

# Sunny Optical (2382 HK)

## Promising product pipeline but stretched valuation

Sunny Optical reported inline 1H21 net profit (+54% YoY), while revenue (+5% YoY) is 6%/3% below our/consensus estimates due to HCM/HLS ASP pressure. Mgmt. is conservative about 2H21E ASP/GPM due to de-spec trend, and target flattish GPM in FY21E (vs FY20) and stable HCM/HLS ASP in 2H21E (vs 1H21). Sunny also lowered HLS shipment growth guidance to 5-10% (prior 15-20%) and raised VLS to 30-35% (prior 20-25%), as previewed in [our note](#) last week. Despite its strong auto-related product pipeline, we think current valuation at 37x/29x FY21/22E is full as most NT positives are priced in. Maintain HOLD.

- 1H21 in-line; Challenging outlook on ASP/GPM in 2H21E.** We estimate HCM/HLS ASP declined 17%/26% YoY in 1H21, due to Huawei weakness, camera de-spec and low-end HLS competition. Mgmt. commented ASP/GPM pressure to persist into 2H21E, and target flattish ASP/GPM in 2H21E vs 1H21. Although we believe Sunny's order win in iPad/iPhone will add 4kk/4kk HLS shipment per month by end of FY21E, it remains too small to move the needle in near term.
- Strong EV product pipeline in 2022; "Smart Eye" 22nm SOC tape-out in 2H21E.** Looking ahead, Sunny highlights its promising outlook for auto-related products, including 1) 8MP front ADAS module (1 MP in 1H21, 3 MP in 2H21, 4 design-win), 2) LiDAR (10+ design-in) covering all major Chinese EV brands. Sunny also passed qualifications of Nvidia for 8MP front ADAS camera projects, and it will expand partnership with more ADAS platform (e.g. Qualcomm) ahead. In addition, mgmt. expanded into semi products, and targets to complete tape-out of 22nm SOC for AIoT, as part of its integrated "hardware+chip+ algorithm" Smart Eye solutions.
- Fair valuation with earnings downside in 2H21E; Maintain HOLD.** We trimmed FY21-23E EPS by 1-6% to reflect lower HCM/HLS ASP/shipment and higher GPM. Overall, we expect 2H21E revenue/net profit to deliver +4%/-13% YoY growth (vs 5%/54% YoY in 1H20). Trading at 37x/29x FY21/22E P/E, we think the stock is fairly valued. We recommend to revisit the stock when auto ADAS projects starts to pick up and HLS ASP stabilizes. Our new SOTP-based TP of HK\$210.1 implies 27.6x FY22E P/E.

### Earnings Summary

(YE 31 Dec)	FY19A	FY20A	FY21E	FY22E	FY23E
Revenue (RMB mn)	37,849	38,002	39,791	48,409	56,597
YoY growth (%)	46.0	0.4	4.7	21.7	16.9
Net income (RMB mn)	3,991	4,882	5,404	6,901	8,377
EPS (RMB)	3.65	4.47	4.94	6.31	7.67
YoY growth (%)	60.1	22.4	10.7	27.7	21.4
Consensus EPS (RMB)	NA	NA	5.38	6.62	7.97
P/E (x)	49.6	40.5	36.6	28.6	23.6
P/B (x)	15.4	11.7	9.2	7.2	5.7
Yield (%)	0.3	0.4	0.4	0.5	0.7
ROE (%)	31.4	29.0	25.2	25.2	24.3
Net Gearing (%)	Net cash	Net cash	Net cash	Net cash	Net cash

Source: Company data, Bloomberg, CMBIS estimates

### HOLD (Maintain)

Target Price	HK\$210.1
(Previous TP)	HK\$215.2)
Up/Downside	-4%
Current Price	HK\$217.8

### China Technology Sector

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#### Stock Data

Mkt Cap (HK\$ mn)	237,894
Avg 3 mths t/o (HK\$ mn)	1,435.27
52w High/Low (HK\$)	259.4/ 112.1
Total Issued Shares (mn)	1,097

