

**Cornerstone Technologies (8391.HK)****EV charging business is expected to enter a period of rapid growth driven by EHSS in 2023****➤ EV penetration in Hong Kong expected to exceed 70% by 2023, a significant increase compared to 50% penetration in 2022**

The number of first-time registered EVs in Hong Kong doubled in 2022, accounting for more than 50% of all newly registered cars for the first time. The number of EVs is expected to grow by 34% year-on-year and is expected to account for 70% in 2023. In 2022, the ratio of public chargers to total electric vehicles in Hong Kong further decreased from 0.17 in 2021 to 0.12 in 2022. Considering the shortage of public charging facilities in Hong Kong and the complete dissipation of the epidemic, the Hong Kong government is expected to encourage third-party charging infrastructure and increase public charging infrastructure on the policy side in 2023.

Price (14 Apr 23, HK\$)	0.77
52-week price range	0.51 - 3.59
Enterprise value (HK\$ m)	655

**Research Research Analysts**

Jay Dong

jinlongdong@acecamp.tech.com

**➤ Rising EV penetration ensures long-term revenue growth for the company**

The company's business is expected to enter a period of rapid growth in 2023, driven by the Hong Kong government's EHSS scheme, and with the increasing acceptance of a wide range of electric vehicle models in Hong Kong, Cornerstone HOME and Cornerstone BUSINESS are expected to provide momentum for the company's long-term growth.

- Among them, EHSS projects is expected to accelerate in 2023. It is conservatively estimated that the Company can obtain 30% of the EHSS projects, and it is expected that EHSS will bring HK\$130 million of revenue to the Company in 2023.
- The EV charging sales business is closely related to the growth in the number of EVs in Hong Kong, and this segment is expected to double to nearly HK\$56 million in revenue in 2023.
- Subscription-based revenue is still in the early stages of development and a new business segment, Cornerstone Business, has been added, alongside Cornerstone HOME and Cornerstone GO in 2023. Cornerstone HOME subscriptions is growing rapidly and is expected to reach 815 subscribers by the end of the year. Cornerstone GO has penetrated 20% of EV owners in 2022 and is expected to reach over 11,000 registered users by the end of 2023, a conservative estimate of a 29% increase in coverage. Cornerstone BUSINESS is primarily engaged in the leasing of electric commercial vehicles and is expected to initially pilot and launch electric taxi and electric van leasing in 2023. The size of the vehicle fleet will be around 50 vehicles, with the business model being explored with other commercial vehicles over time. Overall, subscription revenue is expected to grow by 540% year-on-year to HK\$9 million in 2023.

**➤ Company expected to turn EBITDA from negative to positive by 2024; attractive valuation**

Based on Cornerstone Technologies' current development and growth estimates, revenue is expected to be HK\$197 million in 2023, an increase of 519% compared to HK\$32 million in 2022. EBITDA is expected to be a loss of HK\$15.7 million in 2023 and it is expected to turn positive to HK\$23.1 million in 2024. Based on the relative valuation method, with reference to the US-listed EV charging companies, we believe the Company can be valued at a premium to the median Price-to-Revenue ratio of comparable companies, as the EV charging business of Cornerstone Technologies is relatively in its high-growth early-stages. If reference is made to 5x ~ 8x Price-to-Revenue in 2023 or 3.4x ~ 5x Price-to-Revenue in 2024, the corresponding market value of the Company would imply HK\$1.2 billion

to HK\$1.8 billion. The current market value of the Company (14 April 2023) is HK\$650 million, corresponding to a 3.3x Price-to-Revenue in 2023 or 1.8 x Price-to-Revenue in 2024.

#### Financial and Valuation Metrics

HK\$	2022A	2023E	2024E	2025E	2026E
<b>Total Revenue</b>	<b>31,827,367</b>	<b>197,133,704</b>	<b>356,220,872</b>	<b>526,248,593</b>	<b>815,557,501</b>
Cost	28,569,155	161,325,064	265,159,945	345,620,338	488,686,374
Gross Profit	3,258,213	35,808,640	91,060,927	180,628,255	326,871,127
Margin %	10.2%	18.2%	25.6%	34.3%	40.1%
Total Operating Expenses	42,771,972	51,533,875	67,946,995	83,788,827	101,887,571
<b>EBITDA</b>	<b>(39,513,759)</b>	<b>(15,725,235)</b>	<b>23,113,932</b>	<b>96,839,428</b>	<b>224,983,556</b>
Price to Revenue	20.4	3.3	1.8	1.2	0.8

Source: Company Data; AceCamp Estimated

*Risk alert: policy support is not as good as expected, the growth of electric vehicle market is less than expected, the competition in the charger industry intensifies, and the possible impact of other macroeconomic or microeconomic factors.*

➤ The Company's total revenue for the Year 2022 increased by 46% year-on-year to HK\$80 million, of which revenue from its EV charging business grew by 368% year-on-year to HK\$32 million and the revenue share of EV charging business grew from 12% in 2021 to 40% in 2022. Gross profit for the Year 2022 was approximately HK\$3.2 million, a decrease of 54% compared to a gross profit of HK\$7.0 million for the Year 2021, the decrease was mainly due to a decrease in gross profit from the printing business, while the gross profit from its EV charging business was HK\$3.2 million for the Year 2022, an increase of 100% compared to a gross profit of HK\$1.6 million for the Year 2021. Adjusted LBITDA for the Year 2022 was HK\$51 million, an increased loss of 50% compared to Adjusted LBITDA of HK\$34 million for the Year 2021. Adjusted LBITDA for the printing business reported an increased loss from HK\$6 million for the Year 2021 to HK\$23 million for the Year 2022. Adjusted LBITDA for the EV charging business reported an increased loss from HK\$29 million for the Year 2021 to HK\$38 million for the Year 2022.

