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Nayuki Holdings Limited (2150 HK)

Factoring in drags and looking for turnaround

Maintain HOLD but raised TP to HK\$ 7.00, based on our DCF model which implies a ~44x FY23E P/E and ~1.4x FY23E P/S. We factor in the negatives in 1H22E and we think its costs conscious mentality should help it to breakeven in 2H22E. Current valuation of 39x FY23E P/E is rich, but the ~1.3x FY23E P/S is not so demanding (industry median at 1.5x), in our view.

- SSSG in 2Q22E should have likely deteriorated vs 1Q22E. We believe SSS in 1Q22E should have fallen by ~20% YoY, due to the COVID-19 outbreaks in Shenzhen since Feb 2022. However, SSSG in 2Q22E could be even worse and shall decline by ~40% YoY, mainly affected by the Shanghai lockdown, slowdown in economic growth and negative wealth effect.
- But profitability in 1H22E may be similar vs 2H21, thanks to better cost control. We expect GP margin to stay at 65%+, due to better supply chain management and product mix (even with the launch of lower priced "light series", which made up for less than 10% of sales and one SKU may contribute about 1-2% sales). Despite SSS drag in 1H22E and operating deleverage on both staff and rental costs, Nayuki had carried out many constructive measures to save costs, such as: 1) use of in-store crew scheduling (more precise planning can lead to lower hours per head) in Mar 2022, 2) greater use of part-time staff and perhaps more redundancies, 3) more rental renegotiation with landlords and 4) increased mix from new stores with better rent terms.
- We tend to believe the worst is gone and are cautiously optimistic on 2H22E. SSS decline should have been narrowed in May 2022 and even better during the Dragon Boat Festival. Moreover, we believe recovery pace in Shenzhen is quick (SSS decline narrowed to just 20% in Apr 2022). In addition, with increasing digitalization including: 1) inventory management and ordering system and 2) automated tea drinks maker, we still expect a positive NP margin of 3.3% for 2H22E.
- Target of 350 new stores (mostly PRO stores) openings in FY22E maintained. Nayuki has opened about 90 stores in 5M22E (vs CMBI est. of 120 in 1H22E and 270 in 2H22E), slightly behind schedule due to COVID-19. We believe the full year target will still be maintained. However, the mix of typo II stores (which tends to have a lower margin) will not decrease as the Company is still keen to raise the store density in the tier 1 cities.
- Maintain HOLD but revised up TP to HK\$ 7.00. We revised down FY22E/23E/24E net profit by 266%/26%/15%, to factor in lower sales per store and higher operating deleverage. Our TP is based on DCF method (15.1% WACC and 2.0% terminal growth, cut from 12.2% and stay at 2.0%), which implies a 1.4x FY23E P/S vs China median of 1.5x.

Earnings Summary	٧
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(YE 31 Dec)	FY20A	FY21A	FY22E	FY23E	FY24E
Revenue (RMB mn)	3,057	4,297	5,162	7,106	8,955
YoY growth (%)	22.2	40.5	20.2	37.7	26.0
EBITDA (RMB mn)	227	118	237	722	1,111
NP att. (RMB mn)	(202)	(4,525)	(91)	219	475
Adj. NP (RMB mn)	26	(144)	(75)	233	493
Adj. EPS (RMB)	0.015	(0.084)	(0.044)	0.136	0.287
YoY growth (%)	n/a	n/a	n/a	n/a	111.3
Consensus EPS (RMB)	n/a	n/a	0.048	0.181	0.330
Adjusted P/E (x)	342.1	(60.8)	(119.9)	38.5	18.2
P/S (x)	2.9	2.0	1.7	1.3	1.0
ROE (%)	n/a	(91.5)	(1.9)	4.3	8.5
Net gearing (%)	Net cash	Net cash	Net cash	Net cash	Net cash
Source: Company data, CMBI	GM estimates			•	•

HOLD (Maintain)

Target Price HK\$7.00 (Previous TP HK\$5.69)
Up/Downside 13.6%
Current Price HK\$6.16

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Stock Data

Mkt Cap (HK\$ mn)	10,565
Avg 3 mths t/o (HK\$ mn)	17.08
52w High/Low (HK\$)	18.98/3.65
Total Issued Shares (mn)	1,715.1
Course: Pleemberg	

Shareholding Structure

<u> </u>	
Mr. Zhao Lin & Ms. Peng Xin	56.98%
Tiantu Capital	11.09%
Employee incentive platform	5.35%
PAGAC Nebula	5.28%
Shenzhen Capital Group	2.82%
Free Float	18.47%

Share Performance

Source: HKEx

	Absolute	Relative
1-mth	39.1%	26.4%
3-mth	31.7%	24.2%
6-mth	-24.9%	-18.2%
12-mth	n/a	n/a

Source: Bloomberg

12-mth Price Performance



Source: Bloomberg

Auditor: KPMG

Related Reports

- Nayuki Holdings (2150 HK, HOLD) FY22E is the year of digitalization – 31 Mar 2022
- Nayuki Holdings (2150 HK, HOLD) SSSG recover in 4Q21, but we remain cautious – 10 Jan 2022



Earnings revision

Figure 1: Earnings revision

		New			Old			Diff (%)	
RMB mn	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Revenue	5,162	7,106	8,955	5,621	7,325	9,226	-8.2%	-3.0%	-2.9%
Gross profit	3,413	4,722	5,969	3,721	4,869	6,151	-8.3%	-3.0%	-3.0%
EBIT	10	392	712	249	533	898	-96.1%	-26.5%	-20.7%
Adjusted NP att.	(75)	233	493	127	339	635	-159.1%	-31.2%	-22.4%
Adjusted EPS (RMB)	(0.044)	0.136	0.287	0.074	0.198	0.370	-159.0%	-31.2%	-22.4%
Gross margin	66.1%	66.4%	66.7%	66.2%	66.5%	66.7%	-0.1ppt	0ppt	0ppt
EBIT margin	0.2%	5.5%	8.0%	4.4%	7.3%	9.7%	-4.2ppt	-1.8ppt	-1.8ppt
Net profit att. margin	-1.4%	3.3%	5.5%	2.3%	4.6%	6.9%	-3.7ppt	-1.3ppt	-1.4ppt

