27 Aug 2026

CMB International Global Markets | Equity Research | Company Update

Sinotruk (Hong Kong) (3808 HK)

1H26 net profit +26% YoY, above expectation; Dividend payout raised

Driven by strong HDT export sales growth, Sinotruk's 1H26 net profit grew 26% YoY to RMB4.3bn which is better than our expectation. Sinotruk proposed an interim dividend of HK$1.18/share, equivalent to 65% of dividend payout (up from 57% in the full year of 2025)**.** We are staying positive on Sinotruk's global penetration. Our TP is unchanged at HK$46, based on 8.4x 2026E EV/EBITDA, equivalent to the historical average +1.5SD in order to reflect the export growth potential. Sinotruk will host a post-results call at 4:00p.m. today (HKT).

- **HDT:** Sinotruk delivered 194k units of HDTs in 1H26, up 42% YoY (China: 85k units, +26%; Exports: 108k units, +57%). New energy HDT grew 1.4x YoY. Segment profit increased 20% YoY to RMB4.9bn, with the segment margin expanding 1.96ppts YoY to 6.7%.
- **LDT:** Sales volume was flat YoY at 62.6k units in 1H26. Segment loss substantially reduced by 82% YoY to RMB32mn.

Key financials in 1H26

(RMB mn)	1H25	1H26	*Chg (YoY)*
Revenue	**50,878**	**70,841**	***39.2%***
Cost of sales	-43,216	-61,009	*41.2%*
Gross profit	7,662	9,833	*28.3%*
Other gains and losses (net)	609	558	*-8.3%*
S&D expenses	-1,742	-2,459	*41.2%*
Administrative expenses	-2,366	-2,304	*-2.6%*
Net impairment losses of financial assets	18	100	*466.0%*
EBIT	**4,121**	**5,079**	***23.3%***
D&A	958	822	*-14.2%*
EBITDA	**5,079**	**5,901**	***16.2%***
Net finance cost	202	338	*67.0%*
Finance income	248	369	*48.8%*
Finance expenses	(45)	(31)	*-32.2%*
Share of profit of JV and associates	47	128	*174.5%*
Pretax profit	**4,370**	**5,545**	***26.9%***
Income tax	(650)	(780)	*20.0%*
After tax profit	**3,720**	**4,765**	***28.1%***
MI	(293)	(440)	*50.2%*
Net profit	**3,427**	**4,325**	***26.2%***

Source: Company data, CMBIGM

Earnings Summary

(YE 31 Dec)	FY24A	FY25A	FY26E	FY27E	FY28E
Revenue (RMB mn)	95,062	109,541	126,827	141,089	152,556
YoY growth (%)	11.8	15.2	15.8	11.2	8.1
Net profit (RMB mn)	5,858.4	7,019.3	8,098.7	8,979.7	9,821.9
EPS (Reported) (RMB)	2.14	2.57	2.93	3.25	3.56
YoY growth (%)	10.9	20.2	14.3	10.9	9.3
Consensus EPS (RMB)	na	na	3.03	3.51	3.93
P/E (x)	15.9	13.3	11.6	10.5	9.6
P/B (x)	2.3	2.1	1.9	1.8	1.6
Yield (%)	3.4	4.3	4.9	5.4	6.0
ROE (%)	14.4	16.3	17.2	17.5	17.7
Net gearing (%)	(32.5)	(55.6)	(60.4)	(64.4)	(72.0)

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price	**HK$46.00**
Up/Downside	**15.9%**
Current Price	**HK$39.70**

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Stock Data

Mkt Cap (HK$ mn)	109,611.7
Avg 3 mths t/o (HK$ mn)	414.5
52w High/Low (HK$)	47.56/20.58
Total Issued Shares (mn)	2761.0

Source: FactSet

Shareholding Structure

CNHTC	51.0%
MAN SE	25.0%

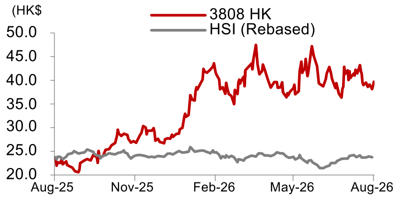
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	-4.0%	-6.6%
3-mth	3.5%	3.3%
6-mth	-4.6%	-1.9%

