

JD.com (JD US)

Better-than-feared 3Q results

JD.com (JD) reported (15 Nov) better-than-feared 3Q23 results: revenue was RMB247.7bn, up 1.7% YoY, 0.7/0.5% higher than our forecast/Bloomberg consensus. Non-GAAP net income was RMB10.6bn, ahead of our/consensus estimates of RMB8.8/9.2bn, thanks to better-than-feared margin performance of JD Retail (JDR) business, in our view, demonstrating JD's ability to retain the wallet share of its core consumer base in an effective way, and translating into a non-GAAP NPM of 4.3% (3Q22: 4.1%). Management highlighted double-digit order and user growth during the Double 11 shopping festival, noted that business adjustment impact will largely wear off in 2024, and guided to achieve a better-than-China retail sales growth performance in 2024. We lift our DCF-based TP by 2% to US\$57.5 (was US\$56.5) to factor in the better-than-expected 3Q results and better 2024 outlook. Maintain BUY.

- Business adjustment impact on GMR growth gradually wearing off.** JD's net product revenue was RMB195.3bn in 3Q23 (79% of total revenue), down 0.9% YoY (3Q22: +5.9%), among which electronics and home appliance (E&HA) revenue was flat YoY (3Q22: +7.6%), due to seasonality and a high base from last year, and general merchandise revenue (GMR) was down 2.3% YoY (3Q22: +3.5%) due to business transition. However, the YoY decline in GMR has seen a narrowing trend on QoQ basis, from -9% YoY in both 1Q/2Q23, as the business adjustment impact is gradually wearing off.
- Solid advertising revenue growth.** In 3Q23, net services revenue was RMB52.4bn (21% of total revenue), up 12.7% YoY, among which marketplace and ads revenue grew 3.0% YoY (3Q22: 13.0%; 2Q23: 8.5%), and logistics and other services was up 19.3% YoY. Management highlighted that advertising revenue has seen double-digit growth during 3Q23, while the decline in commission revenue, owing to JD's proactive move to provide preferential commission rate policies to merchants, weighed on overall segment revenue growth.
- JDR: delivered better-than-feared OPM amid fierce industry competition.** JDR inked revenue of RMB212.1bn in 3Q23, flat YoY and was 0.7% ahead of our forecast, while OPM of JDR was 5.2% in 3Q23, flat YoY, and was both 0.6ppt ahead of our forecast and consensus estimates. JD announced that Ms. Sandy XU, CEO of JD will concurrently serve as CEO of JDR, aiming to drive for better operating efficiency improvement and for more business synergies across business groups.
- Margin volatility may exist in the near term.** GPM for JD was 15.6% for 3Q23, up 0.7ppt YoY. Operating loss of new business was RMB140mn in 3Q23, improving from a loss of RMB953mn in 3Q22 (excluding gain on sales of development properties). We expect JD's NPM to experience some short-term fluctuations until new strategy becomes effective in combating competition and creating operational leverage. We forecast JD's non-GAAP NPM to be 2.5% in 4Q23E (4Q22: 2.6%), and 3.2% in 2023E (2022: 2.7%).

Earnings Summary

| (YE 31 Dec) | FY21A | FY22A | FY23E | FY24E | FY25E |
|------------------------------|-----------|-----------|-----------|-----------|-----------|
| Revenue (RMB mn) | 951,592 | 1,046,236 | 1,078,078 | 1,163,242 | 1,237,389 |
| YoY growth (%) | 27.6 | 9.9 | 3.0 | 7.9 | 6.4 |
| Net profit (RMB mn) | (3,559.6) | 10,380.0 | 18,784.3 | 25,390.5 | 32,088.5 |
| Adjusted net profit (RMB mn) | 17,207.1 | 28,220.0 | 34,196.8 | 37,866.3 | 43,625.1 |
| EPS (Adjusted) (RMB) | 10.75 | 17.74 | 21.50 | 23.81 | 27.43 |
| Consensus EPS (RMB) | na | na | 20.40 | 23.08 | 26.20 |
| P/E (x) | na | 59.3 | 16.2 | 12.0 | 9.5 |
| P/B (x) | 3.8 | 2.9 | 1.3 | 1.1 | 1.0 |

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price US\$57.50
 (Previous TP US\$56.50)
Up/Downside 115.3%
Current Price US\$26.71