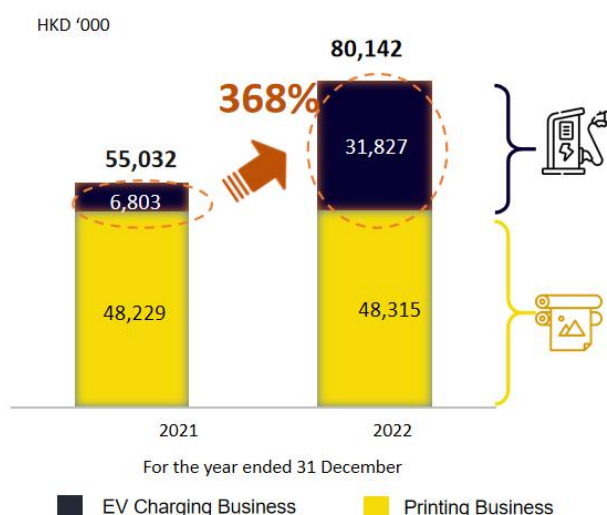
## 1. 2022 Performance Review

With the transformation to a low-carbon economy, the demand for electric vehicles worldwide has surged with the support of policies. Hong Kong has also gradually accelerated the development of electric vehicle charging infrastructure with the rapid growth of the electric vehicle market. Cornerstone Technologies continues to develop and expand the network of EV charging points in Hong Kong and is committed to providing high-quality charging solutions to the growing number of EV owners, landlords and fleet operators. While the development of charging infrastructure was affected by COVID-19 in 2022, the Company still increased its charging infrastructure by ten times in Hong Kong in the past year, which significantly increased its market share. The Company has not only achieved remarkable results in the commercial and residential sectors, but also continued to win the Hong Kong Government's EHSS projects.

### Revenue

The total revenue of the Company for the Year 2022 was approximately HK\$80,142,000, representing an increase of 45.6% as compared with that of HK\$55,032,000 for the Year 2021. The increase in total revenue was all contributed by the EV charging business, which recorded a revenue of HK\$31,827,000 for the Year 2022, representing an increase of 368% as compared with that of HK\$6,803,000 for the Year 2021. The increase was mainly due to the increase in revenue from the sales of EV charging systems by approximately HK\$14,700,000 and the increase in revenue from the provision of installation services by approximately HK\$8,900,000.

Figure 1: Revenue of the Company



Source: Company Annual Report, AceCamp

Including:

A. Revenue from sales of charging systems for electric vehicles for the Year 2022 amounted to approximately HK\$21,136,000, representing an increase of 228% as compared to HK\$6,540,000 for the Year 2021. The increase in revenue was mainly due to the increase in number of customers and the increase in sales orders from existing customers for the installation of electric vehicle chargers.

B. Subscription fee income was approximately HK\$1,434,000 in Year 2022, representing an increase of 306% as compared to HK\$353,000 in Year 2021. The increase in revenue was mainly due to the increase in coverage of EV charging points in public and private car parks.

- For Cornerstone HOME, by the end of 2022, Cornerstone signed exclusive agreements for EV charging projects in 25 residential car parks in Hong Kong. The total number of car parking spaces covered under the exclusivity reached 8,634 and the total number of subscribers has increased by nearly 10 times year-on-year to 215.
- Cornerstone GO, launched in October 2022, is a one-stop integrated technology platform for owners, charging operators, electric vehicle drivers and marketers, with more than 70 charging points under the platform by the end of 2022 and an additional 33 charging points added to LINK REIT's projects in November 2022, which is expected to be completed in 2023.

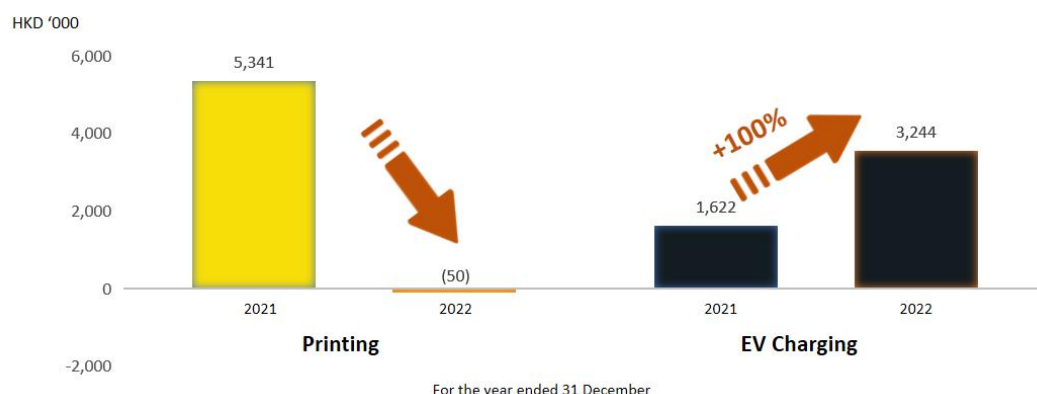
C. The installation service income was approximately HK\$8,937,000 in Year 2022, which was related to the installation service provided by the Company under the EHSS Scheme. By the end of 2022, the Company won 3 out of 7 launched projects and has secured about half of the awarded projects in terms of total number of car parking spaces.

