM estimates

Figure 2: CMBIGM estimates vs consensus

US\$ mn	CMBIS			Consensus			Diff (%)		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Revenue	5,306	5,763	6,179	5,732	6,314	n/a	-7.4%	-8.7%	n/a
Gross profit	2,032	2,224	2,386	2,223	2,476	n/a	-8.6%	-10.2%	n/a
EBIT	577	669	738	628	715	n/a	-8.0%	-6.4%	n/a
Adjusted NP att.	399	472	529	455	523	n/a	-12.3%	-9.7%	n/a
Adjusted EPS (US\$)	0.113	0.134	0.150	0.130	0.151	n/a	-12.9%	-11.4%	n/a
Gross margin	38.3%	38.6%	38.6%	38.8%	39.2%	n/a	-0.5ppt	-0.6ppt	n/a
EBIT margin	10.9%	11.6%	11.9%	11.0%	11.3%	n/a	-0.1ppt	0.3ppt	n/a
Net profit att. margin	7.5%	8.2%	8.6%	7.9%	8.3%	n/a	-0.4ppt	-0.1ppt	n/a

Source: Company data, CMBIGM estimates

Results Summary

Figure 3: Results review – half year

Half yearly / Full yearly (RMB mn)	1H21	2H21	1H22	2H22	1H22 YoY	2H22 YoY
Revenue	2,239	2,911	2,232	2,809	0%	-4%
COGS	-1,331	-1,895	-1,370	-1,791		
Gross profit	908	1,016	862	1,018	-5%	0%
GP margins	40.6%	34.9%	38.6%	36.2%		
Other income & gains	28	13	17	20		
S & D expenses	-378	-430	-352	-438	-7%	2%
S & D expenses / sales	-16.9%	-14.8%	-15.8%	-15.6%		
Admin expenses	-266	-271	-276	-333	4%	23%
Admin expenses / sales	-11.9%	-9.3%	-12.4%	-11.9%		
Other opex	0	0	0	0		
Operating profit (EBIT)	292	327	251	266	-14%	-19%
OP margins	13.0%	11.2%	11.2%	9.5%		
Other items	-9	-8	-8	-10		
Net finance income	-14	-14	-17	-31		
Net finance income / sales	-0.6%	-0.5%	-0.7%	-1.1%		
Profit after financing costs	269	305	226	225		
Associated coms	2	-1	3	2		
Jointly controlled coms	0	0	0	0		
Pre-tax profit	270	304	229	227	-15%	-25%
Tax	-53	-61	-48	-51		
Tax / sales	-2.4%	-2.1%	-2.2%	-1.8%		
Effective tax rate	-19.5%	-20.2%	-21.1%	-22.4%		
Minority interests	24	16	17	8		
Net profit att.	193	227	164	168	-15%	-26%
NP margins	8.6%	7.8%	7.3%	6.0%		

Source: Bloomberg, Company data, CMBIGM estimates

Figure 4: Results review – full year

Full yearly (RMB mn)	FY21	FY22	FY23E	FY21 YoY	FY22 YoY
Revenue	5,151	5,041	5,306	23%	-2%
COGS	-3,226	-3,161	-3,274		
Gross profit	1,924	1,880	2,032	10%	-2%
GP margins	37.4%	37.3%	38.3%		
Other income & gains	41	37	34		
S & D expenses	-809	-790	-839	16%	-2%
S & D expenses / sales	-15.7%	-15.7%	-15.8%		
Admin expenses	-538	-610	-637	10%	13%
Admin expenses / sales	-10.4%	-12.1%	-12.0%		
Other opex	0	0	0		
Operating profit (EBIT)	619	517	590	-2%	-17%
OP margins	12.0%	10.3%	11.1%		
Other items	-17	-18	-21		
Net finance income	-28	-47	-38		
Net finance income / sales	-0.5%	-0.9%	-0.7%		
Profit after financing costs	574	452	530		
Associated coms	1	5	0		
Jointly controlled coms	0	0	0		
Pre-tax profit	575	457	530	9%	-21%
Tax	-114	-99	-106		
Tax / sales	-2.2%	-2.0%	-2.0%		
Effective tax rate	-19.9%	-21.7%	-20.0%		
Minority interests	40	25	40		
Net profit att.	420	332	384	22%	-21%
NP margins	8.2%	6.6%	7.2%		

