

Quality growth strategy goes on

Rating	BUY	Maintain
Target price	HK\$16.22	From HK\$9.42
Current price	HK\$13.06	Upside: +24.2%

1H25 result driven by GM and lower OPEX ratio

QT's 1H25 net profit arrived at the mid-point of the profit alert (issued in mid-Jul 25), revenue and net profit each rose 15.1%/1.68x Yoy to RMB8,831mn/RMB310mn. QT's revenue and net profit reached 47%/67% of our FY25E forecasts. The robust 1H25 result was attributed to **i) QT continue to strive for quality earnings growth (focused on high end projects) despite CCM shipment dropped Yoy; ii) Blended GM was up 2.2ppts Yoy /0.5 ppts Hoh Yoy to 7.4%, the highest since 2H21 (GM: 7.3%), thanks to higher utilization rate and better product mix with higher ASP. GM was largely in-line with FY25E market consensus, but was ahead of our FY25E 6.7% forecast; iii) Non-smartphone segment continues to ramp-up and iv) Newmax turnaround. Meanwhile, QT's lower OPEX ratio (down 0.7ppts Yoy) also contributed the bottom line, which is more than offset the lower other income/ gains Yoy. QT declared interim dividend for the first time since listing (~52% payout ratio), which we viewed a positive surprise to the market.**

Maintain FY25E smartphone CCM shipment guidance; Favorable product mix drives ASP + GM; Non-smartphone CCM (automotive+ IoT) shipment continue to outperform, guidance lifted

QT's CCM revenue grew 10.3% Yoy to RMB7,957mn mainly driven by ASP (+27.2% yoy), while smartphone CCM shipment volume posted 15.0% Yoy decrease as QT continue to strive for quality growth. Favorable product mix (i.e. higher mix of. ≥ 32 MP and other CCM) further drove CCM GM up by 0.5 ppts HoH to 6.5% (vs. 5.7%/3.6%/3.6%/4.9%/5.6%/6.1% in 1H22-2H24).

Though ≥ 32 MP CCM shipment was down by 5% Yoy in 1H25, it contributed ~53% of total smartphone CCM shipment, largely on track to Management's FY25E guidance. Management also shared that periscope CCM shipment soared 5.9x Yoy and accounted for ~5.8% of total smartphone CCM shipment. **QT stuck to their FY25E guidance on smartphone CCM, i.e. ≥ 32 MP CCM to account for >55% of total CCM shipment and periscope CCM shipment would be up 100% Yoy, while raising the non-handset CCM sales volume to grow >60% Yoy (vs. >40% in FY24 result)**

QT's non-smartphone CCM shipment grew 48% Yoy to 8mn in 1H25 (~4.2% of total CCM shipment, vs. 2.8% in FY24). This reflects QT continued to make good progress in non-smartphone segment. QT lifted its FY25E shipment to grow >60% (vs. >40% in FY24 result), assuming 60% shipment volume growth, this implies 2H25E average monthly shipment would reach 1.9mn units (+40.7% HoH), while QT's Jul 25 shipment at 1.9mn units.

QT established co-operative relationships with 7 leading global intelligent driving solution providers (Tier-1) and obtained supplier qualification from 37 leading global car brands including NEV brands (vs. 34 in FY24).

Q tech not only has shipped CCM used in ADAS/ in-cabin systems to renowned clients including SGMW, Geely, XPeng, but also passed the qualification certification from other automotive Tier-1 supplier (both overseas and domestic) and OEMs. These mark QT initial success to diversify CCM product mix and exploring business opportunities in non-smartphone segment, which include AD/ADAS, sensing and viewing products. QT expects LiDAR products will be shipped in 2H25E.

Result Takeaway

12 August 2025

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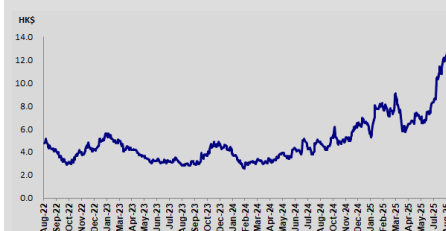
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Trading data

52-Week Range (HK\$)	13.21/3.87
3 Mth Avg Daily Vol (m)	6.9
No. of Shares (m)	1,189.5
Market Cap (HK\$m)	15,535.3
Major Shareholders (%)	He Ning Ning (63.74%)
Auditors	Deloitte
Result Due	FY25E: Mar 2026

