

Haier Smart Home (6690 HK)

Robust growth momentum but we are prudent

Haier's 1Q25 results were a slight beat, thanks to strong growth from Casarte, air-con and overseas. Management has reiterated its FY25E guidance afterwards, together with the undemanding valuation, we maintain BUY. However, even though many sales growth and margin drivers are still valid, we do want to be more conservative about the potential slowdown in China and margin erosion in the US, and hence cutting our TP to HK\$ 28.45 with a 12x FY25E P/E (cut from 14x).

■ **FY25E guidance remained unchanged.** Haier's management has maintained its FY25E guidance of HSD sales growth (HSD for China and 10% to 15% for overseas) and 10%+ net profit growth. We believe the major growth drivers include: 1) 20%+ sales growth for Casarte, supported by industry-leading products (in innovation and quality), further upgrades in offline experience, upgrades in marketing strategy (used to be more in the offline, but now more would be through online channels like XHS, Douyin, Bilibili) and strengthening relationships with many KAs, 2) ramp-up of the air-conditioner business, helped by product upgrades, store expansion (such as the POP stores), improvements in efficiency (e.g. R&D and logistics) and more in-house production of components, 3) benefits yielded by the reforms and turnaround in the EU market, as well as 4) exceptional growth in the emerging markets (Asia, the Middle East and Africa). Noted that the KPI for employees' incentive scheme has been adjusted to ROE (the thresholds for FY25E/ 26E are now at 17.7%+, while the actual target was 16.8%+ in FY24), and the rationale behind is to make the improvement more comprehensive (not just covering the net profit growth, but also the efficiency of capex and inventory turnover, etc.).

■ **2Q25E outlook may still be solid, however, we are more conservative.** Management is confident on achieving a similar number (vs FY25E guidance) in 2Q25E, likely based on the robust retail sales growth and the re-stocking demand in China, as well as the strong overseas growth momentum (except the US). However, we do want to be more prudent, because: 1) we have seen the slowdown of retail sales growth in Apr 2025 in China vs Mar 2025 and 1Q25, 2) the base would be inevitably higher in 2H25E (due to the rollout of government stimulus), and 3) the potential slowdown in sales growth as well as margin erosion in the US market due to the tariffs imposed on imports from China and Mexico.

■ **Maintain BUY but trim TP to HK\$ 28.45.** We revise down FY25E/ 26E net profit forecasts by 6%/ 6%, in order to factor in: 1) better-than-expected sales growth (esp. in the overseas) and 2) lower-than-expected GP margin (partly due to M&A and surge in import tariffs). Our new TP is based on 12x FY25E P/E (down from 14x, due to sector de-rating amid higher macro uncertainty ahead in both China and the US). The stock is now trading at 10x FY25E P/E, still fairly low vs its 5-year average of 15x, and hence we maintain BUY. But in the short run (2Q25E to 2H25E), we are still highly concerned about the potential slowdown in China and margin erosion in the US.

Earnings Summary

(YE 31 Dec)	FY23A	FY24A	FY25E	FY26E	FY27E
Revenue (RMB mn)	274,198	285,971	304,375	318,967	334,942
YoY growth (%)	12.6	4.3	6.4	4.8	5.0
Operating profit (RMB mn)	19,198.0	21,654.0	24,390.9	26,445.5	28,808.7
Net profit (RMB mn)	17,088.0	19,576.0	21,792.1	23,787.9	26,068.1
EPS (Reported) (RMB)	1.78	2.02	2.23	2.44	2.67
YoY growth (%)	13.3	13.4	10.5	9.3	9.8
P/E (x)	12.2	10.7	9.7	8.9	8.1
P/B (x)	2.0	1.8	1.6	1.5	1.3
Yield (%)	3.7	4.4	5.1	5.6	6.2
ROE (%)	17.6	18.4	18.6	18.3	18.2

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price **HK\$28.45**
(Previous TP **HK\$36.41**)
Up/Downside **23.2%**
Current Price **HK\$23.10**

China Consumer Discretionary

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Stock Data

Mkt Cap (HK\$ mn)	218,020.5
Avg 3 mths t/o (HK\$ mn)	582.5
52w High/Low (HK\$)	35.75/19.82
Total Issued Shares (mn)	9438.1

