

Anta Sports (2020 HK)

Anta brand's miss offset by other brands' beat

Overall retail sales growth in 2Q25 was slightly weaker than expected, primarily due to the Anta brand, although the beat by other brands has partly offset that. But the larger negative impact came from discounts deepening, even though we do have some expectations ahead. Hence, we have turned slightly cautious about 2H25E and trimmed our FY25E-27E net profit forecasts by 3%-5%. However, thanks to exceptionally strong outdoor brands growth and competitive advantages over other sportswear peers, we maintain BUY but trim TP to HK\$ 111.54, based on 23x FY25E P/E (cut from 24x). The stock is now trading at 18x FY25E P/E.

- **Retail sales growth in Jul 2025 has improved QoQ.** According to the management, retail sales growth for both Anta and FILA brands (esp. Anta) has accelerated MTD in Jul 2025, compared to 2Q25.
- **Anta brand may have some reforms in the short run which may affect retail sales growth in 3Q25E, but management is still keeping the FY25E guidance of HSD.** Anta brand has appointed a new head of e-commerce business (a manager who previously worked for Anta and other international brands), and will consolidate the business between interested-based (e.g. Douyin) and traditional platforms (e.g. Taobao, Tmall and JD), in order to refine the pricing strategy and overall inventory management. Anta will also reform its offline business by promoting more larger-sized stores (such as sharing the good experience of upgrading the retail space, product and operational management) or even transferring some of those (may be 1 for a few smaller stores) to the distributors. A few hundred stores will be involved each year and the programme will last until FY27E. These actions may dampen the sales growth in 3Q25E, but should benefit the performance afterwards. More importantly, Anta has been very mindful with the costs in FY25E. A&P expenses are under control as there are no major sports events, and staff costs are also manageable since the current labour market is quite oversupplied. Additionally, the rental fees should also be more negotiable given the relatively high vacancy rate in shopping malls. Therefore, even though the GP margin might be under pressure, OP margin reduction should be less in FY25E, in our view.
- **Maintain BUY but trim TP to HK\$ 111.54, based on 23x FY25E P/E (cut from 24x).** We have revised down FY25E/ 26E/ 27E net profit forecasts by 3%/ 5%/ 5%, in order to factor in a more conservative GP margin and operating leverage. The stock is trading at 18x FY25E P/E, not that demanding given its comparative advantages over its peers, compared to its 5-year average of 25x.

Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (RMB mn)	62,356	70,826	78,500	87,219	95,530
YoY growth (%)	16.2	13.6	10.8	11.1	9.5
Operating profit (RMB mn)	15,409.0	16,763.0	17,937.0	20,188.2	22,422.8
Net profit (RMB mn)	11,277.0	16,989.0	14,623.0	16,684.9	18,770.7
EPS (Reported) (RMB)	3.65	5.34	4.56	5.20	5.85
YoY growth (%)	34.7	46.2	(14.7)	14.1	12.5
P/E (x)	22.4	15.4	18.0	15.8	14.0
P/B (x)	4.3	3.8	3.4	3.0	2.7
Yield (%)	2.3	2.6	2.7	3.1	3.5
ROE (%)	26.3	30.0	22.4	22.8	22.9
Net gearing (%)	42.2	15.6	24.2	31.7	38.3

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price **HK\$111.54**
(Previous TP **HK\$119.08**)
Up/Downside **24.2%**
Current Price **HK\$89.80**

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Stock Data

Mkt Cap (HK\$ mn)	242,758.9
Avg 3 mths t/o (HK\$ mn)	746.5
52w High/Low (HK\$)	106.30/65.90
Total Issued Shares (mn)	2703.3

Source: FactSet

Shareholding Structure

Mr. Ding Shi zhong & Family	52.2%
The Vanguard Group	1.7%

Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-3.7%	-6.4%
3-mth	2.5%	-10.6%
6-mth	14.8%	-10.0%