Source: Bloomberg

#### Shareholding Structure

SUN XU LTD	35.47%
JPMORGAN CHASE	5.75%
WENJIAN WANG	3.04%

Source: HKEX

#### Share Performance

	Absolute	Relative
1-mth	-4.2%	2.5%
3-mth	28.5%	37.6%
6-mth	-8.5%	7.4%

Source: Bloomberg

#### 12-mth Price Performance



Source: Bloomberg

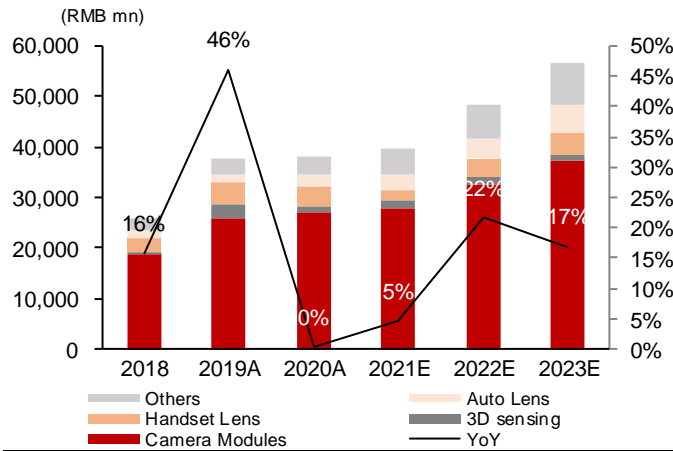
Auditor: Deloitte Touche Tohmatsu

#### Related Reports:

- 1H21 in-line; Remain HOLD on vol/ASP downside – 16 Aug 2021
- A bumpy ride to year end; Downgrade to HOLD – 13 Aug 2021
- Entering next phase of growth; Lift TP to HK\$254 – 19 Mar 2021

