

# JS Global Lifestyle (1691 HK)

## Concerns on logistic constraint overdone

Since the drags from logistic and costs pressure will only result in 11% cut in our FY21E NP forecasts, share price correction of 18% yesterday, in our view, is overdone. Potential tariffs exemptions and refund could be a meaningful boost in GPM in FY22E (not factored in our model yet). We **maintain BUY** given its low valuation **but cut TP to HK\$ 22.35**, based on 18x FY22E P/E (down from 20x due to logistics overhang). The stock is trading at 12x FY22E P/E, vs China/ Int'l peers' avg. of 18x/ 20x FY22E P/E.

- SharkNinja's sales growth in 2H21E may slow down to ~20% YoY due to supply constraint in Europe.** SharkNinja's sales growth slowed down more than expected to 20% in 3Q21, (MSD/ 20%+/ 20%+ in Jul/ Aug/ Sep) due to: 1) lack of containers and transportation capacity, and 2) truck driver shortage at the dock in Europe (transportation in US is smooth in contrast). Since these issues are likely to linger in 4Q21E, SharkNinja's sales growth in 2H21E, in our view, may only be ~20%. Hence, we revised down our FY21E JS Global sales growth estimate to ~25%.
- JS Global's adj. NP growth is experiencing pressure.** We revised down our adj. NP growth in FY21E to 28% YoY (from 44%), due to various concerns: 1) higher logistic costs all across the world, 2) surging chip costs for robot vacuums, 3) potentially higher retail discounts in 4Q21E in order to promote series of new products, and 4) significant raw material inflation.
- However, end demand is still robust.** Backed by rapid economic recovery, large-scale subsidies & stimulus and wealth effect, actual orders from the retailers such as Walmart, Best Buy, and Amazon are strong. Together with the supply chain strait and low industry inventory, the sell-through is far greater than sell-in.
- Tariff exemptions/ refund is likely to happen since Oct 2021/ 1Q22E.** U.S. Trade representative relaunched the tariff exclusion in 2H21E and we believe JS Global is applying. We estimate potential tariff refunds to be around US\$ 30-40mn, and that should help boosting GPM in FY22E by 3-4ppt.
- Maintain BUY but cut TP to HK\$ 22.35.** We revised down FY21E/ 22E/ 23E NP estimates by 11%/ 10%/ 11%, to factor in slower SharkNinja and Joyoung's growth and lower NPM. New TP is HK\$ 22.35, based on 18x FY22E P/E (down from 20x due to logistics overhang). Valuation is still cheap at 12x FY22E P/E, vs China/ Int'l peers' average of 18x/ 20x FY22E P/E.

### Earnings Summary

(YE 31 Dec)	FY19A	FY20A	FY21E	FY22E	FY23E
Revenue (US\$ mn)	3,016	4,196	5,249	5,960	6,601
YoY growth (%)	12.5	39.1	25.1	13.6	10.8
Adj. NP att. (US\$ mn)	145	378	485	571	656
Adj. EPS (US\$)	0.042	0.106	0.136	0.160	0.184
YoY growth (%)	136.573	153.9	28.3	17.9	14.8
Consensus EPS (US\$)	n/a	n/a	0.134	0.168	0.209
Adj. P/E (x)	44.5	17.7	13.7	11.7	10.2
P/B (x)	4.1	2.9	2.3	1.8	1.4
Yield (%)	3.9	1.8	2.6	3.7	4.3
ROE (%)	2.7	15.0	15.1	14.9	13.9
Net gearing (%)*	39.1	Net cash	Net cash	Net cash	Net cash

Source: Company data, Bloomberg, CMBIS estimates, \*net debt (cash) / equity

### BUY (Maintain)

Target Price	HK\$22.35
(Previous TP)	HK\$27.54)
Up/Downside	+54.4%
Current Price	HK\$14.48

