

China Hongqiao (1378 HK)

Net profit in 2024 +95% in line; 63% payout ratio implies 11% yield at the current price

Hongqiao's net profit came in at RMB22.3bn (+95% YoY), which is in line with the pre-announced profit growth of 95% in Dec 2024. This implies 47% net profit growth in 2H24. Excluding the fair value loss of convertible bonds (CB), the core net profit in 2024 would reach RMB24.5bn (+114% YoY). Hongqiao proposed final dividends of HK\$1.02/share. This, together with the interim dividend of HK\$0.59/share, representing ~63% full-year payout ratio, which is a positive surprise. We revise up our 2025E-26E earnings forecasts by 26%/25%, due to higher aluminium price (tight industry supply with utilisation reaching 98%) and lower coal price assumption. We estimate every 1% increase in Al price will boost Hongqiao's earnings by 3%, while 1% decrease in coal price will increase earnings by 0.5%. The current price offers an attractive yield of ~11%. We revise up our TP to HK\$20.6 (from HK\$19.6) after rolling over the valuation base to 2025E, based on 7.2x 2025E P/E (0.5SD above historical average) plus dividend payable of HK\$1.02/shr. Maintain **BUY**.

- **Aluminum alloy products (66% of revenue in 2024):** The segment revenue in 2024 increased ~8% YoY to RMB102bn (sales volume +1.5% YoY to 5.84mn tonnes; ASP +6.6% to RMB17,549/t). This, together with a 3% YoY decrease in unit cost, boosted the unit gross profit by 51% YoY to RMB4,317/t.
- **Alumina segment (24% of revenue):** The segment revenue increased ~41% YoY to RMB37.3bn (sales volume +5% YoY to 10.6mn tonnes; ASP +34% to RMB3,420/t). We calculated the unit gross profit surged 3.2x YoY to RMB1,212/t.
- **Aluminum fabrication products (10% of revenue):** The segment revenue increased ~35% YoY to RMB15.6bn (sales volume +32% YoY to 766mn tonnes; ASP +2.5% to RMB20,328/t). The unit gross profit surged 76% YoY to RMB4,959/t.
- **Key risks:** (1) A slowdown of global economy that affects the aluminium price; (2) sharp rebound in input costs such as bauxite and coal.

Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (RMB mn)	133,624	156,169	154,387	155,794	156,162
YoY growth (%)	1.5	16.9	(1.1)	0.9	0.2
Adjusted net profit (RMB mn)	11,460.7	24,564.8	23,983.3	24,012.6	24,646.2
EPS (Adjusted) (RMB)	1.21	2.59	2.53	2.53	2.60
Consensus EPS (RMB)	na	2.21	2.23	2.36	0.00
P/E (x)	11.6	5.9	5.5	5.5	5.4
P/B (x)	1.4	1.2	1.1	1.1	1.0
Yield (%)	4.1	10.6	10.8	10.9	11.1
Net gearing (%)	34.3	24.4	11.1	6.6	(4.9)

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price	HK\$20.60
(Previous TP)	HK\$19.60)
Up/Downside	36.8%
Current Price	HK\$15.06

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Stock Data

Mkt Cap (HK\$ mn)	142,701.6
Avg 3 mths t/o (HK\$ mn)	376.2
52w High/Low (HK\$)	15.06/7.13
Total Issued Shares (mn)	9475.5

Source: FactSet

Shareholding Structure

Shipping Trust Company (Zhang's family)	64.2%
CITIC Group	6.0%

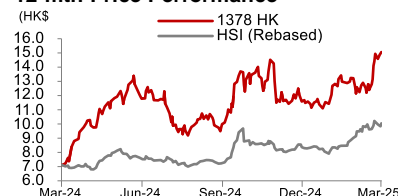
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	19.7%	13.0%
3-mth	30.1%	8.4%
6-mth	50.8%	9.3%

Source: FactSet

12-mth Price Performance



Source: FactSet

Related report:

China Hongqiao - Expect higher ASP following China's stimulus - 30 Sep 2024 ([link](#))

China Hongqiao - Net profit in 1H24 +2.7x YoY beat expectations - 19 Aug 2024 ([link](#))

China Hongqiao - A key beneficiary of tight aluminum supply trading at attractive valuation; resume coverage with BUY - 17 Jun 2024 ([link](#))