Source: FactSet

Shareholding Structure

Haier Group Corp	18.8%
JP Morgan Investment Management	3.1%

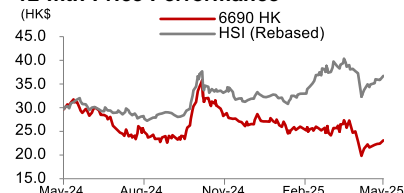
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-7.2%	-4.4%
3-mth	-10.1%	-19.2%
6-mth	-19.1%	-26.3%

Source: FactSet

12-mth Price Performance



Source: FactSet

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- **Import tariffs imposed are certainly negative in the short run, but Haier has a few solutions.** For Haier's sales in the US, about 70% of those are from the US and Mexico, while the remaining 30% is from China (such as the compressors). Therefore, with lifted tariffs level in China and Mexico, Haier's margin should be impacted adversely. In the short run, Haier may try to minimize the negative impacts through: 1) selling the existing inventories (already provided more since last year), 2) product mix changes (to sell more high-end products) and 3) ASP adjustments (supported by GEA's industry-leading brand power and position, hopefully can have the margin level maintained). And in the long run, Haier will further increase its local production in the US and Mexico (GEA has already invested over US\$ 2bn in the US since the M&A long time ago) and expand its investments in Southeast Asia and Europe (for future imports to the US market).
- **Haier will continue its digital reforms in order to achieve higher efficiency and profit margins.** Digitalization of Haier has been an on-going project for long, but still many areas can be improved further. Digital inventory has been one of the key focuses since Nov 2024, where things like payment system, stocking process were all revamped and simplified, and the threshold of partnerships has been lowered as well (hence 300 to 400 distributors were added since then). In Apr to Jun 2025, the platform for sales and supply chain will be upgraded where the ordering system and order prediction model will all be optimized, and hence the efficiency of inventory management will be improved (logistic costs could be reduced, delivery speed will be faster, etc.). Digital marketing was another focus, where the brand's voice and awareness are all enhanced. Haier's SOV share on Douyin has reached 24%, the No.1 in industry. The introduction of external digital marketer has made the ads more cost-effective, reach more accurate and loyalty level higher, etc. The digital stores and digital transactions will be the highlights in 2H25E, which will improve overall customer experience, increase operational efficiency etc.
- **1Q25 results were a slight beat.** In 1Q25, Haier's sales climbed by 10% YoY to RMB 79bn, 5% above BBG est., also better than the management's guidance of MSD to HSD sales growth. Also, net profit increased by 15% YoY to RMB 5.5bn, beating BBG est. by 4%, which is fairly decent given the high base in 1Q24. In fact, the number of installations in China in 1Q25 has risen by 20%, indicating solid growth in end-demand. We attribute this beat to: 1) robust sales growth of Casarte at 22% YoY, 2) rapid development in the air-conditioner segment and the meaningful market shares gained (added 1.6ppts/ 2.8ppts in offline/ online channel, also recorded 253% sales growth and 27% market share in Douyin channel) and 3) impressive overseas sales growth (registered 30%+/ 30%+/ 25%+/ 50%+ sales growth in EU/ South Asia/ Southeast Asia/ Middle East and Africa). By region, sales growth in China/ overseas was 7.8%/ 12.6%. By specific regions, sales growth was 1%/ 31%/ 34%/ 23%/ 5%/ 50%/ 4% in America/ Europe/ South Asia/ Southeast Asia/ ANZ/ Middle East and Africa/ Japan. By segment, sales growth was 5%/ 7%/ 5%/ 12%/ 10% for fridge/ kitchen appliance/ air-conditioner/ washing machine/ water solution in China. Moreover, in terms of margin, the operating profit has increased by 10%+/ 20%+ in China/ overseas in 1Q25.
- **Key risks:** 1) greater-than-expected drop in demand after the subsidies expire, 2) weaker-than-expected economic growth in the overseas, 3) surge in tariffs, 4) higher-than-expected raw material price inflation and 5) lack of product innovation, etc.

