



Company Report: Galaxy Entertainment (00027 HK)

公司报告: 银河娱乐 (00027 HK)

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1Q2023 EBITDA Better than Expected, Reiterate "Buy"

2023年第一季度EBITDA好于预期, 重申“买入”

- We reiterate Galaxy Entertainment Group's (GEG) "Buy" investment rating and increase the target price from HK\$62.00 to HK\$64.00, which is based on 14.8x 2024 EV/adjusted EBITDA.** We have increased 2023F-2025F adjusted EBITDA forecasts by 12.7%, 6.4% and 4.7% to HK\$10.929 bn, HK\$18.272 bn and HK\$20.028 bn, respectively, reflecting growth of 67.2% in 2024 and 9.6% in 2025.
- GEG's 1Q2023 hold-normalized adjusted EBITDA increased 223.1% yoy to HK\$1.848 billion and was significantly higher than expected.** Hold-normalized adjusted EBITDA margin was 27.0%, significantly higher than expected and not too far below GEG's highest ever annual adjusted EBITDA margin of 31.8% achieved in 2019. The better-than-expected 1Q2023 EBITDA margin was thanks to the continuation of stringent cost controls.
- We expect 2023 full year adjusted EBITDA margin to be less than that in 1Q2023 as GEG opens new properties, which we expect will drag on EBITDA margin.** We forecast 2023 adjusted EBITDA margin of 26.3%, less than the 27.0% that GEG achieved in 1Q2023. Raffles and Andaz Macau hotel towers will open later this year, and we expect that their drag on margin will be somewhat offset by increasing operating leverage from existing properties as the sector continues to recover toward 2019 levels in the coming quarters.
- Risks:** Economic growth may be weaker than expected.
- 我们重申银河娱乐集团(银娱)“买入”的投资评级, 并将目标价由 62.00 港元上调至 64.00 港元, 基于 14.8 倍 2024 年 EV/经调整 EBITDA。** 我们将 2023 年至 2025 年经调整 EBITDA 预测分别上调 12.7%、6.4% 及 4.7% 至 109.29 亿港元、182.72 亿港元及 200.28 亿港元, 对应 2024 年及 2025 年增速分别为 67.2% 及 9.6%。
- 银娱 2023 年第一季度正常化赢率下经调整 EBITDA 同比增长 223.1% 至 18.48 亿港元, 显著高于预期。** 正常化赢率下经调整 EBITDA 利润率为 27.0%, 显著高于预期, 且与银娱在 2019 年实现的 31.8% 的历史最高年度经调整 EBITDA 利润率相差不多。2023 年第一季度 EBITDA 利润率好于预期是由于持续实施的严格成本控制, 叠加行业全面复苏所致。
- 我们预计 2023 年全年经调整 EBITDA 利润率将低于 2023 年第一季度, 因为我们预计银娱新物业的开幕将拖累 EBITDA 利润率。** 我们预测 2023 年经调整 EBITDA 利润率为 26.3%, 低于银娱在 2023 年第一季度实现的 27.0%。莱佛士及澳门安达仕酒店大楼将于今年晚些时候开业, 而随着行业在未来几个季度继续向 2019 年水平复苏, 我们预计新物业对利润率的拖累将在一定程度上被现有物业的经营杠杆提升所抵消。
- 风险:** 经济增长弱于预期。

Rating:

Buy

Maintained

评级:

买入 (维持)

6-18m TP 目标价:

HK\$64.00

Revised from 原目标价:

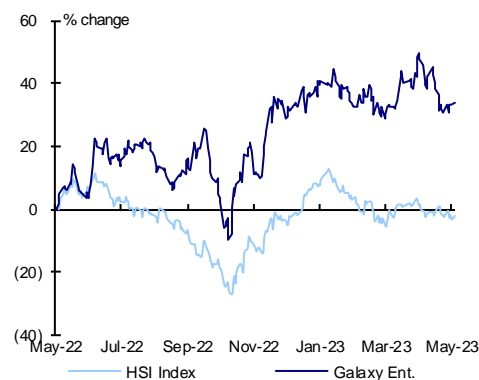
HK\$62.00

Share price 股价:

HK\$52.100

Stock performance

股价表现



Change in Share Price	1 M	3 M	1 Y
股价变动	1 个月	3 个月	1 年
Abs. % 绝对变动 %	(9.6)	0.4	26.8
Rel. % to HSI Index 相对恒指变动 %	(7.6)	3.7	30.6
Avg. Share price(HK\$) 平均股价 (港元)	53.3	53.2	48.0

Source: Bloomberg, Guotai Junan International.