Source: FactSet

12-mth Price Performance



Source: FactSet

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- **Anta's retail sales growth missed CMBI estimates in 1Q25, both inventory and discounts have worsened slightly.** Anta reported LSD retail sales growth in 2Q25, missing CMBI estimates of HSD and the Company's FY25E guidance, also slowing down from HSD in 1Q25. Anta adult (offline + online)/ Anta Kids (offline + online)/ E-commerce sales growth was at LSD/ LSD/ LSD. The miss, in our view, was mainly due to: 1) subdued consumption demand, 2) weaker-than-expected reception of new products, 3) slower-than-expected e-commerce sales growth (esp. during the 618 and Jun 2025), 4) limited discounts offer when the industry competition intensified, etc.. Noted that the new store formats such as Champion stores (sales per store is 70% to 80% higher vs regular stores) and Super stores (e-commerce business has further strengthened) are still growing healthily, and we think the miss was largely online related. Inventory to sales ratio was at about 5 months in 2Q25, increased slightly from 4.5 to 5 months in 1Q25, a little bit weaker than expected. Retail discounts have also deepened slightly YoY, by 1ppt/ 1-2ppts for the offline/ online channel.
- **FILA retail sales growth in 2Q25 was inline with expectations, inventory level remained stable but discounts continued to be widened.** FILA retail sales have increased by MSD in 2Q25, inline with CMBI estimates of MSD, as well as the Company's FY25E guidance, but slowing down slightly vs HSD in 1Q25. FILA core (offline + online)/ FILA Kids (offline + online)/ FILA fusion (offline + online)/ E-commerce sales growth was at HSD/ MSD/ MSD/ Low-teens. We are still rather satisfied with FILA's overall performance, given the macro conditions (e.g. trade war in Apr 2025) and new categories like golf and tennis are selling quite well. Inventory to sales ratio was at 5 months in 2Q25, staying the same vs 5 months in 1Q25. Retail discounts have also widened YoY strategically, by 2ppts/ 1-2ppts for offline/ online channels, in order to clear more inventories during the 618 festival in 2025.
- **Other brands retail sales growth was impressive, continued to beat guidance, and discounts remained very limited in 2Q25.** Other brands' retail sales growth was at 50%-55% in 2Q25 (about 40%+/ 70%+/ 30%+ for Descente/ Kolon/ Maia active), far ahead of the FY25E guidance and CMBI estimates of 30%+. Retail discounts for Descente and Kolon were mostly less than 10% off, as the brand stayed popular and the trend of winter sports and outdoor remained overwhelming in China. All in all, for 2Q25, we believe the sales beat by the other brands has almost offset the sales miss by the Anta brand, and therefore the group level sales growth was still at 10%+. However, since the retail discounts continued to be weak for both Anta and FILA, the overall GP margin has experienced greater-than-expected pressure in 1H25 (may even sustain into the 2H25E), and hence we are cutting our forecasts for FY25E and onwards.

Earnings revision

Figure 1: Earnings revision

RMB mn	New			Old			Diff (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	78,500	87,219	95,530	78,235	86,768	94,888	0.3%	0.5%	0.7%
Gross profit	48,674	54,307	59,700	48,836	54,357	59,632	-0.3%	-0.1%	0.1%
EBIT	17,937	20,188	22,423	18,390	21,042	23,277	-2.5%	-4.1%	-3.7%
Net profit att.	13,307	15,183	17,081	13,772	15,998	17,942	-3.4%	-5.1%	-4.8%
Diluted EPS (RMB)	4.557	5.200	5.850	4.716	5.479	6.144	-3.4%	-5.1%	-4.8%
Gross margin	62.0%	62.3%	62.5%	62.4%	62.6%	62.8%	-0.4ppt	-0.4ppt	-0.4ppt
EBIT margin	22.8%	23.1%	23.5%	23.5%	24.3%	24.5%	-0.7ppt	-1.1ppt	-1.1ppt
Net profit att. margin	17.0%	17.4%	17.9%	17.6%	18.4%	18.9%	-0.7ppt	-1ppt	-1ppt

