

莎莎國際 (178.HK)

增長動力減慢

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行業: 本地零售



Phillip Securities (Hong Kong)
Phillip Securities Research

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公司簡介

莎莎國際主要從事多種品牌化妝品之零售及批發業務，集團於亞洲設有逾 270 間零售店及專櫃，銷售逾 600 個品牌產品，包括護膚品、香水、化粧品、護髮及身體護理產品以至專有品牌及獨家代理名牌產品等。

投資概要

股價由高位調整: 年初至今，莎莎股價調整近 25% (同期恆指下跌 6.3%)，我們把這個疲弱的表現歸咎於 1.) 莎莎最近的減價及推廣活動觸發市場憂慮其盈利增長動力放緩，而其股價正處於較高的估值，2.) 內地訪港旅客數目的增長正在減慢。

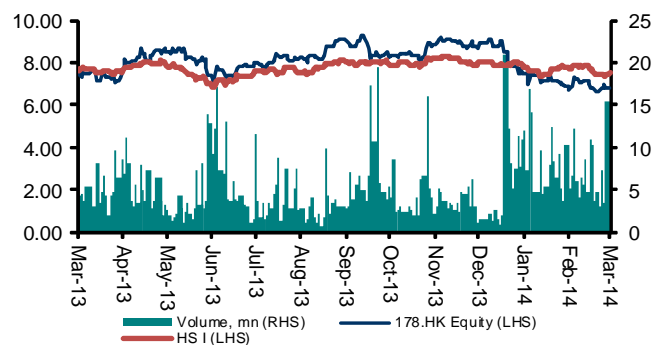
議價能力強，毛利率保持高水平: 莎莎的毛利率於 2014 年財年上半年仍保持 47.0% 的高水平 (相對 2013 年財年上半年為 45.7%)，我們相信其於 2014 年財年下半年的推廣活動對其全年的毛利率影響有限，因為管理層已表示會微調推廣策略，2014 年財年第 4 季將扭轉毛利率的跌勢，鑑於莎莎於市場仍擁有領導地位，強大的議價能力，我們相信他們有能力做到。我們預測全年毛利率將擴張 1.2 個百分點至 46.4%。

內地訪港旅客增長放緩影響，盈利增速減慢: 由香港旅發局的旅客統計資料顯示，今年 1 月份的內地訪港旅客人數為 4,347,400，同比增 23.3% (過夜旅客人數同比增加 24.4% 至 1,646,199; 不過夜旅客人數同比升 22.6% 至 2,701,201)，對比去年 1 月的增長率 13.7%，今年 1 月的增長率看似理想，但我們歸咎於農曆新年假期前的效應，我們相信綜合 1 月及 2 月的數據將明顯低於 2013 年的 23.3% 增長率。因為內地旅客的消費力貢獻莎莎主要的收入，我們對未來 2 年的盈利增長給予保守的預測，2 年的純利複合增長率預測為 17.9% (對比過去 3 年的複合增長率為 29.3%)，因此，我們給予較低的估值以反映其減慢的盈利增長。

估值: 莎莎現價相等於 2013 年財年往績市盈率 23.4 倍 (vs. 5 年平均數為 20.9 倍)，我們預期莎莎 FY14/15 的每股盈利分別為 34.6/40.6 港仙，2 年純利的複合增長率為 17.9% (過往 3 年複合增長率為 29.3%)，我們下調目標價至 HK\$7.30，基於 FY15 預測市盈率 18.0 倍，我們給予“增持”評級，潛在升幅為 7.0%。主要的潛在風險為 1.) 毛利率收窄，2.) 內地旅客消費力減弱，3.) 租金/員工成本大幅上升。

SA SA INTL HLDGS

Rating	2.00	Accumulate
- Previous Rating	2.00	Accumulate
Target Price (HKD)	7.3	
- Previous Target Price (HKD)	8.12	
Closing Price (HKD)	6.80	
Expected Capital Gains (%)	7.4%	
Expected Dividend Yield (%)	4.3%	
Expected Total Return (%)	11.6%	
Market Cap. (HKD mn)	19,333	
Enterprise Value (HKD mn)	18,736	
3M Average Daily T/O (mn)	7.1	
52 week range (HKD)	6.58 - 9.264	
Closing Price in 52 week range		



Key Financial Summary

FYE MAR	FY12	FY13	FY14E	FY15E
Revenue (HKD mn)	6,405	7,670	9,103	10,368
Net Profit, adj. (HKD mn)	690	826	980	1,148
EPS, adj. (HKD cents)	24.40	29.20	34.60	40.60
P/E (X)	18.4	25.7	23.5	20.0
P/B (X)	7.8	10.8	9.6	8.7
DPS (HKD cents)	17.5	21.0	24.9	29.2
Div Yield (%)	3.9%	2.8%	3.1%	3.6%

Source: Bloomberg, PSR est.

