

Tencent (700 HK)

1Q25 results beat; AI accelerates business growth

Tencent reported 1Q25 financial results: total revenue was up by 13% YoY to RMB180.0bn, 3% ahead of Bloomberg consensus estimate, thanks to strong growth of games/marketing revenue (+24/20% YoY). Non-IFRS net income grew by 22% YoY to RMB61.3bn, 3% ahead of consensus estimate, primarily due to solid top-line performance and better-than-expected GPM expansion (+3.2ppts YoY). In view of the sustainable GPM expansion trend on favourable revenue mix shift and improved cost efficiency, we raise FY25-27E non-IFRS earnings forecast by 3-7%, and lift our SOTP-derived target price to HK\$660.0 (previous: HK\$625.0). We are upbeat on Tencent's AI development, and expect AI will continue to support the growth of its different business lines. Maintain BUY.

- **Games business maintains strong momentum.** Games revenue increased by 24% YoY to RMB59.5bn in 1Q25, 8% ahead of consensus estimate. Domestic games revenue grew by 24% YoY to RMB42.9bn in 1Q25, due to the low-base effect, contribution from new games like *Delta Force*, and solid performance of evergreen games like *HoK* & *CrossFire Mobile*, both of which received record-high gross receipts in 1Q25. Leveraging AI, Tencent improved engagement of its evergreen games. International games revenue was up by 22% YoY to RMB16.6bn in 1Q25, driven by robust growth of *Brawl Stars*, *Clash Royale*, and *PUBG Mobile*.
- **AI accelerates marketing revenue growth.** Marketing services revenue increased by 20% YoY to RMB31.9bn in 1Q25 (3% ahead of consensus). Tencent upgraded its ad tech with GenAI solutions such as image generation, video editing and digital human solutions, which improved the ROI for advertisers. By products: 1) marketing revenue of Video Accounts grew by over 60% YoY in 1Q25 on enhanced recommendation algorithm; 2) marketing revenue of Mini Programs increased notably YoY on strong ad demand from mini dramas and mini games; 3) revenue of Weixin Search grew rapidly YoY thanks to the increase in commercial queries and CTR.
- **FBS business delivered quality growth.** Fintech and Business Services (FBS) revenue was up by 5% YoY to RMB54.9bn in 1Q25: 1) fintech's revenue grew by low single-digit percentage YoY, mainly driven by consumer loan and wealth management services. 2) Revenue from business services grew by teens% YoY, primarily fuelled by the rapid growth of AI cloud revenue and e-commerce transaction fees. FBS GPM improved by 4.7ppts YoY and 3.1ppts QoQ to 50.3% in 1Q25, mainly due to the increased revenue contribution from high-margin consumer loan & wealth management services, and the enhanced cost efficiency.
- **GPM expansion trend continues.** GPM rose by 3.2ppts YoY and 3.3ppts QoQ to 55.8% in 1Q25, better than consensus estimate of 53.9%, primarily thanks to the favourable revenue mix shift and GPM improvement of the FBS business. Looking ahead into 2Q25E, management expects GPM/OPM expansion to continue, although the AI investment may drag the pace of margin expansion. 1Q25 capex grew by 91% YoY to RMB27.5bn (vs. full-year capex guidance of c.RMB80-100bn), mainly due to GPU investment.

Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (RMB mn)	609,015	660,257	726,526	783,475	831,446
Gross margin (%)	48.1	52.9	55.1	55.6	56.1
Adjusted net profit (RMB mn)	157,688.0	222,703.0	250,785.7	270,992.2	292,596.8
EPS (Adjusted) (RMB)	16.66	23.96	27.02	29.64	32.49
Consensus EPS (RMB)	16.66	23.96	26.33	29.42	33.25
P/E (x)	42.4	25.7	21.9	20.7	18.7

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price HK\$660.00
 (Previous TP) HK\$625.00
Up/Downside 26.7%
Current Price HK\$521.00

China Internet

Saiyi HE, CFA
 (852) 3916 1739
 hesaiyi@cmbi.com.hk

Wentao LU, CFA
 luwentao@cmbi.com.hk

Ye TAO, CFA
 franktao@cmbi.com.hk

Joanna Ma
 (852) 3761 8838
 joannama@cmbi.com.hk

Stock Data

Mkt Cap (HK\$ mn)	4,708,762.8
Avg 3 mths t/o (HK\$ mn)	17,781.6
52w High/Low (HK\$)	544.00/351.20
Total Issued Shares (mn)	9037.9