### China Home Appliance Sector

#### Walter Woo

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#### Stock Data

Mkt Cap (HK\$ mn)	50.602
Avg 3 mths t/o (HK\$ mn)	155.24
52w High/Low (HK\$)	26.50/13.00
Total Issued Shares (mn)	3,494.6

Source: Bloomberg

#### Shareholding Structure

Mr. Wang Xuning (Chairman) & concert party	56.43%
CDH Fund	10.66%
Mr. Mark Rosenzweig	7.87%
RSU Holding entity	4.88%
Mr. Mark Adam Barrocas	2.09%
Free Float	11.63%

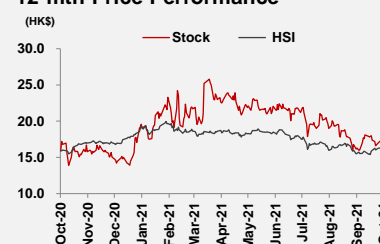
Source: HKEX

#### Share Performance

	Absolute	Relative
1-mth	8.9%	0.4%
3-mth	-18.0%	-14.5%
6-mth	-22.2%	-13.3%
12-mth	12.3%	5.5%

Source: Bloomberg

#### 12-mth Price Performance



Source: Bloomberg

#### Auditor: Ernst & Young

#### Related Reports

- JS Global (1691 HK, BUY) - Rapid growth and stable margin are achievable – 7 Apr 2021
- JS Global (1691 HK, BUY) - Market share gains by product innovations – 7 Apr 2021
- JS Global (1691 HK, BUY) - Upbeat SharkNinja growth is likely in 2H20E - 22 Jan 2021

## Earnings revision

Figure 1: Earnings revision

US\$ mn	New			Old			Diff (%)		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Revenue	5,249	5,960	6,601	5,589	6,376	7,081	-6.1%	-6.5%	-6.8%
Gross profit	2,101	2,428	2,711	2,251	2,589	2,897	-6.7%	-6.2%	-6.4%
EBIT	671	792	919	766	884	1,026	-12.5%	-10.4%	-10.5%
Adjusted NP att.	485	571	656	545	634	739	-11.1%	-9.8%	-11.2%
Adjusted EPS (US\$)	0.136	0.160	0.184	0.153	0.178	0.207	-11.1%	-9.8%	-11.2%
Gross margin	40.0%	40.7%	41.1%	40.3%	40.6%	40.9%	-0.2ppt	0.1ppt	0.1ppt
EBIT margin	12.8%	13.3%	13.9%	13.7%	13.9%	14.5%	-0.9ppt	-0.6ppt	-0.6ppt
Net profit att. margin	9.2%	9.6%	9.9%	9.8%	9.9%	10.4%	-0.5ppt	-0.4ppt	-0.5ppt

Source: Company data, CMBIS estimates

Figure 2: CMBIS estimates vs consensus

US\$ mn	CMBIS			Consensus			Diff (%)		
	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
Revenue	5,249	5,960	6,601	5,412	6,553	7,744	-3.0%	-9.0%	-14.8%
Gross profit	2,101	2,428	2,711	2,248	2,759	3,296	-6.6%	-12.0%	-17.8%
EBIT	671	792	919	698	873	1,069	-3.9%	-9.2%	-14.0%
Adjusted NP att.	485	571	656	478	595	723	1.3%	-3.9%	-9.2%
Adjusted EPS (US\$)	0.136	0.160	0.184	0.134	0.168	0.209	1.3%	-4.8%	-12.0%
Gross margin	40.0%	40.7%	41.1%	41.5%	42.1%	42.6%	-1.5ppt	-1.4ppt	-1.5ppt
EBIT margin	12.8%	13.3%	13.9%	12.9%	13.3%	13.8%	-0.1ppt	0ppt	0.1ppt
Net profit att. margin	9.2%	9.6%	9.9%	8.8%	9.1%	9.3%	0.4ppt	0.5ppt	0.6ppt