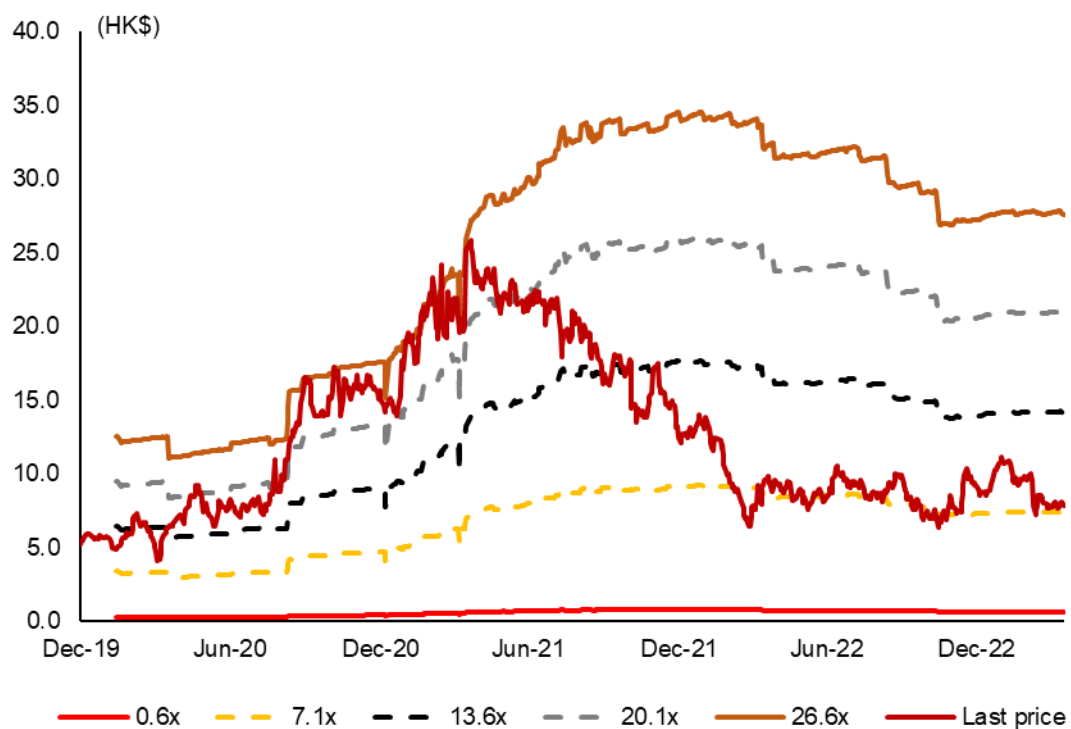
Source: Bloomberg, Company data, CMBIGM estimates

