Robotics – from factory floor to humanoid frontier

Physical AI momentum: Shipment upgrades, sector re-rating, and leadership consolidation; raising PTs for Leader and Estun

The robotics and factory automation (FA) sectors are entering a multi-layered inflection point, with China's advances in humanoid and industrial robot technology reshaping global competitive dynamics and investor expectations. YTD, shipment growth and commercialization have outpaced consensus, prompting us to raise both shipment forecasts and price targets across our coverage. Estun Automation and Leader Drive have delivered strong share price performance, but our conviction extends to Hengli Hydraulic and Sanhua Intelligent, with UBTech also positioned as a high-potential laggard in the robotics space. In the broader FA sector, we maintain Overweight ratings on Inovance and Yiheda, reflecting our confidence in their ability to capture the upcycle. Structural tailwinds from policy support, supply chain integration, and capital allocation reinforce our bullish stance, while sector leaders continue to widen the gap through operational momentum, margin recovery, and expanding market share. While the "ChatGPT moment" for physical AI intelligence is likely still 2–3 years away, the physical body—mobility, dexterity, and real-world robustness—has made generational progress, with Chinese OEMs setting the pace globally. Despite strong rallies, we see further upside for the best-positioned names, as the market rewards execution, scale, and profitability in an environment of accelerating adoption and capital concentration.

- **Refreshing our shipment forecasts for both humanoid and industrial robots**, reflecting accelerating adoption and robust order flow. Our projections now call for global humanoid robot shipments to reach c.1.75MM units by 2030E, with a c.150% shipment CAGR and China contributing c.50% of global volume—over 80% in 2025 alone, driven by manufacturing readiness and government-led adoption. For industrial robots, we expect China shipments to rise 20% Y/Y in 2026, outpacing industry consensus, with further growth of 15% and 12% Y/Y in 2027/2028. These upgrades are anchored in bottom-up channel checks, new application sectors, and high-frequency data, signaling a sustained upcycle.
- **IPO activity, policy support, and capital flows are resetting sector valuations, with a clear bifurcation emerging between scale-ready platforms and smaller players.** The upcoming Unitree IPO could anchor valuation multiples and may trigger a rotation in capital flows, while China's Rmb2T investment in data centers and real-scene training programs accelerate mass deployment and ecosystem build-out. Investors increasingly favor profitable, scale-ready companies, selectively adding positions in high-quality component suppliers and AI leaders. The next 12–24 months will be critical for platforms to sustain growth trajectories, with policy and capital allocation acting as key catalysts.
- **We raise PTs for Estun Automation and Leader Drive**, both remaining

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See page 19 for analyst certification and important disclosures, including non-US analyst disclosures.

compelling buys in our view, even after their c.60% and c.100% YTD rallies (vs. CSI300 index 7%), on the back of improved profitability and market share gains. Estun lifts net margin to 5% in 2026, reaching high-single digits after capturing China's #1 position, while Leader Drive rapidly scales, selling to multiple OEMs inside and outside China, and earnings upside emerges from 2028 onwards. Operational momentum, capacity expansion, and execution through cycles underpin continued investor confidence, making them sector standouts despite elevated valuations.

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Equity Ratings and Price Targets

Company	Ticker	Mkt Cap ($ mn)	Price CCY	Price	Rating Cur	Rating Prev	Price Target Cur	Price Target End Date	Price Target Prev	Price Target End Date
Leader Harmonious Drive System Co.	688017 CH	9,521	CNY	383.18	OW	n/c	481.00	Jun-27	264.00	Dec-26
Estun Automation - A	002747 CH	5,361	CNY	37.62	OW	n/c	50.00	Jun-27	28.00	n/c

Source: Company data, Bloomberg Finance L.P., J.P. Morgan estimates. n/c = no change. All prices as of 24 Jun 26.

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Updating industry humanoid/industrial robot shipment forecasts

The global humanoid robot market is entering a new phase, with China leading the leap in physical body technology and scaling, while intelligence remains the key bottleneck.

The past year has seen a dramatic acceleration in the commercialization of humanoid robots, with the "physical body" side—mobility, agility, dexterity, and real-world robustness—making a generational leap forward. Chinese OEMs are now setting the pace globally, moving from lab prototypes and small-batch pilots to scaled deployment in logistics, manufacturing, and data collection. The latest generation of robots features high DoF, improved stability, and the ability to perform complex, repetitive tasks in harsh environments. Cost-down and scaling are progressing rapidly, with leading Chinese suppliers doubling shipment volumes and achieving price points that are increasingly competitive even by global standards.

While the hardware and physical body are advancing at breakneck speed, intelligence—AI models, "brains," and embodied learning—remains the main bottleneck for the sector. The lack of high-quality, scenario-specific data and the challenge of sim-to-real transfer are still limiting the generalization and autonomy of humanoid robots. However, the industry is converging on large vision-language-action (VLA) and world foundation models (and world action models as the next step), and the "ChatGPT moment" for physical AI is likely not far away. In the near term, hardware component suppliers and OEMs with strong manufacturing and engineering capabilities are poised to see better price performance, as the market rewards tangible shipment growth and cost leadership. By contrast, US and some Chinese OEMs that focus more on "brains" and forward-looking AI models are trading more on valuation and long-term growth stories, with less near-term earnings visibility.

China's industrial robot and automation market is entering a new phase of steady growth, with AI adoption and new applications driving both volume and value.

MIR's 1Q26 forecast calls for low-teens growth in China's industrial robot market through 2028E, driven by new use-cases such as smart welding, random sorting, and AI-enabled process automation. Electronics, auto/auto parts, and lithium battery sectors are the main near-term growth drivers, with AI server assembly and overseas capacity expansion providing additional momentum. The sector is also benefiting from the broader AI and data center investment cycle, as well as ongoing policy support for smart manufacturing and automation.

The application landscape for industrial robots is broadening, with robots now being deployed in more complex, less structured environments. In electronics, robotics are increasingly used in AI server assembly, optical and thermal systems, and PCB manufacturing. In auto and auto parts, domestic OEMs such as Chery and Geely are maintaining robust capex, and equipment upgrades are being driven by new product iterations such as LiDAR and HUD. In lithium battery, overseas capacity expansion and AIDC energy storage are key growth drivers.

High-frequency data, such as JMBTA Japan machine tool orders from China, continue to accelerate, up 57% Y/Y in April, reflecting strong demand for high-end applications like semiconductors. While Japanese and Taiwanese players have benefited first from the AI-related demand boom, Chinese names like Inovance and Estun are now seeing strong order momentum, especially as the sector moves into a new upcycle.

Refreshing our global humanoid robot shipment forecast and upgrading our China industrial robot shipment outlook, reflecting accelerating adoption and robust order flow.

We are updating our global humanoid robot shipment forecast for 2025–2030E, now projecting a c.150% shipment CAGR as our base-case scenario. By 2030E, we expect global humanoid robot shipments to reach c.1.75MM units, with China contributing c.50%. China is the early mover, accounting for >80% of global shipments in 2025, driven by manufacturing supply chain readiness and a government-led push to make humanoid robots a showcase for next-generation high-tech.

