

J&T Express (1519 HK)

More visible path to achieve profitability; U/G to BUY

J&T achieved net profit of US\$31mn in 1H24, a substantial improvement from a loss of US\$264mn / US\$168mn in 1H/2H23. On the back of on-track cost reduction trend in both SEA and China, we now see a more visible path to achieve sustainable profitability. We revise up our 2024E/25E recurring after tax profit forecast by 12%/7%. While our SOTP-based TP is revised down to HK\$10 (from HK\$12.8) due to more conservative target multiples following the sector pullback, we see the valuation more reasonable now which presents an entry opportunity. Upgrade to **BUY** from Hold.

- SEA: Cost reduction to mitigate ASP pressure.** Revenue in 1H24 grew 22% YoY to US\$1.52bn, driven by impressive 42% parcel volume growth (to 2bn units) but offset by a 14% ASP decline (to US\$0.74). Market share in SEA expanded 2ppt YoY to 27.4%. Driven by a 16% YoY unit cost reduction, the unit gross margin in 1H24 dropped only 8% YoY to US\$0.14. We forecast full-year volume growth of 30% YoY with double-digit decrease in ASP.
- China: Achieved profit on the back of resilient ASP and cost reduction.** Revenue in 1H24 grew 36% YoY to US\$3bn, driven by 37% parcel volume growth (to 8.8bn units) and a stable ASP (US\$0.34). Market share expanded 1.1ppt YoY to 11%. Helped by a 6% YoY decrease in unit cost, the segment achieved unit gross profit of US\$0.02. The better-than-expected ASP was driven by an improved customer mix, as well as increases in the proportion of reverse parcels and individual orders. We forecast full-year volume growth of 24% YoY with a relatively stable ASP.
- New markets: Strong volume growth in 1H24 but expect to slow in 2H.** Due to a low base, revenue in 1H24 surged 1.2x YoY to US\$292mn, driven by 64% parcel volume growth (to 136mn units) and a 34% ASP increase (to US\$2.14). However, we expect the growth rate to slow to mid-teens in 2H24E due to the negative impact on cross-border e-commerce in Brazil (20% tariff on goods <US\$50, effective from 1 Aug).
- Risks:** 1) relatively high dependence on the development of the e-commerce industry and key customers; 2) further ASP pressure; 3) fluctuations in foreign exchange rates.

Earnings Summary

(YE 31 Dec)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue (US\$ mn)	7,267	8,849	9,938	11,716	13,530
YoY growth (%)	49.8	21.8	12.3	17.9	15.5
Adjusted net profit (US\$ mn)	(1,488.3)	(432.3)	186.5	495.6	729.1
EPS (Adjusted) (US\$ cents)	na	(5.00)	2.12	5.62	8.27
Consensus EPS (US\$ cents)	na	0.00	0.15	3.54	6.25
P/E (x)	na	na	39.7	15.2	10.3
P/B (x)	na	2.8	2.6	2.2	1.8
Yield (%)	na	0.0	0.0	0.0	0.0
ROE (%)	na	na	6.8	15.8	19.5
Net gearing (%)	na	(8.8)	(13.7)	(18.5)	(20.1)

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Up)

Target Price **HK\$10.00**

(Previous TP) **HK\$12.80**

Up/Downside **47.1%**

Current Price **HK\$6.80**

China Logistics

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Stock Data

Mkt Cap (HK\$ mn)	59,922.7
Avg 3 mths t/o (HK\$ mn)	128.4
52w High/Low (HK\$)	NA/NA
Total Issued Shares (mn)	8812.2

Source: FactSet

Shareholding Structure

Jet Jie Li 11.1%

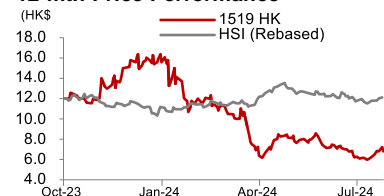
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	0.3%	-0.2%
3-mth	-18.6%	-8.7%
6-mth	-36.3%	-40.9%

