

# FIT Hon Teng (6088 HK)

## Upbeat 3-year guidance reaffirmed our positive view; Raise TP to HK\$4.38

We raise TP to HK\$4.38 (40% upside) following a strong set of three-year guidance (2025-27) announced for the first time: 1) 20% revenue CAGR during FY25-27E, 2) GPM/OPM target of 22%/8% by FY27E. Mgmt. reiterated key growth drivers into 2025-27: 1) AI server/networking: biz momentum backed by GB200 ramp and product portfolio expansion (e.g. backplane, optical modules), 2) consolidation of the Auto-Kabel Group deal and improving efficiency, and 3) AirPods: capacity ramp in India plant and order wins. We lift our FY25/26E EPS by 3%/5% to factor in 3Q results and stronger guidance. Reiterate BUY. Catalysts includes GB200 AI server component order wins, AirPods shipment progress and Auto-Kabel M&A progress.

■ **3Q24 in-line with accelerated margin recovery.** On the earnings call, mgmt. attributed solid 3Q24 results to solid growth of AI products offsetting overall weakness in consumer electronics. 3Q24 GPM came in at 21.7% despite a weaker EV segment, and core OPM reached 8.2% (vs. 1Q/2Q24 2.5%/4.1%), thanks to efforts to streamline production costs, efficiency improvements and better expense control. For 4Q24/2024E, mgmt. reiterated guidance of high single-digit revenue growth, GPM of 20%+, and OPM target of 4.5% (vs prior 5.0%). Overall, we estimate revenue/ net profit to grow 9%/43% YoY in FY24E.

■ **FY25-27E 3-year guidance: 20% revenue CAGR, 22%/8% GPM/OPM target, backed by AI server/Mobility/Audio products.** Mgmt. announced a solid set of 3-year guidance for the first time, which suggested their strong confidence in product roadmap and execution of the “3+3” strategy. Looking ahead to 4Q24E, for AI server, mgmt. expects power busbar and CDU liquid cooling connectors to start delivery in 4Q24E on the top of interconnectors/cables, while GB200 backplane connectors/cables are under evaluation with the customers. For EV mobility, integration with Auto-Kabel is about to close and contribute meaningful revenue in FY25E. For AirPods, the first production line in India is on track to start mass production in early FY25E, and the second line will begin construction in 1H25E.

■ **Promising growth with attractive valuation; Raise TP to HK\$4.38.** We believe the market reacted positively after FIT announced FY25-27E guidance and solid business outlook. We lift our FY25/26E EPS by 3%/5% to factor in 3Q results and stronger guidance. The stock now trades at 9.3x/7.1x FY25/26E P/E, which is attractive compared to 67%/31% EPS growth. Reiterate BUY with new TP of HK\$ 4.38 ( the same 13x FY25E P/E).

### Earnings Summary

(YE 31 Dec)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue (US\$ mn)	4,531	4,196	4,555	5,896	7,131
YoY growth (%)	0.9	(7.4)	8.6	29.4	20.9
Net profit (US\$ mn)	170.1	129.6	184.2	308.1	403.2
YoY growth (%)	24.5	(23.8)	42.2	67.2	30.9
EPS (Reported) (US\$ cents)	2.42	1.82	2.59	4.34	5.67
Consensus EPS (US\$)	N/A	N/A	2.60	3.94	4.76
P/E (x)	16.7	22.2	15.6	9.3	7.1
P/B (x)	1.1	1.1	1.1	1.0	0.9
Yield (%)	0.0	0.0	0.0	0.0	0.0
ROE (%)	7.2	5.4	7.3	11.1	12.9
Net gearing (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, Bloomberg, CMBIGM estimates

### BUY (Maintain)

Target Price	HK\$4.38
(Previous TP)	HK\$4.25)
Up/Downside	39.6%
Current Price	HK\$3.14

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### Stock Data

Mkt Cap (HK\$ mn)	22,818.4
Avg 3 mths t/o (HK\$ mn)	94.7
52w High/Low (HK\$)	3.73/0.90
Total Issued Shares (mn)	7267.0

