

Haier Smart Home (6690 HK)

Takeaway from the post result NDR

The slowdown in sales growth in 2Q24 was a small surprise, but the margin improvement was impressive, in our view. We are confident about the Company as the outlook in 2H24E is decent in both China and overseas, supported by factors like government subsidies, potential interest rate cut, new product launches and turnaround in margins in the EU, etc.. Maintain BUY and fine tune TP to HK\$ 31.58, based on 14x FY24E P/E. Current valuation of 11x FY24E P/E and 4% yield is not demanding vs 5-year average of 15x.

■ **The boost of the “old for new” trade in subsidies has already kicked in since Aug 2024.** In our view, the subsidies for home appliance imposed lately should be more favorable for high-end products and industry-leading brands (e.g. Haier and others). For example, in Hubei province during 10-27 Aug 2024, the YoY sales growth of home appliances was as high as 30%. And more high-end products, such as fridge/ washing machine priced at RMB 8,000+ and air-conditioner priced at RMB 4,000+ were rather hot selling, some Casarte has recorded 100%+ YoY growth. Noted that Haier has also provided extra subsidies (financed by the brand) for a number of key SKUs of Casarte brand, in order to stimulate more high-end demand from customers. We also believe market leaders like Haier can be more benefited (vs smaller brands), as 31 (out of all 33) local sales companies are already in talk with the local government about these potential subsidies programs, and 2,100 (out of 2,300) distributors across China will be entitled as well (about 91% of total, and this could be one of the highest among its peers). Based on the Company's estimates, around RMB 30bn of subsidies will be distributed in 2H24E (will roll out in a few more provinces in Sep 2024) and the multiplier effect was estimated to be at around 5x.

■ **No change in FY24E guidance.** For FY24E, Haier is still targeting MSD sales growth in China (Casarte brands could still deliver a 10%+ growth) and in overseas (US to have positive growth and ex-US overseas can have 10%+ growth). And in terms of categories, the Company is aiming for positive growth for fridge/ washing machines/ water heater and 10%+ growth for air-conditioner/ kitchen appliance.

■ **Maintain BUY and fine tune TP to HK\$ 31.58.** We fine-tuned FY24E/ 25E/ 26E net profit forecasts by +1%/ -1%/ -1%, in order to factor in slower-than-expected sales growth but better-than-expected operating leverage and efficiency gains in both China and the EU. Our new TP is still based on 14x FY24E P/E (unchanged). It is trading at 11x FY24E P/E, still far below its 5-year average of 15x.

Earnings Summary

(YE 31 Dec)	FY22A	FY23A	FY24E	FY25E	FY26E
Revenue (RMB mn)	243,485	261,422	273,704	291,487	307,244
YoY growth (%)	7.0	7.4	4.7	6.5	5.4
Operating profit (RMB mn)	16,377.0	18,589.0	21,957.5	24,547.0	26,482.2
Net profit (RMB mn)	14,732.0	16,732.0	19,609.4	22,040.4	23,916.3
EPS (Reported) (RMB)	1.57	1.78	2.05	2.30	2.50
YoY growth (%)	12.9	13.3	15.2	12.5	8.6
P/E (x)	13.9	12.3	10.7	9.5	8.7
P/B (x)	2.2	2.0	1.8	1.6	1.4
Yield (%)	2.6	3.6	4.4	5.3	5.7
ROE (%)	17.0	17.0	17.9	18.0	17.6

Source: Company data, Bloomberg, CMBIGM estimates

BUY (Maintain)

Target Price **HK\$31.58**
(Previous TP HK\$31.24)
Up/Downside **31.3%**
Current Price **HK\$24.05**

China Consumer Discretionary

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Stock Data

Mkt Cap (HK\$ mn)	226,986.7
Avg 3 mths t/o (HK\$ mn)	321.5
52w High/Low (HK\$)	31.75/20.55
Total Issued Shares (mn)	9438.1