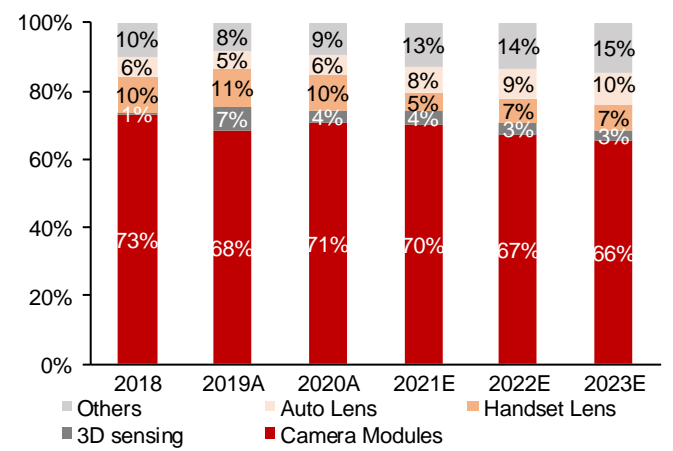
**Focus Charts**

**Figure 1: Sunny Optical revenue trend**



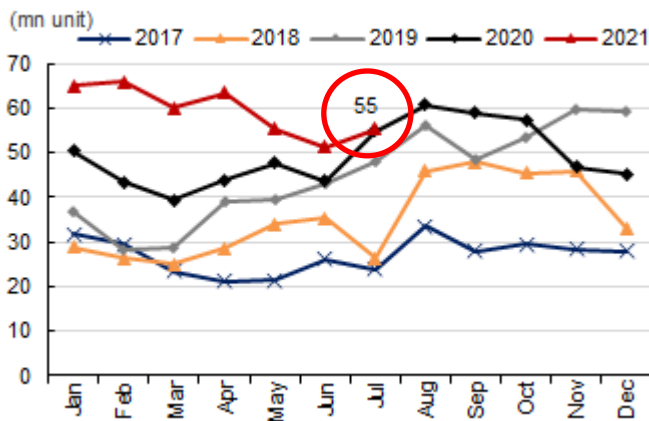
Source: Company data, CMBIS estimates

**Figure 2: Sunny Optical revenue breakdown**



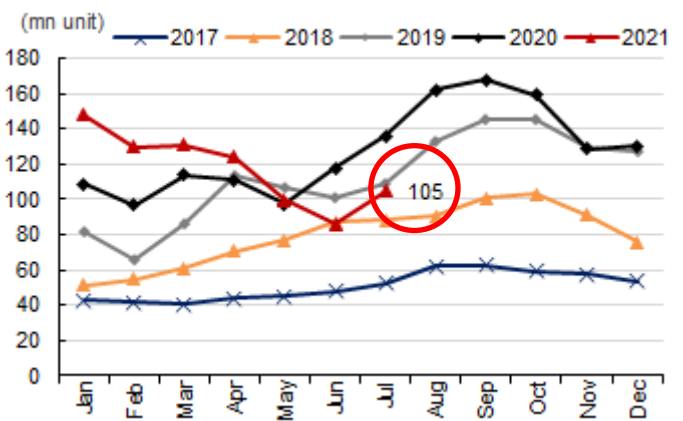
Source: Company data, CMBIS estimates

**Figure 3: Sunny HCM shipment trend**



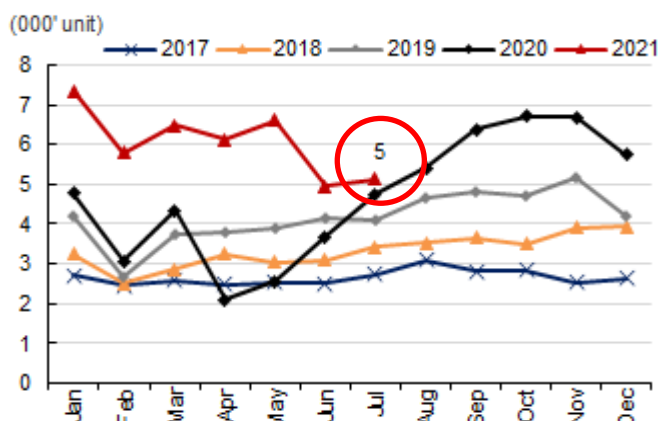
Source: Company data, CMBIS estimates

**Figure 4: Sunny HLS shipment trend**



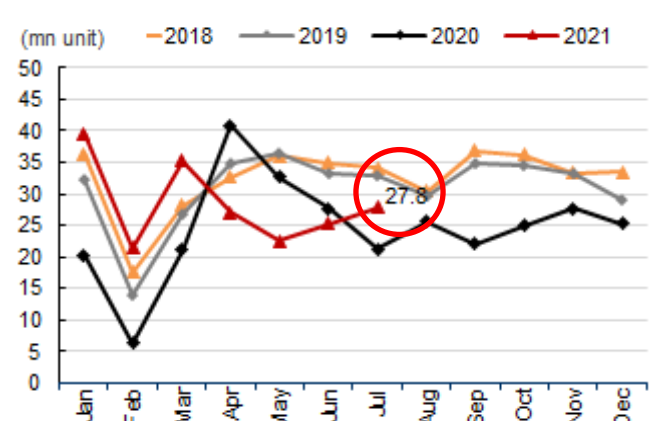
Source: Company data, CMBIS estimates

**Figure 5: Sunny VLS shipment trend**



Source: Company data, CMBIS estimates

**Figure 6: China smartphone market trend**



Source: MIIT, CMBIS estimates

## 1H21 Results Review:

Figure 7: 1H21 results review

RMB mn	1H20	2H20	1H21E	YoY	CMBI		Consensus	
					1H21E	Diff (%)	1H21E	Diff (%)
Revenue	18,864	19,138	19,833	5%	21,147	-6%	20,529	-3%
Gross profit	3,676	5,022	4,946	35%	4,643	7%	4,695	5%
Operating profit	2,246	3,630	3,345	49%	3,116	7%	2,963	13%
Net profit	1,749	3,133	2,688	54%	2,589	4%	2,584	4%
EPS (RMB)	1.60	2.86	2.46	54%	2.37	4%	2.30	7%
Gross margin	19.5%	26.2%	24.9%	5.5 ppt	22.0%	3 ppt	22.9%	2.1 ppt
Operating margin	11.9%	19.0%	16.9%	5 ppt	14.7%	2.1 ppt	14.4%	2.4 ppt
Net margin	9.3%	16.4%	13.6%	4.3 ppt	12.2%	1.3 ppt	12.6%	1 ppt