Source: Company data, CMBIS estimates

## Assumptions

Figure 3: CMBIS' assumptions

USD mn	FY18A	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Sales by brand (US\$ mn)</b>						
Joyoung	1,179	1,280	1,463	1,419	1,534	1,674
SharkNinja	1,477	1,736	2,733	3,830	4,426	4,927
Others	25	-	-	-	-	-
Total	2,682	3,016	4,196	5,249	5,960	6,601
<b>Sales growth by brand (%)</b>						
Joyoung	11.9%	8.6%	14.3%	-3.0%	8.1%	9.1%
SharkNinja	210.0%	17.5%	57.4%	40.1%	15.6%	11.3%
Others	-23.5%	-100.0%	-	-	-	-
Total	71.5%	12.5%	39.1%	25.1%	13.6%	10.8%
<b>Sales by segment growth (%)</b>						
Cleaning	233.2%	5.6%	50.4%	27.7%	12.3%	8.7%
Food preparation	35.2%	3.2%	22.2%	8.9%	10.6%	10.9%
Cooking	25.6%	37.4%	41.6%	36.0%	18.0%	13.9%
Others	22.3%	-2.7%	29.4%	10.4%	3.2%	2.6%
<b>Sales by region growth (%)</b>						
China	11.6%	6.8%	13.2%	-8.4%	5.5%	9.0%
North America	192.9%	11.2%	51.6%	40.0%	13.0%	9.0%
Europe	263.2%	67.8%	103.6%	60.0%	30.0%	20.0%
Other markets	258.6%	33.5%	45.1%	20.0%	17.0%	10.0%
<b>GP margins by segment</b>						
Joyoung	32.1%	33.3%	32.7%	32.0%	32.5%	32.7%
SharkNinja	42.2%	41.1%	46.5%	42.4%	43.3%	43.5%
Others	39.4%	38.7%	45.5%	43.3%	43.4%	43.7%
Total	37.3%	37.4%	41.5%	40.0%	40.7%	41.1%
<b>Opex breakdown</b>						
D & A	-1.7%	-1.7%	-1.4%	-0.8%	-0.7%	-0.6%
Admin exp. (ex D & A)	-10.2%	-12.1%	-10.2%	-10.2%	-10.1%	-10.0%
A & P	-7.7%	-6.3%	-6.7%	-6.8%	-6.7%	-6.7%
S & D costs (ex. A & P)	-10.1%	-10.5%	-9.9%	-9.9%	-10.3%	-10.2%
Selling & distribution costs / sales	-17.8%	-16.8%	-16.6%	-16.7%	-17.0%	-16.9%
Admin expenses / sales	-11.8%	-13.8%	-11.6%	-11.0%	-10.9%	-10.6%
<b>OP margins</b>						
Effective tax rate	9.3%	7.7%	15.0%	13.0%	13.6%	14.3%
	21.0%	29.0%	23.6%	20.0%	18.0%	18.0%
<b>NP att. margins</b>						
	1.3%	1.4%	8.2%	8.3%	9.1%	9.6%
<b>NP att. growth (%)</b>						
	-27.7%	20.9%	717.1%	25.9%	24.9%	16.6%
<b>Adjusted NP growth (%)</b>						
	8.9%	34.9%	104.5%	30.5%	17.0%	14.9%
<b>Adjusted NP att. growth (%)</b>						
	12.3%	141.8%	159.9%	28.3%	17.9%	14.8%