Valuation

Figure 5: Peers' valuation

			12m TP	Price	Up/ Down-	Mkt. Cap	Year	P/E (x)		P/B (x)	ROE (%)	3yrs PEG (x)	Yield (%)	YTD perf.	
Company	Ticker	Rating	(LC)	(LC)	side	(HK\$ mn)	End	FY1E	FY2E	FY1E	FY2E	FY1E	FY1E	FY1E	
A+ H shares Small Home Appliances															
JS Global	1691 HK	BUY	9.72	8.06	19%	27,398	Dec-22	8.9	7.5	1.2	12.7	0.8	4.3	(10.6)	
Joyoung	002242 CH	NR	n/a	16.60	n/a	14,532	Dec-22	15.7	14.0	3.0	18.8	0.7	5.3	0.7	
Vesync	2148 HK	BUY	6.23	3.28	90%	3,814	Dec-22	7.9	6.4	1.3	16.1	(0.0)	3.8	(32.1)	
Zhejiang Supor	002032 CH	NR	n/a	53.60	n/a	49,469	Dec-22	18.8	16.9	5.1	26.8	1.6	3.5	8.4	
GD Xinbao	002705 CH	NR	n/a	17.17	n/a	16,201	Dec-21	14.6	12.1	2.0	14.6	0.9	2.2	3.1	
Bear Electric	002959 CH	NR	n/a	70.04	n/a	12,470	Dec-21	29.3	24.0	4.7	16.0	1.4	1.5	16.1	
Ecovacs Robotics	603486 CH	NR	n/a	80.41	n/a	52,531	Dec-21	26.9	21.8	7.2	27.0	4.4	1.3	10.2	
Beijing Roborock	688169 CH	NR	n/a	356.11	n/a	38,080	Dec-21	28.0	22.6	3.5	12.8	4.8	0.5	43.7	
Kingclean Electric	603355 CH	NR	n/a	28.83	n/a	18,888	Dec-21	17.5	15.7	4.5	28.3	0.5	3.7	2.8	
								Avg.	18.6	15.7	3.6	19.2	1.7	2.9	4.7
								Med.	17.5	15.7	3.5	16.1	0.9	3.5	3.1
A + H Home Appliances															
Midea Group	000333 CH	BUY	67.79	54.69	24%	436,666	Dec-21	12.7	11.5	2.7	21.4	2.0	3.4	5.6	
Gree Electric	000651 CH	NR	n/a	37.26	n/a	239,479	Dec-21	8.3	7.4	1.8	22.6	0.9	6.9	15.3	
Haier Smart Home	600690 CH	NR	n/a	22.28	n/a	232,494	Dec-22	12.2	10.7	2.0	16.9	32.5	3.1	(8.9)	
Haier Electronics	6690 HK	BUY	29.10	24.20	20%	232,495	Dec-22	11.7	10.3	1.9	17.1	(12.3)	3.4	(9.0)	
Hisense Home	921 HK	NR	n/a	13.60	n/a	27,732	Dec-22	9.5	8.1	1.3	14.3	0.6	3.9	58.0	
Hisense Home - A	000921 CH	NR	n/a	20.84	n/a	27,732	Dec-22	16.9	14.6	2.3	13.9	1.0	2.2	58.2	
Whirlpool China	600983 CH	NR	n/a	8.08	n/a	7,068	Dec-21	n/a	n/a	n/a	n/a	n/a	n/a	16.8	