Source: Company data, CMBIS estimates

Figure 8: 1H21 results review

RMB mn	1H20	2H20	1H21	YoY	HoH	CMBI	
						1H21E	Diff (%)
<b>Optical Comp (Auto/ handset lens)</b>	<b>3,864</b>	<b>5,318</b>	<b>4,344</b>	<b>12%</b>		<b>5,865</b>	<b>-26%</b>
Auto lens shipment (mn unit)	21	36	37	82%		37	
... ASP (RMB)	38.8	41.6	36.2	-7%	-13%	42.0	-14%
Handset lens Shipment (mn unit)	6,454	8,844	7,171	11%		7,171	
... ASP (RMB)	4.2	4.0	3.5	-17%	-11%	4.0	-12%
<b>Optoelectronic (HCM, 3D)</b>	<b>14,874</b>	<b>13,620</b>	<b>15,308</b>	<b>3%</b>		<b>15,147</b>	<b>1%</b>
HCM Shipment (mn unit)	269	324	361	34%		361	
... ASP (RMB)	53.0	39.0	39.4	-26%	1%	38.9	1%
3D sensing Shipment (mn unit)	10.5	19.7	19.1	81%		23.9	
... ASP (RMB)	46.2	42.9	42.9	-7%	0%	39.6	8%
<b>Optical instruments</b>	<b>126</b>	<b>200</b>	<b>182</b>	<b>44%</b>		<b>135</b>	<b>34%</b>
<b>Total Revenue</b>	<b>18,864</b>	<b>19,138</b>	<b>19,833</b>	<b>5%</b>		<b>21,147</b>	<b>-6%</b>
<b>Gross Margin</b>							
Optical Comp (Auto/ handset lens)	41.5%	43.7%	42.9%	1.4 ppt	-0.8 ppt	40.0%	2.9 ppt
Optoelectronic (HCM, 3D)	11.1%	14.2%	14.8%	3.7 ppt	0.6 ppt	12.0%	2.8 ppt
Optical instruments	38.6%	46.3%	44.2%	5.6 ppt	-2.1 ppt	40.0%	4.2 ppt
<b>Blended GPM</b>	<b>19.5%</b>	<b>26.2%</b>	<b>24.9%</b>	<b>5.5 ppt</b>	<b>-1.3 ppt</b>	<b>22.0%</b>	<b>3 ppt</b>

Source: Company data, CMBIS estimates

## 2021 guidance:

### Shipment:

- HLS: +5-10% YoY (prior 15-20% YoY)
- HCM: +20-25% YoY (unchanged)
- VLS: +30-35% YoY (prior 20-25% YoY)

### ASP:

- HLS: stable HoH in 2H21E
- HCM: stable HoH in 2H21E
- VLS: stable YoY in FY21E

### GPM:

- Stable blended GPM YoY across all segments

**Opex ratio:** 8-9% level (prior 8-8.5% level)

## Earnings Revision

Figure 9: CMBIS earnings revisions

RMB mn	New			Old			Change (%)		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Revenue	39,791	48,409	56,597	43,335	49,509	57,336	-8%	-2%	-1%
Gross Profit	9,592	11,557	13,792	10,036	11,755	13,891	-4%	-2%	-1%
Operating Profit	6,514	8,154	9,869	6,868	8,299	9,975	-5%	-2%	-1%
Net profit	5,404	6,901	8,377	5,758	6,982	8,416	-6%	-1%	0%
EPS (RMB)	4.94	6.31	7.67	5.27	6.39	7.70	-6%	-1%	0%
Gross Margin	24.1%	23.9%	24.4%	23.2%	23.7%	24.2%	0.9%	0.1%	0.1%
Operating Margin	16.4%	16.8%	17.4%	15.8%	16.8%	17.4%	0.5%	0.1%	0.0%
Net Margin	13.6%	14.3%	14.8%	13.3%	14.1%	14.7%	0.3%	0.2%	0.1%

Source: Company data, CMBIS estimates

Figure 10: CMBIS estimates vs consensus

RMB mn	CMBIS			Consensus			Diff (%)		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Revenue	39,791	48,409	56,597	44,877	53,964	64,295	-11%	-10%	-12%
Gross Profit	9,592	11,557	13,792	10,391	12,622	15,053	-8%	-8%	-8%
Operating Profit	6,514	8,154	9,869	6,450	7,928	NA	1%	3%	NA
Net profit	5,404	6,901	8,377	5,901	7,233	8,727	-8%	-5%	-4%
EPS (RMB)	4.94	6.31	7.67	5.38	6.62	7.97	-8%	-5%	-4%
Gross Margin	24.1%	23.9%	24.4%	23.2%	23.4%	23.4%	1 ppt	0.5 ppt	1 ppt
Operating Margin	16.4%	16.8%	17.4%	14.4%	14.7%	NA	2 ppt	2.2 ppt	NA
Net Margin	13.6%	14.3%	14.8%	13.1%	13.4%	13.6%	0.4 ppt	0.9 ppt	1.2 ppt