Year End	Turnover	Net Profit	EPS	EPS	PER	BPS	PBR	DPS	Yield	ROE
年结	收入	股东净利	每股净利	每股净利变动	市盈率	每股净资产	市净率	每股股息	股息率	净资产收益率
12/31	(HK\$ m)	(HK\$ m)	(HK\$)	(%)	(x)	(HK\$)	(x)	(HK\$)	(%)	(%)
2021A	19,696	1,326	0.305	n.a.	170.8	15.695	3.3	0.000	0.0	2.1
2022A	11,474	(3,434)	(0.787)	(358.0)	(66.2)	14.609	3.6	0.300	0.6	(5.2)
2023F	41,635	8,964	2.045	n.a.	25.5	16.405	3.2	0.309	0.6	13.3
2024F	55,791	15,660	3.561	74.1	14.6	18.853	2.8	1.072	2.1	20.3
2025F	59,696	17,040	3.861	8.4	13.5	21.458	2.4	1.550	3.0	19.2

Shares in issue (m) 总股数 (m)	4,369.1	Major shareholder 大股东	City Lion Profits 22.3%
Market cap. (HK\$ m) 市值 (HK\$ m)	227,630.9	Free float (%) 自由流通比率 (%)	53.0
3 month average vol. 3 个月平均成交股数 ('000)	8,838.7	FY23 Net gearing (%) FY23 净负债/股东资金 (%)	Net cash
52 Weeks high/low (HK\$) 52 周高/低 (HK\$)	59.800 / 33.550	FY23 Est. NAV (HK\$) FY23 每股估值 (港元)	79.0

Source: the Company, Guotai Junan International.

We reiterate Galaxy Entertainment Group's (GEG) "Buy" investment rating and increase the target price from HK\$62.00 to HK\$64.00. Our target price is based on 14.8x 2024 EV/adjusted EBITDA, and is a 19.0% discount to our DCF derived NAV of HK\$79.01. GEG traded at average 14.1x EV/trailing-12-months adjusted EBITDA from 2015-2019. We have increased adjusted EBITDA forecasts by 12.7%, 6.4% and 4.7% to HK\$10.929 bn, HK\$18.272 bn and HK\$20.028 bn, respectively, reflecting growth of 67.2% in 2024 and 9.6% in 2025.

GEG's total 1Q2023 net revenue increased 72.0% yoy (increased 141.9% qoq) to HK\$7,054 million, in line with expectations. GEG's 1Q2023 Macao gross gaming revenue market share decreased by 1.6 ppt yoy to 18.0%, and decreased by 2.8 ppt compared to GEG's 20.8% market share in 1Q2019.

In April 2023, GEG soft opened the Galaxy International Convention Center (GICC) and Galaxy Arena. GICC successfully held its first MICE event on 12 April, and the state-of-the-art Galaxy Arena held two popular K-pop concerts. **We think that these two new venues, along with the Raffles at Galaxy Macau and Andaz Macau hotel towers, which will open later this year, will help GEG to defend against further loss of market share.**

GEG's 1Q2023 hold-normalized adjusted EBITDA increased 223.1% yoy to HK\$1.848 billion and was significantly higher than expected. Hold-normalized adjusted EBITDA margin was 27.0%, significantly higher than expected and not too far below GEG's highest ever annual adjusted EBITDA margin of 31.8% achieved in 2019. The better-than-expected 1Q2023 EBITDA margin was thanks to the continuation of stringent cost controls implemented during the pandemic combined with the sector-wide recovery. Hold-normalized adjusted EBITDA removes the effect of "luck", the fluctuation in the Company's quarterly VIP rolling chip win rate. Adjusted EBITDA increased 231.7% yoy to HK\$1.907 billion in 1Q2023, benefitting from an incremental HK\$59 million from lucky higher-than-expected rolling chip (also often referred to as VIP) win rate.