Source: Company data, CMBIGM estimates

Figure 2: CMBIGM estimates vs consensus

		CMBIGM			Consensus			Diff (%)	•
RMB mn	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Revenue	5,162	7,106	8,955	5,957	8,193	10,117	-13.3%	-13.3%	-11.5%
Gross profit	3,413	4,722	5,969	3,965	5,466	6,767	-13.9%	-13.6%	-11.8%
EBIT	10	408	725	173	487	782	-94.4%	-16.3%	-7.2%
Adjusted NP att.	(75)	233	493	45	313	579	-265.6%	-25.5%	-14.9%
Adjusted EPS (RMB)	(0.044)	0.136	0.287	0.048	0.181	0.330	-190.5%	-25.0%	-12.9%
Gross margin	66.1%	66.4%	66.7%	66.6%	66.7%	66.9%	-0.5ppt	-0.3ppt	-0.2ppt
EBIT margin	0.2%	5.7%	8.1%	2.9%	5.9%	7.7%	-2.7ppt	-0.2ppt	0.4ppt
Net profit att. margin	-1.4%	3.3%	5.5%	0.8%	3.8%	5.7%	-2.2ppt	-0.5ppt	-0.2ppt



Results summary

Figure 3: Results preview - half year

	41104	01104	411205	OLIOOE.	1H22E	2H22E
(RMB mn)	1H21	2H21	1H22E	2H22E	YoY	YoY
Revenue	2,126	2,171	2,276	2,887	7%	33%
COGS	(669)	(732)	(785)	(965)		
Gross profit	1,457	1,439	1,491	1,922	2%	34%
GP margins	68.5%	66.3%	65.5%	66.6%		
Other income & gains	9	19	30	35		
Staff costs	(670)	(755)	(751)	(855)	12%	13%
Staff costs / sales	-31.5%	-34.8%	-33.0%	-29.6%		
Dep.of ROU assets expenses	(202)	(218)	(250)	(263)	24%	21%
Dep. of ROU assets exp / sales	-9.5%	-10.1%	-11.0%	-9.1%		
Other rentals expenses	(94)	(119)	(125)	(153)	33%	29%
Other rentals exp / sales	-4.4%	-5.5%	-5.5%	-5.3%		
D & A of other assets	(95)	(109)	(137)	(155)	43%	42%
D & A of other assets exp / sales	-4.5%	-5.0%	-6.0%	-5.4%		
A & P expenses	(37)	(74)	(57)	(62)	52%	-17%
A & P exp / sales	-1.8%	-3.4%	-2.5%	-2.1%		
Delivery service fees	(112)	(147)	(137)	(172)	22%	17%
Delivery service fees / sales	-5.3%	-6.8%	-6.0%	-5.9%		
Utilities expenses	(39)	(51)	(46)	(53)	16%	2%
Utilities exp / sales	-1.8%	-2.4%	-2.0%	-1.8%		
Logistic & storage fees	(42)	(49)	(46)	(42)	9%	-14%
Logistic & storage fees / sales	-2.0%	-2.3%	-2.0%	-1.5%		
Other opex	(84)	(93)	(102)	(78)		
Operating profit (EBIT)	91	-158	-130	124	-242%	-179%
OP margins	4.3%	-7.3%	-5.7%	4.3%		
Other items	(12)	(4,360)	(11)	6		
Net finance income	(46)	(45)	(50)	(48)		
Net finance income / sales	-2.2%	-2.1%	-2.2%	-1.7%		
Profit after financing costs	34	(4,563)	(191)	83		
Associated coms	0	0	0	0		
Jointly controlled coms	0	0	0	0		
Pre-tax profit	34	-4,563	-191	83	-670%	-102%
Tax	(26)	30	10	6		
Tax / sales	-1.2%	1.4%	0.4%	0.2%		
Effective tax rate	-76.7%	-0.7%	-5.2%	7.6%		
Minority interests	0	(1)	(1)	(0)		
Net profit att.	8	(4,532)	(180)	89	n/a	-102%
NP margins	0.4%	n/a	-7.9%	3.1%		
Adjusted Net profit att.	48	(192)	(173)	103	-460%	-153%
Adjusted NP att. margin	2.3%	-8.9%	-7.6%	3.6%		



Figure 4: Results preview - Full Year

Full yearly (RMB mn)	FY21	FY22E	FY2EE	FY22E YoY	FY23E YoY
Revenue	4,297	5,162	7,106	20%	38%
COGS	(1,401)	(1,750)	(2,385)		
Gross profit	2,896	3,413	4,722	18%	38%
GP margins	67.4%	66.1%	66.4%		
Other income & gains	27	65	68		
Staff costs	(1,424)	(1,606)	(2,006)	13%	25%
Staff costs / sales	-33.2%	-31.1%	-28.2%		
Dep.of ROU assets expenses	(420)	(514)	(632)	22%	23%
Dep. of ROU assets exp / sales	-9.8%	-10.0%	-8.9%		
Other rentals expenses	(213)	(279)	(321)	31%	15%
Other rentals exp / sales	-5.0%	-5.4%	-4.5%		
D & A of other assets	(204)	(292)	(376)	43%	29%
D & A of other assets exp / sales	-4.7%	-5.6%	-5.3%		
A & P expenses	(112)	(119)	(178)	6%	50%
A & P exp / sales	-2.6%	-2.3%	-2.5%		
Delivery service fees	(259)	(308)	(402)	19%	30%
Delivery service fees / sales	-6.0%	-6.0%	-5.7%		
Utilities expenses	(91)	(98)	(135)	8%	38%
Utilities exp / sales	-2.1%	-1.9%	-1.9%		
Logistic & storage fees	(91)	(88)	(114)	-3%	30%
Logistic & storage fees / sales	-2.1%	-1.7%	-1.6%		
Other opex	(176)	(181)	(235)	2%	30%
Operating profit (EBIT)	-67	-6	392	-92%	-7207%
OP margins	-1.5%	-0.1%	5.5%		
Other items	(4,372)	(5)	(7)		
Net finance income	(92)	(98)	(124)		
Net finance income / sales	-2.1%	-1.9%	-1.7%		
Profit after financing costs	(4,530)	(109)	261		
Associated coms	0	0	0		
Jointly controlled coms	0	0	0		
Pre-tax profit	-4,530	-109	261	-98%	-340%
Tax	4	16	(39)		
Tax / sales	0.1%	0.3%	-0.6%		
Effective tax rate	-0.1%	-15.0%	-15.0%		
Minority interests	(1)	(1)	3		
Net profit att.	(4,525)	(91)	219	-98%	-340%
NP margins	n/a	-2%	3.1%	33/3	3.0,0
Adjusted Net profit att.	(144)	(71)	233	-51%	-431%
Adjusted NP att. margin	-3.4%	-1.4%	3.3%		



