

J&T Express (1519 HK)

Impressive volume growth in 1Q25; yet price competition in China remains a concern

J&T reported strong operating data in 1Q25, with parcel volume growing at an average of 31%. During the analyst briefing, J&T was confident that it would achieve the volume and cost reduction target this year. That said, we reset our earnings forecast in 2025E/26E by -48%/-18%, as we are concerned that the fierce price cut launched by the leading player in China will more than offset the high volume growth. We are still positive on J&T, given its strong competitive edge in the SEA market. Our SOTP-based TP is revised down to HK\$6.9 (from HK\$10) due to more conservative target multiples. Maintain **BUY**.

Key highlights in 1Q25:

- **SEA volume +50% YoY driven by early Ramadan.** Parcel shipment volume reached 1.5bn. The impressive growth was driven by an early Ramadan this year (Feb 28-Mar 29 in 2025, vs Mar 10- Apr 9 in 2024), as sales promotion normally takes place during Ramadan in Indonesia and Malaysia. In addition, J&T also benefited from the strong sales growth of both Tik Tok and Temu in the region.
- **China volume +27% YoY to 4.9bn units.** J&T believes the sustainable growth in China was helped by the continuous improvement of brand equity. Besides, the daily reverse parcel and individual orders, which generally carry higher value compared with e-commerce parcel, grew 70% YoY to 3.5mn in 1Q25. On the cost side, J&T is confident of achieving RMB0.1/parcel cost reduction this year.
- **New markets volume +19% YoY to 77mn units.** The growth was driven by Brazilian and Mexican markets. J&T maintains the full-year growth target of 20%. We expect J&T will be able to achieve breakeven at EBITDA level this year.
- **Risks:** 1) ASP pressure; 2) fluctuations in foreign exchange rates.

Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (US\$ mn)	8,849	10,259	11,618	12,992	14,305
YoY growth (%)	21.8	15.9	13.2	11.8	10.1
Adjusted net profit (US\$ mn)	(432.3)	200.3	279.1	600.4	730.2
EPS (Adjusted) (US\$ cents)	(5.00)	2.27	3.17	6.81	8.29
Consensus EPS (US\$ cents)	na	na	4.49	6.99	9.16
P/E (x)	na	56.2	22.5	10.4	8.6
P/B (x)	2.1	2.0	1.8	1.6	1.3
Yield (%)	0.0	0.0	0.0	0.0	0.0
ROE (%)	na	3.6	8.5	16.1	16.7
Net gearing (%)	(8.8)	(1.9)	(4.7)	(9.7)	(12.8)

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price **HK\$6.90**
(Previous TP) **HK\$10.00**
Up/Downside **38.8%**
Current Price **HK\$4.97**

China Logistics

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Stock Data

Mkt Cap (HK\$ mn)	43,796.5
Avg 3 mths t/o (HK\$ mn)	162.3
52w High/Low (HK\$)	10.66/4.68
Total Issued Shares (mn)	8812.2

Source: FactSet

Shareholding Structure

Jet Jie Li 11.1%

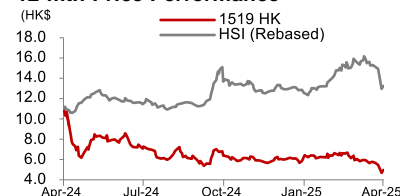
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-16.2%	0.2%
3-mth	-22.6%	-26.5%
6-mth	-21.7%	-20.3%

Source: FactSet

12-mth Price Performance



Source: FactSet

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

Figure 1: 1Q25 parcel volume

	1Q24	1Q25	Change YoY	2Q23	2Q24	Change YoY	3Q23	3Q24	Change YoY	4Q23	4Q24	Change YoY
Shipment volume												
(mn units of parcel)												
Southeast Asia	1,026	1,538	50.0%	778	1,017	30.7%	938	1,117	19.1%	863	1,403	62.5%
China	3,942	4,985	26.5%	3,747	4,894	30.6%	4,254	5,051	18.7%	4,642	5,914	27.4%
New markets	64	77	19.5%	54	72	33.5%	73	70	-3.3%	74	75	0.3%
Total	5,032	6,600	31.2%	4,579	5,983	30.7%	5,265	6,239	18.5%	5,580	7,392	32.5%