We expect 2023 full year adjusted EBITDA margin to be less than that in 1Q2023 as GEG opens two new properties, which we expect will drag on EBITDA margin. We forecast 2023 adjusted EBITDA margin of 26.3%, less than the 27.0% that GEG achieved in 1Q2023. GEG is currently recruiting additional staff for its Raffles at Galaxy Macau and Andaz Macau hotel towers, which are expected to open sometime later this year. These two hotel towers will add another 1,150 rooms, bringing GEG's total Macau hotel room count to around 6,000 rooms and suites. We expect that these two new hotel towers will drag on EBITDA margin. New Macao properties have historically taken around a year and a half or more to ramp up. However, we expect that the new properties' drag on margin will be somewhat offset by increasing operating leverage from the existing properties as Macau visitation and gaming revenue continues to recover toward 2019 levels in the coming quarters.

Table-1 : Galaxy Entertainment's adjusted EBITDA margin recovered to 27.0% in 1Q2023, better than expected

HK\$ million	1Q2019	1Q2022	4Q2022	1Q2023	qoq (% or ppt)	yoy (% or ppt)
Company VIP turnover	203,568	17,914	6,815	21,548	216.2%	20.3%
Company VIP gross win	7,429	566	148	794	436.5%	40.3%
Company VIP win rate (% of turnover)	3.65%	3.16%	2.17%	3.68%	1.5 ppt	0.5 ppt
Company mass tables & slots win	7,951	2,814	1,676	5,271	214.5%	87.3%
Company total gross gaming wins	15,380	3,380	1,824	6,065	232.5%	79.4%
Galaxy Macau (Phases I & II)	9,264	3,077	1,834	5,348	191.6%	73.8%
Broadway Macau	151	16	19	18	(5.3%)	12.5%
StarWorld Macau	2,987	424	246	938	281.3%	121.2%
City clubs	27	8	20	52	160.0%	550.0%
Construction materials & other	616	575	797	698	(12.4%)	21.4%
Total net revenue	13,045	4,100	2,916	7,054	141.9%	72.0%
Company total market share	20.8%	19.6%	18.1%	18.0%	(0.1) ppt	(1.6) ppt
Adjusted EBITDA						
Galaxy Macau	3,023	724	58	1,846	3082.8%	155.0%
Broadway Macau	15	(17)	(10)	(10)	0.0%	(41.2%)
StarWorld Macau	949	(58)	(142)	216	n.a.	n.a.
City clubs	27	8	(14)	3	n.a.	(62.5%)
Construction materials	200	119	160	101	(36.9%)	(15.1%)
Corporate cost (net)	(231)	(201)	(215)	(249)	15.8%	23.9%
Total adjusted EBITDA	3,983	575	(163)	1,907	n.a.	231.7%
Adjusted EBITDA margins						
Galaxy Macau	32.6%	23.5%	3.2%	34.5%	31.4 ppt	11.0 ppt
Broadway Macau	9.9%	(106.3%)	(52.6%)	(55.6%)	(2.9) ppt	50.7 ppt
StarWorld Macau	31.8%	(13.7%)	(57.7%)	23.0%	23.0 ppt	36.7 ppt
Total adjusted EBITDA margin	30.5%	14.0%	(5.6%)	27.0%	32.6 ppt	13.0 ppt
Total normalized adj. EBITDA*	3,872	572	(123)	1,848	n.a.	223.1%
Total normalized adj. EBITDA margin*	29.7%	14.0%	-4.2%	26.2%	30.4 ppt	12.2 ppt

Source: the Company, Gaming Inspection and Coordination Bureau Macao SAR, Guotai Junan International.

Note: * Normalized EBITDA adjust for quarterly fluctuations in "luck", i.e., the VIP win rate.