Source: FactSet

Shareholding Structure

MIH TC	24.0%
Advance Data Services Limited	7.7%

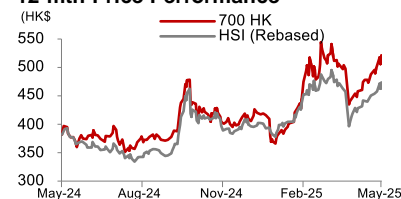
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	14.8%	4.0%
3-mth	9.7%	5.0%
6-mth	29.2%	6.2%

Source: FactSet

12-mth Price Performance



Source: FactSet

Business forecasts update and valuation

Figure 1: Tencent: forecast revision

(RMB bn)	Current			Previous			Change (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	726.5	783.5	831.4	714.6	766.0	811.6	1.7%	2.3%	2.4%
Gross profit	400.2	435.9	466.1	384.8	415.3	440.2	4.0%	5.0%	5.9%
Operating profit	238.6	266.1	290.7	228.0	252.2	270.4	4.6%	5.5%	7.5%
Adjusted net profit	250.8	271.0	292.6	242.4	258.0	274.6	3.5%	5.0%	6.6%
Adjusted EPS (RMB)	27.0	29.6	32.5	26.1	28.2	30.5	3.5%	5.1%	6.5%
Gross margin	55.1%	55.6%	56.1%	53.8%	54.2%	54.2%	1.3 ppt	1.4 ppt	1.9 ppt
Operating margin	32.8%	34.0%	35.0%	31.9%	32.9%	33.3%	0.9 ppt	1.1 ppt	1.7 ppt
Adjusted net margin	34.5%	34.6%	35.2%	33.9%	33.7%	33.8%	0.6 ppt	0.9 ppt	1.4 ppt

Source: CMBIGM estimates

Figure 2: CMBIGM estimates vs consensus

(RMB bn)	CMBIGM			Consensus			Diff (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	726.5	783.5	831.4	722.7	785.8	854.2	0.5%	-0.3%	-2.7%
Gross profit	400.2	435.9	466.1	392.8	432.8	475.9	1.9%	0.7%	-2.1%
Operating profit	238.6	266.1	290.7	239.4	269.5	303.2	-0.3%	-1.3%	-4.1%
Adjusted net profit	250.8	271.0	292.6	248.5	273.1	303.8	0.9%	-0.8%	-3.7%
Adjusted EPS (RMB)	27.0	29.6	32.5	26.3	29.4	33.2	2.6%	0.7%	-2.3%
Gross margin	55.1%	55.6%	56.1%	54.3%	55.1%	55.7%	0.7 ppt	0.5 ppt	0.3 ppt
Operating margin	32.8%	34.0%	35.0%	33.1%	34.3%	35.5%	-0.3 ppt	-0.3 ppt	-0.5 ppt
Adjusted net margin	34.5%	34.6%	35.2%	34.4%	34.8%	35.6%	0.1 ppt	-0.2 ppt	-0.4 ppt

