

Sector: **Chemicals** (Latest report: [Link](#))

**Recommendation**

**BUY**

## Duc Giang Chemical Group JSC (HSX: DGC) Update business results for the first 6 months

Current price:	96,500	Date	27/07/2021	<b>Shareholder Structure</b>	
Previous target price	72,800	Outstanding Shares (Million)	171	Dao Huu Huyen	18.5%
New target price:	115,000	Market Cap (VND billion)	15,807	Vinachem	8.8%
Dividend yield	0%	Avg. 10D Trading vol	1,881,180	Dao Huu Duy Anh	2.9%
<b>Upside</b>	<b>19%</b>	% Foreign float	6.06%		

### Industry analyst:

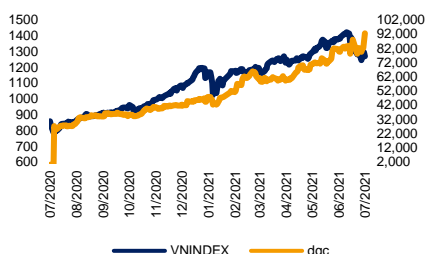
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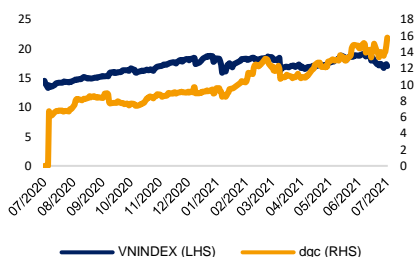
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Target price: VND  
Stop-loss price: VND

### Bảng so sánh giá DGC và VN- Index



### Bảng so sánh P/E của DGC và VN Index



## Valuation

- We maintain our **BUY** recommendation for DGC with a 2021 target price of VND115,000, +19% from the closing price of July 26 of VND92,400 due to adjusted business forecast (core segment) of 2021 (+24% compared to the latest forecast) and 2022 (+32% compared to the latest forecast) due to an upward adjustment in the selling prices of export products (WPA + 35%, DAP +40%) when world prices rise.

## Forecast of business results

- BSC forecasts that revenue and profit after tax (core business) in 2021 will reach VND 8,231 billion (+32% YoY) and VND 1,481 billion (+56% YoY). EPS FW 2021 = VND 8,414, PE FW 2021 = 11.6 times, equivalent to the industry median P/E.
- BSC forecasts RNAV value of 44 Duc Giang Real Estate Project to be VND 352 billion.

## Risks

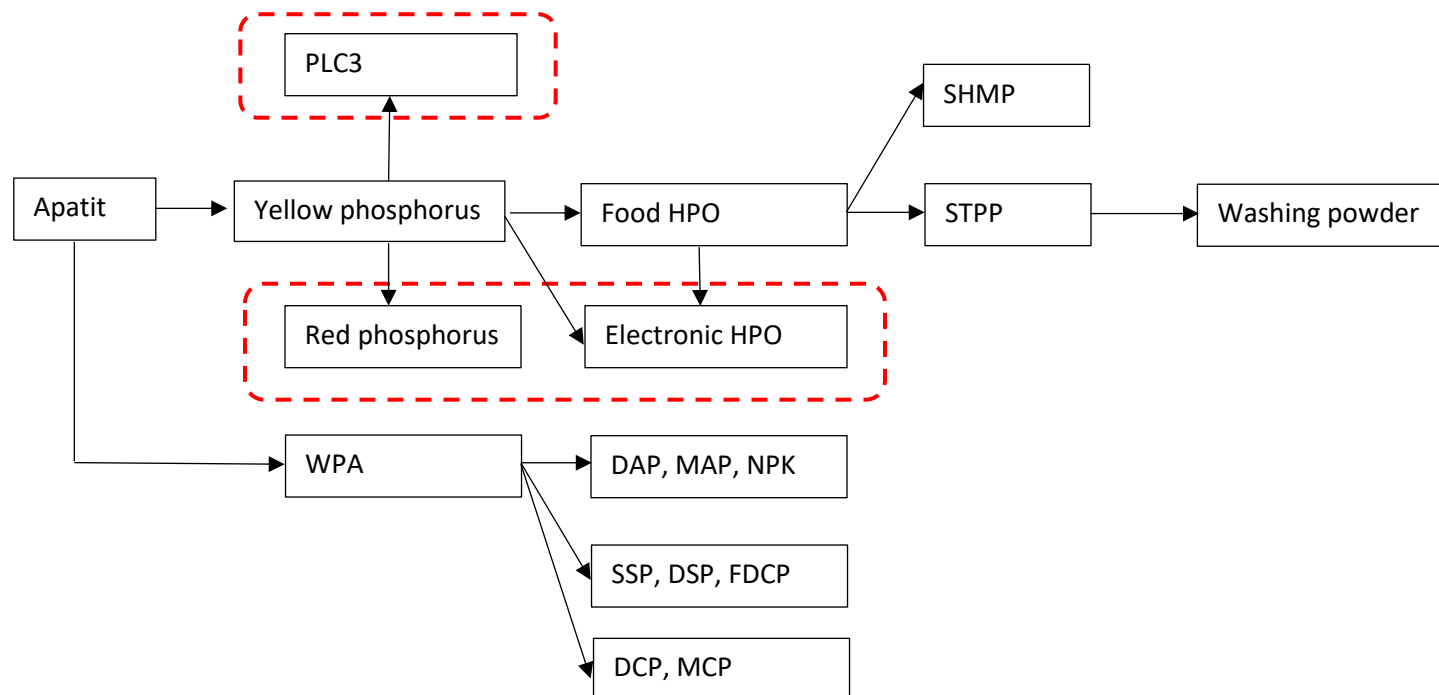
- Policy risks related to the environment