Source: Company data, CMBIGM estimates

Figure 2: CMBIGM estimates vs consensus

RMB mn	CMBIGM			Consensus			Diff (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	78,500	87,219	95,530	78,240	86,324	94,499	0.3%	1.0%	1.1%
Gross profit	48,674	54,307	59,700	48,924	54,231	59,552	-0.5%	0.1%	0.2%
EBIT	17,937	20,188	22,423	18,225	20,447	22,324	-1.6%	-1.3%	0.4%
Net profit att.	13,307	15,183	17,081	13,649	15,409	17,202	-2.5%	-1.5%	-0.7%
Diluted EPS (RMB)	4.557	5.200	5.850	4.830	5.442	6.035	-5.6%	-4.4%	-3.1%
Gross margin	62.0%	62.3%	62.5%	62.5%	62.8%	63.0%	-0.5ppt	-0.6ppt	-0.5ppt
EBIT margin	22.8%	23.1%	23.5%	23.3%	23.7%	23.6%	-0.4ppt	-0.5ppt	-0.2ppt
Net profit att. margin	17.0%	17.4%	17.9%	17.4%	17.9%	18.2%	-0.5ppt	-0.4ppt	-0.3ppt

Source: Bloomberg, CMBIGM estimates

Operating numbers

Figure 3: Sportswear brands sales growth trend

Operating numbers	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25E	2Q25E	3Q25E	4Q25E
Nike China sales	-8%	-20%	-13%	6%	1%	25%	12%	8%	6%	7%	-3%	-11%	-15%	-20%	-5%	2%
Adidas China sales	-35%	-35%	-27%	-50%	-9%	16%	6%	37%	8%	9%	9%	10%	13%	11%	12%	13%
Anta brand's SSSG																
Anta brand's retail sales	+ve High-teens	-ve MSD	+ve MSD	-ve HSD	+ve MSD	+ve HSD	+ve HSD	+ve High-teens	+ve MSD	+ve HSD	+ve MSD	+ve HSD	+ve HSD	+ve LSD	4%	7%
Core brand	+ve Mid-teens	-ve Low-teens	+ve LSD	-ve Mid-teens	+ve HSD	+ve HSD	+ve HSD	25%-30%	+ve LSD	+ve LSD	-ve LSD	+ve MSD				
Kids	20%-25%	+ve LSD	+ve HSD	-ve High-teens	+ve MSD	+ve HSD	+ve HSD	30%-35%	Flat	-ve LSD	-ve HSD	+ve HSD				
Online	Over 30%	+ve HSD	+ve HSD	+ve MSD	-ve LSD	+ve MSD	+ve LSD	+ve MSD	20%-25%	20%-25%	20%-25%	+ve High-teens	+ve Low-teens	+ve LSD		
FILA brand's retail sales																
Classic/ Core brand	-ve MSD	-ve DD	-ve LSD	-ve Mid-teens	+ve LSD	+ve MSD	+ve HSD	40%-45%	+ve MSD	+ve HSD	-ve MSD	+ve LSD				
Kids	+ve Mid-teens	+ve HSD	+ve LSD	-ve Low-teens	-ve HSD	+ve LSD	+ve HSD	30%-35%	-ve LSD	-ve LSD	-ve Low-teens	Flat				
Fusion	Over 20%	-ve MSD	+ve LSD	+ve HSD	-ve HSD	+ve LSD	+ve HSD	20%-25%	-ve MSD	+ve MSD	-ve HSD	+ve Low-teens				
Online	Over 20%	+ve MSD	Over 65%	Over 40%	Over 40%	60%-65%	-ve Mid-teens	+ve Mid-teens	20%	20%	+ve HSD	+ve Mid-teens	Over 20%	+ve Low-teens		
Other brands																
Descente	40%-45%	Over 20%	Over 35%	+ve Low-teens	70%-75%	60%-65%	40%-45%	50%-55%	20-25%	35%-40%	35%-40%	45%-50%	60%	40%-45%		
Kolon	40%-45%	Over 20%	Over 55%	+ve High-teens	100%	100%	60%-65%	65%-70%	50%	60%	65%-70%	60%-65%	100%	70%-75%		
Li Ning group's SSSG																
Direct retail	+ve Low 20%	-ve Low-teens	+ve HSD	-ve High-teens	-ve HSD	+ve LSD	-ve MSD	+ve Low-teens	-ve MSD	-ve HSD	-ve HSD					