Assumptions

Figure 5: Major assumptions 1

Major assumptions	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Sales by brand (RMB mn)						
Nayuki	2,291	2,871	4,067	4,924	6,829	8,646
Tai Gai	185	153	141	142	171	192
Others	25	33	88	97	106	117
Total	2,502	3,057	4,297	5,162	7,106	8,955
Sales growth by brand segment						
Nayuki	151.9%	25.3%	41.7%	21.1%	38.7%	26.6%
Tai Gai	18.9%	-17.4%	-7.5%	0.4%	20.2%	12.4%
Others	15.3%	34.1%	163.7%	10.0%	10.0%	10.0%
Total	130.2%	22.2%	40.5%	20.2%	37.7%	26.0%
Sales by channel growth						
In-store cashier & others	74.3%	-45.0%	31.1%	-44.6%	17.2%	-6.7%
WeChat/ Alipay & Nayuki app	n/a	285.3%	20.2%	81.1%	58.5%	37.9%
3rd party online ordering platforms	412.6%	99.2%	79.3%	15.0%	14.8%	14.7%
Total	130.2%	22.2%	40.5%	20.2%	37.7%	26.0%
Nayuki brand's store network						
Tier 1 cities	138	170	280	398	526	654
New Tier 1 cities	119	170	282	387	507	639
Tier 2 cities	62	122	187	282	382	482
Other cities	8	29	68	111	159	214
Total	327	491	817	1,178	1,574	1,989
GP margins	63.4%	62.1%	67.4%	66.1%	66.4%	66.7%
Opex breakdown						
Staff costs	-30.0%	-30.1%	-33.2%	-31.1%	-28.2%	-27.6%
Depreciation of right-of-use assets	-10.5%	-11.5%	-9.8%	-10.0%	-8.9%	-8.4%
Other rentals & related expenses	-5.1%	-3.3%	-5.0%	-5.4%	-4.5%	-4.1%
D & A of other assets	-3.7%	-5.0%	-4.7%	-5.6%	-5.3%	-5.0%
Advertising & promotion expenses	-2.7%	-2.7%	-2.6%	-2.3%	-2.5%	-2.5%
Delivery service fees	-2.6%	-5.5%	-6.0%	-6.0%	-5.7%	-5.3%
Utilities expenses	-2.1%	-2.2%	-2.1%	-1.9%	-1.9%	-1.9%
Logistic and storage fees	-1.6%	-1.9%	-2.1%	-1.7%	-1.6%	-1.6%
EBIT margins	2.2%	2.6%	-1.5%	-0.1%	5.5%	8.0%
Effective tax rate	7.1%	-6.9%	0.1%	15.0%	15.0%	15.0%
NP att. margins	-1.5%	-6.6%	-105.3%	-1.8%	3.1%	5.3%
NP att. growth (%)	-41.6%	423.7%	2141.3%	-98.0%	-340.2%	116.8%
Adj. NP margins	-0.5%	0.8%	-3.4%	-1.4%	3.3%	5.6%
Adj. NP growth (%)	-79.3%	-309.4%	-691.2%	-50.7%	-429.2%	111.3%



Our DCF method assumes

- 29% sales CAGR in FY20-25E
- 43% EBITDA CAGR in FY20-25E
- 12.7% EBITDA margin in FY25 (from 7.4% in FY20)
- 15.1% WACC (higher than international peers avg. of 8.4% and Greater China leading peers avg. of 14.9%), based on 4.0% costs of debt, 20.0% risk premium, beta of 0.8x, 19.0% cost of equity, optimal debt/ equity ratio of 25%/ 75%.
- 2.0% terminal growth.

Figure 6: DCF-based valuation

DCF	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E	FY25E	FY26E
EBITDA	143	227	118	237	722	1,111	1,365	1,686
Chg in w orking cap	29	(9)	(59)	104	70	66	64	74
Adjusted tax	(4)	(4)	4	2	(58)	(106)	(139)	(184)
Capex & product dev	(290)	(243)	(749)	(387)	(441)	(448)	(430)	(422)
Unleveraged FCF	(121)	(30)	(686)	(44)	293	624	860	1,154
YoY%								
DCF (21E-25E)				1,654				
PV (Terminal value)				4,446				
EV (End-21E)				6,100				
Cash from options/w arrants conv				0				
Yer-end net cash/(debts)				4,104				
Fully diluted equity value (End-22E)				10,204				
Fully diluted no. of shares (m)				1,715				
Minority interests (End-22E)				4				
Market cap (End-22E)				10,200				
Exchange rate				1.18				
Fully diluted equity value/share (HK\$)				7.00				
Risk-free rate				3.0%				
Risk premium				20.0%				
Beta				0.80				
Cost of equity			_	19.0%				
Cost of debt				4.0%				
Tax rate				15.0%				
After-tax cost of debt			_	3.4%				
Debt to total capital				25.0%				
WACC				15.1%				
Terminal growth				2.0%				
FY23E EV/EBITDA				14.1				
FY23E adj. P/E				43.7				
FY23E P/S				1.4				