Earnings revision

Figure 1: Earnings revision

RMB mn	New			Old			Diff (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	304,375	318,967	334,942	289,246	304,778	n/a	5.2%	4.7%	n/a
Gross profit	81,989	86,553	91,544	90,768	96,244	n/a	-9.7%	-10.1%	n/a
EBIT	24,391	26,446	28,809	25,186	27,147	n/a	-3.2%	-2.6%	n/a
Net profit att.	20,903	22,857	25,090	22,288	24,180	n/a	-6.2%	-5.5%	n/a
Diluted EPS (RMB)	2.228	2.436	2.674	2.361	2.562	n/a	-5.7%	-4.9%	n/a
Gross margin	26.9%	27.1%	27.3%	31.4%	31.6%	n/a	-4.4ppt	-4.4ppt	n/a
EBIT margin	8.0%	8.3%	8.6%	8.7%	8.9%	n/a	-0.7ppt	-0.6ppt	n/a
Net profit att. margin	6.9%	7.2%	7.5%	7.7%	7.9%	n/a	-0.8ppt	-0.8ppt	n/a

Source: Company data, CMBIGM estimates

Figure 2: CMBIGM estimates vs consensus

RMB mn	CMBIGM			Consensus			Diff (%)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	304,375	318,967	334,942	304,482	319,176	337,280	0.0%	-0.1%	-0.7%
Gross profit	81,989	86,553	91,544	85,864	90,349	95,837	-4.5%	-4.2%	-4.5%
EBIT	24,391	26,446	28,809	23,242	25,484	27,429	4.9%	3.8%	5.0%
Net profit att.	20,903	22,857	25,090	20,470	22,508	24,026	2.1%	1.5%	4.4%
Diluted EPS (RMB)	2.228	2.436	2.674	2.214	2.426	2.639	0.6%	0.4%	1.3%
Gross margin	26.9%	27.1%	27.3%	28.2%	28.3%	28.4%	-1.3ppt	-1.2ppt	-1.1ppt
EBIT margin	8.0%	8.3%	8.6%	7.6%	8.0%	8.1%	0.4ppt	0.3ppt	0.5ppt
Net profit att. margin	6.9%	7.2%	7.5%	6.7%	7.1%	7.1%	0.1ppt	0.1ppt	0.4ppt

Source: Bloomberg, CMBIGM estimates

Assumptions

Figure 3: CMBIGM's assumptions

RMB mn	FY21A	FY22A	FY23A	FY24E	FY25E	FY26E
Sales by segment (RMB mn)						
Mainland China						
Refrigerators/freezers	39,010	40,612	41,058	43,111	44,835	46,629
Kitchen appliances	3,114	3,394	3,462	3,739	3,963	4,201
Air-conditioners	28,384	32,358	34,299	39,101	42,229	45,608
Laundry appliances	27,076	26,534	25,208	26,216	27,265	28,355
Water appliances	13,542	14,219	14,361	15,223	16,136	17,105
Overseas	124,704	136,412	143,814	152,027	158,582	166,052
Other businesses	7,655	20,669	23,769	24,957	25,956	26,994
Total	243,485	274,198	285,971	304,375	318,967	334,942
Sales by segment growth (%)						
Mainland China						
Refrigerators/freezers	5.9%	4.1%	1.1%	5.0%	4.0%	4.0%
Kitchen appliances	3.4%	9.0%	2.0%	8.0%	6.0%	6.0%
Air-conditioners	3.6%	14.0%	6.0%	14.0%	8.0%	8.0%
Laundry appliances	4.5%	-2.0%	-5.0%	4.0%	4.0%	4.0%
Water appliances	8.5%	5.0%	1.0%	6.0%	6.0%	6.0%
Overseas	10.3%	9.4%	5.4%	5.7%	4.3%	4.7%
Other businesses	-12.8%	170.0%	15.0%	5.0%	4.0%	4.0%
Total	7.0%	12.6%	4.3%	6.4%	4.8%	5.0%
Sales by brand growth (%)						
Haier, Leader & others	2.4%	16.3%	1.9%	6.7%	4.7%	4.9%
Casarte	15.0%	14.0%	12.0%	10.0%	9.0%	8.0%
GEA	6.5%	6.0%	1.0%	5.0%	5.0%	5.0%
Candy	9.0%	6.0%	8.0%	3.0%	3.0%	3.0%
Others	19.6%	17.6%	13.0%	7.7%	3.5%	4.7%
Total	7.0%	12.6%	4.3%	6.4%	4.8%	5.0%
GP margin (%)	30.6%	26.9%	27.2%	26.9%	27.1%	27.3%
Costs breakdown						
Selling & distribution expenses	15.9%	11.9%	11.7%	11.4%	11.3%	11.2%
Admin expenses	8.9%	8.7%	8.6%	8.4%	8.4%	8.4%
Effective tax rate	17.2%	15.5%	13.9%	15.3%	15.3%	15.3%
NP margin (con. bus.)	6.1%	6.2%	6.8%	7.2%	7.5%	7.8%
NP growth (con. bus.)	11.5%	16.0%	14.6%	11.3%	9.2%	9.6%
NP att. margin	6.0%	6.1%	6.6%	6.9%	7.2%	7.5%
NP att. growth	12.6%	12.8%	12.9%	11.5%	9.3%	9.8%

