



LESSO 联塑

CHINA LESSO GROUP HOLDINGS LIMITED

中國聯塑集團控股有限公司

Incorporated in the Cayman Islands with limited liability

於開曼群島註冊成立的有限公司

Stock Code 股份代號：2128

2024 Annual Results Corporate Presentation

March 2025

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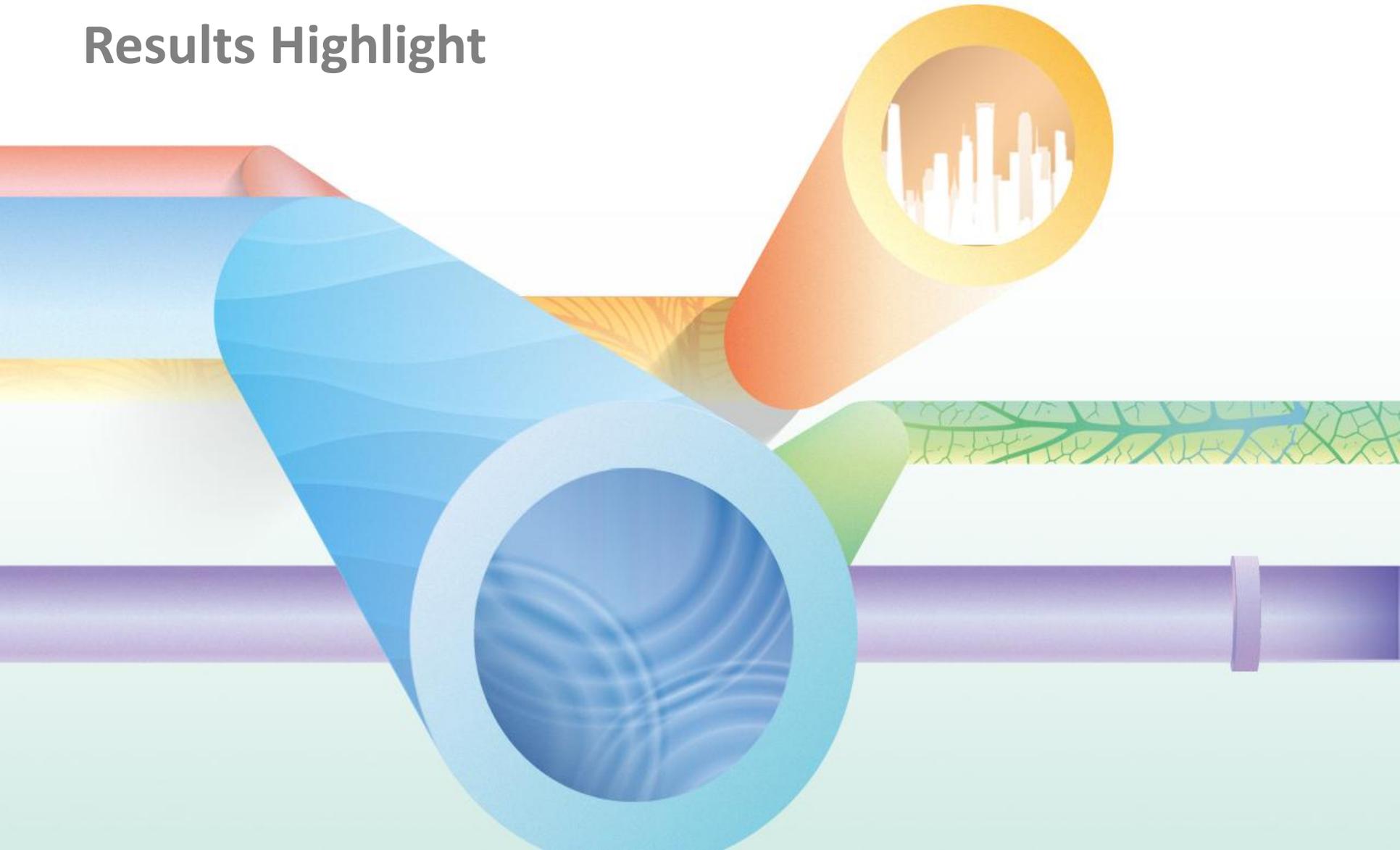
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Part 1:

Results Highlight



Results highlight

Results Performance

- Flexibly allocated resources and continued to develop its core business and demonstrated resilience by maintaining steady business development
- Revenue: RMB27,026 million
- Gross profit: RMB7,293 million
- Profit attributable to the owners of the Company: RMB1,684 million
- Final dividend: HK20 cents per share (2023: HK20 cents per share)
- Revenue of plastic piping systems: RMB22,819 million; Sales volume: 2,482,900 tonnes

Customer

- Further optimised its customer base structure and explored new customers with stronger financial capabilities to minimise business risk

Product

- Implemented product diversification strategy and successfully recorded an uptrend in sales volume of its piping to the agricultural sector

Market

- Accelerated its brand's global expansion and localisation strategy to proactively develop overseas markets

Financial

- Maintained stable financial position with cash & bank deposits of approx. RMB6,643 million

Part 2:

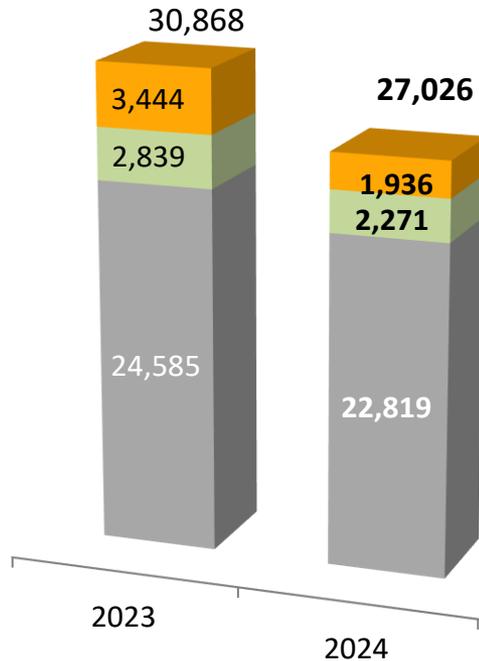
Financial Review



Total revenue analysis

Total revenue

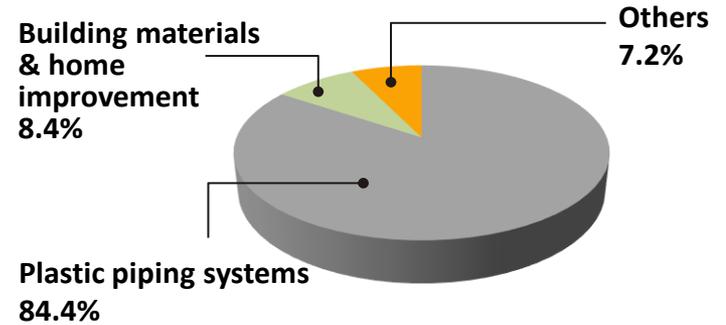
(RMB million)



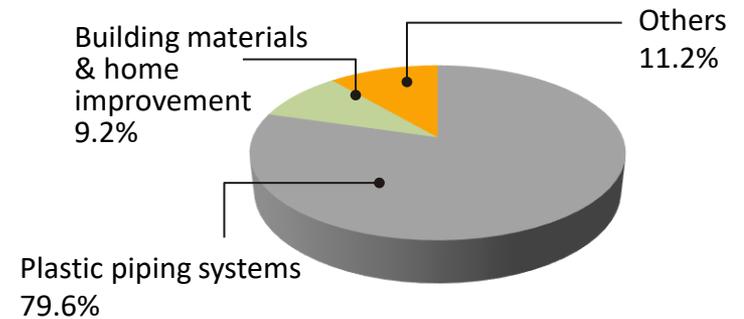
- Others
- Building materials & home improvement
- Plastic piping systems

Total revenue (by business segment)