Source: Bloomberg, CMBIS estimates

Figure 11: P&amp;L forecast

RMB mn	FY19	FY20	1H21	2H21E	FY21E	FY22E	FY23E
<b>Revenue</b>	<b>37,849</b>	<b>38,002</b>	<b>19,833</b>	<b>19,957</b>	<b>39,791</b>	<b>48,409</b>	<b>56,597</b>
...YoY	46.0%	0.4%	5.1%	4.3%	4.7%	21.7%	16.9%
Cost of sales	(30,098)	(29,304)	(14,887)	(15,312)	(30,199)	(36,852)	(42,805)
<b>Gross profit</b>	<b>7,751</b>	<b>8,698</b>	<b>4,946</b>	<b>4,646</b>	<b>9,592</b>	<b>11,557</b>	<b>13,792</b>
<b>GPM (%)</b>	<b>20.5%</b>	<b>22.9%</b>	<b>24.9%</b>	<b>23.3%</b>	<b>24.1%</b>	<b>23.9%</b>	<b>24.4%</b>
...YoY	57.8%	12.2%	34.5%	-7.5%	10.3%	20.5%	19.3%
SG&A	(929)	(1,032)	(533)	(499)	(1,032)	(1,176)	(1,375)
...% of rev	-2.5%	-2.7%	-2.7%	-2.5%	-2.6%	-2.4%	-2.4%
R&D	(2,209)	(2,499)	(1,321)	(1,197)	(2,518)	(2,856)	(3,339)
...% of rev	-5.8%	-6.6%	-6.7%	-6.0%	-6.3%	-5.9%	-5.9%
Other Gain & Loss	205	698	252	220	252	220	-
<b>Operating profit</b>	<b>4,806</b>	<b>5,877</b>	<b>3,345</b>	<b>3,169</b>	<b>6,514</b>	<b>8,154</b>	<b>9,869</b>
<b>OPM (%)</b>	<b>12.7%</b>	<b>15.5%</b>	<b>16.9%</b>	<b>15.9%</b>	<b>16.4%</b>	<b>16.8%</b>	<b>17.4%</b>
...YoY	56.2%	22.3%	48.9%	-12.7%	10.8%	25.2%	21.0%
<b>Net profit</b>	<b>3,991</b>	<b>4,882</b>	<b>2,688</b>	<b>2,716</b>	<b>5,404</b>	<b>6,901</b>	<b>8,377</b>
<b>NPM (%)</b>	<b>10.5%</b>	<b>12.8%</b>	<b>13.6%</b>	<b>13.6%</b>	<b>13.6%</b>	<b>14.3%</b>	<b>14.8%</b>
...YoY	60.2%	22.3%	53.7%	-13.3%	10.7%	27.7%	21.4%

Source: Company data, CMBIS estimates

Figure 12: Major assumptions

	FY19	FY20	FY21E	FY22E	FY23E
<b>Shipment volume (mn unit)</b>					
<b>Optical Components</b>					
Handset lens sets	1,343	1,530	1,672	1,923	2,212
...YoY(%)	41%	14%	9%	15%	15%
Vehicle lens sets	50	56	78	98	126
...YoY(%)	25%	12%	38%	27%	28%
<b>Optoelectronic Products</b>					
Handset camera modules	540	593	728	837	942
...YoY(%)	27%	10%	23%	15%	13%
Other optoelectronic (3D sensing)	49	41	59	71	85
...YoY(%)	388%	-18%	46%	20%	20%
<b>Optical Instruments</b>					
Microscopic instruments	197	195	236	260	286
...YoY(%)	-5%	-1%	21%	10%	10%
<b>Revenue (RMB mn)</b>					
Optical Components	8,815	9,181	9,466	12,731	15,479
Optoelectronic Products	28,748	28,494	30,044	35,422	40,835
Optical instruments	285	326	280	257	283
<b>Total Revenue</b>	<b>37,849</b>	<b>38,002</b>	<b>39,791</b>	<b>48,409</b>	<b>56,597</b>
...YoY(%)	46.0%	0.4%	4.7%	21.7%	16.9%
<b>Gross Margin</b>					
Optical Components	45.2%	42.8%	41.3%	41.1%	42.0%
Optoelectronic products	9.3%	12.6%	13.4%	12.7%	12.3%
Optical instruments	41.3%	39.2%	43.4%	42.8%	41.7%

