Twitter Thread by Conviction | Patience



Conviction | Patience
@unseenvalue

When we put a high multiple to sales, the most important thing to worry about is - what could disrupt those cash flows. A lower multiple to sales (like a 1x or 2x) justifies Yo-Yo cyclicality and 10x sales implies relatively stable gross margins, cash flow and business economics.

> It's amazing \U0001f60a 25% NP
>
> $8b revenue
> $2b Profit
> $92b MCap
>
> At 11 times revenue, it seems to be cheap compared to\U0001f609
>
> — Avinash (@Aviral_Bharat) February 17, 2022