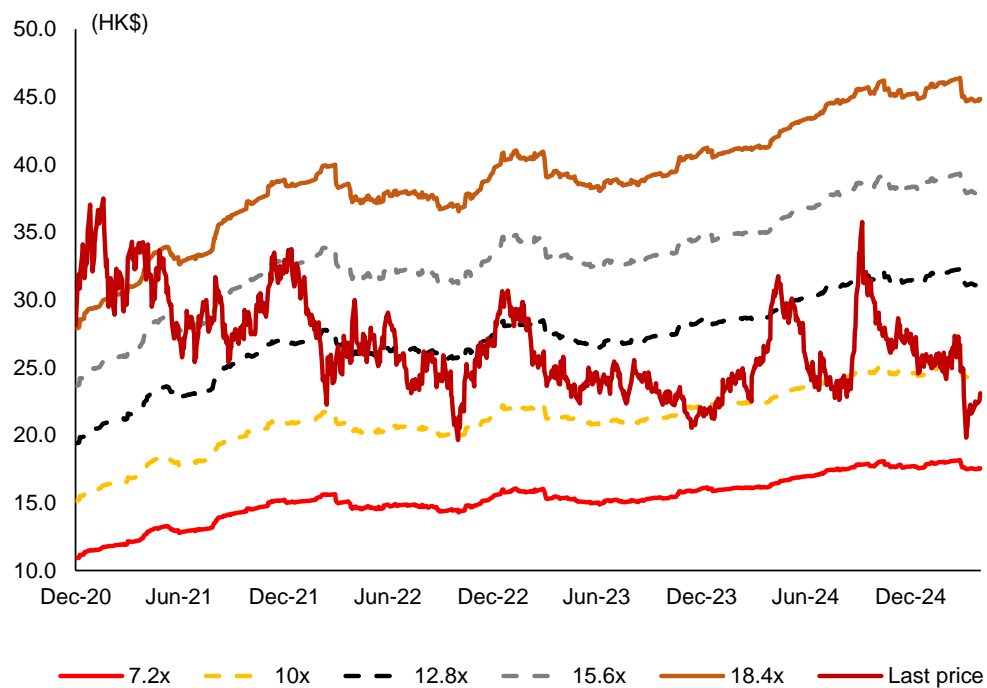
Source: Company data, CMBIGM estimates

Valuation

Figure 4: Peers' valuation

			12m TP	Price	Up/ Down-	Mkt. Cap	Year	P/E (x)		P/B (x)	ROE (%)	3yrs PEG (x)	Yield (%)	YTD per.(%)
Company	Ticker	Rating	(LC)	(LC)	side	(HK\$mnn)	End	FY1E	FY2E	FY2E	FY1E	FY1E	FY1E	FY1E
A+ H shares Home Appliances - White goods, Kitchen and Small Appliances														
Haier SH - H	6690 HK	BUY	28.45	23.10	23%	235,506	Dec-24	10.8	9.7	1.7	17.3	1.0	3.8	(16.0)
Gree Electronics	000651 CH	NR	n/a	45.56	n/a	272,001	Dec-24	7.5	7.2	1.6	22.4	1.8	6.5	0.2
Haier SH - A	600690 CH	NR	n/a	24.79	n/a	235,139	Dec-24	11.0	10.0	1.9	17.1	1.1	4.3	(12.9)
Midea Group	000333 CH	BUY	66.70	73.62	-9%	598,227	Dec-24	13.1	12.0	2.4	19.0	2.0	5.2	(2.1)
Hisense JA	921 HK	NR	n/a	24.65	n/a	38,466	Dec-24	8.4	7.5	1.8	22.2	0.8	5.6	0.4
Hisense HA	000921 CH	NR	n/a	27.44	n/a	38,406	Dec-24	10.0	9.0	2.2	22.6	0.9	5.0	(5.1)
Whirlpool China	600983 CH	NR	n/a	9.83	n/a	8,030	Dec-24	n/a	n/a	n/a	n/a	n/a	n/a	6.4
Zhejiang Aishida	002403 CH	NR	n/a	14.23	n/a	5,166	Dec-24	237.2	n/a	2.8	1.0	n/a	n/a	0.4
Bear Electric	002959 CH	NR	n/a	45.30	n/a	7,582	Dec-24	19.8	17.5	2.3	11.9	1.3	2.6	(5.4)
Ecovacs Robotics	603486 CH	NR	n/a	51.50	n/a	31,578	Dec-24	20.8	17.7	3.5	17.7	0.6	1.5	9.6
JS Global Lifestyle	1691 HK	BUY	2.44	1.87	30%	6,497	Dec-24	20.1	12.1	1.3	6.4	0.2	2.5	34.5
Joyoung Co	002242 CH	NR	n/a	9.50	n/a	7,766	Dec-24	23.9	19.5	2.0	8.3	0.5	1.5	(8.3)
Hangzhou Robam	002508 CH	NR	n/a	19.57	n/a	19,707	Dec-24	10.4	9.8	1.5	14.5	1.8	5.0	(8.7)
Zhejiang Supor	002032 CH	NR	n/a	56.21	n/a	48,010	Dec-24	18.7	17.6	6.4	35.2	3.3	4.7	5.6
Vatti Corporation	002035 CH	NR	n/a	6.47	n/a	5,845	Dec-24	9.3	8.4	1.3	13.6	1.0	5.4	(11.9)
Xinbao Electrica	002705 CH	NR	n/a	13.82	n/a	11,959	Dec-24	9.5	8.7	1.2	13.1	0.8	3.8	(7.9)