Hangzhou Robam	002508 CH	NR	n/a	29.20	n/a	31,628	Dec-21	14.9	13.1	2.8	18.8	0.8	2.3	5.2	
Vatti Corporation	002035 CH	NR	n/a	7.05	n/a	6,820	Dec-21	16.6	12.0	1.7	9.8	0.4	2.2	27.3	
								Avg.	12.8	11.0	2.1	16.9	3.2	3.4	18.7
								Med.	12.4	11.1	2.0	17.0	0.8	3.2	15.3
International Small Home Appliances															
Techtronic	669 HK	NR	n/a	87	n/a	159,169	Dec-22	17.2	14.7	3.4	21.1	1.1	2.3	(0.4)	
Smith (A.O.) Corp	AOS US	NR	n/a	69	n/a	81,187	Dec-22	20.7	19.2	5.5	27.5	0.5	1.8	19.7	
Helen Of Troy	HELE US	NR	n/a	96	n/a	18,026	Feb-22	10.3	11.0	1.6	16.2	3.5	n/a	(13.7)	
De'Longhi Spa	DLG IM	NR	n/a	22	n/a	28,098	Dec-22	15.7	14.1	1.8	11.7	1.4	2.4	3.8	
Irobot Corp	IRBT US	NR	n/a	43	n/a	9,272	Dec-22	n/a	n/a	3.3	(28.9)	n/a	0.0	(10.5)	
Seb Sa	SK FP	NR	n/a	105	n/a	49,838	Dec-22	14.1	11.7	1.8	12.7	0.6	2.3	34.7	
Koninklijke Philips	PHIA NA	NR	n/a	17	n/a	127,906	Dec-22	16.4	12.5	1.2	5.1	(0.1)	5.2	20.2	
								Avg.	15.7	13.9	2.6	9.3	1.2	2.3	7.7
								Med.	16.0	13.3	1.8	12.7	0.9	2.3	3.8
International Home Appliances															
Whirlpool Corp	WHR US	NR	n/a	131.11	n/a	56,095	Dec-22	8.1	7.2	2.5	21.5	(0.0)	5.4	(7.3)	
Ingersoll-Rand	IR US	NR	n/a	58.02	n/a	184,424	Dec-22	22.8	20.7	2.4	10.5	0.8	0.1	11.0	
Electrolux Ab	ELUXB SS	NR	n/a	124	n/a	26,738	Dec-22	20.0	8.2	1.9	10.7	(0.1)	3.9	(11.6)	
Daikin Industries	6367 JP	NR	n/a	23355.00	n/a	405,513	Mar-22	26.7	24.1	3.1	12.5	3.5	1.0	15.6	
Panasonic Corp	6752 JP	NR	n/a	1215	n/a	176,551	Mar-22	13.3	10.7	0.8	6.5	(49.7)	2.5	9.4	
Fujitsu General	6755 JP	NR	n/a	3700.00	n/a	23,964	Mar-22	40.1	25.2	2.9	8.5	0.7	0.9	16.9	
Lg Electronics Inc	066570 KS	NR	n/a	113800.0	n/a	111,375	Dec-22	10.0	7.5	0.9	9.4	0.3	0.8	31.6	
Samsung	005930 KS	NR	n/a	63100.00	n/a	2,252,796	Dec-22	34.6	13.8	1.2	3.5	(5.6)	2.4	14.1	
								Avg.	22.0	14.7	2.0	10.4	(6.3)	2.1	10.0
								Med.	21.4	12.3	2.1	10.0	0.1	1.7	12.6