Source: FactSet

12-mth Price Performance



Source: FactSet

Related reports:
Sinotruk - Export growth outlook more extensive and sustainable; U/G to BUY – 29 Mar 2026 (link)

Figure 1: Sales volume breakdown in 1H26

	2024	2025	Chg (YoY)	1H25	1H26	Chg (YoY)
Sales volume (unit)						
Truck	**343,960**	**415,276**	***20.7%***	**199,330**	**256,252**	***28.6%***
HDT	**243,418**	**292,140**	***20.0%***	**136,514**	**193,644**	***41.8%***
China	109,380	138,772	*26.9%*	67,529	85,293	*26.3%*
Export	134,038	153,368	*14.4%*	68,985	108,351	*57.1%*
LDT	100,542	123,136	*22.5%*	62,816	62,608	*-0.3%*
Total	**343,960**	**415,276**	***20.7%***	**199,330**	**256,252**	***28.6%***

Source: Company data, CMBIGM

Figure 2: 1H26 segment results breakdown

(RMB mn)	2024	2025	Chg (YoY)	1H25	1H26	Chg (YoY)
Segment revenue						
Truck	96,596	111,729	*15.7%*	52,088	72,357	*38.9%*
HDT	85,435	97,179	*13.7%*	44,836	64,800	*44.5%*
LDT	11,162	14,550	*30.4%*	7,252	7,556	*4.2%*
Finance	617	744	*20.5%*	343	515	*50.3%*
Intersegment sales	(2,152)	(2,932)	*36.2%*	(1,553)	(2,030)	*30.8%*
Total	**95,062**	**109,541**	***15.2%***	**50,878**	**70,841**	***39.2%***
Segment operating profit						
Truck	7,185	7,899	*9.9%*	3,905	4,872	*24.8%*
HDT	7,401	8,114	*9.6%*	4,079	4,903	*20.2%*
LDT	(215)	(215)	*-0.2%*	(174)	(32)	*-81.8%*
Finance	122	191	*56.3%*	102	152	*49.6%*
Intersegment sales	202	52	*-74.5%*	118	58	*-51.0%*
Total	**7,510**	**8,142**	***8.4%***	**4,125**	**5,082**	***23.2%***
Segment operating margin			***Chg (ppt)***			***Chg (ppt)***
Truck	7.4%	7.1%	*(0.37)*	4.8%	6.7%	*1.96*
HDT	8.7%	8.3%	*(0.31)*	6.0%	7.6%	*1.62*
LDT	-1.9%	-1.5%	*0.45*	-2.4%	-0.4%	*1.97*
Finance	19.8%	25.7%	*5.89*	49.8%	29.6%	*(20.19)*
Average	**7.9%**	**7.4%**	***(0.47)***	**8.1%**	**7.2%**	***(0.93)***

Source: Company data, CMBIGM
Note: Numbers restated in blue (engine revenue included in HDT segment)

Figure 3: Share award scheme (performance target vs actual results)

	2024	2025	2026
Performance target for revenue (RMB mn)			
Revenue target	94,800	109,100	125,500
Change (YoY)	-	15%	15%
Actual revenue	95,062	109,541	-
Change (YoY)	-	15%	-
Actual vs target	0.3%	0.4%	-
Performance sales profit margin			
Target	7.5%	8.0%	8.5%
Actual	8.2%	8.1%	-

Source: Company data, CMBIGM
Note: Sales profit margin = pre-tax profit (excluding share-based expense) / revenue