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Stock Data

| | |
|--------------------------|-------------|
| Mkt Cap (US\$ mn) | 42,482.3 |
| Avg 3 mths t/o (US\$ mn) | 115.7 |
| 52w High/Low (US\$) | 66.10/24.38 |
| Total Issued Shares (mn) | 1590.5 |

Source: FactSet

Shareholding Structure

| | |
|-----------------------|-------|
| Richard Qiangdong Liu | 13.8% |
| Max Smart Limited | 13.3% |

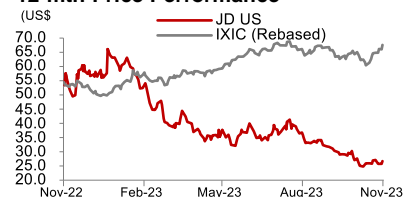
Source: HKEx

Share Performance

| | Absolute | Relative |
|-------|----------|----------|
| 1-mth | -1.3% | -6.1% |
| 3-mth | -25.7% | -28.2% |
| 6-mth | -29.1% | -37.8% |

Source: FactSet

12-mth Price Performance



Source: FactSet

Business forecasts update and valuation

Figure 1: JD: quarterly financial results

| (RMBbn) | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 3Q23 CMBI estimates | Diff% | 3Q23 Consensus | Diff% |
|--|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------|----------|-------------------|---------|
| Revenue breakdown by product and services revenue | | | | | | | | | | |
| Net product revenues | 226.0 | 197.0 | 237.6 | 195.6 | 233.9 | 195.3 | 192.3 | 1.6% | 194.5 | 0.4% |
| YoY growth (%) | 2.9% | 5.9% | 1.2% | -4.3% | 3.5% | -0.9% | -2.4% | | | |
| Electronics and home appliance revenues | 136.6 | 119.3 | 141.7 | 117.0 | 152.1 | 119.3 | 119.9 | -0.5% | 122.1 | -2.3% |
| YoY growth (%) | -0.1% | 7.6% | 0.5% | -1.2% | 11.4% | 0.0% | 0.5% | | | |
| General merchandise revenues | 89.4 | 77.7 | 95.9 | 78.6 | 81.7 | 76.0 | 72.4 | 5.0% | 72.4 | 4.9% |
| YoY growth (%) | 7.8% | 3.5% | 2.3% | -8.7% | -8.6% | -2.3% | -6.9% | | | |
| Net services revenues | 41.6 | 46.5 | 57.8 | 47.4 | 54.1 | 52.4 | 53.6 | -2.3% | 52.1 | 0.5% |
| YoY growth (%) | 21.9% | 42.2% | 40.3% | 34.5% | 30.1% | 12.7% | 15.3% | | | |
| Marketplace and advertising revenues | 20.7 | 19.0 | 24.6 | 19.1 | 22.5 | 19.5 | 20.5 | -4.7% | 19.3 | 1.1% |
| YoY growth (%) | 9.3% | 13.0% | 10.6% | 7.8% | 8.5% | 3.0% | 8.1% | | | |
| Logistics and other service revenues | 20.8 | 27.6 | 33.2 | 28.3 | 31.6 | 32.9 | 33.1 | -0.8% | 32.8 | 0.2% |
| YoY growth (%) | 37.8% | 73.0% | 75.1% | 61.3% | 51.5% | 19.3% | 20.2% | | | |
| Revenue breakdown by business segments | | | | | | | | | | |
| JD Retail | 241.6 | 211.9 | 258.9 | 212.4 | 252.3 | 212.1 | 210.6 | 0.7% | 212.5 | -0.2% |
| YoY growth (%) | 3.9% | 7.0% | 3.6% | -2.4% | 4.4% | 0.1% | -0.6% | | | |
| JD Logistics | 31.3 | 35.8 | 43.0 | 36.7 | 41.0 | 41.7 | 40.4 | | | |
| YoY growth (%) | 20.0% | 38.9% | 41.1% | 34.3% | 31.2% | 16.5% | 12.9% | | | |
| Dada | 2.3 | 2.4 | 2.7 | 2.6 | 2.8 | 2.9 | 2.9 | | | |
| YoY growth (%) | | | | 274.4% | 23.2% | 20.5% | 21.2% | | | |
| New businesses | 6.3 | 5.0 | 4.8 | 3.5 | 4.3 | 3.8 | 0.0 | | | |
| YoY growth (%) | - | - | -42.0% | -40.1% | - | - | -100.0% | | | |
| Intersegment elimination | -13.8 | -11.5 | -13.9 | -11.7 | -13.5 | -12.7 | 0.0 | | | |
| Total revenue | 267.6 | 243.5 | 295.4 | 243.0 | 287.9 | 247.7 | 245.9 | 0.7% | 246.6 | 0.5% |
| YoY growth (%) | 5.4% | 11.4% | 7.1% | 1.4% | 7.6% | 1.7% | 1.0% | | | |
| Gross profit | 35.9 | 36.2 | 41.5 | 36.0 | 41.4 | 38.8 | 38.7 | 0.1% | 37.7 | 2.9% |
| Operating profit | 3.8 | 8.7 | 4.8 | 6.4 | 8.3 | 9.3 | 9.5 | -2.3% | 9.0 | 3.1% |
| JD Retail operating profit | 8.2 | 10.9 | 7.9 | 9.8 | 8.1 | 11.0 | 9.7 | 13.6% | 9.8 | 12.8% |
| New businesses (ex. gain on sale of property) | (2.0) | (1.0) | (1.3) | (0.6) | 0.1 | (0.1) | 0.0 | | | |
| Non-GAAP net profit | 6.5 | 10.0 | 7.7 | 7.6 | 8.6 | 10.6 | 8.8 | 21.4% | 9.2 | 15.1% |
| YoY growth (%) | 40.3% | 98.9% | 114.8% | 88.3% | 31.9% | 5.9% | -12.7% | | | |
| Margin profile | | | | | | | | | | |
| GPM (%) | 13.4% | 14.9% | 14.1% | 14.8% | 14.4% | 15.6% | 15.7% | -0.1 ppt | 15.3% | 0.4 ppt |
| OPM (%) | 1.4% | 3.6% | 1.6% | 2.6% | 2.9% | 3.8% | 3.9% | -0.1 ppt | 3.7% | 0.1 ppt |
| JD Retail | 3.4% | 5.2% | 3.0% | 4.6% | 3.2% | 5.2% | 4.6% | 0.6 ppt | 4.6% | 0.6 ppt |
| Adjusted NPM (%) | 2.4% | 4.1% | 2.6% | 3.1% | 3.0% | 4.3% | 3.6% | 0.7 ppt | 3.7% | 0.5 ppt |

