



China | Industrials

22 September 2025

Wasion Holdings (3393 HK)

First Southern Grid tender results

- Combined total contract value of Rmb370.0m secured in first Southern Grid framework tender this year
- FY25 is shaping up to be a strong year on sizable orders on hand. Maintain Neutral.

First Southern Grid tender win

Earlier this month, China Southern Power Grid has announced the results of its first framework tender for metering equipment this year. Wasion secured contracts worth about Rmb201.2m. In addition, Willfar Information Technology Company (a subsidiary) was awarded contracts totaling Rmb169.0m. With a combined contract value of about Rmb370.0m, the company achieved the highest total contract won in this tender.

Sizable order backlog underpins optimistic outlook

Centralized tenders of State Grid and Southern Grid will continue to serve as the primary revenue stream for Wasion's power AMI business. The company anticipated to secure over Rmb500m orders through these national tenders. Additionally, the company also expected to win approximately Rmb150m worth of contracts from provincial power grid companies and local utilities, further strengthening its market position. As of 1H25, the signed value contracts of C&F AMI valued at Rmb4.0bn, representing a YoY increase of 13.0%. Additionally, the newly secured contracts totaled Rmb1.6bn, providing a strong foundation for the company's future performance. As for ADO business, total contracts secured valued at Rmb2.2bn, representing a YoY growth of 18.8%. Out of which, contracts awarded from the power grid market amounted Rmb910m, up by 21.2% YoY. Contracts won from non-power grid market, however, declined by 21.2% to Rmb838m. This was mainly due to intense competition within China's photovoltaic-storage industry. Overseas sales for ADO marked an impressive increase of 706% YoY to Rmb479m in 1H25. The surge in orders was primarily driven by the company's deepened strategic partnerships with key overseas clients in the data center sector, resulting in nearly Rmb373m secured orders in 1H25. In parallel, the company continued its expansion into international power distribution and energy storage markets, contributing to a substantial YoY increase in total order volume.

1H25 results point to a promising FY25

Wasion recently announced a solid set of 1H25 results with turnover increased by 17.3% YoY to Rmb4.4bn, while NP went up by 32.8% YoY to Rmb439.6m. In 1H25, sales of Wasion's power AMI/ communication and fluid (C&F) AMI/ ADO recorded growth of 29.8%/12.8%/6.1% to Rmb1.9bn/Rmb1.3bn/Rmb1.2bn, accounting for 42.9%/29.6%/27.5% of total sales, respectively. Wasion's overseas sales grew by 19.2% YoY to Rmb1.2bn in 1H25.

Looking ahead, Wasion's digital power grid business continues to align with the construction of new power systems. The intelligent construction of the energy IoT has become a key direction of development and investment not just in China but also in various overseas countries, and the integration of green energy and digital transformation has become a new opportunity for the company's sustainable development. The company will constantly contribute development insights and enhance competition in the fields of digital grid, smart city and international market.

Summary financial data

Year to Dec 31 (RMB'm)	2023A	2024A	2025E	2026E	2027E
Revenue	7,252	8,717	10,381	12,343	14,538
Gross profit	2,581	3,035	3,675	4,443	5,274
Reported net profit	521	706	971	1,273	1,572
Adj. net profit	521	706	971	1,273	1,572
Adj. net profit YoY%	61.0	35.4	37.6	31.1	23.5
Adj. EPS (RMB)	0.527	0.713	0.980	1.29	1.59
Adj. P/E (x)	20.0	14.8	10.7	8.2	6.6
P/B (x)	2.0	1.9	1.6	1.5	1.3
Dividend yield (%)	2.0	2.5	5.6	7.4	9.1
ROE (%)	10.6	13.3	16.3	18.8	21.2
Net debt / equity (%)	Net cash	Net cash	0.3	3.1	5.3