Source: Bloomberg, CMBIGM estimates

Figure 6: Forward 12M P/E valuation band

Source: Bloomberg, CMBIGM estimates

Assumptions

Figure 7: CMBIGM assumptions

US\$ mn	FY20A	FY21A	FY22A	FY23E	FY24E	FY25E
Sales by brand (US\$ mn)						
Joyoung	1,463	1,436	1,325	1,462	1,571	1,673
SharkNinja	2,733	3,715	3,716	3,844	4,191	4,506
Others	-	-	-	-	-	-
Total	4,196	5,151	5,041	5,306	5,763	6,179
Sales growth by brand (%)						
Joyoung	14.3%	-1.9%	-7.7%	10.3%	7.5%	6.5%
SharkNinja	57.4%	35.9%	0.0%	3.4%	9.0%	7.5%
Others	-	-	-	-	-	-
Total	39.1%	22.8%	-2.1%	5.3%	8.6%	7.2%
Sales by segment growth (%)						
Cleaning	50.4%	15.5%	-1.1%	1.5%	7.4%	6.3%
Food preparation	22.2%	5.6%	-3.1%	9.1%	9.5%	8.5%
Cooking	41.6%	41.8%	-5.7%	7.3%	10.7%	8.4%
Others	29.4%	45.6%	18.9%	4.5%	1.4%	1.4%
Sales by region growth (%)						
China	13.2%	-2.8%	-6.5%	10.4%	11.8%	9.0%
North America	51.6%	34.1%	-1.2%	2.0%	6.0%	5.0%
Europe	103.6%	36.7%	2.5%	7.0%	13.0%	12.0%
Other markets	45.1%	78.6%	1.2%	15.0%	10.0%	10.0%
GP margins by segment						
Joyoung	32.7%	30.5%	32.1%	31.7%	31.9%	31.9%
SharkNinja	46.5%	37.1%	36.5%	38.9%	39.3%	39.2%
Others	45.5%	43.3%	42.4%	42.7%	42.8%	42.8%
Total	41.5%	37.4%	37.3%	38.3%	38.6%	38.6%
Opex breakdown						
D & A	-1.4%	-1.1%	-1.2%	-0.9%	-0.8%	-0.7%
Admin exp. (ex D & A)	-10.2%	-9.4%	-10.9%	-11.1%	-11.0%	-10.8%
A & P	-6.7%	-6.1%	-5.8%	-5.8%	-5.8%	-5.8%
S & D costs (ex. A & P)	-9.9%	-9.6%	-9.9%	-10.0%	-9.8%	-9.8%
Selling & distribution costs / sales	-16.6%	-15.7%	-15.7%	-15.8%	-15.7%	-15.6%
Admin expenses / sales	-11.6%	-10.4%	-12.1%	-12.0%	-11.7%	-11.5%
OP margins						
Effective tax rate	23.6%	19.9%	22.0%	20.0%	18.0%	18.0%
NP att. margins						
NP att. growth (%)	717.1%	22.1%	-21.0%	15.7%	21.8%	12.4%

Source: Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec (US\$ mn)						
Revenue	4,196	5,151	5,041	5,306	5,763	6,179
Cost of goods sold	(2,453)	(3,226)	(3,161)	(3,274)	(3,539)	(3,794)
Gross profit	1,743	1,924	1,880	2,032	2,224	2,386
Operating expenses	(1,183)	(1,346)	(1,400)	(1,476)	(1,579)	(1,673)
Selling expense	(696)	(809)	(790)	(839)	(902)	(965)
Admin expense	(487)	(538)	(610)	(637)	(677)	(709)
R&D expense	0	0	0	0	0	0
Others	0	0	0	0	0	0
Operating profit	620	611	509	577	669	738
Other income	60	33	29	22	24	25
Share of (losses)/profits of associates/JV	(0)	1	5	0	0	0
EBITDA	723	705	616	674	759	824
Depreciation	(63)	(66)	(59)	(51)	(45)	(41)
Other amortisation	(40)	(29)	(49)	(45)	(45)	(45)
Interest income	11	8	8	12	17	42
Interest expense	(80)	(28)	(47)	(38)	(38)	(38)
Other income/expense	(24)	(17)	(18)	(21)	(23)	(25)
Pre-tax profit	527	575	457	530	624	716
Income tax	(124)	(114)	(99)	(106)	(112)	(125)
Minority interest	(58)	(40)	(25)	(40)	(44)	(45)
Net profit	402	461	358	424	512	591

BALANCE SHEET	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec (US\$ mn)						
Current assets	2,714	2,779	3,350	4,086	4,961	5,921
Cash & equivalents	571	555	1,292	1,938	2,641	3,441
Account receivables	1,204	1,246	1,199	1,262	1,370	1,469
Inventories	575	782	665	689	745	798
Prepayment	121	85	83	88	95	102
ST bank deposits	33	29	29	29	29	29
Other current assets	209	82	82	82	82	82
Non-current assets	1,940	2,030	1,991	1,961	1,943	1,934
PP&E	208	206	210	226	253	289
Investment in JVs & assos	27	27	32	32	32	32
Intangibles	562	588	542	499	456	413
Other non-current assets	1,143	1,208	1,206	1,203	1,201	1,199
Total assets	4,654	4,809	5,341	6,047	6,904	7,854
Current liabilities	1,618	1,623	1,596	1,658	1,786	1,905
Short-term borrowings	47	85	85	85	85	85
Account payables	885	879	864	895	968	1,037
Tax payable	28	21	21	21	21	21
Other current liabilities	658	638	625	656	711	761
Non-current liabilities	1,116	1,097	1,122	1,162	1,205	1,251
Long-term borrowings	893	857	857	857	857	857
Other non-current liabilities	223	240	265	305	348	394
Total liabilities	2,734	2,720	2,717	2,820	2,991	3,156
Share capital	1,132	1,034	1,034	1,034	1,034	1,034
Retained earnings	0	0	517	1,292	1,992	2,784
Other reserves	788	1,055	1,072	941	931	933
Total shareholders equity	1,920	2,089	2,623	3,267	3,957	4,751
Minority interest	0	0	0	0	0	0
Total equity and liabilities	1,920	2,089	2,623	3,267	3,957	4,751

