

Xiaomi Corporation

Earnings review

Diversification played in macro headwinds, expect smartphone sales bounce back in 2H

Reiterate Buy rating: expect 20% topline growth in FY20

Xiaomi reported FY19 full-year revenue of Rmb206bn, +18% YoY, with Q4 revenue at Rmb56.5bn, +27.1% YoY/+5.2% QoQ. FY19 gross profit reached Rmb28.6bn, +29% YoY, with Q4 gross profit at Rmb7.8bn, +39% YoY/-5% QoQ. Opex grew substantially by 46% in Q4, mainly due to the extensive marketing activities and branding expenses. Non-IFRS full year net profit was Rmb11.5bn, +35% YoY, in line with our expectation. Although uncertainties caused by COVID-19 are still around, we expect 20% topline growth in FY20, driven by: 1) 14% YoY growth from richer product lineup of smartphone (premium/5G/POCO); 2) 31% YoY growth from strength of core IoT products; 3) 27% YoY growth from diversification of Mi ecosystem monetization.

We expect smartphone sales bounce back in 2H

In Q4, Xiaomi's smartphone shipment was 32.6mn units, up strongly 30.5% YoY; revenue grew by 22.8% YoY; and gross margin went down slightly to 7.8% in Q4 from 9.0% last quarter, mainly due to vigorous promotion during the festival. Compared to its rivals, sitting on less 4G inventory will put Xiaomi in a better position in 5G competition this year. On the other hand, following the introduction of Mi9 early last year, which targeted mid/high-end market, the recent launch of Mi10 with price more than RMB5,000 marked Xiaomi's entry into premium segment. Going forward, we expect smartphone gross margin will return to the level of above 8%. On the other hand, as lockdown in many regions and supply chain disruption caused by COVID-19, we are cautious about the shipment of Q1 (in China) & Q2 (overseas), however, given the 5G ramping up in 2H and resilience of smartphone sales, we expect Xiaomi smartphone shipment will bounce back in 2H and achieve full year sales growth of 9% in FY20.

IoT maintained a decent growth

In FY19, Xiaomi reported revenue from IoT segment was Rmb62bn, +42% YoY. Smart TV shipments reached 12.8mn units, up 52% YoY in FY19. According to Canalys, Xiaomi was the world's largest smart wearable device brand in 2019 by shipments. Xiaomi has now built up its AIoT ecosystem and product portfolio. The number of IoT connected devices reached 234.8mn units as of 2019, up 55.6% YoY. We expect IoT revenue will maintain a decent growth of 31% into FY20.

Diversification strategy played in macro headwinds

Internet service revenue reached Rmb19.8bn in FY19, with Q4 revenue of RMB5.7bn, up strongly 41% YoY. More specifically, advertising grew 18% YoY, online gaming grew 44%, and other services grew more than 100% YoY in Q4. Diversification strategy played in economic downturn. Regarding the advertising, despite the macro headwinds in FY19, Xiaomi still managed to achieve 18% growth, which was attribute to: 1) expanded advertisers from TMT giants to financial institutions and other micro/small-sized businesses; 2) upgraded ads recommendation system. Overall, MAUs on its MIUI rose by 28% YoY to 310mn as of 2019 and ARPU was up to Rmb18.4 in Q4 from Rmb16.7 in Q4 last year.

Price target: HK\$22.0 (116% upside)

We derive our Dec-20 price target of HK\$22.0 per share using a discounted cash flow model, assuming 13.4% cost of equity, 3% long-term growth rate. Key downside risks to our PT include: 1) prolonged economic downturn due to COVID-19; 2) stiff competition in smartphone market; 3) weaker-than-expected monetization rate of internet services.