Source: Company data, CMBIS estimates

## Valuation

### Peers Valuation

Figure 4: Peers' valuation

Company	Ticker	Rating	12m TP (LC)	Price (LC)	Up/Down-side	Mkt. Cap (HK\$ mn)	Year End	P/E (x)		P/B (x)		ROE (%)	3yrs PEG (x)	Yield (%)	
								FY1E	FY2E	FY1E	FY2E	FY1E	FY1E	FY1E	
<b>A+ H shares Small Home Appliances</b>															
JS Global	1691 HK	BUY	22.35	14.48	54%	50,602	Dec-20	13.7	11.7	2.3	1.8	15.1	0.7	2.6	
Joyoung	002242 CH	NR	n/a	22.24	n/a	20,747	Dec-20	17.4	15.3	3.8	3.5	21.7	1.3	3.8	
Vesync	2148 HK	NR	n/a	10.98	n/a	12,792	Dec-20	21.7	15.7	4.5	3.7	21.2	1.0	1.6	
Zhejiang Supor	002032 CH	NR	n/a	45.47	n/a	44,721	Dec-20	18.1	15.9	4.4	3.8	24.9	1.2	3.1	
GD Xinbao	002705 CH	NR	n/a	20.81	n/a	20,924	Dec-20	17.1	13.4	2.6	2.3	14.5	1.4	2.7	
Bear Electric	002959 CH	NR	n/a	46.22	n/a	8,794	Dec-20	18.6	14.5	3.2	2.8	16.5	1.3	1.6	
Ecovacs Robotics	603486 CH	NR	n/a	162.97	n/a	113,429	Dec-20	46.9	34.7	19.1	13.4	43.7	0.6	0.8	
Beijing Roborock	688169 CH	NR	n/a	893.50	n/a	72,580	Dec-20	35.3	27.1	6.9	5.6	19.4	1.3	0.5	
Kingclean Electric	603355 CH	NR	n/a	26.30	n/a	18,393	Dec-20	19.8	15.8	3.7	3.2	18.1	0.3	0.5	
								<b>Avg.</b>	<b>23.2</b>	<b>18.2</b>	<b>5.6</b>	<b>4.5</b>	<b>21.7</b>	<b>1.0</b>	<b>1.9</b>
								<b>Med.</b>	<b>18.6</b>	<b>15.7</b>	<b>3.8</b>	<b>3.5</b>	<b>19.4</b>	<b>1.2</b>	<b>1.6</b>
<b>A + H Home Appliances</b>															
Midea Group	000333 CH	BUY	95.24	69.68	37%	591,638	Dec-20	17.0	14.7	3.6	3.2	21.9	1.2	2.6	
Gree Electric	000651 CH	NR	n/a	40.08	n/a	293,243	Dec-20	9.8	8.5	2.0	1.8	19.7	0.6	6.3	
Haier Smart Home	600690 CH	NR	n/a	25.79	n/a	278,080	Dec-20	18.4	15.4	3.1	2.7	17.1	1.2	2.0	
Haier Electronics	6690 HK	BUY	47.26	27.10	74%	278,080	Dec-20	15.8	12.9	2.7	2.3	17.5	0.9	2.4	
Hisense Home	921 HK	NR	n/a	8.60	n/a	17,100	Dec-20	5.6	4.3	n/a	n/a	n/a	0.3	4.0	
Hisense Home - A	000921 CH	NR	n/a	11.97	n/a	17,100	Dec-20	10.2	8.5	1.5	1.3	14.7	0.7	2.9	
Whirlpool China	600983 CH	NR	n/a	8.98	n/a	8,371	Dec-20	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Hangzhou Robam	002508 CH	NR	n/a	33.13	n/a	38,239	Dec-20	16.3	14.0	3.3	2.8	20.6	0.9	2.0	