2024



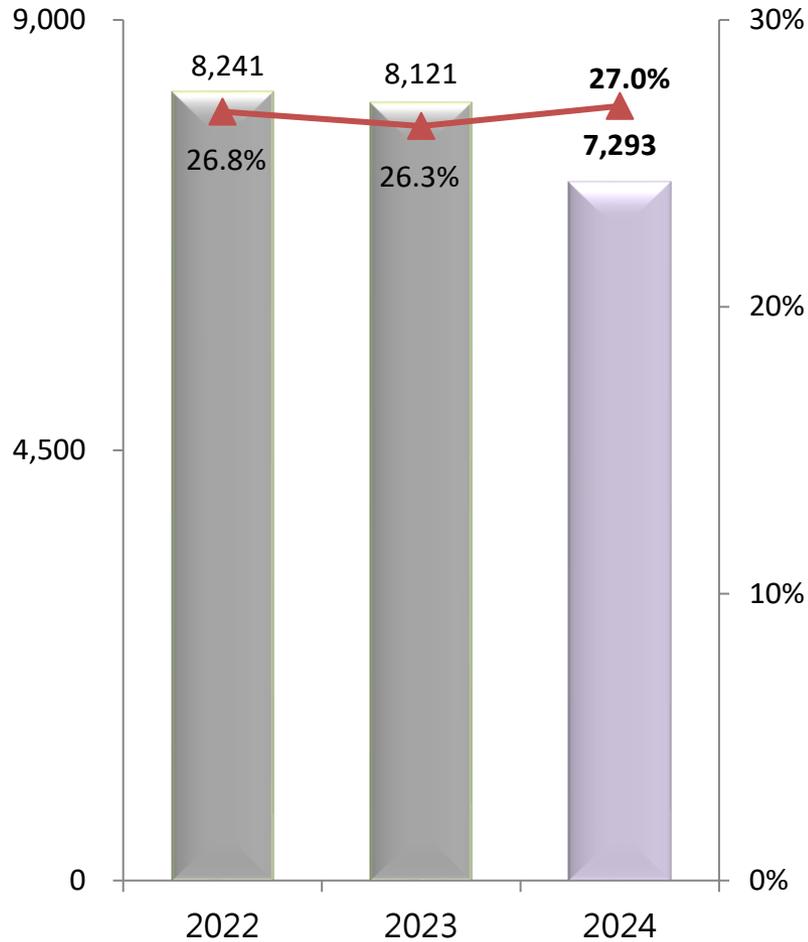
2023



GP & NP analysis

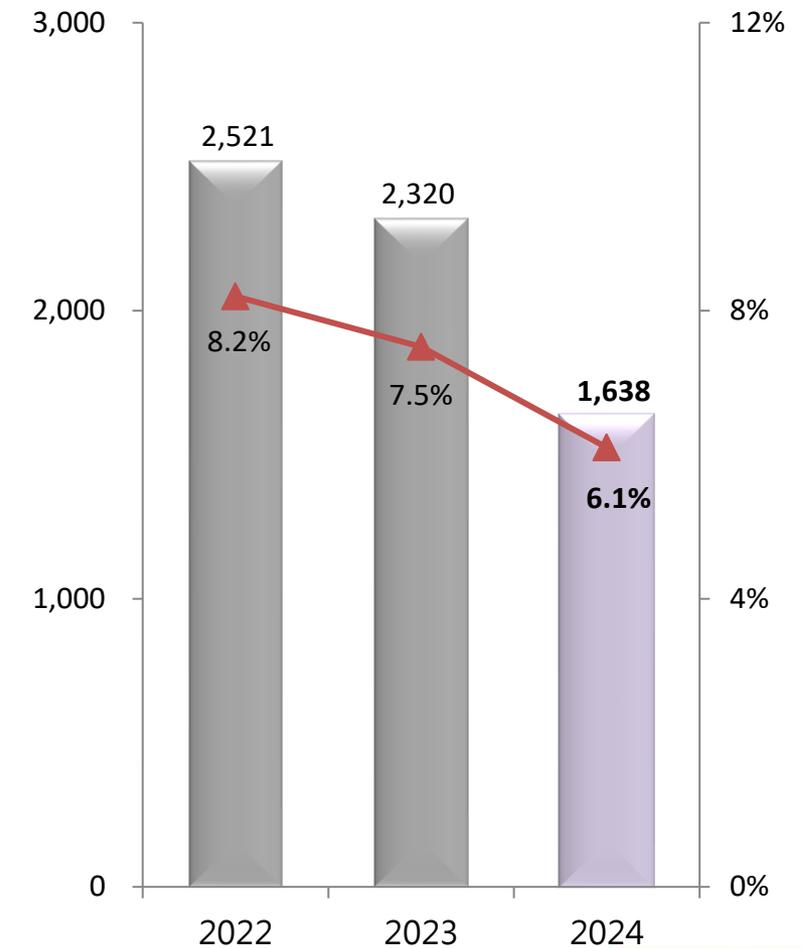
GP & GP margin

(RMB million)



NP & NP margin

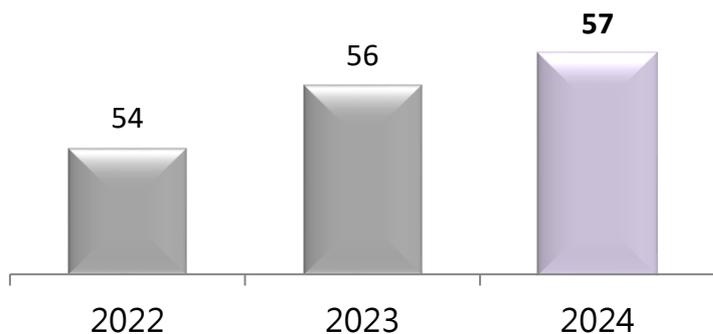
(RMB million)



Key financial indicators analysis

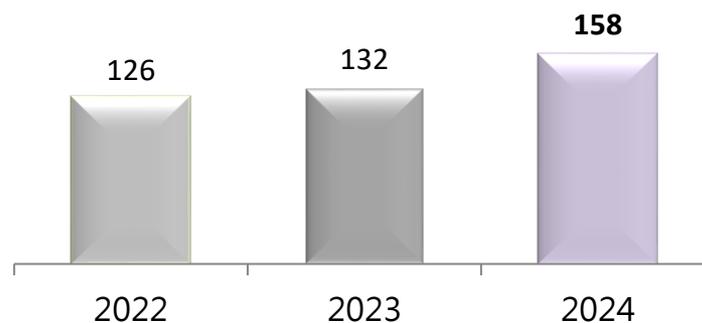
Trade receivable days

(days)



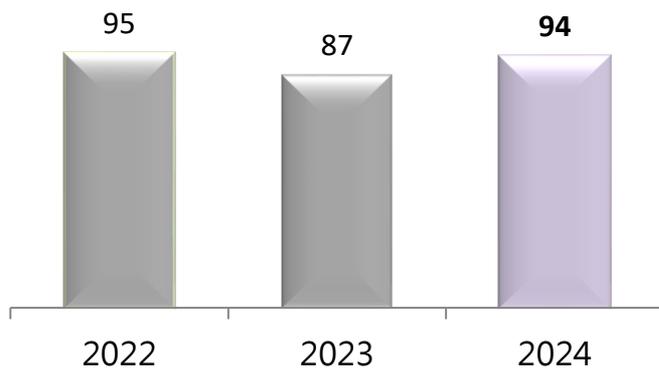
Trade payable days

(days)



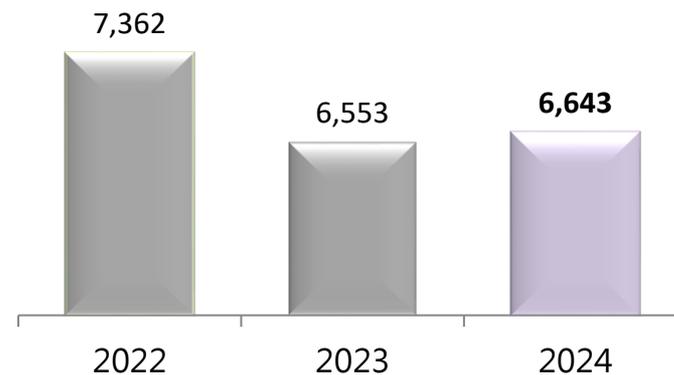
Inventory turnover days*

(days)