Valuation Method

PE

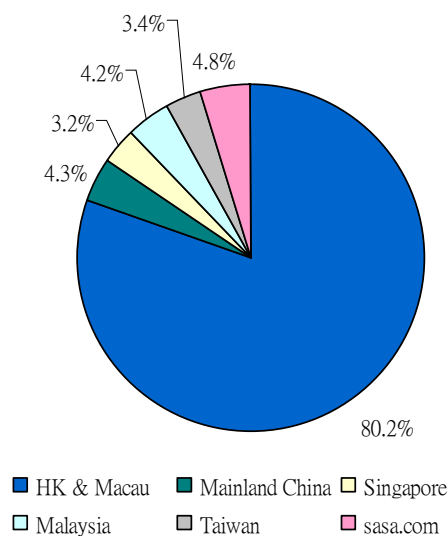
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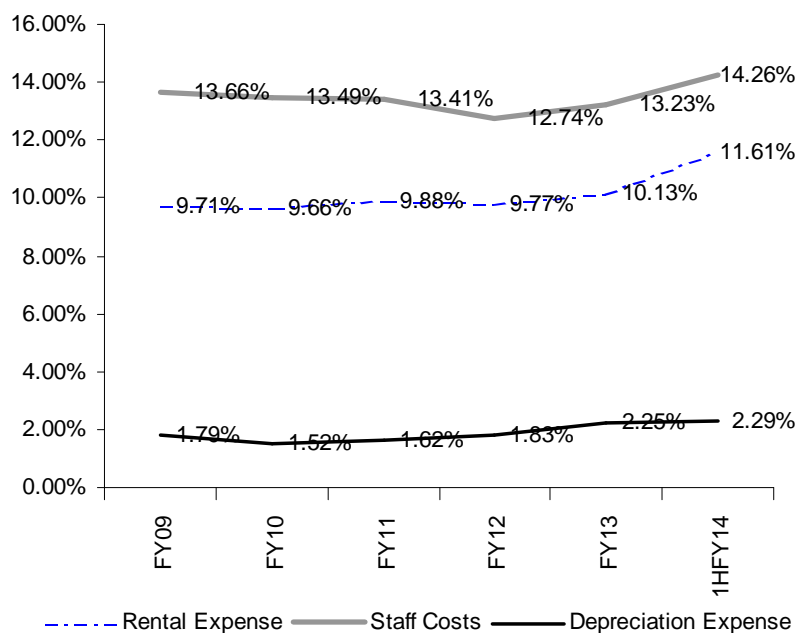
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Fig.1 Revenue by region in 1HFY14



