NOMURA

Wuxi Chipown Micro-Electronics 688508.SH 688508 CH

Global Markets Research
23 October 2026

EQUITY: Electronics

Growth potential in AI server power ICs and beyond

Initiate at Buy with a TP of CNY79, implying 32.8% upside

Competitive HV AC-DC portfolio; stable appliance and standard power IC businesses

Chipown has a strong position in high-voltage AC-DC ICs and is a major domestic supplier of power management ICs for home appliances, standard power supplies and mobile devices. In home appliances, greater adoption of smart features drives up power IC content, while tighter energy efficiency standards support demand for low-standby-power AC-DC and BLDC motor driver ICs. We forecast a 15% revenue CAGR for appliance power ICs in 2026-28F. Despite rising 8-inch wafer foundry and packaging/test costs, we expect gradual cost pass-through and mix improvement, supported by established customer relationships, and forecast gross margins of 34%/35.5%/37% in 2026-28F. In standard power ICs, Chipown has achieved meaningful import substitution. Broader fast-charging applications and growing adoption of wide-bandgap semi devices driven by efforts to improve energy efficiency should support a 12% revenue CAGR in 2026-28F, on our estimate. We expect near-term margin pressure from intense competition, followed by a gradual recovery as new products gain traction and product mix improves. We forecast segment gross margins of 20%/21%/22% in 2026-28F.

End-to-end AI server power portfolio; new products enter volume production

According to its 2026 interim report, Chipown completed its product portfolio covering the primary, secondary and tertiary power-conversion stages of compute servers in 2025; and in 2026, 10+ new products for power systems of AI computing have entered volume production. Chipown continues to invest in meeting customers' evolving requirements for power conversion efficiency, reliability and power density. We expect AI-related demand to fuel industrial power IC growth, with revenue CAGR of 39% in 2026-28F. As new products ramp up and product mix improves, we forecast gross margins of 45%/46%/47% in 2026-28F.

Initiate at Buy with a TP of CNY79, implying 32.8% upside

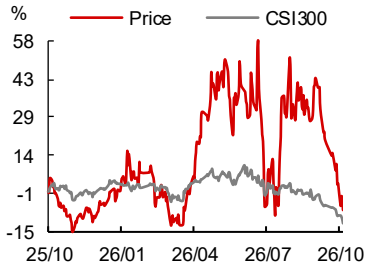
We forecast revenue of CNY1.36bn/CNY1.63bn/CNY1.96bn in 2026-28F, implying a 20% CAGR, driven by steady demand for home appliance ICs, as well as expansion into industrial and compute server power ICs. While rising foundry and packaging/test costs and intense competition may weigh on near-term profitability, we expect margins to recover gradually as pricing adjustments take effect and product mix improves. We forecast net profit of CNY105mn/CNY159mn/CNY290mn, representing a 16% CAGR. Applying a 66x target P/E to our 2027F EPS of CNY1.20, we derive our TP of CNY79, implying 32.8% upside. The multiple is broadly in line with the stock's five-year historical P/E average. We initiate coverage at Buy. The stock is trading at c. 50x 2027F P/E. In the month to 22 October, the stock underperformed the CSI300 by 22.4pp, partly reflecting broader weakness in the technology sector, in our view. **Key catalysts**: Faster adoption and volume ramp-up of compute server power ICs. **Key downside risks:** Weaker end-market demand or slower new product ramp-up, higher foundry and packaging/test costs, and intensifying competition.

Year-end 31 Dec	FY25	FY26F		FY27F		FY28F	
Currency (CNY)	Actual	Old	New	Old	New	Old	New
Revenue (mn)	1,143		1,363		1,625		1,960
Reported net profit (mn)	186		105		159		290
Normalised net profit (mn)	56		30		129		260
FD normalised EPS	0.42		0.23		0.97		1.97
FD norm. EPS growth (%)	-23.6		-45.5		323.6		102.0
FD normalised P/E (x)	140.9		258.8		61.1		30.3
EV/EBITDA (x)	84.5		56.0		40.3		24.0
Price/book (x)	2.9		2.8		2.7		2.6
Dividend yield (%)	0.8		0.5		0.7		1.4
ROE (%)	6.8		3.8		5.5		9.4
Net debt/equity (%)	net cash		0.7		5.5		7.5

Source: Wind, company data, Nomura estimates

Rating Starts at	**Buy**
Target price Starts at	**CNY 79.00**
Closing price 22 Oct 2026	**CNY 59.47**
Implied upside	**+32.8%**
Market Cap (USD mn)	1,172.0
ADT (USD mn)	78.9

Relative performance chart



Source: Gildata

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See Appendix A-1 for analyst certification, important disclosures and the status of non-US analysts.