Source: Company data, Crosby Securities

NEUTRAL

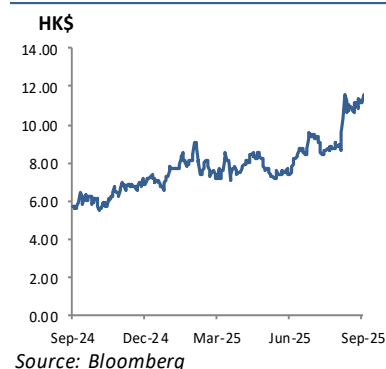
Last Price (HK\$)*	11.59
Target Price (HK\$)	11.30
Upside / (Downside)(%)	-2.5%
Previous rating	NEUTRAL
Previous TP	11.30
Hang Seng Index*	26,344.14
*Prices as of	22-Sep-25

Key Data

Ticker	3393 HK
Market Cap (HK\$m)	11,542
3M avg daily T/O (HK\$m)	19.1
52-week High (HK\$)	11.80
52-week Low (HK\$)	5.43
Free Float (%)	45.2%
Shares O/S (m)	995.9

Performance	Absolute	Relative
1 month	29.2%	24.3%
3 months	57.9%	41.0%
6 months	62.3%	46.0%

Price Chart



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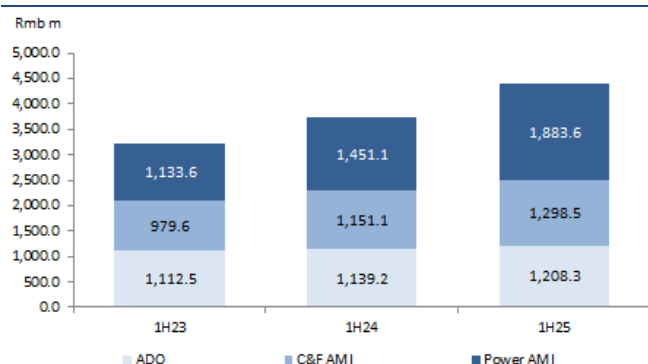


Figure 1 P&L

Year ended Dec (RMBm)	1H22	1H23	1H24	1H25	1H24 vs 1H25
					YoY change (%)
Turnover	2,552.7	3,225.7	3,741.5	4,390.4	17.3
COGS	(1,684.8)	(2,049.0)	(2,413.8)	(2,848.1)	
Gross profit	867.9	1,176.7	1,327.7	1,542.3	16.2
Other income	87.8	41.7	141.2	146.4	
Administrative expenses	(114.0)	(150.3)	(173.1)	(196.9)	
Selling expenses	(230.5)	(291.6)	(309.3)	(358.2)	
R&D costs	(247.3)	(304.6)	(308.2)	(314.5)	
Finance costs	(51.8)	(62.4)	(62.7)	(59.3)	
Impairment losses on financial assets	(33.0)	(37.5)	(55.3)	(70.3)	
Share of profits of an associate	0.0	0.0	0.3	0.2	
Profit before tax	279.1	372.0	560.6	689.7	23.0
Tax	(41.6)	(56.8)	(94.9)	(103.9)	
MI	(94.2)	(101.3)	(134.6)	(146.1)	
Net profit	143.3	213.8	331.0	439.6	32.8