2024 earnings review

Figure 1: 2024 results highlights

YE Dec 31 (RMB mn)	2023	2024	Change (YoY)	1H23	1H24	Change (YoY)	2H23	2H24	Change (YoY)
Total revenue	133,624	156,169	16.9%	65,734	73,592	12.0%	67,890	82,576	21.6%
Cost of sales	-12,669	-14,006	12%	-59,842	-55,790	-6.8%	-52,828	-58,216	10.2%
Gross profit	20,955	42,163	101.2%	5,892	17,802	202.1%	15,062	24,361	61.7%
Other income	3,405	2,632	-22.7%	1,562	1,712	9.6%	1,843	920	-50.1%
S&D expenses	-755	-661	-12.5%	-304	-366	20.5%	-451	-295	-34.7%
Administrative expenses	-4,953	-4,993	0.8%	-2,808	-2,454	-12.6%	-2,145	-2,539	18.4%
Other expenses	-945	-2,899	206.6%	-89	-596	567.3%	-856	-2,302	169.0%
EBIT	17,707	36,242	104.7%	4,253	16,097	278.5%	13,454	20,145	49.7%
Net finance income/(cost)	-2,960	-3,011	1.7%	-1,378	-1,435	4.1%	-1,582	-1,576	-0.4%
Finance income	308	353	14.6%	97	126	30.5%	211	226	7.3%
Finance expenses	-3,268	-3,363	2.9%	-1,475	-1,561	5.9%	-1,793	-1,802	0.5%
Change in fair values	-49	-2,192	4370.4%	14	-1,615	n/a	-63	-578	810.6%
Share of profit of JV and associates	1,193	1,758	47.4%	954	824	-13.7%	239	935	291.3%
Pretax profit	15,890	32,797	106.4%	3,844	13,871	260.9%	12,047	18,926	57.1%
Income tax	-3,393	-8,252	143.2%	-872	-3,863	343.2%	-2,521	-4,389	74.1%
After tax profit	12,498	24,546	96.4%	2,972	10,008	236.7%	9,526	14,538	52.6%
MI & discontinued operation	-1,037	-2,173	109.6%	-515	-853	65.5%	-522	-1,320	53.1%
Net profit	11,461	22,372	95.2%	2,457	9,155	272.7%	9,004	13,217	46.8%
Recurring net profit	11,461	24,565	114.3%	2,457	10,542	329.1%	9,004	14,023	55.7%

Source: Company data, CMBIGM

Figure 2: Revenue and gross profit breakdown in 2024

(RMB mn)	2023	2024	Change (YoY)	1H23	1H24	Change (YoY)	2H23	2H24	Change (YoY)
Revenue									
Aluminum alloy products	94,641	102,434	8.2%	45,979	49,312	7.2%	48,662	53,122	9.2%
Alumina	26,557	37,352	40.6%	13,532	16,200	19.7%	13,026	21,152	62.4%
Aluminum fabrication products	11,500	15,571	35.4%	5,645	7,582	34.3%	5,856	7,989	36.4%
Steam	925	812	-12.2%	578	499	-13.7%	347	313	-9.6%
Total	133,624	156,169	16.9%	65,734	73,592	12.0%	67,890	82,576	21.6%
Gross profit									
Aluminum alloy products	16,456	25,200	53.1%	3,986	12,142	204.6%	12,469	13,059	4.7%
Alumina	2,960	13,238	347.3%	1,209	4,120	240.7%	1,750	9,118	420.9%
Aluminum fabrication products	1,634	3,798	132.4%	770	1,595	107.1%	864	2,204	154.9%
Steam	-95	-74	-22.2%	-73	-55	-25.4%	-22	-20	-11.6%
Total	20,955	42,163	101.2%	5,892	17,802	202.1%	15,062	24,361	61.7%
Gross margin			Change (ppt)			Change (ppt)			Change (ppt)
Aluminum alloy products	17.4%	24.6%	7.2	8.7%	24.6%	16.0	25.6%	24.6%	(1.0)
Alumina	11.1%	35.4%	24.3	8.9%	25.4%	16.5	13.4%	43.1%	29.7
Aluminum fabrication products	14.2%	24.4%	10.2	13.6%	21.0%	7.4	14.8%	27.6%	12.8
Steam	-10.3%	-9.1%	1.2	-12.7%	-10.9%	1.7	-6.4%	-6.3%	0.1
Blended gross margin	15.7%	27.0%	11.3	9.0%	24.2%	15.2	22.2%	29.5%	7.3