Source: FactSet

12-mth Price Performance



Source: FactSet

Related report:

J&T Express (HOLD) – Adjusted net loss in 2023 less than expected; ASP beat in China market but miss in SEA – 24 Mar 2024 ([link](#))

J&T Express (HOLD) - Largest express delivery operator in SEA to expand globally – 19 Dec 2023 ([link](#))

Figure 1: 1H24 results highlights

YE Dec 31(US\$ mn)	1H23	1H24	Change (YoY)
Revenue	4,030	4,862	20.6%
Cost of sales	(3,837)	(4,326)	12.7%
Gross profit	194	536	176.8%
SG&A expense	(1,768)	(382)	-78.4%
R&D expense	(19)	(24)	24.9%
Asset impairment	(12)	(12)	5.3%
Other gains/(losses)	(31)	(3)	-90.2%
EBIT	(1,636)	115	n/a
Net finance income/(cost)	(45)	(45)	0.7%
Finance income	11	17	51.7%
Finance expenses	(56)	(62)	11.1%
Fair value change	1,021	(29)	n/a
Share of profit of JV and associates	(0)	(0)	9.5%
Pretax profit	(660)	41	n/a
Income tax	(7)	(10)	52.6%
After tax profit	(667)	31	n/a
MI	26	3	-86.7%
Net profit attributable to shareholders	(641)	34	n/a
Recurring net profit after tax	(264)	31	n/a
D&A	252	233	-7.7%
EBITDA	(1,384)	348	n/a

Source: Company data, CMBIGM

Figure 2: Change in key operating assumptions for J&T Global

	Old			New			Change		
	2024E	2025E	2026E	2024E	2025E	2026E	2024E	2025E	2026E
Shipment volume (mn units of parcel)									
Southeast Asia	4,115	5,144	6,172	4,212	5,265	6,318	2.4%	2.4%	2.4%
China	18,256	21,360	24,564	19,023	22,257	25,596	4.2%	4.2%	4.2%
New markets	466	863	1,208	299	389	506	-35.8%	-54.9%	-58.1%
Total	22,838	27,366	31,944	23,535	27,912	32,420	3.1%	2.0%	1.5%
ASP (US\$)									
Southeast Asia	0.76	0.74	0.73	0.70	0.69	0.67	-8.0%	-8.0%	-8.0%
China	0.32	0.32	0.31	0.34	0.33	0.33	4.2%	4.2%	4.2%
New markets	1.33	1.32	1.31	1.59	1.57	1.56	19.1%	19.1%	19.1%
Blended	0.42	0.43	0.43	0.42	0.42	0.41	-1.2%	-3.3%	-4.3%
Unit cost of express delivery by region (US\$)									
Southeast Asia	-0.63	-0.60	-0.59	-0.60	-0.58	-0.57	-3.8%	-3.7%	-3.7%
China	-0.31	-0.30	-0.29	-0.31	-0.30	-0.29	0.4%	0.4%	0.4%
New markets	-1.27	-1.16	-1.11	-1.46	-1.45	-1.44	15.0%	25.2%	29.7%
Average	-0.39	-0.38	-0.38	-0.38	-0.37	-0.36	-2.2%	-3.7%	-4.2%
Unit gross margin (US\$)									
Southeast Asia	0.13	0.14	0.14	0.10	0.10	0.11	-27.7%	-26.5%	-25.7%
China	0.01	0.02	0.02	0.02	0.03	0.04	101.3%	59.3%	50.1%
New markets	0.07	0.16	0.20	0.13	0.12	0.12	98.3%	-24.4%	-39.2%
Average	0.04	0.05	0.05	0.04	0.05	0.05	9.9%	-0.7%	-5.0%
(US\$ mn)									
Revenue									
Express delivery services									
Southeast Asia	3,127	3,831	4,528	2,944	3,607	4,263	-5.8%	-5.8%	-5.8%
China	5,912	6,813	7,717	6,419	7,398	8,380	8.6%	8.6%	8.6%
New markets	622	1,140	1,579	476	612	788	-23.5%	-46.3%	-50.1%
Cross-border services	396	404	408	99	99	99	-75.0%	-75.5%	-75.7%
Total	10,057	12,187	14,232	9,938	11,716	13,530	-1.2%	-3.9%	-4.9%
Gross margin (by region)								ppt	
Southeast Asia	18%	19%	20%	14%	15%	16%	(3.8)	(3.8)	(3.8)
China	4%	6%	8%	7%	10%	11%	3.5	3.4	3.4
New markets	5%	12%	15%	8%	8%	8%	3.3	(4.5)	(7.5)
Blended gross margin	8%	11%	12%	9%	11%	12%	1.2	0.6	0.1
Net profit attributable to shareholders	175	474	733	194	506	744	10.6%	6.7%	1.4%
Recurring net profit after tax	167	464	719	186	496	729	11.7%	6.7%	1.4%