Source: FactSet

### Shareholding Structure

Foxconn Far East Ltd	71.1%
Lu Sung-Ching	5.5%

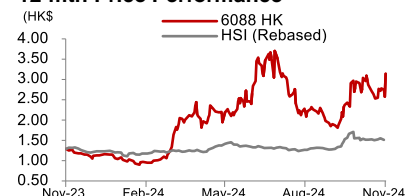
Source: HKEx

### Share Performance

	Absolute	Relative
1-mth	6.4%	14.1%
3-mth	38.9%	20.4%
6-mth	43.4%	38.3%

Source: FactSet

### 12-mth Price Performance



Source: FactSet

### Related Reports:

1. FIT Hon Teng (6088 HK) first take: Earnings in-line with solid margin recovery; Focus on GB200 products in 4Q24E- 13 Nov 2024 ([link](#))
2. FIT Hon Teng (6088 HK)-Beneficiary of GB200 server ramp in 4Q24E; Assessing the AI server opportunity- 23 Oct 2024 ([link](#))
3. FIT Hon Teng (6088 HK)-2Q24 in-line; Upbeat guidance on power busbar and liquid cooling order wins- 14 Aug 2024 ([link](#))

## 3Q24 Results review

Figure 1 3Q24 results review

(US\$ mn)	3Q23	4Q23	1Q24	2Q24	3Q24	YoY	CMBIGM		Consensus	
							FY24E	% Track	FY24E	% Track
Revenue	1,165	1,247	965	1,102	1,174	0.8%	4,555	71.2%	4,642	69.8%
Gross profit	260	264	196	225	255	-1.9%	942	71.8%	937	72.2%
Operating profit	86	91	24	45	96	11.6%	321	51.5%	313	52.8%
Net profit	55	74	10	22	68	23.9%	184	54.7%	182	55.3%
EPS (USD cents)	0.77	1.18	0.14	0.32	0.94	22.1%	2.59	54.0%	2.60	53.8%
Gross margin	22.3%	21.2%	20.3%	20.4%	21.7%	-0.6ppt	20.7%		20.2%	
Operating margin	7.4%	7.3%	2.5%	4.1%	8.2%	0.8ppt	7.0%		6.7%	
Net Margin	4.7%	5.9%	1.1%	2.0%	5.8%	1.1ppt	4.0%		3.9%	

Source: Bloomberg, CMBIGM estimates

Figure 2: CMBIGM estimates vs consensus

(US\$ mn)	CMBIGM			Consensus			Diff (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	4,555	5,896	7,131	4,642	5,783	6,626	-2%	2%	8%
Gross profit	942	1,245	1,528	937	1,196	1,381	1%	4%	11%
Operating profit	321	479	601	313	436	536	3%	10%	12%
Net profit	184	307	402	182	273	333	1%	13%	21%
EPS (USD cents)	2.59	4.34	5.67	2.60	3.94	4.76	0%	10%	19%
Gross margin	20.7%	21.1%	21.4%	20.2%	20.7%	20.8%	0.5 ppt	0.4 ppt	0.6 ppt
Operating margin	7.0%	8.1%	8.4%	6.7%	7.5%	8.1%	0.3 ppt	0.6 ppt	0.3 ppt
Net Margin	4.0%	5.2%	5.6%	3.9%	4.7%	5.0%	0.1 ppt	0.5 ppt	0.6 ppt

Source: Bloomberg, CMBIGM estimates

Figure 3: CMBIGM earnings revisions

(US\$ mn)	New			Old			Diff (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	4,555	5,896	7,131	4,677	6,117	7,347	-3%	-4%	-3%
Gross profit	942	1,245	1,528	965	1,268	1,546	-2%	-2%	-1%
Operating profit	321	479	601	328	473	584	-2%	1%	3%
Net profit	184	307	402	183	298	384	0%	3%	5%
EPS (USD cents)	2.59	4.34	5.67	2.58	4.20	5.42	0%	3%	5%
Gross margin	20.7%	21.1%	21.4%	20.6%	20.7%	21.0%	0 ppt	0.4 ppt	0.4 ppt
Operating margin	7.0%	8.1%	8.4%	7.0%	7.7%	7.9%	0 ppt	0.4 ppt	0.5 ppt
Net Margin	4.0%	5.2%	5.6%	3.9%	4.9%	5.2%	0.1 ppt	0.3 ppt	0.4 ppt