Table-2 : Galaxy Entertainment on average traded at 14.1x EV/adjusted EBITDA (T12M) from 2015-2019

Company	Stock Code	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-2019 Average	2015-2019 Average
Galaxy Entertain	00027 HK	14.9	22.1	13.6	17.1	18.4	11.6	12.6	16.3	16.4	13.4	15.6	14.1
Melco Reso-Adr	MLCO US	34.9	12.1	8.9	14.6	16.4	15.6	13.0	12.0	12.2	10.1	15.0	12.6
Mgm China	02282 HK	n.a.	12.4	9.4	14.4	15.0	10.7	14.1	19.4	19.6	13.6	14.3	15.5
Sands China Ltd	01928 HK	17.0	18.6	19.9	21.7	17.5	12.1	16.4	18.3	16.6	14.2	17.2	15.5
Sjm Holdings Ltd	00880 HK	10.7	12.7	9.7	11.9	10.2	4.9	n.a.	10.9	13.5	12.8	10.8	10.5
Wynn Macao Ltd	01128 HK	17.1	19.6	13.5	16.7	17.7	13.6	17.7	20.2	15.5	11.1	16.3	15.6
Simple Average		18.9	16.3	12.5	16.1	15.9	11.4	14.8	16.2	15.6	12.5	15.0	14.1

Source: Bloomberg, Guotai Junan International.

Table-3 : Macao gaming peers are trading at 18.2x 2023 EV/Adjusted EBITDA (based on consensus forecasts)

Company	Stock Code	Crncy	Price	M-Cap HK\$ Bn	PE			EV/Adjusted EBITDA			ROE% 23F	PBR% 23F	Yield% 23F
					19A	23F	24F	19A	23F	24F			
Macao													
Galaxy Entertain	00027 HK	HKD	52.10	227.6	17.3	28.0	17.7	15.4	21.0	12.9	11.9	3.2	0.9
Melco Reso-Adr	MLCO US	USD	11.41	38.7	14.6	n.a	11.1	10.7	12.3	8.0	n.a.	n.a.	0.0
Mgm China	02282 HK	HKD	8.50	32.3	16.7	25.7	12.0	11.2	10.5	8.2	n.a.	n.a.	0.0
Sands China Ltd	01928 HK	HKD	26.50	214.5	13.5	30.5	14.1	15.7	16.9	10.7	n.a.	n.a.	0.4
Sjm Holdings Ltd	00880 HK	HKD	3.46	24.6	6.5	n.a.	37.6	12.6	29.8	10.7	(13.8)	1.6	0.0
Wynn Macao Ltd	01128 HK	HKD	7.05	36.9	7.2	n.a.	20.0	13.4	14.3	10.2	n.a.	n.a.	0.0
Simple Avg.					12.6	28.1	18.7	13.2	17.5	10.1	(0.9)	2.4	0.2
Weighted Avg.					14.5	29.0	16.6	14.7	18.2	11.2	9.4	3.1	0.5
USA													
Boyd Gaming	BYD US	USD	66.09	52.3	47.5	10.0	9.8	8.5	7.1	7.1	38.2	n.a.	1.0
Caesars Entertai	CZR US	USD	44.64	75.2	42.9	n.a.	18.3	12.5	5.2	4.7	4.1	n.a.	n.a.
Las Vegas Sands	LVS US	USD	59.49	355.9	17.0	31.6	18.4	12.8	14.9	10.5	33.1	n.a.	0.1
Mgm Resorts Inte	MGM US	USD	42.33	120.6	10.9	18.8	18.9	6.5	3.9	3.7	19.0	n.a.	0.0
Penn Natl Gaming	PENN US	USD	25.28	30.5	66.5	6.3	14.2	13.7	2.7	2.6	16.8	n.a.	n.a.
Wynn Resorts Ltd	WYNN US	USD	108.4	96.6	94.3	49.6	22.3	14.9	11.3	8.6	3.3	n.a.	0.5
Simple Avg.					46.5	23.3	17.0	11.5	7.5	6.2	19.1	n.a.	0.4
Weighted Avg.					33.1	29.0	18.2	11.7	10.5	8.0	23.6	n.a.	0.2
Other													
Bloomerry Res	BLOOM PM	PHP	11.16	17.1	12.4	14.2	11.7	7.8	9.8	8.3	22.9	n.a.	0.7
Belle Corp	BEL PM	PHP	1.18	1.6	4.3	n.a.	n.a.	5.4	n.a.	n.a.	n.a.	n.a.	n.a.
Simple Avg.					8.3	14.2	11.7	6.6	9.8	8.3	22.9	n.a.	0.7
Weighted Avg.					11.7	14.2	10.7	7.6	9.8	8.3	22.9	n.a.	0.7

Source: Guotai Junan International, Bloomberg.