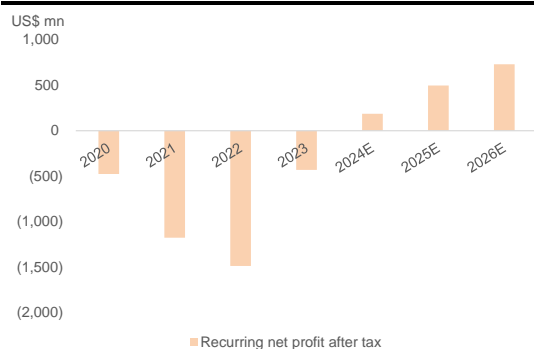
Source: Company data, CMBIGM estimates

Figure 3: Key operating assumptions for J&T Global

	2020	2021	2022	2023	2024E	2025E	2026E
Shipment volume (mn units of parcel)							
Southeast Asia	1,154	2,161	2,513	3,240	4,212	5,265	6,318
China	2,084	8,334	12,026	15,341	19,023	22,257	25,596
New markets	-	-	49	230	299	389	506
Total	3,237	10,495	14,588	18,812	23,535	27,912	32,420
Change (YoY)							
Southeast Asia	-	87.3%	16.3%	28.9%	30.0%	25.0%	20.0%
China	-	300.0%	44.3%	27.6%	24.0%	17.0%	15.0%
New markets	-	-	-	369.0%	30.0%	30.0%	30.0%
Average	-	224.2%	39.0%	29.0%	25.1%	18.6%	16.2%
ASP (US\$)							
Southeast Asia	0.91	1.10	0.95	0.81	0.70	0.69	0.67
China	0.23	0.26	0.34	0.34	0.34	0.33	0.33
New markets	-	-	1.67	1.42	1.59	1.57	1.56
Blended	0.47	0.43	0.45	0.44	0.42	0.42	0.41
Change (YoY)							
Southeast Asia	-	21.3%	-13.9%	-14.2%	-14.0%	-2.0%	-1.5%
China	-	13.9%	30.1%	0.1%	-1.0%	-1.5%	-1.5%
New markets	-	-	-	-14.8%	12.0%	-1.0%	-1.0%
Average	-	-7.8%	3.5%	-3.2%	-4.0%	-0.4%	-0.5%
Unit cost of express delivery by region (US\$)							
Southeast Asia	-0.64	-0.79	-0.76	-0.67	-0.60	-0.58	-0.57
China	-0.51	-0.41	-0.40	-0.34	-0.31	-0.30	-0.29
New markets	-	-	-2.06	-1.41	-1.46	-1.45	-1.44
Average	-0.55	-0.49	-0.46	-0.41	-0.38	-0.37	-0.36
Change (YoY)							
Southeast Asia	-	24.7%	-4.5%	-11.4%	-10.4%	-3.3%	-2.4%
China	-	-19.5%	-3.0%	-14.4%	-7.7%	-4.2%	-2.8%
New markets	-	-	-	-31.2%	3.1%	-0.5%	-1.0%
Average	-	-11.9%	-4.8%	-11.7%	-7.4%	-2.7%	-1.6%
Unit gross margin (US\$)							
Southeast Asia	0.27	0.31	0.19	0.14	0.10	0.10	0.11
China	-0.28	-0.15	-0.06	0.00	0.02	0.03	0.04
New markets	-	-	-0.39	0.00	0.13	0.12	0.12
Average	-0.08	-0.05	-0.01	0.03	0.04	0.05	0.05
Change (YoY)							
Southeast Asia	-	13.3%	-38.2%	-25.5%	-30.9%	6.3%	3.7%
China	-	-	-	-	-	33.7%	10.0%
New markets	-	-	-	-	-	-6.8%	-1.0%
Average	-	-	-	-	50.6%	21.7%	8.2%
(US\$ mn)							