Source: Company data, CMBIS estimates

## Valuation

### Maintain HOLD with TP of HK\$210.1

We maintain HOLD with TP HK\$210.1. We derived our 12-month TP from SOTP valuation methodology and our TP is based on weighted-average target P/E multiple of 28.0x FY22E EPS, in order to reflect 1) Sunny's diversification in multiple businesses with different growth profiles, and 2) visibility of product upcycles across different segments.

We assign 20x P/E to its CCM business, given its China No.1 position, product upcycle and advanced technology capacity. We assign 40x P/E for its vehicle lens business to reflect the high-margin and high-growth industry nature of vehicle lens (25% CAGR FY19-21E) and Sunny's No.1 global market share. We apply a 30x P/E to its handset lens segment given secular upgrade trend, continued share gains from peers and robust shipment momentum (18% sales CAGR FY19-21E).

**Figure 13: Sunny Optical – SOTP valuation**

Business segment	% of FY22E Profit	FY22E EPS (RMB)	Target P/E
Camera modules	38.8%	2.45	20x
Handset lenses	45.0%	2.84	30x
Vehicle lenses	15.4%	0.97	40x
Others	0.9%	0.05	25x
<b>Total (RMB) /Implied P/E</b>		<b>6.31</b>	<b>27.6x</b>
<b>TP (HK\$)</b>			<b>210.1</b>

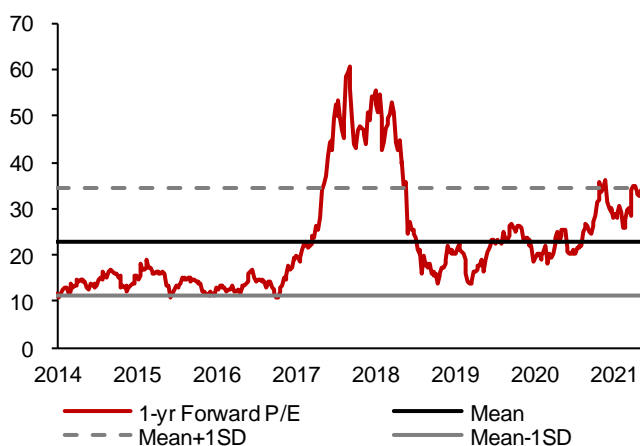
Sources: Company data, CMBIS estimates

**Figure 14: Peers' valuation**

Company	Ticker	Rating	Market Cap (US\$ mn)	Price (LC)	TP (LC)	Up/Down -side	P/E (x)		P/B (x)		ROE (%)		
							FY21E	FY22E	FY21E	FY22E	FY20E	FY21E	
Sunny Optical	2382 HK	Buy	30,657	217.8	210.1	-4%	36.6	28.6	9.2	7.2	25.2	25.2	
Q tech	1478 HK	Buy	1,881	12.4	22.0	77%	12.2	8.9	3.4	2.8	23.1	24.1	
Cowell	1415 HK	NR	520	4.86	NA	NA	8.9	7.2	1.6	1.3	22.9	23.3	
Truly	732 HK	NR	1,123	2.66	NA	NA	7.2	5.1	-	-	-	-	
Catcher	2474 TT	NR	4,909	179.50	NA	NA	14.4	12.7	0.8	0.8	5.7	6.4	
Largan	3008 TT	NR	12,980	2695.00	NA	NA	16.7	14.6	2.4	2.2	15.2	15.8	
Lite-on	2301 TT	NR	4,913	58.50	NA	NA	9.7	10.3	1.8	1.7	18.9	16.2	
Primax	4915 TT	NR	795	49.05	NA	NA	9.0	7.7	1.5	1.3	16.1	17.3	
O-film	002456 CH	NR	3,128	7.53	NA	NA	17.7	14.0	2.0	1.8	6.5	8.7	
Average								14.7	12.0	3.3	2.7	16.9	17.6

