

Jiumaojiu (9922 HK)

A better reform plan but more time is needed

Jiumaojiu's FY24 results were inline with profit warning. 1Q25 trend was weak but improved QoQ. While we are increasingly positive about the company's reforms, we still expect low margins in FY25E given the SSS drop and potential impairments. Maintain HOLD.

■ **Series of transformations are still undergoing in FY25E.** For the group in FY25E, they will: 1) continue to focus on product quality as their lifeline and ensure the high standard of every dish, 2) concentrate the resources in core regions (South China, Hong Kong and Macau), to improve store formats and supply chain, etc., 3) optimize and simplify the corporate structure (cutting some management layers to improve transparency and help business to react more quickly to any changes) and 4) put digitalization as one of the key focuses and to better leverage the new supply chain centre (including the central kitchens and processing factories) in Guangzhou. For JMJ brand in FY25E, management is aiming to focus more on Guangdong and Hainan, improve the store efficiency (by introducing more automatic machines) and further refine different store formats (e.g. kids store, delivery store as well as airport store). For Tai Er brand in FY25E, management will be: 1) very prudent on new store expansion (CMBI est. about 30-40 gross openings and 20 gross closures), 2) very decisive on store closures (will shut it down quickly if any of those fall below expectations and 3) refinement of different store formats (particularly the new one just launched in Guangzhou, emphasising on fresh slaughter and freshness of ingredients). For Song hot pot in FY25E, the Company will increase the proportion of fresh goods, improve employee's happiness and in turn, to help providing more thoughtful, more scenario-based and ceremonial services to customers, in order to fulfil their emotional needs.

■ **In the meantime, we are still conservative about the margins in FY25E.** In our view, two key factors will affect the financial performance in FY25E: 1) the SSSG (and seat turnover) trend, and 2) amounts of impairment related to any potential store closures. Our base scenario now is assuming: 1) a flattish seat turnover in FY25E vs FY24, implying a bottom out in 2Q25E-3Q25E and YoY growth in 4Q25E, and 2) a similar level of store closures related impairment in FY25E (about 20 Tai Er stores may be shut down) vs FY24 (around 14 Tai Er and 10 Song hotpot stores were shut down). And the situation may improve in FY25E, with improvements in seat turnover and much less stores shutdown. As a result, we are expecting 0%/3.3% net profit margin in FY25E and FY26E.

■ **Maintain HOLD and fine-tune TP to HK\$ 2.56, based on 15x FY26E P/E (rolled over from 9x FY25E P/E).** We cut our FY25E/ 26E net profit forecasts by 100%/ 52%, to factor in: 1) weak SSSG, 2) slowdown in expansion and 3) more store closures. The new TP is based on 15x FY26E P/E (as we have to be more forward-looking given the reforms and impairments). Trading at 17x FY26E P/E, the stock is not attractive.

Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (RMB mn)	5,986	6,074	6,225	7,133	7,703
YoY growth (%)	49.4	1.5	2.5	14.6	8.0
Operating profit (RMB mn)	701.8	209.8	129.5	532.2	649.0
Net profit (RMB mn)	480.0	44.8	1.9	253.3	332.6
EPS (Reported) (RMB cents)	31.18	3.84	0.11	16.02	21.03
YoY growth (%)	819.7	(87.7)	(97.1)	14,315.9	31.3
P/E (x)	8.6	70.1	2,420.6	16.8	12.8
P/B (x)	1.2	1.1	1.0	0.9	0.8
Yield (%)	5.0	1.3	0.0	5.5	7.2
ROE (%)	14.6	1.3	0.1	6.4	7.5
Net gearing (%)	41.8	45.3	49.7	57.1	66.4

Source: Company data, Bloomberg, CMBIGM estimates

HOLD (Maintain)

Target Price **HK\$2.56**
(Previous TP) HK\$2.64
Up/Downside **(11.2%)**
Current Price **HK\$2.88**

China Consumer Discretionary

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Stock Data

Mkt Cap (HK\$ mn)	4,188.1
Avg 3 mths t/o (HK\$ mn)	80.9
52w High/Low (HK\$)	5.83/2.19
Total Issued Shares (mn)	1454.2