Source: Company data, CMBIGM

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

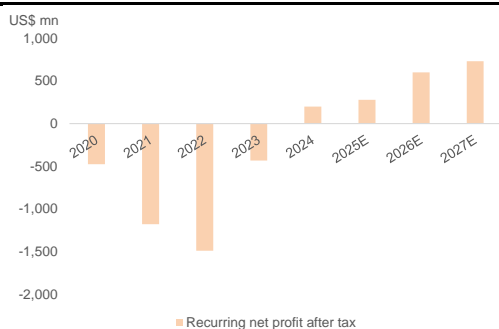
	Old			New			Change		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
Shipment volume (mn units of parcel)									
Southeast Asia	5,265	6,318	-	5,841	7,009	8,060	10.9%	10.9%	-
China	22,257	25,596	-	23,761	27,326	30,605	6.8%	6.8%	-
New markets	389	506	-	337	398	458	-13.3%	-21.3%	-
Total	27,912	32,420	-	29,940	34,733	39,123	7.3%	7.1%	-
ASP (US\$)									
Southeast Asia	0.69	0.67	-	0.65	0.62	0.59	-5.2%	-8.6%	-
China	0.33	0.33	-	0.30	0.29	0.28	-9.7%	-12.0%	-
New markets	1.57	1.56	-	1.84	1.81	1.79	17.1%	16.5%	-
Blended	0.42	0.41	-	0.39	0.37	0.36	-7.4%	-10.2%	-
Unit cost of express delivery by region (US\$)									
Southeast Asia	-0.58	-0.57	-	-0.52	-0.50	-0.49	-11.3%	-11.7%	-
China	-0.30	-0.29	-	-0.29	-0.27	-0.26	-4.5%	-8.4%	-
New markets	-1.45	-1.44	-	-1.66	-1.64	-1.63	14.4%	14.4%	-
Average	-0.37	-0.36	-	-0.35	-0.33	-0.32	-6.1%	-9.1%	-
Unit gross margin (US\$)									
Southeast Asia	0.10	0.11	-	0.13	0.12	0.11	28.9%	8.1%	-
China	0.03	0.04	-	0.01	0.02	0.02	-57.9%	-41.8%	-
New markets	0.12	0.12	-	0.18	0.17	0.16	49.2%	41.6%	-
Average	0.05	0.05	-	0.04	0.04	0.04	-17.5%	-18.2%	-
(US\$ mn)									
Revenue									
Express delivery services									
Southeast Asia	3,607	4,263	-	3,793	4,324	4,774	5.2%	1.4%	-
China	7,398	8,380	-	7,129	7,871	8,639	-3.6%	-6.1%	-
New markets	612	788	-	622	722	818	1.5%	-8.3%	-
Cross-border services	99	99	-	75	75	75	-24.7%	-24.7%	-
Total	11,716	13,530	-	11,618	12,992	14,305	-0.8%	-4.0%	-
Gross margin (by region)									
Southeast Asia	15%	16%	-	21%	19%	18%	5.4	2.9	-
China	10%	11%	-	5%	7%	8%	(5.2)	(3.7)	-
New markets	8%	8%	-	10%	9%	9%	2.1	1.7	-
Blended gross margin	11%	12%	-	10%	11%	11%	(1.2)	(1.1)	-
Net profit attributable to shareholders									
Recurring net profit after tax	506	744	-	251	540	657	-50.3%	-27.3%	-
	496	729	-	279	600	730	-43.7%	-17.7%	-