Stock code: 1810.HK

Rating: Buy

Price target (HK\$)	22.0
Current price (HK\$, 1 Apr 2020)	10.2
Upside/downside %	116%
Market cap (HK\$ m)	245,196
Market cap (US\$ m)	31,625
Avg daily turnover (HK\$ m)	1,312

Source: Bloomberg, AMTD Research estimates

Key forecasts

(Rmb m)	2019	2020e	2021e
Non-IFRS net profit	11,532	11,799	13,815
yoy %	35%	2%	17%
Revenue	205,839	247,153	312,198
yoy %	18%	20%	26%
Smartphone shipment (mn units)	125	136	164
yoy %	5%	9%	21%
Gross margin	13.9%	14.4%	14.3%
Non-IFRS net margin	5.6%	4.8%	4.4%
EPS (Rmb/shr)	0.49	0.47	0.52

Source: Company data, AMTD Research estimates

Valuation

	2019	2020e	2021e
P/E (adjusted)	19.7	19.9	16.8
P/S	1.1	0.9	0.7
ROE	15.1%	13.4%	13.6%
ROA	7.0%	6.3%	6.3%

Source: Bloomberg, AMTD Research estimates

Share price performance



Source: Bloomberg

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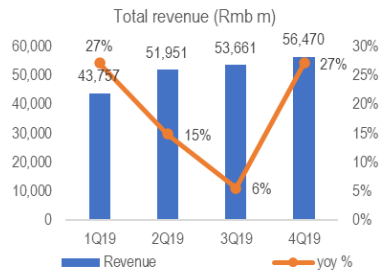
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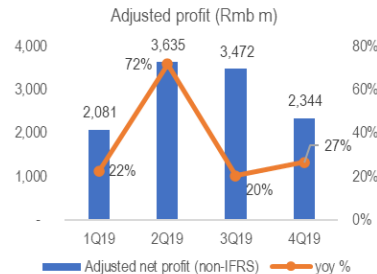
Focus charts