CASH FLOW	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec (US\$ mn)						
Operating						
Profit before taxation	527	575	457	551	648	729
Depreciation & amortization	103	94	107	96	91	86
Tax paid	(102)	(133)	(99)	(106)	(112)	(125)
Change in working capital	24	(284)	138	(28)	(45)	(40)
Others	101	78	60	69	56	57
Net cash from operations	653	330	663	581	637	706
Investing						
Capital expenditure	(68)	(64)	(63)	(66)	(72)	(77)
Acquisition of subsidiaries/ investments	(16)	(51)	0	0	0	0
Others	(127)	(26)	0	0	0	0
Net cash from investing	(211)	(141)	(63)	(66)	(72)	(77)
Financing						
Dividend paid	(265)	(155)	184	158	181	214
Net borrowings	(399)	(17)	0	0	0	0
Proceeds from share issues	138	0	0	0	0	0
Share repurchases	0	0	0	0	0	0
Others	210	(30)	(47)	(38)	(38)	(38)
Net cash from financing	(317)	(202)	137	119	142	176
Net change in cash						
Cash at the beginning of the year	421	571	555	1,292	1,938	2,641
Exchange difference	25	(2)	0	0	0	0
Others	125	(13)	737	631	703	800
Cash at the end of the year	571	555	1,292	1,923	2,641	3,441
GROWTH	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec						
Revenue	39.1%	22.8%	(2.1%)	5.3%	8.6%	7.2%
Gross profit	54.7%	10.4%	(2.3%)	8.1%	9.5%	7.3%
Operating profit	173.4%	(1.4%)	(16.7%)	13.4%	15.8%	10.3%
EBITDA	127.7%	(2.4%)	(12.6%)	9.3%	12.7%	8.5%
Net profit	372.3%	14.5%	(22.4%)	18.6%	20.7%	15.4%
PROFITABILITY	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec						
Gross profit margin	41.5%	37.4%	37.3%	38.3%	38.6%	38.6%
Operating margin	14.8%	11.9%	10.1%	10.9%	11.6%	11.9%
EBITDA margin	17.2%	13.7%	12.2%	12.7%	13.2%	13.3%
Return on equity (ROE)	23.3%	23.0%	15.2%	14.4%	14.2%	13.6%
GEARING/LIQUIDITY/ACTIVITIES	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec						
Current ratio (x)	1.7	1.7	2.1	2.5	2.8	3.1
Receivable turnover days	87.3	86.8	86.8	86.8	86.8	86.8
Inventory turnover days	72.1	76.8	76.8	76.8	76.8	76.8
Payable turnover days	105.3	99.8	99.8	99.8	99.8	99.8
VALUATION	2020A	2021A	2022A	2023E	2024E	2025E
YE 31 Dec						
P/E	9.6	7.4	9.0	8.9	7.5	6.7
P/E (diluted)	9.6	7.4	9.0	8.9	7.5	6.7
P/B	2.3	4.1	1.5	1.1	0.9	0.8
P/CFPS	13.0	13.1	7.1	5.7	5.2	4.8
Div yield (%)	2.7	2.1	0.0	5.0	6.0	6.8

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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