Source: Bloomberg, CMBIGM estimates

Figure 3: Tencent: quarterly financials

(RMB bn)	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	Cons.	Diff%	CMBI	Diff%
SNS revenue	29.7	29.7	28.2	30.5	30.3	30.9	29.8	32.6	32.2	1.4%	31.4	3.8%
YoY %	1.6%	-0.4%	-1.5%	-1.4%	2.2%	3.9%	5.8%	2.5%				
QoQ %	-4.2%	0.3%	-5.3%	8.3%	-0.7%	1.9%	-3.5%	9.4%				
Games revenue	44.5	46.0	40.9	48.1	48.5	51.8	49.2	59.5	55.3	7.7%	55.4	7.4%
YoY %	4.8%	7.4%	-2.2%	-0.5%	8.9%	12.6%	20.3%	23.7%				
QoQ %	-7.9%	3.3%	-11.1%	17.6%	0.8%	6.8%	-5.0%	20.9%				
Marketing services	25.0	25.7	29.8	26.5	29.9	30.0	35.0	31.9	30.9	3.0%	30.8	3.4%
YoY %	34.2%	20.0%	20.8%	26.4%	19.5%	16.6%	17.5%	20.2%				
QoQ %	19.3%	2.9%	15.8%	-11.0%	12.7%	0.4%	16.7%	-9.0%				
FBS revenue	48.6	52.0	54.4	52.3	50.4	53.1	56.1	54.9	55.1	-0.3%	54.4	1.0%
YoY %	15.2%	16.1%	15.1%	7.4%	3.7%	2.0%	3.2%	5.0%				
QoQ %	-0.1%	7.0%	4.5%	-3.8%	-3.6%	5.3%	5.7%	-2.2%				
Total revenue	149.2	154.6	155.2	159.5	161.1	167.2	172.4	180.0	175.6	2.5%	174.3	3.3%
YoY %	11.3%	10.4%	7.1%	6.3%	8.0%	8.1%	11.1%	12.9%				
QoQ %	-0.5%	3.6%	0.4%	2.8%	1.0%	3.8%	3.1%	4.4%				
Overall GPM	47.5%	49.5%	50.0%	52.6%	53.3%	53.1%	52.6%	55.8%	53.9%	1.9 ppt	53.5%	2.3 ppt
G&A%	17.0%	17.0%	17.5%	15.6%	17.1%	17.4%	18.2%	18.7%				
S&M%	5.6%	5.1%	7.1%	4.7%	5.7%	5.6%	6.0%	4.4%				
Non-IFRS net margin	25.2%	29.1%	27.5%	31.5%	35.6%	35.8%	32.1%	34.1%				
Non-IFRS net profit	37.5	44.9	42.7	50.3	57.3	59.8	55.3	61.3	59.7	2.8%	56.3	8.9%
YoY %	29.9%	30.0%	43.7%	54.5%	52.6%	33.2%	29.6%	22.0%				

Source: Company data, CMBIGM estimates

Our SOTP-derived target price of HK\$660.0 comprises, per share:

- 1) HK\$286.9 for the games business, based on an 23x 2025E PE, which is on par with the average PE for its global gaming peers.
- 2) HK\$44.8 for the SNS business, including the market cap of Tencent's stake in its subsidiaries, the valuation of Tencent Video (based on a 3.5x 2025E PS, at a premium to the 1.7x average PS of its peers given its content and user traffic leadership), and the valuation of other membership services (based on a 3.5x 2025E PS).
- 3) HK\$124.4 for the marketing services business, based on an 22x 2025E PE, which is at a premium to the industry average (17x). This reflects Tencent's more resilient ad revenue growth outlook, supported by the solid performance of Weixin Video Account and Mini Program.
- 4) HK\$93.3 for the fintech business, based on a 4.5x 2025E PS, at a premium to the peer average (1.8x). This mainly reflects Tencent's strong leadership in China's digital payment market and its potential to capture other fintech business opportunities.
- 5) HK\$28.1 for the cloud business, based on a 4.5x 2025E PS, at a discount to the industry average (5.9x) as Tencent's current offerings mainly involve the lower-margin IaaS business.
- 6) HK\$74.2 for strategic investments, based on the current market value of Tencent's listed investments and the book value of its unlisted investments. We apply a 30% holding company discount to the fair value of Tencent's equity investments.
- 7) HK\$8.2 for net cash.

Figure 4: Tencent: SOTP valuation

	2025E net profit (RMBmn)	2025E revenue (RMBmn)	2025E PE (x)	2025E PS (x)	Market cap (RMBmn)	Valuation to Tencent (RMBmn)	As % of total valuation	Per share valuation (HK\$)
Games	105,048		23x			2,416,105	43.5	286.9
Social network services (SNS)		127,646				377,176	6.8	44.8
Tencent Music (TME)					163,804	90,256	1.6	10.7
China Literature					24,902	14,737	0.3	1.7
Huya					6,018	2,852	0.1	0.3
Online video – subscription		20,700		3.5x		72,450	1.3	8.6
Others		56,251		3.5x		196,880	3.5	23.4
Marketing services	47,609		22x			1,047,394	18.8	124.4
Fintech		174,640		4.5x		785,880	14.1	93.3
Cloud (business services)		52,514		4.5x		236,314	4.3	28.1
Net cash						69,111	1.2	8.2
Valuation of core business						4,931,981		
RMB/HK\$						0.92		
Valuation of core business (HK\$mn)						5,360,848		
Valuation per share – core business (HK\$)						585.6		
Valuation per share – investments (HK\$)						74.2	11.2	
Valuation per share – Tencent (HK\$)						660.0		

