

## 公司动态

**敏华控股 [1999.HK, 3.65港元, 未评级]** - 中美贸易战前线的受害者

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**摘要:** 敏华控股19财年的中期业绩反映了中美贸易战已对公司构成冲击。结果, 公司期内利润率显著下跌超过6个百分点。其美国业务方面, 关税影响了其利润率, 而公司将其生产基地迁移到越南也会在短期内产生较高成本。由于宏观经济存在不确定性和行业竞争加剧, 国内业务也受到冲击。我们预计, 除非中美贸易关系取得十分重大的突破, 否则敏华的盈利和派息将继续受到影响, 我们也不排除市场给予的估值也会被下调。在市场调整盈利预测之前, 公司的预测市盈率为7.4倍, 仍高于5.3倍的历史低点。根据我们的粗略估计, 公司19财年共识预测每股盈利的下调幅度可能超过30%。

**公司背景:** 敏华控股成立于1992年, 主要生产沙发、床垫、板式家具和家具配件。公司在中国境内销售, 亦出口到北美和欧洲等海外市场的客户。公司主席黄敏利持有公司64%股权。

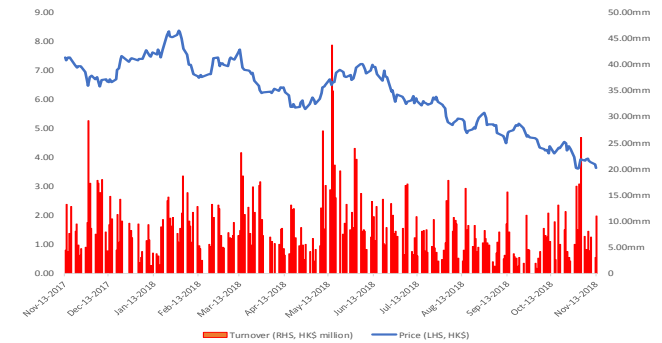
**利润率下降和减派息是主要负面因素。** 截至2018年9月30日止六个月, 敏华收入为54.88亿港元, 同比增长18.6%。但净利润同比下降16.1%至6.65亿港元, 主要由于毛利率下降6.1个百分点至32.2%。管理层解释指, 有几个因素影响了毛利率表现: (1) 原材料成本高企, 尤其是用于美国产品的原材料; (2) 中国的经营模式发生变化, 自营商店转变为批发模式; (3) 关税影响了美国业务的利润率; (4) 中国和美国都面临价格战。虽然自2018年9月以来某些因素有所改善, 但预计上述因素将在短期内持续, 因此料利润率不太可能大幅改善。

敏华建议派发中期股息0.06港元, 将派息比率由18财年上半年度的62.5%下调至19财年上半年的34.6%。除了营商环境恶化之外, 公司还在两个项目上投入巨额资金: 越南生产基地和深圳前海的办公楼。因此, 面对资本支出上升, 公司宁愿保留更多现金作运营需要。

**越南工厂可部分缓解美国的关税问题, 但有其代价。** 2018年6月15日, 敏华完成收购在越南的生产工厂, 以应付中美贸易战带来的关税问题。公司正逐步将中国的产能迁移出去。由于公司预期出口到美国的中国商品被征收的关税会增加至25%, 敏华正在扩大其在越南工厂, 预计将于2019年四季度开始投产。扩建后, 产能应大于现有在中国的产能(该产能的产品主要为出口产品)。即使中美关系改善, 公司仍会推进扩建工作, 因此所涉及的费用将在未来2-3年内上升。

**中国: 尽管有增长潜力, 但经营环境艰巨。** 敏华一直看好国内市场, 但在此期间, 公司面临了各种挑战。期内来自同业的竞争非常激烈, 当中更有竞争对手与敏华展开价格战。虽然对手于2018年9月被击败, 但代价是敏华在中国的毛利率下跌。

敏华控股 [1999.HK, 未评级]