Cash & bank deposits

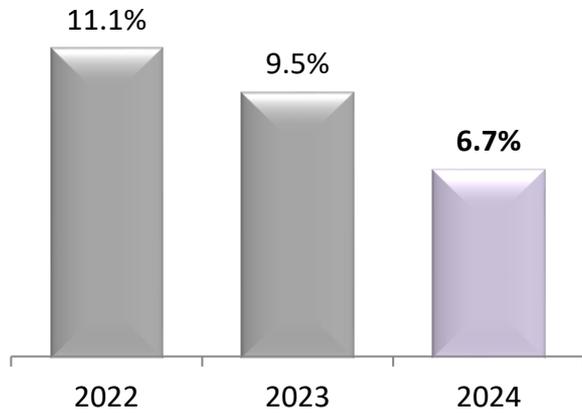
(RMB million)



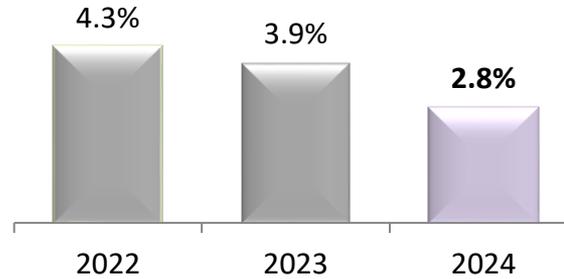
* Remark: excluding properties

Return ratios analysis

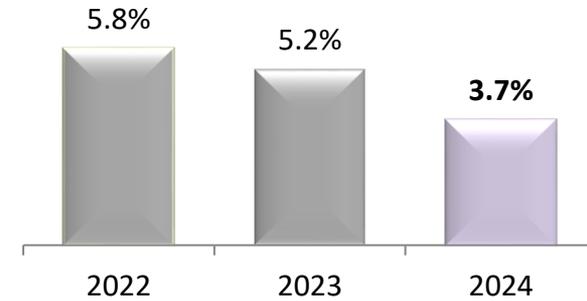
Return on equity⁽¹⁾



Return on assets⁽²⁾



Return on invested capital⁽³⁾



(1) Net profit divided by total equity at the end of the period

(2) Net profit divided by total asset at the end of the period

(3) Net profit divided by (total debt + total equity)