Source: Company data, CMBIGM estimates

Figure 3: Key operating assumptions for J&T Global

	2020	2021	2022	2023	2024	2025E	2026E	2027E
Shipment volume (mn units of parcel)								
Southeast Asia	1,154	2,161	2,513	3,240	4,563	5,841	7,009	8,060
China	2,084	8,334	12,026	15,341	19,801	23,761	27,326	30,605
New markets	-	-	49	230	281	337	398	458
Total	3,237	10,495	14,588	18,812	24,646	29,940	34,733	39,123
Change (YoY)								
Southeast Asia	-	87.3%	16.3%	28.9%	40.8%	28.0%	20.0%	15.0%
China	-	300.0%	44.3%	27.6%	29.1%	20.0%	15.0%	12.0%
New markets	-	-	-	369.0%	22.1%	20.0%	18.0%	15.0%
Average	-	224.2%	39.0%	29.0%	31.0%	21.5%	16.0%	12.6%
ASP (US\$)								
Southeast Asia	0.91	1.10	0.95	0.81	0.71	0.65	0.62	0.59
China	0.23	0.26	0.34	0.34	0.32	0.30	0.29	0.28
New markets	-	-	1.67	1.42	2.05	1.84	1.81	1.79
Blended	0.47	0.43	0.45	0.44	0.41	0.39	0.37	0.36
Change (YoY)								
Southeast Asia	-	21.3%	-13.9%	-14.2%	-13.2%	-8.0%	-5.0%	-4.0%
China	-	13.9%	30.1%	0.1%	-5.4%	-7.0%	-4.0%	-2.0%
New markets	-	-	-	-14.8%	44.2%	-10.0%	-1.5%	-1.5%
Average	-	-7.8%	3.5%	-3.2%	-5.1%	-6.7%	-3.5%	-2.2%
Unit cost of express delivery by region (US\$)								
Southeast Asia	-0.64	-0.79	-0.76	-0.67	-0.57	-0.52	-0.50	-0.49
China	-0.51	-0.41	-0.40	-0.34	-0.30	-0.29	-0.27	-0.26
New markets	-	-	-2.06	-1.41	-1.94	-1.66	-1.64	-1.63
Average	-0.55	-0.49	-0.46	-0.41	-0.37	-0.35	-0.33	-0.32
Change (YoY)								
Southeast Asia	-	24.7%	-4.5%	-12.0%	-15.1%	-9.1%	-2.9%	-2.9%
China	-	-19.5%	-3.0%	-14.9%	-10.6%	-5.0%	-6.7%	-3.0%
New markets	-	-	-	-31.4%	37.5%	-14.5%	-1.0%	-1.0%
Average	-	-11.9%	-4.8%	-12.2%	-9.3%	-6.1%	-4.8%	-2.5%
Unit gross margin (US\$)								
Southeast Asia	0.27	0.31	0.19	0.15	0.14	0.13	0.12	0.11
China	-0.28	-0.15	-0.06	0.00	0.02	0.01	0.02	0.02
New markets	-	-	-0.39	0.01	0.11	0.18	0.17	0.16
Average	-0.08	-0.05	-0.01	0.03	0.04	0.04	0.04	0.04
Change (YoY)								
Southeast Asia	-	13.3%	-38.2%	-23.4%	-4.4%	-3.7%	-13.1%	-8.9%
China	-	-	-	-	-	-35.5%	52.2%	11.0%
New markets	-	-	-	-	-	73.4%	-6.0%	-6.3%
Average	-	-	-	-	56.1%	-11.3%	7.3%	-0.1%
(US\$ mn)								
Revenue								
Express delivery services	1,525	4,559	6,560	8,189	10,185	11,544	12,917	14,231
Southeast Asia	1,047	2,378	2,382	2,633	3,221	3,793	4,324	4,774
China	479	2,181	4,096	5,229	6,388	7,129	7,871	8,639
New markets	-	-	82	327	576	622	722	818
Cross-border services	10	292	708	660	75	75	75	75
Total	1,535	4,852	7,267	8,849	10,259	11,618	12,992	14,305
Revenue growth (by segment)								
Express delivery services	-	198.9%	43.9%	24.8%	24.4%	13.3%	11.9%	10.2%
Southeast Asia	-	127.2%	0.2%	10.6%	22.3%	17.8%	14.0%	10.4%
China	-	355.5%	87.8%	27.7%	22.2%	11.6%	10.4%	9.8%
New markets	-	-	-	299.5%	76.1%	8.0%	16.2%	13.3%
Cross-border services	-	2797.5%	142.5%	-6.8%	-88.7%	0.0%	0.0%	0.0%
Average	-	216.0%	49.8%	21.8%	15.9%	13.2%	11.8%	10.1%
Gross margin (by region)								
Southeast Asia	29.8%	27.8%	20.0%	17.9%	19.7%	20.6%	18.8%	17.9%
China	-120.4%	-55.9%	-16.2%	1.1%	6.6%	4.6%	7.3%	8.2%
New markets	0.0%	0.0%	-23.5%	0.5%	5.2%	9.9%	9.5%	9.0%
Cross border	32.5%	4.1%	-8.8%	-8.8%	-9.5%	0.0%	0.0%	0.0%
Blended gross margin	-17.0%	-11.2%	-3.7%	5.3%	10.5%	10.1%	11.2%	11.5%
(US\$ mn)								
Adjusted EBITDA								
SEA	267	427	332	376	456	586	813	844
China	-616	-1,206	-723	31	427	347	402	514
New markets	0	0	-74	-82	-43	5	6	25
Cross border	2	-14	-95	-107	-29	3	6	7
Unallocated	27	-2	-334	-71	-33	-30	-30	-20
Total adjusted EBITDA	-321	-794	-894	147	778	912	1,198	1,370
Share-based payments and expenses	-188	-619	-281	-1,462	-87	0	0	0
Listing expense	0	-12	-10	-8	0	0	0	0
Others	0	-1	302	0	0	0	0	0
Reported EBITDA	-509	-1,427	-884	-1,324	692	912	1,198	1,370