## Company update

- Business results in the second quarter continued to grow strongly.** Revenue and profit after tax reached VND 2,038 billion (+29% YoY) and VND 333 billion (+24% YoY), respectively. Accumulating 6 months, revenue and profit after tax reached VND 3,987 billion (+28% YoY) and VND 625 billion (+33% YoY).
- Revenue in 6 months by product:** Yellow phosphorus: VND 1,666 billion (+11% revenue, +16% output), WPA: VND 520 billion (+39% revenue, -8% output), H<sub>3</sub>PO<sub>4</sub>: 472 billion (+56% revenue, +51% output), DAP: VND 502 billion (same period did not record revenue), MAP: VND 202 billion (-49% YoY, -55% output).
- Q2 gross profit margin reached 24.2%, down slightly compared to the same period of 24.3%.** BSC believes that because (i) Q2.20 benefited from electricity price support (Q3 – Q4 are not supported) (ii) There is a lag between the increase in selling price of DGC and the increase in world price (iii) The repair of the WPA factory partially affects production activities, increasing operating costs.

	2020	2021F	Peer	VN-Index		2018	2019	2020	2021F
PE (x)	8.9	10.9	11.1	17.3	Net Sales	6,062	5,090	6,236	8,231
PB (x)	1.9	2.1	2.7	2.4	Gross Profit	1,368	1,006	1,479	2,220
PS (x)	0.8	1.9	0.9	2.0	NPAT	882	572	948	1,481
ROE (%)	25%	34%	24%	13%	EPS	7,674	4,241	5,728	8,414
ROA (%)	18%	26%	18%	2.4%	EPS Growth		-44%	35%	53%

**Product chain of Duc Giang Group**



\* Red frame: Product is under research

**Table: Products of Duc Giang Chemical Group**

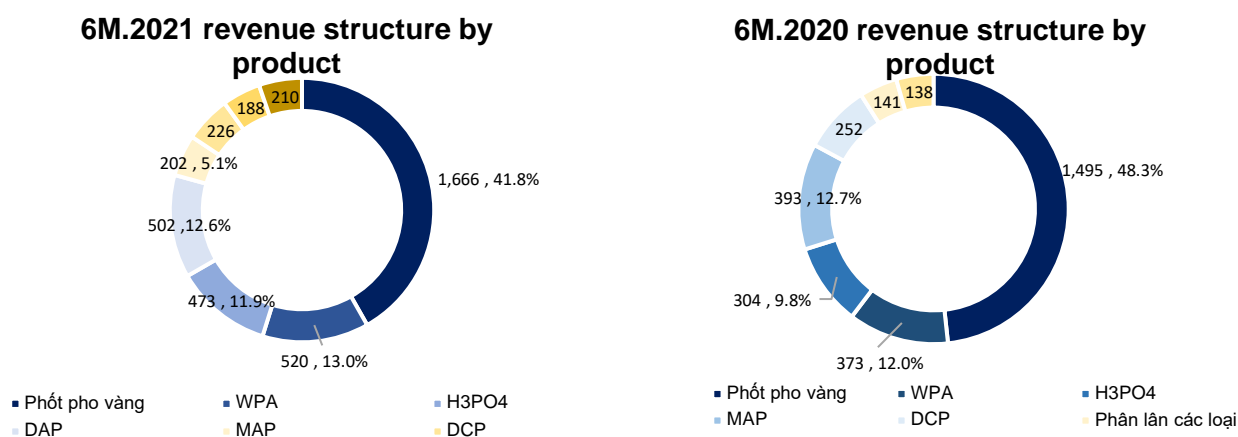
Product	Function
Yellow phosphorus	Used in electronic industry, semiconductor, flame retardant...
Food HPO (Food Phosphoric Acid)	Used as a raw material for the production of phosphate salts, Used in the electronics, semiconductor, food and beverage industries
WPA (Extracted Phosphoric Acid)	Used as raw materials to produce complex fertilizers, Used in food industry, agriculture
STPP, SHMP	Used in paper industry, textile dyeing, petrochemical...
DAP, MAP, NPK	Complex fertilizer
SSP, DSP, FDCP	Superphosphate fertilizer
DCP, MCP	Animal feed

Source: DGC

## I. UPDATE 6M2021 BUSINESS RESULTS

**Business results in the second quarter of 2021 continued to grow strongly.** Revenue and profit after tax reached 2,038 billion (+29% YoY) and 333 billion (+24% YoY). In 6M.2021, revenue and profit after tax reached 3,987 billion (+28% YoY) and 625 billion (+33% YoY).

**Gross profit margin in Q2 reached 24.2%, slightly down from 24.3% in the same period last year.** BSC believes that (i) Q2.20 will benefit from the support of electricity prices (Q3 – Q4 are not supported) (ii) There is a lag between the increase in DGC's selling price and the increase in world prices (iii) The WPA factory repair partially affects production activities, increasing operating costs.