Our near-term forecast (2026–2027E) is based on bottom-up channel checks with OEMs, component suppliers, and distributors, while our long-term view incorporates labor shortage as a demand anchor, adoption curve benchmarks from NEVs and smartphones, and the pace of physical intelligence development. We also track market leader progress, especially Tesla's supply-side expansion, and periodically review risk factors such as geopolitics and business model formation.The rest of the world is poised to catch up from 2027E onward, with a c.210% shipment CAGR during our forecast period, as global supply chains become more established and physical AI technology matures.

In parallel, we are raising our China industrial robot shipment forecast, now expecting 20% Y/Y growth for 2026, well above MIR's industry forecast of 12% Y/Y. We expect industrial robot shipments to rise 15%/12% Y/Y in 2027/2028. This upgrade is supported by the latest data showing 5M26 production has already risen 28% Y/Y, reflecting strong momentum in both traditional and new application sectors. Our near-term forecast (2026–2027E) for both humanoid and industrial robots is based on bottom-up channel checks, while our long-term view incorporates labor shortage, adoption curve benchmarks, and the pace of physical intelligence development.

China's policy support, supply chain integration, and capital allocation are accelerating the mass deployment and ecosystem build-out for humanoid robots.

China's humanoid robotics sector is entering a phase of mass deployment and scale-up, driven by a government-led real-scene training action for 2026. The MIIT and SASAC have launched a program to accelerate adoption in real-world industrial, special, and service scenarios, aiming for routine deployment in over 100 high-value scenarios and enabling 10,000-unit scale deployment by year-end.

Industry feedback from recent fieldwork and the JPM Global China Summit confirms that shipments of humanoid robots are poised to rise from c.20,000 units in 2025 to over 50,000–80,000 units in 2026, with government-backed data collection centers as a key demand driver. State-owned enterprises are playing a central role, coordinating users, manufacturers, algorithm providers, and component suppliers, and providing financial support through equity, debt, and special funds.

China is also preparing to invest Rmb2T over the next five years to build a nationwide network of interconnected data centers, supporting its ambitions in AI and emerging technologies. The plan is to rely heavily on domestic suppliers, including Huawei, for at

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least 80% of technology such as AI chips, and is expected to be positive for domestic data center and automation players.

NVIDIA's global partnerships and Korea's industrial push are expanding the physical AI and robotics ecosystem, with new reference designs and platform strategies.

NVIDIA CEO Jensen Huang's recent visit to South Korea underscored the company's ambition to make robotics the next major sector, with deepening partnerships with Hyundai and LG Group. NVIDIA is providing open humanoid robot reference designs and physical intelligence development tools (Cosmos, Isaac GR00T) to partners like Unitree, whose H2 Plus will be built on NVIDIA's Isaac platform.

NVIDIA's strategy is to be the global platform for robot training and intelligence, expanding its ecosystem and accelerating the development of autonomous, general-purpose robots. These partnerships are poised to drive robot intelligence and TAM expansion as robots become more capable and widely adopted.

Korea's robotics ecosystem is increasingly characterized by partnerships between global technology leaders and local industrial champions, with a strong emphasis on scaling production, expanding enterprise use cases, and maintaining high standards for reliability and safety.

Japan's new AI and robotics investment plan signals a strategic catch-up, but the country's share of global humanoid deployment remains modest

Japan's government has announced a 10.5 trillion yen (c.USD65.1B) physical AI investment plan, targeting 17 strategic sectors including robotics, automation, and advanced manufacturing. The plan is positioned as a structural response to demographic decline, aiming to extend productive capacity through technology. However, Japan's actual humanoid robot shipment volume remains a small fraction of the global total, with the country still lagging China in commercialization speed, supply chain integration, and real-world deployment.

The Nikkei 225 and Topix indices have re-rated sharply on AI optimism, a weak yen, and the government's top-down push, but the key question is whether this investment can translate into sustainable productivity gains and market share in the face of rapid advances by Chinese and US players. For now, Japan's role in the global humanoid race is more about regaining lost ground than setting the pace.

Tesla's Optimus program is gaining momentum, with supply chain checks confirming a near-term ramp and a focus on volume expansion

Tesla (Neutral rated, covered by JPM's Rajat Gupta) is one of the few global OEMs with a concrete plan for humanoid robot volume expansion. Construction of the Optimus factory near Giga Texas is progressing, supporting future production. Supply chain checks in China confirm that Tesla is preparing for mass production, with weekly output poised to ramp from c.100 units/week in May/June to >1,000 units/week in 2H26E.

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Tesla remains cautious in public disclosures to protect IP, but the company's commitment to scaling Optimus is clear, and the program is a key focus for both the supply chain and investors. The company's video demo indicated that Tesla is training their robotics across daily tasks such as table cleaning and simple factory tasks. That said, we believe the consensus remains that Tesla would start the initial volume ramp up with simple factory tasks at its own factories and gradually expand Optimus' skillset, with the expectation that humanoid robots will become a major product line over time.

Table 1: Humanoid robot shipment forecast

	2025E	2026E	2027E	2028E	2029E	2030E
China	15	50	120	280	550	900
ex-China	3	10	100	250	500	850
Global total huamnoid robot shipment unit (in k units)	18	60	220	530	1,050	1,750
Y/Y Chg (RHS)		*233%*	*267%*	*141%*	*98%*	*67%*
Global humanoid robot TAM in Bn units according to Elon Musk estimate	5	5	5	5	5	5
Global humanoid robot penetration rate	0.00%	0.00%	0.00%	0.01%	0.02%	0.04%

Source: J.P. Morgan estimates

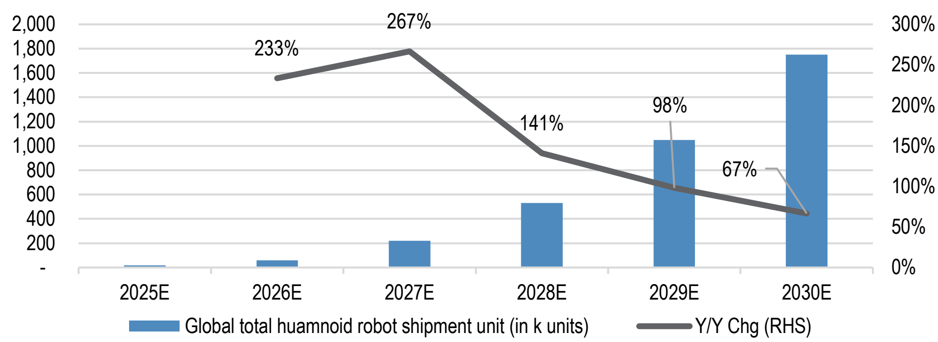
Methodology: Referencing autonomous driving, we attempt to divide the physical AI development into S1-S5 stages (see Table 2 in details). Our base-case assumption is that we are now at S1, with the visibility to achieve S2 in 2027E, followed by S3 in 2029E.

