

14 January 2019

买入  
维持

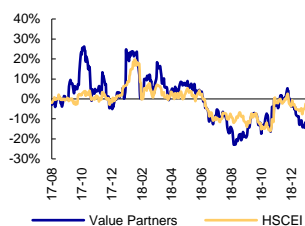
## 盈利预警

惠理集团 (806 HK)

### Market Data: January 11

Closing Price (HK\$)	5.31
Price Target (HK\$)	7.00
HSCEI	10,455
HSCCI	4,275
52-week High/Low (HK\$)	10.28/5.07
Market Cap (USD Mn)	1,256
Market Cap (HK\$ Mn)	9,850
Shares Outstanding (Mn)	1,860
Exchange Rate (RMB-HK\$)	1.14

### Price Performance Chart:



Source: Bloomberg

### Analyst

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The clients shall have a comprehensive understanding of the disclosure and disclaimer upon the last page.

### Financial summary and valuation

	2016	2017	2018E	2019E	2020E
Revenue (HK\$m)	1,399	4,106	1,514	1,789	2,075
YoY (%)		(20.90)	193.57	(63.14)	18.22
Net income (HK\$m)	138	2,048	229	326	422
YoY (%)		(49.72)	1389.01	(88.82)	42.56
EPS (HK\$)	0.07	1.11	0.12	0.18	0.23
Diluted EPS (HK\$)	0.07	1.11	0.12	0.18	0.23
ROE (%)	3.53	36.31	3.88	5.46	7.12
Dividend Yield (%)	2.26	19.63	19.63	0.93	1.33
P/E (x)	93.06	0.88	42.93	30.12	23.32
P/B (x)	2.56	1.72	1.96	1.66	1.64
P/AUM (x)	0.07	0.07	0.07	0.08	0.08

Note: Diluted EPS is calculated as if all outstanding convertible securities, such as convertible preferred shares, convertible debentures, stock options and warrants, were exercised.

惠理集团公布盈利警告，预测 2018 年归母净利润约为 2.2 亿港元，较 2017 年 20.48 亿港元同比减少约 89%。盈利预期减少的主要原因是来自于表现费收入因公司旗下所管理的大部分相关基金于 2018 年底的回报并未超越以往的新高价而减少，预计 2018 年约为 5600 万港元，对比 2017 年 25.71 亿港元。与此同时，公司的初投资本投资及旗下基金投资录得亏损净额约 1.7 亿港元，对比 2017 年收益为 1.99 亿港元。我们的盈利预测符合此次公布的业绩前瞻，因此维持 18E / 19E / 20E 每股盈利预测为 0.12 港元 / 0.18 港元 / 0.23 港元。

**净资金流入。**尽管市场气氛疲弱，公司于 2018 年管理资产的净流入令管理费录得增长，部分抵消表现费的冲击。截至 2018 年 11 月底，惠理集团的资产管理规模达到 151 亿美元（环比增长 2.7%，同比减少 10.1%）。截至 2018 年 3 季度末，惠理录得净资金流入 13 亿美元，我们认为净资金流入主要来自于固定收益基金持续强劲需求和分销网络全球扩张的支撑。但由于市场投资环境的波动，我们预计 2018 年全年资产管理规模将录得同比减少。净管理费率得益于管理费较高的旗舰固定收益产品的强劲流入，扩大至 60 个基点。

**分销网络扩张。**通过加入中港两地基金互认计划向中国内地散户投资者销售其传统基金产品，预计可能将其价值基金管理规模（2018 年 10 月规模为 12 亿美元）扩张两倍，后续高息股票基金（2018 年 10 月规模为 24 亿美元）也有望被纳入两地基金互认计划。截至 2018 年 6 月底，来自中国内地的资管规模超过 10 亿美元，自 2017 年底增长约 30%，这得益于新的专户委托产品，现有账户的强劲资金流入以及 6 月份首次发行的私募基金管理产品（6 月底募集规模为 1.5 亿人民币）。除了在大中华区的业务拓展之外，惠理在全球计划开设多个办事处，在未来重点关注另类资产管理产品，包括私人债务基金、固定收益对冲基金和房地产私募股权基金等。