Part 3:

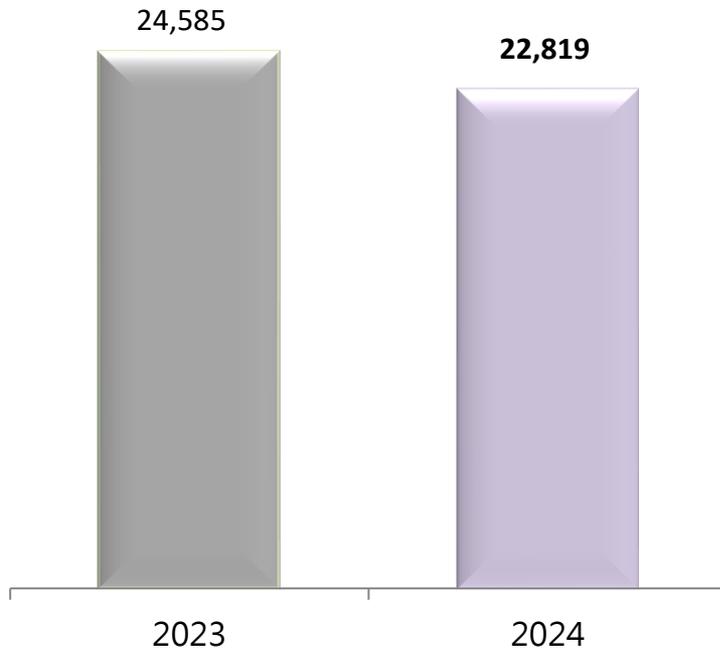
Business Review



Plastic piping systems business: revenue & sales volume

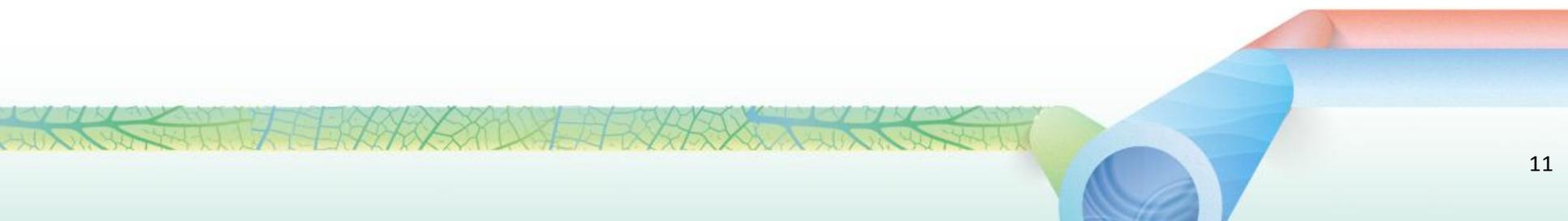
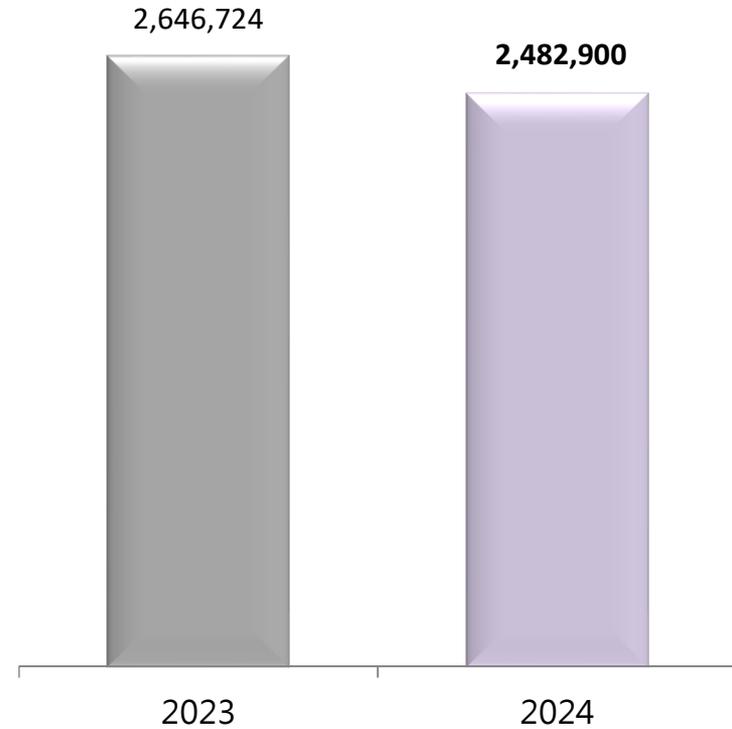
Revenue

(RMB million)