Table 2: Our key forecast assumptions for humanoid robot shipment forecast

		Penetration rate upside for different scenarios			
Physical AI development stage	Our definition	Industrial	Retail and warehouse	Other commerical	Household
S1	Satisfactory accuracy and productivity for single task performance in structured environment	5%	1%	2%	0%
S2	Satisfactory accuracy and productivity for a few tasks' performances (but still short-horizon tasks), more adaptive to changing environment	35%	20%	2%	0%
S3	Realizing single scenarios' 0-shot generation (across tasks)	65%	65%	15%	0%
S4	Realizing cross scenario, cross task 0-shot generation, with minor model fine-tuning needed	85%	90%	50%	2%
S5	Fully 0-shot generation, similar to a human being's capability	95%	98%	80%	15%

Source: J.P. Morgan

Figure 1: Global humanoid robot shipment



Source: J.P. Morgan estimates

Table 3: China industrial robot shipment forecast

	2017A	2018A	2019A	2020A	2021A	2022A	2023A	2024A	2025A	2026E	2027E	2028E
Unit sales	145,850	154,336	149,400	171,490	256,360	282,076	283,154	294,178	334,062	400,874	461,006	516,326
Y/Y Chg		6%	-3%	15%	49%	10%	0%	4%	14%	20%	15%	12%

Source: MIR databank, J.P. Morgan estimates.

Sector valuations are being reset by IPO activity and capital is concentrating on scale-ready platforms, with fundraising dynamics highlighting a widening gap between winners and laggards

The sector's valuation landscape is being reshaped by the upcoming Unitree IPO and a wave of expected listings from China's humanoid robot OEMs in 2H26E. Unitree's consensus post-money valuation of Rmb100B (c.35x FY26E P/S) is at the high end of global comps (which is still conservative based on some investor feedback) and is poised to serve as a new anchor for sector multiples. The market is closely watching whether this will trigger a rotation out of existing names like UBTech and Leader Drive, or attract new capital and support a broader re-rating for the sector. Valuation dispersion remains high, with leading names commanding premium multiples on the back of visible order books, scale, and profitability, while smaller or less proven players are trading at a significant discount.

Fund raising activity remains elevated, but capital is increasingly concentrated in platforms with proven scale, high-quality components, and "brains" (AI/software) exposure. Early 2026 has seen active primary fundraising, with valuation levels being pushed up and a shift towards a more "capitalization" phase. Investors are showing a clear preference for profitable, scale-ready companies, and are selectively adding positions in high-quality component suppliers and AI leaders. Smaller OEMs and new entrants are finding it more difficult to raise capital, given the capex intensity of VLA-scale training, data acquisition, and manufacturing ramp. This environment is fostering more selective funding, partnerships, and even early signs of consolidation and structured financing (e.g., side funds and joint ventures).

The IPO pipeline and capital flows are reinforcing a bifurcated market structure, where a handful of leaders are able to access capital at premium valuations and accelerate R&D and deployment, while the long tail of smaller players faces higher hurdles and potential market share loss. The next 12–24 months will be critical in determining which platforms can sustain their growth trajectories and which may be forced to consolidate or exit.

Unitree's upcoming IPO could be a sector milestone, with implications for capital flows, sector valuation, and competitive dynamics

Unitree has completed its registration on June 2, receiving a green light from SSE after passing the STAR board listing committee. The next step is CSRC approval, typically within 20 working days, with listing expected in mid-July at the earliest. This could open the floor for a wave of China humanoid robot OEM IPOs in 2H26E.

A key question is whether Unitree's IPO will prompt a sell-off in existing names like UBTech and Leader Drive, or attract new funding and provide a valuation anchor. Unitree's 1Q26 sales rose 68.5% Y/Y, with cumulative humanoid robot shipments reaching 11k units as of May 2026. The company is on track to double shipments in 2026E, targeting 10–20k humanoid robots and 40k total units, as per the message from Unitree's CEO during a press interview. Industry consensus values Unitree at c.Rmb100B post-money, or c.35x FY26E P/S, at the high end of global comps.

Leader Drive and Estun Automation are positioned for robust growth, with capacity, customer mix, and product architecture as key differentiators; model update, lifting PT

Leader Drive's management expects industrial demand to remain healthy, with humanoid demand providing significant upside. Top-tier humanoid orders already match or exceed last year's full-year volume, and some customers' intentions exceed 100k units for 2026E, with ambitions for 1MM units by 2028E. Capacity is the main constraint, with output targeted to double this year, benchmarking against Harmonic Drive System in Japan. The bottleneck is now labor availability and process, not equipment. Leader Drive is also expanding overseas via a JV with Minth, with a US factory under construction and initial orders already received. Pricing pressure is intensifying, but management is focused on scale and process discipline to maintain margins. Harmonic reducers are expected to dominate B-end "work" scenarios, while planetary solutions are more suitable for lower-precision or entertainment applications (and Leader Drive has also launched planetary to fully capture the humanoid robot opportunities across different applications).

Estun Automation's 1Q26 earnings showed solid progress, with GPM up 2.1ppts Y/Y to above 30%. Management reaffirmed full-year guidance and expects profitability to be sustained in 2Q26. Orders have picked up >20% Y/Y since April. We raise our FY26-28E profit assumptions by c.25%, with NPM now at 5.0% in 2026E, aligned with company guidance. Our Jun-27 PT is lifted to Rmb50, using a 120x P/E multiple, reflecting confidence in Estun's margin recovery and market share gains, especially in higher-end markets.

Share price review

- The YTD tape shows Japan and Taiwan still ahead of China, given the continued laggards catching-up trend, while China Factory Automation (FA) and Robotics names have re-rated in 2025 with oversized gains realized in light of humanoid robot sector take-off and FA upcycle story (+47% on average), which might have priced in the most of the positiveness seen YTD regarding humanoid robot roll-out and FA order pick-up trend, while margin became a realistic concern due to raw material cost inflation, which also served as a testament for FA players' management and execution capability through the cycle. In addition, AI related demand boom (e.g. semiconductor, AI server, PCB) remains at an earlier stage for general machinery such as FA sector, where Japanese and Taiwanese players would benefit first given the more developed AI supply chain industries, with higher exposure to AIDC related demand on average vs. Chinese players. That said, Chinese players including Inovance and Estun have also started observing strong order momentum from AI-related demand.
- Leader Drive and Estun as outliers: Over the past month, Chinese FA & Robotics players were down 5% on average, vs. Japanese and Taiwanese -4%, while Leader Drive and Estun Automation have rallied 10% and 31%, respectively. Other than their respective fundamental drivers (i.e. humanoid robot sales pick up visibly, with % contribution to potentially reach 40~50% in 2026E vs ~20% in 2025; margin recovery story off a low base, with demand supported by lithium battery & energy storage and AI related demand), retail investor sentiment was also boosted in light of key opinion leader, Serenity's article suggesting Leader Drive's standout component leadership position in the robotics sector.