Table-4 : Our target price is equivalent to 14.8x 2024 EV/Adjusted EBITDA

	2019A	2023F	Next 4 Quarters	2024F	2025F
Our Target Price	HK\$64.00				
Shares Outstanding, Period End, Fully Diluted (mn)	4,347	4,398	4,402	4,413	4,429
TP Based Market Cap (HK\$ mn)	278,188	281,458	281,705	282,448	283,439
+ Period End Minority Interest (HK\$ mn)	567	452	427	352	253
+ Period End Borrowings (HK\$ mn)	553	7,402	7,053	6,007	2,716
- Period End Cash & Equivalents (HK\$ mn)	14,646	14,999	15,961	18,845	20,424
Year End Enterprise Value (HK\$ mn)	264,663	274,312	273,225	269,963	265,983
Adjusted EBITDA (HK\$ mn)	16,479	10,929	13,590	18,272	20,028
TP Based EV/Adjusted EBITDA	16.1	25.1	20.1	14.8	13.3
EPS (HK\$), Diluted	3.000	2.050	2.050	3.561	3.861
Target Price Based PER	21.3	31.2	31.2	18.0	16.6

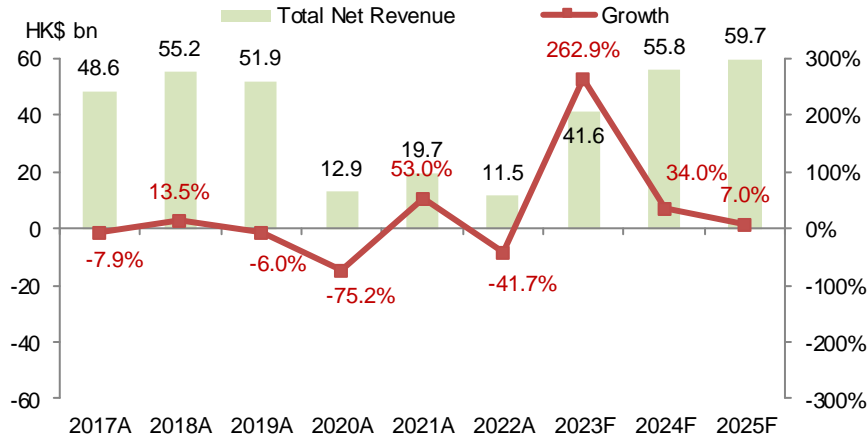
Source: Guotai Junan International, Bloomberg.

Table-5 : Our HK\$64.00 target price is a 19.0% discount to our DCF-derived NAV of HK\$79.01

Risk free rate	3.52%	Sum of PV FCFF (HK\$ mn)	148,310
Market return	10.48%	+ PV terminal value (HK\$ mn)	185,672
Market risk premium	6.96%	Enterprise value (HK\$ mn)	333,982
Adj. beta	1.1	- Net debt/(cash) (HK\$ mn)	(13,489)
Equity discount rate	11.18%	Equity value (HK\$ mn)	347,470
After tax cost of debt	5.2%	Shares outstanding (mn)	4,398
D/(D+E)	10.0%	NAV per share (HK\$)	79.01
E/(D+E)	90.0%		
WACC	10.6%		
Long-term growth rate	3.0%		