Source: Company data, CMBIGM estimates

Figure 5: Peer comparison: online games and advertising sector

Companies	Ticker	Price (LC)	EPS growth (YoY %)		PE (x)	
			FY25E	FY26E	FY25E	FY26E
Online games						
NetEase	NTES US	106.4	12	5	14	13
Electronic Arts	EA US	149.1	(8)	25	23	18
Take Two Interactive	TTWO US	226.2	12	173	NA	32
Nexon	3659 JP	2,546.5	(12)	13	22	19
Bandai Namco	7832 JP	4,740.0	68	(4)	23	24
Perfect World	002624 CH	13.7	na	70	35	21
Average PE					23	21
Marketing services						
Focus Media	002027 CH	7.3	5	9	19	17
Baidu	BIDU US	91.1	(0)	10	9	8
Meta	Meta US	656.0	9	13	25	22
Google	GOOG US	160.9	20	7	16	15
Average PE					17	16

Source: Bloomberg, CMBIGM estimates

Note: data as of market close on 13 May

Figure 6: Peer comparison: online video, fintech, and cloud sectors

		Price	Revenue growth (YoY %)		PS (x)	
Companies	Ticker	(LC)	FY25E	FY26E	FY25E	FY26E
Online video						
iQiyi	IQ US	2.0	0.3	3.8	0.5	0.5
Mango Excellent Media	300413 CH	23.4	5.4	8.0	2.8	2.6
Average PS					1.7	1.5
Cloud						
Microsoft	MSFT US	449.1	11.6	17.2	10.7	9.2
Google	GOOG US	160.9	10.3	11.2	5.9	5.3
Salesforce	CRM US	289.2	7.5	0.0	6.8	6.8
Kingsoft Cloud	KC US	14.0	23.2	18.2	2.9	2.5
Amazon	AMZN US	211.4	8.9	9.8	3.2	2.9
Average PS					5.9	5.3
Fintech						
PayPal	PYPL US	72.3	3.1	5.8	2.2	2.0
Square	SQ US	58.2	1.3	10.3	1.4	1.3
Average PS					1.8	1.7

Source: Bloomberg, CMBIGM estimates

Note: data as of market close on 13 May

Our calculation of the valuation of Tencent's strategic investments is based on the current market value of Tencent's listed investments and the book value of its unlisted investments. We apply a 30% holding company discount to the fair value of Tencent's equity investments.

Figure 7: Tencent: valuation of strategic investments

Name	Ticker	Tencent's stake %	Mkt cap (US\$mn)	Value to Tencent (HK\$mn)
PDD Holdings Inc	PDD US	13.8	169,577	182,532
Sea Ltd	SE US	17.6	91,248	125,336
Spotify Technology SA	SPOT US	8.2	127,149	81,325
Kuaishou Technology	1024 HK	15.8	29,006	35,725
Futu Holdings Ltd	FUTU US	20.4	15,641	24,888
KE Holdings Inc	BEKE US	9.2	24,154	17,408
Snap Inc	SNAP US	14.4	15,208	17,046
Meituan	3690 HK	1.7	107,648	14,442
Krafton Inc	259960 KS	14.6	12,597	14,356
JD.com Inc	9618 HK	2.7	51,062	10,594
Tongcheng Travel Holdings Ltd	780 HK	20.2	6,210	9,766
Bilibili Inc	9626 HK	13.0	7,679	7,787
Yixin Group Ltd	2858 HK	53.9	1,811	7,611
Vipshop Holdings Ltd	VIPS US	11.8	7,641	7,033
Warner Music Group Corp	WMG US	4.9	14,324	5,497
Kanzhun Ltd	BZ US	8.3	8,101	5,244
Netmarble Corp	251270 KS	17.5	3,098	4,233
J&T Global Express Ltd	1519 HK	6.1	7,299	3,456
Tuhu Car Inc	9690 HK	21.4	1,894	3,162
XtalPi Holdings Ltd	2228 HK	12.9	2,351	2,367
Kadokawa Corp	9468 JP	6.9	3,780	2,023
DHC Software Co Ltd	002065 CH	4.9	4,565	1,745
Paradox Interactive AB	PDX SS	9.1	2,199	1,562
Tuya Inc	2391 HK	11.7	1,622	1,478
ZhongAn Online P&C Insurance C	6060 HK	7.8	2,322	1,416
Maoyan Entertainment	1896 HK	13.7	980	1,051
Oxford Nanopore Technologies P	ONT LN	7.7	1,691	1,009
Other listed entities as a whole			58,716	14,917
Listed investments (current value)				605,009
Unlisted investments (book value)				365,086
Total investment value				970,094
Holdco discount				30%
Valuation of strategic investments				679,066
Valuation of strategic investments per share				74.2