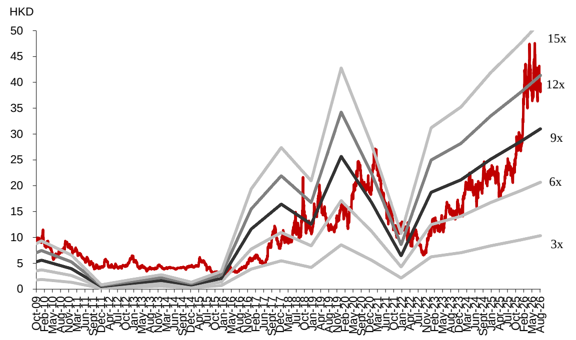
Figure 4: Key assumptions

	2025	2026E	2027E	2028E
Sales volume (unit)				
Truck	**415,276**	**480,604**	**530,184**	**573,274**
HDT	292,140	335,303	367,447	397,519
China	138,772	151,261	155,799	160,473
Export	153,368	184,042	211,648	237,046
LDT	123,136	145,300	162,737	175,755
Growth (YoY)				
Truck	21%	16%	10%	8%
HDT	20%	15%	10%	8%
China	27%	9%	3%	3%
Export	14%	20%	15%	12%
LDT	22%	18%	12%	8%
ASP (RMB/unit)				
Truck	269,047	269,697	272,319	272,552
HDT	332,645	335,000	340,000	340,000
LDT	118,161	119,000	119,500	120,000

	2025	2026E	2027E	2028E
(RMB mn)				
Segment revenue				
Truck	111,729	129,617	144,379	156,247
HDT	97,179	112,327	124,932	135,156
LDT	14,550	17,291	19,447	21,091
Finance	744	595	476	381
Intersegment sales	(2,932)	(3,386)	(3,766)	(4,072)
Total	109,541	126,827	141,089	152,556
Segment operating profit				
Truck	7,899	9,461	10,705	11,801
HDT	8,114	9,548	10,744	11,759
LDT	(215)	(86)	(39)	42
Finance	191	152	121	97
Intersegment sales	52	51	56	61
Total	8,142	9,664	10,883	11,959
Segment operating margin				
Truck	7.1%	7.3%	7.4%	7.6%
HDT	8.3%	8.5%	8.6%	8.7%
LDT	-1.5%	-0.5%	-0.2%	0.2%
Finance	25.7%	25.5%	25.5%	25.5%
Average	**7.4%**	**7.6%**	**7.7%**	**7.8%**

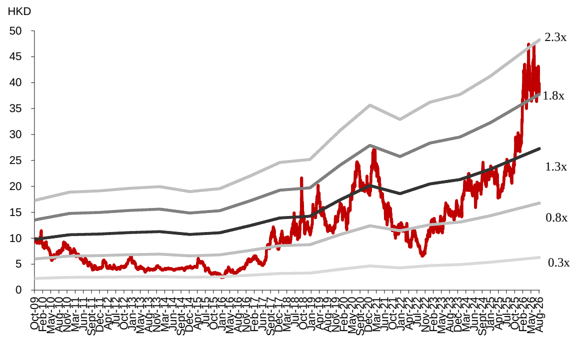
Source: Company data, CMBIGM estimates

Figure 5: Sinotruk's P/E band



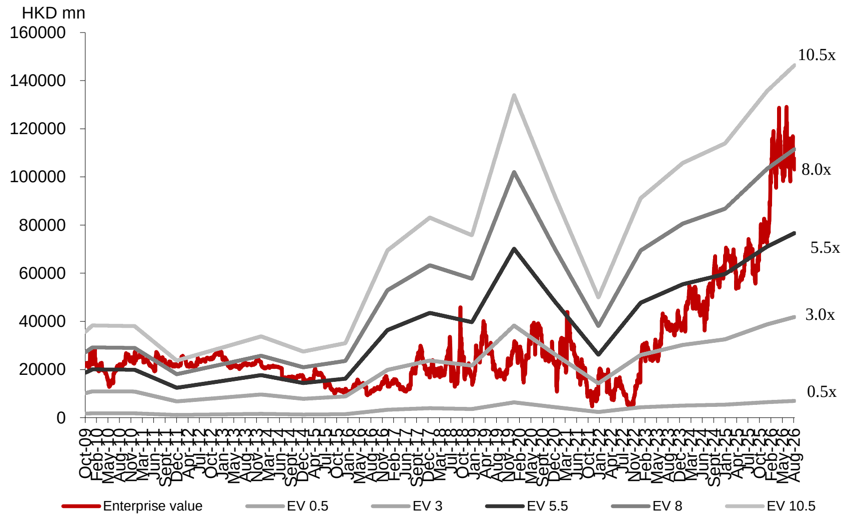
Source: Bloomberg, company data, CMBIGM estimates