Source: FactSet

Shareholding Structure

Mr. Guan Yi Hong	37.4%
JPMorgan Chase & Co	7.5%

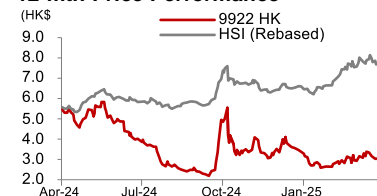
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-2.7%	-3.5%
3-mth	-16.0%	-27.1%
6-mth	-41.8%	-46.8%

Source: FactSet

12-mth Price Performance



Source: FactSet

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- **The trend in 1Q25 was still weak but did improve slightly QoQ.** According to management, daily sales per store YTD in 2025 did improve vs 4Q24, but because of the high base and weakening trend after the 2025 CNY, the SSS is likely negative in 1Q25E.
- **FY24 results inline with the profit warning.** In FY24, Jiumaojiu's sale increased by just 1% YoY to RMB 6.1bn, inline with the pre-announced numbers, and its net profit fell by 88% YoY to RMB 56mn, also inline with the profit warning. SSSG for JMJ/ Tai Er/ Song was at -13%/ -19%/ -32%, with seat turnover of 1.7x/ 2.5x/ 2.0x and ASP of 55/ 71/ 103 in FY24. Noted that the SSSG were all deteriorating from -4%/ -14%/- 35% in 1Q24 to -19%/ -25%/ -27% in 4Q24 for JMJ/ Tai Er/ Song, with a falling seat turnover and a relatively stable ASP. As a result, the restaurant level OP margin for JMJ/ Tai Er/ Song decreased to 15.4%/ 13.2%/ 8.6% in FY24, from 17.6%/ 19.3%/ 12.2% in FY23. All in all, the massive decline in net profit was mainly driven by: 1) operating deleverage from SSS drop, and 2) store closures related impairments. The only bright spot is the relatively high dividend payout ratio at 92.5% in FY24, and hence the historical yield is at 1.3%.

Earnings revision

Figure 1: Earnings revision

RMB mn	New			Old			Diff (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	6,225	7,133	7,703	7,346	8,417	n/a	-15.3%	-15.3%	n/a
Gross profit	4,006	4,591	4,957	4,734	5,426	n/a	-15.4%	-15.4%	n/a
EBIT	191	605	742	717	891	n/a	-73.4%	-32.1%	n/a
Net profit att.	2	233	306	378	484	n/a	-99.6%	-51.9%	n/a
Diluted EPS (RMB)	0.001	0.160	0.210	0.260	0.333	n/a	-99.6%	-51.9%	n/a
Gross margin	64.4%	64.4%	64.4%	64.4%	64.5%	n/a	-0.1ppt	-0.1ppt	n/a
EBIT margin	3.1%	8.5%	9.6%	9.8%	10.6%	n/a	-6.7ppt	-2.1ppt	n/a
Net profit att. margin	0.0%	3.3%	4.0%	5.1%	5.7%	n/a	-5.1ppt	-2.5ppt	n/a

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	6,225	7,133	7,703	6,916	7,737	8,972	-10.0%	-7.8%	-14.1%
Gross profit	4,006	4,591	4,957	4,426	4,952	5,756	-9.5%	-7.3%	-13.9%
EBIT	191	605	742	583	643	1,184	-67.2%	-5.9%	-37.3%
Net profit att.	2	233	306	325	449	598	-99.5%	-48.2%	-48.9%
Diluted EPS (RMB)	0.001	0.160	0.210	0.227	0.269	0.393	-99.5%	-40.4%	-46.5%
Gross margin	64.4%	64.4%	64.4%	64.0%	64.0%	64.1%	0.4ppt	0.4ppt	0.2ppt
EBIT margin	3.1%	8.5%	9.6%	8.4%	8.3%	13.2%	-5.4ppt	0.2ppt	-3.6ppt
Net profit att. margin	0.0%	3.3%	4.0%	4.7%	5.8%	6.7%	-4.7ppt	-2.5ppt	-2.7ppt