Source: FactSet

Shareholding Structure

Haier Group Corp	18.8%
JP Morgan Investment Management	3.1%

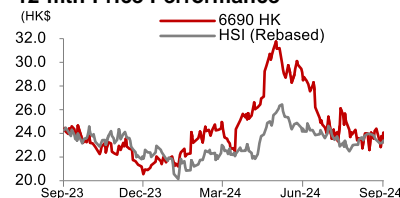
Source: HKEx

Share Performance

	Absolute	Relative
1-mth	0.8%	-0.3%
3-mth	-15.6%	-12.0%
6-mth	-1.6%	-3.3%

Source: FactSet

12-mth Price Performance



Source: FactSet

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- **We believe sales growth in 2H24E could be supported by:** 1) improved air-conditioners sales growth in Jul-Aug 2024, as the weather becomes hotter and hotter, 2) implementation of various government subsidies, 3) roll out of more next generation new products, 4) more reforms in terms of marketing, the Company will make more advertisements and promotions in new channels like Douyin/ XHS/ Meituan/ Amap, etc. in order to boost offline traffic, and 5) accelerated sales growth in the US, thanks to potential cut in interest rates and the improved property and consumer market sentiment.
- **And margin-wise, we are also confident on GP/ OP margin improvement in 2H24E, supported by:** 1) greater sales from the high-end products, 2) relatively stable freight rate costs (as Haier has signed a fixed contract with the shipping companies), 3) greater emphasis of star product sales, the economies of scale can lead to lower manufacturing costs, which can help offset the raw material prices inflation, 4) embankment of self-owned production of compressors for Haier's air-conditioners, 5) turnaround in the European market (more staff cuts in the near future), and 6) efficiency gains through more digitalization and upgrade of different factories.
- **1H24 results were roughly inline.** Haier's sales increased by 3% YoY to RMB 135.6 bn in 1H24, missing BBG est. by 3%, mainly due to weaker-than-expected sales in China (esp. for air-conditioner, fridge categories and Casarte) and in the US. During the same period, Haier's net profit jumped by 16% YoY to RMB 10.4bn, mainly thanks to slightly better-than-expected GP margin (in both China and the US), plus the OP margin in the EU region. Sales growth in China was at 2% while that in overseas was at 4% (-2%/ +7%/ +9%/ +10%/ +12%/ +2% for US/ EU/ ANZ/ South Asia/ SE Asia/ Japan) in 1H24.

Earnings revision

Figure 1: Earnings revision

RMB mn	New			Old			Diff (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	273,704	291,487	307,244	278,928	297,162	313,294	-1.9%	-1.9%	-1.9%
Gross profit	85,454	91,613	97,167	87,059	93,369	99,050	-1.8%	-1.9%	-1.9%
EBIT	21,957	24,547	26,482	21,472	24,264	26,201	2.3%	1.2%	1.1%
Net profit att.	19,336	21,749	23,609	19,127	21,849	23,733	1.1%	-0.5%	-0.5%
Diluted EPS (RMB)	2.049	2.304	2.501	2.027	2.315	2.515	1.1%	-0.5%	-0.5%
Gross margin	31.2%	31.4%	31.6%	31.2%	31.4%	31.6%	0ppt	0ppt	0ppt
EBIT margin	8.0%	8.4%	8.6%	7.7%	8.2%	8.4%	0.3ppt	0.3ppt	0.3ppt
Net profit att. margin	7.1%	7.5%	7.7%	6.9%	7.4%	7.6%	0.2ppt	0.1ppt	0.1ppt