Company description

Established in 1997 and listed in HKEx in 2014, Q-tech (QT) is a leading PRC-based camera module manufacturer focusing on mid-to-high end camera module market for Chinese branded smart phone and tablet PC manufacturers. Q-tech was one of the first few manufacturers in China to use the COB (chip on board) and COF (chip on flex) assembly technologies in the manufacture of camera modules. Current customer portfolio includes leading Chinese smartphone players such as vivo, OPPO and Huawei etc



Sources: Bloomberg, CIRL

QT targets to become a Tier -1.5 player provide both hardware and software solutions to Tier-1, automotive CCM enjoys both higher ASP and GM, which we believe to benefit QT in the long run. In IoT, QT has become the core CCM supplier for the global leading consumer drone and action camera brand. As previously mentioned in our last update, QT also established co-operative relationships with leading global VR headset brands and high-calibre domestic embodied robot company. All in all, QT's non-smartphone arm is still ramping up and takes time to achieve economy of scale, we expect non-smartphone GM would stay below company average in FY25E-26E.

In 7M25, QT's total CCM shipment (incl. both smartphone + non-smartphone) reached 232mn units and smartphone CCM contributed ~96% of total shipment. We now model QT's FY25E total CCM shipment would be ~470mn units (+8.8% Yoy), in which non-smartphone CCM (IoT+ auto CCM) shipment would contribute ~4% (~18mn units) of total CCM shipment.

CCM's ASP posted the 4th consecutive Yoy/HoH increase in 1H25, ASP reached ~RMB41.5 (+27.2% Yoy /+15.5% HoH), the highest since 1H20, based on our calculation. We expect increased contribution from high end CCM (incl. periscope CCM, non-smartphone CCM etc.) and lower material cost would continue benefit QT's GM recovery in FY25E-FY26E.

■ FPM GM reached record high since 2H20, ultrasonic FPM the main driver

In 1H25, FPM segment revenue soared 1.1x Yoy to RMB 826mn (9.4% of total revenue vs. FY24: 7.3%), on the back of >30% Yoy increase in ASP due to ultrasonic FPM ramp up, and 59.7% Yoy increase in shipment volume at 94mn units, in which ultrasonic rocketed >30x Yoy, while UGFP shipment also grew 17% Yoy. Segment GM reached a record high since 2H20 at 11.7% (+2.4 ppts HoH vs. 1H24: -3.7%) on higher UGFP+ ultrasonic FPM volume mix (67% in 1H25 vs. 66% in FY24). QT began to ship ultrasonic FPM in Apr 24 and accounted ~ 14% of total FPM shipment in 1H25 (vs. 5.3% in FY24). QT lifted its FY25E shipment to grow >30% (vs. >20% in FY24 result), assuming 30% shipment volume growth, this implies 2H25E average monthly shipment would reach 19.1mn units (+21.7% HoH), while QT's Jul 25 shipment at 14mn units. We expect UGFP and ultrasonic FPM each would account for >50%/ mid-high teens of FPM shipment in FY25E/26E. With increasing ultrasonic FPM contribution in FY25E/26E, we still expect both ASP and GM have room to improve.

■ Expect FY24-27E earnings growth to accelerate, quality growth to drive earnings; Non-smartphone segment still takes time to bear fruit; Maintain BUY

In view of 1H25 result ahead of our estimates, we lift QT's FY25E-27E earnings forecasts by 32.0%/36.5%/49.3% respectively mainly driven by higher GM assumption thanks to better CCM mix accompanied by stable OPEX ratio, while leaving our sales forecasts largely unchanged. We expect QT's FY24-27E sales to grow 16.3% CAGR, while net profit growth to accelerate to 49.2% CAGR (vs. 30.5% in our last update in March 25). Management continue to focus on long term quality growth, while non-smartphone segment is still ramping up and contribution would be minimal in FY25E/26E. Our latest FY25E-27E net profit forecasts are 12.4%/11.7%/10.7% lower than market consensus.

QT is trading at FY26E 18.5x PE (~15% above its average since listing in 2014). We arrive QT's new TP at HK\$16.22, which translates to FY26E 23.0x PE (~1 s.d above its average forward PE since listing). QT continues making their way to diversify sales and client mix. It still takes time for non-smartphone segment to bear fruit, while focusing on core business quality growth. We maintain QT's rating at BUY.