Billion VND	6M/21	6M/20	% YoY	Comment
<b>Net Revenue</b>	<b>3,987</b>	<b>3,096</b>	<b>+28.7%</b>	Most of the products have positive growth over the same period, the strongest growth belongs to the group of WPA, DAP (used to make fertilizer) and H <sub>3</sub> PO <sub>4</sub> (used in the food industry and electronics industry).
<i>Yellow phosphorus</i>	<i>1,666</i>	<i>1,495</i>	<i>+11%</i>	
<i>WPA</i>	<i>520</i>	<i>373</i>	<i>+39%</i>	
<i>H<sub>3</sub>PO<sub>4</sub></i>	<i>473</i>	<i>304</i>	<i>+55%</i>	
<i>DAP</i>	<i>502</i>	<i>393</i>	<i>-49%</i>	
<b>Gross profit</b>	<b>925</b>	<b>742</b>	<b>24.6%</b>	In terms of revenue structure, Yellow Phosphorus continued to account for the largest proportion with 42%, down from 48% in the same period. On the other hand, DAP fertilizer recorded a high weight gain of 13% compared to 0% in the same period.
<i>GPM</i>	<i>23.2%</i>	<i>23.9%</i>		
Selling expenses	(237)	(191)	24.0%	Gross profit margin decreased slightly compared to the same period last year due to (i) 2Q2020 DGC was supported with electricity prices (Electricity accounts for 30-40% of production costs) (ii) DGC's selling price has not been adjusted to keep pace with price increase world sales due to latency (iii) WPA factory repairs also increase operating costs.
G&A expenses	(57)	(59)	-3.0%	
<i>SG&amp;A/ Net revenue</i>	<i>7.4%</i>	<i>8.1%</i>		
Financial revenue	65	58	+12%	
Financial expenses	(30)	(45)	-33%	
PBT	664	493	34.6%	Financial income increased due to an increase in cash and cash equivalents (+29% YoY) when major investment projects (Duc Giang – Nghi Son) were delayed due to site clearance and relocation issues.
<b>NPAT</b>	<b>625</b>	<b>469</b>	<b>33.3%</b>	
<i>NPM</i>	<i>5.6%</i>	<i>2.3%</i>		
<b>EPS</b>	<b>3,327</b>	<b>2,811</b>	<b>18.3%</b>	

Source: DGC

\* MAP dropped sharply because DGC actively used WPA to produce DAP instead of MAP (DAP revenue reached VND 502 billion, ~13% of revenue in 6M.2021. In 6M.2020, DAP revenue was 0).

Fertilizer-related product groups (WPA, DAP) were the main growth factors in the first 6 months thanks to (i) soaring world fertilizer demand (WPA is the input for fertilizer production) (ii) price of input material (sulfuric acid) increased.

**Table of output and selling price of some main products**

	Output (ton)			Selling price (million VND/ton)				
	6T.2020	6T.2021	%YoY	12T.2019	6T.2020	9T.2020	6T.2021	%YoY
Yellow phosphorus	24,963	28,971	+16%	62.3	59.89	59.07	57.51	-4%
<b>H<sub>3</sub>PO<sub>4</sub></b>	<b>15,258</b>	<b>23,047</b>	<b>+51%</b>	<b>19.38</b>	<b>19.92</b>	<b>19.57</b>	<b>20.52</b>	<b>+3%</b>
<b>WPA</b>	<b>63,862</b>	<b>58,847</b>	<b>-8%</b>	<b>7.33</b>	<b>5.84</b>	<b>5.99</b>	<b>8.84</b>	<b>+51%</b>
DAP fertilizer		44,775					11.21	
MAP fertilizer	54,031	24,163	-55%	7.29	7.27	7.27	8.36	+15%
Feed additive DCP	35,496	29,574	-17%	7.29	7.10	6.99	7.64	+8%

Source: DGC

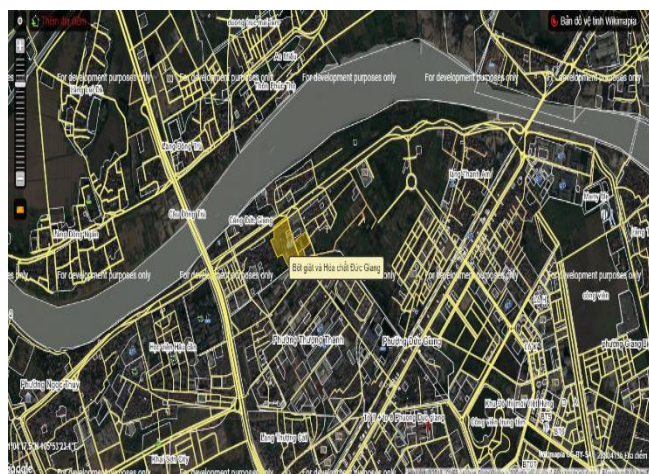
**Update progress of investment projects of DGC:**

Group	Project	Total Investment	Capacity	Initial Plan	Progress
Group 1: Long-term growth projects	Duc Giang - Nghi Son Chemical Complex	Phase 1: VND 2,000 billion	<a href="#">(Link)</a>	Commencement in Q1.2021	Commencement in Q1.2022 Progress: Relocating people in the area of influence
Group 2: Phosphorus Deep Processing Project	Electronics HPO	VND billion	66 35,000 tons	December 2020	Completed in Q3.2021
	Red phosphorus	VND billion	100 5,000 tons	2021	Q32021 start construction
Group 3: Cost Reduction Project	Mine site 25	VND billion	210		In operation
	100MW Thermal Power Plant	VND billion	2,000 100MW	Expected to be implemented from Q2.2021	Delayed due to reassessment of economic impact
Group 4: Real Estate Projects	Real Estate 44 Duc Giang			Q4.2021	BSC believes that social distancing in Hanoi may affect progress

**Update on the progress of 44 Duc Giang Real Estate Project:** The Real Estate Project has completed the application for a 1:500 license, and at the same time, the Group has established Duc Giang Real Estate Company (DGLand) with chartered capital. rate 500 billion. (Real estate project valuation is detailed in Section III).