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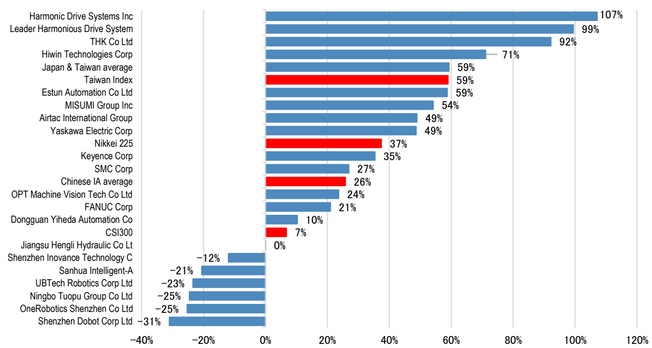
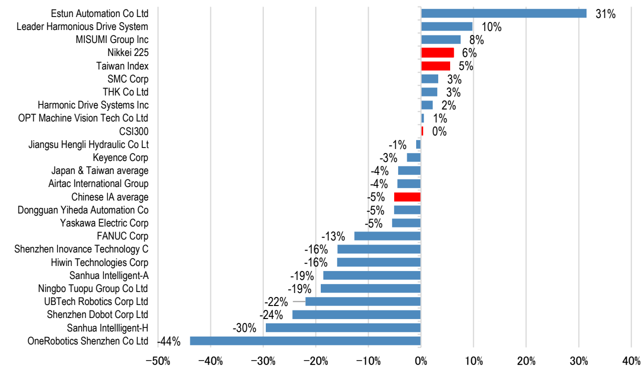
Figure 2: Share price review YTD



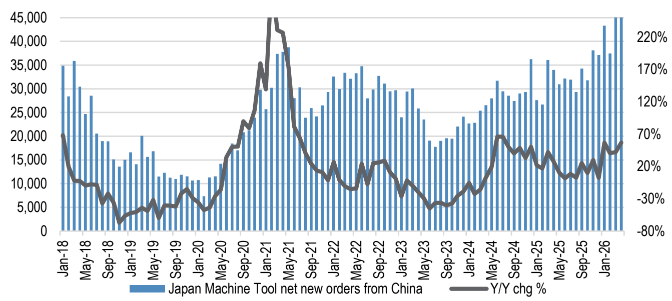
Source: Bloomberg Finance L.P., as of June 24, 2026.

Figure 3: Share price review over the past one month



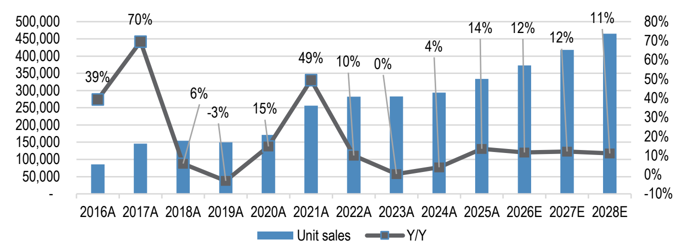
Source: Bloomberg Finance L.P., as of June 24, 2026.

Figure 4: Japan machine tool orders from China (abs value in JPY B)



Source: JMBTA

Figure 5: China industrial robot market sales (MIR forecast)



Source: MIR databank

Table 4: Asian Factory Automation & Robotics comp table

	BBG Ticker	JPM rating	Last Price LC	JPM PT LC	Upside/ Downside	Mkt Cap US$Mn	Daily turnover US$Mn	YTD Stock perf.	P/E (x) FY26E	P/E (x) FY27E	EPS growth Y/Y FY26E	EPS growth Y/Y FY27E	PEG(x) FY26E	ROE (%) FY26E	ROE (%) FY27E
China/HK automation															
Inovance	300124 CH	OW	67	84	26%	26,541	414.9	-12%	30	24	20%	23%	1.5	16.2	17.4
Estun	002747 CH	OW	37	50	34%	4,999	233.2	57%	122	88	507%	39%	0.2	10.9	11.4
OPT	688686 CH	NC	154	NA	NA	2,756	43.8	24%	69	52	45%	33%	1.5	8.3	10.1
Yiheda	301029 CH	OW	29	36	23%	2,725	69.7	10%	27	22	33%	24%	0.8	15.1	17.1
Hongfa	600885 CH	OW	34	45	32%	7,728	101.1	12%	25	20	19%	10%	1.3	15.4	16.6
Leader Drive	688017 CH	OW	383	481	26%	10,317	512.0	99%	339	222	64%	53%	5.3	5.8	8.4
Sanhua-A	002050 CH	OW	44	60	37%	25,609	907.6	-21%	39	33	10%	17%	4.0	14.2	14.8
Sanhua-H	2050 HK	OW	26	42	65%	25,609	63.5	-33%	20	17	10%	17%	2.0	14.2	14.8
Jiangsu Hengli	601100 CH	OW	110	121	10%	21,656	181.3	0%	44	35	23%	24%	1.9	18.3	20.0
HCFA	688320 CH	NC	39	NA	NA	868	25.9	5%	NA	NA	NA	NA	NA	NA	NA
SUPCON	688777 CH	NC	121	NA	NA	14,117	300.0	146%	116	90	87%	29%	1.3	7.7	9.4
Shuanghuan Driveline	002472 CH	NC	40	NA	NA	4,999	170.7	-16%	23	20	15%	17%	1.5	13.6	14.1
Zhongda Leader	002896 CH	NC	77	NA	NA	2,219	146.4	-14%	145	124	66%	17%	2.2	8.1	9.7
UBTech	9880 HK	OW	97	156	61%	6,209	109.2	-23%	NM	221	50%	149%	NA	-5.5	2.7
Zhongda Leader	002896 CH	NC	77	NA	NA	2,219	146.4	-14%	145	124	66%	17%	2.2	8.1	9.7
Guomao Reducer	603915 CH	NC	15	NA	NA	1,491	26.9	-17%	30	26	41%	13%	0.7	8.2	8.9
Average									**84**	**75**	**70%**	**32%**	**1.9**	**10.6**	**12.3**
Asia (ex-China) automation															
Delta	2308 TT	OW	2000	2600	30%	163,542	823.4	108%	45	29	93%	52%	0.5	31.8	36.9
Hiwin	2049 TT	UW	332	160	-52%	3,698	76.4	71%	61	52	27%	18%	2.3	5.2	6.0
Airtac	1590 TT	OW	1385	1350	-3%	8,720	49.3	49%	28	26	17%	10%	1.6	18.1	18.4
Keyence	6861 JP	NC	76750	NA	NA	115,387	358.8	35%	37	33	14%	11%	2.7	13.9	14.2
FANUC	6954 JP	NC	7362	NA	NA	44,702	304.9	21%	35	32	16%	10%	2.2	10.5	11.1
NSK	6471 JP	NC	1182	NA	NA	3,652	18.9	21%	19	15	35%	28%	0.5	4.6	5.7
SMC	6273 JP	NC	69130	NA	NA	27,294	160.1	27%	24	22	9%	9%	2.8	8.5	8.9
Harmonic Drive System	6324 JP	NC	7830	NA	NA	4,662	69.7	107%	139	90	230%	55%	0.6	6.9	9.9
Yaskawa	6506 JP	NC	7071	NA	NA	11,657	185.1	49%	36	31	44%	16%	0.8	10.0	11.0
THK	6481 JP	NC	7702	NA	NA	5,670	43.7	92%	25	23	NA	6%	NA	13.9	15.0
MISUMI	9962 JP	NC	3773	NA	NA	6,653	29.7	54%	25	22	2%	15%	15.7	11.1	12.4
Nabtesco	6268 JP	NC	5296	NA	NA	3,865	39.4	41%	25	23	59%	11%	0.4	8.3	8.6
Sumitomo	8316 JP	OW	6356	7700	21%	150,384	504.5	26%	13	12	23%	8%	0.5	11.9	12.2
Average									**39**	**31**	**47%**	**19%**	**2.6**	**11.9**	**13.1**

Source: Bloomberg Finance. L.P., as of June 24, 2026.