Wholesales	+ve Mid 20%	-ve High-teens	+ve MSD	-ve High 20%	-ve LSD	+ve HSD	+ve MSD	+ve High 30%	-ve LSD	-ve MSD	-ve MSD					
E- Commerce	+ve Low-teens	-ve High-teens	+ve HSD	-ve Low 20%	-ve LSD	+ve LSD	-ve Low-teens	+ve MSD	-ve Mid-teens	-ve High-teens	-ve HSD					
	+ve Mid 30%	+ve LSD	+ve Low-teens	-ve LSD	-ve Low 20%	+ve LSD	-ve LSD	+ve MSD	+ve Low 20%	+ve Low-teens	+ve MSD					
Li Ning group's retail sa																
Direct retail	+ve High 20%	-ve HSD	+ve Mid-teens	-ve Low-teens	+ve MSD	+ve Mid-teens	+ve MSD	+ve Low 20%	+ve LSD	-ve LSD	-ve MSD	+ve HSD	+ve LSD	+ve LSD	2%	2%
Wholesales	+ve Mid 30%	-ve HSD	+ve Low 20%	-ve Mid-teens	+ve Mid-teens	+ve High 20%	+ve Low 20%	+ve Low 50%	+ve MSD	Flat	-ve MSD	-ve LSD	-ve LSD	-ve MSD		
E- Commerce	+ve Low 20%	-ve HSD	+ve Low-teens	-ve Low 20%	+ve MSD	+ve Mid-teens	+ve LSD	+ve High-teens	-ve MSD	-ve HSD	-ve HSD	+ve MSD	+ve LSD	+ve LSD		
	+ve Mid 30%	+ve MSD	+ve Mid 20%	+ve MSD	-ve Low-teens	+ve Low-teens	-ve LSD	+ve MSD	+ve Low 20%	+ve HSD	+ve MSD	+ve Mid-teens	+ve Low-teens	+ve MSD		
Xtep brand's SSSG																
Xtep brand's retail sales	30%-35%	+ve Mid-teens	20%-25%	-ve HSD	20%	+ve High-teens	+ve High-teens	30%-35%	+ve HSD	10%	+ve MSD	+ve HSD	+ve MSD	4%	7%	7%
Saucony's retail sales																
												Over 50%	50.0%	Over 40%		
361 Degree brand's SSSG																
361 Degree brand's offli	+ve High-teens	+ve Low-teens	+ve Mid-teens	Flat	+ve Low-teens	+ve Low-teens	15.0%	20.0%	+ve High-teens	10.0%	10.0%	10.0%	10%-15%	10.0%		
Kids	20%-25%	20%-25%	20%-25%	+ve LSD	20%-25%	20%-25%	25%-30%	40%	20%-25%	+ve Mid-teens	10%	10%-15%	10%-15%	10%		
E- Commerce	50%	40%	45%	25%	35%	30%	30%	Over 30%	20%-25%	30%-35%	Over 20%	30%-35%	35%-40%	10%		
Pou Sheng's SSSG	-21%	-25%	-10%	-27%	0%	13%	-3%	12%	-17%	-16%	-18%	-14%				
Pou Sheng's sales	-25%	-24%	-8%	-20%	7%	17%	-1%	9%	-7%	-11%	-11%	-3%	-5%	-8%	2%	4%
Topsports' retail sales	-ve High-teens	-ve High 20%	-ve LSD	-ve High-teens	-ve Low-teens	+ve Low 20%	-ve LSD	+ve Low-teens	+ve LSD	-ve MSD	-ve Low-teens	-ve MSD	-ve MSD	-3%	2%	6%
Dong Xiang's SSSG	-ve MSD	-ve Low to Mid-teens	-ve Low to Mid SD	-ve Mid-teens	+ve Low to Mid-teens	+ve Low to Mid-teens	+ve Low to Mid SD	25% to 30%	-ve HSD	-ve MSD	-ve HSD	-ve HSD				
Dong Xiang's retail sale	-ve MSD	-ve Mid to High-teens	+ve LSD	-ve Mid 20% to 30%	+ve Low to Mid-teens	+ve Mid-teens	+ve MSD	Mid 40% to 50%	-ve Low 10% to 20%	-ve LSD to MSD	-ve Low 10% to 20%	-ve MSD	-ve MSD to HSD			
Direct retail																
E- Commerce																