Figure 6: Sinotruk's P/B band



Source: Bloomberg, company data, CMBIGM estimates

Figure 7: Sinotruk's EV/EBITDA band



Source: Bloomberg, company data, CMBIGM estimates

Key risks: (1) Slowdown of overseas expansion; (2) high base of HDT sales in China.

Financial Summary

INCOME STATEMENT	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Revenue	**85,041**	**95,062**	**109,541**	**126,827**	**141,089**	**152,556**
Cost of goods sold	(71,263)	(80,196)	(93,022)	(107,169)	(119,220)	(128,909)
Gross profit	**13,778**	**14,865**	**16,519**	**19,658**	**21,869**	**23,646**
Operating expenses	**(7,291)**	**(7,407)**	**(8,382)**	**(9,999)**	**(10,991)**	**(11,693)**
Operating profit	**6,487**	**7,458**	**8,137**	**9,659**	**10,877**	**11,953**
Share of (losses)/profits of associates/JV	111	130	175	262	274	286
EBITDA	**7,961**	**9,159**	**9,951**	**11,533**	**12,811**	**13,947**
Depreciation	1,474	1,701	1,814	1,874	1,934	1,994
Interest income	314	331	608	591	564	567
Interest expense	(29)	(139)	(102)	(99)	(101)	(103)
Net Interest income/(expense)	**284**	**193**	**506**	**492**	**463**	**465**
Pre-tax profit	**6,883**	**7,780**	**8,818**	**10,413**	**11,614**	**12,703**
Income tax	(1,056)	(1,092)	(1,153)	(1,562)	(1,800)	(1,969)
After tax profit	**5,827**	**6,688**	**7,664**	**8,851**	**9,814**	**10,734**
Minority interest	(509)	(830)	(645)	(752)	(834)	(912)
Net profit	**5,318**	**5,858**	**7,019**	**8,099**	**8,980**	**9,822**

BALANCE SHEET	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Current assets	**87,067**	**90,427**	**104,024**	**108,978**	**124,889**	**130,824**
Cash & equivalents	17,474	14,556	24,501	29,226	33,977	41,358
Restricted cash	2,711	4,524	5,984	5,984	5,984	5,984
Account receivables	17,078	27,296	31,724	37,075	38,688	43,232
Inventories	13,338	11,640	22,233	17,111	26,658	20,668
Financial assets at FVTPL	10,522	10,146	1,725	1,725	1,725	1,725
Other current assets	8,924	5,176	12,504	12,504	12,504	12,504
Non-current assets	**34,719**	**39,350**	**49,104**	**48,966**	**48,778**	**48,539**
PP&E	15,823	15,424	14,518	14,180	13,783	13,325
Right-of-use assets	2,260	2,255	2,217	2,217	2,217	2,217
Investment in JVs & assos	2,018	1,572	5,133	5,359	5,595	5,840
Intangibles	152	131	123	97	70	43
Financial assets at FVTPL	0	0	0	0	0	0
Other non-current assets	14,466	19,968	27,113	27,113	27,113	27,113
Total assets	**121,785**	**129,777**	**153,129**	**157,945**	**173,667**	**179,364**
Current liabilities	**72,530**	**79,055**	**98,248**	**98,213**	**108,938**	**109,211**
Short-term borrowings	4,907	5,232	4,929	5,029	5,129	5,229
Account payables	46,624	53,072	69,947	69,812	80,438	80,611
Other current liabilities	20,999	20,751	23,371	23,371	23,371	23,371
Non-current liabilities	**1,295**	**1,570**	**1,667**	**1,667**	**1,667**	**1,667**
Long-term borrowings	142	466	536	536	536	536
Deferred income	643	611	680	680	680	680
Other non-current liabilities	510	493	451	451	451	451
Total liabilities	**73,825**	**80,625**	**99,915**	**99,880**	**110,605**	**110,878**
Total shareholders equity	**40,272**	**41,161**	**44,990**	**49,089**	**53,251**	**57,763**
Minority interest	7,688	7,992	8,224	8,976	9,810	10,723
Total equity and liabilities	**121,785**	**129,777**	**153,129**	**157,945**	**173,667**	**179,364**