Source: Bloomberg, CMBIGM estimates

Results Summary

Figure 3: Results review – half year

Half yearly / Full yearly (RMB mn)	1H23	2H23	1H24	2H24	1H24 YoY	2H24 YoY	2H24E CMBIGM	Actual vs CMBI
Revenue	2,879	3,106	3,064	3,009	6%	-3%	3,168	-5%
COGS	-1,042	-1,100	-1,097	-1,065			-1,121	
Gross profit	1,837	2,007	1,967	1,945	7%	-3%	2,047	-5%
GP margins	63.8%	64.6%	64.2%	64.6%			64.6%	
Other income & gains	53	73	33	36			78	-53%
Staff costs	-718	-827	-894	-853	25%	3%	-839	2%
Staff costs / sales	-24.9%	-26.6%	-29.2%	-28.3%			-26.5%	
Dep. of right-of-use assets expenses	-227	-258	-287	-290	26%	12%	-316	-8%
Dep. of ROU assets exp / sales	-7.9%	-8.3%	-9.4%	-9.6%			-10.0%	
Other rentals expenses	-67	-72	-66	-67	-1%	-7%	-69	-4%
Other rentals exp / sales	-2.3%	-2.3%	-2.2%	-2.2%			-2.2%	
D&A of other assets	-109	-126	-140	-152	29%	20%	-209	-27%
D&A of other assets exp / sales	-3.8%	-4.1%	-4.6%	-5.0%			-6.6%	
Utilities expenses	-101	-118	-123	-130	23%	9%	-146	-11%
Utilities exp / sales	-3.5%	-3.8%	-4.0%	-4.3%			-4.6%	
Travelling & related expenses	-17	-22	-14	-16	-19%	-27%	-24	-33%
Travelling & related exp / sales	-0.6%	-0.7%	-0.4%	-0.5%			-0.7%	
A&P expenses	-32	-52	-47	-57	47%	9%	-41	39%
A&P exp / sales	-1.1%	-1.7%	-1.5%	-1.9%			-1.3%	
Delivery service fees	-39	-72	-41	-87	6%	21%	-84	3%
Delivery service fees / sales	-1.3%	-2.3%	-1.3%	-2.9%			-2.7%	
Other opex	-152	-197	-176	-278	16%	41%	-181	53%
Other opex / sales	-5.3%	-6.3%	-5.7%	-9.2%			-5.7%	
Operating profit (EBIT)	429	335	212	52	-51%	-85%	214	-76%
OP margins	14.9%	10.8%	6.9%	1.7%			6.8%	
Other items	-58	25	-69	-6			31	
Net finance income	-43	-50	-53	-58			-53	9%
Net finance income / sales	-1.5%	-1.6%	-1.7%	-1.9%			-1.7%	
Profit after financing costs	328	310	90	-12			193	
Associated coms	-3	1	-2	-2			-1	
Jointly controlled coms	0	0	0	0			0	
Pre-tax profit	325	311	88	-14	-73%	-104%	192	-107%
Tax	-87	-69	-20	-9			-56	-84%
Tax / sales	-3.0%	-2.2%	-0.7%	-0.3%			-1.8%	
Effective tax rate	-26.7%	-22.3%	-22.7%	66.5%			-29.3%	
Minority interests	16	10	-4	-7			18	-137%
Net profit att.	222	231	72	-16	-67%	-107%	117	-114%
NP margins	7.7%	7.4%	2.4%	-0.5%			3.7%	