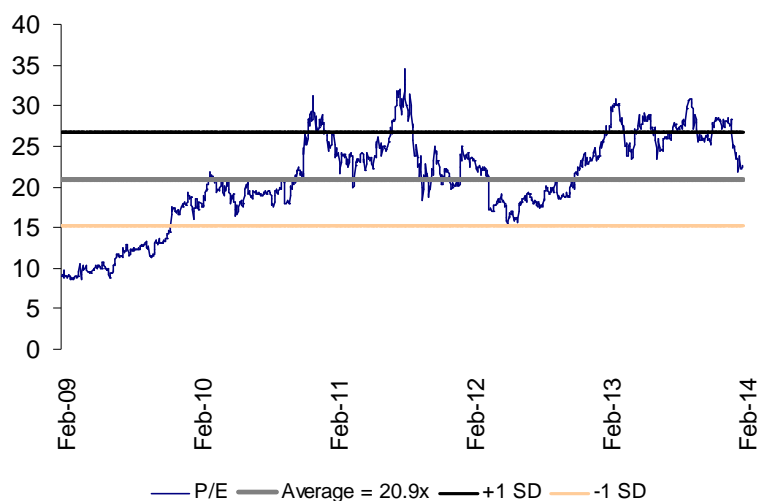
Source: PSR, Company reports

Fig.2 Costs as percentage of sales



Source: PSR, Company reports

Fig.3 5-year P/E band



Source: PSR, Bloomberg

Fig.4 Operational figures

FYE MAR	FY10	FY11	FY12	FY13	FY14E	FY15E
SSSG (%)						
HK & Macau	11.7%	19.3%	29.7%	15.0%	14.0%	13.0%
Mainland China	13.0%	-1.7%	0.0%	0.0%	-4.0%	2.0%
Singapore	-1.5%	5.2%	-1.5%	1.5%	-1.5%	3.0%
Malaysia	9.5%	4.6%	0.7%	1.8%	8.0%	7.0%
Taiwan	8.6%	2.0%	2.1%	-1.5%	0.5%	0.7%
No. of store						
HK & Macau	70	78	87	97	109	118
Mainland China	17	26	48	53	64	72
Singapore	18	20	21	21	22	23
Malaysia	30	38	45	50	55	60
Taiwan	15	19	26	28	29	31
Total:	150	181	227	249	279	304
Sales per store (HKD mn)						
HK & Macau	47.0	50.3	58.5	62.9	67.9	72.7
Mainland China	5.7	5.6	6.1	6.7	6.4	6.6
Singapore	9.0	10.3	11.5	12.2	11.8	12.4
Malaysia	5.9	5.8	5.7	6.4	6.7	7.1
Taiwan	9.8	9.1	8.7	9.1	9.3	9.6
Sales per store YoY growth (%)						
HK & Macau	-2.3%	7.1%	16.4%	7.5%	8.0%	7.0%
Mainland China	-5.2%	-1.9%	8.2%	11.0%	-5.0%	3.0%
Singapore	-10.1%	14.5%	11.7%	5.5%	-3.0%	5.0%
Malaysia	7.5%	-0.9%	-2.0%	11.6%	6.0%	5.0%
Taiwan	-3.2%	-7.0%	-4.8%	4.7%	2.0%	3.0%

Source: PSR, Company reports

Fig.5 Operating profit projection

FYE MAR	FY10	FY11	FY12	FY13	FY14E	FY15E
Sales (HKD mn)						
HK & Macau	3,288	3,923	5,093	6,101	7,405	8,577
Mainland China	97	146	291	356	409	474
Singapore	162	206	242	255	260	285
Malaysia	176	221	257	318	371	425
Taiwan	147	173	226	255	269	296
sasa.com	241	233	297	384	390	391
Sales YoY growth (%)						
HK & Macau	10.3%	19.3%	29.8%	19.8%	21.4%	15.8%
Mainland China	N/A	50.0%	99.8%	22.6%	14.7%	15.9%
Singapore	15.5%	27.3%	17.3%	5.5%	1.6%	9.8%
Malaysia	24.0%	25.6%	16.1%	24.0%	16.6%	14.5%
Taiwan	11.7%	17.8%	30.3%	12.8%	5.6%	10.1%
sasa.com	56.7%	-3.4%	27.8%	29.2%	1.6%	0.3%
Operating profit (HKD mn)						
HK & Macau	348	475	674	818	963	1,158
Mainland China	(19)	(22)	(38)	(37)	(61)	(50)
Others	53	56	54	45	30	50
Operating margin (%)						
HK & Macau	10.6%	12.1%	13.2%	13.4%	13.0%	13.5%
Mainland China	-19.2%	-15.4%	-13.1%	-10.4%	-15.0%	-10.5%
Others	7.3%	6.8%	5.2%	3.7%	2.3%	3.6%

Source: PSR, Company reports

主要風險

品牌受損

毛利率收窄

租金成本大幅上升

內地旅客消費力減弱

行業競爭加劇

財務情況

FYE MAR	FY11	FY12	FY13	FY14E	FY15E
Valuation Ratios					
P/E (X), reported	21.8	18.3	25.7	23.4	20.0
P/E (X), adj.	21.9	18.4	25.7	23.4	20.0
P/B (X)	8.3	7.8	10.8	9.6	8.7
Dividend Yield (%)	3.5%	3.9%	2.8%	3.1%	3.6%
Per share data (HKD cents)					
EPS, reported	18.3	24.6	29.2	34.6	40.6
EPS, adj.	18.1	24.4	29.2	34.6	40.6
DPS	14.0	17.5	21.0	24.9	29.2
BVPS	48.1	57.7	69.8	84.7	92.9
Growth & Margins (%)					
Growth					
Revenue	19.2%	30.7%	19.7%	18.7%	13.9%
EBIT	29.5%	38.7%	18.8%	19.3%	17.2%
Net profit, adj.	33.4%	35.4%	19.7%	18.8%	17.1%
Margins					
Gross profit	45.1%	45.2%	46.4%	46.9%	47.2%
EBIT	12.2%	12.9%	12.8%	12.9%	13.3%
Net profit, adj.	10.4%	10.8%	10.8%	10.8%	11.1%
Key Ratios					
ROE (%)	40.3%	46.2%	45.8%	44.9%	45.7%
Total debt/ equity (%)	0.0	0.0	0.0	0.0	0.0
Asset turnover (x)	2.9	2.9	2.9	3.0	3.0
Inventory days	92.6	103.7	107.7	102.0	105.2
Account receivable days	3.2	3.4	3.9	4.1	4.4
Account payable days	26.8	33.0	37.9	32.7	33.3
Income Statement (HKD mn)					
Revenue	4,901	6,405	7,670	9,103	10,368
COGS	(2,689)	(3,508)	(4,111)	(4,834)	(5,474)
Gross profit	2,212	2,897	3,558	4,269	4,894
SG&A	(1,645)	(2,108)	(2,632)	(3,186)	(3,629)
Other income	30	40	58	90	110
EBIT	597	828	984	1,173	1,375
Net finance costs	5	6	8	8	8
Other items	11	0	3	0	0
Associates & JVs	0	0	0	0	0
Profit before tax	614	835	995	1,181	1,383
Tax	(104)	(145)	(169)	(201)	(235)
Profit after tax	509	690	826	980	1,148
Non-controlling interest	0	0	0	0	0
Net profit, reported	509	690	826	980	1,148
Net profit, adj.	509	690	826	980	1,148
EBITDA	676	945	1,156	1,361	1,579