Vatti Corporation	002035 CH	NR	n/a	6.76	n/a	6,969	Dec-20	10.4	9.0	1.6	1.4	15.5	0.4	2.8	
								<b>Avg.</b>	<b>12.9</b>	<b>10.9</b>	<b>2.5</b>	<b>2.2</b>	<b>18.1</b>	<b>0.8</b>	<b>3.1</b>
								<b>Med.</b>	<b>13.1</b>	<b>11.0</b>	<b>2.7</b>	<b>2.3</b>	<b>17.5</b>	<b>0.8</b>	<b>2.7</b>
<b>International Small Home Appliances</b>															
Techtronic	669 HK	NR	n/a	155	n/a	283,351	Dec-20	33.3	27.6	7.9	6.7	25.5	1.3	1.2	
Smith (A.O.) Corp	AOS US	NR	n/a	67	n/a	82,591	Dec-20	24.2	20.7	6.1	5.7	25.1	1.4	1.6	
Helen Of Troy	HELE US	NR	n/a	228	n/a	42,786	Feb-21	21.2	18.9	n/a	n/a	20.0	1.8	n/a	
De'Longhi Spa	DLG IM	NR	n/a	34	n/a	46,015	Dec-20	16.5	16.3	3.2	2.9	22.2	0.8	2.2	
Irobot Corp	IRBT US	NR	n/a	82	n/a	17,919	Jan-21	30.4	20.5	3.2	3.0	9.1	10.0	0.0	
Seb Sa	SK FP	NR	n/a	122	n/a	61,215	Dec-20	14.8	13.6	2.4	2.1	16.9	0.7	1.9	
Koninklijke Philips	PHIA NA	NR	n/a	41	n/a	338,373	Dec-20	17.3	20.2	2.8	2.7	11.6	0.8	2.1	
								<b>Avg.</b>	<b>22.5</b>	<b>19.7</b>	<b>4.3</b>	<b>3.8</b>	<b>18.6</b>	<b>2.4</b>	<b>1.5</b>
								<b>Med.</b>	<b>21.2</b>	<b>20.2</b>	<b>3.2</b>	<b>2.9</b>	<b>20.0</b>	<b>1.3</b>	<b>1.8</b>
<b>International Home Appliances</b>															
Whirlpool Corp	WHR US	NR	n/a	207.35	n/a	101,078	Dec-20	7.9	8.6	2.6	2.3	34.8	0.7	2.6	
Ingersoll-Rand	IR US	NR	n/a	53.84	n/a	175,863	Dec-20	28.9	24.5	2.4	2.6	6.7	(0.1)	0.0	
Electrolux Ab	ELUXB SS	NR	n/a	196	n/a	54,957	Dec-20	10.8	11.6	3.2	3.0	29.7	(2.5)	4.6	
Daikin Industries	6367 JP	NR	n/a	25415	n/a	509,050	Mar-21	33.2	29.5	4.1	3.7	12.9	1.7	0.8	
Panasonic Corp	6752 JP	NR	n/a	1368	n/a	229,388	Mar-21	13.0	11.6	1.2	1.1	9.4	0.7	2.2	
Fujitsu General Ltd	6755 JP	NR	n/a	2772.00	n/a	20,704	Mar-21	21.7	18.4	2.2	2.0	10.5	1.9	1.2	
Lg Electronics Inc	066570 KS	NR	n/a	125500	n/a	135,651	Dec-20	10.8	6.6	1.3	1.1	11.7	0.5	1.0	
Samsung	005930 KS	NR	n/a	70200	n/a	2,767,997	Dec-20	11.9	10.5	1.6	1.4	14.1	0.5	2.1	
								<b>Avg.</b>	<b>17.3</b>	<b>15.2</b>	<b>2.3</b>	<b>2.2</b>	<b>16.2</b>	<b>0.4</b>	<b>1.8</b>
								<b>Med.</b>	<b>12.4</b>	<b>11.6</b>	<b>2.3</b>	<b>2.2</b>	<b>12.3</b>	<b>0.6</b>	<b>1.6</b>