Source: Bloomberg, Company data, CMBIGM

Figure 2: JD: forecast revision

| RMB bn | Current | | | Previous | | | Change (%) | | |
|---------------------|---------|---------|---------|----------|---------|---------|------------|----------|----------|
| | 2023E | 2024E | 2025E | 2023E | 2024E | 2025E | 2023E | 2024E | 2025E |
| Revenue | 1,078.1 | 1,163.2 | 1,237.4 | 1,075.3 | 1,148.7 | 1,211.1 | 0.3% | 1.3% | 2.2% |
| Gross Profit | 160.5 | 176.9 | 191.8 | 160.6 | 176.1 | 188.6 | 0.0% | 0.5% | 1.7% |
| Non-GAAP net profit | 34.2 | 37.9 | 43.6 | 32.6 | 35.4 | 41.3 | 4.9% | 7.0% | 5.6% |
| Gross Margin | 14.9% | 15.2% | 15.5% | 14.9% | 15.3% | 15.6% | 0.0 ppt | -0.1 ppt | -0.1 ppt |
| Non-GAAP net margin | 3.2% | 3.3% | 3.5% | 3.0% | 3.1% | 3.4% | 0.1 ppt | 0.2 ppt | 0.1 ppt |

Source: CMBIGM estimates

Figure 3: CMBIGM estimates vs consensus

| RMB bn | Current | | | Consensus | | | Diff (%) | | |
|---------------------|---------|---------|---------|-----------|---------|---------|----------|---------|---------|
| | 2023E | 2024E | 2025E | 2023E | 2024E | 2025E | 2023E | 2024E | 2025E |
| Revenue | 1,078.1 | 1,163.2 | 1,237.4 | 1,079.8 | 1,167.2 | 1,257.8 | -0.2% | -0.3% | -1.6% |
| Gross Profit | 160.5 | 176.9 | 191.8 | 159.1 | 174.5 | 190.7 | 0.9% | 1.4% | 0.6% |
| Non-GAAP net profit | 34.2 | 37.9 | 43.6 | 32.4 | 36.9 | 42.7 | 5.5% | 2.5% | 2.1% |
| Gross Margin | 14.9% | 15.2% | 15.5% | 14.7% | 14.9% | 15.2% | 0.2 ppt | 0.3 ppt | 0.3 ppt |
| Non-GAAP net margin | 3.2% | 3.3% | 3.5% | 3.0% | 3.2% | 3.4% | 0.2 ppt | 0.1 ppt | 0.1 ppt |