Source: Company data, CMBIGM estimates, *Nike's year end is in May (e.g. 4Q18 calendar year = 2Q19 fiscal year = Sep-Nov 2018)

Assumptions

Figure 4: Major assumptions

Major assumptions	FY23A	FY24A	FY25E	FY26E	FY27E
Sales by segment growth (%)					
Shoes	12.7%	15.3%	13.0%	12.0%	8.0%
Apparels	18.8%	12.3%	9.2%	10.4%	10.6%
Accessories	18.1%	14.4%	12.0%	12.0%	12.0%
Total	16.2%	13.6%	10.8%	11.1%	9.5%
Sales by brand growth (%)					
Anta	12.7%	6.5%	5.0%	7.0%	6.0%
Anta Kids	14.0%	2.0%	6.0%	4.0%	3.0%
FILA	16.6%	6.1%	5.0%	7.0%	6.0%
Descente & Others	57.7%	53.7%	40.0%	25.0%	20.0%
E-commerce	2.6%	20.7%	8.0%	12.0%	10.0%
Total	16.2%	13.6%	10.8%	11.1%	9.5%
Sales network					
Anta	7,053	7,135	6,960	7,010	7,060
Anta Kids	2,778	2,784	2,650	2,700	2,750
FILA	1,972	2,060	2,145	2,195	2,245
Descente & Others	351	417	460	495	530
Total	12,154	12,396	12,215	12,400	12,585
GP margins					
Anta	54.9%	54.5%	54.1%	54.0%	54.0%
FILA	69.0%	67.8%	66.5%	66.5%	66.5%
Others	72.9%	72.2%	72.5%	72.5%	72.5%
Total	62.6%	62.2%	62.0%	62.3%	62.5%
Opex breakdown					
A&P Expenses / sales	8.2%	9.0%	8.9%	8.7%	8.7%
Labour costs / sales	14.9%	14.8%	14.7%	14.6%	14.5%
R & D expenses / sales	6.9%	7.4%	7.4%	7.4%	7.4%
Rental expenses/ sales	11.0%	10.9%	10.7%	10.6%	10.6%
Selling & distribution costs / sales	34.8%	36.2%	36.1%	36.1%	36.0%
Admin expenses / sales	5.9%	5.9%	5.9%	5.9%	5.9%
OP margin					
Anta	21.7%	20.3%	19.1%	19.2%	19.4%
FILA	27.6%	25.3%	24.1%	24.1%	24.2%
Others	27.1%	28.6%	28.9%	29.4%	29.5%
Total	24.6%	23.4%	22.7%	23.0%	23.4%
Effective tax rate	27.9%	22.4%	26.0%	26.0%	26.0%
NP att. margin	16.4%	22.0%	17.0%	17.4%	17.9%
NP att. growth	34.8%	52.4%	-14.7%	14.1%	12.5%