Source: CMBIGM estimates

Figure 4: Revenue breakdown

US\$ 000	FY22	FY23	1H24	2H24E	FY24E	FY25E	FY26E
<b>Smartphones</b>	<b>1,261,047</b>	<b>1,044,335</b>	<b>415,228</b>	<b>514,230</b>	<b>929,458</b>	<b>975,931</b>	<b>1,034,487</b>
...YoY	-3%	-17%	-7%	-14%	-11%	5%	6%
<b>Networking</b>	<b>753,854</b>	<b>424,793</b>	<b>260,729</b>	<b>414,692</b>	<b>675,421</b>	<b>938,453</b>	<b>1,313,773</b>
...YoY	-14%	-44%	19%	101%	59%	39%	40%
Traditional server		382,314			420,545	454,189	490,524
AI server		42,479			254,876	484,264	823,249
<b>Computing</b>	<b>819,708</b>	<b>773,285</b>	<b>378,226</b>	<b>410,525</b>	<b>788,751</b>	<b>851,851</b>	<b>937,036</b>
...YoY	2%	-6%	0%	4%	2%	8%	10%
<b>Mobility</b>	<b>152,814</b>	<b>305,098</b>	<b>227,270</b>	<b>247,884</b>	<b>475,154</b>	<b>929,234</b>	<b>978,175</b>
...YoY	10%	100%	217%	6%	56%	96%	5%
EV business	152,814	137,553	73,793	43,127	116,920	123,935	132,611
Volterra	-	167,545	153,477	204,757	358,234	376,145	394,953
AK Group						429,153	450,611
<b>Systems Products</b>	<b>1,335,580</b>	<b>1,415,280</b>	<b>671,576</b>	<b>793,468</b>	<b>1,465,044</b>	<b>1,946,023</b>	<b>2,600,244</b>
...YoY	20%	6%	16%	-5%	4%	33%	34%
AirPods					233,750	591,600	1,178,100
Others					1,231,294	1,354,423	1,422,144
<b>Others</b>	<b>207,600</b>	<b>232,759</b>	<b>113,731</b>	<b>107,390</b>	<b>221,121</b>	<b>254,289</b>	<b>267,004</b>
...YoY	-17%	12%	24%	-24%	-5%	15%	5%
<b>Total</b>	<b>4,530,603</b>	<b>4,195,550</b>	<b>2,066,760</b>	<b>2,488,188</b>	<b>4,554,948</b>	<b>5,895,781</b>	<b>7,130,718</b>
...YoY	0.9%	-7.4%	15.8%	3.2%	8.6%	29.4%	20.9%

Source: Company data, CMBIGM estimates

Figure 5: P&amp;L forecast

US\$ mn	FY22	FY23	1H24	2H24E	FY24E	FY25E	FY26E
<b>Revenue</b>	<b>4,531</b>	<b>4,196</b>	<b>2,067</b>	<b>2,488</b>	<b>4,555</b>	<b>5,896</b>	<b>7,131</b>
...YoY	0.9%	-7.4%	15.8%	3.2%	8.6%	29.4%	20.9%
Cost of sales	-3,763	-3,388	-1,646	(1,968)	(3,613)	(4,651)	(5,603)
<b>Gross profit</b>	<b>768</b>	<b>807</b>	<b>421</b>	<b>521</b>	<b>942</b>	<b>1,245</b>	<b>1,528</b>
<b>GPM (%)</b>	<b>17%</b>	<b>19%</b>	<b>20%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>
...YoY	14.1%	5.1%	48.8%	-0.6%	16.7%	32.2%	22.7%
SG&A	-223	-295	-180	(157)	(337)	(407)	(485)
...% of rev	-4.9%	-7.0%	-8.7%	-6.3%	-7.4%	-6.9%	-6.8%
R&D	-296	-308	-172	(181)	(353)	(430)	(513)
...% of rev	-6.5%	-7.3%	-8.3%	-7.3%	-7.8%	-7.3%	-7.2%
<b>Operating profit</b>	<b>307</b>	<b>263</b>	<b>93</b>	<b>227</b>	<b>321</b>	<b>479</b>	<b>601</b>
OPM (%)	6.8%	6.3%	4.5%	9.1%	7.0%	8.1%	8.4%
...YoY	74.0%	-14.4%	97.5%	5.5%	22.0%	49.2%	25.6%
<b>Net profit</b>	<b>169</b>	<b>129</b>	<b>33</b>	<b>151</b>	<b>184</b>	<b>307</b>	<b>402</b>
NPM (%)	3.7%	3.1%	1.6%	6.1%	4.0%	5.2%	5.6%
...YoY	23.2%	-23.9%	263.3%	9.6%	42.5%	67.1%	30.9%