D. Maintenance income in 2022 was approximately HK\$320,000, which was related to the maintenance services for the electric vehicle chargers provided by the Company under the EHSS project.

#### Gross Profit

The gross profit of the Company in Year 2022 was approximately HK\$3,194,000, representing a decrease of 54% as compared with that of HK\$6,963,000 in Year 2021. The decrease in the Company's profit was mainly due to the decrease in gross profit of the printing business, of which the gross profit of the electric vehicle charging business in Year 2022 was HK\$3,244,000, representing an increase of 100% as compared to the gross profit of HK\$1,622,000 in Year 2021, mainly benefiting from the rapid growth of the electric vehicle charging business.

**Figure 2: Gross Profit of the Company**

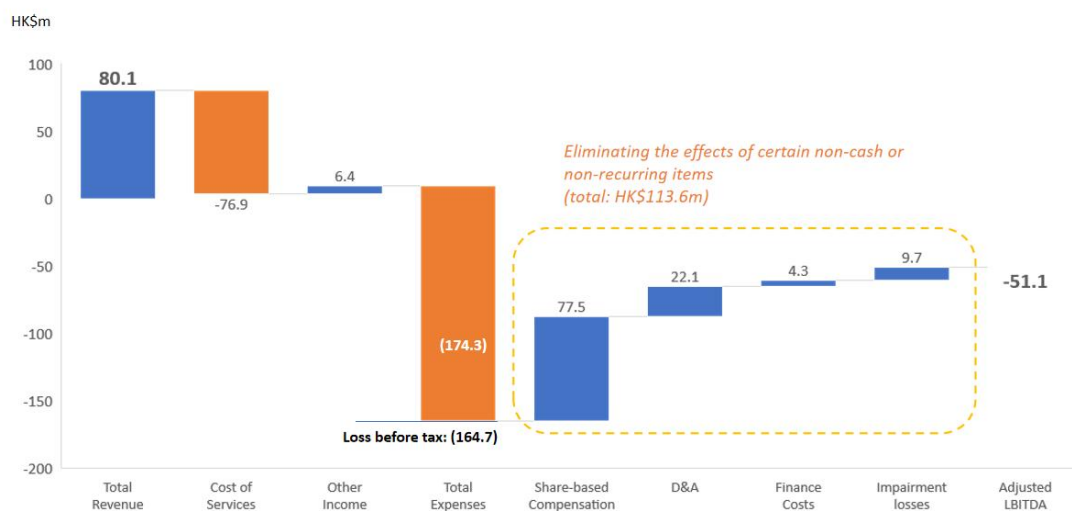


Source: Company Annual Report, AceCamp

#### Adjusted LBITDA

The adjusted LBITDA of the Company for the Year 2022 was HK\$51,082,000, representing an increased loss of 50% as compared with the adjusted LBITDA of HK\$33,988,000 for the Year 2021. This was mainly due to the rapid increase in costs in Year 2022.

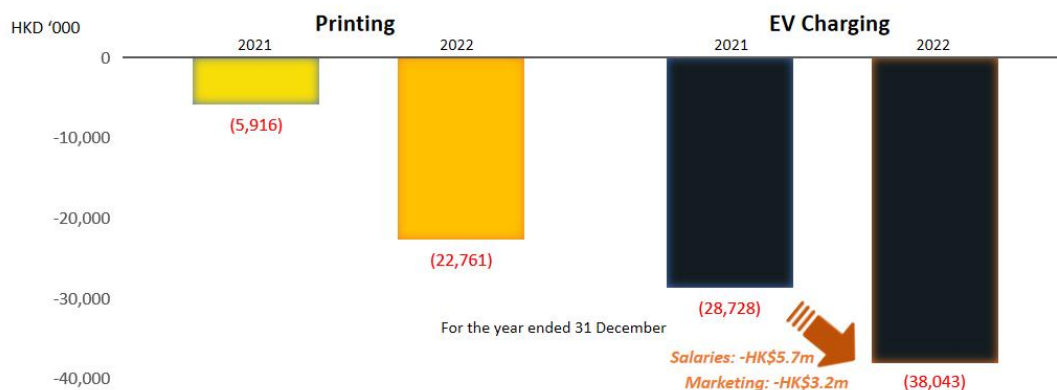
Figure 3: Adjusted LBITDA of the Company



Source: Company Annual Report, AceCamp

Based on the business split, the adjusted LBITDA of the printing business reported a relatively large increased loss from HK\$5,916,000 in Year 2021 to HK\$22,761,000 in Year 2022. The adjusted LBITDA of electric vehicle charging business reported an increased loss from HK\$28,728,000 in Year 2021 to HK\$38,043,000 in Year 2022, of which the impact from salaries expenses was approximately HK\$5,700,000 and marketing expenses was approximately HK\$3,200,000.