市值: 17.94亿美元; 自由流通量: 35.8%

港元	FY2017	FY2018	FY2019E	FY2020E
收入 (百万元)	7,779	10,027	11,966	13,721
销售成本 (百万元)	(4,521)	(6,284)	(7,429)	(8,513)
毛利润 (百万元)	3,258	3,743	4,537	5,208
毛利率 (%)	41.9	37.3	37.9	38.0
息、税前利润 (百万元)	1,865	1,914	1,959	2,070
净利润 (百万元)	1,752	1,536	1,855	2,221
净利润率 (%)	22.5	15.3	15.5	16.2
每股盈利	0.46	0.40	0.49	0.55
股本回报率	35.94	27.92	28.88	29.06
股息收益率 (%)	7.67	6.85	7.89	8.85
市盈率 (倍)	8.0	9.1	7.4	6.6
市净率 (倍)	2.8	2.3	2.0	1.8

来源: 彭博 \*\*在市场调整盈利预测前

在“双十一·光棍节”, 敏华的芝华仕头等仓品牌在线销售同比增长75%至人民币7.5亿元, 但管理层表示, 这主要是受到价格便宜的产品(平均售价: 人民币1万元)所推动。高端产品(平均售价: 人民币30,000-40,000元)的销售额急剧下降, 这可能会影响利润率。主席黄敏利警告, 现时消费者情绪更为谨慎, 并预计这种消费模式将持续到2019年。因此, 毛利率可能面临下行压力。为了缓解这个问题, 敏华将更聚焦低线城市, 并采用批发模式。

**我们的观点: 最坏的时间还没过去。** 我们认为在当前环境下, 敏华可能会遭市场进一步下调盈利预测。来自外部环境的多重负面影响仍在发酵, 例如原材料成本上升、美国关税增加, 以及中国和美国经济放缓。在内部, 由于公司正发展越南和前海的项目, 运营成本、资本支出和财务成本正在不断增加。因此我们预计, 市场将大幅削减每股盈利和每股派息的预测。

## COMPANY UPDATE

### MAN WAH HOLDINGS [1999.HK, HK\$3.65, NOT RATED] – A VICTIM IN THE TRADE WAR FRONTIER

Analyst: Tony Li, CFA (tonyli@chinastock.com.hk; Tel: (852) 3698 6392 )

**Summary.** The FY19 interim results of Man Wah show that it suffered from the trade war between China and the US. Consequently, its margins significantly deteriorated by >6 ppt. For its US business, the tariff has already hit its margins, and moving its production base to Vietnam will be costly in the near term. The domestic market also took a hit, as competition intensified amid macroeconomic uncertainty. Unless there is a very positive breakthrough in Sino-US trade relations, we expect Man Wah's earnings and dividend payout to continue to suffer, and a de-rating cannot be ruled out. Before the Street's earnings revision, it was trading at 7.4x forward PER, still above the historical low of 5.3x. Based on our rough estimation, we may see a cut of >30% for FY19E consensus EPS.

**The Company.** Established in 1992, Man Wah Holdings is a producer of sofas, mattresses, panel furniture and furniture accessories. It distributes domestically in China and exports to customers in overseas markets, such as North America and Europe. Its Chairman, Dr. Wong Man Li, holds a 64% stake in the Company.