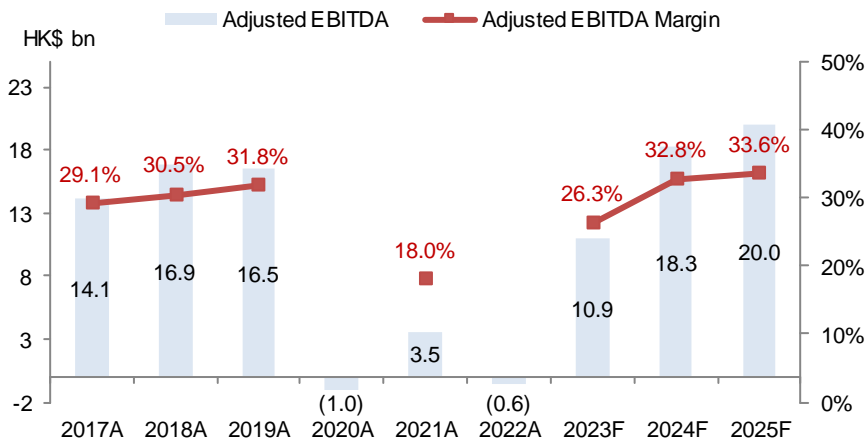
Source: Guotai Junan International, Bloomberg, the Company.

Figure-1: We forecast GEG's 2023 revenue to recover to 80.2% of that of 2019



Source: the Company, Guotai Junan International.

Figure-2: We forecast GEG's 2023 adjusted EBITDA to recover to 66.3% of that of 2019



Source: the Company, Guotai Junan International.

Financial Statements and Ratios

Income Statement						Balance Sheet					
Year end 31 Dec (HKD m)	2021A	2022A	2023F	2024F	2025F	Year end 31 Dec (HKD m)	2021A	2022A	2023F	2024F	2025F
Total revenue	19,696	11,474	41,635	55,791	59,696	PP&E	41,781	45,542	53,645	60,283	68,040
Special gaming taxes	(6,743)	(3,072)	(16,709)	(24,063)	(25,119)	Right-of-use Assets	4,886	4,788	4,662	4,520	4,362
Raw materials & consumable	(1,488)	(1,362)	(2,165)	(2,008)	(2,089)	Intangible assets	153	33	42	48	48
Amortisation & depreciation	(2,264)	(2,088)	(2,390)	(2,712)	(3,026)	Joint ventures	1,994	1,396	1,229	1,081	951
Employee benefit expense	(5,766)	(5,730)	(6,701)	(7,309)	(7,701)	Financial assets	12,720	11,181	9,052	7,555	6,340
Other operating expenses	(3,329)	(2,662)	(5,963)	(5,530)	(6,283)	Others	146	109	104	99	94
Operating profit	105	(3,442)	7,707	14,169	15,477	Total non-current assets	61,681	63,049	68,733	73,586	79,836
Other income/gains, net	1,101	285	721	732	733	Cash & cash equivalents	13,607	13,496	14,999	18,845	20,424
Finance costs	(68)	(106)	(114)	(82)	(67)	Inventories	204	209	833	1,116	1,194
Joint ventures	383	(90)	809	1,084	1,160	Debtors and prepayments	1,691	1,153	1,187	1,223	1,259
Associated companies	(0)	0	0	1	1	Amounts due from JV's	162	174	179	185	190
Profit before tax	1,521	(3,352)	9,123	15,903	17,304	Taxation recoverable	69	29	30	32	33
Income tax	(89)	(96)	(107)	(187)	(203)	Financial assets	3,062	2,325	2,417	2,514	2,615
Profit after tax	1,432	(3,448)	9,016	15,716	17,101	Others	4,768	527	0	0	0
Non-controlling interest	(106)	14	(52)	(56)	(60)	Total current assets	23,563	17,912	19,646	23,914	25,715
Shareholders' profit / loss	1,326	(3,434)	8,964	15,660	17,040	Total assets	85,243	80,961	88,380	97,500	105,551
Adjusted EBITDA	3,537	(553)	10,929	18,272	20,028	Creditors & accruals	8,350	7,690	7,074	6,508	5,988
Basic EPS	0.305	(0.787)	2.045	3.561	3.861	Borrowings & bank loans	6,386	7,505	7,402	6,007	2,716
Diluted EPS	0.304	(0.787)	2.050	3.561	3.861	Others	131	104	116	129	144
						Total current liabilities	14,866	15,299	14,592	12,645	8,848
						Deferred taxation liabilities	205	167	172	178	183
						Lease Liabilities	434	433	481	534	592
						Retention Payable	457	429	476	529	587
						Other non-current payable	205	168	181	195	212
						Total non-current liabilities	1,301	1,197	1,310	1,435	1,574
						Total liabilities	16,168	16,496	15,903	14,080	10,422
						Total shareholders' equity	68,425	63,914	72,025	83,068	94,877
						Minority interest	651	551	452	352	253
						Total equity	69,076	64,465	72,477	83,420	95,129