The complex of public works, schools and houses (apartments and townhouses) Duc Giang has an area of 54 hectares, a commercial area of 26 hectares. The project is located near the center of Long Bien district, convenient traffic due to synchronous road infrastructure.

**General information about the Project:**



Criteria	Information
Commercial area	26 ha
Number of apartments	831
Number of shophouses	53
Start time	Q4/2021

Source: DGC

**Table: Comparison of Real Estate Projects near Project 44 Duc Giang**

Project	Position	Apartment price (million VND/m <sup>2</sup> )	Project information
Binh Minh Garden Project	93 Duc Giang (240 m from DGC project)	28	Number of apartments: 494 units Number of low-rise houses: 101 units
An Quy Hung Riverside Project	Civil group 18 Thuong Thanh (400 m from DGC project)	23 - 26	Number of apartments: 378 units
Hanoi Homeland Apartment Project	29 Thuong Thanh (2.6 km from DGC project)	24 - 25	Number of apartments: 1,000 units
Berriver Long Bien Apartment Project	390 Nguyen Van Cu (4.7 km from DGC project)	30	

Source: BSC compilation

## II. BUSINESS OUTLOOK FOR THE LAST 6 MONTHS OF 2021

BSC maintains a positive view on the outlook for the second half of 2021 of Duc Giang Chemical Group based on two main views (i) DGC's export price is expected to increase asymptotically with world commodity prices (ii) Production costs continued to be reduced compared to the same period last year thanks to the extraction of apatite ore from mine site 25.

(i) Gross profit margin in the last 6 months is expected to increase sharply thanks to the increase in export prices in line with world prices.

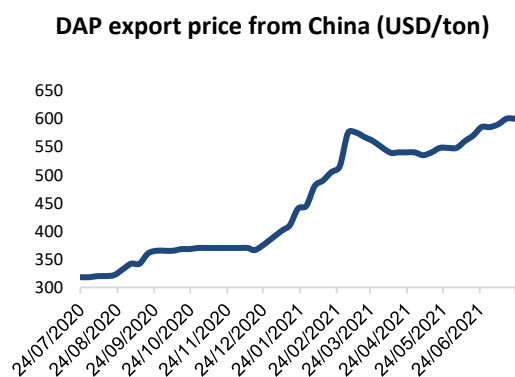
BSC expects gross margin in the second half of the year to reach 28% (compared to 23% in the first 6 months of 2021 and 24% in the last 6 months of 2020).

**Fertilizer and fertilizer-related products group (WPA, DAP, MAP):** Compared to the latest report, BSC raised a Positive view on the business prospect of fertilizer and fertilizer-related products. fertilizers (WPA, DAP, MAP).

Because (i) World fertilizer demand recovers after the pandemic (ii) Production supply has not been able to meet in time (China restricts fertilizer exports) along with (iii) Price of input materials for fertilizer production The increase causes fertilizer prices to increase sharply and is expected to stay at high prices in the last 2 quarters: China DAP fertilizer prices (+87% YoY, +63% YTD, +9% QoQ)).

DGC - with this product group accounted for ~35% of revenue - continued to benefit in Q3 thanks to (i) expected selling prices approaching the world price momentum (DGC's DAP +72% YoY, WPA + 41% YoY) (ii) the company advocates to increase the output of WPA and DAP instead of MAP (as shown in Q3 business plan).

	Q1 plan	Q2 plan	Q3 plan
Yellow phosphorus*	15,000	15,000	16,500
HPO acid	9,000	10,500	
<b>WPA acid **</b>	<b>24,000</b>	<b>18,000</b>	<b>72,000</b>
MAP fertilizer	27,000	20,000	6,000
<b>DAP fertilizer</b>	<b>24,000</b>	<b>20,000</b>	<b>30,000</b>
Super phosphates	36,000	40,000	36,000
Additives DCP	19,000	12,000	18,000
Additives MCP	2,400	1,800	2,700



Source: DGC, Bloomberg

\* Yellow phosphorus: Export: 13,098 tons, HPO production: 3,402 tons

\*\* WPA acid: Export: 32,000 tons, Fertilizer production: 42,000 tons

**Product group Yellow Phosphorus, H<sub>3</sub>PO<sub>4</sub>:** BSC continues to maintain a Positive view on the business prospect of Yellow Phosphorus, H<sub>3</sub>PO<sub>4</sub> product group thanks to (i) Fertilizer demand caused India to increase imports of Phosphorus sharply. yellow pho from Vietnam (+94% YoY) led to positive sales volume (ii) DGC benefited from selling Phosphorus to China.