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

2025E After-tax profit (US\$ mn)		ASP (US\$/unit)				
		0.285	0.294	0.300	0.306	0.315
	-0.058	-77	102	221	341	520
	-0.057	-43	137	256	375	554
Unit line-haul	-0.056	-19	160	279	398	578
transportation cost (US\$)	-0.055	4	183	302	422	601
	-0.053	38	217	337	456	635

2025E After-tax profit (US\$ mn)		ASP (US\$/unit)				
		0.285	0.294	0.300	0.306	0.315
	-0.188	-206	-27	93	212	391
	-0.183	-94	85	205	324	503
Pick-up & delivery cost	-0.179	-19	160	279	398	578
(US\$)	-0.176	55	234	354	473	652
	-0.171	167	346	465	585	764

Source: Company data, CMBIGM estimates

Note: Based on recurring net profit after tax

Valuation

We revise down our SOTP-based TP to HK\$6.9 from HK\$10. We apply different EV/EBITDA multiples for different markets to better reflect their respective growth outlook.

- **SEA:** We slightly reduce our target multiple to 10x (from 15x), which is a 50% premium over the global integrated logistics operators (7x). Our premium is to reflect J&T's solid competitive edge and strong execution for market share gains.
- **China:** We cut our target multiple to 5x (from 10x), which is now in-line with the local peers as we are concerned about the price competition.
- **New markets.** We have left our target multiple unchanged at 20x.

Figure 6: Target equity valuation

Breakdown	Methodology		2025E (US\$ mn)	Multiple (x)	Value (US\$mn)	% of total
SEA	EV/EBITDA	EBITDA	586	10	5,858	76%
China	EV/EBITDA	EBITDA	347	5	1,737	23%
New markets	EV/EBITDA	EBITDA	5	20	107	1%
Total EV					7,702	100%
Add: Net cash (end Jun 24)					55	
Minus: MI					0	
Equity value					7,757	
Target price						
US\$					0.88	
HK\$					6.9	

