


China | Industrial

14 May 2026

Wasion Holdings (3393 HK)
Capital strength and orders win fuel future growth

- **Securing State Grid's tender and Pakistan's orders**
- **Top-up placement to raise HK\$1.5bn for expansion**
- **Maintain BUY with new TP of HK\$32.60**

Securing State Grid's tender

Wasion has secured contract wins in State Grid's first tender, landing contracts for 827k smart meters and metering current and voltage transformers worth Rmb207.8m. Willfar Information also achieved success, winning contracts for 24k intelligent fusion terminals and specialized transformer data collection terminals valued at Rmb77.4m. Including the special tender announced in March, Wasion's cumulative contract value in State Grid's centralized bidding this year has reached Rmb382.9m.

Gaining overseas traction

Recently Wasion also announced that the company has successfully won the bids for smart metering products and supporting services project in Pakistan, with contract value exceeding Rmb115m. Wasion's successful bids highlighted its technical strength in integrated energy solutions and proven ability to deliver international projects. Leveraging on its deep overseas experience and comprehensive product portfolio and an expanding localized service network, its competitiveness and brand influence in South Asia continue to rise.

Placing for further growth

In April, Wasion announced that it has entered a top-up placement to raise net proceeds of approximately HK\$1.5bn. It announced to place 50m shares at the price of HK\$30.00. Wasion plans to deploy the proceeds strategically to 1) accelerate growth and strengthen its market position, including advancing its magnetic latching and HVDC business through new production facilities and equipment, 2) investing in domestic R&D and smart manufacturing to enhance efficiency and competitiveness in smart grid solutions, 3) expanding into international markets such as North America, Europe, and South Africa, 4) pursuing a potential strategic acquisition of a company specializing in digital energy management solutions, providing end-to-end digital solutions, covering advanced metering infrastructure for global power grids, industrial parks and commercial and industrial users and 5) optimizing its financial structure through loan repayment and working capital reinforcement.

Positive outlook remains intact. Maintain BUY with new TP of HK\$32.60

We continue to like Wasion and remain constructive on the company's outlook as its strategic transformation is well aligned with China's favorable policy and long-term energy transition goals. Internationally, Wasion is strengthening its global presence by leveraging its Mexico base to drive growth across the Americas and expanding into high-potential markets such as Germany and Turkey. Anchored by the "IoT + Chips + AI" framework, Wasion is capitalizing on the global energy transition and the rise of AI integration to reinforce its technological leadership and enhance overseas operational capabilities.

In consideration of share dilution following the placement, we lower our EPS estimate by 5% for FY26-27. while keeping our sales and earnings projection unchanged. We consequently tuned down our TP from HK\$34.40 to HK\$32.60 on the back of lower EPS estimates. We tagged our PE to the unchanged PE of 17.5x.

Summary financial data

Year to Dec 31 (RMB'm)	2024A	2025A	2026E	2027E	2028E
Revenue	8,717	10,074	12,481	14,862	17,359
Gross profit	3,035	3,597	4,416	5,217	6,068
Reported net profit	706	1,058	1,478	1,771	2,075
Adj. net profit	706	1,058	1,478	1,771	2,075
Adj. net profit YoY%	35.4	50.0	39.7	19.8	17.2
Adj. EPS (RMB)	0.713	1.07	1.41	1.69	1.98
Adj. P/E (x)	34.8	23.2	17.5	14.6	12.5
P/B (x)	4.5	3.9	2.7	2.3	2.0
Dividend yield (%)	1.0	1.4	3.5	4.1	4.8
ROE (%)	13.3	18.1	18.8	17.3	17.4
Net debt / equity (%)	Net cash	Net cash	Net cash	Net cash	Net cash

Source: Company data, Crosby Securities

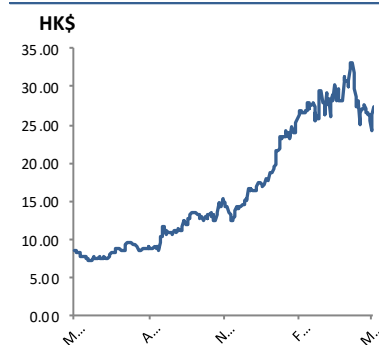
BUY

Last Price (HK\$)*	27.26
Target Price (HK\$)	32.60
Upside / (Downside)(%)	19.6%
Previous rating	BUY
Previous TP	34.40
Hang Seng Index*	26,389.04
* Prices as of	14-May-26

Key Data

Ticker	3393 HK
Market Cap (HK\$m)	28,511
3M avg daily T/O (HK\$m)	214.8
52-week High (HK\$)	33.80
52-week Low (HK\$)	7.01
Free Float (%)	47.8%
Shares O/S (m)	1,045.9

Performance	Absolute	Relative
1 month	-9.0%	-10.7%
3 months	1.6%	2.3%
6 months	92.7%	94.0%

Price Chart

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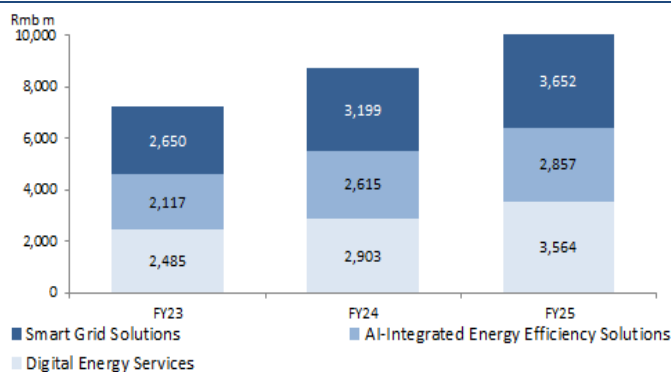
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Figure 1 Profit and loss statement