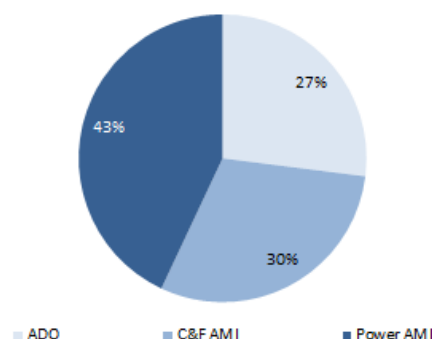
Source: Company data

Figure 2 Turnover by products



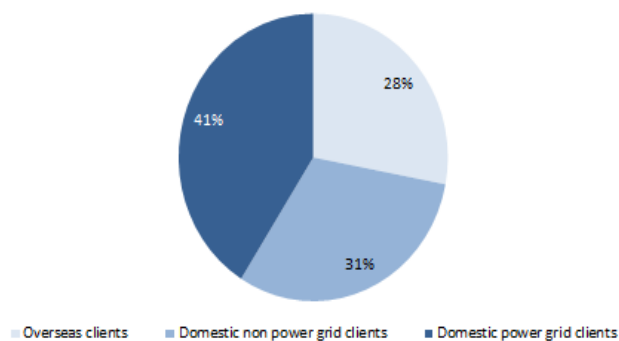
Source: Company data

Figure 3 Product mix



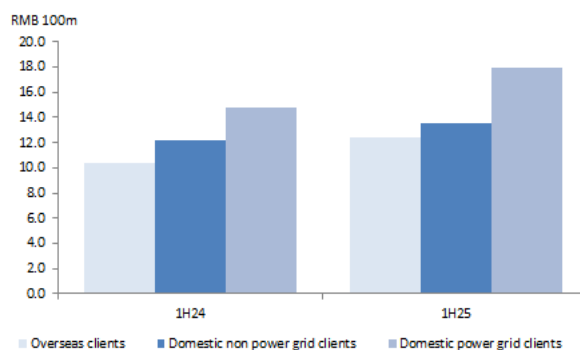
Source: Company data

Figure 4 Customer mix



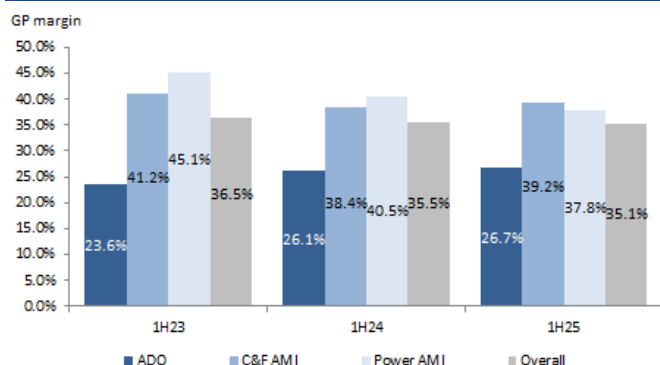
Source: Company data

Figure 5 Customer mix performance



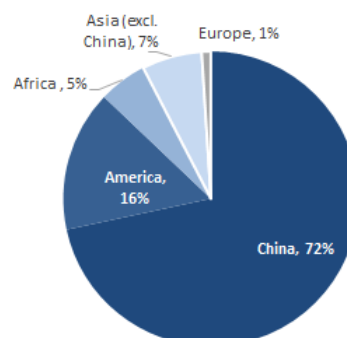
Source: Company data

Figure 6 GPM breakdown by products



Source: Company data

Figure 7 Geographical breakdown



Source: Company data



Summary financials

	2023A	2024A	2025F	2026F	2027F
Profit & Loss (RMBm)					
Power AMI	2,650	3,199	3,841	4,505	5,161
YoY%	28.7	20.7	20.1	17.3	14.6
Comm. And Fluid AMI	2,117	2,615	3,166	3,888	4,725
YoY%	11.3	23.5	21.1	22.8	21.5
ADO	2,485	2,903	3,374	3,950	4,652
YoY%	31.1	16.8	16.2	17.1	17.8
Turnover	7,252	8,717	10,381	12,343	14,538
YoY%	23.8	20.2	19.1	18.9	17.8
COGS	(4,672)	(5,681)	(6,707)	(7,901)	(9,264)
Gross profit	2,581	3,035	3,675	4,443	5,274
Margin	35.6%	34.8%	35.4%	36.0%	36.3%
Selling & distribution	(649)	(738)	(896)	(1,087)	(1,306)
Admin	(327)	(368)	(456)	(553)	(664)
R&D	(681)	(730)	(879)	(1,045)	(1,230)
Other opex	0	0	0	0	0
Total opex	(1,658)	(1,836)	(2,230)	(2,684)	(3,200)
YoY%	27.0	10.7	21.5	20.3	19.2
Operating profit	923	1,199	1,444	1,759	2,075
Margin	12.7%	13.8%	13.9%	14.2%	14.3%
Other income / (exp)	69	134	178	237	297
Finance costs	(132)	(126)	(151)	(181)	(217)
Associates/ JV income	0	0	0	0	0
Pre-tax profit	860	1,208	1,472	1,815	2,155
Tax	(100)	(177)	(177)	(218)	(259)
Profit after tax	760	1,030	1,295	1,598	1,896
Margin	10.5%	11.8%	12.5%	12.9%	13.0%