Exhibit 1: We lift QT's FY25E-27E earnings forecasts

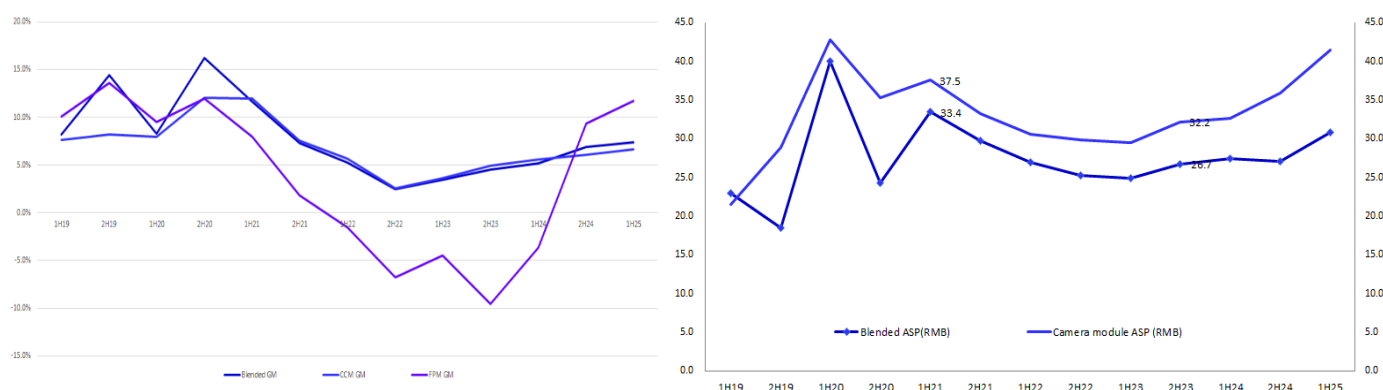
	FY25E (old)	FY25E (new)	Diff	FY26E(old)	FY26E(new)	Diff	FY27E(old)	FY27E(new)	Diff
Revenue	18,872	18,759	-0.6%	21,070	21,819	3.6%	23,088	25,407	10.0%
Gross profit	1,273	1,418	11.4%	1,443	1,679	16.4%	1,604	2,013	25.5%
GM	6.7%	7.6%	+90bps	6.8%	7.7%	+90bps	6.9%	7.9%	+100bps
Net Profit	465	614	32.0%	561	767	36.5%	620	926	49.3%
Basic EPS	0.393	0.519	32.0%	0.474	0.647	36.5%	0.524	0.782	49.3%

Source: CIRC estimates

Exhibit 2: QT's revenue growth assumption in FY25E-27E

Year to Dec (RMB mn)	FY22A	FY23A	FY24A	FY25E	FY26E	FY27E
Segment Revenue						
CCM						
<32MP	10,604	8,638	8,594	7,734	6,961	6,265
≥32MP/Dual/multi cam	1,461	2,265	4,970	7,430	9,143	10,460
Others (IoT, auto CCM etc.)	496	659	1,256	2,094	3,130	4,320
Total CCM	12,561	11,562	14,819	17,258	19,248	21,187
Fingerprint recognition module						
Fingerprint recognition module (incl. UDFP & Ultrasonic FPM)	1,064	781	1,178	1,455	1,659	1,734
- UDFP	905	1,106	1,195	1,225	1,078	862
- Ultrasonic FPM	0	0	127	204	245	254
Total FP	1,064	781	1,178	1,455	1,659	1,734
Others (sales of prototype)	134	188	153	158	163	168
Group	13,759	12,531	16,151	18,872	21,070	23,088
Segment Revenue Growth						
<32MP	-26.2%	-18.5%	-0.5%	-10.0%	-10.0%	-10.0%
≥32MP/Dual/multi cam	-36.5%	-26.5%	50.8%	23.5%	14.0%	4.5%
Total CCM	-25.6%	-8.0%	28.2%	16.5%	11.5%	10.1%
Fingerprint recognition module (incl. UDFP & Ultrasonic FPM)	-36.5%	-26.5%	50.8%	23.5%	14.0%	4.5%
Group	-26.3%	-8.9%	28.9%	16.8%	11.6%	9.6%