Source: Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Revenue	53,651	62,356	70,826	78,500	87,219	95,530
Cost of goods sold	(21,333)	(23,328)	(26,794)	(29,826)	(32,912)	(35,830)
Gross profit	32,318	39,028	44,032	48,674	54,307	59,700
Operating expenses	(23,216)	(25,366)	(29,845)	(32,935)	(36,561)	(39,952)
Selling expense	(19,629)	(21,673)	(25,647)	(28,441)	(31,720)	(34,699)
Admin expense	(2,308)	(2,079)	(2,207)	(2,299)	(2,414)	(2,606)
R&D expense	(1,279)	(1,614)	(1,991)	(2,195)	(2,428)	(2,647)
Others	0	0	0	0	0	0
Operating profit	11,229	15,409	16,763	17,937	20,188	22,423
Other income	2,127	1,747	2,576	2,198	2,442	2,675
Share of (losses)/profits of associates/JV	28	(718)	3,901	1,020	1,221	1,433
EBITDA	12,212	16,415	17,353	18,409	20,540	22,740
Depreciation	(860)	(1,018)	(341)	(325)	(311)	(292)
Other amortisation	(123)	12	(248)	(147)	(41)	(26)
Interest income	609	1,470	1,846	1,533	1,867	2,240
Interest expense	(511)	(521)	(626)	(730)	(730)	(730)
Other income/expense	0	0	0	0	0	0
Pre-tax profit	11,355	15,640	21,884	19,761	22,547	25,366
Income tax	(3,110)	(4,363)	(4,895)	(5,138)	(5,862)	(6,595)
Minority interest	(655)	(1,043)	(1,393)	(1,316)	(1,502)	(1,689)
Net profit	8,245	11,277	16,989	14,623	16,685	18,771
BALANCE SHEET	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Current assets	42,596	52,140	52,482	58,524	68,183	78,613
Cash & equivalents	17,378	15,228	11,390	18,421	26,260	34,963
Account receivables	5,800	6,867	7,225	8,008	8,897	9,745
Inventories	8,490	7,210	10,760	8,989	9,919	10,798
Prepayment	0	0	0	0	0	0
ST bank deposits	10,310	21,453	19,157	19,157	19,157	19,157
Other current assets	618	1,382	3,950	3,950	3,950	3,950
Non-current assets	26,599	40,088	60,133	63,973	65,889	68,151
PP&E	3,716	4,143	4,687	5,304	6,039	6,894
Investment in JVs & assos	9,343	21,119	36,211	37,231	38,453	39,886
Intangibles	1,480	2,089	2,034	1,906	1,883	1,876
Other non-current assets	12,060	12,737	17,201	19,532	19,514	19,495
Total assets	69,195	92,228	112,615	122,497	134,072	146,764
Current liabilities	26,207	20,591	28,593	30,060	31,669	33,199
Short-term borrowings	12,198	3,996	8,583	8,583	8,583	8,583
Account payables	2,750	3,195	4,332	4,822	5,321	5,793
Tax payable	2,169	2,825	3,386	3,386	3,386	3,386
Other current liabilities	9,090	10,575	12,292	13,269	14,379	15,437
Non-current liabilities	5,149	15,627	17,283	17,283	17,283	17,283
Long-term borrowings	492	10,948	12,233	12,233	12,233	12,233
Other non-current liabilities	4,657	4,679	5,050	5,050	5,050	5,050
Total liabilities	31,356	36,218	45,876	47,343	48,952	50,482
Share capital	262	272	271	271	271	271
Retained earnings	26,963	32,909	41,973	45,891	53,907	62,928
Other reserves	7,175	18,279	19,485	22,667	23,114	23,567
Total shareholders equity	34,400	51,460	61,729	68,828	77,292	86,765
Minority interest	3,439	4,550	5,010	6,326	7,828	9,517
Total equity and liabilities	69,195	92,228	112,615	122,497	134,072	146,764