Source: Bloomberg, Company data, CMBIGM estimates

Figure 4: Results review – full year

Half yearly / Full yearly (RMB mn)	FY23	FY24	FY25E	FY24 YoY	FY25E YoY	FY24E CMBIG M	Actual vs CMBI
Revenue	5,986	6,074	6,225	1%	2%	6,232	-3%
COGS	-2,142	-2,162	-2,219			-2,219	
Gross profit	3,844	3,912	4,006	2%	2%	4,014	-3%
GP margins	64.2%	64.4%	64.4%			64.4%	
Other income & gains	127	70	79			111	-37%
Staff costs	-1,544	-1,747	-1,741	13%	0%	-1,733	1%
Staff costs / sales	-25.8%	-28.8%	-28.0%			-27.8%	
Dep. of right-of-use assets expenses	-485	-576	-627	19%	9%	-603	-4%
Dep. of ROU assets exp / sales	-8.1%	-9.5%	-10.1%			-9.7%	
Other rentals expenses	-139	-133	-136	-4%	2%	-136	-2%
Other rentals exp / sales	-2.3%	-2.2%	-2.2%			-2.2%	
D&A of other assets	-236	-292	-392	24%	34%	-349	-16%
D&A of other assets exp / sales	-3.9%	-4.8%	-6.3%			-5.6%	
Utilities expenses	-219	-253	-284	15%	12%	-270	-6%
Utilities exp / sales	-3.7%	-4.2%	-4.6%			-4.3%	
Travelling & related expenses	-39	-30	-37	-24%	26%	-37	-21%
Travelling & related exp / sales	-0.6%	-0.5%	-0.6%			-0.6%	
A&P expenses	-85	-104	-107	23%	2%	-88	18%
A&P exp / sales	-1.4%	-1.7%	-1.7%			-1.4%	
Delivery service fees	-111	-129	-133	16%	4%	-126	2%
Delivery service fees / sales	-1.9%	-2.1%	-2.1%			-2.0%	
Other opex	-349	-454	-436	30%	-4%	-357	27%
Other opex / sales	-5.8%	-7.5%	-7.0%			-5.7%	
Operating profit (EBIT)	764	264	191	-65%	-27%	426	-38%
OP margins	12.8%	4.3%	3.1%			6.8%	
Other items	-32	-75	-77			-37	
Net finance income	-93	-111	-105			-106	5%
Net finance income / sales	-1.6%	-1.8%	-1.7%			-1.7%	
Profit after financing costs	639	78	9			282	
Associated coms	-2	-4	-4			-2	
Jointly controlled coms	0	0	0			0	
Pre-tax profit	636	74	5	-88%	-93%	280	-74%
Tax	-156	-29	-4			-76	-62%
Tax / sales	-2.6%	-0.5%	-0.1%			-1.2%	
Effective tax rate	-24.6%	-39.5%	-65.2%			-27.2%	
Minority interests	27	-11	0			14	-179%
Net profit att.	453	56	2	-88%	-97%	190	-71%
NP margins	7.6%	0.9%	0.0%			3.0%	

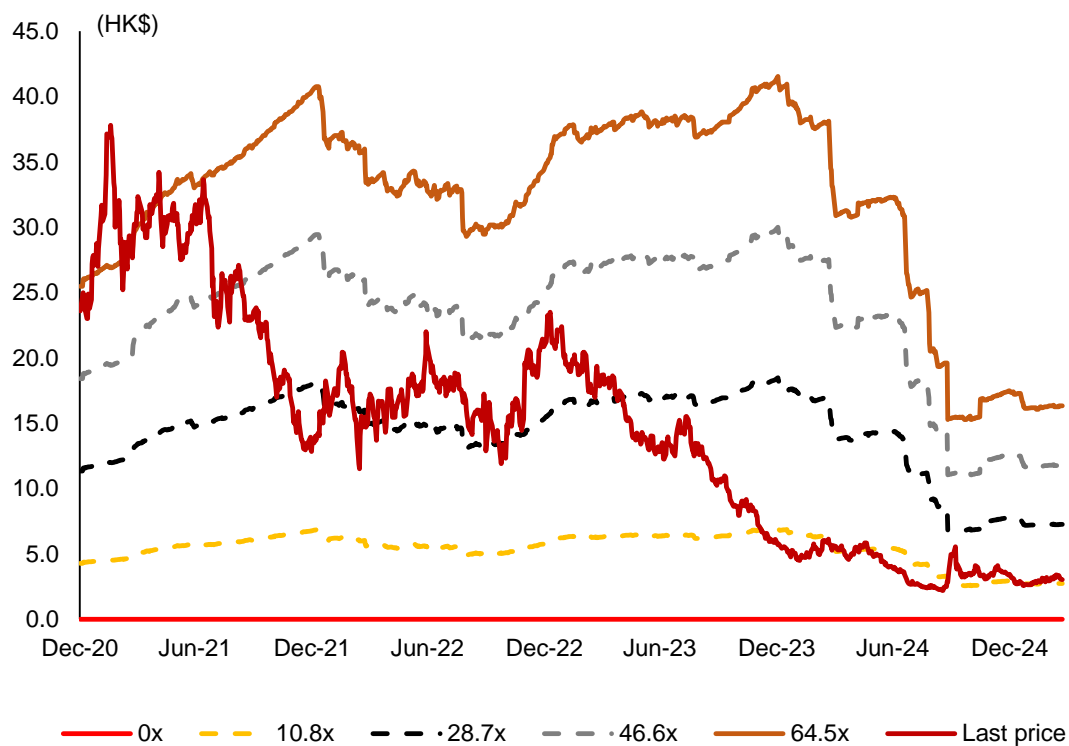
Source: Bloomberg, Company data, CMBIGM estimates