Key data on Wuxi Chipown Micro-Electronics

Performance

(%)	1M	3M	12M
Absolute (CNY)	-33.6	-14.4	-7.6
Absolute (USD)	-33.4	-13.5	-2.4
Rel to CSI 300	-22.4	0.0	4.5

Source: Gildata

M cap (USDmn)	1,172.0
Free float (%)	75.2
3-mth ADT (USDmn)	78.9

Income statement (CNYmn)

Year-end 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
Revenue	965	1,143	1,363	1,625	1,960
Cost of goods sold	-610	-717	-897	-1,039	-1,216
Gross profit	355	426	467	586	744
SG&A	-283	-334	-400	-469	-526
Employee share expense					
Operating profit	104	188	106	158	288
EBITDA	93	92	141	199	338
Depreciation	-33	-37	-29	-29	-33
Amortisation					
EBIT	60	56	112	171	305
Net interest expense	7	-2	-9	-15	-20
Associates & JCEs	0	0	0	0	0
Other income	23	96	46	54	87
Earnings before tax	102	185	103	155	285
Income tax	7	0	2	3	5
Net profit after tax	109	185	105	159	290
Minority interests	2	1	0	0	0
Other items	0	0	0	0	0
Preferred dividends					
Normalised NPAT	73	56	30	129	260
Extraordinary items	38	130	75	30	30
Reported NPAT	111	186	105	159	290
Dividends	-52	-59	-39	-58	-107
Transfer to reserves	60	127	67	101	184
Valuations and ratios					
Reported P/E (x)	50.7	42.9	74.7	49.6	27.1
Normalised P/E (x)	77.2	143.1	258.8	61.1	30.3
FD normalised P/E (x)	107.7	140.9	258.8	61.1	30.3
Dividend yield (%)	0.7	0.8	0.5	0.7	1.4
Price/cashflow (x)	194.1	4,268.4	831.4	82.6	36.9
Price/book (x)	2.3	2.9	2.8	2.7	2.6
EV/EBITDA (x)	59.0	84.5	56.0	40.3	24.0
EV/EBIT (x)	129.4	137.8	70.3	47.1	26.5
Gross margin (%)	36.8	37.2	34.2	36.1	38.0
EBITDA margin (%)	9.6	8.1	10.3	12.3	17.3
EBIT margin (%)	6.2	4.9	8.2	10.5	15.6
Net margin (%)	11.5	16.3	7.7	9.8	14.8
Effective tax rate (%)	-7.1	-0.2	-2.0	-2.2	-1.8
Dividend payout (%)	46.4	31.6	36.7	36.7	36.7
ROE (%)	4.5	6.8	3.8	5.5	9.4
ROA (pretax %)	2.1	1.8	3.3	4.7	7.8
Growth (%)					
Revenue	23.6	18.5	19.3	19.2	20.6
EBITDA	97.5	-1.0	53.1	41.5	69.5
Normalised EPS	117.7	-23.6	-46.0	323.6	102.0
Normalised FDEPS	117.9	-23.6	-45.5	323.6	102.0

Source: Wind, company data, Nomura estimates

Cashflow statement (CNYmn)

Year-end 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
EBITDA	93	92	141	199	338
Change in working capita	-97	-158	-111	-103	-100
Other operating cashflow	45	68	-20	-1	-25
Cashflow from operations	41	2	9	95	214
Capital expenditure	-34	-76	-30	-29	-30
Free cashflow	6	-74	-21	67	184
Reduction in investments	-582	-84	-170	-150	-150
Net acquisitions	0	0	0	0	0
Dec in other LT assets	0	0	0	0	0
Inc in other LT liabilities	0	0	0	0	0
Adjustments	43	40	4	24	29
CF after investing acts	-533	-117	-186	-59	62
Cash dividends	-52	-59	-39	-58	-107
Equity issue	1	53	0	0	0
Debt issue	106	113	100	100	100
Convertible debt issue					
Others	-59	16	-17	-22	-26
CF from financial acts	-3	123	45	20	-32
Net cashflow	-536	5	-143	-39	30
Beginning cash	1,099	563	568	425	386
Ending cash	563	568	425	386	416
Ending net debt	-329	-223	20	159	230