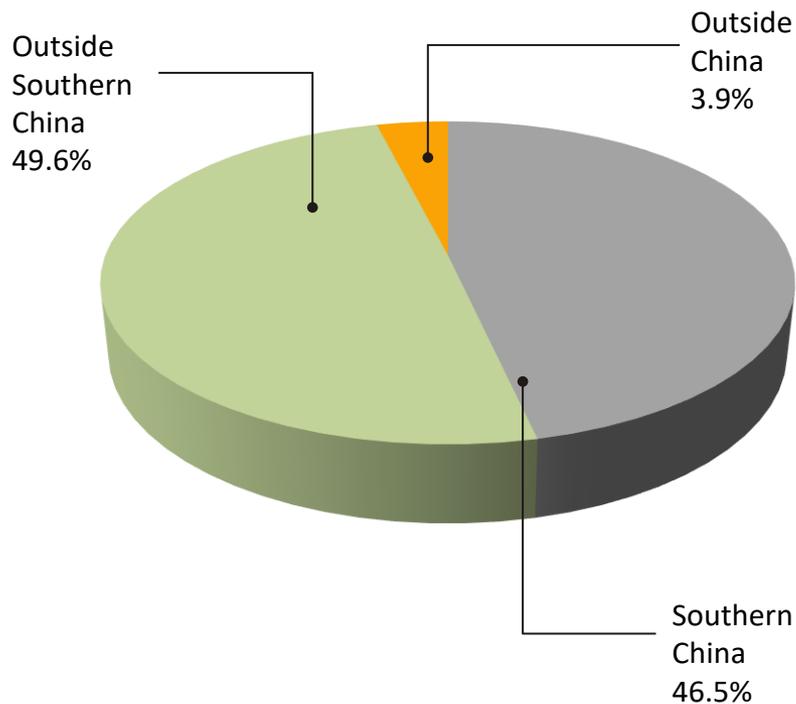
Sales volume

(tonnes)

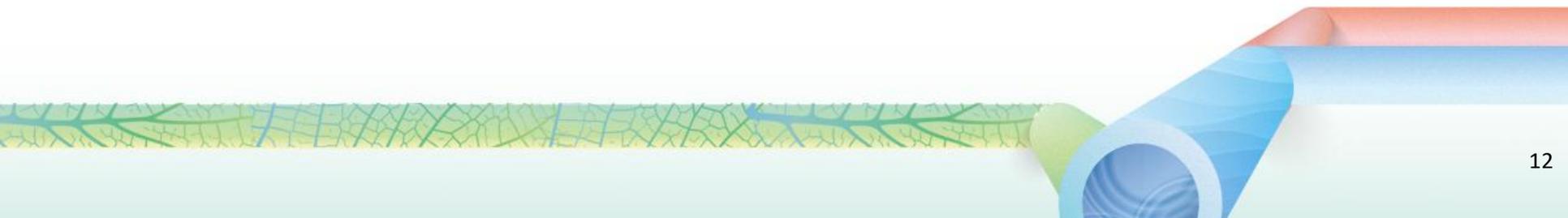
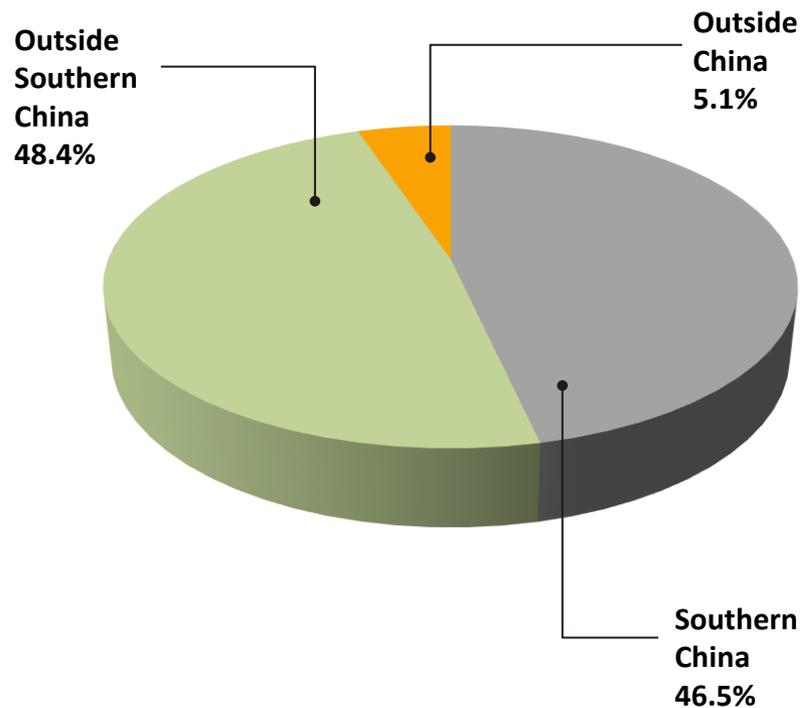


Plastic piping systems business: revenue breakdown by region

2023

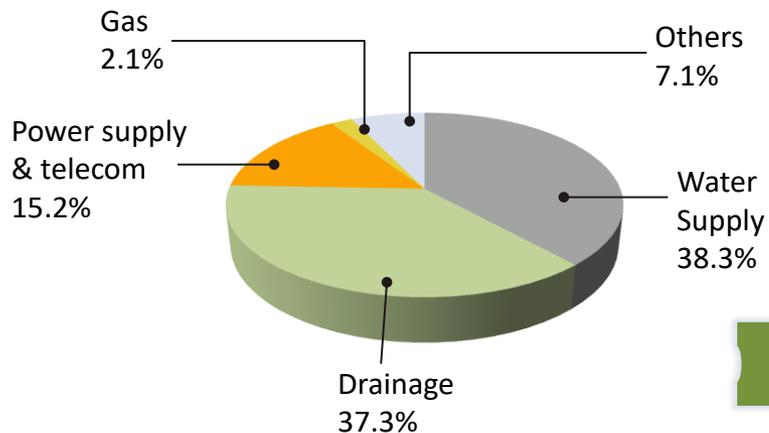


2024



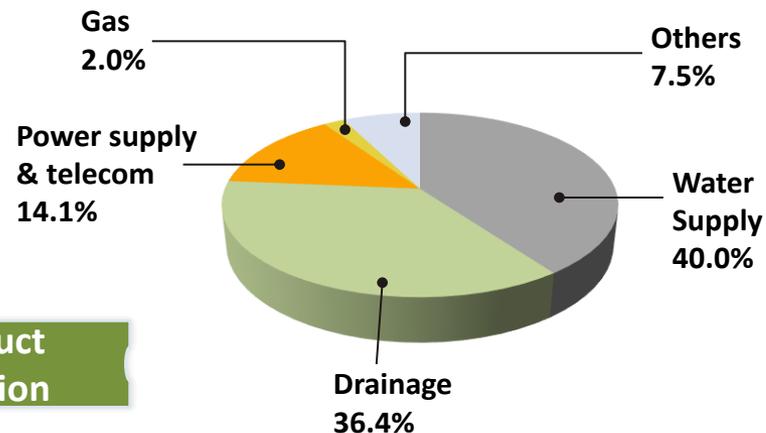
Plastic piping systems business: revenue analysis