Source: Bloomberg, Company data, CMBIGM estimates

Figure 7: DCF-based valuation - sensitivity test

WACC (%)											
		13.6%	14.1%	14.6%	15.1%	15.6%	16.1%	16.6%			
nal growth (%)	0.5%	7.22	7.02	6.83	6.65	6.49	6.33	6.19			
ŏ	1.0%	7.37	7.15	6.95	6.76	6.59	6.42	6.27			
<u>.</u>	1.5%	7.52	7.29	7.07	6.88	6.69	6.52	6.36			
Terminal (%	2.0%	7.69	7.44	7.21	7.00	6.81	6.63	6.46			
Ξ	2.5%	7.88	7.61	7.36	7.14	6.93	6.74	6.57			
<u>e</u>	3.0%	8.08	7.79	7.53	7.29	7.07	6.86	6.68			
	3.5%	8.30	7.99	7.71	7.45	7.21	7.00	6.80			

Source: Bloomberg, Company data, CMBIGM estimates



Valuation

Figure 8: Peers valuation

			4011		Up/do							ROE	3yrs	Yield	YTD
			12M TP HK\$/	Price	wn- side	Mkt cap	Year	PEF	₹ (x)	PBF	? (x)	(%)	PEG(x)	(%)	performance
Company	Ticker	Rating		HK\$/LC	(%)	HK\$ mn	End	FY1	FY2	FY1	FY2	FY0	FY1	FY1	(%)
eading Greater China C	atering and l	Food In	gredients	i											
Nayuki Holdings	2150 HK	HOLD	7.00	6.16	14%	10,565	Dec-21	(119.9)	38.5	1.8	1.8	(91.5)	0.8	0.0	(28.0
Jiumaojiu Int'l	9922 HK	BUY	17.83	17.76	0%	25,813	Dec-21	42.4	26.3	5.9	4.9	11.1	0.9	0.6	29.6
Haidilao Int'l	6862 HK	BUY	15.59	15.88	-2%	88,515	Dec-21	56.3	27.4	8.1	6.5	(45.9)	(0.3)	0.4	(9.8)
Cafe De Coral	341 HK	BUY	19.05	12.10	57%	7,087	Mar-21		23.4	4.5	4.3	9.6	6.1	1.7	(12.9)
Xiabuxiabu	520 HK	NR	n/a	3.74	n/a	4,062	Dec-21		12.0	1.7	1.5	(13.7)	(0.1)	1.4	(38.0
Helens	9869 HK	NR	n/a	12.62	n/a	15,988	Dec-21		17.1	4.2	3.5	(15.1)	(0.1)	0.9	(33.2
Tam Jai		NR					Mar-22								
	2217 HK		n/a	2.75	n/a	3,686			7.2	1.7	1.4	19.3	0.4	2.7	(17.7
Yihai Int'l	1579 HK	UR	n/a	24.65	n/a	25,806	Dec-21		21.7	4.6	3.9	21.6	2.2	1.1	(30.8)
Yum China	9987 HK		287.57	363.80	-21%	153,316	Dec-21	46.1	25.0	2.7	2.4	13.0	(25.8)	1.0	(4.9)
Gourmet Master	2723 TT	NR	n/a	103.50	n/a	4,950	Dec-21	18.6	15.4	1.6	1.6	9.6	2.6	4.3	(8.0)
Avg.							Avg.	19.5	21.4	3.7	3.2	(8.2)	(1.3)	1.4	(15.4
Med.							Med.	33.6	22.5	3.4	3.0	9.6	0.6	1.0	(15.3
Other Greater China Cat	ering and Fo	od Inar	edients												
Tenfu	6868 HK	NR	n/a	5.01	n/a	5,483	Dec-21	n/a	n/a	n/a	n/a	20.1	n/a	n/a	(10.5
Sunjuice	1256 TT	NR	n/a	294.00	n/a	2,643	Dec-21	n/a	n/a	n/a	n/a	16.7	n/a	n/a	(7.7)
Fairwood	52 HK	NR		14.08		,	Mar-21		n/a						
			n/a		n/a	1,824		n/a		n/a	n/a	19.1	n/a	n/a	(9.2)
Tai Hing Group	6811 HK	NR	n/a	1.15	n/a	1,154	Dec-21	7.2	6.1	1.0	1.0	9.2	0.2	10.4	(15.4
Ajisen China	538 HK	NR	n/a	0.99	n/a	1,081	Dec-21	n/a	n/a	n/a	n/a	0.7	n/a	n/a	(21.4
Tao Heung	573 HK	NR	n/a	0.86	n/a	872	Dec-21	n/a	n/a	n/a	n/a	(1.4)	n/a	n/a	(5.5)
Avg.							Avg.	n/a	n/a	n/a	n/a	10.7	n/a	n/a	(11.6
Med.							Med.	n/a	n/a	n/a	n/a	12.9	n/a	n/a	(9.8)
Greater China Catering a	and Food Ing	redient	s												
							Avg.	32.2	18.1	3.6	3.1	4.9	(1.4)	2.5	(13.0
							Med.	33.6	19.4	3.4	3.0	9.6	0.3	1.3	(10.5
							wicu.	55.5	13.4	0.4	0.0	3.0	0.0	1.0	(10.5)
	d Faad Issue	-1!4													
nternational Catering an															
Yum! Brands	YUMUS	NR	n/a	121	n/a	269,701	Dec-21		22.3	n/a	n/a	n/a	5.3	1.9	(13.2
Mcdonald'S Corp	MCD US	NR	n/a	246	n/a	1,425,530	Dec-21	25.3	22.9	n/a	n/a	n/a	4.9	2.3	(8.4)
Starbucks Corp	SBUX US	NR	n/a	78	n/a	706,307	Oct-21	27.1	22.6	n/a	n/a	n/a	6.9	2.5	(32.9
Restaurant Brands	QSR US	NR	n/a	52	n/a	185,580	Dec-21	17.7	15.9	8.8	9.3	36.1	1.5	4.1	(13.8
Chipotle Mexican Grill	CMG US	NR	n/a	1373	n/a	301,385	Dec-21	42.8	32.2	15.0	12.3	32.3	1.3	0.0	(21.4
Darden Restaurants	DRIUS	NR	n/a	124	n/a	121,759	May-21		15.0	7.0	6.5	42.8	0.7	3.5	(17.4
Domino'S Pizza	DPZ US	NR	n/a	384	n/a	108,628	Jan-22		25.4	n/a	n/a	n/a	3.5	1.1	(32.0
						,									
Wendy'S Co	WENUS	NR	n/a	19	n/a	31,678	Jan-22		19.0	12.8	15.3	40.3	2.4	2.6	(21.0
Shake Shack	SHAK US	NR	n/a	47	n/a	15,596	Dec-21	n/a	263.5	5.0	4.8	(4.9)	n/a	n/a	(34.6)
Wingstop	WING US	NR	n/a	83	n/a	19,384	Dec-21	53.6	43.8	n/a	n/a	n/a	2.9	0.9	(50.5)
Avg.							Avg.	29.1	48.3	9.7	9.6	29.3	3.3	2.1	(24.5)
Med.							Med.	25.8	22.7	8.8	9.3	36.1	2.9	2.3	(21.2)
A-shares Greater China	Catering and	Food Ir	naredient	s											