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Overweight

688017.SS, 688017 CH
Price (24 Jun 26):Rmb383.18

▲**Price Target (Jun-27):Rmb481.00**
Prior (Dec-26):Rmb264.00

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Key Changes (FYE Dec)

	Prev	Cur	Δ
Revenue - 26E (Rmb mn)	899	953	6.0%
Revenue - 27E (Rmb mn)	1,281	1,398	9.1%

Style Exposure

Quant Factors	Current %Rank	Hist %Rank (1=Top) 6M	1Y	3Y	5Y
Value	94	91	93	90	86
Growth	10	9	20	23	15
Momentum	8	23	53	35	60
Quality	76	80	85	79	80
Low Vol	95	96	96	94	98

Leader Harmonious Drive System Co.

Raise PT

Following the strong sales momentum sustained in 1Q26 and encouraging messages from our recent conversations with management, we lift our FY26-27E sales assumption by ~8% while introducing our FY28E numbers. On the bottomline, we keep our forecast largely unchanged due to swing factors in terms of GPM delivery, yet we remain 13% higher than Bloomberg consensus. Extending to Jun-27, we lift our price target to Rmb481 from Rmb264. Most significantly, we lift our terminal 'g' assumption from 6% to 6.5%, to reflect our strengthening confidence in the long-term growth potential, in light of the company's solid position in the harmonic reducer market landscape.

More specifically, we expect the company to achieve 50% sales growth CAGR over FY26-28E, in light of 1) steady revenue growth from conventional industrial robot application at ~20% CAGR; 2) strong momentum in humanoid robot to continue, to be driven by key customers including Agibot and UBTech at ~140% volume growth CAGR, and we have modeled in price decline at 8 ppts Y/Y this year due to our expectation for Leader Drive to adopt aggressive pricing strategy for market share gain and to opt out lower margin competitors, to be followed by normalized annual pricing discount at 3ppts p.a. in 2027E and 2028E. On the GPM front, we expect stable GPM as larger size humanoid robot order would be the key growth driver for Leader Drive, and the scale benefit could well absorb the pricing discount.

Share price review: YTD the company has rallied 99% vs CSI 300 at 7%, which has been primarily driven by 1) strong market beta as one of the very few scalable harmonic reducer suppliers globally, a key component down the value chain to capture the highly visible bull-run of humanoid robot shipment growth in 2026E; 2) JV with Minth provides a second opportunity for its regional expansion in the overseas market, leveraging the synergies with Minth on the customer side, as well as the build-out of local capacity.

Sources for: Style Exposure – J.P. Morgan Global Markets Strategy; all other tables are company data and J.P. Morgan estimates.

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Price Performance

	YTD	1m	3m	12m
Abs	99.5%	12.0%	110.6%	204.8%
Rel	95.9%	12.1%	104.6%	184.7%

Company Data

Shares O/S (mn)	169
52-week range (Rmb)	450.20-114.23
Market cap ($ mn)	9,521
Exchange rate	6.79
Free float (%)	60.5%
3M ADV (mn)	11.05
3M ADV ($ mn)	504.0
Volatility (90 Day)	76
Index	SSE
BBG ANR (Buy | Hold | Sell)	17|3|2

Key Metrics (FYE Dec)

Rmb in millions	FY25A	FY26E	FY27E	FY28E
Financial Estimates				
Revenue	571	953	1,398	1,951
Adj. EBITDA	206	323	554	791
Adj. EBIT	146	262	409	590
Adj. net income	124	208	317	460
Adj. EPS	0.69	1.13	1.73	2.51
BBG EPS	0.67	1.02	1.45	2.16
Cashflow from operations	152	121	395	673
FCFF	52	(892)	(259)	218
Margins and Growth				
Revenue Growth Y/Y (%)	47.3%	67.0%	46.7%	39.5%
EBITDA margin	36.0%	33.9%	39.6%	40.5%
EBITDA Growth Y/Y (%)	76.8%	57.0%	71.4%	42.8%
EBIT margin	25.6%	27.5%	29.2%	30.2%
Net margin	21.8%	21.8%	22.7%	23.6%
Adj. EPS growth	108.0%	63.8%	52.7%	44.7%
Ratios				
Adj. tax rate	12.8%	12.8%	12.8%	12.8%
Interest cover	119.1	13.8	12.4	12.5
Net debt/Equity	NM	0.1	0.1	0.1
Net debt/EBITDA	NM	0.6	1.0	0.6
ROCE	3.6%	6.0%	8.0%	10.1%
ROE	3.6%	5.8%	8.4%	11.3%
Valuation				
FCFF yield	0.1%	(1.3%)	(0.4%)	0.3%
Dividend yield	0.1%	0.1%	0.1%	0.2%
EV/Revenue	112.0	68.1	46.7	33.4
EV/EBITDA	310.8	200.8	117.8	82.4
Adj. P/E	553.5	337.9	221.3	152.9

Summary Investment Thesis and Valuation

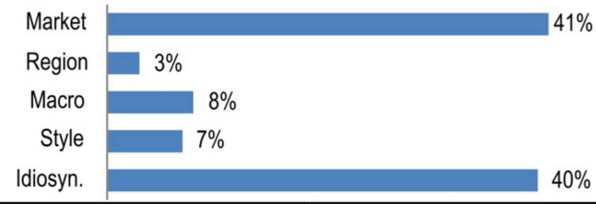
Investment Thesis

We have an OW rating on Leader Drive, the leading harmonic drive supplier, as we believe the company is well positioned to benefit from improving visibility for the humanoid robot industry's take-off along the robotics hardware supply chain.

Valuation

We value Leader Drive using a discounted cash flow (DCF) valuation. Our Jun-27 PT of Rmb481 corresponds to an FY27E P/E multiple of 222x. Our valuation assumes a WACC of 8.7% and a terminal growth rate of 6.5%.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI Asia Pac ex JP	0.63	0.61
Region: China	0.16	0.31
Macro:		
Citi Economic Surprise - EM	-0.15	-0.35
Generic 1st 'CO' Future	-0.31	-0.31
US 10 Year Yield	0.28	0.20
Quant Styles:		
Value	-0.24	-0.38
LowVol	-0.25	-0.35
Growth	0.24	0.30

Source: J.P. Morgan Global Markets Strategy for Performance Drivers; company data, Bloomberg Finance L.P. and J.P. Morgan estimates for all other tables. Note: Price history may not be complete or exact.