Balance sheet (CNYmn)

As at 31 Dec	FY24	FY25	FY26F	FY27F	FY28F
Cash & equivalents	563	568	425	386	416
Marketable securities	1,136	1,538	1,708	1,818	1,928
Accounts receivable	242	248	324	386	459
Inventories	309	364	354	412	488
Other current assets	212	52	63	65	69
Total current assets	2,461	2,771	2,873	3,067	3,359
LT investments	155	57	87	97	107
Fixed assets	168	226	218	210	198
Goodwill	17	17	17	17	17
Other intangible assets	19	13	20	25	31
Other LT assets	129	225	288	328	368
Total assets	2,949	3,308	3,503	3,743	4,080
Short-term debt	233	345	445	545	645
Accounts payable	101	104	156	184	221
Other current liabilities	112	111	97	108	125
Total current liabilities	446	560	698	838	991
Long-term debt	0	0	0	0	0
Convertible debt					
Other LT liabilities	17	22	13	13	13
Total liabilities	463	583	711	851	1,004
Minority interest	-6	0	0	0	0
Preferred stock					
Common stock	131	131	132	132	132
Retained earnings	627	798	863	964	1,147
Proposed dividends					
Other equity and reserves	1,734	1,797	1,796	1,796	1,796
Total shareholders' equity	2,487	2,726	2,792	2,892	3,076
Total equity & liabilities	2,949	3,308	3,503	3,743	4,080

Liquidity (x)

Current ratio	5.52	4.94	4.12	3.66	3.39
Interest cover	-	28.4	12.5	11.1	15.0

Leverage

Net debt/EBITDA (x)	net cash	net cash	0.14	0.80	0.68
Net debt/equity (%)	net cash	net cash	0.7	5.5	7.5

Per share

Reported EPS (CNY)	0.87	1.45	0.80	1.20	2.19
Norm EPS (CNY)	0.56	0.43	0.23	0.97	1.97
FD norm EPS (CNY)	0.55	0.42	0.23	0.97	1.97
BVPS (CNY)	18.98	20.76	21.08	21.84	23.23
DPS (CNY)	0.40	0.45	0.29	0.44	0.80

Activity (days)

Days receivable	80.2	77.2	75.5	78.6	77.5
Days inventory	154.2	169.1	144.2	132.7	133.3
Days payable	52.8	51.5	52.2	58.9	60.0
Cash cycle	181.6	194.8	167.5	152.4	150.9

Source: Wind, company data, Nomura estimates

Company profile

Chipown provides comprehensive semiconductor solutions spanning high- and low-voltage power conversion, high- and low-voltage drivers, digital power management, digital drive controllers, power devices and modules. Its six main product categories include AC-DC power ICs, DC-DC power ICs, digital PMICs, driver ICs, power devices and power modules. Its products serve smart appliances, standard power supplies, industrial power and motor systems, power systems for AI computing, and new energy vehicles.

Valuation Methodology

We derive our TP of CNY79 by applying a 66x target P/E to our 2027F EPS of CNY1.20. The target multiple is broadly in line with the stock's five-year historical P/E average. The benchmark index for the stock is the CSI300 Index.

Risks that may impede the achievement of the target price

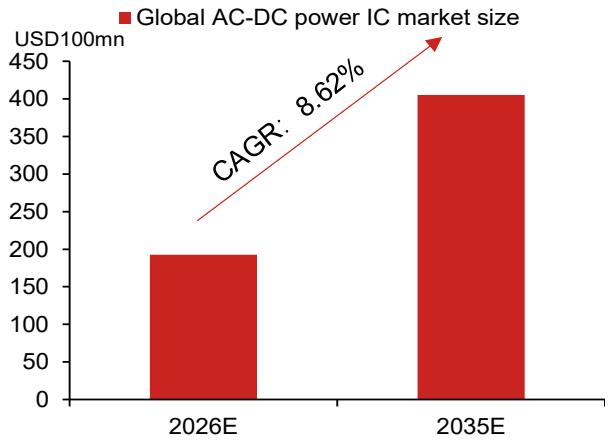
Key downside risks include weaker-than-expected end-market demand, slower-than-expected volume ramp-up of new products, higher foundry and packaging/test costs, and intensifying competition.