Cash Flow Statement						Financial Ratios					
Year end 31 Dec (HKD m)	2021A	2022A	2023F	2024F	2025F	2021A	2022A	2023F	2024F	2025F	
Profit before tax	1,521	(3,352)	9,123	15,903	17,304	Margins					
Finance costs	68	106	114	82	67	Effective gaming tax rate (%)	48.1	46.8	52.6	52.6	52.6
Depreciation & amortisation	2,264	2,088	2,390	2,712	3,026	Operating margin (%)	0.5	(30.0)	18.5	25.4	25.9
Changes in working capital	(6,235)	(1,580)	(1,278)	(889)	(640)	Net profit margin (%)	7.3	(30.1)	21.7	28.2	28.6
Total taxes paid	(131)	(97)	(97)	(176)	(191)	Adj. EBITDA margin (%)	18.0	(4.8)	26.3	32.8	33.6
Others	(974)	(258)	(803)	(1,312)	(1,557)	Return ratios					
Cash from operating activities	(3,487)	(3,092)	9,450	16,320	18,008	ROA (%)	1.6	(4.1)	10.6	16.9	16.8
Purchase of PP&E	(6,908)	(5,063)	(8,103)	(8,103)	(8,103)	ROE (%)	2.1	(5.2)	13.3	20.3	19.2
Interest received	863	1,102	441	662	805	ROCI (%)	0.2	(8.8)	10.9	14.6	12.1
Others	10,630	6,996	962	848	752	Liquidity & leverage					
Cash from investing activities	4,585	3,035	(6,700)	(6,593)	(6,546)	Leverage (i.e., gearing, %)	9.4	11.3	10.9	7.7	3.1
Issue of new shares	567	239	259	279	302	Net gearing (%)	Net cash	Net cash	Net cash	Net cash	Net cash
Change in bank loans, net	(2,819)	1,139	(103)	(1,395)	(3,291)	Interest coverage ratio (x)	0.1	(4.4)	15.2	20.0	18.4
Dividends	0	(1,308)	(1,352)	(4,715)	(6,840)	Current ratio (x)	1.6	1.2	1.3	1.9	2.9
Others	(158)	(114)	(38)	(41)	(44)						
Cash from financing activities	(2,410)	(43)	(1,235)	(5,872)	(9,873)						
Cash at beg of year	14,907	13,607	13,496	14,999	18,845						
Net changes in cash	(1,313)	(100)	1,514	3,855	1,589						
Effect of foreign exchanges	12	(11)	(11)	(10)	(10)						
Cash at end of year	13,607	13,496	14,999	18,845	20,424						

Source: the Company, Guotai Junan International.

Company Rating Definition

The Benchmark: Hong Kong Hang Seng Index

Time Horizon: 6 to 18 months

Rating		Definition
Buy	买入	Relative Performance > 15%; or the fundamental outlook of the company or sector is favorable.
Accumulate	收集	Relative Performance is 5% to 15%; or the fundamental outlook of the company or sector is favorable.
Neutral	中性	Relative Performance is -5% to 5%; or the fundamental outlook of the company or sector is neutral.
Reduce	减持	Relative Performance is -5% to -15%; or the fundamental outlook of the company or sector is unfavorable.
Sell	卖出	Relative Performance < -15%; or the fundamental outlook of the company or sector is unfavorable.

Sector Rating Definition

The Benchmark: Hong Kong Hang Seng Index

Time Horizon: 6 to 18 months

Rating		Definition
Outperform	跑赢大市	Relative Performance > 5%; or the fundamental outlook of the sector is favorable.
Neutral	中性	Relative Performance is -5% to 5%; or the fundamental outlook of the sector is neutral.
Underperform	跑输大市	Relative Performance < -5%; Or the fundamental outlook of the sector is unfavorable.

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