Source: Company data, CMBIGM

Operating assumptions

Figure 3: Change in earnings forecast

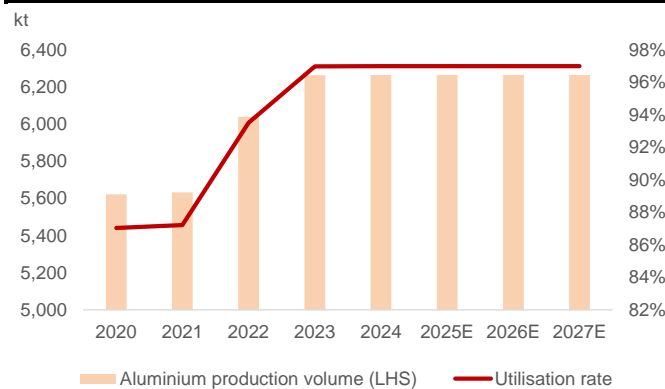
	Old			New			Change		
	2025E	2026E	2027E	2025E	2026E	2027E	2025E	2026E	2027E
(RMB mn)									
Revenue									
Aluminum alloy products	102,611	102,611	-	105,419	106,473	106,473	3%	4%	-
Alumina	34,343	34,343	-	34,888	34,888	34,888	2%	2%	-
Aluminum fabrication products	13,317	13,584	-	13,186	13,450	13,719	-1%	-1%	-
Steam	1,089	1,197	-	893	983	1,081	-18%	-18%	-
Total	151,359	151,734	-	154,387	155,794	156,162	2%	3%	-
Revenue growth									
Aluminum alloy products	2.0%	0.0%	-	2.9%	1.0%	0.0%	0.9	1.0	-
Alumina	2.2%	0.0%	-	-6.6%	0.0%	0.0%	(8.8)	0.0	-
Aluminum fabrication products	6.4%	2.0%	-	-15.3%	2.0%	2.0%	(21.7)	0.0	-
Steam	10.0%	10.0%	-	10.0%	10.0%	10.0%	0.0	0.0	-
Average	2.5%	0.2%	-	-1.1%	0.9%	0.2%	(3.6)	0.7	-
Gross profit									
Aluminum alloy products	18,006	17,923	-	25,663	25,402	25,271	43%	42%	-
Alumina	9,436	9,436	-	9,982	9,982	10,651	6%	6%	-
Aluminum fabrication products	2,397	2,445	-	2,637	2,690	2,744	10%	10%	-
Steam	-54	-60	-	-63	-49	-54	n/a	n/a	-
Total	29,785	29,744	-	38,220	38,024	38,612	28%	28%	-
Gross margin							Change in ppt		
Aluminum alloy products	17.5%	17.5%	-	24.3%	23.9%	23.7%	6.80	6.39	-
Alumina	27.5%	27.5%	-	28.6%	28.6%	30.5%	1.13	1.13	-
Aluminum fabrication products	18.0%	18.0%	-	20.0%	20.0%	20.0%	2.00	2.00	-
Steam	-5.0%	-5.0%	-	-7.0%	-5.0%	-5.0%	-2.00	0.00	-
Blended gross margin	19.7%	19.6%	-	24.8%	24.4%	24.7%	5.08	4.80	-
Net finance expense	-2,729	-2,641	-	-3,109	-3,019	-2,928	14%	14%	-
S&D expense ratio	0.5%	0.5%	-	0.4%	0.4%	0.4%	(0.1)	(0.1)	-
Administrative expense ratio	3.3%	3.3%	-	3.3%	3.3%	3.3%	0.0	0.0	-
Other expense ratio	0.5%	0.5%	-	0.5%	0.5%	0.5%	0.0	0.0	-
Recurring net profit	19,007	19,160	-	23,983	24,013	24,646	26%	25%	-