Source: PSR

Balance Sheet (HKD mn)	FY11	FY12	FY13	FY14E	FY15E
PP&E	205	333	343	403	453
Goodwill	0	0	0	0	0
Associates & JVs	0	0	0	0	0
LT Investments	0	0	0	0	0
Others	111	138	220	248	262
Total non-current assets	316	471	563	651	715
Inventories	802	1,191	1,235	1,467	1,689
Accounts Receivables	48	70	93	114	135
ST investments	0	0	0	0	0
Cash or equivalents	524	563	543	696	699
Others	185	171	363	363	363
Total current assets	1,560	1,996	2,234	2,640	2,886
Total Assets	1,877	2,467	2,797	3,291	3,601
ST loans	0	0	0	0	0
Accounts Payables	254	451	411	496	543
Others	251	357	381	391	421
Total current liabilities	506	808	792	887	964
LT loans	0	0	0	0	0
Others	18	28	30	35	35
Total non-current liabilities	18	28	30	35	35
Minority Interests	0	0	0	0	0
Shareholder Equity	1,353	1,631	1,975	2,369	2,602
Cashflow Statements (HKD mn)	FY11	FY12	FY13	FY14E	FY15E
CFO					
PBT	614	835	995	905	1,148
Adjustments	93	144	197	254	303
Cash from ops before WC changes	707	951	1,191	1,159	1,451
WC changes	(156)	(190)	(171)	(200)	(220)
Cash generated from ops	551	762	1,020	959	1,231
Taxes paid, net	(92)	(124)	(177)	(175)	(215)
Interest paid	5	6	8	8	8
Cashflow from ops	464	644	851	792	1,024
CFI					
CAPEX, net	(137)	(247)	(192)	(292)	(308)
Dividends from associates & JVs	0	0	0	0	0
Dividends/Interest from Investments	0	0	0	0	0
Purchase/sale of investments	13	2	3	0	0
Investments in subs & associates	0	0	0	0	0
Others	155	59	(173)	212	0
Cashflow from investments	32	(187)	(362)	(80)	(308)
CFF					
Share issuance	28	14	13	14	14
Purchase of treasury shares	0	0	0	0	0
Loans, net of repayments	0	0	0	0	0
Dividends to minority interests	0	0	0	0	0
Dividends to shareholders & capital reduction	(391)	(436)	(522)	(573)	(726)
Others	17	3	0	0	0
Cashflow from financing	(347)	(419)	(509)	(559)	(712)
Net change in cash	149	38	(20)	153	4
Effects of exchange rates	17	3	0	0	0
CCE, end	524	563	542	696	699

Source: PSR

PHILLIP RESEARCH STOCK SELECTION SYSTEMS

Total Return	Recommendation	Rating	Remarks
>+20%	Buy	1	>20% upside from the current price
+5% to +20%	Accumulate	2	+5% to +20% upside from the current price
-5% to +5%	Neutral	3	Trade within \pm 5% from the current price
-5% to -20%	Reduce	4	-5% to -20% downside from the current price
<-20%	Sell	5	>20% downside from the current price

We do not base our recommendations entirely on the above quantitative return bands. We consider qualitative factors like (but not limited to) a stock's risk reward profile, market sentiment, recent rate of share price appreciation, presence or absence of stock price catalysts, and speculative undertones surrounding the stock, before making our final recommendation

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