Foshan Haitian Flavouring	603288 CH		n/a	<u>-</u> 78.75	n/a	429.149	Dec-21	46.3	39.2	11.9	9.8	27.7	2.7	0.9	(17.6
Fujian Sunner	003200 CH		n/a	17.84	n/a	26,099	Dec-21		13.2	2.1	1.9	3.1	0.5	2.0	(26.2
Fujian Sunner Angel Yeast						,									
	600298 CH		n/a	42	n/a	40,816	Dec-21		19.8	4.3	3.6	17.4	1.6	1.2	(30.9)
	000070 011		n/a	9.98	n/a	36,368		8.8	7.7	2.3	1.9	29.1	0.4	6.8	30.1
Meihua Holdings Group	600873 CH										2.4	400			(6.1)
Meihua Holdings Group Guangzhou Restaurant	603043 CH	NR	n/a	22.60	n/a	15,076	Dec-21	20.1	16.7	3.5	3.1	19.9	1.2	1.5	
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food	603043 CH 603711 CH	NR NR	n/a n/a	22.60 11.47	n/a n/a	15,076 5,599	Dec-21 Dec-21	20.1 n/a	16.7 n/a	3.5 1.5	1.4	5.5	1.2 n/a	1.5 n/a	(30.1
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food	603043 CH	NR NR	n/a	22.60	n/a	15,076	Dec-21 Dec-21 Dec-21	20.1 n/a n/a	n/a n/a	1.5 n/a	1.4 n/a	5.5 (14.9)	n/a n/a	n/a n/a	(30.1)
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude	603043 CH 603711 CH	NR NR	n/a n/a	22.60 11.47	n/a n/a	15,076 5,599	Dec-21 Dec-21	20.1 n/a	n/a	1.5	1.4	5.5	n/a	n/a	(30.1) (17.1) (14.0)
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med.	603043 CH 603711 CH	NR NR	n/a n/a	22.60 11.47	n/a n/a	15,076 5,599	Dec-21 Dec-21 Dec-21	20.1 n/a n/a	n/a n/a	1.5 n/a	1.4 n/a	5.5 (14.9)	n/a n/a	n/a n/a	(30.1) (17.1)
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg.	603043 CH 603711 CH	NR NR	n/a n/a	22.60 11.47	n/a n/a	15,076 5,599	Dec-21 Dec-21 Dec-21 Avg.	20.1 n/a n/a 26.7	n/a n/a 19.3	1.5 n/a 4.3	1.4 n/a 3.6	5.5 (14.9) 12.6	n/a n/a 1.3	n/a n/a 2.5	(30.1) (17.1) (14.0)
Meinua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med.	603043 CH 603711 CH 002186 CH	NR NR	n/a n/a	22.60 11.47	n/a n/a	15,076 5,599	Dec-21 Dec-21 Dec-21 Avg.	20.1 n/a n/a 26.7	n/a n/a 19.3	1.5 n/a 4.3	1.4 n/a 3.6	5.5 (14.9) 12.6	n/a n/a 1.3	n/a n/a 2.5	(30.1 (17.1 (14.0
Meinua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stap	603043 CH 603711 CH 002186 CH	NR NR NR	n/a n/a n/a	22.60 11.47 8.03	n/a n/a n/a	15,076 5,599 2,913	Dec-21 Dec-21 Dec-21 Avg. Med.	20.1 n/a n/a 26.7 24.9	n/a n/a 19.3 16.7	1.5 n/a 4.3 2.9	1.4 n/a 3.6 2.5	5.5 (14.9) 12.6 17.4	n/a n/a 1.3 1.2	n/a n/a 2.5 1.5	(30.1 (17.1 (14.0 (17.6
Meihua Holdings Group Guangzhou Restaurant Kiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stag Uni-President China	603043 CH 603711 CH 002186 CH	NR NR NR	n/a n/a n/a n/a	22.60 11.47 8.03	n/a n/a n/a n/a	15,076 5,599 2,913 26,866	Dec-21 Dec-21 Dec-21 Avg. Med.	20.1 n/a n/a 26.7 24.9	n/a n/a 19.3 16.7	1.5 n/a 4.3 2.9	1.4 n/a 3.6 2.5	5.5 (14.9) 12.6 17.4	n/a n/a 1.3 1.2	n/a n/a 2.5 1.5	(30.1 (17.1 (14.0 (17.6
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stap Uni-President China Tingyi (Cayman Isln)	603043 CH 603711 CH 002186 CH Dles 220 HK 322 HK	NR NR NR	n/a n/a n/a	22.60 11.47 8.03 6.22 13.52	n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9	n/a n/a 19.3 16.7	1.5 n/a 4.3 2.9	1.4 n/a 3.6 2.5 1.7 3.8	5.5 (14.9) 12.6 17.4 10.9 19.1	n/a n/a 1.3 1.2	n/a n/a 2.5 1.5	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Star Uni-President China Tingyi (Cayman IsIn) Want Want China	603043 CH 603711 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH	NR NR NR	n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30	n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Dec-21 Mar-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5	n/a n/a 19.3 16.7 13.6 15.2 16.0	1.5 n/a 4.3 2.9 1.7 3.8 4.6	1.4 n/a 3.6 2.5 1.7 3.8 4.2	5.5 (14.9) 12.6 17.4 10.9 19.1 29.5	n/a n/a 1.3 1.2 2.2 2.3 2.2	n/a n/a 2.5 1.5 7.0 6.7 3.8	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0