Source: Company data, CMBIGM

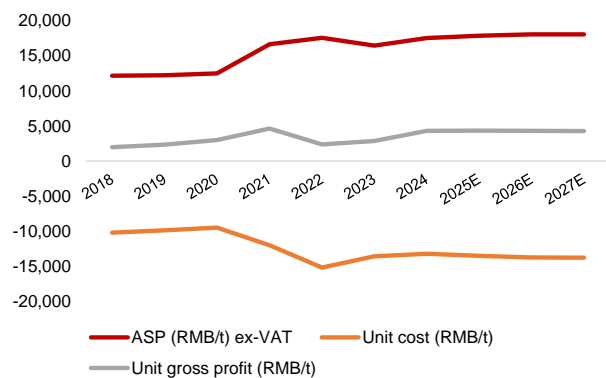
Figure 4: Key operating assumptions

	2021	2022	2023	2024	2025E	2026E	2027E
Sales volume (000 tonnes)							
Aluminum alloy products	5,052	5,473	5,748	5,837	5,889	5,889	5,889
Alumina	7,163	8,298	10,374	10,921	10,626	10,626	10,626
Aluminum fabrication products	657	609	580	766	636	649	662
Change YoY							
Aluminum alloy products	-0.2%	8.3%	5.0%	1.5%	0.9%	0.0%	0.0%
Alumina	6.4%	15.8%	25.0%	5.3%	-2.7%	0.0%	0.0%
Aluminum fabrication products	9.3%	-7.3%	-4.8%	32.1%	-17.0%	2.0%	2.0%
ASP (RMB/t) ex-VAT							
Aluminum alloy products	16,689	17,582	16,465	17,549	17,900	18,079	18,079
Alumina	2,369	2,580	2,560	3,420	3,283	3,283	3,283
Aluminum fabrication products	19,062	21,843	19,835	20,328	20,734	20,734	20,734
Change YoY							
Aluminum alloy products	33.5%	5.4%	-6.4%	6.6%	2.0%	1.0%	0.0%
Alumina	18.3%	8.9%	-0.8%	33.6%	-4.0%	0.0%	0.0%
Aluminum fabrication products	30.5%	14.6%	-9.2%	2.5%	2.0%	0.0%	0.0%
Unit cost (RMB/t)							
Aluminum alloy products	-12,035	-15,212	-13,602	-13,232	-13,542	-13,766	-13,788
Alumina	-1,812	-2,186	-2,275	-2,208	-2,344	-2,344	-2,281
Aluminum fabrication products	-14,160	-17,930	-17,016	-15,369	-16,587	-16,587	-16,587
Change YoY							
Aluminum alloy products	26.7%	26.4%	-10.6%	-2.7%	2.3%	1.6%	0.2%
Alumina	8.2%	20.6%	4.1%	-2.9%	6.2%	0.0%	-2.7%
Aluminum fabrication products	24.3%	26.6%	-5.1%	-9.7%	7.9%	0.0%	0.0%
Unit gross profit (RMB/t)							
Aluminum alloy products	4,654	2,370	2,863	4,317	4,358	4,313	4,291
Alumina	556	394	285	1,212	939	939	1,002
Aluminum fabrication products	4,902	3,913	2,819	4,959	4,147	4,147	4,147
Change YoY							
Aluminum alloy products	55.1%	-49.1%	20.8%	50.8%	0.9%	-1.0%	-0.5%
Alumina	69.6%	-29.2%	-27.6%	324.9%	-22.5%	0.0%	6.7%
Aluminum fabrication products	52.3%	-20.2%	-28.0%	75.9%	-16.4%	0.0%	0.0%

Source: Company data, CMBIGM estimates

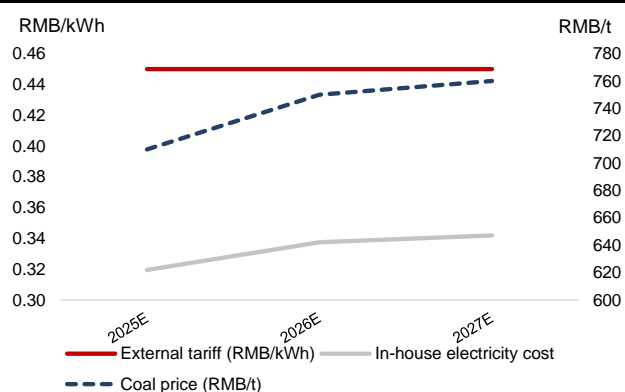
Figure 5: Aluminum production volume, utilisation rates