ESG

According to the company's 2025 annual report, Chipown has established structured promotion and incentive programs, combining corporate culture and values, the work environment and career development opportunities with competitive compensation and benefits to attract and retain talent, supporting the growth of both the company and its employees.

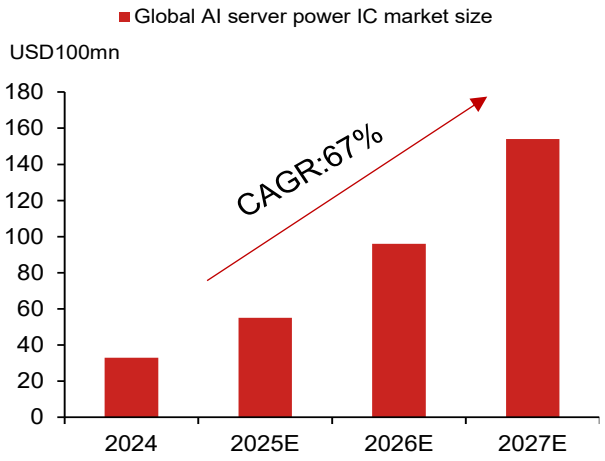
Focus charts

Fig.1: Global AC-DC power IC market size



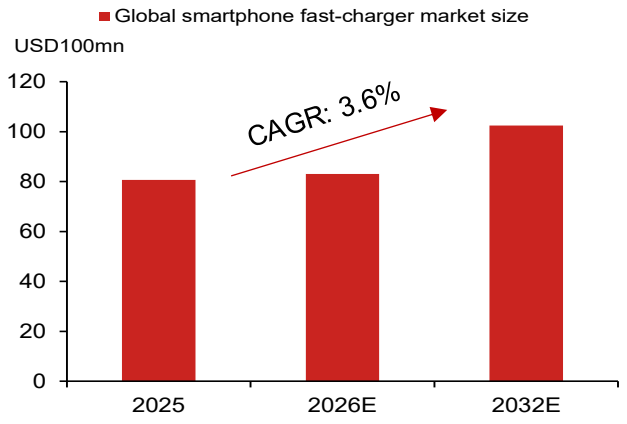
Source: Business Research Insights estimates, Nomura

Fig.2: Global AI server power IC market size



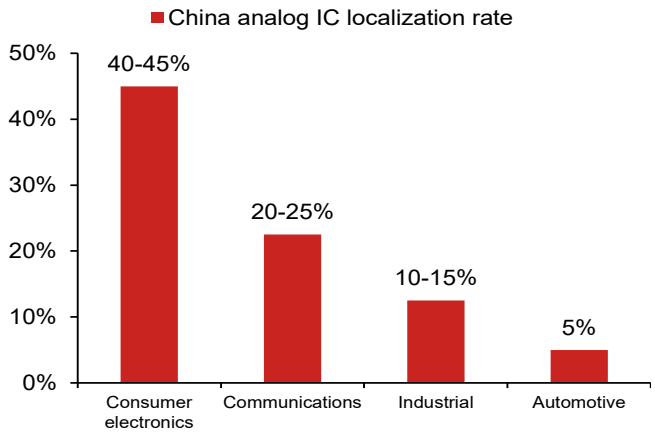
Source: ASKCI Consulting estimates, Nomura