**维持买入评级。**鉴于其主要自有品牌基金在 2017 年底创下历史最高水位，并且目前全球金融市场环境低迷。我们认为公司的业绩费收入将在 2018 年底承压。但是，由于固定收益基金的持续强劲需求和全球扩张，我们仍然预计公司净资金流入将受到支撑。我们根据新的资产管理规模和产品净值表现预测更新盈利预测，新的 18E / 19E / 20E 每股盈利预测为 0.12 港元 / 0.18 港元 / 0.23 港元，同比变化为 -89% / +43% / +29%。我们调整目标价至 2019 年预测，从 9.4 港元下调至 7.0 港元，对应 10% 19E P/AUM。目标价距离现价还有 31.8% 的上涨空间，我们维持买入评级。

Value Partners issued a profit warning, guiding net profit of c.HK\$220m for 2018 (vs HK\$2.0bn in 2017; -89% YoY), mainly due to a reduction in performance fee income (c.HK\$56m, vs HK\$2.6bn in 2017) as returns for most of the funds under management did not exceed their previous high watermark. The company's own investments, including seed capital investments, booked a net loss of c.HK\$170m in 2018 (vs net gains of HK\$199m in 2017). The preliminary results are largely in line with our recent forecasts (net profit of HK\$229m for 18E). We thus maintain our EPS forecasts of HK\$0.12 in 18E (-89% YoY), HK\$0.18 in 19E (+50% YoY), and HK\$0.23 in 20E (+28% YoY). Our target price is unchanged at HK\$7.00 (10% 19E P/AUM). With 31.8% upside, we maintain our BUY rating.

**Net fund inflow.** Despite the weakened market sentiment, the company managed to maintain a net inflow of assets under management (AUM) in 2018, thus lifting management fees and helping partially offset the drag from performance fees. The company's AUM reached US\$15.1bn in end-November (+2.7% MoM; -10.1% YoY). In 3Q18, the firm recorded net fund inflow of US\$1.3bn. We anticipate continued net fund inflow, underpinned by the strong demand for fixed income funds and the firm's global expansion. However, given the mixed market environment, we expect its AUM to decline on a YoY basis by yearend 2018. We note net management fee margin widened to 60bps, thanks to strong inflows into its flagship fixed income fund, which exhibits higher management fees.

**Footprint expansion.** Thanks to the "Mainland-Hong Kong Mutual Recognition of Funds" (MRF) scheme, we believe the AUM of the Classic Fund (US\$1.2bn in October) are likely to double through distribution to mainland retail investors, while the firm is applying for its US\$2.4bn High Dividend Stocks Fund. AUM from mainland China reached over US\$1bn in end-June (+c.30% from end-2017), on the back of new mandates, strong inflows into existing accounts, and the launch of the first private fund management (PFM) fund (AUM of Rmb150m in June). In addition, the firm is on track to open offices globally, with a focus on alternative investments, in particular private debt funds, fixed income hedge funds, and real estate private equity funds.

**Maintain BUY.** As all of the firm's major own-branded funds recorded their highest watermark before end-2017, and given the mixed global market environment, we expect Value Partners to book limited performance fees in yearend 2018. However, we anticipate continued net fund inflow, underpinned by the strong demand for fixed income funds and the firm's global expansion. We maintain our EPS forecasts of HK\$0.12 in 18E (-89% YoY), HK\$0.18 in 19E (+50% YoY), and HK\$0.23 in 20E (+28% YoY). Our target price is unchanged at HK\$7.00 (10% 19E P/AUM). With 31.8% upside, we maintain our BUY recommendation.

# Appendix

**Fig 1: Forecast Income Statement**

HK\$m	2016	2017	2018E	2019E	2020E
<b>Turnover</b>	1398.60	4105.95	1513.64	1789.41	2075.25
<b>Management fees</b>	1049.07	1196.04	1060.20	1166.22	1282.84
<b>Performance fees</b>	10.80	2570.92	63.61	194.37	320.71
<b>Other fees</b>	338.73	338.99	389.83	428.82	471.70
<b>Other income</b>	41.14	39.27	41.23	43.30	45.46
<b>Distribution and advisory fee expenses</b>	770.28	846.09	779.67	943.40	1037.73
<b>Total operating income</b>	669.47	3299.13	775.21	889.31	1082.98
<b>Compensation and benefit expenses</b>	348.37	953.97	341.09	403.28	477.41
<b>Bonus</b>	52.53	682.09	50.00	55.00	60.50
<b>Wages, salaries and allowances</b>	201.83	217.97	261.56	313.87	376.65
<b>Operating lease rentals</b>	27.51	27.80	29.19	30.65	32.18
<b>Other expenses</b>	95.78	110.01	115.51	121.29	127.35
<b>Total operating expenses</b>	471.67	1091.78	485.79	555.21	636.94
<b>EBIT</b>	197.80	2207.35	289.43	334.09	446.04
<b>Other gains/(losses) - net</b>	-20.55	227.71	-20.00	50.00	50.00
<b>Operating profit</b>	177.25	2435.06	269.43	384.09	496.04
<b>Share of profit of an associate</b>	0.00	0.00	0.00	0.00	0.00
<b>Share of profit/(loss) of joint ventures</b>	0.00	0.00	0.00	0.00	0.00
<b>Profit before tax</b>	177.25	2435.06	269.43	384.09	496.04
<b>Tax expense</b>	-31.23	-348.50	-40.41	-57.61	-74.41
<b>Profit for the year</b>	132.59	2048.08	229.01	326.48	421.63
<b>Attributable to:</b>					
<b>Equity holders of the Company</b>	137.55	2048.08	229.01	326.48	421.63
<b>Minority interests</b>	-4.96	0.00	0.00	0.00	0.00