Figure 4: Company Adjusted LBITDA-Segment



Source: Company Annual Report, AceCamp

## 2. 2023 and Future Prospects

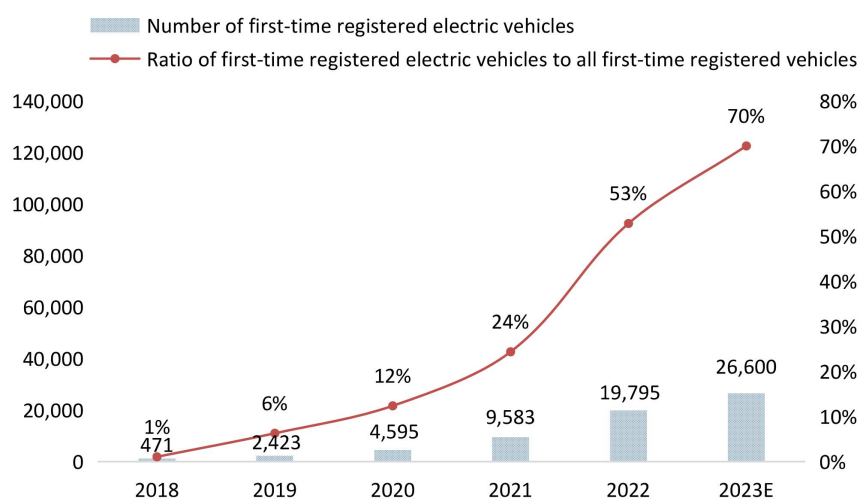
The Company's current and future development focuses are on the EV charging business. According to the Hong Kong Listing Rules, the Company will not be able to dispose of its existing business until 36 months after the completion of the acquisition. We therefore believe it would make sense that the printing business be divested from the listed entity by the end of this year.

### 2.1, Market Outlook

For the EV charging business, with policy support, the advancement of battery technology and the increase in charging infrastructure, the utilization rate of electric vehicles in Hong Kong reached a record high in 2022. At the same time, the rapid growth of electric vehicles further increases the demand for charging infrastructure. At present, more and more charging points are being constructed, and the industry is still in the early stages of development.

The number of first-time registered EVs in Hong Kong in 2022 reached 19,795, up 107% year-on-year, accounting for 53% of the total number of first-time registered private cars in Hong Kong, a significant increase from 24% in 2021. We conservatively expect the number of first time registered EVs in Hong Kong to reach 26,600 in 2023, a 34% year-on-year increase, and the proportion of total first time registrations of private cars in Hong Kong is expected to grow to 70%.

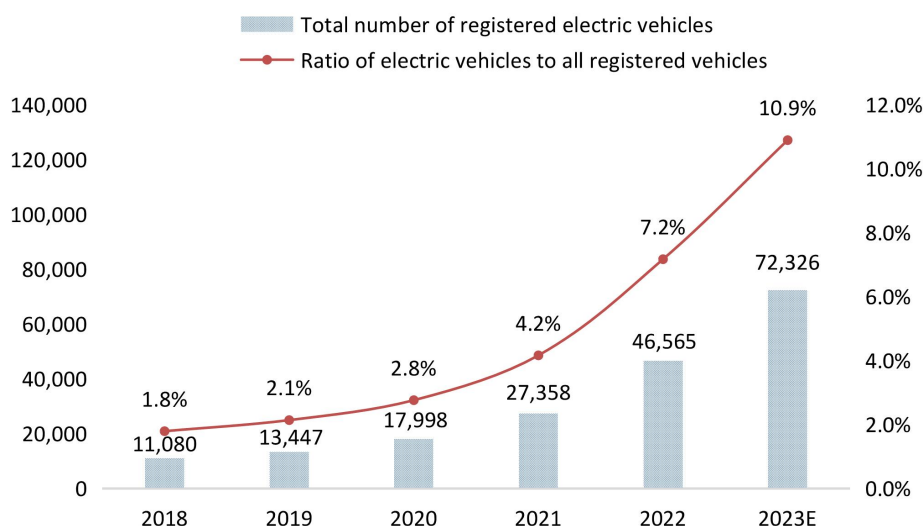
Figure 5: Trend in the Number of First-Time Registered Electric Vehicles in Hong Kong



Source: Transport Department of Hong Kong Special Administrative Region, AceCamp

In 2022, the total number of registered electric vehicles in Hong Kong was 46,565, representing a year-on-year increase of 69% and accounting for 7.2% of the total number of registered private cars in Hong Kong, representing a significant increase as compared with 4.2% in 2021. Based on the estimated number of first time registered electric vehicles in 2023, we estimate that the number of registered electric vehicles in Hong Kong will increase to 72,326 in 2023, representing approximately 10.9% of the total number of registered private cars in Hong Kong.