Source: Company data, CMBIGM estimates

Figure 6: Aluminum ASP, unit cost & margin

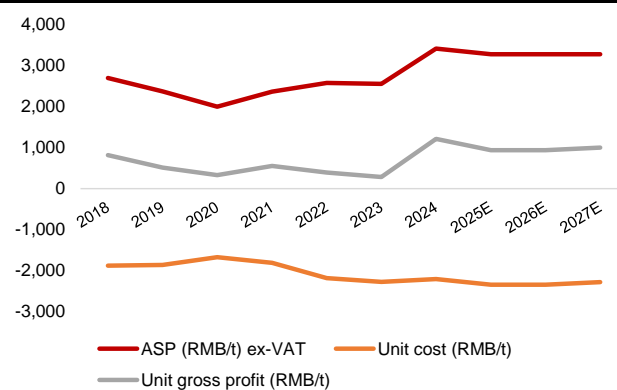
Source: Company data, Wind, CMBIGM

Figure 7: Electricity and coal cost



Source: Company data, CMBIGM estimates

Figure 8: Alumina ASP, unit cost & margin



Source: Company data, Wind, CMBIGM

Earnings sensitivity

Figure 9: Earnings sensitivity (annualized) to 5% change in Al ASP & coal cost

2025E net profit (RMB mn)		Al ASP (RMB/t)				
		16,110	17,005	17,900	18,795	19,690
Coal cost	639	17,672	21,424	25,176	28,928	32,680
	674.5	17,076	20,828	24,580	28,332	32,084
	710	16,479	20,231	23,983	27,735	31,487
	RMB/t	745.5	15,883	19,635	23,387	27,139
	781	15,286	19,038	22,790	26,542	30,294

Source: CMBIGM estimates

Figure 10: Earnings sensitivity (annualized) to 5% change in Al ASP & external tariff

2025E net profit (RMB mn)		Al ASP (RMB/t)				
		16,110	17,005	17,900	18,795	19,690
External tariff	0.41	17,804	21,556	25,308	29,060	32,812
	0.43	17,141	20,893	24,646	28,398	32,150
	0.45	16,479	20,231	23,983	27,735	31,487
	RMB/kWh	0.47	15,817	19,569	23,321	27,073
	0.50	15,155	18,907	22,659	26,411	30,163

Source: CMBIGM estimates

Figure 11: Earnings sensitivity (annualized) to 5% change in alumina ASP & bauxite cost

2025E net profit (RMB mn)		Alumina ASP (RMB/t)				
		16,110	17,005	17,900	18,795	19,690
Bauxite	576	18,300	22,052	25,804	29,556	33,308
	608	17,389	21,141	24,893	28,645	32,397
	640	16,479	20,231	23,983	27,735	31,487
	RMB/t	672	15,569	19,321	23,073	26,825
	704	14,659	18,411	22,163	25,915	29,667

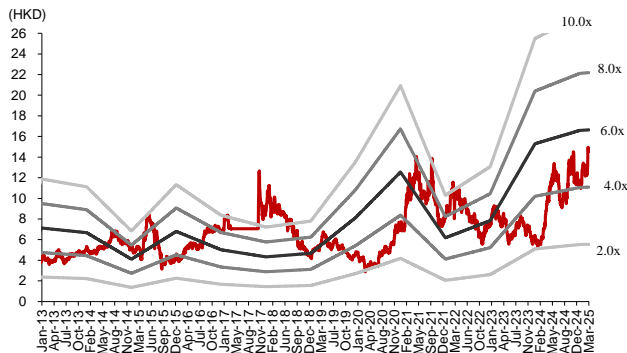
Source: CMBIGM estimates

Valuation

Over the past decade, Hongqiao traded at an average forward P/E of 6x. The stock normally peaked at 10x (except in 2017) and bottomed out at ~3x during the trough cycles (except 2020 due to the outbreak of COVID-19).

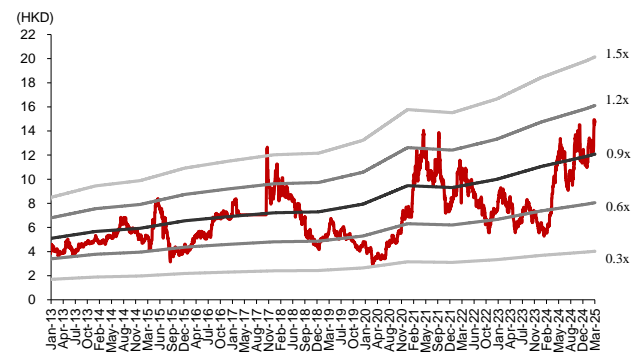
Our new TP of HK\$20.6 comprises dividend payable (HK\$1.02/shr) and 7.2x 2025E P/E, equivalent to 0.5SD above the historical average of 5.9x (previously 1.5SD). We apply a lower SD in our new TP as we expect earnings growth to slow in 2025E due to the high base in 2024. We still maintain an above-average multiple to reflect the moderate industry upcycle.