Source: Company data, CMBIGM estimates

## Assessing FIT's AI server opportunity:

Figure 6: Scenario analysis of FIT NVDA AI server revenue (2025)

<b>FIT NVDA AI server revenue (2025)</b>	<b>Bull</b>	<b>Base</b>	<b>Bear</b>
<b>NVDA AI server units</b>			
<b>GB200/GB300 rack shipment (NVL72-eq.)</b>	<b>50</b>	<b>40</b>	<b>30</b>
NVL36/72 mix	6:1	6:1	6:1
... NVL72 racks ('000)	10	10	10
... NVL36 racks ('000)	80	60	40
# of Compute Trays ('000)	900	720	540
<b>HGX/MGX AI server shipment (H100/H200/B200/B300A/B300)</b>			
# of GPUs (H100/H200/B200/B300A/B300) ('000)	2,800	2,800	2,800
# of AI Servers (H100/H200/B200/B300A/B300) ('000)	350	350	350
<b>GB200/GB300 AI Server revenue</b>			
<b>Compute tray: Connectors/cables (e.g. MCIO, MXIO, memory socket, PCIe)</b>			
FIT content value per compute tray (US\$)	1,000	800	600
FIT share allocation	20%	20%	20%
<b>Total revenue (US\$ '000)</b>	<b>180,000</b>	<b>115,200</b>	<b>64,800</b>
<b>Compute tray: components (e.g. power, thermal)</b>			
FIT content value per compute tray (US\$)	300	300	300
FIT share allocation	5%	5%	5%
<b>Total revenue (US\$ '000)</b>	<b>13,500</b>	<b>10,800</b>	<b>8,100</b>
<b>NVLink copper cables/connector</b>			
... Content value per NVL72 rack (US\$)	80,000	70,000	60,000
... Content value per NVL36 rack (US\$)	56,000	49,000	42,000
TAM - Backplane cables/connectors (US\$ '000)	5,280,000	3,640,000	2,280,000
FIT share allocation	13%	8%	5%
<b>Total revenue (US\$ '000)</b>	<b>686,400</b>	<b>291,200</b>	<b>114,000</b>
<b>Liquid Cooling: Components (e.g. cold plate, UQD, manifold)</b>			
FIT content value per rack (US\$)	300	300	300
FIT share allocation	5%	5%	5%
<b>Total revenue (US\$ '000)</b>	<b>750</b>	<b>600</b>	<b>450</b>
<b>GPU socket (GB300)</b>			
GB300 shipment (2xGPU) ('000)	220	220	220
ASP (US\$)	30	30	30
TAM - GPU sockets (US\$ '000)	6,600	6,600	6,600
FIT share allocation	80%	70%	60%
<b>Total revenue (US\$ '000)</b>	<b>5,280</b>	<b>4,620</b>	<b>3,960</b>
<b>FIT GB200/GB300 AI server revenue (US\$ '000)</b>	<b>885,930</b>	<b>422,420</b>	<b>191,310</b>
<b>HGX/MGX AI server (H100/H200/B200/B300A/B300) revenue</b>			
<b>Server connectors (e.g. MCIO, CPU/memory socket, PCIe)</b>			
FIT's content value per server (US\$)	1,000	800	600
FIT's share allocation	20%	20%	20%
<b>Total revenue (US\$ '000)</b>	<b>70,000</b>	<b>56,000</b>	<b>42,000</b>
<b>GPU sockets</b>			
B300A/B300 shipments ('000)	418	418	418
ASP (US\$)	20	20	20
TAM - GPU sockets (US\$ '000)	8,360	8,360	8,360
FIT share allocation	80%	70%	60%
<b>Total revenue (US\$ '000)</b>	<b>6,688</b>	<b>5,852</b>	<b>5,016</b>
<b>FIT HGX/MGX AI server revenue (US\$ '000)</b>	<b>76,688</b>	<b>61,852</b>	<b>47,016</b>
<b>Total NVDA AI server revenue (US\$ '000)</b>	<b>962,618</b>	<b>484,272</b>	<b>238,326</b>