Revenue							
Express delivery services	1,525	4,559	6,560	8,189	9,839	11,617	13,431
Southeast Asia	1,047	2,378	2,382	2,633	2,944	3,607	4,263
China	479	2,181	4,096	5,229	6,419	7,398	8,380
New markets	-	-	82	327	476	612	788
Cross-border services	10	292	708	660	99	99	99
Total	1,535	4,852	7,267	8,849	9,938	11,716	13,530
Revenue growth (by segment)							
Express delivery services	-	198.9%	43.9%	24.8%	20.1%	18.1%	15.6%
Southeast Asia	-	127.2%	0.2%	10.6%	11.8%	22.5%	18.2%
China	-	355.5%	87.8%	27.7%	22.8%	15.2%	13.3%
New markets	-	-	-	299.5%	45.6%	28.7%	28.7%
Cross-border services	-	2797.5%	142.5%	-6.8%	-85.0%	0.0%	0.0%
Average	-	216.0%	49.8%	21.8%	12.3%	17.9%	15.5%
Gross margin (by region)							
Southeast Asia	29.8%	27.8%	20.0%	17.9%	14.0%	15.1%	15.9%
China	-120.4%	-55.9%	-16.2%	1.1%	7.2%	9.8%	11.0%
New markets	0.0%	0.0%	-23.5%	0.5%	8.3%	7.8%	7.8%
Cross border	32.5%	4.1%	-8.8%	-8.8%	-2.0%	0.0%	2.0%
Blended gross margin	-17.0%	-11.2%	-3.7%	5.3%	9.2%	11.3%	12.3%
(US\$ mn)							
Adjusted EBITDA							
SEA	267	427	332	376	450	532	622
China	(616)	(1,206)	(723)	31	409	643	731
New markets	0	0	(74)	(82)	9	15	22
Cross border	2	(14)	(95)	(107)	(6)	(4)	(2)
Unallocated	27	(2)	(334)	(71)	(85)	(80)	(78)
Total adjusted EBITDA	(321)	(794)	(894)	147	777	1,106	1,295
Share-based payments and expenses	(188)	(619)	(281)	(1,462)	0	0	0
Listing expense	0	(12)	(10)	(8)	0	0	0
Others	0	(1)	302	0	0	0	0
Reported EBITDA	(509)	(1,427)	(884)	(1,324)	777	1,106	1,295

Source: Company data, CMBIGM estimates

Figure 4: Recurring net profit after tax



Source: Company data, CMBIGM estimates

Figure 5: Earnings sensitivity to China ASP and cost

2024E After-tax profit (US\$ mn)	ASP (US\$/unit)					
	0.321	0.331	0.337	0.344	0.354	
	-0.067	-116	35	136	236	387
	-0.065	-85	66	166	267	418
Unit line-haul	-0.064	-65	86	186	287	438
transportation cost (US\$)	-0.063	-45	106	207	307	458
	-0.061	-14	137	237	338	489