Source: Company data, CIRL estimates

Exhibit 3: Q Tech's CCM GM (left) and ASP (right) showed further improvement


Source: Company data, CIRL

Exhibit 4: Q Tech's quarterly shipment breakdown (1Q22-2Q25, reclassification from Jan 2022)

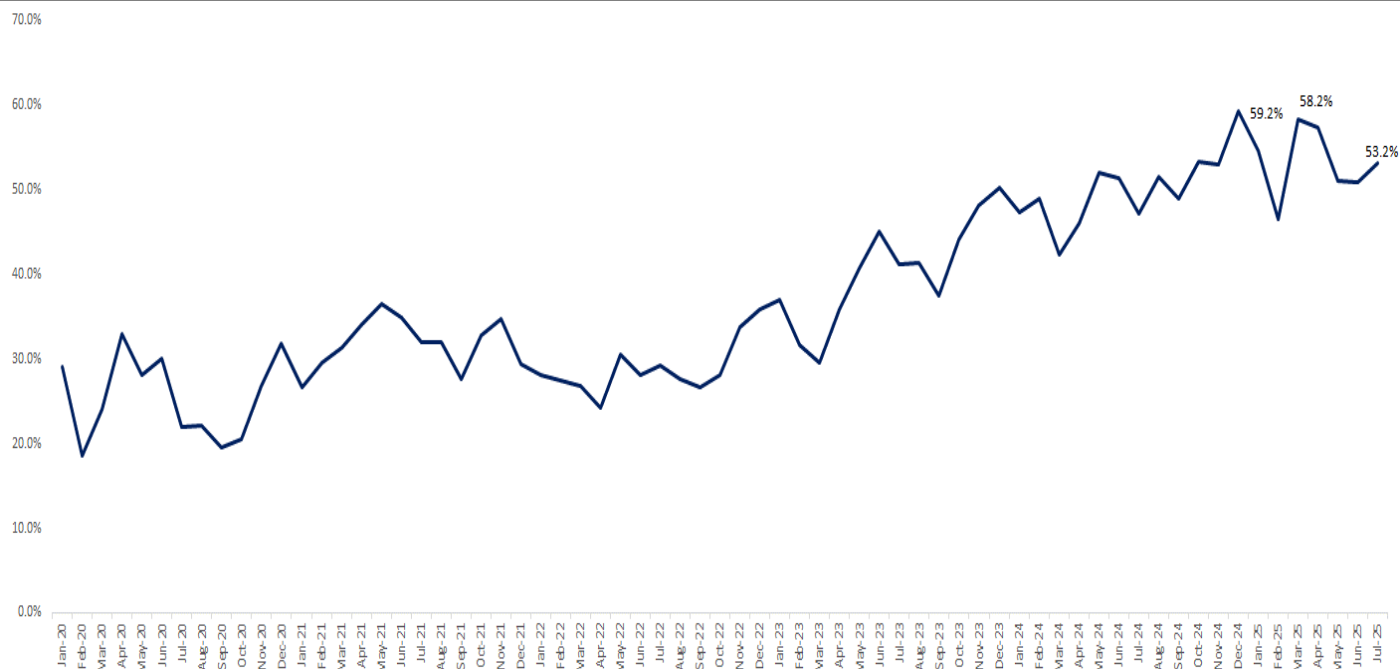
Product Shipment (k pieces)	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Total smartphone CCM shipment	112,044	99,326	106,574	99,202	84,329	82,254	92,885	106,354	103,710	112,209	96,091	109,152	87,055	96,811
Yoy(%)	7.4%	-16.9%	-13.3%	-25.1%	-24.7%	-17.2%	-12.8%	7.2%	23.0%	36.4%	3.5%	2.6%	-16.1%	-13.7%
QoQ(%)	-15.4%	-11.4%	7.3%	-6.9%	-15.0%	-2.5%	12.9%	14.5%	-2.5%	8.2%	-14.4%	13.6%	-20.2%	11.2%
<32MP CCM	81,184	71,835	76,878	66,841	57,364	49,119	55,724	55,796	56,006	56,477	48,801	49,294	40,310	45,399
Yoy(%)	9.9%	-7.3%	-10.8%	-25.4%	-29.3%	-31.6%	-27.5%	-16.5%	-2.4%	15.0%	-12.4%	-11.7%	-28.0%	-19.6%
QoQ(%)	-9.4%	-11.5%	7.0%	-13.1%	-14.2%	-14.4%	13.4%	0.1%	0.4%	0.8%	-13.6%	1.0%	-18.2%	12.6%
>32MP CCM (dual+multi CCM+3D sensing)	30,860	27,491	29,696	32,361	26,965	33,135	37,161	50,558	47,704	55,732	47,290	59,858	46,745	51,412
Yoy(%)	-57.1%	-33.5%	-17.3%	-22.3%	-12.6%	20.5%	25.1%	56.2%	76.9%	68.2%	27.3%	18.4%	-2.0%	-7.8%
QoQ(%)	-25.9%	-10.9%	8.0%	9.0%	-16.7%	22.9%	12.2%	36.1%	-5.6%	16.8%	-15.1%	26.6%	-21.9%	10.0%
Other CCM (incl. auto, IoT etc.)	594	1,064	1,846	3,115	1,044	1,683	2,383	2,526	2,910	2,554	2,844	3,818	3,394	4,689