Figure 1: Xiaomi revenue growth maintained a strong momentum



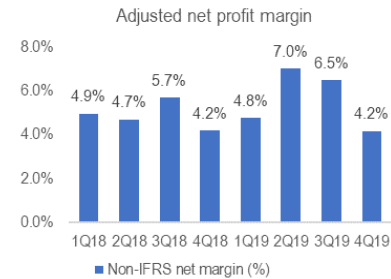
Source: Company data, AMTD estimates

Figure 2: Xiaomi non-IFRS net profit grew by 27%



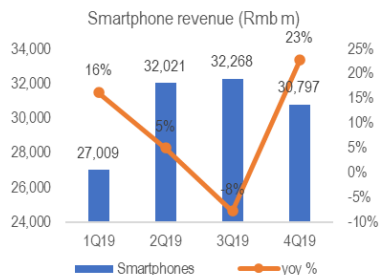
Source: Company data, AMTD estimates

Figure 3: Xiaomi non-IFRS net margin slightly decline in 4Q



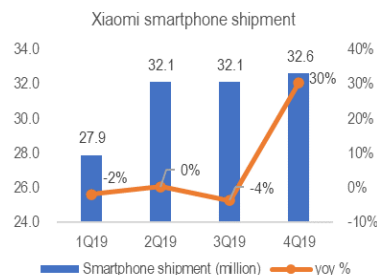
Source: Company data, AMTD estimates

Figure 4: Smartphone revenue surged 23% in 4Q



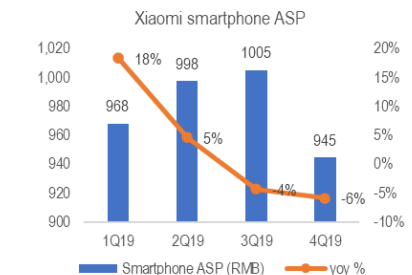
Source: Company data, AMTD estimates

Figure 5: Xiaomi smartphone shipment soared by +30%yoy in Q4



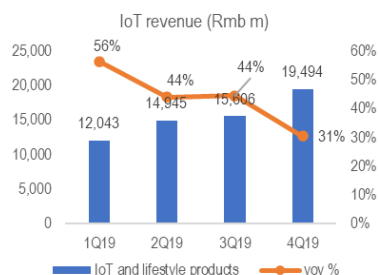
Source: Company data, AMTD estimates

Figure 6: Xiaomi smartphone ASP shrunk by -6%yoy



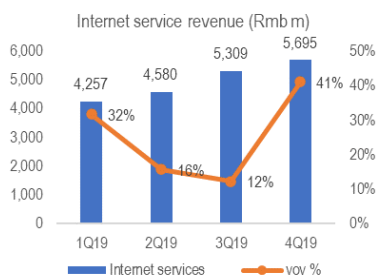
Source: Company data, AMTD estimates

Figure 7: IoT and life style is fast growing



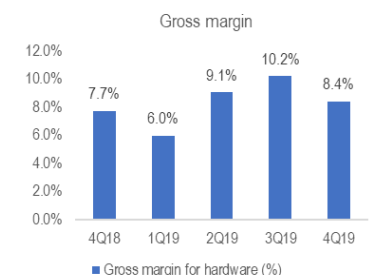
Source: Company data, AMTD estimates

Figure 8: Internet service revenue increased by 41%



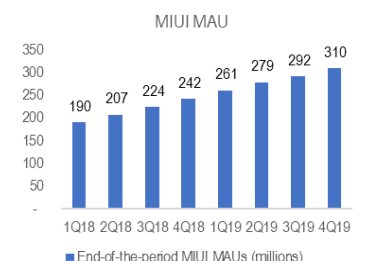
Source: Company data, AMTD estimates

Figure 9: Overall hardware gross margin remained strong



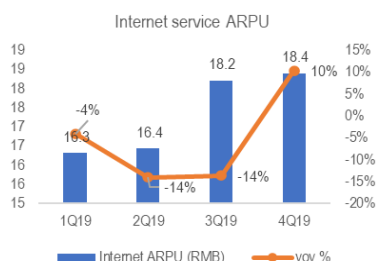
Source: Company data, AMTD estimates

Figure 10: MIUI MAU experienced strong growth



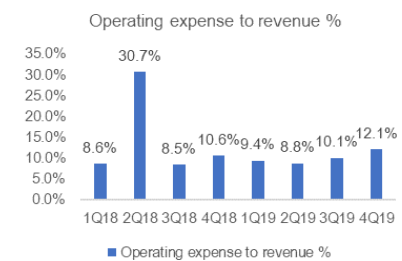
Source: Company data, AMTD estimates

Figure 11: Xiaomi internet service ARPU increased by 10%



Source: Company data, AMTD estimates

Figure 12: Operating efficiency was still at high level



Source: Company data, AMTD estimates

Figure 13: Xiaomi's FY19 results

Rmb mn	2019A	2019E	Actual vs AMTD's estimates %
Profit & loss			
Revenue	205,839	206,939	-0.5%
Smartphones	122,095	124,471	-1.9%
IoT and lifestyle products	62,088	62,180	-0.1%
Internet services	19,842	18,811	5.5%
Advertising	10,655	10,302	3.4%
IVAS	9,186	8,509	8.0%
Others	1,814	1,477	22.9%
Cost of sales	(177,285)	(178,465)	-0.7%
Gross profit	28,554	28,474	0.3%
Gross margin	13.9%	13.8%	0.8%
Operating expenses	(20,975)	(18,211)	15.2%
Selling and marketing expenses	(10,378)	(8,898)	16.6%
Administrative expenses	(3,104)	(2,276)	36.4%
R&D expenses	(7,493)	(7,036)	6.5%
EBIT	7,580	10,263	-26.1%
Fair value changes on investments	3,813	1,000	281.3%
Share of losses of investments	(672)	(200)	235.9%
Other income	1,266	300	322.0%
Other (losses)/gains, net	(226)	-	n.a.
Operating profit (reported)	11,760	11,363	3.5%
Finance (expense)/income, net	402	262	53.7%
PBT	12,163	11,625	4.6%
Income tax expenses	(2,060)	(1,932)	6.6%
(Loss)/profit for the year	10,103	9,693	4.2%
Minority interest	59	(84)	n.a.
Attributable profit	10,044	9,777	2.7%
Adjusted net profit (non-IFRS)	11,532	11,590	-0.5%