Source: Bloomberg, CMBIGM estimates

DCF-based target price of US\$57.5

Our target price is US\$57.5, based on DCF valuation methodology (WACC of 11.8% and terminal growth of 1.5%; both unchanged). Our target price translates into 19.2x 2023E PE and 17.4x 2024E PE (non-GAAP). Our previous DCF-based target price of US\$56.5 translates into 19x 2023E PE (non-GAAP).

Figure 4: JD: DCF valuation (WACC of 11.8% and terminal growth of 1.5%)

| (RMBbn) | 2023E | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E | 2030E |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|-------|
| Total revenue | 1,078 | 1,163 | 1,237 | 1,301 | 1,355 | 1,399 | 1,436 | 1,465 |
| NPV of FCF | 228 | 244 | | | | | | |
| Discounted terminal value | 289 | 323 | | | | | | |
| Total equity valuation | 596 | 670 | | | | | | |
| No. of shares (diluted, mn) | 1,591 | 1,591 | | | | | | |
| Valuation per share (USD) | 52.0 | 58.6 | | | | | | |
| TP per share (USD) | 57.5 | | | | | | | |

Source: Bloomberg, CMBIGM estimates

Note: 1) our target price is based on weighted average of 2-month target price in 2023E and 10-month target price in 2024E; 2) we fine-tuned exchange rate assumption from RMB:USD = 1:6.925 to RMB:USD = 1:7.2

Financial Summary

| INCOME STATEMENT | 2020A | 2021A | 2022A | 2023E | 2024E | 2025E |
|--|-----------|-----------|-----------|-----------|-----------|-------------|
| YE 31 Dec (RMB mn) | | | | | | |
| Revenue | 745,802 | 951,592 | 1,046,236 | 1,078,078 | 1,163,242 | 1,237,389 |
| Cost of goods sold | (636,694) | (822,525) | (899,163) | (917,561) | (986,306) | (1,045,608) |
| Gross profit | 109,108 | 129,067 | 147,073 | 160,517 | 176,936 | 191,782 |
| Operating expenses | (96,766) | (124,926) | (127,350) | (131,485) | (140,054) | (147,126) |
| Selling expense | (27,156) | (38,743) | (37,772) | (40,428) | (42,458) | (44,546) |
| Admin expense | (6,409) | (11,562) | (11,053) | (10,781) | (11,632) | (12,374) |
| R&D expense | (16,149) | (16,332) | (16,893) | (16,279) | (16,983) | (17,447) |
| Others | (47,051) | (58,288) | (61,632) | (63,997) | (68,980) | (72,758) |
| Operating profit | 12,343 | 4,141 | 19,723 | 29,032 | 36,882 | 44,656 |
| Other gains/(losses) | 32,556 | (590) | (1,555) | 0 | 0 | 0 |
| Share of (losses)/profits of associates/JV | 4,291 | (4,918) | (2,195) | 513 | 0 | 0 |
| EBIT | 49,191 | (1,367) | 15,973 | 29,545 | 36,882 | 44,656 |
| Interest income | 1,628 | (1,213) | (2,106) | (2,505) | (2,710) | (2,457) |
| Pre-tax profit | 50,819 | (2,581) | 13,867 | 27,040 | 34,172 | 42,199 |
| Income tax | 1,482 | 1,887 | 4,176 | 7,689 | 8,214 | 9,544 |
| After tax profit | 49,337 | (4,467) | 9,691 | 19,351 | 25,958 | 32,656 |
| Minority interest | (75) | (924) | (697) | 567 | 567 | 567 |
| Discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | (7) | (16) | (8) | 0 | 0 | 0 |
| Net profit | 49,405 | (3,560) | 10,380 | 18,784 | 25,391 | 32,089 |
| Adjusted net profit | 16,828 | 17,207 | 28,220 | 34,197 | 37,866 | 43,625 |