Source: Company data, CMBIGM estimates

Figure 2: CMBIGM estimates vs consensus

RMB mn	CMBIGM			Consensus			Diff (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Revenue	273,704	291,487	307,244	276,524	293,982	313,773	-1.0%	-0.8%	-2.1%
Gross profit	85,454	91,613	97,167	87,036	92,825	99,388	-1.8%	-1.3%	-2.2%
EBIT	21,957	24,547	26,482	21,345	23,990	26,548	2.9%	2.3%	-0.2%
Net profit att.	19,336	21,749	23,609	19,125	21,582	24,026	1.1%	0.8%	-1.7%
Diluted EPS (RMB)	2.049	2.304	2.501	2.033	2.299	2.561	0.8%	0.2%	-2.3%
Gross margin	31.2%	31.4%	31.6%	31.5%	31.6%	31.7%	-0.3ppt	-0.1ppt	0ppt
EBIT margin	8.0%	8.4%	8.6%	7.7%	8.2%	8.5%	0.3ppt	0.3ppt	0.2ppt
Net profit att. margin	7.1%	7.5%	7.7%	6.9%	7.3%	7.7%	0.1ppt	0.1ppt	0ppt

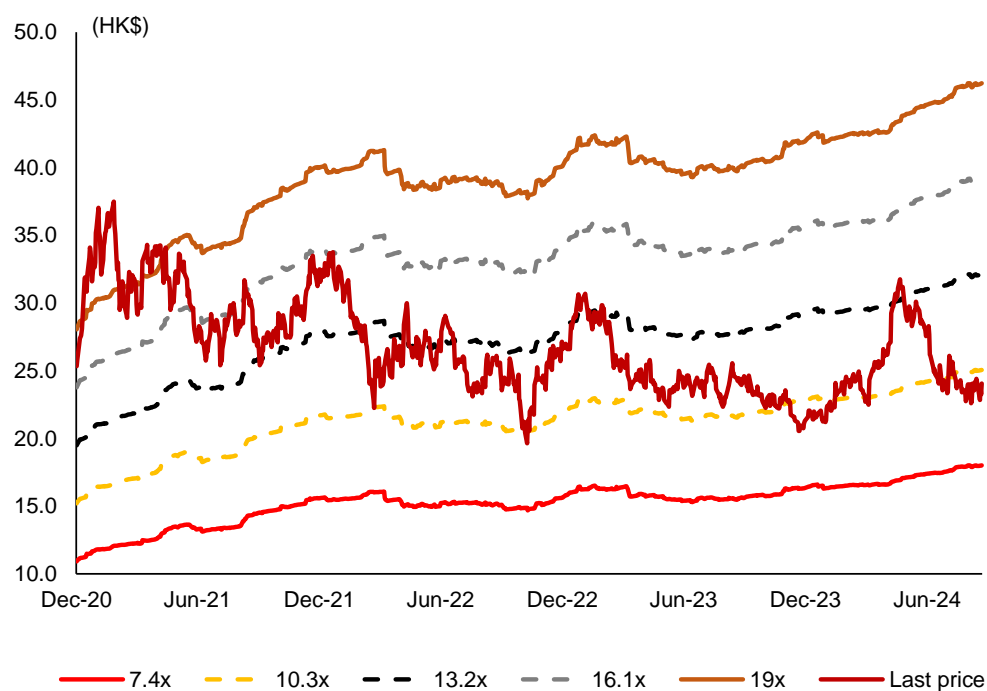
Source: Bloomberg, CMBIGM estimates

Valuation

Figure 3: 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\$mn)	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	31.58	24.05	31%	245,947	Dec-23	10.7	9.5	1.6	17.3	0.9	3.6	9.1
Gree Electronics	000651 CH	NR	n/a	39.24	n/a	242,951	Dec-23	7.1	6.6	1.6	23.5	1.0	6.7	22.0
Haier SH - A	600690 CH	NR	n/a	25.28	n/a	245,998	Dec-23	12.4	11.2	2.1	16.8	1.0	3.6	20.4
Hisense JA	921 HK	NR	n/a	20.70	n/a	34,412	Dec-23	7.7	6.7	1.7	22.7	0.5	6.5	22.8
Hisense HA	000921 CH	NR	n/a	24.45	n/a	34,419	Dec-23	10.0	8.6	2.2	22.0	0.7	4.7	19.9
Whirlpool China	600983 CH	NR	n/a	6.74	n/a	5,680	Dec-23	n/a	n/a	n/a	n/a	n/a	n/a	(24.2)
Zhejiang Aishida	002403 CH	NR	n/a	6.50	n/a	2,434	Dec-23	130.0	108.3	1.3	1.0	(0.9)	n/a	(24.1)
Bear Electric	002959 CH	NR	n/a	35.12	n/a	6,057	Dec-23	12.5	11.1	1.8	14.4	2.2	3.2	(32.4)
Ecovacs Robotics	603486 CH	NR	n/a	40.25	n/a	25,189	Dec-23	17.4	14.2	3.1	18.0	0.4	1.8	(2.9)
JS Global Lifestyle	1691 HK	BUY	1.84	1.50	23%	5,212	Dec-23	8.7	8.7	1.0	10.8	(1.1)	3.6	(3.2)
Joyoung Co	002242 CH	NR	n/a	8.78	n/a	7,404	Dec-23	15.6	13.8	1.8	11.6	1.4	2.8	(30.9)
Hangzhou Robam	002508 CH	NR	n/a	17.75	n/a	18,425	Dec-23	9.7	9.1	1.5	15.1	2.7	5.1	(16.5)
Zhejiang Supor	002032 CH	NR	n/a	52.22	n/a	46,019	Dec-23	18.0	16.5	6.2	35.0	2.3	4.7	(1.5)