2024E After-tax profit (US\$ mn)	ASP (US\$/unit)					
	0.321	0.331	0.337	0.344	0.354	
	-0.194	-212	-61	40	140	291
	-0.189	-124	27	128	228	379
Pick-up & delivery cost	-0.185	-65	86	186	287	438
(US\$)	-0.181	-6	145	245	346	497
	-0.176	82	233	333	434	585

Source: Company data, CMBIGM estimates

Note: Based on recurring net profit after tax

Valuation

We revise down our SOTP-based TP to HK\$10 from HK\$12.8. We apply different EV/EBITDA multiples for different markets to better reflect their respective growth outlook.

- **SEA:** We slightly reduce our target multiple to 15x (from 16x), which is a 100% premium over the global integrated logistics operators (8x). Our premium is to reflect J&T's solid competitive edge and strong execution for market share gains.
- **China:** We change our valuation methodology to EV/EBITDA (from P/S) as the segment is already profitable. We apply a target multiple of 10x, ~50% premium to local peers to reflect the above industry growth potential.
- **New Markets.** We lower our multiple to 20x (from 35x), due to more uncertainties in penetrating emerging markets.

Figure 6: Target equity valuation

Valuation Breakdown	Methodology		2024E (US\$ mn)	Multiple (x)	Value (US\$m)	% of total
SEA	EV/EBITDA	EBITDA	450	15	6,744	61%
China	EV/EBITDA	EBITDA	409	10	4,089	37%
New markets	EV/EBITDA	EBITDA	9	20	189	2%
Total EV					11,022	100%
Add: Net cash (end Jun 24)					77	
Minus: MI					0	
Equity value					11,099	
Target price						
US\$					1.26	
HK\$					10	

Source: CMBIGM estimates

Figure 7: Peers comparison

Ticker	Company	Price (local currency)	Market cap (US\$ m)	PE (x)		PB (x)		EV/EBITDA (x)	
				FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
China express delivery									
ZTO US Equity	ZTO EXPRESS -ADR	20.40	16,582	12.6	10.8	1.8	1.7	6.4	5.6
2057 HK Equity	ZTO EXPRESS	158.70	16,582	12.6	10.8	1.8	1.7	6.4	5.6
1519 HK Equity	J&T GLOBAL EXPRE	6.80	7,661	39.0	15.1	2.6	2.2	8.1	5.7
002352 CH Equity	S F HOLDING CO-A	34.20	22,783	17.9	15.2	1.7	1.5	6.9	6.2
600233 CH Equity	YTO EXPRESS -A	14.78	7,044	11.6	10.0	1.6	1.4	6.2	5.3
002468 CH Equity	STO EXPRESS CO-A	8.54	1,808	18.5	13.5	1.4	1.3	6.8	5.6
002120 CH Equity	YUNDA HOLDING -A	6.32	2,535	9.0	7.5	0.9	0.8	4.3	3.8
	Average			17.3	11.9	1.7	1.5	6.4	5.4
China logistics (others)									
636 HK Equity	KERRY LOGISTICS	7.63	1,763	8.9	8.3	0.7	0.7	4.8	4.6
2618 HK Equity	JD LOGISTICS	9.74	8,251	13.2	11.0	1.2	1.1	3.7	3.3
9956 HK Equity	ANE CAYMAN INC	7.20	1,070	10.9	8.9	2.7	2.1	4.1	3.7
603056 CH Equity	DEPPON LOGISTIC-A	12.82	1,821	12.3	9.6	1.5	1.3	3.9	3.2
600787 CH Equity	CMST DEVELOPM-A	4.74	1,430	10.8	10.1	n/a	n/a	n/a	n/a
603128 CH Equity	CTS INTERNATIO-A	5.26	952	9.5	8.6	1.1	1.1	6.0	5.5
603565 CH Equity	SHANGHAI ZHONG-A	8.32	2,417	9.8	8.5	1.6	1.5	5.0	4.4
002930 CH Equity	GUANGDONG GREAT RIVER-A	10.22	651	13.8	11.1	1.6	1.4	9.0	7.7
600057 CH Equity	XIAMEN XIANGYU-A	5.01	1,575	6.0	4.9	0.6	0.6	11.2	9.6
	Average			10.6	9.0	1.4	1.2	6.0	5.2
Overseas (Integrated logistics)									
FDX US Equity	FEDEX CORP	288.42	70,652	14.0	12.2	2.4	2.2	8.9	8.3
UPS US Equity	UNITED PARCEL-B	128.95	110,456	17.5	14.5	6.3	5.6	10.7	9.5
DHL GR Equity	DHL GROUP	38.37	49,764	12.9	11.1	1.9	1.8	6.3	5.8
9064 JP Equity	YAMATO HOLDINGS	1,657.5	3,946	19.2	13.6	1.0	0.9	5.5	4.6
9143 JP Equity	SG HOLDINGS	1,564.5	6,617	15.0	13.5	1.6	1.5	7.4	6.6
6178 JP Equity	JAPAN POST	1,423.0	30,133	14.5	12.0	0.4	0.4	n/a	n/a
KEX TB Equity	KERRY EXPRESS TH	2.6	126	n/a	n/a	1.6	1.7	n/a	n/a
	Average			15.5	12.8	2.2	2.0	7.8	7.0
Overseas (Pure LTL)									
ODFL US Equity	OLD DOMINION FRT	200.16	42,894	35.0	30.4	9.8	8.6	21.6	19.2
SAIA US Equity	SAIA INC	389.75	10,363	28.0	23.3	4.5	3.8	15.0	12.8
XPO US Equity	XPO LOGISTICS IN	120.05	13,973	33.9	26.0	8.6	6.4	14.4	12.5
	Average			32.3	26.6	7.6	6.3	17.0	14.8