Year ended Dec (RMBm)	2021	2022	2023	2024	2025	FY24 vs FY25
						YoY (%)
Turnover	4,590.8	5,855.8	7,252.3	8,716.5	10,073.5	15.6
COGS	(3,092.0)	(3,926.6)	(4,671.5)	(5,681.4)	(6,476.6)	
Gross profit	1,498.8	1,929.2	2,580.8	3,035.1	3,596.9	18.5
Other income	182.4	162.7	142.5	232.9	238.5	
Administrative expenses	(177.4)	(215.7)	(327.4)	(367.8)	(413.2)	
Selling expenses	(437.7)	(512.9)	(649.5)	(737.6)	(788.9)	
R&D costs	(424.5)	(577.4)	(681.4)	(730.4)	(734.2)	
Finance costs	(99.3)	(112.5)	(131.5)	(125.5)	(106.6)	
Share of results of an associates and JV	0.0	3.2	0.8	0.3	0.9	
Impairment losses on financial assets	(69.6)	(94.2)	(73.5)	(99.4)	(48.6)	
Profit before tax	472.7	582.4	860.7	1,207.6	1,744.9	44.5
Tax	(44.8)	(71.3)	(100.1)	(177.4)	(263.8)	
MI	(159.9)	(187.4)	(239.4)	(324.6)	(422.9)	
Net profit	268.1	323.8	521.2	705.6	1,058.2	50.0

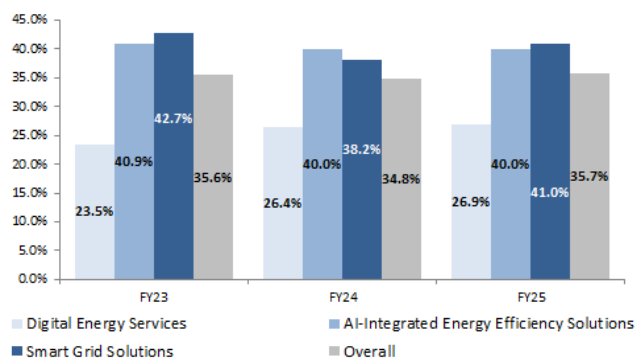
Source: Company data

Figure 2 Revenue breakdown



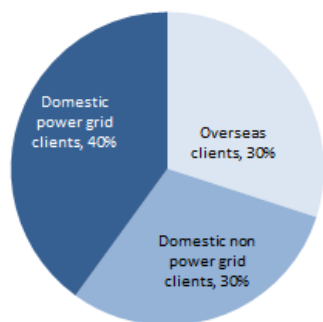
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Figure 3 GPM breakdown by products



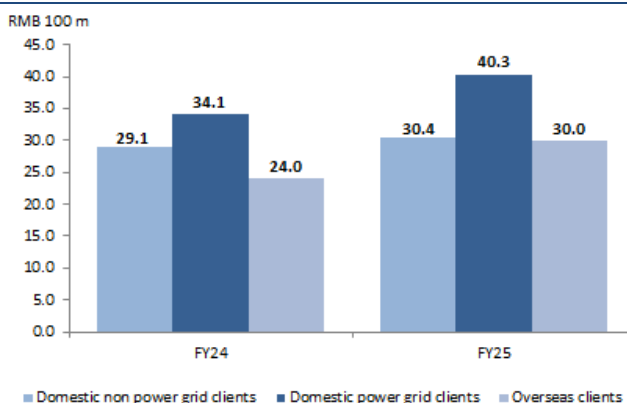
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Figure 4 Customer mix



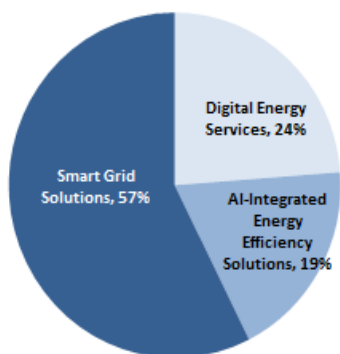
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Figure 5 Customer mix performance



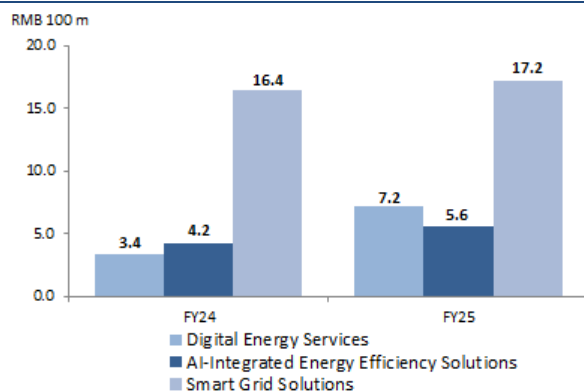
Source: Company data

Figure 6 International market breakdown by business segments



Source: Company data

Figure 7 International performance by business segments



Source: Company data



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Buy (B): The stock’s potential total return is expected to be over 10%/15% for Large Caps/Small&Mid Caps, respectively.

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