Source: Company data; AMTD estimates

Figure 14: Xiaomi's quarterly P&L

Rmb m	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19
Profit & loss								
Revenue	34,412	45,235	50,846	44,421	43,757	51,951	53,661	56,470
Smartphones	23,239	30,501	34,983	25,077	27,009	32,021	32,268	30,797
IoT and lifestyle products	7,697	10,379	10,805	14,937	12,043	14,945	15,606	19,494
Internet services	3,231	3,958	4,729	4,037	4,257	4,580	5,309	5,695
Advertising	1,874	2,500	3,200	2,526	2,283	2,485	2,912	2,976
IVAS	1,357	1,458	1,529	1,509	1,975	2,095	2,397	2,719
Others	245	397	330	370	448	405	477	484
Cost of sales	(30,111)	(39,584)	(44,269)	(38,760)	(38,541)	(44,692)	(45,425)	(48,626)
Gross profit	4,301	5,652	6,578	5,661	5,216	7,258	8,236	7,844
Gross margin	12.5%	12.5%	12.9%	12.7%	11.9%	14.0%	15.3%	13.9%
Operating expenses	(2,972)	(13,896)	(4,305)	(4,696)	(4,127)	(4,575)	(5,414)	(6,859)
Selling and marketing expenses	(1,403)	(2,076)	(2,187)	(2,328)	(1,845)	(2,295)	(2,537)	(3,701)
Administrative expenses	(465)	(10,457)	(583)	(594)	(632)	(724)	(844)	(905)
R&D expenses	(1,104)	(1,364)	(1,534)	(1,775)	(1,651)	(1,556)	(2,033)	(2,253)
EBIT	1,330	(8,244)	2,273	965	1,088	2,684	2,823	985
Fair value changes on investments	1,763	527	65	2,075	2,633	(671)	33	1,819
Share of losses of investments	16	(129)	(184)	(318)	(145)	(12)	(241)	(274)
Other income	158	207	259	220	60	406	448	351
Other (losses)/gains, net	98	47	(202)	271	(22)	(71)	50	(183)
PBT	(6,689)	14,908	2,364	3,344	3,717	2,336	3,113	2,697
Income tax expenses	(338)	(276)	117	48	(525)	(479)	(775)	(280)
(Loss)/profit for the year	(7,027)	14,633	2,481	3,392	3,192	1,955	2,519	2,436
Minority interest	(22)	(19)	(18)	(17)	66	4	(6)	(5)
Attributable profit	(7,005)	14,651	2,499	3,409	3,126	1,952	2,525	2,441
Adjusted net profit (non-IFRS)	1,699	2,117	2,885	1,853	2,081	3,635	3,472	2,344
Yoy growth %								
Total revenue		68%	49%	27%	27%	15%	6%	27%
Smartphones		59%	36%	7%	16%	5%	-8%	23%
IoT and lifestyle products		104%	90%	75%	56%	44%	44%	31%
Internet services		64%	85%	39%	32%	16%	12%	41%
Advertising		70%	110%	57%	22%	-1%	-9%	18%
IVAS		54%	49%	17%	45%	44%	57%	80%
Others		149%	125%	41%	83%	2%	45%	31%
Gross profit		47%	26%	56%	21%	28%	25%	39%
Adjusted net profit (non-IFRS)		25%	17%	237%	22%	72%	20%	27%