Minority Interest	(239)	(325)	(325)	(325)	(325)
Net profit	520	706	971	1,273	1,572
YoY%	60.7	35.6	37.6	31.1	23.5
Margin	7.2%	8.1%	9.4%	10.3%	10.8%
Crosby adjustments	0	0	0	0	0
Adj profit	520	706	971	1,273	1,572
YoY%	60.7	35.6	37.6	31.1	23.5
Margin	7.2%	8.1%	9.4%	10.3%	10.8%
EBITDA	1,185	1,500	1,740	2,081	2,426
YoY%	35.3	26.6	16.0	19.6	16.6
Margin	16.3%	17.2%	16.8%	16.9%	16.7%
Adj EPS (RMB)	0.527	0.713	0.980	1.286	1.587
YoY%	60.4	35.2	37.6	31.1	23.5
DPS (RMB)	0.209	0.257	0.588	0.771	0.952
YoY%	22.0	23.1	129.1	31.1	23.5

Year ended 31 Dec	2023A	2024A	2025F	2026F	2027F
Cash Flow (RMBm)					
Before tax profit	860	1,208	1,472	1,815	2,155
Dep. & Amort.	262	300	296	322	352
Chg in working cap	260	(596)	(436)	(527)	(565)
Others	238	216	57	87	123
Cash from operations	1,620	1,128	1,388	1,698	2,065
Tax paid	(124)	(201)	(124)	(151)	(184)
Net cash from operations	1,496	927	1,265	1,547	1,881
YoY%	73.3	(38.0)	36.5	22.3	21.6
Capex	(446)	(372)	(200)	(200)	(200)
Investments	0	0	0	0	0
Disposal of assets	0	0	0	0	0
Interest received	68	94	92	92	92
Others	(138)	107	(650)	(746)	(851)
Net cash from investments	(516)	(171)	(759)	(854)	(959)
Issue/ buyback of shares	(142)	(6)	0	0	0
Interest paid	(131)	(125)	(151)	(181)	(217)
Dividends paid	(206)	(254)	(582)	(764)	(943)
Net change in debt	(164)	43	517	621	745
Others	164	(191)	0	(0)	(0)
Net cash from financing	(480)	(534)	(216)	(324)	(415)
Net change in cash	500	222	290	369	508
Adjustments	116	(77)	0	0	0
Opening cash	2,028	2,645	2,790	3,081	3,450
Closing cash	2,644	2,790	3,081	3,450	3,957
FCF	1,050	555	1,065	1,347	1,681
YoY%	70.1	(47.1)	91.8	26.5	24.8