2023

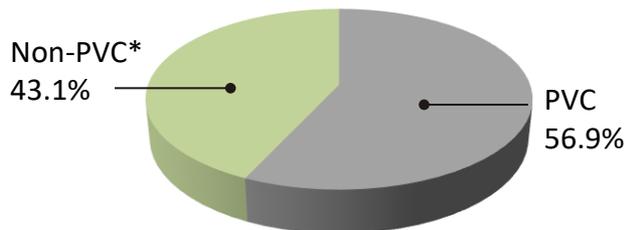


By Product Application

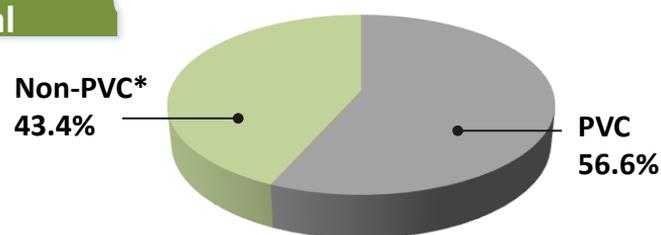
2024



By Product Material



Total pipe products revenue:
RMB 24.585 billion

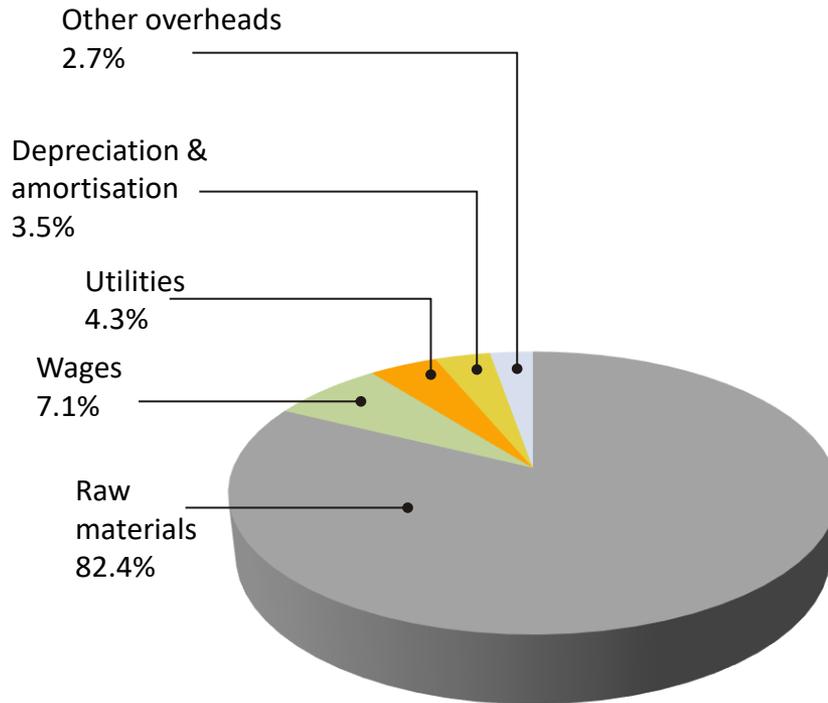


Total pipe products revenue:
RMB22.819 billion

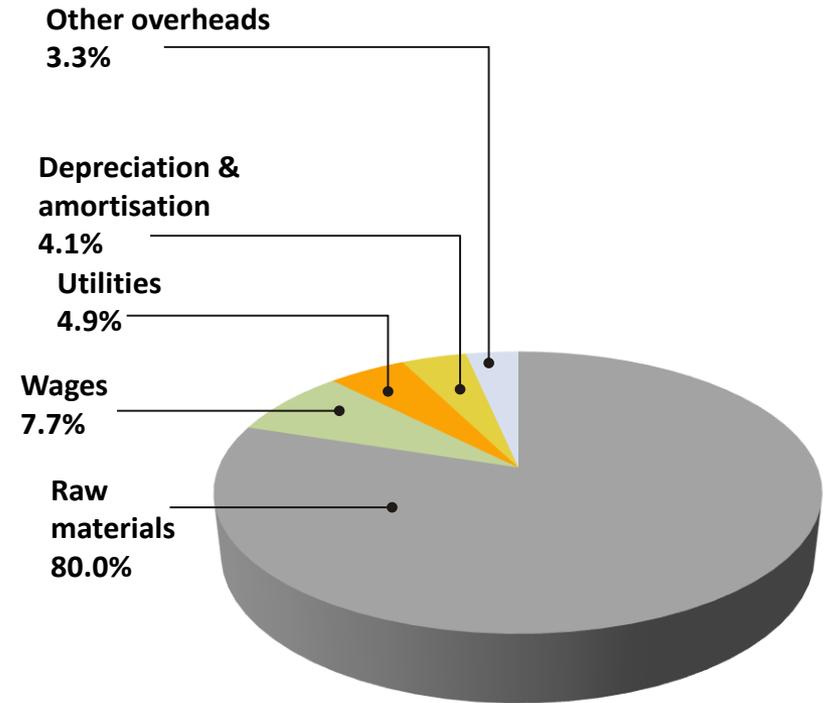
* Non-PVC includes PE, PP-R. etc

Plastic piping systems business: cost structure

2023



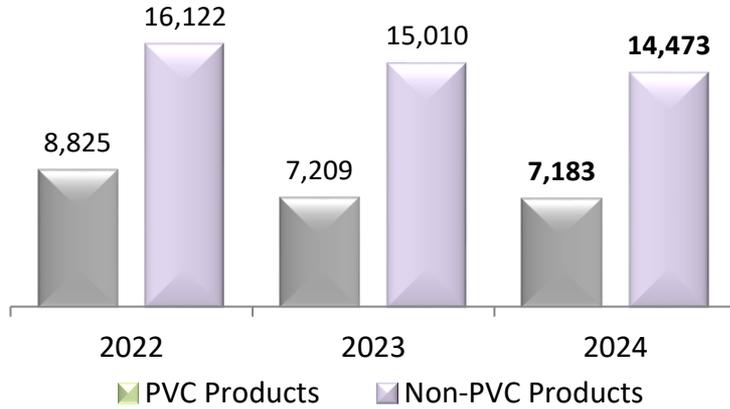
2024



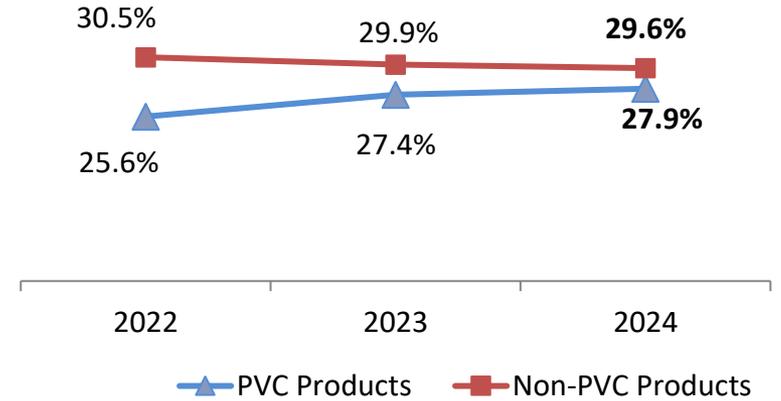
Plastic piping systems business: ASP & GP margin analysis

ASP per tonne – by material

(RMB)

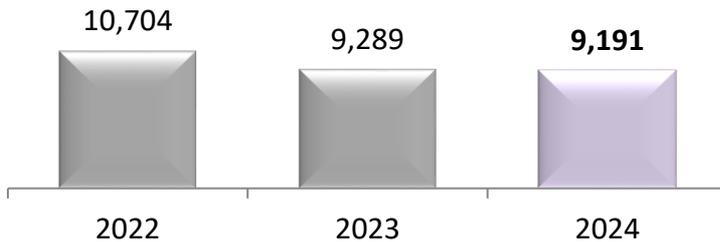


GP margin – by material

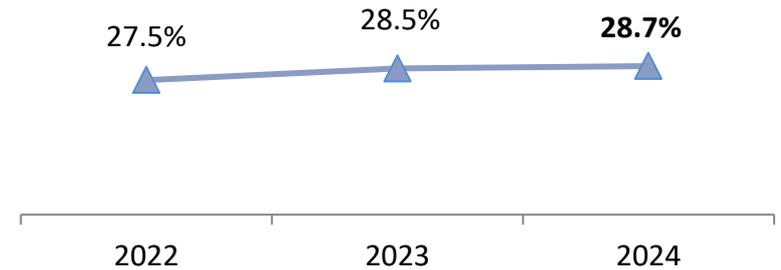


ASP per tonne - overall

(RMB)