Valuation

Figure 5: Peers valuation table

			12m TP	Price	Up/ Down-	Mkt. Cap	Year	P/E (x)		P/B (x)	ROE (%)	3yrs PEG (x)	Yield (%)	YTD perf.
Company	Ticker	Rating	(LC)	(LC)	side	(HK\$mnn)	End	FY1E	FY2E	FY2E	FY0	FY1E	FY1E	FY1E
Leading Greater China Catering														
Jiumaojiu	9922 HK	HOLD	2.56	2.88	-11%	4,025	Dec-24	n/a	16.9	1.0	1.6	31.9	0.0	(16.0)
Haidilao	6862 HK	BUY	20.20	17.56	15%	97,879	Dec-24	17.2	15.6	5.1	42.9	1.9	4.8	10.4
DPC Dash	1405 HK	BUY	118.57	98.55	20%	12,889	Dec-24	78.8	43.6	4.7	2.5	0.8	0.1	26.3
Luckin	LKNCY US	BUY	38.51	34.48	12%	75,987	Dec-24	150.5	118.7	7.2	28.0	(4.0)	0.1	34.3
Nayuki	2150 HK	BUY	3.43	1.04	230%	1,773	Dec-24	n/a	60.6	0.4	0.3	n/a	0.0	(23.5)
Helens	9869 HK	NR	n/a	1.71	n/a	2,164	Dec-24	7.3	7.1	1.1	9.9	(0.0)	22.6	(32.7)
Cafe De Coral	341 HK	BUY	9.30	7.34	27%	4,257	Mar-24	14.5	13.2	1.5	9.8	4.3	7.6	(6.0)
Xiabuxiabu	520 HK	BUY	4.89	0.82	496%	891	Dec-24	n/a	11.1	0.9	(40.6)	n/a	3.8	(18.0)
Tam Jai	2217 HK	NR	n/a	1.48	n/a	1,993	Mar-24	n/a	n/a	1.2	7.8	n/a	n/a	89.7
Yihai	1579 HK	NR	n/a	13.52	n/a	14,016	Dec-24	14.4	12.9	2.3	15.8	1.4	5.9	(10.3)
Yum China	9987 HK	BUY	484.83	405.00	20%	151,882	Dec-24	20.2	17.8	3.1	15.0	1.7	1.8	8.2
Yum China	YUMC US	BUY	62.06	51.43	21%	150,060	Dec-24	20.0	17.6	3.1	15.0	1.7	1.8	6.8
Gourmet Master	2723 TT	NR	n/a	91.00	n/a	3,839	Dec-24	17.1	14.1	1.3	5.3	0.6	4.7	(6.0)
Avg.								37.8	29.1	2.5	8.7	4.0	4.4	4.9
Med.								17.2	16.3	1.5	9.8	1.5	2.8	(6.0)
International Catering														
Yum! Brands	YUM US	NR	n/a	156.03	n/a	338,819	Dec-24	25.9	23.2	n/a	n/a	2.1	1.8	16.3
Mcdonald's	MCD US	NR	n/a	308.60	n/a	1,715,394	Dec-24	25.0	23.1	n/a	n/a	2.9	2.3	6.5
Starbucks Corp	SBUX US	NR	n/a	97.57	n/a	862,289	Sep-24	33.2	26.7	n/a	n/a	3.6	2.5	6.9
Rest' Brands	QSR US	NR	n/a	66.61	n/a	234,327	Dec-24	17.8	16.3	5.8	34.2	1.5	3.7	2.2
Chipotle	CMG US	NR	n/a	49.3	n/a	520,234	Dec-24	38.3	32.1	13.2	45.7	2.2	0.0	(18.2)
Darden	DRI US	NR	n/a	206.66	n/a	188,358	May-24	21.7	19.2	10.1	48.1	2.1	2.7	10.7
Domino's Pizza	DPZ US	NR	n/a	453.81	n/a	121,094	Dec-24	26.1	23.5	n/a	n/a	3.1	1.5	8.1
Wendy's Co	WEN US	NR	n/a	14.57	n/a	22,719	Dec-24	14.5	12.9	69.4	68.3	1.5	4.6	(10.6)
Shake Shack	SHAK US	NR	n/a	87.26	n/a	28,876	Dec-24	68	55	5.8	2.2	0.7	n/a	(32.8)
Wingstop Inc	WING US	NR	n/a	221.52	n/a	48,090	Dec-24	59.0	45.6	n/a	n/a	3.1	0.5	(22.1)
Jollibee Foods	JFC PM	NR	n/a	240.00	n/a	36,493	Dec-24	21.7	18.7	2.7	12.6	1.0	1.4	(10.8)
Avg.								31.9	27.0	17.8	35.2	2.2	2.1	(4.0)
Med.								25.9	23.2	7.9	39.9	2.1	2.1	2.2