Meinua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude <mark>Avg.</mark> Med.	603043 CH 603711 CH 002186 CH Dles 220 HK 322 HK	NR NR NR	n/a n/a n/a	22.60 11.47 8.03 6.22 13.52	n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5	n/a n/a 19.3 16.7	1.5 n/a 4.3 2.9	1.4 n/a 3.6 2.5 1.7 3.8	5.5 (14.9) 12.6 17.4 10.9 19.1	n/a n/a 1.3 1.2	n/a n/a 2.5 1.5	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Star Uni-President China Tingyi (Cayman IsIn) Want Want China	603043 CH 603711 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH	NR NR NR	n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30	n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Dec-21 Mar-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5	n/a n/a 19.3 16.7 13.6 15.2 16.0	1.5 n/a 4.3 2.9 1.7 3.8 4.6	1.4 n/a 3.6 2.5 1.7 3.8 4.2	5.5 (14.9) 12.6 17.4 10.9 19.1 29.5	n/a n/a 1.3 1.2 2.2 2.3 2.2	n/a n/a 2.5 1.5 7.0 6.7 3.8	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stag Uni-President China Tingyi (Cayman IsIn) Want Want China China Mengniu Dairy Vitasoy Intl Holdings	603043 CH 603711 CH 002186 CH 002186 CH 220 HK 322 HK 151 HK 2319 HK 345 HK	NR NR NR NR NR NR NR NR	n/a n/a n/a n/a n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30 38.95 14.84	n/a n/a n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867 154,025 15,879	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Mar-21 Dec-21 Mar-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5 21.8 n/a	n/a n/a 19.3 16.7 13.6 15.2 16.0 18.2 39.8	1.5 n/a 4.3 2.9 1.7 3.8 4.6 3.1 4.8	1.4 n/a 3.6 2.5 1.7 3.8 4.2 2.7 4.4	5.5 (14.9) 12.6 17.4 10.9 19.1 29.5 14.4 (2.6)	n/a n/a 1.3 1.2 2.2 2.3 2.2 1.2 n/a	n/a n/a 2.5 1.5 7.0 6.7 3.8 1.3 0.2	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9 (5.7)
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stag Uni-President China Tingyi (Cayman IsIn) Want Want China China Mengniu Dairy Vitasoy Intl Holdings Nongfu Spring	603043 CH 603711 CH 002186 CH 002186 CH 002186 CH 002186 CH 002186 CH 322 HK 322 HK 151 HK 2319 HK 345 HK 9633 HK	NR NR NR NR NR NR NR NR NR	n/a	22.60 11.47 8.03 6.22 13.52 7.30 38.95 14.84 41.95	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867 154,025 15,879 471,789	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Dec-21 Mar-21 Dec-21 Mar-21 Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5 21.8 n/a 52.9	n/a n/a 19.3 16.7 13.6 15.2 16.0 18.2 39.8 43.7	1.5 n/a 4.3 2.9 1.7 3.8 4.6 3.1 4.8 16.0	1.4 n/a 3.6 2.5 1.7 3.8 4.2 2.7 4.4 13.4	5.5 (14.9) 12.6 17.4 10.9 19.1 29.5 14.4 (2.6) 39.5	n/a n/a 1.3 1.2 2.2 2.3 2.2 1.2 n/a 3.5	n/a n/a 2.5 1.5 7.0 6.7 3.8 1.3 0.2 1.2	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9 (5.7) (18.5
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stag Uni-President China Tingyi (Cayman IsIn) Want Want China China Mengniu Dairy Vitasoy Intl Holdings Nongfu Spring Budweiser Brewing	603043 CH 603711 CH 002186 CH 002186 CH 220 HK 322 HK 151 HK 2319 HK 345 HK 9633 HK 1876 HK	NR NR NR NR NR NR NR NR NR NR	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30 38.95 14.84 41.95 21.55	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867 154,025 15,879 471,789 285,395	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Dec-21 Mar-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5 21.8 n/a 52.9 33.1	n/a n/a 19.3 16.7 13.6 15.2 16.0 18.2 39.8 43.7 27.7	1.5 n/a 4.3 2.9 1.7 3.8 4.6 3.1 4.8 16.0 3.1	1.4 n/a 3.6 2.5 1.7 3.8 4.2 2.7 4.4 13.4 2.9	10.9 19.1 29.5 14.4 (2.6) 39.5 8.8	n/a n/a 1.3 1.2 2.2 2.3 2.2 1.2 n/a 3.5 1.9	n/a n/a 2.5 1.5 7.0 6.7 3.8 1.3 0.2 1.2	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9 (5.7) (18.5 5.4
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Star Uni-President China Tingyi (Cayman IsIn) Want Want China China Mengniu Dairy Vitasoy Intl Holdings Nongfu Spring Budweiser Brewing Tsingtao Brewery	603043 CH 603711 CH 002186 CH 002186 CH 002186 CH 220 HK 322 HK 151 HK 2319 HK 345 HK 9633 HK 1876 HK 168 HK	NR NR NR NR NR NR NR NR NR NR NR	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30 38.95 14.84 41.95 21.55 69.15	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867 154,025 15,879 471,789 285,395 122,039	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Mar-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5 21.8 n/a 52.9 33.1 26.0	n/a n/a 19.3 16.7 13.6 15.2 16.0 18.2 39.8 43.7 27.7 22.4	1.5 n/a 4.3 2.9 1.7 3.8 4.6 3.1 4.8 16.0 3.1 3.3	1.4 n/a 3.6 2.5 1.7 3.8 4.2 2.7 4.4 13.4 2.9 3.0	10.9 19.1 29.5 14.4 (2.6) 39.5 8.8 14.2	n/a n/a 1.3 1.2 2.2 2.3 2.2 1.2 n/a 3.5 1.9 3.4	n/a n/a 2.5 1.5 7.0 6.7 3.8 1.3 0.2 1.2 1.1	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9 (5.7) (18.5 5.4 (5.3)