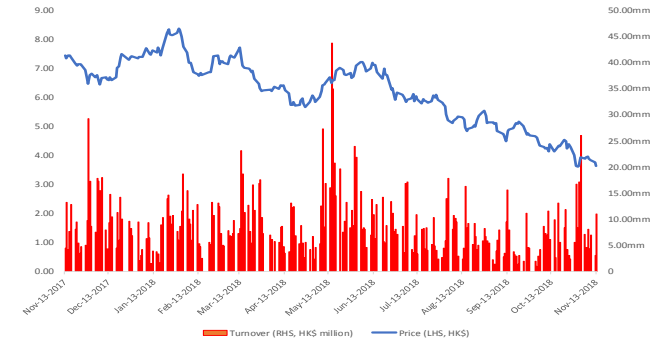
**Lower Margins and Dividend Cut Major Negatives.** For the six months ended 30 Sept 2018, Man Wah reported overall revenue of HK\$5,488m, up 18.6%. But net profit decreased by 16.1% YoY to HK\$665m, caused mainly by a 6.1 ppt decrease in GPM to 32.2%. Management explained that several factors affected GPM: (1) high raw material costs, especially for products in the US; (2) a change of business model in China, where self-operated shops were transformed into the wholesale model; (3) tariffs, which affected the margins of its US business; and (4) price competition in both China and the US. Although certain factors have improved since Sept 2018, the factors above are expected to linger in the near term, so a drastic margin improvement is unlikely.

Man Wah proposed an interim dividend of HK\$0.06, cutting the dividend payout ratio from 62.5% in 1HFY18 to 34.6% in 1HFY19. Apart from the deteriorating business environment, the Company is investing heavily in two projects: the Vietnam production base and an office building in Qianhai, Shenzhen. Therefore, the Company prefers to keep more cash for operational needs in the face of higher capex spending.

**The Vietnam Plant Could Partly Mitigate the US Tariff Problem, but at a Cost.** On 15 June 2018, Man Wah finished acquiring a production plant in Vietnam to tackle the tariff problem arising from the Sino-US trade war. The Company is gradually moving production capacity from China. Anticipating an increase in the tariff levied on Chinese goods exported to the US to 25%, the Company is expanding its facility in Vietnam, and it is expected to start production in Q4 2019. After the expansion, capacity should be larger than the existing capacity in China, which is for export. The move will carry on even if Sino-US relations improve, so the cost involved will go up in the next 2-3 years.

**China: Facing A Challenging Environment despite Growth Potential.** Man Wah has been bullish on the domestic market, but during the period, it faced various challenges. Competition from peers was fierce, as one competitor initiated a price war with Man Wah. The competitor was defeated in Sept 2018, but at the expense of Man Wah's GPM in China.

### MAN WAH HOLDINGS [1999.HK, NOT RATED]



Market Cap: US\$1,794m; Free Float: 35.8%

HKD	FY2017	FY2018	FY2019E	FY2020E
Revenue (m)	7,779	10,027	11,966	13,721
COGS (m)	(4,521)	(6,284)	(7,429)	(8,513)
Gross profit (m)	3,258	3,743	4,537	5,208
Gross margin (%)	41.9	37.3	37.9	38.0
EBIT (m)	1,865	1,914	1,959	2,070
Net profit (m)	1,752	1,536	1,855	2,221
Net margin (%)	22.5	15.3	15.5	16.2
EPS	0.46	0.40	0.49	0.55
ROE (%)	35.94	27.92	28.88	29.06
Dividend yield (%)	7.67	6.85	7.89	8.85
PER (x)	8.0	9.1	7.4	6.6
PBR (x)	2.8	2.3	2.0	1.8

Source: Bloomberg \*\*Before earnings revision by the market

On "Singles' Day", Man Wah's Cheers brand achieved a 75% YoY increase in online sales to RMB750m, but management stated that this was driven mainly by more affordable products (ASP: ~RMB10k). Sales of high-end products (ASP: RMB30-40k) saw a sharp decrease, which could weigh on margins. Chairman Dr. Wong warned that consumers have been more cautious and that he expected this consumption pattern to persist in 2019. Therefore, there may be downward pressure on the GPM. To mitigate the problem, Man Wah will focus more on lower-tier cities using the wholesale model.