Source: Bloomberg, Company data, CMBIGM estimates

Figure 6: Forward 12M P/E valuation band

Source: Bloomberg, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Revenue	4,006	5,986	6,074	6,225	7,133	7,703
Cost of goods sold	(1,447)	(2,142)	(2,162)	(2,219)	(2,541)	(2,746)
Gross profit	2,559	3,844	3,912	4,006	4,591	4,957
Operating expenses	(2,363)	(3,207)	(3,718)	(3,894)	(4,079)	(4,329)
Staff costs	(1,134)	(1,544)	(1,747)	(1,741)	(1,854)	(1,982)
Other rental related expenses	(83)	(139)	(133)	(136)	(156)	(169)
Others	(553)	(803)	(969)	(997)	(1,007)	(1,078)
Operating profit	241	702	210	130	532	649
Other income	46	65	16	17	19	21
Share of (losses)/profits of associates/JV	(3)	(2)	(4)	(4)	(5)	(5)
EBITDA	834	1,423	1,078	1,149	1,593	1,749
Depreciation	(190)	(236)	(292)	(392)	(415)	(417)
Depreciation of ROU assets	(403)	(485)	(576)	(627)	(646)	(683)
Interest income	26	62	54	62	73	93
Interest expense	(81)	(93)	(111)	(105)	(105)	(107)
Other income/expense	(88)	(32)	(75)	(77)	(88)	(95)
Pre-tax profit	94	636	74	5	408	535
Income tax	(39)	(156)	(29)	(4)	(155)	(202)
Minority interest	(6)	(27)	11	(0)	(20)	(27)
Net profit	56	480	45	2	253	333

BALANCE SHEET	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Current assets	2,585	2,806	3,081	3,326	3,896	4,758
Cash & equivalents	1,099	1,327	1,592	1,819	2,284	3,079
Account receivables	21	38	45	46	53	57
Inventories	118	132	126	130	148	160
Prepayment	392	533	541	554	635	686
ST bank deposits	11	231	231	231	231	231
Other current assets	945	545	545	545	545	545
Non-current assets	2,822	3,715	3,701	3,603	3,470	3,312
PP&E	737	1,129	1,121	1,027	901	748
Investment in JVs & assos	10	8	4	(0)	(5)	(10)
Intangibles	25	26	24	23	22	21
Other non-current assets	2,051	2,552	2,552	2,552	2,552	2,552
Total assets	5,407	6,521	6,782	6,928	7,367	8,070
Current liabilities	955	1,403	1,349	1,365	1,461	1,521
Short-term borrowings	0	0	0	0	0	0
Account payables	188	209	148	152	174	188
Tax payable	17	68	68	68	68	68
Other current liabilities	749	1,125	1,132	1,145	1,218	1,265
Non-current liabilities	1,253	1,761	1,750	1,751	1,771	1,798
Long-term borrowings	0	154	154	154	154	154
Other non-current liabilities	1,253	1,607	1,596	1,596	1,617	1,644
Total liabilities	2,208	3,164	3,099	3,115	3,232	3,319
Share capital	0	0	0	0	0	0
Retained earnings	0	0	303	306	755	1,343
Other reserves	3,199	3,357	3,380	3,507	3,380	3,408
Total shareholders equity	3,199	3,357	3,683	3,813	4,135	4,751
Minority interest	0	0	0	0	0	0
Total equity and liabilities	5,407	6,521	6,782	6,928	7,367	8,070