CASH FLOW	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	11,355	15,640	21,884	19,761	22,547	25,366
Depreciation & amortization	983	1,006	590	472	352	318
Tax paid	(3,046)	(3,584)	(4,532)	(5,138)	(5,862)	(6,595)
Change in working capital	(1,104)	1,739	(2,118)	2,456	(210)	(197)
Others	3,959	4,833	917	(291)	(492)	(703)
Net cash from operations	12,147	19,634	16,741	17,260	16,335	18,188
Investing						
Capital expenditure	(1,621)	(1,161)	(2,258)	(942)	(1,047)	(1,146)
Acquisition of subsidiaries/ investments	(115)	(160)	(133)	0	0	0
Others	(3,038)	(24,472)	(12,473)	(2,350)	0	0
Net cash from investing	(4,774)	(25,793)	(14,864)	(3,292)	(1,047)	(1,146)
Financing						
Dividend paid	(3,950)	(4,250)	(7,029)	(6,208)	(6,720)	(7,608)
Net borrowings	(1,403)	(558)	(1,121)	0	0	0
Proceeds from share issues	0	10,497	0	0	0	0
Share repurchases	0	(113)	(1,851)	0	0	0
Others	(2,488)	(2,105)	4,240	(730)	(730)	(730)
Net cash from financing	(7,841)	3,471	(5,761)	(6,937)	(7,449)	(8,338)
Net change in cash						
Cash at the beginning of the year	17,592	17,378	15,228	11,390	18,421	26,260
Exchange difference	254	538	46	0	0	0
Others	(468)	(2,688)	(3,884)	7,031	7,839	8,704
Cash at the end of the year	17,378	15,228	11,390	18,421	26,260	34,963
GROWTH	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Revenue	8.8%	16.2%	13.6%	10.8%	11.1%	9.5%
Gross profit	6.3%	20.8%	12.8%	10.5%	11.6%	9.9%
Operating profit	(1.3%)	37.2%	8.8%	7.0%	12.6%	11.1%
EBITDA	2.2%	34.4%	5.7%	6.1%	11.6%	10.7%
Net profit	0.3%	36.8%	50.7%	(13.9%)	14.1%	12.5%
PROFITABILITY	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Gross profit margin	60.2%	62.6%	62.2%	62.0%	62.3%	62.5%
Operating margin	20.9%	24.7%	23.7%	22.8%	23.1%	23.5%
EBITDA margin	22.8%	26.3%	24.5%	23.5%	23.6%	23.8%
Return on equity (ROE)	26.0%	26.3%	30.0%	22.4%	22.8%	22.9%
GEARING/LIQUIDITY/ACTIVITIES	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Net debt to equity (x)	0.4	0.4	0.2	0.2	0.3	0.4
Current ratio (x)	1.6	2.5	1.8	1.9	2.2	2.4
Receivable turnover days	39.5	40.2	37.2	37.2	37.2	37.2
Inventory turnover days	145.3	112.8	146.6	110.0	110.0	110.0
Payable turnover days	47.1	50.0	59.0	59.0	59.0	59.0
VALUATION	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
P/E	30.2	22.4	15.4	18.0	15.8	14.0
P/E (diluted)	30.2	22.4	15.4	18.0	15.8	14.0
P/B	6.4	4.3	3.8	3.4	3.0	2.7
P/CFPS	18.9	11.7	14.3	13.9	14.7	13.2
Div yield (%)	1.5	2.3	2.6	2.7	3.1	3.5
EV	227,785.9	221,080.4	243,890.5	236,859.7	229,020.7	220,317.1
EV/Sales	4.2	3.5	3.4	3.0	2.6	2.3
EV/EBITDA	18.7	13.5	14.1	12.9	11.1	9.7

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.

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