**Our Take: The Worst Is Not Yet Over.** We believe Man Wah may experience a further downward earnings revision in the current environment. Multiple negatives from the external environment have been unfolding, such as rising raw material costs, potential US tariff increases, and an economic slowdown in both China and the US. Internally, it is also facing increasing opex, capex and finance costs because of the projects in Vietnam and Qianhai. We therefore expect there to be major cut in EPS and DPS by the Street.

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Before the Street's earnings revision, Man Wah was trading at 7.4x PER 2019E PER. We believe an earnings revision will result in the share trading at a higher multiple. Although the share price of Man Wah has already retreated by 50% YTD, we believe there could still be downward pressure unless there is a very positive breakthrough in the trade war. Referring to the previous down cycles, we note that the Company could be trading at a forward PER as low as 5.3x, suggesting a potential for further de-rating.

**Risks:** (1) Weaker-than expected growth in mainland China; (2) worse-than expected rise in material and transportation cost; (3) worse-than expected appreciation of the RMB; and (4) deterioration in the China-US relationship, leading to further trade disputes.

Figure 1: FY2019 Interim Results Review (Year ended 31 March)

HK\$'000	1H 2018	2H 2018	1H 2019	YoY 1H19 vs 1H18
<b>Revenues</b>	<b>4,626,881</b>	<b>5,399,692</b>	<b>5,487,539</b>	<b>18.6%</b>
COGS	(2,854,174)	(3,429,459)	(3,718,921)	30.3%
<b>Gross Profit</b>	<b>1,772,707</b>	<b>1,970,233</b>	<b>1,768,618</b>	<b>-0.2%</b>
Selling & Distribution Expenses	(740,562)	(952,661)	(841,119)	13.6%
Administrative Expenses	(206,010)	(236,042)	(264,551)	28.4%
Other Income	194,186	170,444	202,883	4.5%
Other Gain/loss	(34,721)	8,553	(19,154)	-44.8%
Share of Profit/loss of a Joint Venture	-	-	(3,244)	N/A
Net Finance Expenses	(9,678)	(13,864)	(22,029)	127.6%
<b>Earnings before Taxes</b>	<b>975,922</b>	<b>946,663</b>	<b>821,404</b>	<b>-15.8%</b>
Income Tax Expenses	(176,029)	(192,610)	(140,170)	-20.4%
<b>Net Profit after Tax</b>	<b>799,893</b>	<b>754,053</b>	<b>681,234</b>	<b>-14.8%</b>
<b>Net Income Attributable to Shareholders</b>	<b>793,046</b>	<b>742,862</b>	<b>665,325</b>	<b>-16.1%</b>
Minority Interest (Profit)	6,847	11,191	15,909	132.3%
EPS - Basic (HK\$)	0.21	0.19	0.17	-16.3%
EPS - Diluted (HK\$)	0.21	0.19	0.17	-16.0%
<i>GPM</i>	38.31%	36.49%	32.23%	-6.1 ppt
<i>OPM</i>	21.30%	17.79%	15.43%	-5.9 ppt
<i>EBT Margin</i>	21.09%	17.53%	14.97%	-6.1 ppt
<i>NPM</i>	17.14%	13.76%	12.12%	-5.0 ppt

Sources: Company, CGIS Research

Figure 2: Segment Breakdown

HK\$'000	1H 2018	1H 2019	YoY
<b>Revenue by Segment</b>			
Sofa and ancillary products	3,815,808	4,144,336	8.6%
Other products	419,934	947,567	125.6%
Home Group business	391,139	395,636	1.1%
<b>Total</b>	<b>4,626,881</b>	<b>5,487,539</b>	<b>18.6%</b>
<b>Segment Profit</b>			
Sofa and ancillary products	951,502	744,286	-21.8%
Other products	109,129	185,476	70.0%
Home Group business	3,212	(2,993)	N/A
<b>Total</b>	<b>1,063,843</b>	<b>926,769</b>	<b>-12.9%</b>