+ China P4 price: ~\$4,422/ton, +91% YoY;

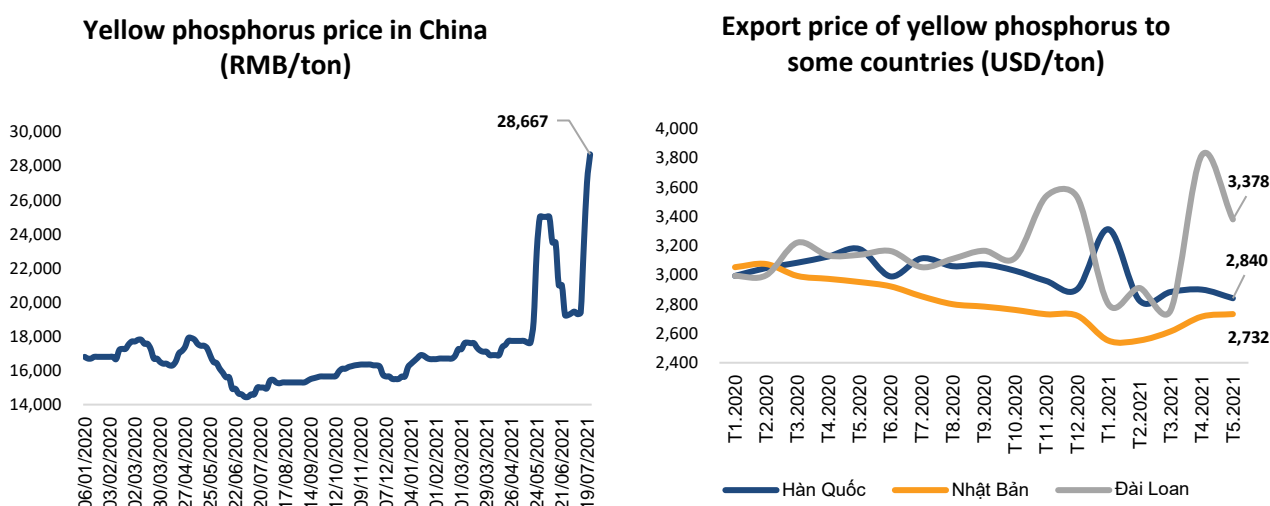
+ P4 price of DGC: ~2,500 USD/ton, -4% YoY

In addition, BSC believes that the effects of chip shortage and 5G will have a positive long-term impact on the price of Yellow Phosphorus.

Table: Value of Vietnam's Yellow Phosphorus exports to markets

	Turnover 6M.2021	%YoY
<b>Viet nam provinces export</b>		
Lao Cai	141 (DGC holds 50% market share)	+19%
<b>Export markets</b>		
Japan	26.1	-21%
South Korea	13.3	+2%
Taiwan	23.0	+0%
India	49.3	+94%

Source: DGC



Source: BSC compilation

(ii) Production costs continued to be reduced over the same period thanks to the extraction of apatite ore from the mine site 25.

In terms of ore costs, mining apatite ore from Mining 25 is expected to reduce mining costs compared to outside imports by about VND 240 billion (estimated by BSC), equivalent to 25% of profit after tax this year. 2020).

Table: Projected cost reduction when Field 25 comes into operation

Criteria	BSC estimate
Cost of exploitation of Vietnam Apatit Company	VND 500,000/ton
Import price of Duc Giang Chemical Group	VND 1,200,000/ton
Cost of field mining mine site 25 in 2021 (estimated by BSC)	VND 700,000/ton
Ore self-sufficiency rate (BSC estimated)	~30%

Expected volume to be exploited	Year 1: 400,000 tons (Ore I: 50,000 tons, Ore III: 350,000 tons) Year 2 to year 5: 670,000 tons (Ore I: 90,000 tons, Ore III: 580,000 tons) Year 6: 586,570 tons (Ore I: 81,880 tons, Ore III: 504,690 tons)
The cost is reduced when switching to self-mining ore	<b>Year 1: VND 240 billion</b> <b>Year 2 to year 5: VND 402 billion</b> <b>Year 6: VND 352 billion</b>

Source: BSC estimate

### III. RISKS

#### (1) Risks on tax policy

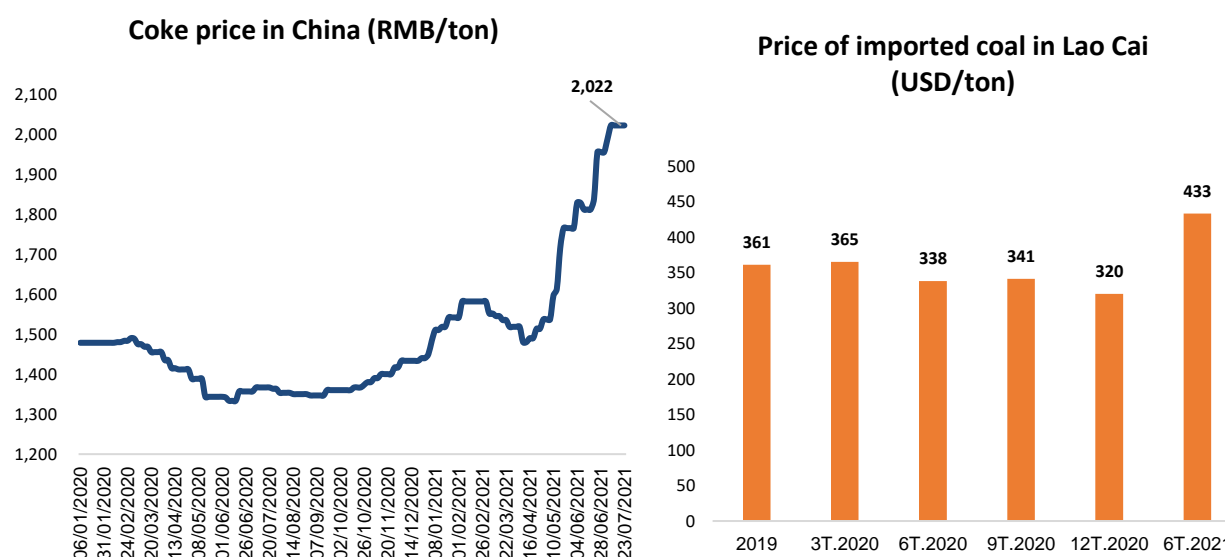
BSC assesses that the risks related to tax policy are (i) a big risk and strongly affect the business activities of the Group and (ii) it is difficult to predict this risk in the future. In the past, Lao Cai province proposed to increase the export tax of Yellow Phosphorus from 5% to 20% (the proposal was not approved) and had a great negative effect on the stock price.