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Investment Thesis, Valuation and Risks

Leader Harmonious Drive System Co. *(Overweight; Price Target: Rmb481.00)*

Investment Thesis

We have an OW rating on Leader Drive, the leading harmonic drive supplier, as we believe the company is well positioned to benefit from improving visibility for the humanoid robot industry's take-off along the robotics hardware supply chain.

Valuation

We value Leader Drive using a discounted cash flow (DCF) valuation. Our Jun-27 PT of Rmb481 corresponds to an FY27E P/E multiple of 222x. Our valuation assumes a WACC of 8.7% and a terminal growth rate of 6.5%.

Risks to Rating and Price Target

Downside risks to our rating and price target include: 1) weaker-than-expected quarterly sales growth delivery in the coming 12 months; 2) rising competition and higher-than-expected pricing pressure from downstream robot suppliers; and 3) slower-than-expected humanoid robot commercialization.

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Leader Harmonious Drive System Co.: Summary of Financials

Income Statement	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue	**387**	**571**	**953**	**1,398**	**1,951**
COGS	(242)	(360)	(600)	(879)	(1,225)
Gross profit	**145**	**211**	**353**	**520**	**726**
SG&A	(39)	(43)	(63)	(87)	(113)
Adj. EBITDA	**116**	**206**	**323**	**554**	**791**
D&A	(56)	(60)	(61)	(145)	(201)
Adj. EBIT	**60**	**146**	**262**	**409**	**590**
Net Interest	0	(2)	(23)	(45)	(63)
Adj. PBT	**61**	**144**	**238**	**364**	**527**
Tax	(5)	(18)	(30)	(47)	(67)
Minority Interest	0	(1)	0	0	0
Adj. Net Income	**56**	**124**	**208**	**317**	**460**
Reported EPS	0.33	0.69	1.13	1.73	2.51
Adj. EPS	**0.33**	**0.69**	**1.13**	**1.73**	**2.51**
DPS	**0.11**	**0.21**	**0.35**	**0.54**	**0.78**
Payout ratio	32.6%	30.3%	31.0%	31.0%	31.0%
Shares outstanding	169	180	183	183	183

Balance Sheet	FY24A	FY25A	FY26E	FY27E	FY28E
Cash and cash equivalents	1,525	746	240	288	728
Accounts receivable	200	255	398	514	620
Inventories	246	285	415	520	602
Other current assets	235	1,305	1,305	1,305	1,305
Current assets	**2,205**	**2,592**	**2,358**	**2,627**	**3,255**
PP&E	405	426	1,388	1,929	2,572
LT investments	-	-	-	-	-
Other non current assets	1,146	911	901	868	479
Total assets	**3,755**	**3,929**	**4,647**	**5,424**	**6,306**
Short term borrowings	109	0	450	855	1,220
Payables	67	168	292	446	646
Other short term liabilities	51	102	102	102	102
Current liabilities	**228**	**271**	**845**	**1,403**	**1,968**
Long-term debt	-	-	-	-	-
Other long term liabilities	97	115	115	115	115
Total liabilities	**325**	**386**	**960**	**1,518**	**2,083**
Shareholders' equity	3,425	3,537	3,680	3,900	4,217
Minority interests	5	6	6	6	6
Total liabilities & equity	**3,755**	**3,929**	**4,647**	**5,424**	**6,306**
BVPS	**20.30**	**19.29**	**20.08**	**21.27**	**23.00**
y/y Growth	*70.1%*	*(4.9%)*	*4.1%*	*6.0%*	*8.1%*
Net debt/(cash)	(1,415)	(746)	210	567	491

Cash Flow Statement	FY24A	FY25A	FY26E	FY27E	FY28E
Cash flow from operating activities	**28**	**152**	**121**	**395**	**673**
o/w Depreciation & amortization	56	60	61	145	201
o/w Changes in working capital	(104)	(17)	(148)	(67)	12
Cash flow from investing activities	**(312)**	**(762)**	**(1,012)**	**(654)**	**(455)**
o/w Capital expenditure	(32)	(100)	(1,012)	(654)	(455)
as % of sales	*8.4%*	*17.5%*	*106.2%*	*46.7%*	*23.3%*
Cash flow from financing activities	**840**	**(168)**	**386**	**307**	**222**
o/w Dividends paid	(63)	(22)	(64)	(98)	(142)
o/w Shares issued/(repurchased)	1,417	5	0	0	0
o/w Net debt issued/(repaid)	(505)	(148)	450	405	364
Net change in cash	**556**	**(779)**	**(506)**	**48**	**440**
Adj. Free cash flow to firm	**(4)**	**52**	**(892)**	**(259)**	**218**
y/y Growth	*(106.1%)*	*(1273.0%)*	*(1806.1%)*	*(71.0%)*	*(184.2%)*

Ratio Analysis	FY24A	FY25A	FY26E	FY27E	FY28E
Gross margin	37.5%	36.9%	37.0%	37.2%	37.2%
EBITDA margin	30.0%	36.0%	33.9%	39.6%	40.5%
EBIT margin	15.6%	25.6%	27.5%	29.2%	30.2%
Net profit margin	14.5%	21.8%	21.8%	22.7%	23.6%
ROE	2.1%	3.6%	5.8%	8.4%	11.3%
ROA	1.7%	3.2%	4.8%	6.3%	7.8%
ROCE	1.8%	3.6%	6.0%	8.0%	10.1%
SG&A/Sales	10.0%	7.5%	6.6%	6.2%	5.8%
Net debt/Equity	NM	NM	0.1	0.1	0.1
Net debt/EBITDA	NM	NM	0.6	1.0	0.6
Sales/Assets (x)	0.1	0.1	0.2	0.3	0.3
Assets/Equity (x)	1.2	1.1	1.2	1.3	1.4
Interest cover (x)	NM	119.1	13.8	12.4	12.5
Operating leverage	(132.7%)	298.9%	118.2%	120.4%	112.1%
Tax rate	8.2%	12.8%	12.8%	12.8%	12.8%
Revenue y/y Growth	8.8%	47.3%	67.0%	46.7%	39.5%
EBITDA y/y Growth	0.5%	76.8%	57.0%	71.4%	42.8%
EPS y/y Growth	(33.3%)	108.0%	63.8%	52.7%	44.7%

Valuation	FY24A	FY25A	FY26E	FY27E	FY28E
P/E (x)	1,151.0	553.5	337.9	221.3	152.9
P/BV (x)	18.9	19.9	19.1	18.0	16.7
EV/EBITDA (x)	543.8	310.8	200.8	117.8	82.4
Dividend Yield	0.0%	0.1%	0.1%	0.1%	0.2%