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stap Uni-President China Tingyi (Cayman IsIn) Want Want China China Mengniu Dairy Vitasoy Intl Holdings Nongfu Spring Budweiser Brewing Tsingtao Brewery China Resources Beer	603043 CH 603711 CH 002186 CH 002186 CH 220 HK 322 HK 151 HK 2319 HK 345 HK 9633 HK 1876 HK 168 HK 291 HK	NR NR NR NR NR NR NR NR NR NR NR NR NR	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30 38.95 14.84 41.95 21.55 69.15 49.95	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867 154,025 15,879 471,789 285,395 122,039 162,047	Dec-21 Dec-21 Dec-21 Med. Dec-21 Dec-21 Mar-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5 21.8 n/a 52.9 33.1 26.0 33.6	n/a n/a 19.3 16.7 13.6 15.2 16.0 18.2 39.8 43.7 27.7 22.4 26.9	1.5 n/a 4.3 2.9 1.7 3.8 4.6 3.1 4.8 16.0 3.1 3.3 5.3	1.4 n/a 3.6 2.5 1.7 3.8 4.2 2.7 4.4 13.4 2.9 3.0 4.7	5.5 (14.9) 12.6 17.4 10.9 19.1 29.5 14.4 (2.6) 39.5 8.8 14.2 20.1	n/a n/a 1.3 1.2 2.2 2.3 2.2 1.2 n/a 3.5 1.9 3.4 3.5	n/a n/a 2.5 1.5 7.0 6.7 3.8 1.3 0.2 1.2 1.1 1.8 1.1	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9 (5.7) (18.5 5.4 (5.3) (21.8
Meihua Holdings Group Guangzhou Restaurant Xiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Star Uni-President China Tingyi (Cayman IsIn) Want Want China China Mengniu Dairy Vitasoy Intl Holdings Nongfu Spring Budweiser Brewing Tsingtao Brewery	603043 CH 603711 CH 002186 CH 002186 CH 002186 CH 220 HK 322 HK 151 HK 2319 HK 345 HK 9633 HK 1876 HK 168 HK	NR NR NR NR NR NR NR NR NR NR NR	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30 38.95 14.84 41.95 21.55 69.15	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867 154,025 15,879 471,789 285,395 122,039	Dec-21 Dec-21 Avg. Med. Dec-21 Dec-21 Mar-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5 21.8 n/a 52.9 33.1 26.0 33.6 12.1	n/a n/a 19.3 16.7 13.6 15.2 16.0 18.2 39.8 43.7 27.7 22.4 26.9 11.1	1.5 n/a 4.3 2.9 1.7 3.8 4.6 3.1 4.8 16.0 3.1 3.3 5.3 2.2	1.4 n/a 3.6 2.5 1.7 3.8 4.2 2.7 4.4 13.4 2.9 3.0 4.7 2.0	5.5 (14.9) 12.6 17.4 10.9 19.1 29.5 14.4 (2.6) 39.5 8.8 14.2 20.1 20.3	n/a n/a 1.3 1.2 2.2 2.3 2.2 1.2 n/a 3.5 1.9 3.4 3.5 1.7	n/a n/a 2.5 1.5 7.0 6.7 3.8 1.3 0.2 1.2 1.1 1.8 1.1	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9 (5.7) (18.5 5.4 (5.3) (21.8 (2.7)
Meihua Holdings Group Guangzhou Restaurant Kiangpiaopiao Food China Quanjude Avg. Med. H-shares Consumer Stap Uni-President China Tingyi (Cayman IsIn) Want Want China China Mengniu Dairy Vitasoy Intl Holdings Nongfu Spring Budweiser Brewing Tsingtao Brewery China Resources Beer	603043 CH 603711 CH 002186 CH 002186 CH 220 HK 322 HK 151 HK 2319 HK 345 HK 9633 HK 1876 HK 168 HK 291 HK	NR NR NR NR NR NR NR NR NR NR NR NR NR	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	22.60 11.47 8.03 6.22 13.52 7.30 38.95 14.84 41.95 21.55 69.15 49.95	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	15,076 5,599 2,913 26,866 76,153 86,867 154,025 15,879 471,789 285,395 122,039 162,047	Dec-21 Dec-21 Dec-21 Med. Dec-21 Dec-21 Mar-21 Dec-21 Dec-21 Dec-21 Dec-21 Dec-21	20.1 n/a n/a 26.7 24.9 15.6 18.1 17.5 21.8 n/a 52.9 33.1 26.0 33.6	n/a n/a 19.3 16.7 13.6 15.2 16.0 18.2 39.8 43.7 27.7 22.4 26.9	1.5 n/a 4.3 2.9 1.7 3.8 4.6 3.1 4.8 16.0 3.1 3.3 5.3	1.4 n/a 3.6 2.5 1.7 3.8 4.2 2.7 4.4 13.4 2.9 3.0 4.7	5.5 (14.9) 12.6 17.4 10.9 19.1 29.5 14.4 (2.6) 39.5 8.8 14.2 20.1	n/a n/a 1.3 1.2 2.2 2.3 2.2 1.2 n/a 3.5 1.9 3.4 3.5	n/a n/a 2.5 1.5 7.0 6.7 3.8 1.3 0.2 1.2 1.1 1.8 1.1	(30.1 (17.1 (14.0 (17.6 (17.7 (15.6 2.0 (11.9 (5.7) (18.5 5.4 (5.3) (21.8