Avg.								28.7	11.9	2.3	16.1	1.2	4.1	(1.3)
Med.								11.0	9.9	1.9	17.1	1.0	4.5	(3.6)
International Home Appliances - White goods, Kitchen and Small Appliances														
Whirlpool Corp	WHR US	NR	n/a	78	n/a	33,561	Dec-24	8.8	7.3	1.3	15.3	(0.0)	9.0	(32.0)
Carrier Global	CARR US	NR	n/a	72	n/a	475,262	Dec-24	23.7	20.8	4.5	18.0	(1.6)	1.3	4.8
Ingersoll-Rand Plc	IR US	NR	n/a	77	n/a	239,925	Dec-24	22.8	20.8	2.7	12.9	0.9	0.1	(15.2)
Smith (A.O.) Corp	AOS US	NR	n/a	68	n/a	75,388	Dec-24	18.1	16.4	5.2	29.0	2.6	2.0	0.4
Helen Of Troy	HELE US	NR	n/a	28	n/a	5,016	Feb-25	4.9	4.7	0.4	7.2	(1.1)	n/a	(52.8)
Irobot Corp	IRBT US	NR	n/a	3	n/a	606	Dec-24	n/a	n/a	n/a	n/a	n/a	n/a	(67.5)
Electrolux Ab	ELUXB SS	NR	n/a	60	n/a	13,743	Dec-24	8.5	5.5	1.4	17.1	(0.0)	4.3	(34.8)
Seb Sa	SK FP	NR	n/a	84	n/a	40,781	Dec-24	10.2	9.0	1.3	13.2	0.3	3.5	(4.0)
Koninklijke Philips	PHIA NA	NR	n/a	23	n/a	187,354	Dec-24	14.6	12.9	1.7	9.3	(0.1)	3.8	(6.9)
Daikin Industries	6367 JP	NR	n/a	17260	n/a	271,004	Mar-24	19.8	17.8	1.8	9.4	2.8	1.8	(7.5)
Panasonic Corp	6752 JP	NR	n/a	1687	n/a	221,803	Mar-24	12.3	11.0	0.8	6.9	7.2	2.3	2.7
Sony Corp	6758 JP	NR	n/a	3732	n/a	1,229,425	Mar-24	20.7	19.3	2.7	13.7	2.3	0.5	10.8
Hitachi	6501 JP	NR	n/a	3673	n/a	901,193	Mar-25	21.3	18.9	2.6	13.2	1.0	1.3	(6.7)
Sharp Corp	6753 JP	NR	n/a	853	n/a	29,715	Mar-24	27.2	12.9	2.3	10.0	(0.2)	0.6	(13.4)
Fujitsu General	6755 JP	NR	n/a	2802	n/a	16,421	Mar-25	28.8	24.4	2.0	8.1	(0.1)	1.4	20.4
Lg Electronics	066570 KS	NR	n/a	70600	n/a	63,915	Dec-24	7.6	6.0	0.6	7.4	0.1	1.9	(15.4)
Samsung Elect.	005930 KS	NR	n/a	54300	n/a	1,778,196	Dec-24	11.2	9.1	0.9	7.9	1.4	2.7	2.1
Woongjin Coway	021240 KS	NR	n/a	86100	n/a	34,563	Dec-24	10.4	9.4	1.8	18.3	1.9	3.2	28.7
Avg.								15.9	13.3	2.0	12.8	1.0	2.5	(10.4)
Med.								14.6	12.9	1.8	12.9	0.3	1.9	(6.8)