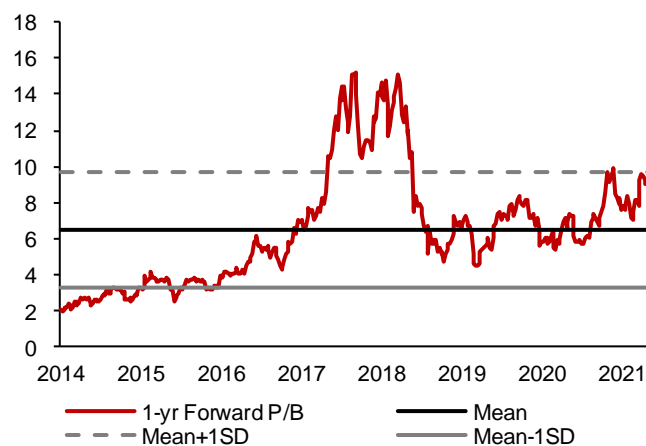
Source: Bloomberg, CMBIS estimates

**Figure 15: 12M forward P/E band**



Source: Bloomberg, CMBIS estimates

**Figure 16: 12M forward P/B band**



Source: Bloomberg, CMBIS estimates

## Financial Summary

### Income statement

YE 31 Dec (RMB mn)	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Revenue</b>	<b>37,849</b>	<b>38,002</b>	<b>39,791</b>	<b>48,409</b>	<b>56,597</b>
Cost of sales	(30,098)	(29,304)	(30,199)	(36,852)	(42,805)
<b>Gross profit</b>	<b>7,751</b>	<b>8,698</b>	<b>9,592</b>	<b>11,557</b>	<b>13,792</b>
Selling expenses	(279)	(313)	(295)	(353)	(413)
Admin expenses	(650)	(719)	(736)	(823)	(962)
R&D expenses	(2,209)	(2,499)	(2,518)	(2,856)	(3,339)
Other income	406	510	458	581	736
Other gain/ losses	(201)	187	14	48	57
<b>Operating profit</b>	<b>4,806</b>	<b>5,877</b>	<b>6,514</b>	<b>8,154</b>	<b>9,869</b>
Financial costs	(250)	(224)	(228)	(251)	(276)
Investment income	(6)	0	0	0	0
<b>Pre-tax profit</b>	<b>4,550</b>	<b>5,653</b>	<b>6,287</b>	<b>7,904</b>	<b>9,594</b>
Income tax expense	(531)	(703)	(828)	(933)	(1,132)
NCI	28	68	55	70	84
<b>Net profit</b>	<b>3,991</b>	<b>4,882</b>	<b>5,404</b>	<b>6,901</b>	<b>8,377</b>

### Cash flow summary

YE 31 Dec (RMB mn)	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Profit before taxation</b>	4,550	5,653	6,287	7,904	9,594
Depreciation/amortisation	1,231	1,513	1,536	1,836	2,136
Change in working capital	(1,426)	192	(2,892)	887	(2,904)
Others	306	(199)	(595)	(658)	(833)
<b>Net cash from operating</b>	<b>4,662</b>	<b>7,160</b>	<b>4,336</b>	<b>9,969</b>	<b>7,993</b>
Capex	(2,760)	(2,538)	(3,000)	(3,000)	(3,000)
Other	(796)	(3,438)	-	-	-
<b>Net cash from investing</b>	<b>(3,556)</b>	<b>(5,976)</b>	<b>(3,000)</b>	<b>(3,000)</b>	<b>(3,000)</b>
Net borrowings	(382)	-	-	-	-
Dividend paid	(623)	(762)	(844)	(1,077)	(1,308)
Purchase of shares	(170)	-	-	-	-
Other	(266)	540	(228)	(251)	(276)
<b>Net cash from financing</b>	<b>(1,441)</b>	<b>(222)</b>	<b>(1,071)</b>	<b>(1,328)</b>	<b>(1,583)</b>
<b>Net change in cash</b>	<b>(336)</b>	<b>962</b>	<b>265</b>	<b>5,641</b>	<b>3,410</b>
Cash at beginning of the year	2,254	1,917	2,842	3,107	8,748
Exchange difference	(2)	(37)	-	-	-
<b>Cash at the end of the year</b>	<b>1,917</b>	<b>2,842</b>	<b>3,107</b>	<b>8,748</b>	<b>12,158</b>