Vatti Corporation	002035 CH	NR	n/a	6.04	n/a	5,629	Dec-23	8.5	7.5	1.3	15.0	0.4	5.8	(2.7)
Xinbao Electrica	002705 CH	NR	n/a	12.46	n/a	11,122	Dec-23	9.3	8.3	1.2	13.3	0.8	3.9	(14.5)
Avg.								19.3	16.7	2.1	17.2	0.9	4.4	(2.7)
Med.								10.7	9.5	1.7	16.8	0.9	4.3	(2.8)
International Home Appliances - White goods, Kitchen and Small Appliances														
Whirlpool Corp	WHR US	NR	n/a	99	n/a	42,207	Dec-23	8.5	7.9	1.6	19.7	0.5	7.1	(19.0)
Carrier Global	CARR US	NR	n/a	77	n/a	538,660	Dec-23	26.8	24.8	5.3	27.1	0.9	1.0	33.2
Ingersoll-Rand Plc	IR US	NR	n/a	91	n/a	286,443	Dec-23	27.3	25.3	3.6	13.3	1.0	0.1	17.7
Smith (A.O.) Corp	AOS US	NR	n/a	80	n/a	90,959	Dec-23	19.7	18.4	6.0	31.4	2.7	1.6	(3.0)
Helen Of Troy	HELE US	NR	n/a	58	n/a	10,323	Feb-24	7.8	7.1	0.8	10.0	0.9	n/a	(52.0)
Irobot Corp	IRBT US	NR	n/a	7	n/a	1,706	Dec-23	n/a	n/a	n/a	n/a	n/a	n/a	(81.3)
Electrolux Ab	ELUXB SS	NR	n/a	96	n/a	20,834	Dec-23	n/a	9.4	2.3	(0.6)	n/a	1.7	(11.2)
Seb Sa	SK FP	NR	n/a	93	n/a	44,534	Dec-23	11.1	9.8	1.5	13.7	0.7	3.1	(17.6)
Koninklijke Philips	PHIA NA	NR	n/a	28	n/a	226,119	Dec-23	18.4	16.2	2.2	7.0	(0.1)	3.0	36.5
Daikin Industries	6367 JP	NR	n/a	17275	n/a	280,446	Mar-24	18.9	16.9	1.8	9.9	2.2	1.8	(24.8)
Panasonic Corp	6752 JP	NR	n/a	1203	n/a	163,468	Mar-24	8.9	7.1	0.6	7.1	(43.6)	3.1	(13.9)
Sony Corp	6758 JP	NR	n/a	13105	n/a	906,278	Mar-24	15.9	14.9	1.9	12.8	2.2	0.7	(2.3)
Hitachi	6501 JP	NR	n/a	3431	n/a	881,073	Mar-24	24.0	20.0	2.7	11.2	1.5	1.1	68.7
Sharp Corp	6753 JP	NR	n/a	885	n/a	31,880	Mar-24	31.3	16.2	2.3	6.9	(0.2)	0.6	(12.0)
Fujitsu General	6755 JP	NR	n/a	1988	n/a	12,046	Mar-24	27.8	18.7	1.4	5.4	0.4	1.9	(14.2)
Lg Electronics	066570 KS	NR	n/a	104400	n/a	100,174	Dec-23	8.9	6.9	0.9	9.6	0.1	1.5	2.6
Samsung Elect.	005930 KS	NR	n/a	64400	n/a	2,254,176	Dec-23	11.2	8.1	1.1	10.1	0.2	2.3	(18.0)
Woongjin Coway	021240 KS	NR	n/a	66100	n/a	28,602	Dec-23	8.8	8.1	1.6	19.3	0.9	2.2	15.6
Avg.								17.2	13.9	2.2	12.6	(1.8)	2.1	(5.3)
Med.								17.1	14.9	1.8	10.1	0.8	1.7	(11.6)