Source: Bloomberg, Company data, CMBIGM estimates



Financial Summary

Income statement

Cash flow summary

VE 04 D. (DMD)	E)//0 A	E)/00 A	E)/0/ A	E\/00E	E\/00E	E)/0.4E	VE 04 D (DMD)	5)//0.4	E)/00 A	E)/0/ A	E)/00E	E)/00E	E)/0.4E
YE 31 Dec (RMB mn)		– • · ·	FY21A			FY24E	YE 31 Dec (RMB mn)	FY19A	_	FY21A		FY23E	
Revenue	2,502	3,057	, -	5,162	7,106	•	EBIT	56	80	(67)	(6)	392	712
Nayuki	2,291	2,871	4,067	4,924	6,829	8,646	D & A	93	154	204	292	376	443
Tai Gai	185	153		142	171	192	Change in working capital	29	(9)	(59)	104	70	66
Others	25	33	88	97	106	117	Income tax paid	(30)	6	(5)	16	(39)	(85)
							Others	269	343	433	(72)	34	28
Cost of goods sold	(916)	(1,159)	(1,401)	(1,750)	(2,385)	(2,986)	Operating cash flow	416	574	506	335	832	1,166
Gross profit	1,586	1,898	2,896	3,413	4,722	5,969							
Other income	6	206	27	65	68	73	Capex & investments	(291)	(243)	(749)	(387)	(441)	(448)
							Associated companies	-	-	-	-	-	-
Operating expenses	(1,536)	(2,024)	(2,990)	(3,483)	(4,398)	(5,329)	Interest received	_	-	_	-	_	-
Staff costs	(751)	(919)	(1,424)	(1.606)	(2,006)	(2,468)	Others	(0)	(0)	(46)	-	_	_
Rental & ROUA depre.	(389)	(453)	, ,	(792)	` '	(1,116)	Investing cash flow	(291)	(244)	(795)	(387)	(441)	(448)
D & A expenses	(93)	(154)	(204)	(292)	(376)	(443)		` ,	` ,	` ,	` '	` '	` '
Utilities expenses	(67)	(82)	(112)	(119)	(178)	(224)	Equity raised	_	-	4,620	-	_	_
Other opex	(236)	(415)	` ,	(675)	` ,	(1,077)	Net change in bank loans	53	222	(283)	-	_	_
EBIT	56	80	` ,	(6)	392	712	Dividend paid	-		(===) -	-	_	_
		-	(,	(-,			Others	(282)	(130)	(445)	(98)	(124)	(138)
Finance costs	(96)	(130)	(92)	(98)	(124)	(138)	Financing cash flow	(229)	92	3,892	(98)	(124)	(138)
JVs & associates	(00)	(100)	(02)	(00)	(/	(100)	.	(===)	-	0,002	(00)	(,	(100)
Exceptional	(2)	(140)	(4,372)	(5)	(7)	(9)	Net change in cash	(104)	422	3,603	(150)	268	580
Pre-tax profit	(43)	` '	(4,530)	(109)	261	565	Beginning cash balance	186	81	502	4,053	4,909	5,159
•	(10)	(100)	(-,,	(,			Exchange difference	(0)	(2)	(52)	-	-	-
Income tax	3	(13)	4	16	(39)	(85)	Cash at the end of the year	81	502	4,053	3,903	5,177	5,739
Less: Minority interests	(1)	(1)	(1)	(1)	3	` '				•	•	,	•
Net profit att.	(39)	` ,	(4,525)	(91)	219	475							
Adj. net profit	(12)	25		(72)	236	499							
Adj. net profit att.	(11)	26	` ,	(75)	233	493							
	(**/		(/	(,									
Balance sheet							Key ratios						

Balance sheet

Dalatioc Sticct							itcy ratios						
YE 31 Dec (RMB mn)	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E	YE 31 Dec	FY19A	FY20A	FY21A	FY22E	FY23E	FY24E
Non-current assets	1,756	1,984	2,658	2,753	2,818	2,822	Sales mix (%)						
Fixed asset	451	587	801	897	962	966	Nayuki	91.6	93.9	94.7	95.4	96.1	96.6
Intangible assets & goodwill	1	1	0	0	0	0	Tai Gai	7.4	5.0	3.3	2.8	2.4	2.1
Prepaid lease payments	4	2	338	338	338	338	Others	1.0	1.1	2.0	1.9	1.5	1.3
Interest in joint ventures	0	0	0	0	0	0					-	-	-
Other non-current assets	1,300	1,394	1,517	1,517	1,517	1,517	Total	100.0	100.0	100.0	100.0	100.0	100.0
Current assets	295	1,330	4,671	4,485	4,890	5,603	P&L ratios (%)						
Cash and cash equivalents	81	502	4,053	3,975	4,208	4,760	Gross margin	63.4	62.1	67.4	66.1	66.4	66.7
Inventories	78	103	174	173	236	295	EBIT margin	2.2	2.6	(1.5)	(0.1)	5.5	8.0
Trade and other receivables	1	1	3	2	3	4	Pre-tax margin	(1.7)	(6.2)	(105.	(2.1)	3.7	6.3
Prepayments	1	0	0	0	0	0	Net margin	(1.5)	(6.6)	(105.	(1.8)	3.1	5.3
Other current assets	135	724	441	336	443	544	Effective tax rate	7.1	(6.9)	0.1	15.0	15.0	15.0
							Adj. net margin	(0.5)	0.8	(3.4)	(1.4)	3.3	5.6
Current liabilities	1,226	2,728	1,330	1,327	1,568	1,796	Balance sheet ratios						
Bank loans	55	283	0	0	0	0	Current ratio (x)	0.2	0.5	3.5	1.8	1.8	1.9
Trade payables	202	226	289	288	392	491	Quick ratio (x)	0.2	0.4	3.4	1.8	1.8	1.8
Accruals & other payables	167	258	363	361	497	627	Cash ratio (x)	0.1	0.2	3.0	3.0	2.7	2.7
Tax payables	7	21	28	28	28	28	Inventory turnover days	23	28	36	36	36	36
others	796	1,940	650	650	650	650	Trade receivables days	0	0	0	0	0	0
							Trade payables days	61	67	67	60	60	60
Non-current liabilities	974	1,010	1,055	1,055	1,055	1,055	Total debt / total equity ratio (%)	(36)	(67)	0	0	0	0
Bank loans	0	0	0	0	0	0	Net debt / equity ratio (%)	Net cash					
Deferred income	0	0	0	0	0	0	Returns (%)						
Deferred tax	1	4	5	5	5	5	ROE	n/a	n/a	(91.5	(1.9)	4.3	8.5
Others	973	1,006	1,050	1,050	1,050	1,050	ROA	(1.9)	(6.1)	(61.7	(1.3)	2.8	5.6
							Per share						
Minority Interest	0	0	0	(1)	2	7	EPS (RMB)	(0.01	0.02	(0.08	(0.04	0.14	0.3
Total net assets	(149)	(424)	4,943	4,857	5,084	5,568	DPS (RMB)	-	-	-	-	-	-
Shareholders' equity	(149)	(424)	4,943	4,857	5,084	5,568	BVPS (RMB)	(0.09	(0.25	2.88	2.83	2.96	3.2



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