Source: CMBIGM estimates

Figure 7: Peers comparison

Ticker	Company	Price	Market cap	PE (x)		PB (x)		EV/EBITDA (x)		PS (x)	
		(local currency)	(US\$ m)	FY1	FY2	FY1	FY2	FY1	FY2	FY1	FY2
China express delivery											
ZTO US Equity	ZTO EXPRESS -ADR	17.84	14,352	9.9	8.9	1.5	1.4	4.8	4.3	2.1	1.8
2057 HK Equity	ZTO EXPRESS	138.00	14,352	9.9	8.9	1.5	1.4	4.8	4.3	2.1	1.8
1519 HK Equity	J&T GLOBAL EXPRE	5.07	5,811	15.2	9.8	13.9	11.7	5.6	4.4	0.5	0.4
002352 CH Equity	S F HOLDING CO-A	40.86	27,957	17.2	14.8	2.0	1.8	7.0	6.5	0.7	0.6
600233 CH Equity	YTO EXPRESS -A	12.65	6,019	10.2	9.1	1.4	1.2	5.6	4.9	0.6	0.6
002468 CH Equity	STO EXPRESS CO-A	10.88	2,299	17.6	13.3	1.7	1.5	7.1	6.0	0.3	0.3
002120 CH Equity	YUNDA HOLDING -A	6.68	2,674	9.6	8.3	0.9	0.9	3.9	3.6	0.4	0.3
	Average			12.8	10.4	3.3	2.9	5.5	4.9	0.9	0.8
China logistics (others)											
636 HK Equity	KERRY LOGISTICS	6.53	1,517	8.8	9.0	0.6	0.6	4.5	4.5	0.2	0.2
2618 HK Equity	JD LOGISTICS	11.30	9,647	9.4	8.4	1.2	1.1	3.2	2.9	0.4	0.3
9956 HK Equity	ANE CAYMAN INC	9.24	1,384	10.5	8.9	2.5	2.1	4.5	4.1	0.8	0.7
603056 CH Equity	DEPPON LOGISTIC-A	13.27	1,868	15.8	13.3	1.6	1.4	4.6	4.0	0.3	0.3
600787 CH Equity	CMST DEVELOPM-A	6.61	1,985	15.0	14.1	n/a	n/a	n/a	n/a	n/a	n/a
603128 CH Equity	CTS INTERNATIO-A	5.91	1,068	12.1	11.3	1.3	1.2	7.9	7.3	0.5	0.4
603565 CH Equity	SHANGHAI ZHONG-A	10.08	2,922	11.4	11.5	1.9	1.8	5.3	5.7	1.6	1.5
002930 CH Equity	GUANGDONG GREAT RIVER-A	9.76	616	17.6	13.5	1.6	1.5	10.5	9.2	3.1	2.7
600057 CH Equity	XIAMEN XIANGYU-A	5.88	2,279	11.2	8.0	0.7	0.6	n/a	n/a	0.0	0.0
	Average			12.4	10.9	1.4	1.3	5.8	5.4	0.9	0.8
Overseas (Integrated logistics)											
FDX US Equity	FEDEX CORP	217.94	52,218	12.0	10.7	1.9	1.7	8.1	7.6	0.6	0.6
UPS US Equity	UNITED PARCEL-B	99.66	84,465	13.1	11.7	5.0	4.7	8.2	7.6	1.0	0.9
DHL GR Equity	DHL GROUP	35.64	45,082	11.5	10.4	1.7	1.6	5.7	5.4	0.5	0.5
9064 JP Equity	YAMATO HOLDINGS	1,896.5	4,447	32.3	20.5	1.1	1.1	11.8	7.5	0.4	0.4
9143 JP Equity	SG HOLDINGS	1,457.5	6,071	15.4	14.3	1.5	1.4	8.0	7.5	0.6	0.6
6178 JP Equity	JAPAN POST	1,344.0	28,027	12.0	11.5	0.4	0.4	n/a	n/a	0.4	0.4
KEX TB Equity	KERRY EXPRESS TH	0.8	150	n/a	n/a	n/a	n/a	n/a	n/a	0.5	0.5
	Average			16.1	13.2	1.9	1.8	8.4	7.1	0.6	0.5
Overseas (Pure LTL)											
ODFL US Equity	OLD DOMINION FRT	165.49	35,174	30.2	25.9	7.8	7.0	18.6	16.3	6.0	5.5
SAIA US Equity	SAIA INC	374.80	9,982	25.4	21.1	3.7	3.2	13.4	11.5	2.9	2.7
XPO US Equity	XPO LOGISTICS IN	105.56	12,434	27.4	21.0	6.4	5.1	12.5	10.9	1.5	1.4
	Average			27.7	22.6	6.0	5.1	14.8	12.9	3.5	3.2