Source: Company data; AMTD research

Figure 15: Xiaomi's P&L forecast

Rmb mn	2016	2017	2018	2019	2020E
Profit & loss					
Revenue	68,434	114,625	174,915	205,839	247,153
Smartphones	48,764	80,564	113,800	122,095	138,881
IoT and lifestyle products	12,415	23,448	43,817	62,088	81,208
Internet services	6,538	9,896	15,956	19,842	25,160
Advertising	3,838	5,614	10,100	10,655	12,363
IVAS	2,699	4,282	5,853	9,186	12,797
Others	717	717	1,343	1,814	1,905
Cost of sales	(61,185)	(99,471)	(152,723)	(177,285)	(211,491)
Gross profit	7,249	15,154	22,192	28,554	35,662
Gross margin	10.6%	13.2%	12.7%	13.9%	14.4%
Operating expenses	(6,053)	(9,599)	(25,869)	(20,975)	(22,565)
Selling and marketing expenses	(3,022)	(5,232)	(7,993)	(10,378)	(10,875)
Administrative expenses	(927)	(1,216)	(12,099)	(3,104)	(3,213)
R&D expenses	(2,104)	(3,151)	(5,777)	(7,493)	(8,477)
EBIT	1,196	5,555	(3,677)	7,580	13,097
Fair value changes on investments	2,727	6,371	4,430	3,813	1,000
Share of losses of investments	(150)	(231)	(615)	(672)	(200)
Other income	540	449	845	1,266	300
Other (losses)/gains, net	(528)	72	213	(226)	-
PBT	1,176	(41,829)	13,927	12,163	14,549
Income tax expenses	(684)	(2,060)	(449)	(2,060)	(2,414)
(Loss)/profit for the year	492	(43,889)	13,478	10,103	12,136
Minority interest	(62)	(63)	(76)	59	65
Attributable profit	553	(43,826)	13,554	10,044	12,071
Adjusted net profit (non-IFRS)	1,896	5,362	8,555	11,532	11,799
yoy growth %					
Total revenue	2%	67%	53%	18%	20%
Smartphones	-9%	65%	41%	7%	14%
IoT and lifestyle products	43%	89%	87%	42%	31%
Internet services	102%	51%	61%	24%	27%
Advertising	111%	46%	80%	5%	16%
IVAS	90%	59%	37%	57%	39%
Others	-39%	0%	87%	35%	5%
Gross profit	169%	109%	46%	29%	25%
(Loss)/profit for the year (reported)	na	na	na	-25%	20%
Adjusted net profit (non-IFRS)	na	183%	60%	35%	2%

Source: Company data; AMTD estimates

Figure 16: Xiaomi key operating matrix

Operating matrix	2016	2017	2018	2019	2020E
Revenue mix					
Smartphones	71.3%	70.3%	65.1%	59.3%	56.2%
IoT and lifestyle products	18.1%	20.5%	25.1%	30.2%	32.9%
Internet services	9.6%	8.6%	9.1%	9.6%	10.2%
Advertising	5.6%	4.9%	5.8%	5.2%	5.0%
IVAS	3.9%	3.7%	3.3%	4.5%	5.2%
Others	1.0%	0.6%	0.8%	0.9%	0.8%
Smartphone shipment (million)	55	91	119	125	136
yoy %	-17%	65%	30%	5%	9%
Smartphone ASP (Rmb)	880	881	959	980	1,023
yoy %	9.0%	0.2%	8.8%	2.2%	4.4%
IoT and lifestyle product sales per smartphone	224	257	308	486	598
yoy %	71.5%	14.5%	20.0%	58.0%	23.0%
IoT and lifestyle product sales per MIUI MAU	92	137	181	196	215
yoy %	18.9%	49.1%	31.8%	8%	10%
End-of-the-period MIUI MAUs (millions)	135	171	242	310	377
yoy %	20%	27%	42%	28%	22%
Internet ARPU (Rmb)	49	58	66	64	67
yoy %	68%	19%	14%	-3%	4%
Gross margin for hardware (%)	4.40%	8.70%	7.33%	8.5%	9.5%
Gross margin for internet services segment (%)	64%	60%	64%	65%	64%
Advertising	86%	82%	82%	82%	82%
IVAS	34%	32%	30%	30%	35%
Non-IFRS net margin (%)	2.8%	4.7%	4.9%	5.6%	4.8%
Operating margin (reported)	5.5%	10.7%	0.7%	5.7%	5.7%
Cash conversion cycle (days)	-35	-38	-36	-34	-35
Operating expense to revenue %	8.8%	8.4%	14.8%	10.2%	9.1%
Net cash/ (net debt)	9,663	8,986	28,794	47,821	35,876