Yoy(%)	11.2%	75.0%	200.4%	181.1%	75.8%	58.2%	29.1%	-18.9%	178.7%	51.8%	19.3%	51.1%	16.6%	83.6%
QoQ(%)	-46.4%	79.1%	73.5%	68.7%	-66.5%	61.2%	41.6%	6.0%	15.2%	-12.2%	11.4%	34.2%	-11.1%	38.2%
Total CCM (smartphone+non-smartphone)	112,638	100,390	108,420	102,317	85,373	83,937	95,268	108,880	106,620	114,763	98,935	112,970	90,449	101,500
Yoy(%)	7.4%	-16.4%	-11.8%	-22.7%	-24.2%	-16.4%	-12.1%	6.4%	24.9%	36.7%	3.8%	3.8%	-15.2%	-11.6%
QoQ(%)	-14.9%	-10.9%	8.0%	-5.6%	-16.6%	-1.7%	13.5%	14.3%	-2.1%	7.6%	-13.8%	14.2%	-19.9%	12.2%
Non smartphone CCM %	0.5%	1.1%	1.7%	3.1%	1.2%	2.0%	2.6%	2.4%	2.8%	2.3%	3.0%	3.5%	3.9%	4.8%
Fingerprint module														
	26,272	24,379	27,609	33,252	22,121	28,490	28,997	30,630	26,060	33,024	46,535	55,367	47,693	46,664
UGFP	11,012	11,389	11,116	13,992	12,209	17,405	21,038	21,903	18,906	23,416	26,512	29,147	24,869	24,655
Non UGFP	15,260	12,990	16,493	19,260	9,912	11,085	7,959	8,727	7,154	9,214	17,390	20,755	16,380	14,815
Ultrasonic FPM	-	-	-	-	-	-	-	-	0	394	2,633	5,465	6,444	7,194
Total Yoy(%)	-4.9%	-12.2%	-0.4%	5.6%	-15.8%	16.9%	5.0%	-7.9%	17.8%	15.9%	60.5%	80.8%	83.0%	41.3%
Total QoQ(%)	-16.6%	-7.2%	13.2%	20.4%	-33.5%	28.8%	1.8%	5.6%	-14.9%	26.7%	40.9%	19.0%	-13.9%	-2.2%
UGFP % of total FPM	41.9%	46.7%	40.3%	42.1%	55.2%	61.1%	72.6%	71.5%	72.5%	70.9%	57.0%	52.6%	52.1%	52.8%
Ultrasonic % of total FPM	-	-	-	-	-	-	-	-	-	1.2%	5.7%	9.9%	13.5%	15.4%