#### (2) Risk of increasing input costs (except for ore costs)

In 2020, the Group will benefit greatly from reduced input costs. In 2021, BSC believes that some input costs will increase:

+ Electricity costs: BSC expects the electricity price to return to normal in 2021 because the government does not support electricity prices because of the Covid-19 epidemic like in 2020.

+ Coal cost: The world coal price is trending up again from the low base level of 2020. Up to now, China coke price is around 2,022 RMB/ton (~312 USD/ton), increased +48.3% YoY và +39.9% in 2020. The sharp increase in the price of coking coal in China has caused the price of imported coal in Lao Cai to increase sharply over the same period (as predicted by BSC in the latest report), at a price of \$433/ton (+28%) YoY).



Source: BSC compilation



### III. FORECAST AND VALUATION

We continue to maintain our **BUY** recommendation for DGC with a target price of VND 115,500/share (+19% compared to VND 95,600 on July 26, 2021) based on (i) communication with two FCFF methods. and PE (60%/40%) and (ii) 44 Duc Giang Real Estate Project (RNAV method)

**In 2021, BSC forecasts revenue and profit after tax in 2021 will reach VND 8,231 billion (+32% YoY) and VND 1,481 billion (+56% YoY) based on the following assumptions:**

(i) Sales of all products have grown well, mainly benefiting from the increase in world demand for fertilizer and fertilizer related products: Yellow Phosphorus (+19% YoY), WPA (+29 % YoY), DAP and MAP (+72% YoY).

Unit: billion VND	2019	2020	2021F	2022F
<b>Net revenue</b>	<b>5,091</b>	<b>6,236</b>	<b>8,231</b>	<b>8,176</b>
<i>Growth</i>	-16%	+22%	+32%	-1%
Yellow Phosphorus revenue	2,147	2,939	3,508	3,408
Phosphoric Acid revenue (WPA and food HPO)	1,471	1,518	1,978	2,038
DAP & MAP Fertilizer revenue	564	760	1,303	1,207

(ii) The main growth profit comes from the expected gross profit margin in 2021 to reach 27.0%, up sharply from the 2020 margin of 23.7% thanks to (i) high export prices: WPA (+35% YoY), DAP and MAP (+45% YoY) (ii) cut costs: apatite ore cost decreased by VND 112 billion.

**Table: Forecast of DGC's business results (traditional segment)**

Unit: billion VND	2019	2020	2021F	2022F
<b>Net revenue</b>	<b>5,091</b>	<b>6,236</b>	<b>8,231</b>	<b>8,176</b>
COGS	(4,084)	(4,757)	(6,011)	(5,953)
<b>Gross profit</b>	<b>1,006</b>	<b>1,479</b>	<b>2,219</b>	<b>2,223</b>
<i>GPM</i>	19.8%	23.7%	27.0%	27.2%
Selling expenses	(314)	(378)	(510)	(491)
<i>Selling expenses margin</i>	6.2%	6.0%	6.2%	6.0%
G&A expenses	(101)	(115)	(148)	(147)
<i>G&amp;A expenses margin</i>	2.0%	1.8%	1.8%	1.8%
<b>Profit before tax</b>	<b>599</b>	<b>1,001</b>	<b>1,576</b>	<b>1,604</b>
Profit after tax	572	948	1,481	1,508
<b>EPS</b>	<b>4,241</b>	<b>5,728</b>	<b>8,414</b>	<b>8,530</b>

Source: BSC Research

**P/E method:** BSC raises DGC's target P/E from 9.5 to 12.5 after (i) raising DGC's 2021 and 2022 business forecasts (ii) industry trailing P/E from 10 to 11 in the context of low interest rates.