CASH FLOW	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	94	636	74	5	408	535
Depreciation & amortization	190	236	292	392	415	417
Tax paid	(88)	(107)	(29)	(4)	(155)	(202)
Change in working capital	9	(102)	(63)	(2)	(10)	(6)
Others	478	350	219	157	168	176
Net cash from operations	684	1,012	492	550	826	920
Investing						
Capital expenditure	(370)	(576)	(311)	(269)	(259)	(233)
Acquisition of subsidiaries/ investments	(11)	(10)	0	0	0	0
Others	(207)	436	0	0	0	0
Net cash from investing	(588)	(150)	(311)	(269)	(259)	(233)
Financing						
Dividend paid	(83)	(66)	196	52	1	215
Net borrowings	30	214	0	0	0	0
Proceeds from share issues	13	5	0	0	0	0
Share repurchases	0	(137)	0	0	0	0
Others	(441)	(662)	(111)	(105)	(105)	(107)
Net cash from financing	(481)	(646)	85	(53)	(103)	108
Net change in cash						
Cash at the beginning of the year	1,342	1,099	1,327	1,592	1,819	2,284
Exchange difference	141	12	0	0	0	0
Others	(384)	216	265	227	464	795
Cash at the end of the year	1,099	1,327	1,592	1,819	2,284	3,079
GROWTH	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Revenue	(4.2%)	49.4%	1.5%	2.5%	14.6%	8.0%
Gross profit	(3.2%)	50.2%	1.8%	2.4%	14.6%	8.0%
Operating profit	(56.7%)	191.4%	(70.1%)	(38.3%)	310.9%	21.9%
EBITDA	(21.2%)	70.6%	(24.2%)	6.6%	38.7%	9.8%
Net profit	(85.1%)	763.2%	(90.7%)	(95.8%)	13,325.1%	31.3%
PROFITABILITY	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Gross profit margin	63.9%	64.2%	64.4%	64.4%	64.4%	64.4%
Operating margin	6.0%	11.7%	3.5%	2.1%	7.5%	8.4%
EBITDA margin	20.8%	23.8%	17.8%	18.5%	22.3%	22.7%
Return on equity (ROE)	1.8%	14.6%	1.3%	0.1%	6.4%	7.5%
GEARING/LIQUIDITY/ACTIVITIES	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Net debt to equity (x)	0.3	0.4	0.5	0.5	0.6	0.7
Current ratio (x)	2.7	2.0	2.3	2.4	2.7	3.1
Receivable turnover days	2.7	2.7	2.7	2.7	2.7	2.7
Inventory turnover days	23.8	21.3	21.3	21.3	21.3	21.3
Payable turnover days	41.5	33.9	25.0	25.0	25.0	25.0
VALUATION	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
P/E	79.3	8.6	70.1	2,420.6	16.8	12.8
P/E (diluted)	79.3	8.6	70.1	2,420.6	16.8	12.8
P/B	1.2	1.2	1.1	1.0	0.9	0.8
P/CFPS	5.7	3.9	7.9	7.1	4.7	4.3
Div yield (%)	0.3	5.0	1.3	0.0	5.5	7.2
EV	3,076.4	2,783.9	2,518.5	2,291.5	1,827.2	1,032.3
EV/Sales	0.8	0.5	0.4	0.4	0.3	0.1
EV/EBITDA	3.7	2.0	2.3	2.0	1.1	0.6

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

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