CASH FLOW	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	**6,883**	**7,780**	**8,818**	**10,413**	**11,614**	**12,703**
Depreciation & amortization	1,474	1,701	1,814	1,874	1,934	1,994
Tax paid	(1,186)	(1,041)	(1,521)	(1,562)	(1,800)	(1,969)
Change in working capital	9,019	(3,490)	1,425	(363)	(534)	1,618
Others	(4,792)	5,275	(2,811)	(754)	(737)	(750)
Net cash from operations	**11,397**	**10,225**	**7,725**	**9,607**	**10,477**	**13,596**
Investing						
Capital expenditure	(2,430)	(2,106)	(859)	(1,500)	(1,500)	(1,500)
Others	(8,629)	(6,556)	3,084	618	592	597
Net cash from investing	**(11,059)**	**(8,662)**	**2,225**	**(882)**	**(908)**	**(903)**
Financing						
Dividend paid	(801)	(2,664)	(3,278)	(4,000)	(4,817)	(5,310)
Net borrowings	1,159	649	(233)	100	100	100
Proceeds from share issues	0	529	0	0	0	0
Others	(859)	(3,432)	(103)	(99)	(101)	(103)
Net cash from financing	**(500)**	**(4,919)**	**(3,613)**	**(3,999)**	**(4,818)**	**(5,313)**
Net change in cash						
Cash at the beginning of the year	15,262	17,474	14,556	24,501	29,226	33,977
Exchange difference	2,374	437	3,607	0	0	0
Cash at the end of the year	**17,474**	**14,556**	**24,501**	**29,226**	**33,977**	**41,358**

GROWTH	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Revenue	43.4%	11.8%	15.2%	15.8%	11.2%	8.1%
Gross profit	37.6%	7.9%	11.1%	19.0%	11.2%	8.1%
Operating profit	123.5%	15.0%	9.1%	18.7%	12.6%	9.9%
EBITDA	84.0%	15.1%	8.6%	15.9%	11.1%	8.9%
Net profit	196.0%	10.2%	19.8%	15.4%	10.9%	9.4%

PROFITABILITY	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Gross profit margin	16.2%	15.6%	15.1%	15.5%	15.5%	15.5%
Operating margin	7.6%	7.8%	7.4%	7.6%	7.7%	7.8%
EBITDA margin	9.4%	9.6%	9.1%	9.1%	9.1%	9.1%
Return on equity (ROE)	14.0%	14.4%	16.3%	17.2%	17.5%	17.7%

GEARING/LIQUIDITY/ACTIVITIES	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
Net debt to equity (x)	(0.4)	(0.3)	(0.6)	(0.6)	(0.6)	(0.7)
Current ratio (x)	1.2	1.1	1.1	1.1	1.1	1.2
Receivable turnover days	71.3	85.2	98.3	99.0	98.0	98.0
Inventory turnover days	68.7	56.8	66.5	67.0	67.0	67.0
Payable turnover days	204.5	226.9	241.4	238.0	230.0	228.0

VALUATION	2023A	2024A	2025A	2026E	2027E	2028E
YE 31 Dec						
P/E	17.7	15.9	13.3	11.6	10.5	9.6
P/B	2.3	2.3	2.1	1.9	1.8	1.6
Div yield (%)	2.8	3.4	4.3	4.9	5.4	6.0

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

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UNDERPERFORM	: Industry expected to underperform the relevant broad market benchmark over next 12 months

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