Source: Bloomberg, company data, CMBIGM estimates

Note: data as of the market close on 13 May

Risks

Slower-than-expected GPM expansion; decline in revenue of legacy games; macro headwinds weighing on ads and FBS revenue growth.

Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Revenue	554,552	609,015	660,257	726,526	783,475	831,446
Cost of goods sold	(315,806)	(315,906)	(311,011)	(326,307)	(347,615)	(365,395)
Gross profit	238,746	293,109	349,246	400,219	435,861	466,051
Operating expenses	(127,919)	(133,035)	(141,147)	(161,647)	(169,811)	(175,348)
Selling expense	(29,229)	(34,211)	(36,388)	(36,326)	(39,174)	(41,572)
Admin expense	(106,696)	(103,525)	(112,761)	(129,322)	(134,758)	(138,020)
Others	8,006	4,701	8,002	4,001	4,121	4,245
Operating profit	110,827	160,074	208,099	238,572	266,050	290,703
Share of (losses)/profits of associates/JV	(16,129)	5,800	25,176	21,081	5,270	5,270
Interest income	8,592	13,808	16,004	13,811	3,345	2,965
Interest expense	(9,352)	(12,268)	(11,981)	(3,860)	(2,953)	(3,351)
Pre-tax profit	85,346	153,606	221,294	255,793	268,367	292,623
Income tax	(21,516)	(43,276)	(45,018)	(50,867)	(54,098)	(58,860)
After tax profit	63,830	110,330	176,276	204,926	214,270	233,762
Minority interest	(466)	(2,832)	(2,394)	(6,506)	(7,150)	(7,779)
Net profit	63,364	107,498	173,882	198,421	207,120	225,983
Adjusted net profit	115,649	157,688	222,703	250,786	270,992	292,597
Gross dividends	20,256	28,485	27,965	42,865	39,877	0
BALANCE SHEET	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Current assets	565,989	518,446	496,180	481,199	564,530	746,129
Cash & equivalents	156,739	172,320	132,519	105,131	170,599	344,080
Account receivables	45,467	46,606	48,203	50,598	52,927	54,482
Inventories	2,333	456	440	1,007	1,065	1,107
Prepayment	76,685	88,411	101,044	101,108	110,417	107,325
ST bank deposits	104,776	185,983	192,977	200,089	207,315	214,653
Financial assets at FVTPL	27,963	14,903	12,913	13,559	14,237	14,948
Other current assets	152,026	9,767	8,084	9,707	7,970	9,534
Non-current assets	1,012,142	1,058,800	1,284,815	1,397,928	1,502,760	1,571,860
PP&E	53,978	53,232	80,185	150,578	199,422	214,425
Deferred income tax	29,882	29,017	28,325	31,292	32,998	35,228
Investment in JVs & assos	252,715	261,665	297,415	310,388	323,743	337,470
Intangibles	161,802	177,727	196,127	230,927	262,973	291,739
Financial assets at FVTPL	206,085	211,145	204,999	204,999	204,999	204,999
Other non-current assets	307,680	326,014	477,764	469,744	478,626	487,999
Total assets	1,578,131	1,577,246	1,780,995	1,879,127	2,067,290	2,317,990
Current liabilities	434,204	352,157	396,909	369,994	397,807	412,033
Short-term borrowings	22,026	55,698	61,508	56,953	60,372	63,152
Account payables	92,381	100,948	118,712	97,860	108,451	108,413
Tax payable	13,488	17,664	16,586	17,523	18,294	18,845
Other current liabilities	299,955	171,693	194,503	192,058	205,089	216,023
Lease liabilities	6,354	6,154	5,600	5,600	5,600	5,600
Non-current liabilities	361,067	351,408	330,190	343,283	350,405	357,758
Long-term borrowings	163,668	155,819	146,521	146,593	146,614	146,621
Bond payables	148,669	137,101	130,586	131,810	132,428	132,738
Deferred income	3,503	3,435	6,236	13,052	13,905	14,616
Other non-current liabilities	45,227	55,053	46,847	51,827	57,458	63,783
Total liabilities	795,271	703,565	727,099	713,276	748,212	769,791
Retained earnings	705,981	813,911	892,030	1,071,879	1,262,596	1,483,938
Other reserves	15,410	(5,320)	81,518	7,118	(37,522)	(37,522)
Total shareholders equity	721,391	808,591	973,548	1,078,997	1,225,074	1,446,416
Minority interest	61,469	65,090	80,348	86,854	94,003	101,782
Total equity and liabilities	1,578,131	1,577,246	1,780,995	1,879,127	2,067,290	2,317,990