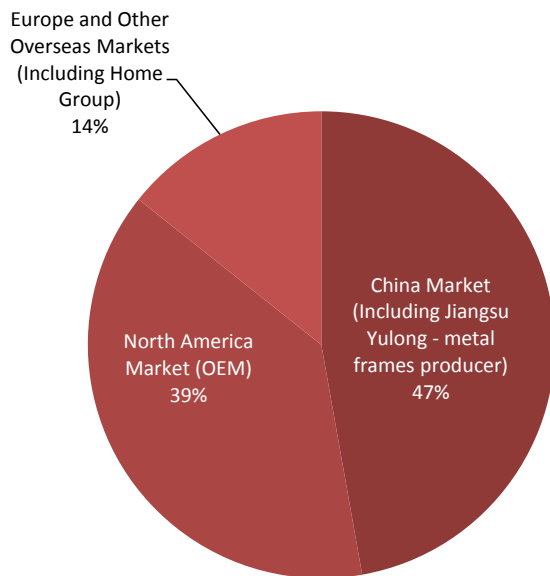
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**Figure 3: Revenue Breakdown—by Geography**



Sources: Company, CGIS Research

**Figure 4: Production Facilities of Man Wah**

Location	Date of Opening	Production Capacity (sets / year)	Target Market
<b>Mainland China</b>			
Huizhou	Nov 2006	766,000	Overseas
Xiangshuihe Huizhou	May 2016	120,000	Retail Sales in South China
Tianjin	Aug 2014	400,000	Retail Sales in North China
Wujiang	Jul 2012	300,000	Retail Sales in Central and East China
Chongqing	Est. 2019	300,000	Retail Sales in Southwest China
Location	Size of Facility (sqm)	Size of Land (sqm)	Target Market
<b>Vietnam</b>			
Ho Chi Minh	130,000 - Existing 243,000 - To start production in Q4 2019	300,000	USA
<b>Eastern Europe - Home Group</b>			
Klaipeda, Ukraine	12,500	39,000	Europe
Kriukai, Lithuania	6,000	26,000	Europe
Tallinn, Estonia	15,900	27,000	Europe
Rivne, Ukraine	190,000	485,000	Europe
Nidzica, Poland	19,000	45,000	Europe