Figure 6: Trend of the Total Number of Registered Electric Vehicles in Hong Kong



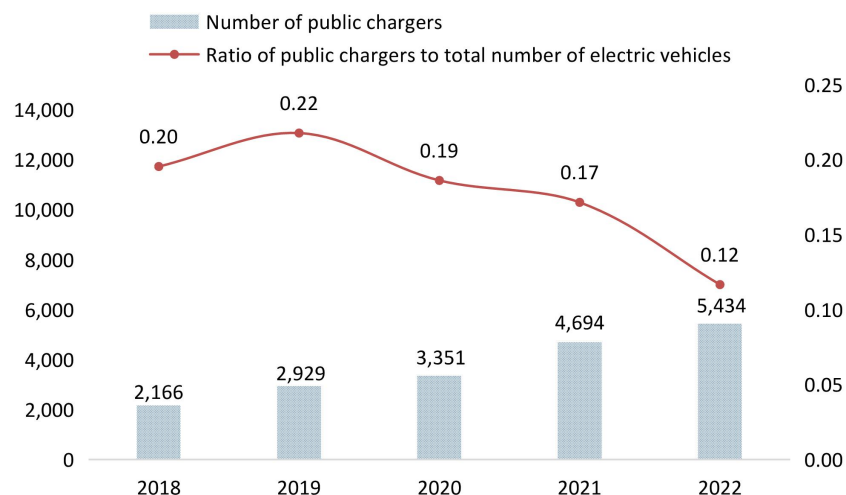
Source: Transport Department of Hong Kong Special Administrative Region, AceCamp

By the end of December 2022, there were 5,434 chargers for public use in Hong Kong, including 2,983 medium-speed chargers and 998 fast chargers, with the number of medium-speed and fast chargers steadily increasing year-on-year by 55% and 18% respectively. Although the

number of public chargers increased by 16% year-on-year compared to 4,694 in 2021, its growth rate was much slower than the 69% year-on-year increase in the total number of registered EVs in Hong Kong, and the ratio of public chargers to total EVs decreased further from 0.17 in 2021 to 0.12 in 2022.

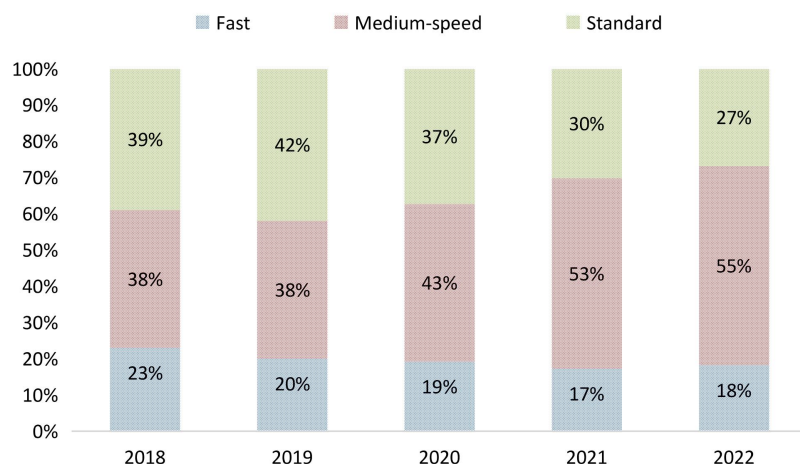
**We therefore believe that EHSS projects is expected to accelerate in 2023 to boost the development of EV charging infrastructure in Hong Kong, while we also believe that similar corporate subscription projects such as Cornerstone Home are expected to see explosive growth on the demand side due to the shortage of public chargers.**

Figure 7: Trend in the Number of Public Chargers in Hong Kong



Source: Environmental Protection Department of Hong Kong Special Administrative Region Government, AceCamp

Figure 8: Proportion of Different Types of Public Chargers in Hong Kong

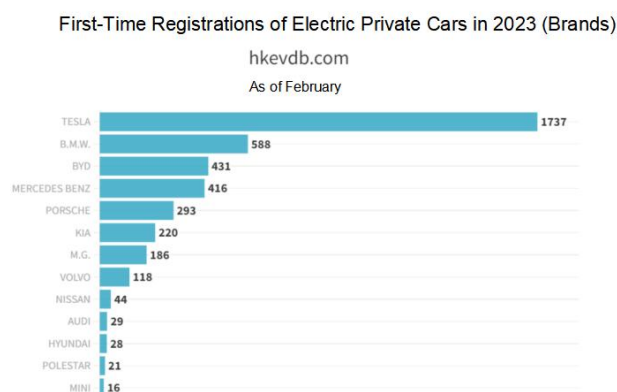


Source: Environmental Protection Department of Hong Kong Special Administrative Region Government, AceCamp

In recent years, with the continuous iteration and updating of electric vehicle technology and the launch of a variety of electric vehicle models by automobile manufacturers, while Tesla is the dominant EV brand in Hong Kong in 2021 and 2022, we are seeing a diversification of EV brands, with other European, Korean and Chinese brands such as BYD growing rapidly in 2022 and early 2023. According to the first registration data of automobile brands in Hong Kong in the first two months of 2023, the growth of the first registration figures of brands such as BYD, BMW and Benz were higher than that of Tesla.

