

**IPO FACT SHEET**
**JS Global Lifestyle Company Limited (1691)**
**ISSUE STATISTICS**

<b>Offer Size:</b>	HK\$2,599.12m
<b>Placement Tranche:</b>	499.83m
<b>Price:</b>	HK\$5.20
<b>Board lot:</b>	500
<b>Entry fee:</b>	HK\$2,626.20
<b>Historical PE</b>	19.74x
<b>Net tangible assets per share:</b>	HK\$(2.23)
<b>Market Cap (post-IPO):</b>	HK\$17,327.4m
<b>Open:</b>	09 Dec 2019
<b>Close:</b>	12.00 noon on 12 Dec 2019
<b>Trading:</b>	18 Dec 2019
<b>Sponsor:</b>	Credit Suisse (Hong Kong) Limited, Morgan Stanley Asia Limited and ICBC International Capital Limited

<b>Year ended 31 Dec</b>	<b>(US\$ m)</b>	<b>yoy % chg</b>
<b>Revenue</b>		
2017	1,563.4	41.7%
2018	2,681.9	71.5%
<b>Profit for the year/period</b>		
2017	140.9	15.1%
2018	112.1	-20.5%

**BACKGROUND**

- The Group is a global leader in high-quality, innovative small household appliances.
- Their success is centered around their deep understanding of consumer needs, and is built on their strong product innovation and design capability powered by a global research and development platform, marketing strengths driving high brand engagement, and an omni-channel distribution coverage with high penetration.
- Through their diverse product portfolio, they cultivate markets, create consumer demand, lead their categories by building up market anticipation around product launches, and reshape consumer behaviors and lifestyles around the world.
- With their trusted market-leading brands, Joyoung, Shark and Ninja, they continue to maintain their leadership in the global small household appliance market.
- According to the Frost & Sullivan Report, they ranked 6th globally, and 3rd among the small household appliance-focused companies, each by market share in 2018, and hold leading market position in China and the United States, the two largest small household appliance markets.

**BUSINESS STRATEGIES**

- Develop and commercialize innovative products, combining powerful technology and appealing designs.
- Drive sustainable long-term growth through sales network and product category expansion.
- Maximize synergies between Joyoung segment and SharkNinja segment.
- Strengthen their brand recognition and enhance consumer engagement.
- Pursue strategic partnerships and acquisitions.

**COMPETITIVE STRENGTHS**

- Global industry leader with trusted household brands.
- Category disruptor with a proven track record of introducing innovative products, creating new market segments and generating consumer demand.

- Highly effective omni-channel sales, marketing and distribution strategy, maximizing global market penetration.
- Loyal and engaged consumer base, driving virtuous cycle in their business ecosystem.
- Synergies derived from their highly complementary global businesses, propelling sustainable future growth.
- Seasoned senior management team with global experience led by their visionary founding shareholders.

### KEY RISKS

- Global markets for their products are highly competitive and subject to rapid technological changes, and they may be unable to compete effectively in relevant markets.
- If they fail to successfully manage frequent product introductions and transitions, they may not remain competitive or be able to stimulate customer demand.
- Any trade or import protection policies may materially and adversely affect their business.
- Their global operations are subject to various risks.
- Maintaining the trusted brand image of their products is critical to their success, and any failure to do so could severely damage their reputation and brand, which would have a material adverse effect on their business, financial condition and results of operations.
- If they are unable to manage their growth or execute their strategies effectively, their business and prospects may be materially and adversely affected.
- It may be difficult for investors to evaluate their business and their prospects due to the Group's limited operating history in its current form.
- They face risks related to sales through distributors, as they do not exercise complete control over the practice and manner of the ultimate retail sales by their distributors.
- They recorded a significant amount of goodwill and other intangible assets following the acquisition of SharkNinja and their net profit could be adversely affected if they recognize impairment losses on such goodwill or other intangible assets.

### DIVIDEND POLICY

- No fixed dividend policy.

### USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
Partially repay a term loan with a principal amount of US\$470 million from a commercial bank for a dividend distribution. They declared a special dividend of US\$464.0 million to their shareholders on a pro rata basis pursuant to a shareholders' agreement, which has been paid on October 16, 2019 and was funded by such term loan.	1,186.4	50.0%
Used on the R&D of new products, and further integration and development of their supply chain.	474.6	20.0%
Market development and expansion, and enhancing their global brand image and recognition.	474.6	20.0%
For working capital and general corporate purpose.	237.3	10.0%
<b>Total:</b>	<b>2,372.8</b>	<b>100.0%</b>

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