CASH FLOW	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	85,346	153,606	221,294	255,793	268,367	292,623
Depreciation & amortization	61,216	59,008	56,213	63,281	91,359	112,421
Tax paid	(21,516)	(43,276)	(45,018)	(50,867)	(54,098)	(58,860)
Change in working capital	(18,472)	19,233	21,881	(26,323)	11,927	12,389
Others	39,517	33,391	4,151	11,929	24,053	25,542
Net cash from operations	146,091	221,962	258,521	253,813	341,608	384,114
Investing						
Capital expenditure	(5,651)	(23,893)	(76,760)	(94,448)	(94,017)	(74,830)
Acquisition of subsidiaries/ investments	59,711	(105,332)	(183,983)	(17,301)	(30,110)	(34,944)
Net proceeds from disposal of short-term investments	0	0	0	0	0	0
Others	(158,931)	4,064	138,556	(74,025)	(78,231)	(81,361)
Net cash from investing	(104,871)	(125,161)	(122,187)	(185,775)	(202,358)	(191,135)
Financing						
Net borrowings	6,407	19,445	(107)	2,658	10,461	9,973
Proceeds from share issues	995	1,070	1,932	0	0	0
Others	(67,355)	(103,088)	(178,319)	(98,084)	(84,243)	(29,472)
Net cash from financing	(59,953)	(82,573)	(176,494)	(95,427)	(73,782)	(19,499)
Net change in cash						
Cash at the beginning of the year	167,966	156,739	172,320	132,519	105,131	170,599
Exchange difference	7,506	1,353	359	0	0	0
Cash at the end of the year	156,739	172,320	132,519	105,131	170,599	344,080
GROWTH	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Revenue	(1.0%)	9.8%	8.4%	10.0%	7.8%	6.1%
Gross profit	(2.9%)	22.8%	19.2%	14.6%	8.9%	6.9%
Operating profit	(58.2%)	44.4%	30.0%	14.6%	11.5%	9.3%
Net profit	(71.0%)	69.7%	61.8%	14.1%	4.4%	9.1%
Adj. net profit	(6.6%)	36.4%	41.2%	12.6%	8.1%	8.0%
PROFITABILITY	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Gross profit margin	43.1%	48.1%	52.9%	55.1%	55.6%	56.1%
Operating margin	20.0%	26.3%	31.5%	32.8%	34.0%	35.0%
Adj. net profit margin	20.9%	25.9%	33.7%	34.5%	34.6%	35.2%
Return on equity (ROE)	8.3%	14.1%	19.5%	19.3%	18.0%	16.9%
GEARING/LIQUIDITY/ACTIVITIES	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Net debt to equity (x)	0.2	0.2	0.2	0.2	0.1	(0.0)
Current ratio (x)	1.3	1.5	1.3	1.3	1.4	1.8
Receivable turnover days	29.9	27.9	26.6	25.4	24.7	23.9
VALUATION	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
P/E	72.4	42.4	25.7	21.9	20.7	18.7
P/E (diluted)	73.6	43.1	26.1	22.3	21.0	19.0
P/B	6.4	5.6	4.6	4.0	3.5	2.9

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

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CMB International Global Markets Limited

Address: 45/F, Champion Tower, 3 Garden Road, Hong Kong, Tel: (852) 3900 0888 Fax: (852) 3900 0800

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