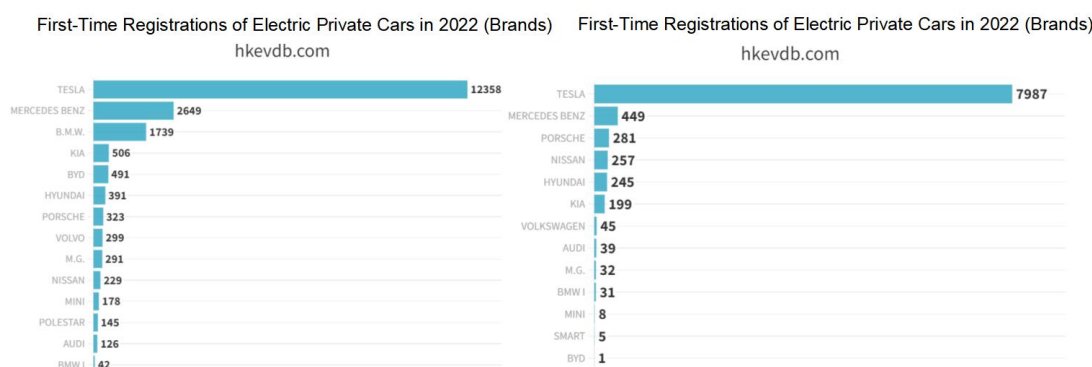
We believe that the diversification of EV brands will facilitate the development of third-party charging infrastructure providers such as Cornerstone Technologies, whether for individual households or public charging infrastructure, and universal charging infrastructure compatible to multiple car brands will bring more convenience.

Figure 9: Main Brands of Electric Vehicles in Hong Kong in the First Two Months of 2023



Source: hkevdb.com, AceCamp

Figure 10: Major Brands of Electric Vehicles in Hong Kong in 2021 and 2022



Source: hkevdb.com, AceCamp

## 2.2, Expectations for the Company's EV Charging Business and Future Outlook

A. The business of selling EV charging systems is closely related to the growth of the number of EVs in Hong Kong. The corporate customers will gradually increase their EV charging infrastructure investment in line with the overall EV market in order to continuously improve their customer convenience, we **estimate that this segment will double in growth by 2023 and achieve a compound growth rate of over 60% over the next three years.**

B. Subscription fee business in 2023 will be split into three segments: Cornerstone HOME, Cornerstone GO and Cornerstone Business.

### B1. Cornerstone HOME:

- This business has been growing rapidly since mid-2022, along with the surge in demand due to the rapid growth of electric vehicle sales and the company's aggressive business layout. The number of subscribers was 215 at the end of 2022 and grew to 324 at the end of March 2023, equivalent to a monthly growth of nearly 40, and the number of new subscribers per month is still on a growth trend. **We conservatively estimate that the average monthly subscription growth in 2023 will be 50, which will result in 815 members at the end of the year.**
- Also recently noticed the price adjustment of the Company's monthly plan, in which the light monthly charge for the first batch of users

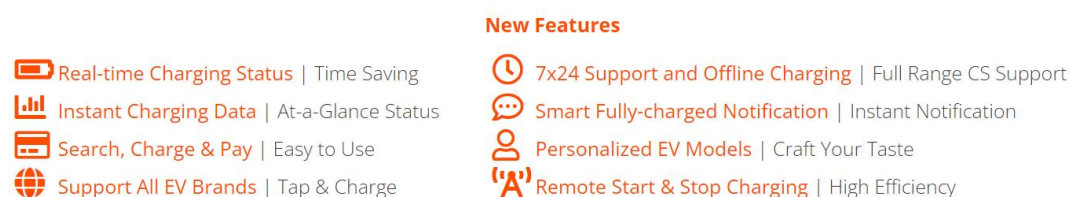


only remained unchanged at HK\$680, but the Standard monthly plan was increased from HK\$980 to HK\$1,050 and the Advance monthly plan was increased from HK\$1,580 to HK\$1,700, mainly due to the increase of electricity prices in Hong Kong. According to the growth trend of subscribers, the price increase had no impact on the rate of new subscribers, as drivers are still able to save 70% on fuel prices compared to the price of gas. With the increase of subscription prices and the gradual conversion of the first users to existing users, **we believe that the average payment of subscribers will show a steady growth trend.**

## B2. Cornerstone GO:

- The company continues to aggregate its own invested charging points as well as charging points of its partners, thereby increasing the number of Cornerstone GO charging points to 70 by the end of 2022, with partners including Mercedes-Benz, BMW, car care company NTI, AsiaWorld-Expo and LINK REIT, of which 33 LINK REIT related charging points will be commissioned in 2023. **We estimate that the total number of charging points is expected to reach 200 by the end of 2023.**
- Its mobile APP has over 7,500 registered users, which means that Cornerstone GO APP has penetrated nearly 20% of all EV owners, making it No.1 in Hong Kong for this segment. Cornerstone GO APP is also constantly adding new features to improve user stickiness, such as the recent addition of a parking space reservation function, users can block the corresponding parking space for 15 minutes by using the app, bringing great convenience to users. At the end of March 2023, the number of registered users exceeded 8,500, equivalent to over 330 new users per month. Based on this growth trend, with the steady growth of partner charging points, such as 6,000 chargers by the end of the year and the gradual dispersion of sales of headline EV models, **it is conservatively estimated that the number of registered users will exceed 11,000 by the end of 2023.**