Source: Bloomberg, CMBIGM estimates

Figure 4: Forward 12M P/E valuation band

Source: Bloomberg, CMBIGM estimates

Assumptions

Figure 5: CMBIGM's assumptions

RMB mn	FY21A	FY22A	FY23A	FY24E	FY25E	FY26E
Sales by segment (RMB mn)						
Mainland China						
Refrigerators/freezers	36,842	39,010	40,727	41,949	44,046	45,808
Kitchen appliances	3,013	3,114	3,394	3,734	4,032	4,274
Air-conditioners	27,409	28,384	32,358	35,594	40,221	43,438
Laundry appliances	25,917	27,076	26,534	27,331	28,424	29,561
Water appliances	12,479	13,542	14,219	14,930	15,826	16,775
Overseas	113,090	124,704	136,412	142,157	150,607	158,723
Other businesses	8,781	7,655	7,777	8,011	8,331	8,664
Total	227,531	243,485	261,422	273,704	291,487	307,244
Sales by segment growth (%)						
Mainland China						
Refrigerators/freezers	20.5%	5.9%	4.4%	3.0%	5.0%	4.0%
Kitchen appliances	14.3%	3.4%	9.0%	10.0%	8.0%	6.0%
Air-conditioners	25.4%	3.6%	14.0%	10.0%	13.0%	8.0%
Laundry appliances	15.3%	4.5%	-2.0%	3.0%	4.0%	4.0%
Water appliances	26.9%	8.5%	5.0%	5.0%	6.0%	6.0%
Overseas	13.0%	10.3%	9.4%	4.2%	5.9%	5.4%
Other businesses	-60.6%	-12.8%	1.6%	3.0%	4.0%	4.0%
Total	8.5%	7.0%	7.4%	4.7%	6.5%	5.4%
Sales by brand growth (%)						
Haier, Leader & others	0.6%	2.4%	4.0%	4.8%	6.6%	4.8%
Casarte	48.0%	15.0%	14.0%	8.0%	10.0%	9.0%
GEA	14.0%	6.5%	6.0%	2.0%	5.0%	5.0%
Candy	13.0%	9.0%	6.0%	8.0%	3.0%	3.0%
Others	10.9%	19.6%	17.6%	7.2%	8.5%	6.8%
Total	8.5%	7.0%	7.4%	4.7%	6.5%	5.4%
GP margin (%)	30.5%	30.6%	30.9%	31.2%	31.4%	31.6%
Costs breakdown						
Selling & distribution expenses	16.1%	15.9%	15.7%	15.4%	15.2%	15.2%
Admin expenses	8.9%	8.9%	8.9%	8.6%	8.6%	8.5%
Effective tax rate	17.0%	17.2%	15.1%	15.3%	15.3%	15.3%
NP margin (con. bus.)	5.8%	6.1%	6.4%	7.2%	7.6%	7.8%
NP growth (con. bus.)	16.7%	11.5%	13.6%	17.2%	12.4%	8.5%
NP att. margin	5.7%	6.0%	6.3%	7.1%	7.5%	7.7%
NP att. growth	47.2%	12.6%	12.8%	16.5%	12.5%	8.6%