Fig. 3: Global smartphone fast-charger market size



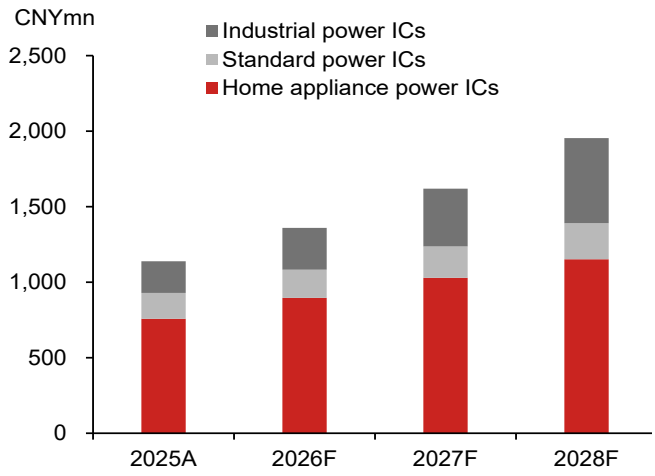
Source: QY Research estimates, Nomura

Fig. 4: China analog IC localization rate by end market, 2024



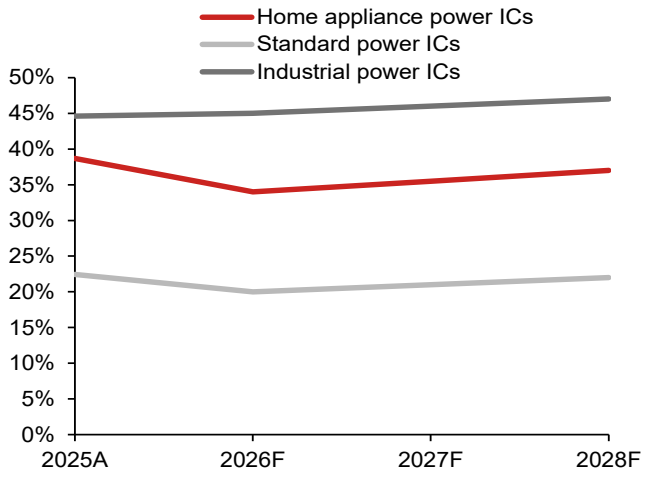
Source: ASKCI Consulting, Nomura

Fig. 5: Chipown - We expect industrial power ICs to account for a growing share of revenue



Source: Wind, Chipown 2025 annual report, Nomura estimates

Fig. 6: Chipown - We expect gross margin to rise steadily after near-term pressure



Source: Wind, Chipown 2025 annual report, Nomura estimates

Results review

Chipown reported 3Q26 results, with revenue of CNY1.01bn in 9M26, up 14.69% y-y, gross margin declined 2.86pp y-y to 34.35%. Net profit fell 51.61% y-y to CNY86mn. While revenue growth remained healthy, we believe earnings were weighed down by two factors: 1) a CNY52.97mn non-cash fair value loss on the company's investment in United Nova Technology (688469 CH, Not rated), following a decline in the stock price; and 2) CNY28.36mn in inventory write-downs, according to the 3Q26 report.

Financial forecasts

We forecast revenue of CNY1.36bn/CNY1.63bn/CNY1.96bn in 2026/27/28F, representing growth of 19.3%/19.2%/20.6% y-y. We expect Chipown's established businesses in home appliances and standard power supplies to maintain steady growth, while broader adoption and new product ramp-ups in servers, telecommunications, industrial motors, solar PV, energy storage & charging, and new energy vehicles (NEVs) should provide additional growth drivers. In 9M26, the company recognized CNY64.53mn in asset impairment losses, primarily related to inventory write-downs. We forecast net profit of CNY105mn/CNY159mn/ CNY290mn in 2026/27/28F, factoring in asset impairment losses, higher operating expenses from headcount expansion, and gross margin pressure from intense competition in certain downstream markets, as well as rising 8-inch wafer foundry and packaging/testing costs. A significant fair value loss on the company's listed equity holdings also weighed on 3Q26 earnings and the full-year profit forecast. We expect consolidated gross margin to improve gradually over 2026-28F, supported by a recovery in profitability in the home appliance and standard power businesses and a higher revenue contribution from the higher-margin industrial power IC business. Our revenue and gross margin assumptions by business are detailed below.

Home appliance power ICs

- Revenue: Growing adoption of smart features in household appliances, including home, kitchen and personal care appliances, is driving higher power IC content per unit. Features such as interactive connectivity and voice control are becoming increasingly common, while tighter energy efficiency standards are supporting demand for low-standby-power AC-DC ICs and brushless DC (BLDC) motor driver ICs. Government subsidies have supported China's home appliance demand in recent years. Although the tapering of subsidies in 1H26 and continued weakness in property-related demand have weighed on domestic sales, exports have maintained positive momentum. According to China's General Administration of Customs, China's home appliance exports totaled USD80.41bn in 9M26, up 9.4% y-y. Home appliance power ICs have long been a core revenue contributor for Chipown. The company has a strong competitive position in high-voltage AC-DC ICs and supplies power management ICs to several leading domestic appliance brands. We expect revenue growth to be supported by appliance upgrades, tighter energy efficiency standards and demand from export markets. We forecast home appliance power IC revenue of CNY897mn/CNY1,028mn/CNY1,152mn in 2026/27/28F, implying a 15% CAGR.
- Gross margin: We expect near-term gross margin pressure from rising wafer foundry and packaging/testing costs, as reflected in the gradual decline in gross margin in the first three quarters. However, we forecast a gradual recovery as the company passes through part of the cost increases to downstream customers and improves its product mix. We forecast gross margins of 34%/35.5%/37% in 2026/27/28F.