Figure 11: Cornerstone GO APP New Features



Source: Company Website, AceCamp

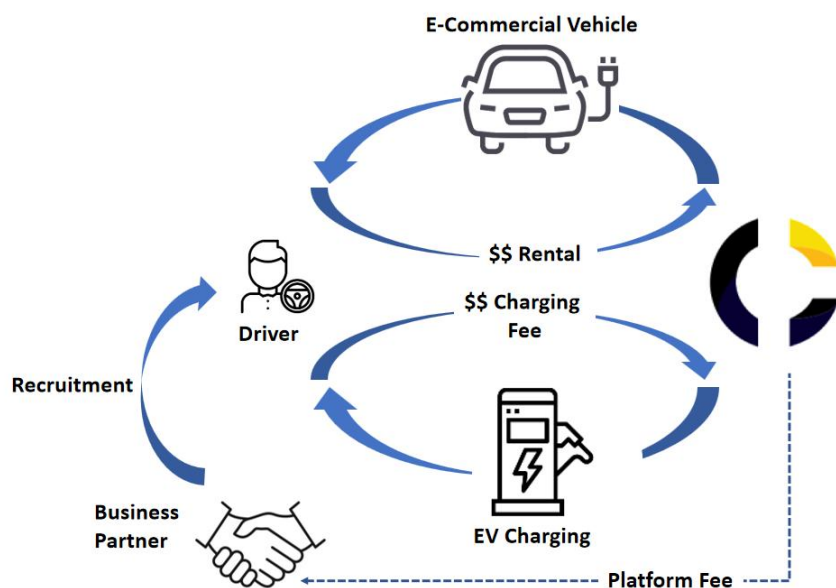
- We estimate that revenue sharing will be the main source of revenue for Cornerstone GO in the short to medium term, but advertising revenue is expected to start increasing gradually in 2024 as the number of app users increases and offline charging points continue to expand.

In addition to establishing a joint venture in Cambodia, the company has further expanded its Southeast Asian footprint into Thailand, Malaysia and Indonesia. The company has recently expanded into Australia to develop charging solutions for residential projects in various parts of the country, which may be implemented faster than in Southeast Asia due to the Australian government's strong desire for climate change and the introduction of new policies.

## B3. Cornerstone BUSINESS:

In 2023, the Company is pleased to introduce a new business to complement its existing charging network, Cornerstone BUSINESS, which is primarily engaged in the leasing of electric commercial vehicles, in line with Hong Kong's environmental initiatives. The Company expects to initially pilot and launch electric taxi and electric van leasing in 2023. We estimate that the initial pilot will be around 50 vehicles in 2023, and will gradually explore this business model with other types of commercial vehicles.

Figure 12: Cornerstone BUSINESS Model



Source: Company Information, AceCamp

C. Installation services, also known as the Hong Kong Government's EHSS scheme, the company won three of the seven projects and completed Hong Kong's first project in 2022. Considering the sharp drop in the ratio of public chargers to EVs in Hong Kong and the dissipation of the epidemic, we believe the Hong Kong government is expected to accelerate EHSS projects in 2023. **Based on current project win rate, we conservatively estimate that the company could capture 30% of the Hong Kong government's HK\$3.5 billion five-year share of EHSS projects, and if the projects progress well, we estimate that corresponding revenue is expected to reach HK\$130 million in 2023.**

### 3, Profit Forecast and Valuation

Given the Company's desire to expand geographically, and the relatively more early-stage of its peers in Southeast Asia, we believe there is potential for the Company to pursue M&A activities in selected target regions, to accelerate its presence outside of Hong Kong. M&A activities would further increase its revenue growth potential and therefore the implied valuation of the Company, which is currently not factored in our forecasts.

In 2022, Cornerstone Technologies' EV charging business is still in its early stages. In 2023, the company's business is expected to enter a period of rapid growth driven by the Hong Kong government's EHSS projects, and along with the increasing acceptance of a wide range of EV models by the Hong Kong people, Cornerstone HOME and Cornerstone BUSINESS are expected to provide momentum for the company's long-term growth.

Our estimates for the Company's revenue and profit growth:

Revenue is expected to be HK\$197 million in 2023, an increase of 519% compared to HK\$32 million in 2022, with a 60% compound annual growth rate in revenue from 2024 to 2026;

EBITDA is expected to be a loss of HK\$15.7 million in 2023, EBITDA is expected to turn positive to HK\$23.1 million in 2024 and EBITDA is expected to reach HK\$225 million in 2026.

Figure 13: Estimated Key Performance Indicators

**ACECAMP FORECAST**

HK\$	2022A	2023E	2024E	2025E	2026E
<b>Total Revenue</b>	<b>31,827,367</b>	<b>197,133,704</b>	<b>356,220,872</b>	<b>526,248,593</b>	<b>815,557,501</b>
Cost	28,569,155	161,325,064	265,159,945	345,620,338	488,686,374
Gross Profit	3,258,213	35,808,640	91,060,927	180,628,255	326,871,127
Margin %	10.2%	18.2%	25.6%	34.3%	40.1%
Total Operating Expenses	42,771,972	51,533,875	67,946,995	83,788,827	101,887,571
<b>EBITDA</b>	<b>(39,513,759)</b>	<b>(15,725,235)</b>	<b>23,113,932</b>	<b>96,839,428</b>	<b>224,983,556</b>

Source: AceCamp

Valuation: Based on the relative valuation method, with reference to the US-listed EV Charging companies such as CHPT.US, EVGO.US, WBX.US, ALLG.US and BLNK.US, we value the Company at a premium to the median Price-to-Revenue multiple of comparable companies as the EV charging business of Cornerstone Technologies is relatively in its high growth early-stages. If reference is made to 5x ~ 8x Price-to-Revenue in 2023 or 3.4x ~ 5x Price-to-Revenue in 2024, the corresponding market value of the Company implies HK\$1.2 billion to HK\$1.8 billion. The current market value of the Company (14 April 2023) is HK\$650 million, corresponding to 3.3x Price to Revenue in 2023 or 1.8x Price to Revenue in 2024.