Source: Company reports and J.P. Morgan estimates.
Note: Rmb in millions (except per-share data).Fiscal year ends Dec. o/w - out of which

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Overweight

002747.SZ, 002747 CH
Price (24 Jun 26):Rmb37.62

▲**Price Target (Jun-27):Rmb50.00**
Prior (Jun-27):Rmb28.00

Infrastructure, Industrials & Transport

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Key Changes (FYE Dec)

	Prev	Cur	Δ
Adj. EPS - 26E (Rmb)	0.24	0.30	25.2%
Adj. EPS - 27E (Rmb)	0.37	0.42	14.9%

Style Exposure

Quant Factors	Current %Rank	Hist %Rank (1=Top) 6M	1Y	3Y	5Y
Value	96	99	99	95	96
Growth	59	87	99	24	27
Momentum	62	63	57	20	11
Quality	86	98	88	72	83
Low Vol	66	73	80	75	87

Estun Automation - A

Raise PT

1Q26 earnings represented a solid step for Estun towards its target of achieving its full year target of Rmb6B revenue and 5% NPM, in our view. Notably, GPM recovered by 2.1 ppts Y/Y to above 30%. Our recent meeting with company management during the China Summit reaffirmed this positive trend: 1) Management reiterated the full year guidance, with a preliminary positive near-term view on 2Q26 to stay profitable; 2) Order starts picking up since April to >20% Y/Y which has been well sustained into May. As such, we lift our FY26-28E profit assumption by ~25% on average, while keeping the topline assumption largely unchanged.

Our forecast is now c.30% higher than the Bloomberg consensus. We primarily lift our margin assumption, assuming Estun can meet its GPM target at 31% this year, on the back of its continued efforts pivoting towards the higher end market in terms of both use-cases and larger-sized robotics. Our NPM assumption is now 5% in 2026E, aligned with company guidance.

We lift our Jun-27 price target to Rmb50 from Rmb28, driven by 1) earnings lift by 25% on average for FY26-28E; 2) we use a P/E multiple at 120x vs previously 75x, on the back of our strengthening confidence in Estun's margin recovery story, along with its market share gain story in the industrial robot space, as a tier 1 domestic player to penetrate into higher end markets. In our view, Estun now has a more concrete and actionable profitability enhancement into 2030E, targeting GPM and NPM at 36% and 12% respectively, with 1-1.5 ppts Y/Y per year, on the back of 1) burden unloaded: Estun has conducted lump-sum A/R and inventory impairment in 2024; and 2) stronger market position: Estun is ranked top 1 as of 1Q26 with market share at 10%, especially in the higher end market which is also margin accretive.

Sources for: Style Exposure – J.P. Morgan Global Markets Strategy; all other tables are company data and J.P. Morgan estimates.

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Price Performance

	YTD	1m	3m	12m
Abs	58.7%	29.4%	88.0%	88.2%
Rel	69.3%	30.3%	93.5%	92.9%

Company Data

Shares O/S (mn)	968
52-week range (Rmb)	39.90-19.05
Market cap ($ mn)	5,361
Exchange rate	6.79
Free float (%)	56.5%
3M ADV (mn)	51.05
3M ADV ($ mn)	224.1
Volatility (90 Day)	52
Index	SZBSHR
BBG ANR (Buy | Hold | Sell)	4|7|6

Key Metrics (FYE Dec)

Rmb in millions	FY25A	FY26E	FY27E	FY28E
Financial Estimates				
Revenue	4,888	5,893	6,814	7,692
Adj. EBITDA	430	599	720	866
Adj. EBIT	234	427	553	702
Adj. net income	45	294	409	544
Adj. EPS	0.05	0.30	0.42	0.56
BBG EPS	0.06	0.26	0.33	0.43
Cashflow from operations	507	599	630	797
FCFF	259	498	532	698
Margins and Growth				
Revenue Growth Y/Y (%)	21.9%	20.6%	15.6%	12.9%
EBITDA margin	8.8%	10.2%	10.6%	11.3%
EBITDA Growth Y/Y (%)	(201.9%)	39.3%	20.2%	20.4%
EBIT margin	4.8%	7.2%	8.1%	9.1%
Net margin	0.9%	5.0%	6.0%	7.1%
Adj. EPS growth	(105.4%)	507.3%	39.3%	32.8%
Ratios				
Adj. tax rate	41.5%	8.0%	15.0%	15.0%
Interest cover	3.0	5.9	10.7	15.2
Net debt/Equity	1.3	0.3	0.2	0.1
Net debt/EBITDA	6.3	1.9	1.1	0.3
ROCE	2.4%	7.0%	8.2%	10.0%
ROE	2.4%	10.9%	11.4%	13.7%
Valuation				
FCFF yield	0.8%	1.4%	1.5%	1.9%
Dividend yield	0.0%	0.2%	0.2%	0.3%
EV/Revenue	7.3	6.1	5.3	4.7
EV/EBITDA	83.5	60.0	49.9	41.5
Adj. P/E	752.4	123.9	88.9	67.0

Summary Investment Thesis and Valuation

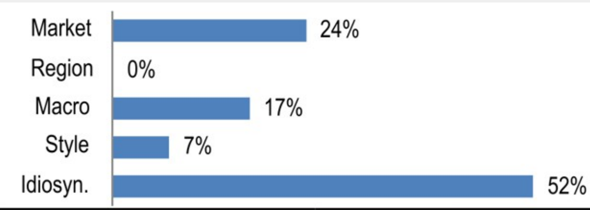
Investment Thesis

Estun, a leading domestic provider of servo systems and industrial robots in China, sets itself apart from its domestic robot-making peers through a highly integrated business model. This model enables Estun to produce in-house most of the key components required for industrial robots, including CNC systems, motion controllers, servos, robot visions, and smaller-sized reducers. Additionally, Estun is expanding into the humanoid robot sector through its sister company, Estun Codroid, further enhancing its product portfolio and growth prospects. With improved policy support for the factory automation (FA) sector and the company's strategic focus on innovation and market expansion, we maintain our Overweight rating.

Valuation

Our Jun-27 PT of Rmb50 is based on an FY27E P/E multiple of 120x, which is roughly aligned with the average through the past cycle of 125x.

Performance Drivers



Factors	6M Corr	1Y Corr
Market: MSCI Asia Pac ex JP	0.50	0.56
Region: China	-0.01	0.15
Macro:		
Citi Economic Surprise - EM	-0.53	-0.33
JP Morgan EMBI Global Spread	-0.06	-0.19
US 10 Year Yield	0.18	0.19
Quant Styles:		
DivYld	-0.18	-0.30
Value	-0.21	-0.30
Growth	0.19	0.29

Source: J.P. Morgan Global Markets Strategy for Performance Drivers; company data, Bloomberg Finance L.P. and J.P. Morgan estimates for all other tables. Note: Price history may not be complete or exact.