Source: Company data, CMBIGM estimates

Financial Summary

INCOME STATEMENT	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (RMB mn)						
Revenue	227,531	243,485	261,422	273,704	291,487	307,244
Cost of goods sold	(158,059)	(168,919)	(180,719)	(188,251)	(199,874)	(210,077)
Gross profit	69,472	74,566	80,703	85,454	91,613	97,167
Operating expenses	(56,784)	(60,275)	(64,130)	(65,599)	(69,306)	(73,046)
Selling expense	(36,554)	(38,598)	(40,978)	(42,051)	(44,366)	(46,790)
Admin expense	(11,873)	(12,178)	(12,931)	(12,847)	(13,543)	(14,243)
R&D expense	(8,357)	(9,499)	(10,221)	(10,701)	(11,396)	(12,013)
Others	0	0	0	0	0	0
Operating profit	13,956	16,377	18,589	21,957	24,547	26,482
Other income	1,268	2,086	2,016	2,103	2,240	2,361
Share of (losses)/profits of associates/JV	0	0	0	0	0	0
EBITDA	18,295	21,309	23,917	25,507	28,097	30,032
Depreciation	(3,433)	(4,026)	(4,422)	(2,644)	(2,644)	(2,644)
Other amortisation	(906)	(906)	(906)	(906)	(906)	(906)
Interest income	788	826	1,447	1,525	1,684	1,856
Interest expense	(714)	(995)	(2,111)	(2,202)	(2,202)	(2,202)
Other income/expense	1,886	1,582	1,787	1,871	1,993	2,100
Pre-tax profit	15,916	17,790	19,712	23,152	26,022	28,236
Income tax	(2,699)	(3,058)	(2,980)	(3,542)	(3,981)	(4,320)
Minority interest	(150)	(21)	(135)	(274)	(291)	(307)
Net profit	13,217	14,732	16,732	19,609	22,040	23,916

BALANCE SHEET	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (RMB mn)						
Current assets	123,614	130,383	132,621	141,110	152,719	163,227
Cash & equivalents	44,958	53,369	53,977	59,137	65,769	71,888
Account receivables	27,986	25,494	28,890	30,247	32,213	33,954
Inventories	39,863	41,543	39,524	41,171	43,713	45,945
Prepayment	6,415	6,552	6,908	7,233	7,702	8,119
ST bank deposits	0	0	0	0	0	0
Other current assets	4,392	3,425	3,322	3,322	3,322	3,322
Non-current assets	93,846	105,460	120,759	128,581	137,078	146,171
PP&E	26,981	31,857	35,495	43,224	51,626	60,626
Investment in JVs & assos	0	0	0	0	0	0
Intangibles	8,498	9,135	9,101	8,195	7,288	6,382
Other non-current assets	58,367	64,468	76,163	77,163	78,163	79,163
Total assets	217,460	235,843	253,380	269,692	289,797	309,399
Current liabilities	124,926	118,747	120,083	124,256	130,574	136,134
Short-term borrowings	17,968	12,485	10,408	10,408	10,408	10,408
Account payables	67,368	66,975	69,278	72,165	76,621	80,532
Tax payable	1,305	1,703	1,556	1,556	1,556	1,556
Other current liabilities	38,285	37,584	38,841	40,127	41,989	43,638
Non-current liabilities	12,722	23,673	29,783	30,057	30,348	30,655
Long-term borrowings	3,075	13,627	17,988	17,988	17,988	17,988
Other non-current liabilities	9,647	10,046	11,795	12,069	12,360	12,667
Total liabilities	137,648	142,420	149,866	154,313	160,922	166,790
Share capital	9,399	9,447	9,438	9,438	9,438	9,438
Retained earnings	70,413	83,976	94,076	97,688	109,562	122,451
Other reserves	0	0	0	8,253	9,875	10,720
Total shareholders equity	79,812	93,423	103,514	115,379	128,875	142,609
Total equity and liabilities	217,460	235,843	253,380	269,692	289,797	309,399