### Balance sheet

YE 31 Dec (RMB mn)	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Current assets</b>	<b>22,446</b>	<b>25,630</b>	<b>26,514</b>	<b>37,770</b>	<b>41,366</b>
Cash & equivalents	1,917	2,842	3,107	8,748	12,158
Financial assets	5,663	8,480	8,480	8,480	8,480
Deposits	21	238	238	238	238
Account receivables	9,630	8,212	10,470	12,258	14,314
Inventories	5,146	5,783	4,145	7,971	6,102
Other current assets	69	74	74	74	74
<b>Non-current assets</b>	<b>8,247</b>	<b>9,809</b>	<b>11,282</b>	<b>12,493</b>	<b>13,401</b>
Prepaid lease					
PPE	6,567	7,513	8,977	10,140	11,004
Interest in associates	1	2	2	2	2
Other non-curr. assets	1,680	2,293	2,303	2,350	2,395
<b>Total assets</b>	<b>30,693</b>	<b>35,438</b>	<b>37,796</b>	<b>50,262</b>	<b>54,767</b>
<b>Current liabilities</b>	<b>12,630</b>	<b>13,411</b>	<b>11,154</b>	<b>17,727</b>	<b>15,077</b>
ST borrowings	1,119	2,071	2,071	2,071	2,071
Account payables	11,322	10,733	8,461	14,963	12,245
Other current liabilities	5,622	9,223	16,110	15,503	25,374
<b>Non-current liabilities</b>	<b>5,336</b>	<b>5,201</b>	<b>5,201</b>	<b>5,201</b>	<b>5,201</b>
LT borrowings					
Others	5,336	5,201	5,201	5,201	5,201
<b>Total liabilities</b>	<b>17,967</b>	<b>18,612</b>	<b>16,355</b>	<b>22,927</b>	<b>20,278</b>
Share capital	105	105	105	105	105
Reserves	12,448	16,492	21,053	26,877	33,946
Minority interest	173	229	283	353	438
<b>Shareholders' equity</b>	<b>12,726</b>	<b>16,826</b>	<b>21,441</b>	<b>27,335</b>	<b>34,489</b>
<b>Total equity &amp; liabilities</b>	<b>30,693</b>	<b>35,438</b>	<b>37,796</b>	<b>50,262</b>	<b>54,767</b>

### Key ratios

YE 31 Dec	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Sales mix (%)</b>					
Optical components	23.3	24.2	23.8	26.3	27.3
Optoelectronic products	76.0	75.0	75.5	73.2	72.2
Optical instruments	0.8	0.9	0.7	0.5	0.5
<b>Growth (%)</b>					
Revenue	46.0	0.4	4.7	21.7	16.9
Gross profit	57.8	12.2	10.3	20.5	19.3
Operating profit	56.2	22.3	10.8	25.2	21.0
Net profit	60.2	22.3	10.7	27.7	21.4
<b>Profit &amp; loss ratio (%)</b>					
Gross margin	20.5	22.9	24.1	23.9	24.4
Operating margin	12.7	15.5	16.4	16.8	17.4
Net profit margin	10.5	12.8	13.6	14.3	14.8
<b>Balance sheet ratio</b>					
Net debt/total equity (x)	Net cash	Net cash	Net cash	Net cash	Net cash
Current ratio (x)	1.8	1.9	2.4	2.1	2.7
Receivable turnover days	76.5	85.7	85.7	85.7	85.7
Inventory turnover days	49.8	68.1	60.0	60.0	60.0
Payable turnover days	111.5	137.4	116.0	116.0	116.0
<b>Profitability (%)</b>					
ROE	31.4	29.0	25.2	25.2	24.3
ROA	13.0	13.8	14.3	13.7	15.3
<b>Per share data (RMB)</b>					
EPS	3.65	4.47	4.94	6.31	7.67
DPS	0.57	0.70	0.77	0.99	1.20

Source: Company data, CMBIS estimates

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