Figure 12: Hongqiao's 12M forward P/E band



Source: Bloomberg, company data, CMBIGM estimates

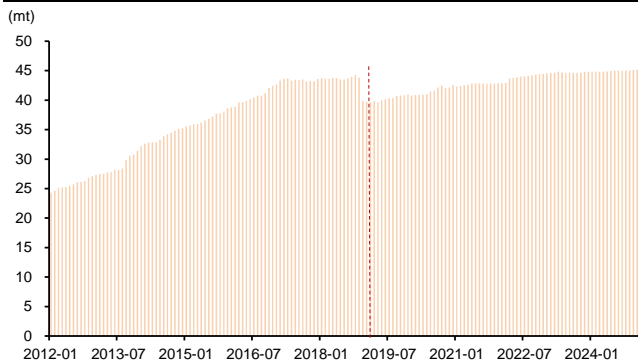
Figure 13: Hongqiao's 12M forward P/B band



Source: Bloomberg, company data, CMBIGM estimates

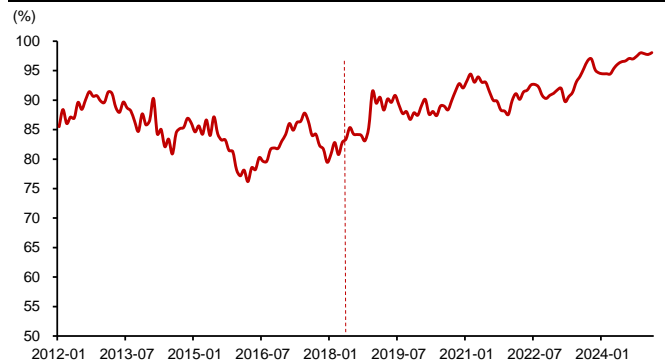
Industry trend

Figure 14: China aluminum annual capacity



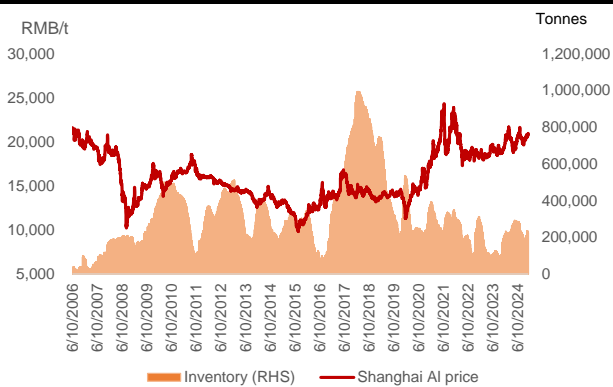
Source: Wind, CMBIGM

Figure 15: China aluminum capacity utilisation rate (%)