Source: Bloomberg, Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (US\$ mn)						
Revenue	4,852	7,267	8,849	9,938	11,716	13,530
Cost of goods sold	(5,397)	(7,538)	(8,376)	(9,025)	(10,395)	(11,867)
Gross profit	(545)	(270)	473	913	1,321	1,663
Operating profit	(1,647)	(1,390)	(1,767)	283	636	899
Share of (losses)/profits of associates/JV	1	(0)	(0)	0	0	0
Interest income	9	22	25	23	22	21
Interest expense	(99)	(99)	(105)	(81)	(53)	(32)
Net Interest income/(expense)	(90)	(77)	(80)	(58)	(31)	(10)
Others	(4,384)	3,051	708	0	0	0
Pre-tax profit	(6,119)	1,583	(1,139)	225	604	889
Income tax	(73)	(11)	(17)	(38)	(109)	(160)
After tax profit	(6,192)	1,573	(1,156)	186	496	729
Minority interest	145	84	55	7	10	15
Net profit	(6,047)	1,656	(1,101)	194	506	744
Adjusted net profit	(1,178)	(1,488)	(432)	186	496	729
Gross dividends	121	29	0	0	0	0

BALANCE SHEET	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (US\$ mn)						
Current assets	3,516	2,846	3,137	3,016	3,176	3,462
Cash & equivalents	2,102	1,504	1,483	1,395	1,330	1,333
Restricted cash	126	80	42	42	42	42
Account receivables	335	514	556	642	706	851
Inventories	29	29	35	34	40	45
Prepayment	882	703	971	853	1,009	1,141
Financial assets at FVTPL	42	16	50	50	50	50
Other current assets	0	0	0	0	0	0
Non-current assets	3,028	3,089	3,464	3,577	3,764	4,025
PP&E	1,108	1,053	1,179	1,458	1,761	2,038
Right-of-use assets	604	481	503	353	253	253
Deferred income tax	10	43	54	54	54	54
Investment in JVs & assos	1	1	0	0	0	0
Intangibles	1,129	964	975	959	943	926
Financial assets at FVTPL	0	481	726	726	726	726
Other non-current assets	177	67	28	28	28	28
Total assets	6,545	5,936	6,601	6,593	6,941	7,487
Current liabilities	2,206	1,732	2,085	2,190	2,342	2,359
Short-term borrowings	60	77	211	261	261	261
Account payables	577	484	467	522	674	692
Tax payable	21	32	31	31	31	31
Other current liabilities	134	0	11	11	11	11
Lease liabilities	207	151	204	204	204	204
Contract liabilities	291	210	272	272	272	272
Accrued expenses	915	776	889	889	889	889
Non-current liabilities	10,975	9,188	2,037	1,737	1,437	1,237
Long-term borrowings	29	1,021	1,071	771	471	271
Obligations under finance leases	391	341	304	304	304	304
Other non-current liabilities	10,555	7,826	661	661	661	661
Total liabilities	13,181	10,920	4,122	3,927	3,779	3,596