| BALANCE SHEET | 2020A | 2021A | 2022A | 2023E | 2024E | 2025E |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| YE 31 Dec (RMB mn) | | | | | | |
| Current assets | 234,801 | 299,672 | 351,074 | 371,092 | 404,899 | 449,099 |
| Cash & equivalents | 86,085 | 70,767 | 78,861 | 95,443 | 121,253 | 158,543 |
| Restricted cash | 4,434 | 5,926 | 6,254 | 6,254 | 6,254 | 6,254 |
| Account receivables | 7,112 | 11,900 | 20,576 | 23,629 | 25,496 | 27,121 |
| Inventories | 58,933 | 75,601 | 77,949 | 78,346 | 84,216 | 89,279 |
| Prepayment | 7,077 | 11,456 | 15,156 | 15,156 | 15,156 | 15,156 |
| Other current assets | 71,161 | 124,023 | 152,278 | 152,265 | 152,524 | 152,746 |
| Non-current assets | 187,487 | 196,835 | 244,176 | 244,717 | 255,252 | 264,505 |
| PP&E | 22,597 | 32,944 | 55,080 | 55,621 | 66,156 | 75,409 |
| Right-of-use assets | 15,484 | 19,987 | 22,267 | 22,267 | 22,267 | 22,267 |
| Deferred income tax | 533 | 1,111 | 1,536 | 1,536 | 1,536 | 1,536 |
| Investment in JVs & assos | 58,501 | 63,222 | 57,641 | 57,641 | 57,641 | 57,641 |
| Intangibles | 6,463 | 5,837 | 9,139 | 9,139 | 9,139 | 9,139 |
| Goodwill | 10,904 | 12,433 | 23,123 | 23,123 | 23,123 | 23,123 |
| Other non-current assets | 73,005 | 61,300 | 75,390 | 75,390 | 75,390 | 75,390 |
| Total assets | 422,288 | 496,507 | 595,250 | 615,810 | 660,151 | 713,604 |
| Current liabilities | 174,017 | 221,636 | 266,561 | 259,207 | 267,567 | 277,530 |
| Short-term borrowings | 0 | 4,368 | 12,146 | 12,146 | 12,146 | 12,146 |
| Account payables | 106,818 | 140,484 | 160,607 | 153,346 | 159,430 | 167,440 |
| Tax payable | 3,029 | 2,568 | 5,926 | 5,926 | 5,926 | 5,926 |
| Other current liabilities | 28,621 | 33,083 | 37,624 | 37,531 | 39,807 | 41,760 |
| Lease liabilities | 5,514 | 6,665 | 7,688 | 7,688 | 7,688 | 7,688 |
| Accrued expenses | 30,035 | 34,469 | 42,570 | 42,570 | 42,570 | 42,570 |
| Non-current liabilities | 26,652 | 28,087 | 54,566 | 65,427 | 66,724 | 68,291 |
| Long-term borrowings | 12,531 | 9,386 | 10,224 | 21,085 | 22,382 | 23,949 |
| Deferred income | 1,618 | 1,297 | 1,107 | 1,107 | 1,107 | 1,107 |
| Other non-current liabilities | 12,503 | 17,404 | 43,235 | 43,235 | 43,235 | 43,235 |
| Total liabilities | 200,669 | 249,723 | 321,127 | 324,634 | 334,291 | 345,821 |
| Share capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital surplus | 153,357 | 208,912 | 213,366 | 211,634 | 220,928 | 230,762 |
| Retained earnings | 37,418 | 0 | 0 | 18,784 | 44,175 | 76,263 |
| Other reserves | 13,900 | 1,212 | 590 | 590 | 590 | 590 |
| Total shareholders equity | 204,677 | 210,124 | 213,956 | 231,008 | 265,693 | 307,615 |
| Minority interest | 16,943 | 36,661 | 60,167 | 60,167 | 60,167 | 60,167 |
| Total equity and liabilities | 422,288 | 496,507 | 595,250 | 615,810 | 660,151 | 713,604 |