Source: Bloomberg, CMBIGM estimates

Figure 5: Forward 12M P/E valuation band

Source: Bloomberg, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Revenue	243,485	274,198	285,971	304,375	318,967	334,942
Cost of goods sold	(168,919)	(200,557)	(208,128)	(222,386)	(232,414)	(243,398)
Gross profit	74,566	73,641	77,843	81,989	86,553	91,544
Operating expenses	(60,275)	(56,531)	(58,110)	(60,477)	(63,124)	(65,904)
Selling expense	(38,598)	(32,727)	(33,586)	(34,775)	(36,191)	(37,667)
Admin expense	(12,178)	(13,424)	(13,784)	(14,270)	(14,954)	(15,657)
R&D expense	(9,499)	(10,380)	(10,740)	(11,431)	(11,979)	(12,579)
Others	0	0	0	0	0	0
Operating profit	16,377	19,198	21,654	24,391	26,446	28,809
Other income	2,086	2,088	1,921	2,879	3,017	3,168
Share of (losses)/profits of associates/JV	0	0	0	0	0	0
EBITDA	21,309	24,781	27,651	27,941	29,996	32,328
Depreciation	(4,026)	(4,677)	(5,091)	(2,644)	(2,644)	(2,613)
Other amortisation	(906)	(906)	(906)	(906)	(906)	(906)
Interest income	826	1,603	1,968	2,041	2,250	2,477
Interest expense	(995)	(2,165)	(2,705)	(2,636)	(2,636)	(2,636)
Other income/expense	1,582	1,575	1,816	1,933	2,026	2,127
Pre-tax profit	17,790	20,211	22,733	25,729	28,085	30,777
Income tax	(3,058)	(3,123)	(3,157)	(3,936)	(4,297)	(4,709)
Minority interest	(21)	(491)	(835)	(889)	(931)	(978)
Net profit	14,732	17,088	19,576	21,792	23,788	26,068

BALANCE SHEET	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Current assets	130,383	138,914	151,690	163,578	174,155	186,005
Cash & equivalents	53,369	56,683	54,981	60,805	66,839	73,713
Account receivables	25,494	31,473	38,592	41,076	43,045	45,201
Inventories	41,543	39,525	43,044	45,993	48,067	50,338
Prepayment	6,552	7,644	9,812	10,443	10,944	11,492
ST bank deposits	0	0	0	0	0	0
Other current assets	3,425	3,589	5,261	5,261	5,261	5,261
Non-current assets	105,460	122,154	138,424	146,593	155,276	164,553
PP&E	31,857	39,871	43,603	51,678	60,268	69,451
Investment in JVs & assos	0	20,196	20,932	20,932	20,932	20,932
Intangibles	9,135	8,072	9,127	8,221	7,314	6,408
Other non-current assets	64,468	54,015	64,762	65,762	66,762	67,762
Total assets	235,843	261,068	290,114	310,171	329,431	350,558
Current liabilities	118,747	123,930	149,722	156,984	162,278	168,075
Short-term borrowings	12,485	10,999	24,127	24,127	24,127	24,127
Account payables	66,975	72,179	75,737	80,925	84,575	88,572
Tax payable	1,703	1,586	2,650	2,650	2,650	2,650
Other current liabilities	37,584	39,166	47,208	49,282	50,926	52,726
Non-current liabilities	23,673	35,872	29,026	29,915	30,846	31,824
Long-term borrowings	13,627	18,417	9,666	9,666	9,666	9,666
Other non-current liabilities	10,046	17,455	19,360	20,249	21,180	22,158
Total liabilities	142,420	159,802	178,748	186,899	193,124	199,899
Share capital	9,447	9,438	9,383	9,383	9,383	9,383
Retained earnings	83,976	91,828	101,983	104,068	116,186	129,488
Other reserves	0	0	0	9,821	10,739	11,788
Total shareholders equity	93,423	101,266	111,366	123,272	136,308	150,659
Total equity and liabilities	235,843	261,068	290,114	310,171	329,431	350,558