Year ended 31 Dec	2023A	2024A	2025F	2026F	2027F
Balance Sheet (RMBm)					
Fixed assets	1,958	2,168	2,368	2,568	2,768
Associates & JCE	9	9	0	0	0
Goodwill & intangibles	854	842	919	1,007	1,109
Deferred tax assets	0	0	0	0	0
Others	569	934	710	710	710
Non-current assets	3,391	3,953	3,997	4,285	4,586
Inventories	1,206	1,264	1,506	1,790	2,108
Trade & bills receivables	4,550	5,821	6,933	8,243	9,709
Prepayments, deposits & other	0	85	0	0	0
Investments	0	0	0	0	0
Cash	2,645	2,790	3,081	3,450	3,957
Others	2,088	1,814	2,066	2,124	2,187
Current assets	10,489	11,774	13,585	15,607	17,961
Total assets	13,880	15,727	17,582	19,891	22,548
Trade & bills payables	3,939	5,082	5,999	7,067	8,286
Accruals & other payables	0	0	0	0	0
Tax payable	102	111	111	111	111
Bank loans	1,679	1,616	1,939	2,327	2,792
Bonds, CB & debentures	0	0	0	0	0
Others	508	568	0	0	0
Current liabilities	6,228	7,376	8,049	9,504	11,189
Bank loans	835	971	1,166	1,399	1,679
Bonds, CB & debentures	0	0	0	0	0
Deferred tax liabilities	37	39	21	22	23
Others	4	20	0	0	0
Non-current liabilities	876	1,030	1,187	1,421	1,702
Total liabilities	7,103	8,406	9,235	10,925	12,890
Total net assets	6,777	7,321	8,346	8,966	9,657
Share capital	10	10	10	10	10
Reserves	5,157	5,423	6,448	7,068	7,759
Shareholder's equity	5,167	5,433	6,458	7,078	7,769
Minority interests	1,610	1,888	1,888	1,888	1,888
Total Equity	6,777	7,321	8,346	8,966	9,657
Total debts	2,514	2,587	3,105	3,726	4,471
Net cash/(debts)	130	203	(24)	(276)	(513)
BVPS (RMB)	5.226	5.487	6.523	7.149	7.847

Year ended 31 Dec	2023A	2024A	2025F	2026F	2027F
Key ratios					
Margins (%)					
Gross margin	35.6	34.8	35.4	36.0	36.3
EBITDA margin	16.3	17.2	16.8	16.9	16.7
EBIT margin	12.7	13.8	13.9	14.2	14.3
Net margin	7.2	8.1	9.4	10.3	10.8
Net margin (Core profit)	7.2	8.1	9.4	10.3	10.8
Effective tax rate (%)	11.6	14.7	12.0	12.0	12.0
Selling exp as % of rev	9.0	8.5	8.6	8.8	9.0
Admin exp as % of rev	4.5	4.2	4.4	4.5	4.6
R&D exp as % of rev	9.4	8.4	8.5	8.5	8.5
Other opex as % of rev	0.0	0.0	0.0	0.0	0.0
Total opex as % of rev	22.9	21.1	21.5	21.7	22.0
Interest coverage (x)	7.0	9.6	9.6	9.7	9.6
Dividend payout (%)	39.6	36.0	59.9	59.9	59.9
Balance sheet ratios					
Inventory days	89	79	75	76	77
Acct. rec. days	225	217	224	224	225
Acct. payable days	296	290	302	302	302
Cash cycle	18	7	(2)	(1)	(0)
Net debt/equity (%)	Net cash	Net cash	0.3	3.1	5.3
Net debt/total cap (%)	Net cash	Net cash	0.3	3.0	5.0
Current ratio (x)	1.68	1.60	1.69	1.64	1.61
Returns (%)					
Asset turnover (x)	0.54	0.59	0.62	0.66	0.69
Financial leverage (x)	2.74	2.79	2.80	2.77	2.86
EBIT margin (%)	13.7	15.3	15.6	16.2	16.3
Interest burden (x)	0.87	0.91	0.91	0.91	0.91
Tax burden (x)	0.61	0.58	0.66	0.70	0.73
ROE (%)	10.6	13.3	16.3	18.8	21.2
ROIC (%)	13.3	16.8	18.7	20.2	21.8

Source: Company data, Crosby



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