Source: CMBIGM estimates

## Valuation

### Maintain BUY with new TP of HK\$4.38

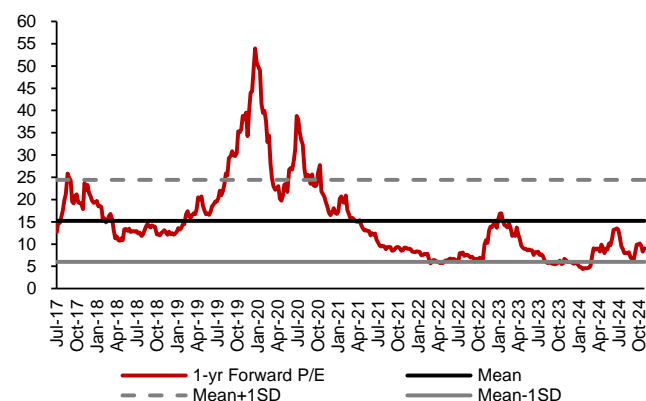
Our new TP of HK\$ 4.38 is based on the same 13x FY25E P/E, given accelerated growth on “3+3 Strategy” and profitability recovery. Trading at 9.3x/7.1x FY25/26E P/E, we think the risk-reward is attractive. Catalysts includes GB200 AI server component order wins, AirPods shipment progress and Auto-Kabel M&A progress.

**Figure 7: Peers' valuation**

			Market Cap	Price	TP	Up/ Down	P/E (x)		P/B (x)		ROE (%)	
Company	Ticker	Rating	(US\$mnn)	(LC)	(LC)	-side	FY24E	FY25E	FY24E	FY25E	FY24E	FY25E
Global Connectors												
TE	TEL US	NR	45,882	153.37	NA	NA	20.3	19.0	3.7	3.6	19.1	18.9
Amphenol	APH US	NR	86,792	71.99	NA	NA	39.0	33.1	9.0	7.6	24.9	25.2
Fabrinet	FN US	NR	9,388	258.85	NA	NA	29.7	26.3	5.4	4.6	18.2	19.0
Aviat	6807 JP	NR	1,280	2820.00	NA	NA	18.5	15.1	1.4	1.4	7.5	9.6
Hirose	6806 JP	NR	4,266	18510.00	NA	NA	24.0	20.1	1.8	1.7	7.4	8.3
Luxshare	002475 CH	Buy	41,662	41.59	55.09	32%	22.1	18.1	3.5	3.0	16.0	16.4
Foxconn	2354 TT	NR	4,077	93.60	NA	NA	31.9	22.8	0.8	0.8	3.9	5.3
Hon Hai	2317 TT	NR	91,580	214.50	NA	NA	18.7	14.1	1.8	1.6	9.7	11.7
Average							25.5	21.1	3.4	3.0	13.3	14.3
China technology												
FIT Hon Teng	6088 HK	Buy	2,943	3.14	4.38	40%	15.6	9.3	1.1	1.0	7.3	11.1
AAC Tech	2018 HK	Buy	4,784	31.05	37.80	22%	19.8	15.8	1.4	1.3	7.0	8.2
Sunny Optical	2382 HK	Buy	7,860	55.85	72.52	30%	22.3	18.7	2.2	2.1	10.1	11.2
Tongda	698 HK	Buy	111	0.09	0.12	37%	29.7	4.5	0.1	0.1	0.4	2.7
BYDE	285 HK	Buy	8,574	29.60	44.41	50%	13.5	9.9	3.3	2.6	24.2	26.8
Q tech	1478 HK	Buy	804	5.28	6.43	22%	15.8	10.5	1.1	1.0	6.9	9.6
YOFC	6869 HK	NR	2,199	11.46	NA	NA	10.8	8.2	0.7	0.6	7.3	8.9
Cowell	1415 HK	NR	2,944	26.65	NA	NA	30.3	17.7	5.8	4.4	21.0	26.9
Average							18.1	11.0	1.8	1.5	11.0	13.6