CASH FLOW	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	17,790	20,211	22,733	25,729	28,085	30,777
Depreciation & amortization	4,932	5,583	5,997	3,550	3,550	3,519
Tax paid	(2,358)	(3,842)	(2,844)	(3,936)	(4,297)	(4,709)
Change in working capital	(2,969)	(8)	(3,555)	1,198	750	822
Others	2,758	4,592	4,212	2,636	2,636	2,636
Net cash from operations	20,153	26,536	26,543	29,176	30,723	33,044
Investing						
Capital expenditure	(8,204)	(10,542)	(10,071)	(10,719)	(11,233)	(11,796)
Acquisition of subsidiaries/ investments	0	0	0	0	0	0
Others	(716)	(6,798)	(10,003)	(1,000)	(1,000)	(1,000)
Net cash from investing	(8,920)	(17,340)	(20,074)	(11,719)	(12,233)	(12,796)
Financing						
Dividend paid	(4,297)	(5,284)	(7,537)	(8,997)	(9,821)	(10,739)
Net borrowings	3,677	2,088	4,078	0	0	0
Proceeds from share issues	940	0	0	0	0	0
Share repurchases	(2,012)	(1,802)	(559)	0	0	0
Others	(2,130)	(2,923)	(3,896)	(2,636)	(2,636)	(2,636)
Net cash from financing	(3,822)	(7,921)	(7,914)	(11,633)	(12,457)	(13,375)
Net change in cash						
Cash at the beginning of the year	44,958	53,369	56,683	54,981	60,805	66,839
Exchange difference	1,000	2,039	(257)	0	0	0
Others	7,411	1,275	(1,445)	5,824	6,033	6,874
Cash at the end of the year	53,369	56,683	54,981	60,805	66,839	73,713
GROWTH	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Revenue	7.0%	12.6%	4.3%	6.4%	4.8%	5.0%
Gross profit	7.3%	(1.2%)	5.7%	5.3%	5.6%	5.8%
Operating profit	17.3%	17.2%	12.8%	12.6%	8.4%	8.9%
EBITDA	16.5%	16.3%	11.6%	1.0%	7.4%	7.8%
Net profit	11.5%	16.0%	14.6%	11.3%	9.2%	9.6%
PROFITABILITY	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Gross profit margin	30.6%	26.9%	27.2%	26.9%	27.1%	27.3%
Operating margin	6.7%	7.0%	7.6%	8.0%	8.3%	8.6%
EBITDA margin	8.8%	9.0%	9.7%	9.2%	9.4%	9.7%
Return on equity (ROE)	17.0%	17.6%	18.4%	18.6%	18.3%	18.2%
GEARING/LIQUIDITY/ACTIVITIES	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
Current ratio (x)	1.1	1.1	1.0	1.0	1.1	1.1
Receivable turnover days	38.2	41.9	49.3	49.3	49.3	49.3
Inventory turnover days	89.8	71.9	75.5	75.5	75.5	75.5
Payable turnover days	144.7	131.4	132.8	132.8	132.8	132.8
VALUATION	2022A	2023A	2024A	2025E	2026E	2027E
YE 31 Dec						
P/E	13.8	12.2	10.7	9.7	8.9	8.1
P/E (diluted)	13.8	12.2	10.7	9.7	8.9	8.1
P/B	2.2	2.0	1.8	1.6	1.5	1.3
P/CFPS	10.1	7.6	7.6	7.0	6.6	6.1
Div yield (%)	2.6	3.7	4.4	5.1	5.6	6.2

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

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