Source: Company data; AMTD estimates

Figure 17: Valuation comparison table (1) – Global smartphone and home appliance companies

Code	Company	Price		Mkt Cap (US\$ m)	PE (x)			EPS g (%)			P/S (x)		EV/EBITDA		EV/EBIT	
		Curr.	1-Apr		2019	2020e	2021e	2019	2020e	2021e	2020e	2021e	2019	2020e	2019	2020e
China smartphones & home appliances																
992 HK equity	Lenovo	HKD	4.0	6,261	10.4	9.5	7.9	400.0	9.8	20.0	0.1	0.1	4.6	3.9	7.8	6.1
000333 CH equity	Midea	CNY	48.6	47,796	13.9	12.6	10.9	13.2	10.3	15.6	1.1	1.0	11.7	10.8	13.8	12.5
000651 CH equity	Gree	CNY	52.0	44,050	11.2	10.4	9.2	6.5	7.9	13.1	1.4	1.3	6.9	6.5	7.5	7.0
600690 CH equity	Haier	CNY	14.7	13,238	10.7	10.3	9.0	13.0	4.5	13.9	0.4	0.4	8.9	8.1	11.8	10.6
1169 HK equity	Haier Electronics	HKD	19.4	7,052	10.0	12.0	10.4	80.1	(39.3)	15.3	0.7	0.6	6.5	6.6	7.4	7.2
000921 CH equity	Hisence Kelon	CNY	9.2	1,567	8.1	7.2	6.5	n.a.	3.1	9.9	0.3	0.3	12.6	7.5	7.4	6.5
000521 CH equity	Meiling	CNY	3.2	436	31.7	21.1	18.6	45.9	177.8	13.3	0.2	0.2	n.a.	n.a.	n.a.	n.a.
Average					13.7	11.9	10.4	93.1	24.8	14.5	0.6	0.5	8.6	7.2	9.3	8.3
China kitchen & small appliance																
002508 CH equity	Robam	CNY	28.1	3,753	16.7	15.0	13.4	8.6	10.9	12.3	3.1	2.8	13.7	12.3	15.1	13.5
002035 CH equity	Vatti	CNY	10.8	1,323	12.3	10.9	9.7	13.3	12.6	12.2	1.5	1.3	9.6	9.0	10.3	9.3
002242 CH equity	Joyoung	CNY	28.4	3,074	26.5	23.3	20.1	8.1	13.8	16.1	2.1	1.8	22.7	20.7	24.4	21.1
002032 CH equity	Supor	CNY	69.4	8,031	29.7	25.8	22.2	14.5	15.0	16.5	2.5	2.2	23.3	20.5	24.8	22.2
603868 CH equity	Flyco	CNY	35.3	2,165	19.8	18.4	17.1	(8.1)	7.7	7.3	3.7	3.4	14.3	13.2	16.1	14.3
603355 CH equity	Kingclean	CNY	20.5	1,155	16.8	15.5	14.0	15.7	8.9	10.7	1.3	1.2	9.9	8.9	12.7	11.4
Average					20.3	18.2	16.1	8.7	11.5	12.5	2.4	2.1	15.6	14.1	17.2	15.3
China TV																
751 HK equity	Skyworth Digital	HKD	1.6	636	7.2	5.6	4.3	55.8	2.8	30.7	0.1	0.1	4.8	4.5	n.a.	n.a.