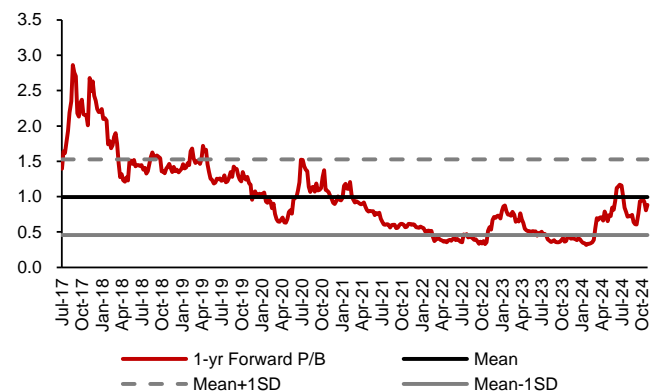
Source: Bloomberg, CMBIGM

**Figure 8: 12M forward P/E band**



Source: Company data, Bloomberg, CMBIGM

**Figure 9: 12M forward P/B band**



Source: Company data, Bloomberg, CMBIGM

## Financial Summary

INCOME STATEMENT	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (US\$ mn)						
<b>Revenue</b>	<b>4,490</b>	<b>4,531</b>	<b>4,196</b>	<b>4,555</b>	<b>5,896</b>	<b>7,131</b>
Cost of goods sold	(3,817)	(3,763)	(3,388)	(3,613)	(4,651)	(5,603)
<b>Gross profit</b>	<b>673</b>	<b>768</b>	<b>807</b>	<b>942</b>	<b>1,245</b>	<b>1,528</b>
Selling expense	(105)	(93)	(105)	(128)	(147)	(178)
Admin expense	(161)	(130)	(191)	(210)	(259)	(307)
R&D expense	(301)	(296)	(308)	(353)	(430)	(513)
Others	70	58	61	69	71	71
<b>Operating profit</b>	<b>177</b>	<b>307</b>	<b>263</b>	<b>321</b>	<b>479</b>	<b>601</b>
Share of (losses)/profits of associates/JV	(8)	(46)	(50)	(38)	(38)	(38)
Interest expense	(2)	(14)	(33)	(33)	(30)	(26)
<b>Pre-tax profit</b>	<b>167</b>	<b>248</b>	<b>179</b>	<b>250</b>	<b>411</b>	<b>538</b>
Income tax	(31)	(78)	(50)	(65)	(103)	(134)
Minority interest	(1)	1	1	0	1	1
<b>Net profit</b>	<b>137</b>	<b>170</b>	<b>130</b>	<b>184</b>	<b>308</b>	<b>403</b>

BALANCE SHEET	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (US\$ mn)						
<b>Current assets</b>	<b>3,034</b>	<b>2,764</b>	<b>3,112</b>	<b>2,794</b>	<b>3,793</b>	<b>4,266</b>
Cash & equivalents	769	914	1,316	886	1,184	1,416
Account receivables	1,033	720	807	851	1,295	1,300
Inventories	982	967	802	870	1,127	1,363
ST bank deposits	98	66	4	4	4	4
<b>Non-current assets</b>	<b>1,973</b>	<b>1,783</b>	<b>1,982</b>	<b>2,498</b>	<b>2,426</b>	<b>2,317</b>
PP&E	823	753	900	1,416	1,344	1,235
Deferred income tax	133	131	126	126	126	126
Investment in JVs & assos	172	123	73	73	73	73
Intangibles	634	601	700	700	700	700
Other non-current assets	211	175	182	182	182	182
<b>Total assets</b>	<b>5,007</b>	<b>4,547</b>	<b>5,094</b>	<b>5,291</b>	<b>6,219</b>	<b>6,583</b>
<b>Current liabilities</b>	<b>1,937</b>	<b>1,539</b>	<b>2,563</b>	<b>2,577</b>	<b>3,196</b>	<b>3,157</b>
Short-term borrowings	690	453	1,383	1,383	1,383	1,383
Account payables	1,138	971	1,095	1,108	1,727	1,688
Tax payable	94	98	70	70	70	70
Other current liabilities	15	18	17	17	17	17
<b>Non-current liabilities</b>	<b>674</b>	<b>661</b>	<b>93</b>	<b>93</b>	<b>93</b>	<b>93</b>
Long-term borrowings	576	575	0	0	0	0
Obligations under finance leases	46	43	41	41	41	41
Other non-current liabilities	52	43	52	52	52	52
<b>Total liabilities</b>	<b>2,611</b>	<b>2,200</b>	<b>2,656</b>	<b>2,670</b>	<b>3,289</b>	<b>3,250</b>
Share capital	139	142	142	142	142	142
Other reserves	2,348	2,295	2,384	2,569	2,877	3,280
<b>Total shareholders equity</b>	<b>2,396</b>	<b>2,347</b>	<b>2,437</b>	<b>2,622</b>	<b>2,930</b>	<b>3,333</b>
Minority interest	1	2	3	3	3	3
<b>Total equity and liabilities</b>	<b>5,007</b>	<b>4,547</b>	<b>5,094</b>	<b>5,291</b>	<b>6,219</b>	<b>6,583</b>