P/E method	2021F	2022F	2023F
EPS	8,414	8,530	9,051
PE	12.5	12.5	12.5
<b>Fair value</b>	<b>105,200</b>	<b>106,600</b>	<b>113,200</b>

**Discounted Cash Flow Method:**

WACC	
Rf	7%
Beta	0.7
Ke	12%
Kd	8%
E/A	60%
Tax rate	20%
WACC	10%
g	5%

	2021F	2022F	2023F	Terminal
Company's free cash flow	914	1,126	958	12,488
Giá trị hiện tại	19,511			
Present value	21,350			
Debt	1,148			
Equity	20,202			
Number of shares	169,685,082			
<b>Value per share (VND)</b>	<b>110,500</b>			

**RNAV Method for Real Estate Project 44 Duc Giang:**

**Overview of Real Estate Projects**

Commercial area	26 ha
Number of apartments	831
Number of shophouses	53
Start time	Q4/2021
Estimated BSC selling price	VND 23 million/m <sup>2</sup> due to preferential prices for employees

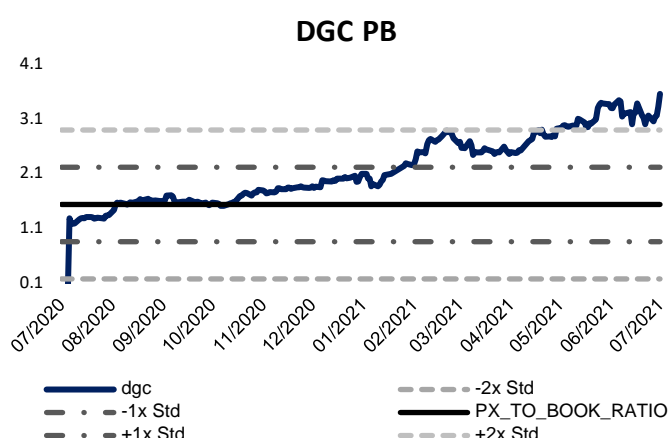
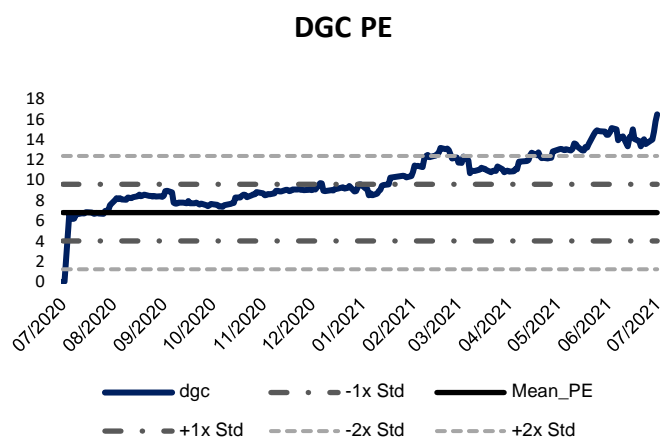
**Project handover progress**

	2021F	2022F	2023F	2024F	2025F
Cash inflow		494	881	589	165
Cash outflow	-141	-705	-423	-141	
Net cash flow	-141	-211	326	285	93

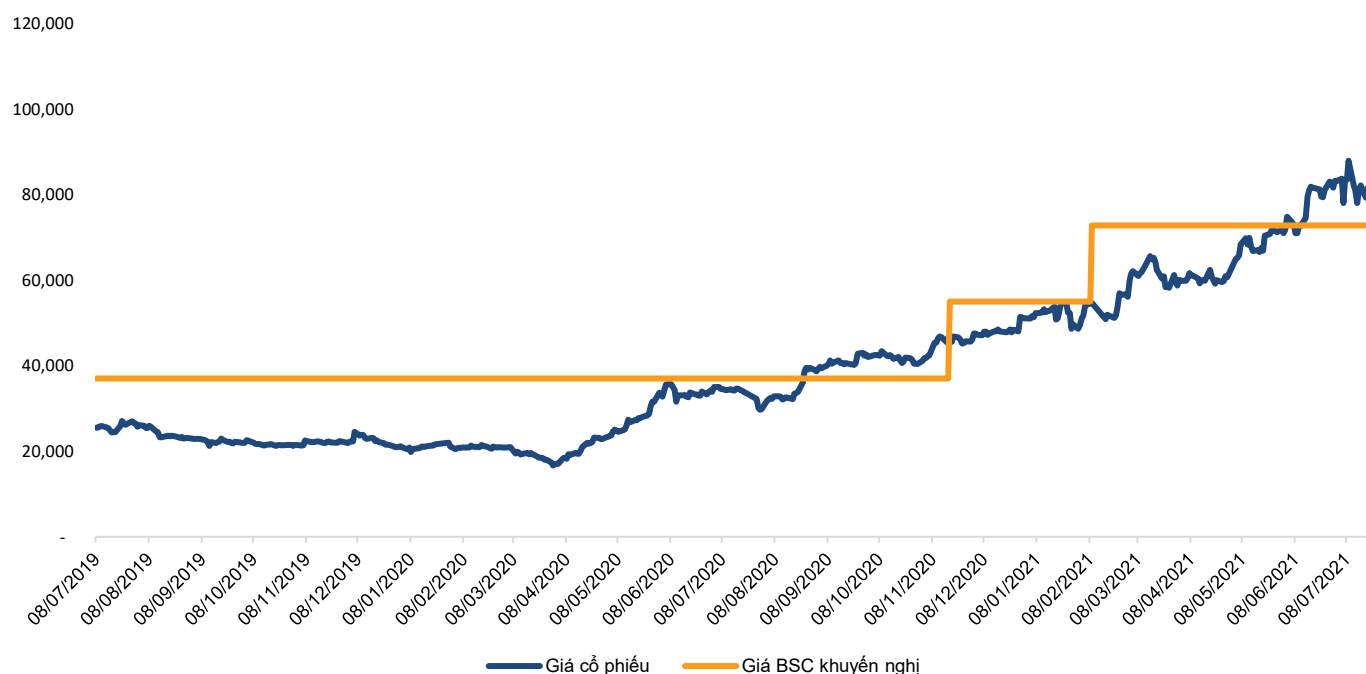
Fair value (billion)	352
Value per share	2,300