Source: Company data, CIRL

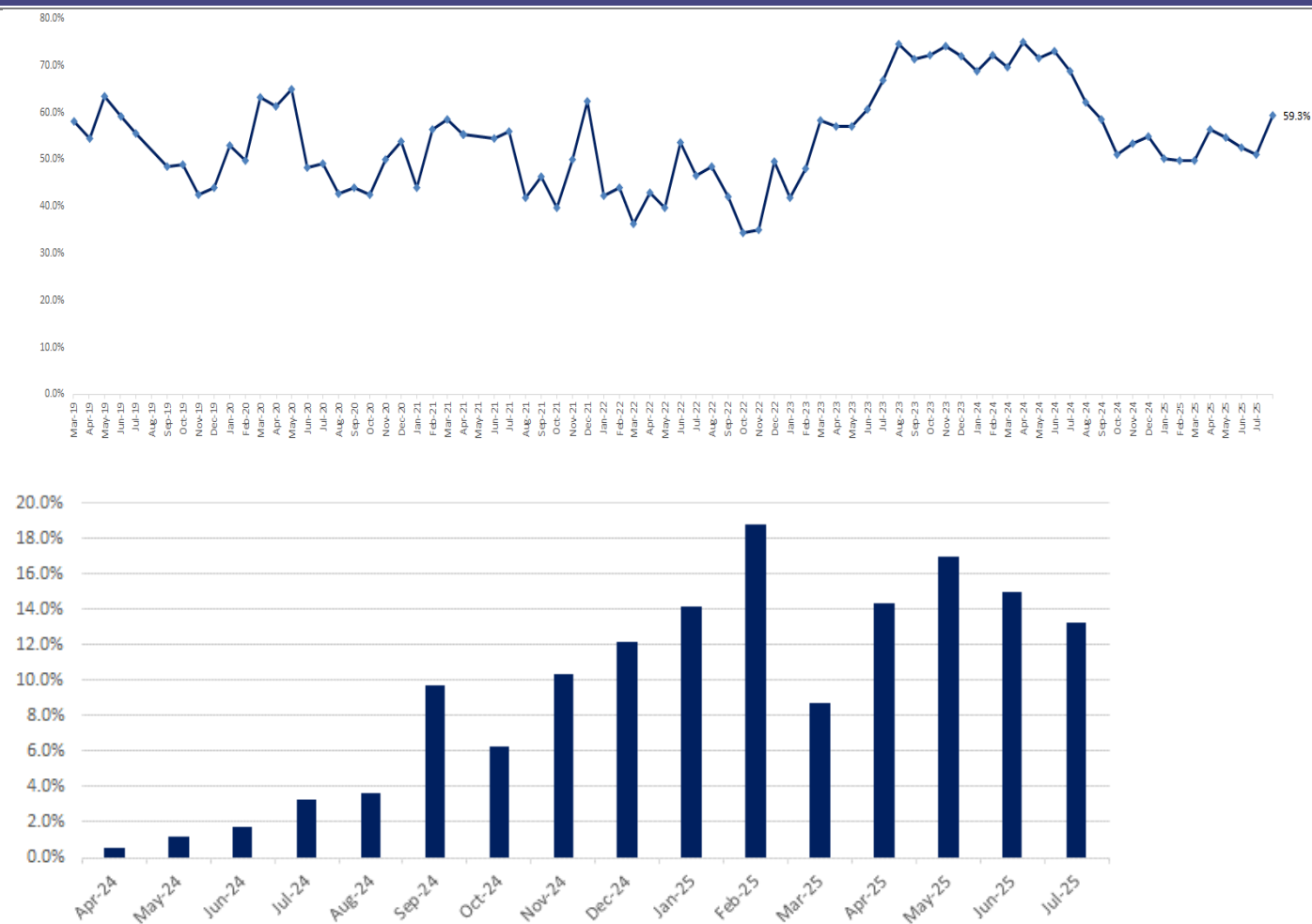
Exhibit 5: Q Tech's revenue breakdown in 1H19-2H24