<b>CASH FLOW</b>	<b>2021A</b>	<b>2022A</b>	<b>2023A</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>
<b>YE 31 Dec (US\$ mn)</b>						
<b>Operating</b>						
Profit before taxation	167	248	179	250	411	538
Depreciation & amortization	251	232	220	434	472	509
Tax paid	(91)	(79)	(75)	(65)	(103)	(134)
Change in working capital	(257)	93	146	(99)	(82)	(280)
Others	15	63	103	0	0	0
<b>Net cash from operations</b>	<b>85</b>	<b>556</b>	<b>574</b>	<b>519</b>	<b>698</b>	<b>632</b>
<b>Investing</b>						
Capital expenditure	(216)	(113)	(243)	(950)	(400)	(400)
Acquisition of subsidiaries/ investments	0	0	0	0	0	0
Others	(4)	47	(167)	0	0	0
<b>Net cash from investing</b>	<b>(220)</b>	<b>(66)</b>	<b>(410)</b>	<b>(950)</b>	<b>(400)</b>	<b>(400)</b>
<b>Financing</b>						
Dividend paid	0	0	0	0	0	0
Net borrowings	0	0	0	0	0	0
Proceeds from share issues	0	0	0	0	0	0
Share repurchases	(1)	(2)	(1)	0	0	0
Others	121	(268)	250	0	0	0
<b>Net cash from financing</b>	<b>120</b>	<b>(270)</b>	<b>249</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net change in cash</b>						
Cash at the beginning of the year	766	769	914	1,316	886	1,184
Exchange difference	19	(75)	(10)	0	0	0
<b>Cash at the end of the year</b>	<b>769</b>	<b>914</b>	<b>1,316</b>	<b>886</b>	<b>1,184</b>	<b>1,416</b>
<b>GROWTH</b>	<b>2021A</b>	<b>2022A</b>	<b>2023A</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>
<b>YE 31 Dec</b>						
Revenue	4.1%	0.9%	(7.4%)	8.6%	29.4%	20.9%
Gross profit	16.1%	14.1%	5.1%	16.7%	32.2%	22.7%
Operating profit	41.2%	74.0%	(14.4%)	22.0%	49.2%	25.6%
Net profit	219.3%	24.5%	(23.8%)	42.2%	67.2%	30.9%
<b>PROFITABILITY</b>	<b>2021A</b>	<b>2022A</b>	<b>2023A</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>
<b>YE 31 Dec</b>						
Gross profit margin	15.0%	16.9%	19.2%	20.7%	21.1%	21.4%
Operating margin	3.9%	6.8%	6.3%	7.0%	8.1%	8.4%
Return on equity (ROE)	6.0%	7.2%	5.4%	7.3%	11.1%	12.9%
<b>GEARING/LIQUIDITY/ACTIVITIES</b>	<b>2021A</b>	<b>2022A</b>	<b>2023A</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>
<b>YE 31 Dec</b>						
Net debt to equity (x)	na	na	0.0	0.0	0.0	na
Current ratio (x)	1.6	1.8	1.2	1.1	1.2	1.4
Receivable turnover days	84.0	58.0	70.2	68.2	80.2	66.6
Inventory turnover days	93.9	93.8	86.4	87.9	88.4	88.8
Payable turnover days	108.8	94.2	117.9	111.9	135.6	110.0
<b>VALUATION</b>	<b>2021A</b>	<b>2022A</b>	<b>2023A</b>	<b>2024E</b>	<b>2025E</b>	<b>2026E</b>
<b>YE 31 Dec</b>						
P/E	19.8	16.7	22.2	15.6	9.3	7.1
P/B	1.1	1.1	1.1	1.1	1.0	0.9
Div yield (%)	111.0	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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