Total shareholders equity	(6,591)	(4,847)	2,750	2,944	3,449	4,193
Minority interest	(45)	(137)	(270)	(278)	(287)	(302)

CASH FLOW	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (US\$ mn)						
Operating						
Profit before taxation	(6,119)	1,583	(1,139)	225	604	889
Depreciation & amortization	107	299	319	344	370	396
Tax paid	(76)	(74)	(17)	(38)	(109)	(160)
Change in working capital	(283)	(227)	(333)	88	(73)	(265)
Others	5,404	(2,100)	1,512	208	131	10
Net cash from operations	(967)	(520)	342	827	923	871
Investing						
Capital expenditure	(490)	(541)	(475)	(600)	(650)	(650)
Acquisition of subsidiaries/ investments	(612)	4	0	0	0	0
Others	101	(322)	(384)	16	15	14
Net cash from investing	(1,001)	(860)	(859)	(584)	(635)	(636)
Financing						
Dividend paid	0	(121)	(29)	0	0	0
Net borrowings	(355)	1,009	184	(250)	(300)	(200)
Proceeds from share issues	4,223	264	450	0	0	0
Others	(398)	(271)	(105)	(81)	(53)	(32)
Net cash from financing	3,470	881	501	(331)	(353)	(232)
Net change in cash						
Cash at the beginning of the year	600	2,102	1,504	1,483	1,395	1,330
Exchange difference	1	(100)	(5)	0	0	0
Cash at the end of the year	2,102	1,504	1,483	1,395	1,330	1,333
GROWTH	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
Revenue	216.0%	49.8%	21.8%	12.3%	17.9%	15.5%
Gross profit	na	na	na	93.2%	44.6%	25.9%
Operating profit	na	na	na	na	124.5%	41.5%
Net profit	na	na	na	na	160.7%	47.1%
Adj. net profit	na	na	na	na	165.8%	47.1%
PROFITABILITY	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
Gross profit margin	(11.2%)	(3.7%)	5.3%	9.2%	11.3%	12.3%
Operating margin	(34.0%)	(19.1%)	(20.0%)	2.8%	5.4%	6.6%
Adj. net profit margin	(24.3%)	(20.5%)	(4.9%)	1.9%	4.2%	5.4%
Return on equity (ROE)	na	na	na	6.8%	15.8%	19.5%
GEARING/LIQUIDITY/ACTIVITIES	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
Net debt to equity (x)	na	na	(0.1)	(0.1)	(0.2)	(0.2)
Current ratio (x)	1.6	1.6	1.5	1.4	1.4	1.5
Receivable turnover days	19.4	21.3	22.1	22.0	21.0	21.0
Inventory turnover days	1.5	1.4	1.4	1.4	1.3	1.3
Payable turnover days	27.1	25.7	20.7	20.0	21.0	21.0
VALUATION	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
P/E	na	na	ns	39.7	15.2	10.3
P/B	na	na	2.8	2.6	2.2	1.8
Div yield (%)	na	na	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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