		1H21	2H21	1H22	2H22	1H23	2H23	1H24	2H24	1H25
Revenue (RMB, Mn)		9,336	9,327	7,095	6,664	5,477	7,054	7,675	8,476	8,832
	Yoy(%)	6.1%	45.7%	-24.0%	-28.5%	-22.8%	5.9%	40.1%	20.2%	15.1%
	HoH(%)	45.9%	-0.1%	-23.9%	-6.1%	-17.8%	28.8%	8.8%	10.4%	4.2%
Total Camera module shipment ('k units)		223,828	255,291	213,028	202,707	169,310	204,148	221,383	211,905	191,949
Fingerprint recognition module shipment ('k units)		55,375	59,208	50,651	60,861	50,611	59,627	59,084	101,902	94,357
Volume ('k units)		279,203	314,499	263,679	263,568	219,921	263,775	280,467	313,807	286,306
	Yoy(%)	26.8%	19.0%	-5.6%	-16.2%	-16.6%	0.1%	27.5%	19.0%	2.1%
	HoH(%)	5.6%	12.6%	-16.2%	0.0%	-16.6%	19.9%	6.3%	11.9%	-8.8%
Blended GP		1,083	679	376	166	188	321	400	585	654
Blended GM		11.6%	7.3%	5.3%	2.5%	3.4%	4.5%	5.2%	6.9%	7.4%
Camera module (CCM)										
Camera module revenue (Mn RMB)		8,398	8,477	6,502	6,059	4,992	6,569	7,215	7,605	7,957
	Yoy(%)	8.8%	13.3%	-22.6%	-28.5%	-23.2%	8.4%	44.5%	15.8%	10.3%
	HoH(%)	12.2%	0.9%	-23.3%	-6.8%	-17.6%	31.6%	9.8%	5.4%	4.6%
Camera module ASP (RMB)		37.5	33.2	30.5	29.9	29.5	32.2	32.6	35.9	41.5
	Yoy(%)	-12.4%	-5.8%	-18.6%	-10.0%	-3.4%	7.7%	10.5%	11.5%	27.2%
	HoH(%)	6.4%	-11.5%	-8.1%	-2.1%	-1.4%	9.1%	1.3%	10.1%	15.5%
	CCM GP	1,002	637.2	370	154.6	179	324.0	405	463.8	527
	CCM GM	11.9%	7.5%	5.7%	2.6%	3.6%	4.9%	5.6%	6.1%	6.6%
Fingerprint Recognition module										
Fingerprint recognition revenue (RMB)		918	758	551	513	395	387	395	784	826
	Yoy(%)	-12.4%	-28.1%	-40.0%	-32.3%	-28.3%	-24.6%	0.0%	102.7%	109.3%
	HoH(%)	-12.9%	-17.4%	-27.3%	-6.9%	-23.1%	-2.1%	2.1%	98.6%	5.4%
Fingerprint recognition module ASP (RMB)		16.6	12.8	10.9	8.4	7.8	6.5	6.7	7.7	8.8
	Yoy(%)	-36.8%	-36.9%	-34.4%	-34.1%	-28.3%	-23.1%	-14.3%	18.6%	31.1%
	HoH(%)	-18.2%	-22.8%	-15.0%	-22.5%	-7.5%	-16.9%	3.0%	15.1%	13.9%
	FPM GP	73	14	(8)	(35)	(18)	(37)	(14)	73	97
	FPM GM	8.0%	1.8%	-1.5%	-6.7%	-4.5%	-9.5%	-3.7%	9.3%	11.7%
Blended ASP(RMB)		33.4	29.7	26.9	25.3	24.9	26.7	27.4	27.0	30.8
	Yoy(%)	-16.4%	22.5%	-19.5%	-14.7%	-7.5%	5.8%	9.9%	1.0%	12.7%
	HoH(%)	38.1%	-11.3%	-9.3%	-6.0%	-1.5%	7.4%	2.3%	-1.3%	14.2%
Fingerprint Recognition module (% of total revenue)		9.8%	8.1%	7.8%	7.7%	7.2%	5.5%	5.1%	9.2%	9.4%

Source: Company data, CIRL

Exhibit 6: Q Tech's ≥ 32 MP CCM shipment % (% of total CCM shipment) stood at >50% YTD


Source: Company data (as of Jul 25), CIRL

Exhibit 7: Q Tech's UGFP contribution stood at ~60% of total shipment YTD (upper), while ultrasonic at low-mid-teens (lower)