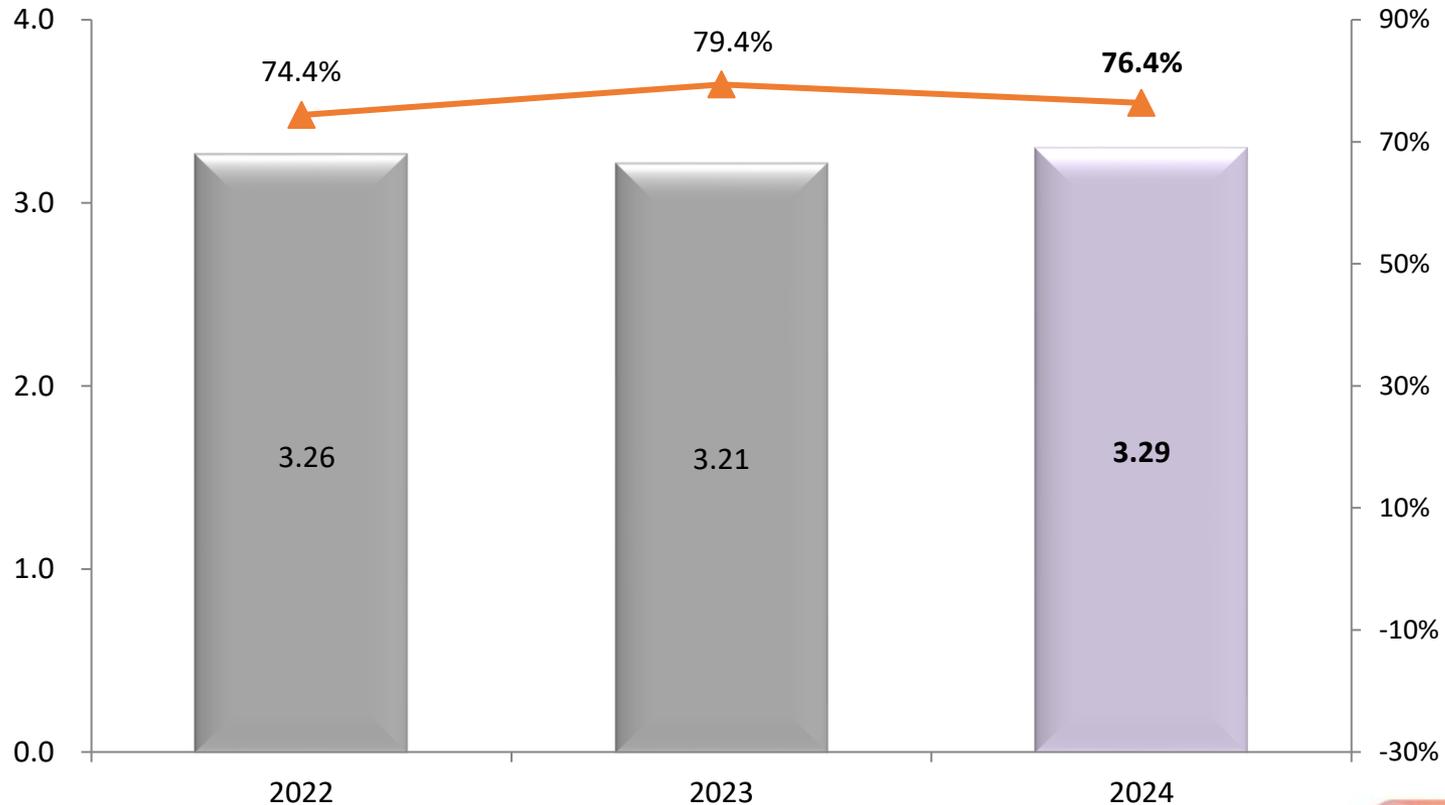
GP margin - overall



Plastic piping systems business: production capacity & utilisation rate

Annual designed production capacity & actual utilisation rate

(million tonnes)



Plastic piping systems business

1

Product Innovation

- Diversified its piping products by enhancing its technological R&D capabilities and launching more new products
- Focused on developing pipeline applications with growth potential to expand market share
- Recorded an uptrend in sales volume of its piping to the agricultural sector

2

Customer base optimisation

- Strengthened its relationships with strategic partners, including government departments and leading central government-owned and state-owned enterprises in the infrastructure sector
- To achieve synergies through active involvement in national projects and municipal reconstruction efforts

3

Smart manufacturing

- Actively implemented the concept of green manufacturing in production
- Establish smart factories integrating IoT, smart manufacturing, and automated production
- Enhanced production capability, improved efficiency and effectively reduced carbon emissions

4

Overseas market expansion

- Accelerated its brand's global expansion and localisation and proactively developed overseas markets
- Southeast Asia, Africa and North America are key development areas
- Established production bases in Indonesia, Thailand, Malaysia, Cambodia, Vietnam, Africa and the US
- those in the Philippines and Bangladesh are under preparation for construction

- An online operational platform enabling resource sharing and market integration
- Established a strong presence in the Guangdong-Foshan region of South China, also successfully launched in the Beijing-Tianjin-Hebei and Southwest China regions
- Over 10,000 members, with rapid expansion of service providers network across the entire country

LESSO 直通车

查价、下单、极速送达

Building materials & home improvement business

Recorded a revenue of RMB2,271 million in 2024

Continue to optimise
its client mix

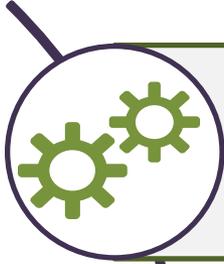
- Shift more resources towards government, central government-owned and state-owned projects
- Target financially robust customers
- Reduce risk exposure from civilian-owned enterprises

Fully grasp
business
opportunities

- Continue to focus on product quality
- Refine its one-stop integrated solution and services
- Capitalise on the synergies between its piping and building materials businesses to expand its sales channels

Other businesses

Supply chain service platform business



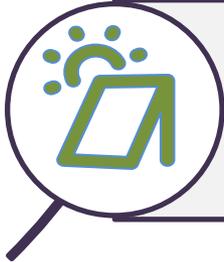
- Revenue: RMB930 million
- Actively evaluated overseas assets, strategically divesting or repurposing them for leasing based on market conditions
- Successfully completed the spin-off of its subsidiary, EDA Group, through a separate listing on the main board of the Stock Exchange on 28 May 2024

Environmental protection business



- Revenue: RMB277 million
- Strategically refine its customer portfolio and strengthen its engagement in government projects

New energy business



- Revenue: RMB223 million
- Continue to adopt a cautious and pragmatic approach, keep a close eye on market trends, further streamline investments in the new energy business, and adjust its development and operational strategies

Part 4: Outlook



Future prospect

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Continue with prudent strategy for development according to the market conditions

With a strong focus on brand development

Harness its advanced smart intelligent manufacturing capabilities

Actively driving continuous product innovation and enhancement

Further strengthen strategic partnerships with government departments, leading central government-owned and state-owned enterprises

Accelerate overseas expansion and localisation strategy

Q&A



Appendix: financial summary

Statement of profit and loss (RMB million)

	2022 restated	2023	2024
Revenue	30,767	30,868	27,026
Gross profit	8,241	8,121	7,293
EBITDA	5,786	5,613	4,732
EBIT	3,872	3,777	3,075
Net profit	2,521	2,320	1,638

Statement of financial position (RMB million)

	2022 restated	2023	2024
Cash & bank deposits	7,362	6,553	6,643
Total assets	59,004	60,031	58,333
Total debts	20,614	20,696	19,646
Total equity	22,641	24,311	24,415

Ratio analysis

Profit ratio (%)	2022 restated	2023	2024
Gross profit margin	26.8%	26.3%	27.0%
EBITDA margin	18.8%	18.2%	17.5%
EBIT margin	12.6%	12.2%	11.4%
Net profit margin	8.2%	7.5%	6.1%
Growth rate (%)			
Revenue	-4%	0.3%	-12.4%
Gross profit	-2.4%	-1.5%	-10.2%
EBITDA	1.2%	-3.0%	-15.7%
EBIT	-11.1%	-2.4%	-18.6%
Net profit	-17.7%	-7.9%	-29.4%
Liability ratio (times)			
EBITDA/ financing costs	8.49x	5.04x	4.97x
Total debts/ (total debts + total equity)	47.7%	46.0%	44.6%

Appendix: layout of production bases

With over 30 advanced production bases in 19 provinces of China and in foreign countries