CASH FLOW	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec (RMB mn)						
Operating						
Profit before taxation	15,916	17,790	19,712	23,152	26,022	28,236
Depreciation & amortization	4,339	4,932	5,328	3,550	3,550	3,550
Tax paid	(8,309)	(2,358)	(3,701)	(3,542)	(3,981)	(4,320)
Change in working capital	4,418	(2,969)	202	844	1,340	1,172
Others	6,765	2,758	3,721	2,202	2,202	2,202
Net cash from operations	23,130	20,153	25,262	26,205	29,132	30,840
Investing						
Capital expenditure	(7,372)	(8,204)	(9,907)	(10,372)	(11,046)	(11,643)
Acquisition of subsidiaries/ investments	0	0	0	0	0	0
Others	(695)	(716)	(7,178)	(1,000)	(1,000)	(1,000)
Net cash from investing	(8,067)	(8,920)	(17,085)	(11,372)	(12,046)	(12,643)
Financing						
Dividend paid	(3,411)	(4,297)	(5,254)	(7,471)	(8,253)	(9,875)
Net borrowings	(1,997)	3,677	1,535	0	0	0
Proceeds from share issues	0	940	0	0	0	0
Share repurchases	(3,221)	(2,012)	(1,802)	0	0	0
Others	(7,012)	(2,130)	(2,320)	(2,202)	(2,202)	(2,202)
Net cash from financing	(15,641)	(3,822)	(7,841)	(9,673)	(10,454)	(12,077)
Net change in cash						
Cash at the beginning of the year	45,635	44,958	53,369	53,977	59,137	65,769
Exchange difference	(99)	1,000	272	0	0	0
Others	(578)	7,411	336	5,160	6,632	6,119
Cash at the end of the year	44,958	53,369	53,977	59,137	65,769	71,888
GROWTH	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
Revenue	8.5%	7.0%	7.4%	4.7%	6.5%	5.4%
Gross profit	14.2%	7.3%	8.2%	5.9%	7.2%	6.1%
Operating profit	11.3%	17.3%	13.5%	18.1%	11.8%	7.9%
EBITDA	10.9%	16.5%	12.2%	6.6%	10.2%	6.9%
Net profit	16.7%	11.5%	13.6%	17.2%	12.4%	8.5%
PROFITABILITY	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
Gross profit margin	30.5%	30.6%	30.9%	31.2%	31.4%	31.6%
Operating margin	6.1%	6.7%	7.1%	8.0%	8.4%	8.6%
EBITDA margin	8.0%	8.8%	9.1%	9.3%	9.6%	9.8%
Return on equity (ROE)	18.0%	17.0%	17.0%	17.9%	18.0%	17.6%
GEARING/LIQUIDITY/ACTIVITIES	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
Current ratio (x)	1.0	1.1	1.1	1.1	1.2	1.2
Receivable turnover days	44.9	38.2	40.3	40.3	40.3	40.3
Inventory turnover days	92.1	89.8	79.8	79.8	79.8	79.8
Payable turnover days	155.6	144.7	139.9	139.9	139.9	139.9
VALUATION	2021A	2022A	2023A	2024E	2025E	2026E
YE 31 Dec						
P/E	15.7	13.9	12.3	10.7	9.5	8.7
P/E (diluted)	15.7	13.9	12.3	10.7	9.5	8.7
P/B	2.5	2.2	2.0	1.8	1.6	1.4
P/CFPS	8.9	10.2	8.1	7.9	7.1	6.7
Div yield (%)	2.2	2.6	3.6	4.4	5.3	5.7

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

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