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Investment Thesis, Valuation and Risks

Estun Automation - A *(Overweight; Price Target: Rmb50.00)*

Investment Thesis

Estun, a leading domestic provider of servo systems and industrial robots in China, sets itself apart from its domestic robot-making peers through a highly integrated business model. This model enables Estun to produce in-house most of the key components required for industrial robots, including CNC systems, motion controllers, servos, robot visions, and smaller-sized reducers. Additionally, Estun is expanding into the humanoid robot sector through its sister company, Estun Codroid, further enhancing its product portfolio and growth prospects. With improved policy support for the factory automation (FA) sector and the company's strategic focus on innovation and market expansion, we maintain our Overweight rating.

Valuation

Our Jun-27 PT of Rmb50 is based on an FY27E P/E multiple of 120x, which is roughly aligned with the average through the past cycle of 125x.

Risks to Rating and Price Target

Downside risks to our rating and price target include: 1) worse-than-expected supply chain management and margin performance; 2) worse-than-expected sales growth; and 3) shorter-than-expected industrial robot upcycle.

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Estun Automation - A: Summary of Financials

Income Statement	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue	**4,009**	**4,888**	**5,893**	**6,814**	**7,692**
COGS	(2,823)	(3,448)	(4,070)	(4,673)	(5,238)
Gross profit	**1,185**	**1,440**	**1,823**	**2,141**	**2,454**
SG&A	(1,416)	(1,278)	(1,447)	(1,632)	(1,804)
Adj. EBITDA	**(422)**	**430**	**599**	**720**	**866**
D&A	(199)	(196)	(172)	(166)	(164)
Adj. EBIT	**(621)**	**234**	**427**	**553**	**702**
Net Interest	(112)	(143)	(101)	(68)	(57)
Adj. PBT	**(775)**	**77**	**322**	**486**	**645**
Tax	(42)	(32)	(26)	(73)	(97)
Minority Interest	7	(0)	(3)	(3)	(5)
Adj. Net Income	**(810)**	**45**	**294**	**409**	**544**
Reported EPS	(0.93)	0.05	0.30	0.42	0.56
Adj. EPS	**(0.93)**	**0.05**	**0.30**	**0.42**	**0.56**
DPS	**0.00**	**0.00**	**0.06**	**0.08**	**0.11**
Payout ratio	0.0%	0.0%	20.0%	20.0%	20.0%
Shares outstanding	871	899	968	968	968

Balance Sheet	FY24A	FY25A	FY26E	FY27E	FY28E
Cash and cash equivalents	1,197	896	1,057	1,227	1,748
Accounts receivable	1,956	2,039	2,297	2,563	2,788
Inventories	1,721	1,478	1,633	1,810	1,957
Other current assets	1,189	913	922	931	939
Current assets	**6,064**	**5,326**	**5,910**	**6,531**	**7,432**
PP&E	1,435	1,471	1,563	1,653	1,740
LT investments	0	0	0	0	0
Other non current assets	2,642	2,618	2,462	2,316	2,175
Total assets	**10,141**	**9,415**	**9,934**	**10,500**	**11,347**
Short term borrowings	2,949	2,393	1,459	1,326	1,326
Payables	2,208	1,900	2,243	2,575	2,886
Other short term liabilities	855	914	1,020	1,122	1,218
Current liabilities	**6,012**	**5,207**	**4,721**	**5,023**	**5,430**
Long-term debt	1,353	1,216	741	674	674
Other long term liabilities	882	973	973	973	973
Total liabilities	**8,248**	**7,396**	**6,436**	**6,670**	**7,077**
Shareholders' equity	1,789	1,961	3,439	3,766	4,201
Minority interests	104	58	60	64	68
Total liabilities & equity	**10,141**	**9,415**	**9,934**	**10,500**	**11,347**
BVPS	**2.06**	**2.25**	**3.55**	**3.89**	**4.34**
y/y Growth	*(33.9%)*	*9.5%*	*57.8%*	*9.5%*	*11.6%*
Net debt/(cash)	3,106	2,714	1,143	773	252

Cash Flow Statement	FY24A	FY25A	FY26E	FY27E	FY28E
Cash flow from operating activities	**(74)**	**507**	**599**	**630**	**797**
o/w Depreciation & amortization	199	196	172	166	164
o/w Changes in working capital	(82)	121	26	(17)	27
Cash flow from investing activities	**(192)**	**157**	**(97)**	**(95)**	**(88)**
o/w Capital expenditure	(343)	(312)	(110)	(110)	(110)
as % of sales	*8.5%*	*6.4%*	*1.9%*	*1.6%*	*1.4%*
Cash flow from financing activities	**289**	**(990)**	**(340)**	**(365)**	**(188)**
o/w Dividends paid	(198)	(134)	(59)	(82)	(109)
o/w Shares issued/(repurchased)	41	69	1,242	0	0
o/w Net debt issued/(repaid)	469	(881)	(1,409)	(200)	0
Net change in cash	**(15)**	**(305)**	**161**	**170**	**521**
Adj. Free cash flow to firm	**(423)**	**259**	**498**	**532**	**698**
y/y Growth	*16.5%*	*(161.1%)*	*92.3%*	*6.8%*	*31.3%*

Ratio Analysis	FY24A	FY25A	FY26E	FY27E	FY28E
Gross margin	29.6%	29.5%	30.9%	31.4%	31.9%
EBITDA margin	(10.5%)	8.8%	10.2%	10.6%	11.3%
EBIT margin	(15.5%)	4.8%	7.2%	8.1%	9.1%
Net profit margin	(20.2%)	0.9%	5.0%	6.0%	7.1%
ROE	(36.1%)	2.4%	10.9%	11.4%	13.7%
ROA	(8.0%)	0.5%	3.0%	4.0%	5.0%
ROCE	(10.4%)	2.4%	7.0%	8.2%	10.0%
SG&A/Sales	35.3%	26.1%	24.5%	23.9%	23.4%
Net debt/Equity	1.6	1.3	0.3	0.2	0.1
Net debt/EBITDA	NM	6.3	1.9	1.1	0.3
Sales/Assets (x)	0.4	0.5	0.6	0.7	0.7
Assets/Equity (x)	4.51	5.22	3.58	2.84	2.74
Interest cover (x)	NM	3.0	5.9	10.7	15.2
Operating leverage	2162.7%	(627.9%)	399.9%	189.3%	208.9%
Tax rate	(5.4%)	41.5%	8.0%	15.0%	15.0%
Revenue y/y Growth	(13.8%)	21.9%	20.6%	15.6%	12.9%
EBITDA y/y Growth	(191.1%)	(201.9%)	39.3%	20.2%	20.4%
EPS y/y Growth	(681.3%)	(105.4%)	507.3%	39.3%	32.8%

Valuation	FY24A	FY25A	FY26E	FY27E	FY28E
P/E (x)	NM	752.4	123.9	88.9	67.0
P/BV (x)	18.3	16.7	10.6	9.7	8.7
EV/EBITDA (x)	NM	83.5	60.0	49.9	41.5
Dividend Yield	0.0%	0.0%	0.2%	0.2%	0.3%

Source: Company reports and J.P. Morgan estimates.
Note: Rmb in millions (except per-share data).Fiscal year ends Dec. o/w - out of which