Figure 14: Valuations of U.S. Stock-Related Companies

Company	Ticker	Market Cap (USD in Ms)	Revenue (USD in Ms)		EBITDA (USD in MS)		Price to Revenue	
			2023E	2024E	2023E	2024E	2023E	2024E
ChargePoint	CHPT.US	3,220	650	950	(280)	(190)	5.0	3.4
EVgo	EVGO.US	1,742	130	260	(80)	(40)	13.4	6.7
Wallbox	WBX.US	633	270	490	(50)	24	2.3	1.3
Allego	ALLG.US	588	220	410	35	100	2.7	1.4
Blink Charging	BLNK.US	451	103	150	(80)	(60)	4.4	3.0

Source: Thomson, AceCamp

**4, Major Risk Analysis**

- Policy support for the electric vehicle charging industry: Several regions around the world (including Hong Kong) have introduced favourable policies for the electric vehicle industry. However, if the implementation of policies in various regions is not as expected or government projects are not implemented as expected, it will have an impact on the related revenue of the Company.
- Technological development: The development of a diverse ecology of EV models or revolutionary upgrades in battery range technology will affect the demand for third-party charging, which will affect the Company's revenue.
- Market competition: The competitive market environment has led to a lower than expected number of EHSS projects won from the Hong Kong Government and may also lead to an impact on the price of monthly subscription prices, which will have an impact on the Company's market share and profit structure.
- Initial negative cash flow: As the Company expects to increase the subscription volume and incur capital expenditure for expansion at an initial stage on a relatively fixed administrative cost basis, the cash flow generated is forecasted to be negative at the initial stage before making profit. Therefore, if the Company is unable to obtain sufficient funding in a timely manner, it will have a significant impact on the Company's business expansion.
- The possible impact of other macro-economic or micro-economic factors.

Figure 15: Schedule

**ACECAMP FORECAST**

HK\$	FYE Actual 2022	FYE Forecast 2023	FYE Forecast 2024	FYE Forecast 2025	FYE Forecast 2026
<b>Revenue</b>					
Cornerstone HOME	756,478	3,326,640	16,001,985	59,141,422	173,977,629
Cornerstone GO	677,111	3,092,187	6,099,109	10,751,253	22,673,123
Cornerstone Business	-	2,730,000	45,110,000	120,900,000	211,900,000
EHSS	8,937,199	130,000,000	200,000,000	200,000,000	200,000,000
Trade	20,394,014	54,040,000	81,060,000	121,590,000	182,385,000
Last Mile	742,644	1,800,000	2,340,000	3,042,000	3,954,600
Others - Maintenance Income	319,920	2,144,877	5,609,778	10,823,918	20,667,149
<b>Total Revenue</b>	<b>31,827,367</b>	<b>197,133,704</b>	<b>356,220,872</b>	<b>526,248,593</b>	<b>815,557,501</b>
Cornerstone HOME	-	1,313,862	6,320,013	23,358,011	68,712,779
Cornerstone GO	1,392,341	2,161,056	3,970,421	5,769,336	11,280,299
Cornerstone Business	-	945,000	13,545,000	37,800,000	72,450,000
EHSS	8,203,475	110,500,000	170,000,000	170,000,000	170,000,000
Trade	18,693,558	43,232,000	64,848,000	97,272,000	145,908,000
Last Mile	-	1,350,000	1,708,200	2,220,660	2,768,220
Others - Maintenance Income	279,780	1,823,146	4,768,311	9,200,330	17,567,077
<b>Cost of Goods Sold</b>	<b>28,569,155</b>	<b>161,325,064</b>	<b>265,159,945</b>	<b>345,620,338</b>	<b>488,686,374</b>
<b>Gross Profit</b>	<b>3,258,213</b>	<b>35,808,640</b>	<b>91,060,927</b>	<b>180,628,255</b>	<b>326,871,127</b>
Margin %	10.2%	18.2%	25.6%	34.3%	40.1%
<b>SG&amp;A</b>					
BD & Sales Department	81,408	2,088,240	3,888,360	6,855,540	7,238,310
CS and Maintenance Department	250,471	483,671	1,031,611	2,297,792	5,306,501
Marketing Department	3,230,705	3,899,330	7,530,555	12,616,987	17,846,711
Finance Department	795,471	954,565	1,145,478	1,374,574	1,649,488
HR & Administration Department	8,094,663	8,499,397	8,924,366	9,370,585	9,839,114
IT Department	1,296,285	1,393,507	1,498,020	1,610,371	1,731,149
Salary & Bonus Operating Expenses	26,607,048	28,602,576	32,194,528	37,883,863	46,535,893
Research & Development	1,829,627	2,012,590	2,134,077	2,179,116	2,140,405
Finance Cost	586,293	3,600,000	9,600,000	9,600,000	9,600,000
<b>Recurring SG&amp;A</b>	<b>42,771,972</b>	<b>51,533,875</b>	<b>67,946,995</b>	<b>83,788,827</b>	<b>101,887,571</b>
<b>EBITDA</b>	<b>(39,513,759)</b>	<b>(15,725,235)</b>	<b>23,113,932</b>	<b>96,839,428</b>	<b>224,983,556</b>