	Price	Weight	Average price
FCFF	119,000	60%	71,400
P/E	105,200	40%	42,100
RNAV			2,300

Target price	115,500
Current price	95,600
Upside	19%



### STOCK PRICE VOLATILITY TO RECOMMENDATION



## APPENDIX

IS (VND billion)	2018	2019	2020	2021F
Net revenue	6,062	5,091	6,236	8,231
COGS	-4,694	-4,084	-4,757	-6,011
Gross profit	1,368	1,006	1,479	2,219
Selling expenses	-341	-119	-378	-510
G&A	-92	-306	-115	-148
<b>Operating income</b>	<b>920</b>	<b>596</b>	<b>1,023</b>	<b>1,570</b>
Financial income	42	62	122	106
Financial expenses	-56	-57	-85	-96
Interest expenses	-27	-28	-18	-20
Gain/loss from affiliates	0	0	0	0
Other gain/loss	-5	3	-22	0
Profit before tax	916	599	1,001	1,576
Corporate tax payment	-34	-27	-53	-94
<b>Profit after tax</b>	<b>882</b>	<b>572</b>	<b>948</b>	<b>1,481</b>
Minority interest	1	5	41	64
NPATMI	880	567	907	1,417
EPS	7,674	4,241	5,728	8,414

BS (VND billion)	2018	2019	2020	2021F
<b>Cash &amp; cash equivalent</b>	<b>274</b>	<b>128</b>	<b>282</b>	<b>279</b>
Short term investment	246	643	1,558	1,219
Account receivables	750	634	848	737
Inventory	797	808	702	860
Other current assets	70	51	43	43
<b>Total current assets</b>	<b>2,136</b>	<b>2,263</b>	<b>3,433</b>	<b>3,896</b>
Tangible assets	2,327	2,303	2,136	2,803
Depreciation	212	258	268	320
Long term incomplete assets	178	52	179	287
Long term investment	0	0	0	0
Other non-current assets	89	104	126	259
<b>Total non-current assets</b>	<b>2,594</b>	<b>2,459</b>	<b>2,441</b>	<b>3,021</b>
<b>Total Assets</b>	<b>4,730</b>	<b>4,722</b>	<b>5,874</b>	<b>6,917</b>
Short-term debt	1,133	735	1,149	1,535
Other short-term debt	78	94	243	323
<b>Current liabilities</b>	<b>1,564</b>	<b>1,270</b>	<b>1,806</b>	<b>2,370</b>
Long-term debt	0	0	0	0
Other long-term debt	0	0	0	0
<b>Non-current liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Liabilities</b>	<b>1,565</b>	<b>1,270</b>	<b>1,806</b>	<b>2,370</b>
Paid-in capital	1,078	1,293	1,488	1,488
Capital surplus	1,787	1,787	1,787	1,787
Retained earnings	914	836	1,126	1,561
Other equity	-1,114	-1,114	-1,114	-1,114
Minority interest	123	128	170	200
<b>Shareholder's equity</b>	<b>3,165</b>	<b>3,452</b>	<b>4,067</b>	<b>4,547</b>
<b>Total Resources</b>	<b>4,730</b>	<b>4,722</b>	<b>5,874</b>	<b>6,917</b>
Number of shares outstanding (million)	107	129	148	148

CF (VND billion)	2018	2019	2020	2021F
Profit after tax	907	599	1,001	1,198
Depreciation	212	258	268	388
Change in NWC	-564	-21	-93	898
CF from operating activities	564	847	1,127	1,230
Fixed assets investment	-403	-111	-299	-668
Other investment	-245	-367	-856	-950
CF from investing activities	-636	-478	-1,155	-1,340
Dividend paid	0	-162	-193	-193
Cash from net borrowing	265	-408	377	300
Other revenue	0	0	0	0
CF from financing activities	264	-515	183	107
Beginning cash balance	83	274	128	282
Cash in year	192	-147	155	-3
CF from operating activities	275	127	283	279

Ratios (%)	2018	2019	2020	2021F
<b>Liquidity ratios</b>				
Current ratio	1.4	1.8	2.1	1.6
Quick ratio	0.8	1.1	1.5	1.3
<b>Solvency ratios</b>				
Debt/ Total assets	33%	27%	31%	25%
Debt/ Equity	49%	37%	44%	34%
<b>Efficiency ratios</b>				
Days of inventories	32	72	58	53
Days of receivables	26	46	43	40
Days of payables	11	15	8	7
CCC	47	102	93	86
<b>Profitability ratios</b>				
Gross profit margin	23%	20%	24%	27%
PBT margin	15%	11%	15%	18%
ROE	46%	17%	25%	34%
ROA	31%	12%	18%	26%
<b>Valuation</b>				
PE	3.2	5.5	8.9	10.9
PB	1.4	0.9	1.9	2.1
<b>Growth</b>				
Net revenue growth	869%	-16%	22%	32%
EBIT growth	573%	-34%	70%	57%
PBT growth	553%	-35%	67%	57%
EPS growth	587%	-35%	66%	56%

Source: BSC Research.

## Disclosure

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