Source: Bloomberg, Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (US\$ mn)						
Revenue	7,267	8,849	10,259	11,618	12,992	14,305
Cost of goods sold	(7,538)	(8,376)	(9,181)	(10,449)	(11,536)	(12,667)
Gross profit	(270)	473	1,078	1,169	1,455	1,638
Operating profit	(1,390)	(1,767)	211	385	744	891
Share of (losses)/profits of associates/JV	(0)	(0)	(0)	0	0	0
Interest income	22	25	41	22	21	22
Interest expense	(99)	(105)	(126)	(86)	(59)	(54)
Net Interest income/(expense)	(77)	(80)	(86)	(64)	(38)	(32)
Others	3,051	708	4	0	0	0
Pre-tax profit	1,583	(1,139)	129	321	706	859
Income tax	(11)	(17)	(15)	(42)	(106)	(129)
After tax profit	1,573	(1,156)	114	279	600	730
Minority interest	84	55	(13)	(28)	(60)	(73)
Net profit	1,656	(1,101)	101	251	540	657
Adjusted net profit	(1,488)	(432)	200	279	600	730
Gross dividends	29	0	0	0	0	0
BALANCE SHEET	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (US\$ mn)						
Current assets	2,846	3,137	3,613	3,484	3,783	4,363
Cash & equivalents	1,504	1,483	1,597	1,386	1,393	1,591
Restricted cash	80	42	41	41	41	41
Account receivables	514	556	680	657	767	957
Inventories	29	35	22	53	23	74
Prepayment	703	971	1,172	1,247	1,458	1,599
Financial assets at FVTPL	16	50	101	101	101	101
Other current assets	0	0	0	0	0	0
Non-current assets	3,089	3,464	3,682	3,812	4,016	4,193
PP&E	1,053	1,179	1,386	1,635	1,858	2,056
Right-of-use assets	481	503	477	377	377	377
Deferred income tax	43	54	75	75	75	75
Investment in JVs & assos	1	0	0	0	0	0
Intangibles	964	975	1,119	1,099	1,080	1,060
Financial assets at FVTPL	481	726	573	573	573	573
Other non-current assets	67	28	53	53	53	53
Total assets	5,936	6,601	7,295	7,296	7,799	8,557
Current liabilities	1,732	2,085	2,418	2,441	2,543	2,571
Short-term borrowings	77	211	263	263	263	263
Account payables	484	467	590	612	715	743
Tax payable	32	31	35	35	35	35
Other current liabilities	0	11	11	11	11	11
Lease liabilities	151	204	172	172	172	172
Contract liabilities	210	272	322	322	322	322
Accrued expenses	776	889	1,024	1,024	1,024	1,024
Non-current liabilities	9,188	2,037	2,354	2,054	1,854	1,854
Long-term borrowings	1,021	1,071	1,321	1,021	821	821
Obligations under finance leases	341	304	297	297	297	297
Other non-current liabilities	7,826	661	737	737	737	737
Total liabilities	10,920	4,122	4,772	4,495	4,397	4,425
Total shareholders equity	(4,847)	2,750	2,825	3,076	3,617	4,274
Minority interest	(137)	(270)	(303)	(275)	(215)	(142)

CASH FLOW	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (US\$ mn)						
Operating						
Profit before taxation	1,583	(1,139)	129	321	706	859
Depreciation & amortization	249	246	399	427	453	479
Tax paid	(74)	(82)	(15)	(42)	(106)	(129)
Change in working capital	(227)	205	(189)	(60)	(189)	(355)
Others	(2,050)	1,113	483	164	38	32
Net cash from operations	(520)	342	807	810	903	886
Investing						
Capital expenditure	(541)	(417)	(581)	(650)	(650)	(650)
Acquisition of subsidiaries/ investments	4	(62)	0	0	0	0
Others	(322)	(380)	41	15	14	15
Net cash from investing	(860)	(859)	(541)	(635)	(636)	(635)
Financing						
Dividend paid	(121)	(29)	0	0	0	0
Net borrowings	1,009	184	301	(300)	(200)	0
Proceeds from share issues	264	486	0	0	0	0
Others	(271)	(141)	0	(86)	(59)	(54)
Net cash from financing	881	501	301	(386)	(259)	(54)
Net change in cash						
Cash at the beginning of the year	2,102	1,504	1,483	1,597	1,386	1,393
Exchange difference	(100)	(5)	(453)	0	0	0
Cash at the end of the year	1,504	1,483	1,597	1,386	1,393	1,591
GROWTH	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Revenue	49.8%	21.8%	15.9%	13.2%	11.8%	10.1%
Gross profit	na	na	128.0%	8.4%	24.5%	12.6%
Operating profit	na	na	na	82.7%	93.5%	19.7%
Net profit	na	na	na	149.8%	115.2%	21.6%
Adj. net profit	na	na	na	39.3%	115.2%	21.6%
PROFITABILITY	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Gross profit margin	(3.7%)	5.3%	10.5%	10.1%	11.2%	11.5%
Operating margin	(19.1%)	(20.0%)	2.1%	3.3%	5.7%	6.2%
Adj. net profit margin	(20.5%)	(4.9%)	2.0%	2.4%	4.6%	5.1%
Return on equity (ROE)	na	na	3.6%	8.5%	16.1%	16.7%
GEARING/LIQUIDITY/ACTIVITIES	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Net debt to equity (x)	na	(0.1)	(0.0)	(0.0)	(0.1)	(0.1)
Current ratio (x)	1.6	1.5	1.5	1.4	1.5	1.7
Receivable turnover days	21.3	22.1	22.0	21.0	20.0	22.0
Inventory turnover days	1.4	1.4	1.1	1.3	1.2	1.4
Payable turnover days	25.7	20.7	21.0	21.0	21.0	21.0
VALUATION	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
P/E	na	ns	56.2	22.5	10.4	8.6
P/B	na	2.1	2.0	1.8	1.6	1.3
Div yield (%)	na	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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