Source: Company data (As of Jul 25), CIRL

Exhibit 8: Financial statement

Income statement						Cash flow				
Year to Dec (RMB mn)	FY23A	FY24A	FY25E	FY26E	FY27E	Year to Dec (RMB mn)	FY23A	FY24A	FY25E	FY26E
Revenue	12,531	16,151	18,759	21,819	25,407	Pre-tax profit	68	460	731	913
Gross profit (reported)	509	985	1,418	1,679	2,013	Taxes paid	15	(181)	(117)	(146)
EBITDA	733	1,103	1,413	1,652	1,956	Depreciation	(436)	(444)	(464)	(540)
Depreciation	436	444	464	540	630	Associates	50	37	26	19
EBIT	289	649	944	1,106	1,321	CFO bef. WC change	(303)	(128)	176	246
Net interest income (exp.)	(171)	(152)	(188)	(175)	(203)	Change in working cap	(505)	141	(148)	(98)
Associates	(50)	(37)	(26)	(19)	(15)	Cashflow from operation	(808)	12	28	147
Exceptionals/others	0	0	0	0	0	CAPEX	(160)	(250)	(250)	(250)
Profit before tax	68	460	731	913	1,102	Free cash flow	(968)	(238)	(222)	(103)
Tax expenses	15	(181)	(117)	(146)	(176)	Dividends	0	110	307	383
Minority interest	2	0	0	0	0	Balance sheet adj.	914	517	80	158
Net profit	82	279	614	767	926	Shares issued	0	0	0	0
Diluted EPS (RMB)	0.069	0.235	0.518	0.647	0.781	Others	0	0	0	0
Dividends	0	110	307	383	463	Net cash flow	(53)	389	166	438
Balance sheet						Net cash (debt) start	174	120	510	675
Year to Dec (RMB mn)	FY23A	FY24A	FY25E	FY26E	FY27E	Net cash (debt) at year-end	120	510	675	1,113
Cash & equiv	4,491	4,032	4,036	4,312	4,833	Ratios				
Trade receivables	4,201	4,988	5,793	6,734	7,802	Year to Dec	FY23A	FY24A	FY25E	FY26E
Other receivables	0	0	0	0	0	Growth rate (%)				
Inventories	1,778	1,976	2,259	2,622	3,029	Revenue	(8.9)	28.9	16.1	16.3
Other current assets	636	639	639	639	639	EBITDA	9.3	50.6	28.1	16.9
Fixed assets	2,845	2,651	2,436	2,145	1,765	EBIT	42.0	124.5	45.6	17.1
Intangible assets	23	19	19	19	19	Net profit	(52.1)	240.7	120.1	24.8
Investment, associates etc	968	1,232	1,553	2,032	2,248	Fully diluted EPS	(52.1)	240.4	120.1	24.8
Total assets	14,943	15,536	16,735	18,504	20,335	Margins (%)				
Account payables	5,437	6,563	7,504	8,709	10,061	Gross margin (reported)	4.1	6.1	7.6	7.7
Other payables	0	0	0	0	0	EBITDA	5.8	6.8	7.5	7.6
Short-term debt	4,152	3,440	3,279	3,117	2,955	EBIT	2.3	4.0	5.0	5.1
Other current liabs	78	170	170	170	170	Net margin	0.7	1.7	3.3	3.5
Long-term debts	219	82	82	82	82	Other ratios				
Deferred tax and others	12	11	11	11	11	ROE (%)	1.7	5.5	11.1	12.3
Other long-term liabs	213	179	179	179	179	ROA (%)	0.5	1.8	3.7	4.1
Total liabilities	10,111	10,445	11,224	12,267	13,457	Net gearing (%)	(2.5)	(10.0)	(12.2)	(17.9)
Share capital	9	9	9	9	9	Interest coverage (x)	1.7	4.3	5.0	6.3
Reserves	4,822	5,082	5,503	6,227	6,868	Receivables days	111.2	103.8	104.9	104.8
Shareholders' equity	4,832	5,091	5,512	6,236	6,877	Payables days	83.5	80.0	79.8	79.6
Minorities	0	0	0	0	0	Inventory days	45.0	45.2	44.6	44.2
Total equity	4,832	5,091	5,512	6,236	6,877	Effective tax rate (%)	(13.1)	36.5	15.5	15.7
Net cash (debt)	120	510	675	1,113	1,796					

Source: Company data, CIRL estimates

Exhibit 8: Q Tech's 12 month Forward P/E Ratio


Source: Bloomberg, CIRL

Risk Factors

Downside risks include: 1) Upstream supply shock; 2) Smartphone end demand deteriorates; 3) Slower than expected multi cam CCM/ 3D sensing module/ UDFP adoption in Android camp and hence limit ASP upside; 4) Non-smartphone (IoT+automobile) ramp up longer than expected, 5) Increase pricing pressure arising from overseas players and domestic peers and 6) management execution

Rating Policy

	Rating	Definition
Stock Rating	Buy	Outperform HSI by 15%
	Neutral	Between -15% ~ 15% of the HSI
	Sell	Underperform HSI by -15%
Sector Rating	Accumulate	Outperform HSI by 10%
	Neutral	Between -10% ~ 10% of the HSI
	Reduce	Underperform HSI by -10%

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Analyst Certification

I, Hayman Chiu, hereby certify that all of the views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was / were, is / are or will be directly or indirectly, related to the specific recommendations or views expressed in this report / note.

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