Standard power ICs

- Revenue: Fast-charging applications have expanded beyond smartphones to tablets, laptops, monitors, NEVs, power tools and IoT devices, supporting continued demand growth for standard power ICs. We expect the implementation of stricter industry energy-efficiency standards to drive wider adoption of power devices based on wide-bandgap semiconductors such as gallium nitride (GaN), accelerating the uptake of high-efficiency power ICs. Chipown is a major domestic supplier of power management ICs for standard power supplies and mobile digital devices and has achieved import substitution on a meaningful scale. According to



the company's 3Q26 report, new standard power IC products continued to enter the market and ramp up in volume; Chipown also secured major orders from several leading in-box charger manufacturers, supporting further shipment growth. We forecast standard power IC revenue of CNY187mn/CNY208mn/CNY239mn in 2026-28F, representing a 12% CAGR over the period.

- Gross margin: We expect intense competition in the standard power market, together with rising wafer foundry and packaging/testing costs, to weigh on gross margin in 2026. As new products ramp up and the product mix improves, we expect margins to recover gradually in 2027-28F. We forecast gross margins of 20%/21%/22% in 2026/27/28F.

Industrial power ICs

- Revenue: The industrial power IC business serves applications including solar PV, energy storage & charging, servers, smart grids, telecommunications infrastructure and industrial motor equipment. These markets are central to Chipown's strategy of expanding its semiconductor power solutions business, with AI compute servers emerging as an important new growth opportunity. According to the company's 1H26 report, Chipown completed its product portfolio covering primary, secondary and tertiary power-conversion stages for compute servers in 2025. More than ten core products targeting AI computing applications have entered volume production in 2026. According to its 3Q26 report, revenue from emerging fields, including servers, telecommunications, industrial motors, solar PV, energy storage & charging, and NEVs, grew more than 70% y-y in 3Q26, significantly outpacing overall company growth. This was driven by the ramp-up of design-win projects with industrial customers, particularly in solar PV, energy storage & charging, and industrial motors, together with the successful introduction of AI server-related products, according to the 1H26 report. The company also expects its platform-based product portfolio to accelerate new product adoption and strengthen customer stickiness, supporting sustained revenue growth. We forecast industrial power IC revenue of CNY276mn/CNY384mn/CNY564mn in 2026-28F, implying a 39% CAGR.
- Gross margin: Industrial power ICs generally carry higher gross margins than Chipown's other products. We expect further product introductions and an improving sales mix to support margin expansion over the forecast period. We forecast gross margins of 45%/46%/47% in 2026-28F.

Operating expenses: Chipown's operating expense ratio reached 30.57% in 9M26, up 2.17pp y-y. Selling and general and administrative (G&A) expenses increased 61.84% and 72.38% y-y, respectively, with their respective expense ratios rising 0.60pp and 1.95pp. According to the company's 1H26 report, the increases mainly reflected continued expansion of sales and administrative headcount, higher marketing expenses and increased share-based compensation costs. R&D expenses rose 12.38% y-y in 9M26, although R&D expenses as a percentage of total revenue declined 0.46pp. Taxes and surcharges as a percentage of total revenue also increased slightly, by 0.09pp y-y. Factoring in continued expansion in headcount and employee incentive expenses, we forecast operating expense ratios of 29.4%/28.8%/26.9% in 2026/27/28F.