Source : Company data, SWS Research

**Fig 2: Forecast Balance Sheet**

HK\$m	2016	2017	2018E	2019E	2020E
<b>Assets</b>					
PPE	10.60	7.71	27.53	23.88	19.28
Intangible assets	14.05	17.53	41.55	35.08	12.36
Investment properties	0.00	0.00	0.00	0.00	0.00
Investment in an associate	0.00	190.87	200.41	210.43	220.95
Interest in joint ventures	0.00	0.00	0.00	0.00	0.00
Investment securities/available-for-sale financial assets	734.23	1511.11	1692.44	1895.53	2123.00
Deferred tax assets	15.38	0.12	0.15	0.18	0.21
Other assets	8.62	44.47	45.36	46.27	47.19
Loan portfolio, net	67.80	0.00	0.00	0.00	0.00
<b>Total non-current assets</b>	<b>850.67</b>	<b>1771.81</b>	<b>2007.44</b>	<b>2211.37</b>	<b>2422.98</b>
Investments/financial assets at fair value through profit or loss	41.76	127.47	140.22	154.24	169.67
Investments held-for-sale	14.88	0.00	0.00	0.00	0.00
Fees receivable	112.43	2611.08	2689.41	2770.09	2853.19
Loans portfolio, net	55.99	0.00	0.00	0.00	0.00
Amounts receivable on sale of investments	0.00	41.97	42.81	43.67	44.54
Prepayments and other receivables	33.04	84.68	86.37	88.10	89.86
Time deposit	43.78	0.00	0.00	0.00	0.00
Cash and cash equivalents	2629.13	2204.70	2894.36	3618.50	4378.84
<b>Total current assets</b>	<b>3106.31</b>	<b>5106.24</b>	<b>5853.17</b>	<b>6674.60</b>	<b>7536.11</b>
<b>Total assets</b>	<b>3956.98</b>	<b>6878.04</b>	<b>7860.61</b>	<b>8885.96</b>	<b>9959.09</b>
<b>Liabilities</b>					
Accrued bonus	0.32	0	0	0	0
<b>Total non-current liabilities</b>	<b>0.32</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Accrued bonus	53.18	662.93	676.18	689.71	703.50
Distribution fees payable	105.97	154.96	158.05	161.22	164.44
Amounts payable on purchase of investments	0.00	15.44	15.74	16.06	16.38
Other payables and accrued expenses - unsecured	25.02	49.01	49.99	50.98	52.00
Other financial liabilities	4.53	3.99	4.07	4.15	4.24
Current tax liabilities	3.28	320.61	416.80	541.84	704.39
<b>Total current liabilities</b>	<b>404.57</b>	<b>196.09</b>	<b>382.04</b>	<b>391.00</b>	<b>400.53</b>
<b>Total liabilities</b>	<b>196.41</b>	<b>1238.02</b>	<b>1954.62</b>	<b>2906.65</b>	<b>4039.93</b>
<b>Equity</b>					
Share capital, share premium and treasury shares	1391.47	1391.47	1391.47	1391.47	1391.47
Other reserves	148.52	255.18	267.94	281.34	281.34
Retained earnings	2157.73	3993.37	4130.77	4189.26	4246.35
proposed dividends	222.21	1929.94	91.60	130.59	168.65
others	1935.52	2063.43	3714.17	4085.58	4494.14
Non-controlling interests	62.85	0.00	115.80	117.24	0.00
<b>Total equity</b>	<b>3760.57</b>	<b>5640.02</b>	<b>5905.99</b>	<b>5979.31</b>	<b>5919.16</b>

Source : Company data, SWS Research

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