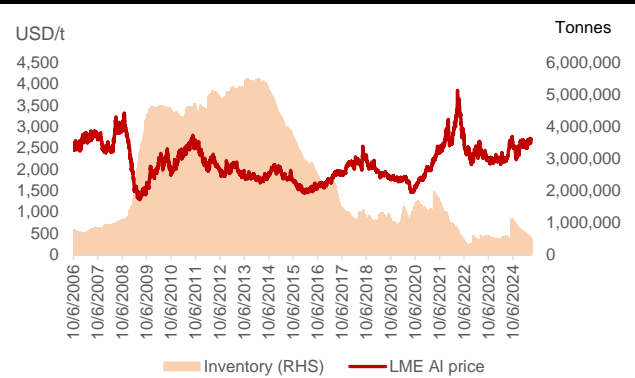
Source: Wind, CMBIGM

Figure 16: Shanghai aluminum price and inventory



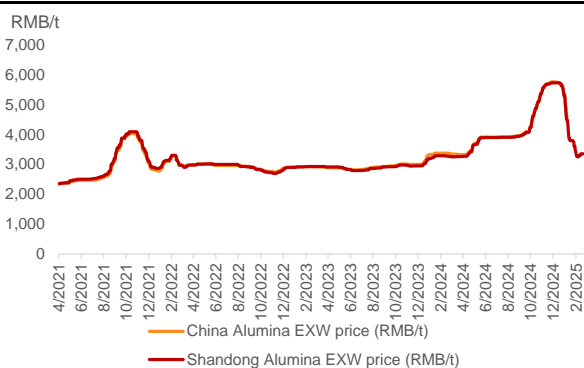
Source: Bloomberg, CMBIGM

Figure 17: LME aluminum price and inventory



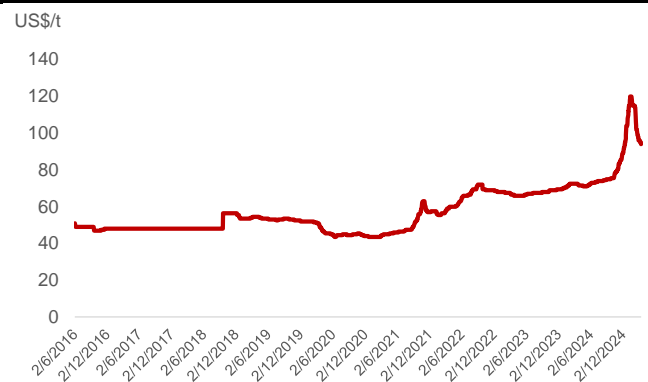
Source: Bloomberg, CMBIGM

Figure 18: Alumina EXW price in China



Source: Wind, CMBIGM

Figure 19: Import price of bauxite from Guinea to China (CIF)



Source: Bloomberg, CMBIGM

Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Revenue	131,699	133,624	156,169	154,387	155,794	156,162
Cost of goods sold	(113,460)	(112,669)	(114,006)	(116,167)	(117,770)	(117,550)
Gross profit	18,239	20,955	42,163	38,220	38,024	38,612
Selling expense	(598)	(755)	(661)	(618)	(623)	(625)
Admin expense	(5,934)	(4,953)	(4,993)	(5,095)	(5,141)	(5,153)
R&D expense	(329)	(945)	(2,899)	(772)	(779)	(781)
Other income	3,736	3,405	2,632	2,779	2,804	2,811
Other gains/(losses)	(185)	(49)	(2,192)	0	0	0
Share of (losses)/profits of associates/JV	503	1,193	1,758	1,539	1,718	1,918
EBITDA	21,836	24,619	43,467	42,010	41,982	42,763
Depreciation	6,721	6,912	7,225	7,496	7,697	7,899
EBIT	15,115	17,707	36,242	34,514	34,285	34,864
Interest income	193	308	353	591	664	746
Interest expense	(3,020)	(3,268)	(3,363)	(3,700)	(3,683)	(3,673)
Net Interest income/(expense)	(2,826)	(2,960)	(3,011)	(3,109)	(3,019)	(2,928)
Pre-tax profit	12,607	15,890	32,797	32,944	32,984	33,855
Income tax	(2,798)	(3,393)	(8,252)	(6,589)	(6,597)	(6,771)
Minority interest	(1,107)	(1,037)	(2,173)	(2,372)	(2,375)	(2,438)
Adjusted net profit	8,702	11,461	24,565	23,983	24,013	24,646
Gross dividends	4,386	5,411	14,094	14,390	14,408	14,788