Fig. 7: Chipown – Key financial forecasts

CNYmn	2025A	2026F	2027F	2028F	2026-28F CAGR
Home appliance power ICs					
Revenue	758	897	1,028	1,152	**15%**
Gross margin	*38.7%*	*34.0%*	*35.5%*	*37.0%*	
Standard power ICs					
Revenue	171	187	208	239	**12%**
Gross margin	*22.4%*	*20.0%*	*21.0%*	*22.0%*	
Industrial power ICs					
Revenue	210	276	384	564	**39%**
Gross margin	*44.6%*	*45.0%*	*46.0%*	*47.0%*	
Others					
Revenue	4	4	4	5	**8%**
Gross margin	*6.5%*	*10.0%*	*10.0%*	*10.0%*	
Total revenue	**1,143**	**1,363**	**1,625**	**1,960**	**20%**
y-y growth	*18%*	*19%*	*19%*	*21%*	
Gross profit	**426**	**467**	**586**	**744**	**20%**
Gross margin	*37.2%*	*34.2%*	*36.1%*	*38.0%*	
Operating expenses	**(334)**	**(400)**	**(469)**	**(526)**	**16%**
As % of total revenue	*29.2%*	*29.4%*	*28.8%*	*26.9%*	
Selling expenses	18	25	28	31	
As % of total revenue	*1.6%*	*1.9%*	*1.8%*	*1.6%*	
Administrative expenses	55	72	79	88	
As % of total revenue	*4.9%*	*5.3%*	*4.8%*	*4.5%*	
R&D expenses	258	300	357	402	
As % of total revenue	*22.6%*	*22.0%*	*22.0%*	*20.5%*	
Finance expenses	2.0	9.0	15.4	20.3	
As % of total revenue	*0.2%*	*0.7%*	*0.9%*	*1.0%*	
Operating profit	**188**	**106**	**158**	**288**	**15%**
y-y growth	*81%*	*-44%*	*49%*	*82%*	
Net profit	**186**	**105**	**159**	**290**	**16%**
y-y growth	*67%*	*-43%*	*51%*	*83%*	

Source: Chipown 2025 annual report, Nomura estimates

Our net profit forecasts for 2026-28F are below Wind consensus, reflecting our more cautious view on the pace of earnings recovery through pricing adjustments and product-mix improvements amid ongoing cost pressures.

Fig.8: Chipown – Nomura estimates vs. Wind consensus

	Nomura estimates			Wind consensus			Diff. (%)		
CNYmn	2026F	2027F	2028F	2026E	2027E	2028E	2026F	2027F	2028F
Revenue	1,363	1,625	1,960	1,393	1,683	2,001	-2.2	-3.5	-2.1
Net profit	105	159	290	203	247	314	-48.2	-35.8	-7.7

Note: Wind consensus data as of 22 October 2026.
Source: Wind, Nomura estimates

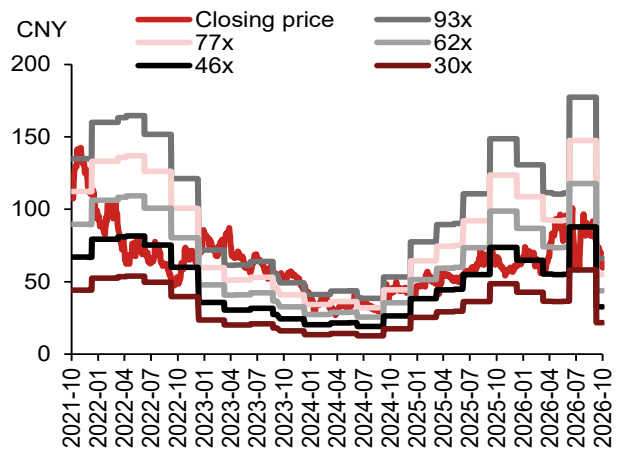
Valuation methodology and risks

Initiate at Buy with a TP of CNY79

We value Chipown using a P/E-based methodology. As home appliance ICs still account for the majority of its revenue, the company's business mix differs from that of other analog IC companies. Given that the stock's valuation has generally followed its own historical trading pattern, we anchor our target multiple to its historical P/E level to reduce the impact of short-term market fluctuations. We apply a 66x target P/E, broadly in line with the stock's five-year historical P/E average (22 October 2021–22 October 2026).