| CASH FLOW | 2020A | 2021A | 2022A | 2023E | 2024E | 2025E |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| YE 31 Dec (RMB mn) | | | | | | |
| Operating | | | | | | |
| Profit before taxation | 50,819 | (2,581) | 13,867 | 27,040 | 34,172 | 42,199 |
| Depreciation & amortization | 6,068 | 6,232 | 7,236 | 5,253 | 5,750 | 6,215 |
| Tax paid | (1,482) | (1,887) | (4,176) | (7,689) | (8,214) | (9,544) |
| Change in working capital | 18,678 | 18,948 | 22,119 | (10,791) | 365 | 3,052 |
| Others | (31,539) | 21,588 | 18,773 | 8,077 | 8,727 | 9,267 |
| Net cash from operations | 42,544 | 42,301 | 57,819 | 21,891 | 40,800 | 51,190 |
| Investing | | | | | | |
| Capital expenditure | (9,340) | (19,057) | (38,165) | (16,171) | (16,285) | (15,467) |
| Acquisition of subsidiaries/ investments | (78,807) | (181,916) | (184,792) | 0 | 0 | 0 |
| Net proceeds from disposal of short-term investments | 35,379 | 126,934 | 171,853 | 0 | 0 | 0 |
| Others | (5,042) | (209) | (2,922) | 0 | 0 | 0 |
| Net cash from investing | (57,811) | (74,248) | (54,026) | (16,171) | (16,285) | (15,467) |
| Financing | | | | | | |
| Net borrowings | 4,784 | (2,975) | 7,027 | 10,861 | 1,296 | 1,567 |
| Proceeds from share issues | 66,288 | 22,478 | (5,847) | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 | 0 | 0 |
| Net cash from financing | 71,072 | 19,503 | 1,180 | 10,861 | 1,296 | 1,567 |
| Net change in cash | | | | | | |
| Cash at the beginning of the year | 39,912 | 90,519 | 76,693 | 85,115 | 101,697 | 127,507 |
| Exchange difference | (5,198) | (1,382) | 3,449 | 0 | 0 | 0 |
| Cash at the end of the year | 90,519 | 76,693 | 85,115 | 101,697 | 127,507 | 164,797 |
| GROWTH | 2020A | 2021A | 2022A | 2023E | 2024E | 2025E |
| YE 31 Dec | | | | | | |
| Revenue | 29.3% | 27.6% | 9.9% | 3.0% | 7.9% | 6.4% |
| Gross profit | 29.2% | 18.3% | 14.0% | 9.1% | 10.2% | 8.4% |
| Operating profit | 37.2% | (66.5%) | 376.3% | 47.2% | 27.0% | 21.1% |
| EBIT | 289.4% | na | na | 85.0% | 24.8% | 21.1% |
| Net profit | 305.5% | na | na | 81.0% | 35.2% | 26.4% |
| Adj. net profit | 56.5% | 2.3% | 64.0% | 21.2% | 10.7% | 15.2% |
| PROFITABILITY | 2020A | 2021A | 2022A | 2023E | 2024E | 2025E |
| YE 31 Dec | | | | | | |
| Gross profit margin | 14.6% | 13.6% | 14.1% | 14.9% | 15.2% | 15.5% |
| Operating margin | 1.7% | 0.4% | 1.9% | 2.7% | 3.2% | 3.6% |
| Adj. net profit margin | 2.3% | 1.8% | 2.7% | 3.2% | 3.3% | 3.5% |
| Return on equity (ROE) | 32.7% | (1.7%) | 4.9% | 8.4% | 10.2% | 11.2% |
| GEARING/LIQUIDITY/ACTIVITIES | 2020A | 2021A | 2022A | 2023E | 2024E | 2025E |
| YE 31 Dec | | | | | | |
| Net debt to equity (x) | (0.4) | (0.3) | (0.3) | (0.3) | (0.3) | (0.4) |
| Current ratio (x) | 1.3 | 1.4 | 1.3 | 1.4 | 1.5 | 1.6 |
| Receivable turnover days | 3.3 | 3.6 | 5.7 | 7.5 | 7.7 | 7.8 |
| Inventory turnover days | (33.5) | (29.9) | (31.2) | (31.1) | (30.1) | (30.3) |
| Payable turnover days | (56.5) | (54.9) | (61.1) | (62.4) | (57.9) | (57.1) |
| VALUATION | 2020A | 2021A | 2022A | 2023E | 2024E | 2025E |
| YE 31 Dec | | | | | | |
| P/E | 12.8 | na | 59.3 | 16.2 | 12.0 | 9.5 |
| P/E (diluted) | 13.1 | na | 60.4 | 16.5 | 12.2 | 9.7 |
| P/B | 3.1 | 3.8 | 2.9 | 1.3 | 1.1 | 1.0 |

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

Disclosures & Disclaimers

Analyst Certification

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