1070 HK equity	TCL Multimidea	HKD	3.1	954	4.7	6.3	5.1	175.3	(50.5)	23.8	0.1	0.1	2.0	2.6	1.8	3.1
600060 CH equity	Hisence	CNY	9.3	1,719	32.9	23.1	16.6	(5.3)	42.3	39.1	0.3	0.3	6.9	6.6	n.a.	n.a.
Average					14.9	11.7	8.7	75.3	(1.8)	31.2	0.2	0.2	4.5	4.6	1.8	3.1
Global automation																
6954 JP equity	Faunc	JPY	13,690.0	26,266	18.0	35.4	29.5	(15.3)	(51.0)	19.9	5.5	5.2	11.6	17.1	14.8	25.9
6506 JP equity	Yaskawa Electric	JPY	2,817.0	6,911	16.6	43.5	31.7	4.4	(59.1)	37.4	1.8	1.7	11.5	20.5	14.7	37.4
KU2 GR equity	KUKA	EUR	28.9	1,256	41.3	963.3	64.2	(19.7)	(88.5)	1,400.0	0.4	0.4	7.5	10.4	33.3	62.1
ABB US equity	ABB	USD	16.6	35,970	15.8	18.0	13.8	n.a.	n.a.	30.1	1.4	1.3	15.1	12.0	13.4	18.2
300024 CH equity	Siasun Robotics	CNY	13.6	2,984	48.2	42.0	35.4	(2.1)	14.5	18.9	5.8	4.9	37.5	32.7	47.0	42.1
Average					28.0	220.5	34.9	(8.2)	(46.0)	301.3	3.0	2.7	16.7	18.5	24.6	37.2
Global smartphones & home appliances																
AAPL US equity	Apple	USD	240.9	1,054,097	20.6	18.7	15.9	0.1	8.2	17.8	4.0	3.5	12.7	12.1	15.8	14.5
005930 KS equity	Samsung Electronic	KRW	45,800.0	221,718	14.2	11.0	7.8	(56.9)	31.9	40.9	1.1	1.0	3.5	2.9	7.1	5.3
066570 KS equity	LG Electronics	KRW	48,100.0	6,501	10.1	8.0	5.5	(97.5)	3,105.1	45.5	0.1	0.1	3.3	3.4	6.4	6.6
6758 JP equity	Sony	JPY	6,228.0	74,273	9.6	13.4	13.0	86.3	(34.8)	2.6	0.9	0.9	5.7	5.6	8.5	8.4
6752 JP equity	Panasonic	JPY	806.1	17,992	7.5	9.3	9.4	20.4	(30.9)	(0.9)	0.3	0.3	3.9	4.3	6.7	8.5
WHR US equity	Whirlpool	USD	80.6	5,052	5.2	5.8	4.9	5.5	(13.7)	18.7	0.3	0.3	4.5	4.8	7.0	7.9
ELUXB SS equity	Electrolux	SEK	118.5	3,697	8.5	18.5	8.3	(20.5)	(52.0)	123.2	0.3	0.3	3.8	5.2	6.9	12.9
AOS US equity	AO Smith	USD	35.6	5,769	15.8	16.5	14.3	(14.9)	(3.0)	15.3	2.0	1.9	9.8	10.2	n.a.	10.4
SK FP equity	SEB	EUR	116.2	6,386	13.8	14.6	12.7	(1.7)	(8.6)	14.7	0.8	0.8	8.7	9.0	11.5	11.3
5947 JP equity	Rinnai	JPY	7,400.0	3,591	19.4	18.3	17.2	(2.9)	2.0	6.5	1.1	1.1	5.8	5.6	n.a.	n.a.
Average					12.5	13.4	10.9	(8.2)	300.4	28.4	1.1	1.0	6.2	6.3	8.7	9.5