Source: Bloomberg, CMBIS estimates

## Financial Summary

### Income statement

YE 31 Dec (US\$ mn)	FY18A	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Revenue</b>	<b>2,682</b>	<b>3,016</b>	<b>4,196</b>	<b>5,249</b>	<b>5,960</b>	<b>6,601</b>
Joyoung	1,179	1,280	1,463	1,419	1,534	1,674
SharkNinja	1,477	1,736	2,733	3,830	4,426	4,927
Others	25	-	-	-	-	-
<b>Cost of goods sold</b>	<b>(1,683)</b>	<b>(1,890)</b>	<b>(2,453)</b>	<b>(3,148)</b>	<b>(3,532)</b>	<b>(3,891)</b>
<b>Gross profit</b>	<b>999</b>	<b>1,127</b>	<b>1,743</b>	<b>2,101</b>	<b>2,428</b>	<b>2,711</b>
<b>Other income</b>	<b>42</b>	<b>23</b>	<b>60</b>	<b>27</b>	<b>24</b>	<b>27</b>
<b>Operating expenses</b>	<b>(795)</b>	<b>(922)</b>	<b>(1,183)</b>	<b>(1,457)</b>	<b>(1,660)</b>	<b>(1,819)</b>
A & P	(208)	(189)	(282)	(357)	(399)	(442)
S & D costs (ex. A & P)	(270)	(318)	(414)	(522)	(613)	(674)
D & A	(45)	(51)	(59)	(45)	(44)	(43)
Admin exp. (ex D & A)	(273)	(365)	(428)	(534)	(603)	(659)
Other opex	-	-	-	-	-	-
<b>EBIT</b>	<b>246</b>	<b>227</b>	<b>620</b>	<b>671</b>	<b>792</b>	<b>919</b>
Finance costs, net	(76)	(78)	(69)	(14)	(7)	(7)
JVs & associates	6	2	(0)	-	-	-
Exceptional	(35)	(32)	(24)	(37)	(41)	(46)
<b>Pre-tax profit</b>	<b>140</b>	<b>119</b>	<b>527</b>	<b>620</b>	<b>744</b>	<b>866</b>
Income tax	(28)	(34)	(124)	(124)	(134)	(156)
Less: Minority interests	77	43	58	63	69	79
<b>Net profit att.</b>	<b>35</b>	<b>42</b>	<b>344</b>	<b>434</b>	<b>541</b>	<b>631</b>
<b>Adj. Net profit att.</b>	<b>60</b>	<b>145</b>	<b>378</b>	<b>485</b>	<b>571</b>	<b>656</b>

### Cash flow summary

YE 31 Dec (US\$ mn)	FY18A	FY19A	FY20A	FY21E	FY22E	FY23E
<b>EBIT</b>	<b>246</b>	<b>227</b>	<b>620</b>	<b>671</b>	<b>792</b>	<b>919</b>
D & A	87	77	88	89	88	85
Change in working capital	(48)	49	(89)	(183)	(83)	(74)
Income tax paid	(16)	(41)	(124)	(124)	(134)	(156)
Others	(36)	67	11	12	17	25
<b>Net cash from operating</b>	<b>234</b>	<b>380</b>	<b>506</b>	<b>464</b>	<b>680</b>	<b>799</b>
Capex & investments	(67)	(74)	(97)	(110)	(125)	(139)
Associated companies	29	(7)	-	-	-	-
Interest received	7	8	-	-	-	-
Others	21	(45)	-	-	-	-
<b>Net cash from investing</b>	<b>(10)</b>	<b>(118)</b>	<b>(97)</b>	<b>(110)</b>	<b>(125)</b>	<b>(139)</b>
Equity raised	-	375	138	-	-	-
Net change in bank loans	(59)	(205)	(150)	(150)	-	-
Dividend paid	(83)	(95)	250	120	170	238
Others	(119)	(93)	(80)	(26)	(24)	(31)
<b>Net cash from financing</b>	<b>(261)</b>	<b>(18)</b>	<b>157</b>	<b>(56)</b>	<b>146</b>	<b>207</b>
<b>Net change in cash</b>	<b>(37)</b>	<b>244</b>	<b>566</b>	<b>298</b>	<b>702</b>	<b>867</b>
Beginning cash balance	211	181	421	988	1,286	1,987
Exchange difference	7	(4)	-	-	-	-
<b>Cash at end of the year</b>	<b>181</b>	<b>421</b>	<b>988</b>	<b>1,286</b>	<b>1,987</b>	<b>2,855</b>