Sources: Company, CGIS Research

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Figure 5: Peer Comparison

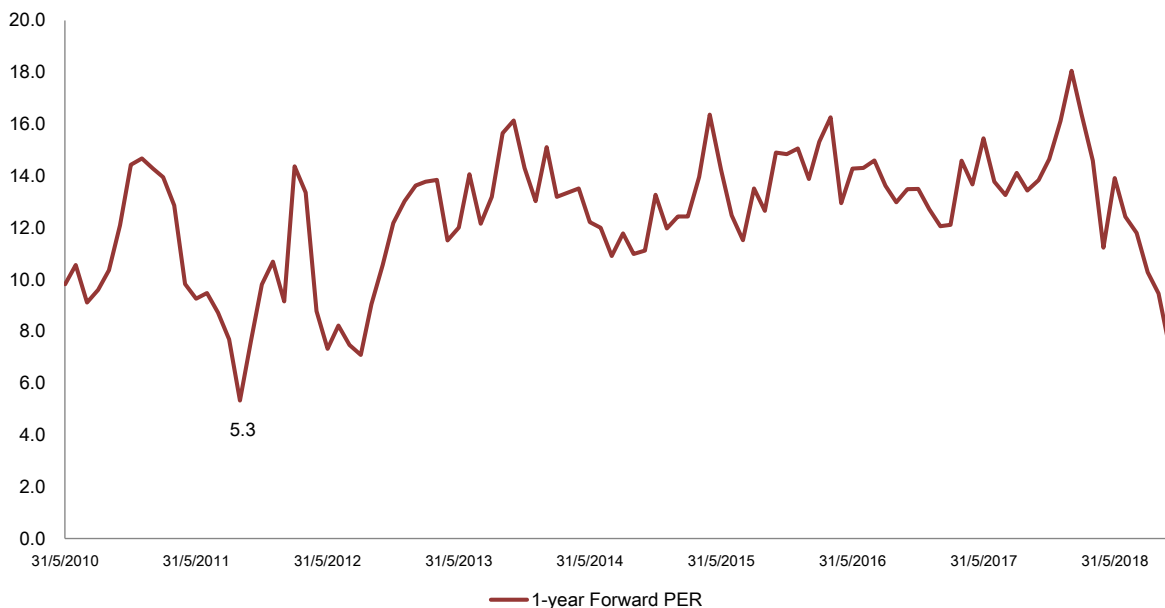
Company	Ticker	Trading Currency	Price	Mkt Cap US\$m	PER(x)			PBR(x)			ROE(%)			Div Yield(%)		
					FY0	FY1	FY2	FY0	FY1	FY2	FY0	FY1	FY2	FY0	FY1	FY2
<b>Menswear Peers</b>																
Man Wah Holdings Ltd	1999 HK	HKD	3.65	1,782	9.91	7.43	6.62	2.34	2.03	1.79	27.92	28.88	29.06	4.93	7.89	8.85
Morris Holdings Ltd	1575 HK	HKD	0.91	116	5.02	4.04	3.11	2.11	1.50	1.06	59.04	46.57	43.31	6.15	6.18	8.66
Samson Holding Ltd	531 HK	HKD	0.59	235	2.75	-	-	0.64	-	-	22.77	-	-	5.93	-	-
<b>Simple Average</b>					<b>5.89</b>	<b>5.74</b>	<b>4.87</b>	<b>1.70</b>	<b>1.76</b>	<b>1.43</b>	<b>36.58</b>	<b>37.72</b>	<b>36.18</b>	<b>5.67</b>	<b>7.04</b>	<b>8.75</b>
<b>Apparel Peers Listed in Hong Kong</b>																
Jason Furniture Hangzhou C-A	603816 CH	RMB	52.92	3,275	26.59	21.43	16.49	5.66	4.55	3.74	22.12	21.52	22.70	1.81	1.63	2.28
Suofeiya Home Collection C-A	002572 CH	RMB	19.12	2,537	17.26	15.88	12.95	3.71	3.34	2.85	23.05	21.46	22.43	2.35	2.75	3.29
Markor Intl Home Furnishin-A	600337 CH	RMB	4.25	1,084	16.71	15.23	11.81	1.56	1.43	1.31	9.19	9.48	11.28	2.59	3.29	3.76
Yotrio Group Co Ltd-A	002489 CH	RMB	3.27	1,022	-	-	-	2.28	-	-	-6.29	-	-	0.31	-	-
Guangzhou Holike Creative -A	603898 CH	RMB	17.65	812	12.97	12.56	9.95	2.47	2.27	1.92	20.48	17.94	18.86	1.85	2.38	2.99
Qumei Home Furnishings Grp-A	603818 CH	RMB	7.16	506	20.72	12.90	8.81	2.10	1.88	1.60	10.51	13.07	17.43	1.42	1.54	2.33
<b>Simple Average</b>					<b>18.85</b>	<b>15.60</b>	<b>12.00</b>	<b>2.96</b>	<b>2.69</b>	<b>2.28</b>	<b>13.18</b>	<b>16.69</b>	<b>18.54</b>	<b>1.72</b>	<b>2.32</b>	<b>2.93</b>

Sources: Bloomberg, CGIS Research

\*Year end for Man Wah is 31 March

\*\*Before earnings revision by the market

Figure 6: Forward PER (before market earnings revision)



Sources: Bloomberg, CGIS Research

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## 评级指标

- 买入 : 股价于12个月内将上升 >20%
- 沽出 : 股价于12个月内将下跌 >20%
- 持有 : 没有催化因素，由“买入” 降级直至出现明确“买入” 讯息或再度降级为立刻卖出

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