Priced as of 1 Apr 2020; Source: Bloomberg, company data, AMTD estimates

Figure 18: Valuation comparison table (2) – Global internet companies

Code	Company	Price		Mkt Cap (US\$ m)	Non-GAAP							P/S (x)		EV/EBITDA	
		Curr.	1-Apr		PE (x)			EPS 3yr%	PE/G (x)			2020e	2021e	2019	2020e
					2019	2020e	2021e		2019-2021e	2019	2020e				
China Internet															
BABA US equity	Alibaba	USD	187.6	503,172	36.3	26.2	22.9	25.9%	1.9	1.3	1.2	7.1	5.4	27.4	21.3
700 HK equity	Tencent	HKD	374.4	461,309	34.7	29.0	23.6	21.2%	1.7	1.4	1.2	7.1	5.8	24.8	20.4
BIDU US equity	Baidu	USD	97.7	33,782	16.0	15.8	11.9	15.9%	1.0	1.0	0.7	2.1	1.9	11.1	9.0
JD US equity	JD.com	USD	40.9	59,735	40.9	36.6	23.6	31.6%	1.3	1.1	0.7	0.6	0.5	27.3	22.4
NTES US equity	Netease	USD	323.4	41,380	20.3	18.9	16.5	10.9%	1.3	1.2	1.0	4.3	3.8	15.3	13.3
TCOM US equity	Ctrip	USD	22.2	13,033	17	124	16	2.3%	8.4	62.2	8.0	3	2	17	63
WB US equity	Weibo	USD	32.0	7,201	11.7	13.8	11.4	1.3%	1.2	1.4	1.1	4.2	3.7	9.7	11.5
WUBA US equity	58.com	USD	46.7	6,988	12.6	17.7	12.8	-0.7%	0.6	0.8	0.6	3.1	2.6	11.6	11.5
ATHM US equity	Autohome	USD	70.6	8,330	18.4	16.9	15.0	10.6%	1.2	1.1	1.0	6.6	5.9	13.8	12.4
SINA US equity	Sina	USD	30.8	2,137	10.6	12.9	9.8	4.2%	n.a.	n.a.	n.a.	1.0	0.9	4.4	5.4
YY US equity	YY	USD	53.0	4,293	13.6	13.3	8.4	27.5%	0.5	0.5	0.3	0.9	0.8	8.5	7.3
VIPS US equity	Vipshop	USD	15.7	10,506	16.9	13.1	10.6	26.2%	n.a.	n.a.	n.a.	0.8	0.7	11.5	8.8
2858 HK equity	Yixin	HKD	1.2	1,019	11.5	28.4	10.8	3.0%	n.a.	n.a.	n.a.	2.1	1.5	n.a.	n.a.
MOMO US equity	Momo	USD	21.1	4,383	7.8	8.8	7.1	4.9%	0.4	0.4	0.3	1.8	1.5	5.3	5.0
BITA US equity	Bitauto	USD	10.3	721	10.0	237.7	11.7	-7.3%	n.a.	n.a.	n.a.	0.5	0.5	28.0	22.7
FANG US equity	Fang	USD	25.1	3,968	3.9	6.8	7.6	-28.0%	0.4	0.7	0.8	1.1	1.1	3.6	4.1
BZUN US equity	Baozun	USD	27.8	1,745	31.3	22.8	15.9	40.4%	76.3	55.6	38.7	1.4	1.1	26.0	17.7
Average					18.4	37.8	13.9	11.2%	7.4	9.9	4.3	2.8	2.4	15.3	16.0
Average ex-Tencent					17.5	38.3	13.3	10.6%	7.8	10.6	4.5	2.6	2.1	14.7	15.7
Leading global Internet															
FB US equity	Facebook	USD	159.6	454,932	17.5	19.0	14.3	13.8%	0.8	0.8	0.8	5.8	4.6	10.1	10.8
GOOGL US equity	Google	USD	1,102.1	758,740	18.3	20.4	15.8	14.2%	1.1	1.1	1.1	5.4	4.3	10.9	11.2
AMZN US equity	Amazon	USD	1,907.7	949,760	58.7	47.1	36.4	35.2%	1.7	1.7	1.7	2.8	2.4	22.8	19.1
Average					31.5	28.8	22.2	21.1%	1.2	1.2	1.2	4.7	3.8	14.6	13.7

Priced as of 1 Apr 2020; Source: Bloomberg, company data, AMTD estimates

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