### Balance sheet

YE 31 Dec (US\$ mn)	FY18A	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Non-current assets</b>	<b>1,889</b>	<b>1,999</b>	<b>2,008</b>	<b>2,029</b>	<b>2,066</b>	<b>2,119</b>
Fixed asset	191	207	257	320	399	494
Intangible assets & goodwill	1,398	1,389	1,348	1,308	1,267	1,227
Prepaid lease payments	16	16	16	16	16	16
Interest in joint ventures	36	36	35	35	35	35
Other non-current assets	247	353	351	350	348	347
<b>Current assets</b>	<b>1,411</b>	<b>1,775</b>	<b>2,947</b>	<b>3,549</b>	<b>4,536</b>	<b>5,663</b>
Cash & cash equivalents	181	421	988	1,286	1,987	2,855
Inventories	350	393	575	690	774	853
Trade and other receivables	773	804	1,201	1,366	1,551	1,718
Prepayments	66	68	94	118	134	148
Other current assets	42	89	89	89	89	89
<b>Current liabilities</b>	<b>1,281</b>	<b>990</b>	<b>1,507</b>	<b>1,627</b>	<b>1,829</b>	<b>2,015</b>
Bank loans	486	26	26	26	26	26
Trade payables	409	530	885	862	968	1,066
Accruals & other payables	364	411	572	715	812	900
Tax payables	11	14	14	14	14	14
others	11	9	9	9	9	9
<b>Non-current liabilities</b>	<b>1,557</b>	<b>1,251</b>	<b>1,101</b>	<b>951</b>	<b>951</b>	<b>951</b>
Bank loans	700	1,049	899	749	749	749
Deferred income	53	53	53	53	53	53
Deferred tax	134	134	134	134	134	134
Others	671	15	15	15	15	15
<b>Minority Interest</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>120</b>	<b>189</b>	<b>268</b>
<b>Total net assets</b>	<b>463</b>	<b>1,533</b>	<b>2,289</b>	<b>2,879</b>	<b>3,632</b>	<b>4,548</b>
<b>Shareholders' equity</b>	<b>463</b>	<b>1,533</b>	<b>2,289</b>	<b>2,879</b>	<b>3,632</b>	<b>4,548</b>

Source: Company data, CMBIS estimates

### Key ratios

YE 31 Dec	FY18A	FY19A	FY20A	FY21E	FY22E	FY23E
<b>Sales mix (%)</b>						
Joyoung	44.0	42.4	34.9	27.0	25.7	25.4
SharkNinja	55.1	57.6	65.1	73.0	74.3	74.6
Others	1.0	-	-	-	-	-
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
<b>P&amp;L ratios (%)</b>						
Gross margin	37.3	37.4	41.5	40.0	40.7	41.1
Operating margin	9.2	7.5	14.8	12.8	13.3	13.9
Pre-tax margin	5.2	3.9	12.6	11.8	12.5	13.1
Net margin	1.3	1.4	8.2	8.3	9.1	9.6
Effective tax rate	21.0	29.0	23.6	20.0	18.0	18.0
<b>Balance sheet ratios</b>						
Current ratio (x)	1.1	1.8	2.0	2.2	2.5	2.8
Quick ratio (x)	0.8	1.4	1.6	1.8	2.1	2.4
Cash ratio (x)	0.1	0.4	0.7	0.8	1.1	1.4
Inventory turnover days	67	72	86	80	80	80
Trade receivables days	95	95	105	95	95	95
Trade payables days	73	91	132	100	100	100
Total debt / total equity ratio (%)	258	71	41	27	22	17
Net debt / equity ratio	214	39	Net cash	Net cash	Net cash	Net cash
<b>Returns (%)</b>						
ROE	7.5	2.7	15.0	15.1	14.9	13.9
ROA	1.1	1.1	7.0	7.8	8.2	8.1
<b>Per share</b>						
Adj. EPS (US\$)	0.02	0.04	0.11	0.14	0.16	0.18
DPS (US\$)	0.02	0.07	0.03	0.05	0.07	0.08
BVPS (US\$)	0.14	0.45	0.66	0.83	1.04	1.30

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