BALANCE SHEET	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Current assets	87,568	87,395	109,825	114,723	127,344	134,695
Cash & equivalents	27,385	31,721	44,770	57,684	62,103	76,882
Account receivables	4,611	5,489	9,774	4,607	8,198	5,493
Inventories	37,268	33,958	37,344	35,857	38,999	35,717
ST bank deposits	1,720	1,827	2,797	2,797	2,797	2,797
Other current assets	16,585	14,400	15,139	13,777	15,247	13,806
Non-current assets	98,174	112,925	119,340	122,399	124,435	126,470
PP&E	68,061	70,200	75,393	76,907	77,220	77,334
Deferred income tax	2,605	2,990	2,622	2,622	2,622	2,622
Investment in JVs & assos	10,297	11,034	13,222	14,762	16,480	18,398
Intangibles	34	43	45	51	55	58
Goodwill	278	278	278	278	278	278
Financial assets at FVTPL	1,543	13,127	12,233	12,233	12,233	12,233
Other non-current assets	15,356	15,253	15,546	15,546	15,546	15,546
Total assets	185,742	200,320	229,165	237,122	251,780	261,165
Current liabilities	71,373	74,029	76,983	73,992	76,660	73,541
Short-term borrowings	43,434	49,118	45,104	44,604	44,404	44,204
Account payables	14,911	11,648	14,931	12,440	15,308	12,388
Tax payable	618	2,586	3,674	3,674	3,674	3,674
Other current liabilities	12,410	10,677	13,274	13,274	13,274	13,274
Non-current liabilities	18,063	20,035	33,569	33,569	33,569	33,569
Long-term borrowings	16,236	13,792	25,781	25,781	25,781	25,781
Other non-current liabilities	1,827	6,243	7,788	7,788	7,788	7,788
Total liabilities	89,436	94,064	110,552	107,561	110,229	107,109
Total shareholders equity	84,499	92,245	107,800	116,375	125,990	136,057
Minority interest	11,807	14,012	10,814	13,186	15,560	17,998
Total equity and liabilities	185,742	200,320	229,165	237,122	251,780	261,165

CASH FLOW	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	12,607	15,890	32,797	32,944	32,984	33,855
Depreciation & amortization	6,721	6,912	7,225	7,496	7,697	7,899
Tax paid	(6,148)	(1,686)	(8,252)	(6,589)	(6,597)	(6,771)
Change in working capital	(8,660)	(983)	(6,013)	5,525	(5,334)	4,508
Others	20,693	11,647	39,837	26,513	37,218	28,219
Net cash from operations	7,622	22,402	33,983	40,946	30,051	40,500
Investing						
Capital expenditure	(8,798)	(5,662)	(12,454)	(9,000)	(8,000)	(8,000)
Acquisition of subsidiaries/ investments	(3,550)	(3,700)	0	0	0	0
Others	(4,425)	(8,526)	(103)	576	649	731
Net cash from investing	(16,773)	(17,889)	(12,557)	(8,424)	(7,351)	(7,269)
Financing						
Dividend paid	(8,226)	(3,786)	(7,659)	(15,408)	(14,398)	(14,579)
Net borrowings	(681)	3,240	7,975	(500)	(200)	(200)
Proceeds from share issues	0	0	0	0	0	0
Others	(3,884)	347	(8,747)	(3,700)	(3,683)	(3,673)
Net cash from financing	(12,790)	(200)	(8,431)	(19,608)	(18,281)	(18,452)
Net change in cash						
Cash at the beginning of the year	49,227	27,385	31,721	44,770	57,684	62,103
Exchange difference	98	22	54	0	0	0
Cash at the end of the year	27,385	31,721	44,770	57,684	62,103	76,882
GROWTH	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Revenue	15.0%	1.5%	16.9%	(1.1%)	0.9%	0.2%
Gross profit	(40.1%)	14.9%	101.2%	(9.4%)	(0.5%)	1.5%
EBITDA	(32.8%)	12.7%	76.6%	(3.4%)	(0.1%)	1.9%
EBIT	(41.9%)	17.1%	104.7%	(4.8%)	(0.7%)	1.7%
Adj. net profit	(45.9%)	31.7%	114.3%	(2.4%)	0.1%	2.6%
PROFITABILITY	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Gross profit margin	13.8%	15.7%	27.0%	24.8%	24.4%	24.7%
EBITDA margin	16.6%	18.4%	27.8%	27.2%	26.9%	27.4%
Adj. net profit margin	6.6%	8.6%	15.7%	15.5%	15.4%	15.8%
GEARING/LIQUIDITY/ACTIVITIES	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Net debt to equity (x)	0.4	0.3	0.2	0.1	0.1	(0.0)
Current ratio (x)	1.2	1.2	1.4	1.6	1.7	1.8
Receivable turnover days	16.5	13.8	17.8	17.0	15.0	16.0
Inventory turnover days	96.5	115.4	114.1	115.0	116.0	116.0
Payable turnover days	54.1	43.0	42.5	43.0	43.0	43.0
VALUATION	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
P/E	15.0	11.6	5.9	5.5	5.5	5.4
P/B	1.6	1.4	1.2	1.1	1.1	1.0
Div yield (%)	3.3	4.1	10.6	10.8	10.9	11.1

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.

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