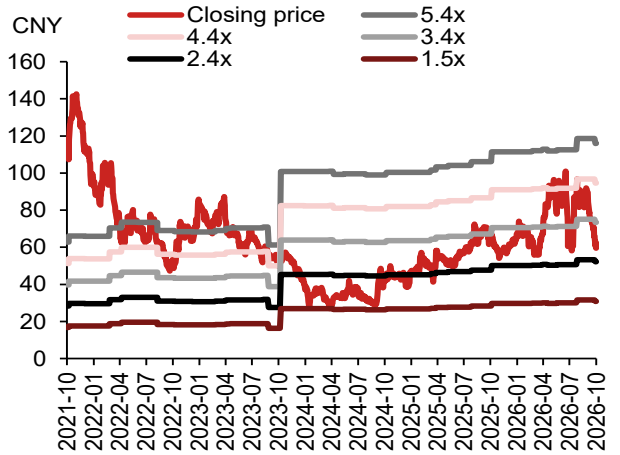
With investor attention increasingly focused on the earnings potential from the volume ramp-up of AI server power ICs and other power semiconductor products from 2027 onward, we use 2027F earnings as our valuation base. Applying our 66x target P/E to 2027F EPS of CNY1.20, we derive a TP of CNY79, implying 32.8% upside. We initiate coverage with a Buy rating. The stock currently trades at c. 50x 2027F P/E.

Fig.9: Chipown – Historical P/E band



Note: Priced as of 22 October 2026.
Source: iFinD, Nomura

Fig.10: Chipown – Historical P/B band



Note: Priced as of 22 October 2026.
Source: iFinD, Nomura

Key downside risks

1) Weaker-than-expected end-market demand. Chipown serves diverse downstream markets, including home appliances, standard power supplies, servers, solar PV, energy storage & charging and new energy vehicles (NEVs). Demand is subject to macroeconomic conditions, industry policies, end-market investment cycles and competition. Adverse changes in the macroeconomic environment could weaken downstream demand and create uncertainty for the company's operations.
2) Slower-than-expected new product ramp-up. Chipown is developing multiple new product lines, some of which remain in the validation and testing stages. Delays in product validation or volume shipments could postpone economies of scale and weigh on revenue and profitability.
3) Rising wafer foundry and packaging/testing costs. Upstream semiconductor capacity remains tight, particularly in wafer foundry and packaging/testing. If supply adjustments and new capacity additions fail to meet demand, continued cost pressures could adversely affect the company's profitability.
4) Intensifying competition. The analog IC industry has numerous participants, and the competitive landscape is still evolving. Further intensification of competition could put pressure on Chipown's product pricing and profit margins.

Appendix A-1

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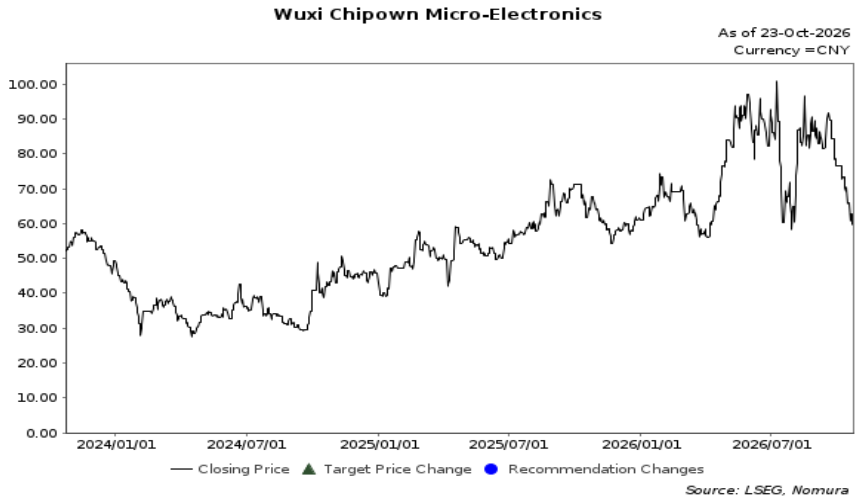
Materially mentioned issuers

Issuer	Ticker	Price	Price date	Stock rating	Sector rating	Disclosures
Wuxi Chipown Micro-Electronics	688508 CH	CNY 62.72	23-Oct-2026	Buy	N/A	

Wuxi Chipown Micro-Electronics (688508 CH) **CNY 62.72 (23-Oct-2026) Buy** (Sector rating: N/A)

Rating and target price chart (three year history)

Date	Rating	Target Price	Closing price



For explanation of ratings refer to the stock rating keys located after chart(s)

Valuation Methodology We derive our TP of CNY79 by applying a 66x target P/E to our 2027F EPS of CNY1.20. The target multiple is broadly in line with the stock's five-year historical P/E average. The benchmark index for the stock is the CSI300 Index.

Risks that may impede the achievement of the target price Key downside risks include weaker-than-expected end-market demand, slower-than-expected volume ramp-up of new products, higher foundry and packaging/test costs, and intensifying competition.

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